

Socio-economic situation of Poland – main tendencies

In January 2017, upward tendencies were observed in the basic areas of the economy, which partly resulted from the seasonal factors influence. The sold production of industry grew in annual terms to a much greater extent than in the 4th quarter of the previous year. Construction and assembly production increased, following the decreases observed in the previous year. The growth in retail sales and in the sales of services in transport strengthened.

In January 2017 the growth in the prices of consumer goods and services (amounting to 1.8% in annual terms) was faster than in December of the previous year. The prices in the scope of transport and food and non-alcoholic beverages grew to a higher extent than a month before. The prices of goods and services related to dwelling were higher than in January 2017. The growth in producer prices in industry strengthened, and so did, to a slight extent, the growth in construction prices.

In January 2017, the average nominal monthly gross wages and salaries in the enterprise sector grew in annual terms to a higher extent than in the 4th quarter of the previous year. The dynamics of the purchasing power of wages and salaries did not change significantly. A slight growth in the nominal retirement and other pension benefits both in the employee and in the farmers' system continued, but their purchasing power was lower than a year before.

The growth rate in the average paid employment in the enterprise sector was higher than in the preceding months. Despite the seasonal growth, the registered unemployment rate (8.6%) was still at a lower level than a year before. Preliminary results of the Labour Force Survey indicate that in the 4th quarter of 2016 the number of unemployed persons and the unemployment rate decreased considerably in annual terms, and the number of employed persons slightly grew. The employment rate and the ratio of not employed persons to employed persons improved. The activity rate, however, slightly decreased.

Sold production of industry in January 2017 was by 9.0% higher than a year before (after eliminating seasonal factors, the growth amounted to 4.1%). A production growth was recorded in manufacturing, water supply; sewerage, waste management and remediation activities, and (for the first time since October 2015) in electricity, gas, steam and air conditioning supply. Sold production was higher than a year before in all main industrial groupings; the highest growth was recorded in the manufacture of capital goods whereas the weakest increase concerned the manufacture of energy goods. Construction and assembly production in January 2017 was by 2.1% higher than a year before (after eliminating the influence of seasonal factors, a drop of 2.6% was recorded). A growth was observed in civil engineering and in construction of buildings, whereas a drop continued in entities performing mainly specialised construction activities. Retail sales in January 2017 were by 9.6% higher than a year before.

According to the business tendency survey conducted in February 2017, manufacturing enterprises assess business tendencies favourably and better than a month before. The forecasts formulated by these entities concerning, among others, order-books and production are positive and better than in January 2017, and the negative current assessments in these areas are improving. Forecasts concerning the financial situation are positive (as compared to the negative ones recorded in the previous months), along with more pessimistic diagnoses in this scope. Entrepreneurs conducting activity in the scope of construction perceive the general

business tendency climate less pessimistically than in January 2017, mainly due to an improvement in the forecasts regarding order-books, production and the financial situation. The pessimistic diagnoses of order-books continue, against to slightly more unfavourable assessments in the remaining two areas. Retail trade entities assess business tendencies positively and the best since September 2008. The forecasts concerning the demand for goods and sales are improving. Indications regarding both the current and future financial situation are slightly negative.

The consumer tendency surveys in February 2017 indicate a slight deterioration in the current consumer confidence indicator, mainly due to the lesser optimism of consumers in assessing the current possibility of major purchases. However, the leading consumer confidence indicator slightly improved, among others, under the influence of better assessments concerning the future unemployment level.

In the agricultural market, in January 2017, with an increased procurement, the prices of most crop products were lower than a year before. However, the procurement prices of animals for slaughter (except for prices of poultry for slaughter) and milk were higher.

In January 2017, the State budget revenue amounted to PLN 37.0 bn (i.e. 11.4% of the amount assumed in the Budget Act for 2017), and expenditure to PLN 30.2 bn (7.9%, respectively). As a result, a surplus of PLN 6.7 bn was recorded.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

Specification a – 2016 b – 2017	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Paid employment in the enterprise sector ¹ in thous. persons	a	5703	5711	5727	5730	5734	5753	5762	5761	5771	5779	5792	5799
	b	5960											
Registered unemployed persons (end of period) in thous. persons	a	1648	1653	1601	1522	1457	1393	1362	1347	1324	1308	1314	1335
	b	1397											
Unemployment rate (end of period) in %	a	10,2	10,2	9,9	9,4	9,1	8,7	8,5	8,4	8,3	8,2	8,2	8,3
	b	8,6											
Average monthly nominal gross wage and salary in the enterprise sector ¹ :													
in zloty	a	4101,36	4137,55	4351,45	4313,57	4166,28	4252,19	4291,85	4212,56	4217,96	4259,37	4329,71	4635,77
	b	4277,32											
previous month=100	a	90,8	100,9	105,2	99,1	96,6	102,1	100,9	98,2	100,1	101,0	101,7	107,1
	b	92,3											
corresponding month of previous year=100	a	104,0	103,9	103,3	104,6	104,1	105,3	104,8	104,7	103,9	103,6	104,0	102,7
	b	104,3											
sector ¹ — corresponding month of previous year=100	a	104,9	104,8	104,3	105,9	105,2	106,1	105,9	105,7	104,4	103,7	104,0	101,8
	b	102,5											
Average monthly real gross retirement pay and pension: from non-agricultural social security system													
corresponding month of previous year=100	a	103,8	103,7	102,3	102,4	102,3	102,2	102,2	102,4	102,1	101,8	101,4	100,7
	b	99,7											
of farmers													
corresponding month of previous year=100	a	103,1	103,1	100,6	100,3	99,3	100,0	100,7	101,0	100,7	100,5	100,4	99,2
	b	98,4											
Price indices of consumer goods and services:													
previous month=100	a	99,5	99,9	100,1	100,3	100,1	100,2	99,7	99,8	100,0	100,5	100,1	100,7
	b	100,4											
corresponding month of previous year=100	a	99,1	99,2	99,1	98,9	99,1	99,2	99,1	99,2	99,5	99,8	100,0	100,8
	b	101,8											
December of previous year=100	a	99,5	99,4	99,5	99,8	99,9	100,1	99,8	99,5	99,5	100,1	100,2	100,8
	b	100,4											
Price indices of sold production of industry:													
previous month=100	a	99,5	99,6	99,7	100,3	101,2	100,2	99,9	99,6	100,3	100,5	101,2	101,2
	b	100,3											
corresponding month of previous year=100	a	98,8	98,5	98,1	98,8	99,6	99,2	99,5	99,9	100,2	100,6	101,8	103,2
	b	104,1											
Price indices of construction and assembly production:													
previous month=100	a	99,9	99,9	99,9	100,0	100,0	100,1	100,1	100,1	100,0	100,0	100,1	100,1
	b	100,0											
corresponding month of previous year=100	a	99,3	99,3	99,2	99,3	99,4	99,5	99,6	99,8	99,8	99,9	100,0	100,2
	b	100,3											

1 Data concern economic entities employing more than 9 persons.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY (cont.)

Specification a - 2016 b - 2017	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Sold production of industry ¹ (constant prices ²):													
previous month=100	a	91,9	106,9	107,0	96,9	96,1	107,4	90,0	103,4	110,4	97,5	101,8	95,5
	b	98,1											
corresponding month of previous year=100	a	101,3	106,8	100,7	106,0	103,2	106,0	96,6	107,5	103,2	98,7	103,1	102,1
	b	109,0											
Construction and assembly production (constant prices ²):													
previous month=100	a	31,9	114,3	120,6	109,9	107,8	113,4	96,6	97,2	118,7	98,3	105,4	134,8
	b	35,4											
corresponding month of previous year=100	a	91,4	89,5	84,2	85,1	86,3	87,0	81,2	79,5	84,7	79,9	87,2	92,0
	b	102,1											
Dwellings completed (from the beginning of year)	a	12776	25059	37442	51158	62071	73773	86651	99401	112071	126781	143316	162727
	b	14376											
Retail sales of commodities ¹ (constant prices ³):													
previous month=100	a	75,1	101,3	113,6	99,7	99,3	103,1	100,2	101,4	98,6	103,0	96,6	120,6
	b	77,7											
corresponding month of previous year=100	a	103,2	106,2	103,0	105,5	104,3	106,5	104,4	107,8	106,3	104,6	107,4	106,1
	b	109,6											
State budget balance - from the beginning of year (in mln zł)	a	1759,9	-3098,3	-9587,2	-11125,5	-13482,5	-18683,8	-14387,3	-14929,4	-20615,4	-24641,3	-27567,7	.
	b	6749,4											
Average exchange rates in zł – National Bank of Poland:													
100 USD	a	403,97	395,65	386,44	379,85	389,91	392,00	397,07	383,54	385,67	390,75	406,00	420,49
	b	411,66											
100 EUR	a	439,35	439,60	429,34	430,68	440,76	440,19	439,66	430,03	432,50	430,86	438,39	443,71
	b	437,06											
100 CHF	a	401,76	398,95	393,11	393,89	398,74	403,74	404,65	395,49	395,86	396,15	407,49	412,56
	b	407,92											
Foreign trade ⁴ in mln zł:													
exports	a	60270,0	65863,6	68653,9	67895,0	65925,9	69572,4	62420,3	61821,7	69366,7	68433,8	73145,8	64830,0
imports	a	57735,7	63840,2	66377,8	64970,5	62959,4	66466,7	61688,6	62786,3	68644,5	67876,0	69941,6	64251,9
balance	a	2534,3	2023,4	2276,1	2924,5	2966,5	3105,7	731,7	-964,6	722,2	557,8	3204,2	578,1

1 Data concern economic entities employing more than 9 persons. 2 The average current prices from 2010. 3 The current prices from the period preceding the surveyed period. 4 Preliminary data.