

slovenian economic mirror

November 2012, No. 11. Vol. XVIII

Slovenian Economic Mirror
ISSN 1318-3826

No. 11 / Vol. XVIII / 2012

Publisher: IMAD, Ljubljana, Gregorčičeva 27

Responsible Person: Boštjan Vasle, MSc, Director
Editor in Chief: Barbara Ferik, MSc

Authors of Current Economic Trends (listed alphabetically):

Jure Brložnik; Janez Dodič; Marjan Hafner; Matevž Hribernik; Slavica Jurančič; Jasna Kondža; Mojca Koprivnikar Šušteršič; Janez Kušar; Urška Lušina, MSc; Jože Markič, PhD; Tina Nenadič, MSc; Mitja Perko, MSc.; Jure Povšnar; Ana T. Selan, MSc; Dragica Šuc, MSc

Editorial Board: Lidija Apohal Vučkovič, Marijana Bednaš, MSc, Alenka Kajzer, PhD, Rotija Kmet Zupančič, MSc, Janez Kušar, Boštjan Vasle, MSc

Translator: Marija Kavčič

Data Preparation and Graphs: Bibijana Cirman Naglič, Marjeta Žigman

Concept and Design: Katja Korinšek, Pristop

DTP: Bibijana Cirman Naglič

Print: SORS

Circulation: 90 copies

© The contents of this publication may be reproduced in whole or in part provided that the source is acknowledged.

Contents

In the spotlight.....	3
Current economic trends	5
International environment.....	7
Economic activity in Slovenia	9
Labour market	14
Prices	16
Balance of payments	18
Financial markets	20
Public finance.....	22
Boxes	
Box 1: Excessive macroeconomic imbalances at the EU level	8
Box 2: Gross domestic product – Q3 2012	10
Box 3: Real estate market – Q3 2012	13
Statistical appendix	33

The Economic Mirror is prepared based on statistical data available by 3 December 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

GDP in the euro area dropped again in the third quarter, and in November the EC and OECD revised downwards their forecasts for economic activity for this year and 2013. The slight decline of economic activity in the euro area was in line with the EC's expectations. In Slovenia's main trading partners, modest growth was recorded only in Germany and France. In 2012 the economy of the euro area is expected to shrink further, while for 2013 the EC predicts a stabilisation of the situation and a gradual, albeit very weak, recovery in the second half of the year. The risks of a smaller increase (or a larger decline) in GDP remain high and are mainly related to the sovereign debt crisis in the euro area and the functioning of financial markets. Growth is expected to pick up only in 2014.

In the third quarter this year Slovenia recorded a pronounced y-o-y decline in economic activity for the second time in a row, mainly as a consequence of a larger drop in all domestic consumption categories. The decline in household consumption deepened y-o-y against the background of labour market tensions, slower wage growth and deteriorated consumer confidence. Government consumption also recorded a larger y-o-y decline, primarily on account of the urgent fiscal consolidation measures. Furthermore, the decline in gross fixed capital formation remained substantial, amid a further shrinkage of construction investment and a relatively large drop in investment in machinery and equipment, which last year had still been growing. Changes in inventories again made a significant contribution to the total y-o-y decline in GDP. Exports, until this year the main driver of the otherwise modest economic growth, were down y-o-y for the second consecutive quarter. Regardless of lower exports, the y-o-y decline in imports deepened due to lower imports of intermediate products and weaker domestic consumption, so that the contribution of external trade remained relatively significant.

The labour market situation deteriorated somewhat again in the third quarter. Formal employment dropped again (seasonally adjusted) in most sectors, particularly in construction, manufacturing and market activities, and unlike in previous quarters, in public services. Registered unemployment has been growing since the middle of the year. The average gross earnings per employee dropped further (seasonally adjusted) due to June's decline in public sector wages with the enforcement of the Public Finance Balance Act (ZUJF), while private sector wages have stagnated since the end of 2011.

November recorded 0.1% deflation and a 2.3% decline in y-o-y consumer price growth. Monthly movements were marked primarily by lower energy prices, while y-o-y inflation was also impacted by prices of food. According to Eurostat's flash estimate, y-o-y price growth in the euro area stood at 2.2%.

The situation in the financial system deteriorated further in October. Enterprises and NFIs continue to repay loans taken out with domestic banks, while household borrowing remains extremely low. The outflows of household deposits from Slovenian banks have been high for the third successive month. The quality of bank assets deteriorated again in September. By the end of September bad claims climbed to EUR 6.7 bn, accounting for as much as 13.6% of the total exposure of banks. Relative to the end of 2011, they were up EUR 1.2 bn, slightly more than in the same period last year. Banks thus continue to create additional impairments and provisions, which were nearly a fifth higher y-o-y in the first ten months of this year.

According to the consolidated balance of the MF, general government revenue and general government expenditure were down 0.5% and 2.3% y-o-y, respectively, in the first nine months of this year, and the deficit totalled EUR 1.114 bn. Particularly revenue from corporate income tax was down y-o-y. Labour market tensions were reflected in a decline in wage-related taxes and contributions. Among expenditures, expenditure on interest payments and payments to the EU recorded growth, while all other main categories of expenditure declined, most notably, capital expenditures and capital transfers and expenditure on subsidies. Expenditure on goods and services was also down, as were, as a consequence of the Public Finance Balance Act, salaries and wages, contributions and other personnel expenditures. Looking at transfers to individuals and households, expenditure on transfers to unemployed and social security transfers and expenditure on family receipts and parental compensation were down most notably y-o-y due to the Exercise of Rights to Public Funds Act (ZUPJS).

current economic trends

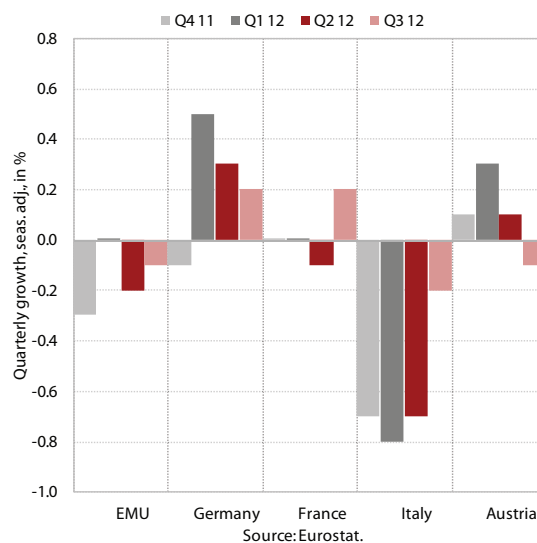
International environment

As expected, the EC and OECD lowered their forecasts for economic growth in November. Both predict a renewed contraction of the euro area economy for this year. In addition to the slowdown in global trade, this contraction will mainly be a consequence of a decline in domestic demand, which is still limited by significant internal and external imbalances accumulated before and during the crisis. However, there are still significant differences in economic activity across the euro area. The EC's forecast for 2013 indicates a stabilisation of the situation and a gradual, albeit very weak, recovery of the economy in the second part of the year. According to the EC, growth will mainly stem from foreign demand; tensions on the labour market, household and corporate deleveraging and short-term effects of fiscal consolidation on growth will continue to have a negative impact on the recovery of domestic demand next year. The OECD made similar conclusions, but anticipates lower 2013 growth than the EC. The forecasts of both institutions rely on the assumption that policy actions at the country level (structural reforms) and at the levels of the EU (institutional reforms regarding EMU governance) and the ECB will be implemented effectively and that they will suffice. Upside and downside risks to GDP growth are still high and mainly related to the sovereign debt crisis in the euro area and the functioning of financial markets. Growth is expected to pick up only in 2014. If the risks materialise, euro area GDP will drop between 2 p.p. and 4 p.p. in 2013 and 2014, according to the OECD's estimates.

In the third quarter euro area GDP dropped again. According to Eurostat's flash estimate, in the third quarter euro area GDP declined by 0.1% relative to the previous quarter (seasonally adjusted) and was down 0.6% y-o-y. The contraction of economic activity was in line with the EC's expectations. Germany and France were thus Slovenia's only main trading partners to see modest quarterly growth. A breakdown of growth indicates that the y-o-y growth in these countries largely stemmed from foreign demand (net exports), and to some extent, private and government consumption, while investment fell substantially, particularly investment in machinery

and equipment. A negative contribution to growth also came from a decline in inventories. In the US, economic growth accelerated in the third quarter (0.5%, seasonally adjusted), mainly due to the pick-up of private consumption.

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



In the majority of most vulnerably euro area countries the required yields of government bonds remained almost unchanged in November. They were up slightly in Portugal and Spain, while they declined in most other more exposed countries of the euro area. Uncertainty on financial markets remains considerable, which is indicated by substantial yield volatility across months. The yields of top-rated (AAA) government bonds were down from 10 to 20 basis points.

Interbank interest rates in the euro area have been declining for over a year. The three-month EURIBOR rate declined by an average of 2 b.p. to 0.192% in November, being down 129 b.p. y-o-y. The three-month US dollar and Swiss franc LIBOR rates also dropped (to 0.311% and 0.031%, respectively). While the ECB has cut the interest rates

Table 1: Comparison of IMAD's assumptions and 2012 and 2013 economic growth forecasts by international institutions

	2012					2013				
	IMAD Sep 12	IMF Oct 12	EC Nov 12	CONS Nov 12	OECD Nov 12	IMAD Sep 12	IMF Oct 12	EC Nov 12	CONS Nov 12	OECD Nov 12
EMU	-0.5	-0.4	-0.4	-0.5	-0.4	0.0	0.2	0.1	0.0	-0.1
EU	-0.3	-0.2	-0.3	-0.3	N/A	0.3	0.5	0.4	0.3	N/A
DE	0.9	0.9	0.8	0.8	1.0	0.9	0.9	0.8	0.8	0.7
IT	-2.1	-2.3	-2.3	-2.4	-2.4	-0.8	-0.7	-0.5	-0.7	-1.6
AT	0.6	0.9	0.8	0.6	0.8	0.8	1.1	0.9	0.8	0.8
FR	0.1	0.1	0.2	0.1	0.1	0.2	0.4	0.4	0.2	0.3
UK	-0.5	-0.4	-0.3	-0.1	-0.5	1.1	1.1	0.9	1.3	0.5
US	2.2	2.2	2.1	2.2	2.1	2.1	2.1	2.3	1.9	2.0

Source: IMAD Autumn Forecast UMAR (September 2012), IMF World Economic Outlook (October 2012), EC Autumn forecast 2012-14 (November 2012), Consensus Forecasts (November 2012), OECD Economic Outlook (November 2012).

Note: N/A – Not Available.

Box 1: Excessive macroeconomic imbalances at the EU level

An important feature of the reformed economic governance of the EU is the emphasis on the early detection¹ and correction of the so-called excessive macroeconomic imbalances, particularly within the euro area. In November the EC prepared a new overview of excessive imbalances, noting that the correction of imbalances (particularly external imbalances) is underway in all EU Member States. Imbalances, which remain significant, are mainly reflected in a decline in the global market share, an unfavourable net international investment position and a high level of indebtedness of the private sector and the government. As last year, the greatest imbalances were found in countries that face the largest fiscal problems. By spring 2013 the EC will prepare in-depth analyses for 14 Member States² with relatively significant imbalances to determine the seriousness of excessive imbalances and propose policy recommendations if appropriate.³

Table 2: Indicators of macroeconomic imbalances for EU Member States for 2011

	External imbalances					Internal imbalances					
	3-year average of current account balance as a % of GDP	Net international investment position as a % of GDP	3-year % change in real effective exchange rate, CPI deflator	5-year % change in export market shares	3-year % change in nominal unit labour cost	Y-o-y % change in deflated house prices	Private sector credit flow as a % of GDP	Private sector debt as a % of GDP	General government debt as a % of GDP	3-year average of unemployment rate	Y-o-y % change in total financial sector liabilities
Thresholds	+6/-4 %	-35 %	+/- 11	-6 %	+9 %	+6 %	15 %	160 %	60 %	10 %	16.5 %
BE	-0.3	65.7	-0.5	-10.2	6.2	-0.1	11.6	236	98	7.8	4.7
BG	-3.4	-85.6	3.1	17.2	20.3	-9.0	-6.7	146	16	9.4	5.6
CZ	-3.0	-49.3	0.3	8.4	3.3	0.0	2.5	78	41	6.9	3.8
DK	5.0	24.5	-1.7	-16.9	4.7	-4.9	-2.2	238	47	7.0	4.7
DE	5.9	32.6	-3.9	-8.4	5.9	1.4	4.8	128	81	6.9	2.1
EE	2.8	-57.8	0.8	11.1	-6.2	3.3	6.8	133	6	14.4	-4.4
IE	0.0	-96.0	-9.1	-12.2	-12.8	-15.2	4.0	310	106	13.3	-0.6
EL	-10.4	-86.1	3.1	-18.7	4.1	-5.1	-5.5	125	171	13.2	-3.4
ES	-4.3	-91.7	-1.3	-7.6	-2.1	-10.0	-4.1	218	69	19.9	3.7
FR	-1.6	-15.9	-3.2	-11.2	6.0	3.8	4.0	160	86	9.6	7.3
IT	-2.9	-20.6	-2.1	-18.4	4.4	-2.0	2.6	129	121	8.2	3.8
CY	-8.4	-71.3	-0.9	-16.4	8.8	-8.5	16.1	288	71	6.6	-0.2
LV	3.1	-73.3	-0.6	23.6	-15.0	4.9	-2.5	125	42	18.1	-4.5
LT	0.0	-52.6	3.6	25.2	-8.4	2.4	-0.8	70	39	15.6	8.9
LU	7.5	107.8	0.8	-10.1	12.5	1.5	2.5	326	18	4.8	11.3
HU	0.6	-105.9	-3.3	-2.8	3.7	-4.1	6.4	167	81	10.7	-2.6
MT	-4.3	5.7	-3.0	11.7	5.8	-2.3	2.2	210	71	6.8	1.4
NL	7.5	35.5	-1.6	-8.2	5.8	-4.0	0.7	225	66	4.2	7.2
AT	2.2	-2.3	-1.0	-12.7	5.9	-8.0	4.1	161	72	4.4	-0.3
PL	-4.6	-63.5	-10.9	12.8	4.3	-5.7	7.1	80	56	9.2	4.4
PT	-9.1	-105.0	-1.9	-9.5	0.9	-3.6	-3.2	249	108	11.9	-0.7
RO	-4.3	-62.5	-2.4	22.8	12.9	-18.9	1.8	72	33	7.2	4.3
SI	-0.4	-41.2	-0.3	-6.1	8.3	1.0	1.9	128	47	7.1	-1.3
SK	-2.1	-64.4	4.3	20.9	4.4	-5.6	3.3	76	43	13.4	1.2
FI	0.6	13.1	-1.3	-22.9	9.1	-0.3	4.6	179	49	8.1	30.8
SE	6.6	-8.3	3.9	-11.6	1.2	1.0	6.3	232	38	8.1	3.6
UK	-2.2	-17.3	-7.1	-24.2	8.1	-5.4	1.0	205	85	7.8	8.5

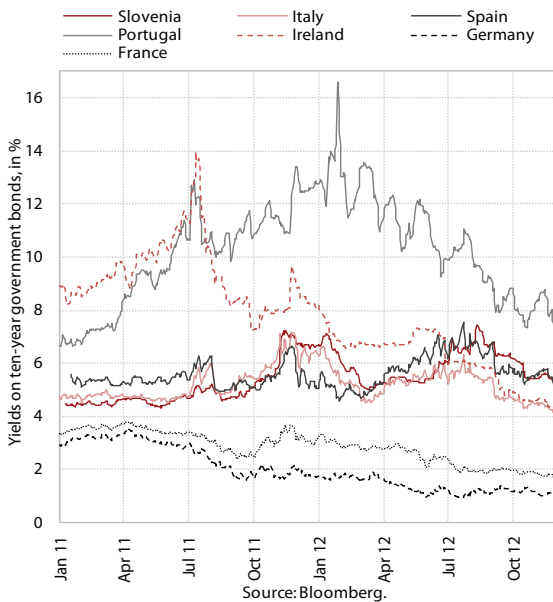
Source: EC. Note: The fields in grey designate scoreboard values above the indicative thresholds in the procedure of the assessment of excessive imbalances in the EU. Cut-off date 1st of November 2012.

¹ The mechanism for the early detection of potential imbalances consists of a set of eleven indicators with alert thresholds set for each indicator where breaching the threshold means significant external or internal imbalances. For additional methodological explanations see Development Report 2012, p. 22.

² Belgium, Bulgaria, Denmark, Spain, France, Italy, Cyprus, Hungary, Malta, Netherlands, Slovenia, Finland, Sweden and the United Kingdom. The countries that already receive EU assistance and in which imbalances were identified (Greece, Ireland and Portugal) do not participate in the excessive imbalance procedure as they are already included in other procedures. Twelve countries were analysed in detail last year.

³ If the thresholds for individual indicators are breached, the EC can issue recommendations to the Member State. If the thresholds for individual indicators are breached, the EC can issue recommendations to the Member State concerned on how to correct the imbalances. If the imbalances are serious and could jeopardise the stability of the euro area, the excessive imbalance procedure can be opened for the Member State, while in extreme cases, financial sanctions in the form of an interest-bearing deposit can be imposed.

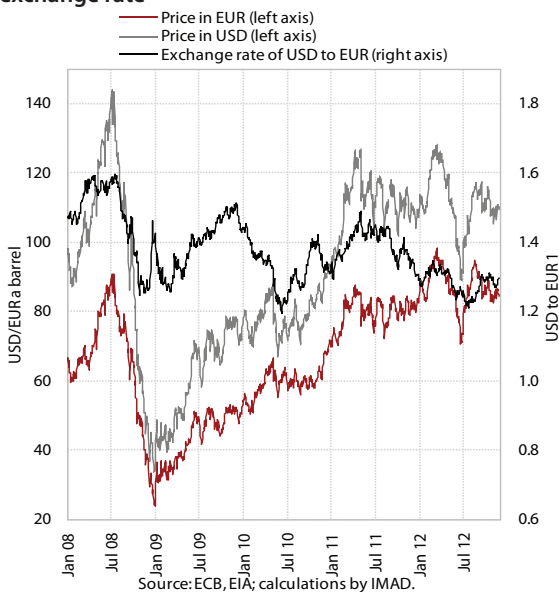
Figure 2: Yields on ten-year government bonds



on the main refinancing operations and deposit facility several times in the recent period (0.75% and 0.0%, respectively), the key interest rates of main central banks outside the euro area (Fed 0.0%, BoE 0.5%, BoJ 0.0%) remained unchanged for more than two years.

After several months of appreciation, the euro last value against the US dollar in November. The average exchange rate of the euro against the US dollar was down 1.1% to 1.283 per euro. Y-o-y it dropped by 5.4%. The euro also dropped against the British pound (by 0.4%, to 0.804 GBP to EUR 1) and Swiss franc (by 0.4%, to 1.205), while it gained value against the Japanese yen (by 1.4%, to JPY 103.94 to EUR 1).

Figure 3: Prices of Brent crude oil and the USD/EUR exchange rate



Oil and non-energy commodity prices dropped further in November. Dollar prices of Brent crude oil fell for the third consecutive month in November, by 2.5% to USD 108.93 per barrel, and were down 1.7% y-o-y. Oil prices in euros were down 0.9% (to EUR 84.81 per barrel) in November, being 4.1% higher y-o-y. According to the most recent IMF data, non-energy commodity prices dropped in October, which is mainly attributable to lower prices of food, as agricultural commodity prices and metal prices rose slightly. According to provisional data, metal prices continued to grow in November, which was reflected in somewhat higher non-energy commodity prices.

Economic developments in Slovenia

In the third quarter **real exports and imports of goods** dropped relative to the previous quarter (seasonally adjusted). Real goods exports shrank somewhat (-0.4%) in the third quarter. The recovery of exports is still mainly hindered by lower exports of motor vehicles, metals and rubber products, while the positive factors continue to be exports of pharmaceutical and other chemical products and exports of oil. In the summer months, exports of electricity also picked up.¹ However, the increases in the latter two categories indicate re-export activity.² Real goods imports dropped substantially again (-1.7%) amid a further decline in domestic demand, which was most pronounced in September. In the first nine months of this year real goods exports remained similar to those in the same period last year (-0.1%), according to original data, unlike imports, which recorded a larger decline (-3.5%).

Table 3: Selected monthly indicators of economic activity in Slovenia

in %	2011	IX 12/ VIII 12	IX 12/ IX 11	I-IX 12/ I-IX 11
Exports ¹	11.7	11.1	3.8	1.7
-goods	13.3	15.2	-5.0	1.1
-services	4.8	-2.3	4.2	4.7
Imports ¹	11.3	1.2	1.1	-1.0
-goods	12.9	4.4	0.7	-1.1
-services	2.0	-14.0	3.2	0.1
Industrial production	2.2	-2.5 ²	-0.2 ³	1.1 ³
-manufacturing	2.1	-1.2 ²	-1.7 ³	-0.1 ³
Construction -value of construction put in place	-25.6	17.1 ²	-3.9 ³	-15.2 ³
Real turnover in retail trade	1.5	-4.1 ²	-4.4 ³	-1.0 ³
Nominal turnover in market services (without trade)	2.8	-1.7 ²	-4.4 ³	-1.9 ³

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

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

¹ Estimate on the basis of the available data on the structure of goods trade for July and August.

² For more on this see SEM, April 2012, p. 33.

Box 2: Gross domestic product – Q3 2012

In the third quarter economic activity continued to drop significantly y-o-y, mainly as a consequence of lower domestic consumption. Exports were also lower again. GDP was down 0.6% q-o-q (seasonally adjusted) and 3.3% y-o-y. With a further decline in all its categories, the y-o-y shrinkage in domestic consumption was even more pronounced than in the second quarter. Against the background of continued labour market tensions, slower wage growth and deteriorated consumer confidence, household consumption, particularly spending on durables, declined even more y-o-y than in the previous quarter (by -3.0%). Government consumption also recorded a deeper y-o-y decline (-3.1%), primarily on account of the urgent fiscal consolidation measures. The y-o-y decline in gross fixed capital formation also remained substantial (-8.8%), amid a further shrinkage of construction investment also due to a relatively large drop in investment in machinery and equipment, which last year had still been growing. As in the previous quarter, changes in inventories made a significant contribution (-2.5 p.p.) to the total y-o-y decline in GDP. Exports were down y-o-y (-0.7%) for the second quarter in a row as a result of weaker demand from Slovenia's main trading partners and hence a further y-o-y decline in goods exports and considerably slower growth in services exports. Regardless of the decline in exports, the contribution of net exports remained substantial (3.1 p.p.), given that the y-o-y decline in imports deepened (-5.1%) due to lower domestic consumption and exports. In the first three quarters of this year, GDP was down 2.2% relative to the same period last year.

Value added was down 3.1% y-o-y due to a decline in all activities. As exports, value added in manufacturing was down y-o-y for the second quarter in a row. A y-o-y decline in production was recorded in activities that are oriented primarily to the domestic market. Value added in construction remained more than 10% lower, while final consumption contributed to a relatively substantial y-o-y decline in value added in all market services. As a result of measures to rationalise public expenditure, value added in public services also dropped y-o-y, for the first time ever. In all activities value added also dropped relative to the previous quarter (seasonally adjusted), most notably in professional, scientific and technical activities (M, N) and construction.

Figure 4: Expenditure structure of Slovenia's GDP

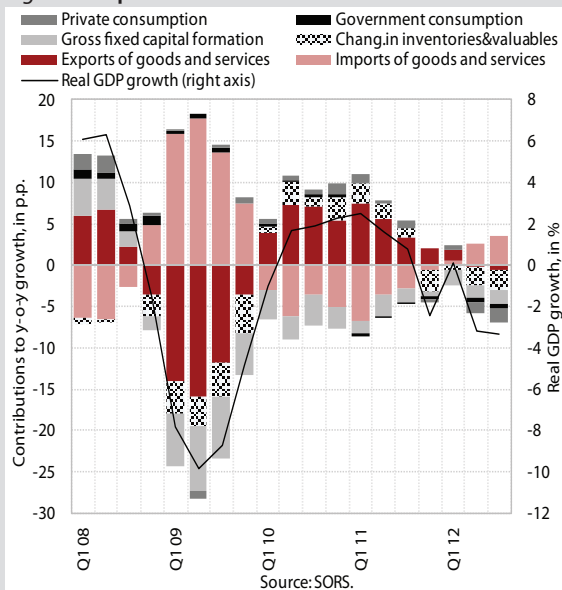
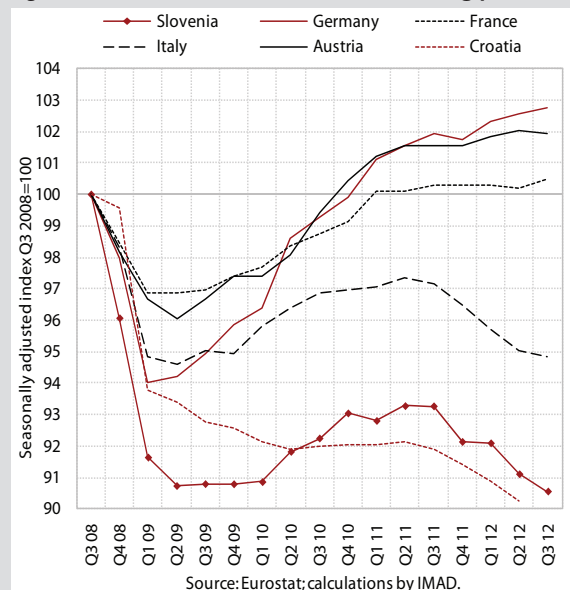


Figure 5: GDP in Slovenia and its main trading partners



Nominal exports of services declined q-o-q in the third quarter for the first time in a long period, while **imports increased** (seasonally adjusted).³ Nominal exports of services, which have otherwise been rising almost without interruption since mid-2009, were down 0.9% in the third quarter. This was mainly due to a decline in exports of the group of other services,⁴ as well as slightly lower exports

of transport services. **Imports of services** (3.0%) recorded opposite movements in the third quarter. Amid further growth in all groups of services, they increased primarily on account of imports of other services. In the nine months of this year, nominal exports of services were up 4.7% y-o-y according to original data, while imports remained at a similar level as in the same period last year.

³ According to the balance of payments statistics.

⁴ When we adjusted data for seasonal effects, we included communication, construction, financial, computer and information activities, personal service activities, arts, entertainment and recreation activities, government

services, insurances and licences, patents and copyrights into the group of other services. Together, they account for just over a tenth of services exports and nearly a third of services imports.

Figure 6: Merchandise trade – real

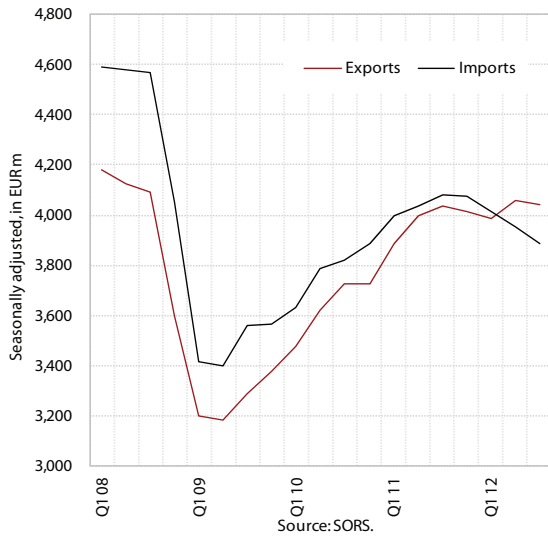
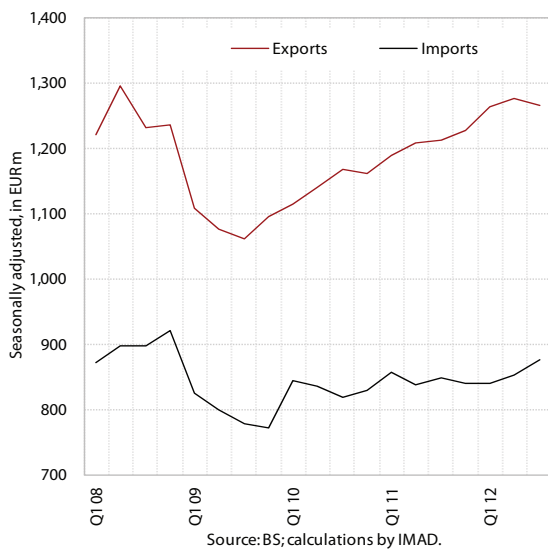


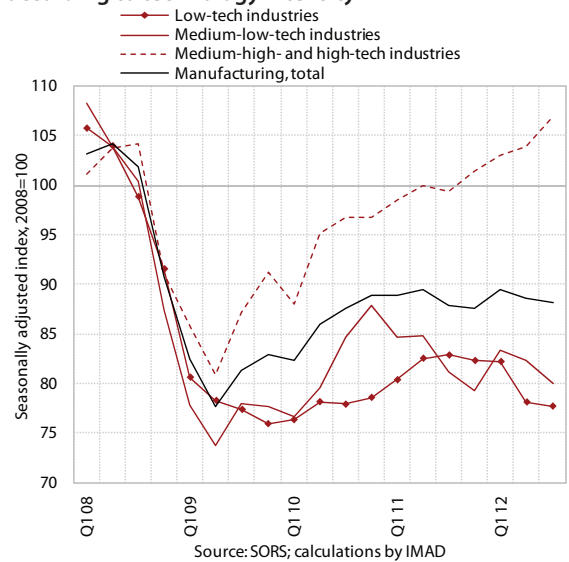
Figure 7: Trade in services – nominal



Production volume in **manufacturing** remained unchanged in the third quarter. Once again it increased only in high-technology industries. Seasonally adjusted, production in medium-low-technology industries shrank again, while production in low-technology industries was similar to that in the second quarter. In the first nine months production volume in manufacturing stayed at a similar level y-o-y, but remained further below its 2008 level than in most other EU Member States.⁵ After declining since the end of 2011, production volume in EU manufacturing otherwise grew slightly in the third quarter (0.5%, seasonally adjusted), but remained down y-o-y in the first nine months (-1.7%, working-day adjusted).

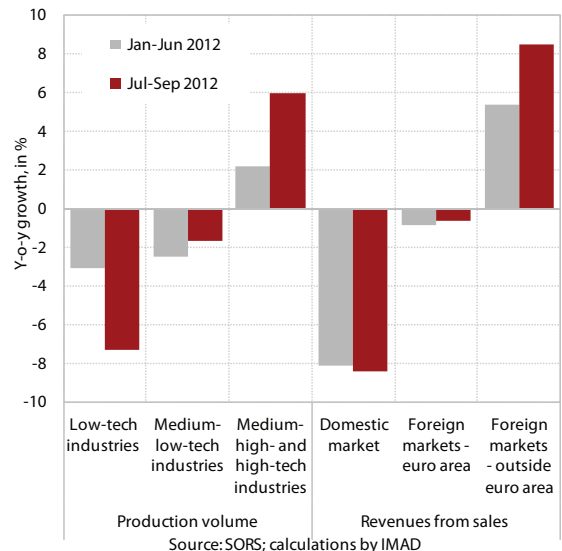
⁵ Production volume in the EU-27 was down 5.6% on 2008 in the third quarter; in Slovenia down 11.7% (seasonally adjusted). Wider gaps with 2008 production volumes than in Slovenia were recorded by Bulgaria, Greece, Italy, Spain, Cyprus, Luxembourg and Finland.

Figure 8: Production volume in manufacturing industries according to technology intensity



Only production in industries of higher technology intensity (other than the manufacture of transport equipment⁶) was up in the first nine months. Activity in the chemical and pharmaceutical industry and in the manufacture of other machinery and equipment increased, in particular, relative to the first nine months of last year. The latter was the last industry of higher technology intensity to start recovering and its production volume is still lower than in 2008. The manufacture of ICT and electrical equipment remained roughly unchanged y-o-y. The manufacture of transport equipment dropped y-o-y (-9.1%) largely due to a continuation of lower demand from some main euro

Figure 9: Production volume in manufacturing according to technology intensity and revenues from sales according to geographical orientation



⁶ Production in the medium-low-technology industry »repair and installation of machinery and equipment« was also up y-o-y.

area markets. Revenues from sales on foreign markets were up in the first nine months (2.1% y-o-y), largely due to growth in sales outside the euro area; in the euro area, they remained at a similar level y-o-y. Revenues from sales on the domestic market were even lower than in the same period last year. Weaker domestic demand was reflected in a lag behind the 2008 production levels of low- and medium-low-technology industries, which generate the bulk of sales revenues on the domestic market (unlike industries of higher technology intensity).

Amid strong monthly fluctuations, **construction activity remained low in the third quarter**. In September the value of construction output rose significantly at the monthly level, but was still down y-o-y. Activity in the third quarter as a whole was similar to that in the second. Amid

Figure 10: Value of construction put in place, seasonally adjusted

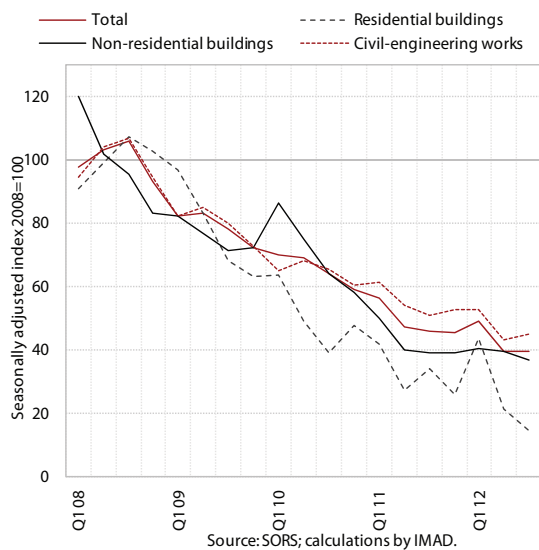
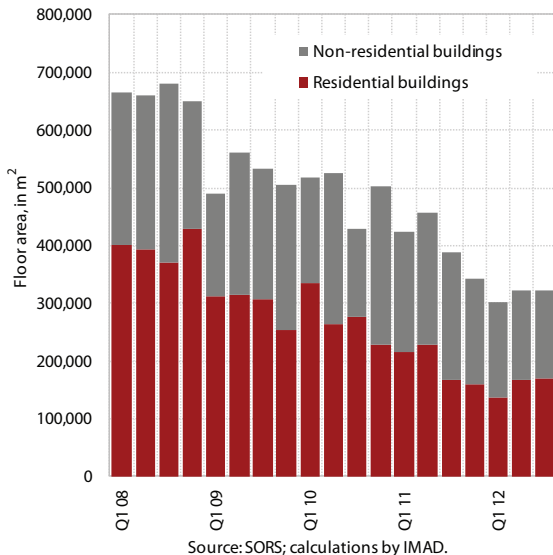


Figure 11: Floor area planned by building permits (in m²)

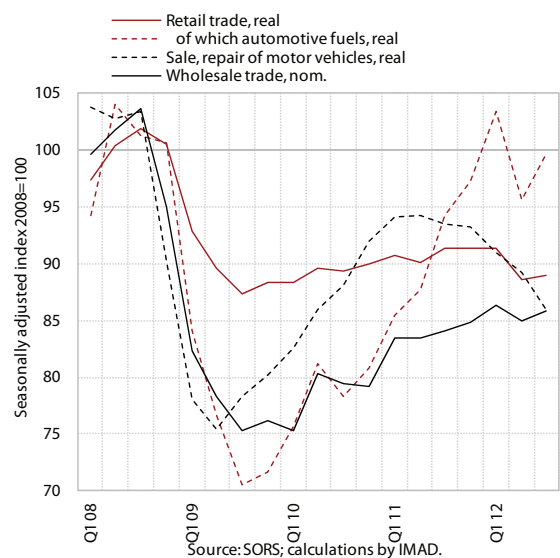


significant fluctuations, activity in the construction of residential buildings⁷ dropped significantly in the last two quarters. The construction of non-residential buildings has remained roughly unchanged in the last year, while activity in civil-engineering picked up slightly in the third quarter after the considerable decline in the second.

The indicators of future construction activity have stopped falling in the last year. Following the significant decline during the recession, the value of new contracts in construction has remained roughly unchanged since the third quarter last year. Similar movements are recorded for data on issued building permits, according to which the total planned floor area of buildings also stayed at the same level in the first three quarters of this year.

Turnover in retail and wholesale **trade increased slightly in the third quarter**, while turnover in the sale and repair of motor vehicles continued to shrink, seasonally adjusted. The further decline in the latter reflects lower sales of new cars.⁸ In contrast, nominal turnover in wholesale trade and real turnover in retail trade increased (after the decline in the previous quarter), mainly owing to August's growth. The former was still slightly higher y-o-y, while turnover in retail trade was down 2.6% on last year's level in real terms.

Figure 12: Turnover in trade sectors



In retail trade the unfavourable movements in the sale of food and non-food products continued in the third quarter, while turnover in the sale of automotive fuels increased. After growing since the end of 2010, the sale of automotive fuels dropped in the second quarter and

⁷ The data on the value of residential construction put in place should be interpreted with caution, as they do not include small enterprises, which are, according to our estimates, mainly engaged in the construction of residential buildings.

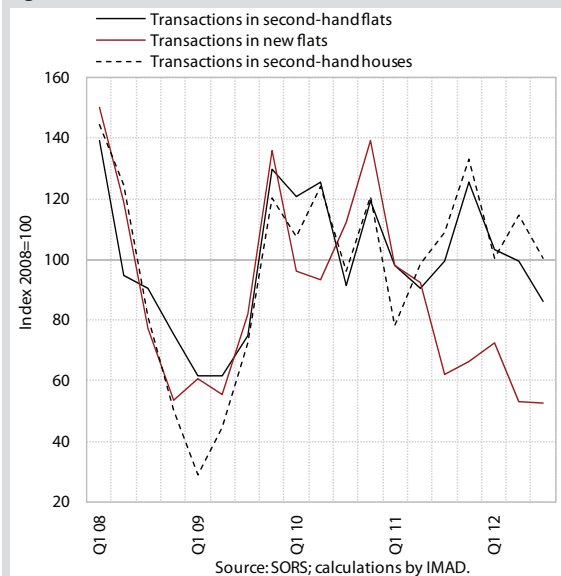
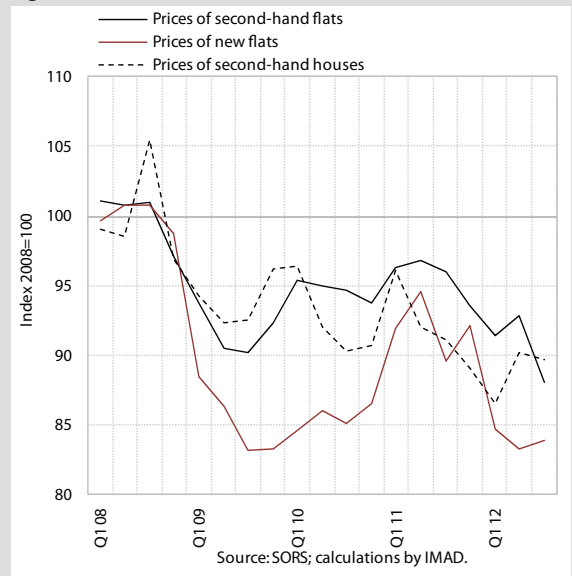
⁸ The total number of new passenger car registrations was down 1.1% q-o-q in the third quarter (seasonally adjusted), while turnover in the sale of motor vehicles declined by an additional 3.8% (seasonally adjusted), being 9.5% lower y-o-y.

Box 3: Real estate market – Q3 2012

In the third quarter the number of market transactions in new and second-hand flats declined further. According to SORS data, the number of all real estate transactions (in new and second-hand flats and in family houses) has been declining this year, following the fluctuations in 2010 and 2011. In the third quarter it was nearly a fifth lower than on average in 2008. The majority of all real estate transactions, around two thirds, occur for second-hand flats. This year the number of transactions in second-hand flats has actually been declining, after the increase in the second half of 2011. In the third quarter it was the lowest since 2010. After a brief interruption early this year, the number of transactions in new flats also continued to drop (as already seen in 2011). The number of transactions in new flats in the third quarter was thus the lowest since 2007 when they began to be statistically monitored.

In the deteriorated and uncertain economic situation, consumers continue to delay making major purchases, anticipating lower prices in the future. In its report on macroeconomic imbalances in EU Member States,¹ the EC also cautions about imbalances on the real estate market in Slovenia as a result of high prices and low transaction volumes.

The prices of second-hand flats dropped significantly in the third quarter, to the lowest level since 2007; the prices of new flats were up somewhat but nevertheless lower than a year before. In the third quarter housing prices were down 2.6% q-o-q, according to SORS data, and down 6.0% y-o-y. Overall, only the prices of new flats rose somewhat, but were, owing to a decline in the first two quarters, 6.3% lower y-o-y and just slightly above their lowest level in the third quarter of 2009. The prices of second-hand flats dropped by 5.1% in the third quarter after the increase in the second, recording the largest quarterly decline since the measuring began. The prices of second-hand flats thus reached the lowest level since 2007 and were more than a tenth lower than on average in 2008.

Figure 13: Transactions in second-hand and new flats**Figure 14: Prices of second-hand and new flats**

¹ European Commission: Alert Mechanism report – 2013, Brussels 2012.

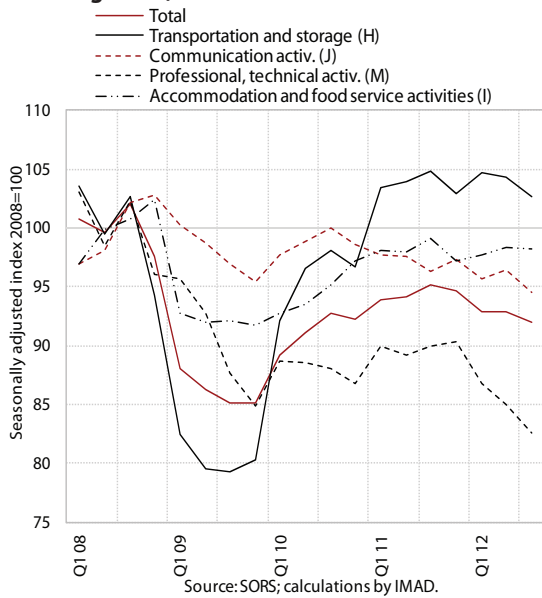
then rose again in the third. Amid a further deterioration of labour market conditions, the negative movements in the sale of non-food and food products continued. In both sectors turnover was also down y-o-y. Lower turnover in the sale of food products (i.e. particularly in supermarkets, markets, discount stores, etc.) indicates continued consumer caution and a change in buying behaviour (consumers shifting to discount stores, switching from name brands to lower-priced store brands, purchasing products on sale and promotion, shopping in several stores...). A decline in the purchases of durable and semi-durable goods is also reflected in turnover in stores selling furniture, household equipment and construction material, which was one third lower than

in 2008. Moreover, turnover in specialised stores selling computer and telecommunication equipment, books, sports equipment and toys, turnover in specialised stores selling textile, clothing, footwear and leather products and turnover in specialised stores with pharmaceutical, medicinal, cosmetic products and toiletry were also down y-o-y.

Nominal turnover in market services (excluding trade)⁹ was down again in the third quarter of 2012 (seasonally adjusted), slipping below the level recorded two years before. Turnover dropped in all main market services,

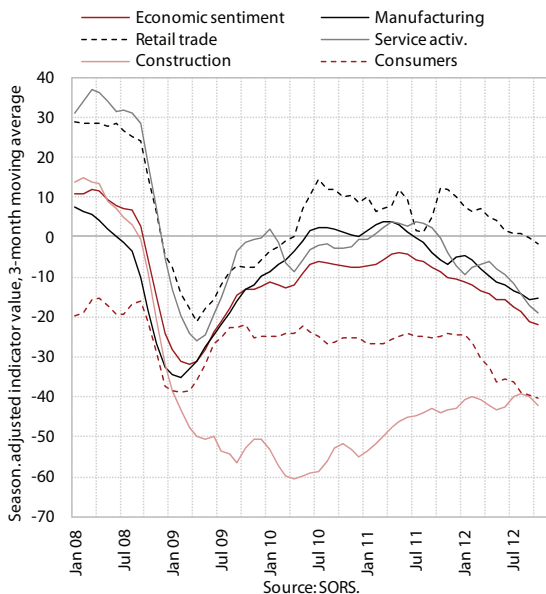
⁹ Activities from H to N (SCA 2008) subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

Figure 15: Nominal turnover in market services (excluding trade)



except accommodation and food service activities. Despite the decline, turnover in transportation and storage still exceeded its pre-crisis level of 2008 (by 2.7%). Information-communication services recorded a considerable decline, chiefly on account of a 5.5% drop in computer programming services. In the group of main services, turnover shrank most notably (by 2.8%) in professional-technical services, where it still lags most notably behind that in 2008 (by 17.4%) primarily due to a decline in turnover in architectural and engineering activities (which are strongly related to construction), where turnover was down as much as 25.2% on 2008.

Figure 16: Business trends



The **sentiment indicator** did not change significantly in November and continued to be low (seasonally adjusted). The values of confidence indicators by activity remained down y-o-y, except for the confidence indicator in construction. The latter nevertheless remains lowest, together with the indicator of consumer confidence.

Labour market

The **labour market** situation deteriorated further in the third quarter. Employment according to the statistical register¹⁰ declined by 0.8% relative to the previous quarter (seasonally adjusted) and was down 1.7%

Figure 17: Employed persons by activity

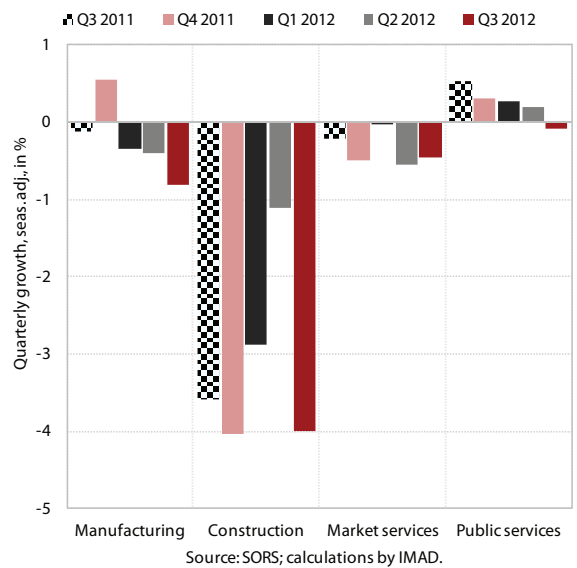
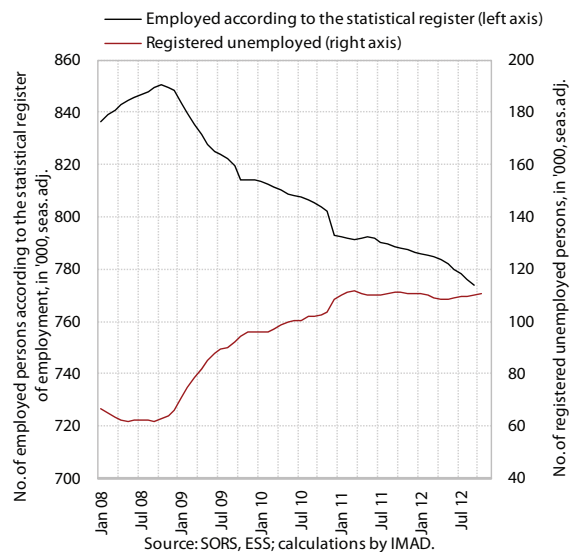


Figure 18: Seasonally adjusted labour market movements



¹⁰ Employed and self-employed persons, excluding self-employed farmers.

Table 4: Employed persons by activity

	Number in '000				Change in Number			
	2011	IX 11	VIII 12	IX 12	11/10	IX 12/ VIII 12	IX 12/ IX 11	I-IX 12/ I-IX 11
Manufacturing	184.8	185,2	182,5	182,1	-3.725	-355	-3075	-639
Construction	67.8	67,0	60,2	59,6	-10.709	-600	-7.432	-8.213
Market services	342.2	342,5	337,3	337,0	-3.400	-249	-5.500	-3.221
- of which: Wholesale and retail trade, repair of motor vehicles and motorcycles	109.7	109,4	107,2	107,1	-2.078	-151	-2.282	-1.647
Public services	170.2	170,6	170,6	171,5	1.406	884	948	2.033
Public administration and defence, compulsory social security	51.4	51,2	50,8	50,7	-661	-102	-535	-444
Education	64.7	64,9	64,3	65,3	1.145	993	374	1.016
Human health and social work activities	54.1	54,5	55,6	55,6	922	-7	1.109	1.461
Other	59.0	59,2	57,8	58,1	5.355	217	-1.115	-1.907

Source: SORS; calculations by IMAD.

Table 5: Labour market indicators

in %	2011	IX 12/ VIII 12	IX 12/ IX 11	I-IX 12/ I-IX 11
Labour force	-0.1	-0.1	-1.9	-1.4
Persons in formal employment	-1.3	0.0	-2.0	-1.4
Employed in enterprises and organisations and by those self-employed	-2.4	-0.1	-2.0	-1.3
Registered unemployed	10.1	-0.6	-1.5	-1.2
Average nominal gross wage	2.0	0.1 ¹	-1.2	0.4
- private sector	2.6	0.0 ¹	-1.1	0.7
- public sector	1.0	0.5 ¹	-1.6	-0.3
- of which general government	0.0	0.2 ¹	-3.3	-1.8
	2011	IX 11	VIII 12	IX 12
Rate of registered unemployment, in %, seasonally adjusted	11.8	11.9	11.9	11.9
Average nominal gross wage (in EUR)	1,524.65	1,506.87	1,512.95	1,489.00
Private sector (in EUR)	1,388.65	1,370.24	1,393.82	1,354.74
Public sector (in EUR)	1,778.45	1,761.90	1,731.39	1,734.51
- of which general government (in EUR)	1,801.27	1,792.65	1,728.80	1,734.23

Sources: ESS, SORS; calculations by IMAD.

Note: ¹seasonally adjusted.

y-o-y. Formal employment dropped again (seasonally adjusted) in most activities, particularly in construction, manufacturing and market service and, slightly, in public services. Employment according to the Labour Force Survey¹¹ also dropped (by 0.8%, seasonally adjusted), remaining down 2.1% y-o-y.

Registered unemployment has been increasing since the middle of the year. It rose in October compared with September (0.7% seasonally adjusted), while it remained unchanged relative to October last year. Altogether 110,886 persons were registered as unemployed at the end of October. The more pronounced increase in October was a consequence of higher inflows of first-time jobseekers and people who lost work than in the previous year. Overall 83,673 persons registered as unemployed between January and October, an increase of 1,586 y-o-y. Unemployment according to the Labour Force Survey rose more notably (12.1%, seasonally adjusted) and was up 16.0% y-o-y. The survey unemployment rate (9.4%, seasonally adjusted) thus reached the highest level since 1993 when it was first measured.

¹¹ In addition to employed and self-employed persons, the number of employed persons according to the Labour Force Survey also includes informal employment such as occasional work, work by unpaid family workers and similar, but it does not include temporarily employed foreigners.

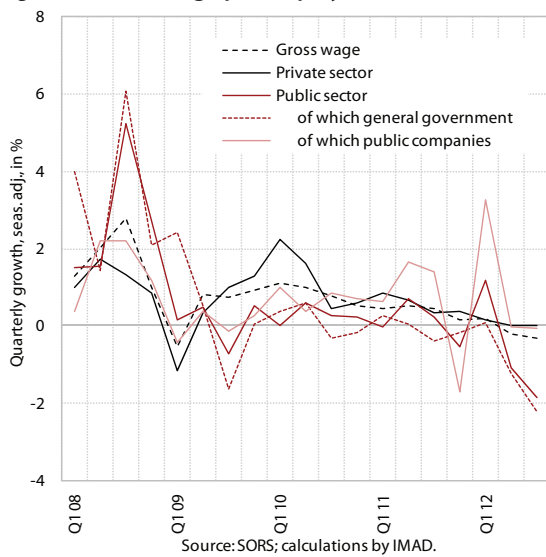
Table 6: Wages by activity

	Gross wage per employee, in EUR		Change, in %			
	2011	IX 2012	2011/ 2010	IX 12/ VIII 12	IX 12/ IX 11	I-IX 12/ I-IX 11
Private sector activities (A-N; R-S)	1,451.57	1,423.91	2.6	-2.3	-0.5	1.2
Industry (B-E)	1,408.91	1,394.43	3.6	-3.6	0.7	2.1
- of which manufacturing	1,362.79	1,347.12	3.9	-4.0	0.3	2.6
Construction	1,235.95	1,173.03	2.0	-3.3	-5.1	-2.0
Traditional services (G-I)	1,349.67	1,330.17	2.7	-0.7	-0.3	0.8
Other market services (J-N; R-S)	1,718.65	1,667.72	0.7	-2.0	-1.3	0.0
Public service activities (O-Q)	1,750.03	1,684.10	0.0	0.3	-3.3	-1.8
- Public administration and defence, compulsory social security	1,784.27	1,729.69	0.3	-0.1	-2.9	-1.6
- Education	1,733.58	1,643.91	0.2	1.4	-5.2	-2.5
- Human health and social work activities	1,735.19	1,688.73	-0.7	-0.7	-1.0	-1.1

Source: SORS; calculations by IMAD.

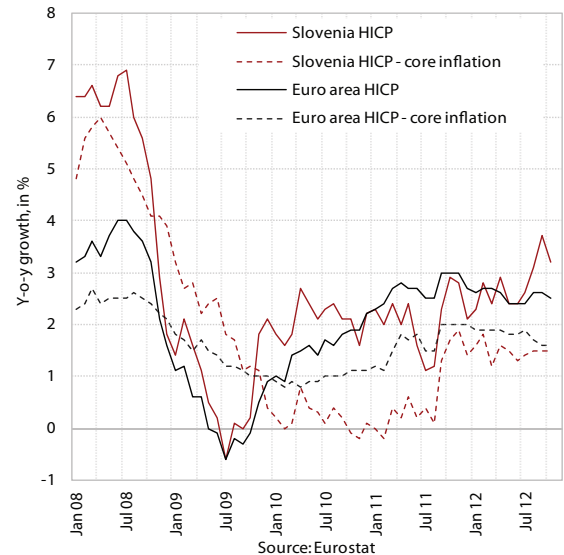
The average gross **wage** per employee dropped further in the third quarter (-0.3%, seasonally adjusted), particularly due to June's decline in wages in the general government sector with the enforcement of the ZUJF.¹² The private sector wage,¹³ having stagnated since the end of last year, also remained unchanged in September. The public sector wage was up relative to the previous month, more notably in public companies (0.6%) than in the general government (0.2%). In the private sector, the wage remained almost unchanged y-o-y in nominal terms in the third quarter (0.2%), while it dropped by 2.3% and 3.5%, respectively, in the public sector and in the general government. The y-o-y growth of the average gross wage in the first nine months as a whole also stemmed only from the private sector, despite the easing, as in the public sector wages rose y-o-y only in public companies (3.0%), mainly due to growth in the first quarter.

Figure 19: Gross wage per employee



In the first ten months, prices rose by 3%. This year their growth has mainly resulted from energy price movements and, recently, also from somewhat higher prices of food. Energy prices were up 8.2% overall in the first ten months (compared with 6.2% in the same period last year), contributing 1.1 p.p. to inflation, 0.3 p.p. less than in the first nine months. In addition to the relatively stable commodity prices on global markets, this is mainly attributable to prices of natural gas on the domestic market, which were down 9.3% in October. In contrast to last year when gas prices were up 11.5% in the first ten months, they fell by 3.5% in the same period of this year. In addition to energy prices, food prices, which increased by 4.2% in the first ten months, also contributed 0.6 p.p. to inflation this year (compared with 0.8 p.p. in the same period last year). Core inflation remains low against the background of weak economic activity, around 1%.

Figure 20: Headline and core inflation in Slovenia and in the euro area



Prices

In line with expectations, Slovenia recorded deflation in November,¹⁴ while **consumer prices** dropped by 0.1%. Monthly movements were marked primarily by lower energy prices, which reduced monthly growth by 0.3% and contributed around 0.8 p.p. to this year's inflation. Y-o-y inflation stood at 2.3% and remains marked by food and energy prices. According to Eurostat's flash estimate, y-o-y price growth in the euro area totalled 2.2%.

¹² As a result of the ZUJF, earnings in the general government sector declined by 3.1% in June and by an additional 0.3% in July (seasonally adjusted). In June public servants' wages were reduced by 8%, but at the same time the remaining two quarters of wage disparities were paid.

¹³ Starting June 2012 we comment on wages in the private sector and in the public sector (within the latter, mainly in the government sector) and only exceptionally on wages in public service activities; for more see SEM 06/12, Selected Topics – Monitoring the Movements of Wages and Wage Earners in the Public and Private Sector.

¹⁴ Detailed data on November's inflation will be released later and will be commented upon in the next SEM.

Figure 21: Structure of y-o-y inflation

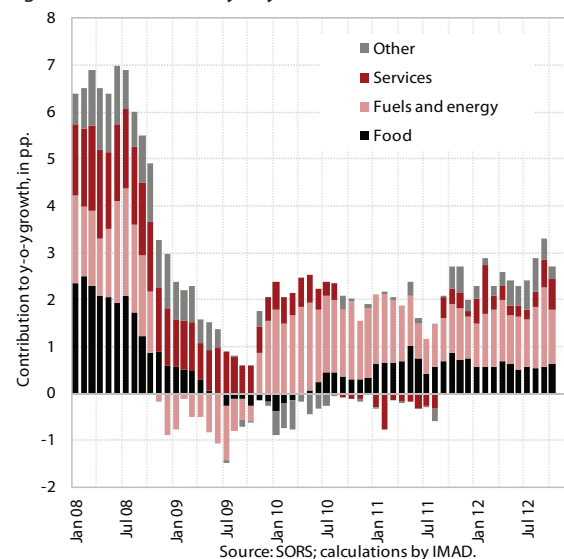


Table 7: Breakdown of the HICP into sub-groups – October 2012

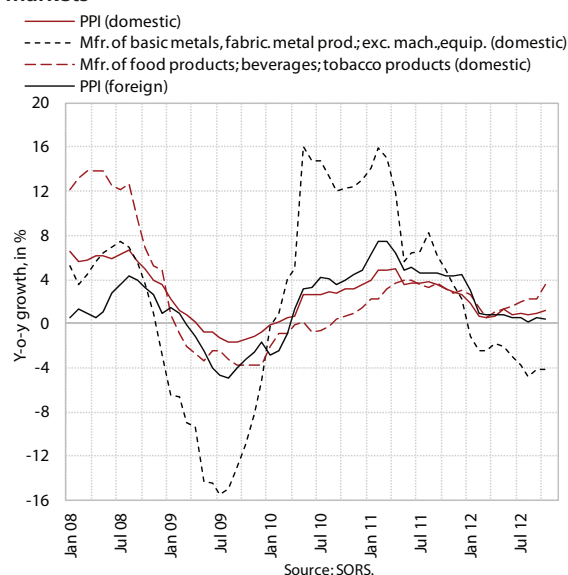
	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	3.7	100.0	3.7	2.1	100.0	2.1
Goods	4.5	66.0	3.0	2.6	58.5	1.5
Processed food, alcohol and tobacco	4.7	15.4	0.7	1.9	11.9	0.2
Non-processed food	9.1	7.3	0.7	3.1	7.2	0.2
Non-energy industrial goods	0.4	28.8	0.1	1.3	28.5	0.4
Durables	-2.4	10.6	-0.3	-0.1	9.0	0.0
Non-durables	1.6	8.8	0.1	1.8	8.2	0.1
Semi-durables	4.1	9.4	0.4	3.4	11.2	0.4
Energy	9.7	14.5	1.4	7.2	11.0	0.8
Electricity for households	4.2	2.7	0.1	5.7	2.6	0.2
Natural gas	-2.4	1.1	0.0	5.8	1.8	0.1
Liquid fuels for heating	11.9	1.7	0.2	10.3	0.9	0.1
Solid fuels	-4.1	0.9	0.0	1.7	0.1	0.0
District heating	6.6	0.9	0.1	6.0	0.7	0.0
Fuels and lubricants	14.9	7.2	1.1	8.4	4.9	0.4
Services	1.9	34.0	0.6	1.1	41.5	0.5
Services – dwellings	-0.1	3.0	0.0	1.4	10.1	0.1
Services – transport	1.0	5.9	0.1	2.6	6.5	0.2
Services – communications	-0.7	3.5	0.0	-3.2	3.1	-0.1
Services – recreation, repairs, personal care	3.7	13.5	0.5	0.8	14.5	0.1
Services – other services	2.1	8.1	0.2	1.7	7.3	0.1
HICP excluding energy and non-processed food	1.9	78.2	1.5	1.2	81.8	1.0

Source: Eurostat; calculations by IMAD.

Note: ECB classification

Growth in **producer prices of manufactured goods** on the domestic market was somewhat higher than abroad. On foreign markets producer prices of manufactured goods were down somewhat (by 0.3%) relative to the previous month, while they increased slightly on the domestic

Figure 22: Movement of domestic producer prices of manufactured goods sold on the domestic and foreign markets



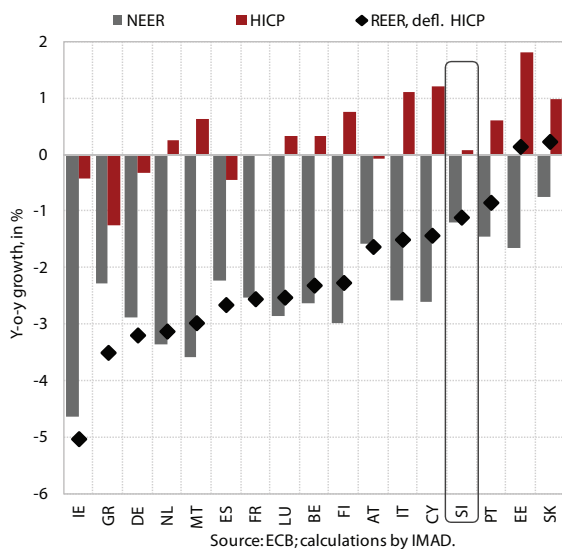
market (0.2%). Y-o-y price growth on the domestic market rose by 0.3 p.p. (1.2%) in October compared with September, mainly due to price movements in the manufacture of food products where this year prices increased by around 3%. Prices in the manufacture of metals and metal products continue to drop. Likewise, the y-o-y growth of domestic producer prices on foreign markets (0.4%) was marked primarily by price rises in the manufacture of food products (5.7%) and lower prices in the manufacture of metals and metal products (-4.8%).

In October the y-o-y growth in **import prices** rose slightly relative to September, totalling 2.9%. In addition to higher prices of oil products, growth continues to be marked by higher prices in the manufacture of food (4.5%) and lower prices in the manufacture of metals and metal products (-2.8%).

In September and in the first nine months overall the **price competitiveness** of the economy improved y-o-y due to the lower exchange rate of the euro. The real effective exchange rate deflated by the HICP was down 0.2% y-o-y in September and 1.1% in the first nine months. The improvement was the result of a lower exchange rate of the euro, primarily against non-EU currencies (USD, JPY), and also against GBP. The y-o-y gain in price competitiveness was smaller than in most other EMU countries, mainly due to a smaller decline in the nominal effective exchange rate because of the structure of

Slovenia's external trade.¹⁵ At the monthly level, the real effective exchange rate deflated by the HICP rose more notably in September (by 1.5%). Compared with August, the euro appreciated against most currencies of Slovenia's main trading partners. Meanwhile, relative prices were up as well.¹⁶ In most other euro area countries the price competitiveness of the economy deteriorated relative to September, though less so than in Slovenia. Slovenia's relatively worse position was a consequence of growth in relative prices, which were down or remained at August's level in most euro area countries.¹⁷

Figure 23: Real effective exchange rates of euro area countries deflated by the HICP, January – September 2012



Balance of payments

The **current account of the balance of payments** continued to record a surplus in the third quarter. With a further decline in domestic spending and hence imports, the y-o-y improvement in the balance of current transactions reflected a y-o-y improvement in the balance of merchandise trade. The deficit in the balance of factor incomes was down y-o-y, while the balance of current transfers deteriorated.

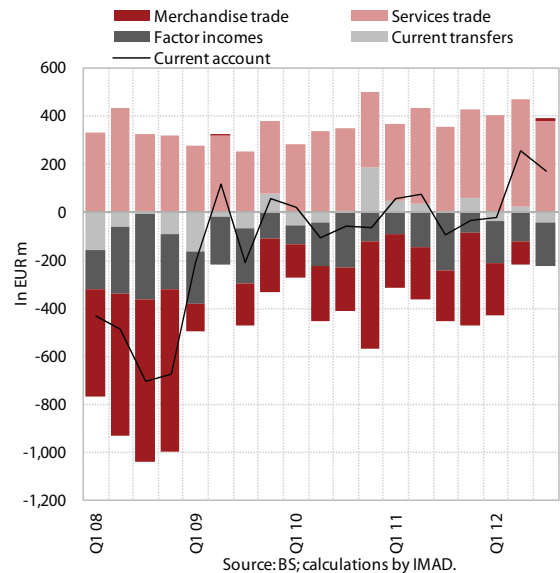
In the third quarter this year Slovenia recorded the widest surplus in **external trade** since 1996. The surplus, which was up again y-o-y, reflected a further decline in domestic spending amid the otherwise modest export growth. The

¹⁵ As Slovenia has an above-average share of merchandise trade with the euro area, the effects of the depreciation of the euro on the nominal effective exchange rate are smaller, and vice versa: when the euro gains value, the effects on the movement of Slovenia's nominal effective exchange rate are relatively smaller.

¹⁶ Slovenian prices in comparison with prices in the trading partners.

¹⁷ The less favourable movement of relative prices in Slovenia was, in addition to higher energy prices, also due to a one-off factor, September's abolition of subsidies on school meals; for more on this see SEM 10/12, p.17.

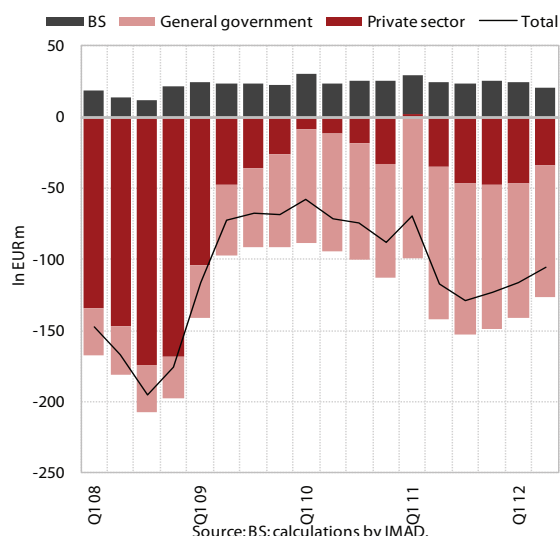
Figure 24: Components of the current account balance, in EUR m



balance of merchandise trade saw a slight surplus in the third quarter, EUR 9.1 m (compared with a deficit of EUR 213.6 m in the same period last year). The improvement in merchandise trade was due to quantity factors (imports declined more than exports in real terms) and terms of merchandise trade (-1.4%), which have deteriorated for the third consecutive year. Export prices were up 1.4% y-o-y, import prices 2.8%, mainly due to higher prices of manufactured goods and agricultural products and commodities. In the first nine months of the year the merchandise trade deficit totalled EUR 306.5 m, compared with EUR 659.9 m in the same period last year. The surplus in *trade in services* was also up in the third quarter, mainly due to a wider surplus in travel. Revenues from foreign tourists were higher, while domestic spending abroad remained more or less unchanged y-o-y. Owing to strong growth in exports and a significant decline in imports of financial services (commission and costs of bank and monetary intermediation, commission for other financial intermediation services), the deficit in trade in the group of other services dropped y-o-y. In the first nine months of the year, the surplus in services trade stood at EUR 1,239.1 m (compared with EUR 1,072.5 m in the same period last year).

In the third quarter the deficit in **factor incomes** narrowed slightly y-o-y again, while the **balance of current transfers** deteriorated. The y-o-y decline in the deficit in factor incomes was due primarily to a lower deficit in income from capital. Net outflows from direct investment are declining, probably as a consequence of corporate losses. With diminishing returns, net income from portfolio investment also dropped y-o-y. Total net payments of interest abroad were down, largely due to repayments of long-term government and private sector debts. In the first nine months the total net interest payments reached EUR 325.9 m (compared with EUR 314.5 m in the same period last year).

Figure 25: Net interest payments in EUR m



The **balance of current transfers** recorded a deficit in the third quarter, EUR 39.1 m (a surplus of EUR 3.2 m in the same period last year). Amid a slightly lower net absorption of EU funds, the y-o-y deterioration in the balance of current transfers mainly resulted from higher net payments of other general government transfers. In the first nine months the balance of current transfers recorded a deficit of EUR 47.7 m (a surplus of EUR 91.4 m in the same period last year).

Because of the limited access to foreign sources of finance on international financial markets, funds for repaying **foreign**

Table 8: Balance of payments

I-IX 12, v mio EUR	Inflows	Outflows	Balance ¹	Balance, I-IX 11
Current account	21.387.0	20.977.7	409.3	37.3
- Trade balance (FOB)	16.077.7	16.384.2	-306.5	-659.9
- Services	3.789.5	2.550.4	1.239.1	1.072.5
- Income	563.1	1.038.7	-475.5	-466.7
Current transfers	956.7	1.004.4	-47.7	91.4
Capital and financial account	1.258.3	-1.703.8	-445.5	-280.3
- Capital account	193.7	-160.1	33.6	-19.8
- Capital transfers	192.0	-159.2	32.8	-16.3
- Non-produced, non-financial assets	1.7	-0.8	0.8	-3.5
- Financial account	1.064.6	-1.543.7	-479.1	-260.5
- Direct investment	212.6	121.2	333.8	477.6
- Portfolio investment	-1.918.9	191.0	-1.727.9	1.852.4
- Financial derivatives	-56.0	26.2	-29.8	-118.1
- Other investment	2.814.8	-1.882.1	932.7	-2.525.6
- Assets	83.8	-1.312.4	-1.228.6	-2.032.9
- Liabilities	2.731.0	-569.7	2.161.3	-492.7
- Reserve assets	12.1	0.0	12.1	53.2
Net errors and omissions	36.2	0.0	36.2	53.2

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.

liabilities are this year primarily obtained by borrowing from the Eurosystem. External financial transactions¹⁸ posted a net outflow in the third quarter, mainly due to deleveraging of commercial banks and the government sector. The net outflow of financial transactions abroad amounted to EUR 394.2 m. In the first nine months of this year it stood at EUR 491.2 m, compared with EUR 313.7 m in the same period last year.

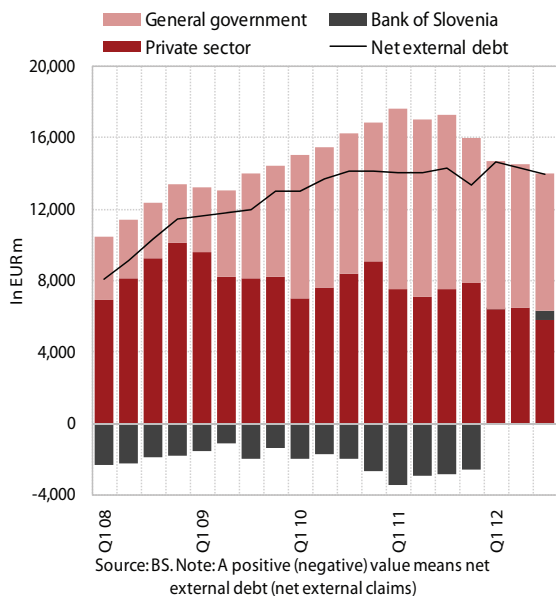
Portfolio investment posted a net outflow of EUR 1,006.0 m in the third quarter, mainly due to commercial banks and the government sector repaying debts from the issuance of bonds and money market instruments. In the first nine months the net outflow of portfolio investment thus totalled EUR 1,727.9 (in contrast to a net inflow of EUR 1,852.4 m in the same period last year). The net inflow of **other investment** recorded EUR 554.5 m in the third quarter. The BS obtained short-term liquid funds from the Eurosystem while withdrawing deposits from foreign accounts. The private sector was again net repaying its foreign debt. Other investment recorded a net inflow of EUR 932.7 m in the first nine months (EUR 2,525.6 m in the same period last year).

Direct investment flows remained at approximately the same level q-o-q in the third quarter, at EUR 57.9 m. Transactions related to equity capital were modest and limited to intercompany financing, with affiliated companies abroad repaying loans to Slovenian investors. In the first nine months this year direct investment posted a net inflow of EUR 333.8 m (EUR 477.6 m in the same period last year).

At the end of September Slovenia's **net external debt** amounted to EUR 13.9 bn (39.1% of the estimated GDP) and was up EUR 0.6 bn from December 2011. The net external debt of the BS increased, while the net external debts of the private and general government sectors declined. The total gross debt rose, totalling EUR 40.6 bn (113.8% of GDP), up EUR 0.4 bn on December last year. Growth was mainly underpinned by the BS borrowing from the Eurosystem in the form of long-term refinancing operations. Commercial banks, which continue to deleverage, used these funds to repay a portion of external debts. Other sectors, affiliated companies and the government sector recorded modest borrowing abroad compared to that recorded at the end of 2011. In the government sector these movements are a consequence of February's repayment of bonds in the amount of EUR 1 bn and structural changes in debt instruments (issuance of treasury bonds) in this period. Total gross external claims in debt instruments declined and stood at EUR 26.7 bn at the end of September (74.7% of the estimated GDP), which is EUR 0.3 bn less than at the end of last year. The decline was mainly underpinned by repayments of foreign loans, value-based changes, which lowered the volume of outward FDI (lower claims of domestic investors on their subsidiary companies abroad), and a decline in claims of commercial banks on investors in foreign debt securities (bonds).

¹⁸ Excluding international monetary reserves and statistical errors.

Figure 26: Slovenia's net external debt, EUR m



Financial markets

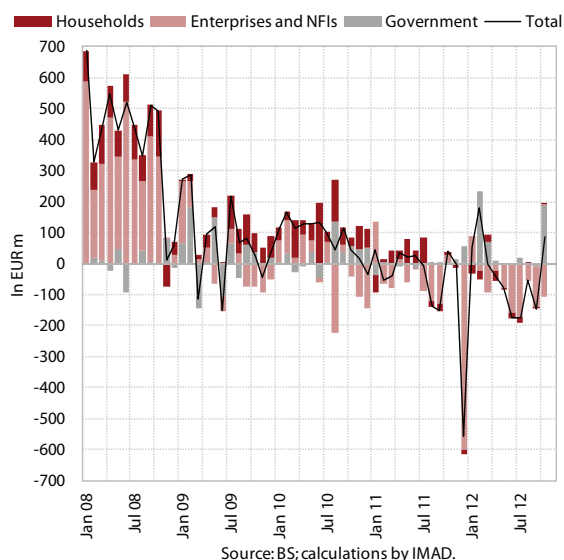
Despite October's increase due to government borrowing, the volume of **domestic bank loans to domestic non-banking sectors** was down y-o-y in the first ten months. In October it otherwise rose for the first time since February, by more than EUR 85 m. The increase was mainly a consequence of higher government borrowing while enterprises and NFIs continued to repay domestic bank loans. Household borrowing is also modest. The volume of loans to domestic non-banking sectors was down by over EUR 350 m in the first ten months, over a half more than in the same period last year. Banks still have to deal with liquidity pressures due to highly limited sources of finance. Net repayments of matured foreign liabilities rose again in October. Household deposits are still leaving the banking sector, while government deposits in domestic banks rose slightly.

Against the background of the unfavourable situation in the Slovenian banking system and on the labour market, **household borrowing** with domestic banks remains extremely low. In October household loans increased by a mere EUR 3 m. Households continue to repay consumer loans, while increasing the volumes of housing loans and loans for other purposes. The latter accounted for the bulk of household borrowing in the last three months. According to our estimate, this means that households are mainly borrowing only to meet their liquidity needs. Household loans were down by over EUR 110 m in the first ten months of this year (up by nearly EUR 200 m in the same period last year).

Corporate and NFI borrowing, which also continues to decline at a rapid pace, totalled EUR 107.5 m in October. Once again, repayments (around EUR 100 m) were mainly

due to corporate repayments, while the repayments of NFIs remain modest. In the first ten months of this year enterprises and NFIs thus repaid more than EUR 740 m in domestic bank loans, twice as much as in the same period last year. In September enterprises and NFIs increased net repayments of foreign liabilities. Monthly net repayments exceeded EUR 40 m and were a result of net repayments of long-term loans. Particularly the repayment of long-term loans was up considerably compared with previous months, while the volume of new long-term loans was approximately at the level of the nine-month average. Short-term loans recorded a modest inflow in September. Corporate and NFI borrowing abroad declined, as the borrowing activity is also decelerating in the euro area. Enterprises and NFIs thus repaid a net EUR 117.8 m in foreign loans in the first three quarters of this year, in contrast to the same period last year when they borrowed a net EUR 225.3 m. The gap between domestic and foreign interest rates for corporate and NFI loans widened substantially in September and exceeded 260 b.p., the highest figure in the last two years. In the first three quarters of this year, enterprises and NFIs net repaid over EUR 750 m in total loans taken out with domestic banks and abroad, which is almost 3.5 times more than in the same period last year.

Figure 27: Increase in household, corporate, NFI and government loans



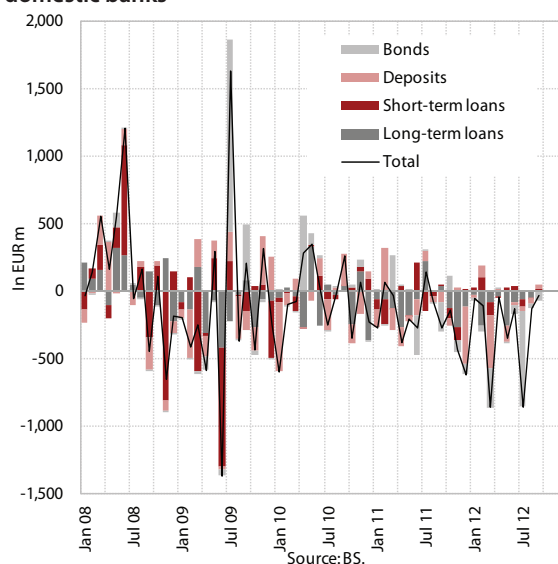
In September net repayments of **foreign liabilities** by domestic banks were fairly modest compared with previous months, totalling only slightly more than EUR 30 m. Banks repaid long-term sources of funds, particularly matured bonds, while long-term loans recorded a fairly modest net outflow. In contrast, the inflows of short-term loans and deposits rose, mitigating, to a certain extent, September's net repayments of foreign liabilities. Nevertheless, banks net repaid EUR 2.6 bn in foreign liabilities in the first three quarters, nearly twice as much as in the same period last year.

Table 9: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 11	30. X 12	30. X 12/ 31. IX 12	30. X 12/ 31. XII 11	30. X 12/ 30. X 11
Loans total	32,733.9	32,381.0	0.3	-1.1	-2.7
Enterprises and NFI	22,065.5	21,321.6	-0.5	-3.4	-5.9
Government	1,214.9	1,718.6	12.5	41.5	50.1
Households	9,453.5	9,340.8	0.0	-1.2	-1.5
Consumer credits	2,723.0	2,539.3	-0.6	-6.7	-7.6
Lending for house purchase	5,163.6	5,258.5	0.2	1.8	2.0
Other lending	1,566.9	1,543.0	0.6	-1.6	-2.3
Bank deposits total	15,097.2	14,886.1	-0.6	-1.4	-1.0
Overnight deposits	6,440.8	6,422.0	-2.5	-0.3	0.9
Short-term deposits	4,127.7	3,951.4	1.3	-4.3	-5.1
Long-term deposits	4,521.1	4,505.9	0.4	-0.3	-0.1
Deposits redeemable at notice	7.6	6.8	-7.5	-9.7	-7.0
Mutual funds	1,810.6	1,840.1	-2.6	1.6	-1.8
Government bank deposits, total	2,849.0	2,262.7	6.0	-20.6	-27.2
Overnight deposits	139.7	221.6	232.5	58.6	172.6
Short-term deposits	694.5	460.0	-5.9	-33.8	-55.7
Long-term deposits	2,013.33	1,576.4	-0.1	-21.7	-20.5
Deposits redeemable at notice	1.4	4.8	159.3	235.8	42.0

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

Figure 28: Net repayments of foreign liabilities by domestic banks



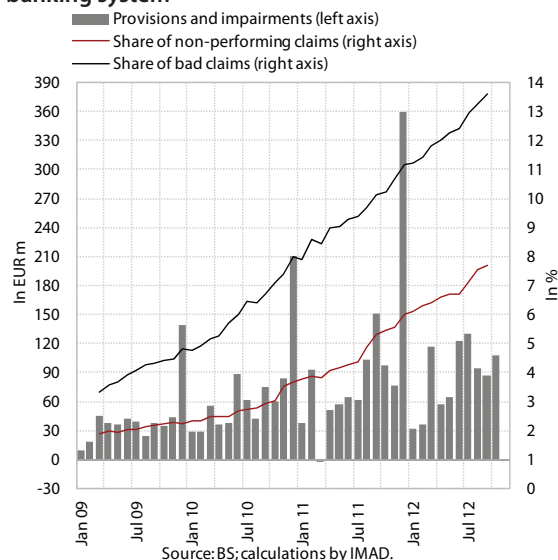
Source: BS.

The outflows of **household deposits** from Slovenian banks were high for the third month in a row, while government deposits strengthened somewhat due to the issued government bond. Household deposits dropped by over EUR 95 m. Overnight deposits declined, while short-term deposits increased and long-term deposits recorded a modest inflow. In the first ten months of the year the volume of household deposits was down by more than EUR 210 m already (up by around EUR 200 m in the same period last year). Even though the government issued a bond in the amount of USD 2.25 bn at the end of October

(EUR 1.73 bn), the volume of government deposits in domestic banks rose by around EUR 130 m only, largely due to higher overnight deposits. The government placed a large portion of bond proceeds in the account at the Bank of Slovenia.

The **quality of bank assets** continued to deteriorate rapidly in September. By the end of September bad claims¹⁹ had reached EUR 6.7 bn and accounted for as much as 13.6%

Figure 29: Shares of bad and non-performing claims and creation of impairments and provisions in the Slovenian banking system



Source: BS; calculations by IMAD.

¹⁹ C-, D- and E-rated claims.

of the total exposure of banks. Compared with the end of 2011, they were up EUR 1.2 bn, which is a slightly larger increase than in the same period last year. Banks thus continue to create additional impairments and provisions. These amounted to EUR 107.8 m in October, reaching as much as EUR 840 m in the first ten months of this year, nearly a fifth more than in the same period last year.

Public finance

According to the **consolidated balance of the MF**,²⁰ general government revenue totalled EUR 10.9 bn in the first nine months and was down 0.5% y-o-y (last year, up 5.1%). Revenue from taxes was somewhat lower (-0.8%) due to low economic activity, while non-tax revenue and revenue from the EU budget were up. Revenue from corporate income tax, in particular, was much lower than last year (-17.7%) as a result of the tax assessments according to business results for 2011 and lower monthly prepayments. Because of lower domestic spending, revenue from value added tax was up 0.4% only. Wage-related taxes and contributions declined (-1.8%), reflecting tensions on the labour market.

Consolidated expenditure amounted to EUR 12 bn in the first nine months, being down 2.3% (last year, up 1.7%). Looking at the economic structure of expenditure, the strongest growth was recorded for expenditure on interest (19.1%), followed by payments to the EU budget (9.9%). All other main expenditure categories declined, most notably capital expenditures and capital transfers (-13.2%) and expenditure on subsidies (-7.0%). Expenditure on goods and services was also down (-4.0%), as well as salaries and

wages, contributions and other personnel expenditures (-2.8%), which declined as an effect of the ZUJF. Transfers to individuals and households were 2.0% lower y-o-y (excluding pensions 5.1% lower). Expenditure on transfers to unemployed was down 11.4%. Expenditure on social security transfers declines increasingly from month to month. Social security transfers were down again y-o-y (-10.6%), as were family benefits and parental compensation (-7.4%). The decline in individual types of transfers is due to the ZUPJS, according to our estimate. Sickness benefits continue to grow y-o-y, being up 5.4% in the first nine months. Pension expenditure

Figure 30: Consolidated general government revenue and expenditure

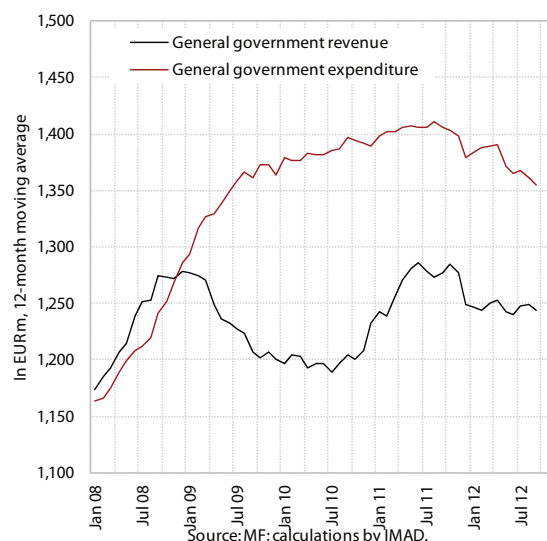


Table 10: Consolidated general government revenue and expenditure

	2011			2012	
	EUR m	% of GDP	Growth, %	I-IX 12 EUR m	I-IX 12/ I-IX 11
Revenue - total	14.981.3	41.4	1.3	10.906.9	-0.5
- Tax revenues	13.209.3	36.5	2.8	9.657.1	-0.8
- Taxes on income and profit	2.723.5	7.5	9.3	1.863.5	-8.0
- Social security contributions	5.267.6	14.6	0.6	3.981.7	1.5
- Domestic taxes on goods and services	4.856.4	13.4	1.6	3.572.7	1.2
- Receipts from the EU budget	814.9	2.3	12.5	554.9	2.7
Expenditure - total	16.543.8	45.7	-0.9	12.020.7	-2.3
- Wages and other personnel expenditure	3.882.8	10.7	-0.8	2.849.9	-2.8
- Purchases of goods and services	2.442.0	6.8	-2.7	1.732.8	-4.0
- Domestic and foreign interest payments	526.6	1.5	7.9	592.6	19.1
- Transfers to individuals and households	6.533.1	18.1	4.1	4.835.2	-2.0
- Capital expenditure	1.023.0	2.8	-21.6	567.8	-10.1
- Capital transfers	371.7	1.0	-4.3	165.6	-22.2
- Payment to the EU budget	405.1	1.1	2.1	330.4	9.9
Deficit	-1.562.4	-4.3		-1.113.8	

Source: MF, Public Finance Bulletin.

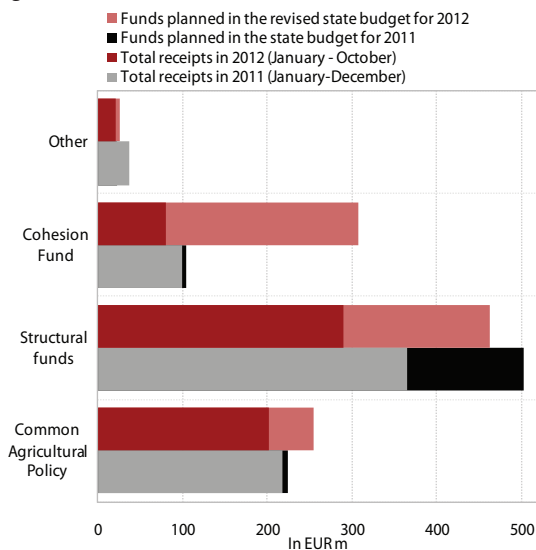
²⁰ The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of the state and local government budgets, as well as revenues and expenditures of the pension and health funds (the Institute for Pension and Disability Insurance, and the Health Insurance Institute of Slovenia).

dropped by 0.3% y-o-y in the same period. As a result of the intervention law,²¹ pensions were not valorised in February. Moreover, some pensions were even reduced due to the special rules introduced by the ZUJF. The annual supplement was also significantly lower and paid in July, two months later than in previous years.

The public finance deficit totalled EUR 1,114 m in the first nine months as a whole, EUR 227 m less than a year earlier. The state budget deficit (EUR 1,139 m) and the deficit of the health fund (EUR 25 m) were down EUR 177 m and EUR 23 m y-o-y, respectively. The total balance of local government budgets recorded a surplus of EUR 48 m. The transfer from the state budget to the pension fund (for all obligations) totalled just over EUR 968 m this year, EUR 146 m less than in the same period last year.

In October Slovenia received less from the **EU budget** than in September, but its net budgetary position was higher. Slovenia received EUR 39.9 m from the EU budget (compared with EUR 41.5 m in September), and paid EUR 27.8 m (in September EUR 32.6 m). The bulk of October's receipts came from structural funds (EUR 30 m), which recorded a similar absorption (70%) as in the same period last year (75%). In the last three months the highest absorption rate (79.5%) was recorded for funds under the Common Agricultural and Fisheries Policies, despite the low payments in the last three months. The lowest was the absorption from the Cohesion Fund (42%), EUR 0.9 m in October. In the first ten months Slovenia's net budgetary position towards the EU budget was positive in the amount of EUR 234.6 m, which is similar to that in the same period last year (EUR 255.5 m). Slovenia is expected to receive EUR 290 m in arrears by the end of the year, which will have a positive impact on its net budgetary position to the EU budget.

Figure 31: Planned and absorbed EU funds



²¹ The Act on Intervention Steps because of the Economic Crisis for 2012 (ZDIU12), Official Gazette of the RS, No. 110/2011.

statistical appendix

MAIN INDICATORS	2007	2008	2009	2010	2011	2012	2013	2014
						Autumn forecast 2012		
GDP (real growth rates, in %)	7.0	3.4	-7.8	1.2	0.6	-2.0	-1.4	0.9
GDP in EUR million (current prices and current exchange rate)	34,594	37,244	35,556	35,607	36,172	35,700	35,495	36,129
GDP per capita, in EUR (current prices and current exchange rate)	17,135	18,420	17,415	17,379	17,620	17,457	17,327	17,610
GDP per capita (PPS) ¹	22,100	22,700	20,600	20,800	21,300			
GDP per capita (PPS EU27=100) ¹	88	91	87	85	84			
Gross national income (current prices and current fixed exchange rate)	33,859	36,262	34,868	35,029	35,670	34,970	34,626	35,235
Gross national disposable income (current prices and current fixed exchange rate)	33,618	35,923	34,693	35,085	35,776	35,099	34,946	35,271
Rate of registered unemployment	7.7	6.7	9.1	10.7	11.8	11.9	13.1	13.1
Standardised rate of unemployment (ILO)	4.9	4.4	5.9	7.3	8.2	8.3	9.1	9.1
Labour productivity (GDP per employee)	3.5	0.8	-6.1	3.5	2.2	-0.6	0.9	1.4
Inflation, ² year average	3.6	5.7	0.9	1.8	1.8	2.8	2.2	1.8
Inflation, ² end of the year	5.6	2.1	1.8	1.9	2.0	3.3	1.9	1.8
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (real growth rates, in %)	13.7	4.0	-16.7	10.1	7.0	0.1	1.9	4.7
Exports of goods	13.9	1.8	-17.4	11.9	8.5	-0.3	1.8	5.0
Exports of services	13.2	14.3	-13.7	3.7	1.4	1.9	2.3	3.2
Imports of goods and services ³ (real growth rates, in %)	16.7	3.7	-19.5	7.9	5.2	-5.2	-1.0	3.8
Imports of goods	16.2	3.0	-20.7	8.9	6.1	-5.1	-1.0	3.9
Imports of services	19.7	8.2	-12.0	2.7	-0.3	-5.9	-0.8	3.2
Current account balance, in EUR million	-1,646	-2,295	-246	-209	2	810	1,363	1,142
As a per cent share relative to GDP	-4.8	-6.2	-0.7	-0.6	0.0	2.3	3.8	3.2
Gross external debt, in EUR million	34,783	39,234	40,294	40,723	40,241	40,622 ⁵		
As a per cent share relative to GDP	100.5	105.3	113.3	114.4	111.2			
Ratio of USD to EUR	1.371	1.471	1.393	1.327	1.392	1.267	1.240	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 (Autumn Forecast, September 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 September 2012.								

PRODUCTION	2009	2010	2011	2010		2011				2012			2010				2011
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9	10	11	12	1
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																	
Industry B+C+D	-17.4	6.2	2.2	7.2	7.4	8.7	3.6	0.1	-3.0	1.0	-0.7	0.9	4.0	4.8	4.3	13.8	13.8
B Mining and quarrying	-2.9	11.0	-8.1	23.7	15.7	-5.6	-9.3	-9.3	-7.9	-10.0	-1.7	-3.4	19.2	20.7	-2.5	39.7	-6.4
C Manufacturing	-18.7	6.6	2.1	7.3	7.1	9.1	3.7	-0.3	-3.6	0.3	-2.0	-0.8	3.0	4.8	5.0	12.4	14.6
D Electricity, gas & steam supply ¹	-6.6	1.8	5.0	3.6	7.0	6.9	3.8	5.1	4.0	8.3	12.8	17.1	13.6	2.2	0.6	17.4	11.0
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																	
Construction, total	-21.0	-17.0	-25.6	-16.4	-16.2	-25.3	-31.1	-25.4	-20.1	-17.7	-16.4	-12.3	-18.7	-18.0	-17.5	-12.2	-20.9
Buildings	-22.6	-14.0	-39.7	-16.5	-19.2	-41.5	-46.5	-34.3	-35.9	-13.0	-6.7	-17.6	-20.3	-17.4	-28.1	-12.4	-25.9
Civil engineering	-19.9	-18.9	-15.3	-16.2	-14.1	-6.3	-20.7	-20.0	-10.0	-21.2	-20.9	-9.7	-17.6	-18.3	-10.3	-12.1	-15.4
TRANSPORT, tonne-km in m, y-o-y growth rates, %																	
Tonne-km in road transport	-9.2	7.9	3.2	9.5	-6.3	-3.2	1.5	3.6	11.7	6.0	-5.3	-	-	-	-	-	-
Tonne-km in rail transport	-24.2	28.2	9.7	32.2	28.2	23.3	10.8	8.5	-1.6	-8.7	-8.0	-	-	-	-	-	-
Distributive trades, y-o-y growth rates, %																	
Total real turnover*	-13.0	3.6	3.1	4.7	5.8	7.5	3.6	2.9	-0.5	0.6	-4.3	-3.2	6.8	4.2	9.0	4.1	8.7
Real turnover in retail trade	-10.6	-0.1	1.4	2.0	1.8	3.4	0.4	2.2	0.2	2.5	-2.7	-1.7	3.1	1.3	3.6	0.4	4.0
Real turnover in the sale and maintenance of motor vehicles	-21.7	12.1	6.6	11.8	15.0	15.8	9.9	4.4	-1.9	-2.8	-7.2	-5.7	15.3	10.7	20.2	14.1	19.2
Nominal turnover in wholesale trade & commission trade	-21.4	1.4	5.8	5.5	3.7	12.2	3.8	4.5	3.4	3.5	-0.6	0.9	5.6	1.1	4.8	5.3	11.2
TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards																	
Total, overnight stays	-3.4	-1.5	5.3	-2.2	0.4	3.1	6.6	6.6	3.1	0.7	1.2	1.2	-0.3	2.5	-0.8	-1.2	4.9
Domestic tourists, overnight stays	2.8	-4.2	0.5	-9.6	-0.3	0.1	0.4	0.8	0.4	-0.5	-4.6	-7.5	-7.9	-3.0	-0.5	3.2	0.1
Foreign tourists, overnight stays	-8.0	0.7	9.1	3.2	1.0	6.5	11.3	10.2	5.5	2.0	5.1	6.3	4.4	7.0	-1.1	-5.4	8.6
Nominal turnover market services (without distributive trades)	-7.8	2.8	3.7	4.2	5.4	5.7	4.7	4.8	-0.3	-0.6	0.5	-0.3	2.2	6.8	4.5	4.9	7.2
AGRICULTURE, y-o-y growth rates, %																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	449.3	454.5	478.9	115.6	137.5	100.4	113.3	125.7	139.5	108.4	110.4	128.4	42.1	45.7	44.1	47.7	32.9
BUSSINES TENDENCY (indicator values**)																	
Sentiment indicator	-22	-9	-7	-6	-8	-7	-4	-6	-10	-12	-16	-19	-7	-7	-8	-8	-7
Confidence indicator																	
- in manufacturing	-23	-1	-1	2	1	3	3	-1	-7	-6	-11	-14	1	4	-1	-1	3
- in construction	-50	-57	-46	-56	-53	-52	-46	-44	-43	-40	-43	-39	-51	-50	-54	-56	-55
- in services	-14	-3	1	-2	-2	1	3	3	-4	-8	-8	-14	-2	-4	-2	-1	1
- in retail trade	-12	7	8	12	10	6	12	1	12	6	4	1	10	12	8	11	7
Consumer confidence indicator	-30	-25	-25	-27	-25	-27	-25	-25	-24	-26	-36	-39	-26	-26	-24	-26	-26
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.																	

2011												2012										
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	
6.5	6.5	3.3	4.3	3.1	-1.5	-1.5	2.8	-1.9	0.6	-8.0	1.3	4.4	-2.2	3.3	-3.1	-1.9	4.4	4.4	-4.9	-	-	
-1.2	-8.4	-4.7	-22.1	0.2	-8.5	-17.3	-1.7	-6.0	-2.5	-16.3	5.8	-11.5	-21.2	-7.5	10.2	-6.5	-5.2	2.0	-6.4	-	-	
6.6	6.9	3.2	4.9	3.1	-1.9	-2.4	3.0	-2.6	-0.5	-8.2	1.0	3.3	-2.7	3.4	-4.5	-4.1	2.7	2.9	-6.6	-	-	
6.3	3.6	5.7	3.2	2.4	4.4	11.8	-0.4	4.7	13.1	-4.0	3.5	16.1	5.5	5.4	9.9	23.9	23.0	15.9	12.9	-	-	
-23.6	-29.7	-27.0	-29.3	-36.2	-27.0	-31.2	-17.5	-25.4	-9.6	-24.6	-24.4	-26.6	-5.0	-14.5	-23.2	-10.9	-19.4	-14.4	-3.9	-	-	
-41.2	-53.1	-37.9	-48.0	-52.8	-36.0	-36.7	-30.0	-33.3	-28.6	-44.5	-31.1	-31.0	27.6	-7.2	-15.6	4.4	-23.9	-11.9	-16.7	-	-	
2.7	-5.2	-19.0	-16.6	-25.9	-21.2	-28.0	-9.7	-21.0	0.7	-7.0	-18.1	-22.8	-22.0	-18.6	-26.5	-17.0	-17.1	-15.7	2.2	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9.8	3.9	3.4	6.0	1.4	0.0	6.3	2.4	0.7	-0.5	-1.8	2.6	1.0	-1.8	-4.0	-5.2	-3.7	-0.6	-3.7	-10.2	-	-	
5.5	0.6	0.3	1.8	-0.9	-1.1	5.6	2.1	0.5	1.3	-1.1	4.0	3.5	-0.1	-3.5	-3.1	-1.5	-0.6	-0.8	-6.6	-	-	
18.3	9.8	9.8	14.0	5.9	2.2	8.0	3.0	1.3	-3.6	-3.4	-0.1	-3.5	-4.8	-5.1	-8.8	-7.7	-0.6	-10.6	-17.6	-	-	
15.4	10.4	4.2	6.2	1.1	-0.3	8.5	5.6	5.7	5.6	-0.9	8.6	4.1	-0.9	0.1	0.4	-2.3	7.2	2.8	-6.2	-	-	
-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	2.4	-0.9	7.9	-1.9	1.3	2.5	-1.4	-	-	
-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	2.8	-14.3	-1.6	0.9	-9.9	-4.1	-9.8	-	-	
-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	1.9	9.4	14.1	-3.7	8.4	6.3	3.1	-	-	
4.9	5.2	7.0	0.5	6.8	2.1	4.7	7.6	-1.5	0.2	0.5	0.3	-3.6	1.4	-1.0	2.5	-0.1	1.1	0.6	-2.5	-	-	
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	39.0	37.0	38.3	35.1	47.2	37.9	43.3	-	-	
-7	-6	-4	-3	-5	-5	-7	-6	-10	-10	-10	-12	-12	-12	-16	-14	-17	-16	-19	-21	-23	-22	
3	3	5	3	1	0	-2	-2	-8	-7	-5	-3	-6	-8	-10	-11	-13	-12	-15	-15	-17	-14	
-50	-50	-49	-44	-45	-46	-43	-43	-43	-46	-41	-42	-39	-39	-44	-43	-43	-41	-36	-41	-43	-42	
-2	4	5	2	3	3	5	2	0	-3	-9	-10	-9	-4	-7	-7	-10	-11	-14	-17	-20	-20	
12	0	9	15	12	1	-8	11	12	14	10	6	7	6	8	1	4	0	-1	4	-4	-5	
-28	-26	-26	-25	-23	-24	-28	-22	-26	-26	-20	-27	-26	-26	-39	-33	-37	-36	-36	-44	-39	-38	

LABOUR MARKET	2009	2010	2011	2010		2011				2012			2010		
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	10	11	12
FORMAL LABOUR FORCE (A=B+E)	944.5	935.5	934.7	933.8	934.8	936.8	937.5	931.1	933.3	926.6	923.7	915.2	938.2	937.2	929.0
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	858.2	835.0	824.0	835.4	829.3	821.9	828.4	823.9	821.7	812.7	816.5	809.1	835.5	833.4	819.0
In agriculture, forestry, fishing	37.9	33.4	38.8	34.0	33.3	38.0	40.1	38.8	38.0	35.2	37.8	37.4	33.3	33.3	33.1
In industry, construction	306.9	287.3	272.9	287.0	281.9	273.7	274.2	272.7	271.0	265.4	266.3	263.1	285.8	283.9	276.0
Of which: in manufacturing	199.8	188.6	184.8	188.1	186.8	184.1	184.7	184.4	186.2	184.6	184.1	182.5	188.4	187.9	184.1
in construction	86.8	78.5	67.8	78.6	75.0	69.7	69.3	67.9	64.4	60.5	61.6	60.1	77.1	75.8	72.1
In services	513.4	514.3	512.3	514.3	514.1	510.2	514.1	512.4	512.7	512.1	512.4	508.6	516.4	516.1	509.9
Of which: in public administration	51.5	52.0	51.4	52.1	51.8	51.2	51.5	51.4	51.3	50.9	51.2	50.8	52.0	52.0	51.5
in education, health-services, social work	113.8	116.7	118.8	116.3	118.0	117.8	118.8	118.5	120.1	120.7	121.6	120.3	117.9	118.5	117.7
FORMALLY EMPLOYED (C)¹	767.4	747.2	729.1	747.0	740.6	728.1	731.9	728.9	727.4	720.9	722.7	716.2	746.8	744.6	730.5
In enterprises and organisations	699.4	685.7	671.8	685.7	681.3	671.4	673.9	671.3	670.7	666.4	667.4	661.4	686.2	684.8	673.0
By those self-employed	67.9	61.5	57.2	61.4	59.3	56.7	58.0	57.6	56.6	54.5	55.4	54.8	60.5	59.8	57.6
SELF-EMPLOYED AND FARMERS (D)	90.8	87.8	94.9	88.3	88.7	93.8	96.5	95.0	94.4	91.8	93.8	92.9	88.8	88.8	88.5
REGISTERED UNEMPLOYMENT (E)	86.4	100.5	110.7	98.4	105.5	114.9	109.1	107.2	111.6	114.0	107.2	106.1	102.7	103.8	110.0
Female	42.4	47.9	52.1	47.8	50.2	52.9	50.9	51.1	53.3	53.2	51.0	50.9	49.8	49.5	51.2
By age: under 26	13.3	13.9	12.9	12.4	15.1	14.5	12.6	11.3	13.4	12.7	10.8	10.1	15.7	15.1	14.4
aged over 50	26.2	31.4	39.0	31.1	34.5	40.1	39.1	38.7	38.2	39.2	38.1	37.4	31.7	33.0	38.9
Unskilled	34.1	37.5	39.5	36.6	38.2	41.6	39.2	38.1	39.3	41.0	39.2	37.8	37.2	37.5	39.9
For more than 1 year	31.5	42.8	50.2	44.0	47.2	48.7	48.6	49.6	53.8	57.2	55.1	54.5	46.7	47.5	47.4
Those receiving benefits	27.4	30.0	36.3	29.3	29.7	39.7	36.4	34.9	34.4	37.8	33.2	31.5	28.2	29.7	31.2
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	9.1	10.7	11.8	10.5	11.3	12.3	12.2	11.5	12.0	12.3	11.6	11.6	10.9	11.1	11.8
Male	8.3	10.1	11.4	9.7	10.7	12.0	11.9	10.9	11.3	11.9	11.1	11.0	10.1	10.4	11.4
Female	10.2	11.6	12.4	11.5	12.1	12.6	12.5	12.3	12.7	12.7	12.3	12.3	12.0	11.9	12.4
FLOWS OF FORMAL LABOUR FORCE	30.4	13.3	2.7	-0.3	12.1	3.9	-6.9	0.0	5.7	-1.9	-5.2	-0.2	4.8	1.1	6.2
New unemployed first-job seekers	17.0	16.8	14.4	2.8	8.7	3.2	2.0	2.7	6.5	2.4	1.9	3.0	6.3	1.4	0.9
Redundancies	90.5	83.5	82.2	18.5	28.6	24.4	16.8	18.7	22.3	22.6	17.9	20.9	7.1	8.2	13.2
Registered unemployed who found employment	48.6	57.0	61.0	15.5	14.5	17.5	17.2	13.4	12.9	17.3	14.0	13.5	4.8	4.9	4.7
Other outflows from unemployment (net)	28.5	29.9	32.8	6.0	10.7	6.2	8.5	8.0	10.2	9.6	11.1	10.7	3.8	3.6	3.3
REGISTERED VACANCIES³	161.3	174.6	194.5	45.9	46.5	45.5	52.9	52.3	43.8	44.9	41.2	46.8	17.4	14.7	14.3
For a fixed term, in %	78.1	80.7	81.7	82.2	80.0	81.5	81.0	82.8	81.4	82.9	83.4	84.0	81.4	80.4	78.1
WORK PERMITS FOR FOREIGNERS	54.9	41.6	35.6	40.7	39.4	38.0	35.5	34.7	34.3	34.2	34.4	33.9	40.2	39.4	38.5
As % of labour force	5.8	4.4	3.8	4.4	4.2	4.1	3.8	3.7	3.7	3.7	3.7	3.7	4.3	4.2	4.1
NEW JOBS	111.4	104.1	118.3	27.9	27.5	27.3	27.3	26.3	37.4	30.8	27.3	26.9	10.9	8.8	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.

2011												2012								
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
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	925.4	926.0	923.7	921.3	917.4	914.5	913.8
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	814.5	816.9	816.9	815.7	810.5	808.4	808.3
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	35.3	37.7	37.8	37.9	37.2	37.4	37.6
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	266.1	266.6	266.6	265.7	264.0	263.2	262.2
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	184.6	184.4	184.2	183.8	182.9	182.5	182.1
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	61.0	61.7	61.8	61.4	60.5	60.2	59.6
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	513.1	512.6	512.5	512.1	509.3	507.9	508.5
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	50.9	51.1	51.2	51.2	50.8	50.8	50.7
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	121.5	121.6	121.7	121.4	120.3	119.8	120.8
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	722.7	723.0	723.1	722.1	717.7	715.6	715.2
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	667.9	667.7	667.7	666.7	662.8	660.9	660.5
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	54.8	55.3	55.4	55.3	55.0	54.7	54.7
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	91.8	93.9	93.8	93.6	92.8	92.8	93.1
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	110.9	106.8	106.8	105.6	106.9	106.1	105.4
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	52.0	51.7	50.9	50.5	51.2	50.9	50.5
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	12.0	11.4	10.7	10.3	10.2	10.1	10.1
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	38.6	38.5	38.1	37.7	37.9	37.4	37.1
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	40.0	40.0	39.0	38.4	38.2	37.7	37.5
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	56.3	55.4	55.0	54.7	54.6	54.6	54.3
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	38.3	36.7	34.2	33.4	31.9	32.1	31.4	31.2
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	12.0	11.8	11.6	11.5	11.7	11.6	11.5
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	11.6	11.3	11.0	10.9	11.0	11.0	10.9
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	12.5	12.4	12.2	12.2	12.4	12.4	12.3
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	-4.2	-1.8	-2.3	-1.2	1.3	-0.8	-0.6
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	0.8	0.7	0.6	0.6	0.8	0.8	1.4
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	5.9	6.5	5.8	5.6	8.0	5.6	7.3
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	7.1	5.5	4.7	3.9	4.0	4.0	5.5
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	3.7	3.5	4.1	3.5	3.5	3.3	3.8
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	16.2	14.0	14.2	13.0	15.4	16.4	15.1
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	85.7	83.3	83.9	83.0	83.7	84.6	83.8
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	34.2	34.2	34.7	34.4	34.1	33.8	33.9	33.9
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	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
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	10.6	10.0	9.0	8.4	8.2	7.0	11.6

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2009	2010	2011	2010		2011				2012			2010		2011
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	11	12	1
GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %															
Activity - Total	3.4	3.9	2.0	4.2	3.3	3.1	2.0	1.7	1.1	1.6	0.3	-0.7	4.1	3.1	3.3
A Agriculture, forestry and fishing	-0.2	5.8	3.1	7.4	6.9	7.1	4.2	1.1	0.4	0.1	-1.0	-1.5	5.9	9.3	7.7
B Mining and quarrying	0.9	4.0	3.8	1.9	6.0	3.6	0.3	5.8	5.9	8.4	10.6	2.2	0.8	18.6	3.4
C Manufacturing	0.8	9.0	3.9	8.7	6.8	5.4	3.6	3.5	3.1	3.4	2.5	2.0	8.3	6.8	5.6
D Electricity, gas, steam and air conditioning supply	3.8	3.7	2.3	3.6	4.4	1.6	5.2	3.5	-0.5	5.6	3.9	4.9	13.0	1.6	-0.2
E Water supply sewerage, waste management and remediation activities	2.0	2.2	-0.1	2.0	1.3	-0.1	1.5	1.1	-2.7	2.1	-0.5	0.4	3.3	1.5	-0.2
F Construction	1.0	4.4	2.0	4.1	5.2	5.5	1.5	0.3	0.5	-0.3	-2.8	-2.8	5.6	4.4	6.1
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.9	3.7	2.8	4.3	3.9	3.2	2.6	2.3	3.0	2.1	1.6	0.0	4.5	2.9	3.8
H Transportation and storage	0.7	2.0	2.7	2.5	3.1	2.3	3.0	3.9	1.6	2.2	0.6	-1.7	4.0	2.7	2.7
I Accommodation and food service activities	1.6	4.0	2.1	4.5	4.5	4.7	2.4	2.0	-0.6	-0.4	-0.7	-1.0	4.1	4.3	5.1
J Information and communication	1.4	2.6	0.9	3.4	3.5	1.0	1.2	1.8	-0.2	0.3	1.3	-1.2	5.9	3.3	2.1
K Financial and insurance activities	-0.7	1.0	0.6	2.6	-2.6	2.3	2.4	0.8	-2.4	4.5	-1.7	2.2	-4.6	1.4	5.2
L Real estate activities	1.9	3.0	2.9	2.9	1.0	4.1	2.9	3.4	1.6	1.1	-1.3	-0.6	2.3	-0.4	3.0
M Professional, scientific and technical activities	2.1	1.6	-0.4	2.3	0.7	0.4	0.2	-0.6	-1.6	-0.5	-0.8	-1.7	1.4	0.8	1.0
N Administrative and support service activities	1.8	4.1	3.5	4.6	4.8	4.3	3.2	3.9	2.7	3.0	0.3	-0.9	5.7	3.1	5.3
O Public administration and defence, compulsory social security	5.9	-0.6	0.3	0.4	0.3	1.2	0.6	-0.1	-0.4	-0.2	-1.5	-3.2	0.6	-0.9	0.5
P Education	3.6	0.6	0.2	1.0	0.6	0.7	-0.1	-0.3	0.4	-0.3	-2.2	-5.0	1.2	0.1	0.6
Q Human health and social work activities	12.0	-0.3	-0.7	0.3	-0.3	-0.9	-0.8	-0.5	-0.5	-0.5	-1.0	-1.7	0.0	-1.2	-1.4
R Arts, entertainment and recreation	3.9	0.5	-0.7	1.2	-1.2	-0.2	-1.2	-1.0	-0.3	-0.6	-1.5	-4.4	0.0	-1.5	-0.6
S Other service activities	1.3	4.2	0.9	5.5	3.3	2.7	1.5	0.6	-1.1	0.5	-0.6	-1.0	3.7	1.0	2.5
INDICATORS OF OVERALL COMPETITIVENESS¹, y-o-y growth rates, %															
Effective exchange rate, ² nominal	1.1	-2.1	-0.1	-2.5	-2.4	-1.3	0.6	0.4	0.1	-0.5	-1.3	-1.8	-2.4	-2.6	-2.2
Real (deflator HICP)	1.3	-1.8	-1.0	-2.0	-2.6	-1.8	-0.6	-1.2	-0.5	-0.9	-1.4	-1.1	-3.0	-2.7	-2.4
Real (deflator ULC)	6.5	-1.7	-1.3	-1.8	-2.8	-2.2	-0.9	-1.0	-0.5	-2.2	-3.4				
USD/EUR	1.3933	1.3268	1.3917	1.2910	1.3593	1.3669	1.4393	1.4126	1.3480	1.3110	1.3196	1.2515	1.3661	1.3220	1.3360
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.															

2011												2012								
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	
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	0.7	1.0	1.3	-1.3	-0.1	-0.7	-1.2	
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	-2.1	-0.1	-0.5	-2.5	1.3	-1.9	-3.9	
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	3.8	4.0	14.9	13.2	1.4	5.4	-0.2	
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	1.9	2.7	3.9	1.0	4.3	1.3	0.3	
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	3.6	5.2	6.5	0.3	4.0	2.6	8.3	
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	0.5	0.4	0.7	-2.5	4.0	-0.1	-2.6	
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	-3.1	-1.3	-0.4	-6.6	-1.4	-1.9	-5.1	
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	1.0	2.9	1.8	0.0	0.7	0.5	-1.0	
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	2.0	1.5	2.1	-1.9	-6.3	-1.3	2.7	
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	-1.7	-1.4	0.5	-1.2	-0.1	-1.1	-1.9	
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	0.5	2.3	1.7	-0.1	0.8	-1.2	-3.1	
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	3.8	-0.4	-4.4	-0.2	1.8	1.8	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	-1.5	-0.1	-1.3	-2.4	0.1	-1.0	-1.1	
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	-1.1	-0.7	1.0	-2.7	-0.8	-1.9	-2.4	
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	2.0	-0.2	1.7	-0.6	-0.1	0.0	-2.5	
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	-0.7	-0.3	-3.5	-3.4	-3.3	-2.9	
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	-0.5	-1.5	-0.4	-4.6	-4.8	-5.0	-5.2	
-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	-0.6	-0.3	-1.0	-1.6	-2.2	-2.0	-1.0	
-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	1.3	-0.9	0.0	-3.5	-4.1	-3.6	-5.4	
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	0.0	-0.6	0.1	-1.2	-0.1	-2.2	-0.7	
-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	-0.9	-1.2	-1.2	-1.5	-1.8	-2.1	-1.5	
-2.0	-1.0	-1.0	-0.2	-0.5	-1.6	-1.3	-0.6	-0.5	-0.3	-0.7	-0.8	-0.6	-1.3	-1.1	-1.5	-1.5	-1.5	-1.5	-0.2	
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	1.3201	1.3162	1.2789	1.2526	1.2288	1.2400	1.2856	

PRICES	2009	2010	2011	2010		2011				2012			2010				
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	8	9	10	11	12
CPI, y-o-y growth rates, %	0.9	1.8	1.8	2.1	1.7	1.7	1.7	1.3	2.5	2.5	2.5	2.9	2.3	2.0	1.9	1.4	1.9
Food, non-alcoholic beverages	0.6	1.0	4.4	2.6	2.0	3.9	5.0	3.7	5.1	3.9	4.2	3.9	2.9	2.2	1.9	1.9	2.2
Alcoholic beverages, tobacco	6.7	7.2	5.7	7.3	8.1	8.1	6.3	3.7	4.9	4.2	5.1	7.2	8.2	8.5	8.2	8.0	8.1
Clothing and footwear	-0.6	-1.9	-1.6	-0.6	-0.4	-0.7	-2.4	-4.2	0.9	-2.2	1.6	0.7	-1.7	1.9	-1.1	0.0	-0.1
Housing, water, electricity, gas	-0.3	10.2	5.6	12.0	9.0	6.8	5.4	4.8	5.4	4.9	4.2	4.4	12.3	11.4	11.7	7.1	8.3
Furnishings, household equipment	4.0	1.4	2.7	1.3	2.1	2.7	3.9	2.4	1.7	1.2	0.0	-0.1	1.3	2.2	2.0	1.8	2.6
Medical, pharmaceutical products	4.0	2.1	1.6	4.0	4.6	2.9	2.6	0.8	0.3	-0.2	1.4	0.2	4.0	5.2	5.1	4.4	4.3
Transport	-3.0	-0.3	1.0	-1.8	-0.5	0.8	0.5	1.1	1.7	2.6	3.2	3.9	-2.0	-2.1	-0.6	-1.2	0.3
Communications	-4.1	1.4	1.2	1.3	2.8	2.7	1.6	2.3	-1.8	-1.2	-2.9	-3.6	0.7	3.5	2.5	2.8	3.2
Recreation and culture	3.0	0.4	-1.5	-0.2	0.1	-2.6	-1.0	-1.7	-0.8	2.6	1.2	1.2	-0.3	0.3	0.1	-0.1	0.4
Education	3.4	1.6	1.7	1.6	0.8	1.7	1.6	1.9	1.4	1.1	1.3	4.3	1.9	0.9	0.4	1.3	0.7
Catering services	4.4	-2.5	-6.8	-2.9	-11.0	-11.0	-10.9	-6.2	2.0	2.3	2.5	3.7	1.2	-11.2	-10.9	-11.0	-11.1
Miscellaneous goods & services	3.8	1.4	2.2	0.5	0.7	1.4	2.3	2.4	2.6	2.5	1.2	3.3	0.4	0.4	0.9	0.6	0.6
HCPI	0.9	2.1	2.1	2.3	2.0	2.2	2.0	1.5	2.6	2.5	2.5	3.2	2.4	2.1	2.1	1.6	2.2
Core inflation (excluding fresh food and energy)	1.9	0.3	1.3	0.4	0.4	0.5	1.1	1.2	2.3	2.2	1.8	2.0	0.5	0.6	0.5	0.2	0.6
PRODUCER PRICE INDICES, y-o-y growth rates, %																	
Total	-1.3	2.1	4.5	3.4	3.8	5.7	4.8	4.1	3.6	1.3	0.8	0.7	3.5	3.2	3.5	3.8	4.2
Domestic market	-0.4	2.0	3.8	2.8	3.2	4.5	4.1	3.7	2.9	1.1	0.9	0.9	2.9	2.8	3.1	3.2	3.5
Non-domestic market	-2.2	2.2	5.3	4.0	4.4	6.9	5.5	4.6	4.4	1.6	0.7	0.4	4.1	3.6	3.9	4.5	4.9
euro area	-3.5	2.2	6.1	4.0	4.8	8.2	6.5	5.1	4.6	0.8	0.2	0.1	4.1	3.4	4.1	4.8	5.6
non-euro area	0.3	2.1	3.6	3.8	3.5	4.0	3.1	3.5	3.8	3.4	2.0	1.3	4.1	4.0	3.2	3.6	3.6
Import price indices	-3.3	7.4	5.4	7.8	8.9	8.9	5.5	4.5	2.9	1.9	1.2	0.5	7.9	7.7	7.6	8.9	10.3
PRICE CONTROL,¹ y-o-y growth rates, %																	
Energy prices	-12.3	16.5	10.9	15.9	15.3	15.1	9.9	8.3	10.8	12.1	12.5	14.5	15.6	14.6	18.2	12.2	15.7
Oil products	-12.0	17.3	11.9	13.5	14.6	15.7	10.5	9.9	11.7	12.3	12.7	14.4	13.2	12.1	16.6	11.6	15.6
Transport & communications	0.6	1.8	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.7	0.0	0.0	1.1	1.1	1.1	1.1	1.1
Other controlled prices	4.9	1.3	0.0	0.1	0.1	0.1	0.1	0.0	-0.2	-0.2	-0.3	0.1	0.1	0.1	0.1	0.1	0.1
Direct control – total	-6.9	14.2	2.8	14.4	12.2	7.2	1.5	0.5	2.1	7.3	9.5	11.0	14.3	13.5	15.9	9.2	11.8

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.

2011												2012									
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10
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	2.6	2.4	2.3	2.4	2.9	3.3	2.7
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	4.7	4.3	3.7	4.1	3.7	4.0	4.3
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	5.1	5.2	5.1	7.4	7.1	7.0	9.6
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	0.2	3.0	1.6	0.8	1.8	-0.3	-1.5
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	4.0	3.7	4.9	3.9	4.2	5.2	2.7
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	0.7	0.1	-0.7	-0.3	0.1	-0.2	-0.8
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	1.5	1.3	0.1	0.2	0.3	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	4.1	2.8	2.6	2.4	4.5	4.7	3.9
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	-2.6	-3.2	-2.8	-3.1	-4.4	-3.2	-1.6
-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	0.9	1.2	1.6	1.3	1.2	1.2	0.1
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	1.3	1.3	1.3	1.3	5.9	5.7	4.8
-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	2.8	2.6	2.1	1.4	0.9	8.9	9.1
0.8	1.2	2.3	2.5	2.4	2.2	2.2	2.3	2.7	2.4	2.5	2.8	2.9	2.7	1.9	1.9	1.1	0.6	2.5	3.7	3.7	3.1
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	2.9	2.4	2.4	2.6	3.1	3.7	3.2
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	1.9	1.9	1.7	1.9	2.0	2.0	1.9
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	0.7	1.0	0.7	0.8	0.4	0.7	0.8
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	0.7	1.3	0.8	0.9	0.8	0.9	1.2
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	0.8	0.8	0.8	0.5	0.6	0.1	0.6	0.4
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	0.0	0.4	0.1	0.5	-0.5	0.2	-0.1
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	2.8	1.7	1.4	1.0	1.3	1.6	1.7
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	2.0	1.2	0.3	0.1	1.1	2.7	2.9
15.5	15.6	14.3	12.0	9.7	7.9	6.3	9.1	9.6	10.8	11.9	9.7	10.3	12.0	13.8	14.7	11.8	10.9	10.1	14.6	18.8	14.7
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	12.2	14.2	15.3	11.9	10.8	9.2	14.4	19.4	15.8
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	0.0	0.0	0.0	0.0	0.0	0.0
0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	0.1	0.1	0.1	-3.0
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	9.5	10.6	11.1	9.0	8.5	7.9	11.0	14.0	10.1

MONETARY INDICATORS AND INTEREST RATES	2009	2010	2011	2010						2011				
				6	7	8	9	10	11	12	1	2	3	4
ZSELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Claims of the BS on central government	160	138	102	141	140	142	140	139	139	138	132	101	99	76
Central government (S. 1311)	3,497	3,419	4,299	3,120	3,130	3,326	3,422	3,447	3,453	3,419	3,332	3,326	3,409	3,319
Other government (S. 1312, 1313, 1314)	376	526	584	401	415	421	417	434	497	526	538	536	541	532
Households (S. 14, 15)	8,413	9,282	9,454	8,897	8,928	9,062	9,119	9,149	9,225	9,282	9,226	9,233	9,276	9,304
Non-financial corporations (S. 11)	21,704	21,646	20,876	22,015	22,024	21,815	21,862	21,848	21,790	21,646	21,793	21,775	21,772	21,782
Non-monetary financial institutions (S. 123, 124, 125)	2,680	2,497	2,229	2,525	2,524	2,502	2,488	2,496	2,497	2,497	2,454	2,402	2,372	2,350
Monetary financial institutions (S. 121, 122)	5,302	5,811	5,445	6,120	5,445	5,315	5,399	5,079	5,688	5,811	5,674	5,740	6,504	5,179
Claims on domestic sectors, TOTAL														
In domestic currency	34,731	35,994	35,692	35,929	35,495	35,381	35,616	35,430	35,931	35,994	35,993	36,008	36,712	35,736
In foreign currency	1,895	1,843	1,536	1,915	1,860	1,884	1,828	1,742	1,777	1,843	1,760	1,739	1,691	1,689
Securities, total	5,345	5,345	5,659	5,234	5,112	5,175	5,263	5,282	5,444	5,345	5,265	5,266	5,470	5,043
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	27,929	27,079	27,358	26,819	26,696	27,486	26,767	27,630	27,235	28,129	27,080
Overnight	7,200	8,155	8,245	7,976	7,936	8,041	8,031	7,926	8,119	8,155	8,245	8,179	8,799	8,206
With agreed maturity – short-term	10,408	8,193	7,868	8,377	8,574	8,621	8,096	8,100	8,256	8,193	8,816	8,483	8,724	8,477
With agreed maturity – long-term	9,788	10,337	12,248	11,401	10,413	10,529	10,532	10,587	11,003	10,337	10,496	10,550	10,583	10,375
Short-term deposits redeemable at notice	569	82	59	175	156	167	160	83	108	82	73	23	23	22
Deposits in foreign currency, total	434	463	579	705	462	491	462	456	471	463	452	453	449	444
Overnight	238	285	386	513	280	307	277	286	291	285	282	287	284	286
With agreed maturity – short-term	141	121	133	129	122	121	125	113	118	121	115	116	113	107
With agreed maturity – long-term	45	55	59	61	58	60	57	55	59	55	53	49	51	50
Short-term deposits redeemable at notice	10	2	1	2	2	3	3	2	3	2	2	1	1	1
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %														
New deposits in domestic currency														
Households														
Overnight deposits	0.28	0.21	0.22	0.22	0.19	0.19	0.19	0.20	0.20	0.20	0.21	0.21	0.21	0.21
Time deposits with maturity of up to one year	2.51	1.81	2.15	1.83	1.87	1.82	1.85	1.86	1.88	1.94	2.04	1.98	2.04	2.08
New loans to households in domestic currency														
Housing loans, 5-10 year fixed interest rate	6.43	5.53	5.46	5.42	5.12	5.33	5.17	5.50	5.43	5.65	5.85	5.17	5.45	5.51
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	5.61	5.40	5.84	4.98	5.72	6.00	5.44	5.83	5.45	5.40	5.25
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	1.25
INTERBANK INTEREST RATES														
EURIBOR														
3-month rates	1.23	0.81	1.39	0.73	0.85	0.90	0.88	1.00	1.04	1.02	1.02	1.09	1.18	1.32
6-month rates	1.44	1.08	1.64	1.01	1.10	1.15	1.14	1.22	1.27	1.25	1.25	1.35	1.48	1.62
LIBOR CHF														
3-month rates	0.37	0.19	0.12	0.10	0.13	0.16	0.17	0.17	0.17	0.17	0.17	0.17	0.18	0.18
6-month rates	0.50	0.27	0.18	0.20	0.22	0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.25	0.26
Sources of data: BS, BBA - British Bankers' Association.														

2011								2012									
5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	9
76	76	76	76	77	76	83	102	111	119	182	169	188	204	227	227	207	226
3,327	3,282	3,276	3,328	3,355	3,387	3,436	4,299	4,465	4,580	4,801	4,752	4,796	4,811	4,870	4,814	4,874	5,138
530	533	534	536	535	541	554	584	588	589	588	591	580	584	589	590	585	583
9,383	9,425	9,507	9,490	9,468	9,481	9,467	9,454	9,421	9,391	9,412	9,380	9,380	9,362	9,341	9,346	9,338	9,341
21,714	21,725	21,656	21,537	21,369	21,444	21,434	20,876	20,976	20,896	20,933	20,922	20,843	20,693	20,561	20,506	20,398	20,294
2,341	2,325	2,323	2,292	2,298	2,286	2,277	2,229	2,210	2,234	2,323	2,320	2,300	2,291	2,247	2,244	2,210	2,204
5,275	5,259	5,224	5,422	5,375	5,491	5,224	5,445	5,111	4,846	5,644	5,527	5,613	5,918	5,248	5,229	5,210	4,930
35,811	35,836	35,720	35,854	35,763	35,970	35,784	35,692	35,407	35,334	36,103	35,955	35,979	36,202	35,461	35,440	35,316	35,131
1,751	1,724	1,794	1,705	1,628	1,586	1,557	1,536	1,529	1,505	1,492	1,472	1,458	1,439	1,423	1,402	1,372	1,354
5,008	4,990	5,007	5,046	5,008	5,075	5,052	5,659	5,837	5,697	6,105	6,066	6,076	6,018	5,972	5,886	5,928	6,004
27,205	27,384	27,392	27,423	27,337	27,631	27,376	28,420	28,359	27,926	30,197	30,165	30,208	30,322	29,703	29,591	29,354	29,457
8,237	8,259	8,303	8,241	8,236	8,058	8,436	8,245	8,399	8,195	8,177	8,404	8,375	9,151	8,573	8,632	8,523	8,648
8,614	8,615	8,471	8,468	8,369	8,372	7,791	7,868	7,688	7,468	7,553	7,362	7,441	7,111	7,134	7,052	6,964	6,980
10,324	10,470	10,567	10,662	10,683	11,148	11,089	12,248	12,180	12,171	14,395	14,319	14,309	13,982	13,930	13,852	13,751	13,755
30	40	51	52	49	53	60	59	92	92	72	80	83	78	66	55	116	74
459	464	488	476	486	494	538	579	570	564	577	568	559	583	597	591	579	571
295	304	317	305	320	329	365	386	391	384	384	385	381	397	410	412	397	388
111	107	113	108	109	109	114	133	117	120	132	124	116	125	125	119	124	126
52	52	57	62	57	55	58	59	61	59	60	58	61	60	61	59	57	56
1	1	1	1	0	1	1	1	1	1	1	1	1	1	1	1	1	1
0.21	0.21	0.23	0.23	0.24	0.24	0.26	0.24	0.24	0.24	0.23	0.22	0.22	0.22	0.19	0.19	0.18	-
2.15	2.20	2.20	2.18	2.17	2.24	2.27	2.28	2.39	2.35	2.38	2.38	2.37	2.29	2.27	2.23	2.23	-
5.42	5.52	5.39	5.49	5.45	5.50	5.43	5.27	5.37	5.40	5.46	5.36	5.45	5.42	5.37	5.41	5.62	-
5.82	5.97	6.17	6.48	5.91	4.25	5.20	6.51	3.79	3.00	6.04	5.81	6.27	5.83	3.94	5.06	6.52	-
1.25	1.25	1.50	1.50	1.50	1.50	1.25	1.00	1.00	1.00	1.00	1.00	1.00	0.75	0.75	0.75	0.75	0.75
1.42	1.49	1.60	1.55	1.54	1.58	1.48	1.43	1.22	1.05	0.86	0.74	0.68	0.66	0.50	0.33	0.25	0.21
1.71	1.75	1.82	1.75	1.74	1.78	1.71	1.67	1.50	1.35	1.16	1.04	0.97	0.93	0.78	0.60	0.48	0.41
0.18	0.18	0.18	0.06	0.01	0.04	0.05	0.05	0.06	0.08	0.10	0.11	0.11	0.09	0.07	0.05	0.05	-
0.25	0.24	0.24	0.12	0.05	0.08	0.09	0.10	0.11	0.14	0.16	0.18	0.19	0.18	0.18	0.16	0.16	-

PUBLIC FINANCE	2009	2010	2011	2010		2011				2012			2011	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	2	3
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m														
GENERAL GOVERNMENT REVENUES														
TOTAL REVENUES	14,408.0	14,794.0	14,982.3	3,649.9	4,356.8	3,600.7	3,826.7	3,538.4	4,016.5	3,618.4	3,711.8	3,576.7	1,118.2	1,277.0
Current revenues	13,639.5	13,771.5	14,037.9	3,462.4	3,784.8	3,364.6	3,638.6	3,319.1	3,715.6	3,410.8	3,485.6	3,367.2	1,045.0	1,172.5
Tax revenues	12,955.4	12,848.4	13,209.2	3,186.0	3,489.9	3,155.9	3,451.0	3,129.7	3,472.7	3,172.7	3,314.0	3,170.4	950.0	1,111.1
Taxes on income and profit	2,805.1	2,490.7	2,723.5	554.5	706.4	635.4	827.7	562.9	697.5	629.5	723.0	511.1	208.1	212.1
Social security contributions	5,161.3	5,234.5	5,267.6	1,293.5	1,362.9	1,300.6	1,316.9	1,303.8	1,346.2	1,342.5	1,332.8	1,306.4	424.6	438.4
Taxes on payroll and workforce	28.5	28.1	29.2	6.5	8.1	6.7	7.6	6.7	8.2	7.2	6.4	5.8	2.1	2.3
Taxes on property	207.0	219.7	215.2	76.7	60.0	24.0	53.8	84.2	53.1	26.6	64.8	79.4	8.3	8.3
Domestic taxes on goods and services	4,660.2	4,780.7	4,856.2	1,231.6	1,325.9	1,165.5	1,217.4	1,148.4	1,324.9	1,164.0	1,164.5	1,244.1	299.4	441.6
Taxes on international trade & transactions	90.5	90.7	100.2	22.5	24.8	23.7	27.6	23.8	25.1	22.3	21.9	17.9	7.7	8.2
Other taxes	2.9	4.0	17.2	0.7	1.8	-0.1	-0.1	-0.2	17.6	-19.4	0.5	5.8	-0.2	0.2
Non-tax revenues	684.1	923.0	828.7	276.5	294.9	208.7	187.6	189.5	242.9	238.1	171.6	196.8	95.0	61.4
Capital revenues	106.5	175.7	65.3	26.1	121.9	7.6	21.6	14.4	21.7	10.5	10.8	11.7	2.7	2.8
Grants	11.1	12.6	10.4	2.5	5.0	2.4	3.0	1.0	4.0	1.3	1.8	1.6	0.4	1.1
Transferred revenues	54.3	109.5	53.8	3.8	102.9	2.3	0.4	50.5	0.6	0.1	0.5	50.0	0.0	0.7
Receipts from the EU budget	596.5	724.7	814.9	155.1	342.2	223.9	163.2	153.3	274.6	195.6	213.1	146.2	70.0	99.8
GENERAL GOVERNMENT EXPENDITURES														
TOTAL EXPENDITURES	16,368.2	16,692.7	16,546.3	3,948.1	4,586.9	4,191.6	4,159.0	3,955.7	4,240.0	4,326.5	3,857.6	3,836.6	1,408.8	1,363.8
Current expenditures	6,800.8	6,960.4	6,926.7	1,636.9	1,771.0	1,898.6	1,742.3	1,645.5	1,640.3	1,995.1	1,668.8	1,553.1	637.0	622.9
Wages, salaries and other personnel expenditures	3,911.9	3,912.4	3,882.7	963.6	980.0	967.0	1,010.3	955.0	950.4	960.7	976.1	913.1	316.0	324.9
Expenditures on goods and services	2,510.3	2,512.4	2,443.4	587.7	743.1	585.3	615.7	603.4	638.9	587.3	596.8	548.7	184.0	199.2
Interest payments	336.1	488.2	526.7	76.4	29.2	311.3	108.1	78.0	29.3	431.8	81.5	79.4	134.5	88.2
Reserves	42.5	47.4	73.9	9.2	18.8	35.0	8.2	9.1	21.6	15.3	14.3	11.8	2.5	10.5
Current transfers	7,339.4	7,628.5	7,818.9	1,810.9	1,973.6	1,942.5	2,076.4	1,855.7	1,944.4	1,957.3	1,878.8	1,903.8	628.3	640.3
Subsidies	597.9	581.9	496.3	103.7	194.7	171.2	127.6	69.1	128.2	177.1	107.8	57.4	46.4	27.4
Current transfers to individuals and households	6,024.5	6,277.7	6,533.5	1,514.7	1,562.9	1,606.6	1,745.6	1,583.0	1,598.3	1,609.2	1,588.9	1,637.2	532.8	552.2
Current transfers to non-profit institutions, other current domestic transfers	678.1	728.8	737.2	183.3	206.3	158.8	186.2	189.0	203.2	158.0	169.6	196.7	48.7	58.8
Current transfers abroad	38.9	40.1	52.0	9.1	9.6	5.9	17.0	14.5	14.6	13.0	12.5	12.6	0.4	1.9
Capital expenditures	1,294.1	1,310.6	1,023.5	321.1	584.3	168.8	196.5	266.5	391.6	165.3	179.2	223.4	50.7	59.4
Capital transfers	494.6	396.4	372.1	82.0	176.9	42.4	73.3	97.0	159.4	47.0	44.3	74.3	11.5	18.4
Payments to the EU budget	439.3	396.8	405.1	97.3	81.1	139.3	70.6	91.0	104.4	161.8	86.5	82.0	81.3	22.9
SURPLUS / DEFICIT	-1,960.2	-1,898.7	-1,564.1	-	-	-	-	-	-	-	-	-	-	-

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

BoE – Bank of England, **BoJ** – Bank of Japan, **BS** – Bank of Slovenia, **EC** – European Commission, **ECB** – European Central Bank, **EFSF** – European Financial Stability Facility, **EIA** – Energy Information Administration, **EMU** – European Monetary Union, **ESS** – Employment Service of Slovenia, **EU** – European Union, **FDI** – Foreign Direct Investment, **FED** – Federal Reserve System, **GDP** – Gross domestic product, **HICP** – Harmonised Index of Consumer Prices, **ICT** – Information and Communication Technology, **IMAD** – Institute of Macroeconomic Analysis and Development, **LFS** – Labour Force Survey, **MF** – Ministry of Finance, **NEER** – Nominal Effective Exchange Rate, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization Organisation for Economic Co-operation and Development, **REER** – Real Effective Exchange Rate, **RS** – Republic of Slovenia, **SCA** – Standard Classification of Activities, **SITC** – Standard International Trade Classification, **SORS** – Statistical Office of the Republic of Slovenia, **SRE** – Statistical Register of Employment, **ZSPJS** – Public Sector Salary System Act, **ZUJF** – The Public Finance Balance Act, **ZUPJS** – Exercise of Rights to Public Funds Act, **ZZZS** – The Health Insurance Institute of Slovenia.

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.

slovenian economic mirror

November 2012, No. 11. Vol. XVIII