

Introduction

In the subsequent periods of 2010 positive tendencies in the course of processes in real terms in the Polish economy were gradually strengthening after a slowdown in 2009 caused by the crisis phenomena with a global scope. Based on preliminary estimates, gross domestic product in 2010 was, in real terms, higher by 3.8%, which ranks Poland among European Union countries with the highest growth rate. The gross added value in the national economy was by 3.3% higher than in 2009. A high growth was recorded in industry (9.2%), and a considerable growth characterised construction (3.8%) and some areas of market services (in transport and trade). The improvement of the growth rate of GDP in Poland was influenced by the strengthening of domestic demand, which saw an increase of 3.9%. Final consumption expenditure was in real terms higher than a year ago by 3.2%, and gross capital formation – by 6.7% (with a simultaneous drop in gross fixed capital formation of approx. 2%).

Under the conditions of a gradual improvement of the business tendency in the area of real economy, the financial situation of non-financial enterprises and banks was more favourable than in the period of three quarters of 2009. However, weaker financial results in this period were achieved by insurance companies. The year 2010 was favourable for stock exchange investors.

The upward tendencies in economy were accompanied by a gradual improvement on the labour market. Based on preliminary estimates, the number of persons employed in the national economy was higher than at the end of 2009. Average employment in the enterprise sector in 2010 increased slightly in annual terms (by 0.8%), and in the subsequent quarters the positive tendency strengthened. The number of the newly registered unemployed was lower than a year ago, while the number of those removed from unemployment rolls – higher. However, the number of registered unemployed persons at the end of the year was slightly higher than in December 2009. The registered unemployment rate as of the end of December 2010 amounted to 12.3% (i.e. respectively 0.2 percentage points more).

Average monthly nominal gross wages and salaries in the enterprise sector were increasing slower than in 2009 (3.3% against 4.4%), and their purchasing power slightly exceeded the level recorded a year before (by 0.8%). A growth in average retirement pays and pensions in both systems was higher than that of wages and salaries.

In 2010 the prices of consumer goods and services grew at a slower rate than in 2009 (2.6% against 3.5%), however, in the 4th quarter their increase was slightly higher than in the previous periods. This resulted mainly from the increase in dynamics of prices of food and non-alcoholic beverages as well as of services related to transport. The producer prices in

industry grew to a lesser degree than in 2009 (2.1% against 3.4%), and the prices of construction and assembly production were at a similar level to the one recorded in the previous year.

Based on preliminary estimates, total sold production of industry in 2010 was 9.7% higher than a year earlier. In enterprises employing more than 9 persons the increase amounted to 9.8%. The favourable results were influenced mainly by a considerable increase (of 11.2%) in the manufacturing section. In annual terms, sold production of industry increased in all industrial groupings, except for energy. The labour efficiency in industry was higher than a year ago by 10.4%.

Total construction and assembly production, according to preliminary estimates, in 2010 was higher than a year before by approx. 3% (against an increase of 5.1% in 2009). In entities employing more than 9 persons, the sales also grew slightly slower than in the previous year and increased by 3.5%. An increase in production was recorded, among others, in entities dealing with demolition and site preparation, construction of roads and railways as well as entities specialising in construction of residential and non-residential buildings. The share of residential buildings in the structure of construction and assembly production by types of constructions dropped, while the one of civil engineering constructions and non-residential buildings grew. A decrease larger than in 2009 was observed in residential construction in the scope of dwellings completed, accompanied by an improvement in the dynamics of the number of dwellings started and those for which permits were issued.

It is estimated that total retail sales in 2010 reached the level 1.5% higher than in the previous year (against 1.7% in 2009). In enterprises employing more than 9 persons the dynamics of sales strengthened (an increase of 3.1% against 2.7%), which was mainly related to a considerable growth in enterprises dealing with the sales of motor vehicles, motorcycles and parts as well as of solid, liquid and gaseous fuels. However, a drop was recorded in enterprises indicating as the basic group of goods sold: food, beverages and tobacco products.

According to surveys in January, enterprises in most sections negatively assess the general business tendency. The general business climate index worsened in manufacturing. Enterprises operating in trade; repair of vehicles negatively perceive the situation – following positive assessments observed from March to November 2010, in January 2011 the index indicates greater pessimism than in December 2010. The worst moods are recorded among construction enterprises, however in comparison to the previous month a slight improvement in assessments was recorded. Considerable optimism maintains in entities dealing with information and communication as well as financial and insurance activities.

Based on preliminary estimates, the gross agricultural crop output in 2010 dropped by 1.8% in comparison to an increase recorded in the previous three years. The crop output decreased by 7.5% (as a result of the smaller production of main crops), while the animal output reached the level higher by 4.8% than in 2009, which was mainly caused by an increase in the production of pigs and poultry for slaughter. Surveys conducted at the end of 2010 indicate a growth in the size of pig herd and a slight drop in the livestock of cattle. On the agricultural market, following drops observed in the first half of 2010, prices of most crops grew in annual terms in subsequent months, which was related, among others, to expected small production. Prices of basic animal products, excluding the prices of pigs and poultry for slaughter, reached the level slightly above the one recorded in the previous year. As a result of the higher dynamics in the prices of agricultural products sold by farmers than in the prices of goods and services purchased for current agricultural production and investment purposes, the “price gap” index, following two unfavourable years, reached the level of 107.2.

In foreign trade, following the period of eleven months of 2010, a growth in the dynamics of foreign trade turnover was recorded in annual terms. A rate of an increase higher in imports than in exports caused the deepening of the total negative balance of turnover. In the period of January-October of 2010, the terms of trade index worsened in annual terms mainly due to unfavourable price relations in turnover with Russia.

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	1858,3	1954,7
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	11,7	12,3
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	5381	5379
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	98,6	95,9
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	110,0	111,5
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	89,2	138,8
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	114,2	112,3
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	53837	63778	75442	85990	97678	108110	120710	135715
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	100,1	100,4
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	102,7	103,1
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	102,8	103,1
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	100,4	101,1
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	103,9	104,7	106,1
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	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	100,0	99,9

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 (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	3525,67	3847,91
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	102,5	109,1
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	103,6	105,4
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	122,5	133,2
Profitability rate of gross turnover ¹ - 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 ² – 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	-41890,2	-42613,1	.
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	289,13	301,97
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	395,31	399,59
Foreign trade ³ 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
	b	33155,9	35928,9	39729,3	37740,6	39380,4	43551,4	39920,9	37178,5	43162,5	42603,9	39567,0	.
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
	b	36083,3	39625,8	44644,6	40944,9	43768,0	46024,5	44601,8	42763,5	46983,0	46770,3	47692,7	.
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
	b	-2927,4	-3696,9	-4915,3	-3204,3	-4387,6	-2473,1	-4680,9	-5585,0	-3820,5	-4166,4	-8125,7	.

¹ Relation of gross financial result to revenues from total activity.² Relation of net financial result to revenues from total activity.³ Since January 2010 – preliminary data.