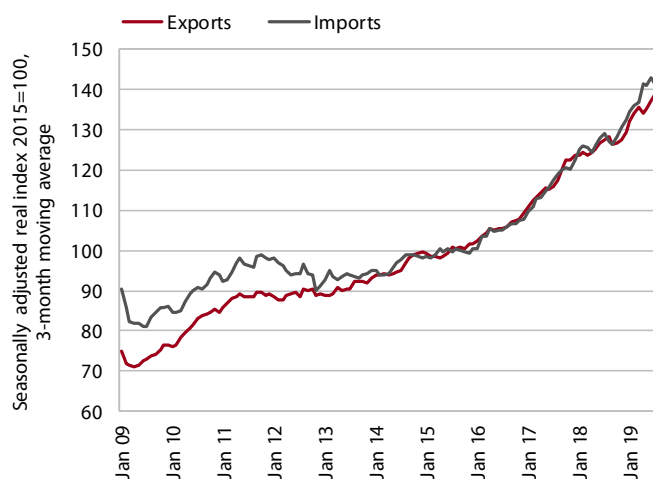


CURRENT ECONOMIC TRENDS

23 – 27 September 2019

The volume of external trade increased somewhat further at the beginning of the third quarter. The strong growth in goods exports and imports is largely related to higher trade and distribution activity in medicinal and pharmaceutical products, according to our estimate. Economic sentiment in Slovenia has not changed significantly after a decline at the beginning of the year and remains above the long-term average. Prospects remain favourable particularly in market services, where turnover growth continued at the beginning of the third quarter in most activities. Export expectations, on the other hand, are declining. Property prices continue to rise, particularly the prices of existing flats; the number of transactions in existing flats also rose.

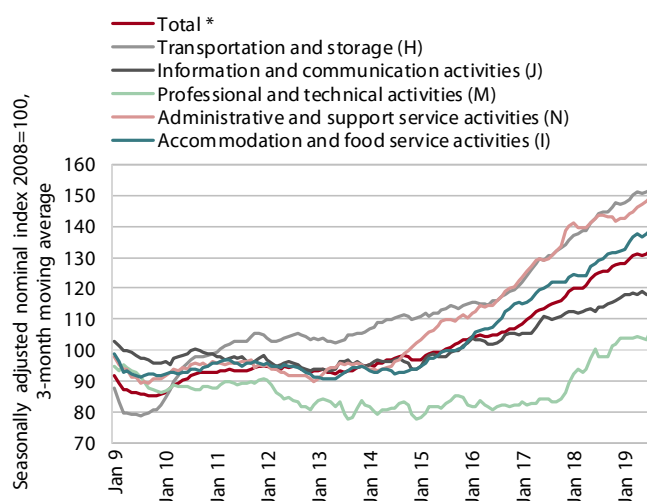
Exports and imports of goods, July 2019



Source: SURS; calculations by IMAD.

The volume of external trade increased at the beginning of the third quarter. In the seven months to July, real goods exports were up 9.4% year on year, their growth being mainly driven by exports of medicinal and pharmaceutical products. The growth of exports of other main manufactured goods was significantly lower, which is related to cooling growth in Slovenia's main trading partners, particularly Germany. Import growth remains high, driven by factors similar to those in exports.

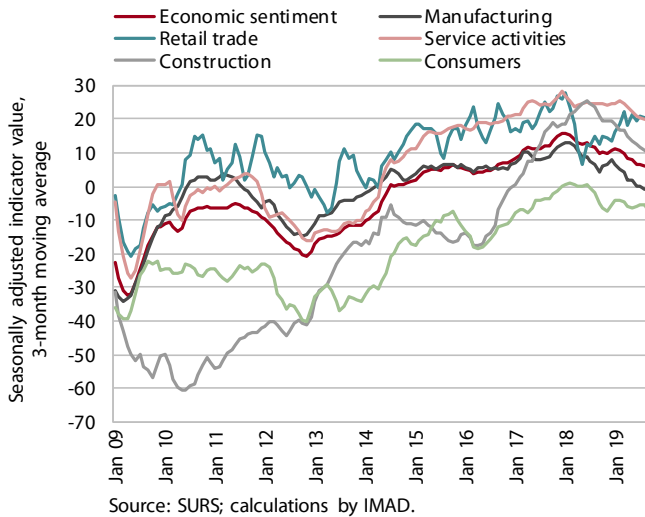
Market services, July 2019



Source: SURS; calculations by IMAD. Note: * including real estate.

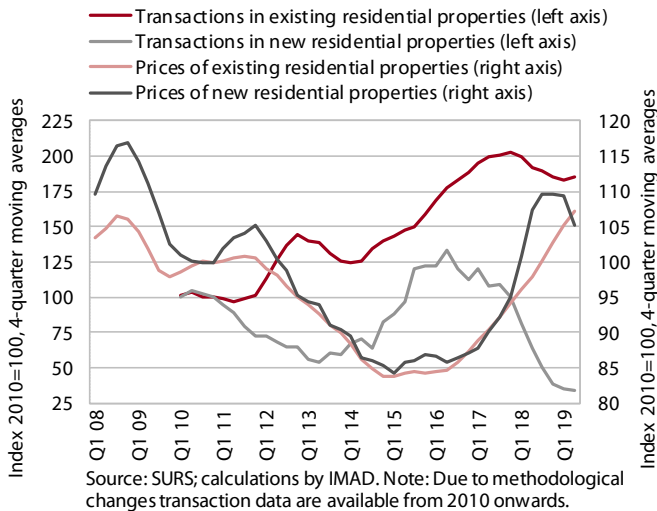
At the beginning of the third quarter, turnover growth continued across most market services. In professional and technical activities, turnover strengthened on account of July's considerable growth in architectural and engineering services. Turnover growth continued in transportation (amid slower growth in exports of road transport services). With rising turnover in services that businesses tend to outsource to external providers, the growth of turnover in administrative and support service activities remained high. Turnover in ICT activities has stagnated since the beginning of the year, its growth being impeded by a decline in telecommunication services, amid a significant strengthening in computer services. Meanwhile, turnover growth eased in accommodation and food service activities, largely owing to a decline in the number of tourist overnight stays.

Economic sentiment indicator, September 2019



Economic sentiment has not changed significantly after a decline at the beginning of the year and remains above the long-term average. Prospects for retail trade and service activities remain favourable. The outlook for manufacturing remains unchanged. Business expectations about production and exports have stayed at the achieved levels, while expectations about orders, particularly export orders, have declined with slowing growth in the international environment. Confidence in construction and among consumers has worsened slightly in recent months.

Housing price indices, Slovenia, Q2 2019



The average residential property prices increased further in the second quarter; the number of transactions also rose after a decline in the previous year. Prices were up 5.8% year on year. Their growth arose from the increased number of transactions and a rise in the prices of existing dwellings (8.3%). Among these, the prices of existing family houses rose the most, but they remained below their pre-crisis levels. The average price of existing flats in Ljubljana, having grown at above-average rates in the previous four years, remained the same as one year before, while prices in the rest of Slovenia increased more notably. The average price of new residential properties, which accounted for only 2% of all transactions, was more than a tenth lower than one year before, when it had risen strongly (by more than a quarter).

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2
GDP, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	0.1	1.1	1.2	0.6	0.6	0.2
	30.08.2019	29.11.2019	% (Q/Q-4)	4.3	3.7	4.6	3.8	3.3	2.5
Private consumption, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	1.1	0.1	0.4	2.1	-0.1	1.0
	30.08.2019	29.11.2019	% (Q/Q-4)	4.0	3.3	2.2	4.1	2.3	3.4
Government consumption, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	1.0	1.3	0.4	1.2	0.8	-1.2
	30.08.2019	29.11.2019	% (Q/Q-4)	2.4	3.1	3.2	4.0	3.9	1.0
Gross investment, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	3.4	-2.5	6.1	1.2	-1.7	3.5
	30.08.2019	29.11.2019	% (Q/Q-4)	11.7	4.2	14.5	8.6	2.5	9.2
Exports of goods and services, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	-0.3	2.1	0.1	4.2	1.8	2.5
	30.08.2019	29.11.2019	% (Q/Q-4)	7.7	8.2	4.2	6.5	7.9	9.4
Imports of goods and services, real	30.08.2019	29.11.2019	% (Q/Q-1) ³	0.9	1.2	0.3	4.9	1.9	3.9
	30.08.2019	29.11.2019	% (Q/Q-4)	9.4	8.4	4.8	8.2	7.7	12.3
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Trade balance ¹	13.09.2019	14.10.2019	EUR m	-232.1	215.4	203.7	118.4	:	:
Current account ¹	13.09.2019	14.10.2019	EUR m	4.9	395.8	245.6	277.6	:	:
Exports of goods, real ²	27.09.2019	10.10.2019	% (M/M-1) ⁴	0.5	4.9	-1.3	1.3	:	:
	27.09.2019	10.10.2019	% (M/M-12)	13.2	11.2	3.8	13.1	:	:
Imports of goods, real ²	27.09.2019	10.10.2019	% (M/M-1) ⁴	11.9	-11.3	4.5	3.5	:	:
	27.09.2019	10.10.2019	% (M/M-12)	30.0	5.0	5.2	17.9	:	:
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Inflation (CPI)	30.08.2019	30.09.2019	% (M/M-1)	0.8	0.9	0.3	-0.7	0.4	:
	30.08.2019	30.09.2019	% (M/M-12)	1.7	1.4	1.8	2.0	2.3	:
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Gross earnings per employee – nominal	16.09.2019	15.10.2019	% (M/M-1)	-1.2	-0.1	-0.6	1.1	:	:
	16.09.2019	15.10.2019	% (M/M-12)	4.0	3.9	3.9	5.2	:	:
- private sector	16.09.2019	15.10.2019	% (M/M-1)	-1.3	-0.7	-1.2	2.0	:	:
	16.09.2019	15.10.2019	% (M/M-12)	4.0	3.3	3.2	5.2	:	:
- public sector	16.09.2019	15.10.2019	% (M/M-1)	-1.2	0.9	0.4	-0.2	:	:
	16.09.2019	15.10.2019	% (M/M-12)	4.3	5.3	5.3	5.5	:	:
- of which government sector	16.09.2019	15.10.2019	% (M/M-1)	0.4	0.5	0.7	-0.5	:	:
	16.09.2019	15.10.2019	% (M/M-12)	5.8	5.9	6.7	6.1	:	:
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Employed persons	17.09.2019	16.10.2019	% (M/M-1) ⁴	0.2	0.2	0.1	0.2	:	:
	17.09.2019	16.10.2019	% (M/M-12)	3.1	3.0	2.9	2.8	:	:
Registered unemployed persons	04.09.2019	03.10.2019	% (M/M-1) ⁴	-0.6	-0.6	-0.3	-0.1	-0.6	:
	04.09.2019	03.10.2019	% (M/M-12)	-5.8	-6.1	-5.7	-5.5	-5.8	:
Registered unemployment rate	19.09.2019	16.10.2019	%	7.6	7.4	7.3	7.4	:	:
				2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2
Employment, LFS	30.08.2019	29.11.2019	% (Q/Q-1) ⁵	0.5	0.3	0.0	0.5	0.6	-0.3
	30.08.2019	29.11.2019	% (Q/Q-4)	3.1	3.0	1.7	1.2	1.5	0.7
ILO unemployment rate, LFS	30.08.2019	29.11.2019	%	5.9	5.2	5.0	4.4	4.8	4.2
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Industrial producer prices, domestic market	20.09.2019	21.10.2019	% (M/M-1)	0.4	0.2	0.0	0.1	0.3	:
	20.09.2019	21.10.2019	% (M/M-12)	2.0	2.2	2.0	1.8	1.9	:
Production volume in manufacturing, real	10.09.2019	10.10.2019	% (M/M-1) ³	1.7	-1.1	-1.9	3.4	:	:
	10.09.2019	10.10.2019	% (M/M-12)	12.4	3.5	-2.4	9.0	:	:
Construction, real value of construction output	13.09.2019	15.10.2019	% (M/M-1) ³	-4.9	4.1	-6.8	0.1	:	:
	13.09.2019	15.10.2019	% (M/M-12)	9.7	11.2	5.4	0.1	:	:
Turnover in trade, real	30.08.2019	30.09.2019	% (M/M-1) ³	-0.2	0.1	0.2	:	:	:
	30.08.2019	30.09.2019	% (M/M-12)	12.0	4.5	0.8	:	:	:
Nominal turnover in market services	26.09.2019	25.10.2019	% (M/M-1) ³	0.8	-0.8	0.9	2.1	:	:
	26.09.2019	25.10.2019	% (M/M-12)	10.3	4.5	2.6	9.2	:	:
				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 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
Economic sentiment indicator ² , seasonally adjusted	24.09.2019	25.10.2019	% ³	6.7	7.7	5.4	6.8	6.0	4.8
				2019 m 4	2019 m 5	2019 m 6	2019 m 7	2019 m 8	2019 m 9
EURIBOR, 3-month	Beginning of the month *	%		-0.311	-0.312	-0.329	-0.365	-0.408	:
Long-term government bond yields	Beginning of the month	%		0.67	0.58	0.32	0.17	-0.14	:
Exchange rate, USD to EUR	Beginning of the month	US\$		1.1238	1.1185	1.1293	1.1218	1.1126	:

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>