

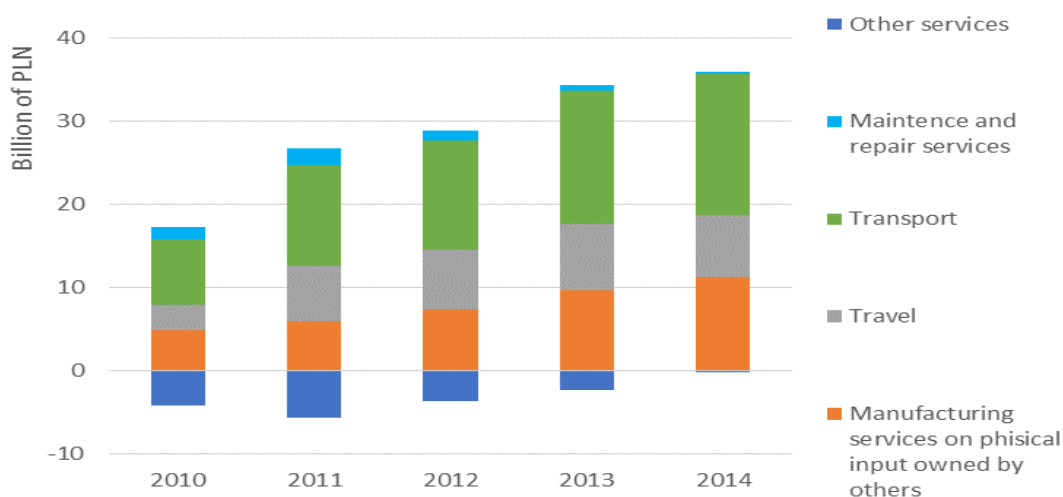
International trade in services in 2014

In line with international requirements, international trade in services data have been aligned with balance of payments statistics. Annual data on trade in services however comprise significantly wider structural and geographical breakdown. On its website Narodowy Bank Polski published detailed structure of credits and debits against services broken down by major counterparties.

Methodological note on international trade in services is available on NBP website¹.

In 2014, international trade in services balance was positive and amounted to PLN 35.9 billion. This balance was predominantly influenced by: transportation, manufacturing services on physical input owned by others (processing) and travel. Balance on transportation stood at PLN 17.1 billion. Manufacturing services on physical input owned by others, another important category, amounted to PLN 11.3 billion which equaled 31.5% of total international trade in services balance. Balance on travel stood at PLN 7.4 billion.

Graph 1: Structural breakdown of international trade in services.

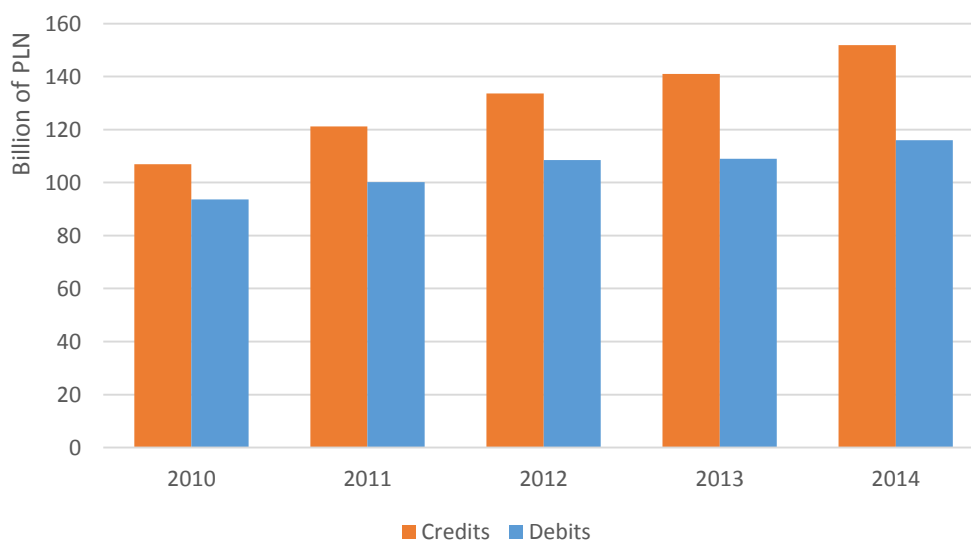


¹ <http://www.nbp.pl/homen.aspx?f=/en/statystyka/mhu.html>

During the discussed period positive balance on international trade in services went up by PLN 3.6 billion when compared with 2013. Other services² and processing of goods which went up by PLN 2.0 billion and PLN 1.6 billion respectively had the biggest impact on improvement of this balance.

In 2014, both credits and debits against international trade in services have been increasing in a similar pace. Credits on services stood at PLN 151.8 billion up by PLN 10.8 billion i.e. 7.6% when compared with the previous year. Debits amounted to PLN 115.9 billion, which constitutes PLN 0.7 billion (6.4%) increase when compared with 2013. During the last five years credits on services increased by 42% while growth of debits was significantly lower and amounted to 23.7%. Consequently, the positive balance of trade in services has greatly improved over the last five years, going up almost threefold, from PLN 13.2 billion in 2010 to PLN 35.9 billion in 2014.

Graph 2: International trade in services – credits and debits.



The greatest impact on credits against services was, as usual, exercised by trade in other services, namely transportation and travel. In 2014 inflows against other services

² Other services include i.a.: construction services, financial services, telecommunication, information and computer services and other. Detailed description of these categories can be found in "International trade in services – methodological note" available on NBP website

amounted to PLN 58.6 billion, up by PLN 5.9 billion when compared with the previous year. Change in trade in other services has had a decisive impact on increase in total credits against services.

In 2014, credits against transportation amounted to PLN 41.9 billion - 60% of which was freight road transport. During the discussed period total value of transportation services provided to non-residents went up by PLN 3.4 billion (i.e. 8.7%). Significant growth was reported also in processing of goods for non-residents. This item increased by PLN 1.8 billion (i.e. 16.6%) and in 2014 amounted to PLN 12.3 billion. At the same time a decrease was recorded in credits against travel expenses borne by non-residents down by PLN 0.6 billion. Credits against maintenance and repair services rendered by Polish entities to non-residents were not significant.

Majority of services by Polish entities were sold to non-residents from the European Union. Credits originating from the EU amounted to 70% of total credits. Germany proved the most important counterparty in trade in services. In 2014 German entities purchased services worth of PLN 37.2 billion i.e. up by PLN 3 billion when compared with 2013.

The greatest impact on debits against services was, similarly to credits, exercised by trade in other services, which stood at PLN 58.8 billion up by PLN 3.7 billion i.e. 6.7% when compared with 2013. Transportation services purchased from non-residents went up by PLN 2.3 billion and in 2014 stood at PLN 27.9 billion. Processing and repair services purchased from non-residents did not have any significant influence on total balance on services.

EU Member States prevailed in the geographical breakdown of debits against services. Value of services sold by non-residents from the EU equaled 78% of total debits. Similarly to credits, Germany proved the most important counterparty in trade in services. In 2014 German entities sold services worth of PLN 25.4 billion.

For detailed information on trade in services please refer to:

<http://www.nbp.pl/statystyka/dwn/mhu-dane-en.xlsx>