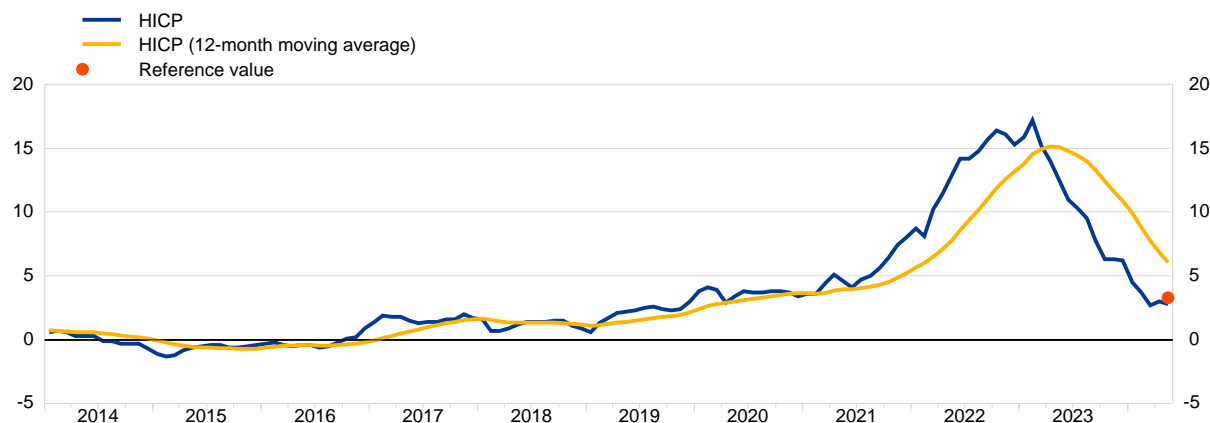


Poland - Price developments

Chart 5.4.1 HICP inflation and reference value ¹⁾
(annual percentage changes)



Sources: European Commission (Eurostat) and ECB calculations.

1) The basis of the calculation of the reference value for the period from June 2023 to May 2024 is the unweighted arithmetic average of the annual percentage changes in the HICP for Denmark, Belgium and the Netherlands plus 1.5 percentage points. The reference value is 3.3%.

Table 5.4.1 Measures of inflation and related indicators
(annual percentage changes, unless otherwise indicated)

	2014-2023 ¹⁾	2014-2018 ¹⁾	2019-2023 ¹⁾	2019	2020	2021	2022	2023	2024 ²⁾	2025 ²⁾
Measures of inflation										
HICP	3.6	0.4	6.9	2.1	3.7	5.2	13.2	10.9	4.3	4.2
HICP excluding unprocessed food and energy	3.4	0.6	6.3	2.3	4.2	4.2	10.3	10.7	4.5	3.7
HICP at constant tax rates ³⁾	3.7	0.3	7.2	2.1	3.5	5.1	16.1	9.6	-	-
CPI	1.0	0.2	1.9	2.3	3.4	5.1	14.4	11.4	4.8	4.6
Private consumption deflator	3.7	0.4	7.1	2.2	3.5	5.4	14.0	10.8	4.5	4.2
GDP deflator	3.8	1.0	6.7	3.0	4.3	5.3	10.6	10.7	4.5	4.2
Producer prices ⁴⁾	4.4	0.7	8.2	1.6	-0.9	9.8	28.9	4.0	-	-
Related indicators										
Real GDP growth	3.7	4.4	3.0	4.5	-2.0	6.9	5.6	0.2	2.8	3.4
GDP per capita in PPS ⁵⁾ (euro area = 100)	69.3	64.7	73.8	69.0	72.8	73.9	76.5	76.8	-	-
Comparative price levels (euro area = 100)	55.8	55.1	56.6	56.7	55.9	56.5	57.5	.	-	-
Output gap ⁶⁾	0.0	-0.3	0.2	2.7	-2.8	0.7	1.8	-1.1	-1.2	-0.6
Unemployment rate (%) ⁷⁾	4.8	6.4	3.1	3.3	3.2	3.4	2.9	2.8	3.0	2.9
Unit labour costs, whole economy	3.8	1.2	6.4	3.9	7.5	0.4	7.3	13.3	7.0	3.6
Compensation per employee, whole economy	6.3	4.5	8.2	8.6	5.3	4.7	9.1	13.4	10.1	7.1
Labour productivity, whole economy	2.4	3.2	1.7	4.5	-2.0	4.3	1.7	0.0	2.8	3.3
Imports of goods and services deflator	3.0	0.1	6.0	1.8	0.1	11.3	22.9	-4.2	-1.7	2.0
Nominal effective exchange rate ⁸⁾	-0.1	0.5	-0.7	-1.4	-1.7	-2.4	-3.9	6.2	-	-
Money supply (M3) ⁹⁾	8.7	8.1	9.3	8.7	15.3	8.5	4.6	9.8	-	-
Lending from banks ¹⁰⁾	4.3	5.9	2.7	5.8	-1.2	5.7	1.1	2.4	-	-
Stock prices (Warsaw General Index) ¹¹⁾	53.0	12.5	36.0	0.2	-1.4	21.5	-17.1	36.5	-	-
Residential property prices	6.3	2.9	9.8	8.7	10.5	9.2	11.8	8.8	-	-

Sources: European Commission (Eurostat, Directorate-General for Economic and Financial Affairs), national data for CPI, money supply, lending from banks and ECB calculations based on LSEG data for stock prices.

1) Multi-annual averages calculated using the geometric mean, except for GDP per capita in PPS, comparative price levels, output gap and unemployment rate, for which the arithmetic mean is used.

2) Data from the European Commission's Spring 2024 Economic Forecast.

3) The difference between the HICP and the HICP at constant tax rates shows the theoretical impact of changes in indirect taxes (e.g. VAT and excise duties) on the overall rate of inflation. This impact assumes a full and instantaneous pass-through of tax rate changes to the price paid by the consumer.

4) Domestic sales, total industry excluding construction.

5) PPS stands for purchasing power standards.

6) Percentage difference from potential GDP: a positive (negative) sign indicates that actual GDP is above (below) potential GDP.

7) Definition conforms to International Labor Organization guidelines.

8) EER-41 group of trading partners. A positive (negative) sign indicates an appreciation (depreciation).

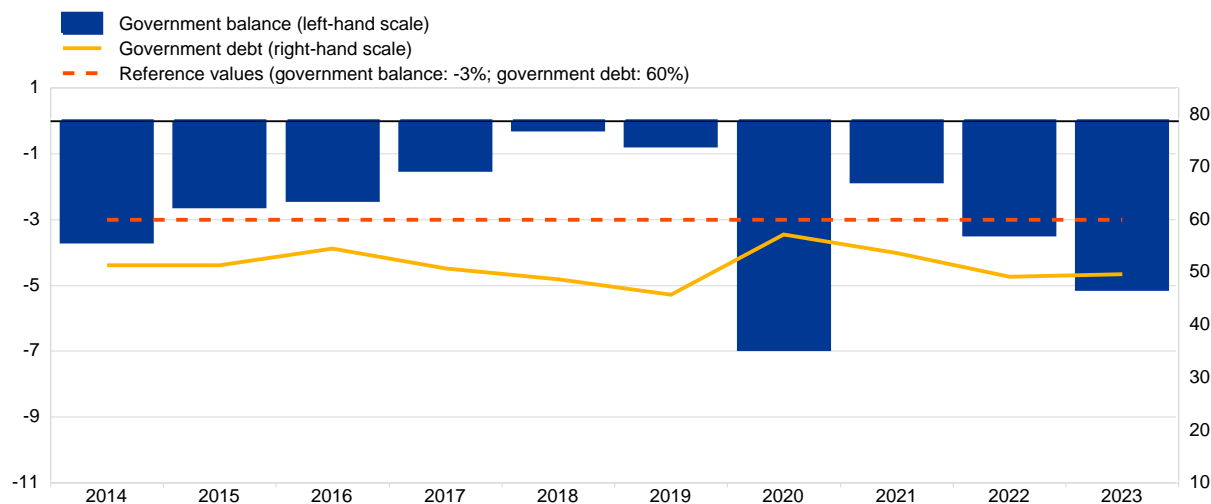
9) The series includes repurchase agreements with central counterparties.

10) Adjusted for the derecognition of loans from the MFI statistical balance sheet due to their sale or securitisation.

11) Multi-annual and annual figures represent the percentage change between the end of the given period and the end of the previous period.

Poland - Fiscal developments

Chart 5.4.2 General government balance and debt
(as a percentage of GDP)



Sources: European System of Central Banks and European Commission (Eurostat).

Table 5.4.2 Government budgetary developments and projections
(as a percentage of GDP, unless otherwise indicated)

	2014-2023 ¹⁾	2014-2018 ¹⁾	2019-2023 ¹⁾	2019	2020	2021	2022	2023	2024 ²⁾	2025 ²⁾
Government balance	-2.8	-2.1	-3.6	-0.7	-6.9	-1.8	-3.4	-5.1	-5.4	-4.6
Total revenue	40.5	39.7	41.3	41.1	41.3	42.3	40.2	41.6	44.0	43.9
Current revenue	39.5	38.7	40.3	40.0	40.1	41.3	39.5	40.6	42.8	42.7
Direct taxes	7.5	7.2	7.8	7.9	7.9	8.3	7.6	7.4	8.0	8.2
Indirect taxes	13.8	13.5	14.2	13.8	14.0	15.2	13.7	14.1	15.0	14.7
Net social contributions	13.9	13.7	14.1	14.2	14.5	14.0	13.7	14.2	14.6	14.5
Other current revenue ³⁾	4.2	4.3	4.2	4.1	3.8	3.9	4.4	4.8	5.2	5.3
Capital revenue	1.0	1.0	1.0	1.1	1.2	0.9	0.7	1.1	1.3	1.2
Total expenditure	43.3	41.8	44.9	41.9	48.2	44.1	43.6	46.7	49.4	48.5
Current expenditure	38.2	37.0	39.4	37.2	42.5	39.0	38.2	40.4	42.7	41.8
Compensation of employees	10.3	10.4	10.3	10.3	10.8	10.4	9.8	10.1	10.6	10.6
Social benefits	17.2	16.7	17.7	17.3	18.6	18.0	16.9	17.7	19.4	19.5
Interest payable	1.6	1.7	1.5	1.4	1.3	1.1	1.5	2.1	2.2	2.4
Other current expenditure ⁴⁾	9.1	8.2	10.0	8.2	11.8	9.5	10.0	10.5	10.6	9.3
Capital expenditure	5.1	4.7	5.5	4.7	5.7	5.1	5.4	6.4	6.7	6.8
of which: Investment	4.3	4.2	4.3	4.3	4.5	4.1	3.8	5.0	5.1	5.4
Cyclically adjusted balance	-2.8	-1.9	-3.7	-2.1	-5.5	-2.2	-4.3	-4.5	-4.8	-4.3
One-off and temporary measures	0.0	-0.1	0.1	0.0	0.3	0.2	0.3	0.0	0.0	0.0
Structural balance ⁵⁾	-2.9	-1.9	-3.9	-2.1	-5.8	-2.4	-4.6	-4.5	-4.8	-4.3
Government debt	51.2	51.3	51.1	45.7	57.2	53.6	49.2	49.6	53.7	57.7
Average residual maturity (in years)	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	.	.
In foreign currencies (% of total)	29.1	33.6	24.5	28.4	23.4	22.3	24.2	24.4	.	.
of which: Euro	23.6	26.0	21.3	23.8	20.0	19.5	21.6	21.4	.	.
Domestic ownership (% of total)	54.6	45.4	63.8	55.9	65.5	66.9	64.3	66.4	.	.
Medium and long-term maturity (% of total) ⁶⁾	98.8	99.2	98.5	98.9	98.2	98.8	98.2	98.4	.	.
of which: Variable interest rate (% of total)	21.2	20.7	21.7	23.9	19.2	20.1	21.6	23.7	.	.
Deficit-debt adjustment	0.1	-1.0	1.2	-0.3	5.5	1.0	-0.1	0.1	.	.
Net acquisitions of main financial assets	1.2	0.5	1.9	0.9	5.5	1.8	0.4	0.9	.	.
Currency and deposits	0.7	0.3	1.2	0.5	3.3	1.3	1.1	-0.3	.	.
Debt securities	0.1	0.0	0.1	0.3	0.5	0.4	-0.8	0.1	.	.
Loans	0.4	0.2	0.6	0.1	1.6	0.2	0.4	0.8	.	.
Equity and investment fund shares or units	-0.1	-0.1	0.0	0.0	0.1	-0.1	-0.3	0.2	.	.
Revaluation effects on debt	0.2	0.4	0.0	-0.1	0.7	0.0	0.6	-1.1	.	.
of which: Foreign exchange holding gains/losses	0.2	0.3	0.0	-0.1	1.0	0.1	0.2	-0.9	.	.
Other ⁷⁾	-1.3	-1.9	-0.6	-1.1	-0.6	-0.8	-1.1	0.4	.	.

Sources: European System of Central Banks and European Commission (Eurostat, Directorate-General for Economic and Financial Affairs).

1) Multi-annual averages calculated using the arithmetic mean.

2) Data from the European Commission's Spring 2024 Economic Forecast.

3) Sales and other current revenue.

4) Intermediate consumption, subsidies payable and other current expenditure.

5) Cyclically adjusted balance excluding one-off and other temporary measures.

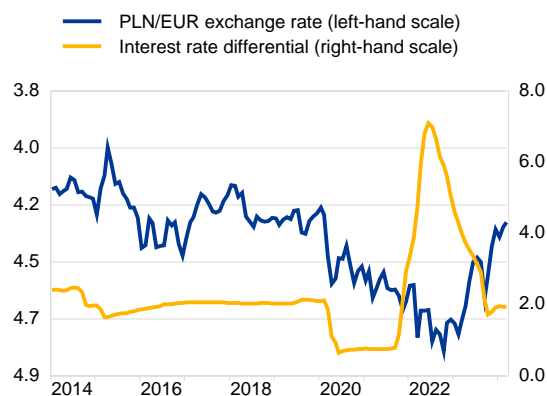
6) Original maturity of more than one year.

7) Time of recording differences and other factors (sector reclassifications and statistical discrepancies).

Poland - Exchange rate and external developments

Chart 5.4.3 Bilateral exchange rate and short-term interest rate differential

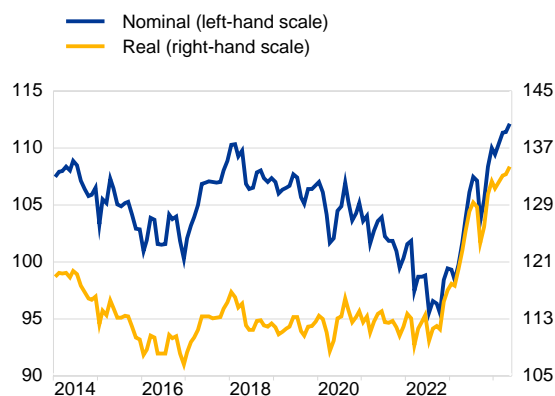
(PLN/EUR exchange rate: monthly averages; difference between three-month interbank interest rates and three-month EURIBOR: basis points, monthly values)



Sources: National data and ECB calculations.

Chart 5.4.4 Effective exchange rates ¹⁾

(EER-41 group of trading partners; monthly averages; index: Q1 1999 = 100)



Source: ECB.

1) The real EER-41 is CPI-deflated. An increase (decrease) in the EER indicates an appreciation (depreciation).

Table 5.4.3 External developments

(as a percentage of GDP, unless otherwise indicated)

	2014-2023 ¹⁾	2014-2018 ¹⁾	2019-2023 ¹⁾	2019	2020	2021	2022	2023	2024 ²⁾	2025 ²⁾
Balance of payments										
Current account and capital account balance ³⁾	0.5	0.0	1.0	1.4	4.2	-0.6	-1.9	1.8	1.9	1.8
Current account balance	-0.8	-1.6	0.0	-0.2	2.4	-1.3	-2.4	1.6	1.2	1.0
Goods	-1.0	-1.2	-0.7	-0.8	1.3	-1.3	-3.7	0.8	.	.
Services	4.1	3.3	4.9	4.5	4.4	4.7	5.6	5.3	.	.
Primary income	-4.1	-4.0	-4.1	-4.2	-3.8	-4.5	-3.9	-4.2	.	.
Secondary income	0.1	0.3	0.0	0.2	0.5	-0.1	-0.3	-0.3	.	.
Capital account balance	1.3	1.6	1.0	1.7	1.8	0.7	0.5	0.2	.	.
Combined direct and portfolio investment balance ³⁾	-1.8	-1.9	-1.8	0.0	-1.1	-2.1	-4.0	-1.6	.	.
Direct investment	-2.4	-2.0	-2.8	-2.0	-2.4	-3.8	-3.6	-2.2	.	.
Portfolio investment	0.6	0.1	1.0	2.0	1.2	1.7	-0.4	0.6	.	.
Other investment balance	0.5	0.8	0.2	-0.5	1.7	-0.6	0.3	0.0	.	.
Reserve assets	1.7	1.0	2.4	1.7	3.1	2.8	2.0	2.6	.	.
Exports of goods and services	53.4	49.8	56.9	53.2	53.0	57.7	63.0	57.7	.	.
Imports of goods and services	50.3	47.7	52.8	49.5	47.3	54.4	61.1	51.6	.	.
Net international investment position ⁴⁾	-50.1	-60.8	-39.4	-48.8	-43.9	-39.8	-33.3	-31.4	.	.
Gross external debt ⁴⁾	63.2	70.8	55.7	58.9	60.7	56.5	53.0	49.3	.	.
Trade with the euro area ⁵⁾										
Exports of goods and services	-	-	-	-	-	57.6	58.6	57.2	.	.
Imports of goods and services	-	-	-	-	-	56.5	54.3	55.8	.	.
Investment position with the euro area ⁵⁾										
Direct investment assets ⁴⁾	-	-	-	-	-	58.0	55.0	56.1	.	.
Direct investment liabilities ⁴⁾	-	-	-	-	-	78.6	76.4	76.7	.	.
Portfolio investment assets ⁴⁾	-	-	-	-	-	45.5	45.4	48.4	.	.
Portfolio investment liabilities ⁴⁾	46.0	43.7	48.3	47.0	51.4	47.6	49.1	46.4	.	.

Sources: European System of Central Banks and European Commission (Eurostat, Directorate-General for Economic and Financial Affairs).

1) Multi-annual averages calculated using the arithmetic mean. Owing to the unavailability of data, the multi-annual averages for the "trade with the euro area" series and for the "direct investment assets", "portfolio investment assets" and "direct investment liabilities" components of the "investment position with the euro area" series are not calculated.

2) Data from the European Commission's Spring 2024 Economic Forecast.

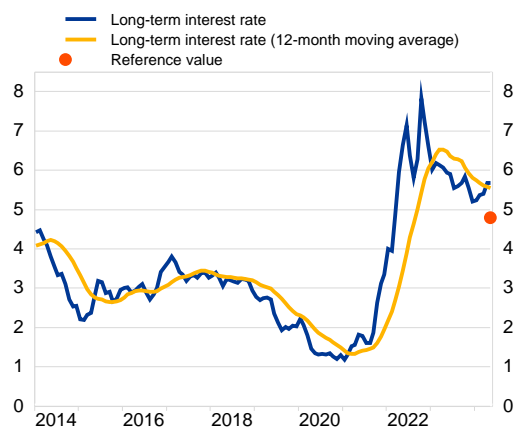
3) Differences between totals and the sum of their components are due to rounding.

4) End-of-period outstanding amounts.

5) As a percentage of the total.

Poland - Long-term interest rate developments

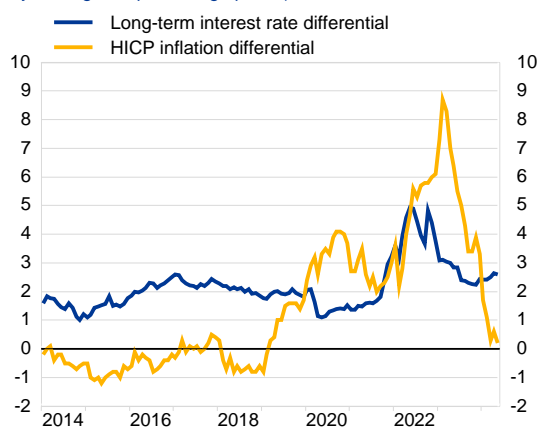
Chart 5.4.5 Long-term interest rate ¹⁾
(monthly averages in percentages)



Sources: European System of Central Banks and ECB calculations.

1) The basis of the calculation of the reference value for the period from June 2023 to May 2024 is the unweighted arithmetic average of the interest rate levels in Denmark, Belgium and the Netherlands plus 2 percentage points. The reference value is 4.8%.

Chart 5.4.6 Long-term interest rate and HICP inflation differentials vis-à-vis the euro area
(monthly averages in percentage points)



Sources: European System of Central Banks, ECB calculations and European Commission (Eurostat).

Table 5.4.4 Long-term interest rates and indicators of financial development and integration
(as a percentage of GDP, unless otherwise indicated)

	2014-2023 ¹⁾	2014-2018 ¹⁾	2019-2023 ¹⁾	2020	2021	2022	2023	Jun. 2023 to May. 2024	Memo item: euro area 2023
Long-term interest rates									
Poland ²⁾	3.4	3.2	3.5	1.5	1.9	6.1	5.8	5.6	-
Euro area ^{3), 4)}	1.2	1.3	1.1	0.0	0.1	1.9	3.1	3.1	-
Euro area AAA par curve, ten-year residual maturity ^{2), 4)}	0.6	0.6	0.6	-0.4	-0.3	1.2	2.5	2.5	-
Indicators of financial development and integration									
Debt securities issued by financial corporations ⁵⁾	7.0	4.4	9.6	11.3	12.0	9.7	10.0	-	62.0
Debt securities issued by non-financial corporations ⁶⁾	3.6	5.2	2.1	1.5	1.8	2.0	2.0	-	11.7
Stock market capitalisation ⁷⁾	26.5	30.1	22.9	23.9	25.5	18.9	22.0	-	67.4
MFI credit to non-government residents ⁸⁾	52.9	56.6	49.2	55.0	51.6	44.8	40.3	-	99.6
Claims of euro area MFIs on resident MFIs ⁹⁾	4.2	4.9	3.6	3.6	3.5	3.5	3.8	-	26.6

Sources: European System of Central Banks and ECB calculations.

1) Multi-annual averages calculated using the arithmetic mean.

2) Average interest rate.

3) GDP-weighted average of the euro area long-term interest rates for the purpose of assessing convergence.

4) Included for information only.

5) Outstanding amount of debt securities issued by resident MFIs (excluding the national central bank) and other financial corporations at face value.

6) Outstanding amount of debt securities issued by resident non-financial corporations at face value.

7) Outstanding amount of listed shares issued by residents at market value.

8) MFI (excluding national central bank) credit to domestic non-MFI residents other than general government. Credit comprises outstanding amounts of loans and debt securities.

9) Outstanding amount of deposits and debt securities issued by domestic MFIs (excluding the national central bank) held by euro area MFIs as a percentage of total liabilities of domestic MFIs (excluding the national central bank). Total liabilities exclude capital and reserves and remaining liabilities.