

Socio-economic situation of Poland – main tendencies

In July 2017, the sold production of industry increased to the greater extent than in June (following a decrease a year before). Growth of construction and assembly production strengthened, after a deep decline a year before. Slightly faster than in the previous month was also dynamics of the retail sales and the sales of services in transport.

In the period of January-June 2017, surveyed enterprises obtained better financial results than a year before, but their investment activity was slightly lower than in the 1st half of the previous year.

The increase in average paid employment in the enterprise sector in annual terms in July was slightly higher than in the 1st half of 2017. A further decline in the number of registered unemployed was observed; the unemployment rate, as in June, was 7.1% and was lower than the year before. The results of the Labour Force Survey for the 2nd quarter of 2017 indicate better than a year before situation on the labour market. The number of employees increased; employment rate improved and the unemployment rate, calculated according to the definition of the International Labour Organization, was the lowest in the history of the survey (5.0%), conducted since 1992. The ratio of not employed to employed persons improved.

The growth rate of average nominal and real gross wages and salaries in the enterprise sector in annual terms in July was slightly slower than in the previous two months. Average nominal gross retirement and other pensions both in the employee and in the farmers' system grew slower than wages and salaries in the enterprise sector. Along with consumer prices higher than a year before, the purchasing power of retirement and other pensions benefits in the non-agricultural social security system did not change significantly in annual terms, and farmers – decreased.

The prices of consumer goods and services in July increased in annual terms, slightly faster than in the previous month. To a greater extent than in June increased the prices of food and non-alcoholic beverages. For the first time since the beginning of this year the prices of goods and services related to transport decreased in annual terms. The growth rate of prices of sold production of industry accelerated and prices in the construction - did not change.

The sold production of industry in July 2017 was higher than a year before by 6.2% (after elimination of seasonal factors the growth amounted to 6.7%). Production in most sections increased (except for the mining and quarrying), the most in manufacturing. Among the main industrial groupings the highest increase was in sales of intermediate goods, with a slight decrease in the production of energy goods. Construction and assembly production was higher than in July of the previous year by 19.8% (after elimination of seasonal factors the increase amounted to 18.0%). Retail sales increased in comparison with July 2016 by 6.8%.

According to the surveys conducted in August 2017, the general business tendency climate in the manufacturing entities is assessed favourably, similarly as in the previous month. In most areas the forecasts of entrepreneurs for the next three months are positive and slightly better than in July. However, less favourable are current assessments of order-books and production; slightly negative are diagnoses of financial situation (against positive ones a month before). In construction, the general business tendency climate is assessed favourably, similarly as in the previous month. Still positive are current assessments of order-books and production;

with maintaining negative diagnoses of financial situation. The respective forecasts are slightly less optimistic than in July. Retail trade entities assess general business tendency climate positively, similarly as in the previous month. Optimistic, better than in July, are forecasts of these entities regarding sales and financial situation; with favourable, but a little more cautious diagnoses in this regard.

The consumer sentiments on current and future tendencies in August 2017 are optimistic and better than in the previous month. This is affected, among others, by improvement of assessments for the current possibility of making major purchases, indications regarding the current financial situation of the household, as well as forecasts for the saving money.

In the 1st half of 2017 non-financial enterprises recorded better financial results than in the corresponding period of the previous year. Basic economic and financial relations of these entities did not change significantly. The share of enterprises showing a net profit in the total number of surveyed enterprises decreased. Basic economic and financial indicators obtained by exporters were slightly worse than the year before, but better than for all entities in total.

Investment outlays of all surveyed enterprises were lower than a year before (by 1.1%, against a drop of 7.1% in the 1st half of the previous year). The outlays on buildings and structures decreased, with an increase in outlays on purchasing. The number and estimated value of investments started increased. The investment activity of entities with foreign capital decreased.

In July 2017 the prices of most basic agricultural products in agricultural market were higher than a year before. Below the level of a year before were, among others, procurement prices of pigs and poultry for slaughter, and the marketplace prices of potatoes. Price relations for pig producers were more unfavourably than a year before.

In the foreign trade turnover (expressed in PLN) in the 1st half of 2017 higher growth in imports than in exports was observed in annual terms. The exchange closed with the positive balance, lower than a year before. The turnover with all groups of countries increased - most of all with the Central and Eastern European countries. Total exchange at constant prices in January-May period 2017 was higher than in the corresponding period of the previous year. Terms of trade index was unfavourable, which was mainly affected by the price relations with the Central and Eastern European countries.

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	6002	6022					
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	1152	1140					
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	7,1	7,1					
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	4489,07	4390,99	4508,08	4501,52					
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	102,7	99,9					
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	106,0	104,9					
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	104,5	103,2					
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	100,4	100,1					
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	99,7	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	99,8	99,8					
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	101,5	101,7					
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	100,8	100,6					
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	99,4	99,6	100,3					
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	102,4	101,8	102,2					
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	100,0	100,0	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	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	86,7	105,5	102,7	91,5					
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	109,2	104,4	106,2					
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	116,6	103,7					
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	111,6	119,8					
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	78276	93427					
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	101,6	101,2					
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	105,8	106,8					
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	-160,6	5860,4	.					
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	375,04	368,05					
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	420,83	423,61					
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	387,08	382,91					
Foreign trade ⁴ in mln zł:												
exports	a 60048,0	65693,5	68288,2	67421,7	66092,2	69818,4	62752,8	62213,8	70043,6	69990,3	73932,6	67182,7
	b 68619,1	68385,1	80101,9	68023,2	71287,8	69916,4	.					
imports	a 58015,1	64223,6	66715,5	65315,6	63554,5	66706,1	62008,7	63386,1	69396,6	68873,8	71415,7	66858,8
	b 66919,4	69416,7	78359,0	65642,6	71348,1	70431,9	.					
balance	a 2032,9	1469,9	1572,7	2106,1	2537,7	3112,3	744,1	-1172,3	647,0	1116,5	2516,9	323,9
	b 1699,7	-1031,6	1742,9	2380,6	-60,3	-515,5	.					

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 Since 2017 - preliminary data.