Poland’s GDP growth nears 4% in 2Q amid strong investment and net exports

ING THINK · Adam Antoniak · 2026-08-31 · English original

Statistics Poland revised GDP growth up to 3.9% YoY in 2Q from the 3.8% flash estimate. The breakdown showed a long-awaited rebound in fixed investment and a positive contribution from net exports. A strong second quarter provides a solid starting point for the rest of the year, but given the uncertain outlook, we stick to our forecast of 3.4% growth in 2026

The StatOffice revised Poland’s GDP growth to 3.9% year-on-year in the second quarter from 3.8% YoY reported earlier and 3.5% YoY in the first quarter. Seasonally-adjusted data indicates that economic growth accelerated from 0.6% quarter-on-quarter in 1Q26 to 1.0% in 2Q26. Despite global headwinds stemming from the energy market turmoil triggered by the conflict in the Middle East, Poland’s economy proved resilient and recovered from a weak first quarter when activity in construction and industry was hit by bad weather.

Gross value added advanced by 3.6% YoY in 2Q26 following an increase of 3.3% YoY in the previous quarter. Solid growth was still reported in services, which accounted for more than half of total gross value added (around 2ppt). The improvement was also seen in industry, where gross value added rose by 6.5% YoY vs. 4.1% in 1Q26. After a softer start to the year, activity in domestic industry improved in subsequent months in tandem with improving business conditions in European markets. This improvement also took place in construction, where output jumped by 3.0% YoY in 2Q26 after a drop of 4.5% in 1Q26. The construction sector was catching up after severe weather dampened activity earlier in the year.

In line with our expectations, the second quarter of this year brought a further slowdown in household spending. Household consumption increased by 2.8% YoY in 2Q26 from 3.3% in 1Q26. Wage growth continued to ease, while the conflict in the Middle East pushed up crude oil and retail gasoline prices, boosting inflation and leaving households with less to spend on goods other than fuel.

When assessing the outlook for consumption, it should be noted that households have significantly increased their saving rates in recent quarters, thereby building a buffer that could allow them to maintain relatively robust growth in spending even if growth in disposable income continues to slow (consumption smoothing).

In 2Q26, investment activity finally improved visibly. Fixed investment jumped by 8.4% YoY, following growth of 2.4% YoY. Poor 1Q26 results were partly linked to subdued public investment, including deliveries of military equipment. In recent months, activity accelerated significantly as projects implemented under the National Recovery Plan (NRP) kicked in. We expect investment activity to be strong in the second half of the year, with growth in gross fixed capital formation nearing a double-digit pace. In addition to fixed-asset investment, inventory changes also contributed positively to growth in the previous quarter, adding 0.1 percentage points to annual GDP growth.

Despite mounting competitive pressure from Asia and a widening trade deficit with China, foreign trade remains one of the key strengths of the Polish economy. In 2Q26, exports of goods and services rose by

10.8% YoY while imports increased by 10.4% YoY in real terms, compared with 5.6% YoY and 6.1% YoY, respectively, in 1Q26. The positive contribution of net exports amounted to 0.5ppts in 2Q26.

The 2Q26 GDP data came as a positive surprise, with the economy proving remarkably resilient to the outbreak of the conflict in the Persian Gulf and the resulting rise in oil prices. The escalation of tensions in the Middle East had prompted us to revise down our GDP growth forecast for this year from 3.7% to 3.4%. Recent growth data provides a strong starting point for the second half of the year and increases upside risks to our revised forecast. However, given the persistent uncertainty surrounding the medium-term impact of the prolonged US-Iran conflict on Poland's economy, we maintain our cautious 2026 GDP growth forecast of 3.4%.

Source: https://think.ing.com/articles/polands-gdp-growth-neared-4-yoy-in-2q26-amid-strong-investment-and-net-exports/