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On January 2008, the new classification of activities of business entities NACE Rev.2, which replaced NACE Rev. 1.1, came into force in all EU Member States. In the Republic of Slovenia, the national version of the standard classification, SKD 2008, which includes the entire European classification of activities but also adds some national subclasses, came into force on the mentioned date. In the Slovenian Economic Mirror, all analyses are based on the SKD 2008, except when the previous SKD 2002 classification is explicitly referred to. More general information about the introduction of the new classification is available on the SORS website [http://www.stat.si/eng/skd\\_nace\\_2008.asp](http://www.stat.si/eng/skd_nace_2008.asp).

All seasonally adjusted data in the Economic Mirror are calculations by IMAD.

## In the spotlight

**Economic activity in the euro area declined in the final quarter of last year and, as expected, the European Commission revised downwards its forecasts for 2012.** GDP in the euro area dropped 0.3% in the last quarter of 2011 (seasonally adjusted), while it was up 0.7% year-on-year. Amid a continuation of adverse financial market conditions, low business and household confidence and a deteriorating global economic outlook, the EC cut its forecasts for 2012, as expected, predicting GDP in the euro area to decline by 0.3%. At the end of February, the ECB conducted the second longer-term refinancing operation, offering 530 bn in loans to banks for a period of three years. Notwithstanding the measures to boost liquidity in the banking sector, a possible further tightening of the financial and debt crisis continues to pose the main risk that growth may be even lower than anticipated. Oil prices also represent a risk, as oil prices in euros hit record highs in the first two months of this year.

**The decline in economic activity in Slovenia deepened further in the last quarter of 2011, largely due to a drop in domestic consumption, while GDP shrank by 0.2% in 2011.** With the materialisation of certain risks identified in our winter forecast, GDP dropped by 0.7% in the final quarter of last year (seasonally adjusted) and was 2.8% lower year-on-year. Despite a pronounced slowdown, exports remained the sole factor of growth. On the other hand, domestic final consumption recorded a decline, as household and government consumption were down year-on-year. Amid a further y-o-y drop in gross fixed capital formation, in the last quarter, unlike in the first three quarters, a negative contribution to GDP volume also came from changes in inventories. All of these factors increase the risks for this year's growth.

**The labour market situation remained tight at the end of 2011 and at the beginning of 2012.** The number of employed persons excluding self-employed farmers fell further in the last quarter of 2011 (-0.3%, seasonally adjusted). In the year as a whole, it declined most notably in construction and market services, while the drop in manufacturing was smaller than in the preceding two years. On the other hand, employment increased most notably in agriculture, education, professional, scientific and technical activities, and in health and social work. A total of 115,965 persons were registered as unemployed at the end of January, 0.7% more than in January 2011.

**The growth of the average gross wage in 2011 relied entirely on wage growth in the private sector, as wage growth in the public sector again remained unchanged last year.** Wage movements at the end of the year were, as usual, marked by extraordinary payments, but these were the lowest in six years. They totalled EUR 96.7 m, almost EUR 60 m less than in 2007 when they were highest. Growth in last year's total average gross wage (2.0%) otherwise resulted from 2.6% nominal growth in the private sector, as the wage level in the public sector remained unchanged for the third year in a row.

**Y-o-y inflation rose to 2.9% in February.** The increase in y-o-y inflation from 2.3% to 2.9% was largely a consequence of the base effect and is transitory. In the short term, the movement of consumer prices is mainly impacted by prices of liquid fuels, which rose by around 6% in the first two months. In the long term, it is still under the influence of subdued economic activity reflected in the moderate movement of core inflation, which totalled around 2% year-on-year.

**After a substantial tightening at the end of last year, the lending activity strengthened slightly in January but the situation remains unfavourable.** January's net flow of loans to domestic non-banking sectors totalled EUR 55.2 m. We estimate that following the extensive deleveraging at the end of last year, enterprises substituted part of the repaid loans by borrowing in January, when the liquidity conditions in the banking system improved owing to ECB measures. Corporate net repayments at home and abroad otherwise doubled last year, totalling just shy of EUR 800 m. The quality of banks' assets continued to deteriorate, as bad claims reached EUR 5.5 bn at the end of December 2011, which is 11.2% of total banking sector claims. Banks continued to create provisions and impairments in January. At EUR 30.8 m, these were otherwise more than 15% lower than last January but still much higher than at the same time in preceding years.

**In the first eleven months of last year, consolidated general government revenue was up 4.1% and expenditure was up 0.7% year-on-year. The deficit of the consolidated balance amounted to EUR 1,386 m.**

Among revenues, particularly revenue from corporate income tax increased in the first eleven months of last year. Looking at expenditures, the largest increases were recorded for expenditures on interest and transfers to individuals and the unemployed, while expenditures on capital and capital transfers and subsidies saw the largest declines. In the first eleven months of 2011, the transfer from the state budget into the pension fund (EUR 1,355 m) exceeded the state budget deficit.

# current economic trends

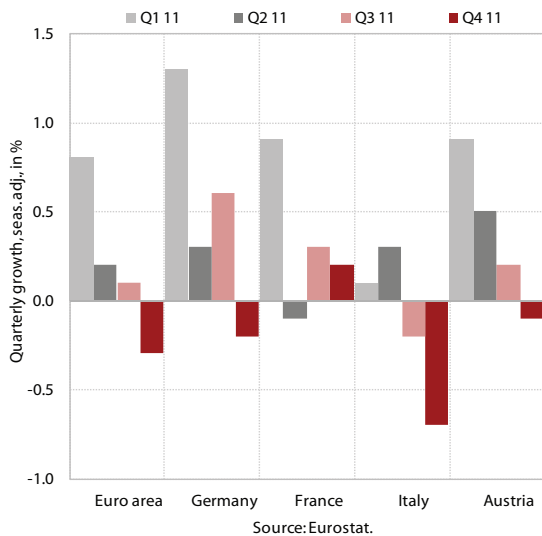




## International environment

Economic activity in Slovenia's main trading partners declined in Q4 2011 and the new forecasts by the European Commission are lower than in the autumn, as expected. In the euro area, the volume of industrial production and new orders in manufacturing declined in Q4 2011. The values of construction put in place and turnover in retail trade dropped as well (seasonally adjusted). According to Eurostat's flash estimate, GDP in the euro area thus shrank by 0.3% in the last quarter of 2011 (seasonally adjusted), being up 0.7% y-o-y. Relative to Q3, GDP dropped in most of Slovenia's trading partners, due to lower exports also in Germany. Amid a deterioration of economic activity, the EC cut its forecasts for this year's GDP growth in February, as expected. It predicts GDP to contract in nine EU Member States in 2012, while it will stagnate in the rest, or see lower growth than anticipated in the autumn. Lower forecasts are related to further tensions on financial markets, low business and consumer confidence and a deteriorating outlook for the global economy. The downside risks to growth remain high, according to the EC, particularly the risk of a possible intensification of the debt crisis. On the other hand, the improvement in some confidence indicators in recent months (Ifo, PMI) shows a gradual stabilisation of the situation, although at a low level.

Figure 1: Economic growth in Slovenia's main trading partners



The lending conditions for enterprises and households tightened further in Q4 2011 and the net flow of loans in the euro area was negative. According to the ECB Euro Area Bank Lending Survey, in Q4 the number of euro area banks reporting a tightening of credit standards was 35% higher than the number of those that reported an easing (16% in Q3). The credit standards deteriorated for loans of all maturities and all enterprises, regardless of size. Among the main reasons, banks once again cited low expectations regarding general economic activity,

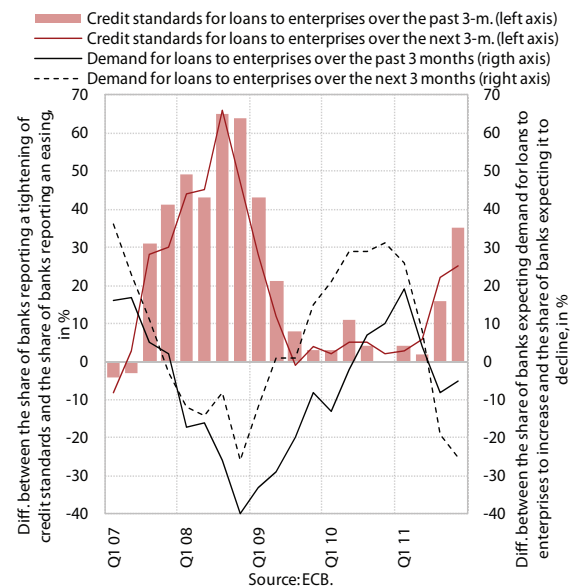
Table 1: Comparison of GDP growth forecasts by international institutions

	2012				
	OECD Nov 11	IMAD Jan 12	IMF Jan 12	CONS Feb 12	EC Feb 12
EMU	0.2	-0.1	-0.5	-0.3	-0.3
EU	N/A	0.2	-0.1	-0.1	0.0
DE	0.6	0.5	0.3	0.6	0.6
IT	-0.5	-1.0	-2.2	-1.4	-1.3
AT	0.6	0.8	N/A	0.5	0.7
FR	0.3	0.1	0.2	0.0	0.4
UK	0.5	0.7	0.6	0.5	0.6
US	2.0	2.1	1.8	2.2	N/A

Source: OECD Economic Outlook (November 2012), IMAD Winter Forecast of Economic Trends (January 2012), IMF World Economic Outlook Update (January 2012), Consensus Forecasts (February 2012), EC Interim Forecast (February 2012).

aggravated access to market financing and their poor liquidity position. Furthermore, banks also tightened their credit standards for households, particularly for housing loans. Demand for loans declined markedly in Q4 2011. According to ECB data, net repayments of loans in the euro area were highest since the beginning of the crisis in 2008. For Q1 2012, banks expect a further tightening of credit standards and a further decline in loan demand.

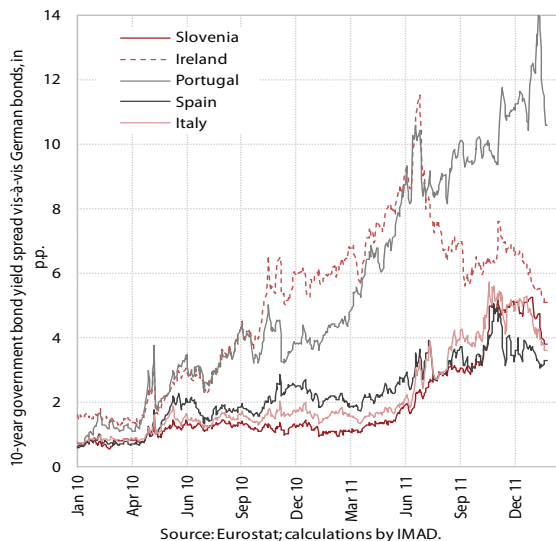
Figure 2: The ECB Euro Area Bank Lending Survey



The required yields of government bonds declined in February, but remain at high levels. The slight decline was mainly due to two reasons, the longer-term refinancing operation for a period of three years conducted by the ECB in December and more decisive action towards fiscal consolidation taken by the governments (particularly in Italy and Spain). The required yield of government bonds remains by far the highest in Greece. In February, additional financial assistance was approved to Greece, in the amount of EUR 130 bn, and a EUR 107 bn write-

down on debt by private creditors. In February, the ECB continued with the Securities Markets Programme, albeit at a fairly limited level, as the amount of the purchased government bonds was lowest since the programme had been reinstated in July 2011 (a mere EUR 183 m). At the end of February, the ECB carried out the second longer-term financing operation with a maturity of three years. Similar to December, funds were available in an unlimited amount, and 800 banks borrowed EUR 530 bn at an interest rate of 1.0%.

Figure 3: 10-year government bond yield spread vis-à-vis German bonds



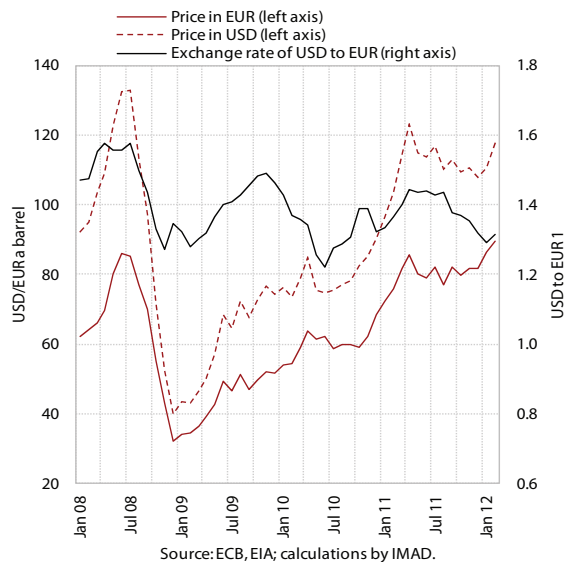
February saw further cuts in interbank interest rates in the euro area. In February, the three-month EURIBOR declined by an average of 17 b.p. to 1.05%, and in the last five months by as much as 53 b.p. The three-month USD LIBOR rate also declined (by 6 b.p., to 0.51%), while the CHF LIBOR rate was slightly higher than in January (by 2 b.p., to 0.08%).

For the first time in five months, the euro appreciated against most main global currencies in February. The average exchange rate of the euro against the US dollar rose slightly in February (by 2.5%, to USD 1.325 to EUR 1), being was down 3.1% y-o-y. The euro also gained value against the Japanese yen (by 4.5%, to JPY 103.77 to EUR 1), the British pound sterling (by 0.6%, to GBP 0.837 to EUR 1), while it depreciated slightly against the Swiss franc (by 0.3%, to CHF 1.21 to EUR 1).

Oil prices rose significantly in February, while the increase in non-energy prices was smaller. Dollar prices of Brent crude oil surged in February, by 6.3% to USD 117.6 per barrel in the month as a whole, and were up 13.4% y-o-y. Oil prices in euros exceeded the highest values seen mid-2008, having risen to EUR 89.7 a barrel, on average, in the month as a whole. This is 4.0% more than in January, but the increase in euro prices was, to some extent, offset by a higher value of the euro against the US dollar. According

to the most recent IMF figures, dollar prices of non-energy commodities rose by 2.8% in January, largely on account of higher prices of industrial goods, particularly metals, and were down 13.9% y-o-y. According to preliminary data, they rose slightly again in February.

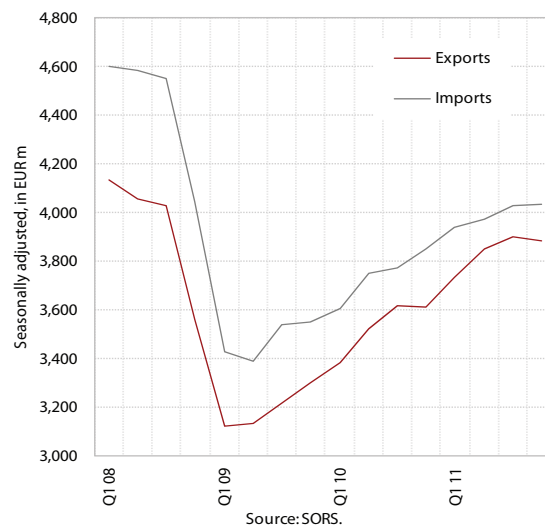
Figure 4: Prices of Brent crude oil and the USD/EUR exchange rate



## Economic developments in Slovenia

**Merchandise trade** slowed further in the last quarter of 2011, as expected.<sup>1</sup> Real merchandise exports, which had been slowing steadily last year, declined slightly in Q4 (-0.4%, seasonally adjusted) amid the slowdown or contraction of economic activity in Slovenia's main trading partners. Real merchandise imports stagnated (0.1%, seasonally

Figure 5: Merchandise trade – real

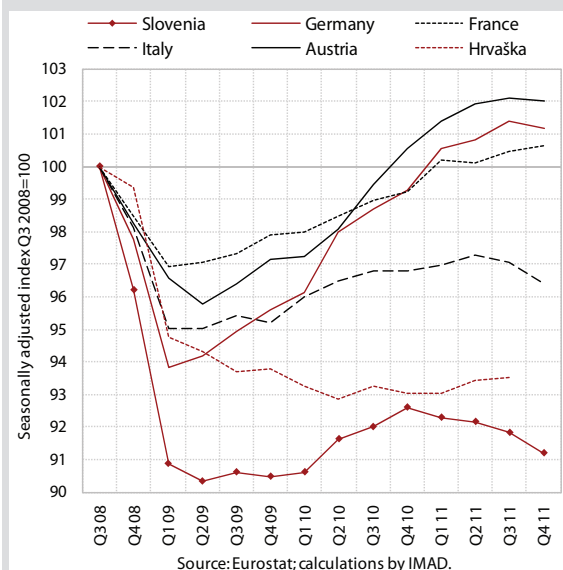


<sup>1</sup> According to the National Accounts Statistics.

**Box 1: Gross domestic product, Q4 2012**

Amid the deepening decline of economic activity in the fourth quarter last year, which mainly reflected lower domestic consumption, Slovenia's GDP dropped 0.2% last year. GDP was declining in all 2011 quarters, in the fourth quarter by 0.7% relative to the third (seasonally adjusted). It was down 2.8% from the same quarter of 2010, due to the materialisation of certain risks highlighted in our Winter Forecast. Foreign trade remained the sole contributor to growth, despite a severe moderation of exports. Namely, exports of goods and services, having still been up 11.0% y-o-y in Q1 2011, were only 3.0% higher y-o-y in Q4. Amid an even greater deceleration in growth in imports, which were only 0.3% higher y-o-y in Q4, net exports contributed 1.8 p.p. to economic growth. The last quarter saw a sizeable decline in final consumption (-2.1% y-o-y), which had stagnated in the preceding quarters. Household consumption, having still recorded modest growth in the first three quarters of 2011, was down 1.8% from the same quarter of 2010. Government consumption (-2.6% y-o-y) shrank even more than in previous quarters, which is related to the adopted savings measures to contain budgetary expenditure at the end of last year. Investments, which have declined more than 40% during the crisis, otherwise recorded a somewhat smaller drop in the last quarter of 2011, but it still totalled 6.9% (y-o-y). After contributing nearly two p.p. to GDP volume in the first three quarters of 2011, changes in inventories lowered GDP volume by 1.3 p.p. in the fourth quarter. In the last quarter of 2011, economic activity also shrank in the euro area as a whole (-0.3%, seasonally adjusted). At the yearly level, GDP was 1.4% higher than in 2010, and Slovenia remained in the group of EU Member States with the largest declines in economic activity during the crisis.

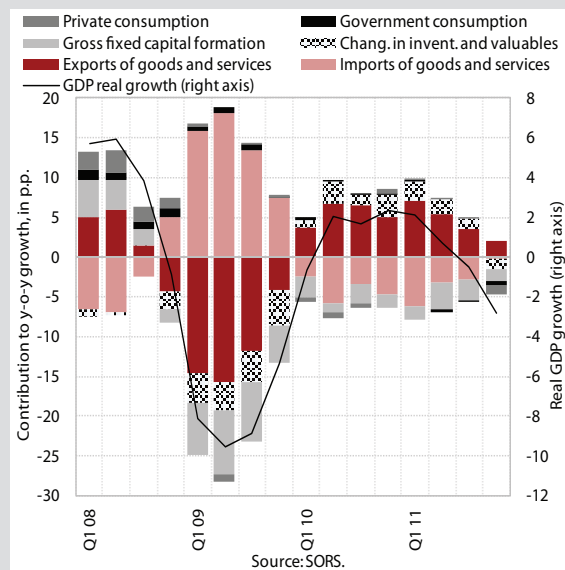
Value added was down 2.0% y-o-y in Q4 2011. The largest decline was still posted in the construction sector, while manufacturing recorded an even larger y-o-y drop than in Q3. Having stagnated relative to Q3, value added in manufacturing was 2.6% lower y-o-y. The y-o-y drop remained largest in construction (-15.5%), but was again smaller than in the preceding quarter. Value added was also down y-o-y in market services, with the exception of real estate activities. In public services y-o-y growth eased slightly but remains positive.

**Figure 6: GDP in Slovenia and its main trading partners**

adjusted) due to lower exports and continued weak domestic demand. Real growth in merchandise exports moderated in 2011, totalling 7.7% (in 2010: 11.0%). The same goes for growth in merchandise imports, which totalled 5.7% (2010: 8.0%).

Nominal seasonally adjusted data<sup>2</sup> show a decline in merchandise exports to all main groups of countries. Merchandise exports to the euro area eased at the end

<sup>2</sup> Detailed data on exports by SITC and countries according to the external trade statistics are available for eleven months of last year. Seasonally adjusted data are classified in seven sections: (0-4) primary commodities, (5) chemicals and related products, (6, 68 in 69) iron and steel, non-ferrous metals, manufactures of metals, n.e.s., (6-67, 68, 69) manufactures

**Figure 7: Expenditure structure of Slovenia's GDP**

of last year. The slight growth of exports to Germany otherwise continued, but it slowed significantly in the second half of 2011, after still being high in the first half. Exports to Germany grew on the back of further growth in exports of machinery and transport equipment, but also road vehicles. Combined, these exports represent around one half of Slovenia's exports to Germany. Exports to Austria continued to grow at a relatively strong pace. Following the fall in Q3, exports to France also increased, as a result of higher road vehicle exports,

classified by material excluding iron and steel, non-ferrous metals and manufactures of metal, (78) road vehicles, (7-78) machinery and transport equipment excluding road vehicles, (8 in 9) miscellaneous manufactured articles and commodities and transactions.

which account for more than half of Slovenia's exports to France. Conversely, exports to Italy dropped in Q4 2011 after the increase in Q3, which was more a result of a one-off factor,<sup>3</sup> in our estimate. Exports to EU countries outside the euro area also declined, which was likely due to the accelerated appreciation of the euro against these countries' currencies in the last quarter of 2011. Growth in exports to the countries of the former Yugoslavia eased in Q4 2011, amid a more moderate growth in exports of primary commodities and further low growth in exports of chemical products, which together represent almost half of Slovenia's exports to these countries.

Figure 8: Goods exports – geographical distribution

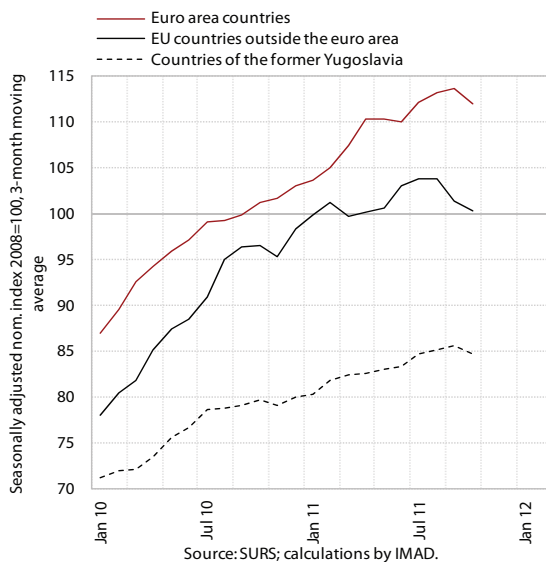


Table 2: Selected monthly indicators of economic activity in Slovenia

in %	2010	XII 11/ XI 11	XII 11/ XII 10	I-XII 11/ I-XII 10
Exports <sup>1</sup>	12.2	-11.5	3.9	11.5
-goods	13.7	-16.1	4.8	12.4
-services	6.6	10.9	0.5	7.8
Imports <sup>1</sup>	14.3	-4.2	4.8	10.6
-goods	16.1	-7.9	6.4	12.2
-services	4.5	24.7	-3.1	1.5
Industrial production	6.2	0.9 <sup>2</sup>	-2.9 <sup>3</sup>	3.2 <sup>3</sup>
-manufacturing	6.6	1.6 <sup>2</sup>	-1.9 <sup>3</sup>	3.3 <sup>3</sup>
Construction -value of construction put in place	-16.9	-8.1 <sup>2</sup>	-21.9 <sup>3</sup>	-25.4 <sup>3</sup>
Real turnover in retail trade	-0.2	-1.9 <sup>2</sup>	0.7 <sup>3</sup>	1.8 <sup>3</sup>
Nominal turnover market services (without distributive trades)	6.5	-2.3 <sup>2</sup>	1.1 <sup>3</sup>	4.4 <sup>3</sup>

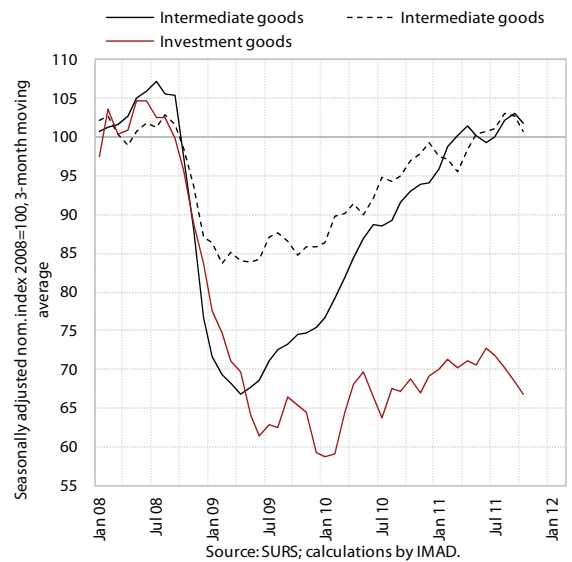
Sources: BS, Eurostat, SORS; calculations by IMAD.

Notes: <sup>1</sup>balance of payments statistics, <sup>2</sup>seasonally adjusted, <sup>3</sup>working-day adjusted data.

<sup>3</sup> August 2011 witnessed a significant increase in exports of oil seeds and oleaginous fruits to Italy.

Nominal seasonally adjusted data<sup>4</sup> indicate a moderation of imports for all end-use product groups. The decline in imports of intermediate goods, which account for nearly two thirds of total imports, is linked to stagnation in manufacturing production. Imports of consumer goods also dropped, as a result of subdued domestic consumption. Having already declined in the preceding two quarters, imports of investment goods decreased even more notably in Q4 2011, reflecting a further contraction in investment activity.

Figure 9: Imports of goods by end-use product



Real growth in **services** exports strengthened in Q4 2011, while imports decreased slightly (seasonally adjusted).<sup>5</sup> According to the balance of payments statistics, nominal growth in services exports was again largely due to further growth of their main component, exports of travel services. Exports of other services<sup>6</sup> also rose after dropping in the preceding quarter, while exports of transport services decreased substantially. According to the balance of payments statistics, imports of services otherwise decreased in Q4 of 2011, but they have, with minor oscillations, maintained roughly the same level since the beginning of 2009. Imports of transport services grew somewhat once again, as did imports of other business services. On the other hand, there was a decline in imports of travel and all other services. Real growth<sup>7</sup> in services exports slowed to 3.6% in 2011 (2010: 4.1%), while imports declined by 1.4% (2010: 2.6%).

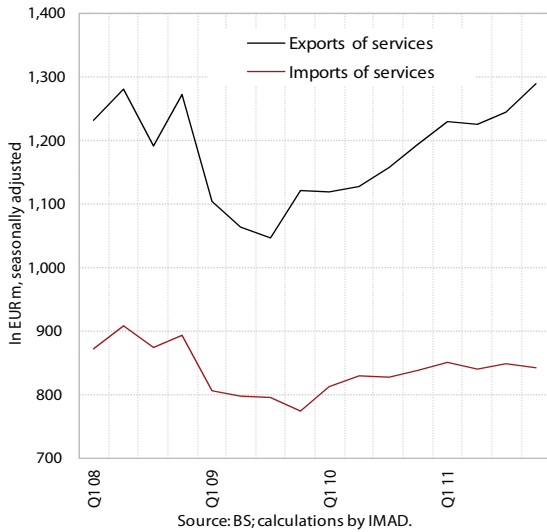
<sup>4</sup> Detailed data on merchandise imports according to the external trade statistics are available for eleven months of last year.

<sup>5</sup> According to the National Accounts Statistics.

<sup>6</sup> When seasonally adjusting data, we included communication, construction, financial, computer and information activities, personal service activities, arts, entertainment and recreation activities, government services, insurances and licences, patents and copyrights. Combined, they account for just over a tenth of services exports.

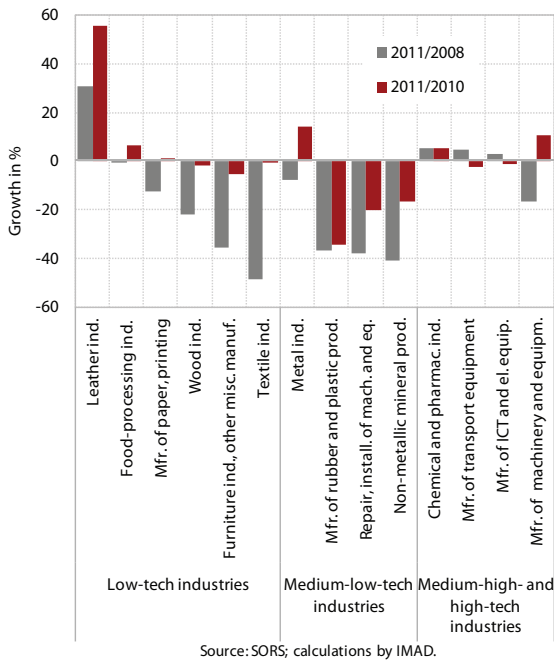
<sup>7</sup> According to the National Accounts Statistics.

Figure 10: Trade in services



In Q4 2011, production volume in **manufacturing** remained as the same level as in the previous quarter when it had declined more substantially for the first time since the beginning of 2010 (seasonally adjusted). Production in high-technology industries stagnated in Q4 2011. In 2011 as a whole, production increased in most of these industries (except in the manufacture of transport equipment<sup>8</sup>) and remained above the level seen before the beginning of

Figure 11: Production in manufacturing according to technology intensity

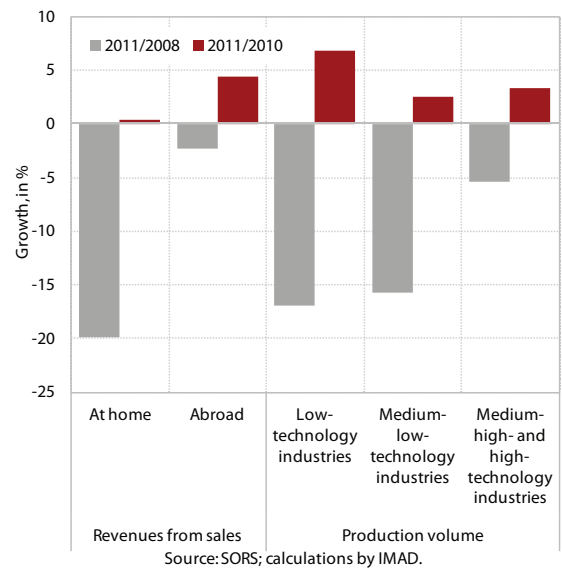


<sup>8</sup> The manufacture of transport equipment fell behind the 2010 levels due to the decline in the second half of the year when production volume adjusted to the impact of the natural disaster in Japan, which disrupted

the crisis (except in the manufacture of machinery and equipment<sup>9</sup>). Production in medium-low-technology industries declined once again in Q4 2011 and the lag of these industries behind the pre-crisis levels increased by the end of the year (with the exception of the metal industry). In the second half of the year, their production also dropped y-o-y, particularly in the manufacture of rubber and plastic products and non-metal mineral products. Production in low-technology industries stagnated in Q4 2011, after the deceleration of growth in Q3. In 2011 as a whole, these industries reduced, for the first time, their lags behind the pre-crisis levels, largely on account of the leather and food-processing industries. Because of the increase in the first half of last year, the total manufacturing production in 2011 was 3.2% higher than a year earlier (working day adjusted).

A greater lag of some industries of lower technology intensity behind the pre-crisis production levels is also due to their predominant orientation towards the domestic market. In 2011, revenues from sales on the domestic market, which had declined in the second half of last year, remained at a similar average level as in the preceding two years. Revenues from sales on foreign markets, which are mainly generated by medium-high- and high-technology industries, increased again in 2011 as a whole, despite the decline in the third quarter (-1.3%, seasonally adjusted).

Figure 12: Revenues from sales according to geographical orientation and production volume according to technology intensity

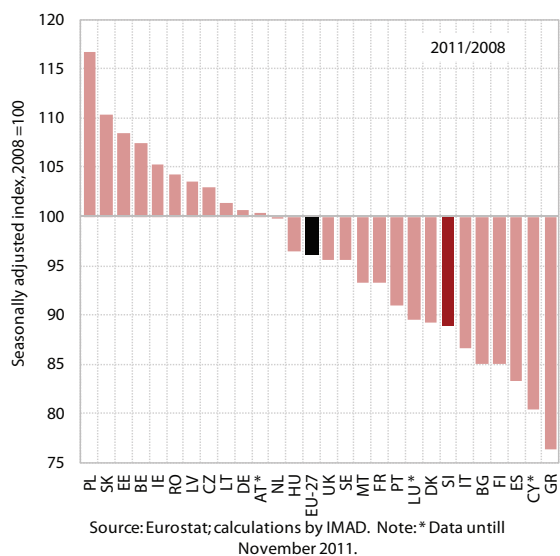


electronics supply, and weaker demand. In 2010, certain countries (France, the Netherlands, Great Britain, Spain) still subsidised purchases of new personal cars and light commercial vehicles (furthermore, France also subsidised purchases of new road vehicles ordered by the end of 2010 in the first quarter of 2011).

<sup>9</sup> The manufacture of machinery and equipment, which also lags most notably behind the average 2008 production level in the EU-27 as a whole. In our estimate, the sluggish recovery of production in this industry may also reflect low investment activity during the crisis.

Production in Slovenia is recovering at a slower pace than, on average, in the EU-27. In the second half of 2011, Slovenia's production was declining, while EU-27 production maintained roughly the same level, on average, after the increase at the beginning of the year. In 2011 as a whole, Slovenia's production was down 11.0% from the 2008 average (production in the EU-27 by 3.8%, on average). Slovenia still lagged more behind the EU-27 and 2008 levels than other new Member States, most of which have already exceeded the production levels seen in 2008. Last year, the 2008 levels were reached in Austria and Germany, while in France and Italy, the other two main trading partners from the euro area, production was still lower than in 2008.

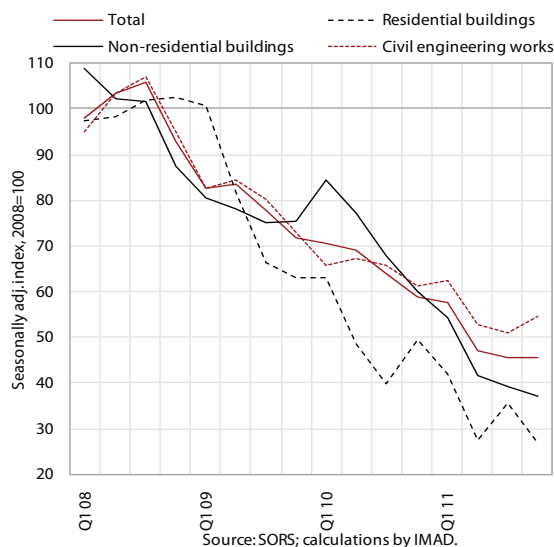
Figures 13 : Production volume in manufacturing in Slovenia and the EU-27



In Q4 2011, **construction activity** remained around the same level as in the preceding quarter. After recording strong growth in November (23.7%, seasonally adjusted), the value of construction put in place declined in December (-8.1%, seasonally adjusted). Owing to an intense fall in previous quarters (Q2 2011 in particular), construction activity was down 19.3% y-o-y in Q4 2011, recording what was otherwise the smallest y-o-y decline in 2011. In the last quarter, activity increased in civil engineering (by 7.2%, seasonally adjusted), while declining in the construction of buildings. In non-residential construction (-5.2%), the shrinkage was due to lower activity in the construction of buildings for service activities, while the decline in residential construction (-23.9%) was mainly related to the stocks of unsold flats.

*The prospects for construction activity remain uncertain.* The total floor area for buildings planned by issued building permits declined further last year (-17.9%; -52.5% in four years). A significant reduction in the total planned floor area was recorded for residential buildings (-29.2%) and

Figure 14: Value of construction put in place



a much smaller decline for non-residential buildings (-3.5%). The latter saw a sizeable drop in the floor area planned for buildings for service activities (-72.4%), while the planned floor area for industrial buildings increased to a similar extent as a year before.

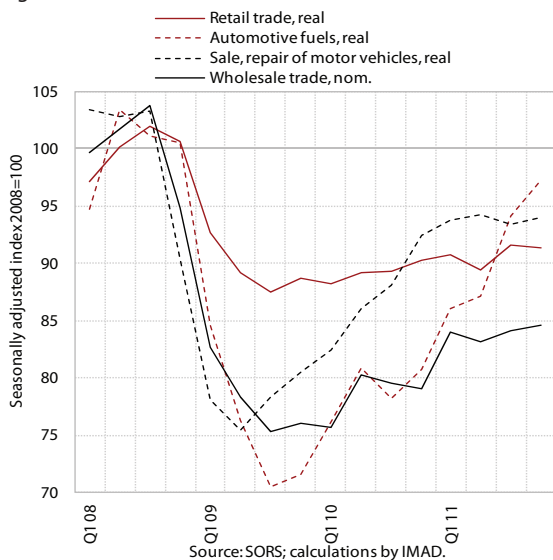
*Amid minor fluctuation, turnover stagnated in the last quarter and in 2011 as a whole in all three trade sectors.* Real turnover in the sale and repair of motor vehicles otherwise increased somewhat in Q4 2011 (seasonally adjusted), but remained at roughly the same level as at the beginning of the year due to the fluctuations in previous months. With a lower number of sold cars,<sup>10</sup> turnover in the year as a whole was almost 7% higher than in 2010.<sup>11</sup> Real turnover in retail trade dropped again in Q4 after Q3 growth, and remained at the level recorded at the beginning of the year. Within this sector, turnover in automotive fuels continued to grow, in our estimate also as a result of lower prices of certain automotive fuels in Slovenia than in the neighbouring countries at the end of last year. In other retail trade sectors, i.e. in the sale of non-food and food products, the negative movements, which were even more pronounced at the end of the year, persisted owing to continued labour market tensions. Turnover in these two industries also declined relative to 2010, most notably in the sale of furniture, household appliances and construction material (by a tenth), which is attributable to declining construction activity and

<sup>10</sup> In 2011, the total number of new passenger car registrations was 1.7% lower than in 2010; registrations by natural persons dropped by 12.6%, while registrations by legal persons increased by 6.8%. The sale of small and medium-sized passenger cars dropped, in particular, according to data from the Motor Vehicles Section at the Chamber of Commerce.

<sup>11</sup> Nominal turnover in this industry was 4.5% higher than in 2010. As a result of a decline in the prices of cars (according to the consumer price statistics, the prices of new passenger cars were 1.2% and the prices of used cars 8.2% lower in 2011 than in 2010), turnover was nearly 7% higher in real terms in this period.

reduced purchases of durable goods. Turnover in this trade sector has already been shrinking since the latter half of 2008 and lags nearly a third behind what it was in 2008. Turnover in specialised stores selling computer and telecommunication equipment, books, sports equipment and toys also declined relative to the year before. On the other hand, turnover increased once again last year in specialised stores selling pharmaceutical, medicinal and cosmetic products, and in those selling textile, clothing and leather products. Turnover in retail trade by mail order or internet also picked up after the decline in 2009 and 2010. Nominal turnover in *wholesale trade* expanded in Q4 due to October's increase, but remained at the same level as at the beginning of the year due to the fluctuations in previous months. Turnover grew (by 6.0%) relative to the previous year, but was still more than 17% lower than in 2008 at the end of the year, recording the largest lag in all three main trade sectors.

Figure 15: Turnover in trade sectors

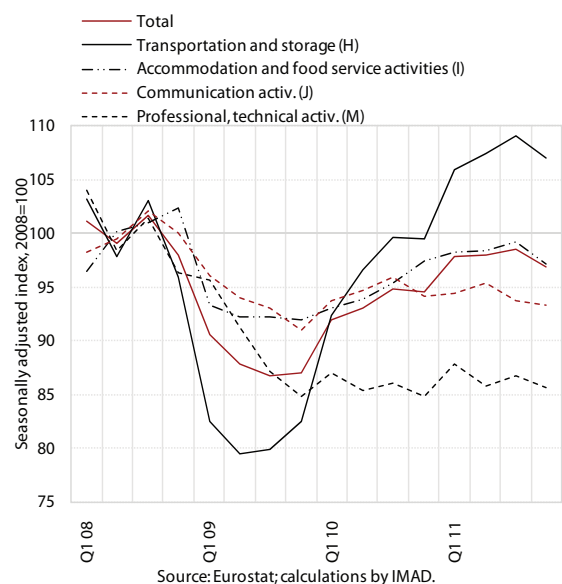


After a strong increase in the first quarter and somewhat weaker increases in the following two, nominal **turnover in market services** (excluding distributive trade)<sup>12</sup> declined in the fourth quarter of 2011 and was 3.1% below the average level in 2008. Turnover dropped in all main market services, also in transportation and storage (by 1.9%), where it had been growing almost without interruption since spring 2009 and had contributed the most to turnover growth in market services. Transportation and storage is the only activity to exceed the 2008 average, by 7.0%. Within this sector, it was particularly turnover in land transport that declined in Q4. After increasing in the previous three quarters, turnover in accommodation and food service activities recorded a relatively sharp drop in

<sup>12</sup> Activities from H to N subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

the last quarter, which we estimate was due to a decline in foreign tourist overnight stays.<sup>13</sup> The drop in turnover in information and communication services slowed from the previous quarter, chiefly due to increased turnover in computer programming in the last quarter. In professional and technical services, the drop reflected the decline in turnover in legal and accounting activities, which was larger than growth in turnover in architectural and engineering activities. The most diverse turnover dynamics were recorded in administrative and support service activities (N). Within market services, turnover in employment activities increased most notably relative to the 2008 average (13.3%), while turnover in travel agencies posted the largest decline (-29.7%). The former has to do with a growing number of the unemployed, while the latter is also reflected in lower imports from travel. Nominal turnover in market services rose by 4.5% in 2011, of which by more than a tenth in transportation and storage activities. The changes in the remaining four main sectors of market services were smaller.

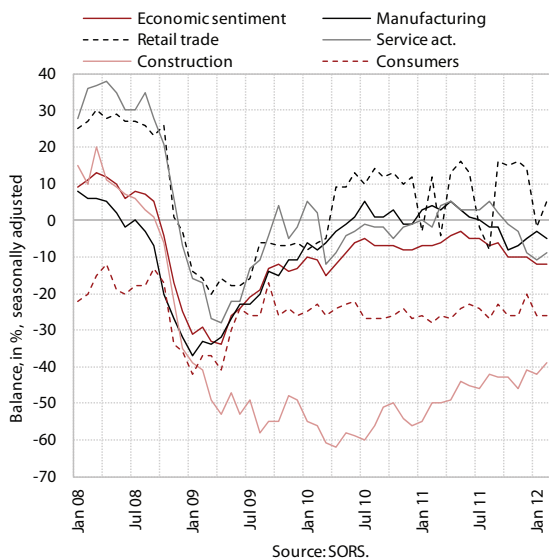
Figure 16: Nominal turnover in market services (without distributive trade)



The value of the **sentiment indicator** remained low in February (seasonally adjusted). The confidence in manufacturing deteriorated, while consumer confidence remained at the same, albeit low, level. The confidence in retail trade, services and construction improved slightly, but the majority of managers in the latter two sectors still evaluate their business situation as bad.

<sup>13</sup> In 2011 as a whole, turnover in accommodation and food service activities was 3.6% higher than a year earlier. We estimate that turnover growth in the year as a whole mainly came from foreign tourists, as their overnight stays increased by more than 9%, while the number of domestic tourists' overnight stays remained at the same level as in the previous year.

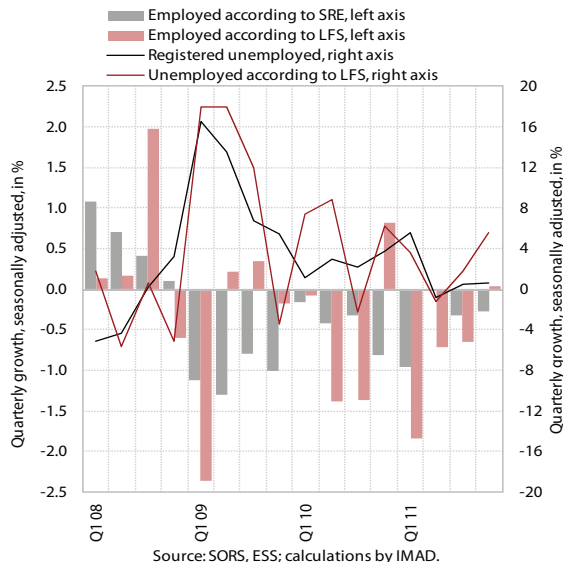
Figure 17: Business trends



## Labour market

The number of **employed persons according to the statistical register**<sup>14</sup> also dropped in the last quarter of 2011 (-0.3%, seasonally adjusted). It had been declining throughout the year and was 0.9% lower y-o-y in December. Last year's decline in formal employment was due to a lower number of persons employed in enterprises and organisations and with sole proprietors, while the number of self-employed persons increased. Looking at activities, in the year 2011 as a whole, employment dropped most notably in construction, manufacturing and most market services (particularly

Figure 18: Seasonally adjusted labour market movements



<sup>14</sup> Employed and self-employed persons, excluding self-employed farmers.

## Box 2: Labour Force Survey – Q4 2011

Unfavourable labour market conditions are also reflected in **Labour Market Survey** results. The number of unemployed persons according to the Survey (89,000) increased significantly in Q4 2011 (5.6%, seasonally adjusted), and also remains higher y-o-y (9.9%). According to original data, unemployment increased more for women than for men, while the total number of unemployed persons was highest since 1993 when the Labour Force Survey started to be conducted in Slovenia. In Q4 2011, the number of employed persons according to the Survey was roughly the same as in Q3 but remained lower than in the same period of 2010 (-3.1%). A larger quarterly drop in survey employment in comparison with employment according to the Statistical Register of Employment (SRE) suggests that the volume of informal work decreased somewhat in the last quarter of 2011.<sup>1</sup> The survey unemployment rate also rose in Q4 2011 (by 0.4 p.p. to 8.6%, seasonally adjusted) and also remained higher y-o-y (by 0.2 p.p.). According to original data, the activity rate and the employment rate according to the Labour Force Survey declined relative to the previous quarter (by 0.1 p.p. to 58.1% and by 0.7 p.p. to 53.0%, respectively).

<sup>1</sup> In addition to employed and self-employed persons, the number of employed persons according to the Labour Force Survey also includes informal employment such as occasional work, work by unpaid family workers and similar, but it does not include temporarily employed foreigners.

in the sale, maintenance and repair of motor vehicles), while increasing the most in agriculture, education, professional, scientific and technical activities, and health and social work. The registered unemployment rate increased somewhat again in Q4 2011, totalling 11.9% (seasonally adjusted).

Figure 19: Change in the number of employed persons by activity

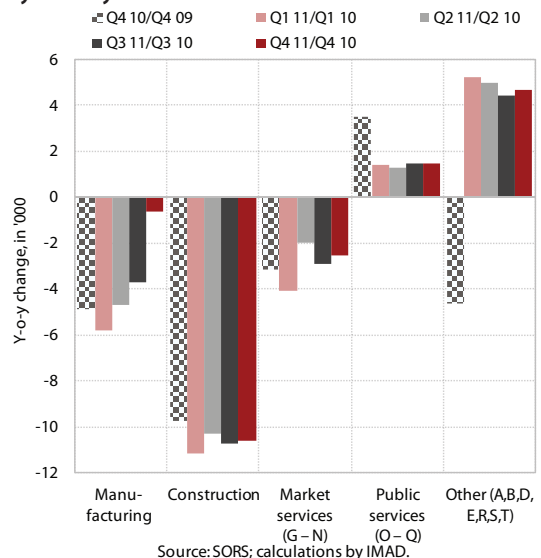




Table 3: Employed persons by activity

	Number in '000				Change in number			
	2010	XII 10	XI 11	XII 11	10/09	XII 11/ XI 11	XII 11/ XII 10	I-XII 11/ I-XII 10
Manufacturing	188.6	184.1	186.6	185.1	-11,253	-1,496	1,039	-3,725
Construction	78.5	72.1	65.0	62.1	-8,231	-2,936	-10,033	-10,709
Market services	345.6	340.7	341.7	340.6	-2,827	-1,112	-179	-3,400
- of which: Wholesale and retail trade, repair of motor vehicles and motorcycles	111.8	109.4	109.5	109.2	-2,842	-375	-260	-2,078
Public services	168.8	169.1	171.5	171.4	3,541	-100	2,319	1,406
Public administration and defence, compulsory social security	52.0	51.5	51.4	51.2	502	-164	-273	-661
Education	63.5	64.3	65.5	65.5	1,833	12	1,154	1,145
Human health and social work activities	53.2	53.3	54.7	54.8	1,080	52	1,438	922
Other	53.6	52.9	58.6	58.1	-4,416	-464	5,190	5,355

Source: SORS; calculations by IMAD.

A total of 115,965 persons were registered as **unemployed** at the end of January. Seasonally adjusted, unemployment declined by 0.2% in January relative to the previous month, but according to original figures, it rose by 2.8%. The difference in data is due to the seasonal increase in the number of unemployed persons as a result of the expiration of fixed-term work contracts at the end of the year. January's increase in the inflows into the unemployment register (11,539 persons) is attributable to a higher number of persons who lost work. The outflows from unemployment also rose (8,328 persons), largely as a result of a higher number of those who found jobs. The increase in unemployment is also reflected in a higher number of people receiving unemployment benefits.<sup>15</sup>

Table 4: Labour market indicators

in %	2010	XII 11/ XI 11	XII 11/ XII 10	I-XII 11/ I-XII 10
Labour force	-1.0	-0.5	0.1	-0.1
Persons in formal employment	-2.7	-0.7	-0.2	-0.7
- Employed in enterprises and organisations and by those self-employed	-2.6	-0.8	-1.0	-1.2
Registered unemployed	16.4	1.5	2.5	-0.8
Average nominal gross wage	3.9	-6.4	0.8	2.0
- private sector <sup>1</sup>	5.1	-8.4	1.0	2.6
- public sector <sup>1</sup>	-0.1	-0.7	0.0	0.0
	2010	XII 10	XI 11	XII 11
Rate of registered unemployment, in %	10.7	11.7	11.9	12.0
Average nominal gross wage (in EUR)	1,494.88	1,534.04	1,651.88	1,546.09
Private sector <sup>1</sup> (in EUR)	1,414.65	1,464.95	1,615.81	1,479.51
Public sector <sup>1</sup> (in EUR)	1,750.61	1,750.02	1,762.88	1,750.20

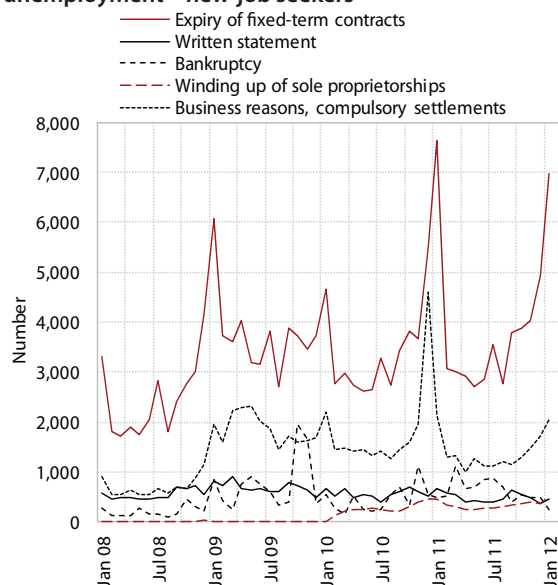
Sources: ESS, SORS; calculations by IMAD.

Note: <sup>1</sup>The division into the private and public sectors is (for easier and consistent comparison of wage and productivity growth) adjusted to SORS' division of activities in the quarterly release of GDP. The public sector comprises activities O-Q and the private sector all other activities (A-N, R-S). The growth rates of the average gross wage per employee for 2009 and 2010 are therefore also slightly changed.

<sup>15</sup> The increase was also impacted by changes in the unemployment benefit system brought about by the Labour Market Regulation Act, which entered into force in January 2011.

An average of 36,344 persons received unemployment benefits in 2011, 20.1% more than in 2010, and their share totalled 32.8%, up 2.7 p.p. from the previous year.

Figure 20: Unemployed persons by reason for unemployment – new-job seekers



Source: ESS; calculations by IMAD.

**Wage** movements at the end of the year were, as usual, marked by extraordinary payments, but they were lowest in six years.<sup>16</sup> December's extraordinary payments totalled EUR 20 m, which is roughly the same as in December 2010, but compared with November, substantially fewer employees (7.3%; in November, 17.0%) received much lower amounts. As the bulk of year-end payments are disbursed in private sector activities,<sup>17</sup> the wage in these activities dropped notably relative to the previous month, according to original data. Seasonally adjusted, the private

<sup>16</sup> A total of EUR 96.7 m of extraordinary payments were disbursed in the last two months of 2011; EUR 104.7 m a year earlier; and EUR 156.4 m in 2007 when these payments were highest.

<sup>17</sup> More than 96% of all December's extraordinary payments were disbursed in activities A-N and R-S.

Table 5: Wages by activity

	Gross wage per employee, in EUR		Change, in %			
	2010	XII 2011	2010/ 2009	XII 11/ XI 11	XII 11/ XII 10	I-XII 11/ I-XII 10
A Agriculture, forestry and fishing	1,267.00	1,304.09	5.8	-13.6	-3.5	3.1
B Mining and quarrying	1,904.97	2,354.85	4.0	-2.9	6.8	3.8
C Manufacturing	1,311.57	1,375.85	9.0	-10.9	1.8	3.9
D Electricity, gas, steam and air conditioning supply	2,095.67	2,527.32	3.7	-7.2	5.6	2.3
E Water supply sewerage, waste management and remediation activities	1,444.70	1,457.20	2.2	-13.7	-1.3	-0.1
F Construction	1,211.63	1,247.44	4.4	-5.8	-0.5	2.0
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1,325.08	1,398.44	3.7	-6.9	2.4	2.8
H Transportation and storage	1,421.14	1,455.26	2.0	-11.9	0.8	2.7
I Accommodation and food service activities	1,074.27	1,104.59	4.0	-1.0	-0.3	2.1
J Information and communication	2,092.15	2,167.50	2.6	-7.3	-1.3	0.9
K Financial and insurance activities	2,144.81	2,184.20	1.0	-12.2	0.5	0.6
L Real estate activities	1,477.74	1,592.10	3.0	-7.0	2.0	2.9
M Professional, scientific and technical activities	1,765.21	1,803.47	1.6	-4.2	-2.3	-0.4
N Administrative and support service activities	952.15	987.12	4.1	-6.2	2.5	3.5
O Public administration and defence, compulsory social security	1,778.20	1,779.09	-0.6	-0.8	-0.1	0.3
P Education	1,730.26	1,734.34	0.6	-0.8	0.5	0.2
Q Human health and social work activities	1,746.86	1,740.72	-0.3	-0.5	-0.5	-0.7
R Arts, entertainment and recreation	1,731.32	1,746.17	0.5	-0.8	-0.8	-0.7
S Other service activities	1,397.40	1,436.14	4.2	-3.6	-1.8	0.9

Source: SORS; calculations by IMAD.

sector gross wage rose slightly in December (0.3%), while the gross wage in the public sector remained at roughly the same level as in the previous month (-0.1%).

Figure 21: Average gross wage per employee



Source: SORS; calculations by IMAD. Note: Private sector (activities A-N; R-S), public sector (activities O-Q)

The growth of the total gross wage in 2011 was dictated by wage movements in the private sector, as wages in the public sector once again remained unchanged last year. In 2011 as a whole, the private sector gross wage was up 2.6% in nominal terms, but its y-o-y growth decelerated

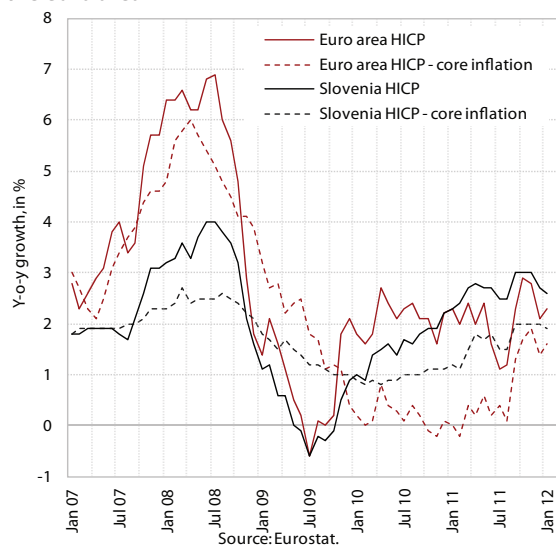
steadily. It arose from growth in the basic wage, with contributions to growth coming from a gradual increase in the minimum wage (just below one p.p., according to our estimate), adjustments to higher price levels and changes in employment structure (0.3 p.p.). The contributions from overtime and extraordinary payments were negligible (0.1 p.p. in total), which is related to low economic activity. In view of the deteriorated economic and public finance situation, public sector wages were also marked by austerity measures last year. After the modest growth in Q1, wages were down y-o-y in other quarters of the year. Last year, wages thus remained unchanged for the second year in a row. Together with slower growth in private sector wages, these movements resulted in the lowest growth in the total gross wage in twenty years (2.0% in nominal and 0.2% in real terms).<sup>18</sup>

## Prices

With 0.6% monthly **price** growth, which was, amid the expected movements of most prices, also marked by higher prices of liquid fuels (0.2 p.p.), y-o-y inflation rose from 2.3% to 2.9% mainly due to the base effect related to the reduction of the monthly radio and TV subscription fee in February 2011. According to Eurostat's flash estimate, y-o-y inflation in the euro area totalled 2.7%.

<sup>18</sup> Since data have been available.

Figure 22: Headline and core inflation in Slovenia and in the euro area



In the short term, consumer price movements are mainly influenced by prices of liquid fuels, while in the long term, they are still affected by subdued economic activity. Prices of liquid fuels for transport and heating, which follow oil price movements on world markets, rose by around 6% in January and February and have already contributed close to 0.4 p.p. to domestic inflation. The government has changed excise duties twice this year, but the net effect of these changes on inflation was neutral, in our estimate.

The continuation of sluggish demand and poor prospects for the months to come continue to show in very moderate movements of core inflation, which totals around 2% y-o-y. The movement of core inflation is otherwise also related to inflation expectations, which in the euro area remain anchored at the medium-term inflation target of just below 2%, according to ECB estimates. The greatest contributions to January's y-o-y inflation otherwise came from higher prices of energy (0.9 p.p.), food (0.6 p.p.) and services (0.5 p.p.).

Figure 23: Structure of y-o-y inflation

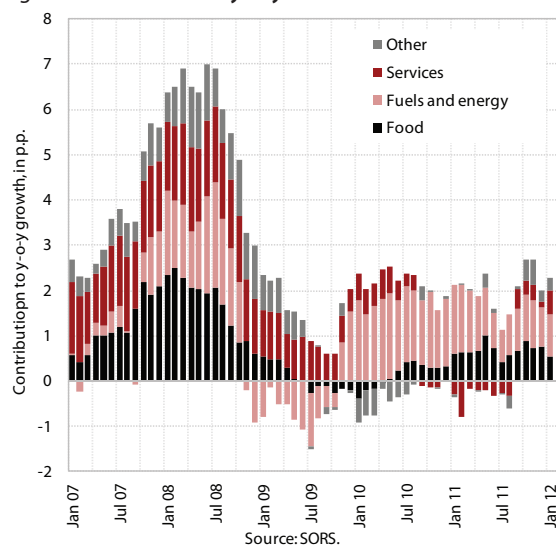


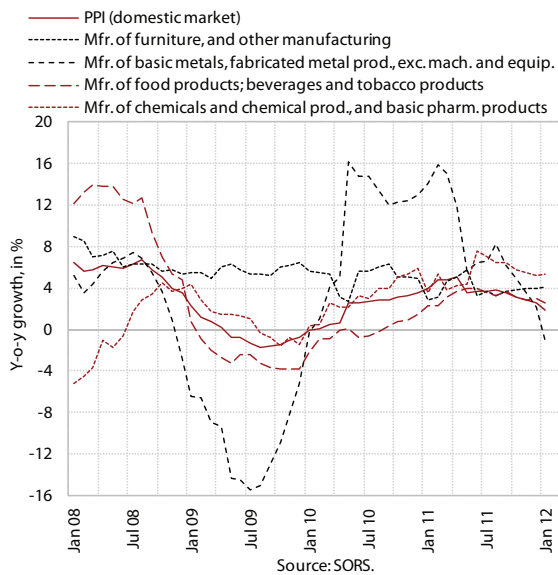
Table 6: Breakdown of the HICP into subgroups – January 2012

	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	-0.3	100.0	-0.3	-0.8	100.0	-0.8
Goods	-0.8	66.0	-0.5	-1.1	58.5	-0.6
Processed food, alcohol and tobacco	-0.3	15.4	0.0	0.4	11.9	0.0
Non-processed food	3.5	7.3	0.3	0.5	7.2	0.0
Non-energy industrial goods	-3.8	28.8	-1.1	-3.6	28.5	-1.0
Durables	-0.3	10.6	0.0	-0.4	9.0	0.0
Non-durables	0.1	8.8	0.0	0.3	8.2	0.0
Semi-durables	-11.5	9.4	-1.1	-8.9	11.2	-1.0
Energy	2.4	14.5	0.3	2.6	11.0	0.3
Electricity for households	2.3	2.7	0.1	1.5	2.6	0.0
Natural gas	0.8	1.1	0.0	2.0	1.8	0.0
Liquid fuels for heating	3.1	1.7	0.1	3.5	0.9	0.0
Solid fuels	-1.2	0.9	0.0	0.2	0.1	0.0
District heating	4.2	0.9	0.0	1.3	0.7	0.0
Fuels and lubricants	2.7	7.2	0.2	3.4	4.9	0.2
Services	0.7	34.0	0.2	-0.4	41.5	-0.2
Services – dwellings	-0.3	3.0	0.0	0.3	10.1	0.0
Services – transport	1.1	5.9	0.1	-0.4	6.5	0.0
Services – communications	2.8	3.5	0.1	-0.2	3.1	0.0
Services – recreation, repairs, personal care	0.4	13.5	0.1	-1.6	14.5	-0.2
Services – other services	0.6	8.1	0.0	0.9	7.3	0.1
HICP excluding energy and non-processed food	-1.2	78.2	-0.9	-1.4	81.8	-1.1

Source: Eurostat; calculations by IMAD. Note: ECB classification

Growth in **producer prices of manufactured goods** on the domestic market eased. Y-o-y growth totalled 1.9% in January (2.6% in December 2011). In addition to the base effect, the moderation reflected January's monthly price reductions in some main manufacturing industries, particularly in the manufacture of metals and metal products. Similar price dynamics in manufactured goods by domestic producers are also typical for the foreign market, but y-o-y price growth on the foreign market was higher in the last few years and in February 2012. However, this can also be a result of a better economic situation on other markets than on the domestic market.

Figure 24: Movement of industrial producer prices of manufactured goods on the domestic market



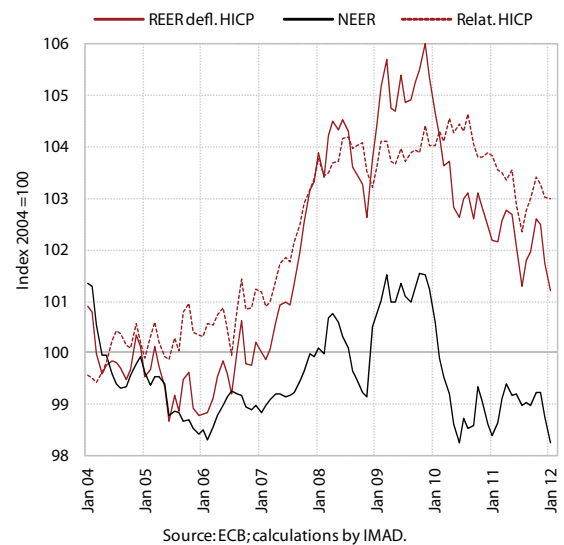
In January, the **price competitiveness** of the economy improved less than in most other euro area countries. In January, the real effective exchange rate deflated by HICP was lower than in December (-0.5%) and January 2011 (-1.0%). The monthly improvement in price competitiveness was largely due to a lower exchange rate of the euro, while the y-o-y improvement resulted from lower relative prices.<sup>19</sup> Due to the structure of Slovenia's external trade,<sup>20</sup> the monthly drop in the nominal effective exchange rate<sup>21</sup> was among the lowest in the euro area. The price competitiveness in Slovenia therefore improved less than in other Member States. With a greater drop in relative prices than in most other euro area countries, Slovenia ranked roughly in the middle (11<sup>th</sup> place) in terms of the y-o-y improvement in price competitiveness in January.

<sup>19</sup> In Slovenia, in comparison with its trading partners.

<sup>20</sup> As Slovenia has an above-average share of merchandise trade with the euro area, the depreciation of the euro has a smaller impact on the nominal effective exchange rate, and vice versa: when the euro gains value, the negative effects on the nominal effective exchange rate of Slovenia are relatively smaller.

<sup>21</sup> In January, the euro lost value against most currencies that are important for Slovenian exporters (USD, GBP, PLN, RUB, CHF, JPY, SEK).

Figure 25: Real effective exchange rate (HICP deflator)

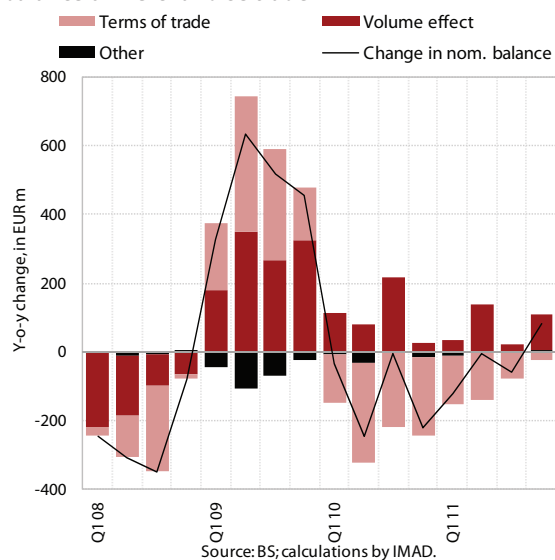


## Balance of payments

In Q4 2011, the **current account of the balance of payments** recorded a deficit again, which was higher than in the previous quarter and also y-o-y. The y-o-y deficit increase was due to a lower surplus in the balance of current transfers and a higher deficit in the balance of factor incomes, but deficit growth was mitigated by a y-o-y decline in the deficit in merchandise trade and a higher surplus in services trade. The current account deficit, which has already been narrowing annually for three years, totalled EUR 168.1 m or 0.5% of GDP last year (in 2010, 297.3 m or 0.8% of GDP).

The deficit in **merchandise trade** was down y-o-y, while the y-o-y increase in the surplus in **services trade** was mainly attributable to a higher surplus in trade in travel services. The y-o-y decline in the merchandise trade deficit was mainly due to a greater slowdown in real import growth than export growth, and the effect of the price factor was the smallest in the entire year, as in Q4 2011, import prices were up 3.9% y-o-y and export prices 3.8%. The merchandise trade deficit in 2011 amounted to EUR 1,296.6 m, which is a 91.7 m higher figure than in the preceding year. In Q4 2011, the surplus in **services trade** was up again y-o-y, largely due to a higher surplus in trade in travel services. The y-o-y improvement also reflected a lower deficit in trade in the group of other services, chiefly as a result of a lower deficit in trade in miscellaneous business, professional and technical services. In 2011 as a whole, the surplus in the services balance totalled EUR 1,616.7 m and was EUR 308.5 m higher than in 2010.

Figure 26: Breakdown of y-o-y changes in the nominal balance of merchandise trade



The deficit in the **balance of factor incomes** in Q4 2011 was higher y-o-y mainly due to higher net outflows of interest on external debt, while the surplus in the **balance of current transfers** was lower than in the same period of 2010. Interest payments have been up y-o-y since the third quarter of 2010. Net interest payments by the government sector have increased the most, due to maturing coupon payments on bonds, as in 2009–2011 the government sector borrowed EUR 9.5 bn by issuing long-term bonds to mitigate the financial crisis. In 2011, net interest payments by the government sector totalled

EUR 414.6 m, EUR 90.5 m more than in the previous year. Net interest payments by the private sector (domestic commercial banks, enterprises and households) also increased y-o-y in Q4 2011, which is attributable to tighter terms of financing on international financial markets and, in part, to higher margins. The surplus of income from labour widened y-o-y in Q4 2011, largely due to higher inflows of income earned by Slovenian residents abroad. The deficit in the balance of factor incomes amounted to EUR 642.6 m in 2011 and was EUR 135.9 m higher than in the previous year. In the last quarter of 2011, the surplus in the *balance of current transfers* narrowed y-o-y largely

Figure 27: Net interest payments by sector

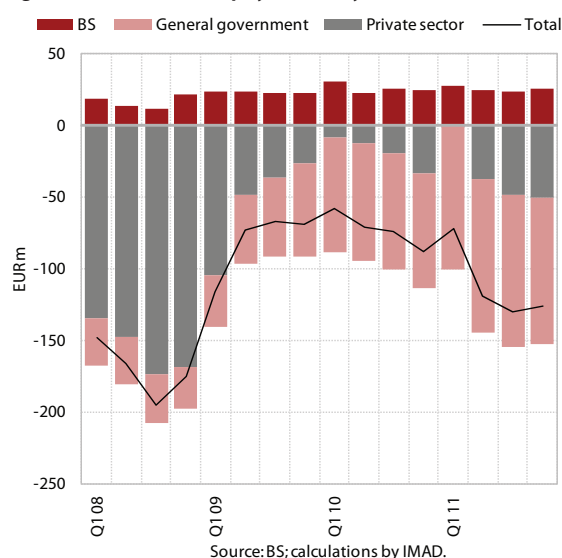


Table 7: Balance of payments

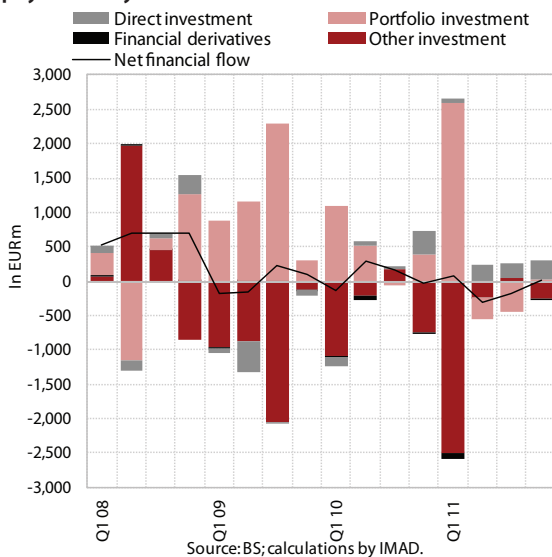
I-XII 11, EUR m	Inflows	Outflows	Balance <sup>1</sup>	Balance, I - XII 10
Current account	27,902.0	28,070.1	-168.1	-297.3
- Trade balance (FOB)	20,674.7	21,971.3	-1,296.6	-1,204.9
- Services	4,992.4	3,375.6	1,616.7	1,308.2
- Income	899.6	1,542.2	-642.6	-506.7
Current transfers	1,335.3	1,181.0	154.3	106.0
Capital and financial account	3,267.5	-3,681.5	-414.1	318.7
- Capital account	247.0	-348.7	-101.7	8.2
- Capital transfers	244.6	-342.2	-97.7	16.0
- Non-produced, non-financial assets	2.4	-6.4	-4.0	-7.8
- Financial account	3,020.5	-3,332.9	-312.4	310.5
- Direct investment	786.2	8.0	794.2	333.5
- Portfolio investment	1,955.8	-64.8	1,891.1	1,947.1
- Financial derivatives	32.5	-169.1	-136.7	-116.8
- Other investment	174.0	-3,107.0	-2,933.0	-1,872.1
- Assets	0.0	-1,734.2	-1,734.2	683.0
- Liabilities	174.0	-1,372.8	-1,198.8	-2,555.1
- Reserve assets	72.0	0.0	72.0	18.8
Net errors and omissions	582.2	0.0	582.2	-21.4

Source: BS. Note: <sup>1</sup>a minus sign (-) in the balance indicates a surplus of imports over exports in the current account and a rise in assets in the capital and financial account and the central bank's international reserves.

on account of higher payments of taxes and contributions abroad and other general government transfers. The absorption of funds from the EU budget improved again in 2011. The surplus in current transfers (EUR 154.3 m) was therefore higher than in 2010 (EUR 106.0 m).

*Amid modest net capital flows, external financial transactions<sup>22</sup> recorded a net inflow in Q4 2011 (EUR 20.6 m), while in the year as a whole, they posted a net outflow of EUR 384.4 m (a net inflow of EUR 291.7 m in 2010).* Uncertainty on international financial markets continued to impact particularly decisions regarding portfolio investment. Portfolio investment recorded a net inflow of EUR 33.8 m in Q4 2011, in contrast to as much as EUR 387.7 m in the same period of the preceding year. Domestic commercial banks continued to sell money market instruments, which are very liquid and depend on short-term interest rates. The second half of last year was marked by a decline in commercial banks' investment in foreign debt securities. After high inflows in Q1 2011, when the government had issued two long-term bonds in the total amount of EUR 3.0 bn, the government sector repaid its debts in the remaining three quarters of the year (EUR 815.9 m). By investing in bonds and notes, the BS increased its financial assets abroad, the volume of which also depends on the level of liabilities to the Eurosystem. In Q4 2011, inflows from *direct investment* otherwise increased relative to the previous quarter but were lower y-o-y. Direct investment flows in the last quarter of 2011 totalled EUR 265.0 m (EUR 335.0 m in the same period of the year previously). There was a high level of mutual crediting between domestic and foreign investors. *Other investment* recorded a net capital outflow of EUR 259.7 m in the fourth quarter of 2011; liabilities recorded an outflow of EUR 717.6 m, claims an inflow of EUR 457.9 m.

Figure 28: Financial transactions of the balance of payments by instrument



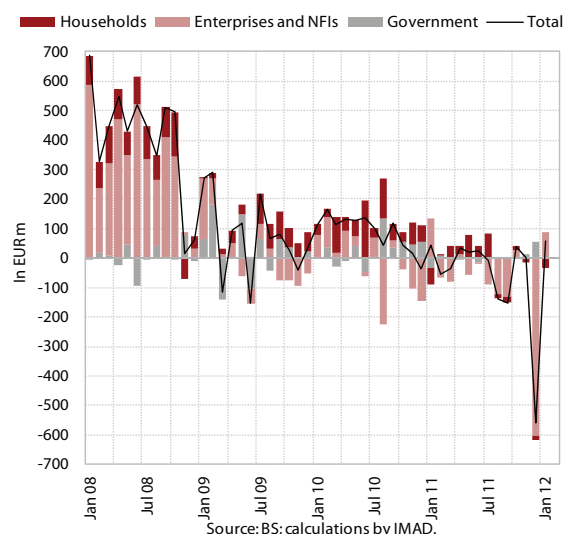
<sup>22</sup> Excluding international monetary reserves and statistical errors. The latter totalled EUR 582.2 m last year.

The highest transactions were recorded in the banking sector. Domestic commercial banks were withdrawing deposits from foreign accounts and thus repaid part of their foreign loans. On the other hand, the BS borrowed short-term from the Eurosystem again to provide liquidity for domestic commercial banks.<sup>23</sup>

## Financial markets

*In January, the lending activity of domestic banks strengthened, but the situation remains tight.* Net flows of loans to domestic non-banking sectors totalled EUR 55.2 m, the highest level since September 2010. We estimate that after the extensive net deleveraging at the end of last year, enterprises substituted part of the repaid loans by borrowing in January, when liquidity conditions in the banking system improved owing to the ECB's measures. January otherwise also saw modest net borrowing by the government, while households again net repaid loans taken with domestic banks. In January, liquidity pressures on the banking system were somewhat lower than at the end of 2011. Banks net repaid matured liabilities, but the repayments were lower. Household deposits increased, while government deposits recorded net outflows again.

Figure 29: Net flows of domestic bank loans to domestic non-banking sectors



*Households* have been net repaying loans taken with domestic banks since November 2011. January's net repayments amounted to EUR 32.7 m. Households net repaid consumer loans and loans for other purposes. Net borrowing in the form of housing loans was positive, but modest. Households mainly made net repayments of euro loans, in the highest amounts since December 2007, over EUR 30 m. Net outflows of foreign currency loans eased somewhat in the last two months, in our estimate also as a consequence of a slight appreciation of the Swiss franc.

<sup>23</sup> The BS recorded borrowing in all quarters, except in the first when it repaid part of the liabilities under the long-term refinancing operation.

Table 8: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 11	31. I 12	31. I 12/ 31. XII 11	31. I 12/ 31. I 11	31. I 11/ 31. I 10
Loans total	32.733,86	32.789,02	0,2	-2,3	3,1
Enterprises and NFI	22.065,54	22.148,72	0,4	-4,4	-0,3
Government	1.214,88	1.219,52	0,4	4,9	32,8
Households	9.453,45	9.420,77	-0,3	2,1	9,2
Consumer credits	2.723,04	2.697,08	-1,0	-4,2	-2,8
Lending for house purchase	5.163,55	5.175,66	0,2	0,2	21,0
Other lending	1.566,85	1.548,04	-1,2	-2,7	1,2
Bank deposits total	15.097,17	15.185,76	0,6	1,6	3,3
Overnight deposits	6.440,82	6.598,62	2,5	5,2	9,2
Short-term deposits	4.127,66	4.054,04	-1,8	-8,4	-11,3
Long-term deposits	4.521,12	4.525,57	0,1	6,9	39,4
Deposits redeemable at notice	7,57	7,53	-0,6	-24,5	-98,6
Mutual funds	1.810,64	1.872,70	3,4	-8,3	10,1
Government bank deposits total	2.848,94	2.803,42	-1,6	-24,0	-17,5
Overnight deposits	139,72	144,60	3,5	60,9	-88,8
Short-term deposits	694,47	642,18	-7,5	-55,7	-21,9
Long-term deposits	2.013,33	2.014,90	0,1	-6,2	20,8
Deposits redeemable at notice	1,42	1,73	22,3	-49,9	-89,9

Sources: Monthly Bulletin of the BS, SMA (Securities Market Agency); calculations by IMAD.

**Enterprises and NFIs net borrowed EUR 83.2 m from domestic banks in January.** Part of this amount was, according to our estimate, used to refinance obligations that fell due at the end of last year. However, despite relatively high net inflows, the refinancing was fairly modest, in our estimate, given that December's net outflows were much higher (around EUR 600 m). Borrowing was only recorded for enterprises, while NFIs net repaid their loans in the amount of EUR 16.6 m. December's corporate and NFI net borrowing abroad totalled EUR 11.7 m, which is lower than last year's average

monthly amount. The maturity structure of loans indicates a decline in the confidence of foreign lenders in Slovenian enterprises, as these once again net repaid long-term loans and borrowed in the form of short-term loans. Last year's corporate and NFI net borrowing abroad thus totalled EUR 185.1 m, in contrast to 2010, when enterprises and NFIs net repaid more than EUR 260 m in foreign loans. Despite increased borrowing abroad, the sources of debt financing for enterprises and NFIs shrank substantially last year amid a severe tightening of the credit crunch in Slovenia. The total corporate and NFI net repayments thus doubled last year, reaching close to EUR 800 m.

Figure 30: Net corporate and NFI borrowing abroad and gaps in interest rates

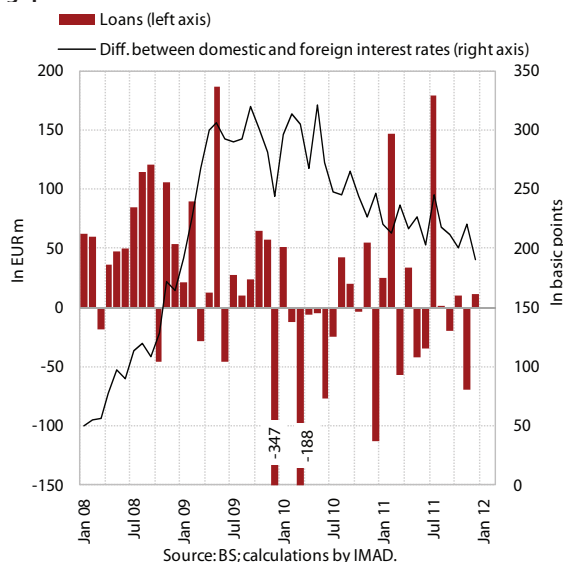
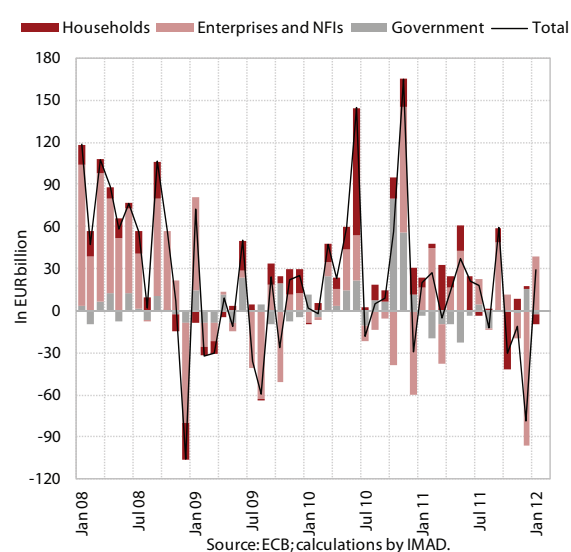


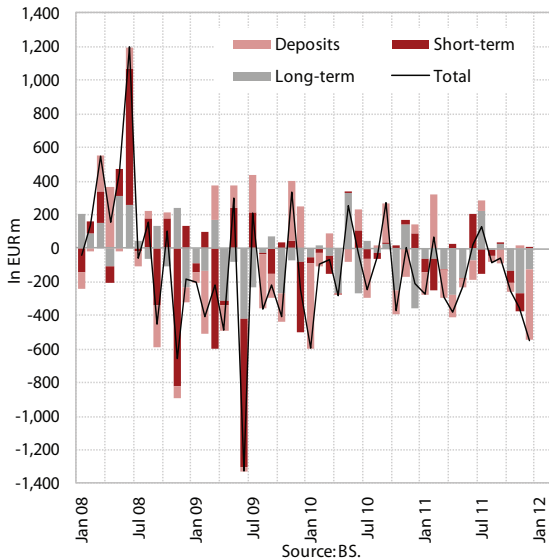
Figure 31: Net flows of loans to non-banking sectors in the euro area



In January, the lending activity also strengthened in the **euro area**. Net flows totalled almost EUR 30 bn and the increase was a sole consequence of higher net borrowing by enterprises and NFIs. The greatest contribution to growth came from NFIs, while corporate net borrowing was fairly modest. Households and the governments net repaid their loans in January.

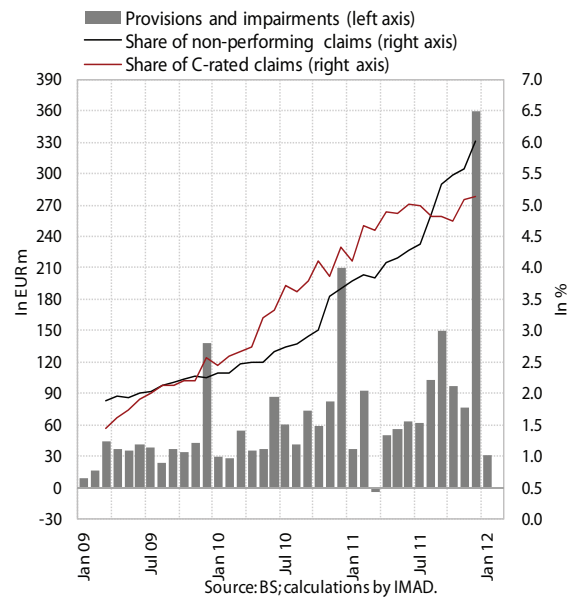
Last year, liquidity pressures on **banks** strengthened significantly in Slovenia. In December, banks intensified net repayments of foreign deposits and loans, to around EUR 550 m in total. More than three quarters of net repayments came from deposits. Last year, banks thus net repaid EUR 2.3 bn in deposits and loans, which is over 60% more than in 2010. Net repayments were only higher in 2009 (EUR 3.0 bn), but in 2009, banks partly offset net repayments by issuing government-guaranteed bonds. In 2009, net inflows of the latter totalled EUR 1.6 bn, in contrast to the net outflow of EUR 162.4 m last year.

Figure 32: Net bank borrowing abroad



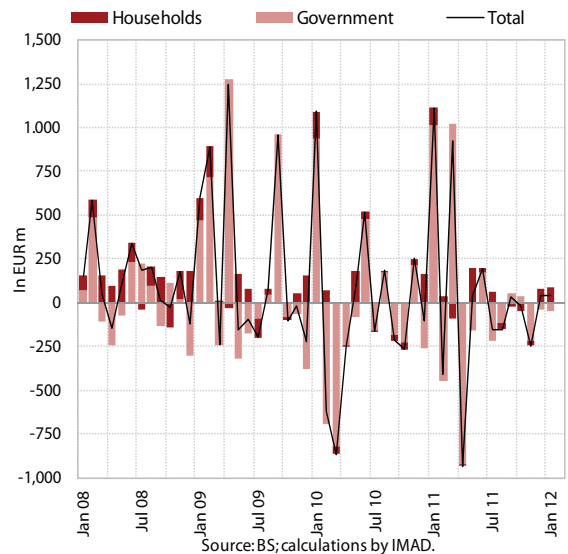
The rapid deterioration of the **quality of banks' assets** continues, and at the beginning of this year banks continued to intensively create provisions. Totalling EUR 30.8 m, the provisions were otherwise 15% lower than last January but still much higher than what is typical for January. The volume of bad claims is still growing at a rapid pace, almost by EUR 230 m in December alone, which was the second highest monthly amount thus far. Looking at activities, it was otherwise only the construction sector that stood out. The volume of bad claims against foreigners increased the most. A larger transfer between bad claims (from C-rated claims to non-performing claims) was recorded only for claims on financial and insurance activities, which include holdings involved in takeover activities.

Figure 33: Creation of additional provisions and impairments and the share of non-performing claims in Slovenia's banking system



Net inflows of household **deposits** in banks strengthened somewhat in January, while government deposits declined. Household net inflows to banks were the highest in eight months (EUR 88.6 m), but nevertheless more than a tenth lower than in January 2010. This January, their maturity structure was fairly unfavourable, as it was mainly overnight deposits that recorded growth. Long-term deposits increased to a lesser extent (EUR 4.5 m). In recent months, their inflows have decreased substantially. The government continued to withdraw short-term deposits from banks in January.

Figure 34: Net inflows of household and government deposits in banks





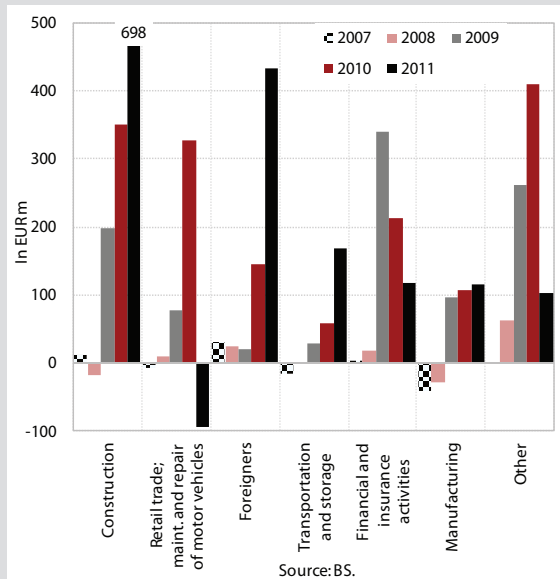
**Box 3: The quality of banks' assets in 2011**

*The quality of banks' assets continued to deteriorate last year.* The volume of bad claims increased by almost two fifths. This is otherwise nearly half less than in 2010, but the lower growth is largely a consequence of the high base, as the net inflows of bad claims (over EUR 1.5 bn) were only slightly lower than in 2010. At the end of December, bad claims totalled EUR 5.5 bn, and their share climbed to 11.2% of all banking sector claims. Within that, more than half are non-performing claims. The inflows into C-rated claims were decreasing last year, but they strengthened somewhat again at the end of the year. The increase in the share of all bad claims is mainly due to the deterioration in the quality of banks' claims. To a lesser degree it is also attributable to deleveraging of creditworthy borrowers, in our estimate, while new crediting was fairly modest. The volume of A-rated claims declined by as much as EUR 2.5 bn last year and the total exposure by 300 EUR m.<sup>1</sup>

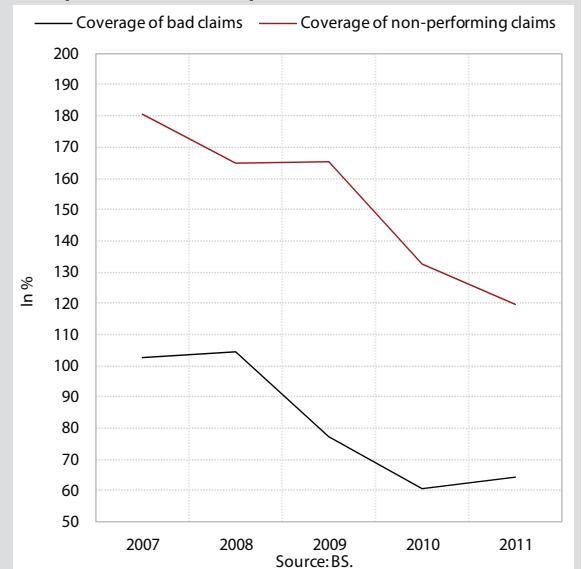
*The total exposure of banks thus declined in most activities, despite the increase in bad claims.* The volume of bad claims was highest in manufacturing, transportation and storage, information and communication activities, real estate and professional, scientific and technical activities.<sup>2</sup> Distributive trade is the only activity to have reduced the volume of bad liabilities to banks last year, which means that there was no significant cleaning up of bank balance sheets yet. The construction sector stands out significantly, as the banking sector's exposure to this sector increased further in 2011, despite highly negative movements in this activity.

*Amid a fast deterioration of the quality of banks' assets, banks intensified the creation of additional provisions and impairments last year, which totalled EUR 1.1 bn, over two fifths more than in the preceding year.* The coverage of bad claims with provisions rose to almost 65%, which is somewhat more than in 2010, but still much below the pre-crisis levels, when the coverage ratio exceeded 100%. Banks would thus need another EUR 2 bn in provisions and impairments to reach this level. Having dropped by more than a third from the highest levels in 2007, the coverage for non-performing claims continued to deteriorate.

**Figure 35: Net inflows of bad claims by activity**



**Figure 36: Coverage of bad and non-performing claims with provisions and impairments**



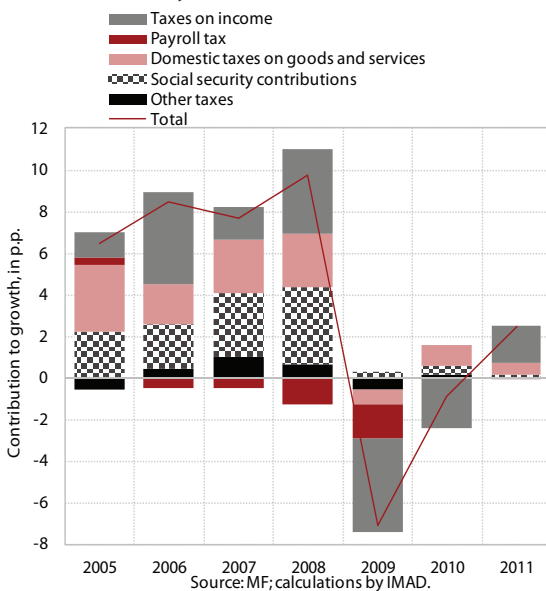
<sup>1</sup> Excluding the purchase of treasury bonds in December 2011, the decline in the total exposure would be much higher.

<sup>2</sup> The quality of external claims also deteriorated significantly last year, but the exposure decreased notably due to a higher quality of claims.

## Public finance

In 2011, revenue from **taxes and social security contributions**<sup>24</sup> totalled EUR 13.4 bn, 2.6% more than in 2010. General government revenue was generated in an almost unchanged tax system, with somewhat modified tax instruments and in a worse macroeconomic environment than a year earlier. Only the inflows from corporate income tax increased notably in 2011, which is related to the way how this tax is calculated and paid.<sup>25</sup> The inflows of all other taxes and contributions combined increased by a mere percent. With tax and contribution rates remaining the same due to low wage-bill growth as a consequence of a lower number of employees, wage-related taxes and contributions increased only by 0.4%. Amid modest domestic consumption, consumption-related taxes rose by 1.7%. Excise duties on energy products were cut in 2011, but the quantities of all products subject to excise duties were higher.<sup>26</sup>

Figure 37: Structure of growth of revenue from taxes and social security contributions



According to the **consolidated balance**<sup>27</sup> of the MF, general government revenue totalled EUR 13.6 bn and general government expenditure EUR 15.0 bn in the first eleven months of 2011. In that period, revenue was up 4.1%

<sup>24</sup> Based on the Report on Payments of All Public Revenues, January–December 2011, Public Payments Administration.

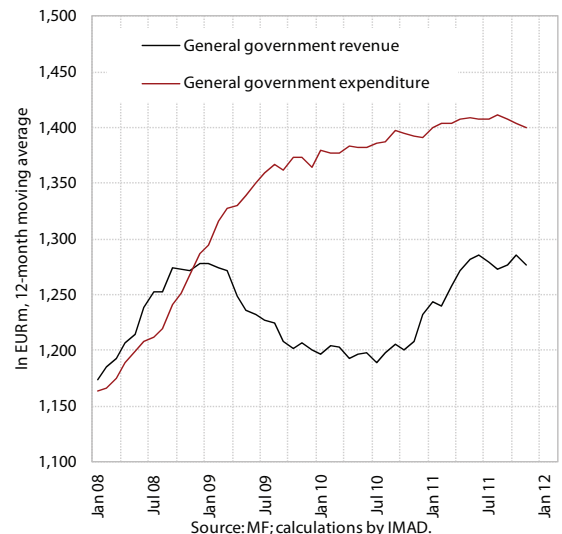
<sup>25</sup> The low inflow of corporate income tax in 2010 was a result of bad business performance in 2009 and tax assessments, and in part also of legislative changes aimed at making doing business easier and stimulating development and hiring (by lowering the income tax rate, increasing tax relief).

<sup>26</sup> In 2011, the quantity of sold alcohol and alcohol products increased by 1.6% y-o-y, the quantity of sold tobacco and tobacco products by 1.8% and the quantity of main mineral oils by 3.9%.

<sup>27</sup> The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of the state and local government budgets, as well as revenues and expenditures of the pension and health funds (the Institute for Pension and Disability Insurance, and the Health Insurance Institute of Slovenia).

y-o-y and expenditure 0.7%. Y-o-y growth rates in *general government expenditure* have been slowing since the adoption of measures to contain budgetary expenditure in mid-2011 and the revision of the state budget in September. In the first eleven months, particularly expenditures on capital and capital transfers and subsidies were lower y-o-y. Expenditure on wages and other personnel expenditures were also down somewhat. Y-o-y increases were recorded particularly for expenditures on interest (8.0%) and transfers to individuals and households (4.3%; 6.0% excluding pensions). Given the labour market situation, the highest y-o-y growth was still recorded for expenditure on transfers to the unemployed (33.8%), but it slowed slightly. The conditions for the valorisation of pensions were not fulfilled<sup>28</sup> in November. In the first eleven years, expenditure on pensions was up 3.4% y-o-y. The y-o-y growth in expenditure on goods and services also slowed, totalling 0.8% in eleven months.

Figure 38: Consolidated general government revenue and expenditure



The deficit of the consolidated balance amounted to EUR 1,386 m in the first eleven months of the year. The deficit of the state budget totalled EUR 1,341 m in eleven months of last year and the deficit of the health fund EUR 57 m. On the other hand, the total balance of local government budgets recorded a surplus of 11.5 bn. In the first eleven months, the transfer from the state budget into the pension fund amounted to EUR 1,355 m (9.4% more than a year earlier).

In January 2012, Slovenia received EUR 26.9 m from the **EU budget**, which is half less than in the previous January. Slovenia paid EUR 35 m into the budget, and its state budget thus recorded a deficit of EUR 8.1 m against the EU budget. The bulk of receipts came from structural

<sup>28</sup> The conditions were not fulfilled, as the average monthly growth of the minimum pension base effective this year had already exceeded a quarter of the estimated growth of this year's average wage with the adjustment in February.

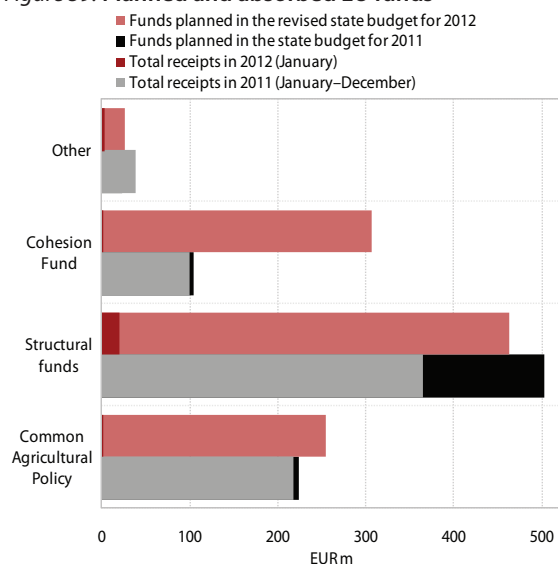
Table 9: Consolidated general government revenue and expenditure

	2010			2011	
	EUR m	% of GDP	Growth, %	I-XI EUR m	I-XI 11/ I-XI 10
<b>Revenue - total</b>	<b>14,789.5</b>	<b>41.8</b>	<b>2.7</b>	<b>13,617.4</b>	<b>4.1</b>
- Tax revenues	12,848.3	36.3	-0.8	12,092.4	4.1
- Taxes on income and profit	2,490.7	7.0	-11.2	2,477.3	11.5
- Social security contributions	5,234.5	14.8	1.4	4,781.8	0.8
- Domestic taxes on goods and services	4,780.6	13.5	2.6	4,483.4	3.3
- Receipts from the EU budget	724.6	2.0	21.5	678.3	37.6
<b>Expenditure - total</b>	<b>16,675.9</b>	<b>47.1</b>	<b>1.9</b>	<b>15,003.4</b>	<b>0.7</b>
- Wages and other personnel expenditure	3,914.9	11.1	0.1	3,572.8	-0.3
- Purchases of goods and services	2,510.5	7.1	0.1	2,207.0	0.8
- Domestic and foreign interest payments	488.1	1.4	45.3	521.1	8.0
- Transfers to individuals and households	6,274.5	17.7	4.2	6,001.6	4.4
- Capital expenditure	1,305.1	3.7	0.9	837.9	-16.5
- Capital transfers	388.4	1.1	-21.6	310.2	-5.3
- Payment to the EU budget	396.8	1.1	-9.7	368.9	1.4

Source: MF, Public Finance Bulletin.

funds (close to EUR 20 m), but Slovenia also received EUR 2.3 m from the Cohesion Fund and EUR 1.3 m under the Common Agricultural and Fisheries Policies. The year 2012 is marked by fairly ambitious plans for cohesion policy realisation, anticipating EUR 939 m from structural funds and the Cohesion Fund, which is 27% more than planned last year.

Figure 39: Planned and absorbed EU funds



Source: MF, calculations by IMAD.



# **statistical appendix**



MAIN INDICATORS	2006	2007	2008	2009	2010	2011	2012	2013
						Winter forecast 2011-2012		
GDP (real growth rates, in %)	5.8	6.9	3.6	-8.0	1.4	0.5	0.2	2.0
GDP in EUR million (current prices and current exchange rate)	31,050	34,562	37,280	35,311	35,416	35,789	36,356	37,590
GDP per capita, in EUR (current prices and current exchange rate)	15,464	17,120	18,437	17,295	17,286	17,437	17,778	18,349
GDP per capita (PPS) <sup>1</sup>	20,700	22,100	22,700	20,500	20,700	-	-	-
GDP per capita (PPS EU27=100) <sup>1</sup>	88	88	91	87	85	-	-	-
Gross national income (current prices and current fixed exchange rate)	30,677	33,828	36,232	34,593	34,894	35,297	35,462	36,711
Gross national disposable income (current prices and current fixed exchange rate)	30,462	33,601	35,871	34,344	34,940	35,387	35,441	36,764
Rate of registered unemployment	9.4	7.7	6.7	9.1	10.7	11.8	12.5	12.8
Standardised rate of unemployment (ILO)	6.0	4.9	4.4	5.9	7.3	8.1	8.6	8.8
Labour productivity (GDP per employee)	4.2	3.4	1.0	-6.3	4.0	2.2	1.6	2.7
Inflation, <sup>2</sup> year average	2.5	3.6	5.7	0.9	1.8	1.8	1.8	1.8
Inflation, <sup>2</sup> end of the year	2.8	5.6	2.1	1.8	1.9	2.0	1.8	1.8
<b>INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS</b>								
Exports of goods and services <sup>3</sup> (real growth rates, in %)	12.5	13.7	2.9	-17.2	9.5	7.3	2.9	6.0
Exports of goods	13.4	13.9	0.5	-18.1	11.0	8.3	3.0	6.4
Exports of services	8.6	13.2	14.3	-13.7	4.1	3.5	2.5	4.5
Imports of goods and services <sup>3</sup> (real growth rates, in %)	12.2	16.7	3.7	-19.6	7.2	5.5	1.0	4.6
Imports of goods	12.7	16.2	3.0	-20.8	8.0	6.3	0.9	4.6
Imports of services	8.8	19.7	8.2	-12.0	2.6	1.2	1.7	4.3
Current account balance, in EUR million	-771	-1646	-2574	-456	-297	-192	-176	321
As a per cent share relative to GDP	-2.5	-4.8	-6.9	-1.3	-0.8	-0.5	-0.5	0.9
Gross external debt, in EUR million	24,067	34,783	39,234	40,294	40,699	41,444 <sup>5</sup>		
As a per cent share relative to GDP	77.5	100.6	105.2	114.1	114.9	-	-	-
Ratio of USD to EUR	1.254	1.371	1.471	1.393	1.327	1.392	1.318	1.318
<b>DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS</b>								
Private consumption (real growth rates, in %)	2.8	6.1	3.7	-0.1	-0.7	0.0	-0.5	0.3
As a % of GDP <sup>4</sup>	52.8	52.4	53.2	55.8	56.0	56.5	56.4	55.6
Government consumption (real growth rates, in %)	4.0	0.6	6.1	2.9	1.5	0.3	-0.7	0.3
As a % of GDP <sup>4</sup>	18.8	17.3	18.1	20.3	20.8	20.8	20.4	20.0
Gross fixed capital formation (real growth rates, in %)	10.4	13.3	7.8	-23.3	-8.3	-10.5	0.0	4.0
As a % of GDP <sup>4</sup>	26.5	27.8	28.8	23.4	21.6	19.4	19.3	19.8
Sources of data: SORS, BS, Eurostat, calculations and forecasts by IMAD (Winter Forecast, January 2012). Notes: <sup>1</sup> Measured in purchasing power standard. <sup>2</sup> Consumer price index. <sup>3</sup> Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets. <sup>4</sup> Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64). <sup>5</sup> End December 2011.								

PRODUCTION	2009	2010	2011	2009	2010				2011				2009	2010			
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	12	1	2	3	4
<b>INDUSTRIAL PRODUCTION, y-o-y growth rates, %</b>																	
Industry B+C+D	-17.4	6.2	2.5	-7.1	-0.4	10.7	7.2	7.4	9.0	4.0	0.3	-2.6	4.7	-8.4	-1.6	8.1	8.5
B Mining and quarrying	-2.9	11.0	-8.0	4.8	-7.2	11.9	23.7	15.7	-5.2	-9.2	-9.6	-7.5	-14.8	-5.5	-16.5	0.2	9.4
C Manufacturing	-18.7	6.6	2.6	-7.9	-0.1	12.0	7.3	7.1	9.5	4.4	0.1	-3.0	5.2	-8.8	-1.3	9.0	9.7
D Electricity, gas & steam supply <sup>1</sup>	-6.6	1.8	4.3	-5.5	-2.8	-0.5	3.6	7.0	6.9	3.8	5.1	1.5	-6.3	-7.7	-2.0	1.9	-2.1
<b>CONSTRUCTION,<sup>2</sup> real indices of construction put in place, y-o-y growth rates, %</b>																	
Construction, total	-21.0	-17.0	-25.4	-20.5	-18.9	-16.8	-16.4	-16.2	-25.3	-31.1	-25.4	-19.3	-9.5	-11.3	-24.2	-19.8	-17.9
Buildings	-22.5	-14.0	-39.6	-19.6	-7.4	-12.4	-16.5	-19.2	-41.5	-46.5	-34.3	-35.5	-7.4	-6.6	-10.2	-5.5	-13.7
Civil engineering	-19.9	-19.0	-15.0	-21.1	-29.3	-19.6	-16.2	-14.1	-6.3	-20.7	-20.0	-9.0	-11.3	-15.9	-38.5	-30.8	-20.6
<b>TRANSPORT, tonne-km in m, y-o-y growth rates, %</b>																	
Tonne-km in road transport	-9.2	7.9	-	-4.7	19.8	10.7	9.5	-6.3	-3.2	1.5	3.6	-	-	-	-	-	-
Tonne-km in rail transport	-24.2	28.2	-	-15.9	18.8	33.9	32.2	28.2	23.3	10.8	34.7	-	-	-	-	-	-
<b>Distributive trades, y-o-y growth rates, %</b>																	
Total real turnover*	-13.0	3.6	2.7	-10.0	-1.4	4.9	4.7	5.3	6.7	5.8	7.3	7.5	-5.9	-4.8	-3.6	4.2	3.1
Real turnover in retail trade	-10.6	-0.1	1.2	-11.1	-4.7	0.3	2.0	1.8	2.7	1.8	2.7	3.3	-7.0	-8.5	-5.2	-0.5	-1.7
Real turnover in the sale and maintenance of motor vehicles	-21.7	12.1	7.0	-8.1	6.3	15.4	11.8	14.1	15.4	15.0	17.8	17.2	-1.2	5.2	-0.4	14.1	14.5
Nominal turnover in wholesale trade & commission trade	-21.4	1.4	5.8	-18.1	-7.9	4.0	5.5	3.7	12.2	3.6	4.6	3.6	-11.1	-10.8	-13.1	-0.9	-3.4
<b>TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards</b>																	
Total, overnight stays	-3.4	-1.5	5.3	-5.3	-0.4	-2.4	-2.2	0.4	3.1	6.6	6.6	3.1	-6.5	1.0	-2.1	0.1	-1.7
Domestic tourists, overnight stays	2.8	-4.2	0.5	-4.0	1.3	-3.0	-9.6	-0.3	0.1	0.4	0.8	0.4	-9.2	3.5	-0.1	1.1	2.1
Foreign tourists, overnight stays	-8.0	0.7	9.1	-6.4	-2.1	-2.0	3.2	1.0	6.5	11.3	10.2	5.5	-3.7	-0.9	-5.2	-1.0	-4.6
Nominal turnover market services (without distributive trades)	-7.8	2.8	3.6	-11.0	0.0	1.5	4.2	5.4	5.7	4.7	4.8	-0.7	-10.3	0.5	-1.5	1.1	-1.4
<b>AGRICULTURE, y-o-y growth rates, %</b>																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	449.3	454.5	479.8	129.0	94.6	106.7	115.6	137.5	100.4	113.3	125.7	139.5	47.2	29.7	28.6	36.4	35.5
<b>BUSSINES TENDENCY (indicator values**)</b>																	
Sentiment indicator	-22	-9	-7	-13	-12	-9	-6	-8	-7	-4	-6	-10	-13	-10	-11	-15	-12
Confidence indicator																	
- in manufacturing	-23	-1	0	-12	-7	-1	2	0	3	3	-1	-7	-11	-6	-8	-6	-3
- in construction	-50	-57	-46	-51	-57	-60	-56	-53	-52	-46	-44	-43	-49	-55	-56	-61	-62
- in services	-14	-3	1	-1	-2	-5	-2	-3	1	4	3	-4	-2	5	2	-12	-9
- in retail trade	-13	7	8	-7	-6	10	12	12	2	14	2	15	-6	-8	-6	-5	9
Consumer confidence indicator	-30	-25	-25	-25	-25	-23	-27	-26	-27	-25	-25	-24	-26	-25	-23	-26	-24
Source of data: SORS. Notes: <sup>1</sup> Only companies with activity of electricity supply are included. <sup>2</sup> The survey covers all larger construction enterprises and some other enterprises that perform construction work. *Total real turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels. **Seasonally adjusted data.																	



2010								2011												2012	
5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
14.1	9.6	6.3	12.4	4.0	4.8	4.3	13.8	14.0	6.9	6.7	3.7	4.6	3.7	-0.9	-1.4	2.8	-1.6	1.0	-7.5	-	-
19.0	7.4	15.9	37.4	19.2	20.7	-2.5	39.7	-5.6	-0.7	-8.4	-4.3	-22.4	0.6	-8.3	-17.7	-2.3	-6.3	-2.1	-15.0	-	-
15.2	11.0	7.4	13.1	3.0	4.8	5.0	12.4	14.9	7.1	7.5	3.6	5.5	4.0	-1.3	-2.4	3.3	-2.2	-0.3	-6.9	-	-
3.1	-2.3	-3.6	1.2	13.6	2.2	0.6	17.4	11.0	6.3	3.6	5.7	3.2	2.4	4.4	11.8	-0.4	4.7	13.2	-10.7	-	-
-15.5	-17.2	-17.4	-13.0	-18.7	-18.0	-17.5	-12.2	-20.9	-23.6	-29.7	-27.0	-29.3	-36.2	-27.0	-31.2	-17.5	-25.4	-9.6	-21.9	-	-
-7.5	-15.8	-11.2	-17.8	-20.3	-17.4	-28.1	-12.4	-25.9	-41.2	-53.1	-37.9	-48.0	-52.8	-36.0	-36.7	-30.0	-33.3	-28.6	-43.2	-	-
-20.3	-18.0	-21.0	-10.0	-17.6	-18.3	-10.3	-12.1	-15.4	2.7	-5.2	-19.0	-16.6	-25.9	-21.2	-28.0	-9.7	-21.0	0.7	-3.0	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	7.3	2.4	5.0	6.8	4.2	9.0	4.1	8.7	9.8	3.9	3.4	6.0	1.3	-0.1	6.3	2.4	0.8	-0.4	-2.1	-	-
-1.0	3.6	1.8	1.0	3.1	1.3	3.6	0.4	4.0	5.5	0.6	0.3	1.8	-1.1	-1.2	5.6	2.1	0.5	1.4	-1.4	-	-
16.0	15.6	3.8	16.2	15.3	10.7	20.2	14.1	19.2	18.3	9.8	9.8	14.0	5.9	2.2	8.0	3.0	1.3	-3.6	-3.6	-	-
5.0	10.8	3.1	7.9	5.6	1.1	4.8	5.3	11.2	15.4	10.4	4.2	5.9	0.8	-0.6	8.5	6.1	6.2	6.0	-1.2	-	-
-3.0	-2.5	-1.7	-3.6	-0.3	2.5	-0.8	-1.2	4.9	-1.9	6.7	13.6	-4.2	10.6	4.1	7.0	9.8	1.9	7.0	1.2	2.3	-
-7.2	-3.3	-9.0	-11.1	-7.9	-3.0	-0.5	3.2	0.1	-2.0	2.7	9.3	-3.0	-3.4	-3.7	2.1	7.3	-2.9	8.6	-3.3	3.0	-
-0.1	-1.8	4.3	1.6	4.4	7.0	-1.1	-5.4	8.6	-1.7	11.0	17.2	-5.0	21.6	9.7	10.0	11.2	5.5	5.2	5.8	1.7	-
2.3	3.6	5.6	4.8	2.2	6.8	4.5	4.9	7.2	4.9	5.2	7.0	0.5	6.8	2.1	4.7	7.5	-1.5	0.4	-0.9	-	-
36.0	35.1	37.4	36.2	42.1	45.7	44.1	47.7	32.9	30.5	36.9	36.9	39.6	36.8	42.2	39.8	43.7	48.9	44.0	46.7	-	-
-9	-6	-5	-7	-7	-7	-8	-8	-7	-7	-6	-4	-3	-5	-5	-7	-6	-10	-10	-10	-12	-12
-1	1	5	1	1	3	-1	-1	3	4	3	5	3	1	0	-2	-2	-8	-7	-5	-3	-5
-58	-59	-60	-56	-51	-50	-54	-56	-55	-50	-50	-49	-44	-45	-46	-42	-43	-43	-46	-41	-42	-39
-4	-3	-1	-2	-2	-5	-2	-1	0	-2	4	5	3	3	3	5	2	-1	-3	-9	-11	-9
9	13	10	14	12	13	10	12	-3	12	-4	13	16	13	-2	-8	16	15	16	14	-2	5
-23	-22	-27	-27	-27	-26	-24	-27	-26	-28	-26	-27	-24	-23	-24	-27	-23	-26	-26	-20	-26	-26

LABOUR MARKET	2009	2010	2011	2009	2010				2011				2010		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	1	2	3
<b>FORMAL LABOUR FORCE (A=B+E)</b>	944.5	935.5	934.7	943.9	935.8	937.8	933.8	934.8	936.8	937.5	931.1	933.3	935.7	935.8	935.8
<b>PERSONS IN FORMAL EMPLOYMENT (B=C+D)<sup>1</sup></b>	858.2	835.0	824.0	848.4	836.3	839.2	835.4	829.3	821.9	828.4	823.9	821.7	836.1	836.0	836.9
In agriculture, forestry, fishing	37.9	33.4	38.8	37.8	31.9	34.6	34.0	33.3	38.0	40.1	38.8	38.0	31.9	31.9	31.9
In industry, construction	306.9	287.3	272.9	296.8	290.9	289.2	287.0	281.9	273.7	274.2	272.7	271.0	291.5	290.6	290.7
Of which: in manufacturing	199.8	188.6	184.8	191.7	190.0	189.4	188.1	186.8	184.1	184.7	184.4	186.2	190.0	189.9	190.0
in construction	86.8	78.5	67.8	84.8	80.9	79.6	78.6	75.0	69.7	69.3	67.9	64.4	81.5	80.7	80.5
In services	513.4	514.3	512.3	513.7	513.5	515.3	514.3	514.1	510.2	514.1	512.4	512.7	512.6	513.5	514.4
Of which: in public administration	51.5	52.0	51.4	51.6	51.8	52.3	52.1	51.8	51.2	51.5	51.4	51.3	51.6	51.8	52.0
in education, health-services, social work	113.8	116.7	118.8	114.7	115.9	116.8	116.3	118.0	117.8	118.8	118.5	120.1	115.4	115.9	116.4
<b>FORMALLY EMPLOYED (C)<sup>1</sup></b>	767.4	747.2	729.1	756.1	750.1	751.0	747.0	740.6	728.1	731.9	728.9	727.4	749.7	749.8	750.9
In enterprises and organisations	699.4	685.7	671.8	690.5	687.2	688.7	685.7	681.3	671.4	673.9	671.3	670.7	686.4	686.9	688.3
By those self-employed	67.9	61.5	57.2	65.7	62.9	62.3	61.4	59.3	56.7	58.0	57.6	56.6	63.3	62.8	62.7
<b>SELF-EMPLOYED AND FARMERS (D)</b>	90.8	87.8	94.9	92.2	86.2	88.1	88.3	88.7	93.8	96.5	95.0	94.4	86.4	86.3	86.0
<b>REGISTERED UNEMPLOYMENT (E)</b>	86.4	100.5	110.7	95.6	99.4	98.6	98.4	105.5	114.9	109.1	107.2	111.6	99.6	99.8	98.9
Female	42.4	47.9	52.1	46.4	47.0	46.8	47.8	50.2	52.9	50.9	51.1	53.3	47.2	47.0	46.6
By age: under 26	13.3	13.9	12.9	15.2	14.7	13.5	12.4	15.1	14.5	12.6	11.3	13.4	15.0	14.7	14.3
aged over 50	26.2	31.4	39.0	28.3	29.6	30.3	31.1	34.5	40.1	39.1	38.7	38.2	29.5	29.7	29.7
Unskilled	34.1	37.5	39.5	36.6	38.2	37.1	36.6	38.2	41.6	39.2	38.1	39.3	38.3	38.4	37.9
For more than 1 year	31.5	42.8	50.2	33.4	38.1	41.8	44.0	47.2	48.7	48.6	49.6	53.8	36.9	37.9	39.4
Those receiving benefits	27.4	30.0	36.3	30.8	31.6	29.3	29.3	29.7	39.7	36.4	34.9	34.4	32.2	31.7	30.9
<b>RATE OF REGISTERED UNEMPLOYMENT, E/A, in %</b>	9.1	10.7	11.8	10.1	10.6	10.5	10.5	11.3	12.3	12.2	11.5	12.0	10.6	10.7	10.6
Male	8.3	10.1	11.4	9.3	10.1	9.9	9.7	10.7	12.0	11.9	10.9	11.3	10.0	10.1	10.0
Female	10.2	11.6	12.4	11.1	11.3	11.3	11.5	12.1	12.6	12.5	12.3	12.7	11.4	11.3	11.2
<b>FLOWS OF FORMAL LABOUR FORCE</b>	30.4	13.3	2.7	8.3	2.2	-0.7	-0.3	12.1	3.9	-6.9	0.0	5.7	2.9	0.2	-0.9
New unemployed first-job seekers	17.0	16.8	14.4	8.1	2.9	2.4	2.8	8.7	3.2	2.0	2.7	6.5	1.0	0.8	1.0
Redundancies	90.5	83.5	82.2	23.2	19.9	16.6	18.5	28.6	24.4	16.8	18.7	22.3	8.6	5.4	5.8
Registered unemployed who found employment	48.6	57.0	61.0	13.1	14.2	12.8	15.5	14.5	17.5	17.2	13.4	12.9	5.0	4.0	5.1
Other outflows from unemployment (net)	28.5	29.9	32.8	9.9	6.3	6.9	6.0	10.7	6.2	8.5	8.0	10.2	1.7	2.0	2.6
<b>REGISTERED VACANCIES<sup>3</sup></b>	161.3	174.6	194.5	39.0	37.9	44.3	45.9	46.5	45.5	52.9	52.3	43.8	12.7	11.7	13.5
For a fixed term, in %	78.1	80.7	81.7	78.6	78.9	81.2	82.2	80.0	81.5	81.0	82.8	81.4	77.2	79.9	79.7
<b>WORK PERMITS FOR FOREIGNERS</b>	54.9	41.6	35.6	47.3	44.1	42.1	40.7	39.4	38.0	35.5	34.7	34.3	44.8	44.2	43.3
As % of labour force	5.8	4.4	3.8	5.0	4.7	4.5	4.4	4.2	4.1	3.8	3.7	3.7	4.8	4.7	4.6
<b>NEW JOBS</b>	111.4	104.1	118.3	28.3	23.6	25.1	27.9	27.5	27.3	27.3	26.3	37.4	8.9	7.0	7.7

Sources of data: SORS, PDII, ESS. Notes: <sup>1</sup>In January 2005, the SORS adopted new methodology of obtaining data on persons in paid employment. The new source of data for employed and self-employed persons excluding farmers is the Statistical Register of Employment (SRE), while data on farmers are forecast using the ARIMA model based on quarterly figures for farmers from the Labour Force Survey. Data for previous years dating back to January 2000 have also been calculated according to the new methodology. <sup>2</sup>Estimated by IMAD, based on data by PDII and ESS; <sup>3</sup>According to ESS.

2010												2011											
4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12			
938.6	937.3	937.5	934.3	933.0	934.1	938.2	937.2	929.0	936.0	937.3	937.1	938.4	937.7	936.3	931.7	930.0	931.5	935.3	934.5	930.1			
839.3	838.9	839.3	835.9	834.0	836.2	835.5	833.4	819.0	820.9	821.7	823.1	826.9	829.0	829.2	824.2	823.0	824.5	824.4	823.4	817.3			
34.6	34.6	34.7	34.1	34.0	34.0	33.3	33.3	33.1	38.0	38.0	38.1	40.1	40.1	40.1	38.9	38.8	38.8	38.1	38.1	37.9			
289.9	289.2	288.6	287.9	286.5	286.6	285.8	283.9	276.0	274.4	273.6	273.1	273.5	274.7	274.4	272.6	272.8	272.7	273.5	272.1	267.4			
189.7	189.4	189.0	188.5	187.7	188.1	188.4	187.9	184.1	183.9	184.3	184.3	184.3	185.1	184.6	183.8	184.0	185.2	186.8	186.6	185.1			
80.1	79.5	79.3	79.1	78.6	78.2	77.1	75.8	72.1	70.7	69.5	68.9	69.1	69.4	69.4	68.4	68.4	67.0	66.2	65.0	62.1			
514.7	515.1	516.1	514.0	513.4	515.7	516.4	516.1	509.9	508.5	510.1	511.9	513.3	514.3	514.7	512.7	511.4	513.1	512.8	513.2	512.0			
52.3	52.3	52.4	52.2	52.1	52.1	52.0	52.0	51.5	51.2	51.2	51.2	51.5	51.6	51.6	51.4	51.5	51.2	51.3	51.4	51.2			
116.7	116.8	116.9	115.8	115.6	117.5	117.9	118.5	117.7	117.3	117.8	118.3	118.6	118.9	119.0	118.2	118.1	119.3	119.8	120.2	120.3			
750.9	750.8	751.3	748.1	745.7	747.3	746.8	744.6	730.5	727.3	727.8	729.0	730.5	732.5	732.6	729.0	728.1	729.7	730.1	729.0	723.0			
688.5	688.6	689.1	686.3	684.4	686.4	686.2	684.8	673.0	670.7	671.3	672.1	672.9	674.3	674.4	671.1	670.5	672.2	672.7	671.9	667.6			
62.4	62.2	62.1	61.8	61.3	61.0	60.5	59.8	57.6	56.6	56.6	56.9	57.6	58.2	58.2	57.9	57.5	57.4	57.4	57.0	55.5			
88.4	88.0	88.1	87.8	88.3	88.9	88.8	88.8	88.5	93.5	93.8	94.1	96.4	96.5	96.6	95.1	95.0	94.8	94.3	94.5	94.3			
99.3	98.4	98.2	98.4	99.0	97.9	102.7	103.8	110.0	115.1	115.6	113.9	111.6	108.6	107.1	107.6	107.0	107.0	110.9	111.1	112.8			
47.0	46.7	46.8	47.5	48.1	47.7	49.8	49.5	51.2	53.2	53.2	52.4	51.8	50.7	50.2	50.9	51.0	51.3	53.5	53.4	53.2			
14.1	13.4	13.0	12.6	12.5	12.2	15.7	15.1	14.4	14.7	14.7	14.1	13.4	12.5	11.9	11.5	11.1	11.2	13.6	13.5	13.2			
30.1	30.3	30.5	30.9	31.1	31.3	31.7	33.0	38.9	40.2	40.2	39.9	39.4	39.1	38.8	38.9	38.8	38.4	38.2	37.9	38.4			
37.6	37.1	36.7	36.4	36.6	36.7	37.2	37.5	39.9	41.6	41.9	41.2	40.1	39.1	38.4	38.1	37.9	38.3	38.7	39.0	40.1			
40.6	41.8	42.9	43.2	44.1	44.6	46.7	47.5	47.4	48.6	49.0	48.7	48.8	48.6	48.5	48.8	49.6	50.4	51.8	52.9	56.7			
29.9	29.2	28.9	29.0	29.4	29.4	28.2	29.7	31.2	39.2	40.2	39.8	37.5	36.4	35.3	35.2	35.1	34.4	33.9	33.7	35.5			
10.6	10.5	10.5	10.5	10.6	10.5	10.9	11.1	11.8	12.3	12.3	12.2	11.9	11.6	11.4	11.5	11.5	11.5	11.9	11.9	12.1			
10.0	9.9	9.8	9.8	9.8	9.7	10.1	10.4	11.4	12.0	12.0	11.9	11.5	11.2	11.0	11.0	10.9	10.8	11.1	11.2	11.6			
11.3	11.2	11.3	11.5	11.6	11.5	12.0	11.9	12.4	12.7	12.7	12.5	12.3	12.1	12.0	12.2	12.3	12.3	12.7	12.7	12.7			
0.4	-0.9	-0.2	0.2	0.6	-1.1	4.8	1.1	6.2	5.1	0.5	-1.7	-2.4	-2.9	-1.6	0.5	-0.6	0.1	3.9	0.2	1.7			
0.9	0.7	0.8	0.7	0.8	1.4	6.3	1.4	0.9	1.3	1.0	0.9	0.7	0.7	0.7	0.6	0.7	1.4	4.4	1.3	0.8			
5.7	5.5	5.4	6.1	5.7	6.7	7.1	8.2	13.2	11.8	6.0	6.6	5.4	5.6	5.7	6.4	5.7	6.6	6.9	7.1	8.2			
3.9	4.7	4.2	4.8	4.0	6.8	4.8	4.9	4.7	5.8	4.9	6.8	6.0	6.3	4.9	4.0	4.1	5.4	4.4	4.5	4.0			
2.4	2.4	2.1	1.8	1.8	2.4	3.8	3.6	3.3	2.2	1.6	2.4	2.5	3.0	3.0	2.6	2.9	2.5	3.1	3.8	3.3			
14.5	13.7	16.1	15.2	14.9	15.8	17.4	14.7	14.3	15.2	14.3	16.0	15.7	17.8	19.3	15.5	17.2	19.5	15.8	14.3	13.6			
82.2	81.8	79.8	81.1	83.0	82.6	81.4	80.4	78.1	80.9	81.7	81.8	81.5	82.1	79.3	80.9	83.5	83.9	84.0	81.6	78.5			
42.9	42.1	41.4	40.7	40.8	40.7	40.2	39.4	38.5	38.3	38.1	37.7	37.4	34.6	34.5	34.5	34.7	34.9	34.5	34.3	34.2			
4.6	4.5	4.4	4.4	4.4	4.4	4.3	4.2	4.1	4.1	4.1	4.0	4.0	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7			
8.9	7.8	8.4	8.2	6.6	13.0	10.9	8.8	7.8	10.0	7.6	9.6	9.4	9.2	8.7	7.6	6.5	12.3	11.9	12.6	12.8			

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2009	2010	2011	2009					2010				2011				2009				2010
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	9	10	11	12	1
<b>GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %</b>																					
Activity - Total	3.4	3.9	2.0	1.7	3.7	4.3	4.2	3.3	3.1	2.0	1.7	1.1	2.4	1.7	1.3	2.1	2.2				
A Agriculture, forestry and fishing	-0.2	5.8	3.1	-2.9	3.3	5.2	7.4	6.9	7.1	4.2	1.1	0.4	-0.7	-5.5	-0.9	-2.5	1.1				
B Mining and quarrying	0.9	4.0	3.8	-4.9	3.4	4.7	1.9	6.0	3.6	0.3	5.8	5.9	-3.5	-20.3	16.1	-8.7	2.0				
C Manufacturing	0.8	9.0	3.9	3.7	10.1	10.0	8.7	6.8	5.4	3.6	3.5	3.1	1.6	1.9	4.6	4.3	6.7				
D Electricity, gas, steam and air conditioning supply	3.8	3.7	2.3	-3.2	4.7	2.4	3.6	4.4	1.6	5.2	3.5	-0.5	6.7	-10.4	-8.6	12.1	3.5				
E Water supply sewerage, waste management and remediation activities	2.0	2.2	-0.1	0.1	2.7	3.0	2.0	1.3	-0.1	1.5	1.1	-2.7	0.9	-3.3	2.1	1.1	0.0				
F Construction	1.0	4.4	2.0	0.9	2.9	5.8	4.1	5.2	5.5	1.5	0.3	0.5	1.4	-1.4	1.1	2.9	1.0				
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.9	3.7	2.8	0.1	2.6	4.1	4.3	3.9	3.2	2.6	2.3	3.0	0.6	0.4	-0.8	0.6	0.3				
H Transportation and storage	0.7	2.0	2.7	-1.4	1.1	1.2	2.5	3.1	2.3	3.0	3.9	1.6	4.4	-1.0	-3.3	0.5	-1.5				
I Accommodation and food service activities	1.6	4.0	2.1	1.0	2.8	4.2	4.5	4.5	4.7	2.4	2.0	-0.6	-0.2	-0.3	3.2	0.0	2.2				
J Information and communication	1.4	2.6	0.9	-1.6	1.0	2.5	3.4	3.5	1.0	1.2	1.8	-0.2	0.0	0.7	-3.6	-1.6	0.0				
K Financial and insurance activities	-0.7	1.0	0.6	-0.5	1.2	3.2	2.6	-2.6	2.3	2.4	0.8	-2.4	-1.7	6.3	-1.8	-5.1	1.0				
L Real estate activities	1.9	3.0	2.9	4.5	2.6	5.3	2.9	1.0	4.1	2.9	3.4	1.6	2.0	4.2	5.3	4.0	1.8				
M Professional, scientific and technical activities	2.1	1.6	-0.4	0.0	1.6	1.8	2.3	0.7	0.4	0.2	-0.6	-1.6	1.3	0.4	0.6	-0.9	1.0				
N Administrative and support service activities	1.8	4.1	3.5	-0.6	2.5	4.3	4.6	4.8	4.3	3.2	3.9	2.7	-0.4	-1.0	-1.8	1.1	-1.2				
O Public administration and defence, compulsory social security	5.9	-0.6	0.3	0.5	-1.9	-1.1	0.4	0.3	1.2	0.6	-0.1	-0.4	2.6	1.1	-2.0	2.4	-1.1				
P Education	3.6	0.6	0.2	0.6	0.2	0.7	1.0	0.6	0.7	-0.1	-0.3	0.4	2.6	1.8	0.0	-0.1	0.5				
Q Human health and social work activities	12.0	-0.3	-0.7	1.4	-0.4	-1.0	0.3	-0.3	-0.9	-0.8	-0.5	-0.5	1.7	2.4	0.8	1.0	-1.6				
R Arts, entertainment and recreation	3.9	0.5	-0.7	0.9	0.7	1.4	1.2	-1.2	-0.2	-1.2	-1.0	-0.3	1.1	3.2	-0.5	-0.1	0.5				
S Other service activities	1.3	4.2	0.9	0.0	3.2	4.9	5.5	3.3	2.7	1.5	0.6	-1.1	0.3	-0.4	-0.4	0.6	3.4				
<b>INDICATORS OF OVERALL COMPETITIVENESS, y-o-y growth rates, %</b>																					
Effective exchange rate, <sup>1</sup> nominal	0.4	-1.7	-0.1	1.8	-0.3	-1.9	-2.3	-2.2	-1.3	0.6	0.6	-0.1	0.9	2.2	2.3	0.9	0.4				
Real (relative consumer prices)	0.7	-1.4	-0.9	2.3	-0.3	-1.4	-1.7	-2.3	-1.9	-0.3	-0.9	-0.4	0.9	2.1	3.3	1.5	0.5				
Real (relative producer prices) <sup>2</sup>	2.9	-2.8	-1.3	1.4	-2.4	-3.3	-2.9	-2.8	-2.1	-0.7	-1.0	-1.1	3.8	3.9	1.6	-1.0	-1.9				
USD/EUR	1.393	1.327	1.392	1.478	1.384	1.273	1.291	1.359	1.367	1.439	1.413	1.348	1.456	1.482	1.491	1.461	1.427				
Sources of data: SORS, AP, BS, ECB, OECD Main Economic Indicators; calculations by IMAD. Notes: <sup>1</sup> Relative to 17 trading partners; weights are the shares of individual trading partners in Slovenian exports and imports of goods within manufacturing (5–8 SITC) in 2001–2003; exports are double weighted; a rise in the index value indicates an appreciation of domestic currency and vice versa. <sup>2</sup> Industrial producer prices in manufacturing activities.																					

2010												2011											
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	
3.6	5.2	4.2	4.2	4.4	4.0	5.1	3.6	2.7	4.1	3.1	3.3	4.3	1.7	1.4	2.8	2.0	1.3	2.5	1.4	1.5	1.1	0.8	
3.0	5.7	5.6	4.3	5.6	7.1	8.6	6.6	5.6	5.9	9.3	7.7	8.0	5.7	2.5	6.8	3.4	-1.5	3.8	1.1	0.2	4.1	-3.5	
3.5	4.7	1.4	14.0	-0.8	0.8	1.8	3.1	-0.4	0.8	18.6	3.4	0.4	6.8	9.0	-5.8	-1.4	6.4	4.3	6.6	9.7	2.2	6.8	
8.3	15.2	10.7	10.1	9.4	8.1	11.0	7.0	5.1	8.3	6.8	5.6	10.1	1.0	1.9	5.2	3.8	1.8	5.2	3.4	2.8	4.6	1.8	
6.6	4.3	3.3	0.8	3.0	1.6	6.5	2.7	-3.4	13.0	1.6	-0.2	1.2	3.7	1.6	7.2	6.8	3.6	4.7	2.2	3.7	-8.1	5.6	
3.0	5.1	3.5	3.6	2.0	1.6	2.9	1.5	-1.2	3.3	1.5	-0.2	0.1	-0.2	-1.1	3.4	2.3	-1.2	3.3	1.1	2.2	-7.5	-1.3	
2.9	4.6	7.2	5.8	4.5	2.1	6.5	3.8	5.6	5.6	4.4	6.1	6.4	4.2	-0.5	1.6	3.4	-0.9	0.9	0.8	-0.5	2.3	-0.5	
2.4	5.2	4.2	4.0	4.1	4.0	4.5	4.3	4.2	4.5	2.9	3.8	4.3	1.5	2.2	2.4	3.3	2.0	3.2	1.7	2.4	4.3	2.4	
1.8	3.2	1.5	1.6	0.5	1.8	3.4	2.3	2.6	4.0	2.7	2.7	3.4	0.8	1.5	2.0	5.4	9.6	4.0	-1.5	3.5	0.8	0.8	
1.8	4.4	3.7	4.2	4.6	4.0	4.1	5.5	5.1	4.1	4.3	5.1	5.6	3.5	2.8	1.7	2.6	1.3	3.3	1.6	0.6	-1.9	-0.3	
1.6	1.5	2.3	3.1	2.1	2.9	4.3	3.1	1.1	5.9	3.3	2.1	1.4	-0.6	1.2	1.7	0.5	-0.3	2.5	3.1	1.2	-0.4	-1.3	
1.6	1.1	2.5	-0.6	7.6	5.0	1.2	1.5	-4.1	-4.6	1.4	5.2	1.6	0.3	2.6	9.0	-4.0	-1.7	3.2	0.9	-0.6	-6.2	0.5	
3.3	2.7	3.7	3.9	8.4	4.1	3.1	1.5	0.8	2.3	-0.4	3.0	2.9	6.5	2.2	4.4	2.3	2.0	4.7	3.4	1.7	1.0	2	
1.7	2.0	1.8	1.5	2.1	1.7	3.9	1.3	-0.2	1.4	0.8	1.0	0.2	0.0	0.0	0.9	-0.3	-1.2	0.2	-0.9	0.5	-2.9	-2.3	
4.1	4.7	5.1	4.1	3.9	3.8	5.3	4.6	5.5	5.7	3.1	5.3	4.5	3.0	2.9	2.8	3.8	3.5	3.1	5.2	2.4	3.2	2.5	
-1.5	-3.0	-2.1	-0.6	-0.5	0.9	-0.1	0.3	1.3	0.6	-0.9	0.5	1.0	2.2	0.6	0.7	0.6	0.2	0.1	-0.6	-1.3	0.2	-0.1	
0.5	-0.4	0.2	1.0	1.0	0.7	1.2	1.2	0.6	1.2	0.1	0.6	0.8	0.8	0.3	-0.2	-0.3	-0.4	-0.5	0.1	1.0	-0.4	0.5	
1.2	-0.6	-2.3	-0.2	-0.4	0.7	0.2	0.0	0.3	0.0	-1.2	-1.4	-0.7	-0.5	-0.9	-0.8	-0.6	-0.1	-1.0	-0.5	-0.5	-0.4	-0.5	
0.6	1.0	2.1	1.3	0.7	0.9	1.1	1.5	-2.2	0.0	-1.5	-0.6	-0.3	0.3	-1.6	-2.1	0.1	-0.2	-1.2	-1.4	1.6	-1.6	-0.8	
2.2	4.1	6.1	3.9	4.7	6.0	5.9	4.5	5.4	3.7	1.0	2.5	3.8	1.7	0.0	2.4	2.0	-1.0	1.6	1.1	0.0	-1.6	-1.8	
-0.3	-1.1	-1.1	-1.9	-2.7	-2.1	-2.3	-2.5	-2.0	-2.2	-2.5	-2.1	-1.2	-0.6	0.1	0.5	1.1	0.6	0.7	0.5	-0.3	0.0	0.0	
-0.1	-1.1	-0.4	-1.4	-2.2	-1.6	-1.4	-2.0	-1.8	-2.5	-2.5	-2.4	-2.1	-1.1	-0.8	0.0	-0.2	-1.1	-1.1	-0.3	-0.4	-0.1	-0.6	
-2.1	-3.2	-3.8	-2.9	-3.2	-2.9	-2.5	-3.2	-2.8	-2.4	-3.2	-2.7	-1.9	-1.6	-0.7	-1.1	-0.2	-1.1	-0.7	-1.1	-1.9	-1.7	-1.0	
1.369	1.357	1.341	1.257	1.221	1.277	1.2894	1.3067	1.390	1.366	1.322	1.336	1.365	1.400	1.444	1.435	1.439	1.426	1.434	1.377	1.371	1.356	1.318	

PRICES	2009	2010	2011	2009					2010				2011				2009		2010		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	11	12	1	2	3
<b>CPI, y-o-y growth rates, %</b>	0.9	1.8	1.8	1.1	1.4	2.1	2.1	1.7	1.7	1.7	1.3	2.5	1.6	1.8	1.5	1.3	1.4				
Food, non-alcoholic beverages	0.6	1.0	4.4	-1.0	-1.4	0.7	2.6	2.0	3.9	5.0	3.7	5.1	-0.8	-1.1	-2.4	-1.2	-0.7				
Alcoholic beverages, tobacco	6.7	7.2	5.7	7.9	7.1	6.5	7.3	8.1	8.1	6.3	3.7	4.9	8.1	8.0	7.9	7.6	5.9				
Clothing and footwear	-0.6	-1.9	-1.6	-3.0	-5.0	-1.9	-0.6	-0.4	-0.7	-2.4	-4.2	0.9	-2.8	-3.4	-5.9	-5.7	-3.6				
Housing, water, electricity, gas	-0.3	10.2	5.6	3.0	8.3	11.3	12.0	9.0	6.8	5.4	4.8	5.4	4.5	6.3	7.6	8.4	8.9				
Furnishings, household equipment	4.0	1.4	2.7	1.9	1.3	0.8	1.3	2.1	2.7	3.9	2.4	1.7	2.2	1.5	1.8	1.6	0.6				
Medical, pharmaceutical products	4.0	2.1	1.6	0.7	-0.6	0.6	4.0	4.6	2.9	2.6	0.8	0.3	1.3	0.3	-0.3	-0.7	-0.7				
Transport	-3.0	-0.3	1.0	0.6	1.2	-0.1	-1.8	-0.5	0.8	0.5	1.1	1.7	1.9	2.9	2.3	0.5	0.9				
Communications	-4.1	1.4	1.2	-3.2	0.0	1.4	1.3	2.8	2.7	1.6	2.3	-1.8	-4.0	-1.9	-0.6	0.2	0.4				
Recreation and culture	3.0	0.4	-1.5	2.5	1.2	0.4	-0.2	0.1	-2.6	-1.0	-1.7	-0.8	2.7	1.7	1.7	1.0	0.8				
Education	3.4	1.6	1.7	2.7	2.0	1.9	1.6	0.8	1.7	1.6	1.9	1.4	2.6	2.6	2.4	1.8	1.8				
Catering services	4.4	-2.5	-6.8	2.7	1.9	1.9	-2.9	-11.0	-11.0	-10.9	-6.2	2.0	2.3	2.6	2.0	1.8	2.0				
Miscellaneous goods & services	3.8	1.4	2.2	3.9	2.3	2.0	0.5	0.7	1.4	2.3	2.4	2.6	4.1	3.6	3.3	2.3	1.3				
HCPI	0.9	2.1	2.1	1.4	1.7	2.4	2.3	2.0	2.2	2.0	1.5	2.6	1.8	2.1	1.8	1.6	1.8				
Core inflation (excluding fresh food and energy)	1.9	0.3	1.3	0.7	0.0	0.4	0.4	0.4	0.5	1.1	1.2	2.3	1.0	0.3	0.1	-0.1	0.0				
<b>PRODUCER PRICE INDICES, y-o-y growth rates, %</b>																					
Total	-1.3	2.1	4.5	-1.8	-1.0	2.3	3.4	3.8	5.7	4.8	4.1	3.6	-1.9	-1.2	-1.4	-1.2	-0.2				
Domestic market	-0.4	2.0	3.8	-1.1	0.2	2.0	2.8	3.2	4.5	4.1	3.7	2.9	-1.1	-0.7	-0.1	0.1	0.5				
Non-domestic market	-2.2	2.2	5.3	-2.5	-2.1	2.6	4.0	4.4	6.9	5.5	4.6	4.4	-2.6	-1.7	-2.8	-2.5	-0.9				
euro area	-3.5	2.2	6.1	-3.0	-2.4	2.5	4.0	4.8	8.2	6.5	5.1	4.6	-2.8	-2.3	-3.0	-3.1	-1.0				
non-euro area	0.3	2.1	3.6	-1.6	-1.6	2.7	3.8	3.5	4.0	3.1	3.5	3.8	-2.3	-0.6	-2.4	-1.5	-0.8				
Import price indices	-3.3	7.4	5.4	-1.8	4.0	8.8	7.8	8.9	8.9	5.5	4.5	2.9	-2.1	0.4	3.3	3.2	5.4				
<b>PRICE CONTROL,<sup>1</sup> y-o-y growth rates, %</b>																					
Energy prices	-12.3	16.5	10.9	0.4	16.1	18.8	15.9	15.3	15.1	9.9	8.3	10.8	3.8	13.0	16.9	13.9	17.5				
Oil products	-12.0	17.3	11.9	6.2	21.9	20.3	13.5	14.6	15.7	10.5	9.9	11.7	10.3	21.9	24.4	18.6	22.8				
Transport & communications	0.6	1.8	1.1	2.5	2.5	2.7	1.1	1.1	1.1	1.1	1.1	1.1	2.5	2.5	2.5	2.5	2.7				
Other controlled prices	4.9	1.3	0.0	4.9	4.9	0.4	0.1	0.1	0.1	0.1	0.0	-0.2	4.9	4.9	4.9	4.9	4.9				
Direct control – total	-6.9	14.2	2.8	2.9	14.1	16.1	14.4	12.2	7.2	1.5	0.5	2.1	6.0	11.8	14.6	12.6	15.2				

Source of data: SORS, calculations and estimates IMAD.

Note: <sup>1</sup>The structure of groups varies, data published are not directly comparable to those published previously. The electricity market was liberalized on 1 July 2007. Data from July 2007 onwards are not comparable. Since July 2009, formation of prices for utility services is no longer under government control.

2010										2011												2012
4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	
2.3	2.1	1.9	2.1	2.3	2.0	1.9	1.4	1.9	1.8	1.4	1.9	1.7	2.2	1.3	0.9	0.9	2.1	2.7	2.7	2.0	2.3	
-0.1	0.4	1.7	2.8	2.9	2.2	1.9	1.9	2.2	3.7	4.1	3.9	4.2	6.3	4.6	2.9	3.8	4.4	5.6	4.8	4.9	3.9	
9.9	5.1	4.5	5.2	8.2	8.5	8.2	8.0	8.1	7.8	8.3	8.3	6.3	6.4	6.2	5.4	2.8	3.0	4.8	4.9	4.9	4.1	
-0.9	-2.4	-2.3	-2.1	-1.7	1.9	-1.1	0.0	-0.1	0.1	-0.1	-2.1	-2.8	-1.5	-3.0	-4.2	-4.9	-3.4	2.0	2.1	-1.5	-2.2	
10.7	11.6	11.7	12.4	12.3	11.4	11.7	7.1	8.3	7.4	6.6	6.5	6.3	5.9	3.9	4.4	4.9	5.1	5.5	5.7	5.0	4.7	
1.0	0.7	0.8	0.5	1.3	2.2	2.0	1.8	2.6	2.4	2.5	3.3	3.5	4.2	3.9	3.5	1.7	2.1	1.8	2.0	1.4	1.3	
0.7	0.5	0.5	2.8	4.0	5.2	5.1	4.4	4.3	3.2	3.0	2.6	2.5	2.6	2.8	1.0	0.8	0.5	0.5	0.2	0.0	-0.3	
0.8	0.4	-1.5	-1.2	-2.0	-2.1	-0.6	-1.2	0.3	0.7	1.0	0.7	0.4	0.7	0.4	0.1	1.1	2.0	1.9	1.9	1.4	2.0	
1.0	1.5	1.6	-0.3	0.7	3.5	2.5	2.8	3.2	1.4	3.3	3.3	2.3	1.9	0.5	3.4	2.5	0.9	-1.8	-0.3	-3.3	-0.1	
0.9	0.6	-0.2	-0.6	-0.3	0.3	0.1	-0.1	0.4	-0.9	-6.5	-0.4	-0.5	-1.1	-1.3	-1.8	-2.0	-1.2	-0.3	-0.9	-1.2	0.8	
1.8	1.9	1.9	1.9	1.9	0.9	0.4	1.3	0.7	1.7	1.8	1.7	1.7	1.6	1.6	1.6	1.6	2.5	1.8	0.9	1.6	1.0	
1.9	2.1	1.7	1.3	1.2	-11.2	-10.9	-11.0	-11.1	-11.1	-11.1	-10.9	-11.2	-10.9	-10.5	-10.2	-9.8	2.7	2.0	2.0	2.2	2.5	
1.8	2.1	2.0	0.7	0.4	0.4	0.9	0.6	0.6	0.8	1.2	2.3	2.5	2.4	2.2	2.2	2.3	2.7	2.4	2.5	2.8	2.9	
2.7	2.4	2.1	2.3	2.4	2.1	2.1	1.6	2.2	2.3	2.0	2.4	2.0	2.4	1.6	1.1	1.2	2.3	2.9	2.8	2.1	2.3	
0.6	0.4	0.2	0.2	0.5	0.6	0.5	0.2	0.6	0.4	0.2	1.0	1.0	1.3	1.1	1.0	0.8	1.9	2.3	2.5	2.1	4.6	
1.0	2.9	3.0	3.4	3.5	3.2	3.5	3.8	4.2	5.2	5.9	6.0	5.7	4.2	4.4	4.1	4.2	4.1	3.7	3.6	3.6	2.4	
0.7	2.6	2.6	2.7	2.9	2.8	3.1	3.2	3.5	4.0	4.8	4.8	5.0	3.6	3.7	3.7	3.8	3.6	3.1	2.9	2.6	1.9	
1.3	3.2	3.3	4.2	4.1	3.6	3.9	4.5	4.9	6.4	7.1	7.2	6.4	4.9	5.1	4.6	4.6	4.6	4.3	4.3	4.5	3.0	
1.3	3.2	3.1	4.5	4.1	3.4	4.1	4.8	5.6	7.5	8.6	8.6	7.9	5.8	5.8	4.8	5.2	5.2	4.4	4.7	4.7	2.8	
1.4	3.2	3.6	3.4	4.1	4.0	3.2	3.6	3.6	4.0	3.6	4.2	3.0	2.8	3.6	4.1	3.2	3.2	4.1	3.5	4.0	3.5	
8.3	9.4	8.7	7.6	7.9	7.7	7.6	8.9	10.3	10.4	8.5	7.9	6.3	5.4	5.0	4.5	4.8	4.3	4.1	3.0	1.8	-	
20.1	20.5	15.8	17.4	15.6	14.6	18.2	12.2	15.7	15.5	15.6	14.3	12.0	9.7	7.9	6.3	9.1	9.6	10.8	9.6	10.8	11.9	
22.7	22.8	15.6	15.2	13.2	12.1	16.6	11.6	15.6	15.8	16.3	15.2	12.7	10.2	8.7	7.7	10.8	11.3	12.3	11.3	12.3	12.7	
2.7	2.7	2.7	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	
1.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.2	0.0	-0.2	-0.2	
16.7	17.2	14.4	15.5	14.3	13.5	15.9	9.2	11.8	11.8	5.4	4.5	3.0	1.5	0.1	-1.0	1.1	1.4	2.2	1.4	2.2	2.9	

BALANCE OF PAYMENTS	2009	2010	2011	2009	2010				2011				2009	2010		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	12	1	2	3
<b>BALANCE OF PAYMENTS, in EUR m</b>																
Current account	-456	-297	-168	-10	-4	-118	-84	-91	-56	61	-74	-100	-72	30	-112	78
Goods <sup>1</sup>	-703	-1,205	-1,297	-287	-190	-273	-234	-508	-309	-273	-301	-413	-158	-25	-121	-44
Exports	16,167	18,386	20,675	4,219	4,205	4,695	4,640	4,847	5,020	5,341	5,117	5,197	1,248	1,228	1,328	1,649
Imports	16,870	19,591	21,971	4,506	4,394	4,968	4,874	5,355	5,328	5,615	5,418	5,610	1,406	1,253	1,448	1,693
Services	1,165	1,308	1,617	303	291	356	346	315	354	443	419	401	78	99	84	107
Exports	4,347	4,633	4,992	1,104	981	1,129	1,348	1,176	1,086	1,226	1,438	1,243	387	315	302	363
Imports	3,182	3,325	3,376	800	690	773	1,001	861	732	783	1,019	842	308	216	218	256
Income	-766	-507	-643	-107	-51	-158	-202	-95	-147	-140	-191	-164	-62	-17	-24	-11
Receipts	666	682	900	221	135	194	168	185	212	237	218	232	70	42	40	53
Expenditure	1,432	1,188	1,542	328	186	353	370	280	360	377	409	396	132	59	64	64
Current transfers	-152	106	154	81	-53	-43	6	196	47	32	-1	77	70	-27	-52	26
Receipts	966	1,218	1,335	377	263	220	274	461	374	316	308	337	167	65	85	113
Expenditure	1,118	1,112	1,181	296	317	263	268	265	328	284	309	260	97	93	136	87
Capital and financial account	154	319	-414	80	-19	253	190	-106	81	-294	-159	-43	54	5	35	-59
Capital account	-9	8	-102	-42	46	3	16	-56	-7	-6	-7	-82	-67	-7	-2	55
Financial account	164	311	-312	121	-65	251	174	-50	88	-289	-151	39	121	12	37	-114
Direct investment	-644	334	794	-86	-132	74	57	335	68	250	212	265	25	-37	-72	-23
Domestic abroad	-174	60	8	-20	-51	59	19	32	-6	36	55	-77	-26	16	-54	-14
Foreign in Slovenia	-470	274	786	-66	-81	15	37	303	73	214	157	342	51	-54	-18	-9
Portfolio investment	4,628	1,947	1,891	310	1,106	508	-54	388	2,591	-314	-419	34	394	1,357	-446	195
Financial derivatives	-2	-117	-137	-2	-22	-65	-14	-15	-80	-15	-24	-19	-7	-2	-2	-19
Other investment	-3,985	-1,872	-2,933	-120	-1,077	-216	167	-746	-2,499	-222	48	-260	-292	-1,356	550	-271
Assets	-277	683	-1,734	105	241	-594	531	504	-1,570	-208	-414	458	295	172	44	25
Commercial credits	416	-174	-139	226	-223	-213	30	232	-320	-89	46	225	327	0	-42	-182
Loans	-1	164	-50	46	-348	510	20	-18	-101	-21	50	23	13	-24	19	-343
Currency and deposits	-613	609	-1,504	-68	815	-885	387	292	-1,154	-99	-477	227	59	203	62	551
Other assets	-80	84	-42	-99	-2	-6	94	-2	6	2	-33	-17	-104	-6	5	-1
Liabilities	-3,708	-2,555	-1,199	-226	-1,319	378	-364	-1,250	-930	-14	462	-718	-587	-1,528	506	-296
Commercial credits	-452	364	172	-75	91	262	-63	73	200	-15	-88	75	-246	-89	69	112
Loans	-2,911	-974	-1,204	-973	-403	-189	-8	-373	-385	-297	209	-731	-846	-39	-18	-346
Deposits	-318	-1,934	-169	822	-1,079	358	-305	-909	-787	334	340	-57	500	-1,394	448	-133
Other liabilities	-27	-11	2	0	72	-54	12	-42	42	-36	1	-5	5	-6	6	72
International reserves <sup>2</sup>	167	19	72	20	62	-50	18	-11	9	12	33	19	1	51	7	4
Statistical error	302	-21	582	-70	22	-135	-106	197	-26	233	232	142	18	-35	77	-20
<b>EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m</b>																
Export of investment goods	1,783	1,811	N/A	473	403	456	442	510	440	506	496	N/A	151	116	120	167
Intermediate goods	8,090	9,951	N/A	2,093	2,235	2,542	2,544	2,630	2,841	3,043	2,982	N/A	581	657	725	853
Consumer goods	6,144	6,481	N/A	1,620	1,533	1,663	1,620	1,664	1,699	1,739	1,584	N/A	502	445	473	615
Import of investment goods	2,288	2,293	N/A	633	450	612	570	661	555	611	587	N/A	207	122	149	180
Intermediate goods	9,823	12,117	N/A	2,649	2,711	3,064	3,032	3,311	3,437	3,513	3,433	N/A	799	794	906	1,010
Consumer goods	5,004	5,470	N/A	1,292	1,290	1,355	1,351	1,475	1,380	1,512	1,479	N/A	413	362	395	533

Sources of data: BS, SORS.

Notes: <sup>1</sup>Exports and imports (F.O.B.) include also the adjustment for exports and imports of goods by ITRS and duty-free shops reports. <sup>2</sup>Reserve assets of the BS.



2010												2011											
4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12			
-27	-87	-5	-21	-58	-6	-41	-57	7	-6	-95	46	39	-83	106	49	-120	-2	15	0	-115			
-99	-147	-27	-45	-122	-68	-155	-151	-202	-72	-117	-120	-96	-177	0	-8	-172	-121	-81	-94	-238			
1,468	1,566	1,661	1,604	1,306	1,729	1,656	1,700	1,491	1,534	1,602	1,884	1,694	1,835	1,813	1,735	1,490	1,892	1,772	1,862	1,562			
1,567	1,713	1,688	1,649	1,428	1,797	1,811	1,850	1,693	1,606	1,719	2,004	1,790	2,013	1,812	1,743	1,662	2,013	1,853	1,956	1,801			
119	125	113	88	115	143	132	87	97	123	94	136	163	136	144	99	143	178	160	131	110			
373	370	386	462	448	437	394	356	426	353	327	406	414	393	419	478	480	480	428	387	429			
254	245	274	374	333	295	262	269	330	230	233	269	252	256	275	380	337	302	267	256	319			
-28	-39	-91	-90	-57	-56	-28	-36	-31	-55	-55	-37	-53	-41	-46	-60	-66	-65	-58	-55	-50			
58	72	64	65	52	51	54	52	80	61	63	88	70	85	82	77	69	72	75	75	82			
85	112	156	155	108	106	81	88	110	117	118	125	123	126	128	136	136	137	134	130	132			
-18	-25	0	25	6	-25	9	43	144	-2	-17	66	26	-1	7	18	-25	6	-6	19	64			
57	83	80	117	89	68	103	125	234	84	129	161	114	104	98	116	70	122	85	103	149			
75	108	80	92	83	93	93	82	90	86	147	95	88	105	91	98	95	116	91	84	85			
88	5	160	142	-40	88	59	-236	71	-149	57	174	9	20	-324	-10	-50	-99	-335	0	293			
2	-3	4	-8	-4	27	3	4	-63	-9	1	1	-2	0	-4	-7	-4	3	-2	9	-89			
86	8	157	149	-36	61	56	-240	134	-140	55	173	11	20	-320	-3	-46	-102	-333	-9	382			
-26	19	81	89	36	-68	74	213	47	-82	-12	162	98	97	55	17	74	121	-41	-47	353			
-11	29	41	8	25	-14	-8	36	5	-56	22	29	-7	7	36	-57	42	70	-56	-4	-17			
-15	-11	41	80	11	-54	82	178	43	-26	-34	133	105	90	19	74	32	51	15	-43	370			
609	-202	100	78	-29	-103	68	182	138	1,136	-207	1,661	-361	271	-224	72	-48	-444	144	-102	-9			
-11	-21	-33	-5	-4	-5	-8	-4	-4	-29	-31	-20	-5	-5	-5	-4	-4	-16	-2	-8	-8			
-518	272	31	-9	-34	211	-97	-615	-34	-1,175	287	-1,612	265	-343	-144	-76	-84	208	-419	104	56			
-24	-631	61	697	-203	37	-168	-624	1,296	-1,057	337	-850	60	-99	-169	-518	-42	146	-361	283	536			
-37	-88	-87	-6	195	-158	-102	-68	402	-217	29	-132	-83	30	-36	-40	200	-114	-134	40	319			
415	25	70	127	18	-124	-33	-3	18	-51	4	-54	14	-16	-19	-19	27	42	-48	22	48			
-409	-554	78	568	-488	308	-20	-547	858	-779	311	-685	119	-110	-108	-445	-250	218	-188	217	197			
7	-13	0	9	73	12	-13	-5	17	-9	-7	22	11	-3	-6	-14	-19	0	9	3	-29			
-494	902	-30	-705	168	173	71	8	-1,330	-118	-49	-762	206	-244	25	442	-42	62	-58	-179	-480			
54	127	82	-30	-182	149	135	61	-123	-42	60	181	142	8	-165	-10	-263	185	-22	144	-47			
-279	328	-238	-40	-21	53	-240	242	-375	-109	-86	-189	-213	-226	142	243	-41	7	-201	-431	-99			
-206	455	109	-607	348	-46	180	-288	-801	3	-8	-781	274	-26	86	202	237	-99	158	103	-319			
-63	-8	17	-28	23	17	-5	-7	-30	30	-15	27	2	0	-38	7	25	-31	7	4	-16			
32	-60	-23	-3	-4	25	19	-16	-13	10	17	-18	13	1	-2	-12	15	29	-15	44	-10			
-62	82	-155	-121	97	-82	-18	293	-79	155	39	-219	-48	63	218	-39	171	101	320	0	-177			
142	155	158	159	125	159	164	170	176	126	141	173	153	179	174	173	152	170	167	175	N/A			
803	856	883	878	713	952	920	927	783	888	904	1,050	977	1,043	1,023	998	894	1,090	1,009	1,046	N/A			
513	543	607	554	458	607	558	591	515	509	544	646	548	594	597	545	426	612	578	619	N/A			
213	218	180	179	148	243	188	226	247	148	173	234	183	225	204	204	165	218	201	218	N/A			
956	1,068	1,040	1,039	888	1,106	1,153	1,128	1,030	1,032	1,106	1,299	1,129	1,239	1,145	1,107	1,057	1,269	1,184	1,217	N/A			
430	462	463	452	420	479	496	536	443	422	452	506	471	554	487	468	466	545	496	526	N/A			

MONETARY INDICATORS AND INTEREST RATES	2009	2010	2011	2009				2010						
				9	10	11	12	1	2	3	4	5	6	7
<b>SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Claims of the BS on central government	160	138	102	166	161	161	160	176	177	140	140	142	141	140
Central government (S. 1311)	3,497	3,419	4,300	3,610	3,625	3,581	3,497	3,334	3,382	2,884	2,897	3,001	3,120	3,130
Other government (S. 1312, 1313, 1314)	376	526	584	281	305	336	376	390	395	390	392	395	401	415
Households (S. 14, 15)	8,413	9,282	9,454	8,231	8,295	8,345	8,413	8,452	8,480	8,601	8,647	8,701	8,897	8,928
Non-financial corporations (S. 11)	21,704	21,646	20,871	21,704	21,688	21,645	21,704	21,792	21,896	21,950	22,062	21,997	22,015	22,024
Non-monetary financial institutions (S. 123, 124, 125)	2,680	2,497	2,226	2,846	2,846	2,772	2,680	2,684	2,669	2,620	2,606	2,558	2,525	2,524
Monetary financial institutions (S. 121, 122)	5,302	5,811	5,455	4,723	4,563	4,589	5,302	6,141	5,093	5,057	5,555	5,638	6,120	5,445
<b>Claims on domestic sectors, TOTAL</b>														
In domestic currency	34,731	35,994	35,692	34,045	33,922	33,962	34,731	35,678	34,817	34,893	35,430	35,620	35,929	35,495
In foreign currency	1,895	1,843	1,536	1,969	1,939	1,919	1,895	1,904	1,894	1,887	1,859	1,852	1,915	1,860
Securities, total	5,345	5,345	5,660	5,380	5,460	5,386	5,345	5,211	5,204	4,723	4,871	4,819	5,234	5,112
<b>SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Deposits in domestic currency, total	27,965	26,767	28,420	26,950	26,861	26,932	27,965	28,953	28,198	27,716	27,949	28,085	27,929	27,079
Overnight	7,200	8,155	8,245	7,079	6,940	7,028	7,200	7,949	7,139	7,396	7,351	7,732	7,976	7,936
With agreed maturity – short-term	10,408	8,193	7,868	11,332	11,109	10,917	10,408	10,385	10,137	9,233	9,006	8,674	8,377	8,574
With agreed maturity – long-term	9,788	10,337	12,248	8,000	8,257	8,396	9,788	10,042	10,390	10,583	11,067	11,196	11,401	10,413
Short-term deposits redeemable at notice	569	82	59	539	555	591	569	577	532	504	525	483	175	156
Deposits in foreign currency, total	434	463	579	463	458	453	434	426	438	436	450	496	705	462
Overnight	238	285	386	244	242	261	238	240	241	250	270	299	513	280
With agreed maturity – short-term	141	121	133	171	169	142	141	133	137	127	121	130	129	122
With agreed maturity – long-term	45	55	59	43	42	43	45	48	52	55	55	59	61	58
Short-term deposits redeemable at notice	10	2	1	5	5	7	10	5	8	4	4	8	2	2
<b>INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %</b>														
<b>New deposits in domestic currency</b>														
<b>Households</b>														
Overnight deposits	0.28	0.21	0.22	0.23	0.23	0.23	0.23	0.22	0.22	0.22	0.22	0.21	0.22	0.19
Time deposits with maturity of up to one year	2.51	1.81	2.15	2.14	2.04	1.97	2.00	1.91	1.75	1.69	1.66	1.72	1.83	1.87
<b>New loans to households in domestic currency</b>														
Housing loans, 5-10 year fixed interest rate	6.43	5.53	5.46	6.64	6.74	5.00	6.28	6.11	6.08	5.33	5.80	5.38	5.42	5.12
<b>New loans to non-financial corporations in domestic currency</b>														
Loan over EUR 1 million, 1-5 year fixed interest rate	6.28	5.76	5.72	6.66	6.47	5.94	6.06	6.15	6.31	5.64	5.98	6.03	5.61	5.40
<b>INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %</b>														
Main refinancing operations	1.23	1.00	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>INTERBANK INTEREST RATES</b>														
<b>EURIBOR</b>														
3-month rates	1.23	0.81	1.39	0.77	0.74	0.72	0.71	0.68	0.66	0.64	0.64	0.69	0.73	0.85
6-month rates	1.44	1.08	1.64	1.04	1.02	0.99	1.00	0.98	0.97	0.95	0.96	0.98	1.01	1.10
<b>LIBOR CHF</b>														
3-month rates	0.37	0.19	0.12	0.30	0.27	0.25	0.25	0.25	0.25	0.25	0.24	0.19	0.10	0.13
6-month rates	0.50	0.27	0.18	0.45	0.41	0.39	0.36	0.35	0.34	0.33	0.33	0.33	0.28	0.20
Sources of data: BS, BBA - British Bankers' Association.														

2010					2011												2012	
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	
142	140	139	139	138	132	101	99	76	76	76	76	76	77	76	83	102	111	
3,326	3,422	3,447	3,453	3,419	3,332	3,326	3,409	3,319	3,327	3,282	3,276	3,328	3,355	3,387	3,436	4,300	4,466	
421	417	434	497	526	538	536	541	532	530	533	534	536	535	541	554	584	588	
9,062	9,119	9,149	9,225	9,282	9,226	9,233	9,276	9,304	9,383	9,425	9,507	9,490	9,468	9,481	9,467	9,454	9,421	
21,815	21,862	21,848	21,790	21,646	21,793	21,775	21,772	21,782	21,714	21,725	21,656	21,537	21,369	21,444	21,434	20,871	20,970	
2,502	2,488	2,496	2,497	2,497	2,454	2,402	2,372	2,350	2,341	2,325	2,323	2,292	2,298	2,286	2,277	2,226	2,207	
5,315	5,399	5,079	5,688	5,811	5,674	5,740	6,504	5,179	5,275	5,259	5,224	5,422	5,375	5,491	5,224	5,455	5,121	
35,381	35,616	35,430	35,931	35,994	35,993	36,008	36,712	35,736	35,811	35,836	35,720	35,854	35,763	35,975	35,784	35,692	35,407	
1,884	1,828	1,742	1,777	1,843	1,760	1,739	1,691	1,689	1,751	1,724	1,794	1,705	1,628	1,580	1,557	1,536	1,529	
5,175	5,263	5,282	5,444	5,345	5,265	5,266	5,470	5,043	5,008	4,990	5,007	5,046	5,008	5,075	5,052	5,660	5,838	
27,358	26,819	26,696	27,486	26,767	27,630	27,235	28,129	27,080	27,205	27,384	27,392	27,423	27,337	27,631	27,376	28,420	28,359	
8,041	8,031	7,926	8,119	8,155	8,245	8,179	8,799	8,206	8,237	8,259	8,303	8,241	8,236	8,058	8,436	8,245	8,399	
8,621	8,096	8,100	8,256	8,193	8,816	8,483	8,724	8,477	8,614	8,615	8,471	8,468	8,369	8,372	7,791	7,868	7,688	
10,529	10,532	10,587	11,003	10,337	10,496	10,550	10,583	10,375	10,324	10,470	10,567	10,662	10,683	11,148	11,089	12,248	12,180	
167	160	83	108	82	73	23	23	22	30	40	51	52	49	53	60	59	92	
491	462	456	471	463	452	453	449	444	459	464	488	476	486	494	538	579	570	
307	277	286	291	285	282	287	284	286	295	304	317	305	320	329	365	386	391	
121	125	113	118	121	115	116	113	107	111	107	113	108	109	109	114	133	117	
60	57	55	59	55	53	49	51	50	52	52	57	62	57	55	58	59	61	
3	3	2	3	2	2	1	1	1	1	1	1	1	0	1	1	1	1	
0.19	0.19	0.20	0.20	0.20	0.21	0.21	0.21	0.21	0.21	0.21	0.23	0.23	0.24	0.24	0.26	0.24	0.24	
1.82	1.85	1.86	1.88	1.94	2.04	1.98	2.04	2.08	2.15	2.20	2.20	2.18	2.17	2.24	2.27	2.28	2.39	
5.33	5.17	5.50	5.43	5.65	5.85	5.17	5.45	5.51	5.42	5.52	5.39	5.49	5.45	5.5	5.43	5.27	5.37-	
5.84	4.98	5.72	6.00	5.44	5.83	5.45	5.4	5.25	5.82	5.97	6.17	6.48	5.91	4.25	5.20	6.51	3.79	
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.50	1.50	1.50	1.50	1.25	1.00	1.00	
0.90	0.88	1.00	1.04	1.02	1.02	1.09	1.18	1.32	1.42	1.49	1.60	1.55	1.54	1.58	1.48	1.43	1.22	
1.15	1.14	1.22	1.27	1.25	1.25	1.35	1.48	1.62	1.71	1.75	1.82	1.75	1.74	1.78	1.71	1.67	1.50	
0.16	0.17	0.17	0.17	0.17	0.17	0.17	0.18	0.18	0.18	0.18	0.18	0.06	0.01	0.04	0.05	0.05	-	
0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.25	0.26	0.25	0.24	0.24	0.12	0.05	0.08	0.09	0.10	-	

PUBLIC FINANCE	2008	2009	2010	2009		2010				2011			2010	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	6	7
<b>CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m</b>														
<b>GENERAL GOVERNMENT REVENUES</b>														
TOTAL REVENUES	15,339.2	14,408.0	14,794.0	3,558.8	4,023.5	3,310.2	3,477.0	3,649.9	4,356.8	3,600.7	3,826.7	3,667.7	1,247.5	1,183.6
Current revenues	14,792.3	13,639.5	13,771.5	3,470.3	3,642.3	3,157.4	3,366.8	3,462.4	3,784.8	3,364.6	3,638.6	3,490.7	1,191.5	1,110.0
Tax revenues	13,937.4	12,955.4	12,848.4	3,279.0	3,453.0	2,983.4	3,189.2	3,186.0	3,489.9	3,155.9	3,451.0	3,296.0	1,131.4	1,027.0
Taxes on income and profit	3,442.2	2,805.1	2,490.7	735.5	744.8	635.5	594.4	554.5	706.4	635.4	827.7	639.2	276.4	114.1
Social security contributions	5,095.0	5,161.3	5,234.5	1,260.6	1,334.5	1,274.4	1,303.8	1,293.5	1,362.9	1,300.6	1,316.9	1,314.9	434.8	432.7
Taxes on payroll and workforce	258.0	28.5	28.1	6.2	7.7	6.3	7.2	6.5	8.1	6.7	7.6	7.8	2.5	2.6
Taxes on property	214.9	207.0	219.7	74.6	60.2	24.1	58.9	76.7	60.0	24.0	53.8	72.1	18.0	24.7
Domestic taxes on goods and services	4,805.3	4,660.2	4,780.7	1,184.2	1,283.1	1,023.9	1,199.2	1,231.6	1,325.9	1,165.5	1,217.4	1,234.4	391.1	444.4
Taxes on international trade & transactions	120.1	90.5	90.7	17.2	21.7	18.7	24.7	22.5	24.8	23.7	27.6	27.7	8.1	8.4
Other taxes	1.8	2.9	4.0	0.7	1.0	0.5	1.0	0.7	1.8	-0.1	-0.1	-0.1	0.5	0.2
Non-tax revenues	854.9	684.1	923.0	191.3	189.3	174.1	177.6	276.5	294.9	208.7	187.6	194.7	60.1	83.0
Capital revenues	117.3	106.5	175.7	19.3	43.5	9.8	17.9	26.1	121.9	7.6	21.6	15.8	5.3	9.4
Grants	10.4	11.1	12.6	1.9	4.7	2.9	2.2	2.5	5.0	2.4	3.0	2.2	0.3	1.1
Transferred revenues	53.9	54.3	109.5	1.1	51.5	0.5	2.3	3.8	102.9	2.3	0.4	0.4	0.8	2.0
Receipts from the EU budget	365.4	596.5	724.7	66.2	281.5	139.6	87.8	155.1	342.2	223.9	163.2	158.6	49.5	61.2
<b>GENERAL GOVERNMENT EXPENDITURES</b>														
TOTAL EXPENDITURES	15,441.7	16,368.2	16,692.7	3,767.1	4,659.5	4,035.1	4,122.7	3,948.1	4,586.9	4,191.6	4,159.0	4,108.2	1,335.4	1,302.9
Current expenditures	6,557.5	6,800.8	6,960.4	1,578.1	1,771.3	1,795.2	1,757.3	1,636.9	1,771.0	1,898.6	1,742.3	1,648.8	548.9	529.5
Wages, salaries and other personnel expenditures	3,578.9	3,911.9	3,912.4	955.4	985.9	956.4	1,012.5	963.6	980.0	966.5	1,009.8	1,019.1	321.5	319.7
Expenditures on goods and services	2,527.5	2,510.3	2,512.4	603.9	741.4	556.8	624.9	587.7	743.1	585.8	616.2	610.6	219.6	203.2
Interest payments	335.2	336.1	488.2	12.0	29.0	272.6	110.0	76.4	29.2	311.3	108.1	10.7	4.6	4.0
Reserves	116.0	42.5	47.4	6.8	14.9	9.4	9.9	9.2	18.8	35.0	8.2	8.3	3.3	2.5
Current transfers	6,742.2	7,339.4	7,628.5	1,736.9	1,918.2	1,849.0	1,995.1	1,810.9	1,973.6	1,942.5	2,076.4	2,061.3	629.9	608.7
Subsidies	476.5	597.9	581.9	86.5	219.4	160.7	122.8	103.7	194.7	171.2	127.6	109.4	40.9	39.3
Current transfers to individuals and households	5,619.2	6,024.5	6,277.7	1,475.9	1,497.6	1,529.0	1,671.1	1,514.7	1,562.9	1,606.6	1,745.6	1,741.4	513.6	509.1
Current transfers to non-profit institutions, other current domestic transfers	598.3	678.1	728.8	164.5	195.1	150.6	188.6	183.3	206.3	158.8	186.2	192.8	68.0	59.0
Current transfers abroad	48.2	38.9	40.1	9.9	6.1	8.7	12.6	9.1	9.6	5.9	17.0	17.8	7.5	1.4
Capital expenditures	1,255.5	1,294.1	1,310.6	297.5	584.1	192.8	212.5	321.1	584.3	168.8	196.5	220.8	86.7	108.2
Capital transfers	458.6	494.6	396.4	86.0	259.9	47.5	90.1	82.0	176.9	42.4	73.3	94.4	52.0	25.6
Payments to the EU budget	427.9	439.3	396.8	68.7	126.1	150.6	67.8	97.3	81.1	139.3	70.6	82.9	17.9	30.8
<b>SURPLUS / DEFICIT</b>	<b>-102.5</b>	<b>-1,960.2</b>	<b>-1,898.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source of data: MF Bulletin.

Note: In line with the changed methodology of the International Monetary Fund of 2001, social security contributions paid by the general government are not consolidated.  
\* In the "corrected outturn" column, certain categories of revenues that remained on unallocated fund accounts were estimated based on previous months' dynamics. Unallocated funds are a consequence of the introduction of a new DURS information system and the modification of the fiscal revenue payment system on 1 October 2011.



## Acronyms

### Acronyms in the text

**BS** – Bank of Slovenia, **EC** – European Commission, **ECB** – European Central Bank, **ESS** – Employment Service of Slovenia, **EU** – European union, **GDP** – Gross domestic product, **HICP** – Harmonized Index of Consumer Prices, **IMAD** – Institute of macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **MF** – Ministry of Finance, **NFI** – Non-monetary Financial Institutions, **OECD** – Organisation for Economic Co-operation and Development, **RS** – Republic of Slovenia, **SCA** – Standard Classification of Activities, **SITC** – Standard International Trade Classification, **SMA** – Securities Market Agency, **SORS** – Statistical Office of the Republic of Slovenia, **SRE** – Statistical Register of Employment.

### Acronyms of Standard Classification of Activities (SCA)

**A** – Agriculture, forestry and fishing, **B** – Mining and quarrying, **C** – Manufacturing, **10** – Manufacture of food products, **11** – Manufacture of beverages, **12** – Manufacture of tobacco products, **13** – Manufacture of textiles, **14** – Manufacture of wearing apparel, **15** – Manufacture of leather and related products, **16** – Manufacture of wood and of products of wood and cork, except furniture, manufacture of articles of straw and plaiting materials, **17** – Manufacture of paper and paper products, **18** – Printing and reproduction of recorded media, **19** – Manufacture of coke and refined petroleum products, **20** – Manufacture of chemicals and chemical products, **21** – Manufacture of basic pharmaceutical products and pharmaceutical preparations, **22** – Manufacture of rubber and plastic products, **23** – Manufacture of other non-metallic mineral products, **24** – Manufacture of basic metals, **25** – Manufacture of fabricated metal products, except machinery and equipment, **26** – Manufacture of computer, electronic and optical products, **27** – Manufacture of electrical equipment, **28** – Manufacture of machinery and equipment n.e.c., **29** – Manufacture of motor vehicles, trailers and semi-trailers, **30** – Manufacture of other transport equipment, **31** – Manufacture of furniture, **32** – Other manufacturing, **33** – Repair and installation of machinery and equipment, **D** – Electricity, gas, steam and air conditioning supply, **E** – Water supply, sewerage, waste management and remediation activities, **F** – Construction, **G** – Wholesale and retail trade, repair of motor vehicles and motorcycles, **H** – Transportation and storage, **I** – Accommodation and food service activities, **J** – Information and communication, **K** – Financial and insurance activities, **L** – Real estate activities, **M** – Professional, scientific and technical activities, **N** – Administrative and support service activities, **O** – Public administration and defence, compulsory social security, **P** – Education, **Q** – Human health and social work activities, **R** – Arts, entertainment and recreation, **S** – Other service activities, **T** – Activities of households as employers, undifferentiated goods- and services-producing activities of households for own use, **U** – Activities of extraterritorial organizations and bodies.

### Acronyms of Countries

**AT** – Austria, **BA** – Bosnia and Herzegovina, **BE** – Belgium, **BG** – Bulgaria, **BY** – Belarus, **CH** – Switzerland, **HR** – Croatia, **CZ** – Czech Republic, **CY** – Cyprus, **DE** – Germany, **DK** – Denmark, **ES** – Spain, **EE** – Estonia, **GR** – Greece, **FR** – France, **FI** – Finland, **HU** – Hungary, **IE** – Ireland, **IL** – Israel, **IT** – Italy, **JP** – Japan, **LU** – Luxembourg, **LT** – Lithuania, **LV** – Latvia, **MT** – Malta, **NL** – Netherlands, **NO** – Norway, **PL** – Poland, **PT** – Portugal, **RO** – Romania, **RS** – Republic of Serbia, **RU** – Russia, **SE** – Sweden, **SI** – Slovenia, **SK** – Slovakia, **TR** – Turkey, **UA** – Ukraine, **UK** – United Kingdom, **US** – United States of America.

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