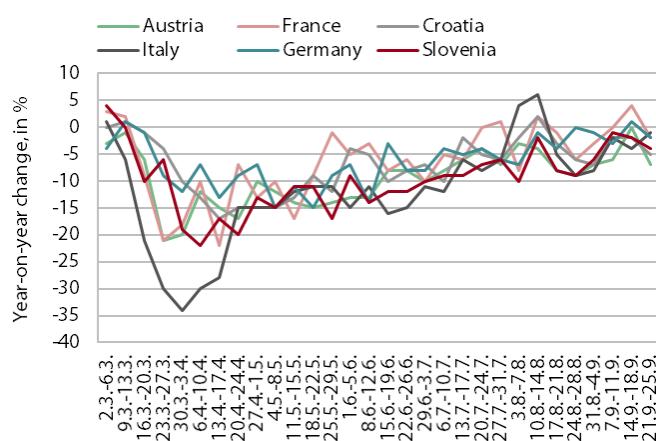


CURRENT ECONOMIC TRENDS

28 September – 2 October 2020

Certain short-term indicators of economic activity continue to fluctuate close or just below comparable last year's levels. Electricity consumption dropped somewhat again in the fourth week of September (by 4%), after being already completely comparable year on year in the previous two weeks. Freight traffic was down again year on year, by around 9%. Turnover in trade reached last year's level in July, but preliminary data for August again indicate a decline. Consumer prices were lower year on year in September for the second consecutive month, mostly due to lower prices of oil products and semi-durable and durable goods. The situation on euro area bond markets moderated in the third quarter; the yield to maturity of the Slovenian bond declined considerably.

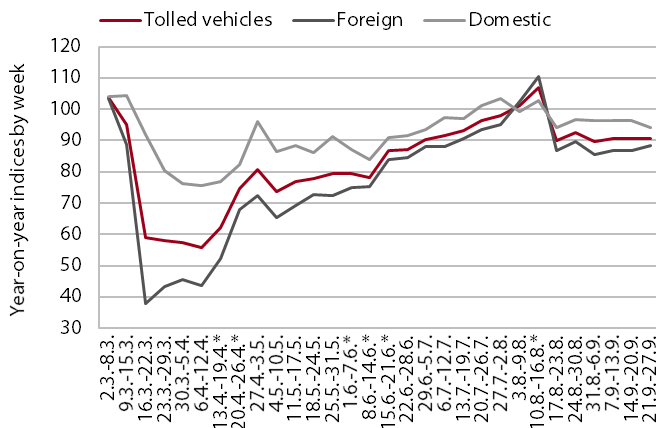
Electricity consumption, September 2020



Source: ENTSO-E and Bruegel.org. Notes: Only consumption on working days (between 8.00 and 18.00) is considered. The percentages are adjusted for temperature differences.

In the fourth week of September, the year-on-year lag in electricity consumption was again somewhat larger. After weekly electricity consumption came very close to last year's level in the first half of September (-1% and -2%), the year-on-year decline increased slightly again in the fourth week of the month (-4%). The decline also deepened in our main trading partners (with the exception of Italy). In the fourth week of September, the year-on-year decline was strongest in Austria (-7%). Other countries recorded smaller declines, between -1% (Italy) and -5% (Croatia).

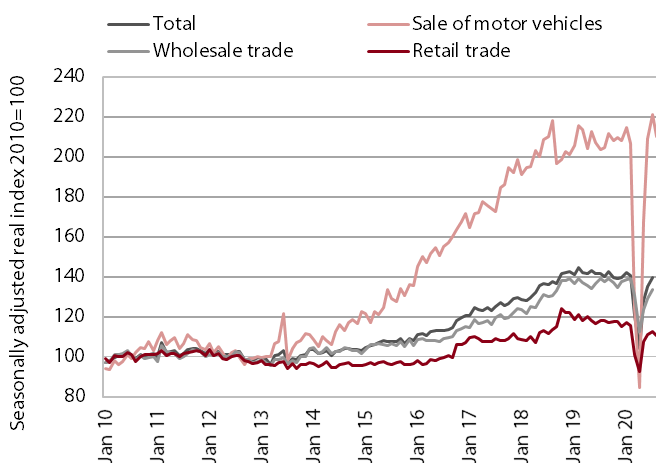
Traffic of electronically tolled vehicles¹ on Slovenian motorways, September 2020



Source: Internal reports provided by DARS. Note: Owing to a different number of working days, we adjusted the dataset by excluding some days of the week from the calculation.

Freight traffic on Slovenian motorways from the second half of August to the end of September was around a tenth lower than before the epidemic. After falling sharply with the declaration of the epidemic, it had increased more strongly since mid-June and by mid-August it was already higher year on year (adjusted for the holiday effect). Then it fell again and was around 9% lower year on year until the end of September. The number of kilometres travelled by foreign hauliers fell more year on year than that travelled by domestic hauliers (by 12% and 6% respectively).

Trade, July 2020

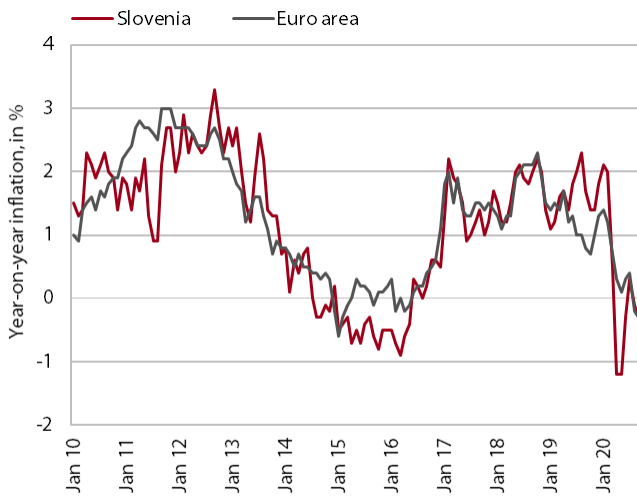


Source: SURS; calculations by IMAD.

Turnover in trade strengthened further in July; preliminary data for August, however, indicate a decline in some segments. With further growth in all three main segments, in July total turnover was already similar to that before the outbreak of the epidemic and only slightly lower than in July 2019. After falling sharply in March and April, turnover in the sale of motor vehicles strengthened the most in the next three months, being already a tenth higher year on year in July before dropping somewhat in August according to preliminary data. Turnover in retail trade of non-food products was also already a tenth higher year on year in June and July together, and, with further growth, in August. Despite growth from May onwards, turnover in the retail sale of automotive fuels remained lower year on year in July and the lag is set to increase to a quarter after a sharp fall in August. This was, in addition to lower sales of fuels to households and lower freight traffic, probably also a consequence of lower tourist transit in the summer.

¹ The electronic tolling system applies to vehicles whose maximum permissible weight exceeds 3.5 tonnes (for the sake of simplicity, we refer to them as freight vehicles or trucks).

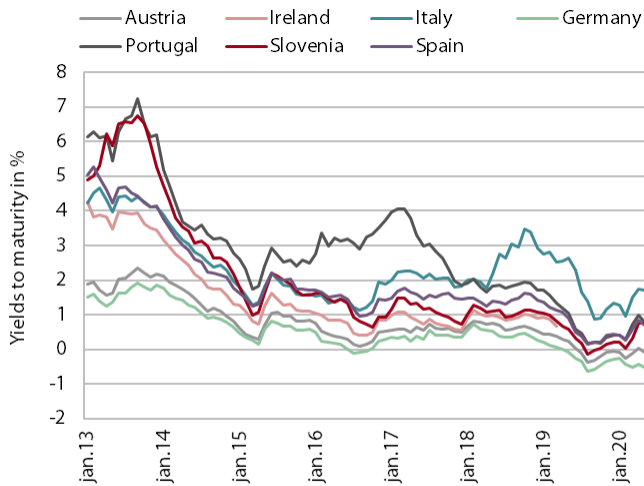
Consumer prices, September 2020



Source: SURS, Eurostat.

Consumer prices were again lower year on year in September. The decline was still mainly due to lower prices of oil products. Prices of semi-durable and durable goods also dropped further year on year. Year-on-year growth in prices of services was also significantly lower in September. At 0.8%, it was the lowest since 2016 and half lower than in the previous month. We estimate that this was largely a consequence of a higher base due to last year's increase in health insurance premiums. At the same time, prices of services in the group recreation and culture also dropped somewhat year on year. After the slowdown in the middle of the year, food price growth strengthened again in the last two months, exceeding 4% in September.

Yields to maturity of 10-year government bonds, September 2020



Source: Bloomberg.

After deteriorating at the outburst of the epidemic, the situation on euro area bond markets moderated in the third quarter. The yield to maturity of the Slovenian bond thus declined by almost 60 basis points, to 0.09%, and was already lower than before the outbreak of the epidemic. The spread to the German bond also declined to a similar extent, to 56 basis points.

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2
GDP, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	0.5	0.0	0.8	0.4	-4.8	-9.6
	31.08.2020	30.11.2020	% (Q/Q-4)	3.3	2.5	2.4	1.7	-2.5	-13.0
Private consumption, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	0.4	0.8	0.1	0.1	-6.9	-10.6
	31.08.2020	30.11.2020	% (Q/Q-4)	2.5	3.8	3.2	1.2	-5.8	-16.6
Government consumption, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	1.1	-1.8	2.7	-3.9	8.2	-5.0
	31.08.2020	30.11.2020	% (Q/Q-4)	3.9	1.1	3.4	-2.0	4.9	1.5
Gross investment, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	-1.5	1.2	4.0	-4.2	-3.1	-8.1
	31.08.2020	30.11.2020	% (Q/Q-4)	0.4	-1.5	5.5	0.1	-1.8	-12.8
Exports of goods and services, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	1.4	0.9	-0.6	-0.8	-2.3	-21.7
	31.08.2020	30.11.2020	% (Q/Q-4)	5.6	6.0	5.3	0.9	-1.9	-24.5
Imports of goods and services, real	31.08.2020	30.11.2020	% (Q/Q-1) ³	1.3	0.5	0.7	-3.0	-0.7	-22.6
	31.08.2020	30.11.2020	% (Q/Q-4)	4.7	5.9	7.4	-0.8	-1.9	-25.0
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Trade balance ¹	14.09.2020	14.10.2020	EUR m	170.6	135.1	287.1	354.9	:	:
Current account ¹	14.09.2020	14.10.2020	EUR m	210.3	123.4	318.9	414.7	:	:
Exports of goods, real ²	09.09.2020	09.10.2020	% (M/M-1) ⁴	-23.4	15.5	8.5	6.0	:	:
	09.09.2020	09.10.2020	% (M/M-12)	-25.7	-17.1	-0.1	-2.1	:	:
Imports of goods, real ²	09.09.2020	09.10.2020	% (M/M-1) ⁴	-24.6	15.0	14.1	2.6	:	:
	09.09.2020	09.10.2020	% (M/M-12)	-35.7	-16.6	0.9	-7.7	:	:
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Inflation (CPI)	30.09.2020	30.10.2020	% (M/M-1)	-0.9	0.9	1.3	-0.1	-0.1	-0.4
	30.09.2020	30.10.2020	% (M/M-12)	-1.2	-1.2	-0.3	0.3	-0.1	-0.3
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Gross earnings per employee – nominal	15.09.2020	15.10.2020	% (M/M-1)	10.2	-2.3	-4.2	-0.1	:	:
	15.09.2020	15.10.2020	% (M/M-12)	11.9	9.5	5.5	4.3	:	:
- private sector	15.09.2020	15.10.2020	% (M/M-1)	8.6	-2.5	-3.3	1.4	:	:
	15.09.2020	15.10.2020	% (M/M-12)	8.4	6.5	4.2	3.7	:	:
- public sector	15.09.2020	15.10.2020	% (M/M-1)	10.9	-2.2	-4.6	-2.3	:	:
	15.09.2020	15.10.2020	% (M/M-12)	16.3	12.8	7.1	4.8	:	:
- of which government sector	15.09.2020	15.10.2020	% (M/M-1)	13.9	-1.9	-5.1	-2.5	:	:
	15.09.2020	15.10.2020	% (M/M-12)	19.0	16.0	9.3	7.2	:	:
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Employed persons	16.09.2020	16.10.2020	% (M/M-1) ⁴	-1.2	-0.2	-0.1	0.0	:	:
	16.09.2020	16.10.2020	% (M/M-12)	-1.0	-1.5	-1.6	-1.6	:	:
Registered unemployed persons	03.09.2020	05.10.2020	% (M/M-1) ⁴	16.3	2.2	0.2	-0.9	-0.8	:
	03.09.2020	05.10.2020	% (M/M-12)	19.9	25.6	26.3	24.4	23.2	:
Registered unemployment rate	16.09.2020	16.10.2020	%	9.1	9.3	9.2	9.2	:	:
				2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2
Employment, LFS	28.08.2020	27.11.2020	% (Q/Q-1) ⁵	0.1	0.3	-1.2	0.4	0.7	-2.2
	28.08.2020	27.11.2020	% (Q/Q-4)	1.5	0.7	-0.8	-0.4	0.4	-2.3
ILO unemployment rate, LFS	28.08.2020	27.11.2020	%	4.8	4.2	4.8	4.0	4.6	5.2
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Industrial producer prices, domestic market	21.09.2020	21.10.2020	% (M/M-1)	0.3	-0.3	0.9	-0.3	0.2	:
	21.09.2020	21.10.2020	% (M/M-12)	0.3	-0.2	0.7	0.3	0.2	:
Production volume in manufacturing, real	10.09.2020	09.10.2020	% (M/M-1) ³	-18.2	11.1	5.6	8.7	:	:
	10.09.2020	09.10.2020	% (M/M-12)	-28.4	-19.4	-4.5	-5.1	:	:
Construction, real value of construction output	15.09.2020	15.10.2020	% (M/M-1) ³	-7.5	-2.5	-7.4	12.2	:	:
	15.09.2020	15.10.2020	% (M/M-12)	-6.9	-13.3	-15.8	-1.9	:	:
Turnover in trade, real	28.09.2020	27.10.2020	% (M/M-1) ³	-14.0	23.5	5.2	3.3	:	:
	28.09.2020	27.10.2020	% (M/M-12)	-27.4	-12.8	0.0	-1.8	:	:
Nominal turnover in market services	25.09.2020	27.10.2020	% (M/M-1) ³	-18.3	10.8	9.9	6.4	:	:
	25.09.2020	27.10.2020	% (M/M-12)	-29.5	-23.4	-11.8	-8.1	:	:
				2014	2015	2016	2017	2018	2019
General government deficit/surplus (ESA 2010)	30.09.2020	31.03.2021	% BDP	-5.5	-2.8	-1.9	0.0	0.7	0.5
Consolidated gross general government debt (ESA)	30.09.2020	31.03.2021	% BDP	80.3	82.6	78.5	74.1	70.3	65.6
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
Economic sentiment indicator ² , seasonally adjusted	24.09.2020	23.10.2020	% ³	-39.2	-32.6	-23.5	-17.8	-6.5	-4.1
				2020 m 4	2020 m 5	2020 m 6	2020 m 7	2020 m 8	2020 m 9
EURIBOR, 3-month	Beginning of the month *	%		-0.254	-0.272	-0.376	-0.444	-0.480	-0.491
Long-term government bond yields	Beginning of the month	%		0.75	0.75	0.43	0.17	0.05	0.05
Exchange rate, USD to EUR	Beginning of the month	US\$		1.0862	1.0902	1.1255	1.1463	1.1828	1.1792

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/peeis>