

Socio-economic situation of Poland – main tendencies

In the 1st quarter of 2017, the increase in the sold production of industry, in annual terms, was higher than in the previous quarters. Following a fall in the previous year, construction and assembly production grew. The increase in retail sales, and in the sales of transport services, strengthened. The prices of consumer goods and services, and producer prices in industry and construction, were higher than in the 1st quarter of the previous year.

The increase in average monthly nominal gross wages and salaries in the enterprise sector, in annual terms, in the 1st quarter of 2017 was faster than in the previous periods. Along with the growth in consumer prices, the dynamics of the purchasing power of wages and salaries was similar to the one observed in the 4th quarter of the previous year. Gross retirement pay and other pensions both in the employee and in the farmers' system, in nominal terms, were slightly above the level recorded a year before, but in real terms they were lower.

The situation in the labour market, in the 1st quarter of 2017, was better than a year before. The average paid employment in the enterprise sector increased faster, in annual terms, than in the previous quarters. Less unemployed persons were registered in labour offices than in the period of January-March of the previous year; at the same time, the number of persons removed from the unemployment rolls decreased. The registered unemployment rate dropped to 8,1% at the end of March 2017.

The prices of consumer goods and services in the 1st quarter of 2017 were higher than a year before by 2.0%. The increase in the prices of goods and services in the scope of transport, as well as food and non-alcoholic beverages, strengthened. Following the drops in the subsequent quarters of the previous year, an increase in the prices of goods and services associated with dwelling was recorded. The increase in producer prices in industry accelerated; the prices of construction and assembly production were slightly higher than a year before.

Sold production of industry in the 1st quarter of 2017 grew, in annual terms, by 7.3%. Sales increased in most sections of industry, of which to the highest extent in manufacturing. A decrease maintained only in mining and quarrying. Sales grew in all main industrial groupings, of which the most in the production of capital goods, and the least in the production of goods related to energy. In March 2017, the rise in sold production of industry, in annual terms, strengthened to 11.1% (after eliminating the influence of seasonal factors – to 8.1%). Construction and assembly production was by 3.9% higher than in the 1st quarter of the previous year. An increase was observed in all divisions of construction, with the highest in the construction of buildings. In March 2017, construction and assembly production was by 17.2% higher than in the corresponding month of the previous year (after seasonal adjustment – by 10.2%). Retail sales in the 1st quarter of 2017 grew, in annual terms, by 7.1%, and in March 2017 – respectively by 7.9%.

According to the business tendency surveys, in April 2017 entrepreneurs' sentiments in manufacturing are positive and better than a month before. The favourable diagnoses of order-books and production improved, and forecasts in these areas remain positive. Assessments of the financial situation of enterprises are better than the negative ones recorded a month before and may further improve in the following three months. Construction entities have assessed business tendency positively for the first time in nearly six years. Diagnoses of construction and assembly production are less unfavourable than a month before, and forecasts are more optimistic, along with an improvement in the positive forecasts regarding order-books. The current assessments and forecasts of the financial situation of construction companies also improved. Business tendency in retail trade are assessed positively and better than in March 2017. Entities assess more favourably both the current and future sales. Indications regarding the current financial situation of trade entities are slightly positive, as compared to the negative indications observed a month before, and forecasts in this area have been the most optimistic since March 2000. Entrepreneurs in most kinds of business activities report an increasing burden of labour shortages.

Consumer sentiments regarding the current and future tendencies in April 2017 are better than in March. The highest improvement was recorded in the indications referring to the current economic situation of the country and future savings.

In the agricultural market, in the 1st quarter of 2017 the average procurement prices of most basic agricultural products were higher than in the corresponding period of the previous year. Only the procurement prices of poultry for slaughter and potatoes decreased. It is estimated, that winter crops wintered better than in the previous year, generally without losses, and their condition is assessed as good.

In foreign trade commodity turnover (expressed in PLN), in the period of January-February 2017, a faster increase was recorded in imports than in exports. The exchange closed with a positive balance, considerably lower than a year before. Turnover increased with all groups of countries, most of all with Central and Eastern European countries. The total terms of trade index in January 2017 was unfavourable and similar to the one recorded a year before (98.1 against 98.3).

In the 1st quarter of 2017, State Budget revenues amounted to PLN 85.2 bn (i.e. 26.2% of the amount assumed in the Budget Act for 2017), and expenditures – to PLN 87.5 bn (respectively 22.7%). As a result, the deficit amounted to PLN 2.3 bn, which accounted for 3.8% 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									
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									
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									
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									
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									
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									
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									
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	99,4	100,2									
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									
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									
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									
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									
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									
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	104,7									
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									
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	100,3									

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 98,2	99,0	117,6									
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									
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	149,4									
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	94,7	117,2									
Dwellings completed (from the beginning of year)	a 12776	25059	37442	51158	62071	73773	86651	99401	112071	128698	145279	163394
	b 14376	26438	40344									
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									
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									
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	856,1	-2284,3									
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									
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									
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									
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 67090,1	65093,9	.									
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 65261,2	66771,2	.									
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 1828,9	-1677,3	.									

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.