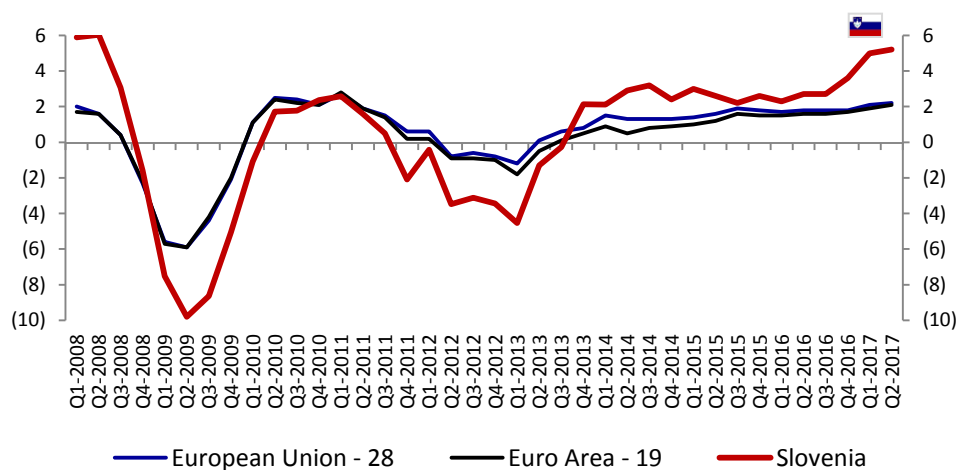




1 SLOVENIA'S STRONG GDP GROWTH: UP BY 5.2% IN THE SECOND QUARTER OF 2017 (% CHANGE Q/Q-4)

Seasonally adjusted GDP increased by 5.2% in comparison to the same quarter of 2016. The growth continues to be underpinned by exports and strengthening of domestic demand. The growth is well above the EA-19 average of 2.1% and the EU-28 average of 2.2%.

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, 11.9.2017

Domestic Demand Strengthened

Domestic demand increased by 3.7% (YoY) in the Q2 2017. Growth composition was balanced. Private consumption increased by 3.2% while gross fixed capital formation by 7.4%.

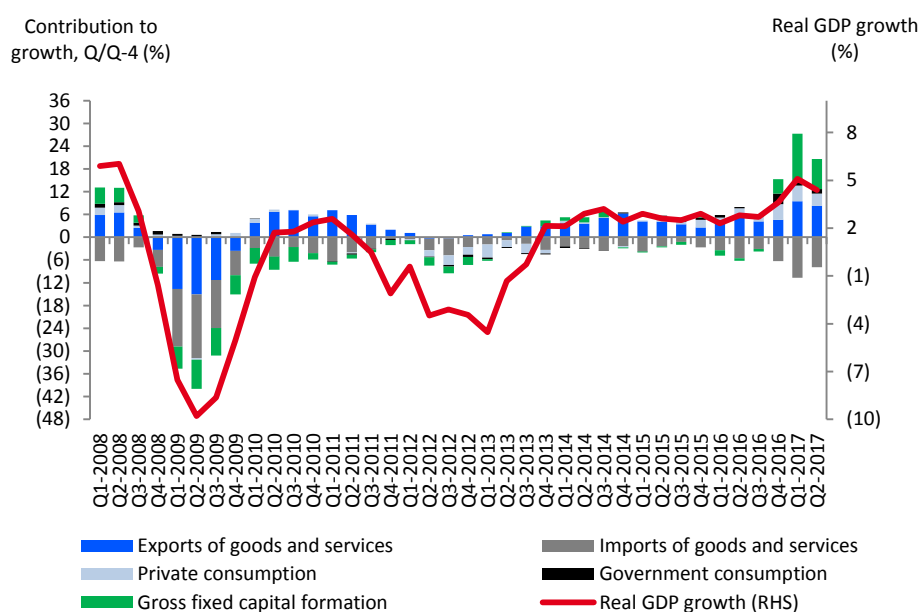
External Trade Surplus

External demand and improved competitiveness is reflected in strong exports performance 8.3% (YoY) in Q2, i.e. exports of goods increased by 8.1% and exports of services by 9.4%. Imports also increased but by less (7.9% YoY) as a result the external trade surplus contributed 1.1 percentage points to the economic growth.

Sustained labor market improvement

The favourable labor market performance continued in Q2 2017. Total employment increased by 2.8% (YoY). The increase in employment is spread across the sectors but most concentrated in manufacturing, followed by other business activities, trade and transport activities.

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



Source: Statistical Office of the Republic of Slovenia (SORS), Original data, 11.9.2017

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.

2

MOODY'S UPGRADED SLOVENIA'S GOVERNMENT BOND RATINGS TO Baa1 From Baa3 WITH STABLE OUTLOOK

On 8 September 2017 Moody's upgraded Slovenia's longterm issuer and senior unsecured bond ratings to Baa1 from Baa3. The rating's outlook was changed to stable from positive.

The press release on the rating action can be found on the following link:

https://www.moodys.com/research/Moodys-upgrades-Slovenias-government-bond-ratings-to-Baa1-assigns-stable--PR_371559

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