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The Economic Mirror is prepared based on statistical data available by 6 January 2014.

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 SURS website [http://www.stat.si/eng/skd\\_nace\\_2008.asp](http://www.stat.si/eng/skd_nace_2008.asp).

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

## In the spotlight

**Economic activity in the euro area declined slightly at the beginning of the last quarter of 2013 according to some indicators, while economic climate and expectations improved again.** Activity in manufacturing, construction and turnover in retail trade declined in October. The labour market situation remains adverse, but it has not deteriorated for several months. Confidence indicators (ESI, PMI) improved again in November and December. A continuation of the modest recovery in the euro area in the last quarter is also expected by international institutions (ECB, Consensus), which have also revised upwards their forecasts for 2014.

**In October short-term indicators of economic activity in Slovenia show further growth in exports and construction output, while other indicators remained around the same levels as in previous months.** After increasing in the third quarter, real merchandise exports and imports rose again in October, according to our estimate (seasonally adjusted). The value of construction put in place also increased and was significantly higher than at the beginning of the year, although it is still lagging the most behind the pre-crisis levels. Production volume in the manufacturing sector and turnover in retail trade in October were at a similar level as in the third quarter when activity declined slightly. The sentiment indicator also remains roughly unchanged, confidence having improved slightly at the end of the year only in the manufacturing and service sectors.

**The labour market situation remained adverse at the end of the year, while the average gross earnings per employee rose slightly.** Employment did not change significantly in the period from the spring to October, seasonally adjusted, but registered unemployment rose again in the last two months of 2013. A total of 124,015 persons were registered as unemployed at the end of December, up 4,702 in monthly terms. This is mainly explained by the expiration of fixed-term contracts and a small number of people who found work. The annual number of unemployed was by an average of 8.8% higher than in 2012. In October the average gross earnings per employee increased somewhat as a result of higher earnings in public corporations and a slight increase in gross earnings in the private sector.

**Consumer prices, down 0.9% in December, were up 0.7% in 2013 in year-on-year terms.** The monthly decline was largely a result of clothing and footwear prices falling more than usual in this month of the year (seasonally adjusted), and lower prices of certain services as a result of one-off factors. In the absence of price shocks from the international environment and owing to certain one-off factors at the end of the year, annual inflation was much lower than in 2012 despite July's increase in the VAT rate. It was at the lowest level since Slovenia gained independence.

**The situation in the Slovenian banking system remained unfavourable before the beginning of bank restructuring at the end of 2013.** In November the stock of loans to domestic non-banking sectors declined by around EUR 240 m. The decline was again mainly driven by corporate deleveraging, though debt repayments by the government and households also increased relative to previous months. The stock of loans to domestic non-banking sectors thus declined by EUR 1.9 bn in eleven months, nearly three times as much as in the same period of 2012. Banks continued to make net debt repayments abroad and there was a decline in government and household deposits at banks. After the extremely strong growth in September, the amount of bad claims declined slightly in October. The results of the banking system review and the stress tests showed that the capital shortfall at the banks covered by the review would amount to EUR 4.8 bn (13.7% of GDP) under the adverse macroeconomic scenario. On the basis of the released results, the government already carried out part of capital increases at some banks in December.

**The general government deficit was EUR 1.4 bn in the first ten months of 2013 and was higher than in the same period of 2012 (EUR 260 m).** This is explained mainly by lower general government revenue (EUR 285 m) resulting primarily from lower tax revenue (from corporate income tax and personal income tax) and social security contributions. Annual value added tax revenue was up slightly due to the VAT rate increase in July. Expenditure in the first ten months was slightly lower than in the same period of 2012 (EUR 26 m), mainly due to lower expenditure on wages, goods purchases and social transfers (except pensions).



**current economic trends**

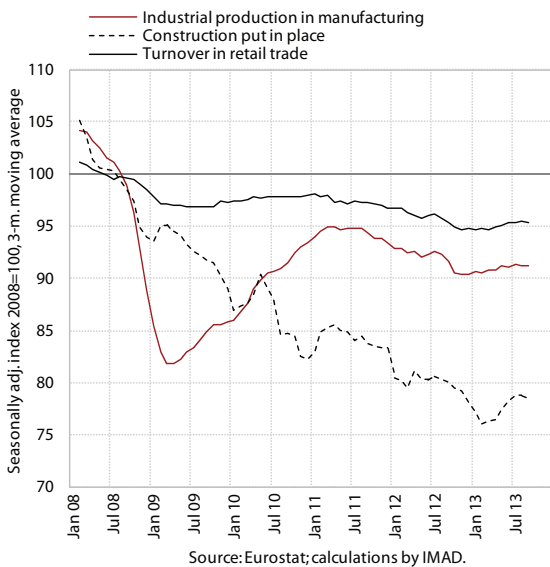




## International environment

Short-term indicators of economic activity in the euro area declined in October for the second consecutive month as a result of persistently weak domestic demand. Industrial production volume in the euro area was down in monthly terms in October for the second time in a row (-0.7%, seasonally adjusted), while it was up 0.6% year-on-year. New orders in manufacturing also declined (-2.2%, seasonally adjusted). The value of construction put in place and the volume of turnover in retail trade continued to fall and were also lower year-on-year.<sup>1</sup> For the second month in succession, a substantial decline in manufacturing production was, unexpectedly, recorded by Germany (-1.1%, seasonally adjusted), where new orders in manufacturing also dropped relative to the previous month (-2.2%). The situation on the labour market remains unfavourable, consistent with the forecasts. Employment stagnated in the third quarter. October's unemployment rate remained high (12.1%), particularly the youth unemployment rate (24.4%)<sup>2</sup>, which has risen slightly again in recent months.

Figure 1: Short-term indicators of economic activity in the euro area



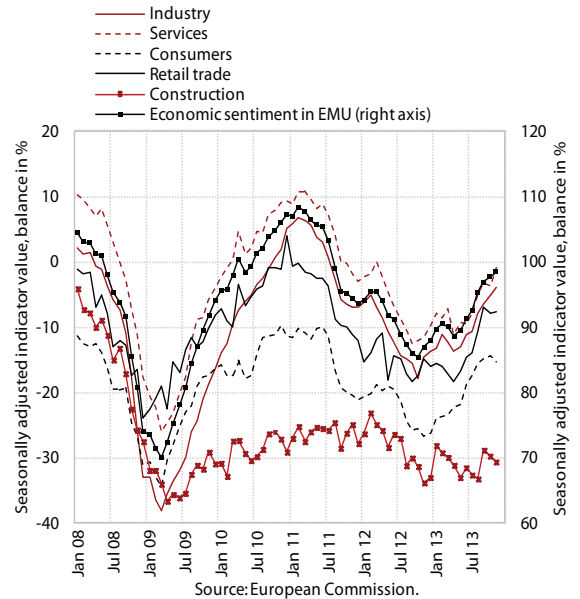
Economic sentiment in the euro area improved again in November. Having been rising since May, the Economic Sentiment Indicator (ESI) is approaching its long-term average despite slower growth in the last two months. Its improvement was mainly a result of increased confidence in the service sector and industry, with confidence declining among consumers and in construction and remaining almost unchanged in retail trade. The euro area manufacturing PMI also improved again in December,

<sup>1</sup> In October construction output declined by 1.2% (seasonally adjusted); the year-on-year decline was 2.4%. The volume of turnover in retail trade fell by 0.3%; in year-on-year terms by 0.1%.

<sup>2</sup> People younger than 25 years.

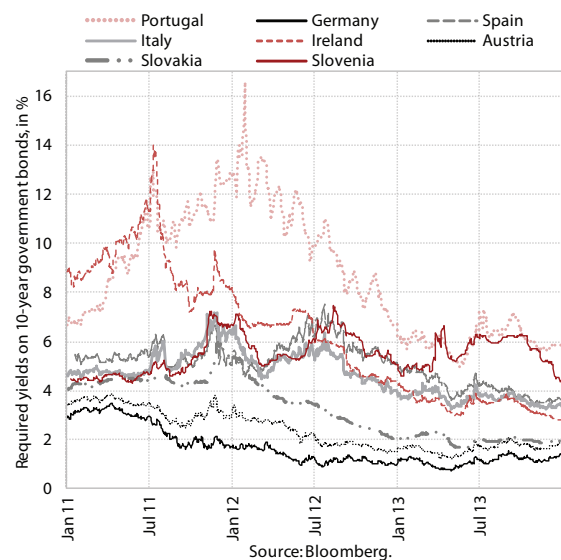
reaching the highest value in two and a half years. The German economic sentiment indicators (Ifo and ZEW) also improved in December.

Figure 2: Confidence indicators in the euro area



In December international institutions revised upwards their forecasts for economic growth in 2014. Improved expectations regarding economic activity in the euro area are also reflected in the forecasts by the ECB, which revised upwards its projection for GDP growth for 2014 by 0.1 percentage points in December (relative to September's projections), expecting a 1.1% increase in real GDP. A moderate rebound in economic activity is expected to reflect a gradual recovery in domestic and external demand, though economic growth will continue to be dragged down by deleveraging in the private

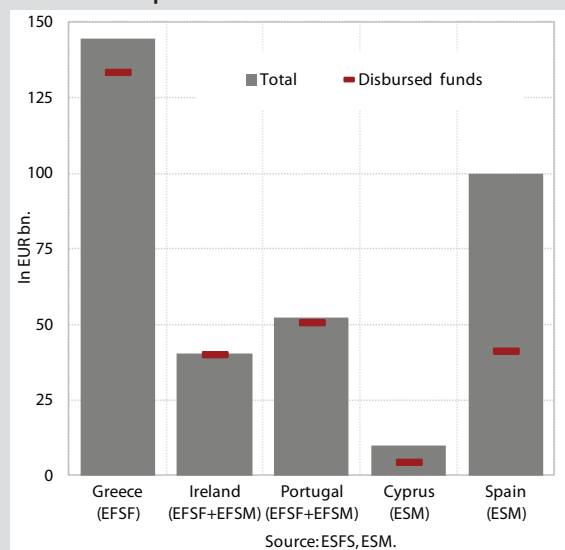
Figure 3: Yields on ten-year government bonds



**Box 1: Exit of Ireland and Spain from the temporary and permanent financial assistance programmes of the EU**

In response to the tightening of the economic crisis, two instruments were agreed upon within the EU to preserve financial stability of countries with limited access to funds on financial markets. The European instrument for financial stability includes a permanent (EFSM) and a temporary (EFSF) component that should be operational until the end of 2014.<sup>1</sup> Under the EFSF a total of EUR 118.3 bn was granted to Greece, Portugal and Ireland, while under the EFSM EUR 48.5 bn<sup>2</sup> was provided to Portugal and Ireland. The activation of the stability mechanism was subject to a variety of conditions imposed by the European Commission, the ECB and the IMF, which are similar to those set by the IMF in the context of its assistance in addressing balance of payment difficulties. In 2012 the existing permanent mechanism, EFSM, was complemented by a new permanent mechanism, the European Stability Mechanism (ESM) in the amount of EUR 700 bn,<sup>3</sup> which was activated for Spain and Cyprus. The rules and requirements for disbursement of funds under this mechanism are stricter than under the EFSF (and the EFSM) and closely related to the new regulations for fiscal governance in the EU (fiscal compact).

Figure 4: Planned and received funds for countries under different European financial assistance mechanisms



Ireland and Spain exited the financial assistance programmes in December 2013. In 2011 Ireland became the first EU country to use the EFSF and the EFSM. The main reason was significant public finance problems<sup>4</sup> related to severe losses in the banking system as a result of the collapse of the real estate market and significant exposure of Irish financial institutions on the US market. In 2011–2013 Ireland received EUR 17.1 bn in financial assistance from the EFSF<sup>5</sup> and EUR 22.5 bn from the EFSM (a total of EUR 67.5 bn from all sources<sup>6</sup> combined). To improve competitiveness and create jobs,<sup>7</sup> Ireland carried out a number of reforms, restructured and capitalised the banking sector and restored fiscal sustainability (by curbing expenditure, reforming the tax system, generating additional budgetary revenue).

As a result of the banking sector problems in the wake of the housing market crash, Spain also requested EU assistance in 2012 and was granted up to EUR 100 bn under the ESM. In one year it used EUR 41.3 bn of funds<sup>8</sup> for the restructuring and recapitalisation of the banking sector. It established a bad bank, carried out several structural reforms and started to consolidate public finances. As a result of the enforced measures, both countries regained confidence on financial markets and the required yields on their 10-year government bonds<sup>9</sup> dropped significantly. The European Commission will, together with the ECB, assess the economic, financial and fiscal situation of both countries twice a year until they have repaid 75% of the assistance received. Ireland should repay its debt by 2042 and Spain by 2027.

<sup>1</sup> Initially, the mechanism foresaw a permanent component with a total volume of up to EUR 60 bn (EFSM), and a temporary one with a maturity of three years with the total volume of up to EUR 440 bn (EFSF). The IMF was to provide up to EUR 250 bn.

<sup>2</sup> EUR 188.3 bn is only the share from the EFSM, while EUR 48.5 bn is only the share from the EFSF (the countries also received aid from the IMF and other sources).

<sup>3</sup> EUR 80 bn of capital paid by EMU countries and EUR 620 bn of callable capital.

<sup>4</sup> The general government deficit between 2008 and 2011 exceeded 10% of GDP (in 2010 it even reached 30.6% of GDP). Gross general government debt, which was at 24.9% of GDP in 2007, rose to 117.4% of GDP by 2012.

<sup>5</sup> The average (weighted) maturity of loans granted under the EFSF is 20.8 years.

<sup>6</sup> The IMF and bilateral lenders (Denmark, Sweden, United Kingdom).

<sup>7</sup> Between October 2012 and October 2013 unemployment dropped from 14.5% to 12.6%.

<sup>8</sup> The average (weighted) maturity of loans granted under the EFSF is 12.5 years.

<sup>9</sup> The required yields of Ireland were around 13% (July 2011), the required yields of Spain 7% (July 2012). At the end of December 2013 they dropped to 2.8% and 3.6%, respectively.

sector, fiscal consolidation in the public sector and high unemployment. Consensus forecasts also improved in December, predicting 1.0% growth for the euro area in 2014, 0.1 percentage points higher than in the November forecast.

In December the required yields of government bonds rose slightly in most euro area countries. Increased tensions on government bond markets were related to changes in bond-buying policy announced by Fed. Fed is planning

to reduce its monthly purchases of government bonds and mortgage-backed securities from USD 85 bn to USD 75 bn<sup>3</sup> in January. As a result of this announcement, government bond yields of both the euro area countries with the highest credit rating (AAA) and the most vulnerable countries rose slightly (with the exception of Ireland and Slovenia).

<sup>3</sup> If the US economy continues to recover, bond-purchases will be reduced further.

Interbank interest rates rose slightly in December, but the 2013 average remained very low. In view of the diminishing price pressures and to boost the recovery of the euro area, the ECB cut its key interest rate twice during 2013, bringing it down by a total of 0.5 percentage points to 0.25%. The changes did not have a significant impact on the movement of interbank interest rates in the euro area, given that the 3-month EURIBOR rate has been roughly unchanged since September 2012. In 2013 overall it totalled 0.220% and was down 35 basis points in year-on-year terms.

Table 1: Interbank interest rates, %

		3-month EURIBOR rate	3-months USD LIBOR rate	3-month CHF LIBOR rate
2012	December	0.186	0.309	0.017
2013	November	0.223	0.239	0.020
	December	0.274	0.245	0.020

Source: Euribor EBF, BBA Libor.

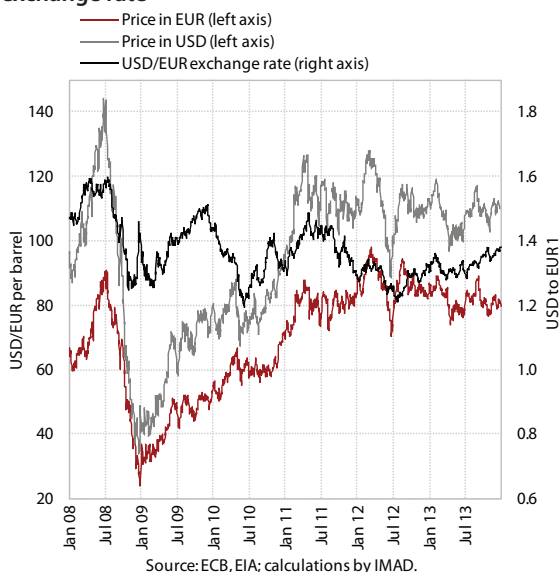
In 2013 the euro appreciated against the main world currencies. The euro increased again in December, the euro averaged USD 1.329 in 2013 overall, up 3.4% on the previous year. The euro appreciated particularly against the Japanese yen (by 26.5% to JPY129.66), while it also increased against the British pound sterling (by 4.7% to GDP 0.850) and the Swiss franc (by 2.1% to CHF 1.231).

Table 2: Exchange rates

		EUR/USD	EUR/CHF	EUR/GBP	EUR/JPY
2012	December	1.312	1.209	0.812	109.71
2013	November	1.349	1.232	0.838	134.97
	December	1.370	1.225	0.836	141.68
Change in December 2013 (in %)	month-on-month	1.6	-0.6	-0.2	5.0
	year-on-year	4.5	1.30	3.0	29.1

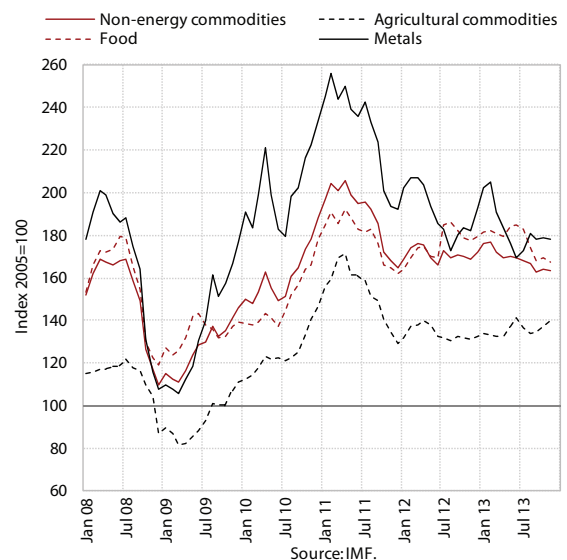
Source: ECB.

Figure 5: Prices of Brent crude oil and the USD/EUR exchange rate



Brent crude prices rose in December. The average dollar price of Brent crude increased by 2.8% to USD 110.76 per barrel and was up 1.2% year-on-year. Oil prices in euros were up 1.0% to EUR 80.79 per barrel in monthly terms in December and down 2.4% year-on-year. December's increase was mainly impacted by disturbances in the OPEC oil supply. Despite greater fluctuations during the year (between USD 96 and USD 118 per barrel), the average oil price in dollars fell by 2.3% to USD 108.45 in 2013, and the average price in euros by 5.7% to EUR 81.66. According to the most recent IMF data, non-energy commodity prices in dollars dropped somewhat in November mainly owing to lower prices of food and metals. In November the non-energy commodity price index in dollars was almost 3% lower than a year earlier, with food prices dropping most notably, by 5.7%. According to the provisional data by the IMF, non-energy commodity prices did not change significantly in December.

Figure 6: Non-energy commodity prices in dollars



## Economic developments in Slovenia

Short-term indicators of economic activity in Slovenia show further growth in exports and construction put in place in October, while other indicators remained roughly unchanged from previous months. After third quarter growth, real merchandise exports and imports continued to rise in October (seasonally adjusted), according to our estimate. The value of construction put in place also increased and was significantly higher than at the beginning of the year, although it still lagged the most behind the pre-crisis levels. In October production volume in the manufacturing sector and turnover in retail trade remained around the same levels as in the third quarter when activity had declined slightly. The sentiment indicator also remains almost unchanged, confidence having improved slightly at the end of the year only in the sectors of manufacturing and services.

Figure 7: Short-term indicators of economic activity in Slovenia

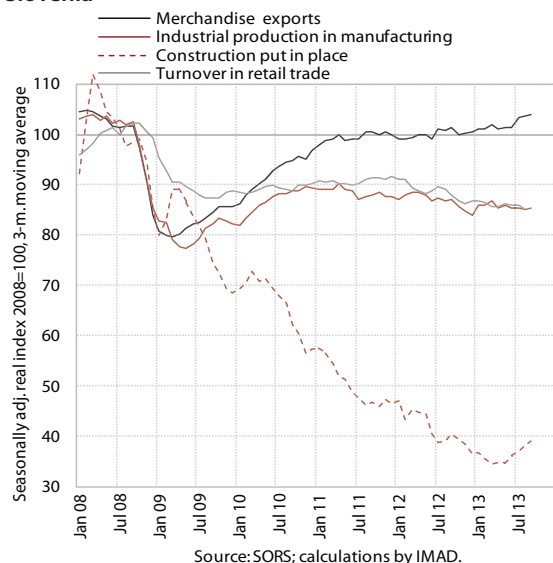


Table 3: Selected monthly indicators of economic activity in Slovenia

in %	2012	X 13/ IX 13	X 13/ X 12	I-X 13/ I-X 12
Exports <sup>1</sup>	1.9	2.7	1.9	2.5
-goods	0.8	5.2	3.5	2.0
-services	6.7	-7.6	-4.7	4.4
Imports <sup>1</sup>	-2.6	4.3	2.1	-2.1
-goods	-3.0	6.2	1.8	-2.4
-services	-0.1	-6.7	4.0	0.1
Industrial production	-1.1	-0.1 <sup>2</sup>	-0.7 <sup>3</sup>	-1.4 <sup>3</sup>
-manufacturing	-2.3	-0.1 <sup>2</sup>	-1.4 <sup>3</sup>	-2.1 <sup>3</sup>
Construction -value of construction put in place	-16.8	7.6 <sup>2</sup>	27.3 <sup>3</sup>	-7.3 <sup>3</sup>
Real turnover in retail trade	-2.3	1.8 <sup>2</sup>	-1.2 <sup>3</sup>	-3.7 <sup>3</sup>
Nominal turnover in market services (without trade)	-2.8	-1.4 <sup>2</sup>	1.8 <sup>3</sup>	-0.5 <sup>3</sup>

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

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

After third quarter growth, real **merchandise exports and imports** continued to rise in October, according to our estimate.<sup>4</sup> Real merchandise exports increased (1.5%) due to further growth in exports to EU countries amid a slower decline in extra-EU exports. In the first ten months real merchandise exports were up (2.6%, orig.) on the same period of 2012. In ten out of sixteen main products, which account for three quarters of total merchandise exports, the year-on-year export performance improved relative to 2012. Among exports to Slovenia's main trading partners, the greatest contribution came from year-on-

<sup>4</sup>The estimate of real merchandise exports has been made on the basis of nominal exports according to the external trade statistics and industrial producer prices on the foreign market, while real imports have been estimated based on nominal imports according to the external trade statistics and the index of import prices.

year growth in exports to Russia (although it has slowed in recent months), and to Austria and Italy, while exports to Germany were down year-on-year in the same period despite the improvement in the last few months. Real *merchandise imports* continued to increase in October (1.8%). The interruption of their decline in recent months is, in our estimation, mainly attributable to larger imports of consumer goods, in particular passenger cars. Real imports in the first ten months were similar to the same period of the previous year (-0.2%, orig.).

Figure 8: Merchandise trade – real



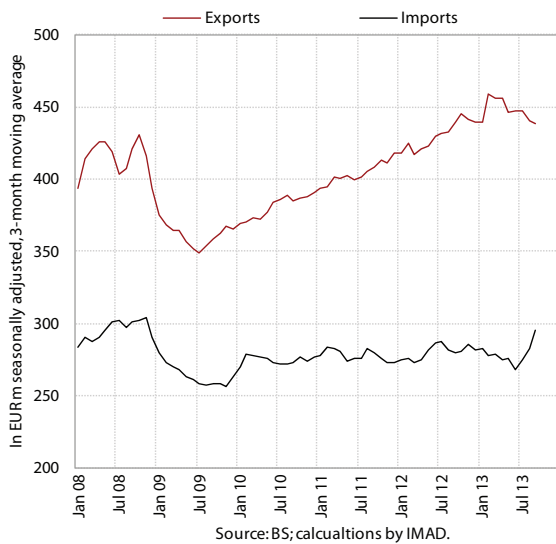
The decline in nominal exports of **services** continued in October and imports also dropped after third quarter growth, seasonally adjusted.<sup>5</sup> Nominal exports of services<sup>6</sup> have been falling since April, at first mainly due to the declining exports of other business services, but in the last few months exports of other services<sup>7</sup> fell the most. In the first ten months total exports were up 4.4% (orig.) year-on-year, mainly on account of intermediation and construction services. After having increased in the third quarter, nominal *imports of services* declined slightly (-3.0%) in October – similar to exports as a result of lower imports of other services. In the first ten months of 2013 they remained at a similar level as in the same period of the previous year (-0.1%, orig.).

<sup>5</sup> According to the balance of payments statistics.

<sup>6</sup> September's data on the balance of payments show that in September exports of other business services reached the highest monthly value thus far (EUR 134.6 m), and as a result, total services exports rose in the third quarter q-o-q (seasonally adjusted). In October's data, the value of September's exports of other business services was revised downwards significantly (EUR 76.9 m); as a result, total services exports declined in the third quarter.

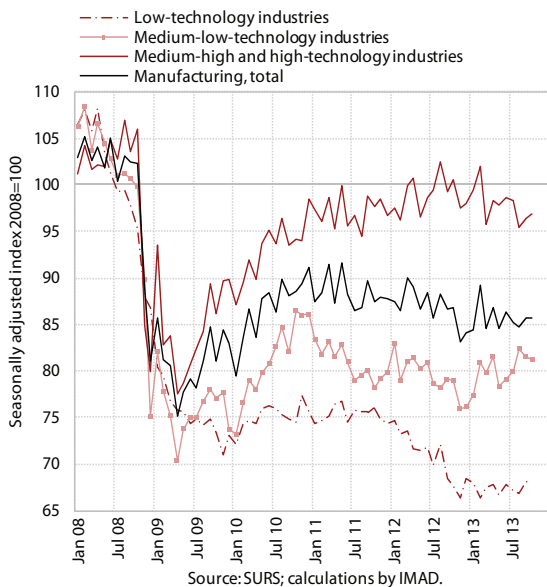
<sup>7</sup> When adjusting data for seasonal effects, we placed communication, construction, financial, computer and information activities, personal service activities, arts, entertainment and recreation activities, government services, insurances and licences, patents and copyrights into the group of other services. Together, they account for just over a tenth of services exports and almost a third of services imports.

Figure 9: Trade in services – nominal



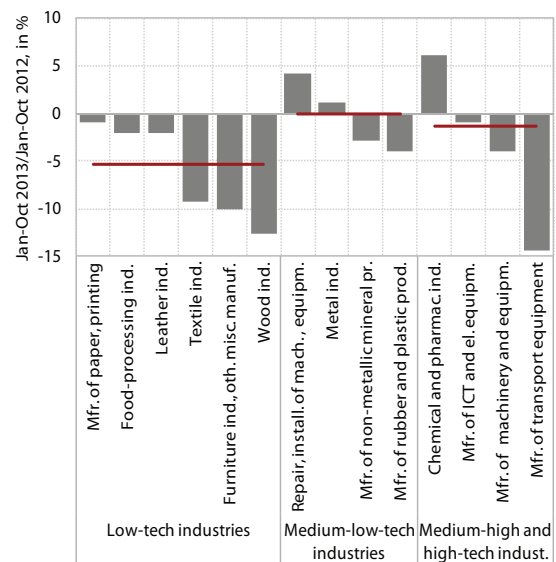
Having declined somewhat in the third quarter, production volume in **manufacturing** maintained September's level in October. Production in low-tech industries, having stagnated since the beginning of 2013, remained unchanged in October. Medium-low-tech industries, where production has increased since the beginning of the year, recorded slightly lower activity in the last two months. Activity in more technology-intensive industries rose slightly again for the second consecutive month, meaning that their production ceased to decline (seasonally adjusted).

Figure 10: Industrial production volume in manufacturing according to technology intensity



In the first ten months production volume in manufacturing was down 2.1% on the same period of 2012 (working-day adjusted). Production dropped in all low-tech industries, but the declines in the last months were smaller than at the beginning of the year (chiefly due to a smaller base effect). The declines in medium-low-tech industries were also smaller than in the first half of the year (with further increases in production in the third quarter), while their production in the first ten months overall was at a similar level as in the same period in the previous year. In contrast, production in more technology-intensive industries, most of which recorded deeper year-on-year falls in the last months, was down in the first ten months relative to the same period of the previous year (due to the decline since the beginning of the year).

Figure 11: Industrial production volume in manufacturing by industry

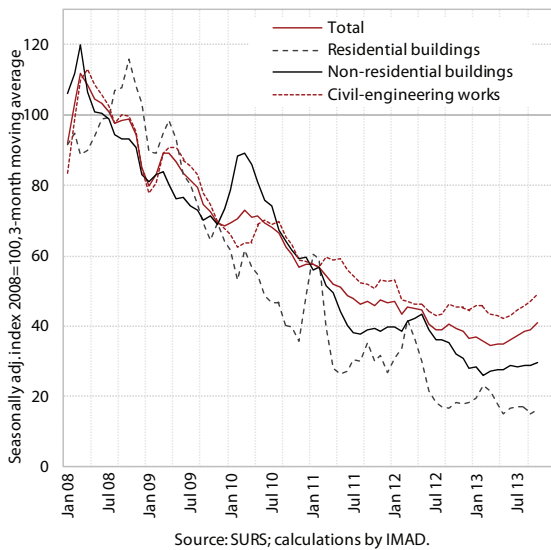


The value of **construction put in place** in October was up 7.6% in monthly terms (seasonally adjusted), and was also much higher year-on-year (27.3%). Amid substantial monthly fluctuations, in the last few months activity increased in civil engineering works and in the construction of non-residential buildings, while it declined in the construction of residential buildings. In October construction activity was considerably higher than in the same month of 2012, particularly due to the strong base effect, as in October 2012 the value of construction output fell by 21.1% and reached the lowest level in 2012.

The value of the stock of contracts in October was much larger than a year earlier. In October the value of the stock of contracts in the construction sector was up 35.3% year-on-year. As much as 78.4% of the increase was in civil engineering works, which can be explained by the vigorous construction of municipal infrastructure boosted by EU funds.

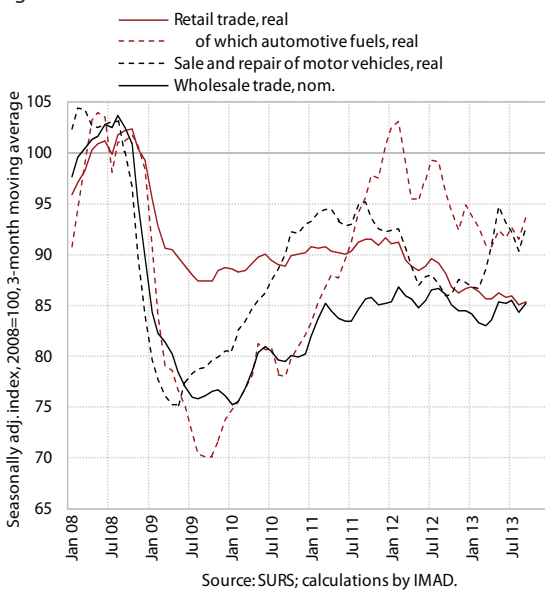


Figure 12: Value of construction put in place



Turnover in retail trade remained low in October, while turnover in the sale of motor vehicles and wholesale trade, which was rising again, was higher than in the months before the VAT rate increase (seasonally adjusted). After declining in the third quarter, real turnover in retail trade rose slightly in October but remained very low. It increased the most in the sale of automotive fuels (almost by a tenth), in our assessment as a result of increased trade in other goods and services that are also sold by companies registered in this activity,<sup>8</sup> as the quantity of sold automotive fuels declined relative to 2012. After the significant fall in July, turnover in the sale and repair of motor vehicles was rising in the following months. In October it was already larger than before the fluctuations related to the VAT rate increase. Nominal turnover in wholesale trade was also up

Figure 13: Turnover in trade sectors

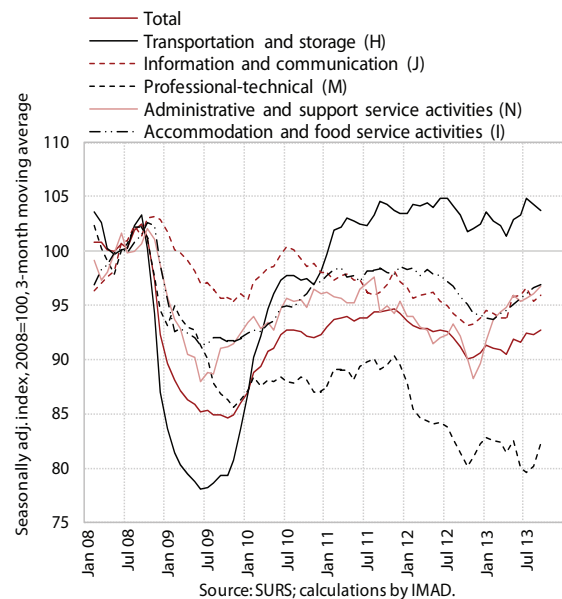


<sup>8</sup> Such as electricity, natural gas, merchandise and some services.

in October, and was, with fluctuations in the middle of the year, slightly higher than before the VAT rate change.

Nominal turnover in market services (excluding trade)<sup>9</sup> has continued the trend of modest growth since the end of 2012 despite October's decline (1.4%, seasonally adjusted). Among main market services, in October turnover increased only in the sectors of transportation and storage and in accommodation and food service activities, where it rose for the second consecutive month due to a larger number of overnight stays, while in year-on-year terms turnover was up in all sectors. The largest decline was in professional and technical services, particularly in legal and accounting services, which in October also fell relative to the third quarter. As in the construction sector, turnover also remained low in architectural and engineering services. Turnover in information and communication services declined slightly for the second month in a row. Administrative and support service activities saw a further fall in turnover in travel agencies, while in employment services turnover picked up again. Only transportation activities exceeded the turnover volume recorded in 2008, followed by accommodation and support service activities, information and communication activities and other administrative service activities, where turnover was 5% lower than in 2008.

Figure 14: Nominal turnover in market services (other than trade)



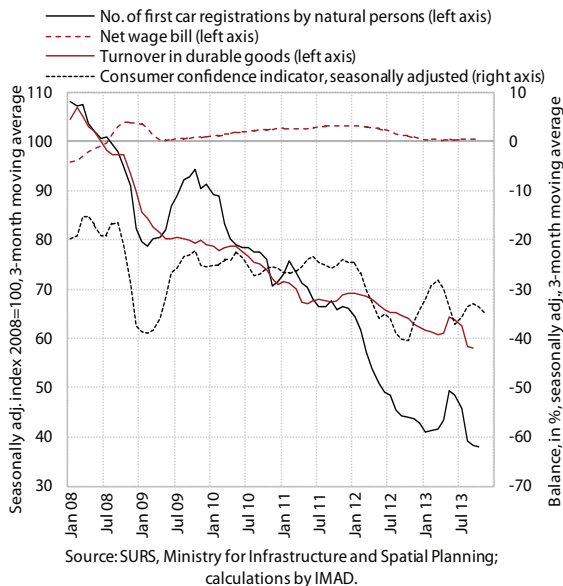
Household income remained down year-on-year at the beginning of the last quarter of 2013. After smaller fluctuations in previous months, the net wage bill remained at the previous month's level in November (seasonally adjusted) and was down 3.6% year-on-year in real terms in the first eleven months (compared with 2.8% in the same period of 2012). Transfers to individuals

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

and households<sup>10</sup> also declined and were in the first ten months 2.9% lower year-on-year in real terms (in the same period of 2012 down 4.4%). Transfers to pensioners, representing two thirds of all transfers, rose, while all other transfers dropped. The amount of consumer loans was down 11.2% year-on-year in November. In the first eleven months households were mainly repaying loans, despite November's increase in the volume of housing loans. The stock of household deposits at banks was also down year-on-year at the end of November (-2.2%). In the first eleven months household deposits thus dropped by as much as EUR 465 m, EUR 275 m more than in the same period of 2012. According to the latest SURS data, household disposable income fell by 3.6% in year-on-year terms in the first nine months.<sup>11</sup>

*Short-term indicators of household consumption still indicate a decline in consumption.* After small fluctuations in previous months, turnover in retail trade excluding automotive fuels declined by 0.6% in October (seasonally adjusted). Consumption on durables<sup>12</sup> also fell again, by 1.8%, mainly on account of lower purchases of household equipment and audio/video recordings in specialised stores, where turnover declined for the fourth month in a row, while turnover in stores selling furniture and construction material stagnated. After somewhat greater fluctuations in previous months, car purchases by natural persons increased slightly in November (3.1%, seasonally adjusted). Consumer expectations improved somewhat in December, but consumers remain very pessimistic about major purchases.

Figure 15: Household consumption indicators



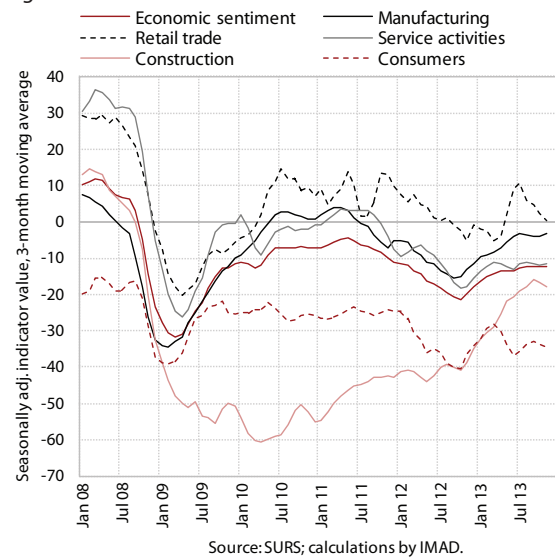
<sup>10</sup> According to the consolidated public finance balance of the Ministry of Finance. Since May 2013 expenditure on scholarships has been covered from direct government funds or reserves, which is reflected in a slightly smaller total amount of transfers.

<sup>11</sup> Quarterly non-financial accounts by institutional sectors, Slovenia, 3rd quarter 2013, December 30, 2013.

<sup>12</sup> Turnover in the sale of furniture, household equipment, construction material and audio/video recordings in specialised stores.

*After the improvement in the first half of the year, economic sentiment remained unchanged in the second half of the year.* At the end of the year confidence in the manufacturing and service sectors increased somewhat again, while confidence in the construction sector, which had been improving in the first three quarters, deteriorated slightly in the last three months. After the improvement due to the VAT increase in the middle of this year, confidence also fell in retail trade. Consumer confidence deteriorated as well, so that in the second half of the year the consumer confidence indicator was lower than in the first six months.

Figure 16: Business trends



## Labour market

*The situation on the labour market remained unfavourable at the end of the year.* The number of employed persons<sup>13</sup> has been stagnant since the spring (seasonally adjusted), mainly on account of increased employment in the construction sector and, to a lesser extent, other activities, while employment in manufacturing fell slightly again relative to the beginning of the year. In the first ten months of 2013 the number of employed persons remained 2.6% lower than in the same period of 2012.

*The number of registered unemployed persons rose at the end of the year.* After a substantial increase at the beginning of the year, growth in the number of registered unemployed eased somewhat in the middle of the year, only to rise again in December. A total of 124,015 persons were registered as unemployed at the end of December, 4,702 more (orig.) than a month earlier, primarily as a result of a larger inflow into the register due to the termination of fixed-term contracts and a small number of people who found work. Their number rose by 0.5%

<sup>13</sup> According to the Statistical Register of Employment (SRE); these are employed and self-employed persons excluding self-employed farmers.

Table 4: Employed persons by activity

	Number in '000				Change in Number			
	2012	X 12	IX 13	X 13	2012/ 2011	X 13/ IX 13	X 13/ X 12	I-X 13/ I-X 12
Manufacturing	182.9	181.8	177.6	178.1	-1,919	497	-3,672	-5,860
Construction	59.8	59.0	56.0	56.1	-8,047	99	-2,900	-6,270
Market services	338.4	337.2	333.3	334.3	-3,805	975	-2,926	-6,097
- of which: Wholesale and retail trade, repair of motor vehicles and motorcycles	107.8	107.3	103.4	103.8	-1,848	396	-3,487	-3,809
Public services	171.6	171.3	170.1	170.4	1,438	301	-884	-1,717
Public administration and defence, compulsory social security	50.7	50.2	48.9	48.8	-650	-29	-1,367	-1,680
Education	65.5	65.4	65.4	65.7	778	281	247	-150
Human health and social work activities	55.4	55.6	55.8	55.9	1,311	49	236	113
Other	57.3	57.9	58.5	59.1	-1,632	569	1,205	1,098

Source: SURS; calculations by IMAD.

Table 5: Indicators of labour market trends

in %	2012	X 13/ IX 13	X 13/ X 12	I-X 13/ I-X 12
Labour force	-1.5	0.7	-0.1	-0.9
Persons in formal employment	-1.7	0.1 <sup>1</sup>	-1.1	-2.3
Employed in enterprises and organisations and by those self-employed	-1.6	0.2	-1.7	-2.8
Registered unemployed	-0.5	-0.2 <sup>1</sup>	7.1	9.3
Average nominal gross wage	0.1	0.2 <sup>1</sup>	0.7	-0.3
- private sector	0.5	0.1 <sup>1</sup>	0.8	0.4
- public sector	-0.9	0.7 <sup>1</sup>	0.6	-1.3
- of which general government	-2.2	0.1 <sup>1</sup>	-1.1	-2.8
	2012	X 12	IX 13	X 13
Rate of registered unemployment (in %), seasonally adjusted	12.0	12.1	13.1	13.0
Average nominal gross wage (in EUR)	1,525.47	1,515.95	1,495.28	1,526.11
Private sector (in EUR)	1,395.84	1,397.17	1,375.60	1,408.28
Public sector (in EUR)	1,762.88	1,733.23	1,715.40	1,742.91
- of which general government (in EUR)	1,761.15	1,728.58	1,705.40	1,709.96

Sources: ESS, SURS; calculations by IMAD. Note: <sup>1</sup>seasonally adjusted.

Table 6: Unemployment flows

	I-XII 11	I-XII 12	I-XII 13
INFLOW OF UNEMPLOYED - TOTAL	99,674	106,858	108,344
Jobseekers who lost work	14,391	16,272	19,071
bankruptcy of the company	82,150	90,330	88,710
business reasons or compulsory settlement	7,812	4,609	3,732
termination of fixed-term contracts	16,096	20,130	17,896
other reasons	45,154	50,911	54,004
First-time jobseekers	13,088	14,680	13,078
Other (transitions between records)	3,133	256	563
OUTFLOW OF UNEMPLOYED - TOTAL	96,941	101,551	102,390
Unemployed who found work	61,019	58,324	65,054
public works	1,341	3,724	5,423
self-employment	5,520	4,195	5,789
Transitions into inactivity	14,858	15,015	13,295
retirement	9,718	10,523	8,511
Breaches of regulations	13,576	19,495	14,772
Other (transfer to other registers, other)	7,488	8,717	9,269

Source: ESS.

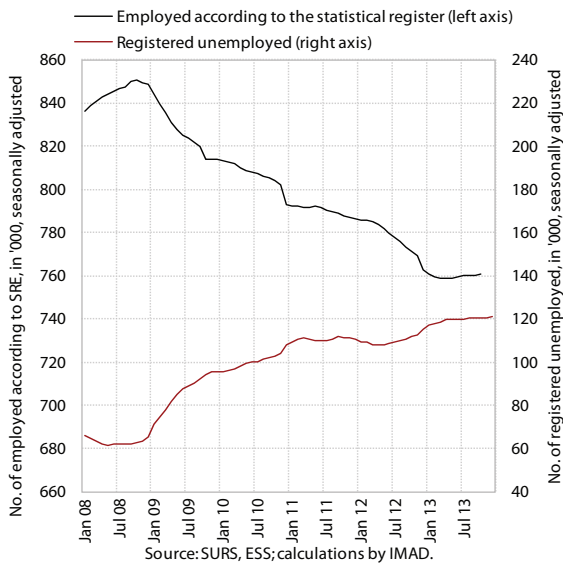
Table 7: Earnings by activity

	Gross wage per employee, in EUR		Change, in %			
	2012	X 2013	2012/2011	X 13/IX 13	X 13/X 12	I-X 13/I-X 12
Private sector activities (A-N; R-S)	1,463.64	1,479.98	0.8	2.8	1.3	0.6
Industry (B-E)	1,444.29	1,493.16	2.5	3.8	2.7	2.5
- of which manufacturing	1,397.25	1,441.41	2.5	3.2	2.4	2.5
Construction	1,205.65	1,212.07	-2.5	2.4	-1.1	-1.4
Traditional services (G-I)	1,354.04	1,362.49	0.3	3.0	1.2	-0.1
Other market services (J-N; R-S)	1,713.36	1,686.52	-0.3	1.2	-0.4	-1.3
Public service activities (O-Q)	1,710.91	1,663.20	-2.2	0.2	-0.9	-2.6
- Public administration and defence, compulsory social security	1,752.03	1,732.26	-1.8	0.8	0.8	-1.4
- Education	1,676.80	1,616.64	-3.3	-0.3	-1.5	-3.7
- Human health and social work activities	1,712.37	1,655.00	-1.3	0.5	-1.8	-2.2

Source: SURS; calculations by IMAD.



Figure 17: Employed persons according to the statistical register of employment (SRE) and registered unemployed persons



in December, according to seasonally adjusted data. In 2013 overall, unemployment averaged 119,827, up 8.8% on 2012. The inflow into the register was up 1.4%, mainly due to a larger number of first-time jobseekers (17.2%). The outflow also increased slightly (0.8%), as more people found jobs (11.5%) as a result of a greater involvement of the government in the implementation of active employment-policy schemes that bring unemployed people back to work (public works, subsidies for self-employment).

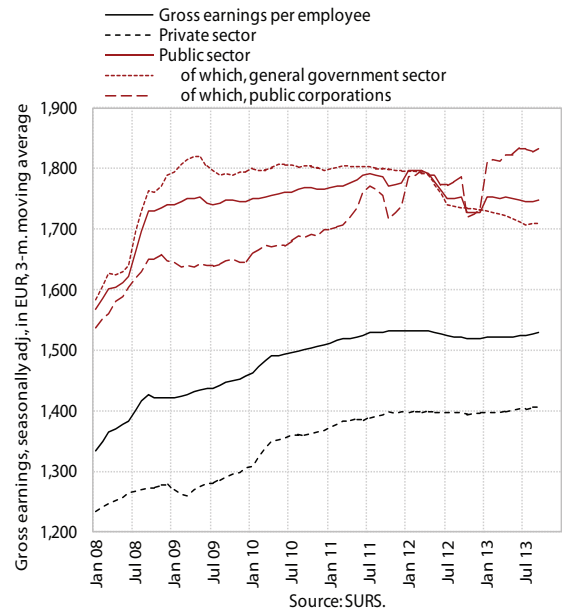
The average gross earnings per employee in October were up slightly in monthly terms (0.2%, seasonally adjusted) and year-on-year. The monthly increase was mainly a result of growth in public sector earnings<sup>14</sup> boosted by a significant increase in the average gross earnings in public corporations<sup>15</sup> (2.3%, seasonally adjusted). In the general government sector, the largest part of the public sector, earnings remained more or less unchanged after the decline in June. After stagnating for one and a half years, gross earnings in the private sector<sup>16</sup> also increased somewhat in the last months. In the first ten months they remained slightly higher year-on-year. Earnings in the government sector were down 2.8% in the same period, due to the enforcement of the ZUJF and the additional

<sup>14</sup> Starting June 2012, we comment on data on earnings in the private sector and the public sector (within the latter, particularly in the general government sector), and only exceptionally on earnings in private sector activities and public service activities; for more see SEM 06/12, Selected Topics – Monitoring the movements of wages and wage earners in the public and private sectors.

<sup>15</sup> Public corporations are corporations controlled by units of the general government sector, the basic criterion for determining control being majority ownership (owning more than half of the voting shares). They include companies, banks, insurance corporations, old people's homes, pharmacies, etc.

<sup>16</sup> Previously (in 2010 and 2011), growth was mainly impacted by the increase in the minimum wage and changes in employment structure.

Figure 18: Average gross earnings per employee

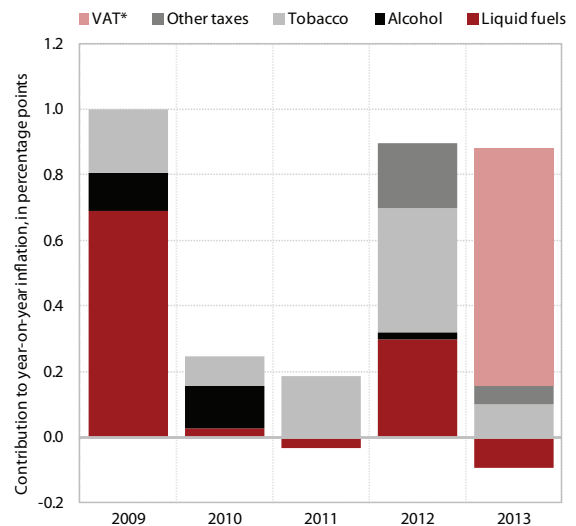


reduction of earnings in 2013. The decline in the public sector was half smaller due to the above-average growth of the average earnings in public corporations (2.1%).

## Prices

**Consumer prices** in December were down 0.9% in monthly terms, and up 0.7% year-on-year. According to the preliminary data by SURS, December's deflation was marked by clothing and footwear prices, which fell slightly more than usual in that month of the year (-0.5 percentage points), and lower prices of certain services (-0.4 percentage points) that were mainly a result of one-

Figure 19: Impact of tax changes on year-on-year price growth (IMAD's estimate)



Source: SURS, MF; calculations by IMAD. Note: \* Impact of the tax rate increase, taking into account a limited pass-through to final retail prices.

Table 8: Breakdown of HICP into sub-groups – November 2013

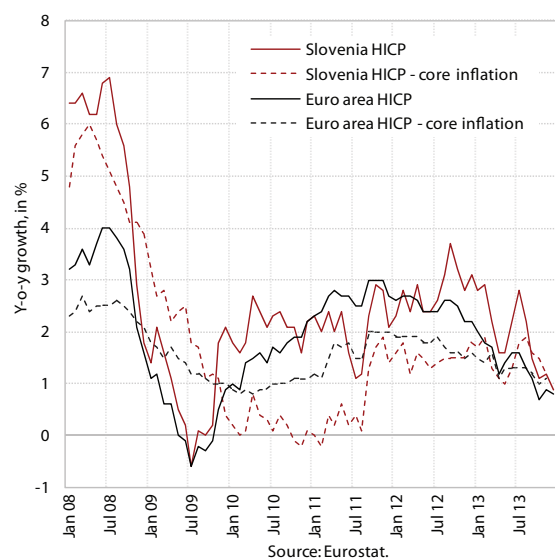
	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	<b>1.5</b>	<b>100.0</b>	<b>1.5</b>	<b>0.6</b>	<b>100.0</b>	<b>0.6</b>
Goods	<b>1.2</b>	<b>65.7</b>	<b>0.8</b>	<b>0.7</b>	<b>57.7</b>	<b>0.4</b>
Processed food, alcohol and tobacco	2.4	16.1	0.4	1.8	12.0	0.2
Non-processed food	1.9	7.4	0.1	0.2	7.3	0.0
Non-energy industrial goods	1.0	27.9	0.3	0.8	27.4	0.2
Durables	-1.4	9.7	-0.1	-0.7	8.8	-0.1
Non-durables	1.0	8.8	0.1	1.1	8.0	0.1
Semi-durables	5.0	9.4	0.5	3.0	10.5	0.3
Energy	<b>0.7</b>	<b>14.4</b>	<b>0.1</b>	<b>-0.4</b>	<b>11.0</b>	<b>0.0</b>
Electricity for households	12.6	2.7	0.3	4.7	2.6	0.1
Natural gas	0.1	1.1	0.0	-0.7	1.8	0.0
Liquid fuels for heating	-3.0	1.5	0.0	-4.5	0.9	0.0
Solid fuels	4.1	0.9	0.0	2.2	0.1	0.0
District heating	-2.8	0.9	0.0	0.2	0.6	0.0
Fuels and lubricants	-2.9	7.4	-0.2	-2.6	5.0	-0.1
Services	<b>1.8</b>	<b>34.3</b>	<b>0.6</b>	<b>0.5</b>	<b>42.3</b>	<b>0.2</b>
Services – dwellings	5.9	3.0	0.2	1.6	10.3	0.2
Services – transport	3.9	5.8	0.2	0.6	7.2	0.0
Services – communications	-0.2	3.5	0.0	-3.4	3.1	-0.1
Services – recreation, repairs, personal care	1.1	13.9	0.2	0.3	14.7	0.0
Services – other services	1.3	8.1	0.1	0.3	7.1	0.0
HICP excluding energy and non-processed food	<b>1.7</b>	<b>78.2</b>	<b>1.3</b>	<b>0.8</b>	<b>81.7</b>	<b>0.7</b>

Source: Eurostat; calculations by IMAD.

Note: ECB classification

off factors.<sup>17</sup> Inflation in 2013 overall was accounted for primarily by higher food and energy prices (together 0.7 percentage points). Price growth was also impacted by tax policy measures (increase in VAT, excise duties and other taxes). We estimate that July's increase in the

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

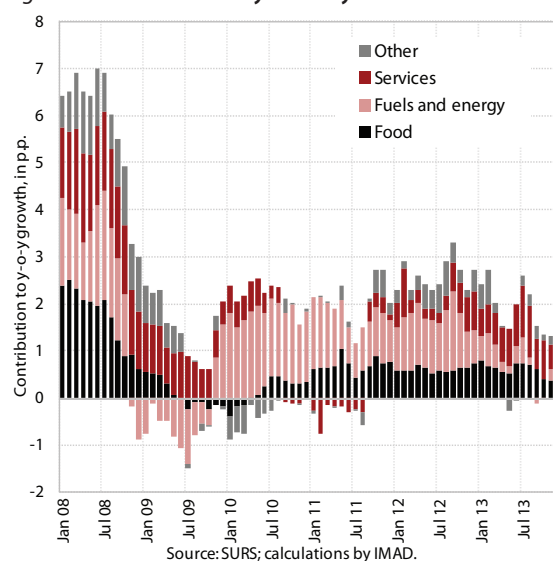


Source: Eurostat.

<sup>17</sup> A reduction of supplementary health insurance premiums in December, which lowered monthly growth by 0.3 percentage points.

VAT rate contributed around 0.7 percentage points, and excise duties and other taxes an additional 0.1. Regardless of the relatively large contribution of tax measures, in 2013 inflation was much lower than in the previous year (2.7%), which is mainly related to the further contraction of economic activity in the domestic and international environments and, in turn, a further deterioration in the

Figure 21: Breakdown of year-on-year inflation



Source: SURS; calculations by IMAD.

Table 9: Indicators of price and cost competitiveness

Annual change, in %	2011	2012	q4 12	q1 13	q2 13	q3 13
<b>Effective exchange rate<sup>1</sup></b>						
Nominal	-0.1	-1.2	-1.4	0.2	0.6	1.6
Real, deflator HICP	-1.0	-1.1	-0.8	0.9	0.8	2.3
Real, deflator ULC	-2.3	-3.0	-3.0	-2.5	-1.3	N/A
<b>Unit labour costs, economy and components</b>						
Nominal unit labour costs	-0.7	0.8	0.3	1.2	-0.3	-0.9
Compensation of employees per employee, nominal	1.6	-1.0	-1.4	-0.8	0.7	0.2
Labour productivity, real	2.4	-1.7	-1.7	-2.0	1.1	1.1
Real unit labour costs	-1.9	0.5	0.1	1.2	-2.0	-2.2
Labour productivity, nominal	3.6	-1.5	-1.5	-2.0	2.7	2.5

Source: SORS, ECB; calculations by IMAD.

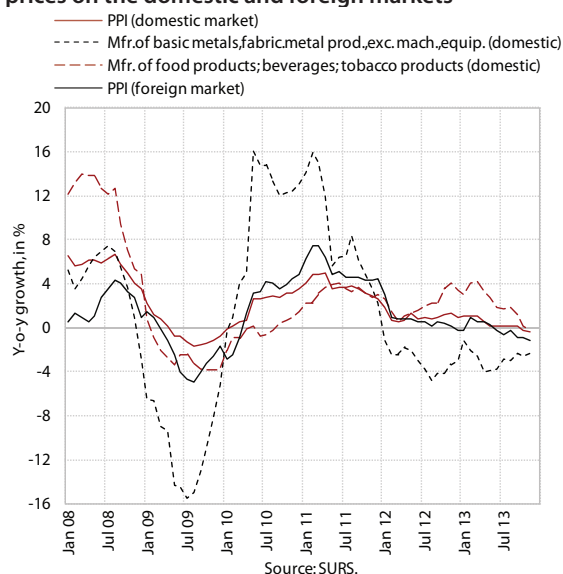
Note: <sup>1</sup> against 36 trading partners, according to ECB.

labour market situation. In the euro area, inflation was also down year-on-year (2.2%), at 0.8% according to Eurostat's flash estimates.

Year-on-year inflation in the euro area rose slightly in monthly terms (0.8%) in November. Price growth was driven by similar factors as in the domestic environment (higher food and service prices and lower prices of liquid fuels). The movement of core inflation remained moderate in the absence of inflationary pressures and as a result of weak economic activity.

**Industrial producer prices on the domestic and foreign markets were down year-on-year again in November.** In November industrial producer prices fell again both on the domestic and foreign markets. The main factor in the decline on the domestic market (-0.4%) was the movement of prices in the manufacture of food products, which fell for the first time since August 2010, and lower prices of metals and metal products (-2.3%). The latter also contributed to the year-on-year decline on foreign

Figure 22: Movements of domestic industrial producer prices on the domestic and foreign markets

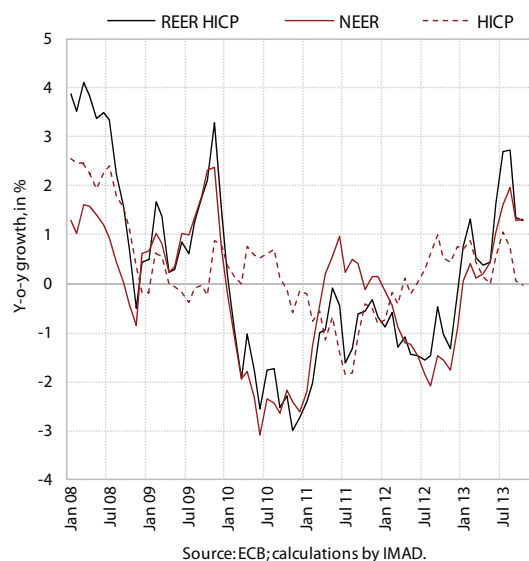


markets (-1.1%), together with lower prices in the manufacture of computer and electrical equipment.

Import prices fell again in year-on-year terms in November (-2.0%). As in the preceding three months, prices of imported products were down year-on-year in November, again mainly as a result of lower prices in the manufacture of metals and metal products (-6.0%).

October recorded a further loss of the **price competitiveness** of the economy in year-on-year terms, but it was one of the smallest in the euro area. In October the real effective exchange rate as measured by the relative HICP<sup>18</sup> again increased somewhat less than in the summer months (by 1.3%; in July and August by 2.7%). After September's modest growth, year-on-year growth in relative prices came to a halt in October due to the petering-out of the base effect related to rises in certain services prices in September 2012.<sup>19</sup> At the same time, year-on-year

Figure 23: Real effective exchange rate deflated by the relative HICP

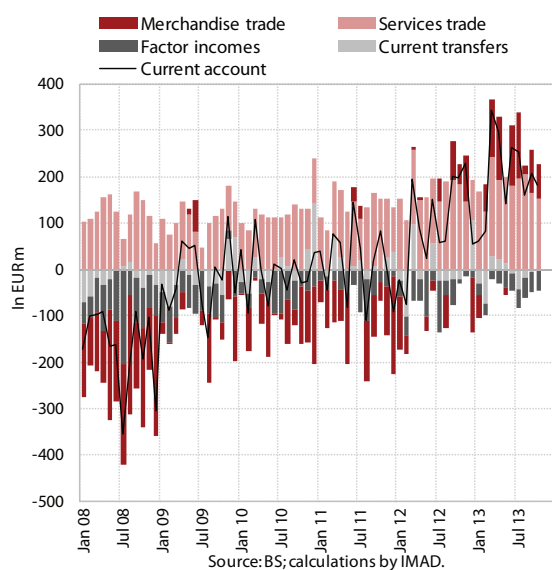
<sup>18</sup> In Slovenia, in comparison with its trading partners.<sup>19</sup> Higher prices of school meals and higher annual road user charges

growth in the nominal effective exchange rate also fell for the second consecutive month. In October price competitiveness deteriorated in most euro area countries, Slovenia being in the group of those with relatively smaller losses for the second month in a row (12<sup>th</sup>). Owing to the structure of its external trade, the increase in the nominal effective exchange rate in Slovenia was among the smallest<sup>20</sup> in the euro area. Relative prices in Slovenia remained at the 2012 level in October, while in most other countries of the euro area they declined.

## Balance of payments

The **current account** recorded a surplus again in October, which stood at EUR 1,995.4 m in the first ten months overall (compared with EUR 873.6 m in the same period of 2012). The year-on-year increase in current transactions in the first ten months was mainly due to a larger surplus in trade in goods and services. Total net outflows of factor income were down in the first ten months, while the balance of current transfers deteriorated.

Figure 24: Components of the current account balance



Source: BS; calculations by IMAD.

The **trade balance** recorded a surplus of EUR 2,473.0 m<sup>21</sup> in the first ten months, but in the last two months the widening of the surplus slowed. The moderation was attributable to the year-on-year decline in the surplus in services trade and slower growth in the surplus in merchandise trade (merchandise trade has been in surplus in the whole period since June). The year-on-year increase in the surplus in merchandise trade in the first ten months was a result of a smaller deficit with the EU due to higher exports to the EU (to a great extent due to exports to Croatia) and lower imports from the EU. The surplus in trade with non-

EU countries narrowed due to faster growth in imports than exports. The *balance of trade in services* deteriorated again in year-on-year terms in October, on account of a significant increase in investment works carried out by foreign companies in Slovenia. At the same time, Slovenian construction companies generated less revenue abroad year-on-year. The surplus in trade in services in the first ten months was nevertheless up year-on-year, mainly owing to a larger surplus in intermediation services and a smaller deficit in licences, patents and copyrights.

The decline in the deficit in **factor income** in the first ten months was mainly due to a smaller net outflow of income from capital. Smaller net outflows of equity capital of direct investment are a result of lower direct investment and deteriorated business results of investors. Total net payments of interest on external debt, which are rising year-on-year due to the relatively high interest rates on government bonds and growing general government debt, totalled EUR 391.9 m in the first ten months of the year (EUR 377.2 m in the same period of 2012). Net inflows of income from labour increased somewhat, as the number of daily migrants abroad is rising while the number of foreign workers in Slovenia declines. The *balance of current transfers* deteriorated year-on-year in the first ten months of 2013, on account of a wider year-on-year deficit of the private sector and relatively lower absorption of EU funds.

Table 10: Balance of payments

I-X 13, v mio EUR	Inflows	Outflows	Balance <sup>1</sup>	Balance, I-X 12
Current account	24,815.6	22,820.3	1,995.4	873.6
- Trade balance (FOB)	18,531.6	17,815.4	716.2	-91.0
- Services	4,512.5	2,755.8	1,756.7	1,572.3
- Income	691.9	1,044.6	-352.6	-518.8
Current transfers	1,079.5	1,204.5	-125.0	-89.0
Capital and financial account	1,941.1	-4,780.6	-2,839.5	-1,106.7
- Capital account	218.8	-285.8	-67.1	-55.1
- Capital transfers	189.6	-267.7	-78.1	-82.2
- Non-produced, non-financial assets	29.2	-18.1	11.1	27.0
- Financial account	1,722.4	-4,494.8	-2,772.4	-1,051.6
- Direct investment	-424.4	3.8	-420.6	283.0
- Portfolio investment	1,731.2	53.9	1,785.1	-107.4
- Financial derivatives	-44.1	-332.3	-376.4	-118.7
- Other investment	459.7	-4,185.2	-3,725.5	-1,146.4
- Assets	0.0	-2,210.1	-2,210.1	-1,650.0
- Liabilities	459.7	-1,975.1	-1,515.4	503.6
- Reserve assets	0.0	-35.0	-35.0	37.8
Net errors and omissions	844.1	0.0	844.1	233.2

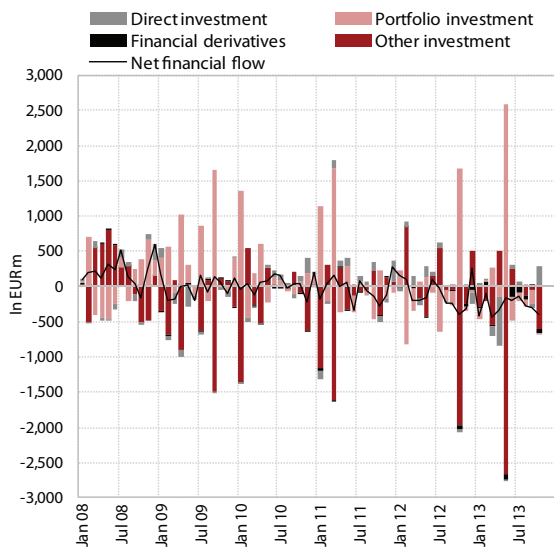
Source: BS. Note: <sup>1</sup>a minus sign (-) in the balance indicates a surplus of imports over exports in the current account and a rise in assets in the capital and financial account and the central bank's international reserves.

<sup>20</sup> As Slovenia has an above-average share of merchandise trade with the euro area, the appreciation of the euro has a smaller impact on the nominal effective exchange rate (and conversely).

<sup>21</sup> Compared with EUR 1,481.3 m in the same period of the previous year.

**International financial transactions**<sup>22</sup> continue to reflect limited access to international financial markets. They recorded a net outflow again in October, EUR 394.8 m, and EUR 2,737.4 m in the first ten months of 2013 (EUR 1,089.5 m in the same period of 2012). The largest net capital outflow was in *other investment*. Most transactions were carried out via the banking sector, as commercial banks continued to reduce liabilities abroad (loan repayments and withdrawal of non-residents' deposits). Companies increased short-term trade credits abroad, which is related to growth in exports. A net outflow was also recorded for *direct investment*, primarily as a result of the requalification of loans from direct investment into loans from other sectors. The net inflow of *portfolio investment* was mainly due to the sale of general government dollar bonds in May. As a hedge against the currency risk associated with the sale, the government sector increased net claims in financial derivatives.

Figure 25: Financial transactions of the balance of payments by instrument



Source: BS.

## Financial markets

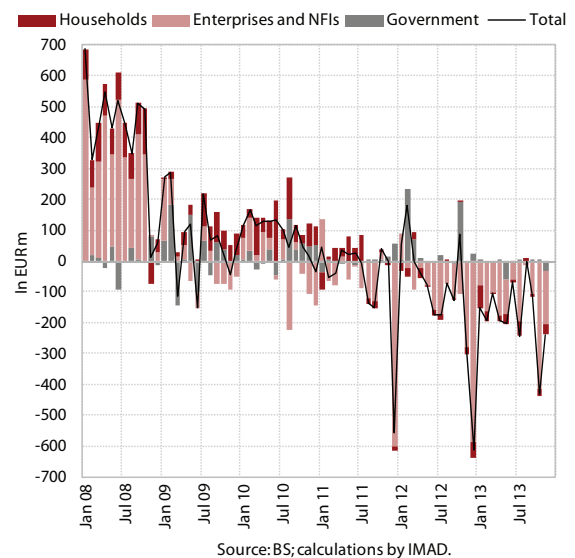
The situation in the Slovenian banking system remained unfavourable at the end of 2013 before the beginning of bank restructuring. In November the stock of loans to domestic non-banking sectors fell by around EUR 240 m. The decline was again mainly driven by corporate deleveraging, though debt repayments by the government and households also increased relative to previous months. The amount of loans to domestic non-banking sectors thus declined by EUR 1.9 bn in eleven months, nearly three times as much as in the same period of 2012. Banks continued to make net debt repayments abroad while the government and households reduced deposits. After the extremely strong growth in September, the amount of bad claims declined slightly in October.

<sup>22</sup> Excluding international monetary reserves and statistical errors.

**Households** increased net deleveraging at domestic banks in November. Household loans fell by EUR 34.2 m in November, most notably consumer loans (down EUR 85 m), while housing loans rose by more than EUR 60 m. In the first eleven months of the year household deposits shrank by around EUR 270 m, approximately twice as much as in the same period of 2012.

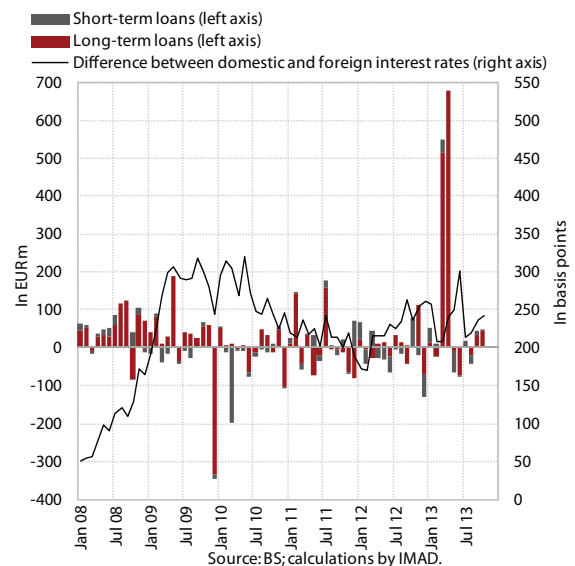
In November **corporate and NFI** deleveraging more than halved compared with October, but remained above average. The amount of corporate and NFI loans thus declined by around EUR 172.6 m in monthly terms. Debt repayments were recorded solely by enterprises, while NFI loans even increased slightly in November (by EUR 3.2 m) after falling slowly in previous months. Enterprises and

Figure 26: Increase in household, corporate, NFI and government loans



Source: BS; calculations by IMAD.

Figure 27: Net corporate and NFI borrowing abroad and gaps between domestic and foreign interest rates



Source: BS; calculations by IMAD.

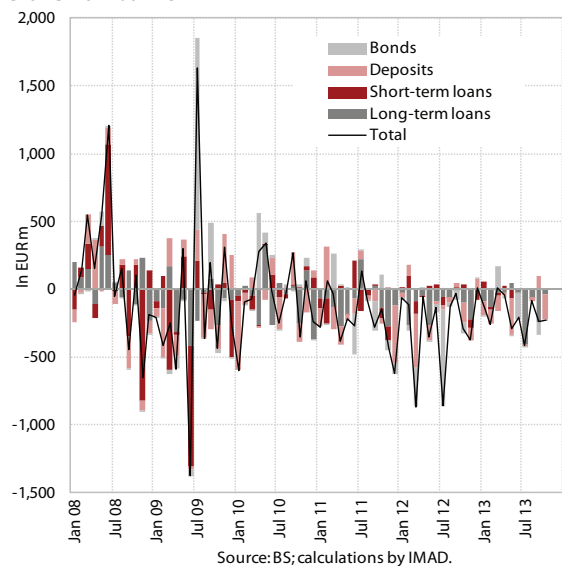


NFIs repaid EUR 1.6 bn in domestic bank loans in the first eleven months, over 50% more than in the comparable period of 2012.

*Corporate and NFI net borrowing abroad in October was similar to that in September.* The net flow of foreign loans was at EUR 44.7 m, with long-term loans accounting for almost the entire amount. In the first ten months of 2013 corporate net borrowing abroad totalled EUR 1.2 bn. This was mainly a result of one-off events,<sup>23</sup> although the net flow would have also been positive without these events in our estimation, which shows that the financially stable Slovenian enterprises still have access to the international credit market. They are taking advantage of the more favourable borrowing conditions abroad, as the large gaps between domestic and foreign interest rates for corporate and NFI<sup>24</sup> loans widened again in October, to around 245 basis points.

*Bank deleveraging abroad in October was similar to that in September.* Net repayments amounted to EUR 233.2 m, but in contrast to September, banks were mainly net repaying deposits and, in a smaller amount, short-term loans. In the first ten months they repaid EUR 1.9 bn net in foreign loans, over a third less than in the comparable period of 2012.

**Figure 28: Net repayments of foreign liabilities of Slovenian banks**



**Household deposits declined in October, as did government deposits, as the government placed the proceeds of the government bond issue into time deposits with the Bank of Slovenia.** The decline in household deposits was relatively modest relative to the previous

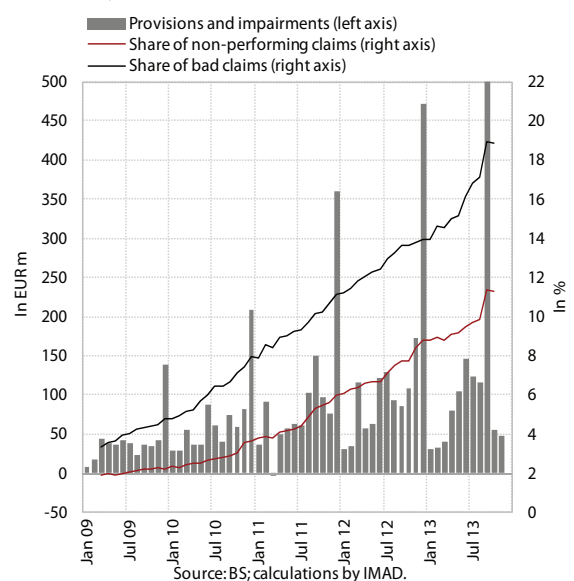
<sup>23</sup> Such as the requalification of liabilities from foreign direct investments into loans from non-affiliated companies, and increased borrowing by one of the energy companies, rather than as a result of the generally improved access of Slovenian enterprises and NFIs to foreign sources of finance.

<sup>24</sup> Interest rates for loans over EUR 1 m with a variable, or up to one year with a fixed interest rate.

three months, at EUR 8.6 m. Their maturity structure deteriorated slightly, as particularly short-term and long-term deposits declined and only overnight deposits increased. In the first eleven months household deposits shrank by over EUR 465 m, nearly by a factor of 2.4 more than in the same period of 2012. Government deposits fell by around EUR 140 m in November, most notably overnight deposits. The volume of government deposits at domestic banks nevertheless increased by around EUR 1.0 bn, in contrast to the same period of 2012 when it declined by around EUR 75 m.

*After the sharp increase in bad claims in September, the quality of bank assets ceased to deteriorate in October.* The amount of bad claims<sup>25</sup> fell almost by EUR 110 m (to EUR 8.6 bn) and accounted for 18.9% of the banking system's total exposure. Bad claims in the construction sector fell most (by around EUR 105 m), in our assessment as a consequence of write-offs, but the amount of bad claims continues to rise in manufacturing, where the increase (EUR 40 m) was only a fifth below the monthly average in the first ten months of 2012. The total amount of bad claims in the Slovenian banking system rose by EUR 1.9 bn, which is almost half more than in the same period of 2012. The creation of additional impairments and provisions remained relatively low in November for the second consecutive month following the substantial increase in September (the Bank of Slovenia revised September's figure from EUR 200 m to EUR 660 m). Banks thus added EUR 47.0 m in impairments and provisions in November; in eleven months their amount rose by as much as EUR 1.4 bn, over 40% more than in the same period of 2012.

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



<sup>25</sup> Claims rated C, D and E.

Table 11: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 12	30. XI 13	30. XI 13/31. X 13	30. XI 13/31. XII 12	30. XI 13/30. XI 12
Loans total	31,464.6	29,519.7	-0.8	-6.2	-8.0
Enterprises and NFI	20,456.5	18,869.9	-0.9	-7.8	-10.3
Government	1,741.4	1,653.5	-1.9	-5.0	-3.6
Households	9,266.7	8,996.3	-0.4	-2.9	-3.5
Consumer credits	2,481.8	2,235.9	-3.7	-9.9	-11.2
Lending for house purchase	5,258.9	5,313.1	1.2	1.0	1.0
Other lending	1,526.1	1,447.3	-0.7	-5.2	-6.1
Bank deposits total	15,051.3	14,585.8	-0.1	-3.1	-2.1
Overnight deposits	6,479.4	6,400.4	0.6	-1.2	0.2
Short-term deposits	4,010.9	3,715.1	-0.7	-7.4	-6.7
Long-term deposits	4,554.7	4,466.5	-0.5	-1.9	-1.4
Deposits redeemable at notice	6.2	3.9	-17.0	-38.3	-37.9
Mutual funds	1,830.0	1,881.3	2.1	2.8	2.4
Government bank deposits, total	2,562.7	3,607.5	-3.7	40.8	30.1
Overnight deposits	196.6	189.2	-51.8	-3.8	-31.0
Short-term deposits	828.4	1,848.2	3.7	123.1	102.4
Long-term deposits	1,537.1	1,508.9	-0.4	-1.8	-3.1
Deposits redeemable at notice	0.5	61.2	9.9	11,129.0	123.3

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

## Box 2: The results of stress tests in the Slovenian banking system

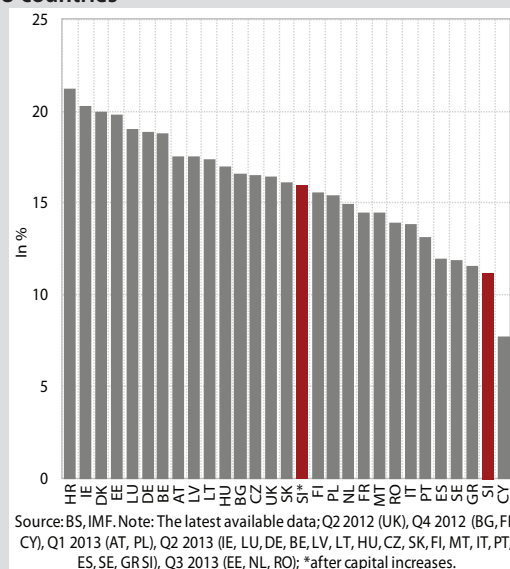
A comprehensive review of the Slovenian banking system was carried out in the second half of 2013, which showed that the capital shortfall at the banks covered by the review would amount to EUR 4,778 m under the adverse macroeconomic scenario (13.7% of GDP). In compliance with Council recommendations for the reduction of structural imbalances, the purpose of the review was to determine any capital shortfall that could arise at an individual bank or consequently across the entire banking system in the event of such a scenario being realised. The stress tests were conducted for eight banks operating in Slovenia.<sup>1</sup> On the basis of the results, the government recapitalised three largest banks in the amount of EUR 2.8 bn<sup>2</sup> (7.9% of GDP) immediately after receiving the final approval from the European Commission in the middle of December, and has also already transferred the first package of non-performing assets to the Bank Assets Management Company (DUTB). At the same time the government also recapitalised the two banks in the ordinary winding-down process (by EUR 445 m). The remaining banks will have to provide around EUR 1 bn by the end of the first half of 2014.

The Bank of Slovenia estimates that after the recapitalisation of banks that were subject to the stress tests, the capital adequacy ratio of the Slovenian banking system will rise to around 16%. This should enable the banks to meet the Core Tier 1 capital ratio requirement (6%) until the end of 2015 also under the worst-case scenario. International comparisons show that after the recapitalisation Slovenia's position with regard to the capital adequacy of the banking system improved, the Slovenian banking system ranking among the medium-capitalised banking systems in the EU. The first effects of the more serious approach to the restructuring of the Slovenian banking system have also shown on international markets, where Slovenia's position has already improved slightly, as indicated by the required yields to maturity on euro bonds, which fell to around 4.5%.

<sup>1</sup> Ten banks had been initially included in the review, but two were excluded because of the beginning of the orderly winding-down.

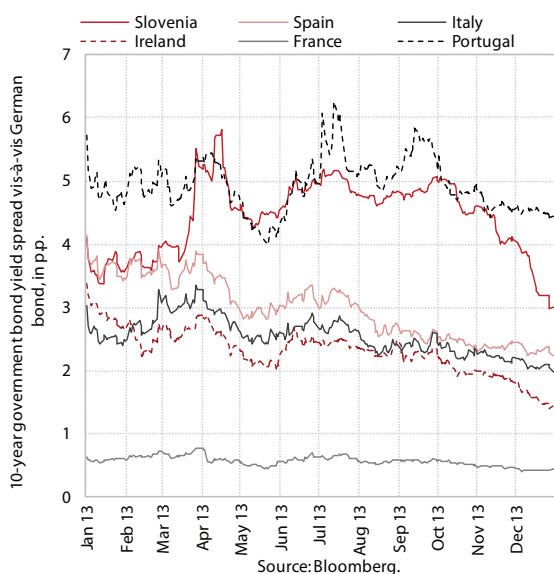
<sup>2</sup> The capital shortfall at these banks totalled EUR 3.7 bn, but the capital requirement declined to EUR 3 bn due to the transfer of claims to the DUTB and devaluation of subordinated debt holders' assets. Besides, the government did not fully recapitalise one of the banks, which has not yet received the final favourable opinion from the European Commission.

Figure 30: Capital adequacy of the banking systems in EU countries



In December the yields to maturity of the **Slovenian 10-year government bond** and the spread vis-à-vis the German bond declined significantly. The yields to maturity of the euro bond were less than 5% at the end of December, which is the lowest figure since October 2011. The decline is related to the release of stress test results, the announcement of Slovenia's intention to recapitalise the banks on its own and the perception on the markets that banking system restructuring is the first step in the implementation of comprehensive structural reforms for the recovery of the Slovenian economy.

Figure 31: 10-year government bond yield spread vis-à-vis German bond



## Public finance

According to data of the consolidated balance,<sup>26</sup> **general government deficit** during the ten months of 2013 was EUR 1.4 bn, which is EUR 260 m more (23%) than in the same period of 2012. The deficit was growing particularly until July, according to cumulative data, while in the period between July and October it did not increase significantly. Every month of the year the deficit was higher than in the same period of the previous year. General government revenue in the first ten months of 2013 was EUR 285 m (2.3%) lower than in the same period one year earlier. Expenditure was slightly lower than in the same period of 2012 (0.2%) mainly due to lower expenditure on wages, goods purchases and social transfers (except pensions).

**General government revenue** in the first ten months was down compared with the previous year. Between July and September revenue was up annually, while in October

<sup>26</sup> 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).

it was again lower than a year earlier. The decline was primarily a consequence of a fall in tax revenue, excise duty revenue in particular (by 29% year-on-year). The overall lower revenue in the first ten months compared with the previous year is explained primarily by lower tax revenue (by 3.9% or EUR 279 m) and social security contributions (by 4.1% or EUR 182 m). Most of the drop in tax revenue is the result of a fall in corporate income tax revenue (by EUR 282 m) due to the slowdown in economic activity and corporate income tax assessments after the reduction of tax rates. Personal income tax was also lower by EUR 81 m. Revenue from value added tax (VAT), which kept improving since the increase in VAT rates in July, was up EUR 23.1 m (0.9%) year-on-year in the whole period. Non-tax revenue also increased (EUR 140 m) and EU budget transfers improved.

**General government expenditure** remained slightly lower in the first ten months of 2013 compared with the same period one year earlier. The annual decline in the first ten months was underpinned by the reduction in the wage bill (by EUR 138 m), purchases of goods and services (by EUR 128 m) and social transfers (by EUR 54 m). Social security contributions also decreased (by EUR 31 m), reflecting the reduction in wages and the number of employees. Investment expenditure has increased since July and in October the 10-month accumulated amount was annually slightly higher (EUR 16 m). Other expenditure was up year-on-year in the first ten months: expenditure on interest payments (EUR 118 m), use of budget reserves (EUR 59 m), subsidies (EUR 55 m) and payments to the EU budget and transfers abroad (together EUR 50 m). Subsidies have exhibited an increasing trend since May, which strengthened in the last two months. The reduction of social transfers continued across all categories, while transfers to unemployed remained at the same level as a year earlier. Expenditure on pensions increased by EUR 90 m, mainly as a result of a larger number of pensioners.

Figure 32: Consolidated general government revenue and expenditure

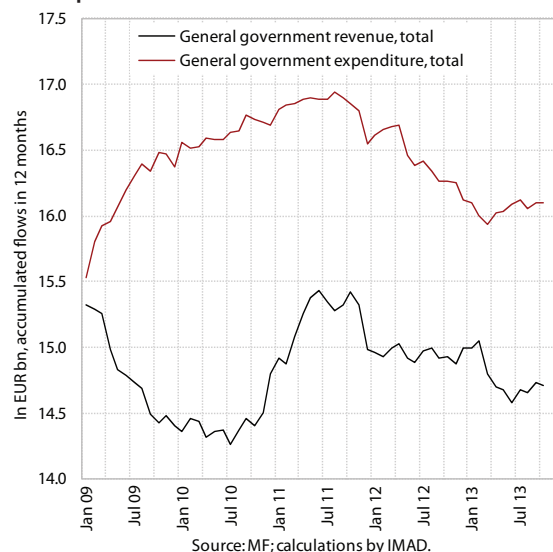




Table 12: Taxes and social security contributions

	EUR m	Growth, %		Structure, %	
	I-X 2013	X 2013/X 2012	I-X 2013/I-I-X 2012	I-X 2012	I-X 2013
<b>General government revenue - total</b>	<b>11,922.9</b>	<b>-1.9</b>	<b>-2.3</b>	<b>100.0</b>	<b>100.0</b>
Corporate income tax	196.6	-34.7	-58.9	3.9	1.6
Personal income tax	1,517.7	-6.2	-5.1	13.1	12.7
Value added tax	2,478.8	14.2	0.9	20.1	20.8
Excise duties	1,234.6	-28.7	-4.0	10.5	10.4
Social security contributions	4,229.7	-2.3	-4.1	36.1	35.5
Other general government revenues	2,265.4	11.3	14.5	16.2	19.0

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

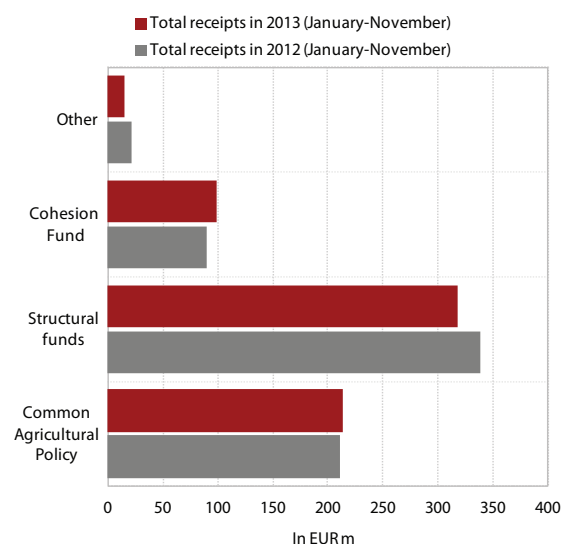
Table 13: Consolidated general government revenue and expenditure

	2012			2013	
	EUR m	% of GDP	Growth, %	I-X 13, EUR m	I-X 13/I-X 12
<b>Revenue - total</b>	<b>14,995.1</b>	<b>42.3</b>	<b>0.1</b>	<b>11,922.9</b>	<b>-2.3</b>
- Tax revenues	13,117.6	37.0	-0.7	10,384.7	-4.3
- Taxes on income and profit	2,656.6	7.5	-2.5	1,718.3	-17.4
- Social security contributions	5,244.1	14.8	-0.4	4,229.7	-4.1
- Domestic taxes on goods and services	4,876.0	13.7	0.4	4,133.6	1.2
- Receipts from the EU budget	845.2	2.4	3.7	599.7	0.8
<b>Expenditure - total</b>	<b>16,117.9</b>	<b>45.4</b>	<b>-2.6</b>	<b>13,326.8</b>	<b>-0.2</b>
- Wages and other personnel expenditure	3,185.1	9.0	-4.4	2,999.3	-4.4
- Purchases of goods and services	2,370.3	6.7	-3.0	1,827.0	-6.6
- Domestic and foreign interest payments	648.0	1.8	23.0	758.9	18.4
- Transfers to individuals and households	6,383.6	18.0	-2.3	5,304.6	-1.0
- Capital expenditure	912.3	2.6	-10.9	670.2	2.4
- Capital transfers	320.2	0.9	-13.9	205.4	-1.7
- Payment to the EU budget	390.3	1.1	-3.7	379.1	5.8
<b>Deficit</b>	<b>-1,122.8</b>	<b>-3.2</b>	<b>-28.2</b>	<b>-1,403.9</b>	<b>22.7</b>

Source: MF, Public Finance Bulletin.

The **net surplus of the state budget** against the EU budget in the first eleven months was smaller (EUR 248.2 m) than in the same period of 2012 (EUR 280.6 m). The absorption rate of total receipts into the state budget in the first eleven months (54.5% of the level envisaged in the revised budget, or EUR 646.4 m) was lower than in the same period of the previous year (74.4% of the level planned, or EUR 661.1 bn) mainly due to higher expectations. In the first eleven months Slovenia paid EUR 398.1 m into the EU budget, or 96.2% of the level planned. Despite low payments into the state budget in the last six months, the highest absorption rate (71.3%) was recorded by receipts under the Common Agricultural and Fisheries Policies (EUR 213.3 m; in November EUR 7.7 m) and the lowest (43.1%) by receipts from the Cohesion Fund (EUR 99.3 m; in November EUR 14.0 m). The nominal amount of receipts from the Structural Funds (EUR 318.4 m) was approximately the same as in the same period of 2012 (EUR 338.9 m), but as a result of the higher level planned,<sup>27</sup> the absorption rate in the first eleven months of 2013 was lower than in the same period of 2012 (51.0%, in the same period of 2012 81.9%).

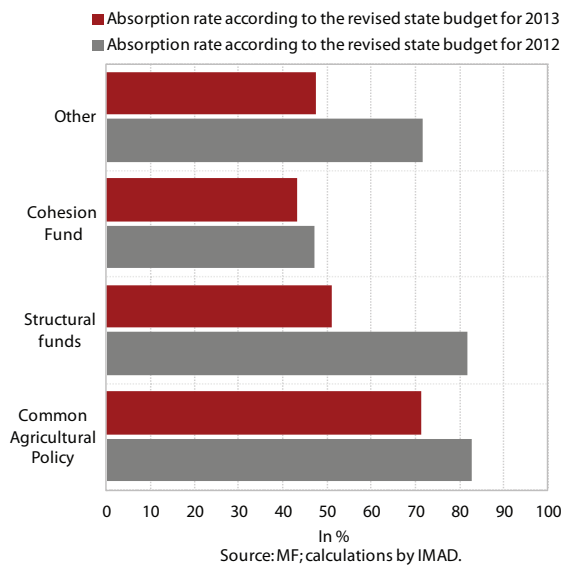
Figure 33: Receipts from the EU budget in 2012 and 2013



Source: MF; calculations by IMAD.

<sup>27</sup> To comply with the N+2/3 rule, the revised budget for 2013 envisages EUR 624 m in receipts from structural funds; in 2012, EUR 413 m.

Figure 34: Planned and absorbed EU funds, 2012 and 2013



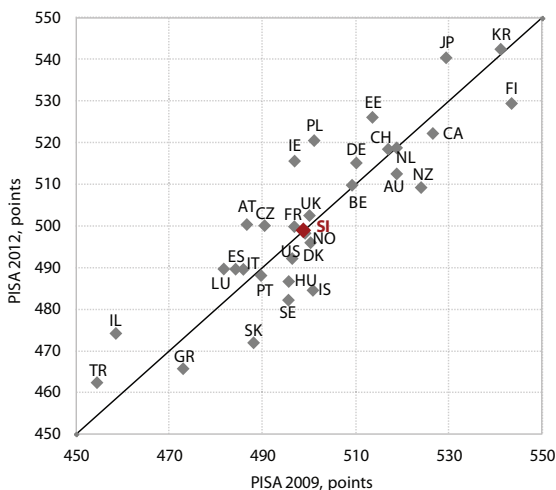
**selected topics**



## Achievement of 15-year olds according to the PISA survey

The performance of Slovenian 15-year olds on the PISA<sup>28</sup> literacy scales for mathematics, science and reading in 2012 was similar to that in 2009, which ranks Slovenia above the OECD average. According to the latest PISA 2012 survey by the OECD, the highest performances were recorded by emerging Asian economies<sup>29</sup> and Japan, and, in the EU, Finland, Estonia and Poland. In Slovenia 15-year olds scored highest in science literacy and lowest in reading literacy. Slovenia ranks above the OECD average in science (by 13 points) and mathematics (by 7 points), being below average in reading literacy (by 15 points). Between 2009 and 2012 the performance of Slovenian 15-year olds otherwise remained more or less unchanged on all three literacy scales, but the gap with the OECD average in reading literacy widened. The achievements on literacy scales (on average) otherwise deteriorated in fourteen OECD countries.

Figure 35: Comparison of OECD countries' literacy performance (PISA) between 2009 and 2012



Source: OECD; calculations by IMAD. Note: The composite indic. of literacy is calculated as an unweighted ave. of mathematics, science and reading literacy indicators. The countries above the line improved the PISA results, on ave, between 2009 and 2012.

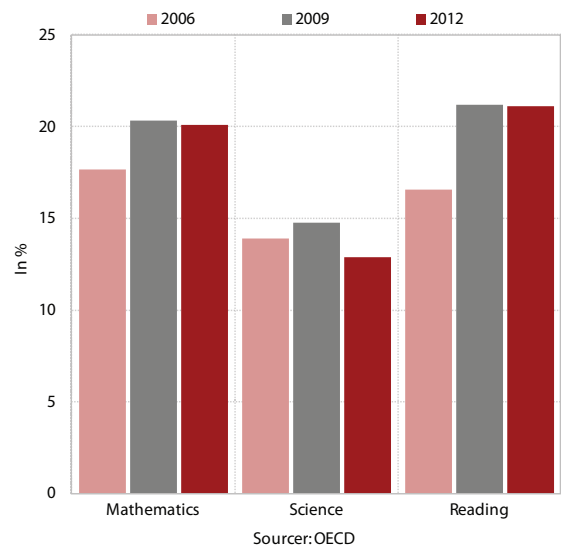
Slovenia's position with regard to educational resources is mostly favourable. Educational resources (teachers, material resources, financial resources and time dedicated to learning activities) have a significant impact on the performance of 15-year olds. Slovenia has a mainly favourable position relative to the OECD average on indicators related to the teaching staff (a higher percentage of teachers with university education;

<sup>28</sup> PISA (Programme for International Student Assessment) is an international survey of reading, mathematics and science literacy conducted by the OECD. It covers 15-year old pupils regardless of the school they attend. Carried out in three-year cycles, the survey is aimed at capturing data on pupils' competencies that are needed in professional or private life and are important for individuals and society.

<sup>29</sup> A total of 62 countries and three large Chinese cities participated in the survey, with Shanghai, Singapore and Hong Kong topping the lists.

a more favourable pupil/teacher ratio; a smaller shortage of qualified teachers; a larger share of mathematics teachers who have attended a programme of professional development with a focus on mathematics). Expenditure on education per student is also higher, and so is the quality of physical infrastructure and schools' educational resources according to school principals' reports. Moreover, a higher percentage of students have the opportunity to participate in extracurricular mathematics activities at school. On the other hand, Slovenia scores lower with regard to time spent on learning activities, mathematics learning time in school is shorter and 15-year olds spend less time for homework.

Figure 36: Share of 15-year old pupils who are below proficiency level 2 on the scales for science, mathematics and reading, Slovenia, 2006, 2009 and 2012, in %



Sourcer:OECD

The performance of 15-year olds in mathematics<sup>30</sup> could be improved by increasing motivation to learn mathematics, easing anxiety towards it and reducing truancy. High learning performance of pupils and their ability to overcome obstacles in education tend to go hand in hand with pupils' engagement with and at school, as well as their self-beliefs and willingness to make an effort to achieve their goals. The PISA 2012<sup>31</sup> results show that Slovenian 15-year olds perform better than their counterparts in the OECD on some indicators (students' self-efficacy in mathematics; students and mathematics behaviour; students and perseverance; openness to problem solving). On the other hand, Slovenian 15-year olds are more frequently late for school or skip classes than those in the OECD. They have lower instrumental and intrinsic motivation and are, on average, more worried about math. Furthermore, they are less confident about their ability to learn math, and more frequently

<sup>30</sup> In 2012 the PISA survey laid special emphasis on mathematics literacy, so that additional research was carried out in this area.

<sup>31</sup> In the questionnaire pupils were asked about their commitment to learning and school work, motivation to learn, mathematics-related self-beliefs and participation in mathematics activity.

Tabela 14: Average performance of 15-year olds on the scales for mathematics, science and reading, in points

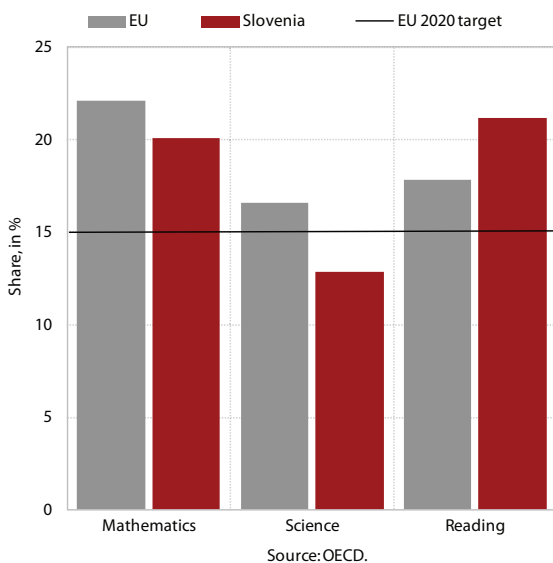
	Mathematics		Science		Reading	
	PISA 2009	PISA 2012	PISA 2009	PISA 2012	PISA 2009	PISA 2012
<b>OECD countries</b>						
<b>OECD average</b>	<b>496</b>	<b>494</b>	<b>501</b>	<b>501</b>	<b>494</b>	<b>496</b>
<b>Average of EU Member States that are in the OECD</b>	<b>499</b>	<b>498</b>	<b>504</b>	<b>506</b>	<b>492</b>	<b>498</b>
Australia	514	504	527	521	515	512
Austria	496	506	494	506	470	490
Austria	515	515	507	505	506	509
Czech Republic	493	499	500	508	478	493
Chile	421	423	447	445	449	441
Denmark	503	500	499	498	495	496
Estonia	512	521	528	541	501	516
Finland	541	519	554	545	536	524
France	497	495	498	499	496	505
Greece	466	453	470	467	483	477
Ireland	487	501	508	522	496	523
Iceland	507	493	496	478	500	483
Italy	483	485	489	494	486	490
Israel	447	466	455	470	474	486
Japan	529	536	539	547	520	538
South Korea	546	554	538	538	539	536
Canada	527	518	529	525	524	523
Luxembourg	489	490	484	491	472	488
Hungary	490	477	503	494	494	488
Mexico	419	413	416	415	425	424
Germany	513	514	520	524	497	508
Netherlands	526	523	522	522	508	511
Norway	498	489	500	495	503	504
New Zealand	519	500	532	516	521	512
Poland	495	518	508	526	500	518
Portugal	487	487	493	489	489	488
Slovakia	497	482	490	471	477	463
Slovenia	501	501	512	514	483	481
Spain	483	484	488	496	481	488
Sweden	494	478	495	485	497	483
Switzerland	534	531	517	515	501	509
Turkey	445	448	454	463	464	475
USA	487	481	502	497	500	498
UK	492	494	514	514	494	499
<b>Partner countries of the OECD that are EU Member States</b>						
<b>EU average</b>	<b>490</b>	<b>489</b>	<b>497</b>	<b>497</b>	<b>485</b>	<b>489</b>
Bulgaria	428	439	439	446	429	436
Cyprus	n.p.	438	n.p.	440	n.p.	449
Croatia	460	471	486	491	476	485
Latvia	482	491	494	502	484	489
Lithuania	477	479	491	496	468	477
Romania	427	445	428	439	424	438

Source: PISA, OECD. Note: Data for Austria for 2009 are from the PISA 2009 survey.

blame themselves for failing in mathematics than other pupils across the OECD. All of this is also reflected in the low share of 15-year old pupils who intend to pursue mathematics as a career.

Slovenia has already met the EU 2020 target for literacy in science. The EU adopted a strategic framework for European cooperation in education and training (ET 2020) in 2009. According to one of the 2020 benchmarks for the average performance in the EU ("EU measures"), the shares of 15-year old pupils with insufficient abilities (below the proficiency level 2) in reading, mathematics and science should be less than 15% on individual scales. The PISA 2012 results show that Slovenia has reached this goal in science (12.9%), while it is still far below the EU target in mathematics and reading (mathematics literacy: 20.1%; reading literacy: 21.1%). Slovenian 15-year olds achieved worse results than in the EU overall<sup>32</sup> only in reading, the gap having widened since the PISA 2009 survey.

Figure 37: Share of 15-year old pupils who are below proficiency level 2 on the scales for science, mathematics and reading, Slovenia and the EU average, 2012, in %



## Cash benefits of households in 2012

Analysis of cash benefits provided to Slovenian households from public funds allows a deeper insight into the functioning of the social protection system in Slovenia. In addition to monitoring various indicators in this area,<sup>33</sup> IMAD started

the Cash Benefit project in 1992 to consolidate in one single catalogue data on all benefits that have the nature of social rights. These benefits, pertaining to all social protection areas, are classified under risks or needs such as sickness, old age, disability, children, unemployment, social exclusion not elsewhere classified, etc. The database consists of data on all cash benefits provided to Slovenian citizens from the state and local government budgets or social security funds.

In 2012 the system of cash benefits was changed substantially. The Exercise of Rights to Public Funds Act and Financial Social Assistance Act entered into force that year,<sup>34</sup> introducing a number of changes. The acts modified considerably, and in some cases tightened, eligibility criteria for social benefits. An important novelty was changes in assessing income and wealth of beneficiaries. The number of cash benefits available to the population was reduced by one compared with the previous year (to 68),<sup>35</sup> and the definition of care allowance was changed.<sup>36</sup> Moreover, an intervention law was passed in the middle of the year (the Fiscal Balance Act/ZUJF), which selectively reduced, or froze, certain benefits, redirecting them primarily to beneficiaries in lower income brackets. All changes were put in place to improve transparency and simplify eligibility criteria, and with a view of increasingly targeting the population in the worst material conditions and reducing expenditure in line with the necessary fiscal consolidation. As a result of all these measures, expenditure on certain benefits declined significantly in 2012 compared with previous years. New pension legislation was passed at the end of 2012, but it did not impact the number of cash benefits and relative expenditure before 2013.

Having increased significantly in the period after the beginning of the crisis, public expenditure on cash benefits declined in 2012. In 2012 it was at EUR 5,972 bn, or 16.9% of GDP, which is 2.5 percentage points more than in 2008 yet 0.2 percentage points less than in 2011. In real terms, expenditure was down 5.7% on the previous year. Funds for means-tested cash benefits declined more, by 23.2%, although non-means-tested benefits also shrank (by 3.8%). The former having dropped more than the latter, the share of the latter in the structure rose again, to 92%.

<sup>32</sup> Weighted average. Source: EU school report: Some improvement in science and reading, but poor in maths, 2013, European Commission.

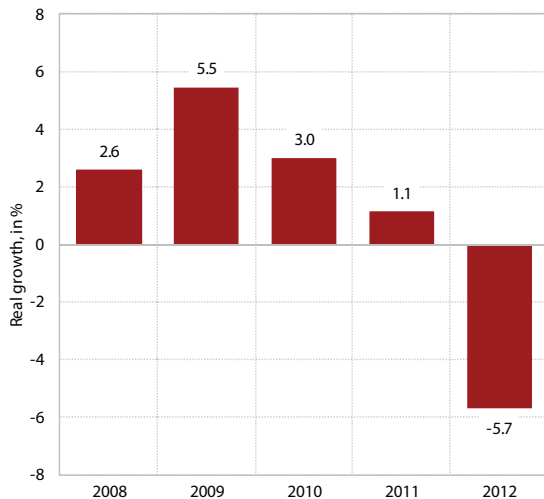
<sup>33</sup> Social protection expenditure, household disposable income, income inequality, poverty risk, etc.

<sup>34</sup> Adopted in 2010.

<sup>35</sup> Abolition of state pension.

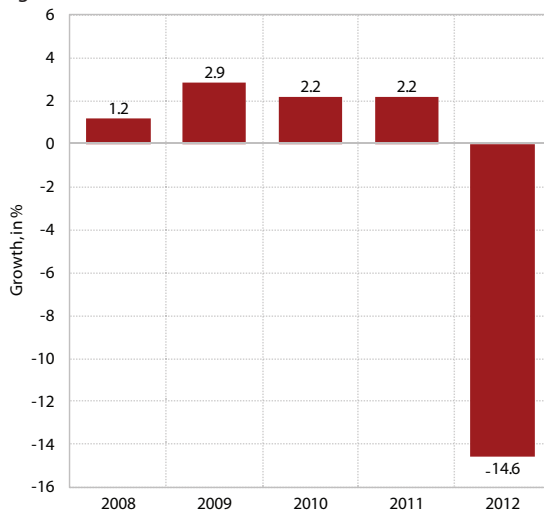
<sup>36</sup> Care allowance has become a separate social protection right. While it used to be kept under "retired people" in our database, it now belongs in the "poor people" target group. The function of care allowance has therefore changed: care allowance enables the entitled persons residing in the Republic of Slovenia to cover the costs of living that occur over a longer period (housing maintenance, replacement of durable consumer goods,...) rather than to satisfy their minimum needs, and is intended for those who cannot ensure their financial security for reasons beyond their control.

Figure 38: Expenditure on cash benefits



Source: ZDPU - IMAD's Database of Cash Benefits; calculations by IMAD.

Figure 39: Number of cash benefits



Source: ZDPU - IMAD's Database of Cash Benefits; calculations by IMAD.

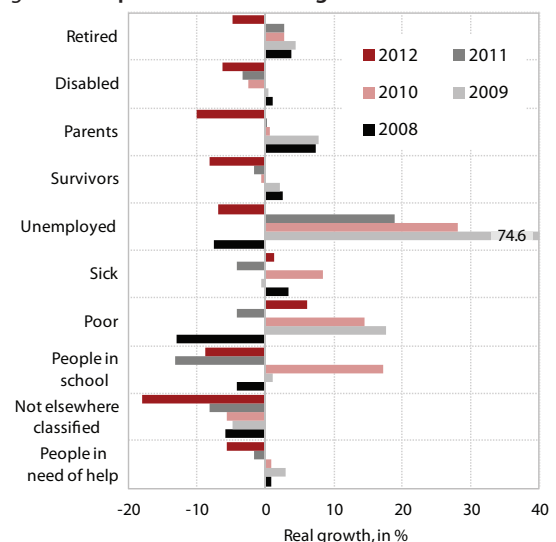
Despite the significant decline in expenditure, the average amount of cash benefits disbursed in 2012 rose (by 10.1%).<sup>37</sup> The average amount of non-means-tested benefits increased more than that of means-tested benefits (by 11.0% and 8.1% respectively). The increase in the average non-means-tested benefits is solely the result of intervention measures, which transferred the annual pension supplement to non-means-tested benefits (however, pensioners with higher pensions did not receive this supplement in 2012<sup>38</sup>). Without this change, the average non-means-tested benefits would have remained the same. On the other hand, the rise in the average amount of means-tested benefits was a result of new social legislation.

<sup>37</sup> The amount of individual benefits averaged EUR 190 in 2012 and EUR 172 in 2011.

<sup>38</sup> The number of benefits was therefore smaller, which was reflected in a larger average amount.

A breakdown of benefits according to target groups shows that in 2012 the total decline in real growth in public expenditure on cash benefits was mainly due to lower expenditure on retired people and parents. In 2012 expenditure on retired people, which accounts for more than half of total expenditure on cash benefits, declined in real terms (by 4.8%) for the first time since 2008. In our estimation this is a consequence of the ZUJF, i.e. a selective reduction in pensions paid from the state budget,<sup>39</sup> and a restriction on the disbursement of the annual pension supplement for pensioners with lower pensions. While in the period from 2008 real growth in expenditure on unemployment was rising (in 2011 by 18.9%), it declined by 6.8% in 2012 and accounted for around 5% of total expenditure. Expenditure on parents and disabled persons, which also represents a significant share of expenditure structure, also declined for the first time thus far, by 10.1% and 6.3% respectively. Expenditure on farmers, veterans and war-disabled people, which had been falling for a longer period, dropped again. After the decline in 2011, expenditure on sick and poor people increased again, by 1.3% and 6.2% respectively. The reason for these expenditure movements are changes in legislation in 2012.

Figure 40: Expenditure according to function



Source: ZDPU - IMAD's Database of Cash Benefits; calculations by IMAD.

The decline in the number<sup>40</sup> of cash benefits in 2012, the first since the beginning of the crisis, was mainly due to a smaller number of benefits for parents, retired people, sick people and people in school. The number of benefits paid

<sup>39</sup> Pensions of people participating in the National Liberation War, pensions of war veterans, pensions of insured military personnel that used to be implemented by former Yugoslavia.

<sup>40</sup> The figure refers to the average number of benefits (disbursed in a calendar year) rather than the number of persons entitled to the benefit. In most cases the benefit is intended for one person (one benefit = one beneficiary). Exceptionally, one benefit may be assigned to several people (e.g. financial social assistance, family pension, etc.), in which case it is regarded as one benefit, despite several beneficiaries. The benefit can also be paid to the same person twice in a year (one person, two benefits). This analysis therefore counts benefits rather than beneficiaries (persons).



has been rapidly growing since the beginning of the crisis and was in 2011 up 2.4% on 2008. In 2012 it declined, as did the amount of disbursed funds, which is related to the enforcement of the new social legislation in 2012 and the adoption of the intervention law (ZUJF). The number of benefits for sick people fell by 3.6%, the number of benefits for pensioners by 21.3%. The decline in the latter was most likely mainly due to the ZUJF, which selectively reduced the number of annual pension supplement<sup>41</sup> beneficiaries above a certain limit. The number of benefits for people in school also declined, due to the abolition of scholarships for underage pupils under the new social legislation (by 24.7%), while the number of benefits for parents dropped by 20.5%, also as a result of the ZUJF. On the other hand, the number of benefits for poor people rose by 15.6%.<sup>42</sup>

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<sup>41</sup> In 2011 the annual pensions supplement was received by 599,942 people; in 2012 only by 398,400.

<sup>42</sup> As a result of an increase in beneficiaries of attendance allowance within financial social assistance and the possibility of meeting the eligibility requirements for care allowance, which now belongs in the "poor people" target group according to the new social legislation.



# **statistical appendix**



MAIN INDICATORS	2008	2009	2010	2011	2012	2013	2014	2015
						Autumn forecast 2013		
GDP (real growth rates, in %)	3.4	-7.9	1.3	0.7	-2.5	-2.4	-0.8	0.4
GDP in EUR million (current prices and current exchange rate)	37,244	35,420	35,485	36,150	35,319	34,908	35,132	35,747
GDP per capita, in EUR (current prices and current exchange rate)	18,420	17,349	17,320	17,610	17,172	16,942	17,027	17,305
GDP per capita (PPS) <sup>1</sup>	22,700	20,300	20,500	21,000	20,900			
GDP per capita (PPS EU27=100) <sup>1</sup>	91	86	83	83	81			
Gross national income (current prices and current fixed exchange rate)	36,273	34,823	35,028	35,759	34,931	34,196	34,362	34,910
Gross national disposable income (current prices and current fixed exchange rate)	35,904	34,519	34,875	35,680	34,721	34,295	34,268	34,758
Rate of registered unemployment	6.7	9.1	10.7	11.8	12.0	13.3	13.6	13.5
Standardised rate of unemployment (ILO)	4.4	5.9	7.3	8.2	8.9	10.7	11.0	10.6
Labour productivity (GDP per employee)	0.8	-6.2	3.5	2.4	-1.7	-0.1	0.6	1.1
Inflation, <sup>2</sup> year average	5.7	0.9	1.8	1.8	2.6	2.0	1.9	1.4
Inflation, <sup>2</sup> end of the year	2.1	1.8	1.9	2.0	2.7	2.3	1.4	1.7
<b>INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS</b>								
Exports of goods and services <sup>3</sup> (real growth rates, in %)	4.0	-16.1	10.2	7.0	0.6	2.0	3.0	4.1
Exports of goods	1.8	-16.6	12.0	8.2	-0.1	1.6	3.1	4.3
Exports of services	14.3	-14.0	3.5	1.9	3.7	3.8	2.7	3.2
Imports of goods and services <sup>3</sup> (real growth rates, in %)	3.7	-19.2	7.4	5.6	-4.7	0.1	2.1	3.9
Imports of goods	3.0	-20.2	8.3	6.6	-5.1	0.3	2.0	3.9
Imports of services	8.2	-12.4	2.6	-0.6	-2.2	-1.0	2.5	4.2
Current account balance, in EUR million	-2,028	-173	-50	146	1,159	1,731	1,765	1,817
As a per cent share relative to GDP	-5.4	-0.5	-0.1	0.4	3.3	5.0	5.0	5.1
Gross external debt, in EUR million	39,234	40,294	40,723	40,241	40,838	40,034 <sup>5</sup>		
As a per cent share relative to GDP	105.3	113.8	114.8	111.3	115.6			
Ratio of USD to EUR	1.471	1.393	1.327	1.392	1.286	1.320	1.331	1.331
<b>DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS</b>								
Private consumption (real growth rates, in %)	2.3	-0.1	1.5	0.8	-4.8	-3.5	-2.7	0.5
As a % of GDP <sup>4</sup>	51.8	54.8	56.4	56.8	56.3	55.7	54.8	54.7
Government consumption (real growth rates, in %)	5.9	2.5	1.3	-1.6	-1.3	-2.5	-1.5	-1.0
As a % of GDP <sup>4</sup>	18.1	20.2	20.8	20.8	20.8	20.4	20.3	20.0
Gross fixed capital formation (real growth rates, in %)	7.1	-23.8	-15.3	-5.5	-8.2	-1.6	-4.0	-0.9
As a % of GDP <sup>4</sup>	28.6	23.1	19.7	18.6	17.8	17.7	17.2	17.1
Sources of data: SURS, BS, Eurostat, calculations and forecasts by IMAD (Autumn Forecast, September 2013). Notes: <sup>1</sup> Measured in purchasing power standard. <sup>2</sup> Consumer price index. <sup>3</sup> 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. <sup>4</sup> Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64). <sup>5</sup> End October 2013.								

PRODUCTION	2010	2011	2012	2011		2012				2013			2011			2012	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	10	11	12	1	2
<b>INDUSTRIAL PRODUCTION, y-o-y growth rates, %</b>																	
Industry B+C+D	7.1	1.3	-1.1	-0.8	-3.8	-0.2	-1.6	-0.4	-2.3	-2.5	-1.3	-0.4	-3.1	-0.4	-8.3	0.5	3.3
B Mining and quarrying	13.9	-7.9	-7.4	-9.6	-8.7	-10.2	-2.3	-3.5	-13.3	8.7	-7.8	-5.7	-7.2	-3.0	-17.0	6.1	-11.4
C Manufacturing	7.6	1.1	-2.3	-1.1	-4.6	-1.0	-3.0	-2.1	-3.1	-3.7	-1.5	-0.7	-3.8	-1.6	-8.8	0.0	1.9
D Electricity, gas & steam supply <sup>1</sup>	1.8	5.0	10.5	5.1	4.0	8.3	12.7	16.1	6.1	7.0	1.3	3.2	4.7	13.2	-4.0	3.5	16.3
<b>CONSTRUCTION,<sup>2</sup> real indices of construction put in place, y-o-y growth rates, %</b>																	
Construction, total	-16.9	-24.8	-16.8	-24.5	-19.1	-15.3	-16.7	-13.2	-21.6	-24.5	-10.5	-3.8	-24.4	-7.8	-24.0	-21.7	-24.3
Buildings	-14.0	-39.7	-17.3	-34.3	-35.9	-13.0	-6.7	-18.1	-30.0	-40.9	-25.1	-16.9	-33.3	-28.6	-44.5	-31.1	-31.0
Civil engineering	-19.0	-15.3	-16.6	-19.9	-10.1	-21.2	-20.9	-10.1	-16.2	-8.5	-2.6	1.4	-21.0	0.7	-7.0	-18.1	-22.8
<b>TRANSPORT, tonne-km in m, y-o-y growth rates, %</b>																	
Tonne-km in road transport	7.9	3.2	-3.4	3.6	11.7	6.0	-5.3	-5.9	-7.8	-2.9	-1.8		-	-	-	-	-
Tonne-km in rail transport	28.2	9.7	-7.5	8.5	-1.6	-8.7	-8.0	-5.8	-7.5	-0.1	0.4		-	-	-	-	-
<b>Distributive trades, y-o-y growth rates, %</b>																	
Total real turnover*	3.6	3.1	0.2	2.9	-0.5	0.6	-4.3	-3.2	-2.7	-4.9	-5.8	-6.4	0.7	-0.5	-1.8	2.6	1.0
Real turnover in retail trade	-0.1	1.4	0.3	2.2	0.2	2.5	-2.7	-1.7	-1.0	-2.6	-3.8	-5.5	0.5	1.3	-1.1	4.0	3.5
Real turnover in the sale and maintenance of motor vehicles	12.2	6.6	0.0	4.4	-1.9	-2.8	-7.2	-5.7	-6.4	-9.8	-10.3	-8.2	1.3	-3.6	-3.4	-0.1	-3.5
Nominal turnover in wholesale trade & commission trade	1.3	5.8	0.6	4.6	3.4	3.4	-0.6	1.2	-1.2	-5.4	1.1	-1.4	5.7	5.6	-0.9	8.6	3.9
<b>TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards</b>																	
Total, overnight stays	-1.5	5.3	-4.0	6.6	3.1	0.7	1.2	1.2	1.9	-3.4	-1.5	2.9	1.9	7.0	1.2	0.2	-0.3
Domestic tourists, overnight stays	-4.2	0.5	-10.9	0.8	0.4	-0.5	-4.6	-7.5	-5.2	-6.1	-5.3	-2.4	-2.9	8.6	-3.3	-0.3	-3.3
Foreign tourists, overnight stays	0.7	9.1	0.9	10.2	5.5	2.0	5.1	6.3	8.1	-0.6	0.9	5.6	5.5	5.2	5.8	0.6	4.5
Nominal turnover market services (without distributive trades)	2.7	3.7	-1.1	4.8	-0.3	-0.6	0.5	-0.4	-3.7	-6.1	-3.0	0.6	-1.5	0.2	0.5	0.3	-3.6
<b>AGRICULTURE, y-o-y growth rates, %</b>																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	454.5	478.9	481.7	125.7	139.5	108.4	110.4	128.4	134.5	104.4	111.1	123.2	48.9	44.0	46.7	34.3	35.1
<b>BUSSINES TENDENCY (indicator values**)</b>																	
Sentiment indicator	-9	-7	-17	-7	-10	-12	-16	-19	-20	-15	-14	-12	-9	-10	-11	-12	-12
Confidence indicator																	
- in manufacturing	-1	0	-11	-1	-7	-6	-11	-14	-13	-9	-6	-4	-8	-7	-6	-3	-6
- in construction	-57	-46	-41	-44	-42	-41	-44	-39	-39	-30	-22	-18	-42	-44	-41	-43	-40
- in services	-3	1	-12	3	-4	-8	-8	-14	-18	-12	-12	-11	0	-3	-9	-11	-9
- in retail trade	7	8	2	2	13	6	4	1	-5	-2	2	6	12	16	11	3	9
Consumer confidence indicator	-25	-25	-35	-25	-24	-27	-36	-39	-37	-29	-34	-34	-26	-26	-20	-28	-26
Source of data: SURS. Note: <sup>1</sup> Only companies with activity of electricity supply are included. <sup>2</sup> 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.																	

2012												2013											
3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12		
-3.6	2.2	-3.9	-2.6	3.6	3.1	-6.7	5.2	-4.9	-7.5	0.2	-0.7	-6.4	3.1	-2.0	-4.7	2.0	-5.5	1.7	-0.6	-	-		
-22.0	-8.2	9.8	-7.0	-5.7	1.4	-5.8	1.2	-17.9	-24.9	-9.6	12.9	24.1	-2.5	-9.2	-11.5	3.7	0.5	-20.2	-5.5	-	-		
-4.2	1.9	-5.5	-4.9	1.8	1.6	-8.4	4.7	-5.5	-9.1	-0.9	-0.8	-8.6	2.8	-2.3	-4.9	2.0	-6.5	1.6	-1.3	-	-		
5.3	5.6	9.4	24.0	22.6	16.2	9.8	11.8	2.3	4.9	11.3	0.0	10.2	6.1	0.7	-2.4	1.9	1.7	6.2	5.1	-	-		
-3.1	-13.5	-23.8	-11.7	-19.6	-14.4	-6.4	-22.5	-26.1	-14.8	-23.2	-14.0	-31.7	-18.7	-11.6	-2.0	1.8	-5.4	-6.6	27.3	-	-		
27.6	-7.2	-15.6	4.4	-23.9	-11.9	-18.6	-34.6	-19.4	-35.4	-38.2	-28.0	-50.1	-36.2	-24.2	-14.1	-19.1	-19.8	-12.1	11.6	-	-		
-22.0	-18.6	-26.5	-17.0	-17.1	-15.7	1.2	-15.0	-27.2	-2.1	-8.6	-0.6	-13.6	-6.3	-5.9	3.5	11.0	2.2	-6.3	30.4	-	-		
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
-1.8	-4.0	-5.2	-3.7	-0.6	-3.8	-10.3	-3.4	-5.4	-8.0	-4.8	-8.7	-7.7	2.8	1.3	2.7	-4.2	-3.4	1.4	2.2	-	-		
-0.1	-3.5	-3.1	-1.5	-0.6	-0.8	-6.5	-4.1	-5.8	-7.4	-4.4	-9.3	-7.2	-1.7	-1.7	-3.7	-4.9	-4.6	-4.1	-0.8	-	-		
-4.8	-5.1	-8.8	-7.7	-0.6	-10.8	-17.9	-2.1	-4.5	-9.2	-5.7	-7.4	-8.5	11.4	6.8	15.4	-2.7	-0.2	14.0	8.1	-	-		
-0.9	0.1	0.4	-2.2	7.2	2.8	-5.4	4.8	-2.0	-6.5	1.5	-5.6	-10.9	5.7	-0.9	-1.2	0.7	-4.7	-0.1	1.7	-	-		
2.4	-0.9	7.9	-1.9	1.3	2.5	-1.4	-3.5	9.3	2.2	-10.5	0.2	0.6	-11.6	9.2	-2.4	3.4	2.2	3.2	4.0	-	-		
2.8	-14.3	-1.6	0.9	-9.9	-4.1	-9.8	-6.6	-8.1	-0.7	-10.0	-1.3	-8.2	-6.0	2.0	-10.0	0.7	-4.6	-3.5	4.3	-	-		
1.9	9.4	14.1	-3.7	8.4	6.3	3.1	-1.3	28.2	4.9	-10.8	2.5	9.3	-15.0	13.3	2.6	4.8	5.8	6.4	3.8	-	-		
1.4	-0.9	2.6	-0.1	1.1	0.6	-2.9	-4.2	-0.3	-6.6	-7.4	-3.5	-7.3	-2.7	-3.1	-3.3	0.9	-0.5	1.4	5.1	-	-		
39.0	37.0	38.3	35.1	47.2	37.9	43.3	47.1	41.0	46.3	33.9	32.2	38.4	37.5	38.7	34.9	45.1	37.1	41.0	49.3	-	-		
-12	-16	-15	-18	-18	-19	-21	-22	-21	-17	-16	-16	-13	-14	-14	-13	-13	-12	-12	-13	-12	-12		
-8	-10	-10	-13	-12	-15	-16	-15	-14	-10	-11	-8	-8	-9	-5	-3	-4	-3	-4	-5	-3	-2		
-39	-45	-44	-43	-40	-37	-41	-42	-40	-35	-30	-31	-30	-26	-20	-20	-22	-15	-16	-17	-17	-20		
-5	-8	-6	-10	-11	-14	-16	-20	-19	-15	-13	-13	-11	-9	-14	-14	-11	-9	-13	-13	-10	-12		
5	8	1	4	-1	-2	7	-8	-6	-1	4	-9	-2	-5	-5	16	16	0	2	12	-7	-4		
-26	-39	-33	-36	-36	-36	-45	-39	-37	-34	-31	-31	-26	-27	-37	-37	-37	-33	-31	-35	-35	-34		

LABOUR MARKET	2010	2011	2012	2011		2012				2013			2011		2012
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	11	12	1
<b>FORMAL LABOUR FORCE (A=B+E)</b>	935.5	934.7	920.2	931.1	933.3	926.6	923.7	915.2	915.2	912.9	913.8	910.5	934.5	930.1	927.5
<b>PERSONS IN FORMAL EMPLOYMENT (B=C+D)<sup>1</sup></b>	835.0	824.0	810.0	823.9	821.7	812.7	816.5	809.1	801.7	789.2	795.0	794.4	823.4	817.3	811.6
In agriculture, forestry, fishing	33.4	38.8	37.0	38.8	38.0	35.2	37.8	37.4	37.4	37.4	38.9	38.1	38.1	37.9	35.2
In industry, construction	287.3	272.9	263.1	272.7	271.0	265.4	266.3	263.1	257.5	249.9	252.5	253.5	272.1	267.4	265.4
Of which: in manufacturing	188.6	184.8	182.9	184.4	186.2	184.6	184.1	182.5	180.4	177.8	177.6	177.5	186.6	185.1	184.6
in construction	78.5	67.8	59.8	67.9	64.4	60.5	61.6	60.1	56.9	52.0	54.6	55.7	65.0	62.1	60.7
In services	514.3	512.3	510.0	512.4	512.7	512.1	512.4	508.6	506.8	502.0	503.6	502.8	513.2	512.0	510.9
Of which: in public administration	52.0	51.4	50.7	51.4	51.3	50.9	51.2	50.8	50.0	49.3	49.3	49.1	51.4	51.2	50.8
in education, health-services, social work	116.7	118.8	120.9	118.5	120.1	120.7	121.6	120.3	121.0	120.7	121.1	120.5	120.2	120.3	119.9
<b>FORMALLY EMPLOYED (C)<sup>1</sup></b>	747.2	729.1	717.0	728.9	727.4	720.9	722.7	716.2	708.4	696.1	700.0	699.6	729.0	723.0	719.6
In enterprises and organisations	685.7	671.8	662.6	671.3	670.7	666.4	667.4	661.4	655.1	645.8	648.5	647.9	671.9	667.6	665.2
By those self-employed	61.5	57.2	54.5	57.6	56.6	54.5	55.4	54.8	53.3	50.2	51.5	51.7	57.0	55.5	54.5
<b>SELF-EMPLOYED AND FARMERS (D)</b>	87.8	94.9	93.0	95.0	94.4	91.8	93.8	92.9	93.3	93.1	95.0	94.7	94.5	94.3	91.9
<b>REGISTERED UNEMPLOYMENT (E)</b>	100.5	110.7	110.2	107.2	111.6	114.0	107.2	106.1	113.5	123.7	118.8	116.1	111.1	112.8	116.0
Female	47.9	52.1	52.2	51.1	53.3	53.2	51.0	50.9	53.8	57.0	56.7	57.0	53.4	53.2	54.2
By age: under 26	13.9	12.9	11.9	11.3	13.4	12.7	10.8	10.1	14.0	14.2	13.0	12.3	13.5	13.2	13.2
aged over 50	31.4	39.0	38.2	38.7	38.2	39.2	38.1	37.4	38.1	40.7	39.3	38.1	37.9	38.4	39.6
Unskilled	37.5	39.5	39.4	38.1	39.3	41.0	39.2	37.8	39.5	43.4	40.6	38.8	39.0	40.1	41.4
For more than 1 year	42.8	50.2	55.2	49.6	53.8	57.2	55.1	54.5	53.9	54.4	54.3	55.0	52.9	56.7	58.0
Those receiving benefits	30.0	36.3	33.9	34.9	34.4	37.8	33.2	31.5	33.0	39.3	33.7	30.3	33.7	35.5	38.5
<b>RATE OF REGISTERED UNEMPLOYMENT, E/A, in %</b>	10.7	11.8	12.0	11.5	12.0	12.3	11.6	11.6	12.4	13.5	13.0	12.8	11.9	12.1	12.5
Male	10.1	11.4	11.5	10.9	11.3	11.9	11.1	11.0	11.9	13.4	12.5	11.9	11.2	11.6	12.1
Female	11.6	12.4	12.6	12.3	12.7	12.7	12.3	12.3	13.0	13.8	13.7	13.8	12.7	12.7	13.0
<b>FLOWS OF FORMAL LABOUR FORCE</b>	13.3	2.7	5.3	0.0	5.7	-1.9	-5.2	-0.2	12.6	4.6	-6.0	-1.9	0.2	1.7	3.2
New unemployed first-job seekers	16.8	14.4	16.3	2.7	6.5	2.4	1.9	3.0	9.0	3.7	2.6	3.4	1.3	0.8	0.8
Redundancies	83.5	82.2	90.3	18.7	22.3	22.6	17.9	20.9	28.9	27.1	18.5	19.6	7.1	8.2	10.6
Registered unemployed who found employment	57.0	61.0	58.3	13.4	12.9	17.3	14.0	13.5	13.5	17.2	18.1	15.8	4.5	4.0	5.0
Other outflows from unemployment (net)	29.9	32.8	43.1	8.0	10.2	9.6	11.1	10.7	11.8	9.2	9.1	9.2	3.8	3.3	3.3
<b>WORK PERMITS FOR FOREIGNERS</b>	41.6	35.6	33.9	34.7	34.3	34.2	34.4	33.9	33.2	32.6	31.7	29.8	34.3	34.2	34.2
As % of labour force	4.4	3.8	3.7	3.7	3.7	3.7	3.7	3.7	3.6	3.6	3.5	3.3	3.7	3.7	3.7

Source of data: SURS, PDII, ESS. Note: <sup>1</sup>In January 2005, the SORS adopted new methodology of obtaining data on persons in paid employment. The new source of data for employed and self-employed persons excluding farmers is the Statistical Register of Employment (SRE), while data on farmers are forecast using the ARIMA model based on quarterly figures for farmers from the Labour Force Survey. <sup>2</sup>According to ESS.



2012												2013									
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	
927.1	925.4	926.0	923.7	921.3	917.4	914.5	913.8	918.0	916.5	911.0	913.0	912.9	912.7	914.3	914.0	913.1	911.5	909.8	910.2	916.7	
812.0	814.5	816.9	816.9	815.7	810.5	808.4	808.3	807.1	805.0	792.9	788.7	788.9	790.1	793.0	795.4	796.5	794.4	793.2	795.5	798.0	
35.1	35.3	37.7	37.8	37.9	37.2	37.4	37.6	37.5	37.4	37.4	37.5	37.3	37.4	38.7	39.0	39.1	38.1	38.1	38.1	38.5	
264.7	266.1	266.6	266.6	265.7	264.0	263.2	262.2	261.1	259.5	251.9	249.8	249.5	250.3	251.6	252.6	253.1	253.4	253.1	254.0	254.8	
184.6	184.6	184.4	184.2	183.8	182.9	182.5	182.1	181.8	181.2	178.4	177.8	177.8	177.9	177.5	177.7	177.7	177.6	177.3	177.6	178.1	
59.9	61.0	61.7	61.8	61.4	60.5	60.2	59.6	59.0	58.1	53.5	52.0	51.8	52.4	54.0	54.8	55.2	55.5	55.5	56.0	56.1	
512.2	513.1	512.6	512.5	512.1	509.3	507.9	508.5	508.5	508.1	503.7	501.4	502.1	502.4	502.6	503.8	504.3	502.9	502.0	503.4	504.7	
50.9	50.9	51.1	51.2	51.2	50.8	50.8	50.7	50.2	50.2	49.6	49.2	49.4	49.2	49.3	49.3	49.4	49.1	49.2	48.9	48.8	
120.8	121.5	121.6	121.7	121.4	120.3	119.8	120.8	121.1	121.3	120.6	120.4	120.8	121.0	120.9	121.2	121.3	120.3	120.0	121.2	121.6	
720.3	722.7	723.0	723.1	722.1	717.7	715.6	715.2	713.7	711.6	699.9	695.5	695.8	696.9	698.2	700.3	701.5	699.8	698.6	700.5	701.7	
666.1	667.9	667.7	667.7	666.7	662.8	660.9	660.5	659.2	657.7	648.3	645.3	645.8	646.4	647.0	648.7	649.7	648.0	647.0	648.6	649.7	
54.2	54.8	55.3	55.4	55.3	55.0	54.7	54.7	54.5	53.9	51.6	50.3	50.0	50.5	51.1	51.5	51.8	51.8	51.6	51.9	52.0	
91.8	91.8	93.9	93.8	93.6	92.8	92.8	93.1	93.4	93.4	93.1	93.2	93.0	93.2	94.8	95.1	95.0	94.6	94.6	95.0	96.3	
115.0	110.9	106.8	106.8	105.6	106.9	106.1	105.4	110.9	111.5	118.1	124.3	124.1	122.6	121.3	118.6	116.6	117.1	116.6	114.7	118.7	
53.4	52.0	51.7	50.9	50.5	51.2	50.9	50.5	53.3	53.3	54.9	57.2	56.9	56.9	57.3	56.7	56.2	57.3	57.4	56.5	58.5	
12.9	12.0	11.4	10.7	10.3	10.2	10.1	10.1	14.2	14.0	13.8	14.4	14.4	13.8	13.1	13.1	12.6	12.5	12.2	12.1	15.3	
39.4	38.6	38.5	38.1	37.7	37.9	37.4	37.1	37.0	37.1	40.2	41.2	40.9	40.1	39.5	39.5	38.9	38.6	38.3	37.5	37.0	
41.6	40.0	40.0	39.0	38.4	38.2	37.7	37.5	38.3	38.7	41.6	43.6	43.8	42.8	41.8	40.5	39.6	39.2	38.9	38.4	38.8	
57.3	56.3	55.4	55.0	54.7	54.6	54.6	54.3	54.3	53.6	53.8	54.7	54.4	54.2	54.6	54.4	53.9	54.7	54.5	55.7	55.7	
38.3	36.7	34.2	33.4	31.9	32.1	31.4	31.2	31.5	31.9	35.6	40.3	39.2	38.4	35.8	33.9	31.4	31.0	30.5	29.4	28.2	
12.4	12.0	11.8	11.6	11.5	11.7	11.6	11.5	12.1	12.2	13.0	13.6	13.6	13.4	13.3	13.0	12.8	12.9	12.8	12.6	13.0	
12.1	11.6	11.3	11.0	10.9	11.0	11.0	10.9	11.4	11.6	12.7	13.4	13.5	13.2	12.8	12.4	12.1	12.0	11.9	11.7	12.1	
12.8	12.5	12.4	12.2	12.2	12.4	12.4	12.3	12.9	12.9	13.3	13.8	13.8	13.7	13.8	13.6	13.5	13.8	13.9	13.6	14.0	
-0.9	-4.2	-1.8	-2.3	-1.2	1.3	-0.8	-0.6	5.4	0.6	6.6	6.2	-0.2	-1.4	-1.3	-2.8	-2.0	0.5	-0.5	-1.9	4.1	
0.7	0.8	0.7	0.6	0.6	0.8	0.8	1.4	6.3	1.8	0.9	1.5	1.1	1.1	1.1	0.8	0.8	1.0	0.9	1.5	6.0	
6.1	5.9	6.5	5.8	5.6	8.0	5.6	7.3	8.4	8.2	12.2	14.2	6.3	6.6	7.1	6.1	5.3	7.7	5.5	6.4	7.2	
5.2	7.1	5.5	4.7	3.9	4.0	4.0	5.5	4.9	5.1	3.4	6.2	4.8	6.2	6.3	6.5	5.3	5.3	4.1	6.4	5.4	
2.6	3.7	3.5	4.1	3.5	3.5	3.3	3.8	4.3	4.3	3.2	3.4	2.8	3.0	3.1	3.2	2.7	2.9	2.9	3.4	3.8	
34.2	34.2	34.7	34.4	34.1	33.8	33.9	33.9	33.6	33.3	32.7	32.9	32.8	32.2	32.3	32.0	31.0	30.4	29.8	29.3	28.5	
3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.5	3.5	3.5	3.4	3.3	3.3	3.2	3.1	

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2010	2011	2012	2011		2012				2013			2011		2012	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	12	1	2	
				GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %												
Activity - Total	3.9	2.0	0.1	1.7	1.1	1.6	0.3	-0.7	-1.0	-1.0	-0.5	0.3	0.8	2.2	2.0	
A Agriculture, forestry and fishing	5.7	3.1	-1.1	1.1	0.4	0.1	-1.0	-1.5	-2.0	-0.8	1.1	0.0	-3.5	2.1	0.3	
B Mining and quarrying	4.0	3.9	3.6	5.8	5.9	8.4	10.6	2.2	-5.2	4.1	-6.8	-2.9	6.8	10.0	11.9	
C Manufacturing	8.9	3.9	2.5	3.5	3.1	3.4	2.5	2.0	2.3	1.6	2.9	3.0	1.8	4.5	3.8	
D Electricity, gas, steam and air conditioning supply	3.8	2.3	3.3	3.5	-0.5	5.6	3.9	4.9	-0.5	6.2	2.8	3.6	5.6	5.5	8.0	
E Water supply sewerage, waste management and remediation activities	2.2	-0.1	0.1	1.1	-2.7	2.1	-0.5	0.4	-1.4	0.3	0.1	1.0	-1.3	3.1	2.8	
F Construction	4.5	1.9	-2.5	0.3	0.5	-0.3	-2.8	-2.8	-3.8	-2.4	-2.1	0.1	-0.5	1.1	1.4	
G Wholesale and retail trade, repair of motor vehicles and motorcycles	3.7	2.8	0.8	2.3	3.0	2.1	1.6	0.0	-0.3	-0.2	0.0	0.6	2.4	3.3	2.2	
H Transportation and storage	2.0	2.7	-0.4	3.9	1.6	2.2	0.6	-1.7	-2.3	-1.1	0.2	-0.9	0.8	3.7	0.8	
I Accommodation and food service activities	4.0	2.1	-0.8	2.0	-0.6	-0.4	-0.7	-1.0	-1.1	-1.3	-0.7	-0.6	-0.3	0.2	0.4	
J Information and communication	2.6	0.9	-0.4	1.8	-0.2	0.3	1.3	-1.2	-2.0	-0.6	-2.7	-1.1	-1.3	0.1	0.2	
K Financial and insurance activities	1.0	0.7	1.1	0.8	-2.4	4.5	-1.7	2.2	-0.3	-2.1	1.2	1.2	0.5	1.5	8.4	
L Real estate activities	2.9	3.0	-0.6	3.4	1.6	1.1	-1.3	-0.6	-1.3	-1.1	0.2	-0.6	2.0	2.3	2.5	
M Professional, scientific and technical activities	1.6	-0.4	-1.1	-0.6	-1.6	-0.5	-0.8	-1.7	-1.3	-2.2	-3.4	-1.5	-2.3	0.0	-0.5	
N Administrative and support service activities	4.0	3.5	0.7	3.9	2.7	3.0	0.3	-0.9	0.2	-2.4	0.7	0.7	2.5	2.1	5.1	
O Public administration and defence, compulsory social security	-0.6	0.3	-1.8	-0.1	-0.4	-0.2	-1.5	-3.2	-2.4	-2.4	-2.1	-0.6	-0.1	0.6	-0.4	
P Education	0.6	0.2	-3.3	-0.3	0.4	-0.3	-2.2	-5.0	-5.6	-5.4	-4.2	-2.0	0.5	0.1	-0.6	
Q Human health and social work activities	-0.3	-0.7	-1.3	-0.5	-0.5	-0.5	-1.0	-1.7	-2.1	-2.3	-2.3	-2.2	-0.5	-0.5	-0.4	
R Arts, entertainment and recreation	0.5	-0.7	-2.8	-1.0	-0.3	-0.6	-1.5	-4.4	-4.6	-5.7	-3.8	-1.4	-0.8	-1.3	-1.9	
S Other service activities	4.2	0.9	-0.9	0.6	-1.1	0.5	-0.6	-1.0	-2.4	-0.6	-0.7	-1.1	-1.8	2.0	-0.4	
<b>INDICATORS OF OVERALL COMPETITIVENESS<sup>1</sup>, y-o-y growth rates, %</b>																
Effective exchange rate, <sup>2</sup> nominal	-2.1	-0.1	-1.2	0.4	0.1	-0.5	-1.3	-1.8	-1.4	0.2	0.6	1.6	0.1	-0.1	-0.4	
Real (deflator HICP)	-1.8	-1.0	-1.1	-1.2	-0.5	-0.9	-1.3	-1.2	-0.8	0.9	0.8	2.3	-0.7	-0.9	-0.6	
Real (deflator ULC)	-1.6	-2.3	-3.0	-2.1	-2.8	-1.9	-3.3	-3.7	-3.0	-2.5	-1.3					
USD/EUR	1.3268	1.3917	1.2856	1.4126	1.3480	1.3110	1.3196	1.2515	1.2974	1.3204	1.3066	1.3246	1.3179	1.2905	1.3224	
Source of data: SURS, ECB; calculations by IMAD. Note: <sup>1</sup> Change of the source for effective exchange rate series as of April 2012: a new source, ECB; before that, own calculations (IMAD). <sup>2</sup> Harmonised effective exchange rate – a group of 20 EU Member States and 17 euro area countries; an increase in value indicates appreciation of the national currency and vice versa.																

2012										2013									
3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10
0.7	1.0	1.3	-1.3	-0.1	-0.7	-1.2	0.4	-2.4	-0.7	-0.3	-1.7	-1.0	-0.2	-0.8	-0.4	0.8	-0.4	0.4	0.7
-2.1	-0.1	-0.5	-2.5	1.3	-1.9	-3.9	2.5	-5.9	-2.0	1.8	-4.6	0.2	0.6	1.5	1.1	2.2	-3.6	1.5	0.9
3.8	4.0	14.9	13.2	1.4	5.4	-0.2	1.5	1.7	-18.0	10.4	0.6	1.1	-5.4	-10.3	-4.8	-1.8	-4.9	-1.8	5.1
1.9	2.7	3.9	1.0	4.3	1.3	0.3	5.2	0.5	1.4	3.5	0.3	1.1	4.4	2.3	2.0	3.4	2.0	3.7	2.4
3.6	5.2	6.5	0.3	4.0	2.6	8.3	7.8	-6.6	-0.5	5.0	2.6	10.9	6.6	0.7	1.3	10.0	3.1	-2.1	7.4
0.5	0.4	0.7	-2.5	4.0	-0.1	-2.6	2.2	-7.0	1.5	2.7	-1.1	-0.8	1.6	-0.2	-1.1	-0.5	1.7	1.7	0.9
-3.1	-1.3	-0.4	-6.6	-1.4	-1.9	-5.1	0.2	-6.8	-4.6	-1.2	-3.0	-2.9	-2.2	-3.2	-0.9	1.1	-1.7	0.9	-1.1
1.0	2.9	1.8	0.0	0.7	0.5	-1.0	0.5	-0.8	-0.6	-0.6	-0.5	0.4	-0.5	0.6	-0.1	1.1	-0.4	1.1	0.8
2.0	1.5	2.1	-1.9	-6.3	-1.3	2.7	-1.1	-3.9	-1.6	-1.1	-1.4	-0.8	0.7	0.3	-0.4	1.7	0.3	-4.7	2.5
-1.7	-1.4	0.5	-1.2	-0.1	-1.1	-1.9	-0.9	-0.9	-1.4	-2.4	-1.3	-0.2	0.1	-0.6	-1.7	-0.7	-1.0	-0.1	0.8
0.5	2.3	1.7	-0.1	0.8	-1.2	-3.1	0.1	-7.1	1.6	-1.1	-0.5	-0.1	-4.3	-1.9	-1.9	-0.8	-1.8	-0.6	-1.1
3.8	-0.4	-4.4	-0.2	1.8	1.8	3.0	3.5	-4.0	0.3	-1.0	-3.6	-1.6	0.4	3.5	-0.1	4.0	-1.4	1.0	2.7
-1.5	-0.1	-1.3	-2.4	0.1	-1.0	-1.1	0.1	-2.3	-1.6	-0.4	-2.1	-0.7	-0.2	0.6	0.2	-0.3	-1.4	0.0	0.5
-1.1	-0.7	1.0	-2.7	-0.8	-1.9	-2.4	-0.9	-1.9	-1.0	-0.3	-3.5	-2.8	-3.0	-4.1	-3.0	-2.3	-2.4	0.3	-2.1
2.0	-0.2	1.7	-0.6	-0.1	0.0	-2.5	1.4	-1.1	0.5	-0.5	-4.3	-2.3	1.4	0.0	0.9	0.8	0.2	1.3	1.0
-0.7	-0.7	-0.3	-3.5	-3.4	-3.3	-2.9	-2.9	-2.6	-1.6	-1.7	-2.9	-2.6	-2.2	-3.0	-1.0	-0.4	-0.8	-0.6	0.8
-0.5	-1.5	-0.4	-4.6	-4.8	-5.0	-5.2	-5.8	-5.8	-5.3	-5.9	-5.0	-5.4	-4.2	-5.8	-2.5	-2.4	-2.2	-1.3	-1.5
-0.6	-0.3	-1.0	-1.6	-2.2	-2.0	-1.0	-2.8	-3.0	-0.4	-2.7	-2.5	-1.6	-3.0	-2.1	-1.7	-2.2	-1.8	-2.4	-1.8
1.3	-0.9	0.0	-3.5	-4.1	-3.6	-5.4	-6.3	-3.9	-3.7	-4.7	-4.7	-7.5	-4.0	-3.2	-4.2	-0.7	-2.6	-0.9	-1.4
0.0	-0.6	0.1	-1.2	-0.1	-2.2	-0.7	-1.2	-4.0	-1.9	-0.8	-0.1	-0.7	1.0	-1.2	-1.9	-0.8	-1.2	-1.2	0.9
-0.9	-1.2	-1.2	-1.5	-1.8	-2.1	-1.5	-1.6	-1.7	-0.9	0.1	0.4	0.1	0.2	0.4	1.1	1.6	2.0	1.3	1.3
-1.3	-1.1	-1.4	-1.5	-1.5	-1.5	-0.5	-1.0	-1.3	-0.2	0.8	1.3	0.5	0.4	0.4	1.6	2.7	2.7	1.4	1.3
1.3201	1.3162	1.2789	1.2526	1.2288	1.2400	1.2856	1.2974	1.2828	1.3119	1.3288	1.3359	1.2964	1.3026	1.2982	1.3189	1.3080	1.3310	1.3348	1.3635

PRICES	2010	2011	2012	2011		2012				2013			2011				2012
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9	10	11	12	1
<b>CPI, y-o-y growth rates, %</b>	1.8	1.8	2.6	1.3	2.5	2.5	2.5	2.9	2.6	2.3	1.5	2.1	2.1	2.7	2.7	2.0	2.3
Food, non-alcoholic beverages	1.0	4.4	4.1	3.7	5.1	3.9	4.2	3.9	4.4	4.4	3.6	4.1	4.4	5.6	4.8	4.9	3.9
Alcoholic beverages, tobacco	7.2	5.7	6.5	3.7	4.9	4.2	5.1	7.2	9.5	10.6	7.5	7.4	3.0	4.8	4.9	4.9	4.1
Clothing and footwear	-1.9	-1.5	-0.2	-4.2	0.9	-2.2	1.6	0.7	-0.8	2.1	-1.2	1.0	-3.4	2.0	2.1	-1.5	-2.2
Housing, water, electricity, gas	10.2	5.6	3.8	4.8	5.4	4.9	4.2	4.4	1.8	2.1	2.9	2.8	5.1	5.5	5.7	5.0	4.7
Furnishings, household equipment	1.4	2.7	0.1	2.4	1.7	1.2	0.0	-0.1	-0.9	-1.1	-1.8	-1.2	2.1	1.8	2.0	1.4	1.3
Medical, pharmaceutical products	2.1	1.6	0.4	0.8	0.3	-0.2	1.4	0.2	0.3	-0.2	-2.1	0.4	0.5	0.5	0.2	0.0	-0.3
Transport	-0.3	1.0	3.3	1.1	1.7	2.6	3.2	3.9	3.5	1.5	-0.5	0.5	2.0	1.9	1.9	1.4	2.0
Communications	1.4	1.2	-2.4	2.3	-1.8	-1.2	-2.9	-3.6	-2.0	-3.8	-1.9	1.2	0.9	-1.8	-0.3	-3.3	-0.1
Recreation and culture	0.4	-1.5	1.4	-1.7	-0.8	2.6	1.2	1.2	0.4	-0.3	-0.5	0.6	-1.2	-0.3	-0.9	-1.2	0.8
Education	1.6	1.7	2.9	1.9	1.4	1.1	1.3	4.3	4.8	4.6	4.6	1.4	2.5	1.8	0.9	1.6	1.0
Catering services	-2.5	-6.8	4.5	-6.2	2.0	2.3	2.5	3.7	9.4	9.2	8.8	7.0	2.7	2.0	2.0	2.2	2.5
Miscellaneous goods & services	1.4	2.2	2.4	2.4	2.6	2.5	1.2	3.3	2.8	2.4	2.7	0.5	2.7	2.4	2.5	2.8	2.9
HCPI	2.1	2.1	2.8	1.5	2.6	2.5	2.5	3.2	3.0	2.7	1.8	2.2	2.3	2.9	2.8	2.1	2.3
Core inflation (excluding fresh food and energy)	0.3	1.3	2.0	1.2	2.3	2.2	1.8	2.0	1.9	1.9	1.4	1.9	1.9	2.3	2.5	2.1	2.4
<b>PRODUCER PRICE INDICES, y-o-y growth rates, %</b>																	
Total	2.1	4.5	0.9	4.1	3.6	1.3	0.8	0.6	0.6	0.8	0.2	-0.2	4.1	3.7	3.6	3.6	2.4
Domestic market	2.0	3.8	1.0	3.7	2.9	1.1	0.9	0.9	1.2	1.1	0.3	0.1	3.6	3.1	2.9	2.6	1.9
Non-domestic market	2.2	5.3	0.7	4.6	4.4	1.6	0.7	0.4	0.1	0.4	0.2	-0.6	4.6	4.3	4.3	4.5	3.0
euro area	2.2	6.1	0.1	5.1	4.6	0.8	0.2	0.1	-0.5	0.4	0.0	-0.7	5.2	4.4	4.7	4.7	2.8
non-euro area	2.1	3.6	2.0	3.5	3.8	3.4	2.0	1.3	1.5	0.6	0.7	-0.3	3.2	4.1	3.5	4.0	3.5
Import price indices	7.4	5.4	1.9	4.5	2.9	1.9	1.2	1.3	3.2	0.8	-0.5	-0.3	4.3	4.1	3.0	1.8	0.9
<b>PRICE CONTROL,<sup>1</sup> y-o-y growth rates, %</b>																	
Energy prices	16.5	10.9	12.7	8.3	10.8	12.1	12.5	14.5	11.6	5.6	0.1	-0.7	9.6	10.8	11.9	9.7	10.3
Oil products	17.3	11.9	13.0	9.9	11.7	12.3	12.7	14.4	12.6	6.4	0.4	0.4	11.3	12.3	12.7	10.3	10.5
Transport & communications	1.8	1.1	1.6	1.1	1.1	0.7	0.0	0.0	5.7	8.6	8.6	17.3	1.1	1.1	1.1	1.1	1.1
Other controlled prices	1.3	0.0	-0.6	0.0	-0.2	-0.2	-0.3	0.1	-1.8	-3.9	-2.9	-0.8	0.0	-0.2	-0.2	-0.2	-0.2
Direct control – total	14.2	2.8	9.2	0.5	2.1	7.3	9.5	11.0	8.9	4.3	0.5	1.0	1.4	2.2	2.9	1.3	2.0

Source of data: SURS; calculations by IMAD.

Note: <sup>1</sup> The structure of groups varies. Data for individual years are not fully comparable to those published previously. On 1 July 2007, the electricity market was liberalised. Since July 2007, the data are not comparable. <sup>2</sup> After a longer period of unchanged prices, at the beginning of 2013, the Decree on the pricing of mandatory local public services in the field of environmental protection (Official Gazette of the RS, No. 87/2012) transferred the responsibility for approving price changes to local communities.

2012											2013										
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11
2.9	2.3	2.6	2.4	2.3	2.4	2.9	3.3	2.7	2.3	2.7	2.4	2.7	2.0	1.5	1.2	1.9	2.6	2.2	1.4	1.3	1.3
3.9	4.0	4.7	4.3	3.7	4.1	3.7	4.0	4.3	4.2	4.7	5.2	4.1	3.9	3.3	3.1	4.4	4.4	4.3	3.5	2.4	2.2
3.9	4.7	5.1	5.2	5.1	7.4	7.1	7.0	9.5	9.5	9.4	11.3	10.7	10.0	7.8	7.4	7.5	7.5	7.5	7.1	3.0	3.0
-3.5	-1.2	0.2	3.0	1.6	0.8	1.8	-0.3	-1.5	-1.7	0.8	1.6	6.5	-1.3	0.0	-3.1	-0.5	1.1	0.1	1.7	0.3	0.1
5.3	4.7	4.0	3.7	4.9	3.9	4.2	5.2	2.7	1.5	1.3	0.7	2.8	2.9	3.3	2.8	2.5	3.4	2.8	2.1	3.9	4.8
1.5	0.8	0.7	0.1	-0.7	-0.3	0.1	-0.2	-0.8	-1.2	-0.7	-0.5	-1.5	-1.1	-2.2	-1.9	-1.4	-1.3	-0.8	-1.5	-0.5	-0.4
-0.3	0.1	1.5	1.5	1.3	0.1	0.2	0.3	0.3	0.4	0.2	-0.1	0.2	-0.7	-2.0	-2.1	-2.2	0.0	0.3	0.7	0.0	0.0
2.5	3.3	4.1	2.8	2.6	2.4	4.5	4.7	3.9	3.3	3.4	2.0	1.9	0.6	-0.9	-0.9	0.2	2.0	0.0	-0.4	-0.6	-0.3
-1.2	-2.4	-2.6	-3.2	-2.8	-3.1	-4.4	-3.2	-1.6	-3.3	-1.1	-3.6	-4.6	-3.2	-2.2	-2.3	-1.3	0.0	2.5	1.1	1.6	-0.5
6.8	0.4	0.9	1.2	1.6	1.2	1.2	1.2	0.1	0.9	0.2	-0.4	-0.4	-0.1	-0.4	-0.5	-0.5	0.7	0.9	0.2	0.8	0.4
1.1	1.2	1.3	1.3	1.3	1.3	5.9	5.7	4.8	5.0	4.7	4.6	4.7	4.7	4.6	4.6	4.6	4.6	0.1	-0.5	0.1	-0.3
2.4	2.1	2.8	2.6	2.1	1.4	0.9	8.9	9.1	9.7	9.3	9.3	9.2	9.0	8.6	8.6	9.1	9.6	9.9	2.0	2.0	1.5
2.7	1.9	1.9	1.1	0.6	2.5	3.7	3.7	3.1	2.9	2.4	2.4	2.5	2.4	2.1	2.9	3.1	1.2	0.2	0.1	0.7	1.0
2.8	2.4	2.9	2.4	2.4	2.6	3.1	3.7	3.2	2.8	3.1	2.8	2.9	2.2	1.6	1.6	2.2	2.8	2.2	1.5	1.1	1.2
2.6	1.6	1.9	1.9	1.7	1.9	2.0	2.0	1.9	1.8	2.0	1.9	2.2	1.6	1.4	1.3	1.5	2.0	2.1	1.7	1.6	1.4
0.8	0.7	0.7	1.0	0.7	0.8	0.4	0.7	0.8	0.7	0.4	0.4	1.1	0.8	0.5	0.2	0.0	-0.3	0.0	-0.4	-0.5	-0.7
0.7	0.6	0.7	1.3	0.8	0.9	0.8	0.9	1.2	1.3	1.0	1.1	1.1	1.1	0.6	0.1	0.1	0.1	0.2	0.1	-0.2	-0.4
0.9	0.8	0.8	0.8	0.5	0.6	0.1	0.6	0.4	0.1	-0.2	-0.3	1.0	0.5	0.5	0.3	-0.2	-0.6	-0.2	-0.9	-0.9	-1.1
-0.1	-0.2	0.0	0.4	0.1	0.5	-0.5	0.2	-0.1	-0.6	-0.8	-0.8	1.2	0.7	0.3	0.0	-0.4	-0.8	-0.3	-1.0	-1.0	-1.5
3.3	3.4	2.8	1.7	1.4	1.0	1.3	1.6	1.7	1.8	1.1	1.0	0.6	0.2	0.8	1.1	0.3	-0.3	0.0	-0.6	-0.4	-0.3
2.1	2.8	2.0	1.2	0.3	0.1	1.1	2.7	2.9	3.7	3.0	2.1	0.6	-0.3	-0.6	-1.3	0.5	1.2	-0.4	-1.6	-1.5	-2.0
12.0	13.8	14.7	11.8	10.9	10.1	14.6	18.8	14.7	10.4	9.8	7.5	6.4	2.9	-0.6	-0.7	1.8	3.8	-1.3	-4.2	-5.9	-3.8
12.2	14.2	15.3	11.9	10.8	9.2	14.4	19.4	15.8	11.4	10.5	8.1	7.7	3.6	-0.8	-0.9	3.1	5.5	-0.3	-3.5	-2.4	-0.2
1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	17.3	17.3	17.3	17.3	8.0
-0.2	-0.3	-0.3	-0.3	-0.3	0.1	0.1	0.1	-3.0	-1.1	-1.1	-3.9	-3.9	-3.9	-3.8	-3.8	-1.1	-0.8	-0.8	-0.8	2.7	0.8
9.5	10.6	11.1	9.0	8.5	7.9	11.0	14.0	10.1	8.5	8.1	5.6	4.9	2.4	-0.1	-0.3	2.0	4.3	0.5	-1.6	-1.4	-1.0

BALANCE OF PAYMENTS	2010	2011	2012	2011		2012				2013			2011			2012
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	10	11	12	1
<b>BALANCE OF PAYMENTS, in EUR m</b>																
Current account	-50	146	1,159	-47	0	96	262	320	482	488	703	623	84	7	-91	-23
Goods <sup>1</sup>	-830	-957	-110	-194	-356	-149	-45	60	24	134	251	254	-39	-106	-211	-115
Exports	18,973	21,450	21,631	5,285	5,403	5,364	5,559	5,283	5,424	5,393	5,661	5,449	1,849	1,913	1,641	1,646
Imports	19,804	22,407	21,741	5,479	5,758	5,514	5,604	5,223	5,400	5,260	5,409	5,194	1,888	2,019	1,851	1,761
Services	1,281	1,476	1,803	377	375	418	444	528	414	506	538	564	152	127	97	152
Exports	4,593	4,842	5,166	1,393	1,217	1,118	1,237	1,502	1,310	1,206	1,316	1,545	414	381	421	377
Imports	3,312	3,365	3,363	1,016	841	700	793	974	896	700	779	981	263	254	325	225
Income	-588	-524	-552	-235	-81	-145	-168	-198	-42	-73	-108	-126	-29	-37	-14	-35
Receipts	583	936	699	221	259	131	188	174	206	223	206	198	81	78	100	41
Expenditure	1,172	1,460	1,251	456	340	276	356	372	247	296	314	324	110	115	114	77
Current transfers	88	151	18	4	62	-28	31	-70	86	-78	22	-70	0	24	38	-25
Receipts	1,231	1,404	1,410	319	371	348	366	285	411	333	356	293	96	117	158	73
Expenditure	1,143	1,253	1,392	315	310	377	336	355	325	412	334	363	96	94	120	97
Capital and financial account	530	-474	-1,206	-81	-175	67	-249	-540	-484	-879	-753	-824	-297	-53	176	87
Capital account	54	-85	-92	-3	-80	-24	11	-30	-49	-5	-40	-31	0	11	-91	-4
Financial account	476	-389	-1,114	-78	-94	91	-260	-511	-434	-873	-712	-793	-297	-64	267	90
Direct investment	428	633	166	260	151	146	98	84	-162	-61	-649	-6	-83	-51	285	-53
Domestic abroad	156	-85	212	54	-156	41	127	39	5	-108	51	-2	-77	3	-83	-12
Foreign in Slovenia	272	718	-46	206	307	105	-29	45	-167	47	-700	-4	-6	-54	367	-41
Portfolio investment	1,956	1,839	-218	-441	-20	-923	124	-982	1,564	132	2,101	-424	225	-179	-66	221
Financial derivatives	-117	-155	-203	-28	-24	-23	-21	-31	-129	23	-224	-117	-8	2	-18	0
Other investment	-1,810	-2,777	-890	98	-221	851	-455	439	-1,726	-1,035	-1,921	-163	-417	120	76	-10
Assets	779	-1,490	-1,474	-363	567	-1,466	-95	205	-118	-1,285	-635	149	-361	301	628	-612
Commercial credits	-174	-49	65	44	316	-347	-35	109	339	-366	-49	90	-135	42	409	-86
Loans	203	-55	-319	48	19	3	-95	84	-310	26	-180	89	-48	23	44	22
Currency and deposits	669	-1,341	-1,177	-422	249	-1,131	11	-33	-24	-928	-332	-37	-187	233	203	-544
Other assets	81	-46	-45	-33	-18	10	24	45	-124	-17	-73	7	9	3	-29	-3
Liabilities	-2,589	-1,287	584	461	-788	2,317	-359	234	-1,608	250	-1,286	-312	-56	-181	-551	602
Commercial credits	362	107	265	-82	17	161	136	-96	63	-300	94	-197	-20	133	-96	-79
Loans	-986	-1,234	-729	203	-752	-121	-223	-178	-208	375	602	-529	-201	-429	-121	77
Deposits	-1,954	-169	1,026	340	-57	2,287	-288	530	-1,503	188	-1,981	429	158	103	-319	550
Other liabilities	-11	9	23	0	3	-11	17	-22	39	-12	-2	-15	7	12	-15	54
International reserves <sup>2</sup>	19	72	31	33	19	39	-6	-21	19	67	-19	-83	-15	44	-10	-68
Statistical error	-480	328	47	128	174	-163	-13	220	2	391	50	201	214	46	-85	-64
<b>EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m</b>																
Export of investment goods	1,875	2,042	2,112	514	540	477	569	514	552	516	525	516	175	179	186	144
Intermediate goods	10,172	12,008	12,138	3,024	2,931	3,063	3,101	3,019	2,955	3,078	3,185	3,136	1,037	1,058	837	957
Consumer goods	6,592	6,950	6,811	1,631	1,803	1,685	1,734	1,604	1,788	1,676	1,832	1,681	597	632	573	500
Import of investment goods	2,324	2,505	2,402	589	736	562	584	570	687	646	664	557	203	226	307	174
Intermediate goods	12,247	14,107	14,005	3,472	3,490	3,636	3,578	3,410	3,382	3,476	3,465	3,295	1,209	1,262	1,018	1,171
Consumer goods	5,530	5,943	5,671	1,502	1,524	1,435	1,400	1,350	1,486	1,394	1,487	1,483	504	537	483	447

Source of data: BS, SURS.

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

2012												2013									
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	
-76	195	89	23	150	59	61	200	196	230	56	62	82	344	298	142	263	255	162	206	181	
-39	4	7	-31	-21	48	-73	84	43	98	-117	-50	59	125	136	-15	130	144	19	91	77	
1,726	1,992	1,807	1,862	1,891	1,829	1,606	1,848	1,961	1,926	1,537	1,717	1,740	1,936	1,965	1,851	1,844	1,964	1,556	1,929	2,029	
1,765	1,988	1,800	1,892	1,912	1,781	1,679	1,764	1,918	1,828	1,654	1,767	1,681	1,811	1,829	1,866	1,714	1,820	1,537	1,837	1,952	
106	161	148	156	140	147	189	192	183	145	86	168	123	215	172	186	180	196	203	165	150	
325	417	392	410	434	512	512	477	467	415	427	389	352	464	429	436	452	530	533	482	445	
219	256	244	254	295	366	323	285	284	270	341	221	229	250	257	250	272	335	329	317	296	
-41	-68	-44	-99	-25	-110	-32	-56	-8	-14	-19	-26	-24	-23	-30	-40	-37	-40	-42	-43	-46	
42	48	54	63	72	54	55	65	58	59	88	74	73	76	69	69	69	69	64	65	65	
83	116	98	162	97	164	87	121	66	73	108	100	97	99	99	109	106	110	106	108	111	
-101	98	-23	-3	56	-25	-24	-21	-21	1	106	-30	-76	27	21	11	-10	-44	-19	-7	1	
68	207	97	113	156	112	85	88	90	109	212	86	95	152	139	115	102	100	91	101	97	
169	110	120	116	100	137	109	109	112	108	106	116	171	125	118	104	112	145	110	108	96	
152	-172	-168	-162	81	-55	-243	-242	-384	-348	248	-398	-86	-394	-325	-154	-274	-220	-288	-316	-384	
-6	-14	24	5	-18	9	-10	-29	-13	-40	3	-1	-5	0	0	-27	-13	4	-12	-23	10	
158	-158	-193	-167	100	-65	-233	-213	-372	-308	245	-398	-81	-394	-324	-127	-261	-224	-275	-294	-394	
77	123	-92	144	45	87	-28	25	-45	31	-149	51	26	-138	-701	-4	56	52	2	-59	295	
17	36	-6	53	80	13	43	-16	-6	42	-32	-9	-6	-94	-8	22	38	-4	-2	4	62	
60	87	-86	91	-35	74	-71	41	-39	-11	-117	60	32	-45	-693	-26	18	56	4	-64	232	
-820	-324	76	133	-86	-644	-152	-187	1,674	-54	-56	-156	17	271	-143	2,589	-346	-129	-90	-204	-24	
9	-31	-6	-7	-7	-9	-3	-19	-44	-40	-44	-34	65	-8	-7	-67	-151	-83	-55	21	-59	
834	27	-171	-435	151	541	-46	-56	-1,982	-256	512	-282	-201	-553	509	-2,672	242	19	-134	-47	-607	
102	-956	-383	119	169	122	147	-64	-294	-422	597	-338	-372	-575	-221	-403	-11	-1	210	-60	-439	
-85	-176	24	-32	-27	16	158	-65	-28	37	330	-64	-85	-218	-25	55	-80	-3	183	-90	-53	
128	-147	-153	-28	86	40	51	-8	17	-49	-277	4	9	13	-71	-68	-41	11	75	4	-36	
42	-629	-258	164	105	36	-77	8	-132	-406	514	-274	-297	-357	-55	-396	120	-7	-56	26	-282	
17	-4	4	15	5	30	15	0	-151	-4	31	-5	1	-13	-69	6	-10	-1	8	0	-69	
732	983	212	-554	-18	419	-193	8	-1,688	166	-85	56	172	22	730	-2,268	253	19	-344	13	-168	
147	93	-16	-72	224	-8	-144	56	6	18	40	-233	86	-153	-3	34	64	-125	-138	66	75	
-211	14	103	-213	-114	-83	-62	-32	14	-194	-28	34	-151	492	675	-14	-59	-372	44	-200	12	
833	904	115	-278	-126	527	12	-9	-1,726	358	-136	274	234	-319	68	-2,299	251	524	-250	155	-259	
-36	-29	10	9	-2	-17	1	-6	18	-17	38	-18	3	2	-10	12	-4	-7	0	-8	4	
59	48	0	-2	-4	-41	-3	23	26	11	-18	22	11	33	17	25	-61	-82	3	-4	1	
-76	-23	80	139	-231	-4	182	42	188	118	-304	336	4	51	27	12	11	-35	126	110	203	
159	175	183	189	196	172	164	179	193	191	168	155	159	202	180	176	169	201	145	171	N/A	
996	1,110	1,009	1,049	1,042	1,052	935	1,032	1,116	1,062	777	1,008	988	1,083	1,110	1,054	1,021	1,117	924	1,096	N/A	
528	657	559	572	603	554	460	590	610	628	550	507	557	612	635	582	614	604	452	625	N/A	
159	228	186	201	197	217	163	190	219	209	259	196	196	254	218	259	187	202	153	202	N/A	
1,171	1,294	1,177	1,209	1,192	1,175	1,096	1,140	1,244	1,160	978	1,223	1,110	1,144	1,201	1,201	1,063	1,177	988	1,130	N/A	
456	533	449	475	475	442	447	461	530	508	448	444	467	483	491	490	506	509	440	534	N/A	

MONETARY INDICATORS AND INTEREST RATES	2010	2011	2012	2011						2012				
				7	8	9	10	11	12	1	2	3	4	5
<b>SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Claims of the BS on central government	138	102	221	76	76	77	76	83	102	111	119	182	169	188
Central government (S. 1311)	3,419	4,299	5,057	3,276	3,328	3,355	3,387	3,436	4,299	4,465	4,580	4,801	4,752	4,796
Other government (S. 1312, 1313, 1314)	526	584	610	534	536	535	541	554	584	588	589	588	591	580
Households (S. 14, 15)	9,282	9,454	9,267	9,507	9,490	9,468	9,481	9,467	9,454	9,421	9,391	9,412	9,380	9,380
Non-financial corporations (S. 11)	21,646	20,876	19,470	21,656	21,537	21,369	21,444	21,434	20,876	20,976	20,896	20,933	20,922	20,843
Non-monetary financial institutions (S. 123, 124, 125)	2,497	2,229	2,135	2,323	2,292	2,298	2,286	2,277	2,229	2,210	2,234	2,323	2,320	2,300
Monetary financial institutions (S. 121, 122)	5,811	5,445	5,194	5,224	5,422	5,375	5,491	5,224	5,445	5,111	4,846	5,644	5,527	5,613
<b>Claims on domestic sectors, TOTAL</b>														
In domestic currency	35,994	35,692	34,558	35,720	35,854	35,763	35,970	35,784	35,692	35,407	35,334	36,103	35,955	35,979
In foreign currency	1,843	1,536	1,309	1,794	1,705	1,628	1,586	1,557	1,536	1,529	1,505	1,492	1,472	1,458
Securities, total	5,345	5,659	5,862	5,007	5,046	5,008	5,075	5,052	5,659	5,837	5,697	6,105	6,066	6,076
<b>SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Deposits in domestic currency, total	26,767	28,420	29,582	27,392	27,423	27,337	27,631	27,376	28,420	28,359	27,926	30,197	30,165	30,208
Overnight	8,155	8,245	8,678	8,303	8,241	8,236	8,058	8,436	8,245	8,399	8,195	8,177	8,404	8,375
With agreed maturity – short-term	8,193	7,868	7,056	8,471	8,468	8,369	8,372	7,791	7,868	7,688	7,468	7,553	7,362	7,441
With agreed maturity – long-term	10,337	12,248	13,780	10,567	10,662	10,683	11,148	11,089	12,248	12,180	12,171	14,395	14,319	14,309
Short-term deposits redeemable at notice	82	59	68	51	52	49	53	60	59	92	92	72	80	83
Deposits in foreign currency, total	463	579	552	488	476	486	494	538	579	570	564	577	568	559
Overnight	285	386	372	317	305	320	329	365	386	391	384	384	385	381
With agreed maturity – short-term	121	133	123	113	108	109	109	114	133	117	120	132	124	116
With agreed maturity – long-term	55	59	56	57	62	57	55	58	59	61	59	60	58	61
Short-term deposits redeemable at notice	2	1	1	1	1	0	1	1	1	1	1	1	1	1
<b>INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %</b>														
<b>New deposits in domestic currency</b>														
<b>Households</b>														
Overnight deposits	0.21	0.22	0.20	0.23	0.23	0.24	0.24	0.26	0.24	0.24	0.24	0.23	0.22	0.22
Time deposits with maturity of up to one year	1.81	2.15	2.31	2.20	2.18	2.17	2.24	2.27	2.28	2.39	2.35	2.38	2.38	2.37
<b>New loans to households in domestic currency</b>														
Housing loans, 5-10 year fixed interest rate	5.53	5.46	5.48	5.39	5.49	5.45	5.50	5.43	5.27	5.37	5.40	5.46	5.36	5.45
<b>New loans to non-financial corporations in domestic currency</b>														
Loan over EUR 1 million, 1-5 year fixed interest rate	5.76	5.69	5.32	6.17	6.48	5.91	4.25	5.20	6.51	3.79	3.00	6.04	5.81	6.27
<b>INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %</b>														
Main refinancing operations	1.00	1.25	0.88	1.50	1.50	1.50	1.50	1.25	1.00	1.00	1.00	1.00	1.00	1.00
<b>INTERBANK INTEREST RATES</b>														
<b>EURIBOR</b>														
3-month rates	0.81	1.39	0.57	1.60	1.55	1.54	1.58	1.48	1.43	1.22	1.05	0.86	0.74	0.68
6-month rates	1.08	1.64	0.83	1.82	1.75	1.74	1.78	1.71	1.67	1.50	1.35	1.16	1.04	0.97
<b>LIBOR CHF</b>														
3-month rates	0.19	0.12	0.07	0.18	0.06	0.01	0.04	0.05	0.05	0.06	0.08	0.10	0.11	0.11
6-month rates	0.27	0.18	0.15	0.24	0.12	0.05	0.08	0.09	0.10	0.11	0.14	0.16	0.18	0.19

Source of data: BS, BBA - British Bankers' Association.





PUBLIC FINANCE	2010	2011	2012	2011		2012				2013			2012		
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	3	4	
<b>CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m</b>															
<b>GENERAL GOVERNMENT REVENUES</b>															
TOTAL REVENUES	14,794.0	14,982.3	14,999.1	3,538.4	4,016.5	3,618.4	3,712.2	3,577.2	4,091.3	3,420.0	3,495.0	3,732.8	1,342.3	1,283.2	
Current revenues	13,771.5	14,037.9	14,030.6	3,319.1	3,715.6	3,410.8	3,485.9	3,367.4	3,766.5	3,184.7	3,293.1	3,510.7	1,202.5	1,230.7	
Tax revenues	12,848.4	13,209.2	13,118.3	3,129.7	3,472.7	3,172.7	3,314.0	3,170.4	3,461.2	2,946.8	3,107.4	3,188.1	1,114.0	1,174.5	
Taxes on income and profit	2,490.7	2,723.5	2,656.6	562.9	697.5	629.5	723.0	511.1	793.0	577.1	510.9	442.5	195.6	248.3	
Social security contributions	5,234.5	5,267.6	5,244.1	1,303.8	1,346.2	1,342.5	1,332.8	1,306.4	1,262.4	1,264.9	1,283.4	1,261.3	461.0	441.3	
Taxes on payroll and workforce	28.1	29.2	25.6	6.7	8.2	7.2	6.4	5.8	6.1	5.5	6.1	5.5	3.2	2.2	
Taxes on property	219.7	215.2	233.9	84.2	53.1	26.6	64.8	79.4	63.1	24.2	67.8	91.3	8.7	10.5	
Domestic taxes on goods and services	4,780.7	4,856.2	4,876.1	1,148.4	1,324.9	1,164.0	1,164.5	1,244.1	1,303.4	1,039.2	1,224.7	1,357.0	438.0	460.7	
Taxes on international trade & transactions	90.7	100.2	82.5	23.8	25.1	22.3	21.9	17.9	20.5	19.4	22.9	18.2	8.3	8.8	
Other taxes	4.0	17.2	-0.6	-0.2	17.6	-19.4	0.5	5.8	12.6	16.5	-8.4	12.4	-0.7	2.7	
Non-tax revenues	923.0	828.7	912.3	189.5	242.9	238.1	171.9	197.0	305.3	237.9	185.7	322.6	88.5	56.2	
Capital revenues	175.7	65.3	62.5	14.4	21.7	10.5	10.8	11.7	29.5	10.7	13.1	12.8	4.1	2.4	
Grants	12.6	10.4	9.2	1.0	4.0	1.3	1.8	1.6	4.5	12.9	2.7	14.7	0.8	0.6	
Transferred revenues	109.5	53.8	51.7	50.5	0.6	0.1	0.5	50.0	1.1	0.5	0.4	50.9	0.0	0.1	
Receipts from the EU budget	724.7	814.9	845.1	153.3	274.6	195.6	213.2	146.6	289.7	211.2	185.6	143.8	134.9	49.4	
<b>GENERAL GOVERNMENT EXPENDITURES</b>															
TOTAL EXPENDITURES	16,692.7	16,546.3	16,125.7	3,955.7	4,240.0	4,326.5	3,857.4	3,836.0	4,105.7	4,137.4	4,011.6	3,846.2	1,388.7	1,366.7	
Current expenditures	6,960.4	6,926.7	6,813.5	1,645.5	1,640.3	1,995.1	1,668.7	1,553.2	1,596.6	1,842.9	1,819.0	1,496.7	667.4	628.1	
Wages, salaries and other personnel expenditures	3,912.4	3,882.7	3,727.7	955.0	950.4	958.3	973.9	910.8	884.7	907.9	936.0	870.6	310.7	329.8	
Expenditures on goods and services	2,512.4	2,443.4	2,373.0	603.4	638.9	589.7	599.1	551.1	633.1	559.7	566.5	527.5	191.4	216.0	
Interest payments	488.2	526.7	647.9	78.0	29.3	431.8	81.5	79.4	55.3	319.1	295.2	77.8	160.6	77.3	
Reserves	47.4	73.9	64.9	9.1	21.6	15.3	14.3	11.8	23.4	56.2	21.3	20.8	4.7	5.0	
Current transfers	7,628.5	7,818.9	7,687.0	1,855.7	1,944.4	1,957.3	1,878.7	1,903.2	1,947.8	1,948.5	1,893.7	1,922.4	617.1	638.5	
Subsidies	581.9	496.3	502.7	69.1	128.2	177.1	107.8	57.3	160.5	190.5	111.9	77.5	19.6	47.2	
Current transfers to individuals and households	6,277.7	6,533.5	6,384.2	1,583.0	1,598.3	1,609.2	1,588.7	1,636.6	1,549.7	1,576.7	1,585.9	1,626.0	539.3	530.2	
Current transfers to non-profit institutions, other current domestic transfers	728.8	737.2	741.0	189.0	203.2	158.0	169.6	196.7	216.8	158.1	185.2	185.6	55.6	56.3	
Current transfers abroad	40.1	52.0	59.0	14.5	14.6	13.0	12.5	12.6	20.8	23.3	10.7	33.2	2.6	4.6	
Capital expenditures	1,310.6	1,023.5	915.0	266.5	391.6	165.3	179.2	223.4	347.2	141.6	146.3	259.7	53.6	50.9	
Capital transfers	396.4	372.1	319.9	97.0	159.4	47.0	44.3	74.3	154.3	42.5	52.0	69.3	16.1	14.3	
Payments to the EU budget	396.8	405.1	390.3	91.0	104.4	161.8	86.5	82.0	59.9	161.8	100.5	98.0	34.6	34.9	
<b>SURPLUS / DEFICIT</b>	<b>-1,898.7</b>	<b>-1,564.1</b>	<b>-1,126.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Source of data: Bulletin of Government Finance.

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.  
\* Data on revenues for November 2012 include corrections in DURS records for the period January–October 2012, which were due to the rectification of technical errors in the new DURS information system.



## Acronyms

### Acronyms in the text

**AJPES** – Agency of the Republic of Slovenia for Public Legal Records and Related Services, **BoE** – Bank of England, **BoJ** – Bank of Japan, **BS** – Bank of Slovenia, **CHF** – Swiss Franc, **DUTB** – Bank Asset Management Company, **EC** – European Commission, **ECB** – European Central Bank, **EFSF** – European Financial Stability Facility, **EFSM** – European Financial Stability Mechanism, **EIA** – Energy Information Administration, **EMU** – European Monetary Union, **ES** – European Council, **ESI** – Economic Sentiment Indicator, **ESM** – European Stability Mechanism, **ESS** – Employment Service of Slovenia, **ESSPROS** – European System of Integrated Social Protection Statistics, **Euribor** – Euro Interbank Offered Rate, **EUROSTAT** – Statistical Office of the European Union, **FED** – Federal Reserve System, **GBP** – British pound, **GDP** – Gross domestic product, **HICP** – Harmonised Index of Consumer Prices, **HUF** – Hungarian Forint, **ifo** – Institut für Wirtschaftsforschung, **IMAD** – Institute of Macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **JPY** – Japanese yen, **LFS** – Labour Force Survey, **Libor** – London Interbank Offered Rate, **MF** – Ministry of Finance, **MZIP** – Ministry of Infrastructure and Spatial Planning, **NEER** – Nominal Effective Exchange Rate, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization for Economic Co-operation and Development, **OI** – core inflation, **OPRČV** – Operational Programme for Human Resource Development, **OPROPI** – Operational Programme of Environmental and Transport Infrastructure Development, **OPRR** – Operational Programme for Strengthening Regional Development Potentials, **PDII** – Pension and Disability Insurance Institute, **PISA** – Programme for International Student Assessment, **PMI** – Purchasing Managers Index, **PRS** – the Slovenian Business Register, **REER** – Real Effective Exchange Rate, **RS** – Republic of Slovenia, **RULC** – Relative Unit Labor Cost, **SCA** – Standard Classification of Activities, **SRE** – Statistical Register of Employment, **SURS** – Statistical Office of the Republic of Slovenia, **ULC** – Unit Labour Costs, **USD** – US Dollar, **Zew** – Centre for European Economic Research, **ZUJF** – Fiscal Balance 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.

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