

POLAND IN 20 YEARS TIME

BUSINESS ENVIRONMENT

BY ROB RUHL, DIRECTOR NEXT MARKETS ADVISORY

WARSAW, 15 NOVEMBER 2018



NEXT MARKETS

POLAND IN 20 YEARS

Ranking	2018	2038
1	Germany	Germany
2	United Kingdom	United Kingdom
3	France	France
4	Italy	Italy
5	Spain	Spain
6	Netherlands	Poland
7	Switzerland	Netherlands
8	Poland	Switzerland
9	Sweden	Sweden
10	Belgium	Belgium

One of the 6 most important EU countries by size of its economy

GDP pc will be 95% of EU average and 76% of Dutch level

An important member EU, NATO

In slow transition towards more added value production

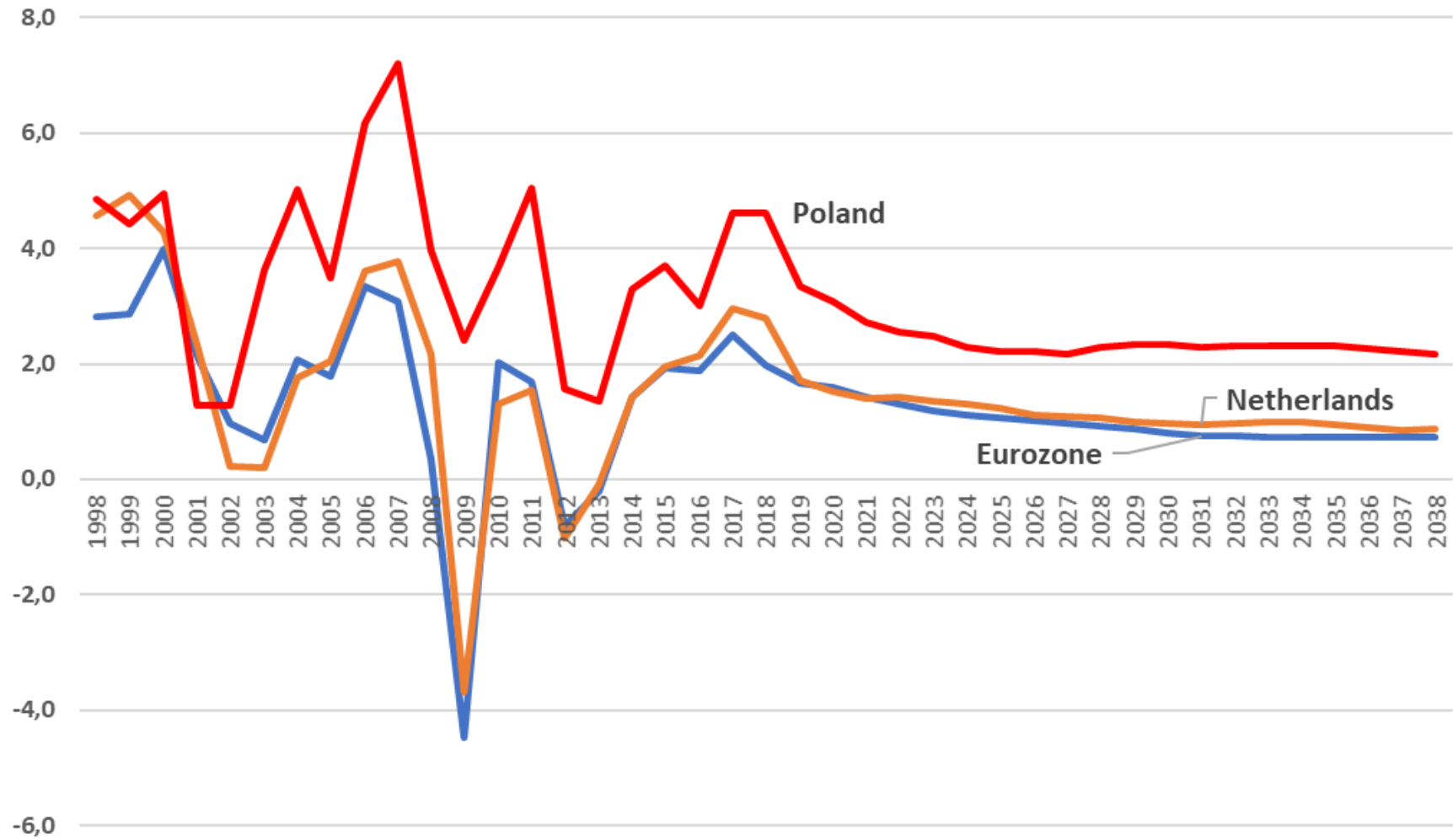
But will it be enough???

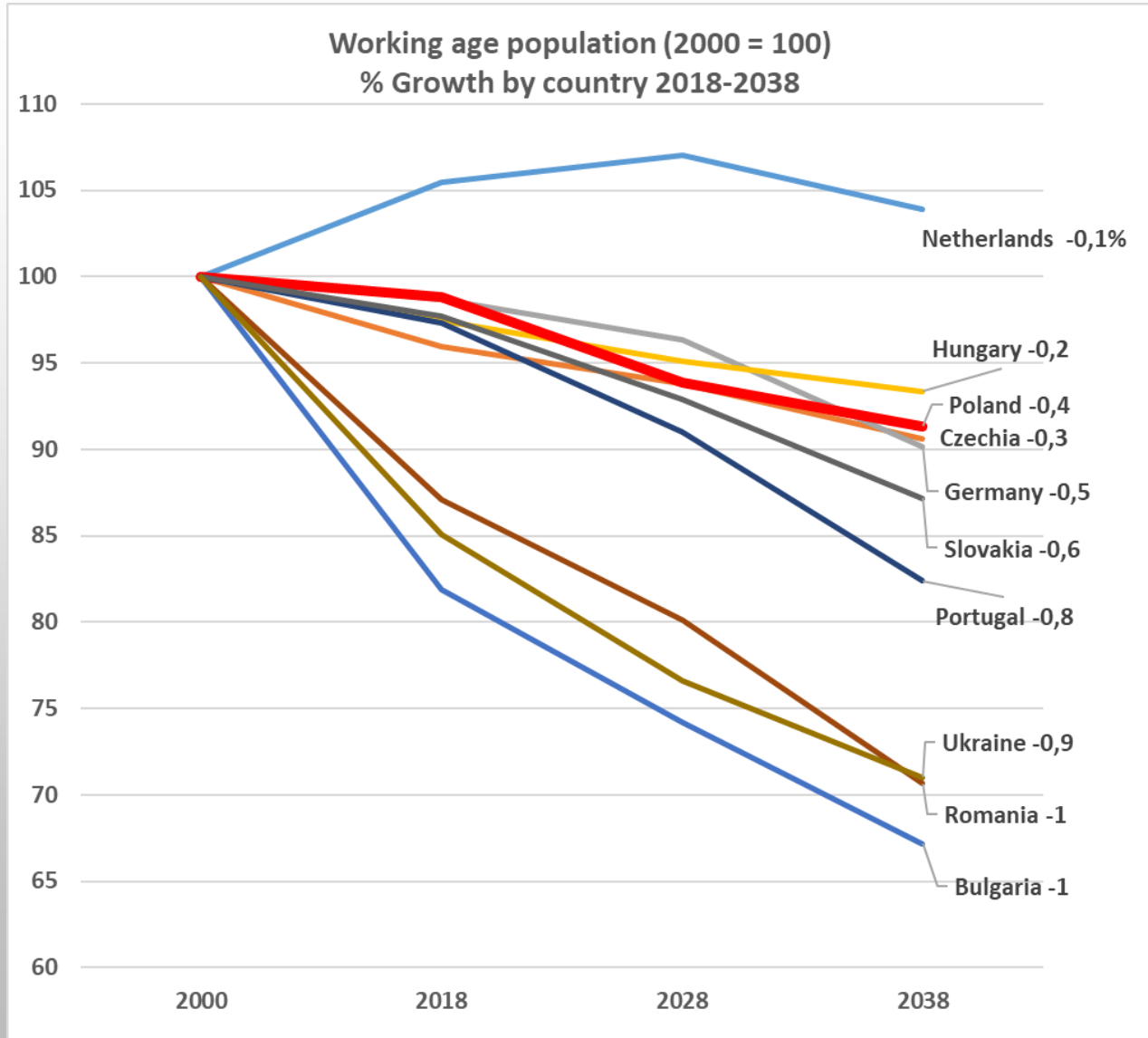
Most calculations are based on data of Oxford Economics

AGENDA

- HOW POLAND WILL BECOME #6 ECONOMY OF EU
- FACTS OF FUTURE DEMOGRAPHICS
- IMPACT ON LABOUR MARKETS AND WAGES
- THE ROLE OF THE SECTORS OF INDUSTRY
- OPPORTUNITIES IN THE CONSUMER MARKETS
- RISKS??

Real GDP growth (1998 - 2038)
change in % y.o.y



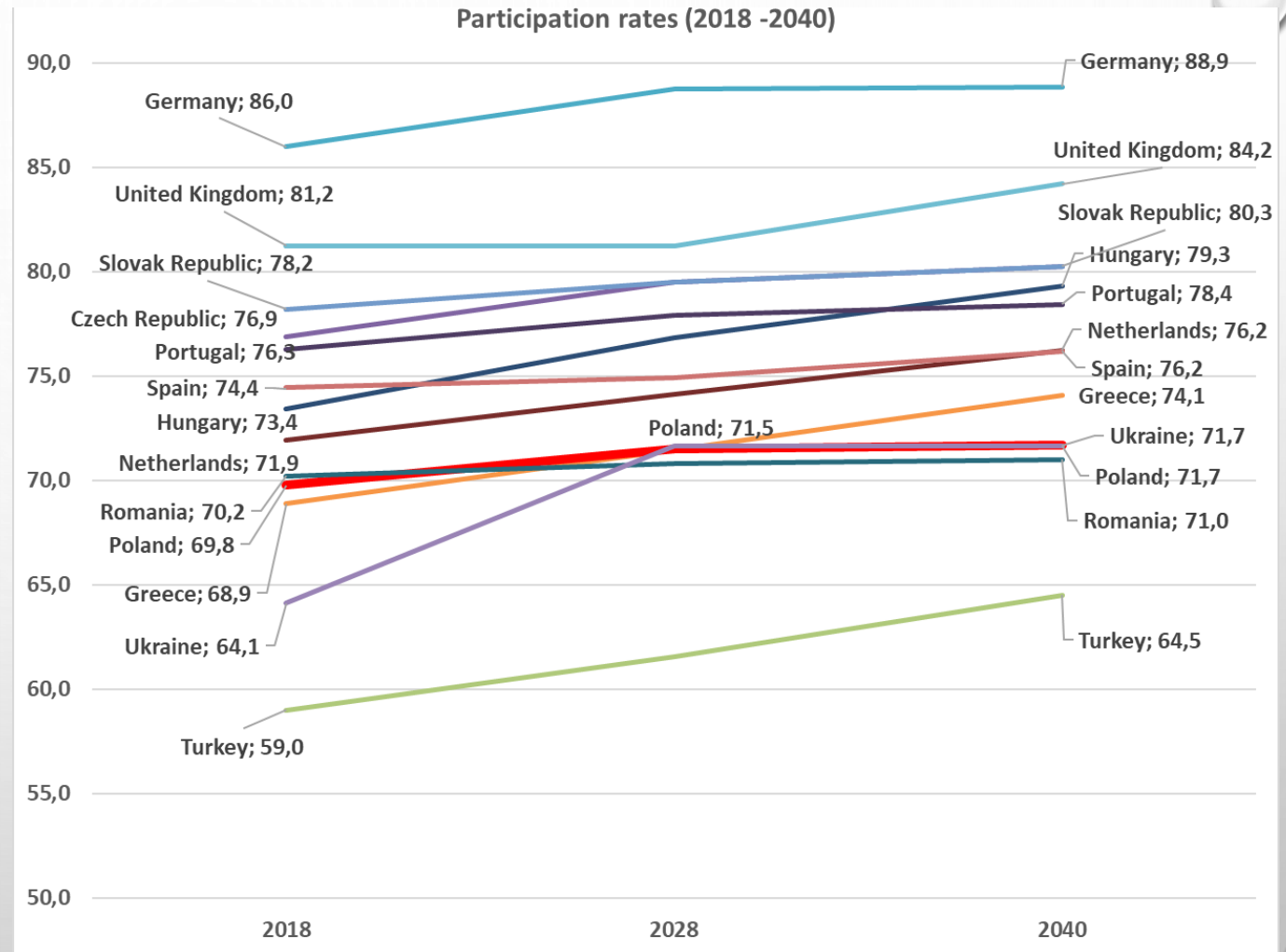


WORKING AGE POPULATION CHANGE IN PERSONS (2018 -2038)

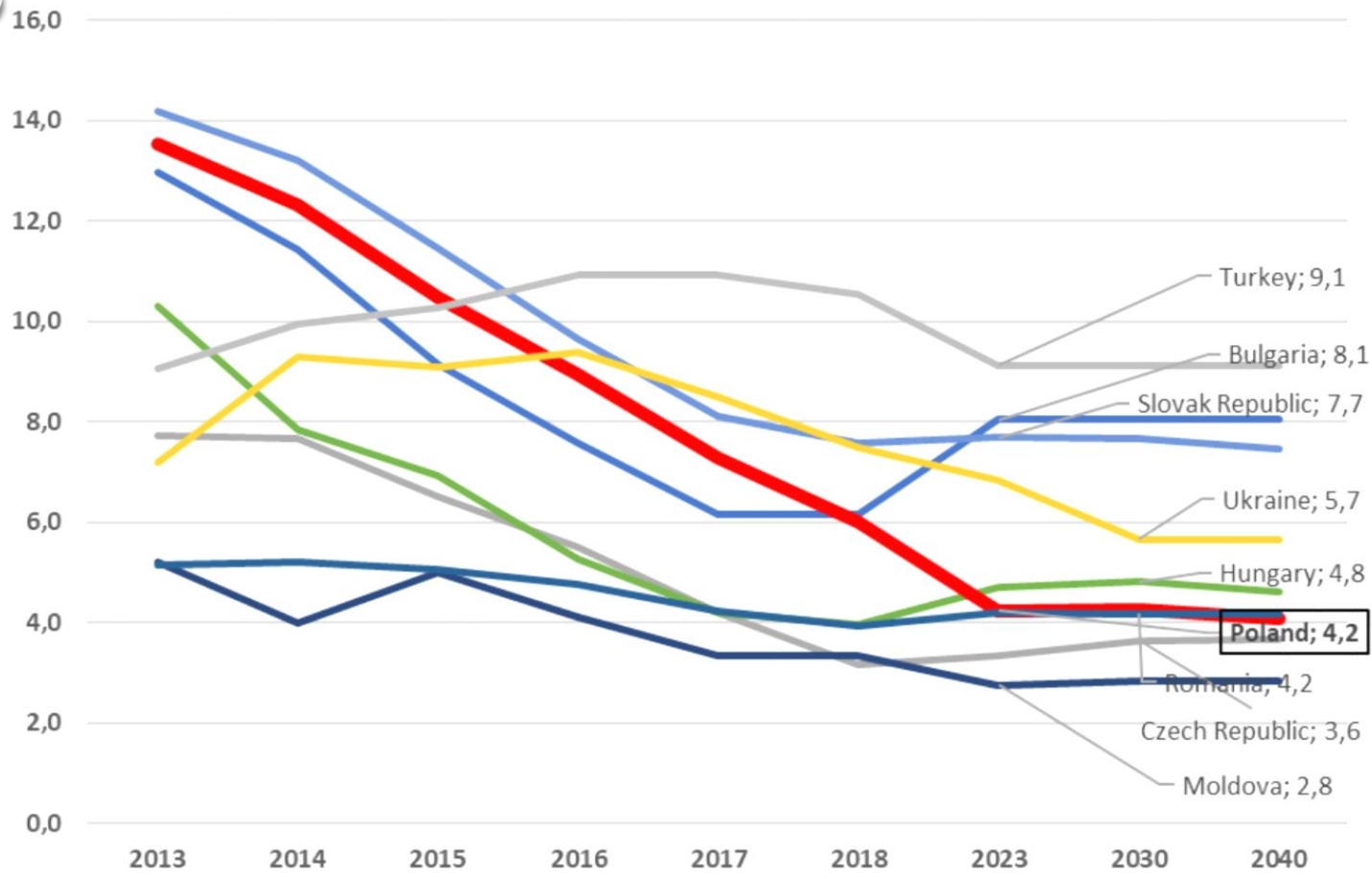
	(x 1,000)
Bulgaria	-783,8
Czechia	-381,6
Germany	-4.720,8
Hungary	-264,7
Netherlands	-168,8
Poland	-1.900,4
Portugal	-1.036,0
Romania	-2.323,7
Slovakia	-379,4
Ukraine	-4.735,3
UK	1.568,1

PARTICIPATION RATE

- POLISH RATE 69,8% = LOW
- POLICY MEASURES REDUCE RATE
- BRINGING CURRENT POLISH RATE AT LEVEL CZECH REPUBLIC ADDS 2 MILLION WORKERS



CEE Unemployment rate 2013-2040

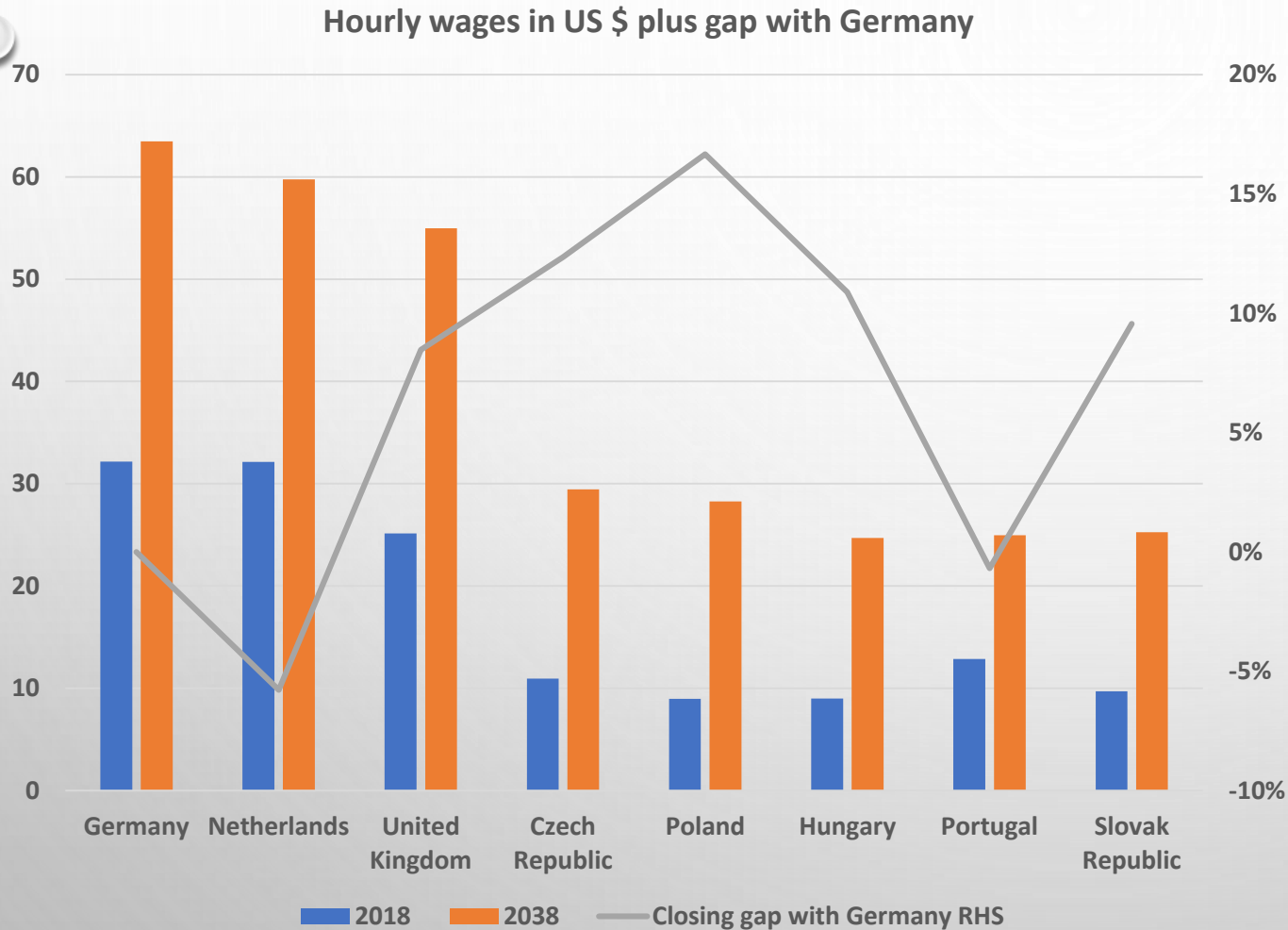


UNEMPLOYMENT RATE

BOTTOM RATES

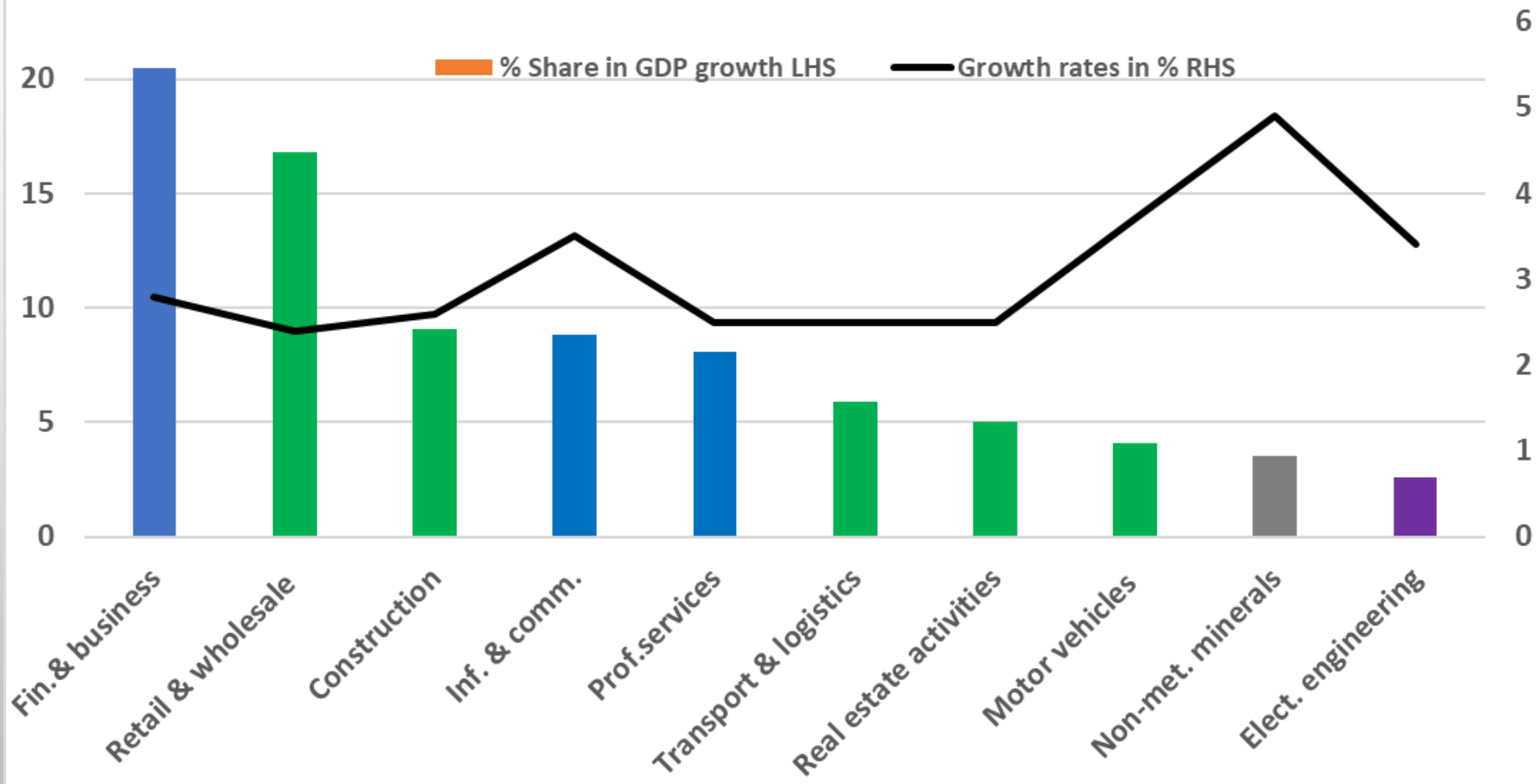
- POLAND: 4,2%
- GERMANY 5,2%
- NETHERLANDS 4,9%

WHAT HAPPENS TO LABOUR COSTS

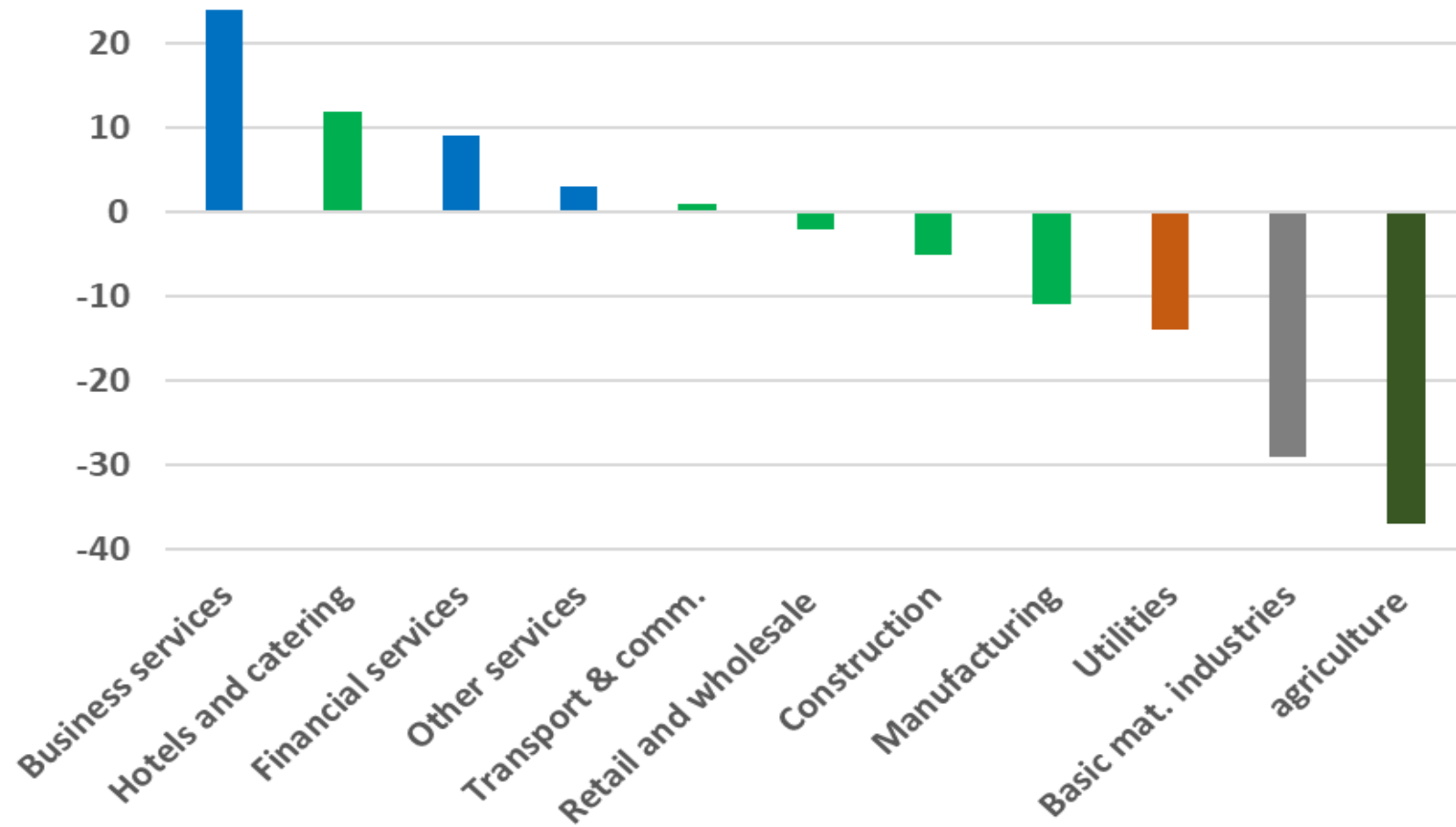


- IT WILL TAKE TILL 2060 TO CLOSE THE POLISH WAGE GAP WITH GERMANY
- POLAND CLOSSES THE GAP FASTEST

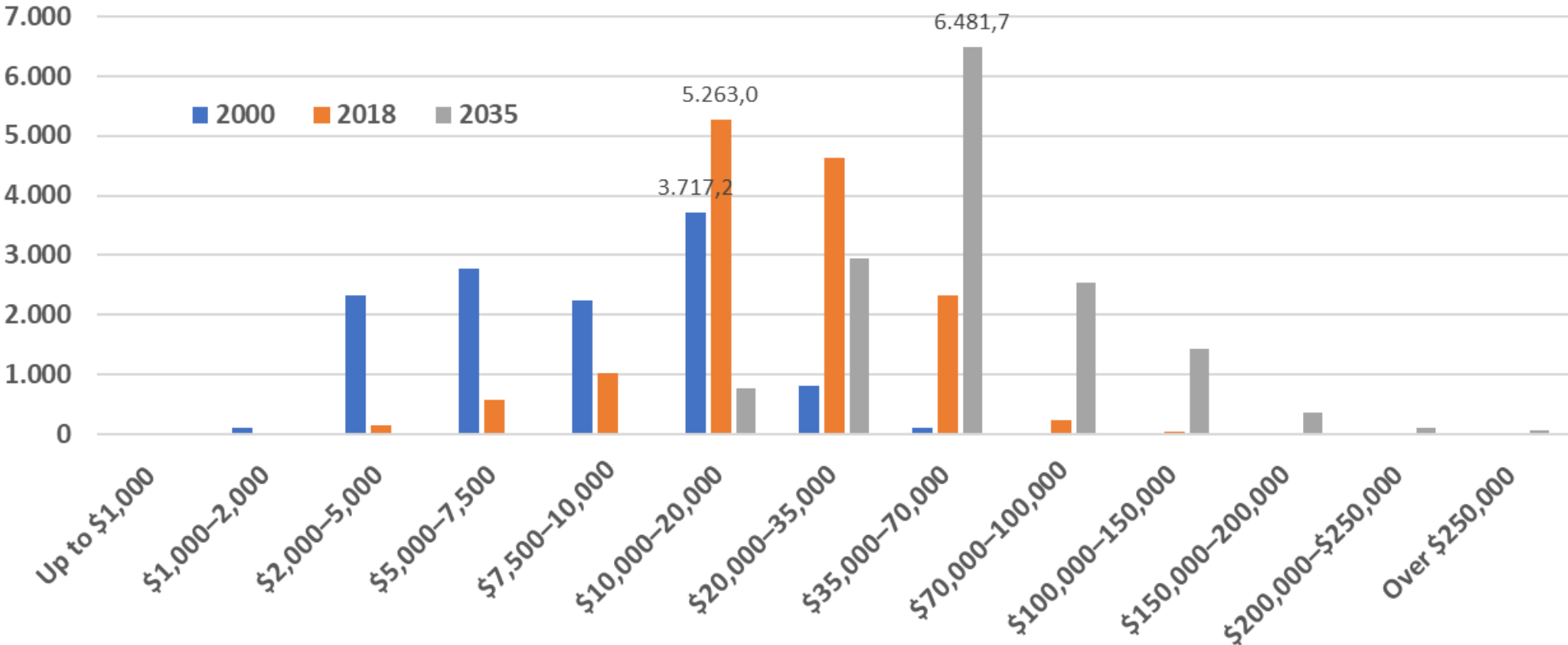
Top 10 of sectors driving GDP growth (2018 - 2038)



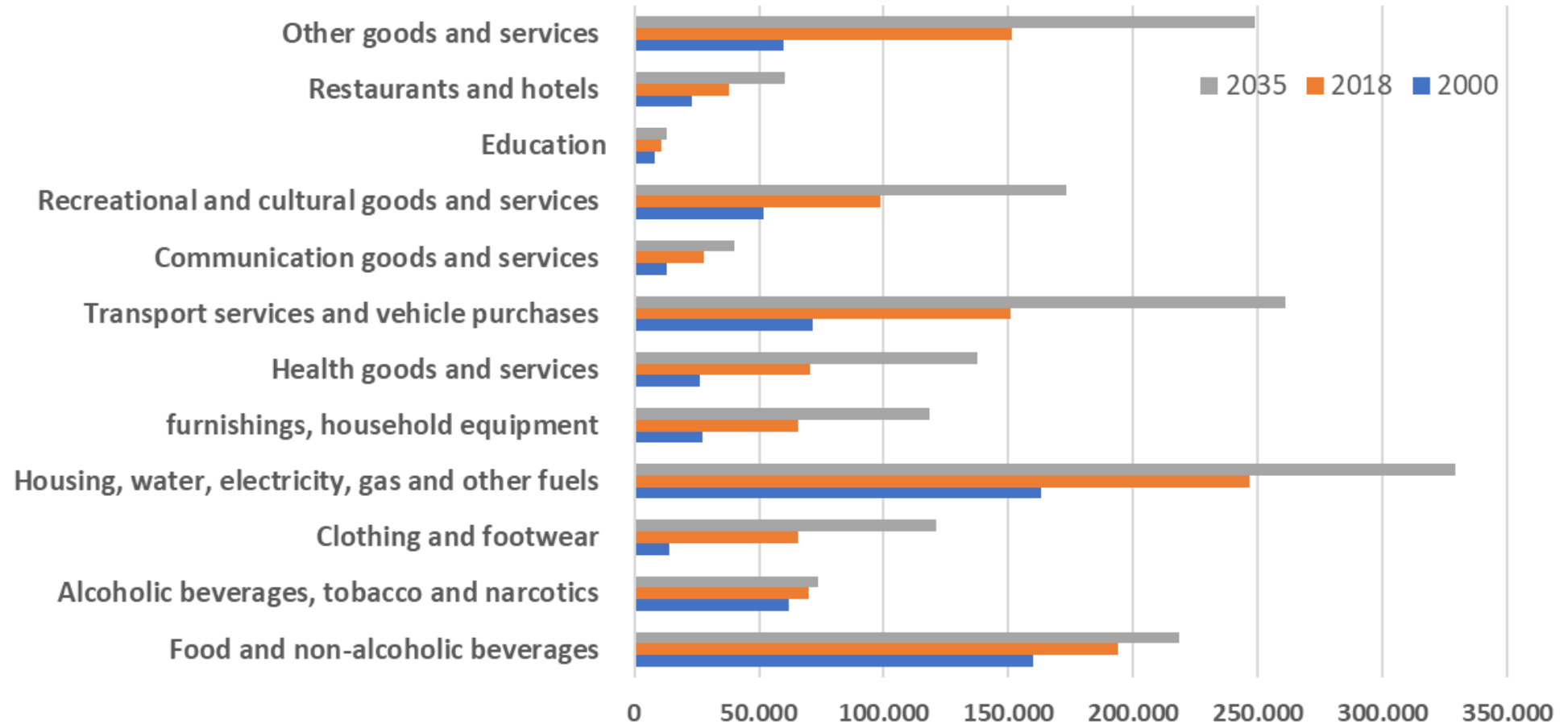
Change in employment by sector (2018 - 2038) (in %)



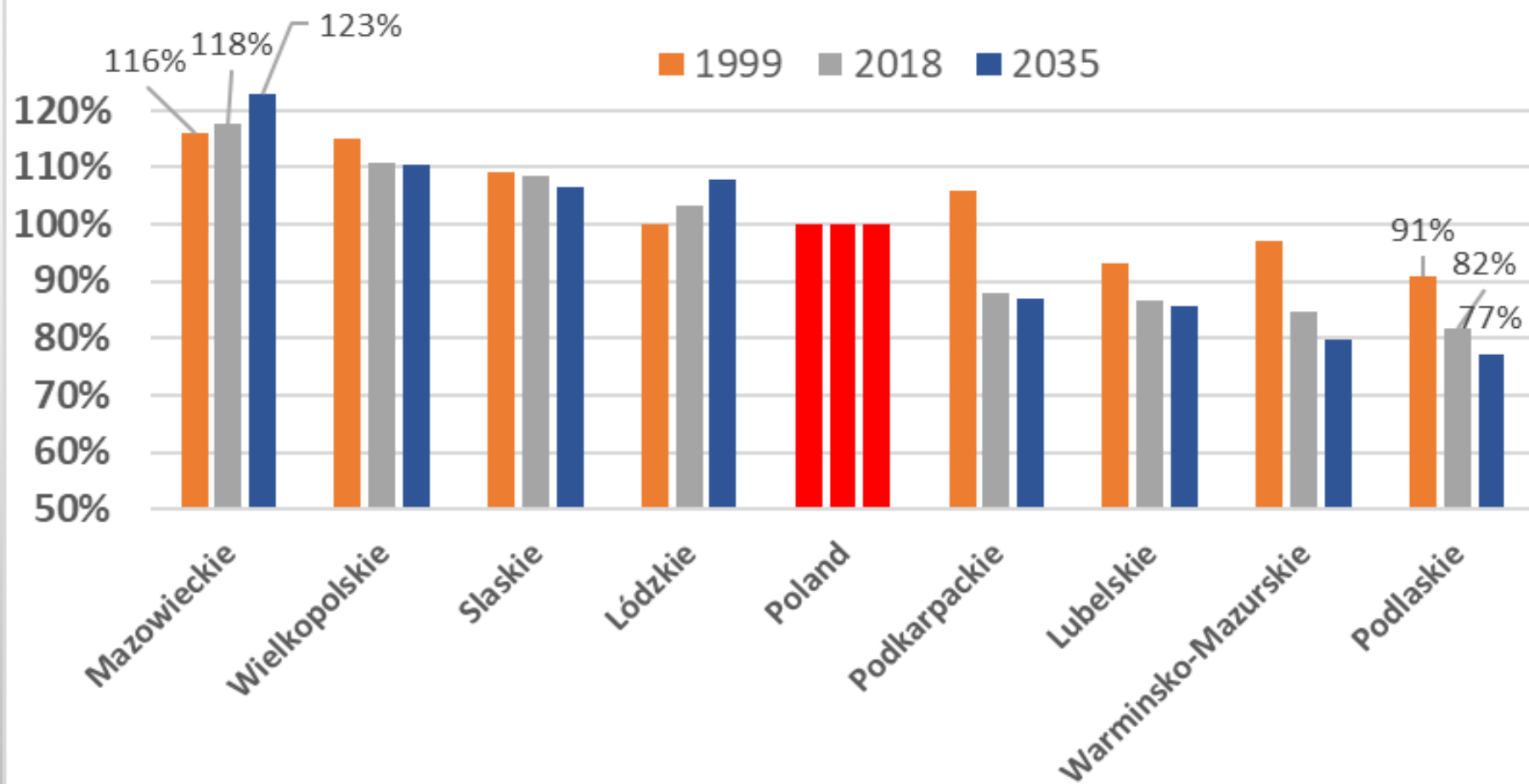
Number of households per income band



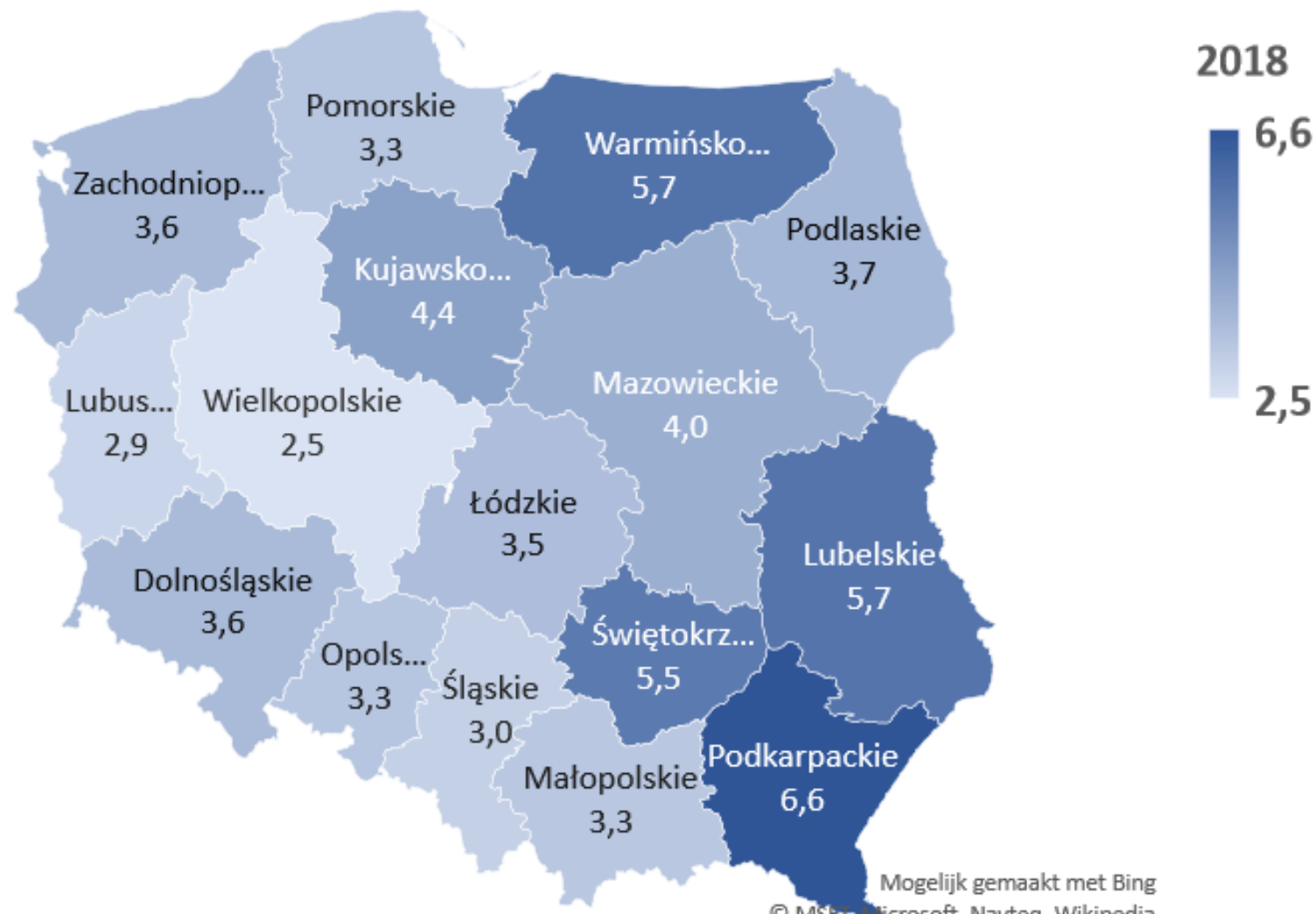
Consumption by product (2000 -2035) in PLN million prices 2015



Household disp income p/hh in % country average



Unemployment ratio by region 2018



Mogelijk gemaakt met Bing
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SUMMING UP

- POLISH CHOICE NO ASPIRATIONAL SCENARIO (2,5% NO 4%)
- STILL # 6 OF THE EU BY ECONOMIC SIZE IN 2038
- PROGRESS IN UPGRADING PRODUCTION PROFILE AT A LOW PACE
- OPTIONS TO CHANGE TFP AND THE LABOUR PARTICIPTION RATE
- POLAND HAS AN EXCELLENT STARTING POSITION FOR NEXT 20 YEARS
- ? DO POLISH PEOPLE HAVE ENOUGH PATIENCE?

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