



Polish
Economic
Institute

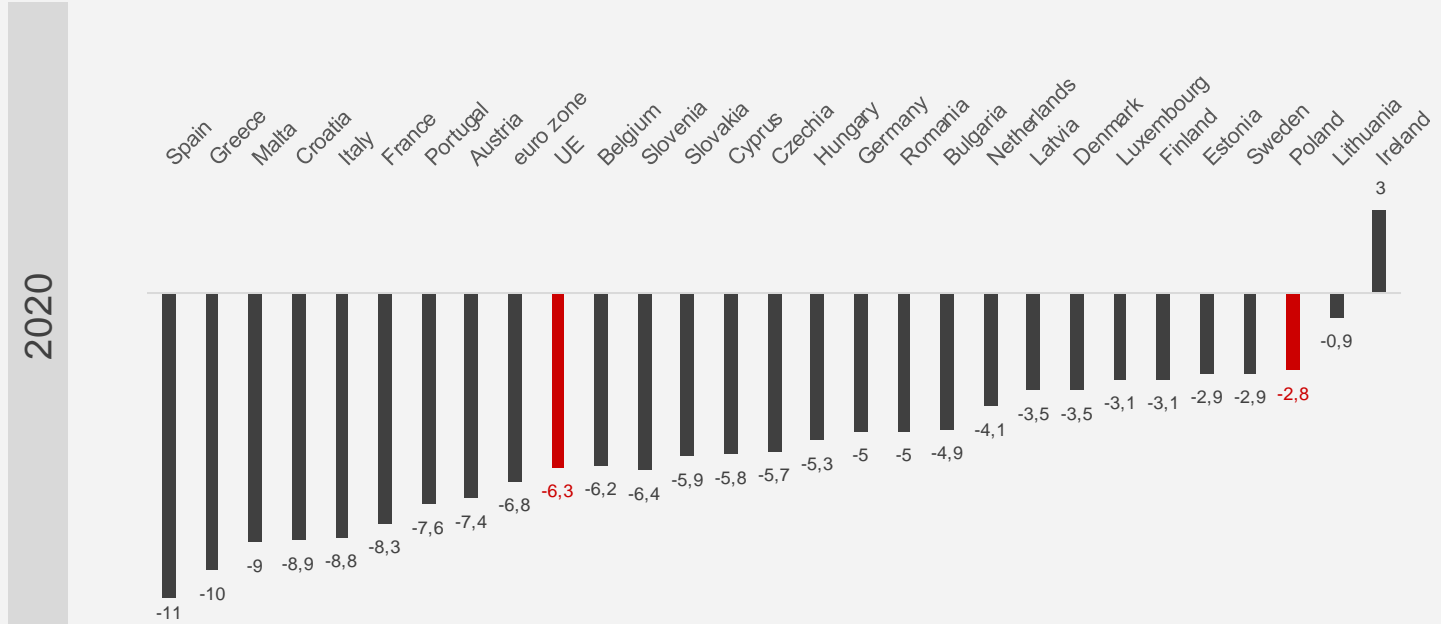
Why Poland? And Why now?

March 3rd. 2021

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The European Commission estimates that the decline in GDP in Poland (2.8%) will be the 3rd lowest among the European Union countries. Only Lithuania and Ireland achieved better results. In the case of the green island, however, we can talk about artificial accounting.

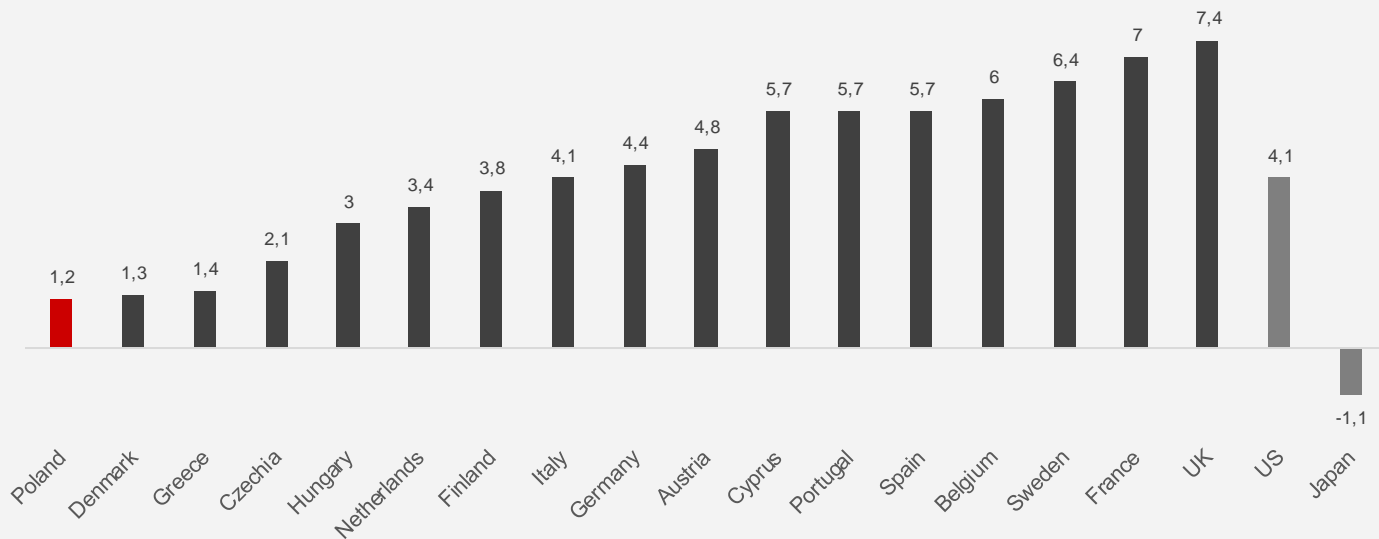
EC predicts Poland will have one of the mildest recession in EU28



Poland with lowest risks for public finances in EU

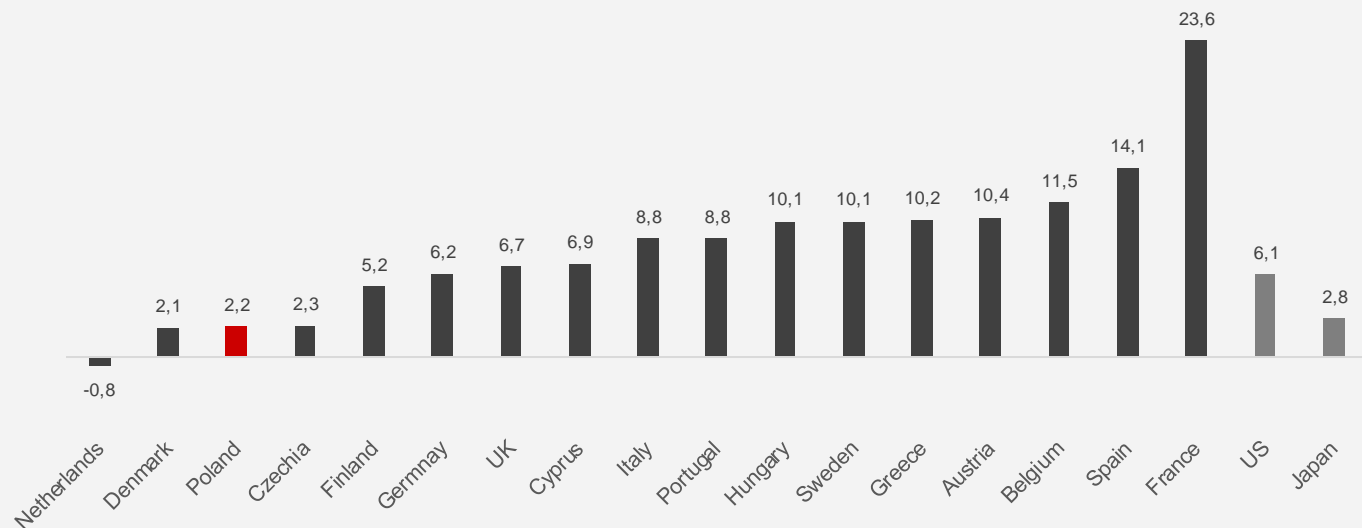
Country	Risk assessment		
	Shor-term	Medium-term	Long-term
Denmark. Estonia. Lithuania. Poland	low	low	low
Bulgaria. Czechia. Ireland. Malta. Germany. Sweden	low	low	medium
Austria. Netherlands. Hungary	low	medium	medium
Luxembourg	low	low	high
Latvia	high	low	low
Slovenia	low	high	high
Croatia. Cyprus. Finland	high	medium	medium
Spain. France. Portugal. Italy	high	high	medium
Belgium. Romania. Slovakia	high	high	high

Growth in household debt in Europe between Q4 2019 and Q4 2020 (pp. GDP)

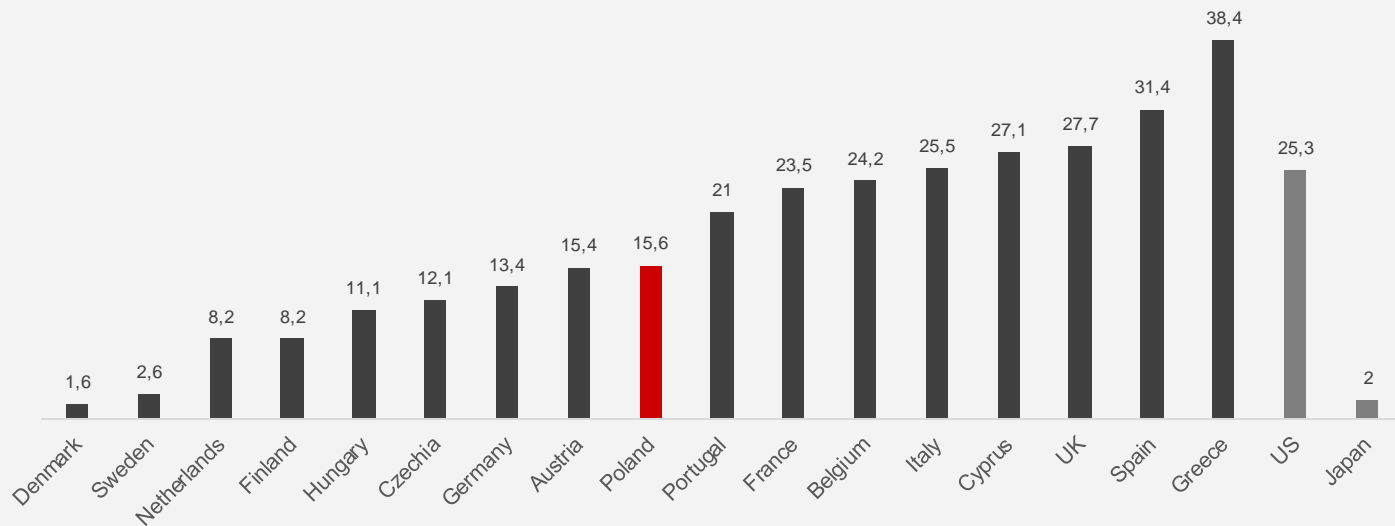


Source: IMF.

Increase in the debt of ENTERPRISES in Europe between Q4 2019 and Q4 2020 (pp. GDP)



Growth of public finance sector debt in Europe between Q4 2019 and Q4 2020 (pp. GDP)

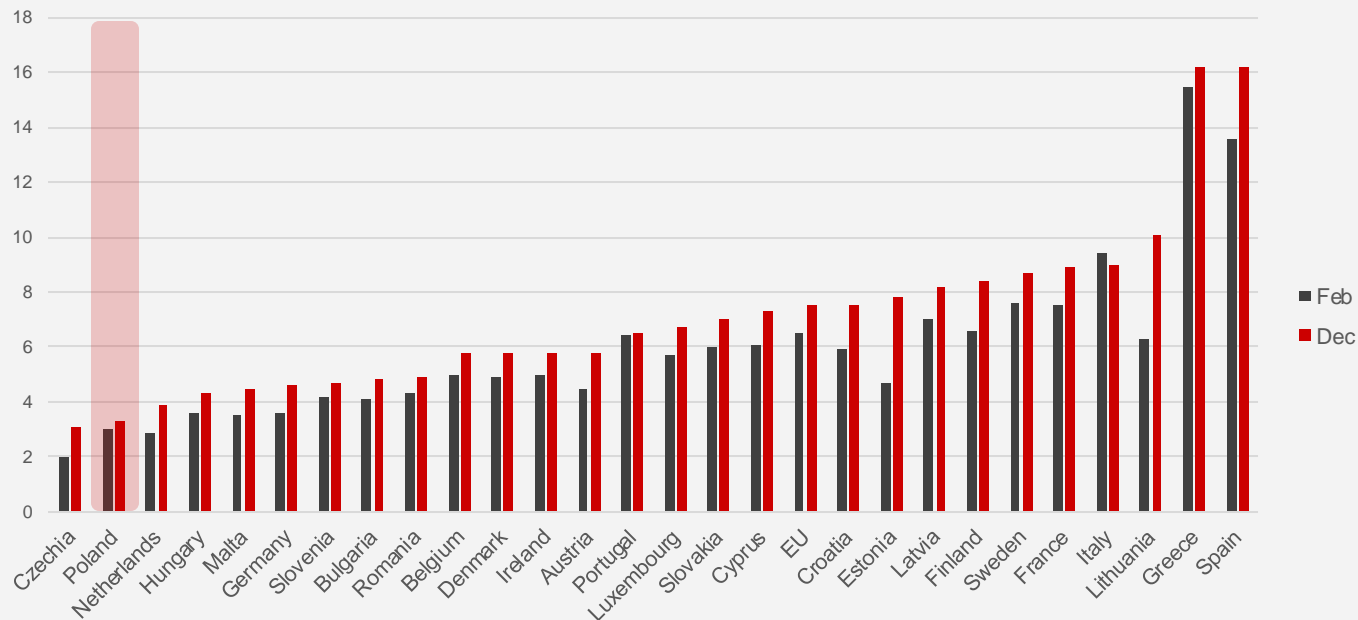


The Polish labor market is in good condition

The labor market in Poland has one of the best results in the EU.

The employment rate decreased slightly – from 3.0 percent in February to 3.2 percent in December. It is the second lowest unemployment rate in the EU.

Unemployment rate in the EU in December and February 2020 (% y/y)

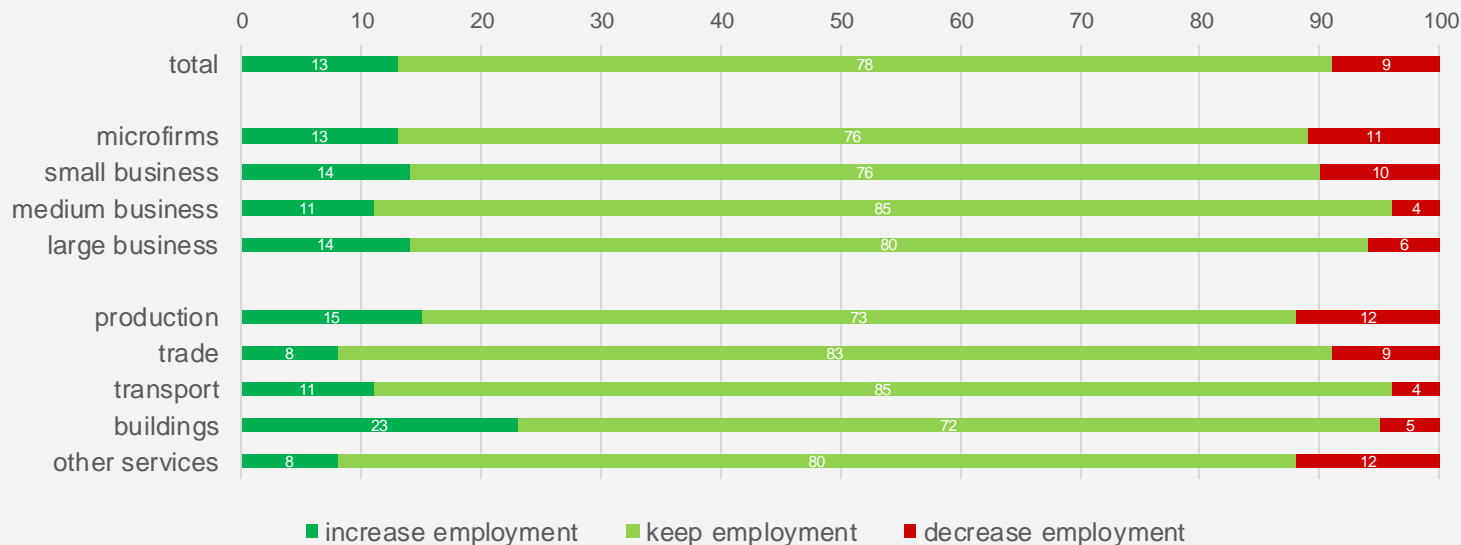


Polish companies did not and do not want to fire: Planned employment for the next three months

In December 2020, 9% of companies declared plans to reduce employment in the next three months.

13 percent of companies have planned to increase the level of employment in the next three months.

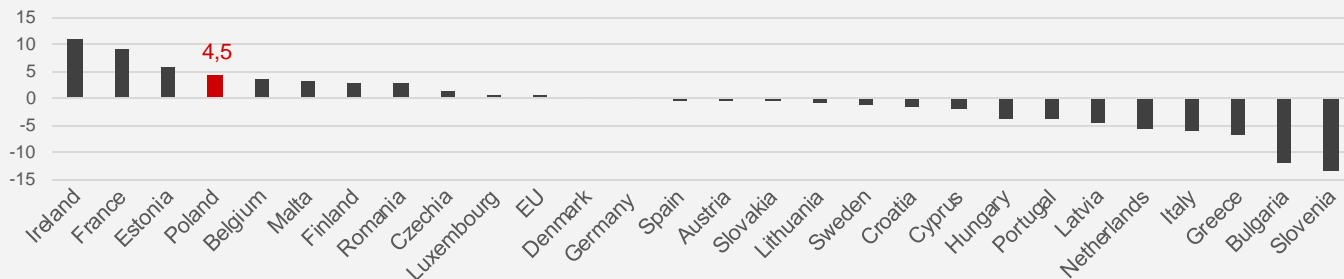
78% of companies planned to maintain employment at an unchanged level over the next three months.



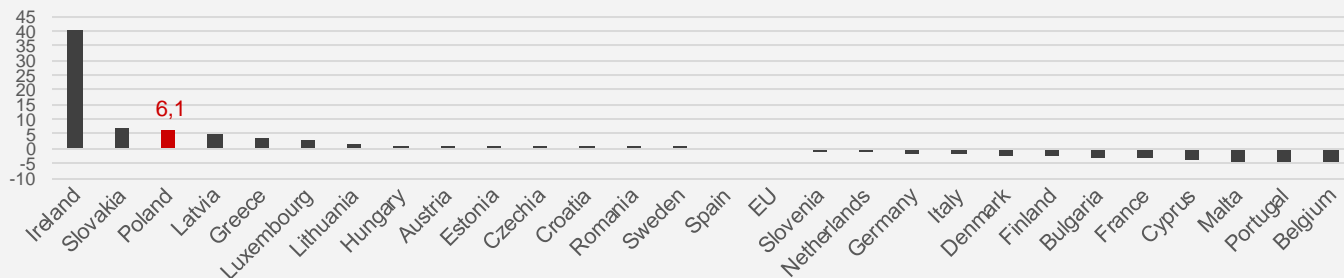
Production and sales rebound faster than in other countries

Poland clearly stands out from other EU regarding both retail sales (4.5% y/y) and industrial production (6.1% y/y) in December 2020.

Volume of retail trade in December 2020 (% y/y)



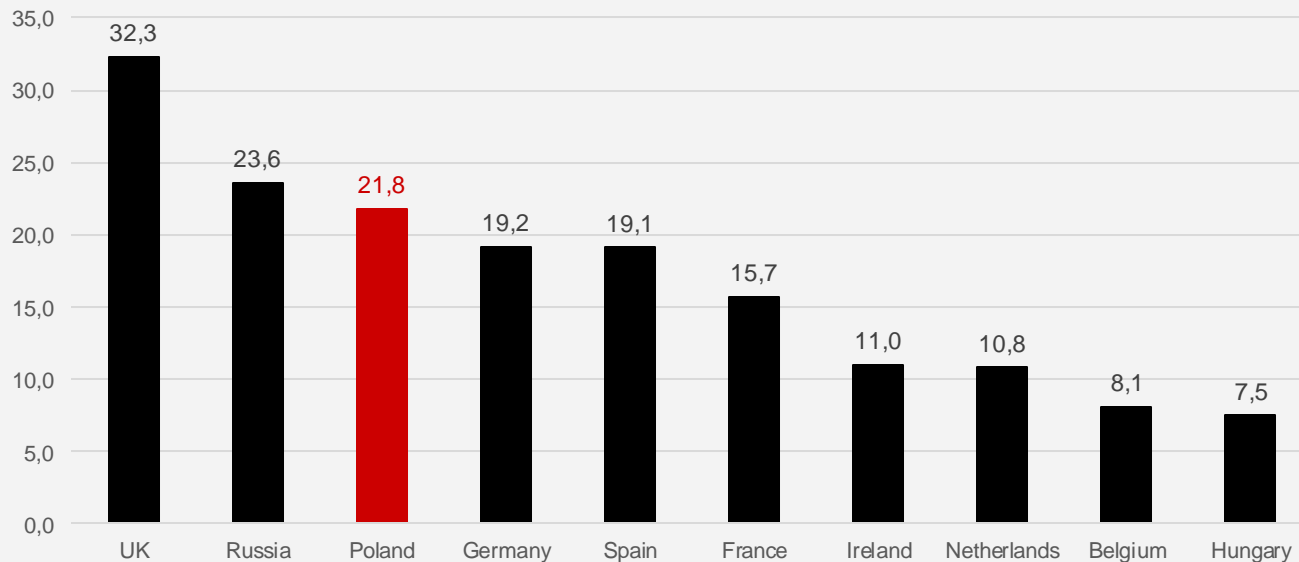
Industrial production in December (% y/y)



Source: Eurostat.

Poland is the go-to-place for investors in Europe

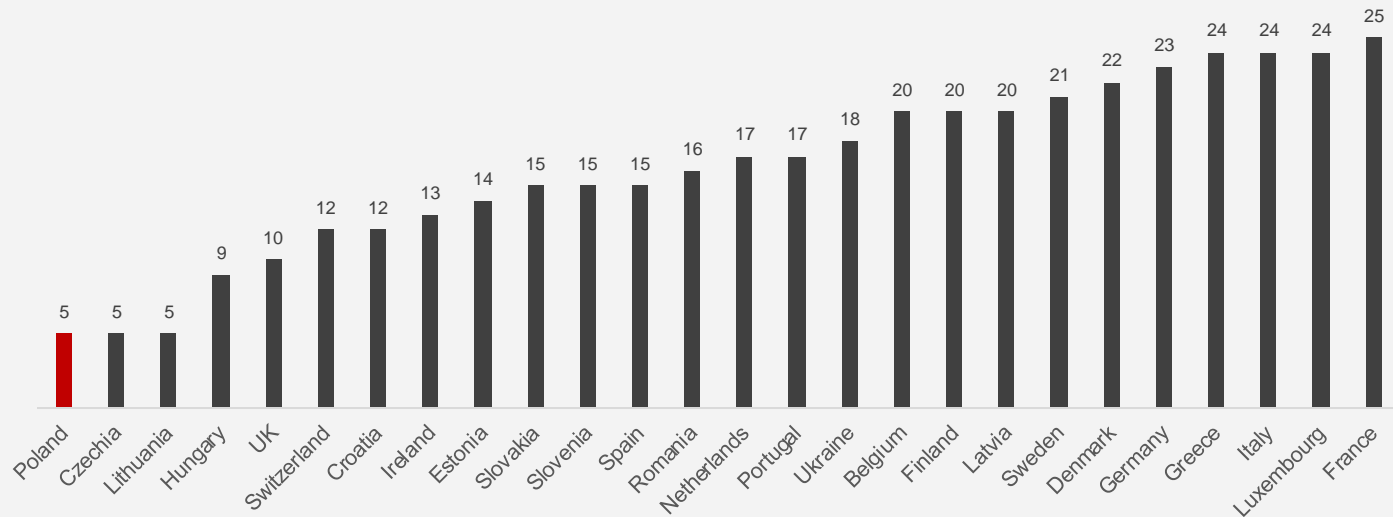
Top 10 FDI values in Europe according to fDi Markets in 2019 (USD bn)











Assessments of international institutions

agency	Date	Decission	Rating	perspective
JCR	27.11.2020	maintain	A	stable
Moody's	15.09.2020	maintain	A2	stable
Fitch	26.09.2020	maintain	A–	stable
S&P	02.10.2020	maintain	A–	stable

In Poland the MINIMUM CIT RATE is one of the lowest in Europe (%)



TOP 8 sectors of the economy with the highest added value

Polish export hits		Added value (bn PLN)	Export value (bn PLN)	Average annual growth in exports
	Professional, scientific and technical services	101.2	25.9	15.3%
	Motor vehicles	19.6	80.5	8.7%
	Household appliances	16.6	40.6	11.2%
	Chemicals, chemical products	19.8	37.1	7.5%
	Machines	17.3	33.4	10.4%
	IT services	25.9	13.2	21.8%
	Other transport equipment	8.3	12.4	3.8%
	Medicines and pharmaceutical products	4.3	9.0	6.7%

Thank you

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