

**Slovenian Economic Mirror** presents current macroeconomic developments as well as selected economic, social and environmental issues. The publication consists of articles, which present the main economic indicators, assess the realisation of the spring and autumn forecasts, and monitor implementation of economic policies (earnings, public finance, prices, competitiveness, etc.). The periodical is published monthly, except in September.

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<b>Contents</b>	<b>Slovenian Economic Mirror</b>	<b>IMAD</b>
	<b>No. 6/2007</b>	<b>p. 2</b>

<b>In the Spotlight</b>	The labour market is responding to the high 7.2% economic growth	p. 3
<b>International Environment</b>	Favourable GDP growth rates expected in the countries of former Yugoslavia this year	p. 4
<b>Balance of Payments – Current Account</b>	Higher current account deficit in the first quarter due to higher deficit in factor incomes	p. 5
<b>Balance of Payments – Capital &amp; Financial Account</b>	Higher capital inflow in Q1 due to BS' entry to the Eurosystem	p. 6
<b>Price Trends &amp; Policy</b>	Dynamics of food prices in Slovenia consistent with corresponding trends in Europe	p. 7
<b>Money Market – Household Savings</b>	Faster growth of time deposits in 2007	p. 8
<b>Money Market – Loans</b>	Exceptionally high lending activity of Slovenian banks in April	p. 9
<b>Labour Market</b>	Employment is still rising while the registered unemployment rate is declining	p. 10
<b>Earnings</b>	Nominal drop in private sector wages caused by the shorter working month	p. 11
<b>Manufacturing</b>	High contribution of metal industry to the growth of manufacturing	p. 12
<b>Distributive Trades</b>	Value added growth strengthened further in the first quarter	p. 13
<b>Tourism</b>	Strong performance of tourism continues this year	p. 14
<b>Private Consumption &amp; Household Indebtedness</b>	Real growth of consumption still moderate	p. 15
<b>SELECTED TOPICS</b>		
<b>Youth in Secondary Schools by Type of Education Programme</b>	The percentage of youth enrolled in grammar school is still increasing	p. 19
<b>Youth in Secondary Schools by Field of Study</b>	The structure of youth enrolled in secondary schools by field of study is not adjusted to the needs of the labour market	pp. 20, 21
<b>Greenhouse Gas Emissions</b>	The increase in GHG emissions is relatively high in Slovenia in comparison with both GDP growth and level of development	pp. 22, 23
<b>Risk of Poverty and Income Inequality</b>	The at-risk-of-poverty rate and income inequality remain low after the changeover to a new methodology	p. 24
<i>Data: (pp. A 1-A 12), Main indicators (p. A 13), International Comparisons (pp. A 14-15), Graphs (pp. A 16-17).</i>		

Selected indicators of current economic developments, change in %	Latest Data	Compared to the			
		previous month	same period of previous year		
			latest data	pre-latest data	pre-pre latest data
Industrial production (value based)	April	-7.8	10.1	9.1	9.1
Manufacturing	April	-7.9	11.4	10.4	10.6
Electricity, gas and water supply	April	-9.2	-8.8	-8.1	-5.7
Value of construction put in place, real terms	April	6.5	34.4	35.5	33.9
Exports of goods (nominal terms) <sup>1</sup>	March	18.7	18.4	18.3	17.7
Imports of goods (nominal terms) <sup>1</sup>	March	17.2	16.6	19.0	23.3
Real effective exchange rate <sup>2</sup>	April	0.9	1.5	1.4	1.4
Gross wage per employee, real terms	April	-2.3	3.0	3.0	3.1
Total household savings in banks <sup>3</sup> , nominal terms	March	0.0	8.7	8.6	8.0
General government revenue, real terms	May	-10.6	2.6	1.8	4.2
Number of persons in paid employment	April	0.4	3.4	3.3	3.3
Number of registered unemployed	May	-2.5	-18.1	-17.9	-17.4
Number of job vacancies	May	-6.1	5.3	8.0	6.9
<b>Month</b>		<b>current</b>	<b>previous</b>	<b>pre-previous</b>	
Registered unemployment rate	April	7.9	8.1	8.4	
<b>Month</b>		<b>current</b>	<b>cumulative</b>	<b>annual<sup>4</sup></b>	
Consumer prices	June	0.4	2.9	3.6	
Producer prices (domestic market)	May	0.3	3.7	5.1	

*Sources of data:* SORS, BS, ESS, estimates and calculations by IMAD. *Notes:* <sup>1</sup>balance of payments' statistics; <sup>2</sup>euro's exchange rate for Slovenia measured by relative consumer prices; the calculation of the effective exchange rate includes the currencies/prices of Slovenia's 17 trading partners (Austria, Belgium, Germany, Italy, France, Netherlands, Spain, Denmark, United Kingdom, Sweden, Czech Republic, Hungary, Poland, Slovakia, USA, Switzerland, Japan); 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; <sup>3</sup>the year-on-year growth rate is defined as the ratio between the stock at the end of the current month and the stock in the same month of the previous year; <sup>4</sup>total in the last 12 months.

The latest data confirm the improved spring forecasts of economic trends in the EU for 2007 while the deceleration in the USA will be stronger than expected at the beginning of the year. The average growth rate of industrial production in the euro area was 0.4 p.p. higher in the first four months of the year than in the same period of 2006. The unemployment rate, which has been declining since March 2005, totalled 7.1% in April, almost one percentage point less than in the same month of 2006. The expected continuation of the favourable trends is also corroborated by the dynamic factor model of DG ECFIN, which shows that GDP growth will remain at the level of the first quarter (0.6%) in the second and third quarters. The economies of former Yugoslavia are also expected to grow at similar rates as in 2006 this year, with a substantial acceleration only being projected in Macedonia (see p. 4). On the other hand, figures for the US housing market indicate that the recession in this segment will last longer than was anticipated a few months ago and hence also cause a greater slowdown of GDP growth.

**In addition to the high investment activity, the favourable conditions in the international environment and the related high export growth rates were the main factors of the 7.2% GDP growth achieved in the first quarter.** Within gross fixed capital formation, which rose by 21.6%, the fastest growth was recorded in investment in motorway construction (34.3%) thanks to the favourable weather conditions which enabled swift realisation of projects. Investment in housing construction, likewise additionally supported by mild weather, also continued to grow vigorously (18.1%). The high growth of investment in machinery and equipment (10.8%) was largely underpinned by the favourable business climate. Meanwhile, the growth of household consumption (3.4%) rose only slightly in the first quarter, although some short-term consumption indicators (especially consumer confidence and new car registrations) presaged a stronger acceleration and although the changed tax legislation also accelerated the growth of net wages. The increase in government consumption (2.2%) was even more modest. External trade rose strongly in the first quarter this year. Exports of goods and services increased by a real 13.6%; the increase in exports to the EU-27 countries was almost level with that to non-member states. Due to the strong dependency of exports on imports and the high domestic consumption, particularly gross fixed capital formation, import growth also remained at a high level (13.7%). Amid the nearly level growth of imports and exports and the improved terms of trade, the current account deficit rose somewhat in the first quarter, year on year, as a result of the increase in the factor incomes deficit, which was largely due to higher interest payments (also see p. 5).

**The real growth of value added was 7.1% higher in the first three months of the year than in the same**

**period of 2006 and exceeded the relatively high growth rate from the final quarter of 2006 by 0.9%.**

The acceleration of the year-on-year value added growth rate seen in the first quarter this year was largely underpinned by the stronger growth in primary activities coupled with the continued favourable trends in market services. It was chiefly driven by the robust growth of manufacturing industries and construction, the two largest sectors of primary activities (A-F). The increase in manufacturing's value added reflected the continued strong cycle of the international environment on one hand and the high activity in construction on the other. Market services saw a continuation of favourable trends in all activities except hotels and restaurants. The estimated structure of growth shows that activity was particularly high in those market services segments that are closely linked with manufacturing and construction (part of distributive trades, the banking sector, merchandise trade, real estate and business services). The growth of value added in public services (L-O) is still moderating gradually after the more substantial increases in 2003-2005.

**The strong business cycle of the first quarter also benefited the labour market.** The number of people in employment according to the labour force survey rose by 1.3% in the first quarter of 2007, year on year. Survey unemployment, although higher than in the previous quarter, was 17.5% lower than in the comparable period of 2006. While such dynamics are a usual seasonal phenomenon in the spring, they have been even more pronounced this year. A comparison between survey-based employment growth and the much higher formal employment growth indicates that the decline in various informal types of employment is still under way (see p. 10). Amid the high economic growth and the improved conditions in the labour market, wage growth remains comparable with that of 2006. In the four months to April, the real growth of the gross wage per employee totalled 3.0% (4.0% in the private and 1.2% in the public sector; see p. 11). The key wage policy guidelines, according to which wage growth should not exceed productivity growth, thus remain in place both at the level of each sector and aggregately.

**The consumer price rise in the first half of the year was higher than the comparable increase in 2006.**

Higher food prices were the key factor of the higher inflation in the six months to June (also see p. 7). Their contribution to inflation totalled 0.9 p.p., double the figure from the first half of 2006. As oil prices rebounded in the first half of the year, they added 0.7 p.p. to inflation (0.9 p.p. in the same period of 2006). The rounding-up of prices and the price rises that accompanied the introduction of the euro are estimated to have contributed another 0.24 p.p., half thereof in January. Following the considerable price swings in the first half of the year, average inflation remained unchanged in June at 2.5% while year-on-year inflation rose by 0.7 p.p., to 3.6%.

**Comparison of different forecasts or assumptions of real GDP growth (in %)**

	2006	2007				2008			
		IMAD SF 07	Unicredit May 07	CONS May 07	EIU June 07	IMAD SF 07	Unicredit May 07	CONS May 07	EIU June 07
Croatia	4.8	4.5	4.2	4.5	4.7	4.3	4.3	4.3	4.4
Bosnia & Herzegovina	6.0	5.5	5.7	5.9	5.5	5.5	6.0	6.2	6.0
Serbia	5.7	5.2	5.2	6.0	5.6	5.2	5.4	5.8	5.4
Macedonia	3.1	4.0	N/A	4.1	N/A	4.0	N/A	4.2	N/A

Source of data: IMAD, Spring Forecast 2007; Unicredit CEE Quarterly (May 2007); Eastern Europe Consensus Forecasts (May 2007); Economist Intelligence Unit Country Reports (June 2007); Eurostat.

**GDP growth rates in the countries of former Yugoslavia are expected to remain similar as last year in 2007, with a notable acceleration only being projected for Macedonia.**

Economic growth in all four countries will mainly be propelled by investment growth; the growth of private consumption will also continue (BiH, Serbia) or accelerate (Croatia, Macedonia). These countries are also gradually moving towards price stability as inflation is set to decline in all four countries this year. On the other hand, international institutions warn that structural reforms that would allow these countries to achieve higher growth rates in the long term have stalled or are happening too slowly.

**Economic growth in Croatia will slow down gradually this and next year after the three-year peak reached last year.**

The European Commission forecasts almost equal GDP growth as last year. The growth of private consumption is expected to accelerate slightly this year (from 3.5% to 4.0%) as a result of wage rises and increases in social transfers ahead of the autumn elections. The growth of government consumption is also projected to pick up (from 2.2% to 3.0%) thanks to hiring new employees. Investment will remain the main engine of the economy despite its expected lower growth rate (from 10.9% to 8.5%). The growth of exports will continue to accelerate (from 6.9% to 7.2%) while the growth of imports (from 7.3% to 6.8%) will moderate slightly this year. The stable currency makes it possible to achieve stable inflation, which is projected to fall from 3.2% in 2006 to 2.3% this year. Data on the strong growth of industrial production (around 8.0%) in the four months to April indicate that economic growth probably accelerated in Q1 compared with Q4 of 2006. On the other hand, the growth of goods exports slackened off considerably in Q1 (2.1%) while import growth remained high (8.0%).

**GDP growth in Bosnia and Herzegovina, which totalled 6.0% in 2006, will ease off slightly this year and rebound to approximately last year's level in 2008.**

This year, the economy will chiefly be driven by investment as the planned public infrastructure projects will push up the growth of investment in construction. The growth of investment in machinery and equipment will also be high due to the need for higher production capacities. Despite the expected slowdown in the growth of loans, private consumption will also remain

strong. Last year, the growth of industrial production topped 10% for the third consecutive year. Similarly high growth rates are also expected this and next year. After the substantial acceleration of inflation in 2006, which was mainly caused by the introduction of VAT, when the growth of retail prices rose from 3.7% to 7.2% at the annual level, inflation slowed down in Q1 this year.

**Serbia will record similarly high GDP growth as last year.**

Investment will be the key driver of economic growth this year, both in newly privatised companies and public investments linked to the realisation of the national investment plan, although the latter was criticised by the IMF, which questioned the purpose of some of the projects in light of the recommended structural changes in the economy. The vigorous growth of private consumption will continue, still supported by the exceptionally high wage growth. In January, for example, the year-on-year increase in real net wages totalled a high 25%. The increase in exports will be underpinned by the gradual expansion of production capacities in export-oriented enterprises while import growth will remain high on the back of the strong growth of domestic consumption. After the lowering of inflation in 2006 when the average growth of retail prices fell from 17.3% in 2005 to 12.7%, an even stronger decline in inflation is projected this year, to 5.7%. The year-on-year retail inflation totalled 4.6% in April, compared with 15.5% in the same month last year.

**Following the slowdown in 2006, economic growth in Macedonia will finally accelerate slightly this and next year.**

This is also confirmed by data on the 7.0% year-on-year growth in Q1. According to the EC forecast, real GDP growth will total 4.3% this year and 5.3% in 2008, which probably indicates that the reforms aimed at improving the business environment will already begin taking effect this year. This year an acceleration is expected especially in investment growth (from 9.0% in 2006 to 12.0%) as well as private consumption (from 4.0% to 4.5%), whereas the growth of government consumption will remain stable (3.0%) thanks to the country's commitment to prudent fiscal policy. The export and import growth rates will be similar as last year in the next two years (both between 14.0% and 15.0%). Inflation is projected to dip to 2.0% this year after the acceleration seen in 2006 (from 0.5% to 3.2%).

## Balance of Payments – Current Account

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 5

Balance of Payments, Jan-Mar 2007, EUR million	Inflows	Outflows	Balance <sup>1</sup>	Balance Jan-Mar 2006
<b>Current account</b>	5,917.3	6,092.0	-174.7	-163.5
Trade balance (FOB)	4,771.3	4,936.6	-165.2	-203.9
Services	782.4	585.1	197.4	206.8
Transport	257.6	154.7	102.9	108.4
Travel	216.7	103.8	112.9	174.3
Other services	308.1	326.5	-18.4	-75.9
Labour and capital income	162.3	302.5	-140.2	-77.5
Current transfers	201.2	267.8	-66.7	-88.9

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

**The current account deficit recorded in the first quarter this year was largely the result of the growing deficit in factor incomes.** With the slightly higher surplus in labour income, the net capital expenditure rose considerably year on year. Although commercial banks' interest earned on loans extended to the rest of the world increased, the payments of interest to the rest of the world were even higher due to the strong borrowing seen over the last few years (mostly long-term loans). The net payments of interest on loans granted between affiliated enterprises within foreign direct investment are rising as well.

**In the first quarter this year, external trade surged at the year-on-year level (by 16.5% in nominal terms).** Exports of goods and services rose by a nominal 16.8% while imports of goods and services climbed by 16.1%. The robust growth of exports was underpinned by the strong cycle in the EU countries that boosted domestic industrial production. Imports also rose vigorously due to the strong dependency between imports and exports and the high increase in domestic consumption, particularly in gross fixed capital formation. The terms of trade with the rest of the world improved somewhat at the year-on-year level in the first quarter (by 0.5 p.p.). The purchasing power of exports or the real value of income from exports (the ratio between the nominal export index and the import price index) rose by 14.2% year on year.

**Data on regional trade show parity in the growth of goods exports to the EU countries and to other countries; exports of road vehicles are rising again.** The nominal growth of goods exports in the first quarter totalled 18.0% to the EU-27 countries and 18.1% to non-EU countries. Looking at the structure of the SITC, both the growth of primary products and industrial goods strengthened, partly due to the rising prices of industrial products and primary commodities. The biggest increase in industrial products was recorded in exports of chemical products (by 23.8%) and products classified by material (by 22.2%). As expected, the growth of road vehicles exports picked up as well (by 17.4%).

**Imports from non-EU countries are still rising at a faster pace than imports from the EU; the growth of primary commodities imports slowed down due to lower oil prices.** Imports from non-EU countries surged by 20.4% while imports from the EU-27 increased by 14.7%. In terms of the SITC structure, imports of industrial products saw a stronger increase (21.7%) than imports of primary commodities (3.4%). Within industrial products,

imports of products classified by material enjoyed the strongest growth – 29.2% (driven mainly by imports of iron and steel, non-ferrous metals, and metal products). Imports of petroleum and its products fell by 13.7% year on year as a result of the lower price of Brent crude. The latter declined by 6.2% over the same period of 2006 (from USD 61.9 to USD 58.1). The share of oil decreased by 1.8 p.p. to 5.1%, year on year.

**The trade deficit narrowed along with the surplus in trade in services.** The lowering of the trade deficit was underpinned by the lower deficit in merchandise trade with the EU countries on one hand and by the higher surplus in trade with non-EU countries on the other. Trade in services recorded slower year-on-year growth than trade in goods, partly due to the changed methodology<sup>1</sup>. The changeover to the new methodology had the relatively smallest impact on trade in transport services, whereas trade in travel and other services is characterised by stronger volatility.

**The deficit in the current transfers account narrowed somewhat, mostly due to the lower deficit of the government sector.** Slovenia received EUR 87.1 m from the EU budget in the first quarter this year, which is EUR 39.1 m more than in the same period of 2006. The main increases were recorded in the funds intended for implementing the common agricultural policy and internal policies. Payments to the EU budget totalled EUR 100 m, EUR 6 m more than in the same period last year. At the beginning of the year (during the first three months), the European Commission can require member states to pay triple the amount of their average monthly payments to the EU budget to cover increased costs for the CAP. This February, the Commission called up an almost three-month payment under the headings of VAT, GNP and the UK rebate in the amount of EUR 67.9 m. Slovenia's net budgetary position relative to the EU budget thus recorded a deficit of EUR 12.9 m in the first quarter (a deficit of EUR 46 m was recorded in the same period of 2006).

<sup>1</sup>The main source of data on trade in services in Slovenia is the Bank of Slovenia, which collects data in accordance with the guidelines of the International Monetary Fund. Approximately half of the source in travel services comprises payment transactions, which banks no longer report unless their value is higher than EUR 12,500. The BS thus lost an important source of data. It estimates the value of transactions worth less than EUR 12,500 on its own. Due to these methodological changes, the value of travel services in Q1 was probably underestimated. Non-residents' spending in Slovenia was probably more underrated than residents' spending abroad.

## Balance of Payments – Capital & Financial Account

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 6

Balance of Payments, Jan-Mar 2007, EUR million	Inflows	Outflows	Balance <sup>1</sup>	Balance, Jan-Mar 2006
<b>Capital and financial account</b>	5,209.5	-4,326.9	882.6	103.0
Capital account	57.6	-51.6	6.0	-8.1
Capital transfers	57.6	-50.7	6.9	-8.6
Patents, Licences	0.0	-0.9	-0.9	0.6
Financial account	5,151.9	-4,275.3	876.6	111.0
Direct investment	174.1	-281.8	-107.7	-63.8
Portfolio investment	1,230.8	-1,857.9	-627.2	-257.2
Financial derivatives	0.0	2.0	2.0	-2.0
Other investment	3,694.0	-2,137.6	1,556.4	526.2
Assets	18.9	-1,998.5	-1,979.6	-389.0
Liabilities	3,675.1	-139.1	3,536.0	915.2
International reserves (BS)	53.0	0.0	53.0	-92.2
<b>Statistical error</b>	0.0	-707.9	-707.9	60.5

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

By entering the EMU, the Bank of Slovenia joined the Eurosystem, which brought about some methodological changes in the collection of balance of payments data and the treatment of international reserves and their redistribution across other items. At the same time, the transfer of the BS' monetary policy to the Eurosystem has resulted in some balance of payments flows which were not observed in previous years and are the result of the adaptation to the changes in monetary instruments. These changes had the biggest impact on the flows of investment in securities and other investment (see the table) as well as the increase in gross external debt.

**Financial transactions of the balance of payments recorded a much higher net capital inflow in the first quarter this year than in the same period of 2006.** It totalled EUR 823.5 m, compared with EUR 203.2 m in the same period last year (excluding international reserves). The increase was largely due to the BS' activity in the Eurosystem. As a result, the BS incurred liabilities to the Eurosystem in the amount of EUR 3,347.3 m due to the non-cash payments in euros made through the Target and Step 2 systems (under other investment). The BS also recorded an increase in the currency and deposit claims on euro area countries and claims in euros on other countries (EUR 1,037.5 in Q1), mainly as a result of the transfer of a segment of international reserves to this item (also see SEM 4/2007: 7).

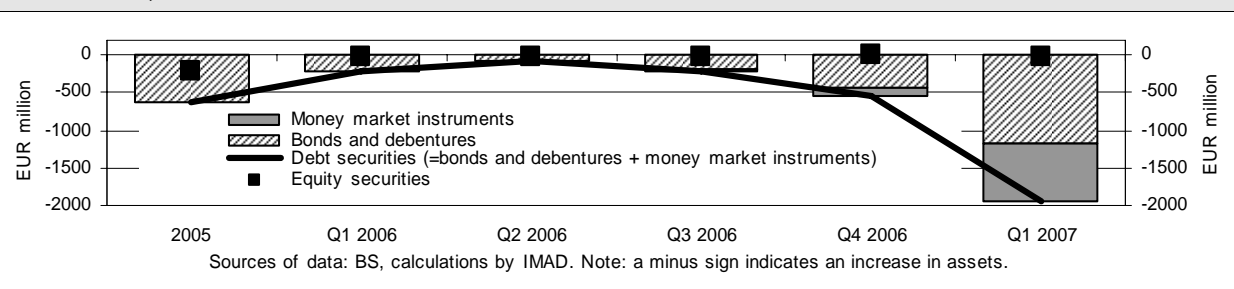
**The increase in the net outflow in investment in securities mainly reflected the redirection of commercial banks' assets released upon the maturing of BS' bills falling due.** With the adoption of the euro, bills lost their role as a monetary policy

instrument. Their stock is therefore decreasing. In the first quarter of 2007, a substantial increase was observed in Slovenian business banks' portfolio investments in foreign bonds (notably in government bonds of the euro area) and debentures (in the total amount of EUR 1,173.6 m) and in money market instruments (by EUR 761.4 m). Commercial banks partly used the funds released in this way to repay long-term loans abroad in the first quarter (in the amount of EUR 223.2 m). The borrowing of the government sector created the largest capital inflow in securities investment. In March, the government issued a 'Slobond' bond worth EUR 1 bn with a 4% fixed interest rate, payable in 2018. Under the heading of loans, the government sector recorded a net repayment of EUR 19.4 m of long-term loans in the first quarter.

**Another corollary of the BS' activity in the Eurosystem was an increase in the gross external debt in the first quarter.** Gross external debt amounted to EUR 28,129 m, which is EUR 4,235 m more than at the end of 2006. 79.0% of this increase is attributable to the BS' liabilities to the Eurosystem. External debt of the private sector, which used to be the main factor of the rising gross external debt in the previous years, decreased somewhat in this period as commercial banks reduced their debt.

**The statistical error was relatively high.** It totalled 2.2% of the estimated GDP for 2007. This is explained by the difficulty of separating the euro currency that the BS puts into circulation from that obtained from transactions with non-residents. The statistical error emerges in the net financial capital outflow, which causes an overestimated balance of the financial account of the BoP (see the table).

Graph: Portfolio investments of Slovenian commercial banks before and after Slovenia's entry to the euro area, flows in EUR m



Price indices	2006		2007		
	Dec 2006/ Dec 2005	Φ (Jan 06-Dec 06)/ Φ (Jan 05-Dec 05)	May 2007/ April 2007	May 2007/ May 2006	Φ (Apr 06-May 07)/ Φ (Apr 05-May 06)
Consumer prices (CPI)	102.8	102.5	101.2	102.9	102.5
Goods	102.1	102.0	101.2	102.3	101.8
Fuels and energy	103.9	108.2	102.5	101.9	103.6
Other	101.7	100.5	100.9	102.4	101.4
Services	104.3	103.4	101.1	104.1	103.8
Consumer prices (HICP)	103.0	102.5	101.1	103.1	102.6
Administered prices <sup>1</sup>	102.1	105.8	101.8	101.6	102.6
Energy	103.7	108.0	102.6	101.5	103.4
Other	97.9	100.2	99.8	101.7	100.9
Core inflation: - trimmean	102.7	102.8	100.9	101.9	102.3
- excluding food & energy	102.0	101.2	100.8	101.9	101.6
Producer prices: - domestic market	102.8	102.3	100.3	105.1	103.5
- EMU	106.3	102.6	100.3	107.6	105.5
Consumer prices in the EMU	101.9	102.2	100.2	101.9	102.0

Sources of data: CPI, HICP, IPI: SORS; administered prices and core inflation: IMAD's estimate; MUICP in the EU: Eurostat (provisional data) and IMAD's recalculation. Note: <sup>1</sup>figures are not directly comparable between the years due to the annual changes of the administered prices index.

**Prices rose by 1.2% in May.** Average inflation, which has not changed significantly since December 2005, remained at 2.5% in May. May's year-on-year inflation totalled 2.9%, 0.3 p.p. more than in April.

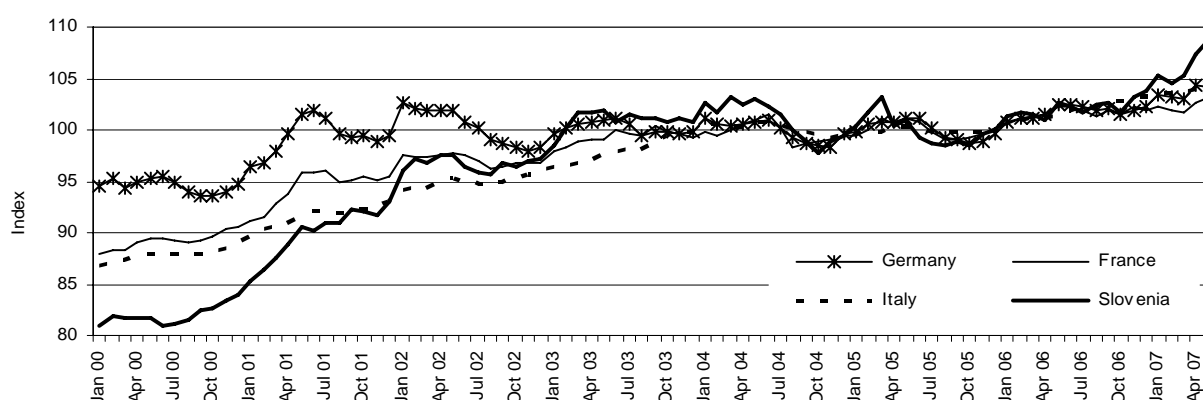
**May's high inflation largely reflected the increases in the prices of food, clothing and footwear, package holidays, and liquid fuels for transport and heating.** Food prices rose by 1.8% and contributed 0.3 p.p. to inflation. On the other hand, the prices of liquid fuels for transport and heating also went up in May over April, pushing inflation up by a further 0.3 p.p. The 3.3% rise in the prices of clothing and footwear added another 0.3 p.p. to the inflation in May. The same contribution came from the increase in the prices of package holidays. The prices of package holidays rose somewhat more in the first five months this year than in the same period of the previous two years.

**Oil prices in the global market have been rising slowly but steadily this year.** They rose from around USD 58/barrel in Q1 to approximately USD 68.5/barrel in Q2. The main reasons for the higher prices are higher than expected global economic growth and the fact that the OPEC is currently pumping two million barrels per day less than last year. In addition, oil prices are also

affected by the geopolitical tensions in Nigeria and Iran and the lower petrol stocks in the USA at the beginning of the driving season when demand increases considerably. In the six months to June, the oil price and the consequent increase in the prices of liquid fuels for transport and heating thus contributed slightly over 0.7 p.p. to the inflation in Slovenia.

**Slovenia's integration into the international environment is also reflected in the prices of food whose dynamics have closely followed that of the EU in recent years.** The relative price changes vary across the European countries due to different price levels. Food prices in Slovenia rose by 5.4% in the first five months of the year, contributing a good 0.8 p.p. to the inflation in this period, of which fresh or seasonal foods comprised 0.5 p.p. In France, the price rise in seasonal foods accounted for the total food price rise contribution to inflation, whereas in Germany and Italy it added approximately one-half. Otherwise, the dynamics of food prices are very similar in all of these countries, with Slovenia showing the biggest relative changes, which could be explained by the fact that prices in Slovenia are lower than in other analysed countries (see the graph).

Graph: Food price index in Slovenia and selected European countries (2005=100)



Sources of data: Eurostat, calculations by IMAD.

## Money Market – Household Savings

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 8

Household savings in banks and mutual funds managed by domestic administrators	EUR m, nominal		Nominal growth rates, %		
	31 Dec 2006*	30 Apr 2007	30 Apr 2007/ 31 March 2007	30 Apr 2007/ 31 Dec 2006*	30 Apr 2007/ 30 Apr 2006*
<b>Total savings</b>	11,451.3	11,630.5	0.0	1.6	8.7
<b>Euro savings, total</b>	7,181.3	11,207.5	0.1	N/A	N/A
Overnight deposits <sup>1</sup>	3,730.9	5,254.3	0.0	N/A	N/A
Short-term deposits	2,558.1	4,361.0	-1.2	N/A	N/A
Long-term deposits	677.2	1,121.3	2.2	N/A	N/A
Dep. redeemable at notice	215.0	471.0	10.7	N/A	N/A
<b>Foreign currency savings</b>	4,270.0	422.9	-2.6	N/A	N/A
Overnight deposits <sup>1</sup>	1,794.3	177.3	-5.5	N/A	N/A
Short-term deposits	1,877.1	189.0	-0.7	N/A	N/A
Long-term deposits	474.4	44.8	-2.3	N/A	N/A
Dep. redeemable at notice	124.2	11.8	12.8	N/A	N/A
<b>Mutual funds<sup>2</sup></b>	1,967.3	2,565.6	4.2	30.4	70.0

Source of data: Monthly Bulletin of the BS, IMAD's calculations. Notes: <sup>1</sup>demand deposits, <sup>2</sup>data for April 2007; \*due to the transfer of euro loans to domestic currency loans, data from previous years are not comparable with data for 2007, and calculations of growth rates are therefore senseless.

**The total volume of household deposits in banks stagnated for the second month running in April.** As in March, only euro deposits recorded a modest increase that month while foreign currency deposits continued to decline gradually. Despite this halt, the growth in the first four months of the year was one percentage point higher than in the same period of 2006. This is also confirmed by the net flows which amounted to EUR 179.2 m in this period and were 2.6-times higher than in the comparable period last year.

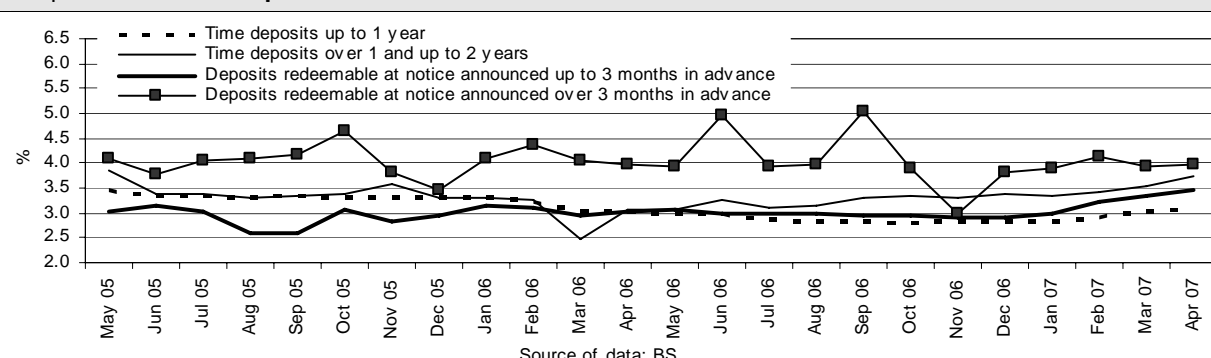
**The maturity structure of household deposits in banks has been improving somewhat this year.** While overnight deposits rose considerably in previous years, this year has seen an increase in time deposits, which went up by 4.6% in the first four months of the year after having declined by 0.8% in the same period of 2006. Deposits redeemable at notice have been growing at an almost 10% average monthly rate, having risen by 42.3% from the end of 2006 to the end of April and thus having contributed three-quarters to this year's growth despite their mere 4.2% share. Their net flows achieved 80% of the total net flows of household deposits in banks in the four months to April. The strong growth of deposits redeemable at notice is probably attributable to the higher interest rates on these deposits (see the graph).

**The relatively high growth of the volume of assets managed by domestic mutual funds continued in**

**May, when it was almost one-third higher than at the end of 2006.** In the five months to May, the volume of assets in money market mutual funds enjoyed the strongest growth (40.3%) but their contribution to overall growth was negligible because of their small share which totals just 0.3%. Stock mutual funds contributed by far the most to overall growth (over 20 p.p.). The total volume of assets amounted to EUR 2,565.6 m by the end of May.

**Monthly inflows into mutual funds have topped EUR 40 m for the fifth month running, after having rarely achieved the level of EUR 35 m in the previous two years.** Such high values may be attributable to the changed tax legislation and launching of mutual funds in the Balkan markets. For the first time since January 2007, all groups of mutual funds recorded net inflows in May. Only the net inflows in stock mutual funds decreased somewhat compared with the previous month as a result of the slowdown in the net inflows to those mutual funds which target their investments at the Balkan markets. The total net inflows into domestic-managed mutual funds amounted to EUR 246.1 m in the first five months of the year, 4.4-times more than in the comparable period of 2006. Since the increase in the volume of assets managed by mutual funds exceeded the value of net flows 2.5-fold in May, we estimate that the funds again achieved positive returns in that month.

Graph: Evolution of deposit interest rates





## Money Market – Loans

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 9

Domestic banks' loans	Nominal amounts, EUR m		Nominal loan growth, %		
	31 Dec 2006*	30 Apr 2007	30 Apr 2007/ 31 Mar 2007	30 Apr 2007/ 31 Dec 2006*	30 Apr 2007/ 30 Apr 2006*
<b>Loans total</b>	20,052.9	22,025.3	3.4	9.8	25.0
<b>Domestic currency loans</b>	7,317.2	20,825.8	3.2	N/A	N/A
Enterprises and NFI	3,926.5	15,149.7	3.9	N/A	N/A
Households	2,896.4	5,094.3	1.5	N/A	N/A
Government	494.3	581.8	0.0	N/A	N/A
<b>Foreign currency loans</b>	12,735.8	1,199.5	7.4	N/A	N/A
Enterprises and NFI	10,091.3	526.5	9.4	N/A	N/A
Households	2,484.3	657.5	6.1	N/A	N/A
Government	160.1	15.5	-2.9	N/A	N/A
<b>Household loans by purpose</b>	5,380.7	5,751.8	2.0	6.9	24.3
Consumer credits	2,286.6	2,392.3	1.6	4.6	16.4
Lending for house purchase	1,955.8	2,133.8	3.2	9.1	40.0
Other lending	1,138.3	1,225.6	1.0	7.7	17.0

Source of data: BS Bulletin, calculations by IMAD. Notes: NFI - non-monetary financial institutions; \*due to the transfer of euro loans to domestic currency loans, data from previous years are not comparable with data for 2007, and calculations of growth rates are therefore senseless.

### The lending activity of Slovenian banks strengthened considerably in April.

At the monthly level, the volume of loans achieved their highest growth since 2005 (the time since comparable data are available). The monthly net flows amounted to EUR 734.3 m, which is 50% more than the highest value recorded thus far. The high growth was underpinned by the stronger borrowing of enterprises and NFI, while the volume of net household borrowing moderated somewhat in April (after the high 2.7% growth in March). The total net flows thus achieved the value of EUR 1,972.4 m in the four months to April, close to a third more than in the comparable period last year.

### The volume of loans to enterprises and NFI rose by 4.1%.

Compared with the previous months, the highest increase was seen in the growth of working capital loans, which represent a good two-thirds of the total corporate loans. Their growth nevertheless fell 0.1 p.p. behind the 4.3% growth of investment loans, which rose for the third consecutive month. In April alone, enterprises and NFI net borrowed loans in the amount of EUR 620.4 m, whereas in the first four months of the year the net flows amounted to EUR 1,658.4 m, 42.8% more than in the comparable period last year. We estimate that this year's net flows of foreign currency loans comprise less than 10% of the net flows of loans taken out in domestic banks.

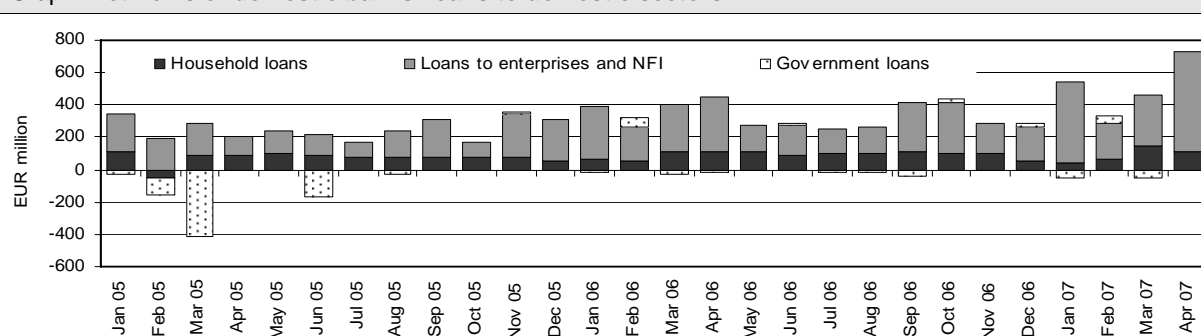
After the strong growth in March, household borrowing eased off somewhat but it nevertheless remains at a high level. Households recorded net

borrowing in the amount of EUR 371.0 m in the first four months of the year, close to 7.6% more than in the same period of 2006. Households are still extensively taking out housing loans, which comprise nearly half of the total net flows of household loans. Their percentage in the total volume of loans climbed by 0.7 p.p. to 37.0% in the four months to April. This is still much less than in the other EMU countries where household housing loans topped 70% at the end of April. It appears that households that take out foreign currency loans in domestic banks are more exposed to currency risk than enterprises and NFI. Foreign currency loans are estimated to account for approximately 30% of the total net flows. A large part of these loans is probably in Swiss francs, which still have a lower interest rate. Moreover, this type of borrowing has also supported the favourable movement of the Swiss franc, which has been depreciating since 2004 with minor swings and is currently at the lowest level against the euro since 1999 (since data are available).

### The growth of loans to the non-banking sectors in the EMU is slowing down gradually but is still at a relatively high level.

Their volume increased by 0.9% in April and by 3.8% in the first four months of the year, which is 0.5 p.p. less than a year ago. The total net flows have achieved the value of EUR 344.7 bn this year, 3.8% less than in the comparable period of 2006, while the share of Slovenian banks amounted to just 0.5% of the total value.

Graph: Net flows of domestic banks' loans to domestic sectors



Source of data: BS, calculations by IMAD.

Selected labour market indicators	thousands				% growth		
	Jan-Dec 2006	Apr 2006	Dec 2006	Apr 2007	Apr 07/ Mar 07	Jan-Apr 07/ Jan-Apr 06	Φ 2006/ Φ 2005
A Registered labour force (A=B+C)	910.7	909.9	911.3	921.6	0.2	1.2	0.6
B People in formal employment	824.8	819.9	833.0	849.0	0.4	3.4	1.4
in enterprises and organisations	675.1	671.5	681.7	692.4	0.5	2.8	1.3
by those self-employed	66.5	65.5	67.5	68.9	1.3	5.1	1.7
self-employed and farmers	83.3	82.9	83.8	87.8	-1.2	6.6	2.1
C Registered unemployed	85.8	90.0	78.3	72.6	-2.2	-17.9	-6.6
women	47.0	49.1	42.6	40.2	-1.3	-16.9	-4.9
aged over 40	39.7	40.9	37.7	37.7	-1.1	-7.3	-0.9
unemployed over 1 year	41.9	43.0	39.7	37.4	-1.3	-11.4	-3.6
D Rate of registered unemployment (C/A), %	9.4	9.9	8.6	7.9	-	-	-
male	8.9	8.2	7.1	6.3	-	-	-
female	12.0	12.0	10.5	9.8	-	-	-
E Job vacancies	19.0	18.4	15.9	20.6	-12.6	8.0	12.3
for a fixed term, %	75.3	75.4	76.4	76.9	-	-	-

Sources of data: SORS, ESS, IMAD's calculations. Note: persons in employment according to administrative sources.

**The number of people in formal employment rose by a further 0.4% in April while the registered unemployment rate decreased to 7.9%.** There was particularly an increase in the number of the employed (by 4,271 or 0.6%) while the number of self-employed declined due to the lower estimated number of farmers (by 1,188 or 3.3%). The average number of persons in employment was thus 3.4% higher in the first four months of the year than in the same period last year (see the table). The male registered unemployment rate (6.3%) is still considerably lower than the female one (9.8%).

**Employment measured by the labour force survey also rose in the first quarter of 2007 while the number of the survey unemployed remained low.** The number of people in employment rose by 2,000 or 0.2% compared with the previous quarter and by 12,000 or 1.3% year on year. Although the number of the unemployed was 2,000 (3.6%) higher than in the previous quarter, it was 12,000 (17.5%) lower than in the same quarter of 2006. The total labour force is therefore also smaller than a year ago. A comparison between the increase in survey employment and a much higher increase in formal employment shows that the decline in various types of informal employment, which started already in the final quarter of 2006, is still under way.

**The number of registered unemployed fell to 70,730 in May.** This is 1,843 or 2.5% fewer than in April and 16,381 or 18.8% fewer than in May 2006. 5,132 were newly registered as unemployed, 3,998 of whom had lost work; 4,137 unemployed people were hired. The

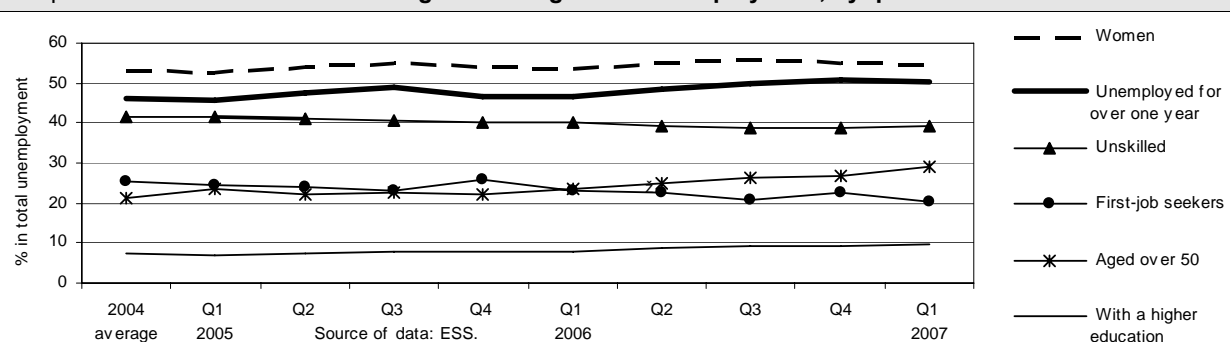
number of registered unemployed declined by a further 2,451 for other reasons. The flows were similar as in April, but the difference between the number of people who found work and those who lost it decreased.

**Along with the decline in total employment, the number of registered unemployed is also falling in some critical categories, but the shares of these categories in total unemployment are rising again.**

The shares of youth and first-time job-seekers are decreasing while the shares of the elderly and of the long-term unemployed are rising. The share of the unemployed aged over 50 rose from 25.1% to 31.5% in a year, while the share of those aged over 40 increased from 46.1% to 52.7%. The share of the long-term unemployed increased from 48.5% in May 2006 to 52.0% in May 2007. The average duration of unemployment lengthened by 2 months and 12 days over a year (to 26 months and 18 days), the most for the unqualified unemployed – by 3.5 months (to 36 months and 3 days). The shares of unemployed women and highly-educated people are rising as well. Within the total number of the unemployed, there were 55.4% of the former and 9.9% of the latter in May, while their numbers are gradually decreasing. In the five months to May, on average 2,180 unemployed persons had a higher education and 5,072 had university qualifications.

**The declared labour demand and the number of people hired were lower in May this year than in 2006.** The former (19,338) fell by 4.9% while the latter (13,393) decreased by 3.5%. Both categories also shrank in comparison with April this year, by 6.1% and 6.8%, respectively.

Graph: Shares of characteristic categories of registered unemployment, by quarter 2005-2007



# Earnings

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 11

Gross wage per employee, growth index	Wages in EUR Apr 2007	In nominal terms			In real terms <sup>1</sup>		
		Apr 07/ Mar 07	Apr 07/ Apr 06	Jan-Apr 07/ Jan-Apr 06	Apr 07/ Mar 07	Apr 07/ Apr 06	Jan-Apr 07/ Jan-Apr 06
Gross wage per employee, total	1,237.42	98.8	105.9	105.5	97.7	103.2	103.0
<b>Private sector (activities A-K)</b>	1,163.55	98.3	106.9	106.5	97.2	104.2	104.0
A Agriculture	1,024.69	100.1	109.4	107.2	99.0	106.6	104.7
B Fisheries	1,069.74	116.4	109.9	99.6	115.2	107.1	97.2
C Mining and quarrying	1,487.39	98.6	103.3	103.5	97.5	100.7	101.1
D Manufacturing	1,068.94	97.3	107.1	106.2	96.2	104.3	103.7
E Electricity, gas and water supply	1,483.26	98.9	104.2	103.3	97.8	101.6	100.9
F Construction	1,010.79	97.3	107.5	107.2	96.3	104.8	104.7
G Wholesale, retail; certain repairs	1,129.95	98.9	108.6	108.2	97.8	105.9	105.6
H Hotels and restaurants	904.92	99.9	104.4	104.1	98.8	101.8	101.6
I Transport, storage & communications	1,316.15	96.9	105.4	106.3	95.8	102.7	103.9
J Financial intermediation	1,897.03	103.7	106.5	107.5	102.5	103.8	105.0
K Real estate, renting, business services	1,300.07	98.4	105.6	105.4	97.4	103.0	102.9
<b>Public services (activities L to O)</b>	1,454.06	100.1	104.2	103.7	99.0	101.5	101.2
L Public administration	1,451.86	100.5	103.8	102.8	99.4	101.2	100.4
M Education	1,533.21	100.2	105.5	105.0	99.1	102.8	102.5
N Health and social work	1,386.12	101.3	103.2	102.8	100.2	100.6	100.4
O Other social and personal services	1,388.74	96.3	102.9	103.8	95.3	100.3	101.3

Source of data: SORS and IMAD's calculations for the private sector and public services. Note: <sup>1</sup>deflated by the consumer price index.

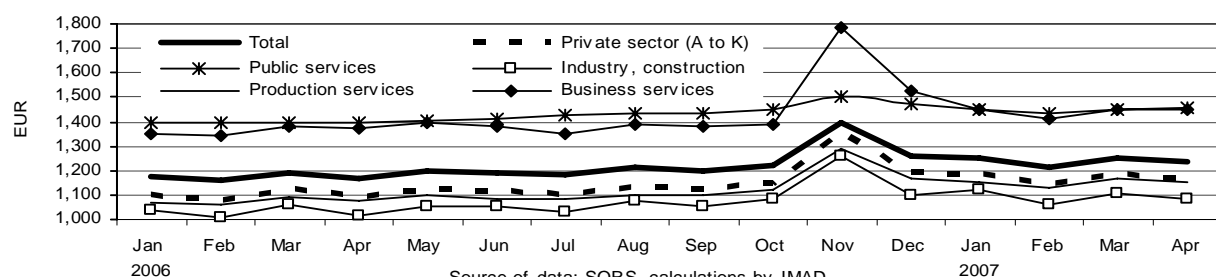
**The gross wage per employee declined as expected in April, by 1.2% in nominal and by 2.3% in real terms.** The three-day shorter working month resulted in an 1.7% decrease in the **private sector's** gross wages (activities A to K). The effect of the shorter working month was most visible in the group of **industry and construction** (C, D, E, F) where the gross wage per employee fell by a nominal 2.6%. After these activities recorded the highest growth in wages in the previous month, they now also witnessed the biggest drop. In **production services** (activities G, H, and I), the nominal decline in the gross wage per employee was somewhat smaller (-1.6%). The biggest drop within this group was seen in transport, storage, and communications. The average gross wage in **business services** (J, K) remained at approximately the same nominal level as in March. It edged up by 0.1% in nominal terms, mainly due to the increase in earnings in financial intermediation. The average gross wage in **public services** (L to O) also remained roughly at the March level, going up by 0.1% in nominal terms. The biggest increase was recorded in health care, which is typical for this month when there are more hours worked on duty due to holidays.

**In the four months to April, the average gross wage rose by 5.5% in nominal terms while retaining the 3.0% real growth from the first quarter.** In the same

period of 2006 and 2005, the real gross wage increased by 2.7% and 2.0%, respectively. The gross wage in the **private sector** rose at a faster pace, by 6.5% in nominal and 4.0% in real terms. The respective increases in the same period of 2006 and 2005 totalled 3.2% and 2.6%. The growth of gross wages in **public services** was slower. It totalled 3.7% in nominal and 1.2% in real terms. Public services also recorded slower earnings growth than the private sector in the comparable period of 2006 and 2005 (1.6% and 0.3%, respectively, real terms). Since 2002, the gross wage has been rising by around 1% annually in real terms, except in 2004 when it fell by 0.8% (as a result of the replacement of the adjustment percentage with additional pension insurance in July 2003). The growth of gross wages in the public sector is slower because part of the indexation is set aside for the elimination of disparities in public sector wages.

**The negotiations on the collective agreement for the public sector and sectoral collective agreements are due to be closed by the end of the year.** The reduction of wage disparities is due to begin in 2008. The IMAD's Spring Forecast 2007 assumed that disparities would begin to be eliminated already at the end of 2007. Due to this effect, the increase in the public sector gross wages in 2007 was estimated around 1 p.p. higher.

Graph: Nominal gross wage per employee by groups of activities



Selected economic indicators	Growth rates, %			
	April 2007/ March 2007	April 2007/ April 2006	Jan-Apr 2007/ Jan-Apr 2006	Jan-Dec 2006/ Jan-Dec 2005
Production value <sup>1</sup>	-7.9	14.5	11.4	6.5
- highly export-oriented industries <sup>2</sup>	-5.0	16.2	13.3	7.6
- mainly export-oriented industries <sup>3</sup>	-11.2	16.6	13.0	8.8
- mainly domestic-market-oriented industries <sup>4</sup>	-2.7	8.2	6.1	0.2
Average number of employees	0.1	1.3	1.0	-1.7
Labour productivity	-8.0	13.0	10.3	8.3
Level of inventories <sup>5</sup>	1.4	9.0	6.3	1.8
Turnover <sup>5</sup>	-9.4	9.7	8.9	5.2
New orders <sup>5</sup>	-4.5	14.0	9.4	5.5
Industrial producer prices (domestic market)	0.1	3.7	3.9	2.3
- producer prices/inflation	-1.0	1.1	1.5	-0.2

Source of data: SORS; IMAD's calculations. Notes: <sup>1</sup>real growth calculated on the basis of data on production value – SORS' recalculation with the IPI (provisional data); <sup>2</sup>manufacturing industries (DG. DK. DM) which have, according to data on Slovenian commercial companies from the AJPES (2005), earned over 70% of their average net revenues from sales in foreign markets in the last three years on average; <sup>3</sup>manufacturing industries (DB. DC. DD. DH. DJ. DL. DN) which have earned 50% to 70% of their average net revenues from sales in foreign markets in the last three years on average; <sup>4</sup>manufacturing industries (DA. DE. DF. DI) which have earned less than 50% of their average net revenues from sales in foreign markets in the last three years; <sup>5</sup>real growth.

**April's drop in production activity was seasonal; at the year-on-year level, production continues to increase.** According to the SORS' provisional data, the value of production fell by 7.9% compared with March, which was 3 working days longer. According to seasonally and working-day adjusted data, however, production continued to grow in April. Compared with April 2006, industrial production rose by 14.5%, and by 11.4% if the data are controlled for the different number of working days involved. At the year-on-year level, the strong growth from the first quarter strengthened further and totalled 11.4% in the four months to April.

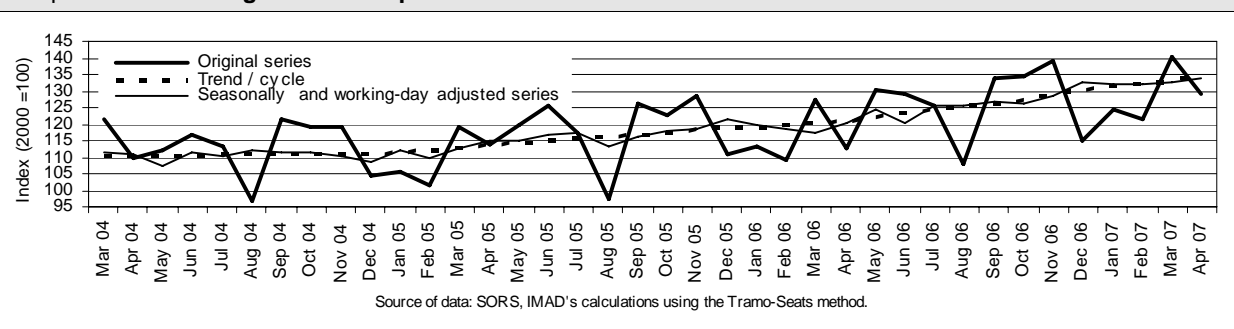
**In April, the increase in turnover from sales in the domestic market was again higher than in foreign markets.** In the first four months of the year, turnover from sales in the domestic market rose by a real 9.2% while the increase in the foreign market totalled 8.8% (7.2% in the euro area and 11.3% in the foreign currency area).

**The metal industry has been the main contributor to the expansion of manufacturing this year.** Half of the 14 manufacturing sub-industries recorded over 10% growth in the four months to April. The fastest growth in the analysed period was observed in wood-processing – DD (19.6%) and the manufacture of metals and metal products – DJ. The latter industry, which already achieved high growth rates in 2006, increased its production volume by 17.4% in the first four months this year. In addition to the supportive international environment, this industry is also benefiting from the vigorous construction activity at home. The turnover

generated in the domestic market rose by a real 16% in the four months to April, while the turnover from foreign markets was up 13.6%. Given this robust growth and the fact that the metal industry is the biggest sub-industry of Slovenian manufacturing, it is not surprising that it contributed more than a quarter to manufacturing's total growth in the four months. This industry is also important for the performance of the **labour market**. According to the Statistical Register of Employment (SRE), it employed 43,962 workers in April (19.1% of the workers employed in manufacturing), 112 more than a month ago and a remarkable 2,855 more than a year ago. However, the boom in the metal industry also involves a high environmental impact. This is one of the most energy-intensive industries that generates less than one-fifth of manufacturing's value added but consumes about one-third of the energy used by this sector (see SEM 5/2007: 17).

**After the record-high levels seen in recent months, business expectations slipped somewhat in June.** The seasonally-adjusted value of the confidence indicator (comprising total order books, inventories, and production expectations) was two percentage points lower than in May. The expectations regarding the production in the next three months declined the most but the estimated level of total order books also slipped somewhat. Among the indicators of expectations, which are not included in the confidence indicator, export expectations fell considerably while the expected total demand is still rising.

Graph: Manufacturing's industrial production



Selected distributive trades indicators	Growth rates, %				
	Q <sub>1</sub> 2007/ Q <sub>1</sub> 2006	Q <sub>1</sub> 2006/ Q <sub>1</sub> 2005	Q <sub>2</sub> 2006/ Q <sub>2</sub> 2005	Q <sub>3</sub> 2006/ Q <sub>3</sub> 2005	Q <sub>4</sub> 2006/ Q <sub>4</sub> 2005
Total nominal turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels	4.5	9.9	9.0	6.3	3.9
Turnover in retail trade	5.6	3.2	3.9	0.8	2.2
Sale of food, beverages and tobacco	1.7	-2.9	1.0	-0.8	-1.8
Sale of non-food products	9.9	10.3	7.3	2.8	6.9
Turnover in the sale and maintenance of motor vehicles and retail sale of automotive fuel	3.7	17.4	14.8	12.8	5.9
Motor vehicles, motorcycles, parts and accessories	8.4	10.7	7.0	15.8	10.8
Maintenance and repair of motor vehicles	6.1	23.9	11.4	15.3	9.0
Automotive fuel	-2.6	25.4	26.9	10.0	-0.5
Total nominal turnover in wholesale trade & commission trade	19.3	8.4	9.0	11.6	11.6
Average gross wage per employee <sup>1,2</sup>	5.6	3.1	2.1	2.6	4.3
Average number of people in employment <sup>1</sup>	2.0	0.9	0.9	0.5	0.9
Real growth of value added in distributive trades <sup>1</sup>	8.1	5.8	5.3	5.9	5.5

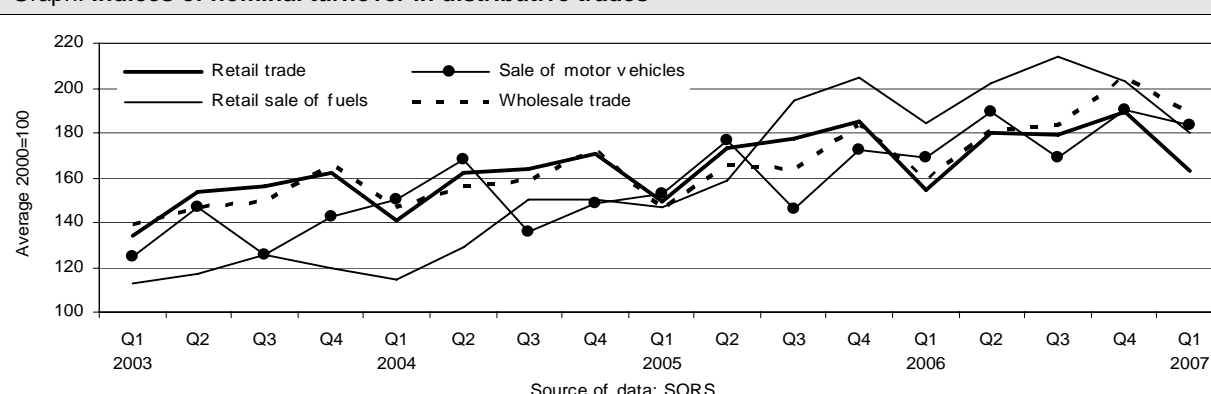
Source of data: SORS, calculations by IMAD. Notes: <sup>1</sup>in wholesale and retail trade, the repair of motor vehicles, and personal and household goods; <sup>2</sup>deflated by the consumer price index.

**After the excellent results seen in 2006, the growth of value added in wholesale and retail trade, the repair of motor vehicles, and personal and household goods (activity G) recorded a further substantial increase in the first quarter this year.** In real terms, value added was 8.1% higher than in the first quarter of 2006, marking the highest growth since 2000. The acceleration in the year-on-year growth rate of value added in distributive trades was strongly influenced by the high activity in construction and manufacturing since, according to the SORS' survey, the largest increase in turnover was recorded in wholesale trade (see the table) and in some segments of retail trade most closely linked to those two activities (e.g. the sale of non-food products). The strong performance of distributive trades is also reflected in the high 2% growth in the number of employees in this activity. The increase in employment was the highest in wholesale (3.0%) and retail trade (2.2%), while the number of workers employed in the sale, maintenance and repair of motor vehicles, and in retail sales of automotive fuels declined by 1.1%.

**The higher increase in retail trade's turnover was largely the result of the stronger sales of non-food products and a rise in the turnover from food sales**

(see the table). Within the sale of non-food products, the largest nominal increase in turnover was again recorded in specialised shops selling furniture, household equipment, and construction material (by 27.8%). The turnover in non-specialised shops mainly selling non-food products rose by 7.8% in the first quarter this year after its negative year-on-year growth in the final quarter of 2006. The turnover in the sale of food products, beverages, and tobacco rose slightly in y-o-y terms in both non-specialised shops mainly selling food and in specialised shops selling food, beverages, and tobacco; however, due to last year's drop it has still not rebounded to the 2005 level in either of the two activities. The turnover in the sale and repair of motor vehicles and in retail sale of automotive fuels rose by a nominal 3.7%. Within that, turnover in the sale of motor vehicles, motorcycles, parts, and accessories increased by 8.4%, the turnover in the repair and maintenance of motor vehicles went up by 6.1%, whereas the turnover in the sale of automotive fuels decreased. The good performance of motor vehicles sales is also corroborated by the number of newly registered cars, which rose by 8.4% in the first quarter over the same period of 2006.

Graph: Indices of nominal turnover in distributive trades



Selected indicators for tourism & hotels and restaurants	Growth rates, %				
	Q <sub>1</sub> 2007/ Q <sub>1</sub> 2006	Q <sub>1</sub> 2006/ Q <sub>1</sub> 2005	Q <sub>2</sub> 2006/ Q <sub>2</sub> 2005	Q <sub>3</sub> 2006/ Q <sub>3</sub> 2005	Q <sub>4</sub> 2006/ Q <sub>4</sub> 2005
Overnight stays, total	4.8	3.1	0.5	0.4	6.6
Domestic tourists	0.5	5.7	-5.6	1.8	7.3
Foreign tourists	9.0	0.6	4.7	-0.4	6.0
Average number of people in employment <sup>1</sup>	2.1	1.9	2.1	1.9	1.9
Average gross wage per employee <sup>1,2</sup>	1.6	2.3	2.6	0.8	2.0
Prices of hotel and restaurant services, total <sup>3</sup>	6.9	3.9	4.6	4.6	4.6
Prices of catering services <sup>3</sup>	7.6	4.1	4.5	4.5	4.7
Prices of accommodation services <sup>3</sup>	4.0	3.0	4.2	4.0	4.1

Source of data: SORS; calculations by IMAD. Notes: <sup>1</sup>hotels and restaurants; <sup>2</sup>deflated by the CPI; <sup>3</sup>CPI group or sub-group.

### The favourable tourism results from 2006 continued in the first months of 2007.

The number of overnight stays increased by 4.8% in the first quarter of 2007, year on year, while the number of tourists rose by 7.6%. All three months were favourable for tourism, with the highest growth being recorded in February (by 7.2% and 19.6%, respectively). April enjoyed even more favourable results as the number of tourists surged by 18.3% over April 2006 while the number of their stays went up by 19.2%. The favourable distribution of April and May holidays, coupled with good weather in this period, contributed to the high, 25.3% increase in the number of domestic guests and a 22.6% increase in their overnight stays. The number of foreign tourists and their overnight stays also rose substantially. In the four months to April, 10.8% more tourists stayed on a vacation in Slovenia and made 8.4% overnight stays more than in the same period of 2006. The number of residents' stays rose by 4.8% while that of non-residents' stays was up 11.5%.

### In the first quarter of the year, the prices of catering services rose more than in previous quarters.

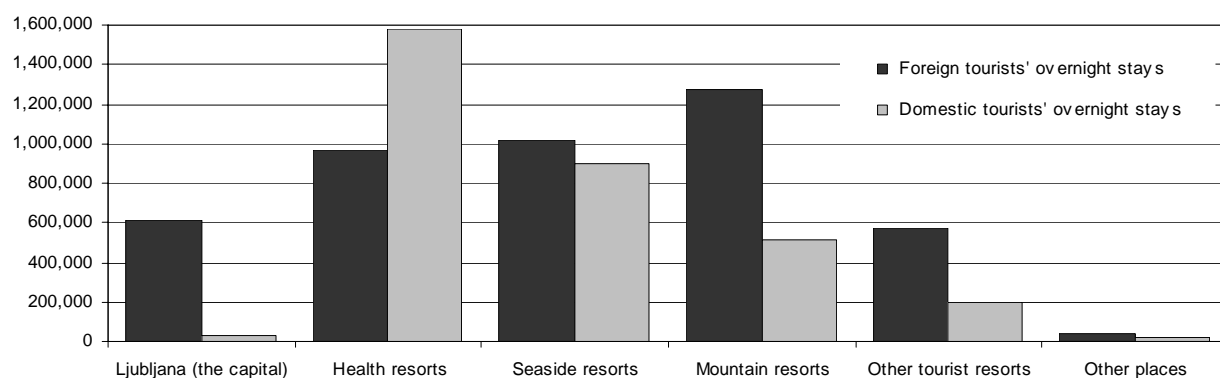
Their increase at the y-o-y level was 7.6%, compared with the 4.4% average rise in 2006. The increase in the prices of catering services in the first quarter can be partly attributed to the adoption of the euro, as shown by the analysis of the effect of euro adoption on inflation in Slovenia, published by the IMAD at the beginning of March. In contrast with the prices of catering services,

the dynamics of the prices of accommodation services saw no major changes (see the table).

### In 2006, tourists made most overnight stays in health, seaside and mountain resorts, with the highest increase having once again been recorded in Ljubljana.

The total number of stays by type of resort did not change significantly in comparison with previous years, but the structure of domestic and foreign tourists changed more visibly. Domestic tourists made most overnight stays in health resorts throughout the 1991-2006 period, in recent years increasingly so. In 2006, the share of overnight stays made by residents in health resorts in total residents' stays rose by 1.1 p.p. to 48.8%. Health resorts were the only destination, apart from other tourist resorts, in which the number of overnight stays increased from 2005. Foreign tourists mostly stayed in mountain, seaside and health resorts last year, similarly as in previous years. For the third year running, Ljubljana recorded the biggest increase in non-residents' stays in 2006 (13.7% y-o-y, half more than in 2003). In addition to the increased interest in Ljubljana as the capital of a new EU member state, the stronger tourist inflow was also underpinned by the launching of some new airlines. The number of non-residents' overnight stays also rose in health resorts (by 2.2%), other tourist resorts, and other towns. The number of overnight stays in mountain resorts declined in 2006 after several years of growth. Visits to seaside resorts also declined again.

Graph: Number of residents' and non-residents' overnight stays by type of resort (2006)



Source of data: SORS.

Selected private consumption and household indebtedness indicators	Real year-on-year growth rates, %*				
	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07
Private consumption <sup>1</sup>	3.1	3.4	3.6	3.0	3.3
Turnover in retail trade <sup>2</sup>	2.9	2.8	-0.3	0.3	2.3
New car registrations <sup>3</sup>	0.2	-1.2	7.2	9.0	8.4
Consumer confidence indicator <sup>4</sup>	-16.0	-16.0	-12.0	-12.0	-7.3
Commercial banks' loans to households (end-of-period stock) <sup>5</sup>	26.4	26.1	25.9	25.7	25.0
Household savings in banks (end-of-period stock) <sup>5</sup>	5.5	6.1	6.1	7.7	8.7

Sources of data: SORS, DUNZ, BS, calculations by IMAD. Notes: \*unless otherwise indicated; <sup>1</sup>SORS, real growth rate – consumption of households and NPISH; <sup>2</sup>calculation from original volume indices, SORS; <sup>3</sup>increase in the number of cars, DUNZ; <sup>4</sup>original value, SORS; <sup>5</sup>nominal increases.

**The year-on-year growth of household consumption (3.4%) strengthened somewhat in the first quarter (3.2% in Q1 of 2006).** The accelerated growth of consumption was indicated by some short-term consumption indicators – notably consumer confidence and new car registrations, whereas the increase in retail trade turnover was somewhat lower than last year.

**Income indicators do not provide an unequivocal explanation of the evolution of household receipts.** The net wage bill (according to AJPES) rose by a real 0.4% in the first quarter, year on year. On the other hand, the SORS' data on the growth of the average net wage and persons in paid employment show that the net wage bill rose relatively significantly (by 7.5%; compared with less than half this growth – 3.4% – achieved in the same period of 2006). The reason for the growth of the wage bill is the increase in net wages due to the changed personal income tax rates and the increase in persons employed by legal entities (by 2.7% y-o-y; in Q1 of 2006 by 0.8%). Although these two indicators are based on two different methodologies of data collection, their observed dynamics from the previous periods were very similar.

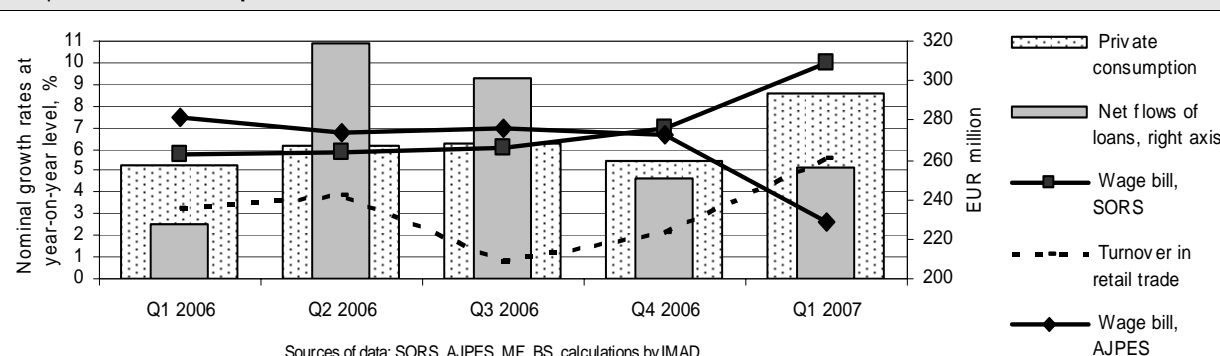
**The most notable short-term consumption indicators are high consumer confidence and an increase in new car registrations.** The consumer confidence indicator reached its highest value in the first quarter (consumers gave the highest estimates thus far to the advisability of saving and the current financial situation in the household). After the poor performance in the first two months (0.2% and -0.9%), in March turnover in retail trade enjoyed the highest year-on-year increase (7.6%) since December 2005 (also see p. 13). Even so, the turnover rose by 0.6 p.p. less than last year in the first quarter. Within retail trade, the highest growth generally was recorded in the group furniture, household appliances, and construction material; the 25% rise is in line with our estimated increase in the purchases of durable and semi-durable goods in 2007 (see e.g. Spring Report 2006, p. 56). The increase in the turnover in the sale of motor vehicles (11.3%) is consistent with the high growth of new car registrations (8.4%), which began to increase in the middle of

2006. Both non-residents' spending in Slovenia (-25.0%) and residents' spending abroad (-9.4%) declined. In the structure of exports of services, travel now comprises only 27.7% (in 2006 almost 40%), but this seems to be related to the change in the balance of payments methodology (changeover to direct reporting; also see p. 5), which is precisely what caused the relatively high nominal growth of household consumption (8.6%), because consumption in the domestic market is increased by residents' spending abroad (which represented 3.7% of the consumption in the domestic market) and decreased by non-residents' spending in Slovenia (9.2% of the consumption in the domestic market) which, however, dropped significantly and resident consumption was therefore higher.

**Some consumption indicators also recorded favourable dynamics in the second quarter.** The dynamics of the net wage bill according to the AJPES (6.6%) and the SORS (7.4%) were similar again after three months of strong divergence. In April and May together, 13.6% more new cars were registered than a year ago. The consumer confidence indicator was again high in the second quarter (-9.0). On the other hand, the strong growth of retail trade turnover seen in March did not continue in April (2.0%).

**The year-on-year nominal growth of the volume of loans moderated somewhat.** Despite the high base, the volume of housing loans is growing at the fastest pace (39.7%; its growth rate almost halved in comparison with March 2006). The volume of consumer loans increased by 15.6% (in March 2006 by 9.4%), while the volume of other loans rose by 22.3% (17.8%). The net flows were a good one-tenth higher in nominal terms than in the first quarter of 2006 (when they rose by more than half). The highest nominal growth rates of net flows were achieved by other loans (57.7%) while the flows of housing and consumer loans were slightly lower than a year ago (by 0.2% and 2.7%, respectively). The year-on-year growth rate of the volume of loans fell to 24.3% in April, which is the lowest rate since June 2005, while their net flows declined by 2.5%.

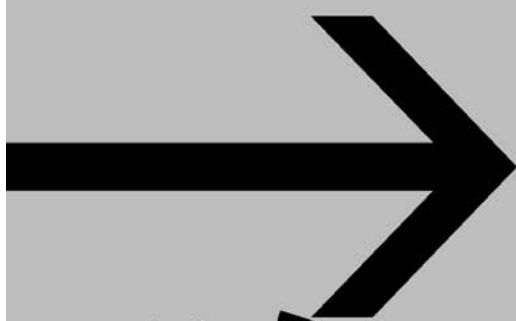
Graph: Private consumption with related indicators and net flows of loans



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# Youth in Secondary Schools by Type of Education Programme

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 19

Youth in secondary schools by type of education programme									
	Youth enrolled <sup>1</sup> in secondary schools						Graduates <sup>2</sup> of secondary schools		
	Number	Change in number (%)		Structure (%)			Number	Change in number (%)	
		06/07	05/06–06/07	00/01–06/07	00/01	05/06		06/07	05/06
Total	96,310	-3.6	-8.1	100.0	100.0	100.0	24,021	0.7	-3.9
2-year lower vocational p.	1,625	-14.6	-52.7	3.3	1.9	1.7	601	-10.6	-41.9
3-year middle vocational p.	15,939	-9.8	-37.8	24.4	17.7	16.5	5,054	-7.2	-26.6
4- and 5- year technical and other professional p.	32,078	-1.6	-4.6	32.1	32.6	33.3	6,725	4.4	-15.5
Grammar schools	37,850	-1.5	11.6	32.4	38.5	39.3	8,629	7.0	39.8
3+2 and differential programmes	7,047	-5.1	-9.2	7.4	7.4	7.3	2,355	-10.7	-16.7
Vocational course	343	11.0	261.1	0.1	0.3	0.4	176	87.2	1,073.3
Matura course	1,428	-7.6	277.8	0.4	1.5	1.5	481	-2.6	353.8

Source: SORS, Rapid Reports No. 34, 2007; No. 203, 2006; No. 66, 2004; No. 270, 2002.

Notes: <sup>1</sup>data for the beginning of the academic year; <sup>2</sup>data for the end of academic year.

## The participation of youth in secondary education is increasing.

Due to the smaller generation sizes, the number of youth enrolled in secondary schools declined in 2000/2001-2006/2007, to 96,310 in 2006/2007 (2005/2006: 99,860; 2000/2001: 104,840), but the percentage of the generation aged 15-19 enrolled in secondary schools increased to total 79.2% in 2006/2007 (2000/2001: 75.3%). This rise was partly due to the changed structure of youth enrolled in secondary schools by type of programme. The percentage of youth enrolled in 2- and 3-year vocational schools is declining while the percentage of youth in 4- and 5-year programmes is growing, which is why young people remain in secondary education for a longer time. Due to the declining numbers of youth enrolled in secondary schools, the number of secondary school graduates also fell in the observed period, to 24,021 in 2005/2006 (2000/2001: 25,002).

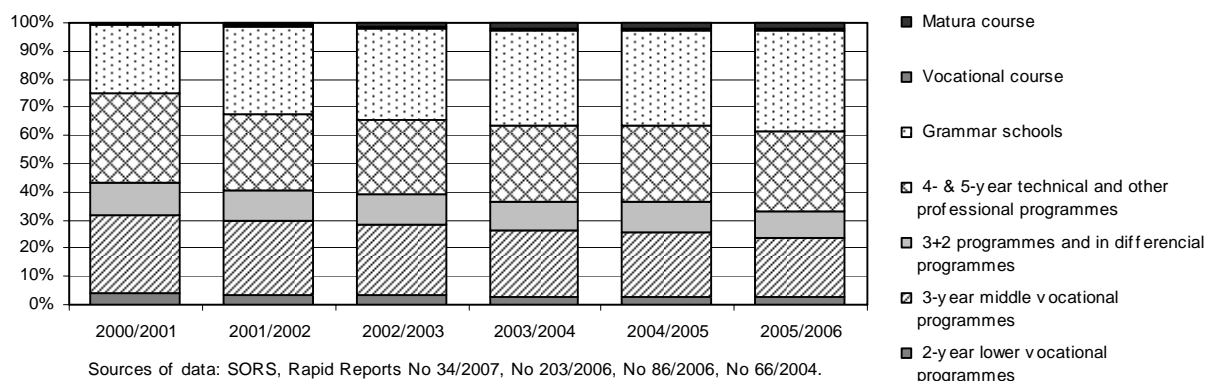
## The number of youth in vocational and professional schools is decreasing whereas the number of those in technical and professional schools remains approximately the same.

One of the main objectives of vocational and technical education is to acquire the knowledge, competences, and skills required for work. In 2000/2001-2006/2007, the percentage of youth in lower and middle vocational schools declined considerably, as did their number (see the table). The number of graduates from these programmes is consequently falling as well. Due to the diminishing

enrolment of youth in vocational schools in recent years, the number of graduates from these programmes is expected to continue falling in the future. The percentages of pupils in 4- and 5-year technical and other professional programmes and in 3+2 and differential programmes remain roughly the same. The share of pupils enrolled in the vocational course, mainly intended for those who finished grammar school and wish to obtain secondary vocational qualifications, increased slightly.

**Enrolment in grammar schools is rising.** One of the main goals of grammar schools is to prepare pupils for higher education studies. The policy of encouraging young people to study at university resulted in an increase in the share of youth enrolled in grammar schools between 2000/2001 and 2006/2007 and consequently in the share of graduates from these programmes (2005/2006: 35.9%; 2000/2001: 24.7%), which impacted on the size of the potential population for enrolment in universities. Enrolment in a university is conditional on having successfully passed the matura exam, which may be taken by pupils who successfully completed the fourth year of grammar school or the matura course. 2.0% of youth completed the latter in 2005/2006 (0.4% in 2000/2001). Given that the percentages of youth enrolled in general and technical grammar schools and in the matura course are rising, we can expect an additional increase in the percentage of graduates from these schools.

Graph: Structure of secondary school graduates by type of education programme



# Youth in Secondary Schools by Field of Study

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 20

Youth in secondary education by field of study										
	Youth enrolled <sup>1</sup> in secondary schools					Graduates <sup>2</sup> of secondary schools				
	Number	Δ of the number (%)	Structure (%)			Number	Δ of the number (%)	Structure (%)		
			00/01	05/06	06/07			05/06	00/01–05/06	00/01
06/07	00/01–06/07	00/01	05/06	06/07	05/06	00/01–05/06	00/01	04/05	05/06	
Total	96,310	-8.1	100.0	100.0	100.0	24,021	-3.9	100.0	100.0	100.0
Agriculture	3,954	-32.8	5.6	4.4	4.1	1,264	-28.1	7.0	5.3	5.3
Forestry	119	-15.6	0.1	0.1	0.1	41	13.9	0.1	0.1	0.2
Leather processing	-	-	0.0 <sup>4</sup>	-	-	-	-	0.1	-	-
Textiles	219	-88.9	1.9	0.3	0.2	105	-86.2	3.0	0.8	0.4
Chemistry, pharmacy, rubber processing and nonmetals	1,042	-6.8	1.1	1.0	1.1	228	-10.2	1.0	0.9	0.9
Wood processing	1,968	-39.0	3.1	2.2	2.0	625	-35.6	3.9	2.9	2.6
Construction	1,968	-26.7	2.6	2.0	2.0	473	-35.1	2.9	2.1	2.0
Catering and tourism	5,000	-9.9	5.3	5.3	5.2	1,269	7.3	4.7	5.1	5.3
Economics	15,628	-27.0	20.4	17.8	16.2	4,894	-17.5	23.7	21.7	20.4
Paper and printing	994	68.5	0.6	1.0	1.0	191	85.4	0.4	0.6	0.8
Electrotechnics and computer science	7,899	5.7	7.1	7.6	8.2	1,574	-11.6	7.1	6.1	6.6
Metallurgy and mechanical engineering	7,118	-13.0	7.8	7.2	7.4	1,840	-18.4	9.0	8.0	7.7
Transport and communications	1,324	11.0	1.1	1.3	1.4	234	13.0	0.8	1.2	1.0
Mining	97	-30.7	0.1	0.1	0.1	22	-33.3	0.1	0.1	0.1
Human health activities	5,916	11.0	5.1	5.7	6.1	1,254	7.4	4.7	5.0	5.2
Teacher training	1,767	70.1	1.0	1.7	1.8	395	145.3	0.6	1.2	1.6
Social sciences	-	-	0.8	-	-	-	-	0.9	-	-
Culture	534	-20.2	0.6	0.6	0.6	71	-39.3	0.5	0.5	0.3
Grammar schools <sup>3</sup>	39,278	14.5	32.7	40.0	40.8	9,110	45.1	25.1	36.3	37.9
Personal services	1,485	-47.2	2.7	1.6	1.5	431	-52.1	3.6	1.9	1.8
Internal affairs	-	-	-	0.2	-	-	-	0.4	-	-

Source of data: SORS, Rapid Reports No. 34, 2007; No. 203, 2006; No. 66, 2004; No. 270, 2002. Notes: <sup>1</sup>data for the beginning of the academic year; <sup>2</sup>data for the end of the academic year. <sup>3</sup>Youth enrolled in grammar schools and participating in the preparatory courses for the final examination (*matura*). <sup>4</sup>A few pupils were enrolled in leather processing programmes in 2001/2002, but their number is so small that their share equals 0.0% when rounded up.

**The main purpose of vocational and technical secondary education is to equip young people with the knowledge and skills they will need at work.** In order for the national economy to function well it is vital that the structure of youth who have graduated from secondary schools and the structure of youth enrolled in secondary schools is adapted to current and future labour market needs. The main challenge of education and employment policies is to encourage young people to opt for vocations facing a shortage based on the anticipated future needs in the labour market.

**The structure of young graduates from secondary schools by field of study changed somewhat from 2000/2001 till 2005/2006.** The percentage of graduates fell in most fields except in grammar schools, which recorded a considerable increase (see the table). 2005/2006 saw the highest percentage of youth who finished grammar school, whereas the shares of graduates in other types of schools (technical and vocational) declined. The second highest shares were recorded in economics, followed by metallurgy and mechanical engineering. The lowest shares of young graduates were observed in the fields of mining, forestry, and culture.

**The structure of youth enrolled in secondary schools is also changing.** In 2006/2007, the percentage of youth enrolled in grammar schools was

the highest, followed by economics and metallurgy and mechanical engineering. The lowest shares were observed in the mining, forestry, and textiles schools (see the table). Compared with 2005/2006, the percentages of youth enrolled in specific fields rose in six out of 18 fields, mostly in grammar schools, followed by electrotechnics and computer science, and health care. The sharpest drops in the shares of enrolled pupils were seen in economics, agriculture, and forestry. The number of enrolled pupils declined in most fields of study during the period analysed (see Graph 2), which will affect the number of graduates in each field and consequently the supply of youth for specific profiles in the labour market. Although the structure of enrolled pupils and the structure of graduates have changed in the period since 2000/2001, the changes have been too slow in some fields (e.g. construction, catering and tourism).

**The number of graduates from secondary schools of economics is declining.** It fell to 4,894 in 2005/2006 (down from 5,934 in 2000/2001). This drop is considerably bigger than the Slovenian average in percentage terms (see the table). Since the number of youth enrolled in this field is declining as well (down from 17,747 to 15,628), we expect that the number of graduates in this field will decline somewhat further in the years ahead.

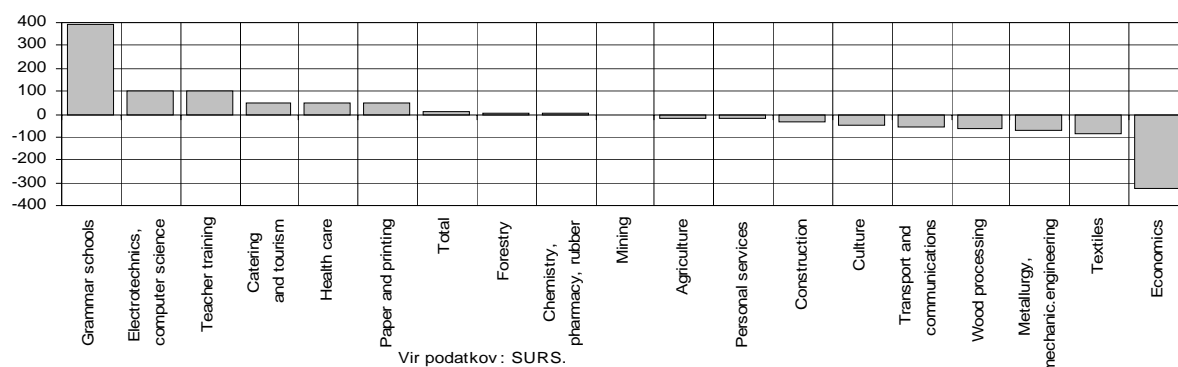
The number of secondary school graduates in **electrotechnics and computer science, and in metallurgy and mechanical engineering has declined**. The number of the former fell to 1,574 in 2005/2006 (1,780 in 2000/2001), while the number of the latter declined to 1,840 (from 2,256). We presume that young people partly base their decisions on further study in the field of study they completed at secondary school. The share of students and graduates at the tertiary level of science and technology studies, which also include mechanical engineering, electrotechnics, and computer science, is relatively low in Slovenia. One way to increase the percentage of science and technology students at the tertiary level could be to encourage young people to study these fields at secondary school. It would therefore be reasonable to already promote enrolment in these fields at the secondary education level. In 2006/2007, the number of pupils enrolled in electrotechnics and computer science schools rose while the number of those enrolled in metallurgy and mechanical engineering did not (see graph 2). Given the current trends we do not expect a significant increase in the number of young graduates from these fields in the next few years.

2000/2001). This decline was largely caused by the recession in the Slovenian textile industry. The number of pupils enrolled in textile schools is declining rapidly. It fell by 28.2% between 2005-2006 and 2006-2007 alone. Due to the drop in enrolment seen in recent years we can expect that the number of graduates from this field will continue to decline in the future.

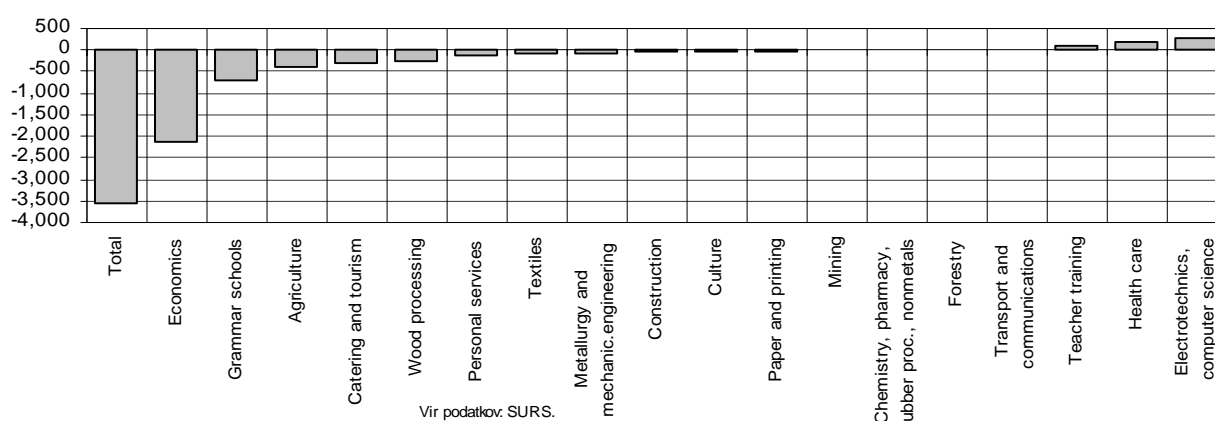
**Enrolment should be raised in the fields of catering and tourism, and construction.** Labour skilled in catering, tourism, and construction is in shortage in Slovenia, but the structure of youth enrolled in schools has not adapted to market needs. There were 473 graduates from construction schools in 2005/2006, their number having declined since 2000/2001. The number of youth enrolled in secondary schools of construction is falling as well, and we can therefore expect an additional decline in the number of graduates from this field in the years to come. The second field encountering shortages of skilled workers is catering and tourism. Although the number of graduates in this field increased from 2000/2001 to 2005/2006, the rise totalled a mere 7%. Both fields are facing the same problem – an under-average percentage of pupils who successfully finish each school year (average: 90.6%; construction: 87.7%, catering and tourism: 84.9%), despite an improvement in this rate in both fields from around 80% in 2000/2001.

**The number of young people who finished secondary schools in the field of textiles has decreased.** In 2005/2006 it dropped to 105 (from 761 in

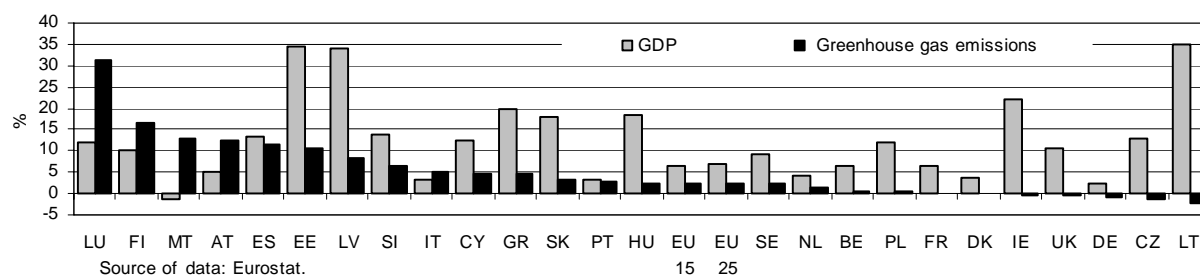
Graph 1: Changes in the number of secondary school graduates, total and by field of study, 2004/2005-2005/2006



Graph 2: Changes in the number of youth enrolled in secondary schools, total and by field of study, 2005/2006-2006/2007



Graph 1: Increase in greenhouse gas emissions and GDP growth in 2000-2004



It has been scientifically proved that global warming is the result of human activity (IPCC, 2007: Fourth Assessment Report). Over the past 100 years, the average global temperature has increased (by 0.7°C; in Europe by 0.9°C) and the concentration of greenhouse gases (GHG) in the atmosphere has exceeded the pre-industrial level. The last decade has been the warmest in the period since temperatures have been measured instrumentally (from 1850), and the growth of GHG concentrations has been higher than in the past 50 years on average. This is due primarily to fossil fuel combustion in the energy and transport sectors.

In 2005, the Kyoto Protocol came into force as a supplement to the United Nations Framework Convention on Climate Change whose aim is to prevent dangerous anthropogenic interference with the climate change. Together with other developed countries that ratified the Kyoto Protocol, both the EU (then comprising 15 countries) and Slovenia made a commitment to reduce GHG emissions by 8% in the 2008-2012 period relative to the base year (1990; for Slovenia: 1986). To achieve this target, the EU-15 agreed on burden-sharing, which means that eight countries received reduction targets, two had targets for emissions on parity with 1990 levels while five countries were allowed increases (see Graph 3). To reach its Kyoto target, the EU introduced an internal GHG emissions trading system, which is one of the flexible Kyoto mechanisms. The other two flexible mechanisms are the Joint Implementation for projects aimed at reducing emissions by contracting parties to the Kyoto Protocol and the Clean Development Mechanism in developing countries. The Kyoto parties may also achieve part of their GHG emissions reduction targets through carbon sinks by expanding wood increments or by forestation, however only as a consequence of human activity.

The structure of GHG emissions in Slovenia is similar to the global structure. The greatest contributor is carbon dioxide (82.2% in 2005; ARSO), which is generated mainly by the combustion of fuel; it is followed by methane (10.4%) deriving mostly from waste and agriculture, and nitrous oxide (N<sub>2</sub>O, 6.3%), whose main sources are again agriculture and transport. Emissions of F-gases (HFC, PFC, and SF<sub>6</sub> – industrial gases that are replacing ozone-harming substances and are used as refrigerants and in the manufacture of plastic foams, pneumatics, shoes etc.) are very small (1.2%) but their effect is far from insignificant due to their large greenhouse effect.

GHG emissions have risen slightly since 2000, in both

some of the old and some of the new EU member states. In 2004, GHG emissions in the EU-15 were 0.9% below the base year (1990) level. In this period, there was a substantial increase in GHG emissions from transport; the energy sector's emissions also rose somewhat, while other sectors cut their emissions. The UK and Germany, which produce almost a third of the EU's total emissions, reduced their emissions from the energy sector significantly; the first mainly by a shift to gas fuel, the second by improving the efficiency of energy production from coal. Emissions in the EU-10 were 23% below the base level in 2004, largely as a result of the restructuring of these economies in the transition period. However, transport emissions of these countries have also risen sharply since 1995. In the period since 2000, GHG emissions in the EU-15 have been rising slightly, with notable rising trends being observed in Luxembourg, Finland, Austria, Spain, and Italy. In these countries (except Spain), the increase in emissions was also higher than GDP growth in the analysed period (see Graph 1). GHG emissions decreased in the UK and Germany, the two largest emitters in the EU, and in Ireland and Denmark. In the EU-10, emissions in 2000-2004 only declined in the Czech Republic, while the largest increases were observed in Malta, Estonia, Latvia and Slovenia. Comparing the performance of countries only for 2004, the biggest reductions were recorded in Denmark and Finland while the highest increases were observed in Lithuania, Luxembourg, Spain, Malta and Slovenia.

The lagging of emissions growth behind GDP growth is relatively less favourable in Slovenia than in other EU countries. By sector, most emissions are generated in the energy sector excluding transport (59%), in transport (21%), agriculture (9%), industrial processes (8%), and waste disposal (3%). The percentages are given for the EU-15 average in 2004 and are practically equal for Slovenia. Economic growth as a lever of energy consumption is a significant factor of GHG generation. However, emissions also depend on energy sources, technologies, economic structure and factors that determine efficient energy use. In agriculture and waste, the level of emissions produced largely depends on sustainable development factors (waste management, intensity of livestock breeding). In Slovenia, economic growth has been faster than GHG emissions growth since 1995, except in 2001. Since 2001, the gap has averaged 2.8 p.p.; it was bigger in 2003 when emissions decreased (as a result of slower GDP growth and lower output of the thermal power plant Šoštanj due to its regular overhaul). The lagging of GHG emissions growth

behind GDP growth in Slovenia was at a similar level as in Sweden, France and Belgium in 2000-2004. This is not a very favourable achievement because these economies are more developed and the contribution of structural changes in the economy to the reduction of emissions is smaller. In addition to other EU-10 countries (except Malta), bigger gaps between GDP and GHG emissions growth were recorded in Ireland, Greece and the UK in this period (see Graph 1).

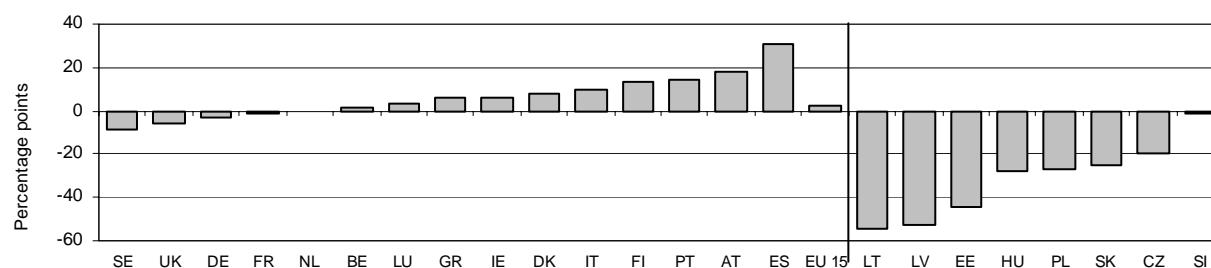
**The EU-15 can only achieve the Kyoto target by applying additional measures, whereas the EU-10 will meet its target without any problem due to economic transition.**

According to the trends observed thus far in GHG emissions, emissions in the EU-15 were still 2.3 p.p. above the target in 2004 (see Graph 2). Only Sweden and the UK are projected to meet or even exceed their targets with existing policies. Finland, Luxembourg, the Netherlands, France, Germany, and Greece will meet their targets by employing additional measures and flexible Kyoto mechanisms. Belgium, Denmark, Ireland, Spain, Austria, Italy and Portugal will not reach the target despite all measures and mechanisms. Projections for 2010 (EEA) show that GHG emissions in the EU-15 will only be 0.6% below the base level; flexible Kyoto mechanisms will enable an additional reduction of 2.6 p.p. In order to achieve the 8% reduction target, additional measures will have to be taken to reduce the GHG emissions by a further 4.6 p.p. The use of sinks will contribute 0.8 p.p. to the reduction of emissions. The EU-10 countries (except Cyprus and Malta, which do not have a target under the Kyoto Protocol) are projected to meet their Kyoto targets with existing policies and measures. Slovenia is the only exception, planning to reach its target with additional measures and use of carbon sinks

totalling 1.3 Mt CO<sub>2</sub>, which equals almost 6.5% of GHG emissions in 2005.

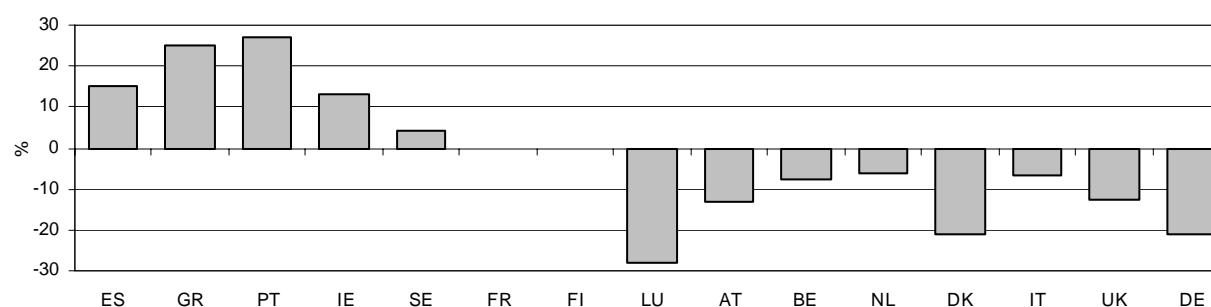
**The EU promotes active and effective policy to reduce the human impacts on climate change.** GHG emissions are mostly related to the scope and type of energy production and consumption. Therefore, they can be reduced by shifting technologies, fuels, and raw materials, and by reducing the scale of these activities. The solution to this problem requires a different approach than most other environmental problems because no end-of-pipe systems (such as e.g. filtration systems for SO<sub>2</sub> emissions) are available for the reduction of these emissions. The EU plays a leading role in international climate protection. This year's March European Council decided to transform Europe into an energy-efficient and low greenhouse-gas-emitting economy. Under its climate protection policy, the European Council made a firm commitment that until the conclusion of a global and comprehensive post-2012 agreement, and regardless of the commitments of other countries, the EU would achieve at least a 20% reduction of GHG compared to 1990 by 2020, or at least a 30% reduction by 2020 and a 60%-80% reduction by 2050 provided that other countries also commit themselves to comparable reductions and that the more advanced developing countries also contribute adequately according to their capabilities. The internal burden sharing in GHG reductions across member states will be based on the principles of fairness and transparency, and will take into account the national circumstances and the relevant base years for the first commitment period of the Kyoto Protocol, as well as the socio-economic and other relevant parameters.

Graph 2: Distance-to-target (burden-sharing targets) for the EU in 2004, including Kyoto flexible mechanisms and carbon sinks



Source of data: EEA, February 2007. Note: percentage points below (-) or above (+) the target value (hypothetical linear value that should have been achieved in 2004 in order to meet the Kyoto target in 2010); by country classified according to their burden-sharing targets.

Graph 3: Kyoto burden-sharing targets for the EU-15 – agreed reductions/increases in greenhouse gas emissions, %



Source of data: EEA, 2007.

# Risk of Poverty and Income Inequality

Slovenian Economic Mirror

IMAD

No. 6/2007

p. 24

## Risk of poverty and income inequality in Slovenia in 2003 and 2004

Year	According to the Household Budget Survey				According to the EU-SILC survey – NEW			
	Income excluding income in kind		Income including income in kind		Income excluding income in kind		Income including income in kind	
	2003	2004	2003	2004	2003	2004	2003	2004
At-risk-of-poverty rate, in %	11.7	11.8	10.0	10.4	N/A	12.1*	N/A	11.4
At-risk-of-poverty threshold – monthly, in EUR <sup>1</sup>	366.3	384.6	395	413.4	N/A	439.8	N/A	459.6
At-risk-of-poverty threshold for a household consisting of two adults and two children – monthly, in EUR <sup>1</sup>	769	807.7	829.8	868.2	N/A	923.6	N/A	965.4
At-risk-of-poverty rate before social transfers (old-age and survivor's pensions are included in income <sup>2</sup> ), in %	18.9	19.4	16.2	17.2	N/A	25.8	N/A	24.8
At-risk-of-poverty rate before all social transfers <sup>3</sup> , in %	40.8	40.6	36.9	37.4	N/A	42.2	N/A	40.9
Inequality of income distribution – quintile share ratio (80/20)	3.4	3.4	3.1	3.2	N/A	3.4	N/A	3.3
Inequality of income distribution – Gini coefficient, in %	24.0	24.1	22.1	22.4	N/A	23.8	N/A	23.0

Source of data: SORS; Social cohesion indicators, Slovenia, 1997-2003; First Release, 14 October 2005, No. 229; Social cohesion indicators, 2004 – provisional data; First Release; 9 February 2007. Notes: \*On Eurostat's website, this figure is published under 2005 because the Eurostat classified it on the basis of the year when the EU-SILC survey was conducted, although the figure is based on income from 2004. Further, the at-risk-of-poverty rate is calculated without including income in kind, although the published 2003 figure was calculated by including income in kind for all new member states and by excluding it for the old member states. <sup>1</sup>According to Eurostat's exchange rate. <sup>2</sup>According to data from the Household Budget Survey, income also includes disability pensions. <sup>3</sup>The figure only takes into account individuals without pensions or other social transfers – the risk of poverty would be this high if the population did not receive any pensions or other social transfers.

**Changes in the methodology for calculating at-risk-of-poverty rates and other social cohesion indicators do not allow a direct comparison between the years 2003 and 2004.** The EU-SILC (EU Statistics on Income and Living Conditions) survey was first conducted in Slovenia in February 2005. The reference year for income from this survey is 2004 (data were published in Feb. 2007). The survey covers various aspects of the population's living standards: income, living conditions, health, activity, and education. This is a panel survey that will allow monitoring individuals over time (4 years), which will serve as the basis for the calculation of a structural indicator – at-persistent-risk-of-poverty rate – which has hitherto not been calculated in Slovenia. Until 2003, the calculation of the risk of poverty and other social cohesion indicators was based on data from the Household Budget Survey, which was primarily intended to measure household expenditure.

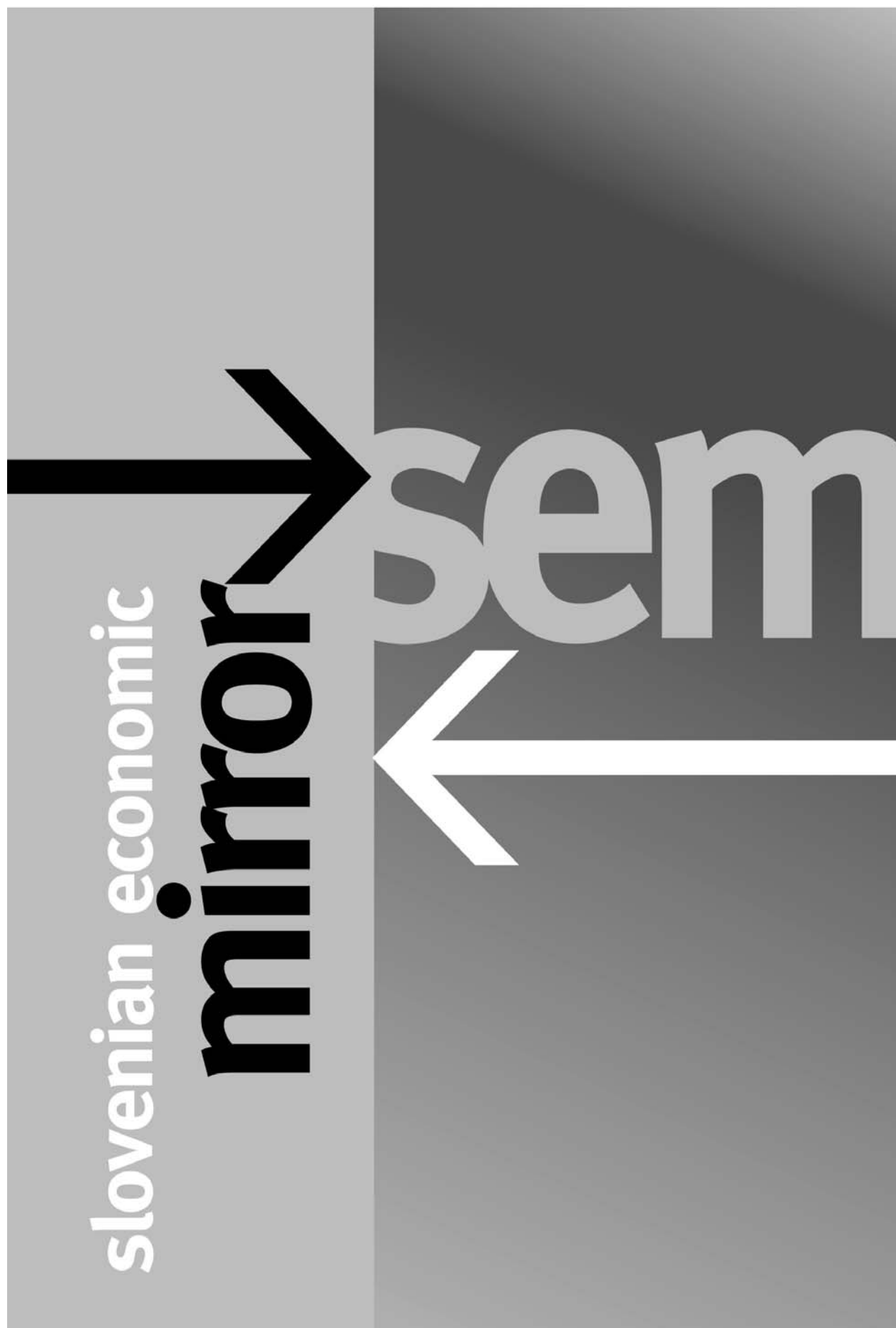
**The new survey enables better data coverage.** It is the result of harmonising the methodology with the EU (EC regulation) and is also based on administrative sources (e.g. personal income tax). Further, it ensures a higher statistical value of data than the previous methodology because it includes around 13,500 households (HBS around 3,000). The new survey also brings different methodological approaches such as the inclusion of disability pension in social transfers, a different classification of company car use under income in kind, etc. For this reason, data from the two surveys are not comparable (there is a break in the series). We can only analyse them separately, taking into account the methodological reservations. In order to allow an overview of the changes in the field of social cohesion, however, the national Statistical Office has published data calculated from both sources (see the table).

**The calculation based on the old methodology shows**

**that in 2004 the risk of poverty and income inequality remained practically on a par with the 2003 levels.** In 2004, the at-risk-of-poverty rate (including income in kind) was 10.4% (10.0% in 2003). For the EU-25, figures based on the old methodology are only available for 2003, when the average at-risk-of-poverty rate was 15%. The calculation excluding income in kind for Slovenia shows an 11.8% at-risk-of-poverty rate in 2004 (11.7% in 2003). The indicators of income distribution reveal a very low rate of income inequality.

**The calculation according to the new methodology shows a relatively low at-risk-of-poverty rate and a very low income inequality.** In 2004, the at-risk-of-poverty rate totalled 11.4% if income in kind is included and 12.1% if it is excluded (EU-25 average: 16%). The quintile share ratio showed one of the most even distributions of income (according to both concepts, the income of the richest 20% of the population was a respective 3.4 and 3.3-times higher than the income of the poorest 20%). The quintile share ratio for the EU-25 totalled 4.9. The Gini coefficient was similarly low. It totalled 23.8% if income in kind is excluded (only Sweden and Denmark had lower values in the EU-25) and 23% if income in kind is included.

**The 12.1% at-risk-of-poverty rate measured in Slovenia is the result of improved methodology.** Its main advantage is that it ensures better coverage of income and hence a more precise measurement of the at-risk-of-poverty rate, which is higher than the rate based on the old methodology but does not indicate any change in the trend. The next at-risk-of-poverty rate figure calculated with the new methodology (for 2005) will be published at the end of 2007. Only then (when two figures based on the same methodology are available) will it be possible to conduct statistically correct comparisons between at-risk-of-poverty rates.



<b>Gross Domestic Product / I</b>	Slovenian Economic Mirror	IMAD
	No. 6/2007	p. A 2

	2003-2004 constant previous year prices, 2005-2004 constant 2004 prices												
	In SIT m				In EUR m			Real growth rates in %					
	2003	2004	2005	2006	2007	2008	2009	2004	2005	2006	2007	2008	2009
					forecast						forecast		
<b>VALUE ADDED BY ACTIVITIES AND GROSS DOMESTIC PRODUCT</b>													
A Agriculture, hunting, forestry	123,680	149,634	138,342	132,255	557	563	571	17.1	-5.2	-4.4	1.0	1.0	1.5
B Fishing	896	881	869	884	4	4	4	-16.9	9.5	1.7	0.0	1.0	1.0
C Mining and quarrying	23,617	27,037	30,948	31,737	132	132	131	2.5	-0.2	2.6	0.0	-0.5	-0.5
D Manufacturing	1,259,492	1,386,846	1,444,152	1,550,355	6,845	7,176	7,499	4.1	2.8	7.4	5.8	4.8	4.5
E Electricity, gas and water supply	140,256	149,089	173,849	176,805	741	753	756	0.8	6.6	1.7	0.5	1.5	0.5
F Construction	274,175	294,211	322,680	360,659	1,597	1,712	1,772	1.3	4.0	11.8	6.1	7.2	3.5
G Wholesale, retail; certain repairs	553,700	610,259	653,633	689,909	3,003	3,117	3,220	3.1	4.0	5.6	4.3	3.8	3.3
H Hotels and restaurants	110,905	116,979	123,365	130,211	571	601	631	-0.1	0.7	5.6	5.0	5.3	5.0
I Transport, storage and communications	334,458	360,946	451,071	479,488	2,121	2,238	2,383	0.1	9.0	6.3	6.0	5.5	6.5
J Financial intermediation	221,699	260,587	276,319	300,799	1,362	1,464	1,567	17.2	10.4	8.9	8.5	7.5	7.0
K Real estate, renting and business services	742,611	826,027	901,517	939,841	4,091	4,266	4,458	4.7	3.6	4.3	4.3	4.3	4.5
L Public administration and defence	311,343	357,775	349,322	355,784	1,526	1,569	1,600	7.3	2.3	1.9	2.8	2.8	2.0
M Education	269,600	296,231	326,464	333,613	1,426	1,461	1,498	2.7	3.0	2.2	2.4	2.5	2.5
N Health and social work	241,059	261,747	278,144	284,263	1,219	1,256	1,300	3.7	2.9	2.2	2.8	3.0	3.5
O Other community and personal services	158,845	175,356	199,499	207,080	907	957	1,010	5.7	5.8	3.8	5.0	5.5	5.5
P Private households with employed persons	1,163	1,228	1,436	1,386	6	6	6	-8.1	5.9	-3.5	1.0	1.0	1.0
<b>VALUE ADDED (A+...+P)</b>	4,767,499	5,274,834	5,671,609	5,975,070	26,108	27,274	28,406	4.5	3.9	5.3	4.7	4.5	4.2
Taxes on products and services	751,595	827,981	884,055	919,417	4,005	4,158	4,320	4.2	4.8	4.0	4.4	3.8	3.9
Less: subsidies on products and services	21,731	31,976	31,237	30,487	125	122	119	7.1	-0.6	-2.4	-2.0	-2.0	-3.0
<b>GDP</b>	5,497,364	6,070,840	6,524,427	6,864,000	29,988	31,309	32,607	4.4	4.0	5.2	4.7	4.4	4.1

Source of data: SORS 2003-2005; IMAD's calculations and Spring Forecast 2007. Real growth rates: SORS 2003-2006; IMAD's calculations and Spring Forecast 2007.

Note: a comparison of nominal values is possible under the technical assumption of the SIT/EUR exchange rate = 239.64, which has been used since 2007.



<b>Gross Domestic Product / II</b>	Slovenian Economic Mirror	IMAD
	No. 6/2007	p. A 3

	Current prices, in SIT m				Current prices, in EUR m			Structure in %, current prices, GDP=100					
	2003	2004	2005	2006	2007	2008	2009	2004	2005	2006	2007	2008	2009
					forecast						forecast		
<b>SUPPLY AND USE OF GROSS NATIONAL DISPOSABLE INCOME</b>													
1. GROSS DOMESTIC PRODUCT	5,813,540	6,271,795	6,620,145	7,126,012	31,918	34,444	36,783	100.0	100.0	100.0	100.0	100.0	100.0
2. Net primary income from the rest of the world	-46,845	-75,400	-61,078	-87,702	-433	-464	-540	-1.2	-0.9	-1.2	-1.4	-1.3	-1.5
3. GROSS NATIONAL INCOME (1+2)	5,766,695	6,196,395	6,559,066	7,038,310	31,485	33,980	36,243	98.8	99.1	98.8	98.6	98.7	98.5
4. Net current transfers from the rest of the world	3,527	-14,815	-32,675	-53,754	-191	-81	-40	-0.2	-0.5	-0.8	-0.6	-0.2	-0.1
5. GROSS NATIONAL DISPOSABLE INCOME (3+4)	5,770,222	6,181,580	6,526,391	6,984,556	31,294	33,899	36,203	98.6	98.6	98.0	98.0	98.4	98.4
6. Final consumption expenditure	4,381,447	4,666,049	4,931,809	5,220,816	23,134	24,602	26,087	74.4	74.5	73.3	72.5	71.4	70.9
Private consumption	3,242,319	3,438,530	3,636,387	3,848,237	17,034	18,078	19,159	54.8	54.9	54.0	53.4	52.5	52.1
Government consumption	1,139,128	1,227,519	1,295,422	1,372,579	6,100	6,524	6,928	19.6	19.6	19.3	19.1	18.9	18.8
7. GROSS SAVINGS (5-6)	1,388,776	1,515,531	1,594,581	1,763,740	8,160	9,297	10,116	24.2	24.1	24.8	25.6	27.0	27.5
8. GROSS CAPITAL FORMATION	1,436,604	1,680,755	1,724,428	1,956,119	8,788	9,569	10,180	26.8	26.0	27.5	27.5	27.8	27.7
9. SURPLUS ON THE CURRENT ACCOUNT WITH THE ROW (7-8)	-47,829	-165,224	-129,846	-192,379	-629	-273	-64	-2.6	-2.0	-2.7	-2.0	-0.8	-0.2

Source of data: SORS 2003-2006, BS; IMAD's calculations and Spring Forecast 2007.

Note: a comparison of nominal values is possible under the technical assumption of the SIT/EUR exchange rate = 239.64, which has been used since 2007.

<b>EXPENDITURE STRUCTURE OF GROSS DOMESTIC PRODUCT, 2000-2006 constant previous year prices</b>													
	In SIT m				In EUR m			Real growth rates, in %					
	2003	2004	2005	2006	2007	2008	2009	2004	2005	2006	2007	2008	2009
<b>GROSS DOMESTIC PRODUCT (3+4+5)</b>	5,497,364	6,070,840	6,524,427	6,864,000	29,988	31,309	32,607	4.4	4.0	5.2	4.7	4.4	4.1
1. Exports of goods and services	3,155,890	3,651,048	4,157,224	4,570,904	20,924	22,839	24,849	12.5	10.5	10.0	9.7	9.2	8.8
2. Imports of goods and services	3,186,667	3,685,560	4,106,912	4,534,031	20,566	22,345	24,110	13.4	7.0	10.4	8.7	8.6	7.9
3. EXTERNAL BALANCE * (1-2)	-30,777	-34,512	50,312	36,873	358	494	738	-0,5*	2,0*	-0,3*	0,7*	0,5*	0,8*
4. FINAL CONSUMPTION	4,150,646	4,505,482	4,811,325	4,975,387	21,509	22,233	22,923	2.8	3.1	3.4	3.6	3.4	3.1
Private consumption	3,075,724	3,327,207	3,556,451	3,673,077	15,906	16,468	17,025	2.6	3.4	3.3	3.8	3.5	3.4
Government consumption (individual and collective)	1,074,922	1,178,275	1,254,875	1,302,309	5,603	5,765	5,898	3.4	2.2	3.8	3.1	2.9	2.3
5. GROSS CAPITAL FORMATION	1,377,495	1,599,870	1,662,790	1,851,740	8,121	8,582	8,946	11.4	-1.1	11.4	5.1	5.7	4.2
Gross fixed capital investment	1,296,953	1,459,991	1,559,267	1,744,180	7,708	8,213	8,575	7.9	1.5	11.9	5.9	6.6	4.4
Changes in inventories and valuables*	80,542	139,879	103,523	107,560	414	369	371	1,0*	-0,6*	0,1*	-0,1*	-0,1*	0,0*

Source of data: Nominal: SORS 2003-2005, BS; IMAD's calculations and Spring Forecast 2007. Real growth rates: SORS 2003-2006, BS; IMAD's calculations and Spring Forecast 2007.

Note: a comparison of nominal values is possible under the technical assumption of the SIT/EUR exchange rate = 239.64, which has been used since 2007. \*as contributions to real GDP growth (in percentage points).

Industrial Production																			Slovenian Economic Mirror					IMAD			
																			No. 6/2007					p. A 4			
	2002	2003	2004	2005	2006	2006				2007	2006								2007								
						Q <sub>I</sub>	Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>	Q <sub>I</sub>	3	4	5	6	7	8	9	10	11	12	1	2	3	4			
<b>INDUSTRIAL PRODUCTION by sectors *, indices, 2000=100; January 2007 data are provisional</b>																											
INDUSTRY, total	105.4	106.9	112.8	116.5	123.7	117.8	124.1	122.1	130.7	128.6	127.6	113.5	130.1	128.7	124.8	108.4	133.1	134.7	139.8	117.7	125.0	121.4	139.4	128.4			
C Mining and quarrying	99.2	104.9	97.6	104.2	114.9	103.8	115.2	106.4	134.3	115.2	103.6	108.8	124.8	112.0	98.1	102.2	119.0	135.2	152.6	115.1	95.7	109.4	140.4	135.7			
D Manufacturing	104.8	106.5	111.6	115.6	123.2	116.6	124.1	122.6	129.5	128.7	127.4	112.8	130.4	129.2	125.6	108.0	134.1	134.5	139.0	114.9	124.4	121.6	140.2	129.1			
DA Food, beverages, tobacco	98.6	99.6	89.4	88.0	86.7	76.8	88.4	87.4	94.4	78.4	82.8	82.0	89.4	93.7	87.1	86.3	88.7	87.8	103.4	91.9	74.9	75.0	85.3	88.3			
DB Textiles & textile products	80.5	71.3	61.7	54.1	52	57.4	49.4	54.0	47.3	56.5	57.8	44.4	49.5	54.2	59.8	44.0	58.2	51.2	49.9	40.9	54.9	52.3	62.2	51.8			
DC Leather & leather products	83.6	72.7	68.2	72.7	76.5	78.3	77.8	72.1	77.7	72.8	86.6	66.5	85.8	81.2	67.0	66.5	82.9	90.3	91.1	51.6	86.0	61.0	71.5	52.6			
DD Wood & wood products	94.3	91.0	94.7	100.7	104.1	93.7	109.7	104.5	108.4	111.9	107.4	99.9	116.7	112.6	109.8	88.4	115.2	114.7	119.6	91.0	97.3	111.0	127.3	120.0			
DE Paper, publishing, printing <sup>1</sup>	100.9	100.6	101.2	104.8	103.8	100.6	103.1	102.1	109.6	103.1	112.0	98.5	109.0	101.9	101.1	98.0	107.2	110.5	113.3	104.9	102.8	93.9	112.6	104.7			
DF Coke, petrol. prod., nuclear fuel <sup>2</sup>	34.2	36.3	-	-	-	-	-	-	20.9	22.3	-	-	-	-	-	15.8	19.9	21.1	21.6	19.9	22.8	21.2	23.0	18.8			
DG Chem., prod., man-made fibers	114.5	128.0	147.5	158.7	179.4	173.0	183.3	172.1	189.3	201.1	178.7	173.5	196.3	180.0	191.6	154.4	170.4	207.4	198.6	161.9	209.4	193.6	200.4	206.8			
DH Rubber & plastic products	99.8	103.6	116.5	122.2	130	120.2	126.8	136.9	135.9	135.2	132.0	114.3	132.6	133.4	134.6	124.8	151.4	145.6	149.7	112.3	127.4	125.5	152.6	131.2			
DI Non-metal mineral products	100.9	101.6	84.6	78.7	83.6	66.7	88.0	90.7	89.2	78.3	79.2	75.6	90.6	97.8	91.7	85.3	95.0	96.4	98.0	73.1	71.6	72.5	90.7	85.2			
DJ Basic metals & fabricated. prod.	108.3	112.0	107.8	116.3	130.3	121.1	130.9	131.7	137.4	142.3	132.7	118.4	138.0	136.3	133.2	120.0	141.9	148.9	147.1	116.2	140.2	134.3	152.5	138.4			
DK Machinery & equipment nec.	128.6	120.9	138.5	140.9	149.5	143.7	147.8	144.7	161.7	163.6	159.3	135.9	151.3	156.2	153.6	121.2	159.4	162.4	173.4	149.2	154.0	154.2	182.5	161.1			
DL Electrical & optical equipment	110.3	122.8	153.0	157.7	182.4	168.0	182.9	183.9	194.6	187.5	181.3	152.5	198.1	198.2	172.6	152.8	226.3	194.6	211.1	178.2	173.8	176.2	212.4	186.9			
DM Transport equipment	106.4	111.7	152.7	184.7	177.4	200.1	185.5	149.5	174.4	194.7	230.1	182.0	186.9	187.6	176.4	75.6	196.5	176.1	180.7	166.4	179.2	184.8	220.1	184.6			
DN Manufacturing nec.	106.3	102.6	103.4	108.7	108.3	104.1	108.7	108.6	111.7	107.2	119.5	99.0	116.1	111.1	109.4	97.6	118.8	115.6	122.8	96.8	100.9	105.6	115.2	103.9			
E Electricity, gas & water supply <sup>3</sup>	115.3	111.3	132.9	130.9	129.6	137.6	122.3	117.7	140.9	126.4	137.2	121.6	122.1	123.3	121.2	113.1	118.7	130.7	137.5	154.6	142.4	117.5	119.3	108.3			
<b>NUMBER OF PERSONS IN PAID EMPLOYMENT IN INDUSTRY <sup>4</sup></b>																											
Total, in 1000	259.9	255.1	251.7	247.3	243.3	242.8	243.0	243.0	244.7	244.6	242.6	242.4	242.9	243.6	242.9	242.7	243.3	244.6	245.4	244.0	244.1	244.8	245.0	245.2			
C Mining & quarrying	5.1	4.8	4.4	4.2	4.0	4.1	4.0	4.0	3.9	3.9	4.1	4.1	4.0	4.0	4.0	4.0	4.0	3.9	3.9	3.9	3.9	3.9	3.8	3.8			
D Manufacturing	243.1	238.9	236.1	231.8	227.9	227.5	227.5	227.5	229.2	229.4	227.3	227.0	227.5	228.0	227.4	227.2	227.8	229.1	229.9	228.7	228.9	229.6	229.7	230.0			
E Electricity, gas & water supply	11.7	11.4	11.3	11.4	11.4	11.2	11.4	11.5	11.5	11.3	11.3	11.4	11.4	11.5	11.5	11.5	11.5	11.5	11.5	11.4	11.3	11.3	11.4	11.5			
<b>CONSTRUCTION <sup>5</sup>, real indices of construction put in place, indices 2000=100</b>																											
Construction	97.9	105.7	108.4	111.7	128.8	76.7	120.0	149.0	169.4	103.5	90.6	101.1	115.0	143.9	140.4	132.3	174.2	188.1	163.2	157.0	88.7	98.1	123.8	133.2			
Buildings	104.2	104.9	114.6	126.4	144.2	100.3	131.4	165.3	179.6	121.5	114.8	119.0	117.8	157.3	152.7	156.1	187.1	191.9	169.9	177.0	107.2	115.3	141.9	144.1			
Civil engineering	92.1	106.4	102.6	98.0	114.5	54.8	109.5	133.8	160.0	91.7	68.1	84.5	112.5	131.5	128.9	110.2	162.3	184.6	157.1	138.4	76.6	86.8	111.8	126.1			
Persons in paid employment in construction <sup>4</sup>	99.4	99.1	97.5	102.0	109.6	102.5	108.6	113.1	114.3	114.0	104.0	106.5	108.7	110.5	112.2	112.9	114.2	114.9	115.2	112.7	112.9	114.4	114.8	118.0			
<i>Source of data:</i> SORS. <i>Notes:</i> *From February 2004 onwards the industrial production indices have been provisional. For the period up until January 2004 they are calculated according to data on produced quantities of industrial goods. From February 2004 onwards, data on production value have been taken as the basis for the calculation. The value of production is calculated according to the following formula: turnover in the month (x) + value of stocks in the month (x) - value of stocks in the month (x-1). <sup>1</sup> Enterprises with activity of publishing are excluded; <sup>2</sup> data not published because of confidentiality; <sup>3</sup> only companies with activity of electricity supply are included. <sup>4</sup> In January 2005, the SORS adopted a 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 Labor Force Survey. Data for previous years dating back to January 2000 have also been calculated according to the new methodology. <sup>5</sup> The survey covers all larger construction enterprises and some other enterprises that perform construction work.																											

Production											Slovenian Economic Mirror								IMAD				
											No. 6/2007								p. A 5				
	2002	2003	2004	2005	2006	2006				2007	2006								2007				
						Q <sub>I</sub>	Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>		Q <sub>I</sub>	4	5	6	7	8	9	10	11	12	1	2	3
<b>TRANSPORT</b>																							
Passenger-km in transport for hire or reward (1000)	1,143	1,065	980	848	850	211	236	180	223	208	73	82	81	50	46	85	79	77	66	70	62	76	69
Passenger-km in rail transport, in m	749	778	764	777	788	191	197	189	210	196	62	69	66	60	58	70	72	71	69	-	-	-	-
Passenger-km in air transport, in m	794	837	896	1,019	1,044	182	251	411	200	182	69	77	104	147	143	121	83	60	57	62	56	65	79
Tonne-km in rail transport, in m	3,078	3,274	3,466	3,402	3,373	799	815	817	942	918	267	287	261	289	259	269	315	321	306	-	-	-	-
Tonne-km in maritime transport, in m	28,578	28,361	37,047	52,513	49,155	13,498	11,545	12,618	11,494	10,813	3,494	3,552	4,498	4,709	3,955	3,954	4,381	2,846	4,267	4,477	2,949	3,387	4,884
Tonne-km in road transport, in m	6,609	7,040	9,007	11,033	12,112	2,901	3,413	2,778	3,020	2,972	-	-	-	-	-	-	-	-	-	-	-	-	-
Urban passenger traffic, in m	103.9	98.4	100.2	97.2	94.0	27.3	24.3	14.6	27.7	26.3	8.6	8.1	7.6	4.0	3.7	6.9	9.1	9.4	9.2	8.7	8.5	9.1	8.3
Airport passengers traffic, in 000	866	922	1,047	1,228	1,339	236	334	488	282	251	90	112	132	169	171	148	116	88	79	82	78	91	108
Harbour freight transport, in 000 t	9,305	10,788	12,063	12,625	15,462	3,871	3,877	3,555	4,158	4,282	1,103	1,372	1,402	1,245	895	1,416	1,426	1,362	1,370	1,197	1,323	1,762	1,091
Transport of gas, million m <sup>3</sup>	1,007	1,098	1,097	1,136	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOURISM, overnight stays, in 000</b>																							
Total	7,321	7,503	7,589	7,573	7,722	1,404	1,814	3,115	1,389	1,472	474	575	765	1,157	1,209	749	548	407	434	472	497	502	565
Domestic tourists	3,300	3,327	3,226	3,173	3,233	697	691	1,226	620	700	169	220	303	498	457	271	219	197	203	177	282	242	207
Foreign tourists	4,021	4,175	4,363	4,399	4,489	708	1,123	1,889	769	771	306	355	462	659	753	478	329	209	231	296	215	261	358
Health resorts	2,327	2,360	2,417	2,464	2,434	523	573	853	484	555	158	197	217	275	324	255	219	83	183	175	191	189	205
Seaside	2,052	2,010	2,002	1,949	1,871	201	493	961	216	203	139	139	215	367	346	248	118	31	67	47	62	94	139
<b>AGRICULTURE, slaughter in slaughterhouses, in 000 tons</b>																							
Cattle	40.5	43.1	40.1	37.4	37.9	8.9	9.0	8.4	11.7	8.0	2.9	3.3	2.8	2.5	2.9	2.9	3.4	4.0	4.3	2.6	2.5	2.9	3
Pigs	37.1	37.3	34.6	31.7	33.6	8.3	9.1	7.9	8.4	8.2	2.8	3.2	3.0	2.6	2.7	2.6	2.7	2.6	3.1	2.7	2.5	2.9	2.9
Poultry	51.4	56.0	52.0	53.4	49.2	12.4	12.0	12.3	12.5	13.9	3.4	4.3	4.3	4.3	4.2	3.8	4.2	4.1	4.1	4.6	4.1	5.2	4.6
Purchase of agricultural products, SIT bn, since 2007 in EURO m	101.6	103.3	102.4	103.7	106.7	21.7	25.6	26.1	33.4	101.3	8.1	8.9	8.6	7.9	8.9	9.3	9.6	10.5	13.3	32.2	31.1	37.9	37.5
<b>FISHING, in 000 tons</b>																							
Catches in marine waters	1459.8	1087.5	815.9	1021.6	736.7	131.1	155.0	271.3	278.4	174.5	36.3	36.6	82.1	84.2	92.7	94.3	91.4	51.8	36.1	83.4	65.3	25.8	39.6

Source of data: SORS.

Balance of Payments																			Slovenian Economic Mirror						IMAD		
																			No. 6/2007						p. A 6		
	2002	2003	2004	2005	2006	2006				2007	2006												2007				
						Q <sub>I</sub>	Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>	Q <sub>I</sub>	3	4	5	6	7	8	9	10	11	12	1	2	3				
<b>BALANCE OF PAYMENTS, in EUR m</b>																											
Current account	247	-196	-720	-547	-756	-163	52	-214	-431	-175	-97	36	-30	46	-96	-71	-47	-23	-188	-221	-2	-135	-37				
Trade balance <sup>1</sup>	-265	-543	-1,009	-1,026	-1,121	-204	-117	-258	-542	-165	-119	18	-77	-59	-76	-115	-67	-93	-186	-263	-62	-58	-45				
Exports	11,082	11,417	12,933	14,599	17,032	4,028	4,285	4,163	4,555	4,771	1,509	1,334	1,463	1,488	1,453	1,175	1,535	1,578	1,601	1,376	1,469	1,510	1,792				
Imports	11,347	11,960	13,942	15,625	18,152	4,232	4,403	4,421	5,097	4,937	1,628	1,316	1,540	1,547	1,529	1,290	1,601	1,670	1,788	1,639	1,531	1,568	1,837				
Services	620	540	688	856	885	207	254	213	211	197	76	69	94	90	29	95	89	103	46	61	108	37	53				
Exports	2,440	2,465	2,783	3,210	3,538	729	864	1,040	906	782	263	257	292	315	340	386	314	309	291	306	293	223	266				
Imports	1,820	1,925	2,095	2,354	2,653	522	610	826	695	585	187	187	197	226	311	291	224	206	244	244	186	186	213				
Income	-168	-219	-322	-283	-349	-77	-78	-92	-102	-140	-28	-35	-25	-18	-30	-29	-33	-35	-33	-34	-40	-50	-50				
Receipts	490	510	530	641	737	157	192	188	200	162	54	57	63	72	62	62	64	63	62	75	55	52	56				
Expenditure	657	728	852	924	1,086	234	270	280	302	303	82	92	88	90	92	91	97	98	95	109	94	102	106				
Current transfers	60	26	-76	-94	-171	-89	-6	-77	2	-67	-26	-16	-23	33	-19	-22	-36	2	-15	15	-8	-63	5				
Receipts	500	474	561	708	784	160	224	163	238	201	58	58	57	108	61	55	47	84	59	95	49	64	88				
Expenditure	439	449	638	802	955	249	230	240	236	268	83	75	81	75	80	77	83	83	73	80	58	127	83				
Capital and financial account	3	46	698	404	1,010	103	112	345	450	883	78	80	10	21	152	82	111	-133	75	508	152	371	360				
Capital account	-164	-165	-96	-114	-118	-8	-21	-32	-57	6	-6	8	-9	-19	-21	6	-17	-8	-9	-41	19	-4	-9				
Financial account	167	211	794	518	1,128	111	132	377	508	877	84	73	19	40	174	75	128	-126	84	549	134	374	369				
Direct investment	1,556	-151	224	-58	-287	-64	-60	5	-167	-108	40	6	-44	-22	31	-28	2	-45	-177	54	-93	-62	47				
Domestic abroad	-166	-421	-441	-503	-590	-108	-178	-109	-194	-282	1	-87	-18	-73	-8	-33	-68	-43	-159	8	-95	-136	-51				
Foreign in Slovenia	1,722	270	665	445	303	45	118	114	27	174	39	93	-26	51	39	5	70	-2	-18	46	2	74	98				
Portfolio investment	-69	-223	-637	-1,618	-1,458	-257	-178	-351	-672	-627	-39	-28	-106	-45	-86	-271	6	-65	-183	-424	-905	-151	429				
Financial derivatives	0	0	6	-10	-13	-2	-10	-3	2	2	0	0	-9	-1	-6	1	2	-3	2	4	5	-4	1				
Other investment	565	849	945	2,393	1,605	526	85	43	950	1,556	-53	19	168	-102	-175	120	98	56	355	540	939	717	-99				
Assets	-538	-730	-1,308	-1,531	-1,899	-389	-881	-380	-249	-1,980	-271	-58	-600	-222	40	-22	-399	85	-23	-311	-471	-739	-770				
Commercial credits	-135	-116	-237	-195	-431	-288	-180	-76	114	-387	-128	-62	-57	-61	-35	76	-118	-92	-54	259	-29	-159	-199				
Loans	-174	-223	-281	-413	-713	-158	-179	-96	-280	-343	-98	-32	-60	-87	-46	30	-80	-50	-73	-157	-18	-75	-250				
Currency and deposits	-157	-323	-720	-835	-747	57	-522	-199	-83	-1,269	-45	36	-483	-74	121	-128	-192	227	104	-413	-489	-499	-281				
Other assets	-71	-68	-69	-88	-9	0	0	-9	0	19	0	-1	1	0	0	0	-9	0	0	-1	65	-6	-40				
Liabilities	1,104	1,579	2,252	3,924	3,503	915	966	423	1,199	3,536	218	78	768	120	-215	141	497	-30	378	851	1,410	1,456	670				
Commercial credits	95	59	214	236	448	-10	129	58	271	283	27	14	49	65	71	-61	48	124	111	37	-157	213	227				
Loans	838	1,123	1,671	2,649	2,056	365	849	369	473	29	158	48	856	-55	-40	149	260	-53	300	225	154	-54	-71				
Deposits	130	428	335	1,014	1,061	587	1	8	464	-139	25	-2	-114	116	-243	61	191	-96	-35	594	-435	295	2				
Other liabilities	39	-31	33	25	-61	-27	-13	-12	-10	3,363	8	16	-23	-6	-2	-7	-2	-5	1	-5	1,847	1,002	513				
International reserves <sup>2</sup>	-1,885	-264	256	-189	1,281	-92	295	684	394	53	136	76	10	210	409	254	20	-68	86	376	187	-126	-8				
Statistical error	-250	150	22	144	-254	61	-164	-132	-19	-708	18	-117	20	-67	-57	-11	-64	156	113	-287	-150	-235	-323				
<b>EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m</b>																											
Export of investment goods	1,542	1,634	1,873	2,058	2,492	551	615	622	705	N/A	224	186	212	217	222	168	231	224	245	236	N/A	N/A	N/A				
Intermediate goods	5,245	5,463	6,342	6,990	8,429	1,992	2,139	2,094	2,203	N/A	744	656	736	750	720	604	770	772	810	621	N/A	N/A	N/A				
Consumer goods	4,175	4,188	4,568	5,349	5,840	1,432	1,453	1,366	1,589	N/A	523	470	482	501	485	367	515	560	532	497	N/A	N/A	N/A				
Import of investment goods	2,072	2,322	2,494	2,624	3,076	629	723	746	978	N/A	253	213	239	271	245	204	297	276	344	358	N/A	N/A	N/A				
Intermediate goods	6,816	7,079	8,348	9,534	11,064	2,632	2,713	2,738	2,981	N/A	1,012	796	950	966	972	800	966	1,010	1,072	900	N/A	N/A	N/A				
Consumer goods	2,686	2,838	3,301	3,646	4,172	992	1,011	986	1,183	N/A	383	310	352	349	320	289	376	399	409	375	N/A	N/A	N/A				

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.

Monetary Indicators														Slovenian Economic Mirror				IMAD	
														No. 6/2007				p. A 7	
	2005	2006	2006										2007						
	December		1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	
<b>MONETARY SYSTEM – CONSOLIDATED BALANCE SHEET OF MONETARY FINANCIAL INSTITUTIONS, end of the month, in SIT bn</b>																			
Banknotes and coins	217.3	152.8	205.9	206.8	207.5	220.9	216.5	220.7	212.1	210.3	213.1	214.0	197.6	152.8	2,709	2,684	2,689	2,721	
Overnight deposits at other MFI	1,491.0	1,694.1	1,475.5	1,482.4	1,513.3	1,535.3	1,571.7	1,598.7	1,595.6	1,594.9	1,605.7	1,590.4	1,612.5	1,694.1	6,902	6,866	6,867	6,887	
Overnight deposits of NFI at the BS	3.1	5.0	3.5	2.8	5.7	6.5	4.9	3.6	3.6	5.7	4.8	6.0	4.5	5.0	47	37	36	37	
Overnight deposits of other government sector (central government excluded) at the BS	3.3	1.3	2.2	2.0	1.9	2.1	2.1	1.8	2.2	2.1	2.1	1.9	1.9	1.3	6	7	5	5	
Total overnight deposits at the BS	6.4	6.4	5.7	4.8	7.6	8.5	7.0	5.3	5.9	7.8	6.9	7.9	6.4	6.4	53	43	41	43	
Deposits with agreed maturity at the BS	0.3	0.0	0.3	0.4	0.5	0.4	0.7	0.5	0.5	0.0	0.0	0.0	0.0	0.0	-	-	-	-	
Deposits with agreed maturity at other MFI	1,688.0	1,747.3	1,728.4	1,742.3	1,730.3	1,661.7	1,682.0	1,678.2	1,710.8	1,692.2	1,735.0	1,720.9	1,744.1	1,747.3	7,379	7,441	7,607	7,514	
Deposits at redeemable notice	164.9	197.5	138.2	140.6	163.6	172.0	168.7	179.8	166.0	170.8	182.7	184.6	187.9	197.5	962	918	985	991	
Debt securities, units/shares of money market funds and repos	9.5	9.2	8.8	9.1	9.4	9.7	9.1	6.7	7.0	7.7	7.3	7.5	7.9	9.2	29	32	46	52	
Banknotes and coins and demand deposits	1,713.9	1,853.3	1,687.0	1,694.1	1,728.4	1,764.8	1,795.3	1,824.8	1,813.5	1,812.9	1,825.7	1,812.3	1,816.5	1,853.3	9,664	9,593	9,597	9,650	
Banknotes and coins and deposits with maturity of up to two years	3,524.6	3,798.1	3,553.9	3,577.4	3,622.9	3,598.9	3,646.6	3,683.3	3,690.7	3,675.9	3,743.4	3,717.7	3,748.5	3,798.1	18,005	17,952	18,189	18,156	
Banknotes and coins and instruments with maturity of up to two years	3,534.2	3,807.2	3,562.7	3,586.5	3,632.3	3,608.5	3,655.7	3,690.0	3,697.7	3,683.6	3,750.7	3,725.2	3,756.4	3,807.2	18,035	17,984	18,235	18,208	
<b>SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn</b>																			
Claims of the BS on central government	17.6	16.6	17.3	17.3	17.1	16.9	16.9	16.9	16.9	16.8	16.9	16.8	16.8	16.6	69	69	69	68	
Central government (S. 1311)	780.5	776.6	808.0	792.9	767.3	773.6	777.2	774.9	774.5	777.8	782.2	792.5	787.7	776.6	3,204	3,241	2,965	2,747	
Other government (S. 1312, 1313, 1314)	17.8	24.9	19.2	19.4	23.9	23.8	23.4	23.2	23.4	20.6	20.4	21.5	21.8	24.9	108	106	107	105	
Households (S. 14, 15)	976.0	1,289.8	1,040.6	1,053.2	1,080.5	1,108.6	1,138.2	1,157.3	1,180.4	1,203.7	1,229.2	1,252.3	1,277.6	1,289.8	5,428	5,488	5,637	5,752	
Non-financial corporations (S. 11)	2,620.9	3,245.5	2,695.3	2,738.2	2,800.0	2,882.7	2,910.3	2,951.5	2,988.9	3,025.0	3,096.8	3,157.9	3,214.5	3,245.5	14,087	14,250	14,666	15,142	
Non-monetary financial institutions (S. 123, 124, 125)	230.9	365.6	231.2	243.6	253.1	263.0	278.0	283.0	287.5	296.5	303.5	325.7	338.3	365.6	1,554	1,563	1,569	1,761	
Monetary financial institutions (S. 121, 122)	1,408.2	1,157.1	1,493.7	1,496.0	1,485.2	1,407.3	1,438.3	1,413.4	1,293.7	1,235.5	1,249.4	1,265.8	1,244.9	1,157.1	3,615	2,879	2,381	2,033	
Claims on domestic sectors, TOTAL																			
In domestic currency	2,099.2	2,307.3	2,106.1	2,136.3	2,124.1	2,132.1	2,114.1	2,149.9	2,121.8	2,136.1	2,152.6	2,200.9	2,223.5	2,307.3	21,870	21,743	21,845	22,301	
In foreign currency	2,199.4	3,109.6	2,286.2	2,352.9	2,455.8	2,539.0	2,618.8	2,716.2	2,748.5	2,814.9	2,894.6	2,992.1	3,048.8	3,109.6	1,048	1,100	1,160	1,248	
Securities, total	1,791.0	1,442.6	1,895.7	1,853.9	1,830.1	1,787.9	1,832.5	1,737.3	1,678.1	1,608.1	1,634.4	1,622.8	1,612.5	1,442.6	5,076	4,684	4,321	3,991	
<b>SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn</b>																			
Deposits in domestic currency, total	2,608.5	2,904.1	2,692.7	2,651.4	2,651.7	2,685.9	2,704.6	2,749.2	2,751.9	2,773.1	2,846.7	2,885.5	2,893.7	2,904.1	17,823	17,912	17,914	18,066	
Overnight	987.0	1,178.1	962.5	950.4	991.4	1,003.6	1,032.6	1,073.0	1,056.9	1,057.6	1,067.4	1,052.8	1,079.0	1,178.1	6,645	6,598	6,648	6,676	
With agreed maturity – short-term	1,175.5	1,252.9	1,295.1	1,264.0	1,222.8	1,229.3	1,233.5	1,225.4	1,257.0	1,270.0	1,323.3	1,361.3	1,353.8	1,252.9	7,673	7,837	7,639	7,758	
With agreed maturity – long-term	309.9	291.9	312.7	313.2	295.1	295.7	286.4	285.2	282.7	285.8	286.9	305.0	287.5	291.9	2,486	2,492	2,560	2,569	
Short-term deposits redeemable at notice	136.0	181.2	122.3	123.9	142.3	157.2	152.1	165.6	155.3	159.8	169.1	166.3	173.3	181.2	1,019	985	1,067	1,063	
Deposits in foreign currency, total	1,349.9	1,454.0	1,344.7	1,372.8	1,403.8	1,367.3	1,417.4	1,432.4	1,424.9	1,420.9	1,433.9	1,425.8	1,448.4	1,454.0	634	614	607	597	
Overnight	395.6	552.7	542.5	550.7	546.3	546.0	559.0	556.9	559.1	565.0	562.8	564.7	576.3	552.7	311	293	285	264	
With agreed maturity – short-term	623.7	544.7	474.9	491.5	516.0	480.9	514.1	533.6	521.4	506.3	517.6	510.0	519.0	544.7	240	239	237	251	
With agreed maturity – long-term	295.2	318.5	295.7	297.9	300.5	302.8	310.9	307.8	311.1	316.1	319.2	313.8	317.5	318.5	64	64	62	60	
Short-term deposits redeemable at notice	35.4	38.0	31.6	32.7	41.0	37.6	33.4	34.1	33.3	33.6	34.3	37.3	35.7	38.0	19	18	23	22	

Source of data: Bank of Slovenia.

<b>Prices</b>	Slovenian Economic Mirror																	IMAD				
	No. 6/2007																	p. A 8				

Indices, 2005 = 100	2002	2003	2004	2005	2006	2006				2007	2006								2007				
						Q <sub>I</sub>	Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>	Q <sub>I</sub>	5	6	7	8	9	10	11	12	1	2	3	4	5
<b>GROWTH IN SELECTED PRICE INDICATORS</b>																							
<b>CPI</b>	89.2	94.2	97.6	100.0	102.5	100.8	102.8	103.2	103.2	103.1	103.2	102.9	102.6	103.3	103.6	102.8	103.1	103.6	102.9	102.7	103.8	104.9	106.1
Food, non-alcoholic beverages	95.9	100.3	100.8	100.0	102.3	101.6	102.0	102.3	103.1	105.3	102.8	102.1	101.7	102.6	102.7	101.9	103.4	104.0	105.7	104.7	105.5	107.5	109.3
Alcoholic beverages, tobacco	80.8	91.0	96.3	100.0	103.7	101.5	101.9	105.2	106.2	107.1	101.8	102.1	105.3	105.1	105.2	106.3	106.1	106.2	106.9	107.0	107.4	107.6	108.1
Clothing and footwear	93.5	99.3	101.0	100.0	99.5	93.7	104.8	94.0	105.5	95.4	105.7	104.5	92.5	90.5	99.2	104.9	106.2	105.5	92.9	93.3	100.1	103.4	106.8
Housing, water, electricity, gas	80.2	85.4	91.7	100.0	105.3	104.4	106.1	107.0	103.8	104.2	106.6	105.9	106.5	106.8	107.6	103.3	103.8	104.2	103.6	103.9	105.1	106.7	107.0
Furnishings, household equip.	90.1	94.3	96.5	100.0	104.1	101.9	102.9	105.2	106.2	107.0	102.8	102.9	104.1	105.6	106.0	106.1	106.1	106.4	106.9	106.7	107.5	108.0	108.2
Medical, pharmaceutical products	93.4	98.8	100.3	100.0	98.3	98.4	98.5	98.0	98.3	99.9	98.6	98.3	98.0	98.1	97.9	98.0	98.2	98.7	99.2	99.7	100.8	100.0	99.7
Transport	88.0	92.1	97.4	100.0	101.3	99.9	101.8	103.0	100.3	99.7	102.6	101.7	102.0	103.8	103.0	100.3	100.1	100.6	99.8	99.3	100.1	101.6	102.9
Communications	98.5	99.8	100.0	100.0	100.3	100.0	99.2	100.4	101.5	100.0	99.5	98.5	99.4	99.6	102.2	102.2	101.1	101.1	101.5	99.3	99.2	99.3	99.7
Recreation and culture	89.8	94.2	97.7	100.0	102.1	100.0	101.7	105.8	101.1	102.5	101.4	103.1	106.3	107.8	103.3	100.6	100.9	101.8	102.3	102.9	102.3	102.0	104.4
Education	83.5	87.1	93.4	100.0	103.1	102.0	104.1	103.5	102.9	103.1	104.1	104.1	104.1	104.1	102.1	102.9	102.9	102.9	103.0	103.1	103.0	103.0	105.6
Catering services	84.9	91.1	95.8	100.0	104.5	102.2	104.0	105.4	106.3	109.2	104.0	104.4	104.9	105.3	105.8	106.0	105.5	107.4	108.9	109.3	109.6	110.3	111.0
Miscellaneous goods & services	88.8	94.5	98.1	100.0	104.1	102.1	103.9	104.4	105.9	106.4	104.0	104.0	104.4	104.2	104.6	105.7	105.8	106.1	106.2	106.5	106.7	106.7	107.2
<b>HCPI</b>	89.1	94.2	97.6	100.0	102.5	100.8	102.8	103.2	103.3	103.4	103.3	103.0	102.7	103.4	103.7	102.9	103.2	103.7	103.1	103.0	104.1	105.3	106.5
<b>Producer price indices (domestic market)</b>	91.0	93.3	97.4	100.0	102.4	101.3	102.2	102.6	103.3	105.9	102.2	102.4	102.6	102.3	102.9	103.1	103.1	103.6	104.3	106.5	106.8	107.1	107.4
Intermediate goods	89.6	91.4	96.9	100.0	103.5	101.9	103.3	104.1	104.7	109.1	103.3	103.7	104.0	103.7	104.7	104.4	104.5	105.3	106.1	110.4	110.8	111.3	111.8
Capital goods	94.8	94.7	97.0	100.0	100.2	99.8	99.6	100.5	100.8	101.2	99.3	100.0	100.1	100.4	100.9	100.9	100.7	100.9	101.4	101.0	101.4	101.4	101.0
Consumption goods	91.8	95.3	98.1	100.0	101.5	101.0	101.6	101.2	102.1	103.1	101.6	101.6	101.4	101.1	101.2	102.1	101.9	102.3	102.8	103.0	103.4	103.2	103.5
<b>PRICE CONTROL<sup>1</sup></b>																							
Energy prices	81.1	83.3	89.4	100.0	108.0	104.7	109.6	111.9	105.9	102.6	111.4	109.7	110.4	112.7	112.6	106.2	105.5	105.9	103.6	100.4	103.7	107.5	110.3
Oil products	78.9	80.2	86.7	100.0	110.3	105.6	113.4	116.3	105.7	101.4	116.1	113.8	114.5	117.5	117.0	106.5	105.1	105.6	102.9	98.4	103.0	107.5	112.3
Electricity for households	90.4	93.8	98.6	100.0	101.6	100.8	100.8	102.0	102.7	101.7	100.8	100.8	100.8	102.7	102.7	102.7	102.7	102.7	101.9	101.0	102.4	107.1	107.1
Basic utilities	83.4	88.6	96.2	100.0	97.4	100.1	100.9	100.9	87.8	93.8	100.7	100.7	100.7	100.9	100.9	83.3	89.3	90.7	92.5	94.4	94.4	94.7	94.7
Transport & communications	91.5	95.2	97.9	100.0	101.5	101.2	101.6	101.6	101.6	101.9	101.6	101.6	101.6	101.6	101.6	101.6	101.6	101.6	101.7	101.8	102.2	102.2	102.2
Other controlled prices	86.0	89.8	95.7	100.0	102.6	101.8	102.2	103.2	103.3	104.9	102.2	102.3	103.2	103.2	103.2	103.2	103.3	103.3	104.2	105.1	105.3	105.3	104.7
<b>Direct control – total</b>	82.5	85.5	91.5	100.0	107.0	103.7	107.3	110.2	106.9	105.6	108.5	107.4	107.9	109.5	113.3	106.5	106.9	107.3	106.0	104.1	106.6	109.4	111.3
<i>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.</i>																							

Interest Rates and Investment																Slovenian Economic Mirror				IMAD	
																No. 6/2007				p. A 9	
	End year					2006										2007					
	2002	2003	2004	2005	2006	3	4	5	6	7	8	9	10	11	12	1	2	3	4		
<b>INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %</b>																					
<b>New deposits in domestic currency</b>																					
Households																					
Overnight deposits	-	-	-	0.47	0.32	0.36	0.34	0.30	0.30	0.30	0.30	0.28	0.27	0.28	0.27	0.33	0.33	0.33	0.34		
Time deposits with maturity of up to one year	-	-	-	3.34	2.96	3.02	3.03	2.99	2.98	2.86	2.81	2.82	2.80	2.81	2.84	2.83	2.91	3.01	3.07		
<b>New loans to households in domestic currency</b>																					
Housing loans 1-5 year fixed interest rate	-	-	4.18	4.99	4.56	4.68	4.80	4.51	4.26	4.74	4.57	4.60	4.42	5.19	4.29	5.16	5.44	5.5	5.35		
<b>New loans to non-financial corporations in domestic currency</b>																					
Loan over EUR 1 million 1-5 year fixed interest rate	-	8.58	5.36	5.23	4.64	5.12	4.98	4.43	-	4.66	4.47	3.61	4.66	5.04	5.11	5.49	6.53	-	-		
<b>INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %</b>																					
Main refinancing operations	3.21	2.25	2.00	2.02	2.78	2.50	2.50	2.50	2.75	2.75	3.00	3.00	3.25	3.25	3.50	3.50	3.50	3.75	3.75		
<b>INVESTMENT, outlays, in SIT m, since 2007 thousand EURO</b>																					
<b>Total</b>	524,626	610,923	760,662	772,675	824,957	63,277	52,510	56,768	62,748	55,592	56,808	62,610	58,911	86,544	147,057	283,943	287,486	252,076	387,674		
Industry total	114,794	136,349	184,271	181,466	164,226	12,392	10,174	11,172	13,613	12,797	9,218	11,634	12,008	16,069	22,452	54,811	66,902	68,461	62,123		
Energy sector	36,959	31,538	39,105	38,701	36,856	2,340	1,405	2,119	1,934	2,995	2,119	3,460	2,294	4,832	7,335	11,771	26,320	12,892	9,072		
Manufacturing	77,835	104,811	145,163	142,765	127,370	10,052	8,769	9,053	11,679	9,802	7,099	8,174	9,714	11,237	15,117	43,040	40,582	55,568	53,051		
Construction*	8,937	11,350	21,470	129,609	170,369	10,808	7,472	11,717	11,122	11,561	15,119	14,507	13,065	14,565	43,112	97,608	68,472	-120,858	13,463		
Transport and communications*	58,244	39,779	54,720	63,689	57,978	4,692	3,855	4,716	4,085	3,935	5,076	7,245	3,401	9,931	4,165	11,029	32,975	194,924	142,273		
Trade	66,950	67,852	80,272	93,793	82,460	7,889	4,879	4,880	11,155	5,304	6,325	4,527	6,229	4,926	6,846	16,599	12,242	25,851	34,770		
Hotels and restaurants	9,144	14,665	14,206	15,641	12,356	1,705	840	889	962	1,298	1,319	816	439	722	1,483	7,841	5,197	7,092	5,981		
Financial and technical services	40,339	48,049	52,291	48,192	47,530	3,284	4,210	4,957	4,109	5,117	4,199	2,560	3,805	4,297	4,655	11,926	22,401	9,369	14,409		
Other	226,220	292,876	353,432	240,285	290,038	22,507	21,080	18,437	17,702	15,580	15,552	21,321	19,964	36,034	64,344	84,129	79,297	67,236	114,655		
In economic infrastructure, total <sup>1</sup>	162,078	177,777	223,096	180,751	197,802	11,724	7,283	13,947	12,868	13,319	16,649	16,725	13,348	19,366	49,344	89,490	105,197	64,170	57,115		
Energy sector	36,959	46,562	46,469	42,212	36,857	2,340	1,405	2,119	1,934	2,995	2,119	3,460	2,294	4,832	7,335	11,771	26,320	12,892	9,072		
Electricity supply	25,132	26,903	23,107	24,251	22,736	1,394	941	1,381	1,261	1,963	1,200	2,516	1,304	3,331	3,946	6,664	21,210	7,479	5,503		
Gas supply	1,380	1,282	689	678	729	51	41	30	51	56	80	58	26	111	117	229	242	335	107		
Hot water supply	1,168	2,725	2,027	2,564	2,640	211	41	140	90	240	125	216	240	346	714	1,540	898	640	350		
Cold water supply	9,280	15,652	20,645	14,720	10,752	685	381	569	532	737	714	670	724	1,044	2,558	3,337	3,970	4,439	3,112		
Transport infrastructure	125,119	131,215	176,627	138,539	160,945	9,384	5,878	11,828	10,934	10,324	14,530	13,265	11,054	14,534	42,009	77,719	78,876	51,278	48,043		
Railways	16,924	1,717	1,822	2,615	6,677	586	608	571	372	558	1,487	1,653	77	493	70	590	1,360	897	727		
Air traffic	618	1,774	2,660	3,462	2,120	73	10	207	101	49	469	96	123	139	502	1,508	2,028	1,515	2,064		
Roads, motorways	81,467	103,849	141,157	106,040	136,142	5,968	3,760	9,044	8,994	9,224	11,516	11,064	10,310	13,150	40,435	72,863	62,228	46,038	41,167		
Postal and telecom services	24,573	20,923	26,717	24,143	13,609	2,563	1,330	1,749	1,308	292	770	372	432	399	613	1,717	1,402	1,780	2,196		
Other	1,538	2,952	4,271	2,279	2,397	195	171	257	157	201	287	80	112	354	389	1,041	11,858	1,048	1,889		

Sources of data: SORS, BS, AP. Notes: a large infrastructure company has been included in the construction activity since April 2007 (change of main activity from F to I).

\*Outlays collected on the basis of data for individual investors.

# Labour Market

Slovenian Economic Mirror

IMAD

No. 6/2007

p. A 10

Number in thousand	2002	2003	2004	2005	2006	2006				2007	2006								2007				
						Q I	Q II	Q III	Q IV	Q I	4	5	6	7	8	9	10	11	12	1	2	3	4
<b>A FORMAL LABOUR FORCE (A=B+E)</b>	911.4	899.1	900.3	905.0	910.7	908.2	910.9	909.6	914.0	919.1	909.9	910.7	912.3	910.8	908.2	909.8	915.0	915.5	911.3	918.0	919.2	920.0	921.6
<b>B PERSONS IN FORMAL EMPLOYMENT (C+D)</b>	808.7	801.4	807.5	813.1	824.8	814.6	823.6	826.6	834.5	841.8	819.9	823.6	827.4	825.2	825.2	829.5	833.7	836.7	833.0	838.0	841.5	845.8	849.0
In agriculture, forestry, fishing	45.4	37.7	41.2	38.7	38.9	39.5	39.1	38.7	38.5	43.1	39.2	39.1	39.0	38.8	38.7	38.7	38.6	38.6	38.4	43.0	43.1	43.1	41.9
In industry, construction	323.3	318.4	313.9	310.9	313.3	308.2	312.2	315.1	317.6	317.4	310.3	312.3	314.1	314.5	314.7	316.2	317.9	318.9	315.9	316.2	317.8	318.3	320.5
Of which: in manufacturing	243.1	238.9	236.1	233.7	227.9	227.5	227.5	227.5	229.2	229.4	227.0	227.5	228.0	227.4	227.2	227.8	229.1	229.9	228.7	228.9	229.6	229.7	230.0
In construction	63.4	63.3	62.2	61.7	69.9	65.4	69.3	72.2	72.9	72.8	67.9	69.4	70.5	71.6	72.0	72.8	73.3	73.5	71.9	72.1	73.0	73.3	75.3
In services	440.0	445.2	452.3	463.5	472.6	467.0	472.3	472.8	478.4	481.3	470.3	472.2	474.3	471.9	471.8	474.7	477.2	479.2	478.7	478.8	480.7	484.4	486.6
Of which: in public administration	45.9	47.7	49.9	49.1	50.2	49.8	50.4	50.3	50.1	49.7	50.3	50.4	50.6	50.5	50.3	50.2	50.3	50.2	49.9	49.8	49.7	49.7	49.9
in education, health-services social work	101.6	102.7	105.0	106.5	109.1	108.5	109.3	108.6	110.0	109.9	108.9	109.3	109.7	108.2	108.0	109.5	109.9	110.2	109.8	109.5	109.9	110.2	110.4
<b>C FORMALLY EMPLOYED <sup>1</sup></b>	721.4	722.1	724.4	731.6	741.6	731.7	740.6	743.4	750.7	753.1	737.0	740.5	744.2	742.1	742.0	746.1	750.1	752.9	749.2	749.5	752.9	757.0	761.3
In enterprises and organisations	654.6	656.0	658.7	666.2	675.1	667.6	674.2	675.9	682.6	685.8	671.5	674.2	676.9	674.7	674.7	678.2	681.6	684.3	681.7	682.8	685.6	689.0	692.4
In small scale sector	66.8	66.2	65.6	65.4	66.5	64.0	66.4	67.5	68.2	67.3	65.5	66.4	67.3	67.3	67.3	67.9	68.5	68.6	67.5	66.7	67.3	68.0	68.9
<b>D SELF EMPLOYED AND FARMERS</b>	87.3	79.2	83.1	81.5	83.3	83.0	83.1	83.2	83.7	88.7	82.9	83.0	83.2	83.1	83.2	83.5	83.6	83.8	83.8	88.5	88.6	88.8	87.8
<b>E REGISTERED UNEMPLOYMENT</b>	102.6	97.7	92.8	91.9	85.8	93.6	87.3	83.0	79.5	77.3	90.0	87.1	84.9	85.6	83.1	80.2	81.3	78.8	78.3	80.0	77.7	74.2	72.6
Female	52.5	51.6	49.3	49.4	47.0	50.3	47.9	46.3	43.6	42.0	49.1	47.7	46.8	47.9	46.4	44.6	44.9	43.3	42.6	43.2	42.1	40.7	40.2
By age: under 26	24.7	25.5	24.3	22.2	18.2	21.7	18.9	16.4	16.0	14.0	20.0	18.8	17.8	17.8	16.6	14.8	16.8	15.8	15.2	15.1	14.2	12.8	12.2
Older than 40	50.7	43.1	39.7	40.1	39.7	41.7	40.1	39.3	37.9	38.7	40.9	40.1	39.4	39.6	39.3	38.9	38.2	37.6	37.7	39.0	38.8	38.1	37.7
Unskilled	48.2	43.2	38.6	37.5	33.7	37.4	34.3	32.2	30.8	30.4	35.5	34.3	33.2	32.8	32.3	31.6	31.1	30.6	30.8	31.6	30.7	29.0	28.2
For more than 1 year	55.8	47.5	42.9	43.4	41.9	43.6	42.4	41.5	40.2	38.8	43.0	42.3	41.9	41.9	41.3	41.2	41.0	39.9	39.7	39.6	39.0	37.9	37.4
Those receiving benefits	24.4	24.3	22.3	23.3	22.7	25.4	23.6	22.4	19.4	13.0	23.7	24.2	22.8	22.9	22.7	21.7	19.9	19.4	18.9	19.9	19.1	18.3	17.2
<b>F RATE OF REGISTERED UNEMPLOYMENT, E/A, in %</b>	<b>11.3</b>	<b>10.9</b>	<b>10.3</b>	<b>10.2</b>	<b>9.4</b>	<b>10.3</b>	<b>9.6</b>	<b>9.1</b>	<b>8.7</b>	<b>8.4</b>	<b>9.9</b>	<b>9.6</b>	<b>9.3</b>	<b>9.4</b>	<b>9.1</b>	<b>8.8</b>	<b>8.9</b>	<b>8.6</b>	<b>8.6</b>	<b>8.7</b>	<b>8.4</b>	<b>8.1</b>	<b>7.9</b>
<b>G FLOWS OF FORMAL LABOUR FORCE</b>	-2.3	-10.2	1.5	8.0	5.2	2.6	3.6	-2.5	1.6	8.7	1.2	0.8	1.6	-1.5	-2.5	1.5	5.3	0.5	-4.2	6.7	1.2	0.8	1.6
New unemployed first job seekers	21.4	25.4	26.0	21.7	18.6	3.7	3.2	3.5	8.2	2.9	1.2	1.0	1.0	1.0	1.0	1.5	5.8	1.4	1.0	1.3	0.8	0.9	1
Redundancies	66.0	68.8	69.6	67.2	63.8	19.4	14.4	15.2	14.8	15.4	4.9	5.1	4.4	5.6	4.5	5.1	4.8	5.0	5.0	7.6	3.8	4	4
Registered unemployed who found employment	52.2	50.5	54.3	53.9	57.4	15.6	14.7	13.5	13.6	14.8	4.9	5.5	4.3	3.5	4.6	5.3	5.1	5.0	3.5	5.1	4.4	5.2	4.2
Other unemployed erased out of register	39.9	47.3	46.6	33.1	39.2	8.7	9.4	9.8	11.3	7.6	2.6	3.5	3.3	2.4	3.4	4.1	4.4	3.9	3.1	2.0	2.5	3.1	2.4
Change in number of work permits for foreigners	2.1	3.5	-0.5	3.9	7.8	2.7	3.3	1.6	0.3	3.9	1.6	0.9	0.8	0.5	0.8	0.3	0.4	0.1	-0.2	-0.8	2.2	2.5	-1.7
Retirements <sup>2</sup>	15.9	16.1	16.4	16.7	18.7	4.3	3.9	4.5	6.1	4.7	1.3	1.1	1.5	1.2	1.0	2.4	2.2	2.0	1.9	1.8	1.6	1.2	1.4
Deaths <sup>2</sup>	2.6	2.6	2.5	2.3	2.5	0.6	0.6	0.6	0.6	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Others who found employment <sup>2</sup>	30.4	24.9	39.5	32.6	37.3	8.9	10.0	6.3	9.8	13.8	2.2	3.3	4.5	0.4	-0.2	6.0	5.4	4.5	-0.2	9.9	2.2	1.6	5.9
<b>H JOB VACANCIES <sup>3</sup></b>	11.6	12.1	14.1	16.9	19.0	19.1	20.5	18.9	17.4	20.5	18.4	20.3	22.7	17.7	16.4	22.7	19.5	16.9	15.9	20.0	17.8	23.6	20.6
For fixed term, in %	74.4	73.8	73.7	75.6	75.3	71.6	74.9	77.6	77.5	76.7	75.4	73.7	75.5	75.5	78.5	78.7	77.9	78.0	76.4	77.1	75.1	77.5	76.9
<b>WORK PERMITS FOR FOREIGNERS</b>	35.3	39.7	39.7	41.6	48.3	44.2	48.1	50.0	50.9	53.4	47.2	48.1	48.9	49.4	50.2	50.5	50.9	51.0	50.7	52.2	53.4	54.7	58.3
As % of labour force (I/A)	3.9	4.4	4.4	4.6	5.3	4.9	5.3	5.5	5.6	5.8	5.2	5.3	5.4	5.4	5.5	5.5	5.6	5.6	5.6	5.7	5.8	5.9	6.3

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.



# Wages, Competitiveness, Exchange Rate

Slovenian Economic Mirror

IMAD

No. 6/2007

p. A 11

	2004	2005	2006	2006			2007	2006										2007			
				Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>	Q <sub>I</sub>	4	5	6	7	8	9	10	11	12	1	2	3	4	
<b>GROSS WAGE PER EMPLOYEE, in SIT, since 2007 in EUR</b>																					
Total	264,403	277,279	290,635	283,981	286,917	309,709	1,238	279,896	286,316	285,731	283,047	290,148	287,557	293,121	333,799	302,207	1,250	1,213	1,252	1,237	
<i>Agriculture, fishing</i>	215,981	224,253	236,822	229,953	234,180	255,337	1,010	224,718	233,088	232,053	227,255	236,221	239,065	246,013	275,462	244,538	1,030	978	1,021	1,026	
A Agriculture	216,252	224,225	236,681	230,000	234,330	255,564	1,010	224,525	233,168	232,308	227,341	236,385	239,263	246,477	275,255	244,960	1,030	978	1,023	1,025	
B Fishing	205,207	218,670	236,027	228,451	228,286	245,222	970	233,254	229,976	222,124	223,864	229,792	231,201	225,990	283,455	226,221	1,007	984	919	1,070	
<i>Industry, construction</i>	229,615	243,067	256,362	249,392	252,418	275,098	1,096	242,758	252,268	253,148	247,126	258,208	251,919	259,650	302,333	263,312	1,120	1,059	1,110	1,081	
C Mining and quarrying	324,410	344,670	360,110	355,425	347,764	390,549	1,504	345,081	361,792	359,403	341,267	357,349	344,675	356,344	465,162	350,142	1,516	1,488	1,508	1,487	
D Manufacturing	225,806	238,985	252,162	245,578	248,069	269,029	1,086	239,263	247,879	249,593	243,298	253,828	247,080	255,616	293,054	258,417	1,113	1,046	1,099	1,069	
E Electricity, gas & water supply	322,478	353,836	373,743	350,785	355,321	439,645	1,494	341,094	360,776	350,485	347,759	364,848	353,355	364,284	550,174	404,477	1,539	1,442	1,501	1,483	
F Construction	214,536	224,794	238,698	232,640	239,102	253,871	1,017	225,300	236,219	236,402	231,933	243,748	241,624	245,043	271,568	245,003	1,018	996	1,038	1,011	
<i>Production services</i>	242,355	253,747	266,326	260,251	261,841	286,264	1,150	257,312	262,884	260,558	258,907	263,514	263,104	269,263	309,080	280,448	1,151	1,128	1,171	1,153	
G Distributive trade	233,682	244,880	258,521	252,136	254,723	278,198	1,122	249,304	254,451	252,654	252,603	255,915	255,650	263,133	294,774	276,686	1,127	1,097	1,143	1,130	
H Hotels & restaurants	196,458	202,895	211,873	209,789	210,678	221,166	893	207,644	212,160	209,563	207,008	213,505	211,520	213,344	225,866	224,287	898	873	906	905	
I Transport, storage & communications	284,881	299,377	310,080	302,935	302,254	334,933	1,333	299,354	306,447	303,005	297,889	304,311	304,562	309,630	379,872	315,296	1,324	1,317	1,359	1,316	
<i>Business services</i>	312,967	325,355	340,552	332,172	328,901	375,481	1,437	330,016	335,420	331,080	323,043	332,310	331,351	332,557	428,155	365,729	1,448	1,412	1,450	1,452	
J Financial intermediation	388,044	413,896	443,595	431,824	415,908	523,782	1,812	426,939	440,529	428,004	404,927	414,649	428,147	415,140	668,928	487,279	1,797	1,810	1,830	1,897	
K Real estate	283,421	292,763	304,295	296,412	298,125	324,256	1,307	294,896	297,842	296,499	293,992	303,078	297,304	303,947	345,433	323,388	1,326	1,274	1,321	1,300	
<i>Public services</i>	319,911	330,580	341,999	336,529	343,246	353,578	1,445	334,641	337,356	337,588	341,724	343,977	344,037	347,973	360,551	352,211	1,449	1,433	1,452	1,454	
L Public administration	322,928	333,302	343,572	338,545	346,124	351,537	1,446	335,054	339,019	341,562	344,886	345,285	348,201	351,350	353,047	350,213	1,450	1,442	1,445	1,452	
M Education	325,463	340,967	357,301	350,291	362,784	368,215	1,521	348,245	349,298	353,330	360,988	363,395	363,969	365,467	370,135	369,042	1,516	1,518	1,530	1,533	
N Health & social work	310,990	316,827	325,245	322,107	323,843	336,103	1,367	321,717	324,668	319,936	323,527	325,081	322,920	329,682	341,294	337,332	1,387	1,344	1,369	1,386	
O Other social & personal services	316,566	325,159	332,137	324,515	324,566	356,170	1,402	323,475	327,509	322,560	320,629	328,908	324,162	330,619	395,357	342,534	1,395	1,368	1,441	1,389	

## INDICATORS OF OVERALL COMPETITIVENESS, 2001=100

### Foreign exchange rates

Effective exchange rate <sup>1</sup> , nominal	94.6	94.0	94.1	94.1	94.4	94.3	94.4	94.0	94.1	94.3	94.4	94.3	94.4	94.2	94.2	94.4	94.3	94.5	94.5	94.7
Real (relative consumer prices)	105.2	104.9	105.6	105.8	106.2	106.0	105.6	105.4	106.2	105.9	105.7	106.1	106.7	105.7	106.0	106.3	105.6	105.3	106	106.9
Real (relative producer prices) <sup>2</sup>	103.1	102.5	101.6	101.3	101.2	102.5	103.4	101.3	101.2	101.3	101.1	100.7	101.9	102.3	102.3	102.9	103.4	103.5	103.4	103.1
SIT/US\$	192.4	192.7	191.0	190.9	188.0	185.9	–	195.9	187.6	189.2	188.9	187.1	188.1	190.0	186.2	181.4	–	–	–	–
SIT/EUR	238.9	239.6	239.6	239.6	239.6	239.6	–	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	–	–	–	–
US\$/EUR	1.2433	1.2448	1.2557	1.2564	1.2741	1.2902	1.3105	1.2271	1.2770	1.2650	1.2684	1.2811	1.2727	1.2611	1.2881	1.3213	1.2999	1.3074	1.3242	1.3516

Sources of data: SORS, AP, BS, OECD Main Economic Indicators, calculations IMAD.

Notes: The September 2005 data on the monthly gross wage per employee were calculated according to the new methodology for 2004 and beyond. <sup>1</sup>Change of methodology: the calculation of the tolar's effective exchange rate includes the currencies/prices of Slovenia's 17 trading partners (Austria, Belgium, Germany, Italy, France, Netherlands, Spain, Denmark, United Kingdom, Sweden, Czech Republic, Hungary, Poland, Slovakia, USA, Switzerland, Japan); 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>Producer prices in manufacturing activities. <sup>3</sup>in enterprises and organizations. <sup>4</sup>Based on producer prices in SIT. <sup>5</sup>Only domestic factors.

<b>Public Finance</b>	<b>Slovenian Economic Mirror</b>														<b>IMAD</b>	
	<b>No. 6/2007</b>														<b>p. A 12</b>	

Current prices in SIT million, since 2007 in EURO thousand	2003	2004	2005	2006	2006				2006						2007		
					Q <sub>I</sub>	Q <sub>II</sub>	Q <sub>III</sub>	Q <sub>IV</sub>	7	8	9	10	11	12	1	2	3
<b>CONSOLIDATED GENERAL GOVERNMENT REVENUES</b>																	
TOTAL REVENUES	2,477,425	2,683,055	2,869,949	3,105,421	817,212	729,600	874,009	3,063,361	249,793	257,716	222,090	276,487	287,812	309,710	1,061,224	958,444	1,043,693
Current revenues	2,440,298	2,609,053	2,759,987	2,970,410	782,080	706,346	816,169	2,954,773	242,449	249,677	214,220	259,442	265,390	291,337	1,034,395	926,156	994,223
Tax revenues	2,291,071	2,446,899	2,608,230	2,818,643	746,742	665,880	768,117	2,828,698	232,024	234,557	199,299	243,250	252,118	272,749	994,506	883,169	951,023
Taxes on income and profit	460,520	506,878	537,260	655,486	235,706	134,797	154,693	587,733	43,014	47,180	44,603	41,871	49,212	63,610	188,151	189,870	209,713
Social security contributions	839,216	899,400	955,611	1,013,970	248,707	250,117	272,872	1,083,374	83,794	82,071	84,253	84,480	86,391	102,001	358,356	360,464	364,554
Taxes on payroll and workforce	107,424	117,676	126,097	113,334	27,214	27,376	32,279	96,050	9,324	8,803	9,249	9,226	9,804	13,249	32,835	32,096	31,119
Taxes on property	34,419	39,513	40,834	45,322	10,171	15,126	13,585	22,183	4,448	6,898	3,780	3,402	7,140	3,043	6,207	7,914	8,063
Domestic taxes on goods and services	814,577	856,610	938,118	977,082	221,864	235,012	290,547	1,017,613	90,261	88,669	56,082	103,301	97,968	89,279	403,169	286,860	327,584
Taxes on international trade & transactions	34,653	19,339	9,360	12,145	2,988	2,653	3,866	21,478	947	746	960	895	1,528	1,444	5,460	6,313	9,706
Other taxes	261	7,484	950	1,304	92	799	275	266	237	190	372	75	76	125	329	-347	284
Non-tax revenues	149,227	162,154	151,756	151,767	35,338	40,465	48,051	126,076	10,425	15,119	14,921	16,192	13,272	18,588	39,889	42,987	43,200
Capital revenues	15,857	20,751	27,181	39,971	7,299	10,175	15,465	17,550	2,504	2,869	4,802	4,651	6,163	4,651	6,450	5,008	6,093
Grants	13,384	1,877	2,173	1,287	344	356	409	2,094	97	105	154	61	177	171	713	398	984
Transferred revenues	7,887	7,536	8,140	10,259	75	117	9,985	1,835	55	-32	94	26	9,483	476	1,727	31	77
Receipts from the EU budget	-	43,838	72,469	83,494	27,414	12,607	31,981	87,109	4,689	5,098	2,820	12,307	6,599	13,076	17,940	26,852	42,317
<b>CONSOLIDATED GENERAL GOVERNMENT EXPENDITURE</b>																	
TOTAL EXPENDITURE	2,555,894	2,768,427	2,941,756	3,165,327	802,516	721,094	925,862	3,202,765	238,539	234,980	247,575	265,622	285,225	375,015	985,195	1,109,087	1,108,483
Current expenditure	1,225,523	1,234,113	1,283,018	1,363,301	349,651	308,809	367,663	1,482,078	103,403	101,202	104,203	115,023	117,158	135,482	489,171	473,370	519,538
Wages, salaries and other personnel expenditure	662,776	700,349	722,822	762,128	195,534	188,138	196,382	786,022	61,910	61,987	64,240	63,616	64,797	67,969	262,129	262,128	261,765
Expenditure on goods and services	451,440	429,861	457,942	496,830	125,618	111,986	150,253	490,238	38,815	37,555	35,616	41,887	46,338	62,028	192,055	146,133	152,050
Interest payments	92,661	91,933	89,180	90,199	25,453	5,439	15,910	197,546	1,519	706	3,215	8,325	5,011	2,574	32,428	62,373	102,745
Reserves	18,646	11,969	13,074	14,145	3,046	3,246	5,117	8,272	1,159	954	1,133	1,195	1,012	2,909	2,559	2,735	2,978
Current transfers	1,097,369	1,249,909	1,341,641	1,420,064	397,591	332,290	372,882	1,457,088	113,895	109,214	109,182	110,952	122,357	139,573	434,831	507,916	514,341
Subsidies	69,470	77,571	91,362	96,556	42,366	13,742	31,540	104,411	7,395	2,952	3,395	5,146	6,475	19,918	6,748	54,844	42,819
Current transfers to individuals and households	986,100	1,053,417	1,109,197	1,167,404	313,688	280,259	294,149	1,219,051	93,257	94,521	92,482	92,935	102,296	98,919	388,090	415,487	415,475
Current transfers to non-profit institut., other current domestic transfers	36,722	113,675	134,930	149,548	39,465	35,971	45,707	130,721	12,411	11,551	12,008	12,583	12,909	20,214	39,679	35,484	55,558
Current transfers abroad	5,077	5,247	6,154	6,556	2,071	2,319	1,485	2,905	832	190	1,297	288	676	521	315	2,101	489
Capital expenditure	142,131	151,305	156,784	216,016	26,537	42,704	117,094	133,220	11,239	14,307	17,158	19,780	26,348	70,967	44,660	46,396	42,164
Capital transfers	90,871	92,464	91,874	96,956	15,694	19,384	52,703	30,424	4,478	4,042	10,864	13,658	15,861	23,184	8,203	9,460	12,761
Payments to the EU budget	-	40,637	68,438	68,990	13,044	17,907	15,520	99,954	5,524	6,215	6,168	6,210	3,501	5,810	8,330	71,946	19,679
<b>SURPLUS / DEFICIT</b>	<b>-78,469</b>	<b>-85,372</b>	<b>-71,807</b>	<b>-59,906</b>	<b>-</b>	<b>-</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 state are not consolidated.

<b>Main Indicators</b>	<b>Slovenian Economic Mirror</b>						<b>IMAD</b>
	<b>No. 6/2007</b>						<b>p. A 13</b>

Real growth rates, in %	2001	2002	2003	2004	2005	2006	2007	2008
							Spring Forecast 2007	
GDP	2.7	3.5	2.7	4.4	4.0	5.2	4.7	4.4
GDP per capita, in EUR	11,094	11,866	12,461	13,146	13,807	14,808	15,900	17,132
GDP per capita, PPS <sup>1</sup>	15,400	16,000	16,800	18,200	19,200	-	-	-
Standardised rate of unemployment (ILO)	6.4	6.4	6.7	6.3	6.6	6.0	5.7	5.4
Labour productivity (GDP per employee)	2.2	3.8	3.1	3.9	3.7	4.0	3.8	3.6
Inflation <sup>2</sup> , annual average	8.4	7.5	5.6	3.6	2.5	2.5	2.2	2.5

#### INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS

Exports of goods and services <sup>3</sup>	6.3	6.7	3.1	12.5	10.5	10.0	9.7	9.2
Exports of goods	7.0	6.4	4.4	12.8	10.3	10.8	10.1	9.4
Exports of services	3.2	8.0	-2.5	10.9	11.7	6.4	7.6	8.0
Imports of goods and services <sup>3</sup>	3.0	4.8	6.7	13.4	7.0	10.4	8.7	8.6
Imports of goods	3.2	4.4	7.3	14.6	6.8	10.5	8.8	8.6
Imports of services	1.8	7.5	3.0	5.5	8.4	9.5	7.8	8.4
Current account balance, In EUR million	38	247	-196	-720	-547	-773	-629	-273
Average exchange rate, SIT/EUR	217.2	226.2	233.7	238.9	239.6	239.6	-	-
Foreign exchange reserves, In EUR million	6,514	7,842	7,703	7,484	8,833	8,005	817 <sup>4</sup>	-
Gross external debt, In EUR million	10,386	11,524	13,225	15,343	19,614	23,718	28,129 <sup>5</sup>	-

#### DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS (share in GDP in %)

Private consumption	56.6	55.5	55.8	54.8	54.9	54.0	53.4	52.5
Government consumption	20.0	19.7	19.6	19.6	19.6	19.3	19.1	18.9
Gross fixed capital formation	24.1	22.6	23.3	24.5	24.4	25.8	26.2	26.7

#### CONSOLIDATED GENERAL GOVERNMENT REVENUE AND EXPENDITURE BY THE GFS – IMF METHODOLOGY

(as a % of GDP)

General government revenue	42.7	40.6	42.6	42.8	43.3	43.6 <sup>6</sup>	42.9	41.7
General government expenditure	44.0	43.5	44.0	44.1	44.4	44.4 <sup>6</sup>	43.8	42.5
Surplus (deficit)	-1.3	-2.9	-1.4	-1.3	-1.1	-0.8 <sup>6</sup>	-0.9	-0.8

Sources of data: SORS, BS, MF, calculations, estimate and forecast by the IMAD - Spring Forecast 2007.

Notes: <sup>1</sup>Eurostat, March 2007; <sup>2</sup>the consumer price index; <sup>3</sup>balance of payments statistics (exports F.O.B., imports F.O.B.), changes in exchange rates and prices in foreign markets eliminated by calculating real rates; <sup>4</sup>end May. From 1 January 2007, foreign exchange reserves of the Bank of Slovenia include foreign cash in convertible currencies, deposits abroad, and first class securities of issuers from outside the Euro area in foreign currency. The drop in data values is the result of Slovenia's entry to the Economic and Monetary Union.; <sup>5</sup>end March; <sup>6</sup>preliminary data of Ministry of finance.

# International Comparisons / I

Slovenian Economic Mirror

IMAD

No. 6/2007

p. A 14

	Real GDP growth				GDP per capita in PPS <sup>1</sup> EU25=100				Inflation <sup>2</sup> (annual average)			
	2003	2004	2005	2006	2001	2002	2003	2004	2003	2004	2005	2006
<b>Slovenia</b>	2.7	4.4	4.0	5.2	74.5	77.4	79.9	81.9	5.7	3.7	2.5	2.5
EU27	1.3	2.5	1.8	3.0	95.6	95.8	95.9	96.1	N/A	N/A	N/A	N/A
EU25	1.3	2.4	1.8	2.9	100	100	100	100	2.0	2.0	2.2	2.2
Euro Area	0.8	2.0	1.5	2.7	107.9	107.5	106.6	106.2	2.1	2.1	2.2	2.2
Belgium	1.0	3.0	1.1	3.2	117.6	118.9	119.4	118.0	1.5	1.9	2.5	2.3
Bulgaria	5.0	6.6	6.2	6.1	28.4	31.1	32.4	33.7	2.3	6.1	6.0	7.4
Czech Republic	3.6	4.2	6.1	6.1	67.7	70.7	72.1	73.6	-0.1	2.6	1.6	2.1
Denmark	0.4	2.1	3.1	3.2	121.4	119.3	119.4	121.8	2.0	0.9	1.7	1.9
Germany	-0.2	1.2	0.9	2.8	108.5	112.5	111.1	110.0	1.0	1.8	1.9	1.8
Estonia	7.1	8.1	10.5	11.4	46.8	51.2	53.4	59.8	1.4	3.0	4.1	4.4
Greece	4.8	4.7	3.7	4.3	77.2	80.2	81.4	84.0	3.4	3.0	3.5	3.3
Spain	3.0	3.2	3.5	3.9	95.2	96.7	96.6	97.9	3.1	3.1	3.4	3.6
France	1.1	2.5	1.7	2.0	112.0	107.7	107.7	108.1	2.2	2.3	1.9	1.9
Ireland	4.3	4.3	5.5	6.0	132.3	134.4	135.7	138.8	4.0	2.3	2.2	2.7
Italy	0.0	1.2	0.1	1.9	110.0	106.0	103.1	100.7	2.8	2.3	2.2	2.2
Cyprus	1.8	4.2	3.9	3.8	82.6	85.2	87.6	88.9	4.0	1.9	2.0	2.2
Latvia	7.2	8.7	10.6	11.9	38.7	41.2	43.7	48.6	2.9	6.2	6.9	6.6
Lithuania	10.3	7.3	7.6	7.5	41.9	47.1	49.0	52.1	-1.1	1.2	2.7	3.8
Luxembourg	1.3	3.6	4.0	6.2	220.7	236.7	240.8	251.0	2.5	3.2	3.8	3.0
Hungary	4.2	4.8	4.1	3.9	59.1	60.8	61.3	62.5	4.7	6.8	3.5	4.0
Malta	-0.3	0.1	3.3	3.3	74.9	74.3	72.1	71.7	1.9	2.7	2.5	2.6
Netherlands	0.3	2.0	1.5	2.9	125.3	123.8	124.6	125.5	2.2	1.4	1.5	1.7
Austria	1.1	2.4	2.0	3.1	120.0	123.4	123.4	122.9	1.3	2.0	2.1	1.7
Poland	3.8	5.3	3.5	5.8	46.3	46.9	48.7	49.7	0.7	3.6	2.2	1.3
Portugal	-0.7	1.3	0.5	1.3	79.5	73.5	72.1	71.7	3.3	2.5	2.1	3.0
Romania	5.2	8.5	4.1	7.7	28.1	29.9	32.6	34.2	15.3	11.9	9.1	6.6
Slovakia	4.2	5.4	6.0	8.3	51.0	52.8	54.4	57.1	8.4	7.5	2.8	4.3
Finland	1.8	3.7	2.9	5.5	114.7	108.6	111.1	110.5	1.3	0.1	0.8	1.3
Sweden	1.7	4.1	2.9	4.2	113.7	115.4	115.4	114.7	2.3	1.0	0.8	1.5
United Kingdom	2.7	3.3	1.9	2.8	116.1	116.1	118.0	117.6	1.4	1.3	2.1	2.3
USA	2.5	3.9	3.2	3.3	145.4	146.3	147.9	149.9	2.3	2.7	3.4	N/A

Sources of data: SORS; Eurostat. New Cronos. Notes: <sup>1</sup>PPS – Purchasing Power Standard. Data for 2005 were published by Eurostat on 15 June 2006. <sup>2</sup>Harmonised Index of Consumer Prices for EU countries and Consumer Price Index for the USA. N/A - not available \*Autumn Forecast European Commission

# International Comparisons / II

Slovenian Economic Mirror

IMAD

No. 6/2007

p. A 15

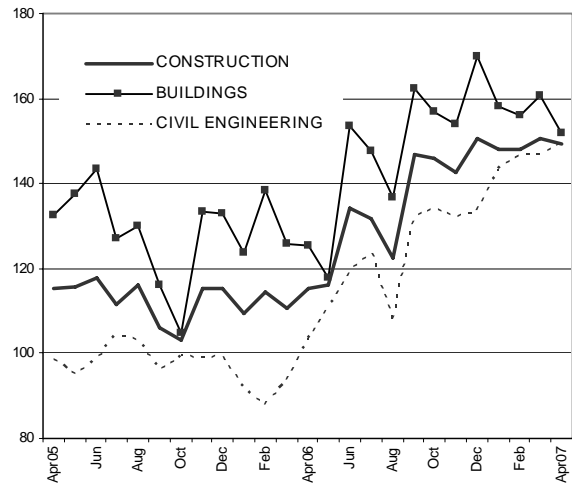
	Survey Unemployment Rate				Current account balance <sup>1</sup> , % GDP				General Government Balance <sup>2</sup> , % GDP				General Government Gross Debt <sup>2</sup> , % GDP			
	2003	2004	2005	2006	2002	2003	2004	2005	2002	2003	2004	2005	2002	2003	2004	2005
<b>Slovenia</b>	6.7	6.3	6.5	6.0	-0.8	-2.6	-2.0	-2.7	-2.8	-2.3	-1.5	-1.4	28.6	28.9	28.4	27.8
EU 27	9.0	9.0	8.7	7.9	0.1	0.2	-0.5	-0.7	-3.1	-2.7	-2.4	-1.7	61.8	62.2	62.9	61.7
EU25	9.0	9.0	8.7	7.9	N/A	N/A	N/A	N/A	-3.1	-2.7	-2.4	-1.7	62.1	62.5	63.3	62.2
Euro Area	8.7	8.8	8.6	7.9	0.5	0.8	0.0	-0.1	-3.0	-2.8	-2.5	-1.6	69.3	69.7	70.5	69.0
Belgium	8.2	8.4	8.4	8.2	4.5	3.6	2.5	2.3	0.1	0.0	-2.3	0.2	98.6	94.3	93.2	89.1
Bulgaria	13.7	12.0	10.1	9.0	-5.5	-6.6	-12.0	-15.8	-0.9	2.2	1.9	3.3	45.9	37.9	29.2	22.8
Czech Republic	7.8	8.3	7.9	7.1	-6.5	-6.3	-2.7	-4.1	-6.6	-2.9	-3.5	-2.9	30.1	30.7	30.4	30.4
Denmark	5.4	5.5	4.8	3.9	3.4	3.1	3.6	2.5	0.0	2.0	4.7	4.2	45.8	44.0	36.3	30.2
Germany	9.0	9.5	9.5	8.4	2.0	3.9	4.2	4.7	-4.0	-3.7	-3.2	-1.7	63.9	65.7	67.9	67.9
Estonia	10.0	9.7	7.9	5.9	-11.5	-12.5	-11.1	-14.2	2.0	2.3	2.3	3.8	5.7	5.2	4.4	4.1
Greece	9.7	10.5	9.8	8.9	-10.0	-9.5	-9.2	-11.4	-6.2	-7.9	-5.5	-2.6	107.8	108.5	107.5	104.6
Spain	11.1	10.6	9.2	8.5	-4.0	-5.9	-7.5	-8.5	0.0	-0.2	1.1	1.8	48.8	46.2	43.2	39.9
France	9.5	9.6	9.7	9.4	0.2	-0.6	-2.1	-2.0	-4.1	-3.6	-3.0	-2.5	62.4	64.3	66.2	63.9
Ireland	4.7	4.5	4.3	4.4	0.0	-1.0	-3.1	-3.3	0.4	1.4	1.0	2.9	31.2	29.7	27.4	24.9
Italy	8.4	8.0	7.7	6.8	-0.9	-0.5	-1.2	-2.0	-3.5	-3.5	-4.2	-4.4	104.3	103.8	106.2	106.8
Cyprus	4.1	4.6	5.2	4.7	-2.2	-5.0	-5.6	-5.9	-6.3	-4.1	-2.3	-1.5	69.1	70.3	69.2	65.3
Latvia	10.5	10.4	8.9	6.8	-8.2	-12.9	-12.6	-21.1	-1.6	-1.0	-0.2	0.4	14.4	14.5	12.0	10.0
Lithuania	12.4	11.4	8.3	5.6	-6.8	-7.5	-6.9	-10.7	-1.3	-1.5	-0.5	-0.3	21.2	19.4	18.6	18.2
Luxembourg	3.7	5.1	4.5	4.7	8.0	11.8	11.1	8.6	0.4	-1.2	-0.3	0.1	6.3	6.6	6.1	6.8
Hungary	5.9	6.1	7.2	7.5	-7.9	-8.4	-6.8	-5.9	-7.2	-6.5	-7.8	-9.2	58.0	59.4	61.7	66.0
Malta	7.6	7.4	7.3	7.3	-2.8	-6.4	-8.3	-6.3	-10.0	-5.0	-3.1	-2.6	70.4	73.9	72.4	66.5
Netherlands	3.7	4.6	4.7	3.9	6.1	8.6	7.1	9.9	-3.1	-1.8	-0.3	0.6	52.0	52.6	52.7	48.7
Austria	4.3	4.8	5.2	4.8	1.7	2.1	2.9	3.7	-1.6	-1.2	-1.6	-1.1	64.6	63.9	63.5	62.2
Poland	19.6	19.0	17.7	13.8	-2.1	-4.4	-1.7	-2.3	-6.3	-5.7	-4.3	-3.9	47.1	45.7	47.1	47.8
Portugal	6.3	6.7	7.6	7.7	-6.5	-8.0	-9.6	-9.8	-2.9	-3.3	-6.1	-3.9	56.8	58.2	63.6	64.7
Romania	7.0	8.1	7.2	7.3	-4.8	-5.0	-8.7	-10.3	-1.5	-1.5	-1.4	-1.9	21.5	18.8	15.8	12.4
Slovakia	17.6	18.2	16.3	13.4	-2.1	-2.5	-7.9	-7.7	-2.7	-2.4	-2.8	-3.4	42.4	41.5	34.5	30.7
Finland	9.0	8.8	8.4	7.7	5.9	7.7	4.9	5.9	2.5	2.3	2.7	3.9	44.3	44.1	41.4	39.1
Sweden	5.6	6.3	7.4	7.0	6.6	6.5	5.8	7.0	-0.9	0.8	2.1	2.2	53.5	52.4	52.2	46.9
United Kingdom	4.9	4.7	4.8	5.3	-1.3	-1.6	-2.4	-3.4	-3.2	-3.1	-3.1	-2.8	38.8	40.3	42.2	43.5
USA	6.0	5.5	5.1	4.6	-4.7	-5.6	-6.2	-6.1	-4.6	-4.4	N/A	N/A	62.5	63.4	N/A	N/A

Sources of data: SORS; Eurostat. Notes: <sup>1</sup>EU25 and euro area aggregates are adjusted for reporting errors concerning intra-EU trade ; <sup>2</sup> data from Eurostat news release on 23 October 2006.

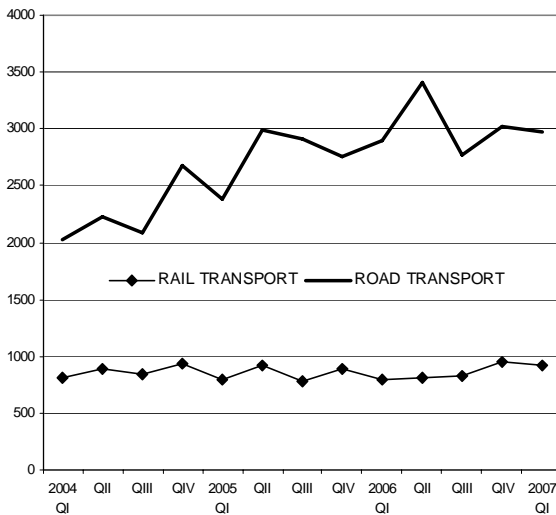
INDUSTRY indices: average 2000=100  
trend indices by the TRAMO-SEATS method



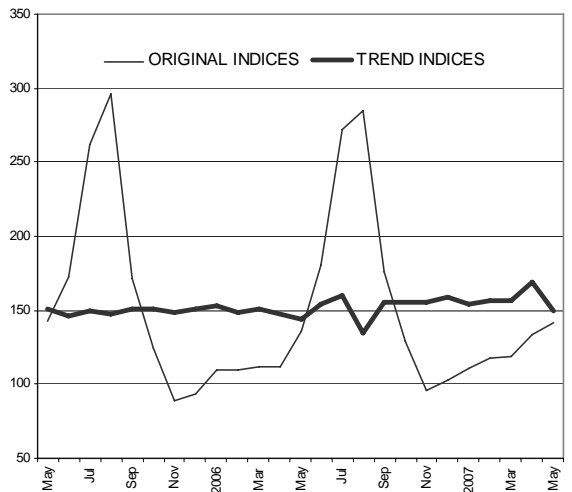
REAL INDICES OF CONSTRUCTION PUT IN PLACE  
indices: average 2000=100;  
trend indices by the TRAMO-SEATS method



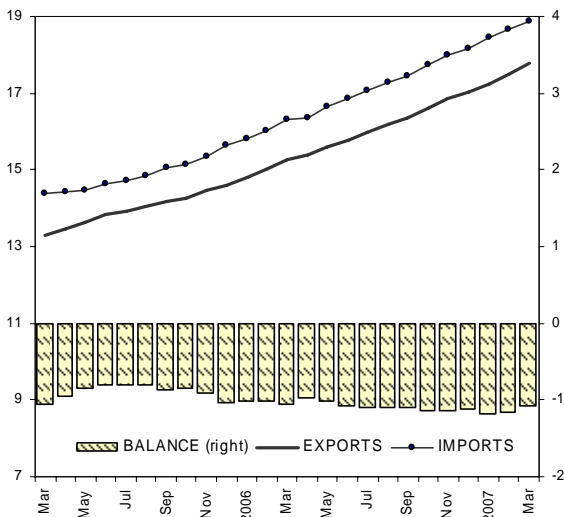
FREIGHT TRANSPORT BY ROAD AND RAIL (mio tonne km)



OVERNIGHT STAYS TOTAL indices: average 1992=100;  
trend indices by the TRAMO-SEATS method



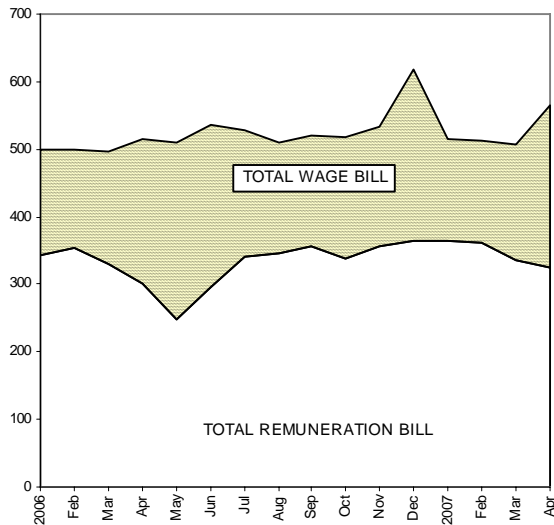
GOODS TRADE FOB, EXCL. INTERCURRENCY CHANGES  
12-month cummulatives in EUR, bn



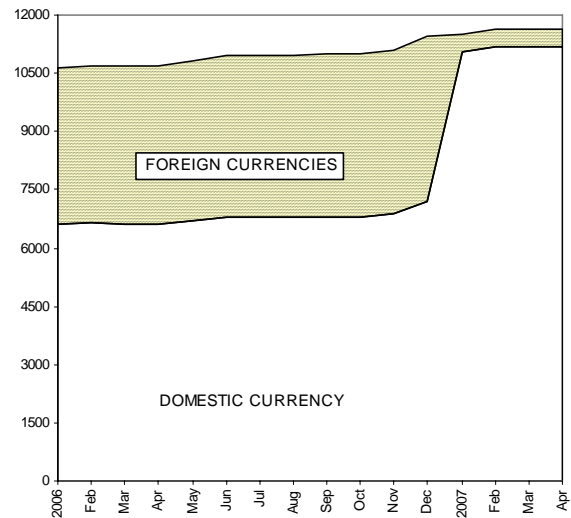
EMPLOYMENT AND UNEMPLOYMENT



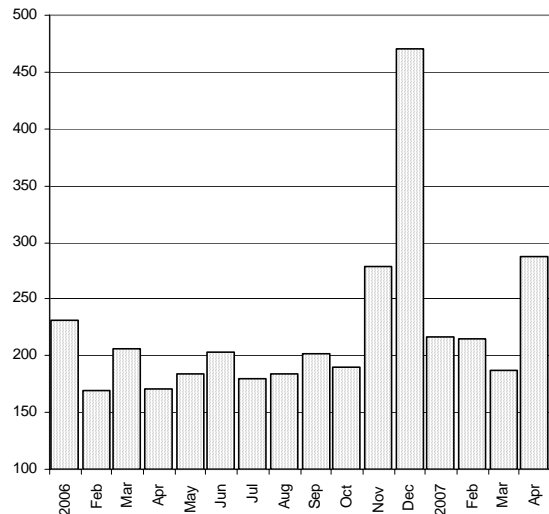
NET WAGES AND OTHER REMUNERATION, in EUR million



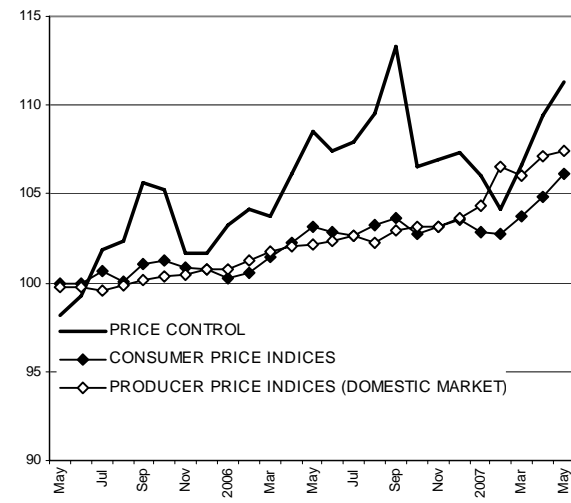
HOUSEHOLDS' DEPOSITS in EUR million



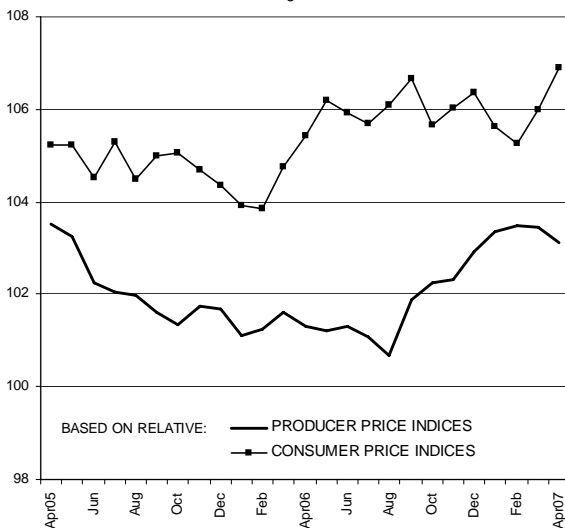
PAYMENTS FOR INVESTMENT in EUR million, constant 2000 prices



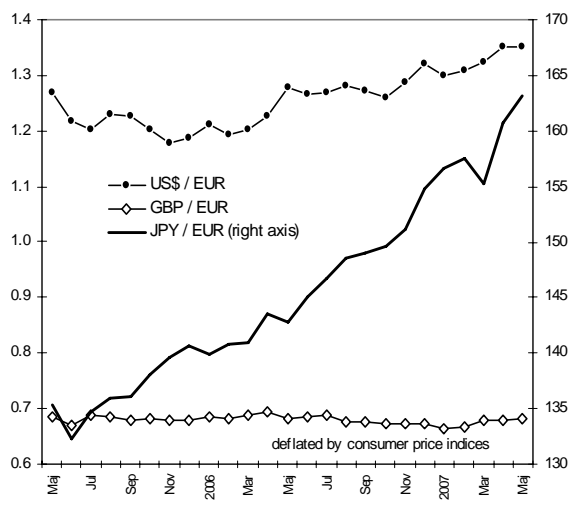
GROWTH IN SELECTED PRICE INDICATORS INDICES:2005=100



EFFECTIVE EXCHANGE RATE IN REAL TERMS indices: average 2001=100



EURO EXCHANGE RATES indices average 2001 = 100







<p>17</p> <p><b>Industry and construction</b></p> <p><i>construction</i> 2/02:22, 4/02:20, 5/02:18, 6/02:15, 7/02:20, 8-9/02:19, 10/02:17, 12/02:15, 2/03:17, 5/03:14, 8-9/03:16, 11/03:14, 2/04:15, 5/04:14, 8-9/04:18, 12/04:14, 2/05:17, 5/05:12, 8-9/05:14, 11/05:16, 2/06:15, 5/06:12, 8-9/06:14, 11/06:14, 2/07:14, 5/07:13</p> <p><i>manufacturing</i></p> <p>export-oriented companies 6/02:14, 8-9/02:18</p> <p>financial indicators 7/02:19</p> <p><i>production volumes, trends, forecasts and employment</i> 2/02:18, 3/02:21, 4/02:19, 5/02:17, 6/02:14, 8-9/02:18, 11/02:16, 12/02:14, 1/03:12, 3/03:17, 4/03:14, 5/03:13, 6/03:13, 7/03:14, 8-9/03:15, 10/03:11, 11/03:13, 12/03:12, 2/04:14, 5/04:13, 6/04:12, 7/04:14, 8-9/04:17, 10/04:15, 11/04:14, 12/04:13, 1/05:13, 2/05:16, 4/05:13, 5/05:11, 6/05:12, 7/05:12, 8-9/05:13, 10/05:15, 11/05:15, 12/05:12, 1/06:13, 2/06:14, 3/06:10, 4/06:15, 5/06:11, 6/06:14, 7/06:12, 8-9/06:13, 10/06:12, 11/06:13, 12/06:16, 1/07:13, 2/07:13, 4/07:15, 5/07:12, 6/07:12</p> <p>value added and productivity by activities 7/02:19, 12/02:3, 8-9/03:15</p> <p><b>Industrial policy</b></p> <p>State aid – international comparisons 1/03:16</p> <p><b>Industrial relations</b> see also <b>Labour market</b></p> <p><i>employment relationship</i></p> <p>collective bargaining coverage and extension procedures 2/04:22-23</p> <p>employment relationships act 6/02:19</p> <p>European works councils 5/05:22</p> <p>working time 11/04:20</p> <p><i>strikes</i></p> <p>data collections and international comparisons 3/04:20-21</p> <p><i>membership in employers' organisations</i> 12/03:18</p> <p><i>employee participation</i></p> <p>in a European Joint-Stock Company 3/05:23</p> <p><b>Inflation</b> see <b>Prices</b></p> <p><b>Information technology</b></p> <p>use of internet 3/02:28</p> <p><b>Institutions</b></p> <p>trust in institutions 12/02:19, 4/06:21</p> <p><b>Insurance sector</b></p> <p><i>international comparison</i></p> <p><i>export financing and export credit insurance</i> see <b>Balance of payments / foreign trade policy</b></p> <p><b>International environment</b></p> <p>3/02:5, 7/02:4, 8-9/02:4-5, 11/02:4, 7/03:4, 8-9/03:5, 1/05:3, 5/05:3, 4/06:5, 12/06:6-7, 1/07:4, 2/07:4-5, 3/07:4, 4/07:5, 5/07:4-5, 6/07:4</p> <p>Germany 1/02:5, 3/03:4,5, 7/03:4, 4/06:5, 12/06:6-7, 2/07:4, 4/07:5, 5/07:4-5</p> <p><i>candidate-countries for the EU</i></p> <p>economic developments and forecasts 4/02:4</p> <p><b>Croatia</b></p> <p>2/02:5, 8-9/02:5, 3/07:4, 6/07:4</p> <p><b>Labour market</b> see also <b>Industrial relations</b></p> <p><i>unemployment</i></p> <p>first-time job seekers 4/02:11</p> <p>structure of registered unemployment 1/02:12, 5/02:11, 8-9/02:14, 2/03:13, 7/03:11, 8-9/03:12, 1/06:11</p> <p>survey unemployment rate 2/02:13, 3/03:12, 5/03:10, 8-9/03:12, 2/04:11, 2/05:13, 2/06:3, 12/06:14, 2/07:3, 2/07:11, 5/07:3</p> <p>selected labour market indicators 1/02:12, 2/02:13, 3/02:17, 4/02:11, 5/02:11, 6/02:11, 7/02:11, 8-9/02:14, 10/02:12, 11/02:11, 12/02:10, 1/03:9, 2/03:13, 3/03:12, 4/03:11, 5/03:10, 6/03:9, 7/03:11, 8-9/03:12, 10/03:8, 11/03:10, 12/03:9, 1/04:10, 2/04:11, 3/04:11, 4/04:12, 5/04:10, 6/04:9, 7/04:10, 8-9/04:12, 10/04:12, 11/04:11, 12/04:9, 1/05:10, 2/05:13, 3/05:11, 4/05:11, 5/05:10, 6/05:10, 7/05:11, 8-9/05:11, 10/05:13, 11/05:13, 12/05:9, 1/06:10, 2/06:11, 3/06:8, 4/06:12, 5/06:3, 5/06:9, 6/06:11, 7/06:10, 8-9/06:11, 10/06:10, 11/06:11, 12/06:14,</p>	<p>1/07:11, 2/07:10, 3/07:7, 4/07:13, 5/07:10, 6/07:3, 6/07:10</p> <p>vacancies and people hired 2/06:12</p> <p>accidents at work 2/02:24, 4/02:12</p> <p>education structure of persons in employment 12/02:10, 12/03:9</p> <p>employment by activities 2/02:13, 8-9/02:14, 4/06:13</p> <p>employment rate of older workers 8-9/04:25</p> <p>employment of foreigners 4/07:22-23</p> <p>jobs and unemployment across regions 3/03:19</p> <p>labour market flexibility 3/05:20-21</p> <p>occupational structure of labour demand 3/02:17, 4/03:11</p> <p>overtime work 6/02:11</p> <p>structural unemployment 10/03:8</p> <p>part-time work 2/03:19</p> <p>work on contract 6/02:11</p> <p><i>employment programmes</i></p> <p>10,000 Programme 11/03:10</p> <p>programme of refunding contributions of employers 7/02:11</p> <p>Public Works Programmes 4/04:12</p> <p>Programme of promoting self-employment 5/04:10</p> <p><i>legislation</i></p> <p>Employment of Foreigners Act 3/01:15, 6/03:9</p> <p>Active Employment Policy Programme for 2003 11/02:11</p> <p>Vocational Rehabilitation and Employment of Disabled Persons Act 7/04:10</p> <p><i>productivity growth</i> 2/02:14, 1/04:10</p> <p><b>Manufacturing</b> see <b>Industry</b></p> <p><b>Money market and monetary policy</b></p> <p><i>corporate liquidity</i></p> <p>5/02:7</p> <p><i>money aggregates, interest and exchange rates</i></p> <p>1/02:8, 2/02:9, 3/02:13, 4/02:7, 5/02:7, 6/02:9, 7/02:7, 8-9/02:10, 10/02:9, 11/02:8, 12/02:6, 1/03:6, 2/03:10, 3/03:9, 4/03:7, 5/03:7, 6/03:6, 7/03:7, 10/03:6, 11/03:7, 12/03:6, 1/04:6, 2/04:8, 3/04:8, 4/04:8, 5/04:7, 6/04:6, 7/04:6, 8-9/04:9, 10/04:8, 11/04:8, 12/04:6, 1/05:6, 2/05:10, 3/05:8, 4/05:7, 5/05:7, 6/05:7, 7/05:6, 8-9/05:8, 10/05:8, 11/05:10, 12/05:6</p> <p>monetary policy guidelines 10/02:3-4</p> <p><b>banks</b></p> <p>interest rates 3/02:15, 10/02:10, 10/02:9</p> <p><i>money market, loans</i> 1/02:9, 2/02:11, 3/02:15, 4/02:9, 5/02:9, 7/02:9, 8-9/02:12, 10/02:11, 11/02:10, 12/02:8, 1/03:8, 2/03:12, 3/03:11, 4/03:9, 5/03:9, 6/03:8, 7/03:9, 8-9/03:11, 11/03:9, 12/03:8, 1/04:8, 2/04:10, 3/04:10, 4/04:10, 5/04:9, 6/04:8, 7/04:8, 8-9/04:11, 10/04:10, 11/04:10, 12/04:8, 1/05:8, 2/05:12, 3/05:10, 4/05:9, 5/05:9, 6/05:9, 7/05:8, 8-9/05:10, 10/05:10, 11/05:12, 12/05:8, 1/06:7, 2/06:10, 3/06:7, 4/06:9, 6/06:8, 7/06:6, 8-9/06:9, 10/06:6, 11/06:9, 12/06:12, 1/07:7, 4/07:10, 5/07:9, 6/07:9</p> <p><i>savings with banks and mutual funds</i></p> <p>1/02:9, 2/02:10, 3/02:14, 4/02:8, 5/02:8, 7/02:8, 8-9/02:11, 10/02:10, 12/02:7, 1/03:7, 2/03:11, 3/03:10, 4/03:8, 5/03:8, 6/03:7, 7/03:8, 8-9/03:10, 11/03:8, 12/03:7, 1/04:7, 2/04:9, 3/04:9, 4/04:9, 5/04:8, 6/04:7, 7/04:7, 8-9/04:10, 10/04:9, 11/04:9, 12/04:7, 1/05:7, 2/05:11, 3/05:9, 4/05:8, 5/05:8, 6/05:8, 7/05:7, 8-9/05:9, 10/05:9, 11/05:11, 12/05:7, 1/06:6, 2/06:9, 3/06:6, 4/06:8, 5/06:21, 6/06:9, 7/06:7, 8-9/06:10, 10/06:7, 11/06:10, 12/06:13, 1/07:8, 4/07:9, 5/07:8, 6/07:8</p> <p><b>Maastricht criteria</b></p> <p>long-term interest rates 5/04:19</p> <p><b>Population</b> 1/07:22-23</p> <p>household savings see <b>The money market</b></p> <p><b>Prices</b></p> <p><i>price trends – inflation, administered and unregulated prices</i></p> <p>1/02:7, 2/02:8, 3/02:12, 4/02:6, 5/02:6, 6/02:6, 7/02:3,6, 8-9/02:9, 10/02:8, 11/02:7, 12/02:5, 1/03:5, 2/03:9, 3/03:8, 4/03:6, 5/03:6, 6/03:5, 7/03:6, 8-9/03:9, 10/03:5,</p>	<p>11/03:6, 12/03:5, 1/04:5, 2/04:7, 3/04:7, 4/04:7, 5/04:6, 6/04:5, 7/04:5, 8-9/04:8, 10/04:7, 11/04:7, 12/04:5, 1/05:5, 2/05:9, 3/05:7, 4/05:6, 5/05:6,23,24, 6/05:6, 7/05:5, 8-9/05:3, 8-9/05:7, 10/05:3, 10/05:7, 11/05:9, 12/05:3,5, 1/06:5, 2/06:8, 3/06:5, 4/06:7, 5/06:8, 6/06:7, 7/06:5,19, 8-9/06:8, 10/06:5, 11/06:8, 12/06:3, 12/06:11, 1/07:6, 1/07:19, 2/07:9, 3/07:6, 4/07:8, 4/07:3, 5/07:3, 5/07:7, 6/07:3, 6/07:7</p> <p><i>prices policy</i> 6/02:7-8, 10/02:3-4, 11/02:3, 5/05:23, 6/05:6</p> <p><i>harmonised index of consumer prices</i> 1/05:22</p> <p><i>core inflation</i></p> <p>10/02:8, 12/02:5, 2/03:9, 3/03:8, 6/03:5</p> <p><i>producer prices</i> 3/07:6</p> <p><i>bond yield curve</i> see <b>Money market and Monetary policy</b> and <b>Stock Exchange</b></p> <p><b>Productivity</b> see <b>Industry</b> and <b>Competitiveness</b></p> <p><b>Private Consumption</b> see <b>Households</b></p> <p><b>Public finance</b></p> <p><i>general government debt</i> 10/02:15</p> <p><i>general government revenue</i></p> <p>1/02:14, 2/02:16, 3/02:18, 4/02:14, 5/02:13, 6/02:13, 7/02:13, 8-9/02:16, 10/02:14, 11/02:13, 12/02:12, 1/03:11, 2/03:16, 3/03:13, 4/03:13, 5/03:12, 6/03:11, 7/03:13, 10/03:10, 11/03:12, 12/03:11, 1/04:12, 2/04:13, 3/04:13, 4/04:14, 5/04:12, 6/04:11, 7/04:12, 8-9/04:14, 10/04:14, 11/04:13, 12/04:11, 1/05:12, 2/05:15, 4/05:12, 7/05:10, 10/05:12, 1/06:9, 4/06:11, 7/06:9, 10/06:9, 1/07:10, 4/07:12</p> <p><i>general government expenditures</i> 3/05:12, 6/06:10</p> <p><i>general government balance</i> 12/04:3, 3/05:12</p> <p><i>state budget expenditure</i></p> <p>3/05:12</p> <p><i>budget expenditure on culture</i> 3/02:19</p> <p><i>public expenditure on education – international comparison</i> 12/04:21</p> <p><b>Public services network</b> see also <b>Human resources</b> 7/04:20</p> <p>– international comp. 7/04:21</p> <p><b>Public institutes</b></p> <p>financial results in 2002 11/03:18</p> <p>financing 11/03:19</p> <p>Public Health Institutes 2/04:20-21</p> <p><b>Quality of life</b> see <b>Social indicators</b></p> <p><b>Research and development</b> see <b>Technological development</b></p> <p><b>Regional development</b></p> <p><i>company performance by regions</i> 7/02:14, 7/05:24, 2/07:24-25</p> <p>development deficiency index 7/06:25</p> <p>jobs and unemployment across regions 10/03:16, 4/04:20, 7/05:24, 2/07:24-25</p> <p>regional GDP 2/02:17, 8-9/03:19, 4/04:20, 7/04:23, 7/05:24, 2/06:19</p> <p>population's education structure – regional aspect 6/03:15, 4/04:20</p> <p>population's demographic structure 5/06:24</p> <p>personal income tax base per capita 6/06:20</p> <p><b>Report on structural reforms</b></p> <p>10/03:3</p> <p>structural changes in network industries 4/07:26-27</p> <p><b>Report on economic and social cohesion</b></p> <p>2/04:18-19</p> <p><b>Services</b></p> <p><i>domestic trade</i> see <b>Distributive trades</b></p> <p><i>information technology</i> see <b>Information technology</b></p> <p><i>public services</i> see also <b>Public services network</b></p> <p>5/02:22</p> <p>international comparison 5/02:23</p> <p><i>real estate, renting and business services</i></p> <p>4/02:23, 4/04:16, 5/05:15, 12/05:13</p> <p><i>prices of telecommunication services</i> 2/06:20</p> <p><b>Tourism</b> see <b>Tourism</b></p> <p><i>trade in services</i> see <b>Balance of payments</b></p> <p><b>Social indicators</b></p> <p><i>civil society</i> see <b>Civil society</b></p> <p><i>equal opportunities policy</i> 3/02:30, 8-9/02:24, 1/04:20-21, 3/04:18-19, 2/05:21-22</p> <p><i>trust in other people</i> 6/06:19</p>
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Index	Slovenian Economic Mirror	IMAD
	No. 6/2007	p. A 20

<p><u>Human Development Report</u> 5/03:18-19, 8-9/05:19, 11/06:17 <u>Social Overview 2006</u> 12/06:4-5 <u>human resources</u> mortality caused by injuries: - due to external causes of injury 4/03:18 - by age and gender 5/03:20 <u>gender-related development index</u> 3/03:22, 10/05:21 <u>gender empowerment measure</u> 10/03:17, 10/04:19 <u>gender equality</u> 10/04:19 <u>human development index</u> 8-9/02:20, 7/03:17, 7/04:22 <u>health insurance</u> - supplementary 1/04:19 <u>health expenditure</u> 2/07:23, 4/07:30-31 <u>social welfare</u> cash benefits 11/06:18 social protection of the elderly 3/03:23 indicators (happiness, satisfaction with life, etc) 12/04:24-25, 3/06:18, 4/07:28-29 jobless households 3/07:15 long-term care 12/04:26-27, 4/07:32 parental leave-paternity leave 8-9/02:24 the at-risk-of-poverty rate 5/02:24, 12/02:20, 11/03:22, 11/04:17, 6/07:24 Time Use Survey 10/02:21 <u>transfers</u> expenditures for social protection 8-9/02:23, 4/04:19, 3/06:19</p>	<p>social benefits: - parents 3/02:30 - pensions 2/07:19 - financial social assistance 1/05:17 <u>trust in institutions</u> see <u>Institutions</u> <u>Stock exchange</u> <u>turnover, capitalisation, indices</u> 1/02:10, 2/02:12, 3/02:16, 4/02:10, 6/02:10, 7/02:10, 8-9/02:13, 12/02:9, 4/03:10, 7/03:10, 10/03:7, 1/04:9, 4/04:11, 7/04:9, 10/04:11, 1/05:9, 4/05:10, 7/05:9, 10/05:11, 1/06:8, 4/06:10, 7/06:8, 10/06:8, 1/07:9, 4/07:11 bonds 4/04:11 <u>authorised investment companies</u> 5/02:10 <u>indicators</u> share turnover ratio 2/02:12, 7/02:10, 12/02:9 <u>industrial sector indices</u> 2/02:12, 12/02:9 <u>investment by residents in foreign bourses</u> 3/02:16 <u>investment by non-residents</u> 1/02:10, 2/02:12, 8-9/02:13, 12/02:9 <u>mutual funds</u> 6/02:10, 8-9/02:11 <u>Strategy of Slovenia's Development</u> 6/05:4.5 <u>Sustainable development</u> ecological footprint 8-9/05:20-21 <u>Technological development</u> R&amp;D activity in Slovenia 10/03:18-19 R&amp;D expenditure 4/02:16 R&amp;D researches 7/02:17 Technology Achievement Index by UNDP 11/02:20</p>	<p>Public Research Institutes 11/05:21,22 science and technology graduates 3/06:16-17 <u>Tourism</u> travels of domestic population 1/03:14, 3/03:16, 5/03:15, 7/03:16, 1/04:16, 12/04:28, 1/06:22, 1/07:27 foreign exchange receipts 3/06:15, 12/06:19 international comparison 2/02:20 overnight stays by resort 3/03:16, 5/03:15, 1/04:15, 5/06:13, 6/07:14 <u>selected indicators</u> 1/02:16, 2/02:20, 3/02:24, 4/02:22, 5/02:20, 7/02:22, 11/02:17, 3/03:16, 5/03:15, 10/03:13, 1/04:15, 6/04:13, 8-9/04:21, 12/04:17, 3/05:14, 5/05:14, 10/05:18, 1/06:16, 5/06:13, 8-9/06:17, 12/06:19, 3/07:10, 6/07:14 survey on foreign tourists in the summer season 6/04:19 <u>Transport</u> <u>selected indicators</u> 3/02:23, 6/02:17, 11/02:18, 5/03:16, 11/03:15, 2/04:16, 5/04:15, 8-9/04:20, 12/04:15, 3/05:15, 7/05:13, 10/05:16, 1/06:14, 4/06:16, 7/06:14, 10/06:13, 1/07:14, 4/07:17 <u>Value added</u> see <u>Competitiveness and Industry and Distributive trades</u> <u>Welfare</u> see <u>Sustainable development</u> <u>social welfare</u> indicators: see <u>Social indicators</u></p>
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**Acronyms** in the text have the following meanings: **AIS**-Agricultural Institute of Slovenia, **AJPES**-Agency of the Republic of Slovenia for Public Legal Records and Related Services, **AP**-Agency of the Republic of Slovenia for Payments, **APr**-Agency of the Republic of Slovenia for Privatisation, **BS**-Bank of Slovenia, bn – billion, **CCIS**-Chamber of Commerce and Industry of Slovenia, **CSCC**-Central Securities Clearing Corporation, **DUNZ**-Directorate of Administrative Interior Affairs, **DURS**-Tax Administration of the Republic of Slovenia, **EIMV**-Electro Institute Milan Vidmar, **ELES**-Electro Slovenia, **ESS**-Employment Service of Slovenia, **GEM**-Global Entrepreneurship Monitor, **HICP**-Harmonised Index of Consumer Prices, **HII**-Health Insurance Institute, **ICT**-information and communications technologies, **IER**-Institute for Economic Research, **IAAD**-International Administrative Affairs Directorate, **IMAD**-Institute of Macroeconomic Analysis and Development, **IPI**-Industrial Price Index, **LSE**-Ljubljana Stock Exchange, m-million, **MAFF**-Ministry of Agriculture, Forestry and Food, **MEA**-Ministry of Economic Affairs, **MES**-Ministry of Education and Sport, **MESP**-Ministry of the Environment and Spatial Planning, **MF**-Ministry of Finance, **MIA**-Ministry of Internal Affairs, **MLFSA**-Ministry of Labour, Family and Social Affairs, **MMTS**-Market Maker Trading Segment, **MST**-Ministry of Science and Technology, **N/A** or **(-)** – not available, **N/R**-not reasonable, **NFC**-National Financial Corporation, **OG**-Uradni list Republike Slovenije (Official Gazette of the Republic of Slovenia), **PDII**-Pension and Disability Insurance Institute, **p.p.**-percentage points, **PPA**-Public Payments Administration of the Republic of Slovenia, **PPP**-purchasing power parity, **PPS**-purchasing parity standards, **SDC**-Slovene Development Corporation, **SEC**-Slovene Exports Corporation, **SIA**-Slovenian Insurance Association, **SITC**-Standard International Trade Classification, **SMARS**-Surveying and Mapping Authority of the Republic of Slovenia, **SORS**-Statistical Office of the Republic of Slovenia.

**Acronyms of Standard Classification of Activities (SCA):** **A**-Agriculture, hunting, forestry, **B**-Fishing, **C**-Mining and quarrying, **D**-manufacturing, **DA**-food beverages and tobacco, **DB**-textiles and textile products, **DC**-leather and leather products, **DD**-wood and wood products, **DE**-paper, publishing, printing, **DF**-coke, petroleum products and nuclear fuel, **DG**-chemicals, **DH**-rubber and plastic products, **DI**-non-metal mineral products, **DJ**-metals and metal products, **DK**-machinery and equipment, **DL**-electrical and optical equipment, **DM**-transport equipment, **DN**-furniture and NEC, **E**-Electricity, gas and water supply, **F**-Construction, **G**-Wholesale, retail, trade, repair, **H**-Hotels and restaurants, **I**-Transport, storage, communications, **J**-Financial intermediation, **K**-Real estate, renting and business activities, **L**-Public administ. & defence; comp. soc. sec., **M**-Education, **N**-Health and social work, **O**-Other social and personal services.

**Acronyms of Countries:** **AT**-Austria, **BE**-Belgium, **BG**-Bulgaria, **BY**-Belarus, **CH**-Switzerland, **CZ**-Czech Republic, **CY**-Cyprus, **DE**-Germany, **DK**-Denmark, **ES**-Spain, **EE**-Estonia, **EL**-Greece, **FR**-France, **FI**-Finland, **HU**-Hungary, **I**-Italy, **IE**-Ireland, **JP**-Japan, **LU**-Luxembourg, **LV**-Latvia, **LT**-Lithuania, **MT**-Malta, **NL**-Netherlands, **NO**-Norway, **PT**-Portugal, **RO**-Romania, **RU**-Russia, **SE**-Sweden, **UA**-Ukraine, **UK**-United Kingdom, **US**-United States of America, **PL**-Poland, **SI**-Slovenia, **SK**-Slovakia.

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		No. 6/2007	
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