

slovenian economic mirror

October 2010, No. 10. Vol. XVI

Slovenian Economic Mirror
ISSN 1318-3826

No. 10 / Vol. XVI / 2010

Publisher: IMAD, Ljubljana, Gregorčičeva 27

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Print: Tiskarna !!!!!!!!!!!!!

Circulation: 90 copies

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On January 2008, the new classification of activities of business entities NACE Rev.2, which replaced NACE Rev. 1.1, came into force in all EU Member States. In the Republic of Slovenia, the national version of the standard classification, SKD 2008, which includes the entire European classification of activities but also adds some national subclasses, came into force on the mentioned date. In the Slovenian Economic Mirror, all analyses are based on the SKD 2008, except when the previous SKD 2002 classification is explicitly referred to. More general information about the introduction of the new classification is available on the SORS website http://www.stat.si/eng/skd_nace_2008.asp.

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

In the spotlight

The IMF improved its forecasts for economic growth in 2010, while warning that the recovery is still uncertain due to certain risks. The IMF revised upwards its forecasts for economic growth for 2010, to 4.8%, while its forecast for 2011 is slightly lower than in July. It warns, similar to other institutions (the EC, the OECD) that the recovery will be slow and uncertain in advanced countries, pointing to numerous risks, particularly the negative impact on economic growth of fairly ambitious fiscal consolidation measures already announced in a number of EU Member States. The IMF also highlights the persisting risks associated with global imbalances and financial stability. The values of short-term indicators of economic activity in the euro area continued to increase in August, while the sentiment indicators (ESI, PMI, ZeW, Ifo) have failed to convey a clear, unambiguous message regarding the continuation of the recovery in recent months.

Short-term indicators of economic activity continued to improve in Slovenia in August, albeit at a slower pace than in the euro area. Exports of goods continued to strengthen in August and were more than one tenth higher in the first eight months of this year than in the same period of 2009. Despite the pick-up in foreign demand, Slovenia's market share in the 15 main trading partners declined y-o-y in the first half of the year, largely owing to lower market shares in Germany and Croatia and much slower growth in France. After July's decline, the volume of production in manufacturing increased in August. In manufacturing, growth is still mainly propelled by mainly and highly export-oriented industries, with production growth in industries primarily oriented to the domestic market remaining lower. Construction activity also increased in August, after a longer period, but remains low. The construction sector continues to register the highest number of legal entities with outstanding matured liabilities for more than five consecutive days in a month (almost one quarter) and the greatest share of outstanding matured liabilities in the total amount of outstanding matured liabilities (it has increased to nearly one third since September 2009). In the first nine months of this year, the number of legal entities with outstanding matured liabilities, which is one of the indicators of insolvency, was otherwise one quarter higher than in the same period last year; the amount of outstanding matured liabilities was nearly three quarters higher.

The slight decline in employment that had already marked the first half of the year continued in August; registered unemployment continues to increase, according to seasonally adjusted data, even though the actual number of unemployed persons declined in September. The number of employed persons fell by 0.2% in August, again most notably in manufacturing, being 2.9% lower y-o-y in the first eight months of 2010. The primary reasons for September's decline in registered unemployment to 97,908 persons was the regular autumn increase in employment, particularly in education at the beginning of the school year. The number of unemployed persons was 11% higher than in September last year. Seasonal factors also masked the increase in unemployment in the third quarter as a whole, when the actual number of unemployed persons declined, while the seasonally adjusted unemployment growth rate accelerated from 1.8% in the second quarter to 2.4%.

The average wage rose in August after July's decline, this time in both sectors, and also saw stronger y-o-y growth. The average gross wage increased by 0.4% in nominal terms in August (0.4% in the private sector and 0.5% in the public sector). The average wage in the first eight months of the year was 4.1% higher in nominal terms than in the same period of last year, which was solely the result of wage rises in the private sector (5.5%), also due to the increase in the minimum wage. After increasing significantly in 2009 and 2008, the average wage in the public sector dropped by 0.2% y-o-y in the first eight months of the year.

Consumer prices rose by 0.1% in October and y-o-y inflation was at 1.9%. October's inflation was largely attributable to the price movements that are typical for this month of the year (higher prices of clothing and footwear and lower prices of holiday packages), while the moderate core inflation dynamics still reflect long-term factors of inflation related to economic activity. Y-o-y inflation in the euro area was at 1.9% (HICP).

According to the consolidated balance of the MF, public finance revenues amounted to EUR 8.0 bn and public finance expenditure to EUR 9.5 bn in the first seven months of this year. The public finance deficit widened to EUR 1,490 m. Compared with the same period of the pre-crisis year 2008, public finance revenues dropped by 8.6% in the first seven months, while public finance expenditure rose by as much as 13.7%. All expenditures increased y-o-y in the first seven months of this year, except expenditure on wages and other personnel expenditures and payments into the EU budget, with interest payments recording the highest growth. A further tightening in the public finance

situation is also indicated by September's data on payments of taxes and social security contributions, which declined once again after the increase in August. Only revenues from VAT, excise duties and social security contributions rose y-o-y in the first nine months, while the inflows from all other taxes declined.

current economic trends

International environment

In the autumn, the IMF revised upwards its forecasts for economic growth from its expectations in July, while warning, similar to other institutions (the EC, the OECD), that the recovery will be slow and uncertain. The world economy, which is still mainly led by emerging and developing countries, is forecast to grow by 4.8% in 2010, slightly more than expected in July, while the forecast for 2011 has been revised slightly downwards (4.2%). Global trade, one of the key factors behind the recovery in the first half of this year, has already returned to its pre-crisis level. After a nearly 12% drop last year, it was 18.5% higher y-o-y in the first seven months of this year and is projected to expand by 11.4% in 2010 and 7% in 2011, according to the IMF. The IMF expects a much faster recovery in countries, which were less affected by the crisis and have strong economic ties with emerging and developing countries. Prospects for developing countries are, in general, better than for developed economies (with the exception of Germany). The short-term measures, which supported domestic demand in developed economies

at the beginning of the crisis, are petering out and the countries are now focusing on fiscal consolidation. The IMF thus expects that economic growth in advanced economies will also be based on exports in the future. The austerity measures in advanced economies will, however, have a negative impact on developing countries, which will have to strengthen domestic demand in order to maintain economic growth in the face of lower exports. The speed of the adjustment of global imbalances and the fiscal consolidation in advanced countries represent the main risk to global economic growth in the next two years, according to the IMF. Significant risks are also still related to financial stability.

The values of short-term indicators of economic activity in the euro area continue to grow. In August, the volume of industrial production in manufacturing increased by 1.1% and was 9.0% higher y-o-y. New orders in manufacturing increased notably in August, after declining in July. Turnover in retail trade remained at approximately the same level as in July, but the decline in construction activity, which was 7.9% lower y-o-y, continued. The

Figure 1: IMF forecast for world economic growth

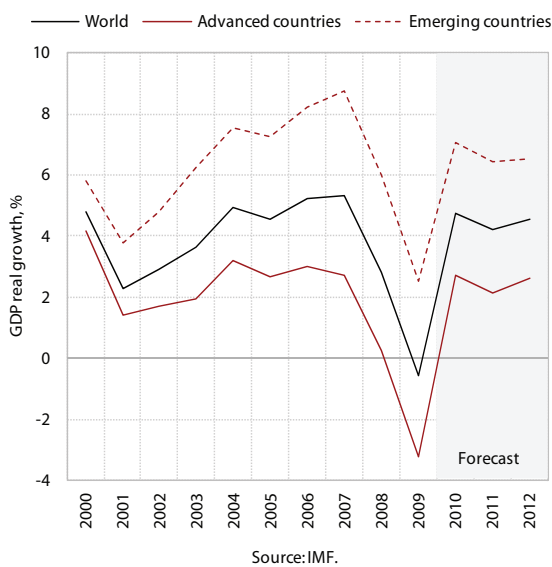


Figure 2: Short-term indicators of economic activity in the euro area

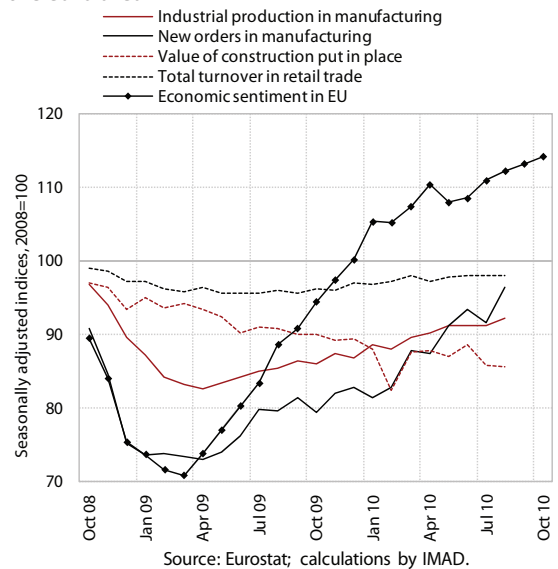


Table 1: Comparison of the forecasts for economic growth by international institutions and assumptions used in IMAD Autumn Forecast of Economic Trends 2010

	2010					2011				
	CONS Aug 10	IMAD Sep 10	EC Sep 10	IMF Oct 10	CONS Oct 10	CONS Aug 10	IMAD Sep 10	IMF Oct 10	CONS Oct 10	
EMU	1.2	1.4	1.7	1.7	1.6	1.4	1.3	1.5	1.4	
DE	2.1	2.5	3.4	3.3	3.3	1.7	1.7	2.0	2.0	
IT	1.0	0.9	1.1	1.0	1.1	1.1	1.0	1.0	1.0	
AT	1.2	1.2	N/A.	1.6	1.5	1.5	1.5	1.6	1.5	
FR	1.4	1.4	1.6	1.6	1.6	1.5	1.4	1.6	1.5	
UK	1.5	1.3	1.7	1.7	1.6	2.0	2.0	2.0	1.9	
USA	2.9	2.9	N/A.	2.6	2.7	2.8	2.8	2.3	2.4	

Source: Consensus Forecasts (August 2010, October 2010). EC Interim Forecast (September 2010). IMF World Economic Outlook (October 2010). IMAD Autumn Forecast of Economic Trends (September 2010).

Box 1: Measures of the consolidation of public finances in EU countries

After the massive stimulus measures to get the economy going in 2009, most EU Member States are planning to consolidate public finances this year and the next. Amid a pronounced deterioration of public finances, massive austerity and structural measures are being implemented in most EU countries as part of a comprehensive fiscal consolidation. Amounting to 0.8% of GDP in the pre-crisis year 2008, the public finance deficit in the EU is projected to account for 7.2% of GDP this year before decreasing to 6.5% of GDP in 2011, according to the spring forecasts by the EC. The fiscal consolidation measures announced by the governments so far will amount to more than EUR 290 bn in the EU in the next four years, i.e. 2.5% of GDP in 2009 (of which more than half in Germany, France and Italy alone). The countries are dealing with public finance problems in a similar way, but the projected pace of deficit reduction varies significantly. The measures involve a reduction or slowdown in growth of public sector wages and employment, changes in the area of pension and social security systems and higher taxes.

On the side of revenues, numerous countries are planning to increase taxes. In addition to higher personal income taxes, a number of countries are considering raising VAT (Greece, Portugal, Romania). Some of the countries also want to link tax increases to achieving sustainable development goals. A new tax on CO₂ emissions is thus going to be introduced in Ireland and an additional tax on nuclear fuel in Germany. Hungary adopted a tax on total assets of financial institutions, despite being criticised by international institutions.

Most of the countries are planning rationalisation in the area of wages and employment and are seeking systemic changes to increase flexibility of public sector employment. The greatest cuts in public sector employment have been announced in the United Kingdom and France, with somewhat lower reductions also being planned in Spain and Germany. Most of the countries will freeze or reduce public sector wages. The most radical cut has been announced in Romania, where public administration wages are to be reduced by as much as 25%, while Hungary will reduce wages by 15%. In some countries, wages will also be affected by changed taxation of the highest public sector wages (higher progressivity, higher personal income tax in the highest tax brackets). Certain countries have also announced systemic public administration reforms, for example Italy, which is planning to abolish certain provincial governments and reduce funding to municipalities and cities in the coming years.

Austerity measures also extend to social and pension transfers. Social transfers will be reduced in Ireland, Portugal, Spain, and in the United Kingdom, while the Netherlands is planning to reduce expenditure on health care. Several countries have announced pension reforms, which mainly involve an increase in retirement age. Italy has announced a delay in retirement by six months for those who will reach the retirement age in 2011, and Romania a 15% reduction of pensions.

Table 2: Planned austerity measures by EU countries

Country	Measures
France	- Elimination of 97,000 jobs in the public sector by 2014 - Higher taxes - Pension reform (extension of the minimum retirement age from 60 to 62 years, and from 65 to 67 years for a full pension)
Greece	- Elimination of bonus payments for public sector workers, freeze on public sector wages for at least three years - Tax and excise duty rises (4 p.p. increase in VAT, to 23%) - Measures to crack down on tax evasion and corruption - Pension reform (increase in average retirement age from 61.4 to 63.5 years)
Ireland	- Cuts in public servants' wages by at least 5% - Higher taxes (tax on CO ₂ emissions) - Cuts in social transfers (such as child benefits) - The government has announced an additional increase in the cost of bailing out banks (to EUR 45 bn), which will widen the deficit to 62% of GDP
Italy	- Freeze on wage rises in the public sector and public sector hiring, freeze on employment in the public sector (replacing only one employee for every five who leave), progressive taxation of high earners in the public sector, delay in retirement by up to six months - Measures to crack down on tax evasion - Rationalisation of provincial governments and decrease in funding to cities and municipalities
Latvia	- Cuts in public servants' wages
Hungary	- 15% cuts in public servants' wages and measures to facilitate dismissal of public servants - New tax on fixed assets of financial institutions
Germany	- 10,000 fewer jobs in the public sector over four years - Higher taxes (on nuclear fuel)
The Netherlands	- Cuts in spending on public servants and health care
Portugal	- Cuts in public sector wages from 3.5% to 10% for all workers, 5% cut in the public sector wage bill - Higher personal income tax and taxes (2 p.p. increase in VAT, to 23%) - Freeze on state pensions, 25% reduction in social transfers - Decline in military spending
Romania	- 25% cuts in public sector wages, 15% pension cuts - Higher taxes (5.5 p.p. increase in VAT, to 24%)
Spain	- 5% cuts in public sector wages, starting in June 2010, then freeze on growth by the end of 2011 - 15,000 fewer jobs in the public sector - Higher personal income tax - Lower social transfers
United Kingdom	- Cuts in public sector jobs - Reduction of social transfers and public spending, including cuts in public sector jobs - Massive budgets cuts in all ministries (by an average of 19%) - Acceleration of pension reform (increase in retirement age from 65 to 66 years by 2010) - Decline in military spending

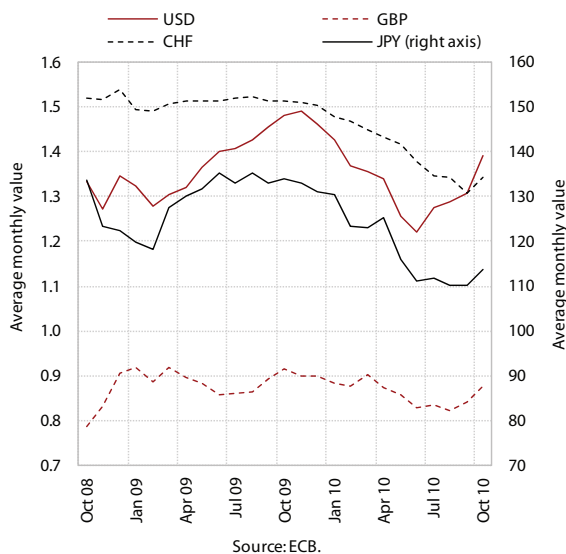
Source: National institutions.

labour market situation remains tight. The unemployment rate in the euro area increased to 10.1% in September. The Economic Sentiment Indicator (ESI), published by the EC, increased also in October, while the values of some other sentiment indicators (PMI, Ifo, ZEW) continue to decline.

Interbank interest rates rose in October. The value of the three-month EURIBOR increased by 12 basis points to 0.998%, while the value of the three-month USD LIBOR in the month as a whole remained at approximately the same level as in September, 0.289%. Key interest rates of the main central banks, which had not changed since May 2009, also remained the same in October.

The euro appreciated against the US dollar again in October and after a longer period also against other main currencies. The average exchange rate of the euro strengthened by 6.4% (to USD 1.3898 to EUR 1) in October, already by as much as 13.8% from the lowest 2010 values recorded in June. The euro also appreciated against other main currencies. The value of the British pound sterling against the euro depreciated by 4.4% (to GDP 0.8764 to EUR 1), against the Japanese yen by 3.1% (to JPY 113.67 to EUR 1) and the Swiss franc by 2.8% (to CHF 1.3452 to EUR 1). The US dollar, in particular, was under pressure in October, losing value not only against the euro, but also against other main currencies, and falling to a 15-year low against the Japanese yen.

Figure 3: Value of the EUR against major world currencies



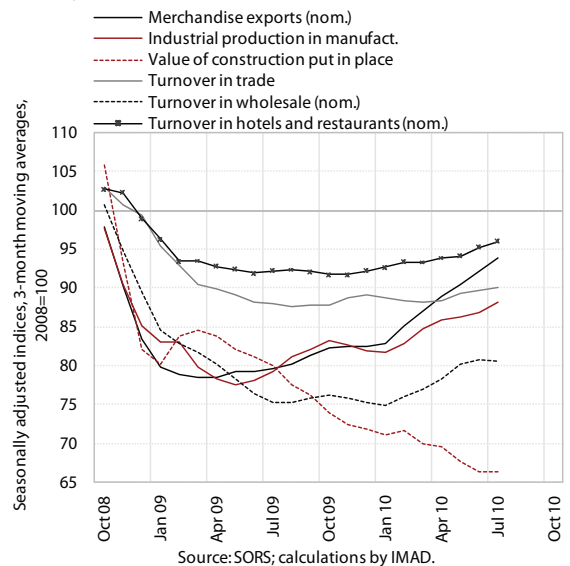
Prices of Brent crude oil increased significantly in October; September's increase in prices of non-energy commodities was more moderate. The average price of Brent crude was USD 83.79 a barrel in October, 7.1% higher than in September and 15.0% higher y-o-y. Expressed in EUR, prices of Brent crude oil remained at a similar level as in September (EUR 60.23 a barrel), but were 21.1% higher

y-o-y. Non-energy commodity prices in dollars¹ increased by 2.6% in September (prices in euros by 1.7%). Growth was largely underpinned by higher prices of industrial and agricultural commodities (3.7% and 3.8%, respectively). Food prices recorded somewhat slower growth (2.3%). Wheat prices rose significantly for the third consecutive month (10.4%) in September, reaching the highest level since October 2008.

Economic activity in Slovenia

Most of the key short-term indicators of economic activity in Slovenia continued to improve in August, though at a slower pace than in the euro area as a whole. Exports of goods and production volume in manufacturing increased, according to seasonally adjusted data, continuing the strengthening trend of the first half of the year. The value of construction put in place also rose, for the first time in a long period, but remained around one third below the average value of the pre-crisis year 2008. Real turnover in retail trade and in the sale of motor vehicles and nominal turnover in wholesale trade dropped once again in August, while nominal turnover in accommodation and food service activities maintained its moderate growth.

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



Merchandise exports increased again in August, while imports remained practically unchanged in the last three months.² According to seasonally adjusted data, exports rose by 1.8% and imports by 0.5% in nominal terms relative to July, and were 22.5% and 13.2% higher, respectively, than in August 2009. According to the available data for

¹ Commodity prices in dollars are based on the commodity price index prepared monthly by the IMF and prices in euros on the non-energy commodity price index by the ECB.

² According to the external trade statistics.

Box 2: Market shares

Slovenia's market share in the 15 main trading partners¹ declined y-o-y in the first half of this year, largely due to a deterioration of market shares on the German and Croatian markets. After Slovenia made up for more than half of the 2008 loss in the aggregate market share² amid a significant shrinkage of international trade flows and a consequent drop in merchandise exports last year, its market share declined more notably in the first half of this year (from 0.579% in the first half of last year to 0.541%) when foreign demand picked up. This may indicate a loss in the competitiveness of Slovenia's economy, though it cannot be claimed with certainty based on data for only six months, as the movement of market shares reflects a number of factors, which are subject to pronounced fluctuations³ during the year. The deterioration mainly reflected a decline in Slovenia's market shares in Germany and Croatia, as well as in the Czech Republic, Hungary, Slovakia and Russia, amid a notable slowdown of market share growth in France, where growth had been extremely high last year. The decline of Slovenia's market share in Germany was, as in the Czech Republic, Hungary and Russia, a result of relatively more moderate growth⁴ of Slovenia's merchandise exports to the German market, while Slovenia's market share in Croatia dropped amid a further decline of exports to the Croatian market, similar to Slovakia.⁵

Looking at SITC sections, the y-o-y decline in the market share in the EU was mainly due to machinery and transport equipment, but also manufactured goods classified by material and miscellaneous manufactured articles. The decline in the market share of the former was, on one hand, a consequence of the decline in the market share of motor vehicles (after the abolition of measures to stimulate car purchases in certain countries of the EU), which recorded exceptionally high growth last year; this also greatly contributed to a more notable decline in the market share in Germany and its slower growth in France. On the other hand, the market share of electrical machinery and appliances shrank regardless of the fact that exports increased by one quarter. The market share of machinery specialised for particular industries also declined due to a drop in exports. The decline in the market share of manufactured goods classified by materia⁶ was impacted by non-ferrous metals, despite an increase in exports by more than one third, while the market share of miscellaneous manufactured articles⁷ fell due to the stagnation/decline of exports of furniture and clothing. Growth in the market share of chemical products continued this year, but nearly came to a halt due to the decline in the market share of medicinal and pharmaceutical products (0.7% growth).

Figure 5: Slovenia's market shares in the 15 main trading partners

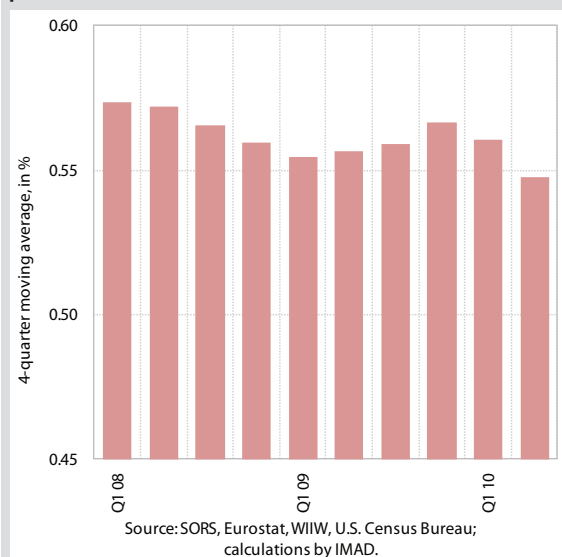
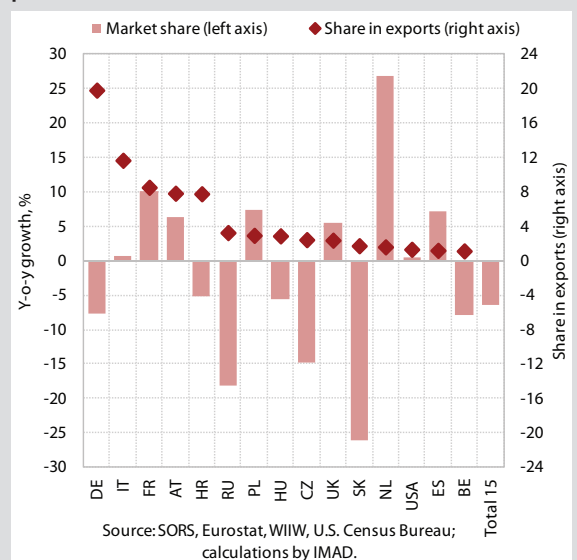


Figure 6: Slovenia's market shares in selected trading partners in the first half of 2010



¹ In Germany, Italy, France, Austria, Croatia, the United Kingdom, the Czech Republic, Hungary, Poland, Slovakia, Spain, Belgium, the Netherlands, Russia and the US.

² After declining by 2.4% in 2008, the aggregate market share of goods increased by 1.4% in 2009.

³ Fluctuations and structural changes of exports and imports, the base effect etc.

⁴ Compared with the average growth of exports in the first half of the year.

⁵ Due to a further drop in exports, Slovenia's market share also declined in Serbia and Macedonia, and amid modest growth in exports (1.3%) also in Bosnia and Herzegovina.

⁶ Section 6 according to SITC: leather manufactures, rubber manufactures, wood manufactures, paper and paperboard manufactures, textile yarn, fabrics, mineral manufactures, metals.

⁷ Section 8 according to SITC: prefabricated buildings, furniture, travel goods, clothing, footwear, scientific and controlling instruments, photographic apparatus.

The larger decline of Slovenia's market share in Germany in the first half of this year was mainly due to machinery and transport equipment. The decline of the market share of road vehicles, electrical machinery and appliances and machinery specialised for particular industries was much greater on the German market than in the EU as a whole. The more unfavourable movements on the German market were also due to the structure of exports. Machinery and transport equipment with market share declines account for a much greater share in the structure of exports to the German market than in the EU average, while the share of chemical products with market share rises is smaller than in the EU.

Figure 7: Market shares in the EU – total and manufacturing industries

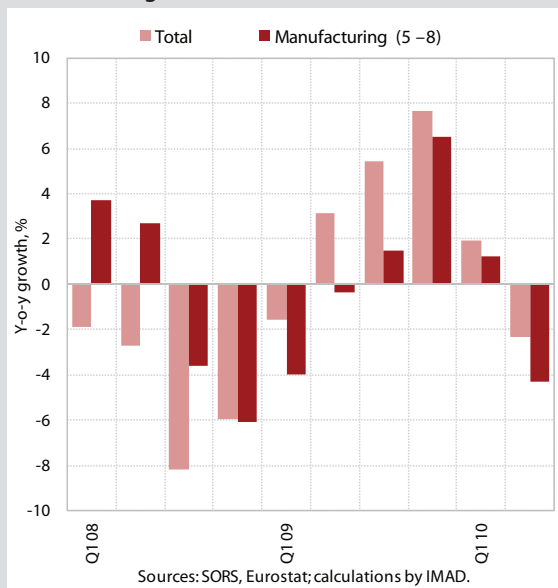
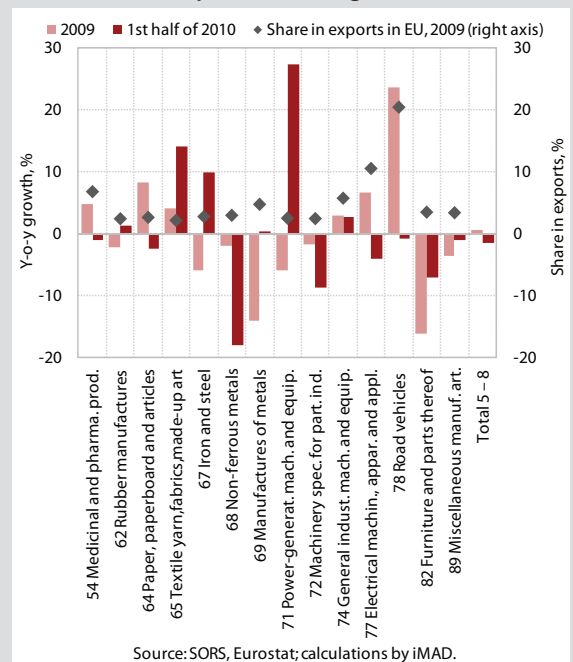
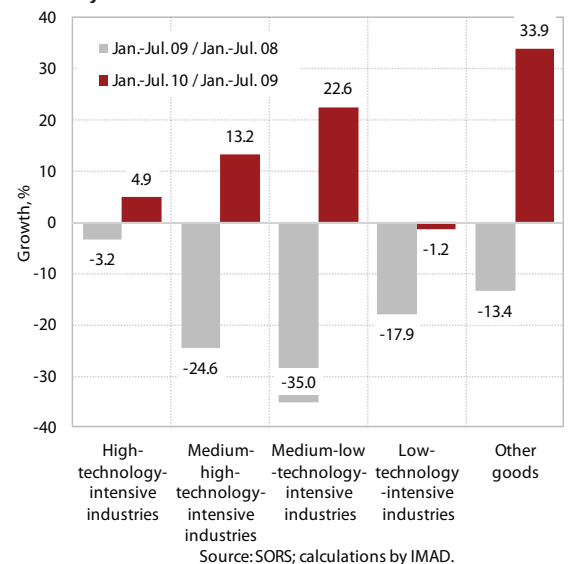


Figure 8: Market shares in the EU by main SITC sections (with a share in exports exceeding 2%)



the first seven months, medium-high and medium-low-technology industries make the greatest contribution to growth in Slovenia's merchandise exports, also because they account for the greatest share in total exports. Nominal y-o-y growth in exports thus mainly stemmed from higher exports of the manufacture of electrical appliances, motor vehicles, metals and chemicals and chemical products. In the first seven months, only exports of high-technology industries and goods³ other than manufactured goods exceeded the average level of the first seven months of 2008. On the side of imports, this year's high nominal y-o-y growth of intermediate goods imports stems from the increase in production volume in manufacturing; the growth of imports of consumer and investment goods, which largely reflect the movement of domestic consumption, is modest. The terms of merchandise trade have been deteriorating y-o-y since January 2010 due to higher prices of energy and commodities. In the first seven months, export prices were 0.8% and import prices 6.6% higher than in the same period last year while the terms of trade deteriorated by 5.4%.⁴

Figure 9: Merchandise exports according to technological intensity⁵



³ In 2009, manufactured goods accounted for 95.2% of total exports; exports of other goods include sectors A (agriculture and hunting, forestry and fishing), B (mining), D (electricity, gas and steam supply), E (water supply, sewerage, waste-management and remediation activities) and J (information and communication activities).

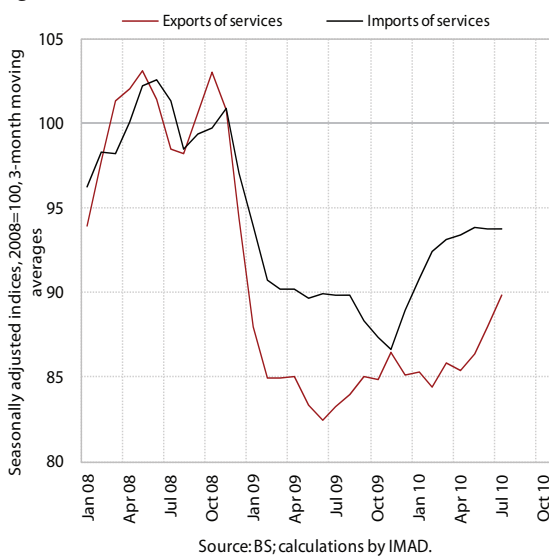
⁴ Based on the index of export producer prices on the foreign market

and the index of import prices, which are used as a source of data in the national accounts statistics.

⁵ According to Eurostat's classification, high-technology manufacturing industries accounted for 13.2%, medium-high-technology industries for 45.0%, medium-low-technology industries for 19.2% and low-technology industries for 17.9% of total Slovenian merchandise exports in 2009.

Growth in **services trade** is still slower than growth in merchandise trade. After two months of growth, exports and imports of services dropped in nominal terms in August (-1.7% and -0.6%, respectively); at the y-o-y level, exports increased by 7.1% and imports by 7.0%. Trade in transport services is strongly related to the movement of merchandise trade, which is picking up. Exports of transport services were thus 16.0% and imports 11.4% higher y-o-y in August. Exports of travel services were 7.6% higher y-o-y in August, while spending on travel abroad again recorded modest growth (0.8%). After July's growth, exports of the group of other services dropped y-o-y in August, amid a further decline in exports of construction services, while exports of financial services, merchanting and various business, professional and technical services increased y-o-y. Imports of the group of other services strengthened significantly in August, mainly under the impact of imports of licences, patents and copyrights and various business, professional and technical services.

Figure 10: Trade in services



After a one-month interruption, production volume in **manufacturing** continued to grow in August. Production volume strengthened by 5.3% in August (seasonally adjusted) and was 12.1% higher y-o-y, largely due to export-oriented industries (working-day adjusted). Production in mainly and highly export-oriented industries increased by around one fifth compared with the same month last year (in those primarily oriented to the domestic market by less than 5%). All high-technology industries that generate around 80% of revenues on foreign markets recorded further y-o-y production growth, which was highest in the manufacture of other machinery and equipment, also due to lower activity in August 2009. Low-technology industries, such as the rubber, metal and leather industries, which are also more oriented to exports, recorded stronger growth than in previous months. Despite the increase, which was largely

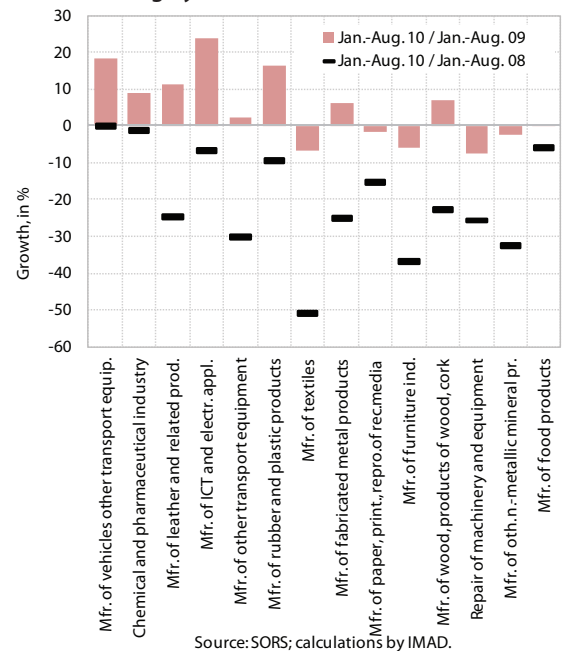
Table 3: Selected monthly indicators of economic activity in Slovenia

in %	2009	VIII 10/ VII 10	VIII 10/ VIII 09	I-VIII 10/ I-VIII 09
Exports¹	-18.4	-14.1	17.8	11.1
-goods	-19.4	-18.9	22.2	13.1
-services	-14.7	2.0	7.1	3.7
Imports¹	-23.6	-13.6	11.8	11.3
-goods	-25.7	-14.4	13.0	12.6
-services	-10.2	-10.7	7.0	4.3
Industrial production	-17.4	5.4 ²	11.5 ³	6.2 ³
-manufacturing	-18.7	5.3 ²	12.4 ³	6.9 ³
Construction -value of construction put in place	-21.0	4.6 ²	-12.2 ³	-16.9 ³
Real turnover in retail trade	-10.5	-2.9 ²	0.4 ³	-1.3 ³
Hotels and restaurants - nominal turnover in hotels and restaurants	-7.8	0.6 ²	5.2 ³	1.9 ³

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

recorded in industries which are more dependent on foreign demand, manufacturing production still lags behind the 2008 average, by around 15% (by around one tenth in the EU-27).

Figure 11: Volume of industrial production in manufacturing by industries⁶

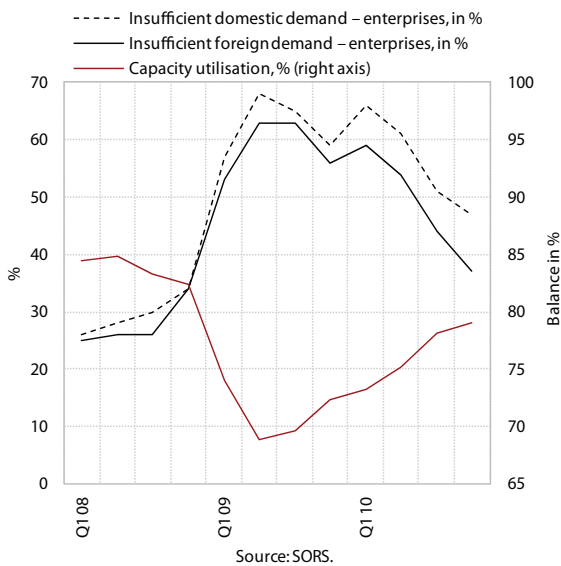


Capacity utilisation in manufacturing has been strengthening since the second half of 2009 but it is still below the pre-crisis level. Capacity utilisation increased to 79% in the last quarter of this year (82.4% in the last quarter). The increase

⁶ The industries are arranged by export orientation. The manufacture of coke and petroleum products is not covered, given its small share in the total activity.

was mainly due to growing demand. The number of enterprises citing insufficient domestic or foreign demand as the main limiting factors to production dropped again, though insufficient demand remains the main limiting factor in manufacturing. Current data still indicate weak domestic demand, as in the first eight months of the year turnover was still lower than in the same time last year, while turnover from the foreign market had already increased by 13.1%. Stronger demand is also reflected in a declining share of enterprises with excess capacities, but more than half of the surveyed enterprises nevertheless anticipate further cuts in the number of employees in the last months of the year.

Figure 12: Capacity utilisation and selected limiting factors in manufacturing



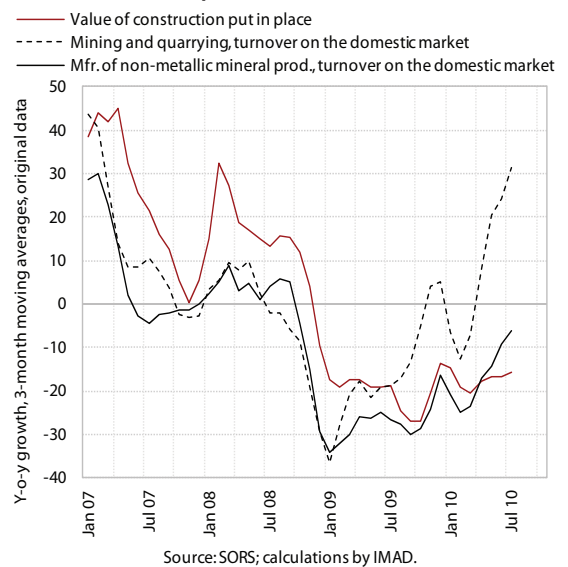
Construction activity increased slightly in August, but remained low. According to seasonally adjusted data, the value of construction put in place was 4.6% higher than in July. It was still 12.2% lower y-o-y, chiefly due to a more than 10% drop in activity at the end of last year, while this year it only declined by 1.5%. At the beginning of the year, the best figures were recorded by non-residential construction, in relative terms, but in the middle of the year, activity in non-residential construction declined. Civil engineering, on the other hand, recorded stronger activity, particularly in August. Activity in residential construction,⁷ which more than halved in two years, is still relatively low, despite the increase in August (23.8%).

Activities that are important suppliers to the construction sector have improved their business results in recent months. The mining and quarrying activity, which generates most of the turnover on the domestic market from sales of intermediate goods for construction, recorded more than

⁷ In interpreting the figure on the value of residential construction put in place, it should be noted that it does not include smaller enterprises, which are mainly engaged in construction of residential buildings, by our estimates.

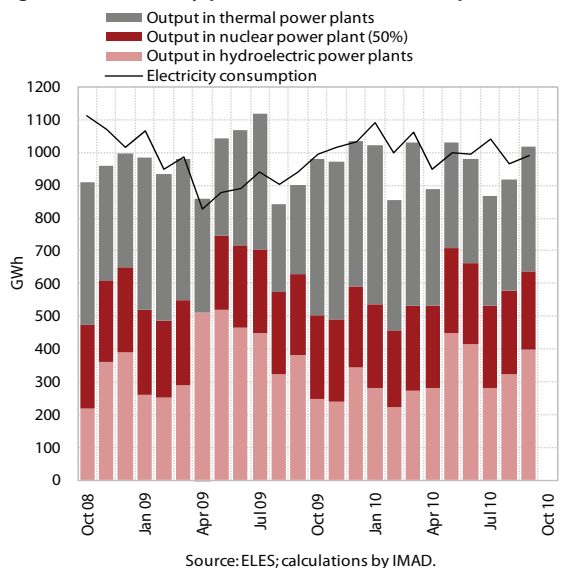
20% higher turnover y-o-y in the middle of the year, and in August, more than 70% higher turnover than in August 2009. Furthermore, turnover on the domestic market in the manufacture of non-metal mineral products, such as construction material, is falling at a slower pace than at the beginning of the year. Better (or less bad) results in these two activities suggest that the situation will also improve in construction (it already did, to a certain extent, in August).

Figure 13: Value of construction put in place and turnover in mining and quarrying and in the manufacture of non-metal mineral products



In September, y-o-y growth in **electricity** production was twice as high as growth in consumption. Electricity production was 9.5% higher y-o-y. It increased by as much as 38.8% in thermal power plants, 4.9% in hydroelectric power plants, while being somewhat lower than in

Figure 14: Electricity production and consumption



Box 3: (In)solvency

One of the indicators of insolvency is outstanding matured liabilities recorded for more than five consecutive days in a month, which are based on writs of execution and data on tax debt and represent only a small part of the insolvency problem. The records on legal entities with matured liabilities outstanding for more than five consecutive days in a month refer only to outstanding liabilities of legal entities (excluding sole proprietors) according to writs of execution and tax debt, while they do not include other outstanding liabilities (unpaid bills between creditors and debtors).

According to these records, 5,378 legal entities had outstanding matured liabilities for more than five consecutive days in a month in an average daily amount of EUR 312 m in September 2010. Their number increased by as much as 18.4% and the average daily amount of their outstanding matured liabilities by as much as 72.0% compared with the previous September. The greatest contributions to the increase in the total number of these entities came from legal entities in the sale, maintenance and repair of motor vehicles (22.6%), manufacturing (16.4%) and construction (16.2%). The bulk of the increase in the total amount of outstanding matured liabilities came from legal entities in construction (43.3%), financial and insurance sectors (25.6%) and manufacturing (11.5%). In both September 2010 and September last year, the number of legal entities with outstanding matured liabilities was highest in the construction sector (nearly one quarter), which also recorded the highest average amount of outstanding matured liabilities (its share in the total amount increased from 25.1% to 32.7% since September last year).

Figure 15: Legal entities with outstanding matured liabilities for more than five consecutive days in a month and average total amount of outstanding liabilities

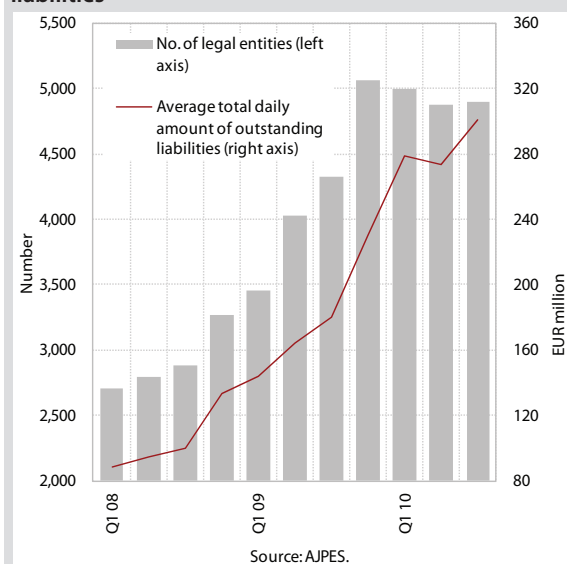


Figure 16: Beginning of bankruptcy procedures against legal entities

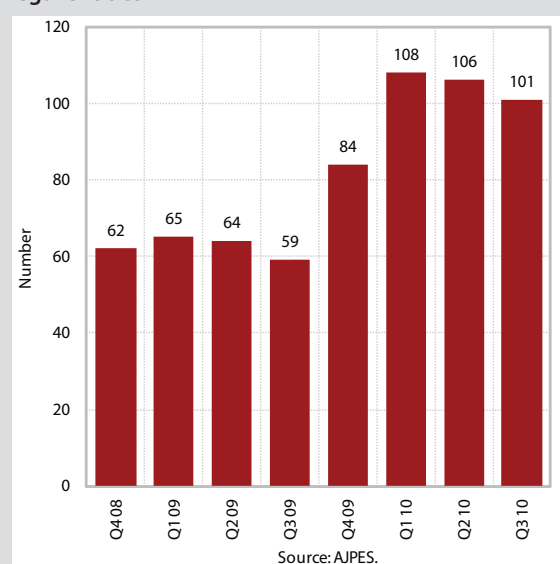


Table 4: Legal entities with outstanding matured liabilities for more than five consecutive days in a month, September 2010

Activity	Number of legal entities with outstanding matured liabilities (whole number)	Growth, in %			Average daily amount of outstanding matured liabilities in EUR	Growth, in %			Average daily amount of outstanding matured liabilities per legal entity, in EUR
		Sep. 10/ Dec. 09	Sep. 10/ Sep. 09	I-IX 10/ I-IX 09		Sep. 10/ Dec. 09	Sep. 10/ Sep. 09	I-IX 10/ I-IX 09	
Construction	1,185	-8.0	13.0	30.5	102,111,564	30.5	124.1	117.9	86,170
Financial and insurance activities	71	29.1	51.1	49.4	46,342,327	0.3	257.8	284.2	652,709
Other activities	1,292	0.5	14.4	20.9	43,329,747	27.7	55.2	37.4	33,537
Trade; maintenance and repair of motor vehicles	1,159	7.0	19.5	19.4	41,055,018	7.7	13.0	4.9	35,423
Manufacturing	708	6.9	24.0	26.8	36,944,866	27.7	68.2	108.0	52,182
Professional, scientific and technical activities	609	13.4	27.1	24.2	24,783,975	19.1	-11.9	-6.9	40,696
Transportation and storage	354	3.5	19.6	37.0	17,426,484	65.5	103.3	142.6	49,227
Total	5,378	2.4	18.4	25.1	311,993,981	21.5	72.0	74.6	58,013

Source: AJPES; calculations by IMAD.

In the first nine months of this year, the number of bankruptcy procedures filed against legal entities increased by more than two thirds compared with the same period last year. Our estimations of long-term insolvency of legal entities are based on data on initiated insolvency procedures. In the first nine months of this year, 24 compulsory settlement procedures (16 more than in the first nine months of last year), and 315 bankruptcy procedures (127 more than in the first nine months of last year) were filed against over-indebted legal entities, most of which in the sale, maintenance and repair of motor vehicles (79), manufacturing (68), construction (47) and professional, scientific and technical activities (29).

September 2009 in the nuclear power plant (-3.8%). The large y-o-y increase in electricity production in thermal power plants is a consequence of a low base due to the extensive renewal of the Šoštanj block 4 in the same period of last year, which otherwise accounts for around one third of total electricity production in thermal power plants. Electricity consumption increased by 5.1% y-o-y. Direct consumers (metal industry) accounted for 37% of the increase, the pumped-storage power plant Avče, which was connected to the network this year, 32%, the distribution network 24%, while the rest is attributable to higher losses in the transmission network. Direct consumption increased by 17.3% and consumption from the distribution network by 1.4% y-o-y, though the latter was still below what was recorded in the same month in the three years before the crisis year 2009. Slovenia thus recorded net electricity exports amounting to 3.5% of electricity consumption in September, while in the first nine months, Slovenia was a net importer of electricity; net imports on average amounted to 4.6% of electricity consumption (with the Croatian part of nuclear power production excluded from the calculation).

In the first half of 2010, the volume of road freight transport was already a few percents higher than in the comparable period in 2008, while rail freight transport remained below the pre-crisis levels. In the second quarter of this year, the volume of road freight transport and the volume of rail passenger transport increased by 10.7% and 33.9% y-o-y, respectively (both by nearly one fifth in the first quarter). This year's significantly higher y-o-y growth in rail freight

transport is expected and is mainly due to last year's significantly greater decline compared with what was recorded for road freight transport (-24.2% compared with -9.2%). The volume of road freight transport was thus already 3.4% higher y-o-y in the first half of this year than in the same period of 2008, while the volume of rail freight transport was still 5.3% lower. The volume of harbour transport and the volume of maritime freight transport were 8.6% and 6.7% higher y-o-y, respectively, in the first eight months of 2010. The volume of air passenger transport increased by 1.8%, while airport passenger traffic declined by 3.9%; both were negatively impacted by runway renovation works at Ljubljana's airport and the ban on flights due to volcanic eruptions in Iceland in April this year. Road interurban and urban passenger transport services declined by 5.4% and 1.7%, respectively, while the volume of rail passenger transport in the first half of 2010 remained at a similar level as in the same period last year.

According to August's data for distributive trade, turnover continues to grow in the sale of motor vehicles. Growth in turnover in retail trade has already been stagnating for several months, while growth in wholesale trade, which had risen in the first half of the year, came to a halt in the last two months. Real turnover in the sale and repair of motor vehicles has already been increasing since the second half of last year. Nominal turnover in wholesale trade declined significantly again in August (-2.1%), which interrupted in the last two months the gradual growth recorded since the beginning of the year. Turnover in retail trade, which had been fairly stable since mid-2009 (monthly swings excluded), fell in August (-2.9%). The volume of turnover in the sale of automotive fuels is the most volatile component of retail trade.⁸ It started to decline in 2009 as a result of a lower volume of road freight transport, as well as due to Slovenia's excise duty policy and higher fuel prices compared with the neighbouring countries. With renewed growth in the volume of road freight transport, the sale of automotive fuels started to increase at the end of last year. Turnover in the sale of food products, beverages and tobacco products has remained roughly at the 2005 average in 2010. Turnover in the sale of non-food products has persisted at the level recorded in the second half of 2009 for several months, but with different dynamics of turnover by activities. Turnover in stores selling furniture, household appliances and construction material, which had peaked in February 2008, had thus declined steeply until the beginning of this year when it stabilised at an otherwise fairly low level. Turnover

Figure 17: Road and rail freight transport

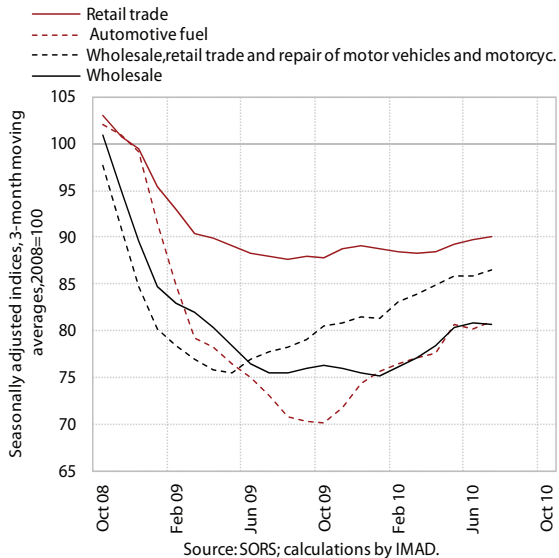


Source: SORS; calculations by IMAD.

⁸ In the retail sale of non-food products, food products and automotive fuels.

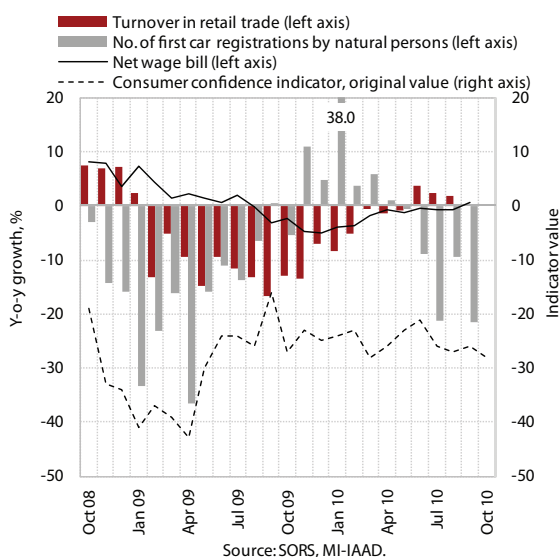
in stores selling computer and telecommunication equipment also declined last year, albeit less drastically, but is increasing steadily this year. Turnover in medicinal and cosmetic products and turnover in stores selling clothing and footwear, on the other hand, did not decline even in the time of the greatest crisis.

Figure 18: Turnover in trade sectors



Growth in nominal turnover in **accommodation and food services**, which had started at the end of last year, continued in August. Growth in August's turnover in accommodation and food service activities (0.6%, seasonally adjusted) was, by our estimate, largely related to a higher number of foreign tourists in Slovenia, as the number of their overnight stays increased by 1.6% y-o-y. Turnover in accommodation and food service activities was thus 4.6% higher y-o-y in August in nominal terms.

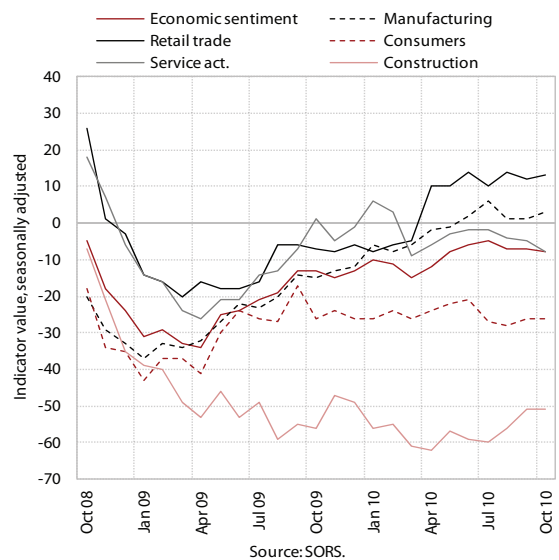
Figure 19: Household consumption indicators



Short-term indicators still indicate moderate **household consumption**. Certain indicators have improved slightly y-o-y, but largely as a result of last year's drops. The net wage bill paid out in September was slightly higher for the first time in a year (by 0.7% in real terms). Turnover in retail trade was again higher y-o-y in September. The consumer confidence indicator has been stagnating since July while the number of new car registrations has been lower y-o-y since May.

The seasonally adjusted value of the **sentiment indicator** deteriorated slightly again in October. The deterioration reflects the decline in the seasonally adjusted value of the confidence indicator in services, while the values of this indicator improved slightly in manufacturing and retail trade. The consumer confidence indicator and the confidence indicator in construction, which are otherwise the lowest among the five sub-indices, remained unchanged in October.

Figure 20: Business trends



Labour market

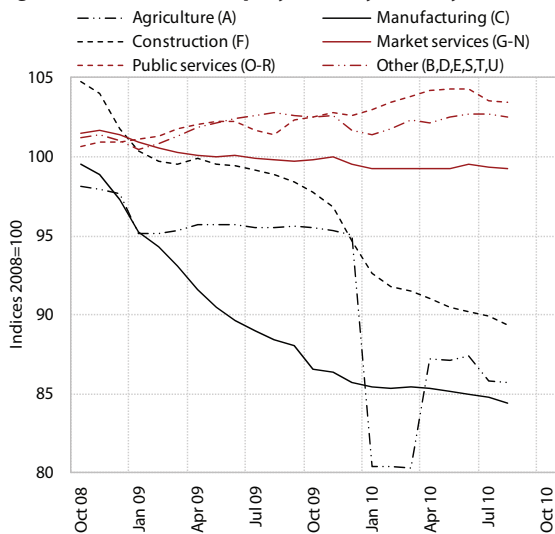
Employment continued to decline slightly also in August. The total number of employed persons declined by 1,920 (-0.2%, according to both original and seasonally adjusted data). The number of employed people fell (2,391), in particular, while the number of the self-employed rose (471). The number of sole proprietors and own-account workers increased, while the number of self-employed farmers declined. Broken down by activities, in August, the number of employed persons declined most notably in manufacturing (by 829). The total number of persons in employment was still 2.3% lower y-o-y.

Table 5: Persons in formal employment by activity

	Number in 1,000				Y-o-y growth rates, %		
	2009	VIII 09	VII 10	VIII 10	2009/2008	VIII 10/VII 10	VIII 10/VIII 09
A Agriculture, forestry and fishing	37.9	37.9	34.1	34.0	-4.5	-0.2	-10.3
B Mining and quarrying	3.3	3.3	3.0	3.0	-7.5	-0.6	-9.5
C Manufacturing	199.8	196.5	188.5	187.7	-10.1	-0.4	-4.5
D Electricity, gas, steam and air conditioning supply	7.9	8.0	8.0	8.0	2.9	-0.2	0.0
E Water supply sewerage, waste management and remediation activities	9.0	9.1	9.3	9.3	2.3	0.1	1.7
F Construction	86.8	86.9	79.1	78.6	-1.3	-0.6	-9.6
G Wholesale and retail trade, repair of motor vehicles and motorcycles	114.6	114.0	111.6	111.5	-1.0	-0.1	-2.2
H Transportation and storage	49.8	49.4	47.9	47.8	-2.8	-0.1	-3.1
I Accommodation and food service activities	34.0	34.1	33.3	33.2	0.6	-0.1	-2.6
J Information and communication	22.5	22.4	22.5	22.5	2.8	0.0	0.3
K Financial and insurance activities	24.5	24.3	24.5	24.4	1.0	-0.3	0.5
L Real estate activities	4.4	4.4	4.3	4.3	4.7	-0.2	-1.6
M Professional, scientific and technical activities	44.8	45.1	47.1	47.1	4.6	0.0	4.5
N Administrative and support service activities	25.6	25.6	26.6	26.6	-1.7	0.2	4.1
O Public administration and defence, compulsory social security	51.5	51.7	52.2	52.1	1.1	-0.2	0.7
P Education	61.7	60.4	62.4	62.3	2.8	-0.3	3.0
Q Human health and social work activities	52.1	52.2	53.4	53.4	2.1	0.0	2.2
R Arts, entertainment and recreation	14.1	14.1	14.1	14.2	1.8	0.2	0.6
S Other service activities	13.3	13.4	13.5	13.5	3.7	-0.1	0.6
T Activities of households as employers, undifferentiated goods - and services - producing activities of households for own use	0.5	0.6	0.6	0.6	7.0	-1.7	-0.9

Source: SORS; calculations by IMAD.

Figure 21: Persons in employment by activity

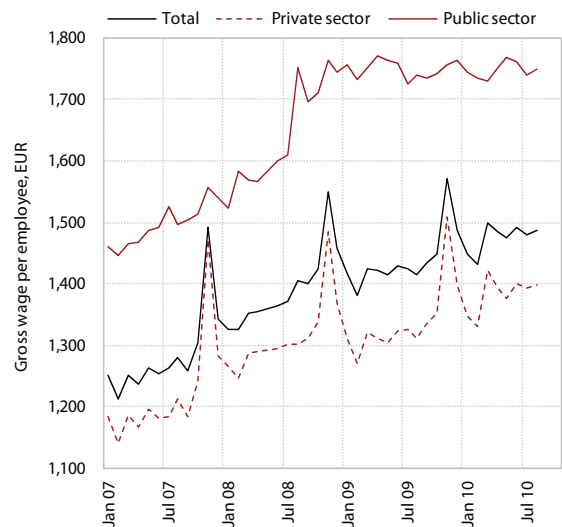


Source: SORS; calculations by IMAD.

In the third quarter, the number of vacancies was 9.5% higher y-o-y. There were 15,786 vacancies (+6.2% y-o-y) in September and 45,872 in the third quarter as a whole, most of which were for fixed-term jobs (82.3%). The highest number of vacancies was recorded for persons with secondary education and in manufacturing. In the third quarter, the number of vacancies increased most notably y-o-y in manufacturing, while it decreased the most in

distributive trade and in maintenance and repair of motor vehicles. The number of new hires rose substantially in September, largely due to the seasonal impact of the autumn increase in employment in education (to 13,035, +3.1% y-o-y), but was nevertheless still 1.0% lower in the third quarter as a whole than in the same period last year. The number of persons hired declined most notably in construction.

Figure 22: Vacancies and new hires



Source: SORS; calculations by IMAD.

Registered **unemployment** continues to increase, according to seasonally adjusted data, while September's decline in the number of unemployed persons is a consequence of a favourable seasonal impact. At the end of September, 97,908 persons were registered as unemployed, which is 1,124 persons less than in August and 9,542 more than in September last year. Even though in September, the inflow into unemployment was higher than in the previous month (the number of first-time job-seekers increased, in particular, but also the inflow into unemployment due to job loss), the decline in unemployment resulted from a higher number of the unemployed who found work (6,771, which is 70.9% more than in August and 22.1% more than in September last year), and a higher number of unemployed persons who were deleted from the register for reasons other than employment (particularly transition to inactivity due to education). The high number of hires in September reflects the usual fixed-term hiring in autumn, particularly in the education sector due to the beginning of the school year. This seasonal movement thus masks the monthly increase in unemployment, which is reflected in seasonally adjusted data, according to which unemployment was 1.13% higher in September relative to August. Within the unemployed persons who found jobs in September, the number of those included in public works (where the number of participants is determined based on quotas announced in a public tender) increased significantly.⁹ The registered unemployment rate increased by 0.1 p.p. in August, to 10.6%.

In the third quarter of 2010, the average number of registered unemployed persons remained at approximately the same level as in the previous quarter, but the unemployment structure is changing. In the third quarter as a whole, the number of unemployed persons was 186 persons lower than in the second, while the seasonally adjusted growth rate accelerated from 1.8% in the second quarter to 2.4%. The number of unemployed persons was 11.5% higher y-o-y (10,139 persons). The inflow of first-time job-seekers and the inflow into unemployment due to job loss increased compared with the previous quarter (by 14.7% and 11.2%, respectively), but remained around 8% lower y-o-y. At the same time, the number of unemployed persons who found work increased (20.5% compared with the previous quarter and 9.3% y-o-y), while the net outflow from unemployment for other reasons declined (by around 12%, both compared with the previous quarter and y-o-y). The number of unemployed persons with higher education continues to rise, as does the number of long-term unemployed persons and those aged over 50, while the number of unemployed persons with secondary and lower education, the number of the young and the number of those who have been unemployed for less than

one year declined. The increase in the number of long-term unemployed persons is also reflected in the average duration of unemployment, which rose to 624 days in the third quarter of this year (21 more than in the second quarter and 13 more than in the third quarter of 2009) and was longest for unemployed women and unskilled persons. The number of unemployed women, which is otherwise still lower than the number of unemployed men, is still rising, while the number of men has started to decline.

Figure 23: Registered unemployment by educational structure

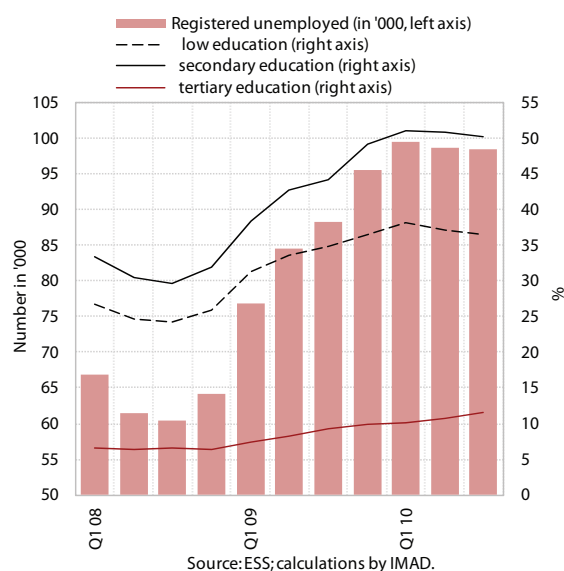


Table 6: Labour market indicators

v %	2009/ 2008	VIII 10/ VII 10	VIII 10/ VIII 09	I-VIII 10/ I-VIII 09
Labour force	0.2	-0.1	-0.9	-1.0
Persons in formal employment	-2.4	-0.2	-2.3	-2.9
- Employed in in enterprises and organisations and by those self-employed	-2.5	-0.3	-2.2	-2.9
Registered unemployed	36.6	0.6	12.4	19.7
Average nominal gross wage	3.4	0.4	5.1	4.1
- private sector	1.8	0.4	6.7	5.5
- public sector	6.5	0.5	0.5	-0.2
	2009	VIII 09	VII 10	VIII 10
Rate of registered unemployment, in %	9.1	9.4	10.5	10.6
Average nominal gross wage (in EUR)	1,438.96	1,415.08	1,480.69	1,487.20
Private sector (in EUR)	1,338.77	1,310.16	1,392.58	1,398.14
Public sector (in EUR)	1,749.82	1,739.82	1,739.58	1,749.06

Sources: ESS, SORS; calculations by IMAD.

⁹ Quotas are determined based on statistical data on the average unemployment rate and the share of unemployed persons by regional services of the Employment Service of Slovenia and with regard to Slovenia as a whole, the shares of target groups of unemployed persons and the regional approach to a faster reduction of regional disparities. Source: Changes in the Programme of Public Works for 2009 and 2010 for 2010.

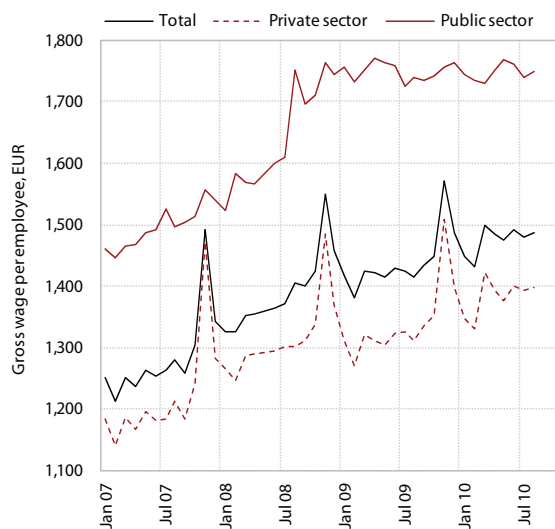
Table 7: Wages by activities

	Gross wage per employee, in EUR		Growth rates, %			
	2009	VIII 2010	2009/ 2008	VIII 10/ VII 10	VIII 10/ VIII 09	I-VIII 10/ I-VIII 09
A Agriculture, forestry and fishing	1.198,03	1.272,50	-0,2	-0,6	8,6	5,2
B Mining and quarrying	1.831,20	1.834,81	0,9	0,3	1,8	3,3
C Manufacturing	1.203,38	1.315,61	0,8	1,7	11,0	10,0
D Electricity, gas, steam and air conditioning supply	2.020,95	2.026,67	3,8	3,4	6,5	3,6
E Water supply sewerage, waste management and remediation activities	1.413,04	1.395,13	2,0	-0,8	2,9	2,7
F Construction	1.160,16	1.224,55	1,0	0,2	6,5	4,3
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1.277,51	1.307,65	1,9	-0,3	4,5	3,6
H Transportation and storage	1.393,16	1.394,85	0,7	-0,2	3,4	1,5
I Accommodation and food service activities	1.032,97	1.078,31	1,6	0,8	4,1	3,6
J Information and communication	2.038,65	2.053,45	1,4	0,1	4,3	2,2
K Financial and insurance activities	2.122,72	2.046,10	-0,7	-4,4	1,2	2,4
L Real estate activities	1.435,09	1.428,75	1,9	-1,4	3,1	3,9
M Professional, scientific and technical activities	1.737,98	1.769,07	2,1	1,6	3,9	2,0
N Administrative and support service activities	914,93	959,87	1,8	1,1	5,3	3,7
O Public administration and defence, compulsory social security	1.788,30	1.787,53	5,9	0,0	-0,1	-1,0
P Education	1.719,27	1.715,50	3,6	0,4	1,2	0,6
Q Human health and social work activities	1.752,78	1.751,88	12,0	1,0	0,2	-0,4
R Arts, entertainment and recreation	1.723,15	1.739,19	3,9	2,5	1,1	1,0
S Other service activities	1.340,92	1.394,13	1,3	-0,1	5,9	4,5

Source: SORS; calculations by IMAD.

The average gross **wage** per employee increased in August after the decline in July (by 0.4% in nominal terms), while its y-o-y growth strengthened to 5.1%. In the first eight months, the total gross wage increased by 4.1% y-o-y, similar to last year (4.3%), but only due to wage growth in the private sector, while in the same period of last year, the bulk of growth was attributable to higher wages in the public sector.

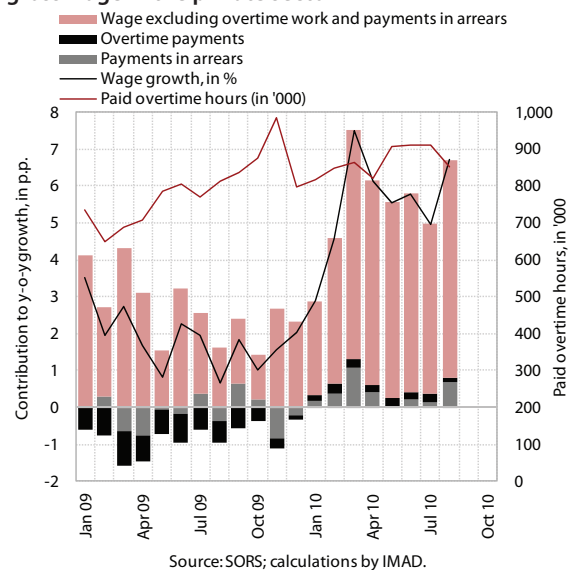
Figure 24: Gross wage per employee



Source: SORS; calculations by IMAD.

In the private sector, the average gross wage per employee increased by 0.4% in August and y-o-y growth accelerated again (6.7%). With negative contributions of overtime payments and the basic growth wage, August's increase in the gross wage in the private sector was solely a result of higher payments in arrears¹⁰. At the y-o-y level, growth also

Figure 25: Breakdown of the monthly increase of the gross wage in the private sector



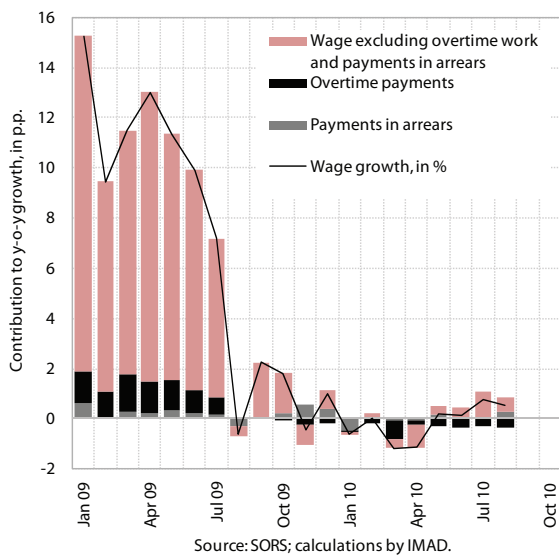
Source: SORS; calculations by IMAD.

¹⁰The greatest contribution to their growth came from real estate activities, information and communication activities, construction activities, professional activities, manufacturing and electricity, gas and steam supply.

strengthened due to the distribution of working days, but despite a somewhat higher contribution of payments in arrears, the bulk of wage growth still came from the basic gross wage (5.9 p.p.), which rose significantly upon the increase in the minimum wage in March.¹¹ In the first eight months, the gross wage in the public sector increased by 5.5%¹² y-o-y (2.0% last year), being significantly impacted by outstanding wage rises in manufacturing (10.0%). The latter is related to several factors: the increase in the minimum wage, the strengthening industrial production volume and labour productivity, the impact of changes in employment structure and the low base effect.

The average gross wage per employee in the public sector also rose in August (by 0.5%). It also strengthened by the same amount y-o-y. After July's decline in the gross wage in the public sector (despite the 0.65% adjustment), August's increase was expected.¹³ After high increases in 2008 and 2009, y-o-y growth is much slower this year due to a more restrictive government policy. The average gross wage in the public sector in the first eight months of the year is thus slightly lower than in the same period last year (-0.2%; 9.5% last year).

Figure 26: Breakdown of the monthly increase in the public sector gross wage



¹¹ The contributions of overtime payments to wage growth are modest this year, as the volume of paid overtime hours remains much lower than before the crisis, even though it strengthened somewhat relative to last year.

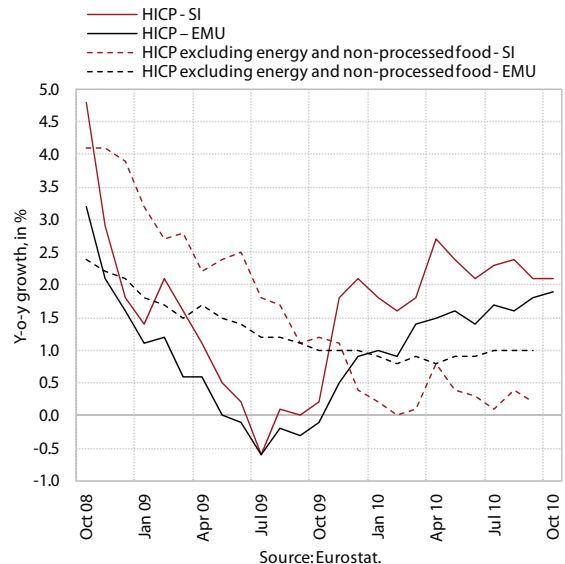
¹² Growth remains highest in the industry group (B-E; 9.3%) and lowest in business services (J-N, S, 2.3%).

¹³ The gross wage increased most notably in arts, entertainment and recreation (2.5%), followed by health and social work (1.0%) and education (0.4%), while it stagnated in public administration (0.0%).

Prices

Consumer prices rose by 0.1% in October, while year-on-year inflation totalled 1.9% (2.0% in September). In the first nine months of this year, prices increased by 1.5% in Slovenia (last year by 1.4%). Y-o-y inflation in the euro area was also 1.9% (HICP) in October, according to the preliminary data by Eurostat.

Figure 27: Y-o-y and core inflation in Slovenia and in the euro area (HICP)



Consumer prices increased by 1.6%¹⁴ in the first nine months of this year, mainly due to higher prices of goods. Prices of goods increased by 2.2% in this period, mainly due to higher prices of energy (1.3 p.p.), especially liquid fuels for transport and heating due to oil price rises and higher excise duties (around 0.6 p.p.). Growth in prices of non-processed food, particularly fresh fruit, and prices of processed food, alcohol and tobacco contributed 0.8 p.p. to inflation, approximately one half of which resulted from higher excise duties on alcohol and tobacco. Prices of non-energy industrial good, which account for roughly 30% of the harmonised index of consumer prices, dropped by 2.0% in this period, lowering inflation by 0.6 p.p. The movement of prices of these goods is most notably affected by prices of durable goods, mainly the declining prices of motor vehicles. In the first nine months of the year, prices of services increased much less (0.4%) than in the same period last year (2.6%), which is largely attributable to the introduction of subsidised meals in primary schools in September.

Amid the fluctuation of y-o-y inflation, which mainly reflects oil price swings and tax impacts, core inflation remains low. The movement of various core inflation measures (the price index excluding the prices of non-processed food and energy, weighted median and optimum trimmed mean) is thus consistent with weak economic activity. In

¹⁴ Measured by the HICP.

Table 8: Breakdown of HICP into sub-groups – the first nine months of 2010

	Euro area			Slovenia		
	Cum. %	Weight %	Contribution in p.p.	Cum %	Weight %	Contribution in p.p.
Total HICP	1.1	100.0	1.1	1.5	100.0	1.5
Goods	1.4	58.0	0.8	2.2	66.2	1.5
Processed food, alcohol and tobacco	0.8	11.9	0.1	3.7	14.8	0.5
Non-processed food	1.9	7.3	0.1	4.7	6.9	0.3
Non-energy industrial goods	-0.2	29.3	-0.1	-2.0	30.7	-0.6
Durables	0.4	9.5	0.0	-3.6	11.5	-0.4
Non-durables	0.7	8.3	0.1	0.2	8.8	0.0
Semi-durables	-0.8	11.5	-0.1	-0.9	10.3	-0.1
Energy	7.0	9.6	0.7	9.1	13.9	1.3
Electricity for households	2.0	2.4	0.0	5.9	2.6	0.2
Natural gas	7.0	1.5	0.1	16.2	0.8	0.1
Liquid fuels for heating	16.0	0.8	0.1	20.4	1.5	0.3
Solid fuels	0.3	0.1	0.0	-4.0	1.0	0.0
District heating	-3.1	0.5	0.0	14.6	0.8	0.1
Fuels and lubricants	9.2	4.2	0.4	8.5	7.2	0.6
Services	0.8	42.0	0.3	0.4	33.8	0.1
Services – dwellings	1.3	10.2	0.1	4.7	2.7	0.1
Services – transport	1.4	6.6	0.1	1.5	5.2	0.1
Services – communications	-0.4	3.3	0.0	2.4	3.4	0.1
Services – recreation, repairs, personal care	0.1	14.9	0.0	-1.9	14.3	-0.3
Services – other services	1.1	7.1	0.1	1.8	8.1	0.1
HICP excluding energy and non-processed food	0.3	83.1	0.2	-0.1	79.3	-0.1

Source: Eurostat; calculations by IMAD.

Note: ECB classification

September, y-o-y inflation excluding non-processed food and energy amounted to 0.2%¹⁵ in Slovenia and 1.0% in the euro area. The difference between core inflation in Slovenia and in the entire euro area also reflects the difference in the speed of economic recovery.

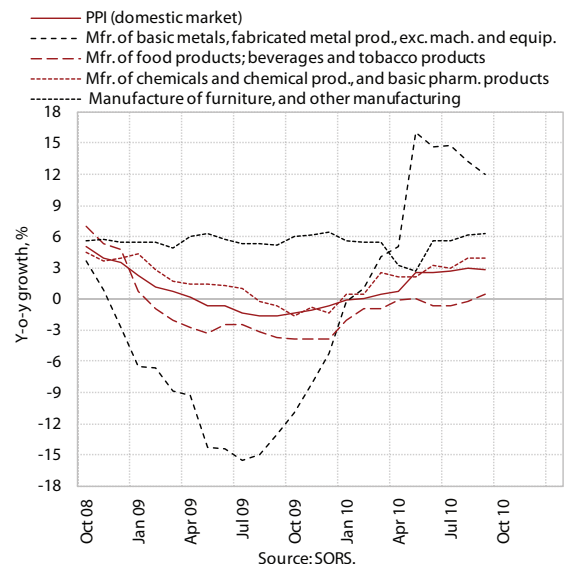
Y-o-y growth in **producer prices on the domestic market** has been hovering just below 3% in recent months. It was 2.8% in September, with its dynamics and level still being mainly impacted by y-o-y price growth in the manufacture of metals and metal products, which, in line with movements of metal prices in international markets, slowed to 12% in September from just over 16% in May this year. Data on import prices of metals and metal products indicate a further moderation of growth. Price movements in other manufacturing industries remain highly heterogeneous; relatively high y-o-y growth rates are recorded in the manufacture of textiles and clothing, chemicals and pharmaceutical products, as well as in water collection, treatment and supply.

Under the impact of the increase in relative consumer prices,¹⁶ **price competitiveness** continued to improve at a moderate pace y-o-y in August. After the one-month increase in

¹⁵Y-o-y growth rates of core inflation measures in Slovenia moved between 0.2% and 1.1% in September.

¹⁶In Slovenia, compared with its trading partners.

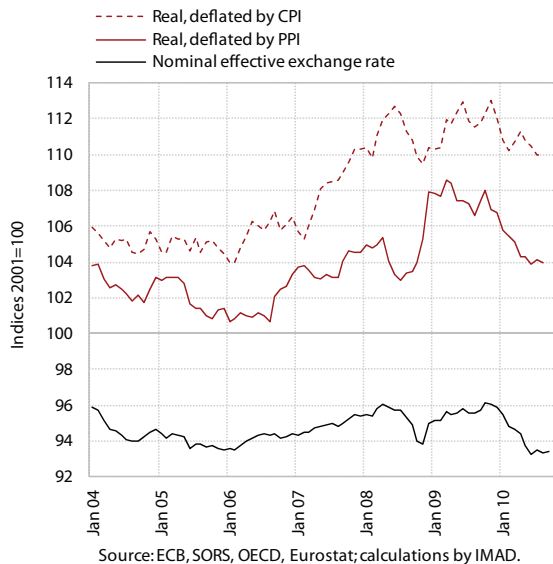
Figure 28: Industrial producer prices



July, the nominal effective exchange rate dropped once again in August, amid a slower appreciation of the euro against the US dollar, while the euro lost value against most other currencies of Slovenia's main trading partners, particularly against the PLN, CZK, JPY and GBP. Due to concurrent growth in relative consumer prices, the real

effective exchange rate was at the July level in August, while its y-o-y decline slowed to 1.4%.¹⁷ Measured by relative producer prices in manufacturing, Slovenia's price competitiveness improved in August, both monthly and y-o-y.

Figure 29: Nominal and real effective exchange rates



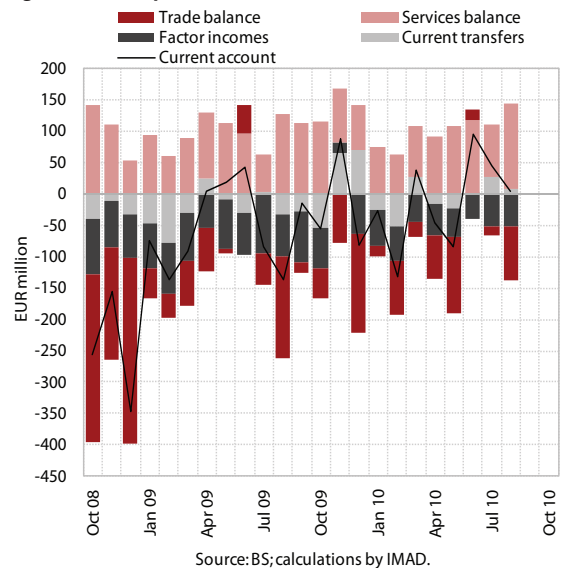
Balance of payments

The **current account of the balance of payments** recorded a modest surplus (EUR 4.7 m) in August and a deficit of EUR 109.5 m in the first eight months of the year. The y-o-y change in the balance of current transactions in August (a deficit of EUR 136.4 m in August last year) was mainly due to a lower deficit of merchandise trade and a positive balance of current transfers, while in the first eight months (a deficit of EUR 460.3 m in the same period of last year), it was mainly attributable to a lower deficit in the balance of factor incomes and current transfers.

The surplus in goods and services trade declined in August; at the y-o-y level, the deficit turned into a surplus. The deficit of merchandise trade with the EU countries continued to decline and the surplus in trade with non-EU countries increased. In the first eight months of this year, the total deficit in merchandise trade climbed to EUR 398.6 m, which is roughly the same level as in the same period last year. The surplus in the services balance increased seasonally in August and was also higher y-o-y. The latter is largely a result of a higher trade surplus in travel services and trade surpluses in road transport and maritime transport services. The y-o-y widening of the trade deficit in the group of other services largely reflected a higher deficit in trade in licences, patents and copyrights, and

¹⁷ After the 1.6% drop in July and the 2.2% drop in June, the real effective exchange rate deflated by the relative CPI was 1% lower than a year earlier in the first eight months.

Figure 30: Components of the current account balance



various professional and technical services, and a much lower surplus in trade in construction services. In the first eight months of this year, the services balance recorded a surplus of EUR 748.3 m, EUR 9.4 m less than in the same period of 2009.

The deficit in the balance of factor incomes continues to narrow y-o-y due to net outflows of capital income, while the balance of current transfers was positive for the third month in a row. The main factor in the y-o-y decline in the deficit of capital income was lower net outflows from equity of direct investment, which are still estimates in the current balance of payments data. Total net interest payments to the rest of the world increased y-o-y in August, for the first time this year. Since January this year, interest payments from investment in securities have exceeded interest receipts from this source, as a consequence of bonds issued by the government and banks in 2009. With domestic commercial banks repaying loans and with interest rates in international capital markets remaining low, net interest payments on foreign loans have declined y-o-y for the entire year, though the decline eased somewhat in the last few months. The balance of current transfers ran a slight surplus once again in August, largely because Slovenia's net budgetary position again recorded a net surplus against the EU.

Financial transactions (excluding international reserves) recorded a net capital inflow of EUR 19.1 m in August (a net outflow of EUR 92.3 m in August last year). The net capital inflow of the BS exceeded the net capital outflows of the private and government sectors. After reducing them in July, the BS increased its liabilities against the TARGET2 position again August (by EUR 331.2 m) to provide liquidity for domestic banks. The level of the net capital outflow of the private sector was chiefly influenced by flows from other investments, i.e. investments by domestic commercial banks and other sectors (short-term

Table 9: Balance of payments

I-VIII 10, EUR m	Inflows	Outflows	Balance ¹	Balance, I-VIII 09
Current account	16,052.2	16,161.7	-109.5	-460.3
- Trade balance (FOB)	11,830.9	12,229.5	-398.6	-396.2
- Services	2,955.9	2,207.6	748.3	734.6
- Income	590.1	987.0	-396.8	-591.1
Current transfers	675.2	737.6	-62.4	-207.7
Capital and financial account	3,080.7	-2,665.0	415.7	-44.1
- Capital account	188.4	-153.0	35.4	31.7
- Capital transfers	187.4	-150.1	37.3	37.1
- Non-produced, non-financial assets	1.1	-2.9	-1.9	-5.5
- Financial account	2,892.2	-2,512.0	380.2	-75.7
- Direct investment	232.3	-68.5	163.8	-424.3
- Portfolio investment	2,228.9	-576.2	1,652.7	2,673.5
- Financial derivatives	-57.0	-0.5	-57.4	-7.7
- Other investment	488.0	-1,871.2	-1,383.2	-2,452.6
- Assets	328.4	-259.4	69.0	648.4
- Liabilities	159.6	-1,611.7	-1,452.1	-3,101.0
- Reserve assets	0.0	4.3	4.3	135.4
Net errors and omissions	0.0	-306.1	-306.1	504.4

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.

household deposits), which placed currency and deposits into accounts abroad (in the amount of EUR 431.3 m). Net inflows of foreign direct investment were still modest. The net outflow of foreign investment in *general government* debt securities totalled EUR 46.8 m.

Totalling EUR 11.2 bn at the end of August 2010, net external debt increased by EUR 0.5 bn or 1.1 p.p. compared with the end of 2009, to 31.2% of estimated GDP. Gross external debt increased more than gross external claims. At the end of August, Slovenia's *gross external debt* totalled

EUR 41.6 bn (116.3% of GDP), EUR 1.3 bn more than in December 2009. The increase was largely attributable to long-term general government borrowing based on bonds. *Gross external claims* amounted to EUR 30.4 bn at the end of August (85.0% of GDP), EUR 0.8 bn more than in December last year; short-term deposits increased, in particular, and that currency and deposits of other sectors (where enterprises prevail).

Financial markets

The lending activity in September (net flows of EUR 102.2 m) was the highest in the third quarter, but lower than in the first half of the year as a whole. Also in September, the greatest share came from household borrowing, despite a significant easing relative to August, while positive net flows were also recorded by enterprises and NFIs, which still have to cope with fairly tight liquidity conditions, as well as by the general government. In the first three quarters of the year, the net flow of domestic bank loans to domestic non-banking sectors exceeded EUR 1 bn and was almost one fifth higher than in the same period last year on account of increased household borrowing. In September, banks recorded net outflows of government and household deposits in the amount of just above EUR 220 m. The liabilities to the Eurosystem declined slightly more. Based on data from balance sheets of other monetary financial institutions, we estimate that in September, foreign sources (loans and deposits combined) recorded net inflows exceeding EUR 200 m, which is one of the highest values this year.

Figure 31: Financial transactions of the balance of payments by sector

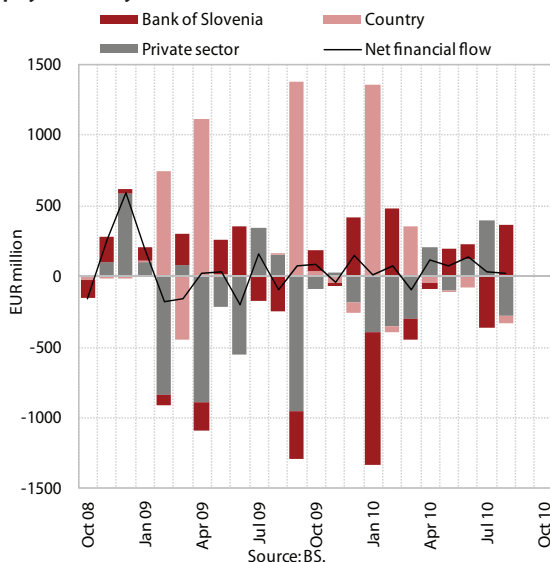
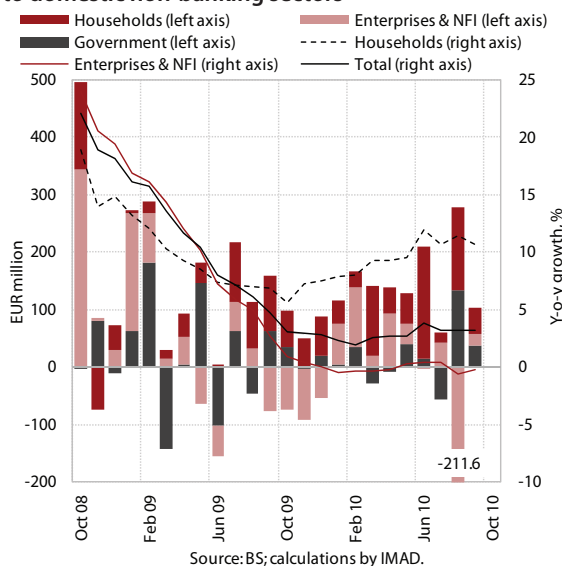


Table 10: Financial market indicators

Domestic bank loans to non-banking sector and household savings	Nominal amounts, EUR bn		Nominal loan growth, %		
	31. XII 09	30. IX 10	30. IX 10/ 31. VIII 10	30. IX 10/ 31. XII 09	30. IX 10/ 30. IX 09
Loans total	32,444.95	33,481.17	0.3	3.2	3.2
Enterprises and NFI	23,161.09	23,332.19	0.1	0.7	-0.2
Government	870.95	1,043.15	3.8	19.8	27.5
Households	8,412.91	9,105.83	0.5	8.2	10.6
Consumer credits	2,899.95	2,818.44	-0.1	-2.8	-2.7
Lending for house purchase	3,927.13	4,671.96	0.8	19.0	24.5
Other lending	1,585.84	1,615.43	0.5	1.9	2.1
Bank deposits total	14,313.07	14,687.67	-0.2	2.6	4.0
Overnight deposits	5,655.00	6,153.32	-0.3	8.8	9.5
Short-term deposits	5,116.28	4,551.63	-1.1	-11.0	-15.0
Long-term deposits	2,874.95	3,971.02	0.9	38.1	54.2
Deposits redeemable at notice	666.84	11.70	-10.7	-98.2	-97.9
Mutual funds	1,856.30	1,941.75	0.7	4.6	7.5

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

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



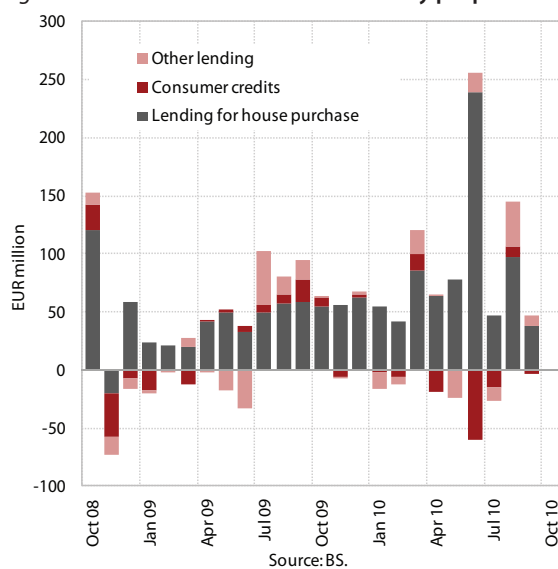
Source: BS; calculations by IMAD.

The lending activity also remains weak in the euro area. The volume of loans increased by 0.2% at the monthly level, while y-o-y growth remained at 2.5%, i.e. at the level of the previous month. As in Slovenia, households also account for the bulk of net borrowing in the euro area, while corporate and NFI borrowing exceeded last year's level in the first three quarters of the year, but was nevertheless still modest. Total net flows of loans in the euro area thus amounted to EUR 265.4 bn in that period, while in the same period of last year non-banking sectors repaid their loans in the amount of EUR 8.8 bn net.

Household borrowing fluctuates significantly in Slovenia. Posting net flows of EUR 43.9 m, it lagged notably behind this year's average in September, which is

largely attributable to significantly lower net borrowing in the form of housing loans, which totalled EUR 38.1 m, the lowest figure in the last year and a half. Despite the slowdown, housing loans remained by far the most important form of household borrowing and in the first nine months of the year, their net flows were twice as high as in the same period last year.

Figure 33: Net flows of household loans by purpose

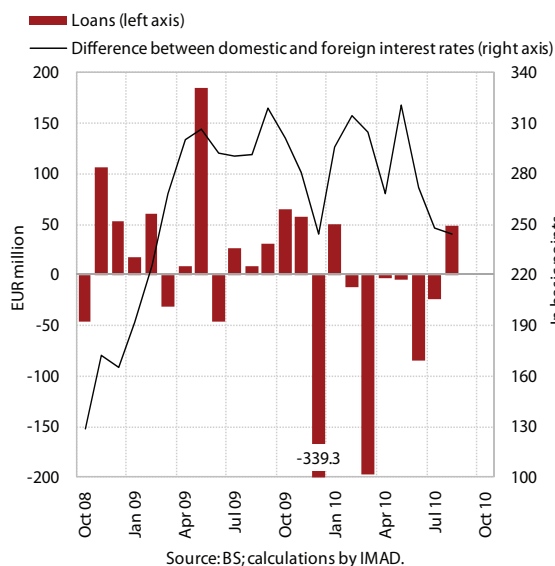


Source: BS.

After the sizeable net repayment of loans in August, **enterprises and NFIs** recorded a positive, albeit still modest, net flow in September (EUR 19.8 m). Enterprises raised loans again, while NFIs continued to repay loans taken out with domestic banks. Enterprises and NFIs thus borrowed a net EUR 171.1 m from domestic banks in the first three quarters of the year, nearly 30% less than in the same period last year. After repaying foreign loans in a

net amount for six consecutive months, enterprises and NFIs again recorded positive net inflows in August. These amounted to EUR 48.5 m, solely as a consequence of borrowing in the form of long-term loans, which were, at EUR 59.1 m, the highest since May 2009; enterprises and NFIs, on the other hand, continued to net repay short-term loans, albeit in a smaller amount. Enterprises and NFIs thus made net repayments of foreign loans in the amount of EUR 228.6 m in the first eight months, while they borrowed a similar amount in the same period last year. Despite foreign net borrowing in August, enterprises and NFIs together repaid EUR 77.3 m net to domestic and foreign banks in the first eight months of this year, while they had borrowed nearly EUR 550 m in the same period of last year.

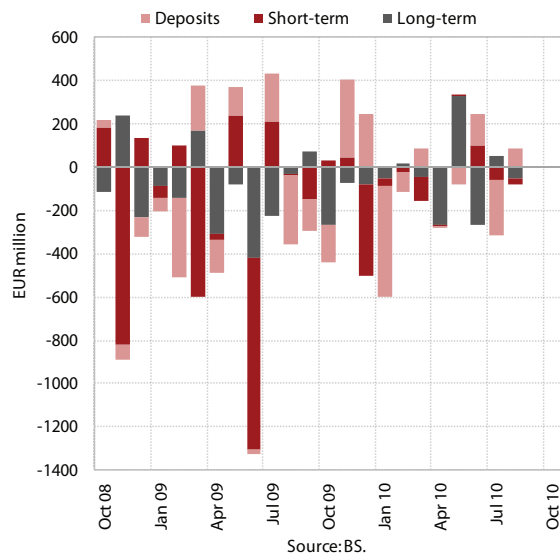
Figure 34: Net corporate and NFI borrowing abroad and differences in interest rates



The financing of the banking sector abroad remains fairly limited. In August, banks otherwise recorded net inflows in the amount of EUR 2.7 m as a result of somewhat higher inflows of foreign deposits, while loans (short-term and long-term) recorded a net outflow of EUR 81.6 m. In the first eight months of the year, banks thus net repaid EUR 1.1 bn of foreign deposits and loans, which is nearly 60% less than in the same period last year. The decline is attributable to lower net repayments of loans, while repayments of foreign deposits strengthened by more than 70% in the same period.

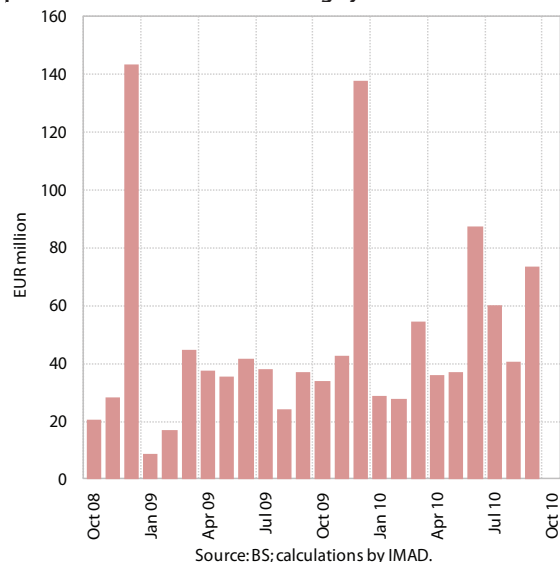
The strong creation of additional impairments and provisions in the Slovenian banking system also continued in September. In September, banks created EUR 73.6 m of additional impairments and provisions, which is the second highest value this year since June (EUR 87.3 m). In the first three quarters of the year, banks already created almost EUR 450 m of additional impairments and provisions, just above 55% more than in the comparable period last year. Amid all unfavourable factors in the

Figure 35: Net bank borrowing abroad



Slovenian credit market, interbank interest rates started to increase again over the last months, which may put additional pressure on borrowers and strengthen the deterioration of the quality of Slovenian banks' total assets.

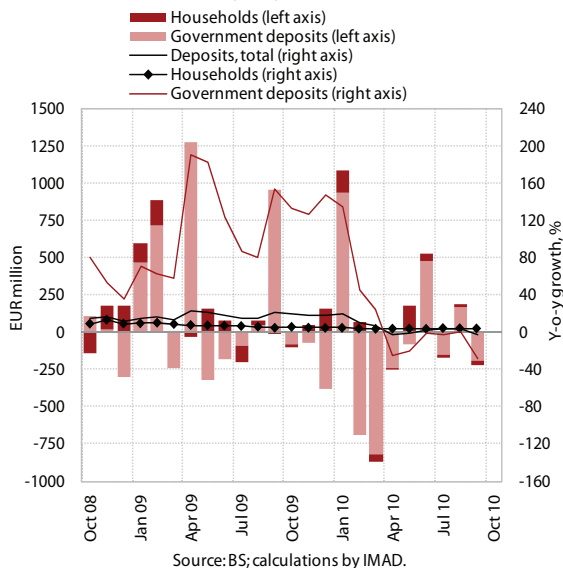
Figure 36: Creation of additional impairments and provisions in Slovenia's banking system



Household deposits (EUR 34.0 m) and government deposits recorded net outflows in September. Inflows of long-term household deposits, which recorded the lowest net inflows in the last twelve months (EUR 36.8 m), declined again. Total net inflows of household deposits amounted to EUR 374.6 m in the first three quarters of this year, down 13.4% from the same period last year. Government deposits recorded net outflows of EUR 186.7 m in September, which is the highest amount in

the last five months. The decline was almost entirely due to the outflow of short-term time deposits. Government deposits thus recorded net outflows of close to EUR 600 m in the first three quarters of this year (in the same period of last year, net inflows of EUR 2.6 bn).

Figure 37: Net inflows of household and government deposits in banks and y-o-y change in stock



Public finance

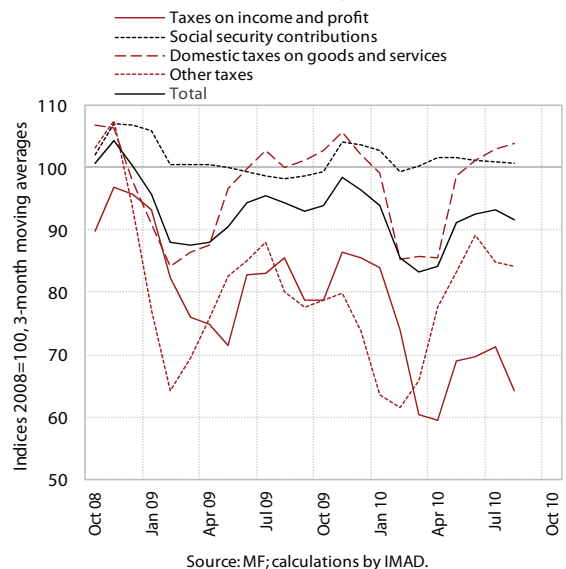
In the first nine months of 2010, revenue from **taxes and social security contributions**¹⁸ dropped by 1.6% relative to the same period last year, with payments amounting to EUR 9.5 bn. After the increase in August (4.1%), payments declined once again in September (-2.7%). In the first nine months of the year, only revenues from value added tax (VAT), excise duties and social security contributions increased y-o-y, while revenues from all other taxes and contributions declined. Inflows of VAT rose by 3.4% in the first nine months. At the beginning of the year, VAT inflows shrank due to shorter deadlines for tax refunds, and the recorded growth was due to the effect of a very low base, as VAT inflows had dropped most notably due to lower economic activity in the comparable period of last year. Cumulative y-o-y growth in *revenue from social security contributions* (0.9%) has been strengthening, albeit very slowly, from month to month, largely as a result of low revenues in the first two months and higher revenues since March, which can be partly attributed to the increase in the minimum wage. Cumulative y-o-y growth in *excise duties*¹⁹ was 1.1% in the first nine months, which brought to an end a series of declines in the cumulative y-o-y growth of revenue from excise duties. Excise duties on beer, intermediate beverages and alcohol, tobacco and

¹⁸ Based on the Report on Payments of All Public Revenues, January–September 2010, Public Payments Administration.

¹⁹ The figure for excise duties is corrected for the timing of excise duty payments.

tobacco products were raised in July, and excise duties on electricity in August. Tobacco and tobacco products and alcohol contributed the most to the increase in revenue from excise duties in the first nine months (3.4 p.p. and 0.5 p.p., respectively), while revenues from excise duties on energy reduced the cumulative growth in revenue from excise duties by 2.8 p.p. In the first nine months, the largest y-o-y decline was recorded for revenue from *corporate income tax* (-42.1%), which declined as a result of refunds based on tax assessments taking into account business results for 2009, tax relief and a lower tax rate. The new monthly prepayments are much lower than last year's: they have been determined according to business results for 2009, but tax payers are also able to request a reduction on the basis of deteriorated business performance in the current year and a 1 percentage point lower statutory tax rate (20.0%). Revenue from *personal income tax* declined by 3.8% y-o-y: revenue from tax on income from employment was slightly higher (0.6%), but there was a significant drop in revenues from other personal income tax sub-categories (-17.7%), particularly taxes on income from entrepreneurial profits and income from capital gains. In the first nine months, tax refunds based on final personal income tax assessments for 2009 were also much higher than last year.

Figure 38: Taxes and social security contributions



According to the **consolidated balance**²⁰ of the MF, general government revenue totalled EUR 8.0 bn and general government expenditure EUR 9.5 bn in the first seven months of 2010. Revenue declined by 1.7% y-o-y (by 7.0% last year), while expenditure recorded 2.9% y-o-y growth (10.5% last year). The deficit climbed to EUR 1,490 bn in the first seven months of 2010. In terms of *economic structure of expenditure*, all categories of general government expenditure were up y-o-y in that period, except

²⁰ The consolidated balance (according to the cash flow methodology) includes revenues and expenditures of the state and local government budgets, as well as the pension and health funds.

expenditure on wages and other personnel expenditures (-0.3%) and payments into the EU budget (-4.6%). Interest payments recorded the highest growth (29.1%). Transfers to individuals and households were 4.7% higher y-o-y, or 6.7%, not including pensions. Expenditure on transfers to the unemployed grew most notably (37.9%), given the deteriorated situation on the labour market, but its growth has been slowing from month to month. Strong growth was also posted for expenditure on sickness benefits (11%) and social security transfers (9.3%). Cumulative y-o-y growth in expenditure on pensions had slowed towards the end of last year, but has been stable since February 2010. In the first seven months, expenditure on pensions was thus only 3.6% higher y-o-y. This period also recorded higher expenditures on subsidies (1.1%), goods

and services (0.9%) and capital expenditure and capital transfers (0.7%).

The *state budget* deficit climbed to EUR 1,425 m in the first seven months. With expenditure increasing by 4.1%, the total *balance of local government budgets* also recorded a deficit in that period (EUR 44.9 m). The deficit of the *health fund* stood at EUR 24 m. The *pension fund* was roughly balanced, thanks to a transfer of EUR 910 m from the state budget (a 9.4% higher figure than the year before).

Slovenia received EUR 55.4 bn from the **EU budget**, 46% more than in August, and its positive net budgetary position totalled EUR 20.6 bn. In September, the bulk of receipts came from funds for the implementation of the cohesion policy (EUR 31.7 bn, which is the greatest absorption under this programme in the first nine months of the year). The

Figure 39: Consolidated general government revenue and expenditure

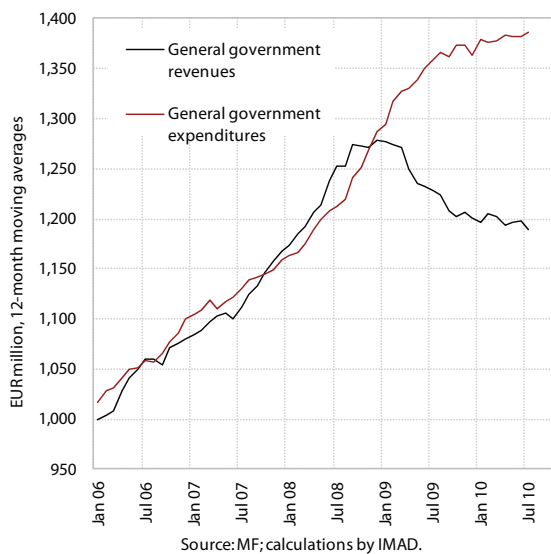


Figure 40: Planned and absorbed EU funds

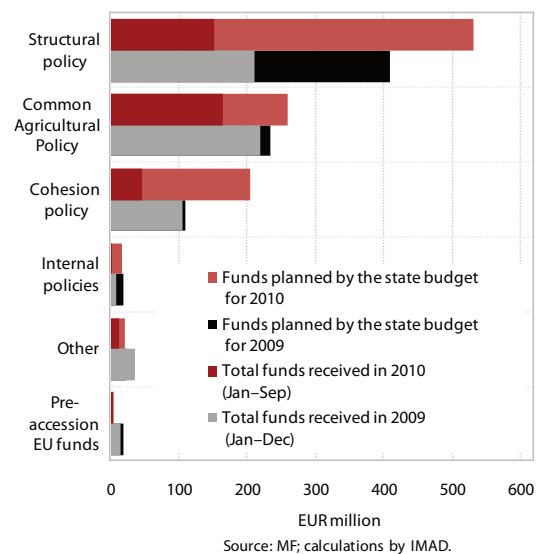


Table 11: Consolidated general government revenue and expenditure

	2009			2010		
	EUR m	% of GDP	Growth, %	I-VII 10 EUR m	VII 10/ VII 09	I-VII 10/ I-VII 09
Revenues - total	14,404.0	41.3	-6.1	7,970.2	-7.9	-1.7
- Tax revenues	12,955.3	37.1	-7.0	7,200.0	-14.0	-2.9
- Taxes on income and profit	2,805.1	8.0	-18.5	1,343.9	-60.9	-16.9
- Social security contributions	5,161.3	14.8	1.3	3,010.8	1.9	0.7
- Domestic taxes on goods and services	4,660.1	13.4	-3.0	2,667.5	-0.2	1.1
- Receipts from the EU budget	596.5	1.7	63.3	287.2	76.2	1.3
Expenditure - total	16,365.4	46.9	6.0	9,460.5	4.3	2.9
- Wages and other personnel expenditure	3,912.3	11.2	9.3	2,288.9	-1.8	-0.3
- Purchases of goods and services	2,506.8	7.2	-0.8	1,384.9	-1.8	0.9
- Transfers to individuals and households	6,024.1	17.3	7.3	3,709.2	3.4	4.7
- Capital expenditure	1,293.3	3.7	3.3	513.3	23.6	2.7
- Capital transfers	495.2	1.4	8.1	162.9	12.8	-5.0
- Payment to the EU budget	439.3	1.3	2.7	249.2	84.2	-4.6

Source: MF.

absorption from structural funds declined from EUR 25 m in August to EUR 17.6 m, and the absorption from funds for the implementation of the Common Agricultural and Fisheries Policies from EUR 10 m in August to EUR 5.4 m. In the first nine months, Slovenia received EUR 381.6 m from the EU budget, which accounts for 36.8% of funds envisaged in the supplementary budget for 2010. The greatest percentage of what had been planned was received for the implementation of the Common Agricultural and Fisheries Policies (63.4%), followed by the Structural Policy (28.5%), and the smallest for the implementation of the Cohesion Policy (22.7%), where the absorption tends to be highest in the last four months of the year. In the same period, Slovenia paid EUR 315.6 m into the EU budget (in August, EUR 34.8 m), which is 76.4% of all funds it is expected to pay this year. Slovenia's net budgetary position against the EU budget was thus positive in the first nine months (close to EUR 66 m).

selected topics

Short-time working arrangements as a measure in a time of the economic crisis in EU Member States

The Publicly financed short-time work schemes have been intensively used in a number of EU Member States during the crisis. They are primarily intended to prevent mass lay-offs and the consequent losses in human capital. Several EU countries, where similar schemes have a longstanding tradition (Germany, for example), only modified them slightly during the crisis (France, for example), while in nine new EU Member States these schemes were introduced as a new short-term measure in response to the current crisis. Despite a similar basic purpose of the measure, there are significant differences across countries with regard to its implementation. The schemes can be implemented in the form of subsidies paid to the employer or employee from public resources or from a special fund that is co-financed by employers, or in the form of partial unemployment benefit. There are also significant differences in the level of wage compensation, as in some countries the subsidy is tied to an individual's earnings or the minimum wage, while in others it is based on the level of unemployment benefit. The duration of subsidies varies significantly as well, from 4 weeks in Belgium to 24 months in Austria and Germany.

The schemes have been designed as a measure aimed at preserving jobs and increasing internal flexibility. In most of the EU countries, the concept of short-time work can be defined as a temporary reduction in working time intended to maintain an existing employer/employee relationship. Short-time work can involve a partial reduction from 1 hour per week to a temporary lay-off (in the case of closing down of certain business operations). As the adjustment of working time constitutes an important component of internal flexibility of the labour market, short-time work support increases internal flexibility on the labour market, particularly in countries with tight employment protection legislation.

In the majority of countries, the transitory nature of economic difficulties encountered by a firm is the main condition for access to short-time working support. The survey of measures²¹ shows that the transitory (not seasonal) and unavoidable economic difficulties encountered by a firm are an outstanding condition for access to the subsidy for short-time work. In most of the EU countries, an agreement on short-time work between the employer and trade unions constitutes sufficient proof of the employer's economic difficulties, while in the Netherlands, employers also have to be able to demonstrate, through the provision of an audit certificate, a 30% fall in sales in

two consecutive months. In certain countries, enterprises are not permitted to make any workers redundant for the duration of short-time work.²² The measures of shortening working time during the crisis differ significantly across the EU; in the following paragraph, we provide a short presentation of the Austrian and Slovenian schemes, which are similar in concept and hence comparable.

Austria already had a short-time working scheme in place before the economic crisis and just made it more attractive for employers in the time of the crisis. In Austria, a short-time working arrangement has been in place since 1968 but has not been used extensively thus far.²³ Before the current economic crisis, employers were able to apply for an allowance which partly compensated for the loss of income of the employee due to reduced working hours for a period of three months. In the case of a high proportion of employees older than 45 years, this period could be extended. In 2009, when Austria's GDP decreased by 3.9%, the duration of allowances was prolonged twice. In March 2009, it was extended from 3 to 6 months (to a maximum of 18 months if prolonged), with specific grants being introduced for training of the affected employees. In June 2009, the maximum duration was further extended to 24 months (effective for the 2010–2012 period). Before the crisis the working time could be reduced by up to 80%, while during the crisis the reduction was extended to between 10% and 90%. Employers and employees have to conclude an agreement on the reduction of working hours, which should be conditional on a decline in orders. Before applying for short-time working allowances, employers must notify the public employment service about economic difficulties lasting more than 3 months. In Austria, the agreement on the reduction of working hours between employers and employees has to define: the number of hours not worked, the time limit, the retention period, the number of involved workers and the compensation of workers during the short-time work. According to the Austrian model of short-time working allowances, the so-called retention period also has to be included in the agreement between employers and trade unions. The amount of the allowance is based on the level of unemployment benefit and corresponds to one eighth of the daily rate of unemployment benefit per working hour lost. It also depends on earnings and the affected worker's family status. An employee without children earning around EUR 2,000 per month is entitled to an allowance of EUR 7.32 per working hour lost. The allowance increases (by 15%) if the individual working shorter hours also participates in training programmes. The subsidy is paid by the public employment service to the employer, which has to pay to the employee the wage for the hours worked plus the allowance for short-time work.

²² In France, for a period even twice as long as the period of participation in the scheme and receiving the subsidy.

²³ See Mahringer, H(2010) "Short-term working arrangements in Austria: First experience with an old instrument during the Financial and Economic crisis 2009". Peer review "Employment measures to tackle the economic down turn: Short time working arrangements/partial activity".

²¹ See Arpaia, A., et al. (2010) "Short time working arrangements as response to cyclical fluctuation. European Economy" - Occasional papers 64/June 2010.

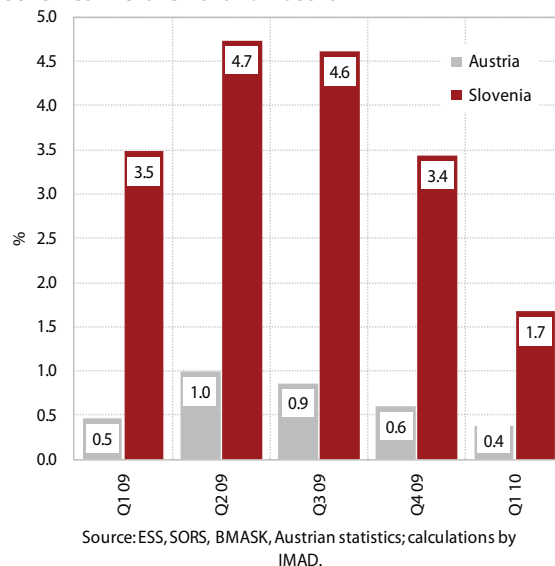
In Slovenia, two measures were passed in 2009 to preserve jobs. In January 2009, Slovenia adopted the *Partial Subsidising of Full-Time Work Act*, which introduces a subsidy for a working-time reduction by a maximum of eight hours and under which employers are eligible to a subsidy of EUR 60–120 per month per employee participating in the short-time working scheme (depending on the number of reduced hours). At the end of May 2009, the government also adopted the *Partial Reimbursement of Payment Compensation Act*, introducing a partial reimbursement of wage compensations to employees on forced leave (“on waiting” at home). An employer is able to place a maximum of 50% of its workers on temporary leave, but has to pay them compensation amounting to 85% of their average earnings in the last three months. The employer is refunded 50% of the affected employee’s base wage by the state, up to the level of the maximum unemployment benefit (EUR 805 in 2009, EUR 1,003 after the Minimum Wage Act came into force in 2010). Workers on temporary leave have the right and obligation to devote 20% of the lost time to training, which has to be provided by the employer and is co-financed by the state (EUR 500 per employee). The employer is obliged to prepare a report on the effect of the crisis on business results, draft a programme to preserve and improve the quality of jobs and provide education and training for workers on forced leave. As the eligibility conditions in this Act were much tighter than in the *Partial Subsidising of Full-Time Work Act* and as the crisis did not deepen in the second half of last year, the interest in this measure declined.²⁴

A similarity between the Slovenian and Austrian schemes mainly lies in the procedure for applying for the subsidy, but there is a significant difference in determining the subsidy level and the employer’s obligations regarding the subsidy payment. According to both schemes, the employers facing transitory economic difficulties due to the crisis have to conclude an agreement on the reduction of working hours with trade unions, but in Slovenia fewer factors have to be agreed upon than in Austria (only the number of reduced hours). The level of the subsidy for shorter working hours in Slovenia is defined as a flat amount related to the level of the minimum wage at the time of introducing the measure (the subsidy for a working-time reduction by 8 hours is equivalent to around 20% of the minimum wage in 2009), while the subsidy in Austria amounts to one eighth of the daily unemployment benefit and depends on the level of income and family status (the number of dependent children) of the person participating in the scheme. In Austria, the employer has to pay to the employees (at least) the entire short-time working allowance they are entitled to, while in Slovenia, there is no stipulation regarding the intended purpose of this subsidy. The affected employees receive wage compensation amounting to 85% of their earnings, of which the state contributes 50% and the rest is paid by the employer.

²⁴ For data on the number of subsidies paid under both acts see SEM, September 2010 (Box 2).

According to our estimations, more workers participate in the short-time working schemes in Slovenia than in Austria. Due to significant differences between the schemes and difficulties in obtaining comparable data, international comparisons may be problematic and inadequate. We nevertheless tried to estimate the number of persons participating in the short-time working schemes in both countries using data on subsidies paid in Slovenia and allowances paid in Austria. In Austria, the average reduction in working time during the crisis was 26%,²⁵ but the relative number of people included in the scheme (the proportion in total employment) was smaller than in Slovenia.²⁶ The higher proportion of participants in Slovenia may be linked to a greater decline in economic activity, a higher share of persons employed in manufacturing and greater rigidity of employment legislation than in Austria. However, an assessment of these and other factors would require a separate analysis.

Figure 41: Proportion of employed persons (in total employment) participating in short-time working schemes in Slovenia and Austria²⁷



²⁵ Mahringer (2010), *ibidem*.

²⁶ Due to the lack of data, the comparison does not take into account the extent of the working-time reduction.

²⁷ The proportion is calculated based on the number of persons participating in both job preservation schemes..

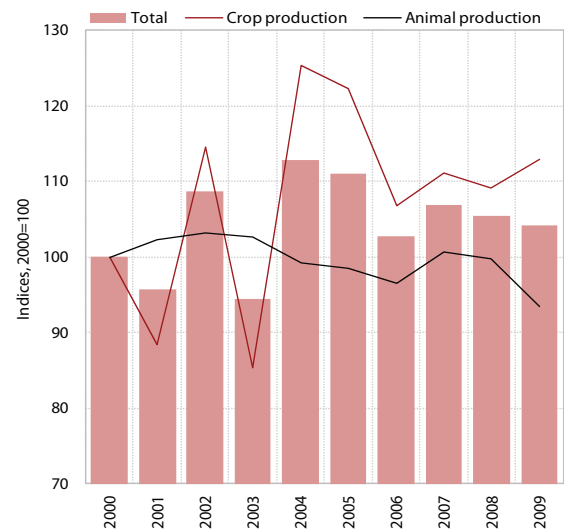
Agricultural output in 2009

The Even though staple food production is not the only reason for the relatively high subsidies to agriculture, it is one of the main goals of promoting the agricultural sector. The Common Agricultural Policy of the EU and therefore of Slovenia pursues various goals, such as preservation of rural settlement and protection of cultivated agricultural areas, but is primarily aimed at stimulating agricultural production to achieve the highest possible level of self-sufficiency in food. Slovenia's self-sufficiency in food is relatively low. Moreover, it does not even increase and is extremely uneven. Self-sufficiency in animal products is relatively high, while self-sufficiency in crops is much lower. Fairly neglected in the past, adequate self-sufficiency is becoming increasingly important in light of the expected global climate changes and the growing global population, not only to reduce dependence on imports, which would be of vital importance particularly in times of disrupted supply, but also in terms of shortening transport routes, preserving the environment and ensuring a higher quality of fresh food on the local market.

The total volume of agricultural output, which had been on a declining trend in the last five-year period, also decreased in 2009. After a 1.3% fall in 2008, the volume of agricultural output declined to similar extent in 2009 (-1.2%), according to the economic accounts for agriculture, being already as much as 7.7% lower than in the weather-wise favourable year 2004. After both of them declined in

2008, crop production increased by 3.5% in 2009, while animal production declined by as much as 6.2%. Crop production was thus somewhat higher than in 2007, while animal production dropped to the lowest level in the last few years. The share of crop production in total agricultural production thus rose from 50.7% to 52.0%, while the share of animal production declined from 47.6% to 46.0%. The volume of agricultural services also decreased but their share is relatively modest.

Figure 42: Growth in agricultural production volume in Slovenia, 2000–2009



Source: SORS; calculations by IMAD.

Tabela 12: Changes in agricultural output in 2000-2009

	Structure in 2009,* in %	Growth in production volume, in %									
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Crop production	52,0	0,5	-11,6	29,6	-25,4	46,7	-2,5	-12,6	3,9	-1,8	3,5
Of which: Cereals	5,2	4,7	1,1	21,1	-33,9	42,7	-0,6	-13,7	8,8	8,0	-6,6
Industrial plants	2,4	-25,2	-17,7	28,4	-18,0	17,3	16,0	-1,4	-29,1	-7,0	13,7
Fodder plants	16,0	-16,1	-1,6	26,1	-29,3	49,8	11,2	-21,0	12,6	3,0	0,2
Vegetables and horticultural products	7,9	-10,3	-10,4	19,0	-20,5	59,6	2,6	-12,2	-15,5	12,3	9,5
Potatoes	1,8	3,9	-17,7	14,1	-34,6	50,6	-16,1	-20,1	28,0	-20,2	6,2
Fruit	8,7	26,4	-30,3	32,0	-21,4	35,8	-16,8	1,5	1,2	-10,8	0,1
Wine	10,1	32,3	-15,8	57,5	-19,0	51,1	-20,1	-9,4	8,9	-11,9	10,9
Animal production	46,0	1,8	2,2	1,0	-0,7	-3,3	-0,6	-2,0	4,3	-1,0	-6,2
Of which: Animals	28,1	0,9	3,4	-2,1	2,8	-3,9	-1,7	-2,6	3,4	-1,4	-9,3
Cattle	12,3	4,0	-1,7	-2,5	1,8	-3,3	-2,3	-4,7	4,2	1,2	-11,5
Pigs	6,1	-7,6	9,4	1,6	1,9	-2,9	-6,8	4,9	-6,4	-6,6	-20,2
Poultry	8,4	2,7	8,2	-9,0	6,3	-6,9	4,1	-9,4	19,6	0,4	2,6
Animal products	17,9	3,4	0,4	6,2	-5,6	-2,4	1,1	-1,1	5,6	-0,3	-1,9
Milk	14,1	2,1	0,6	7,7	-3,7	-2,9	1,8	-2,5	3,8	-1,9	-1,7
Eggs	2,8	-0,1	-4,1	-5,9	-18,6	-9,3	-2,7	5,9	23,8	12,3	-0,4
Total agricultural goods output	98,1	1,2	-4,3	13,6	-13,1	19,5	-1,6	-7,5	4,1	-1,4	-1,2
Agricultural services	1,9	-11,7	-3,5	0,0	0,0	3,4	8,8	0,0	-14,0	4,8	-4,1
Total agricultural output	100,0	1,0	-4,3	13,4	-12,9	19,2	-1,5	-7,3	3,7	-1,3	-1,2

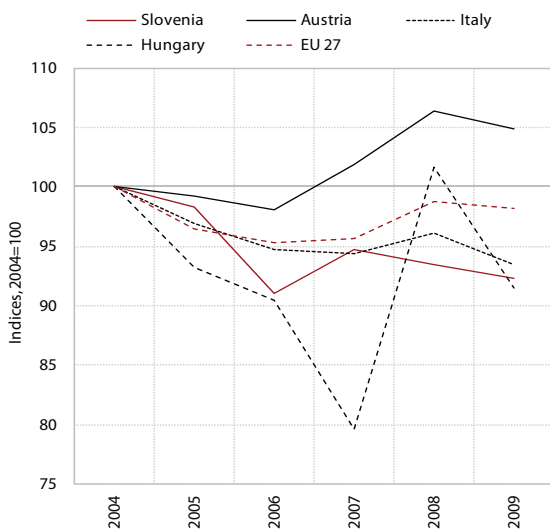
Source: SORS; calculations by IMAD. Note: *Structure of the value of agricultural production at basic prices, which include subsidies on products.

Crop production decreased in the cereal sector only, while in animal production, pig and cattle breeding recorded a significant decline. The yield of cereals diminished due to fewer areas sown and a lower yield of produce per unit area. Rainy weather conditions during ripening had a deteriorating effect on both the quantity and quality of grain. A particularly positive sign is a high yield of vegetables, even if it was not due to an increase in the area sown but to a better harvest. Namely, Slovenia's self-sufficiency in vegetables is very low and is even deteriorating (amounting to a mere 36% in 2008), despite increasing demand and consequently higher prices. Within animal production, pig meat production continued to decline and recorded an exceptionally large drop last year (-20.2%). The decline was attributable to the persistent crisis in this sector, with purchase prices being relatively low while production costs increased. Amid lower domestic production, there was a significant increase in pig imports and a concurrent decline in pig exports. Last year, production volume also declined in cattle breeding, in the production of both meat and milk. Poultry meat production continued to increase, as did the production of sheep and goat meat.

The volume of agricultural production declined last year and in the last five-year period also in the EU as a whole, though less than in Slovenia. After increasing by 3.2% in 2009, agricultural production in the EU-27 average declined by 0.6% last year. It dropped in both sectors, though less notably in crop production (-0.3%) than in animal production (-1.0%). Higher yields were recorded particularly for oil plants, sugar beet and fruits, while there was no increase in animal production. The volume of cattle production declined less than in Slovenia, while pig production (which decreased significantly in Slovenia) and poultry production (which grew in Slovenia)

remained at similar levels as in 2008. However, growth in agricultural production varies significantly across countries. In Slovenia, agricultural production declined somewhat more than in other EU countries as a whole, but less than in Austria and Italy. Agricultural production in Hungary, which was exceptionally high in 2009 (nearly 28% growth), declined by one tenth last year. Slovenia also recorded a greater decline in agricultural production than other Member States as a whole in the period of the last five years. The difference was 5.9 p.p. (1.8% in the EU-27, 7.7% in Slovenia). As in other new Member States, agricultural production fluctuates significantly, being highly dependent on external factors. Agricultural production in older Member States is much more stable, which is also reflected in a more stable (and higher) income per unit of labour input.

Figure 43: Growth in agricultural production volume in the EU-27 average, Slovenia and neighbouring Member States, 2004–2009



Source: Eurostat, SORS; calculations by IMAD.

statistical appendix

MAIN INDICATORS	2005	2006	2007	2008	2009	2010	2011	2012
						Autumn forecast 2010		
						forecast	forecast	forecast
GDP (real growth rates, in %)	4.5	5.9	6.9	3.7	-8.1	0.9	2.5	3.1
GDP in EUR million (current prices and current exchange rate)	28,750	31,055	34,568	37,305	35,384	35,792	37,227	39,033
GDP per capita, in EUR (current prices and current exchange rate)	14,369	15,467	17,123	18,450	17,331	17,575	18,240	19,087
GDP per capita (PPS) ¹	19,700	20,700	22,100	22,800	20,300			
GDP per capita (PPS EU27=100) ¹	87	88	89	91	86			
Gross national income (current prices and current fiksni exchange rate)	28,506	30,682	33,834	36,289	34,704	35,256	36,552	38,223
Gross national disposable income (current prices and current fiksni exchange rate)	28,362	30,467	33,607	35,914	34,448	35,220	36,525	38,183
Rate of registered unemployment	10.2	9.4	7.7	6.7	9.1	10.7	11.0	10.6
Standardised rate of unemployment (ILO)	6.5	6.0	4.9	4.4	5.9	7.2	7.1	6.9
Labour productivity (GDP per employee)	4.7	4.3	3.8	0.9	-6.4	3.2	2.9	3.0
Inflation, ² year average	2.5	2.5	3.6	5.7	0.9	2.1	2.7	2.2
Inflation, ² end of the year	2.3	2.8	5.6	2.1	1.8	2.8	2.2	2.3
INTERNATIONAL TRADE – BALANCE OF PAYMENTS STATISTICS								
Exports of goods and services ³ (real growth rates, in %)	10.6	12.5	13.7	3.3	-17.7	7.0	5.9	7.0
Exports of goods	10.3	13.4	13.9	0.6	-18.1	8.7	5.9	7.2
Exports of services	12.0	8.6	13.2	16.2	-16.1	0.6	5.5	6.0
Imports of goods and services ³ (real growth rates, in %)	6.6	12.2	16.7	3.8	-19.7	5.6	4.5	5.9
Imports of goods	6.8	12.7	16.2	3.1	-20.9	6.2	4.4	5.8
Imports of services	5.5	8.8	19.7	8.7	-12.3	2.8	5.6	6.6
Current account balance, in EUR million	-498	-771	-1646	-2489	-526	-330	-386	-427
As a per cent share relative to GDP	-1.7	-2.5	-4.8	-6.7	-1.5	-0.9	-1.0	-1.1
Gross external debt, in EUR million	20,496	24,067	34,752	38,997	40,008	41,616 ⁵	-	-
As a per cent share relative to GDP	71.3	77.5	100.5	104.5	113.1	-	-	-
Ratio of USD to EUR	1.244	1.254	1.371	1.471	1.393	1.310	1.294	1.294
DOMESTIC DEMAND – NATIONAL ACCOUNTS STATISTICS								
Private consumption (real growth rates, in %)	2.6	2.9	6.7	2.9	-0.8	-0.5	1.0	2.0
As a % of GDP ⁴	54.2	52.8	52.7	53.0	55.4	55.6	55.5	55.1
Government consumption (real growth rates, in %)	3.4	4.0	0.7	6.2	3.0	0.7	-0.8	1.4
As a % of GDP ⁴	19.0	18.8	17.3	18.1	20.3	20.4	19.7	19.5
Gross fixed capital formation (real growth rates, in %)	3.7	10.1	12.8	8.5	-21.6	-3.5	4.0	4.3
As a % of GDP ⁴	25.5	26.5	27.7	28.8	23.9	23.0	23.3	23.7
Sources of data: SORS, BS, Eurostat-New Cronos (revised data, September 2010), estimate, calculations and forecasts by IMAD (Autumn Report, September 2010).								
Notes: ¹ Measured in purchasing power standard; ² Consumer price index; ³ Balance of payments statistics (exports F.O.B., imports F.O.B.); real growth rates are adjusted for inter currency changes and changes in prices on foreign markets; ⁴ Shares GDP are calculated for GDP in current prices at fixed exchange rate (EUR=239.64); ⁵ end August 2010;								

PRODUCTION	2007	2008	2009	2008			2009				2010		2008					
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	8	9	10	11	12	
INDUSTRIAL PRODUCTION, y-o-y growth rates, %																		
Industry B+C+D	7.2	2.5	-17.4	8.4	3.3	-7.7	-18.2	-24.6	-18.4	-7.1	-0.2	11.3	-2.0	9.3	0.5	-11.7	-13.2	
B Mining and quarrying	5.5	5.5	-2.9	3.5	7.1	-1.2	-6.7	-13.7	6.1	4.8	-8.2	14.1	-19.2	14.4	-1.0	-14.7	18.8	
C Manufacturing	8.5	2.6	-18.7	8.7	3.7	-8.4	-20.0	-25.9	-19.5	-7.9	0.3	12.2	-1.2	9.8	0.8	-12.5	-15.4	
D Electricity, gas & steam supply ¹	-11.1	2.1	-6.6	8.2	-1.1	4.5	-3.1	-8.6	-9.7	-5.5	-2.8	-0.4	-5.5	1.9	1.0	4.7	7.5	
CONSTRUCTION,² real indices of construction put in place, y-o-y growth rates, %																		
Construction, total	18.5	15.7	-21.0	17.0	15.7	4.2	-19.2	-19.0	-24.5	-20.5	-18.9	-16.8	8.5	22.4	15.1	-2.3	-3.6	
Buildings	14.3	11.5	-22.6	7.3	11.5	-2.0	-20.8	-21.8	-27.4	-19.6	-7.4	-12.4	10.7	24.2	12.0	-11.5	-6.9	
Civil engineering	21.9	18.9	-19.9	24.3	18.6	8.9	-17.6	-17.2	-22.6	-21.1	-29.3	-19.6	7.1	21.3	17.0	5.4	-0.6	
TRANSPORT, tonne-km in m, y-o-y growth rates, %																		
Tonne-km in road transport	13.4	18.4	-9.2	23.5	7.7	17.2	-12.7	-7.6	-12.3	-4.7	19.8	10.7	-	-	-	-	-	
Tonne-km in rail transport	6.8	-2.3	-24.2	-2.9	2.9	-3.6	-24.1	-26.0	-30.7	-15.9	18.8	33.9	-	-	-	-	-	
Distributive trades, y-o-y growth rates, %																		
Total real turnover*	9.7	10.1	-13.0	13.1	10.5	2.3	-10.1	-15.5	-16.0	-10.0	-1.4	5.1	5.8	12.8	2.8	1.0	3.1	
Real turnover in retail trade	6.1	12.2	-10.6	15.5	12.7	7.2	-5.5	-11.3	-13.8	-11.1	-4.7	0.6	10.8	13.8	7.3	7.0	7.1	
Real turnover in the sale and maintenance of motor vehicles	19.2	6.2	-21.7	9.6	5.6	-9.9	-24.0	-28.0	-23.6	-8.1	6.3	15.3	-7.4	10.6	-7.4	-12.5	-10.1	
Nominal turnover in wholesale trade & commission trade	16.1	17.1	-21.4	23.9	20.9	4.8	-16.4	-23.9	-26.7	-18.1	-7.8	3.6	11.2	28.0	11.6	2.1	0.5	
TOURISM, y-o-y growth rates, %, new methodology from 2009 onwards																		
Total, overnight stays	7.0	7.8	-3.4	7.0	7.8	0.6	-3.5	-4.6	-1.8	-5.3	-0.4	-2.4	3.2	-3.2	-2.1	-4.4	8.7	
Domestic tourists, overnight stays	4.9	5.2	2.8	4.6	4.7	7.2	4.3	1.2	6.7	-4.0	1.3	-3.0	8.9	3.9	6.0	4.4	11.0	
Foreign tourists, overnight stays	8.4	-0.5	-8.0	-1.3	0.1	-4.8	-10.6	-8.6	-7.1	-6.4	-2.1	-2.0	-0.2	-6.8	-7.4	-11.9	6.5	
Nominal turnover in hotels and restaurants	9.7	6.7	-7.8	8.3	7.0	3.9	-3.9	-8.2	-8.0	-11.0	0.0	1.5	6.2	7.6	8.5	4.1	-0.6	
AGRICULTURE, y-o-y growth rates, %																		
Purchase of agricultural products, SIT bn, since 2007 in EUR m	492.2	529.9	449.3	125.6	134.1	152.3	105.4	105.9	109.0	129.0	94.6	106.7	42.2	47.4	49.0	45.3	58.1	
BUSSINES TENDENCY (indicator values**)																		
Sentiment indicator	13	3	-23	10	7	-16	-31	-28	-18	-14	-12	-9	7	5	-5	-18	-24	
Confidence indicator																		
- in manufacturing	11	-6	-24	2	-3	-27	-35	-27	-19	-13	-7	0	-3	-6	-20	-29	-33	
- in construction	19	2	-50	9	3	-21	-43	-50	-54	-51	-57	-59	2	1	-7	-21	-35	
- in services	29	26	-13	35	29	6	-18	-22	-11	-2	0	-4	33	25	18	7	-6	
- in retail trade	27	22	-13	28	25	8	-17	-17	-9	-7	-6	11	26	23	26	1	-3	
Consumer confidence indicator	-11	-20	-30	-17	-16	-29	-39	-32	-23	-25	-25	-22	-19	-12	-18	-34	-35	
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.																		

2009												2010									
1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10
-17.1	-21.5	-15.9	-29.8	-22.2	-21.6	-20.8	-17.5	-16.8	-19.6	-1.7	4.7	-8.7	-1.2	8.4	9.1	14.4	10.3	6.9	14.0	-	-
-6.9	-3.8	-9.2	-21.7	-10.2	-7.9	4.5	13.3	1.8	-4.3	32.4	-14.8	-7.2	-18.0	0.2	10.7	20.9	10.6	18.5	39.6	-	-
-18.9	-23.8	-17.3	-31.6	-23.6	-22.5	-22.1	-19.4	-17.2	-20.8	-2.6	5.2	-8.7	-0.5	9.2	10.3	15.2	11.2	7.6	15.0	-	-
-5.1	-1.3	-2.7	-9.5	-4.7	-11.3	-9.6	-7.3	-11.9	-5.6	-4.6	-6.3	-7.7	-2.0	1.9	-2.1	3.1	-2.2	-3.6	1.1	-	-
-27.0	-22.7	-9.7	-20.5	-20.8	-15.9	-20.8	-19.5	-32.0	-28.3	-18.3	-9.5	-11.4	-24.2	-19.8	-17.8	-15.5	-17.2	-17.4	-12.2	-	-
-32.7	-17.3	-12.7	-18.0	-23.6	-23.3	-23.3	-26.8	-31.4	-28.2	-20.0	-7.3	-6.6	-10.2	-5.5	-13.7	-7.5	-15.8	-11.2	-15.0	-	-
-20.3	-27.5	-7.3	-22.0	-19.1	-10.7	-19.4	-14.1	-32.3	-28.4	-17.2	-11.3	-15.8	-38.5	-30.8	-20.6	-20.2	-18.0	-20.9	-10.3	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-6.2	-15.5	-8.6	-16.7	-17.1	-12.6	-14.8	-15.1	-18.2	-13.0	-11.1	-5.9	-4.8	-3.7	4.2	3.3	4.4	7.5	2.6	5.2	-	-
2.3	-13.3	-5.2	-9.3	-14.9	-9.5	-11.5	-13.3	-16.7	-12.9	-13.5	-7.0	-8.4	-5.2	-0.5	-1.3	-0.7	3.8	2.2	1.4	2.4	-
-27.6	-24.5	-20.4	-34.7	-25.7	-23.1	-25.6	-20.6	-24.6	-16.0	-7.2	-1.2	5.2	-0.4	14.1	14.4	15.9	15.5	3.5	15.5	12.6	-
-16.9	-19.2	-13.2	-24.9	-25.3	-21.2	-27.5	-24.8	-27.6	-23.4	-19.0	-11.1	-10.8	-13.0	-0.8	-3.3	4.7	10.7	2.9	7.7	-	-
2.7	-5.7	-7.0	2.4	-11.9	-2.7	-3.4	0.8	-3.9	-2.9	-7.2	-6.5	1.0	-2.1	0.1	-1.7	-3.0	-2.5	-1.7	-3.6	0.0	-
7.7	-1.0	8.9	3.3	-2.8	2.9	8.9	6.8	2.1	1.9	-5.1	-9.2	3.5	-0.1	1.1	2.1	-7.2	-3.3	-9.0	-11.1	-7.0	-
-0.7	-12.2	-19.3	1.7	-17.4	-6.7	-11.7	-3.0	-7.3	-6.5	-9.3	-3.7	-0.9	-5.2	-1.0	-4.6	-0.1	-1.8	4.3	1.6	4.0	-
-1.4	-6.7	-3.7	-6.1	-9.3	-9.2	-7.8	-5.9	-10.3	-11.2	-11.6	-10.3	0.6	-1.5	1.1	-1.4	2.4	3.6	5.7	4.6	-	-
32.9	32.6	39.9	36.3	35.5	34.1	35.9	33.8	39.2	43.4	38.4	47.2	29.7	28.6	36.4	35.5	36.0	35.1	37.4	36.2	-	-
-31	-29	-33	-34	-25	-24	-21	-19	-13	-13	-15	-13	-10	-11	-15	-12	-8	-6	-5	-7	-7	-8
-37	-33	-34	-32	-27	-22	-23	-20	-14	-15	-13	-12	-6	-8	-6	-2	-1	2	6	1	1	3
-39	-40	-49	-53	-46	-53	-49	-59	-55	-56	-47	-49	-56	-55	-61	-62	-57	-59	-60	-56	-51	-51
-14	-16	-24	-26	-21	-21	-14	-13	-7	1	-5	-1	6	3	-9	-6	-3	-2	-2	-4	-5	-8
-14	-16	-20	-16	-18	-18	-16	-6	-6	-7	-8	-6	-8	-6	-5	10	10	14	10	14	12	13
-43	-37	-37	-41	-30	-24	-26	-27	-17	-26	-24	-26	-26	-24	-26	-24	-22	-21	-27	-28	-26	-26

LABOUR MARKET	2007	2008	2009	2008			2009				2010		2008			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	8	9	10	11
FORMAL LABOUR FORCE (A=B+E)	925.3	942.5	944.5	940.9	942.2	949.2	945.9	945.6	942.6	943.9	935.8	937.8	940.5	944.6	950.7	950.3
PERSONS IN FORMAL EMPLOYMENT (B=C+D)¹	854.0	879.3	858.2	879.4	881.7	885.1	869.0	861.0	854.3	848.4	836.3	839.2	879.8	885.3	888.1	886.9
In agriculture, forestry, fishing	40.4	39.7	37.9	39.9	39.2	38.9	37.8	38.0	37.9	37.8	31.9	34.6	39.2	39.2	38.9	38.9
In industry, construction	321.9	330.4	306.9	331.2	333.0	330.4	317.4	309.3	304.0	296.8	290.9	289.2	332.5	333.9	333.7	331.5
Of which: in manufacturing	223.6	222.4	199.8	224.0	222.3	219.1	209.5	201.4	196.7	191.7	190.0	189.4	222.2	222.2	221.3	219.8
in construction	78.4	87.9	86.8	87.1	90.5	91.1	87.8	87.6	86.9	84.8	80.9	79.6	90.2	91.6	92.2	91.5
In services	491.6	509.1	513.4	508.3	509.4	515.9	513.8	513.7	512.4	513.7	513.5	515.3	508.1	512.2	515.5	516.5
Of which: in public administration	50.3	51.0	51.5	51.0	51.1	51.0	51.1	51.5	51.7	51.6	51.8	52.3	51.0	51.2	51.1	51.1
in education, health-services, social work	108.8	111.1	113.8	111.0	110.1	112.4	113.2	114.1	113.3	114.7	115.9	116.8	109.4	111.4	112.0	112.5
FORMALLY EMPLOYED (C)¹	766.0	789.9	767.4	790.3	792.7	795.3	779.7	770.8	762.9	756.1	750.1	751.0	790.9	796.1	798.5	797.0
In enterprises and organisations	696.1	717.6	699.4	718.0	719.8	722.0	709.9	701.9	695.5	690.5	687.2	688.7	718.2	722.6	724.6	723.4
By those self-employed	69.9	72.3	67.9	72.2	73.0	73.2	69.8	68.8	67.4	65.7	62.9	62.3	72.7	73.5	74.0	73.5
SELF-EMPLOYED AND FARMERS (D)	87.9	89.4	90.8	89.2	88.9	89.8	89.3	90.3	91.4	92.2	86.2	88.2	88.9	89.2	89.6	89.9
REGISTERED UNEMPLOYMENT (E)	71.3	63.2	86.4	61.4	60.5	64.1	76.9	84.6	88.3	95.6	99.4	98.6	60.7	59.3	62.6	63.4
Female	39.1	33.4	42.4	32.8	32.1	33.0	38.4	41.6	43.2	46.4	47.0	46.8	32.3	31.1	32.7	32.6
By age: under 26	11.9	9.1	13.3	8.4	7.7	10.0	12.2	13.1	12.8	15.2	14.7	13.5	7.8	7.3	9.8	9.9
aged over 50	22.2	21.9	26.2	21.9	21.7	21.6	24.1	25.6	26.9	28.3	29.6	30.3	21.7	21.4	21.4	21.5
Unskilled	28.0	25.4	34.1	24.6	24.3	25.8	31.2	33.6	34.8	36.6	38.2	37.1	24.3	24.3	24.9	25.5
For more than 1 year	36.5	32.3	31.5	32.5	31.9	31.0	31.0	30.4	31.1	33.4	38.1	41.8	31.8	31.6	31.4	30.9
Those receiving benefits	16.6	14.4	27.4	13.6	13.9	15.1	22.8	27.4	28.6	30.8	31.6	29.3	13.9	13.7	14.1	14.4
RATE OF REGISTERED UNEMPLOYMENT, E/A, in %	7.7	6.7	9.1	6.5	6.4	6.8	8.1	8.9	9.4	10.1	10.6	10.5	6.5	6.3	6.6	6.7
Male	6.2	5.6	8.3	5.4	5.4	5.8	7.3	8.1	8.5	9.3	10.1	9.9	5.4	5.3	5.6	5.7
Female	9.6	8.1	10.2	7.9	7.8	7.9	9.2	10.0	10.4	11.1	11.3	11.3	7.8	7.5	7.9	7.9
FLOWS OF FORMAL LABOUR FORCE	21.5	13.7	-5.2	4.2	1.9	1.9	-0.8	-0.1	-3.5	-0.8	-5.5	1.7	-0.9	4.1	6.1	-0.5
New unemployed first-job seekers	14.7	12.5	17.0	1.8	1.9	6.5	3.2	2.6	3.0	8.1	2.9	2.4	0.5	0.9	4.6	1.2
Redundancies	52.5	53.0	90.5	10.7	12.5	17.4	24.8	22.5	19.9	23.2	19.9	16.6	3.4	4.5	5.2	5.5
Registered unemployed who found employment	49.1	41.7	48.6	9.7	9.9	9.6	9.5	11.8	14.2	13.1	14.2	12.8	3.1	4.5	4.0	3.2
Other outflows from unemployment (net)	28.0	26.1	28.5	6.3	5.9	7.4	5.2	6.5	6.9	9.9	6.3	6.9	1.6	2.3	2.5	2.7
Increase in number of work permits for foreigners	10.0	13.2	-9.6	5.9	4.9	-1.2	-1.5	-1.8	-2.7	-3.6	-1.6	-1.0	2.2	1.1	1.2	-0.1
Retirements ²	20.7	22.6	24.7	4.8	6.3	6.1	5.4	5.3	6.7	7.3	6.8	6.0	2.2	2.6	2.3	2.0
Others who found employment ²	40.9	31.5	34.7	6.2	5.9	8.8	6.9	9.5	8.2	10.1	4.8	11.6	-0.2	6.6	4.6	2.7
REGISTERED VACANCIES³	20.2	20.0	13.4	21.1	21.5	15.9	13.4	13.4	14.0	13.0	12.6	14.8	20.1	24.7	19.7	15.7
For a fixed term, in %	76.5	74.5	78.1	74.0	76.5	74.7	74.9	77.9	80.8	78.6	78.9	81.2	76.8	76.0	74.9	75.6
WORK PERMITS FOR FOREIGNERS	60.2	81.1	86.6	79.0	86.3	90.5	91.5	90.2	84.9	79.7	77.1	75.7	86.7	88.6	90.3	90.4
As % of labour force	6.5	8.6	9.2	8.4	9.2	9.5	9.7	9.5	9.0	8.4	8.2	8.1	9.2	9.4	9.5	9.5
NEW JOBS	160.0	162.7	111.4	41.0	42.7	38.1	27.5	27.3	28.2	28.3	23.6	25.1	10.4	19.6	17.8	11.4

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.

2008	2009												2010							
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8
946.5	946.2	945.9	945.7	946.1	945.3	945.6	944.1	941.6	942.1	945.0	945.5	941.3	935.7	935.8	935.8	938.6	937.3	937.5	934.3	933.0
880.3	872.2	868.7	866.0	863.2	860.8	859.1	855.6	853.5	853.8	850.4	850.0	844.7	836.1	836.0	836.9	839.3	838.9	839.3	835.9	834.0
38.8	37.8	37.8	37.8	38.0	38.0	38.0	37.9	37.9	37.9	37.9	37.8	37.7	31.9	31.9	31.9	34.6	34.6	34.7	34.1	34.0
325.9	320.1	317.4	314.7	311.8	309.1	307.1	305.3	303.9	302.8	298.8	297.6	294.0	291.5	290.6	290.7	289.9	289.2	288.6	287.9	286.5
216.3	211.8	209.6	207.0	203.6	201.2	199.2	197.8	196.5	195.9	192.5	192.1	190.6	190.0	189.9	190.0	189.7	189.4	189.0	188.5	187.7
89.5	88.3	87.7	87.5	87.8	87.5	87.5	87.2	86.9	86.5	86.0	85.2	83.3	81.5	80.7	80.5	80.1	79.5	79.3	79.1	78.6
515.6	514.4	513.6	513.5	513.5	513.7	514.0	512.4	511.7	513.1	513.7	514.6	512.9	512.6	513.5	514.4	514.7	515.1	516.1	514.0	513.4
50.8	51.2	51.0	51.3	51.4	51.5	51.6	51.7	51.7	51.8	51.6	51.7	51.6	51.6	51.8	52.0	52.3	52.3	52.4	52.2	52.1
112.6	112.8	113.2	113.7	114.0	114.2	114.1	113.0	112.6	114.2	114.6	114.9	114.7	115.4	115.9	116.4	116.7	116.8	116.9	115.8	115.6
790.2	783.0	779.5	776.6	773.3	770.5	768.5	764.5	762.1	762.1	758.3	757.7	752.4	749.7	749.8	750.9	750.9	750.8	751.3	748.1	745.7
718.1	712.6	709.7	707.3	704.3	701.7	699.8	696.5	694.6	695.2	691.8	691.8	687.8	686.4	686.9	688.3	688.5	688.6	689.1	686.3	684.4
72.2	70.4	69.7	69.3	69.0	68.8	68.7	68.0	67.5	66.8	66.5	65.9	64.6	63.3	62.8	62.7	62.4	62.2	62.1	61.8	61.3
90.0	89.2	89.3	89.5	90.0	90.3	90.6	91.1	91.4	91.7	92.1	92.3	92.2	86.4	86.3	86.0	88.4	88.0	88.1	87.8	88.3
66.2	73.9	77.2	79.7	82.8	84.5	86.5	88.5	88.1	88.4	94.6	95.4	96.7	99.6	99.8	98.9	99.3	98.4	98.2	98.4	99.0
33.7	37.2	38.5	39.5	40.8	41.5	42.5	43.5	43.2	43.0	46.3	46.5	46.5	47.2	47.0	46.6	47.0	46.7	46.8	47.5	48.1
10.2	11.7	12.3	12.7	13.2	13.1	13.0	13.0	13.0	12.2	15.5	15.1	14.8	15.0	14.7	14.3	14.1	13.4	13.0	12.6	12.5
21.9	23.6	24.1	24.5	25.1	25.7	26.1	26.6	26.8	27.1	27.8	28.3	28.7	29.5	29.7	29.7	30.1	30.3	30.5	30.9	31.1
27.0	30.1	31.4	32.2	33.0	33.5	34.2	34.7	34.7	35.0	36.1	36.4	37.2	38.3	38.4	37.9	37.6	37.1	36.7	36.4	36.6
30.8	31.2	31.0	30.7	30.4	30.3	30.5	30.7	31.0	31.7	32.5	33.3	34.4	36.9	37.9	39.4	40.6	41.8	42.9	43.2	44.1
16.8	20.9	22.8	24.5	25.9	27.6	28.7	28.9	28.5	28.3	30.8	30.3	31.2	32.2	31.7	30.9	29.9	29.2	28.9	29.0	29.4
7.0	7.8	8.2	8.4	8.8	8.9	9.1	9.4	9.4	9.4	10.0	10.1	10.3	10.6	10.7	10.6	10.6	10.5	10.5	10.5	10.6
6.1	6.9	7.3	7.6	7.9	8.1	8.3	8.5	8.5	8.6	9.1	9.3	9.6	10.0	10.1	10.0	10.0	9.9	9.8	9.8	9.8
8.1	9.0	9.3	9.5	9.8	10.0	10.2	10.5	10.4	10.4	11.1	11.2	11.2	11.4	11.3	11.2	11.3	11.2	11.3	11.5	11.6
-3.8	-0.3	-0.2	-0.2	0.3	-0.7	0.3	-1.5	-2.5	0.6	2.9	0.4	-4.1	-5.7	0.2	0.0	2.8	-1.3	0.2	-3.2	-1.3
0.8	1.2	1.0	1.1	1.1	0.8	0.8	0.8	0.7	1.5	5.9	1.3	0.9	1.0	0.8	1.0	0.9	0.7	0.8	0.7	0.8
6.6	10.4	6.9	7.5	8.2	7.4	7.0	7.3	5.5	7.2	8.5	7.9	6.8	8.6	5.4	5.8	5.7	5.5	5.4	6.1	5.7
2.4	3.2	2.7	3.6	3.7	4.3	3.9	4.0	4.6	5.5	4.4	4.8	3.9	5.0	4.0	5.1	3.9	4.7	4.2	4.8	4.0
2.2	0.7	1.9	2.5	2.4	2.2	1.9	2.1	1.9	2.8	3.8	3.6	2.5	1.7	2.0	2.6	2.4	2.4	2.1	1.8	1.8
-2.4	-0.1	0.2	-1.7	-0.5	-1.2	-0.1	-1.0	-1.5	-0.2	-1.9	-1.3	-0.4	-0.7	-0.5	-0.4	-0.3	-0.6	-0.1	-0.6	0.1
1.8	2.3	1.6	1.5	1.9	1.7	1.7	1.4	2.4	2.9	2.9	2.3	2.1	2.5	2.2	2.0	2.2	2.1	1.7	1.7	2.1
1.4	1.2	1.7	4.0	3.7	3.1	2.7	1.7	2.1	4.4	5.1	5.7	-0.7	-2.2	3.6	3.4	6.2	2.6	2.8	-0.3	1.2
12.3	13.7	12.2	14.2	12.0	13.9	14.5	14.7	12.3	14.9	15.7	11.7	11.6	12.7	11.7	13.5	14.5	13.7	16.1	15.2	14.9
73.1	72.0	75.0	77.5	77.2	77.8	78.7	80.0	82.0	80.7	78.2	80.1	77.7	77.2	79.9	79.7	82.2	81.8	79.8	81.1	83.0
90.7	90.7	91.2	92.6	92.1	90.6	87.8	86.6	84.7	83.4	81.1	79.6	78.4	77.6	77.2	76.5	76.3	75.6	75.3	74.7	74.9
9.6	9.6	9.6	9.8	9.7	9.6	9.3	9.2	9.0	8.9	8.6	8.4	8.3	8.3	8.2	8.2	8.1	8.1	8.0	8.0	8.0
8.9	10.2	8.1	9.3	10.0	8.8	8.5	8.7	6.8	12.6	11.9	8.9	7.6	8.9	7.0	7.7	8.9	7.8	8.4	8.2	6.6

WAGES AND INDICATORS OF OVERALL COMPETITIVENESS	2007	2008	2009	2008			2009				2010		2008				
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	5	6	7	8	9
GROSS WAGE PER EMPLOYEE, y-o-y growth rates, %																	
Activity - Total	5.9	8.3	3.4	8.6	9.9	7.1	5.5	4.6	2.3	1.7	3.7	4.3	7.6	8.8	8.7	9.8	11.2
A Agriculture, forestry and fishing	8.3	9.1	-0.2	9.3	10.8	6.7	1.2	1.6	-0.5	-2.9	3.3	5.2	9.7	7.9	13.5	6.3	12.9
B Mining and quarrying	6.4	13.4	0.9	13.8	16.0	14.8	5.6	2.4	1.6	-4.9	3.4	4.7	17.0	12.5	17.3	10.0	20.7
C Manufacturing	7.0	7.5	0.8	9.7	9.3	3.4	0.0	-0.5	0.4	3.7	10.1	10.0	8.4	9.6	11.0	6.4	10.8
D Electricity, gas, steam and air conditioning supply	6.2	9.5	3.8	10.1	9.8	8.8	7.9	7.8	5.1	-3.2	4.7	2.4	9.6	7.8	15.3	8.3	6.2
E Water supply sewerage, waste management and remediation activities	7.1	7.8	2.0	9.1	9.0	5.2	4.2	3.2	1.2	0.1	2.7	3.0	6.8	9.8	10.5	5.5	11.3
F Construction	6.6	7.5	1.0	9.6	9.1	4.3	1.2	1.0	1.6	0.9	2.9	5.8	7.5	9.5	10.0	6.0	11.3
G Wholesale and retail trade, repair of motor vehicles and motorcycles	7.6	7.7	1.9	9.0	8.8	6.1	4.4	2.3	1.2	0.1	2.6	4.1	8.0	8.9	9.1	7.0	10.2
H Transportation and storage	6.0	8.4	0.7	8.5	10.4	6.6	2.3	2.1	0.5	-1.4	1.1	1.2	7.0	10.2	7.8	13.1	10.2
I Accommodation and food service activities	5.3	8.3	1.6	9.6	10.0	4.9	3.4	1.7	0.6	1.0	2.8	4.2	10.3	8.9	10.3	9.0	10.7
J Information and communication	5.7	7.3	1.4	7.8	8.7	6.2	3.7	3.1	0.8	-1.6	1.0	2.5	6.1	8.3	7.9	8.1	10.3
K Financial and insurance activities	7.4	6.0	-0.7	8.8	8.2	0.0	2.0	-3.8	0.3	-0.5	1.2	3.2	6.4	8.5	7.1	6.3	11.4
L Real estate activities	7.0	6.0	1.9	8.6	5.3	3.6	1.6	0.0	1.8	4.5	2.6	5.3	8.3	7.5	4.7	4.6	6.7
M Professional, scientific and technical activities	7.0	8.4	2.1	8.6	9.1	6.4	4.0	3.3	1.5	0.0	1.6	1.8	7.9	9.2	9.9	7.3	10.3
N Administrative and support service activities	7.5	9.6	1.8	11.4	10.2	8.0	6.6	2.1	-0.2	-0.6	2.5	4.3	11.2	12.2	11.1	8.3	11.2
O Public administration and defence, compulsory social security	5.1	12.2	5.9	10.8	13.2	13.7	11.5	9.8	2.5	0.5	-1.9	-1.1	10.0	10.4	7.6	18.8	13.3
P Education	3.9	7.0	3.6	5.8	7.7	9.0	6.9	6.1	1.2	0.6	0.2	0.7	5.7	6.1	5.0	10.9	7.3
Q Human health and social work activities	3.1	12.0	12.0	4.3	16.8	21.0	21.4	22.6	5.5	1.4	-0.4	-1.0	3.8	6.0	4.6	24.5	21.5
R Arts, entertainment and recreation	3.6	5.3	3.9	5.8	8.3	5.1	7.0	5.7	2.2	0.9	0.7	1.4	6.9	6.6	4.1	11.3	9.4
S Other service activities	3.3	8.2	1.3	8.6	8.5	8.8	4.1	1.0	0.7	0.0	3.2	4.9	8.8	6.7	9.0	8.0	8.3
INDICATORS OF OVERALL COMPETITIVENESS, y-o-y growth rates, %																	
Effective exchange rate, ¹ nominal	0.8	0.5	0.4	1.1	0.4	-1.1	-0.3	-0.3	0.3	1.8	-0.3	-1.9	1.1	0.9	0.8	0.6	-0.1
Real (relative consumer prices)	2.3	2.8	0.7	4.2	2.6	-0.1	0.4	0.0	0.2	2.3	-0.3	-1.3	3.9	3.9	3.5	2.6	1.6
Real (relative producer prices) ²	2.2	0.8	2.8	1.0	-0.2	1.1	3.0	3.4	3.7	1.4	-2.4	-3.3	0.9	0.0	-0.2	0.3	-0.6
USD/EUR	1.371	1.471	1.393	1.562	1.504	1.317	1.302	1.362	1.431	1.478	1.384	1.273	1.556	1.555	1.577	1.498	1.437
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																	

2008			2009												2010							
10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8
9.2	3.9	8.6	6.8	4.2	5.3	5.1	4.1	4.7	3.8	0.7	2.4	1.7	1.3	2.1	2.2	3.6	5.2	4.2	4.2	4.4	4.0	5.1
11.3	-0.1	10.2	1.1	-3.3	6.1	2.0	-1.8	4.7	-0.4	-0.3	-0.7	-5.5	-0.9	-2.5	1.1	3.0	5.7	5.6	4.3	5.6	7.1	8.6
39.0	-4.7	16.0	10.1	5.3	1.7	4.3	-5.9	9.4	2.3	6.2	-3.5	-20.3	16.1	-8.7	2.0	3.5	4.7	1.4	14.0	-0.8	0.8	1.8
6.7	-1.4	5.7	0.1	-0.5	0.4	-0.4	-1.3	0.1	0.1	-0.6	1.6	1.9	4.6	4.3	6.7	8.3	15.2	10.7	10.1	9.4	8.1	11.0
25.2	2.2	3.2	9.4	6.1	8.1	7.6	5.5	10.3	5.6	2.9	6.7	-10.4	-8.6	12.1	3.5	6.6	4.3	3.3	0.8	3.0	1.6	6.5
14.0	-1.0	4.8	4.4	3.6	4.6	3.5	1.0	5.2	1.6	1.2	0.9	-3.3	2.1	1.1	0.0	3.0	5.1	3.5	3.6	2.0	1.6	2.9
7.3	-1.0	7.2	1.7	-0.6	2.5	0.5	-0.9	3.4	2.9	0.6	1.4	-1.4	1.1	2.9	1.0	2.9	4.6	7.2	5.8	4.5	2.1	6.5
8.0	3.9	6.6	6.1	3.5	3.6	1.5	2.9	2.4	1.6	1.5	0.6	0.4	-0.8	0.6	0.3	2.4	5.2	4.2	4.0	4.1	4.0	4.5
7.1	7.5	5.2	3.9	2.4	0.6	2.9	2.2	1.1	2.0	-4.8	4.4	-1.0	-3.3	0.5	-1.5	1.8	3.2	1.5	1.6	0.5	1.8	3.4
7.5	2.0	5.4	3.9	3.0	3.2	3.4	0.4	1.3	1.4	0.6	-0.2	-0.3	3.2	0.0	2.2	1.8	4.4	3.7	4.2	4.6	4.0	4.1
7.8	5.5	5.4	6.9	1.8	2.5	3.4	2.5	3.4	2.5	0.0	0.0	0.7	-3.6	-1.6	0.0	1.6	1.5	2.3	3.1	2.1	2.9	4.3
1.2	-6.3	8.1	3.8	0.6	1.7	-4.2	-5.4	-1.6	2.0	0.5	-1.7	6.3	-1.8	-5.1	1.0	1.6	1.1	2.5	-0.6	7.6	5.0	1.2
4.5	1.5	5.0	2.9	1.4	0.6	1.3	-0.6	-0.5	1.9	1.4	2.0	4.2	5.3	4.0	1.8	3.3	2.7	3.7	3.9	8.4	4.1	3.1
9.3	1.8	8.8	3.1	4.3	4.7	4.6	2.2	3.3	2.0	1.1	1.3	0.4	0.6	-0.9	1.0	1.7	2.0	1.8	1.5	2.1	1.7	3.9
8.4	8.6	7.1	9.1	5.1	5.5	3.2	1.6	1.4	0.0	-0.1	-0.4	-1.0	-1.8	1.1	-1.2	4.1	4.7	5.1	4.1	3.9	3.8	5.3
12.9	16.0	12.3	15.2	8.8	10.7	11.0	10.0	8.4	5.3	-0.3	2.6	1.1	-2.0	2.4	-1.1	-1.5	-3.0	-2.1	-0.6	-0.5	0.9	-0.1
8.0	9.4	9.6	9.3	4.2	7.3	6.6	6.0	5.7	2.9	-1.7	2.6	1.8	0.0	-0.1	0.5	0.5	-0.4	0.2	1.0	1.0	0.7	1.2
21.3	20.5	21.4	25.5	18.9	20.0	26.5	22.2	19.3	16.0	0.4	1.7	2.4	0.8	1.0	-1.6	1.2	-0.6	-2.3	-0.2	-0.4	0.7	0.2
10.7	-3.2	9.1	8.2	6.4	6.3	7.2	6.0	4.0	5.8	0.1	1.1	3.2	-0.5	-0.1	0.5	0.6	1.0	2.1	1.3	0.7	0.9	1.1
9.0	6.3	11.3	2.6	5.3	4.3	0.8	1.0	1.2	0.9	0.8	0.3	-0.4	-0.4	0.6	3.4	2.2	4.1	6.1	3.9	4.7	6.0	5.9
-1.3	-1.7	-0.4	-0.4	-0.3	-0.1	-0.6	-0.3	0.1	-0.1	0.2	0.9	2.2	2.3	0.9	0.4	-0.3	-1.1	-1.1	-1.9	-2.7	-2.1	-2.3
0.3	-0.7	0.0	-0.1	0.5	0.8	-0.2	0.1	0.3	-0.4	0.2	0.9	2.1	3.3	1.5	0.5	-0.1	-1.1	-0.4	-1.4	-2.2	-1.6	-1.4
-0.6	0.8	3.2	2.8	2.8	3.5	2.9	3.2	4.0	4.2	3.1	3.8	3.8	1.6	-1.0	-1.9	-2.1	-3.2	-3.8	-2.9	-3.3	-2.9	-2.5
1.332	1.273	1.345	1.324	1.279	1.305	1.319	1.365	1.402	1.409	1.427	1.456	1.482	1.491	1.461	1.427	1.369	1.357	1.341	1.257	1.221	1.277	1.289

PRICES	2007	2008	2009	2008		2009				2010			2008				
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	7	8	9	10	11
CPI, y-o-y growth rates, %	3.6	5.7	0.9	6.1	3.3	1.8	0.7	-0.2	1.1	1.4	2.1	2.1	6.9	6.0	5.5	4.9	3.1
Food, non-alcoholic beverages	7.8	10.1	0.6	9.8	4.9	3.2	0.9	-0.7	-1.0	-1.4	0.7	2.6	12.2	10.1	7.2	5.3	5.6
Alcoholic beverages, tobacco	6.5	3.2	6.7	0.7	2.1	3.0	7.2	8.5	7.9	7.1	6.5	7.3	-0.2	0.5	1.8	2.1	2.1
Clothing and footwear	2.1	4.4	-0.6	2.1	5.2	1.8	1.2	-2.2	-3.0	-5.0	-1.9	-0.6	0.8	1.7	3.7	6.1	4.6
Housing, water, electricity, gas	2.6	9.7	-0.3	11.5	5.3	1.7	-2.1	-3.5	3.0	8.3	11.3	12.0	13.6	10.4	10.5	9.0	4.8
Furnishings, household equipment	4.5	5.8	4.0	6.5	6.7	6.1	4.5	3.5	1.9	1.3	0.8	1.3	5.9	6.4	7.3	7.0	6.7
Medical, pharmaceutical products	1.1	2.9	4.0	4.9	5.8	8.7	5.3	1.4	0.7	-0.6	0.6	4.0	4.5	5.0	5.1	5.2	5.4
Transport	0.3	1.9	-3.0	4.1	-2.2	-3.7	-4.5	-4.1	0.6	1.2	-0.1	-1.8	4.9	3.7	3.7	2.6	-3.6
Communications	0.3	0.6	-4.1	0.1	-1.7	-4.3	-4.7	-4.3	-3.2	0.0	1.4	1.3	0.7	0.5	-0.9	-0.9	0.0
Recreation and culture	3.6	4.4	3.0	4.8	3.2	3.0	3.6	2.8	2.5	1.2	0.4	-0.2	5.6	4.9	4.0	2.8	3.2
Education	1.9	5.2	3.4	4.8	6.1	5.1	3.0	2.7	2.7	2.0	1.9	1.6	4.6	4.6	5.0	6.0	6.1
Catering services	7.3	9.6	4.4	10.4	8.7	6.3	4.9	4.0	2.7	1.9	1.9	-2.9	10.7	10.4	10.0	9.7	8.8
Miscellaneous goods & services	3.6	3.9	3.8	3.8	3.4	3.8	3.3	4.4	3.9	2.3	2.0	0.5	4.0	3.7	3.6	3.4	3.2
HCPI	3.8	5.5	0.9	6.2	3.1	1.7	0.6	-0.2	1.4	1.7	2.4	2.3	6.9	6.0	5.6	4.8	2.9
Core inflation (excluding fresh food and energy)	2.6	4.6	1.9	4.7	4.0	3.1	2.6	1.2	0.7	0.0	0.4	0.4	5.1	4.7	4.5	4.1	3.9
PRODUCER PRICE INDICES, y-o-y growth rates, %																	
Total	4.2	3.8	-1.3	5.1	3.2	1.1	-1.5	-3.1	-1.8	-1.0	2.3	3.4	4.9	5.5	4.8	4.2	3.3
Domestic market	5.5	5.6	-0.4	6.2	4.2	1.5	-0.4	-1.5	-1.1	0.2	2.0	2.8	6.3	6.7	5.7	5.0	4.0
Non-domestic market	3.0	2.2	-2.2	3.9	2.3	0.8	-2.6	-4.5	-2.5	-2.1	2.6	4.0	3.6	4.3	4.0	3.3	2.7
euro area	5.1	2.2	-3.5	4.2	1.5	-0.6	-4.5	-6.0	-3.0	-2.4	2.5	4.0	4.1	4.8	3.8	3.1	1.4
non-euro area	-0.5	2.1	0.3	3.4	3.9	3.5	1.1	-1.7	-1.6	-1.6	2.7	3.8	2.5	3.3	4.3	3.9	5.1
Import price indices	4.0	1.3	-3.3	3.8	1.4	-2.1	-4.6	-4.7	-1.8	4.0	8.8	7.8	3.5	3.3	4.7	3.7	1.6
PRICE CONTROL,¹ y-o-y growth rates, %																	
Energy prices	0.6	12.4	-12.3	21.1	-1.2	-12.9	-17.7	-17.3	0.4	16.1	18.8	15.9	24.8	20.0	18.4	14.1	-4.3
Oil products	-0.9	11.7	-12.0	21.1	-5.7	-16.3	-18.9	-15.9	6.2	21.9	20.3	13.5	25.5	20.0	17.7	12.2	-9.4
Basic utilities	-2.3	0.6	3.6	-1.3	1.1	1.7	0.9	0.8	10.8	-	-	-	1.3	-5.7	0.7	0.7	0.8
Transport & communications	0.6	-0.4	0.6	-1.3	-1.3	-1.2	-1.1	2.5	2.5	2.5	2.7	1.1	-1.3	-1.3	-1.3	-1.3	-1.3
Other controlled prices	2.9	1.8	4.9	1.7	2.4	2.4	6.8	5.6	4.9	4.9	0.4	0.1	1.1	1.6	2.4	2.4	2.4
Direct control – total	3.1	8.6	-6.9	13.7	-0.2	-7.8	-10.9	-10.9	2.9	14.1	16.1	14.4	16.3	12.2	12.4	9.7	-2.2

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. Since July 2009, formation of prices for utility services is no longer under government control.

2008	2009												2010									
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	
2.1	1.6	2.1	1.8	1.1	0.7	0.3	-0.6	0.0	-0.1	0.0	1.6	1.8	1.5	1.3	1.4	2.3	2.1	1.9	2.1	2.3	2.0	
3.8	3.5	3.1	3.0	2.0	0.6	0.0	-1.3	-0.4	-0.4	-1.2	-0.8	-1.1	-2.4	-1.2	-0.7	-0.1	0.4	1.7	2.8	2.9	2.2	
2.0	2.2	2.7	4.0	4.3	8.4	9.0	9.1	8.6	7.7	7.7	8.1	8.0	7.9	7.6	5.9	9.9	5.1	4.5	5.2	8.2	8.5	
4.8	2.3	0.6	2.3	0.5	1.9	1.1	-1.3	-1.7	-3.6	-2.7	-2.8	-3.4	-5.9	-5.7	-3.6	-0.9	-2.4	-2.3	-2.1	-1.7	1.9	
2.4	0.8	3.0	1.2	0.1	-2.3	-4.0	-4.9	-3.5	-2.2	-1.7	4.5	6.3	7.6	8.4	8.9	10.7	11.6	11.7	12.4	12.3	11.4	
6.5	6.5	6.7	5.1	4.7	4.2	4.5	4.0	4.0	2.5	2.1	2.2	1.5	1.8	1.6	0.6	1.0	0.7	0.8	0.5	1.3	2.2	
6.7	9.5	9.8	6.9	5.4	5.5	5.1	1.9	1.6	0.7	0.6	1.3	0.3	-0.3	-0.7	-0.7	0.7	0.5	0.5	2.8	4.0	5.2	
-5.4	-5.1	-2.5	-3.6	-3.5	-4.7	-5.2	-5.6	-3.5	-3.1	-2.8	1.9	2.9	2.3	0.5	0.9	0.8	0.4	-1.5	-1.2	-2.0	-2.1	
-4.3	-3.7	-4.7	-4.6	-5.2	-4.4	-4.4	-4.1	-4.2	-4.6	-3.7	-4.0	-1.9	-0.6	0.2	0.4	1.0	1.5	1.6	-0.3	0.7	3.5	
3.6	2.8	2.8	3.4	3.3	3.6	4.1	3.0	2.7	2.7	3.1	2.7	1.7	1.7	1.0	0.8	0.9	0.6	-0.2	-0.6	-0.3	0.3	
6.1	6.0	6.3	3.2	3.2	3.0	3.0	3.0	3.0	2.2	2.7	2.6	2.6	2.4	1.8	1.8	1.8	1.9	1.9	1.9	1.9	0.9	
7.7	6.5	6.3	6.0	5.1	4.8	4.7	4.4	4.2	3.3	3.1	2.3	2.6	2.0	1.8	2.0	1.9	2.1	1.7	1.3	1.2	-11.2	
3.4	3.4	3.7	4.2	3.3	3.1	3.5	4.5	4.4	4.3	4.2	4.1	3.6	3.3	2.3	1.3	1.8	2.1	2.0	0.7	0.4	0.4	
1.8	1.4	2.1	1.6	1.1	0.5	0.2	-0.6	0.1	0.0	0.2	1.8	2.1	1.8	1.6	1.8	2.7	2.4	2.1	2.3	2.4	2.1	
3.9	3.2	2.8	3.1	2.6	2.6	2.6	1.4	1.3	0.9	0.7	1.0	0.3	0.1	-0.1	0.0	0.6	0.4	0.2	0.2	0.5	0.6	
2.2	1.9	1.1	0.3	-0.5	-1.6	-2.4	-3.0	-3.3	-2.8	-2.4	-1.9	-1.2	-1.4	-1.2	-0.2	1.0	2.9	3.0	3.4	3.5	3.2	
3.5	2.3	1.2	0.8	0.2	-0.7	-0.7	-1.3	-1.7	-1.6	-1.4	-1.1	-0.7	-0.1	0.1	0.5	0.7	2.6	2.6	2.7	2.9	2.8	
1.0	1.5	1.0	-0.1	-1.2	-2.5	-4.0	-4.7	-4.9	-4.0	-3.2	-2.6	-1.7	-2.8	-2.5	-0.9	1.3	3.2	3.3	4.2	4.1	3.6	
0.1	0.2	-0.3	-1.7	-3.1	-4.1	-6.2	-6.7	-6.4	-4.8	-3.9	-2.8	-2.3	-3.0	-3.1	-1.0	1.3	3.2	3.1	4.5	4.1	3.4	
2.7	4.2	3.5	2.9	2.5	0.5	0.2	-0.6	-2.0	-2.4	-1.9	-2.3	-0.6	-2.4	-1.5	-0.8	1.4	3.2	3.6	3.4	4.1	4.0	
-1.0	-2.4	-1.3	-2.7	-3.8	-4.8	-5.2	-4.7	-5.0	-4.5	-3.7	-2.1	0.4	3.3	3.2	5.4	8.3	9.4	8.7	7.6	7.9	7.7	
-12.7	-15.0	-8.9	-14.6	-14.5	-18.0	-20.1	-21.5	-16.3	-13.9	-12.6	3.8	13.0	16.9	13.9	17.5	20.1	20.5	15.8	17.4	15.6	14.6	
-18.9	-19.5	-11.2	-17.9	-15.6	-19.4	-21.2	-20.9	-14.8	-11.5	-9.4	10.3	21.9	24.4	18.6	22.8	22.7	22.8	15.6	15.2	13.2	12.1	
1.6	1.6	1.7	1.9	1.0	0.7	0.8	0.8	0.8	0.8	0.8	16.3	15.4	-	-	-	-	-	-	-	-	-	
-1.3	-1.3	-1.3	-1.1	-1.1	-1.1	-1.1	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.7	2.7	2.7	2.7	1.1	1.1	1.1	
2.4	2.3	2.4	2.4	6.2	7.1	7.1	7.1	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	1.0	0.1	0.1	0.1	0.1	0.1	
-7.8	-9.4	-5.0	-9.0	-8.6	-11.2	-12.9	-13.7	-10.2	-8.6	-7.6	6.0	11.8	14.6	12.6	15.2	16.7	17.2	14.4	15.5	14.3	13.5	

BALANCE OF PAYMENTS	2007	2008	2009	2008			2009				2010		2008			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	8	9	10	11
BALANCE OF PAYMENTS, in EUR m																
Current account	-1,646	-2,489	-526	-544	-698	-757	-304	64	-235	-51	-121	-37	-198	-132	-255	-156
Goods ¹	-1,666	-2,650	-699	-668	-751	-743	-156	-29	-228	-286	-127	-174	-298	-190	-266	-180
Exports	19,798	20,048	16,167	5,349	5,038	4,577	3,934	4,064	3,950	4,219	4,213	4,712	1,339	1,891	1,841	1,532
Imports	21,464	22,698	16,866	6,017	5,789	5,320	4,090	4,093	4,178	4,505	4,340	4,886	1,637	2,080	2,107	1,711
Services	1,047	1,493	1,114	460	413	304	239	311	296	269	217	313	142	174	141	110
Exports	4,145	5,043	4,301	1,299	1,475	1,219	918	1,049	1,272	1,061	911	1,095	486	476	447	378
Imports	3,098	3,549	3,187	839	1,062	915	679	738	977	793	695	783	344	302	306	268
Income	-789	-1,030	-782	-277	-357	-231	-230	-200	-241	-112	-157	-134	-55	-97	-90	-74
Receipts	1,169	1,261	665	315	335	342	131	176	138	220	206	239	116	110	109	107
Expenditure	1,957	2,292	1,447	592	691	573	361	376	378	332	363	373	171	207	199	181
Current transfers	-239	-302	-159	-59	-4	-87	-158	-18	-62	79	-54	-42	13	-20	-40	-12
Receipts	941	870	957	215	254	238	141	266	176	374	258	215	115	66	61	87
Expenditure	1,180	1,172	1,116	274	257	325	299	283	238	296	312	257	102	86	101	99
Capital and financial account	1,920	2,545	220	763	631	703	-25	-57	129	173	101	286	210	6	-117	291
Capital account	-52	-25	-9	7	-4	-26	-4	41	-4	-42	45	2	1	1	5	41
Financial account	1,972	2,571	230	756	635	729	-20	-98	133	214	56	284	209	5	-122	251
Direct investment	-210	381	-539	-123	82	299	3	-415	-46	-81	-39	77	56	-90	-29	93
Domestic abroad	-1,317	-949	-121	-439	-248	-132	104	-260	35	1	-121	32	-35	-98	-82	-10
Foreign in Slovenia	1,106	1,329	-419	317	330	431	-100	-155	-81	-82	82	45	91	8	53	103
Portfolio investment	-2,255	572	4,625	-1,155	166	1,258	874	1,151	2,293	307	1,102	500	-207	239	387	658
Financial derivatives	-15	46	-2	4	5	6	-23	12	12	-2	-22	-35	2	2	2	2
Other investment	4,313	1,551	-4,021	1,949	380	-855	-988	-891	-2,112	-29	-1,047	-207	254	-116	-515	-486
Assets	-4,741	-427	-273	-185	434	300	746	-161	-1,053	194	277	-591	-63	366	-434	18
Commercial credits	-400	-142	417	-170	-9	554	62	166	-37	227	-229	-212	146	-171	-43	131
Loans	-1,895	-325	-29	-442	158	-91	40	-91	-23	45	-359	503	-377	280	-286	73
Currency and deposits	-2,454	35	-587	387	304	-155	638	-239	-1,004	18	867	-876	170	279	-115	-191
Other assets	7	4	-75	40	-19	-8	7	2	12	-96	-2	-6	-2	-22	9	5
Liabilities	9,054	1,978	-3,747	2,134	-54	-1,156	-1,735	-730	-1,059	-223	-1,323	385	317	-482	-80	-504
Commercial credits	499	-73	-459	309	-25	-536	-301	-105	25	-78	98	269	-117	59	-66	-182
Loans	3,841	1,869	-2,941	1,472	242	-489	-571	-1,331	-73	-966	-415	-194	228	-98	37	-483
Deposits	4,727	190	-318	346	-272	-137	-858	700	-983	822	-1,079	368	206	-438	-51	159
Other liabilities	-13	-7	-29	7	2	6	-5	6	-28	-2	72	-59	0	-5	0	3
International reserves ²	140	21	167	80	1	21	114	46	-13	20	62	-50	104	-30	33	-17
Statistical error	-273	-56	305	-219	67	54	329	-7	106	-122	19	-249	-11	127	372	-135
EXPORTS AND IMPORTS BY END-USE OF PRODUCTS, in EUR m																
Export of investment goods	1,936	2,241	1,783	576	598	544	442	461	407	473	404	456	152	243	201	185
Intermediate goods	10,436	10,760	8,090	2,893	2,730	2,385	1,977	1,996	2,025	2,093	2,237	2,541	756	998	981	816
Consumer goods	7,035	6,808	6,144	1,817	1,648	1,590	1,474	1,568	1,482	1,620	1,539	1,681	411	629	638	511
Import of investment goods	3,031	3,441	2,288	928	862	878	583	551	521	633	449	605	226	342	289	279
Intermediate goods	12,875	13,735	9,823	3,668	3,543	3,107	2,381	2,335	2,458	2,649	2,682	3,027	1,029	1,222	1,309	1,017
Consumer goods	5,601	5,870	5,004	1,520	1,475	1,416	1,195	1,262	1,255	1,292	1,264	1,315	404	551	544	441

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.

2008	2009												2010							
	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7
-346	-75	-137	-92	4	18	42	-84	-136	-15	-55	87	-83	-27	-131	38	-47	-84	94	44	5
-297	-48	-37	-71	-67	-7	45	-50	-161	-17	-50	-79	-158	-17	-87	-23	-71	-121	17	-14	-84
1,204	1,214	1,293	1,427	1,304	1,333	1,427	1,401	1,065	1,484	1,499	1,471	1,248	1,231	1,330	1,651	1,474	1,567	1,671	1,604	1,301
1,501	1,262	1,330	1,498	1,371	1,340	1,382	1,451	1,226	1,501	1,549	1,550	1,406	1,248	1,417	1,674	1,545	1,688	1,653	1,618	1,386
53	92	60	87	103	112	96	59	125	111	114	85	70	74	63	80	90	107	116	84	135
394	307	278	334	344	348	357	436	447	389	367	322	373	293	281	337	348	359	389	470	479
341	215	218	246	241	236	261	376	322	278	253	237	303	219	218	257	257	252	273	386	345
-67	-71	-82	-76	-56	-77	-67	-96	-66	-79	-63	17	-65	-56	-55	-45	-49	-45	-40	-52	-53
126	48	42	41	51	55	69	51	43	44	45	107	69	66	64	77	74	82	83	73	72
193	119	124	118	107	132	137	146	109	123	108	90	134	122	119	122	123	127	123	125	125
-35	-48	-78	-32	24	-11	-31	2	-35	-30	-55	64	70	-28	-52	26	-17	-25	0	26	8
90	35	45	61	116	80	69	80	53	43	60	148	166	63	83	112	54	82	79	115	87
125	83	124	93	92	90	101	77	87	73	116	83	96	91	135	86	72	107	78	90	79
529	188	-96	-117	15	98	-170	104	-66	92	95	-7	85	60	81	-40	146	17	123	17	11
-72	-7	-2	5	-2	-1	45	-3	-2	1	1	25	-67	-7	-2	55	2	-3	3	-8	-4
601	196	-95	-121	18	99	-215	106	-64	91	94	-32	153	67	84	-95	145	20	119	24	15
235	148	-14	-132	-100	-255	-61	-40	27	-34	-17	-89	25	29	-46	-22	1	31	45	56	70
-40	129	-7	-18	-74	-189	3	26	24	-15	-25	36	-10	-8	-77	-36	-23	24	30	6	15
275	20	-6	-114	-26	-66	-64	-65	3	-18	8	-126	36	37	31	15	23	6	15	50	55
213	410	559	-95	1,005	263	-118	864	-216	1,644	-14	-71	392	1,357	-449	194	606	-203	97	86	-35
2	-10	-13	0	4	8	-1	-2	6	8	3	3	-7	-2	-2	-19	-1	-11	-23	-1	0
145	-349	-713	74	-888	20	-24	-663	90	-1,539	115	114	-258	-1,368	573	-252	-493	263	23	-114	-16
717	73	603	70	-152	-730	721	-656	719	-1,116	219	-349	323	157	69	51	-4	-641	53	618	-234
466	149	-26	-62	70	141	-45	-6	85	-117	-68	-31	326	-4	-41	-184	-35	-91	-86	-4	185
122	-185	206	19	48	-62	-77	-58	72	-37	-8	48	5	-54	29	-333	430	17	56	103	-38
151	98	413	127	-269	-808	838	-592	556	-968	292	-367	93	222	75	570	-406	-554	83	521	-449
-22	11	10	-15	-1	-2	5	0	6	6	3	2	-100	-6	5	-1	7	-14	0	-3	68
-572	-422	-1,316	4	-736	751	-745	-7	-629	-423	-104	462	-581	-1,525	504	-303	-489	904	-30	-732	218
-288	-299	-33	30	-48	-32	-25	20	-110	116	88	80	-246	-85	68	115	56	129	84	-37	-171
-43	-125	18	-464	-328	349	-1,353	12	-30	-55	-159	32	-839	-40	-18	-356	-276	328	-245	-35	-33
-244	5	-1,303	441	-361	434	627	-10	-491	-482	-36	358	500	-1,394	448	-133	-206	455	118	-631	415
3	-3	2	-4	2	-1	5	-30	3	-2	2	-8	4	-6	6	72	-63	-8	12	-28	7
5	-4	86	31	-5	62	-11	-53	29	12	8	11	1	51	7	4	32	-60	-23	-3	-4
-184	-113	234	209	-19	-115	128	-20	202	-77	-40	-79	-3	-33	50	3	-100	67	-217	-60	-16
158	128	152	162	171	141	149	147	110	150	167	154	151	117	120	167	143	156	158	157	N/A
589	644	637	695	646	652	698	722	552	751	782	730	581	658	725	854	805	855	882	875	N/A
441	429	491	555	478	524	567	517	392	572	540	578	502	447	475	617	517	546	619	559	N/A
310	172	161	249	190	187	175	170	154	197	218	208	207	121	148	180	211	215	179	177	N/A
782	758	803	820	762	759	814	861	711	886	913	937	799	794	879	1,009	948	1,058	1,020	1,020	N/A
431	353	389	453	437	416	408	434	381	441	447	433	413	357	390	516	417	448	449	441	N/A

MONETARY INDICATORS AND INTEREST RATES	2007	2008	2009	2008								2009		
				5	6	7	8	9	10	11	12	1	2	3
SELECTED CLAIMS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Claims of the BS on central government	67	68	160	66	65	66	66	67	69	69	68	69	87	103
Central government (S. 1311)	2,367	2,162	3497	2,162	2,052	2,030	2,069	2,046	2,058	2,176	2,162	2,704	2,867	3,134
Other government (S. 1312, 1313, 1314)	118	212	376	129	133	136	143	178	184	181	212	223	229	233
Households (S. 14, 15)	6,818	7,827	8413	7,318	7,409	7,521	7,603	7,705	7,857	7,785	7,827	7,831	7,852	7,868
Non-financial corporations (S. 11)	18,105	21,149	21682	19,616	20,064	20,404	20,619	20,872	21,134	21,092	21,149	21,346	21,429	21,469
Non-monetary financial institutions (S. 123, 124, 125)	2,305	2,815	2703	2,568	2,736	2,726	2,729	2,798	2,815	2,845	2,815	2,815	2,814	2,851
Monetary financial institutions (S. 121, 122)	2,401	3,666	5301	2,375	2,386	2,403	2,400	2,737	2,965	2,963	3,666	3,887	3,826	3,786
Claims on domestic sectors, TOTAL														
In domestic currency	26,555	32,113	34730	28,871	29,380	29,805	30,108	30,888	31,444	31,594	32,113	32,388	32,663	32,648
In foreign currency	1,990	2,370	1895	2,259	2,263	2,228	2,271	2,344	2,512	2,371	2,370	2,372	2,315	2,190
Securities, total	3,570	3,346	5348	3,038	3,137	3,188	3,184	3,104	3,059	3,077	3,346	4,046	4,040	4,504
SELECTED OBLIGATIONS OF OTHER MFI ON DOMESTIC SECTORS, end of the month, in EUR m														
Deposits in domestic currency, total	20,029	23,129	27967	20,613	21,144	21,341	21,465	21,992	22,177	22,385	23,129	23,563	24,487	24,334
Overnight	6,887	6,605	7200	6,841	7,071	6,744	6,703	6,918	6,666	6,577	6,605	6,415	6,421	6,609
With agreed maturity – short-term	8,913	10,971	9766	9,292	9,439	9,936	9,929	10,038	10,530	10,659	10,971	11,246	12,053	11,705
With agreed maturity – long-term	2,857	4,157	9703	3,046	3,170	3,241	3,378	3,519	3,555	3,727	4,157	4,542	4,729	4,827
Short-term deposits redeemable at notice	1,372	1,396	1298	1,434	1,464	1,420	1,455	1,517	1,426	1,422	1,396	1,360	1,284	1,193
Deposits in foreign currency, total	559	490	433	527	488	491	502	493	537	551	490	504	502	491
Overnight	218	215	237	225	218	220	228	218	244	247	215	242	230	233
With agreed maturity – short-term	248	198	123	224	196	192	190	196	213	227	198	181	195	177
With agreed maturity – long-term	56	41	45	42	42	43	42	43	44	42	41	42	43	42
Short-term deposits redeemable at notice	37	36	27	36	32	36	42	36	36	35	36	39	34	39
INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS, %														
New deposits in domestic currency														
Households														
Overnight deposits	0.36	0.46	0.28	0.46	0.46	0.48	0.48	0.48	0.51	0.52	0.43	0.48	0.40	0.34
Time deposits with maturity of up to one year	3.36	4.30	2.51	4.20	4.30	4.40	4.39	4.53	4.65	4.56	4.45	4.08	3.40	2.82
New loans to households in domestic currency														
Housing loans, 5-10 year fixed interest rate	5.80	6.77	6.43	6.53	6.63	6.71	6.95	6.99	7.10	7.17	6.88	7.05	6.63	5.75
New loans to non-financial corporations in domestic currency														
Loan over EUR 1 million, 1-5 year fixed interest rate	5.76	6.62	6.28	5.47	6.63	6.91	6.53	6.94	6.76	7.24	7.74	6.61	6.35	6.34
INTEREST RATES OF THE EUROPEAN CENTRAL BANK, %														
Main refinancing operations	3.85	3.85	1.23	4.00	4.00	4.25	4.25	4.25	3.75	3.25	2.50	2.00	2.00	1.50
INTERBANK INTEREST RATES														
EURIBOR														
3-month rates	4.28	4.63	1.23	4.86	4.94	4.96	4.97	5.02	5.11	4.24	3.29	2.46	1.94	1.64
6-month rates	4.35	4.72	1.44	4.90	5.09	5.15	5.16	5.22	5.18	4.29	3.37	2.54	2.03	1.78
LIBOR CHF														
3-month rates	2.55	2.58	0.38	2.78	2.84	2.79	2.75	2.78	3.00	1.97	0.91	0.57	0.51	0.44
6-month rates	2.65	2.69	0.50	2.89	2.98	2.94	2.89	2.92	3.09	2.16	1.08	0.71	0.65	0.58

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

2009									2010								
4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
121	140	142	151	167	166	161	161	160	176	177	140	140	142	141	140	142	140
3,288	3,542	3,472	3,456	3,427	3,610	3,625	3,581	3,497	3,334	3,382	2,884	2,897	3,001	3,125	3,130	3,326	3,422
243	254	251	257	262	281	305	336	376	390	395	390	392	395	401	415	421	417
7,910	7,946	7,951	8,055	8,135	8,231	8,295	8,345	8,413	8,452	8,480	8,601	8,647	8,701	8,897	8,917	9,062	9,106
21,509	21,516	21,517	21,557	21,671	21,704	21,688	21,645	21,704	21,792	21,896	21,950	22,062	21,997	22,015	22,020	21,816	21,862
2,869	2,838	2,835	2,838	2,868	2,846	2,846	2,772	2,680	2,684	2,669	2,620	2,606	2,558	2,537	2,516	2,502	2,503
3,829	4,008	4,365	4,382	4,334	4,723	4,563	4,589	5,302	6,141	5,093	5,057	5,555	5,638	6,115	5,459	5,315	5,396
32,790	33,140	33,353	33,601	33,628	34,045	33,922	33,962	34,731	35,678	34,817	34,893	35,430	35,620	36,524	35,990	35,899	35,750
2,172	2,122	2,059	2,017	2,003	1,969	1,939	1,919	1,895	1,904	1,894	1,887	1,859	1,852	1,392	1,355	1,367	1,694
4,686	4,843	4,979	4,925	5,067	5,380	5,460	5,386	5,345	5,211	5,204	4,723	4,871	4,819	5,174	5,112	5,175	5,263
25,649	26,020	26,576	26,206	25,956	26,950	26,860	26,930	27,965	28,953	28,198	27,716	27,949	28,085	27,948	27,077	27,357	26,817
6,610	6,876	7,163	6,862	7,011	7,079	6,940	7,028	7,200	7,949	7,139	7,396	7,351	7,732	7,834	7,868	8,027	8,029
12,951	13,053	12,015	10,560	10,067	10,720	10,487	10,283	9,779	9,722	9,479	8,582	8,347	8,029	8,400	8,593	8,634	8,096
4,876	4,868	6,182	7,600	7,712	7,952	8,190	8,315	9,688	9,928	10,260	10,431	10,894	11,005	11,539	10,460	10,529	10,532
1,212	1,223	1,216	1,184	1,166	1,199	1,243	1,304	1,298	1,354	1,320	1,307	1,357	1,319	175	156	167	160
489	495	492	480	462	462	457	454	433	426	439	436	450	495	708	465	495	465
231	251	249	239	240	244	242	261	238	240	241	250	270	299	512	283	310	280
180	166	170	166	150	144	141	122	123	117	120	110	103	104	130	122	121	125
42	41	39	39	38	43	42	43	45	48	52	54	54	57	64	58	61	57
36	37	34	36	34	31	32	28	27	21	26	22	23	35	2	2	3	3
0.28	0.25	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.22	0.22	0.22	0.22	0.21	0.19	0.19	-	-
2.44	2.28	2.40	2.35	2.27	2.14	2.04	1.97	2.00	1.91	1.75	1.69	1.66	1.72	1.74	1.87	-	-
6.75	6.37	6.59	6.74	6.57	6.64	6.74	5.00	6.28	6.11	6.08	5.33	5.80	5.38	5.42	5.12	-	-
6.05	6.10	6.19	6.36	6.20	6.66	6.47	5.94	6.06	6.15	6.31	5.64	5.98	6.03	6.19	5.40	-	-
1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.42	1.28	1.23	0.98	0.86	0.77	0.74	0.72	0.71	0.68	0.66	0.64	0.64	0.69	0.73	0.85	0.90	0.88
1.61	1.48	1.44	1.21	1.12	1.04	1.02	0.99	1.00	0.98	0.97	0.95	0.96	0.98	1.01	1.10	1.15	1.14
0.40	0.40	0.40	0.37	0.34	0.30	0.27	0.25	0.25	0.25	0.25	0.25	0.24	0.19	0.10	0.13	0.16	-
0.54	0.54	0.52	0.49	0.45	0.41	0.39	0.36	0.35	0.34	0.33	0.33	0.33	0.28	0.20	0.22	0.23	-

PUBLIC FINANCE	2007	2008	2009	2008			2009				2010		2008			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	7	8	9	10
CONSOLIDATED BALANCE OF PUBLIC FINANCING (GFS-IMF methodology), current prices, EUR m																
GENERAL GOVERNMENT REVENUES																
TOTAL REVENUES	14,006.1	15,339.2	14,408.0	4,005.7	3,857.5	4,106.6	3,283.0	3,542.8	3,558.8	4,023.5	3,310.2	3,476.9	1,342.2	1,226.0	1,289.3	1,310.0
Current revenues	13,467.2	14,792.3	13,639.5	3,881.0	3,733.8	3,903.4	3,204.0	3,322.8	3,470.3	3,642.3	3,157.8	3,367.7	1,306.1	1,164.7	1,263.0	1,295.2
Tax revenues	12,757.9	13,937.4	12,955.4	3,702.0	3,472.0	3,653.3	3,058.9	3,164.5	3,279.0	3,453.0	2,983.4	3,189.2	1,253.4	1,066.2	1,152.4	1,234.1
Taxes on income and profit	2,917.7	3,442.2	2,805.1	1,106.5	806.5	834.7	707.3	617.5	735.5	744.8	635.5	594.4	297.9	256.5	252.1	261.1
Social security contributions	4,598.0	5,095.0	5,161.3	1,254.2	1,272.9	1,364.8	1,285.3	1,280.9	1,260.6	1,334.5	1,274.4	1,303.8	425.8	414.8	432.3	435.0
Taxes on payroll and workforce	418.1	258.0	28.5	62.2	63.5	72.9	7.4	7.2	6.2	7.7	6.3	7.2	21.3	20.4	21.8	22.1
Taxes on property	206.4	214.9	207.0	62.6	69.6	55.2	20.6	51.5	74.6	60.2	24.1	58.9	23.0	26.5	20.0	16.3
Domestic taxes on goods and services	4,498.6	4,805.3	4,660.2	1,181.7	1,227.8	1,296.4	1,015.4	1,177.5	1,184.2	1,283.1	1,023.9	1,199.2	475.3	336.2	416.3	490.6
Taxes on international trade & transactions	117.1	120.1	90.5	33.7	31.0	29.8	22.5	29.2	17.2	21.7	18.7	24.7	9.8	11.5	9.7	10.2
Other taxes	2.1	1.8	2.9	1.0	0.7	-0.6	0.5	0.7	0.7	1.0	0.5	1.0	0.3	0.2	0.2	-1.2
Non-tax revenues	709.2	854.9	684.1	179.0	261.8	250.1	145.1	158.4	191.3	189.3	174.4	178.5	52.7	98.5	110.6	61.1
Capital revenues	136.6	117.3	106.5	26.9	28.8	33.6	14.1	29.7	19.3	43.5	9.8	17.8	12.9	6.8	9.0	6.1
Grants	11.9	10.4	11.1	2.1	3.1	3.1	2.9	1.7	1.9	4.7	2.9	2.2	1.6	0.3	1.2	0.6
Transferred revenues	42.5	53.9	54.3	0.9	0.6	51.3	0.2	1.5	1.1	51.5	0.5	2.3	0.1	0.5	0.0	0.4
Receipts from the EU budget	348.0	365.4	596.5	94.8	91.3	115.3	61.8	186.9	66.2	281.5	139.2	86.9	21.5	53.7	16.1	7.7
GENERAL GOVERNMENT EXPENDITURES																
TOTAL EXPENDITURES	13,915.5	15,441.7	16,368.2	3,792.9	3,628.8	4,631.4	3,877.1	4,064.6	3,767.1	4,659.5	4,035.2	4,121.8	1,139.6	1,179.6	1,309.7	1,259.5
Current expenditures	5,950.9	6,557.5	6,797.3	1,581.7	1,513.7	1,886.2	1,768.8	1,682.7	1,578.1	1,771.3	1,795.6	1,756.5	507.2	486.1	520.4	535.2
Wages, salaries and other personnel expenditures	3,276.9	3,578.9	3,912.3	906.8	892.5	959.8	965.0	1,005.6	955.4	985.9	956.6	1,012.9	292.5	292.5	307.6	292.9
Expenditures on goods and services	2,212.2	2,527.5	2,506.8	589.3	586.1	829.0	547.1	618.0	603.9	741.4	557.0	623.7	204.0	185.7	196.5	207.5
Interest payments	357.0	335.2	335.9	69.8	12.9	31.5	246.7	48.4	12.0	29.0	272.6	110.0	4.9	2.2	5.7	22.7
Reserves	104.8	116.0	42.3	15.8	22.2	65.9	10.0	10.9	6.8	14.9	9.4	9.9	5.9	5.7	10.6	12.0
Current transfers	6,143.9	6,742.2	7,340.3	1,856.8	1,567.3	1,828.2	1,748.2	1,936.1	1,736.9	1,918.2	1,849.0	1,995.1	513.9	535.3	518.1	528.4
Subsidies	423.4	476.5	597.9	243.0	57.7	115.3	165.0	126.9	86.5	219.4	160.7	122.8	16.6	19.4	21.7	27.7
Current transfers to individuals and households	5,093.3	5,619.2	6,024.1	1,448.9	1,344.8	1,522.0	1,436.2	1,614.8	1,475.9	1,497.6	1,529.0	1,671.1	442.0	464.4	438.4	448.8
Current transfers to non-profit institutions, other current domestic transfers	595.3	598.3	679.5	151.2	153.2	175.2	140.0	178.5	164.5	195.1	150.6	188.6	54.0	48.4	50.7	51.4
Current transfers abroad	32.0	48.2	38.9	13.6	11.6	15.7	7.0	15.9	9.9	6.1	8.7	12.6	1.3	3.0	7.3	0.5
Capital expenditures	1,130.5	1,255.5	1,293.3	215.9	350.0	540.6	175.3	237.2	297.5	584.1	192.8	212.4	77.7	98.2	174.1	94.5
Capital transfers	334.3	458.6	495.2	62.3	130.8	234.9	35.9	112.9	86.0	259.9	47.2	90.0	21.8	38.0	70.9	53.0
Payments to the EU budget	355.9	427.9	439.3	76.2	67.0	141.5	148.9	95.6	68.7	126.1	150.6	67.8	18.9	21.9	26.2	48.4
SURPLUS / DEFICIT	90.6	-102.5	-1,961.4	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Acronyms

Acronyms in the text

AJPES – Agency of the Republic of Slovenia for Public Legal Records and Related Services, **BMASK** – Bundesministerium für Arbeit, Soziales und Konsumentenschutz, **BS** – Bank of Slovenia, **EC** – European Commission, **ECB** – European Central Bank, **ELES** – Electro Slovenia, **ESI** – Economic Sentiment Indicator, **ESS** – Employment Service of Slovenia, **GDP** – Gross domestic product, **HICP** – Harmonised Index of Consumer Prices, **IAADP** – Internal Administrative Affairs Directorate, **IMAD** – Institute of Macroeconomic Analysis and Development, **IMF** – International Monetary Fund, **MF** – Ministry of Finance, **MI** – Ministry of the Interior, **NFI** – Non-monetary Financial Institutions, **OECD** – Organization for Economic Cooperation and Development, **PMI** – Purchasing Managers Index, **PPA** – Public Payments Administration of the Republic of Slovenia, **RS** – 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, **ZEW** – Centre for European Economic Research.

Acronyms of Standard Classification of Activities (SCA)

A-Agriculture, forestry and fishing, **B**-Mining and quarrying, **C**-Manufacturing, **10**-Manufacture of food products, **11**-Manufacture of beverages, **12**-Manufacture of tobacco products, **13**-Manufacture of textiles, **14**-Manufacture of wearing apparel, **15**-Manufacture of leather and related products, **16**- Manufacture of wood and of products of wood and cork, except furniture, manufacture of articles of straw and plaiting materials, **17**-Manufacture of paper and paper products, **18**-Printing and reproduction of recorded media, **19**- Manufacture of coke and refined petroleum products, **20**-Manufacture of chemicals and chemical products, **21**-Manufacture of basic pharmaceutical products and pharmaceutical preparations, **22**-Manufacture of rubber and plastic products, **23**- Manufacture of other non-metallic mineral products, **24**-Manufacture of basic metals, **25**-Manufacture of fabricated metal products, except machinery and equipment, **26**-Manufacture of computer, electronic and optical products, **27**-Manufacture of electrical equipment, **28**-Manufacture of machinery and equipment n.e.c., **29**- Manufacture of motor vehicles, trailers and semi-trailers, **30**-Manufacture of other transport equipment, **31**-Manufacture of furniture, **32**-Other manufacturing, **33**-Repair and installation of machinery and equipment, **D**-Electricity, gas, steam and air conditioning supply, **E**-Water supply, sewerage, waste management and remediation activities, **F**-Construction, **G**-Wholesale and retail trade, repair of motor vehicles and motorcycles, **H**-Transportation and storage, **I**-Accommodation and food service activities, **J**- Information and communication, **K**- Financial and insurance activities, **L**-Real estate activities, **M**-Professional, scientific and technical activities, **N**-Administrative and support service activities, **O**-Public administration and defence, compulsory social security, **P**-Education, **Q**-Human health and social work activities, **R**-Arts, entertainment and recreation, **S**-Other service activities, **T**-Activities of households as employers, undifferentiated goods - and services - producing activities of households for own use, **U**-Activities of extraterritorial organizations and bodies.

Acronyms of Countries

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

slovenian economic mirror

October 2010, No. 10. Vol. XVI