

slovenian economic mirror

June 2009, No. 6. Vol. XV

Slovenian Economic Mirror
ISSN 1318-3826

No. 6 / Vol. XV / 2009

Publisher: IMAD, Ljubljana, Gregorčičeva 27

Director: Boštjan Vasle, MSc

Editor in Chief: Jure Brložnik, MA

Jure Brložnik, MA (International Environment); Barbara Ferk, MSc, Katarina Ivas, Janez Kušar, Jože Markič, PhD, Tina Nenadič, Jure Povšnar (Economic Developments in Slovenia); Tomaž Kraigher, Ana T. Selan, MSc (Labour Market); Slavica Jurančič, Miha Trošt (Prices); Jože Markič, PhD (Balance of Payments); Marjan Hafner (Financial Markets); Barbara Knapič Navarrete, Jasna Kondža (Public Finance); Maja Bergant, MSc (Work Incentive Indicators).

Editorial Board: Lidija Apohal Vučkovič, Marijana Bednaš, MSc, Alenka Kajzer, PhD, Rotija Kmet Zupančič, MSc, Janez Kušar, Mateja Peternelj, MSc, Boštjan Vasle, MSc

Translator: Marija Kavčič

Language Editor: Terry Troy Jackson

Data Preparation and Graphs: Bibijana Cirman Naglič, Marjeta Žigman

Concept and Design: Katja Korinšek, Pristop

DTP: Bibijana Cirman Naglič

Print: Tiskarna Zmas

Circulation: 90 copies

The contents of this publication may be reproduced in whole or in part provided that the source is acknowledged.

Contents

In the Spotlight	3
Current Economic Trends	5
International Environment.....	7
Economic Developments in Slovenia.....	7
Labour Market.....	12
Prices.....	14
Balance of Payments.....	17
Financial Markets.....	18
Public Finance.....	21
Selected Topics	25
Work Incentive Indicators.....	27
Statistical Appendix	29

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.

In the spotlight

The economic crisis in Slovenia deepened further in the first quarter of the year, as GDP dropped by 6.4% in real terms relative to the last quarter of 2008 (seasonally adjusted), being as much as 8.5% lower y-o-y. The key reasons for this decline are lower exports (-21.1% y-o-y) and investment activity (-23.6% y-o-y), which were the main drivers of buoyant economic growth in previous years. Nearly half of the y-o-y decline is due to significantly lower growth of inventories, contributing 4.2 p.p. to the total GDP decline. Private consumption (0.1% y-o-y) stagnated in the first quarter of 2009. Only government consumption posted positive growth (3.8% y-o-y), albeit lower than in the last quarter of 2008. On the production side, the greatest contribution to the deepening decline in value added again came from manufacturing, as well as, unlike in the last quarter of 2008, construction and mainly market services. Only public services posted similar growth as in the previous year. After declining steeply in the last two months of 2008, the values of all four short-term economic activity indicators (nominal merchandise exports, real industrial production volume in manufacturing, real value of construction put in place, real turnover in retail trade) remained approximately at the same level in the first four months of this year, but notably lower than last year. The value of the business sentiment indicator did not change in June (after it had not dropped in May, for the first time in 16 months), but the prospects for the coming months remain fairly uncertain.

Labour market indicators, where the number of persons in employment also declined in April, are deteriorating as well; the number of registered unemployed is still increasing, but at a slower pace. In April, the number of formally employed persons fell by 0.3%. The decline was again most notable in manufacturing, where in April 12,669 fewer persons were employed than in December last year. In June, the number of the registered unemployed rose to 86,481, but unemployment growth is slowing, as the number of persons who lost work diminishes, which is by our estimate also a consequence of subsidies for a shorter working week; the number of people who found work remains roughly the same as in the past three months. The registered unemployment rate totalled 8.8% in April.

The average gross wage remained unchanged in April; the gap between wage rises in the public and private sectors increased further. The gross wage per employee dropped by a nominal 0.1% in April; in the first four months as a whole, it was 5.4% higher than in the same period last year. Private sector wages increased by 2.5% in this period, while public sector wages, where April's wage growth was largely a consequence of wage rises in health activities, rose by a high 12.3%.

Y-o-y inflation dropped again in June, coming close to zero (0.3%), while deflation was recorded in the euro area as a whole (-0.1%). The slowdown of inflation in Slovenia and in the whole euro area is a result of low economic activity and the "base effect" related to oil and food prices. The swing of y-o-y inflation towards zero in Slovenia and in the whole euro area will be short-lived, given that inflation is expected to rise again towards its long-term equilibrium level in the autumn.

Lending activity of domestic banks also remained modest in May, as net lending of banks to the domestic non-banking sector amounted to only EUR 108.5 m. In the first five months of 2009, banks recorded net lending in the amount of EUR 661.2 m, only around a quarter of the value of the same period last year. Enterprises and NFI even net repaid loans in May, in the highest amount since data have been available (2005); lending activity was thus mainly a result of borrowing by the government, which at the same time reduced its deposits in banks.

In April, the current account balance posted a surplus for the first time since January 2007, while international financial transactions recorded a net outflow. The surplus (EUR 93.0 m) was largely a consequence of a significant narrowing of the merchandise trade deficit. The deficit in factor incomes was lower as well. The surplus was also significantly underpinned by the surplus in current transfers, while the surplus in the services balance declined. Despite the issue of the five-year government bond, April saw a net capital outflow (EUR 58.8 m), mainly due to other investment (EUR 948.0 m), within which the highest net outflow was again posted by currency and deposits. Also high were repayments of foreign loans taken out by banks.

Given the rapid widening of the gap between general government revenue and expenditure and with implementation of measures in response to the crisis, the Government adopted a second supplementary budget. According to the first non-consolidated data for April, general government revenue dropped by 14.9% in the first four months of the year, while expenditure increased by 11.1%. The deficit climbed to as much as EUR 554 m. Due to the deteriorated economic situation, the government adopted the second supplementary budget, envisaging

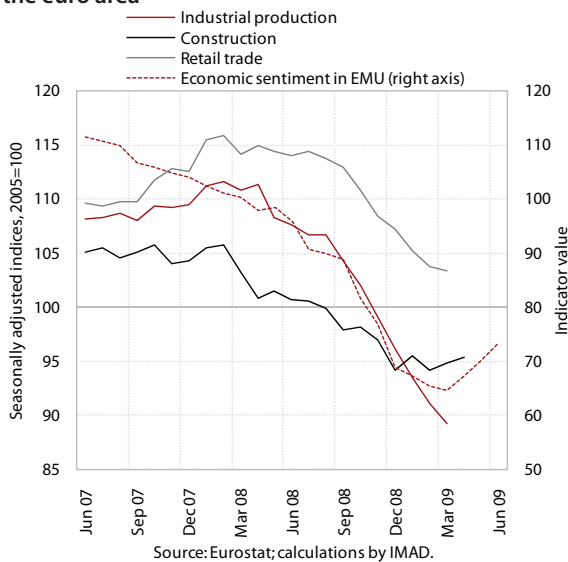
revenue in the amount of EUR 7.9 bn, expenditure in the amount of EUR 9.8 bn, with the total deficit reaching EUR 1.8 bn (5.0% of GDP). Wider gaps between revenues and expenditures were also posted by the health and pension funds and in the total balance of local government budgets; at the end of the first three months, the consolidated balance of public financing thus reported a deficit of EUR 592 m.

current economic trends

International environment

The values of short-term indicators of economic activity in the euro area continue to decline despite certain signs of stabilisation. In April, the volume of industrial production dropped again relative to the previous month. The value of construction put in place and turnover in retail trade slightly increased, but due to significant declines at the end of last year, all indicator values are notably lower y-o-y. Stabilisation of the decline in economic activity is suggested by the strengthening of various sentiment indicators, which are nevertheless still notably below long-term averages. The OECD announced that the economic crisis was likely to bottom out this year, predicting a 4.8% GDP decline for this year and stagnation in 2010. Expectations of other institutions are similar: the ECB, which also released a new forecast in June, projects a GDP fall in the interval between -4.1% and -5.1% for the euro area this year and between -1.0% and 0.4% next year. According to Consensus forecasts, in terms of dynamics, the second and third quarters will see similar y-o-y GDP falls as the first quarter, but the situation is set to improve somewhat in the final quarter of the year.

Figure 1: Short-term indicators of economic activity in the euro area

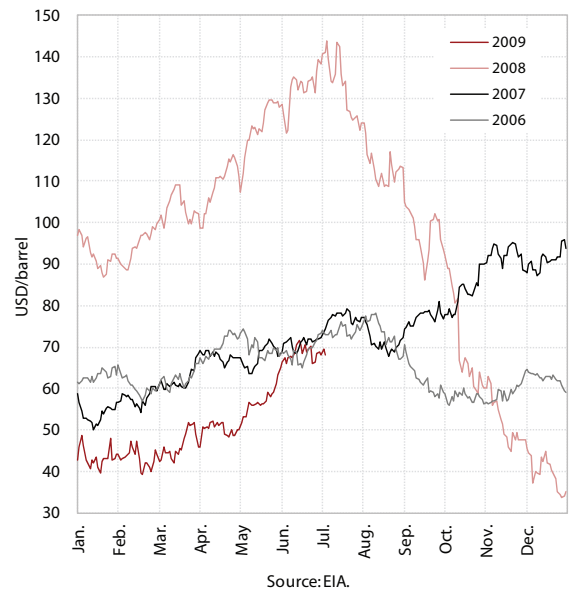


Interest rates on interbank markets declined further in June; the ECB continues implementation of its measures to revive the financial system through auctions of one-year funds. Interest rates on interbank markets continue to fall, due to a gradual restoration of trust between entities. The value of the three-month EURIBOR declined by 0.05 p.p. relative to May, totalling 1.228 on average for the month as a whole. With ever less room for interest rate policy manoeuvring, the ECB continues its attempts to ease the tensions on financial markets using more non-conventional measures. In June, it increased liquidity by EUR 442.2 bn in one-year loans at an interest rate of 1.0%. This is a continuation of the already adopted measures,

except that maturity was extended from 6 to 12 months to allow banks to provide enterprises with longer-term loans.

The price of Brent crude increased once again, averaging USD 68.6 a barrel in June. In June, the average price was thus 19.7% higher than in May and 48.2% lower y-o-y. Speculative activity was again the main factor in price rises, given that the number of concluded futures contracts increased significantly with the first signs of economic stabilisation in recent weeks.

Figure 2: Movements of the price of a barrel of Brent crude



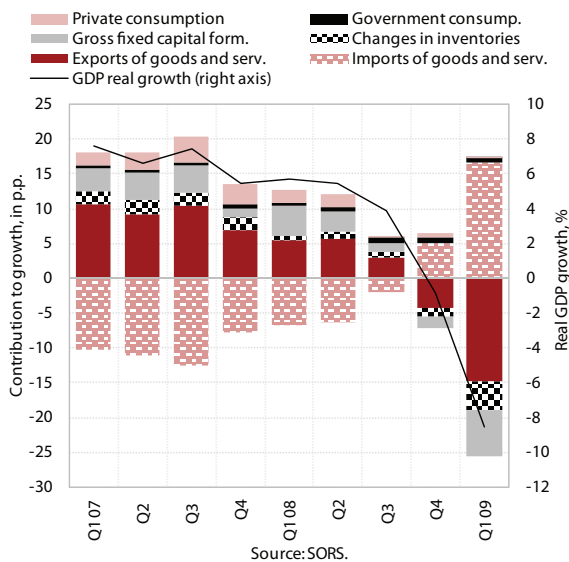
In June, the euro appreciated again against the US dollar and Japanese yen, and after a one-month break, also with regard to the Swiss franc. The value of the euro appreciated by 2.7% against the US dollar (the average exchange rate of USD 1.4016 to EUR 1) and Japanese yen (the average exchange rate of JPY 135.39 to EUR 1) and by 0.2% against the Swiss franc (the average exchange rate of CHF 1.5148 to EUR 1), while it lost value against the British pound sterling again (3.1%; the average exchange rate of GBP 0.8567 to EUR 1).

Economic developments in Slovenia

With a further decline in exports and investment activity, Slovenia's GDP dropped further in the first quarter of 2009, while the values of short-term indicators, after dropping steeply in the last two months of 2008, remained at a similar level in the first four months of the year. In the first quarter, GDP was 8.5% lower y-o-y according to SORS (0.8% in the final quarter of 2008), declining by as much as 6.4% relative to the previous quarter (seasonally adjusted; 4.1% in the final quarter of last year). Amid

the global economic crisis, this decline was mainly due to a significant drop in exports and economic activity, but also to a drop in inventories (contributing as much a -4.2 p.p.). Private consumption stagnated. An increase was only posted for government consumption. After dropping significantly in the last two months of 2008, the value of merchandise exports, the volume of industrial production in manufacturing, the value of construction put in place and real turnover in retail trade remained practically unchanged in the first four months of 2009, while they were notably lower relative to the same period last year. The value of the business sentiment indicator did not change in June, after the slight increase in May, the first in 16 months.

Figure 3: Expenditure side of Slovenia's GDP

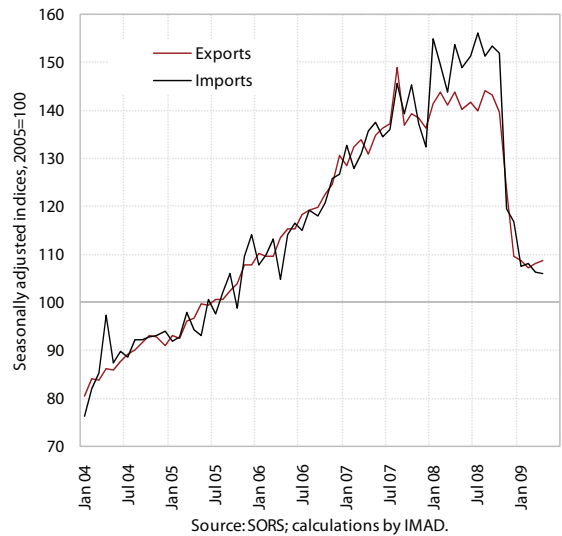


The decline in the value of **merchandise trade** stabilised in April, albeit at a low level.¹ According to seasonally adjusted data, merchandise exports increased slightly (0.5%) for the second month in a row, while merchandise imports remained at roughly the same level as in March (-0.1%). Merchandise trade dropped notably y-o-y, largely on account of the timing of the Easter holiday (exports by 29.7%, imports by 34.9%). Merchandise exports declined by a nominal 24.4% and imports by 29.0% y-o-y in the first four months of 2009.

Exports to Slovenia's main trading partners, except to France, dropped notably y-o-y in the first quarter of 2009. Approximately 70% of the y-o-y decline in growth of total Slovenian merchandise exports came from lower exports to Austria, Italy, Germany, the United Kingdom and Croatia, the countries to which Slovenia otherwise exports around half of its total merchandise exports. Looking at products, the decline in total exports in the first quarter was primarily due to the exports of road

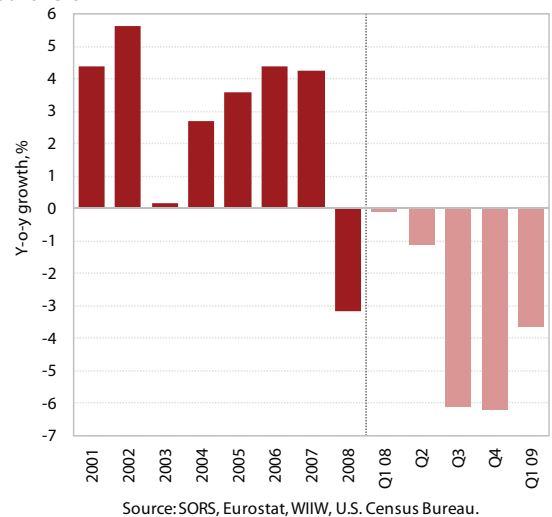
¹ According to the external trade statistics.

Figure 4: Merchandise exports and imports



vehicles. The main contribution to the decline in exports to the UK (-40.0%) came from lower exports of electrical machinery and equipment and furniture, while exports to Italy (-26.2%) and Germany (-19.6%) dropped chiefly due to lower exports of non-ferrous metals, iron and steel. Exports to Austria (-19.7%) diminished mainly due to a decline in exports of machinery specialised for particular industries and furniture, while exports to Croatia dropped (-26.3%) largely as a result of lower exports of medicinal and pharmaceutical products. After declining in the previous two quarters, exports to France increased slightly in the first quarter of this year (by 0.7%). Exports of road vehicles were 15.8% higher y-o-y and

Figure 5: Slovenia's market share in 15 main trading partners²



² The group of the 15 main trading partners comprises Germany, Italy, France, the Netherlands, Belgium, Spain, Austria, the United Kingdom, the Czech Republic, Hungary, Slovakia, Poland, the USA, Croatia and Russia.

more than offset the decline in exports of other goods, most notably exports of general industrial machinery, electrical appliances and machinery, metal products, and iron and steel. Among main SITC product groups, only exports of medicinal and pharmaceutical products recorded positive growth in the first quarter of 2009 (3.5%). The falling of Slovenia's market share in its main trading partners slowed somewhat, notwithstanding the strong decline in exports in the first quarter of this year. The slowdown (from more than 6.0% in the third and fourth quarters last year to 3.6% in the first quarter this year) was mainly due to the increase in Slovenia's market share in France and its moderate declines on German, Italian and Austrian markets.

In terms of economic structure, imports of all product groups dropped notably in the first quarter of 2009. Owing to the shrinking production volume in manufacturing, drops in the prices of oil and other primary commodities, the nominal decline in imports of intermediate goods (-30.8%) deepened significantly y-o-y in the first quarter of the year. The situation is similar for imports of investment goods (-25.9%), where lower imports of transport equipment and machinery and equipment reflect a significant decline in business investment. The decline in consumer goods imports (-17.9%), accounting for about a quarter of private consumption, deepened as well. In the breakdown of consumer goods imports, imports of cars, petrol, durable and semi-durable products recorded the most notable declines.

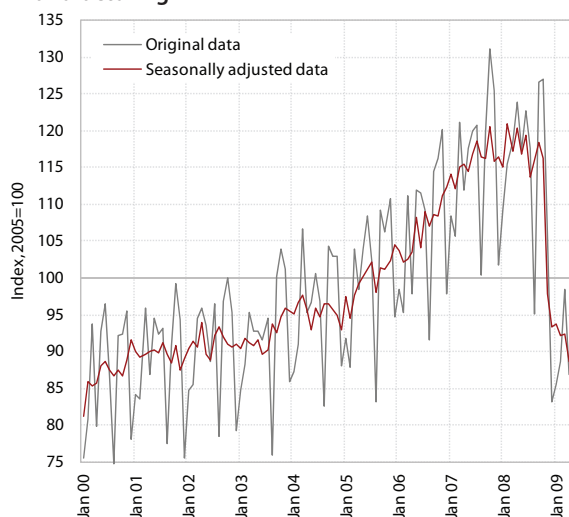
Trade in services is dropping y-o-y, albeit at a slower pace than merchandise trade. Exports of services declined by a nominal 15.4% y-o-y in April, and by a nominal 14.8% in the first four months of the year. For the fourth month

Table 1: Selected monthly indicators of economic activity in Slovenia

In %	2008	IV 09/ III 09	IV 09/ IV 09	I-IV 09/ I-IV 08
Exports¹	4.7	-6.4	-27.3	-22.7
-goods	1.2	-9.2	-30.0	-24.5
-services	20.8	5.5	-15.4	-14.8
Imports¹	6.1	-10.0	-32.1	-26.9
-goods	5.5	-11.1	-34.6	-29.0
-services	9.8	-2.8	-14.1	-10.7
Industrial production	-1.2	-3.8 ²	-24.9 ³	-20.9 ³
-manufacturing	-1.3	-4.0 ²	-26.2 ³	-22.4 ³
Construction -value of construction put in place	15.7	-12.1 ²	-22.9 ³	-20.2 ³
Distributive trade - turnover in distributive trade and the sale and repair of motor vehicles	10.4	-2.3 ²	-14.4 ³	-10.3 ³
Hotels and restaurants - turnover in hotels and restaurants	-4.0	-1.8 ²	-12.0 ³	-10.2 ³

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

Figure 6: Volume of industrial production in manufacturing



Source: SORS.

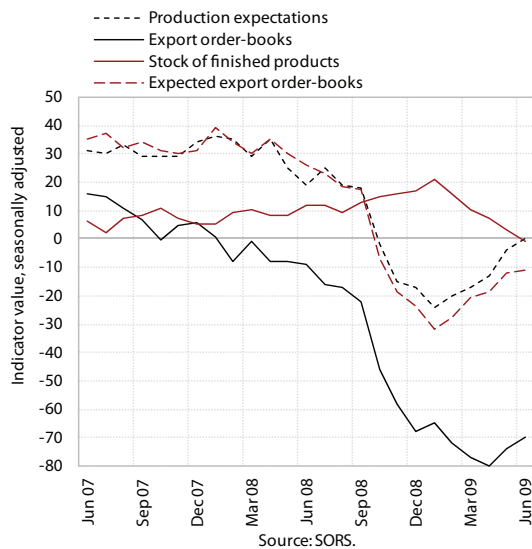
in a row, the main contributions to the decline in export growth came from exports of road transport and travel services, and in the group of other services, from exports of construction services. Services imports were 14.1% lower y-o-y in April, and 10.7% in the first four months of the year. In all these months, lower growth was largely due to lower imports of maritime and railway transport services.

The volume of **industrial production in manufacturing** dropped once again in April. After remaining at roughly the same level for four months, the industrial production volume declined in April, and was 4.0% lower than in March and as much as 26.2% lower than in the previous April. Production volumes in Slovenia's manufacturing industries dropped by 22.4% on average in the first four months as a whole, to the level recorded in the comparable period in 2002.

Production declined in almost all industries in April. Growth was only recorded for a small group of the manufacture of beverages. The main contribution to this decline (over 5.0 p.p.) came from the manufacture of metal products, the largest manufacturing industry in Slovenia, which posted nearly a 40% y-o-y production volume decline. Manufacturing activity eased even more notably in certain labour-intensive industries, specifically in the manufacture of textiles (-50.5%) and clothing (-48.2%) and in the leather (-50.4%) and furniture industries (-43.0%). The number of persons employed in manufacturing also dropped again in April, to 203,617, roughly 20,513 persons fewer than in April last year.

The current situation indicators indicate that export orders improved slightly in the second quarter of 2009. According to data on business trends, the indicator of export orders improved for the second month in a row in June, as

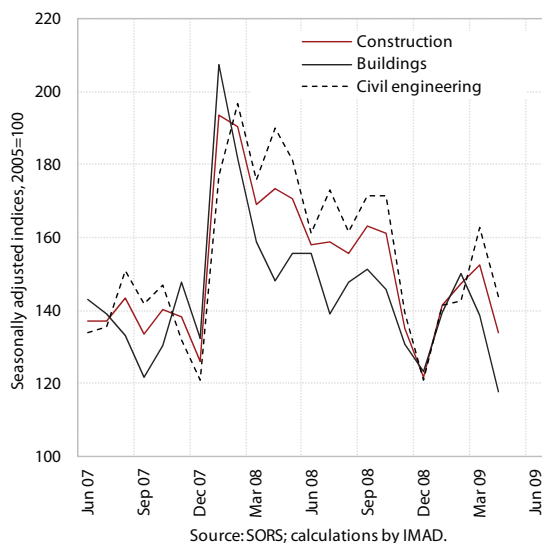
Figure 7: Business trends in manufacturing



did the indicator of exports expected in the next three months. Indicators of expected production therefore also improved somewhat, as manufacturing industries realise more than 60% of their sales on foreign markets. All these indicators nevertheless remained significantly below long-term levels. Judging by the business survey data, the dynamics of the inventory level in manufacturing, which rose significantly in the first three months of the year (by 6.6%), should also be much more favourable in the second quarter of this year.

Construction activity declined in April. According to seasonally adjusted data, the value of construction put in place was 12.1% lower than a month earlier, and 22.9% lower than in April last year. According to seasonally adjusted data, after three months of growth, when the

Figure 8: Value of construction put in place

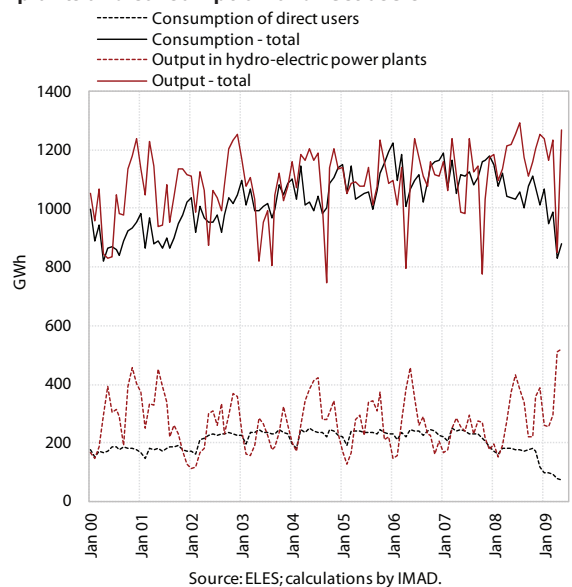


value of construction put in place rose by a total of 25.1%, this was the first decline in construction activity this year. In the first four months, the value of construction put in place was thus 20.2% lower than last year. The decline was most pronounced in non-residential construction (-28.8%), while the value of completed works in residential construction³ was at a higher level than last year (3.8%).

Data on contracts and business trends indicate that the low level of activity continues, which is also expected for the following months. According to the construction statistics, the value of the stock of contracts was 15.4% lower than a year before. In the first four months of the year, the value of new contracts was 30.9% lower y-o-y. According to the business trends data, the overall order book indicator and the expected order-book indicator fell to new lows once again in June.

Total **electricity** output in May was the second highest to date, owing to high output in hydro-electric power plants, while electricity consumption dropped to the 2001 level in April and May. Electricity output increased by 3.9% y-o-y in May, despite a more than 10% decline in electricity generated in thermal power plants. This increase was a result of electricity output in hydro-electric power plants, which was the highest to date (39.7% growth y-o-y), reaching 519 GWh, the level of the highest possible monthly output of the Krško nuclear power plant. Electricity consumption dropped by 15.3% y-o-y in May, reaching (along with somewhat lower consumption in April), the level of eight years before. The greatest decline in electricity consumption was recorded for direct users (by as much as 61.4% y-o-y) in industries, where the crisis

Figure 9: Electricity output in hydro-electric power plants and consumption of direct users

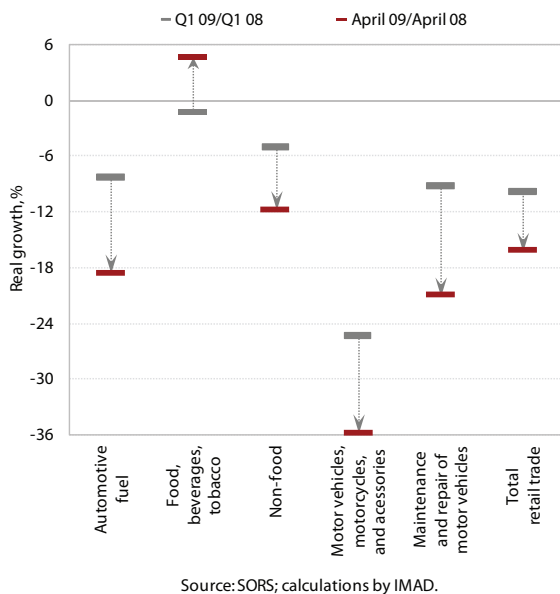


³ In interpreting the figure on the value of residential construction put in place, it should be noted that it excludes the activity of smaller enterprises, where, by our estimate, the main activity is the construction of buildings.

is particularly deep (the manufacture of metals: iron, steel, aluminium). The share of direct users in Slovenia's total electricity consumption dropped from 21.8% in May 2007 to only 8.0% this May. With high electricity output and low consumption, net electricity exports were high as well (389 GWh; twice as much as last year), accounting for nearly one third of total electricity output.

Real turnover in retail trade⁴ dropped again in April. Real turnover in retail trade dropped further in April, still mainly as a result of the decline in sectors related to durable goods (motor vehicles and non-food products). In the sale of motor vehicles, turnover was more than a third lower, in the repair and maintenance sector by more than a fifth. A similar decline was also recorded for the sale of automotive fuels (18.6%). The drop in turnover in the retail sale of non-food products was softer (by 11.8%); turnover dropped in all sectors, again most notably in

Figure 10: Real turnover in retail trade



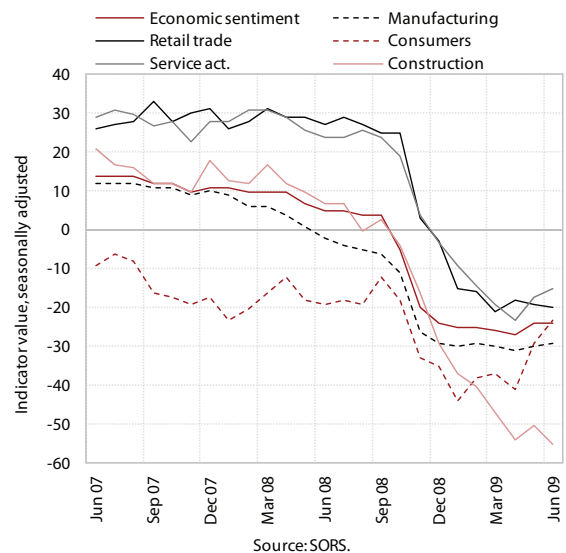
the retail sale via mail-order houses and via Internet (by 33.9%), and in specialised stores selling furniture, construction material and household equipment (by 27.4%). Turnover was higher than in April 2008 only in the retail sale of food, beverages and tobacco (by 4.7%), where it remained at the level of the same period last year, on average, in the first four months of the year. Total turnover in retail trade was more than a tenth lower y-o-y in the first four months of 2009. Similar trends are expected for the coming months, given that the confidence indicator declined again in June, after a one month break.

Real turnover in hotels and restaurants continued also in April. Turnover was lower y-o-y, in spite of a higher

number of visitors than in April last year (2.2% more tourist arrivals), which was largely due to the different timing of the Easter holiday. The number of overnight stays also increased (by 3.6%), as a result of a higher number of foreign and domestic tourist overnight stays (by 3.0% and 4.3%, respectively). In the first four months of the year as a whole, there were nevertheless 4.0% fewer tourist overnight stays compared with the same period last year, solely on account of a lower number of overnight stays by foreign tourists (-9.8%). Turnover in hotels and restaurant dropped by a tenth y-o-y in the first four months this year.

Consumer optimism picked up in June for the second month in a row. Consumers have again grown more optimistic with regard to the expected general economic situation of the country and expected unemployment, while they estimate that now is not a good time for saving. Data on actual purchases indicate that turnover in retail trade declined by 13.4% y-o-y in May (in a monthly comparison, it dropped for the second consecutive month in two and a half years). In y-o-y terms, the most notable drop was still recorded for purchases of durable goods, which is shown by data on first passenger car registrations by natural persons, which were fewer than a year earlier also in June (more than a tenth, which is otherwise the lowest drop in the last eight months). This is also partly the reason why consumer borrowing remains modest (EUR 2.4 m in May, an eight times lower figure than a year before).

Figure 11: Business tendency



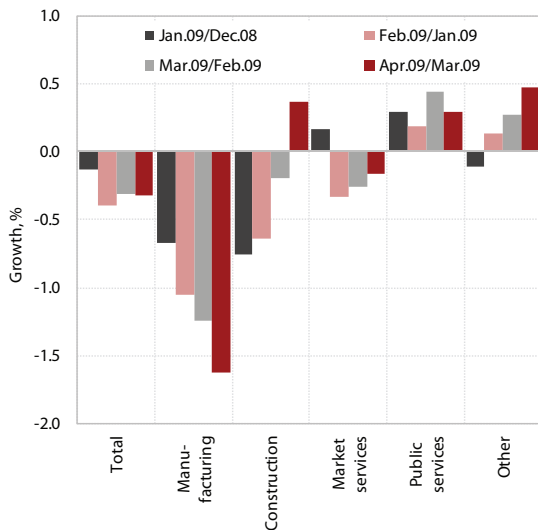
The business sentiment indicator remained unchanged in June. In May, the business sentiment indicator did not decline for the first time in 16 months and it remained unchanged in June. Confidence deteriorated slightly in construction and retail trade, but improved marginally in manufacturing and services sectors. Consumer pessimism also declined.

⁴ In total retail trade, sale and repair of motor vehicles (47+45).

Labour market

The number of **persons in employment** also dropped in April and the y-o-y decline thus continued to increase. The number of persons in employment dropped by 0.3% (seasonally adjusted by 0.4%) relative to March and by 1.5% relative to the previous April. In the period of the first four months of 2009, it was 0.5% lower y-o-y. The number of employed persons dropped most notably again in manufacturing, while it continued to decline in mining, distributive trades, transport and other miscellaneous business services. In financial and professional, scientific and technical services, it remained practically unchanged. The decline in construction and hotels and restaurants came to a halt in April, while in other groups of activities the number of employed persons continued to increase. The number of vacancies increased, by 15.9% in May and 4.4% in June, while the number of persons hired declined, by 11.6% in May and 3.9% in June. Both remained by roughly 30% lower than a year before.

Figure 12: Persons in formal employment by activity



Source: SORS; calculations by IMAD.

The number of the registered **unemployed** continues to increase, but at a slower pace, also due to the measure regarding partial subsidy for companies reducing working time. There were 86,481 registered unemployed at the end of June. In April, the registered unemployment rate increased to 8.8%. In June, the number of unemployed was higher by as much as 25,771 or 42.4% than a year before, but unemployment growth is slowing. The difference between the number of persons who lost work and those who found it decreased. The number of persons who lost work declined in May and June (to 7,395 and 6,980, respectively), but remained nearly twice as high as a year earlier. On the other hand, around one third more unemployed persons found jobs than a year before: 4,273 in May (593 or 16.1% more than in April),

Table 2: Labour market indicators

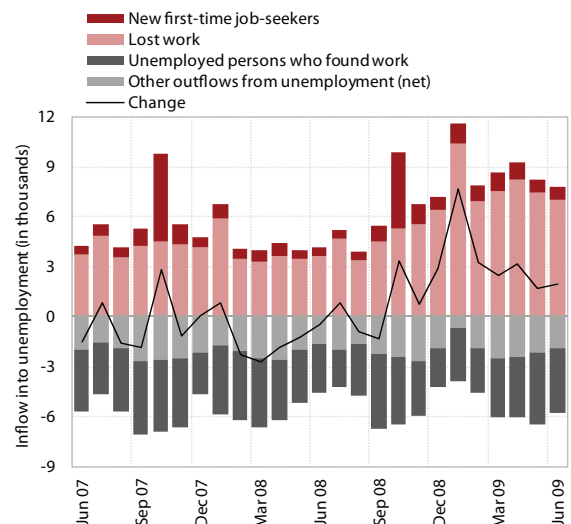
in %	2008	IV 09/ III 08	IV 09/ IV 08	I-IV 09/ I-IV 08
Labour force	-0.6	0.0	0.7	0.8
Persons in formal employment	3.1	-0.3	-1.5	-0.5
- Employed in in enterprises and organisations and by those self-employed	3.1	-0.4	-1.8	-0.6
Registered unemployed	11.4	4.0	32.7	19.3
Average nominal gross wage	8.3	-0.1	5.1	5.4
- private sector	7.8	-0.8	1.7	2.5
- public sector	9.8	1.2	13.0	12.3
	2008	IV 09	III 09	IV 09
Rate of registered unemployment, in %	6.7	6.6	8.4	8.8
Average nominal gross wage (in EUR)	1,391.43	1,354.42	1,425.05	1,423.19
Private sector (in EUR)	1,315.49	1,290.08	1,322.07	1,311.70
Public sector (in EUR)	1,642.58	1,567.20	1,750.52	1,771.23

Sources: ESS, SORS; calculations by IMAD.

and 3,887 in June. The inflow of first-job seekers among the unemployed and the decline in the number of persons unemployed for other reasons remained at the usual seasonal level.

The average **wage** remained unchanged in April; its y-o-y growth was therefore slightly slower and the gap between wage rises in the private and public sectors widened. The gross wage per employee declined by 0.1% in nominal terms in April and its growth slowed slightly y-o-y. It totalled 5.4% in the first four months, nearly 3 p.p. less than in the same period last year.

Figure 13: Components of registered unemployment



Source: ESS; calculations by IMAD.

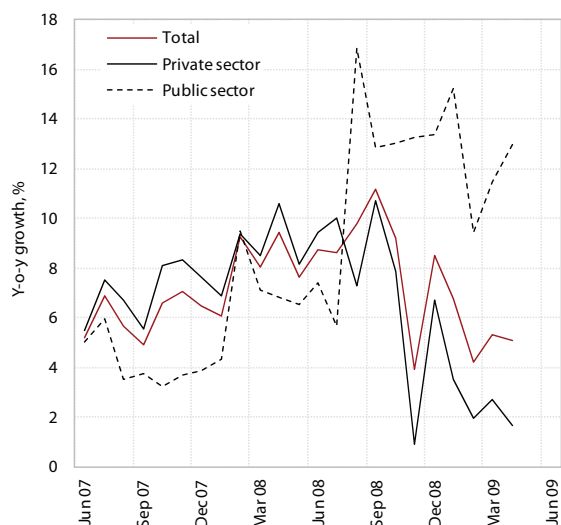
Table 3: Persons in formal employment by activity

	Number in 1,000			Y-o-y growth rates, %			
	2008	XII 08	IV 09	2008/ 2007	IV 09/ XII 08	IV 09/ III 09	IV 09/ IV 08
Persons in formal employment	879,3	880,3	863,2	3.0	-1.9	-0.3	-1.5
A Agriculture, forestry and fishing	39,7	38,8	38,0	-1.8	-2.0	0.4	-4.7
B Mining and quarrying	3,6	3,4	3,4	-5.2	-1.6	-0.8	-7.8
C Manufacturing	222,4	216,3	203,6	-0.5	-5.9	-1.6	-9.2
D Electricity, gas, steam and air conditioning supply	7,7	7,7	7,9	-1.1	2.0	0.4	2.8
E Water supply sewerage, waste management and remediation activities	8,8	9,0	9,1	4.7	1.0	1.2	3.0
F Construction	87,9	89,5	87,8	12.2	-1.9	0.4	2.4
G Wholesale and retail trade, repair of motor vehicles and motorcycles	115,8	116,9	115,2	3.5	-1.4	-0.4	-0.2
H Transportation and storage	51,2	51,4	50,2	5.4	-2.4	-0.5	-1.7
I Accommodation and food service activities	33,8	34,3	33,9	1.7	-1.0	0.3	1.0
J Information and communication	21,9	22,4	22,6	4.8	0.8	0.5	4.1
K Financial and insurance activities	24,3	24,6	24,6	4.2	0.0	-0.1	2.1
L Real estate activities	4,2	4,3	4,4	9.6	1.8	2.0	6.8
M Professional, scientific and technical activities	42,8	44,4	44,1	7.1	-0.6	-0.1	4.8
N Administrative and support service activities	26,0	26,0	25,1	5.2	-3.5	-0.5	-2.5
O Public administration and defence, compulsory social security	51,0	50,8	51,4	1.3	1.1	0.3	1.1
P Education	60,0	61,0	61,8	1.5	1.2	0.2	2.7
Q Human health and social work activities	51,0	51,6	52,3	2.7	1.2	0.5	2.4
R Arts, entertainment and recreation	13,8	14,0	14,1	6.5	0.5	0.2	1.8
S Other service activities	12,8	13,1	13,2	1.3	0.3	0.4	5.7
T Activities of households as employers, undifferentiated goods - and services - producing activities of households for own use	0,5	0,5	0,5	6.4	5.2	4.2	9.2

Source: SORS; calculations by IMAD.

Amid the further decline in the number of wage recipients, the average wage in the private sector declined in April

Figure 14: Nominal gross wage per employee



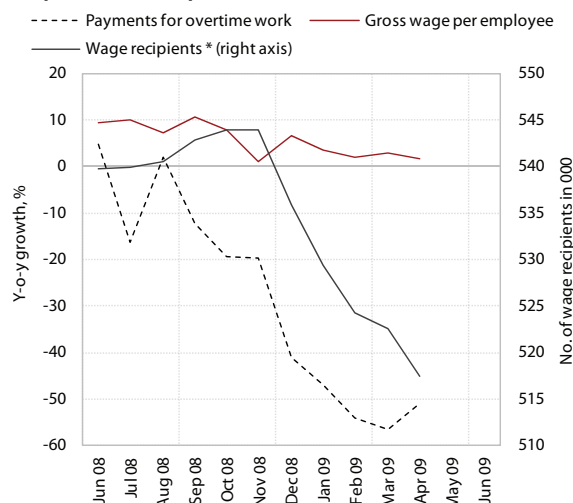
Source: SORS; calculations by IMAD.

and its y-o-y growth was exceptionally low. April's drop in the private sector gross wage (-0.8%), which follows the strong declines in labour productivity and economic activity in the first quarter, was also expected due to strong growth in March⁵ and one less working day. The gross wage in the private sector increased by 1.7% y-o-y; negative contributions came from overdue payments and payments for overtime work, which was declining notably in the last half of the year, stabilised, while the rapid downward trend in the number of wage recipients continued.

In April, the average wage in the public sector was, largely due to health activities, somewhat higher than in the month before, and its y-o-y growth strengthened again. In April, the average gross wage in the public sector was expected to stagnate, due to two counteracting mechanisms: the promotion of public servants foreseen for April and the limitation of disbursement of regular performance-related payments according to February's agreement. This stagnation was actually seen in three activities of the

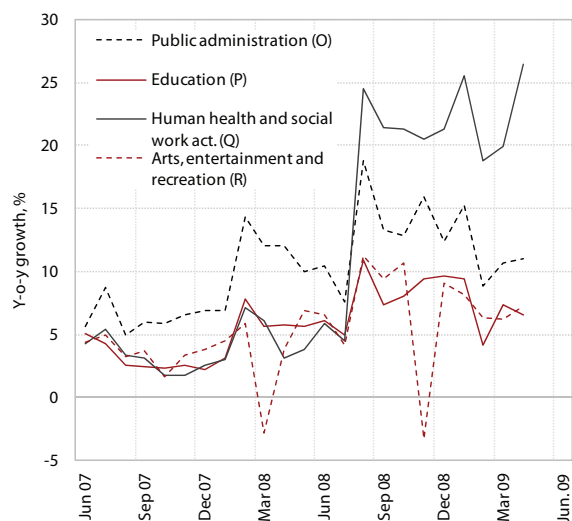
⁵ In some activities, one-off payments related to business results and overtime work in 2008 were disbursed in March.

Figure 15: Gross wages, overtime work and wage recipients* in the private sector



Source: SORS; calculations by IMAD. Note: *Wage recipients do not include sole proprietors and their employees, own account workers and farmers.

Figure 16: Gross wages in the public sector



Source: SORS; calculations by IMAD.

public sector, except in health activities⁶ (4.6% growth); April's 1.2% growth of the gross wage in the public sector and its rebound in y-o-y terms (13.0%) are thus largely a result of high wage growth in this area.

Prices

Consumer **prices** increased by 0.3% in the last twelve months. With 0.5% monthly inflation in June, y-o-y inflation dropped to 0.3%, while in the euro area it turned negative (-0.1%) according to the first Eurostat estimate. Core inflation is easing at a slower pace. The swing of y-o-y inflation to around 0.0% in Slovenia and in the euro

Table 4: Prices

in %	2008		2009		
	XII 2008/ XII 2007	Φ (I 08–XII 08)/ Φ (I 06–XII 07)	V 09/ IV 09	V 09/ V 08	Φ (VI 08–V 09)/ Φ (VI 06–V 07)
Consumer prices (CPI)	2.1	5.7	0.6	0.7	3.5
Goods	1.3	6.0	0.7	-0.3	3.3
- Fuel and energy	-7.2	10.6	0.9	-7.8	3.2
- Other	3.2	5.0	0.7	1.1	3.3
Services	3.8	5.0	0.6	2.8	4.0
Consumer prices (HICP)	1.8	5.5	0.6	0.5	3.4
Administered prices ¹	-7.8	9.6	1.0	-8.1	1.6
- Energy	-11.9	14.4	1.6	-14.2	2.4
- Other	0.4	0.1	0.2	1.8	0.3
Core inflation					
- trimmean	2.6	3.9	0.4	1.1	2.8
- excluding (fresh) food & energy	3.9	4.6	0.4	2.6	3.8
Consumer prices in the EMU	1.6	3.3	0.1	0.0	2.1
Producer prices of domestic manufacturers					
- domestic market	3.1	5.6	-0.7	-0.7	3.4
- EMU	-0.1	2.1	-0.3	-4.1	1.0

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

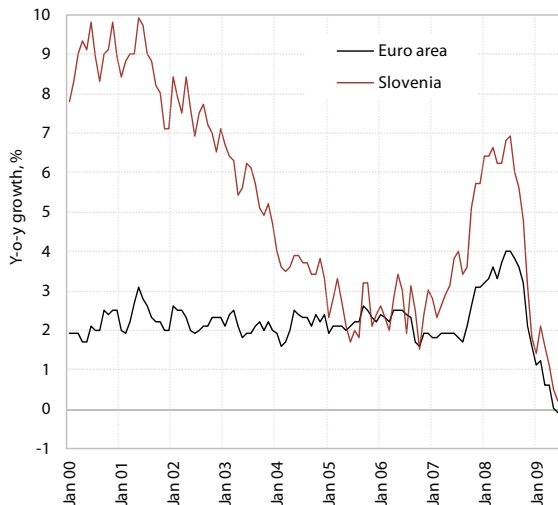
⁶ Part of activity Q – Health and social work (gross earnings in social work were also practically stagnant).

area as a whole will be short-lived, by our estimate, and is mainly linked to high oil prices in June last year or to the »base effect.« By our estimate, inflation is set to start rising towards its long-term equilibrium level again in the autumn months.

Consumer prices increased by 0.6% in May (1.1% last year), which is the lowest inflation in the month of May in the last four years. Prices rose by 1.8% in the first five months of this year (3.2% in 2008). In line with expectations, y-o-y inflation dropped again, to 0.7%. Higher prices of tobacco products as a result of increased excise duties, package holidays, and clothing and footwear contributed a respective 0.2 p.p. each to monthly inflation, while fruit prices and higher oil product prices as a result of somewhat higher oil prices on global markets each added a further 0.1 p.p. Monthly inflation declined by 0.2 p.p. on account of lower used car prices and other price falls.

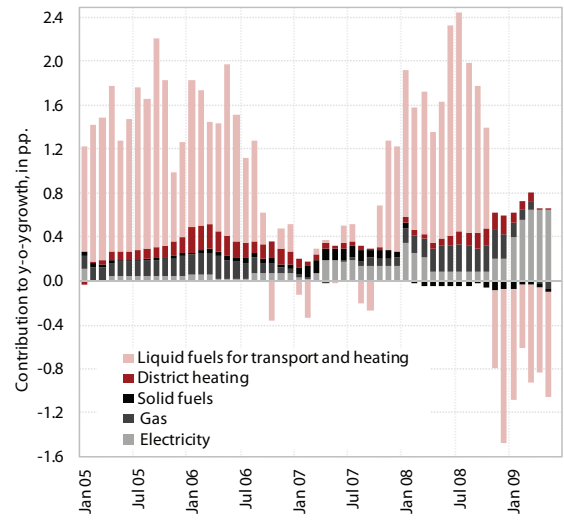
Headline inflation is diminishing faster than core inflation. In Slovenia and in the euro area as a whole, inflation has been falling at a rapid pace since June 2008. Core inflation, which excludes certain items that face volatile price movements (prices of non-processed food and energy) or eliminates temporary price shocks, which can blur the overall trend of inflation, is also declining. The decline in core inflation indicates that in most price groups, pressures on prices are easing, which is attributable to slowing economic activity in Slovenia and in the international environment. Headline inflation has swung below core inflation over the last few months, which indicates that due to a relatively strong technical base effect, the contribution of oil and food prices to inflation is notably lower than in previous years. After oil and food prices contributed a respective 1.9 p.p. each to domestic y-o-y inflation in June 2008, the contribution of food price rises dropped below 0.1 p.p. this May, while the contribution of changes in oil prices was negative (-1.0 p.p.). This contribution would have been

Figure 17: Inflation in Slovenia and in the whole euro area



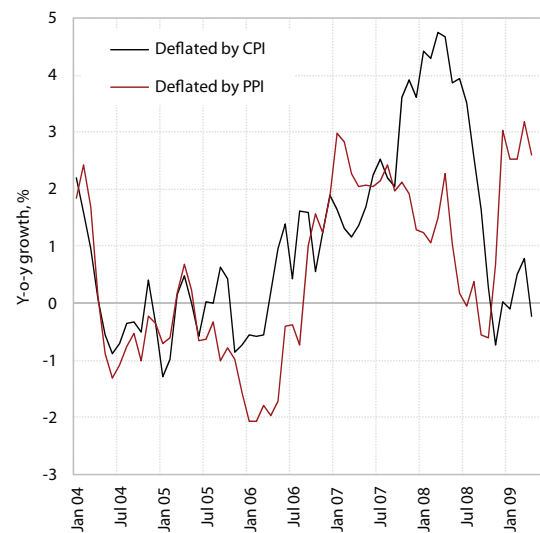
Source: SORS, Eurostat.

Figure 18: Breakdown of the contribution of energy prices to inflation



Source: SORS; calculations by IMAD.

Figure 19: Real effective exchange rate

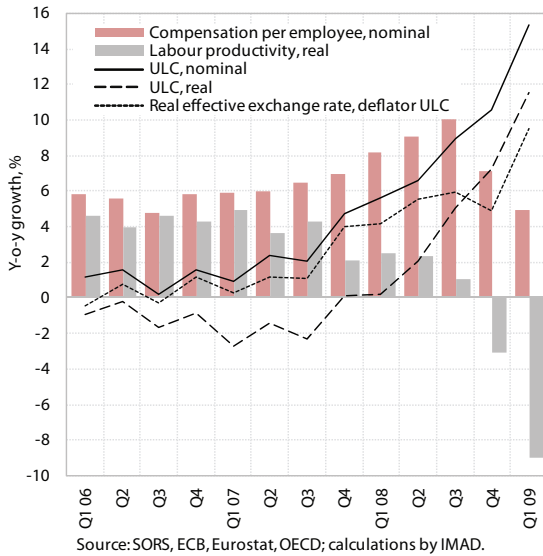


Source: ECB, SORS, OECD; calculations by IMAD.

even more negative, had the excise duties on liquid fuels, which contributed 0.7 p.p. to this year's inflation, by our estimate, not been raised this year. As expected, besides the changes in prices of liquid fuels, y-o-y inflation is also dropping due to the changes in the prices of natural gas, related to the past movements of prices of oil and district heating, which depends on gas price dynamics. Y-o-y price rises of electricity, the only energy impeding the slowdown of y-o-y inflation, contributed around 0.6 p.p. to y-o-y inflation.

Y-o-y growth of producer prices of manufactured goods on the domestic market was negative in May. With a monthly decline of 0.7% in producer prices of manufactured goods on the domestic market, y-o-y price growth turned negative. This is largely a consequence of the

Figure 20: Cost competitiveness of the economy

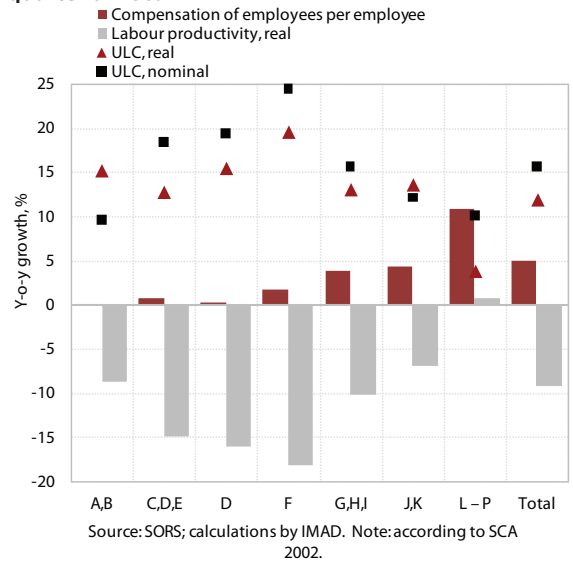


negative growth rates of prices in the manufacture of metals and in the manufacture of food products, which is also attributable to the lower prices of commodities and food on global markets in previous months. In the past twelve months, prices in the manufacture of metals on the domestic market declined by 21.9% and in the manufacture of food products by 3.5%, which has a significant impact on overall y-o-y growth. After still posting 6.7% in August 2008, growth of producer prices of manufactured goods on the domestic market stood at -0.7% this May. As with consumer prices, y-o-y rises of electricity prices (9.1%) are the main factor impeding a faster decline in the growth of domestic producer prices.

The price competitiveness of the economy improved in April. The real effective exchange rate deflated by relative consumer prices dropped at the monthly level and y-o-y (both -0.2%). The euro depreciated against the PLN, HUF, GBP, SEK and CZK in April, which was reflected in a decline in the nominal effective exchange rate (monthly by -0.2%, y-o-y by -0.6%), despite its concurrent appreciation against the USD in JPY. Relative prices⁷ also dropped slightly in April (-0.1%) and their y-o-y growth diminished to 0.4%. In April, the price competitiveness of the economy was lower than in December (1.2%); in the first four months as a whole, it was just above the level recorded one year before (0.2% lower). In terms of y-o-y dynamics of price competitiveness, Slovenia was in the middle among the euro area members in the first four months, while relative to December, it posted the largest deterioration in the euro area.

Slovenia's price competitiveness in manufacturing also improved in April, and its y-o-y deterioration slowed. In April, the real effective exchange rate deflated by

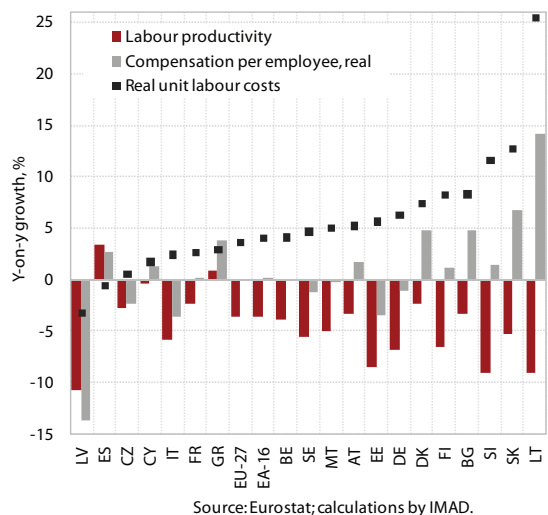
Figure 21: Cost competitiveness by sector in the first quarter of 2009



relative producer prices in manufacturing (on the domestic market) dropped by 0.2% and its y-o-y growth declined (from 3.1% to 2.6%). Despite a relatively small deterioration in the first four months of this year (by 0.4% compared with December), the y-o-y deterioration of price competitiveness in manufacturing remains somewhat more pronounced (2.7%) than at the level of the whole economy, as in the last quarter of 2008 Slovenia recorded a smaller monthly decline in producer prices than its trading partners.

In the first quarter, the cost competitiveness of the economy continued to deteriorate at an accelerated pace. As a result of a pronounced drop in economic activity

Figure 22: Real unit labour costs in the first quarter of 2009 in EU Member States (data for 19 countries)



⁷In Slovenia, compared with its trading partners.

and with employment slightly above the comparable level of 2008, labour productivity posted a significant real decline y-o-y (-9.0%). Given that nominal growth in the compensation per employee (which, similar to employment, tends to adjust to lower economic activity with a time-lag) slowed only moderately under the influence of slower wage growth in the private sector (from 7.1% to 4.9% in nominal terms), unit labour costs increased at an accelerated pace (by 15.3% in nominal and by 11.6% in real terms). Growth of the real effective exchange rate deflated by their nominal growth, which had been at a high level already for the whole last year, therefore increased further in the first quarter y-o-y (by our estimate from 4.9% to 9.5%). This year's deterioration of cost competitiveness is most pronounced in construction and manufacturing.

As in the third and fourth quarters of last year, in the first quarter of 2009 Slovenia was among the euro area and EU Member States with the highest deterioration in cost competitiveness. In the first quarter, real unit labour costs increased at an accelerated pace also in most other Member States, for which data are available (18), but their increases (except in two countries) were lower than in Slovenia, largely due to a considerably lower labour productivity drop.⁸

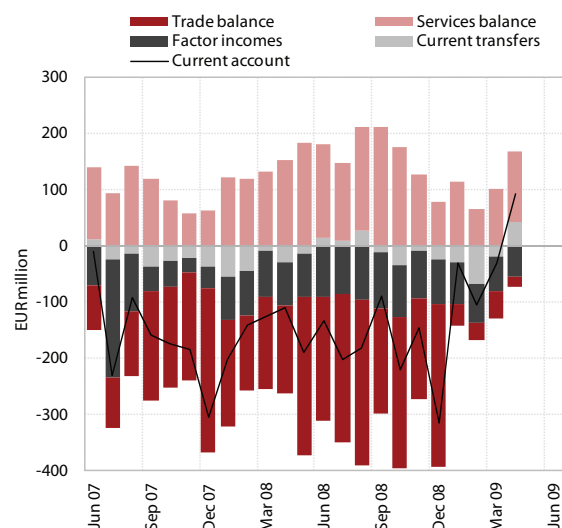
Balance of payments

In April, the **current account balance** recorded a surplus of EUR 93.0 m for the first time since January 2007 (in April 2008, a deficit of EUR 110.3 m). The deficit in merchandise trade saw the greatest y-o-y decline. The current account surplus mainly came from the surplus in current transfers. The factor income deficit was lower, as was the surplus in the services balance. In the first four months of 2009, the deficit in current transactions (EUR -72.9 m) dropped by EUR 505.1 m relative to the same period last year. The decline was mainly a result of a lower merchandise trade deficit, which has been narrowing y-o-y since November 2008 due to a larger nominal decline in imports than exports. Lower deficits were also posted in the factor income balance, where net interest payments on foreign loans also dropped most notably in April, and in current transfers, which recorded a net inflow from the EU budget. In April, the surplus in the services balance was lower y-o-y for the fourth month in a row. The decline was mainly due to a lower surplus in trade of road transport services, the while surpluses in trade in travel services and in the group of other services, particularly merchanting, also narrowed y-o-y.

⁸ Data on the evolution of the real effective exchange rate in the first quarter for other euro area countries are not yet available, while data for the third and fourth quarters of last year indicate, that only in one euro area member (Slovakia) was its y-o-y growth higher than in Slovenia (according to ECB calculations).

International financial transactions posted a net outflow in April, for the third month running. Due to the second issue of the government bond, the general government posted a very high net capital inflow, but the net capital outflows from the private sector and the Bank of Slovenia were even higher. International financial transactions registered a net capital outflow of EUR 58.8 m in April and EUR 338.6 m in the first four months of the year (compared with a net inflow of EUR 631.2 in the same period of last year). *Foreign direct investment* posted a net outflow of EUR 68.2 m in April, EUR 18.2 m higher than in April last year. Outward direct investment mainly included net claims of domestic investors on affiliated enterprises abroad, which dropped significantly y-o-y. After Slovenian foreign-owned enterprises net repaid loans to affiliated enterprises abroad for two months, the inflow in April was modest. *Portfolio investment* reached a high net capital inflow in April (EUR 958.1 m). The government issued a five-year bond in a nominal amount of EUR 1.5 bn with a 4.375% interest rate. The proceeds were partly used to repay matured liabilities, while the rest was placed in domestic commercial banks in the form of short- and long-term deposits. *Other investment* posted net capital outflows in the amount of EUR 948.0 m in April, mainly as a result of loans (EUR 293.3 m) as well as currency and deposits (EUR 646.9 m). Bank lending abroad continued to shrink, while domestic commercial banks had been repaying their loans to the rest of the world for the sixth month in a row. Deposits of banks and other sectors in foreign accounts increased, while BS liabilities to the Eurosystem and non-resident deposits with domestic banks declined.

Figure 23: Components of the current account balance



Source: BS.

Slovenia's gross external debt amounted to EUR 37.6 bn at the end of April (102.7% of estimated GDP) and gross external assets in debt instruments EUR 28.1 bn (76.8% of GDP). Net external debt totalled EUR 9.5 bn at the end

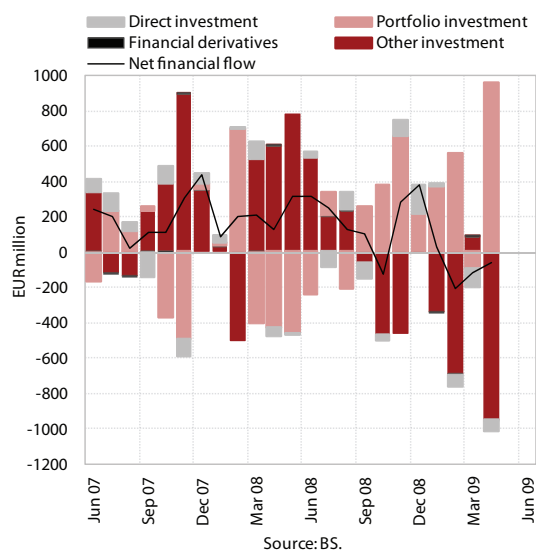
Table 5: Balance of payments

I-IV 09, EUR m	Inflows	Outflows	Balance ¹	Balance, I-IV 08
Current account	7,118.6	7,191.5	-72.9	-578.0
- Trade balance (FOB)	5,249.7	5,387.2	-137.5	-640.2
- Services	1,285.5	883.1	402.4	520.2
- Income	334.9	596.4	-261.5	-317.2
Current transfers	248.5	324.7	-76.2	-140.8
Capital and financial account	-1,087.8	850.5	-237.3	640.3
- Capital account	55.6	-63.3	-7.7	5.8
- Capital transfers	54.9	-60.8	-5.9	6.7
- Non-produced, non-financial assets	0.7	-2.5	-1.8	-0.9
- Financial account	-1,143.4	913.8	-229.6	634.6
- Direct investment	-4.7	-225.0	-229.7	97.8
- Portfolio investment	1,235.7	557.1	1,792.8	-125.2
- Financial derivatives	-20.1	3.1	-16.9	3.3
- Other investment	-2,463.4	578.6	-1,884.8	655.3
- Assets	579.7	-1.1	578.6	-609.2
- Liabilities	1.6	-2,465.0	-2,463.4	1,264.5
- Reserve assets	109.0	0.0	109.0	3.3
Net errors and omissions	310.2	0.0	310.2	-62.3

Sources: BS. Note: 'a minus sign (-) in the balance indicates a surplus of imports over exports in the current account and a rise in assets in the capital and financial account and the central bank's international reserves.

of April, dropping by EUR 28 m relative to the end of 2008. Net external debt, which had been increasing since Slovenia's accession to the EU to the end of 2008, has remained stable in the first months of this year.

Figure 24: Financial transactions of the balance of payments



Financial markets

The lending activity of domestic banks also remained modest in May. Banks recorded net lending in the amount of EUR 108.5 m, only a slightly higher figure than a month earlier. In terms of structure, the lending activity of banks was much less favourable, as it was mainly a result of borrowing by the government, which at the same time reduced its bank deposits by more than EUR 300 m. Enterprises and NFI, meanwhile, even net repaid their loans in May. Sources of bank liquidity are diminishing. In May, net outflows were thus also recorded for all types of household time deposits, while in April banks net repaid short- as well as long-term foreign loans.

The volume of net household borrowing was somewhat lower in May than a month earlier, mainly as a consequence of net repayment of foreign currency loans, which was higher again. In the first five months of 2009, banks recorded net lending to households in the amount of EUR 119.1 m, close to a quarter of the figure from the comparable period of 2008. Housing loans, which still account for the greatest share in household borrowing, posted a net inflow of EUR 50.1 m in May, the highest this year, but nevertheless almost a fifth below the 2008 average. Households recorded net borrowing for the second month in a row, raising consumer loans, but this time the volume of consumer loans was also low (EUR 2.4 m).

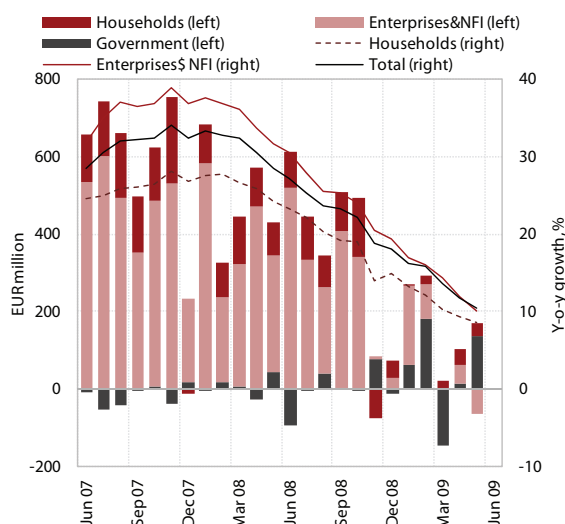
Table 6: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 08	31. V 08	31. V 09/ 30. IV 09	31. V 09/ 31. XII 08	31. V 09/ 31. V 08
Loans total	31,549.1	32,210.3	0.3	2.1	10.5
Enterprises and NFI	23,137.5	23,424.3	-0.3	1.2	10.1
Government	584.6	840.0	19.4	43.7	47.5
Households	7,827.0	7,946.0	0.4	1.5	8.6
Consumer credits	2,883.9	2,858.5	0.1	-0.9	1.6
Lending for house purchase	3,395.3	3,553.8	1.4	4.7	18.4
Other lending	1,547.7	1,533.7	-1.1	-0.9	2.1
Bank deposits total	13,689.1	14,122.8	1.2	3.2	7.3
Overnight deposits	5,249.4	5,592.7	5.9	6.5	1.6
Short-term deposits	5,644.8	5,549.3	-1.5	-1.7	3.6
Long-term deposits	1,957.7	2,356.0	-2.0	20.3	62.7
Deposits redeemable at notice	837.2	624.7	-3.5	-25.4	-26.6
Mutual funds	1,513.4	1,653.9	7.4	9.3	-31.9

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

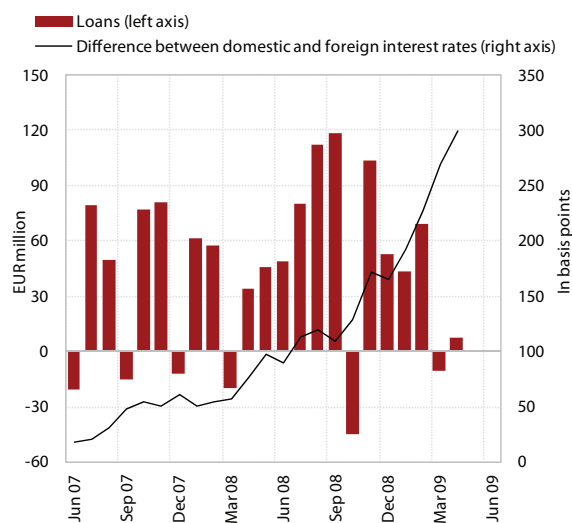
Enterprises and NFI repaid their loans in the net amount of EUR 63.8 m in May, the highest value on record (2005). Loans were net repaid both by enterprises and NFI. Net borrowing for working capital dropped by nearly 80% in May compared with the previous month, while net repayment of investment loans totalled EUR 41.2 m, the highest figure since comparable data have been available (2005). Enterprises and NFI thus borrowed EUR 286.7 m in net from domestic banks in the first five months of the year, nearly 85% less than in the comparable period last year. While in March enterprises and NFI net repaid loans taken out abroad, they posted net borrowing again in April: this time only in the amount of EUR 7.5 m.

Figure 25: Net flows and growth of domestic bank loans to domestic non-banking sectors



Source: BS; calculations by IMAD.

Figure 26: Net corporate and NFI borrowing abroad and differences in interest rates



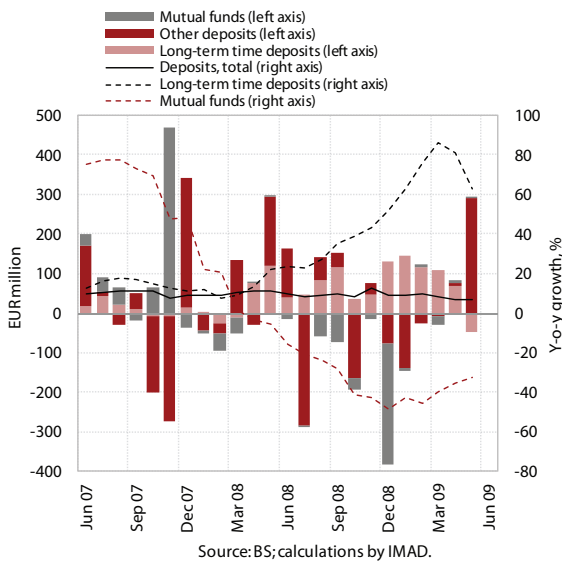
Source: BS; calculations by IMAD.

Long-term borrowing diminished notably in the last two months and in April was at the lowest level this year (EUR 18 m); at the same time, enterprises had repaid short-term loans for the third month in a row. The differences between domestic and foreign interest rates (the euro area average) continued to increase, reaching, with 300 basis points, the highest value since Slovenia's accession to the euro area. The availability of sources of finance on international interbank markets was also low in April. Banks thus posted net repayment of foreign loans for the sixth consecutive month, this time in the amount of EUR 335.6 m; in the first four months of 2009, net outflows reached a high figure of EUR 936.7 m (while a net inflow

of EUR 353.3 m was still posted in the same period last year). For the first time in the last 12 months, banks net repaid long-term and short-term loans. Repayment of the latter only reached EUR 24.6 m, but net outflows of long-term loans exceeded EUR 300 m for the first time to date.

The y-o-y growth rate of loans declined for the 16th month in a row, reaching almost 10% at the end of May. In the first five months of 2009, banks recorded net lending to domestic non-banking sectors in the amount of EUR 661.2 m (slightly more than a quarter of that posted in the comparable period of 2008), which is lower than net flows in January last year (EUR 685.9 m), when the lending activity was still strong. Even more than in Slovenia, the lending activity is slowing in the euro area as a whole, where in May the volume of loans recorded a 0.1% decline and the y-o-y growth rate dropped to 1.8%. In the first five months of the year, net flows of loans (EUR 13.2 bn) only reached 3% of the value from the comparable period last year.

Figure 27: Net inflows of household deposits in banks and mutual funds and y-o-y growth rates



In May, household **bank deposits** saw the second highest inflow this year (EUR 161.4 m), most likely as a result of the disbursement of holiday allowance in the public sector. However, the maturity structure of household deposits was much less favourable this time. Virtually all net inflows came from overnight deposits, which saw the highest net inflows (EUR 313.8 m) ever since Slovenia had entered the euro area. Net outflows from household time deposits also contributed significantly to the high net inflows to overnight deposits. Short-term deposits recorded a decline for the third month in a row; long-term deposits also dropped, after growing steadily for more than a year. Such dynamics are most likely related to the significant lowering of deposit interest rates, and partly also to generating liquidity reserves to invest in capital markets, where favourable movements were recorded in April and

May. Mutual funds managed by domestic administrators recorded net inflows for the second month in a row in May, this time in the amount of EUR 4.1 m. Contrary to April, the most favourable movements were seen for stock mutual funds, which accounted for over 90% of net inflows. This was largely a result of favourable dynamics on capital markets, given that the mutual funds pursuing more conservative investment policies (bond mutual funds and money market mutual funds) recorded net outflows for the second time in a row. Owing to negative trends in the first quarter of this year, mutual funds recorded a net outflow in the amount of EUR 12.9 m in the first five months of 2009, a mere tenth of the figure in the comparable period last year. The volume of assets in mutual funds managed by Slovenian administrators also recorded strong growth in May (7.4%), only by 1 p.p. lower than in April. Nearly three quarters of the increase came from 8.4% growth of the value of assets in stock mutual funds.

May's positive movements on the Ljubljana **Stock Exchange** also contributed to an increase in the volume of trading in securities. Turnover was at EUR 71.7 m, by a factor of 1.5 higher from what it was a month earlier, but nevertheless only slightly above the last 12-month average. By far the greatest turnover was recorded for EUR shares (excluding investment funds), EUR 58.3 m, which is nearly three times as much as in April and the highest value in the last seven months. Turnover in bonds increased by more than a half, totalling EUR 10.1 m. Trading on the Ljubljana Stock Exchange was at a level of EUR 262 m in the first five months of 2009, almost two thirds lower than in the comparable period last year. The volume of the market capitalisation of securities on the Ljubljana Stock Exchange increased for the second month in a row, but the increase (4.2%) was more than one half lower than in the month before. This time it was mainly underpinned by

Figure 28: Movement of the SBI20 and other main indices



shares, where the market capitalisation rose by almost a tenth. In the first two months of the second quarter alone, the market capitalisation thus saw almost 15% growth, but still almost a fifth lower y-o-y. The values of indices on the Ljubljana Stock Exchange more than halved in June. The SBI20 index thus recorded 5.0% growth, while the values of indices on main foreign capital markets largely declined. Only the main index on the Tokyo Stock Exchange NIKKEI225 increased (by 4.6%); the main index on the Paris Stock Exchange CAC40, on the other hand, posted a 4.2% decline.

Public finance

In the first five months of the year, revenue from **taxes and social security contributions** dropped by 8.7% relative to the same period last year. According to the data on paid taxes and social security contributions,⁹ payments totalled EUR 5.3 bn. The slowdown of general government revenue growth, which has persisted since last July, thus continued in May for all categories of taxes and contributions. Revenue from value added tax declined by nearly 13% y-o-y in the first five months of the year. Amid the problems related to the timing of tax payments and refunds, movements of revenue from value added tax suggest a decline in economic activity, particularly domestic spending and imports. Prepayments of corporate income tax are also declining from month to month. In the first five months, they only reached about 41% of the value recorded in the same period of 2008. Prepayments are generally determined based on business results for the previous year, but deterioration of business performance expected in the current year may also be taken into account. Moreover, the statutory tax rate is also lower this year (21.0%). Given that all excise duties (energy, alcohol, tobacco) are being raised, revenue from excise duties recorded the fastest growth (17.3%) in the first five months of 2009. In this period, positive growth was also recorded for revenues from wage-related taxes; social security contributions increased by 4.7%, while revenue from personal income tax rose only by 0.6%. Revenues from both these sources are slowing from month to month. The growth of revenue from personal income tax was slowed further by final personal income tax assessments for 2008, based on which around EUR 25 m has already been refunded to taxpayers from the state budget.

The gap between general government revenue and expenditure widened again, according to the first non-consolidated data for April. State budget revenue declined by 14.9 % y-o-y in the first four months of 2009, while state budget expenditure increased by more than 11.0%. The state government deficit climbed to EUR 554 m in the first four months. The *health fund* also posted a deficit (EUR 51 m) at the end of the first four months, given that

⁹ Based on the Report on Payments of All Public Revenues, January–May 2009, Public Payments Administration.

Figure 29: Main taxes and social security contributions

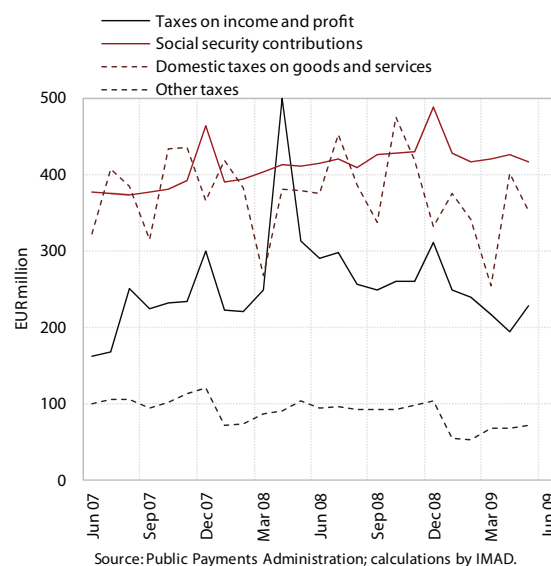
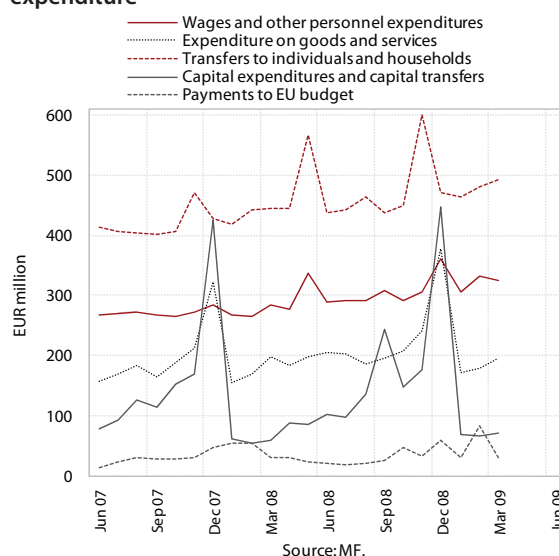


Figure 30: Main consolidated general government expenditure



revenue increased by 6.4% and expenditure by as much as 21.0%. With the transfer from the state budget in the amount of EUR 393 m, the *pension fund* was more or less balanced at the end of the first four months of the year; revenue and expenditure rose by 8.7% and 8.8%, respectively. The total balance of local government budgets was also negative in the first three months, with local government budgets already posting a deficit close to EUR 40 m, given that revenues declined by 4.7% and expenditures increased by 13.6% y-o-y. According to the *consolidated balance*,¹⁰ general government expenditure

¹⁰ The consolidated balance according to the Ministry of Finance (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 revenues and expenditure

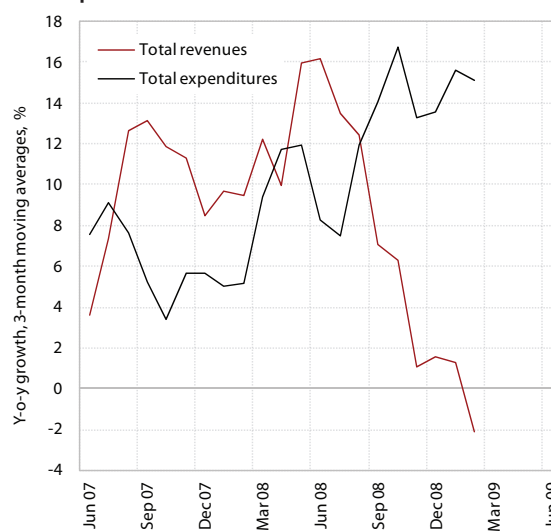
	2008			2009		
	EUR m	% of GDP	Growth, %	III 2009 in EUR m	III 09/ III 08	I-III 09/ I-III 08
Revenues - total	15,335.0	41.3	9.5	3,282.5	-3.8	-2.6
- Tax revenues	13,937.2	37.5	9.2	3,058.9	-2.6	-1.6
- Taxes on income and profit	3,442.1	9.3	18.0	707.3	-12.8	1.9
- Social security contributions	5,095.0	13.7	10.8	1,285.3	4.8	6.8
- Domestic taxes on goods and services	4,805.3	12.9	6.8	1,015.4	1.8	-7.6
- Receipts from the EU budget	365.4	1.0	5.0	61.4	-27.3	-4.1
Expenditure - total	15,434.7	41.6	10.9	3,874.9	10.6	14.4
- Wages and other personnel expenditure	3,580.6	9.6	9.3	965.7	14.6	17.8
- Purchases of goods and services	2,525.9	6.8	14.2	545.9	-2.0	4.4
- Transfers to individuals and households	5,616.2	15.1	10.3	1,436.2	10.8	10.2
- Capital expenditure	1,252.0	3.4	10.7	175.3	13.8	17.6
- Capital transfers	458.0	1.2	37.0	34.3	42.4	12.3
- Payment to the EU budget	427.9	1.2	20.2	148.9	1.5	4.0

Source: MF.

increased by as much as 14.4% in the first three months, which with a concurrent decline in general government revenue suggests a significant imbalance of public finances. Specifically, the consolidated balance of public financing had already reported a high deficit of EUR 592 m at the end of the first three months. In terms of economic structure of general government expenditures, in the first three months the greatest y-o-y increase was seen in expenditures on subsidies (172.8%), investment and wages and other personnel expenditures. Expenditure on domestic interest payments and interest payments abroad recorded significant growth (11.6%), which has been strengthening further over the last few months. Due to growing unemployment, among transfers to individuals and households, expenditure on transfers to the unemployed recorded the highest growth (44.7%). Strong growth is still posted for expenditure on other transfers to individuals and households, within which free meals for secondary school students were introduced in last September and free kindergarten care for the second child in a family, and on family benefits and parental allowances.

Due to the widening gap between revenue and expenditure and the implementation of measures in response to the crisis, the government adopted a new (second) supplementary budget. According to the second supplementary budget, revenue declined by EUR 863 m¹¹ and will amount to EUR 7.9 bn, 7.2% less than last year. Expenditure will total EUR 9.8 bn; it will be as much as 15.2% higher relative to 2008 and around EUR 150 m lower than envisaged in the first supplementary budget. The second supplementary budget will provide funding to address the crisis and allocate additional resources for social security (EUR 40

Figure 31: Consolidated general government revenue and expenditure



Source: MF; calculations by IMAD.

m). Lower revenue from social security contributions will translate into higher expenditure on transfers to the pension budget (by EUR 125 m). Saving and lower expenditure on defence will reduce expenditure on goods and services (by EUR 55 m); budgetary expenditures on subsidies and on investment and investment transfers will also decline, but will nevertheless be notably higher than in 2008 (subsidies by 53.2%, investment and investment transfers by 23.8%). According to the second supplementary budget, the general government deficit will total EUR 1.8 bn (5.0% of GDP).

¹¹ Estimated based on the Spring Forecast of Economic Trends 2009.

Table 8: State budget revenue and expenditure, 2007–2009

In EUR m	2007	2008	2009	2009	2009
			Adopted budget	1st supplementary budget	2nd supplementary budget
TOTAL REVENUE	7,799	8,535	8,986	8,782	7,920
- Share of GDP	23.3	23.0	24.6	24.0	21.6
TOTAL EXPENDITURE	7,762	8,470	9,112	9,916	9,759
- Share of GDP	23.1	22.8	24.9	27.1	26.7
DEFICIT (-) / SURPLUS (+)	37	65	-125	-1,133	-1,839
- Share of GDP	0.1	0.2	-0.3	-3.1	-5.0

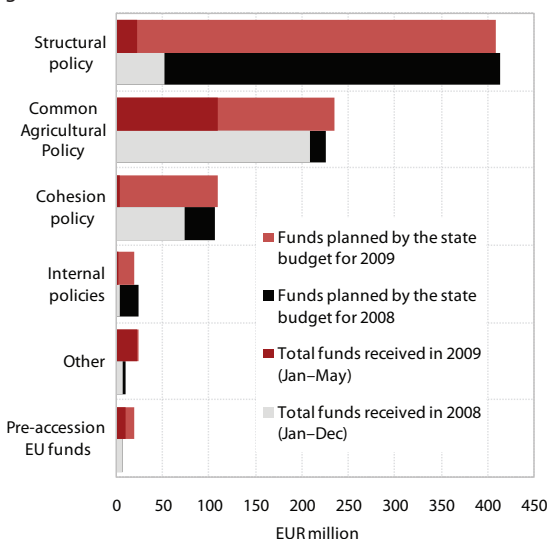
Source: Ministry of Finance.

The second supplementary budget envisages that revenue from the EU budget will be EUR 59.6 m lower than according to the first supplementary budget. The greatest changes are set for structural funds. Receipts from the European Regional Development Fund are projected to be EUR 33.5 m higher, while receipts from the European Social Fund will be nearly EUR 84 m lower; the expected revenue for the structural policy will thus decline by a total of EUR 50.5 m. Funds under the Common Agricultural Policy have also been diminished (EUR 7 m), as well as funds for internal policies (EUR 4.5 m) and other EU funds (EUR 1.7 m), while funds from the pre-accession programme ISPA have been increased (EUR 4.1 m). In the first five months, realised revenue from the EU budget accounted for 20.0% of revenue envisaged in the second supplementary budget for this year.

Rural Development Programme. There were also some refunds from the structural funds based on the new financial perspective (EUR 3.8 m), the largest part from the operational programme for strengthening regional infrastructure development potentials, and some from the operational programme for human resource development.

In May, Slovenia's liability to the EU budget was also lower than in previous months. The total volume of payments in the first five months accounted for 45% of all funds Slovenia is expected to pay into the EU budget this year.

Figure 32: Planned and absorbed EU funds



Source: MF; calculations by IMAD.

In May, receipts from the EU budget were significantly lower than in April. The bulk of revenue from the EU budget comprises funds for the implementation of the Common Agricultural Policy (EUR 27.5 m); within that, approximately half for direct payments and half from the

selected topics

Work incentive indicators

Work incentive indicators are used to monitor employment opportunities, dependency on social transfers and to stimulate work activity. They measure the combined impact of social protection benefits and taxes on the labour supply. The importance of these indicators and the policies they support is also emphasised by EU Employment Policy Guideline No. 19 aimed at enhancing work attractiveness and making work pay for job-seekers (they are also referred to as “make work pay” indicators). Since 2001, these indicators have also been monitored by SORS,¹² using the OECD methodology.

The decision whether an individual will take, seek and keep a certain job is influenced by financial and non-financial factors. Financial factors improve an individual's financial situation at the transition from unemployment to employment or to a better paying job. Non-financial factors include, for example, opportunities for career advancement, the possibility of reconciling work and private life, the availability of childcare facilities, etc.

Financial incentives are essential, particularly for individuals eligible for social transfers due to their or their family's income position. For these persons, the transition into work does not necessarily translate into a better income position, as the net gain may even be negative due to the loss of social transfers and higher taxes upon taking up a job. Individuals are thus caught in a trap, which may deter them from seeking employment or increasing work efforts and may lead to poverty. Work incentive policies are thus not only a crucial instrument in reactivation and increasing work efforts, but also an important tool for income redistribution, which can raise households above the poverty line.

SORS is monitoring work incentives using the following three indicators: tax wedge on labour costs, unemployment trap and low-wage trap. The tax wedge shows the combined impact of taxes, social security contributions and social transfers on labour costs. The unemployment trap indicator shows the ratio of net to gross earnings of a single person without children at the point of moving from unemployment to employment, taking into account unemployment benefit in the amount of 70% of gross earnings of an employed person receiving 67% of the average worker's gross earnings. This ratio between net earnings before and after taking up employment¹³ may mean that, due to earnings-related taxes and social contributions, the net income of an unemployed person who took up a job does not increase significantly or may

even be lower than if he/she remains unemployed. If this is the case, the unemployed are discouraged from accepting work and the unemployment trap is high. The low-wage trap indicator, which is calculated for a single person or a four-member household with one active spouse and two children, shows a ratio between net and gross earnings of an employed single person (or family earnings) at the point of moving to a better paying job (from 33% to 67% of the average worker's gross earnings). The transition to a higher paid job may not be stimulating either, as it means higher taxes and social contributions, and consequently, lower social transfers (or withdrawal of a certain transfer as the result of exceeding the eligibility ceiling). If this is the case, the low-wage trap is also high. The table shows that the tax wedge on labour costs in Slovenia was slowly diminishing in the observed period, also as a consequence of the gradual phase-out of the payroll tax. In the period from 2001 to 2004, the unemployment trap had been increasing (which implies that transfers to unemployed must have been appropriately higher compared with income from employment), while it dropped considerably in 2005 and was decreasing slowly up to 2007. The low-wage trap for households with children was diminishing steadily up to 2006, while the situation for single persons without children was just the opposite – the trap was increasing. There are also great disparities between marginal effective tax rates for a single person and a four-member household, as transfers for households with children (family) are typically higher than for single persons.

*The year 2008 saw certain changes. The unemployment and low-wage traps increased, largely on account of changes in the personal income tax system for 2008.*¹⁴ The unemployment trap increased by 2.7 p.p., the low-wage trap for a single person without children by 2.1 p.p., while the low-wage trap for a single-income couple with two children rose by 0.6 p.p. (see table). This means, that the transition to a higher paying job was less attractive than in 2007, particularly for a single person without children; nevertheless, it was still more attractive than for households of two adults and two children with one active spouse, who increased their net income by a mere 32%¹⁵ at the transition to a better paying job, compared with 46.9%¹⁶ recorded for single households. The tax wedge

¹² The methodology for calculating work incentive indicators set up by the OECD has certain limitations. The indicators are calculated only for hypothetical family types and can only give information on the level of incentives to increase (decrease) labour supply; they relate to individuals' decisions based on the financial impact rather than their behavioural response. In most cases, the indicators are comparable for the OECD countries, but in the case of Slovenia, there are certain differences in housing benefits. Specifically, the OECD takes account of a fixed amount totalling 20.0% of the average worker's gross earning, while SORS uses the amount stipulated by law.

¹³ Net income from employment = gross earnings + housing benefits + social assistance + additional cash benefits + family receipts – personal income tax – social security contributions paid by the employer
Net income during unemployment = unemployment benefit + housing benefits + social assistance + family receipts – personal income tax – social security contributions paid by the unemployed person

¹⁴ The general annual relief for lower-wage taxpayers and the unemployed increased significantly in 2008 compared to 2007. In 2007, the personal income tax for a single person moving to a higher paying job (from 33% to 67% of gross earnings) increased from EUR 153.55 to EUR 773.33; in 2008 from EUR 0.00 to EUR 843.29.

¹⁵ With each additional euro of gross earnings, net earnings increased by EUR 0.320. (The net effect of the transition was 32%, or in other words, the earnings were by that percentage higher).

¹⁶ With each additional euro of gross earnings, net earnings increased by EUR 0.469.

Table 9: Work incentive indicators, Slovenia, 2001–2008 (in %)

Year	Tax wedge on labour costs ¹	Unemployment trap	Low-wage trap	
			Single person, no children	Couple, one active spouse, two children
2001	43.2	82.6	39.1	99.4
2002	43.2	84.4	42.7	95.5
2003	43.2	86.1	46.1	94.8
2004	43.2	87.7	49.1	91.9
2005	41.6	82.6	50.8	76.4
2006	41.2	82.2	51.6	72.6
2007	40.9	80.7	51.0	67.4
2008	40.3	83.4	53.1	68.0

Source: SORS.

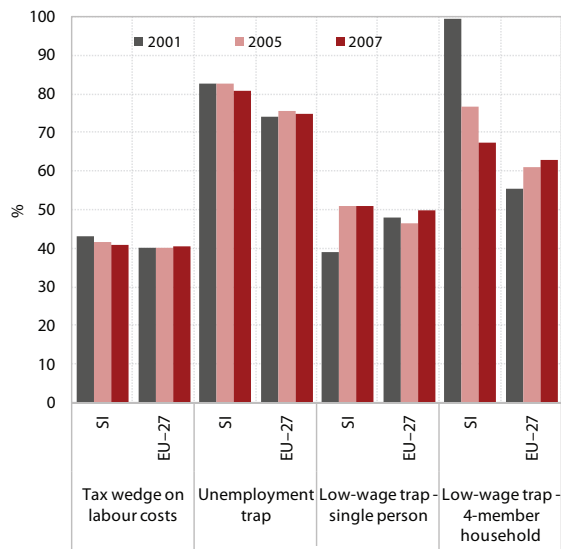
Notes: ¹The calculation assumes a single person without children, receiving 67% of the average worker's gross earnings (a person employed in industry and services – activities from C to K according to the Standard Classification of Activities).

on labour costs was 0.6 p.p. lower compared with a year earlier, which is, as mentioned before, a consequence of lower payroll tax rates. In 2008, 40.3% of labour costs of a person in paid employment thus went to pay taxes and 59.7% to net earnings. Net earnings thus increased by 0.6 p.p. compared with 2007. Comparisons with the EU-27 show that work incentives in Slovenia increased according to all indicators in 2001–2007 (except for the low-wage trap indicator for a single person), while work incentive indicators in the EU-27 were fairly stable throughout this period and higher than they were in Slovenia.

Slovenia comes closest to the EU average in terms of the tax burden on labour costs. Data show that in 2007 (the most recent data for EU-27), Slovenia came closest to the EU-27 average in the tax burden on labour costs. It also approached the EU-27 significantly in terms of the low-wage trap for a single person, while posting a somewhat

greater (downward) diversion for the low-wage trap for a four-member household. The greatest lag behind the EU-27 was recorded for the unemployment trap. After taxes, the average employed person in Slovenia is left with net earnings amounting to 59.1% of gross earnings (59.5% in the EU-27). At the transition to a higher paying job, net earnings of a single person increase by 49% of gross earnings in Slovenia (50.3% in the EU), and net earnings of a four-member household by 32% (37.03% in the EU-27). As already mentioned, the gap is greatest for the unemployment trap; net earnings of an unemployed person taking up employment thus increase by only 16.6% of gross earnings in Slovenia (25.37% in the EU-27).

Figure 33: Net flows of corporate and NFI borrowing by purpose



Source: SORS, Eurostat.

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) ¹	18,700	19,600	20,700	22,200	23,100	-	-	-
GDP per capita (PPS EU27=100) ¹	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, ² year average	3.6	2.5	2.5	3.6	5.7	0.4	1.6	2.6
Inflation, ² end of the year	3.2	2.3	2.8	5.6	2.1	1.4	2.2	3.0
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (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 ³ (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	37,596 ⁴	-	-
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
DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS								
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: ¹ Measured in purchasing power standard; ² Consumer price index; ³ Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets; ⁴ End April 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	4	5	6	7	8
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																	
Industry B+C+D	5.7	7.2	-1.4	7.5	7.5	5.3	2.1	4.0	-0.6	-10.8	-18.9	-	13.0	4.1	6.1	9.7	9.3
B Mining and quarrying	7.5	5.5	-0.6	18.5	8.1	-7.3	9.1	-4.8	-2.4	-3.5	-7.6	-	28.4	12.5	15.3	3.8	30.6
C Manufacturing	6.2	8.5	-1.6	8.8	8.2	7.2	2.4	4.1	-0.4	-11.9	-20.6	-	14.4	5.2	7.4	10.6	9.6
D Electricity, gas & steam supply ¹	-1.0	-11.1	2.1	-14.8	-5.0	-15.9	-2.3	8.2	-1.1	4.5	-3.6	-	-10.9	-16.1	-17.4	-5.1	-1.6
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																	
Construction, total	15.7	18.5	15.7	32.6	16.2	0.2	32.5	17.0	15.7	4.2	-19.2	-	38.5	49.8	14.9	17.3	33.5
Buildings	17.1	14.3	11.5	31.0	7.3	4.2	37.8	7.3	11.5	-2.0	-20.8	-	24.9	55.2	17.2	16.7	17.1
Civil engineering	14.6	21.9	18.9	33.8	23.3	-2.6	28.0	24.3	18.6	8.9	-17.6	-	51.3	46.0	13.1	17.7	48.5
TRANSPORT, tonne-km in m, y-o-y growth rates, %																	
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	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-
Distributive trades, y-o-y growth rates, %																	
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	-	8.9	9.5	6.5	10.6	12.9
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	-4.7	-	3.6	3.4	2.5	4.5	6.3
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	-24.2	-	22.3	24.6	17.2	27.3	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	-	21.7	15.5	8.4	19.7	12.7
TOURISM, y-o-y growth rates, %																	
Total, overnight stays	2.0	7.0	1.8	10.1	6.8	5.5	4.2	1.0	1.8	0.6	-6.5	-	19.7	7.6	6.0	6.0	9.6
Domestic tourists, overnight stays	1.9	4.9	5.2	13.7	2.3	5.5	4.8	4.6	4.7	7.2	2.3	-	23.4	8.6	12.0	0.9	7.2
Foreign tourists, overnight stays	2.0	8.4	-0.5	7.9	9.8	5.5	3.6	-1.3	0.1	-4.8	-14.6	-	17.6	7.0	2.1	9.8	11.0
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	-	1.2	-0.2	2.7	2.5	6.6
AGRICULTURE, y-o-y growth rates, %																	
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	-	37.5	38.4	33.8	38.3	41.8
BUSSINES TENDENCY (indicator values**)																	
Sentiment indicator	10	13	1	15	13	11	10	7	4	-16	-25	-25	15	15	14	14	14
Confidence indicator																	
- in manufacturing	10	12	-5	13	12	10	7	1	-5	-22	-30	-30	13	14	12	12	12
- in construction	4	17	3	21	15	13	14	10	3	-16	-41	-53	21	21	21	17	16
- in services	27	29	22	30	29	26	30	26	25	7	-14	-18	32	28	29	31	30
- in retail trade	22	27	23	26	29	30	28	28	27	8	-17	-19	26	26	26	27	28
Consumer confidence indicator	-14	-11	-20	-8	-10	-18	-20	-16	-16	-29	-40	-31	-10	-4	-9	-6	-8
Source of data: SORS. Notes: ¹ Only companies with activity of electricity supply are included. ² The survey covers all larger construction enterprises and some other enterprises that perform construction work. *Total real turnover in retail trade, the sale and repair of motor vehicles, and retail sale of automotive fuels; **Seasonally adjusted data.																	

2007				2008												2009						
9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	
3.8	11.0	3.0	1.3	0.4	8.7	-2.1	10.2	-0.4	2.6	-2.2	-5.8	5.5	-3.0	-14.8	-15.9	-19.8	-21.2	-15.9	-28.3	-	-	
-7.2	-0.9	-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	-9.6	-22.1	-	-	
4.7	12.7	4.4	4.0	0.6	9.2	-2.1	10.6	-0.3	2.3	-2.6	-5.3	5.8	-3.2	-15.8	-18.2	-21.7	-23.2	-17.0	-29.7	-	-	
-8.2	-10.9	-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	-	-	
2.3	7.3	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	-22.9	-	-	
-8.7	0.5	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	-20.5	-	-	
10.5	11.7	-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	-24.4	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13.4	16.8	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	-16.2	-	-	
12.8	11.0	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	3.0	-12.6	-4.2	-8.5	-13.4	-	
16.0	32.7	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	-27.7	-24.7	-20.6	-34.8	-24.3	-	
13.2	19.5	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	-25.3	-	-	
3.6	4.6	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	-15.2	-6.9	3.6	-16.0	-	
-3.7	4.2	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	-8.3	10.7	4.3	-7.0	-	
7.8	4.8	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	-24.8	-20.5	3.0	-21.0	-	
2.8	2.8	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	-7.7	-12.3	-8.7	-12.0	-	-	
40.7	46.2	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	-	-	
12	12	10	11	11	10	10	10	7	5	5	4	4	-5	-20	-24	-25	-25	-26	-27	-24	-24	
11	11	9	10	9	6	6	4	1	-2	-4	-5	-6	-11	-26	-29	-30	-29	-30	-31	-30	-29	
12	12	10	18	13	12	17	12	10	7	7	0	3	-4	-16	-29	-37	-40	-47	-54	-50	-55	
27	28	23	28	28	31	31	29	26	24	24	26	24	19	4	-3	-9	-14	-19	-23	-17	-15	
33	28	30	31	26	28	31	29	29	27	29	27	25	25	3	-3	-15	-16	-21	-18	-19	-20	
-16	-17	-19	-17	-23	-20	-16	-12	-18	-19	-18	-19	-12	-18	-33	-35	-44	-38	-37	-41	-29	-23	

LABOUR MARKET	2006	2007	2008	2007				2008				2009	2007			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q1	4	5	6
FORMAL LABOUR FORCE (A=B+E)	910.7	925.3	942.5	919.1	923.5	924.6	934.2	937.7	940.9	942.2	949.2	945.9	921.6	923.6	925.4	924.5
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	824.8	854.0	879.3	841.8	852.7	856.1	865.4	870.8	879.4	881.7	885.1	869.0	849.0	852.9	856.2	854.4
In agriculture, forestry, fishing	37.7	40.4	39.7	41.8	40.8	39.9	39.2	40.8	39.9	39.2	38.9	37.8	40.8	40.8	40.8	39.9
In industry, construction	310.9	321.9	330.4	315.6	321.4	324.1	326.8	327.1	331.2	333.0	330.4	317.4	319.6	321.5	323.1	323.5
Of which: in manufacturing	221.7	223.6	222.4	222.8	223.9	223.4	224.2	224.0	224.0	222.3	219.1	209.5	223.6	224.0	224.0	223.5
in construction	69.5	78.4	87.9	72.9	77.5	80.6	82.5	83.2	87.1	90.5	91.1	87.8	76.1	77.5	78.9	79.9
In services	476.2	491.6	509.1	484.4	490.5	492.1	499.4	503.0	508.3	509.4	515.9	513.8	488.7	490.6	492.3	491.0
Of which: in public administration	50.4	50.3	51.0	49.9	50.3	50.4	50.6	50.8	51.0	51.1	51.0	51.1	50.1	50.3	50.4	50.4
in education, health-services, social work	108.0	108.8	111.1	118.6	118.8	116.6	119.2	119.9	120.1	118.4	121.9	122.9	108.9	109.0	109.1	107.9
FORMALLY EMPLOYED (C)¹	741.6	766.0	789.9	753.1	764.7	768.6	777.8	781.2	790.3	792.7	795.3	779.7	761.3	764.9	768.1	767.0
In enterprises and organisations	675.1	696.1	717.6	685.8	695.0	697.5	706.2	710.4	718.0	719.8	722.0	709.9	692.4	695.1	697.5	696.2
By those self-employed	66.5	69.9	72.3	67.3	69.8	71.1	71.6	70.8	72.2	73.0	73.2	69.8	68.9	69.8	70.6	70.8
SELF-EMPLOYED AND FARMERS (D)	83.3	87.9	89.4	88.7	87.9	87.6	87.6	89.6	89.2	88.9	89.8	82.2	87.8	88.0	88.1	87.3
REGISTERED UNEMPLOYMENT (E)	85.8	71.3	63.2	77.3	70.9	68.4	68.8	66.8	61.4	60.5	64.1	76.9	72.6	70.7	69.3	70.1
Female	47.0	39.1	33.4	42.0	39.3	38.0	37.3	35.6	32.8	32.1	33.0	38.4	40.2	39.2	38.5	39.3
By age: under 26	18.2	11.9	9.1	14.0	11.6	10.3	11.7	10.3	8.4	7.7	10.0	12.2	12.2	11.5	11.1	11.1
aged over 50	21.8	22.2	21.9	22.4	22.2	22.1	22.2	22.6	21.9	21.7	21.6	24.1	22.3	22.3	22.0	22.2
Unskilled	33.7	28.0	25.4	30.4	27.7	27.0	26.9	26.8	24.6	24.3	25.8	31.2	28.2	27.7	27.1	27.2
For more than 1 year	41.9	36.5	32.3	38.8	36.7	35.5	35.0	34.0	32.5	31.9	31.0	31.0	37.4	36.8	36.0	35.8
Those receiving benefits	22.7	16.6	14.4	19.1	16.8	15.8	14.7	15.0	13.6	13.9	15.1	22.8	17.2	16.9	16.3	16.3
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	9.4	7.7	6.7	8.4	7.7	7.4	7.4	7.1	6.5	6.4	6.8	8.1	7.9	7.7	7.5	7.6
Male	7.7	6.2	5.6	6.9	6.1	5.9	6.0	6.0	5.4	5.4	5.8	7.3	6.3	6.1	6.0	6.0
Female	11.5	9.6	8.1	10.3	9.6	9.3	9.0	8.6	7.9	7.8	7.9	9.2	9.8	9.6	9.4	9.6
FLOWS OF FORMAL LABOUR FORCE	5.2	21.5	13.7	8.7	5.4	0.6	6.7	5.7	4.2	1.9	1.9	-0.8	1.6	2.0	1.8	-0.9
New unemployed first-job seekers	18.6	14.7	12.5	2.9	2.4	2.3	7.2	2.2	1.8	1.9	6.5	3.2	1.0	0.7	0.6	0.7
Redundancies	63.8	52.5	53.0	15.4	11.6	12.6	12.9	12.5	10.7	12.5	17.4	24.8	4.0	4.0	3.7	4.9
Registered unemployed who found employment	57.4	49.1	41.7	14.8	12.1	11.3	10.9	12.4	9.7	9.9	9.6	9.5	4.2	4.1	3.7	3.0
Other outflows from unemployment (net)	39.2	28.0	26.1	7.6	6.9	6.2	7.4	6.4	6.3	5.9	7.4	5.2	2.4	2.5	2.0	1.6
Increase in number of work permits for foreigners	7.8	15.3	24.6	3.9	4.9	4.3	2.2	6.0	9.5	7.0	2.1	1.9	3.6	1.7	-0.5	2.2
Retirements ²	20.6	20.7	22.5	5.2	4.7	5.0	5.9	5.4	4.8	6.3	6.1	5.4	1.7	1.6	1.4	1.6
Deaths ²	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 ²	24.8	14.4	16.0	14.3	9.1	4.5	9.9	8.8	3.2	4.4	6.0	4.0	0.8	3.3	5.0	-0.7
REGISTERED VACANCIES³	19.0	20.2	20.0	20.5	21.0	20.4	19.1	21.6	21.1	21.5	15.9	13.4	20.6	19.3	23.1	18.8
For a fixed term, in %	75.3	76.5	74.5	76.7	77.5	77.2	74.4	73.0	74.0	76.5	74.7	74.9	76.9	79.1	76.6	78.4
WORK PERMITS FOR FOREIGNERS	48.3	60.2	81.1	52.6	59.3	63.0	65.8	68.7	79.0	86.3	90.5	91.5	58.3	60.1	59.5	61.7
As % of labour force	5.3	6.5	8.6	5.7	6.4	6.8	7.0	7.3	8.4	9.2	9.5	9.7	6.3	6.5	6.4	6.7
NEW JOBS	155.9	160.0	162.7	39.1	40.7	38.7	41.5	40.9	41.0	42.7	38.1	27.5	14.4	13.4	13.0	11.8

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

2007					2008												2009			
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
923.1	926.0	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
854.6	859.4	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
39.9	39.9	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
323.6	325.2	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
223.1	223.5	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
80.5	81.5	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
491.1	494.3	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
50.4	50.4	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
107.6	109.1	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
767.1	771.6	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
696.1	700.1	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
71.0	71.5	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
87.5	87.8	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
68.5	66.7	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
38.1	36.7	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
10.4	9.5	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
22.1	22.0	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
27.0	26.7	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
35.6	35.0	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
16.0	15.2	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
7.4	7.2	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
5.9	5.8	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
9.3	9.0	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
-1.4	2.9	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
0.6	1.0	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
3.5	4.2	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
3.8	4.4	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
1.9	2.7	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
1.6	0.5	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
1.1	2.3	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
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
-0.9	6.1	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
19.7	22.8	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
77.1	76.5	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
63.3	63.9	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
6.9	6.9	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
9.9	16.9	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

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2006	2007	2008	2007				2008				2009	2007				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	1	2	3	4	5
GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %																	
Activity - Total	4.8	5.9	8.3	5.4	5.6	5.8	6.7	7.8	8.6	9.9	7.1	5.5	6.4	4.8	5.0	5.9	5.8
A Agriculture, forestry and fishing	5.6	8.3	9.2	6.8	7.4	7.0	11.4	10.3	9.3	10.8	6.7	1.2	9.4	5.8	5.3	9.2	7.7
B Mining and quarrying	4.5	6.4	13.6	3.2	3.8	5.3	12.6	9.4	13.8	16.0	14.8	5.6	3.9	2.9	2.8	2.8	4.3
C Manufacturing	5.6	7.0	7.6	6.0	6.1	7.0	8.6	8.2	9.7	9.3	3.4	0.0	8.0	5.4	4.7	7.2	6.0
D Electricity, gas, steam and air conditioning supply	5.5	6.2	9.4	2.3	4.9	5.2	11.1	9.3	10.1	9.8	8.8	7.9	3.6	1.9	1.5	2.8	2.4
E Water supply sewerage, waste management and remediation activities	3.7	7.1	7.8	5.5	5.6	6.8	10.0	8.3	9.1	9.0	5.2	4.2	6.6	6.6	3.3	7.7	5.5
F Construction	6.4	6.6	7.6	7.2	6.7	5.7	6.7	7.7	9.6	9.1	4.3	1.2	8.6	6.3	6.7	7.7	7.8
G Wholesale and retail trade, repair of motor vehicles and motorcycles	5.3	7.6	7.8	8.1	7.4	7.5	7.5	7.5	9.0	8.8	6.1	4.4	9.1	6.8	8.2	8.6	6.9
H Transportation and storage	3.6	6.0	8.5	5.9	4.6	5.7	7.7	8.7	8.5	10.4	6.6	2.3	6.8	5.1	5.8	5.1	5.4
I Accommodation and food service activities	4.1	5.3	8.4	3.7	5.1	4.6	7.8	9.3	9.6	10.0	4.9	3.4	3.6	2.5	5.0	5.1	4.6
J Information and communication	3.9	5.7	7.3	7.4	5.4	5.7	4.6	6.8	7.8	8.7	6.2	3.7	10.4	7.5	4.4	6.0	4.1
K Financial and insurance activities	8.6	7.4	6.1	8.1	7.8	6.2	7.6	8.6	8.8	8.2	0.0	2.0	8.8	8.9	6.6	6.4	10.1
L Real estate activities	4.6	7.0	6.0	7.6	7.8	7.4	5.6	6.8	8.6	5.3	3.6	1.6	6.7	3.7	12.4	6.7	7.7
M Professional, scientific and technical activities	4.9	7.0	8.4	5.0	6.8	7.1	8.9	9.7	8.6	9.1	6.4	4.0	5.2	4.8	5.1	6.9	7.1
N Administrative and support service activities	2.5	7.5	9.5	4.7	5.9	9.4	9.8	8.6	11.4	10.2	8.0	6.6	4.5	4.1	5.6	5.1	6.6
O Public administration and defence, compulsory social security	2.9	5.1	12.2	2.5	4.9	6.5	6.4	11.1	10.8	13.2	13.7	11.5	2.6	1.7	3.2	3.9	5.2
P Education	4.8	3.9	7.0	4.8	5.6	3.1	2.4	5.5	5.8	7.7	9.0	6.9	4.9	4.5	4.9	5.4	6.3
Q Human health and social work activities	2.4	3.1	12.0	2.6	3.7	4.0	2.1	5.5	4.3	16.8	21.0	21.4	3.0	1.9	2.9	3.1	3.6
R Arts, entertainment and recreation	1.3	3.6	5.4	5.2	2.3	4.0	3.0	2.4	5.8	8.3	5.1	6.9	2.3	2.2	11.2	1.7	0.8
S Other service activities	1.5	3.3	8.1	2.2	2.9	3.0	5.1	6.6	8.6	8.5	8.8	4.1	3.6	1.2	1.8	3.0	2.6
INDICATORS OF OVERALL COMPETITIVENESS, y-o-y growth rates, %																	
Effective exchange rate, ¹ nominal	0.2	0.8	0.5	0.9	0.7	0.6	1.2	1.2	1.1	0.4	-1.1	-0.3	0.7	1.0	0.9	0.8	0.7
Real (relative consumer prices)	0.7	2.3	2.8	1.4	1.8	2.3	3.7	4.5	4.2	2.6	-0.1	0.4	1.6	1.3	1.2	1.4	1.7
Real (relative producer prices) ²	-0.6	2.4	1.0	2.7	2.0	2.2	1.8	1.3	1.2	-0.1	1.0	2.7	3.0	2.8	2.3	2.0	2.1
USD/EUR	1.256	1.371	1.471	1.311	1.348	1.374	1.449	1.500	1.562	1.504	1.317	1.302	1.300	1.307	1.324	1.352	1.351
Sources of data: SORS, AP, BS, OECD Main Economic Indicators, calculations IMAD.																	
Notes: ¹ 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. ² Producer prices in manufacturing activities																	

2007							2008												2009			
6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
5.2	6.9	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
5.4	8.4	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
4.2	6.1	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
5.2	7.6	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
9.5	2.0	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
3.7	7.7	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
4.6	8.6	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
6.8	7.9	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
3.4	6.4	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
5.7	5.7	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
6.2	7.6	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
6.8	8.9	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
8.9	8.6	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
6.2	8.0	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
5.9	8.9	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
5.7	8.7	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
5.1	4.2	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
4.3	5.4	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
4.4	5.0	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
2.9	3.8	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
0.6	0.6	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
2.3	2.5	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
2.0	2.1	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
1.342	1.372	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

PRICES	2006	2007	2008	2007				2008				2009	2007				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	3	4	5	6	7
CPI, y-o-y growth rates, %	2.5	3.6	5.7	2.3	3.0	3.6	5.4	6.6	6.6	6.1	3.3	1.8	2.3	2.6	2.9	3.6	3.8
Food, non-alcoholic beverages	2.3	7.8	10.1	3.7	6.5	8.2	12.6	14.0	12.0	9.8	4.9	3.2	3.9	6.3	6.3	6.9	7.6
Alcoholic beverages, tobacco	3.7	6.5	3.2	5.5	6.0	8.0	6.5	5.4	5.0	0.7	2.1	3.0	5.6	5.7	6.2	6.0	8.1
Clothing and footwear	-0.5	2.1	4.4	1.8	0.9	3.3	2.5	4.9	5.2	2.1	5.2	1.8	-0.5	-0.7	1.0	2.4	2.7
Housing, water, electricity, gas	5.3	2.6	9.7	-0.2	1.0	2.2	7.6	10.5	11.4	11.5	5.3	1.7	0.4	1.0	0.4	1.7	1.9
Furnishings, household equipment	4.1	4.5	5.8	5.0	5.2	3.6	4.0	4.5	5.5	6.5	6.7	6.1	4.7	4.8	5.2	5.7	4.5
Medical, pharmaceutical products	-1.7	1.1	2.9	1.5	1.4	1.1	0.4	-0.5	1.7	4.9	5.8	8.7	2.3	1.4	1.1	1.7	2.0
Transport	1.3	0.3	1.9	-0.2	0.8	-0.9	1.6	2.9	2.9	4.1	-2.2	-3.7	0.6	0.4	0.4	1.5	0.9
Communications	0.3	0.3	0.6	0.0	0.4	0.6	0.3	2.2	1.9	0.1	-1.7	-4.3	-0.6	-0.3	0.2	1.2	1.2
Recreation and culture	2.1	3.6	4.4	2.5	2.5	4.6	4.7	4.6	5.0	4.8	3.2	3.0	2.2	1.4	3.0	3.3	4.4
Education	3.1	1.9	5.2	1.1	0.6	2.2	3.6	4.7	5.4	4.8	6.1	5.1	1.1	-1.1	1.4	1.4	1.4
Catering services	4.5	7.3	9.6	6.9	6.6	7.0	8.7	9.3	10.0	10.4	8.7	6.3	6.7	6.6	6.8	6.4	6.5
Miscellaneous goods & services	4.1	3.6	3.9	4.2	3.1	3.7	3.4	3.9	4.5	3.8	3.4	3.8	3.0	2.9	3.1	3.2	3.3
HCPI	2.5	3.8	5.5	2.6	3.3	3.7	5.5	6.5	6.4	6.2	3.1	1.7	2.6	2.9	3.1	3.8	4.0
Core inflation (trim mean)	2.8	2.3	3.9	1.6	2.0	2.5	3.1	4.4	4.4	4.1	2.8	2.1	1.5	1.7	1.9	2.5	2.5
Core inflation (excluding fresh food and energy)	1.1	2.6	4.6	1.9	1.9	2.9	3.9	4.7	4.9	4.7	4.0	3.1	1.5	1.5	1.9	2.4	2.6
PRODUCER PRICE INDICES, y-o-y growth rates, %																	
Total	2.3	4.2	3.8	4.3	4.7	4.1	3.6	3.4	3.7	5.1	3.2	1.1	4.5	4.7	4.8	4.6	4.4
Domestic market	2.4	5.5	5.6	4.7	5.1	5.5	6.5	6.0	6.1	6.2	4.2	1.5	5.1	5.0	5.1	5.3	5.3
Non-domestic market	2.1	3.0	2.2	4.0	4.3	2.9	0.7	0.9	1.5	3.9	2.3	0.8	4.0	4.4	4.4	4.0	3.5
euro area	2.4	5.1	2.2	7.0	7.4	4.8	1.5	1.4	1.7	4.2	1.5	-0.6	7.4	7.7	7.7	6.8	5.6
non-euro area	1.6	-0.5	2.1	-0.7	-0.7	-0.3	-0.5	0.1	1.0	3.4	3.9	3.5	-1.2	-0.7	-0.8	-0.5	0.0
Import price indices	5.8	4.0	1.3	7.0	6.7	2.5	0.1	-0.2	0.3	3.8	1.4	-2.1	6.7	7.0	6.8	6.2	3.0
PRICE CONTROL,¹ y-o-y growth rates, %																	
Energy prices	8.0	0.6	12.4	-2.0	-0.1	-1.6	6.2	13.1	16.9	21.1	-1.2	-12.9	-0.8	-0.3	-1.0	0.9	1.3
Oil products	10.3	-0.9	11.7	-4.0	-2.2	-4.3	7.4	14.8	17.4	21.1	-5.7	-16.3	-2.3	-2.6	-3.3	-0.8	-0.8
Basic utilities	-2.6	-2.3	0.6	-6.3	-6.2	-3.7	8.4	1.4	1.3	-1.3	1.1	1.7	-5.8	-6.5	-6.0	-6.0	-6.0
Transport & communications	1.5	0.6	-0.4	0.7	0.6	0.6	0.6	0.5	0.6	-1.3	-1.3	-1.2	0.6	0.6	0.6	0.6	0.6
Other controlled prices	2.6	2.9	1.8	3.0	2.6	3.0	3.0	1.4	1.7	1.7	2.4	2.4	3.4	3.1	2.4	2.3	2.2
Direct control – total	7.0	3.1	8.6	1.9	3.2	1.6	5.9	9.5	11.7	13.7	-0.2	-7.8	2.8	3.1	2.6	4.0	4.3
Source of data: SORS, calculations and estimates IMAD. Note: ¹ 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				
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5
3.5	3.5	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
6.9	10.0	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	3.0	2.0	0.6
8.5	7.6	6.5	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
4.1	3.1	1.8	3.5	2.1	2.9	4.8	6.7	7.0	4.6	4.1	0.8	1.7	3.7	6.1	4.6	4.8	2.3	0.6	2.3	0.5	1.9
3.2	1.4	6.7	8.2	8.0	11.7	9.6	10.4	9.3	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
3.3	3.0	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
0.7	0.8	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
-1.6	-1.9	0.4	2.5	1.9	2.8	2.7	3.1	2.1	2.4	4.4	4.9	3.7	3.7	2.6	-3.6	-5.4	-5.1	-2.5	-3.6	-3.5	-4.7
1.2	-0.7	-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
4.8	4.5	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
1.4	3.7	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
7.0	7.6	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	6.0	5.1	4.8
4.0	3.8	3.0	3.6	3.6	3.6	3.8	4.2	4.7	4.4	4.5	4.0	3.7	3.6	3.4	3.2	3.4	3.4	3.7	4.2	3.3	3.1
3.4	3.6	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
2.3	2.5	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
2.9	3.0	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
4.2	3.9	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
5.2	5.9	6.4	6.9	6.4	6.5	5.6	5.8	6.2	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
3.1	2.0	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	1.5	1.0	-0.1	-1.2	-2.5
4.9	3.9	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
0.3	-1.1	-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
3.6	0.8	-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
-2.6	-3.6	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
-5.5	-6.6	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
0.7	-5.7	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
0.6	0.6	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
3.8	3.0	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
2.9	-2.3	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

BALANCE OF PAYMENTS	2006	2007	2008	2007				2008				2009	2007				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	4	5	6	7	
BALANCE OF PAYMENTS, in EUR m																	
Current account	-771	-1,455	-2,055	-96	-216	-480	-663	-468	-432	-472	-682	-166	-105	-100	-10	-230	
Goods ¹	-1,151	-1,666	-2,622	-242	-359	-401	-664	-485	-657	-744	-737	-121	-134	-146	-79	-89	
Exports	17,028	19,798	20,033	4,783	5,027	4,927	5,062	5,083	5,349	5,034	4,568	3,944	1,586	1,729	1,712	1,741	
Imports	18,179	21,464	22,655	5,025	5,386	5,328	5,726	5,568	6,006	5,777	5,305	4,064	1,720	1,874	1,791	1,830	
Services	993	1,193	1,782	275	366	354	198	368	502	533	379	277	116	119	130	94	
Exports	3,572	4,291	5,182	897	1,038	1,307	1,049	1,087	1,326	1,526	1,244	928	347	337	354	443	
Imports	2,580	3,098	3,400	622	672	953	851	719	824	993	864	651	230	218	224	349	
Income	-440	-708	-1,026	-52	-188	-356	-112	-239	-247	-284	-255	-205	-74	-43	-71	-210	
Receipts	872	1,169	1,303	234	293	298	344	293	329	329	352	252	93	100	100	97	
Expenditure	1,312	1,877	2,329	286	481	654	456	533	576	613	607	457	167	143	171	307	
Current transfers	-173	-274	-188	-76	-34	-78	-86	-111	-30	22	-70	-117	-14	-30	10	-25	
Receipts	785	905	804	197	237	219	252	148	193	232	230	131	75	65	96	70	
Expenditure	958	1,178	992	273	271	296	338	259	223	210	300	248	89	95	87	96	
Capital and financial account	1,092	1,713	2,221	281	177	339	915	419	823	441	537	-171	22	-66	221	323	
Capital account	-131	-52	-84	15	-27	-32	-8	-1	-22	-39	-23	-5	0	-7	-20	-11	
Financial account	1,223	1,765	2,305	266	204	371	923	420	845	480	560	-166	22	-59	240	334	
Direct investment	-174	-269	256	-248	-64	-4	47	148	-22	-86	216	-162	-43	-100	79	96	
Domestic abroad	-687	-1,319	-983	-326	-296	-439	-257	-159	-324	-332	-168	-119	-148	-116	-32	-154	
Foreign in Slovenia	513	1,050	1,239	79	232	435	304	306	302	246	384	-42	104	17	111	250	
Portfolio investment	-1,442	-2,264	606	-624	-1,204	377	-814	301	-1,127	180	1,252	835	-414	-620	-169	234	
Financial derivatives	-13	-21	6	2	-2	-12	-10	2	1	3	0	-16	0	0	-2	-7	
Other investment	1,571	4,179	1,416	1,080	1,484	-22	1,636	50	1,914	382	-930	-937	425	726	333	-121	
Assets	-1,939	-4,877	-772	-2,413	-455	-1,405	-605	-997	-207	350	82	807	-847	481	-89	-605	
Commercial credits	-442	-394	-212	-385	-180	32	139	-508	-166	-7	470	70	-97	-10	-73	31	
Loans	-733	-1,890	-540	-372	-456	-435	-627	53	-441	162	-313	276	-48	-213	-194	-214	
Currency and deposits	-743	-2,601	-38	-1,675	182	-990	-118	-533	358	214	-77	461	-685	701	165	-408	
Other assets	-21	7	17	18	0	-12	1	-9	42	-19	3	-1	-16	3	13	-14	
Liabilities	3,510	9,057	2,189	3,493	1,939	1,383	2,241	1,047	2,121	32	-1,012	-1,744	1,272	245	423	484	
Commercial credits	479	503	167	269	55	-88	268	177	301	69	-380	-371	-19	89	-15	59	
Loans	2,064	3,840	1,848	32	1,554	910	1,345	640	1,467	234	-492	-515	1,021	301	232	231	
Deposits	998	4,727	190	3,208	338	567	613	253	346	-272	-137	-858	279	-140	199	188	
Other liabilities	-30	-14	-17	-16	-7	-6	16	-22	7	2	-3	0	-9	-5	6	7	
International reserves ²	1,281	140	21	55	-11	32	64	-81	80	1	21	114	55	-65	-1	132	
Statistical error	-321	-258	-167	-185	39	141	-252	48	-391	31	145	337	84	166	-211	-93	
EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m																	
Export of investment goods	1,680	1,933	2,229	456	508	466	504	523	577	595	534	443	159	176	174	166	
Intermediate goods	9,368	10,438	10,755	2,609	2,670	2,560	2,593	2,751	2,892	2,729	2,383	1,979	854	921	895	918	
Consumer goods	5,709	7,014	6,809	1,647	1,746	1,790	1,858	1,753	1,816	1,647	1,592	1,479	545	592	610	619	
Import of investment goods	2,565	3,004	3,433	658	736	740	870	772	928	860	873	572	229	265	242	246	
Intermediate goods	11,319	12,874	13,718	3,152	3,212	3,162	3,344	3,415	3,662	3,541	3,099	2,363	1,016	1,119	1,077	1,105	
Consumer goods	4,456	5,609	5,852	1,238	1,446	1,413	1,508	1,456	1,514	1,467	1,415	1,195	478	494	475	478	

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

2007					2008												2009			
8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
-93	-158	-173	-184	-306	-202	-140	-126	-110	-190	-132	-201	-183	-89	-221	-146	-315	-31	-105	-31	93
-117	-195	-180	-191	-293	-188	-132	-164	-156	-281	-220	-261	-296	-186	-268	-180	-289	-39	-31	-50	-17
1,478	1,708	1,855	1,781	1,426	1,617	1,709	1,756	1,866	1,716	1,767	1,807	1,338	1,889	1,837	1,526	1,205	1,208	1,296	1,439	1,306
1,595	1,903	2,035	1,973	1,719	1,806	1,841	1,921	2,022	1,997	1,987	2,069	1,634	2,075	2,104	1,706	1,494	1,247	1,328	1,489	1,323
141	119	79	56	63	120	117	131	153	183	166	140	183	210	174	127	79	113	63	100	125
465	399	382	307	360	350	346	391	422	446	457	532	503	491	459	383	402	313	277	339	357
324	280	303	251	297	230	229	260	270	263	291	391	320	281	285	256	323	199	214	238	232
-102	-44	-45	-28	-39	-78	-80	-82	-78	-79	-91	-88	-96	-100	-91	-83	-80	-75	-68	-62	-56
91	110	112	112	120	97	96	100	109	110	110	113	107	108	119	116	117	88	83	81	83
193	154	157	139	159	175	176	182	187	189	200	201	203	208	211	199	197	163	151	143	140
-15	-38	-27	-22	-37	-56	-45	-10	-30	-14	14	7	27	-12	-36	-10	-24	-30	-68	-19	41
89	59	74	85	93	33	55	59	40	59	95	65	108	60	57	83	90	33	44	53	117
104	97	101	106	130	89	100	70	69	73	81	58	81	72	93	93	114	63	113	72	77
19	-2	139	286	491	96	240	84	221	329	273	166	232	43	-91	293	335	23	-119	-75	-66
3	-24	7	5	-20	5	3	-9	7	-6	-23	-10	0	-29	-1	28	-49	-8	-2	5	-3
16	21	132	281	511	91	236	93	214	335	296	176	232	73	-89	265	385	30	-117	-79	-64
45	-145	99	-103	50	41	11	96	-50	-2	29	-90	96	-92	-32	86	162	18	-67	-112	-68
-61	-224	6	-159	-104	-43	-40	-76	-155	-132	-37	-210	-26	-96	-90	-18	-61	-34	-51	-34	-106
107	79	93	56	154	83	51	173	105	130	67	120	122	5	57	104	223	52	-16	-78	38
119	24	-360	-490	36	17	688	-404	-426	-457	-244	134	-207	253	379	657	216	366	559	-91	958
-5	-1	-11	0	1	3	3	-3	1	0	0	2	0	1	0	0	0	-9	-11	3	-1
-136	235	384	901	351	30	-503	522	605	777	531	202	239	-59	-469	-461	1	-342	-684	89	-948
-360	-439	-302	-372	70	139	-964	-172	388	182	-778	99	-97	348	-453	-3	538	125	592	90	-228
155	-154	-233	-18	390	-76	-224	-208	-23	-96	-46	16	144	-168	-40	128	382	156	-42	-45	22
-148	-74	-131	-136	-359	174	-41	-80	17	-205	-253	257	-377	282	-286	73	-100	33	218	26	36
-371	-211	53	-217	45	27	-694	134	346	493	-481	-179	138	255	-136	-209	268	-73	410	124	-286
3	-1	8	-1	-6	14	-5	-18	48	-9	3	5	-2	-22	9	5	-12	9	6	-16	0
225	674	686	1,273	282	-108	461	695	217	595	1,309	103	336	-407	-17	-458	-537	-466	-1,276	-1	-720
-303	156	163	97	8	-78	106	150	94	214	-8	29	-95	135	-3	-130	-246	-372	-5	6	-31
254	425	209	881	254	116	215	309	-175	511	1,131	108	225	-100	37	-485	-44	-99	28	-444	-329
281	98	328	299	-14	-134	150	236	294	-128	180	-40	206	-438	-51	159	-244	5	-1,303	441	-361
-8	-6	-14	-4	34	-13	-10	0	4	-2	5	6	0	-5	0	-2	-2	0	4	-4	2
-8	-91	20	-28	72	0	37	-118	85	16	-21	-73	104	-30	33	-17	5	-4	86	31	-5
74	160	34	-101	-185	106	-99	42	-111	-139	-142	36	-50	45	312	-146	-20	8	224	105	-27
140	160	180	165	159	147	178	199	194	192	191	202	151	241	198	181	156	128	153	162	N/A
778	864	959	927	707	891	934	926	1,015	925	953	976	755	998	980	815	589	644	638	697	N/A
520	651	679	653	526	561	580	612	635	577	603	607	411	629	638	510	444	422	492	565	N/A
199	295	303	299	268	247	251	273	316	312	300	293	225	342	288	278	307	172	161	239	N/A
955	1,102	1,161	1,185	998	1,116	1,143	1,156	1,224	1,219	1,219	1,291	1,028	1,222	1,307	1,015	777	745	801	817	N/A
424	511	576	492	440	466	473	517	515	501	498	519	402	546	543	439	433	350	388	457	N/A

MONETARY INDICATORS AND INTEREST RATES	2006	2007	2008	2007										
				1	2	3	4	5	6	7	8	9	10	11
SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn; since 1 January 2007 in EUR m														
Claims of the BS on central government	16.6	67	68	69	69	69	68	68	68	68	68	67	67	67
Central government (S. 1311)	776.6	2,367	2,162	3,184	3,219	2,944	2,748	2,574	2,465	2,408	2,342	2,345	2,348	2,374
Other government (S. 1312, 1313, 1314)	24.9	118	212	108	106	107	105	107	107	107	110	111	114	112
Households (S. 14, 15)	1289.4	6,818	7,827	5,428	5,488	5,633	5,748	5,892	6,015	6,157	6,323	6,468	6,607	6,830
Non-financial corporations (S. 11)	3236.0	18,105	21,149	14,086	14,250	14,660	15,142	15,426	15,788	16,274	16,720	17,004	17,269	17,748
Non-monetary financial institutions (S. 123, 124, 125)	368.1	2,305	2,815	1,554	1,563	1,574	1,761	1,747	1,911	2,034	2,083	2,205	2,367	2,396
Monetary financial institutions (S. 121, 122)	1158.7	2,401	3,666	3,505	2,770	2,267	2,033	2,257	2,211	2,218	2,439	2,448	2,460	2,580
Claims on domestic sectors, TOTAL														
In domestic currency	2298.2	26,555	32,113	21,761	21,634	21,726	22,297	23,089	23,558	24,146	24,892	25,310	25,864	26,596
In foreign currency	3149.0	1,990	2,370	1,048	1,100	1,160	1,248	1,335	1,456	1,560	1,638	1,699	1,789	1,900
Securities, total	1286.8	3,570	3,346	5,055	4,662	4,299	3,992	3,577	3,484	3,492	3,488	3,573	3,511	3,544
SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in SIT bn; since 1 January 2007 in EUR m														
Deposits in domestic currency, total	2,903.4	20,029	23,129	17,823	17,912	17,914	18,066	18,367	18,446	18,880	19,299	19,386	19,579	19,558
Overnight	1,178.6	6,887	6,605	6,645	6,598	6,648	6,676	6,849	6,953	7,047	6,881	6,907	6,695	6,573
With agreed maturity – short-term	1,251.2	8,913	10,971	7,673	7,837	7,639	7,758	7,777	7,592	7,867	8,331	8,247	8,689	8,723
With agreed maturity – long-term	292.4	2,857	4,157	2,486	2,492	2,560	2,569	2,573	2,693	2,728	2,790	2,874	2,820	2,817
Short-term deposits redeemable at notice	181.2	1,372	1,396	1,019	985	1,067	1,063	1,168	1,208	1,238	1,297	1,358	1,375	1,445
Deposits in foreign currency, total	1,454.5	559	490	634	614	607	597	615	610	605	628	608	589	585
Overnight	552.7	218	215	311	293	285	264	280	274	270	278	269	255	260
With agreed maturity – short-term	545.5	248	198	240	239	237	251	248	249	242	258	248	241	226
With agreed maturity – long-term	318.3	56	41	64	64	62	60	61	60	61	62	60	60	57
Short-term deposits redeemable at notice	38.0	37	36	19	18	23	22	26	27	32	30	31	33	42
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %														
New deposits in domestic currency														
Households														
Overnight deposits	0.32	0.36	0.43	0.33	0.33	0.33	0.34	0.34	0.34	0.35	0.35	0.37	0.42	0.40
Time deposits with maturity of up to one year	2.96	3.36	4.45	2.83	2.91	3.01	3.07	3.15	3.26	3.36	3.41	3.61	3.89	3.83
New loans to households in domestic currency														
Housing loans, 5-10 year fixed interest rate	4.56	5.80	6.88	5.16	5.44	5.50	5.35	5.37	5.36	5.79	5.98	6.16	6.45	6.44
New loans to non-financial corporations in domestic currency														
Loan over EUR 1 million, 1-5 year fixed interest rate	4.64	5.76	6.03	5.49	6.53	-	-	4.86	5.12	6.49	-	5.76	5.59	-
INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %														
Main refinancing operations	2.78	3.85	3.85	3.50	3.50	3.75	3.75	3.75	4.00	4.00	4.00	4.00	4.00	4.00
INTERBANK INTEREST RATES														
EURIBOR														
3-month rates	3.58	4.28	4.63	3.75	3.82	3.89	3.98	4.07	4.15	4.22	4.54	4.74	4.69	4.64
6-month rates	3.58	4.35	4.72	3.89	3.94	4.00	4.10	4.20	4.28	4.36	4.59	4.75	4.66	4.63
LIBOR CHF														
3-month rates	1.51	2.55	2.58	2.15	2.21	2.26	2.32	2.41	2.55	2.72	2.80	2.82	2.79	2.75
6-month rates	1.65	2.65	2.69	2.26	2.32	2.36	2.44	2.54	2.70	2.85	2.86	2.90	2.89	2.85

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

2007	2008												2009				
12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5
67	67	67	66	66	66	65	66	66	67	69	69	68	69	87	103	121	140
2,367	2,412	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	3,132	3,288	3,542
118	123	124	124	128	129	133	136	143	178	184	181	212	223	229	233	243	254
6,818	6,918	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
18,105	18,570	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
2,305	2,390	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
2,401	2,455	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	3,791	3,829	4,008
26,555	27,164	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
1,990	2,117	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
3,570	3,586	3,529	3,477	3,239	3,038	3,137	3,188	3,184	3,104	3,059	3,077	3,346	4,046	4,039	4,506	4,686	4,843
20,029	20,088	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
6,887	6,924	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
8,913	8,899	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
2,857	2,845	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
1,372	1,420	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
559	571	560	520	529	527	488	491	502	493	537	551	490	504	502	491	489	495
218	248	240	226	222	225	218	220	228	218	244	247	215	242	230	233	231	251
248	229	237	220	224	224	196	192	190	196	213	227	198	181	195	177	180	166
56	55	48	45	45	42	42	43	42	43	44	42	41	42	43	42	42	41
37	39	35	29	38	36	32	36	42	36	36	35	36	39	34	39	36	37
0.40	0.44	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	-
4.04	4.08	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	-
6.58	6.75	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	-
6.25	-	-	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	-
4.00	4.00	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
4.85	4.48	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
4.82	4.50	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
2.77	2.70	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	-
2.84	2.77	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	-

PUBLIC FINANCE	2006	2007	2008	2007				2008				2009	2007			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	4	5	6	7
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m																
GENERAL GOVERNMENT REVENUES																
TOTAL REVENUES	12,958.7	14,006.1	15,339.2	3,063.2	3,454.0	3,429.1	4,059.8	3,369.3	4,005.7	3,857.5	4,102.4	3,282.5	1,293.0	1,172.5	988.5	1,182.3
Current revenues	12,395.3	13,467.2	14,792.3	2,955.0	3,374.9	3,332.1	3,805.1	3,274.0	3,881.0	3,733.8	3,901.6	3,204.0	1,272.6	1,158.0	944.3	1,159.9
Tax revenues	11,762.0	12,757.9	13,937.4	2,828.7	3,199.7	3,123.6	3,606.0	3,110.0	3,702.0	3,472.0	3,653.2	3,058.9	1,219.0	1,094.2	886.5	1,089.8
Taxes on income and profit	2,735.3	2,917.7	3,442.2	587.7	914.3	646.3	769.4	694.4	1,106.5	806.5	834.7	707.3	462.9	288.3	163.1	168.7
Social security contributions	4,231.2	4,598.0	5,095.0	1,083.4	1,123.7	1,139.1	1,251.8	1,203.1	1,254.2	1,272.9	1,364.8	1,285.3	371.1	371.9	380.7	379.2
Taxes on payroll and workforce	472.9	418.1	258.0	96.1	99.7	101.5	120.9	59.4	62.2	63.5	72.9	7.4	32.8	32.4	34.5	34.1
Taxes on property	189.1	206.4	214.9	22.2	58.0	67.3	59.0	27.5	62.6	69.6	55.1	20.6	10.7	27.2	20.0	20.8
Domestic taxes on goods and services	4,077.3	4,498.6	4,805.3	1,017.6	973.0	1,135.5	1,372.5	1,099.4	1,181.7	1,227.8	1,296.4	1,015.4	332.5	363.3	277.2	475.4
Taxes on international trade & transactions	50.7	117.1	120.1	21.5	30.7	33.2	31.7	25.6	33.7	31.0	29.8	22.5	8.9	11.0	10.7	11.5
Other taxes	5.4	2.1	1.8	0.3	0.4	0.7	0.7	0.6	1.0	0.7	-0.6	0.5	0.1	0.2	0.2	0.1
Non-tax revenues	633.3	709.2	854.9	126.3	175.2	208.6	199.1	164.0	179.0	261.8	248.4	145.1	53.6	63.8	57.9	70.1
Capital revenues	166.8	136.6	117.3	19.7	15.2	39.6	62.1	28.0	26.9	28.8	31.2	14.1	6.0	4.1	5.1	13.5
Grants	5.4	11.9	10.4	2.1	2.8	2.0	5.0	2.0	2.1	3.1	2.8	2.8	0.7	0.7	1.4	0.7
Transferred revenues	42.8	42.5	53.9	0.2	1.4	0.4	40.5	1.2	0.9	0.6	51.6	0.2	0.3	1.0	0.1	0.1
Receipts from the EU budget	348.4	348.0	365.4	86.2	59.6	55.1	147.1	64.0	94.8	91.3	115.3	61.4	13.4	8.7	37.5	8.1
GENERAL GOVERNMENT EXPENDITURES																
TOTAL EXPENDITURES	13,208.7	13,915.5	15,441.7	3,201.2	3,392.6	3,240.0	4,081.8	3,388.6	3,792.9	3,628.8	4,624.4	3,874.9	1,061.8	1,242.4	1,088.3	1,094.3
Current expenditures	5,689.0	5,950.9	6,557.5	1,482.0	1,448.5	1,362.2	1,658.2	1,575.9	1,581.7	1,513.7	1,884.4	1,768.3	506.4	506.3	435.8	450.8
Wages, salaries and other personnel expenditures	3,180.3	3,276.9	3,578.9	785.8	851.7	814.4	825.0	819.7	906.8	892.5	961.5	965.7	261.8	321.9	268.0	271.1
Expenditures on goods and services	2,073.2	2,212.2	2,527.5	490.3	482.6	518.0	721.3	523.1	589.3	586.1	827.4	545.9	155.1	169.3	158.2	170.2
Interest payments	376.4	357.0	335.2	197.5	105.3	17.5	36.7	221.0	69.8	12.9	31.4	246.7	87.1	12.0	6.2	6.8
Reserves	59.0	104.8	116.0	8.3	8.9	12.3	75.2	12.1	15.8	22.2	64.0	10.0	2.4	3.1	3.4	2.7
Current transfers	5,925.8	6,143.9	6,742.2	1,457.2	1,665.6	1,456.0	1,565.1	1,489.9	1,856.8	1,567.3	1,827.1	1,748.1	468.2	639.5	557.8	525.2
Subsidies	402.9	423.4	476.5	104.4	137.9	88.3	92.8	60.5	243.0	57.7	115.2	165.0	10.0	39.7	88.2	57.3
Current transfers to individuals and households	4,871.5	5,093.3	5,619.2	1,219.0	1,359.2	1,211.1	1,304.0	1,303.5	1,448.9	1,344.8	1,519.0	1,436.2	409.2	537.7	412.2	406.4
Current transfers to non-profit institutions, other current domestic transfers	624.1	595.3	598.3	130.9	158.4	145.3	160.8	118.7	151.2	153.2	177.2	139.9	48.5	54.7	55.2	57.6
Current transfers abroad	27.4	32.0	48.2	2.9	10.2	11.3	7.6	7.2	13.6	11.6	15.7	7.0	0.6	7.3	2.3	4.0
Capital expenditures	901.4	1,130.5	1,255.5	133.4	162.9	266.9	567.3	149.0	215.9	350.0	537.0	175.3	46.6	55.6	60.7	72.2
Capital transfers	404.6	334.3	458.6	28.6	55.0	69.3	181.4	30.6	62.3	130.8	234.3	34.3	16.5	19.3	19.2	22.3
Payments to the EU budget	287.9	355.9	427.9	100.0	60.6	85.6	109.8	143.2	76.2	67.0	141.5	148.9	24.1	21.6	14.8	23.7
SURPLUS / DEFICIT	-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

EC – European Commission, **ECB** – European Central Bank, **ELES** – Electro Slovenia, **ESS** – Employment Service of Slovenia, **EU** – European Union, **GDP** – Gross domestic product, **IMAD** – Institute of Macroeconomic Analysis and Development, **MF** – Ministry of Finance, **NFI** – non-monetary financial institutions, **OECD** – Organization for Economic Cooperation and Development, **PPA** – Public Payments Administration of the Republic of Slovenia, **SCA** – Standard classification of activities, **SITC** – Standard International Trade Classification, **SORS** – Statistical Office of the Republic of Slovenia, **WIIW** – The Vienna Institute for International Economic Studies.

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.

slovenian economic mirror

June 2009, No. 6. Vol. XV