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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](http://www.stat.si/eng/skd_nace_2008.asp).

## In the spotlight

**After two quarters of negative growth, Slovenia's GDP increased by 0.7% (seasonally adjusted) in the second quarter of 2009 relative to the first, while the y-o-y drop in activity remained high (-9.3%) due to the negative effects of the economic and financial crisis.** The international economic and financial crisis had a particularly great negative impact on exports, which dropped by 21.3% compared with the same period last year, but given an even greater decline in imports (-24.8%), the contribution of net exports to GDP growth was again positive (3.1 p.p.). Another key factor in the GDP decline is lower fixed capital formation (-27.3%), as a result of lower capacity utilisation following the decline in orders and in part also of tighter financing conditions and a slowing cycle in infrastructure investment. Similar to the first quarter, inventories made a significant negative contribution to GDP growth (-3.7 p.p.). Household consumption declined for the first time y-o-y (-2.6%), and among consumption aggregates only government consumption, as expected, recorded an increase. On the production side the greatest contribution to the y-o-y decline in value added again came from manufacturing, while a strong decline was also observed in construction and market services which are more closely linked to manufacturing and construction or household consumption and tourism.

**Labour market indicators deteriorated further in the second quarter of the year, given that the number of persons in employment continues to drop and that the number of registered unemployed in August was almost a half higher than last year.** The number of employed persons dropped by 0.9% in the second quarter compared with the first, being 2.1% lower y-o-y. According to the Labour Force Survey, the number of persons in employment dropped by 0.9% in the second quarter relative to the same period last year. The survey unemployment rate increased as well (to 5.6%). The number of registered unemployed totalled 88,106 in August, 45.2% more than in the previous August, while the registered unemployment rate climbed to 9.1% in June.

**The average gross wage rose somewhat in June. The gap between wage rises in the private and public sectors narrowed, but remains high.** The gross wage per employee increased by a nominal 1.0% in June relative to May, and was 4.7% higher y-o-y. In the private sector, the gross wage was 2.3% higher than in the previous June, in the public sector by 9.9%. In the second quarter as a whole, the average gross wage was 4.6% higher in nominal terms than in the same period last year.

**Consumer prices remained unchanged in August, while their y-o-y growth increased after deflation in July, but the price level remained at the same level as in the previous August.** Low inflation in Slovenia and in the euro area as a whole, which posted deflation y-o-y in August for the third month in a row (-0.2%), is still mainly due to the »base effect« linked to the prices of oil and food and to low economic activity.

**In June, the current account of the balance of payments ran a surplus (EUR 133.2 m) for the third month in a row, and the current account balance was positive in the first quarter for the first time in three years.** The current account surplus was largely a result of movements in the balance of merchandise trade, which even posted a surplus in the second quarter of the year. The same holds true for current transfers. The deficit in factor incomes and the surplus in the services balance also declined. In the second quarter, net capital outflow totalled EUR 146.8 m and was due to the net outflow from the private sector, which was higher than the net inflow to the general government and the BS.

**The net lending activity of domestic banks strengthened somewhat in July, totalling EUR 217.1 m, close to a third of this year's total net flows of loans, but remains far more modest than in previous years.** Lending activity picked up mainly due to increased household borrowing, partly for seasonal reasons, while the net flow of corporate and NFI loans was positive as well (EUR 50.7 m), though still low. The somewhat higher lending activity in July was probably also due to the fact that a significant portion of government deposits was transferred among long-term deposits. In the first seven months of this year, net corporate loans with domestic banks accounted only for 10% and household loans for less than a third of the amount posted in the same period last year.

**The gap between general government revenue and expenditure is increasingly wider; absorption from the EU budget has improved in comparison with that in the previous year.** According to non-consolidated data, general government revenue dropped by 14.2 % y-o-y in the first seven months of the year, while expenditure rose by 12.3 %. The deficit has thus already climbed to EUR 946 m. Similar movements are also recorded for the health fund and local budgets, while the pension fund is balanced owing to a high transfer from the state budget. Absorption

*from the EU budget has improved in recent months, and Slovenia's net budgetary position against the EU budget was positive at the end of July (EUR 21.4 m), which may also be a result of measures adopted in this area in previous months.*

**current economic trends**



## International environment

A year after the onset of the international economic and financial crisis, the decline slowed in the second quarter of this year. Relative to the previous quarter, GDP in the euro area declined in the second quarter of 2009 for the fifth time in a row, yet this time by a mere 0.1%, largely as a result of slight growth in Germany and France (0.3%). GDP was 4.7% lower year-on-year (in the first quarter by 4.9%). Half of the y-o-y GDP decline came from a drop in investment, twice as much as in the first quarter from the change in inventories (0.9%), while the contribution of international trade was once again negative (-1.4 p.p.). GDP fell for the fourth consecutive quarter also in the US (-0.3%), albeit far less notably than in previous quarters, and was 3.9% lower y-o-y. International institutions estimate that the crisis, which most of institutions had underestimated in their spring reports, bottomed out in the first half of 2009, and expect the situation to stabilise in the second part of the year.

Short-term indicators of economic activity in the euro area continue to drop, albeit at a slower pace than at the end of last year. Confidence indicators in the euro area have already been improving for several months, particularly those of expectations and consumer confidence, while short-term indicators of economic activity have not changed significantly as yet. Industrial production continues to fall (a monthly drop of -0.6% in July, -17.0% y-o-y), but at a notably slower pace compared to the period between last December and April 2009. Following significant drops at the beginning of this year, turnover in retail trade, down 0.2% in June (-2.4% y-o-y), is falling at a slower rate as well, and the value of construction put in place continues to drop (-1.1%, -8.8% y-o-y). In the US, the fall in short-term indicators is slowing, and confidence indicators, as in Europe, suggest that the situation is set to improve. Industrial production posted monthly growth in July (0.6%), yet its volume was 13.1% lower y-o-y. The unemployment rate continues to increase in both the euro area and the US (in July, 9.5% and 9.4%,

Figure 1: Economic growth in the EU-27

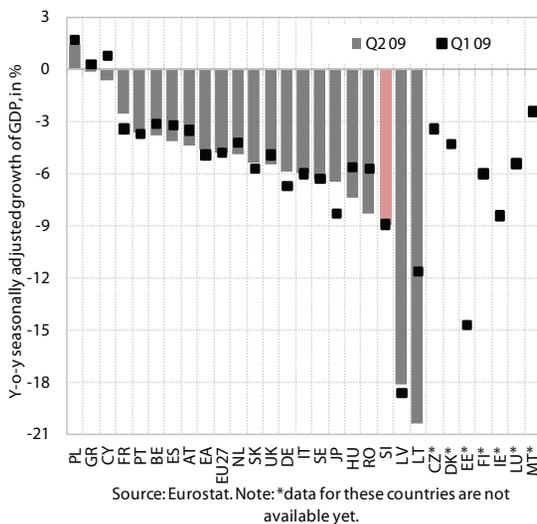


Figure 2: Short-term indicators of economic activity in the euro area

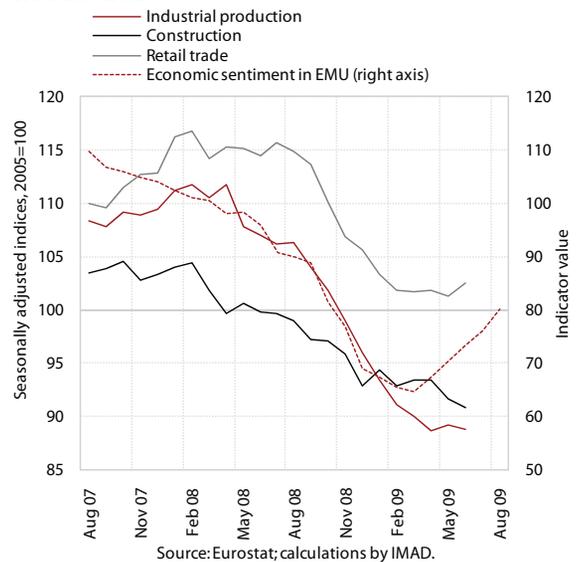


Table 1: Economic growth forecasts by international institutions

	2009				2010			
	EC Apr 09	OECD Jun 09	IMF Jul 09	CONS Aug 09	EC Apr 09	OECD Jun 09	IMF Jul 09	CONS Aug 09
EMU	-4.0	-4.8	-4.8	-4.3	-0.1	0.0	-0.3	0.6
EU	-4.0	N/A	-4.7	-4.3	-0.1	N/A	-0.1	0.3
DE	-5.4	-6.1	-6.2	-5.8	0.3	0.2	-0.6	0.7
IT	-4.4	-5.5	-5.1	-5.1	0.1	0.4	-0.1	0.3
AT	-4.0	-4.3	N/A	-3.9	-0.1	-0.1	N/A	-0.5
FR	-3.0	-3.0	-3.0	-2.8	-0.2	0.2	0.4	0.4
UK	-3.8	-4.3	-4.2	-4.3	0.1	0.0	0.2	0.9
US	-2.9	-2.8	-2.6	-2.6	0.9	0.9	0.8	2.3

Source: European Commission Spring Forecast (April 2009). OECD Economic Outlook (June 2009). IMF World Economic Outlook update (July 2009). Consensus Forecasts (August 2009).

respectively). This indicator was rising rapidly, particularly in the first months of the year.

*The signs of recovery in the international environment, which mainly reflect the first effects of extensive measures in response to the crisis, are associated with great risks.* In addition to government measures, individual central banks continue to take steps to revive the financial systems, and the situation in international financial markets is improving. The recovery of the economy is favourably influenced in particular by measures stimulating domestic consumption, e.g. subsidies for new car purchases. In Germany alone, EUR 1.5 bn was allocated for this purpose, while together with similar schemes in the EU, the bailout packages amount to more than EUR 2.5 bn.

Optimistic news regarding the possibilities of economic recovery in developed countries was the main driver of oil and non-oil commodity price rises in the summer months. In the wake of a small drop in July, prices of Brent crude oil increased by 12.5% in August (to an average of USD 72.5 a barrel), while – particularly due to rebounding demand in developing countries – prices of other commodities are rising as well (IMF commodity index growth of 20.0% relative to January 2009), over the last month especially prices of metals (3.1%).

Figure 3: Movements of the price of Brent crude oil



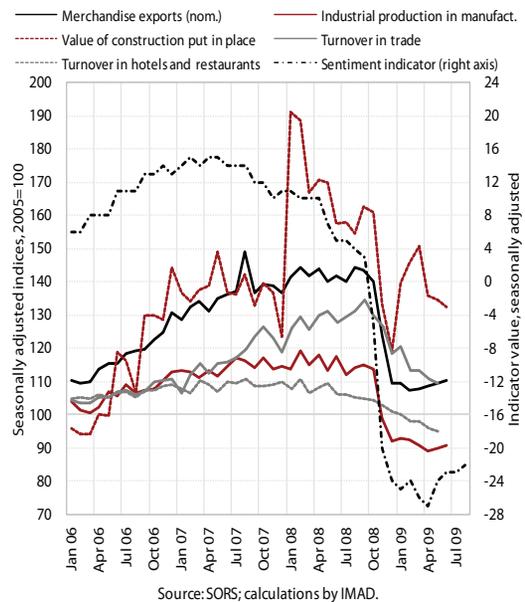
*The main central banks kept their key interest rates unchanged during the summer months. The value of the euro appreciated against the US dollar in the last two months.* Interest rates in interbank markets continued to decline. The value of the three-month EURIBOR declined by 0.12 p.p. in August relative to July, totalling 0.860 on average for the month as a whole. The value of the euro appreciated against the US dollar in July and August (1.28% in August). The euro also gained value against

the Japanese yen (1.67%), Swiss franc (0.22%) and British pound sterling (0.20%).

## Economic activity in Slovenia

*Over the last few months, monthly movements of short-term indicators of economic activity in Slovenia suggested a slower GDP decline in the second quarter, while y-o-y, the value of the five main indicators was approximately a fifth lower.* The seasonally adjusted value of nominal merchandise exports increased in June for the fourth consecutive month relative to the month before, and the volume of industrial production in manufacturing for the second, by our estimate, suggesting that economic activity in Slovenia has temporarily ceased to decline. Despite this slight growth, it is still too early to expect recovery. After increasing in the first three months of this year, the value of construction put in place dropped again in the second quarter, but the decline slowed in June and July. Distributive trades and hotels and restaurants posted fairly volatile turnover movements, but also continued

Figure 4: Values of short-term indicators of economic activity in Slovenia



to fall. Current stabilisation of the situation is reflected by the business climate indicator, which has increased slightly since April, when it dropped to its historic low (January 2000).

*The value of **merchandise trade** dropped even further in the second quarter of the year. The good news is that merchandise exports increased (3.0%) relative to the previous quarter. The decline in imports was smaller (-1.5%).<sup>1</sup>* The value of merchandise trade was lower y-o-y

<sup>1</sup> According to the external trade statistics.

**Box 1: Economic growth in the second quarter of 2009**

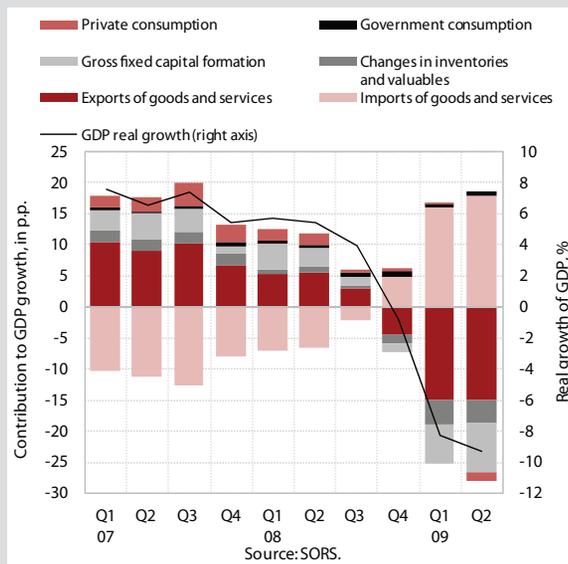
**After two years of decline, GDP increased by 0.7% in the second quarter relative to the first (seasonally adjusted), while still posting a high y-o-y decline (-9.3%) due to the negative effects of the economic and financial crisis.**

Data for the second quarter indicate a gradual stabilisation of economic activity, albeit at a fairly low level. The GDP decline remained high y-o-y, even somewhat exceeding the y-o-y drop in the first quarter of the year (-8.3%). GDP thus declined in real terms by 8.8% in the first half of the year, which is more than forecast in the spring. Owing to Slovenia's strong integration in international flows, the negative consequences of the crisis mainly affected the volume of international trade, which dropped by nearly a fifth y-o-y, and investment activity. The net exports made a positive contribution to economic growth (3.1 p.p.), as imports (-24.8%) dropped more than exports (-21.3%). In addition to lower imports of intermediate products related to the production decline in the industry, this was also a result of a significant contraction in investment, lower private consumption and adjustment of inventory levels. The high real drop in fixed capital formation (-27.3%) was due to low capacity utilisation in the wake of declining foreign orders, and in part also to tighter financing conditions and the slowing investment cycle in construction. For the third quarter in a row, inventories made a significant negative contribution to GDP growth (-3.7 p.p.). Uncertain economic conditions and notably worse conditions on the labour market contributed to the first drop in private consumption (-2.6%) in nine years, so that, as expected, among consumption aggregates only government consumption recorded an increase.

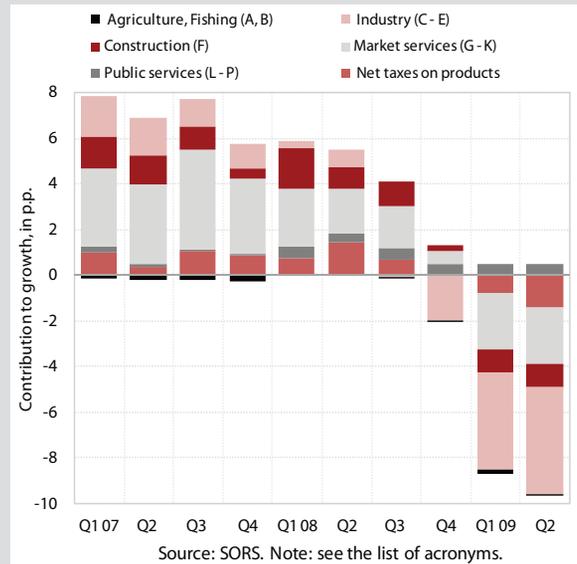
**Among individual sectors, in the second quarter the largest contribution to the drop in GDP again came from manufacturing, while growth was only recorded for financial intermediation and public services.**

In the second quarter, the y-o-y decline in manufacturing (-22.0%) was even slightly higher than in the first. The decline in value added in construction was relatively high (-13.4%) as well, as was the drop in market services which are more closely linked to manufacturing and construction (transportation, business services, wholesale trade) or household consumption and tourism (retail trade and hotels and restaurants). Looking at market services, value added again increased only in financial intermediation, which by our estimate is mainly attributable to significantly lower interest rates, given that the movements of nominal indicators were negative in this period. In y-o-y terms, however, real value added increased in all public services, most notably in health care.

**Figure 5: Expenditure structure of GDP growth**

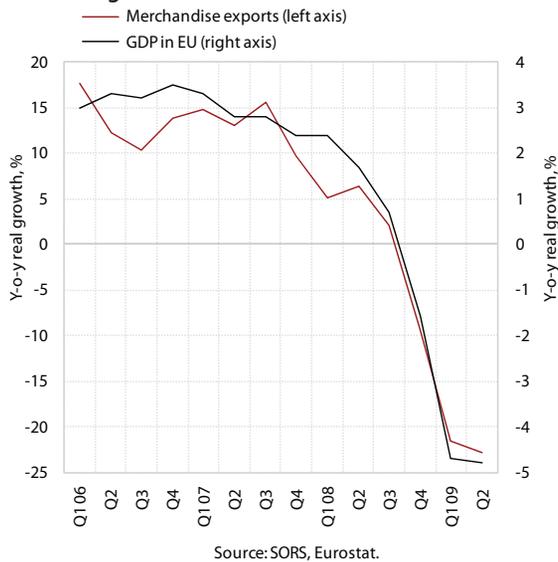


**Figure 6: Production structure of GDP growth**



Source: SORS. Note: see the list of acronyms.

Figure 7: Growth of Slovenian merchandise exports and economic growth in the EU



for the third quarter in a row, amid a greater decline of imports (-33.4%) relative to exports (-24.0%). The value of Slovenian merchandise exports is at the level of average quarterly exports in 2006. According to available data on the structure of exports based on the SITC for the first five months of 2009, the largest negative contribution to total merchandise exports came from road vehicle exports and electrical appliances. The decline was mitigated somewhat by higher exports of electricity, and telecommunications and electro-acoustic equipment. On the side of imports, the largest negative contribution came from imports of road vehicles, and oil and oil products. According to seasonally adjusted data, in June exports otherwise increased slightly for the fourth month

Figure 8: Geographic structure of merchandise export growth

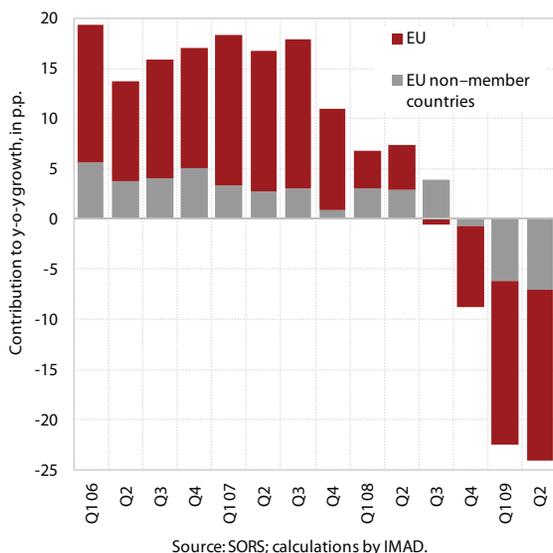


Table 2: Selected monthly indicators of economic activity in Slovenia

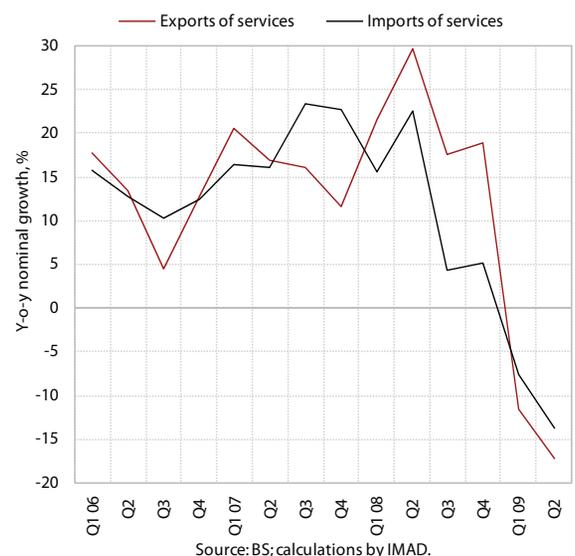
In %	2008	VI 09/ V 09	VI 09/ VI 09	I-VI 09/ I-VI 08
<b>Exports<sup>1</sup></b>	<b>4,8</b>	<b>6,8</b>	<b>-18,7</b>	<b>-21,7</b>
-goods	1,3	6,1	-19,8	-23,3
-services	21,6	9,2	-14,4	-14,7
<b>Imports<sup>1</sup></b>	<b>6,4</b>	<b>2,7</b>	<b>-29,9</b>	<b>-27,9</b>
-goods	5,7	2,7	-31,8	-30,2
-services	10,8	2,6	-16,9	-11,0
Industrial production	-1,2	-1,0	-22,2	-21,1
-manufacturing	-1,3	-0,9	-23,1	-22,4
Construction - value of construction put in place	15,7	-1,4 <sup>2</sup>	-15,9 <sup>3</sup>	-19,1 <sup>3</sup>
Distributive trade - turnover in distributive trade and the sale and repair of motor vehicles	10,4	0,0 <sup>2</sup>	-14,2 <sup>3</sup>	-12,0 <sup>3</sup>
Hotels and restaurants - turnover in hotels and restaurants	-2,7	-1,1 <sup>2</sup>	-12,4 <sup>3</sup>	-10,8 <sup>3</sup>

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

in a row. Merchandise imports were more volatile and strengthened somewhat in June, after having declined in May.

*Trade in services is dropping y-o-y, albeit more slowly than merchandise trade.* While having still posted strong growth in the last quarter of 2008 (18.8%), services exports declined notably in the first quarter of this year (-11.6%). In the second quarter, the decline was even deeper (-17.3%). It was mainly due to lower exports of road transport and merchandising services, i.e. services related to sectors with the largest activity drop (manufacturing, construction). Similar movements were also recorded for imports of

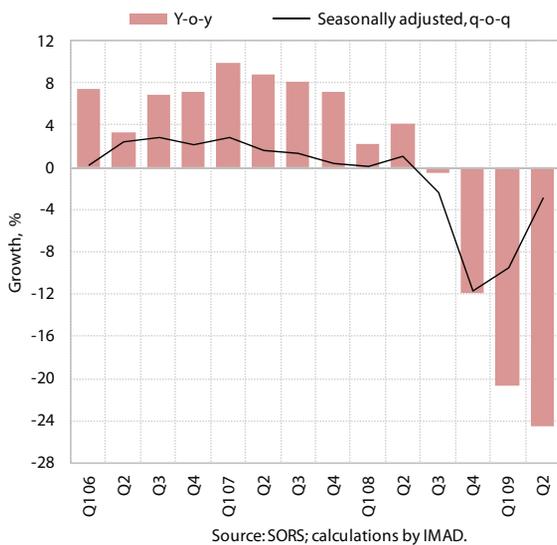
Figure 9: Trade in services



services, which in the second quarter were 13.8% lower y-o-y. The decline in imports was mainly due to lower imports of maritime and rail transport, and construction services.

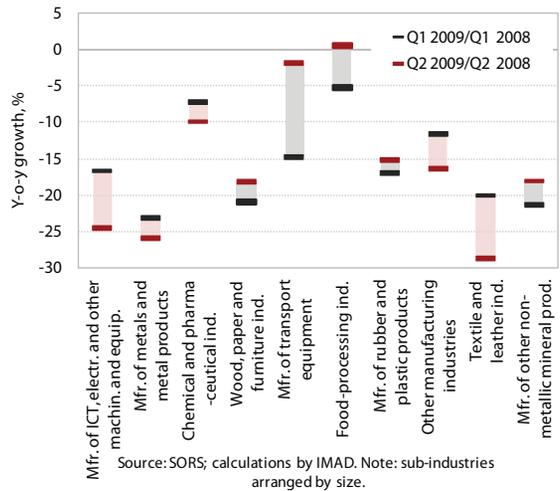
**Industrial production in manufacturing** declined further in the second quarter relative to the first, but the monthly data for May and June suggest that the negative movements have come to a halt. Production activity was 23.5% lower compared with the second quarter last year (working day adjusted) and 2.4% lower compared with the first quarter this year (seasonally adjusted), which is a significantly smaller decline than in the two prior quarters. Monthly data indicate improvement at the end of the quarter, as after the weak activity in April (excluding seasonal impacts) production increased slightly in May and June, by our estimate. After falling in the previous three quarters, turnover of sales in the second quarter remained similar to the first (-0.9%), while the y-o-y drop was lower. The second quarter also saw a change in inventories, which declined relative to the previous quarter (-4.0%) for the first time in three years, being for the first time also lower y-o-y (-1.0%).

Figure 10: Industrial production in manufacturing



In the second quarter, the volume of production was lower y-o-y in almost all industries, and the number of employees dropped once again as well. Only the manufacture of beverages posted a higher volume of production than in the same quarter of last year; the entire food-processing industry thus saw a smaller drop in production activity than in the first quarter. For the second quarter in a row, the manufacture of transport equipment also recorded a smaller y-o-y production decline, which is associated with measures implemented in certain European countries in the field of car sales. The greatest contributions to the declines in production volume (more than 10 p.p. in

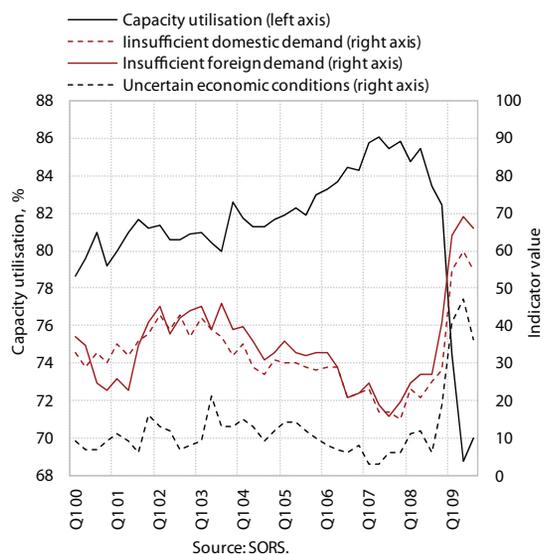
Figure 11: Labour productivity by manufacturing industry group



total) and the number of employees (8,809 in total) in manufacturing came from the manufacture of metals and metal products, ICT, and electrical and other machinery and equipment. The volume of production dropped most notably in certain labour-intensive industries, such as the manufacture of furniture, and in the textile and leather industries, which collectively cut 4,042 jobs. Amid a deeper y-o-y drop in the volume of production, labour productivity declined again, despite further job losses. At the y-o-y level, the labour productivity drop was less than in the first quarter in sectors where in the second quarter the decline in production did not deepen y-o-y.

Business trends data at the beginning of the third quarter indicate a slight improvement in manufacturing. Business expectation indicators improved again in August, while among indicators measuring the current situation, only

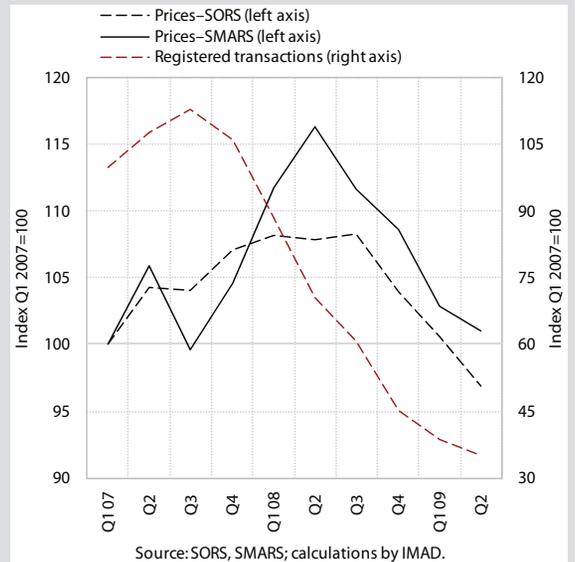
Figure 12: Business trends in manufacturing



**Box 2: Movements on the real estate market**

The number of transactions and real estate prices continued to fall in the second quarter of this year, yet at a slower pace. According to SMARS (Surveying and Mapping Authority of the RS)<sup>1</sup>, the number of transactions in previously owned flats dropped in the second quarter of 2009, to 858, a 9.1% lower figure than in the previous quarter and half of what it was in the same period last year. The number of transactions in houses otherwise even started to increase, albeit from a very low base, but transactions in land posted an even greater decline, so that overall the situation is similar to that in flats. Prices of flats<sup>2</sup> also continue to drop, but much less notably than the number of transactions. According to SMARS, the average price per square meter of floor area reached EUR 1,674, a 1.8% lower figure than in the previous quarter and 13.2% lower than last year. Prices are more than a tenth lower from their peak values in the second quarter of 2008. SORS data show a similar picture. Prices dropped by 3.3% relative to a quarter earlier and 9.8% y-o-y. According to SMARS data, the decline in prices eased off slightly for the first time in the last quarter, while SORS data indicate a stable decline.

**Figure 13: Movement of prices and transactions in previously owned flats on the real estate market**



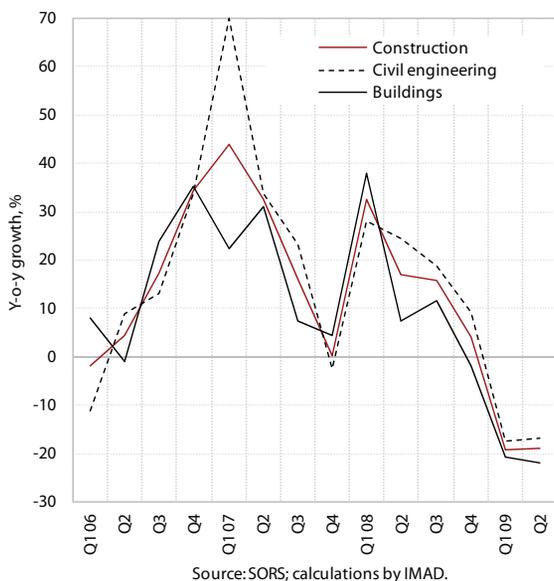
<sup>1</sup> Covering registered and timely reported market transactions in previously owned flats including incompletely reported transactions, these data are more representative of the movements in the biggest real estate market sector than the series of cleansed transactions used by SMARS and SORS in calculating the movements of prices.

<sup>2</sup> For definitions of prices and basic differences in SMARS and SORS methodologies, see SEM December 2008 and May 2009.

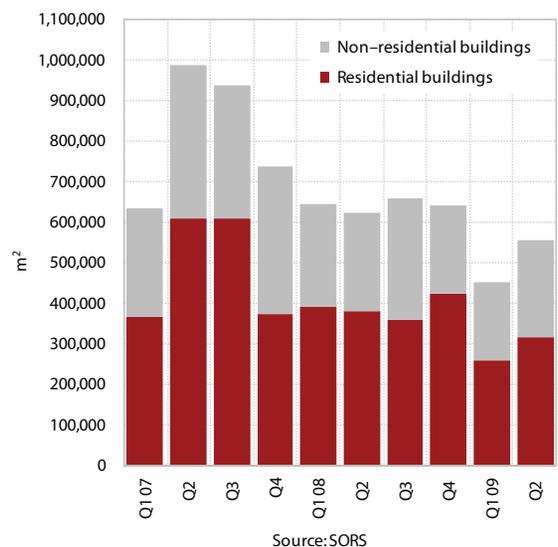
the indicator of export orders went up. Improvement is also suggested by quarterly business trends data, with insufficient domestic and foreign demand and uncertain economic conditions as the main limiting factors to production, though the number of enterprises reporting them declined. Capacity utilisation also increased somewhat relative to the previous quarter, to 70%, but is nevertheless low.

**Construction activity declined in the second quarter, and was about a fifth lower relative to the same period last year.** According to seasonally adjusted data, the value of construction put in place was rising until March. In the following three months it dropped and was 12.0% lower in June than in March. In the second quarter as a whole, activity was 7.6% lower than in the first. Activity declined in all construction sectors, most notably in residential construction, where in the previous period it had seen the

**Figure 14: Value of construction put in place**



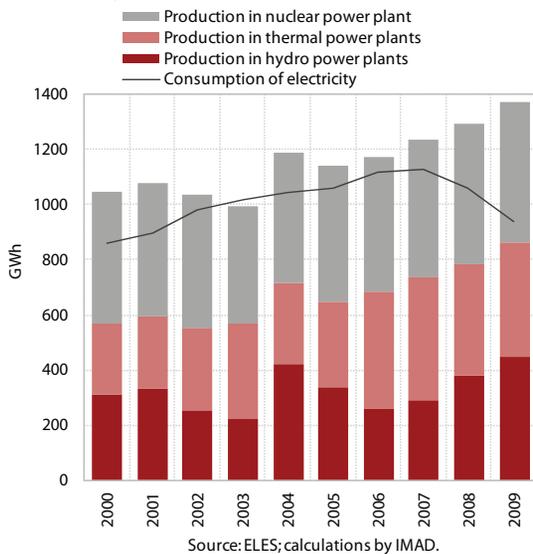
**Figure 15: Issued building permits**



strongest growth.<sup>2</sup> Compared with the second quarter of last year, activity dropped by 19.0%, a similar figure as in the first quarter.

Data on issued building permits, new orders and business trends indicate weaker activity in the coming months. In the second quarter, building permits were issued for the construction of 1,477 new dwellings, 17.5% fewer than in the same period last year. The total floor area of planned dwellings declined by the same figure, while the total floor area of planned non-residential buildings dropped by 11.1%. The value of the stock of contracts declined by 11.9% in June, relative to the same month of last year. The value of new contracts was 23.5% lower y-o-y in the first half of the year. A similar situation is also shown by data on business trends in construction, where the overall order-book indicator in construction, which was deteriorating rapidly at the end of last year and in the first part of this year, strengthened slightly in July, only to drop again in August, to the lowest value since these data have been available (March 2002).

Figure 16: July electricity output and consumption over the last 10 years



**Electricity** output increased significantly in July. Given that consumption was still low, net exports amounted to nearly a third of total output. Electricity output reached 1372 GWh in July, 6.1% more than in the previous July. Electricity output rose most notable in hydro-electric power plants (17.9%), while increases in thermal power plants and in the nuclear power plant were smaller (2.0% and 0.5%, respectively). Total output was 18.6% higher than the 10-year average. Electricity consumption declined by 11.3% y-o-y in July, of which consumption of direct users by 46.8% (manufacture of metals), and consumption

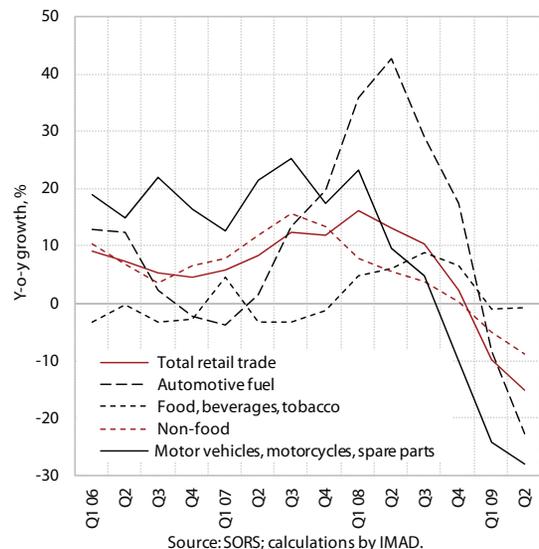
<sup>2</sup> In interpreting the figure on the value of residential construction put in place, it should be noted that it excludes the activity of smaller enterprises, where, by our estimate, the main activity is the construction of buildings.

from the distribution network (all other commercial consumption, including households) by 4.9%. Due to high electricity output and low consumption, the surplus amounted to 434 GWh, with net exports accounting for 31.6% of total electricity output.

In June, total real turnover in **retail trade**<sup>3</sup> remained at the same level as in the previous month, while in y-o-y terms, the decline in real turnover deepened further in the second quarter. In most sectors, turnover dropped less notably y-o-y in June than in previous months, but the decline was nevertheless still relatively high. Turnover declined in all sectors y-o-y in the second quarter as a whole, most notably again in sectors related to durable goods. Turnover in the sale of non-food products was down y-o-y largely owing to almost one quarter lower turnover in stores selling furniture, household equipment, construction material and audio/video recordings. Turnover in the sale of motor vehicles was lower y-o-y for the third quarter in a row, in large part due to the number of first passenger car registrations being more than a fifth lower. Turnover in the sale of automotive fuels also dropped significantly in the second quarter, partly also as a consequence of excise duty policy and relatively higher fuel prices compared with neighbouring countries. Turnover in the sale of food products, beverages and tobacco remained almost at the same level as last year. In the first half of the year, total turnover in retail trade was more than a tenth lower y-o-y.

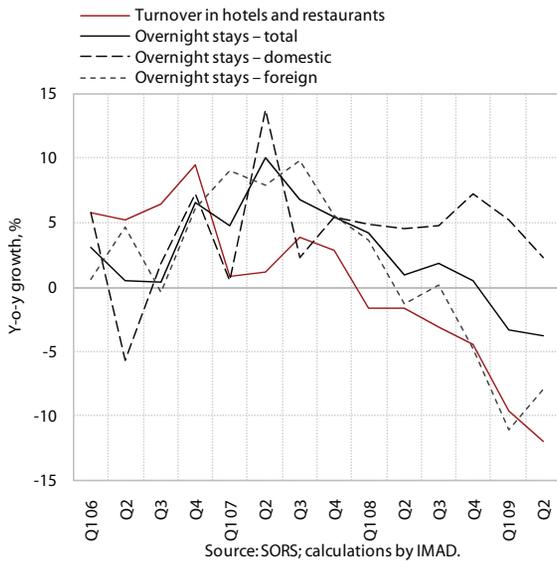
Nominal turnover in **wholesale trade** dropped again in June; in the second quarter, turnover was also lower y-o-y. In the wake of last year's strong growth, nominal turnover in wholesale trade dropped by almost 25% in the second quarter this year, while in the first half of the year as a whole it was a fifth lower than in the same period last year.

Figure 17: Turnover in retail trade and in the sale and repair of motor vehicles



<sup>3</sup> In total retail trade, sale and repair of motor vehicles (47+45).

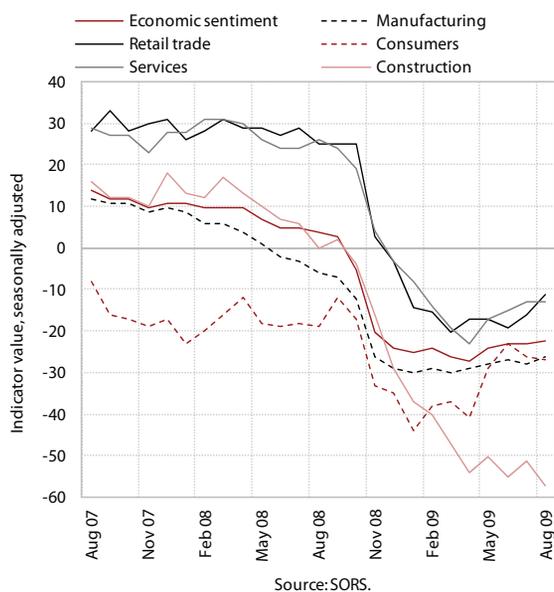
Figure 18: Tourist overnight stays and turnover in hotels and restaurants



Real turnover in **hotels and restaurants** continued to decline in June and was lower y-o-y in the second quarter as well. The lower y-o-y turnover in hotels and restaurants in June was largely due to fewer overnight stays by foreign tourists, while domestic tourists' overnight stays increased again after a drop in May. Real turnover in the second quarter and in the first half of the year combined dropped more than a tenth y-o-y. The number of foreign tourist visits also declined.

The value of the **business sentiment** indicator rose slightly in August, but is still far below what was posted in the same period last year. After falling vigorously from September last year to April 2009, the business sentiment indicator

Figure 19: Business tendency



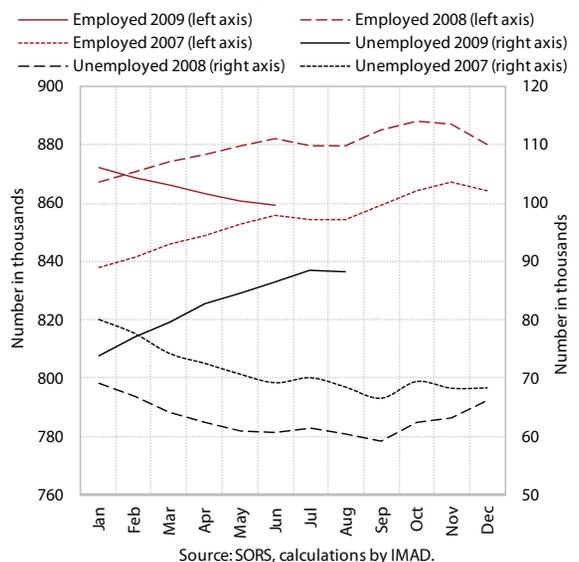
fairly stabilised over the last months or even slightly increased. The slight improvement in August is mainly due to higher confidence in manufacturing and retail trade, while the consumer confidence indicator, and particularly the confidence indicator in construction, deteriorated again.

## Labour market

**Employment** continued to drop in May and June, while the decline slowed at the quarterly level in the second quarter of the year. In May, the number of persons in employment declined by 0.3%, and in June by 0.2% (seasonally adjusted by a total of 0.4%), being as much as 2.6% lower than in June 2008. The number of employed persons thus declined by 0.9% in the second quarter compared with the first, and by 2.1% y-o-y.<sup>4</sup> The greatest y-o-y declines were recorded for persons employed in manufacturing (by 10.1%), mining and agriculture. The number of employed persons was also lower than last year in distributive trades, transportation and miscellaneous business services (employment agencies), while remaining higher than in the same quarter of last year in most other sectors (including construction). The number of vacancies is slowly increasing, while the number of persons hired is stagnating; compared to last year, both numbers are down by roughly a third.

The number of registered unemployed continues to grow, while the cyclical component of growth is slowing. At the end of August, the number of registered unemployed totalled 88,106, which is 351 less than in July, but 45.2% more than in last August. Quarterly growth halved in the

Figure 20: Number of persons in formal employment and registered unemployed



<sup>4</sup> As a result of employment growth in the same period last year, the growth rates are ever more negative y-o-y.

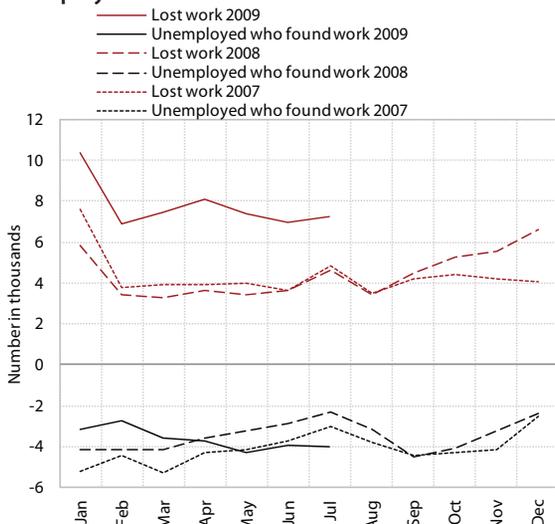
Table 3: Labour market indicators

in %	2008	VI 09/ V 08	VI 09/ VI 08	I-VI 09/ I-VI 08
Labour force	-0.6	0.0	0.3	0.7
Persons in formal employment	3.1	-0.2	-2.6	-1.2
- Employed in enterprises and organisations and by those self-employed	3.1	-0.3	-3.1	-1.3
Registered unemployed	11.4	2.3	42.4	25.9
Average nominal gross wage	8.3	1.0	4.7	5.0
- private sector	7.8	1.5	2.3	2.2
- public sector	9.8	-0.2	9.9	11.7
	2008	VI 09	V 09	VI 09
Rate of registered unemployment, in %	6.7	6.4	8.9	9.1
Average nominal gross wage (in EUR)	1,391.43	1,364.53	1,415.38	1,429.12
Private sector (in EUR)	1,315.49	1,293.44	1,303.47	1,322.92
Public sector (in EUR)	1,642.58	1,601.17	1,763.96	1,759.92

Sources: ESS, SORS; calculations by IMAD.

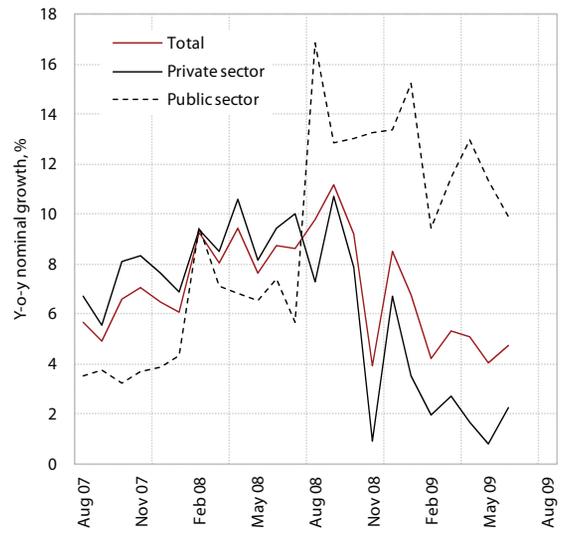
second quarter of the year, to 10.0%. In the second quarter of 2009, 9.3% fewer persons lost jobs than in the first, yet 111.6% more than in the same quarter of 2008, while 25% more unemployed persons found jobs than in the first quarter of 2009. Monthly growth remained the same in July as in June (2.3%), but was significantly impacted by the usual seasonal layoffs of temporary workers before the summer holidays. The inflow into unemployment due to job loss for other reasons was smaller than in previous months, and somewhat more persons found work in July than in June. The number of the unemployed who found work remains notably higher than in the same period last year for the third month in a row. The registered

Figure 21: Employed persons who lost work and unemployed who found work



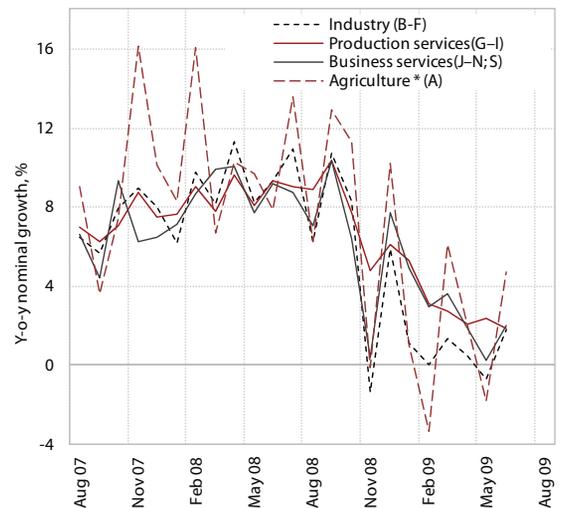
Source: ESS; calculations by IMAD.

Figure 22: Nominal gross wage per employee



Source: SORS; calculations by IMAD.

Figure 23: Nominal gross wage in the private sector



Source: SORS; calculations by IMAD. Note: \* as less than 1% of persons employed in the whole sector work in agriculture, the series is much more volatile.

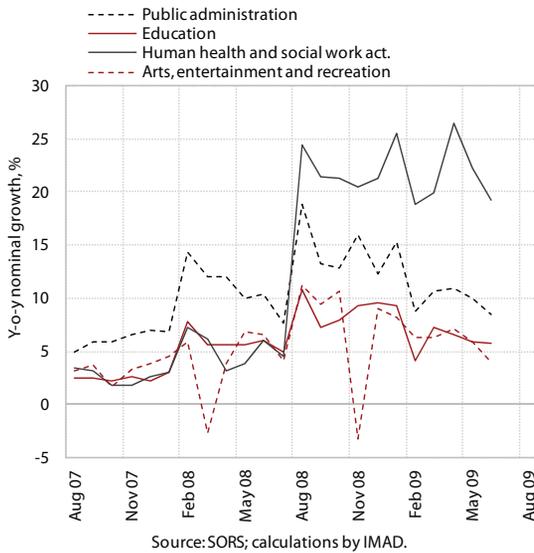
unemployment rate increased in June, to 9.1% (to the level of August 2006).

The average wage per employee increased in June, and its y-o-y growth therefore strengthened as well. The gap between wage rises in the private and public sectors was somewhat narrower. The gross wage per employee rose by 1.0% at the nominal level in June and its growth strengthened to 4.7% y-o-y. It totalled 4.6% on average in the second quarter as a whole, 4.0 p.p. less than in the same period last year.

In the private sector, the average wage per employee increased in June and its y-o-y growth strengthened for the second time this year. June's gross wage increase

in this sector (1.5%) is largely a consequence of rises in the industry group (where the highest increases were recorded in electricity, gas and steam supply, and mining). Growth climbed to 2.3% y-o-y, with the negative contribution once again coming from overdue payments and payments for overtime work, as in all months<sup>5</sup> of this year. The volume of paid overtime work, having declined since September 2008, has not been dropping in the last four months. In the second quarter, this sector's gross wage posted 1.6% y-o-y growth, 7.8 p.p. lower than a year before. The lowest growth<sup>6</sup> was recorded for the industry group (0.6%) and the highest for production services (2.1%).

Figure 24: Nominal gross wage in the public sector



The average wage per employee in the public sector was somewhat lower in June than a month before and its y-o-y growth slowed as well. In June, the average gross wage in the public sector was 0.2% lower<sup>7</sup> relative to the previous month. Its growth slowed slightly y-o-y (in all activities), but is still much higher (9.9%) than in the private sector. In the second quarter, y-o-y growth totalled 11.4%, 4.5 p.p. more than in the same period last year.

<sup>5</sup> With the exception of February with overdue payments.

<sup>6</sup> Breakdown by activity indicates the greatest nominal gross wage declines in financial and insurance activities (-3.8%) and manufacturing (-0.5%), and stagnation in real estate activity (0.0%).

<sup>7</sup> It dropped in health and social work, and in creative, arts and entertainment activities (by 1.1% and 0.7%, respectively), but rose (by 2%) in public administration and education.

## Prices

Y-o-y price growth was higher in August than in July, while the average price level remained the same as in August last year. In August, consumer prices remained unchanged relative to July (last year -0.6%), as they did relative to August 2008. Prices increased by 1.4% in the first eight months of this year (last year by 3.5%).

In July, Slovenia saw deflation on a y-o-y basis, and a somewhat stronger slowdown in core inflation. While the euro area as a whole had already witnessed y-o-y deflation in June, Slovenia posted a y-o-y price drop in July. In the total euro area and in Slovenia, the reasons for the y-o-y consumer price decline were the same. Since

Figure 25: Inflation in Slovenia and in the whole euro area

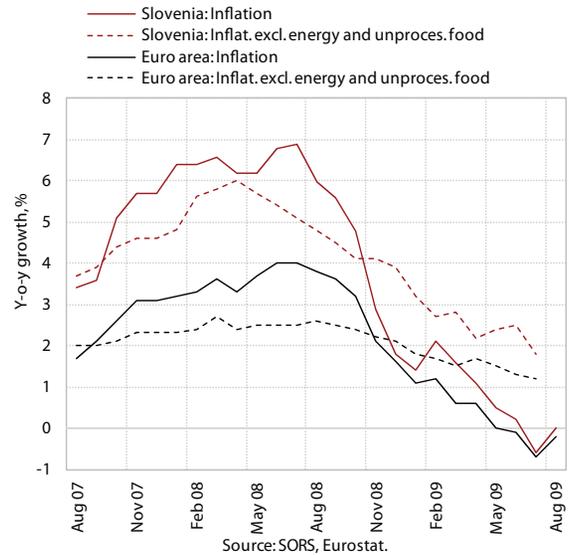


Figure 26: Breakdown of y-o-y inflation

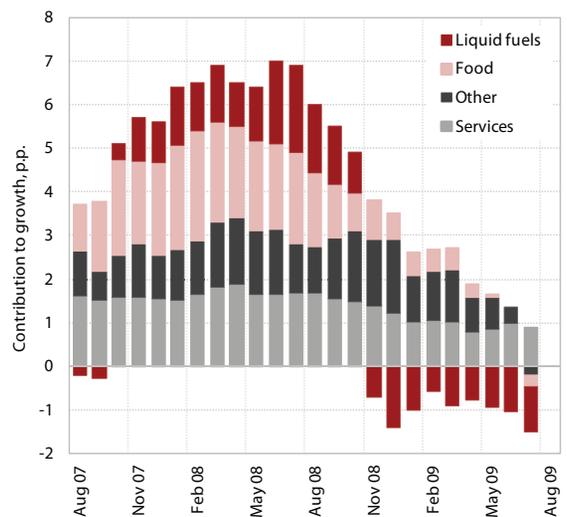


Table 4: Prices

in %	2008		2009		
	XII 2008/ XII 2007	Φ (I 08–XII 08)/ Φ (I 06–XII 07)	VII 09/ VI 09	VII 09/ VII 08	Φ (VIII 08–VII 09)/ Φ (VIII 06–VII 07)
Consumer prices (CPI)	2.1	5.7	-0.9	-0.6	2.3
Goods	1.3	6.0	-2.1	-2.2	1.7
- Fuel and energy	-7.2	10.6	0.5	-10.9	-1.7
- Other	3.2	5.0	-2.1	-2.2	1.7
Services	3.8	5.0	1.8	2.9	3.7
Consumer prices (HICP)	1.8	5.5	-0.8	-0.6	2.2
Administered prices <sup>1</sup>	-7.8	9.6	0.4	-10.0	-2.7
- Energy	-11.9	14.4	0.5	-17.8	-4.8
- Other	0.4	0.1	0.3	2.6	0.6
Core inflation					
- trimmean	2.6	3.9	-0.5	0.4	2.2
- excluding (fresh) food & energy	3.9	4.6	-0.9	1.4	3.3
Consumer prices in the EMU	1.6	3.3	-0.7	-0.7	1.4
Producer prices of domestic manufacturers					
- domestic market	3.1	5.6	-0.2	-1.3	2.2
- EMU	-0.1	2.1	-0.3	-4.7	0.4

Sources: SORS, Eurostat, calculations by IMAD. Note: <sup>1</sup> due to annual changes of the administered price index, figures are not directly comparable across years.

the second half of last year, inflation has been slowing at a rapid pace mainly due to the “base effect”, which this July was related to the approximately USD 70 a barrel lower level of oil prices on global markets, which contributed 1.0 p.p. to y-o-y deflation. Moreover, in July, retail food prices were just below the level of twelve months before. Over the last few months, in addition to oil and food prices, upward pressures are easing in other price groups as well, which is associated with low economic activity. Service price rises thus contributed 0.9 p.p. to the -0.6%

y-o-y price growth, and food price rises -0.2 p.p. The same contribution also came from price rises of all other goods.

In July, **producer prices of manufactured goods on the domestic market declined for the eighth time in the last ten months**. With a monthly price decline of -0.2%, y-o-y deflation rose as well (to -1.3%), which is still mainly due to the y-o-y drop of prices in the manufacture of food products and metals. Over the past twelve months, prices

Figure 27: Core and measured inflation

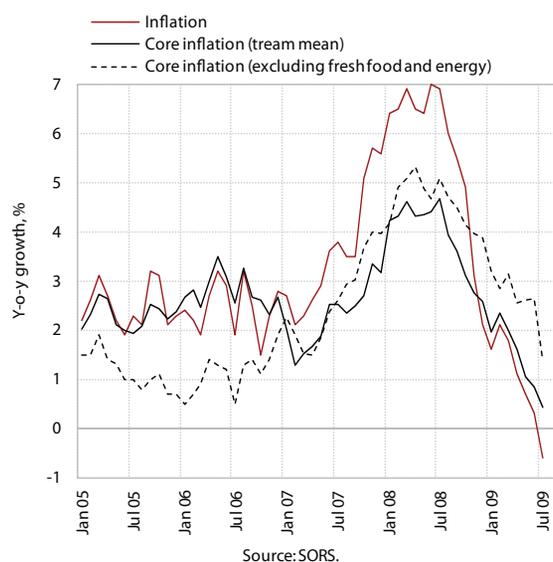
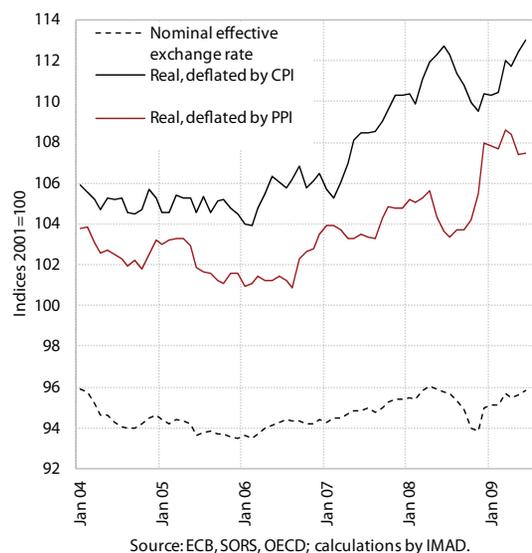
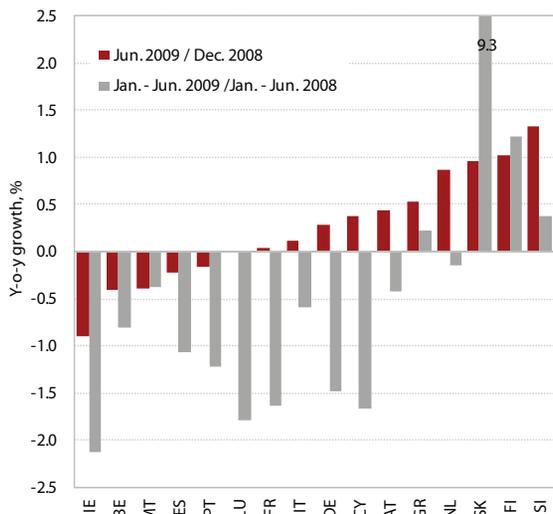


Figure 28: Nominal and real effective exchange rates



in the manufacture of food products dropped by 2.8%, and prices in the manufacture of metals by 20.0%. Given relatively weak production activity, pressures on producer price growth are also easing in most other sectors.

Figure 29: Real effective exchange rates of euro area members deflated by HICP



Source: ECB; calculations by IMAD.

In June, Slovenia was among the euro area members posting relatively the most unfavourable movements of **price competitiveness of the economy**, even though inflation in Slovenia was slowing. Given the stronger euro and higher growth of relative consumer prices,<sup>8</sup> the effective exchange rate continued to increase gradually in real terms in June (0.5% per month, 0.2% y-o-y and 2.4% compared with December). In the first six months as a whole, Slovenia's price competitiveness was still just below the level of a year before (0.2% weaker), but amid a concurrent improvement in most euro area countries. In June, Slovenia's price competitiveness deteriorated the most, compared with December. The relatively greater deterioration of Slovenia's price competitiveness than in other euro area countries is in great part due to the decline (or weaker growth) of relative consumer prices in most of the Member States. Partly it is also related to the structure of Slovenia's foreign trade, i.e. the above-average share of trade with the EU. The impact on Slovenia's price competitiveness of the appreciation of the euro against other EU currencies was consequently higher, while the influence of the euro's depreciation against some currencies outside the EU (particularly the USD and JPY) was smaller.

After improving for two months, **price competitiveness in manufacturing** stagnated at the level of May, while its y-o-y deterioration continued at an accelerated pace. The real effective exchange rate deflated by relative producer prices in manufacturing (on the domestic market) rose

only slightly in June (by 0.1%), after a two-month decline, while its y-o-y growth increased from 2.9% to 3.7%. Amid a small improvement in the first six months of the year (by 0.5% compared with December), the y-o-y deterioration of price competitiveness in manufacturing in the first six months as a whole remains somewhat more pronounced (2.9%), given that in the last quarter of 2008 Slovenia recorded a smaller monthly decline in producer prices than its trading partners.

## Balance of payments

In June, the **current account balance** recorded a surplus for the third month in a row (EUR 133.2 m); in the second quarter of 2009, current transactions thus ran a surplus of EUR 258.0 m for the first time in three years (a deficit of EUR 486.0 m in the same period last year). The current account surplus was largely a consequence of movements in the balance of merchandise trade, which posted a surplus in the second quarter of this year, as did the balance of current transfers. The factor income deficit was also lower y-o-y, as was the surplus in the services balance.

After posting a significantly lower deficit y-o-y in the first quarter of this year, the **balance of merchandise trade** recorded a surplus of EUR 41.7 m in the second. Besides a higher decline in the volume of imports compared with exports, it was also influenced by the terms of trade, which improved by 3.8% in the second quarter, by our estimate. Due to lower global demand, oil and other primary commodity prices expressed in USD declined significantly y-o-y (by 51.7% and 27.9%, respectively). With the appreciation of the EUR against the USD, export prices in EUR dropped by 3.9% y-o-y and import prices by 7.5%. The surplus in the **services balance** was lower y-o-y for the second quarter in a row, by EUR 110.5 m, dropping to EUR 364.2 m. The decline was mainly a result of a lower surplus in the trade of road transport and other business services.

In the second quarter, the deficit in **factor income balance** was lower y-o-y, as a consequence of lower net capital expenditures. Net interest payments of the domestic banking sector to the rest of the world have been diminishing for as long as six months, given a further interest rate decline and net repayment of foreign loans. The surplus in the balance of **current transfers** was largely a consequence of higher receipts from the EU budget.

**International financial transactions** (excluding international monetary reserves) posted a net capital outflow for the second quarter in a row, with capital flows still indicating aggravated access to foreign sources of finance. The net capital outflow of the private sector is still higher than the net capital inflow to the general government and the BS. In the second quarter of this year, the net capital outflow totalled EUR 146.8 m (a net inflow of EUR 657.9 m in the same period last year).

<sup>8</sup>In Slovenia, compared with its trading partners.

Table 5: Balance of payments

I-VI 09, EUR m	Inflows	Outflows	Balance <sup>1</sup>	Balance, I-VI 08
Current account	10,897.0	10,841.5	55.5	-911.0
- Trade balance (FOB)	8,004.2	8,089.6	-85.4	-1,156.9
- Services	2,004.9	1,373.9	631.0	808.3
- Income	508.8	898.2	-389.4	-408.9
Current transfers	379.1	479.7	-100.7	-153.5
Capital and financial account	2,042.3	-2,213.6	-171.3	1,175.6
- Capital account	125.6	-92.6	33.0	-5.1
- Capital transfers	124.7	-89.0	35.7	-4.3
- Non-produced, non-financial assets	0.9	-3.6	-2.7	-0.8
- Financial account	1,916.7	-2,121.0	-204.3	1,180.8
- Direct investment	44.6	-432.5	-387.9	-27.7
- Portfolio investment	1,228.7	720.4	1,949.1	-847.0
- Financial derivatives	-29.1	4.6	-24.5	34.4
- Other investment	512.6	-2,413.5	-1,900.9	2,022.3
- Assets	510.8	0.0	510.8	-1,165.5
- Liabilities	1.8	-2,413.5	-2,411.7	3,187.8
- Reserve assets	159.9	0.0	159.9	-1.3
Net errors and omissions	115.8	0.0	115.8	-264.6

Sources: BS. Note: <sup>1</sup>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.

*Direct investment* posted a net outflow of EUR 273.8 m in the second quarter of this year. Equity capital and other capital had equal shares in the structure of domestic direct investment abroad. Inward direct investment was modest, in the amount of EUR 50.1 m (EUR 308.3 m in the same period last year). For the second consecutive quarter, foreign investment enterprises made net repayment of loans to foreign parent companies and affiliated enterprises abroad.

*Portfolio investment* reached a net inflow of EUR 1,074.5 m in the second quarter of this year, which was, similar to the first quarter, largely due to investment in debt securities. In April, the RS namely issued a five-year bond in a nominal amount of EUR 1.5 bn with a 4.375% interest rate; a quarter of issued bonds were purchased by domestic and the rest by other investors.

Figure 30: Components of the current account balance

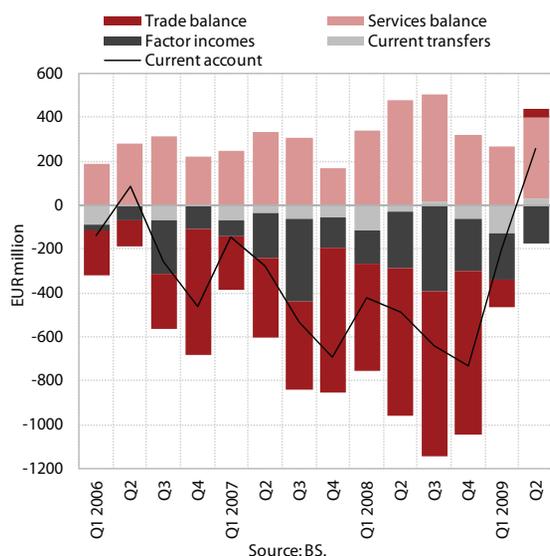
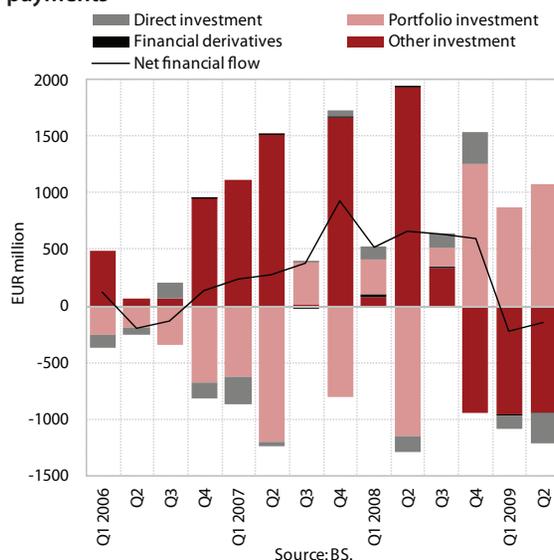


Figure 31: Financial transactions of the balance of payments



*Other investment* also posted a net capital outflow in the second quarter (EUR 946.3 m). This was mainly a consequence of domestic commercial banks' repaying short-term loans to the rest of the world in June (EUR 1,286.2 m). In the second quarter, domestic commercial banks, on the other hand, financed the rest of the world with EUR 171.5 m worth of short-term loans.

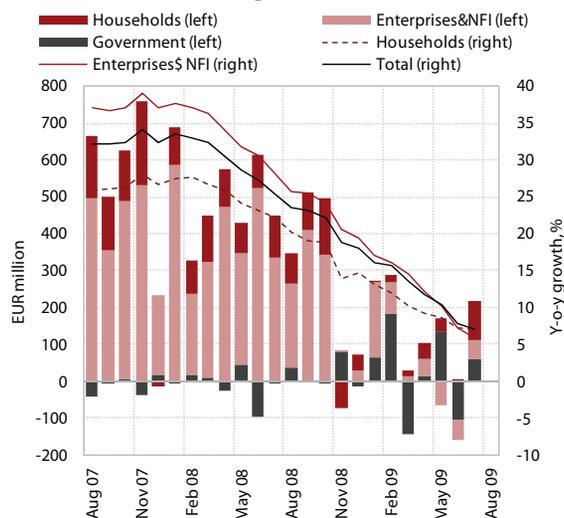
*Slovenia's gross external debt* amounted to EUR 37.6 bn at the end of June (102.7% of estimated GDP) and *gross external assets in debt instruments* EUR 28.0 bn (76.5% of GDP). Net external debt totalled EUR 9.6 bn at the end of June, increasing by EUR 76 m relative to the end of 2008.

## Financial markets

The **lending activity** of domestic banks strengthened somewhat in July. Banks recorded net lending in the amount of EUR 217.1 m in July, the highest value in the last five months, accounting for almost 30% of total net flows of loans given in the first seven months of 2009. Relatively strong, household borrowing stood out significantly compared with previous months, while corporate and NFI borrowing, albeit positive, was rather low. In July, the government moved a significant portion of its deposits to long-term deposits, which might have contributed to somewhat higher lending activity by banks. The situation on international interbank markets is still fairly tight; in June alone, banks repaid a net EUR 1.3 bn worth of loans, which is the highest figure to date.

The volume of **net household borrowing** exceeded EUR 100 m for the first time since October 2008. The rebound in borrowing is largely a consequence of significantly stronger net borrowing for other purposes, which

Figure 32: Net flows and growth of domestic bank loans to domestic non-banking sector



Source: BS; calculations by IMAD.

accounted for nearly half of total net household borrowing. We estimate that this movement is seasonal, related to higher household spending during the summer months. Borrowing in the form of housing loans also picked up somewhat relative to June, but was not significantly different than in previous months. Consumer loans saw a net inflow for the fourth time in a row, remaining modest this month (EUR 6.3 m). In the first seven months of 2009, banks recorded net lending to households in the amount of EUR 227.6 m, close to a third of the figure in the comparable period of 2008.

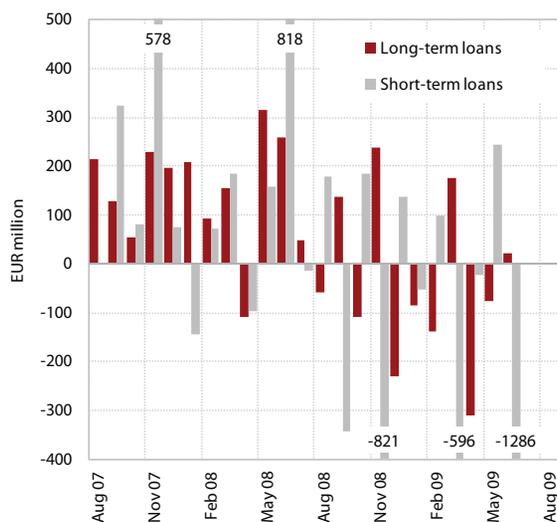
Table 6: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 08	31. VII 08	31. VII 09/ 30. VI 09	31. VII 09/ 31. XII 08	31. VII 09/ 31. VII 08
Loans total	31549.1	32276.6	0.7	2.3	7.2
Enterprises and NFI	23137.5	23421.3	0.2	1.2	5.9
Government	584.6	800.8	8.6	37	68.8
Households	7827	8054.6	1.3	2.9	7.1
Consumer credits	2883.9	2869.3	0.2	-0.5	0
Lending for house purchase	3395.3	3636.5	1.4	7.1	16.9
Other lending	1547.7	1548.8	3.2	0.1	0.4
Bank deposits total	13689.1	14096	-0.8	3	6.5
Overnight deposits	5249.4	5578	-2.8	6.3	4.5
Short-term deposits	5644.8	5501.1	0.2	-2.5	0.1
Long-term deposits	1957.7	2463.9	3.6	25.9	60.5
Deposits redeemable at notice	837.2	552.9	-7	-34	-35.8
Mutual funds	1513.4	1718.8	4.1	13.6	-22.3

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

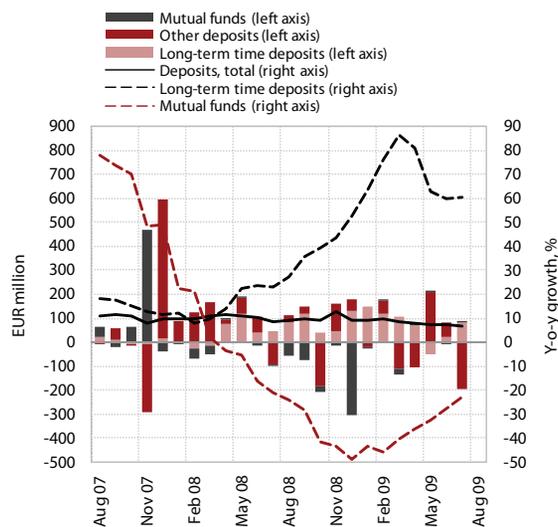
After **enterprises and NFI** net repaid loans taken out at domestic banks in the previous two months, the net flow of these loans was positive, albeit fairly low, in July (EUR 50.7 m). Net borrowing was recorded both by enterprises and NFI. A breakdown by purpose shows improvement in July, given that net investment loans accounted for by far the most important share and at EUR 775 m were the highest since the onset of the credit crunch last November. Net borrowing for working capital was much more modest, while corporate and NFI repayment of loans for other purposes amounted to EUR 40.3 m. Enterprises and NFI thus borrowed a net EUR 283.7 m from domestic banks in the first seven months of the year, nearly 90% less than in the comparable period last year. After enterprises and NFI borrowed abroad as much as a net EUR 183.3 m in May, they net repaid foreign loans in June, for the second time this year, this month in the amount of EUR 27.5 m. The negative net flow is largely a consequence of repayment of long-term loans, which at EUR 118.6 m was the highest this year. Enterprises and NFI thus net borrowed EUR 264.0 m abroad in the first half of the year, about a sixth more than in the comparable period last year, despite net repayment in June. Even though the gap between domestic and foreign interest rates (EMU average) narrowed somewhat in June, domestic interest rates are still much higher (by 293 basis points). Also in June, the availability of sources of finance on international interbank markets remained low. Banks were thus net repaying foreign loans for the sixth consecutive month, this time in an amount as high as EUR 1.3 m, the highest figure so far and entirely due to net repayment of short-term loans, while, for the first time in the second quarter, long-term loans saw a positive net flow (EUR 20 m). Banks thus posted net repayment of foreign loans in the amount of over EUR 2 bn in the first half of the year (while a net inflow of EUR 1.9 bn was recorded in the same period last year).

Figure 33: Maturity structure of net bank borrowing abroad



Source: BS; calculations by IMAD.

Figure 34: Net inflows of household deposits in banks and mutual funds and y-o-y growth rates



Source: BS; calculations by IMAD.

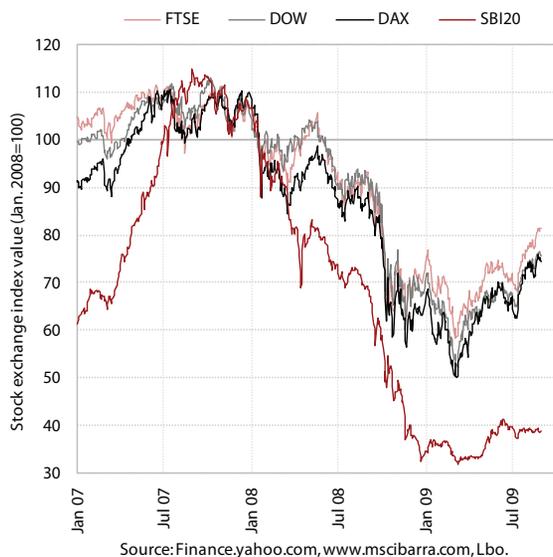
The y-o-y growth rate of loans has been declining for a year and a half, dropping to 7.2% by the end of July, the lowest value since comparable data have been available.<sup>9</sup> In the first seven months of 2009, banks recorded net lending to domestic non-banking sectors in the amount of EUR 727.5 m (slightly more than a fifth of that posted in the comparable period of 2008). Indebtedness by sector was fairly balanced, with net flows of household, corporate and NFI loans hovering between EUR 200 and 300 m. In the euro area as a whole, credit market conditions are still fairly tight, facing an even more severe credit crunch than Slovenia. The volume of loans recorded a 0.3% decline in July, in the wake of its 0.5% growth in June, and the y-o-y growth rate thus fell to as low as 0.8%. In the first seven months of the year, net flows of loans (EUR 28.4 bn) only reached 5.0% of the value from the comparable period last year.

Posting this year's highest monthly decline (0.8%), the volume of **household deposits** in banks in July was also influenced by seasonal factors. The decline is to a great extent a consequence of the outflow of EUR 162.3 m from sight deposits. Assets from these deposits were most probably partly transferred to long-term deposits, which exceeded 3.0% growth for the first time in three months. A significant outflow (EUR 41.4 m) was also recorded for deposits redeemable at notice, which dropped at the monthly level as many as eight times in the last nine months. This is most likely due to the fact that the bulk of these deposits are tied to the interbank interest rate, EURIBOR, which fell considerably in this period. Net inflows of household deposits in banks thus totalled EUR 406.9 m in the first seven months of this year, down two fifths from the same period last year. The volume of government deposits has diminished for the third month in a row, but

<sup>9</sup> Year 2005.

maturity structure nevertheless improved significantly in July, as the government transferred a significant portion of its bank deposits (EUR 1.3 bn) to long-term deposits. The net inflow of government deposits to domestic banks rose to EUR 1.6 bn in the first seven months of this year, nearly three times as much as in the comparable period last year. After modest net outflows in June, mutual funds managed by domestic administrators once again recorded a positive net flow in July (EUR 3.6 m). Unlike in previous months, this time higher net inflows were posted by mutual funds leading a somewhat more conservative policy (mixed funds in the amount of EUR 2.8 m), most probably due to somewhat higher volatility on the capital market. Due to negative movements in the first quarter of this year, mutual funds nonetheless still posted a net outflow in the first seven months of the year, in the amount of EUR 9.3 m, which is much less than in the comparable period last year, when the net outflow climbed to EUR 127.6 m. The volume of assets in mutual funds managed by domestic administrators recorded 4.1% growth in July, having strengthened by 13.6% in the first months of this year.

Figure 35: Movement of the SBI20 and other main indices



In July, the turnover on the Ljubljana Stock Exchange declined, which is also associated with seasonal factors (holidays). Turnover amounted to EUR 35.7 m, the second lowest value this year. The greatest turnover was recorded for EUR shares (excluding investment funds), EUR 23.4 m, which is nearly half the value recorded a month before, while the turnover in bonds, reaching EUR 11.2 m, slightly exceeded the figure of July. Trading on the Ljubljana Stock Exchange was at a level of EUR 356.4 m in the first seven months of 2009, almost 60% lower than in the comparable period last year. The market capitalisation of securities dropped by 1.2% after three months of ongoing growth, solely as a consequence of a 2.4%

decline in the market capitalisation of shares. The volume of market capitalisation strengthened by nearly a fifth in the seven months to July. The increase was mainly a result of the new issuance of bonds (36.0% growth of the market capitalisation of all bonds), whereas the market capitalisation of shares increased by 6.2%. The value of the SBI20 index dropped in August for the second month in a row, yet by a mere 0.6% this time, while the values of indices on main foreign capital markets increased between 1.3% (NIKKEI225) and 6.6% (CAC40), largely due to relatively favourable macroeconomic indicators for the second quarter.

## Public finance

In the first seven months of the year, revenue from **taxes and social security contributions** totalled EUR 7.6 bn, 8.2% less than in the same period last year.<sup>10</sup> The slowdown of general government revenue growth continued for most categories of taxes and contributions. Only revenues from excise duties and social security contributions increased y-o-y in the first seven months of the year (18.1% and 3.3%, respectively), while all other taxes declined. The government continued its policy of raising excise duties on liquid fuels for transport and heating and increased excise duties on beer, intermediate beverages and ethyl alcohol in March, and on cigarettes in May. Social security contributions follow the wage bill dynamics, and their growth is slowing. Revenue from personal income tax has been lower than in the same period of last year for the second period in a row (largely due to higher tax refunds based on final personal income tax assessments for 2008, but also to significantly lower inflows of income from entrepreneurial profits and income from capital gains), dropping by 3.6% in the first seven months of 2009. Prepayments of corporate income tax are also falling, having reached, in the first seven months, 47.3% of the values in the same period last year. Taxpayers can, through a special procedure, request a prepayment reduction based on deteriorated business performance in the current year and this year's (lower) statutory tax rate (21.0%). Revenue from value-added tax has remained, for the fourth month in a row, 12.0 to 13.0% below the level recorded in the same period last year.

The gap between general government revenue and expenditure is widening, according to the **consolidated balance**<sup>11</sup> data by the MF. General government revenue totalled EUR 6.8 bn in the first half of the year, general government expenditure EUR 7.9 bn. The first six months saw 7.4% lower revenue y-o-y, while expenditure growth was higher than last year, totalling as much as 10.6%. The consolidated balance of public financing reported a

<sup>10</sup> Based on the Report on Payments of All Public Revenues, January–July 2009, Public Payments Administration.

<sup>11</sup> The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of state and local government budgets, as well as revenues and expenditures of the pension and health funds.

Table 7: Consolidated general government revenue and expenditure

	2008			2009		
	EUR m	% of GDP	Growth, %	I-VI 2009 in EUR m	VI 09/ VI 08	I-VI 09/ I-VI 08
Revenues - total	15,335.0	41.3	9.5	6,826.2	-3.2	-7.4
- Tax revenues	13,937.2	37.5	9.2	6,223.4	-5.3	-8.6
- Taxes on income and profit	3,442.1	9.3	18.0	1,324.8	-34.1	-26.4
- Social security contributions	5,095.0	13.7	10.8	2,566.1	1.1	4.4
- Domestic taxes on goods and services	4,805.3	12.9	6.8	2,192.9	12.8	-3.9
- Receipts from the EU budget	365.4	1.0	5.0	249.3	55.3	57.0
Expenditure - total	15,434.7	41.6	10.9	7,942.0	10.9	10.6
- Wages and other personnel expenditure	3,580.6	9.6	9.3	1,971.8	10.0	14.2
- Purchases of goods and services	2,525.9	6.8	14.2	1,163.8	-1.2	4.6
- Transfers to individuals and households	5,616.2	15.1	10.3	3,050.9	10.6	10.8
- Capital expenditure	1,252.0	3.4	10.7	411.9	11.7	12.9
- Capital transfers	458.0	1.2	37.0	148.8	179.6	60.2
- Payment to the EU budget	427.9	1.2	20.2	245.5	92.0	11.9

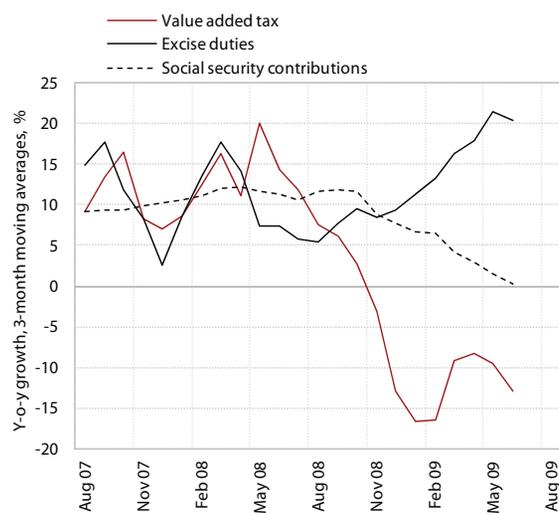
Source: MF.

deficit of EUR 1,116 m at the end of the first six months. In terms of *economic structure of expenditures*, in the first half of the year the greatest y-o-y increase was seen in expenditure on investment (22.5%), and wages and other personnel expenditures (14.2%). Growth of transfers to individuals and households is also strengthening; expenditure on transfers to the unemployed is particularly increasing (69.0%), due to rising unemployment, and so is expenditure on other transfers to individuals and households (34.4%), within which free meals for secondary school students were introduced last September and free kindergarten care for the second child in a family. After February's valorisation of pensions, pension expenditure growth totalled 9.1% in the first six months of the year.

Growth in expenditure on goods and services (4.6%), on the other hand, slowed.

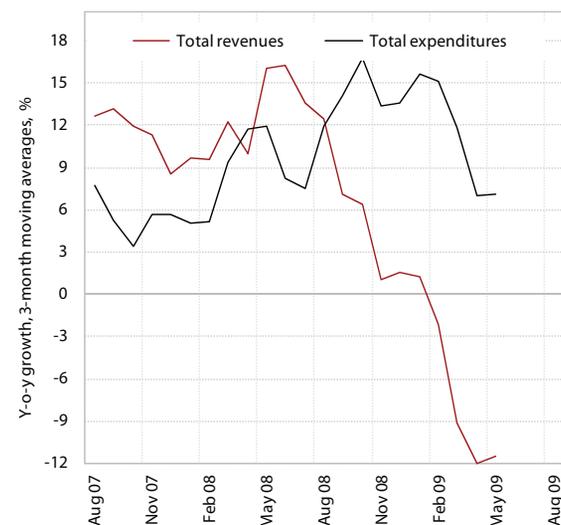
According to the first non-consolidated data, the same movements continued in July. *State budget* revenue declined by 14.2% y-o-y in the first seven months of 2009, while state budget expenditure concurrently increased by 12.3%. The state government deficit climbed to EUR 946 m in the first seven months of the year. A similar situation was also recorded for the health fund (a deficit of EUR 81.9 m), the total balance of local budgets (EUR 59 m), while the pension fund was balanced owing to a transfer from the state budget in the amount of EUR 832m.

Figure 36: Taxes and social security contributions



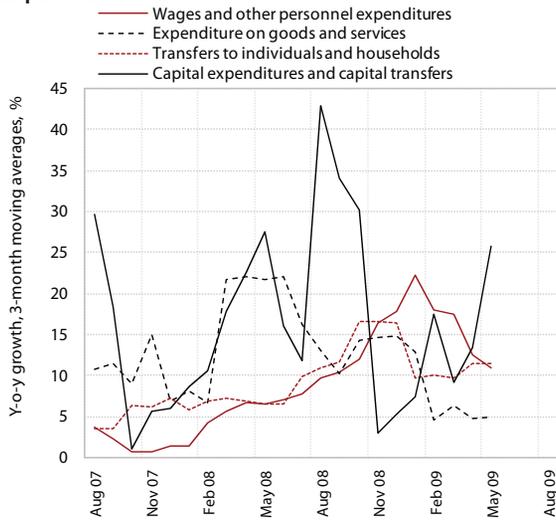
Source: PPA; calculations by IMAD, (the figures were adjusted to match the given period)

Figure 37: Consolidated general government revenue and expenditure



Source: MF; calculations by IMAD.

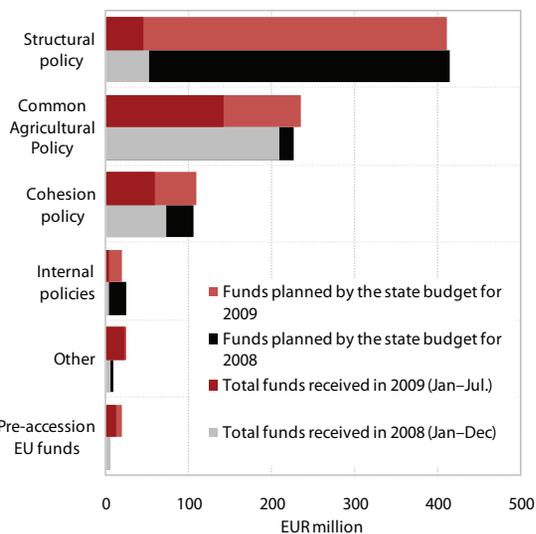
Figure 38: Main consolidated general government expenditure



Source: MF.

In June, the Member States paid their contributions into the EU budget taking into account – for the first time – the new decision on the system of own resources.<sup>13</sup> Slovenia's obligation was therefore somewhat higher in June, as it included resources under the heading of the revision in financing GNI contributions in favour of the Netherlands and Sweden, as well as the difference between previous and new regulations for the period since the new financial perspective had come into force. In July, payments diminished somewhat relative to previous months, in accordance with the supplemented EU budget proposal reducing Slovenia's obligation from the national contribution.

Figure 39: Planned and absorbed EU funds



Source: MF; calculations by IMAD.

According to data through the end of July, Slovenia was in a positive net **budgetary position relative to the EU budget**, at a level of EUR 21.4 m. Slovenia recorded fairly high refunds from the EU budget into the state budget in the second quarter, nearly 100% higher in nominal terms compared with the same period last year. Absorption from the Cohesion Fund saw a particularly strong increase (motorway sections). Receipts from the EU budget were somewhat lower again in July, while refunds from structural funds posted a notable increase, rising by 100% compared with a month before. Movements in June and July indicate better utilisation of Cohesion Policy funds, which may also be a result of measures adopted in this area at EU and national levels in previous months.<sup>12</sup>

<sup>12</sup> See SEM, April 2009.<sup>13</sup> See SEM, April 2009.

**selected topics**



## Formation and control of prices of public utility services in Slovenia

*This chapter highlights the issues of forming and regulating the prices of public utility services in Slovenia in light of recent regulatory changes in this area. By passing the »Decree repealing the Decree on the Formation of Prices for Basic Utility Services« in July, the government ceased to control basic utility service prices, transferring the responsibility for handling and approving proposals for price changes to local communities. Even though the practice of all decisions being made by the government was not appropriate either, the transfer of responsibilities may, given the absence of an appropriate pricing methodology and a body monitoring its execution, not result in a long-term solution to the public utility pricing problem.*

*Since the beginning of the 1990s, pricing of public utility services has been controlled by the government. As with this type of activity the enterprise or entity that carries out the activity independently has a monopoly on that activity or a controlling position in the sector, and as these activities are essential for satisfying the needs of individuals and companies, cost efficiency in Slovenia was ensured through a mechanism of formation and regulation of prices. Up to the middle of this year, prices of public utility services were regulated at the state level. This arrangement was focused at preventing monopolistic behaviour of service providers and at price regulation reflecting the costs of service provision and enabling normal functioning of enterprises. Price rises were only allowed in the event of higher costs of meeting the prescribed standards or introducing new services, and until 2008, also of investment in infrastructure. At the end of 1990s, when this type of public utility pricing proved insufficient, the government decided to prepare an appropriate pricing mechanism based on the benchmark method. Last year, it therefore passed the new »Rules on the pricing of services provided by the mandatory public utility services in the field of environmental protection«, providing comparable data needed to apply the methodology.*

*When prices were controlled by the government, upward pressures on utility service prices were relatively strong, but the actual rises were relatively small, with the exception of last year, when utility service prices increased in 88 municipalities all over Slovenia (in the range between 0.5% and 1513%), and this year, when another 3 municipalities posted price rises in the range between 1.4% and 9.4%. Thanks to the price movement control methodology, these rises had a very limited impact on inflation, as the consumer price index does not include price changes in all municipalities. By our estimate, prices of basic utility services increased by a mere 0.1% in the first seven months of this year, and by an average of 1.7% last year (according to SORS figures, the price of water supply rose by 3.4% and sewage fees by 0.1%, while prices of waste collection remained unchanged).*

*A survey of systems providing public utility services in some of the old EU Member States shows that prices of these services are formed taking account of all costs, as stipulated by EU directives, and that in most countries pricing is the responsibility of local communities, yet with certain arrangements or mechanisms for regulation. In Italy, public utility services are controlled by the government according to benchmark costs, inflation rate and productivity growth. In Portugal, they are controlled in a similar way, based on a comparative analysis of providers conducted by an independent body. Also in Germany, prices are formed and regulated under the concept of benchmark prices, as they are in Denmark, which is also introducing a higher level of competition in the provision of services. In Austria, prices are capped by the law governing subsidies for these activities. No special control mechanisms are in place in France. Prices are the responsibility of local communities, though services are mainly carried out by private enterprises. When overall inclusion might lead to high price rises, a system of subsidies is applied. In Great Britain, public utility services are also carried out by the private sector. They are controlled by an independent body setting the price rise ceiling for every 5-year period, while waste collection is controlled by the government; the aim of the control is to encourage a reduction in costs. In the Netherlands, prices of services cover all costs. Services are mainly provided by public utility enterprises, which are, along with the price policy, controlled by regional authorities. In Spain, water supply is fairly liberalised, but investment costs are nevertheless covered by the state. Prices of water supply do not cover the costs of service provision and are regulated at the regional level.*

*Under circumstances when the conditions necessary for liberalisation of public utility services have yet to be established, liberalisation may lead to even greater anomalies in this area, with further negative consequences for the economy as a whole. Setting of prices for public utility services without government control would be an appropriate solution only if a system of benchmark pricing of utility services were already in place, with a regulatory body monitoring its execution. Due to high fragmentation of local communities, prices should also be tied to a certain level of services, or it will be impossible to ensure the economies of scale and efficient execution of services. There is a risk that pricing of public utility services' being the exclusive responsibility of local communities will lead to a situation exacerbating the economic inefficiency of service provision. This can have negative consequences from the aspect of service users as well as of macroeconomic policy, as at the end of the day inefficiencies translate into price rises, with a negative impact on the competitiveness of the economy as a whole.*

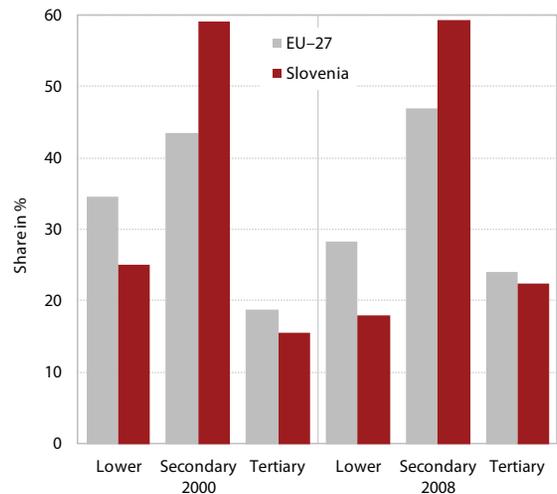
## Educational structure of the adult population in Slovenia

Participation in education and attained education have a positive impact on social welfare and social cohesion, as well as on economic development. Individuals with a higher level of formal education tend to have higher earnings than others and are less likely to become unemployed. In society, there is a correlation between attained education level and health condition, life expectancy, crime rate, at-risk-of-poverty rate, etc. Data for Slovenia show the highest at-risk-of-poverty rate for people with a lower level of education (having completed no more than primary school) and the lowest for those with a tertiary education. In 2007, the at-risk-of-poverty rate<sup>1</sup> for people with a lower education was 24%, for those with a secondary education 9.0%, and for people with a tertiary education 2.0%. A lower level of education, in particular, is a strong determinant of an individual's poverty risk. Furthermore, education is also an important factor in improving the quality of human capital and is vital for economic growth. However, besides the level of attained education, it is the quality of education that is most important for economic development.

The educational structure of the adult population in Slovenia improved in 2000–2008. According to the Labour Force Survey, the share of people aged 25–64 with a low educational level totalled 18.0% in 2008, having declined by 7.2 p.p. relative to 2000; the share of the population with a secondary education remained approximately the same (59.4% in 2008), while the share of the population with a tertiary education totalled 22.6%, having increased by 6.9 p.p. relative to 2000. Compared with the EU-27 average, Slovenia is characterised by a relatively low share of people with a lower level of education. In Slovenia this share declined more notably than the EU-27 average in the analysed period. In contrast, the share of the population with a secondary education was higher than the EU-27 average in 2008, while Slovenia lagged behind the average by the share of the population with a tertiary education; however, over the last eight years this share has been rising faster than the EU-27 average.

Even though the share of younger and older people with low educational attainment declined, in higher age groups the share of people with a lower level of education is still relatively high. As expected, the educational structure of the population deteriorates with age. In 2008, the share of the population aged 25–34 with a low level of education totalled 7.6%. In the age group of 34–44 this share was about twice and in the age group of 45–54 about three times as high; in the age group of 55–65 it totalled 28.5%. It was the oldest age group that saw the greatest decline in the share of the population with a low level of education in 2000–2008. In 2000–2008, the share of the population with a low level of education declined

Figure 40: Educational level of the population aged 25–64 in Slovenia in 2000 and 2008, in %



Source: Eurostat; calculations by IMAD.

more than the stated average in all age groups, except in the group aged 45–54.

Regarding the share of young people aged 20–24 with at least an upper secondary education, Slovenia is among the best-performing countries in the EU, though this share slightly declined in Slovenia in 2008. In line with the EU objective in the field of education, by 2010 at least 85.0% of young people aged 20–24 should have completed at least upper secondary education. Slovenia achieved and exceeded this objective throughout the 2000–2008 period. In 2008, this share reached 90.2%, 11.9% above the EU average, and was one of the highest in the EU-27, increasing further in 2000–2008. It should be noted, however, that the share of young people aged 20–24 having attained at least an upper secondary education (upper secondary or tertiary education) declined by 1.3 p.p. over the last year. The share of young people with an upper secondary education decreased, while the share of those with a tertiary education rose slightly but is still among the lowest in the EU (Slovenia: 3.8%; EU-27: 13.4%). Amid the high participation of youth in tertiary education, the low share of youth aged 20–24 years with a tertiary education is also due to the low efficiency of studies, reflected in the long average duration of studies (among the longest in Europe).

The participation of young people in formal education is high and rising faster than the EU-27 average. The high share of the population aged 20–24 with at least a secondary education and improvement in the educational structure of the adult population are mainly a consequence of the high level of participation of young people in education. The participation of young people aged 15–24 at all levels of formal education<sup>2</sup> amounted to 70.1% in 2007, which is 10.6 p.p. more than the EU-27 average and one of the highest shares in the EU-27. In 2000–2007, the

<sup>1</sup> According to Eurostat. Showing the at-risk-of-poverty rate for the age group of 18 and over, after social transfers.

<sup>2</sup> Primary, upper secondary and tertiary education.

Table 8: Educational structure of the population aged 25–64, EU-27

	Share of population with attained level of education in %					
	2000			2008		
	Lower	Secondary	Tertiary	Lower	Secondary	Tertiary
EU-27	34.6	43.5	18.9	28.4	47.1	24.2
Austria	23.8	61.9	14.2	19.0	63.0	18.1
Belgium	41.7	31.2	27.1	30.4	37.3	32.3
Bulgaria	32.9	48.7	18.4	22.5	54.8	22.8
Cyprus	38.5	36.4	25.1	26.9	38.6	34.5
Czech Republic	13.9	74.5	11.5	9.1	76.4	14.5
Denmark	19.8	52.8	25.2	21.9	42.2	33.7
Estonia	15.3	55.8	28.9	11.5	54.2	34.3
Finland	26.6	40.2	32.3	18.9	44.5	36.6
France	37.7	40.6	21.6	30.2	42.4	27.4
Germany	17.7	54.2	22.5	14.6	59.8	25.3
Greece	48.6	34.5	16.9	38.9	38.4	22.6
Hungary	30.7	55.3	14.0	20.3	60.5	19.2
Ireland	41.8	34.9	21.2	29.5	34.3	32.7
Italy	53.3	34.6	9.4	46.7	39.0	14.4
Latvia	16.9	65.1	18.0	14.2	60.6	25.2
Lithuania	15.8	42.4	41.8	9.4	60.1	30.4
Luxembourg	38.3	41.7	17.9	32.1	40.3	27.7
Malta	81.8	12.8	5.4	72.5	14.4	13.1
Netherlands	33.8	41.9	24.0	26.5	40.8	31.9
Poland	20.3	68.3	11.4	12.9	67.6	19.6
Portugal	80.4	10.6	9.0	71.8	13.9	14.3
Romania	30.7	60.1	9.2	24.7	62.5	12.8
Slovakia	16.4	73.3	10.2	10.1	75.2	14.8
Slovenia	25.2	59.1	15.7	18.0	59.4	22.6
Spain	61.7	15.8	22.5	49.0	21.7	29.2
Sweden	22.7	47.3	29.5	14.9	52.7	31.8
United Kingdom	31.3	31.0	24.4	26.4	41.1	31.8

Source: Population and Social conditions (Eurostat), ADS, 2009; calculations by IMAD.

participation of young people in education increased more than the above-mentioned average (Slovenia: 10.8 p.p.; EU-27: 4.5 p.p.), as it did in 2007 (Slovenia: 0.4 p.p., EU-27: 0.2 p.p.).

*In 2007, the participation of young people in upper secondary schools and tertiary education was among the highest in the EU-27.* The participation of young people aged 15–19 in upper secondary education totalled 78.9% in 2007 (academic year 2006/2007), significantly exceeding the EU-27 average (57.5%). The completion rate in upper secondary education<sup>3</sup> is also high, given the low share of young people aged 18–24 with completed or

uncompleted primary school or without formal education (early dropouts), which contributes to a relatively high share of young people aged 20–24 with at least a secondary education. In 2000–2007, the participation of young people in secondary education posted a further increase, while it declined slightly in 2007 (by 0.7 p.p.). In contrast, the participation of young people aged 20–24 in tertiary education increased (by 1.1 p.p.) in 2007, to 46.1% (EU-27: 28.4%), signifying a continuation of the positive trend from the 2000–2007 period, when participation in tertiary education noticeably increased (by 13.9 p.p.; EU-27: 4.5 p.p.). Participation in tertiary education also continued to grow after 2007, totalling 46.4% in 2008/2009.

<sup>3</sup> The percentage of young people who completed secondary school in a selected year, compared with the total population at the typical age of secondary school completion.



Table 9: Significance of agro-food products in total merchandise trade, in 2002, 2005 and 2007

	Value, in EUR m			Share in total, in %			Growth, in %	
	2002	2005	2007	2002	2005	2007	07/05	07/02
Total products, in EUR m								
Imports	11,574	15,805	21,487	100.0	100.0	100.0	36.0	85.6
Exports	10,962	14,397	19,385	100.0	100.0	100.0	34.6	76.8
Merchandise trade (imports + exports)	22,536	30,202	40,872	100.0	100.0	100.0	35.3	81.4
Trade balance (exports - imports)	-612	-1,408	-2,102	100.0	100.0	100.0	49.3	243.3
Coverage of imports by exports (exports/imports), %	94.7	91.1	90.2					
Agro-food products, EUR million								
Imports	759	1,023	1,456	6.6	6.5	6.8	42.3	91.8
Exports	407	416	642	3.7	2.9	3.3	54.4	57.6
Merchandise trade (imports + exports)	1,167	1,439	2,098	5.2	4.8	5.1	45.8	79.8
Trade balance (exports - imports)	-352	-607	-814	57.5	43.1	38.7	34.0	131.3
Coverage of imports by exports (exports/imports), %	53.7	40.7	44.1					

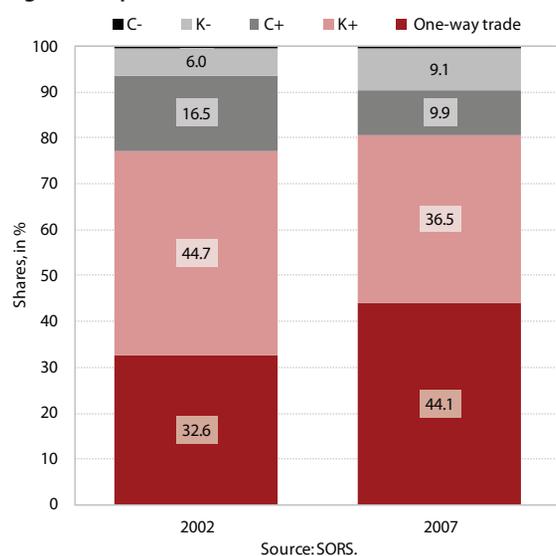
Source: SORS; calculations by IMAD.

are completely autonomous and separated according to the SCA. A clearer delimitation reveals that in 2007 non-processed products accounted for nearly a third and processed products for two thirds of agro-food product trade, which was expected given that more developed countries usually trade in products with higher value added. Exported processed products post a somewhat higher share than imported products, which is encouraging from the viewpoint of economic growth, but in 2007 the gap came down to only a few percentage points. The trends in the analysed five-year period, however, are less favourable: the share of non-processed commodities in total exports is increasing, while the share of processed commodities is falling. In the analysed period, the share of the latter declined by as much as 13.0 p.p., from 80% to 67%, mainly as a result of exports in the group of dairy products and eggs, where non-processed products (milk) accounted for as much as 86% and processed products for a mere 14%. Export of high-quality raw materials is, however, not sensible, as it significantly diminishes Slovenia's opportunities to create value added.

Our analysis measuring the export competitiveness of Slovenian agro-food products shows an unfavourable situation and development trends. Excluding one-way trade, where competition could not be analysed using the selected methodology,<sup>5</sup> only slightly more than a third of products proved competitive in quality (group K+, 36.5% in 2007) and only close to a tenth were competitive in price (group C+). The first type of competitiveness is the most desirable, as it represents net exports at prices exceeding the prices of these products in imports. Exporters are thus successful despite the high prices, as the quality of their products is recognised by the market. Price competitiveness is also welcome, even though successful foreign market penetration results from low export

prices. The share of products with non-competitive prices (group C-), with export prices exceeding import prices but exports lower than imports, is low (0.4% in 2007). The share of non-competitive low-quality products, representing the most problematic group, is higher (group K-, in 2007 9.1%). Producers of these products cannot penetrate foreign markets, even though their prices are lower than import prices. Unfavourably, the share of products from this group has been rising in recent years. It should be stressed, however, that competitiveness is extremely difficult to measure and the methodology applied does not provide appropriate answers to all of the questions.

Figure 43: Structure of export (non)competitiveness of agro-food products in 2002 and 2007



In considering how to improve the competitiveness of Slovenian agricultural and food products we attempted to answer the following basic questions:

<sup>5</sup> Trade is considered to be two-way, if the minority flow (e.g. exports) represents at least 10% of the majority flow (imports).

- *How does the volume of primary agricultural production affect competitiveness?* Production of agricultural commodities is a prerequisite for all merchandise trade, with the exception of pure trade (i.e. imports for re-exports). Slovenia is a large net importer of food, posting surpluses only in certain agricultural sectors (mainly livestock production), and has a relatively modest average volume of net production, which has increased only in a few agricultural sectors over the last few years. Improving the educational and age structure of agricultural producers is of utmost importance. They should respond to demand faster and to a greater extent, and find – given the exceptionally high fragmentation of production – a way to work more closely together as members of relevant organisations and associations.

- *What is the impact of what is seen as relatively weak links in the agro-food chain?* A chain is only as strong as its weakest link, and the agro-food chain is no different. Due to weak interaction between the primary and secondary production sectors, Slovenia posts ever greater exports of raw (non-processed) milk and live animals, particularly to the neighbouring EU countries. In these countries, farmers tend to achieve higher prices and enjoy better terms of cooperation, while at the same time the domestic food processing industry faces a shortage of commodities. Seeking common solutions is therefore in the best interests of all participants in the chain.

- *How to find possibilities to gain better access to the existing markets and penetrate new competitive export markets?* This is a great challenge, all the more so in times of a global economic and financial crisis. Given the average long-term increase in the purchasing power of the population and changes in its structure (higher number of small households, increased participation of women in the labour market), demand is nevertheless growing (including demand for semi-processed and processed food products). Further bold steps are now necessary to gain better access to existing markets as well to penetrate fast-growing emerging global markets.

- *How to take better advantage of what is otherwise often recognised as the high quality of Slovenian agro-food products?* Slovenia should notably increase investment in the promotion of its high-quality agricultural and food products. As soon as possible we should set a framework for generic promotion of agro-food products, accelerate the introduction of brands and constantly seek to improve competitiveness, particularly in quality. Given that due to economies of scale Slovenia has limited possibilities to increase the sale of its agro-food products on foreign markets, it is all the more important to focus on competitiveness in quality. Improving quality is important for all suppliers, whether or not they are included in international trade, given that trade liberalisation increases the presence of competitive external suppliers on the local (domestic) market. We have therefore practically no other choice: it is of vital importance to improve the competitive edge.

# statistical appendix



MAIN INDICATORS	2004	2005	2006	2007	2008	2009	2010	2011
						Spring forecast 2009		
						estimate	forecast	forecast
GDP (real growth rates, in %)	4.3	4.3	5.9	6.8	3.5	-4.0	1.0	2.7
GDP in EUR million (current prices and current exchange rate)	27,073	28,704	31,008	34,471	37,126	36,598	37,427	39,266
GDP per capita, in EUR (current prices and current exchange rate)	13,599	14,346	15,446	17,076	18,204	18,015	18,377	19,239
GDP per capita (PPS) <sup>1</sup>	18,700	19,600	20,700	22,200	23,100	-	-	-
GDP per capita (PPS EU27=100) <sup>1</sup>	86	87	88	89	92	-	-	-
Gross national income (current prices and current exchange rate)	26,760	28,460	30,640	33,792	36,299	35,736	36,314	38,074
Gross national disposable income (current prices and current exchange rate)	26,716	28,316	30,424	33,531	36,018	35,598	36,236	38,000
Rate of registered unemployment	10.3	10.2	9.4	7.7	6.7	8.9	10.3	10.2
Standardised rate of unemployment (ILO)	6.3	6.5	6.0	4.9	4.4	6.0	7.0	7.0
Labour productivity (GDP per employee)	4.0	4.5	4.3	3.7	0.6	1.5	2.8	3.1
Inflation, <sup>2</sup> year average	3.6	2.5	2.5	3.6	5.7	0.4	1.6	2.6
Inflation, <sup>2</sup> end of the year	3.2	2.3	2.8	5.6	2.1	1.4	2.2	3.0
<b>INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS</b>								
Exports of goods and services <sup>3</sup> (real growth rates, in %)	12.4	10.6	12.5	13.8	3.3	-8.6	1.7	5.4
Exports of goods	12.8	10.3	13.4	13.1	1.0	-10.2	1.0	4.9
Exports of services	10.9	12.0	8.6	17.0	13.9	-2.1	4.4	7.0
Imports of goods and services <sup>3</sup> (real growth rates, in %)	13.3	6.6	12.2	15.7	3.5	-10.3	1.6	5.2
Imports of goods	14.6	6.8	12.7	15.1	3.4	-11.5	1.1	5.0
Imports of services	5.6	5.5	8.8	19.7	4.5	-2.6	4.3	6.1
Current account balance, in EUR million	-720	-498	-771	-1,455	-2,180	-809	-1,311	-1,528
As a per cent share relative to GDP	-2.6	-1.7	-2.5	-4.2	-5.9	-2.2	-3.5	-3.9
Gross external debt, in EUR million	15,343	20,496	24,067	34,752	38,997	37,598 <sup>4</sup>	-	-
As a per cent share relative to GDP	56.7	71.4	77.6	100.8	105.0	-	-	-
Ratio of USD to EUR	1.242	1.244	1.254	1.371	1.46	1.27	1.27	1.27
<b>DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS</b>								
Private consumption (real growth rates, in %)	2.7	2.6	2.9	5.0	2.2	-0.6	1.0	2.0
As a % of GDP*	55.0	54.4	53.0	52.2	52.7	53.2	53.4	53.3
Government consumption (real growth rates, in %)	3.4	3.3	4.1	2.5	3.7	3.2	3.8	3.2
As a % of GDP*	18.9	19.0	18.8	17.7	17.9	19.6	20.8	21.1
Gross fixed capital formation (real growth rates, in %)	5.6	3.8	10.4	11.9	6.2	-12.0	1.0	4.0
As a % of GDP*	24.9	25.3	26.3	27.5	28.0	25.0	25.1	25.5
Sources of data: SORS, BS, Eurostat-New Cronos, estimate, calculations and forecasts by IMAD. Notes: <sup>1</sup> Measured in purchasing power standard; <sup>2</sup> Consumer price index; <sup>3</sup> 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; <sup>4</sup> End June 2009; *Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64).								

PRODUCTION	2006	2007	2008	2007			2008				2009		2007				
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	6	7	8	9	10
<b>INDUSTRIAL PRODUCTION, y-o-y growth rates, %</b>																	
Industry B+C+D	5.7	7.2	-1.4	7.5	7.5	5.3	2.1	4.0	-0.6	-10.9	-19.1	-23.5	6.1	9.7	9.3	3.8	11.0
B Mining and quarrying	7.5	5.5	-0.6	18.5	8.1	-7.3	9.1	-4.8	-2.4	-3.5	-7.8	-11.7	15.3	3.8	30.6	-7.2	-0.9
C Manufacturing	6.2	8.5	-1.6	8.8	8.2	7.2	2.3	4.1	-0.4	-11.9	-20.7	-24.6	7.4	10.6	9.6	4.7	12.7
D Electricity, gas & steam supply <sup>1</sup>	-1.0	-11.1	2.1	-14.8	-5.0	-15.9	-2.3	8.2	-1.1	4.5	-3.6	-9.1	-17.4	-5.1	-1.6	-8.2	-10.9
<b>CONSTRUCTION,<sup>2</sup> real indices of construction put in place, y-o-y growth rates, %</b>																	
Construction, total	15.7	18.5	15.7	32.6	16.2	0.2	32.5	17.0	15.7	4.2	-19.2	-19.0	14.9	17.3	33.5	2.3	7.3
Buildings	17.1	14.3	11.5	31.0	7.3	4.2	37.8	7.3	11.5	-2.0	-20.8	-22.0	17.2	16.7	17.1	-8.7	0.5
Civil engineering	14.6	21.9	18.9	33.8	23.3	-2.6	28.0	24.3	18.6	8.9	-17.6	-17.0	13.1	17.7	48.5	10.5	11.7
<b>TRANSPORT, tonne-km in m, y-o-y growth rates, %</b>																	
Tonne-km in road transport	9.8	13.4	18.4	0.1	30.2	19.1	26.7	23.5	7.7	17.2	-12.7	-	-	-	-	-	-
Tonne-km in rail transport	3.9	6.8	-2.3	12.1	5.8	-3.7	-5.3	-2.9	2.9	-3.6	-24.1	-	-	-	-	-	-
<b>Distributive trades, y-o-y growth rates, %</b>																	
Total real turnover*	6.3	9.7	10.1	8.3	12.3	11.8	15.7	13.1	10.5	2.3	-9.8	-15.2	6.5	10.6	12.9	13.4	16.8
Real turnover in retail trade	2.7	6.1	12.2	3.2	7.8	9.6	14.0	15.5	12.7	7.2	-4.8	-10.8	2.5	4.5	6.3	12.8	11.0
Real turnover in the sale and maintenance of motor vehicles	17.8	19.2	6.2	21.3	24.8	17.9	22.0	9.6	5.6	-9.9	-24.0	-28.1	17.2	27.3	32.7	16.0	32.7
Nominal turnover in wholesale trade & commission trade	10.5	16.1	17.1	15.0	15.1	15.2	20.7	23.9	20.9	4.8	-16.2	-23.7	8.4	19.7	12.7	13.2	19.5
<b>TOURISM, y-o-y growth rates, %</b>																	
Total, overnight stays	2.0	7.0	1.8	10.1	6.8	5.5	4.2	1.0	1.8	0.6	-3.3	-3.8	6.0	6.0	9.6	3.6	4.6
Domestic tourists, overnight stays	1.9	4.9	5.2	13.7	2.3	5.5	4.8	4.6	4.7	7.2	5.2	2.3	12.0	0.9	7.2	-3.7	4.2
Foreign tourists, overnight stays	2.0	8.4	-0.5	7.9	9.8	5.5	3.6	-1.3	0.1	-4.8	-11.0	-7.9	2.1	9.8	11.0	7.8	4.8
Turnover in hotels and restaurants	6.7	2.3	-2.8	1.2	4.0	2.9	-1.8	-1.6	-3.1	-4.4	-9.6	-12.0	2.7	2.5	6.6	2.8	2.8
<b>AGRICULTURE, y-o-y growth rates, %</b>																	
Purchase of agricultural products, SIT bn, since 2007 in EUR m	106.7	492.2	529.9	109.7	120.8	160.3	117.9	125.6	134.1	152.3	105.4	105.9	33.8	38.3	41.8	40.7	46.2
<b>BUSSINES TENDENCY (indicator values**)</b>																	
Sentiment indicator	10	13	1	15	13	11	10	7	4	-16	-25	-25	14	14	14	12	12
Confidence indicator																	
- in manufacturing	10	12	-5	13	12	10	7	1	-5	-22	-30	-30	12	12	12	11	11
- in construction	4	17	3	21	15	13	14	10	3	-16	-41	-53	22	17	16	11	12
- in services	27	29	22	30	29	26	30	27	25	7	-13	-18	29	31	29	27	27
- in retail trade	22	27	23	26	29	30	28	28	27	8	-17	-19	26	27	28	33	28
Consumer confidence indicator	-14	-11	-20	-8	-10	-18	-20	-16	-16	-28	-40	-31	-9	-6	-8	-16	-17
Source of data: SORS. Notes: <sup>1</sup> Only companies with activity of electricity supply are included. <sup>2</sup> The survey covers all larger construction enterprises and some other enterprises that perform construction work. *Total real turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels; **Seasonally adjusted data.																	

2007		2008												2009							
11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8
3.0	1.3	0.4	8.7	-2.2	10.2	-0.4	2.6	-2.2	-5.9	5.5	-3.1	-14.9	-15.9	-19.8	-21.2	-16.3	-28.5	-20.6	-21.1	-	-
-5.9	-16.4	18.9	13.9	-1.1	3.8	-13.6	-4.5	21.9	-29.8	8.6	-1.8	-18.1	16.3	-8.3	-4.7	-10.2	-22.2	-6.5	-4.0	-	-
4.4	4.0	0.6	9.1	-2.1	10.6	-0.3	2.3	-2.6	-5.3	5.8	-3.2	-15.9	-18.2	-21.6	-23.1	-17.4	-30.0	-21.8	-21.9	-	-
-14.4	-21.5	-6.3	1.2	-1.2	8.1	4.2	12.2	0.2	-5.5	1.9	1.0	4.7	7.5	-5.6	-1.9	-3.2	-9.9	-5.3	-11.8	-	-
6.2	-14.3	39.4	40.5	21.4	22.8	13.8	15.4	15.9	8.6	22.4	15.1	-2.3	-3.6	-26.9	-22.7	-9.7	-20.4	-20.8	-15.9	-	-
18.4	-5.4	56.3	44.8	18.6	10.5	3.1	8.9	0.2	10.7	24.2	12.0	-11.5	-6.9	-32.7	-17.3	-12.7	-18.0	-23.5	-23.9	-	-
-2.3	-21.0	23.9	36.8	23.8	32.4	21.7	20.4	28.0	7.0	21.3	17.0	5.4	-0.6	-20.3	-27.5	-7.3	-22.0	-19.1	-10.2	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.7	7.0	18.1	23.8	7.2	17.4	11.8	10.3	12.6	5.8	12.8	2.8	1.0	3.1	-5.8	-15.2	-8.2	-16.3	-16.6	-12.6	-	-
9.5	8.5	12.8	23.8	7.0	16.2	19.1	11.4	13.4	10.8	13.8	7.3	7.0	7.1	2.9	-12.7	-4.3	-8.8	-14.1	-9.4	-10.6	-
17.7	3.4	34.7	26.3	9.4	22.0	-1.1	9.0	12.3	-7.4	10.6	-7.4	-12.5	-10.1	-27.5	-24.5	-20.4	-34.7	-25.6	-23.3	-25.0	-
19.2	7.5	21.6	30.1	12.3	31.9	20.6	19.2	22.9	11.2	28.0	11.6	2.1	0.5	-16.6	-19.0	-13.1	-24.8	-25.2	-21.1	-	-
8.3	4.0	2.9	9.0	0.5	-8.5	14.0	-2.4	3.6	3.2	-3.2	-2.1	-4.4	8.7	3.6	-6.1	-6.9	3.6	-11.4	-1.8	-5.0	-
2.6	9.6	12.1	11.7	-8.5	8.5	10.5	-2.1	1.1	8.9	3.9	6.0	4.4	11.0	9.6	-1.5	10.7	4.3	-2.2	4.4	9.0	-
13.7	-0.9	-2.6	5.6	8.9	-18.3	16.2	-2.6	5.3	-0.2	-6.8	-7.4	-11.9	6.5	-0.6	-12.5	-20.5	3.0	-16.9	-6.3	-15.0	-
2.6	3.2	-2.5	3.6	-5.7	-2.5	2.9	-5.0	-3.3	-3.8	-2.1	-1.1	-4.3	-7.6	-7.8	-12.0	-8.9	-11.1	-12.3	-12.4	-	-
53.1	61.0	38.5	39.3	40.0	42.6	43.0	39.9	44.5	42.2	47.4	49.0	45.3	58.1	32.9	32.6	39.9	36.3	35.5	34.1	-	-
10	11	11	10	10	10	7	5	5	4	4	-5	-20	-24	-25	-25	-26	-27	-24	-24	-24	-22
9	10	9	6	6	4	1	-2	-4	-5	-6	-11	-26	-29	-30	-30	-31	-31	-30	-30	-30	-26
10	18	13	12	17	12	10	8	7	0	2	-4	-16	-29	-37	-40	-47	-54	-50	-54	-50	-13
23	28	28	31	31	30	26	24	24	26	24	19	4	-3	-8	-14	-18	-22	-17	-15	-13	-57
30	31	26	28	31	29	29	27	29	27	25	25	3	-3	-15	-16	-21	-18	-18	-20	-18	-11
-19	-17	-23	-20	-16	-12	-18	-19	-18	-19	-12	-17	-33	-35	-44	-38	-37	-41	-29	-23	-26	-27

LABOUR MARKET	2006	2007	2008	2007			2008				2009		2007			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	6	7	8	9
<b>FORMAL LABOUR FORCE (A=B+E)</b>	910.7	925.3	942.5	923.5	924.6	934.2	937.7	940.9	942.2	949.2	945.9	945.6	925.4	924.5	923.1	926.0
<b>PERSONS IN FORMAL EMPLOYMENT (B=C+D)<sup>1</sup></b>	824.8	854.0	879.3	852.7	856.1	865.4	870.8	879.4	881.7	885.1	869.0	861.0	856.2	854.4	854.6	859.4
In agriculture, forestry, fishing	37.7	40.4	39.7	40.8	39.9	39.2	40.8	39.9	39.2	38.9	37.8	38.0	40.8	39.9	39.9	39.9
In industry, construction	310.9	321.9	330.4	321.4	324.1	326.8	327.1	331.2	333.0	330.4	317.4	309.3	323.1	323.5	323.6	325.2
Of which: in manufacturing	221.7	223.6	222.4	223.9	223.4	224.2	224.0	224.0	222.3	219.1	209.5	201.4	224.0	223.5	223.1	223.5
in construction	69.5	78.4	87.9	77.5	80.6	82.5	83.2	87.1	90.5	91.1	87.8	87.6	78.9	79.9	80.5	81.5
In services	476.2	491.6	509.1	490.5	492.1	499.4	503.0	508.3	509.4	515.9	513.8	513.7	492.3	491.0	491.1	494.3
Of which: in public administration	50.4	50.3	51.0	50.3	50.4	50.6	50.8	51.0	51.1	51.0	51.1	51.5	50.4	50.4	50.4	50.4
in education, health-services, social work	108.0	108.8	111.1	109.0	108.2	109.8	110.7	111.0	110.1	112.4	113.2	114.1	109.1	107.9	107.6	109.1
<b>FORMALLY EMPLOYED (C)<sup>1</sup></b>	741.6	766.0	789.9	764.7	768.6	777.8	781.2	790.3	792.7	795.3	779.7	770.8	768.1	767.0	767.1	771.6
In enterprises and organisations	675.1	696.1	717.6	695.0	697.5	706.2	710.4	718.0	719.8	722.0	709.9	701.9	697.5	696.2	696.1	700.1
By those self-employed	66.5	69.9	72.3	69.8	71.1	71.6	70.8	72.2	73.0	73.2	69.8	68.8	70.6	70.8	71.0	71.5
<b>SELF-EMPLOYED AND FARMERS (D)</b>	83.3	87.9	89.4	87.9	87.6	87.6	89.6	89.2	88.9	89.8	89.3	90.3	88.1	87.3	87.5	87.8
<b>REGISTERED UNEMPLOYMENT (E)</b>	85.8	71.3	63.2	70.9	68.4	68.8	66.8	61.4	60.5	64.1	76.9	84.6	69.3	70.1	68.5	66.7
Female	47.0	39.1	33.4	39.3	38.0	37.3	35.6	32.8	32.1	33.0	38.4	41.6	38.5	39.3	38.1	36.7
By age: under 26	18.2	11.9	9.1	11.6	10.3	11.7	10.3	8.4	7.7	10.0	12.2	13.1	11.1	11.1	10.4	9.5
aged over 50	21.8	22.2	21.9	22.2	22.1	22.2	22.6	21.9	21.7	21.6	24.1	25.6	22.0	22.2	22.1	22.0
Unskilled	33.7	28.0	25.4	27.7	27.0	26.9	26.8	24.6	24.3	25.8	31.2	33.6	27.1	27.2	27.0	26.7
For more than 1 year	41.9	36.5	32.3	36.7	35.5	35.0	34.0	32.5	31.9	31.0	31.0	30.4	36.0	35.8	35.6	35.0
Those receiving benefits	22.7	16.6	14.4	16.8	15.8	14.7	15.0	13.6	13.9	15.1	22.8	27.4	16.3	16.3	16.0	15.2
<b>RATE OF REGISTERED UNEMPLOYMENT, E/A, in %</b>	9.4	7.7	6.7	7.7	7.4	7.4	7.1	6.5	6.4	6.8	8.1	8.9	7.5	7.6	7.4	7.2
Male	7.7	6.2	5.6	6.1	5.9	6.0	6.0	5.4	5.4	5.8	7.3	8.1	6.0	6.0	5.9	5.8
Female	11.5	9.6	8.1	9.6	9.3	9.0	8.6	7.9	7.8	7.9	9.2	10.0	9.4	9.6	9.3	9.0
<b>FLOWS OF FORMAL LABOUR FORCE</b>	5.2	21.5	13.7	5.4	0.6	6.7	5.7	4.2	1.9	1.9	-0.8	-0.1	1.8	-0.9	-1.4	2.9
New unemployed first-job seekers	18.6	14.7	12.5	2.4	2.3	7.2	2.2	1.8	1.9	6.5	3.2	2.6	0.6	0.7	0.6	1.0
Redundancies	63.8	52.5	53.0	11.6	12.6	12.9	12.5	10.7	12.5	17.4	24.8	22.5	3.7	4.9	3.5	4.2
Registered unemployed who found employment	57.4	49.1	41.7	12.1	11.3	10.9	12.4	9.7	9.9	9.6	9.5	11.8	3.7	3.0	3.8	4.4
Other outflows from unemployment (net)	39.2	28.0	26.1	6.9	6.2	7.4	6.4	6.3	5.9	7.4	5.2	6.5	2.0	1.6	1.9	2.7
Increase in number of work permits for foreigners	7.8	15.3	24.6	4.9	4.3	2.2	6.0	9.5	7.0	2.1	1.9	-4.8	-0.5	2.2	1.6	0.5
Retirements <sup>2</sup>	20.6	20.7	22.5	4.7	5.0	5.9	5.4	4.8	6.3	6.1	5.4	5.5	1.4	1.6	1.1	2.3
Deaths <sup>2</sup>	2.4	2.4	2.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.2	0.2	0.2	0.2
Others who found employment <sup>2</sup>	24.8	14.4	16.0	9.1	4.5	9.9	8.8	3.2	4.4	6.0	4.0	13.3	5.0	-0.7	-0.9	6.1
<b>REGISTERED VACANCIES<sup>3</sup></b>	19.0	20.2	20.0	21.0	20.4	19.1	21.6	21.1	21.5	15.9	13.4	13.4	23.1	18.8	19.7	22.8
For a fixed term, in %	75.3	76.5	74.5	77.5	77.2	74.4	73.0	74.0	76.5	74.7	74.9	77.9	76.6	78.4	77.1	76.5
<b>WORK PERMITS FOR FOREIGNERS</b>	48.3	60.2	81.1	59.3	63.0	65.8	68.7	79.0	86.3	90.5	91.5	90.2	59.5	61.7	63.3	63.9
As % of labour force	5.3	6.5	8.6	6.4	6.8	7.0	7.3	8.4	9.2	9.5	9.7	9.5	6.4	6.7	6.9	6.9
<b>NEW JOBS</b>	155.9	160.0	162.7	40.7	38.7	41.5	40.9	41.0	42.7	38.1	27.5	27.3	13.0	11.8	9.9	16.9

Sources of data: SORS, PDII, ESS. Notes: <sup>1</sup>In January 2005, the SORS adopted new methodology of obtaining data on persons in paid employment. The new source of data for employed and self-employed persons excluding farmers is the Statistical Register of Employment (SRE), while data on farmers are forecast using the ARIMA model based on quarterly 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. <sup>2</sup>Estimated by IMAD, based on data by PDII and ESS; <sup>3</sup>according to ESS.

2007			2008												2009					
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
934.0	935.8	932.8	936.6	937.9	938.5	939.1	940.8	942.7	941.4	940.5	944.6	950.7	950.3	946.5	946.2	945.9	945.7	946.1	945.3	945.6
864.5	867.4	864.4	867.3	870.9	874.2	876.6	879.6	882.0	879.9	879.8	885.3	888.1	886.9	880.3	872.2	868.7	866.0	863.2	860.8	859.1
39.3	39.3	39.2	40.7	40.8	40.8	39.9	39.9	39.8	39.3	39.2	39.2	38.9	38.9	38.8	37.8	37.8	37.8	38.0	38.0	38.0
327.1	327.9	325.3	325.8	327.1	328.5	330.0	331.2	332.6	332.5	332.5	333.9	333.7	331.5	325.9	320.1	317.4	314.7	311.8	309.1	307.1
224.4	224.7	223.5	223.7	224.0	224.2	224.1	223.9	224.0	222.7	222.2	222.2	221.3	219.8	216.3	211.8	209.6	207.0	203.6	201.2	199.2
82.5	83.1	81.8	82.1	83.1	84.2	85.8	87.1	88.4	89.7	90.2	91.6	92.2	91.5	89.5	88.3	87.7	87.5	87.8	87.5	87.5
498.1	500.3	499.9	500.9	503.1	504.9	506.8	508.6	509.6	508.1	508.1	512.2	515.5	516.5	515.6	514.4	513.6	513.5	513.5	513.7	514.0
50.5	50.5	50.7	50.9	50.9	50.7	50.9	50.9	51.1	50.9	51.0	51.2	51.1	51.1	50.8	51.2	51.0	51.3	51.4	51.5	51.6
109.7	109.9	109.7	110.3	110.8	111.0	111.2	111.0	110.9	109.7	109.4	111.4	112.0	112.5	112.6	112.8	113.2	113.7	114.0	114.2	114.1
777.0	779.7	776.7	777.9	781.3	784.3	787.6	790.5	792.8	791.1	790.9	796.1	798.5	797.0	790.2	783.0	779.5	776.6	773.3	770.5	768.5
705.2	707.7	705.9	707.8	710.5	713.0	715.8	718.2	720.2	718.5	718.2	722.6	724.6	723.4	718.1	712.6	709.7	707.3	704.3	701.7	699.8
71.8	72.0	70.8	70.2	70.8	71.3	71.8	72.3	72.6	72.7	72.7	73.5	74.0	73.5	72.2	70.4	69.7	69.3	69.0	68.8	68.7
87.5	87.7	87.7	89.4	89.6	89.9	89.1	89.2	89.2	88.8	88.9	89.2	89.6	89.9	90.0	89.2	89.3	89.5	90.0	90.3	90.6
69.5	68.4	68.4	69.2	67.0	64.3	62.4	61.2	60.7	61.6	60.7	59.3	62.6	63.4	66.2	73.9	77.2	79.7	82.8	84.5	86.5
38.0	37.1	36.7	36.9	35.7	34.3	33.5	32.6	32.4	33.0	32.3	31.1	32.7	32.6	33.7	37.2	38.5	39.5	40.8	41.5	42.5
12.2	11.6	11.2	11.1	10.3	9.5	8.8	8.4	8.1	8.1	7.8	7.3	9.8	9.9	10.2	11.7	12.3	12.7	13.2	13.1	13.0
22.1	22.1	22.3	22.8	22.7	22.3	22.0	21.9	21.8	21.9	21.7	21.4	21.4	21.5	21.9	23.6	24.1	24.5	25.1	25.7	26.1
27.0	26.8	27.1	27.6	26.9	25.9	25.0	24.6	24.3	24.3	24.3	24.3	24.9	25.5	27.0	30.1	31.4	32.2	33.0	33.5	34.2
35.3	35.0	34.7	34.7	34.0	33.3	32.7	32.5	32.2	32.1	31.8	31.6	31.4	30.9	30.8	31.2	31.0	30.7	30.4	30.3	30.5
14.8	14.5	14.7	15.6	15.1	14.2	13.7	13.6	13.4	13.9	13.9	13.7	14.1	14.4	16.8	20.9	22.8	24.5	25.9	27.6	28.7
7.4	7.3	7.3	7.4	7.1	6.9	6.6	6.5	6.4	6.5	6.5	6.3	6.6	6.7	7.0	7.8	8.2	8.4	8.8	8.9	9.1
6.0	6.0	6.1	6.2	6.0	5.7	5.5	5.4	5.4	5.4	5.4	5.3	5.6	5.7	6.1	6.9	7.3	7.6	7.9	8.1	8.3
9.2	9.0	8.9	8.9	8.6	8.3	8.1	7.9	7.8	8.0	7.8	7.5	7.9	7.9	8.1	9.0	9.3	9.5	9.8	10.0	10.2
8.0	1.8	-3.0	3.8	1.4	0.6	0.6	1.7	2.0	-1.3	-0.9	4.1	6.1	-0.5	-3.8	-0.3	-0.2	-0.2	0.3	-0.7	0.3
5.3	1.2	0.6	0.9	0.6	0.7	0.8	0.5	0.5	0.5	0.5	0.9	4.6	1.2	0.8	1.2	1.0	1.1	1.1	0.8	0.8
4.5	4.3	4.1	5.8	3.4	3.3	3.6	3.4	3.6	4.6	3.4	4.5	5.2	5.5	6.6	10.4	6.9	7.5	8.2	7.4	7.0
4.3	4.1	2.5	4.1	4.2	4.1	3.6	3.2	2.9	2.3	3.1	4.5	4.0	3.2	2.4	3.2	2.7	3.6	3.7	4.3	3.9
2.6	2.5	2.2	1.8	2.1	2.5	2.6	2.0	1.7	2.0	1.6	2.3	2.5	2.7	2.2	0.7	1.9	2.5	2.4	2.2	1.9
1.7	0.3	0.2	-0.2	2.4	3.8	4.2	2.8	2.5	2.3	2.9	1.9	1.7	0.1	0.3	0.0	0.5	1.4	-0.6	-1.5	-2.7
2.2	2.1	1.6	2.4	1.4	1.7	1.7	1.6	1.5	1.6	2.2	2.6	2.3	2.0	1.8	2.3	1.6	1.5	1.9	1.7	1.9
0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
5.5	4.6	-0.3	7.1	1.6	0.0	-0.4	1.7	2.0	-0.8	-0.7	6.0	4.3	2.7	-1.1	1.3	1.7	1.1	3.9	3.7	5.7
24.4	18.7	14.2	22.4	22.8	19.8	21.6	21.6	20.2	19.8	20.1	24.7	19.7	15.7	12.3	13.7	12.2	14.2	12.0	13.9	14.5
76.4	75.2	69.8	71.9	73.0	74.2	72.7	74.4	74.9	76.9	76.8	76.0	74.9	75.6	73.1	72.0	75.0	77.5	77.2	77.8	78.7
65.6	65.9	66.1	65.8	68.3	72.1	76.3	79.1	81.6	83.8	86.7	88.6	90.3	90.4	90.7	90.7	91.2	92.6	92.1	90.6	87.8
7.0	7.0	7.1	7.0	7.3	7.7	8.1	8.4	8.7	8.9	9.2	9.4	9.5	9.5	9.6	9.6	9.6	9.8	9.7	9.6	9.3
18.2	13.6	9.7	14.5	13.0	13.4	15.4	13.1	12.5	12.7	10.4	19.6	17.8	11.4	8.9	10.2	8.1	9.3	10.0	8.8	8.5

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2006	2007	2008	2007			2008				2009		2007				
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	3	4	5	6	7
<b>GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %</b>																	
Activity - Total	4.8	5.9	8.3	5.6	5.8	6.7	7.8	8.6	9.9	7.1	5.5	4.6	5.0	5.9	5.8	5.2	6.9
A Agriculture, forestry and fishing	5.6	8.3	9.2	7.4	7.0	11.4	10.3	9.3	10.8	6.7	1.2	1.6	5.3	9.2	7.7	5.4	8.4
B Mining and quarrying	4.5	6.4	13.6	3.8	5.3	12.6	9.4	13.8	16.0	14.8	5.6	2.4	2.8	2.8	4.3	4.2	6.1
C Manufacturing	5.6	7.0	7.6	6.1	7.0	8.6	8.2	9.7	9.3	3.4	0.0	-0.5	4.7	7.2	6.0	5.2	7.6
D Electricity, gas, steam and air conditioning supply	5.5	6.2	9.4	4.9	5.2	11.1	9.3	10.1	9.8	8.8	7.9	7.8	1.5	2.8	2.4	9.5	2.0
E Water supply sewerage, waste management and remediation activities	3.7	7.1	7.8	5.6	6.8	10.0	8.3	9.1	9.0	5.2	4.2	3.2	3.3	7.7	5.5	3.7	7.7
F Construction	6.4	6.6	7.6	6.7	5.7	6.7	7.7	9.6	9.1	4.3	1.2	1.0	6.7	7.7	7.8	4.6	8.6
G Wholesale and retail trade, repair of motor vehicles and motorcycles	5.3	7.6	7.8	7.4	7.5	7.5	7.5	9.0	8.8	6.1	4.4	2.3	8.2	8.6	6.9	6.8	7.9
H Transportation and storage	3.6	6.0	8.5	4.6	5.7	7.7	8.7	8.5	10.4	6.6	2.3	2.1	5.8	5.1	5.4	3.4	6.4
I Accommodation and food service activities	4.1	5.3	8.4	5.1	4.6	7.8	9.3	9.6	10.0	4.9	3.4	1.7	5.0	5.1	4.6	5.7	5.7
J Information and communication	3.9	5.7	7.3	5.4	5.7	4.6	6.8	7.8	8.7	6.2	3.7	3.1	4.4	6.0	4.1	6.2	7.6
K Financial and insurance activities	8.6	7.4	6.1	7.8	6.2	7.6	8.6	8.8	8.2	0.0	2.0	-3.8	6.6	6.4	10.1	6.8	8.9
L Real estate activities	4.6	7.0	6.0	7.8	7.4	5.6	6.8	8.6	5.3	3.6	1.6	0.0	12.4	6.7	7.7	8.9	8.6
M Professional, scientific and technical activities	4.9	7.0	8.4	6.8	7.1	8.9	9.7	8.6	9.1	6.4	4.0	3.3	5.1	6.9	7.1	6.2	8.0
N Administrative and support service activities	2.5	7.5	9.5	5.9	9.4	9.8	8.6	11.4	10.2	8.0	6.6	2.1	5.6	5.1	6.6	5.9	8.9
O Public administration and defence, compulsory social security	2.9	5.1	12.2	4.9	6.5	6.4	11.1	10.8	13.2	13.7	11.5	9.8	3.2	3.9	5.2	5.7	8.7
P Education	4.8	3.9	7.0	5.6	3.1	2.4	5.5	5.8	7.7	9.0	6.9	6.1	4.9	5.4	6.3	5.1	4.2
Q Human health and social work activities	2.4	3.1	12.0	3.7	4.0	2.1	5.5	4.3	16.8	21.0	21.4	22.6	2.9	3.1	3.6	4.3	5.4
R Arts, entertainment and recreation	1.3	3.6	5.4	2.3	4.0	3.0	2.4	5.8	8.3	5.1	7.0	5.7	11.2	1.7	0.8	4.4	5.0
S Other service activities	1.5	3.3	8.1	2.9	3.0	5.1	6.6	8.6	8.5	8.8	4.1	1.0	1.8	3.0	2.6	2.9	3.8
<b>INDICATORS OF OVERALL COMPETITIVENESS, y-o-y growth rates, %</b>																	
Effective exchange rate, <sup>1</sup> nominal	0.2	0.8	0.5	0.7	0.6	1.2	1.2	1.1	0.4	-1.1	-0.3	-0.3	0.9	0.8	0.7	0.6	0.6
Real (relative consumer prices)	0.7	2.3	2.8	1.8	2.3	3.7	4.5	4.2	2.6	-0.1	0.4	0.0	1.2	1.4	1.7	2.3	2.5
Real (relative producer prices) <sup>2</sup>	-0.6	2.4	1.0	2.0	2.2	1.8	1.3	1.2	-0.1	1.0	2.8	2.6	2.3	2.0	2.1	2.0	2.1
USD/EUR	1.256	1.371	1.471	1.348	1.374	1.449	1.500	1.562	1.504	1.317	1.302	1.362	1.324	1.352	1.351	1.342	1.372
Sources of data: SORS, AP, BS, OECD Main Economic Indicators, calculations IMAD.																	
Notes: <sup>1</sup> Change of methodology: the calculation of domestic currency's effective exchange rate includes the currencies/prices of Slovenia's 17 trading partners (Austria, Belgium, Germany, Italy, France, Netherlands, Spain, Denmark, United Kingdom, Sweden, Czech Republic, Hungary, Poland, Slovakia, USA, Switzerland, Japan); 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. <sup>2</sup> Producer prices in manufacturing activities																	

2007					2008												2009					
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
5.7	4.9	6.6	7.1	6.5	6.1	9.3	8.0	9.5	7.6	8.8	8.7	9.8	11.2	9.2	3.9	8.6	6.8	4.2	5.3	5.1	4.1	4.7
9.0	3.6	7.4	16.1	10.2	8.3	16.1	6.7	10.3	9.7	7.9	13.5	6.3	12.9	11.3	-0.1	10.2	1.1	-3.3	6.1	2.0	-1.8	4.7
3.3	6.6	8.8	9.4	20.6	5.2	9.7	13.3	11.8	17.0	12.5	17.3	10.0	20.7	39.0	-4.7	16.0	10.1	5.3	1.7	4.3	-5.9	9.4
7.1	6.2	8.1	9.4	8.2	6.0	10.2	8.5	11.3	8.4	9.6	11.0	6.4	10.8	6.7	-1.4	5.7	0.1	-0.5	0.4	-0.4	-1.3	0.1
5.0	8.5	12.1	9.9	11.8	8.4	10.2	9.3	13.2	9.6	7.8	15.3	8.3	6.2	25.2	2.2	3.2	9.4	6.1	8.1	7.6	5.5	10.3
6.1	6.8	8.2	12.6	8.5	7.2	9.8	8.1	10.7	6.8	9.8	10.5	5.5	11.3	14.0	-1.0	4.8	4.4	3.6	4.6	3.5	1.0	5.2
5.4	3.3	6.7	7.7	5.5	7.5	8.8	6.7	11.9	7.5	9.5	10.0	6.0	11.3	7.3	-1.0	7.2	1.7	-0.6	2.5	0.5	-0.9	3.4
7.8	6.9	7.1	8.5	6.9	6.5	8.8	7.1	10.0	8.0	8.9	9.1	7.0	10.2	8.0	3.9	6.6	6.1	3.5	3.6	1.5	2.9	2.4
5.3	5.4	6.2	8.6	8.2	8.9	8.5	8.6	8.3	7.0	10.2	7.8	13.1	10.2	7.1	7.5	5.2	3.9	2.4	0.6	2.9	2.2	1.1
4.9	3.2	7.0	8.8	7.5	9.8	10.4	7.9	9.5	10.3	8.9	10.3	9.0	10.7	7.5	2.0	5.4	3.9	3.0	3.2	3.4	0.4	1.3
6.3	3.2	8.1	-2.6	10.1	3.3	6.4	10.5	8.9	6.1	8.3	7.9	8.1	10.3	7.8	5.5	5.4	6.9	1.8	2.5	3.4	2.5	3.4
7.7	2.2	13.8	8.0	1.8	7.4	7.9	10.6	11.8	6.4	8.5	7.1	6.3	11.4	1.2	-6.3	8.1	3.8	0.6	1.7	-4.2	-5.4	-1.6
7.7	5.9	5.0	7.6	3.9	6.3	8.3	5.8	10.1	8.3	7.5	4.7	4.6	6.7	4.5	1.5	5.0	2.9	1.4	0.6	1.3	-0.6	-0.5
6.7	6.6	8.3	10.0	8.3	9.2	10.5	9.3	8.7	7.9	9.2	9.9	7.3	10.3	9.3	1.8	8.8	3.1	4.3	4.7	4.6	2.2	3.3
9.7	9.5	9.7	10.2	9.6	8.7	9.5	7.7	10.8	11.2	12.2	11.1	8.3	11.2	8.4	8.6	7.1	9.1	5.1	5.5	3.2	1.6	1.4
4.9	5.9	5.9	6.5	6.9	6.8	14.3	12.0	12.0	10.0	10.4	7.6	18.8	13.3	12.9	16.0	12.3	15.2	8.8	10.7	11.0	10.0	8.4
2.6	2.4	2.3	2.6	2.2	3.1	7.8	5.6	5.7	5.7	6.1	5.0	10.9	7.3	8.0	9.4	9.6	9.3	4.2	7.3	6.6	6.0	5.7
3.4	3.2	1.8	1.8	2.6	3.1	7.2	6.1	3.2	3.8	6.0	4.6	24.5	21.5	21.3	20.5	21.4	25.5	18.9	20.0	26.5	22.2	19.3
3.2	3.7	1.7	3.3	3.8	4.5	5.9	-2.8	3.9	6.9	6.6	4.1	11.3	9.4	10.7	-3.2	9.1	8.2	6.4	6.3	7.2	6.0	4.0
2.2	2.9	2.9	7.4	4.9	6.6	6.2	6.9	10.3	8.8	6.7	9.0	8.0	8.3	9.0	6.3	11.3	2.6	5.3	4.3	0.8	1.0	1.2
0.5	0.7	1.1	1.3	1.1	1.3	1.0	1.4	1.4	1.1	0.9	0.8	0.6	-0.1	-1.3	-1.7	-0.4	-0.4	-0.3	-0.1	-0.6	-0.3	0.1
2.2	2.0	3.6	3.9	3.6	4.4	4.3	4.7	4.7	3.9	3.9	3.5	2.6	1.6	0.3	-0.7	0.0	-0.1	0.5	0.8	-0.2	0.1	0.2
2.4	2.0	2.1	1.9	1.3	1.2	1.1	1.5	2.3	1.0	0.2	-0.1	0.4	-0.5	-0.6	0.7	3.0	2.5	2.5	3.2	2.6	2.9	3.7
1.362	1.390	1.423	1.468	1.457	1.472	1.475	1.553	1.575	1.556	1.555	1.577	1.498	1.437	1.332	1.273	1.345	1.324	1.279	1.305	1.319	1.365	1.402

PRICES	2006	2007	2008	2007			2008				2009		2007				
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	5	6	7	8	9
<b>CPI, y-o-y growth rates, %</b>	2.5	3.6	5.7	3.0	3.6	5.4	6.6	6.6	6.1	3.3	1.8	0.7	2.9	3.6	3.8	3.5	3.5
Food, non-alcoholic beverages	2.3	7.8	10.1	6.5	8.2	12.6	14.0	12.0	9.8	4.9	3.2	0.9	6.3	6.9	7.6	6.9	10.0
Alcoholic beverages, tobacco	3.7	6.5	3.2	6.0	8.0	6.5	5.4	5.0	0.7	2.1	3.0	7.2	6.2	6.0	8.1	8.5	7.6
Clothing and footwear	-0.5	2.1	4.4	0.9	3.3	2.5	4.9	5.2	2.1	5.2	1.8	1.2	1.0	2.4	2.7	4.1	3.1
Housing, water, electricity, gas	5.3	2.6	9.7	1.0	2.2	7.6	10.5	11.4	11.5	5.3	1.7	-2.1	0.4	1.7	1.9	3.2	1.4
Furnishings, household equipment	4.1	4.5	5.8	5.2	3.6	4.0	4.5	5.5	6.5	6.7	6.1	4.5	5.2	5.7	4.5	3.3	3.0
Medical, pharmaceutical products	-1.7	1.1	2.9	1.4	1.1	0.4	-0.5	1.7	4.9	5.8	8.7	5.3	1.1	1.7	2.0	0.7	0.8
Transport	1.3	0.3	1.9	0.8	-0.9	1.6	2.9	2.9	4.1	-2.2	-3.7	-4.5	0.4	1.5	0.9	-1.6	-1.9
Communications	0.3	0.3	0.6	0.4	0.6	0.3	2.2	1.9	0.1	-1.7	-4.3	-4.7	0.2	1.2	1.2	1.2	-0.7
Recreation and culture	2.1	3.6	4.4	2.5	4.6	4.7	4.6	5.0	4.8	3.2	3.0	3.6	3.0	3.3	4.4	4.9	4.5
Education	3.1	1.9	5.2	0.6	2.2	3.6	4.7	5.4	4.8	6.1	5.1	3.0	1.4	1.4	1.4	1.4	3.7
Catering services	4.5	7.3	9.6	6.6	7.0	8.7	9.3	10.0	10.4	8.7	6.3	4.9	6.8	6.4	6.5	6.9	7.6
Miscellaneous goods & services	4.1	3.6	3.9	3.1	3.7	3.4	3.9	4.5	3.8	3.4	3.8	3.3	3.1	3.2	3.3	4.0	3.8
HCPI	2.5	3.8	5.5	3.3	3.7	5.5	6.5	6.4	6.2	3.1	1.7	0.6	3.1	3.8	4.0	3.4	3.6
Core inflation (trim mean)	2.8	2.3	3.9	2.0	2.5	3.1	4.4	4.4	4.1	2.8	2.1	1.2	1.9	2.5	2.5	2.3	2.5
Core inflation (excluding fresh food and energy)	1.1	2.6	4.6	1.9	2.9	3.9	4.7	4.9	4.7	4.0	3.1	2.6	1.9	2.4	2.6	2.9	3.0
<b>PRODUCER PRICE INDICES, y-o-y growth rates, %</b>																	
Total	2.3	4.2	3.8	4.7	4.1	3.6	3.4	3.7	5.1	3.2	1.1	-1.5	4.8	4.6	4.4	4.2	3.9
Domestic market	2.4	5.5	5.6	5.1	5.5	6.5	6.0	6.1	6.2	4.2	1.5	-0.4	5.1	5.2	5.3	5.2	5.9
Non-domestic market	2.1	3.0	2.2	4.3	2.9	0.7	0.9	1.5	3.9	2.3	0.8	-2.6	4.4	4.0	3.5	3.1	2.0
euro area	2.4	5.1	2.2	7.4	4.8	1.5	1.4	1.7	4.2	1.5	-0.6	-4.5	7.7	6.8	5.6	4.9	3.9
non-euro area	1.6	-0.5	2.1	-0.7	-0.3	-0.5	0.1	1.0	3.4	3.9	3.5	1.1	-0.8	-0.5	0.0	0.3	-1.1
Import price indices	5.8	4.0	1.3	6.7	2.5	0.1	-0.2	0.3	3.8	1.4	-2.1	-4.6	6.8	6.2	3.0	3.6	0.8
<b>PRICE CONTROL,<sup>1</sup> y-o-y growth rates, %</b>																	
Energy prices	8.0	0.6	12.4	-0.1	-1.6	6.2	13.1	16.9	21.1	-1.2	-12.9	-17.7	-1.0	0.9	1.3	-2.6	-3.6
Oil products	10.3	-0.9	11.7	-2.2	-4.3	7.4	14.8	17.4	21.1	-5.7	-16.3	-18.9	-3.3	-0.8	-0.8	-5.5	-6.6
Basic utilities	-2.6	-2.3	0.6	-6.2	-3.7	8.4	1.4	1.3	-1.3	1.1	1.7	0.9	-6.0	-6.0	-6.0	0.7	-5.7
Transport & communications	1.5	0.6	-0.4	0.6	0.6	0.6	0.5	0.6	-1.3	-1.3	-1.2	-1.1	0.6	0.6	0.6	0.6	0.6
Other controlled prices	2.6	2.9	1.8	2.6	3.0	3.0	1.4	1.7	1.7	2.4	2.4	6.8	2.4	2.3	2.2	3.8	3.0
Direct control – total	7.0	3.1	8.6	3.2	1.6	5.9	9.5	11.7	13.7	-0.2	-7.8	-10.9	2.6	4.0	4.3	2.9	-2.3
Source of data: SORS, calculations and estimates IMAD. Note: <sup>1</sup> the 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.																	

2007			2008												2009						
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7
5.1	5.7	5.6	6.4	6.5	6.9	6.5	6.4	7.0	6.9	6.0	5.5	4.9	3.1	2.1	1.6	2.1	1.8	1.1	0.7	0.3	-0.6
13.3	11.7	12.9	13.9	14.6	13.5	12.3	12.1	11.6	12.2	10.1	7.2	5.3	5.6	3.8	3.5	3.1	2.9	2.0	0.6	0.0	-1.3
6.4	6.6	6.6	5.7	5.5	5.1	4.8	5.0	5.1	-0.2	0.5	1.8	2.1	2.1	2.0	2.2	2.7	4.0	4.3	8.4	9.0	9.1
1.8	3.5	2.1	2.9	4.8	6.7	7.0	4.6	4.1	0.8	1.7	3.7	6.0	4.6	4.8	2.3	0.6	2.3	0.5	1.9	1.1	-1.3
6.7	8.2	8.0	11.7	9.6	10.4	9.4	11.4	13.4	13.6	10.4	10.5	9.0	4.8	2.4	0.8	3.0	1.2	0.1	-2.3	-4.0	-4.9
3.6	4.1	4.3	4.0	4.3	5.2	5.7	5.7	5.2	5.9	6.4	7.3	7.0	6.7	6.5	6.5	6.7	5.1	4.7	4.2	4.5	4.0
0.8	0.5	0.0	-0.9	-1.2	0.5	1.4	1.7	1.9	4.5	5.0	5.1	5.2	5.4	6.7	9.5	9.8	6.9	5.4	5.5	5.1	1.9
0.4	2.5	1.9	2.8	2.7	3.1	2.1	2.4	4.4	4.9	3.7	3.6	2.6	-3.6	-5.4	-5.1	-2.5	-3.6	-3.5	-4.7	-5.2	-5.6
-0.7	-0.2	1.9	1.0	2.8	2.9	2.8	1.5	1.5	0.7	0.5	-0.9	-0.9	0.0	-4.3	-3.7	-4.7	-4.6	-5.2	-4.4	-4.4	-4.1
4.9	4.6	4.7	4.1	4.9	4.9	5.4	4.4	5.3	5.6	4.9	4.0	2.8	3.2	3.6	2.8	2.8	3.4	3.3	3.6	4.1	3.0
3.6	3.6	3.6	3.4	3.8	7.0	7.0	4.6	4.6	4.6	4.6	5.0	6.0	6.1	6.1	6.0	6.3	3.2	3.2	3.0	3.0	3.0
7.9	9.6	8.6	9.2	9.4	9.4	10.1	9.9	10.1	10.7	10.4	10.0	9.7	8.8	7.7	6.5	6.3	6.1	5.1	4.8	4.7	4.4
3.0	3.6	3.6	3.6	3.8	4.2	4.7	4.5	4.5	4.0	3.7	3.6	3.4	3.2	3.4	3.4	3.7	4.2	3.3	3.1	3.5	4.5
5.1	5.7	5.7	6.4	6.4	6.6	6.2	6.2	6.8	6.9	6.0	5.6	4.8	2.9	1.8	1.4	2.1	1.6	1.1	0.5	0.2	-0.6
2.7	3.3	3.2	4.2	4.3	4.6	4.3	4.4	4.4	4.7	4.0	3.6	3.1	2.8	2.6	2.0	2.4	2.0	1.6	1.1	0.8	0.4
3.7	4.0	4.0	4.2	4.9	5.1	5.3	4.9	4.7	5.1	4.7	4.5	4.1	3.9	3.9	3.2	2.8	3.1	2.6	2.6	2.6	1.4
3.8	3.5	3.4	3.5	3.4	3.3	3.3	3.5	4.4	4.9	5.5	4.8	4.2	3.3	2.2	1.9	1.1	0.3	-0.5	-1.6	-2.4	-3.0
6.4	6.9	6.4	6.5	5.6	5.7	6.1	6.1	5.9	6.3	6.7	5.7	5.0	4.0	3.5	2.3	1.2	0.8	0.2	-0.7	-0.7	-1.3
1.2	0.3	0.6	0.6	1.3	0.9	0.5	1.1	2.8	3.6	4.3	4.0	3.3	2.7	1.0	1.6	1.0	-0.1	-1.2	-2.5	-4.0	-4.7
2.2	1.2	1.0	1.0	2.1	1.1	0.5	0.9	3.7	4.1	4.8	3.8	3.1	1.4	0.1	0.2	-0.3	-1.7	-3.1	-4.1	-6.2	-6.7
-0.4	-1.1	0.1	-0.2	-0.1	0.5	0.4	1.3	1.1	2.5	3.3	4.3	3.9	5.1	2.7	4.2	3.5	2.9	2.5	0.5	0.2	-0.6
-0.2	0.0	0.5	-0.7	-0.1	0.1	-0.3	0.5	0.8	3.5	3.3	4.7	3.7	1.6	-1.0	-2.4	-1.3	-2.7	-3.8	-4.8	-5.2	-4.7
2.2	8.4	7.9	12.4	12.1	14.8	11.9	15.5	23.2	24.8	20.0	18.4	14.1	-4.3	-12.7	-15.0	-8.9	-14.6	-14.5	-18.0	-20.1	-21.5
2.1	10.3	9.8	14.0	14.1	16.4	12.6	15.3	24.1	25.5	20.0	17.7	12.2	-9.4	-18.9	-19.5	-11.2	-17.9	-15.6	-19.4	-21.2	-20.9
14.3	6.5	4.8	2.8	0.7	0.7	1.3	1.3	1.3	1.3	-5.7	0.7	0.7	0.8	1.6	1.6	1.7	1.9	1.0	0.7	0.8	0.8
0.6	0.6	0.6	0.5	0.4	0.6	0.6	0.6	0.6	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.1	-1.1	-1.1	-1.1	2.5
3.0	2.9	2.9	2.1	1.2	1.0	1.2	1.9	1.9	1.1	1.6	2.4	2.4	2.4	2.4	2.3	2.4	2.4	6.2	7.1	7.1	7.1
3.9	7.1	6.6	9.3	8.8	10.4	8.5	10.8	15.7	16.3	12.2	12.4	9.7	-2.2	-7.8	-9.4	-5.0	-9.0	-8.6	-11.2	-12.9	-13.7

BALANCE OF PAYMENTS	2006	2007	2008	2007			2008				2009		2007			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	6	7	8	9
<b>BALANCE OF PAYMENTS, in EUR m</b>																
Current account	-771	-1,455	-2,055	-274	-538	-692	-425	-486	-642	-733	-202	258	-31	-252	-112	-173
Goods <sup>1</sup>	-1,151	-1,666	-2,622	-359	-401	-664	-489	-668	-751	-743	-127	42	-79	-89	-117	-195
Exports	17,028	19,798	20,033	5,027	4,927	5,062	5,084	5,349	5,038	4,577	3,947	4,058	1,712	1,741	1,478	1,708
Imports	18,179	21,464	22,655	5,386	5,328	5,726	5,573	6,017	5,789	5,320	4,074	4,016	1,791	1,830	1,595	1,903
Services	993	1,193	1,782	330	306	167	334	475	487	314	267	364	118	78	124	105
Exports	3,572	4,291	5,182	1,002	1,259	1,018	1,053	1,299	1,480	1,209	931	1,074	341	426	447	385
Imports	2,580	3,098	3,400	672	953	851	719	824	993	895	664	710	224	349	324	280
Income	-440	-708	-1,026	-207	-376	-135	-150	-259	-394	-236	-213	-177	-77	-217	-109	-51
Receipts	872	1,169	1,303	293	298	343	266	326	335	336	252	257	100	97	91	110
Expenditure	1,312	1,877	2,329	501	674	478	416	585	729	572	464	434	177	314	200	160
Current transfers	-173	-274	-188	-38	-67	-60	-120	-33	16	-69	-129	29	8	-24	-10	-33
Receipts	785	905	804	233	230	278	144	190	229	220	119	260	94	71	93	65
Expenditure	958	1,178	992	271	296	338	264	223	213	289	248	231	87	96	104	97
Capital and financial account	1,092	1,713	2,221	240	384	982	435	741	632	588	-108	-63	251	338	39	7
Capital account	-131	-52	-84	-27	-32	-8	-8	3	-8	-30	-5	38	-20	-11	3	-24
Financial account	1,223	1,765	2,305	267	416	990	443	738	640	618	-104	-101	270	349	36	31
Direct investment	-174	-269	256	-40	9	56	114	-142	128	281	-114	-274	94	100	51	-142
Domestic abroad	-687	-1,319	-983	-295	-438	-256	-125	-450	-236	-122	-109	-324	-32	-154	-61	-224
Foreign in Slovenia	513	1,050	1,239	255	447	312	239	308	364	402	-5	50	126	254	112	82
Portfolio investment	-1,442	-2,264	606	-1,203	378	-806	305	-1,152	165	1,257	875	1,074	-169	234	120	24
Financial derivatives	-13	-21	6	0	-20	12	30	4	5	6	-23	-1	0	-7	-7	-7
Other investment	1,571	4,179	1,416	1,521	17	1,665	75	1,947	340	-947	-955	-946	347	-110	-120	246
Assets	-1,939	-4,877	-772	-419	-1,365	-574	-978	-187	388	215	803	-293	-77	-594	-345	-427
Commercial credits	-442	-394	-212	-180	29	136	-518	-170	-9	554	52	12	-73	30	155	-156
Loans	-733	-1,890	-540	-456	-441	-627	51	-442	158	-308	277	-72	-194	-219	-148	-74
Currency and deposits	-743	-2,601	-38	217	-942	-85	-502	385	258	-23	467	-234	178	-391	-355	-196
Other assets	-21	7	17	0	-12	1	-9	40	-19	-7	7	2	13	-14	3	-1
Liabilities	3,510	9,057	2,189	1,940	1,382	2,239	1,054	2,134	-48	-1,162	-1,758	-654	424	484	225	673
Commercial credits	479	503	167	55	-89	266	179	309	-19	-537	-379	-85	-15	59	-303	155
Loans	2,064	3,840	1,848	1,554	910	1,345	644	1,472	242	-490	-517	-1,275	233	231	254	426
Deposits	998	4,727	190	338	567	613	253	346	-272	-137	-858	700	199	188	281	98
Other liabilities	-30	-14	-17	-7	-6	16	-22	7	2	1	-5	6	7	7	-8	-6
International reserves <sup>2</sup>	1,281	140	21	-11	32	64	-81	80	1	21	114	46	-1	132	-8	-91
Statistical error	-321	-258	-167	34	154	-290	-10	-255	10	146	311	-195	-220	-86	74	166
<b>EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m</b>																
Export of investment goods	1,680	1,933	2,229	508	466	504	523	576	598	544	444	N/A	174	166	140	160
Intermediate goods	9,368	10,438	10,755	2,670	2,560	2,593	2,752	2,893	2,730	2,385	1,980	N/A	895	918	778	864
Consumer goods	5,709	7,014	6,809	1,746	1,790	1,858	1,753	1,817	1,648	1,590	1,480	N/A	610	619	520	651
Import of investment goods	2,565	3,004	3,433	736	740	870	773	928	862	878	580	N/A	242	246	199	295
Intermediate goods	11,319	12,874	13,718	3,212	3,162	3,344	3,417	3,668	3,543	3,107	2,366	N/A	1,077	1,105	955	1,102
Consumer goods	4,456	5,609	5,852	1,446	1,413	1,508	1,459	1,520	1,475	1,416	1,193	N/A	475	478	424	511

Sources of data: BS, SORS. Notes: <sup>1</sup> exports and imports (F.O.B.) include also the adjustment for exports and imports of goods by ITRS and duty-free shops reports; <sup>2</sup> reserve assets of the BS.

2007			2008												2009					
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
-160	-197	-335	-178	-117	-130	-120	-201	-165	-347	-157	-138	-236	-164	-334	-36	-115	-52	53	71	133
-180	-191	-293	-188	-134	-166	-160	-285	-223	-263	-298	-190	-266	-180	-297	-34	-31	-63	-34	15	61
1,855	1,781	1,426	1,618	1,710	1,757	1,866	1,716	1,767	1,809	1,339	1,891	1,841	1,532	1,204	1,216	1,298	1,433	1,305	1,335	1,417
2,035	1,973	1,719	1,806	1,844	1,923	2,026	2,002	1,990	2,071	1,637	2,080	2,107	1,711	1,501	1,249	1,329	1,496	1,338	1,321	1,357
67	46	53	109	106	118	152	170	152	124	166	196	149	107	58	109	60	98	115	112	138
371	297	350	339	335	378	422	433	444	516	487	478	446	372	392	313	278	340	346	348	380
303	251	297	230	229	260	270	263	291	391	320	281	296	264	334	204	218	243	232	236	242
-52	-35	-48	-41	-41	-69	-82	-70	-107	-214	-50	-130	-83	-82	-71	-78	-71	-64	-65	-61	-51
111	111	120	88	88	90	111	106	108	111	115	109	108	105	124	88	83	81	83	86	89
164	146	167	128	129	159	193	177	215	325	165	239	191	187	195	166	154	145	147	147	140
5	-17	-48	-59	-48	-13	-31	-15	12	5	25	-14	-36	-9	-24	-34	-73	-23	37	6	-14
107	89	83	32	54	58	38	58	93	64	106	58	54	80	86	29	40	49	117	80	64
101	106	130	91	102	71	69	73	81	59	82	73	90	89	110	63	113	72	80	74	78
171	311	500	86	228	121	192	346	202	411	187	34	-130	279	439	87	-115	-80	-27	68	-105
7	5	-20	-9	0	2	5	-3	1	-6	-1	-1	4	39	-73	-8	-2	5	-3	-2	42
164	305	521	95	228	120	188	349	201	417	188	35	-134	239	512	95	-113	-85	-24	70	-147
103	-100	53	32	-13	95	-49	-9	-84	125	51	-48	-40	85	235	56	-62	-108	-43	-175	-56
8	-162	-102	-32	-25	-68	-160	-128	-163	-116	-34	-86	-81	-9	-32	-24	-51	-33	-96	-208	-20
96	62	155	65	11	163	111	119	78	241	85	38	41	94	267	80	-11	-75	53	33	-36
-360	-483	36	16	692	-403	-452	-457	-243	134	-207	238	387	658	212	410	559	-95	961	251	-138
4	4	4	10	10	10	1	1	1	2	2	2	2	2	2	-10	-13	0	0	4	-5
397	912	356	36	-497	536	602	797	548	229	238	-127	-516	-489	58	-358	-684	87	-938	-72	64
-290	-360	76	147	-960	-165	384	194	-766	112	-79	355	-435	19	632	119	595	90	-221	-819	748
-233	-17	386	-79	-226	-212	-25	-98	-47	16	147	-172	-43	132	465	145	-45	-47	24	45	-57
-131	-137	-359	175	-44	-80	17	-205	-254	255	-377	280	-286	73	-95	34	218	25	35	-49	-59
66	-207	56	37	-684	145	346	506	-468	-164	153	269	-115	-191	283	-71	412	127	-280	-813	858
8	-1	-6	14	-5	-18	46	-9	3	5	-2	-22	9	5	-22	11	10	-15	-1	-2	5
687	1,273	279	-111	463	702	218	603	1,314	117	317	-482	-81	-508	-574	-476	-1,278	-3	-716	747	-684
163	97	6	-81	105	155	93	220	-4	38	-116	59	-67	-182	-287	-377	-5	3	-28	-35	-23
210	881	254	117	217	311	-173	512	1,133	112	228	-98	37	-483	-44	-101	28	-444	-329	348	-1,294
328	299	-14	-134	150	236	294	-128	180	-40	206	-438	-51	159	-244	5	-1,303	441	-361	434	627
-14	-4	34	-13	-10	0	4	-2	5	6	0	-5	0	-2	2	-3	2	-4	2	-1	6
20	-28	72	0	37	-118	85	16	-21	-73	104	-30	33	-17	5	-4	86	31	-5	62	-11
-11	-113	-165	92	-111	9	-72	-145	-37	-64	-30	104	366	-115	-105	-51	230	132	-27	-140	-29
180	165	159	147	178	199	193	192	191	203	152	243	201	185	158	128	153	163	170	143	N/A
959	927	707	891	934	927	1015	925	953	976	756	998	981	816	589	644	638	698	648	654	N/A
679	653	526	561	580	612	635	578	603	607	411	629	638	511	441	430	494	557	476	523	N/A
303	299	268	248	252	274	316	312	300	294	226	342	289	279	310	171	161	248	186	180	N/A
1,161	1,185	998	1,116	1,145	1,156	1,225	1,222	1,221	1,291	1,029	1,222	1,309	1,017	782	745	802	819	755	758	N/A
576	492	440	466	474	519	518	503	500	520	404	551	544	441	431	353	388	452	413	404	N/A

MONETARY INDICATORS AND INTEREST RATES	2006	2007	2008	2007										2008 1
				3	4	5	6	7	8	9	10	11	12	
<b>SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn; since 1 January 2007 in EUR m</b>														
Claims of the BS on central government	16.6	67	68	69	68	68	68	68	68	67	67	67	67	67
Central government (S. 1311)	776.6	2,367	2,162	2,944	2,748	2,574	2,465	2,408	2,342	2,345	2,348	2,374	2,367	2,412
Other government (S. 1312, 1313, 1314)	24.9	118	212	107	105	107	107	107	110	111	114	112	118	123
Households (S. 14, 15)	1289.4	6,818	7,827	5,633	5,748	5,892	6,015	6,157	6,323	6,468	6,607	6,830	6,818	6,918
Non-financial corporations (S. 11)	3236.0	18,105	21,149	14,660	15,142	15,426	15,788	16,274	16,720	17,004	17,269	17,748	18,105	18,570
Non-monetary financial institutions (S. 123, 124, 125)	368.1	2,305	2,815	1,574	1,761	1,747	1,911	2,034	2,083	2,205	2,367	2,396	2,305	2,390
Monetary financial institutions (S. 121, 122)	1158.7	2,401	3,666	2,267	2,033	2,257	2,211	2,218	2,439	2,448	2,460	2,580	2,401	2,455
<b>Claims on domestic sectors, TOTAL</b>														
In domestic currency	2298.2	26,555	32,113	21,726	22,297	23,089	23,558	24,146	24,892	25,310	25,864	26,596	26,555	27,164
In foreign currency	3149.0	1,990	2,370	1,160	1,248	1,335	1,456	1,560	1,638	1,699	1,789	1,900	1,990	2,117
Securities, total	1286.8	3,570	3,346	4,299	3,992	3,577	3,484	3,492	3,488	3,573	3,511	3,544	3,570	3,586
<b>SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn; since 1 January 2007 in EUR m</b>														
Deposits in domestic currency, total	2,903.4	20,029	23,129	17,914	18,066	18,367	18,446	18,880	19,299	19,386	19,579	19,558	20,029	20,088
Overnight	1,178.6	6,887	6,605	6,648	6,676	6,849	6,953	7,047	6,881	6,907	6,695	6,573	6,887	6,924
With agreed maturity – short-term	1,251.2	8,913	10,971	7,639	7,758	7,777	7,592	7,867	8,331	8,247	8,689	8,723	8,913	8,899
With agreed maturity – long-term	292.4	2,857	4,157	2,560	2,569	2,573	2,693	2,728	2,790	2,874	2,820	2,817	2,857	2,845
Short-term deposits redeemable at notice	181.2	1,372	1,396	1,067	1,063	1,168	1,208	1,238	1,297	1,358	1,375	1,445	1,372	1,420
Deposits in foreign currency, total	1,454.5	559	490	607	597	615	610	605	628	608	589	585	559	571
Overnight	552.7	218	215	285	264	280	274	270	278	269	255	260	218	248
With agreed maturity – short-term	545.5	248	198	237	251	248	249	242	258	248	241	226	248	229
With agreed maturity – long-term	318.3	56	41	62	60	61	60	61	62	60	60	57	56	55
Short-term deposits redeemable at notice	38.0	37	36	23	22	26	27	32	30	31	33	42	37	39
<b>INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %</b>														
<b>New deposits in domestic currency</b>														
<b>Households</b>														
Overnight deposits	0.32	0.36	0.43	0.33	0.34	0.34	0.34	0.35	0.35	0.37	0.42	0.40	0.40	0.44
Time deposits with maturity of up to one year	2.96	3.36	4.45	3.01	3.07	3.15	3.26	3.36	3.41	3.61	3.89	3.83	4.04	4.08
<b>New loans to households in domestic currency</b>														
Housing loans, 5-10 year fixed interest rate	4.56	5.80	6.88	5.50	5.35	5.37	5.36	5.79	5.98	6.16	6.45	6.44	6.58	6.75
<b>New loans to non-financial corporations in domestic currency</b>														
Loan over EUR 1 million, 1-5 year fixed interest rate	4.64	5.76	6.03	-	-	4.86	5.12	6.49	-	5.76	5.59	-	6.25	-
<b>INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %</b>														
Main refinancing operations	2.78	3.85	3.85	3.75	3.75	3.75	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<b>INTERBANK INTEREST RATES</b>														
<b>EURIBOR</b>														
3-month rates	3.58	4.28	4.63	3.89	3.98	4.07	4.15	4.22	4.54	4.74	4.69	4.64	4.85	4.48
6-month rates	3.58	4.35	4.72	4.00	4.10	4.20	4.28	4.36	4.59	4.75	4.66	4.63	4.82	4.50
<b>LIBOR CHF</b>														
3-month rates	1.51	2.55	2.58	2.26	2.32	2.41	2.55	2.72	2.80	2.82	2.79	2.75	2.77	2.70
6-month rates	1.65	2.65	2.69	2.36	2.44	2.54	2.70	2.85	2.86	2.90	2.89	2.85	2.84	2.77

Sources of data: BS, BBA - British Bankers' Association.

2008											2009						
2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7
67	66	66	66	65	66	66	67	69	69	68	69	87	103	121	140	142	151
2,397	2,392	2,123	2,162	2,052	2,030	2,069	2,046	2,058	2,176	2,162	2,704	2,867	3,134	3,288	3,542	3,472	3,456
124	124	128	129	133	136	143	178	184	181	212	223	229	233	243	254	251	257
7,009	7,133	7,235	7,318	7,409	7,521	7,603	7,705	7,857	7,785	7,827	7,831	7,852	7,868	7,910	7,946	7,951	8,055
18,754	18,938	19,351	19,616	20,064	20,404	20,619	20,872	21,134	21,092	21,149	21,346	21,429	21,469	21,509	21,516	21,517	21,557
2,411	2,494	2,558	2,568	2,736	2,726	2,729	2,798	2,815	2,845	2,815	2,815	2,814	2,851	2,869	2,838	2,835	2,838
2,432	2,444	2,624	2,375	2,386	2,403	2,400	2,737	2,965	2,963	3,666	3,887	3,826	3,786	3,829	4,008	4,365	4,382
27,406	27,768	28,503	28,871	29,380	29,805	30,108	30,888	31,444	31,594	32,113	32,388	32,663	32,648	32,790	33,140	33,353	33,601
2,192	2,280	2,276	2,259	2,263	2,228	2,271	2,344	2,512	2,371	2,370	2,372	2,315	2,190	2,172	2,122	2,059	2,017
3,529	3,477	3,239	3,038	3,137	3,188	3,184	3,104	3,059	3,077	3,346	4,046	4,040	4,504	4,686	4,843	4,979	4,925
20,674	20,779	20,774	20,613	21,144	21,341	21,465	21,992	22,177	22,385	23,129	23,563	24,487	24,334	25,649	26,020	26,536	26,166
6,557	6,787	6,711	6,841	7,071	6,744	6,703	6,918	6,666	6,577	6,605	6,415	6,421	6,609	6,610	6,876	7,163	6,862
9,862	9,745	9,734	9,292	9,439	9,936	9,929	10,038	10,530	10,659	10,971	11,246	12,053	11,705	12,951	13,053	12,015	10,560
2,803	2,814	2,926	3,046	3,170	3,241	3,378	3,519	3,555	3,727	4,157	4,542	4,729	4,827	4,876	4,868	6,142	7,560
1,452	1,433	1,403	1,434	1,464	1,420	1,455	1,517	1,426	1,422	1,396	1,360	1,284	1,193	1,212	1,223	1,216	1,184
560	520	529	527	488	491	502	493	537	551	490	504	502	491	489	495	492	480
240	226	222	225	218	220	228	218	244	247	215	242	230	233	231	251	249	239
237	220	224	224	196	192	190	196	213	227	198	181	195	177	180	166	170	166
48	45	45	42	42	43	42	43	44	42	41	42	43	42	42	41	39	39
35	29	38	36	32	36	42	36	36	35	36	39	34	39	36	37	34	36
0.41	0.41	0.43	0.46	0.46	0.48	0.48	0.48	0.51	0.52	0.43	0.48	0.40	0.34	0.28	0.25	0.23	-
3.95	4.03	4.14	4.20	4.30	4.40	4.39	4.53	4.65	4.56	4.45	4.08	3.40	2.82	2.44	2.28	2.40	-
6.40	6.61	6.53	6.53	6.63	6.71	6.95	6.99	7.10	7.17	6.88	7.05	6.63	5.75	6.75	6.37	6.59	-
-	5.63	6.32	5.47	6.63	6.91	6.53	6.94	6.76	7.24	7.74	6.61	6.35	6.34	6.05	6.10	6.19	-
4.00	4.00	4.00	4.00	4.00	4.25	4.25	4.25	3.75	3.25	2.50	2.00	2.00	1.50	1.25	1.00	1.00	1.00
4.36	4.60	4.78	4.86	4.94	4.96	4.97	5.02	5.11	4.24	3.29	2.46	1.94	1.64	1.42	1.28	1.23	0.98
4.36	4.59	4.80	4.90	5.09	5.15	5.16	5.22	5.18	4.29	3.37	2.54	2.03	1.78	1.61	1.48	1.44	1.21
2.74	2.83	2.85	2.78	2.84	2.79	2.75	2.78	3.00	1.97	0.91	0.57	0.51	0.44	0.40	0.40	0.40	-
2.77	2.87	2.93	2.89	2.98	2.94	2.89	2.92	3.09	2.16	1.08	0.71	0.65	0.58	0.54	0.54	0.52	-

PUBLIC FINANCE	2006	2007	2008	2007			2008				2009		2007			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	7	8	9	10
<b>CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m</b>																
<b>GENERAL GOVERNMENT REVENUES</b>																
TOTAL REVENUES	12,958.7	14,006.1	15,339.2	3,454.0	3,429.1	4,059.8	3,369.3	4,005.7	3,857.5	4,106.6	3,282.6	3,543.6	1,182.3	1,222.7	1,024.1	1,323.7
Current revenues	12,395.3	13,467.2	14,792.3	3,374.9	3,332.1	3,805.1	3,274.0	3,881.0	3,733.8	3,903.4	3,204.0	3,322.8	1,159.9	1,168.9	1,003.3	1,259.4
Tax revenues	11,762.0	12,757.9	13,937.4	3,199.7	3,123.6	3,606.0	3,110.0	3,702.0	3,472.0	3,653.3	3,058.9	3,164.5	1,089.8	1,099.5	934.2	1,194.1
Taxes on income and profit	2,735.3	2,917.7	3,442.2	914.3	646.3	769.4	694.4	1,106.5	806.5	834.7	707.3	617.5	168.7	251.4	226.3	233.4
Social security contributions	4,231.2	4,598.0	5,095.0	1,123.7	1,139.1	1,251.8	1,203.1	1,254.2	1,272.9	1,364.8	1,285.3	1,280.9	379.2	377.9	382.1	385.1
Taxes on payroll and workforce	472.9	418.1	258.0	99.7	101.5	120.9	59.4	62.2	63.5	72.9	7.4	7.2	34.1	33.6	33.9	34.1
Taxes on property	189.1	206.4	214.9	58.0	67.3	59.0	27.5	62.6	69.6	55.2	20.6	51.5	20.8	31.4	15.2	16.3
Domestic taxes on goods and services	4,077.3	4,498.6	4,805.3	973.0	1,135.5	1,372.5	1,099.4	1,181.7	1,227.8	1,296.4	1,015.4	1,177.5	475.4	395.4	264.6	514.5
Taxes on international trade & transactions	50.7	117.1	120.1	30.7	33.2	31.7	25.6	33.7	31.0	29.8	22.5	29.2	11.5	9.6	12.0	10.4
Other taxes	5.4	2.1	1.8	0.4	0.7	0.7	0.6	1.0	0.7	-0.6	0.5	0.7	0.1	0.3	0.3	0.2
Non-tax revenues	633.3	709.2	854.9	175.2	208.6	199.1	164.0	179.0	261.8	250.1	145.1	158.3	70.1	69.4	69.0	65.3
Capital revenues	166.8	136.6	117.3	15.2	39.6	62.1	28.0	26.9	28.8	33.6	14.1	29.7	13.5	17.1	8.9	14.6
Grants	5.4	11.9	10.4	2.8	2.0	5.0	2.0	2.1	3.1	3.1	2.9	1.7	0.7	-0.1	1.4	1.4
Transferred revenues	42.8	42.5	53.9	1.4	0.4	40.5	1.2	0.9	0.6	51.3	0.2	1.5	0.1	0.2	0.1	0.8
Receipts from the EU budget	348.4	348.0	365.4	59.6	55.1	147.1	64.0	94.8	91.3	115.3	61.4	187.9	8.1	36.6	10.4	47.6
<b>GENERAL GOVERNMENT EXPENDITURES</b>																
TOTAL EXPENDITURES	13,208.7	13,915.5	15,441.7	3,392.6	3,240.0	4,081.8	3,388.6	3,792.9	3,628.8	4,631.4	3,877.1	4,064.9	1,094.3	1,090.3	1,055.3	1,140.5
Current expenditures	5,689.0	5,950.9	6,557.5	1,448.5	1,362.2	1,658.2	1,575.9	1,581.7	1,513.7	1,886.2	1,768.8	1,682.6	450.8	463.5	447.9	483.8
Wages, salaries and other personnel expenditures	3,180.3	3,276.9	3,578.9	851.7	814.4	825.0	819.7	906.8	892.5	959.8	965.7	1,006.1	271.1	273.7	269.6	266.2
Expenditures on goods and services	2,073.2	2,212.2	2,527.5	482.6	518.0	721.3	523.1	589.3	586.1	829.0	546.5	617.3	170.2	183.4	164.4	187.4
Interest payments	376.4	357.0	335.2	105.3	17.5	36.7	221.0	69.8	12.9	31.5	246.7	48.4	6.8	3.3	7.4	26.6
Reserves	59.0	104.8	116.0	8.9	12.3	75.2	12.1	15.8	22.2	65.9	10.0	10.9	2.7	3.2	6.5	3.7
Current transfers	5,925.8	6,143.9	6,742.2	1,665.6	1,456.0	1,565.1	1,489.9	1,856.8	1,567.3	1,828.2	1,748.2	1,936.1	525.2	467.0	463.7	473.7
Subsidies	402.9	423.4	476.5	137.9	88.3	92.8	60.5	243.0	57.7	115.3	165.0	126.9	57.3	13.0	18.0	18.0
Current transfers to individuals and households	4,871.5	5,093.3	5,619.2	1,359.2	1,211.1	1,304.0	1,303.5	1,448.9	1,344.8	1,522.0	1,436.2	1,614.8	406.4	403.6	401.1	405.0
Current transfers to non-profit institutions, other current domestic transfers	624.1	595.3	598.3	158.4	145.3	160.8	118.7	151.2	153.2	175.2	140.0	178.5	57.6	47.1	40.6	49.6
Current transfers abroad	27.4	32.0	48.2	10.2	11.3	7.6	7.2	13.6	11.6	15.7	7.0	15.9	4.0	3.3	4.0	1.1
Capital expenditures	901.4	1,130.5	1,255.5	162.9	266.9	567.3	149.0	215.9	350.0	540.6	175.3	236.6	72.2	104.2	90.5	117.3
Capital transfers	404.6	334.3	458.6	55.0	69.3	181.4	30.6	62.3	130.8	234.9	35.9	112.9	22.3	23.2	23.8	35.6
Payments to the EU budget	287.9	355.9	427.9	60.6	85.6	109.8	143.2	76.2	67.0	141.5	148.9	96.6	23.7	32.4	29.5	30.1
<b>SURPLUS / DEFICIT</b>	-250.0	90.6	-102.5	-	-	-	-	-	-	-	-	-	-	-	-	-

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

**BEC** – Broad Economic Categories, **BS** – Bank of Slovenia, **CAPS** – Collective Agreement for Public Sector, **EC** – European Commission, **ECB** – European Central Bank, **EIA** – Energy Information Administration, **ELES** – Electro Slovenia, **ESS** – Employment Service of Slovenia, **GDP** – Gross domestic product, **GNI** – Gross National income, **HICP** – Harmonised Index of Consumer Prices, **IC** – Investment Company, **ICT** – Information and Communication Technology, **IMAD** – Institute of Macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **MF** – Ministry of Finance, **NFI** – non-monetary financial institutions, **PPA** – Public Payments Administration of the Republic of Slovenia, **SCA** – Standard classification of activities, **SITC** – Standard International Trade Classification, **SMARS** – Surveying and Mapping Authority of the Republic of Slovenia, **SORS** – Statistical Office of the Republic of Slovenia, **ULC** – Unit Labour Cost.

### 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 - reducing activities of households for own use, **U**- Activities of extraterritorial organizations and bodies.

### Acronyms of Countries

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

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