

Introduction

In October of 2010, favourable tendencies maintained in most areas of the economy. A high growth, though slightly slower than in September, was observed in sold production of industry. A growth in the sales of construction and assembly production, recorded since May, resulted in its level being slightly higher in the period of ten months than it was a year before. Retail sales grew in October at the scale observed a month before. The increase in employment in the enterprise sector strengthened, and the number of unemployed persons grew slower than in the previous months. Under the conditions of an improving pace of the economic growth in subsequent quarters and a better financial situation of the enterprises surveyed compared to the previous year, in the 3rd quarter positive symptoms in the scope of their investment activity were recorded.

The financial results obtained by non-financial enterprises after three quarters of 2010 were more favourable than a year ago (except for the result on other operational activity). The cost level indicator and the profitability rates improved. Enterprises still showed high financial liquidity. The value of investment outlays of the surveyed enterprises was lower in the period of January-September of 2010 than a year before, but the scale of decline diminished, when compared to the one recorded in the 1st half-year of 2010. A growth in the scope of new investments was observed – the number of newly started investments increased, and their estimated value considerably exceeded the previous year's level.

In foreign trade, after three quarters of 2010, a slightly faster growth was recorded in imports than in exports in annual terms. The turnover increased with all groups of countries, especially with the Central and Eastern European countries. In the period of January-August of 2010, the exchange conditions worsened – the terms of trade index amounted to 98.8 against 103.5 in the corresponding period of the previous year.

Sold production of industry in October of 2010 was by 8.0% higher than a year before, and by 11.2% upon eliminating the seasonal factors. A growth in production was observed in all main industrial groupings, with the highest growth occurring in the manufacture of durable consumer goods (by 22.8%). The construction and assembly production was by 9.4% higher than a year before, and by 9.7% upon eliminating the seasonal factors. Producer prices in industry and in construction grew at a slower rate than a month before.

On the agricultural market, in October of 2010, the prices of plant products and milk reached a considerably higher level than in the previous year. However, the prices of pigs and

cattle for slaughter, and the prices of piglets on marketplaces dropped. The worsening of economic conditions of pigs fattening was once again recorded.

Together with the continually difficult situation on the labour market, in October of 2010, a slightly faster growth rate of the average employment in the enterprise sector was recorded in annual terms. The registered unemployment rate remained at the level observed a month before (11.5% against 11.1% a year before). Preliminary results of the Labour Force Survey for the 3rd quarter of 2010 have also revealed positive changes in this area. A further improvement in the employment rate, as well as in the relation of the number of persons not employed to the number of employed persons was recorded. The unemployment rate, according to the LFS, declined in comparison with the previous quarter and amounted to 9.1%.

Together with a slightly faster growth, as compared to September of 2010, observed in the prices of consumer goods and services in annual terms, the purchasing power dynamics of average monthly wages and salaries in the enterprise sector, and of retirement pays and pensions, did not considerably differ from the one recorded in previous months. The year-on-year growth of an average monthly retirement pay and pension in both systems was still higher than that of average wages and salaries.

The assessments of the general business tendency climate, expressed in November of 2010 by both entrepreneurs and consumers, did not change considerably in relation to the previous month. The assessments of entities operating in manufacturing and in retail trade are positive, whereas the assessments in construction and certain services remain negative. The financial situation forecasts of most enterprises are pessimistic – for the first time since February negative forecasts concerning the settlement of financial liabilities have been expressed by entities operating in manufacturing, unfavourable and worse than a month before are the projections of construction units and units operating in trade; repair of motor vehicles.

After ten months of 2010, the deficit of the State Budget amounted to PLN 41.8 billion, which accounted for 80.1% of the amount assumed in the Budget Act for 2010. The revenues amounted to PLN 204.4 billion, whereas the expenditures to PLN 246.2 billion (82.1% and 81.7%, respectively).

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	2101,5	2076,7	1973,8	1907,9	1843,9	1812,8	1800,2	1812,6	1818,6		
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	12,1
	b	12,9	13,2	13,0	12,4	12,1	11,7	11,5	11,4	11,5	11,5		
Paid employment in the enterprise sector													
in thous. persons	a	5374	5352	5325	5309	5292	5280	5273	5270	5267	5267	5265	5255
	b	5301	5293	5294	5308	5320	5336	5350	5352	5364	5375		
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	103,1	119,1	90,8	101,6	106,8	94,1	98,2	113,1	98,4		
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	109,2	112,5	109,7	113,5	114,3	110,5	113,6	111,8	108,0		
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	104,2	136,2	117,8	117,5	124,5	97,0	106,7	111,0	103,8		
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	75,3	89,1	93,7	102,3	109,6	100,8	108,4	113,4	109,4		
Dwellings completed (from the beginning of year)	a	22096	31833	41498	54391	64300	76147	91619	103187	114841	130353	143922	160002
	b	12791	22655	34047	44852	53844	63778	74071	84910	97039	107506		
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	100,6	100,2	100,3	100,4	100,3	100,3	99,8	99,6	100,6	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	103,5	102,9	102,6	102,4	102,2	102,3	102,0	102,0	102,5	102,8		
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	100,6	100,9	101,2	101,6	101,9	102,2	102,0	101,5	102,1	102,6		
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	100,4	99,9	99,8	101,4	102,0	101,0	100,1	99,8	100,1	100,0		
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	97,6	97,4	99,6	101,9	102,1	103,8	104,0	104,3	104,0		
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	99,8	99,9	100,0	100,1	100,1	100,1	99,9	100,0	100,0	100,0		
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	99,4	99,5	99,7	100,0	100,1	100,2	100,2	100,2	100,1		

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	3288,29	3493,42	3398,67	3346,61	3403,65	3433,32	3407,26	3403,68	3440,22		
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	101,8	106,2	97,3	98,5	101,7	100,9	99,2	99,9	101,1		
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	102,9	104,8	103,2	104,8	103,5	102,1	104,2	103,7	103,9		
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	114,4	116,2	123,1	119,3	117,2	118,8	120,1	119,6	118,8	119,6		
Profitability rate of gross turnover ² - from the beginning of year (in %)	a	.	.	3,0	.	.	4,9	.	.	5,2	.	.	5,0
	b	.	.	5,0	.	.	5,3	.	.	5,5	.		
Profitability rate of net turnover ³ – from the beginning of year (in %)	a	.	.	2,2	.	.	4,0	.	.	4,2	.	.	4,1
	b	.	.	4,0	.	.	4,4	.	.	4,6	.		
State budget balance - from the beginning of year (in mln zł)	a	2918,0	-5250,9	-11219,8	-15306,1	-16356,7	-16629,2	-15037,1	-15655,8	-21343,7	-23918,6	-24342,1	-23845,0
	b	-4779,2	-16835,6	-22707,6	-26957,0	-32046,2	-36800,3	-34870,3	-36975,9	-39535,5	-41820,1		
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	293,85	286,72	287,99	321,37	335,71	319,50	308,94	303,18	284,82		
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	401,55	389,19	387,04	405,21	410,25	408,18	398,72	395,58	395,62		
Foreign trade ⁴ in mln zł													
exports	a	30128,8	34524,2	38626,9	34277,5	33699,6	36317,6	35359,8	30673,1	38551,6	40022,5	38055,8	33004,6
		33103,6	35735,3	39571,0	37602,1	39254,6	42177,4	39728,2	36641,4	40908,0	.		
imports	a	34497,6	37061,9	42350,0	37746,5	36435,5	40149,3	39360,7	34896,4	40494,8	42955,7	40790,8	36643,4
		35926,9	39363,8	44112,0	40635,1	43442,6	46044,7	44040,8	42180,0	45514,1	.		
balance	a	-4368,8	-2537,7	-3723,1	-3469,0	-2735,9	-3831,7	-4000,9	-4223,3	-1943,2	-2933,2	-2735,0	-3638,8
		-2823,3	-3628,5	-4541,0	-3033,0	-4188,0	-3867,3	-4312,6	-5538,6	-4606,1	.		

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 2010 – preliminary data.