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The Economic Mirror is prepared based on statistical data available by 5 June 2015.

On January 2008, the new classification of activities of business entities NACE Rev.2, which replaced NACE Rev. 1.1, came into force in all EU Member States. In the Republic of Slovenia, the national version of the standard classification, SKD 2008, which includes the entire European classification of activities but also adds some national subclasses, came into force on the mentioned date. In the Slovenian Economic Mirror, all analyses are based on the SKD 2008, except when the previous SKD 2002 classification is explicitly referred to. More general information about the introduction of the new classification is available on the SURS website [http://www.stat.si/eng/skd\\_nace\\_2008.asp](http://www.stat.si/eng/skd_nace_2008.asp).

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

## In the spotlight

**In the first quarter, economic activity in the euro area continued to increase (0.4%), and GDP was up 1.0 % year-on-year.** Economic growth in Slovenia's main trading partners in the euro area was mainly underpinned by domestic demand, particularly private consumption in Germany and France, and investment in Italy. Confidence indicators in the euro area indicate a continuation of the recovery in the second quarter. International institutions (ECB, OECD, EC) have raised their spring forecasts for GDP growth in the euro area, expecting it to rise to around 1.5% in 2015.

**Economic activity in Slovenia continued to recover in the first quarter.** GDP was up 0.8% quarter-on-quarter (seasonally adjusted) and 2.9% higher than in the same period of 2014. Exports remained the main driver of economic recovery, despite slower growth. The recovery of private consumption showed in higher purchases of durable goods, while construction investment was somewhat lower year-on-year at the beginning of 2015 after recording strong growth since mid-2013. Inventories made a significant contribution to GDP growth in the first quarter, which is explained by higher activity in some sectors (particularly manufacturing), which has not yet fully spilled over into consumption, in our estimation.

**In the first quarter, employment continued to increase, while in May, registered unemployment remained roughly unchanged from the previous month (seasonally adjusted).** In the first quarter, employment rose slightly again, particularly in manufacturing, transportation and storage, and in accommodation and food service activities. It was also up in employment activities engaged in the provision of labour. After declining for a long period, the number of registered unemployed remained similar to that in April, seasonally adjusted. A total of 112,385 persons were unemployed at the end of May, 6.1% fewer than in the same period of 2014. Gross earnings per employee rose further in the first quarter of 2015 (seasonally adjusted), which was, unlike last year, mainly due to higher earnings in the public sector. Private sector gross earnings dropped slightly, in spite of the strong increase in March.

**In May consumer prices were down year-on-year for the fifth consecutive month.** The continuation of year-on-year deflation (-0.5%) was mainly due to external factors, i.e. the falling energy prices, but their decline was mitigated by somewhat higher services prices. Food price growth remained modest. Core inflation excluding the impact of external factors nevertheless stayed positive and comparable to that in the euro area. After five months of deflation or zero growth, euro area prices rose slightly year-on-year in May.

**April saw a decline in loans to domestic non-banking sectors at domestic banks, and the quality of banks' assets is improving.** In the first four months, the amount of loans to domestic non-banking sectors was almost EUR 240 m lower year-on-year. The decrease was attributable primarily to corporate and NFI deleveraging and, to a lesser extent, a decline in government loans. Household loans increased, while banks continued to reduce liabilities abroad. Household deposits at domestic banks are rising at a slower pace, also as households are looking for alternative investments. The quality of banks' assets is still improving gradually, and the creation of additional provisions and impairments is easing. At the end of the first quarter, non-performing claims thus accounted for 11.4% (EUR 4.2 bn) of the banking system's total exposure.

**According to data from the consolidated budgetary accounts on a cash basis, the general government deficit in the first quarter (EUR 654 m) was similar to that in the same period of 2014.** Both general government revenue and expenditure remained at a level similar to the first quarter of 2014. The shortfall in non-tax revenue was offset by higher tax revenues and higher revenue from social contributions. On the expenditure side, interest payments were up, alongside payments into the EU budget, while expenditure on goods and services, investment expenditure and current transfers decreased. Expenditure excluding interest payments being down year-on-year, the primary budget deficit was a quarter lower.

**The labour market reform in 2013 and 2014 worked towards increasing flexibility, reducing segmentation and increasing legal protection of employees.** By reducing severance pay and shortening the notice periods for permanent employment, the reform lowered the protection of regular employment (as measured by the OECD employment protection legislation index) and created the conditions for greater flexibility, which in the short term mainly shows in a higher number of new jobs, particularly for an indefinite period. This was also reflected in lower

*segmentation on the labour market, as the share of new temporary jobs rose particularly among the young. Because of the relatively short period since its implementation, the reform has had mainly short-term effects, which, given the recovery in economic activity, cannot be attributed only to changes in regulation.*

***In 2014 companies' business results improved significantly, reaching the highest level since 2008.*** *The overall business result (EUR 887 m) was similar to that at the beginning of the previous decade and almost four times below the very high level just before the crisis (2007). The improvement was due to both main components of the business result. Having recovered only slowly after the strong decline in 2009, the net operating profit rose by a fifth last year and was around a quarter lower than before the crisis. The financial loss also declined, but remained significant. The increase in the operating profit stemmed from the tradable sector, as the performance of the non-tradable sector deteriorated further. Companies continued to deleverage in 2014, reducing particularly short-term financial liabilities to banks.*

**current economic trends**

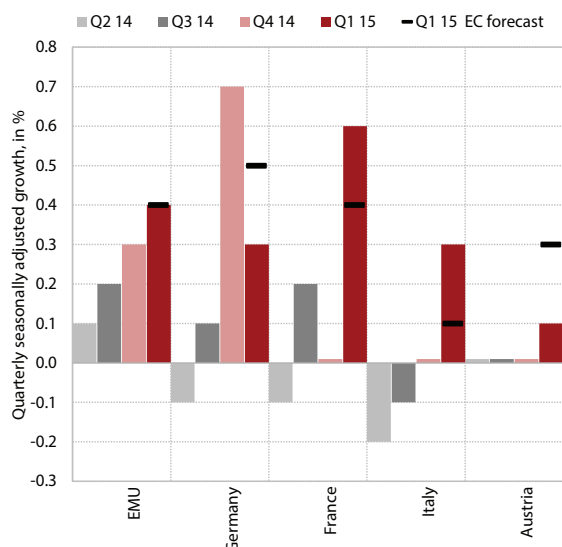




## International environment

In the first quarter, economic activity in the euro area continued to strengthen. GDP rose by 0.4% (seasonally adjusted) and was 1.0% higher year-on-year. Its growth was in line with the spring expectations of the EC, being slightly lower only in Germany and Austria. Among Slovenia's main trading partners in the euro area, in Germany and France GDP growth was mainly underpinned by domestic demand, particularly private consumption. For the first time in a long period, quarterly growth was also recorded in Italy, mainly as a result of investment in machinery and equipment. Growth in Austria remains low.

Figure 1: Quarterly growth rates in Slovenia's main trading partners in the euro area



Source: Eurostat, EC Forecast (May 2015).

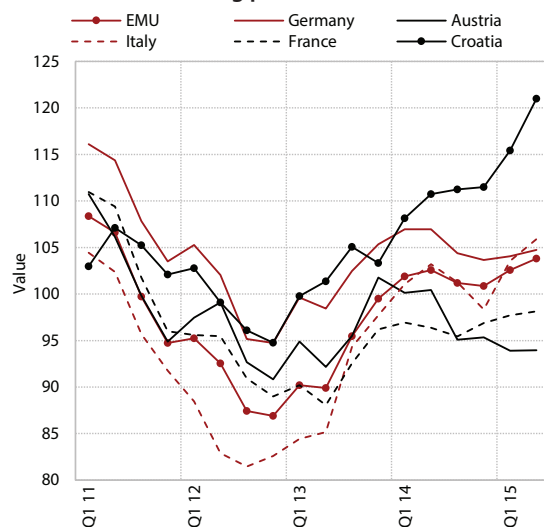
Confidence indicators in the euro area indicate a further recovery in the second quarter. In May the Economic Sentiment Indicator for the euro area (ESI) remained similar to that in the previous two months but higher than at the beginning of the year. The ESI is improving in the majority of Slovenia's main trading partners in the euro area and the EU. The Eurozone Composite Purchasing Managers Index (PMI) continues to indicate positive trends, being higher particularly for manufacturing, where it reached its highest level in a year, while the

Table 1: Indicators related to the international environment

	average			change, in %*		
	2014	IV15	V 15	V 15/ IV 15	V 15/ V 14	I-V 15/ I-V 14
Brent USD, per barrel	98.93	59.52	64.52	8.4	-41.1	-47.3
Brent EUR, per barrel	74.58	56.60	58.91	4.1	-25.8	-33.3
EUR/USD	1.329	1.078	1.115	3.4	-19.3	-18.8
3-month EURIBOR, in %	0.209	0.005	-0.010	-1.5	-34.0	-28.2

Source: EIA, ECB Euribor; calculations by IMAD.  
Note: \* in Euribor change in basis points.

Figure 2: The Economic Sentiment indicator (ESI) in Slovenia's main trading partners

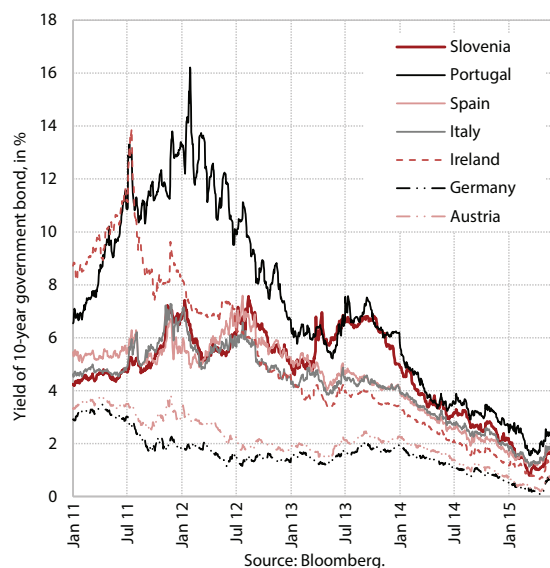


Source: EC. Note: The indicator value 100 is the long-term average. For Q2 2015, data for April and May are available.

indicator for services dropped slightly. The Ifo Index for the economic climate in the euro area for the second quarter was also the highest since 2007.

The situation of the euro area financial system is improving. According to the latest financial stability review by the ECB, the pressures on the financial system are currently low, which is also attributable to the recently adopted non-standard measures. Despite the improvement in the economic situation and the recovery of lending activity in the euro area, the risks to financial stability remain. Among the main risks, the ECB emphasises the still fragile economic recovery in the euro area, low bank profitability in an environment of low interest rates, excessive risk-taking on financial markets, a growing

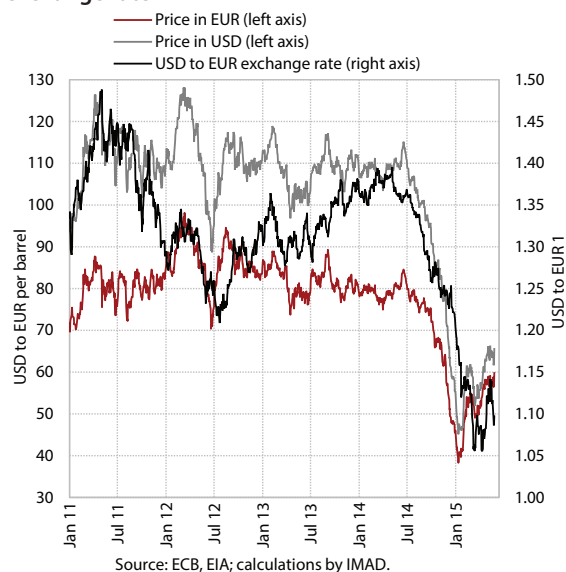
Figure 3: Yields to maturity of 10-year government bonds



Source: Bloomberg.

shadow banking sector and higher borrowing costs amid high indebtedness of euro area countries (particularly the vulnerable ones). In May the yields of 10-year government bonds increased in the majority of countries, but remained low. The yield to maturity of the Slovenian euro bond thus rose by 53 basis points relative to April, averaging around 1.6%.

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



## Economic developments in Slovenia

In the first quarter, real **merchandise exports** decreased, while **imports** increased; both remained up year-on-year.<sup>1</sup> For the first time in a long period, real **merchandise exports** otherwise declined relative to the previous quarter (-1.4%, seasonally adjusted), due to lower exports to the EU. Consequently, their year-on-year growth slowed

Table 2: Selected monthly indicators of economic activity in Slovenia

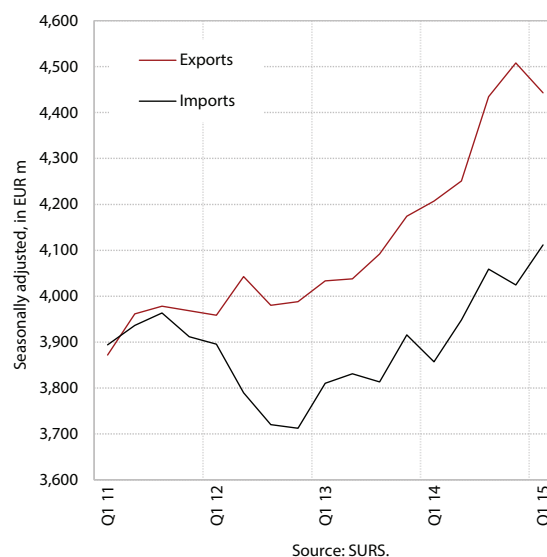
In %	2014	III 15/ II 15	III 15/ III 14	I-III 15/ I-III 14
Merchandise exports, real <sup>1</sup>	7.1	0.9 <sup>3</sup>	7.7	3.8
Merchandise imports, real <sup>1</sup>	4.0	-1.6 <sup>3</sup>	6.7	4.8
Services exports, nominal <sup>2</sup>	4.1	-0.9 <sup>3</sup>	8.2	6.9
Services imports, nominal <sup>2</sup>	7.4	-2.5 <sup>3</sup>	3.4	-1.0
Industrial production, real	2.0	0.5 <sup>3</sup>	4.6 <sup>4</sup>	5.2 <sup>4</sup>
-manufacturing	4.1	0.4 <sup>3</sup>	5.4 <sup>4</sup>	6.2 <sup>4</sup>
Construction -value of construction put in place, real	19.5	2.0 <sup>3</sup>	-4.1	-1.5
Real turnover in retail trade	0.0	-1.5 <sup>3</sup>	0.1	0.9
Nominal turnover in market services (without trade)	2.7	-0.6 <sup>3</sup>	2.5	3.5

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

Notes: <sup>1</sup>External trade statistics; deflated by IMAD, <sup>2</sup>balance of payments statistics, <sup>3</sup>seasonally adjusted, <sup>4</sup>working-day adjusted data.

<sup>1</sup> According to the National Accounts Statistics.

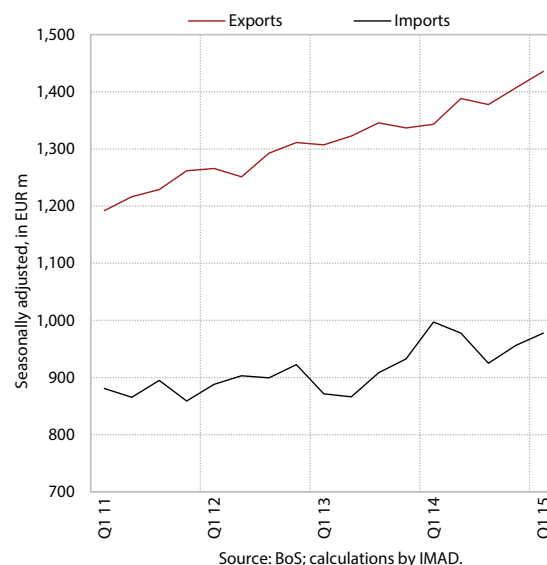
Figure 5: Merchandise trade – real



too (5.5%), being still mainly driven by higher exports of road vehicles; a significant contribution to growth also came from the metal industry.<sup>2</sup> Business tendency data on expected exports in manufacturing indicate further growth. In contrast, real **merchandise imports** rose relative to the last quarter of 2014 (by 2.2%, seasonally adjusted). They also recorded stronger year-on-year growth (6.6%), primarily on the back of higher imports of production goods related to the recovery in manufacturing production and higher imports of transport equipment and passenger cars.

In the first quarter, nominal **exports and imports of services** rose further (seasonally adjusted); exports also continued to increase year-on-year, while imports were

Figure 6: Trade in services – nominal

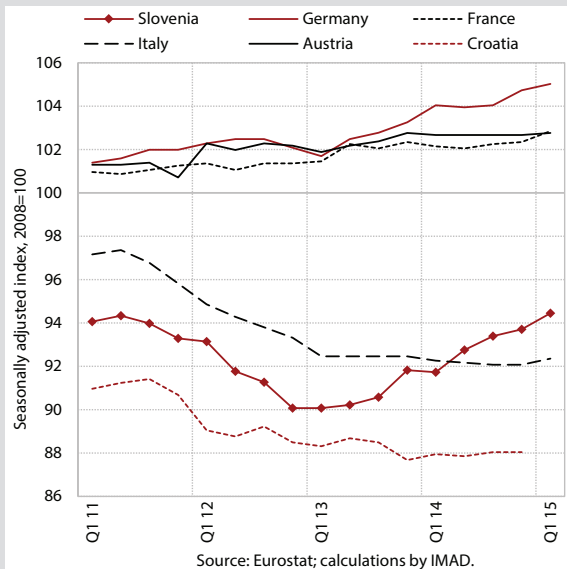


<sup>2</sup> Exports of non-ferrous metals, iron and steel and manufactures of metals.

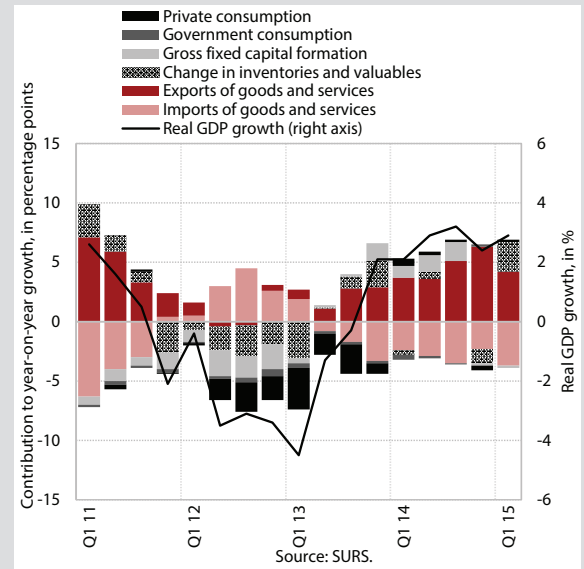
**Box 1: Gross domestic product, Q1 2015**

In the first quarter, economic activity continued to recover; year-on-year GDP growth was mainly due to the significant contribution of changes in inventories related to higher activity in some sectors, which has not yet fully spilled over to consumption. GDP was up 0.8% quarter-on-quarter (seasonally adjusted) and 2.9% higher than in the same period of 2014. GDP growth in the first quarter was mainly attributable to manufacturing, where value added has been rising relatively rapidly for a year. This growth was relatively more related to higher inventories (a contribution of 2.5 percentage points) and less than in previous quarters to export growth (5.4%), which slowed. With a concurrent strengthening of year-on-year growth in imports (5.4%), the contribution of net exports (0.5 percentage points) to the change in GDP decreased. A larger contribution to the recovery again came from market services, especially distributive trades, accommodation and food service activities, and other service activities. Value added growth in these sectors is related to a higher number of foreign tourists and stronger household consumption, although this remains modest (0.4%) according to SURS. Especially the consumption of durable goods continued to recover, purchases of motor vehicles in particular, as already indicated by short-term consumption indicators. After increasing strongly since mid-2013, construction investment growth came to a halt at the end of last and the beginning of this year, mainly due to slower public investment, which is also reflected in a year-on-year decline in value added in construction. Fluctuating at the quarterly level, private investment is otherwise gradually rising, according to our estimate, which is explained by last year's goods export and business performance, relatively favourable signals from abroad, deleveraging and a gradual improvement in access to funding.

**Figure 7: GDP level in Slovenia and its main trading partners**



**Figure 8: Expenditure structure of change in GDP, Slovenia**

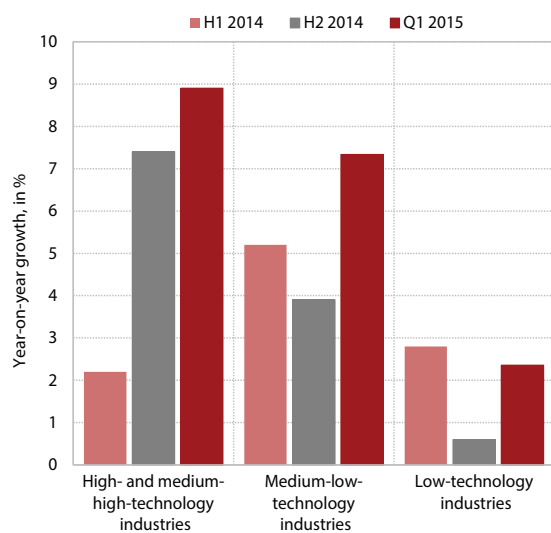


lower than a year before due to the base effect.<sup>3</sup> Year-on-year growth in exports (6.9%) was mainly driven by higher exports of travel services owing to a higher number of foreign tourist arrivals, exports of transport services, amid the continued strong growth in merchandise trade, and exports of telecommunication services. Imports were down year-on-year as a result of the strong growth in the first quarter of 2014 (-1.0%). The decline was attributable primarily to lower imports of construction services due to the completion of works on a major energy facility, and lower imports of professional and management consultancy services, which in the same period of 2014 recorded strong growth due to the payments of the banks' asset quality review.

Production volume in **manufacturing** rose further in the first quarter, notably in the medium-low-technology industries (seasonally adjusted). In all industry groups, production was also up year-on-year. The largest increase relative to the same period of 2014 was recorded in more technology-intensive industries. Production in the manufacture of transport equipment was higher by a third, having increased particularly in the second half of 2014 after two new passenger cars began to be commercially produced. In the manufacture of ICT and electrical equipment, production volume rose by more than a tenth. It was significantly higher year-on-year in the metal industry (medium-low-technology industries) and the leather industry (low-technology), remaining down only in the textile industry, which recorded half lower activity than before the crisis.

<sup>3</sup> According to the balance of payments statistics.

Figure 9: Production volume in manufacturing by technology intensity



The number of persons employed in the manufacturing sector also continued to increase in the first quarter (seasonally adjusted). It was 1,481 (0.6%) higher than in the same period of last year. Higher employment than the same period of 2014 was recorded in the majority of more technology-intensive industries. It increased the most in transport equipment manufacturing, primarily in the

Table 3: Employment in manufacturing, by industry, 1<sup>st</sup> quarter of 2015

	Change in number	Growth, in %	Share in employment of the activity, in %
<b>Low-technology industries</b>	<b>-691</b>	<b>-1.4</b>	<b>27.2</b>
Food-processing ind.	218	1.5	8.0
Wood ind.	43	0.5	4.5
Leather ind.	41	1.2	1.9
Furniture and other ind.	41	0.5	4.8
Manufacture of paper, printing	27	0.3	4.5
Textile ind.	-1061	-15.0	3.4
<b>Medium-low-technology industries</b>	<b>1916</b>	<b>3.0</b>	<b>37.0</b>
Metal ind.	1581	4.4	21.0
Manufacture of rubber and plastic products	309	2.4	7.5
Repair, installation of machinery and equipment	198	2.4	4.7
Manufacture of non-metallic mineral products	-172	-2.4	3.9
<b>Medium-high- and high-technology industries</b>	<b>256</b>	<b>0.4</b>	<b>35.8</b>
Manufacture of transport equipment	538	3.7	8.3
Chemical and pharmaceutical ind.	241	1.9	7.1
Manufacture of ICT and electrical equipment	-70	-0.3	13.2
Manufacture of machinery and equipment	-453	-3.4	7.2

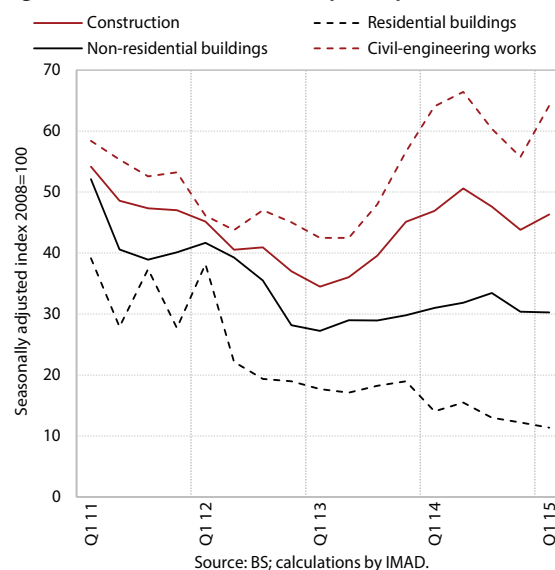
Source: SURS, calculations by IMAD.

manufacture of parts and accessories for motor vehicles (by around 370, or 6.5%), which accounts for a third of jobs in this sector. It remained down year-on-year in other machinery and equipment, where the decline was mainly due to lower employment in the manufacture of pumps and compressors and taps and valves (700 persons in total). In the first quarter, the greatest contribution to employment growth in manufacturing came from medium-low-technology industries, in particular the metal industry. The number of employed continues to decline in the sector of non-metallic mineral products manufacturing, where in the past year it has fallen the most in the manufacture of glass and glass products (by around 100, or 5%). In the majority of low-technology industries employment was almost the same or slightly higher than a year earlier. It dropped again in the textile industry, which before the crisis had employed a quarter of persons working in this sector. Since the crisis began, their number has fallen by approximately two thirds, from around 18,000 in 2008 to around 6,000 in the first quarter, or 12% of the total number of persons working in low-technology industries.

After declining in the second half of 2014, the value of **construction put in place** rose in the first quarter of 2015, seasonally adjusted. Similar developments were recorded in the construction of civil-engineering works. The value of construction put in place in non-residential buildings has been practically unchanged in the past two years, with considerable monthly fluctuations. Activity in the construction of residential buildings dropped again in the first quarter.

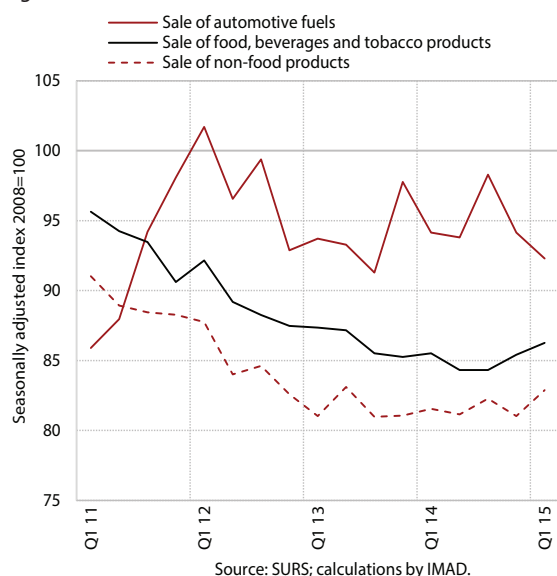
The stock of contracts and the value of new contracts in construction indicate different prospects for the future. Having been rising since mid-2014, the stock of contracts in construction fell slightly again this year. The value of new contracts, which recorded a 13.3% decline in 2014, continues to decrease this year.

Figure 10: Value of construction put in place



Reflecting the strengthening of private consumption, turnover in **retail trade** and in the sale of **motor vehicles** rose in the first quarter (seasonally adjusted). Stronger consumption translated into higher sales of cars, other durable and semi-durable goods, and food products. Sales of new cars to natural persons increased more strongly in the first quarter of 2015, while sales to legal entities, having grown in the last two years, declined (seasonally adjusted).<sup>4</sup> Turnover in the *sale and repair of motor vehicles* rose for the sixth consecutive quarter and was almost a tenth higher year-on-year. The stronger consumption of durable and semi-durable goods is also reflected in higher sales of non-food products, particularly computer and telecommunication devices, books and sports equipment, toys, furniture, household appliances, and audio and video recordings. Turnover also rose for the second quarter in a row in the sale of food, beverages and tobacco products, while falling in the sale of automotive fuels. Total turnover in *retail trade* was slightly higher than a year earlier.

Figure 11: Turnover in retail trade



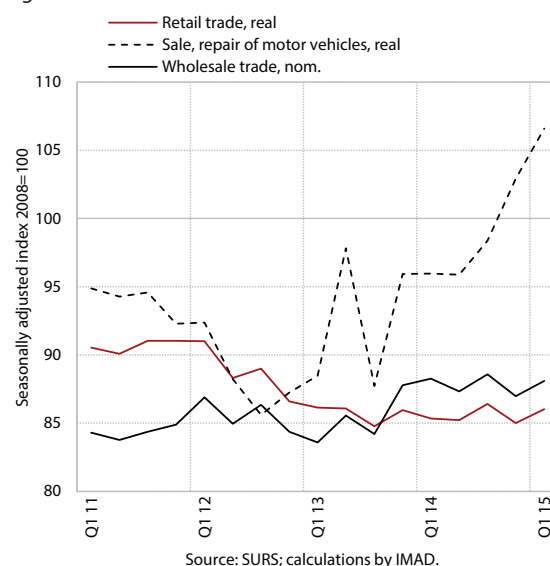
After falling at the end of 2014, turnover in **wholesale trade** rose in the first quarter of 2015. It has stagnated for a year and a half, with small fluctuations, which are also related to activity in manufacturing and construction.

In the first quarter of 2015, nominal turnover in **market services** (excluding distributive trades)<sup>5</sup> increased strongly again (seasonally adjusted) and was higher year-on-year in all main services. In most activities it rose slightly more than 3% at the quarterly level (slightly less only in transport services). In transport services, it remained the

<sup>4</sup> Year-on-year, the sale to natural persons rose by 12.8%; the sale to natural persons via leasing was also up, by 25.9%. The sale to legal entities was also higher year-on-year.

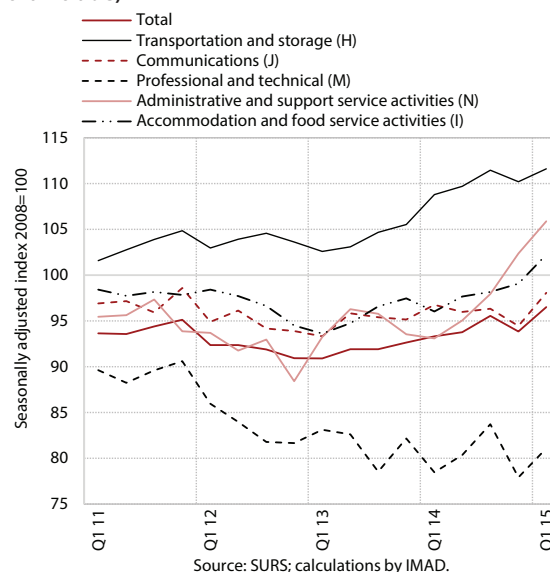
<sup>5</sup> Activities from H to N (SKD 2008) subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

Figure 12: Turnover in trade sectors



highest by volume and also the highest relative to the pre-crisis period among all market services. In *information and communication services*, turnover rose particularly in computer programming and other information service activities.<sup>6</sup> Turnover continued to expand in accommodation and food service activities, where it was much larger than in 2014 due to more overnights stays and a good winter season. In *professional and technical services*, we can highlight strong growth in legal accounting and advertising services and relatively low growth in architectural services. The largest year-on-year increase was seen in *administrative and support service activities*, where turnover in employment services rose by

Figure 13: Nominal turnover in market services (other than trade)



<sup>6</sup> News agency activities, web portals.

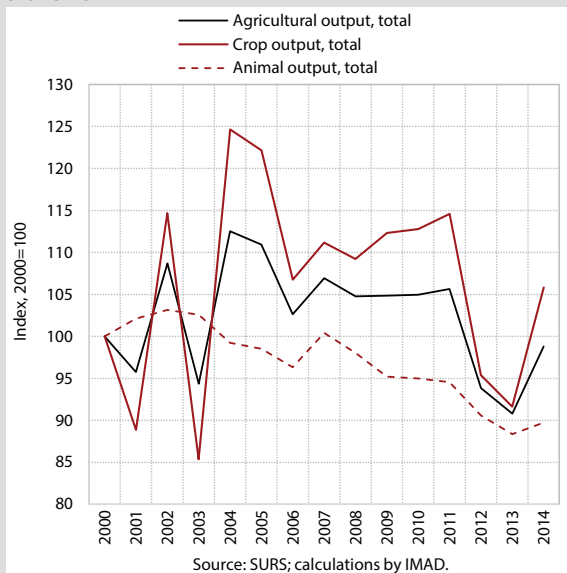


**Box 2: Agricultural output in 2014**

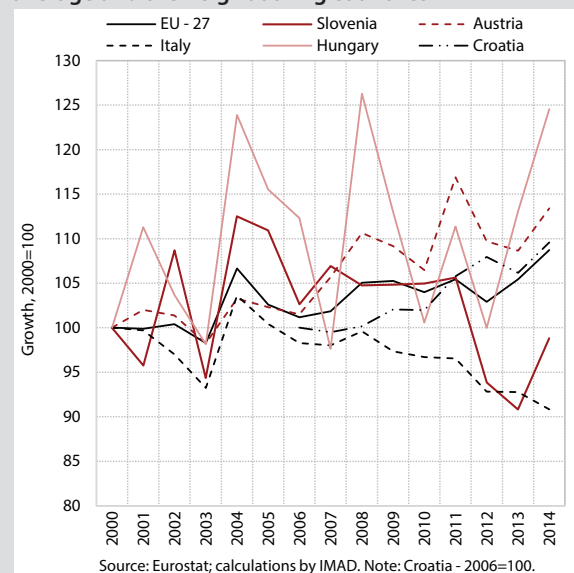
After two relatively poor harvests, agricultural output rose in 2014 but remained lower than in 2011. The harvest of agricultural products, which declined significantly in 2012 and 2013, was somewhat more favourable in 2014. The total volume rose by 8.8%, which was not enough to reach the level of 2011. In 2014 crop output rose by 15.5%, after the droughts in 2012 and 2013. Higher output was recorded across all product groups, particularly cereals, potato and industrial plants. Animal output, which has been on a downward trend for a long period, also rose slightly last year, by 1.6%.

In 2014 the volume of agricultural output increased more than on average in other countries of the EU, but the gap with the EU remains relatively wide. In the EU overall, agricultural output rose for the second consecutive year in 2014, by 3.1%, which is less than in Slovenia (by 5.7 percentage points), owing to more modest growth in crop output. In the preceding years, the movements in the EU as a whole were much more favourable. Last year's volume was therefore 8.7% higher relative to 2000, while in Slovenia it was 1.2% lower. Slovenia lagged behind the EU particularly in animal output, while crop output fluctuated significantly under the impact of weather conditions, which was also reflected in the fluctuations of the total agricultural output. In the neighbouring countries, the total agricultural output was more volatile only in Hungary, but this country also has a larger share of crop output in total output.

**Figure 14: Agricultural output volume and structure, Slovenia**



**Figure 15: Agricultural output volume, Slovenia, EU average and the neighbouring countries**

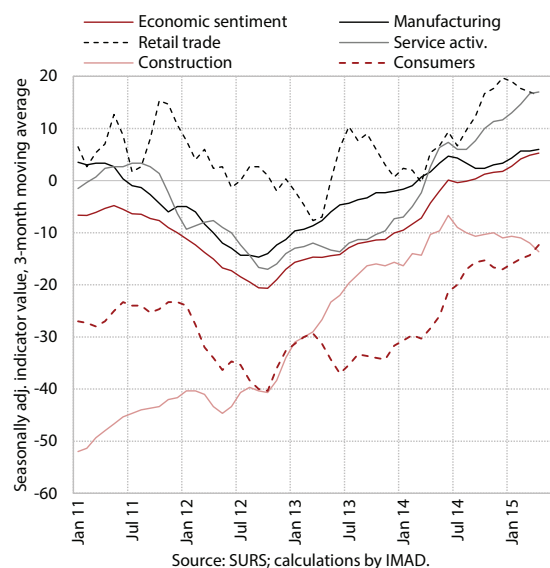


more than 50%. This also reflects increased employment through employment agencies.<sup>7</sup>

**Confidence in the economy**, which is higher than in the second half of last year, did not change significantly in the last three months. It improved slightly again in service activities and among consumers. Confidence in retail trade was much higher than in the previous month and similar to that in the first two months. Confidence in the construction sector, having stagnated since mid-2014, deteriorated slightly. In the manufacturing sector, confidence was lower than in the previous month and the same at the beginning of the year.

<sup>7</sup> The increase in turnover is not only the result of enterprises being more active, but rather of the amendments to the Labour Market Regulation Act, as more and more enterprises register the provision of temporary manpower as their main activity (SURS; First release, Turnover from the sale of services, 31 March 2015). Similarly, but with slightly different dynamics, the number of employed persons in employment activities also rose in 2014, from just over 6,000 to almost 13,000.

**Figure 16: Business trends**

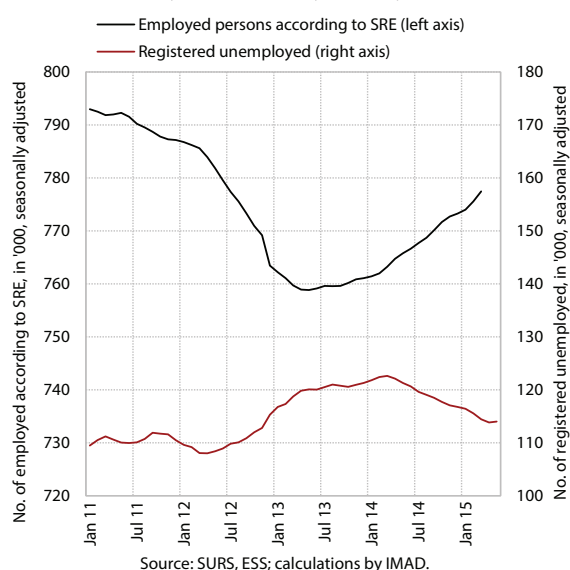


Source: SURS; calculations by IMAD.

## Labour market

In the first quarter, the number of **employed persons**<sup>8</sup> continued to increase (0.4% seasonally adjusted, 1.8% year-on-year). The number of employed persons has been rising since the beginning of last year.<sup>9</sup> In the first quarter, it was up year-on-year in most private sector activities, particularly in the sectors of manufacturing, transportation and storage, and accommodation and food services activities, where indicators of activity were also higher year-on-year. The largest increase was recorded in employment activities<sup>10</sup> that provide labour to other sectors. The number of employed persons also rose in public services, except public administration,

Figure 17: Employed persons by activity



<sup>8</sup> According to the Statistical Register of Employment; these are persons in paid employment and self-employed persons except farmers.

<sup>9</sup> As a result of the inflow of unemployed persons, including those who have not yet been active on the labour market, and foreigners.

<sup>10</sup> In the first quarter of 2015, the number of persons employed in employment activities was up 5,646 year-on-year, while the total number of employed persons was up 13,862.

defence and compulsory social security. Employment according to the national accounts statistics was also slightly higher relative to the previous quarter (0.2%, seasonally adjusted). According to data from the Labour Force Survey (LFS), the number of employed persons remained unchanged (seasonally adjusted), while the number of employees was up year-on-year (by 1.4%).

After declining for a long period, in May the number of registered unemployed remained similar to that in the previous month, seasonally adjusted. This was attributable to a slightly smaller outflow into employment, which had been above average in the preceding months. At the end of May, 112,385 persons were registered as unemployed, 6.1% fewer than in the same period of 2014. In the first five months of 2015, the inflow into the unemployment register was smaller than in the same period of 2015 mainly due to a smaller number of those who lost their jobs for business reasons or due to bankruptcies of

Table 5: Indicators of labour market trends

In %	2014	III 15/ II 15	III 15/ III 14	I-III 15/ I-III 14
Persons in formal employment <sup>2</sup>	0.5	0.3 <sup>1</sup>	1.9	1.8
Registered unemployed	0.2	-1.0 <sup>1</sup>	-6.8	-5.5
Average nominal gross wage	1.1	0.4 <sup>1</sup>	1.6	0.5
- private sector	1.4	0.6 <sup>1</sup>	1.5	0.1
- public sector	0.9	0.7 <sup>1</sup>	1.9	1.3
-of which general government	0.6	0.2 <sup>1</sup>	1.2	1.2
	2014	III 14	II 15	III 15
Rate of registered unemployment (in %), seasonally adjusted	13.1	12.4	12.5	13.4
Average nominal gross wage (in EUR)	1,540.25	1,526.36	1,515.98	1,550.33
Private sector (in EUR)	1,424.32	1,418.26	1,401.51	1,439.16
Public sector (in EUR)	1,757.29	1,725.59	1,729.92	1,758.15
-of which general government (in EUR)	1,726.43	1,708.54	1,718.98	1,728.56

Sources: ESS, SURS; calculations by IMAD. Note: <sup>1</sup>seasonally adjusted, <sup>2</sup> Persons in paid employment, self-employed persons and farmers.

Table 4: Employed persons by activity

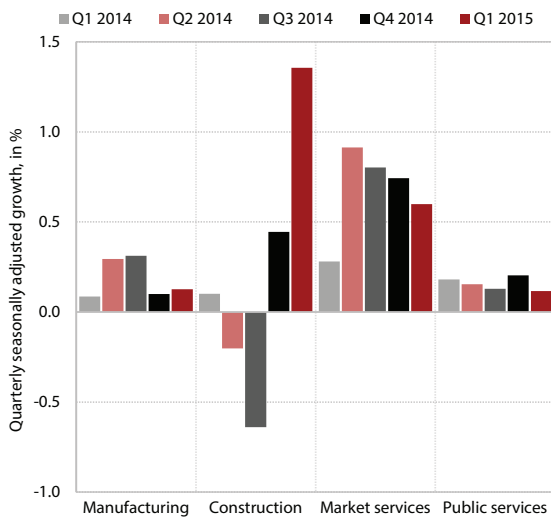
	Number in '000				Change in number	
	2014	III 15	II 15	III 14	III 15/ III 14	I-III 15/I-III 14
Manufacturing	178.3	179.1	178.8	177.5	1,585	1,480
Construction	54.0	53.2	51.3	52.6	577	318
Market services	339.0	345.2	343.2	334.7	10,510	10,373
-of which: Employment activities	10.6	13.2	13.0	8.1	5,060	5,646
Public services	171.0	172.0	171.6	170.9	1,103	1,024
Public administration and defence, compulsory social security	48.8	48.2	48.1	48.9	-698	-651
Education	66.0	66.9	66.7	66.3	624	643
Human health and social work activities	56.2	57.0	56.7	55.8	1,177	1,032
Other <sup>1</sup>	55.5	52.9	52.5	51.8	1,037	667
Total	797.8	802.5	797.4	787.7	14,812	13,862

Source: SURS; calculations by IMAD.

Note: <sup>1</sup>Agriculture and hunting, forestry, fishing; mining; electricity, gas and steam supply; water supply, sewerage, waste-management and remediation activities

companies. There were also fewer first-time jobseekers, most of whom are young.<sup>11</sup> The outflow from the register maintained the high level from 2014, but the outflow into employment was somewhat smaller, largely as fewer people were included in public works. According to LFS data, unemployment dropped further in the first quarter of 2015 (by 2.8%, seasonally adjusted); the survey-based unemployment rate was also slightly lower (9.3%, seasonally adjusted).

Figure 18: Employed according to SRE and registered unemployed



Source: SURS; calculations by IMAD.

In the first quarter, average gross **earnings** per employee rose further (0.2%, seasonally adjusted). In contrast to previous quarters, the increase was due only to higher earnings in the public sector.<sup>12</sup> Private sector gross earnings dropped slightly, despite the strong increase in March. In the first quarter, the year-on-year growth of average gross earnings slowed in both sectors, but significantly more in the private sector where it nevertheless barely exceeded the level of 2014 (0.1%). A breakdown by private sector activity indicates lower year-on-year growth (or a deeper decline) in most activities. In industry<sup>13</sup> gross earnings were 1.4% higher year-on-year, while in market services<sup>14</sup> they were 0.1% lower (in the same period of 2014, they were 3.7% and 0.5% higher, respectively). In the public sector they increased by 1.3%, mainly on the back of last year's payments of the suspended promotions of public servants.

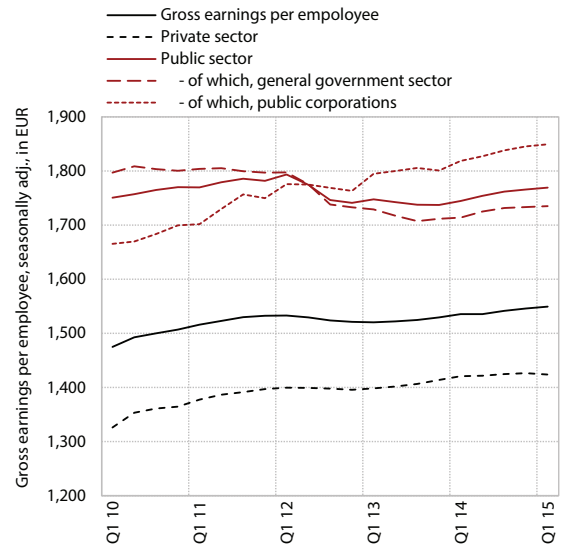
<sup>11</sup> This is also reflected in a notable decline in the number of unemployed in the 15–29 age group; in the first five months of 2015, unemployment in this age group was down 3,796 year-on-year, while total unemployment was down 7,481.

<sup>12</sup> Similar to 2014, they rose slightly again in the general government sector and public corporations.

<sup>13</sup> Activities B–E.

<sup>14</sup> Activities G–N; R–S.

Figure 19: Average gross earnings per employee

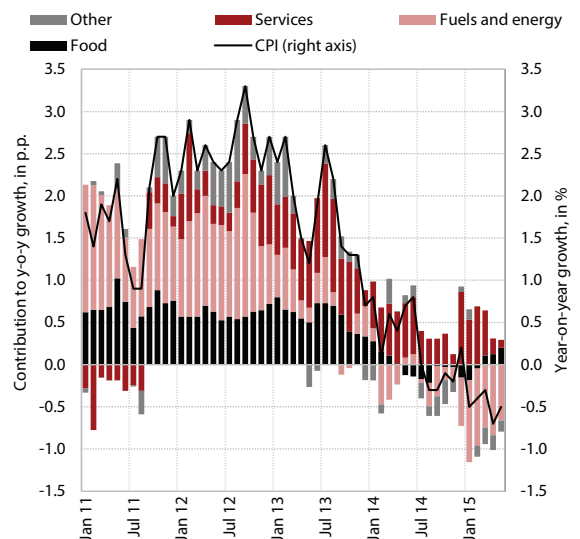


Source: SURS; calculations by IMAD.

## Prices

The continuation of year-on-year deflation (-0.5%) was mainly attributable to the falling energy prices, but their decline was mitigated by somewhat higher services prices. In May consumer prices were down year-on-year for the fifth consecutive month. Deflation is still mainly due to external factors (lower oil prices year-on-year) reflected in falling prices of energy. The latter contributed 0.8 percentage points on average to the year-on-year price decline in the first five months (-0.5%); among other price groups, services prices rose the most (a contribution of 0.4 percentage points). Food price growth remains modest, resulting primarily from higher prices of unprocessed food. The price movements in previous quarters were, alongside external factors, also impacted

Figure 20: Breakdown of year-on-year inflation



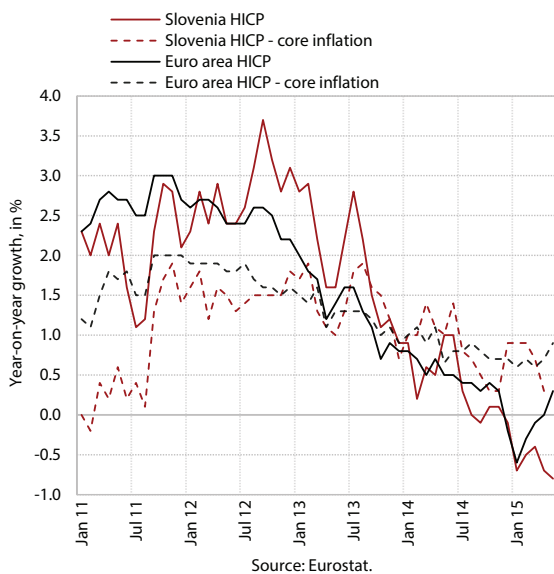
Source: SURS; calculations by IMAD.



by relatively modest domestic demand, which was reflected particularly in year-on-year declines in prices of durable and semi-durable goods. Core inflation, which excludes the impact of external factors, nevertheless remains positive and comparable to that in the euro area.

For the first time in five months, euro area recorded inflation in May (0.3%). The modest year-on-year price growth reflected higher prices of services and unprocessed food (0.6 percentage points and 0.2 percentage points, respectively). As oil prices were down year-on-year, the contribution of energy prices was negative (-0.5 percentage points).

Figure 21: Headline and core inflation in Slovenia and in the euro area



**Industrial producer prices on the domestic market remained unchanged in April, year-on-year, while prices on foreign markets rose substantially (1.8%).** Domestic price movements were impacted primarily by further price rises in the manufacture of metals and metal products (3.0%) and ICT and electrical equipment (3.1%), and lower prices in the chemical and pharmaceutical industry (-1.7%). On foreign markets, the year-on-year growth strengthened by 1 percentage point relative to the previous month particularly owing to higher prices of products sold outside the euro area. The stronger growth is mainly attributable to the depreciation of the euro and higher prices particularly in the manufacture of metals and metal products (8.3%) and in the pharmaceutical and chemical industry (3.8%). After a long period of decline, **import prices** were up in April (0.5%). With oil prices falling more slowly year-on-year, their modest growth was mainly impacted by a further strengthening of price growth in the metal industry (7.3%) and ICT and electrical equipment manufacturing (7.9%). Growth continued to be dragged down by lower prices in the chemical and pharmaceutical industry (-2.3%) and in the manufacture of transport equipment (-1.2%).

Figure 22: Industrial producer prices and import prices

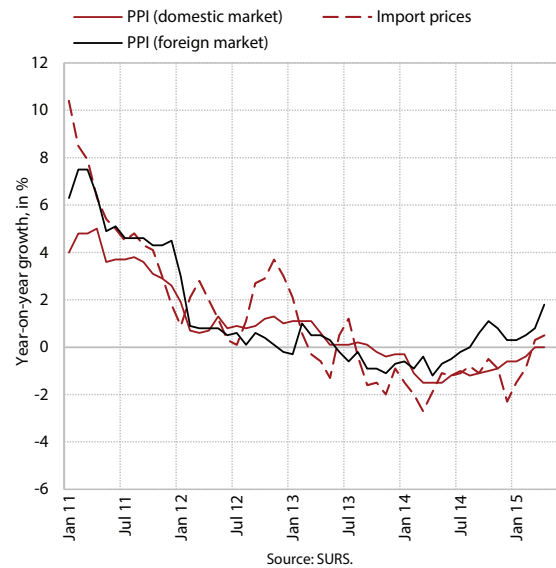


Table 6: Consumer price growth, in %

	2014	IV 15/III 15	IV 15/IV 14
<b>Total</b>	<b>0.2</b>	<b>0.1</b>	<b>-0.7</b>
Food	-1.0	0.5	0.8
Fuels and energy	-4.1	-0.4	-6.3
Services	2.8	-0.6	0.6
Other <sup>1</sup>	0.2	0.7	-0.4
Total excluding food and energy	1.3	0.1	0.1
Core inflation – trimmean <sup>2</sup>	0.0	-0.1	-0.1
Administered prices	-2.6	-0.5	-7.4
Tax impact – contribution in percentage points.	0.4	0.0	0.2

Source: SURS, Ministry of Economic Development and Technology; calculations by IMAD. Notes: <sup>1</sup> Clothing, footwear, furniture, passenger cars, alcoholic beverages, tobacco, etc.; <sup>2</sup> The trimmean approach excludes the share of extreme price changes in each month. The optimum share is determined as a difference between the moving average and the calculated trimmed mean in the period of the last five years.

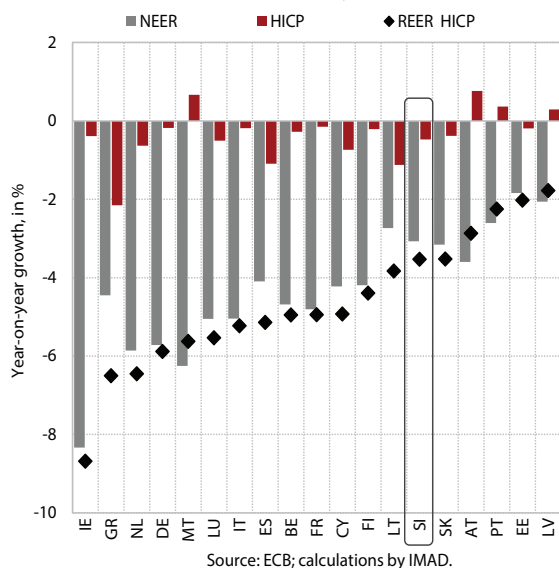
In April **price competitiveness** continued to improve under the impact of the depreciation of the exchange rate of the euro, but the improvement was one of the smallest in the euro area. The year-on-year decline in the real effective exchange rate deflated by the relative<sup>15</sup> HICP strengthened in April (-4.4%) due to a larger decline in the exchange rate of the euro, particularly against the non-EU currencies.<sup>16</sup> The impact of the decline in relative prices on price competitiveness was smaller and similar to previous months. In the first four months, Slovenia was in the group of euro area countries with smaller year-on-year gains in price competitiveness. Given the geographical structure of Slovenia's external trade,<sup>17</sup> the positive effects of the depreciation of the euro were relatively smaller.

<sup>15</sup> Slovenian prices relative to the trading partners.

<sup>16</sup> The US dollar (-22.0%), Chinese yuan (-22.9%), South Korean won (-18.8%), Swiss franc (-14.8%) and Japanese yen (-9.0%).

<sup>17</sup> I.e. an above-average share of trade with the euro area.

Figure 23: Real effective exchange rates deflated by the HICP, euro area countries, January–April 2015



## Balance of payments

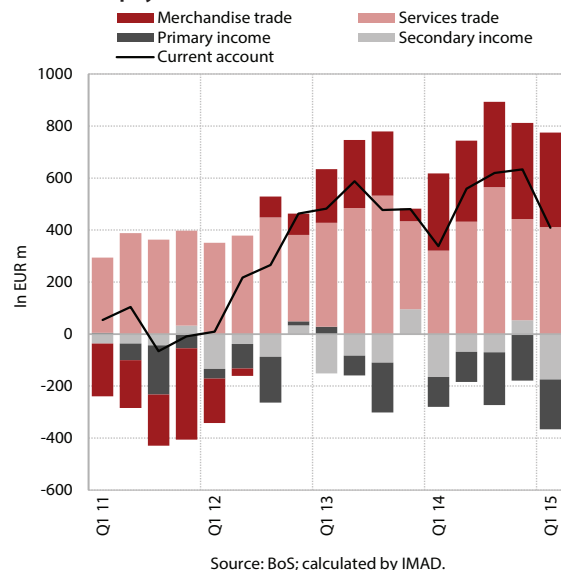
At the beginning of 2015, the **current account** surplus widened year-on-year. The main reason was further growth in the surplus in external trade, which this year is mainly due to the better terms of trade. The deficits in primary and secondary income were up year-on-year.

In the first quarter of this year, the surplus in **external trade** increased further due to a larger surplus in merchandise and services trade. The higher nominal balance in external trade was mainly due to the better terms of trade.<sup>18</sup> As exports increased at the same rate as imports in real terms, the contribution of quantity factors was less pronounced. The wider surplus in merchandise trade was mainly the result of nominal growth in exports to EU markets, while exports to non-EU countries continued to decline. The surplus in services trade was also up, primarily due to lower imports of construction and business services in year-on-year terms (the lower imports of business services were also due to last year's strong base related to the payments of the banks' asset quality review). The surpluses in trade in travel and transport services widened, the latter due to the favourable trade in transport services (particularly railway, air and road transport). The net inflow of travel was higher, reflecting relatively faster growth in revenue from non-resident than resident travel.

In the first quarter, the deficit of **primary income** widened chiefly due to the net outflows of other primary income.

<sup>18</sup>The terms of trade, which have been improving since the second quarter of 2013, are increasing the purchasing power of exports of Slovenian companies, which are lowering operating costs due to the decline in import prices. In the first quarter, the terms of trade improved by 1.3%, primarily owing to lower euro prices of imported manufactured goods, raw materials and energy.

Figure 24: Components of the current account of the balance of payments



These were mainly attributable to the inflows of EU funds, which were lower than in the same period of 2014. The net outflows of capital income also continued. As a result of the borrowing in previous years, net interest payments of the government sector increased further. On the other hand, the private sector received higher income from financial assets due to the deleveraging of commercial banks and higher investments of other financial corporations. The Bank of Slovenia recorded net interest receipts, as its financial assets significantly exceeded its liabilities to the Eurosystem. The deficit in **secondary income** widened slightly, mainly as a result of lower general government current transfers.

Figure 25: Net interest income by sector

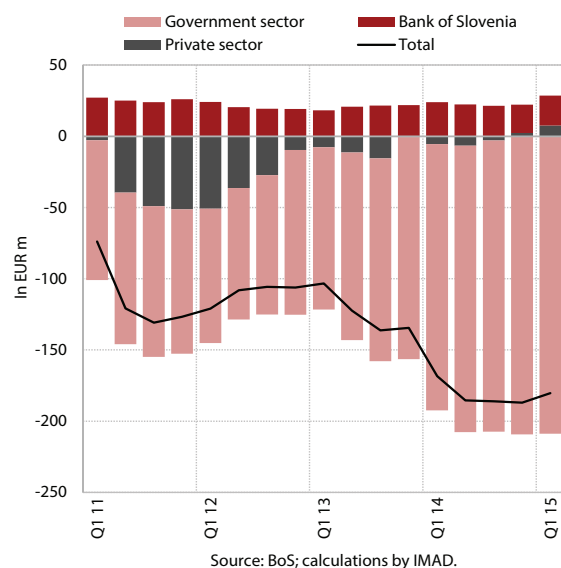


Table 7: Balance of payments

I-III 15, in EUR m	Inflows	Outflows	Balance <sup>1</sup>	Balance I-III 14
Current account	7,567.0	7,158.2	408.8	337.7
Goods	5,861.4	5,497.1	364.3	297.5
Services	1,258.4	847.4	411.0	320.5
Primary income	275.4	467.4	-192.0	-114.8
Secondary income	171.8	346.3	-174.5	-165.5
Capital account	139.4	105.6	33.7	-0.2
Gross acquisitions/disposals of non-produced non-financial assets	44.6	35.7	8.9	6.0
Capital transfers	94.8	69.9	24.9	-6.2
Financial account	346.7	1,125.0	778.3	333.0
Direct investment	392.4	39.2	-353.2	-81.4
Portfolio investment	-287.2	337.5	624.7	-3,096.8
Financial derivatives	-17.5	-1.1	16.5	-2.0
Other investment	259.0	769.6	510.5	3,355.7
Assets	0.0	769.6	769.6	1,712.7
Liabilities	259.0	0.0	-259.0	-1,643.1
Reserve assets	0.0	-20.2	-20.2	157.5
Net errors and omissions	0.0	335.7	335.7	-4.6

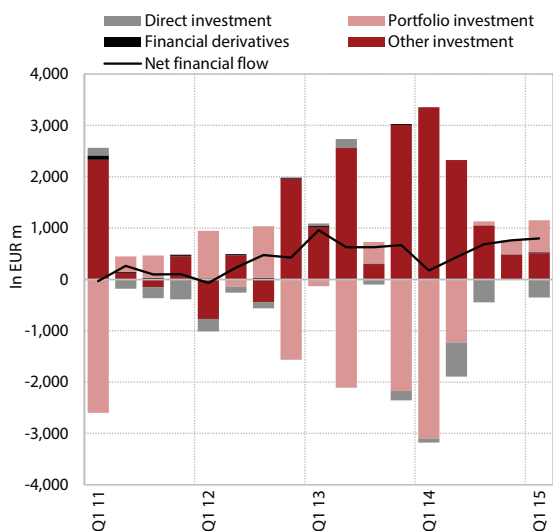
Source: BoS.

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

In the first quarter, **international financial transactions**<sup>19</sup> recorded a net outflow again, at EUR 798.4 m. The net outflows of other investment and portfolio investment continued; direct investment registered a net increase in net external liabilities.

The net outflow in the first quarter mainly reflected increased investment in securities and deposits in accounts abroad.

Figure 26: Financial transactions of the balance of payments



Source: BoS; calculations by IMAD.

<sup>19</sup> Excluding reserves.

The net outflow of **portfolio investment** amounted to EUR 624.7 m. Other financial corporations<sup>20</sup> were buying equity and long-term debt securities, which is related to high yields on international financial markets. The government sector and commercial banks repaid part of their liabilities to foreign portfolio investors. **Other investment** registered a net outflow of EUR 510.5 m. Enterprises strengthened short-term trade crediting, which is related to growing exports of goods and services; households and other financial corporations increased their deposits in accounts abroad. Commercial banks continued to repay their debts abroad, but in lower amounts than in the same period last year.

**Direct investment** recorded a net inflow of EUR 353.2 m as a result of inward foreign direct investment. The inflow was considerably larger than in the same period of 2014 and consisted mainly of equity capital. Outward foreign direct investment remained modest.

## Financial markets

The volume of loans to domestic non-banking sectors continues to decline.<sup>21</sup> In the first four months of 2015, it was down by almost EUR 240 m. The decrease was mainly attributable to debt repayments by enterprises and NFIs and partly (by around EUR 45 m) to a decline in government loans. Household borrowing increased. Banks continued to reduce liabilities abroad. Growth in household deposits at domestic banks is slowing, also as households are looking for alternative investments. The quality of banks' assets is still improving gradually while the creation of additional provisions and impairments is easing.

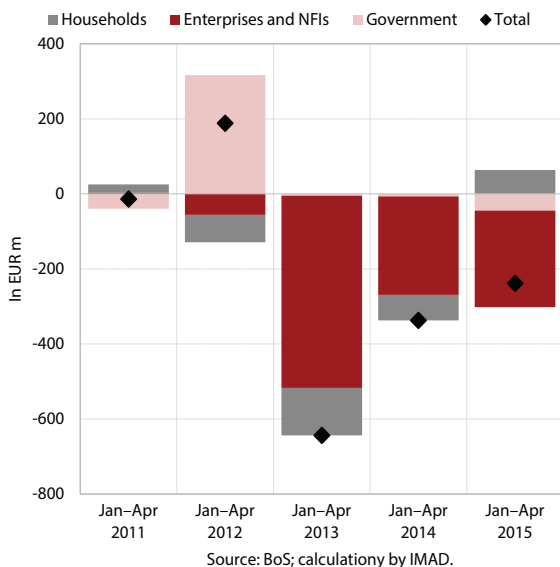
**Household loans** rose by EUR 63.5 m in the first four months of this year. The increase was related primarily to January's appreciation of the Swiss franc,<sup>22</sup> as in the other three months the volume of household loans was mainly falling. In the first four months of 2015, the decline in consumer loans (EUR 30 m) doubled relative to the same period of 2014, while the fall in loans for other purposes slowed considerably. Since January, only the volume of household loans in foreign currency has been falling, owing to the accelerated conversion to euro loans. Amid a relatively stable exchange rate of the Swiss franc, foreign currency loans shrank by almost EUR 90 m in the last three months, while euro loans rose by more than EUR 70 m.

**Corporate deleveraging at home and abroad is slowing, while NFI deleveraging is increasing.** In the first four months, the volume of corporate and NFI loans at domestic banks fell by around EUR 260 m, which is 2.1% less than in the comparable period of 2014: within

<sup>20</sup> Particularly investment and pension funds and insurance companies.<sup>21</sup> In loan movements in the first two months of 2015, the change in volume as at 30 April 2015 relative to 31 December 2014 is shown.<sup>22</sup> Because of which foreign currency loans rose by more than EUR 110 m, according to our estimate.

that, corporate repayments totalled around EUR 135 m, which is almost two thirds less than in the same period of 2014. NFI net repayments amounted to EUR 120 m, in contrast to the comparable period last year, when NFIs recorded growth in the volume of loans. After recording net borrowing abroad in the first two months of 2015, enterprises and NFIs were making large net repayments of foreign loans at the end of the first quarter. In March alone, the net outflow of foreign corporate and NFI loans exceeded EUR 370 m, almost three quarters of the amount being long-term net repayments by NFIs. In the first quarter, net repayments of corporate and NFI foreign loans amounted to around EUR 320 m, almost twice as much as in the same period of 2014. Within that, corporate net repayments totalled around EUR 25 m, three quarters less than in the first quarter of 2014. In March the gaps between domestic and foreign interest rates<sup>23</sup> widened slightly, to 145 basis points.

Figure 27: Changes in domestic bank loans to households, enterprises and NFIs and the government

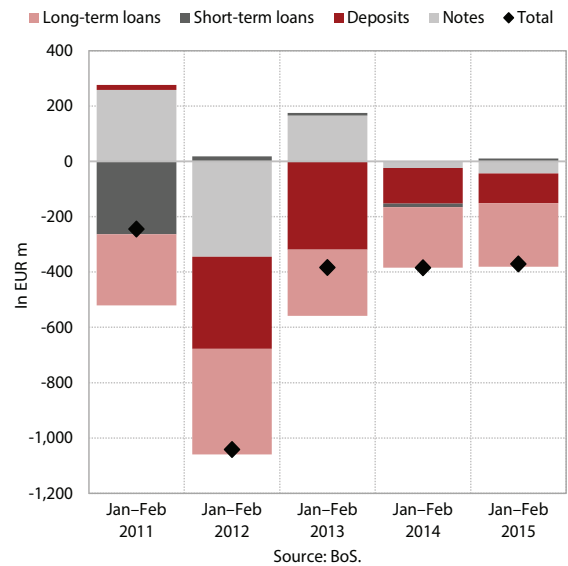


**Bank deleveraging abroad** is fairly even this year, hovering between EUR 120 m and EUR 125 m at the monthly level in the first three months. In the first quarter, net repayments of foreign liabilities amounted to EUR 370 m, approximately 5% less than in the first quarter of 2014. At the end of the first quarter, liabilities to foreign banks dropped to EUR 4.7 bn, accounting for 10.9% of the banks' total assets.

Growth in household **deposits** is rapidly slowing this year, and in April deposits even declined month-on-month. In the first four months of this year, their volume rose by EUR 127 m, by around a half less than in the same period of 2014. We estimate that this is also a consequence of low interest rates, which have declined substantially since 2013 and are already significantly below the euro area average on short-term deposits and just above the euro area average on long-term deposits. Households have already started

<sup>23</sup> Interest rates on loans of over EUR 1 m with a variable, or up to one year with a fixed initial interest rate.

Figure 28: Net repayments of foreign liabilities of domestic banks



to move savings to alternative investments, which is also confirmed by the high inflows to mutual funds, which amounted to almost EUR 110 m in the first four months, approximately three times as much as in 2014 as a whole. Only overnight deposits at banks continue to increase, having risen by almost EUR 540. Government deposits at domestic banks rose by EUR 500 m in the first four months of this year. The increase is mainly due to the high inflows in April, when the government transferred funds from the account with the central bank.

The **quality of banks' assets** continues to improve. At the end of the first quarter, the share of arrears of more than

Figure 29: Creation of impairments and provisions and the proportion of arrears of more than 90 days in the Slovenian banking system

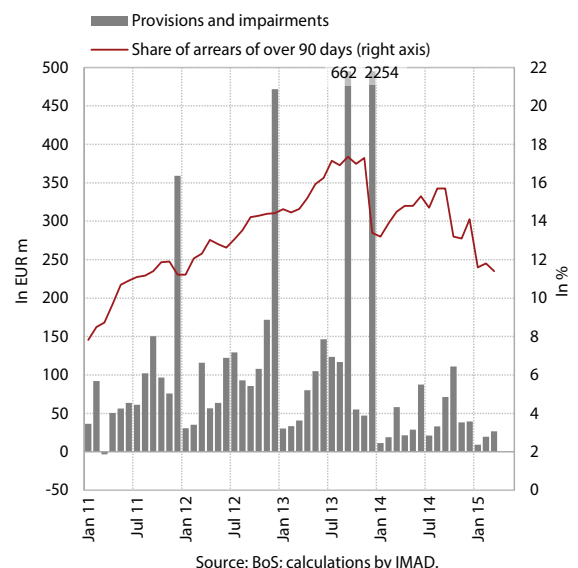


Table 8: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 14	30. IV 15	30. IV 15/31. III 15	30. IV 15/31. XII 14	30. IV 15/30. IV 14
Loans total	22,860.9	22,622.7	-0.9	-1.0	-12.4
Enterprises and NFI	12,278.2	12,020.9	-1.6	-2.1	-21.6
Government	1,820.3	1,775.8	0.1	-2.4	7.1
Households	8,762.4	8,826.0	-0.1	0.7	-0.3
Consumer credits	2,104.1	2,074.5	-0.3	-1.4	-5.7
Lending for house purchase	5,348.0	5,444.8	-0.2	1.8	2.9
Other lending	1,310.4	1,306.7	0.5	-0.3	-3.7
Bank deposits total	15,355.6	15,482.5	-0.7	0.8	4.3
Overnight deposits	7,373.6	7,911.8	0.5	7.3	19.1
Short-term deposits	3,272.5	2,982.7	-5.6	-8.9	-17.8
Long-term deposits	4,704.9	4,579.6	0.8	-2.7	0.2
Deposits redeemable at notice	4.6	8.3	2.4	81.3	118.2
Mutual funds	2,150.7	2,489.8	1.4	15.8	31.8
Government bank deposits, total	1,909.4	2,392.4	47.2	25.3	23.4
Overnight deposits	24.6	461.0	358.1	1,774.4	7.4
Short-term deposits	860.6	582.1	77.0	-32.4	-46.0
Long-term deposits	955.2	1,265.9	12.3	32.5	214.2
Deposits redeemable at notice	69.0	83.5	22.5	20.9	190.9

Sources: Monthly Bulletin of the BoS, SMA (Securities Market Agency); calculations by IMAD.  
Note: NFI – Non-monetary Financial Institutions.

90 days totalled 11.4%.<sup>24</sup> Their volume amounted to EUR 4.2 bn, which is EUR 250 less than at the end of 2014. The decline was due mainly to the further fall in arrears of more than 90 days against non-residents, and partly to the slightly lower volume of non-performing claims against domestic enterprises. The gradual improvement in the quality of banks' assets is also reflected in the creation of provisions and impairments in the Slovenian banking system, which amounted to EUR 51.5 m in the first quarter, which is around 40% less than in the same period of 2014.

## Public finance

In the first quarter, the **general government deficit**<sup>25</sup> totalled EUR 653.9 m, which is similar to the same period of 2014. Both general government revenue and expenditure were at almost the same level as in the first quarter of 2014. Expenditure excluding interest payments was down year-on-year (by EUR 48 m or 1.3%); the primary budget deficit<sup>26</sup> (EUR 159.2 m) was thus a quarter lower.

**General government revenue** in the first quarter was similar to that in the same period last year. The shortfall in non-tax revenue (-39.4%) owing to the lower surplus from the treasury single account management paid into the state budget<sup>27</sup> was offset by higher tax revenues (3.8%)

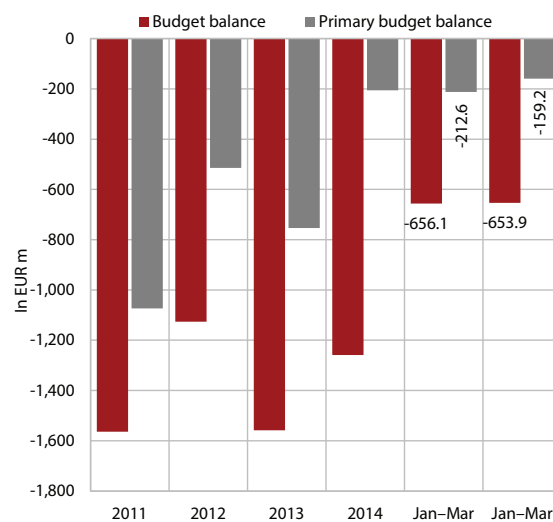
<sup>24</sup> 10% excluding Probanka d.d. and Factor banka d.d.

<sup>25</sup> According to the consolidated general government budgetary accounts on a cash basis.

<sup>26</sup> The primary budget balance does not take into account revenue and expenditure from interest.

<sup>27</sup> The surplus from the treasury single account management in 2014 (paid

Figure 30: Budget balance and primary budget balance



Source: MF, Bulletin of Government Finance; calculation by IMAD.

and social contributions (2.7%). The year-on-year growth in tax revenues arises from higher revenues from value added tax, excise duties and compensation for the use of building ground. The higher revenue from VAT is related to the strengthening of private consumption and, partly, the improvement in tax compliance. Growth in revenue from excise duties mainly stems from the year-on-year increase in excise duty rates, while higher revenue from

into the state budget in the first quarter of this year) was smaller than that in 2013 (paid into the state budget in the first quarter of 2014) mainly due the early release of deposits (and the receipt of interest) in 2013.



Table 9: Consolidated general government revenue

	2011	2012	2013	2014	I-III 2014	I-III 2015		
	Y-o-y growth, in %					EUR m	Growth, in %	Contribution to growth, perc. p.
GENERAL GOVERNMENT REVENUES	1.3	0.1	-1.8	5.2	6.3	3.633.80	0	0
TAX REVENUES*	4.3	-0.8	-4.5	5.3	9.6	1.912.90	3.8	1.9
Personal income tax	0.7	1.1	-10.1	2.5	3.3	501	1.5	0.2
Corporate income tax	48.8	-13.6	-54	76.6	4.4	101	-2.2	-0.1
Taxes on immovable property	1.4	8.7	7.1	-9.4	-58.3	17	164.3	0.3
Value added tax	1.8	-2.9	4.3	4.1	13.6	749.9	5.6	1.1
Excise duties	1.6	6.7	-4.5	0	6.8	345.4	7.8	0.7
SOCIAL SECURITY CONTRIBUTIONS	0.6	-0.4	-2.2	2.8	3.1	1.339.50	2.7	1.0
NON-TAX REVENUES	-10.2	10.1	8.4	19.9	10.6	159.3	-39.4	-2.9
RECEIPTS FROM THE EU BUDGET	12.5	3.7	11.0	10.9	-0.6	207.7	-1.0	-0.1
OTHER REVENUES (capital and transferred revenues, donations)	-56.5	-4.7	23.5	-50.9	-40.6	14.4	0.6	0

Source: MF, Bulletin of Government Finance; calculations by IMAD.

Table 10: Consolidated general government expenditure

	2011	2012	2013	2014	I-III 2014	I-III 2015		
	Y-o-y growth, in %					EUR m	Growth, in %	Contribution to growth, perc. p.
GENERAL GOVERNMENT EXPENDITURE	-0.9	-2.5	1.0	2.9	3.7	4.287.60	-0.1	-0.1
CURRENT EXPENDITURE	-0.5	-1.6	0.4	3.0	4.4	1.970.10	2.4	1.1
Salaries, wages and other personnel expenditures	-0.8	-4.0	-3.0	-0.2	1.2	926.2	0.7	0.2
Expenditure on goods and services	-2.7	-2.9	-5.7	-0.3	-4.9	500.4	-5.9	-0.7
Interest payments	7.9	23	29.7	30.6	41.6	497.2	10.1	1.1
Reserves	56.1	-12.2	119.8	-28.4	-63.5	46.2	125	0.6
CURRENT TRANSFERS	2.5	-1.7	-0.2	-1.0	1.8	1.933.20	-2.6	-1.2
Of which: Transfers to individuals and households	4.1	-2.3	-0.6	-0.1	-0.9	1.564.10	0.1	0.1
INVESTMENT EXPENDITURE	-18.2	-11.5	9.4	26.9	19.3	213.2	-2.9	-0.2
PAYMENTS TO THE EU BUDGET	2.1	-3.7	9.0	-5.3	0.5	171.1	5.2	0.2

Source: MF, Bulletin of Government Finance; calculations by IMAD.

compensation for the use of building ground reflects the deferment of collection of the tax for 2014 to the first months of this year. Growth in revenue from social security contributions arises from the expansion of the contribution base<sup>28</sup> and the improvement in the labour market situation.

After being lower in the first two months, **general government expenditure** strengthened in March; in the first quarter, it thus remained almost unchanged relative to the same period of 2014. Current expenditure and payments into the EU budget were higher (2.4% and 5.2%, respectively), while investment expenditure was lower (-2.9%). Higher current expenditure is attributable to the still rising interest payments, and partly to higher reserves<sup>29</sup> and the wage bill (including employers'

<sup>28</sup> Since 1 January 2015, full contributions for pension and disability insurance and employers' contributions for health insurance are to be paid on student work. On 1 February 2014, the contributions for compulsory health insurance for some forms of individual or other independent work (e.g. via work and copyright contracts) were raised.

<sup>29</sup> The increase in reserves is attributable to the establishment of the water fund and the climate change fund.

contributions); expenditure on goods and services was lower. Current transfers were also down (-2.6%), which is mainly explained by the lower transfers to social security funds due to the (too) high transfers recorded in March 2014 (which was followed by a negative correction<sup>30</sup> in April). Transfers to individuals and households were slightly higher year-on-year.

**Slovenia's net budgetary position relative to the EU budget** was positive in April (EUR 72.1 m); in the first four months, it was similar to that in the same period last year. In April receipts to the state budget amounted to EUR 106.8 m, while payments to the EU totalled EUR 34.7 m. In the first four months of 2015, the net budgetary position

<sup>30</sup> In recording the transfers from the PDII budget to the HII budget, discrepancies in the monthly allocation of cash flows by accounts may occasionally occur. The transfers to social security funds recorded in March 2014 were thus too high, so that a negative correction had to be made in April; on the revenue side a similar discrepancy occurred in the category of other taxes. The transfers to social security funds in the first quarter therefore recorded a strong year-on-year decline. We estimate that these discrepancies do not have any significant impact on the recorded budget deficit.

**Box 3: Absorption of cohesion funds in the programming period 2007–2013**

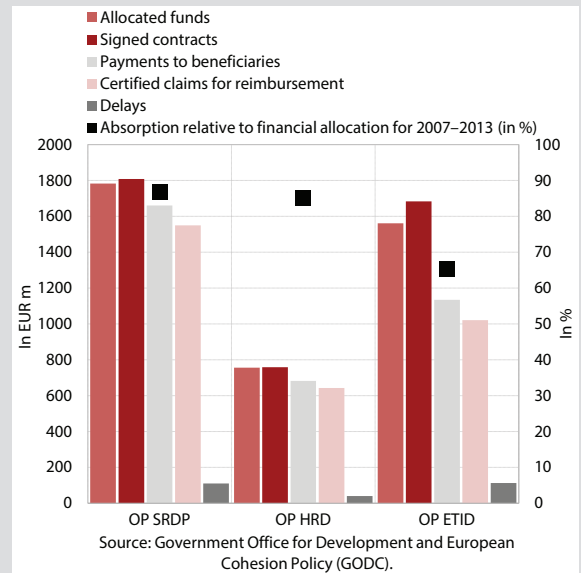
In the 2007–2013 programming period Slovenia absorbed approximately 85% of the available EU funds for the implementation of the Cohesion Policy. As expected, the absorption of funds for the implementation of the Cohesion Policy accelerated in the second half of 2014 and also continued at the beginning of 2015. In the past year, EUR 772 m in grants has been paid, of which EUR 82 m in the first quarter of 2015, which is slightly less than in the previous three quarters. This year the most funds were received for the OP ETID, the operational programme which has the lowest absorption rate. Since the beginning of the programming period, Slovenia paid almost EUR 3.5 bn from the state budget (85.0% of the allocated funds)<sup>1</sup> for all three operational programmes together (OP SRDP, OP HRD, OP ETID)<sup>2</sup>; reimbursements<sup>3</sup> to the state budget amounted to EUR 3.2 bn (78.4% of the allocated funds). In the total period, the highest absorption rate was recorded by the OP SRDP and the lowest by Cohesion policy funds earmarked for the OP ETID.

For Slovenia to be able to absorb all foreseen EU funds by the end of the programming period, additional appropriations were made for all operational programmes. They are intended for contingency, less risky, projects whose implementation does not pose a major risk and could replace the projects that are not being implemented.<sup>4</sup> The highest percentage of additional funds with regard to the available funding was earmarked for the OP ETID (16%), which is the operational programme with the lowest realisation (only 72.6% in payments to beneficiaries and 65.4% in reimbursements to the state budget). The lowest realisation of payments from the state budget was recorded by projects in the area of municipal waste (33.2% of the allocated funds) and railway infrastructure (55.2%). Within these development priorities, a portion of OP ETID funds was also reallocated to other projects. The additional appropriations for the OP SRDP<sup>5</sup> and the OP HRD were lower, as in these operational programmes, the shares of payments to beneficiaries and reimbursements to the state budget are significantly higher. According to the Government Office for Development and European Cohesion Policy,<sup>6</sup> additional claims for reimbursement are expected to total EUR 500.8 m in 2015 and 2016.

In the past year, Slovenia has adopted several measures to accelerate the absorption of the remaining funds in the 2007–2013 programming period. To make the absorption more efficient, operational programmes have been modified with a view of redistributing the non-allocated funds to projects where they are more needed and where they can be more easily absorbed. The risky projects are more closely monitored and delays in the reimbursement of EU funds have been reduced. The main objective of these measures is for Slovenia to close the programming period without losing EU funds, as according to the n+3/n+2 rule, 2015 is the final year of this programming period. To reach 100% absorption, Slovenia still has to receive around EUR 622 m from the budget, of which EUR 483 m for OP ETID projects.

Broken down by statistical regions,<sup>7</sup> individual regions received around two thirds of all cohesion policy funds. The rest was paid to Slovenia as a single region, particularly under the OP SRDP and the OP HRD. The highest absorption rate with regard to the planned funds is recorded by the Zasavska (130.3%) and the lowest by the Goriška statistical region (64.7%). The most grants for infrastructure and environmental projects were paid to beneficiaries in the Pomurska statistical region (EUR 261.9 m, or 24.4% of all OP ETID payments).

**Figure 31: Absorption of Cohesion Policy funds in the 2007–2013 period, as at 31 March 2015**



<sup>1</sup> In the 2007–2013 programming period, Slovenia was committed EUR 4.1 bn for the implementation of the Cohesion Policy.

<sup>2</sup> OP SRDP – Operational Programme for Strengthening Regional Development Potentials; OP HRD – Operational Programme for Human Resource Development; OP ETID - Operational Programme of Environmental and Transport Infrastructure Development.

<sup>3</sup> As a result of unjustified expenditure, financial corrections, the gap between payments from the state budget and submitted claims for reimbursement, and other irregularities, reimbursements from the EU budget are never equal to the payments from the state budget but correspondingly lower.

<sup>4</sup> Together with additional appropriations (due to the high level of risk in the implementation), Slovenia was allocated EUR 4.4 bn (107.1% of the available funds).

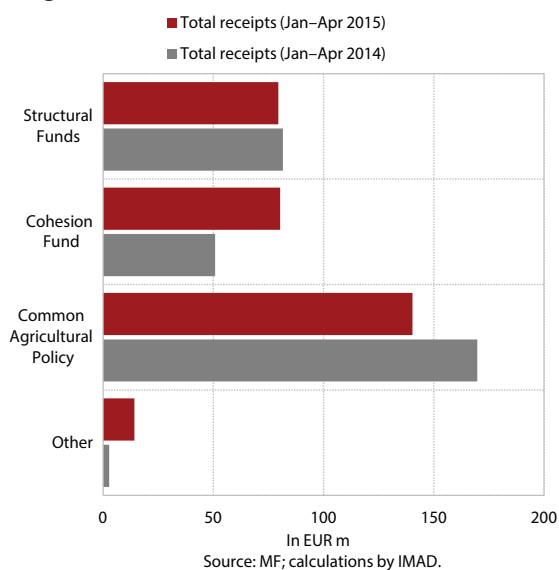
<sup>5</sup> Within the OP SRDP, the most additional funds were committed for projects in the field of competitiveness and research excellence and economic development infrastructure.

<sup>6</sup> Based on the action plan, the quarterly report for 2015 and the expected certified claims for reimbursement.

<sup>7</sup> As at 31 January 2005.

relative to the EU budget totalled EUR 108.5 m, similar to the same period of 2014. Slovenia paid EUR 205.8 m to and received EUR 314.3 m from the EU budget. The majority of receipts were funds for the implementation of the Common Agricultural and Fisheries Policies (EUR 140.3 m, of which the highest amount was granted for direct aid to farmers, EUR 131.7 m<sup>31</sup>). Slovenia received EUR 80.3 m from the Cohesion Fund and Structural Funds, of which EUR 79.5 m came from Structural Funds (EUR 56.5 m from the European Regional Development Fund and EUR 23.0 m from the European Social Fund).

Figure 32: Receipts from the EU budget into the state budget



<sup>31</sup> This is largely due to the dynamics of payments in agriculture, as each year the highest inflows from direct payments are recorded in March and April.



**selected topics**



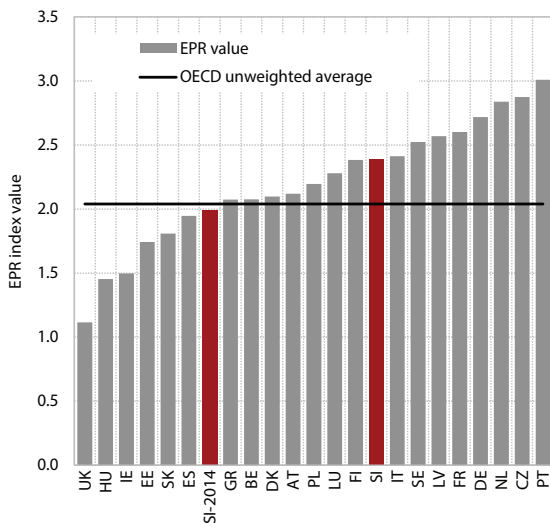
## Effects of changes in labour market regulation

In the middle of April 2013, the new Employment Relationship Act (ZDR-1) and the Act Amending the Labour Market Regulation Act (ZUTD-A) entered into force. The amendments to the ZDR-1 were aimed at upgrading the flexicurity system by improving the protection of workers' rights, reducing labour costs, simplifying dismissal procedures for employers and ensuring more efficient supervision and judicial protection. Flexibility was also addressed by some provisions of the ZUTD-A. The main goals of the changes were: (i) reducing labour market segmentation; (ii) increasing flexibility; and (iii) increasing legal protection of employees.

In September 2013, the government of the Republic of Slovenia set up a working group to monitor the effects of changes in labour market regulation. Led by IMAD, the working group also includes representatives of the Ministry of Labour, Family, Social Affairs and Equal Opportunities, Employment Service of Slovenia, Statistical Office of the RS, the Ministry of Finance and external experts. The working group established a set of indicators to monitor the effects of changes and wrote two reports. In the following paragraphs we present the main findings regarding the achievement of goals.

Changes in regulation have reduced employment protection as measured by the employment protection legislation index. The index (OECD methodology) is used to compare the flexibility of labour market regulation<sup>32</sup> between

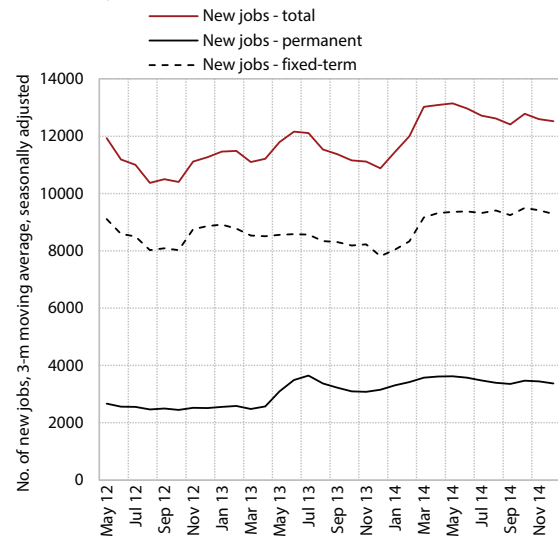
Figure 33: The values of the index of protection of regular workers against individual dismissal (EPR) in OECD countries that are also EU Member States



Source: OECD. Note: Slovenia-2014 denotes the index value for Slovenia after the adoption of the changes.

<sup>32</sup>The index and its sub-indices range between 0 and 6, with higher values indicating more rigid regulation; they measure three areas: (i) employment protection for regular workers against individual dismissal (EPR); (ii) the regulation of temporary contracts (EPT); and (iii) specific requirements for collective dismissal (EPC).

Figure 34: New jobs by type of employment contract, seasonally adjusted



Source: SURS (SRE); calculations by IMAD.

countries. Its value for Slovenia declined particularly in the area of the protection of regular workers against individual dismissal, where Slovenia now ranks below the OECD average: only five EU Member States that are also members of the OECD have less rigid regulation in this area. Less rigid employment protection is a condition for higher mobility on the labour market.

The changes reduced employment protection in order to increase labour market flexibility,<sup>33</sup> which was reflected in a lower aversion of employers to hire. According to the analysis, the higher labour market flexibility<sup>34</sup> showed particularly in a larger number of new employment contracts and increased hiring of young and older people. The positive developments were also attributable to the more favourable economic situation.<sup>35</sup> The increase in employment (new hiring) is evident from data on new employment contracts from the Statistical Register of Employment (SRE). Upon the adoption of legislative changes, the number of new employment contracts rose significantly, largely on account of new permanent contracts. The number of new permanent jobs remained high in 2014. The number of new fixed-term jobs also rose at the beginning of 2014. We estimate that the increase in fixed-term employment despite the more favourable economic situation was due to the (still) weak recovery

<sup>33</sup>Labour market flexibility is defined as a set of factors that make it possible for employers to adjust to changing demand.

<sup>34</sup> Empirical studies show that a reduction in employment protection and a consequent increase in labour market flexibility generally increase the flows into and out of unemployment, reduce labour market segmentation and, in favourable economic conditions, decrease the unemployment of vulnerable groups, such as the long-term unemployed, young people and women.

<sup>35</sup> In favourable times, the reforms towards more flexible legislation, which makes it easier for companies to adjust to the economic situation, positively contribute to the decline in unemployment, as companies can employ workers more rapidly and easily. However, in unfavourable economic conditions, such reforms can increase the outflow from employment into unemployment.

Table 11: New jobs by type of employment contract, by age group, in the period from April to December, in individual years\*

	IV-XII 2012	IV-XII 2013		IV-XII 2014	
	Number	Number	Year-on-year change	Number	Year-on-year change
<b>Total</b>					
15-29 years	35,450	34,361	-3.1	39,921	16.2
30-54 years	58,061	63,305	9.0	67,121	6.0
55 years and more	4,765	4,825	1.3	5,914	22.6
Total	98,276	102,491	4.3	112,956	10.2
<b>Permanent</b>					
15-29 years	4,748	6,478	36.4	8,446	30.4
30-54 years	16,180	20,494	26.7	20,103	-1.9
55 years and more	1,195	1,456	21.8	1,411	-3.1
Total	22,123	28,428	28.5	29,960	5.4
<b>Fixed-term</b>					
15-29 years	30,702	27,883	-9.2	31,475	12.9
30-54 years	41,881	42,811	2.2	47,018	9.8
55 years and more	3,570	3,369	-5.6	4,503	33.7
Total	76,153	74,063	-2.7	82,996	12.1

Source: SURS (SRE); calculations by IMAD.

Note. \*The periods from April to December have been selected to make the effects of the reform, which entered into force in March 2013, more comparable year-on-year by excluding the influence of the typical seasonal movements of new jobs within individual years.

of economic activity. In 2014 the share of new fixed-term employment contracts thus remained high (72.7% of all new employment contracts).<sup>36</sup>

After the reform, employment increased particularly among young and older people. After the implementation of legislative changes, the number of new jobs started to rise, but this was also due to the recovery of economic activity. In the period from April to December 2014, more permanent employment contracts were signed, which could mean that employers were less reluctant to hire employees on a permanent basis due to the lower protection of permanent employment. The number of new permanent employment contracts rose particularly among the young (15–29 years), which is in line with the economic theory that less restrictive employment protection reduces barriers to employment for the young. Alongside the lower employment protection, the increased employment of young people was also due to other legislative changes<sup>37</sup> and active employment policy measures. The reduction in the protection of older people introduced by the ZDR-1 was also reflected in increased hiring in this population group. While in the period from April to December 2013, the number of newly employed people over 55 was only slightly higher than in the same period of 2012, it rose notably in the same period of 2014. The employment rate of the 55–64 age group also rose in 2014, being 1.9 percentage points higher than in 2013 yet

still one of the lowest in the EU. The higher employment rate of older people was also due to the pension reform, which entered into force in 2013, and a gradual increase in temporary or occasional work of pensioners.

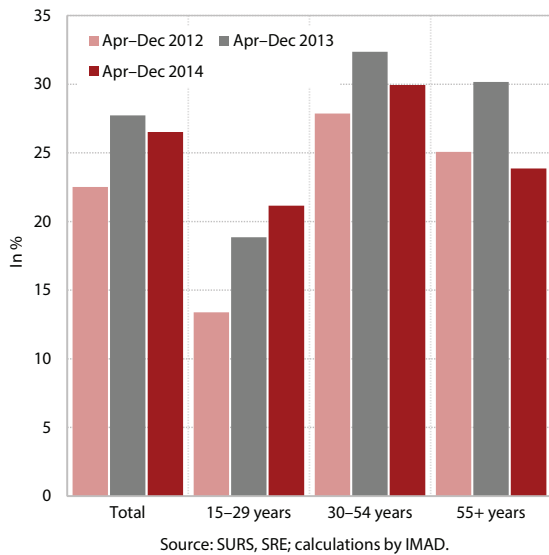
The legislative changes also worked towards lowering labour market segmentation, which is still a problem. The share of new permanent jobs remains low despite the reform. The strong labour market segmentation has been a pressing problem in Slovenia for a number of years.<sup>38</sup> To reduce segmentation, the new ZDR-1 introduced: (i) severance pay for fixed-term contracts concluded for up to one year, in the amount of a fifth of the average monthly wage; (ii) additional restrictions in concluding "chain contracts" with the same employee for the same type of work with a legal definition of the term same work; (iii) restrictions in fixed-term contracts for agency workers; (iv) shorter notice periods for permanent employment contracts; and (v) lower amounts of severance pay for some categories of employed persons. In the first year after the reform, new permanent employment contracts were rising faster than temporary employment contracts, which was reflected in a larger share of permanent jobs in total new jobs. Although in 2014 the share of new fixed-term jobs in total new jobs rose slightly year-on-year amid the uncertain recovery of economic activity, the share of new permanent jobs was higher than in 2012.

<sup>36</sup>In 2013 the share of new fixed-term jobs was 73.2%.

<sup>37</sup> Under the Act on Intervention Measures in the Field of the Labour Market and Parental Protection, employers who employ an unemployed person under the age of 30 are exempt from the payment of social security contributions for 24 months.

<sup>38</sup> Lower labour market segmentation by type of employment can have a significant impact on the adjustment capacity of the labour market in times of lower activity. EC study – *Employment and Social Developments in Europe 2014. (2015)*. Brussels: The European Commission finds that the decline in activity had a smaller impact on employment in countries with open and less segmented labour markets.

Figure 35: Share of permanent jobs in new jobs, by age group, in %



Positive signs of the labour market reform have also been seen in the legal protection of workers. The working group finds that the reform improved the Labour Inspectorate's control over the conclusion of fixed-term contracts and the illegal use of other types of work when elements of an employment relationship exist. The year 2014 was also marked by a decline in the use of options that upgrade the legal protection of workers in cases of employers' failure to pay wages and wage compensation. The latter may be related to the recovery of economic activity and hence a lower incidence of such cases.

The changes in labour market regulation did contribute towards achieving the goals. However, in the relatively short period since their implementation, mainly short-term effects have been observed, which can be partly attributed to changes in labour market regulation. The effects are otherwise difficult to assess due to the relatively short period since the adoption of the reform, and a further decline in demand for labour in 2013 and its revival in 2014. OECD studies<sup>39</sup> also show that the effects of lower employment protection vary with regard to the economic situation.

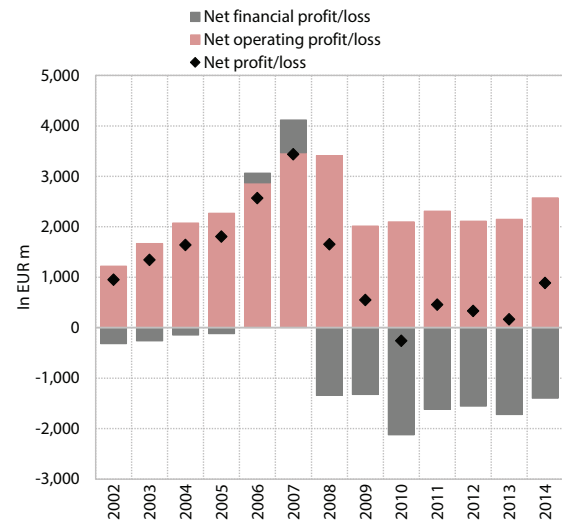
## Business results of companies in 2014

The performance of commercial companies improved significantly in 2014. After declining sharply due to the negative financial result and lower operating profit during the crisis, in 2014 the overall net<sup>40</sup> profit of companies reached the highest level since 2008 (EUR 887). It was similar to that at the beginning of the previous decade

<sup>39</sup> Bouis, R., Causa, O., Demmou, L. Duval, R., Zdzienicka, A. (2012). *The Short-Term Effects of Structural Reforms*. OECD Economics Department Working Paper No. 949.

<sup>40</sup> A positive difference between the net profit and net loss in the accounting period.

Figure 36: Net profit and its main components \*



Note: \*The business result in the accounting period refers to the result of companies' ordinary operating activities (operating result), financing (financial result) and extraordinary activities. As the third component is relatively less important for the overall performance, it is not shown separately in the figure. In 2006 the Slovenian Accounting Standards were changed, but we estimate that the differences are not so great as to completely prevent year-on-year time comparisons (see also the explanations in the introduction in Kmet Zupančič et al, 2007). Data for individual years pertain to commercial companies that were active in a given year, meaning that they are obtained from the balance sheets for the current year.

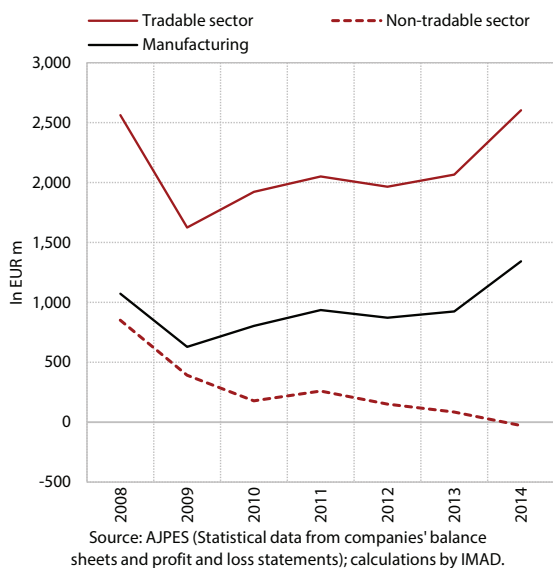
and almost four times below the extremely high level just before the crisis (2007). The improvement was recorded in both main components of the business result. Having recovered only slowly after the strong decline in 2009, the net operating profit rose by a fifth last year and was around a quarter lower than before the crisis. The financial loss also decreased, but remained high.

As in previous years, the increase in the operating profit stemmed from the tradable sector, while the business results of the non-tradable sector deteriorated further. The operating profit in the tradable sector<sup>41</sup> has been rising in almost the entire period after the strong fall in 2009. With last year's increase, the largest in this period, it reached the level of 2008 for the first time since the beginning of the crisis. In addition to growth in industry and transportation, where the net operating profit has already exceeded that in 2008, last year also saw a significant improvement in distributive trades. Among tradable sector companies, the least favourable developments were observed for companies in accommodation and food service activities, where the negative result deepened slightly in 2014. The operating result in the non-tradable sector turned negative in 2014, for the first time on record. It has been deteriorating ever since the beginning of the crisis, mainly owing to developments in financial intermediation

<sup>41</sup> The tradable sector includes companies from: 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)

(excluding banks and other financial intermediaries<sup>42</sup>), construction and real estate activities. These are the sectors that experienced a strong contraction of activity during the crisis (measured by sales revenues)<sup>43</sup> and also have to deal with substantial financial losses, after the strong growth in the pre-crisis period underpinned by the favourable economic situation in general, rising real estate prices and favourable financial conditions.

Figure 37: Net operating profit of companies



On the side of operating revenues, in 2014 revenue from sales on foreign markets increased further; revenue from sales on the domestic market also rose slightly after declining in previous years. Having increased since 2009, in 2014 the sales on the foreign market thus exceeded the 2008 level by around 18% in nominal terms, while the sales on the domestic market, which last year started to recover, lagged 14% behind. In view of subdued domestic demand, most sectors increased their export orientation during the crisis, but with the recovery of the domestic economy, in 2014 most of the more important sectors in terms of volume also increased their sales at home.

The cost pressures on profitability have eased significantly over the past few years. Since the beginning of the crisis the profitability of companies was, alongside weak demand, also negatively impacted by cost pressures. Until 2010 these were mainly a consequence of rising unit labour costs. In the last four years, unit labour costs have been falling and came close to the 2008 level in 2014. Owing to increased commodity prices and the depreciation of the euro, the terms of trade also deteriorated significantly in 2010–2012, as did, in turn, the ratio of costs of goods, material and services to operating revenues. With the fall

<sup>42</sup> Banks and other financial intermediaries are not included in the AJPES database of statistical data on companies' performance.

<sup>43</sup> These three activities recorded the largest decline in sales revenues in 2008–2014 among all activities. In construction and financial activities, in 2014 sales revenues were around a half lower than in 2008; in real estate by more than a fifth.

Figure 38: Sales revenues on the domestic and foreign markets

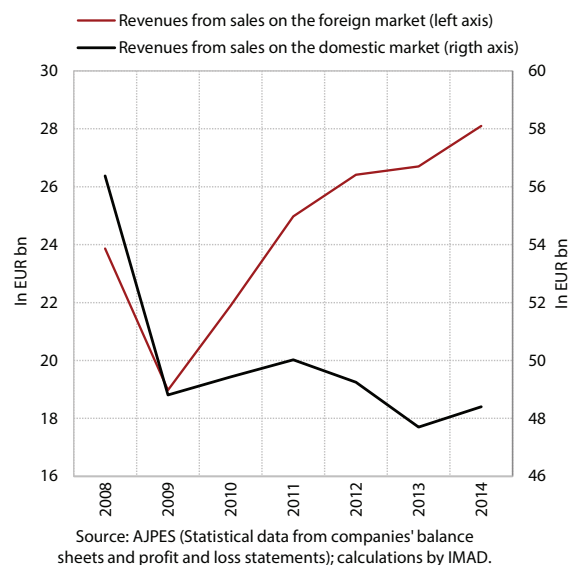
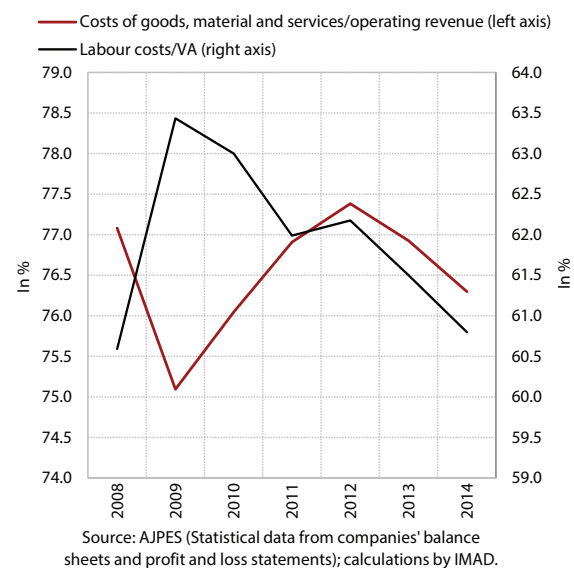


Figure 39: Unit labour costs and the costs of goods, material and services per operating revenue

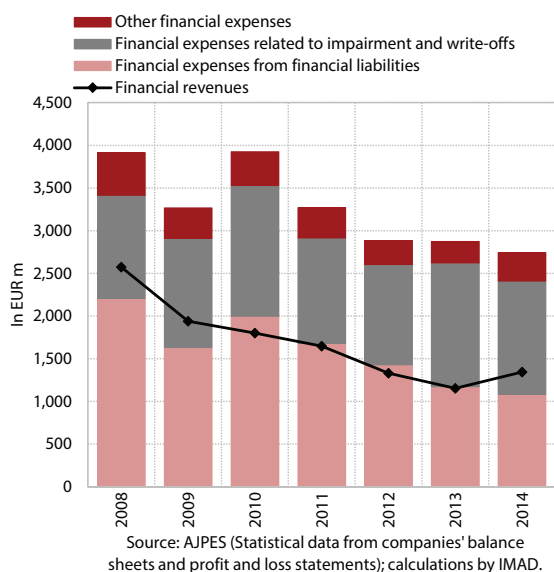


in global commodity prices in 2013 and 2014, the burden of these costs on the operating revenues declined again.

In the structure of the overall business result, financial loss remained relatively high, despite a gradual decline. At EUR 1.4 bn, it was around a third lower than in 2010 when it was highest, but nevertheless remained at the relatively high level from the first years of the crisis (2008–2009). The financial loss, which appeared with the beginning of the crisis, is, on the one hand, attributable to a decline in financial revenues due to the falling value of shares, interests and other investments during the crisis, and, on the other hand, the high financial expenses related to the indebtedness of companies and expenses due to write-offs and impairment.

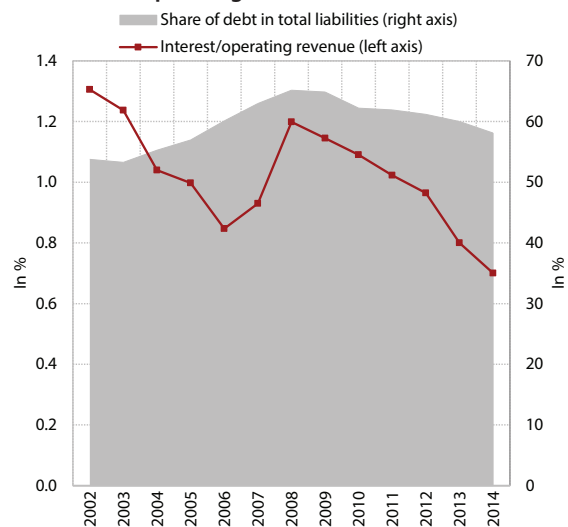
Since 2010 financial expenses of companies have been falling; in 2014 revenue rose slightly for the first time. The bulk of financial expenses are related to write-offs and impairment and expenses from financial liabilities. Both rose significantly with the beginning of the crisis. Expenses from financial liabilities have been mainly falling since 2008. Their largest share, expenses attributable to bank loans, has more than halved since the beginning of the crisis, which is a sign of intensive corporate deleveraging, particularly in the last three years (2012–2014). Fluctuating significantly, write-offs and impairment fell by around 14% from their 2010 peak. Owing to a faster decline in expenses from financial liabilities, they became the largest part of financial expenses in the last two years (2013–2014). Their persistently relatively high level is attributable to the adverse economic situation until 2013. The increase in financial revenues in 2014 mainly stemmed from higher revenues from stakes in other companies and other financial assets related to the improved economic situation.

Figure 40: Breakdown of financial expenses and financial revenues



Companies continued to deleverage in 2014. The ratio of debt to total liabilities declined further in 2014 (to 58.1%) and was around 7 percentage points lower than its 2008 peak. Given the strong financial exposure of companies to banks, coupled with the unfavourable situation in the banking system, particularly financial liabilities to banks recorded a strong decline. The deleveraging of companies at banks intensified especially after 2011, reaching its peak with the process of banks' balance sheet repair in 2014. In 2014 the volume of short-term financial liabilities to banks declined the most.

Figure 41: Share of debt in total liabilities and the ratio of interest to operating revenue



## Social progress index

The Social progress Index,<sup>44</sup> which was published for the second time in 2015, ranks Slovenia 19<sup>th</sup> among the 133 countries surveyed. This is an index that tries to measure social progress by social and environmental indicators, excluding economic indicators. It is composed of three dimensions (basic human needs, foundations of wellbeing and opportunity).<sup>45</sup> The top three countries are Norway, Sweden and Switzerland; among the EU Member States, Finland, Denmark and the Netherlands also rank high. Slovenia is in 11<sup>th</sup> place among the 26 EU countries surveyed. The average world performance is best on nutrition, basic medical care and access to basic knowledge, and worst on personal safety and ecosystem sustainability. The average performance on the opportunity dimension is lower than on the other two dimensions, but differs significantly between the components and across countries. The third dimension 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 its preservation and development. This dimension is otherwise very important in terms of research, but the quality and the choice of the included indicators are questionable.

<sup>44</sup>The Social Progress Index is prepared by the Social Progress Imperative, a non-profit organisation that is financially supported by various companies and foundations (The Rockefeller foundation, Deloitte, itd). The report is available at <http://www.socialprogressimperative.org/data/spi>.

<sup>45</sup> Each dimension is broken down into four components, which together include 52 indicators. In this year's edition 14 indicators were modified, replaced or updated based on other sources, while two were removed. As some indicators are not updated yearly but at longer intervals, the index will become more reliable only when more data are available.



Table 12: Composition of the Social Progress Index and detailed results for Slovenia

	Maximum	SI	Rank		Maximum	SI	Rank		Maximum	SI	Rank
					Social Progress Index	81.62	19		Maximum	SI	Rank
<b>Basic human needs</b>	100	92.88	16	<b>Foundations of wellbeing</b>	100	80.77	11	<b>Opportunity</b>	100	71.12	24
<b>Nutrition and basic medical care</b>	100	99.42	11	<b>Access to basic knowledge</b>	100	97.91	21	<b>Personal rights</b>	100	80.95	25
Undernourishment	5	5	3	Adult literacy rate	100	99.7	1	Political rights	1	1	1
Depth of food deficit	0	8	1	Primary school enrolment	100	99.7	31	Freedom of speech	2	1	15
Maternal mortality rate	0	7	20	Lower secondary school enrolment	100	95.1	63	Freedom of assembly/ associations	2	2	1
Child mortality rate (children under 5 years)	0	2.9	4	Upper secondary school enrolment	100	99.3	28	Freedom of movement	4	4	1
Deaths from infectious diseases	0	15.4	7	Gender parity in secondary enrolment	1	0.99	61	Private property rights	100	60	30
<b>Water and sanitation</b>	100	99.16	20	<b>Access to information and communications</b>	100	84.64	24	<b>Personal freedom and choice</b>	100	79.88	20
Access to piped water	100	99.6	18	Mobile telephone subscriptions	100	110	1	Freedom over life choices	100	0.88	24
Rural access to improved water source	100	99.4	31	Internet users	100	72.7	26	Freedom of religion	4	4	1
Access to improved sanitation facilities	100	100	1	Press Freedom Index	/	20.4	28	Child marriage	1	0.01	12
<b>Shelter</b>	100	81.01	33	<b>Health and wellness</b>	100	66.92	82	Satisfied demand for contraception	100	77.7	40
Availability of affordable housing	100	0.28	121	Life expectancy	85	80.1	23	Corruption	100	58	29
Access to electricity	100	100	1	Non-communicable disease deaths between 30 and 70	0	12.6	31	<b>Tolerance and inclusion</b>	100	64.49	26
Quality of electricity supply	7	6.18	24	Obesity rate	0	27	117	Tolerance to immigrants	100	0.56	73
Indoor air pollution attributable deaths	3	5.53	1	Outdoor air pollution attributable deaths	0	43	97	Tolerance to homosexuals	100	0.42	39
<b>Personal safety</b>	100	91.47	9	Suicide rate	0	18.1	119	Discrimination and violence against minorities	10	3.6	12
Homicide rate	1	1	1	<b>Ecosystem sustainability</b>	100	73.99	3	Religious tolerance	4	3	36
Level of violent crime	1	1	1	Greenhouse gas emissions	4	330	4	Community safety net	100	0.9	30
Perceived criminality	1	2	2	Water withdrawals as a percent of resources	0	0.03	10	<b>Access to advanced education</b>	100	59.15	34
Political terror	1	1	1	Biodiversity and habitat	100	100	1	Years of tertiary schooling	2	0.75	30
<b>Traffic deaths</b>	0	7.2	20					Women's average years in school	16	12.9	27
								Inequality in the attainment of education	1	0.03	13
								Number of globally ranked universities	5	1	54

Source: Social Progress Index.



The report classifies the countries into six groups (tiers) in terms of social progress.<sup>46</sup> The highest ranking countries are characterised by strong performance on all three dimensions. The top ten countries with very high social progress (except Australia and Canada) are relatively small in terms of population.<sup>47</sup> The US and UK are at this group's level on the opportunity dimension, but are ranked in the next group due to lower scores in the other two dimensions, which is explained by the philosophy of greater individualism. Most EU countries included in the report are ranked in the first two groups, while seven are placed lower.<sup>48</sup> Slovenia is 11<sup>th</sup> among the 26 EU countries covered in the report.

The report ranks Slovenia in the group of countries with high social progress, which includes most EU Member States. This group consists of countries that are characterised by broader social safety nets. Together with the Czech Republic, Estonia, Slovakia and Poland, Slovenia belongs to the group of countries that score high in nutrition and basic medical care, but fails to meet the level of health and wellness achieved by other countries. Slovenia performs slightly worse than the other countries in this group particularly on the opportunity dimension. Among Slovenia's weaknesses, the report highlights the tolerance and inclusion component; Slovenia also scores slightly lower than other countries in access to advanced education.<sup>49</sup>

Slovenia's performance according to the Social Progress Index is similar to last year.<sup>50</sup> A slight improvement is recorded in the basic human needs dimension, where Slovenia scores relatively high, and in the opportunity dimension, which is the worst dimension for Slovenia. Slovenia fell in the foundations of wellbeing dimension, where it is otherwise among the best performing countries. It stands out on ecosystem sustainability, where it is third behind Switzerland and Norway, but scores low on health and wellness, a component that includes two of the worst indicators for Slovenia, the suicide rate and the obesity rate. The third worst indicator for Slovenia is availability of affordable housing. On the other hand, Slovenia is still among the top ranking countries on 14 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.

<sup>46</sup> Very high social progress countries (10), high social progress countries (20), upper middle social progress countries (25), lower middle social progress countries (42), low social progress countries (27) and very low social progress countries (8).

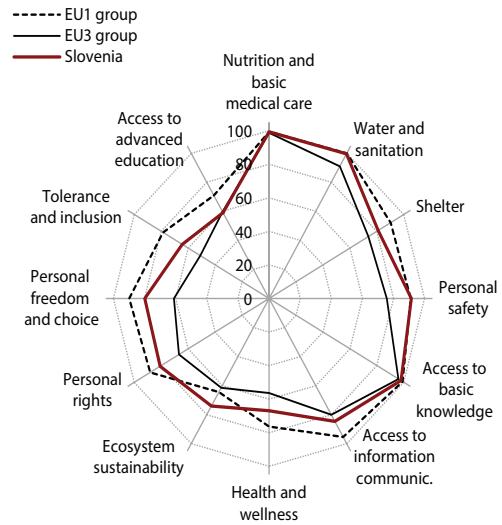
<sup>47</sup> Norway, Sweden, Switzerland, New Zealand, Finland, Denmark, the Netherlands.

<sup>48</sup> Hungary, Latvia, Greece, Lithuania, Croatia, Bulgaria, Romania.

<sup>49</sup> This component includes four indicators: years of tertiary schooling, women's average years in school, inequality in the attainment of education and globally ranked universities. Slovenia lags behind other countries especially on the last indicator.

<sup>50</sup> The index value for Slovenia totals 81.62 out of 100 (19<sup>th</sup> place among 113 countries); the value for 2014 calculated according to the new methodology is 81.51.

Figure 42: Comparison of Slovenia with other EU countries in the first and third group, 2015



Source: Social Progress Index. Note: Among EU countries, data for LU and MT are not available. The first group, very high social progress countries, includes SE, FI, DK and NL. The third group, lower middle social progress countries, comprises GR, LV, LT, HR, HU, BG and RO.

This year, the report also analyses the correlation between the SPI, GDP and inequality and poverty, international aid allocation and life satisfaction. The Social Progress Index has been designed to help understand the relationship between social progress and economic development. This is also the purpose of the analysis of the SPI relative to GDP, which is regarded as a complementary social progress indicator in this report. The best performing countries in terms of the SPI also have the lowest inequality, i.e. the lowest Gini coefficient. The report also states that the SPI is a better indicator of social inclusion than the Gini coefficient, as it is more universal and less sensitive to outliers. The basic human needs dimension is highly correlated with GDP – the lower scores on this dimension, the higher inequality of income distribution. The poorest countries are those that also have the highest inequality. The key to changing this situation is a general improvement in access to health care, basic education and personal safety, which are defined as essential needs and the conditions for living healthy lives in the report – and this is impeded by social inequality. According to the World Bank criteria, 73% of poor people live in countries with medium income.<sup>51</sup> This is where we see the importance of the SPI, which makes it possible to take greater account of non-economic criteria in allocating international aid. Seeking alternatives, some researchers opt for the life satisfaction indicator, but this is regarded as a less suitable policy tool than the SPI by the authors of the report. All three (SPI, GDP and life satisfaction) are quite correlated in the first two dimensions, while the SPI and life satisfaction are highly correlated in the third dimension (opportunities).

<sup>51</sup> Medium income countries are those that have GNI per capital between USD 1,026 and USD 12,475 (<http://www.worldbank.org/en/country/mic/overview>).

*In the next years, the SPI is expected to be also used in concrete projects, as it helps understand the correlation between social and economic development. Within the EU, the Directorate-General for Regional Policy will, together with the authors of the report, draw up a proposal for the Social Progress Index at the NUTS II level by October 2015.*

# statistical appendix



MAIN INDICATORS	2010	2011	2012	2013	2014	2015	2016	2017
						Spring forecast 2015		
GDP (real growth rates, in %)	1.2	0.6	-2.6	-1.0	2.6	2.4	2.0	2.1
GDP in EUR million (current prices)	36,220	36,868	36,006	36,144	37,246	38,558	39,474	40,701
GDP per capita, in EUR (current prices)	17,678	17,960	17,506	17,550	18,065	18,635	19,032	19,583
GDP per capita (PPS) <sup>1</sup>	21,000	21,500	21,600	21,800				
GDP per capita (PPS EU28=100) <sup>1</sup>	83	83	82	82				
Rate of registered unemployment	10.7	11.8	12.0	13.1	13.1	12.5	12.0	11.2
Standardised rate of unemployment (ILO)	7.3	8.2	8.9	10.1	9.7	9.2	8.6	7.9
Labour productivity (GDP per employee)	3.4	2.3	-1.8	0.5	2.0	1.5	1.5	1.4
Inflation, <sup>2</sup> year average	1.8	1.8	2.6	1.8	0.2	-0.2	1.0	1.4
Inflation, <sup>2</sup> end of the year	1.9	2.0	2.7	0.7	0.2	0.4	1.4	1.3
<b>INTERNATIONAL TRADE</b>								
Exports of goods and services (real growth rates, in %)	10.1	7.0	0.3	2.6	6.3	5.6	6.2	5.0
Exports of goods	11.9	8.2	0.0	2.8	7.2	6.3	6.7	5.2
Exports of services	3.4	2.5	1.5	1.8	2.5	2.6	4.2	4.2
Imports of goods and services (real growth rates, in %)	6.6	5.0	-3.9	1.4	4.1	5.2	4.7	5.2
Imports of goods	7.4	6.0	-4.6	2.2	3.8	5.4	4.8	5.3
Imports of services	2.5	-0.4	0.2	-3.1	5.6	4.1	4.3	4.4
Current account balance <sup>3</sup> , in EUR million	-29	83	954	2,027	2,187	2,266	2,366	2,549
As a per cent share relative to GDP	-0.1	0.2	2.7	5.6	5.9	5.9	6.0	6.3
Gross external debt, in EUR million	40,838	40,292	41,503	40,205	46,218	47,175*		
As a per cent share relative to GDP	112.8	109.3	115.3	111.2	124.1			
Ratio of USD to EUR	1.327	1.392	1.286	1.328	1.329	1.137	1.135	1.135
<b>DOMESTIC DEMAND</b>								
Private consumption (real growth rates, in %)	1.0	-0.1	-3.0	-3.9	0.3	1.1	1.6	1.8
As a % of GDP	55.9	55.8	56.2	54.1	52.8	51.6	51.7	51.6
Government consumption (real growth rates, in %)	0.1	-1.3	-1.5	-1.1	-0.5	-0.4	-0.4	-0.2
As a % of GDP	20.4	20.5	20.5	20.4	19.3	18.5	18.3	18.0
Gross fixed capital formation (real growth rates, in %)	-13.7	-4.6	-8.9	1.9	4.8	4.8	-2.0	4.0
As a % of GDP	21.2	20.2	19.2	19.7	20.1	20.6	20.1	20.6
Sources of data: SURS, BoS, Eurostat, calculations and forecasts by IMAD (Spring Forecast, March 2015). Notes: <sup>1</sup> Measured in purchasing power standard; <sup>2</sup> Consumer price index; <sup>3</sup> Balance of payments statistics; *End March 2015.								

PRODUCTION	2012	2013	2014	2013				2014				2015	2013			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	4	5	6	7
<b>INDUSTRIAL PRODUCTION, y-o-y growth rates, %</b>																
Industry B+C+D	-1.1	-0.9	1.7	-2.6	-1.7	-1.1	1.6	0.1	2.0	2.7	2.1	5.9	2.8	-2.5	-5.1	1.2
B Mining and quarrying	-7.4	1.3	-3.8	6.7	-9.6	-7.1	16.8	-1.6	32.9	-9.5	-28.2	1.7	-4.0	-11.0	-13.7	2.4
C Manufacturing	-2.3	-1.5	3.7	-3.9	-2.0	-1.4	1.2	2.6	2.7	4.7	5.0	7.0	2.5	-2.7	-5.5	1.1
D Electricity, gas & steam supply <sup>1</sup>	10.5	3.9	-14.2	7.0	1.9	3.2	3.1	-18.3	-10.0	-11.5	-16.1	-2.5	6.1	0.7	-0.9	1.9
<b>CONSTRUCTION,<sup>2</sup> real indices of construction put in place, y-o-y growth rates, %</b>																
Construction, total	-16.8	-2.5	19.5	-24.5	-10.5	-3.4	22.8	36.8	40.0	19.8	-3.3	-1.5	-18.7	-11.6	-2.0	1.8
Buildings	-17.3	-20.4	3.8	-40.9	-25.1	-16.6	5.1	6.6	6.5	8.0	-4.5	-5.5	-36.2	-24.2	-14.1	-19.1
Civil engineering	-16.6	6.3	26.5	-8.5	-2.6	1.7	27.1	52.4	55.7	25.1	-1.9	0.0	-6.3	-5.9	3.5	11.0
<b>MARKET SERVICES, year-on-year growth rates, %</b>																
Services, total	-2.8	-0.3	2.7	-2.8	-0.1	0.5	1.1	3.5	2.0	4.3	1.1	3.4	3.2	-3.1	-0.1	-1.4
Transportation and storage	0.0	-0.1	6.2	-2.4	-0.2	0.6	1.6	7.2	6.1	7.0	4.5	2.4	5.4	-3.1	-2.3	0.4
Information and communication activities	-2.9	0.4	1.1	-1.8	0.9	1.7	0.6	5.0	-0.3	0.6	-0.5	1.1	0.0	-0.3	2.8	-0.2
Professional, scientific and technical activities	-7.6	-2.1	-1.8	-4.0	-1.2	-3.1	-0.6	-4.7	-2.5	6.6	-5.7	3.4	4.7	-8.2	0.3	-10.1
Administrative and support service activities	-4.5	3.7	2.5	-0.4	5.5	3.7	5.4	0.2	-1.6	1.8	10.1	14.5	7.2	3.2	6.2	1.7
<b>Distributive trades, y-o-y growth rates, %</b>																
Total real turnover*	-3.6	-1.0	2.4	-7.1	2.1	-2.2	3.2	2.4	-1.2	5.7	2.6	4.9	2.7	1.2	2.5	-4.3
Real turnover in retail trade	-2.2	-3.7	0.0	-7.0	-2.6	-4.6	-0.7	-0.7	-1.0	2.3	-0.8	0.8	-1.8	-2.0	-4.0	-5.2
Real turnover in the sale and maintenance of motor vehicles	-6.3	4.7	7.2	-7.2	11.1	3.4	11.6	8.6	-1.7	12.8	9.0	11.7	11.3	6.8	15.4	-2.7
Nominal turnover in wholesale trade & commission trade	0.8	-0.2	3.8	-5.1	1.1	-1.4	4.7	6.2	3.0	6.0	0.1	0.2	5.8	-0.9	-1.3	0.7
<b>TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards</b>																
Total, overnight stays	1.2	0.3	-0.5	-3.4	-1.5	2.9	0.6	-2.0	-14.0	-3.4	3.9	6.8	-11.6	9.2	-2.4	3.4
Domestic tourists, overnight stays	-4.9	-3.4	-3.5	-6.1	-5.3	-2.4	0.5	-3.4	-8.1	-7.7	1.6	6.8	-6.0	2.0	-10.0	0.7
Foreign tourists, overnight stays	5.6	2.8	1.4	-0.6	0.9	5.6	0.7	-0.6	-17.4	-1.4	5.6	6.9	-15.0	13.3	2.6	4.8
Accommodation and food service activities	-1.1	-1.4	2.1	-6.1	-3.0	0.5	2.9	2.8	3.3	1.2	1.1	7.0	-2.7	-3.1	-3.3	0.9
<b>AGRICULTURE, y-o-y growth rates, %</b>																
Purchase of agricultural products, SIT bn, since 2007 in EUR m	480.4	478.4	506.9	104.4	111.1	123.2	139.6	113.6	122.8	132.5	138.0	102.5	37.5	38.7	34.9	45.1
<b>BUSSINES TENDENCY (indicator values**)</b>																
Sentiment indicator	-16.9	-13.3	-2.2	-15.2	-14.4	-12.1	-11.3	-8.3	-2.0	-0.1	1.6	4.1	-14.0	-15.6	-13.6	-13.4
<b>Confidence indicator</b>																
- in manufacturing	-11	-5	2	-9	-6	-4	-2	-1	3	3	3	6	-9	-5	-4	-5
- in construction	-41	-22	-11	-30	-23	-18	-16	-14	-10	-10	-10	-11	-26	-23	-21	-22
- in services	-12	-12	5	-13	-13	-11	-10	-5	6	6	11	15	-11	-15	-14	-12
- in retail trade	2	2	9	-5	0	8	3	2	7	10	18	18	-7	-8	15	12
Consumer confidence indicator	-35	-33	-22	-30	-34	-33	-34	-30	-26	-17	-17	-15	-28	-38	-37	-36
Source of data: SURS. Note: <sup>1</sup> Only companies with activity of electricity supply are included. <sup>2</sup> The survey covers all larger construction enterprises and some other enterprises that perform construction work. *Total real turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels. **Seasonally adjusted data.																

2013					2014												2015				
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5
-5.7	0.8	-1.6	-0.4	8.0	-0.8	-2.1	3.1	0.5	-0.3	5.7	4.8	-1.5	4.1	2.3	1.1	3.0	3.3	6.5	7.7	-	-
-1.1	-21.7	-8.0	6.0	74.1	30.2	0.0	-27.3	69.3	17.6	10.1	-18.7	-25.2	20.3	-4.5	-24.1	-52.7	-14.5	-3.4	29.8	-	-
-6.7	0.6	-2.2	-0.4	7.7	1.6	0.2	5.7	0.6	-0.3	7.9	6.5	1.0	5.8	4.5	3.3	7.6	4.2	7.6	8.8	-	-
1.7	6.2	5.1	-1.3	5.5	-21.6	-19.4	-13.8	-9.7	-4.7	-15.3	-6.0	-15.7	-13.0	-16.2	-13.7	-18.2	-2.8	-1.5	-3.1	-	-
-5.3	-5.9	28.2	31.4	6.8	34.5	28.8	44.6	47.2	45.0	30.4	27.7	27.5	6.7	-1.8	-10.5	4.6	-2.8	3.4	-4.1	-	-
-19.6	-11.4	10.8	3.1	0.8	6.2	4.7	8.5	9.8	11.3	-0.2	13.6	15.9	-4.0	-5.1	-12.6	7.0	-0.7	-6.1	-8.6	-	-
2.2	-5.5	31.8	41.5	6.3	49.1	41.1	63.0	65.1	60.4	44.6	34.1	32.5	11.6	0.4	-8.7	4.5	-4.1	7.7	-2.3	-	-
-2.1	5.0	1.3	0.3	1.9	2.8	2.9	4.7	2.3	2.5	1.3	7.0	3.3	2.7	1.8	-0.6	2.0	0.9	5.2	4.2	-	-
-1.5	2.8	0.8	1.3	2.8	6.5	5.9	8.9	4.6	6.1	7.6	7.3	3.6	9.8	2.5	2.4	8.9	-1.8	5.6	3.4		
1.0	4.4	1.2	-1.9	2.3	5.3	6.0	3.8	1.1	0.2	-2.1	3.4	-0.4	-1.0	-0.3	-0.7	-0.6	-0.6	1.6	2.5		
-11.2	11.1	-0.7	0.5	-1.4	-7.2	-6.3	-1.2	-0.6	-1.4	-5.1	17.5	9.8	-4.1	-0.5	-9.0	-7.1	2.1	4.8	3.2		
2.0	7.5	6.2	3.6	6.4	0.5	0.6	-0.6	-0.7	-0.2	-3.7	4.2	-0.7	2.0	8.8	9.6	12.0	13.4	13.8	16.1	-	-
-3.4	1.4	2.2	2.7	4.8	2.2	1.9	3.2	2.5	-3.2	-2.9	8.4	1.1	7.9	2.9	0.7	4.2	2.0	6.4	6.4	-	-
-4.6	-3.9	-0.9	-1.4	0.1	-1.1	-0.6	-0.5	3.0	-3.2	-2.8	3.0	-0.8	4.8	-0.7	-1.3	-0.3	-1.2	2.9	0.9	-	-
-0.2	14.0	8.4	10.4	16.3	8.8	6.9	10.1	1.5	-3.4	-3.0	19.4	5.7	13.6	9.4	4.0	13.9	7.6	12.3	15.3	-	-
-4.6	-0.2	2.3	1.8	10.2	5.1	5.2	8.4	5.8	-0.1	3.3	6.3	2.3	9.4	1.6	0.1	-1.4	-6.7	3.4	4.4	-	-
2.2	3.2	4.0	-3.2	0.1	-0.4	-3.4	-2.1	7.8	-2.9	4.8	-5.1	-1.3	-4.7	6.0	-0.7	5.6	6.2	12.4	2.2	-	-
-4.6	-3.5	4.3	-2.3	-0.9	-6.9	-5.7	2.4	-3.6	1.0	-1.3	-7.7	-8.7	-5.8	8.2	-0.7	-3.6	9.6	9.9	1.0	-	-
5.8	6.4	3.8	-4.0	1.1	4.3	-0.2	-5.8	15.5	-4.9	8.3	-3.8	2.1	-4.2	4.5	-0.7	13.9	4.0	15.7	3.2	-	-
-0.6	1.3	3.9	0.7	4.1	1.4	2.0	5.1	4.2	2.7	2.9	0.7	4.5	-1.6	3.5	0.2	-0.4	6.9	8.6	5.6	-	-
37.1	41.0	49.3	41.7	48.5	38.4	36.0	39.2	42.6	39.4	40.7	48.0	38.8	45.7	47.4	40.9	49.7	34.1	32.1	36.3	-	-
-11.6	-11.3	-12.4	-10.5	-11.0	-8.7	-8.9	-7.4	-5.3	-0.2	-0.5	1.0	-1.7	0.3	2.3	1.0	1.4	2.9	4.0	5.5	5.1	5.2
-4	-2	-4	-1	-2	-3	0	0	2	3	5	6	2	2	3	2	4	4	5	8	4	6
-16	-16	-17	-15	-17	-15	-17	-10	-16	-5	-8	-7	-12	-11	-9	-11	-10	-12	-10	-11	-15	-15
-10	-12	-12	-7	-10	-5	-6	-4	3	9	7	6	5	7	11	12	11	12	16	16	18	17
4	7	16	-5	-2	9	0	-3	2	17	1	10	9	10	18	22	13	24	20	9	22	18
-33	-31	-37	-34	-32	-29	-31	-29	-31	-25	-22	-17	-21	-13	-13	-20	-17	-14	-17	-14	-12	-11

LABOUR MARKET	2012	2013	2014	2013				2014				2015	2013		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	4	5	6
<b>FORMAL LABOUR FORCE (A=B+E)</b>	920.2	913.4	917.9	912.9	913.8	910.5	916.5	912.9	919.8	917.5	921.3	919.7	914.3	914.0	913.1
<b>PERSONS IN FORMAL EMPLOYMENT (B=C+D)<sup>1</sup></b>	810.0	793.6	797.8	789.2	795.0	794.4	795.8	784.2	799.6	803.0	804.4	798.0	793.0	795.4	796.5
In agriculture, forestry, fishing	37.0	38.2	35.4	37.4	38.9	38.1	38.4	31.7	37.1	37.5	35.1	32.8	38.7	39.0	39.1
In industry, construction	263.1	252.2	252.4	249.9	252.5	253.5	252.9	249.0	252.9	254.1	253.8	250.4	251.6	252.6	253.1
Of which: in manufacturing	182.9	177.7	178.3	177.8	177.6	177.5	177.8	177.3	178.2	178.6	179.2	178.8	177.5	177.7	177.7
in construction	59.8	54.3	54.0	52.0	54.6	55.7	54.6	51.5	54.6	55.4	54.5	51.8	54.0	54.8	55.2
In services	510.0	503.2	510.0	502.0	503.6	502.8	504.6	503.5	509.7	511.4	515.5	514.9	502.6	503.8	504.3
Of which: in public administration	50.7	49.1	48.8	49.3	49.3	49.1	48.9	48.7	49.0	49.0	48.5	48.1	49.3	49.3	49.4
in education, health-services, social work	120.9	121.0	122.2	120.7	121.1	120.5	121.6	121.6	122.4	121.6	123.1	123.3	120.9	121.2	121.3
<b>FORMALLY EMPLOYED (C)<sup>1</sup></b>	717.0	698.7	703.0	696.1	700.0	699.6	699.2	693.8	703.5	706.1	708.8	704.2	698.2	700.3	701.5
In enterprises and organisations	662.6	647.6	652.6	645.8	648.5	647.9	648.1	645.2	653.1	654.7	657.2	654.6	647.0	648.7	649.7
By those self-employed	54.5	51.1	50.5	50.2	51.5	51.7	51.1	48.6	50.4	51.3	51.6	49.7	51.1	51.5	51.8
<b>SELF-EMPLOYED AND FARMERS (D)</b>	93.0	94.9	94.8	93.1	95.0	94.7	96.6	90.4	96.1	97.0	95.6	93.8	94.8	95.1	95.0
<b>REGISTERED UNEMPLOYMENT (E)</b>	110.2	119.8	120.1	123.7	118.8	116.1	120.7	128.8	120.2	114.5	116.9	121.6	121.3	118.6	116.6
Female	52.2	57.4	59.6	57.0	56.7	57.0	58.9	61.2	59.4	58.4	59.6	60.0	57.3	56.7	56.2
By age: 15 to 29	24.9	28.8	30.4	29.2	27.7	26.7	31.6	33.6	30.5	27.4	30.2	30.0	28.6	27.6	26.8
aged over 50	38.2	38.9	37.3	40.7	39.3	38.1	37.3	39.0	37.7	36.5	36.0	37.8	39.5	39.5	38.9
Primary education or less	33.3	34.2	33.8	36.5	34.1	32.6	33.6	36.4	33.8	32.1	32.8	35.3	35.1	34.0	33.2
For more than 1 year	55.2	55.4	59.9	54.4	54.3	55.0	57.7	60.7	59.9	59.1	59.7	61.1	54.6	54.4	53.9
Those receiving benefits	33.9	33.0	26.6	39.3	33.7	30.3	28.7	32.7	26.2	23.9	23.7	28.7	35.8	33.9	31.4
<b>RATE OF REGISTERED UNEMPLOYMENT, E/A, in %</b>	12.0	13.1	13.1	13.5	13.0	12.8	13.2	14.1	13.1	12.5	12.7	13.2	13.3	13.0	12.8
Male	11.5	12.5	12.0	13.4	12.5	11.9	12.4	13.5	12.1	11.1	11.4	12.3	12.8	12.4	12.1
Female	12.6	13.8	14.3	13.8	13.7	13.8	14.1	14.8	14.2	14.1	14.2	14.4	13.8	13.6	13.5
<b>FLOWS OF FORMAL LABOUR FORCE</b>	5.3	6.0	-4.6	4.6	-6.0	-1.9	9.3	2.7	-9.4	-4.8	6.9	-1.4	-1.3	-2.8	-2.0
New unemployed first-job seekers	16.3	19.1	18.5	3.7	2.6	3.4	9.4	4.2	2.7	3.3	8.4	3.5	1.1	0.8	0.8
Redundancies	90.3	88.7	83.9	27.1	18.5	19.6	23.5	25.9	17.3	17.7	23.1	24.4	7.1	6.1	5.3
Registered unemployed who found employment	58.3	65.1	74.0	17.2	18.1	15.8	14.1	20.7	21.4	16.6	15.3	21.8	6.3	6.5	5.3
Other outflows from unemployment (net)	43.1	37.3	33.2	9.2	9.1	9.2	9.9	6.8	7.9	9.2	9.3	7.5	3.1	3.2	2.7
<b>WORK PERMITS FOR FOREIGNERS</b>	33.9	30.5	25.1	32.6	31.7	29.8	27.8	26.3	25.7	24.8	23.6	22.6	32.3	32.0	31.0
As % of labour force	3.7	3.3	2.7	3.6	3.5	3.3	3.0	2.9	2.8	2.7	2.6	2.5	3.5	3.5	3.4

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



2013						2014												2015		
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	2
911.5	909.8	910.2	916.7	917.5	915.3	911.4	913.0	914.4	920.2	919.8	919.4	918.0	916.5	918.1	922.3	922.2	919.4	918.5	919.9	920.6
794.4	793.2	795.5	798.0	798.2	791.3	781.6	783.3	787.7	796.6	800.1	802.1	801.8	801.7	805.5	806.4	806.8	800.0	794.3	797.4	802.5
38.1	38.1	38.1	38.5	38.4	38.4	31.6	31.7	32.0	36.8	37.0	37.3	37.5	37.5	37.6	35.2	35.1	35.1	32.6	32.7	33.0
253.4	253.1	254.0	254.8	254.6	249.3	248.3	248.5	250.0	252.0	253.3	253.4	253.9	253.7	254.7	255.5	255.5	250.4	249.1	249.9	252.2
177.6	177.3	177.6	178.1	178.3	177.0	177.1	177.4	177.5	178.1	178.4	178.1	178.4	178.5	179.0	179.4	179.6	178.6	178.5	178.8	179.1
55.5	55.5	56.0	56.1	55.8	52.0	51.1	50.7	52.6	53.9	54.8	55.0	55.4	55.1	55.7	55.9	55.8	51.9	50.9	51.3	53.2
502.9	502.0	503.4	504.7	505.3	503.7	501.7	503.1	505.7	507.8	509.7	511.4	510.4	510.5	513.2	515.7	516.2	514.5	512.6	514.7	517.3
49.1	49.2	48.9	48.8	49.0	48.9	48.6	48.7	48.9	48.9	49.0	49.1	49.1	48.9	48.9	48.7	48.5	48.3	48.0	48.1	48.2
120.3	120.0	121.2	121.6	121.8	121.3	121.1	121.7	122.1	122.3	122.5	122.5	121.3	121.1	122.4	122.9	123.3	123.1	122.6	123.4	123.9
699.8	698.6	700.5	701.7	701.5	694.4	691.5	693.0	696.9	700.8	704.0	705.6	705.1	704.9	708.2	710.9	711.2	704.4	701.0	703.6	708.2
648.0	647.0	648.6	649.7	649.9	644.8	643.1	644.8	647.8	651.0	653.6	654.7	654.1	653.6	656.4	658.6	659.0	654.0	651.8	654.3	657.6
51.8	51.6	51.9	52.0	51.7	49.6	48.5	48.2	49.1	49.8	50.4	51.0	51.0	51.3	51.7	52.3	52.2	50.4	49.1	49.3	50.6
94.6	94.6	95.0	96.3	96.7	97.0	90.1	90.3	90.7	95.8	96.1	96.5	96.7	96.9	97.4	95.5	95.6	95.5	93.3	93.8	94.3
117.1	116.6	114.7	118.7	119.3	124.0	129.8	129.8	126.7	123.6	119.7	117.4	116.2	114.8	112.6	115.9	115.4	119.5	124.3	122.6	118.1
57.3	57.4	56.5	58.5	58.7	59.4	61.4	61.2	61.0	60.3	59.1	58.6	58.9	58.6	57.7	59.9	59.6	59.5	60.9	59.9	59.2
27.0	26.7	26.3	30.8	31.5	32.5	33.9	33.9	33.1	31.9	30.3	29.2	28.1	27.4	26.7	30.4	30.1	30.2	30.8	30.2	29.0
38.6	38.3	37.5	37.0	36.8	37.9	39.2	39.1	38.8	38.4	37.6	37.1	36.9	36.6	35.9	35.7	35.6	36.7	38.1	37.9	37.3
32.9	32.7	32.3	32.7	33.0	35.2	36.5	36.9	35.7	34.7	33.7	33.2	32.5	32.0	31.7	32.0	32.1	34.4	36.1	35.9	33.9
54.7	54.5	55.7	56.6	57.1	59.4	61.0	60.6	60.5	60.7	59.9	59.2	59.0	58.9	59.2	59.5	59.6	60.1	61.5	61.0	60.8
31.0	30.5	29.4	28.2	28.0	29.9	33.8	33.0	31.3	27.4	26.0	25.2	24.7	23.8	23.2	23.2	22.4	25.5	29.4	29.4	27.3
12.9	12.8	12.6	13.0	13.0	13.5	14.2	14.2	13.9	13.4	13.0	12.8	12.7	12.5	12.3	12.6	12.5	13.0	13.5	13.3	12.8
12.0	11.9	11.7	12.1	12.1	13.0	13.7	13.7	13.2	12.6	12.1	11.7	11.4	11.2	10.9	11.1	11.1	12.0	12.6	12.5	11.7
13.8	13.9	13.6	14.0	14.1	14.2	14.9	14.8	14.7	14.4	14.2	14.0	14.2	14.2	13.9	14.3	14.2	14.2	14.6	14.4	14.2
0.5	-0.5	-1.9	4.1	0.6	4.7	5.8	-0.1	-3.0	-3.1	-4.0	-2.3	-1.2	-1.4	-2.2	3.3	-0.5	4.0	4.8	-1.7	-4.5
1.0	0.9	1.5	6.0	2.0	1.4	1.7	1.4	1.2	1.0	0.8	0.9	0.8	0.8	1.7	5.9	1.5	1.0	1.3	1.1	1.1
7.7	5.5	6.4	7.2	7.0	9.3	13.1	6.6	6.2	6.1	5.3	5.8	6.6	4.8	6.3	7.1	6.2	9.8	12.5	5.9	6.0
5.3	4.1	6.4	5.4	5.2	3.5	6.2	6.0	8.5	7.6	7.6	6.3	5.6	4.3	6.7	6.3	5.0	4.0	6.2	6.5	9.0
2.9	2.9	3.4	3.8	3.3	2.8	2.8	2.1	1.9	2.6	2.5	2.8	3.0	2.7	3.5	3.4	3.2	2.7	2.8	2.2	2.5
30.4	29.8	29.3	28.5	27.9	27.1	26.4	26.3	26.2	26.0	25.7	25.4	25.0	24.7	24.6	24.6	23.4	22.8	22.6	22.3	22.8
3.3	3.3	3.2	3.1	3.0	3.0	2.9	2.9	2.9	2.8	2.8	2.8	2.7	2.7	2.7	2.5	2.5	2.5	2.5	2.4	2.5

WAGES	EUR m			2012	2013	2014	2013				2014				2015
	2014	Q4 14	Feb 15				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>GROSS WAGE PER EMPLOYEE, nominal</b>				<b>y-o-y growth rates, %</b>											
TOTAL	1540	1535	1550	0.1	-0.2	1.1	-1.0	-0.5	0.3	0.6	0.9	1.1	1.3	1.2	0.5
Private sector activities (A–N; R–S)	1495	1489	1509	0.8	0.7	1.5	0.0	0.5	1.0	1.2	1.7	1.4	1.4	1.3	0.4
Public service activities (OPQ)	1675	1671	1674	-2.2	-2.3	0.3	-3.6	-3.0	-1.6	-1.1	-1.1	0.3	1.1	0.8	0.8
Industry (B–E)	1529	1538	1561	2.5	2.6	3.2	1.9	2.6	2.9	3.1	3.7	2.7	3.4	2.9	1.4
Trad. market services (GHI)	1369	1354	1374	0.3	0.1	1.0	-0.6	-0.1	0.1	1.1	1.2	0.7	0.9	1.3	0.2
Other market services (J–N; R–S)	1686	1672	1693	-0.3	-1.3	-0.3	-1.9	-1.5	-0.6	-1.1	-0.4	0.5	-0.5	-0.8	-0.5
A Agriculture, forestry and fishing	1311	1265	1291	-1.1	0.8	0.7	-0.8	1.1	0.0	3.0	0.4	-0.3	2.3	0.5	-0.7
B Mining and quarrying	2128	1966	2007	3.6	-2.0	5.9	4.1	-6.8	-2.9	-2.4	2.9	8.3	10.7	2.0	-8.9
C Manufacturing	1483	1502	1523	2.5	2.8	3.3	1.6	2.9	3.0	3.6	3.9	2.8	3.1	3.2	2.1
D Electricity, gas, steam and air conditioning supply	2340	2233	2316	3.3	3.0	2.6	6.2	2.8	3.6	-0.1	5.2	-1.1	6.5	-0.1	-4.4
E Water supply sewerage, waste management and remediation activities	1475	1450	1452	0.1	0.7	1.4	0.3	0.1	1.0	1.3	-0.2	2.2	1.5	2.2	1.3
F Construction	1192	1169	1177	-2.5	-1.4	0.3	-2.4	-2.1	0.1	-1.4	-0.1	0.7	-0.2	0.9	-0.7
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1395	1384	1414	0.8	0.4	1.2	-0.2	0.0	0.6	1.2	1.3	1.0	1.1	1.3	0.4
H Transportation and storage	1466	1447	1444	-0.4	-0.2	1.1	-1.1	0.2	-0.9	0.8	0.9	0.0	0.3	3.0	0.7
I Accommodation and food service activities	1081	1055	1069	-0.8	-0.4	-0.2	-1.3	-0.7	-0.6	0.9	0.6	0.1	0.6	-2.0	-2.2
J Information and communication	2074	2087	2149	-0.4	-1.4	0.1	-0.6	-2.7	-1.1	-1.4	-2.8	1.7	0.8	0.8	2.6
K Financial and insurance activities	2212	2243	2259	1.1	0.1	1.2	-2.1	1.2	1.2	0.3	-0.2	2.7	-0.2	2.3	3.9
L Real estate activities	1489	1465	1501	-0.6	-0.3	-1.2	-1.1	0.2	-0.6	0.2	-0.8	-1.1	-0.5	-2.4	-1.1
M Professional, scientific and technical activities	1715	1712	1738	-1.1	-2.4	1.1	-2.2	-3.4	-1.5	-2.6	0.1	0.5	1.5	2.2	0.8
N Administrative and support service activities	1016	1008	1006	0.7	0.0	2.4	-2.4	0.7	0.7	0.9	3.3	2.7	2.6	1.2	0.3
O Public administration and defence, compulsory social security	1744	1748	1744	-1.8	-1.4	1.0	-2.4	-2.1	-0.6	-0.6	-0.9	1.2	2.1	1.5	1.8
P Education	1622	1622	1626	-3.3	-3.3	0.0	-5.4	-4.2	-2.0	-1.3	-1.2	-0.1	0.7	0.7	0.5
Q Human health and social work activities	1676	1662	1667	-1.3	-2.0	-0.1	-2.3	-2.3	-2.2	-1.4	-1.2	-0.2	0.7	0.4	0.2
R Arts, entertainment and recreation	1614	1594	1596	-2.8	-3.0	-0.5	-5.7	-3.8	-1.4	-1.0	-0.4	-0.5	0.2	-1.1	-0.5
S Other service activities	1376	1347	1355	-0.9	-0.4	-1.1	-0.6	-0.7	-1.1	0.9	-1.4	-0.7	-0.3	-2.2	-1.9

Source of data: SURS, calculations by IMAD.

2013						2014												2015		
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
0.8	-0.4	0.4	0.7	0.3	0.7	0.7	1.6	0.4	1.0	0.5	1.7	1.7	0.7	1.6	1.1	1.0	1.4	0.2	-0.3	1.6
1.8	0.1	1.1	1.3	0.8	1.5	1.4	2.7	0.9	1.5	0.8	2.0	2.0	0.5	1.8	1.3	1.0	1.7	0.0	-0.7	1.9
-1.7	-1.7	-1.5	-0.9	-1.0	-1.5	-1.2	-1.2	-0.9	-0.2	-0.1	1.0	0.9	1.2	1.2	0.8	1.0	0.6	0.9	0.7	0.8
3.6	2.0	3.2	2.7	3.5	3.1	3.3	5.8	2.1	2.2	1.8	4.0	4.3	1.8	4.2	2.2	2.2	4.1	0.2	-0.1	4.2
1.0	-0.3	-0.5	1.2	0.1	2.0	0.9	0.9	1.7	0.8	-0.1	1.4	1.0	0.2	1.4	0.6	2.4	0.9	-0.1	0.1	0.4
0.0	-1.9	-0.1	-0.4	-1.9	-1.0	-0.3	0.4	-1.4	1.1	0.1	0.4	0.2	-0.8	-0.9	0.8	-2.2	-0.8	-0.1	-2.1	0.7
2.2	-3.6	1.5	0.9	1.9	6.2	-1.7	2.3	0.9	2.1	-2.3	-0.8	1.8	1.5	3.6	2.3	-2.1	1.5	-0.9	0.3	-1.3
-1.8	-4.9	-1.8	5.1	-13.0	3.3	-8.1	19.1	-0.9	7.2	10.4	7.3	10.1	12.2	9.9	-0.2	0.9	5.5	-4.0	-20.3	-0.5
3.4	2.0	3.7	2.4	4.4	3.9	4.0	5.3	2.4	2.5	1.8	4.3	4.6	1.1	3.7	2.7	2.5	4.4	0.3	1.1	4.8
10.0	3.1	-2.1	7.4	-0.9	-5.9	1.8	11.9	2.3	-1.2	-0.9	-1.0	-0.1	10.3	9.5	-3.0	-0.1	2.9	-0.4	-9.8	-2.8
-0.5	1.7	1.7	0.9	0.8	2.2	0.2	0.5	-1.3	1.1	0.8	4.8	2.7	-2.0	3.8	2.3	1.6	2.7	-0.2	1.0	3.0
1.1	-1.7	0.9	-1.1	-2.5	-0.5	-1.4	0.5	0.6	1.0	0.8	0.3	0.2	-1.4	0.7	0.1	1.4	1.1	-0.9	-1.0	-0.1
1.1	-0.4	1.1	0.8	1.3	1.5	0.8	0.8	2.2	1.1	0.2	1.6	0.9	0.7	1.7	1.0	1.5	1.2	0.6	0.1	0.6
1.7	0.3	-4.7	2.5	-2.7	3.0	1.3	0.8	0.5	-0.1	-0.5	0.6	0.9	-0.8	0.9	0.4	7.1	1.5	-0.5	1.6	1.0
-0.7	-1.0	-0.1	0.8	-0.6	2.4	-0.1	1.4	0.5	0.0	-1.3	1.7	1.6	-0.5	0.6	-1.2	-2.7	-2.0	-2.4	-3.2	-1.0
-0.8	-1.8	-0.6	-1.1	-2.3	-0.9	-0.8	-0.5	-6.9	3.6	0.2	1.5	0.9	-0.2	1.7	1.7	0.7	0.1	0.8	0.5	6.5
4.0	-1.4	1.0	2.7	-3.0	1.5	0.3	0.3	-1.1	2.8	4.3	0.8	0.3	1.0	-1.7	7.5	-1.0	0.5	8.5	-1.8	5.1
-0.3	-1.4	0.0	0.5	0.4	-0.4	-1.1	-0.9	-0.5	-1.6	-1.6	-0.3	-0.1	-1.0	-0.4	-1.8	-2.7	-2.6	-1.1	-1.6	-0.5
-2.3	-2.4	0.3	-2.1	-2.6	-3.0	-1.6	-0.3	2.3	-0.2	-1.7	3.4	2.9	-0.3	2.1	2.4	0.7	3.7	1.0	1.9	-0.4
0.8	0.2	1.3	1.0	2.1	-0.3	3.2	3.8	2.8	2.2	3.2	2.5	3.6	2.1	2.1	0.7	1.1	1.9	0.4	-0.1	0.5
-0.4	-0.8	-0.6	0.8	-1.0	-1.5	-1.5	-0.8	-0.3	0.8	0.9	1.9	1.6	1.9	2.8	0.8	1.8	1.9	1.7	1.9	2.0
-2.4	-2.2	-1.3	-1.5	-1.4	-1.1	-0.8	-1.5	-1.2	-0.5	-0.4	0.6	0.7	0.8	0.6	0.6	0.8	0.5	0.5	0.6	0.5
-2.2	-1.8	-2.4	-1.8	-0.4	-1.8	-1.3	-1.4	-1.1	-0.8	-0.6	0.7	0.3	1.2	0.4	1.1	0.5	-0.4	0.6	-0.2	0.2
-0.7	-2.6	-0.9	-1.4	-0.5	-1.1	-0.4	0.8	-1.6	-0.7	-1.7	0.8	-1.0	1.5	0.0	-1.4	-2.6	0.7	-0.5	-1.4	0.3
-0.8	-1.2	-1.2	0.9	-0.5	2.3	-1.6	-1.0	-1.7	-2.1	-0.7	0.8	0.3	-0.8	-0.3	-1.8	-1.7	-3.0	-2.8	-1.9	-1.1

PRICES AND INDICATORS OF OVERALL COMPETITIVENESS	2012	2013	2014	2013				2014				2015	2013			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q1	4	5	6
<b>CPI, y-o-y growth rates, %</b>	2.6	1.8	0.2	2.3	1.5	2.1	1.1	0.5	0.6	-0.2	-0.1	-0.4	1.5	1.2	1.9	2.6
Food, non-alcoholic beverages	4.1	3.6	-0.3	4.4	3.6	4.1	2.3	1.0	-0.6	-1.0	-0.7	-0.3	3.3	3.1	4.4	4.4
Alcoholic beverages, tobacco	6.5	7.0	3.6	10.6	7.5	7.4	3.0	2.7	4.4	3.6	3.7	4.2	7.8	7.4	7.5	7.5
Clothing and footwear	-0.2	0.2	-0.9	2.1	-1.2	1.0	-0.8	-0.9	-1.0	-0.1	-1.6	-0.9	0.0	-3.1	-0.5	1.1
Housing, water, electricity, gas	3.8	3.1	0.1	2.1	2.9	2.8	4.6	1.4	0.3	-0.3	-0.8	-1.6	3.3	2.8	2.5	3.4
Furnishings, household equipment	0.1	-1.2	-1.2	-1.1	-1.8	-1.2	-0.6	-0.9	-0.2	-2.0	-1.6	-1.8	-2.2	-1.9	-1.4	-1.3
Medical, pharmaceutical products	0.4	-0.5	-0.1	-0.2	-2.1	0.4	0.1	-0.1	0.7	-0.9	-0.4	0.0	-2.0	-2.1	-2.2	0.0
Transport	3.3	0.3	0.2	1.5	-0.5	0.5	-0.4	-0.2	1.9	-0.1	-0.9	-4.5	-0.9	-0.9	0.2	2.0
Communications	-2.4	-1.2	-1.9	-3.8	-1.9	1.2	-0.1	-1.4	-0.5	-2.8	-2.8	-0.5	-2.2	-2.3	-1.3	0.0
Recreation and culture	1.4	0.1	0.7	-0.3	-0.5	0.6	0.4	0.4	-0.1	-0.2	3.0	4.2	-0.4	-0.5	-0.6	0.7
Education	2.9	2.6	0.1	4.6	4.6	1.4	-0.1	-0.1	-0.2	0.0	0.8	0.7	4.6	4.6	4.6	4.6
Catering services	4.5	6.5	1.1	9.2	8.8	7.0	1.6	0.9	1.7	1.0	0.7	1.0	8.6	8.6	9.1	9.6
Miscellaneous goods & services	2.4	1.3	1.6	2.4	2.7	0.5	-0.5	1.8	1.9	1.6	1.2	0.8	2.1	2.9	3.1	1.2
HCPI	2.8	1.9	0.4	2.7	1.8	2.2	1.1	0.6	0.8	0.1	0.0	-0.5	1.6	1.6	2.2	2.8
Core inflation (excluding fresh food and energy)	2.0	1.6	1.0	1.9	1.4	1.9	1.2	1.3	1.3	0.6	0.7	1.0	1.4	1.3	1.5	2.0
<b>PRODUCER PRICE INDICES, y-o-y growth rates, %</b>																
Total	0.9	0.0	-0.6	0.8	0.2	-0.2	-0.6	-0.8	-1.1	-0.5	-0.1	0.1	0.5	0.2	0.0	-0.3
Domestic market	1.0	0.3	-1.1	1.1	0.3	0.1	-0.3	-1.0	-1.4	-1.1	-0.8	-0.3	0.6	0.1	0.1	0.1
Non-domestic market	0.7	-0.2	-0.1	0.4	0.2	-0.6	-0.9	-0.6	-0.8	0.1	0.7	0.5	0.5	0.3	-0.2	-0.6
euro area	0.1	-0.4	-0.7	0.4	0.0	-0.7	-1.3	-1.4	-1.5	-0.6	0.8	0.7	0.3	0.0	-0.4	-0.8
non-euro area	2.0	0.3	1.1	0.6	0.7	-0.3	0.0	1.1	0.8	1.8	0.6	0.1	0.8	1.1	0.3	-0.3
Import price indices	1.9	-0.4	-1.4	0.8	-0.5	-0.3	-1.5	-2.1	-1.4	-1.0	-1.2	-0.7	-0.6	-1.3	0.5	1.2
<b>PRICE CONTROL,<sup>1</sup> y-o-y growth rates, %</b>																
Energy prices	12.7	0.2	-1.9	5.6	0.1	-0.7	-4.1	-4.6	-0.2	-1.5	-1.0	-9.0	-0.6	-0.7	1.8	3.8
Oil products	13.0	1.7	0.7	6.4	0.4	0.4	-0.4	-0.9	4.2	1.7	-2.0	-11.9	-0.8	-0.9	3.1	5.5
Transport & communications	1.6	11.3	11.1	8.6	8.6	17.3	10.9	14.6	15.8	7.3	7.3	1.1	8.6	8.6	8.6	17.3
Other controlled prices <sup>2</sup>	-0.6	-1.5	3.6	-3.9	-2.9	-0.8	1.5	2.2	5.7	3.2	3.2	5.0	-3.8	-3.8	-1.1	-0.8
Direct control – total	9.2	1.2	0.5	4.3	0.5	1.0	-0.8	-1.0	2.6	0.4	-0.1	-7.5	-0.1	-0.3	2.0	4.3
<b>INDICATORS OF OVERALL COMPETITIVENESS<sup>3</sup>, y-o-y growth rates, %</b>																
Effective exchange rate, <sup>4</sup> nominal	-1.2	1.0	0.2	0.2	0.6	1.6	1.4	1.0	0.8	0.0	-0.8	-2.8	0.2	0.4	1.1	1.6
Real (deflator HICP)	-1.1	1.3	-0.1	0.9	0.7	2.2	1.4	0.6	0.7	-0.7	-1.3	-3.2	0.3	0.4	1.6	2.6
Real (deflator ULC)	-3.0	0.4	-2.5	-1.2	0.1	0.6	2.2	-1.0	-2.0	-2.5	-4.7					
USD / EUR	1.2856	1.3282	1.3288	1.3204	1.3066	1.3246	1.3611	1.3697	1.3712	1.3252	1.2492	1.1270	1.3026	1.2982	1.3189	1.3080

Source of data: SURS, ECB; calculations by IMAD.

Note: <sup>1</sup> The structure of groups varies. Data for individual years are not fully comparable to those published previously. On 1 July 2007, the electricity market was liberalised.<sup>2</sup> After a longer period of unchanged prices, at the beginning of 2013, the Decree on the pricing of mandatory local public services in the field of environmental protection (Official Gazette of the RS, No. 87/2012) transferred the responsibility for approving price changes to local communities.<sup>3</sup> Change of the source for effective exchange rate series as of April 2012: a new source, ECB; <sup>4</sup> Harmonised effective exchange rate – a group of 20 EU Member States and 17 euro area countries; an increase in value indicates appreciation of the national currency and vice versa.

2013					2014												2015			
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
2.2	1.4	1.3	1.3	0.7	0.8	0.1	0.6	0.4	0.7	0.8	0.0	-0.3	-0.3	-0.1	-0.2	0.2	-0.5	-0.4	-0.3	-0.7
4.3	3.5	2.4	2.2	2.2	1.6	0.9	0.4	0.0	-0.9	-1.0	-1.1	-1.5	-0.4	-0.5	-0.3	-1.2	-1.3	-0.3	0.7	0.8
7.5	7.1	3.0	3.0	3.0	2.6	2.7	2.6	2.4	4.9	6.0	3.5	3.5	3.8	3.7	3.4	4.0	4.1	4.2	4.2	4.1
0.1	1.7	0.3	0.1	-2.9	-2.2	-3.2	2.5	-0.6	-1.1	-1.3	-0.5	1.7	-1.2	-1.7	-2.6	-0.5	1.4	-0.6	-3.1	-2.4
2.7	2.1	3.9	4.8	5.2	3.6	0.4	0.1	-0.9	0.4	1.3	0.2	-0.5	-0.7	-0.6	-0.5	-1.3	-1.5	-1.9	-1.3	-1.0
-0.8	-1.5	-0.4	-0.4	-0.9	-1.4	-0.5	-0.7	-0.1	0.4	-0.7	-1.6	-2.3	-2.1	-2.3	-1.1	-1.3	-1.4	-1.9	-2.1	-2.3
0.3	0.7	0.0	0.0	0.2	-0.2	-0.4	0.4	0.7	0.8	0.6	-0.7	-1.0	-0.9	-0.5	-0.4	-0.3	0.4	-0.3	0.1	-0.2
0.0	-0.4	-0.6	-0.3	-0.3	0.1	-0.9	0.2	1.3	2.3	2.1	0.8	-0.2	-0.9	-0.4	-0.1	-2.2	-4.8	-4.6	-4.0	-5.1
2.5	1.1	1.6	-0.5	-1.5	-1.6	-1.3	-1.4	-1.2	-0.9	0.6	-2.0	-3.1	-3.4	-3.5	-2.4	-2.5	-2.6	1.2	0.1	-0.8
0.9	0.2	0.9	0.4	-0.1	0.7	0.3	0.0	0.5	-0.4	-0.3	-0.3	-0.5	0.1	1.8	3.0	4.2	4.1	4.1	4.3	1.3
0.1	-0.5	0.1	-0.3	0.0	0.0	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	0.7	0.6	0.9	0.7	0.6	0.7	0.8	0.8
9.9	2.0	2.0	1.5	1.4	0.6	0.9	1.3	1.4	2.0	1.7	1.1	1.2	0.7	0.6	0.7	0.8	1.2	1.0	0.8	0.8
0.2	0.1	0.7	1.0	-3.2	1.7	1.7	1.9	1.9	1.9	1.7	1.6	1.5	1.7	1.5	-3.6	5.8	0.9	1.0	0.6	0.8
2.2	1.5	1.1	1.2	0.9	0.9	0.2	0.6	0.5	1.0	1.0	0.3	0.0	-0.1	0.1	0.1	-0.1	-0.7	-0.5	-0.4	-0.7
2.1	1.7	1.6	1.4	0.7	1.2	1.1	1.6	1.3	1.4	1.4	0.8	0.7	0.5	0.4	0.4	1.3	1.1	1.0	0.8	0.5
0.0	-0.4	-0.5	-0.7	-0.5	-0.5	-1.0	-0.9	-1.4	-1.1	-0.9	-0.6	-0.6	-0.3	0.0	0.0	-0.2	-0.1	0.1	0.4	0.9
0.2	0.1	-0.2	-0.4	-0.3	-0.3	-1.1	-1.5	-1.5	-1.5	-1.2	-1.0	-1.2	-1.1	-1.0	-0.9	-0.6	-0.6	-0.4	0.0	0.0
-0.2	-0.9	-0.9	-1.1	-0.7	-0.6	-0.9	-0.4	-1.2	-0.7	-0.5	-0.2	0.0	0.6	1.1	0.8	0.3	0.3	0.5	0.8	1.8
-0.3	-1.0	-1.0	-1.5	-1.4	-1.2	-1.8	-1.2	-2.0	-1.4	-1.2	-1.2	-0.5	-0.1	0.8	0.8	0.8	0.8	0.9	0.6	1.2
0.0	-0.6	-0.4	-0.3	0.8	0.8	1.1	1.3	0.6	0.9	0.9	1.9	1.3	2.2	1.8	0.9	-0.8	-0.6	-0.2	1.1	3.0
-0.4	-1.6	-1.5	-2.0	-0.9	-1.5	-2.0	-2.7	-1.9	-1.1	-1.2	-1.1	-0.8	-1.1	-0.5	-0.9	-2.3	-1.5	-0.9	0.3	0.5
-1.3	-4.2	-5.9	-3.8	-2.5	-3.4	-5.7	-4.6	-2.9	0.9	1.3	0.2	-1.9	-2.9	0.5	0.7	-4.0	-9.8	-9.4	-7.6	-8.5
-0.3	-3.5	-2.4	-0.2	1.6	0.8	-2.5	-0.9	1.5	6.0	5.2	4.1	1.4	-0.3	-0.2	-0.1	-5.7	-13.2	-12.3	-10.2	-11.5
17.3	17.3	17.3	8.0	8.0	14.6	14.6	14.6	15.8	15.8	15.8	7.3	7.3	7.3	7.3	7.3	7.3	1.1	1.1	1.1	0.0
-0.8	-0.8	2.7	0.8	0.8	3.7	1.4	1.4	6.4	6.4	4.2	3.6	2.3	3.6	3.4	3.1	3.1	3.4	5.7	5.8	0.8
0.5	-1.6	-1.4	-1.0	-0.1	0.1	-2.0	-1.2	0.6	3.6	3.6	1.9	0.0	-0.7	1.2	1.2	-2.6	-8.4	-7.9	-6.2	-7.4
2.0	1.3	1.3	1.5	1.5	0.9	0.7	1.3	1.1	1.0	0.3	0.3	0.0	-0.3	-0.7	-0.7	-1.0	-1.9	-2.6	-3.7	-4.0
2.7	1.4	1.3	1.6	1.2	0.8	0.0	1.1	0.8	1.0	0.5	-0.2	-0.8	-1.1	-1.4	-1.2	-1.2	-2.3	-3.1	-4.2	-4.4
1.3310	1.3348	1.3635	1.3493	1.3704	1.3610	1.3659	1.3823	1.3813	1.3732	1.3592	1.3539	1.3316	1.2901	1.2673	1.2472	1.2331	1.1621	1.1350	1.0838	1.0779

BALANCE OF PAYMENTS	2012	2013	2014	2013				2014				2015	2013			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
<b>BALANCE OF PAYMENTS, BPM6 methodology, EUR m</b>																
Current account	954	2,027	2,150	482	587	477	480	338	559	620	634	409	304	263	108	215
Goods	-36	763	1,307	206	262	247	48	298	311	328	370	364	159	138	-15	138
Exports	21,256	21,692	23,119	5,323	5,540	5,330	5,499	5,581	5,742	5,750	6,045	5,861	1,925	1,921	1,809	1,810
Imports	21,292	20,929	21,812	5,116	5,279	5,083	5,451	5,284	5,431	5,422	5,675	5,497	1,765	1,782	1,824	1,672
Services	1,509	1,755	1,707	400	485	532	339	320	432	565	389	411	162	152	168	165
Exports	5,106	5,308	5,523	1,141	1,304	1,550	1,313	1,177	1,372	1,584	1,391	1,258	425	424	432	448
Imports	3,597	3,553	3,816	741	819	1,018	974	856	939	1,019	1,001	847	263	272	264	283
Primary income	-292	-243	-612	28	-76	-192	-2	-115	-115	-203	-179	-192	17	18	-15	-80
Receipts	1,138	1,015	1,219	256	270	219	270	307	359	250	303	275	137	120	92	58
Expenditures	1,430	1,258	1,830	228	346	411	272	422	474	453	482	467	120	102	107	137
Secondary income	-227	-249	-252	-152	-83	-110	95	-165	-69	-71	53	-174	-34	-45	-30	-8
Receipts	931	923	934	196	191	201	334	180	239	193	321	172	59	53	57	82
Expenditures	1,157	1,172	1,186	348	274	310	239	345	308	264	268	346	93	97	87	90
Capital account	41	109	79	31	-4	5	76	0	-39	12	106	34	12	12	-14	-1
Financial account	1,028	2,887	2,148	892	646	712	637	333	443	613	759	778	367	295	102	250
Direct investment	-466	-60	-1,186	47	177	-101	-182	-81	-664	-445	5	-353	38	272	-43	-53
Assets	-439	5	-53	69	28	-125	32	101	2	-115	-41	39	20	128	-7	-92
Liabilities	27	64	1,134	22	-149	-23	214	182	666	331	-46	392	-18	-144	36	-40
Portfolio investment	220	-3,976	-3,967	-131	-2,095	423	-2,174	-3,097	-1,220	80	269	625	-269	145	-2,589	349
Financial derivatives	89	32	1	20	-13	10	15	-2	-9	2	10	16	4	-18	14	-9
Other investment	1,215	6,886	7,212	1,022	2,558	297	3,009	3,356	2,328	1,050	479	511	628	-88	2,745	-99
Assets	1,634	2,241	4,896	1,209	772	-26	286	1,713	2,031	299	854	770	587	161	453	158
Other equity	155	152	84	14	69	2	68	14	70	1	0	8	12	70	0	-1
Currency and deposits	1,216	2,069	5,066	865	546	119	538	1,516	1,964	469	1,116	498	353	72	437	37
Loans	371	-1	-260	-29	171	-96	-47	-78	-48	-98	-37	-80	-18	67	71	33
Insurance, pension schemes, and standardised guarantee schemes	28	-10	10	12	-18	0	-4	17	-3	-4	0	0	4	-6	-6	-6
Trade credit and advances	-49	24	6	342	1	-43	-277	204	83	-50	-230	336	233	-42	-43	86
Other assets	-88	7	-10	5	3	-8	7	40	-35	-19	4	8	1	1	-6	9
Liabilities	418	-4,645	-2,316	187	-1,786	-323	-2,723	-1,643	-297	-751	375	259	-42	250	-2,292	257
Other equity	0	0	-6	0	0	0	0	0	0	-1	-5	0	0	0	0	0
Currency and deposits	1,026	-4,246	-831	188	-1,981	429	-2,883	-1,075	-54	21	278	-140	-319	68	-2,299	251
Loans	-938	-269	-1,401	317	63	-558	-91	-366	-297	-705	-34	378	448	193	-31	-99
Insurance, pension schemes, and standardised guarantee schemes	41	39	-44	21	31	-10	-2	-1	-40	-2	0	0	7	10	10	10
Trade credit and advances	285	-184	-163	-333	73	-163	238	-214	81	-46	16	19	-180	-12	15	69
Other liabilities	5	15	128	-6	28	-21	14	14	13	-19	120	2	2	-10	12	26
Special drawing rights (SDR)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve assets	-31	5	89	-67	19	83	-30	157	8	-74	-3	-20	-33	-17	-25	61
Net errors and omissions	33	752	-81	378	63	230	81	-5	-77	-19	20	336	51	19	8	36
<b>EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m</b>																
Export of investment goods	2,112	2,163	2,341	521	533	531	579	551	590	572	628	N/A	203	182	178	173
Intermediate goods	12,138	12,425	13,032	3,051	3,159	3,115	3,100	3,261	3,270	3,261	3,241	N/A	1,073	1,102	1,045	1,012
Consumer goods	6,811	6,960	7,676	1,673	1,824	1,672	1,791	1,776	1,875	1,889	2,136	N/A	611	632	577	614
Import of investment goods	2,402	2,573	2,760	646	667	564	696	645	698	632	786	N/A	254	219	260	189
Intermediate goods	14,005	13,635	13,541	3,457	3,448	3,282	3,448	3,317	3,386	3,398	3,440	N/A	1,136	1,195	1,196	1,057
Consumer goods	5,671	5,906	6,382	1,392	1,485	1,475	1,554	1,519	1,608	1,600	1,655	N/A	482	491	489	505

Source of data: BS, SURS. Note: The methodology of the Slovenian balance of payments and international investment position statistics follows the recommendations in the sixth edition of the Balance of Payments and International Investment Position Manual released by the International Monetary Fund.

2013						2014												2015		
7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
142	144	191	180	91	209	68	-14	283	254	121	185	207	96	316	293	96	244	122	-27	314
154	-1	94	68	-1	-20	80	48	169	141	19	150	138	-21	211	194	60	115	98	46	220
1,925	1,511	1,894	1,994	1,866	1,639	1,807	1,769	2,005	1,954	1,850	1,938	2,039	1,557	2,153	2,185	2,019	1,841	1,814	1,868	2,179
1,772	1,512	1,800	1,926	1,867	1,658	1,726	1,722	1,836	1,813	1,830	1,788	1,901	1,579	1,942	1,991	1,959	1,725	1,716	1,822	1,959
188	199	145	132	116	92	94	88	138	148	138	146	184	221	160	130	129	131	146	101	164
531	541	478	447	413	453	388	354	435	457	445	470	546	540	498	476	416	499	396	391	471
343	342	333	315	297	362	294	266	297	309	306	324	362	319	338	346	287	368	250	290	307
-142	-18	-33	-19	-12	30	-63	-65	13	1	-32	-85	-60	-69	-74	-62	-87	-29	-79	-82	-30
80	76	62	60	67	142	70	78	159	156	111	92	91	75	84	83	75	144	70	71	135
222	94	95	80	80	112	133	143	147	154	143	177	151	144	158	146	162	174	149	153	165
-57	-36	-16	-1	-12	108	-44	-84	-37	-37	-5	-27	-55	-35	19	31	-6	27	-42	-92	-40
65	58	77	79	63	192	62	59	59	73	94	72	58	42	93	120	81	121	51	63	58
123	94	93	80	75	84	106	144	96	110	99	99	114	76	74	88	87	94	94	155	98
16	0	-11	22	9	45	1	0	-2	7	-29	-16	19	-17	10	20	52	34	8	16	9
129	293	290	468	126	44	104	-180	409	153	90	199	214	22	377	35	174	550	370	-61	469
-101	51	-51	-195	35	-23	12	-98	4	-132	-161	-371	-18	-158	-270	-40	22	23	-48	-43	-263
-33	-48	-43	7	68	-43	74	-21	48	4	-25	23	48	-138	-25	117	-5	-153	43	41	-45
68	-99	8	202	33	-21	62	76	44	136	136	394	66	20	245	157	-27	-176	91	83	217
130	89	204	24	-1,824	-374	-408	-2,738	50	-946	-219	-55	-312	106	286	424	-662	506	193	303	129
6	2	2	5	1	9	-1	-3	2	-10	2	-1	4	-3	0	11	-3	3	-7	18	5
12	154	131	634	1,908	467	439	2,543	373	1,248	458	622	541	97	412	-346	779	46	209	-263	565
49	-130	55	475	156	-346	540	1,099	74	1,177	328	526	271	-98	126	-233	599	487	448	-268	589
0	1	0	70	-4	2	2	5	6	69	0	1	0	0	0	0	0	0	2	0	6
76	103	-60	342	98	99	460	1,049	7	1,028	410	527	411	-4	62	-369	690	796	432	-346	411
-12	-82	-2	31	12	-90	7	-26	-59	24	-22	-50	-69	1	-30	3	-32	-7	-8	-50	-22
0	0	0	-1	-1	-1	6	6	6	-1	-1	-1	-1	-1	-1	0	0	0	0	0	0
-16	-144	118	35	2	-314	24	105	75	87	-75	71	-55	-109	115	100	-30	-300	15	128	192
1	-8	0	-1	48	-41	41	-39	38	-29	16	-22	-14	15	-19	33	-29	0	7	-1	2
37	-285	-76	-158	-1,752	-813	100	-1,444	-299	-70	-130	-96	-270	-196	-286	113	-179	442	239	-5	25
0	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	-5	0	0	0	0	0
524	-250	155	-259	-1,843	-780	311	-1,299	-88	-24	-6	-23	28	45	-52	16	-17	278	-76	-53	-11
-344	48	-262	10	-20	-81	14	-187	-192	39	-160	-176	-165	-255	-284	-105	-96	167	665	-223	-64
-3	-3	-3	-1	-1	-1	0	0	0	-13	-13	-13	-1	-1	-1	0	0	0	0	0	0
-136	-63	37	89	107	43	-267	57	-4	-58	14	126	-107	-3	64	87	-31	-41	-356	234	141
-2	-16	-3	3	4	7	44	-14	-16	-14	36	-9	-24	18	-13	119	-36	37	7	37	-42
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
82	-3	4	-1	6	-35	62	116	-21	-7	11	4	-2	-20	-52	-14	38	-27	24	-76	32
-30	150	110	266	25	-211	34	-166	127	-107	-1	31	-12	-57	50	-278	26	272	240	-50	146
204	149	178	197	197	185	168	179	204	202	183	205	207	161	205	226	202	200	168	191	N/A
1,115	912	1,088	1,163	1,069	869	1,089	1,030	1,142	1,121	1,066	1,083	1,159	903	1,199	1,210	1,112	919	1,024	1,072	N/A
604	449	619	623	599	569	559	570	646	634	584	657	663	476	750	728	710	698	606	609	N/A
204	155	205	221	241	234	186	202	256	244	226	227	230	181	221	265	271	250	191	208	N/A
1,165	987	1,130	1,237	1,208	1,003	1,124	1,064	1,130	1,115	1,146	1,125	1,198	981	1,218	1,212	1,209	1,019	1,100	1,139	N/A
509	438	528	549	516	490	474	518	527	547	550	511	549	472	579	593	554	508	490	531	N/A

MONETARY INDICATORS AND INTEREST RATES	2012	2013	2014	2012	2013									
				12	1	2	3	4	5	6	7	8	9	10
<b>SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Claims of the BS on central government	221	233	263	221	232	233	229	233	233	233	233	232	231	232
Central government (S. 1311)	5,057	6,563	7,240	5,057	5,036	5,111	5,048	5,451	5,361	4,999	5,108	5,024	4,995	4,965
Other government (S. 1312, 1313, 1314)	610	581	685	610	609	613	609	610	600	600	601	601	604	610
Households (S. 14, 15)	9,267	8,917	8,762	9,267	9,191	9,160	9,159	9,141	9,107	9,099	9,050	9,059	9,052	9,031
Non-financial corporations (S. 11)	19,470	14,902	11,729	19,470	19,425	19,265	19,152	19,022	18,889	18,832	18,639	18,633	18,501	18,102
Non-monetary financial institutions (S. 123, 124, 125)	2,135	1,763	1,485	2,135	2,116	2,102	2,028	2,000	1,990	1,999	1,992	1,983	1,978	1,962
Monetary financial institutions (S. 121, 122)	5,194	5,020	3,684	5,194	5,085	5,300	5,389	4,957	5,423	5,255	5,190	5,320	5,311	5,198
<b>Claims on domestic sectors, TOTAL</b>														
In domestic currency	34,558	29,620	25,155	34,558	34,349	34,342	34,336	33,765	34,040	33,902	33,612	33,754	33,705	33,198
In foreign currency	1,309	1,097	950	1,309	1,263	1,277	1,264	1,236	1,235	1,223	1,203	1,192	1,177	1,152
Securities, total	5,862	7,026	7,469	5,862	5,846	5,927	5,780	6,177	6,091	5,657	5,762	5,669	5,554	5,513
<b>SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m</b>														
Deposits in domestic currency, total	29,582	27,051	25,843	29,582	29,575	29,961	30,070	29,665	30,497	29,943	30,228	30,184	30,194	30,091
Overnight	8,678	8,558	10,157	8,678	8,726	9,185	8,997	8,919	8,806	8,923	9,124	9,055	8,812	8,861
With agreed maturity – short-term	7,056	6,689	5,955	7,056	6,905	6,827	7,140	7,148	7,712	7,626	7,652	7,696	8,260	8,222
With agreed maturity – long-term	13,780	11,569	9,267	13,780	13,863	13,829	13,775	13,424	13,787	13,189	13,203	13,159	12,843	12,688
Short-term deposits redeemable at notice	68	235	464	68	81	120	158	174	192	205	249	274	279	320
Deposits in foreign currency, total	552	487	510	552	538	554	549	520	548	536	520	541	521	506
Overnight	372	324	354	372	372	383	363	361	354	340	342	362	333	324
With agreed maturity – short-term	123	91	84	123	109	114	128	103	103	113	97	95	109	104
With agreed maturity – long-term	56	72	72	56	56	56	57	55	91	82	81	84	79	78
Short-term deposits redeemable at notice	1	0	0	1	1	1	1	1	0	1	0	0	0	0
<b>INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %</b>														
<b>New deposits in domestic currency</b>														
<b>Households</b>														
Overnight deposits	0.20	0.11	0.07	0.17	0.14	0.13	0.13	0.13	0.12	0.11	0.10	0.10	0.10	0.10
Time deposits with maturity of up to one year	2.31	1.86	0.98	2.24	2.28	2.18	2.10	2.01	2.01	1.97	1.89	1.78	1.65	1.56
<b>New loans to households in domestic currency</b>														
Housing loans, 5-10 year fixed interest rate	5.48	5.40	5.06	5.31	5.46	6.40	5.03	5.49	5.39	5.30	5.34	5.31	5.11	5.49
<b>New loans to non-financial corporations in domestic currency</b>														
Loan over EUR 1 million, 1-5 year fixed interest rate	5.32	3.86	4.41	5.57	3.75	3.76	3.70	3.48	5.68	..	3.03	2.66	3.37	3.73
<b>INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %</b>														
Main refinancing operations	0.88	0.54	0.16	0.75	0.75	0.75	0.75	0.75	0.50	0.50	0.50	0.50	0.50	0.50
<b>INTERBANK INTEREST RATES</b>														
<b>EURIBOR</b>														
3-month rates	0.570	0.221	0.210	0.186	0.204	0.223	0.206	0.209	0.201	0.210	0.221	0.226	0.223	0.226
6-month rates	0.830	0.336	0.309	0.323	0.343	0.362	0.329	0.324	0.299	0.321	0.336	0.342	0.340	0.342
<b>LIBOR</b>														
3-month rates	0.066	0.021	0.013	0.015	0.018	0.024	0.022	0.020	0.018	0.018	0.020	0.018	0.020	0.020
6-month rates	0.146	0.080	0.066	0.073	0.080	0.080	0.090	0.080	0.080	0.080	0.080	0.080	0.080	0.080

Source of data: BS, EUROSTAT.



2013		2014												2015			
11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
233	233	239	239	245	209	227	228	229	230	230	237	246	263	265	282	445	642
4,881	6,563	6,448	6,437	6,476	6,154	6,262	6,296	6,459	6,512	6,581	6,936	7,010	7,240	7,443	7,502	7,163	7,368
570	581	585	585	584	582	577	582	594	596	606	611	618	685	654	631	633	633
8,996	8,917	8,879	8,849	8,853	8,850	8,835	8,810	8,808	8,814	8,813	8,807	8,791	8,762	8,842	8,802	8,834	8,826
17,918	14,902	14,691	14,599	14,544	14,531	14,429	14,039	13,867	13,764	13,586	12,603	12,511	11,729	11,825	11,728	11,676	11,569
1,966	1,763	1,993	1,968	1,962	1,945	1,929	1,921	1,881	1,858	1,873	1,665	1,654	1,485	1,463	1,455	1,642	1,519
4,752	5,020	5,014	5,294	4,818	5,012	4,863	3,896	4,347	4,108	3,732	4,037	3,915	3,684	3,657	3,696	3,479	3,353
32,569	29,620	29,594	29,706	29,154	29,298	29,017	27,756	28,005	27,645	27,220	26,425	26,191	25,155	25,232	25,176	24,885	24,707
1,144	1,097	1,090	1,075	1,046	1,036	1,025	1,019	1,010	1,011	994	986	973	950	1,059	1,006	983	957
5,366	7,026	6,921	6,944	7,028	6,731	6,845	6,763	6,933	6,987	6,968	7,240	7,326	7,469	7,579	7,618	7,542	7,566
29,645	27,051	27,255	27,501	27,034	27,187	27,067	26,577	27,060	26,869	26,318	26,492	26,309	25,843	25,930	25,800	25,359	25,884
8,729	8,558	8,779	9,066	8,979	9,278	9,390	9,582	10,236	10,138	9,870	10,329	10,398	10,157	10,731	10,947	10,842	11,200
8,110	6,689	6,730	6,888	6,893	7,215	7,088	6,768	6,876	6,928	6,720	6,477	6,250	5,955	5,708	5,610	5,320	5,302
12,495	11,569	11,422	11,264	10,852	10,389	10,252	9,875	9,585	9,368	9,265	9,172	9,155	9,267	9,078	8,838	8,762	8,916
311	235	324	283	310	305	337	352	363	435	463	514	506	464	413	405	435	466
511	487	493	488	490	496	496	508	510	516	538	528	535	510	566	604	601	585
334	324	328	324	333	335	336	350	345	354	354	348	353	354	401	447	442	433
98	91	93	93	90	94	92	90	96	92	115	110	110	84	86	77	81	75
79	72	72	71	67	67	68	68	69	70	69	70	72	72	79	80	78	77
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0.09	0.09	0.09	0.08	0.08	0.08	0.08	0.08	0.07	0.07	0.07	0.07	0.06	0.06	0.05	0.05	0.05	
1.48	1.46	1.36	1.22	1.15	1.07	1.04	1.00	0.93	0.89	0.85	0.81	0.74	0.66	0.58	0.51	0.46	
5.17	5.36	5.38	5.42	5.26	5.58	5.23	4.84	5.2	5.01	5.09	4.65	4.72	4.38	4.17	4.85	3.34	
4.71	4.59	6.58	3.96	4.21	6.63	5.51	1.53	5.05	2.82	..	4.66	3.07	4.50	3.89	2.40	3.39	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.15	0.15	0.15	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
0.223	0.275	0.292	0.288	0.305	0.330	0.325	0.241	0.205	0.192	0.097	0.083	0.081	0.081	0.063	0.048	0.027	0.006
0.327	0.373	0.396	0.387	0.407	0.430	0.417	0.333	0.305	0.292	0.200	0.184	0.182	0.176	0.152	0.126	0.097	0.074
0.020	0.020	0.022	0.018	0.021	0.017	0.016	0.012	0.013	0.020	0.008	0.008	0.006	-0.020	-0.466	-0.889	-0.802	-0.812
0.072	0.075	0.083	0.081	0.078	0.075	0.068	0.069	0.072	0.073	0.059	0.057	0.053	0.023	-0.403	-0.773	-0.707	-0.727

PUBLIC FINANCE	2012	2013	2014	2013				2014				2015	2013	
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		8	9
<b>CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m</b>														
<b>GENERAL GOVERNMENT REVENUES</b>														
TOTAL REVENUES	14,999.1	14,728.2	15,492.0	3,419.9	3,495.0	3,733.1	4,080.2	3,634.1	3,905.1	3,686.5	4,266.2	3,633.8	1,204.9	1,238.2
Current revenues	14,030.6	13,637.4	14,377.0	3,184.6	3,293.1	3,510.9	3,648.8	3,409.9	3,695.2	3,501.4	3,770.4	3,411.7	1,159.5	1,125.9
Tax revenues	13,118.3	12,648.4	13,191.6	2,946.8	3,107.4	3,188.1	3,406.0	3,147.0	3,317.0	3,237.5	3,490.1	3,252.4	1,063.1	1,064.0
Taxes on income and profit	2,656.6	2,137.4	2,385.9	577.1	510.9	442.5	606.9	595.6	686.3	466.3	637.7	601.7	188.7	191.2
Social security contributions	5,244.1	5,127.2	5,272.5	1,264.9	1,283.4	1,261.3	1,317.6	1,303.9	1,302.5	1,300.7	1,365.3	1,339.5	419.4	418.9
Taxes on payroll and workforce	25.6	23.4	20.2	5.5	6.1	5.5	6.3	4.8	5.3	4.7	5.4	4.5	1.6	1.6
Taxes on property	233.9	254.1	244.2	24.2	67.8	91.3	70.8	19.2	29.3	100.3	95.4	26.9	29.3	29.8
Domestic taxes on goods and services	4,876.1	5,027.4	5,191.2	1,039.2	1,224.7	1,357.0	1,406.5	1,170.9	1,300.1	1,350.5	1,369.6	1,246.0	408.0	421.6
Taxes on international trade & transactions	82.5	77.5	77.7	19.4	22.9	18.2	17.0	19.1	19.0	18.5	21.1	21.3	6.3	5.3
Other taxes	-0.6	1.3	-0.2	16.5	-8.4	12.4	-19.2	33.5	-25.7	-3.5	-4.5	12.5	9.7	-4.5
Non-tax revenues	912.3	989.0	1,185.4	237.8	185.7	322.8	242.7	262.9	378.2	264.0	280.3	159.3	96.4	61.9
Capital revenues	62.5	67.1	51.4	10.7	13.1	12.8	30.4	11.6	10.5	13.1	16.2	10.8	2.7	4.4
Grants	9.2	32.7	18.9	12.9	2.7	14.7	2.4	1.3	11.0	4.3	2.2	2.4	0.2	4.0
Transferred revenues	51.7	52.7	4.5	0.5	0.4	50.9	0.9	1.4	0.4	0.5	2.3	1.2	0.4	50.2
Receipts from the EU budget	845.1	938.4	1,040.3	211.2	185.6	143.8	397.7	209.9	188.0	167.2	475.2	207.7	42.0	53.8
<b>GENERAL GOVERNMENT EXPENDITURES</b>														
TOTAL EXPENDITURES	16,125.7	16,286.4	16,751.2	4,137.4	4,011.6	3,846.2	4,291.2	4,290.2	3,957.1	4,009.3	4,494.6	4,287.6	1,179.8	1,293.4
Current expenditures	6,813.5	6,838.4	7,042.1	1,842.8	1,819.0	1,496.7	1,679.8	1,923.6	1,692.4	1,581.3	1,844.8	1,970.1	460.8	532.1
Wages, salaries and other personnel expenditures	3,727.7	3,616.7	3,610.4	908.5	936.6	871.2	900.4	919.5	908.4	883.3	899.2	926.2	290.5	285.7
Expenditures on goods and services	2,373.0	2,238.9	2,232.3	559.1	565.9	526.7	587.2	531.7	538.8	546.9	614.8	500.4	161.0	167.4
Interest payments	647.9	840.1	1,097.4	319.1	295.2	77.8	148.0	451.8	221.9	131.0	292.6	497.2	1.7	72.2
Reserves	64.9	142.6	102.1	56.2	21.3	20.8	44.2	20.5	23.3	20.1	38.2	46.2	7.6	6.8
Current transfers	7,687.0	7,671.3	7,591.9	1,948.5	1,893.7	1,922.4	1,906.6	1,984.3	1,848.4	1,883.4	1,875.8	1,933.2	582.5	608.2
Subsidies	502.7	519.5	467.4	190.5	111.9	77.5	139.6	205.5	80.3	71.3	110.2	201.2	21.2	27.9
Current transfers to individuals and households	6,384.2	6,343.1	6,335.0	1,576.7	1,585.9	1,626.0	1,554.5	1,561.9	1,600.0	1,621.1	1,552.1	1,564.1	503.5	512.1
Current transfers to non-profit institutions, other current domestic transfers	741.0	734.2	714.3	158.1	185.2	185.7	205.3	204.5	147.7	173.2	188.8	153.4	53.7	64.8
Current transfers abroad	59.0	74.4	75.2	23.3	10.7	33.2	7.2	12.3	20.4	17.8	24.7	14.5	4.0	3.4
Capital expenditures	915.0	1,031.8	1,444.4	141.6	146.3	259.7	484.2	188.1	269.8	414.6	572.0	175.3	83.2	95.5
Capital transfers	319.9	319.5	270.0	42.5	52.0	69.3	155.6	31.5	50.7	67.9	119.8	37.9	21.3	25.1
Payments to the EU budget	390.3	425.5	402.9	161.8	100.5	98.0	65.0	162.7	95.9	62.2	82.1	171.1	32.0	32.5
<b>SURPLUS / DEFICIT</b>	<b>-1,126.6</b>	<b>-1,558.2</b>	<b>-1,259.2</b>	<b>-717.5</b>	<b>-516.6</b>	<b>-113.1</b>	<b>-211.0</b>	<b>-656.1</b>	<b>-52.0</b>	<b>-322.8</b>	<b>-228.3</b>	<b>-653.9</b>	<b>25.0</b>	<b>-55.2</b>

Source of data: Bulletin of Government Finance.

Note: In line with the changed methodology of the International Monetary Fund of 2001, social security contributions paid by the general government are not consolidated.



## Acronyms

### Acronyms in the text

**AJPES** - Agency of the Republic of Slovenia for Public Legal Records and Related Services, **BoS** – Bank of Slovenia, **CPI** - Consumer Price Index, **EC** – European Commission, **ECB** – European Central Bank, **EIA** – Energy Information Administration, **EMU** – European Monetary Union, **ESA-2010** – European System of Accounts 2010, **ESI** – Economic Sentiment Indicator, **ESS** – Employment Service of Slovenia, **EU** – European System of Integrated Social Protection Statistics, **EUR** – Euro, **EUROSTAT** – Statistical Office of the European Union, **GDP** – Gross domestic product, **HICP**-Harmonised Index of Consumer Prices, **ICT** – Information and Communication Technology, **IMAD** – Institute of Macroeconomic Analysis and Development, **LFS** – Labour Force Survey, **MF** – Ministry of Finance, **NEER** – Nominal Effective Exchange Rate, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization for Economic Co-operation and Development, **OI** – core inflation, **OPETID** – Operational programme of environmental and transport infrastructure development, **OP HRD** – Operational programme for human resources development, **OP SRDP** – Operational programme for strengthening regional development potentials, **PDII** – Pension and Disability Insurance Institute, **PMI** – Purchasing Managers Index, **REER** – Real Effective Exchange Rate, **RS** – Republic of Slovenia, **SCA** – Standard Classification of Activities, **SITC** – Standard International Trade Classification, **SPI** – Social Progress Index **SRE** – Statistical Register of Employment, **SURS** – Statistical Office of the Republic of Slovenia, **USD** – US Dollar, **VAT** – value added tax, **ZZZS** – The Health Insurance Institute of Slovenia.

### Acronyms of Standard Classification of Activities (SCA)

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

### Acronyms of Countries

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

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