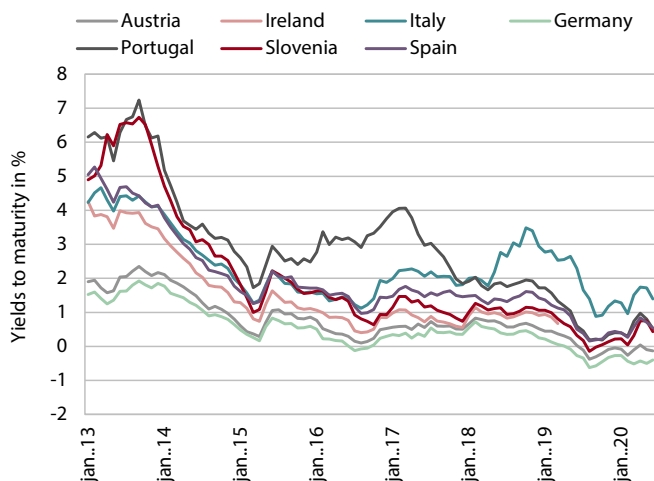


## CURRENT ECONOMIC TRENDS

1 – 3 July 2020

Yields to maturity on bonds of peripheral countries, including the Slovenian 10-year bond, increased noticeably in the second quarter. Based on data on freight transport and electricity consumption, we estimate that at the end of June economic activity was significantly lower than a year earlier, but from mid-April the year-on-year decline has been slowing. The number of unemployed persons had fallen again somewhat by the end of June, after having risen significantly during the epidemic.

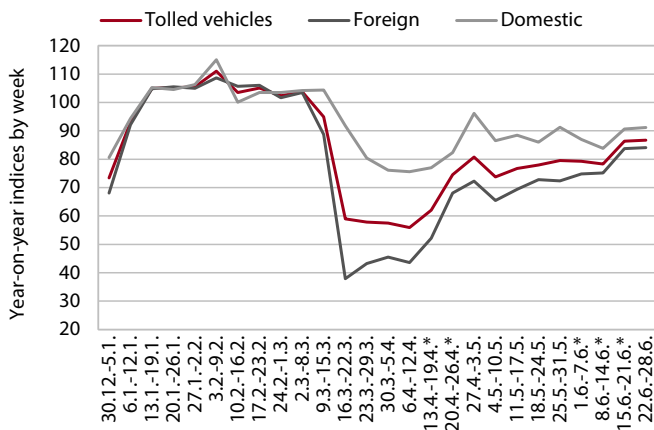
### Bond, Q2 of 2020



Source: Bloomberg.

**The situation on euro area bond markets deteriorated following the outbreak of the COVID-19 epidemic.** In view of high uncertainty, part of demand was shifted to safer investments. Only yields to maturity of peripheral countries thus rose more noticeably, despite increased borrowing requirements of all countries. Although the EC and ECB measures managed to stem the further deterioration in bond markets to some extent, the yield to maturity of the Slovenian 10-year bond nevertheless increased by almost 50 basis points (to 0.65%) in the second quarter. The spread to the German bond also widened, to almost 110 basis points, and was the highest in the last three years.

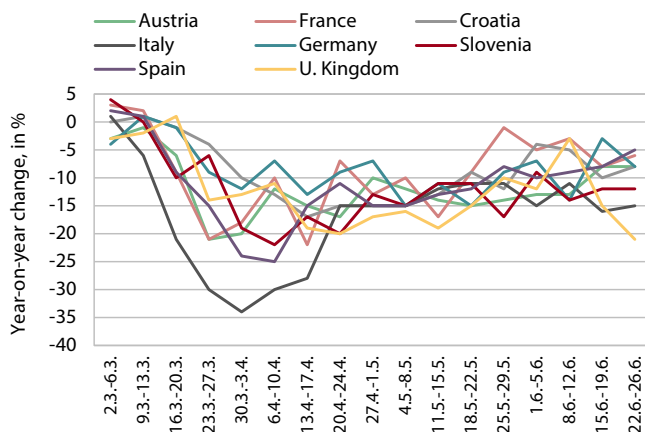
## Traffic of electronically tolled vehicles<sup>1</sup> on Slovenian motorways, June 2020



Source: Internal reports provided by DARS. Note: Owing to a different number of working days, we adjusted the dataset by excluding some days of the week from the calculation.

After rebounding in April, freight traffic on Slovenian motorways did not increase much in the following two months and remained significantly lower than before the epidemic. A more than 40% decline in the first weeks after the declaration of the epidemic was followed by an improvement in April and stagnation in May. In the second half of June, traffic increased again and was around 13% lower year on year.<sup>2</sup> The distance travelled by domestic and foreign trucks declined by 9% and 16% respectively. Foreign truck traffic has otherwise increased more from the lowest March value than traffic by domestic trucks, which is attributable to EU measures for the free flow of goods across borders and the relaxation of measures in some countries.

## Electricity consumption, June 2020



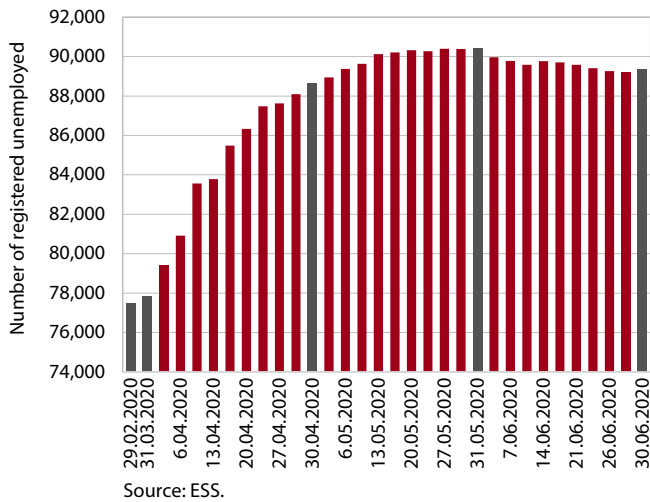
Source: ENTSO-E and Bruegel.org. Notes: Only consumption on working days (between 8.00 and 18.00) is considered. The percentages are adjusted for temperature differences.

The year-on-year decline in weekly electricity consumption remained close to the May average in the last week of June. Electricity consumption in Slovenia was 12% lower than in the same week last year. This is close to the average decline in May, which was 14%. In Slovenia's main trading partners, the decline in the second half of June increased the most (relative to the first half) in Croatia (from 4% to 9%), while it decreased in Austria and Germany.

<sup>1</sup> The electronic tolling system applies to vehicles whose maximum permissible weight exceeds 3.5 tonnes (for simplicity, we refer to them as freight vehicles or trucks).

<sup>2</sup> The data for the Easter and Labour Day holiday weeks have been partially adjusted due to the different number and distribution of working days and public holidays in Slovenia. Similarly, the data for the first three weeks of June have been adjusted due to the impact of public holidays in neighbouring countries. The figure for the last week probably shows a slightly worse picture because of the public holiday on Thursday (last year, Tuesday).

## Registered unemployment, June 2020



**The number of unemployed persons declined in June after rising up to mid-May.** At the end of June, it amounted to 89,377 persons (26.3% more than one year earlier), which is 1.1% less than at the end of May. We estimate that the decline is related to the lifting of stringent containment measures in Slovenia and neighbouring countries and the adoption of the third legislative package of measures to mitigate the economic impact of the crisis. Among the newly registered, there were significantly more persons who lost work because their fixed-term employment contracts were not extended (a reason more frequently cited among younger age groups) or for business reasons than before the outbreak of the epidemic. The activities with the largest inflows are accommodation and food service activities, trade and manufacturing.

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1
GDP, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	0.8	0.5	0.0	0.8	0.4	-4.5
	29.05.2020	31.08.2020	% (Q/Q-4)	3.8	3.3	2.5	2.4	1.7	-2.3
Private consumption, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	1.7	0.4	0.8	0.1	0.1	-7.6
	29.05.2020	31.08.2020	% (Q/Q-4)	2.8	2.5	3.8	3.2	1.2	-6.4
Government consumption, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	1.4	1.0	-1.8	2.8	-3.9	8.9
	29.05.2020	31.08.2020	% (Q/Q-4)	4.0	3.9	1.1	3.4	-2.0	5.8
Gross investment, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	0.8	-0.5	-2.8	6.7	-3.3	-2.9
	29.05.2020	31.08.2020	% (Q/Q-4)	6.4	0.4	-1.5	5.5	0.1	-3.3
Exports of goods and services, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	2.8	1.3	0.9	-0.6	-0.8	-1.9
	29.05.2020	31.08.2020	% (Q/Q-4)	5.4	5.6	6.0	5.3	0.9	-1.6
Imports of goods and services, real	29.05.2020	31.08.2020	% (Q/Q-1) <sup>3</sup>	3.8	1.4	0.4	0.7	-3.1	-1.1
	29.05.2020	31.08.2020	% (Q/Q-4)	5.4	4.7	5.9	7.4	-0.8	-2.5
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Trade balance <sup>1</sup>	15.06.2020	15.07.2020	EUR m	133.5	237.2	158.7	188.2	:	:
Current account <sup>1</sup>	15.06.2020	15.07.2020	EUR m	257.6	359.1	256.1	230.1	:	:
Exports of goods, real <sup>2</sup>	09.06.2020	10.07.2020	% (M/M-1) <sup>4</sup>	15.8	-8.2	-4.9	-25.9	:	:
	09.06.2020	10.07.2020	% (M/M-12)	11.5	9.7	2.8	-28.0	:	:
Imports of goods, real <sup>2</sup>	09.06.2020	10.07.2020	% (M/M-1) <sup>4</sup>	-0.2	-0.9	-7.0	-28.3	:	:
	09.06.2020	10.07.2020	% (M/M-12)	7.1	9.0	0.8	-38.2	:	:
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Inflation (CPI)	30.06.2020	31.07.2020	% (M/M-1)	-0.9	0.7	-0.8	-0.9	0.9	1.3
	30.06.2020	31.07.2020	% (M/M-12)	2.1	2.0	0.5	-1.2	-1.2	-0.3
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Gross earnings per employee – nominal	15.06.2020	15.07.2020	% (M/M-1)	-2.6	-0.4	-2.3	10.2	:	:
	15.06.2020	15.07.2020	% (M/M-12)	4.5	5.0	0.3	11.9	:	:
- private sector	15.06.2020	15.07.2020	% (M/M-1)	-2.1	0.6	-5.3	8.6	:	:
	15.06.2020	15.07.2020	% (M/M-12)	5.3	6.1	-1.4	8.4	:	:
- public sector	15.06.2020	15.07.2020	% (M/M-1)	-3.6	-2.0	3.1	10.9	:	:
	15.06.2020	15.07.2020	% (M/M-12)	3.2	3.2	3.5	16.3	:	:
- of which government sector	15.06.2020	15.07.2020	% (M/M-1)	-0.4	-1.9	1.9	13.9	:	:
	15.06.2020	15.07.2020	% (M/M-12)	4.2	3.4	4.9	19.0	:	:
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Employed persons	16.06.2020	16.07.2020	% (M/M-1) <sup>4</sup>	-0.7	0.2	-0.5	-1.3	:	:
	16.06.2020	16.07.2020	% (M/M-12)	1.5	1.5	0.6	-1.0	:	:
Registered unemployed persons	03.07.2020	05.08.2020	% (M/M-1) <sup>4</sup>	0.4	-0.7	6.0	16.3	2.3	0.2
	03.07.2020	05.08.2020	% (M/M-12)	-3.6	-4.1	1.7	19.9	25.6	26.3
Registered unemployment rate	16.06.2020	16.07.2020	%	8.2	7.9	8.0	9.1	:	:
				2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1
Employment, LFS	29.05.2020	28.08.2020	% (Q/Q-1) <sup>5</sup>	0.3	0.3	-0.3	-1.0	0.7	1.1
	29.05.2020	28.08.2020	% (Q/Q-4)	1.2	1.5	0.7	-0.8	-0.4	0.4
ILO unemployment rate, LFS	29.05.2020	28.08.2020	%	4.4	4.8	4.2	4.8	4.0	4.6
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Industrial producer prices, domestic market	19.06.2020	20.07.2020	% (M/M-1)	0.1	0.3	-0.8	0.3	-0.3	:
	19.06.2020	20.07.2020	% (M/M-12)	1.9	1.5	0.4	0.3	-0.2	:
Production volume in manufacturing, real	10.06.2020	10.07.2020	% (M/M-1) <sup>3</sup>	1.5	4.2	-12.2	-16.1	:	:
	10.06.2020	10.07.2020	% (M/M-12)	-0.9	6.5	-5.0	-27.0	:	:
Construction, real value of construction output	15.06.2020	15.07.2020	% (M/M-1) <sup>3</sup>	10.2	8.3	-10.4	-7.1	:	:
	15.06.2020	15.07.2020	% (M/M-12)	7.0	6.5	-2.1	-6.5	:	:
Turnover in trade, real	24.06.2020	27.07.2020	% (M/M-1) <sup>3</sup>	1.9	-1.0	-14.1	-14.3	:	:
	24.06.2020	27.07.2020	% (M/M-12)	0.1	2.4	-13.4	-27.1	:	:
Nominal turnover in market services	24.06.2020	27.07.2020	% (M/M-1) <sup>3</sup>	-0.1	-0.3	-14.2	-19.5	:	:
	24.06.2020	27.07.2020	% (M/M-12)	2.5	5.2	-12.4	-30.9	:	:
				2014	2015	2016	2017	2018	2019
General government deficit/surplus (ESA 2010)	31.03.2020	30.09.2020	% BDP	-5.5	-2.8	-1.9	0.0	0.7	0.5
Consolidated gross general government debt (ESA)	31.03.2020	30.09.2020	% BDP	80.3	82.6	78.7	74.1	70.4	66.1
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
Economic sentiment indicator <sup>5</sup> , seasonally adjusted	24.06.2020	24.07.2020	% <sup>3</sup>	4.0	4.8	-3.8	-39.3	-32.6	-24.0
				2020 m 1	2020 m 2	2020 m 3	2020 m 4	2020 m 5	2020 m 6
EURIBOR, 3-month	Beginning of the month *	%	-0.391	-0.409	-0.417	-0.254	-0.272	-0.376	
Long-term government bond yields	Beginning of the month	%	0.22	0.04	0.32	0.75	0.75	0.43	
Exchange rate, USD to EUR	Beginning of the month	US\$	1.1100	1.0905	1.1063	1.0862	1.0902	1.1255	

Source: SURS, BS, ECB, EUROSTAT, EURIBOR.org, calculations by IMAD.

Notes: <sup>1</sup> Balance of payments statistics of the BoS. <sup>2</sup> External trade statistics SURS. <sup>3</sup> Seasonally adjusted – SURS. <sup>4</sup> Seasonally adjusted – IMAD. <sup>5</sup> Difference between positive and negative answers, in %.

\* calculations by IMAD.

For comparisons with the EU and EMU see: <http://ec.europa.eu/eurostat/web/euro-indicators/peeis>