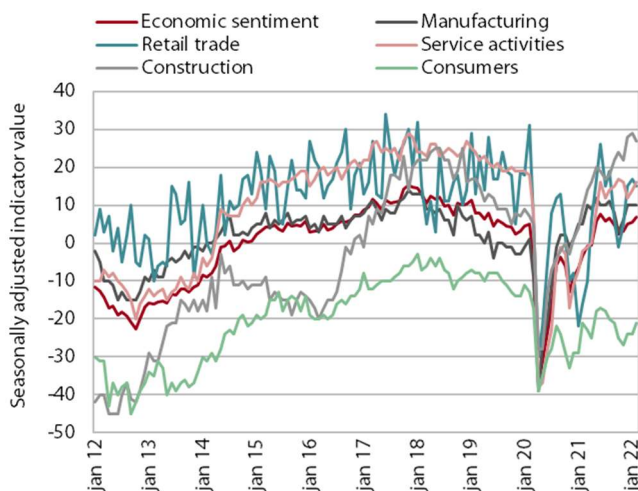


CURRENT ECONOMIC TRENDS 21–25 February 2022

The economic sentiment indicator rose in February. Confidence in all sectors was significantly higher than a year ago, while it remained unchanged among consumers. The Ukrainian crisis is not yet reflected in the indicator value for February. According to data on fiscal verification of invoices, total turnover until mid-February was higher year-on-year, reflecting higher turnover in trade, while turnover in accommodation and food service activities and creative, arts and entertainment activities and personal services remained lower. The high level of economic activity and the continued tight conditions in energy markets have led to an increase in Slovenian industrial producer prices, which reached their highest level in 20 years in January. Over the past year, average wages increased by 6.1% in nominal terms, as did average wages in the private sector, while in the public sector they rose by 6.5%. Wage growth in the public sector slowed in the second half of the year due to the cessation of epidemic-related bonus payments, while growth in the private sector continued.

Economic sentiment, February 2022

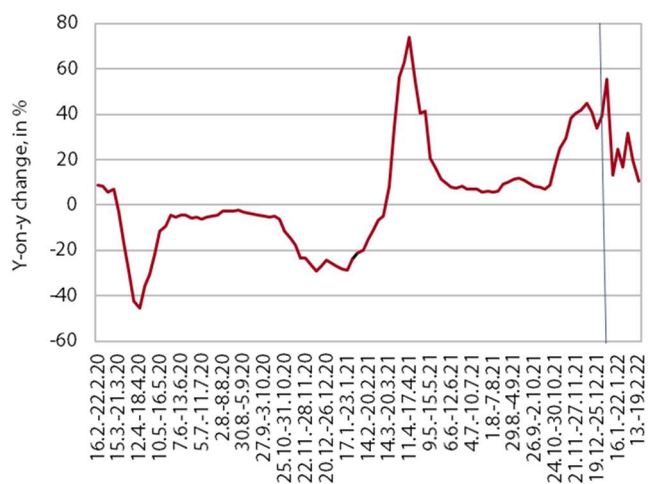


Source: SURS; calculations by IMAD.

The economic sentiment indicator rose in February. At the monthly level, confidence improved among consumers, in manufacturing and service activities. Confidence in all sectors was significantly higher in February than a year ago, while it remained unchanged among consumers. Confidence was also higher than in February 2020, but only owing to higher indicators in construction and manufacturing, while other indicators remained lower due to the measures to contain the spread of the epidemic. Possible factors limiting the rise in indicators in manufacturing are the current situation in the international environment (supply bottlenecks and rising commodity and energy prices), while the deterioration in retail trade and among consumers is related to the ongoing uncertainty about the epidemiological situation and containment measures, as well as rising prices.¹

¹ Data was collected before the significant relaxation of containment measures on 21 February 2022 and does not yet reflect the Ukrainian crisis.

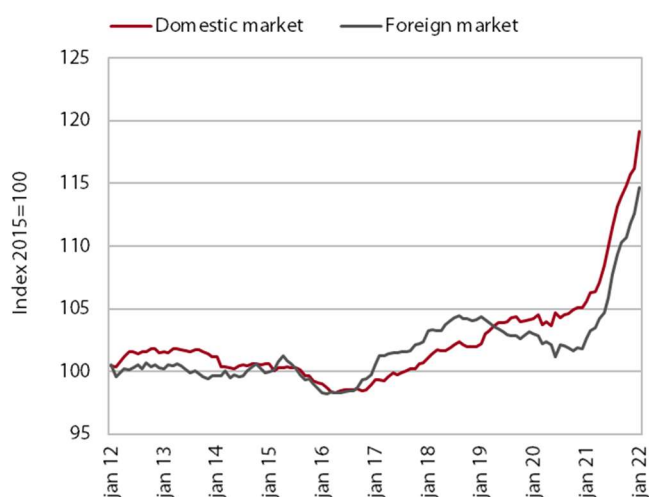
Turnover based on fiscal verification of invoices, 6–19 February 2022



Source: FURS; calculations by IMAD. Up to the end of December 2021, 4-week moving averages are shown.

According to data on the fiscal verification of invoices, total turnover between 6 and 19 February 2022 was 15% higher year-on-year in nominal terms and 2% higher than in the same period of 2020. Year-on-year growth was lower than in the previous two weeks, mainly due to a partial relaxation of operating restrictions in February last year. This was mainly reflected in lower year-on-year turnover growth in trade (7%). However, year-on-year growth was still very high for activities that were almost completely shut down in the same period of 2021 – mainly tourism-related services. Amid higher prices, total turnover was 2% higher in nominal terms than in the same period of 2020, reflecting higher turnover in trade; turnover in accommodation and food service activities and creative, arts and entertainment activities and personal services remained lower.

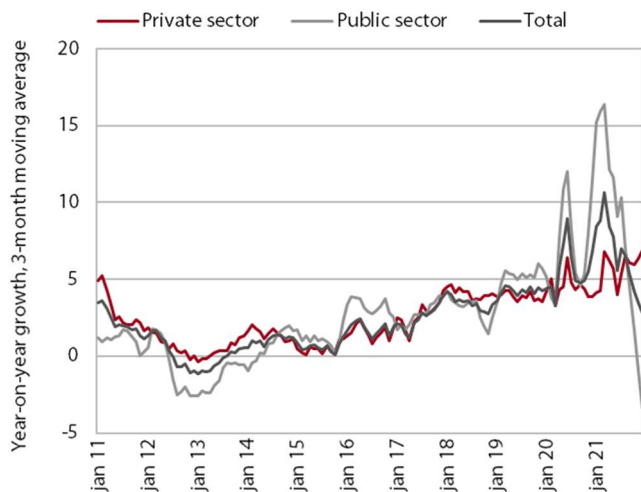
Slovenian industrial producer prices, January 2022



Source: SURS.

The high level of economic activity and the persistently tense situation on the energy markets have led to a 12.3% increase in Slovenian industrial producer prices in January, the highest level in 20 years. Prices in the domestic market rose (12.8% year-on-year) at a slightly faster pace than prices in foreign markets (11.7%). Prices were higher in all industrial groups. According to our estimates, the higher overall growth was mainly due to the 18.5% year-on-year increase in prices in the intermediate goods group. The price growth in the energy group also strengthened slightly (to 11.8% year-on-year), but was significantly lower than in euro area, where it was above 75% at the end of last year. Higher prices for raw materials and other inputs are also affecting the growth of consumer goods prices, which are rising the slowest of all product groups, increasing by almost 5% year-on-year in January. Prices of semi-durable goods are rising slightly faster than prices of non-durable goods.

Wages, December 2021



Source: SURS; calculations by IMAD.

In December 2021, average wages in the public sector were 6.3% lower year-on-year, while they were 7.8% higher in the private sector. Due to the cessation of the majority of epidemic-related bonus payments, year-on-year wage growth in the *public sector* slowed significantly in the second half of last year and already turned negative in December.² In 2021 as a whole, these wages were 6.5% higher than in 2020. In the *private sector*, average wages increased by 6.1% in 2021, mainly due to the impact of the minimum wage increase at the beginning of the year, but also to the return to employment of workers who had participated in job retention measures. The increase in year-on-year private sector wage growth in November and December last year was also influenced by extraordinary payments (13th salaries and Christmas bonuses), which were higher than in the same periods of 2020 and 2019 given the good performance of companies. According to our estimates, wage growth in some private sector activities (manufacturing, construction and accommodation and food service activities) is already being affected by labour shortages. Overall, average wages rose by 6.1% last year.

² One important factor behind these developments is the declaration of the epidemic in November and December 2020, which led to a significant increase in wages due to the payment of bonuses.

Table: Selected macroeconomic indicators for Slovenia

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
GDP, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-9.4	11.9	-0.2	1.5	2.0	1.3
	30.11.2021	28.02.2022	% (Q/Q-4)	-11.0	-1.4	-3.1	1.6	16.3	5.0
Private consumption, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-11.3	20.7	-10.8	4.3	4.3	12.6
	30.11.2021	28.02.2022	% (Q/Q-4)	-13.1	1.4	-11.2	-0.8	18.4	9.3
Government consumption, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-1.6	1.9	-0.7	1.5	0.4	0.2
	30.11.2021	28.02.2022	% (Q/Q-4)	3.2	5.0	3.5	1.2	3.3	1.6
Gross investment, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-12.2	1.9	21.6	-2.9	13.0	-3.7
	30.11.2021	28.02.2022	% (Q/Q-4)	-13.3	-21.7	12.0	5.4	37.2	27.8
Exports of goods and services, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-20.7	17.4	6.4	2.8	0.9	0.3
	30.11.2021	28.02.2022	% (Q/Q-4)	-23.5	-8.9	-0.7	1.5	30.5	10.6
Imports of goods and services, real	30.11.2021	28.02.2022	% (Q/Q-1) ³	-21.6	14.2	8.1	4.7	4.4	1.6
	30.11.2021	28.02.2022	% (Q/Q-4)	-23.6	-12.2	-0.8	1.1	36.1	19.9
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Trade balance¹	14.02.2022	16.03.2022	EUR m	-18.3	5.9	0.7	-233.6	:	:
Current account¹	14.02.2022	16.03.2022	EUR m	138.3	153.3	112.0	-168.3	:	:
Exports of goods, real²	04.02.2022	07.03.2022	% (M/M-1) ⁴	-0.3	1.0	3.0	-0.6	:	:
	04.02.2022	07.03.2022	% (M/M-12)	10.4	3.9	13.2	16.1	:	:
Imports of goods, real²	04.02.2022	07.03.2022	% (M/M-1) ⁴	-2.7	-0.9	-0.9	4.7	:	:
	04.02.2022	07.03.2022	% (M/M-12)	26.1	11.7	0.5	19.3	:	:
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Inflation (CPI)	07.02.2022	07.03.2022	% (M/M-1)	-0.1	0.9	0.7	0.0	0.4	:
	07.02.2022	07.03.2022	% (M/M-12)	2.4	3.0	4.6	4.9	5.8	:
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Gross earnings per employee – nominal	15.02.2022	22.03.2022	% (M/M-1)	-1.4	0.7	10.5	-1.0	:	:
	15.02.2022	22.03.2022	% (M/M-12)	4.1	3.6	2.8	2.1	:	:
- private sector	15.02.2022	22.03.2022	% (M/M-1)	-1.1	-0.2	13.4	-2.2	:	:
	15.02.2022	22.03.2022	% (M/M-12)	6.2	5.7	7.1	7.8	:	:
- public sector	15.02.2022	22.03.2022	% (M/M-1)	-2.1	2.4	5.4	1.5	:	:
	15.02.2022	22.03.2022	% (M/M-12)	1.0	0.5	-4.2	-6.3	:	:
- of which government sector	15.02.2022	22.03.2022	% (M/M-1)	-1.6	2.6	0.5	4.8	:	:
	15.02.2022	22.03.2022	% (M/M-12)	0.4	-0.4	-8.5	-8.2	:	:
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Employed persons	16.02.2022	16.03.2022	% (M/M-1) ⁴	0.2	0.2	0.1	0.9	:	:
	16.02.2022	16.03.2022	% (M/M-12)	2.3	2.5	2.8	3.0	:	:
Registered unemployed persons	03.02.2022	03.03.2022	% (M/M-1) ⁴	-1.9	-1.9	-2.5	-2.9	-2.6	:
	03.02.2022	03.03.2022	% (M/M-12)	-21.1	-20.3	-22.3	-24.4	-25.9	:
Registered unemployment rate	16.02.2022	16.03.2022	%	6.8	6.8	6.7	6.7	:	:
				2020 Q2	2020 Q3	2020 Q4	2020 Q1	2020 Q2	2020 Q3
Employment, LFS	26.11.2021	28.02.2022	% (Q/Q-1) ⁵	-2.0	0.5	0.9	-4.9	5.1	1.1
	26.11.2021	28.02.2022	% (Q/Q-4)	-2.3	-0.3	0.4	-5.5	1.1	1.9
ILO unemployment rate, LFS	26.11.2021	28.02.2022	%	5.2	5.1	5.1	5.6	4.3	4.5
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Industrial producer prices, domestic market	24.02.2022	21.03.2022	% (M/M-1)	0.7	0.7	0.8	0.4	2.5	:
	24.02.2022	21.03.2022	% (M/M-12)	9.0	9.5	10.1	10.6	12.8	:
Production volume in manufacturing, real	10.02.2022	10.03.2022	% (M/M-1) ³	0.4	0.2	3.4	1.1	:	:
	10.02.2022	10.03.2022	% (M/M-12)	7.9	1.9	9.7	16.0	:	:
Construction, real value of construction output	15.02.2022	15.03.2022	% (M/M-1) ³	8.3	-9.1	4.9	-2.3	:	:
	15.02.2022	15.03.2022	% (M/M-12)	0.8	-10.6	-14.2	-6.4	:	:
Turnover in trade, real	28.01.2022	28.02.2022	% (M/M-1) ³	1.5	1.4	5.7	:	:	:
	28.01.2022	28.02.2022	% (M/M-12)	8.6	11.7	24.0	:	:	:
Real turnover in market services	28.01.2022	28.02.2022	% (M/M-1) ³	1.0	-1.4	2.0	:	:	:
	28.01.2022	28.02.2022	% (M/M-12)	14.0	17.2	18.9	:	:	:
				2015	2016	2017	2018	2019	2020
General government deficit/surplus (ESA 2010)	30.09.2021	31.03.2022	% BDP	-2.8	-1.9	-0.1	0.7	0.4	-7.7
Consolidated gross general government debt (ESA)	30.09.2021	31.03.2022	% BDP	82.6	78.5	74.2	70.3	65.6	79.8
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
Economic sentiment indicator⁵, seasonally adjusted	22.02.2022	25.03.2022	% ³	4.7	2.3	3.1	5.0	5.6	6.8
				2021 m 9	2021 m 10	2021 m 11	2021 m 12	2022 m 1	2022 m 2
EURIBOR, 3-month	Beginning of the month *		%	-0.5450	-0.5498	-0.5674	-0.5824	-0.5601	:
Long-term government bond yields	Beginning of the month		%	0.0800	0.2500	0.2300	0.2600	0.4400	:
Exchange rate, USD to EUR	Beginning of the month		US\$	1.1770	1.1601	1.1414	1.1304	1.1314	:

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

Notes: ¹ Balance of payments statistics of the BoS. ² External trade statistics SURS. ³ Seasonally adjusted – SURS. ⁴ Seasonally adjusted – IMAD. ⁵ 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/pees>

The table format accessible to screen reader users can be found on the IMAD website among the appendices to the current graphs of the week (Selected macroeconomic indicators for euro area).