

Introduction

In January of 2010 the growth in sold production of industry, already observed in the 4th quarter of the previous year, maintained. Unfavourable weather conditions had a considerable influence on the weakening of the results in construction and in a few transport divisions. Retail sales were slightly below the level recorded a year before. Average employment in the enterprise sector was still dropping in annual terms and the registered unemployment grew considerably. Average nominal gross wages and salaries in the enterprise sector only slightly exceeded the high level recorded a year before, and the continuing growth in consumer prices, in annual terms, influenced the purchasing power of wages and salaries making it drop.

Similarly as in two previous months, sold production of industry was higher in annual terms (by 8.5%). Growth was recorded in all industry sections, except for mining and quarrying, where the low production dynamics has maintained since the end of 2008. Producer prices in industry grew only slightly, which was influenced by a further price drop in manufacturing, as well as by the declining growth rate in the remaining sections. Together with a continuing price drop, sales of construction and assembly production hit, for the first time since February of 2006, a considerably lower level than a year earlier (a drop of 15.3%, and after seasonal adjustment – of 2.8%). Lower than a year before were also retail sales (by 1.1%) and sales of transport services (by 0.4%), especially of rail and air transport.

On the labour market, a decrease in average employment in the enterprise sector, in annual terms, (of 1.4%) as well as a considerable growth in the registered unemployment rate (to 12.7%) was still observed. Unfavourable tendencies are also confirmed by the results of the labour force survey for the 4th quarter of 2009.

A slight growth in nominal wages and salaries (of 0.5%), along with the growth rate of consumer goods and services approximated to the one recorded in December 2009 (3.6%) triggered a decline in real gross wages and salaries in the enterprise sector, in annual terms. A considerable growth in the purchasing power of average retirement pays and pensions maintained.

On the agricultural market, the prices of cereals (except for wheat in procurement), as well as the prices of pigs and poultry for slaughter were lower than in January 2009. The prices of other agricultural products exceeded the level from the previous year. The rate of profitability of pigs fattening has been declining since September of the previous year. However, in January of this year it was still higher than a year before.

Revenues of the State budget amounted to PLN 22.1 billion, and expenditure amounted to PLN 26.9 billion. As a result, a deficit of PLN 4.8 billion was recorded.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

| Specification a - 2009, b - 2010 | | I | II | III | IV | V | VI | VII | VIII | IX | X | XI | XII |
|---|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Registered unemployed persons (in thous.) | a | 1634,4 | 1718,8 | 1758,8 | 1719,9 | 1683,4 | 1658,7 | 1676,1 | 1689,0 | 1715,9 | 1744,3 | 1811,1 | 1892,7 |
| | b | 2052,5 | | | | | | | | | | | |
| Unemployment rate ¹ (in %) | a | 10,4 | 10,9 | 11,1 | 10,9 | 10,7 | 10,6 | 10,7 | 10,8 | 10,9 | 11,1 | 11,4 | 11,9 |
| | b | 12,7 | | | | | | | | | | | |
| Paid employment in the enterprise sector in thous. persons | a | 5374 | 5352 | 5325 | 5309 | 5292 | 5280 | 5273 | 5270 | 5267 | 5267 | 5265 | 5255 |
| | b | 5301 | | | | | | | | | | | |
| Sold production of industry ² : | | | | | | | | | | | | | |
| previous month=100 | a | 93,7 | 102,4 | 115,6 | 93,1 | 98,2 | 106,0 | 97,4 | 95,6 | 115,0 | 101,9 | 96,8 | 94,6 |
| | b | 94,6 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 84,7 | 85,4 | 98,1 | 87,8 | 94,8 | 95,5 | 95,6 | 100,1 | 98,7 | 98,7 | 109,9 | 107,4 |
| | b | 108,5 | | | | | | | | | | | |
| Construction and assembly production ² : | | | | | | | | | | | | | |
| previous month=100 | a | 37,9 | 117,2 | 115,1 | 112,0 | 107,7 | 116,2 | 105,5 | 99,2 | 106,1 | 107,6 | 85,5 | 141,0 |
| | b | 31,1 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 107,4 | 101,9 | 101,2 | 100,5 | 100,3 | 100,5 | 110,7 | 111,0 | 105,7 | 102,7 | 109,9 | 103,2 |
| | b | 84,7 | | | | | | | | | | | |
| Dwellings completed (from the beginning of year) | a | 22101 | 31838 | 41503 | 54396 | 64318 | 76165 | 91630 | 103198 | 114852 | 128525 | 143317 | 160079 |
| | b | 11681 | | | | | | | | | | | |
| Price indices of consumer goods and services: | | | | | | | | | | | | | |
| previous month=100 | a | 100,5 | 100,9 | 100,7 | 100,7 | 100,5 | 100,2 | 100,1 | 99,6 | 100,0 | 100,1 | 100,3 | 100,0 |
| | b | 100,5 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 102,8 | 103,3 | 103,6 | 104,0 | 103,6 | 103,5 | 103,6 | 103,7 | 103,4 | 103,1 | 103,3 | 103,5 |
| | b | 103,6 | | | | | | | | | | | |
| December of previous year=100 | a | 100,5 | 101,3 | 102,0 | 102,7 | 103,2 | 103,4 | 103,5 | 103,1 | 103,1 | 103,3 | 103,5 | 103,5 |
| | b | 100,5 | | | | | | | | | | | |
| Price indices of sold production of industry: | | | | | | | | | | | | | |
| previous month=100 | a | 102,3 | 102,6 | 100,0 | 99,1 | 99,7 | 100,8 | 98,5 | 99,6 | 99,8 | 100,4 | 99,6 | 99,8 |
| | b | 100,3 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 103,6 | 105,7 | 105,5 | 104,8 | 103,7 | 104,1 | 102,8 | 102,2 | 101,6 | 102,0 | 101,9 | 102,1 |
| | b | 100,2 | | | | | | | | | | | |
| Price indices of construction and assembly production: | | | | | | | | | | | | | |
| previous month=100 | a | 99,9 | 99,8 | 99,9 | 99,9 | 99,8 | 100,0 | 99,9 | 99,9 | 100,0 | 100,1 | 100,1 | 100,0 |
| | b | 99,9 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 102,4 | 101,8 | 101,3 | 100,7 | 100,3 | 99,9 | 99,6 | 99,3 | 99,2 | 99,1 | 99,2 | 99,3 |
| | b | 99,3 | | | | | | | | | | | |

¹ Ratio of registered unemployed persons to the economically active civil population.

² Indices were calculated in constant prices of 2005.

(cont.)

| Specification a - 2009, b - 2010 | I | II | III | IV | V | VI | VII | VIII | IX | X | XI | XII | |
|---|---|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Average monthly nominal gross wage and salary in the enterprise sector ¹ (in zł) | a | 3215,75 | 3195,56 | 3332,65 | 3294,76 | 3193,90 | 3287,88 | 3361,90 | 3268,69 | 3283,18 | 3312,32 | 3403,92 | 3652,40 |
| | b | 3231,13 | | | | | | | | | | | |
| previous month=100 | a | 93,8 | 99,4 | 104,3 | 98,9 | 96,9 | 102,9 | 102,3 | 97,2 | 100,4 | 100,9 | 102,8 | 107,3 |
| | b | 88,5 | | | | | | | | | | | |
| corresponding month of previous year=100 | a | 108,1 | 105,1 | 105,7 | 104,8 | 103,8 | 102,0 | 103,9 | 103,0 | 103,3 | 102,0 | 102,3 | 106,5 |
| | b | 100,5 | | | | | | | | | | | |
| Average monthly real gross wage and salary in the enterprise sector monthly average of 2000=100 | a | 117,5 | 115,9 | 120,1 | 117,9 | 113,8 | 116,9 | 119,5 | 116,6 | 117,1 | 118,0 | 121,0 | 130,0 |
| | b | 114,5 | | | | | | | | | | | |
| Profitability rate of gross turnover ² - from the beginning of year (in %) | a | . | . | 3,0 | . | . | 4,9 | . | . | 5,2 | . | . | . |
| Profitability rate of net turnover ³ – from the beginning of year (in %) | a | . | . | 2,2 | . | . | 4,0 | . | . | 4,2 | . | . | . |
| State budget balance - from the beginning of year (in mn zł) | a | 2918,0 | -5250,9 | -11219,8 | -15306,1 | -16356,7 | -16629,2 | -15037,1 | -15655,8 | -21343,7 | -23918,6 | -24342,1 | -23790,0 |
| | b | -4841,5 | | | | | | | | | | | |
| Average exchange rates in zł – National Bank of Poland: | | | | | | | | | | | | | |
| 100 US dollars | a | 317,17 | 363,14 | 354,12 | 334,80 | 323,37 | 321,46 | 305,96 | 289,56 | 285,95 | 284,69 | 279,90 | 283,52 |
| | b | 285,18 | | | | | | | | | | | |
| 100 EUR | a | 421,81 | 464,42 | 462,37 | 441,93 | 441,05 | 450,81 | 430,53 | 413,11 | 416,35 | 421,73 | 417,34 | 414,27 |
| | b | 407,20 | | | | | | | | | | | |
| Foreign trade ⁴ in mn zł | | | | | | | | | | | | | |
| exports | a | 29820,5 | 34324,7 | 38457,6 | 34124,4 | 33565,5 | 36175,3 | 34951,4 | 30429,0 | 38165,7 | 39658,1 | 36786,2 | 30592,7 |
| imports | a | 34094,1 | 36676,3 | 41939,9 | 37699,2 | 36155,0 | 39658,7 | 38771,4 | 34008,2 | 39524,4 | 41862,5 | 39299,6 | 35076,8 |
| balance | a | -4273,6 | -2351,6 | -3482,3 | -3574,8 | -2589,5 | -3483,4 | -3820,0 | -3579,2 | -1358,7 | -2204,4 | -2513,4 | -4484,1 |

¹ Including contributions to compulsory social security.² Relation of gross financial result to revenues from total activity.³ Relation of net financial result to revenues from total activity.⁴ Since January 2009 – preliminary data.