

Introduction

In May of 2010 the strengthening of positive tendencies in the basic areas of economy was observed. Sold production of industry, as well as the sales of transport and communication services grew considerably faster than in the previous periods. Following four months of decline, a growth in construction and assembly production was recorded. Retail sales also reached a higher level than a year earlier, however in the period of January-May 2010 they were lower than a year before. The situation on the labour market was gradually improving – average employment in the enterprise sector increased slightly, in annual terms, for the first time for over a year. The unemployment rate decreased considerably in comparison with the one recorded in April, but it was still higher than a year earlier. Together with a further weakening of the growth rate in prices of consumer goods and services, and with a high dynamics of nominal wages and salaries, the purchasing power of average monthly gross wages and salaries in the enterprise sector increased to a higher extent than in the two preceding months. A considerable growth in average retirement pays and pensions maintained.

Sold production of industry in May of 2010 was by 14.0% higher than a year earlier. A growth in sales occurred in all major industry groupings, though to the highest extent, like in the previous months – in manufacture of durable consumer goods. Producer prices in industry, following three months of decline, grew in annual terms. In construction, following a slowdown of the downward price tendency, a growth in sales of 2.3% was recorded. According to the survey conducted in June, manufacturing and construction enterprises, like a month before, positively assess the general business tendency climate. The forecasts concerning the general economic situation, the order-books and production are also optimistic, though more careful than in May of 2010. The expectations of manufacturing entrepreneurs concerning their ability to pay current debts, as well as the current assessments and forecasts concerning the financial situation of construction enterprises are positive. However, the indicator of the general business tendency climate in retail trade in June is lower than a month before, which is influenced, among others, by the pessimistic assessments of current and future sales, and financial liabilities, as well as by the forecasts concerning the orders at suppliers.

The production situation in agriculture in May of 2010 was influenced by the unfavourable agro-meteorological conditions – low temperatures, heavy rains and excessive dampness, and in many regions of the country – floods which have caused losses in farms.

On the agricultural market, with the procurement of most basic agricultural products being higher than a year before, their prices (except for milk) were lower than a year before.

Together with the price dynamics of consumer goods and services, weakening since the beginning of the year, the real increase in average wages and salaries in the enterprise sector in May of 2010 was higher than a month before, though still lower than the real increase in retirement pays and pensions in both systems. On the labour market in May of 2010 a slight increase occurred in average employment in the enterprise sector (of 0.5%) in annual terms. It was related to the limitation of the scale of employment decrease in manufacturing, as well as to the increase, among others, in construction and also in a few service sections. The registered unemployment rate, partly under the influence of seasonal factors, lowered to 11.9%, but exceeded the level from the previous year by 1.2 percentage point. According to the results of the survey on demand for labour, the number of new jobs in the 1st quarter of 2010 was higher than the number of the liquidated ones. As of the end of the reporting period, the surveyed entities had more vacancies than in the corresponding period of the previous year.

In the period of January-April of 2010 in foreign trade turnover a slightly faster increase occurred in exports than in imports. Total turnover closed with a negative balance, together with a positive balance of exchange with developed countries, including EU countries. The turnover with Central and Eastern European countries increased, to a larger extent on the imports side, which caused the deepening of the negative balance of commodity turnover with these countries. Exports in constant prices in the 1st quarter of 2010 were higher than a year before by 12.4%, and imports – by 8.6%.

In the period of January-May of 2010 the execution of the State budget on the side of expenditures accounted for 42.8%, and of revenues – for 38.9%. The deficit in the amount of PLN 32.1 billion accounted for 61.6% of the amount assumed in the Budget Act for 2010.

The flood which in May and June affected (to a different degree) almost 30% of gminas in the country, caused losses to households and farms, to some enterprises, as well as to the infrastructure and public buildings. Total flood consequences are currently being estimated.

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							
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	13,0	12,9	12,3	11,9							
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							
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	102,0							
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	114,0							
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	117,6							
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							
Dwellings completed (from the beginning of year)	a	22096	31833	41498	54391	64300	76147	91619	103187	114841	130353	143922	160002
	b	12789	22651	34044	43838	53053							
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							
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							
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							
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	101,6							
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	101,5							
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							
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							

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							
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							
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							
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							
Profitability rate of gross turnover ² - from the beginning of year (in %)	a	.	.	3,0	.	.	4,9	.	.	5,2	.	.	5,0
		.	.	5,0	.	.							
Profitability rate of net turnover ³ – from the beginning of year (in %)	a	.	.	2,2	.	.	4,0	.	.	4,2	.	.	4,1
		.	.	4,0	.	.							
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	-4779,2	-16835,6	-22707,6	-26957,0	-32142,1							
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							
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							
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
		32777,0	35405,1	38882,7	34384,9	.							
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
		35389,0	38278,0	42979,8	38258,5	.							
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
		-2612,0	-2872,9	-4097,1	-3873,6	.							

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 For 2009 – temporary data.