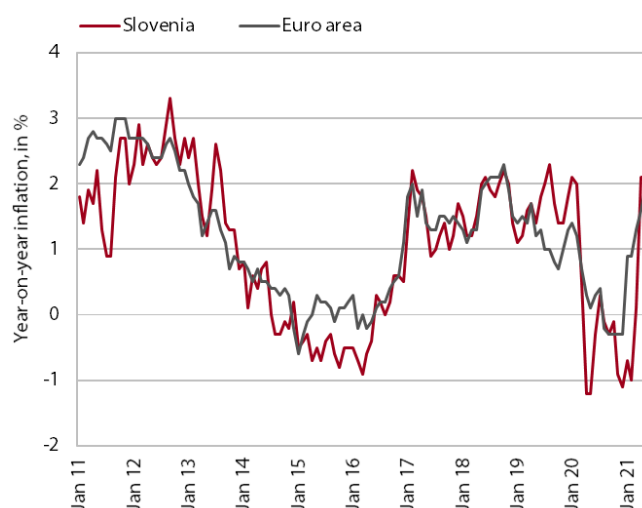


## CURRENT ECONOMIC TRENDS

31 May – 4 June 2021

In the first quarter of this year, real GDP increased compared to the previous quarter and exceeded the levels of the same period last year. Growth continued in the export-oriented part of the economy, and with the lifting of the containment measures, services and private consumption also began to recover. Favourable trends were also seen in the labour market, but the situation remains tight. The further easing of the containment measures in May had a favourable effect on turnover, which was higher in the second half of the month than before the epidemic. Freight traffic on Slovenian motorways and electricity consumption were slightly lower in the last week of May than in the same period before the epidemic. The increase in consumer prices was higher in April and May than in the previous months, which, in addition to the current increase in the prices of petroleum products, was mainly due to higher energy prices compared to the previous year as a result of the low base effect.

### Consumer prices, May 2021

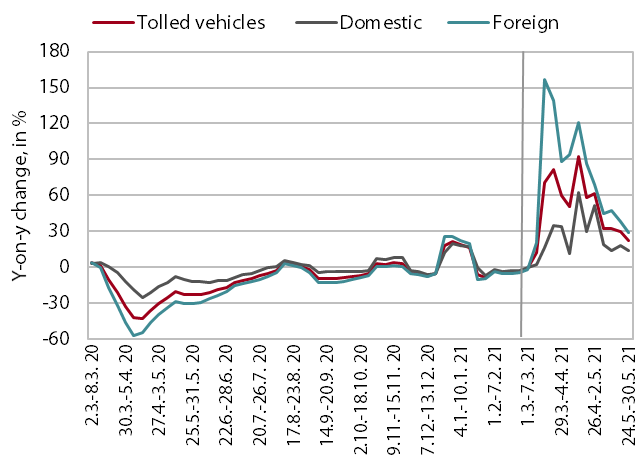


Source: SURS, Eurostat.

**In May, consumer price growth remained at 2.1%.<sup>1</sup>** Most of this growth was still the result of higher year-on-year energy prices (petroleum products and electricity), mainly due to a lower base and, to a lesser extent, current growth in petroleum product prices. After the prices of semi-durable goods at the beginning of the year had been well below the year-earlier level, their growth has gradually strengthened in recent months, reaching 1.6% in May. According to our estimates, this was again mainly due to clothing and footwear prices, as prices of new collections rose more than in previous years. The prices of durable goods also rose at a similar rate as a year earlier. Prices in the food and non-alcoholic beverages group and services remain lower year-on-year (by -2.5% and -0.6%, respectively). The fall in prices of package holidays intensified in May with the opening of some accommodation activities, while the prices in the communications group picked up again.

<sup>1</sup> For the first time since October 2020, there are no missing prices in the index.

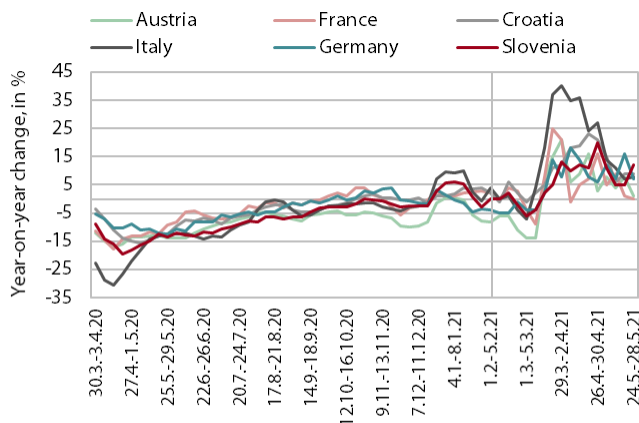
## Traffic of electronically tolled vehicles on Slovenian motorways, May 2021



Source: Internal reports obtained from DARS; calculations by IMAD. Up to the end of February, 4-week moving averages are shown.

**Freight traffic on Slovenian motorways<sup>2</sup> in the last week of May was 23% higher than in the same period of last year but 3% lower than in the same period of 2019.** Due to Pentecost Monday holiday in some neighbouring countries, the volume of freight traffic was slightly lower than in the previous week<sup>3</sup> and also compared to the same week of the pre-crisis year 2019 (4% higher for domestic vehicles and 7% lower for foreign ones). Between 24 and 30 May, domestic vehicle traffic was 14% higher and foreign vehicle traffic 29% higher year-on-year. This strong year-on-year growth was still mainly a consequence of lower traffic in the same period of last year due to the first wave of the epidemic (when freight traffic of foreign vehicles declined more).

## Electricity consumption, May 2021



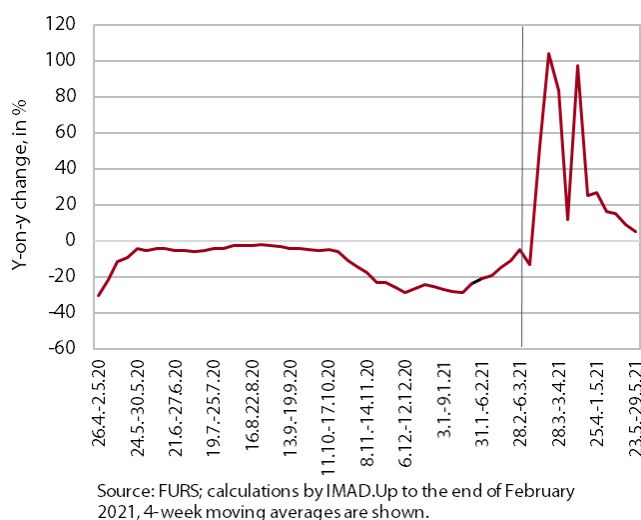
Source: ENTSO-E and Bruegel.org. Notes: Only consumption on working days (between 8.00 and 18.00) is taken into account. The percentages are adjusted for temperature differences. Up to the end of January 2021, 4-week moving averages are shown.

**In the week between 24 and 28 May, electricity consumption was 12% higher than in same week of 2020 but 6% lower than in the same week of the pre-crisis year 2019.** The reason for the year-on-year higher consumption was last year's low base. However, consumption remained lower than before the crisis despite the relaxation of a number of containment measures. Particularly due to the base effect, year-on-year higher consumption was also recorded in Slovenia's main trading partners (from 1% in Austria to 12% in Slovenia), except in France, where it was the same as last year. Relative to the same week of 2019, consumption was down in Austria (7%), Italy (6%), Croatia (5%) and France (4%), while consumption in Germany was 4% higher.

<sup>2</sup> Measured in kilometres driven.

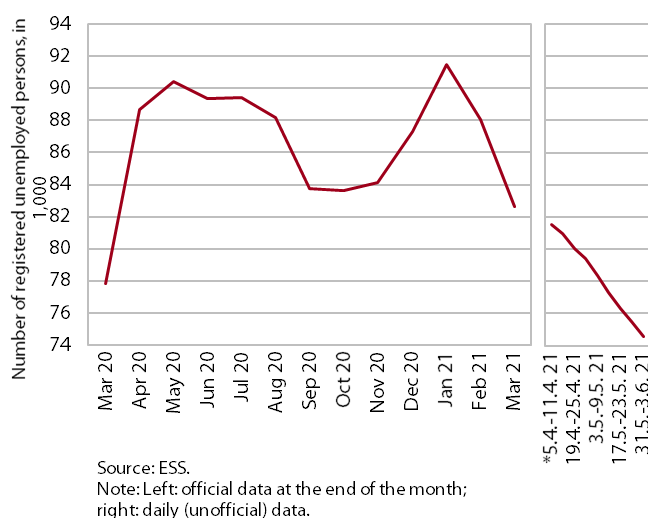
<sup>3</sup> With 21.3 million kilometres driven it was 4% lower than the week before.

## Fiscal verification of invoices, May 2021



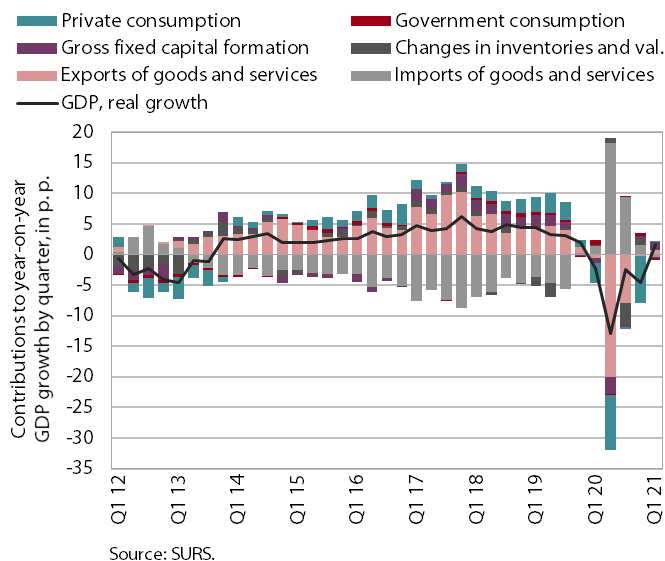
**According to data on fiscal verification of invoices, in the second half of May turnover was 7% higher year-on-year and 4% higher than in the same period of 2019.** In most sectors, year-on-year growth in turnover moderated, as measures in previously severely restricted sectors (tourism, clothing stores in shopping malls) were at least partially relaxed in mid-May last year or turnover even fell year-on-year in those which saw a significant increase in sales with the renewed opening last year (e.g. some personal services). Total turnover in the second half of May was 4% higher than in the same period of 2019, which was mainly a consequence of growth in wholesale and retail trade. Turnover in services that were still highly restricted (cultural and entertainment services, accommodation, travel agencies, gambling and betting) remained significantly lower than in the same period of 2019 (between -68% and -86%).

## Registered unemployment, May-June 2021



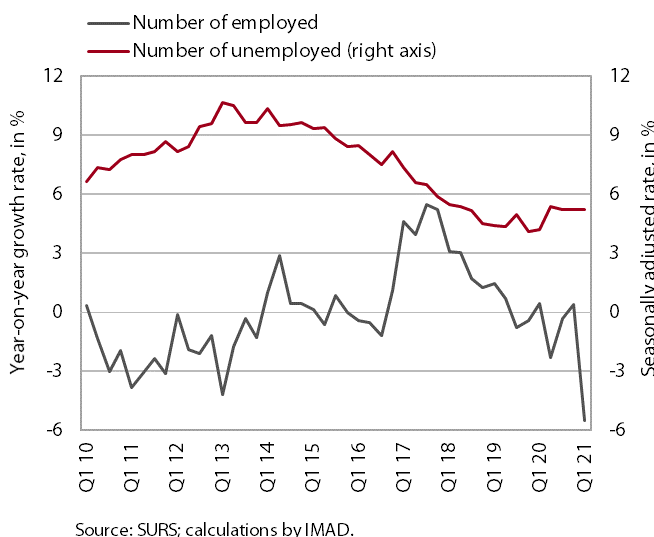
**The number of registered unemployed persons fell further at the beginning of June.** In May, the decline in the number of unemployed strengthened slightly and this trend continued in the beginning of June. Amid seasonal impacts, which did not deviate significantly from those in the period before the epidemic, the decline was also related to the gradual relaxation of containment measures as well as economic recovery and improved situation in the labour market. On 3 June, 73,924 persons were unemployed according to ESS unofficial (daily) data, which is 1.6% less than at the end of May and around 17% less than one year earlier. Compared with June 2019, the number was, however, around 4% higher.

## GDP, Q1 2021



**In the first quarter 2021, gross domestic product (GDP) increased compared to the previous quarter, by 1.4%, and by 1.6% year-on-year.** Growth was higher compared to the EU average. Developments reflect a slightly better epidemic situation and the gradual easing of containment measures, as well as the adjustment of the economy and consumers to the changed conditions. The recovery continued, particularly in service activities related to international trade in goods (transportation and export-oriented manufacturing activities). Gross fixed capital formation increased year-on-year for the second consecutive quarter. Turnover in trade, which had already largely eased in February, was also up year-on-year for the first time since the beginning of the epidemic, partly due to the making up for foregone purchases and partly due to increased spending ahead of the announced lockdown in early April. This led to a slightly higher year-on-year private consumption. However, the containment measures continued to have a significant impact on a sharp year-on-year decline in some services, which opened more slowly, notably entertainment, sports, recreational and personal services and hotels and restaurants, which hampered faster growth in household spending. Real government consumption fell year-on-year.

## Active and inactive population, Q1 2021



**According to the survey data, labour market conditions improved slightly in the first quarter but remained worse than in the same period last year.** According to seasonally adjusted data, the number of unemployed decreased by 2.2% compared to the previous quarter, but was still 19.1% higher than in the first quarter of last year. The survey unemployment rate increased year-on-year by 1 p.p., to 5.6%. The number of employed persons fell by 5.5%, largely due to the change in methodology.<sup>4</sup>

<sup>4</sup> As a result of the change in methodology, persons whose duration of the layoff was longer than three months or was expected to be longer than three months are now excluded from the total number of employed persons. They are included either in the category of unemployed (if they are actively seeking work) or in the group of inactive persons. According to our estimates, there were more people who were considered inactive under this criterion than unemployed in the first quarter.

**Table: Selected macroeconomic indicators for Slovenia**

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1
GDP, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	1.3	-5.6	-9.9	12.6	-0.6	1.4
	31.05.2021	31.08.2021	% (Q/Q-4)	2.0	-2.3	-12.9	-2.4	-4.5	1.6
Private consumption, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	-0.2	-6.3	-11.5	18.9	-14.3	12.1
	31.05.2021	31.08.2021	% (Q/Q-4)	2.2	-6.4	-17.3	-0.6	-14.5	0.4
Government consumption, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	-0.9	4.7	-4.4	1.9	0.6	0.2
	31.05.2021	31.08.2021	% (Q/Q-4)	-0.3	4.1	-1.1	1.3	2.8	-1.7
Gross investment, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	-9.8	-0.1	-6.2	-0.7	14.3	-0.8
	31.05.2021	31.08.2021	% (Q/Q-4)	-1.3	-2.4	-10.1	-17.4	8.2	6.4
Exports of goods and services, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	-0.2	-1.0	-21.4	15.5	8.0	3.0
	31.05.2021	31.08.2021	% (Q/Q-4)	1.1	-0.8	-23.4	-9.5	-0.4	0.8
Imports of goods and services, real	31.05.2021	31.08.2021	% (Q/Q-1) <sup>3</sup>	-2.6	-0.4	-21.4	13.5	7.7	5.0
	31.05.2021	31.08.2021	% (Q/Q-4)	-0.3	-1.9	-24.0	-12.5	-2.0	0.5
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Trade balance <sup>1</sup>	14.05.2021	14.06.2021	EUR m	86.0	259.2	161.8	223.0	:	:
Current account <sup>1</sup>	14.05.2021	14.06.2021	EUR m	184.8	304.8	163.9	377.1	:	:
Exports of goods, real <sup>2</sup>	10.05.2021	09.06.2021	% (M/M-1) <sup>4</sup>	-0.2	6.7	0.6	1.5	:	:
	10.05.2021	09.06.2021	% (M/M-12)	8.6	-2.7	2.3	16.5	:	:
Imports of goods, real <sup>2</sup>	10.05.2021	09.06.2021	% (M/M-1) <sup>4</sup>	-9.0	-3.5	2.9	3.5	:	:
	10.05.2021	09.06.2021	% (M/M-12)	4.9	-7.8	-2.0	15.8	:	:
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Inflation (CPI)	31.05.2021	30.06.2021	% (M/M-1)	-0.3	-0.4	0.3	0.3	1.0	0.9
	31.05.2021	30.06.2021	% (M/M-12)	-1.1	-0.7	-1.0	0.1	2.1	2.1
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Gross earnings per employee – nominal	17.05.2021	15.06.2021	% (M/M-1)	-0.4	-2.2	-1.6	3.3	:	:
	17.05.2021	15.06.2021	% (M/M-12)	8.9	9.4	8.1	14.3	:	:
- private sector	17.05.2021	15.06.2021	% (M/M-1)	-2.9	-3.6	0.8	2.8	:	:
	17.05.2021	15.06.2021	% (M/M-12)	5.3	3.7	3.9	12.8	:	:
- public sector	17.05.2021	15.06.2021	% (M/M-1)	3.7	-0.4	-4.9	4.1	:	:
	17.05.2021	15.06.2021	% (M/M-12)	14.6	18.4	14.8	16.0	:	:
- of which government sector	17.05.2021	15.06.2021	% (M/M-1)	4.5	2.5	-5.8	2.1	:	:
	17.05.2021	15.06.2021	% (M/M-12)	19.3	22.9	18.1	18.3	:	:
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Employed persons	18.05.2021	16.06.2021	% (M/M-1) <sup>4</sup>	0.1	0.0	0.1	0.1	:	:
	18.05.2021	16.06.2021	% (M/M-12)	-1.4	-1.5	-1.4	-0.5	:	:
Registered unemployed persons	03.06.2021	05.07.2021	% (M/M-1) <sup>4</sup>	-1.0	-1.3	-1.7	-1.5	-1.4	-2.4
	03.06.2021	05.07.2021	% (M/M-12)	15.9	14.6	13.6	6.1	-10.6	-16.9
Registered unemployment rate	18.05.2021	16.06.2021	%	8.9	9.4	9.0	8.5	:	:
				2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2020 Q1
Employment, LFS	31.05.2021	31.08.2021	% (Q/Q-1) <sup>5</sup>	0.3	0.9	-2.1	0.7	0.9	-5.1
	31.05.2021	31.08.2021	% (Q/Q-4)	-0.4	0.4	-2.3	-0.3	0.4	-5.5
ILO unemployment rate, LFS	31.05.2021	31.08.2021	%	4.0	4.6	5.2	5.1	5.1	5.6
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Industrial producer prices, domestic market	21.05.2021	21.06.2021	% (M/M-1)	0.0	0.5	0.7	0.1	0.6	:
	21.05.2021	21.06.2021	% (M/M-12)	1.0	1.3	1.7	2.6	3.0	:
Production volume in manufacturing, real	10.05.2021	10.06.2021	% (M/M-1) <sup>3</sup>	-0.1	2.0	0.8	-1.4	:	:
	10.05.2021	10.06.2021	% (M/M-12)	5.1	-1.7	-1.9	13.1	:	:
Construction, real value of construction output	14.05.2021	15.06.2021	% (M/M-1) <sup>3</sup>	-11.0	2.0	-1.7	3.6	:	:
	14.05.2021	15.06.2021	% (M/M-12)	-0.8	-4.5	-9.3	1.1	:	:
Turnover in trade, real	28.05.2021	29.06.2021	% (M/M-1) <sup>3</sup>	-1.3	1.4	12.4	1.9	:	:
	28.05.2021	29.06.2021	% (M/M-12)	-7.1	-11.8	-3.3	28.5	:	:
Real turnover in market services	28.05.2021	30.06.2021	% (M/M-1) <sup>3</sup>	-0.8	-4.5	11.6	-3.2	:	:
	28.05.2021	30.06.2021	% (M/M-12)	-9.0	-15.7	-6.9	13.0	:	:
				2015	2016	2017	2018	2019	2020
General government deficit/surplus (ESA 2010)	31.03.2021	30.09.2021	% BDP	-2.8	-1.9	-0.1	0.7	0.4	-8.4
Consolidated gross general government debt (ESA 2010)	31.03.2021	30.09.2021	% BDP	82.6	78.5	74.1	70.3	65.6	80.8
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
Economic sentiment indicator <sup>5</sup> , seasonally adjusted	25.05.2021	24.06.2021	% <sup>3</sup>	-9.3	-6.8	-3.1	-0.9	-0.6	5.6
				2020 m 12	2021 m 1	2021 m 2	2021 m 3	2021 m 4	2021 m 5
EURIBOR, 3-month	Beginning of the month *		%	-0.5381	-0.5472	-0.5411	-0.5391	-0.5382	-0.5401
Long-term government bond yields	Beginning of the month		%	-0.1500	-0.1000	0.0400	0.0240	:	:
Exchange rate, USD to EUR	Beginning of the month		US\$	1.2170	1.2171	1.2098	1.1899	1.1979	1.2146

Source: SURS, BS, ECB, EUROSTAT, EURIBOR.org, calculations by IMAD.

Notes: <sup>1</sup> Balance of payments statistics of the BoS. <sup>2</sup> External trade statistics SURS. <sup>3</sup> Seasonally adjusted – SURS. <sup>4</sup> Seasonally adjusted – IMAD. <sup>5</sup> Difference between positive and negative answers, in %.

\* calculations by IMAD.

For comparisons with the EU and EMU see: <http://ec.europa.eu/eurostat/web/euro-indicators/pees>

The table format accessible to screen reader users can be found on the IMAD website among the appendices to the current graphs of the week (Selected macroeconomic indicators for euro area)

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