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The Economic Mirror is prepared based on statistical data available by 9 May 2012.

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

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

In the spotlight

In their latest forecasts for 2012, the EC and the IMF, similar to other international institutions, project a decline of economic activity in the euro area (-0.3%). According to the IMF, uncertain conditions in the euro area pose the main risk to this year's global economic growth, which will be lower than in 2011, despite a small improvement of forecasts. Both institutions regard the implementation of fiscal consolidation measures and a continuation of tightened conditions on financial markets as the main cause of the expected GDP decline in the euro area this year. Most euro area countries otherwise reduced the general government deficit last year. In the euro area as a whole, the general government deficit declined by more than two percentage points (4.1% of GDP), though it still exceeded 3% of GDP in seventeen countries. The IMF estimates that the continuation of tight conditions on financial markets will also reflect high refinancing needs of EU countries and banks. In the first quarter the lending conditions in the euro area tightened further, albeit less notably than in the previous quarter, which was mainly attributable to non-standard measures of the ECB. After an improvement in the first three months, the required yields on government bonds of the most exposed countries rose again in April.

In the first two months of this year, most short-term indicators of economic activity in Slovenia remained at a similar level as at the end of last year and the prospects remain poor. Real merchandise exports and the real volume of manufacturing production otherwise increased somewhat in February, though exports have remained at roughly the same level since the beginning of Q4 last year and production volume in manufacturing since mid-2011. In February, the real value of construction output fell considerably due to weather conditions. Construction activity has otherwise been growing since the beginning of the last quarter of 2011, but it still lags most notably behind the 2008 average of all short-term indicators. Real turnover in retail trade dropped in February, also as a consequence of lower turnover in the sale of automotive fuels, which has been the main engine of turnover growth in retail trade in the last few months. Turnover in wholesale trade and turnover in service activities, which have otherwise remained roughly unchanged since autumn 2011, also dropped in February in nominal terms. In view of a significant decline in the sentiment indicator in April, the prospects for economic activity in Slovenia remain unfavourable.

The cost competitiveness of Slovenia's economy improved last year, despite some negative movements in Q4 2011. The real effective exchange rate deflated by relative unit labour costs declined y-o-y in all 2011 quarters. Its drop in the year as a whole was among the largest in the euro area. In contrast, the drop in real unit labour costs in 2011 as a whole was among the smallest in the euro area, also due to a renewed deterioration in the ratio of wages to labour productivity in the last quarter of 2011. Amid an improvement in cost competitiveness, the decline in Slovenia's market share in global merchandise trade also slowed last year, largely on account of increased market shares in Germany and Croatia.

Labour market conditions remain unfavourable, despite lower unemployment; as a result of wage growth in the private sector, the average gross wage continues to increase. The number of employed persons, excluding self-employed farmers, dropped again in February (seasonally adjusted). According to original data, the steepest decline was again recorded in construction, while the largest increase was posted in the public sector, in all three activities. In the first four months of the year registered unemployment was dropping (seasonally adjusted), totalling 109,084 persons at the end of April. The decline was mainly a consequence of a lower number of persons who had lost work, a higher number of those deleted from the unemployment register for neglect of duties and those included in public works. The average gross wage rose again in February, owing to private sector growth (seasonally adjusted), which we estimate was a consequence of high extraordinary payments due to good business results in the pharmaceutical and insurance activities. The average gross wage in the public sector was down again.

Consumer prices were up 1.1% in April, while y-o-y inflation increased to 2.6%. The monthly growth of prices was mainly due to a new seasonal increase in prices of clothing and footwear and to higher prices of liquid fuels. The 2.2% inflation in the first four months of this year mainly came from prices of energy (around 1.0 p.p.) and food (0.6 p.p.). In the euro area as a whole, y-o-y inflation dropped. It also totalled 2.6%.

In Q1 2011, the lending activity of domestic banks increased due to stronger government borrowing, while the volume of private sector loans continued to decline. Amid higher government borrowing (by more than EUR 300 m), the total volume of loans by domestic non-banking sectors increased in the first three months. Meanwhile, household loans dropped by more than EUR 40 m and corporate and NFI loans by a solid EUR 30 m. The situation in Slovenia's banking sector improved somewhat in March due to the second refinancing operation by the ECB,

but it remains tight. Domestic banks increased their liabilities to the ECB by EUR 2.1 bn. Close to one half of funds were spent to repay foreign liabilities, while some were invested in short-term securities issued by the government in March (in the amount of EUR 250 m). According to our estimate, banks have also saved part of these funds to repay maturing liabilities in the future. The continuation of tight conditions in the banking sector is indicated by a further increase in the share of bad assets in February (to 11.4%). Banks created more than EUR 180 m of additional provisions and impairments in March, which is, except in December, the highest monthly value thus far.

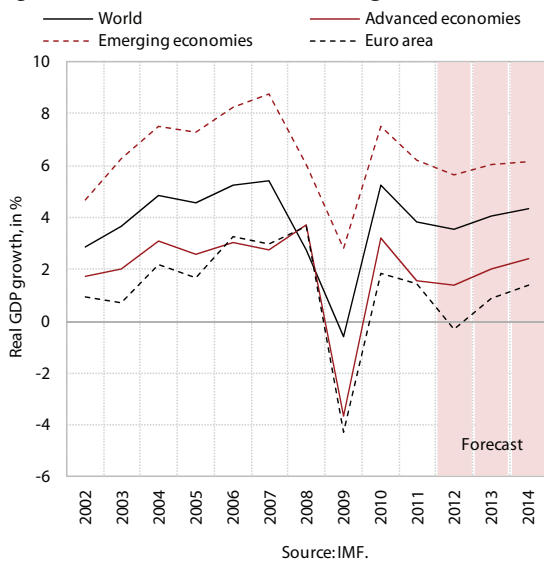
The general government deficit amounted to EUR 310 m in January, being up EUR 97 m y-o-y. According to the consolidated balance, in January general government revenue (EUR 1.2 bn) was down 2.0% at the y-o-y level, while expenditure was up 5.1%. Expenditure on interest and subsidies recorded particularly high growth (53.9% and 20.1%, respectively). Wages, contributions and other personnel allowances and transfers to unemployed and households were also higher than in January 2011. Expenditure on goods and services was similar to that in January 2011, while expenditure on investment and investment transfers was down 3.5% y-o-y after the substantial decline last year. In the first three months of the year, Slovenia's positive net budgetary position (EUR 33 m) against the EU budget declined by 60% y-o-y.

current economic trends

International environment

In April, the IMF raised slightly its forecast for world economic growth in 2012. It projects world economic growth to be at 3.5% in 2012, which is otherwise lower than in 2011 (3.9%), but up 0.2 p.p. from the forecast in January. Emerging countries will make the largest contribution to growth, particularly China (8.2%), but in China growth will slow this year. The IMF predicts that economic growth in the US will accelerate to 2.1%. As other international institutions, the IMF expects a recession in the euro area this year (-0.3%). The slowdown will also be due to the effects of the announced fiscal consolidation. GDP growth in the euro area will also be negatively impacted by a continuation of the tightened conditions on financial markets. Refinancing needs of countries and banks will be high this year. According to the IMF's estimate, they will account for as much as 23% of GDP in the euro area. Next year IMF expects a gradual recovery in the euro area and acceleration of growth in developing countries.

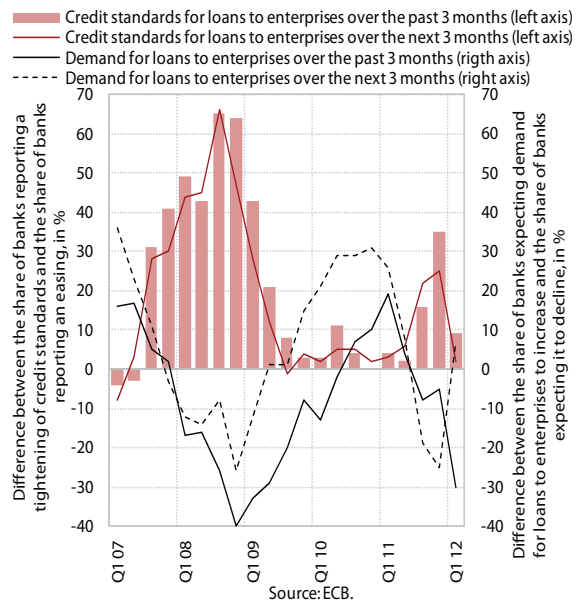
Figure 1: IMF forecasts for economic growth



The credit standards for enterprises and households tightened further in the first quarter of 2012, but less than in the previous quarter. The tightening of credit standards was again mainly due to low expectations regarding economic recovery, but it was less pronounced than in the last quarter of 2011 due to the ECB's non-standard measures to increase liquidity on the interbank market. According to the ECB Euro Area Bank Lending Survey, in the first quarter of this year the number of euro area banks that reported a tightening of credit standards was 9% higher than the number of those that reported an easing (in the last quarter of 2011 as much as 35% higher). Banks deteriorated the credit standards for loans of all maturities and enterprises of all sizes. The tightening of credit standards was accompanied by a decline in demand for loans to enterprises, particularly loans for investment. Banks expect a further tightening of credit standards in the second quarter of this year, particularly

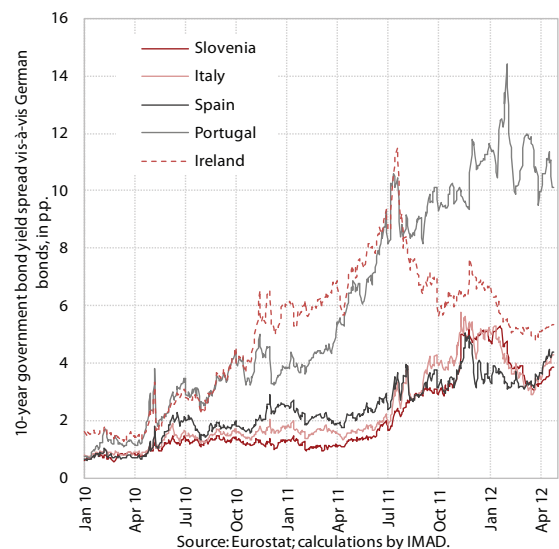
for long-term loans and large enterprises, while demand for loans to enterprises is expected to rise. Likewise, banks also reported a further tightening of the credit standards for households, which is also expected to continue in the second quarter of 2012.

Figure 2: The ECB Euro Area Bank Lending Survey



The required yields of government bonds in some of the most exposed countries in the euro area rose again in April. The increase in the required yields, particularly in Spain and Italy, largely reflected concerns about the continuation of fiscal consolidation and problems in the banking sector. Because of the confirmation of the agreement on the write-down of debts, the rating agency Standard&Poor's raised the credit rating for Greece by one level in April, but Greece is still considered an exceptionally risky country.

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



In April, interbank interest rates in the euro area dropped again and nearly reached the lowest values on record. The three-month EURIBOR declined by an average of 11 b.p. to 0.74 % in April, being down 58 b.p. y-o-y. The 3-month USD and CHF LIBOR rates remained almost unchanged (0.47% and 0.11%, respectively).

The value of the euro depreciated against main global currencies in April. It declined somewhat against the US dollar again (by 0.3%), totalling USD 1.317 to EUR 1. The euro also lost value against the Japanese yen (by 1.5%, to JPY 105.40 to EUR 1) and the British pound sterling (by

1.3 %, to GDP 0.812 to EUR 1). Relative to the Swiss franc, it maintained approximately the same value as in March (CHF 1.203 to EUR 1).

Oil prices dropped in April. Non-energy commodity prices also recorded slower growth. Dollar prices of Brent oil fell by 4.5% to USD 119.8 per barrel in April and were 11.0% higher than in December 2011. Oil prices in EUR dropped by 3.1% in April, to EUR 91.38 per barrel. According to the IEA, lower oil prices were also attributable to increased production in the OPEC countries, which reached the highest level in the last three and a half years. According

Box 1: General government balance and government gross debt, 2011

Most EU countries reduced their general government deficits in 2011 in line with the agreed fiscal consolidation target. The government deficit in the EU declined by 2.0 p.p. in 2011 and was at 4.5% of GDP (at 4.1% of GDP in the euro area). Almost all Member States cut their deficits last year, except Cyprus and Slovenia, where deficits increased. In 17 countries the deficit still exceeded 3% of GDP. Amid a continuing deficit, the government gross debt rose to 82.5% of GDP in the EU as a whole (87.2% of GDP in the euro area), which is 2.5 p.p. more than a year earlier and as much as 20 p.p. more than in 2008.

In most countries the fiscal consolidation measures were aimed at streamlining expenditure, while several countries also adopted measures on the revenue side. Most Member States passed measures for cutting general government expenditure, which mainly include changes in the organisation of the public sector and social and pension transfers. The majority of countries started with the rationalisation of the public sector and froze or reduced employment. A number of countries also cut public servants' wages.¹ On the revenue side, several countries introduced changes to tax legislation, i.e. changes towards additional taxation of consumption and wealth (Hungary, the United Kingdom) and changes aimed at relieving the tax burden on the economy (Italy, United Kingdom). Short-term measures were also accompanied by systemic changes, as certain countries conducted pension reforms, which are expected to improve the public finance conditions over the long term.

Currently, 23 EU countries are still in the excessive deficit procedure. The excessive deficit procedure sets that the Member States should bring their government deficits below 3% of GDP. The deadline for most countries is 2013.² The EC recommended that the Member States reduce their general government deficits by 0.75% to 1% of GDP in 2010–2013. As last year the average deficit in the EU was still relatively high, the EC estimates that it will also exceed 3% of GDP this year.

¹ For more on measures in the area of employment and wages in the public sector in individual Member States see IMAD's Development Report 2012, Box 1.

² Hungary and Malta already had to bring their deficits below 3% of GDP in 2011, six countries should do so by the end of this year and the rest by the end of 2013. The exceptions are Greece, Ireland and the United Kingdom, which have longer deadlines.

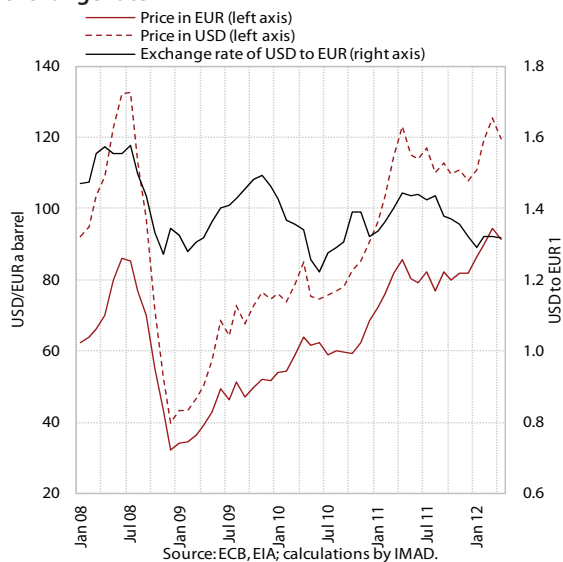
Table 1: General government balance and government gross debt in EU Member States

In % of GDP	General government balance				Government gross debt		
	2010	2011			2010	2011	
		Stability Programme 2010	EC Forecast (Nov. 2011)	Actual		EC Forecast (Nov. 2011)	Actual
EU	-6.5	/	-4.7	-4.5	80.0	82.5	82.5
EMU	-6.2	/	-4.1	-4.1	85.3	88.0	87.2
BE	-3.8	-3.6	-3.6	-3.7	96.0	97.2	98.0
BG	-3.1	-2.5	-2.5	-2.1	16.3	17.5	16.3
CZ	-4.8	-4.2	-4.1	-3.1	38.1	39.9	41.2
DK	-2.5	-4.1	-4.0	-1.8	42.9	44.1	46.5
DE	-4.3	-2.5	-1.3	-1.0	83.0	81.7	81.2
EE	0.2	-0.4	0.8	1.0	6.7	5.8	6.0
IE	-31.2	-10.0	-10.3	-13.1	92.5	108.1	108.2
EL	-10.3	-7.3	-8.9	-9.1	145.0	162.8	165.3
ES	-9.3	-6.0	-6.6	-8.5	61.2	69.6	68.5
FR	-7.1	-5.7	-5.8	-5.2	82.3	84.4	85.8
IT	-4.6	-3.9	-4.0	-3.9	118.6	120.5	120.1
CY	-5.3	-4.0	-6.7	-6.3	61.5	64.9	71.6
LV	-8.2	-6.0	-4.2	-3.5	44.7	44.8	42.6
LT	-7.2	-5.3	-5.0	-5.5	38.0	37.7	38.5
LU	-0.9	-1.0	-0.6	-0.6	19.1	19.5	18.2
HU	-4.2	2.0	3.6	4.3	81.4	75.9	80.6
MT	-3.7	-2.8	-3.0	-2.7	69.4	69.6	72.0
NL	-5.1	-3.7	-4.3	-4.7	62.9	64.2	65.2
AT	-4.5	-3.9	-3.4	-2.6	71.9	64.2	72.2
PL	-7.8	-5.6	-5.6	-5.1	54.8	56.7	56.3
PT	-9.8	-5.9	-5.8	-4.2	93.3	101.6	107.8
RO	-6.8	-5.0	-4.9	-5.2	30.5	34.0	33.3
SI	-6.0	-5.5	-5.7	-6.4	38.8	45.5	47.6
SK	-7.7	-4.9	-5.8	-4.8	41.1	44.5	43.3
FI	-2.5	-1.8	-1.0	-0.5	48.4	49.1	48.6
SE	0.3	0.3	0.9	0.3	39.4	36.3	38.4
UK	-10.2	-9.8	-9.4	-8.3	79.6	84.0	85.7

Source: Eurostat, EC Autumn Forecast, Stability Programmes.

to the most recent IMF figures, the growth of non-energy commodity prices in US dollars had eased to 1.1% in March and declined further in April, according to preliminary data.

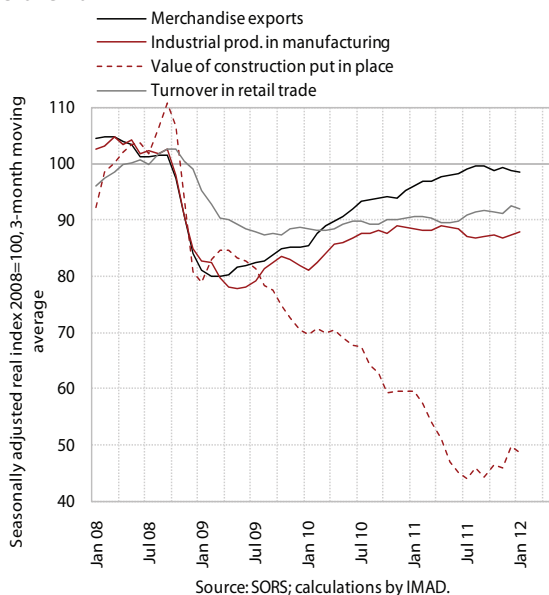
Figure 4: Prices of Brent crude oil and the USD/EUR exchange rate



Economic developments in Slovenia

In the first two months of 2012, the values of **short-term indicators of economic activity** remained, with monthly fluctuations, similar to those at the end of last year.¹ Real

Figure 5: Short-term indicators of economic activity in Slovenia

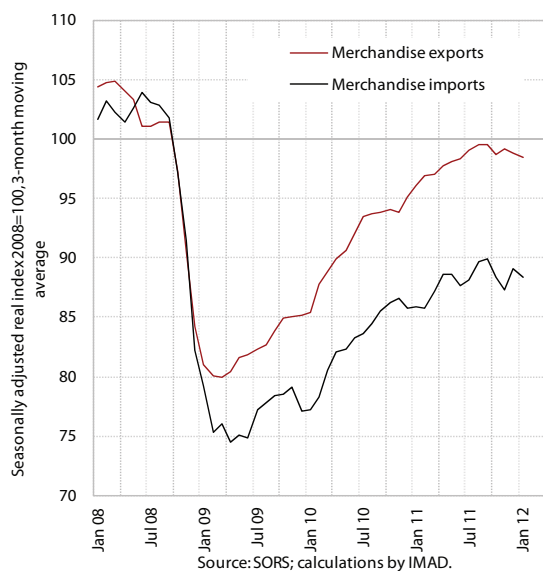


¹ According to seasonally adjusted data.

merchandise exports and real production volume in manufacturing rose in February. Exports have otherwise stagnated since the beginning of Q4 2011, while production volume in manufacturing has maintained roughly the same level since mid-2011. In the construction sector, which undergoes the largest monthly fluctuations, the real value of construction output swung down substantially in February due to unfavourable weather conditions. Construction activity, which has otherwise been growing since the beginning of Q4 2011, still lags most notably behind the 2008 average among all short-term indicators. Real turnover in retail trade dropped in February, also on account of lower turnover in the sale of automotive fuels, which has been the main engine of growth in turnover in retail trade in recent months. Turnover in wholesale trade and turnover in service activities, which have otherwise remained at roughly the same level since autumn 2011, also dropped in nominal terms in February.

Real merchandise exports remained at the roughly the same level at the beginning of this year (seasonally adjusted).² **Real merchandise exports**,³ which otherwise increased somewhat in February, according to our estimate, have, with monthly fluctuations, remained roughly unchanged since the beginning of Q4 2011. They are just below the 2008 average, which was otherwise already reached in the middle of last year. **Real merchandise imports**,⁴ which are exposed to somewhat larger monthly fluctuations than exports and have maintained a similar level since

Figure 6: Estimate of real merchandise exports and imports



² According to the external trade statistics.

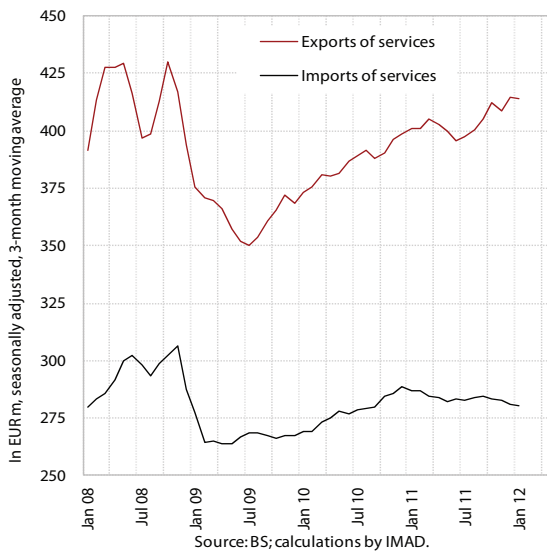
³ The estimate of real exports is based on nominal exports according to the external trade statistics and industrial producer prices on the foreign market.

⁴ The estimate of real imports is based on nominal imports according to the external trade statistics and the index of import prices

Q2 2011, dropped more notably in February, according to our estimate.⁵ They are also moving away from the 2008 average and are already more a tenth lower than they were in 2008. The subdued recovery, or decline, of imports in the recent period is mainly linked to weak domestic demand and shrinking exports.

Nominal trade in services also shrank in February (seasonally adjusted).⁶ Exports of services, which have otherwise been rising almost without interruption since the second half of 2009, dropped by 1.8% in February. The slower recovery of services exports in the last period is mainly due to the slower growth of the main component, exports of travel services. **Imports of travel services** dropped somewhat again in February (-0.6%). With monthly fluctuations, they have remained at a similar level since mid-2011. As in merchandise trade, imports of services lag more behind the 2008 average than exports.

Figure 7: Trade in services



Production volume in manufacturing increased modestly again in February. Production in medium-high- and high-technology industries increased again, as did production in industries with the lowest degree of technology intensity, while production in medium-low-technology industries remained unchanged after the increase in previous months (seasonally adjusted). In medium-high- and high-technology industries, in which production rose by 3.8% y-o-y in the first two months as a whole, y-o-y growth dropped most notably in the manufacture of ICT and electrical equipment, according

⁵ Data on nominal merchandise trade are preliminary and change with each subsequent release (particularly the next release). An overview of changes since January 2011 shows that the monthly figure on merchandise imports increased with each subsequent data release (in the fourteen releases between January 2011 and February 2012 by an average of EUR 20.9 m). The increase was largest in July 2011, when merchandise imports rose by EUR 49.1 m with the subsequent release (the first data, which was EUR 1,727 m, increased to EUR 1,776 m with the release for the next month).

⁶ According to the balance of payments statistics.

Table 2: Selected monthly indicators of economic activity in Slovenia

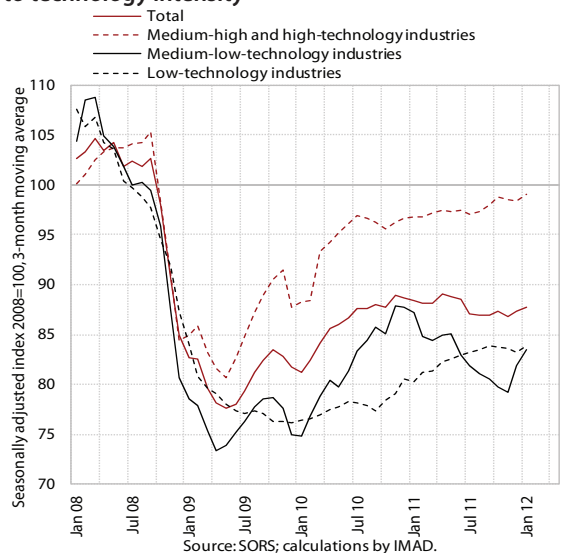
in %	2011	II 12/ I 12	II 12/ II 11	I-II 12/ I-II 11
Exports ¹	10.8	1.7	3.8	4.1
-goods	12.5	4.5	3.7	3.6
-services	4.0	-10.4	4.1	6.2
Imports ¹	10.9	1.0	0.3	2.8
-goods	12.4	1.2	0.9	3.7
-services	1.9	-0.5	-4.1	-3.3
Industrial production	1.3	-0.2 ²	-0.4 ³	0.5 ³
-manufacturing	1.1	0.6 ²	-1.6 ³	-0.2 ³
Construction -value of construction put in place	-25.6			
Real turnover in retail trade	1.5	-4.5 ²	-0.7 ³	1.7 ³
Nominal turnover market services (without distributive trades)	2.8	-1.0 ²	-0.6 ³	0.5 ³

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

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

to original data,⁷ while the manufacture of transport equipment fell below the levels recorded in the same period last year.⁸ Production in medium-low technology industries was otherwise, on average, similar to that in the same period of 2011, but it was higher y-o-y only in repair and installation of machinery and equipment (34.4%). Production in industries with the lowest degree of technology intensity was also higher y-o-y (3.4%). Of the two industries that lag most notably behind the 2008 average, the textile industry contributed to growth this time, while production in the furniture industry was still down y-o-y.

Figure 8: Production volume in manufacturing according to technology intensity



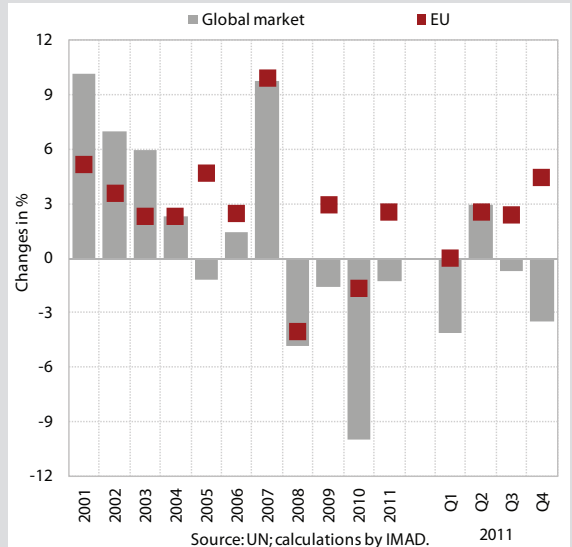
⁷ Only original real indices of production volume are released for individual industries.

⁸ During the crisis, these high-technology industries recorded a smaller decline in production than most other manufacturing industries and were among the first to reach the production level of 2008, i.e. before the crisis.

Box 2: Market shares¹

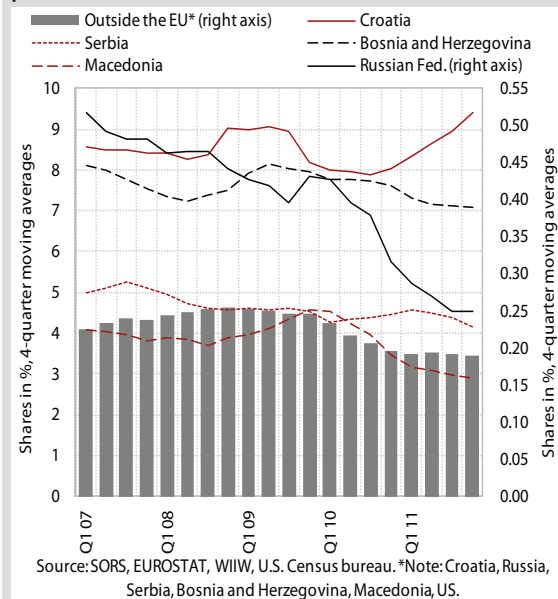
In 2011, the decline in Slovenia's market share in global merchandise exports eased, while Slovenia increased its market share in the EU. After a three-year decline, which was one of the largest in the EU, Slovenia's share on the global market was dropping more slowly last year (-1.3%, 2010: -10%), mainly as a consequence of an increase in Germany and Croatia. Last year, Slovenia's share on the global market declined somewhat less than, on average, in the EU (-2.0%). In the group of 15 EU Member States in which market shares dropped last year, Slovenia was among those that recorded the smallest declines,² while eleven Member States increased their shares on the global market. Owing to market share growth in Germany and most other Member States,³ Slovenia's market share in the EU expanded again (2.5%) and came close to the pre-crisis level last year. Looking at the four main trading partners in the EU, last year, in addition to Germany, Slovenia's market share also rose in Italy; in Austria it was just below the 2010 level (-0.5%), while it declined for the second consecutive year in France, mainly as a consequence of a gradual abolition of incentives for the purchase of new road vehicles by the end of 2010. The decline of Slovenia's market share outside the EU eased in 2011 due to market share growth in Croatia and, to a lesser extent, in the US, while Slovenia's market shares in Serbia, Bosnia and Herzegovina, Macedonia and Russia continued to fall. After dropping by nearly a third in 2010, Slovenia's share on the Russian market shrank by another fifth in 2011 as a result of a modest rebound of Slovenian exports to Russia amid a concurrent strong growth of Russian imports.⁴

Figure 9: Change in Slovenia's market share in global merchandise exports and the EU



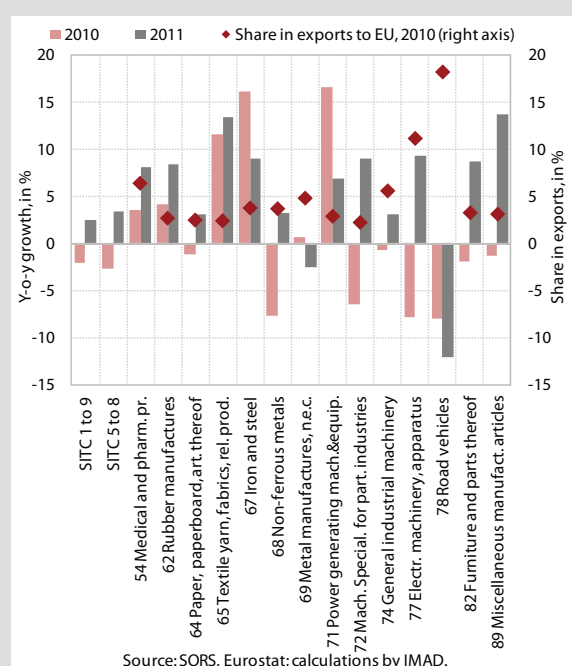
Source: UN; calculations by IMAD.

Figure 10: Market shares in Slovenia's main trading partners outside the EU



Source: SORS, EUROSTAT, WIW, U.S. Census bureau. *Note: Croatia, Russia, Serbia, Bosnia and Herzegovina, Macedonia, US.

Figure 11: Changes in market shares in the EU by main SITC sections



Source: SORS, Eurostat; calculations by IMAD.

¹ The market share on the world goods market is a share of Slovenian goods exports in world goods exports. The market share in the main trading partners (14) is calculated as the share of Slovenia's goods exports in the total imports of these countries. The market shares in individual trading partners or SITC sections are calculated in the same way (shares of Slovenia's exports in the total imports of a given trading partner or EU SITC section).

² A smaller drop than Slovenia was recorded only in Sweden

³ In Italy, the United Kingdom, Hungary, the Czech Republic, Slovakia, the Netherlands, Belgium, Denmark, Sweden, Greece, Finland, Romania, Bulgaria and Cyprus.

⁴ Slovenia's merchandise exports to Russia increased by a nominal 1.6% in 2011 (2010: 2.9%), while the growth of Russian merchandise imports totalled 26.5% (2010: 45.0%).

With the exception of road vehicles and some metal products, in 2011, all main SITC sections⁵ contributed to growth in Slovenia's market share in the EU. Particularly medical and pharmaceutical products, rubber manufactures, textiles, iron and steel, power generating machinery and equipment, machinery specialised for particular industries, electrical machinery, furniture and miscellaneous manufactured articles recorded outstanding market share growth. Although the market share of road vehicles declined for the second consecutive year due to the abolition of incentives for the purchase of new cars, it did not differ much from the pre-crisis level due to its extraordinary growth in 2009 (by roughly a quarter), when incentives were introduced.⁶ In comparison with the 2007 level, only the market shares of furniture, non-ferrous metals and metal products⁷ saw a more notable decline in the EU last year, while the market shares of all other main products were higher than in the pre-crisis period.

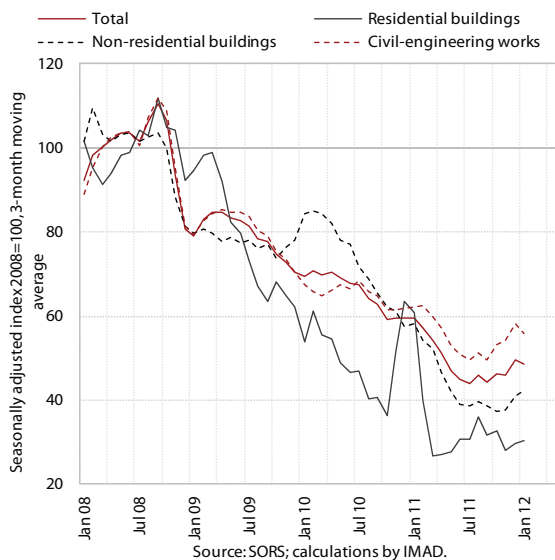
⁵ With a 2% or higher share in total merchandise exports in 2010.

⁶ The incentives were largely intended for the purchase of smaller and environmentally friendly vehicles, which are also manufactured by our car industry. See SEM, December 2010.

⁷ In comparison with the 2007 average, in 2011 the market share of furniture was down 23.1%, the market share of non-ferrous metals 12.1% and the market share of metal and other products not mentioned elsewhere 9.9%. The market share of road vehicles declined by 3.2% in the same period.

Construction activity declined again in February, according to preliminary data. With further monthly fluctuations, the value of construction put in place decreased by 10.3% in February, after January's growth (seasonally adjusted). According to our estimate, the decline was related to unfavourable weather conditions at the beginning of the month.⁹ Meanwhile the statistical data for January were

Figure 12: Value of construction put in place

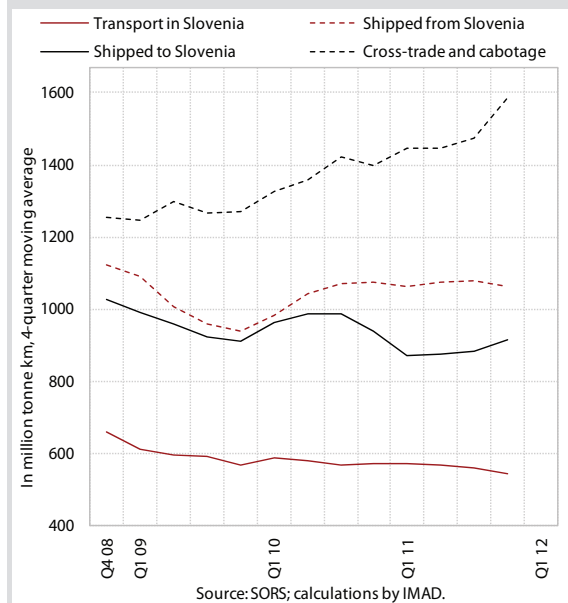


⁹ According to data of the Environmental Agency of the RS, the first half of February was the second coolest in 60 years.

Box 3: The volume of road and rail freight transport

The volume of road and rail **freight transport** increased in 2011, and both road and rail freight transport had already exceeded slightly the average levels of 2008. Last year, the volume of road freight transport rose by 3.2%, which was attributable to a more than 10% increase in transport carried out by legal persons, while freight transport by natural persons declined again. In 2011, the total road freight transport was already 1.1% higher than, on average, in 2008. Within that, cross-trade and cabotage increased substantially in 2008–2011 (by more than a quarter), while other categories of international transport¹ (where the place of unloading or the place of loading is in Slovenia) and national transport declined. The volume of rail freight transport rose by 9.7% last year mainly due to the low-base effect. However, it had increased only in the first quarter and then dropped in the next three. Relative to the 2008 average, it was up 6.6%. Unlike in road transport, in rail transport the share of cross-trade transport (between two places in a foreign country) is similar to the share of freight transport carried out in Slovenia (close to one fifth), while the volume of transport, where freight is shipped from Slovenia accounts for the largest share (more than two fifths).

Figure 13: Volume of road freight transport



¹ Within cross-trade and cabotage by vehicles registered in Slovenia, transport of goods between two foreign countries (cross-trade) accounts for more than nine tenths and transport of goods within a foreign county (cabotage) for less than a tenth.

revised, so that the value of construction output dropped by 4.2%, according to the provisional data released in March. The prospects remain unfavourable, as the stock of contracts was down 16.7% y-o-y in February. The worst results were recorded for residential construction, where the value almost halved y-o-y, and the best for civil engineering activity, which declined by 9.7%.

Box 4: (In)solvency

In the first quarter of this year, close to a fifth fewer legal entities had outstanding matured liabilities¹ for more than five consecutive days in a month, on average, than in the same period last year, but the amount of liabilities was almost half higher. Compared to the first quarter of 2011, the number of legal entities declined most notably in transportation and storage activities, manufacturing and construction. In the first three months as a whole, this number was highest in wholesale and retail trade and repair and maintenance of motor vehicles (over a fifth). Meanwhile, the amount of outstanding liabilities increased most notably in information and communication and transportation and storage activities. The largest amount of outstanding liabilities in March was, as a year earlier, recorded by legal entities in the construction sector (almost a third). Among sole proprietors and other registered natural persons, in the first three months of this year the number of natural persons with outstanding matured liabilities was more than a fifth lower than in the same period last year, while the average monthly amount of liabilities remained similar. One of the measures to improve payment discipline was introduction of the institute of a mandatory multilateral set-off last year.² In this year's three set-off procedures, the mutual indebtedness between business entities decreased by EUR 176.8 m, which accounted for 6.8% of all notified obligations.

Figure 14: Legal entities with outstanding matured liabilities for more than five consecutive days in a month and average total amount of outstanding liabilities

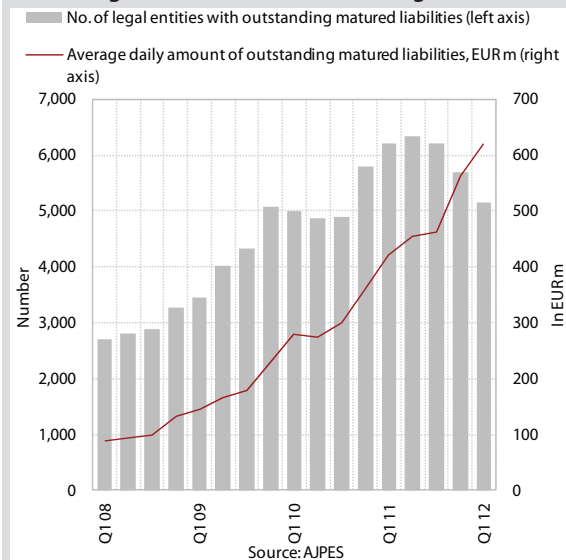


Figure 15: Filing of bankruptcy procedures

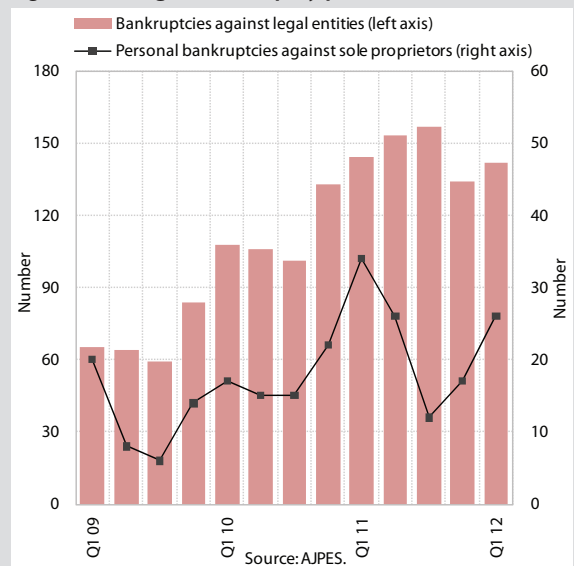


Table 3: Legal entities with outstanding matured liabilities for more than five consecutive days in a month

Activity	Number of legal entities with outstanding matured obligations	III 12/ III 11, in %	I-III 12/ I-III 11, in %	Average daily amount of outstanding matured liabilities, EUR	III 12/ III 11, in %	I-III 12/ I-III 11, in %	Average daily amount of outstanding matured liabilities per legal entity, EUR
Construction	1,042	-28.4	-22.0	184,854	33.6	34.0	177
Professional, scientific and technical activities	568	-24.3	-15.6	94,276	130.2	90.9	166
Trade; maintenance and repair of motor vehicles	1,104	-19.9	-16.0	83,302	44.7	37.4	75
Manufacturing	583	-29.2	-23.3	70,499	72.7	64.6	121
Real estate activities	165	-9.3	-3.5	33,978	91.6	67.3	206
Information and communication	148	-25.3	-12.8	33,740	222.6	235.0	228
Financial and insurance activities	81	-6.9	-1.2	31,755	-45.9	-45.9	392
Transportation and storage	292	-27.5	-23.4	27,056	9.2	100.8	93
Other activities	1,042	-19.8	-10.7	77,142	69.6	75.7	74
TOTAL	5,025	-23.6	-17.0	636,602	46.4	47.7	127

Source: AJPES.

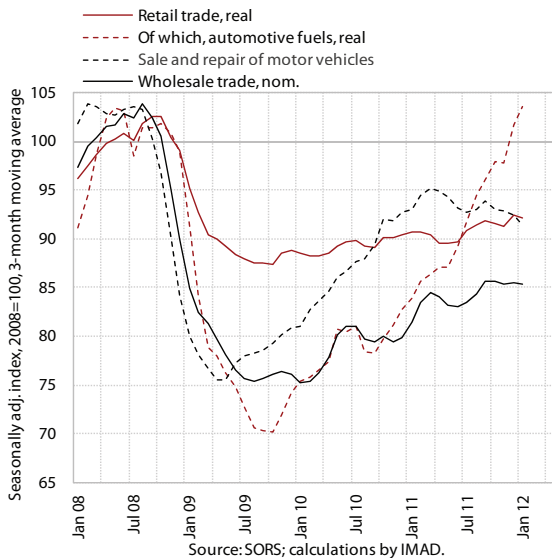
¹ Outstanding matured liabilities for more than five consecutive days in a month according to the AJPES records. The AJPES records refer only to outstanding liabilities according to writs of execution and tax debt and do not include other outstanding liabilities (unpaid bills between creditors and debtors).

² The mandatory multilateral set-offs have been conducted since April 2011 based on the Act on Prevention of Late Payments, OG RS, No. 18/2011.

In the first quarter of this year, 54.5% fewer compulsory settlements and 1.4% fewer bankruptcy procedures were initiated against legal entities than in the same period of 2011, and 23.5% fewer personal bankruptcy procedures against sole proprietors. Against legal entities, 10 compulsory settlement proceedings were started in the first quarter of this year (particularly in the construction sector and manufacturing), 142 bankruptcy proceedings (mainly in the sale, maintenance and repair of motor vehicles, construction and manufacturing), and one liquidation. Against sole proprietors, 26 personal bankruptcy proceedings were initiated, mainly in the construction sector and in the sale, maintenance and repair of motor vehicles.

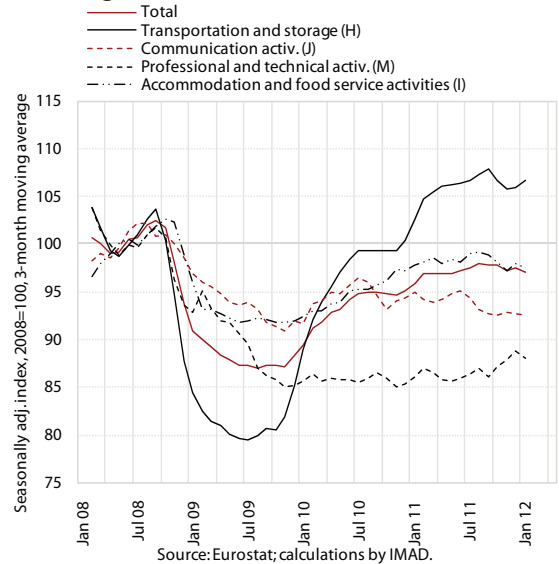
In February, growth in real turnover in retail **trade** came to a halt, real turnover in the sale and repair of motor vehicles dropped further, while nominal turnover in wholesale trade remained roughly unchanged (seasonally adjusted). Real turnover in retail trade dropped relatively significantly in February as a result of continued negative trends in the sale of food and non-food products amid the tightening of the labour market situation. Turnover in the sale of automotive fuels also declined in February, but was still above the 2008 average due to strong growth in previous months. Real turnover in the sale and repair of motor vehicles has been declining since spring 2011 as a result of fewer natural and legal persons buying new passenger cars. Nominal turnover in wholesale trade has, with monthly fluctuations, remained roughly unchanged since autumn 2011, but still lags more behind the 2008 level than nominal turnover in other trade sectors.

Figure 16: Turnover in trade sectors



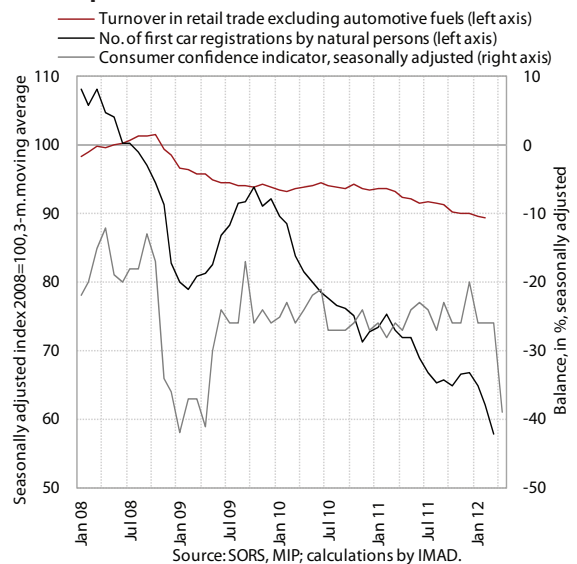
The decline in nominal turnover in **market services (excluding trade)**¹⁰ that had started in autumn 2011 continued in February, according to seasonally adjusted data. February's contraction of the total turnover was a consequence of a decline in most main categories of market services. After a considerable fall in Q4 2011, turnover also declined in the largest groups, transportation and storage, and in accommodation and food service activities, but was nevertheless still higher than at the end of last year due to its strong growth in January. Turnover in information and communication services continued

Figure 17: Nominal turnover in market services (excluding trade)



to shrink owing to a decline in telecommunication services.¹¹ Turnover in professional and technical services is gradually picking up from the lowest levels recorded during the crisis, largely due to growth in architectural and engineering activities, which is higher than the decline in legal and accounting activities.

Figure 18: Selected indicators of household consumption



¹⁰ Activities from H to N subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

¹¹ Turnover in computer programming, which accounts for about a quarter of turnover in this group of market services, otherwise increased.

Box 5: Tourist arrivals and overnight stays in 2011

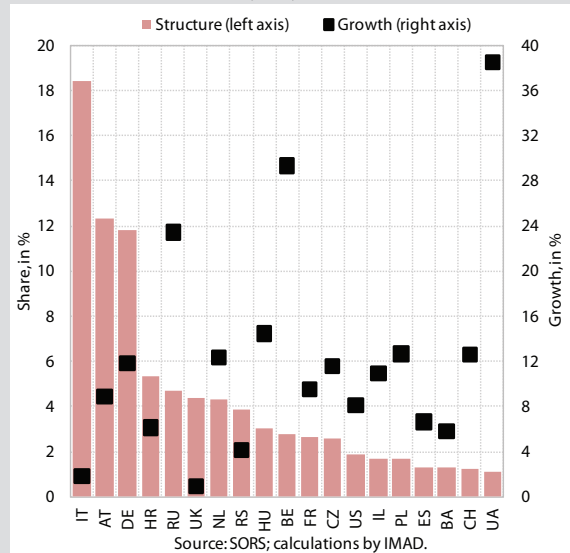
In 2011, the number of tourists¹ and their overnight stays increased largely on account of a higher number of foreign tourists. In 2011, Slovenia was visited by over 3.2 million tourists and they made almost 9.4 million overnight stays, which is 7.0% and 5.4% more, respectively, than in the previous year. After a decline in 2009 and modest growth in 2010, the number of arrivals and overnight stays of foreign tourists increased by nearly a tenth in 2011. The number of arrivals thus exceeded 2 million for the first time so far,² while the number of overnight stays climbed close to 5.5 million. The number of domestic tourists was up almost by 4.0% and they made approximately the same number of overnight stays as in 2010, which is still less than, on average, in 2008. Foreign tourists spent 2.7 and domestic tourists 3.3 nights on average in tourist accommodations in Slovenia last year.

Last year, foreign tourists spent the highest number of nights in mountain resorts (more than a quarter), followed by health (spa) resorts (22%) and seaside resorts (a fifth) and Ljubljana (around a seventh). Italian tourists, who are the most frequent visitors to Slovenia, again mainly stayed in seaside and health resorts (a quarter in each), as well as in mountain regions and urban municipalities (particularly Nova Gorica). Tourists from Austria and Russia made nearly half of their overnight stays in health resorts and a third in seaside resorts. Tourists from other countries that are most important for Slovenia's tourism most frequently stayed in mountain resorts, and tourists from the United Kingdom also in Ljubljana, where they spent a fifth of their nights.

Last year, domestic tourists mainly stayed in health resorts, but the number of overnight stays increased relative to 2008 only in mountain resorts. Last year, domestic tourists made almost half of their overnight stays in health resorts, a quarter in seaside resorts and close to a fifth in mountain regions. The number of overnight stays increased relative to 2008 only in mountain regions, and most of them were again recorded in Kranjska Gora and Bohinj (close to half overnight stays, in total). As a result of increased accommodation capacities, in recent years a significant increase in overnight stays was also recorded in Bovec (a tenth of all domestic tourist overnight stays in mountain resorts) and Kobarid.

¹ I.e., the number of tourist arrivals, as tourists are registered on their arrival to any tourist accommodation where they spend the night. Therefore it can happen that their registration in a place/country is multiplied.
² Data available since 1991.

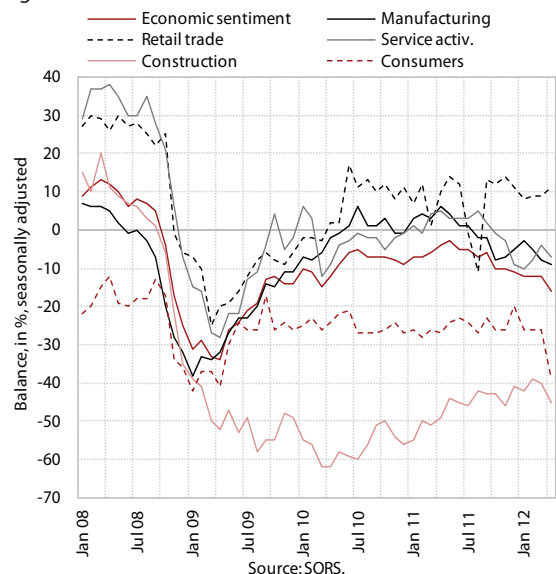
Figure 19: Overnight stays by foreign tourists



Household consumption continues to stagnate. Considering the significant deterioration of the sentiment indicator in April, we expect consumers to be even more cautious about spending. The net wage bill rose by 0.5% in the first quarter relative to Q4 2011 and was 3.8% higher than the 2008 average. Real turnover in the retail sale excluding automotive fuels continued to decline at the beginning of the year. Spending on durable goods also remains low and real turnover in this trade sector¹² is still nearly a third below the 2008 average. Similar goes for the number of new passenger car registrations by natural persons. The volume of consumer loans also continues to shrink. Moreover, the prospects for household consumption worsened substantially in April, as consumer confidence declined considerably (-13 p.p.) and hit a three-year low, largely as a consequence of a significant deterioration of all indicators of consumer expectations.

The value of the sentiment indicator declined substantially in April (seasonally adjusted). After several months of

Figure 20: Business trends



¹² Turnover in the sale of furniture, household appliances, construction material, audio/video recordings in specialised stores.

stagnation, the indicator value dropped by 4 p.p. in April. The confidence indicator fell in all activities, with the exception of retail trade. Consumer confidence deteriorated the most, which we estimate is mainly a result of the announced austerity measures. Confidence also deteriorated in manufacturing and service activities and in the construction sector, where the indicator value remains the lowest among all activities.

Labour market

The number of **employed persons according to the statistical register**¹³ also declined in February. It was down by 0.1% relative to the previous month (seasonally adjusted) and also remained lower y-o-y (-0.9%). According to original data, February recorded a decline in the number of those employed with natural persons and self-employed persons, and an increase in those

employed with legal entities. Relative to the previous month, formal employment declined most notably in the construction sector, while it increased the most in public services, where it was up in all three sectors. The registered unemployment rate remained unchanged (12.0%, seasonally adjusted).

Registered unemployment declined in the first three months this year (seasonally adjusted). At the end of March it was also down y-o-y, but the situation nevertheless remains unfavourable. The number of unemployed persons dropped again in March, by 1.2% (seasonally adjusted) to 110,859, and was 2.7% lower than in the previous March (113,948). A comparison between the first three months in 2012 and 2011 shows that this year's decline in unemployment results mainly from a lower number of persons who registered as unemployed because they had lost work, and a higher number of those deleted from the register, largely for neglect of duties, and a higher

Figure 21: Movements on the labour market

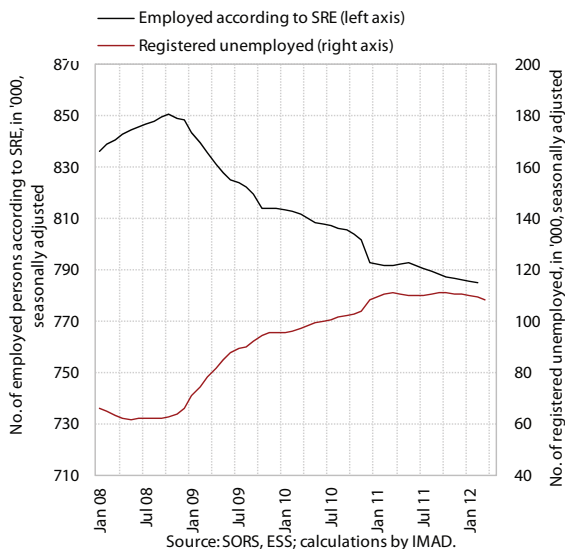


Figure 22: Selected categories of inflows in and outflows from the unemployment register

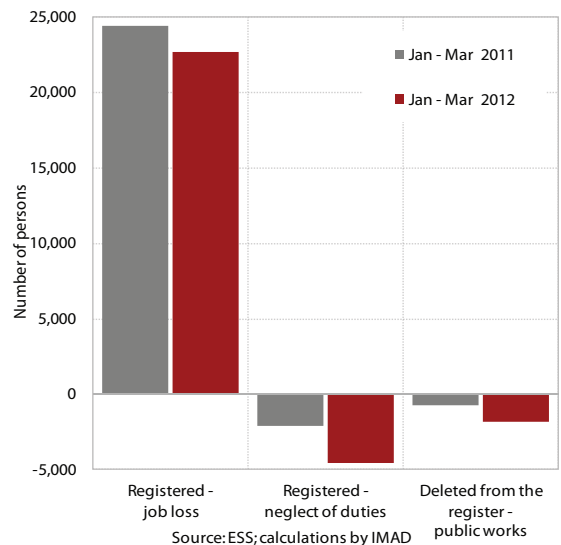


Table 4: Employed persons by activity

	Number in '000				Change in number			
	2011	II 11	I 12	II 12	2011/2010	II 12/I 12	II 12/II 11	I-II 12/I-II 11
Manufacturing	184,8	184,3	184,6	184,6	-3.725	-13	332	508
Construction	67,8	69,5	60,7	59,9	-10.709	-727	-9.592	-9.809
Market services	342,2	341,0	340,2	340,4	-3.400	216	-630	-205
-of which: Wholesale and retail trade, repair of motor vehicles and motorcycles	109,7	109,6	108,7	108,7	-2.078	-9	-894	-794
Public services	170,2	169,1	170,7	171,8	1.406	1.077	2.741	2.457
Public administration and defence, compulsory social security	51,4	51,2	50,8	50,9	-661	137	-297	-360
Education	64,7	64,5	65,4	65,8	1.145	445	1.374	1.244
Human health and social work activities	54,1	53,3	54,5	55,0	922	495	1.664	1.573
Other	59,0	57,8	55,4	55,3	5.355	-103	-2.502	-2.425

Source: SORS; calculations by IMAD.

¹³ Employed and self-employed persons, excluding self-employed farmers.

Table 5: Labour market indicators

in %	2011	II 12/ I 12	II 12/ II 11	I-II 12/ I-II 11
Labour force	-0.1	-0.1	-1.1	-1.0
Persons in formal employment	-1.3	0.1	-1.2	-1.1
- Employed in enterprises and organisations and by those self-employed	-2.4	0.1	-1.0	-1.1
Registered unemployed	10.1	-0.8	-0.5	-1.0
Average nominal gross wage	2.0	-0.4	2.0	2.1
- private sector ¹	2.6	-0.3	2.8	2.8
- public sector ¹	0.0	-0.7	-0.5	-0.2
	2011	II 11	I 12	II 12
Rate of registered unemployment, in %	11.8	11.9	12.0	12.0
Average nominal gross wage (in EUR)	1,524.65	1,493.54	1,529.04	1,523.11
Private sector ¹ (in EUR)	1,451.57	1,412.60	1,456.65	1,452.38
Public sector ¹ (in EUR)	1,750.03	1,743.21	1,746.83	1,734.78

Sources: ESS, SORS; calculations by IMAD.

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

number of unemployed persons included in public works. Despite a decline in recent months, unemployment remains high (110,859 persons at the end of March), and

in view of certain structural factors the prospects remain grim. Specifically, in the first three months as a whole, the number of long-term unemployed persons¹⁴ was 8,450 higher than in the same period last year. Their share in total unemployment was up 7.8 p.p., totalling as much as 50.2%.

In February the gross **wage** per employee in the private sector continued to grow (0.3%, seasonally adjusted), while it declined somewhat in the public sector. Private sector wages were notably marked by extraordinary payments, which mitigated the otherwise expected decline according to original data. In February, wages are usually even somewhat lower than in January because of fewer working days. The average gross wage thus rose in four private sector activities only. In manufacturing and financial activities, it increased largely on account of high extraordinary payments based on good business results in the pharmaceutical and insurance activities.¹⁵ In the pharmaceutical industry, they were disbursed as early as in February, for the second consecutive year, which explains the smaller-than-usual decline of the average gross wage in the private sector in the last two years.¹⁶ Extraordinary payments thus contributed 1.2 p.p. to February's growth of the gross wage in this sector, payments for overtime work and payments in arrears together contributed only 0.2 p.p., while the basic wage dropped by 1.7%. The total gross wage per employee increased in the first two months, still only as a result of wage growth in the private

Table 6: Wages by activity

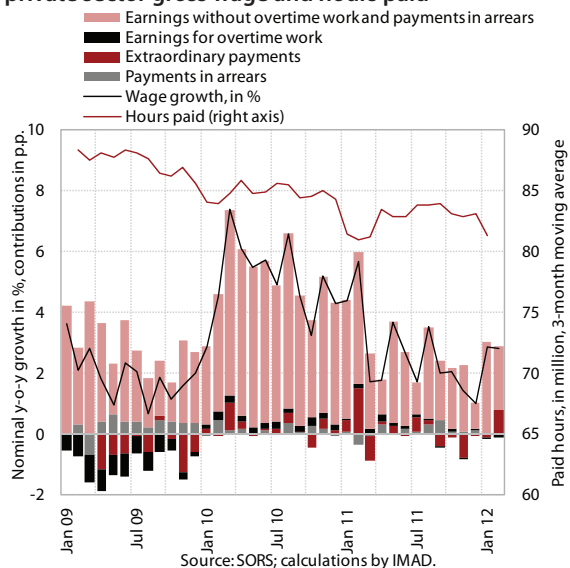
	Gross wage per employee, in EUR		Change, in %			
	2011	II 12	11/10	II 12/ I 12	II 12/ II 11	I-II 12/ I-II 11
A Agriculture, forestry and fishing	1.305,88	1.250,56	3,1	-3,0	0,3	1,2
B Mining and quarrying	1.978,29	1.996,32	3,8	-1,9	11,9	10,9
C Manufacturing	1.362,79	1.402,48	3,9	1,9	3,8	4,2
D Electricity, gas, steam and air conditioning supply	2.144,83	2.075,47	2,3	-1,0	8,0	6,7
E Water supply, sewerage, waste management and remediation activities	1.443,42	1.426,84	-0,1	-0,1	2,8	3,0
F Construction	1.235,95	1.201,43	2,0	-1,0	1,4	1,2
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.362,26	1.350,88	2,8	-1,5	2,2	2,7
H Transportation and storage	1.459,76	1.413,25	2,7	-4,1	0,8	2,3
I Accommodation and food service activities	1.096,99	1.074,43	2,1	-3,1	0,4	0,3
J Information and communication	2.110,90	2.050,15	0,9	-2,2	0,2	0,2
K Financial and insurance activities	2.158,65	2.223,82	0,6	1,5	8,4	4,9
L Real estate activities	1.520,36	1.509,70	2,9	1,2	2,5	2,4
M Professional, scientific and technical activities	1.757,35	1.706,03	-0,4	-2,0	-0,5	-0,3
N Administrative and support service activities	985,27	1.011,10	3,5	2,7	5,1	3,6
O Public administration and defence, compulsory social security	1.784,27	1.775,39	0,3	-0,5	-0,4	0,1
P Education	1.733,58	1.717,06	0,2	-0,8	-0,6	-0,3
Q Human health and social work activities	1.735,19	1.715,86	-0,7	-0,8	-0,4	-0,4
R Arts, entertainment and recreation	1.719,70	1.664,90	-0,7	-2,3	-1,9	-1,6
S Other service activities	1.409,41	1.384,13	0,9	-2,4	-0,4	0,8

Source: SORS; calculations by IMAD.

¹⁴ Persons unemployed for 12 months or longer.¹⁵ Both accounted for nearly two thirds of all extraordinary payments in February.¹⁶ In 2000–2010, in February wages declined by an average of 1.9% relative to January.

sector, as the gross wage per employee in the public sector dropped further in February and was also lower y-o-y.

Figure 23: Breakdown of monthly growth in the private sector gross wage and hours paid



Prices

Y-o-y **consumer price growth** totalled 2.6% in April and prices rose by 1.1% relative to March. The monthly growth of prices was mainly due to a seasonal increase in prices of clothing and footwear and higher prices of liquid fuels. The 2.2% inflation in the first four months of this year mainly came from prices of energy (around 1.0 p.p.) and food (0.6 p.p.). According to Eurostat's flash estimate, y-o-y inflation in the euro area as a whole totalled 2.6%.

The current movement of consumer prices is marked particularly by a seasonal increase in the prices of clothing and footwear and higher energy prices, while the long-term movement remains under the influence of weak economic activity. March recorded 1% monthly growth, which was mainly a result of a seasonal increase in the prices of clothing and footwear. These were up 14.1% from the previous month and contributed to inflation around 1.0 p.p. Higher prices of liquid fuels also contributed to monthly growth (0.2 p.p.). In the long-term, weak economic activity shows in a continuation of low y-o-y core inflation, which has been moving between 1% and 2% in the whole period of the economic crisis.

Table 7: Breakdown of the HICP into subgroups – March 2012

	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	1.3	100.0	1.3	1.0	100.0	1.0
Goods	1.6	66.0	1.1	1.5	58.5	0.9
Processed food, alcohol and tobacco	0.3	15.4	0.0	0.9	11.9	0.1
Non-processed food	5.0	7.3	0.4	2.2	7.2	0.2
Non-energy industrial goods	-1.0	28.8	-0.3	0.2	28.5	0.1
Durables	-0.4	10.6	0.0	-0.2	9.0	0.0
Non-durables	0.7	8.8	0.1	0.8	8.2	0.1
Semi-durables	-2.4	9.4	-0.2	0.8	11.2	0.1
Energy	6.3	14.5	0.9	5.3	11.0	0.6
Electricity for households	3.7	2.7	0.1	1.7	2.6	0.0
Natural gas	2.4	1.1	0.0	2.3	1.8	0.0
Liquid fuels for heating	8.7	1.7	0.1	7.3	0.9	0.1
Solid fuels	-5.0	0.9	0.0	0.3	0.1	0.0
District heating	7.2	0.9	0.1	2.9	0.7	0.0
Fuels and lubricants	8.5	7.2	0.6	8.3	4.9	0.4
Services	0.8	34.0	0.3	0.2	41.5	0.1
Services – dwellings	-0.5	3.0	0.0	0.6	10.1	0.1
Services – transport	1.8	5.9	0.1	0.9	6.5	0.1
Services – communications	2.0	3.5	0.1	-0.5	3.1	0.0
Services – recreation, repairs, personal care	0.4	13.5	0.1	-0.6	14.5	-0.1
Services – other services	0.8	8.1	0.1	1.0	7.3	0.1
HICP excluding energy and non-processed food	0.0	78.2	0.0	0.2	81.8	0.2

Source: Eurostat; calculations by IMAD.

Note: ECB classification

Figure 24: Headline and core inflation in Slovenia and in the euro area

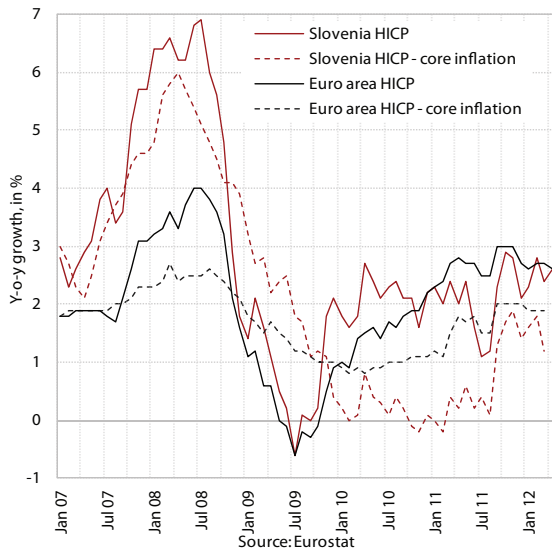
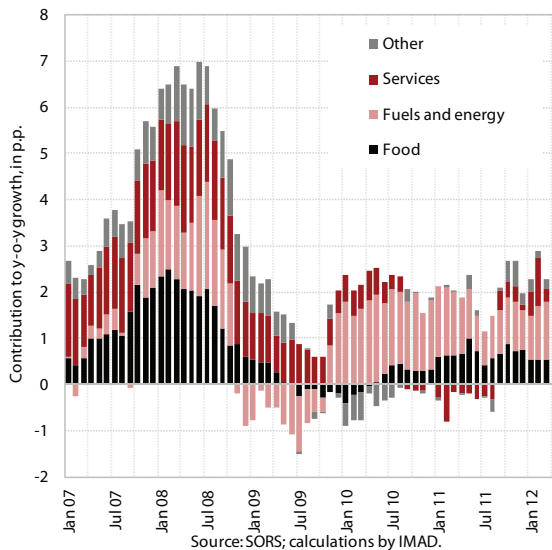
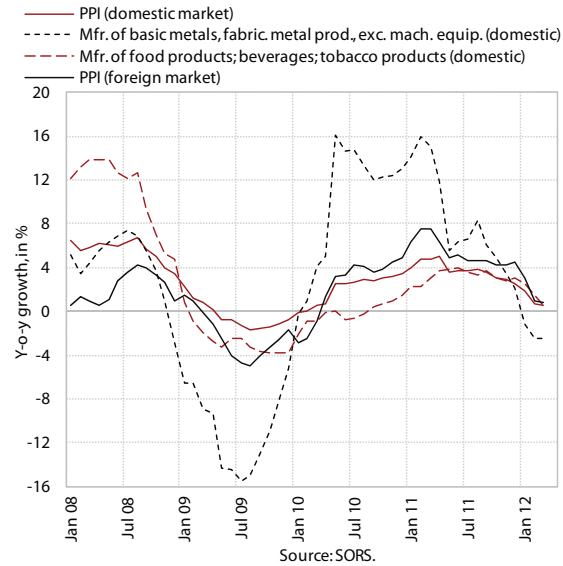


Figure 25: Structure of y-o-y inflation



Y-o-y growth in **industrial producer prices** continues to ease. The y-o-y growth rates of industrial producer prices on the domestic (0.6%) and foreign (0.8%) markets in March were similar to those in February. The low growth was still a result of subdued economic activity and weak price growth in manufacturing, particularly in the manufacture of metals and metal products and in the manufacture of food products.

Figure 26: Movements of domestic producer prices of manufactured goods sold on the domestic and foreign markets



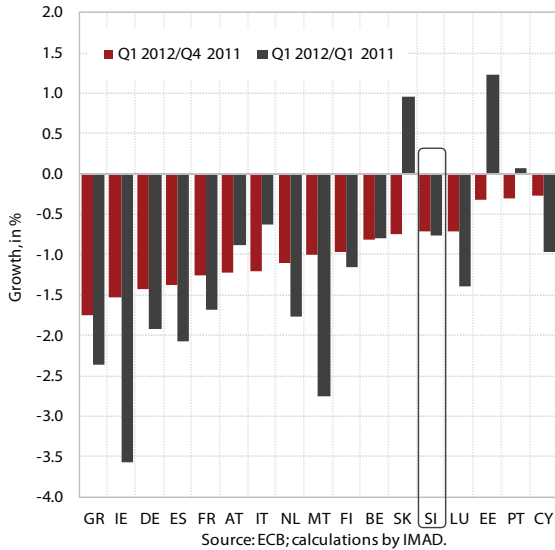
In the first quarter of this year, the **price competitiveness** of the economy improved, but less than in most other euro area countries. The real effective exchange rate deflated by the relative HICP declined in the first quarter in comparison with the last quarter of 2011 due to the depreciation of the euro, particularly against the USD, CHF, GBP, PLN and HUF. It was also down y-o-y, in addition to the fall in the exchange rate of the euro also due to lower relative prices. The improvements relative to the last quarter of 2011 and y-o-y were among the smallest in the euro area,

Table 8: Indicators of price and cost competitiveness

y-o-y growth rates, %	2010	2011	q1 11	q2 11	q3 11	q4 11	q1 12
Effective exchange rate¹							
Nominal	-2,1	-0,1	-1,3	0,6	0,4	0,1	-0,5
Real, deflator HICP	-1,8	-1,0	-1,8	-0,5	-1,2	-0,5	-0,8
Real, deflator ULC	-1,7	-1,3	-2,2	-1,0	-1,2	-0,7	-
Unit labour costs, economy and components							
Nominal unit labour costs	0,3	0,4	-1,0	-0,1	0,4	2,4	-
Compensation of employees per employee, nominal	4,3	2,0	3,2	2,4	1,5	0,9	-
Labour productivity, real	4,0	1,6	4,3	2,5	1,2	-1,5	-
Real unit labour costs	1,4	-0,4	-1,6	-0,5	-0,2	0,6	-
Labour productivity, nominal	2,9	2,4	4,8	2,9	1,8	0,2	-

Source: SORS, ECB; calculations by IMAD.
Note: ¹ against 36 trading partners, according to ECB.

Figure 27: Real effective exchange rates of euro area countries deflated by HICP



as the positive effects of the depreciation of the euro on cost competitiveness were relatively smaller than in other countries due to the geographical structure of Slovenia's external trade.

In 2011 the **cost competitiveness** of the economy improved, but the last quarter saw certain negative movements. With wage growth lagging behind labour productivity growth, real unit labour costs declined last year (-0.4%) after three years of growth. The real effective exchange rate deflated by relative unit labour costs (which dropped) also declined, as the growth of nominal unit labour costs in Slovenia was lower than in its trading partners. The drop of the real effective exchange rate deflated by relative unit labour costs was among the largest in the

Figure 28: Real effective exchange rates of euro area members deflated by ULC

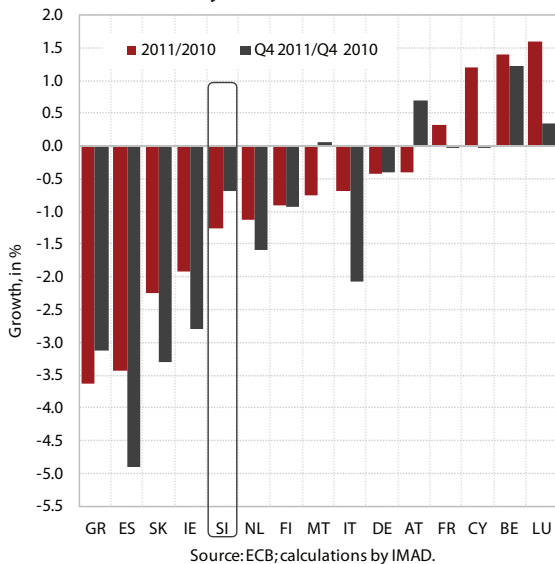


Figure 29: Real unit labour costs (RULC) in Slovenia and EU average

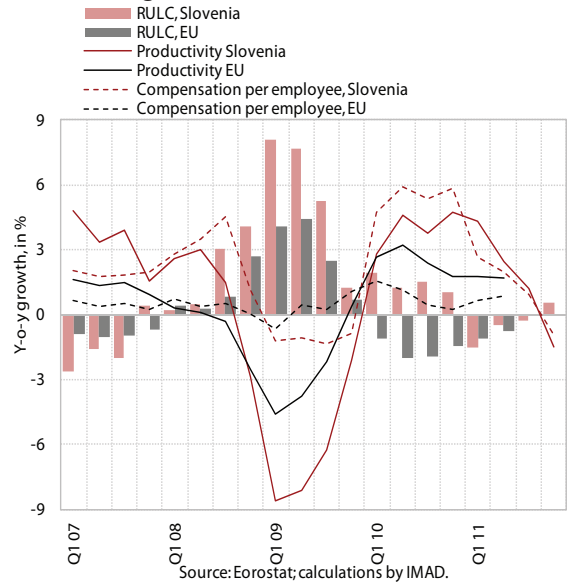
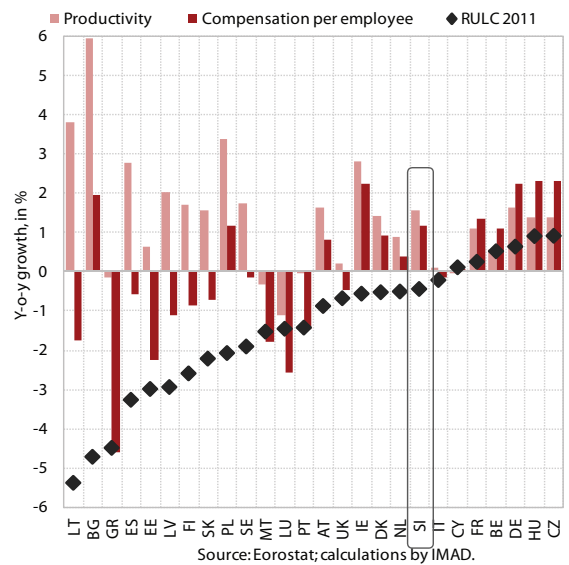


Figure 30: Real unit labour costs in selected EU countries¹⁷ in 2011



euro area, while the drop of real unit labour costs was among the smallest. Against the end of last year, the favourable movements started to deteriorate, as the ratio of wages to labour productivity deteriorated again in the last quarter. The compensation per employee otherwise declined y-o-y due to lower wages, but not so much as labour productivity, which dropped significantly as a consequence of weaker economic activity in the last quarter. The real effective exchange rate deflated by relative unit labour costs nevertheless dropped further y-o-y in the last quarter.

¹⁷ Data for 2011 (quarterly) are available for 26 EU Member States.

Balance of payments

In February, the deficit of the **current account of the balance of payments** (EUR 132.7 m) was higher than in the same month last year (EUR 105.3 m). The deficit in the balance of current transfers increased most notably y-o-y. The deficit in factor incomes widened as well. On the other hand, the balance of external trade improved, as the deficit in merchandise trade decreased and the surplus in services trade increased y-o-y. The y-o-y decline in the *merchandise trade deficit* was, amid deteriorated terms of trade, a consequence of quantity factors. The y-o-y increase in the *surplus in services trade* in February was mainly attributable to net revenues from travel services¹⁸ and a higher surplus in trade in transport services, which widened particularly on account of maritime transport services. Moreover, the y-o-y improvement in the balance of services trade was also influenced by a lower deficit in trade in the group of other services, which was mainly related to a lower deficit in trade in licences, patents and copyrights. The deficit of the *balance of factor incomes* in February was again a result of higher net payments of interest abroad. Net payments of interest on foreign loans by the private sector and on investment in government debt securities are growing as a result of higher interest rates. The deficit of *current transfers* increased y-o-y particularly due to the modest absorption of funds from the EU budget. In February Slovenia received fewer payments from the EU budget, particularly from the European Fund for Regional Development, while payments of private sector's insurance premiums were higher than in the same period of last year.

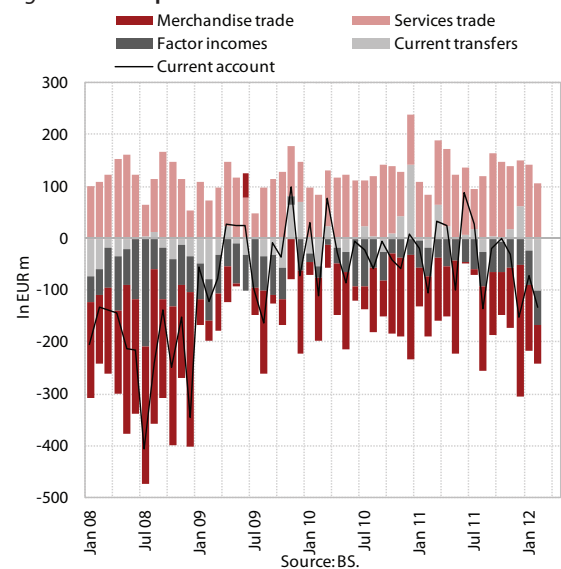
Table 9: Balance of payments

I-II 12, EUR m	Inflows	Outflows	Balance ¹	Balance, I - II 11
Current account	4.165,8	4.370,3	-204,5	-123,9
- Trade balance (FOB)	3.248,5	3.448,5	-200,0	-190,0
- Services	697,0	447,1	249,9	193,9
- Income	114,4	247,0	-132,6	-108,4
Current transfers	105,8	227,6	-121,8	-19,4
Capital and financial account	1.712,4	-1.376,3	336,1	-72,4
- Capital account	39,8	-36,1	3,7	-7,8
- Capital transfers	39,5	-36,0	3,5	-5,1
- Non-produced, non-financial assets	0,3	-0,1	0,2	-2,7
- Financial account	1.672,6	-1.340,2	332,4	-64,6
- Direct investment	54,4	-23,1	31,3	-103,8
- Portfolio investment	99,7	-696,7	-597,1	929,9
- Financial derivatives	7,2	-4,1	3,0	-60,0
- Other investment	1.511,4	-607,1	904,4	-857,8
- Assets	54,4	-434,9	-380,6	-690,6
- Liabilities	1.457,1	-172,1	1.284,9	-167,2
- Reserve assets	0,0	-9,2	-9,2	27,1
Net errors and omissions	0,0	-131,5	-131,5	196,2

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

¹⁸ Y-o-y growth in revenues from foreign tourists is growing, while the growth of Slovenian resident spending abroad is falling.

Figure 31: Components of the current account balance

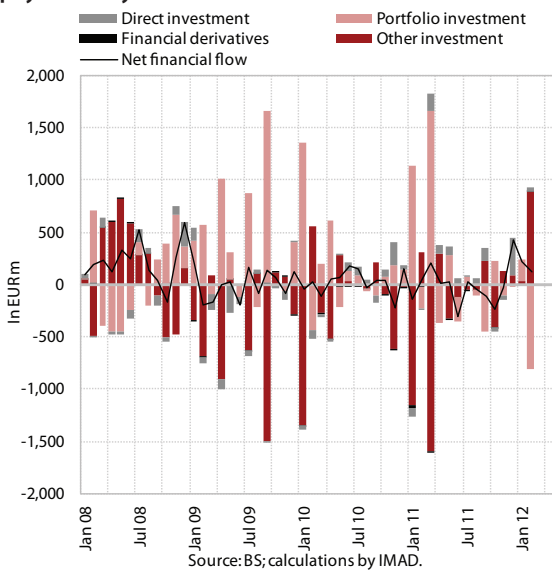


External financial transactions¹⁹ recorded a net inflow of EUR 122.0 m in February (compared with EUR 47.4 m in February last year). The bulk of net capital flows were due to investment in general government securities and other investment of the central bank, while the private sector recorded modest flows. *Portfolio investment* posted a net outflow of EUR 808.1 m in February, as the principal of the 3-year RS64 government bond in the amount of EUR 1 bn matured in February, which represents the majority of this year's repayment of the general government external debt. *Other investment* posted a net inflow again

¹⁹ Excluding international monetary reserves and statistical errors.

in February, totalling EUR 876.4 m. The BS increased its liabilities to the Eurosystem for the fifth month in a row, this time by EUR 747.4 m (in the last five months as a whole by a total of EUR 1.7 bn). This was mainly a result of October's and December's longer-term refinancing operations. Domestic banks continued to deleverage (EUR 176.2 m). The flows of *direct investment* were weak. After January's net outflow, direct investment recorded a net inflow in the amount of EUR 46.7 m in February, which was almost entirely due to the inflow of inward direct investment in the form of intra-corporate loans, specifically, an increase in net liabilities of Slovenian subsidiaries to parent companies abroad.

Figure 32: Financial transactions of the balance of payments by instrument

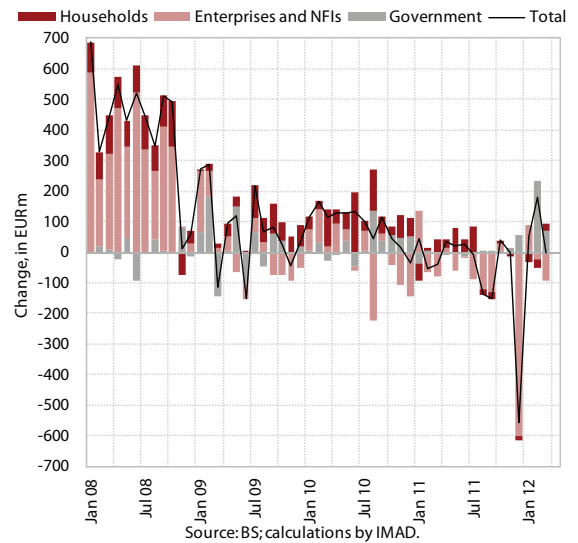


Financial markets

The lending activity declined in Slovenia in March. The volume of loans to domestic non-banking sectors decreased by EUR 2 bn, which was its first decline this year. It was a result of a somewhat lower government borrowing and an even larger decline in corporate and NFI loans than in February. Only the volume of household loans increased relative to February. In the first quarter of this year, the volume of loans to domestic non-banking sectors thus rose by EUR 234.7 m largely on account of stronger government borrowing. The liquidity pressure on the banking sector remains high, despite the ECB's support.

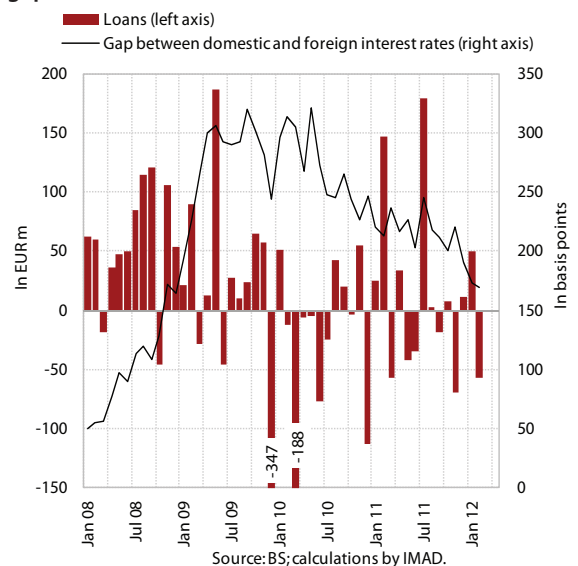
The volume of **household** loans increased somewhat in March, but its growth was fairly modest. The increase (EUR 21.0 m) was largely due to loans for other purposes, while housing loans remained very modest. Households are still repaying consumer loans. Despite the modest growth in March, the total volume of household loans dropped by EUR 41.9 m in the first quarter of 2012 due to a decline in the first two months.

Figure 33: Volume of domestic bank loans to domestic non-banking sectors



The volume of **corporate and NFI** loans with domestic banks shrank again in March. This time it dropped by EUR 94.0 m, which was chiefly due to a decline in corporate loans. The volume of NFI loans was also somewhat lower. In the first quarter of 2012, the volume of corporate and NFI loans with domestic banks contracted by EUR 33.0 m. In February, enterprises and NFIs net repaid 56.8 m of foreign loans. The net repayments were a result of the net repayments of both long-term and short-term loans, with the net repayments of the latter accounting for almost two thirds. The gap between domestic and foreign interest rates narrowed somewhat again.

Figure 34: Net corporate and NFI borrowing abroad and gaps in interest rates



As a result of the second refinancing operation of the ECB, the situation in Slovenia's **banking sector** improved somewhat in March but remains tight. Banks increased their liabilities

Table 10: Financial market indicators

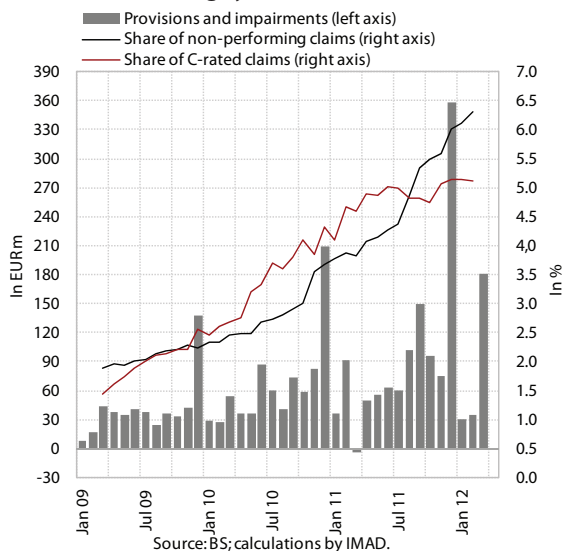
Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 11	31. III 12	31. III 12/ 29. II 12	31. III 12/ 31. XII 11	31. III 12/ 31. III 11
Loans total	32,733.86	32,968.55	0.0	0.7	-1.5
Enterprises and NFI	22,065.54	22,032.58	-0.4	-0.1	-4.3
Government	1,214.88	1,524.45	4.9	25.5	30.7
Households	9,453.45	9,411.52	0.2	-0.4	1.5
Consumer credits	2,723.04	2,656.20	-0.5	-2.5	-5.2
Lending for house purchase	5,163.55	5,197.43	0.3	0.7	6.5
Other lending	1,566.85	1,557.89	1.3	-0.6	-2.2
Bank deposits total	15,097.17	15,229.07	-0.3	0.9	2.3
Overnight deposits	6,440.82	6,471.30	-1.4	0.5	3.3
Short-term deposits	4,127.66	4,155.45	0.0	0.7	-4.6
Long-term deposits	4,521.12	4,595.22	0.9	1.6	7.9
Deposits redeemable at notice	7.57	7.10	-6.4	-6.2	-15.3
Mutual funds	1,810.64	1,908.21	0.3	5.4	-6.1
Government bank deposits, total	2,848.94	2,487.24	9.3	-12.7	-41.6
Overnight deposits	139.72	110.95	406.0	-20.6	-84.2
Short-term deposits	694.47	389.91	45.7	-43.9	-72.5
Long-term deposits	2,013.33	1,984.04	0.1	-1.5	-7.5
Deposits redeemable at notice	1.42	2.34	-51.5	65.1	-

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

to the ECB by EUR 2.1 bn in March. They spent some of the funds to repay matured liabilities to foreign banks, so that their volume dropped by almost EUR 900 m (a solid half came from bonds). The rest was deposited in the accounts of the central bank and commercial banks abroad. According to our estimate, banks are saving these funds to repay maturing liabilities. A portion of funds was also invested in short-term securities, which were issued by the government, in March alone in the amount of around EUR 250 m. The volume of government deposits

in banks increased in March, by around EUR 210 m, but the government mainly placed funds in the form of short-term deposits and overnight deposits. After two months of growth, household deposits decreased by nearly EUR 50 m in March, largely as a result of a lower volume of overnight deposits, while long-term deposits increased somewhat more than in previous months (by over EUR 40 m).

Figure 35: Creation of additional provisions and impairments and the share of non-performing claims in Slovenia's banking system



The **quality of banks' assets** continues to deteriorate at a rapid pace and banks increased impairments and provisions significantly in March. In February, the share of bad claims accounted for as much as 11.4% of the total exposure of banks. The increase was solely the result of a rapid growth of non-performing claims, while the share of C-rated claims has remained unchanged (around 5%) since the acceleration of growth in the share of non-performing claims in the second quarter of last year. Banks increased impairments and provisions by more than EUR 180 m in March, which is, with the exception of December's figures, the highest monthly figure thus far.

Public finance

In the first three months of 2012, revenue from **taxes and social security contributions**²⁰ totalled EUR 3.2 bn, 0.9% more than in the same period last year. Looking at the main categories of taxes and contributions, y-o-y growth was a result of revenues from social contributions (1.1 p.p.),

²⁰ Based on the Report on Payments of All Public Revenues, January–March 2012, Public Payments Administration.

Table 11: Taxes and social security contributions

	EUR m	Growth, %		Structure, %	
	I-III 12	III 12/III 11	I-III 12/I-III 11	I-III 11	I-III 12
General government revenue - total	3,219.9	0.6	0.9	100.0	100.0
Corporate income tax	141.2	-4.1	7.0	4.1	4.4
Personal income tax	488.0	-8.6	-3.0	15.8	15.2
Value added tax	710.7	-0.1	-2.5	22.8	22.1
Excise duties	349.9	5.2	4.3	10.5	10.9
Social security contributions	1,302.2	4.2	2.8	39.7	40.4
Other general government revenues	227.9	4.4	1.1	7.1	7.1

Source: PPA - Report on Payments of All Public Revenues; calculations by IMAD.

excise duties²¹ (0.5 p.p.) and corporate income tax (0.3 p.p.). The total growth declined due to lower revenues from value added tax (-0.6 p.p.) and personal income tax (-0.5 p.p.). With unchanged contribution rates, social security contributions followed the relatively favourable dynamics of the wage bill. In the first quarter, revenue from excise duties was, amid somewhat lower excise duties than in the same period last year, higher primarily on account of higher sales of main energy products.²² The relatively strong growth in revenue from corporate income tax was a consequence of the way how this tax is calculated and paid, as in the first three months the prepayments were mainly still calculated based on the (better) results in 2010. A decline in revenue from value added tax was a result of low economic activity and a decline in domestic spending. Revenue from personal income tax also shrank y-o-y. The y-o-y drop was otherwise mitigated somewhat by a strong increase in revenue from other sub-categories of personal income tax, particularly taxes on income from entrepreneurial profits and income from property and occasional earnings.

Figure 36: Taxes and social security contributions

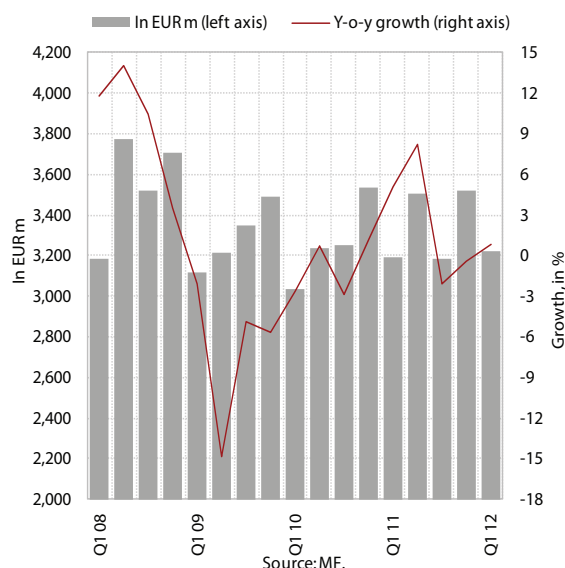


Table 12: Consolidated general government revenue and expenditure

	2011			2012	
	EUR m	% of GDP	Growth, %	I 12 EUR m	I 12/I 11
Revenue - total	14,981.3	42.0	1.3	1,181.4	-2.0
- Tax revenues	13,209.3	37.1	2.8	1,106.6	1.1
- Taxes on income and profit	2,723.5	7.6	9.3	214.7	-0.2
- Social security contributions	5,267.6	14.8	0.6	443.3	1.3
- Domestic taxes on goods and services	4,856.4	13.6	1.6	443.6	4.5
- Receipts from the EU budget	814.9	2.3	12.5	27.1	-49.8
Expenditure - total	16,543.8	46.4	-0.9	1,491.2	5.1
- Wages and other personnel expenditure	3,882.8	10.9	-0.8	335.7	3.0
- Purchases of goods and services	2,442.0	6.9	-2.7	202.3	0.1
- Domestic and foreign interest payments	526.6	1.5	7.9	136.4	53.9
- Transfers to individuals and households	6,533.1	18.3	4.1	535.4	2.6
- Capital expenditure	1,023.0	2.9	-21.6	56.6	-3.8
- Capital transfers	371.7	1.0	-4.3	12.3	-2.2
- Payment to the EU budget	405.1	1.1	2.1	35.1	0.0
Deficit	-1,562.4	-4.4	-	-309.8	-

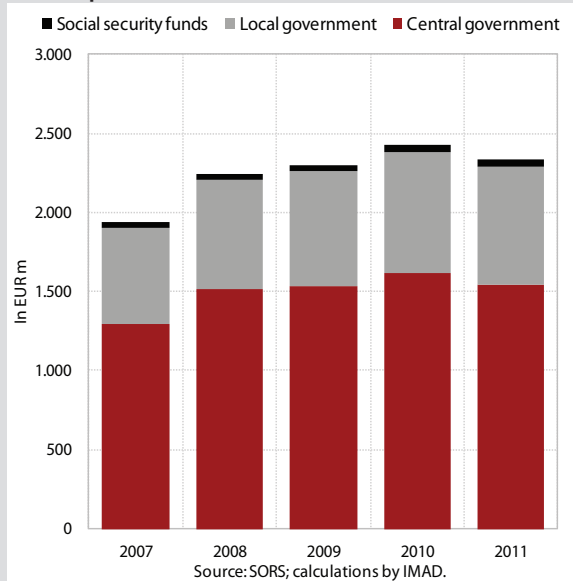
Source: MF, Public Finance Bulletin.

²¹ The figure for excise duties is corrected for the timing of excise duty payments.

²² In the period from January to February, the quantity of sold alcohol and alcohol products was up 0.3% y-o-y. The quantity of mineral oils was up 10.9% (of D-2 by as much as 21.8%), while the quantity of tobacco and tobacco products was down 1.8%.

Box 6: Intermediate consumption of the general government sector

The rationalisation of intermediate consumption,¹ which is the third largest group of expenditures in the general government sector and accounts for a higher share of GDP than in the euro area as a whole, is an important challenge on the path to fiscal consolidation in Slovenia. According to SORS,² general government intermediate consumption totalled EUR 2,333 m in 2011, 12.9% of the total general government expenditure. According to data for 2011, it accounted for 6.5% of GDP, which is more than in the euro area as a whole (5.5% of GDP). Ten old³ and seven new⁴ EU Member States had lower shares of general government intermediate consumption in GDP than Slovenia. After the relatively rapid growth in previous years, the intermediate consumption of the general government sector decreased last year for the first time since the beginning of the crisis. It recorded the highest nominal growth⁵ in 2008 (15.8%), when Slovenia held the presidency of the Council of the EU for half of the year and intermediate consumption increased somewhat, as expected, due to additional tasks. In the period of the crisis, the intermediate consumption of the general government also increased more, in nominal terms, than intermediate consumption in other sectors. In 2009, the total intermediate consumption of all sectors dropped by 13.6% in Slovenia in nominal terms, while the intermediate consumption of the general government sector increased by 2.5%. In 2010, the general government sector recorded higher nominal growth (5.3%) than all sectors combined (4.7%), but this growth dropped by 3.8% last year.⁶ Despite last year's drop, the general government sector recorded 20.3% higher intermediate production than in 2007 due to the relatively rapid growth in previous years. The 2007 level was exceeded most notably at the local level (by 23.7%), while at the central level, it was 19.3% higher.

Figure 37: Structure of general government intermediate consumption

¹ Intermediate consumption of the general government includes purchases of all goods and services related to office and general supplies and services, specialised materials and services, utilities and communications, transport expenses, travel expenses, routine maintenance, operational leases, penalties and compensations and other operational expenditure.

² Main aggregates of the sector General Government, Slovenia, 2008–2011, March 30, 2012, First Release.

³ Belgium, Germany, Ireland, Greece, Spain, France, Italy, Luxembourg, Austria, Portugal.

⁴ Bulgaria, the Czech Republic, Lithuania, Poland, Romania, Slovakia.

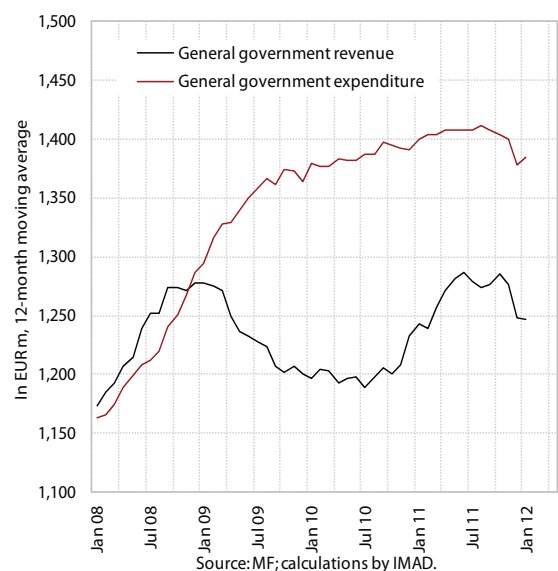
⁵ Data available since 1995.

⁶ Expenditure on goods and services declined in all four budgets of public finance, while the transfers for expenditure on goods and services to other public institutions increased (by 2.5%).

According to the **consolidated balance**²³ of the MF, general government revenue totalled EUR 1.2 bn and general government expenditure EUR 1.5 bn in January. In January, revenue was 2.0% lower y-o-y (last year 11.9% higher), while expenditure was 5.1% higher (last year 8.6%). Within the *economic structure of expenditure*, particularly expenditure on interest and subsidies recorded high growth (53.9% and 20.1%, respectively). Wages, contributions and other personnel allowances and transfers to individuals and households were also higher than in January 2011. Among the latter, expenditure on transfers to unemployed and expenditure on social security transfers were lower y-o-y (-17.7% and -11.0%), after a long period of growth. According to our estimate, this was due to the enforcement of the Exercise of Rights to Public Funds Act,²⁴ as well as problems with its

²³ The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of the state and local government budgets, as well as revenues and expenditures of the pension and health funds (the Institute for Pension and Disability Insurance, and the Health Insurance Institute of Slovenia).

²⁴ The act took effect on 1 January 2012.

Figure 38: Consolidated general government revenue and expenditure

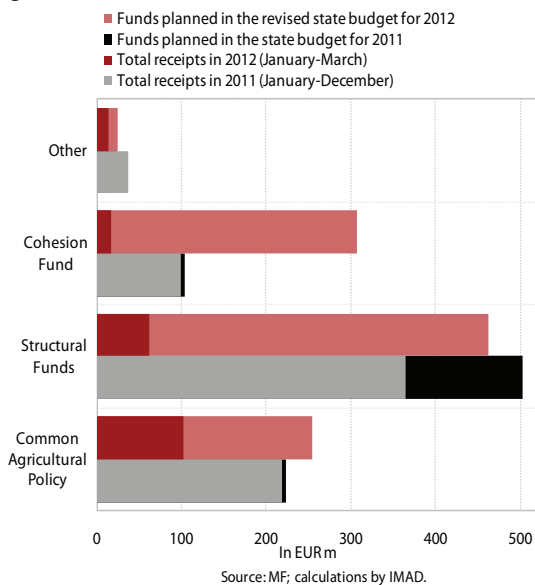
implementation. Expenditure on sickness benefits also surged y-o-y (43.9%), while expenditure on pensions recorded lower growth (2.4%) than in January 2011 (4.1%). Expenditure on goods and services was similar to that in January 2011, while expenditure on capital and capital transfers was 3.5% lower y-o-y after the substantial decline last year.

Amid an increase in the already high level of general government expenditure and a concurrent decline in revenue, the deficit of the consolidated balance of public finances totalled EUR 310 m in January, EUR 97 m more than in the same month last year. The state budget ran a deficit of EUR 268 m, which is EUR 65 m more than in January 2011. The total balance of local government budgets also recorded a deficit, in the amount of EUR 0.5 m. The deficit of the health fund totalled EUR 42.6 m, which is a significant increase over last year, when it had been at EUR 9.2 m. The transfer from the state budget to the pension fund (all obligations) totalled EUR 102 m in January, EUR 17 m less than in January 2011.

In March, Slovenia's receipts from the **EU budget** totalled EUR 134.8 m, which is the highest amount this year. Slovenia paid close to EUR 34.6 m into the EU budget, almost a third of February's payments,²⁵ and its net budgetary position was therefore positive in the amount of over EUR 100 m. In the first three months as a whole, Slovenia received almost EUR 195 m from the EU budget, which is 18.5% of the level envisaged in the budget for 2012, and paid EUR 161.8 m to the EU budget, 34.7% of what had been planned for 2012. In the first three months of this year, Slovenia's net budgetary position budget against the EU budget thus totalled almost EUR 33 m,

which is 60% less than in the same period of 2011. More than three quarters of all receipts were payments under the Common Agricultural and Fisheries Policies, 15.5% came from structural funds and 3.5% from the Cohesion Fund.

Figure 39: Planned and absorbed EU funds



²⁵ Due to the increased expenditure of the European Agricultural Guarantee Fund (EAGF), the EC can call on the Member States to pay triple the amount of their average monthly payments to the EU budget at the beginning of the year (usually in February). See SEM, March 2012.

selected topics

Drawing on cohesion funds in the programming period 2007–2011

Slovenia is eligible to EUR 4.1 bn of cohesion policy funds in the second financial perspective (2007–2013). By the end of 2011 it received EUR 1.286 bn. Out of EUR 4.1 bn, EUR 1.8 bn was earmarked for the Operational Programme for Strengthening Regional Development Potentials (OP RR), almost EUR 1.6 bn for the Operational Programme of Environmental and Transport Infrastructure Development (OP ROPI) and EUR 0.7 bn for the Operational Programme for Human Resources Development (OP RČV). By the end of 2011, Slovenia utilised 31.4% of allocated funds, mostly for strengthening regional development potentials.²⁶ Like other EU Member States, Slovenia has, in accordance with the n+2 rule, the possibility of drawing on funds by the end of 2015, although the current financial perspective is formally terminated in 2013. The extent to which Slovenia managed to draw on the European cohesion policy funds mainly depended on the effects of the economic crisis on the provision of beneficiaries' own funds and bridging liquidity problems of partners involved in projects (particularly in large construction and infrastructure projects). Furthermore, the role of ministries in communication with the beneficiaries of funds in the early phase of acquiring permissions and preparing projects and in the phase of the preparation of documents for payment is also of utmost importance for improving the absorption of cohesion funds in comparison with previous years.

In 2007–2011, the absorption of cohesion funds was fairly uneven. In 2007 and 2008, Slovenia had been drawing funds primarily from the previous financial perspective, while the current funding period's revenue to the state budget was registered only in 2009, when the EC certified claims for reimbursement (ZzP) in the amount of EUR 188.4 m. The drawing of funds accelerated in 2010, when certified claims for reimbursement totalled EUR 731.7 m, which is nearly four times more than in 2009. In 2011, the absorption slowed in the area of the implementation of OP ROPI projects (infrastructure and environmental projects), while the absorption in the field of the OP RR

accelerated. By the end of 2011, the EC thus certified and paid to the Bank of Slovenia EUR 1,286 m, which is nearly twice as much as in 2010. The 2008–2011 period was characterised by a significant gap between the value of signed contracts and payments from the budget (64% of the value of signed contracts), primarily due to the dynamics of the implementation of projects and the nature of implemented projects, in which costs occur only in the last phase. In addition, the gap between the time of signing the contract and the disbursement of funds from the state budget was also due to the complicated documentation for the preparation of claims for payment (ZzI) and lengthy procedures for checking the claims and determining the eligibility of expenditure at the level of ministries (legislation in the area of public finances and fiscal management represents an additional administrative burden), which are a prerequisite for the disbursement of funds from the budget. Fairly uniform values of the claims for reimbursement submitted to the certifying

Figure 40: Drawing of cohesion policy funds (EU part) for all OPs

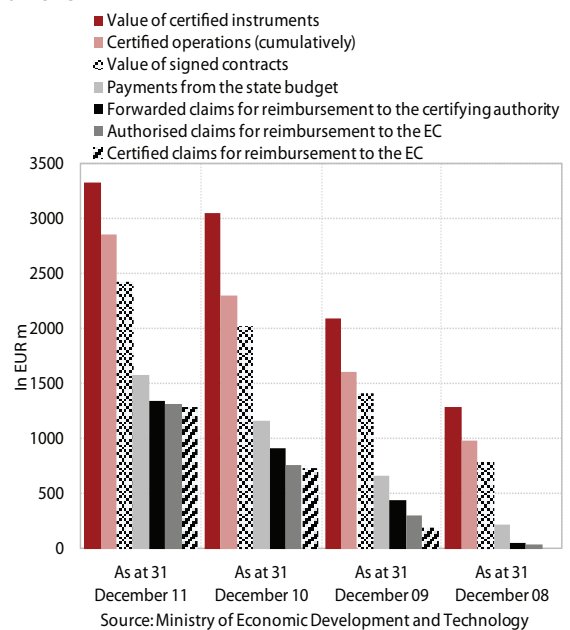


Table 13: Drawing on cohesion funds by OP and eligible use (as at 31 December 2011)

	In EUR m				% of eligible use 2007–2011				% of eligible use 2007–2013			
	OP RR	OP RČV	OP ROPI	OP Total	OP RR	OP RČV	OP ROPI	OP Total	OP RR	OP RČV	OP ROPI	OP Total
Eligible use 2007–2013 (EU funds)	1,768.2	755.7	1,577.1	4,101.0	-	-	-	-	-	-	-	-
Eligible use 2007–2009	1,257.7	530.9	883.2	2,671.8	-	-	-	-	-	-	-	-
Value of certified instruments	1,770.8	653.5	897.1	3,321.4	140.8	123.1	101.6	124.3	100.1	86.5	56.9	81.0
Value of certified operations	1,430.0	593.6	905.5	2,929.1	113.7	111.8	102.5	109.6	80.9	78.5	57.4	71.4
Value of signed contracts	1,371.3	592.3	511.3	2,474.9	109.0	111.6	57.9	92.6	77.6	78.4	32.4	60.3
Disbursed payments	970.7	301.5	320.8	1,593.0	77.2	56.8	36.3	59.6	54.9	39.9	20.3	38.8
Forwarded claims for payment	823.5	255.7	279.8	1,359.0	65.5	48.2	31.7	50.9	46.6	33.8	17.7	33.1
Certified claims for reimbursement	775.4	235.2	275.5	1,286.1	61.7	44.3	31.2	48.1	43.9	31.1	17.5	31.4

Source: the former Government Office for Local Self-Government and Regional Policy.

²⁶ By the end of 2011, Slovenia received EUR 755.4 m for OP RR, EUR 275.5 m for OP ROPI and EUR 235.2 m for OP RČV projects.

Table 14: Drawing on cohesion funds (in EUR m)

All OPs		As at 31 December 2011	As at 31 December 2010	As at 31 December 2009	As at 31 December 2008	Increase in the last period
Eligible use 2007-2013	EU part	4,101.0	4,101.0	4,101.0	4,101.0	-
	SI part	723.7	723.7	723.7	723.7	-
	EU and SI	4,824.7	4,824.7	4,824.7	4,824.7	-
Eligible use 2007-2011	EU part	2,675.1	2,675.1	2,675.1	2,675.1	-
	SI part	472.0	472.0	472.0	472.0	-
	EU and SI	3,147.1	3,147.1	3,147.1	3,147.1	-
Value of certified instruments	EU part	3,331.2	3,056.1	2,090.2	1,289.5	9.0
	SI part	587.8	450.9	331.8	196.5	30.4
	EU and SI	3,919.1	3,507.0	2,422.0	1,486.0	11.8
Certified operations (cumulatively)	EU part	2,853.9	2,294.6	1,601.2	982.3	24.4
	SI part	503.6	384.4	280.4	175.5	31.0
	EU and SI	3,357.5	2,679.0	1,881.6	1,157.8	25.3
Value of signed contracts	EU part	2,429.2	2,021.0	1,415.4	783.6	20.2
	SI part	428.7	272.7	184.7	78.8	57.2
	EU and SI	2,857.8	2,293.8	1,600.0	862.4	24.6
Payments from the state budget	EU part	1,572.7	1,157.0	664.2	213.9	35.9
	SI part	277.5	137.6	66.0	14.2	101.7
	EU and SI	1,850.3	1,294.6	730.2	228.2	42.9
Forwarded claims for reimbursement to the Paying Authority	EU part	1,343.9	911.4	432.9	52.2	47.5
Authorised claims for reimbursement to the EC	EU part	1,312.4	763.5	297.4	37.2	71.9
Certified claims for reimbursement to the EC	EU part	1,286.1	731.7	188.4	0.0	75.8

Source: Ministry of Economic Development and Technology.

authority and the authorised and certified claims for reimbursement sent to the EC mean that the procedures for the preparation of claims, their authorisation and the reimbursement of funds to Slovenia's budget are taking place smoothly.

The Operational Programme for Strengthening Regional Development is the programme with the best implementation with regard to financial allocations for the period 2007–2011 and also for the whole programming period 2007–2013. By the end of 2011, the EC certified claims for reimbursement (ZzP) worth EUR 775.4 m, which is 61.7% of allocations for the period 2007–2011, and 43.9% of allocations for the whole current programming period. The highest amount of cohesion funds was used to encourage competitiveness and research excellence, namely for direct incentives for joint development-investment projects, economic development centres, the strengthening of cooperation between companies and research institutions and promotion of entrepreneurship by providing assistance to SMEs. The least funds were spent on economic development infrastructure, and due to the difficulties in establishing the economic development logistics centres, a portion of funds was transferred to the first development priority. The biggest obstacle in the disbursement of funds for economic development infrastructure is the procurement problems (complaints procedures, prolonging the implementation deadlines, searching for new contractors, etc.).

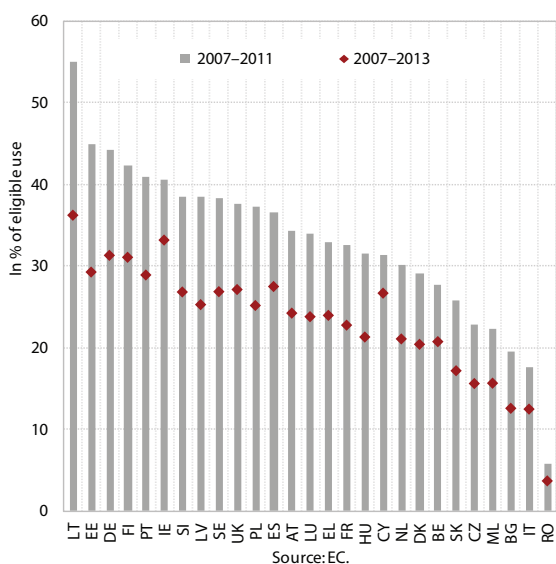
By the end of 2011, the EC certified a total of EUR 235.2 m of claims for reimbursement (ZzP) for the Human Resources Development Operational Programme, which represents 44.3% of allocations for the 2007–2011 period, and 31.1% of allocations for the entire 2007–2013 period. The highest level of absorption with regard to the allocated amount was recorded for the promotion of human resource development and lifelong learning. The second most successful development priority was the promotion of the employability of job-seekers and inactive. Promoting entrepreneurship was the least active development priority, although it had been assigned a maximum of cohesion funds. As in other OPs, the disbursement of funds within the framework of the OP RČV accelerated only in 2010, when the EC certified EUR 108 m of claims (ZzP), and in 2011, the absorption of cohesion funds more than doubled, to EUR 235.2 m, which was still only a third of funds allocated for the current programming period (EUR 755.7 m).

The Operational Programme of Environmental and Transport Infrastructure is the worst implemented Operational Programme of the Slovenian cohesion policy in terms of financial allocations for the programming period 2007–2011, although the amount of the absorbed funds was higher than in the OP RČV. The EC certified a total of EUR 275.5 m of claims for reimbursement (ZzP) by the end of 2011, which represents more than a third

of allocations for the 2007–2011 period, and a fifth of allocations for the entire programming period. The most funds were received for road and maritime infrastructure, 71.5% of all available resources for this priority. The least funds were absorbed for improving railway infrastructure, only 4% of the total funding for this priority, which was allocated the highest amount of cohesion funds in the current financial period (EUR 449.5 m). Due to difficulties in the absorption of OP ROPI funds, in 2010, EUR 58.5 m was redistributed from the OP ROPI to the OP RR (the area of competitiveness and research). Some funds have also been redistributed between the development priorities within the OP ROPI and within the same development priority, as well as from projects that cannot realistically be expected to be implemented by the end of 2015 (the construction of the first phase of the second track of the railway line Divača–Koper, the Koper–Črni Kal section) to those on the reserve list that could be completed by the end of the programming period (upgrading railway lines Dolga Gora–Poljčane worth EUR 46.75 m).

According to the EC, Slovenia ranks relatively high among other Member States in terms of cohesion policy funds absorption. In the period since the beginning of 2008 until December 2011, Slovenia was ranked seventh among EU countries in terms of absorption with regard to allocations for the 2008–2011 period (in 2007, all Member States drew on funds from the previous financial perspective), and ninth with regard to allocations for the 2008–2013 period. The high ranking of Slovenia despite its low rate of cohesion funds absorption (30%) shows that the deterioration of the economic situation after 2008 undermined the implementation of the cohesion policy across the entire EU.

Figure 41: Drawing on cohesion funds by EU Member State (as at 1 December 2011)



We estimate that by the end of the extended programming period (2015) Slovenia could absorb most of the cohesion policy funds for the OP RR and OP RČV, but the prospects for the OP ROPI are much worse. Taking into account the current dynamics of cohesion funds absorption, we believe that there is a real possibility that all funds allocated for the OP RR will be absorbed by the end of the extended programming period. As regards the OP RČV, we believe that through better cooperation between the beneficiaries and the relevant ministries and with proper technical assistance, Slovenian beneficiaries could absorb the majority of EU funds despite significant delays in payments. In the case of the OP ROPI, the current problems (liquidity problems of beneficiaries and contractors, difficulties in public procurement and the preparation of project and investment documentation, etc.) slowed down the drawing of funds, so that they are not likely to be successfully absorbed by the end of 2015.

Merchandise exports in 2008–2011

After a substantial decline in 2009, merchandise exports were the main driver of the otherwise modest recovery of Slovenia's economy in the past two years. In the same time, the structure²⁷ of merchandise exports underwent certain changes. After a significant decline in 2009 (by a nominal 19.1%) and more than 10% growth in 2010 and 2011, merchandise exports already exceeded the 2008 average last year. In the three years, the geographic and production structure of merchandise exports underwent important changes, which could partly account for the relatively slower recovery of merchandise exports in Slovenia than in most other EU Member States.

While merchandise exports to the EU recovered relatively rapidly in the past two years, exports to the countries outside the EU still lag significantly behind the average level in 2008. Merchandise exports to the EU dropped by 18.2% in 2009, merchandise exports to non-EU countries by 21.2%. Exports to the former Yugoslav countries, which are Slovenia's main trading partners outside the EU, shrank by 23.6%. In the previous two years, exports to EU countries recovered relatively fast, and among exports to Slovenia's main trading partners in the EU, exports to Germany and Austria exceeded the 2008 average most notably last year. Namely, these two countries saw the fastest rates of economic recovery of all Slovenia's main trading partners, and their average merchandise imports last year were also highest above the average level in 2008. Exports to the former Yugoslav markets are recovering at a much slower pace. In 2011, they were therefore still by an average of 16.5% lower in nominal terms than in 2008. Exports to Croatia, Slovenia's most important trading partner in this group, were 18.8% below the 2008 average last year, also as a result of a significant decline in merchandise imports in this country during the crisis.²⁸

²⁷ As all available data on the structure of exports are nominal, the entire analysis is based on nominal data.

²⁸ Last year, Croatia's merchandise imports were nearly a quarter below the average level in 2008. Among the former Yugoslav countries, merchandise exports to Montenegro and Macedonia otherwise lagged most notably behind the 2008 levels last year (-29.9% and -19.4%, respectively).

Last year, Slovenia therefore had a larger market share in Croatia than in 2007. The slow recovery of merchandise exports to the countries of the former Yugoslavia is, due to their relatively larger share in total exports than in other EU countries, one of important indicators of a slower recovery of total exports in Slovenia in comparison with the majority of other EU Member States. Another reason is insufficient exports to the emerging markets, despite their growth in 2008–2011. In this period the share of merchandise exports to non-European G-20²⁹ countries grew from 3.7% to 5.0%; if we exclude the US, which is our traditional trading partner, their share rose by 1.1 p.p., from 2.3% in 2008 to 3.4% last year.

Figure 42: Merchandise exports to main groups of countries

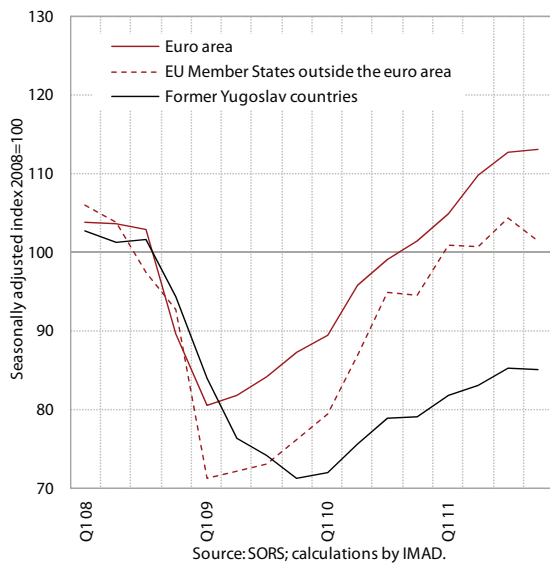
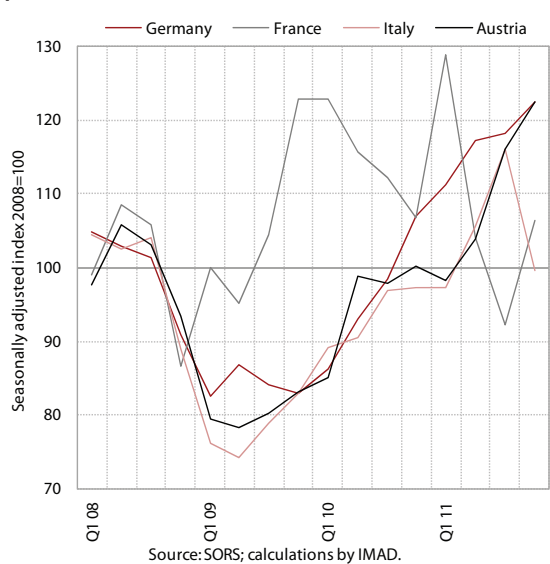


Figure 43: Merchandise exports to the main four trading partners



²⁹ The non-European G-20 countries are Argentina, Australia, Brazil, India, Indonesia, Japan, South Africa, Canada, People's Republic of China, Republic of Korea, Mexico, Kingdom of Saudi Arabia, Turkey, the US.

A breakdown by product groups shows that exports of iron, steel, metals, metal products and road vehicles recorded the greatest fluctuations in the past three years, while in 2011, the average 2008 value was exceeded the most by exports of chemicals and primary commodities.³⁰ Exports of iron, steel, metals and manufactures of metals, which had declined most notably at the beginning of the crisis, also recorded the greatest rebound from the trough reached by most product groups in the first half of 2009. The great fluctuation of these exports was, according to our estimate, largely a consequence of the strong volatility of metal prices on international markets. These otherwise already overshoot the 2008 average last year, but Slovenia's nominal exports of these goods still lag behind,³¹ particularly exports to Croatia and Italy. After the fall at the beginning of the crisis, the movement of road vehicle exports has been hovering around the achieved level since the second half of 2009. During the crisis, it has been impacted particularly by subsidies for the purchase of new vehicles in certain EU Member States. Road vehicle exports to France, which is Slovenia's most important market, declined significantly in 2011 (-14.8%) after two years of growth, which we estimate was largely a consequence of the expiration of incentives for the purchase of new vehicles.³² This decline was offset by the strong growth of vehicle exports to Germany (23.9%), but the total exports of vehicles stagnated last year. These two countries are otherwise Slovenia's most important markets for road vehicle exports, to which Slovenia exported more than half of all vehicles in 2011.³³ Exports of chemicals (with pharmaceutical products accounting for more than half) declined least at the beginning of the crisis, according to our estimate, because demand for these products is less dependent on cyclical movements. Last year, exports of this product group were already as much as 14.1% higher than in 2008, despite a significant contraction of exports to Russia, Slovenia's most important export market for pharmaceuticals before the crisis.³⁴ Last year, the 2008 level was exceeded most notably by exports of primary commodities, by nearly a half. The latter was largely a consequence of higher exports of

³⁰ According to the SITC and according to seasonally adjusted data. For seasonal adjustment, data are classified in seven sections: (0–4) primary commodities, (5) chemicals and related products, (67, 68 in 69) iron and steel, non-ferrous metals, manufactures of metals, n.e.s., (6–67, 68, 69) manufactures classified by material, excluding iron and steel, non-ferrous metals and manufactures of metals, (78) road vehicles, (7–78) machinery and transport equipment, excluding road vehicles, (8 in 9) miscellaneous manufactured articles, and commodities and transactions.

³¹ Largely on account of the significant lag of the manufacture of metal products (C25), which was more than 40% below the 2008 average in 2011.

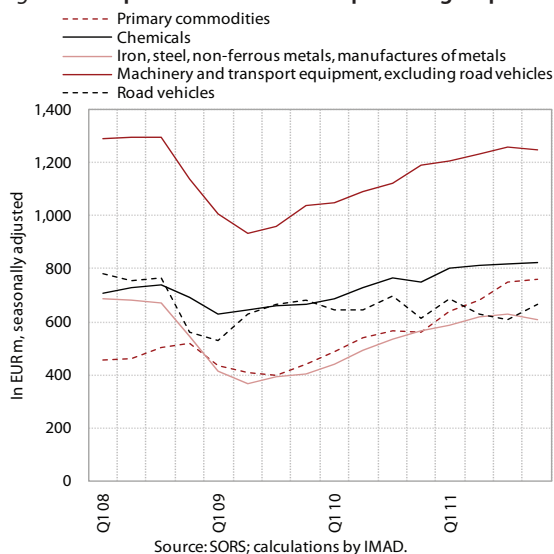
³² With a gradual decline in subsidies, these incentives expired by the end of 2010.

³³ In 2008, these two countries accounted for 43.5% of total road vehicle exports; in 2011, for as much as 55.1%.

³⁴ Exports of pharmaceutical products to Russia, which had accounted for more than a fifth of total exports of these products in 2008, dropped below a tenth by 2011, which could also be a consequence of our pharmaceutical companies moving production to their subsidiaries in that country. Similar goes for Poland, which became the main market for these products last year, despite the decline in pharmaceutical exports during the crisis. In contrast, pharmaceutical exports to Germany, which is also becoming an increasingly important market for these products, expanded significantly in 2008–2011.

crude oil, petroleum products and electric current³⁵ in 2010–2011, and higher exports of metalliferous ores and metal scrap in 2010. Exports of the largest group of products in total merchandise exports, *machinery and transport equipment, excluding road vehicles*,³⁶ still lagged slightly behind the 2008 average last year. Their share in total merchandise exports, consequently, also dropped, but it still accounted for almost one quarter last year. The bulk of this group's exports are exports of electrical machinery, apparatus and appliances, and exports of general industrial machinery and equipment to Germany. Exports of *manufactured goods classified by material*³⁷ exceeded the 2008 average in 2011, largely as a result of increased exports of the main product groups, i.e. rubber manufactures, paper, paperboard and articles of paper pulp, and textile yarn and fabrics, made-up articles and related products. In addition to road vehicle exports, exports of *miscellaneous manufactured articles*,³⁸ which belong in the group of products with a low level of technology and labour intensity and the lowest value added per employee, still lagged most behind the 2008 level last year.

Figure 44: Exports of selected SITC product groups



The share of manufacturing activities in total merchandise exports declined in 2008–2011 despite the increase in the value of their exports, as the values of exports of electric current and crude oil and petroleum products (and thus also their shares)³⁹ increased much more.³⁹ The value of

³⁵ In both cases, this was a result of re-export activity, i.e. exports of previously imported goods. Namely, Slovenia has no own production of crude oil and petroleum products, while trading in electricity increased significantly in the past three years. For more on this see the next paragraph.

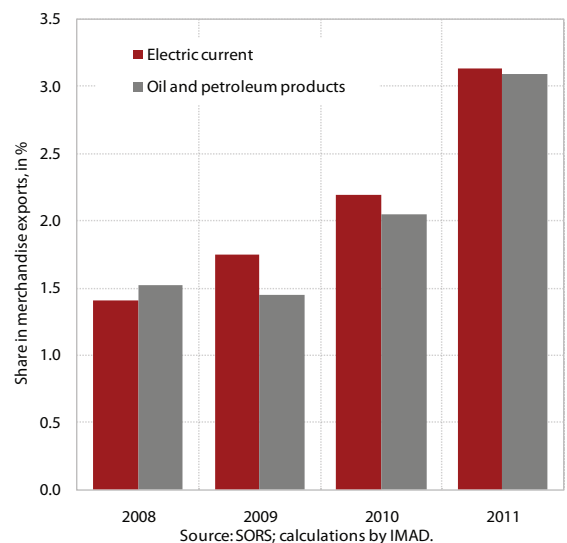
³⁶ Products according to SITC sections 71–79, excluding 78 (road vehicles).

³⁷ Products according to SITC sections 61–66.

³⁸ Products according to SITC sections 8 and 9, with various miscellaneous manufactured articles (89), furniture and parts thereof (82), and scientific and controlling instruments (87) representing for the largest shares. These three divisions combined accounted for 71.6% of the total exports of these two sections.

exports of manufacturing activities otherwise increased by 0.4%, but their share in merchandise exports declined from 93.9% in 2008 to 89.6% in 2011,⁴⁰ largely as a result of higher growth in exports of electric current and petroleum products. External trade in electric current expanded particularly in 2010 and 2011. As the value of electric current imports grew much less than the value of exports, the share of electric current in total exports rose much more (from 1.4% to 3.1%) than its share in imports (from 1.1% to 2.2%). Slovenia has thus recorded a surplus in electric current trade since 2009, last year in the amount of EUR 163.4 m. Amid an increase in the value of electric current exports to all main markets, the structure of exports by countries has also changed significantly in this period. While in 2008 nearly half of Slovenia's total electric current exports still went to Italy, this share dropped to 28% last year. The shares of exports to Croatia, Germany and Austria have remained almost unchanged, but last year nearly a tenth of total electric current exports went to Cyprus, which, together with higher shares of exports to all other countries (from 3% in 2008 to 13% in 2011), indicates a considerable strengthening of electric current trade in recent years. External trade in oil and petroleum products has picked up as well, as its share in merchandise exports doubled in the period from 2008 to 2011 (from 1.5% to 3.1%), which, with minor changes on the import side, indicates stronger re-export activity. Broken down by geographical area, nearly half of the total increase in the value of oil and petroleum product exports between 2008 and 2011 results from higher exports to Austria, while exports to Italy and Croatia also grew more visibly in the two years.

Figure 45: Share of exports of electric current and oil and petroleum products in total merchandise exports according to SITC



³⁹ The data in this paragraph are a combination of data according to the SITC and SKD2008 (Standard Classification of Activities), as data on exports of electric current and oil and petroleum products are almost identical according to both classifications.

⁴⁰ As Slovenia has no own production of coke and refined petroleum products (C19), it is not taken into the account in manufacturing sector exports.

statistical appendix

MAIN INDICATORS	2007	2008	2009	2010	2011	2012	2013	2014
						Spring forecast 2012		
GDP (real growth rates, in %)	6.9	3.6	-8.0	1.4	-0.2	-0.9	1.2	2.2
GDP in EUR million (current prices and current exchange rate)	34,562	37,280	35,311	35,416	35,639	35,641	36,589	38,059
GDP per capita, in EUR (current prices and current exchange rate)	17,120	18,437	17,295	17,286	17,364	17,428	17,860	18,551
GDP per capita (PPS) ¹	22,100	22,700	20,500	20,700				
GDP per capita (PPS EU27=100) ¹	88	91	87	85				
Gross national income (current prices and current fixed exchange rate)	33,828	36,232	34,593	34,894	35,050	34,841	35,774	37,222
Gross national disposable income (current prices and current fixed exchange rate)	33,601	35,871	34,344	34,940	35,165	34,884	35,860	37,236
Rate of registered unemployment	7.7	6.7	9.1	10.7	11.8	12.9	13.5	13.3
Standardised rate of unemployment (ILO)	4.9	4.4	5.9	7.3	8.1	8.8	9.3	9.1
Labour productivity (GDP per employee)	3.4	1.0	-6.3	4.0	1.6	1.4	2.4	2.5
Inflation, ² year average	3.6	5.7	0.9	1.8	1.8	2.0	1.8	1.9
Inflation, ² end of the year	5.6	2.1	1.8	1.9	2.0	2	1.9	2.0
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (real growth rates, in %)	13.7	2.9	-17.2	9.5	6.8	1.4	5.4	6.1
Exports of goods	13.9	0.5	-18.1	11.0	7.7	1.3	5.8	6.5
Exports of services	13.2	14.3	-13.7	4.1	3.6	1.7	3.7	4.3
Imports of goods and services ³ (real growth rates, in %)	16.7	3.7	-19.6	7.2	4.7	-1.6	4.9	5.5
Imports of goods	16.2	3.0	-20.8	8.0	5.7	-2.0	5.0	5.6
Imports of services	19.7	8.2	-12.0	2.6	-1.4	0.7	4.3	4.6
Current account balance, in EUR million	-1646	-2574	-456	-297	-168	226	423	588
As a per cent share relative to GDP	-4.8	-6.9	-1.3	-0.8	-0.5	0.6	1.2	1.5
Gross external debt, in EUR million	34,783	39,234	40,294	40,699	41,444	42,209 ⁵		
As a per cent share relative to GDP	100.6	105.2	114.1	114.9	116.3			
Ratio of USD to EUR	1.371	1.471	1.393	1.327	1.392	1.320	1.322	1.322
DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS								
Private consumption (real growth rates, in %)	6.1	3.7	-0.1	-0.7	-0.3	-1.2	0.2	1.5
As a % of GDP ⁴	52.4	53.2	55.8	56.0	56.8	57.1	56.6	56.2
Government consumption (real growth rates, in %)	0.6	6.1	2.9	1.5	-0.9	-3.5	-0.7	0.3
As a % of GDP ⁴	17.3	18.1	20.3	20.8	20.6	19.8	19.3	19.0
Gross fixed capital formation (real growth rates, in %)	13.3	7.8	-23.3	-8.3	-10.7	-1.5	4.0	3.0
As a % of GDP ⁴	27.8	28.8	23.4	21.6	19.5	19.4	20.0	20.3
Sources of data: SORS, BS, Eurostat, calculations and forecasts by IMAD (Spring Forecast, March 2012). Notes: ¹ Measured in purchasing power standard. ² Consumer price index. ³ Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets. ⁴ Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64). ⁵ End February 2012.								

PRODUCTION	2009	2010	2011	2009	2010				2011				2010				
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2	3	4	5	6
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																	
Industry B+C+D	-17.4	6.2	1.3	-7.1	-0.4	10.7	7.2	7.4	7.8	2.8	-0.9	-3.8	-1.6	8.1	8.5	14.1	9.6
B Mining and quarrying	-2.9	11.0	-7.5	4.8	-7.2	11.9	23.7	15.7	-5.5	-8.4	-8.4	-7.2	-16.5	0.2	9.4	19.0	7.4
C Manufacturing	-18.7	6.6	1.1	-7.9	-0.1	12.0	7.3	7.1	8.2	2.9	-1.3	-4.6	-1.3	9.0	9.7	15.2	11.0
D Electricity, gas & steam supply ¹	-6.6	1.8	5.0	-5.5	-2.8	-0.5	3.6	7.0	6.9	3.8	5.1	4.0	-2.0	1.9	-2.1	3.1	-2.3
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																	
Construction, total	-21.0	-17.0	-25.6	-20.5	-18.9	-16.8	-16.4	-16.2	-25.3	-31.1	-25.4	-20.1	-24.2	-19.8	-17.9	-15.5	-17.2
Buildings	-22.5	-14.0	-39.7	-19.6	-7.4	-12.4	-16.5	-19.2	-41.5	-46.5	-34.3	-35.9	-10.2	-5.5	-13.7	-7.5	-15.8
Civil engineering	-19.9	-19.0	-15.3	-21.1	-29.3	-19.6	-16.2	-14.1	-6.3	-20.7	-20.0	-10.0	-38.5	-30.8	-20.6	-20.3	-18.0
TRANSPORT, tonne-km in m, y-o-y growth rates, %																	
Tonne-km in road transport	-9.2	7.9	3.2	-4.7	19.8	10.7	9.5	-6.3	-3.2	1.5	3.6	11.7	-	-	-	-	-
Tonne-km in rail transport	-24.2	28.2	9.7	-15.9	18.8	33.9	32.2	28.2	23.3	10.8	8.5	-1.6	-	-	-	-	-
Distributive trades, y-o-y growth rates, %																	
Total real turnover*	-13.0	3.6	3.1	-10.0	-1.4	4.9	4.7	5.8	7.5	3.6	2.9	-0.5	-3.6	4.2	3.1	4.2	7.3
Real turnover in retail trade	-10.6	-0.1	1.4	-11.1	-4.7	0.3	2.0	1.8	3.4	0.4	2.2	0.3	-5.2	-0.5	-1.7	-1.0	3.6
Real turnover in the sale and maintenance of motor vehicles	-21.7	12.1	6.6	-8.1	6.3	15.4	11.8	15.0	15.8	9.9	4.4	-1.9	-0.4	14.1	14.5	16.0	15.6
Nominal turnover in wholesale trade & commission trade	-21.4	1.4	5.8	-18.1	-7.9	4.0	5.5	3.7	12.2	3.8	4.5	3.6	-13.1	-0.9	-3.4	5.0	10.8
TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards																	
Total, overnight stays	-3.4	-1.5	5.3	-5.3	-0.4	-2.4	-2.2	0.4	3.1	6.6	6.6	3.1	-2.7	0.1	-1.7	-3.0	-2.5
Domestic tourists, overnight stays	2.8	-4.2	0.5	-4.0	1.3	-3.0	-9.6	-0.3	0.1	0.4	0.8	0.4	-0.7	1.1	2.1	-7.2	-3.3
Foreign tourists, overnight stays	-8.0	0.7	9.1	-6.4	-2.1	-2.0	3.2	1.0	6.5	11.3	10.2	5.5	-5.2	-1.0	-4.6	-0.1	-1.8
Nominal turnover market services (without distributive trades)	-7.8	2.8	3.7	-11.0	0.0	1.5	4.2	5.4	5.7	4.7	4.8	-0.4	-1.5	1.1	-1.4	2.3	3.6
AGRICULTURE, y-o-y growth rates, %																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	449.3	454.5	479.8	129.0	94.6	106.7	115.6	137.5	100.4	113.3	125.7	139.5	28.6	36.4	35.5	36.0	35.1
BUSSINES TENDENCY (indicator values**)																	
Sentiment indicator	-23	-9	-7	-13	-12	-9	-6	-8	-7	-4	-6	-10	-11	-15	-12	-9	-6
Confidence indicator																	
- in manufacturing	-23	-1	0	-12	-7	-1	3	0	3	4	-1	-7	-8	-6	-2	-1	1
- in construction	-50	-57	-46	-51	-58	-60	-56	-53	-52	-46	-44	-43	-56	-62	-62	-58	-59
- in services	-13	-3	1	-1	-1	-5	-2	-3	1	4	3	-4	3	-12	-9	-4	-3
- in retail trade	-12	7	8	-8	-2	7	11	10	7	12	0	12	-2	-3	2	2	17
Consumer confidence indicator	-30	-25	-25	-25	-25	-22	-27	-26	-27	-25	-25	-24	-23	-26	-24	-22	-21
Source of data: SORS. Notes: ¹ Only companies with activity of electricity supply are included. ² The survey covers all larger construction enterprises and some other enterprises that perform construction work. *Total real turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels. **Seasonally adjusted data.																	

2010						2011												2012			
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
6.3	12.4	4.0	4.8	4.3	13.8	12.8	5.7	5.5	2.5	3.6	2.4	-1.9	-2.9	1.6	-2.9	-0.3	-8.5	1.5	4.7	-	-
15.9	37.4	19.2	20.7	-2.5	39.7	-6.3	-1.1	-8.3	-4.2	-21.2	1.5	-7.4	-16.3	-1.1	-5.5	-1.7	-15.4	9.2	-7.1	-	-
7.4	13.1	3.0	4.8	5.0	12.4	13.7	5.8	5.9	2.3	4.1	2.3	-2.4	-4.0	1.8	-3.7	-1.6	-8.8	1.3	3.5	-	-
-3.6	1.2	13.6	2.2	0.6	17.4	11.0	6.3	3.6	5.7	3.2	2.4	4.4	11.8	-0.4	4.7	13.1	-4.0	2.0	17.1	-	-
-17.4	-13.0	-18.7	-18.0	-17.5	-12.2	-20.9	-23.6	-29.7	-27.0	-29.3	-36.2	-27.0	-31.2	-17.5	-25.4	-9.6	-24.6	-23.1	-27.5	-	-
-11.2	-17.8	-20.3	-17.4	-28.1	-12.4	-25.9	-41.2	-53.1	-37.9	-48.0	-52.8	-36.0	-36.7	-30.0	-33.3	-28.6	-44.5	-30.9	-29.6	-	-
-21.0	-10.0	-17.6	-18.3	-10.3	-12.1	-15.4	2.7	-5.2	-19.0	-16.6	-25.9	-21.2	-28.0	-9.7	-21.0	0.7	-7.0	-15.8	-25.7	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.4	5.0	6.8	4.2	9.0	4.1	8.7	9.8	3.9	3.4	6.0	1.4	0.0	6.3	2.4	0.7	-0.4	-1.8	2.7	1.2	-	-
1.8	1.0	3.1	1.3	3.6	0.4	4.0	5.5	0.6	0.3	1.8	-0.9	-1.1	5.6	2.1	0.5	1.4	-1.1	4.2	3.9	-	-
3.8	16.2	15.3	10.7	20.2	14.1	19.2	18.3	9.8	9.8	14.0	5.9	2.2	8.0	3.0	1.3	-3.6	-3.5	-0.1	-3.7	-	-
3.1	7.9	5.6	1.1	4.8	5.3	11.2	15.4	10.4	4.2	6.2	1.1	-0.3	8.5	5.7	5.8	5.8	-0.7	8.5	3.8	-	-
-1.7	-3.6	-0.3	2.5	-0.8	-1.2	4.9	-1.9	6.7	13.6	-4.2	10.6	4.1	7.0	9.8	1.9	7.0	1.2	0.2	-0.3	-	-
-9.0	-11.1	-7.9	-3.0	-0.5	3.2	0.1	-2.0	2.7	9.3	-3.0	-3.4	-3.7	2.1	7.3	-2.9	8.6	-3.3	-0.3	-3.3	-	-
4.3	1.6	4.4	7.0	-1.1	-5.4	8.6	-1.7	11.0	17.2	-5.0	21.6	9.7	10.0	11.2	5.5	5.2	5.8	0.6	4.5	-	-
5.6	4.8	2.2	6.8	4.5	4.9	7.2	4.9	5.2	7.0	0.5	6.8	2.1	4.7	7.5	-1.5	0.4	-0.1	2.5	-2.0	-	-
37.4	36.2	42.1	45.7	44.1	47.7	32.9	30.5	36.9	36.9	39.6	36.8	42.2	39.8	43.7	48.9	44.0	46.7	34.3	35.1	-	-
-5	-7	-7	-7	-8	-9	-7	-7	-6	-4	-3	-5	-5	-7	-6	-10	-10	-11	-12	-12	-12	-16
6	1	1	3	-1	-1	3	4	3	6	4	1	1	-2	-2	-8	-7	-5	-3	-5	-8	-9
-60	-56	-51	-50	-54	-56	-55	-50	-51	-49	-44	-45	-46	-42	-43	-43	-46	-41	-42	-39	-40	-45
-1	-2	-2	-5	-2	-1	1	-1	4	5	3	3	3	5	2	-1	-3	-9	-10	-8	-4	-7
11	13	10	12	8	11	7	12	1	10	14	12	-1	-11	13	12	14	11	8	9	9	11
-27	-27	-27	-26	-24	-27	-26	-28	-26	-27	-24	-23	-24	-27	-23	-26	-26	-20	-26	-26	-26	-39

LABOUR MARKET	2009	2010	2011	2009	2010				2011				2010		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	3	4	5
FORMAL LABOUR FORCE (A=B+E)	944.5	935.5	934.7	943.9	935.8	937.8	933.8	934.8	936.8	937.5	931.1	933.3	935.8	938.6	937.3
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	858.2	835.0	824.0	848.4	836.3	839.2	835.4	829.3	821.9	828.4	823.9	821.7	836.9	839.3	838.9
In agriculture, forestry, fishing	37.9	33.4	38.8	37.8	31.9	34.6	34.0	33.3	38.0	40.1	38.8	38.0	31.9	34.6	34.6
In industry, construction	306.9	287.3	272.9	296.8	290.9	289.2	287.0	281.9	273.7	274.2	272.7	271.0	290.7	289.9	289.2
Of which: in manufacturing	199.8	188.6	184.8	191.7	190.0	189.4	188.1	186.8	184.1	184.7	184.4	186.2	190.0	189.7	189.4
in construction	86.8	78.5	67.8	84.8	80.9	79.6	78.6	75.0	69.7	69.3	67.9	64.4	80.5	80.1	79.5
In services	513.4	514.3	512.3	513.7	513.5	515.3	514.3	514.1	510.2	514.1	512.4	512.7	514.4	514.7	515.1
Of which: in public administration	51.5	52.0	51.4	51.6	51.8	52.3	52.1	51.8	51.2	51.5	51.4	51.3	52.0	52.3	52.3
in education, health-services, social work	113.8	116.7	118.8	114.7	115.9	116.8	116.3	118.0	117.8	118.8	118.5	120.1	116.4	116.7	116.8
FORMALLY EMPLOYED (C)¹	767.4	747.2	729.1	756.1	750.1	751.0	747.0	740.6	728.1	731.9	728.9	727.4	750.9	750.9	750.8
In enterprises and organisations	699.4	685.7	671.8	690.5	687.2	688.7	685.7	681.3	671.4	673.9	671.3	670.7	688.3	688.5	688.6
By those self-employed	67.9	61.5	57.2	65.7	62.9	62.3	61.4	59.3	56.7	58.0	57.6	56.6	62.7	62.4	62.2
SELF-EMPLOYED AND FARMERS (D)	90.8	87.8	94.9	92.2	86.2	88.1	88.3	88.7	93.8	96.5	95.0	94.4	86.0	88.4	88.0
REGISTERED UNEMPLOYMENT (E)	86.4	100.5	110.7	95.6	99.4	98.6	98.4	105.5	114.9	109.1	107.2	111.6	98.9	99.3	98.4
Female	42.4	47.9	52.1	46.4	47.0	46.8	47.8	50.2	52.9	50.9	51.1	53.3	46.6	47.0	46.7
By age: under 26	13.3	13.9	12.9	15.2	14.7	13.5	12.4	15.1	14.5	12.6	11.3	13.4	14.3	14.1	13.4
aged over 50	26.2	31.4	39.0	28.3	29.6	30.3	31.1	34.5	40.1	39.1	38.7	38.2	29.7	30.1	30.3
Unskilled	34.1	37.5	39.5	36.6	38.2	37.1	36.6	38.2	41.6	39.2	38.1	39.3	37.9	37.6	37.1
For more than 1 year	31.5	42.8	50.2	33.4	38.1	41.8	44.0	47.2	48.7	48.6	49.6	53.8	39.4	40.6	41.8
Those receiving benefits	27.4	30.0	36.3	30.8	31.6	29.3	29.3	29.7	39.7	36.4	34.9	34.4	30.9	29.9	29.2
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	9.1	10.7	11.8	10.1	10.6	10.5	10.5	11.3	12.3	12.2	11.5	12.0	10.6	10.6	10.5
Male	8.3	10.1	11.4	9.3	10.1	9.9	9.7	10.7	12.0	11.9	10.9	11.3	10.0	10.0	9.9
Female	10.2	11.6	12.4	11.1	11.3	11.3	11.5	12.1	12.6	12.5	12.3	12.7	11.2	11.3	11.2
FLOWS OF FORMAL LABOUR FORCE	30.4	13.3	2.7	8.3	2.2	-0.7	-0.3	12.1	3.9	-6.9	0.0	5.7	-0.9	0.4	-0.9
New unemployed first-job seekers	17.0	16.8	14.4	8.1	2.9	2.4	2.8	8.7	3.2	2.0	2.7	6.5	1.0	0.9	0.7
Redundancies	90.5	83.5	82.2	23.2	19.9	16.6	18.5	28.6	24.4	16.8	18.7	22.3	5.8	5.7	5.5
Registered unemployed who found employment	48.6	57.0	61.0	13.1	14.2	12.8	15.5	14.5	17.5	17.2	13.4	12.9	5.1	3.9	4.7
Other outflows from unemployment (net)	28.5	29.9	32.8	9.9	6.3	6.9	6.0	10.7	6.2	8.5	8.0	10.2	2.6	2.4	2.4
REGISTERED VACANCIES²	161.3	174.6	194.5	39.0	37.9	44.3	45.9	46.5	45.5	52.9	52.3	43.8	13.5	14.5	13.7
For a fixed term, in %	78.1	80.7	81.7	78.6	78.9	81.2	82.2	80.0	81.5	81.0	82.8	81.4	79.7	82.2	81.8
WORK PERMITS FOR FOREIGNERS	54.9	41.6	35.6	47.3	44.1	42.1	40.7	39.4	38.0	35.5	34.7	34.3	43.3	42.9	42.1
As % of labour force	5.8	4.4	3.8	5.0	4.7	4.5	4.4	4.2	4.1	3.8	3.7	3.7	4.6	4.6	4.5
NEW JOBS	111.4	104.1	118.3	28.3	23.6	25.1	27.9	27.5	27.3	27.3	26.3	37.4	7.7	8.9	7.8

Sources of data: SORS, PDII, ESS. Notes: ¹In 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. ²Estimated by IMAD, based on data by PDII and ESS; ³According to ESS.

2010						2011												2012		
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
937.5	934.3	933.0	934.1	938.2	937.2	929.0	936.0	937.3	937.1	938.4	937.7	936.3	931.7	930.0	931.5	935.3	934.5	930.1	927.5	927.1
839.3	835.9	834.0	836.2	835.5	833.4	819.0	820.9	821.7	823.1	826.9	829.0	829.2	824.2	823.0	824.5	824.4	823.4	817.3	811.6	812.0
34.7	34.1	34.0	34.0	33.3	33.3	33.1	38.0	38.0	38.1	40.1	40.1	40.1	38.9	38.8	38.8	38.1	38.1	37.9	35.2	35.1
288.6	287.9	286.5	286.6	285.8	283.9	276.0	274.4	273.6	273.1	273.5	274.7	274.4	272.6	272.8	272.7	273.5	272.1	267.4	265.4	264.7
189.0	188.5	187.7	188.1	188.4	187.9	184.1	183.9	184.3	184.3	184.3	185.1	184.6	183.8	184.0	185.2	186.8	186.6	185.1	184.6	184.6
79.3	79.1	78.6	78.2	77.1	75.8	72.1	70.7	69.5	68.9	69.1	69.4	69.4	68.4	68.4	67.0	66.2	65.0	62.1	60.7	59.9
516.1	514.0	513.4	515.7	516.4	516.1	509.9	508.5	510.1	511.9	513.3	514.3	514.7	512.7	511.4	513.1	512.8	513.2	512.0	510.9	512.2
52.4	52.2	52.1	52.1	52.0	52.0	51.5	51.2	51.2	51.2	51.5	51.6	51.6	51.4	51.5	51.2	51.3	51.4	51.2	50.8	50.9
116.9	115.8	115.6	117.5	117.9	118.5	117.7	117.3	117.8	118.3	118.6	118.9	119.0	118.2	118.1	119.3	119.8	120.2	120.3	119.9	120.8
751.3	748.1	745.7	747.3	746.8	744.6	730.5	727.3	727.8	729.0	730.5	732.5	732.6	729.0	728.1	729.7	730.1	729.0	723.0	719.6	720.3
689.1	686.3	684.4	686.4	686.2	684.8	673.0	670.7	671.3	672.1	672.9	674.3	674.4	671.1	670.5	672.2	672.7	671.9	667.6	665.2	666.1
62.1	61.8	61.3	61.0	60.5	59.8	57.6	56.6	56.6	56.9	57.6	58.2	58.2	57.9	57.5	57.4	57.4	57.0	55.5	54.5	54.2
88.1	87.8	88.3	88.9	88.8	88.8	88.5	93.5	93.8	94.1	96.4	96.5	96.6	95.1	95.0	94.8	94.3	94.5	94.3	91.9	91.8
98.2	98.4	99.0	97.9	102.7	103.8	110.0	115.1	115.6	113.9	111.6	108.6	107.1	107.6	107.0	107.0	110.9	111.1	112.8	116.0	115.0
46.8	47.5	48.1	47.7	49.8	49.5	51.2	53.2	53.2	52.4	51.8	50.7	50.2	50.9	51.0	51.3	53.5	53.4	53.2	54.2	53.4
13.0	12.6	12.5	12.2	15.7	15.1	14.4	14.7	14.7	14.1	13.4	12.5	11.9	11.5	11.1	11.2	13.6	13.5	13.2	13.2	12.9
30.5	30.9	31.1	31.3	31.7	33.0	38.9	40.2	40.2	39.9	39.4	39.1	38.8	38.9	38.8	38.4	38.2	37.9	38.4	39.6	39.4
36.7	36.4	36.6	36.7	37.2	37.5	39.9	41.6	41.9	41.2	40.1	39.1	38.4	38.1	37.9	38.3	38.7	39.0	40.1	41.4	41.6
42.9	43.2	44.1	44.6	46.7	47.5	47.4	48.6	49.0	48.7	48.8	48.6	48.5	48.8	49.6	50.4	51.8	52.9	56.7	58.0	57.3
28.9	29.0	29.4	29.4	28.2	29.7	31.2	39.2	40.2	39.8	37.5	36.4	35.3	35.2	35.1	34.4	33.9	33.7	35.5	38.5	N/A
10.5	10.5	10.6	10.5	10.9	11.1	11.8	12.3	12.3	12.2	11.9	11.6	11.4	11.5	11.5	11.5	11.9	11.9	12.1	12.5	12.4
9.8	9.8	9.8	9.7	10.1	10.4	11.4	12.0	12.0	11.9	11.5	11.2	11.0	11.0	10.9	10.8	11.1	11.2	11.6	12.1	12.1
11.3	11.5	11.6	11.5	12.0	11.9	12.4	12.7	12.7	12.5	12.3	12.1	12.0	12.2	12.3	12.3	12.7	12.7	12.7	13.0	12.8
-0.2	0.2	0.6	-1.1	4.8	1.1	6.2	5.1	0.5	-1.7	-2.4	-2.9	-1.6	0.5	-0.6	0.1	3.9	0.2	1.7	3.2	-0.9
0.8	0.7	0.8	1.4	6.3	1.4	0.9	1.3	1.0	0.9	0.7	0.7	0.7	0.6	0.7	1.4	4.4	1.3	0.8	0.8	0.7
5.4	6.1	5.7	6.7	7.1	8.2	13.2	11.8	6.0	6.6	5.4	5.6	5.7	6.4	5.7	6.6	6.9	7.1	8.2	10.6	6.1
4.2	4.8	4.0	6.8	4.8	4.9	4.7	5.8	4.9	6.8	6.0	6.3	4.9	4.0	4.1	5.4	4.4	4.5	4.0	5.0	5.2
2.1	1.8	1.8	2.4	3.8	3.6	3.3	2.2	1.6	2.4	2.5	3.0	3.0	2.6	2.9	2.5	3.1	3.8	3.3	3.3	2.6
16.1	15.2	14.9	15.8	17.4	14.7	14.3	15.2	14.3	16.0	15.7	17.8	19.3	15.5	17.2	19.5	15.8	14.3	13.6	15.6	13.1
79.8	81.1	83.0	82.6	81.4	80.4	78.1	80.9	81.7	81.8	81.5	82.1	79.3	80.9	83.5	83.9	84.0	81.6	78.5	80.3	82.7
41.4	40.7	40.8	40.7	40.2	39.4	38.5	38.3	38.1	37.7	37.4	34.6	34.5	34.5	34.7	34.9	34.5	34.3	34.2	34.2	N/A
4.4	4.4	4.4	4.4	4.3	4.2	4.1	4.1	4.1	4.0	4.0	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	N/A
8.4	8.2	6.6	13.0	10.9	8.8	7.8	10.0	7.6	9.6	9.4	9.2	8.7	7.6	6.5	12.3	11.9	12.6	12.8	11.8	8.4

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2009	2010	2011	2009	2010				2011				2010		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	4	5	6
GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %															
Activity - Total	3.4	3.9	2.0	1.7	3.7	4.3	4.2	3.3	3.1	2.0	1.7	1.1	4.2	4.2	4.4
A Agriculture, forestry and fishing	-0.2	5.8	3.1	-2.9	3.3	5.2	7.4	6.9	7.1	4.2	1.1	0.4	5.6	4.3	5.6
B Mining and quarrying	0.9	4.0	3.8	-4.9	3.4	4.7	1.9	6.0	3.6	0.3	5.8	5.9	1.4	14.0	-0.8
C Manufacturing	0.8	9.0	3.9	3.7	10.1	10.0	8.7	6.8	5.4	3.6	3.5	3.1	10.7	10.1	9.4
D Electricity, gas, steam and air conditioning supply	3.8	3.7	2.3	-3.2	4.7	2.4	3.6	4.4	1.6	5.2	3.5	-0.5	3.3	0.8	3.0
E Water supply sewerage, waste management and remediation activities	2.0	2.2	-0.1	0.1	2.7	3.0	2.0	1.3	-0.1	1.5	1.1	-2.7	3.5	3.6	2.0
F Construction	1.0	4.4	2.0	0.9	2.9	5.8	4.1	5.2	5.5	1.5	0.3	0.5	7.2	5.8	4.5
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.9	3.7	2.8	0.1	2.6	4.1	4.3	3.9	3.2	2.6	2.3	3.0	4.2	4.0	4.1
H Transportation and storage	0.7	2.0	2.7	-1.4	1.1	1.2	2.5	3.1	2.3	3.0	3.9	1.6	1.5	1.6	0.5
I Accommodation and food service activities	1.6	4.0	2.1	1.0	2.8	4.2	4.5	4.5	4.7	2.4	2.0	-0.6	3.7	4.2	4.6
J Information and communication	1.4	2.6	0.9	-1.6	1.0	2.5	3.4	3.5	1.0	1.2	1.8	-0.2	2.3	3.1	2.1
K Financial and insurance activities	-0.7	1.0	0.6	-0.5	1.2	3.2	2.6	-2.6	2.3	2.4	0.8	-2.4	2.5	-0.6	7.6
L Real estate activities	1.9	3.0	2.9	4.5	2.6	5.3	2.9	1.0	4.1	2.9	3.4	1.6	3.7	3.9	8.4
M Professional, scientific and technical activities	2.1	1.6	-0.4	0.0	1.6	1.8	2.3	0.7	0.4	0.2	-0.6	-1.6	1.8	1.5	2.1
N Administrative and support service activities	1.8	4.1	3.5	-0.6	2.5	4.3	4.6	4.8	4.3	3.2	3.9	2.7	5.1	4.1	3.9
O Public administration and defence, compulsory social security	5.9	-0.6	0.3	0.5	-1.9	-1.1	0.4	0.3	1.2	0.6	-0.1	-0.4	-2.1	-0.6	-0.5
P Education	3.6	0.6	0.2	0.6	0.2	0.7	1.0	0.6	0.7	-0.1	-0.3	0.4	0.2	1.0	1.0
Q Human health and social work activities	12.0	-0.3	-0.7	1.4	-0.4	-1.0	0.3	-0.3	-0.9	-0.8	-0.5	-0.5	-2.3	-0.2	-0.4
R Arts, entertainment and recreation	3.9	0.5	-0.7	0.9	0.7	1.4	1.2	-1.2	-0.2	-1.2	-1.0	-0.3	2.1	1.3	0.7
S Other service activities	1.3	4.2	0.9	0.0	3.2	4.9	5.5	3.3	2.7	1.5	0.6	-1.1	6.1	3.9	4.7
INDICATORS OF OVERALL COMPETITIVENESS¹, y-o-y growth rates, %															
Effective exchange rate, ² nominal	1.1	-2.1	-0.1	1.8	-1.1	-2.4	-2.5	-2.4	-1.3	0.6	0.4	0.1	-1.8	-2.3	-3.1
Real (deflator HICP)	1.3	-1.8	-1.0	2.3	-0.9	-1.8	-2.0	-2.7	-1.8	-0.5	-1.2	-0.5	-1.0	-1.8	-2.6
Real (deflator ULC)	6.5	-1.7	-1.3	5.6	-0.4	-1.6	-1.8	-2.9	-2.2	-1.0	-1.2	-0.7			
USD/EUR	1.3933	1.3268	1.3917	1.4781	1.3842	1.2727	1.2910	1.3593	1.3669	1.4393	1.4126	1.3480	1.3406	1.2565	1.2209
Sources of data: SORS, AP, BS, ECB, OECD Main Economic Indicators; calculations by IMAD. Notes: ¹ Change in the source for effective exchange rate series as of April 2012; the new source ECB, before that own calculations (IMAD). ² Harmonised effective exchange rate - 20 group of trading partners and 17 Euro area countries; a rise in the value indicates appreciation of national currency and vice versa.															

2010						2011												2012	
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
4.0	5.1	3.6	2.7	4.1	3.1	3.3	4.3	1.7	1.4	2.8	2.0	1.3	2.5	1.4	1.5	1.1	0.8	2.2	2.0
7.1	8.6	6.6	5.6	5.9	9.3	7.7	8.0	5.7	2.5	6.8	3.4	-1.5	3.8	1.1	0.2	4.1	-3.5	2.1	0.3
0.8	1.8	3.1	-0.4	0.8	18.6	3.4	0.4	6.8	9.0	-5.8	-1.4	6.4	4.3	6.6	9.7	2.2	6.8	10.0	11.9
8.1	11.0	7.0	5.1	8.3	6.8	5.6	10.1	1.0	1.9	5.2	3.8	1.8	5.2	3.4	2.8	4.6	1.8	4.5	3.8
1.6	6.5	2.7	-3.4	13.0	1.6	-0.2	1.2	3.7	1.6	7.2	6.8	3.6	4.7	2.2	3.7	-8.1	5.6	5.5	8.0
1.6	2.9	1.5	-1.2	3.3	1.5	-0.2	0.1	-0.2	-1.1	3.4	2.3	-1.2	3.3	1.1	2.2	-7.5	-1.3	3.1	2.8
2.1	6.5	3.8	5.6	5.6	4.4	6.1	6.4	4.2	-0.5	1.6	3.4	-0.9	0.9	0.8	-0.5	2.3	-0.5	1.1	1.4
4.0	4.5	4.3	4.2	4.5	2.9	3.8	4.3	1.5	2.2	2.4	3.3	2.0	3.2	1.7	2.4	4.3	2.4	3.3	2.2
1.8	3.4	2.3	2.6	4.0	2.7	2.7	3.4	0.8	1.5	2.0	5.4	9.6	4.0	-1.5	3.5	0.8	0.8	3.7	0.8
4.0	4.1	5.5	5.1	4.1	4.3	5.1	5.6	3.5	2.8	1.7	2.6	1.3	3.3	1.6	0.6	-1.9	-0.3	0.2	0.4
2.9	4.3	3.1	1.1	5.9	3.3	2.1	1.4	-0.6	1.2	1.7	0.5	-0.3	2.5	3.1	1.2	-0.4	-1.3	0.1	0.2
5.0	1.2	1.5	-4.1	-4.6	1.4	5.2	1.6	0.3	2.6	9.0	-4.0	-1.7	3.2	0.9	-0.6	-6.2	0.5	1.5	8.4
4.1	3.1	1.5	0.8	2.3	-0.4	3.0	2.9	6.5	2.2	4.4	2.3	2.0	4.7	3.4	1.7	1.0	2.0	2.3	2.5
1.7	3.9	1.3	-0.2	1.4	0.8	1.0	0.2	0.0	0.0	0.9	-0.3	-1.2	0.2	-0.9	0.5	-2.9	-2.3	0.0	-0.5
3.8	5.3	4.6	5.5	5.7	3.1	5.3	4.5	3.0	2.9	2.8	3.8	3.5	3.1	5.2	2.4	3.2	2.5	2.1	5.1
0.9	-0.1	0.3	1.3	0.6	-0.9	0.5	1.0	2.2	0.6	0.7	0.6	0.2	0.1	-0.6	-1.3	0.2	-0.1	0.6	-0.4
0.7	1.2	1.2	0.6	1.2	0.1	0.6	0.8	0.8	0.3	-0.2	-0.3	-0.4	-0.5	0.1	1.0	-0.4	0.5	0.1	-0.6
0.7	0.2	0.0	0.3	0.0	-1.2	-1.4	-0.7	-0.5	-0.9	-0.8	-0.6	-0.1	-1.0	-0.5	-0.5	-0.4	-0.5	-0.5	-0.4
0.9	1.1	1.5	-2.2	0.0	-1.5	-0.6	-0.3	0.3	-1.6	-2.1	0.1	-0.2	-1.2	-1.4	1.6	-1.6	-0.8	-1.3	-1.9
6.0	5.9	4.5	5.4	3.7	1.0	2.5	3.8	1.7	0.0	2.4	2.0	-1.0	1.6	1.1	0.0	-1.6	-1.8	2.0	-0.4
-2.4	-2.4	-2.6	-2.2	-2.4	-2.6	-2.2	-1.3	-0.4	0.2	0.6	1.0	0.2	0.5	0.4	-0.1	0.2	0.1	-0.1	-0.4
-1.8	-1.7	-2.5	-2.2	-3.0	-2.7	-2.4	-2.0	-1.0	-0.9	-0.1	-0.5	-1.7	-1.3	-0.6	-0.5	-0.3	-0.7	-0.8	-0.6
1.2770	1.2894	1.3067	1.3898	1.3661	1.3220	1.3360	1.3649	1.3999	1.4442	1.4349	1.4388	1.4264	1.4343	1.3770	1.3706	1.3556	1.3179	1.2905	1.3224

PRICES	2009	2010	2011	2010				2011				2012	2010				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q1	2	3	4	5
CPI, y-o-y growth rates, %	0.9	1.8	1.8	1.4	2.1	2.1	1.7	1.7	1.7	1.3	2.5	2.5	1.5	1.3	1.4	2.3	2.1
Food, non-alcoholic beverages	0.6	1.0	4.4	-1.4	0.7	2.6	2.0	3.9	5.0	3.7	5.1	3.9	-2.4	-1.2	-0.7	-0.1	0.4
Alcoholic beverages, tobacco	6.7	7.2	5.7	7.1	6.5	7.3	8.1	8.1	6.3	3.7	4.9	4.2	7.9	7.6	5.9	9.9	5.1
Clothing and footwear	-0.6	-1.9	-1.6	-5.0	-1.9	-0.6	-0.4	-0.7	-2.4	-4.2	0.9	-2.2	-5.9	-5.7	-3.6	-0.9	-2.4
Housing, water, electricity, gas	-0.3	10.2	5.6	8.3	11.3	12.0	9.0	6.8	5.4	4.8	5.4	4.9	7.6	8.4	8.9	10.7	11.6
Furnishings, household equipment	4.0	1.4	2.7	1.3	0.8	1.3	2.1	2.7	3.9	2.4	1.7	1.2	1.8	1.6	0.6	1.0	0.7
Medical, pharmaceutical products	4.0	2.1	1.6	-0.6	0.6	4.0	4.6	2.9	2.6	0.8	0.3	-0.2	-0.3	-0.7	-0.7	0.7	0.5
Transport	-3.0	-0.3	1.0	1.2	-0.1	-1.8	-0.5	0.8	0.5	1.1	1.7	2.6	2.3	0.5	0.9	0.8	0.4
Communications	-4.1	1.4	1.2	0.0	1.4	1.3	2.8	2.7	1.6	2.3	-1.8	-1.2	-0.6	0.2	0.4	1.0	1.5
Recreation and culture	3.0	0.4	-1.5	1.2	0.4	-0.2	0.1	-2.6	-1.0	-1.7	-0.8	2.6	1.7	1.0	0.8	0.9	0.6
Education	3.4	1.6	1.7	2.0	1.9	1.6	0.8	1.7	1.6	1.9	1.4	1.1	2.4	1.8	1.8	1.8	1.9
Catering services	4.4	-2.5	-6.8	1.9	1.9	-2.9	-11.0	-11.0	-10.9	-6.2	2.0	2.3	2.0	1.8	2.0	1.9	2.1
Miscellaneous goods & services	3.8	1.4	2.2	2.3	2.0	0.5	0.7	1.4	2.3	2.4	2.6	2.5	3.3	2.3	1.3	1.8	2.1
HCPI	0.9	2.1	2.1	1.7	2.4	2.3	2.0	2.2	2.0	1.5	2.6	2.5	1.8	1.6	1.8	2.7	2.4
Core inflation (excluding fresh food and energy)	1.9	0.3	1.3	0.0	0.4	0.4	0.4	0.5	1.1	1.2	2.3	2.2	0.1	-0.1	0.0	0.6	0.4
PRODUCER PRICE INDICES, y-o-y growth rates, %																	
Total	-1.3	2.1	4.5	-1.0	2.3	3.4	3.8	5.7	4.8	4.1	3.6	1.3	-1.4	-1.2	-0.2	1.0	2.9
Domestic market	-0.4	2.0	3.8	0.2	2.0	2.8	3.2	4.5	4.1	3.7	2.9	1.1	-0.1	0.1	0.5	0.7	2.6
Non-domestic market	-2.2	2.2	5.3	-2.1	2.6	4.0	4.4	6.9	5.5	4.6	4.4	1.6	-2.8	-2.5	-0.9	1.3	3.2
euro area	-3.5	2.2	6.1	-2.4	2.5	4.0	4.8	8.2	6.5	5.1	4.6	0.8	-3.0	-3.1	-1.0	1.3	3.2
non-euro area	0.3	2.1	3.6	-1.6	2.7	3.8	3.5	4.0	3.1	3.5	3.8	3.4	-2.4	-1.5	-0.8	1.4	3.2
Import price indices	-3.3	7.4	5.4	4.0	8.8	7.8	8.9	8.9	5.5	4.5	2.9	1.9	3.3	3.2	5.4	8.3	9.4
PRICE CONTROL,¹ y-o-y growth rates, %																	
Energy prices	-12.3	16.5	10.9	16.1	18.8	15.9	15.3	15.1	9.9	8.3	10.8	16.6	16.9	13.9	17.5	20.1	20.5
Oil products	-12.0	17.3	11.9	21.9	20.3	13.5	14.6	15.7	10.5	9.9	11.7	16.6	24.4	18.6	22.8	22.7	22.8
Transport & communications	0.6	1.8	1.1	2.5	2.7	1.1	1.1	1.1	1.1	1.1	1.1	0.7	2.5	2.5	2.7	2.7	2.7
Other controlled prices	4.9	1.3	0.0	4.9	0.4	0.1	0.1	0.1	0.1	0.0	-0.2	6.1	4.9	4.9	4.9	1.0	0.1
Direct control – total	-6.9	14.2	2.8	14.1	16.1	14.4	12.2	7.2	1.5	0.5	2.1	11.0	14.6	12.6	15.2	16.7	17.2

Source of data: SORS, calculations and estimates IMAD.

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

2010							2011												2012		
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
1.9	2.1	2.3	2.0	1.9	1.4	1.9	1.8	1.4	1.9	1.7	2.2	1.3	0.9	0.9	2.1	2.7	2.7	2.0	2.3	2.9	2.3
1.7	2.8	2.9	2.2	1.9	1.9	2.2	3.7	4.1	3.9	4.2	6.3	4.6	2.9	3.8	4.4	5.6	4.8	4.9	3.9	3.9	4.0
4.5	5.2	8.2	8.5	8.2	8.0	8.1	7.8	8.3	8.3	6.3	6.4	6.2	5.4	2.8	3.0	4.8	4.9	4.9	4.1	3.9	4.7
-2.3	-2.1	-1.7	1.9	-1.1	0.0	-0.1	0.1	-0.1	-2.1	-2.8	-1.5	-3.0	-4.2	-4.9	-3.4	2.0	2.1	-1.5	-2.2	-3.5	-1.2
11.7	12.4	12.3	11.4	11.7	7.1	8.3	7.4	6.6	6.5	6.3	5.9	3.9	4.4	4.9	5.1	5.5	5.7	5.0	4.7	5.3	4.7
0.8	0.5	1.3	2.2	2.0	1.8	2.6	2.4	2.5	3.3	3.5	4.2	3.9	3.5	1.7	2.1	1.8	2.0	1.4	1.3	1.5	0.8
0.5	2.8	4.0	5.2	5.1	4.4	4.3	3.2	3.0	2.6	2.5	2.6	2.8	1.0	0.8	0.5	0.5	0.2	0.0	-0.3	-0.3	0.1
-1.5	-1.2	-2.0	-2.1	-0.6	-1.2	0.3	0.7	1.0	0.7	0.4	0.7	0.4	0.1	1.1	2.0	1.9	1.9	1.4	2.0	2.5	3.3
1.6	-0.3	0.7	3.5	2.5	2.8	3.2	1.4	3.3	3.3	2.3	1.9	0.5	3.4	2.5	0.9	-1.8	-0.3	-3.3	-0.1	-1.2	-2.4
-0.2	-0.6	-0.3	0.3	0.1	-0.1	0.4	-0.9	-6.5	-0.4	-0.5	-1.1	-1.3	-1.8	-2.0	-1.2	-0.3	-0.9	-1.2	0.8	6.8	0.4
1.9	1.9	1.9	0.9	0.4	1.3	0.7	1.7	1.8	1.7	1.7	1.6	1.6	1.6	1.6	2.5	1.8	0.9	1.6	1.0	1.1	1.2
1.7	1.3	1.2	-11.2	-10.9	-11.0	-11.1	-11.1	-11.1	-10.9	-11.2	-10.9	-10.5	-10.2	-9.8	2.7	2.0	2.0	2.2	2.5	2.4	2.1
2.0	0.7	0.4	0.4	0.9	0.6	0.6	0.8	1.2	2.3	2.5	2.4	2.2	2.2	2.3	2.7	2.4	2.6	2.8	2.9	2.7	1.9
2.1	2.3	2.4	2.1	2.1	1.6	2.2	2.3	2.0	2.4	2.0	2.4	1.6	1.1	1.2	2.3	2.9	2.8	2.1	2.3	2.8	2.4
0.2	0.2	0.5	0.6	0.5	0.2	0.6	0.4	0.2	1.0	1.0	1.3	1.1	1.0	0.8	1.9	2.3	2.5	2.1	2.4	2.6	1.6
3.0	3.4	3.5	3.2	3.5	3.8	4.2	5.2	5.9	6.0	5.7	4.2	4.4	4.1	4.2	4.1	3.7	3.6	3.6	2.4	0.8	0.7
2.6	2.7	2.9	2.8	3.1	3.2	3.5	4.0	4.8	4.8	5.0	3.6	3.7	3.7	3.8	3.6	3.1	2.9	2.6	1.9	0.7	0.6
3.3	4.2	4.1	3.6	3.9	4.5	4.9	6.4	7.1	7.2	6.4	4.9	5.1	4.6	4.6	4.6	4.3	4.3	4.5	3.0	0.9	0.9
3.1	4.5	4.1	3.4	4.1	4.8	5.6	7.5	8.6	8.6	7.9	5.8	5.8	4.8	5.2	5.2	4.4	4.7	4.7	2.8	-0.1	-0.2
3.6	3.4	4.1	4.0	3.2	3.6	3.6	4.0	3.6	4.2	3.0	2.8	3.6	4.1	3.2	3.2	4.1	3.5	4.0	3.5	3.3	3.4
8.7	7.6	7.9	7.7	7.6	8.9	10.3	10.4	8.5	7.9	6.3	5.4	5.0	4.5	4.8	4.3	4.1	3.0	1.8	0.9	2.1	2.8
15.8	17.4	15.6	14.6	18.2	12.2	15.7	15.5	15.6	14.3	12.0	9.7	7.9	6.3	9.1	9.6	10.8	11.9	9.7	10.2	15.4	24.0
15.6	15.2	13.2	12.1	16.6	11.6	15.6	15.8	16.3	15.2	12.7	10.2	8.7	7.7	10.8	11.3	12.3	12.7	10.3	10.5	15.3	23.9
2.7	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.0
0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.2	-0.2	-0.2	2.9	6.0	9.3
14.4	15.5	14.3	13.5	15.9	9.2	11.8	11.8	5.4	4.5	3.0	1.5	0.1	-1.0	1.1	1.4	2.2	2.9	1.3	2.0	12.4	18.9

BALANCE OF PAYMENTS	2009	2010	2011	2009 Q4	2010				2011				2010			
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2	3	4	5
BALANCE OF PAYMENTS, in EUR m																
Current account	-456	-297	-385	-10	-4	-118	-84	-91	-91	14	-127	-181	-112	78	-27	-87
Goods ¹	-703	-1,205	-1,335	-287	-190	-273	-234	-508	-311	-279	-294	-451	-121	-44	-99	-147
Exports	16,167	18,386	20,687	4,219	4,205	4,695	4,640	4,847	5,018	5,339	5,115	5,216	1,328	1,649	1,468	1,566
Imports	16,870	19,591	22,022	4,506	4,394	4,968	4,874	5,355	5,329	5,618	5,409	5,667	1,448	1,693	1,567	1,713
Services	1,165	1,308	1,433	303	291	356	346	315	318	400	358	358	84	107	119	125
Exports	4,347	4,633	4,820	1,104	981	1,129	1,348	1,176	1,049	1,183	1,377	1,211	302	363	373	370
Imports	3,182	3,325	3,387	800	690	773	1,001	861	732	783	1,019	853	218	256	254	245
Income	-766	-507	-636	-107	-51	-158	-202	-95	-144	-139	-190	-163	-24	-11	-28	-39
Receipts	666	682	899	221	135	194	168	185	213	237	217	231	40	53	58	72
Expenditure	1,432	1,188	1,535	328	186	353	370	280	357	376	408	394	64	64	85	112
Current transfers	-152	106	153	81	-53	-43	6	196	47	32	-1	75	-52	26	-18	-25
Receipts	966	1,218	1,337	377	263	220	274	461	374	316	308	339	85	113	57	83
Expenditure	1,118	1,112	1,184	296	317	263	268	265	328	284	309	263	136	87	75	108
Capital and financial account	154	319	-150	80	-19	253	190	-106	112	-255	-103	96	35	-59	88	5
Capital account	-9	8	-102	-42	46	3	16	-56	-7	-6	-8	-82	-2	55	2	-3
Financial account	164	311	-48	121	-65	251	174	-50	119	-250	-96	178	37	-114	86	8
Direct investment	-644	334	750	-86	-132	74	57	335	53	238	194	266	-72	-23	-26	19
Domestic abroad	-174	60	-40	-20	-51	59	19	32	-20	24	41	-85	-54	-14	-11	29
Foreign in Slovenia	-470	274	790	-66	-81	15	37	303	72	214	154	351	-18	-9	-15	-11
Portfolio investment	4,628	1,947	1,973	310	1,106	508	-54	388	2,592	-317	-416	114	-446	195	609	-202
Financial derivatives	-2	-117	-137	-2	-22	-65	-14	-15	-80	-15	-24	-19	-2	-19	-11	-21
Other investment	-3,985	-1,872	-2,707	-120	-1,077	-216	167	-746	-2,454	-168	117	-202	550	-271	-518	272
Assets	-277	683	-1,507	105	241	-594	531	504	-1,525	-156	-348	521	44	25	-24	-631
Commercial credits	416	-174	-128	226	-223	-213	30	232	-320	-88	43	238	-42	-182	-37	-88
Loans	-1	164	-50	46	-348	510	20	-18	-101	-21	50	23	19	-343	415	25
Currency and deposits	-613	609	-1,290	-68	815	-885	387	292	-1,109	-48	-408	276	62	551	-409	-554
Other assets	-80	84	-40	-99	-2	-6	94	-2	6	2	-33	-15	5	-1	7	-13
Liabilities	-3,708	-2,555	-1,199	-226	-1,319	378	-364	-1,250	-929	-12	466	-724	506	-296	-494	902
Commercial credits	-452	364	171	-75	91	262	-63	73	200	-13	-85	68	69	112	54	127
Loans	-2,911	-974	-1,203	-973	-403	-189	-8	-373	-385	-297	209	-731	-18	-346	-279	328
Deposits	-318	-1,934	-169	822	-1,079	358	-305	-909	-787	334	340	-57	448	-133	-206	455
Other liabilities	-27	-11	2	0	72	-54	12	-42	42	-36	1	-5	6	72	-63	-8
International reserves ²	167	19	72	20	62	-50	18	-11	9	12	33	19	7	4	32	-60
Statistical error	302	-21	535	-70	22	-135	-106	197	-21	241	231	85	77	-20	-62	82
EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m																
Export of investment goods	1,783	1,811	1,961	473	403	456	442	510	440	507	497	518	120	167	142	155
Intermediate goods	8,090	9,951	11,739	2,093	2,235	2,542	2,544	2,630	2,840	3,040	2,980	2,879	725	853	803	856
Consumer goods	6,144	6,481	6,777	1,620	1,533	1,663	1,620	1,664	1,699	1,738	1,583	1,757	473	615	513	543
Import of investment goods	2,288	2,293	2,474	633	450	612	570	661	555	611	587	720	149	180	213	218
Intermediate goods	9,823	12,117	13,805	2,649	2,711	3,064	3,032	3,311	3,438	3,516	3,424	3,428	906	1,010	956	1,068
Consumer goods	5,004	5,470	5,879	1,292	1,290	1,355	1,351	1,475	1,380	1,512	1,480	1,508	395	533	430	462

Sources of data: BS, SORS.

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

2010							2011												2012	
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
-5	-21	-58	-6	-41	-57	7	-19	-105	33	23	-98	89	26	-135	-19	1	-31	-151	-72	-133
-27	-45	-122	-68	-155	-151	-202	-72	-118	-121	-97	-179	-2	-11	-164	-119	-83	-116	-252	-126	-74
1,661	1,604	1,306	1,729	1,656	1,700	1,491	1,534	1,601	1,883	1,693	1,835	1,811	1,733	1,490	1,891	1,777	1,865	1,574	1,588	1,660
1,688	1,649	1,428	1,797	1,811	1,850	1,693	1,606	1,719	2,004	1,790	2,014	1,813	1,744	1,654	2,011	1,860	1,981	1,826	1,714	1,734
113	88	115	143	132	87	97	110	84	124	147	123	129	78	120	160	148	121	89	144	106
386	462	448	437	394	356	426	340	316	393	399	379	404	458	457	462	415	378	418	368	329
274	374	333	295	262	269	330	230	233	269	252	256	275	380	337	302	268	257	329	224	223
-91	-90	-57	-56	-28	-36	-31	-55	-54	-36	-52	-41	-45	-59	-66	-65	-58	-55	-50	-67	-65
64	65	52	51	54	52	80	62	64	88	71	85	82	77	69	71	75	75	82	58	56
156	155	108	106	81	88	110	116	117	124	123	126	128	136	135	136	133	130	132	126	121
0	25	6	-25	9	43	144	-2	-17	66	26	-1	7	18	-25	6	-6	19	63	-22	-100
80	117	89	68	103	125	234	84	129	161	114	104	98	116	70	122	85	103	151	55	51
80	92	83	93	93	82	90	86	147	95	88	105	91	98	95	116	91	84	89	77	150
160	142	-40	88	59	-236	71	-138	66	185	23	33	-312	13	-36	-81	-250	26	320	146	190
4	-8	-4	27	3	4	-63	-9	1	1	-2	0	-4	-7	-4	3	-2	9	-89	-6	10
157	149	-36	61	56	-240	134	-129	64	184	25	33	-308	20	-32	-84	-248	18	409	152	181
81	89	36	-68	74	213	47	-87	-17	156	95	93	50	16	62	116	-46	-46	358	-15	47
41	8	25	-14	-8	36	5	-61	17	24	-11	3	31	-61	37	65	-61	-5	-19	-26	2
41	80	11	-54	82	178	43	-26	-34	132	105	90	19	78	25	51	15	-41	377	10	44
100	78	-29	-103	68	182	138	1,136	-206	1,662	-362	271	-226	72	-47	-441	226	-102	-10	211	-808
-33	-5	-4	-5	-8	-4	-4	-29	-31	-20	-5	-5	-5	-4	-4	-16	-2	-8	-8	-4	7
31	-9	-34	211	-97	-615	-34	-1,159	301	-1,597	284	-326	-126	-52	-58	228	-411	130	79	28	876
61	697	-203	37	-168	-624	1,296	-1,041	350	-835	78	-83	-151	-495	-16	163	-353	308	566	-545	164
-87	-6	195	-158	-102	-68	402	-217	29	-132	-83	31	-36	-39	200	-119	-135	41	331	-34	-103
70	127	18	-124	-33	-3	18	-51	4	-54	14	-16	-19	-19	27	42	-48	22	48	22	18
78	568	-488	308	-20	-547	858	-764	324	-670	136	-94	-90	-422	-225	240	-180	242	213	-530	232
0	9	73	12	-13	-5	17	-9	-7	22	11	-3	-6	-14	-19	0	9	3	-27	-3	18
-30	-705	168	173	71	8	-1,330	-118	-49	-762	206	-244	26	442	-42	65	-58	-179	-487	573	712
82	-30	-182	149	135	61	-123	-42	60	181	143	9	-164	-10	-262	188	-22	144	-54	-94	150
-238	-40	-21	53	-240	242	-375	-109	-86	-189	-213	-226	142	243	-41	7	-201	-431	-99	61	-233
109	-607	348	-46	180	-288	-801	3	-8	-781	274	-26	86	202	237	-99	158	103	-319	550	833
17	-28	23	17	-5	-7	-30	30	-15	27	2	0	-38	7	25	-31	7	4	-16	56	-37
-23	-3	-4	25	19	-16	-13	10	17	-18	13	1	-2	-12	15	29	-15	44	-10	-68	59
-155	-121	97	-82	-18	293	-79	157	39	-218	-47	65	223	-40	170	100	249	4	-169	-74	-58
158	159	125	159	164	170	176	126	141	173	153	179	174	173	153	170	168	176	175	139	N/A
883	878	713	952	920	927	783	888	904	1,049	977	1,042	1,021	997	894	1,089	1,014	1,050	816	937	N/A
607	554	458	607	558	591	515	509	544	646	548	593	597	545	426	612	578	618	562	494	N/A
180	179	148	243	188	226	247	148	173	234	183	225	204	204	165	218	202	223	296	163	N/A
1,040	1,039	888	1,106	1,153	1,128	1,030	1,033	1,106	1,300	1,130	1,241	1,146	1,108	1,048	1,267	1,189	1,237	1,002	1,143	N/A
463	452	420	479	496	536	443	422	452	506	471	554	487	468	466	545	497	526	485	438	N/A

MONETARY INDICATORS AND INTEREST RATES	2009	2010	2011	2009		2010								
				11	12	1	2	3	4	5	6	7	8	9
SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Claims of the BS on central government	160	138	102	161	160	176	177	140	140	142	141	140	142	140
Central government (S. 1311)	3,497	3,419	4,299	3,581	3,497	3,334	3,382	2,884	2,897	3,001	3,120	3,130	3,326	3,422
Other government (S. 1312, 1313, 1314)	376	526	584	336	376	390	395	390	392	395	401	415	421	417
Households (S. 14, 15)	8,413	9,282	9,454	8,345	8,413	8,452	8,480	8,601	8,647	8,701	8,897	8,928	9,062	9,119
Non-financial corporations (S. 11)	21,704	21,646	20,867	21,645	21,704	21,792	21,896	21,950	22,062	21,997	22,015	22,024	21,815	21,862
Non-monetary financial institutions (S. 123, 124, 125)	2,680	2,497	2,226	2,772	2,680	2,684	2,669	2,620	2,606	2,558	2,525	2,524	2,502	2,488
Monetary financial institutions (S. 121, 122)	5,302	5,811	5,445	4,589	5,302	6,141	5,093	5,057	5,555	5,638	6,120	5,445	5,315	5,399
Claims on domestic sectors, TOTAL														
In domestic currency	34,731	35,994	35,692	33,962	34,731	35,678	34,817	34,893	35,430	35,620	35,929	35,495	35,381	35,616
In foreign currency	1,895	1,843	1,536	1,919	1,895	1,904	1,894	1,887	1,859	1,852	1,915	1,860	1,884	1,828
Securities, total	5,345	5,345	5,647	5,386	5,345	5,211	5,204	4,723	4,871	4,819	5,234	5,112	5,175	5,263
SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Deposits in domestic currency, total	27,965	26,767	28,420	26,932	27,965	28,953	28,198	27,716	27,949	28,085	27,929	27,079	27,358	26,819
Overnight	7,200	8,155	8,245	7,028	7,200	7,949	7,139	7,396	7,351	7,732	7,976	7,936	8,041	8,031
With agreed maturity – short-term	10,408	8,193	7,868	10,917	10,408	10,385	10,137	9,233	9,006	8,674	8,377	8,574	8,621	8,096
With agreed maturity – long-term	9,788	10,337	12,248	8,396	9,788	10,042	10,390	10,583	11,067	11,196	11,401	10,413	10,529	10,532
Short-term deposits redeemable at notice	569	82	59	591	569	577	532	504	525	483	175	156	167	160
Deposits in foreign currency, total	434	463	579	453	434	426	438	436	450	496	705	462	491	462
Overnight	238	285	386	261	238	240	241	250	270	299	513	280	307	277
With agreed maturity – short-term	141	121	133	142	141	133	137	127	121	130	129	122	121	125
With agreed maturity – long-term	45	55	59	43	45	48	52	55	55	59	61	58	60	57
Short-term deposits redeemable at notice	10	2	1	7	10	5	8	4	4	8	2	2	3	3
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %														
New deposits in domestic currency														
Households														
Overnight deposits	0.28	0.21	0.22	0.23	0.23	0.22	0.22	0.22	0.22	0.21	0.22	0.19	0.19	0.19
Time deposits with maturity of up to one year	2.51	1.81	2.15	1.97	2.00	1.91	1.75	1.69	1.66	1.72	1.83	1.87	1.82	1.85
New loans to households in domestic currency														
Housing loans, 5-10 year fixed interest rate	6.43	5.53	5.46	5.00	6.28	6.11	6.08	5.33	5.80	5.38	5.42	5.12	5.33	5.17
New loans to non-financial corporations in domestic currency														
Loan over EUR 1 million, 1-5 year fixed interest rate	6.28	5.76	5.72	5.94	6.06	6.15	6.31	5.64	5.98	6.03	5.61	5.40	5.84	4.98
INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %														
Main refinancing operations	1.23	1.00	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
INTERBANK INTEREST RATES														
EURIBOR														
3-month rates	1.23	0.81	1.39	0.72	0.71	0.68	0.66	0.64	0.64	0.69	0.73	0.85	0.90	0.88
6-month rates	1.44	1.08	1.64	0.99	1.00	0.98	0.97	0.95	0.96	0.98	1.01	1.10	1.15	1.14
LIBOR CHF														
3-month rates	0.37	0.19	0.12	0.25	0.25	0.25	0.25	0.25	0.24	0.19	0.10	0.13	0.16	0.17
6-month rates	0.50	0.27	0.18	0.36	0.35	0.34	0.33	0.33	0.33	0.28	0.20	0.22	0.23	0.24
Sources of data: BS, BBA - British Bankers' Association.														

2010			2011												2012		
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
139	139	138	132	101	99	76	76	76	76	76	77	76	83	102	111	119	182
3,447	3,453	3,419	3,332	3,326	3,409	3,319	3,327	3,282	3,276	3,328	3,355	3,387	3,436	4,299	4,465	4,580	4,801
434	497	526	538	536	541	532	530	533	534	536	535	541	554	584	588	589	588
9,149	9,225	9,282	9,226	9,233	9,276	9,304	9,383	9,425	9,507	9,490	9,468	9,481	9,467	9,454	9,421	9,391	9,412
21,848	21,790	21,646	21,793	21,775	21,772	21,782	21,714	21,725	21,656	21,537	21,369	21,444	21,434	20,867	20,966	20,886	20,920
2,496	2,497	2,497	2,454	2,402	2,372	2,350	2,341	2,325	2,323	2,292	2,298	2,286	2,277	2,226	2,207	2,231	2,324
5,079	5,688	5,811	5,674	5,740	6,504	5,179	5,275	5,259	5,224	5,422	5,375	5,491	5,224	5,445	5,111	4,846	5,631
35,430	35,931	35,994	35,993	36,008	36,712	35,736	35,811	35,836	35,720	35,854	35,763	35,970	35,784	35,692	35,407	35,334	36,103
1,742	1,777	1,843	1,760	1,739	1,691	1,689	1,751	1,724	1,794	1,705	1,628	1,586	1,557	1,536	1,529	1,505	1,492
5,282	5,444	5,345	5,265	5,266	5,470	5,043	5,008	4,990	5,007	5,046	5,008	5,075	5,052	5,647	5,823	5,684	6,081
26,696	27,486	26,767	27,630	27,235	28,129	27,080	27,205	27,384	27,392	27,423	27,337	27,631	27,376	28,420	28,359	27,926	30,197
7,926	8,119	8,155	8,245	8,179	8,799	8,206	8,237	8,259	8,303	8,241	8,236	8,058	8,436	8,245	8,399	8,195	8,177
8,100	8,256	8,193	8,816	8,483	8,724	8,477	8,614	8,615	8,471	8,468	8,369	8,372	7,791	7,868	7,688	7,468	7,553
10,587	11,003	10,337	10,496	10,550	10,583	10,375	10,324	10,470	10,567	10,662	10,683	11,148	11,089	12,248	12,180	12,171	14,395
83	108	82	73	23	23	22	30	40	51	52	49	53	60	59	92	92	72
456	471	463	452	453	449	444	459	464	488	476	486	494	538	579	570	564	577
286	291	285	282	287	284	286	295	304	317	305	320	329	365	386	391	384	384
113	118	121	115	116	113	107	111	107	113	108	109	109	114	133	117	120	132
55	59	55	53	49	51	50	52	52	57	62	57	55	58	59	61	59	60
2	3	2	2	1	1	1	1	1	1	1	0	1	1	1	1	1	1
0.20	0.20	0.20	0.21	0.21	0.21	0.21	0.21	0.21	0.23	0.23	0.24	0.24	0.26	0.24	0.24	0.24	0.24
1.86	1.88	1.94	2.04	1.98	2.04	2.08	2.15	2.20	2.20	2.18	2.17	2.24	2.27	2.28	2.39	2.35	2.38
5.50	5.43	5.65	5.85	5.17	5.45	5.51	5.42	5.52	5.39	5.49	5.45	5.50	5.43	5.27	5.37	5.40	5.46
5.72	6.00	5.44	5.83	5.45	5.40	5.25	5.82	5.97	6.17	6.48	5.91	4.25	5.20	6.51	3.79	3.00	6.04
1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.50	1.50	1.50	1.50	1.25	1.00	1.00	1.00	1.00
1.00	1.04	1.02	1.02	1.09	1.18	1.32	1.42	1.49	1.60	1.55	1.54	1.58	1.48	1.43	1.22	1.05	0.86
1.22	1.27	1.25	1.25	1.35	1.48	1.62	1.71	1.75	1.82	1.75	1.74	1.78	1.71	1.67	1.50	1.35	1.16
0.17	0.17	0.17	0.17	0.17	0.18	0.18	0.18	0.18	0.18	0.06	0.01	0.04	0.05	0.05	0.06	0.08	-
0.24	0.24	0.24	0.24	0.24	0.25	0.26	0.25	0.24	0.24	0.12	0.05	0.08	0.09	0.10	0.11	0.14	-

PUBLIC FINANCE	2009	2010	2011	2009	2010				2011				2010	
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	9	10
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS–IMF methodology), current prices, EUR m														
GENERAL GOVERNMENT REVENUES														
TOTAL REVENUES	14,408.0	14,794.0	14,981.3	4,023.5	3,310.2	3,477.0	3,649.9	4,356.8	3,600.7	3,826.7	3,538.4	4,015.6	1,180.1	1,188.3
Current revenues	13,639.5	13,771.5	14,037.5	3,642.3	3,157.4	3,366.8	3,462.4	3,784.8	3,364.6	3,638.6	3,319.1	3,715.2	1,119.7	1,132.5
Tax revenues	12,955.4	12,848.4	13,209.3	3,453.0	2,983.4	3,189.2	3,186.0	3,489.9	3,155.9	3,451.0	3,129.7	3,472.8	1,055.6	1,073.1
Taxes on income and profit	2,805.1	2,490.7	2,723.5	744.8	635.5	594.4	554.5	706.4	635.4	827.7	562.9	697.5	213.4	218.8
Social security contributions	5,161.3	5,234.5	5,267.6	1,334.5	1,274.4	1,303.8	1,293.5	1,362.9	1,300.6	1,316.9	1,303.8	1,346.2	432.0	434.9
Taxes on payroll and workforce	28.5	28.1	29.2	7.7	6.3	7.2	6.5	8.1	6.7	7.6	6.7	8.2	2.0	2.6
Taxes on property	207.0	219.7	215.4	60.2	24.1	58.9	76.7	60.0	24.0	53.8	84.2	53.3	24.6	13.7
Domestic taxes on goods and services	4,660.2	4,780.7	4,856.4	1,283.1	1,023.9	1,199.2	1,231.6	1,325.9	1,165.5	1,217.4	1,148.4	1,325.1	376.1	393.8
Taxes on international trade & transactions	90.5	90.7	100.2	21.7	18.7	24.7	22.5	24.8	23.7	27.6	23.8	25.1	7.3	9.2
Other taxes	2.9	4.0	17.0	1.0	0.5	1.0	0.7	1.8	-0.1	-0.1	-0.2	17.3	0.3	0.1
Non-tax revenues	684.1	923.0	828.2	189.3	174.1	177.6	276.5	294.9	208.7	187.6	189.5	242.4	64.1	59.5
Capital revenues	106.5	175.7	64.8	43.5	9.8	17.9	26.1	121.9	7.6	21.6	14.4	21.3	3.3	7.3
Grants	11.1	12.6	10.4	4.7	2.9	2.2	2.5	5.0	2.4	3.0	1.0	4.0	0.5	1.2
Transferred revenues	54.3	109.5	53.7	51.5	0.5	2.3	3.8	102.9	2.3	0.4	50.5	0.5	0.9	0.5
Receipts from the EU budget	596.5	724.7	814.9	281.5	139.6	87.8	155.1	342.2	223.9	163.2	153.3	274.6	55.8	46.7
GENERAL GOVERNMENT EXPENDITURES														
TOTAL EXPENDITURES	16,368.2	16,692.7	16,543.8	4,659.5	4,035.1	4,122.7	3,948.1	4,586.9	4,191.6	4,159.0	3,955.7	4,237.4	1,372.8	1,373.5
Current expenditures	6,800.8	6,960.4	6,925.1	1,771.3	1,795.2	1,757.3	1,636.9	1,771.0	1,898.6	1,742.3	1,645.5	1,638.6	578.4	557.2
Wages, salaries and other personnel expenditures	3,911.9	3,912.4	3,882.8	985.9	956.4	1,012.5	963.6	980.0	967.0	1,010.3	955.0	950.6	319.0	329.2
Expenditures on goods and services	2,510.3	2,512.4	2,442.0	741.4	556.8	624.9	587.7	743.1	585.3	615.7	603.4	637.5	183.9	203.2
Interest payments	336.1	488.2	526.6	29.0	272.6	110.0	76.4	29.2	311.3	108.1	78.0	29.2	71.5	21.9
Reserves	42.5	47.4	73.6	14.9	9.4	9.9	9.2	18.8	35.0	8.2	9.1	21.3	4.0	2.9
Current transfers	7,339.4	7,628.5	7,818.9	1,918.2	1,849.0	1,995.1	1,810.9	1,973.6	1,942.5	2,076.4	1,855.7	1,944.3	612.0	624.5
Subsidies	597.9	581.9	496.7	219.4	160.7	122.8	103.7	194.7	171.2	127.6	69.1	128.6	36.8	46.4
Current transfers to individuals and households	6,024.5	6,277.7	6,533.1	1,497.6	1,529.0	1,671.1	1,514.7	1,562.9	1,606.6	1,745.6	1,583.0	1,598.0	504.4	516.8
Current transfers to non-profit institutions, other current domestic transfers	678.1	728.8	737.1	195.1	150.6	188.6	183.3	206.3	158.8	186.2	189.0	203.1	64.9	58.2
Current transfers abroad	38.9	40.1	52.0	6.1	8.7	12.6	9.1	9.6	5.9	17.0	14.5	14.6	5.8	3.1
Capital expenditures	1,294.1	1,310.6	1,023.0	584.1	192.8	212.5	321.1	584.3	168.8	196.5	266.5	391.1	113.2	116.1
Capital transfers	494.6	396.4	371.7	259.9	47.5	90.1	82.0	176.9	42.4	73.3	97.0	159.0	34.3	40.7
Payments to the EU budget	439.3	396.8	405.1	126.1	150.6	67.8	97.3	81.1	139.3	70.6	91.0	104.4	34.9	35.1
SURPLUS / DEFICIT	-1,960.2	-1,898.7	-1,562.4	-	-	-	-	-	-	-	-	-	-	-

Source of data: MF Bulletin.

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

Acronyms

Acronyms in the text

AJPES – Agency of the Republic of Slovenia for Public Legal Records and Related Services, **ARSO** – Slovenian Environment Agency, **BS** – Bank of Slovenia, **EC** – European Commission, **ECB** – European Central Bank, **EIA** – Energy Information Administration, **ESS** – Employment Service of Slovenia, **GDP** – Gross domestic product, **HICP** – Harmonised Index of Consumer Prices, **IEA** – International Energy Agency, **IMAD** – Institute of Macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **MF** – Ministry of Finance, **MGRT** – Ministry of Economic Development and Technology, **MIP** – Ministry of Infrastructure and Spatial Planning, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization for Economic Co-operation and Development, **PPA** – Public Payments Administration of the Republic of Slovenia, **PPI** – Producer Price Index, **RS** – Republic of Slovenia, **SCA** – Standard Classification of Activities, **SITC** – Standard International Trade Classification, **SMA** – Securities Market Agency, **SORS** – Statistical Office of the Republic of Slovenia, **SRE** – Statistical Register of Employment, **UN** – United Nations, **WIW** – The Vienna Institute for International Economic Studies.

Acronyms of Standard Classification of Activities (SCA)

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

Acronyms of Countries

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

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