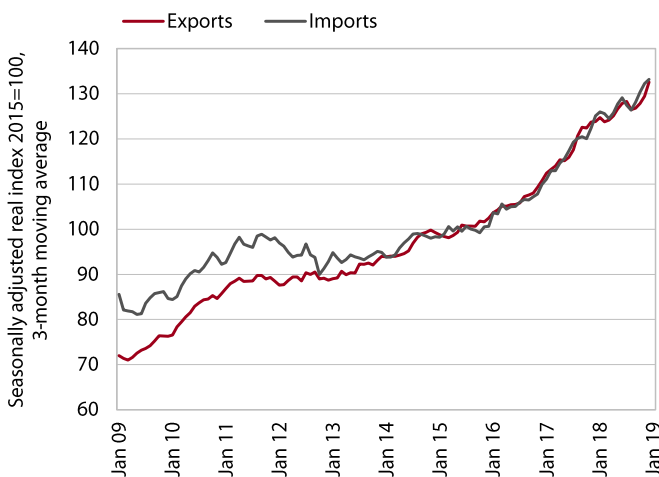


CURRENT ECONOMIC TRENDS

11 – 15 March 2019

The movement of the export-oriented part of the economy at the beginning of the year remains under the impact of accelerated growth in production of pharmaceutical and medical goods and modest activity in the European car industry, which is reflected in low production of motor vehicles and some intermediate goods. Activity in construction is strengthening further.

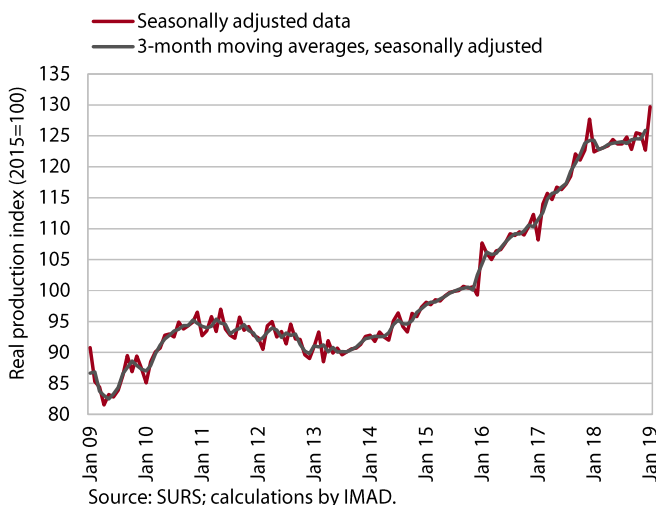
Exports and imports of goods, January 2019



Source: SURS; calculations by IMAD.

Following the moderation in the second half of last year, exports recorded fairly strong growth in January; the strong growth of imports also continued. Last year's moderation, amid the slowdown of economic activity in Slovenia's main trading partners, was affected by lower growth in most key manufactured goods and significantly lower vehicle exports (owing to the petering out of a one-off factor). Meanwhile, exports of medical and pharmaceutical products and some primary products strengthened significantly, including at the beginning of the year according to our estimate. Growth in imports was affected particularly by further growth in imports of consumer goods, as growth in intermediate and investment goods imports slowed notably towards the end of the year.

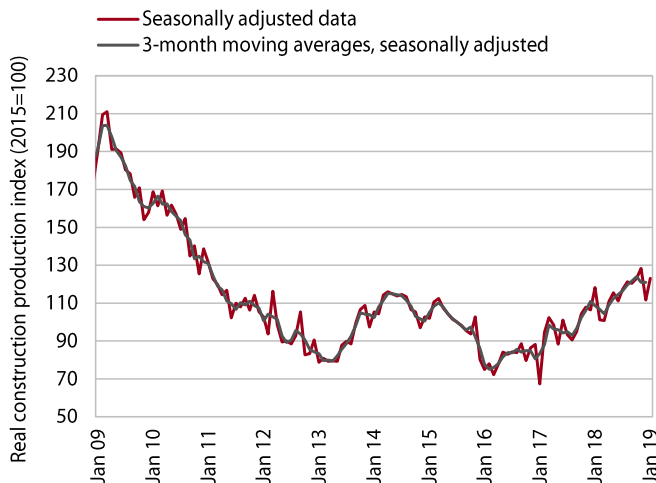
Manufacturing, January 2019



Source: SURS; calculations by IMAD.

After the modest strengthening in the second half of 2018, manufacturing output increased notably at the beginning of this year, the most in high-technology industries, where it was more than one-fifth higher year on year (according to our estimate, mostly as a result of the pharmaceutical industry). The movement of the production of motor vehicles and most intermediates, particularly for the European car industry, reflects the petering out of the one-off effect of the start of the production of a new passenger car in 2017, which was still strongly felt in the first months of last year, and the new global standard for measuring fuel consumption and emissions introduced in September 2018. In these industries, January's production was lower than or similar to that one year before.

Construction, January 2019



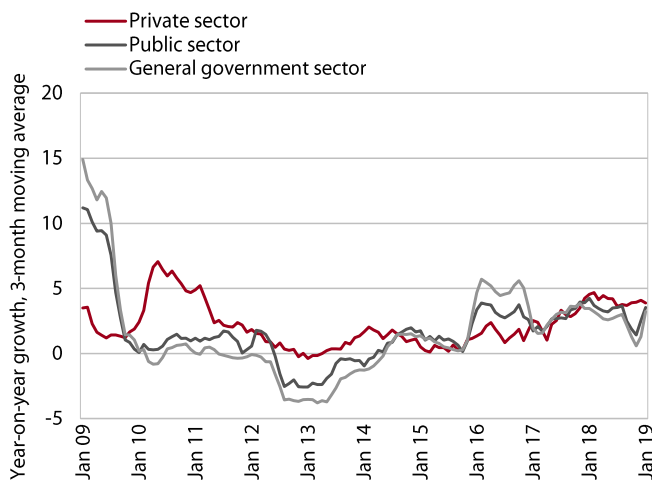
Source: SURS; calculations by IMAD.

The value of construction output rose again in January after December's decline.

Activity increased in all three segments (civil engineering works, residential and non-residential buildings), over a longer period (one year) the most in the construction of civil-engineering works.

The indicators of contracts, which suggest future activity in construction dropped both in January and towards the end of last year. The stock of contracts in construction was thus down year on year in January.

Earnings, January 2019



Source: SURS; calculations by IMAD.

In January, wage growth was notably higher year on year.

Wage growth in the private sector was, in addition to favourable economic factors such as low unemployment (and the related impacts of labour shortages) and good business results also due to the increase in the minimum wage. Wages rose the most in those sectors that have the largest labour shortages and employ a large number of workers with below-average wage (in trade, transportation, accommodation and food service activities, manufacturing and administrative and support service activities). In the public sector, wage growth was affected by strong wage growth in the government sector as a result of the wage rises agreed at the end of last year and, to a lesser extent, a higher minimum wage.

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4
GDP, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	0,9	2,2	0,6	0,9	1,3	0,8
	28.02.2019	31.05.2019	% (Q/Q-4)	4,2	6,3	4,8	4,1	5,0	4,1
Private consumption, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	1,2	1,2	0,2	-0,3	0,4	1,4
	28.02.2019	31.05.2019	% (Q/Q-4)	1,6	3,2	3,9	1,8	1,2	2,1
Government consumption, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	0,1	1,1	0,2	3,5	-2,2	0,1
	28.02.2019	31.05.2019	% (Q/Q-4)	-0,2	1,3	1,2	4,9	2,6	1,5
Gross investment, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	-2,5	7,6	4,2	-0,9	5,2	1,3
	28.02.2019	31.05.2019	% (Q/Q-4)	7,7	15,3	16,1	7,7	16,9	10,0
Exports of goods and services, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	4,0	2,5	0,1	2,6	0,3	3,0
	28.02.2019	31.05.2019	% (Q/Q-4)	12,1	12,7	8,0	8,6	5,4	6,8
Imports of goods and services, real	28.02.2019	31.05.2019	% (Q/Q-1) ³	3,6	2,8	1,2	1,7	0,0	2,8
	28.02.2019	31.05.2019	% (Q/Q-4)	10,9	11,8	10,2	8,9	5,5	6,6
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
Trade balance ¹	13.02.2019	18.03.2019	mio EUR	98,0	43,6	119,1	-60,5	:	:
Current account ¹	13.02.2019	18.03.2019	mio EUR	346,8	305,1	282,6	143,8	:	:
Exports of goods, real ²	12.03.2019	09.04.2019	% (M/M-1) ⁴	-3,5	4,3	1,9	-2,3	7,7	:
	12.03.2019	09.04.2019	% (M/M-12)	-3,3	8,2	8,2	0,7	12,5	:
Imports of goods, real ²	12.03.2019	09.04.2019	% (M/M-1) ⁴	3,3	4,6	-2,4	2,2	2,5	:
	12.03.2019	09.04.2019	% (M/M-12)	4,0	15,2	6,9	5,6	6,9	:
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
Inflation (CPI)	28.02.2019	29.03.2019	% (M/M-1)	0,4	0,3	0,1	-0,6	-1,1	0,8
	28.02.2019	29.03.2019	% (M/M-12)	2,0	2,2	2,0	1,4	1,1	1,2
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
Gross earnings per employee – nominal	15.03.2019	15.04.2019	% (M/M-1)	-2,2	2,7	8,1	-1,7	-3,0	:
	15.03.2019	15.04.2019	% (M/M-12)	1,8	3,4	3,2	3,4	4,2	:
- private sector	15.03.2019	15.04.2019	% (M/M-1)	-2,8	3,5	11,2	-4,8	-3,6	:
	15.03.2019	15.04.2019	% (M/M-12)	2,9	4,7	4,2	3,4	4,1	:
- public sector	15.03.2019	15.04.2019	% (M/M-1)	-1,1	1,4	2,8	4,2	-2,0	:
	15.03.2019	15.04.2019	% (M/M-12)	0,7	1,9	1,7	4,0	4,9	:
- of which government sector	15.03.2019	15.04.2019	% (M/M-1)	0,6	-0,5	0,7	2,8	2,7	:
	15.03.2019	15.04.2019	% (M/M-12)	0,4	0,4	1,0	2,5	6,3	:
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
Employed persons	18.02.2019	18.03.2019	% (M/M-1) ⁴	0,3	0,3	0,2	0,9	:	:
	18.02.2019	18.03.2019	% (M/M-12)	3,0	3,0	2,9	3,4	:	:
Registered unemployed persons	05.03.2019	05.04.2019	% (M/M-1) ⁴	-0,7	-0,4	-0,6	-0,9	0,0	-1,0
	05.03.2019	05.04.2019	% (M/M-12)	-8,9	-8,1	-7,7	-7,7	-5,8	-5,8
Registered unemployment rate	18.02.2019	18.03.2019	%	7,8	7,9	7,9	8,1	:	:
				2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4
Employment, LFS	28.02.2019	31.05.2019	% (Q/Q-1) ⁵	1,3	0,9	0,6	0,2	0,0	0,5
ILO unemployment rate, LFS	28.02.2019	31.05.2019	% (Q/Q-4)	5,5	5,2	3,1	3,0	1,7	1,2
				2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4
Industrial producer prices, domestic market	21.02.2019	21.03.2019	% (M/M-1)	-0,2	-0,2	0,0	0,0	0,3	:
	21.02.2019	21.03.2019	% (M/M-12)	2,0	1,7	1,4	1,2	1,2	:
Production volume in manufacturing, real	11.03.2019	10.04.2019	% (M/M-1) ³	-1,6	2,2	-0,2	-2,1	5,7	:
	11.03.2019	10.04.2019	% (M/M-12)	-2,4	7,3	2,3	-3,0	5,8	:
Construction, real value of construction output	15.03.2019	15.04.2019	% (M/M-1) ³	-0,7	2,2	4,2	-13,0	10,3	:
	15.03.2019	15.04.2019	% (M/M-12)	27,0	18,4	19,5	4,3	4,4	:
Turnover in retail trade, real	28.02.2019	29.03.2019	% (M/M-1) ³	0,5	2,4	0,3	0,8	:	:
	28.02.2019	29.03.2019	% (M/M-12)	6,5	16,0	9,2	10,1	:	:
				2012	2013	2014	2015	2016	2017
General government deficit/surplus (ESA 2010)	28.09.2018	30.03.2018	% BDP	-4,0	-14,7	-5,5	-2,8	-1,9	0,1
Consolidated gross general government debt (ESA)	28.09.2018	30.03.2018	% BDP	53,8	70,4	80,4	82,6	78,7	74,1
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
Economic sentiment indicator ⁵ , seasonally adjusted	22.02.2019	25.03.2019	% ³	8,1	11,5	10	11,0	12,3	9,2
				2018 m 9	2018 m 10	2018 m 11	2018 m 12	2019 m 1	2019 m 2
EURIBOR, 3-month	Beginning of the month *	%		-0,319	-0,318	-0,316	-0,312	-0,308	-0,308
Long-term government bond yields	Beginning of the month	%		1,04	1,15	1,13	1,07	1,06	0,99
Exchange rate, USD to EUR	Beginning of the month	US\$		1,1659	1,1484	1,1367	1,1384	1,1416	1,1351

Source: SURS, BS, ECB, EUROSTAT, EURIBOR.org, calculations by IMAD.

Notes: ¹ Balance of payments statistics of the BoS. ² External trade statistics SURS. ³ Seasonally adjusted – SURS. ⁴ Seasonally adjusted – IMAD. ⁵ Difference between positive and negative answers, in %.

* calculations by IMAD.

For comparisons with the EU and EMU see: <http://ec.europa.eu/eurostat/web/euro-indicators/pees>