

Introduction

In the 1st quarter of 2012 a moderate rate of the economic growth maintained, though in March a weakening of the dynamics was recorded in many areas of production and services. Together with a considerable slowdown in the last month, industrial production in the 1st quarter of 2012 grew, in annual terms, to a lower extent than in the 4th quarter of the previous year. However, construction and assembly production as well as retail sales grew faster. The high sales dynamics of transport services maintained. Average employment in the enterprise sector grew slightly comparing to the 1st quarter of the previous year, and the unemployment rate at the end of March of 2012 reached the previous year's level. The dynamics of average monthly nominal gross wages and salaries in the enterprise sector was slightly higher than in the 4th quarter of the previous year, which – together with a lower growth intensity of the prices of consumer goods and services – influenced an increase in the purchasing power of wages and salaries. Following the valorisation performed in March of 2012, the dynamics of gross retirement pays and pensions in both systems, which was previously low, also improved.

In the 1st quarter of 2012, sold production of industry was by 4.9% higher than in the period of January-March of the previous year. A growth was recorded in all sections, except for mining and quarrying. In March of 2012, industrial production grew slower, reaching the level by 0.7% higher than a year before. In construction, despite the production slowdown observed in the preceding month, the growth in sales, in the period of January-March of 2012, amounted to 14.9%. The highest dynamics was recorded in civil engineering, accompanied by an insignificant growth in buildings construction. Retail sales increased by 8.4% in comparison with the 1st quarter of the previous year, including a considerable growth, among others, in enterprises dealing with trade in motor vehicles, motorcycles, parts, and in furniture, radio, TV and household appliances.

According to the surveys conducted in April of 2012, the general business tendency climate in manufacturing is assessed favourably, compared to the negative indications provided a month before. The negative indicator of the general business tendency climate in construction also slightly improved. Entities operating in these sections forecast an extension of their order-books and production. Indications concerning the future financial situation in construction are less pessimistic, whereas in industry they are more careful than a month before. A growth in the prices of finished industrial products may be slightly slower, and a drop in the prices of construction and assembly work may be similar to the one indicated a month before. The planned employment reductions may be less considerable than announced in March of 2012. Retail trade units formulate less negative assessments of the general business tendency climate than a month before. The pessimistic assessments concerning sales improved, and the projections in this field are also slightly more favourable. The difficulties related to the timely settlement of financial

liabilities are decreasing. The scale of employment reductions and a growth in the prices of consumer goods and services may be similar as projected in March of this year.

In the period of January-March of 2012, the growth rate in the prices of consumer goods and services, as well as producer prices, in annual terms, was lower than in the 4th quarter of the previous year. In subsequent months of 2012, a gradual weakening of the price dynamics was observed in industry. In March of this year, a slowdown also concerned the growth in consumer prices, mainly as a result of a decline in the dynamics of prices in transport as well as food and non-alcoholic beverages.

Average employment in the enterprise sector in the 1st quarter of 2012 exceeded the previous year's level by 0.6%. The number of registered unemployed persons at the end of March of 2012 was slightly higher than a year before, despite a decrease in the scale of inflows to unemployment. The registered unemployment rate dropped in comparison with February of 2012, and – similarly to March of the previous year – it amounted to 13.3%.

The growth rate of average nominal gross wages and salaries in the enterprise sector, in the 1st quarter of 2012, was slightly higher than in the last three months of the previous year. Together with a weakening, though still considerable, inflation, real gross wages and salaries increased, in annual terms, by 1.3%. The purchasing power of retirement pays and pensions in both systems also grew slightly.

On the agricultural market, under the conditions of a generally decreased supply, the prices of most basic agricultural products, in the 1st quarter of 2012, were higher than a year before. Higher prices concerned, among others, animals for slaughter and milk. The prices of piglets for further breeding also grew considerably. A decline occurred in wheat prices on both markets, as well as in the prices of potatoes in the marketplace. Despite the continually high prices of pigs for slaughter, the profitability of pigs fattening was still low, though slightly better than in the 1st quarter of the previous year. The preliminary assessment of crops hibernation has revealed that their condition was considerably worse than observed a year before.

In the period of January-February of 2012, the dynamics of foreign trade was weaker than in the 4th quarter of the previous year. Exports grew slightly faster than imports, and the negative balance of trade in PLN slightly deepened in relation to the one recorded in the first two months of the previous year. The exports of agricultural and food products grew to a higher extent than total exports.

The expenditures of the State budget, following the 1st quarter of 2012, reached the level of PLN 86.5 billion, and the revenues amounted to PLN 63.5 billion. As a result, a deficit of PLN 23.0 billion was recorded, which accounted for 65.6% of the amount assumed in the Budget Act for 2012.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

Specification a - 2011, b - 2012	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Registered unemployed persons (in thous.) a	2105	2150	2134	2044	1963	1883	1863	1855	1862	1868	1915	1983
..... b	2122	2168	2142									
Unemployment rate (in %) a	13,1	13,4	13,3	12,8	12,4	11,9	11,8	11,8	11,8	11,8	12,1	12,5
..... b	13,2	13,5	13,3									
Paid employment in the enterprise sector												
in thous. persons a	5501	5513	5509	5514	5514	5527	5528	5520	5515	5512	5515	5503
..... b	5551	5543	5539									
Average monthly nominal gross wage and salary in the enterprise sector												
(in zł) a	3391,59	3422,14	3633,54	3597,84	3483,99	3600,47	3611,56	3591,23	3581,94	3617,16	3682,19	4015,37
..... b	3666,41	3568,32	3770,66									
previous month=100 a	88,1	100,9	106,2	99,0	96,8	103,3	100,3	99,4	99,7	101,0	101,8	109,0
..... b	91,3	97,3	105,7									
corresponding month												
of previous year=100 a	105,0	104,1	104,0	105,9	104,1	105,8	105,2	105,4	105,2	105,1	104,4	104,4
..... b	108,1	104,3	103,8									
Average monthly real gross wage and salary in the enterprise sector												
corresponding month												
of previous year=100 a	101,5	100,7	99,9	101,5	99,3	101,6	101,3	101,2	101,3	100,9	99,8	99,9
..... b	103,9	100,1	100,0									
Average monthly real gross retirement pay and pension:												
from non-agricultural social security system												
corresponding month of previous year=100 a	102,2	102,3	100,1	100,0	99,3	100,1	100,4	100,1	100,6	100,2	99,6	99,8
..... b	100,4	100,0	101,4									
of farmers												
corresponding month of previous year=100 a	100,5	100,4	98,1	98,1	97,4	98,3	98,7	98,4	98,8	98,5	97,9	97,9
..... b	98,8	98,5	103,4									
Price indices of consumer goods and services:												
previous month=100 a	101,2	100,2	100,9	100,5	100,6	99,6	99,7	100,0	100,1	100,7	100,7	100,4
..... b	100,7	100,4	100,5									
corresponding month												
of previous year=100 a	103,6	103,6	104,3	104,5	105,0	104,2	104,1	104,3	103,9	104,3	104,8	104,6
..... b	104,1	104,3	103,9									
December of previous year=100 a	101,2	101,4	102,3	102,9	103,5	103,1	102,8	102,7	102,8	103,5	104,2	104,6
..... b	100,7	101,1	101,7									
Price indices of sold production of industry:												
previous month=100 a	100,4	101,2	101,6	100,7	99,7	100,3	100,4	100,6	101,7	100,1	100,9	100,4
..... b	100,1	99,5	100,1									
corresponding month												
of previous year=100 a	106,2	107,5	109,5	108,8	106,3	105,6	105,9	106,8	108,4	108,5	109,1	108,2
..... b	107,9	106,0	104,5									
Price indices of construction and assembly production:												
previous month=100 a	100,1	100,1	100,2	100,2	100,2	100,3	100,2	100,3	100,1	100,1	100,0	100,0
..... b	99,9	99,9	100,0									
corresponding month												
of previous year=100 a	100,3	100,4	100,6	100,6	100,7	100,8	101,1	101,4	101,6	101,6	101,7	101,8
..... b	101,5	101,4	101,3									

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

(cont.)

Specification a - 2011, b - 2012	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Sold production of industry (constant prices ¹):												
previous month=100	a 93,7	103,3	115,2	90,7	102,7	101,0	94,0	104,1	112,6	97,6	100,5	95,1
corresponding month of previous year=100	b 95,0	99,2	110,7									
a 110,3	110,3	110,5	106,8	106,7	107,8	102,0	101,8	107,9	107,4	106,4	108,5	107,7
b 109,1	109,1	104,8	100,7									
Construction and assembly production (constant prices ¹):												
previous month=100	a 30,7	111,5	142,4	109,7	125,9	117,6	96,6	101,5	118,3	95,7	92,5	140,6
corresponding month of previous year=100	b 35,5	94,5	131,6									
a 111,0	111,0	118,7	124,2	115,6	123,9	117,0	116,5	110,8	118,1	108,9	113,0	114,6
b 132,2	132,2	112,0	103,5									
Dwellings completed (from the beginning of year)	a 10289	18336	27508	36976	45765	54619	65180	76094	86937	101267	114579	131148
b 11622	11622	23716	36272									
Retail sales of commodities (constant prices ²):												
previous month=100	a 70,8	101,8	117,4	101,7	98,3	101,9	101,3	101,5	101,3	102,8	93,5	120,3
corresponding month of previous year=100	b 74,9	101,0	115,0									
a 102,3	102,3	108,6	105,1	113,6	108,5	106,4	104,2	106,9	107,7	106,8	107,4	104,2
b 109,9	109,9	108,9	106,9									
State budget balance - from the beginning of year (in mln zł)	a -2762,0	-14409,2	-17499,7	-21585,5	-23728,3	-20222,2	-21083,6	-20680,7	-21888,5	-22470,4	-21573,4	-25112,9
b -5301,8	-5301,8	-16515,6	-22956,8									
Average exchange rates in zł - National Bank of Poland:												
100 USD	a 291,48	287,87	286,88	274,67	274,19	275,86	279,11	287,70	314,29	317,69	326,09	339,59
b 338,84	338,84	316,08	313,20									
100 EUR	a 389,69	392,86	401,74	397,06	393,95	396,95	399,07	412,32	433,32	435,62	442,39	447,66
b 437,75	437,75	418,40	413,70									
100 CHF	a 305,03	303,12	311,88	305,92	314,00	327,99	338,24	368,94	361,93	354,41	359,34	364,68
b 361,35	361,35	346,60	343,00									
Foreign trade ³ in mln zł:												
exports	a 40050,7	42330,0	48032,9	44175,7	46165,3	45026,0	42235,9	45843,8	52444,0	52107,4	51200,4	45157,2
b 47807,5	47807,5	46191,9	.									
imports	a 44034,4	46955,9	52620,5	49965,3	51583,5	51347,1	48416,7	51160,4	55317,6	55978,6	56208,1	50839,7
b 52167,1	52167,1	50489,0	.									
balance	a -3983,7	-4625,9	-4587,6	-5789,6	-5418,2	-6321,1	-6180,8	-5316,6	-2873,6	-3871,2	-5007,7	-5682,5
b -4359,6	-4359,6	-4297,1	.									

¹ The average current prices from 2005.

² The current prices from the period preceding the surveyed period.

³ Preliminary data.