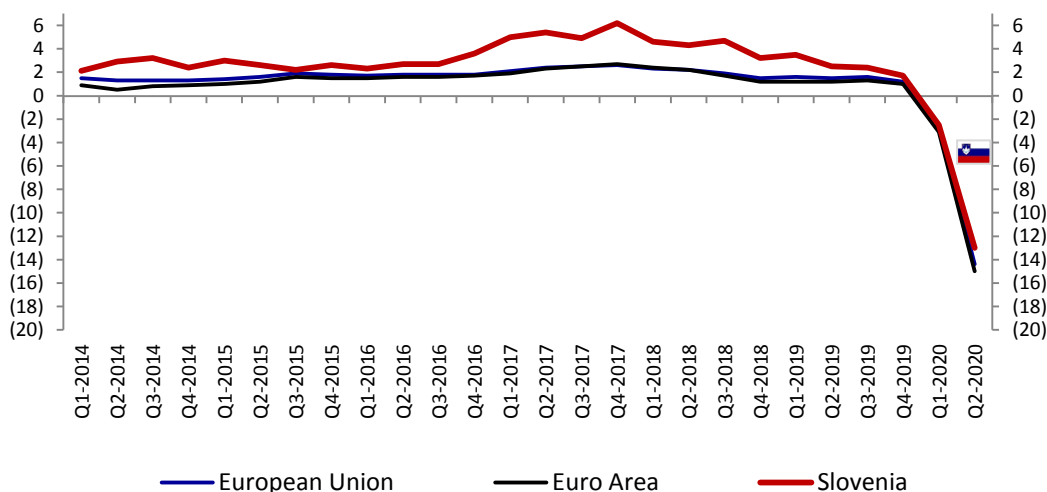




## SLOVENIA'S ECONOMIC PERFORMANCE MORE RESILIENT TO COVID-19 EPIDEMIC COMPARED TO EU AND EA AVERAGE

Based on original data the GDP in Slovenia decreased by -13% in the second quarter of the 2020 in comparison to the same quarter of the previous year (YoY). Seasonally adjusted GDP in Slovenia decreased by -9.6% in the second quarter of 2020 (YoY). In the first half of 2020 GDP decreased by 7.9% (YoY). The growth drop in Slovenia in the second quarter was less pronounced in comparison to EA-19 average of -15% (YoY) and EU average of -14.4% (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, 2.9.2020

### Total Employment

Total employment in the second quarter of 2020 stood at 1,023.200 workers and decreased by 2.0% or 20,706 persons YoY, i.e. mostly in administrative and support services, manufacturing and in accommodation and food service activities.

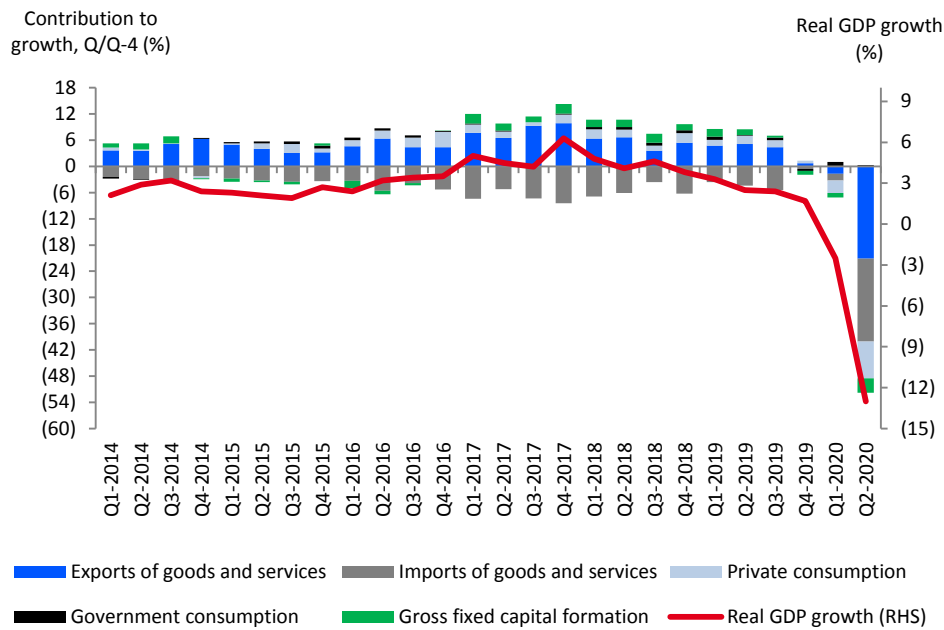
### External Demand and Competitiveness

In the second quarter of 2020 exports decreased by 24.5% and imports by 25% compared to the same quarter of the previous year. Exports of goods decreased by 21.9% and exports of services by 35.0%. Imports of goods and services dropped by a similar rate. Among services, the largest decrease in both exports and imports was observed in travelling.

## Domestic Consumption

In the observed period of second quarter 2020 the domestic consumption and within it final household consumption expenditure had more pronounced effect on GDP growth than external demand. Domestic expenditure declined by 12% for two key reasons: (1) the final consumption expenditure declined by 11.8% and (2) gross capital formation by 12.8%. Household final consumption expenditure on the domestic market dropped by 21.2%, i.e. the highest decrease was observed in consumption of fuels and services.

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



Source: Statistical Office of the Republic of Slovenia (SORS), Original data, 2.9.2020

### 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.

## Data Support Economic Rebound

According to the Bank Slovenia, the current situation in the economy suggests that economic growth this year will follow the trajectory set out by the less adverse scenario, i.e. in line with their baseline GDP growth forecast (a decline of 6.5%). According to the Fiscal Council latest estimates the adopted government measures for Covid-19 containment resulted in less severe decline in economic growth for 1.5% GDP. Furthermore, the current central government budget realisation on the income side in terms of the tax collection suggest that the economic environment has significantly improved and outlines positive prospects towards balanced budgeted in the rest of the year 2020.

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