

Financial plans of the commercial banks and credit institutions operating in Poland

During this year the commercial banks and the branches of credit institutions operating in Poland plan on increasing their loan portfolio, the level of deposits and payment of dividends. Financial plans of the commercial banks and credit institutions presented to the KNF - the Polish Financial Supervision Authority, also show that net profit of the sector will grow.

- At the end of 2011, banks forecast that the average **inflation** in Poland will amount to 3.1% and the real **GDP growth** accounts for 3.8 %. In the opinion of those institutions the exchange rates of the major currencies will stand at: 3.8217 PLN/EUR 2.8679 PLN/USD and 2.8553 PLN/CHF.
- Banks predict that in 2011 their **net profit** will rise by 25.6 % in comparison to what was achieved at the end of 2010.
- According to the banks, their **loan** portfolio will grow by 12.7 %, in particular by increasing the portfolio of loans to the non-financial sector (an increase of 10.4 %). A higher increase is planned for the enterprise sector than for households.
- For the **loans to households** the biggest increase is planned in the portfolio of mortgage loans (by 9.3 %). Banks predict that most of these loans will be granted in PLN (about 33.9% more than at the end of 2010), while the expected simultaneous decrease in the volume of loans granted in CHF (by 4.7%).
- Banks expect that the level of **deposits** held will increase by 11 % in 2011. The projected increase in deposits from corporate clients amounts to 14.6 %, and from households to 9.3 %.
- Banks forecast an increase in their **net profits** by 25.6 %, compared to what they reached by the end of 2010.

- Among the surveyed banks, 13 have declared that in 2011 they will pay out **dividend** equal 5.3 billion PLN which represents 56.8 % of their results and 48.4% of the results of all commercial banks and branches of credit institutions.
- Banks' plans assume an increase in **numbers of branches and customer service points** by 3.4% and 10.3% respectively. At the same time, according to the banks, employment will fall by 3.2 %