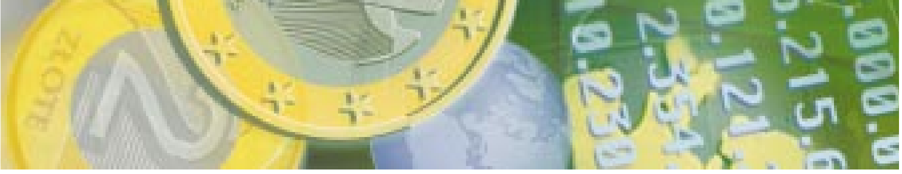


Poland's Economy. Financial Markets

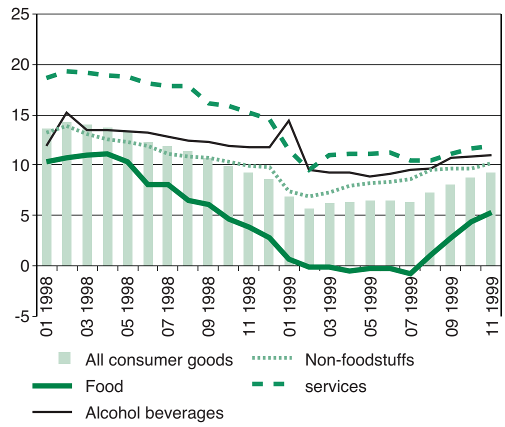
December 1999/January 2000 No 7.

Major economic tendencies:

- Total money supply (M2) increased in November 1999 by PLN 4.0bn up to PLN 254.7bn, which represents an increase of 1.6% month-on-month and 23.1% year-on-year.
- In November, inflation was 9.2% y/y and 0.9% m/m. From January to November 1999, consumer prices increased by 8.8% against 8.1% in the same period in 1998.
- In November, industrial output prices increased by 0.6% month-on-month and 7.3% year-on-year.
- In November, industrial output declined by 0.9% m/m and it increased by 15.9% y/y. In the January-November period, industrial output increased by just 3.5% compared to the same period last year.
- Construction and installation output decreased by 18.2% month-on-month, but it increased by 5.9% year-on-year.
- In the January-October 1999 period, in invoice terms, the trade deficit was USD 14.9bn against USD 15,6bn in the same period in 1998, which represents an improvement y/y . Compared to the same period in 1998, exports decreased by 6.,9% and imports decreased by 5.5%.
- October current account deficit data were quite disappointing. In November, the current account deficit increased by 35.2% m/m up to USD 1.148bn from USD 849m as in October 1999. The curent account deterioration was largely due to the foreign trade balance being much worse than in October. In November, exports declined by 2,3% m/m whereas imports increased by 10.7% m/m. Year-on year, the current account deficit reached 7.0% of GDP.
- In November 1999, the unemployment rate increased up to 12.5% after a 12.2% unemployment rate in October 1999. The number of unemployed hit 2m 257k in November, which represents an increase of 70k compared to October 1999.
- In November, the budget deficit declined to PLN 12.095bn, which represents 94.4 of the planned deficit of PLN 12.8bn in 1999. Income was PLN 112.5bn (87.0% of the plan), and expenditures were PLN 124.6bn (87.7% of the plan).
- As expected by the market, at meetings of 8 and 15 December, the Monetary Policy Committee did not make any changes to monetary policy.
- Restrictive monetary policy in the next two quarters.
- 2000 will be difficult for the state budget.

Arkadiusz Krześniak

Inflation indices y/y



In this Issue

Poland's current economic situation

While Poland entered 1999 as a country of rapidly decreasing inflation, a stable exchange rate, low current account deficit, decreasing unemployment rate and large economic growth, last year, due to external factors - oil price increases and limited demand for Polish exports - basic macroeconomic indices deteriorated. GDP growth decreased nearly by one percentage point. The current account deficit is estimated to have increased up to approx. 7.2% of GDP from 4.2% of GDP in 1998. In December, inflation was probably approx. 9.8% y/y against 8.6% y/y in December 1998. As at the end of 1999, the unemployment rate propably increased by over two percentage points up to approx. 12.6%. The public finance sector deficit increased up to approx. 3.5% of GDP last year from 2.7% of GDP in 1998. In 1999, after a long period of interest rate reductions, monetary policy was tightened. Despite all that, a disimprovement in the economic situation last year can be largely attributed to temporary external factors, mainly to an external demand limitation and a negative supply shock due to high oil prices. In 2000, negative external demand tendencies will be overcome in response to economic revival in the Euro zone, particularly to faster economic growth in Germany. This year, oil prices should stabilise. Due to an increased industrial output demand, investment growth should pick up again. The unemployment rate ought to be stable, close or slightly higher than the present one. The economic increase, stimulated by a geater external demand in 2000, should reach 5.0%. In spite of advanageous changes in the economic growth rate, it will probably not be possible to substantially reduce the current account deficit which should stabilise at 7.0% of GDP. The maintenance of the current account deficit at a similar level in the medium term would be quite difficult. The economy will continue to absorb imports at high levels, with a tendency to increase imported consumer goods as a percentage of total imports. After a period of a tighter monetary policy and high interest rates in the first half of this year, together with a decrease in inflation starting with Q3 this year, the Monetary Policy Committee may reduce interest rates by about 3 percentage points in total by the end of 2000. However, there is a small possibility of a corrective interest rate increase in Q1 this year, by approx. 1-1.5 percentage points if the inflation increase at the beginning of this year poses a threat to the medium term inflation target. Most probably, the 2000 budget will have to be revised in Q2 of this year, mainly due to overly restrictive average annual inflation assumptions. Doubtless, this year will be a key year for Poland's economy and if, as is expected, negative short term tendencies are overcome, Poland's economy should return to the path of long term economic growth of 5-6% annually.

Tab. 1. Inflation Indicators

	07 1999	08 1999	09 1999	10 1999	11 1999	***12 1999F***
Consumer Price Index (m/m %)	-0.3	0.6	1.4	1.1	0.9	***0.9***
Consumer Price Index (y/y %)	6.3	7.2	8.0	8.7	9.2	***9.8***
Sold Industrial Output Price Index (m/m %)	0.5	0.9	0.9	0.8*	0.6	***0.6***
Sold Industrial Output Price Index (y/y %)	5.5	5.9	6.2	6.8*	7.3	***7.8***
Monthly Average FX Rate (r/r %)*	12.2	10.2	13.1	17.6	23.3	-
Import Price Index in PLN (r/r %)	5.2	10.4	4.7	-	-	-

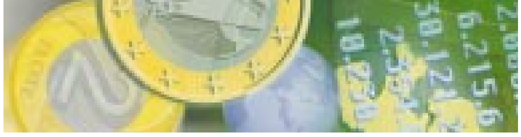
Tab. 2. Activity Indicators

	06 1999	07 1999	08 1999	09 1999	10 1999	*11 1999*
Retail Sales Index (m/m %)	2.1	4.2	0.6	0.4	4.6	*-2.3*
Retail Sales Index (y/y %)	25.3	26.4	25.9	24.8	25.1	*32.2*
Households Loans (y/y %)	41.1	42.9	45.4	47.6	46.0*	*52.4*
Industrial Output (m/m %)	0.1	-2.0	4.6	9.3	0.1*	*-0.9*
Industrial Output (y/y %)	1.0	1.4	7.1	8.6	8.9*	*15.9*
Exports current prices (y/y %)	-22.9	-28.7	-17.8*	-12.5	-12.3*	*-10.3*
Imports current prices (y/y %)	-7.4	-12.5	0.1*	-13.2	-14.0*	*-0.7*
Trade balance (USD mio)	-1032	-1340	-1233	-1309	-1139*	*-1550*
State balance (PLN mio)	-11 373	-12 459	-12 132	-11 255	-12 196	*-12 095*

Tab. 3. Poland's Economy

	1996	1997	1998	***1999E***	***2000F***
Gross Domestic Product (y/y %) (fixed prices) of which:	6.0	6.8	4.8	***3.9***	***5.0***
Individual Consumption (y/y %)	8.3	6.9	4.9	***5.2***	***5.5***
Gross Fixed Assets Expenditures (y/y %)	19.7	21.7	14.5	***7.2***	***11.5***
Exports (y/y %)	9.7	13.7	9.4	***0.5***	-
Imports (y/y %)	28.0	22.0	14.6	***-0.6***	-
Inflation (yearly average %)	19.9	14.9	11.8	***7.3***	***8.6***
Inflation (year on year %)	18.5	13.2	8.6	***9.8***	***7.0***
Unemployment Rate (year end %)	13.2	10.3	10.4	***12.6***	***12.5***
Current Account Balance/GDP (%)	-1.0	-3.2	-4.2	***-7.2***	***-7.0***
Public Debt / GDP (%)	51.1	47.9	43.1	***46.0***	***48.0***

* - official data adjustment F - forecast
y/y - year on year m/m - month on month
E - estimated
Source: CSO, NBP, frocasts and estimates of WBK



*Tab. 4. Foreign Exchange Rate Forecasts**

Period	EUR/USD	USD/PLN	EUR/PLN	DEM/PLN	FRF/PLN	NLG/PLN	GBP/PLN	GBP/USD
7 Jan 2000	1.0298	4.0759	4.1962	2.1455	0.6397	1.9042	6.6950	1.6430
0 - 1 month	1.01 - 1.04 ⇔	4.04 - 4.10 ⇓	4.11 - 4.26 ⇔	2.10 - 2.18 ⇔	0.63 - 0.65 ⇔	1.86 - 1.93 ⇔	6.58 - 6.72 ⇓	1.61 - 1.65 ⇔
1 - 3 month	1.02 - 1.07 ⇑	3.99 - 4.10 ⇓	4.14 - 4.33 ⇑	2.12 - 2.22 ⇑	0.63 - 0.66 ⇑	1.88 - 1.97 ⇑	6.56 - 6.77 ⇔	1.61 - 1.66 ⇑
3 - 6 month	1.05 - 1.09 ⇑	3.96 - 4.08 ⇓	4.20 - 4.40 ⇑	2.15 - 2.25 ⇑	0.64 - 0.67 ⇑	1.91 - 1.99 ⇑	6.53 - 6.75 ⇔	1.62 - 1.67 ⇑
6 - 12 month	1.08 - 1.13 ⇑	3.96 - 4.09 ⇔	4.33 - 4.58 ⇑	2.21 - 2.34 ⇑	0.66 - 0.70 ⇑	1.96 - 2.08 ⇑	6.56 - 6.84 ⇑	1.63 - 1.69 ⇔

* - the most likely rate volatility band in a specific period, ⇑, ⇔, ⇓ – Directional Bias of Currency

Forecast date: 7.01.2000

Note: Informational forecast based on information currently available. WBK Treasury and International Division cannot guarantee that exchange rates will follow the patterns as shown above.

Source: WBK Treasury & International

Tab. 5. Interest Rate Forecasts

Period	Official Rates		Yields			Market Rates	
	Intervention	Lombard	52W T-Bills	3Y Treasury Bonds	5Y Treasury Bonds	1M WIMEAN	3M WIBOR
7 Jan 2000	16,50	20,50	16,10	13,57	11,60	16,58	17,10
0 - 1 month	16,5 ⇔	20,5 ⇔	15,9 - 16,1 ⇔	13,0 - 13,9 ⇔	11,7 - 12,5 ⇔	16,5 - 16,8 ⇓	17,0 - 17,2 ⇓
1 - 3 month	16,5 ⇔	20,5 ⇔	15,0 - 16,1 ⇔	12,7 - 13,5 ⇓	11,4 - 12,5 ⇓	16,5 - 17,0 ⇓	16,7 - 17,0 ⇓
3 - 6 month	15,0 - 16,5 ⇔	19,0 - 20,5 ⇔	14,0 - 15,5 ⇓	12,0 - 12,7 ⇓	10,7 - 11,5 ⇓	15,2 - 16,5 ⇓	15,4 - 16,8 ⇓
6 - 12 month	13,5 - 15,0 ⇓	17,0 - 19,0 ⇓	13,7 - 14,5 ⇓	11,2 - 12,0 ⇓	10,0 - 10,8 ⇓	13,7 - 15,2 ⇓	13,9 - 15,4 ⇓

⇑, ⇔, ⇓ – Likely Direction of Change

Forecast date: 7.01.2000

Note: Informational forecast based on information currently available. WBK Treasury and International Division cannot guarantee that exchange rates will follow the patterns as shown above.

Source: WBK Treasury & International

Gross Domestic Product

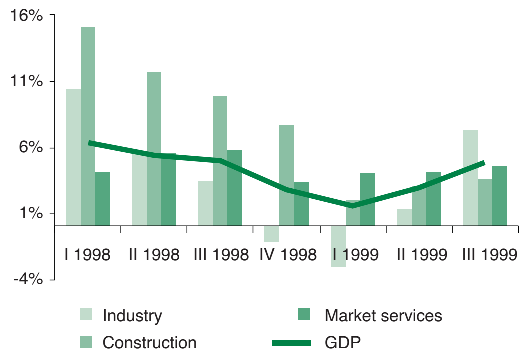
In 1999 economic activity substantially decreased as a result of reduced external demand caused by the Russian crisis and a reduced economic activity level in euro countries. The Russian crisis caused GDP growth to decrease by approx. 0.3% in 1998 and 0.7% in 1999. The main factor supporting GDP growth in 1999 was individual consumption, which during the first 3 quarters of 1999 increased by an average 4.8% compared to 4.9% of individual consumption growth in 1998. In 1999 GDP growth was associated with high internal demand caused by a less restrictive fiscal policy, on the one hand, (greater than assumed public finance deficit) and a looser monetary policy on the other hand (lower nominal interest rates and zloty depreciation). Fixed asset investments to a lesser extent contributed to GDP growth - the average growth in the three quarters of 1999 was 6.7%, which represents over twofold fall in growth compared to 1998 when investments increased by 14.5%. In 1999, domestic demand growth reduced compared to 1998, which was largely associated with a reduction in investment dynamics. But the domestic demand growth rate continued to exceed GDP growth, which had an adverse impact on the trade balance. The main factor to create the trade balance in 1999 was, however, not internal demand but a reduced foreign demand for Polish exports.

Tab. 6. Economic Growth 1997-2000

	1997	1998	1999*	2000F
Total consumption	6.1	4.2	*4.5**	*4.8*
- of which: individual consumption	6.9	4.9	*4.2**	*5.5*
Investments	20.8	14.1	*6.9**	*10.0*
- of which: Investments in fixed assets	21.7	14.5	*7.2**	*11.5*
Domestic demand	9.3	6.5	*5.6**	*6.4*
Gross Domestic Product	6.8	4.8	*3.9**	*5.0*
Gross Value Added	6.5	4.5	*3.7**	*4.7*
Of which: Industry	10.3	4.4	*3.6**	*7.2*
Construction	13.6	10.2	*4.0**	*6.0*
Market Services	4.4	4.7	*4.6**	*4.9*

* own estimates, F - own forecast
Source: CSO, WBK Treasury & International

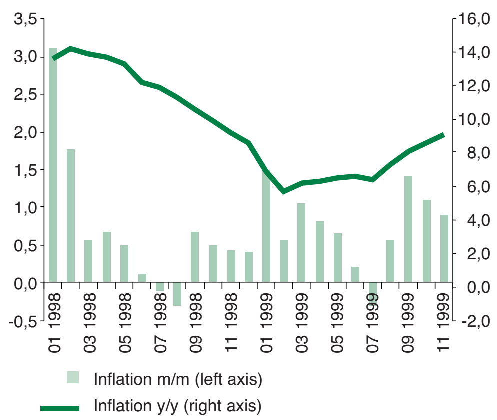
GDP growth (quarterly)



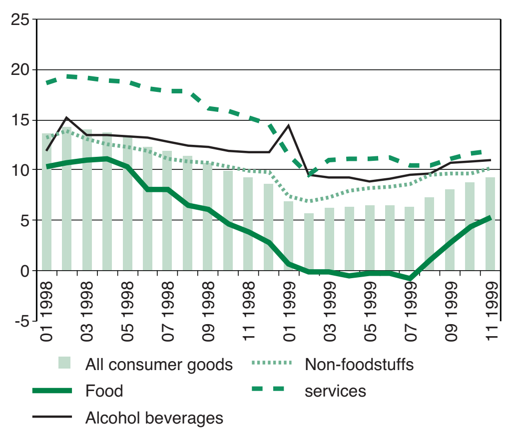
Inflation - Consumer Prices

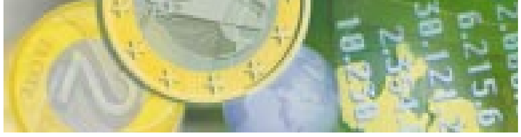
In 1999, there occurred a temporary reversal of inflationary trends - after significant declines in the 1999 first three quarters, in the fourth quarter inflation started rising. First of all, it issued from a food price downward trend reversal in 1999 fourth quarter, from high oil prices and a 10% excise tax increase in August last year. Zloty weakening also led to inflation rises since February 1999. In 2000 the exchange rate should act as an anti-inflationary factor as an annual average depreciation of 1.9% relative to the US dollar and of 5.2% relative to the euro should be expected. In periods of privatisation flows, the zloty rate will strongly restrict consumer inflation. However, in the first one or two quarters of 2000, consumer inflation will be increasing year-on-year and month-on-month. On the one hand, it will be due to a low base (in 1999 first quarter, the price increase was only 6.2% y/y), and on the other, it will follow from the introduction of regulated price increases and a rise in indirect taxes, in compliance with the 2000 budget act. Food prices should be still increasing at least for two quarters, with a price cycle reversal in agriculture not possible until the summer of 2000. An electricity price increase in March 1999 caused the consumer service price trend to reverse itself. 1999 witnessed slow but regular increases in prices of consumer services. In Q4 1999, non-food prices substantially rose, which was supported by large personal lending growth. In early 2000, inflation is likely to be greater than 10%.

Inflation in 1998 - 1999



Inflation indices y/y

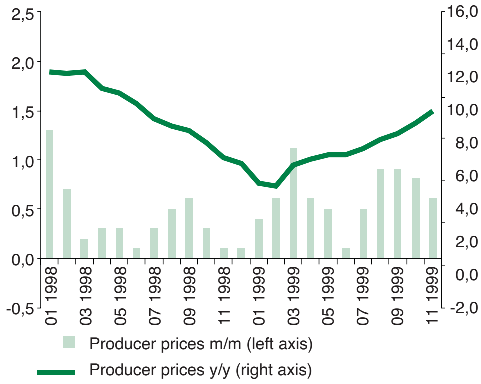




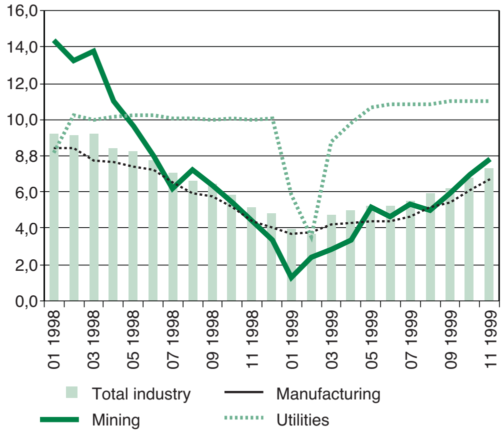
Inflation - Producer Prices

Producer prices also changed the trend in 1999. This was caused by an electricity price rise in March last year and increasing oil prices. Producers encountered a cost barrier preventing further reductions in price increases. At the same time, industrial output demand was increasing since Q2 1999, which allowed prices to be raised. In 2000, oil prices should stabilise, which should cause inflationary pressure to step down. As will be the case with consumer prices, 4.7% zloty depreciation against the currency basket should have a restrictive impact on increases in sold industrial output prices. Increased external demand both in the euro zone and Russia should cause producer prices to go up slightly faster in 2000 than in 1999.

Producer prices in 1998-1999



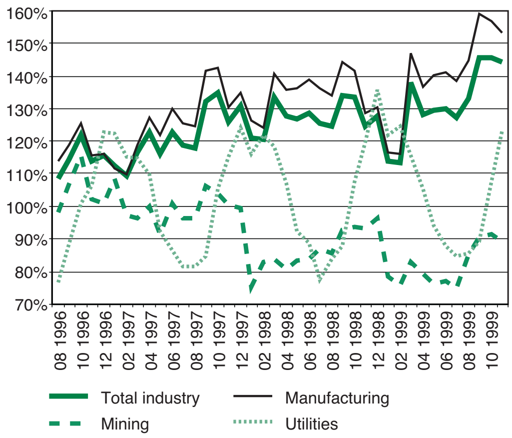
Producer prices indices y/y



Industrial Performance

A reduction in external demand in Q4 1998 and Q1 1999 had a direct impact on industrial output levels. In Q1 1999, industrial output declined by 2.6% y/y and in subsequent quarters industrial output recovery was experienced. Another factor to reduce industrial output in 1999 was the reconstruction of heavy industry: mining and steel industry. Industrial output growth in 1999 is estimated to be 4.5% y/y. This year, industrial output should revive and reach 10% y/y.

International output
(monthly average 1995=100)



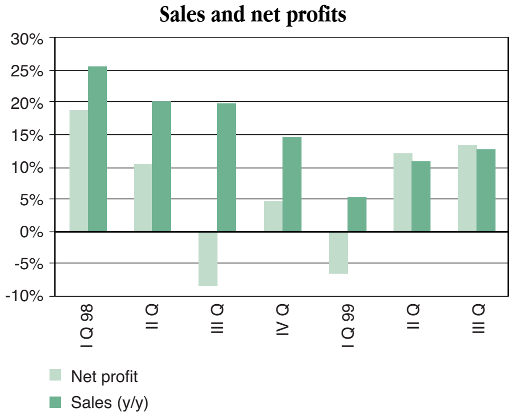
Corporate Financial Performance

Corporate financial results in the first three quarters of 1999 were worse than those in the same period in 1998. In the period concerned, the costs of funding total operations grew faster than revenues (by 12.0 and 10.6% respectively). Corporate pre-tax financial profit declined by 40% compared to the same period in 1998 and totalled PLN 10.1bn. After-tax financial profit decreased from PLN 7.7bn to PLN 1.4bn. The following industries experienced the worst results: mining an quarrying, transport, storage and communication.

Corporate financial liquidity ratios continued to decrease. The cost ratio was 98.5% compared to 7.4% in the same period in 1998. The gross trading profitability ratio fell to 1.5% from 2.8%. And the first degree financial liquidity ratio was 16.3% compared to 17.0%.

Definitely worse results were experienced by public rather than private companies. In the public sector the pre-tax financial result was negative, with a loss of PLN 0.1bn compared to last year's pre-tax profit of PLN 4.2bn. Similarly, in the case of the after-tax financial result, public companies made a loss of PLN 3.1bn whereas in the same period last year their profit totalled PLN 0.6bn. Private companies generated a pre-tax financial profit of PLN 10.2bn in the first three quarters of 1999 and was down 19% on the previous year. And after-tax financial profit fell by 36.6%, down to PLN 4.5bn.

Sales and net profits



Balance of payments

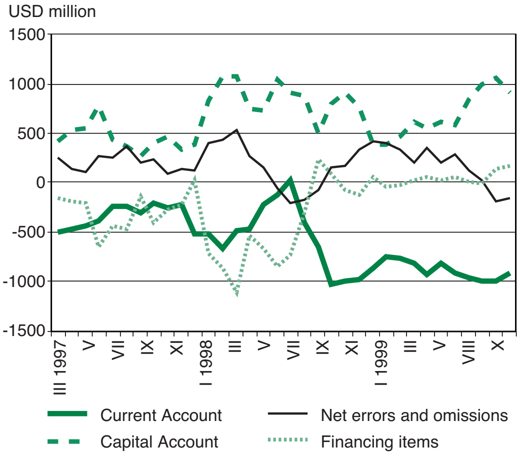
November's current account deficit data were quite disappointing. The current account deficit increased in November by 35.2% m/m up to USD 1.148bn against USD 849m in October 1999. The disimprovement of the current account was mainly caused by the foreign trade balance being worse than in October. In November, exports decreased by 2.3% m/m, while imports increased by 10.7% m/m. Year-on-year, the current account deficit reached 7% of GDP. The most negative signals are a decline in exports, unexpectedly high imports (probably related to a greater demand before Christmas and to purchases of hardware due to Y2K preparations) and a decline in the cross border trade balance from over USD 400m down to approx. USD 300m. In December 1999, the current account deficit may reach 7.2% of Poland's GDP.

On the capital side of the balance of payments in November 1999, foreign portfolio equity investments significantly increased up to USD 504m after USD 16m in September, which was associated with PKN privatisation. At the same time, portfolio investments in debt securities were USD 815m. The balance of direct investments in November was high and was PLN 950m in the form of Polish foreign deposits, which caused the capital account and the financial account to deteriorate slightly to USD 760m from USD 865m in October.

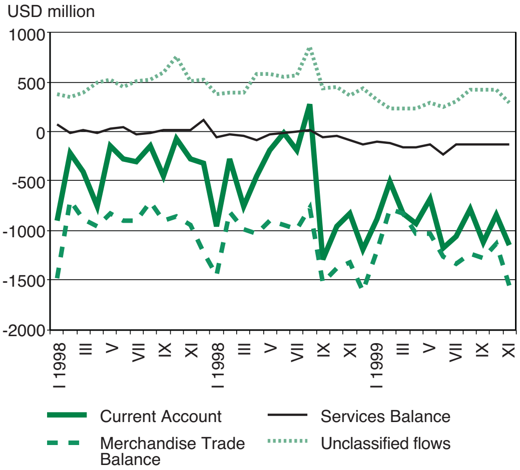
The current account deficit in the January-November period totalled USD 10 bn (7.0% of GDP) compared to USD 5.7bn of the deficit in the same period in the previous year. The foreign trade deficit in the January-November 1999 period totalled USD 12.7bn (9.1% of GDP). FDI in the first eleven months of 1999 totalled USD 6.0bn and were up 38.3% on the same period in 1998. Portfolio investments improved - their balance in the January-November 1999 period was USD 762m and was almost twice as high as that in the same period in 1998.

2000 will be characterised by a strong capital account surplus and a significant current account deficit which should stabilise at approx. 7.0% of GDP. Due to a number of structural factors, no improvement in the current account should be expected. Despite the current account deficit and Polish government debt capital installment repayment being higher than last year, there ought to occur fx reserve accummulation.

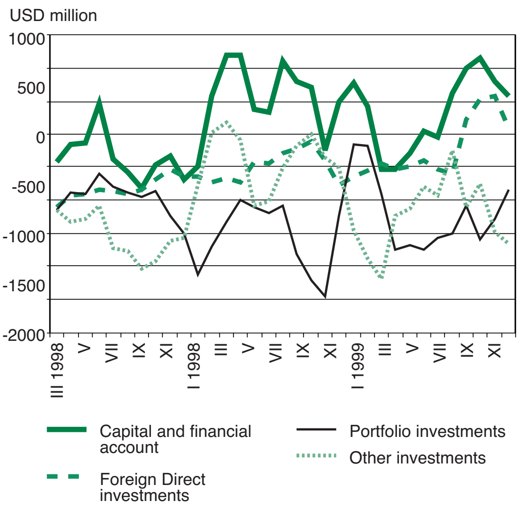
Balance of payments (3M average)

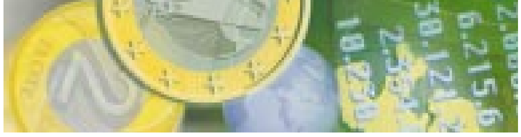


Current Account (selected items)



Capital Account (3M average)





Labour market

At the end of November 1999, there were 2257k unemployed registered in labour offices, i.e. 70k more than at the end of September and 514k more than in November 1998. Over half of all registered unemployed were women (56.6%). In November, among newly registered, 41% represented rural residents. One in four of these people did not work before. In November, in labour offices nearly 24k graduates were registered.

At the end of November, the unemployment rate was 12.5%. The greatest number of unemployed relative to the employed were in the following provinces: warmińsko-mazurskie 22,1%, lubuskie 16,9%, zachodnio-pomorskie 16,9%, kujawsko-pomorskie 15,9% and dolnośląskie 15,2%. On the other hand, a relatively low unemployment rate was recorded in the following provinces: mazowieckie 9,2%, śląskie 9,6% and małopolskie 9,9%. In November, 49.2k job offers were submitted to job centres, of which nearly 59% covered steady jobs. One job offer fell on 207 people registered as unemployed. As per CSO data, in the near future, approx. 2k enterprises are planning to dismiss about 87k staff.

As heavy industry undergoes further restructuring and the boom generation enters the market, in 2000 a further unemployment increase is possible. At the end of 2000, the unemployment rate should stabilise at approx. 12.5% following from employment stabilisation in the corporate sector in response to increased industrial output. Salaries in real terms may fall in 2000 due to labour force oversupply, high average annual inflation and restrictive payroll assumptions in the public sector.

Fiscal policy

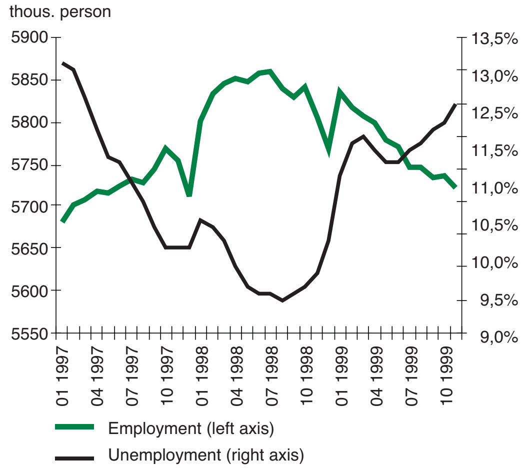
According to our expectations, this year's budget deficit will be achieved at the level as assumed in the budget act, and therefore, it will reach approx. 2.1% of GDP. In 1999, fiscal policy was hardly restrictive which will change in 2000. The adoption of inflation at 5.7% on an average annual basis this year will lead to a substantial limitation in individual consumption through a real decrease in public sector payrolls and a real decrease in pensions and disability pensions. This may lead to a necessity to revise the budget after Q1 or Q2 this year. In this sense, the 2000 budget is more restrictive than the 1999 budget. If SIC's (ZUS) collectibility rate improves, the domestic demand will reduce through an increase in effective corporate sector taxation. A further increase in import competitiveness can be expected due to a reduction in customs duties, cross border payments and a possible VAT deduction as regards service imports.

Monetary policy

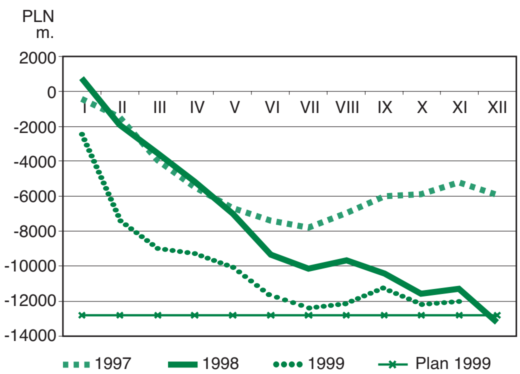
At meetings on 8 and 15 December, the Monetary Policy Committee did not make any changes in monetary policy as had been expected by the market. At a meeting on 8 December 1999, the MPC adopted the Q3 1999 inflation report, the Republic of Poland's Balance of Payments for the 3 quarters of 1999 and approved the 2000 NBP Financial Plan.

In the first half year, monetary policy will be tight. High inflation and strong internal demand may induce the Monetary Policy Committee to make another corrective interest rate increase of1 to 1.5 percentage points in Q1 this year. Still, the probability of rate hike is small. The earliest possible period to reduce interest rates by 1-1.5 percentage points is the beginning of Q3 this year. While an inflation decline will occur, as is expected, after Q1 or Q2 2000 and it will be adequately strong in the latter half of this year, the MPC may make another interest rate cut of approx. 2 percentage points at the end of the year.

Unemployment rate and employment in bussines sector



Budget balance (cumulative)



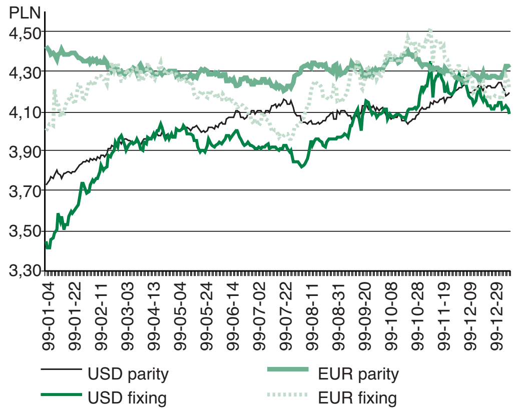
The zloty strengthened at the beginning of 2000.

In the first week of December, at the close of business on Friday, due to customer orders of USD 200m, the zloty strengthened up to 0.32% on the stronger side of parity. In the second week of December, the zloty strengthened in response to customer orders and a payment of USD 150m by Vivendi to Elektrim and in expectation of earlier zloty floatation. In the third week of December, the zloty fell from a three-month high of 2% above parity and on Friday, 18 December, it was 1.27% above parity. A decision by the Treasury Ministry to discontinue negotiations with France Telecom on the sale of a Telekomunikacja S.A. strategic shareholding caused the zloty rate to fall slightly and the TP S.A. share price to come down by 6.7% at the fixing on 22 December. In the last week of December, zloty transactions were entered into at 2.3-2.5% on the stronger side of parity and volumes were very low. Daily turnover was USD 200-400m and transactions were determined by customer orders, which caused the zloty to strengthen in the last week of 1999. On Monday, 3 January, due to a bank holiday in the UK, volumes were insignificant. On Monday, the zloty opened at 2.69% on the stronger side of parity. Subsequently, after disappointing current account data were released, the zloty weakened to 2.19%. In the first week of January, the zloty was very volatile after foreign investors started trading on Tuesday, 4 January. After a good start at 2.69% on the stronger side of parity, on Tuesday and Wednesday, the zloty weakened in response to November's poor trade balance data released on Monday, 3 January. The zloty reached its low of 0.7% on the stronger side of parity on Wednesday, 5 January. Zloty floatation hopes boosted and on Friday 7 January the zloty rate deviation was 3% on the stronger side of parity. On Monday, 10 January, the zloty opened at 3.37% on the stronger side of parity and easily topped a 3% threshold in expectation of the zloty floatation decision which was meant to be taken at a Monetary Policy Committee meeting with the Finance Minister. When it turned out that the floatation decision was to be taken in 3 months' time, the zloty weakened to 2.7% against parity. Generally, it appears that the market response to zloty floatation information (that is, the removal of central parity, monthly crawling devaluation of 0.3% and a +/-15% fluctuation band against parity) was exaggerated. The zloty floatation should occur this year, probably in 3 months' time at a subsequent MPC meeting with the Finance Minister. The stability of the zloty rate in the long term and the stability of the current account situation is a prerequisite for this to happen. The zloty should be expected to strengthen relative to the dollar this year and weaken relative to the euro. This year, we are suggesting the application of exchange rate hedging instruments for EURO import contracts and USD export contracts.

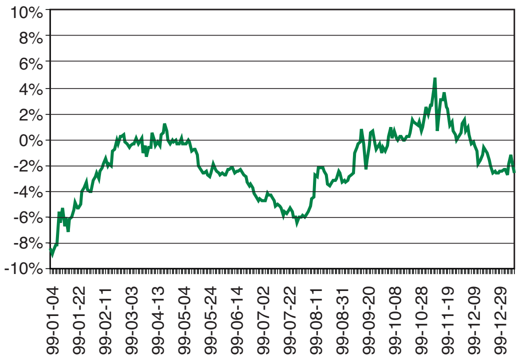
The Euro reached parity relative to the dollar at the end of 1999. In 2000, the Euro will be stronger.

Given a demand for USD denominated assets in response to Y2000 concerns and slow economic growth in the euro zone, on Monday, 6 December, the euro reached parity against the US dollar. Throughout December, the euro was weak with the EUR/USD rate ranging from 0.9986 to 1.0254. After a successful turn of the year, the euro largely strengthened, hitting USD 1.0414 on 6 January. This was mainly caused by portfolio investors re-investing in euro assets and fears of a tightened monetary policy in the US. As a result of a reduction in economic growth rates between the US and the euro zone, the euro should significantly strengthen relative to the dollar this year.

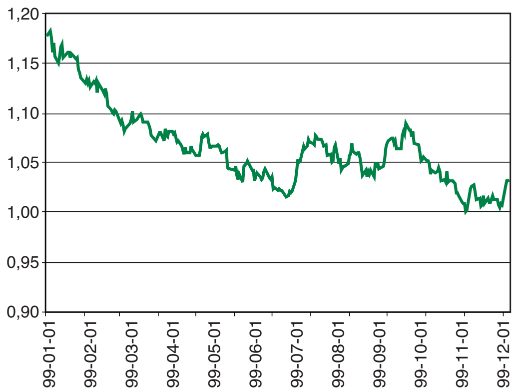
Exchange rates

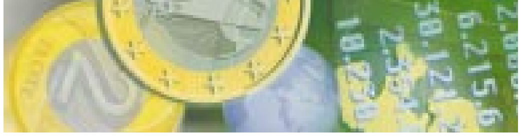


Deviation of exchange rate from central parity (weighted average of USD and EUR)



EUR/USD





Interest rates

In the first half year of 1999, WIBOR rates in the money market stabilised at slightly lower levels than the NBP intervention rate. Starting from mid-year, money market rates began to reflect the turn of the year premium. Banks were reluctant to lend funds for periods that went beyond the beginning of 2000. Another factor to contribute to a money price increase in the interbank market was an expectation of an interest rate increase by the NBP. Since a warning intervention rate increase by 100 basis points in September last year, the market has reacted with strong money rate increases before subsequent Monetary Policy Committee meetings. No MPC reaction in October led to a further rate increase in the money market in expectation of another increase which occurred in November. After the November increase, there was a WIBOR rate correction. In relation to the turn of the year, 1W WIBOR reached 22.45% and 1M WIBOR hit 21.82% in December. The short-dated money price ranged in response to interbank market liquidity changes in periods up to 1W. One day WIBOR rates decreased significantly due to overliquidity following from Y2k preparations by banks. Banks rolled one day money and they avoided longer periods. In December, the NBP issued 14, 7 and 1-day NBP bills maturing before the year end. Interbank money market rates should be falling in the near future.

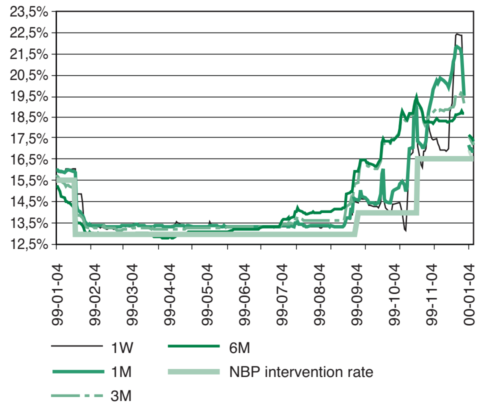
Treasury bills

In September last year, an intervention rate increase was an impulse which led to substantial increases in treasury bill yields at auctions. The Treasury Ministry, which was previously able to maintain their average yield at a more or less stable level due to a treasury bill supply limitation, could no longer prevent rapid falls in treasury bill prices. In December, the yields of all treasury bill types topped 16%. The 8-week bill yield was as much as 17.1%. In the secondary market, on the one hand, yields reflected primary market performance, and on the other hand, they were closely related to interbank money market rate changes. After the November increase, secondary market treasury bill yields stabilised at 15.8-16.5%. Soon, treasury bill yields should stabilise.

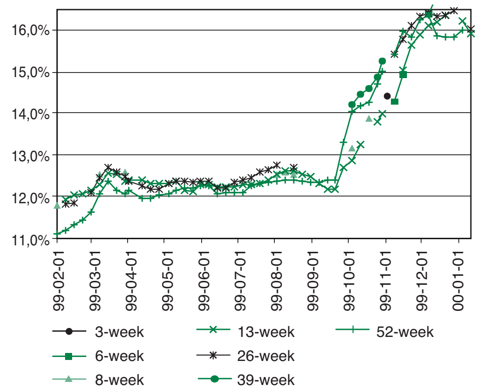
Treasury bonds

At the beginning of 1999, there were large foreign investor purchases following from Poland's positive macroeconomic indicators, but soon they deteriorated quite significantly. In the treasury bond secondary market, a yield increases were visible since 1999 mid-year. Treasury bonds reacted to a budget deficit increase to 90% of 1999. Further treasury bond yield increases issued from adverse data on inflation and expectations of an NBP rate increase in Q4 1999. After a strong NBP rate increase in November, treasury bond prices grew rapidly as the market assessed that the increase size was sufficient. Political news and Y2k concerns continued to have an impact on the bond market. In the first week of December, in reaction to a tax crisis end, 2Y and 3Y bond yields declined by 59 and 24 basis points respectively. At a 2Y and 5Y bond auction on Wednesday, 1 December, despite signi-ficant demand, the Treasury Ministry approved yields over the secondary market. In the second week of December, due to foreign demand, 2Y, 3Y and 10Y bond prices increased. From the second week of December, treasury bond yields declined. After the turn of the year, secondary market treasury bond yields reached the level of September last year.

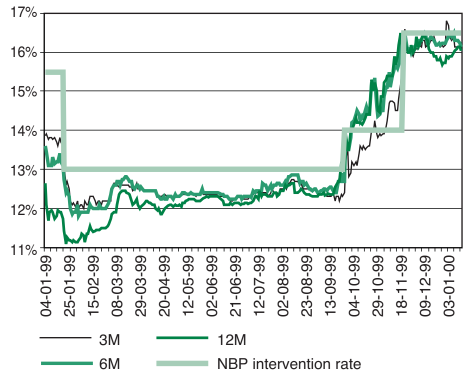
WIBOR rates



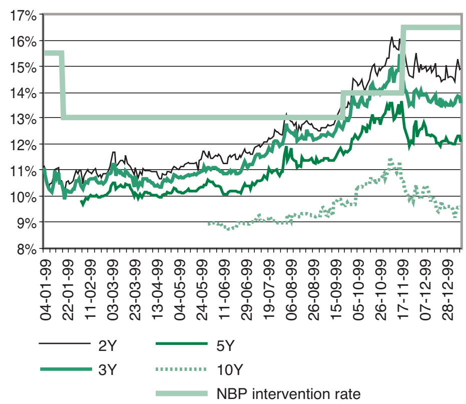
Average auction T-bill yields



T-bill yields (secondary market)



T-bond yields (secondary market)



Industrial output performance in 1999 January-November period

In 1999 January-November period, there occurred substantial sold industrial output changes. At the end of 1998, industrial output started falling due to, among others, a difficult situation in Russia, and therefore, a limitation in exports to this country. An output reduction was particularly visible at the turn of 1998 and 1999. In March, some revival symptoms were already noticeable and they were further confirmed with May industrial output performance.

In the course of eleven months of 1999, sold industrial output in terms of stable prices increased by 3.5% compared to the same period last year. Output activity increased by 4.2%. Manufacturing increases were experienced in twelve sectors, of which the greatest occurred in the publishing and printing sector (by over 20%). A significant output increase can also be seen in motor vehicle, trailer and semitrailer production as well as in rubber and plastic goods production (16.5% and 16.0% respectively). In the period subject to analysis (January - November 1999), an output decline was experienced in nine out of twenty one sectors. The greatest decrease occurred in metal output (11.8%). Additionaly, textile and tabacco production declined (by 6.4 and 6.8% respectively).

Output in November 1999

The November data on sold industrial output showed that the upward industrial output tendency still remained in Poland's economy. Against the same month last year, sold industrial output increased by 15.9% (stable prices). Particularly strong growth was in:

- the production of other transport equipment 52.1%,
- the production of plastic and rubber goods 37.7%,
- the production of motor vehicles, trailers and semitrailers 35.3% and
- the production of cellulose and paper 32.5%.

Industrial output was lower than in November in two sectors:

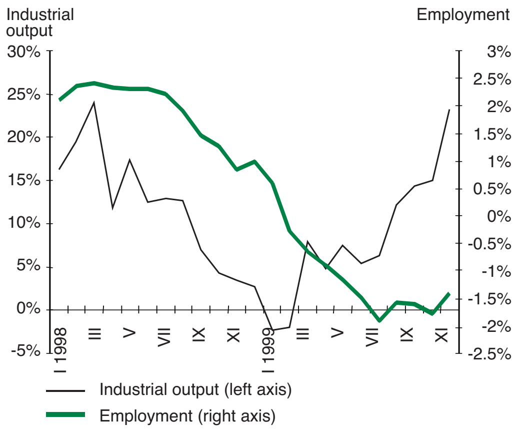
- clothing and fur industry by 0.2% and
- tabacco industry by 12.5%.

In November 1999, out of 21 sectors under analysis, as many as 19 were attributed based on their output growth in terms of stable prices to a strongly growing output group. In the same period in 1998, eleven sectors constituted this group, and in March 1999 only three. At the same time, the numbers of output declining sectors decreased gradually from thirteen as in March to just one in November 1999. These tendencies indicate a progressive recovery and industrial output growth.

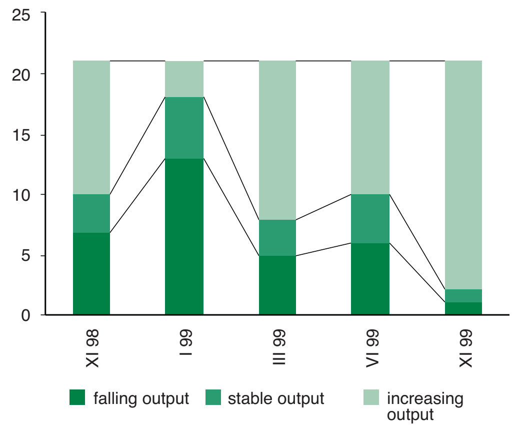
The contribution of high output sectors to production activity was 96% in November this year. In the same month of 1998, increasing output sectors were 35% of production activity. As the contribution by these sectors to production activity increased, the number of output growth sectors below 3% decreased. In January 1999, it constituted 64% of all production activity and in November - just one prcent.

The average employment rate in production companies is decreasing. This applies especially to downward production sectors. At the end of November 1999, in the production corporate sector, nearly 2.5m people were employed - 100 fewer than in the same month the previous year. Altogether, 5.7m pleople were employed in the corporate sector, i.e. almost the same number as at the end of 1998.

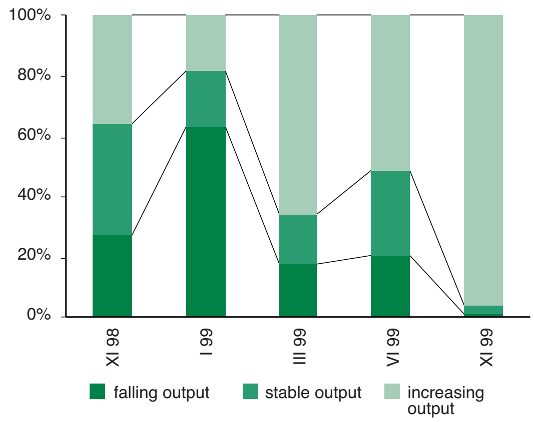
Industrial output and employment (y/y growth)



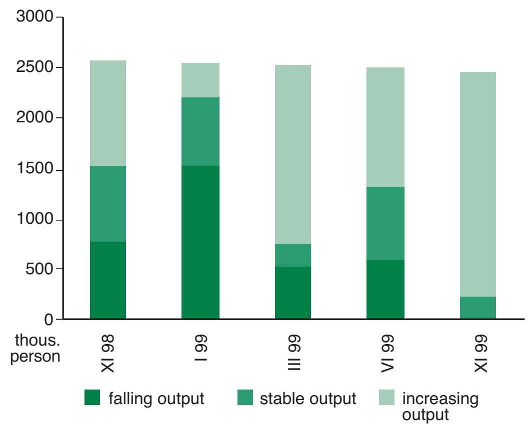
Number of branches with

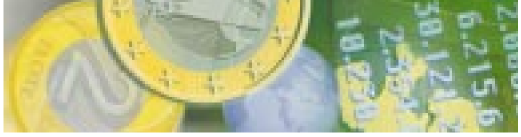


Share of branches groups with



Average employment in branches with





Foreign trade in 1999 January-November period

In the first three quarters of 1999, Poland's foreign trade deficit was PLN 51bn. Exports were PLN 76 465.6m. Imports increased up to PLN 127 466.4m.

Between January and September, Poland's total exports increased by 4.4% against the same period in the previous year. Poland sold abroad mainly highly processed industry goods whose percentage in total exports after three quarters was 29.7% against 28.3% in the same period in 1998. Light industry products as a percentage of total exports increases on a regular basis. Between January and September 1999, it was 13.4%. of exports Metal industry products whose significance is deteriorating are a large part of Polish exports. Chemical industry products as a percentage of total exports is also decreasing. In three quarters of 1998, it was 9.25 whereas in 1997 these products constituted 10.6% of Polish exports. By product (as per PCN section) in zloty terms, sales abroad of the following major commodities increased: machines and appliances, electric and electro-technical equipment, base stones and products and transport equipment (price increase 6.7%, 4.4% and 5.7% respectively). In zloty terms, exports of wood pulp, paper, cardboard as well as preservatives and chemical industry products decreased quite strongly (by nearly 74% and 20.5%, 6.6% respectively).

In interest rate terms, between January and September 1999, sales abroad of the following products increased: weapon and ammunition by nearly 300%, works of art and antiques by over 30%, vegetable related products by 21.9%, optical apparatuses, cameras, measurement and control instruments by 21.1%. There was a decline in the following four PCN sectors:

- foodstuffs by 29.3%,
- chemical industry products by 10.2%,
- animals and animal related products by 5.3% and
- mineral products by 0.4%.

Depending on the target country, the export structure changed insignificantly in the 1999 first three quarters against the previous year's performance. The following countries were the major recipients of Polish goods: Germany, Italy and the Netherlands. Russia fell from the third to the eleventh place in total export percentage terms. At the same time, an increase in exports to Russia by nearly 25% is observable. Exports to China, Ireland and Taiwan increased while exports to Brazil, Norway and the Republic of Korea decreased.

In the 1999 first three quarters, commodities of over PLN 127bn, i.e. 6.1% more than in the same period in 1998, were imported to Poland. Mainly highly processed products as a percentage of total imports were 40.5%, and chemical industry products (17.8%) were bought abroad. One fourth of total imports were machines and appliances, electric and electro-technical equipment. The percentage of both chemical industry and transport equipment products in total imports topped 10%.

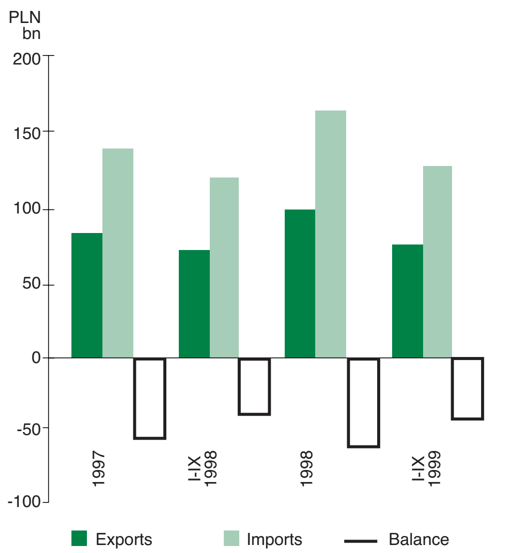
In zloty terms, imports of machines and appliances, electric and electro-technical equipment, transport equipment and chemical industry products increased compared to the same period in 1998. On the other hand, imports of livestock and animal related products, fat and oil as well as vegetable derivatives declined.

Tab. 7. Trade Turnovers in January-September 1999 (PCN sections)

structure	exsports %	imports %
Live animals, animals products	2.8	1.1
Vegetable products	3.2	2.8
Fats and oils	0.2	0.5
Prepared products	3.7	3.2
Mineral products	5.8	7.7
Products of the chemical industry	5.1	10.8
Plastics and articles thereof	4.1	6.9
Raw hides and skins, articles thereof	0.9	0.8
Wood and articles of wood	4.4	0.8
Pulp of wood, paper, paperboard and articles thereof	2.9	3.9
Textiles and textiles articles	11.4	7.4
Footwear, headwear...	1.1	0.7
Articles of stone, ceramic products, glass	2.4	2.3
Pearls, precious stones and metals, articles thereof	0.9	0.1
Base metals and article thereof	13.0	8.2
Machin, Mechan, Applian, elect. Engines equipment	16.8	27.6
Transport equipment	12.2	10.7
Optical, photographic, measuring, checking instruments	0.7	2.1
Arms and ammunition	0.0	0.0
Miscellaneous manufactured articles	8.3	2.1
Works of art., pieces of collector, antiques	0.1	0.0
Other products	0.0	0.2

Source: CSO

Foreign trede turnover



Percentage changes against the same period in 1998 indicated a substantial import increase of:

- works of art, antiques and collector objects (99.4%),
- pearls, precious stones, precious metals and products (22.9%),
- weapon and ammunition (14.5%).

Foreign fat and oil purchases reduced by 27% and animal and animal derivative purchases declined by 15%.

However, imports of the above five categories represented just 1.75% of total imports.

The country import structure did not change. Similarly to 1998, imported commodities were bought mainly in the following countries: Germany (25.4%), Italy (9.5%) and France (6.8%).

Foreign trade after 10 months

Between January and October 1999, foreign trade was characterised by slightly higher import (7.0%) than export (5.1%) volumes. As at the end of this period, exports totalled PLN 86.7bn, and imports reached PLN 145bn. In effect, the negative balance as at the end of October was over PLN 58bn compared to PLN 53bn in the same period in 1998.

In the period subject to analysis, Polish exports were directed mainly to developed countries, including the EU where 70% of all exported commodities and goods were shipped. In the trade geographical structure, a percentage reduction in total exports in exports to Central and Eastern Europe is noticeable (from 21.2% between January and October 1998 down to 16.8% in the analysed period) with a simultaneous increase in significance of developed countries (including the EU).

Commodities were imported of almost 75% from developed countries. In total imports, the percentage of imports from Central and Eastern Europe increased (up to 13.9%), and imports from developed countries slightly decreased (from 74.6% in the same period in 1998 to 74.4% in the analysed period).

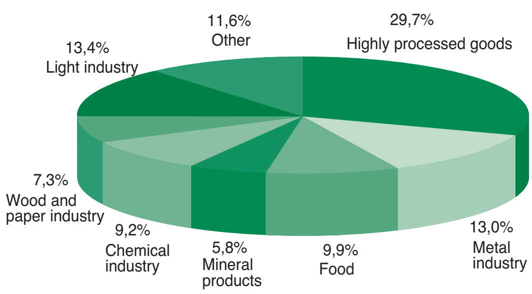
In the import distribution structure by its utilisation directions, the percentage of investment imports declined and consumer imports increased. The percentage of delivery imports was identical as in the same period in the previous year (64.7%). Compared to the same period in 1998, the percentage of investment imports in total imports decreased from 15.5% down to 14.91%. The percentage of consumer imports was 20.3% against 19.6% in the same period in the previous year. Delivery imports were composed mainly of electromechanical and chemical industry products (35.1% and 21.8% respectively). Similarly, in the case of consumer imports, products of these two sectors (31.6% and 23.1% respectively), but also of light and food industry were chiefly imported. Electromechanical industry products are 99.6% of total investment imports.

Tab. 8. Dynamics and Structure of Foreign Trade Turnover in the period I-IX 1999

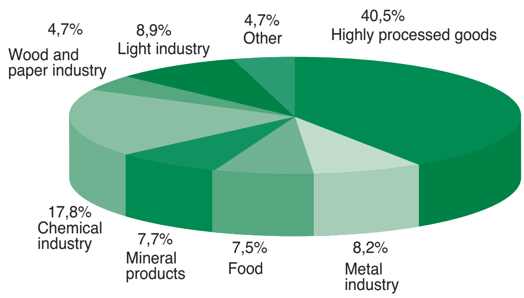
	Yearly dynamics PLN	Yearly dynamics USD	Structure % I-X 1998	Structure % I-X 1999
Exports	105.1	93.9	100.0	100.0
Developed countries	110.9	99.3	73.0	77.1
Of which European Union	109.9	98.3	67.9	71.0
Developing countries	112.4	100.1	5.8	6.1
Central and Eastern Europe	83.1	73.9	21.2	16.8
Of which CEFTA	117.1	104.5	7.3	8.1
	Yearly dynamics PLN	Yearly dynamics USD	Structure % I-X 1998	Structure % I-X 1999
imports	107.0	94.5	100.0	100.0
Developed countries	106.7	93.9	74.6	74.4
Of which European Union	106.4	93.5	65.6	65.3
Developing countries	102.6	91.5	12.2	11.7
Central and Eastern Europe	112.8	100.5	13.2	13.9
Of which CEFTA	111.0	98.9	6.5	6.7

*Source: CSO   * I-IX 1999 = 100*

Export structure in 1-3Q1999

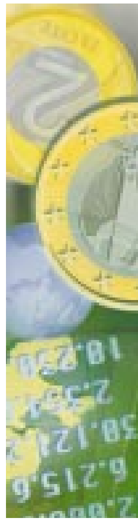


Import structure in 1-3Q1999



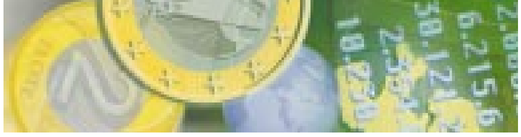
Economic Release Calendar January/February 2000

Monday	Tuesday	Wednesday	Thursday	Friday
3 January POL: Balance of Payments (XI) POL: Food prices (II half XII)	**4** *HU: GDP (3Q99)*	**5** *E11: ECB Meeting*	**6** *E11: Business climate (XII)* *HU: Unemployment (XI)*	**7** POL: Gross Official Reserves (XII) POL: NBP balance sheet (XII) POL: Bussines climate ind., constr., trade. (XII) *US: Wages and non-farm employment. (XII)* *CZ: Official Reserves (XII)* *HU: Industrial output (XI)*
10 *CZ: Inflation (XII)* *CZ: Unemployment (XII)* *CZ: Wages (XII)* *CZ: Constructions (XII)*	**11** *CZ: Industrial output (XII)*	**12**	**13** *E11: Industrial output (XI)* *E11: Producer prices (XI)* *US: Producer prices (XII)*	**14** POL: Money Supply (XII) POL: Agricultural prices (XII) POL: Wages and employment (XII) *US: Inflation, industrial output (XII)* *HU: Inflation (XII)*
17 POL: Inflation (CPI) (XII) POL: State Budget (XII) POL: Dwellings completed (XII)	**18** POL: Producer prices (XII) POL: Industrial output *E11: GDP (3Q99)* *HU: Wages (XI)*	**19** *HU: Industrial output (XI)*	**20** *US: Foreign Trade (XI)* *HU: Construction (XI)* *E11: ECB Meeting*	**21** POL: Food prices (I half I)
24	**25** *US: Consumer attitude (I)*	**26** POL: Monetary Policy Council Meeting *E11: Inflation (XII)* *HU: Unemployment (XII)*	**27** *US: Wages (XII)*	**28** *US: GDP (4Q99)*
31 POL: Employed in national economy (4Q99) HU: Producer prices (XII)	**1 February** POL: Balance of Payments (XII) US: FED Meeting	**2** US: FED Meeting	**3** *E11: Business climate (I)*	**4** *HU: Industrial output (XI)*
7 POL: Gross Official Reserves (I) POL: NBP balance sheet(I) POL: Food prices (II half I) POL: Business climate ind., constr., trade. (I)	**8**	**9**	**10**	**11** *HU: Inflation (I)*
14 POL: Money Supply (I) POL: Agricultural Prices (I) POL: Wages and employment (I)	**15** POL: Inflation (CPI) (I) POL: State Budget (I) *HU: Wages (XII)*	**16** POL: Monetary Policy Council Meeting	**17**	**18** POL: Producer prices, industrial output (I) *US: Foreign Trade (XII)* *HU: Industrial output (XII)*



Basic Macroeconomic Data

CATEGORY	unit	1999 January	February	March	April	Mai	June	July	August	September	October	November
PRICES												
Consumer price index (y/y)	%	6.9	5.6	6.2	6.3	6.4	6.5	6.3	7.2	8.0	8.7	9.2
Consumer price index (m/m)	%	1.5	0.6	1.0	0.8	0.7	0.2	-0.3	0.6	1.4	1.1	0.9
Producer prices index (y/y)	%	3.9	3.7	4.7	5.0	5.2	5.2	5.5	5.9	6.2	6.8*	7.3
Producer price index (m/m)	%	0.4	0.6	1.1	0.6	0.5	0.1	0.5	0.9	0.9	0.8*	0.6
Price index of construction and assembly production (y/y)	%	9.9	9.4	9.0	8.6	8.4	8.1	7.8	7.8	8.2	8.3*	8.8
Price index of construction and assembly production (m/m)	%	1.7	0.9	0.7	0.5	0.6	0.3	0.3	0.6	0.9	0.7*	0.8
USD/PLN exchange rate (y/y)	%	0.3	7.2	14.0	17.0	15.2	13.3	12.2	10.2	13.1	17.6	23.3
USD/PLN exchange rate (m/m)	%	1.6	7.1	3.9	1.5	-1.6	0.2	-1.5	1.8	3.3	0.7	3.5
EUR/PLN exchange rate (m/m)	%		3.4	0.9	-0.1	-2.4	-2.1	-2.0	4.4	2.2	2.7	-0.1
Average monthly gross real wages in bussiness sector (r/r)	%	-1.7	2.1	5.1	4.3	3.4	3.6	3.2	3.4	3.9	1.9	-0.3
ACTIVITY INDICATORS												
Gross Domestic Product (y/y)	%	-	-	1.5	-	-	3.0	-	-	4.9	-	-
Industrial Output (y/y)	%	-6.1	-5.8	3.3	0.3	2.2	1.0	1.4	7.1	8.6	8.9*	15.9
Industrial Output (m/m)	%	-11.0	-0.4	21.8	-7.0	1.2	0.1	-2.0	4.6	9.3	0.1*	-0.9
Construction and Assembly Production (y/y)	%	3.9	-3.0	1.2	2.8	4.2	4.9	-0.3	4.3	5.2	-0.1*	5.9
Construction and Assembly Production (m/m)	%	-54.8	5.7	19.1	10.3	10.8	9.6	-0.5	6.4	8.9	4.4*	-18.2
Retail Sales (y/y)	%	7.9	12.5	25.6	16.3	19.3	25.3	26.4	25.9	24.8	25.1	32.2
Retail Sales (m/m)	%	-25.6	6.4	25.5	-0.9	3.1	2.1	4.2	0.6	0.4	4.6	-2.3
Exports /on a customs basis/ (y/y)	%	-	-6.3	-6.5	12.0	7.7	12.2	2.1	-0.7	12.3	15.0	3.3
Exports /on a customs basis/ (m/m)	%	-	-10.4	10.1	23.1	-10.8	1.8	-3.3	-3.1	4.4	12.8	-1.8
Imports /on a customs basis/ (y/y)	%	-	-1.6	-6.5	7.8	9.7	10.1	5.4	7.3	14.8	11.2	9.8
Imports /on a customs basis/ (m/m)	%	-	-17.0	10.0	31.3	-9.1	0.5	-0.5	1.1	-1.7	14.7	2.4
LABOUR MARKET												
Number of unemployed	Thous.	2 047	2 147	2 170	2 122	2 073	2 074	2 116	2 144	2 178	2 187	2 257
Unemployed rate	%	11,4	11,9	12,0	11,8	11,6	11,6	11,8	11,9	12,1	12,2	12,5
Average Employment in a Business Sector	Thous.	5 835	5 818	5 808	5 799	5 779	5 771	5 748	5 747	5 735	5 738	5 723
Average monthly gross wages in bussiness sector	PLN	1 597	1 626	1 742	1 780	1 767	1 827	1 852	1 823	1 875	1 881	1 946
Average monthly gross wages in bussiness sector (y/y)	%	5.3	8.0	11.7	11.1	10.2	10.5	9.9	11.1	12.3	10.9	9.0
STATE BUDGET												
Budget Revenues	PLNbn	9.5	17.3	27.7	37.8	46.8	56.5	65.8	76.8	89.0	100.6	112.5
Budget Expendituires	PLNbn	11.9	24.6	36.5	46.7	57.0	67.9	78.4	88.9	100.2	112.6	124.6
Budget Balance	PLNbn	-2.5	-7.3	-8.7	-9.0	-10.2	-11.3	-12.5	-12.1	-11.3	-12.1	-12.1
Domectic Debt of State Budget	PLNbn	-	-	131.7	-	-	133.4	-	-	130.9	-	-
Foreign Debt of State Budget	PLNbn	-	-	127.3	-	-	123.0	-	-	130.5	-	-



Basic Macroeconomic Data

CATEGORY	unit	1999 January	February	March	April	Mai	June	July	August	September	October	November
BALANCE OF PAYMENTS												
Current Account	USD m.	-894	-512	-833	-938	-690	-1 138	-1 055	-786	-1 147	-849*	-1 148
Merchandise Trade Balance	USD m.	-1 212	-784	-825	-1 036	-1 031	-1 303	-1 322	-1 233	-1 309	-1 139*	-1 550
Exports	USD m.	2 119	2 495	2 398	2 161	1 989	2 122	2 092	2 078	2 044	2 221*	2 170
Imports	USD m.	3 331	3 279	3 223	3 197	3 020	3 425	3 414	3 311	3 353	3 360*	3 720
Service's Balance	USD m.	-99	-110	-155	-163	-128	-111	-125	-129	-127	-128	-129
Non-classified flows	USD m.	320	242	237	232	300	253	301	429	423	426	299
Capital Account	USD m.	198	154	796	491	548	726	1 279	1 015	877	863	765
Foreign Direct Investments	USD m.	291	317	530	364	403	426	297	1 393	745	363	815
Portfoli Investments	USD m.	-82	-177	-46	3	-251	196	70	227	-432	451	751
MONEY SUPPLY												
Money Supply	mld PLN	222	227	230	231	233	236	238	242	246	251	255
Money Supply (y/y)	%	26.2	27.2	27.6	25.7	24.5	22.9	21.1	19.6	20.9	22.4	23.0
Money Supply (m/m)	%	0.4	2.3	1.5	0.2	1.1	1.2	0.9	1.4	1.7	1.9	1.6
Total Deposits (y/y)	%	28.5	29.8	29.5	28.1	26.8	24.6	22.5	21.2	22.3	23.5	24.3
Total Deposits (m/m)	%	0.6	2.1	1.2	0.0	1.4	0.8	0.8	1.7	1.9	1.8	2.1
Personal loans (y/y)	%	31.3	33.7	35.8	37.4	39.2	41.1	42.9	45.4	47.6	46.0	52.4
Personal loans (m/m)	%	0.9	1.6	3.2	3.1	3.8	4.5	4.7	4.5	4.5	3.7	4.4
Business loans (y/y)	%	27.4	28.8	28.2	27.2	27.2	25.0	25.4	24.0	23.8	24.5	23.7
Business loans (m/m)	%	3.2	2.7	1.6	1.2	1.6	0.6	0.8	2.0	3.0	2.5	2.2
FINANCIAL INDICATORS												
Average Deviation from Parity	%	-6.3	-2.1	-0.2	-0.2	-2.4	-3.7	-5.6	-2.9	-0.5	0.8	2.0
USD/PLN average	PLN	3.5417	3.7948	3.9430	4.0016	3.9368	3.9431	3.8827	3.9510	4.0799	4.1092	4.2527
EUR/PLN average	PLN	4.1087	4.2494	4.2886	4.2843	4.1830	4.0969	4.0166	4.1946	4.2881	4.4031	4.3974
DEM/PLN average	PLN	2.1007	2.1727	2.1928	2.1905	2.1387	2.0947	2.0537	2.1447	2.1925	2.2513	2.2484
T/N WIBOR average	%	15.55	13.15	13.32	13.46	13.36	13.29	13.30	13.27	13.67	13.82	15.49
1M WIBOR average	%	15.24	13.36	13.36	13.36	13.35	13.34	13.34	13.39	13.83	14.72	16.94
3M WIBOR average	%	14.79	13.25	13.23	13.22	13.26	13.31	13.38	13.64	14.32	16.64	18.55
Average 3M T-bill yield	%	13.22	12.17	12.52	12.36	12.35	12.28	12.40	12.56	12.54	13.71	15.41
Average 12M T-bill yield	%	11.65	11.39	12.15	12.05	12.22	12.18	12.33	12.44	12.91	14.63	15.98
Average 2Y T-bond yield	%	10.65	10.87	11.16	10.92	11.32	11.50	12.09	12.75	13.09	14.63	15.39
Average 10Y T-bond yield	%	-	-	-	-	8.95	8.89	9.06	9.23	9.59	10.50	10.59
MONETARY POLICY PARAMETERS												
Intervention Rate		13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	14.0	14.0	16.5
Re-discount Rate		15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	19.0
Lombard Rate		17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	20.5
Monthly Devaluation Rate		0.5	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3

* data officialy corrected

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