

CURRENT ECONOMIC TRENDS

21 –25 September 2020

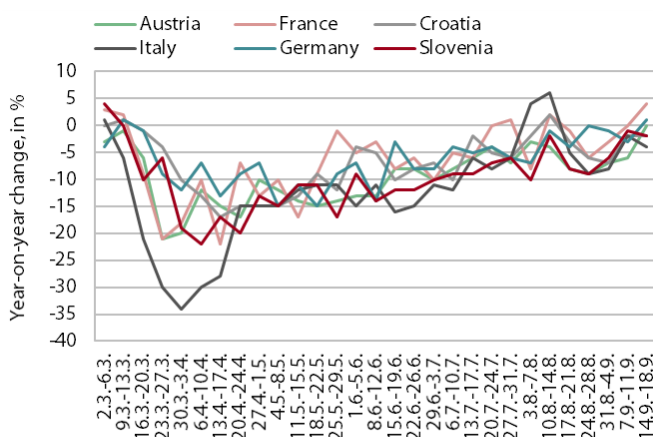
Economic sentiment improved in September for the fifth consecutive month but remained lower than at the beginning of the year.

Electricity consumption was comparable to that in the same period of last year for the second week in a row, while freight traffic was around a tenth lower year on year.

In the second quarter, dwelling prices continued to increase, but this year their growth is somewhat more modest than in previous years. The number of dwelling transactions declined further, mostly as a result of restrictions on business activity due to the epidemic.

In July, turnover in all market services increased for the third consecutive month, the most in accommodation and food service activities, which is partly due to the introduction of tourism vouchers.

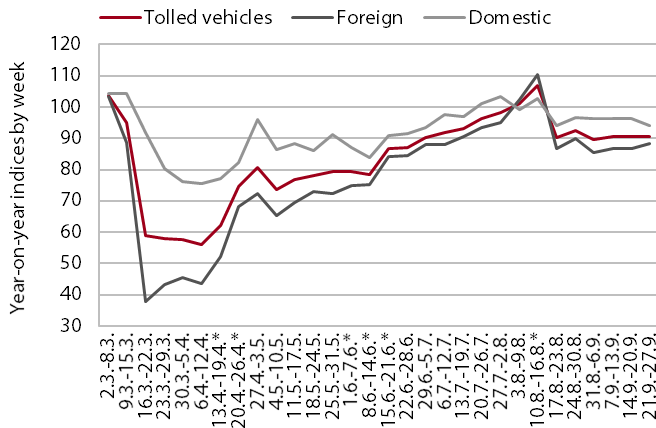
Electricity consumption, September 2020



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.

Weekly electricity consumption in the third week of September was very close to last year's level, as in the preceding week. Year on year, it was down 2% (one week before, 1%). Among Slovenia's main trading partners, Croatia recorded the same decline, while the decline in Italy was larger (4%). In Austria, in the third week of September electricity consumption reached the level of the same period last year, for the first time since the outbreak of the epidemic in March. In other EU countries, consumption was higher than last year, in Germany by 1% and in France by 4%.

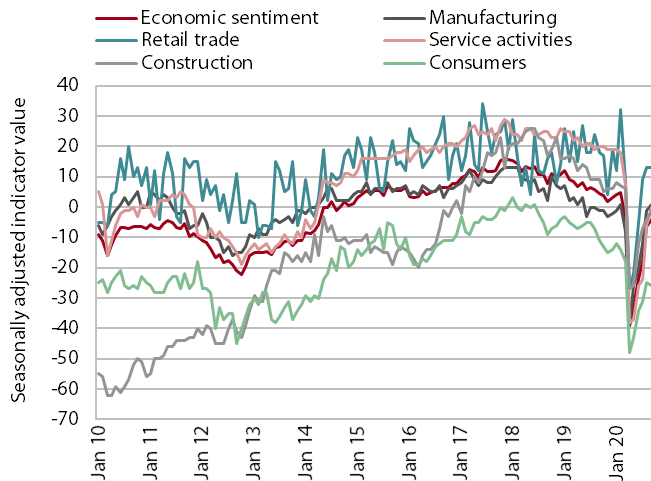
Traffic of electronically tolled vehicles¹ on Slovenian motorways, September 2020



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.

As in several previous weeks, freight traffic on Slovenian motorways was around a tenth lower in mid-September than before the epidemic. After falling sharply with the declaration of the epidemic, it has increased more strongly since the middle of June. In mid-August, it was already higher year on year (adjusted for the holiday effect). Then it fell again and lagged 9% behind the comparable last year's level in the third week of September. The number of kilometres travelled by foreign hauliers fell more than that travelled by domestic ones (by 13% and 4% year on year respectively).

Economic sentiment, September 2020

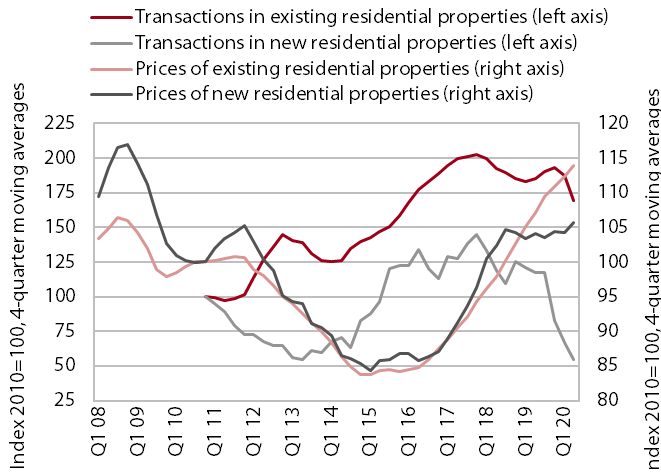


Source: SURS; calculations by IMAD.

Economic sentiment improved somewhat again in September but remained lower than at the beginning of the year. The sentiment indicator improved for the fifth consecutive month but was still lower year on year (difference: -8.7 p.p.); the year-on-year difference has narrowed considerably since April, when the decline was largest (-46.1 p.p.). Relative to the previous month, confidence indicators in service activities and construction improved the most. Only consumer confidence indicator deteriorated.

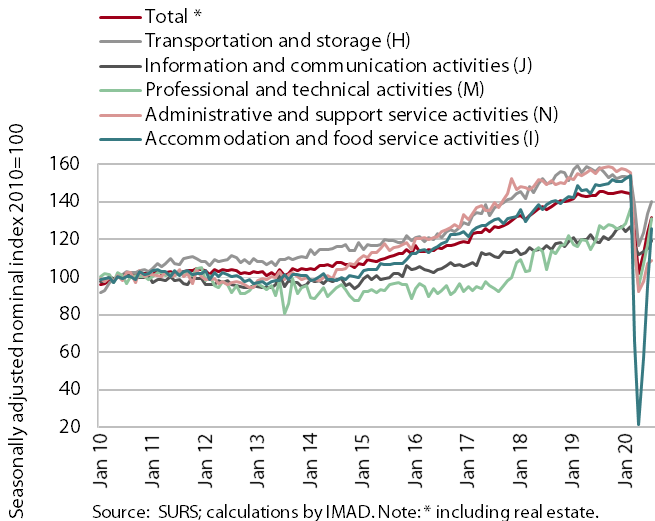
¹ The electronic tolling system applies to vehicles whose maximum permissible weight exceeds 3.5 tonnes (for the sake of simplicity, we refer to them as freight vehicles or trucks).

Real estate, Q2 2020



Dwelling prices increased again in the second quarter, while the number of transactions declined further, mainly due to restrictions on business activity during the epidemic. Prices were up 5.2% year on year, indicating a moderation with regard to price rises in the last three years (almost 8% average annual growth).² This year's increase was mainly due to higher prices of existing dwellings, the sales of which were otherwise the lowest since the first quarter of 2014 amid the conditions of the epidemic. Prices of newly built dwellings were also higher year on year, but the number of transactions in these dwellings accounted for less than 3% of all transactions.

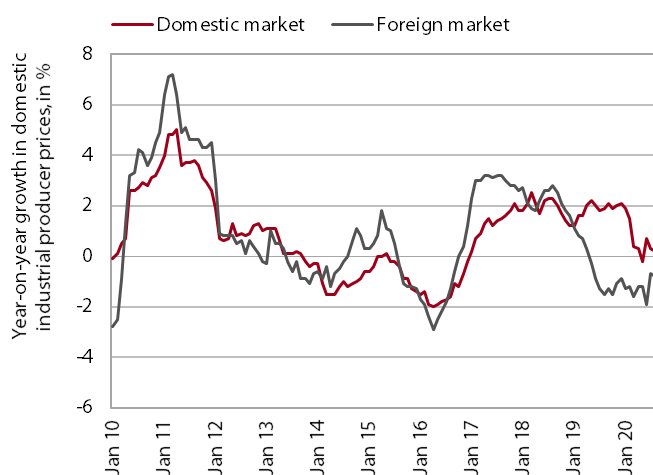
Market services, July 2020



In July, turnover growth continued for the third consecutive month in all market services, while total turnover was around 9% lower than before the outbreak of the epidemic. After the sharp decline during the epidemic, the highest monthly growth was again recorded in accommodation and food service activities, partly due to the introduction of tourism vouchers, which contributed to an increase in overnight stays by domestic tourists; the number of foreign tourists remained low. The growth of turnover in professional and technical activities was supported particularly by a significant increase in turnover in architectural and engineering services. Turnover growth strengthened in information and communication activities, while it was more moderate in transport and administrative and support service activities.

² With the release of data for the second quarter, SURS also published revised data on residential real estate from 2017 onwards, as it subsequently received data from the Surveying and Mapping Authority of the Republic of Slovenia on a larger number of sales of newly built dwellings.

Slovenian industrial producer prices, August 2020



Source: SURS.

Slovenian industrial producer prices on foreign markets remained lower year on year in August.

Prices on foreign markets remained down year on year, in all industrial groups. The decline was larger in countries outside the euro area, while in the euro area it slowed in the last two months to August. Year-on-year price growth on the domestic market remained modest. Energy (electricity) prices and prices of consumer goods rose the most, the latter somewhat more in the non-durable goods segment. Industrial producer prices in the group of intermediate goods were lower year on year amid moderate economic activity.

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	% (O/O-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)	31.08.2020	30.09.2020	% (M/M-1)	-0.9	0.9	1.3	-0.1	-0.1	:
	31.08.2020	30.09.2020	% (M/M-12)	-1.2	-1.2	-0.3	0.3	-0.1	:
				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	% (O/O-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	27.08.2020	28.09.2020	% (M/M-1) ³	-14.0	23.3	5.0	:	:	:
	27.08.2020	28.09.2020	% (M/M-12)	-27.4	-12.8	0.1	:	:	:
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)	31.03.2020	30.09.2020	% BDP	-5.5	-2.8	-1.9	0.0	0.7	0.5
Consolidated gross general government debt (ESA)	31.03.2020	30.09.2020	% BDP	80.3	82.6	78.7	74.1	70.4	66.1
				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	:
Long-term government bond yields	Beginning of the month	%		0.75	0.75	0.43	0.17	0.05	:
Exchange rate, USD to EUR	Beginning of the month	US\$		1.0862	1.0902	1.1255	1.1463	1.1828	:

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>