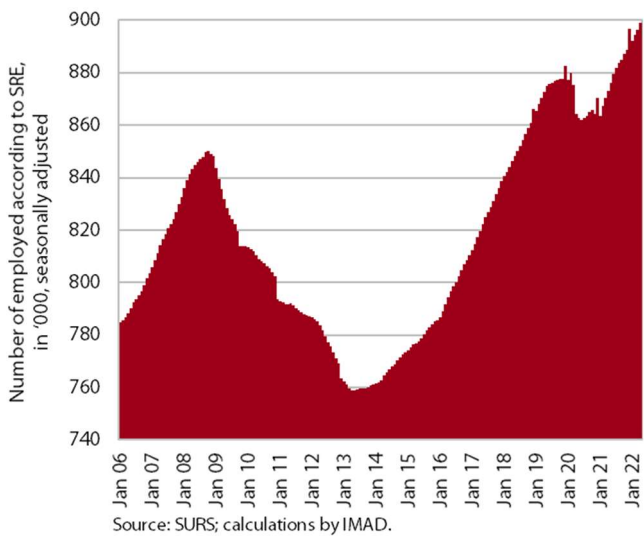


CURRENT ECONOMIC TRENDS

13–17 June 2022

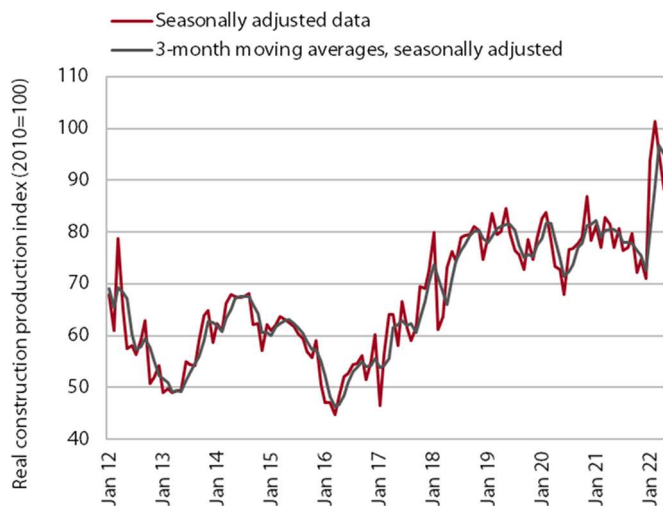
The number of persons in employment continues to increase. Hiring of foreign workers contributed more than 50% to the year-on-year increase in April, with a particularly high share of foreign workers in construction. Construction activity declined slightly but remained higher than in the same months last year. Compared to previous years, the highest growth in activity was seen in the construction of buildings. Cost pressures in the construction sector continue. The current account surplus of the balance of payments is declining mainly due to the trends in trade in goods. Strengthening of domestic consumption and rising prices of energy and other commodities are having a negative impact on net trade in goods. The value of fiscally verified invoices at the end of May and in the first third of June was about one-fifth higher than in the same periods of 2021 and 2019, given soaring prices.

Labour market, April 2022



Year-on-year growth in the number of persons in employment in April was the same as in March (2.9%) and slightly lower than at the beginning of the year. It was still very high in accommodation and food service activities and in construction. As the economy recovered, growth in the number of persons in employment again depended largely on the employment of foreign workers, whose contribution to overall year-on-year growth was 58% in April. The share of foreigners among all persons in employment is also increasing, by 1.3 p.p. to 13.1% (in April 2022) compared to last year. This was largely due to the shortage of local labour, which (given the high vacancy rates) is greatest in construction, accommodation and food service activities and administrative and support service activities. The activities with the largest share of foreigners are construction (46%), transportation and storage (31%) and administrative and support service activities (25%).

Construction, April 2022



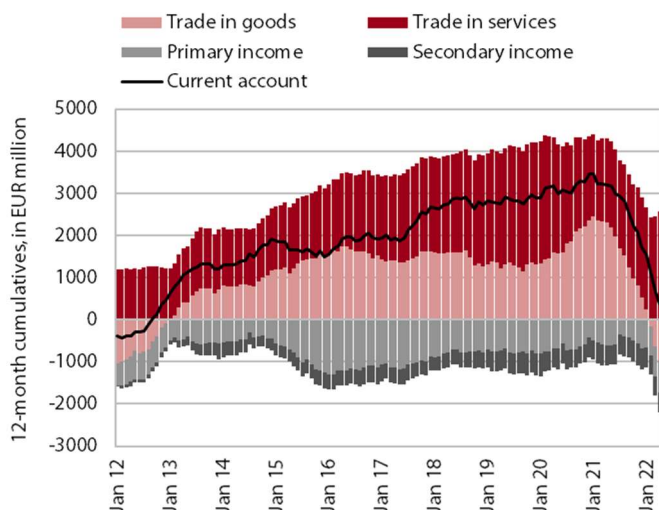
Source: SURS; calculations by IMAD.

According to figures on the value of construction put in place, construction activity decreased in April but remained higher year-on-year.

After a strong pick-up in construction activity at the beginning of this year, the value of construction put in place declined on a monthly basis in March and April, but remained higher than in the same months of the previous year. Compared to previous years, construction of buildings stands out in terms of growth in activity. Activity also increased in civil engineering, while it was lower in specialised construction work (installation works, building completion, etc.).

Cost pressures continue to increase. The implicit deflator of the value of construction put in place (used to measure prices in the construction sector) was 22% in April, the highest level in the last 20 years. According to business trends in construction, high material costs were reported as a limiting factor by 69% of companies in May, while material shortage was reported by 40% of companies. Both indicators have risen sharply in the past year, reaching their highest level in the last 20 years.

The balance of payments, April 2022

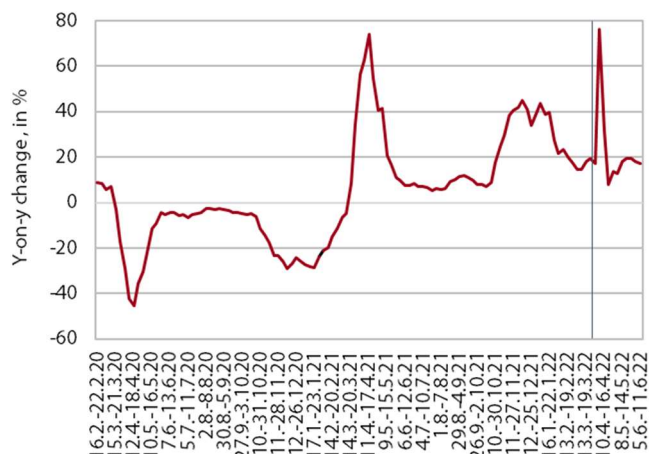


Source: BoS; calculations by IMAD.

The surplus of the current account of the balance of payments fell again in April, mainly due to the trends in trade in goods.

The 12-month current account surplus was lower than a year earlier, amounting to EUR 379.7 million (0.7% of estimated GDP). The year-on-year decline in the surplus in current transactions arose mainly from the goods trade balance, which turned from a surplus to a deficit at the end of last year. This is related mainly to faster real growth of imports, supported by the strengthening of domestic consumption, and rising prices for energy and other commodities, which have a negative effect on the balance of payments due to a relatively rigid demand. The primary income deficit was also higher, largely due to higher payments of dividends and profits to foreign investors and partly also to higher payments of traditional own resources to the EU budget. The surplus in trade in services has increased, especially in trade in travel (lifting of restrictions to contain the spread of COVID-19) and in trade in other business services (lifting of restrictions on business activity). The deficit in secondary income was lower, mainly due to year-on-year lower VAT- and GNI-based contributions to the EU budget.

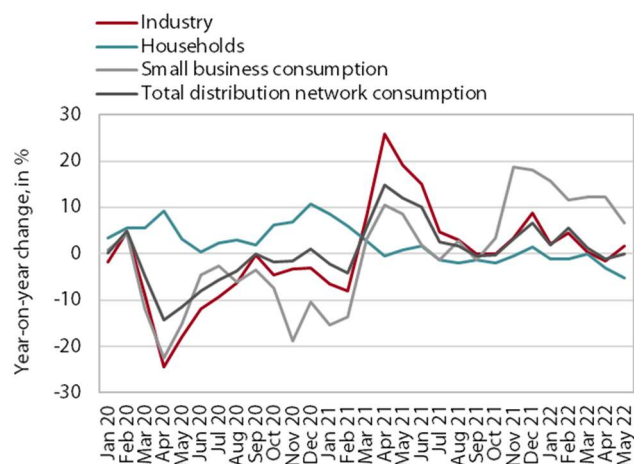
Value of fiscally verified invoices, in nominal terms, 29 May–11 June 2022



Source: FURS; calculations by IMAD. Up to the end of March 2022, 4-week moving averages are shown.

The value of fiscally verified invoices between 29 May and 11 June was 18% higher year-on-year in nominal terms and 21% higher than in the same period of 2019, given the price surge. The nominal 12% growth of turnover in trade, where about three-quarters of the total value of fiscally verified invoices is issued, was the biggest contributor to year-on-year growth, which was similar to the previous two weeks. Another important contributor to growth was also the 78% nominal growth in accommodation and food service activities (mainly due to high growth in accommodation), which was significantly lower than in previous weeks due to the continued lifting of restrictions on business activity last June.

Electricity consumption by consumption group, May 2022



Source: SODO; calculations by IMAD.
Note: Excluding the effect of temperature differences.

In May, industrial electricity consumption and small business electricity consumption were higher year-on-year, while they were slightly lower compared to the same period of 2019. Industrial electricity consumption was 1.8% higher year-on-year in May and small business electricity consumption was 6.7% higher, with the main reason for the increase in the latter being last year's restrictions in trade and services. Household consumption was 5.2% lower in May than a year ago due to a better epidemiological situation and the fact that fewer people were working from home. Compared to May 2019, small business consumption was 1.9% lower and industrial consumption was 0.5% lower, which is mainly related to the unstable situation with regards to material supply and the energy crisis. Household consumption in May was similar to the same period in 2019.

Table: Selected macroeconomic indicators for Slovenia

Selected macroeconomic indicators for Slovenia	Date of release		Unit	Reference period					
	Latest	Next		2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1
GDP, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	-0.2	1.6	1.9	1.3	5.3	0.8
	18.05.2022	18.08.2022	% (Q/Q-4)	-3.1	1.5	16.1	5.0	10.4	9.8
Private consumption, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	-11.0	4.2	4.2	10.9	2.1	1.6
	18.05.2022	18.08.2022	% (Q/Q-4)	-11.2	-1.1	17.9	7.2	22.9	20.0
Government consumption, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	-1.4	2.8	1.1	0.7	2.1	-1.0
	18.05.2022	18.08.2022	% (Q/Q-4)	3.5	1.2	4.4	3.2	7.0	2.9
Gross investment, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	23.4	-6.3	13.9	-4.7	-0.1	12.4
	18.05.2022	18.08.2022	% (Q/Q-4)	12.0	5.6	36.3	24.5	0.8	22.6
Exports of goods and services, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	5.2	3.9	1.0	1.2	5.3	-0.8
	18.05.2022	18.08.2022	% (Q/Q-4)	-0.7	1.6	30.5	11.6	12.1	7.7
Imports of goods and services, real	18.05.2022	18.08.2022	% (Q/Q-1) ³	7.6	4.7	4.6	1.3	5.1	3.0
	18.05.2022	18.08.2022	% (Q/Q-4)	-0.8	1.2	36.1	19.1	16.8	15.7
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Trade balance¹	14.06.2022	14.07.2022	EUR m	-227.1	-34.4	-276.5	-296.2	-221.5	:
Current account¹	14.06.2022	14.07.2022	EUR m	-159.4	95.2	-235.0	-176.9	-36.9	:
Exports of goods, real²	03.06.2022	05.07.2022	% (M/M-1) ⁴	-0.2	0.2	-0.1	3.0	4.7	:
	03.06.2022	05.07.2022	% (M/M-12)	17.3	8.6	4.3	7.2	9.8	:
Imports of goods, real²	03.06.2022	05.07.2022	% (M/M-1) ⁴	7.3	-1.9	4.7	-0.2	2.8	:
	03.06.2022	05.07.2022	% (M/M-12)	19.8	20.0	19.2	12.5	10.4	:
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Inflation (CPI)	31.05.2022	30.06.2022	% (M/M-1)	0.0	0.4	1.4	-1.1	2.6	2.0
	31.05.2022	30.06.2022	% (M/M-12)	4.9	5.8	6.9	5.4	6.9	8.1
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Gross earnings per employee – nominal	23.05.2022	22.06.2022	% (M/M-1)	-1.0	-6.8	0.2	4.2	:	:
	23.05.2022	22.06.2022	% (M/M-12)	2.1	-2.7	-1.0	-0.1	:	:
- private sector	23.05.2022	22.06.2022	% (M/M-1)	-2.2	-7.6	1.6	4.2	:	:
	23.05.2022	22.06.2022	% (M/M-12)	7.8	3.4	4.2	5.6	:	:
- public sector	23.05.2022	22.06.2022	% (M/M-1)	1.5	-5.2	-2.4	4.3	:	:
	23.05.2022	22.06.2022	% (M/M-12)	-6.3	-10.8	-8.4	-8.3	:	:
- of which government sector	23.05.2022	22.06.2022	% (M/M-1)	4.8	-3.2	-3.0	1.6	:	:
	23.05.2022	22.06.2022	% (M/M-12)	-8.2	-13.3	-10.8	-11.2	:	:
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Employed persons	16.06.2022	18.07.2022	% (M/M-1) ⁴	0.9	-0.5	0.3	0.2	0.3	:
	16.06.2022	18.07.2022	% (M/M-12)	3.0	3.3	3.2	2.9	2.9	:
Registered unemployed persons	03.06.2022	05.07.2022	% (M/M-1) ⁴	-3.1	-2.8	-2.4	-2.1	-2.1	-2.2
	03.06.2022	05.07.2022	% (M/M-12)	-24.4	-25.9	-26.4	-26.7	-26.7	-25.7
Registered unemployment rate	16.06.2022	18.07.2022	%	6.7	6.9	6.6	6.2	5.9	:
				2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1
Employment, LFS	31.05.2022	30.08.2022	% (Q/Q-1) ⁵	1.2	-5.1	4.9	1.1	-0.9	0.5
	31.05.2022	30.08.2022	% (Q/Q-4)	0.4	-5.5	1.1	1.9	-0.3	5.6
ILO unemployment rate, LFS	31.05.2022	30.08.2022	%	5.1	5.6	4.3	4.5	4.5	4.3
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Industrial producer prices, domestic market	20.05.2022	21.06.2022	% (M/M-1)	0.4	2.5	5.7	1.7	3.2	:
	20.05.2022	21.06.2022	% (M/M-12)	10.6	12.8	18.4	20.3	23.4	:
Production volume in manufacturing, real	10.06.2022	11.07.2022	% (M/M-1) ³	1.4	-1.3	-2.3	2.6	0.9	:
	10.06.2022	11.07.2022	% (M/M-12)	16.0	10.8	2.4	5.2	2.8	:
Construction, real value of construction output	15.06.2022	15.07.2022	% (M/M-1) ³	-4.8	31.9	8.0	-6.0	-7.4	:
	15.06.2022	15.07.2022	% (M/M-12)	-9.7	15.4	32.4	15.3	7.7	:
Turnover in trade, real	27.05.2022	28.06.2022	% (M/M-1) ³	-0.4	-0.8	3.3	-0.4	:	:
	27.05.2022	28.06.2022	% (M/M-12)	24.5	21.9	12.6	10.4	:	:
Real turnover in market services	31.05.2022	29.06.2022	% (M/M-1) ³	-1.7	-0.5	3.2	2.1	:	:
	31.05.2022	29.06.2022	% (M/M-12)	21.0	26.0	15.9	19.2	:	:
				2016	2017	2018	2019	2020	2021
General government deficit/surplus (ESA 2010)	31.03.2022	30.09.2022	% BDP	-1.9	-0.1	0.7	0.4	-7.8	-5.2
Consolidated gross general government debt (ESA)	31.03.2022	30.09.2022	% BDP	78.5	74.2	70.3	65.6	79.8	74.7
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
Economic sentiment indicator⁵, seasonally adjusted	25.05.2022	24.06.2022	% ³	4.9	5.6	6.7	1.6	4.3	2.9
				2021 m 12	2022 m 1	2022 m 2	2022 m 3	2022 m 4	2022 m 5
EURIBOR, 3-month	Beginning of the month *		%	-0.5820	-0.5601	-0.5323	-0.4967	-0.4479	-0.3857
Long-term government bond yields	Beginning of the month		%	0.2600	0.4400	0.8400	1.1700	1.7500	2.0500
Exchange rate, USD to EUR	Beginning of the month		US\$	1.1304	1.1314	1.1342	1.1019	1.0819	1.0578

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>

The table format accessible to screen reader users can be found on the IMAD website among the appendices to the current graphs of the week (Selected macroeconomic indicators for euro area)