IMAD

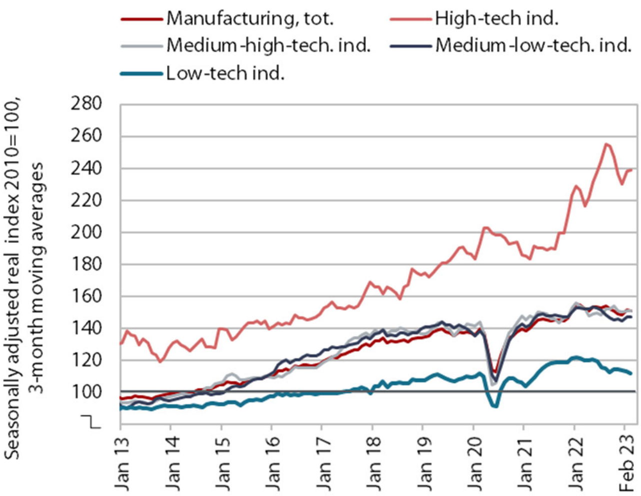
Institute of
Macroeconomic
Analysis and
Development

17 April 2023

CHARTS OF THE WEEK
11–14 April 2023

Manufacturing output increased on average in January and February compared to the fourth quarter of last year. It remained largely unchanged year-on-year. It was higher in both high-technology industries, namely the manufacture of ICT equipment and, in our assessment, the pharmaceutical industry, but lower in other groups, especially in more energy-intensive industries. Construction activity further increased in February, with the construction of residential buildings in particular standing out compared to previous years. In March, electricity consumption in the distribution network was lower year-on-year in all consumption groups. As in previous few months, industrial consumption declined the most, which we estimate is mainly due to the fact that the energy-intensive part of the economy has adjusted to the high energy prices by increasing energy efficiency and reducing production. The 12-month current account surplus (until February) was lower year-on-year, amounting to EUR 154.1 million (0.2% of estimated GDP).

Production volume in manufacturing, February 2023

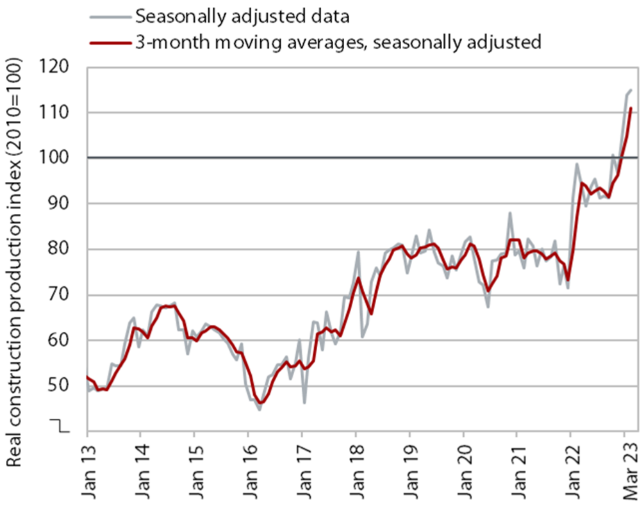


Source: SURS, calculations IMAD.

Manufacturing output in the first two months was higher than in the last quarter of last year and similar to the same period last year. Output was higher y-o-y in both high-technology industries (pharmaceutical industry[1] and manufacture of ICT equipment), which are less affected by the slowdown in external demand growth and the energy crisis. Output was lower on average in all other industry groups in terms of technological intensity. In particular, it was lower in more energy-intensive industries and in the manufacture of motor vehicles. Output was lower than a year ago also in certain low-technology industries (wood-processing and furniture industries, other manufacturing, manufacture of wearing apparel) and – after high growth in 2022 – the manufacture of electrical equipment.

[1] IMAD's estimate.

Activity in construction, February 2023

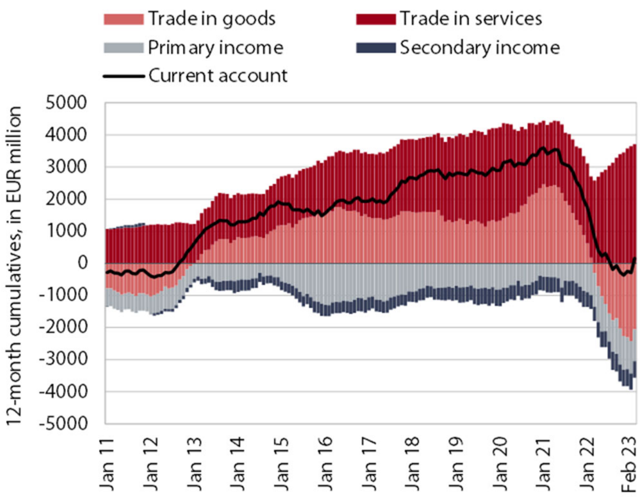


Source: SURS; calculations by IMAD.

According to data on the value of construction work put in place, construction activity further increased in February. After a sharp upturn at the beginning of 2022, the value of construction work remained roughly unchanged throughout the year before rising sharply towards the end of last year and the beginning of this year. In February, it was 18% higher year-on-year. Compared to previous years, construction of buildings, especially of residential buildings stood out in terms of the level of activity. The implicit deflator of the value of construction work put in place used to measure prices in the construction sector was 12% in February, which was slightly below the 2022 average.

However, some other data suggest significantly lower growth in construction activity. Data on the value of industrial production in two activities traditionally strongly linked to construction do not point to such high growth. Production in other mining and quarrying was 2% lower in February than in the same month of 2022, while it was 7% lower in the manufacture of other non-metallic mineral products.

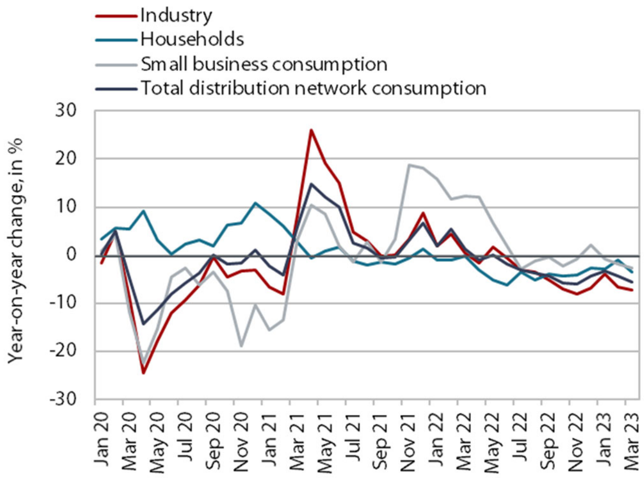
Current account of the balance of payments, February 2023



Source: BoS; calculations by IMAD.

The 12-month current account surplus (until February) was lower year-on-year, amounting to EUR 154.1 million (0.2% of estimated GDP). The lower surplus was largely attributable to the goods trade balance, which turned from a surplus to a deficit in March last year. The primary income deficit was similar to the previous year, while the secondary income deficit was higher year-on-year due to lower receipts from the EU budget and higher VAT- and GNI-based contributions to the EU budget. The surplus in trade in services continued to increase, especially in trade in travel and transportation services.

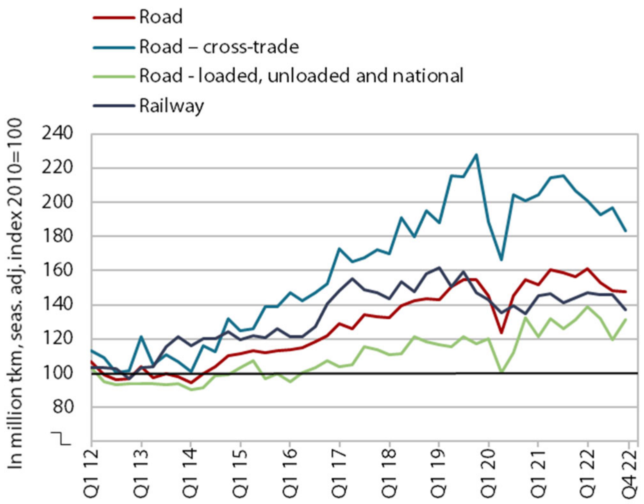
Electricity consumption by consumption group, March 2023



Source: SODO; calculations by IMAD.
Note: Excluding the effect of temperature differences.

In March, electricity consumption in the distribution network was lower year-on-year in all consumption groups. As in previous months, industrial consumption declined the most (by 7.2%), which we estimate to be mainly due to the energy-intensive part of the economy adjusting to high energy prices by increasing energy efficiency and reducing production. Household consumption was also lower in March than a year earlier (by 3.6%). We estimate that this is due to a more rational energy consumption and the impact of COVID-19 measures (remote work, isolations and absences due to illness) on higher base of last year. Small business consumption[2] was 2.6% lower year-on-year in March.

Road and rail freight transport, Q4 2022



Source: SURS; calculations by IMAD.

In the last quarter of last year, the volume of road freight transport remained similar to the previous quarter, while the volume of rail freight transport decreased significantly. The volume of road transport performed by Slovenian vehicles decreased slightly quarter-on-quarter due to lower cross-trade, and was 4% below the level of the same quarter in 2019 (cross-trade was 20% lower, while other road traffic performed at least partially on Slovenian territory was 12% higher). With the decline in the volume of cross-trade performed by Slovenian vehicles, its share in total traffic also fell sharply (to 43%) and was again significantly lower than in the pre-epidemic period (when it was 51%).[3] Rail freight transport, already declining before the epidemic, was 8% lower than in the same quarter of 2019.

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[2] In this consumption group, consumption is most frequently measured in shops and service activities. This group also includes warehouses, agricultural activity, etc., and large manufacturing plants that do not consume significant amounts of electricity at some measurement points.
[3] The share of foreign vehicle traffic on Slovenian motorways (measured in kilometres driven) was only slightly lower in Q4 2022 than in the same period of 2019 (by 0.8 p.p.), according to DARS data.

Table: Selected macroeconomic indicators for Slovenia

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
GDP, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	2.9	3.4	1.0	0.8	-1.3	0.8
	16/02/2023	18/05/2023	% (Q/Q-4)	5.1	10.5	10.2	8.6	3.3	0.2
Private consumption, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	11.0	1.4	1.5	-0.6	1.4	1.1
	16/02/2023	18/05/2023	% (Q/Q-4)	5.7	21.2	20.3	13.2	3.3	2.6
Government consumption, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	1.6	1.3	0.9	-3.0	0.2	0.9
	16/02/2023	18/05/2023	% (Q/Q-4)	5.4	8.3	4.8	0.8	-0.6	-1.0
Gross investment, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	-1.5	1.9	11.9	2.5	-7.7	-4.1
	16/02/2023	18/05/2023	% (Q/Q-4)	24.2	1.1	26.3	16.7	7.6	0.5
Exports of goods and services, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	0.4	7.8	-1.8	2.8	3.6	-4.5
	16/02/2023	18/05/2023	% (Q/Q-4)	12.6	13.8	8.2	9.3	11.9	-2.5
Imports of goods and services, real	16/02/2023	18/05/2023	% (Q/Q-1)[3]	1.2	7.3	2.3	1.3	2.0	-4.1
	16/02/2023	18/05/2023	% (Q/Q-4)	19.5	18.1	17.2	12.6	12.6	-1.5

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
Trade balance[1]	13/04/2023	15/05/2023	EUR m	-258.6	-190.1	-298.4	-113.5	78.8	:
Current account[1]	13/04/2023	15/05/2023	EUR m	-7.7	17.0	-88.2	73.7	219.1	:
Exports of goods, real[2]	04/04/2023	05/05/2023	% (M/M-1)[4]	-14.4	6.6	3.6	1.8	1.6	:
	04/04/2023	05/05/2023	% (M/M-12)	4.8	11.7	8.0	15.0	15.3	:
Imports of goods, real[2]	04/04/2023	05/05/2023	% (M/M-1)[4]	-0.3	-2.1	0.2	14.6	-15.3	:
	04/04/2023	05/05/2023	% (M/M-12)	4.3	7.3	-5.2	18.2	-5.7	:

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
	31/03/2023	28/04/2023	% (M/M-1)	0.8	0.9	0.2	0.2	0.7	0.0
Inflation (CPI)	31/03/2023	28/04/2023	% (M/M-12)	9.9	10.0	10.3	10.0	9.3	10.5

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
Gross earnings per employee – real	22/03/2023	24/04/2023	% (M/M-1)	1.1	9.9	-4.0	-0.9	:	:
	22/03/2023	24/04/2023	% (M/M-12)	-2.4	-2.1	-5.2	1.3	:	:
- private sector	22/03/2023	24/04/2023	% (M/M-1)	0.0	12.9	-5.7	-1.0	:	:
	22/03/2023	24/04/2023	% (M/M-12)	-1.9	-1.5	-5.1	2.2	:	:
- public sector	22/03/2023	24/04/2023	% (M/M-1)	3.0	4.5	-0.5	-0.7	:	:
	22/03/2023	24/04/2023	% (M/M-12)	-3.1	-3.2	-5.1	-0.1	:	:
- of which government sector	22/03/2023	24/04/2023	% (M/M-1)	4.9	-0.9	3.6	0.4	:	:
	22/03/2023	24/04/2023	% (M/M-12)	-3.7	-4.3	-5.4	-1.5	:	:

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
Employed persons	16/03/2023	18/04/2023	% (M/M-1)[4]	0.2	0.2	0.2	0.1	:	:
	16/03/2023	18/04/2023	% (M/M-12)	2.1	2.1	2.1	2.0	:	:
Registered unemployed persons	05/04/2023	05/05/2023	% (M/M-1)[4]	-1.2	-1.5	-2.1	-1.4	-1.4	-1.3
	05/04/2023	05/05/2023	% (M/M-12)	-20.5	-19.6	-19.4	-18.4	-17.6	-16.9
Registered unemployment rate	16/03/2023	18/04/2023	%	5.4	5.3	5.4	5.6	:	:

				2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Employment, LFS	27/02/2023	29/05/2023	% (Q/Q-1)[5]	1.1	-0.8	0.5	0.1	-0.1	-0.4
	27/02/2023	29/05/2023	% (Q/Q-4)	1.9	-0.3	5.6	0.8	-0.3	0.1
ILO unemployment rate, LFS	27/02/2023	29/05/2023	%	4.5	4.5	4.3	4.2	4.0	3.5

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
Industrial producer prices, domestic market	21/03/2023	21/04/2023	% (M/M-1)	0.3	-0.8	0.5	1.5	2.6	:
	21/03/2023	21/04/2023	% (M/M-12)	25.1	23.2	23.3	22.1	18.6	:
Production volume in manufacturing, real	11/04/2023	10/05/2023	% (M/M-1)3	-4.6	5.6	-2.1	2.7	-2.3	:
	11/04/2023	10/05/2023	% (M/M-12)	0.7	0.9	-7.7	-0.7	1.6	:
Construction, real value of construction output	14/04/2023	15/05/2023	% (M/M-1)3	10.2	-4.0	7.9	9.1	1.0	:
	14/04/2023	15/05/2023	% (M/M-12)	38.7	26.2	45.7	25.5	17.5	:
Turnover in trade, real	29/03/2023	26/04/2023	% (M/M-1)3	-2.8	0.5	-1.2	3.8	:	:
	29/03/2023	26/04/2023	% (M/M-12)	3.8	3.0	-0.3	9.7	:	:
Real turnover in market services	30/03/2023	28/04/2023	% (M/M-1)3	-0.4	-0.6	-0.3	1.8	:	:
	30/03/2023	28/04/2023	% (M/M-12)	3.9	4.9	2.7	7.0	:	:

				2017	2018	2019	2020	2021	2022
General government deficit/surplus (ESA 2010)	31/03/2023	30/09/2023	% BDP	-0.1	0.7	0.7	-7.7	-4.6	-3.9
Consolidated gross general government debt (ESA	31/03/2023	30/09/2023	% BDP	74.2	70.3	65.4	79.6	74.5	69.9

				2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
Economic sentiment indicator[5], seasonally adjusted	24/03/2023	24/04/2023	%[3]	-5.3	-1.8	0.7	-0.9	-1.1	-1.4

			2022 m 10	2022 m 11	2022 m 12	2023 m 1	2023 m 2	2023 m 3
EURIBOR, 3-month	Beginning of the month *	%	1.428	1.825	2.066	2.345	2.640	2.911
Long-term government bond yields	Beginning of the month	%	3.46	3.35	3.35	3.38	3.55	3.51
Exchange rate, USD to EUR	Beginning of the month	US$	0.983	1.020	1.059	1.077	1.072	1.071

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/peeis

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 Slovenia).

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