

CGL IM Financial Management Limited

Integrity, Collaboration and Commitment



Economy and Logistics Markets on a Solid Growth Path

Poland

Q1 2025

Market Outlook

Poland's economy sustained momentum, expanding by 2.7% y-o-y in Q3, significantly outpacing the EU average of 1.0% y-o-y, underpinned by robust domestic demand. Household consumption increased by 0.3% y-o-y, while public spending grew by 4.5% y-o-y. Although investment remained flat, a rebound in inventory changes contributed to the overall GDP growth. Inflation rose to 5.0% y-o-y, driven by the gradual removal of energy subsidies and higher service prices. Inflation is expected to remain elevated in the near term. GDP growth is projected to be 2.7%-3.0% in 2024, supported by strong wage growth and increased government expenditure. Looking ahead to 2025, GDP growth is forecast to accelerate to 3.6%, bolstered by sustained private consumption and a pick-up in investment, driven by the influx of EU recovery funds.

Poland's logistics sector maintained its upward trajectory in Q3, with leasing activity reaching 1.1 million sqm, bringing the total to 3.82 million sqm for Q1-Q3 2024, a 4% y-o-y increase. Investment into the Polish logistics sector rebounded significantly, totaling €443 million in Q3 and €751 million for the first three quarters, accounting for 27.8% of Poland's total real estate investment during this period, reaffirming its attractiveness to investors. Vacancy rates narrowed to 8.0% in Q3, while new developments slowed following a surge in completions. Prime rents for both big-box and city logistics spaces remained stable in Q3. Looking ahead, the Polish logistics market is poised for continued growth. The ongoing expansion of e-commerce and nearshoring trends are set to drive demand, while investment activity is expected to revive, supported by improved financial conditions, the influx of EU funds, and global economic recovery...

Subscribe to get the full report by emailing us

your name, company and job title at:

cglimresearch@cglim.com