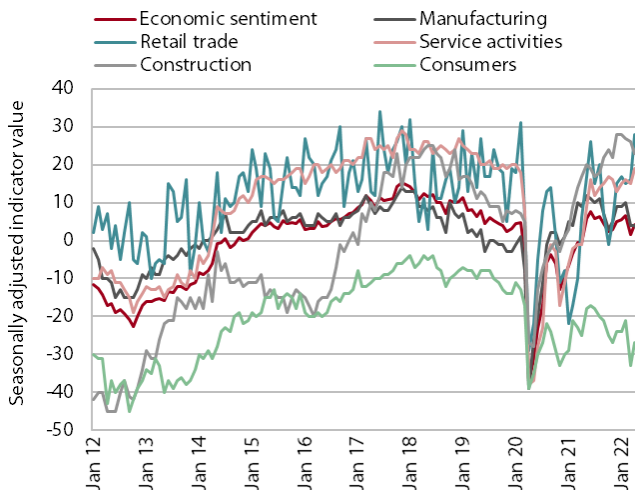


CURRENT ECONOMIC TRENDS 23–27 May 2022

After a sharp decline in March and a temporary increase in April, economic sentiment deteriorated in May, most notably among consumers, in manufacturing and, to a lesser extent, in retail trade. Turnover in trade increased in most sectors in the first quarter and the lifting of the recovered/vaccinated/tested rule is also estimated to have contributed to the positive developments in the retail trade in non-food products, apart from the low base last year. Year-on-year growth in average gross wages in the private sector remains relatively high, which we estimate may already be affected by labour shortages in some sectors (accommodation and food service activities, transportation and storage and construction). The level of public sector wages has remained below the relatively high level of the previous year since November last year, which is related to the payment of COVID-19-related allowances.

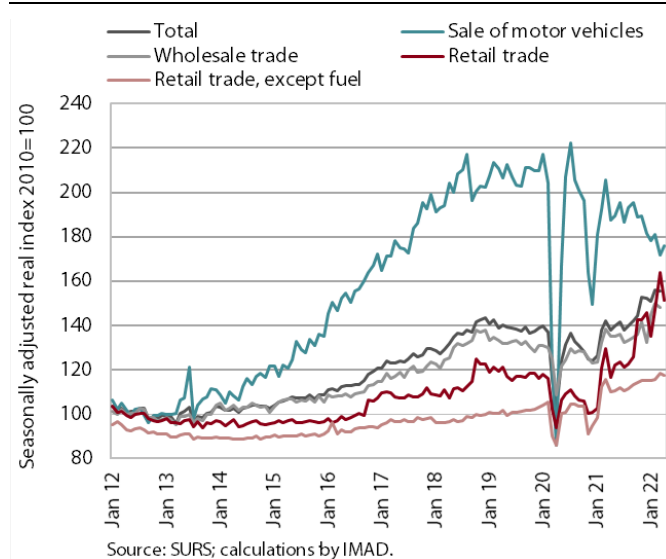
Economic sentiment, May 2022



Source: SURS; calculations by IMAD.

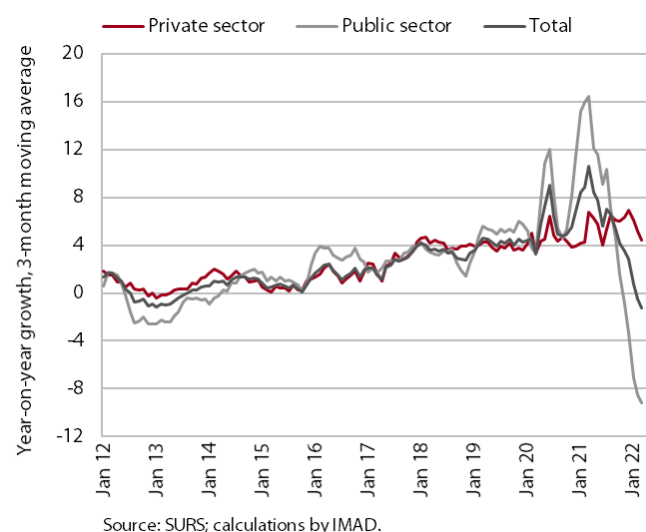
The value of the economic sentiment indicator has been mostly declining since March and was lower in May among consumers and in manufacturing than a year ago. After a sharp decline in March and a temporary increase in April, the value of the sentiment indicator decreased by 1.4 p.p. in May but remained above the long-term average. On a monthly basis, confidence deteriorated most notably among consumers (by 4 p.p.), in manufacturing (by 2 p.p.) and slightly also in retail trade (by 1 p.p.). In the services sector, it remained at the previous month's level, while in construction it was noticeably higher (by 3 p.p.). Confidence was significantly higher year-on-year in retail trade and in services (both by 10 p.p.) and in construction (by 6 p.p.). It was slightly lower year-on-year among consumers and in manufacturing (by 13 and 10 p.p. respectively). Lower confidence among consumers is related to rising prices and uncertainty about further price increases and the resulting deterioration in household purchasing power, while lower confidence in manufacturing is related to the current situation in the international environment (bottlenecks in the supply of raw materials, rising commodity and energy prices and the Russian-Ukrainian war).

Turnover in trade, March–April 2022



In the first quarter, turnover in trade increased in most sectors. Growth was the highest in *wholesale trade*, where turnover increased after a sharp decline in December. Compared to the last quarter of 2021, turnover was also higher in *retail trade*, whose dynamics in recent months has been determined by sharp fluctuations in real turnover from the sale of automotive fuels. With the lifting of the recovered/vaccinated/tested rule, the sales of non-food products also increased, up 14% year-on-year given the low base last year. Sales of food, beverages and tobacco products was slightly lower than a year ago, stagnating in recent months but falling significantly in April, according to preliminary data. Turnover in the *sale of motor vehicles* fell for the second quarter in a row and was down 8% year-on-year. According to preliminary data, turnover increased slightly in April but still remained low.

Wages, March 2022



In March, average wages in the public sector were 8.3% lower year-on-year, while they were 5.6% higher in the private sector (-0.1% overall). Due to the cessation of COVID-19-related allowances, year-on-year wage growth in the public sector slowed significantly in the second half of last year and turned negative year-on-year last November.¹ In the private sector, year-on-year growth strengthened in March due to higher extraordinary payments. Wage growth was the highest in accommodation and food service activities and it was also high in transportation and storage and in construction. In all these activities, this could already be the consequence of labour shortages.

¹ An important factor behind these developments is the declaration of the epidemic at the end of October 2020, which led to a significant increase in wages due to the payment of allowances.

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 | 13.05.2022 | 14.06.2022 | EUR m | -227.1 | -14.0 | -254.3 | -220.9 | : | : |
| Current account¹ | 13.05.2022 | 14.06.2022 | EUR m | -159.4 | 120.0 | -212.7 | -95.8 | : | : |
| Exports of goods, real² | 05.05.2022 | 09.06.2022 | % (M/M-1) ⁴ | -0.5 | -0.4 | 0.0 | 3.3 | : | : |
| | 05.05.2022 | 09.06.2022 | % (M/M-12) | 17.3 | 7.4 | 3.6 | 7.2 | : | : |
| Imports of goods, real² | 05.05.2022 | 09.06.2022 | % (M/M-1) ⁴ | 7.2 | -2.1 | 4.6 | -1.2 | : | : |
| | 05.05.2022 | 09.06.2022 | % (M/M-12) | 19.8 | 19.7 | 18.6 | 12.5 | : | : |
| | | | | 2021 m 12 | 2022 m 1 | 2022 m 2 | 2022 m 3 | 2022 m 4 | 2022 m 5 |
| Inflation (CPI) | 29.04.2022 | 31.05.2022 | % (M/M-1) | 0.0 | 0.4 | 1.4 | -1.1 | 2.6 | : |
| | 29.04.2022 | 31.05.2022 | % (M/M-12) | 4.9 | 5.8 | 6.9 | 5.4 | 6.9 | : |
| | | | | 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 | 17.05.2022 | 16.06.2022 | % (M/M-1) ⁴ | 0.9 | -0.5 | 0.2 | 0.2 | : | : |
| | 17.05.2022 | 16.06.2022 | % (M/M-12) | 3.0 | 3.3 | 3.2 | 2.9 | : | : |
| Registered unemployed persons | 05.05.2022 | 03.06.2022 | % (M/M-1) ⁴ | -3.0 | -2.7 | -2.3 | -2.0 | -2.1 | : |
| | 05.05.2022 | 03.06.2022 | % (M/M-12) | -24.4 | -25.9 | -26.4 | -26.7 | -26.7 | : |
| Registered unemployment rate | 17.05.2022 | 16.06.2022 | % | 6.7 | 6.9 | 6.6 | 6.2 | : | : |
| | | | | 2020 Q3 | 2020 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | 2020 Q4 |
| Employment, LFS | 28.02.2022 | 31.05.2022 | % (Q/Q-1) ⁵ | 0.4 | 1.2 | -4.9 | 4.8 | 1.1 | -1.0 |
| | 28.02.2022 | 31.05.2022 | % (Q/Q-4) | -0.3 | 0.4 | -5.5 | 1.1 | 1.9 | -0.3 |
| ILO unemployment rate, LFS | 28.02.2022 | 31.05.2022 | % | 5.1 | 5.1 | 5.6 | 4.3 | 4.5 | 4.5 |
| | | | | 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 | 10.05.2022 | 10.06.2022 | % (M/M-1) ³ | 1.1 | -1.1 | -2.2 | 2.2 | : | : |
| | 10.05.2022 | 10.06.2022 | % (M/M-12) | 15.7 | 10.7 | 2.4 | 4.7 | : | : |
| Construction, real value of construction output | 13.05.2022 | 15.06.2022 | % (M/M-1) ³ | -4.9 | 32.3 | 8.5 | -7.8 | : | : |
| | 13.05.2022 | 15.06.2022 | % (M/M-12) | -9.7 | 15.1 | 32.5 | 12.3 | : | : |
| 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 | 29.04.2022 | 31.05.2022 | % (M/M-1) ³ | -1.5 | -0.5 | 3.5 | : | : | : |
| | 29.04.2022 | 31.05.2022 | % (M/M-12) | 21.0 | 25.9 | 17.0 | : | : | : |
| | | | | 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 2010) | 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 | : |
| Long-term government bond yields | Beginning of the month | | % | 0.2600 | 0.4400 | 0.8400 | 1.1700 | 1.7500 | : |
| Exchange rate, USD to EUR | Beginning of the month | | US\$ | 1.1304 | 1.1314 | 1.1342 | 1.1019 | 1.0819 | : |

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

Notes: ¹Balance of payments statistics of the BoS; ²External trade statistics SURS; ³Seasonally adjusted – SURS; ⁴Seasonally adjusted – IMAD; ⁵Difference 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/peels>

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)

More information: phone: +386 1 478 10 04, e-mail: polona.osrajnik@gov.si