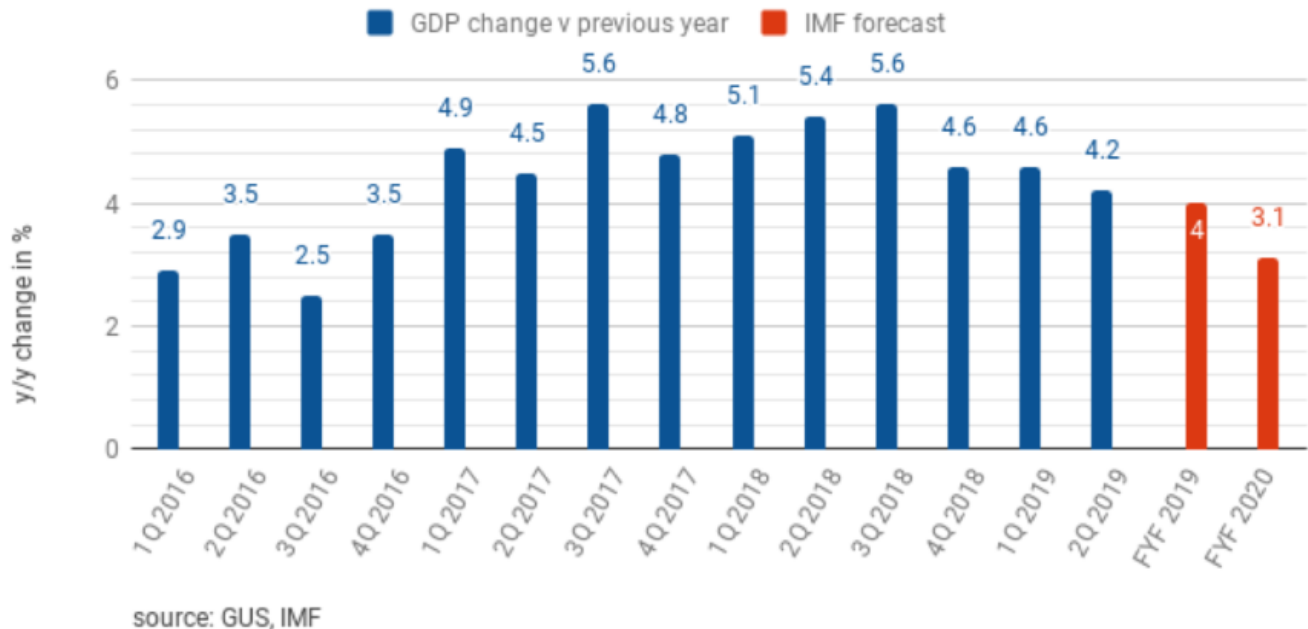


IMF improves his outlook on Polish growth in 2019

Poland GDP growth, seasonally adjusted y/y change in %



Poland's economy will expand 4% in 2019, from 5.1% last year, says the IMF. Inflation will end the year at 2.4%

By bne IntelliNews October 16, 2019

Poland's economy will expand 4% in 2019, from 5.1% last year, the International Monetary Fund (IMF) said in its latest World Economic Outlook published on October 15.

The projection has been revised upwards by 0.2pp compared to the IMF's previous forecast from April. The new forecast takes into account Poland's "experiencing solid growth on the back of resilient domestic demand and rising wages," the IMF said.

The IMF's forecast puts Poland and Romania joint second to top of the emerging and developing Europe group, below Hungary, where growth is projected to hit 4.6% this year.

The Polish growth pace will decelerate sharply to 3.1% in 2020, the IMF also predicts.

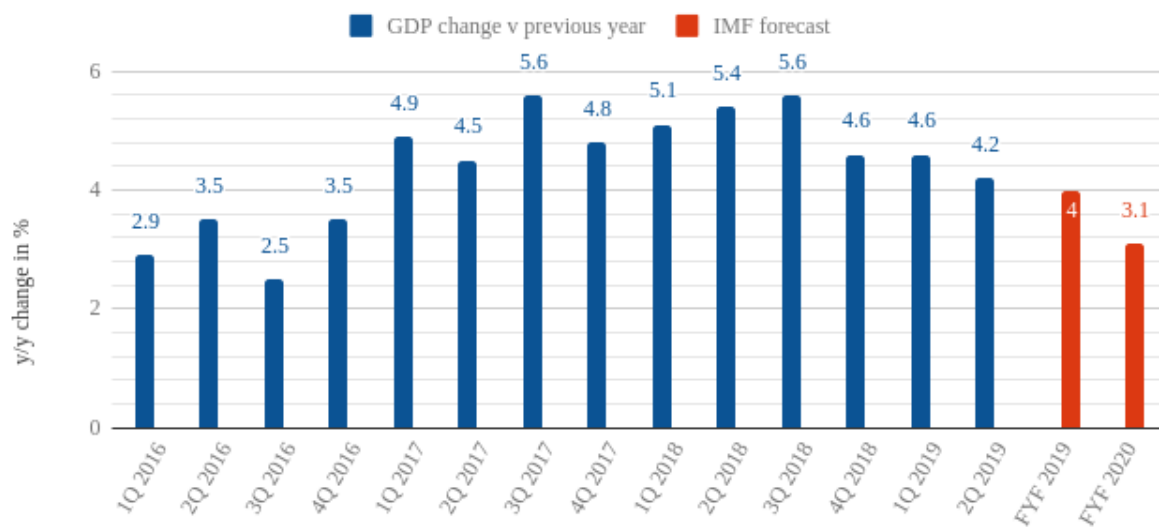
Poland's consumer prices will grow 2.4% at the end of 2019, according to the IMF, an increased projection from 2% expected in April.

That is roughly in line with the current expectations for inflation to climb closer to the National Bank of Poland's target of 2.5% before accelerating further to 3.5% in 2020 on the back of rising power prices.

The outlook for the current account balance has improved by 0.2pp to -0.9% of GDP in 2019. The deficit will widen to 1.1% of GDP in 2020, the IMF predicts.

One of the major drivers in the rise of growth-inducing consumption – the falling unemployment rate that pushes up wages - is expected at 3.8% in 2019, an increase of 0.2pp compared to the April forecast. Unemployment will come in at 3.8% in 2020 as well, the IMF predicts.

Poland GDP growth, seasonally adjusted y/y change in %



source: GUS, IMF

Poland CPI inflation y/y %

