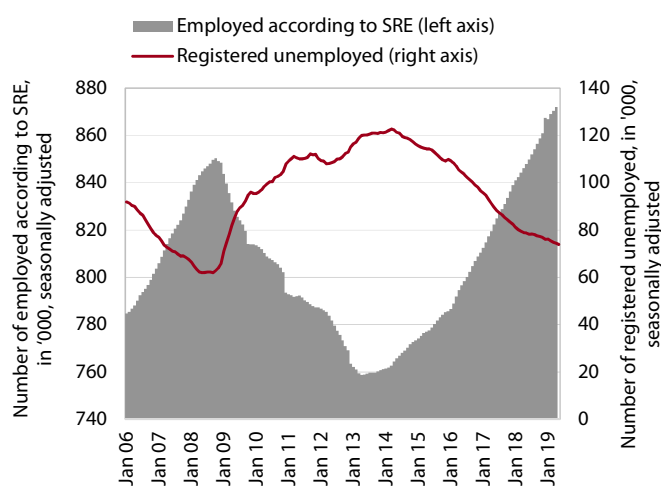


## CURRENT ECONOMIC TRENDS

17 – 21 June 2019

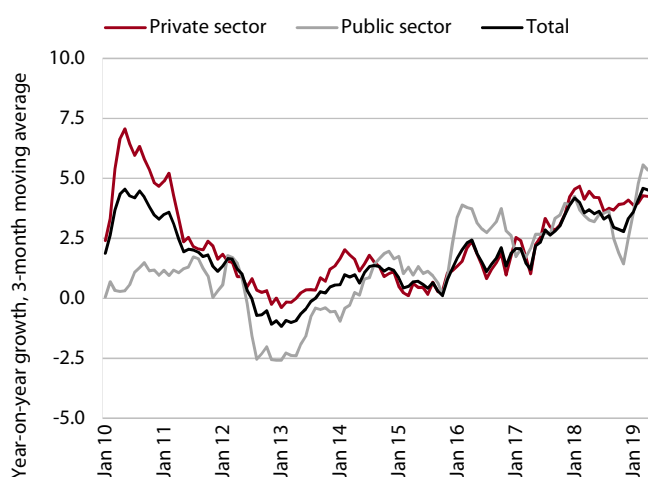
Employment is increasing further, mainly on account of the hiring of foreign workers, but also, to a somewhat lesser extent than in previous years, the hiring of the unemployed. Wage growth is strengthening. Property prices also continue to rise, while property sales are slowing amid limited supply. Economic sentiment is deteriorating further, but remains above the long-term average.

### Labour market, April–May 2019



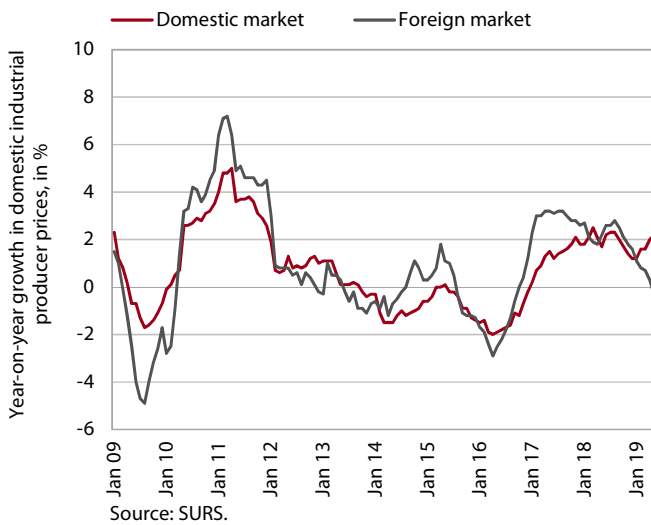
**Employment continues to rise, albeit at a slower pace than in previous years.** In the first four months of this year, the number of employed persons rose the most in manufacturing and construction. Labour shortages amid high labour demand continue to be reflected in increased hiring of foreigners, who already contribute more than two-thirds to total employment growth. The growth of employment is also due to the hiring of unemployed persons, but the number of unemployed is falling more slowly than in previous years given that the level of unemployment is already relatively low. At the end of May, 72,012 persons were registered as unemployed, 6.1% fewer than in the same period of 2018.

### Wages, April 2019



**Wage growth strengthened in the first four months of this year, in line with expectations.** In the private sector, wage growth was – in addition to economic and demographic factors (good business results, labour shortages and thus upward pressure on wages) – also due to the increase in the minimum wage at the beginning of the year. Wages rose the most in administrative and support service activities, accommodation and food service activities, trade and manufacturing, i.e. the sectors with the greatest labour shortages and a high share of minimum wage recipients. In the public sector, wage growth mainly reflected strong growth in the government sector as a result of the higher valuation of most positions agreed at the end of last year, promotions and, to a lesser extent, the increase in the minimum wage.

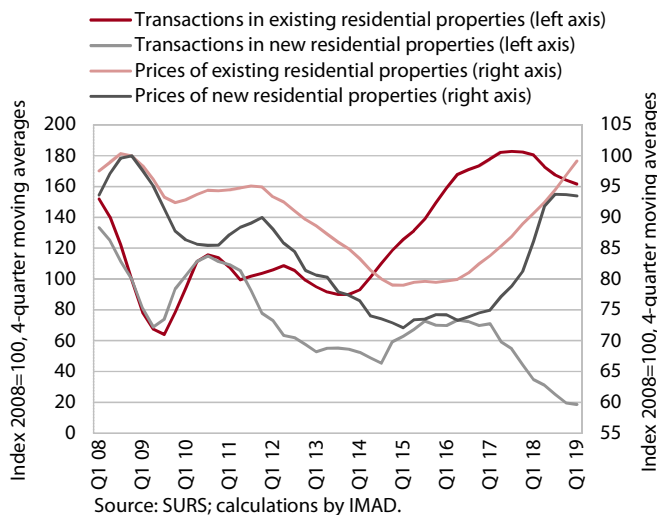
## Slovenian industrial producer prices, May 2019



### The year-on-year growth of Slovenian industrial producer prices remained around 1% in May.

Boosted by favourable developments in the Slovenian economy, price growth on the domestic market strengthen further, exceeding 2% year on year for the first time since August 2018. This was mainly due to the 15.1% higher prices in energy, gas and steam supply; prices of non-durable consumer goods were also higher year on year. The moderation of foreign demand has a negative impact on the movement of Slovenian producer prices on foreign markets, which were down year on year in May for the first time since September 2016, by 0.3%.

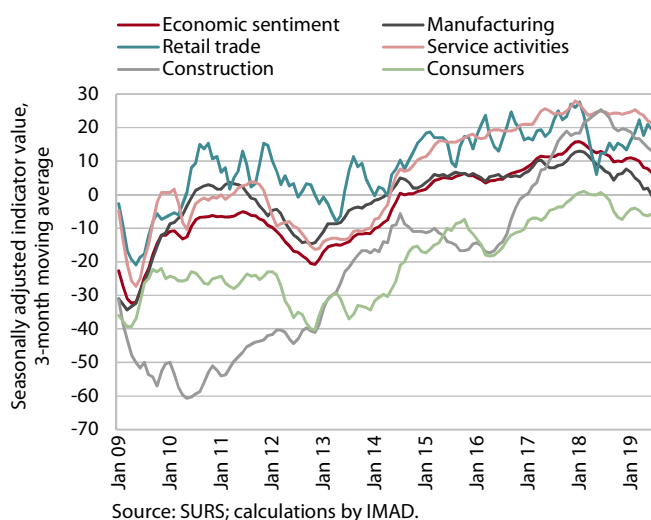
## Residential housing price indices, Slovenia, Q1 2019



### In the first quarter, the average prices of residential properties continued to rise, while the number of transactions dropped further amid limited supply.

Following the acceleration in 2017–2018 and further growth in the first quarter of this year, prices were up 8.4% year on year. Strong growth arises from the increase in the prices of existing dwellings (up by one-tenth). The prices of existing family houses rose the most, but remained lower than before the crisis. The average price of new residential properties, which accounted for only 3% of all transactions, was somewhat lower than one year before, when it had increased strongly (by a quarter).

## Business tendency, June 2019



### Economic sentiment deteriorated slightly in June.

The further decline was again mainly due to the lower confidence in the manufacturing sector, which recorded a deterioration in the assessment of the current situation and orders as well as the expected imports and production. Confidence in construction and service activities did not change after a period of decline and remained above the long-term average. Consumer confidence, which has been fairly stable in the last period, has also remained relatively high.

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1
GDP, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	2.2	0.7	0.8	1.3	0.7	0.8
	31.05.2019	30.08.2019	% (Q/Q-4)	6.3	4.8	4.1	5.0	4.1	3.2
Private consumption, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	1.2	0.1	-0.2	0.5	1.4	0.9
	31.05.2019	30.08.2019	% (Q/Q-4)	3.2	3.9	1.8	1.2	2.1	2.6
Government consumption, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	1.2	-0.2	3.7	-2.0	0.2	1.6
	31.05.2019	30.08.2019	% (Q/Q-4)	1.3	1.2	4.9	2.6	1.5	3.6
Gross investment, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	7.2	6.4	-2.2	4.4	0.6	-3.2
	31.05.2019	30.08.2019	% (Q/Q-4)	15.3	16.1	7.7	16.9	10.0	-1.3
Exports of goods and services, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	2.5	0.0	2.6	0.3	3.0	2.2
	31.05.2019	30.08.2019	% (Q/Q-4)	12.7	8.0	8.6	5.4	6.8	7.6
Imports of goods and services, real	31.05.2019	30.08.2019	% (Q/Q-1) <sup>3</sup>	2.8	1.0	1.8	0.1	2.8	2.2
	31.05.2019	30.08.2019	% (Q/Q-4)	11.8	10.2	8.9	5.5	6.6	6.4
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Trade balance <sup>1</sup>	13.06.2019	15.07.2019	EUR m	119.0	160.0	121.1	-165.0	:	:
Current account <sup>1</sup>	13.06.2019	15.07.2019	EUR m	306.1	173.6	255.6	102.8	:	:
Exports of goods, real <sup>2</sup>	07.06.2019	10.07.2019	% (M/M-1) <sup>4</sup>	7.1	-0.5	-3.0	0.0	:	:
	07.06.2019	10.07.2019	% (M/M-12)	11.7	10.9	2.7	12.5	:	:
Imports of goods, real <sup>2</sup>	07.06.2019	10.07.2019	% (M/M-1) <sup>4</sup>	4.0	-2.5	0.7	8.1	:	:
	07.06.2019	10.07.2019	% (M/M-12)	9.0	8.5	5.5	26.9	:	:
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Inflation (CPI)	31.05.2019	28.06.2019	% (M/M-1)	-1.1	0.8	0.7	0.8	0.9	:
	31.05.2019	28.06.2019	% (M/M-12)	1.1	1.2	1.6	1.7	1.4	:
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Gross earnings per employee – nominal	17.06.2019	15.07.2019	% (M/M-1)	-3.0	-0.8	2.2	-1.2	:	:
	17.06.2019	15.07.2019	% (M/M-12)	4.2	4.7	4.9	4.0	:	:
- private sector	17.06.2019	15.07.2019	% (M/M-1)	-3.6	-0.2	1.9	-1.3	:	:
	17.06.2019	15.07.2019	% (M/M-12)	4.1	4.5	4.3	4.0	:	:
- public sector	17.06.2019	15.07.2019	% (M/M-1)	-2.0	-2.0	2.8	-1.2	:	:
	17.06.2019	15.07.2019	% (M/M-12)	4.9	5.4	6.3	4.3	:	:
- of which government sector	17.06.2019	15.07.2019	% (M/M-1)	2.7	-1.1	0.4	0.4	:	:
	17.06.2019	15.07.2019	% (M/M-12)	6.3	6.2	6.6	5.8	:	:
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Employed persons	18.06.2019	16.07.2019	% (M/M-1) <sup>4</sup>	-0.1	0.3	0.2	0.2	:	:
	18.06.2019	16.07.2019	% (M/M-12)	3.1	3.3	3.1	3.1	:	:
Registered unemployed persons	05.06.2019	03.07.2019	% (M/M-1) <sup>4</sup>	0.1	-0.9	-0.8	-0.7	-0.7	:
	05.06.2019	03.07.2019	% (M/M-12)	-5.8	-5.8	-5.8	-5.8	-6.1	:
Registered unemployment rate	18.06.2019	16.07.2019	%	8.6	8.4	7.9	7.6	:	:
				2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1
Employment, LFS	30.05.2019	30.08.2019	% (Q/Q-1) <sup>5</sup>	1.0	0.5	0.2	0.0	0.5	0.7
	30.05.2019	30.08.2019	% (Q/Q-4)	5.2	3.1	3.0	1.7	1.2	1.5
ILO unemployment rate, LFS	30.05.2019	30.08.2019	%	5.8	5.9	5.2	5.0	4.4	4.8
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Industrial producer prices, domestic market	20.06.2019	19.07.2019	% (M/M-1)	0.3	0.8	0.3	0.4	0.2	:
	20.06.2019	19.07.2019	% (M/M-12)	1.2	1.6	1.6	2.0	2.2	:
Production volume in manufacturing, real	10.06.2019	10.07.2019	% (M/M-1) <sup>3</sup>	5.5	-1.0	-0.2	2.0	:	:
	10.06.2019	10.07.2019	% (M/M-12)	5.6	4.4	1.1	12.6	:	:
Construction, real value of construction output	14.06.2019	15.07.2019	% (M/M-1) <sup>3</sup>	10.3	11.3	-5.9	-7.4	:	:
	14.06.2019	15.07.2019	% (M/M-12)	2.9	39.2	29.0	6.0	:	:
Turnover in trade, real	31.05.2019	28.06.2019	% (M/M-1) <sup>3</sup>	0.1	2.0	-0.7	:	:	:
	31.05.2019	28.06.2019	% (M/M-12)	10.5	14.6	6.3	:	:	:
Nominal turnover in market services	27.05.2019	26.06.2019	% (M/M-1) <sup>3</sup>	1.1	1.8	-1.3	:	:	:
	27.05.2019	26.06.2019	% (M/M-12)	7.8	10.9	5.1	:	:	:
				2013	2014	2015	2016	2017	2018
General government deficit/surplus (ESA 2010)	29.03.2018	30.09.2018	% BDP	-14.7	-5.5	-2.8	-1.9	0.0	0.7
Consolidated gross general government debt (ESA)	29.03.2018	30.09.2018	% BDP	70.4	80.4	82.6	78.7	74.1	70.1
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
Economic sentiment indicator <sup>2</sup> , seasonally adjusted	21.06.2019	25.07.2019	% <sup>3</sup>	12.1	8.9	8.8	6.7	7.7	5.4
				2019 m 1	2019 m 2	2019 m 3	2019 m 4	2019 m 5	2019 m 6
EURIBOR, 3-month	Beginning of the month *	%	-0.308	-0.308	-0.309	-0.311	-0.312	:	:
Long-term government bond yields	Beginning of the month	%	1.06	0.99	0.81	0.67	:	:	:
Exchange rate, USD to EUR	Beginning of the month	US\$	1.1416	1.1351	1.1302	1.1238	1.1185	:	:

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

Notes: <sup>1</sup> Balance of payments statistics of the BoS. <sup>2</sup> External trade statistics SURS. <sup>3</sup> Seasonally adjusted – SURS. <sup>4</sup> Seasonally adjusted – IMAD. <sup>5</sup> 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>