

Socio-economic situation of Poland – main tendencies

In May 2017 upward tendencies were observed in basic areas of the economy. The sold production of industry was significantly higher in annual terms (following a slight decrease a month before). Construction and assembly production and retail sales grew to the higher degree than in April, the increase in the sales of transport services strengthened as well.

In May 2017, the average paid employment in the enterprise sector grew, in annual terms, at a rate similar to the one observed in the previous months. The registered unemployment rate declined to 7.4%. According to the results of the labour survey, in the 1st quarter of 2017 more new jobs were created than in the same period of 2016; at the same time fewer jobs were liquidated.

The growth, in annual terms, in the average monthly nominal and real gross wages and salaries in the enterprise sector in May 2017 was higher than in the previous months. The increase rate in average nominal retirement and other pension benefits both in the employee and in the farmers' systems was similar to the one recorded in the previous periods. Along with the growth in consumer prices, the purchasing power of retirement and other pensions in the employee system remained similar as a year before, while that of individual farmers – decreased.

In May 2017, prices of consumer goods and services grew, in annual terms, slightly slower than in the previous month. A slowdown in the dynamics of transport goods and services was recorded. Prices in food and non-alcoholic beverages grew faster, while prices in housing-related goods and services grew in a similar pace as in April 2017. The growth, in annual terms, in prices of sold production of industry was slower than in the previous months, while for prices of construction and assembly production growth rate was unchanged.

Sold production of industry in May 2017 was higher by 9.1% than a year before (after eliminating the influence of seasonal factors, the growth amounted to 6.5%). Production increased in all sections. The highest growth was observed in electricity, gas, steam and air conditioning supply and manufacturing. Growth was recorded in all main industrial groupings, the highest was observed in the production of intermediate goods. Construction and assembly production was higher by 8.4%, if compared to May 2016 (after elimination the influence of seasonal factors – by 6.2%). An increase was observed in all divisions of construction, with the highest one in units specialising in construction of buildings and in civil engineering. Retail sales increased by 7.4%, in annual terms.

In June 2017, the general business climate indicator in manufacturing remains at a positive level, similar as in the previous month. Current assessments of order-books and production are positive and more favourable than a month before. The slightly negative diagnosis of the financial situation improved as well. Forecasts in these areas are less optimistic than expected a month before. As in the previous month, construction enterprises assess the general business tendency climate favourably, most positively since November 2008. For the first time since the middle of 2011, the forecasts regarding order-books and construction and assembly production have been favourable; the current financial situation of enterprises is assessed less pessimistically than a month before. The forecasts in these areas are optimistic. Retail sales enterprises demonstrate

positive sentiments, however slightly more cautious than a month earlier. The current sales and the financial situation are assessed favourably, similarly as in May, with slightly less positive than a month before forecasts in these areas. The forecasts of retail sales entities regarding demand for goods are less optimistic.

In June 2017, a further improvement in the consumers' sentiments as to current and future trends are observed. The greatest improvement is recorded in the assessment of the current and future economic situation of the country.

In the agricultural market in May 2017 the average procurement prices of the most basic agricultural products were higher than in the previous month. The procurement prices of the majority of crop (except for prices of poultry) and animal products were higher than a year before. The profitability of pigs breeding was still low.

In the period of January–April 2017, foreign trade turnover (expressed in PLN) increased in comparison with corresponding period of 2016. As a result of faster growth in imports than in exports, the total positive balance of trade was lower than a year before. The exchange increased with all groups of countries, to a highest extend with Central and Eastern European countries. In the 1st quarter of 2017, the total terms of trade index was unfavourable and amounted to 97.5 (compared to 101.0 a year before).

In the period of January–May 2017, the State budget revenue amounted to PLN 143.3 bn (i.e. 44.0% of the amount assumed in the Budget Act for 2017) and expenditure amounted to PLN 143.5 bn (37.3% respectively). As a result, a deficit of PLN 0.2 bn was recorded, accounting for 0.3% of the plan.

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	5976	5982	5991	5990							
Registered unemployed persons (end of period) in thous. persons	a	1648	1653	1601	1522	1457	1393	1362	1347	1324	1308	1314	1335
	b	1397	1383	1324	1253	1202							
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	8,5	8,1	7,7	7,4							
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	4304,95	4577,86	4489,07	4390,99							
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	100,6	106,3	98,1	97,8							
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	104,0	105,2	104,1	105,4							
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	102,6	101,8	103,1	102,1	103,4							
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	99,9	99,3	100,2	100,1	100,3							
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	98,6	98,0	99,7	99,5	99,4							
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	100,3	99,9	100,3	100,0							
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	101,7	102,2	102,0	102,0	101,9							
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	100,7	100,7	100,9	101,0							
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	100,1	99,9	99,8	99,5							
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	104,0	104,5	104,8	104,2	102,5							
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	99,9	100,0	100,1	100,1							
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	100,3	100,4	100,4	100,4							

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	98,2	99,0	117,6	86,7	105,5							
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	109,1	101,1	111,1	99,4	109,1							
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	106,0	149,3	97,9	112,1							
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	94,7	117,2	104,3	108,4							
Dwellings completed (from the beginning of year)	a	12771	25027	37423	51134	62041	73741	86624	99352	112017	128637	145210	163325
	b	15355	26899	40587	51178	63903							
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	97,2	116,5	98,6	100,0							
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	109,5	105,2	107,9	106,7	107,4							
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	-46159,5
	b	6749,4	856,1	-2284,3	-982,7	-203,0							
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	404,87	401,84	395,62	380,70							
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	430,97	429,21	423,85	420,40							
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	404,24	400,88	395,34	385,80							
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
	b	67759,3	67795,4	78607,9	64678,4	.							
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
	b	66095,2	68668,4	77616,1	63224,9	.							
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
	b	1664,1	-873,0	991,8	1453,5	.							

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.