CURRENT ECONOMIC TRENDS

1–5 February 2021

As in the spring, the measures to contain the epidemic also had a strong impact on prices of some consumer goods in the second wave. In January, the year-on-year fall in prices was smaller, to the greatest extent due to the relatively modest seasonal decline in clothing and footwear prices. Deflation was otherwise still mainly due to year-on-year lower energy prices, while growth in prices of services and food remained low. Electricity consumption and the volume of freight traffic on Slovenian motorways were not markedly affected by the second wave of the epidemic and were only slightly lower year on year at the end of January. With intervention measures still in place, the increase in unemployment in January did not deviate significantly from increases in previous years, while at the beginning of February its seasonal decline is already observed.

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| Electricity consumption, January 2021 |  | |
|  | | **The year-on-year decline in electricity consumption in the last week of January was similar to the majority of weeks in the second wave of the epidemic.** It amounted to 4%.Among our main trading partners, the largest year-on-year declines in consumption were recorded in Austria (8%) and Germany (4%) because of the strong containment measures. In Italy and France, consumption was roughly the same as last year, while in Croatia it was around 4% higher. |

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| Traffic of electronically tolled vehicles on Slovenian motorways, January 2021 | |  |
|  | **Freight traffic on Slovenian motorways[[1]](#footnote-1) in the last week of January was slightly lower than in the same period last year.** In the week between 25 and 31 January, freight traffic was down 2% year on year and in the entire January 8% (in both cases similarly for domestic and foreign vehicles). The larger lag in January than in a few previous months reflected the considerably lower volume of traffic at the beginning of the month, which was due to a less favourable distribution of public holidays and heavy snowfall in some neighbouring countries. This January also had one working day less. We estimate that the smaller year-on-year decline in freight traffic during the second wave of the epidemic is related to the recovery of industrial production. The volume of freight traffic is still negatively affected by lower transshipment of goods in the Port of Koper (a similar decline in both waves of the epidemic, around -25% year on year). | |

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| Registered unemployment, February 2021 |  | |
|  | | **Registered unemployment declined somewhat at the beginning of February, after a seasonal increase in December and January.** The adoption of intervention measures to preserve jobs in the first wave and the subsequent easing of restrictions on businesses stemmed the high growth of unemployment seen in March and April. This was followed by a gradual decline from July to September. Until the end of November, the number of unemployed persons remained roughly unchanged, before starting to rise moderately in December. With intervention measures still in place, this growth did not deviate significantly from seasonal increases at the end and the beginning of previous years and came to a halt towards the end of January. At the beginning of February, a seasonal fall in unemployment is already observed. According to ESS unofficial (daily) data, 90,803 persons were unemployed on 4 February, which is 0.8% less than at the end of January and around 17% more than in the same period last year. |

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| Prices, January 2021 |  | |
|  | | **The year-on-year fall in consumer prices decreased in January.[[2]](#footnote-2)** This was mainly due to the relatively modest seasonal decline in prices of clothing and footwear. This was at 6.8% at the monthly level and around half smaller than in previous years, according to our estimates mainly owing to a more pronounced decline in prices of clothing and footwear in previous months, when shops selling such goods were closed and retailers tried to redirect consumers to online purchases. Deflation was still largely due to low oil product prices, but their year-on-year fall is gradually decreasing. Growth in food and non-alcoholic beverages prices, which had already slowed considerably at the end of the year, recorded only minimum year-on-year growth in January. Reflecting a pronounced year-on-year fall in prices of package holidays, growth in prices of services also remained low. The difference between inflation in Slovenia and the EU deepened significantly in January, mostly due to the end of the temporary reduction of VAT rates in Germany. |

Table of selected macroeconomic indicators for Slovenia

1. Measured in kilometres driven. [↑](#footnote-ref-1)
2. Due to the additional containment measures, SURS collected retail prices of non-food goods and services to a greater extent by phone and through the websites of providers. Prices that could not be collected are estimated on the basis of past price changes (or price changes within the aggregate or of higher aggregates) and represent 8.6% of the consumer price index. Weights have also been changed this time, as they are at the beginning of each year. They are now based on the average expenditure from the Household Budget Survey for 2018 recalculated to December 2020 prices. [↑](#footnote-ref-2)