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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 SORS website http://www.stat.si/eng/skd_nace_2008.asp.

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

In the spotlight

Prospects for economic growth in the euro area have deteriorated significantly. Sentiment indicators show a moderation of the already weak GDP growth in the euro area in the last quarter of this year. In November, the EC and OECD thus revised downwards their forecasts for next year's economic growth, particularly due to uncertainty related to the sovereign debt crisis. In view of subdued economic activity and lower expectations, coupled with aggravated conditions in the financial sector and deteriorating public finances, both institutions deem restoring financial market stability essential for bringing negative movements to a halt. However, amid growing tensions on government bond and interbank markets, the latest growth forecasts remain subject to downside risks.

Slovenia's GDP declined in Q3, following a standstill in the first half of the year. In the first three quarters as a whole, it was up 0.8% y-o-y, which is lower than expected in IMAD's Autumn Forecast. In Q3, GDP dropped 0.2% relative to Q2 (seasonally adjusted) and 0.5% compared with the same quarter last year. According to the available data, GDP fell in only three other EU countries besides Slovenia in the third quarter. Economic activity in Slovenia was otherwise still propelled by export growth, but this moderated y-o-y (5.6%). Domestic consumption was lower than in the same quarter last year for the second quarter running, mainly due to a further decline in gross fixed capital formation, which was down 13.0% y-o-y. Household consumption has persisted around last year's level throughout 2011, according to our estimate, mainly due to tightened labour market conditions, deteriorated consumer confidence and ongoing general uncertainty. In the last two quarters, government consumption also fell below last year's level, being down 0.5% y-o-y in Q3.

The labour market situation worsened in Q3 and the growth of the average gross wage continues to slow. In Q3, the number of employed persons excluding self-employed farmers declined by 0.4% (seasonally adjusted), while registered unemployment grew by 0.5%. The seasonally adjusted registered unemployment rate was thus slightly higher (11.8%). The modest growth in registered unemployment seen in previous months came to a halt in October and November, according to seasonally adjusted data. In the first nine months of 2011, the y-o-y growth in the gross wage (2.3%) is still driven by wage rises in the private sector, while the average gross wage in the public sector has been left unchanged for nearly three years.

Y-o-y inflation remained at 2.7% in November. Consumer prices were up 0.3% in November and inflation was, besides weak economic activity, mainly related to food and energy prices. According to Eurostat's flash estimate, prices in the euro area were up 3.0% y-o-y in November.

The net flow of loans to non-banking sectors was positive in October, but in the first ten months as a whole, the volume of domestic non-banking sector loans with domestic banks shrank by EUR 226.2 m. In October, loans were net repaid only by NFIs, while all other groups recorded modest growth. Enterprises and NFIs net repaid EUR 372.1 m in loans in the first ten months. Enterprises and NFIs are thus seeking sources of finance abroad, having net borrowed EUR 256.2 m from the rest of the world in the first nine months. Banks net repaid EUR 1.1 bn in foreign deposits and loans in the first three quarters of this year, which is nearly one third more than in the same period last year. The quality of banks' assets continues to deteriorate, as the share of non-performing claims climbed to 5.3% of all bank claims, which is the highest level in the last 15 years. The rapid deterioration of the quality of banks' assets is also reflected in the intensive creation of additional reservations and provisions, which exceeded EUR 700 m in the first ten months, being thus almost 40% higher than in the same period of last year.

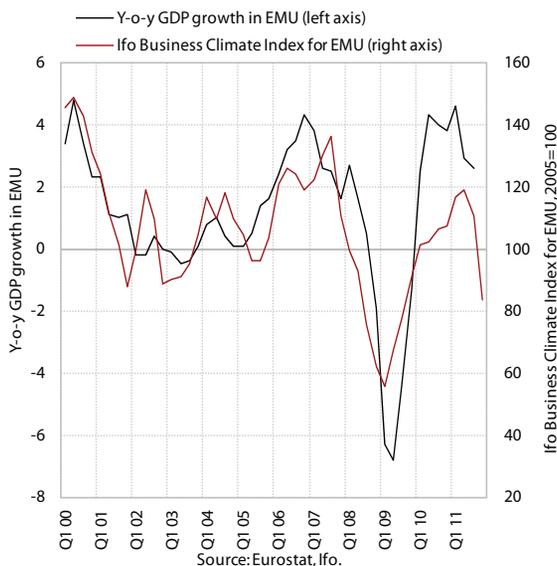
The consolidated balance of public financing recorded a deficit of EUR 1,234 m in the first eight months of the year. General government revenue totalled EUR 9.7 bn in that period and was up 5.3% y-o-y. Expenditure amounted to EUR 10.9 bn, being 2.1% higher y-o-y. Among tax revenues, revenue from corporate income tax posted the strongest growth in the first eight months, largely due to the effect of last year's low base as a consequence of the tax assessment. Growth in revenue from value added tax was also relatively high. On the expenditure side, all expenditure categories were up y-o-y, except expenditure on capital and capital transfers, payments into the EU budget and subsidies. Strong y-o-y growth was recorded particularly for expenditures on interest payments and transfers to individuals and households.

current economic trends

International environment

The slow Q3 GDP growth in the euro area was already suggested by short-term indicators while confidence indicators indicate that growth will ease in the last quarter of the year. According to Eurostat, GDP rose by 0.2% in real terms in the euro area (seasonally adjusted), by the same percentage as in the preceding quarter, being up 1.4% y-o-y. The moderation of growth predicted by international institutions is already indicated by short-term indicators of economic activity for the last month of Q3. Specifically, industrial production in euro area manufacturing shrank by 2.6% in September (seasonally adjusted) and new orders dropped by as much as 6.4%, which are the largest monthly declines since the beginning of the crisis in late 2008. The slowdown of economic activity in the euro area in the last quarter of this year is also suggested by confidence indicators, which keep deteriorating, most of them hitting the lowest values in the last two years. In November, the Purchasing Managers Index (PMI) indicated a decline in production volume in the euro area manufacturing sector for the third successive month. The value of the Ifo Business Climate Index for the euro area also dropped sharply.

Figure 1: Economic growth and Ifo Business Climate in the euro area

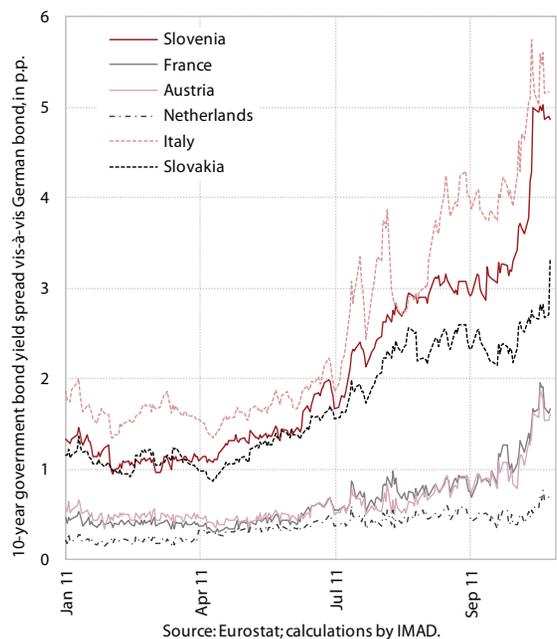


The tensions on European government bond markets continued to rise in November and interbank market conditions deteriorated further. In view of ongoing uncertainty regarding the sovereign debt crisis in the euro area, with Italy also coming under market pressure in November, almost all euro area countries saw borrowing costs increase in November. The required yields of government bonds also rose in hitherto less exposed economies, in addition to Greece and Italy, where they spiked to record highs. The ECB otherwise purchased an additional EUR 30.6 bn in government bonds in

November (a total of EUR 203.5 bn since the beginning of the implementation of the programme in May 2010). The situation on interbank markets is deteriorating as well, as indicated by a decline in different confidence indicators in this market segment over the last few weeks.¹ As a consequence, European banks are increasingly relying on the ECB to secure liquidity.

After the ECB took action at the beginning of November, interbank interest rates in the euro area declined. The ECB cut its main refinancing operations rate by 0.25 b.p. to 1.25% in early November, which translated into a reduction of interbank interest rates in the euro area. The three-month EURIBOR rate thus declined by 9 b.p. on average in November (to 1.49%), while the three-month US dollar and Swiss franc LIBOR rates rose by 7 b.p. (to 0.47%) and 1 b.p. (to 0.05%), respectively.

Figure 2: 10-year government bond yield spread vis-à-vis German bond



The euro lost value against the US dollar again in November. The euro depreciated by 1.1% in November (to USD 1.36 per euro) and was down 0.8% y-o-y. The euro also lost value against the British pound sterling (by 1.5%, to GBP 0.858 per euro), while it appreciated against the Swiss franc (by 0.1 p.p., to CHF 1.231 per euro) and remained unchanged against the Japanese yen (JPY 105.35 per euro).

¹ At the beginning of December, the cost of the euro/dollar basis swap surged to the highest level since October 2008. The difference between the borrowing benchmark and overnight index swaps (Euribor/OIS spread) also increased significantly, indicating increased reluctance of banks to lend one another.

Box 1: Autumn forecasts of the EC and OECD

The EC and OECD forecasts released in November project a substantial moderation of economic growth in the euro area in 2012. The international economic environment has deteriorated in recent months, mainly due to considerably lower confidence in euro area countries' ability to solve public finance problems. This was reflected in new tensions on financial markets and a consequent deterioration of consumer and business expectations, which started to affect the real economy. Both institutions expect stagnant economic activity in the next quarters, as well as a decline of GDP in certain countries. The EC and the OECD alike otherwise expect the recovery to start in the second half of 2012, but the forecasts for growth remain subject to significant downside risks. The revision of 2012 forecasts was expected, given that other international institutions have also been lowering their forecasts in recent months. In the period from August to November alone, the Consensus forecast for 2012 GDP growth in the euro area was reduced by more than 1 p.p.

Both institutions cut their 2012 growth forecasts for the euro area for all components of demand and expect tight labour market conditions to continue. The EC predicts very moderate growth for most demand components in 2012, with general government expenditure on investment set to decline as a result of the necessary consolidation measures. Euro area exports will also see a moderation of growth, which is in line with lower forecasts for growth in global trade. Slower growth will also be reflected on the labour market, where the situation will remain tight, as the unemployment rate in the euro area is not expected to drop below 10% in the next two years, which will weigh on growth in private consumption. In view of the combined impact of subdued economic activity, lower expectations, deteriorated conditions of the financial sector and the state of public finances, both institutions deem restoring financial market stability essential for bringing negative movements to a halt.

The euro area countries will see strong consolidation of public finances in the coming years. The excessive deficit procedure had already been launched against 23 EU Member States, which committed themselves to bringing public finance deficit below 3% of GDP not later than by the end of 2013. According to EC forecasts based on measures that have been adopted thus far, the public finance deficit in the euro area will total 3.4% of GDP in 2012 (EU, 3.9% of GDP), assuming the countries will implement the austerity measures consistently and take new steps if necessary. The EC estimates that the government gross debt in the euro area as a whole will climb to 90.9% of GDP by 2013 (EU, 84.9% of GDP), which is more than 20 p.p. higher than in 2008.

The key downside risks to GDP growth in the next two years are linked to the spread of the sovereign debt crisis in the euro area and the state of public finances in the US. The concerns about the fiscal sustainability of the euro area have intensified in recent months, despite the agreements at the highest political level. The credit ratings are deteriorating and the costs of new borrowing in the most exposed countries continue to increase. Insufficient action and a spillover of the sovereign debt crisis to the otherwise healthy economies therefore pose a severe risk. Furthermore, the severe fiscal consolidation measures that should be carried out by euro area countries in the next two years will also stifle economic growth in the euro area and decrease the countries' ability to take appropriate action in case of extraordinary events. The OECD cautions

Figure 3: Revision of the Consensus forecast for GDP growth in 2012

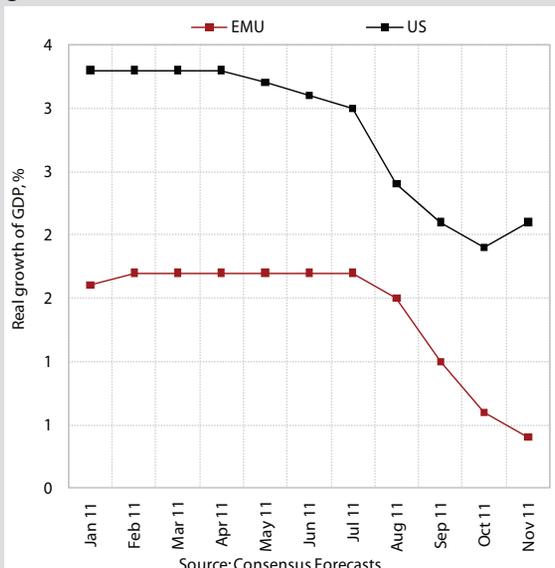
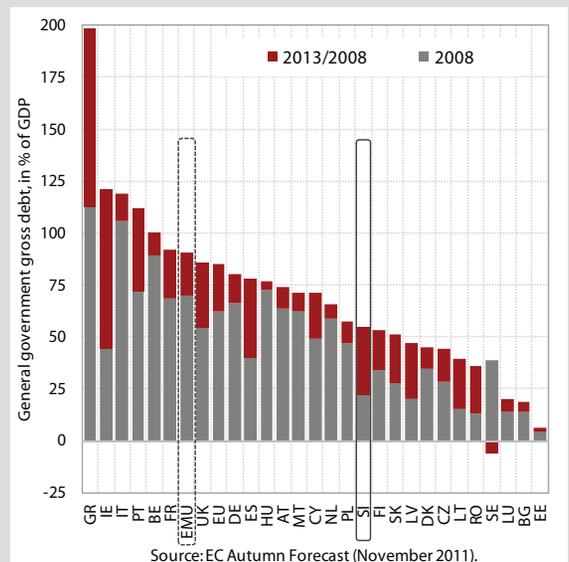


Figure 4: General government gross debt in EU countries



that a lack of a credible medium-term strategy to ensure the sustainability of public finances in the US also represents a significant downside risk to further growth. Both institutions emphasise that the realisation of these risks could have severe consequences for global economic growth and do not rule out a prolonged recession in the euro area and the US. If this were the case, GDP in the euro area would shrink by around 2.0% in 2012 and 2013, according to the OECD.

Table 1: Comparison of GDP forecasts by international institutions

	2011								2012							
	IMF Apr 11	EC May 11	OECD May 11	CONS Aug 11	IMF Sep 11	EC Nov 11	CONS Nov 11	OECD Nov 11	IMF Apr 11	EC May 11	OECD May 11	CONS Aug 11	IMF Sep 11	EC Nov 11	CONS Nov 11	OECD Nov 11
EMU	1.7	1.6	2.0	1.9	1.6	1.5	1.6	1.6	1.8	1.8	2.0	1.5	1.1	0.5	0.4	0.2
EU	1.8	1.8	N/A	1.9	1.7	1.6	1.6	N/A	2.1	1.9	N/A	1.7	1.4	0.6	0.7	N/A
DE	2.5	2.6	3.4	3.4	2.7	2.9	2.9	3.0	2.1	1.9	2.5	1.9	1.3	0.8	0.8	0.6
IT	1.1	1.0	1.1	0.8	0.6	0.5	0.6	0.7	1.3	1.3	1.6	0.8	0.3	0.1	-0.2	-0.5
AT	2.4	2.4	2.9	2.7	3.3	2.9	2.9	3.2	2.3	2.0	2.1	1.9	1.6	0.9	1.4	0.6
FR	1.6	1.8	2.2	1.9	1.7	1.6	1.6	1.6	1.8	2.0	2.1	1.7	1.4	0.6	0.7	0.3
UK	1.7	1.7	1.4	1.3	1.1	0.7	1.0	0.9	2.3	2.1	1.8	2.0	1.6	0.6	1.1	0.5
US	2.9	2.6	2.6	1.8	1.5	1.6	1.8	1.7	2.9	2.7	3.1	2.4	1.8	1.5	2.1	2.0

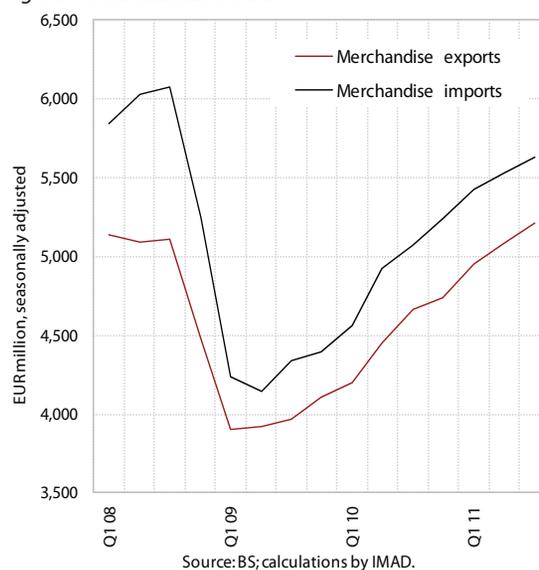
Source: IMF World Economic Outlook (April, September 2011), EC European Economic Forecast (May, November 2011), OECD Economic Outlook (May, November 2011), Consensus Forecasts (August, November 2011).

Prices of non-energy commodities keep declining, while oil prices fluctuate and were up slightly in November. The average price of Brent crude oil rose by 1.1% to USD 110.75 a barrel (in EUR, by 3.0% to EUR 81.30 a barrel). Oil prices thus maintain their high levels, being around 30% higher y-o-y in both USD and EUR. Despite lower growth in global oil demand, international institutions expect no major oil price cuts. Having declined for several months in a row, prices of non-energy commodities continued to drop in November, according to preliminary data. The most recent IMF figures show that dollar prices of non-energy commodities fell by 7.4% in October and were 0.7% lower y-o-y, largely due to lower prices of industrial goods, especially metals.

Economic developments in Slovenia

Growth in **merchandise trade** continued to slow in the third quarter of this year. According to the seasonally adjusted data from national accounts, the real growth of *merchandise exports* slowed from 3.3% in Q2 to 1.6% in Q3. The nominal growth of exports in Q3 was, after increasing in July and August and declining in September, similar to that in Q2 (from 2.7% to 2.6%, seasonally adjusted), which was mainly attributable to price factors. Broken down by geographical area, the y-o-y nominal growth of exports to EU markets remained relatively high (12.1%), in contrast to that of exports to non-EU countries, which decelerated to 6.4%. The real growth of *merchandise imports* in the third quarter remained similar to that in the second (from 0.9% to 1.0%, seasonally adjusted), while the nominal growth slowed slightly (from 2.0% to 1.8%, seasonally adjusted). The latter also dropped y-o-y (from 11.8% to 9.6%). Due to their linkages to exports, in Q2 the highest y-o-y growth was again recorded by imports of intermediate products, according to our estimates. In

Figure 5: Merchandise trade



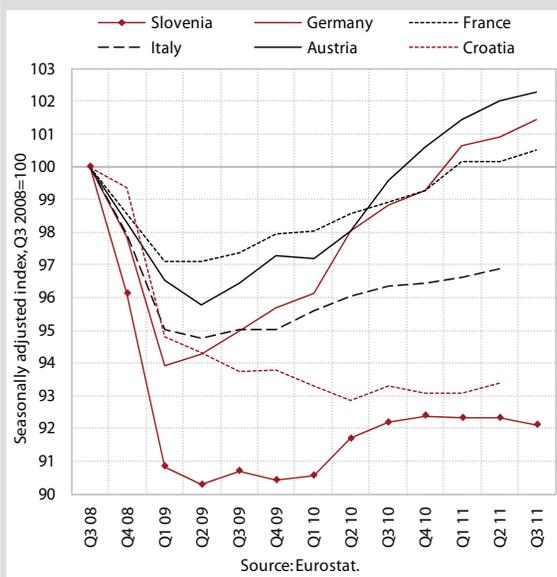
addition to volume, they were significantly affected by higher energy and commodity prices, but the growth of these prices is slowing. In the first nine months of this year, merchandise exports increased 14.3% y-o-y in nominal terms while imports rose 13.8%. In the year as a whole, the growth of merchandise trade will thus be in line with our forecasts, despite the expected further slowdown in the last quarter of the year.

In contrast to merchandise trade, **trade in services** is increasing at a slower pace this year. After a slight decline in Q2 (-0.4%, seasonally adjusted), exports of services remained unchanged in Q3. They were up 4.8% y-o-y, again mainly due to exports of travel. The y-o-y increase in services exports was also substantially influenced by

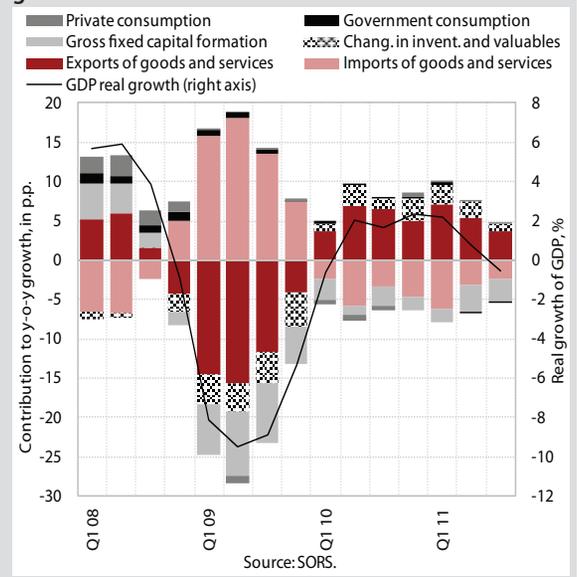
Box 2: Economic growth in the third quarter of 2011

Following a standstill in the first half of the year, Slovenia's GDP shrank by 0.2% in Q3 relative to Q2 (seasonally adjusted) and was 0.5% lower than in the same quarter last year. Economic activity in Slovenia has stagnated this year. According to the available data for 20 EU Member States, GDP fell in only three other EU countries besides Slovenia in Q3, while in the euro area as a whole, it rose by 0.2% relative to the previous quarter. Economic activity was still driven by exports, which were up 5.6% in Q3 y-o-y, but their growth is gradually easing. Import growth is also slowing (3.7%), so that net exports made a positive contribution to economic growth again in Q3 (1.3 p.p.). Domestic consumption was lower than in the same quarter last year for the second quarter running, mainly due to a further contraction in gross fixed capital formation, which was down 13.0% y-o-y. Household consumption has persisted around last year's level throughout 2011, according to our estimate mainly due to tightened labour market conditions, deteriorated consumer confidence and ongoing general uncertainty. Government consumption was also below the 2010 level in the last two quarters (in Q3, down 0.5% y-o-y). In the first three quarters of 2011, real GDP was up 0.8% relative to the same period last year, which is below the expectations in IMAD's Autumn Forecast of Economic Trends.

Value added in Q3 was lower than in the same period last year (-0.8%). The steepest decline was still recorded in construction, but due to slower growth in foreign demand, value added also shrank y-o-y in manufacturing. The moderation of growth in foreign demand had the greatest impact on value-added growth in manufacturing, which was down 0.1% y-o-y due to its decline in Q3. The y-o-y drop remained largest in construction (-19.7%), albeit smaller than in previous quarters. Value-added growth was also down y-o-y in most market services, except real estate activities. The deterioration was most pronounced in predominantly knowledge-intensive services that are more closely related to the industrial sector and construction (information and communication and professional and technical activities). In public services, the y-o-y growth of value added dropped slightly, but remains around 2%.

Figure 6: GDP in Slovenia and its main trading partners

exports of maritime transport services. After dropping in Q2 (-1.1%), imports of services expanded in Q3 (1.6%, seasonally adjusted). They were up 2.8% y-o-y, mainly on the back of financial and communication services, but also due to a higher value of domestic households' holiday trips abroad, while the value of construction and assembly services and investment works performed in Slovenia by foreigners continued to decline. In the first nine months of 2011, exports of services were up 7.6% and imports 3.2% y-o-y in nominal terms.

Figure 7: Expenditure structure of Slovenia's GDP growth

Production volume in **manufacturing** dropped in the third quarter of 2011, after growing over the past year and a half. Despite September's growth, due to a steep decline in July, production volume was down 2.4% in the third quarter in comparison with the second (seasonally adjusted). The decline was due to medium-low-technology industries,² but also to high- and medium-high-technology industries, where production is stagnating this year, after it had recovered fastest in the preceding two years. Production

² According to original data, the largest Q3 decline in production in this group was posted by the manufacture of metal products.

Figure 8: Geographical structure of merchandise exports

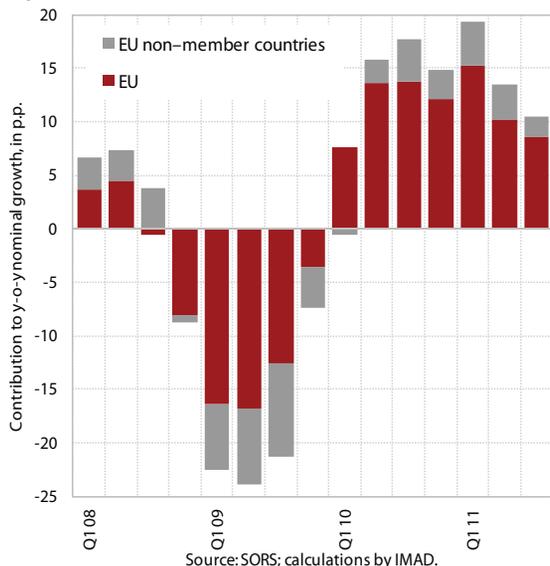
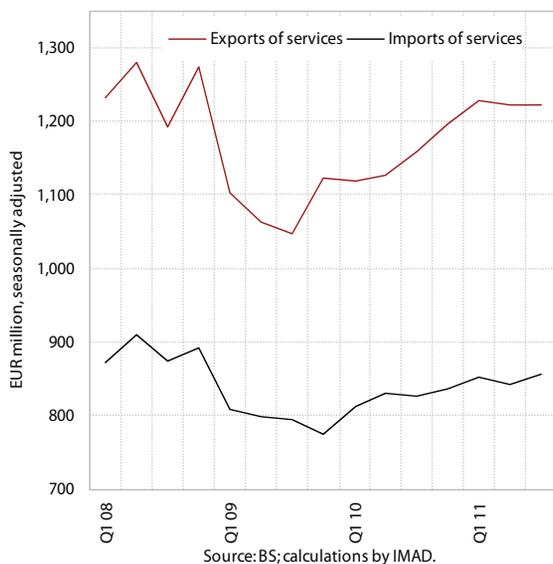


Figure 9: Trade in services



volume in the least technology-intensive industries rose again in Q3, recording a similar lag behind the average 2008 level as production volume in medium-low-technology industries.³ Due to an unexpectedly strong decline in production, Q3 growth was also low y-o-y (0.7%, working-day adjusted). Therefore we estimate that in the year as a whole, growth will fall short of our expectations in the Autumn Forecast.

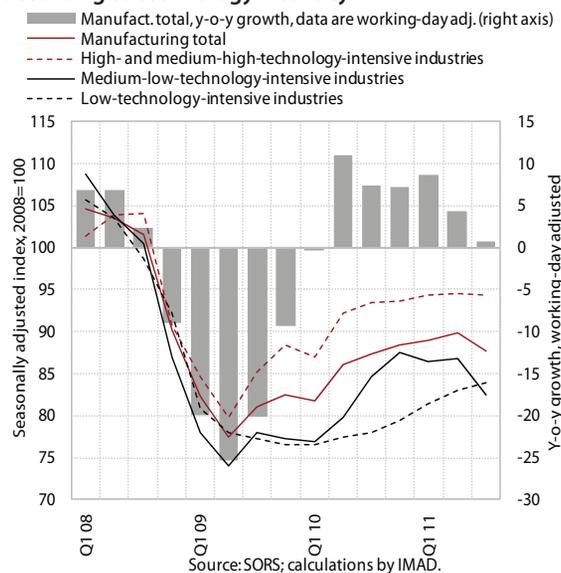
³ The strongest Q3 growth in this group was recorded by the leather industry.

Table 2: Selected monthly indicators of economic activity in Slovenia

in %	2010	IX 11/ VIII 11	IX 11/ IX 10	I-IX 11/ I-IX 10
Exports¹	12.2	18.4	8.6	13.1
-goods	13.7	25.5	9.6	14.5
-services	6.6	-4.0	4.8	7.6
Imports¹	14.3	13.8	8.1	12.7
-goods	16.1	19.3	9.2	14.3
-services	4.5	-12.4	1.7	3.2
Industrial production	6.2	1.6²	2.4³	4.3³
-manufacturing	6.6	3.5 ²	2.9 ³	4.5 ³
Construction -value of construction put in place	-16.9	7.8²	-17.0³	-27.4³
Real turnover in retail trade	-0.2	-1.4²	2.2³	2.0³
Nominal turnover market services (without distributive trades)	6.3	-0.6²	4.8³	5.2³

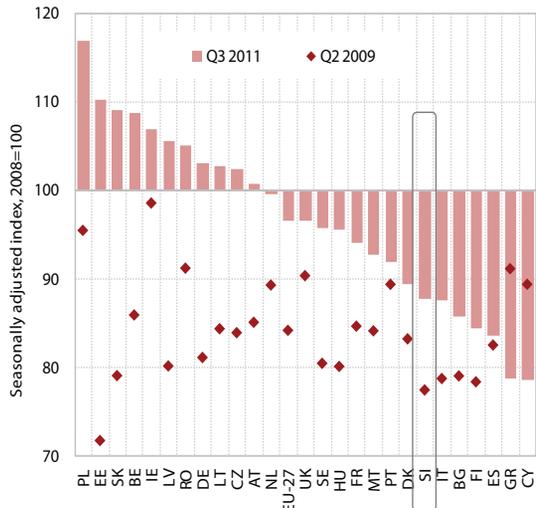
Sources: BS, Eurostat, SORS; calculations by IMAD.
Notes: ¹balance of payments statistics, ²seasonally adjusted, ³working-day adjusted data.

Figure 10: Production volume in manufacturing according to technology intensity



Slovenia's lag behind the average level of production activity in the EU-27, which remained at similar levels over the last two quarters, widened in Q3. A similar contraction of production volume was recorded only in Slovakia, which had until then witnessed a faster recovery than Slovenia despite a similar decline at the beginning of the crisis. Slovenia is ranked among EU members in which production has grown the least since most of the countries bottomed out in the second quarter of 2009. A faster recovery of production than in Slovenia was recorded in most of the new Member States and, with the exception of Italy, in Slovenia's major trading partners in the euro area.

Figure 11: Production volume in manufacturing in Slovenia and the EU-27



Source: Eurostat; calculations by IMAD. Note: data for Slovenia are seasonally adjusted by IMAD.

The key reason for the halt in production at the beginning of the second half of this year is a decline in foreign demand coupled with a continuation of the bad situation on the domestic market. According to seasonally adjusted data, in addition to a further decline in turnover on the domestic market (-2.9%), the third quarter also saw a decline in turnover on the foreign market (-1.3%) (which otherwise makes up the bulk of turnover in the manufacturing sector) for the first time since the beginning of the recovery of production in Q2 2009. A further decline in demand is also suggested by data on business trends, which show that the share of enterprises faced with lower demand has been larger than the share of those with no demand problems since the middle of the year. In November, the number of the former exceeded the number of those that were not impeded by insufficient demand by a quarter. Enterprises are also increasingly pessimistic about the expected exports and total demand.

Turnover on the domestic market is still below the 2008 average, while turnover on the foreign market has already exceeded the 2008 levels in certain industries. The latter include most high- and medium-high technology industries, which tend to be more export-oriented and have thus recovered fastest due to growth in foreign demand,⁴ as well as some least technology-intensive industries that are less dependent on economic trends.⁵ Turnover on the foreign market of medium-low-technology industries, most of which are primarily oriented to the foreign market, otherwise falls short of the 2008 average, albeit less notably than turnover on the domestic market.⁶ The gap between the level of turnover

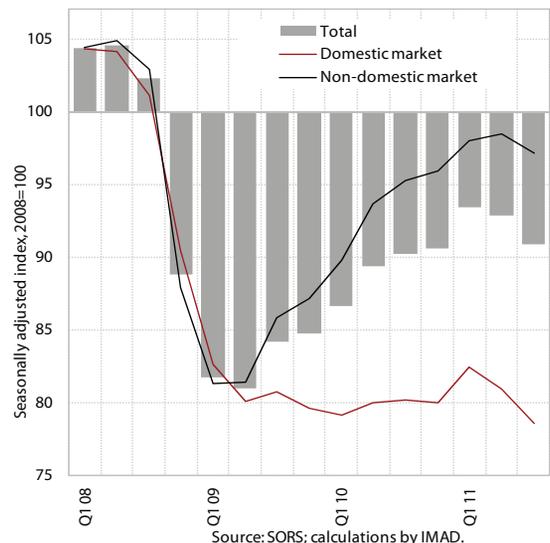
⁴ The manufacture of electrical and ICT equipment and the manufacture of motor vehicles.

⁵ The food and paper processing industries.

⁶ With the exception of the manufacture of non-metal mineral products that generates the bulk of its turnover on the domestic market. This industry's turnover lags significantly behind the average 2008 levels, particularly due to modest domestic construction activity.

on the domestic and foreign markets and pre-crisis levels is widest in the least technology-intensive textile and furniture industries. It is also mainly because of these industries that production volume in manufacturing in Slovenia lags farther behind the pre-crisis levels than in the EU-27.⁷

Figure 12: Turnover from sales on the domestic and foreign market



Source: SORS; calculations by IMAD.

Construction activity picked up in September, yet insufficiently to see a strengthening in comparison with the previous quarter. According to seasonally adjusted data, the value of construction put in place increased by 7.8% in September, while dropping by 2.5% relative to the previous quarter. In Q3, the value of works strengthened in residential construction,⁸ but remained low, while it declined in the other two construction segments. Compared with the situation before the acceleration of construction activity at the end of 2006, activity is lowest in non-residential construction, followed by residential construction, while civil-engineering activity lags the least in relative terms.

Data on issued building permits and new contracts show that residential construction activity will remain low, while non-residential construction is expected to fare slightly better. In the third quarter of this year, building permits were issued for the construction of 806 flats, which is 25.1% less than in the same quarter last year and the lowest figure since data have been available.⁹ Having declined substantially at the beginning of the crisis, the

⁷ The significance of the most labour-intensive industries, the textile and furniture industries (and other miscellaneous manufacturing industries) diminished during the crisis (see also IMAD Working Paper Nos. 5/2011 and 5/2010). As a result of a declining share in generated value added and employment, they have less and less influence on the movement of manufacturing activities.

⁸ The data on the value of residential construction put in place do not include small enterprises, which are mainly engaged in construction of residential buildings, according to our estimates.

⁹ Since 1999.

Figure 13: Value of construction put in place

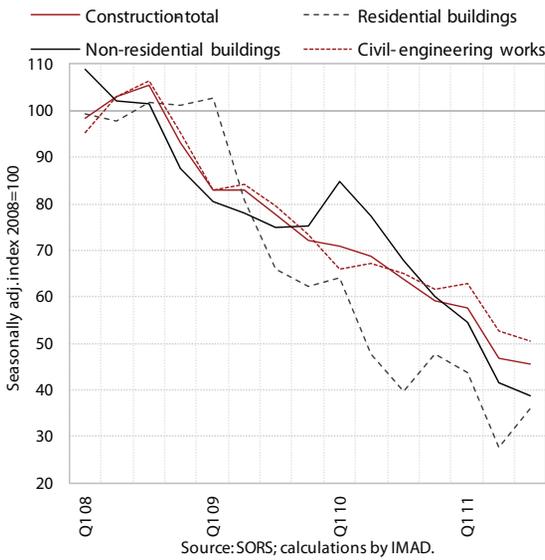
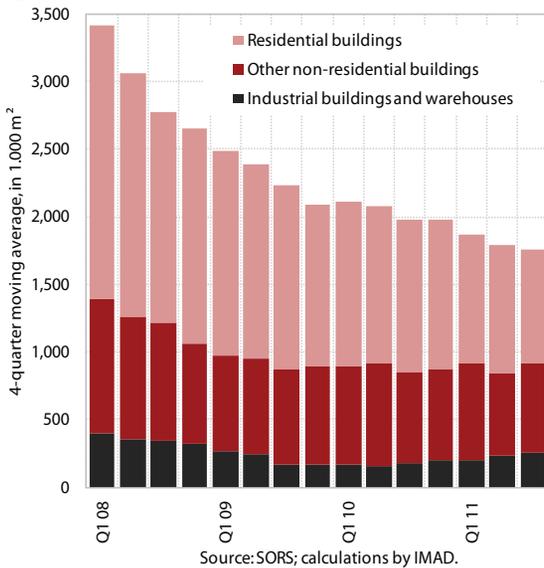


Figure 14: Floor area planned



total floor area of non-residential buildings planned by issued building permits has hovered around that level since. The total floor area planned for industrial buildings has otherwise increased in recent months, but the total floor area planned for hotels, wholesale and retail and garage buildings has declined.

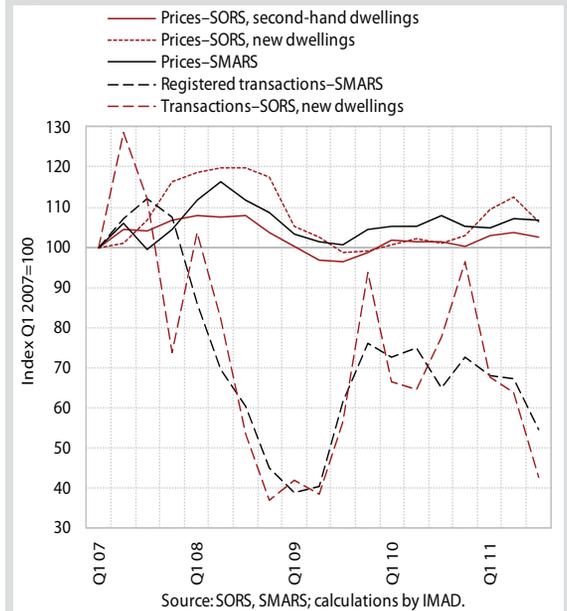
Amid September's decline in all three **trade sectors**, in the third quarter turnover increased in retail and wholesale trade, while it dropped in the sale of motor vehicles. Growth in real turnover in the *sale and repair of motor vehicles*, which had started before the summer of 2009 and had also been relatively high in 2010, came to a halt this year (seasonally adjusted). Following the stagnation in the second quarter, turnover dropped in the third quarter as

Box 3: Real estate market in Q3 2011

In Q3, the number of transactions in flats declined for the third quarter in a row. According to SMARS data, the number of reported market transactions in second-hand flats was more than 18% lower than in the preceding quarter. SMARS otherwise notes that this figure is provisional, as data become available with a delay. The figures for Q2 thus had to be subsequently revised upward by nearly 25%. Despite the provisional nature of the currently available data, it is safe to assume that the number of transactions in second-hand flats continues to decline steadily, which is also corroborated by a y-o-y comparison, according to which the number of transactions has been lower than in the same period in 2010 for as long as a year. The decline in the number of transactions in new flats in the third quarter was even larger (-33.1%, -44.8% y-o-y).

Prices of second-hand flats dropped just slightly in Q3, while prices of new flats recorded a much larger decline. According to SORS and SMARS data, prices of second-hand flats fell only slightly in Q3 and lagged around 5% behind their average level in 2008. The prices of second-hand flats thus declined significantly less relative to the 2008 average than the number of transactions. Prices of new flats fell by 5.2% relative to Q2, according to SORS, which is the largest decline since the first quarter of 2009. In comparison with 2008, they are more than 10% lower. The prices and the number of transactions in new flats thus declined much more relative to 2008 than those in second-hand flats.

Figure 15: Real estate market in Q3 2011



a whole, due to September's decline. Its gap to the 2008 average was, despite the widening in September, still the narrowest among all three trade sectors. Amid a lower

number of cars sold,¹⁰ turnover was nevertheless up by almost a twentieth¹¹ in real terms in Q3 relative to the same period of 2010. Real turnover in *retail trade* rose in Q3 after the Q2 decline and lags nearly a tenth behind its level in 2008. In recent months, the dynamics of this sector's turnover have mainly reflected the movement of the sale of automotive fuels, which continues to grow. According to our estimate, the latter is a result of increased turnover in transport, and probably also lower prices of certain automotive fuels in comparison with those in the neighbouring countries. On the other hand, turnover in the sale of food and in the sale non-food products, which had maintained roughly the same level since the end of 2009, dropped again in the third quarter. These two sectors also saw turnover drop relative to the third quarter of last year. Turnover in the sale of furniture, household equipment and construction materials dropped most notably, which had to do with a further decline in construction activity and reduced purchases of durable goods. Turnover in this trade sector has already been shrinking since the latter half of 2008 and lags by a third behind what it was in 2008. Nominal turnover in *wholesale trade* was up in Q3 despite September's decline, but remained at the same level as at the beginning of the year due to the fluctuations in the first half of the year. It is thus still roughly 16% short of the 2008 level, most notably of the three main trade sectors.

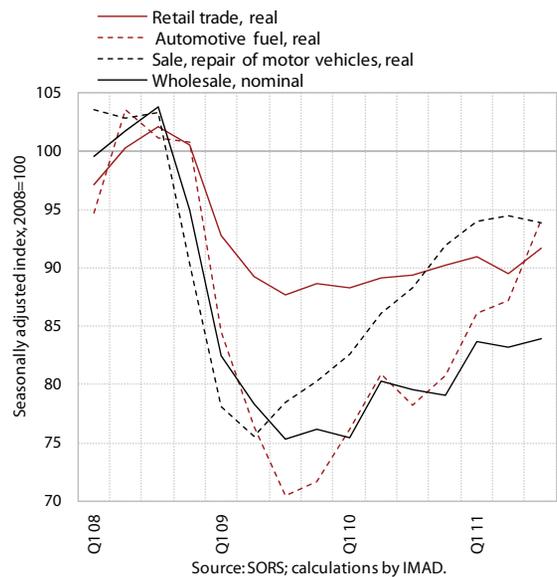
After it increased steeply in Q1, nominal **turnover in market services (excluding distributive trade)**¹² recorded more moderate growth in the next two quarters and thus still lagged behind the 2008 level by 1.3% in Q3. Over the last two years, the largest contribution to turnover growth in market services came from transportation and storage, where nominal turnover continued to grow in Q3. This is thus the only of the five main market service activities that has significantly exceeded the 2008 average, by nearly a tenth. Within transportation and storage activities, turnover in land transport retained its moderate growth in Q3, after the substantial acceleration at the beginning of the year, while turnover in warehousing and support activities for transportation increased more notably, after stagnating for nearly a year. In Q3, nominal turnover in accommodation and food service activities continued to grow at a moderate pace and thus reached the 2008 average. We estimate that the main contribution to turnover growth in the last year comes from foreign tourists, as the number of overnight stays by foreign tourists increased by a tenth in this period, while the number of domestic tourists' overnight stays remained

¹⁰ In Q3 2011, the total number of new passenger car registrations was 5.1% lower y-o-y (registrations by natural persons were down 16.8%, while registrations by legal persons were up 2.9% compared with the same period a year before). The sale of small and medium-sized cars dropped, in particular, according to data from the Motor Vehicles Section at the Chamber of Commerce.

¹¹ The higher real growth rates in this sector were also a result of lower prices of cars. According to the consumer price statistics, in Q3, the prices of new passenger cars were 1.2% and the prices of used cars 8.2% lower than in the same period last year.

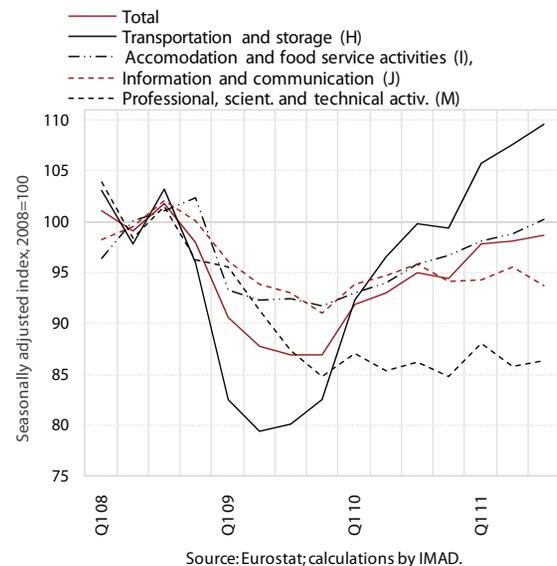
¹² Activities from H to N subject to the Council Regulation (EC) No. 1165/98 concerning short-term statistics.

Figure 16: Turnover in trade sectors



at the same level as a year earlier. The performance of predominantly knowledge-intensive services (information and communication and professional and technical services) deteriorated in Q3, most likely already as a result of the deteriorating situation in the industrial sector, combined with the ongoing impact of the crisis in construction and subdued private consumption. Nominal turnover in telecommunication activities thus shrank substantially in Q3. Nominal turnover in computer programming, where the otherwise weak growth came to a halt, also dropped slightly. Turnover in legal and accounting and management consultancy activities¹³ stopped increasing in Q3, but its level was still above the 2008 average. Turnover in architectural and engineering

Figure 17: Nominal turnover in market services (without distributive trade)

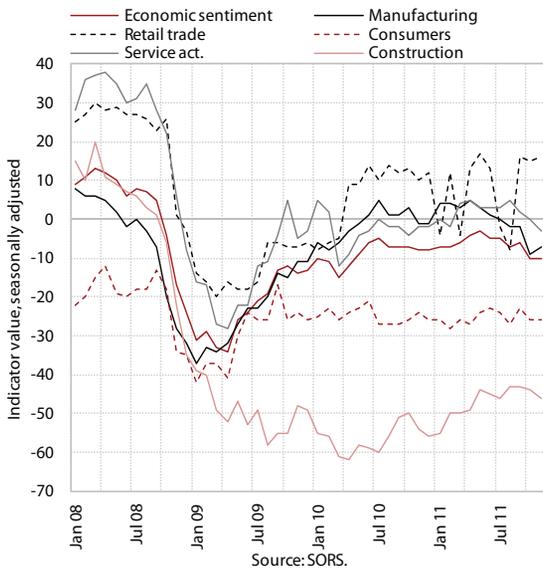


¹³ A united activity according to SCA 2008 (69+70.2).

activities dropped further, which is mainly related to the crisis in construction.

The movement of the **sentiment indicator** in recent months suggests a future moderation of economic activity. Similar movements are also indicated by confidence indicators in the EU as a whole. In November, the seasonally adjusted value of the sentiment indicator remained at the same level as in October and was still lower than in the same month of 2010. Manufacturing confidence has already been declining since May. Despite a slight increase in November, the majority of managers still evaluate their business situation as bad. The confidence indicator in retail trade, which is fluctuating strongly this year, has remained relatively high in the last three months. In other services, confidence declined again and the indicator value turned negative for the first time since February. The confidence indicator in construction, which suggested a slight increase in confidence last year, is stagnating this year and remains the lowest among all activities. The consumer confidence indicator is also extremely low, persisting at the same level since October 2009.

Figure 18: Business trends

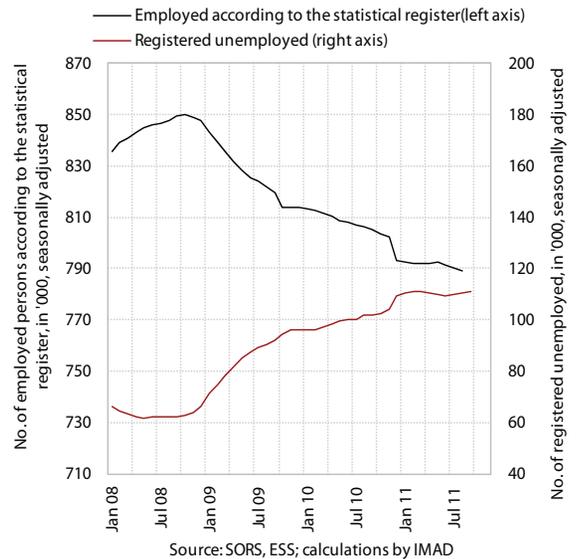


Labour market

The **labour market** situation deteriorated in the third quarter. The seasonally adjusted number of employed persons according to the statistical register¹⁴ declined by 0.4% relative to the previous quarter, while the number of registered unemployed persons increased by 0.5%. The seasonally adjusted registered unemployment rate was hence up slightly in Q3 (11.8%) relative to Q2 (by 0.1 p.p.). The number of employed persons according to the statistical register remained 2.1% lower y-o-y, while registered unemployment and the unemployment rate remained higher (8.9% and 1 p.p., respectively).

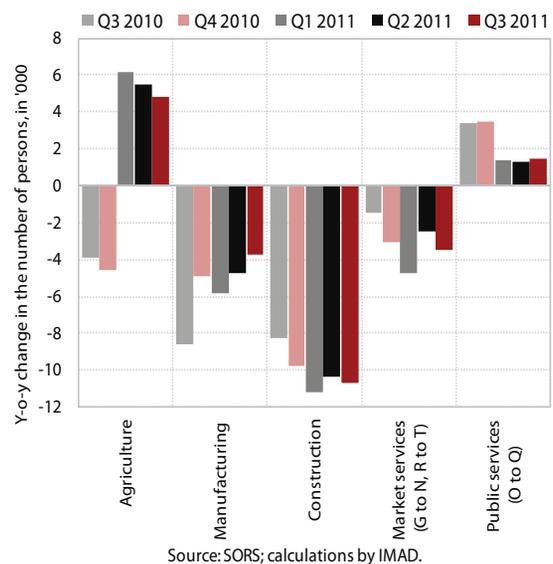
¹⁴ Employed and self-employed persons, excluding self-employed farmers.

Figure 19: Seasonally adjusted labour market movements



Formal employment, which has been dropping ever since the second quarter of 2009, continued to drop y-o-y in the third quarter of this year. In the third quarter, formal employment declined y-o-y in most activities (original data). The decline was most pronounced in construction, manufacturing and wholesale and retail trade, maintenance and repair of motor vehicles. Relative to the same period last year, formal employment was up particularly in agriculture, education, health and social work, and professional, scientific and technical activities.

Figure 20: Movement in the number of employed persons by activity



Source: SORS; calculations by IMAD.

Table 3: Persons in employment by activity

	Number in '000				Change in number			
	2010	IX 10	VIII 11	IX 11	10/09	IX 11/ VIII 11	IX 11/ IX 10	I-IX 11/ I-IX 10
A Agriculture, forestry and fishing	33.4	34.0	38.8	38.8	-4,437	-92	4,779	5,483
B Mining and quarrying	3.0	3.0	2.9	2.9	-308	-20	-117	-110
C Manufacturing	188.6	188.1	184.0	185.2	-11,253	1,176	-2,920	-4,757
D Electricity, gas, steam and air conditioning supply	8.0	8.0	7.9	7.9	54	17	-56	-115
E Water supply sewerage, waste management and remediation activities	9.2	9.3	9.6	9.6	138	31	365	182
F Construction	78.5	78.2	68.4	67.0	-8,231	-1,376	-11,199	-10,748
G Wholesale and retail trade, repair of motor vehicles and motorcycles	111.8	111.3	109.5	109.4	-2,842	-191	-1,926	-2,413
H Transportation and storage	47.9	47.8	46.6	47.9	-1,874	1,223	100	-981
I Accommodation and food service activities	33.2	33.1	32.5	32.5	-806	-13	-632	-921
J Information and communication	22.6	22.6	22.6	22.6	59	-79	-58	157
K Financial and insurance activities	24.3	24.5	24.5	24.0	-208	-516	-428	4
L Real estate activities	4.3	4.4	4.1	4.0	-34	-18	-313	-199
M Professional, scientific and technical activities	46.8	47.4	47.9	48.0	2,037	84	536	1,295
N Administrative and support service activities	26.4	26.7	26.3	26.4	840	185	-298	50
O Public administration and defence, compulsory social security	52.0	52.1	51.5	51.2	502	-236	-851	-695
P Education	63.5	64.1	63.7	64.9	1,833	1,159	808	1,227
Q Human health and social work activities	53.2	53.4	54.4	54.5	1,080	99	1,055	849
R Arts, entertainment and recreation	14.2	14.2	13.9	13.9	125	-1	-354	-345
S Other service activities	13.5	13.5	13.3	13.3	185	16	-215	-196

Source: SORS; calculations by IMAD.

Box 4: Labour Force Survey – the third quarter of 2011

According to the Labour Force Survey, employment continued to drop in the third quarter, according to seasonally adjusted data, while the survey unemployment rate was up. The seasonally adjusted number of employed persons according to the Survey dropped 0.7% and remained lower than in the same period of last year (-2.4%). Original data indicate that the number of employed persons according to the survey rose at the quarterly level, while the number of employed persons according to the Statistical Register of Employment (SRE) declined, which suggests an increase in informal work in the third quarter.¹ Relative to the second quarter, unemployment according to the Labour Force Survey increased by 2,000 persons (1.5%, seasonally adjusted) in the third (81,000) and remained higher than in the same period last year (11.0%). The seasonally adjusted survey unemployment rate (8.2%) was up 0.2 p.p. from the previous quarter and remained higher y-o-y (0.9 p.p.).

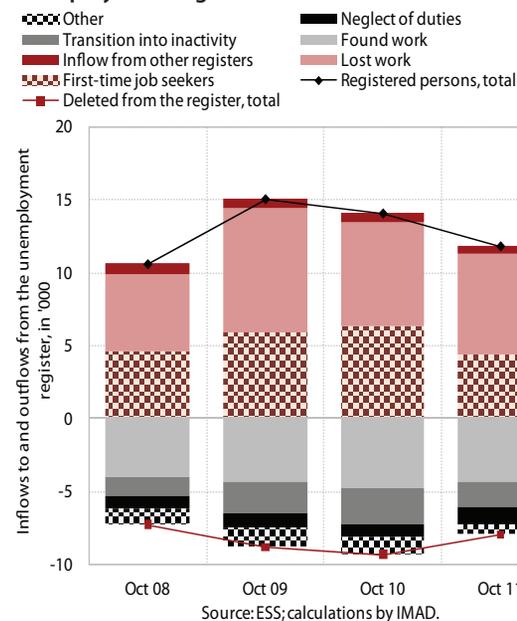
¹ In addition to employed and self-employed persons, the number of employed persons according to the Labour Force Survey also includes informal employment such as occasional work, work by unpaid family workers and similar, but it does not include temporarily employed foreigners.

The modest increase in the number of **registered unemployed persons** seen in previous months came to a halt in October, according to seasonally adjusted data

¹⁵ For more on the labour market situation of youth see Selected Topics, p. 29.

¹⁶ According to our estimate, the lower inflow of first-time job seekers relative to previous years could be a consequence of a decline in student population, students studying longer because of the economic crisis and increased postgraduate enrolment.

Figure 21: Inflows to and outflows from the unemployment register – October 2008–2011



(110,905 persons). Original data show that unemployment otherwise increased in October due to a seasonal inflow of first-time job seekers,¹⁵ while seasonally adjusted data show a different picture, as this inflow was much smaller than in the same period in previous years.¹⁶ Within

Table 4: Labour market indicators

in %	2010	IX 11/ VIII 11	IX 11/ IX 10	I-IX 11/ I-IX 10
Labour force	-1.0	0.2	-0.3	-0.1
Persons in formal employment	-2.7	0.2	-1.4	-0.7
- Employed in enterprises and organisations and by those self-employed	-2.6	0.2	-2.4	-1.3
Registered unemployed	16.4	0.0	9.3	-0.8
Average nominal gross wage	3.9	-1.1	1.4	2.3
- private sector	5.1	-1.6	2.0	3.0
- public sector	-0.1	0.0	-0.4	0.0
	2010	IX 10	VIII 11	IX 11
Rate of registered unemployment, in %	10.8	10.9	11.8	11.9
Average nominal gross wage (in EUR)	1,494.88	1,485.58	1,524.15	1,506.87
Private sector (in EUR)	1,414.65	1,402.98	1,454.25	1,431.01
Public sector (in EUR)	1,750.61	1,746.87	1,741.32	1,740.69

Sources: ESS, SORS; calculations by IMAD. Opomba: ¹The division into the private and public sectors is (for easier and consistent comparison of wage and productivity growth) adjusted to SORS' division of activities in the quarterly release of GDP. The public sector comprises activities O-Q and the private sector all other activities (A-N, R-S). The growth rates of the average gross wage per employee for 2009 and 2010 are therefore also slightly changed, ²seasonally adjusted data.

seasonal inflows into unemployment (11,815 persons), the number of first-time job-seekers who finished school (4,369 persons, 1,974 fewer than last year) increased most notably in October relative to the previous month. The outflows from unemployment (7,959 persons)

declined relative to the previous month, particularly the number of persons who landed work. Similar to September, October recorded a significant inflow of persons who registered as unemployed after a pause due to the expiration of contracts for formal education programmes under the active employment policy. On the other hand, because of depletion of funds for active employment policy programmes, there was a seasonally low outflow of unemployed persons in formal education and, consequently, a decline in transitions into inactivity, unlike in previous years, when this outflow was very high at the beginning of the school year in September and October.

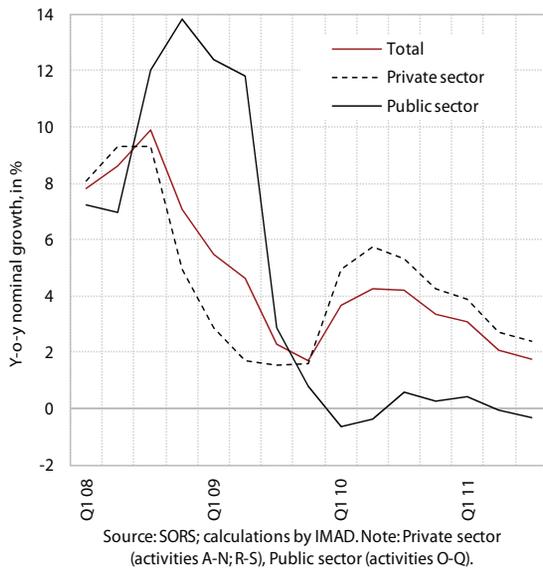
The **gross wage per employee** stagnated in both sectors in September, seasonally adjusted. It is otherwise growing slightly in the private sector this year, while being stagnant in the public sector due to austerity measures. As expected, following the August increase, the average gross wage declined in September, according to original data, despite the same number of working days (1.1% in nominal terms). It dropped in almost all activities, most notably in the industrial part of the private sector (-2.9%), where it was up 4.8% in August, largely due to extraordinary payments in the pharmaceutical industry. In the public sector, wages continued to stagnate. Among public sector activities, the average gross wage increased in education, for seasonal reasons, while it dropped in the other two categories of activities. This year's modest y-o-y growth in the average gross wage (2.3%) thus still arises from wage

Table 5: Wages by activity

	Gross wage per employee, in EUR		Growth rates, %			
	2010	IX 2011	2010/ 2009	IX 11/ VIII 11	IX 11/ IX 10	I-IX 11/ I-IX 10
A Agriculture, forestry and fishing	1,267.00	1,293.83	5.8	-2.1	1.1	4.1
B Mining and quarrying	1,904.97	1,962.47	4.0	2.6	6.6	3.2
C Manufacturing	1,311.57	1,342.57	9.0	-3.0	3.4	4.2
D Electricity, gas, steam and air conditioning supply	2,095.67	2,032.35	3.7	-4.3	2.2	3.5
E Water supply sewerage, waste management and remediation activities	1,444.70	1,416.41	2.2	-1.8	1.1	0.8
F Construction	1,211.63	1,236.13	4.4	0.0	0.8	2.5
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1,325.08	1,344.85	3.7	-0.4	1.7	2.7
H Transportation and storage	1,421.14	1,445.80	2.0	-0.4	-1.5	3.1
I Accommodation and food service activities	1,074.27	1,084.41	4.0	-2.6	1.6	3.0
J Information and communication	2,092.15	2,114.24	2.6	0.4	3.1	1.3
K Financial and insurance activities	2,144.81	2,073.32	1.0	-1.9	0.9	1.8
L Real estate activities	1,477.74	1,482.75	3.0	-0.8	3.4	3.5
M Professional, scientific and technical activities	1,765.21	1,718.24	1.6	-3.1	-0.9	0.0
N Administrative and support service activities	952.15	993.89	4.1	0.4	5.2	3.8
O Public administration and defence, compulsory social security	1,778.20	1,781.22	-0.6	-0.5	-0.6	0.6
P Education	1,730.26	1,734.80	0.6	1.7	0.1	0.1
Q Human health and social work activities	1,746.86	1,706.07	-0.3	-1.6	-0.5	-0.7
R Arts, entertainment and recreation	1,731.32	1,699.68	0.5	-1.1	-1.4	-0.8
S Other service activities	1,397.40	1,394.39	4.2	-1.6	1.1	1.5

Source: SORS; calculations by IMAD.

Figure 22: Average gross wage per employee



growth in the private sector (3.0%), which has otherwise been slowing since the second quarter of last year.¹⁷ In the public sector, the average gross wage has been left unchanged for nearly three years.

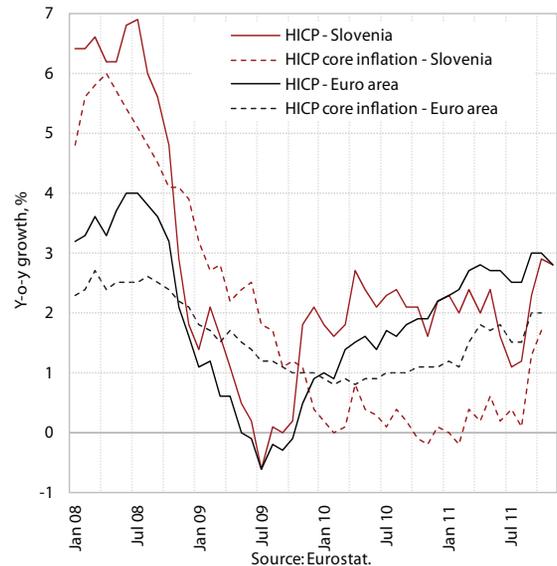
Prices

Consumer prices increased 0.3% in November, being up 2.6% in the first eleven months of this year and 2.7% y-o-y. According to Eurostat's flash estimate, prices in the euro area were up 2.8% y-o-y in November.

Y-o-y inflation increased again in October, to 2.7%, which is 0.6 p.p. more than in September. The increase was largely due to the movements of clothing and footwear prices, which recorded much higher seasonal growth than in the same period in previous years. The higher seasonal price rises are to a certain extent also due to methodological changes in collecting prices of seasonal goods and services.¹⁸ On account of the movements in the last two months, this year's inflation will be higher than expected when we prepared the autumn forecast.

In October, domestic inflation reached the level of inflation in the euro area. In 2011, the y-o-y inflation in Slovenia and that in the euro area have been affected by the same key factors, such as weak economic activity and higher food and energy prices, but since February 2011 Slovenia's y-o-y inflation has been lower due to the impact of specific domestic factors (a net decline in excise duties on liquid fuels and the impact of the subsidy introduced last year). In October, Slovenia's y-o-y inflation measured

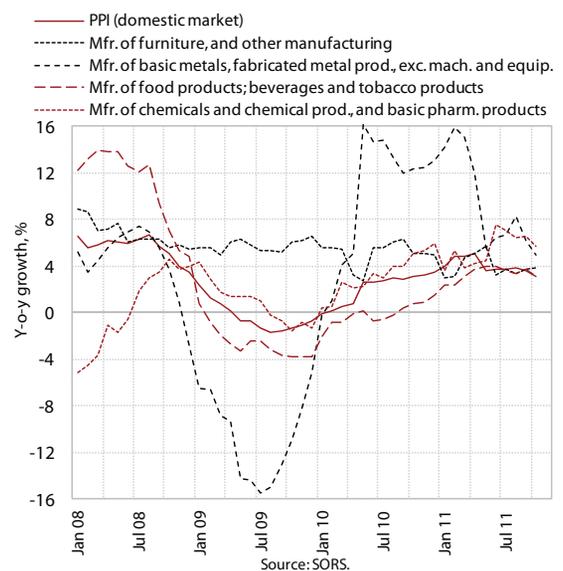
Figure 23: Headline and core inflation in Slovenia and in the euro area



by the HICP (2.9%) fell just 0.1% short of that in the euro area (3.0%).

The y-o-y growth of **producer prices of manufactured goods** on the domestic market dropped somewhat in October. It totalled 3.1%, 0.4 p.p. less than in September, and is expected to slow further in the coming months due to the absence of current price pressures. Price growth is otherwise still mainly due to the movement of prices in the manufacture of food products and metals and metal products.

Figure 24: Industrial producer prices



¹⁷ As a result of the waning effects of last year's increase in the minimum wage and structural changes in employment (due to increased firing of low-wage employees), and due to a sluggish recovery of the economy.

¹⁸ The difference between the expected and actual price movements in clothing and footwear is in part also attributable to methodological changes in collecting prices of seasonal goods and services effective since January this year. According to Eurostat's estimates, the y-o-y inflation rate in Slovenia in October was 0.3 p.p. higher than it would have been under the previous methodology.

Table 6: Breakdown of the HICP into subgroups – for the first ten months of 2011

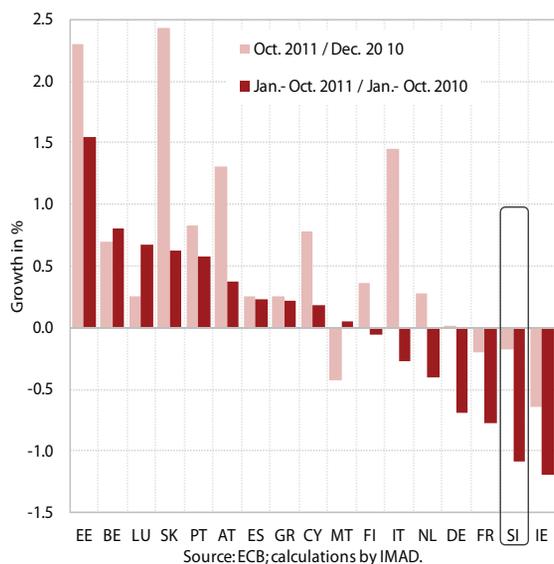
	Slovenia			Euro area		
	Cum. %	Weight %	Contribution in p.p.	Cum. %	Weight %	Contribution in p.p.
Total HICP	2.5	100.0	2.5	2.4	100.0	2.4
Goods	3.1	65.9	2.0	3.0	58.6	1.8
Processed food, alcohol and tobacco	5.5	15.3	0.8	3.6	11.9	0.4
Non-processed food	3.3	7.3	0.2	0.6	7.4	0.0
Non-energy industrial goods	0.7	29.0	0.2	1.5	28.9	0.4
Durables	-0.2	10.3	0.0	0.3	9.5	0.0
Non-durables	0.4	8.7	0.0	1.2	8.3	0.1
Semi-durables	3.9	10.0	0.4	3.8	11.2	0.4
Energy	6.2	14.3	0.9	8.9	10.4	0.9
Electricity for households	2.2	2.6	0.1	7.3	2.5	0.2
Natural gas	11.3	1.0	0.1	9.2	1.7	0.2
Liquid fuels for heating	18.8	1.6	0.3	15.0	0.9	0.1
Solid fuels	-1.1	1.0	0.0	2.5	0.1	0.0
District heating	8.7	0.8	0.1	8.7	0.5	0.0
Fuels and lubricants	4.7	7.2	0.3	8.3	4.7	0.4
Services	1.0	34.1	0.3	1.3	41.4	0.5
Services – dwellings	0.3	2.9	0.0	1.6	10.1	0.2
Services – transport	2.2	5.3	0.1	2.5	6.5	0.2
Services – communications	-2.3	3.7	-0.1	-1.7	3.2	-0.1
Services – recreation, repairs, personal care	1.7	13.7	0.2	1.0	14.7	0.1
Services – other services	1.1	8.5	0.1	1.9	7.0	0.1
HICP excluding energy and non-processed food	1.7	78.4	1.3	1.6	82.3	1.3

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

The **price competitiveness** of the economy continued to deteriorate at the monthly level in October, but in the first ten months as a whole, Slovenia was still in a small group of euro area countries in which price competitiveness improved. Reflecting the appreciation of the exchange rate of the

euro¹⁹ and growth in relative prices, the real effective exchange rate deflated by the HICP rose somewhat in October (0.3%) for the third successive month. Due to a decline in relative prices, it was lower than in December and October last year (0.2% and 0.9%, respectively). Slovenia was in a small group of euro area countries that gained in price competitiveness of the economy in the first ten months of the year, in spite of the relatively less favourable monthly movements since August. Namely, over the last three months, the monthly growth of Slovenia's relative consumer prices²⁰ was among the highest in the euro area. The nominal effective exchange rate of the euro strengthened as well, while in most other euro area countries it dropped.

Figure 25: Real effective exchange rates of euro area countries deflated by the HICP



Balance of payments

The **current account of the balance of payments** has been roughly balanced since the beginning of the economic crisis. In the third quarter of this year, it recorded a slight deficit of EUR 9.9 m (EUR 84.3 m in the same period last year). Net exports were up again y-o-y, while the deficit in the balance of factor incomes declined. The surplus in current

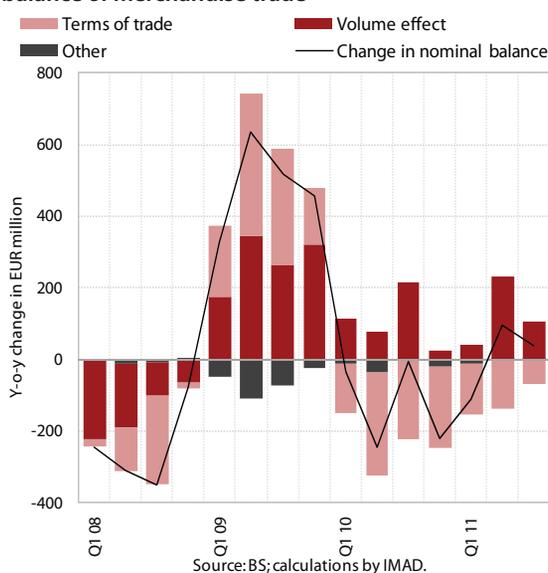
¹⁹ Particularly against the CHF, HUF and CZK.

²⁰ In eight euro area countries relative prices dropped between August and October.

transfers narrowed somewhat. In the first nine months of the year, the balance of current transactions recorded a surplus of EUR 13.0 m (a deficit of EUR 206.6 m in the same period last year).

In Q3, the surplus in trade in goods and services remained wider y-o-y. The y-o-y decline in the merchandise trade deficit, which was at EUR 206.8 m in Q3, was attributable to volume factors, as exports grew faster than imports in

Figure 26: Breakdown of y-o-y changes in the nominal balance of merchandise trade



real terms. The terms of trade deteriorated further, but the gap between import and export prices narrowed, which was mainly due to slower y-o-y growth in import prices (4.5%), as export prices recorded only slightly lower y-o-y growth than in Q2 (3.6%). The y-o-y increase in the surplus of the services balance (EUR 383.2 m in Q3) was mainly due to a surplus in trade in travel services. A wider surplus was also recorded for all transport services, with the exception of rail transport. On the other hand, the deficit in the group of other services was up y-o-y, again mainly due to higher imports of financial services.²¹

The deficit in **factor incomes** was slightly smaller y-o-y due to higher inflows of the compensation of residents working abroad, while interest payments to the rest of the world continued to increase. The deficit in the balance of factor incomes amounted to EUR 190.3 m and was down EUR 12.2 m y-o-y. Due to tighter financial conditions on international financial markets, Slovenia paid more interest to the rest of the world than it received. Net interest payments by the private sector (commercial banks and other sectors) were up as well. Net income from equity capital within direct investment shrank, as the net outflow of dividends and distributed profits declined y-o-y in the third quarter of the year. Net income on portfolio investment was up y-o-y again. The surplus in the balance of current transfers narrowed slightly y-o-y. Slovenia's net budgetary position towards the EU budget was again up relative to the same period of last year, but the deficit in current transfers in the private sector was even higher y-o-y (other transfers and insurance).

Table 7: Balance of payments

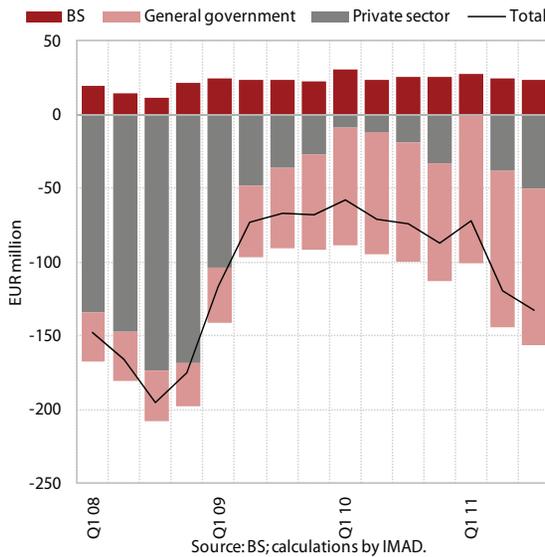
I-IX 11, EUR m	Inflows	Outflows	Balance ¹	Balance, I - IX 10
Current account	20,893.0	20,880.0	13.0	-206.6
- Trade balance (FOB)	15,505.8	16,276.4	-770.5	-697.1
- Services	3,720.8	2,542.6	1,178.2	993.0
- Income	669.6	1,147.3	-477.7	-412.1
Current transfers	996.7	913.8	83.0	-90.3
Capital and financial account	2,986.6	-3,262.1	-275.5	424.6
- Capital account	142.2	-162.9	-20.7	64.4
- Capital transfers	140.1	-157.3	-17.3	66.5
- Non-produced, non-financial assets	2.1	-5.5	-3.4	-2.1
- Financial account	2,844.4	-3,099.2	-254.8	360.2
- Direct investment	454.0	93.3	547.4	-1.4
- Portfolio investment	2,208.8	-351.4	1,857.4	1,559.4
- Financial derivatives	18.0	-124.6	-106.6	-101.4
- Other investment	110.4	-2,716.6	-2,606.2	-1,125.7
- Assets	0.0	-2,152.6	-2,152.6	179.1
- Liabilities	110.4	-564.0	-453.6	-1,304.8
- Reserve assets	53.2	0.0	53.2	29.5
Net errors and omissions	262.6	0.0	262.6	-218.1

Sources: BS.

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..

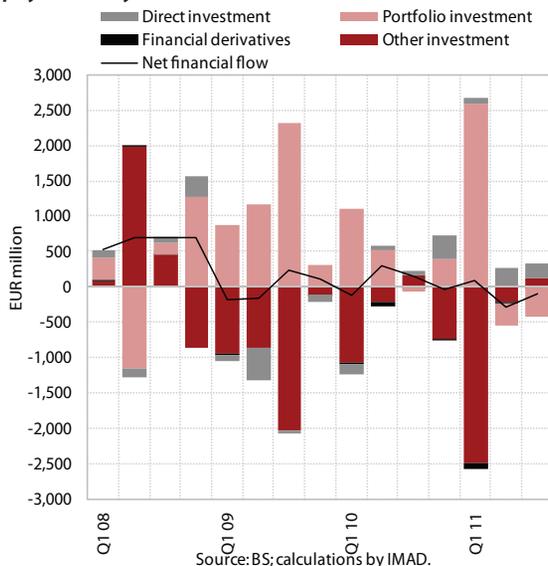
²¹ Commissions and costs of bank and monetary intermediation, commissions for other financial intermediation services.

Figure 27: Net interest payments by sector



External financial transactions²² recorded a net outflow again in Q3 this year, in the amount of EUR 99.0 m (a net inflow of EUR 155.6 m in the same period last year). The net capital outflows of the BS and the government sector exceeded the net capital inflow of the private sector. *Portfolio investment* again recorded a net outflow in Q3 this year, in the amount of EUR 419.4 m (EUR 54.1 m in the same period last year). The BS increased its financial assets by investing in bonds and notes, while the government sector repaid some of its external debt. *Direct investment* posted a net inflow in the amount of EUR 221.1 m (EUR 56.6 m in the same period of last year). Equity capital flows, marked by a high level of mutual crediting between domestic and foreign investors, were weak. Net claims of

Figure 28: Financial transactions of the balance of payments by instrument

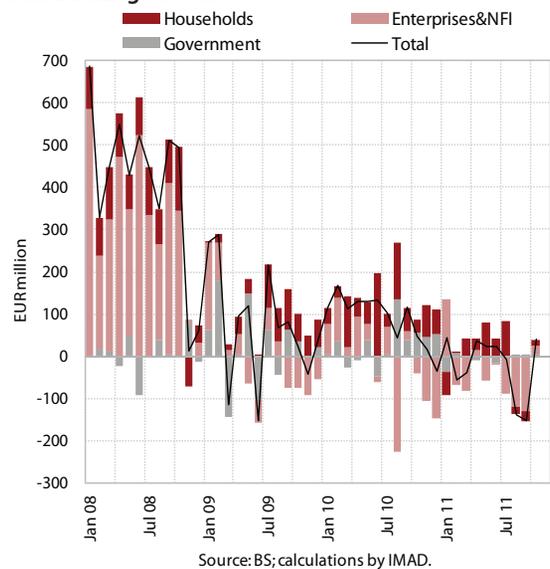


domestic investors on their subsidiary enterprises abroad declined, while those of Slovenian subsidiaries on foreign investors increased. After net outflows in the previous three quarters, *other investment* recorded a net capital inflow of EUR 111.7 m in the third quarter (EUR 167.5 m in the same period last year). The BS borrowed again short-term from the Eurosystem to provide liquidity for domestic commercial banks.

Financial markets

Following the net repayment of loans raised in domestic banks in Q3, the net flow of loans to non-banking sectors was positive in October. The net flows were otherwise fairly modest, at EUR 38.9 m, but nevertheless the second highest this year (EUR 45.4 m in January). Loans were net repaid only by NFIs, while other groups recorded what was otherwise modest growth. In the first ten months of the year, the volume of domestic non-banking sector loans with domestic banks contracted by EUR 226.2 m, while in the same period of 2010 the net flows amounted to EUR 1.1 bn. We estimate that banks continued to make net repayments of foreign loans and deposits in October. Household deposits shrank, while government deposits picked up somewhat again. In the euro area, non-banking sectors made net repayments of loans, the highest this year.

Figure 29: Net flows of domestic banks' loans to domestic non-banking sectors



After two months of decline, the volume of **household** loans increased in October, but its growth was fairly modest. The net borrowing in the form of euro loans was somewhat lower than in the previous two months. The volume of foreign currency loans also declined significantly, which we estimate is to a great extent a result of a smaller decline in the value of the Swiss franc. The net flows amounted to EUR 13.0 m; households took out particularly housing

²² Excluding international monetary reserves and statistical errors.

Table 8: Financial market indicators

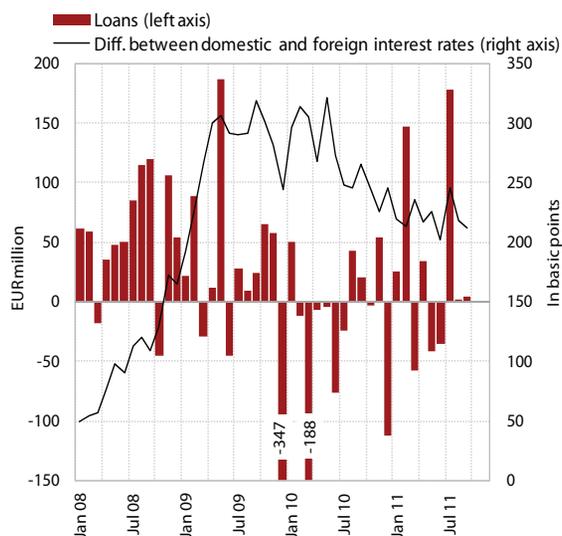
Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 10	31. X 11	31. X 11/ 30. IX 11	31. X 11/ 31. XII 10	31. X 11/ 31. X 10
Loans total	33,519.35	33,293.15	0.1	-0.7	-0.7
Enterprises and NFI	23,039.29	22,667.14	0.1	-1.6	-2.7
Government	1,197.94	1,145.24	0.3	-4.4	4.3
Households	9,282.12	9,480.77	0.1	2.1	3.6
Consumer credits	2,833.17	2,747.38	-0.5	-3.0	-3.9
Lending for house purchase	4,837.08	5,153.21	0.4	6.5	10.8
Other lending	1,611.87	1,580.18	0.2	-2.0	-3.8
Bank deposits total	14,839.57	15,041.90	-0.3	1.4	2.7
Overnight deposits	6,200.38	6,362.50	-0.8	2.6	4.8
Short-term deposits	4,473.15	4,166.00	-0.1	-6.9	-8.3
Long-term deposits	4,156.68	4,506.05	0.2	8.4	12.1
Deposits redeemable at notice	9.35	7.35	1.9	-21.4	-30.5
Mutual funds	2,048.36	1,874.13	5.3	-8.5	-5.1
Government bank deposits total	2,678.50	3,107.60	1.1	16.0	14.2
Overnight deposits	64.40	81.28	5.6	26.2	722.9
Short-term deposits	555.35	1,039.35	2.0	87.2	55.5
Long-term deposits	2,055.29	1,983.62	0.3	-3.5	-2.8
Deposits redeemable at notice	3.46	3.35	59.5	-3.1	-3.7

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

loans, which otherwise fell behind this year's average, while they continued to net repay consumer loans. In the first ten months, household net borrowing amounted to EUR 198.6 m, which is just slightly more than a quarter of what had been recorded in the same period last year.

After **enterprises and NFIs** had net repaid loans in domestic banks ever since May, these recorded net inflows again in October. The net inflows, totalling EUR 22.7 m, were due to the net borrowing of enterprises, which

Figure 30: Net corporate and NFI borrowing abroad and gaps in interest rates



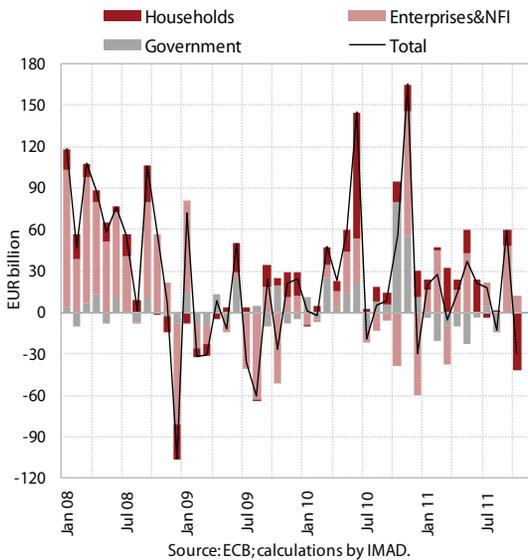
Source: BS; calculations by IMAD.

mainly took out other loans for business purposes. NFIs net repaid their loans in October, in the amount of EUR 16.0 m. In the first ten months of the year, corporate and NFI net repayments of loans to domestic banks climbed to a high EUR 372.1 m, while the same period last year recorded net inflows in the amount of EUR 130.6 m. In September, enterprises and NFIs net borrowed EUR 4.4 m abroad, again as a result of short-term net borrowing. On the other hand, they net repaid long-term loans for the second time in succession, this time in the amount of EUR 5.9 m. In the first nine months of the year, enterprises and NFIs thus net borrowed EUR 256.2 m abroad, in contrast to the same period last year when they net repaid foreign loans in the amount of EUR 199.5 m. In light of the credit crunch at home, enterprises and NFIs nevertheless net repaid EUR 138.7 m in domestic and foreign bank loans combined, compared with EUR 28.5 m in the same period last year.

The lending activity in the **euro area** eased significantly in October. Non-banking sectors recorded EUR 29.5 bn in net repayments of loans, as a result of net repayments of household loans in the total amount of EUR 41.6 bn. The bulk came from net repayments of housing loans to domestic banks in the Netherlands and Ireland. Corporate and NFI borrowing also eased relative to the previous months, but net flows continued to be relatively high (EUR 12.5 bn). The net borrowing of enterprises and NFIs in the euro area thus amounted to EUR 168.8 bn in the first ten months of the year (EUR 4.5 bn in the same period of last year). The total net flows of non-banking sector loans totalled EUR 150.5 bn in the first ten months,

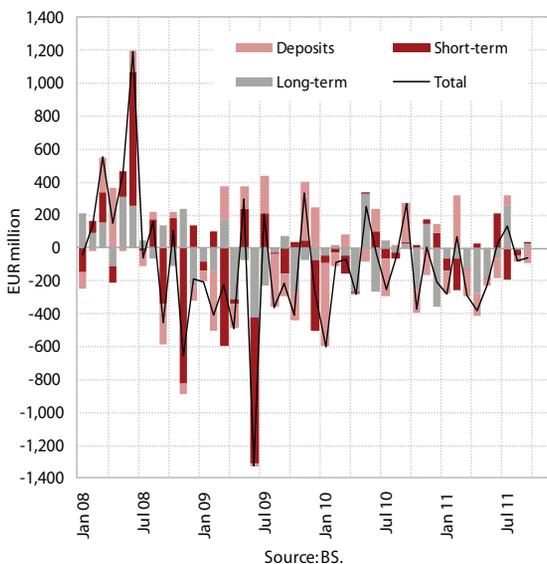
less than half of the level recorded in the same period last year, which is a result of lower household net borrowing and the net repayments of government loans.

Figure 31: Net flows of non-banking sector loans in the euro area



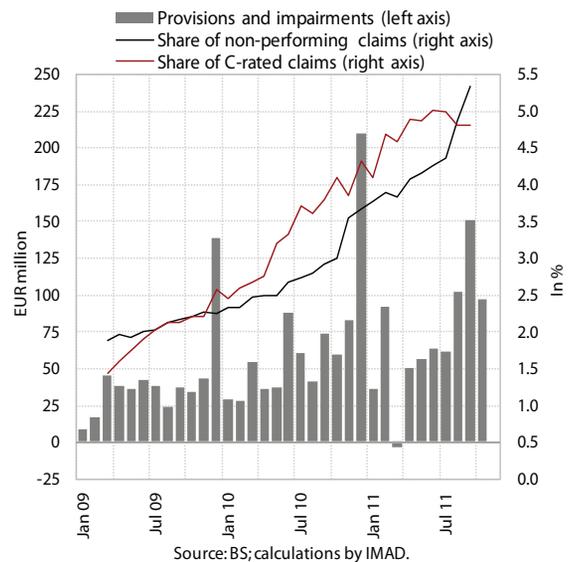
In September, Slovenian **banks** recorded net repayments of foreign deposits, while they increased the volume of foreign loans. The net repayments of deposits totalled EUR 91.0 m. The total net flows of loans amounted to just over EUR 30 m, with long-term loans accounting for the largest share. In the first three quarters of the year, net repayments of foreign deposits and loans totalled EUR 1.1 bn, nearly one third more than in the same period last year. Within that, banks net repaid EUR 757.2 m in loans (EUR 384.3 m in the same period of last year).

Figure 32: Net bank borrowing abroad



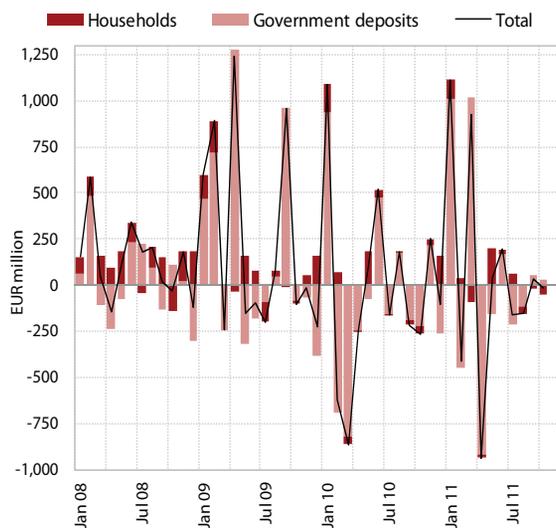
The deterioration of the **quality of banks assets** and the creation of provisions continue. At the end of September, the share of non-performing claims reached 5.3% of all bank claims, which is the highest level in 15 years. In recent months, the share of C-rated claims has no longer been growing and remains just below 5%. However, this does not yet indicate an easing in terms of the quality of banks' claims. We estimate that stagnation is largely due to increased inflows of claims among non-performing claims (D- and E-rated claims), while the inflows among C-rated claims remain high. The rapid deterioration in the quality of banks' assets is also reflected in the intensive creation of additional reservations and provisions (EUR 96.7 m in October), which exceeded EUR 700 m in the first ten months, being thus almost 40% higher than in the same period of last year.

Figure 33: Net flow of impairments and provisions and the share of non-performing claims in the Slovenian banking system



Household **deposits** continued to see a net outflow in October, while government deposits strengthened somewhat again. Household deposits recorded net outflows in the amount of close to EUR 50 m, which were almost entirely due to overnight deposits. The net inflows of long-term deposits slowed significantly in October. In the last three months alone, household deposits in banks thus shrank by more than EUR 100 m. Household deposits in domestic banks increased only slightly more than EUR 200 m in the first ten months, which is nearly 40% less than in the same period last year. Government deposits recorded net inflows of EUR 32.6 m in October. Short-term deposits increased by slightly more than EUR 20 m. All other deposits recorded modest growth as well. In the first ten months of the year, the net inflows of government deposits to Slovenian banks amounted to nearly EUR 430 m, in contrast to net outflows of over EUR 800 m in the comparable period last year.

Figure 34: Net inflows of household and government deposits in banks



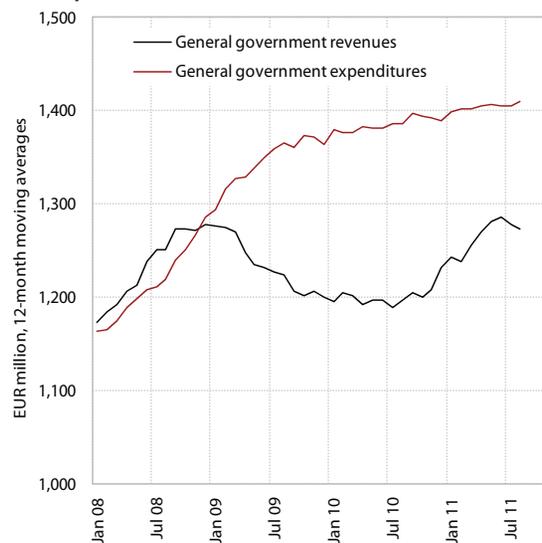
Source: BS; calculations by IMAD.

Public finance

According to the **consolidated balance**²³ of the MF, general government revenue totalled EUR 9.7 bn and general government expenditure EUR 10.9 bn in the first eight months of this year. Revenue was up 5.3% y-o-y (last year, -0.4%), expenditure 2.1% (last year, 2.6%). The consolidated balance recorded a deficit of EUR 1,234 m in the first eight months, which is less than last year (EUR 1,476 m). Among *tax revenues*, revenue from corporate income tax posted the strongest growth (82.6%) in the

first eight months, largely due to last year's low-base effect as a consequence of the tax assessment. Growth in revenue from value added tax was also relatively high (5.2%), as last year's base declined as a result of shorter deadlines for VAT refunds. Revenues from wage-related taxes were very modest, as social security contributions increased just over one percent (1.3%) and personal income tax even less than one percent (0.9%). Non-tax revenues realised in the first eight months of the year were lower than in the same period last year (-6.7%). Looking at the *economic structure of general government expenditure*, all expenditure categories increased y-o-y in

Figure 35: Consolidated general government revenue and expenditure



Source: MF; calculations by IMAD.

Table 9: Consolidated general government revenue and expenditure

	2010			2011	
	EUR m	% of GDP	Growth, %	I-VIII 11 EUR m	I-VIII 11/ I-VIII 10
Revenue - total	14,789.5	41.8	2.7	9,745.0	5.3
- Tax revenues	12,848.3	36.3	-0.8	8,695.4	4.7
- Taxes on income and profit	2,490.7	7.0	-11.2	1,790.2	14.0
- Social security contributions	5,234.5	14.8	1.4	3,485.3	1.3
- Domestic taxes on goods and services	4,780.6	13.5	2.6	3,200.2	3.9
- Receipts from the EU budget	724.6	2.0	21.5	476.4	45.9
Expenditure - total	16,675.9	47.1	1.9	10,979.0	2.3
- Wages and other personnel expenditure	3,914.9	11.1	0.1	2,618.2	0.2
- Purchases of goods and services	2,510.5	7.1	0.1	1,622.7	2.4
- Domestic and foreign interest payments	488.1	1.4	45.3	425.7	9.8
- Transfers to individuals and households	6,274.5	17.7	4.2	4,411.3	4.8
- Capital expenditure	1,305.1	3.7	0.9	549.5	-10.4
- Capital transfers	388.4	1.1	-21.6	185.9	0.5
- Payment to the EU budget	396.8	1.1	-9.7	268.7	-4.3

Source: MF, Public Finance Bulletin.

²³ The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of the state and local government budgets, as well as revenues and expenditures of the pension and health funds (the Institute for Pension and Disability Insurance, and the Health Insurance Institute of Slovenia).

Box 5: Government financing needs in 2012

The increase in the required yield of Slovenian government bonds and the overall deterioration of the financial market situation will aggravate the financing of the government next year (the financing of the general government deficit and the repayment of principals on the government debt). The required yield on Slovenian 10-year government bonds has increased by more than 200 b.p. since the second half of September. It was thus already hovering above 7% for a while in November, which is a much higher figure than in January this year when Slovenia had issued its latest government bond. If the required yield also moves at this high level in the future, the costs of the new government borrowing will be much higher next year. Meanwhile, the financial market conditions continue to deteriorate due to a lack of credible solutions to the sovereign debt crisis in the euro area, which was already reflected in November's increase in required government bond yields in certain euro area countries with the highest possible credit ratings (France, Austria, the Netherlands). The deteriorated perception of the country and the tightening of the financial market situation will thus pose a serious challenge for Slovenia next year, even though the borrowing requirement of the government (as a share of GDP) will be smaller or similar to last year's, which was the highest to date (around 10% of GDP). Namely, next year Slovenia will have to repay the principal on the government debt in the amount of EUR 1.27 bn,¹ while the general government deficit is expected to climb to EUR 1.49 bn according to the Stability Programme adopted in April this year² (in total, 7.3% of GDP). Compared with other European countries, Slovenia's borrowing requirement is otherwise relatively low. According to the available data by the IMF for 17 EU Member States, Slovenia's borrowing requirement in 2012 will be the second lowest in the EU, behind Sweden's. Next year's borrowing requirements will be highest (exceeding 20% of GDP) in Italy, Portugal, Belgium, France and Spain, i.e. the countries that had the highest public debts in the EU or where the public debt has been increasing fastest in the EU in the last three years.

Figure 36: Required yield of the Slovenian 10-year government bond on the secondary market and the German 10-year government bond

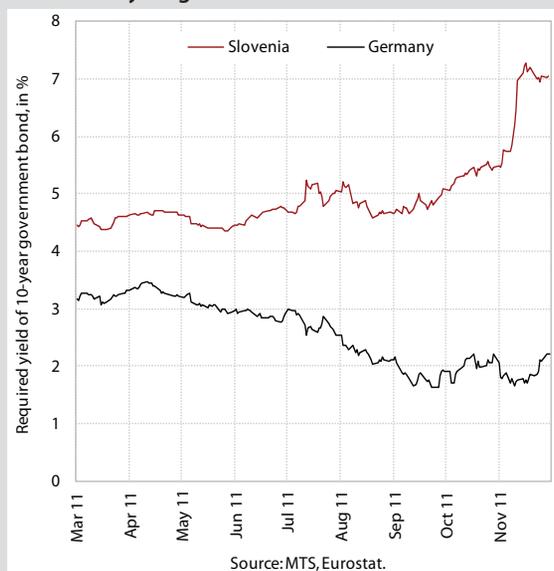
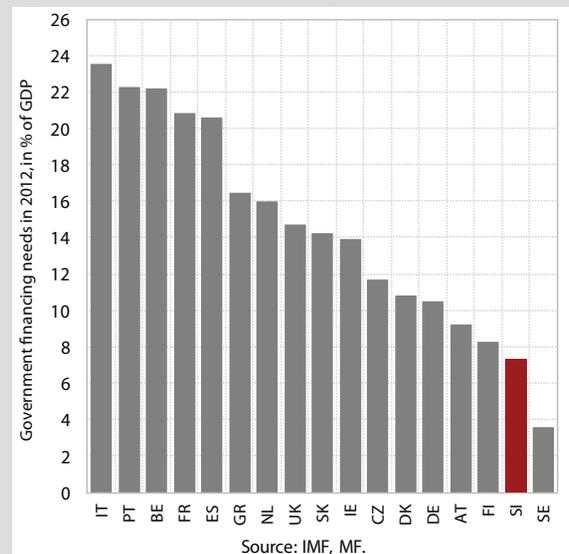


Figure 37: Government financing needs in 2012



¹ The amount of the principal repayments due as stated in the central government budget debt records as per 25 October 2011 (Amendment to the Financing Programme of Slovenia's central government budget for the Fiscal Year 2011, November 2011).

² According to ESA-95 methodology.

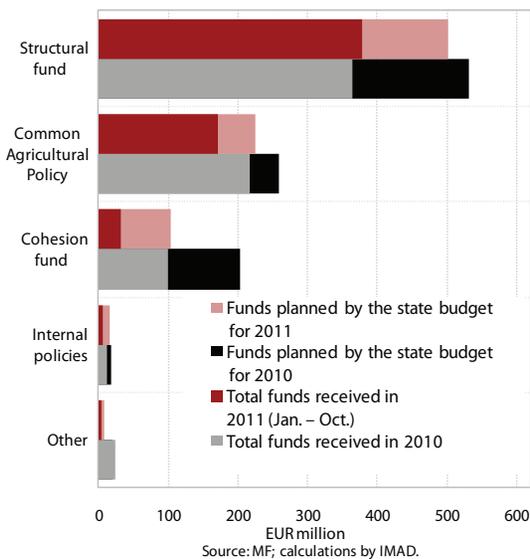
the first eight months, except expenditure on capital and capital transfers (-7.8%), payments into the EU budget (-4.3%) and subsidies (-1.7%). Strong y-o-y growth was again recorded for expenditure on interest (9.8%) and transfers to individuals and households (4.7%; 6.5% excluding pensions). Transfers to the unemployed are growing fastest (37.9%), in light of deteriorating labour market conditions and as a result of systemic changes. After February's valorisation of pensions, expenditure on pensions has been stable, having grown by 3.6% y-o-y in the first eight months. Expenditure on goods and services rose somewhat (2.4%), while expenditure on wages and

other personnel expenditures recorded very modest growth (0.2%; last year 0.0%).

The deficit of the *state budget* amounted to EUR 1,206 m in the first eight months of 2011, which is much less than a year before (EUR 1,400 m). The total *balance of local government budgets* recorded a surplus in the amount of EUR 24.2 m, while the *health fund* ran a deficit of EUR 50.3 m. The transfer from the state budget into the *pension fund* totalled EUR 1,048. m (up 6.0% from the same period last year).

In the first ten months of this year, Slovenia recorded a net budgetary surplus towards the **EU budget** in the amount of EUR 255.6 m, which is three times as much as in the same period last year (EUR 77 m). In October, Slovenia received EUR 49.7 m from the EU budget, which is below this year's monthly average (EUR 59 m). Slovenia's payments into the EU budget totalled EUR 32.8 m, so that its net positive budgetary position amounted to just below EUR 17 m. By the end of October, Slovenia received EUR 589 m from the EU budget, which is 69% of the planned receipts (41% in the same period last year). The bulk of receipts (64%) came from structural funds (EUR 377.7 m), the absorption rate of which is fairly high (75.1%). Receipts under the Common Agricultural and Fisheries Policies (EUR 171.3 m) represent 30% of all receipts and 76.4% of what was planned, while the resources from the Cohesion Fund (EUR 31 m) represent the lowest item (5.2%) in the structure of this year's transfers from the EU budget. The low absorption of cohesion funds (30% of the level planned) is a matter of concern, as it shows a lack of appropriate projects in the area of transport and environment infrastructure or inadequate preparation and implementation of tenders. By the end of October, Slovenia paid EUR 333.6 m into the EU budget, close to 85% of the foreseen amount.

Figure 38: Planned and absorbed EU funds



selected topics

Labour market situation of youth during the crisis

The already tight situation of youth²⁴ on the labour market continues to deteriorate during the crisis. The worsening of the labour market situation of young people is mainly attributable to a lack of experience and the fact that in most countries young people are easier to fire than their elders. In addition to direct costs, such as increased benefit payments, lost income-tax revenues and wasted capacity, youth unemployment also entails indirect costs, such as emigration (a brain-drain) and a higher crime rate. Furthermore, unemployment at a young age also negatively affects later labour market performance. Namely, the longer the spell of unemployment at a young age, the greater the negative effect.

In Slovenia, youth unemployment rose during the crisis, while its share in total unemployment declined. Altogether 10,963 persons aged 25 and younger were unemployed in October this year (1,000 persons or 10.0% more than in October 2007). In the age group of up to 30 year, 27,562 persons were out of work, 6,621 persons (31.6%) more than in October 2007. Total unemployment at the end of October 2011 otherwise amounted to 110,905, having increased by 41,405 persons or 59.6% in the analysed period. The proportion of jobless persons aged 25 or younger in total unemployment fell by 4.5 p.p. in the same period while the proportion of those aged 30 or younger dropped by 5.3 p.p. Looking at educational attainment, the numbers of unemployed young people with a secondary and tertiary education increased the most. The number of first-time job-seekers was also up in the period under review (by 2,429 persons or 16.8%), notably the number of first-time job-seekers with a tertiary education.

During the economic crisis, the labour market situation of young people worsened in most countries of the EU. According to the latest available data, the youth unemployment rate (15 to 24 years) in the EU-27 as a whole increased from 15.4% in the second quarter of 2007 to 20.8% in the second quarter of this year. In the analysed period, the youth unemployment rate rose by more than 20 p.p. in Spain (to 46.1%), Lithuania, Ireland, Greece and Latvia, while it declined in Germany (to 8.6%), Belgium and Austria. In Slovenia, the youth unemployment rate is fairly volatile, but was below the EU-27 average throughout the analysed period. In the second quarter of 2011, Slovenia posted a 13.2% unemployment rate for youth, 5.3 p.p. higher than in the second quarter of 2007. In the analysed period, the youth unemployment rate in the EU-27 as a whole was, as in Slovenia, 2.2 times higher than the unemployment rate of other employed persons (aged 25 to 74).

²⁴ The definition of youth varies across literature. The United Nations defines »youth« as persons between the ages of 15 and 24 years, while most European countries (as well as the Statistical Office of the Republic of Slovenia) define youth as persons aged 15 to 29 years. The selected topic is based on data by ESS and Eurostat. The age groups used are adjusted to the available data from these sources.

Young people also face much lower job security than the rest of the population. Slovenia has one of the largest shares of young people with temporary jobs in the EU. Temporarily employed persons aged 15 to 24 accounted for a high 72.5% in the second quarter, and this share has recently been growing (in the second quarter of 2007, 66.5% persons in the age group of 15 to 24 held temporary jobs). The share of other workers on temporary contracts in Slovenia, i.e. those aged 25 and older, was 13.2% in the same period (13.3% in the second quarter of 2007). The share of temporarily employed young people in the EU-27 otherwise amounted to 42.2% in the second quarter. The large share of young people with temporary jobs in Slovenia is mainly attributable to the employer-friendly system of student work, which is the most cost-effective

Figure 39: Share of part-time employment among youth (15–24 years) in Slovenia and EU countries

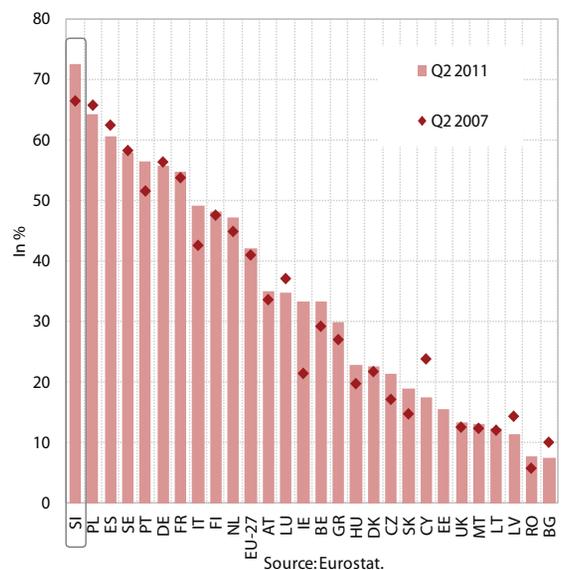
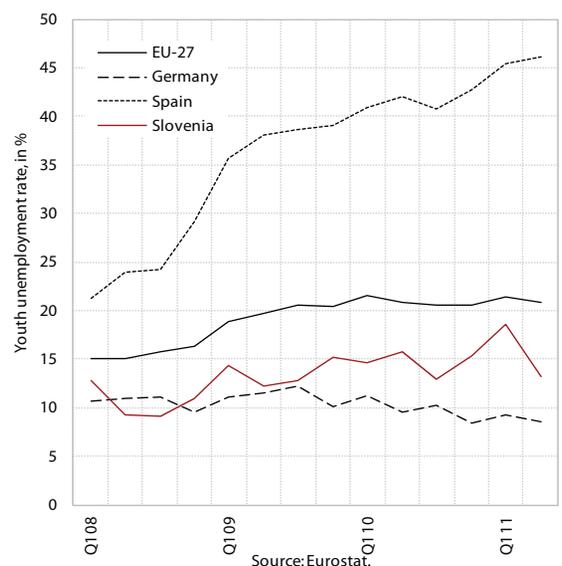


Figure 40: Youth unemployment rate (15–24 years)



and the most flexible form of employment available to employers. The share of young people with part-time jobs is also larger than that of the rest of the population. In the second quarter of 2011, 30.3% of young people, on average, had part-time jobs in the EU-27 (40.1% in Slovenia). During the economic crisis, the shares of young people on temporary or part-time contracts in Slovenia increased more than in the EU-27.

*The OECD emphasises that helping young people on the labour market should be one of economic policy priorities in a time of economic crisis.*²⁵ The OECD does not expect the labour market situation of young people to improve in the short term, but targeting youth will reduce the risk of young people falling into long-term unemployment and losing touch with the job market. The OECD recommends early government interventions to improve youth labour market outcomes by increasing job security of young people, providing training with regard to future labour market needs and facilitating the transition from school to the labour market. The OECD countries are addressing the labour market situation of young people in different ways. To reduce barriers to labour market transition, some of the countries invest in funds helping young people to gain new knowledge and skills (Spain, for instance, which faces a very high youth unemployment rate). Moreover, countries are also lowering the costs of young workers – for instance, by lower sub-minimum wage rates for youth or by subsidising companies that hire low-skilled unemployed youth. Another priority should be labour market reform intended to decrease the share of young people with temporary or part-time jobs and thus break the vicious circle of uncertain jobs and increase the transparency of job opportunities over a longer term. Furthermore, labour market entry should be facilitated by ensuring a better match between the skills acquired at school and those needed on the labour market (e.g. through internship during the course of study, as is the case in Germany, Austria and Switzerland, however, only to the extent that this would not have negative effects on academic performance).

The UN Human Development Report 2011

*In the UN Human Development Report 2011, Slovenia is still placed relatively high according to the Human Development Index (HDI).*²⁶ The Development Report 2011 pursues last year's commitment to broader, more encompassing measures of well-being and emphasises once more that economic growth does not necessarily translate into social or environmental well-being. In 2011, the Slovenian Human Development Index totals 0.884. Slovenia is thus ranked 21st out of 187 countries, which is the same position as last year, when its HDI was 0.882 and Slovenia was 21st among 169 countries.²⁷ The highest index values

were recorded for Norway (0.943) and Australia (0.929). Slovenia remains in the group of countries with very high human development. Its relatively high position (behind Austria and France and ahead of Finland, Spain, Italy and Luxembourg) is mainly attributable to the education dimension, as it is placed especially high on the indicators of expected years of schooling (4th) and average years of schooling of adults (14th). In terms of life expectancy, which is one of the health indicators, and on the income indicator, it is 30th and 31st, respectively.

Three new indices were experimentally introduced last year: IHDl (the Inequality-Adjusted Human Development Index), MPI (the Multidimensional Poverty Index) and GII (the Gender Inequality Index). The IHDl should, given its concept, always be viewed alongside the HDI when we measure inequality in a country. If there is no inequality in the analysed well-being dimensions, the HDI equals the IHDl. In 2011, the Slovenian IHDl was 0.837, 5.3% lower than the HDI. Among highly developed countries, only the Czech Republic recorded a smaller »loss« (5.0%) in potential human development due to inequality than Slovenia. The Multidimensional Poverty Index (MPI), which is otherwise very problematic (at least as regards data), captures the incidence of multidimensional deprivation as a proportion of the population deprived in at least three of ten deprivation indicators, as well as the intensity of deprivation, which is defined as the average number of indicators in which poor people are deprived. The index was calculated only for 12 of 47 highly developed countries, based on data for 2003. The MPI for Slovenia is only an estimate, totalling 0% on all indicators except the risk of poverty (estimated at 0.4%). The Slovenian Gender Inequality Indicator (GII)²⁸ is 0.175 this year, ranking Slovenia 18th among 187 countries, which is almost the same position as last year (17th out of 138 countries included in the survey). The top position in terms of the GII is held by Sweden, which is trailed by the Netherlands, Denmark, Switzerland and Finland. Slovenia is ranked lowest particularly on the indicator of political representation of women, as the share of women in the Slovenian parliament (10.8% according to the UNPD

²⁶ Last year, the Human Development Index underwent a series of methodological changes (see SEM, November 2010, pp. 28–30), which rendered the data for 2010 and 2011 incomparable with those for previous years. Moreover, data are also incomparable due to continuous yearly improvements, because of which the Report also includes retroactive recalculations of data for previous years. The index captures three well-being dimensions: health, education and income. Health is still measured by life expectancy at birth, while education is now monitored by average years of schooling of the population aged 25 and older and expected years of schooling for a child of school-entrance age. To measure population income, gross national income per capita is used (in purchasing power parity terms in US dollars).

²⁷ Last year's Report otherwise ranked Slovenia 29th (the index value of 0.828), which was a result of a mistake in calculating the average years of schooling. The mistake (pointed out by IMAD) was corrected this year (also in calculations for 2010).

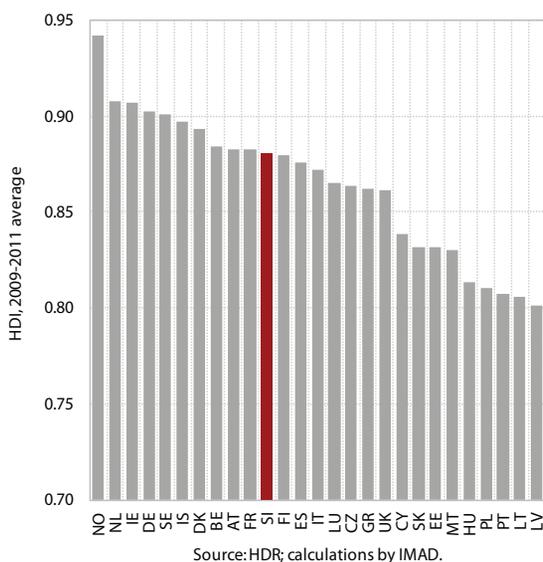
²⁸ The GII measures women's reproductive health (the maternal mortality ratio and fertility rates of adult women), gender differences in educational attainment (participation in secondary and tertiary education) and female and male participation in political activities and in the labour force (the share of parliamentary seats and labour force participation rates). The index ranges between 0 and 1, with higher values indicating worse achievements.

²⁵ OECD (2010), *Off to a Good Start? Jobs for Youth*; OECD (2011), *Governments must act on rising long-term unemployment and youth joblessness*.

data for 2008) is below the global average (17.7%) and even lower than the average of countries with the lowest human development (18.2%) and Arab countries (12.0%). In Scandinavian countries, this indicator averages 40%.²⁹

The Development Report also offers a wide range of additional well-being indicators such as overall life satisfaction, satisfaction with government to reduce emissions, satisfaction with actions to preserve the environment and satisfaction with air and water quality. Slovenia is characterised by a decline in satisfaction with life: the average rating of life satisfaction in 2006–2010 totalled 6.1 (on a 0–10 scale, with 0 meaning totally dissatisfied), placing Slovenia 47th among 152 countries (for other countries data are not available), while the average result for 2006–2009 in last year's report amounted to 7.1.³⁰ The highest rankings on the life satisfaction indicator were recorded for Denmark (7.8) and Canada (7.7).

Figure 41: Average HDI value



Productivity in the agriculture, forestry and fishing activities

Given the nature of work, productivity in agriculture, forestry and fishing activities (the primary sector) tends to be low in comparison with the average productivity of the economy. National policies attempt to address this problem by measures aimed at developing professional competencies of producers, restructuring the economy, improving infrastructure, boosting innovation and adding value to products. Increased productivity would improve the income position of producers and increase

output, which would be highly welcome, as Slovenia's output is relatively low;³¹ nonetheless, a free and rapid development of activities is not acceptable, as it is also necessary to take account of all strict sustainability rules.

In the course of the last decade, the productivity of the Slovenian primary sector was rising faster than that of the entire economy, mainly due to declining employment. Despite this increase, primary sector productivity reached only 30% of the average productivity of the economy. Measured in value added per employee, it came to EUR 9,500 in 2010, according to national accounts, making up 29.5% of the comparable average of all activities.³² In the last decade it grew 87.4% in nominal terms, 5.7% more than in all activities as a whole, but this growth was mainly attributable to a steep decline in employment. Primary sector employment slumped from 107.4 thousand to 80.9 thousand persons over the last decade and its share in total employment of the economy diminished by 11.7% to 8.4%. Among primary sector activities, productivity was lowest in agriculture (EUR 8,500 in 2010), with four fifths of all persons employed in primary activities creating only three quarters of the total value added. In forestry activities, productivity was almost twice as high but is growing at a slower pace. Productivity was also much higher in fishery related activities, but these are fairly insignificant for Slovenia's economy given the modest value added and a low number of persons employed.

In the EU, the productivity of the primary sector is, on average, much higher than in Slovenia, which is in the bottom third of EU Member States in terms of both primary sector productivity and its lag behind the average productivity of the economy. In the EU, this sector's productivity averaged EUR 15,600 per employee in 2010, according to national accounts, a 64.2% higher figure than in Slovenia. Slovenia lagged 11.0 p.p. more behind the EU average in terms of primary sector productivity than in the productivity of the total economy (the latter was 53.2% higher in the EU than in Slovenia). The productivity of the primary sector in the EU totalled 31.6% of the average productivity of the economy, 2.1 p.p. more than in Slovenia. The top of the list is dominated by certain northern European countries with large shares of forestry activities (Sweden, Finland) and countries characterised by highly intensive farming (France, the Netherlands, Denmark), which boast several times higher productivity than Slovenia. Furthermore, over the last few years certain countries saw an exceptionally rapid increase in this sector's productivity on account of a rapid decline in employment and a concurrent increase in value added (Slovakia), while certain other countries which otherwise do not have favourable conditions for this activity bettered their results by products with higher value added, such as organic products. This group includes Austria, in particular, as well as Sweden and Estonia, which are at the European forefront regarding

²⁹ This year's election brought a significant change, as 28 women were elected to the National Assembly according to unofficial results, which is a 31.3% share.

³⁰ Data from the Gallup World Poll database (2010).

³¹ See SEM, October 2011, p. 29.

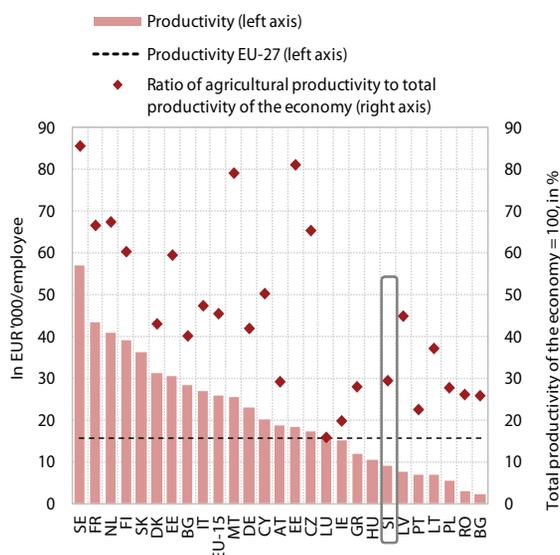
³² Value added expressed at basic prices includes subsidies on agricultural products, which are relatively low in Slovenia. According to the economic accounts for agriculture, subsidies on products accounted for 4.4% of total subsidies in 2010.

the share of the area under organic farming in the total utilised agricultural area.

Under similar natural conditions and with a larger share of organic farming, the productivity of the primary sector in Austria is much higher than in Slovenia, which means that productivity could be increased in Slovenia as well. In Austria, value added per employee in the primary sector amounted to EUR 18,600 in 2010, nearly twice the value recorded in Slovenia. A significantly higher productivity than in Slovenia is also shown by certain other indicators obtained from the economic accounts for agriculture.³³ In 2010, Austria recorded the value of agricultural production per annual work unit³⁴ that was three times as high as in Slovenia (in Austria EUR 43.300, in Slovenia EUR 14.300) and the factor income³⁵ per annual work unit triple that in Slovenia (in Austria EUR 15,900, in Slovenia EUR 5,300). The factor income is, similar to that in Slovenia, particularly high in animal products. Unlike Slovenia, Austria also saw a relatively high level of productivity for certain crops. Under less favourable natural conditions, Austria thus covers more than two thirds of its needs for vegetables (Slovenia less than 40%), meaning that Slovenia's primary sector could nearly double the total value added simply by raising productivity to the level recorded in Austria. This comparison also shows that there is still significant

room for a further development of the activity. However, this is no easy task.

Figure 42: Productivity in the primary sector



Source: Eurostat, National accounts. Note: France, year 2008; data for the UK are not available.

Table 10: Value added, employment and productivity of Slovenia's primary sector in 2000–2010

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010/ 2000
Value added, current prices, in EUR m												
Activities, total	16,176.7	18,173.0	20,212.2	22,001.1	23,775.7	25,177.4	27,225.0	30,335.6	32,716.1	30,788.1	30,822.4	90.5
A Agriculture, forestry and fishing	543.1	549.6	659.5	540.1	629.8	666.4	627.0	743.4	798.0	749.8	766.6	41.2
01 Crop and animal production, hunting and related service activities	447.3	446.2	551.2	431.1	521.9	544.0	476.9	562.4	618.7	576.3	594.9	33.0
02 Forestry and logging	93.4	100.7	105.8	105.8	105.2	119.6	147.3	178.2	176.8	169.5	167.6	79.4
03 Fishing and aquaculture	2.4	2.7	2.4	3.2	2.7	2.8	2.9	2.8	2.5	3.9	4.0	66.7
Employment, in '000												
Activities, total	914.5	919.7	934.2	931.4	935.1	930.8	945.2	976.7	1,001.9	983.7	958.8	4.8
A Agriculture, forestry and fishing	107.4	103.3	99.5	96.2	93.6	91.0	87.9	85.8	84.0	82.6	80.9	-24.7
01 Crop and animal production, hunting and related service activities	96.8	92.5	89.4	85.8	85.1	81.4	76.4	74.8	72.8	70.8	69.7	-28.0
02 Forestry and logging	10.3	10.5	9.7	10.0	8.3	9.3	11.2	10.7	11.0	11.5	10.9	5.8
03 Fishing and aquaculture	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.3	-25.0
Value added/employee, current prices, in EUR '000												
Activities, total	17.7	19.8	21.6	23.6	25.4	27.0	28.8	31.1	32.7	31.3	32.1	81.7
A Agriculture, forestry and fishing	5.1	5.3	6.6	5.6	6.7	7.3	7.1	8.7	9.5	9.1	9.5	87.4
01 Crop and animal production, hunting and related service activities	4.6	4.8	6.2	5.0	6.1	6.7	6.2	7.5	8.5	8.1	8.5	84.7
02 Forestry and logging	9.1	9.6	10.9	10.6	12.7	12.9	13.2	16.7	16.1	14.7	15.4	69.6
03 Fishing and aquaculture	6.0	6.8	6.0	8.0	9.0	9.3	14.5	14.0	12.5	19.5	13.3	122.2

Source: SORS.

³³ The economic accounts for agriculture are satellite accounts of national accounts for agriculture, but there are some methodological differences.

³⁴ One annual work unit corresponds to the work performed by one person who is occupied on an agricultural holding on a full-time basis.

³⁵ The factor income consists of the output value at producer prices plus both types of subsidies (on products and production) less intermediate consumption, consumption of fixed capital and taxes.

statistical appendix

MAIN INDICATORS	2006	2007	2008	2009	2010	2011	2012	2013
						Autumn forecast 2011		
GDP (real growth rates, in %)	5.8	6.9	3.6	-8.0	1.4	1.5	2.0	2.5
GDP in EUR million (current prices and current exchange rate)	31,050	34,562	37,280	35,311	35,416	35,924	37,334	38,871
GDP per capita, in EUR (current prices and current exchange rate)	15,464	17,120	18,437	17,295	17,286	17,601	18,256	18,974
GDP per capita (PPS) ¹	20,700	22,100	22,800	20,700	21,200	-	-	-
GDP per capita (PPS EU27=100) ¹	88	88	91	88	87	-	-	-
Gross national income (current prices and current fixed exchange rate)	30,677	33,828	36,232	34,593	34,894	35,357	36,522	38,032
Gross national disposable income (current prices and current fixed exchange rate)	30,462	33,601	35,871	34,344	34,940	35,420	36,460	38,039
Rate of registered unemployment	9.4	7.7	6.7	9.1	10.7	11.8	11.8	11.8
Standardised rate of unemployment (ILO)	6.0	4.9	4.4	5.9	7.2	8.0	8.0	8.0
Labour productivity (GDP per employee)	4.2	3.4	1.0	-6.3	4.0	3.0	2.0	2.5
Inflation, ² year average	2.5	3.6	5.7	0.9	1.8	1.6	1.8	2.0
Inflation, ² end of the year	2.8	5.6	2.1	1.8	1.9	1.7	1.9	1.9
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (real growth rates, in %)	12.5	13.7	2.9	-17.2	9.5	7.9	6.3	6.7
Exports of goods	13.4	13.9	0.5	-18.1	11.0	8.7	6.9	7.1
Exports of services	8.6	13.2	14.3	-13.7	4.1	4.6	3.8	4.9
Imports of goods and services ³ (real growth rates, in %)	12.2	16.7	3.7	-19.6	7.2	5.2	4.6	4.9
Imports of goods	12.7	16.2	3.0	-20.8	8.0	5.5	4.6	4.9
Imports of services	8.8	19.7	8.2	-12.0	2.6	3.1	4.9	5.4
Current account balance, in EUR million	-771	-1646	-2574	-456	-297	-351	-181	378
As a per cent share relative to GDP	-2.5	-4.8	-6.9	-1.3	-0.8	-1.0	-0.5	1.0
Gross external debt, in EUR million	24,067	34,783	39,234	40,294	40,699	42,754 ⁵	-	-
As a per cent share relative to GDP	77.5	100.6	105.2	114.1	114.9	-	-	-
Ratio of USD to EUR	1.254	1.371	1.471	1.393	1.327	1.418	1.434	1.434
DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS								
Private consumption (real growth rates, in %)	2.8	6.1	3.7	-0.1	-0.7	0.0	0.2	0.5
As a % of GDP ⁴	52.8	52.4	53.2	55.8	56.0	56.3	55.3	54.4
Government consumption (real growth rates, in %)	4.0	0.6	6.1	2.9	1.5	0.3	-0.5	0.1
As a % of GDP ⁴	18.8	17.3	18.1	20.3	20.8	20.8	20.1	19.6
Gross fixed capital formation (real growth rates, in %)	10.4	13.3	7.8	-23.3	-8.3	-7.5	6.0	5.0
As a % of GDP ⁴	26.5	27.8	28.8	23.4	21.6	20.0	20.8	21.5
Sources of data: SORS, BS, Eurostat, calculations and forecasts by IMAD (Autumn Report, September 2011). Notes: ¹ Measured in purchasing power standard. ² Consumer price index. ³ Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets. ⁴ Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64). ⁵ End September 2011.								

PRODUCTION	2008	2009	2010	2009		2010				2011			2009				2010
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9	10	11	12	1
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																	
Industry B+C+D	2.5	-17.4	6.2	-18.4	-7.1	-0.4	10.7	7.2	7.4	8.9	4.0	0.1	-16.8	-19.6	-1.8	4.7	-8.4
B Mining and quarrying	5.5	-2.9	11.0	6.1	4.8	-7.2	11.9	23.7	15.7	-5.2	-9.2	-8.9	1.8	-4.3	32.4	-14.8	-5.5
C Manufacturing	2.6	-18.7	6.6	-19.5	-7.9	-0.1	12.0	7.3	7.1	9.5	4.4	-0.2	-17.2	-20.8	-2.6	5.2	-8.8
D Electricity, gas & steam supply ¹	2.1	-6.6	1.8	-9.7	-5.5	-2.8	-0.5	3.6	7.0	6.6	3.4	4.9	-11.9	-5.6	-4.6	-6.3	-7.7
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																	
Construction, total	15.7	-21.0	-17.0	-24.5	-20.5	-18.9	-16.8	-16.4	-16.2	-25.3	-31.1	-25.2	-32.0	-28.3	-18.3	-9.5	-11.3
Buildings	11.5	-22.5	-14.0	-27.4	-19.6	-7.4	-12.4	-16.5	-19.2	-41.5	-46.5	-34.4	-31.4	-28.2	-20.0	-7.4	-6.6
Civil engineering	18.9	-19.9	-19.0	-22.6	-21.1	-29.3	-19.6	-16.2	-14.1	-6.3	-20.7	-19.6	-32.3	-28.4	-17.2	-11.3	-15.9
TRANSPORT, tonne-km in m, y-o-y growth rates, %																	
Tonne-km in road transport	18.4	-9.2	7.9	-12.3	-4.7	19.8	10.7	9.5	-6.3	-3.2	1.5	-	-	-	-	-	-
Tonne-km in rail transport	-2.3	-24.2	28.2	-30.7	-15.9	18.8	33.9	32.2	28.2	23.3	10.8	-	-	-	-	-	-
Distributive trades, y-o-y growth rates, %																	
Total real turnover*	10.1	-13.0	3.6	-16.0	-10.0	-1.4	4.9	4.7	5.3	6.7	5.8	7.3	-18.2	-13.0	-11.1	-5.9	-4.8
Real turnover in retail trade	12.2	-10.6	-0.1	-13.8	-11.1	-4.7	0.3	2.0	1.8	2.7	1.8	2.7	-16.7	-12.9	-13.5	-7.0	-8.5
Real turnover in the sale and maintenance of motor vehicles	6.2	-21.7	12.1	-23.6	-8.1	6.3	15.4	11.8	14.1	15.4	15.0	17.8	-24.6	-16.0	-7.2	-1.2	5.2
Nominal turnover in wholesale trade & commission trade	17.1	-21.4	1.4	-26.7	-18.1	-7.9	4.0	5.5	3.7	12.2	3.6	4.4	-27.6	-23.4	-19.0	-11.1	-10.8
TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards																	
Total, overnight stays	1.8	-3.4	-1.5	-1.8	-5.3	-0.4	-2.4	-2.2	0.4	3.1	6.6	6.6	-3.9	-2.9	-7.2	-6.5	1.0
Domestic tourists, overnight stays	5.2	2.8	-4.2	6.7	-4.0	1.3	-3.0	-9.6	-0.3	0.1	0.4	0.8	2.1	1.9	-5.1	-9.2	3.5
Foreign tourists, overnight stays	-0.5	-8.0	0.7	-7.1	-6.4	-2.1	-2.0	3.2	1.0	6.5	11.3	10.2	-7.3	-6.5	-9.3	-3.7	-0.9
Nominal turnover market services (without distributive trades)	6.7	-7.8	2.8	-8.0	-11.0	0.0	1.5	4.2	5.4	5.7	4.7	4.6	-10.3	-11.2	-11.6	-10.3	0.5
AGRICULTURE, y-o-y growth rates, %																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	529.9	449.3	454.5	109.0	129.0	94.6	106.7	115.6	137.5	100.4	113.3	125.7	39.2	43.4	38.4	47.2	29.7
BUSSINES TENDENCY (indicator values)**																	
Sentiment indicator	3	-22	-9	-18	-13	-12	-9	-6	-8	-7	-4	-6	-13	-12	-14	-13	-10
Confidence indicator																	
- in manufacturing	-5	-23	-1	-19	-12	-7	-1	2	0	4	3	-1	-14	-15	-11	-11	-6
- in construction	2	-50	-57	-54	-51	-57	-60	-56	-53	-52	-46	-44	-55	-55	-48	-49	-55
- in services	27	-14	-3	-9	-1	-2	-5	-1	-3	1	4	3	-4	5	-5	-3	5
- in retail trade	22	-13	7	-9	-7	-6	11	12	12	1	14	2	-6	-7	-7	-6	-8
Consumer confidence indicator	-20	-30	-25	-23	-25	-25	-23	-27	-25	-27	-25	-25	-17	-26	-24	-26	-25
Source of data: SORS. Notes: ¹ Only companies with activity of electricity supply are included. ² 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.																	

2010												2011										
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	
-1.6	8.1	8.5	14.1	9.6	6.3	12.4	4.0	4.8	4.3	13.8	13.9	6.9	6.7	3.6	4.6	3.7	-1.0	-1.5	2.5	-	-	
-16.5	0.2	9.4	19.0	7.4	15.9	37.4	19.2	20.7	-2.5	39.7	-5.6	-0.7	-8.4	-4.3	-22.4	0.6	-8.3	-17.7	-0.2	-	-	
-1.3	9.0	9.7	15.2	11.0	7.4	13.1	3.0	4.8	5.0	12.4	14.7	7.1	7.5	3.6	5.5	4.1	-1.4	-2.5	2.9	-	-	
-2.0	1.9	-2.1	3.1	-2.3	-3.6	1.2	13.6	2.2	0.6	17.4	10.6	5.9	3.2	5.3	2.9	2.0	4.0	11.8	-0.4	-	-	
-24.2	-19.8	-17.9	-15.5	-17.2	-17.4	-13.0	-18.7	-18.0	-17.5	-12.2	-20.9	-23.6	-29.7	-27.0	-29.3	-36.2	-27.0	-31.2	-17.0	-	-	
-10.2	-5.5	-13.7	-7.5	-15.8	-11.2	-17.8	-20.3	-17.4	-28.1	-12.4	-25.9	-41.2	-53.1	-37.9	-48.0	-52.8	-36.0	-36.7	-30.4	-	-	
-38.5	-30.8	-20.6	-20.3	-18.0	-21.0	-10.0	-17.6	-18.3	-10.3	-12.1	-15.4	2.7	-5.2	-19.0	-16.6	-25.9	-21.2	-28.0	-8.7	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-3.6	4.2	3.1	4.2	7.3	2.4	5.0	6.8	4.2	9.0	4.1	8.7	9.8	3.9	3.4	6.0	1.3	-0.1	6.4	2.4	-	-	
-5.2	-0.5	-1.7	-1.0	3.6	1.8	1.0	3.1	1.3	3.6	0.4	4.0	5.5	0.6	0.3	1.8	-1.0	-1.1	5.7	2.2	0.7	-	
-0.4	14.1	14.5	16.0	15.6	3.8	16.2	15.3	10.7	20.2	14.1	19.2	18.3	9.8	9.8	14.0	5.9	2.2	8.0	2.8	2.3	-	
-13.1	-0.9	-3.4	5.0	10.8	3.1	7.9	5.6	1.1	4.8	5.3	11.2	15.4	10.4	4.2	5.9	0.8	-0.6	8.5	5.4	-	-	
-2.1	0.1	-1.7	-3.0	-2.5	-1.7	-3.6	-0.3	2.5	-0.8	-1.2	4.9	-1.9	6.7	13.6	-4.2	10.6	4.1	7.0	9.8	3.0	-	
-0.1	1.1	2.1	-7.2	-3.3	-9.0	-11.1	-7.9	-3.0	-0.5	3.2	0.1	-2.0	2.7	9.3	-3.0	-3.4	-3.7	2.1	7.3	-1.9	-	
-5.2	-1.0	-4.6	-0.1	-1.8	4.3	1.6	4.4	7.0	-1.1	-5.4	8.6	-1.7	11.0	17.2	-5.0	21.6	9.7	10.0	11.2	6.7	-	
-1.5	1.1	-1.4	2.3	3.6	5.6	4.8	2.2	6.8	4.5	4.9	7.2	4.9	5.1	7.0	0.5	6.8	2.2	4.7	6.9	-	-	
28.6	36.4	35.5	36.0	35.1	37.4	36.2	42.1	45.7	44.1	47.7	32.9	30.5	36.9	36.9	39.6	36.8	42.2	39.8	43.7	-	-	
-11	-15	-12	-9	-6	-5	-7	-7	-7	-8	-8	-7	-7	-6	-4	-3	-5	-5	-7	-6	-10	-10	
-8	-6	-3	-1	1	5	1	1	3	-1	-1	4	4	3	5	3	1	0	-2	-2	-9	-7	
-56	-61	-62	-58	-59	-60	-56	-51	-50	-54	-56	-55	-50	-50	-49	-44	-45	-46	-43	-43	-44	-46	
2	-12	-9	-4	-3	0	-2	-2	-4	-2	-2	0	-2	4	5	3	3	3	5	2	0	-3	
-6	-5	9	9	14	10	14	12	13	10	12	-4	12	-4	13	17	13	-2	-8	16	15	16	
-23	-26	-24	-23	-21	-27	-27	-27	-26	-24	-26	-26	-28	-26	-27	-24	-23	-24	-27	-23	-26	-26	

LABOUR MARKET	2008	2009	2010	2009		2010				2011			2009		
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	10	11	12
FORMAL LABOUR FORCE (A=B+E)	942.5	944.5	935.5	942.6	943.9	935.8	937.8	933.8	934.8	936.8	937.5	931.1	945.0	945.5	941.3
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	879.3	858.2	835.0	854.3	848.4	836.3	839.2	835.4	829.3	821.9	828.4	823.9	850.4	850.0	844.7
In agriculture, forestry, fishing	39.7	37.9	33.4	37.9	37.8	31.9	34.6	34.0	33.3	38.0	40.1	38.8	37.9	37.8	37.7
In industry, construction	330.4	306.9	287.3	304.0	296.8	290.9	289.2	287.0	281.9	273.7	274.2	272.7	298.8	297.6	294.0
Of which: in manufacturing	222.4	199.8	188.6	196.7	191.7	190.0	189.4	188.1	186.8	184.1	184.7	184.4	192.5	192.1	190.6
in construction	87.9	86.8	78.5	86.9	84.8	80.9	79.6	78.6	75.0	69.7	69.3	67.9	86.0	85.2	83.3
In services	509.1	513.4	514.3	512.4	513.7	513.5	515.3	514.3	514.1	510.2	514.1	512.4	513.7	514.6	512.9
Of which: in public administration	51.0	51.5	52.0	51.7	51.6	51.8	52.3	52.1	51.8	51.2	51.5	51.4	51.6	51.7	51.6
in education, health-services, social work	111.1	113.8	116.7	113.3	114.7	115.9	116.8	116.3	118.0	117.8	118.8	118.5	114.6	114.9	114.7
FORMALLY EMPLOYED (C)¹	789.9	767.4	747.2	762.9	756.1	750.1	751.0	747.0	740.6	728.1	731.9	728.9	758.3	757.7	752.4
In enterprises and organisations	717.6	699.4	685.7	695.5	690.5	687.2	688.7	685.7	681.3	671.4	673.9	671.3	691.8	691.8	687.8
By those self-employed	72.3	67.9	61.5	67.4	65.7	62.9	62.3	61.4	59.3	56.7	58.0	57.6	66.5	65.9	64.6
SELF-EMPLOYED AND FARMERS (D)	89.4	90.8	87.8	91.4	92.2	86.2	88.1	88.3	88.7	93.8	96.5	95.0	92.1	92.3	92.2
REGISTERED UNEMPLOYMENT (E)	63.2	86.4	100.5	88.3	95.6	99.4	98.6	98.4	105.5	114.9	109.1	107.2	94.6	95.4	96.7
Female	33.4	42.4	47.9	43.2	46.4	47.0	46.8	47.8	50.2	52.9	50.9	51.1	46.3	46.5	46.5
By age: under 26	9.1	13.3	13.9	12.8	15.2	14.7	13.5	12.4	15.1	14.5	12.6	11.3	15.5	15.1	14.8
aged over 50	21.9	26.2	31.4	26.9	28.3	29.6	30.3	31.1	34.5	40.1	39.1	38.7	27.8	28.3	28.7
Unskilled	25.4	34.1	37.5	34.8	36.6	38.2	37.1	36.6	38.2	41.6	39.2	38.1	36.1	36.4	37.2
For more than 1 year	32.3	31.5	42.8	31.1	33.4	38.1	41.8	44.0	47.2	48.7	48.6	49.6	32.5	33.3	34.4
Those receiving benefits	14.4	27.4	30.0	28.6	30.8	31.6	29.3	29.3	29.7	39.7	36.4	34.9	30.8	30.3	31.2
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	6.7	9.1	10.7	9.4	10.1	10.6	10.5	10.5	11.3	12.3	12.2	11.5	10.0	10.1	10.3
Male	5.6	8.3	10.1	8.5	9.3	10.1	9.9	9.7	10.7	12.0	11.9	10.9	9.1	9.3	9.6
Female	8.1	10.2	11.6	10.4	11.1	11.3	11.3	11.5	12.1	12.6	12.5	12.3	11.1	11.2	11.2
FLOWS OF FORMAL LABOUR FORCE	-2.2	30.4	13.3	1.9	8.3	2.2	-0.7	-0.3	12.1	3.9	-6.9	0.0	6.2	0.9	1.2
New unemployed first-job seekers	12.5	17.0	16.8	3.0	8.1	2.9	2.4	2.8	8.7	3.2	2.0	2.7	5.9	1.3	0.9
Redundancies	53.0	90.5	83.5	19.9	23.2	19.9	16.6	18.5	28.6	24.4	16.8	18.7	8.5	7.9	6.8
Registered unemployed who found employment	41.7	48.6	57.0	14.2	13.1	14.2	12.8	15.5	14.5	17.5	17.2	13.4	4.4	4.8	3.9
Other outflows from unemployment (net)	26.1	28.5	29.9	6.9	9.9	6.3	6.9	6.0	10.7	6.2	8.5	8.0	3.8	3.6	2.5
REGISTERED VACANCIES³	240.5	161.3	174.6	41.9	39.0	37.9	44.3	45.9	46.5	45.5	52.9	52.3	15.7	11.7	11.6
For a fixed term, in %	74.5	78.1	80.7	80.8	78.6	78.9	81.2	82.2	80.0	81.5	81.0	82.8	78.2	80.1	77.7
WORK PERMITS FOR FOREIGNERS	51.5	54.9	41.6	53.0	47.3	44.1	42.1	40.7	39.4	38.0	35.5	34.7	48.9	47.2	45.8
As % of labour force	5.5	5.8	4.4	5.6	5.0	4.7	4.5	4.4	4.2	4.1	3.8	3.7	5.2	5.0	4.9
NEW JOBS	162.7	111.4	104.1	28.2	28.3	23.6	25.1	27.9	27.5	27.3	27.3	26.3	11.9	8.9	7.6

Sources of data: SORS, PDII, ESS. Notes: ¹In January 2005, the SORS adopted new methodology of obtaining data on persons in paid employment. The new source of data for employed and self-employed persons excluding farmers is the Statistical Register of Employment (SRE), while data on farmers are forecast using the ARIMA model based on quarterly figures for farmers from the Labour Force Survey. Data for previous years dating back to January 2000 have also been calculated according to the new methodology. ²Estimated by IMAD, based on data by PDII and ESS; ³According to ESS.

2010												2011								
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
935.7	935.8	935.8	938.6	937.3	937.5	934.3	933.0	934.1	938.2	937.2	929.0	936.0	937.3	937.1	938.4	937.7	936.3	931.7	930.0	931.5
836.1	836.0	836.9	839.3	838.9	839.3	835.9	834.0	836.2	835.5	833.4	819.0	820.9	821.7	823.1	826.9	829.0	829.2	824.2	823.0	824.5
31.9	31.9	31.9	34.6	34.6	34.7	34.1	34.0	34.0	33.3	33.3	33.1	38.0	38.0	38.1	40.1	40.1	40.1	38.9	38.8	38.8
291.5	290.6	290.7	289.9	289.2	288.6	287.9	286.5	286.6	285.8	283.9	276.0	274.4	273.6	273.1	273.5	274.7	274.4	272.6	272.8	272.7
190.0	189.9	190.0	189.7	189.4	189.0	188.5	187.7	188.1	188.4	187.9	184.1	183.9	184.3	184.3	184.3	185.1	184.6	183.8	184.0	185.2
81.5	80.7	80.5	80.1	79.5	79.3	79.1	78.6	78.2	77.1	75.8	72.1	70.7	69.5	68.9	69.1	69.4	69.4	68.4	68.4	67.0
512.6	513.5	514.4	514.7	515.1	516.1	514.0	513.4	515.7	516.4	516.1	509.9	508.5	510.1	511.9	513.3	514.3	514.7	512.7	511.4	513.1
51.6	51.8	52.0	52.3	52.3	52.4	52.2	52.1	52.1	52.0	52.0	51.5	51.2	51.2	51.2	51.5	51.6	51.6	51.4	51.5	51.2
115.4	115.9	116.4	116.7	116.8	116.9	115.8	115.6	117.5	117.9	118.5	117.7	117.3	117.8	118.3	118.6	118.9	119.0	118.2	118.1	119.3
749.7	749.8	750.9	750.9	750.8	751.3	748.1	745.7	747.3	746.8	744.6	730.5	727.3	727.8	729.0	730.5	732.5	732.6	729.0	728.1	729.7
686.4	686.9	688.3	688.5	688.6	689.1	686.3	684.4	686.4	686.2	684.8	673.0	670.7	671.3	672.1	672.9	674.3	674.4	671.1	670.5	672.2
63.3	62.8	62.7	62.4	62.2	62.1	61.8	61.3	61.0	60.5	59.8	57.6	56.6	56.6	56.9	57.6	58.2	58.2	57.9	57.5	57.4
86.4	86.3	86.0	88.4	88.0	88.1	87.8	88.3	88.9	88.8	88.8	88.5	93.5	93.8	94.1	96.4	96.5	96.6	95.1	95.0	94.8
99.6	99.8	98.9	99.3	98.4	98.2	98.4	99.0	97.9	102.7	103.8	110.0	115.1	115.6	113.9	111.6	108.6	107.1	107.6	107.0	107.0
47.2	47.0	46.6	47.0	46.7	46.8	47.5	48.1	47.7	49.8	49.5	51.2	53.2	53.2	52.4	51.8	50.7	50.2	50.9	51.0	51.3
15.0	14.7	14.3	14.1	13.4	13.0	12.6	12.5	12.2	15.7	15.1	14.4	14.7	14.7	14.1	13.4	12.5	11.9	11.5	11.1	11.2
29.5	29.7	29.7	30.1	30.3	30.5	30.9	31.1	31.3	31.7	33.0	38.9	40.2	40.2	39.9	39.4	39.1	38.8	38.9	38.8	38.4
38.3	38.4	37.9	37.6	37.1	36.7	36.4	36.6	36.7	37.2	37.5	39.9	41.6	41.9	41.2	40.1	39.1	38.4	38.1	37.9	38.3
36.9	37.9	39.4	40.6	41.8	42.9	43.2	44.1	44.6	46.7	47.5	47.4	48.6	49.0	48.7	48.8	48.6	48.5	48.8	49.6	50.4
32.2	31.7	30.9	29.9	29.2	28.9	29.0	29.4	29.4	28.2	29.7	31.2	39.2	40.2	39.8	37.5	36.4	35.3	35.2	35.1	34.4
10.6	10.7	10.6	10.6	10.5	10.5	10.5	10.6	10.5	10.9	11.1	11.8	12.3	12.3	12.2	11.9	11.6	11.4	11.5	11.5	11.5
10.0	10.1	10.0	10.0	9.9	9.8	9.8	9.8	9.7	10.1	10.4	11.4	12.0	12.0	11.9	11.5	11.2	11.0	11.0	10.9	10.8
11.4	11.3	11.2	11.3	11.2	11.3	11.5	11.6	11.5	12.0	11.9	12.4	12.7	12.7	12.5	12.3	12.1	12.0	12.2	12.3	12.3
2.9	0.2	-0.9	0.4	-0.9	-0.2	0.2	0.6	-1.1	4.8	1.1	6.2	5.1	0.5	-1.7	-2.4	-2.9	-1.6	0.5	-0.6	0.1
1.0	0.8	1.0	0.9	0.7	0.8	0.7	0.8	1.4	6.3	1.4	0.9	1.3	1.0	0.9	0.7	0.7	0.7	0.6	0.7	1.4
8.6	5.4	5.8	5.7	5.5	5.4	6.1	5.7	6.7	7.1	8.2	13.2	11.8	6.0	6.6	5.4	5.6	5.7	6.4	5.7	6.6
5.0	4.0	5.1	3.9	4.7	4.2	4.8	4.0	6.8	4.8	4.9	4.7	5.8	4.9	6.8	6.0	6.3	4.9	4.0	4.1	5.4
1.7	2.0	2.6	2.4	2.4	2.1	1.8	1.8	2.4	3.8	3.6	3.3	2.2	1.6	2.4	2.5	3.0	3.0	2.6	2.9	2.5
12.7	11.7	13.5	14.5	13.7	16.1	15.2	14.9	15.8	17.4	14.7	14.3	15.2	14.3	16.0	15.7	17.8	19.3	15.5	17.2	19.5
77.2	79.9	79.7	82.2	81.8	79.8	81.1	83.0	82.6	81.4	80.4	78.1	80.9	81.7	81.8	81.5	82.1	79.3	80.9	83.5	83.9
44.8	44.2	43.3	42.9	42.1	41.4	40.7	40.8	40.7	40.2	39.4	38.5	38.3	38.1	37.7	37.4	34.6	34.5	34.5	34.7	34.9
4.8	4.7	4.6	4.6	4.5	4.4	4.4	4.4	4.4	4.3	4.2	4.1	4.1	4.1	4.0	4.0	3.7	3.7	3.7	3.7	3.7
8.9	7.0	7.7	8.9	7.8	8.4	8.2	6.6	13.0	10.9	8.8	7.8	10.0	7.6	9.6	9.4	9.2	8.7	7.6	6.5	12.3

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2008	2009	2010	2009		2010				2011			2009				
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	6	7	8	9	10
GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %																	
Activity - Total	8.3	3.4	3.9	2.3	1.7	3.7	4.3	4.2	3.3	3.1	2.0	1.7	4.7	3.8	0.7	2.4	1.7
A Agriculture, forestry and fishing	9.1	-0.2	5.8	-0.5	-2.9	3.3	5.2	7.4	6.9	7.1	4.2	1.1	4.7	-0.4	-0.3	-0.7	-5.5
B Mining and quarrying	13.4	0.9	4.0	1.6	-4.9	3.4	4.7	1.9	6.0	3.6	0.3	5.8	9.4	2.3	6.2	-3.5	-20.3
C Manufacturing	7.5	0.8	9.0	0.4	3.7	10.1	10.0	8.7	6.8	5.4	3.6	3.5	0.1	0.1	-0.6	1.6	1.9
D Electricity, gas, steam and air conditioning supply	9.5	3.8	3.7	5.1	-3.2	4.7	2.4	3.6	4.4	1.6	5.2	3.5	10.3	5.6	2.9	6.7	-10.4
E Water supply sewerage, waste management and remediation activities	7.8	2.0	2.2	1.2	0.1	2.7	3.0	2.0	1.3	-0.1	1.5	1.1	5.2	1.6	1.2	0.9	-3.3
F Construction	7.5	1.0	4.4	1.6	0.9	2.9	5.8	4.1	5.2	5.5	1.5	0.3	3.4	2.9	0.6	1.4	-1.4
G Wholesale and retail trade, repair of motor vehicles and motorcycles	7.7	1.9	3.7	1.2	0.1	2.6	4.1	4.3	3.9	3.2	2.6	2.3	2.4	1.6	1.5	0.6	0.4
H Transportation and storage	8.4	0.7	2.0	0.5	-1.4	1.1	1.2	2.5	3.1	2.3	3.0	3.9	1.1	2.0	-4.8	4.4	-1.0
I Accommodation and food service activities	8.3	1.6	4.0	0.6	1.0	2.8	4.2	4.5	4.5	4.7	2.4	2.0	1.3	1.4	0.6	-0.2	-0.3
J Information and communication	7.3	1.4	2.6	0.8	-1.6	1.0	2.5	3.4	3.5	1.0	1.2	1.8	3.4	2.5	0.0	0.0	0.7
K Financial and insurance activities	6.0	-0.7	1.0	0.3	-0.5	1.2	3.2	2.6	-2.6	2.3	2.4	0.8	-1.6	2.0	0.5	-1.7	6.3
L Real estate activities	6.0	1.9	3.0	1.8	4.5	2.6	5.3	2.9	1.0	4.1	2.9	3.4	-0.5	1.9	1.4	2.0	4.2
M Professional, scientific and technical activities	8.4	2.1	1.6	1.5	0.0	1.6	1.8	2.3	0.7	0.4	0.2	-0.6	3.3	2.0	1.1	1.3	0.4
N Administrative and support service activities	9.6	1.8	4.1	-0.2	-0.6	2.5	4.3	4.6	4.8	4.3	3.2	3.9	1.4	0.0	-0.1	-0.4	-1.0
O Public administration and defence, compulsory social security	12.2	5.9	-0.6	2.5	0.5	-1.9	-1.1	0.4	0.3	1.2	0.6	-0.1	8.4	5.3	-0.3	2.6	1.1
P Education	7.0	3.6	0.6	1.2	0.6	0.2	0.7	1.0	0.6	0.7	-0.1	-0.3	5.7	2.9	-1.7	2.6	1.8
Q Human health and social work activities	12.0	12.0	-0.3	5.5	1.4	-0.4	-1.0	0.3	-0.3	-0.9	-0.8	-0.5	19.3	16.0	0.4	1.7	2.4
R Arts, entertainment and recreation	5.3	3.9	0.5	2.2	0.9	0.7	1.4	1.2	-1.2	-0.2	-1.2	-1.0	4.0	5.8	0.1	1.1	3.2
S Other service activities	8.2	1.3	4.2	0.7	0.0	3.2	4.9	5.5	3.3	2.7	1.5	0.6	1.2	0.9	0.8	0.3	-0.4
INDICATORS OF OVERALL COMPETITIVENESS, y-o-y growth rates, %																	
Effective exchange rate, ¹ nominal	0.5	0.4	-1.7	0.3	1.8	-0.3	-1.9	-2.3	-2.2	-1.3	0.6	0.6	0.1	-0.1	0.2	0.9	2.2
Real (relative consumer prices)	2.8	0.7	-1.4	0.2	2.3	-0.3	-1.4	-1.7	-2.3	-1.9	-0.3	-0.9	0.3	-0.4	0.2	0.9	2.1
Real (relative producer prices) ²	0.8	2.9	-2.8	3.7	1.4	-2.4	-3.3	-2.9	-2.8	-2.1	-0.7	-1.0	4.0	4.1	3.1	3.8	3.9
USD/EUR	1.471	1.393	1.327	1.431	1.478	1.384	1.273	1.291	1.359	1.367	1.439	1.413	1.402	1.409	1.427	1.456	1.482
Sources of data: SORS, AP, BS, ECB, OECD Main Economic Indicators; calculations by IMAD. Notes: ¹ Relative to 17 trading partners; weights are the shares of individual trading partners in Slovenian exports and imports of goods within manufacturing (5–8 SITC) in 2001–2003; exports are double weighted; a rise in the index value indicates an appreciation of domestic currency and vice versa. ² Industrial producer prices in manufacturing activities.																	

2009		2010												2011								
11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
1.3	2.1	2.2	3.6	5.2	4.2	4.2	4.4	4.0	5.1	3.6	2.7	4.1	3.1	3.3	4.3	1.7	1.4	2.8	2.0	1.3	2.5	1.4
-0.9	-2.5	1.1	3.0	5.7	5.6	4.3	5.6	7.1	8.6	6.6	5.6	5.9	9.3	7.7	8.0	5.7	2.5	6.8	3.4	-1.5	3.8	1.1
16.1	-8.7	2.0	3.5	4.7	1.4	14.0	-0.8	0.8	1.8	3.1	-0.4	0.8	18.6	3.4	0.4	6.8	9.0	-5.8	-1.4	6.4	4.3	6.6
4.6	4.3	6.7	8.3	15.2	10.7	10.1	9.4	8.1	11.0	7.0	5.1	8.3	6.8	5.6	10.1	1.0	1.9	5.2	3.8	1.8	5.2	3.4
-8.6	12.1	3.5	6.6	4.3	3.3	0.8	3.0	1.6	6.5	2.7	-3.4	13.0	1.6	-0.2	1.2	3.7	1.6	7.2	6.8	3.6	4.7	2.2
2.1	1.1	0.0	3.0	5.1	3.5	3.6	2.0	1.6	2.9	1.5	-1.2	3.3	1.5	-0.2	0.1	-0.2	-1.1	3.4	2.3	-1.2	3.3	1.1
1.1	2.9	1.0	2.9	4.6	7.2	5.8	4.5	2.1	6.5	3.8	5.6	5.6	4.4	6.1	6.4	4.2	-0.5	1.6	3.4	-0.9	0.9	0.8
-0.8	0.6	0.3	2.4	5.2	4.2	4.0	4.1	4.0	4.5	4.3	4.2	4.5	2.9	3.8	4.3	1.5	2.2	2.4	3.3	2.0	3.2	1.7
-3.3	0.5	-1.5	1.8	3.2	1.5	1.6	0.5	1.8	3.4	2.3	2.6	4.0	2.7	2.7	3.4	0.8	1.5	2.0	5.4	9.6	4.0	-1.5
3.2	0.0	2.2	1.8	4.4	3.7	4.2	4.6	4.0	4.1	5.5	5.1	4.1	4.3	5.1	5.6	3.5	2.8	1.7	2.6	1.3	3.3	1.6
-3.6	-1.6	0.0	1.6	1.5	2.3	3.1	2.1	2.9	4.3	3.1	1.1	5.9	3.3	2.1	1.4	-0.6	1.2	1.7	0.5	-0.3	2.5	3.1
-1.8	-5.1	1.0	1.6	1.1	2.5	-0.6	7.6	5.0	1.2	1.5	-4.1	-4.6	1.4	5.2	1.6	0.3	2.6	9.0	-4.0	-1.7	3.2	0.9
5.3	4.0	1.8	3.3	2.7	3.7	3.9	8.4	4.1	3.1	1.5	0.8	2.3	-0.4	3.0	2.9	6.5	2.2	4.4	2.3	2.0	4.7	3.4
0.6	-0.9	1.0	1.7	2.0	1.8	1.5	2.1	1.7	3.9	1.3	-0.2	1.4	0.8	1.0	0.2	0.0	0.0	0.9	-0.3	-1.2	0.2	-0.9
-1.8	1.1	-1.2	4.1	4.7	5.1	4.1	3.9	3.8	5.3	4.6	5.5	5.7	3.1	5.3	4.5	3.0	2.9	2.8	3.8	3.5	3.1	5.2
-2.0	2.4	-1.1	-1.5	-3.0	-2.1	-0.6	-0.5	0.9	-0.1	0.3	1.3	0.6	-0.9	0.5	1.0	2.2	0.6	0.7	0.6	0.2	0.1	-0.6
0.0	-0.1	0.5	0.5	-0.4	0.2	1.0	1.0	0.7	1.2	1.2	0.6	1.2	0.1	0.6	0.8	0.8	0.3	-0.2	-0.3	-0.4	-0.5	0.1
0.8	1.0	-1.6	1.2	-0.6	-2.3	-0.2	-0.4	0.7	0.2	0.0	0.3	0.0	-1.2	-1.4	-0.7	-0.5	-0.9	-0.8	-0.6	-0.1	-1.0	-0.5
-0.5	-0.1	0.5	0.6	1.0	2.1	1.3	0.7	0.9	1.1	1.5	-2.2	0.0	-1.5	-0.6	-0.3	0.3	-1.6	-2.1	0.1	-0.2	-1.2	-1.4
-0.4	0.6	3.4	2.2	4.1	6.1	3.9	4.7	6.0	5.9	4.5	5.4	3.7	1.0	2.5	3.8	1.7	0.0	2.4	2.0	-1.0	1.6	1.1
2.3	0.9	0.4	-0.3	-1.1	-1.1	-1.9	-2.7	-2.1	-2.3	-2.5	-2.0	-2.2	-2.5	-2.1	-1.2	-0.6	0.1	0.5	1.1	0.6	0.7	0.5
3.3	1.5	0.5	-0.1	-1.1	-0.4	-1.4	-2.2	-1.6	-1.4	-2.0	-1.8	-2.5	-2.5	-2.4	-2.1	-1.1	-0.8	0.0	-0.2	-1.1	-1.1	-0.3
1.6	-1.0	-1.9	-2.1	-3.2	-3.8	-2.9	-3.2	-2.9	-2.5	-3.2	-2.8	-2.4	-3.2	-2.7	-1.9	-1.6	-0.7	-1.1	-0.2	-1.1	-0.6	-1.1
1.491	1.461	1.427	1.369	1.357	1.341	1.257	1.221	1.277	1.2894	1.3067	1.390	1.366	1.322	1.336	1.365	1.400	1.444	1.435	1.439	1.426	1.434	1.377

PRICES	2008	2009	2010	2009		2010				2011			2009				
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	8	9	10	11	12
CPI, y-o-y growth rates, %	5.7	0.9	1.8	-0.2	1.1	1.4	2.1	2.1	1.7	1.7	1.7	1.3	0.0	-0.1	0.0	1.6	1.8
Food, non-alcoholic beverages	10.1	0.6	1.0	-0.7	-1.0	-1.4	0.7	2.6	2.0	3.9	5.0	3.7	-0.4	-0.4	-1.2	-0.8	-1.1
Alcoholic beverages, tobacco	3.2	6.7	7.2	8.5	7.9	7.1	6.5	7.3	8.1	8.1	6.3	3.7	8.6	7.7	7.7	8.1	8.0
Clothing and footwear	4.4	-0.6	-1.9	-2.2	-3.0	-5.0	-1.9	-0.6	-0.4	-0.7	-2.4	-4.2	-1.7	-3.6	-2.7	-2.8	-3.4
Housing, water, electricity, gas	9.7	-0.3	10.2	-3.5	3.0	8.3	11.3	12.0	9.0	6.8	5.4	4.8	-3.5	-2.2	-1.7	4.5	6.3
Furnishings, household equipment	5.8	4.0	1.4	3.5	1.9	1.3	0.8	1.3	2.1	2.7	3.9	2.4	4.0	2.5	2.1	2.2	1.5
Medical, pharmaceutical products	2.9	4.0	2.1	1.4	0.7	-0.6	0.6	4.0	4.6	2.9	2.6	0.8	1.6	0.7	0.6	1.3	0.3
Transport	1.9	-3.0	-0.3	-4.1	0.6	1.2	-0.1	-1.8	-0.5	0.8	0.5	1.1	-3.5	-3.1	-2.8	1.9	2.9
Communications	0.6	-4.1	1.4	-4.3	-3.2	0.0	1.4	1.3	2.8	2.7	1.6	2.3	-4.2	-4.6	-3.7	-4.0	-1.9
Recreation and culture	4.4	3.0	0.4	2.8	2.5	1.2	0.4	-0.2	0.1	-2.6	-1.0	-1.7	2.7	2.7	3.1	2.7	1.7
Education	5.2	3.4	1.6	2.7	2.7	2.0	1.9	1.6	0.8	1.7	1.6	1.9	3.0	2.2	2.7	2.6	2.6
Catering services	9.6	4.4	-2.5	4.0	2.7	1.9	1.9	-2.9	-11.0	-11.0	-10.9	-6.2	4.2	3.3	3.1	2.3	2.6
Miscellaneous goods & services	3.9	3.8	1.4	4.4	3.9	2.3	2.0	0.5	0.7	1.4	2.3	2.4	4.4	4.3	4.2	4.1	3.6
HCPI	5.5	0.9	2.1	-0.2	1.4	1.7	2.4	2.3	2.0	2.2	2.0	1.5	0.1	0.0	0.2	1.8	2.1
Core inflation (excluding fresh food and energy)	4.6	1.9	0.3	1.2	0.7	0.0	0.4	0.4	0.4	0.5	1.1	1.2	1.3	0.9	0.7	1.0	0.3
PRODUCER PRICE INDICES, y-o-y growth rates, %																	
Total	3.8	-1.3	2.1	-3.1	-1.8	-1.0	2.3	3.4	3.8	5.7	4.8	4.1	-3.3	-2.8	-2.4	-1.9	-1.2
Domestic market	5.6	-0.4	2.0	-1.5	-1.1	0.2	2.0	2.8	3.2	4.5	4.1	3.7	-1.7	-1.6	-1.4	-1.1	-0.7
Non-domestic market	2.2	-2.2	2.2	-4.5	-2.5	-2.1	2.6	4.0	4.4	6.9	5.5	4.6	-4.9	-4.0	-3.2	-2.6	-1.7
euro area	2.2	-3.5	2.2	-6.0	-3.0	-2.4	2.5	4.0	4.8	8.2	6.5	5.1	-6.4	-4.8	-3.9	-2.8	-2.3
non-euro area	2.1	0.3	2.1	-1.7	-1.6	-1.6	2.7	3.8	3.5	4.0	3.1	3.5	-2.0	-2.4	-1.9	-2.3	-0.6
Import price indices	1.3	-3.3	7.4	-4.7	-1.8	4.0	8.8	7.8	8.9	8.9	5.5	4.5	-5.0	-4.5	-3.7	-2.1	0.4
PRICE CONTROL,¹ y-o-y growth rates, %																	
Energy prices	12.4	-12.3	16.5	-17.3	0.4	16.1	18.8	15.9	15.3	15.1	9.9	8.3	-16.3	-13.9	-12.6	3.8	13.0
Oil products	11.7	-12.0	17.3	-15.9	6.2	21.9	20.3	13.5	14.6	15.7	10.5	9.9	-14.8	-11.5	-9.4	10.3	21.9
Basic utilities	0.6	3.6	-	0.8	10.8	-	-	-	-	-	-	-	0.8	0.8	0.8	16.3	15.4
Transport & communications	-0.4	0.6	1.8	2.5	2.5	2.5	2.7	1.1	1.1	1.1	1.1	1.1	2.5	2.5	2.5	2.5	2.5
Other controlled prices	1.8	4.9	1.3	5.6	4.9	4.9	0.4	0.1	0.1	0.1	0.1	0.0	4.9	4.9	4.9	4.9	4.9
Direct control – total	8.6	-6.9	14.2	-10.9	2.9	14.1	16.1	14.4	12.2	7.2	1.5	0.5	-10.2	-8.6	-7.6	6.0	11.8

Source of data: SORS, calculations and estimates IMAD.

Note: ¹The structure of groups varies, data published are not directly comparable to those published previously. The electricity market was liberalized on 1 July 2007. Data from July 2007 onwards are not comparable. Since July 2009, formation of prices for utility services is no longer under government control.

2010												2011									
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10
1.5	1.3	1.4	2.3	2.1	1.9	2.1	2.3	2.0	1.9	1.4	1.9	1.8	1.4	1.9	1.7	2.2	1.3	0.9	0.9	2.1	2.7
-2.4	-1.2	-0.7	-0.1	0.4	1.7	2.8	2.9	2.2	1.9	1.9	2.2	3.7	4.1	3.9	4.2	6.3	4.6	2.9	3.8	4.4	5.6
7.9	7.6	5.9	9.9	5.1	4.5	5.2	8.2	8.5	8.2	8.0	8.1	7.8	8.3	8.3	6.3	6.4	6.2	5.4	2.8	3.0	4.8
-5.9	-5.7	-3.6	-0.9	-2.4	-2.3	-2.1	-1.7	1.9	-1.1	0.0	-0.1	0.1	-0.1	-2.1	-2.8	-1.5	-3.0	-4.2	-4.9	-3.4	2.0
7.6	8.4	8.9	10.7	11.6	11.7	12.4	12.3	11.4	11.7	7.1	8.3	7.4	6.6	6.5	6.3	5.9	3.9	4.4	4.9	5.1	5.5
1.8	1.6	0.6	1.0	0.7	0.8	0.5	1.3	2.2	2.0	1.8	2.6	2.4	2.5	3.3	3.5	4.2	3.9	3.5	1.7	2.1	1.8
-0.3	-0.7	-0.7	0.7	0.5	0.5	2.8	4.0	5.2	5.1	4.4	4.3	3.2	3.0	2.6	2.5	2.6	2.8	1.0	0.8	0.5	0.5
2.3	0.5	0.9	0.8	0.4	-1.5	-1.2	-2.0	-2.1	-0.6	-1.2	0.3	0.7	1.0	0.7	0.4	0.7	0.4	0.1	1.1	2.0	1.9
-0.6	0.2	0.4	1.0	1.5	1.6	-0.3	0.7	3.5	2.5	2.8	3.2	1.4	3.3	3.3	2.3	1.9	0.5	3.4	2.5	0.9	-1.8
1.7	1.0	0.8	0.9	0.6	-0.2	-0.6	-0.3	0.3	0.1	-0.1	0.4	-0.9	-6.5	-0.4	-0.5	-1.1	-1.3	-1.8	-2.0	-1.2	-0.3
2.4	1.8	1.8	1.8	1.9	1.9	1.9	1.9	0.9	0.4	1.3	0.7	1.7	1.8	1.7	1.7	1.6	1.6	1.6	1.6	2.5	1.8
2.0	1.8	2.0	1.9	2.1	1.7	1.3	1.2	-11.2	-10.9	-11.0	-11.1	-11.1	-11.1	-10.9	-11.2	-10.9	-10.5	-10.2	-9.8	2.7	2.0
3.3	2.3	1.3	1.8	2.1	2.0	0.7	0.4	0.4	0.9	0.6	0.6	0.8	1.2	2.3	2.5	2.4	2.2	2.2	2.3	2.7	2.4
1.8	1.6	1.8	2.7	2.4	2.1	2.3	2.4	2.1	2.1	1.6	2.2	2.3	2.0	2.4	2.0	2.4	1.6	1.1	1.2	2.3	2.9
0.1	-0.1	0.0	0.6	0.4	0.2	0.2	0.5	0.6	0.5	0.2	0.6	0.4	0.2	1.0	1.0	1.3	1.1	1.0	0.8	1.9	2.3
-1.4	-1.2	-0.2	1.0	2.9	3.0	3.4	3.5	3.2	3.5	3.8	4.2	5.2	5.9	6.0	5.7	4.2	4.4	4.1	4.2	4.1	3.7
-0.1	0.1	0.5	0.7	2.6	2.6	2.7	2.9	2.8	3.1	3.2	3.5	4.0	4.8	4.8	5.0	3.6	3.7	3.7	3.8	3.6	3.1
-2.8	-2.5	-0.9	1.3	3.2	3.3	4.2	4.1	3.6	3.9	4.5	4.9	6.4	7.1	7.2	6.4	4.9	5.1	4.6	4.6	4.6	4.3
-3.0	-3.1	-1.0	1.3	3.2	3.1	4.5	4.1	3.4	4.1	4.8	5.6	7.5	8.6	8.6	7.9	5.8	5.8	4.8	5.2	5.2	4.4
-2.4	-1.5	-0.8	1.4	3.2	3.6	3.4	4.1	4.0	3.2	3.6	3.6	4.0	3.6	4.2	3.0	2.8	3.6	4.1	3.2	3.2	4.1
3.3	3.2	5.4	8.3	9.4	8.7	7.6	7.9	7.7	7.6	8.9	10.3	10.4	8.5	7.9	6.3	5.4	5.0	4.5	4.8	4.3	4.1
16.9	13.9	17.5	20.1	20.5	15.8	17.4	15.6	14.6	18.2	12.2	15.7	15.5	15.6	14.3	12.0	9.7	7.9	6.3	9.1	9.6	10.8
24.4	18.6	22.8	22.7	22.8	15.6	15.2	13.2	12.1	16.6	11.6	15.6	15.8	16.3	15.2	12.7	10.2	8.7	7.7	10.8	11.3	12.3
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.5	2.5	2.7	2.7	2.7	2.7	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
4.9	4.9	4.9	1.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.2
14.6	12.6	15.2	16.7	17.2	14.4	15.5	14.3	13.5	15.9	9.2	11.8	11.8	5.4	4.5	3.0	1.5	0.1	-1.0	1.1	1.4	2.2

BALANCE OF PAYMENTS	2008	2009	2010	2009		2010				2011			2009			
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9	10	11	12
BALANCE OF PAYMENTS, in EUR m																
Current account	-2,574	-456	-297	-268	-10	-4	-118	-84	-91	-54	76	-10	-10	-37	99	-72
Goods ¹	-2,648	-703	-1,205	-230	-287	-190	-273	-234	-508	-306	-257	-207	-17	-50	-79	-158
Exports	20,032	16,167	18,386	3,950	4,219	4,205	4,695	4,640	4,847	5,020	5,344	5,142	1,484	1,499	1,471	1,248
Imports	22,680	16,870	19,591	4,180	4,506	4,394	4,968	4,874	5,355	5,327	5,601	5,349	1,501	1,549	1,550	1,406
Services	1,424	1,165	1,308	258	303	291	356	346	315	353	442	383	114	130	95	78
Exports	4,957	4,347	4,633	1,222	1,104	981	1,129	1,348	1,176	1,084	1,224	1,412	392	384	333	387
Imports	3,533	3,182	3,325	964	800	690	773	1,001	861	731	782	1,029	278	254	238	308
Income	-1,062	-766	-507	-235	-107	-51	-158	-202	-95	-147	-140	-190	-78	-62	18	-62
Receipts	1,262	666	682	137	221	135	194	168	185	213	237	220	43	45	107	70
Expenditure	2,324	1,432	1,188	372	328	186	353	370	280	360	378	410	121	107	89	132
Current transfers	-287	-152	106	-61	81	-53	-43	6	196	47	32	4	-29	-55	65	70
Receipts	887	966	1,218	177	377	263	220	274	461	374	316	306	44	61	149	167
Expenditure	1,174	1,118	1,112	238	296	317	263	268	265	328	284	302	73	116	84	97
Capital and financial account	2,605	154	319	211	80	-19	253	190	-106	87	-288	-74	152	75	-50	54
Capital account	-25	-9	8	-4	-42	46	3	16	-56	-7	-6	-8	1	1	25	-67
Financial account	2,631	164	311	215	121	-65	251	174	-50	94	-282	-66	151	75	-75	121
Direct investment	346	-644	334	-36	-86	-132	74	57	335	74	253	221	-13	-30	-81	25
Domestic abroad	-983	-174	60	22	-20	-51	59	19	32	1	37	56	-19	-29	35	-26
Foreign in Slovenia	1,329	-470	274	-58	-66	-81	15	37	303	73	216	166	5	-2	-115	51
Portfolio investment	572	4,628	1,947	2,293	310	1,106	508	-54	388	2,591	-314	-419	1,644	-14	-71	394
Financial derivatives	46	-2	-117	12	-2	-22	-65	-14	-15	-80	-15	-12	8	3	3	-7
Other investment	1,645	-3,985	-1,872	-2,041	-120	-1,077	-216	167	-746	-2,500	-218	112	-1,499	109	63	-292
Assets	-333	-277	683	-976	105	241	-594	531	504	-1,569	-206	-378	-1,068	213	-403	295
Commercial credits	-142	416	-174	-35	226	-223	-213	30	232	-320	-88	36	-117	-69	-32	327
Loans	-325	-1	164	-39	46	-348	510	20	-18	-101	-22	51	-46	-1	35	13
Currency and deposits	130	-613	609	-913	-68	815	-885	387	292	-1,152	-97	-433	-911	281	-407	59
Other assets	4	-80	84	11	-99	-2	-6	94	-2	6	2	-32	6	3	2	-104
Liabilities	1,978	-3,708	-2,555	-1,065	-226	-1,319	378	-364	-1,250	-931	-13	490	-431	-105	465	-587
Commercial credits	-73	-452	364	24	-75	91	262	-63	73	199	-13	-83	114	89	82	-246
Loans	1,869	-2,911	-974	-78	-973	-403	-189	-8	-373	-386	-298	232	-62	-160	33	-846
Deposits	190	-318	-1,934	-983	822	-1,079	358	-305	-909	-787	334	340	-482	-36	358	500
Other liabilities	-7	-27	-11	-28	0	72	-54	12	-42	42	-36	1	-2	2	-8	5
International reserves ²	21	167	19	-13	20	62	-50	18	-11	9	12	33	12	8	11	1
Statistical error	-31	302	-21	58	-70	22	-135	-106	197	-34	212	84	-142	-38	-49	18
EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m																
Export of investment goods	2,241	1,783	1,811	407	473	403	456	442	510	439	507	N/A	150	167	154	151
Intermediate goods	10,760	8,090	9,951	2,025	2,093	2,235	2,542	2,544	2,630	2,842	3,043	N/A	751	782	730	581
Consumer goods	6,808	6,144	6,481	1,482	1,620	1,533	1,663	1,620	1,664	1,700	1,741	N/A	572	540	578	502
Import of investment goods	3,441	2,288	2,293	521	633	450	612	570	661	555	605	N/A	197	218	208	207
Intermediate goods	13,735	9,823	12,117	2,458	2,649	2,711	3,064	3,032	3,311	3,439	3,508	N/A	886	913	937	799
Consumer goods	5,870	5,004	5,470	1,255	1,292	1,290	1,355	1,351	1,475	1,376	1,509	N/A	441	447	433	413

Sources of data: BS, SORS.

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

2010												2011								
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
30	-112	78	-27	-87	-5	-21	-58	-6	-41	-57	7	-5	-95	47	42	-75	110	42	-90	39
-25	-121	-44	-99	-147	-27	-45	-122	-68	-155	-151	-202	-71	-117	-119	-93	-169	5	-7	-134	-66
1,228	1,328	1,649	1,468	1,566	1,661	1,604	1,306	1,729	1,656	1,700	1,491	1,534	1,602	1,884	1,694	1,836	1,815	1,736	1,511	1,896
1,253	1,448	1,693	1,567	1,713	1,688	1,649	1,428	1,797	1,811	1,850	1,693	1,605	1,719	2,003	1,787	2,004	1,810	1,742	1,644	1,962
99	84	107	119	125	113	88	115	143	132	87	97	124	94	136	162	136	144	90	135	158
315	302	363	373	370	386	462	448	437	394	356	426	353	326	405	414	392	418	477	477	458
216	218	256	254	245	274	374	333	295	262	269	330	229	233	269	252	256	275	387	342	300
-17	-24	-11	-28	-39	-91	-90	-57	-56	-28	-36	-31	-55	-55	-37	-53	-41	-46	-59	-66	-65
42	40	53	58	72	64	65	52	51	54	52	80	61	63	88	70	85	82	77	70	72
59	64	64	85	112	156	155	108	106	81	88	110	117	118	125	124	126	128	137	136	137
-27	-52	26	-18	-25	0	25	6	-25	9	43	144	-2	-17	66	26	-1	8	18	-25	12
65	85	113	57	83	80	117	89	68	103	125	234	84	129	161	114	104	98	116	70	119
93	136	87	75	108	80	92	83	93	93	82	90	86	147	95	88	105	91	99	96	107
5	35	-59	88	5	160	142	-40	88	59	-236	71	-150	57	180	10	21	-320	5	-35	-45
-7	-2	55	2	-3	4	-8	-4	27	3	4	-63	-9	1	1	-2	0	-4	-7	-4	3
12	37	-114	86	8	157	149	-36	61	56	-240	134	-140	55	179	13	21	-316	12	-31	-47
-37	-72	-23	-26	19	81	89	36	-68	74	213	47	-82	-13	168	98	99	55	19	77	125
16	-54	-14	-11	29	41	8	25	-14	-8	36	5	-56	22	35	-8	8	36	-57	43	70
-54	-18	-9	-15	-11	41	80	11	-54	82	178	43	-26	-35	133	106	90	20	76	34	55
1,357	-446	195	609	-202	100	78	-29	-103	68	182	138	1,136	-206	1,661	-360	271	-224	72	-48	-444
-2	-2	-19	-11	-21	-33	-5	-4	-5	-8	-4	-4	-29	-31	-20	-5	-5	-5	0	0	-12
-1,356	550	-271	-518	272	31	-9	-34	211	-97	-615	-34	-1,175	288	-1,613	266	-344	-141	-68	-75	254
172	44	25	-24	-631	61	697	-203	37	-168	-624	1,296	-1,056	337	-850	61	-99	-167	-511	-34	166
0	-42	-182	-37	-88	-87	-6	195	-158	-102	-68	402	-217	29	-132	-83	29	-35	-39	199	-124
-24	19	-343	415	25	70	127	18	-124	-33	-3	18	-51	4	-55	14	-16	-19	-19	29	41
203	62	551	-409	-554	78	568	-488	308	-20	-547	858	-779	311	-685	119	-109	-107	-438	-244	249
-6	5	-1	7	-13	0	9	73	12	-13	-5	17	-9	-7	22	11	-3	-6	-14	-19	1
-1,528	506	-296	-494	902	-30	-705	168	173	71	8	-1,330	-119	-49	-763	206	-244	26	443	-40	88
-89	69	112	54	127	82	-30	-182	149	135	61	-123	-43	61	181	143	8	-164	-9	-261	187
-39	-18	-346	-279	328	-238	-40	-21	53	-240	242	-375	-109	-86	-190	-213	-226	141	242	-41	31
-1,394	448	-133	-206	455	109	-607	348	-46	180	-288	-801	3	-8	-781	274	-26	86	202	237	-99
-6	6	72	-63	-8	17	-28	23	17	-5	-7	-30	30	-15	27	2	0	-38	7	25	-31
51	7	4	32	-60	-23	-3	-4	25	19	-16	-13	10	17	-18	13	1	-2	-12	15	29
-35	77	-20	-62	82	-155	-121	97	-82	-18	293	-79	155	38	-227	-52	54	210	-46	125	6
116	120	167	142	155	158	159	125	159	164	170	176	126	141	172	153	180	174	174	153	N/A
657	725	853	803	856	883	878	713	952	920	927	783	888	904	1,050	977	1,042	1,023	998	908	N/A
445	473	615	513	543	607	554	458	607	558	591	515	509	544	647	548	594	599	546	433	N/A
122	149	180	213	218	180	179	148	243	188	226	247	148	173	235	182	221	202	202	161	N/A
794	906	1,010	956	1,068	1,040	1,039	888	1,106	1,153	1,128	1,030	1,032	1,106	1,301	1,126	1,238	1,145	1,107	1,041	N/A
362	395	533	430	462	463	452	420	479	496	536	443	421	451	503	471	551	487	469	468	N/A

MONETARY INDICATORS AND INTEREST RATES	2008	2009	2010	2009								2010			
				6	7	8	9	10	11	12	1	2	3	4	
SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m															
Claims of the BS on central government	68	160	138	142	151	167	166	161	161	160	176	177	140	140	
Central government (S. 1311)	2,162	3,497	3,419	3,472	3,456	3,427	3,610	3,625	3,581	3,497	3,334	3,382	2,884	2,897	
Other government (S. 1312, 1313, 1314)	212	376	526	251	257	262	281	305	336	376	390	395	390	392	
Households (S. 14, 15)	7,827	8,413	9,282	7,951	8,055	8,135	8,231	8,295	8,345	8,413	8,452	8,480	8,601	8,647	
Non-financial corporations (S. 11)	21,149	21,704	21,648	21,517	21,557	21,671	21,704	21,688	21,645	21,704	21,792	21,896	21,950	22,062	
Non-monetary financial institutions (S. 123, 124, 125)	2,815	2,680	2,496	2,835	2,838	2,868	2,846	2,846	2,772	2,680	2,684	2,669	2,620	2,606	
Monetary financial institutions (S. 121, 122)	3,666	5,302	5,812	4,365	4,382	4,334	4,723	4,563	4,589	5,302	6,141	5,093	5,057	5,555	
Claims on domestic sectors, TOTAL															
In domestic currency	32,113	34,731	35,994	33,353	33,601	33,628	34,045	33,922	33,962	34,731	35,678	34,817	34,893	35,430	
In foreign currency	2,370	1,895	1,843	2,059	2,017	2,003	1,969	1,939	1,919	1,895	1,904	1,894	1,887	1,859	
Securities, total	3,346	5,345	5,345	4,979	4,925	5,067	5,380	5,460	5,386	5,345	5,211	5,204	4,723	4,871	
SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m															
Deposits in domestic currency, total	23,129	27,965	26,767	26,576	26,207	25,956	26,950	26,861	26,932	27,965	28,953	28,198	27,716	27,949	
Overnight	6,605	7,200	8,155	7,163	6,862	7,011	7,079	6,940	7,028	7,200	7,949	7,139	7,396	7,351	
With agreed maturity – short-term	10,971	10,408	8,193	12,647	11,167	10,667	11,332	11,109	10,917	10,408	10,385	10,137	9,233	9,006	
With agreed maturity – long-term	4,157	9,788	10,337	6,212	7,630	7,749	8,000	8,257	8,396	9,788	10,042	10,390	10,583	11,067	
Short-term deposits redeemable at notice	1,396	569	82	554	548	529	539	555	591	569	577	532	504	525	
Deposits in foreign currency, total	490	434	463	492	480	463	463	458	453	434	426	438	436	450	
Overnight	215	238	285	249	239	240	244	242	261	238	240	241	250	270	
With agreed maturity – short-term	198	141	121	199	195	178	171	169	142	141	133	137	127	121	
With agreed maturity – long-term	41	45	55	39	39	38	43	42	43	45	48	52	55	55	
Short-term deposits redeemable at notice	36	10	2	5	7	7	5	5	7	10	5	8	4	4	
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %															
New deposits in domestic currency															
Households															
Overnight deposits	0.46	0.28	0.21	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.22	0.22	0.22	0.22	
Time deposits with maturity of up to one year	4.30	2.51	1.82	2.40	2.35	2.27	2.14	2.04	1.97	2.00	1.91	1.75	1.69	1.66	
New loans to households in domestic currency															
Housing loans, 5-10 year fixed interest rate	6.77	6.43	5.53	6.59	6.74	6.57	6.64	6.74	5.00	6.28	6.11	6.08	5.33	5.80	
New loans to non-financial corporations in domestic currency															
Loan over EUR 1 million, 1-5 year fixed interest rate	6.62	6.28	5.75	6.19	6.36	6.20	6.66	6.47	5.94	6.06	6.15	6.31	5.64	5.98	
INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %															
Main refinancing operations	3.85	1.23	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
INTERBANK INTEREST RATES															
EURIBOR															
3-month rates	4.63	1.23	0.81	1.23	0.98	0.86	0.77	0.74	0.72	0.71	0.68	0.66	0.64	0.64	
6-month rates	4.72	1.44	1.08	1.44	1.21	1.12	1.04	1.02	0.99	1.00	0.98	0.97	0.95	0.96	
LIBOR CHF															
3-month rates	2.58	0.37	0.19	0.40	0.37	0.34	0.30	0.27	0.25	0.25	0.25	0.25	0.25	0.24	
6-month rates	2.69	0.50	0.27	0.52	0.49	0.45	0.41	0.39	0.36	0.35	0.34	0.33	0.33	0.33	
Sources of data: BS, BBA - British Bankers' Association.															

2010								2011									
5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10
142	141	140	142	140	139	139	138	132	101	99	76	76	76	76	76	77	76
3,001	3,120	3,130	3,326	3,422	3,447	3,453	3,419	3,332	3,326	3,409	3,319	3,327	3,282	3,276	3,328	3,355	3,387
395	401	415	421	417	434	497	526	538	536	541	532	530	533	534	536	535	541
8,701	8,897	8,928	9,062	9,119	9,149	9,225	9,282	9,226	9,233	9,276	9,304	9,383	9,425	9,507	9,490	9,468	9,481
21,997	22,015	22,022	21,815	21,862	21,848	21,790	21,648	21,793	21,775	21,772	21,782	21,714	21,725	21,656	21,537	21,369	21,444
2,558	2,525	2,524	2,502	2,488	2,496	2,497	2,496	2,454	2,402	2,372	2,350	2,341	2,325	2,323	2,292	2,298	2,286
5,638	6,120	5,445	5,315	5,399	5,079	5,688	5,812	5,674	5,740	6,504	5,179	5,275	5,259	5,224	5,422	5,375	5,491
35,620	35,929	35,495	35,381	35,616	35,430	35,931	35,994	35,993	36,008	36,712	35,736	35,811	35,836	35,720	35,854	35,763	35,975
1,852	1,915	1,860	1,884	1,828	1,742	1,777	1,843	1,760	1,739	1,691	1,689	1,751	1,724	1,794	1,705	1,628	1,580
4,819	5,234	5,112	5,175	5,263	5,282	5,444	5,345	5,265	5,266	5,470	5,043	5,008	4,990	5,007	5,046	5,008	5,075
28,085	27,929	27,079	27,358	26,819	26,696	27,486	26,767	27,630	27,235	28,129	27,080	27,205	27,384	27,392	27,423	27,337	27,629
7,732	7,976	7,936	8,041	8,031	7,926	8,119	8,155	8,245	8,179	8,799	8,206	8,237	8,259	8,303	8,241	8,236	8,056
8,674	8,377	8,574	8,621	8,096	8,100	8,256	8,193	8,816	8,483	8,724	8,477	8,614	8,615	8,471	8,468	8,369	8,375
11,196	11,401	10,413	10,529	10,532	10,587	11,003	10,337	10,496	10,550	10,583	10,375	10,324	10,470	10,567	10,662	10,683	11,145
483	175	156	167	160	83	108	82	73	23	23	22	30	40	51	52	49	53
496	705	462	491	462	456	471	463	452	453	449	444	459	464	488	476	486	494
299	513	280	307	277	286	291	285	282	287	284	286	295	304	317	305	320	329
130	129	122	121	125	113	118	121	115	116	113	107	111	107	113	108	109	109
59	61	58	60	57	55	59	55	53	49	51	50	52	52	57	62	57	55
8	2	2	3	3	2	3	2	2	1	1	1	1	1	1	1	0	1
0.21	0.22	0.19	0.19	0.19	0.20	0.20	0.20	0.21	0.21	0.21	0.21	0.21	0.21	0.23	0.23	0.24	0.24
1.72	1.83	1.87	1.82	1.85	1.86	1.88	1.94	2.04	1.98	2.04	2.08	2.15	2.20	2.20	2.18	2.17	2.24
5.38	5.42	5.12	5.33	5.17	5.50	5.43	5.65	5.85	5.17	5.45	5.51	5.42	5.52	5.39	5.49	5.45	5.50
6.03	5.61	5.40	5.84	4.98	5.72	6.00	5.44	5.83	5.45	5.4	5.25	5.82	5.97	6.17	6.48	5.91	4.25
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.50	1.50	1.50	1.50
0.69	0.73	0.85	0.90	0.88	1.00	1.04	1.02	1.02	1.09	1.18	1.32	1.42	1.49	1.60	1.55	1.54	1.58
0.98	1.01	1.10	1.15	1.14	1.22	1.27	1.25	1.25	1.35	1.48	1.62	1.71	1.75	1.82	1.75	1.74	1.78
0.19	0.10	0.13	0.16	0.17	0.17	0.17	0.17	0.17	0.17	0.18	0.18	0.18	0.18	0.18	0.06	0.01	-
0.28	0.20	0.22	0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.25	0.26	0.25	0.24	0.24	0.12	0.05	-

PUBLIC FINANCE	2008	2009	2010	2009		2010				2011			2010	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	2	3
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS–IMF methodology), current prices, EUR m														
GENERAL GOVERNMENT REVENUES														
TOTAL REVENUES	15.339,2	14.408,0	14.794,0	3.558,8	4.023,5	3.310,2	3.477,0	3.649,9	4.356,8	3.600,7	3.826,7	3.667,6	1.164,2	1.069,1
Current revenues	14.792,3	13.639,5	13.771,5	3.470,3	3.642,3	3.157,4	3.366,8	3.462,4	3.784,8	3.364,6	3.638,5	3.490,6	1.116,0	993,6
Tax revenues	13.937,4	12.955,4	12.848,4	3.279,0	3.453,0	2.983,4	3.189,2	3.186,0	3.489,9	3.155,9	3.451,0	3.296,0	1.053,8	935,4
Taxes on income and profit	3.442,2	2.805,1	2.490,7	735,5	744,8	635,5	594,4	554,5	706,4	635,4	827,7	639,2	219,9	191,3
Social security contributions	5.095,0	5.161,3	5.234,5	1.260,6	1.334,5	1.274,4	1.303,8	1.293,5	1.362,9	1.300,6	1.316,9	1.314,9	414,6	435,7
Taxes on payroll and workforce	258,0	28,5	28,1	6,2	7,7	6,3	7,2	6,5	8,1	6,7	7,6	7,8	2,0	2,2
Taxes on property	214,9	207,0	219,7	74,6	60,2	24,1	58,9	76,7	60,0	24,0	53,8	72,1	8,6	8,8
Domestic taxes on goods and services	4.805,3	4.660,2	4.780,7	1.184,2	1.283,1	1.023,9	1.199,2	1.231,6	1.325,9	1.165,5	1.217,4	1.234,4	401,7	291,0
Taxes on international trade & transactions	120,1	90,5	90,7	17,2	21,7	18,7	24,7	22,5	24,8	23,7	27,6	27,7	6,9	6,1
Other taxes	1,8	2,9	4,0	0,7	1,0	0,5	1,0	0,7	1,8	-0,1	-0,1	-0,1	0,1	0,3
Non-tax revenues	854,9	684,1	923,0	191,3	189,3	174,1	177,6	276,5	294,9	208,7	187,6	194,6	62,1	58,2
Capital revenues	117,3	106,5	175,7	19,3	43,5	9,8	17,9	26,1	121,9	7,6	21,6	15,8	2,7	4,9
Grants	10,4	11,1	12,6	1,9	4,7	2,9	2,2	2,5	5,0	2,4	3,0	2,2	0,2	2,5
Transferred revenues	53,9	54,3	109,5	1,1	51,5	0,5	2,3	3,8	102,9	2,3	0,4	0,4	0,2	0,3
Receipts from the EU budget	365,4	596,5	724,7	66,2	281,5	139,6	87,8	155,1	342,2	223,9	163,2	158,6	45,1	67,9
GENERAL GOVERNMENT EXPENDITURES														
TOTAL EXPENDITURES	15.441,7	16.368,2	16.692,7	3.767,1	4.659,5	4.035,1	4.122,7	3.948,1	4.586,9	4.190,5	4.158,5	4.107,4	1.372,1	1.355,7
Current expenditures	6.557,5	6.800,8	6.960,4	1.578,1	1.771,3	1.795,2	1.757,3	1.636,9	1.771,0	1.898,2	1.742,3	1.648,8	631,6	643,6
Wages, salaries and other personnel expenditures	3.578,9	3.911,9	3.912,4	955,4	985,9	956,4	1.012,5	963,6	980,0	966,5	1.009,8	1.019,1	315,2	324,6
Expenditures on goods and services	2.527,5	2.510,3	2.512,4	603,9	741,4	556,8	624,9	587,7	743,1	585,4	616,1	610,6	179,3	206,8
Interest payments	335,2	336,1	488,2	12,0	29,0	272,6	110,0	76,4	29,2	311,3	108,1	10,7	134,5	109,4
Reserves	116,0	42,5	47,4	6,8	14,9	9,4	9,9	9,2	18,8	35,0	8,2	8,3	2,7	2,8
Current transfers	6.742,2	7.339,4	7.628,5	1.736,9	1.918,2	1.849,0	1.995,1	1.810,9	1.973,6	1.941,9	2.076,0	2.060,7	578,4	619,2
Subsidies	476,5	597,9	581,9	86,5	219,4	160,7	122,8	103,7	194,7	171,2	127,6	109,4	22,6	27,0
Current transfers to individuals and households	5.619,2	6.024,5	6.277,7	1.475,9	1.497,6	1.529,0	1.671,1	1.514,7	1.562,9	1.606,1	1.745,3	1.740,9	506,0	527,9
Current transfers to non-profit institutions, other current domestic transfers	598,3	678,1	728,8	164,5	195,1	150,6	188,6	183,3	206,3	158,7	186,1	192,7	48,3	59,8
Current transfers abroad	48,2	38,9	40,1	9,9	6,1	8,7	12,6	9,1	9,6	5,9	17,0	17,8	1,6	4,5
Capital expenditures	1.255,5	1.294,1	1.310,6	297,5	584,1	192,8	212,5	321,1	584,3	168,8	196,5	220,8	60,9	58,3
Capital transfers	458,6	494,6	396,4	86,0	259,9	47,5	90,1	82,0	176,9	42,3	73,1	94,2	14,1	14,3
Payments to the EU budget	427,9	439,3	396,8	68,7	126,1	150,6	67,8	97,3	81,1	139,3	70,6	82,9	87,0	20,3
SURPLUS / DEFICIT	-102,5	-1.960,2	-1.886,4	-										

Source of data: MF Bulletin. Note: In line with the changed methodology of the International Monetary Fund of 2001, social security contributions paid by the state are not consolidated. Data prior to 2007 are recalculated on the basis of the irrevocable SIT/EUR exchange rate = 239.64.

Acronyms

Acronyms in the text

BS – Bank of Slovenia, **EC** – European Commission, **ECB** – European Central Bank, **ESS** – Employment Service of Slovenia, **GDP** – Gross domestic product, **HDR** – Human Development Report, **HICP** – Harmonised Index of Consumer Prices, **IMAD** – Institute of Macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **MF** – Ministry of Finance, **MI** – Ministry of the Interior, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization Organisation for Economic Co-operation and Development, **PMI** – Purchasing Managers Index, **RS** – Republic of Slovenia, **SCA** – Standard Classification of Activities, **SMA** – Securities Market Agency, **SMARS** – Surveying and mapping Authority of the Republic of Slovenia, **SORS** – Statistical Office of the Republic of Slovenia, **SRE** – Statistical Register of Employment, **UN** – United Nations.

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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