

slovenian economic mirror

April 2014, No. 4, Vol. XX



Slovenian Economic Mirror
ISSN 1318-3826

No. 4 / Vol. XX / 2014

Publisher: IMAD, Ljubljana, Gregorčičeva 27

Responsible Person: Boštjan Vasle, MSc, Director

Editor in Chief: Barbara Ferk, MSc

Authors of Current Economic Trends (listed alphabetically):

Jure Brložnik, Urška Brodar, Gonzalo Capriolo, MSc, Janez Dodič, Marjan Hafner, MSc, Slavica Jurančič, Mojca Koprivnikar Šušteršič, Janez Kušar, Urška Lušina, MSc, Jože Markič, PhD, Helena Mervic, Tina Nenadič, MSc, Mitja Perko, MSc, Jure Povšnar, Ana T. Selan, MSc, Dragica Šuc, MSc, Branka Tavčar

Authors of Selected Topic:

Eva Žver, MSc (Employment in the general government sector and public service activities – international comparison); Barbara Ferk, MSc (Population projections EUROPOP2013); Mojca Koprivnikar Šušteršič (Tourist arrivals and overnight stays in 2013); Valerija Korošec, PhD (Social progress index)

Editorial Board:

Marijana Bednaš, MSc, Lejla Fajić, Alenka Kajzer, PhD, Rotija Kmet Zupančič, MSc, Janez Kušar, Boštjan Vasle, MSc

Translator: Marija Kavčič

Data Preparation and Graphs: Bibijana Cirman Naglič, Marjeta Žigman

Concept and Design: Katja Korinšek, Pristop

DTP: Bibijana Cirman Naglič

Print: SURS

Circulation: 80 copies

Contents

In the spotlight.....	3
Current economic trends	5
International environment.....	7
Economic developments in Slovenia	9
Labour market	16
Prices	18
Balance of payments	22
Financial markets	24
Public finance.....	26
 Boxes	
Box 1: Real estate market – Q4 2013	11
Box 2: (In)solvency	12
Box 3: Road and rail freight transport, Q4 2013	15
Box 4: Slovenian merchandise market shares in 2013	21
Box 5: Absorption of Cohesion Policy funds in the 2007–2013 programming period (as at 31 March 2014)	27
 Selected topic	
Employment in the general government sector and public service activities – international comparison ..	31
Population projections EUROPOP2013	33
Tourist arrivals and overnight stays in 2013	35
Social progress index	36
 Statistical appendix	39

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

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

In the spotlight

According to the spring forecasts by the IMF, European Commission and OECD, GDP growth in the euro area will total 1.2% this year and strengthen further in 2015. With restored confidence after cleaning up bank balance sheets and establishing the banking union, growth could even be higher. The downside risks are associated with very low inflation (as persistently low inflation could lead to an increase in the real burden of existing debt), an incomplete implementation of structural, fiscal and institutional reforms, high unemployment, as well as external shocks related to the current geopolitical developments in Ukraine and decelerated growth in the emerging market economies.

The values of short-term indicators of economic activity declined in February (seasonally adjusted), also under the impact of the natural disaster, but they remained higher in year-on-year terms, except for turnover in retail trade. Despite February's decline, real merchandise exports were up significantly year-on-year in the first two months as a whole. After four months of growth, production volume in manufacturing fell somewhat in January and February but, as exports, it also exceeded slightly the level in the same period last year. Construction activity was by a third higher year-on-year after February's decline, the most notable strengthening being recorded in the segment of civil-engineering works. Practically stagnant since the middle of last year, turnover in retail trade remains down year-on-year.

Growth in registered unemployment was interrupted in the past two months (seasonally adjusted). April's decline (-0.4%, seasonally adjusted) was mainly a result of an increased outflow from unemployment into employment. A total of 123,636 persons were unemployed at the end of April, 1.9% more than in the previous April. In the first four months of this year, slightly fewer people than in the same period of 2013 registered as unemployed, mainly as fewer persons lost work, but the number of first-time jobseekers was up, indicating that young people are facing increased difficulties in accessing the labour market. The total outflow from unemployment was somewhat higher, particularly as more people found jobs, also through inclusion in public works. The number of persons in employment has remained relatively unchanged since spring 2013. The average gross earnings rose again in February, but only due to growth in public corporations, as they remained unchanged in the private and general government sectors (seasonally adjusted).

Price movements remained moderate in April. As typical for this month of the year, inflation (0.5%) was mainly impacted by seasonal factors, primarily higher prices of clothing and footwear and some services (together 0.6 percentage points). Year-on-year inflation stood at 0.4%, being lower than in the previous month and lower than inflation in the euro area.

In the last quarter of 2013 cost competitiveness improved more notably again than, on average, in the euro area and the EU. The decline in unit labour costs accelerated due to higher growth in labour productivity and a continuation of modest nominal growth in labour costs. Slovenia thus remained in the group of euro area and EU countries with relatively more favourable cost competitiveness trends. Its relative position improved for the third year in a row but is still less favourable than before the crisis. The upturn after 2010 has mainly been accounted for by activities in the tradable sector.

The share of non-performing loans in the banking system increased in February, but the creation of additional impairments and provisions remained low. The share of non-performing loans rose 0.7 percentage points, to 13.9% of the banking sector's total exposure. Their volume amounted to EUR 5.8 bn. After increasing at the end of the year, the creation of impairments and provisions eased substantially at the beginning of 2014, being lower than in the previous four years. The banks thus created EUR 19 m of additional impairments and provisions in February; in the first two months only around EUR 30 m. The volume of loans to domestic non-banking sectors declined again in March (EUR 71.4 m), but this year deleveraging is slowing. The decline was mostly a result of further corporate deleveraging and, to a lesser extent, government deleveraging. Continuing to deleverage abroad, the banks also continued to reduce liabilities to the ECB.

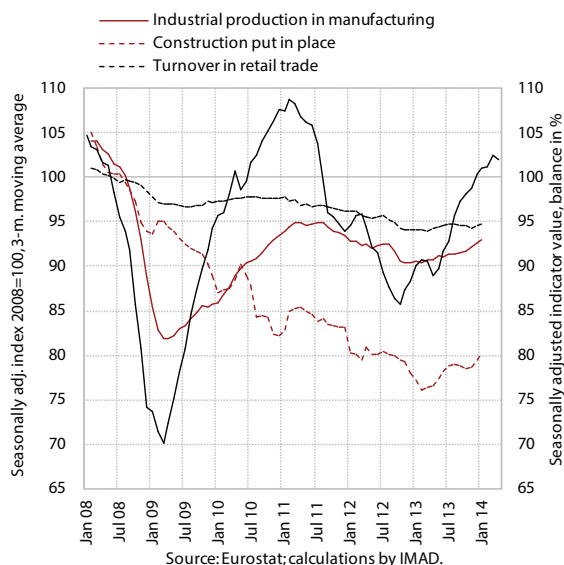
According to data from the consolidated balance, the general government deficit in the first two months (EUR 448 m) was similar to that in the previous year. Expenditure was up 3.7%, revenue up 4.3% and the deficit up 1%. The higher revenue relative to the previous year is due to an increase in all main revenue categories except EU funds; social security contributions were up after a longer period of decline. The year-on-year increase in expenditure was mainly a result of higher expenditure on wages (8.3%) due to the disbursement of half of the third quarter of funds to eliminate disparities in basic wages. Social transfers were lower in year-on-year terms (down 0.8%) in most categories with the exception of those related to pensions (0.8%) and social security (7.1%).

current economic trends

International environment

According to short-term indicators and indicators of confidence, economic activity in the euro area increased in the first quarter and confidence data also suggest favourable movements in the months ahead. February recorded further growth in manufacturing production and construction output. Turnover in retail trade also increased. The Economic Sentiment Indicator (ESI) for the euro area dropped slightly in April after a year of growth, mainly due to deteriorated confidence in services and construction, but it remains above the long-term average. Confidence in industry and retail trade remained unchanged relative to March, while confidence among consumers picked up, mainly due to better expectations with regard to the economic situation and unemployment. In April the Eurozone Composite Purchasing Managers Index (PMI) reached the highest value in the last three years, primarily due to the strong growth of the manufacturing index. Among Slovenia's main trading partners, in April the index rose most notably in Germany; a strengthening of its economic activity is also indicated by the Ifo Business Climate Index, the leading indicator for German economic activity, despite somewhat higher uncertainty related to foreign trade (the turmoil in Ukraine, slower growth in emerging market economies).

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



In their spring forecasts, the IMF, European Commission and OECD expect 1.2% GDP growth in the euro area this year, and somewhat stronger growth next year. According to the IMF, world GDP growth will average 3.6% this year and rise to 3.9% in 2015, which is more than last year (3.0%) and similar to the January forecast (0.1 percentage points less). Growth will continue to be mainly driven by emerging market economies, despite the expected slowdown in economic activity. Their economic activity

will be boosted by increased exports to advanced countries, where this year economic growth will be strongest in the US and the UK. All three institutions predict 1.2% growth in the euro area this year, and 1.5% (IMF) and 1.7% growth (the Commission and OECD) next year, mainly due to the pick-up in private consumption and investment amid further growth in exports, which will contribute less than in the last few years due to increased growth in imports. All three institutions believe that growth could be higher than forecast, if confidence picks up, credit growth increases and financial fragmentation is reduced¹ after a successful cleaning-up of bank balance sheets and the completion of the banking union. On the downside, the main risk is related to very low inflation, given that low inflation over a prolonged period could lead to an increase in the real burden of existing debt. Stalling or partial implementation of structural, fiscal and institutional reforms also remains one of the main risks to the forecast. Growth could also be negatively affected by high unemployment and external shocks related to current geopolitical developments in Ukraine and decelerated growth in the emerging market economies.

Table 1: Comparison of GDP growth forecasts of international institutions for 2014 and 2015

	2014				2015			
	IMF	CONS	EC	OECD	IMF	CONS	EC	OECD
	Apr 14	Apr 14	May 14	May 14	Apr 14	Apr 14	May 14	May 14
EU	1.6	1.5	1.6	N/A.	1.8	1.8	2.0	N/A
EMU	1.2	1.2	1.2	1.2	1.5	1.5	1.7	1.7
DE	1.7	1.9	1.8	1.9	1.6	2.0	2.0	2.1
IT	0.6	0.6	0.6	0.5	1.1	1.1	1.2	1.1
AT	1.7	1.4	1.6	1.5	1.7	1.8	1.8	2.1
FR	1.0	0.9	1.0	0.9	1.5	1.3	1.5	1.5
HR	-0.6	-0.2	-0.6	N/A	0.4	1.1	0.7	N/A
RUS	1.3	0.9	1.0	0.5	2.3	1.9	2.0	1.8
US	2.8	2.7	2.8	2.6	3.0	3.0	3.2	3.5

Source: IMF World Economic Outlook (April 2014), Consensus Forecasts (April 2014), European Economic Forecast Spring 2014 (May 2014), OECD Economic Outlook (May 2014). Note: N/A – not available.

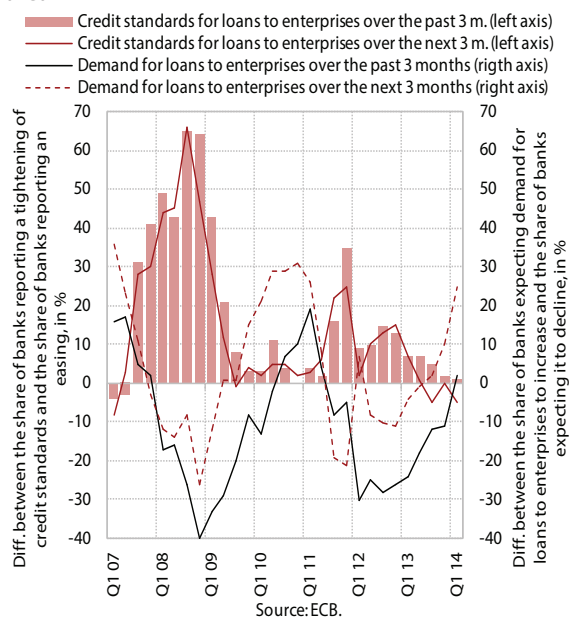
In the first quarter of 2014 the credit standards for euro area enterprises tightened less than in the past few quarters, while loan demand increased. According to the ECB Euro Area Bank Lending Survey, a net percentage of 1% of banks reported a tightening of credit standards in the first quarter of 2014, compared with 2% in the final quarter of 2013.² For the second quarter of 2014, euro area banks expect a net easing of credit standards for loans to enterprises. Demand for these loans, particularly loans for financing inventories and working capital, increased in the first quarter for the first time since mid-2011 and is

¹ The fragmentation of financial markets, which has increased in the period since the beginning of the crisis, shows in the widening differences in access to finance across countries and various sectors of the economy. Particularly small and medium-sized enterprises, which are more dependent on bank loans, are experiencing difficulties in obtaining finance during the crisis.

² For the first time since 2007, the tightening of credit standards was favourably impacted by higher expectations of banks regarding the economic recovery.

expected to rise further in the second quarter of this year. Demand for household loans also rose and banks expect a further increase in the second quarter. Credit standards for households improved across all loan categories; for the second quarter, banks expect a slight tightening for housing loans and an easing for other loans.

Figure 2: ECB survey on lending conditions in the euro area



The required yields of euro area government bonds continued to drop in April. The yields of both the countries with the highest credit ratings and the peripheral countries declined further in April. According to several international financial institutions, this is the result of improved expectations regarding the economic recovery and investors' expectations that the ECB will start buying euro area government bonds.

Figure 3: Yield to maturity of ten-year government bonds

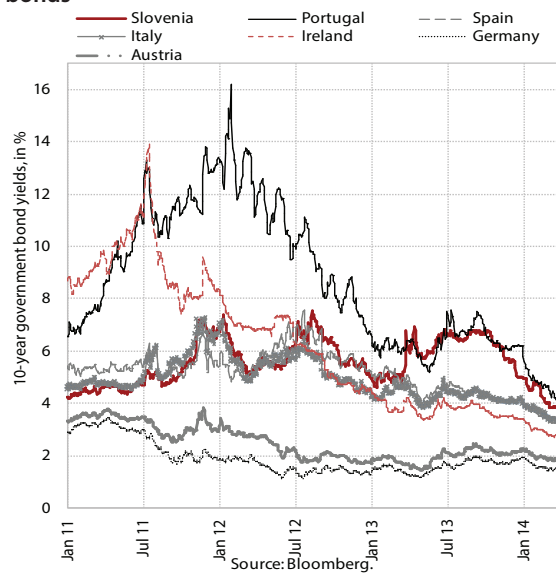


Table 2: Money market interest rates and the exchange rates of national currencies against the EUR

Interest rates	average, in %				change, in b. p.	
	2013	IV 13	III 14	IV 14	IV 14/III 14	IV 14/IV 13
3-month EURIBOR rate	0.220	0.209	0.305	0.330	2.4	12.1
3-month USD LIBOR rate	0.268	0.278	0.234	0.227	-0.7	-5.1
3-month CHF LIBOR rate	0.021	0.021	0.021	0.017	-0.4	-0.4
Exchange rates	average				change, in %	
	2013	IV 13	III 14	IV 14	IV 14/III 14	IV 14/IV 13
EUR/USD	1.328	1.303	1.382	1.381	-0.1	6.0
EUR/CHF	1.231	1.220	1.218	1.219	0.1	-0.1
EUR/GBP	0.849	0.851	0.832	0.825	-0.8	-3.0
EUR/JPY	129.66	127.54	141.48	141.62	0.1	11.0

Source: Euribor, ECB, calculations by IMAD.

Table 3: Oil and non-energy commodity prices

Oil	average				change, in %	
	2013	IV 13	III 14	IV 14	IV 14/III 14	IV 14/IV 13
Brent USD	108.56	102.25	107.48	107.76	0.3	5.4
Brent EUR	81.66	79.35	77.77	78.18	0.5	-1.5
Commodities	change, in %			IV 14/IV 13		
	2013/2012		IV 14/III 14			
Non-energy commodities	-1.2		1.6	-1.4		
Food	1.1		4.4	1.5		
Agricultural raw materials	1.4		2.0	7.7		
Metals	-4.2		-4.0	-13.4		

Source: EIA, ECB, IMF, calculations by IMAD.

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

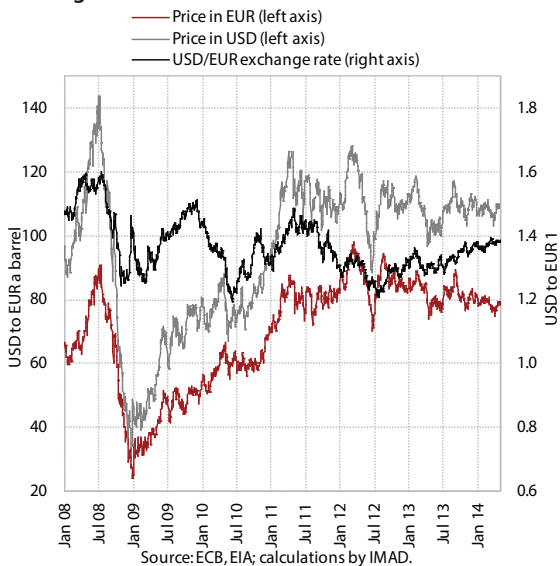
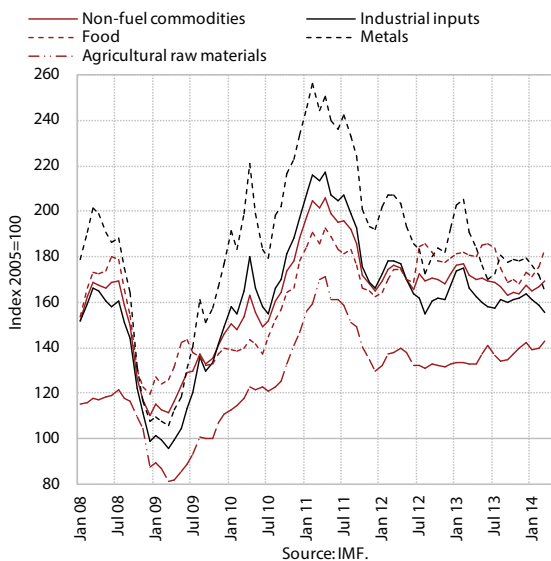


Figure 5: Non-energy commodity prices in dollars



The ECB's key interest rate remained unchanged in April. The ECB continues with its monetary policy and the key interest rates are expected to remain at present or lower levels for an extended period of time. However, in view of low inflation in the euro area and deflationary pressures in some euro area countries, the ECB has not yet excluded the possibility of resorting to further, less conventional, measures³ to boost the economic recovery and limit the risk of deflation.

³ Such as purchasing euro area government bonds, providing additional liquidity by new long-term refinancing operations, halting the sterilisation of liquidity from government and private bond purchases under the Securities Market programme.

⁴ In the release of data on industrial production in manufacturing for February in the SI-STAT database, January's figure was revised downwards,

Economic developments in Slovenia

The values of **short-term indicators of economic activity** declined in February (seasonally adjusted) under the impact of the natural disaster, but remained higher in year-on-year terms, except for turnover in retail trade. Despite February's decline, real merchandise exports were significantly higher year-on-year in the first two months as a whole. After four months of growth, production volume in manufacturing fell somewhat in January and February, but it was also slightly higher than in the same period of last year.⁴ After the decline in February, construction

Figure 6: Short-term indicators of economic activity in Slovenia

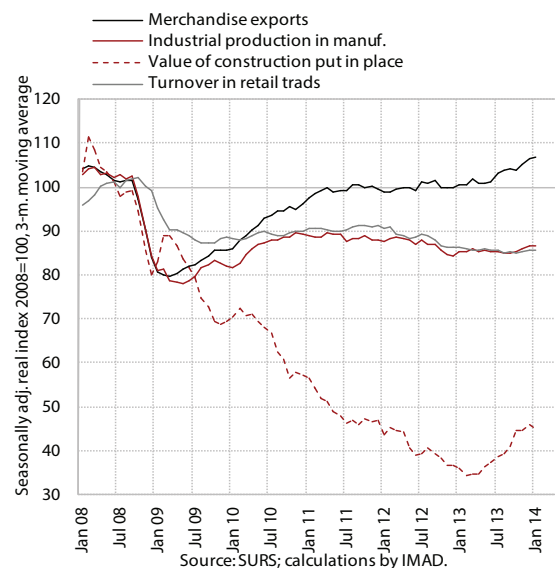


Table 4: Selected monthly indicators of economic activity in Slovenia

in %	2013	II 14/ I 13	II 14/ II 13	I-II 14/ I-II 13
Exports ¹	2.7	-3.0	3.6	4.8
-goods	2.2	-1.8	4.7	6.2
-services	5.0	-9.1	-1.7	-1.9
Imports ¹	-0.8	-1.8	5.1	3.9
-goods	-1.2	-0.5	5.5	3.0
-services	1.6	-10.8	2.1	10.9
Industrial production	-0.6	-0.6 ²	-1.1 ³	0.4 ³
-manufacturing	-1.2	-0.8 ²	-1.2 ²	0.5 ³
Construction -value of construction put in place	-2.6	-4.9 ²	33.1 ³	36.1 ³
Real turnover in retail trade	-3.7	-1.3 ²	-1.1 ³	-0.9 ³
Nominal turnover in market services (without trade)	-0.1	-1.4 ²	0.2 ³	1.0 ³

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

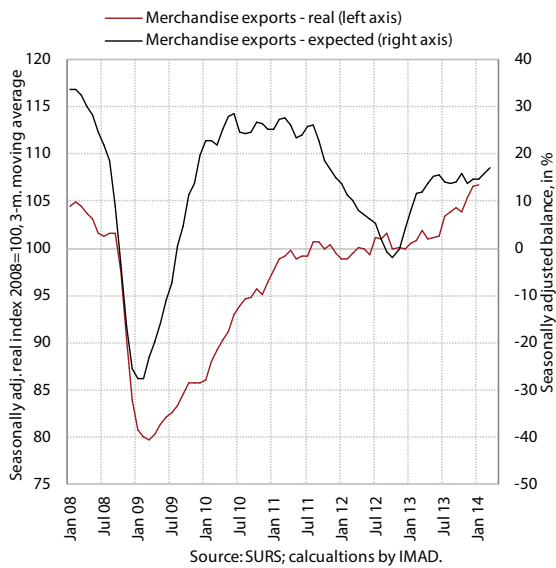
Notes: ¹balance of payments statistics, ²seasonally adjusted, ³working-day adjusted data.

which changed the results (recalculations) of production movements in 2014 (in monthly and year-on-year terms). Corrections of the previous months' figures are otherwise common, but they usually have a smaller impact on the recalculations of movements.

activity was a third higher year-on-year, the most notable strengthening being recorded in the segment of civil-engineering works. Turnover in retail trade, practically stagnant since the middle of last year, remains down in year-on-year terms.

Growth in real **merchandise exports and imports**⁵ was interrupted in February (seasonally adjusted), but expectations remain positive. With a decline in merchandise exports to both EU and non-EU countries, growth in merchandise exports was interrupted in February, in our estimation, which could also be partly related to the weather-related natural disaster. Data on business trends in export expectations and export orders otherwise show that in most of the main export industries exports are expected to resume growth in the coming months. According to the enterprises surveyed, insufficient foreign demand is gradually becoming a less important limiting factor for production. Expectations regarding economic growth in main trading partners are improving as well. Real merchandise imports also declined in February. In the first two months of this year real merchandise exports were up 7.5% on the same period of 2013, according to our estimate; imports were also slightly higher (0.5%).

Figure 7: Real merchandise exports and expected exports in manufacturing industries



Nominal **exports and imports of services**⁶ declined in February (seasonally adjusted). Exports of services fell slightly again, this time mainly due to lower exports in transport, while exports of other services⁷ continued to

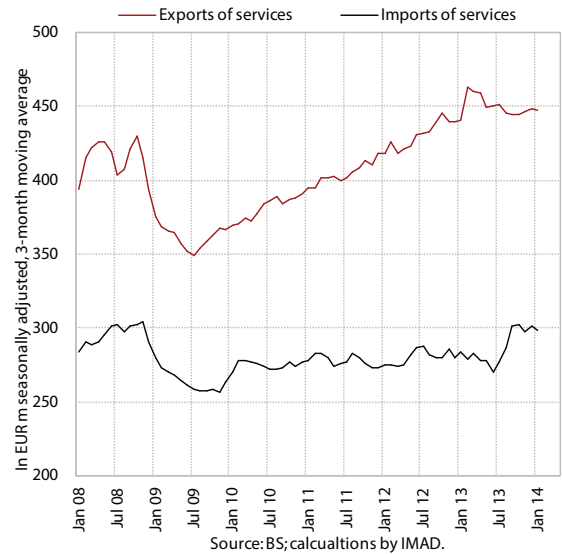
⁵ The estimate of real merchandise exports is based on nominal exports according to the external trade statistics and industrial producer prices on the foreign market, while real imports have been estimated on the basis of nominal imports according to the external trade statistics and the index of import prices.

⁶ According to the balance of payments statistics.

⁷ When adjusting data for seasonal effects, we placed communication, construction, financial, computer and information activities, personal service activities, arts, entertainment and recreation activities,

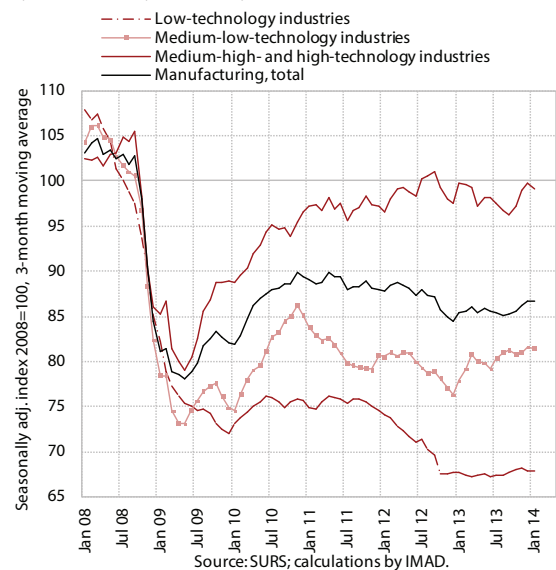
grow. After strong growth in January, imports of services also dropped in February, particularly of transport and other business services. In the first two months of the year exports of services were down 1.9% year-on-year, while imports were up 10.9%.

Figure 8: Trade in services – nominal



After the increase at the end of last year, production volume in **manufacturing** (see footnote 4) declined somewhat at the beginning of 2014. The decline in February can, in our assessment, also be attributed to the ice storm, which practically paralysed the Slovenian production, particularly in the most affected areas (disruption of power supply, traffic jams). After increasing in the final

Figure 9: Production volume in manufacturing industries by technology intensity



government services, insurances and licences, patents and copyrights into the group of other services. Together, they account for almost a fifth of services exports and nearly a third of services imports.

Box 1: Real estate market – Q4 2013

The number of dwelling transactions continued to decline in 2013. According to SURS data, the number of all dwelling transactions (in newly built and existing flats and family houses) dropped further in the final quarter of 2013 after the sharp decline in the third quarter (original data). The number of transactions in 2013 (at 4,490) was almost 30% lower than in the previous year, and more than half lower than the peak in 2007. Transactions in all dwellings declined substantially in the second half of last year, most notably in existing flats, which account for the majority of dwellings sold. In 2013 their number was almost a third lower than in 2012.

In 2013 dwelling prices declined for the second consecutive year. According to SURS data, dwelling prices rose slightly in the fourth quarter of 2013 after the sharp fall in the third quarter (orig.), but were still down in year-on-year terms. In 2013 overall they were 4.3% lower than in 2012 and 17.1% lower than the peak in 2008. The prices of new and existing dwellings declined by the same percentage in 2013 as a whole (4.3%), but they recorded different dynamics over the year. The prices of new dwellings, having dropped by a tenth in the third quarter due to the sale of a large number of flats from the bankruptcy estate of bankrupt companies, rose considerably in the final quarter (orig.). At the end of the year they were almost at the same level as at the end of 2012. Conversely, the prices of existing dwellings declined in the third and fourth quarters of 2013 (orig.), being down 2.9% from the final quarter of 2012 at the end of the year. Among them, the prices of existing flats in Ljubljana fell the most in 2013 as a whole (by a tenth), being more than a fifth lower than in 2008, while the prices of existing flats in the rest of Slovenia rose slightly (by 0.8%) after the decline in 2012, and were only 8.0% lower than in 2008.

Figure 10: Transactions in existing and newly built flats

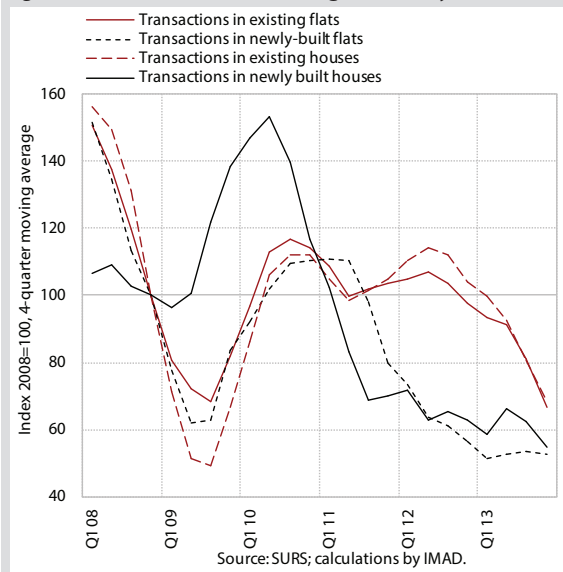
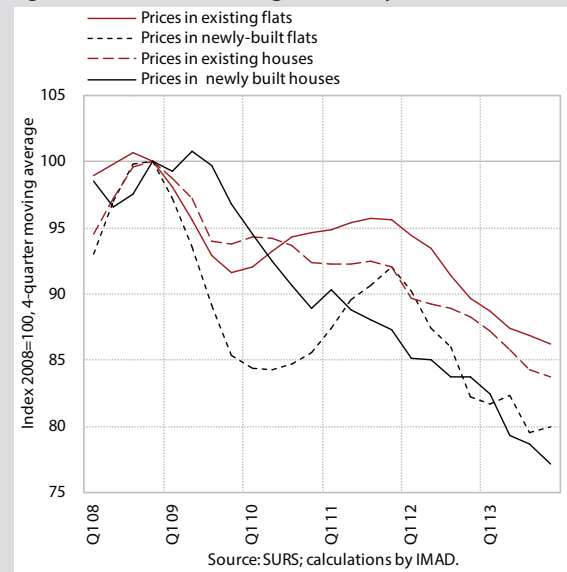


Figure 11: Prices of existing and newly built flats



quarter of 2013, production volume in industries of higher technology intensity declined in the first two months. Medium-low- and low-technology production remained almost unchanged from the end of 2013, seasonally adjusted. In the first two months the volume of manufacturing production was higher year-on-year, despite the contraction. It was up in most low-technology industries, most notably in the wood-processing and leather industries, yet mainly due to the base effect. Production continued to decline in the textile and furniture industries, which lag the most behind their levels in 2008 (by around 60%). Production was also up in all medium-low-technology industries, where the manufacture of other non-metallic mineral products increased most notably relative to the same period last year, also as a result of more vigorous activity in the construction sector, according to our estimate. Production was also higher year-on-year in most industries of higher

technology intensity, notably in the manufacture of ICT and electrical equipment.

Construction activity declined in February, but was higher than last year. The value of construction put in place fell by 4.9% in February (seasonally adjusted), but was up 33.1% on the same period last year due to previous months' growth. According to SURS data, the increase in February's activity was positively impacted by the cleanup after the ice storm that hit the country in early February (repair of the electricity network and other civil-engineering structures). With significant monthly fluctuations, activity picked up across all construction segments in the past few months; the least in the construction of dwellings, more notably in the construction of non-residential buildings and the most in civil engineering, which is related to the construction of municipal infrastructure co-financed with EU funds.

Box 2: (In)solvency

Insolvency also remained a pressing issue in the first quarter. In the first three months of this year the number of insolvent business entities and the amount of their outstanding matured liabilities ceased to increase and delays in payment were shorter. The number of debtors totalled 6,714, and the total amount owed (of which 69.0% for over one year) rose to EUR 739 m. On average, 387 fewer legal entities had outstanding liabilities¹ than in the same period of 2013. Their number fell most notably in manufacturing and construction, while increasing in the sectors of financial and insurance activities and accommodation and food service activities. The most legal entities with outstanding liabilities were in trade (20.1%), construction (19.9%), professional, scientific and technical activities (12.9%) and manufacturing (12.0%). Three quarters of legal entities with unpaid liabilities were micro enterprises,² which accounted for more than half of all outstanding matured liabilities.

Figure 12: Legal entities with outstanding matured liabilities for more than five consecutive days in a month and the average daily amounts of outstanding matured liabilities, by quarter, Q1 2008– Q1 2014

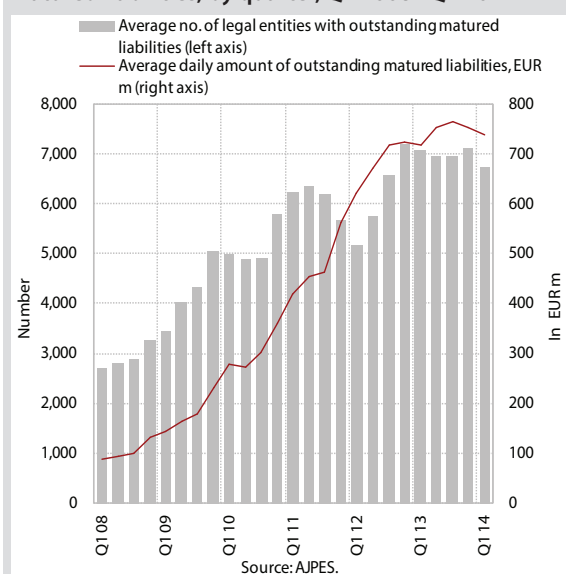


Figure 13: Average number of legal entities with outstanding matured liabilities, Q1 2010–Q1 2014

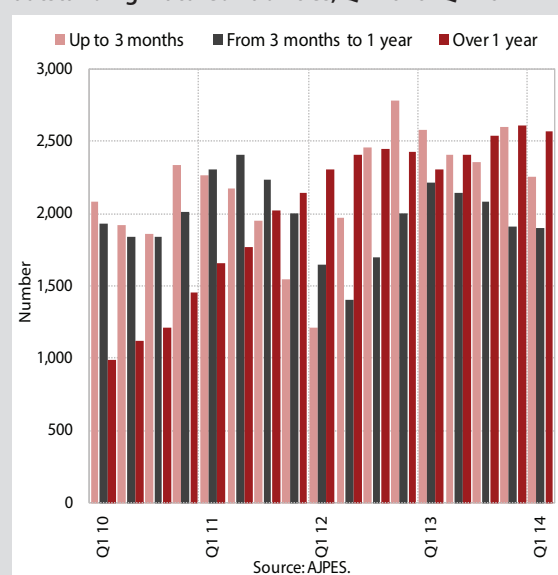


Table 5: Legal entities with outstanding matured liabilities for more than five consecutive days in a month, March 2014

By activity	No. of legal entities with outst. matured liabilities	Growth in %		Average daily amount of outst. matured liabilities, in EUR '000	Growth in %		Average daily amount of outst. mat. liab. per legal entity, in EUR '000
		III 14/ III 13	I-III 14/ I-III 13		III 14/ III 13	I-III 14/ I-III 13	
C Manufacturing	815	-15,1	-10,9	87.878	-22,3	-14,5	108
F Construction	1.303	-18,7	-10,5	165.996	-5,4	-2,2	127
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.358	-8,1	-5,5	77.501	-33,6	-32,1	57
H Transportation and storage	355	-4,8	-6,4	28.268	0,9	10,7	80
I Accommodation and food service activities	588	5,2	6,6	43.403	70,5	70,8	74
K Financial and insurance activities	109	12,4	12,3	124.055	32,8	17,6	1.138
L Real estate activities	206	-10,8	-5,5	39.497	-1,0	-1,3	192
M Professional, scientific and technical activities	888	-4,3	-1,9	91.954	62,6	43,3	104
N Administrative and support service activities	206	-9,6	-6,2	16.668	-28,6	-28,1	81
Other activities (A,B,D,E,J,O-S)	916	-6,0	-2,7	70.821	38,7	35,2	77
Total	6.744	-9,2	-5,3	746.041	3,2	2,7	111

Source: AJPES.

¹ I.e., outstanding matured liabilities for more than five consecutive days in a month. The AJPES records include outstanding matured liabilities according to writs of execution and from tax debt, excluding other outstanding liabilities arising from unpaid bills between creditors and debtors.

² According to Article 55 of the Companies Act (ZGD-1), enterprises are classified as micro, small, medium-sized and large enterprises based on data from annual reports of two consecutive fiscal years.

Insolvency of individual entrepreneurs³ is rapidly rising. In the first three months of this year their number (8,451) was more than a third higher than in the same period of 2010, and the average daily amounts of non-payments were more than double. Another problem is delays in payment, given that both the number of debtors and the average daily amounts outstanding for more than one year nearly tripled in the same period. In the first quarter the total average daily amounts unpaid for more than five consecutive days in a month exceeded EUR 134 m. The majority of non-payers are in the sectors of construction (21.3%), trade (14.5%) and accommodation and food service activities (12.4%), manufacturing (11.8%) and professional, scientific and technical activities (10.5%).

Having doubled in the second half of 2013 as a result of the new legislation⁴ passed at the end of May, the number of bankruptcy proceedings⁵ initiated against legal entities continued to increase in the first quarter of 2014. In the first three months of this year 155.6% more bankruptcy proceedings were filed compared with the same period last year, while 128.6% more bankruptcy proceedings were initiated against individual entrepreneurs. Due to insolvency⁶ and, consequently, bankruptcy, 123 legal entities (a solid quarter more than in the same period last year) and 22 individual entrepreneurs (12 a year earlier) were deleted from the register of companies in the first quarter of 2014. A good fifth of all bankruptcy proceedings started against companies and co-operatives were in the construction sector, while more than two thirds of all bankruptcy proceedings against individual entrepreneurs were filed against entrepreneurs in the sectors of construction, trade, transportation and storage activities and manufacturing.

The total number of compulsory settlement proceedings filed in the first quarter was down year-on-year. In the first quarter of 2014, 12.5% fewer compulsory settlement proceedings were filed with the court than last year, the majority against legal entities in manufacturing and trade.

In compliance with the Act on Prevention of Late Payments,⁷ the third round⁸ of compulsory multilateral set-offs in 2014 was conducted in March. A total of 6,736 debtors (363 more than in the 35th round) reported EUR 659 m in liabilities against 28,440 creditors (416 more than in the previous round). In this round 65.3% of debtors managed to set off at least part of their obligations, but the total amount set off totalled only EUR 36 m.

Figure 14: Average monthly amount of outstanding liabilities by legal entities, Q1 2010–Q2 2014

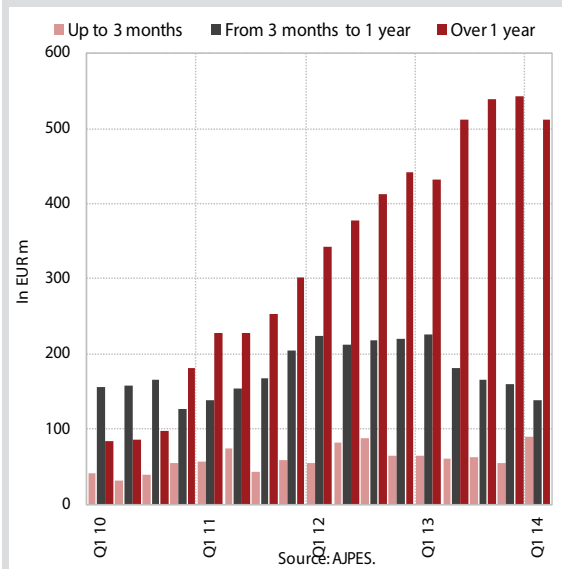
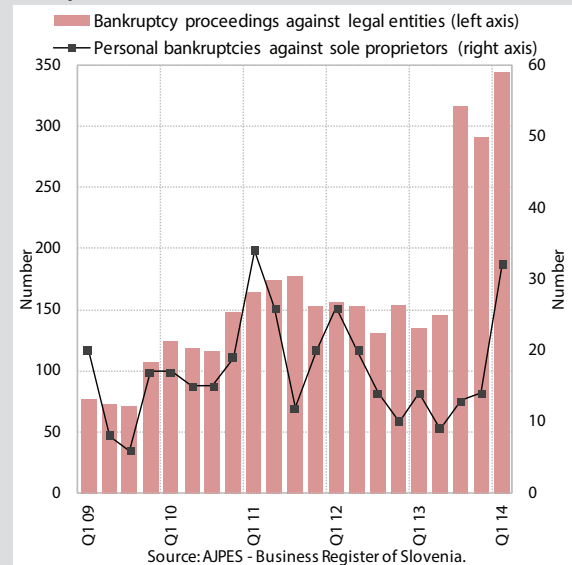


Figure 15: Bankruptcy proceedings initiated against companies and co-operatives and individual entrepreneurs in Slovenia, Q1 2009–Q1 2014



³ Individual entrepreneurs and own-account workers.

⁴ Act Amending the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (ZFPPIPP), Official Gazette of the RS, No. 47/2013 from 31 May 2013.

⁵ Bankruptcy proceedings are a form of winding-up an over-indebted or insolvent debtor. Under court supervision, bankruptcy proceedings are administered by the bankruptcy trustee, who liquidates the entire debtor property to obtain financial assets for settling creditor claims. Upon completion of bankruptcy proceedings, the legal entity is deleted from the court register.

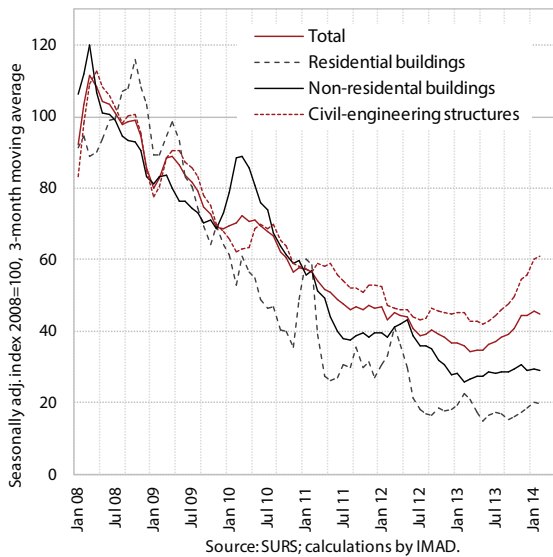
⁶ Insolvency is the situation where a debtor, in a longer period, can no longer meet its financial obligations that became due (permanent illiquidity), or becomes unable to cover its financial obligations in the long term.

⁷ ZPreZP-1 (Official Gazette of the RS, No. 57/2012, from 27 July 2012), which took effect on 28 July 2012.

⁸ This is the 36th round of compulsory multilateral set-offs since April 2011, when the Act entered into force. In all 36 rounds together the mutual indebtedness between business entities in Slovenia declined by EUR 1.9 bn.

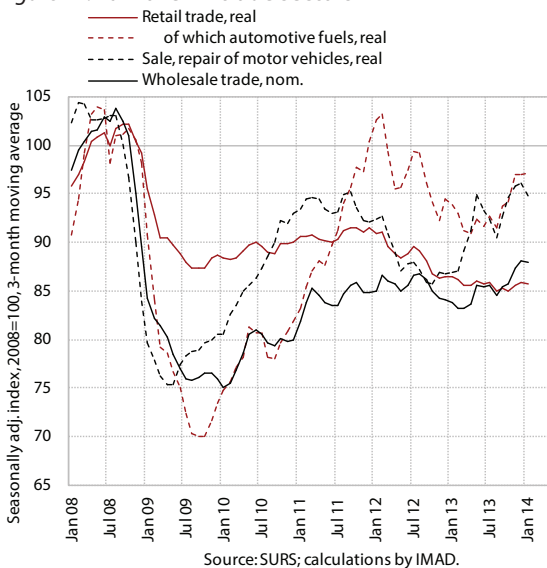
The stock of contracts in construction was up 18.6% year-on-year in February. The increase was solely the result of larger stocks in the construction of civil-engineering structures (by 62.8%) due to the construction of municipal infrastructure. The stock of contracts in the construction of buildings (both residential and non-residential buildings) was down on a year earlier, which is related to the unfavourable conditions on financial markets and, in our estimation, large stocks of unsold buildings as a result of limited access to funding.

Figure 16: Value of construction put in place



After four months of growth, turnover in **trade** declined notably in February (seasonally adjusted). Turnover in retail trade was similar to that a year earlier, while turnover in wholesale trade and the sale of motor vehicles remained up in year-on-year terms. Turnover in *retail trade*, which

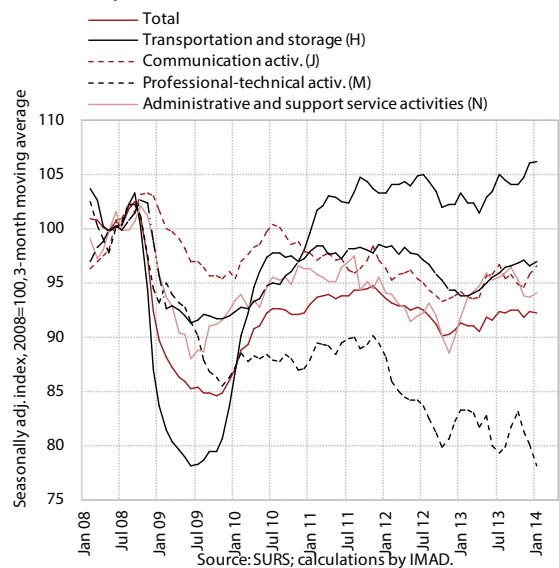
Figure 17: Turnover in trade sectors



had been rising after reaching its low in September, fell in February. It declined in all three segments, particularly in the sale of automotive fuels, while in the sale of non-food products it fell most notably in stores selling household appliances and audio and video recordings, which recorded an increase of 10% in the previous month. Nominal turnover in *wholesale* also declined in February, after it was rising in the previous four months. Turnover in the *sale and repair of motor vehicles*, which had started to pick up in August, also fell, for the second month in a row.

Nominal turnover in **market services** (excluding trade)⁸ declined in February (-1.4%, seasonally adjusted) and remained at the 2013 level. It dwindled in most of the major categories except accommodation and food service activities and administrative and support service activities. Even though it declined in February, it remained up in year-on-year terms in all but professional and technical activities, where it is farthest below the pre-crisis levels due to a sharp decline in architectural and engineering services as a result of the crisis. One of the highest year-on-year growth rates continues to be seen in *transport services*, the only sector with significantly higher turnover than before the crisis. Year-on-year growth has also been retained in *information and communication activities*, where in recent months a rising trend has been observed in telecommunication and computer services. *Administrative and support service activities* continue to see strong growth in turnover in employment services, while turnover in travel agencies declines (in the former it was a fifth higher and in the latter a third lower relative to 2008). Turnover in *accommodation and food service activities* has stagnated at October's level in the last few months, after growth at the beginning of 2013.

Figure 18: Nominal turnover in market services (other than trade)

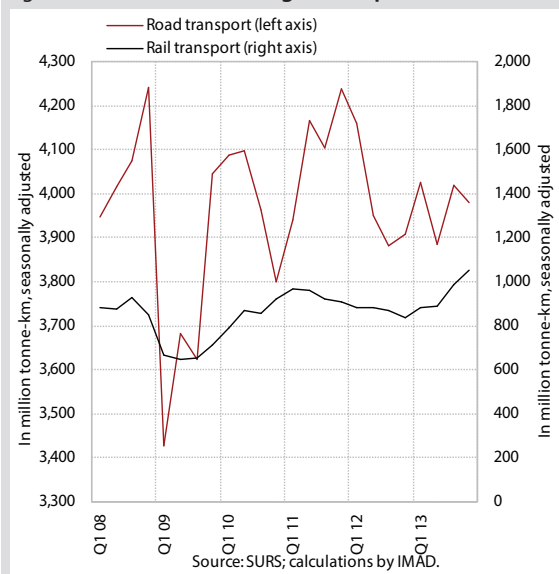


⁸ Activities from H to N (SCA 2008) subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

Box 3: Road and rail freight transport, Q4 2013

Freight transport by rail, which continued to rise in the final quarter of 2013, increased by a tenth at the annual level, while freight transport by road stagnated. Road freight transport, stagnating just below the average level in the year before the crisis, with ever smaller fluctuations, otherwise declined by 1.0% in the final quarter of 2013 (seasonally adjusted). While international transport fell (except cross-trade and cabotage¹), national transport rose substantially, which is also related to higher activity in construction.² Having declined for several years, the share of national transport otherwise accounts for less than 13% of total transport, while the ratio of carriage of legal and natural persons has stayed almost the same since the beginning of the crisis.³ Rail freight transport rose by 6.7% in the final quarter of 2013 (seasonally adjusted), which together with strong growth in the previous quarter contributed to an increase of 9.5% in 2013, so that in 2013 rail freight transport was almost a fifth higher than in 2008. International rail freight transport was nearly a third higher year-on-year in the last quarter of 2013 (in contrast to national transport, which remained practically unchanged); the value of exports of rail transport services was up as much as two thirds, which indicates growth in the share of transport services ordered, or paid for, by a foreign business entity.

Figure 19: Road and rail freight transport



¹ Cross-trade and cabotage increased by 5.2% year-on-year in Q4 2013. Their share has continued to increase in the last few years (from 40% in Q4 2008 to 44% in Q4 2013).

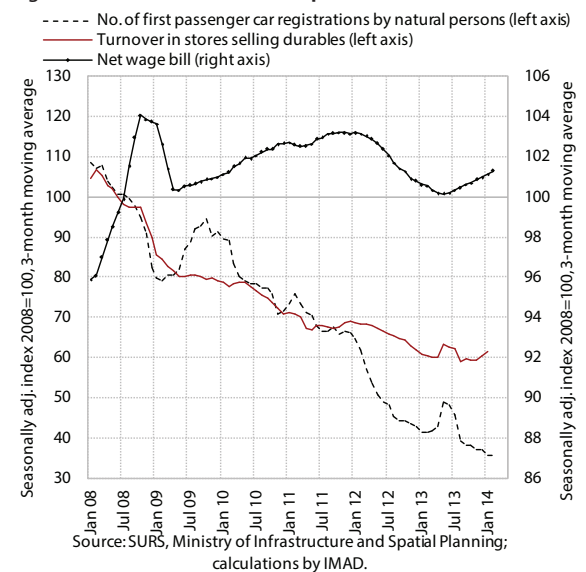
² The largest shares in the structure of national transport are accounted for by transport of mining and quarrying products and non-metallic mineral products, i.e. primarily products that are used in construction. In real terms the value of construction put in place rose by 13.1% in the final quarter of 2013 (seasonally adjusted).

³ Close to two thirds of carriage was performed by legal entities and just over a third by natural persons. The ratio was not affected by the recent bankruptcies of some of the largest freight transport companies, as they mainly subcontracted individual carriers.

Household income, loan volume and bank deposits were down again year-on-year in the first quarter of 2014, while the wage bill has been steadily growing since autumn. The net wage bill, which has been rising slowly since October (seasonally adjusted), remained more or less unchanged year-on-year in the first three months of the year (at 0.1%, in real terms). In the first two months transfers to individuals and households were 1.0%⁹ lower in real terms relative to the same period last year. Loan volume in March was down in year-on-year terms (-3.3%); consumer and other loans were lower, while housing loans remained at the level recorded in the same period of the previous year. Household deposits in banks also remained down year-on-year (-1.5%).

Among **household consumption** indicators, turnover in retail trade in durable goods was up slightly in the first quarter of this year, but it lags the most behind the pre-crisis level. Real turnover in retail trade (excluding automotive fuels) recorded a small year-on-year decline in January and February. Within that, turnover in the sale of durable goods¹⁰ (which has been on a rising trend since September) was up (seasonally adjusted). In the first quarter of 2014 the number of passenger car registrations by natural persons was 12.8% lower than in the same period last year. Seasonally adjusted, the number of registrations also continues to decline; in March it was 62% lower relative to 2008.

Figure 20: Household consumption indicators



Economic sentiment continues to improve. The improvement in April was a consequence of higher confidence in service activities. Other sectors saw no major changes, only confidence in construction worsened in April after improving in the previous month. Confidence among consumers remains at January's level.

⁹ According to the consolidated public finance balance of the Ministry of Finance, excluding scholarships. Since May 2013 expenditure on scholarships has been covered from direct government funds or reserves.

¹⁰ Turnover in the sale of furniture, construction material, household appliances, audio/video recordings in specialised stores.

Figure 21: Business trends

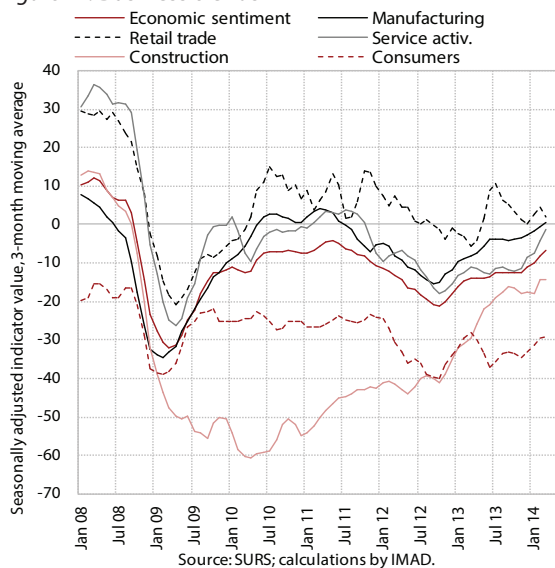
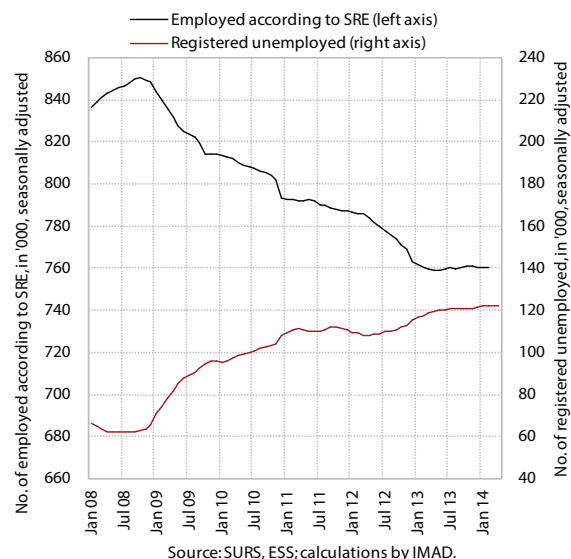


Figure 22: Employed according to the statistical register of employment (SRE) and registered unemployed



Labour market

The number of **persons in employment**¹¹ has remained relatively unchanged since spring 2013. The decline in the number recorded since the end of 2008 came to a halt in April 2013. Since then, the number remained more or less unchanged until February (seasonally adjusted). Since the beginning of the second quarter of 2013, it has risen slightly in public and market services, while being down slightly in the construction sector due to a strong fall in December (seasonally adjusted). The number of employed persons in the construction sector also dropped slightly in February. The registered unemployment rate did not change much in February (13.6%, seasonally adjusted), but it remained highest since 1999.

Registered unemployment stopped growing in the past two months (seasonally adjusted). In contrast to the first two months of the year, when it was still rapidly rising,

primarily due to a significant inflow of people who became unemployed due to the termination of their fixed-term contracts and first-time jobseekers, the number of registered unemployed remained unchanged in March, before declining somewhat in April (by 0.4%, seasonally adjusted). A total of 123,636 persons were registered in the unemployment register at the end of April, up 1.9% from the previous April. The inflow to unemployment being as usual for this time of the year, April's seasonally adjusted decline is mainly a consequence of an increased outflow from unemployment, primarily into employment. In the first four months of this year, slightly fewer people than in the same period of 2013 registered as unemployed, mainly as fewer persons lost work, but the number of first-time jobseekers was up slightly, meaning that young people are facing increased difficulties in accessing the labour market. The total outflow from unemployment was somewhat larger, particularly as more people found jobs, also due to participation in public works.

Table 6: Employed persons by activity

	Number in '000				Change in Number			
	2013	II 13	XII 13	II 14	2013/ 2012	II 14/ I 14	II 14/ II 13	I-II 14/ I-II 13
Manufacturing	177.7	177.8	177.0	177.4	-5,235	392	-358	-575
Construction	54.3	51.8	52.0	50.7	-5,541	-327	-1,023	-984
Market services	333.1	332.0	333.5	332.6	-5,260	663	644	356
-of which: Wholesale and retail trade, repair of motor vehicles and motorcycles	104.2	105.5	103.8	103.1	-3,656	-125	-2,388	-2,427
Public services	170.1	170.1	170.2	170.5	-1,489	752	369	258
Public administration and defence, compulsory social security	49.1	49.4	48.9	48.7	-1,559	125	-602	-596
Education	65.4	65.5	65.6	66.0	-71	338	526	427
Human health and social work activities	55.6	55.3	55.7	55.7	141	289	445	426
Other	58.4	57.2	58.6	52.0	1,121	235	-5,219	-5,423

Source: SURS; calculations by IMAD.

¹¹ According to the Statistical Register of Employment (SRE); these are employed and self-employed persons excluding self-employed farmers.

Table 7: Unemployment flows

	I-XII 13	I-IV 13	I-IV 14	IV 14
INFLOW OF UNEMPLOYED - TOTAL	108,344	39,081	37,319	7,159
First-time jobseekers	19,071	4,772	5,240	1,015
Jobseekers who lost work	88,710	34,245	32,025	6,138
Bankruptcy of the company	3,732	1,339	1,090	137
Business reasons or compulsory settlement	17,896	6,564	6,155	1,333
Termination of fixed-term contracts	54,004	21,559	20,069	3,565
Other reasons	13,078	4,783	4,711	1,103
Other (transitions between records)	563	64	54	6
OUTFLOW OF UNEMPLOYED – TOTAL	102,390	35,810	37,698	10,253
Unemployed who found work	65,054	23,509	27,956	7,272
Public works	5,423	2,865	3,797	485
Self-employment	5,789	1,565	1,206	352
Transitions into inactivity	13,295	3,700	3,536	748
Retirement	8,511	2,397	1,980	450
Breaches of regulations	14,772	5,315	3,131	1,146
Other (transfer to other registers, other)	9,269	3,286	3,075	1,087

Source: ESS.

Table 8: Indicators of labour market trends

in %	2013	II 14/ I 14	II 14/ II 13	I-II 14/ I-II 13
Labour force	-0.7	0.2	0.0	-0.1
Persons in formal employment	-2.0	0.2 ¹	-0.7	-0.8
Employed in enterprises and organisations and by those self-employed	-2.6	0.2	-0.4	-0.5
Registered unemployed	8.8	0.4 ¹	4.6	4.5
Average nominal gross wage	-0.2	0.2 ¹	1.6	1.1
- private sector	0.6	0.0 ¹	2.4	2.1
- public sector	-1.3	0.3 ¹	0.5	-0.1
- of which general government	-2.5	-0.1 ¹	-1.0	-1.1
	2013	II 13	I 14	II 14
Rate of registered unemployment (in %), seasonally adjusted	13.1	13.0	13.5	13.6
Average nominal gross wage (in EUR)	1,523.18	1,497.55	1,534.54	1,520.88
Private sector (in EUR)	1,404.40	1,373.20	1,421.34	1,406.47
Public sector (in EUR)	1,740.78	1,722.63	1,741.94	1,730.63
- of which general government (in EUR)	1,716.48	1,719.24	1,709.94	1,701.42

Sources: ESS, SURS; calculations by IMAD. Note: ¹seasonally adjusted.

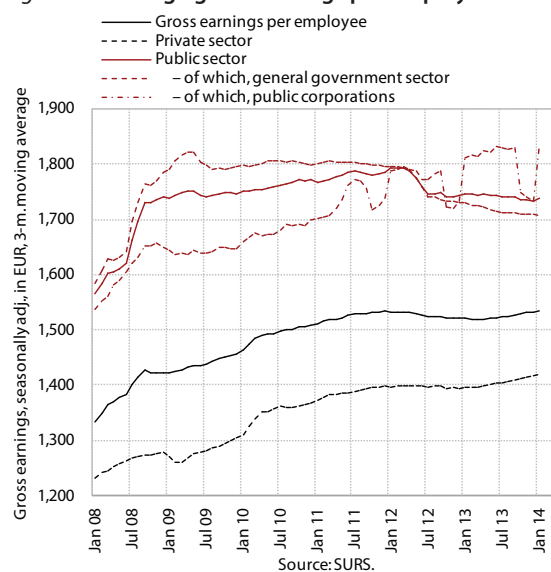
The average gross **earnings** rose again in February, but only on account of growth in public corporations¹² (seasonally adjusted). Earnings in the private¹³ and government sectors remained unchanged. As usual in February,

¹² 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.

¹³ As of June 2012, we only comment on data on earnings in the private sector and public sector (within the latter, particularly in the general government), and only exceptionally on earnings in activities of the private sector and in public service activities; for more see SEM 06/12, Selected Topics – Monitoring the movements of wages and wage earners in the public and private sector.

average gross earnings fell somewhat further (in all sectors and activities¹⁴), according to original data, on account of lower basic earnings due to fewer working days (a contribution of -2.4 p.p.), while the contribution of extraordinary payments and, to a lesser extent, overtime payments and payments in arrears was positive (together 1.5 percentage points). In the first two months, earnings in the private sector and public corporations were up 2.1% and 2.2% in year-on-year terms, respectively, while earnings in the government sector remained down (-1.1%). The gap between growth in industry (4.5%) and market services (0.6%) widened further.

Figure 23: Average gross earnings per employee



¹⁴ Except in the manufacturing sector, where they stagnated due to a substantial increase in extraordinary payments, and in mining and electricity supply. In the latter, the increase in the average gross earnings (6.4%) was mostly due to higher payments for overtime work (a contribution of 5.7 percentage points) due to ice damage repair.

Table 9: Earnings by activity

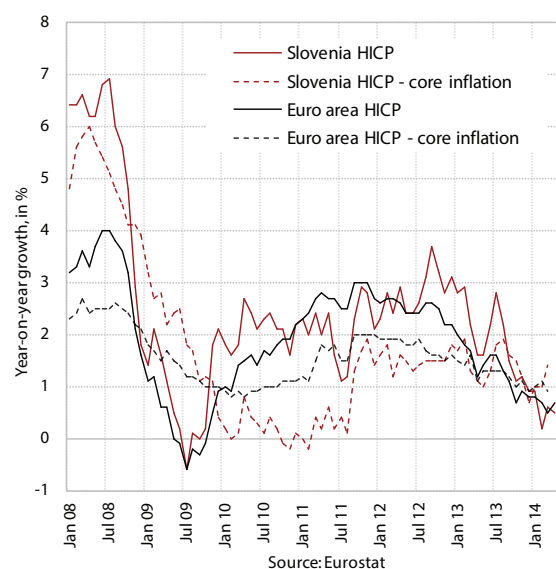
	Gross wage per employee, in EUR		Change, in %			
	2013	II 2014	2013/2012	II 14/I14	II 14/II 13	I-II 14/I-II 13
Private sector activities (A–N; R–S)	1,473.47	1,476.79	0.7	-0.9	2.7	2.0
Industry (B–E)	1,482.76	1,530.89	2.6	0.6	5.8	4.5
- of which manufacturing	1,436.53	1,481.91	2.8	0.1	5.3	4.6
Construction	1,188.38	1,170.66	-1.4	-1.0	0.5	-0.5
Traditional services (G–I)	1,355.65	1,328.77	0.1	-2.3	0.9	0.9
Other market services (J–N;R–S)	1,691.40	1,663.58	-1.3	-1.9	0.4	0.0
Public service activities (O–Q)	1,670.91	1,651.28	-2.3	-0.7	-1.2	-1.2
- Public administration and defence, compulsory social security	1,727.19	1,711.00	-1.4	-0.9	-0.8	-1.1
- Education	1,621.86	1,606.72	-3.3	-0.6	-1.5	-1.1
- Human health and social work activities	1,677.78	1,649.80	-2.0	-0.7	-1.4	-1.3

Source: SURS; calculations by IMAD.

Prices

Price movements remained moderate in April. As typical of this month of the year, April's inflation (0.5%) was mainly impacted by seasonal factors, primarily higher prices of clothing and footwear (contribution of 0.3 percentage points), fruit and some services (together around 0.3 percentage points). Year-on-year inflation thus stood at 0.4%, being down from the previous month and lower than in the euro area (0.7%, according to Eurostat's flash estimate).

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

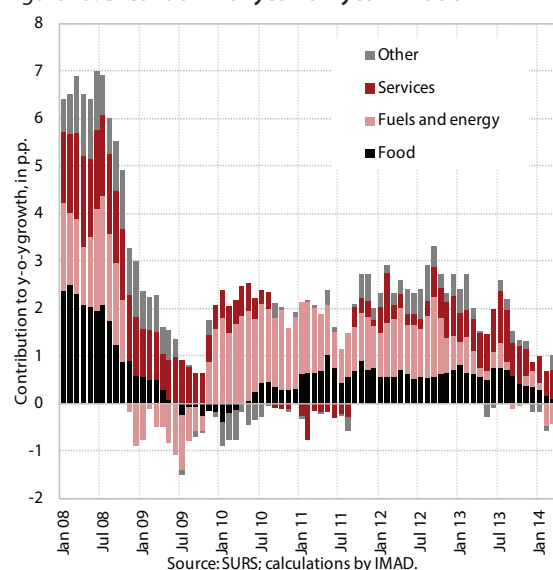


Price movements in the first quarter¹⁵ were, alongside the usual seasonal factors, mainly due to higher prices of services and lower energy prices. According to detailed data

¹⁵ Detailed data on April's inflation will be released later and commented upon in the next SEM.

by SURS, prices were up 0.3% in the first three months of this year (0.2% in the same period of last year). Q1 growth was marked primarily by higher prices of services (a contribution of 0.6 percentage points to inflation). On the other hand, inflation was lowered by prices of energy (-0.2 percentage points), but their contribution was much smaller than a year earlier (0.6 percentage points) as there was no base effect in electricity prices¹⁶ and due to lower euro prices of oil on global markets (-7.3%). Food price growth remains modest this year, and it continues to slow in the absence of price shocks from commodity markets. The movement of core inflation continues to be moderate and under the impact of modest demand.

Figure 25: Breakdown of year-on-year inflation



¹⁶ The contribution of lower electricity prices declined by 0.4 percentage points in March due to the termination of the effect of the increase in the contribution for renewable energy sources in February.

Table 10: Breakdown of HICP into sub-groups – March 2014

	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	0.1	100.0	0.1	0.1	100.0	0.1
Goods	-0.4	64.8	-0.3	0.0	57.2	0.0
Processed food, alcohol and tobacco	-0.3	16.1	0.0	0.5	12.3	0.1
Non-processed food	1.1	7.5	0.1	-0.4	7.5	0.0
Non-energy industrial goods	-0.5	26.4	-0.1	0.0	26.7	0.0
Durables	0.1	8.7	0.0	-0.1	8.4	0.0
Non-durables	0.4	8.5	0.0	0.3	8.1	0.0
Semi-durables	-1.1	9.2	-0.1	0.7	10.2	0.1
Energy	-1.0	14.7	-0.1	-0.2	10.8	0.0
Electricity for households	-2.9	2.8	-0.1	1.5	2.7	0.0
Natural gas	0.5	1.1	0.0	0.1	1.8	0.0
Liquid fuels for heating	0.3	1.3	0.0	-2.7	0.9	0.0
Solid fuels	-1.7	1.0	0.0	-0.3	0.1	0.0
District heating	-1.6	0.8	0.0	-0.2	0.6	0.0
Fuels and lubricants	-0.6	7.6	0.0	-1.0	4.8	0.0
Services	1.2	35.2	0.4	0.3	42.8	0.1
Services – dwellings	1.0	3.2	0.0	0.8	10.5	0.1
Services – transport	3.0	6.2	0.2	0.3	7.3	0.0
Services – communications	-0.3	3.6	0.0	-0.8	3.1	0.0
Services – recreation, repairs, personal care	0.2	14.3	0.0	0.1	14.7	0.0
Services – other services	2.2	8.0	0.2	0.9	7.2	0.1
HICP excluding energy and non-processed food	0.3	77.8	0.2	0.2	81.7	0.2

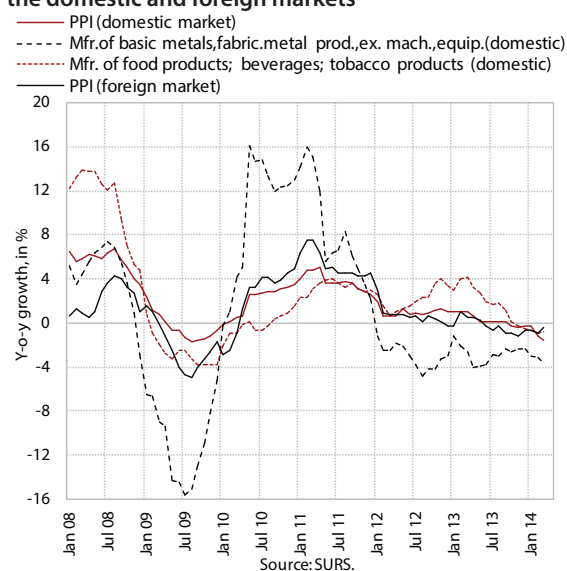
Source: Eurostat; calculations by IMAD.
Note: ECB classification

Price growth in the euro area, still being under the impact of weak demand, also stayed low in March (0.5%). In comparison with the previous month, euro area countries saw a decline in year-on-year growth again, which was, against the background of global commodity price movements, mainly marked by lower prices of energy (a contribution of -0.2 percentage points). The latter affected the price dynamics in most euro area countries where inflation remains low. The otherwise meagre growth (the lowest since 2009) mainly stemmed from higher prices of services (0.5 percentage points), the contribution of food (0.1 percentage points) being much lower than in the same period last year (0.5 percentage points), as there were no shocks from the international environment.

Industrial producer prices on the domestic and foreign markets declined again. The year-on-year price decline on the domestic market (-1.5%) deepened slightly in March relative to the previous month and remained, as on foreign markets (-0.4%) mainly marked by lower prices in the manufacture of metals and ICT and electrical equipment.

The year-on-year decline in **import prices** deepened slightly in March (-2.7%). Year-on-year growth in prices of imported products fell by 0.7 percentage points relative

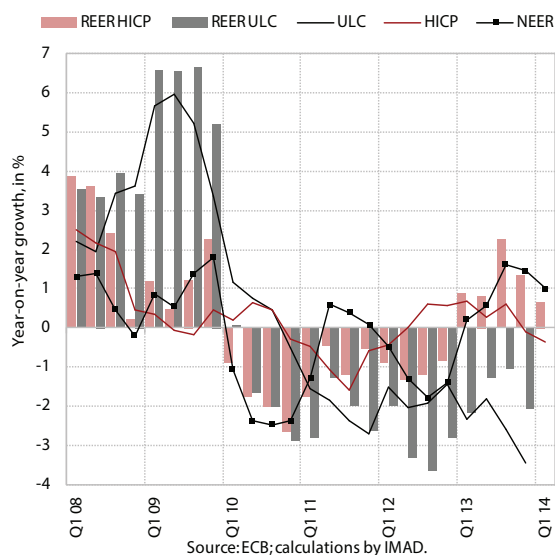
Figure 26: Movements of domestic producer prices on the domestic and foreign markets



to the previous month, in addition to lower prices of oil products, due to lower prices in the manufacture of metals and metal products (-5.1%) and chemicals and chemical products (-5.7%).

In the first quarter of this year, the **price competitiveness** of the economy deteriorated further year-on-year, but the loss was again smaller than in most other countries in the euro area. The real effective exchange rate as measured by the relative HICP¹⁷ continued to rise year-on-year in the first quarter, but its growth was lower for the second quarter in a row due to a smaller appreciation of the euro and a decline in relative prices. In a small group of euro area countries¹⁸ price competitiveness improved in the final quarter of 2013 and in the first quarter of 2014. Among the rest, Slovenia was in the group of countries with relatively smaller losses in price competitiveness.

Figure 27: Real effective exchange rates deflated by the HICP and ULC



In the final quarter of 2013, the **cost competitiveness** of the economy again improved more in year-on-year terms than on average in the euro area and the EU. Modest nominal growth in compensation per employee¹⁹ continued amid a concurrent increase in labour productivity as a result of a fall in employment and higher economic activity, for the first time after two years of decline. The improvement in cost competitiveness therefore accelerated in the final quarter of last year. Unit labour costs in Slovenia's main trading partners mostly increased in the final quarter of 2013, in nominal terms, so that the real effective exchange rate deflated by relative unit labour costs also declined more than in the third quarter of the year. In the last quarter and in the entire 2013, Slovenia was in a smaller group of euro area and EU countries with larger gains in cost competitiveness.²⁰ After the more pronounced loss in cost competitiveness at the beginning of the crisis, Slovenia's relative position improved last year for the third year in a row, although it is still lower than before the crisis.

¹⁷ In Slovenia, in comparison with its trading partners.

¹⁸ In the final quarter of 2013 in two (Greece and Latvia) and in the first quarter of 2014 in three (Greece, Cyprus and Portugal).

¹⁹ In real terms compensation per employee was down again (by 0.3%), for the seventh quarter in a row.

Figure 28: Real unit labour costs in Slovenia and the EU

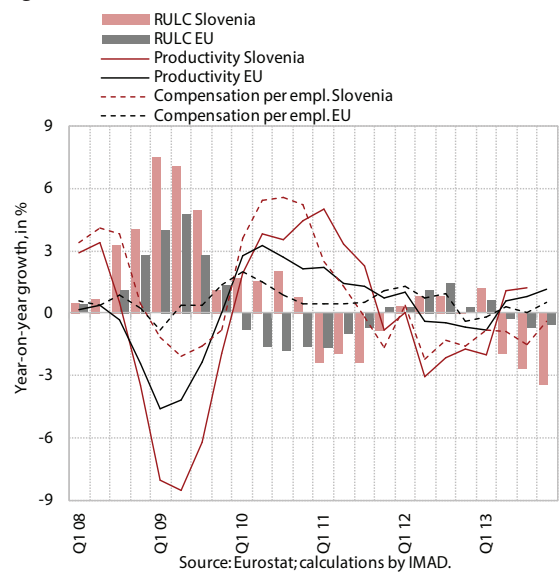
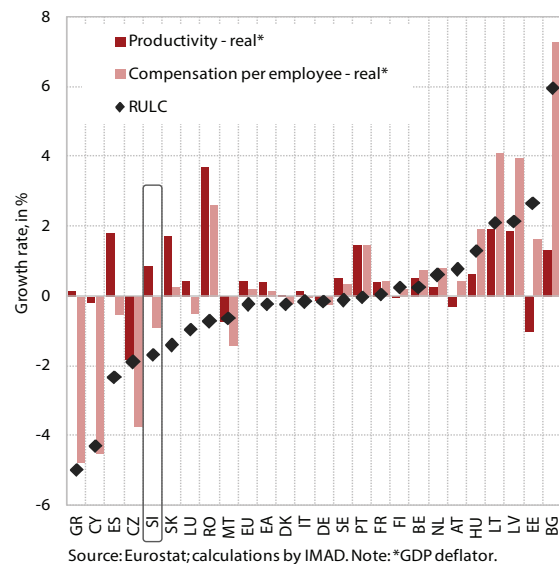


Figure 29: Real unit labour costs in EU countries in 2013



In 2013 cost competitiveness improved in most sectors of the economy. The decline in real unit labour costs in the tradable sector²¹ was mainly attributable to rising labour productivity due to the adjustment of employment to lower activity and a more modest increase in earnings. This holds true particularly for the manufacturing sector and, albeit to a lesser extent, trade, transport and accommodation and food service activities. On the other hand, the cost competitiveness of the non-tradable sector mostly improved due to a decline in wages.

²⁰ Data are available for 24 EU Member States (16 euro area countries).

²¹ Based on the definition, according to which the tradable sector includes: A agriculture, forestry and fishing, B-E industry excluding construction, G-I trade, transportation, accommodation and food service activities, J information and communication (European Commission, Quarterly report on the euro area, Volume 12 N.2, 2013).

Box 4: Slovenian merchandise market shares in 2013

After five years of decline, Slovenia's global market share of goods increased in 2013 (4.1%) as a result of growth in and outside the EU. The loss on the global market is still considerable (-18.7%), compared with the pre-crisis level, but the market share in the EU is, after last year's growth, no longer noticeably lower than before the crisis (-1.2%, similar to 2011: -1.6%). Market share growth in the EU (5.5%) was a consequence of larger shares in all main trading partners in the EU, notably Italy, Austria, Croatia and Hungary. The increase in the market share in Germany was modest for the second consecutive year, similar to that in France, where until 2013, Slovenia's market share had been declining for three years in a row. In 2013 Slovenia also increased its shares on most other, relatively less important, markets of the EU.¹ Among the most important partners outside the EU, its market share rose in Russia, Macedonia and the US, while declining in Serbia and Bosnia and Herzegovina.

In 2013, growth in the market share of goods in the EU was largely driven by chemical products, oil and oil derivatives and electricity. The increase in the market share of chemicals was underpinned by growth in the shares of medical and pharmaceutical products, as well as a number of otherwise relatively less important chemical products.² After a more pronounced decline in 2010–2012,³ the market share of machinery and transport equipment rose again, growth being recorded by electrical machinery, apparatus and appliances, general industrial machinery, machinery specialised for particular industries, and road vehicles. The market shares of manufactured goods classified by material and miscellaneous manufactured articles remained just below the 2012 level, the former due to paper, paperboard, and articles of paper pulp and non-ferrous metals, the latter due to scientific instruments, clothing and footwear.⁴ The share of primary products rose much more (17.4%) than the share of manufactured goods, mainly under the impact of oil and oil products and electricity.⁵

Figure 31: Change in the market shares in main trading partners, 2013

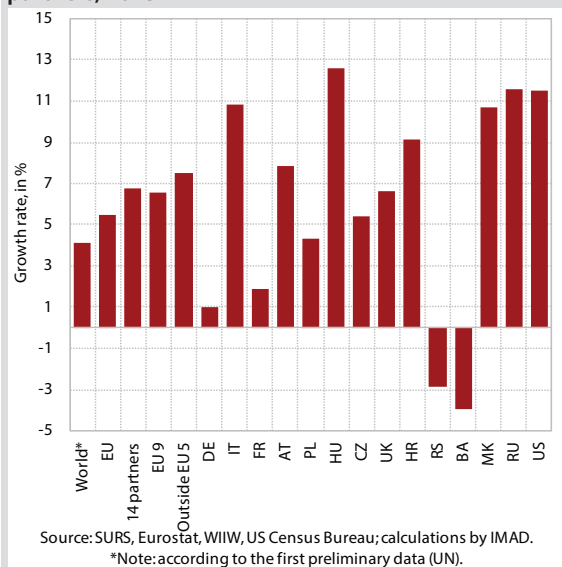


Figure 30: Change in Slovenia's market shares on the global market and in the EU

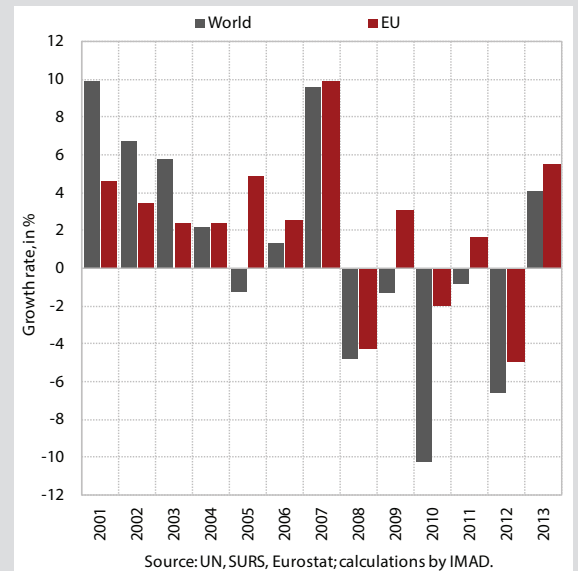
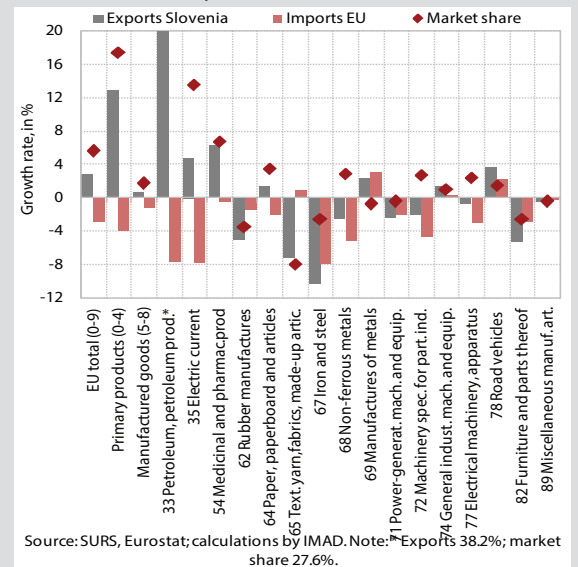


Figure 32: Change in the market shares in the EU by main SITC sections, 2013



¹ Spain, Belgium, Greece, Ireland, Portugal, Slovakia, Luxembourg, Sweden and Romania.

² Organic and inorganic chemicals, materials for dyeing and tanning, plastics and plastic products.

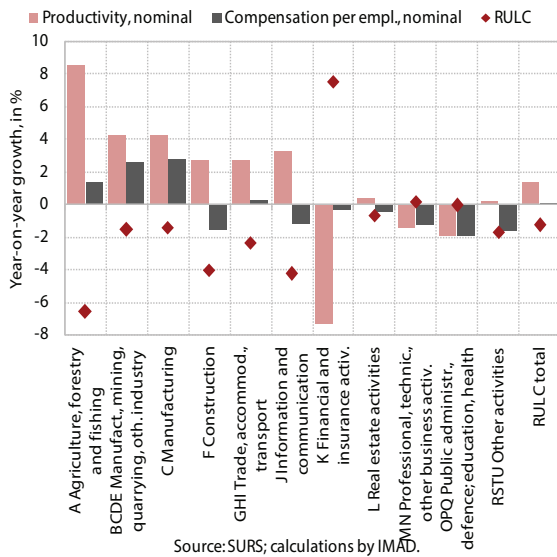
³ The more pronounced decline in the market share of machinery and transport equipment in the EU in 2010–2012 (by more than a tenth) was a consequence of a large decline in the share of road vehicles (by around a quarter) after the incentives to stimulate car purchases began to be phased out in 2010, which was also reflected in a large decline in the Slovenian market share in France in this period (by around a third).

⁴ Amid a decline in the shares of rubber and textile products, iron and steel and furniture.

⁵ Growth was a consequence of increased trading in these commodities in recent years (exports of imported goods).

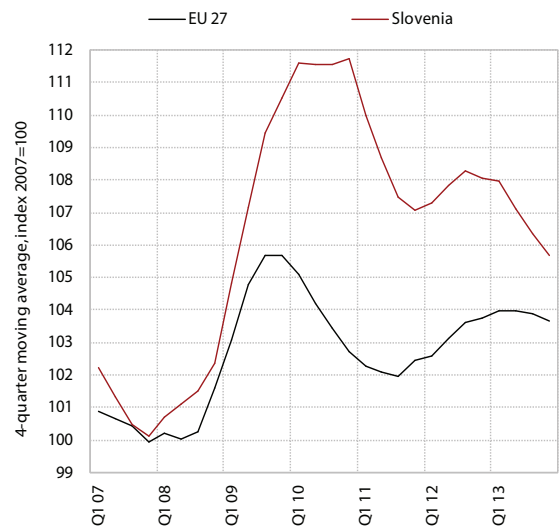
⁶ Accounting for a 2% or greater share in total merchandise exports in the EU in 2013.

Figure 33: Real unit labour costs by activity in 2013



Source: SURS; calculations by IMAD.

Figure 34: Real unit labour costs in the tradable sector, Slovenia and the EU



Source: SURS; calculations by IMAD.

Table 11: Indicators of price and cost competitiveness

Annual change, in %	2012	2013	q1 13	q2 13	q3 13	q4 13
Effective exchange rate¹						
Nominal	-1.2	1.0	0.2	0.6	1.6	1.4
Real, deflator HICP	-1.1	1.3	0.9	0.8	2.2	1.3
Real, deflator ULC	-3.0	-1.6	-2.2	-1.3	-1.0	-2.0
Unit labour costs, economy and components						
Nominal unit labour costs	0.8	-0.8	1.2	-0.5	-1.1	-2.7
Compensation of employees per employee, nominal	-1.0	0.1	-0.8	0.6	0.1	0.4
Labour productivity, real	-1.7	0.9	-2.0	1.1	1.3	3.2
Real unit labour costs	0.5	-1.8	1.2	-2.0	-2.6	-3.4
Labour productivity, nominal	-1.5	1.9	-2.0	2.7	2.8	3.9

SORS, ECB; calculations by IMAD.

Note: ¹ against 36 trading partners, according to ECB.

The cost competitiveness of the tradable sector is gradually approaching the pre-crisis level and is roughly on a par with the EU average. Real unit labour costs in the Slovenian tradable sector in 2013 were still 5.5% higher than in 2007 (11.6% higher in 2010), which is only slightly more than in the EU overall (3.7%; 2.8% in 2010). The improvement in the competitive position is visible in the manufacturing sector, which accounts for the majority of Slovenia's merchandise exports, and in the sectors of trade, transportation, accommodation and food service activities and information and communication activities.

Balance of payments

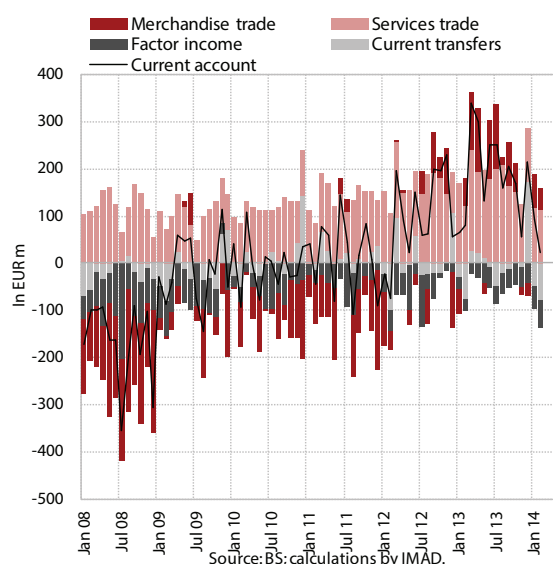
The surplus of the **current account** is not widening any more, but it remains significant. In February it was down year-on-year, on account of changes in all four balances, particularly a wider deficit in factor income.

The surplus in **international trade** was down in year-on-year terms in February, due to a lower surplus in trade in goods and services. The lower surplus in merchandise trade was the result of weaker growth in exports to the EU and stronger imports from outside the EU. The surplus in trade with non-EU countries narrowed more than the deficit in trade with the EU. The year-on-year fall in **services trade** was largely a consequence of trade in the group of business services, the main factors being a lower surplus in intermediation and other services related to trade,²² and a higher deficit in administrative and support services activities and in professional, scientific and technical activities. Expenditure on investment works carried out by foreign companies in Slovenia was also up, on account of investment in a major energy facility. On the other hand, Slovenian construction companies generated less revenue abroad, in year-on-year terms.

²² All payments related to monetary intermediation, commission for other financial intermediation services and other costs.

The deficits in factor income and current transfers were up in February. The wider deficit in **factor income** in February was mainly due to higher net interest payments on external debt, which can be explained by growth in government sector borrowing.²³ Net interest payments of the private sector were also somewhat higher, on account of debt financing between affiliated companies and the borrowing of other sectors. The Bank of Slovenia reported stable, positive, net interest receipts, despite the low interest rate. The total net payments of interest in the first two months of this year stood at EUR 116.8 m (EUR 68.7 m in the same period of 2013). The wider deficit in **current transfers** was mainly related to the lower absorption of EU funds. The deficit in private sector transfers was narrower year-on-year due to lower net payments of non-life insurance premiums and claims.

Figure 35: Components of the current account of the balance of payments



International financial transactions²⁴ recorded a net inflow in February (EUR 171.1 m). The majority of capital flows were from portfolio and other investment, while direct investment flows remained subdued. *Portfolio investment* posted a net inflow of EUR 2,740.3 m. In February the government issued 5- and 10-year bonds in the total amount of USD 3.5 bn (EUR 2.7 bn). *Other investment* registered a net outflow of EUR 2,569.5 m. Thereby, the Bank of Slovenia settled all liabilities in the framework of the Eurosystem and increased financial assets in its accounts abroad. The remaining funds were deposited by the government with commercial banks, which used them to increase investment in foreign debt securities and repay a portion of loans taken out abroad.

²³ Between the deepening of the financial crisis in September 2008 and the end of February 2014, Slovenia's gross external debt rose by EUR 15.4 bn to EUR 19.1 bn.

²⁴ Excluding international monetary reserves and statistical errors.

Direct investment posted a net inflow of EUR 72.4 m. Equity capital flows were modest. Intra-company crediting prevailed, with a rise in net liabilities of Slovenian subsidiaries against parent companies abroad.

Figure 36: Financial transactions of the balance of payments

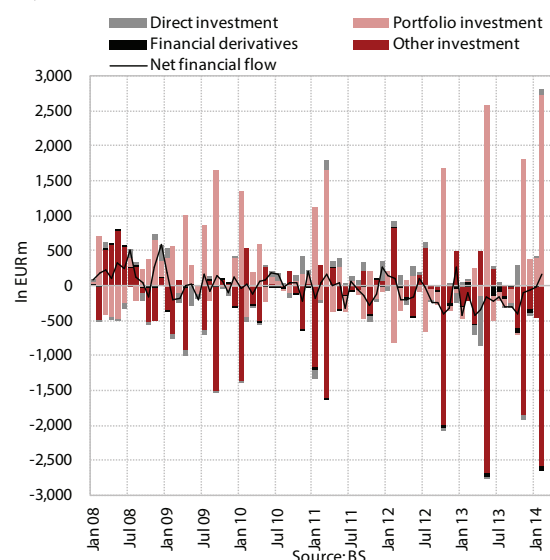


Table 12: Balance of payments

II 14, v mio EUR	Inflows	Outflows	Balance ¹	Balance, II 13
Current account	4,695.6	4,581.7	113.9	144.3
- Trade balance (FOB)	3,670.9	3,550.9	120.1	7.7
- Services	730.8	503.0	227.8	291.6
- Income	131.1	235.4	-104.3	-49.0
Current transfers	162.8	292.5	-129.6	-106.0
Capital and financial account	3,324.9	-3,348.9	-24.0	-486.2
- Capital account	50.0	-48.4	1.6	-5.4
- Capital transfers	35.5	-41.6	-6.1	-5.3
- Non-produced, non-financial assets	14.5	-6.7	7.7	-0.1
- Financial account	3,274.9	-3,300.5	-25.6	-480.8
- Direct investment	112.3	-29.0	83.2	76.2
- Portfolio investment	3,087.3	63.3	3,150.6	-138.9
- Financial derivatives	-4.4	-58.4	-62.8	31.1
- Other investment	79.8	-3,098.4	-3,018.6	-482.7
- Assets	17.1	-1,647.6	-1,630.5	-710.2
- Liabilities	62.7	-1,450.9	-1,388.2	227.5
- Reserve assets	0.0	-178.0	-178.0	33.5
Net errors and omissions	0.0	-89.9	-89.9	341.9

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

Financial markets

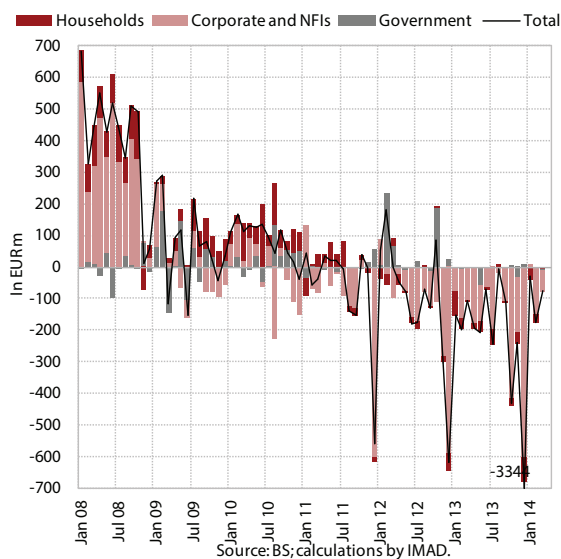
The volume of loans to domestic non-banking sectors continued to decline in March. The decline (EUR 71.4 m) was otherwise around EUR 100 m smaller than in February. The majority was a consequence of corporate and, to a lesser extent, government deleveraging, while the volume of household loans rose slightly. Loans to domestic non-banking sectors were down EUR 275 m²⁵ in the first quarter of this year, which is a sign that the decline in the volume of loans is steadily easing this year. The banks continued to deleverage abroad and reduce their liabilities to the ECB. The volume of household and government loans was also down (together by around EUR 300 m).

Household loans rose somewhat in March after six consecutive months of decline. The otherwise modest increase of EUR 3.9 m was entirely the result of borrowing for other purposes, while consumer and housing loans declined. Households continue to reduce foreign currency loans. Despite the meagre growth in March, the volume of household loans was down EUR 64.0 in the first quarter of the year.

Corporate and NFI loans were down EUR 66.7 m in March. The decline was solely the result of corporate deleveraging, as NFI loans remained practically unchanged. In the first quarter of 2014, the volume of corporate and NFI loans declined by a solid EUR 200 m.

February recorded corporate and NFI net repayments **abroad**, as the gaps between domestic and foreign interest rates widened. Net repayments amounted to EUR 58.6 m in February. Approximately 60% of debt repayments

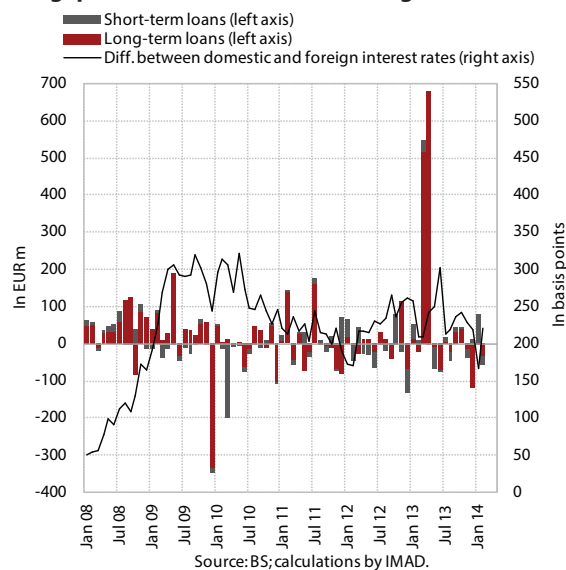
Figure 37: Increase in household, corporate and NFI and government loans



²⁵ The change in loan volume as at 31 March 2014 compared with 31 December 2013.

were the result of corporate net repayments of long-term loans recorded for the fourth month in a row. Owing to slightly stronger borrowing in January, corporate and NFI net borrowing abroad totalled EUR 16 m in the first two months of the year. Having narrowed substantially in January, the gaps between domestic and foreign interest rates widened markedly again in February, and were, at 220 basis points, approximately at the same level as at the end of the previous year. The gaps were wider only in Greece, Cyprus and Portugal.

Figure 38: Net corporate and NFI borrowing abroad and gaps between domestic and foreign interest rates



In February banks continued to **deleverage abroad**. Net debt repayments (over EUR 160 m) were primarily the result of the net repayment of long-term loans and, to a lesser extent, short-term loans and bonds. The banks thus

Figure 39: Net repayments of foreign liabilities of Slovenian banks

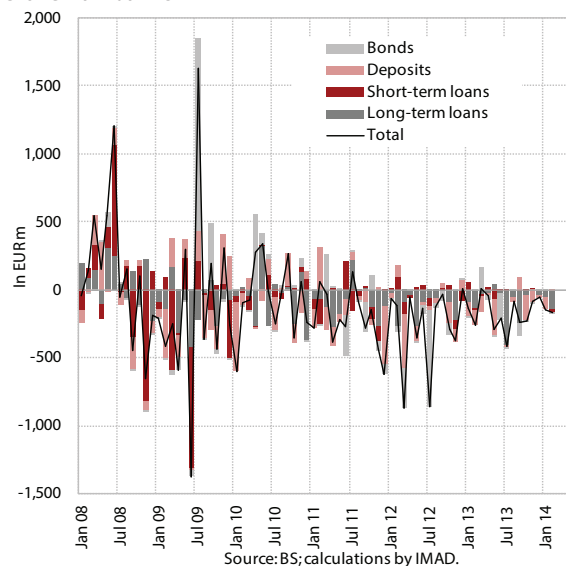


Table 13: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 13	31. III 14	31. III 14/28. II 14	31. III 14/31. XII 13	31. III 14/31. III 13
Loans total	26,176.0	25,901.0	-0.3	-1.1	-16.5
Enterprises and NFI	15,594.8	15,388.6	-0.4	-1.3	-23.5
Government	1,664.0	1,659.1	-0.5	-0.3	-4.3
Households	8,917.3	8,853.2	0.0	-0.7	-3.3
Consumer credits	2,213.4	2,203.4	-0.4	-0.5	-8.8
Lending for house purchase	5,306.5	5,289.5	0.0	-0.3	0.9
Other lending	1,397.3	1,360.3	1.1	-2.6	-9.4
Bank deposits total	14,588.1	14,866.9	-0.2	1.9	-1.5
Overnight deposits	6,446.6	6,651.3	0.3	3.2	4.3
Short-term deposits	3,681.9	3,648.6	-1.5	-0.9	-10.4
Long-term deposits	4,456.1	4,563.5	-0.1	2.4	-1.4
Deposits redeemable at notice	3.5	3.6	-7.7	1.7	-53.0
Mutual funds	1,854.6	1,872.7	0.4	1.0	-0.5
Government bank deposits, total	1,284.1	1,455.5	-15.3	13.4	-44.4
Overnight deposits	22.9	71.6	-79.7	212.9	-87.7
Short-term deposits	512.8	782.1	7.8	52.5	47.2
Long-term deposits	738.5	587.4	-7.6	-20.5	-60.8
Deposits redeemable at notice	9.8	14.4	229.3	46.4	420.9

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

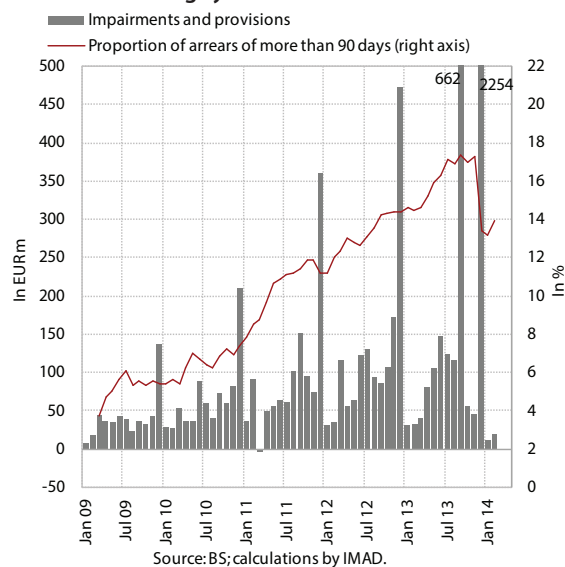
repaid a total of EUR 300 m net in foreign liabilities in the first two months of this year. Liabilities to foreign banks now total only EUR 5.4 bn.

Household and government deposits in banks shrank in March, after two months of growth. Household deposits fell by EUR 36.9 m, notably short-term deposits and to a lesser extent long-term deposits. The volume of household deposits was nevertheless approximately EUR 280 m higher in the first quarter, despite the decline in March. Government deposits dropped more than EUR 260 m in March. The government was mainly withdrawing overnight deposits and, to a lesser extent, long-term deposits. In the first quarter government deposits were up more than EUR 170 m.

The share of non-performing claims²⁶ in the banking system increased in February, but the creation of additional impairments and provisions remained low. The share of non-performing claims rose by 0.7 percentage points, to 13.9% of the banking sector's total exposure, with non-performing claims amounting to EUR 5.8 bn. After increasing at the end of last year (in our estimation, as a result of the inappropriate valuation of collateral), the creation of impairments and provisions eased at the beginning of 2014 and was lower than in the previous four years. The banks thus created EUR 19 m of additional impairments and provisions in February; in the first two months only around EUR 30 m.

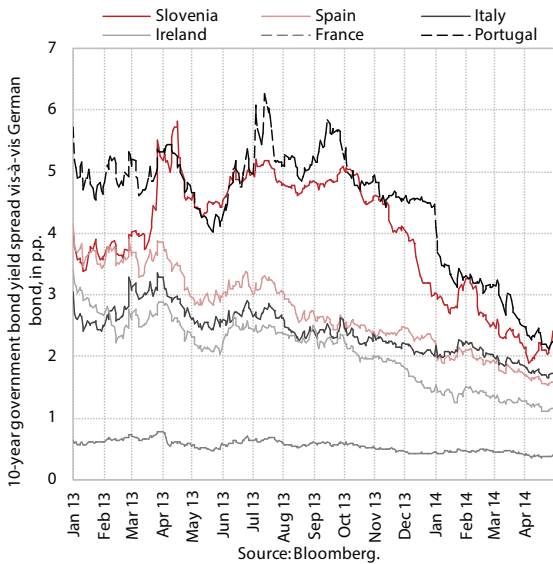
²⁶ Since December, the proportion of claims in arrears for more than 90 days has also been significantly impacted by the lower base due to the transfer of claims to the BAMC.

Figure 40: Creation of impairments and provisions and the proportion of arrears of more than 90 days in the Slovenian banking system



The yield to maturity of the 10-year euro bond and the spread with respect to the German bond declined further in April. Compared with one month earlier, the yield (3.52%) and the spread vis-à-vis the German bond (208 basis points) were 32 basis points and 26 basis points lower in April. At the beginning of the month the yield was the lowest experienced thus far (3.4%). Towards the end of the month it returned to the previous month's average due to increased political uncertainty.

Figure 41: 10-year government bond yield spread vis-à-vis German bond

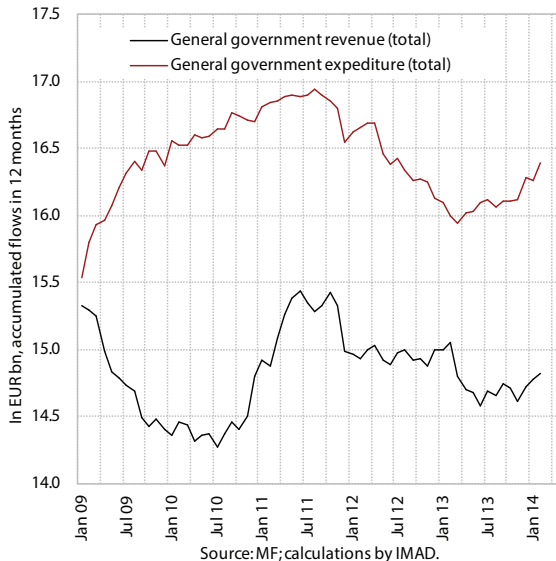


Public finance

As a result of higher expenditure than the increase in revenue, the **general government deficit** during the first two months of 2014 was similar to that a year earlier. It amounted to EUR 488 m, 1% more than in the same period of 2013.²⁷ Expenditure was up 3.7%, revenue up 4.3%.

The higher **revenue** in the first two months of 2014 (year-on-year) is explained by the increase in all main revenue categories with the exception of EU funds. The largest contribution to positive revenue performance came

Figure 42: Consolidated general government revenue and expenditure



²⁷ According to the consolidated balance on a cash basis.

from tax revenue (5.6% year-on-year), followed by non-tax revenue (21%, year-on-year) and, after a long period of decline, an increase in social security contributions (3.8%). Revenue from EU funds decreased for the second time in the year and was 22.9% lower year-on-year in the first two months. Revenues from all main tax categories increased year-on-year in the first two months with the exception of excise duties (-3.1%). The largest contributor to the increase was higher revenue from VAT (up EUR 38 m or 7.7% year-on-year, mainly on account of higher growth in January (11.2%), as it was down in February (3.2%). The rise in tax revenue was also a consequence of higher revenues from personal income tax (up 2.5%) and corporate income tax (up 6.7%), but revenue from the latter was down in February (-3.2%) after January's strong year-on-year growth.

Figure 43: Receipts from the EU budget in 2014 and 2013

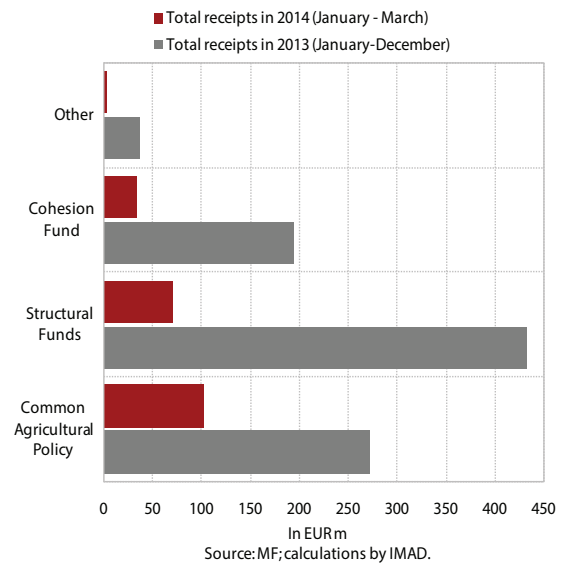
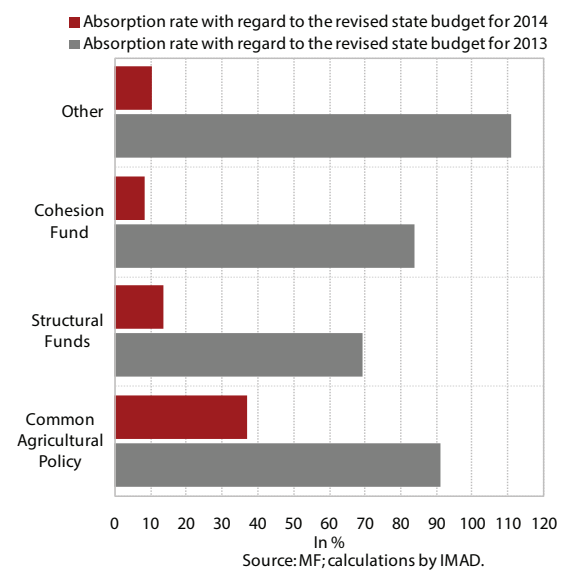


Figure 44: Planned and absorbed EU funds, 2014 and 2013



Box 5: Absorption of Cohesion Policy funds in the 2007–2013 programming period (as at 31 March 2014)

In the first three months of the current year, Slovenia was drawing funds from the previous programming period (2007–2013). The value of signed contracts was EUR 118.3 m; beneficiaries received EUR 144.2 m from the state budget; reimbursements from the EU budget to the Slovenian state budget totalled EUR 111.2 m. The majority of the total of EUR 4.1 bn allocated to Slovenia for the implementation of the Cohesion Policy (OP RR,¹ OP RČV,² OP ROPI³) under the programming period of 2007–2013 was appropriated between 1 January 2007 and 31 March 2014; the value of signed contracts accounted for 95.4%, receipts from the state budget for 65.9% and certified claims for reimbursement from the EU budget for 62.2% of the allocated funds. Out of EUR 452.4 m of the additionally allocated funding, 70.1% and 80.4% was appropriated, respectively (the EU + the Slovenian part). The most additional funds were approved for OP ROPI projects.

In the period from 1 January 2007 to 31 March 2014, the most cohesion funds were paid to the Slovenia statistical region as a whole. EUR 366.8 m was paid under the OP RR (the least to the Zasavska statistical region, EUR 26.9 m) and EUR 525.9 m under the OP RČV. The most funds under the OP ROPI were paid to the Pomurska (EUR 151.8 m) and the least to the Zasavska statistical region (EUR 2.0 m).

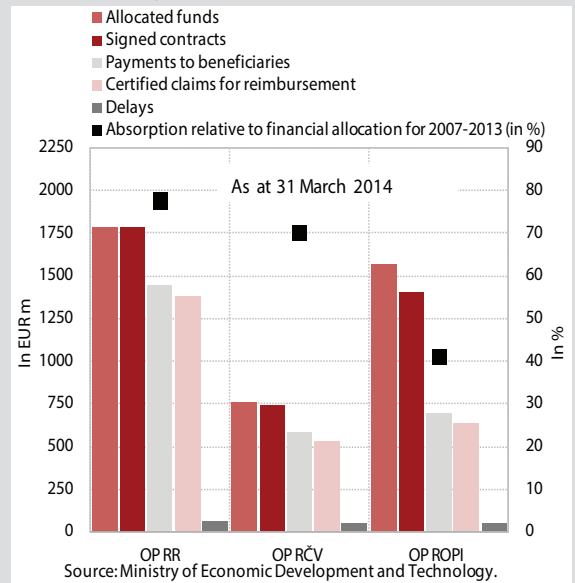
The highest absorption rate with regard to the allocated funds is recorded for the OP RR (77.5% of reimbursements from the EU budget). In 2013 the government therefore reallocated part of the funds from the OP ROPI (EUR 15.0 m from the EU part and EUR 2.6 m from the Slovenian part) to the OP RR (for the area of competitiveness and research excellence). The most funds (90.3% of the available funding) were used for projects aiming to enhance corporate competitiveness and research excellence (the first development priority). A significant factor in the successful absorption of EU funds was flexibility in substituting risky projects (i.e. those behind schedule) with such that can be finished in time. The second most successful operational programme in terms of absorption is the OP RČV (69.9% of reimbursements from the EU budget). The highest level of absorption with regard to the allocated amount was recorded for human resource development and lifelong learning projects (88.3%). The absorption of funds for other development priorities was slightly lower (from 68% to 78%). The risk of losing EU funds for the OP RČV until the end of 2015 is minimal, also because the risky projects are being successfully replaced by alternative projects from the additionally allocated funds, as is the case with the OP RR.

The lowest absorption rate with regard to the financial allocation is recorded for the OP ROPI (40.9% of reimbursements from the EU budget). It is lowest in environmental projects (municipal waste management – 26.2% of the available funds) and highest in the area of road and maritime infrastructure (74.1%). The drawing of EU funds for rail infrastructure continues to be low (28.2% of the available funds). One of the key difficulties in the implementation of the OP ROPI is ensuring state budget appropriations for the development of environmental infrastructure in the present economic and financial situation. Another problem for the state budget is excessive pressure on the years 2014 and 2015 due to the low absorption in previous years.

Moreover, the European Commission has suspended the payments under the Cohesion Policy due to a negative audit report at the beginning of 2014. The Commission has halted the payments for interim claims received in 2012 and the payments of any possible future claims in the framework of the OP RR and OP ROPI projects. Slovenia is expected to explain the irregularities in the implementation of projects identified by the EU auditors within two months after receiving the translation of the draft audit report on 19 March 2014.

¹ Operational Programme for Strengthening Regional Development Potentials.
² Operational Programme for Human Resource Development.
³ Operational Programme for Environmental and Transport Infrastructure Development.

Figure 45: Delays and absorption (as on 31 March 2014)



The increase in **expenditure** in the first two months of the year (year-on-year) is explained mainly by the increase in the wage bill. The increase (8.3%) is associated with payments

due to the Supreme Court decision, according to which public sector employees had to be paid half of the third quarter of funds to eliminate disparities in basic wages

Table 14: Taxes and social security contributions

	EUR m	Growth, %		Structure, %	
	I-II 2014	II 2014/II 2013	I-II 2014/I-II 2013	I-II 2013	I-II 2014
General government revenue - total	2,426.9	4.6	4.3	100.0	100.0
Corporate income tax	72.6	-3.2	6.7	2.9	3.0
Personal income tax	334.2	4.1	2.5	14.0	13.8
Value added tax	532.3	3.2	7.7	21.2	21.9
Excise duties	182.1	-3.5	-3.1	8.1	7.5
Social security contributions	875.4	6.2	3.8	36.3	36.1
Other general government revenues	430.2	6.6	5.8	17.5	17.7

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

Table 15: Consolidated general government revenue and expenditure

	2013			2014	
	EUR m	% of GDP	Growth, %	I-II 14, EUR m	I-II 14/I-II 13
Revenue - total	14,725.1	41.7	-1.8	2,426.9	4.3
- Tax revenues	12,647.9	35.9	-3.6	2,130.2	4.9
- Taxes on income and profit	2,137.4	6.1	-19.5	406.3	3.1
- Social security contributions	5,127.2	14.5	-2.2	875.4	3.8
- Domestic taxes on goods and services	5,027.3	14.3	3.1	808.5	6.7
- Receipts from the EU budget	938.2	2.7	11.0	79.4	-22.9
Expenditure - total	16,282.7	46.2	1.0	2,914.6	3.7
- Wages and other personnel expenditure	3,617.0	10.3	-3.0	645.4	8.3
- Purchases of goods and services	2,237.4	6.3	-5.7	359.8	2.1
- Domestic and foreign interest payments	840.1	2.4	29.7	277.8	18.1
- Transfers to individuals and households	6,343.0	18.0	-0.6	1,039.3	-0.8
- Capital expenditure	1,030.8	2.9	12.7	127.6	27.3
- Capital transfers	319.0	0.9	-0.3	11.1	-54.7
- Payment to the EU budget	425.5	1.2	9.0	129.4	0.4
Deficit	-1,557.6	-4.4	38.3	-487.7	1.0

Source: MF, Public Finance Bulletin.

(back payments for the period from 1 October 2010 to 31 May 2012) by February 2014. Other expenditures also increased (interest expenditure, subsidies, investments), but their contribution to growth in total expenditure was lower. Funds from reserves and different types of transfers (social transfers, investment transfers and transfers abroad) declined. Social transfers²⁸ were lower year-on-year (down 0.8%) across all categories with the exception of those related to pensions (0.8%) and social security (7.1%). The most important reductions in social transfers concerned sickness benefits, unemployed people and family benefits.

In March Slovenia received EUR 130.3 m from the EU budget. Its payments to the EU budget totalled EUR 33.3 m, which is less than half of February's payments (EUR 81.7 m).²⁹ Its

net budgetary position was thus positive for the first time this year (EUR 96.9 m). The bulk of receipts came under the Common Agricultural and Fisheries Policies (EUR 89.9 m), the receipts from Structural Funds and the Cohesion fund totalling EUR 22.3 m and EUR 17.2 m, respectively. In the first three months overall, Slovenia received EUR 209.3 m from the EU budget (the same as in the previous year, or 17.4% of the level envisaged in the budget for 2014) and paid EUR 162.7 m, 40.9% of the level planned. Slovenia's net budgetary position against the EU budget thus totalled EUR 46.5 m in the first three months of this year (EUR 48.2 m last year). More than half of the received funds were receipts under the Common Agricultural and Fisheries Policies, 33.7% of receipts were from structural funds and 16.1% from the Cohesion Fund.

²⁸ Since May 2013 expenditure on scholarships has been covered from direct government funds or from reserves.

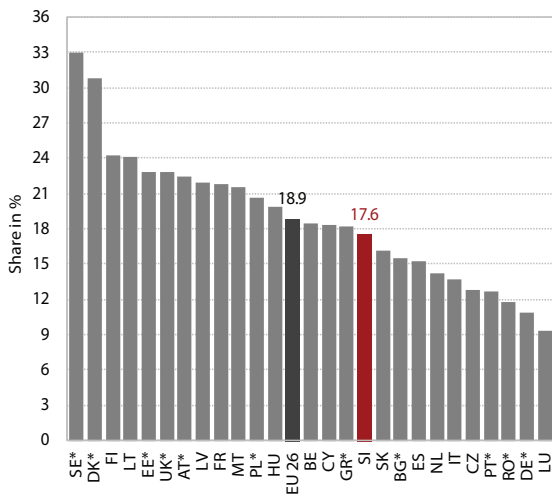
²⁹ Owing to the increased expenditure of the European Agricultural Guarantee Fund (EAGF), the EC can call on the Member States to pay triple the amount of their average monthly payments to the EU budget at the beginning of the year (usually in February). See SEM, March 2014.

selected topics

Employment in the general government sector and public service activities – international comparison

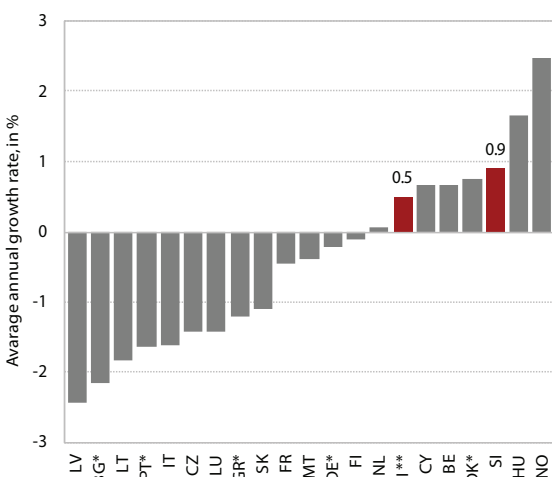
Slovenia has a smaller proportion of employed people working in the government sector in comparison with other EU countries, but growth in employment during the crisis was higher, on average. The proportion of employed people who work in the general government sector (17.6%), i.e. at providers established by the government or a municipality, which are predominantly financed by public funds (over 50%), Slovenia is below the EU average (EU-26: 18.6%). In the period of the crisis (2009–2013)

Figure 46: Shares of employment in the general government sector, 2012



Source: Eurostat, SURS; calculations by IMAD. Note: Shares in total employment according to national accounts (in persons); arithmetic ave. EU-26 (excl. IE and HR) – own calculation; * data for 2011; Slovenia data for 2013.

Figure 47: Average annual growth in employment in the general government sector during the crisis (2009–2012), Slovenia and EU countries

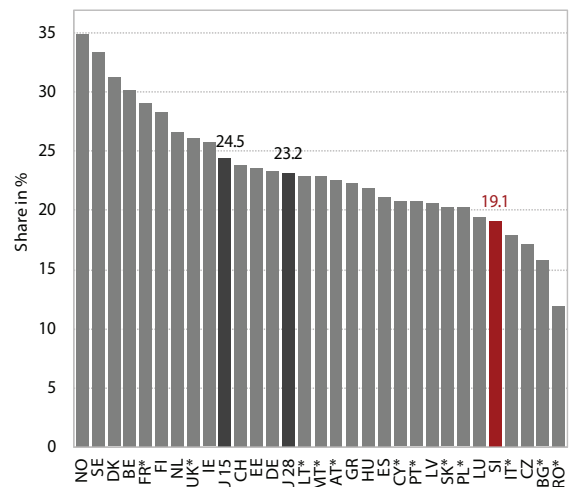


Source: Eurostat, SURS; calculations by IMAD. Note: Data for Slovenia for 2009–2013. **Slovenia (excl. the railway company); excl. the reclassification of the railway company to the general government sector (S13) in 2011. * 2009–2011.

Slovenia recorded 0.5% annual growth in employment in the general government sector, on average (0.9%, taking into account the reclassification of the railway company 'Slovenske železnice' to the general government sector in 2011), while in most other EU countries growth was lower or employment declined.

Slovenia has a wider gap with the EU in terms of employment in public service activities than employment in the general government sector, which is mainly attributable to the poorly developed private provision of public services. Public service activities include public administration and defence, compulsory social security (O), education (P) and human health (Q86) and social work (Q87-88) activities. Apart from those employed with providers inside the general government sector, the employed persons in public service activities include those employed with public providers that receive less than 50% from public funds (such as old people's homes, pharmacies, adult education institutions) and those working with private providers (concessionaries or purely private providers). Overall, 19.1% of all persons in employment worked in public service activities in Slovenia in 2013 (2000: 15.5%), compared with 23.2% in the EU-28 (2000: 21.8%). High shares of people working in public service activities are otherwise mainly recorded by most developed EU countries but, having a relatively small share, Slovenia also lags behind countries with similar or lower levels of development.

Figure 48: Share of employment in public service activities, 2013



Source: Eurostat; calculations by IMAD. Note: Shares in total employment according to national accounts (in persons); EU-28 and EU-15 averages calculated by Eurostat; * data for 2012.

Slovenia exceeds the EU average in the share of people employed in education, while lagging behind in employment in public administration and human health and social work activities. In education Slovenia exceeds the EU-28 average by 0.5 percentage points in terms of employment in persons, and by as much as 1.1 percentage points in employment in hours worked, which can be explained

Table 16: Share of employed persons by public service activity, in persons and hours worked, in %

	Public services (O-Q) 2013		Public administration (O) (2012)		Education (P) (2012)		Human health (Q86) (2012)		Social work (Q 87-88) (2012)	
	In persons	In hours worked	In persons	In hours worked	In persons	In hours worked	In persons	In hours worked	In persons	In hours worked
Slovenia	19.1	17.9	5.5	5.1	7.3	6.7	4.4	4.3	1.9	1.6
EU 27	23.2	21.2	6.5	6.4	6.7	5.6	5.7	5.4	4.2	3.6
EU 15	24.5	22.3	6.6	6.5	6.7	5.6	6.1	5.8	4.8	4.2
Austria*	22.6	20.5	6.2	6.1	6.1	5.6	6.5	5.9	3.8	3.0
Belgium	30.3	26.7	9.5	9.7	8.3	6.5	6.4	6.0	5.8	4.5
Bulgaria*	15.8	16.2	6.4	7.2	5.0	4.5	3.6	3.5	0.9	1.0
Cyprus*	20.8	17.4	9.8	8.8	6.7	4.5	3.1	3.0	1.2	1.2
Czech Republic	17.2	16.8	5.5	5.4	5.5	5.2	4.6	4.7	1.3	1.3
Denmark	31.3	30.9	5.8	6.2	8.3	8.1	6.1	6.1	11.1	10.4
Estonia*	23.6	22.3	7.4	7.7	10.3	8.8	4.4	4.4	1.4	1.4
Finland	28.3	26.2	6.7	6.8	6.7	5.7	7.4	6.9	7.6	6.7
France*	29.1	26.0	9.0	8.3	6.4	4.6	6.6	6.6	7.2	6.5
Greece	22.3	19.4	9.1	8.8	6.9	4.2	4.5	4.3	0.8	0.7
Ireland	25.7	23.7	5.4	5.6	7.9	6.4	8.5	8.1	4.8	4.1
Italy*	18.0	14.7	5.3	4.5	5.8	4.1	4.9	4.4	2.0	1.7
Latvia	20.6	20.6	6.2	6.5	9.4	8.7	4.5	4.2	1.1	1.4
Lithuania*	23.0	21.6	5.8	6.0	10.6	9.0	5.5	5.4	1.2	1.2
Luxembourg	19.5	17.6	5.7	5.6	4.6	4.6	3.8	3.0	5.2	4.4
Hungary	21.9	20.6	8.1	:	6.4	:	4.6	:	2.2	:
Malta*	22.9	:	7.4	:	8.3	:	4.0	:	3.5	:
Germany	23.3	22.4	6.2	6.2	6.2	5.7	6.2	6.2	4.5	4.1
Netherlands	26.7	24.2	5.6	6.0	5.5	5.2	6.1	5.9	9.6	7.0
Norway	35.0	31.2	7.1	:	7.4	:	6.6	:	:	:
Poland*	20.2	18.7	6.7	6.6	7.6	6.4	4.4	4.3	1.4	1.4
Portugal*	20.8	19.9	6.2	5.8	6.7	5.8	4.6	4.9	2.9	2.7
Romania*	12.0	12.1	4.2	4.2	4.0	3.9	3.3	3.3	0.9	0.9
Slovakia*	20.3	18.2	7.0	6.5	7.7	6.4	4.4	4.2	1.3	1.1
Spain	21.2	21.1	7.9	8.2	5.8	5.1	5.3	5.3	1.9	1.9
Sweden	33.4	32.0	:	:	:	:	:	:	:	:
Switzerland	23.9	:	4.1	4.1	6.9	:	:	:	:	:
United Kingdom*	26.1	23.9	5.1	5.5	8.3	6.9	7.2	6.6	5.4	4.9

Source: Eurostat.

Notes: Shares in total employment according to national accounts; *the EU-27 and EU-15 averages according to Eurostat's calculations.

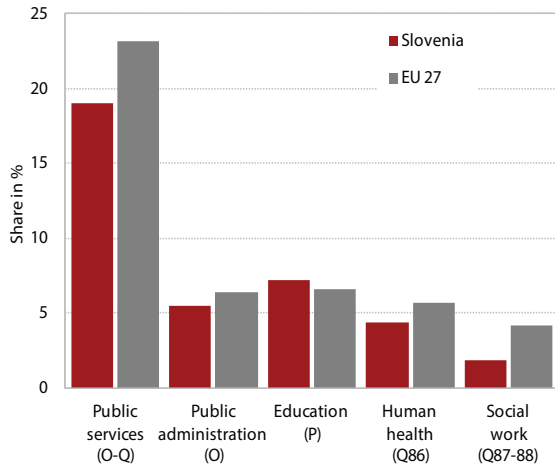
by a significantly lower level of part-time employment.³⁰ Lower employment in health and social work is to a great extent related to the poorly developed private provision of these activities, particularly in long-term care. The share of employment in hours worked in health and social work activities is also significantly lower than in the EU, but the gap is slightly smaller.

During the economic crisis, in Slovenia, employment declined only in public administration, while employment in education, human health and social work remained relatively high. In the years of the crisis (2009–2013)

³⁰ Slovenia has lower part-time employment than the EU as a whole at all levels of education, except tertiary education (according to the UOE methodology – Unesco, OECD, Eurostat).

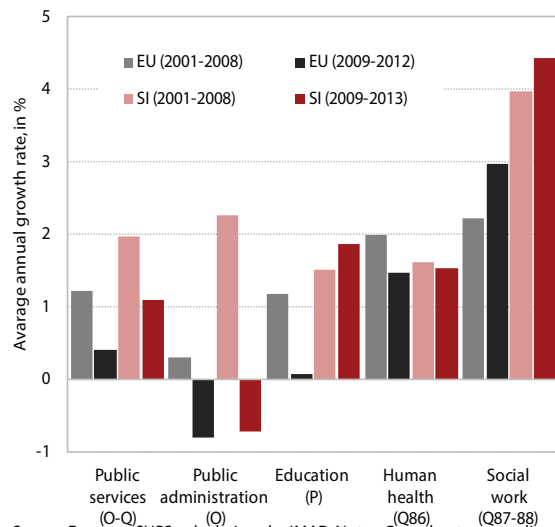
employment growth in the EU overall slowed in all public service activities but social work, while in Slovenia it declined only in public administration, eased slightly in health, while rising in education and social work. Given the wide gap with the EU, the growth of employment in social work is justified. Moreover, public providers in this sector (old people's homes) are also mainly financed from private funds. Growth in employment in education is however much more problematic from the perspective of public finances, given that more than half of all people employed in this sector work in primary education, which is almost entirely financed from public sources. With this in mind, it is necessary to check if it is sensible to increase growth in this sector, particularly in the area of primary education.

Figure 49: Shares of employment in public service activities in Slovenia and in the EU (in persons), 2013



Source: Eurostat, SURS; calculations by IMAD. Notes: Data for Slovenia for 2013; data for pub. serv. (O-Q) in the EU-27 for 2013, by activity for 2012; the EU-27 ave. calcul. by Eurostat; shares in total employ. according to national accounts, in persons.

Figure 50: Average annual employment growth in public service activities in the years before and after the beginning of the crisis, Slovenia and the EU-28 average

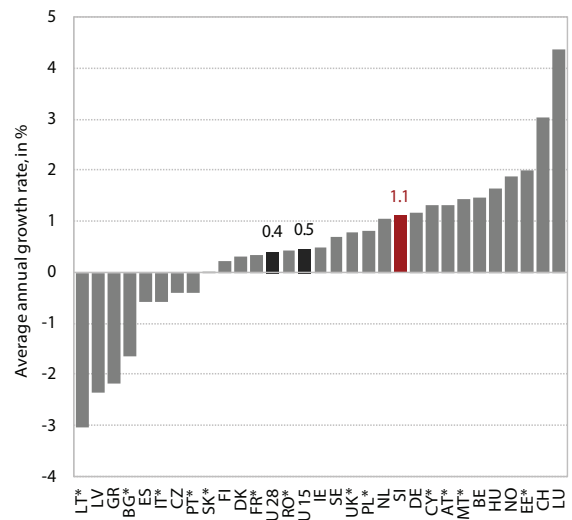


Source: Eurostat, SURS; calculations by IMAD. Notes: Growth rates according to national accounts, in persons.

In the majority of EU countries, employment in public service activities continued to rise during the economic crisis. The main reasons for further growth are: (i) in education, the growing participation in kindergartens, an increase in the available higher-education programmes and improvement in adult education and lifelong learning programmes; (ii) in health care, in addition to population ageing, particularly the rapid development of new methods of treatment and medicines, coupled with higher awareness and expectations of the population; (iii) in social work, along with increased needs for long-term care due to population ageing, assistance to the most

vulnerable social groups (in particular during the crisis). By transferring certain activities to private providers and a greater role of the public-private partnership in financing certain public services, in the previous decade, a number of EU countries tried to meet part of the growing needs by increasing the supply of concessionaries and purely private providers, which, with appropriate regulation and supervision, operate in the area of public service activities. In more developed EU countries, various non-government organisations and societies (which are also partly supported by public and EU funds) play a significant role, particularly in the provision of social work services.

Figure 51: Average annual employment growth in public service activities during the crisis (2009–2013)



Source: Eurostat; calculations by IMAD. Note: * 2009–2012.

Population projections EUROPOP2013³¹

At the end of March, Eurostat published new population projections for the time period 2013–2080.³² They comprise data on the population by gender and age as at January 1, 2013, and assumptions about future levels of fertility, mortality and net international migration. The projections were made using a convergence approach, assuming that the demographic components will converge over the long-term (the convergence year being 2150³³) and the differences between the countries will gradually fade out. In the following paragraphs we present the projections for Slovenia.

According to EUROPOP2013, the population of Slovenia will be increasing until 2022, after which year it will start declining to be 80 thousand lower than the present number

³¹ EUROpean POPulation projections 2013-based.

³² Data for all EU Member States as well as data for Iceland, Norway and Switzerland.

³³ Eurostat. EUROPOP2013 - Population projections at national level (proj_13n). Obtained at: http://epp.eurostat.ec.europa.eu/cache/ITY_SDDS/en/proj_13n_esms.htm#stat_process139634111326.

Table 17: Results of the EUROPOP2013 projections

	2013	Compared with 2013						
		2020	2030	2040	2050	2060	2070	2080
Total population	2,058,821	27,958	28,837	19,812	11,561	-17,471	-45,133	-52,313
Men	1,019,061	17,339	19,465	13,799	10,104	-2,008	-13,186	-12,902
Women	1,039,760	10,619	9,372	6,013	1,457	-15,463	-31,947	-39,411
Women in reproductive age, aged 15–49	466,975	-36,052	-62,250	-83,840	-82,721	-76,804	-86,009	-86,518
Children, aged 0–14	298,095	22,816	-5,004	-16,216	8,706	2,381	-3,941	7,916
Youth, aged 15–29	354,841	-48,221	-22,941	-11,412	-42,439	-28,741	-18,900	-33,724
Active population, aged 20–64	1,310,114	-62,878	-149,220	-192,053	-261,499	-279,287	-252,738	-275,210
Older active population, aged 50–64	439,879	5,114	-2,296	-14,869	-92,077	-110,411	-69,539	-94,143
Older population, 65+	352,145	72,685	165,920	225,402	265,644	249,195	205,984	212,217
Oldest population 85+	38,735	15,660	30,234	62,459	89,449	102,913	122,879	112,826
	2013	2020	2030	2040	2050	2060	2070	2080
Old-age-dependency ratio 65+/20–64	26.9	34.1	44.6	51.7	58.9	58.3	52.8	54.5
Age-dependency ratio ((0–14)+(65+))/20–64	49.6	59.8	69.9	76.9	88.2	87.5	80.6	84.1
Ageing index, 65+/0–14	118.1	132.4	176.8	204.9	201.4	200.1	189.7	184.4
Parent support ratio, 85+/50–64	8.8	12.2	15.8	23.8	36.9	43.0	43.6	43.8

Source: Eurostat, calculations by IMAD.

in 2080. The population of Slovenia, 2,058,821 at the beginning of 2013, should decline by 50 thousand by 2080. The fertility rate is projected to rise gradually to 1.78 children per woman in reproductive age. Given a constant decline in the number of women in reproductive age, a higher fertility rate means a higher number of births per women rather than more children born. According to the provisional data by SURS, 20,976 children were born in 2013 as a whole and the average number of births over the time horizon of the projection is around 19 thousand.

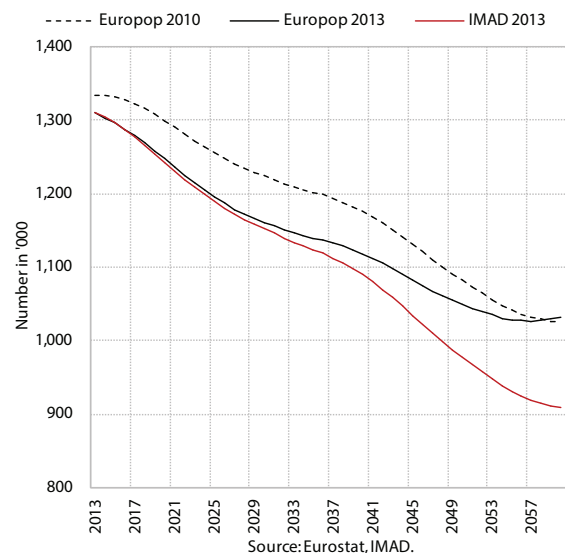
Annual net migration is projected to total around 4,000 persons per year, which is close to the average in 1995–2012. While in 2005–2009 net migration exceeded 10 thousand people per year, it declined below 700 per year in 2010–2013. The assumption of net migration underlying the previous projection (EUROPOP2010) was fairly problematic, as it predicted a continuation of high immigration flows from the previous period (around 10 thousand per year until 2015), which proved unrealistic already in the first year of the projection (net migration in 2010 being even slightly negative).

Life expectancy will increase further, but the gap between male and female life expectancy will be narrowing. Eurostat has not released the figures for life expectancy (yet), but the mortality rates lead us to believe that by 2080 life expectancy at birth could be prolonged by around 8 years for women (2012: 82.9 years) and almost 10 years for men (2012: 77.0 years). Since 2000 it has risen by 3.8 months per year, on average, for women, and by 5 months for men. The difference between female and male life expectancy has narrowed from 7.2 to 5.9 years and is projected to decline to just over 4 years in 2080.

In fifty years the older population will double relative to the working-age population. The problem of ageing is

otherwise somewhat less pronounced than according to the previous projections,³⁴ as the number of people older than 65 will be 48 thousand lower. This can be explained by the aforementioned difference between the previous and new projections in net migration at the beginning of the period; 57% of net migration is accounted for by working-age people (20–64 years), whose number is now projected to be lower than according to the previous projection, which will translate into a lower number of the older population. At the beginning of 2013 there were 26.9 people older than 65 per 100 working-age population in Slovenia, in 2060 there will be 58.3 (EUROPOP2010: 63.4), but in 2080 the figure will be slightly lower, as in 2055–

Figure 52: Active population according to three projections



Source: Eurostat, IMAD.

³⁴ The 2010 and 2013 projections are otherwise not totally comparable due to methodological changes.

2073 the number of the older population is projected to decline further, while the number of the working-age population will increase slightly. The number of the oldest population (over 85), which was up 60% over 2000 at the beginning of 2013, will continue to grow, and its share in the total population will rise from 2% to 7%. The parent support ratio will thus increase significantly; in 2013 there were 8.8 people older than 85 years per 100 population, while by 2080 the number will rise to 43.8.

When it comes to ageing, the EUROPOP2013 projection is more optimistic than the projection of IMAD.³⁵ The EUROPOP2013 projects a higher fertility rate and higher net migration than IMAD, mainly in order to satisfy the convergence criterion. Slovenia will thus have 10% (188.818) more people in 2060 according to the EUROPOP2013 projection. The number of active people, which represent the potential for growth, will be at 13.6% (123,270), while the number of older people will be 0.3% higher, meaning that according to the EUROPOP2013 projection, the problem of ageing is somewhat less acute. However, the most recent Ageing report³⁶ for Slovenia finds that ageing has a substantial effect on the long-term sustainability of public finances in Slovenia, as Slovenia stands out among the EU countries with a significant increase in pension expenditure.

Tourist arrivals and overnight stays in 2013

In 2013 the number of tourists³⁷ and their overnight stays increased due to a higher number of foreign tourists. Last year Slovenia was visited by 3.4 million tourists (domestic and foreign) and they made 9.6 million overnight stays, which is 2.6% and 0.7% more, respectively, than in the previous year. With the number of foreign tourists' arrivals and overnight stays rising for the fourth year in a row, the number of their overnight stays approaches 6 million. Foreign tourists contribute to the positive balance of tourism trade, as they account for nearly a third of all inflows from travel. Approximately half of inflows are generated by same-day visitors and a fifth by transit tourists, for whom Slovenia is not the final tourist destination. Last year the inflow from travel increased further and reached EUR 2.1 bn, the surplus over outflows totalling EUR 1.4 bn. Given the adverse economic situation and lower household spending, the number of domestic tourists and their overnight stays fell again, as did the average length of stay³⁸.

³⁵ IMAD. (2013). Delovna projekcija prebivalstva Slovenije (Working Projection of the Population for Slovenia). Available at http://www.umar.gov.si/fileadmin/user_upload/sporocila_zajavnost/2013/november/projekcije_prebivalstva.pdf

³⁶ EC. (2012). The 2012 Ageing Report: Economic and budgetary projections for the EU27 Member States (2010–2060). Obtained at: http://ec.europa.eu/economy_finance/publications/european_economy/2012/2012-ageing-report_en.htm.

³⁷ I.e. the number of tourist arrivals, as tourists are registered on their arrival to any tourist accommodation where they spend the night. It can

Figure 53: Travel in 2000–2013

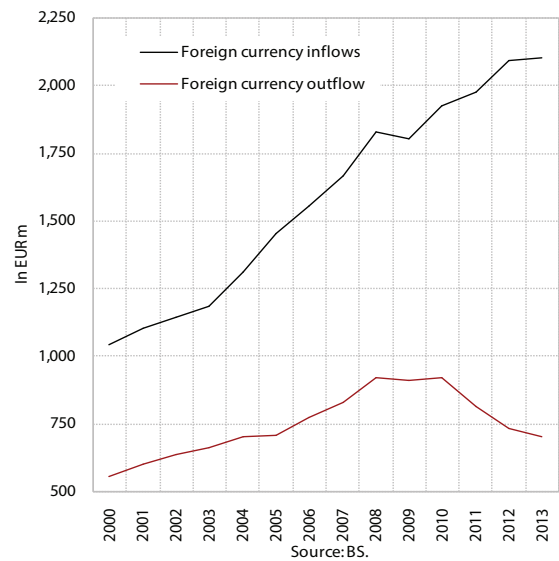
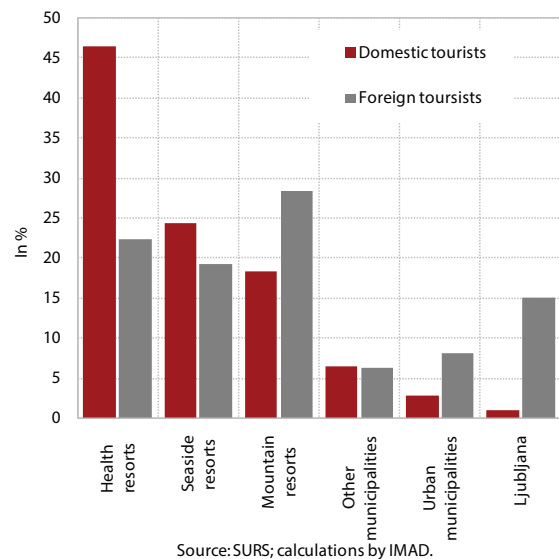


Figure 54: Tourist overnight stays by type of resort, 2013



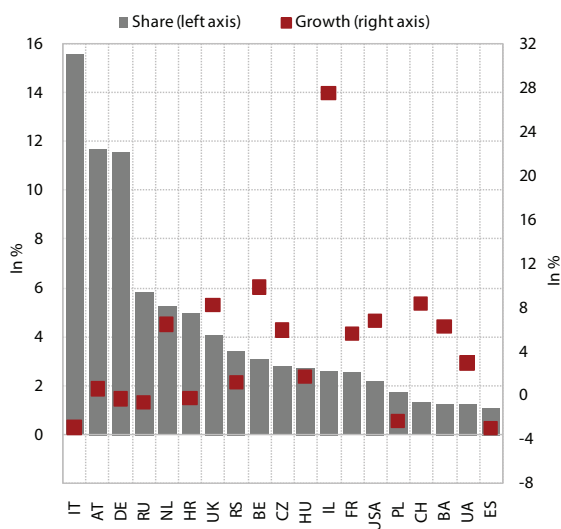
Last year domestic tourists again generated the highest share of their overnight stays in health (spa), seaside and mountain resorts. The number of overnight stays declined relative to 2012 in all types of resorts except Ljubljana, which otherwise accounts for only 1% of overnight stays by Slovenian tourists. The highest share of overnight stays by domestic tourists was in health resorts, notably in the municipalities of Brežice and Podčetrtek. Mountain resorts accounted for around a fifth of all overnight stays, the number being highest again in Kranjska Gora, Bohinj and Bovec. Among other municipalities, the highest number of overnight stays by domestic tourists was recorded in Ljutomer, Črnomelj, Kočevje and Metlika.

therefore happen that their registration in a place/country is multiplied.

³⁸ Measured by the average number of overnight stays per tourist.

Foreign tourists again spent the highest number of nights in mountain and health resorts (together a half), followed by seaside resorts and Ljubljana. Relative to 2012, the number of overnight stays increased the most (by a tenth) in Ljubljana; an increase over the previous year was recorded in all months of 2013. Growth in the number of nights spent in Ljubljana was recorded for tourists from all of the most important countries for Slovenia's tourism, most notably tourists from Russia (by 40.6%), Belgium (16.0%) and the United Kingdom (11.7%). The number of nights spent in mountain resorts also rose, by 7%, high growth being generated by tourists from the Netherlands, United Kingdom, Belgium and Germany, i.e. those who tend to spend the most nights precisely in mountain resorts. The number of overnight stays in seaside resorts remained almost unchanged from the previous year; the number of overnight stays by Italian, Austrian and German tourists declined, but there were more guests from Russia. While increasing in other municipalities, the number of nights spent by Russian tourists declined sharply in health resorts, but health resorts nevertheless still recorded the highest number of their overnight stays. As the number of Italian tourists also fell, foreign overnight stays in health resorts declined relative to 2012. After strong growth in 2012, mainly as a result of the increase in Maribor, the European capital of culture in 2012, the number of overnight stays in urban municipalities declined in 2013 but was still higher than in 2011.

Figure 55: Overnight stays by foreign tourists, 2013



Source: SURS; calculations by IMAD.

Social progress index

The Social Progress Index,³⁹ published for the first time in 2014, ranks Slovenia 18th among 132 countries surveyed. The concept of social progress is defined as the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential. The social progress index is composed of three overall dimensions (basic human needs, foundations of wellbeing and opportunity). Each of these dimensions is broken down into four components, which together include 54 indicators. The decisive criteria in the selection of indicators were internal validity and public availability (transparency). The indicators are aggregated into components based on factor analysis. An average of four components represents a dimension, while an average of the three dimensions is the social progress index score.⁴⁰

The index has been designed to help policy makers (civil society, politicians and investors) in countries at all levels of development make better choices in the area of social progress and economic performance. From this aspect, the calculations for individual components are particularly relevant, especially for the components in the first two dimensions, which rely on objective indicators. They make it easier to decide, for example, between investment and/or living in a safe and healthy environment with the necessary infrastructure and facilities and adequately educated workforce. The third dimension (opportunity) is based on opinion indicators, which indicate how a country takes care of its human, environmental, cultural and social capital of the first two dimensions, or how successful it is in their preservation and development. This dimension is very important, but the quality and the choice of the included indicators are questionable.

A special (methodological) feature of the social progress index is that it measures progress without economic indicators. It includes exclusively social and environmental indicators in their output version, meaning that it measures the situation, i.e. outcomes, not how much effort is made nor how much the country spends on certain areas. In the future this could enable more scientific analysis of the relationship (causation/correlation) between social and economic (GDP) progress and subjective well-being. The social progress index allows us, for the first time, to evaluate the effectiveness with which a country's economic success is turned into social success, and vice versa. The social progress index is thus also part of the "beyond GDP" paradigm, which tries to understand development in a broader sense than just

³⁹ Social Progress Index. See <http://www.socialprogressimperative.org/data/spi>.

⁴⁰ The final selection of indicators was made on the basis of tests and experts' comments on the beta version of the Social Progress index released in 2013. For more on the methodology see Social Progress Index 2014 Methodological Report.

Table 18: Composition of the Social Progress Index and detailed results for Slovenia¹

Social Progress Index			100 ²	82 ³	18 ⁴						
Basic human needs	100	92	15	Foundations of wellbeing	100	84	12	Opportunity	100	69	25
Nutrition and basic medical care	100	98	11	Access to basic knowledge	100	98	22	Personal rights	100	81	24
Undernourishment	5	less than 0.5	1	Adult literacy rate	100	100	13	Political rights	1	1	1
Depth of food deficit	0	6	23	Primary school enrolment	100	97	37	Freedom of speech	2	1	14
Maternal mortality rate	0	12	29	Lower secondary school enrolment	100	96	65	Freedom of assembly/associations	2	2	1
Stillbirth rate (deaths/1,000 live births)	0	3	6	Upper secondary school enrolment	100	100	27	Freedom of movement	4	4	1
Child mortality rate (children under 5 years)	0	3	6	Gender parity in secondary enrolment	1	1	61	Private property rights	100	60	29
Deaths from infectious diseases	0	12	13	Access to information and communications	100	80	26	Personal freedom and choice	100	82	21
Water and sanitation	100	100	19	Mobile telephone subscriptions	100	109	1	Freedom over life choices	100	89	16
Access to piped water	100	100	17	Internet users	100	70	29	Freedom of religion	4	4	1
Rural vs. Urban access to improved water source	0	0.4	28	Press Freedom Index	/	21	21	Modern slavery, human trafficking, child marriage	1	9.8	82
Access to improved sanitation facilities	100	100	1	Health and wellness	100	76	49	Satisfied demand for contraception	100	91	20
Shelter	100	79	32	Life expectancy	85	80	23	Corruption	100	57	28
Availability of affordable housing	100	24	117	Non-communicable disease deaths between 30 and 70	0	14	27	Tolerance and inclusion	100	64	27
Access to electricity	100	100	1	Obesity rate	0	27	115	Women treated with respect	100	65	55
Quality of electricity supply	7	6.4	15	Outdoor air pollution attributable deaths	0	10	46	Tolerance to immigrants	100	56	66
Indoor air pollution attributable deaths	3	5.5	1	Suicide rate	0	18	116	Tolerance to homosexuals	100	38	39
Personal safety	100	91	10	Ecosystem sustainability	100	82	2	Discrimination and violence against minorities	1	3.3	9
Homicide rate	1	1	1	Greenhouse gas emissions	4	385	2	Religious tolerance	4	3	38
Level of violent crime	1	1	1	Water withdrawals as a percent of resources	0	0	11	Community safety net	100	92	17
Perceived criminality	1	2	2	Biodiversity and habitat	100	100	1	Access to advanced education	100	51	38
Political terror	1	1	1					Years of tertiary schooling	2	0.5	43
Traffic deaths	0	7.2	2					Women's average years in school	16	13	26
								Inequality in the attainment of education	0	0	9
								Number of globally ranked universities	5	0	49

Note: ¹For more see Social Progress Index 2014 – Methodological report at <http://www.socialprogressimperative.org/publications>. ²First column maximum score; ³Second column score for Slovenia, ⁴third column Slovenia's rank among 132 countries.

as GDP-based social processes; similar to the twenty years old Human Development Index (HDI) developed by the United Nations; the Happy Planet Index (HPI) developed in mid-1990s by the New Economic Foundation (NEF); the OECD Better Life Index (BLI); the Eurobarometer Social Climate Index and a range of other less known indices. The first three indices (SPI, HDI and HPI) cover

and are useful for all, reach and poor, developed and undeveloped, countries.

The top three countries in the world in terms of social progress are New Zealand, Switzerland and Iceland, three countries that are relatively small in terms of populations. They are followed by 17 EU countries, together with

Table 19: Slovenia's ranking among 25 EU Member States in terms of Social Progress Index and its dimensions (in absolute and relative terms)

	Social Progress Index	Social Progress Index rank	Basic human needs score	Basic human needs rank	Foundations of wellbeing score	Foundations of wellbeing rank	Opportunity score	Opportunity rank
Austria	85.11	5	94.57	4	86.35	2	74.42	11
Belgium	82.63	9	92.74	8	78.81	15	76.34	7
Bulgaria	70.24	24	82.01	23	71.72	25	56.98	23
Croatia	73.31	23	88.16	16	76.87	19	54.88	25
Czech Republic	80.41	15	91.77	11	83.26	9	66.21	17
Denmark	86.55	4	95.73	1	84.82	4	79.10	6
Estonia	81.28	11	87.13	17	84.39	6	72.32	13
Finland	86.91	3	94.63	2	84.17	7	81.92	4
France	81.11	12	91.23	12	79.37	13	72.72	12
Germany	84.61	6	93.08	7	84.96	3	75.81	8
Grčija	73.43	22	86.99	18	74.85	22	58.45	22
Hungary	73.87	20	86.24	20	71.91	24	63.46	18
Ireland	84.05	8	93.63	6	75.89	21	82.63	1
Italy	76.93	18	86.73	19	77.48	17	66.58	15
Latvia	73.91	19	82.77	22	79.11	14	59.85	21
Lithuania	73.76	21	81.47	24	77.96	16	61.84	20
Netherlands	87.37	1	93.91	5	87.56	1	80.63	5
Poland	77.44	17	84.72	21	81.10	11	66.50	16
Portugal	80.49	14	90.93	13	76.11	20	74.43	10
Romania	67.72	25	73.71	25	74.54	23	54.91	24
Slovakia	78.93	16	90.49	14	83.25	10	63.04	19
Slovenia	81.65	10	92.05	9	83.60	8	69.30	14
Spain	80.77	13	90.22	15	76.90	18	75.19	9
Sweden	87.08	2	94.59	3	84.71	5	81.95	3
United Kingdom	84.56	7	91.90	10	79.47	12	82.29	2

Note: The highest possible dimension and overall Social Progress Index scores are 100.

Canada, Australia and the US. The best performing country among the 25 EU countries included in the survey⁴¹ is the Netherlands, while the worst performing country is Romania. Slovenia is ranked 10th.

Slovenia is ranked highest in the foundations of wellbeing dimension. It is also relatively high on the basic human needs dimension, while it fares worse in the opportunity dimension. Among the components, Slovenia stands out in a positive way on ecosystem sustainability, but scores low on health and wellness. The latter includes two of the three worst indicators for Slovenia, suicide rate and obesity rate. The third worst indicator, which also ranks Slovenia in the second hundredth of the countries surveyed, is availability of affordable housing. On the other hand, Slovenia is among the top ranking countries on 13 indicators: absence of undernourishment, access to improved sanitation facilities, access to electricity, indoor air pollution attributable deaths, homicide rate, level of violent crime, political terror, mobile telephone

subscriptions, biodiversity and habitat, political rights, freedom of assembly/association, freedom of speech, freedom of religion.

⁴¹ Excluding the smallest EU countries: Malta, Cyprus and Luxembourg.

statistical appendix

MAIN INDICATORS	2009	2010	2011	2012	2013	2014	2015	2016
						Spring forecast 2014		
GDP (real growth rates, in %)	-7.9	1.3	0.7	-2.5	-1.1	0.5	0.7	1.3
GDP in EUR million (current prices)	35,420	35,485	36,150	35,319	35,275	35,634	36,255	37,219
GDP per capita, in EUR (current prices)	17,349	17,320	17,610	17,172	17,128	17,270	17,551	18,001
GDP per capita (PPS) ¹	20,200	20,600	21,200	21,400				
GDP per capita (PPS EU27=100) ¹	86	84	84	84				
Gross national income (current prices and current fixed exchange rate)	34,823	35,028	35,759	34,931	35,069	34,916	35,353	36,253
Gross national disposable income (current prices and current fixed exchange rate)	34,519	34,875	35,680	34,721	34,796	35,004	35,396	36,149
Rate of registered unemployment	9.1	10.7	11.8	12.0	13.1	13.6	13.5	13.1
Standardised rate of unemployment (ILO)	5.9	7.3	8.2	8.9	10.1	10.2	10.0	9.7
Labour productivity (GDP per employee)	-6.2	3.5	2.4	-1.7	0.9	0.9	0.7	0.8
Inflation, ² year average	0.9	1.8	1.8	2.6	1.8	0.3	1.1	1.5
Inflation, ² end of the year	1.8	1.9	2.0	2.7	0.7	0.8	1.4	1.6
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (real growth rates, in %)	-16.1	10.2	7.0	0.6	2.9	4.2	4.8	5.2
Exports of goods	-16.6	12.0	8.2	-0.1	2.9	4.6	5.2	5.5
Exports of services	-14.0	3.5	1.9	3.7	2.6	2.6	3.3	4.2
Imports of goods and services ³ (real growth rates, in %)	-19.2	7.4	5.6	-4.7	1.3	3.5	5.2	5.3
Imports of goods	-20.2	8.3	6.6	-5.1	1.5	3.6	5.5	5.6
Imports of services	-12.4	2.6	-0.6	-2.2	-0.4	2.9	3.2	3.6
Current account balance, in EUR million	-173	-50	146	1,159	2,279	2,442	2,338	2,328
As a per cent share relative to GDP	-0.5	-0.1	0.4	3.3	6.5	6.9	6.4	6.3
Gross external debt, in EUR million	40,318	40,723	40,100	40,849	39,566	42,133*		
As a per cent share relative to GDP	113.8	114.8	110.9	115.7	112.2			
Ratio of USD to EUR	1.393	1.327	1.392	1.286	1.328	1.365	1.366	1.366
DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS								
Private consumption (real growth rates, in %)	-0.1	1.5	0.8	-4.8	-2.7	-0.4	0.7	1.8
As a % of GDP ⁴	54.8	56.4	56.8	56.3	56.0	55.2	55.1	55.3
Government consumption (real growth rates, in %)	2.5	1.3	-1.6	-1.3	-2.0	-1.5	-0.9	-0.9
As a % of GDP ⁴	20.2	20.8	20.8	20.8	20.2	19.9	19.5	19.1
Gross fixed capital formation (real growth rates, in %)	-23.8	-15.3	-5.5	-8.2	0.2	-0.5	1.0	0.0
As a % of GDP ⁴	23.1	19.7	18.6	17.8	17.9	17.7	17.8	17.7
Sources of data: SURS, BS, Eurostat, calculations and forecasts by IMAD (Spring Forecast, March 2014).								
Notes: ¹ Measured in purchasing power standard.								
² Consumer price index.								
³ Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets.								
⁴ Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64).								
⁵ End February 2014.								

PRODUCTION	2011	2012	2013	2011	2012				2013				2012			
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	3	4	5	6
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																
Industry B+C+D	1.3	-1.1	-0.6	-3.8	-0.2	-1.6	-0.4	-2.3	-2.5	-1.4	-0.7	2.0	-3.6	2.2	-3.9	-2.6
B Mining and quarrying	-7.9	-7.4	1.3	-8.7	-10.2	-2.3	-3.5	-13.3	6.7	-9.6	-7.1	16.8	-22.0	-8.2	9.8	-7.0
C Manufacturing	1.1	-2.3	-1.2	-4.6	-1.0	-3.0	-2.1	-3.1	-3.7	-1.7	-1.0	1.7	-4.2	1.9	-5.5	-4.9
D Electricity, gas & steam supply ¹	5.0	10.5	3.9	4.0	8.3	12.7	16.1	6.1	7.0	1.9	3.2	3.2	5.3	5.6	9.4	24.0
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																
Construction, total	-24.8	-16.8	-2.6	-19.1	-15.3	-16.7	-13.2	-21.6	-24.5	-10.5	-3.4	22.3	-3.1	-13.5	-23.8	-11.7
Buildings	-39.7	-17.3	-20.4	-35.9	-13.0	-6.7	-18.1	-30.0	-40.9	-25.1	-16.6	5.1	27.6	-7.2	-15.6	4.4
Civil engineering	-15.3	-16.6	6.2	-10.1	-21.2	-20.9	-10.1	-16.2	-8.5	-2.6	1.7	26.5	-22.0	-18.6	-26.5	-17.0
TRANSPORT, tonne-km in m, y-o-y growth rates, %																
Tonne-km in road transport	3.2	-3.4	0.1	11.7	6.0	-5.3	-5.9	-7.8	-2.9	-1.8	3.9	1.8	-	-	-	-
Tonne-km in rail transport	9.7	-7.5	9.5	-1.6	-8.7	-8.0	-5.8	-7.5	-0.1	0.4	13.4	24.9	-	-	-	-
Distributive trades, y-o-y growth rates, %																
Total real turnover*	3.3	-3.6	-1.0	-0.5	0.6	-4.3	-4.9	-5.6	-7.1	2.1	-2.2	3.1	-1.8	-4.0	-5.2	-3.7
Real turnover in retail trade	1.5	-2.2	-3.7	0.2	2.5	-2.7	-2.7	-5.8	-7.0	-2.6	-4.6	-0.8	-0.1	-3.5	-3.1	-1.6
Real turnover in the sale and maintenance of motor vehicles	7.0	-6.3	4.7	-2.0	-2.8	-7.2	-10.1	-5.3	-7.2	11.1	3.4	11.5	-4.7	-5.0	-8.8	-7.7
Nominal turnover in wholesale trade & commission trade	6.0	0.8	-0.2	3.4	3.8	-0.6	1.4	-1.3	-5.1	1.1	-1.4	4.5	-0.8	0.0	0.4	-2.2
TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards																
Total, overnight stays	5.3	1.2	0.3	3.1	0.7	1.2	1.2	1.9	-3.4	-1.5	2.9	0.6	2.4	-0.9	7.9	-1.9
Domestic tourists, overnight stays	0.5	-4.9	-3.4	0.4	-0.5	-4.6	-7.5	-5.2	-6.1	-5.3	-2.4	0.5	2.8	-14.3	-1.6	0.9
Foreign tourists, overnight stays	9.1	5.6	2.8	5.5	2.0	5.1	6.3	8.1	-0.6	0.9	5.6	0.7	1.9	9.4	14.1	-3.7
Nominal turnover market services (without distributive trades)	3.7	-1.1	-1.4	-0.3	-0.6	0.5	-0.4	-3.7	-6.1	-3.0	0.6	3.1	1.4	-0.9	2.6	-0.1
AGRICULTURE, y-o-y growth rates, %																
Purchase of agricultural products, SIT bn, since 2007 in EUR m	478.9	480.4	478.4	139.5	108.4	110.4	128.4	134.5	104.4	111.1	123.2	139.6	39.0	37.0	38.3	35.1
BUSSINES TENDENCY (indicator values**)																
Sentiment indicator	-7	-17	-13	-10	-12	-16	-19	-20	-15	-14	-12	-12	-12	-16	-15	-18
Confidence indicator																
- in manufacturing	-1	-11	-6	-7	-6	-11	-14	-13	-9	-6	-4	-3	-8	-10	-10	-13
- in construction	-46	-41	-22	-42	-41	-44	-39	-39	-31	-22	-18	-18	-40	-45	-44	-43
- in services	1	-12	-12	-3	-8	-8	-14	-17	-12	-12	-11	-11	-5	-8	-7	-10
- in retail trade	8	2	2	14	5	4	1	-4	-3	2	6	1	5	8	1	4
Consumer confidence indicator	-25	-35	-33	-23	-27	-36	-39	-36	-29	-34	-34	-35	-27	-39	-33	-36

Source of data: SURS. Note: ¹Only companies with activity of electricity supply are included. ²The 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												2014				
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	
3.6	3.1	-6.7	5.2	-4.9	-7.5	0.1	-0.6	-6.4	2.9	-2.2	-4.8	1.6	-5.4	1.2	-1.0	0.2	8.1	1.7	0.3	-	-	
-5.7	1.4	-5.8	1.2	-17.9	-24.9	-11.6	9.9	23.2	-4.0	-11.0	-13.7	2.4	-1.1	-21.7	-8.0	6.0	74.1	31.1	-0.8	-	-	
1.8	1.6	-8.4	4.7	-5.5	-9.1	-1.0	-0.8	-8.6	2.7	-2.5	-5.1	1.5	-6.4	1.1	-1.7	0.3	7.8	1.8	0.2	-	-	
22.6	16.2	9.8	11.8	2.3	4.9	11.3	0.0	10.2	6.1	0.7	-0.9	1.9	1.7	6.2	5.1	-1.3	5.6	-2.5	1.7	-	-	
-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	-5.3	-5.9	27.9	31.4	5.6	39.3	33.1	-	-	
-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	-19.6	-11.4	10.8	3.0	0.7	8.4	5.2	-	-	
-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	-5.5	31.5	41.5	4.8	55.6	47.8	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-0.6	-3.7	-10.3	-3.4	-5.4	-7.9	-4.9	-8.6	-7.7	2.7	1.2	2.5	-4.4	-3.4	1.3	2.2	2.7	4.5	2.5	2.2	-	-	
-0.6	-0.8	-6.6	-4.1	-5.8	-7.4	-4.4	-9.4	-7.2	-1.8	-2.0	-4.0	-5.2	-4.6	-4.0	-1.0	-1.4	-0.1	-0.8	-0.2	-	-	
-0.6	-10.8	-17.9	-2.1	-4.5	-9.2	-5.7	-7.4	-8.5	11.3	6.8	15.4	-2.7	-0.2	14.0	8.4	10.3	16.0	9.1	7.1	-	-	
7.2	2.8	-5.4	4.9	-2.1	-6.5	1.6	-5.6	-10.9	5.8	-0.9	-1.3	0.7	-4.6	-0.2	2.2	1.6	9.9	4.5	4.8	-	-	
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	-3.2	0.1	-0.4	-3.4	-	-	
-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	-2.3	-0.9	-6.9	-5.7	-	-	
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	-4.0	1.1	4.3	-0.2	-	-	
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	4.1	1.0	4.3	2.2	4.1	-	-	
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	41.7	48.5	38.4	36.0	-	-	
-18	-19	-21	-22	-21	-17	-16	-15	-13	-14	-15	-13	-13	-12	-12	-13	-12	-12	-9	-9	-6	-5	
-12	-15	-16	-15	-14	-10	-11	-8	-8	-9	-5	-3	-4	-4	-4	-5	-3	-2	-3	0	1	1	
-40	-37	-41	-42	-40	-35	-30	-31	-32	-26	-20	-20	-22	-15	-16	-17	-17	-20	-16	-18	-9	-16	
-11	-14	-16	-19	-19	-14	-13	-13	-11	-9	-14	-14	-11	-9	-13	-13	-10	-11	-5	-6	-2	4	
-2	-2	8	-7	-5	0	2	-9	-2	-6	-5	16	16	0	3	13	-6	-3	9	2	2	2	
-36	-36	-45	-38	-37	-34	-31	-31	-26	-27	-37	-37	-37	-33	-31	-35	-35	-34	-30	-30	-28	-29	

LABOUR MARKET	2011	2012	2013	2011	2012				2013				2012		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	3	4	5
FORMAL LABOUR FORCE (A=B+E)	934.7	920.2	913.4	933.3	926.6	923.7	915.2	915.2	912.9	913.8	910.5	916.5	925.4	926.0	923.7
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	824.0	810.0	793.6	821.7	812.7	816.5	809.1	801.7	789.2	795.0	794.4	795.8	814.5	816.9	816.9
In agriculture, forestry, fishing	38.8	37.0	38.2	38.0	35.2	37.8	37.4	37.4	37.4	38.9	38.1	38.4	35.3	37.7	37.8
In industry, construction	272.9	263.1	252.2	271.0	265.4	266.3	263.1	257.5	249.9	252.5	253.5	252.9	266.1	266.6	266.6
Of which: in manufacturing	184.8	182.9	177.7	186.2	184.6	184.1	182.5	180.4	177.8	177.6	177.5	177.8	184.6	184.4	184.2
in construction	67.8	59.8	54.3	64.4	60.5	61.6	60.1	56.9	52.0	54.6	55.7	54.6	61.0	61.7	61.8
In services	512.3	510.0	503.2	512.7	512.1	512.4	508.6	506.8	502.0	503.6	502.8	504.6	513.1	512.6	512.5
Of which: in public administration	51.4	50.7	49.1	51.3	50.9	51.2	50.8	50.0	49.3	49.3	49.1	48.9	50.9	51.1	51.2
in education, health-services, social work	118.8	120.9	121.0	120.1	120.7	121.6	120.3	121.0	120.7	121.1	120.5	121.6	121.5	121.6	121.7
FORMALLY EMPLOYED (C)¹	729.1	717.0	698.7	727.4	720.9	722.7	716.2	708.4	696.1	700.0	699.6	699.2	722.7	723.0	723.1
In enterprises and organisations	671.8	662.6	647.6	670.7	666.4	667.4	661.4	655.1	645.8	648.5	647.9	648.1	667.9	667.7	667.7
By those self-employed	57.2	54.5	51.1	56.6	54.5	55.4	54.8	53.3	50.2	51.5	51.7	51.1	54.8	55.3	55.4
SELF-EMPLOYED AND FARMERS (D)	94.9	93.0	94.9	94.4	91.8	93.8	92.9	93.3	93.1	95.0	94.7	96.6	91.8	93.9	93.8
REGISTERED UNEMPLOYMENT (E)	110.7	110.2	119.8	111.6	114.0	107.2	106.1	113.5	123.7	118.8	116.1	120.7	110.9	109.1	106.8
Female	52.1	52.2	57.4	53.3	53.2	51.0	50.9	53.8	57.0	56.7	57.0	58.9	52.0	51.7	50.9
By age: under 26	12.9	11.9	13.8	13.4	12.7	10.8	10.1	14.0	14.2	13.0	12.3	15.6	12.0	11.4	10.7
aged over 50	39.0	38.2	38.9	38.2	39.2	38.1	37.4	38.1	40.7	39.3	38.1	37.3	38.6	38.5	38.1
Osnovnošolska izobrazba ali manj	34.1	33.3	34.2	33.9	35.2	32.9	31.8	33.2	36.5	34.1	32.6	33.6	34.4	33.6	32.8
For more than 1 year	50.2	55.2	54.9	53.8	57.2	55.1	54.5	53.9	54.4	54.3	55.0	55.7	56.3	55.4	55.0
Those receiving benefits	36.3	33.9	33.0	34.4	37.8	33.2	31.5	33.0	39.3	33.7	30.3	28.7	36.7	34.2	33.4
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	11.8	12.0	13.1	12.0	12.3	11.6	11.6	12.4	13.5	13.0	12.8	13.2	12.0	11.8	11.6
Male	11.4	11.5	12.5	11.3	11.9	11.1	11.0	11.9	13.4	12.5	11.9	12.4	11.6	11.3	11.0
Female	12.4	12.6	13.8	12.7	12.7	12.3	12.3	13.0	13.8	13.7	13.8	14.1	12.5	12.4	12.2
FLOWS OF FORMAL LABOUR FORCE	2.7	5.3	6.0	5.7	-1.9	-5.2	-0.2	12.6	4.6	-6.0	-1.9	9.3	-4.2	-1.8	-2.3
New unemployed first-job seekers	14.4	16.3	19.1	6.5	2.4	1.9	3.0	9.0	3.7	2.6	3.4	9.4	0.8	0.7	0.6
Redundancies	82.2	90.3	88.7	22.3	22.6	17.9	20.9	28.9	27.1	18.5	19.6	23.5	5.9	6.5	5.8
Registered unemployed who found employment	61.0	58.3	65.1	12.9	17.3	14.0	13.5	13.5	17.2	18.1	15.8	14.1	7.1	5.5	4.7
Other outflows from unemployment (net)	32.8	43.1	37.3	10.2	9.6	11.1	10.7	11.8	9.2	9.1	9.2	9.9	3.7	3.5	4.1
WORK PERMITS FOR FOREIGNERS	35.6	33.9	30.5	34.3	34.2	34.4	33.9	33.2	32.6	31.7	29.8	27.8	34.2	34.7	34.4
As % of labour force	3.8	3.7	3.3	3.7	3.7	3.7	3.7	3.6	3.6	3.5	3.3	3.0	3.7	3.7	3.7

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

2012							2013												2014	
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
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	917.5	915.3	911.4	913.0
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	798.2	791.3	781.6	783.3
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	38.4	38.4	31.6	31.7
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	254.6	249.3	248.3	248.5
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	178.3	177.0	177.1	177.4
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	55.8	52.0	51.1	50.7
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	505.3	503.7	501.7	503.1
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	49.0	48.9	48.6	48.7
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	121.8	121.3	121.1	121.7
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	701.5	694.4	691.5	693.0
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	649.9	644.8	643.1	644.8
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	51.7	49.6	48.5	48.2
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	96.7	97.0	90.1	90.3
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	119.3	124.0	129.8	129.8
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	58.7	59.4	61.4	61.2
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	15.6	15.9	16.2	16.3
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	36.8	37.9	39.2	39.1
32.3	32.1	31.7	31.5	32.2	32.5	35.0	36.7	36.8	35.9	35.1	34.0	33.2	32.9	32.7	32.3	32.7	33.0	35.2	36.5	36.9
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	55.7	55.7	55.7	55.7
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	28.0	29.9	33.8	33.0
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	13.0	13.5	14.2	14.2
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	12.1	13.0	13.7	13.7
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	14.1	14.2	14.9	14.8
-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	0.6	4.7	5.8	-0.1
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	2.0	1.4	1.7	1.4
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	7.0	9.3	13.1	6.6
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	5.2	3.5	6.2	6.0
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	3.3	2.8	2.8	2.1
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	27.9	27.1	26.4	26.3
3.7	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.5	3.5	3.5	3.4	3.3	3.3	3.2	3.1	3.0	3.0	2.9	2.9

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2011	2012	2013	2011	2012				2013				2012		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	3	4	5
				GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %											
Activity - Total	2.0	0.1	-0.2	1.1	1.6	0.3	-0.7	-1.0	-1.0	-0.5	0.3	0.6	0.7	1.0	1.3
A Agriculture, forestry and fishing	3.1	-1.1	0.9	0.4	0.1	-1.0	-1.5	-2.0	-0.8	1.1	0.0	3.0	-2.1	-0.1	-0.5
B Mining and quarrying	3.8	3.7	-2.0	5.9	8.4	10.6	2.2	-5.2	4.1	-6.8	-2.9	-2.4	3.8	4.0	14.9
C Manufacturing	3.9	2.5	2.8	3.1	3.4	2.5	2.0	2.3	1.6	2.9	3.0	3.6	1.9	2.7	3.9
D Electricity, gas, steam and air conditioning supply	2.3	3.3	3.0	-0.5	5.6	3.9	4.9	-0.5	6.2	2.8	3.6	-0.1	3.6	5.2	6.5
E Water supply sewerage, waste management and remediation activities	-0.1	0.1	0.7	-2.7	2.1	-0.5	0.4	-1.4	0.3	0.1	1.0	1.3	0.5	0.4	0.7
F Construction	2.0	-2.5	-1.4	0.5	-0.3	-2.8	-2.8	-3.8	-2.4	-2.1	0.1	-1.4	-3.1	-1.3	-0.4
G Wholesale and retail trade, repair of motor vehicles and motorcycles	2.8	0.8	0.4	3.0	2.1	1.6	0.0	-0.3	-0.2	0.0	0.6	1.2	1.0	2.9	1.8
H Transportation and storage	2.7	-0.4	-0.2	1.6	2.2	0.6	-1.7	-2.3	-1.1	0.2	-0.9	0.8	2.0	1.5	2.1
I Accommodation and food service activities	2.1	-0.8	-0.4	-0.6	-0.4	-0.7	-1.0	-1.1	-1.3	-0.7	-0.6	0.9	-1.7	-1.4	0.5
J Information and communication	0.9	-0.4	-1.5	-0.2	0.3	1.3	-1.2	-2.0	-0.6	-2.7	-1.1	-1.4	0.5	2.3	1.7
K Financial and insurance activities	0.6	1.1	0.2	-2.4	4.5	-1.7	2.2	-0.3	-2.1	1.2	1.2	0.3	3.8	-0.4	-4.4
L Real estate activities	2.9	-0.5	-0.3	1.6	1.1	-1.3	-0.6	-1.3	-1.1	0.2	-0.6	0.2	-1.5	-0.1	-1.3
M Professional, scientific and technical activities	-0.4	-1.1	-2.4	-1.6	-0.5	-0.8	-1.7	-1.3	-2.2	-3.4	-1.5	-2.6	-1.1	-0.7	1.0
N Administrative and support service activities	3.5	0.6	0.0	2.7	3.0	0.3	-0.9	0.2	-2.4	0.7	0.7	0.9	2.0	-0.2	1.7
O Public administration and defence, compulsory social security	0.3	-1.8	-1.4	-0.4	-0.2	-1.5	-3.2	-2.4	-2.4	-2.1	-0.6	-0.6	-0.7	-0.7	-0.3
P Education	0.2	-3.3	-3.3	0.4	-0.3	-2.2	-5.0	-5.6	-5.4	-4.2	-2.0	-1.3	-0.5	-1.5	-0.4
Q Human health and social work activities	-0.7	-1.3	-2.0	-0.5	-0.5	-1.0	-1.7	-2.1	-2.3	-2.3	-2.2	-1.4	-0.6	-0.3	-1.0
R Arts, entertainment and recreation	-0.7	-2.8	-3.0	-0.3	-0.6	-1.5	-4.4	-4.6	-5.7	-3.8	-1.4	-1.0	1.3	-0.9	0.0
S Other service activities	0.9	-0.9	-0.4	-1.1	0.5	-0.6	-1.0	-2.4	-0.6	-0.7	-1.1	0.9	0.0	-0.6	0.1
INDICATORS OF OVERALL COMPETITIVENESS¹, y-o-y growth rates, %															
Effective exchange rate, ² nominal	-0.1	-1.2	1.0	0.1	-0.5	-1.3	-1.8	-1.4	0.2	0.6	1.6	1.4	-0.9	-1.2	-1.2
Real (deflator HICP)	-1.0	-1.1	1.3	-0.5	-0.9	-1.3	-1.2	-0.8	0.9	0.8	2.2	1.3	-1.3	-1.1	-1.4
Real (deflator ULC)	-2.3	-3.0	-1.6	-2.6	-2.0	-3.3	-3.7	-2.8	-2.2	-1.3	-1.0	-2.0			
USD/EUR	1.3917	1.2856	1.3282	1.3480	1.3110	1.3196	1.2515	1.2974	1.3204	1.3066	1.3246	1.3611	1.3201	1.3162	1.2789
Source of data: SURS, ECB; calculations by IMAD. Note: ¹ Change of the source for effective exchange rate series as of April 2012: a new source, ECB; before that, own calculations (IMAD). ² 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												2014	
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2
-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	0.3	0.7	0.7	1.6
-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	1.9	6.2	-1.7	2.3
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	-13.0	3.3	-8.1	19.1
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	4.4	3.9	4.0	5.3
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	-0.9	-5.9	1.8	11.9
-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	0.8	2.2	0.2	0.5
-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	-2.5	-0.5	-1.4	0.5
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	1.3	1.5	0.8	0.8
-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	-2.7	3.0	1.3	0.8
-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	-0.6	2.4	-0.1	1.4
-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	-2.3	-0.9	-0.8	-0.5
-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	-3.0	1.5	0.3	0.3
-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	0.4	-0.4	-1.1	-0.9
-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	-2.6	-3.0	-1.6	-0.3
-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	2.1	-0.3	3.2	3.8
-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	-1.0	-1.5	-1.5	-0.8
-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	-1.4	-1.1	-0.8	-1.5
-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	-0.4	-1.8	-1.3	-1.4
-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	-0.5	-1.1	-0.4	0.8
-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	-0.5	2.3	-1.6	-1.0
-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	1.5	1.5	0.9	0.7
-1.4	-1.6	-1.5	-0.5	-1.0	-1.3	-0.1	0.8	1.3	0.5	0.4	0.4	1.6	2.7	2.7	1.3	1.3	1.5	1.2	0.8	0.0
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	1.3493	1.3704	1.361	1.3659

PRICES	2011	2012	2013	2012				2013				2012				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	3	4	5	6
CPI, y-o-y growth rates, %	1.8	2.6	1.8	2.5	2.5	2.9	2.6	2.3	1.5	2.1	1.1	0.5	2.3	2.6	2.4	2.3
Food, non-alcoholic beverages	4.4	4.1	3.6	3.9	4.2	3.9	4.4	4.4	3.6	4.1	2.3	1.0	4.0	4.7	4.3	3.7
Alcoholic beverages, tobacco	5.7	6.5	7.0	4.2	5.1	7.2	9.5	10.6	7.5	7.4	3.0	2.7	4.7	5.1	5.2	5.1
Clothing and footwear	-1.5	-0.2	0.2	-2.2	1.6	0.7	-0.8	2.1	-1.2	1.0	-0.8	-0.9	-1.2	0.2	3.0	1.6
Housing, water, electricity, gas	5.6	3.8	3.1	4.9	4.2	4.4	1.8	2.1	2.9	2.8	4.6	1.4	4.7	4.0	3.7	4.9
Furnishings, household equipment	2.7	0.1	-1.2	1.2	0.0	-0.1	-0.9	-1.1	-1.8	-1.2	-0.6	-0.9	0.8	0.7	0.1	-0.7
Medical, pharmaceutical products	1.6	0.4	-0.5	-0.2	1.4	0.2	0.3	-0.2	-2.1	0.4	0.1	-0.1	0.1	1.5	1.5	1.3
Transport	1.0	3.3	0.3	2.6	3.2	3.9	3.5	1.5	-0.5	0.5	-0.4	-0.2	3.3	4.1	2.8	2.6
Communications	1.2	-2.4	-1.2	-1.2	-2.9	-3.6	-2.0	-3.8	-1.9	1.2	-0.1	-1.4	-2.4	-2.6	-3.2	-2.8
Recreation and culture	-1.5	1.4	0.1	2.6	1.2	1.2	0.4	-0.3	-0.5	0.6	0.4	0.4	0.4	0.9	1.2	1.6
Education	1.7	2.9	2.6	1.1	1.3	4.3	4.8	4.6	4.6	1.4	-0.1	-0.1	1.2	1.3	1.3	1.3
Catering services	-6.8	4.5	6.5	2.3	2.5	3.7	9.4	9.2	8.8	7.0	1.6	0.9	2.1	2.8	2.6	2.1
Miscellaneous goods & services	2.2	2.4	1.3	2.5	1.2	3.3	2.8	2.4	2.7	0.5	-0.5	1.8	1.9	1.9	1.1	0.6
HCPI	2.1	2.8	1.9	2.5	2.5	3.2	3.0	2.7	1.8	2.2	1.1	0.6	2.4	2.9	2.4	2.4
Core inflation (excluding fresh food and energy)	1.3	2.0	1.6	2.2	1.8	2.0	1.9	1.9	1.4	1.9	1.2	1.3	1.6	1.9	1.9	1.7
PRODUCER PRICE INDICES, y-o-y growth rates, %																
Total	4.5	0.9	0.0	1.3	0.8	0.6	0.6	0.8	0.2	-0.2	-0.6	-0.8	0.7	0.7	1.0	0.7
Domestic market	3.8	1.0	0.3	1.1	0.9	0.9	1.2	1.1	0.3	0.1	-0.3	-1.0	0.6	0.7	1.3	0.8
Non-domestic market	5.3	0.7	-0.2	1.6	0.7	0.4	0.1	0.4	0.2	-0.6	-0.9	-0.6	0.8	0.8	0.8	0.5
euro area	6.1	0.1	-0.4	0.8	0.2	0.1	-0.5	0.4	0.0	-0.7	-1.3	-1.4	-0.2	0.0	0.4	0.1
non-euro area	3.6	2.0	0.3	3.4	2.0	1.3	1.5	0.6	0.7	-0.3	0.0	1.1	3.4	2.8	1.7	1.4
Import price indices	5.4	1.9	-0.4	1.9	1.2	1.3	3.2	0.8	-0.5	-0.3	-1.5	-2.1	2.8	2.0	1.2	0.3
PRICE CONTROL,¹ y-o-y growth rates, %																
Energy prices	10.9	12.7	0.2	12.1	12.5	14.5	11.6	5.6	0.1	-0.7	-4.1	-4.6	13.8	14.7	11.8	10.9
Oil products	11.9	13.0	1.7	12.3	12.7	14.4	12.6	6.4	0.4	0.4	-0.4	-0.9	14.2	15.3	11.9	10.8
Transport & communications	1.1	1.6	11.3	0.7	0.0	0.0	5.7	8.6	8.6	17.3	10.9	14.6	0.0	0.0	0.0	0.0
Other controlled prices	0.0	-0.6	-1.5	-0.2	-0.3	0.1	-1.8	-3.9	-2.9	-0.8	1.5	2.2	-0.3	-0.3	-0.3	-0.3
Direct control – total	2.8	9.2	1.2	7.3	9.5	11.0	8.9	4.3	0.5	1.0	-0.8	-1.0	10.6	11.1	9.0	8.5

Source of data: SURS; calculations by IMAD.

Note: ¹ 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. ² 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												2014		
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	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	0.7	0.8	0.1	0.6
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	2.2	1.6	0.9	0.4
7.4	7.1	7.0	9.6	9.5	9.4	11.2	10.7	10.0	7.8	7.4	7.5	7.5	7.5	7.1	3.0	3.0	3.0	2.6	2.7	2.6
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	-2.9	-2.2	-3.2	2.5
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	2.7	2.1	3.9	4.8	5.2	3.6	0.4	0.1
-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	-0.4	-0.4	-0.9	-1.4	-0.5	-0.7
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	0.2	-0.2	-0.4	0.4
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	-0.3	0.1	-0.9	0.2
-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	-1.5	-1.6	-1.3	-1.4
1.3	1.2	1.2	0.1	0.9	0.2	-0.4	-0.4	-0.1	-0.4	-0.5	-0.6	0.7	0.9	0.2	0.9	0.4	-0.1	0.7	0.3	0.0
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	0.0	0.0	-0.2	-0.2
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	1.4	0.6	0.9	1.3
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	-3.2	1.7	1.7	1.9
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	0.9	0.9	0.2	0.6
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	0.7	1.2	1.1	1.6
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	-0.5	-0.5	-1.0	-0.9
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	-0.3	-0.3	-1.1	-1.5
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	-0.7	-0.6	-0.9	-0.4
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	-1.4	-1.2	-1.8	-1.2
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	0.8	0.8	1.1	1.3
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	-0.9	-1.5	-2.0	-2.7
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	-2.5	-3.4	-5.7	-4.6
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	1.6	0.8	-2.5	-0.9
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	8.0	14.6	14.6	14.6
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	0.8	3.7	1.4	1.4
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	-0.1	0.1	-2.0	-1.2

BALANCE OF PAYMENTS	2011	2012	2013	2011		2012				2013			2012			
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2	3	4	5
BALANCE OF PAYMENTS, in EUR m																
Current account	146	1,159	2,224	0	96	262	320	482	484	683	616	440	-76	195	89	23
Goods ¹	-957	-110	632	-356	-149	-45	60	24	131	236	246	19	-39	4	7	-31
Exports	21,450	21,631	22,105	5,403	5,364	5,559	5,283	5,424	5,390	5,644	5,444	5,626	1,726	1,992	1,807	1,862
Imports	22,407	21,741	21,473	5,758	5,514	5,604	5,223	5,400	5,259	5,408	5,199	5,607	1,765	1,988	1,800	1,892
Services	1,476	1,803	2,004	375	418	444	528	414	503	540	572	388	106	161	148	156
Exports	4,842	5,166	5,422	1,217	1,118	1,237	1,502	1,310	1,209	1,325	1,558	1,330	325	417	392	410
Imports	3,365	3,363	3,418	841	700	793	974	896	706	785	985	942	219	256	244	254
Income	-524	-552	-435	-81	-145	-168	-198	-42	-72	-115	-120	-128	-41	-68	-44	-99
Receipts	936	699	857	259	131	188	174	206	225	206	214	213	42	48	54	63
Expenditure	1,460	1,251	1,292	340	276	356	372	247	296	320	334	342	83	116	98	162
Current transfers	151	18	23	62	-28	31	-70	86	-79	22	-82	161	-101	98	-23	-3
Receipts	1,404	1,410	1,452	371	348	366	285	411	333	356	294	469	68	207	97	113
Expenditure	1,253	1,392	1,429	310	377	336	355	325	412	334	375	308	169	110	120	116
Capital and financial account	-474	-1,206	-2,979	-175	67	-249	-540	-484	-879	-777	-847	-476	152	-172	-168	-162
Capital account	-85	-92	-37	-80	-24	11	-30	-49	-5	-40	-31	39	-6	-14	24	5
Financial account	-389	-1,114	-2,942	-94	91	-260	-511	-434	-874	-737	-816	-515	158	-158	-193	-167
Direct investment	633	166	-555	151	146	98	84	-162	-62	-673	-16	196	77	123	-92	144
Domestic abroad	-85	212	-44	-156	41	127	39	5	-110	51	-2	16	17	36	-6	53
Foreign in Slovenia	718	-46	-511	307	105	-29	45	-167	48	-725	-14	180	60	87	-86	91
Portfolio investment	1,839	-218	3,981	-20	-923	124	-982	1,564	131	2,100	-424	2,173	-820	-324	76	133
Financial derivatives	-155	-203	-453	-24	-23	-21	-31	-129	23	-224	-120	-133	9	-31	-6	-7
Other investment	-2,777	-890	-5,910	-221	851	-455	439	-1,726	-1,033	-1,920	-174	-2,782	834	27	-171	-435
Assets	-1,490	-1,474	-1,907	567	-1,466	-95	205	-118	-1,284	-633	141	-131	102	-956	-383	119
Commercial credits	-49	65	-35	316	-347	-35	109	339	-364	-50	91	288	-85	-176	24	-32
Loans	-55	-319	-20	19	3	-95	84	-310	25	-178	89	43	128	-147	-153	-28
Currency and deposits	-1,341	-1,177	-1,699	249	-1,131	11	-33	-24	-928	-332	-46	-393	42	-629	-258	164
Other assets	-46	-45	-153	-18	10	24	45	-124	-17	-73	7	-69	17	-4	4	15
Liabilities	-1,287	584	-4,003	-788	2,317	-359	234	-1,608	251	-1,287	-315	-2,651	732	983	212	-554
Commercial credits	107	265	-146	17	161	136	-96	63	-300	93	-200	260	147	93	-16	-72
Loans	-1,234	-729	441	-752	-121	-223	-178	-208	374	602	-530	-6	-211	14	103	-213
Deposits	-169	1,026	-4,246	-57	2,287	-288	530	-1,503	188	-1,981	429	-2,883	833	904	115	-278
Other liabilities	9	23	-52	3	-11	17	-22	39	-12	-2	-15	-23	-36	-29	10	9
International reserves ²	72	31	-5	19	39	-6	-21	19	67	-19	-83	30	59	48	0	-2
Statistical error	328	47	756	174	-163	-13	220	2	395	94	231	36	-76	-23	80	139
EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m																
Export of investment goods	2,042	2,112	2,136	540	477	569	514	552	517	525	522	572	159	175	183	189
Intermediate goods	12,008	12,138	12,522	2,931	3,063	3,101	3,019	2,955	3,078	3,182	3,139	3,123	996	1,110	1,009	1,049
Consumer goods	6,950	6,811	6,970	1,803	1,685	1,734	1,604	1,788	1,673	1,817	1,668	1,811	528	657	559	572
Import of investment goods	2,505	2,402	2,558	736	562	584	570	687	645	665	562	686	159	228	186	201
Intermediate goods	14,107	14,005	13,690	3,490	3,636	3,578	3,410	3,382	3,477	3,462	3,297	3,454	1,171	1,294	1,177	1,209
Consumer goods	5,943	5,671	5,949	1,524	1,435	1,400	1,350	1,486	1,394	1,488	1,480	1,587	456	533	449	475

Source of data: BS, SURS.

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

2012							2013														2014	
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2		
150	59	61	200	196	230	56	64	80	340	298	133	252	251	161	204	168	57	216	92	22		
-21	48	-73	84	43	98	-117	-50	58	124	135	-21	122	139	16	91	62	-13	-29	72	48		
1,891	1,829	1,606	1,848	1,961	1,926	1,537	1,718	1,737	1,935	1,963	1,844	1,837	1,960	1,554	1,930	2,034	1,911	1,681	1,852	1,819		
1,912	1,781	1,679	1,764	1,918	1,828	1,654	1,768	1,680	1,811	1,828	1,866	1,715	1,821	1,538	1,839	1,973	1,924	1,710	1,779	1,771		
140	147	189	192	183	145	86	170	122	212	173	186	181	199	208	165	151	124	114	117	111		
434	512	512	477	467	415	427	391	354	464	433	438	455	532	537	488	456	411	463	383	348		
295	366	323	285	284	270	341	221	232	253	259	251	274	333	329	324	306	287	349	266	237		
-25	-110	-32	-56	-8	-14	-19	-25	-24	-23	-30	-44	-41	-39	-40	-41	-44	-42	-42	-47	-58		
72	54	55	65	58	59	88	75	73	77	69	69	68	75	69	70	70	69	74	67	64		
97	164	87	121	66	73	108	100	97	100	99	112	109	113	109	111	114	112	116	113	122		
56	-25	-24	-21	-21	1	106	-30	-76	27	21	11	-10	-48	-23	-11	0	-11	172	-50	-79		
156	112	85	88	90	109	212	86	95	152	139	115	102	101	91	102	102	88	279	77	85		
100	137	109	109	112	108	106	116	171	125	118	104	112	149	114	113	102	98	107	128	165		
81	-55	-243	-242	-384	-348	248	-397	-89	-393	-324	-153	-299	-232	-298	-318	-390	-98	13	-79	55		
-18	9	-10	-29	-13	-40	3	-1	-5	0	0	-27	-13	4	-12	-23	10	-3	33	1	0		
100	-65	-233	-213	-372	-308	245	-397	-84	-393	-324	-127	-286	-236	-285	-295	-400	-95	-20	-81	55		
45	87	-28	25	-45	31	-149	51	25	-138	-701	-3	31	44	-4	-56	295	-68	-31	11	72		
80	13	43	-16	-6	42	-32	-8	-7	-94	-8	22	38	-4	-2	4	62	-12	-34	-34	5		
-35	74	-71	41	-39	-11	-117	60	32	-45	-693	-25	-7	48	-1	-61	233	-56	3	45	67		
-86	-644	-152	-187	1,674	-54	-56	-156	17	270	-143	2,589	-346	-129	-90	-204	-24	1,823	374	410	2,740		
-7	-9	-3	-19	-44	-40	-44	-34	65	-8	-7	-67	-151	-84	-56	20	-59	-5	-69	9	-72		
151	541	-46	-56	-1,982	-256	512	-281	-201	-551	510	-2,671	241	15	-138	-51	-613	-1,839	-330	-449	-2,569		
169	122	147	-64	-294	-422	597	-337	-374	-574	-218	-404	-11	-3	206	-62	-444	-131	444	-486	-1,145		
-27	16	158	-65	-28	37	330	-62	-86	-217	-25	55	-80	-2	182	-90	-55	19	325	-43	-96		
86	40	51	-8	17	-49	-277	4	8	13	-69	-68	-41	11	75	4	-34	-17	94	-12	29		
105	36	-77	8	-132	-406	514	-274	-297	-357	-55	-396	120	-11	-59	24	-287	-85	-21	-388	-1,112		
5	30	15	0	-151	-4	31	-5	1	-13	-69	6	-10	-1	8	0	-68	-48	47	-43	34		
-18	419	-193	8	-1,688	166	-85	55	172	23	728	-2,267	252	18	-344	11	-169	-1,708	-774	36	-1,425		
224	-8	-144	56	6	18	40	-234	86	-152	-5	35	64	-127	-137	64	76	136	48	-281	101		
-114	-83	-62	-32	14	-194	-28	34	-151	492	675	-14	-59	-372	43	-201	12	-6	-11	20	-218		
-126	527	12	-9	-1,726	358	-136	274	234	-319	68	-2,299	251	524	-250	155	-259	-1,843	-780	224	-1,296		
-2	-17	1	-6	18	-17	38	-18	3	2	-10	12	-4	-7	0	-8	3	5	-31	75	-12		
-4	-41	-3	23	26	11	-18	22	11	33	17	25	-61	-82	3	-4	1	-6	35	-62	-116		
-231	-4	182	42	188	118	-304	333	9	53	26	20	47	-20	137	114	223	41	-228	-13	-77		
196	172	164	179	193	191	168	156	159	202	181	176	169	200	146	176	195	194	182	165	N/A		
1,042	1,052	935	1,032	1,116	1,062	777	1,008	988	1,082	1,109	1,054	1,019	1,116	924	1,098	1,173	1,073	877	1,090	N/A		
603	554	460	590	610	628	550	507	554	611	633	576	609	601	448	619	626	603	583	560	N/A		
197	217	163	190	219	209	259	196	195	254	218	259	188	203	154	205	221	240	225	182	N/A		
1,192	1,175	1,096	1,140	1,244	1,160	978	1,223	1,110	1,144	1,199	1,201	1,062	1,176	988	1,132	1,243	1,209	1,002	1,140	N/A		
475	442	447	461	530	508	448	445	467	483	491	490	506	510	440	530	552	519	516	477	N/A		

MONETARY INDICATORS AND INTEREST RATES	2011	2012	2013	2011		2012								
				11	12	1	2	3	4	5	6	7	8	9
SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Claims of the BS on central government	102	221	233	83	102	111	119	182	169	188	204	227	227	207
Central government (S. 1311)	4,299	5,057	6,563	3,436	4,299	4,465	4,580	4,801	4,752	4,796	4,811	4,870	4,805	4,874
Other government (S. 1312, 1313, 1314)	584	610	581	554	584	588	589	588	591	580	584	589	590	585
Households (S. 14, 15)	9,454	9,267	8,917	9,467	9,454	9,421	9,391	9,412	9,380	9,380	9,362	9,341	9,346	9,338
Non-financial corporations (S. 11)	20,876	19,470	14,903	21,434	20,876	20,976	20,896	20,933	20,922	20,843	20,693	20,561	20,488	20,398
Non-monetary financial institutions (S. 123, 124, 125)	2,229	2,135	1,764	2,277	2,229	2,210	2,234	2,323	2,320	2,300	2,291	2,247	2,244	2,210
Monetary financial institutions (S. 121, 122)	5,445	5,194	5,020	5,224	5,445	5,111	4,846	5,644	5,527	5,613	5,918	5,248	5,237	5,210
Claims on domestic sectors, TOTAL														
In domestic currency	35,692	34,558	29,620	35,784	35,692	35,407	35,334	36,103	35,955	35,979	36,202	35,461	35,422	35,316
In foreign currency	1,536	1,309	1,097	1,557	1,536	1,529	1,505	1,492	1,472	1,458	1,439	1,423	1,402	1,372
Securities, total	5,659	5,862	7,027	5,052	5,659	5,837	5,697	6,105	6,066	6,076	6,018	5,972	5,886	5,928
SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Deposits in domestic currency, total	28,420	29,582	27,051	27,376	28,420	28,359	27,926	30,197	30,165	30,208	30,322	29,703	29,591	29,354
Overnight	8,245	8,678	8,558	8,436	8,245	8,399	8,195	8,177	8,404	8,375	9,151	8,573	8,633	8,523
With agreed maturity – short-term	7,868	7,056	6,689	7,791	7,868	7,688	7,468	7,553	7,362	7,441	7,111	7,134	7,052	6,964
With agreed maturity – long-term	12,248	13,780	11,569	11,089	12,248	12,180	12,171	14,395	14,319	14,309	13,982	13,930	13,851	13,751
Short-term deposits redeemable at notice	59	68	235	60	59	92	92	72	80	83	78	66	55	116
Deposits in foreign currency, total	579	552	487	538	579	570	564	577	568	559	583	597	591	579
Overnight	386	372	324	365	386	391	384	384	385	381	397	410	412	397
With agreed maturity – short-term	133	123	91	114	133	117	120	132	124	116	125	125	119	124
With agreed maturity – long-term	59	56	72	58	59	61	59	60	58	61	60	61	59	57
Short-term deposits redeemable at notice	1	1	0	1	1	1	1	1	1	1	1	1	1	1
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %														
New deposits in domestic currency														
Households														
Overnight deposits	0.22	0.20	0.11	0.26	0.24	0.24	0.24	0.23	0.22	0.22	0.22	0.19	0.19	0.18
Time deposits with maturity of up to one year	2.15	2.31	1.86	2.27	2.28	2.39	2.35	2.38	2.38	2.37	2.29	2.27	2.23	2.23
New loans to households in domestic currency														
Housing loans, 5-10 year fixed interest rate	5.46	5.48	5.40	5.43	5.27	5.37	5.40	5.46	5.36	5.45	5.42	5.37	5.41	5.62
New loans to non-financial corporations in domestic currency														
Loan over EUR 1 million, 1-5 year fixed interest rate	5.69	5.32	3.86	5.20	6.51	3.79	3.00	6.04	5.81	6.27	5.83	3.94	5.06	6.52
INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %														
Main refinancing operations	1.25	0.88	0.54	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.75	0.75	0.75
INTERBANK INTEREST RATES														
EURIBOR														
3-month rates	1.39	0.57	0.22	1.48	1.43	1.22	1.05	0.86	0.74	0.68	0.66	0.50	0.33	0.25
6-month rates	1.64	0.83	0.34	1.71	1.67	1.50	1.35	1.16	1.04	0.97	0.93	0.78	0.60	0.48
LIBOR CHF														
3-month rates	0.12	0.07	0.02	0.05	0.05	0.06	0.08	0.10	0.11	0.11	0.09	0.07	0.05	0.05
6-month rates	0.18	0.15	-	0.09	0.10	0.11	0.14	0.16	0.18	0.19	0.18	0.18	0.16	0.16

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

2012			2013												2014		
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
226	224	221	232	233	229	233	233	233	233	232	231	232	233	233	239	239	246
5,138	5,144	5,057	5,036	5,111	5,048	5,451	5,361	4,999	5,108	5,024	4,995	4,965	4,881	6,563	6,447	6,437	6,476
583	580	610	609	613	609	610	600	600	601	601	604	610	570	581	585	585	584
9,341	9,318	9,267	9,191	9,160	9,159	9,141	9,107	9,099	9,050	9,059	9,052	9,031	8,996	8,917	8,879	8,849	8,853
20,294	20,044	19,470	19,425	19,265	19,152	19,022	18,889	18,832	18,639	18,633	18,501	18,102	17,918	14,903	14,692	14,599	14,543
2,204	2,186	2,135	2,116	2,102	2,028	2,000	1,990	1,999	1,992	1,983	1,978	1,962	1,966	1,764	1,994	1,969	1,964
4,930	5,012	5,194	5,085	5,300	5,389	4,957	5,423	5,255	5,190	5,320	5,311	5,198	4,752	5,020	5,014	5,294	4,818
35,131	34,943	34,558	34,349	34,342	34,336	33,765	34,040	33,902	33,612	33,754	33,705	33,198	32,569	29,620	29,594	29,706	29,154
1,354	1,348	1,309	1,263	1,277	1,264	1,236	1,235	1,223	1,203	1,192	1,177	1,152	1,144	1,097	1,090	1,075	1,046
6,004	5,990	5,862	5,846	5,927	5,780	6,177	6,091	5,657	5,762	5,669	5,554	5,513	5,366	7,027	6,922	6,945	7,030
29,460	30,062	29,582	29,575	29,961	30,070	29,665	30,497	29,943	30,228	30,184	30,194	30,091	29,645	27,051	27,255	27,501	27,034
8,651	8,763	8,678	8,726	9,185	8,997	8,919	8,806	8,923	9,124	9,055	8,812	8,861	8,729	8,558	8,779	9,066	8,979
6,980	7,417	7,056	6,905	6,827	7,140	7,148	7,712	7,626	7,652	7,696	8,260	8,222	8,110	6,689	6,730	6,888	6,893
13,755	13,763	13,780	13,863	13,829	13,775	13,424	13,787	13,189	13,203	13,159	12,843	12,688	12,495	11,569	11,422	11,264	10,852
74	119	68	81	120	158	174	192	205	249	274	279	320	311	235	324	283	310
571	576	552	538	554	549	520	548	536	520	541	521	506	511	487	493	488	490
388	399	372	372	383	363	361	354	340	342	362	333	324	334	324	328	324	333
126	119	123	109	114	128	103	103	113	97	95	109	104	98	91	93	93	90
56	57	56	56	56	57	55	91	82	81	84	79	78	79	72	72	71	67
1	1	1	1	1	1	1	0	1	0	0	0	0	0	0	0	0	0
0.17	0.17	0.17	0.14	0.13	0.13	0.13	0.12	0.11	0.10	0.10	0.10	0.10	0.09	0.09	0.09	0.08	0.08
2.28	2.28	2.24	2.28	2.18	2.10	2.01	2.01	1.97	1.89	1.78	1.65	1.56	1.48	1.46	1.36	1.22	1.15
5.53	6.00	5.31	5.46	6.40	5.03	5.49	5.39	5.30	5.34	5.31	5.11	5.49	5.17	5.36	5.38	5.42	5.26
6.51	5.48	5.57	3.75	3.76	3.70	3.48	5.68	..	3.03	2.66	3.37	3.73	4.71	4.59	6.58	3.98	4.21
0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.25	0.25	0.25	0.25	0.25
0.21	0.19	0.19	0.20	0.22	0.21	0.21	0.20	0.21	0.22	0.23	0.22	0.23	0.22	0.28	0.29	0.29	0.30
0.41	0.36	0.32	0.34	0.36	0.33	0.32	0.30	0.32	0.34	0.34	0.34	0.34	0.33	0.37	0.40	0.39	0.41
0.02	0.03	0.01	0.02	0.02	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
0.11	0.12	0.07	0.08	0.08	0.09	0.08	0.08	0.08	0.08	0.08	0.08	0.08	-	-	-	-	-

PUBLIC FINANCE	2011	2012	2013	2011	2012				2013				2012		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	7	8	
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m															
GENERAL GOVERNMENT REVENUES															
TOTAL REVENUES	14,982.3	14,999.1	14,725.1	4,016.5	3,618.4	3,712.2	3,577.2	4,091.3	3,419.9	3,495.0	3,733.1	4,077.2	1,188.8	1,234.9	
Current revenues	14,037.9	14,030.6	13,634.7	3,715.6	3,410.8	3,485.9	3,367.4	3,766.5	3,184.6	3,293.1	3,510.9	3,646.1	1,120.0	1,189.9	
Tax revenues	13,209.2	13,118.3	12,647.9	3,472.7	3,172.7	3,314.0	3,170.4	3,461.2	2,946.8	3,107.4	3,188.1	3,405.6	1,059.0	1,107.5	
Taxes on income and profit	2,723.5	2,656.6	2,137.4	697.5	629.5	723.0	511.1	793.0	577.1	510.9	442.5	606.9	91.6	210.5	
Social security contributions	5,267.6	5,244.1	5,127.2	1,346.2	1,342.5	1,332.8	1,306.4	1,262.4	1,264.9	1,283.4	1,261.3	1,317.6	432.2	446.0	
Taxes on payroll and workforce	29.2	25.6	23.4	8.2	7.2	6.4	5.8	6.1	5.5	6.1	5.5	6.3	2.2	1.7	
Taxes on property	215.2	233.9	253.5	53.1	26.6	64.8	79.4	63.1	24.2	67.8	91.3	70.3	26.3	26.4	
Domestic taxes on goods and services	4,856.2	4,876.1	5,027.3	1,324.9	1,164.0	1,164.5	1,244.1	1,303.4	1,039.2	1,224.7	1,357.0	1,406.4	496.8	414.2	
Taxes on international trade & transactions	100.2	82.5	77.5	25.1	22.3	21.9	17.9	20.5	19.4	22.9	18.2	17.0	5.9	5.6	
Other taxes	17.2	-0.6	1.5	17.6	-19.4	0.5	5.8	12.6	16.5	-8.4	12.4	-19.0	4.2	3.0	
Non-tax revenues	828.7	912.3	986.8	242.9	238.1	171.9	197.0	305.3	237.8	185.7	322.8	240.5	60.9	82.4	
Capital revenues	65.3	62.5	67.0	21.7	10.5	10.8	11.7	29.5	10.7	13.1	12.8	30.4	4.7	2.9	
Grants	10.4	9.2	32.3	4.0	1.3	1.8	1.6	4.5	12.9	2.7	14.7	2.1	0.4	0.7	
Transferred revenues	53.8	51.7	52.9	0.6	0.1	0.5	50.0	1.1	0.5	0.4	50.9	1.1	0.0	0.1	
Receipts from the EU budget	814.9	845.1	938.2	274.6	195.6	213.2	146.6	289.7	211.2	185.6	143.8	397.5	63.7	41.3	
GENERAL GOVERNMENT EXPENDITURES															
TOTAL EXPENDITURES	16,546.3	16,125.7	16,282.7	4,240.0	4,326.5	3,857.4	3,836.0	4,105.7	4,137.4	4,011.6	3,846.2	4,287.6	1,346.7	1,241.2	
Current expenditures	6,926.7	6,813.5	6,836.4	1,640.3	1,995.1	1,668.7	1,553.2	1,596.6	1,842.8	1,819.0	1,496.7	1,677.8	530.0	507.0	
Wages, salaries and other personnel expenditures	3,882.7	3,727.7	3,617.0	950.4	958.3	973.9	910.8	884.7	908.5	936.6	871.2	900.6	323.3	305.0	
Expenditures on goods and services	2,443.4	2,373.0	2,237.4	638.9	589.7	599.1	551.1	633.1	559.1	565.9	526.7	585.7	199.0	195.1	
Interest payments	526.7	647.9	840.1	29.3	431.8	81.5	79.4	55.3	319.1	295.2	77.8	148.0	5.1	2.2	
Reserves	73.9	64.9	141.9	21.6	15.3	14.3	11.8	23.4	56.2	21.3	20.8	43.6	2.5	4.7	
Current transfers	7,818.9	7,687.0	7,671.1	1,944.4	1,957.3	1,878.7	1,903.2	1,947.8	1,948.5	1,893.7	1,922.4	1,906.4	697.0	607.4	
Subsidies	496.3	502.7	519.3	128.2	177.1	107.8	57.3	160.5	190.5	111.9	77.5	139.4	14.7	20.6	
Current transfers to individuals and households	6,533.5	6,384.2	6,343.0	1,598.3	1,609.2	1,588.7	1,636.6	1,549.7	1,576.7	1,585.9	1,626.0	1,554.3	611.7	519.8	
Current transfers to non-profit institutions, other current domestic transfers	737.2	741.0	734.4	203.2	158.0	169.6	196.7	216.8	158.1	185.2	185.7	205.5	67.3	62.3	
Current transfers abroad	52.0	59.0	74.4	14.6	13.0	12.5	12.6	20.8	23.3	10.7	33.2	7.2	3.3	4.6	
Capital expenditures	1,023.5	915.0	1,030.8	391.6	165.3	179.2	223.4	347.2	141.6	146.3	259.7	483.2	76.7	72.4	
Capital transfers	372.1	319.9	319.0	159.4	47.0	44.3	74.3	154.3	42.5	52.0	69.3	155.1	23.5	24.5	
Payments to the EU budget	405.1	390.3	425.5	104.4	161.8	86.5	82.0	59.9	161.8	100.5	98.0	65.0	19.5	29.9	
SURPLUS / DEFICIT	-1,564.1	-1,126.6	-1,557.6	-	-	-	-	-	-	-	-	-	-	-	

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, **BAMC** - Bank Asset Management Company, **BoE** – Bank of England, **BoJ** – Bank of Japan, **BS** – Bank of Slovenia, **CHF** – Swiss Franc, **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, **OP RČV** – Operational Programme for Human Resource Development, **OP ROPI** – Operational Programme of Environmental and Transport Infrastructure Development, **OP RR** – Operational Programme for Strengthening Regional Development Potentials, **PDII** – Pension and Disability Insurance Institute, **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.

slovenian economic mirror

April 2014, No. 4, Vol. XX