

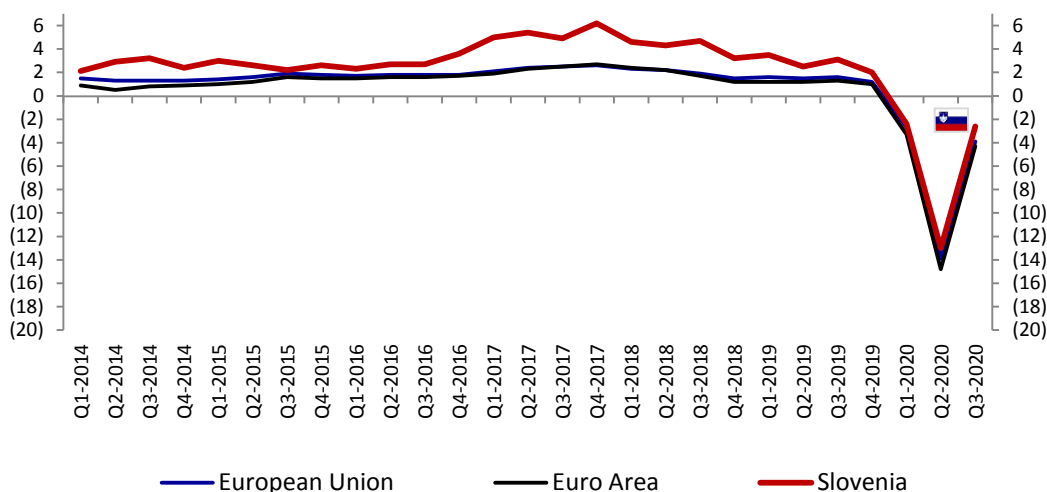


SLOVENIA'S ECONOMIC PERFORMANCE MORE RESILIENT TO COVID-19 EPIDEMIC COMPARED TO EU AND EA AVERAGE

According to figures from the Statistical Office of the Republic of Slovenia economic growth decreased by -2.6% in the third quarter of the 2020 in comparison to the same quarter of the previous year (YoY). Economic growth rebounded as expected in the third quarter (by 12.4%) as the most stringent containment measures were lifted.

Seasonally adjusted GDP in Slovenia decreased by -2.9% in the third quarter of 2020 (YoY). In the first nine months of 2020 GDP decreased by 6.0% (YoY). The growth decrease in Slovenia in the third quarter was less pronounced in comparison to EA-19 average of -4.3% (YoY) and EU average of -3.9% (YoY).

Figure 1: Real Quarterly GDP Growth Rate (SA % change Q/Q-4)



Source: Statistical Office of the Republic of Slovenia (SORS), Eurostat, (SA) Seasonally Adjusted data, 2.12.2020

Total Employment

Total employment in the third quarter of 2020 stood at 1,034.564 workers and decreased by 1.8% or 19,237 persons YoY, i.e. mostly in administrative and support services and manufacturing. The unemployment rate in third quarter stood at 5.1% which is 0.3 p.p higher in comparison to the third quarter of the year 2019 (4.8%) and slightly lower compared to the second quarter of the year 2020 (5.2%).

External Demand and Competitiveness

In the third quarter of 2020 exports decreased by 9.5% and imports by 13.1% compared to the same quarter of the previous year. Exports of goods decreased by 4.6% and exports of services by 28.8%. Imports of goods decreased by 11.2% and imports of services by 22.4%. Among services, the largest decrease in both exports and imports was observed in travelling.

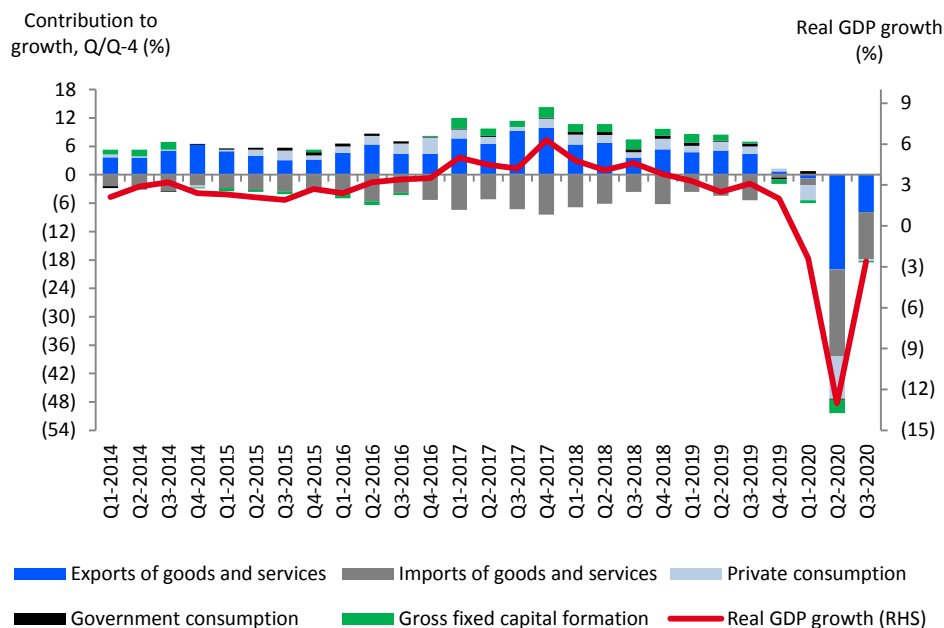
Domestic Consumption

Domestic expenditure declined by 5.0% for two key reasons: (1) the final consumption expenditure declined by 0.3% and (2) gross capital formation by 19.6%. Household final consumption expenditure on the domestic market dropped by 6.0%, i.e. the highest decrease was observed in consumption of fuels and services.

General government expenditure increased by 1.4%.

Both Institute of Macroeconomic Analysis and Development and Bank of Slovenia expect there to be a renewed decline in activity in the final quarter of 2020, amid the reimposition of the lockdown, albeit significantly less pronounced than during the first wave of the epidemic in spring 2020.

Figure 2: Contributions to Real GDP Growth (% chg. Q/Q-4)



Source: Statistical Office of the Republic of Slovenia (SORS), Original data, 2.12.2020

Notes

Unless otherwise specified, all comparisons in this text refer to original data, to volume or real changes and to changes compared with the same quarter of the previous year.

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