

## Introduction

In February of 2013, tendencies indicating the continuation of an economic slowdown were observed in most areas of the economy. Following a slight increase in January of 2013, sold production of industry again fell below the previous year's level. In construction a further, though smaller than in the preceding two months, drop in production was recorded. Retail sales were lower than a year before. The sales of transport services grew slower than in January of 2013.

A further slowdown concerned the growth rate of the prices of consumer goods and services. Average nominal gross wages and salaries in the enterprise sector grew faster than a month before, and their purchasing power increased in annual terms for the first time in several months. The dynamics of nominal and real retirement pays and pensions both in the employee system and in the farmers system was higher than that of wages and salaries.

The difficult situation on the labour market maintained. In the fourth month in a row, the average employment in the enterprise sector was below the previous year's level. Among others a drop was recorded, in electricity, gas, steam and air conditioning supply, in construction and manufacturing. Employment was still higher than a year before, among others, in administrative and support service activities and in other professional, scientific and technical activities. The registered unemployment rate grew to 14.4%.

The growth rate of the prices of consumer goods and services slowed down in February of 2013 to 1.3% in annual terms. This was influenced, among others, by a weaker dynamics, as compared to previous months, of the prices of food and non-alcoholic beverages, and of the prices of goods and services associated with housing. A drop in producer prices was still observed both in industry and in construction.

On the agricultural market, the prices of most animal products in February of 2013 were at a lower level than a year before. The prices of wheat were considerably higher, while a further drop was recorded in rye prices.

Sold production of industry in February of 2013 was by 2.1% lower than a year before, and after eliminating the seasonal factors – by 2.4%. A drop was observed in all industry sections except for mining and quarrying. Among the main industrial groupings, a growth in sold production of industry was recorded only in consumer goods (faster in non-durable goods than in durable ones). The most considerable decline concerned the production of goods associated with energy and capital goods. Construction and assembly production was lower than a year before by 11.4% (after eliminating seasonal factors – by 12.2%). A drop in sales occurred in all divisions of construction – the deepest in entities dealing mainly with specialised construction activities.

In March of 2013, the negative assessments of the general business tendency climate in manufacturing slightly improved. The current indications regarding the order-books in total are less unfavourable than a month before. The forecast regarding production and order-books (mainly domestic) are more positive. Construction entities also assess the

business tendency climate in a slightly less negative way than in February of 2013, which is influenced by an improvement in the unfavourable assessments, both current and future, regarding the order-books and production. In both sections, the negative forecasts concerning the financial situation have improved, along with continually unfavourable current assessment. Slightly less pessimistic than a month before are the attitudes of retail trade entities, including their projections concerning the economic situation, sales, the demand for goods and the financial situation.

The financial situation of non-financial enterprises in 2012 was more difficult than a year before. The result on economic activity and the financial results, both gross and net, were lower. In consequence of a slower growth in revenues from total activity, as compared to cost of obtaining revenues, the cost level indicator worsened (from 94.6% to 95.8%). The basic economic and financial relations of enterprises weakened – the gross and net turnover profitability rates decreased by over 1 percentage point (to 4.2% and 3.4%, respectively). The high financial liquidity indicators of the 1<sup>st</sup> and 2<sup>nd</sup> degree lowered. The share of enterprises indicating a net profit in the total number of enterprises dropped. The economic and financial relations of exporters were also worse than a year before, though still more favourable than for the surveyed enterprises in total.

Following a high growth recorded a year before, in 2012 a slight decline (in constant prices) was recorded in the investment outlays of the enterprises surveyed (of 0.9% in annual terms). The outlays on purchases were lower than a year before, with a growth in the outlays on buildings and structures. A weaker than average dynamics of outlays was observed in entities with foreign capital participation. A drop was recorded in the number of newly started investments in total and a considerable drop - in their estimate value.

After two months of 2013, the State budget closed with a deficit of PLN 21.7 billion, which accounted for 60.9% of the amount assumed in the Budget Act for 2013. Revenues amounted to PLN 42.8 billion and expenditures to PLN 64.5 billion (14.3% and 19.3% of the plan, respectively).

## SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

Specification a – 2012 b – 2013	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
<b>Paid employment in the enterprise sector<sup>1</sup></b>												
in thous. persons ..... a	5551	5543	5539	5531	5530	5531	5529	5522	5514	5510	5497	5474
b	5507	5497										
<b>Registered unemployed persons (in thous. persons; end of period).....</b>												
a	2122	2168	2142	2073	2014	1964	1953	1965	1979	1995	2058	2137
b	2296	2337										
<b>Unemployment rate (in %; end of period).....</b>												
a	13,2	13,4	13,3	12,9	12,6	12,3	12,3	12,4	12,4	12,5	12,9	13,4
b	14,2	14,4										
<b>Average monthly nominal gross wage and salary in the enterprise sector<sup>1</sup> (in zł) .....</b>												
a	3666,41	3568,32	3770,66	3719,81	3617,98	3754,48	3700,01	3686,45	3640,84	3718,19	3780,64	4111,69
b	3680,30	3709,99										
<b>previous month=100 .....</b>												
a	91,3	97,3	105,7	98,7	97,3	103,8	98,5	99,6	98,8	102,1	101,7	108,8
b	89,5	100,8										
<b>corresponding month of previous year=100 .....</b>												
a	108,1	104,3	103,8	103,4	103,8	104,3	102,4	102,7	101,6	102,8	102,7	102,4
b	100,4	104,0										
<b>Average monthly real gross wage and salary in the enterprise sector<sup>1</sup></b>												
<b>corresponding month of previous year=100.....</b>												
a	103,9	100,1	100,0	99,5	100,3	100,2	98,7	99,0	98,0	99,5	100,0	100,0
b	98,7	102,8										
<b>Average monthly real gross retirement pay and pension:</b>												
<b>from non-agricultural social security system</b>												
<b>corresponding month of previous year=100.....</b>												
a	100,4	100,0	101,4	101,2	101,8	100,8	101,1	101,3	101,2	101,7	102,4	102,7
b	104,1	104,0										
<b>of farmers</b>												
<b>corresponding month of previous year=100.....</b>												
a	98,8	98,5	103,4	103,4	103,6	102,8	103,2	103,3	103,3	103,9	104,6	104,8
b	106,7	107,2										
<b>Price indices of consumer goods and services:</b>												
<b>previous month=100 .....</b>												
a	100,7	100,4	100,5	100,6	100,2	100,2	99,5	99,7	100,1	100,4	100,1	100,1
b	100,1	100,0										
<b>corresponding month of previous year=100 .....</b>												
a	104,1	104,3	103,9	104,0	103,6	104,3	104,0	103,8	103,8	103,4	102,8	102,4
b	101,7	101,3										
<b>December of previous year=100 .....</b>												
a	100,7	101,1	101,7	102,2	102,4	102,6	102,1	101,8	101,9	102,3	102,3	102,4
b	100,1	100,0										
<b>Price indices of sold production of industry:</b>												
<b>previous month=100 .....</b>												
a	100,1	99,5	100,1	100,7	100,4	99,5	99,6	100,0	100,5	99,3	99,8	99,4
b	100,0	100,3										
<b>corresponding month of previous year=100 .....</b>												
a	107,9	106,0	104,4	104,4	105,2	104,4	103,6	103,0	101,8	101,0	99,9	98,9
b	98,8	99,6										
<b>Price indices of construction and assembly production:</b>												
<b>previous month=100 .....</b>												
a	99,9	99,9	100,0	100,0	99,9	99,9	99,8	99,8	99,8	99,9	99,9	99,9
b	99,8	99,8										
<b>corresponding month of previous year=100 .....</b>												
a	101,5	101,4	101,3	101,1	100,9	100,5	100,1	99,7	99,3	99,1	98,9	98,7
b	98,6	98,4										

<sup>1</sup> Data concern economic entities employing more than 9 persons.

## SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

(cont.)

Specification a - 2012 b - 2013	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Sold production of industry <sup>1</sup> (constant prices <sup>2</sup> ):												
previous month=100 .....	a 95,0	99,6	110,2	92,4	104,0	98,0	98,1	99,4	105,5	107,8	95,2	87,2
corresponding month of previous year=100 .....	b 105,5	97,2										
of previous year=100 .....	a 108,5	104,6	100,9	102,6	104,2	101,0	105,2	100,2	95,2	104,7	99,5	90,4
of previous year=100 .....	b 100,4	97,9										
Construction and assembly production (constant prices <sup>2</sup> ):												
previous month=100 .....	a 35,5	94,5	131,5	114,4	123,3	105,7	92,9	105,7	102,2	112,4	90,9	111,5
corresponding month of previous year=100 .....	b 39,7	99,7										
of previous year=100 .....	a 131,9	111,9	103,2	107,8	105,6	94,8	91,3	94,9	82,1	96,4	94,6	75,1
of previous year=100 .....	b 83,9	88,6										
Dwellings completed (from the beginning of year) .....	a 12468	23783	36292	47377	57409	67843	79716	92677	104805	120230	135792	152904
of previous year=100 .....	b 13187	24456										
Retail sales of commodities <sup>1</sup> (constant prices <sup>3</sup> ):												
previous month=100 .....	a 74,9	101,0	115,0	97,0	100,8	100,2	102,2	100,5	98,4	103,7	93,7	115,1
corresponding month of previous year=100 .....	b 79,6	97,4										
of previous year=100 .....	a 109,9	108,9	106,9	101,8	104,3	102,6	103,4	102,3	99,6	100,5	100,7	96,4
of previous year=100 .....	b 102,4	98,7										
State budget balance - from the beginning of year (in mln zł) .....	a -5301,8	-16515,6	-22968,6	-24819,9	-26981,0	-21085,6	-24338,8	-22911,8	-21128,9	-34206,1	-30477,2	30407,2
of previous year=100 .....	b -8440,9	-21654,9										
Average exchange rates in zł - National Bank of Poland:												
100 USD .....	a 338,84	316,08	313,20	317,27	334,72	343,99	340,61	330,21	321,54	316,72	322,37	312,30
of previous year=100 .....	b 311,45	311,97										
of previous year=100 .....	a 437,75	418,40	413,70	417,56	428,84	430,72	418,96	409,12	413,14	410,91	413,54	409,38
of previous year=100 .....	b 413,69	417,34										
100 CHF .....	a 361,35	346,60	343,00	347,36	357,00	358,65	348,84	340,64	341,68	339,65	343,10	338,71
of previous year=100 .....	b 336,79	339,24										
Foreign trade <sup>4</sup> in mln zł:												
exports .....	a 48562,6	47897,9	51702,5	48267,7	50441,9	50146,4	49930,5	48223,6	51201,3	57062,1	52514,9	41144,7
of previous year=100 .....	b 48000,3	.										
imports .....	a 53301,2	53342,3	55632,3	51960,2	55741,1	53485,2	52760,0	49762,0	52234,0	57601,4	55248,6	47219,4
of previous year=100 .....	b 48950,5	.										
balance .....	a -4738,6	-5444,4	-3929,8	-3692,5	-5299,2	-3338,8	-2829,5	-1538,4	-1032,7	-539,3	-2733,7	-6074,7
of previous year=100 .....	b -950,2	.										

<sup>1</sup> Data concern economic entities employing more than 9 persons. <sup>2</sup> The average current prices from 2010. <sup>3</sup> The current prices from the period preceding the surveyed period. <sup>4</sup> Preliminary data.