



NÁRODNÁ BANKA SLOVENSKA
EUROSYSTEM



NBS MONTHLY BULLETIN

AUGUST 2010

Published by:
© Národná banka Slovenska

Address:
Národná banka Slovenska
Imricha Karvaša 1, 813 25 Bratislava
Slovakia

Contact:
Press and Editorial Section
+421/02/5787 2141
+421/02/5787 2146

Fax:
+421/02/5787 1128

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Prepared on the basis of the Report on the
Economic Development in August 2010, approved by
the NBS Bank Board on 28 September 2010.

ISSN 1337-9526 (online)



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ABBREVIATIONS

CPI	Consumer Price Index
EA	euro area
ECB	European Central Bank
EMU	Economic and Monetary Union
EONIA	Euro OverNight Index Average
ESA 95	European System of National Accounts 1995
EU	European Union
Eurostat	Statistical Office of the European Communities
FDI	Foreign Direct Investment
Fed	Federal Reserve System
EMU	Economic and Monetary Union
EURIBOR	Euro Interbank Offered Rate
FNM	Fond národného majetku – National Property Fund
FOMC	Federal Open Market Committee
GDP	Gross Domestic Product
GNDI	Gross National Disposable Income
GNI	Gross National Income
HICP	Harmonised Index of Consumer Prices
IMF	International Monetary Fund
IPP	Industrial Production Index
IRF	Initial Rate Fixation
MB	mortgage bonds
MFI	monetary financial institutions
MF SR	Ministry of Finance of the Slovak Republic
NARKS	National Association of Real Estate Agencies of Slovakia
NBS	Národná banka Slovenska
NEER	Nominal Effective Exchange Rate
NPISH	Non-profit Institutions Serving Households
OIF	Open-end Investment Funds
p.a.	per annum
p.p.	percentage points
q-q	quarter-on-quarter
PPI	Producer Price Index
REER	Real Effective Exchange Rate
RULC	Real Unit Labour Costs
SASS	Slovenská asociácia správcovských spoločností – Slovak Association of Asset Management Companies
SO of the SR	Statistical Office of the SR
SR	Slovenská republika – Slovak Republic
ULC	Unit Labour Costs
VAT	Value Added Tax
Y-Y	year-on-year

Symbols used in the tables

- . – Data are not yet available.
- – Data do not exist / data are not applicable.
- (p) – Preliminary data



1 SUMMARY

The year-on-year rate of euro area inflation, as measured by the Harmonised Index of Consumer Prices, reached 1.6% in August, compared with 1.7% in July. According to data from Eurostat, euro area GDP expanded by 1.9% year-on-year in the second quarter of 2010 (in the first quarter by 0.8%) and in quarter-on-quarter terms by 1.0% (in the previous quarter by 0.3%). The exchange rate of the euro against the US dollar depreciated over the course of August. The ECB's Government Council decided at its September meeting to leave the key ECB interest rates unchanged. The minimum bid rate for the main refinancing operations remained at 1.00%, and the rates for the marginal lending and deposit facilities at 1.75% and 0.25% respectively.

In Poland and Hungary, the annual rate of HICP inflation remained unchanged in August, at 1.9% and 3.6% respectively. In the Czech Republic, the price increase slowed to 1.5% in July. The gradual recovery of the neighbouring economies continued in the second quarter of 2010. According to data from Eurostat, gross domestic product in the Czech Republic expanded by 2.4% year-on-year in the second quarter (in the first quarter by 1.0%), in Poland by 3.8% (in the first quarter by 3.1%) and in Hungary by 0.1% (after contracting in the first quarter by 1.2%). The July appreciation of the Central European currencies vis-à-vis the euro was a temporary development, for the exchange rates of the Czech koruna, the Polish zloty and the Hungarian forint continued to weaken in August. Key interest rates in Czech Republic, Hungary and Poland remained unchanged in August.

Slovakia's annual consumer-price inflation rose to 1.1% month-on-month in August, from 1.0% in July. The accelerated 12-month HICP inflation rate was caused mainly by food prices, both of processed and unprocessed. The year-on-year dynamics of services prices increased, too. The decline in non-energy industrial goods prices slowed somewhat. The year-on-year decline in energy prices deepened as a result of a slowdown in the year-on-year rise in fuel prices. The year-on-year decline in industrial producer prices continued to slow in July. The

slowdown took place in all components, mainly in energy prices. The prices of manufacturing products and mining/quarrying products increased, while water and sewage rates showed weaker dynamics. Construction work prices recorded a further moderate slowdown in the year-on-year rate of increase in July. The year-on-year dynamics of agricultural prices markedly increased in July, compared with the previous month.

According to data from the Slovak Statistical Office, Slovakia's GDP at constant prices expanded by 4.7% year-on-year in the second quarter of 2010 (in the first quarter by 4.8%). The economy continued to grow by 1.2% quarter-on-quarter (seasonally adjusted growth), compared with 0.8% in the first quarter. Overall employment contracted by 2.3% year-on-year, representing a slowdown of 0.7 of a percentage point compared with the previous quarter. GDP growth was faster than expected and the decline in employment was more moderate.

In terms of production, GDP growth in the second quarter was connected with an increase in value added, especially in industry, agriculture and public services. In terms of consumption, economic growth continued to be influenced by the growing foreign demand. Domestic demand growth was mainly connected with the inventory increase, while household final consumption and general government spending decreased. Investment continued to decline, at a faster pace than in the previous quarter. The growing foreign demand led to accelerated export growth and a consequent improvement in the trade balance in year-on-year terms. Thus, net exports contributed positively to GDP growth. Owing to the continuing recovery in economic activity and decline in employment, labour productivity continued to increase. In the second quarter, real labour productivity growth still exceeded the growth in real wages, but to a lesser extent than in the previous quarter. In year-on-year terms, unit labour costs continued to fall in the second quarter, owing to the stronger dynamics of labour productivity growth and weaker dynamics of employee compensation growth. In connection



with the growing economic activity, the year-on-year decline in employment moderated and the unemployment rate dropped. The overall recovery of the Slovak economy was also reflected in the growing profits of financial and non-financial corporations in the second quarter (in year-on-year terms), mainly as a result of an increase in the profits of non-financial corporations. The increase in non-financial corporate profits took place predominantly in industry.

The current account balance achieved in July was less favourable than the balance for the previous month. The current account deficit increased month-on-month, mainly as a result of negative developments in the trade balance and, to some extent, of an increase in the negative balances of services and current transfers.

The industrial production index recorded a slower rise in July, owing to a marked decrease in the year-on-year dynamics of production in the power industry. The year-on-year growth in manufacturing production slowed only slightly. The year-on-year decline in construction continued to moderate in July, compared with the previous month. The year-on-year rate of revenue growth in selected sectors slowed in July, mainly as a result of slower revenue growth in industry, transport and trade. In year-on-year terms, positive revenue growth was recorded in selected market services, information and communications. The overall economic sentiment indicator fell in August, compared with the previous month. The indicator was negatively influenced by a fall in confidence in industry and services, as well as in consumer confidence. Confidence in retail trade and construction increased in comparison with the previous month.

Average nominal and real wages showed weaker year-on-year dynamics in July, compared

with the previous month. The year-on-year decline in employment in the sectors under review continued to moderate in July. Slower employment decline than a year earlier was recorded in most of the sectors under review, except in construction. The rate of registered unemployment remained unchanged in July, at the level of June (12.3%).

The sectoral breakdown of deposits shows that deposits followed different trends in July. The volume of non-financial corporate deposits decreased on a month-on-month basis, mainly as a result of a decrease in demand deposits. Household deposits recorded an increase, which also took place in demand deposits. However, both household deposits and non-financial corporate deposits maintained their positive year-on-year dynamics. The volume of loans provided to the private sector increased month-on-month in July. This confirmed the positive trend in the area of bank lending to non-financial corporations and other financial intermediaries, when the outstanding amount of loans increased in this sector. Thus, the year-on-year decline in lending to non-financial corporations slowed. The relatively dynamic growth in lending to households continued in July, but the year-on-year rate of growth slowed somewhat (after accelerating slightly for three months). Loans to households were dominated by house purchase loans. As regards retail lending rates, the gradually falling trend in interest rates on loans to households came to a halt in July. After falling in the previous month, interest rates on loans to non-financial corporations rose to the level of May. Interest rates on deposits from non-financial corporations and households followed the same trend in July. A slight rise was recorded in the price of deposits with an agreed maturity of up to one year. Interest rates on the most liquid deposits (with the shortest maturities) remained unchanged.



2 THE EXTERNAL ECONOMIC ENVIRONMENT¹

2.1 THE EURO AREA

The year-on-year rate of euro area inflation, as measured by the Harmonised Index of Consumer Prices (HICP), slowed by 0.1 of a percentage point compared with July, to 1.6% in August. The slowdown in inflation was caused mainly by a slower rise in energy and transport prices. In year-on-year terms, price levels fell only in Ireland (by 1.2%). The steepest price increases were reported from Greece (5.6%), Cyprus (3.4%) and Malta (3.0%). The year-on-year rise in euro area prices was caused by increases in the following categories: transport (3.3%), alcohol and tobacco (3.3%), and household goods (2.6%). At the same time, year-on-year price falls in the euro area were recorded in post and telecommunications (-0.5%), and in recreation and culture (-0.1%). In the same period a year earlier, inflation was in negative territory (-0.2%).

At the beginning of August, the euro continued to strengthen vis-à-vis the US dollar as in the previous two months. In the second week, however, the euro weakened and continued weakening until the end of the month, though

the unfavourable expectations regarding the US economy had been confirmed. This trend was also affected by the worsening financial market sentiment as a result of concerns about the path of future developments. Over the course of August, the euro depreciated against the US dollar by 2.7%. Compared with the beginning of the year, the single European currency weakened by 11.9% vis-à-vis the dollar (compared with the same period a year earlier, the euro depreciated by 11.2%).

The ECB's Governing Council decided at its meeting on 2 September 2010 to leave the key ECB interest rates unchanged. The rates for the main refinancing operations, the marginal lending facility and the deposit facility remained at 1.00%, 1.75 % and 0.25 % respectively.

2.2 DEVELOPMENTS IN THE CZECH REPUBLIC, HUNGARY AND POLAND

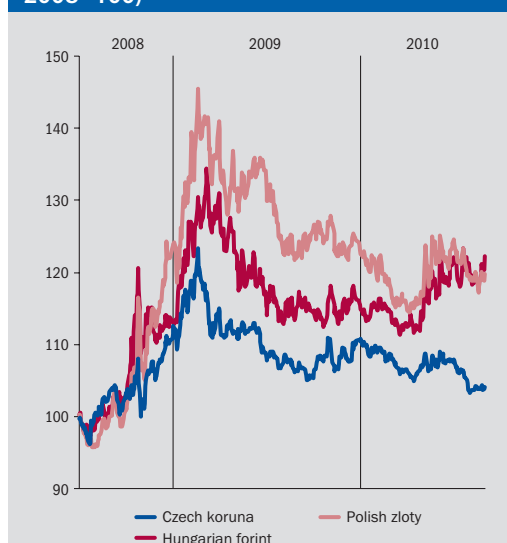
In the Czech Republic, the annual rate of HICP inflation slowed by 0.1 of a percentage point in August (to 1.5%), mainly as a result of a slower

Chart 1 USD/EUR exchange rate



Sources: ECB, NBS.

Chart 2 Exchange rate indices of the V4 currencies vis-à-vis the euro (30 June 2008=100)



Sources: Eurostat, NBS calculations.
Note: A fall in value denotes appreciation.

¹ The chapter on international economic developments includes a tabular/graphical overview, which is available in the Statistics annex, External environment.



rise in energy prices. Inflation in Poland and Hungary remained unchanged, at the level of 1.9% and 3.6% respectively.

The currencies of these countries appreciated vis-à-vis the euro in July, but only temporarily. In August, they continued to depreciate, though the first half of the month saw a steadily depreciating trend only in the Czech koruna. The Polish zloty and the Hungarian forint did not show a clear tendency in that period. In the second half of the month, all three currencies strengthened

somewhat vis-à-vis the euro. In the last week of August, however, they continued to depreciate again. By the end of August, the Polish zloty had weakened by 0.12%, the Czech koruna by 0.29% and the Hungarian forint by 0.72%, compared with the last week of July

In August, all three central banks left their key interest rates unchanged. Thus, the key rates remained unchanged in the region for the third consecutive month: at 3.5% in Poland, 0.75% in the Czech Republic, and 5.25% in Hungary.

Box 1

QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY – JUNE 2010

The global economy, driven by the waning fiscal and monetary stimuli, continued to grow in the second quarter of 2010. Emerging economies grew more dynamically, while advanced economies experienced a gradual recovery. The US economy recorded a slowdown in the second quarter, mainly as a result of increased imports, which caused the negative contribution of net exports to deepen. Economic growth in the euro area was favourably influenced by foreign demand, which supported the relatively strong export dynamics. The contribution of net exports continued to be dampened by the relatively high imports, which were attributable to the gradual recovery in consumer and investment demand. Thus, economic growth in the euro area accelerated in the second quarter. Within the V4 group, accelerated quarter-on-quarter economic growth was recorded in Poland and the Czech Republic. The Hungarian economy was stagnant in the second quarter. Net exports had a pro-growth effect on all three economies (owing to the lower imports), while export growth remained at a relatively high level. In the Czech Republic and Poland, economic growth was favourably influenced by the continuing revival in investment demand. In Hungary, both consumer and investment demand remained subdued.

Oil prices were rather volatile in the second quarter and the following two months, but their average level remained broadly

unchanged. July and August saw a steep rise in agricultural commodity prices. The slower year-on-year rise in oil prices led to a fall in global inflation. The slower rise in energy prices made a substantial contribution to the slowdown in the US inflation. At the same time, the energy price increase in the euro area accelerated as a result of a base effect and, along with food prices, contributed to the slight rise in inflation. Within the V4 group, price inflation slowed in Poland and Hungary. The sharp fall in Hungary's inflation rate in July was caused by a base effect stemming from the VAT and excise tax increase of last year. Inflation in the Czech Republic rose as a result of a faster increase in regulated prices and changes in excise taxes at the beginning of the year.

The US Federal Open Market Committee left its target range for the federal funds rate unchanged. The ECB's Governing Council also left its key interest rates unchanged. In connection with the debt crisis, the Governing Council decided to suspend the application of the minimum credit rating threshold in the collateral eligibility requirements for the Eurosystem's credit operations in the case of securities issued or guaranteed by the Greek government. The Governing Council also decided to take measures to handle the tense situation in certain segments of the financial market in order to ensure the effective transmission of monetary-policy decisions



aimed at maintaining price stability over the medium-term horizon. Narodowy Bank Polski also left its monetary-policy rates unchanged. Česká národní banka lowered its two-week repo rate by 0.25 of a percentage point in May. Magyar Nemzeti Bank reduced its base rate by

a further 0.25 of a percentage point in April. In view of the growing uncertainty surrounding future fiscal developments in Hungary and the increased risks involved in Hungary's financial assets, the MNB decided to leave its base rate unchanged.



3 ECONOMIC DEVELOPMENTS IN SLOVAKIA

3.1 PRICE DEVELOPMENTS

3.1.1 CONSUMER PRICES

Consumer prices, as measured by Harmonised Index of Consumer Prices (HICP), dropped month-on-month by 0.1% in August, with goods prices falling by 0.3% and services prices rising by 0.2%. The HICP inflation rate was lower than expected by NBS, mainly as a result of a faster than projected fall in food and fuel prices, and a slower rise in services prices.

The 12-month inflation rate rose in comparison with the previous month by 0.1 of a percentage point, to 1.1%. This development was driven by an increase in the year-on-year dynamics of food prices, a slightly accelerated year-on-year rise in services prices, and a decelerating decline in non-energy industrial goods prices. The year-on-year decline in energy prices deepened.

In August, as in the previous month, non-energy industrial goods prices showed conflicting tendencies: a moderate slowdown in the 12-month dynamics of non-durable goods prices, offset by a slowdown in the year-on-year decline in semi-durable and durable goods prices. In energy prices, fuel prices showed weakening

year-on-year dynamics. In food prices, the year-on-year rate of increase in processed and unprocessed food prices accelerated. In processed food prices, steeper year-on-year increases were recorded in the prices of milk, dairy products, eggs, fats, alcoholic and non-alcoholic beverages. Unprocessed food prices were influenced by the accelerating rise in vegetable and fruit prices, and by the decelerating decline in meat prices. Prices for services rose at a somewhat faster pace in year-on-year terms, as a result of an increase in bus fares.

The average 12-month inflation rate in the period from September 2009 to August 2010 reached 0.3%, the same figure as in the previous month.

In the coming month, HICP inflation is expected to accelerate in year-on-year terms, owing to an increase in the year-on-year dynamics of prices for almost all components of the basic structure of price inflation. The most significant contribution is expected from food and services prices. The rise in energy prices is expected to slow as a result of a slowdown in fuel prices.

The consumer price index (CPI) fell by 0.1% month-on-month in August 2010, while regulated prices

Table 1 Producer price developments in July 2010 (%)

	Month-on-month changes		Year-on-year changes			
	June 2010	July 2010	July 2009	June 2010	July 2010	Average since begin. of 2010
Industrial producer prices (for the domestic market)	0.7	0.5	-4.2	-1.9	-0.7	-4.1
– Prices of manufacturing products	0.4	0.1	-7.3	0.9	1.0	-0.9
– Prices of mining /quarrying products	0.1	0.8	-6.6	3.3	7.8	-4.2
– Prices of energy	1.1	0.8	-0.3	-5.7	-3.6	-8.4
– Prices for water supply and sewerage	0.6	0.1	4.1	7.7	7.3	6.0
Industrial producer prices (for export)	0.1	0.9	-11.5	3.2	4.4	1.5
– Prices of manufacturing products	0.1	0.8	-10.7	3.5	4.4	1.7
Construction prices	-0.2	-0.1	2.5	0.6	0.5	0.9
Building materials prices	0.1	-0.3	-7.6	-3.2	-2.2	-5.6
Agricultural prices	-	-	-34.5	2.8	12.8	-0.7
– Prices of vegetable products	-	-	-41.0	0.7	20.3	3.1
– Prices of animal products	-	-	-25.1	3.3	4.7	-2.2

Source: Statistical Office of the SR.

increased by 0.3% and core inflation dropped by 0.2%. The 12-month rate of consumer-price inflation stood at 1.0%, compared with 1.1% in July 2010.

3.1.2 PRODUCER PRICES

Industrial producer prices for the domestic market rose by 0.5% month-on-month in July 2010, representing a further slowdown in the year-on-year rate of decline (-0.7%), mainly as a result of a slower fall in energy prices.

The year-on-year rise in manufacturing products prices in Slovakia in July 2010, compared with the previous month, was caused by increases in the prices of metals and metal products (by 1.8 percentage points, to 5.9%) and wood and paper products (by 0.4 of a percentage point, to 6.4%). The year-on-year increase in refined oil products prices slowed by 5.6 percentage points (to 25.8%), while the year-on-year fall in food prices remained unchanged at the level of the previous month (-2.5%). Slower declines than a month earlier were recorded in the prices of transport vehicles (by 0.2 of a percentage point, to -0.4%), and rubber and plastic products (by 0.3 of a percentage point, to -3.1%).

The year-on-year rate of decline in energy prices slowed in July 2010, compared with the previous month, mainly as a result of a year-on-year rise

in prices for gas production and the distribution of gaseous fuels via pipelines (by 8.4 percentage points, to 18.6%). The year-on-year decline in prices for electricity slowed by 0.5 of a percentage point (to -11.6%) and in prices for steam and air-conditioning supply by 0.1 of a percentage point (to -3.7%).

The prices of agricultural products rose by 12.8% year-on-year in July 2010, compared with the previous month, as a result of year-on-year increases in both animal products prices (4.7%) and plant products prices (20.3%, caused by a steep rise in oilseed prices). The actual prices of agricultural products were roughly one percentage point above the level of 2005.

The relatively stable global oil prices and the indication of a rise in food prices created conditions in August 2010 for the average industrial producer prices to approach the level recorded a year earlier.

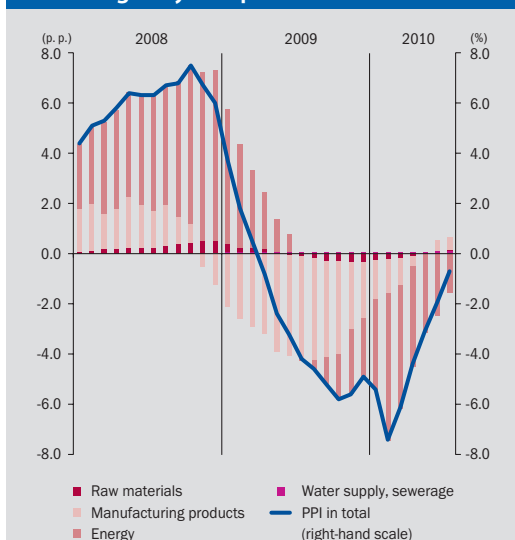
According to the European Commission's projections, average cereal crops in the EU-27 in 2010 will be at approximately the same level as last year, but they will be 5.0% higher than the average for the last five years. According to the latest agrarian market news, cereal production in Slovakia fully covers the country's needs, in both bread production and fodder processing. As a result of external effects, however, cereal prices are expected to rise in Slovakia, too. In animal production, the price of slaughtered cattle is at the level of last year, but shows a slightly rising tendency. The current price of slaughtered pigs also shows a rising tendency. The average purchase price of milk is also rising gradually. On the whole, agricultural prices are likely to continue rising on a year-on-year basis in August 2010.

3.2 THE REAL ECONOMY AND THE LABOUR MARKET

3.2.1 TRADE BALANCE

The current account balance achieved in July was less favourable than the balance for the previous month. The deficit increased on a month-on-month basis, mainly as a result of a change in the trade balance from a surplus in June to a deficit in July. The deterioration in the current account

Chart 3 Contributions to the year-on-year PPI changes by component



Source: Statistical Office of the SR.

**Table 2 Balance of payments current account (EUR millions)**

	June	July	
	2010	2010	2009
Balance of trade	137.5	-93.8	29.0
Exports	4,186.0	3,757.3	3,059.9
Imports	4,048.5	3,851.1	3,030.9
Balance of services	-59.8	-96.6	-133.4
Balance of income	-117.3	-32.9	-178.3
of which: income from investment	-214.6	-129.9	-269.9
of which: reinvested earnings ⁴	571.6	-202.1	155.6
Current transfers	-76.6	-105.5	-44.8
Current account in total	-116.2	-328.8	-327.5

Sources: NBS and the Statistical Office of the SR.

balance was, to a lesser extent, also supported by increased deficits in the services and current transfers balances (higher payments to the EU budget). The only item to improve on a month-on-month basis was the income balance whose smaller deficit mitigated the effects of negative developments in other current account items (lower interest payments within the scope of direct investments).

In July, export dynamics weakened still further, by 5.9 percentage points month-on-

month, to 22.8%. At the same time, export dynamics strengthened somewhat, to 27.1% (from 24.8% in June), after weakening in the previous month. Thus, the weakening export dynamics, accompanied by an increase in import dynamics, again resulted in an excess of import dynamics over export dynamics in year-on-year terms.

The trade balance achieved in July was worse than expected by NBS, mainly as a result of an increase in imports.

Box 2**BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2010**

The balance of payments on current account for January to June 2010 resulted in a deficit of €614.2 million, representing a year-on-year improvement of €302.9 million. The year-on-year reduction in the deficit was caused by an improvement in the trade balance and, to a lesser extent, in the services and current transfers balances. Compared with the first three months, the most significant improvement took place in the trade balance in the second quarter. The impact of the financial and economic crisis on the current account began to weaken at the end of 2009. This trend continued in the first half of 2010, when the recovery of foreign demand created

conditions for accelerated growth in exports and a year-on-year improvement in the foreign trade balance.

Compared with the first half of 2009, both exports and imports grew over the first six months of 2010 (by 22.4% and 20.2% respectively).

Compared with the same period a year earlier, the strongest growth in the first half of 2010 was observed in the exports of machinery and transport equipment, which accounted for more than a half of the total increase in this category. The year-on-year export growth



in the 'machinery and transport equipment' category was caused by a year-on-year increase in the exports of transport equipment, caused by a growth in car exports as well as in machine exports. In addition to machinery and transport equipment, increased export volumes were also recorded in chemical products, semi-finished and finished goods. The increased raw material exports were attributable to price developments. The accelerating trend in export growth in the second quarter, which was mainly the result of increased machine exports (shafts, bearings and certain electrical products), intensified in comparison with the first quarter.

The largest year-on-year increase in imports was recorded, as in exports, in the 'machinery and transport equipment' category (this was connected with the growth in exports). A marked year-on-year increase in imports was also recorded in the 'chemical products and semi-finished goods' category, which contributed significantly to the year-on-year growth in total imports. The growth in raw material imports was, as export growth, substantially influenced by the rising oil prices in the world markets. The weakest import growth took place in the 'finished products' category,

i.e. approximately 10% of the total increase in imports. In the second quarter, import growth in all main categories of goods was connected with the rising import intensity (after a sharp fall in 2009), accompanied by increased inventory creation in the second quarter and renewed domestic demand growth, which was reflected in the growing imports of finished products.

The year-on-year decrease in the negative balance of services was caused mainly by an improvement in 'other services in total' and, to a lesser extent, in tourism. The year-on-year decrease in the current transfers deficit was caused by a marked fall in payments in the balance of private transfers and by an increase in funds received from the EU budget.

During the first six months of 2010, the balance of payments on capital and financial account resulted in a deficit of €572.8 million (compared with a surplus of €1,282.3 million in the same period of 2009). The lower inflow of funds via the capital and financial account was mainly the result of a decrease in deposits received within the balance of other investments and an increase in demand among residents for foreign securities.

3.2.2 PRODUCTION AND REVENUES

Despite expectations of a steeper rise, the industrial production index (IPI) showed weaker year-on-year dynamics in July (16.8%, compared with 23.5% in June)². The most significant slowdown took place in the power industry, to 0.3% (from 24.4%). Manufacturing production slowed to a lesser extent, to 21.5% (from 24%). Production also slowed on a month-on-month basis, mainly in the power industry, but manufacturing production fell too³.

In other sectors, the year-on-year dynamics of IPI was negatively influenced by metal production (4.4% in July; 20.9% in June) and electronics production (58.1%; 89.5%). In the case of electronics, this was due to a base effect and therefore production (seasonally adjusted) remained at a relatively high level. A positive contribution came from transport vehicle production (48.2%; 21.1%), where the

growing trend in production continued owing to a base effect stemming from the lower level of production in July 2009. The August business tendency survey⁴ revealed a gradual fall in confidence in industry and stagnation in current demand. Despite this, expectations of production growth still prevailed. The latest analyses have confirmed that the global expansion is likely to continue, but at a slower pace⁵. As a result, the IPI for Slovakia will probably show weaker year-on-year dynamics in the future, partly as a result of a base effect stemming from the rapidly growing production in the second half of 2009.

In construction, the year-on-year decline in production again moderated in July, to -3.3% (from -6.6% in June), owing to a further month-on-month increase in production⁶ and a moderate base effect. Domestic production, accounting for virtually the total volume of production in the construction sector, contracted by 2.1% year-on-

² The index fell by 2.8% month-on-month. Statistical Office of the SR, *Industrial production in July 2010* (seasonally adjusted data).

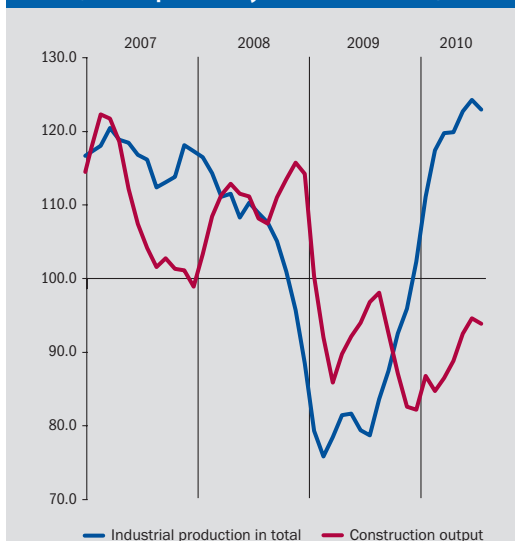
³ In power engineering by 9.8% and in manufacturing by 4.5%. Source: Statistical Office of the SR, *seasonally adjusted data*.

⁴ Statistical Office of the SR, *Business Tendency Surveys*, August 2010.

⁵ ECB Monthly Bulletin, September 2010.

⁶ By 2.0%. Source: Statistical Office of the SR, *Construction sector output in July 2010*.

Chart 4 Indices of industrial production and construction (3-month moving averages; index, same period a year earlier = 100)



Source: Statistical Office of the SR and NBS calculations.

Note: The industrial production index is adjusted for calendar effects.

business tendency survey recorded worsened sentiment in this sector. Many of the respondents mentioned insufficient demand as a restricting factor. They expect a further fall in construction activity. Although these data indicate that production will decline or stagnate in the future, its end-year level will also be influenced by the base effect of low production in 2009, which may result in positive year-on-year dynamics.

In July, total revenue in the sectors under review recorded a slowdown in the year-on-year rate of growth, compared with June 2010, owing to revenue developments in industry, transport and trade. Industry recorded slower revenue growth in year-on-year terms. This was due mainly to slower year-on-year growth in revenues from the production of computers, electronic and optical goods, metals and metal products (except for machines), despite increased revenues from transport vehicle production. The year-on-year growth in revenues also slowed in retail trade and transport. Positive developments, i.e. faster year-on-year growth or slower year-on-year decline in revenues, were recorded in selected market services, information and communication.

year (compared with -4.7% in June), as a result of declines in building construction (-1.5%) and civil engineering construction (-3.5%). The July

Table 3 Production and revenues

Statistical classification of economic activities (SK NACE Rev. 2)	EUR millions, current prices	Indices			
	July 2010	July 2009	Jan. – Dec. 2009	June 2010	July 2010
Industrial production index ^{1), 2)}		78.5	86.3	123.5	116.8
Production in construction ²⁾	525.5	94.5	88.7	93.4	96.7
Revenues ³⁾					
Manufacturing in total	5,191.2	73.7	78.9	123.1	117.5
Construction	797.1	95.9	88.3	95.9	93.2
Wholesale trade, excluding motor vehicles	1,876.2	69.6	73.2	103.1	99.2
Retail trade, excluding motor vehicles	1,489.9	86.6	88.1	102.2	100.4
Sale and maintenance of vehicles	317.2	82.0	76.9	84.4	86.3
Accommodation and food services	94.7	74.6	77.2	92.1	96.6
Transportation and storage	500.2	89.2	86.4	111.2	103.2
Selected market services	706.7	93.0	96.7	107.9	109.7
Information and communication	356.2	99.6	103.3	90.3	91.0
Revenues from own output and sales for the selected sectors	11,329.4	78.6	81.4	110.2	106.6

Source: Statistical Office of the SR and NBS calculations.

1) Adjusted for calendar effects (continuously revised time series).

2) Index, same period a year earlier = 100 (constant prices).

3) Index, same period a year earlier = 100 (current prices).



Retail sales revenues at current prices recorded slower year-on-year growth in July, compared with June 2010, mainly as a result of a slowdown in the year-on-year growth of retail sales receipts in non-specialised shops and an acceleration in the year-on-year decline in receipts from the retail sale of other goods in specialised shops, and a year-on-year decline in receipts from the sale of fuels.

In year-on-year terms, revenues from motor vehicle sales and maintenance decreased at a somewhat slower pace in July, compared with June 2010.

3.2.3 WAGES, EMPLOYMENT AND UNEMPLOYMENT

Average nominal wages in the sectors under review showed weaker year-on-year dynamics

Table 4 Wage developments in selected sectors (index, same period a year earlier = 100)

	Average monthly nominal wage		Average monthly real wage ¹⁾	
	June 2010	July 2010	June 2010	July 2010
Industry	106.7	105.1	105.6	104.0
of which: manufacturing	106.6	104.5	105.5	103.4
Construction	102.9	103.2	101.9	102.1
Sale and maintenance of vehicles	100.0	100.1	99.0	99.0
Wholesale trade	106.0	105.1	105.0	104.0
Retail trade	105.4	104.9	104.4	103.8
Accommodation	107.0	105.8	105.9	104.6
Restaurant services	104.5	105.3	103.5	104.2
Transport and storage	103.0	100.7	102.0	99.6
Information and communications	97.9	100.6	96.9	99.5
Selected market services	106.9	106.4	105.8	105.2
Average for the selected sectors	104.8	104.0	103.8	102.8
Consumer prices	101.0	101.1	-	-

Source: Statistical Office of the SR, NBS calculations.

1) Real wage index = nominal wage index / consumer price index.

Table 5 Employment in selected sectors (index, same period a year earlier = 100)

	Employment	
	June 2010	July 2010
Industry	97.8	98.4
of which: manufacturing	98.0	98.6
Construction	97.7	97.1
Sale and maintenance of vehicles	92.3	93.5
Wholesale trade	86.8	94.1
Retail trade	96.9	97.7
Accommodation	91.9	93.4
Restaurant services	91.0	94.9
Transport and storage	98.5	98.7
Information and communication	88.0	88.5
Selected market services	96.5	98.4
Average for the selected sectors	96.1	97.3

Source: Statistical Office of the SR, NBS calculations.

Chart 5 Employment, comparison of monthly and quarterly indicators (%)

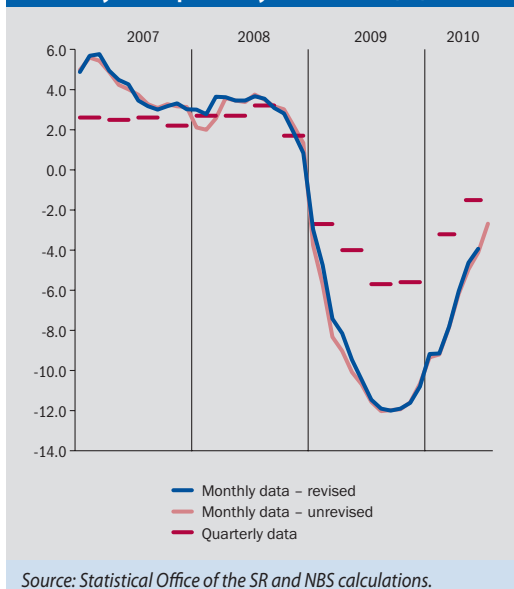
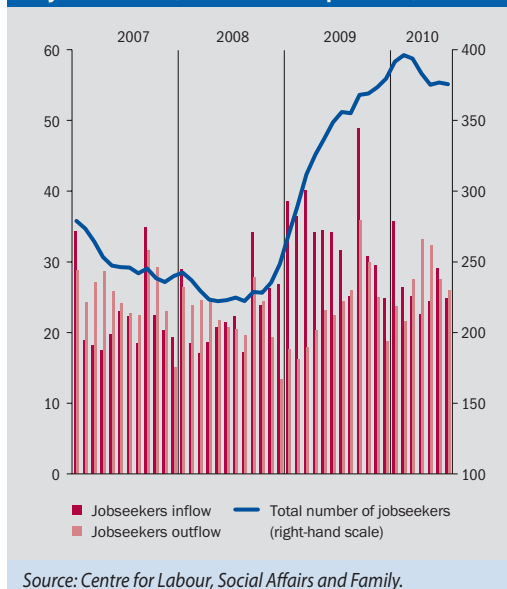


Chart 6 Inflow, outflow and the total number of jobseekers (thousands of persons)



in July, compared with June 2010. This was mainly due to wage developments in industry, transport and storage, and in accommodation. Wage statistics from the selected sectors for July 2010 indicate that average nominal wage growth in the economy as a whole accelerated in the third quarter of 2010, to 4.0% (from 3.6% in the second quarter of 2010).

The decline in employment in the sectors under review continued to moderate in July 2010, to 2.7%. This was the result of smaller falls in employment

levels in most sectors, except in construction. Average monthly data from the selected sectors for July 2010 indicate that the employment situation improved in the third quarter of 2010, compared with the previous quarter.

According to data from the Centre for Labour, Social Affairs and Family, the total number of unemployed dropped by 1,200 month-on-month, to 375,600 in July 2010. The rate of registered unemployment remained unchanged in July (12.3%), compared with the previous month.

Box 3

DEVELOPMENT OF THE REAL ECONOMY IN THE SECOND QUARTER OF 2010⁷

Gross domestic product (GDP), based on revised data from the Slovak Statistical Office, expanded at constant prices by 4.7% year-on-year in the second quarter of 2010, compared with 4.8% in the previous quarter. According to seasonally adjusted data, GDP increased by 1.2% quarter-on-quarter in the second quarter. Thus, the economy continued to grow in quarter-on-quarter terms.

In terms of production, GDP growth in the second quarter was influenced by value added

growth, mainly in industry, agriculture and public services. Value added in construction continued to fall on a year-on-year basis.

In terms of utilisation, GDP growth was influenced by an increase in foreign demand (by 16.5% at constant prices). Net exports contributed positively to GDP growth, as a result of stronger growth in exports than in imports. As for domestic demand, the second quarter saw a decrease in both private consumption and general government spending. Gross

⁷ More detailed information is available in Annex 4.

fixed capital formation continued to decline as in the previous quarter.

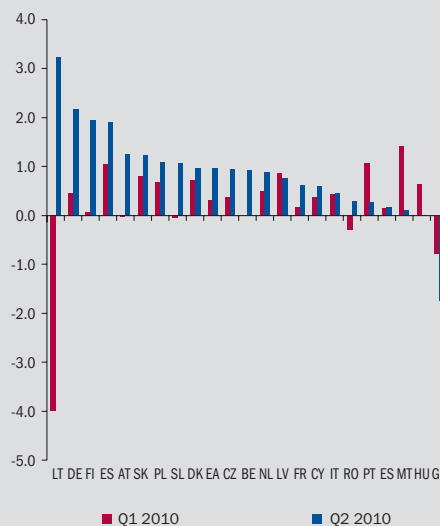
The average monthly nominal wage of an employee in the Slovak economy increased year-on-year by 3.6% in the second quarter of 2010, to €758. This represented an acceleration of 1.5 percentage points compared with the previous quarter. Real wages increased by 2.4% in the second quarter. Nominal compensation per employee (ESA 95) grew year-on-year by 3.8%, with the rate of growth accelerating by 0.7 of a percentage point compared with the previous quarter.

Employment as defined in the methodology of national accounts (ESA 95) fell by 2.3% in the second quarter of 2010. This was 0.7 of a percentage point less than the figure for the first quarter. In terms of structure, overall employment (LFSS) was influenced in the second quarter by a decrease in the number of both employees and entrepreneurs. According to seasonally adjusted quarter-on-quarter data, employment fell by 0.3% in the second quarter of 2010 (compared with -0.9% in the first quarter).

The upturn in economic activity was reflected in the number of hours worked, which increased by 4.9% year-on-year in the second quarter of 2010. The rate of increase accelerated by 2.8 percentage points compared with the previous quarter. Labour productivity, calculated according to ESA 95, increased in nominal terms by 7.4% and in real terms by 7.2% on a year-on-year basis, owing to the gradual revival in economic activity accompanied by a fall in employment.

Unit labour costs according to the ECB's methodology (ULC_{ECB}), defined as the ratio of growth in nominal compensation per employee to growth in real labour productivity (GDP per total employment) based on ESA 95 data, decreased year-on-year by 3.1% in the

Chart A Quarter-on-quarter GDP growth in selected EU countries (%)



Source: Eurostat.

second quarter of 2010 (compared with -4.6% in the first quarter). The decrease in unit labour costs was the result of real labour productivity growth, combined with slower growth in compensation per employee.

According to a labour force sample survey, the number of unemployed increased by 28.5% year-on-year in the second quarter of 2010, representing a more moderate increase than in the previous periods. This increase was also reflected in the rate of unemployment, which reached 14.4% in the second quarter (0.7 of a percentage point less than in the first quarter).

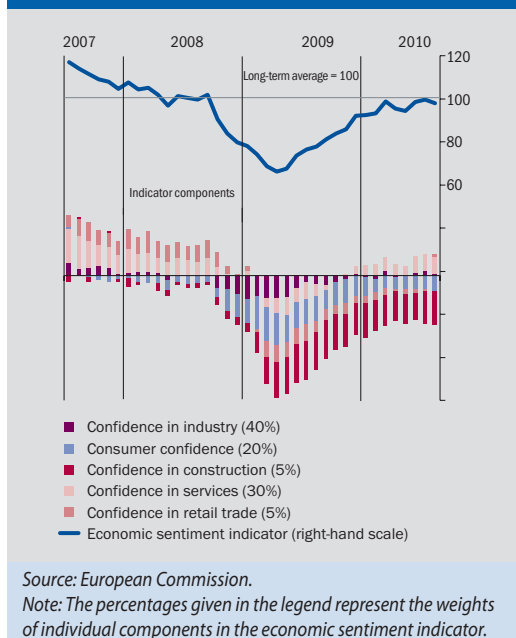
The year-on-year economic growth in the second quarter was more favourable than expected by NBS, mainly as a result of a positive trend in net exports combined with subdued domestic demand. In the coming quarters, economic activity is expected to strengthen somewhat and the labour market indicators to improve gradually.

3.2.4 THE ECONOMIC SENTIMENT INDICATOR

In August, the economic sentiment indicator fell by 1.7 percentage points compared with July (to

97.9 points), but was still 20 percentage points higher than in the same period a year earlier. The fall was caused by negative developments

Chart 7 Economic sentiment indicator



in confidence in industry and in consumer confidence, accompanied by a slight deterioration in confidence in services. Compared with the previous month, confidence also increased in retail trade and construction.

The negative trend in confidence in industry was mainly the result of worsened expectations regarding industrial production. The fall in confidence in services was the consequence of unfavourable expectations regarding the future level of demand. Confidence in retail trade followed a positive trend, owing to the optimistic views on the expected business situation. The positive trend in confidence in construction was influenced by the expected increase in the number of employees in the coming months.

Compared with the previous month, consumer confidence weakened in all four components, i.e. the expected financial situation of households, the expected economic situation in Slovakia, expected household savings, and the expected unemployment situation. Compared with the previous month, the consumer confidence indicator fell by 2.8 percentage points. In year-on-year terms, it rose by 13 percentage points.

3.3 MONETARY AGGREGATES AND INTEREST RATES

Domestic monetary financial institutions (MFIs) contributed negatively (€-5 million) to euro area M3 growth in July 2010. However, the year-on-year rate of growth accelerated by 0.9 of a percentage points, to 2.4%.

Among the individual M3 components, different trends were recorded in short-term and long-term deposits. The most liquid deposits included in M1 fell in July, when the decrease in demand deposits considerably exceeded the increase in currency. In the non-financial corporate sector, the shortest-term deposits continued to decline. At the same time, the household sector recorded a modest increase in such deposits. Less liquid deposits (M2-M1) increased somewhat in July as a result of an increase in deposits with an agreed maturity of up to 2 years. This trend took place in the following sectors: other financial intermediaries, insurance and pension funds, and, to a lesser extent, non-financial corporations. Households recorded a different trend. Marketable instruments (M3-M2) decreased somewhat. Households continued to seek higher remuneration by shifting their funds to longer-term deposits outside M3 (deposits with an agreed maturity of over 2 years).

Within the scope of M3 counterparts, loans provided to the general government sector ceased to record large increases. The outstanding amount of MFI receivables and securities from the general government sector decreased by €705 million. The outstanding amount of MFI receivables from the private sector increased by €54 million in July, owing to an increase in loans and a sharp decrease in securities.

Receivables from the private sector increased in July, with the outstanding amount of securities decreasing by €199 million and loans increasing by €253 million. This trend has been observed in the last three months. This indicates that banks repay or assign to other firms the securities held in their portfolios, but do not purchase further securities. From the opposite point of view, this means that non-financial corporations redeem securities but they do not renew any securities issues. They use more and more loan products instead. This points to a certain improvement in

**Table 6 Monthly net sales of open-end investment funds¹⁾ in the SR (EUR millions)**

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Cumulative
2007	129.9	8.9	28.7	50.0	60.4	71.2	69.6	72.1	43.2	23.0	41.6	65.8	664.4
2008	101.3	70.3	-22.1	19.4	24.3	29.6	-32.5	-52.0	-157.2	-648.0	-177.5	-94.0	-938.4
2009	-75.9	-108.5	-45.6	13.2	46.1	-12.3	8.8	46.7	64.1	24.5	48.1	101.5	110.9
2010	45.4	79.5	54.8	74.1	3.5	12.1	20.6	18.7 ²⁾	308.8

Source: NBS calculations based on data from *Weekly Data on Open-End Funds* by the Slovak Association of Asset Management Companies (SASS) for 2007-October 2008 and/or SASS data from the *Monthly Survey of Net Sales and Assets Managed by Asset Management Companies* in Slovakia.

1) Denominated in domestic currency (euro, before 2009 in Slovak koruna) or foreign currency.

2) Calculated by NBS on the basis of SASS data (*Weekly Data on Open-End Funds*).

the lending conditions of banks (though lending rates increased somewhat) in the second quarter. The cash flows of non-financial corporations also improved in that period, owing to the upturn in economic activity. The month of July saw a positive trend in bank lending to non-financial corporations and other financial intermediaries. Banks provided more loans to non-financial corporations (by €85 million compared with the previous month), mainly long-term loans with a maturity of over 1 year and up to 5 years, and to other financial intermediaries (by €29 million). The year-on-year decline in lending to non-financial corporations slowed by 1 percentage point, to -2.1%. The same trend was recorded in loans to other financial intermediaries, with the year-on-year decline slowing by 4.8 percentage points, to -27.9%. The relatively dynamic growth in lending to households continued in July, with a month-on-month increase of €139 million. After strengthening for three months, the year-on-year dynamics of lending weakened by 0.2 of a percentage point, to 10.7%. Loans to households were dominated by house purchase loans, the dynamics of which remained unchanged (at 12.2%). Loans for consumption grew somewhat, but their year-on-year growth rate slowed (by 0.7 of a percentage point for consumer loans, to 10.6%, and by 0.5 of a percentage point for other loans, to 5.4%).

The reduced inflow of funds into open-end funds (OEFs) continued in August. The first week of the month saw an outflow of €13.7 million, but the next months witnessed inflows ranging from €0.5 million to €16.1 million. Open-end funds of all categories operating in Slovakia (euro and foreign-currency funds)

recorded monthly net sales in the total amount of €18.7 million⁸. In the first few months of the year, foreign investors were mostly attracted by money market funds and/or mixed funds, but later, as from May, they gave preference to bond funds. The shift from traditional conservative investment to investment in money market funds has resulted in negative monthly net sales, which are recorded for the fourth consecutive month.

In August, the highest positive net sales were again achieved by bond funds (€17.2 million). Positive net sales were also reported by mixed funds (€8.1 million) and other/secured funds (€5.6 million). At the same time, negative monthly net sales were recorded by special real estate funds (€5.3 million), money market funds (€4.2 million), equity funds (€2.0 million), and the funds of funds (€0.7 million).

The key ECB interest rates remained unchanged in July, at the level of 1%. After using a large amount of liquidity in connection with a long-term operation from last year, the ECB again conducted long-term operations (one three-month and two one-month operations) in July to relieve the liquidity shortage in the market. The euro area banking system as a whole does not suffer from a shortage of liquidity, but there are differences between the individual countries. This is indicated by the operations through which the ECB drained the excess liquidity from the banking system (approximately €60 billion). Market interest rates represented by EURIBOR continued to rise gradually. Retail interest rates reacted to this development with a moderate rise.

8 The different amounts of monthly and cumulative net sales can be explained by the fact that the data of SASS obtained from regular weekly statistical reports and the data of individual OEF administrators (www.openiazoch.sk) sometimes refer to different periods (SASS makes data releases on Fridays, but some of its members issue data on Thursdays) and the number of mutual funds is recorded differently. The merger of mutual funds and their conversion into euro funds at the end of 2008 caused a significant decrease in the number of mutual funds (from ca. 550 to 460) and an increase in the number of euro funds. In May 2009, BNP Paribas Asset Management (PARVEST funds) became an associate member of SASS. In June, the SASS database was extended to include the funds of ING (L) Invest SICAV. Thus, the total number of open-end funds increased to 570. In August, the majority of PARVEST funds were excluded from the database. They were followed by several Pioneer Investments Austria GmbH funds in September. As a result, the number of funds dropped below 500. In 2010, the number of funds reported by SASS is relatively stable; it ranges from 494 to 505.



Retail interest rates on loans to non-financial corporations rose to the level of May (3.6%) in response to the increase in market rates, which was reflected in the prices of all types of loans. The most significant rise was recorded in rates for other loans. Smaller increases were also recorded in the prices of investment loans and house purchase loans. The breakdown of loans by size shows that lending rates increased not only for small and medium-sized enterprises but also for large corporations. Lending rates for small and medium-sized enterprises rose for the third consecutive month and reached a new high in 2010.

The gradually falling trend in lending rates for households came to a halt. Lending rates rose considerably for sole traders (investment and

operating loans). The same trend was recorded in consumer loans, whose price increased by 0.3 of a percentage point. Interest rates on house purchase loans remained unchanged in July, as a result of intense competition in this segment. Lending rates remained unchanged for all types of house purchase loans.

Interest rates on deposits from non-financial corporations and households followed the same trend in July. Interest rates on the most liquid deposits (with the shortest maturities) remained unchanged. A slight rise was recorded in rates for deposits with an agreed maturity of up to one year. Interest rates on deposits with an agreed maturity of over 1 year and up to 2 years also increased for households.



QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

THE GLOBAL ECONOMY

The global economy continued to grow in the second quarter of 2010, owing to the fiscal and monetary stimulus measures used. However, the rate of growth differed across the world. While advanced economies experienced a moderate revival, emerging economies grew relatively dynamically. The OECD's composite leading indicator (CLI) of economic activity points to a certain slowdown in the rate of economic growth in the second quarter.

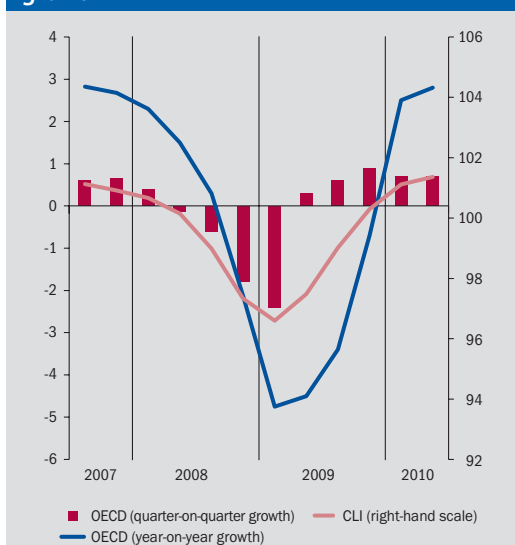
In the OECD countries, GDP expanded by 0.7% quarter-on-quarter in the second quarter of 2010, as in the previous quarter. On a year-on-year basis, the global economy grew by 2.8% (compared with 2.4% in the first quarter of 2010).

Consumer-price inflation slowed in the second quarter of 2010, owing to the base effect of energy prices. Inflationary pressures in the global economy remained contained, though emerging

economies reported an increase in such pressures. In June, inflation in the OECD countries reached 1.5% in year-on-year terms, compared with 2.1% in March 2010. Energy prices rose by 4.7% year-on-year in June, compared with 11.3% in March 2010. Food prices recorded a slight rise in June, by 0.6% year-on-year (compared with 0.5% in March 2010). Core inflation fell somewhat in year-on-year terms, to 1.3% in June (from 1.4% in March 2010). Overall inflation rose slightly in July (to 1.6%), while core inflation fell further to 1.2%.

The risks to global economic recovery are still high, but balanced. The rate of economic growth is expected to slow in the period ahead. Economic developments are positively influenced by the recovery of foreign demand, which is more intense than was expected. Global economic activity may still be affected adversely by the persistent investor distrust of the financial markets, renewed commodity price increases, the intensification of protectionist measures and the possibility of a disorderly correction of global imbalances.

Chart 8 Quarter-on-quarter GDP and CLI growth



Source: OECD.

Note: Composite leading indicator (CLI).

COMMODITY MARKETS

Over the second quarter of 2010, oil prices were relatively volatile: they fluctuated within the range of USD 67–88/barrel. Despite this, the average price of oil remained virtually unchanged (USD 78/barrel), compared with USD 76/barrel in the first quarter. The oil price volatility was connected with the swings in market sentiment, between expectations of a faster economic recovery and concerns that the financial crisis may return. Similar developments were recorded in July and August. At the end of August, oil prices were 4.5% lower than at the beginning of the year.

The prices of other global commodities followed a similar trend in the second quarter as in the first quarter of 2010: they fell at the beginning of the quarter but then rose again towards its end.



After a temporary fall at end-June, agricultural commodity prices increased as a result of a rise in wheat and soya prices. The prices of non-ferrous commodities were relatively stable. They fell at the beginning of the quarter, and then recorded a slight rise at its end, mainly as a result of a rise in copper and lead prices.

UNITED STATES

Economic growth in the United States slowed in the second quarter of 2010, compared with the previous quarter. In annualised terms, GDP expanded by 1.6% during this period, after growing in the previous quarter by 3.7%. On a year-on-year basis, GDP growth accelerated to 3.0%, compared by 2.4% in the first quarter of 2010.

The most significant contribution to GDP growth came from non-resident investments (as in the first quarter). However, their growth dynamics weakened. A positive contribution to GDP growth also came from household private consumption, which grew at virtually the same pace as in the previous quarter. This development may signal that, despite the slowdown in GDP growth, household consumption remained relatively stable. Within the scope of consumption, the most dynamic growth took place in the consumption of services. Compared with the previous quarter, government spending increased at both the federal and state levels, and thus contributed positively to GDP growth. The negative contribution of net exports to GDP growth deepened, mainly as a result of a marked increase in imports and a decrease in exports.

Consumer prices sank gradually during the second quarter of 2010, when the average quarterly inflation rate dropped to 1.8%, from 2.3% in the previous quarter. The highest inflation was recorded at the beginning of the second quarter. Subsequently, the rate of price increase slowed as a result of energy price developments. In year-on-year terms, it reached 1.1% in June, compared with 2.3% in March 2010. July saw a slight rise in inflation, to 1.2%. At the beginning of the second quarter, core inflation fell somewhat (to 0.9%, from 1.1% in March), then remained unchanged until July.

At its two regular meetings held in the second quarter, the US Federal Open Market Committee (FOMC) decided to leave its target range for the federal funds rate unchanged, at a level close to zero. In so doing, the FOMC confirmed its intention to maintain the federal funds rate at exceptionally low levels for an extended period. At a special meeting in May, the FOMC decided to re-establish temporary US dollar liquidity swap facilities with other central banks. At its August meeting, the FOMC left its target rate unchanged.

THE EURO AREA

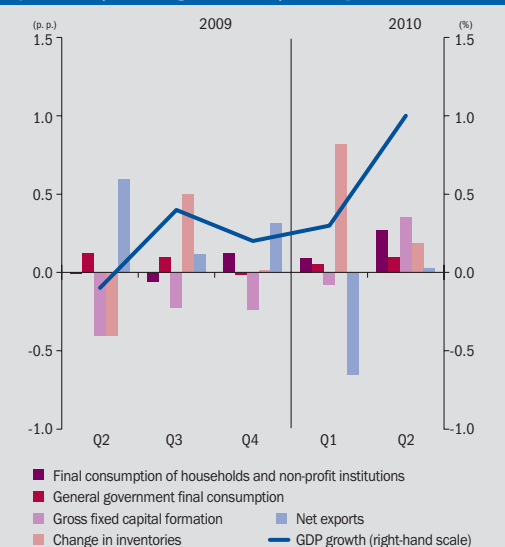
The euro area economy experienced relatively dynamic growth in the second quarter of 2010. Gross domestic product grew by 1% quarter-on-quarter, compared with 0.3% in the first quarter. The euro area economy was driven by the global revival and, in Asian markets in particular, by the weakening exchange rate of the euro and by the euro area's strengthening competitive position. Within the euro area, the most rapid growth took place in the export-driven German economy (2.2%). Apart from foreign demand, the euro area economy was also driven by the gradual recovery in domestic demand. Overall, economic growth was still fragile and dependent on the external environment. In the second quarter,

Chart 9 Euro area: economic growth
(constant 2000 prices; in %)



Source: Eurostat.

Chart 10 Euro area: contributions to quarterly GDP growth by component



Source: Eurostat.

the year-on-year rate of economic growth more than doubled in comparison with the previous quarter, to 1.9% (from 0.8% in the first quarter of 2010).

Economic growth continued to be favourable influenced by foreign demand in the second quarter. This, together with the relatively weak

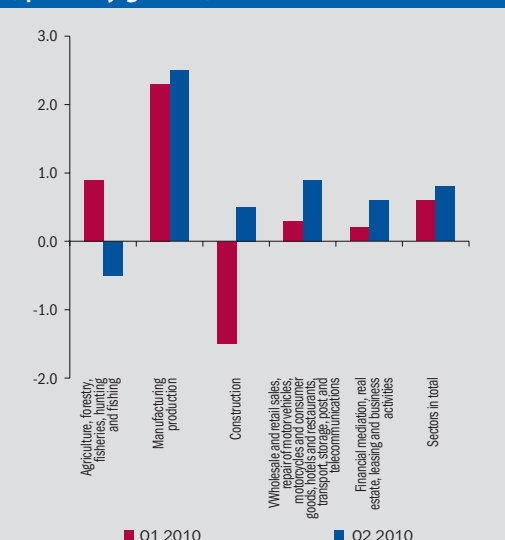
euro exchange rate, led to a further acceleration in euro area exports, which grew by more than 4% (compared with 2.4% in the first quarter). As in the previous quarter, the revival in export sectors was accompanied by inventory replenishment. Inventories, however, contributed to economic growth to a lesser extent. The growth in inventories, along with the revival in consumer and investment demand, stimulated further dynamic growth in imports. The higher imports dampened the pro-growth effect of export activity and thus the contribution of net exports to economic growth was more or less neutral. In the previous quarter, net exports had a relatively strong dampening effect. After falling steadily for eight consecutive quarters, gross fixed capital formation increased in the second quarter of 2010. Similarly, after modest increases recorded in the previous two quarters, consumer demand experienced accelerated growth in the second quarter, probably as a result of stabilised labour market conditions.

The stronger global economic performance led to continuing growth in industry. In the second quarter, value added in manufacturing production grew at a faster pace than in other segments of the economy. The rate of growth even accelerated somewhat, to 2.5% (from 2.3% in the first quarter). For balanced economic growth, a positive development was the accelerating value added growth in sectors that partially reflect the gradual revival in consumer demand.⁹ After falling steadily for eight quarters, value added also grew in construction, probably as a result of an increase in investment demand. Valued added growth also accelerated in financial mediation, real estate, leasing and business activities. This indicates that the functioning of the financial system has strengthened and the conditions for effective monetary policy transmission have improved.

The prospects for sustained recovery in the euro area economy will also be influenced by the further trend in consumer demand. The improvement in economic performance contributed to the stabilisation of the labour market and to the strengthening of consumer confidence. This should contribute to the continuing gradual revival in consumer demand, which is also indicated by the retail trade turnover. This has recorded positive quarterly increases in the last

⁹ Wholesale and retail sales, repair of motor vehicles, motorcycles and consumer goods, hotels and restaurants, transport, storage, post and telecommunications.

Chart 11 Euro area: value added creation (quarterly growth)



Source: Eurostat. Sectors in total
Note: Classification according to OKEC.

Chart 12 Euro area: consumer confidence and retail sales revenues

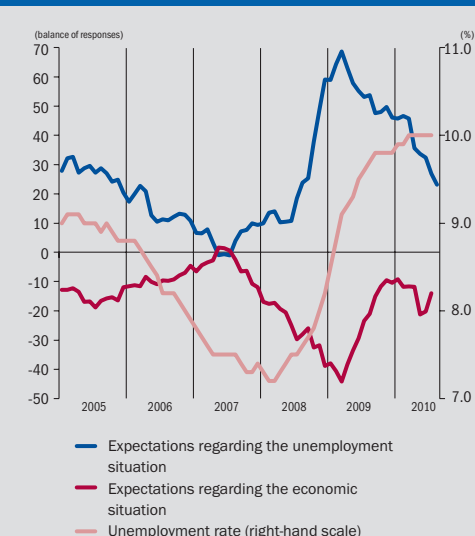


Source: European Commission.

three months and its year-on-year dynamics have remained in positive territory. The relatively steep increase in consumer confidence in July and August indicates that these tendencies will continue.

Numerous indicators suggested that the labour market was gradually stabilising. The

Chart 13 Euro area: unemployment rate and consumer expectations for the next 12 months



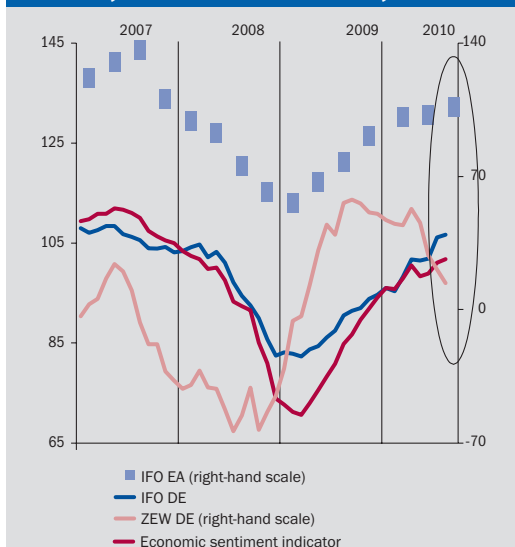
Source: Eurostat, European Commission.

unemployment rate remained unchanged over the second quarter, as well as in July, at the level of March (10%). Consumer expectations regarding the future trend in unemployment fell significantly. After a temporary deterioration in connection with the debt crisis, consumer expectations regarding the economic situation in the future began to improve gradually in June. Owing to the favourable economic activity, expectations in industry regarding the future trend in employment continued to improve.

Most of the short-term indicators of economic activity pointed to an improvement in export performance and to growth in production. Confidence continued to strengthen in industry, retail trade and services. Consumer confidence also increased in connection with the stabilising labour market conditions. A marked increase was recorded in the IFO economic climate index for the euro area, while IFO for Germany rose to a lesser extent. The improved economic climate index for the euro area and Germany can be ascribed to the more positive perception of the current economic situation. At the same time, expectations for the next six months deteriorated. This indicated that economic entities expected that economic growth would continue in the second half of 2010, albeit at lower levels. The strong pro-growth stimulus of exports was expected to weaken. Similar tendencies were also indicated by the ZEW index for Germany. This index fell still further in the second quarter, despite the favourable economic developments. Although the perception of the current economic situation improved, expectations for the period ahead worsened considerably. This was probably connected with the persistent uncertainty regarding the sustainability of the growth path.

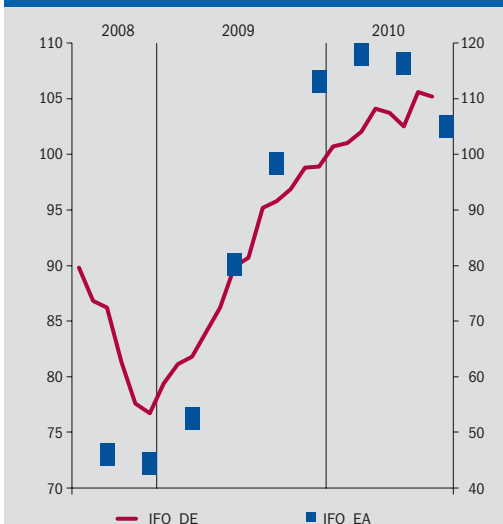
The accelerating price increase from the first quarter continued to some extent in the second quarter, too. Over the first two months of the second quarter, inflation gradually rose by 0.2 of a percentage point, to 1.6%, mainly as a result of energy prices. Their rise moderated temporarily in June, which led to a fall in overall inflation to the level of March (1.4%). In line with the trend in food commodity prices, the rise in food prices accelerated gradually, mainly in unprocessed food prices. The market components of inflation had a slightly upward effect on price levels. After

Chart 14 IFO index for the euro area and Germany, ZEW index for Germany



Source: IFO Institute for Economic Research, ZEW Centre for European Economic Research, European Commission.

Chart 15 IFO index – expectations for the next six months



Source: IFO Institute for Economic Research, ZEW Centre for European Economic Research, European Commission.

accelerating in March, the price increase slowed in April, but then showed a rising tendency again in the following months. Inflation rose to 1.7% in July, when the rise in energy prices again accelerated and the dynamics of food prices continued to increase, as well as the market components of inflation. According to Eurostat's

flash estimate, inflation fell slightly in August to 1.6%.

Despite the growing inflationary pressures from energy and food prices, core inflation remained at low levels in the second quarter. Compared with the end of the first quarter, it remained

Chart 16 Euro area: annual headline HICP inflation and its components



Source: Eurostat, NBS calculations.

Chart 17 Euro area: prices of goods and services (%)



Source: Eurostat.

Chart 18 Prices of frequently purchased items and consumer expectations



Source: Eurostat, European Commission.

unchanged at 0.9%. In July, core inflation recorded a slight rise, to 1.0%.

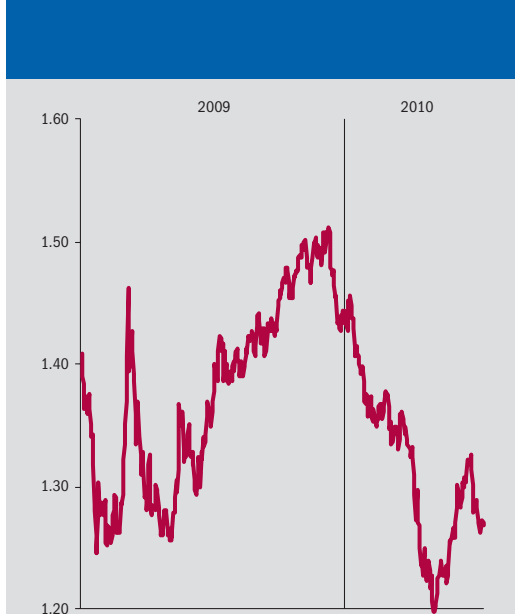
The gradual slowdown in the prices of market components came to a halt in the second quarter. After a temporary acceleration in March, the rise in services prices slowed in April but then continued to accelerate gradually until

July. After weakening from the end of 2008, the dynamics of non-energy industrial goods prices accelerated throughout the quarter. This was mainly the result of faster rise in the prices of clothes and footwear. The increase in jewellery prices also accelerated in connection with the rising prices of gold and precious metals on the world market. The rise in non-energy industrial goods prices accelerated from 0.1% at the end of the first quarter to 0.4% in June. This trend continued in July, when inflation reached 0.5% in this segment as a result of a steeper rise in the prices of motor vehicles.

Starting in the summer of 2009, the price expectations of consumers increased gradually, owing to an acceleration in energy and food prices, which belong to the category of frequently purchased items. In May 2010, however, the prices of frequently purchased items began to slow somewhat and to stabilise. This was also reflected in the inflation expectations of consumers, which stabilised in June to August.

In the second quarter of 2010, the EUR/USD cross rate was still influenced by the debt crisis in Greece, which undermined the confidence in the sustainability of public finances in other euro area countries too. The euro depreciated vis-à-vis the US dollar by almost 9% during this

Chart 19 USD/EUR exchange rate



Source: ECB, Eurostat.

Chart 20 Government bond yields to maturity (as defined in the convergence criteria; %)



Source: ECB, Eurostat.



quarter. July saw a certain correction in the euro exchange rate: it strengthened by roughly 6%. In August, however, the euro continued to weaken again. Investor sentiment was to a large extent shaped by the debt crisis, as well as by its possible impacts on the euro area economy. After a short-term correction in May, the spread between government bond yields in Germany and in some of the heavily indebted euro area countries continued to widen.

During the second quarter and the following months until the beginning of September, the ECB's Governing Council left its key interest rates unchanged. Thus, the key ECB rates remained at 1.0% for the main refinancing operations, 1.75% for the marginal lending facility, and 0.25% for the deposit facility. The rate for the main refinancing operations was 325 basis points lower than in October 2008.

Over the second quarter, the monetary environment was greatly influenced by the debt crisis in Greece. This led to growing pressures and increasing uncertainty in the financial markets. In connection with this situation, the ECB adopted several measures designed to stabilise the financial markets and to ensure the effective transmission of monetary policy decisions.

On 3 May 2010, after Standard&Poors had reduced the credit rating of Greece to speculative grade (BB+), the Governing Council decided to suspend the application of the minimum credit rating threshold in the collateral eligibility requirements for the purposes of the Eurosystem's credit operations in the case of marketable debt instruments issued or guaranteed by the Greek government. On 10 May 2010, the Governing Council decided to intervene in the euro area markets for public and private bonds in order to ensure sufficient liquidity for the non-functional markets. The impact of these interventions will be sterilised through specific liquidity-absorbing operations. The Governing Council also decided to reactivate, in coordination with other central banks, the temporary liquidity swap lines with the Federal Reserve System, and to resume US dollar liquidity-providing operations. The Governing Council decided to conduct long-term refinancing operations with three- and six-month maturities in May and June. These measures greatly contributed to the functioning

of financial markets and to their stabilisation. At the beginning of June, details were released about the longer-term refinancing operations planned for the third quarter of 2010.

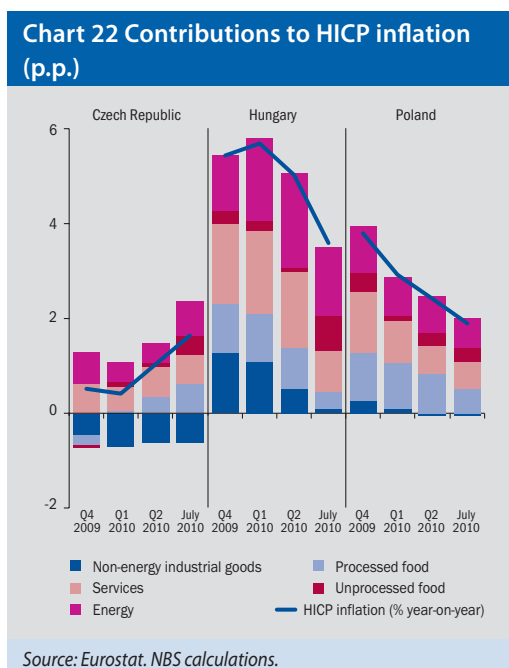
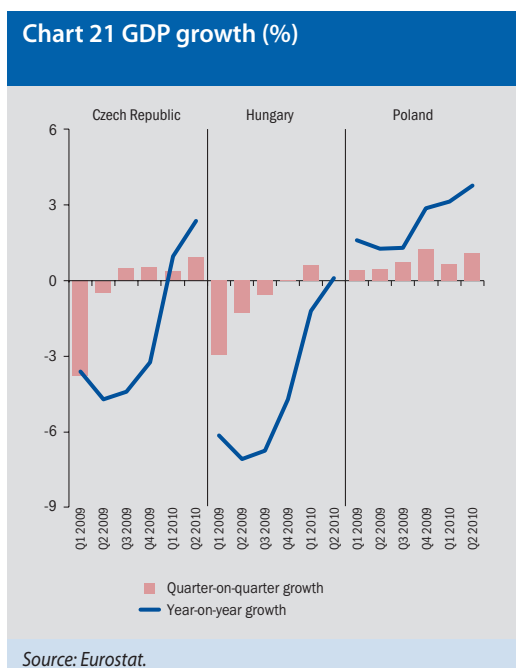
The covered bonds purchase programme launched in July 2009 had been completed by the end of June. This programme was designed to support a specific financial market segment that plays an important role in bank financing. The total volume of purchased covered bonds was planned to reach €60 billion by 30 June 2010. The programme had been implemented by that date. Covered bonds had been purchased in the primary and secondary markets in the amount of €60 billion. The central banks of the Eurosystem will hold these bonds until maturity.

At its September monetary-policy meeting, the Governing Council decided to resume its main refinancing operations and refinancing operations with a special maturity in the form of fixed-rate tenders with full allotment. The Governing Council also decided to conduct longer-term three-month refinancing operations in October and December in the form of fixed-rate tenders with full allotment. Additional fine-tuning operations¹⁰ were also approved at that meeting.

DEVELOPMENTS IN THE CZECH REPUBLIC, HUNGARY AND POLAND

The gradual recovery of the neighbouring economies continued in the second quarter of 2010. In Hungary, the economic decline lasting for six quarters changed into a moderate growth, while GDP growth in Poland and the Czech Republic accelerated on a year-on-year basis. The Czech Republic and Hungary recorded the sharpest economic decline in the second quarter of last year. Poland recorded its slowest economic growth in that period. Poland's GDP growth accelerated by 0.7 of a percentage point compared with the same period a year earlier, to 3.8%. The recovery in household and government consumption continued and the year-on-year decline in investment moderated to a significant extent. At the same time, the change in inventories expressed as a share of growth decreased. The relatively large increase in exports was dampened by a rapid growth

¹⁰ More detailed information is available at www.ecb.int.



in imports and thus the final contribution of foreign trade to economic growth was relatively modest. Economic growth accelerated most significantly (by 1.4 percentage points, to 2.4%) in the Czech Republic, mainly as a result of increased inventory creation. In addition, the decline in investment moderated (as in Poland). Household final consumption increased, while government spending slowed down. At the same time, the contribution of net exports from the previous two quarters virtually disappeared. The Hungarian economy grew by 0.1% year-on-year, after declining by 1.2% in the previous quarter. Its growth was stimulated only by inventory changes and net exports, as in the first quarter of 2010. Inventories recorded a pronounced increase, while the contribution of net exports decreased. The economy continued to be dampened by fixed capital formation and household consumption, which had been falling for eight quarters.

In quarter-on-quarter terms, the Polish economy accelerated by 0.4 of a percentage point (to 1.1%) and the Czech economy by 0.5 of a percentage point (to 0.9%). Compared with the first quarter of 2010, fixed capital formation and export growth accelerated in both economies. At the same time, economic growth was dampened by the falling inventories. Hungary failed to maintain the 0.6% GDP growth rate from the first

quarter of 2010 and thus the economy stagnated in the second quarter. The stronger growth in exports and inventory creation was offset by the persistent decline in household consumption and fixed capital formation. After growing during the previous two quarters, general government spending fell again.

In Poland and Hungary, the year-on-year rise in consumer prices slowed at the end of the second quarter, compared with March 2010. The Czech Republic recorded a rise in inflation. The change in inflation was caused mainly by food prices and, in Hungary, by energy prices. The year-on-year price increase in Poland slowed by 0.5 of a percentage point, to 2.4%. The slowdown took place in the prices of energy, processed food, services, and non-energy industrial goods. The rise in unprocessed food prices accelerated at the end of the quarter. In July, inflation again fell by 0.5 of a percentage point, to 1.9%. The fall took place in energy and processed food prices in particular. At the same time, unprocessed food prices rose at a faster pace. The lower inflation in Hungary was mainly attributable to industrial goods and unprocessed food prices. Inflation dropped by 0.7 of a percentage point in comparison with March, to 5% at the end of the second quarter. The most significant contribution to inflation came from energy prices, which recorded a steeper rise. In July, the annual inflation rate

Chart 23 Indexes of the V4 exchange rates vis-à-vis the euro (29 December 2006 = 100)



Source: Eurostat, NBS calculations.

Note: A fall in value denotes appreciation.

fell by 1.4 percentage points (to 3.6%), owing to a base effect stemming from the increase in VAT and excise tax rates in the same period a year earlier. Unlike Poland and Hungary, the Czech Republic recorded an accelerated price increase in the second quarter of 2010. The acceleration took place in all items of the consumer basket under review, except in energy prices whose dynamics remained unchanged. The price rise was influenced by the effects of faster regulated price increases and excise tax changes from the beginning of the year. The most significant acceleration took place in food prices in the second quarter. In July, inflation continued to accelerate by 0.6 of a percentage point (to 1.6%), mainly as a result of food and energy prices.

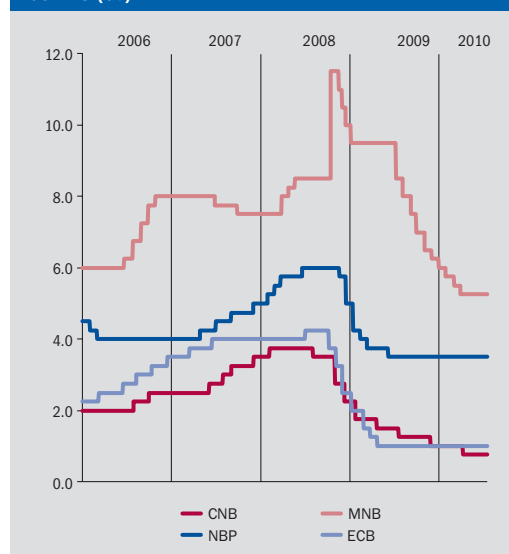
Exchange rate developments in the second quarter continued to be determined by short-term investor sentiment vis-à-vis the EU, as well as the Central European region. The situation was still influenced by increased risk aversion stemming from fiscal developments in certain euro area countries. The impact of domestic fundamentals surfaced to a limited extent only, particularly in April and May.

The exchange rates of the neighbouring currencies against the euro continued to strengthen at the beginning of the second

quarter of 2010, when the Czech koruna and the Polish zloty recorded their strongest rates since the beginning of the year. In that period, the exchange rates were mainly influenced by the debt crisis in the euro area. At the turn of April/May, however, they began to depreciate sharply. Thus, the financial turmoil spread to Central and Eastern European countries, mainly after the credit ratings of certain euro area countries had been cut. The announcement of a support package for Greece by the IMF, the European Commission and the ECB did not entirely eliminate the risk aversion and the capital outflow at that time. The depreciating trend in the region was also strengthened by the Polish central bank's foreign exchange intervention against the appreciation of the Polish zloty. This was the first intervention in Poland since 1998. The exchange rates continued to weaken in relation to the euro until the end of the second quarter. The growing distrust of the region was fuelled mainly by the weakening Hungarian forint. The currency depreciation came to a halt in July, but then continued again in August.

At the beginning of the second quarter of 2010, the Czech and Hungarian central banks lowered their key interest rates. At its May meeting, the Bank Board of Česká národní banka (CNB) assessed the overall macroeconomic environment as anti-inflationary. Despite

Chart 24 Key interest rates of the V4 central banks (%)



Source: National central banks, ECB.



the increased risk stemming from the debt problems of certain euro area countries, the CNB cut its two-week repo rate by 0.25 of a percentage point, to 0.75%. In the following period, the CNB classified the risks involved in the faster or slower price increase compared with its forecast as balanced or slightly anti-inflationary. Until the beginning of September, no further interest rate change had been reported. In April, Magyar Nemzeti Bank (MNB) reduced its base rate by a further 0.25 of a percentage point, to 5.25%. In view of the

growing uncertainty surrounding future fiscal developments in Hungary and the increased risks involved in Hungary's financial assets, the MNB decided to leave its base rate unchanged at its following monetary-policy meetings. Thus, the continuous interest rate reduction starting in July 2009 came to a halt. Narodowy Bank Polski (NBP) left its base rate unchanged in the second quarter, at 3.5%. The last interest rate change took place in June 2009. Thus, central bank rates remained at historically low levels throughout the region.



QUARTERLY REPORT ON THE BALANCE OF PAYMENTS

BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2010

The balance of payments on current account for January to June 2010 resulted in a deficit of €614.2 million, representing a year-on-year improvement of €302.9 million. The year-on-year decrease in the deficit was caused mainly by improvements in the trade balance and, to a lesser extent, in the services and current transfers balances. On the other hand, the overall reduction in the current account deficit was moderated by an increased shortfall in the income balance. Compared with the first quarter, the most significant improvement took place in the trade balance in the second quarter. The impact of the financial and economic crisis on the current account began to weaken at the end of 2009. This trend continued in the first quarter of 2010, when the recovery of foreign demand created conditions for an acceleration in exports and for a year-on-year improvement in the foreign trade balance.

Compared with the first half of 2009, both exports and imports grew over the first six months of 2010 (by 22.4% and 20.2% respectively). Their dynamics continued to accelerate in the second quarter.

However, the excess of export dynamics over import dynamics moderated during that period. Compared with the first quarter, export dynamics accelerated by 3.7 percentage points, while import dynamics strengthened by 7.8 percentage points. This was connected with the growing imports in all main categories of goods as a result of the rising import intensity after a sharp fall in 2009, accompanied by increased inventory creation in the second quarter and renewed growth in domestic demand, which was reflected in the growing imports of finished products.

The increase in year-on-year export and import dynamics was influenced by the gradual revival in foreign demand, which had been adversely affected by the economic crisis in the previous year.

The largest increase during the first six months of 2010, compared with the same period a year earlier, was recorded in the exports of machinery and transport equipment, but the year-on-year increase only slightly exceeded a decrease of 58% seen a year earlier. Despite this, more than half of the overall increase in exports took place in this category of goods. The year-on-year export growth in the 'machinery and transport

Table 7 Balance of payments current account (EUR millions)

	January – June		
	2010	2009	2010 – 2009
Balance of trade	669.1	227.2	441.9
Exports	22,698.9	18,550.3	4,148.6
Imports	22,029.8	18,323.1	3,706.7
Balance of services	-488.2	-646.6	158.4
Balance of income	-716.1	-282.1	-434.0
of which: income from investment	-1,281.7	-823.9	-457.8
of which: reinvested profit ¹⁾	-84.2	215.0	-299.2
Current transfers	-79.0	-215.6	136.6
Current account in total	-614.2	-917.1	302.9
Trade balance as a share of GDP in %	2.1	0.8	1.2
Current account balance as a share of GDP in %	-2.0	-3.0	1.0

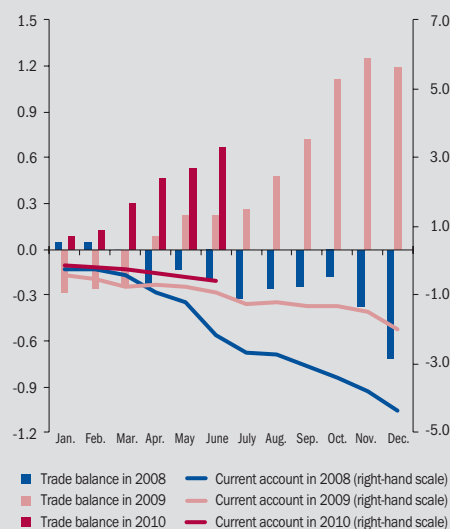
Source: NBS and the Statistical Office of the SR.

Chart 25 Year-on-year dynamics of exports and imports (%)

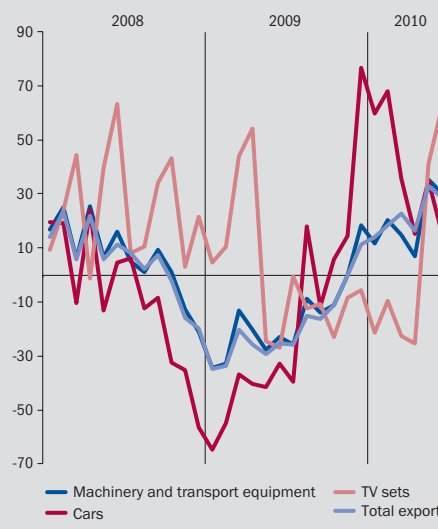

Source: NBS, Statistical Office of the SR..

Chart 26 Year-on-year dynamics of Slovak exports and EU27 imports (%)


Source: NBS, Statistical Office of the SR, and Eurostat.

Chart 27 Trade and current account balances, cumulative amounts (EUR billions)


Source: NBS, Statistical Office of the SR.

Chart 28 Year-on-year export dynamics (%)


Source: NBS, Statistical Office of the SR.

equipment' category was caused by year-on-year increases in the exports of transport equipment (caused by an increase in car exports) and in the exports of machinery. The higher exports of transport equipment were caused by a revival in demand for passenger cars. The higher exports in this subcategory accounted for roughly 52% (compared with almost 80% in the first quarter) of the total increase in the exports of machinery and transport equipment. Export growth in the

machinery subcategory was mainly the result of increased exports of shafts, bearings and selected electrical products (telephone sets). While machine exports reached the level of 2008, passenger car exports remained well below this level.

Besides machinery and transport equipment, chemical products and semi-finished goods also recorded much higher export volumes. The increased exports were caused by a year-on-year

**Table 8 Exports in January to June, year-on-year changes**

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2010	2009	2010	2009
Raw materials	223	-565	1.2	-2.2
Chemicals and chemical products	1,447	-2,683	7.8	-10.4
Machinery and transport equipment	2,100	-3,620	11.3	-14.0
Finished products	378	-407	2.0	-1.6
TOTAL EXPORTS	4,149	-7,275	22.4	-28.2

Source: NBS calculations based on data from the Statistical Office of the SR.

increase in semi-finished goods exports (iron and steel, copper, wood, aluminium and products thereof) and an increase in chemical goods exports, influenced by the rising prices of oil products (mainly rubber, plastics and products thereof). The year-on-year export growth in the 'finished products' category was driven mainly by increased exports of sugar and pharmaceuticals. The higher raw material exports were caused by increased exports of refined oil products and gas, influenced by price developments in particular.

The strongest year-on-year growth in imports was recorded, as in exports, in the 'machinery and transport equipment' category. The import growth in this category accounted for almost 40% of the total increase in imports (this represented a fall of over 10 percentage points compared

with the first quarter, which was connected with the growing share of finished products). The higher imports were caused by marked increases in the imports of components for the automotive industry, mainly in the 'transport equipment' and 'machinery' subcategories.

Strong year-on-year growth in imports was also recorded in the 'chemical products and semi-finished goods' category, which significantly contributed to the year-on-year increase in total imports. The increased imports of semi-finished goods were concentrated in iron/steel and copper imports, including the imports of iron/steel and copper products. In the 'chemical products' subcategory, the increase in imports took place mostly in plastics and rubber imports. The growth in raw material imports was, as export growth,

Table 9 Imports in January to June, year-on-year changes

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2010	2009	2010	2009
Raw materials	649	-1,526	3.5	-5.9
Chemicals and chemical products	1,188	-2,421	6.5	-9.3
Machinery and transport equipment	1,472	-3,394	8.0	-13.0
Finished products	398	-358	2.2	-1.4
Of which: agricultural and industrial products	188	-123	1.0	-0.5
passenger cars	-13	-258	-0.1	-1.0
mechanical and electrical consumer goods	223	24	1.2	0.1
TOTAL IMPORTS	3,707	-7,699	20.2	-29.6

Source: NBS calculations based on data from the Statistical Office of the SR.



substantially influenced by a rise in global oil prices, which led to an increase in crude and refined oil imports. The weakest import growth took place in the 'finished products' category, reaching roughly 10% of the total increase in imports. Despite this fact, the growth in finished products imports as a share of the year-on-year growth in total imports increased to a significant extent, after decreasing year-on-year in the first quarter. As regards finished products, passenger car imports recorded a year-on-year decline owing to the base effect of the car-scrappping scheme, which had a stimulating effect on car imports in 2009.

The balance of services for January to June 2010 resulted in a deficit of €488.2 million, representing an improvement of €158.4 million compared with the same period of 2009. The year-on-year reduction in the deficit was caused mainly by an improvement in 'other services in total' and, to a lesser extent, in tourism. The year-on-year change in the deficit was negatively affected by an increase in expenses on transport services. The smaller deficit in 'other services in total' was caused by a decrease in expenses on financial services provided, which exceeded the fall in revenues, and the rise in payments for computer engineering services provided, accompanied by a fall in expenses on services of the same category. The year-on-year improvement in the balance of tourism services was caused by a modest increase in revenues from tourism services provided, accompanied by a decrease in expenses. In the case of transport services, the year-on-year change from a surplus to a deficit resulted from the fact that the increase in revenues from the transit of gas and oil (an increase of €51.0 million, influenced by the base effect of last year's gas crisis) was exceeded by an increase in expenses in other categories of transport services (the most significant increase in payments was recorded in air transport, which was connected with the restriction of flights after the collapse of Sky Europe in September 2009, while revenues from services provided in the same category fell to a significant extent).

The year-on-year deterioration in the income balance over the first six months of 2010 (by €434.0 billion) was due to an increase in the negative balance of income from investments. The higher deficit in income from investments was mainly the result of higher estimated profits in companies

with foreign capital participation, which led to increased dividend payments to foreign direct investors and to higher estimates of earnings reinvested by foreign investors in Slovakia.

The year-on-year decrease in the current transfers deficit (by €136.6 million) was caused by a sharp fall in payments in the balance of private transfers (mainly in 'grants, deposits and other unilateral transfers to legal entities') and positive developments in the balance of government transfers, resulting from an increase in funds received from the EU budget.

During the first six months of 2010, the balance of payments on capital and financial account resulted in a deficit of €572.8 million (compared with a surplus of €1,282.3 million in the same period of 2009). The lower inflow of funds via the capital and financial account was mainly the result of a decrease in deposits received within the balance of other investments and an increase in demand among residents for foreign securities. The lower net inflow of funds in the second quarter (by €856.0 million in quarter-on-quarter terms) was mainly due to lower demand among non-residents for government securities.

During the first half of 2010, foreign direct investment (FDI) recorded an inflow of €369.3 million, representing a year-on-year increase of €1,073.9 million compared with the same period of 2009. The year-on-year change in the balance of direct investments was caused mainly by an inflow of other capital on the liability side (decrease in receivables/increase in payables vis-à-vis parent companies) and by weaker interest among residents in investment abroad in the form of FDI (inflow in the form of capital participation and other capital).

Portfolio investments resulted in a net outflow of €2,515.7 million, compared with a net outflow of €730.3 million in the first half of last year. The markedly increased outflow in year-on-year terms was due to the fact that the lower demand among non-residents for government securities and debt securities from the banking sector was supported on the asset side by increased demand among residents for foreign debt securities.

In other investments, an inflow of €1,179.2 million was recorded in the period from January

**Table 10 Balance of payments capital and financial account (EUR millions)**

	January – June	
	2010	2009
Capital account	394.4	400.1
Direct investments	369.3	-704.6
of the SR abroad	78.6	-317.7
of which: equity participation abroad	-12.6	-682.1
reinvested earnings	49.7	15.1
in the SR	290.7	-386.9
of which: equity participation in the SR	89.2	616.4
of which: non-privatised equity	89.2	616.4
reinvested earnings	34.5	-230.1
Portfolio investment and financial derivatives	-2,515.7	-730.3
of the SR abroad	-2,254.2	-1,083.0
In the SR	-261.5	352.7
Other long-term investments	-29.7	-717.2
Assets	0.2	-571.4
Liabilities	-29.9	-145.8
Other short-term investments	1,208.9	3,034.3
Assets	-67.7	-3,266.5
Liabilities	1,276.6	6,300.8
CAPITAL AND FINANCIAL ACCOUNT	-572.8	1,282.3

Source: NBS.

to June 2010, compared with €2,317.1 million in the same period a year earlier. The year-on-year fall (€1,137.9 million) resulted from developments in the government sector (including NBS) last year, when the inflow of funds exceeded the outflow recorded in the banking sector. The inflows of funds in the government sector resulted from the central bank's policy pursued after entry into the euro area (to meet its liabilities towards the banking sector, the central bank borrowed funds from the Eurosystem through Target 2, instead of using its foreign reserves). In the banking sector, the outflow caused a year-on-year decrease in short-term non-resident deposits held at Slovak

banks, which was connected with the euro adoption ('euro accounts' lost their significance) and partially with the financial crisis.

The foreign reserves of NBS (excluding exchange rate differences) increased by €0.3 million over the first half of 2010.

THE EXTERNAL DEBT OF SLOVAKIA AS AT 30 JUNE 2010

At the end of June 2010, the overall gross external debt of Slovakia reached €47.9 billion (USD 58.8 billion). Compared with the beginning

Table 11 Capital inflows in other investment in a sectoral breakdown (EUR millions)

	January – June 2010	January – June 2009	Year-on-year changes
Banks	1,179.0	-12,139.9	13,318.9
Entrepreneurs	-366.9	-48.1	-318.8
Government and NBS	367.1	14,505.1	-14,138.0
Total	1,179.2	2,317.1	-1,137.9

Source: NBS.



of 2010, gross external debt increased by €2.6 billion, while its USD equivalent decreased by USD 6.5 billion as a result of developments in the EUR/USD cross-rate. Since external debt in USD is substantially influenced by the cross-rate and a large part of this debt is formed by liabilities in EUR, the external debt of Slovakia is described in this report in EUR.

By end-June 2010, the country's total long-term external debt had grown by €0.5 billion, with total short-term external debt increasing by €2.1 billion.

Within the scope of long-term external debt, the foreign liabilities of the Government and NBS increased by €0.4 billion. The increase took place in bonds and bills of exchange. The commercial sector's long-term foreign debt grew by €0.1 billion.

Within the scope of short-term external debt, the short-term liabilities of the SR Government and NBS increased by €0.7 billion, mainly as a result of a negative balance on the NBS-ECB-TARGET2 account in the second quarter. The short-term liabilities of commercial banks grew by €0.4 billion in the 'cash and deposits' item. The short-term foreign debt of entrepreneurial entities grew by €1.0 billion, mainly as a result of

increases in trade credits (€0.8 billion) and loans (€0.2 billion). In the second quarter, trade credits continued to grow more dynamically than in the first quarter.

At the end of June, Slovakia's total per capita gross foreign debt stood at €8,890, representing a 6-month increase of €462 (compared with €8,428 as at 31/12/2009). The share of short-term foreign debt in the country's total gross external debt increased during the first six months by 1.2 percentage points, to 58.5% at end-June 2010.

The net external debt of Slovakia, expressed as the difference between gross foreign debt, i.e. €47.9 billion (liabilities of the Government and NBS, liabilities of commercial banks and corporations – excluding capital participation), and foreign assets, i.e. €36.0 billion (foreign reserves of NBS, foreign assets of commercial banks and corporations – excluding capital participation), reached €11.9 billion (debtor position) as at end-June 2010, representing a fall of €1.3 billion compared with the beginning of 2010.

According to preliminary data, Slovakia's total gross external debt as a share of GDP at current prices reached 74.3% at 30 June 2010, representing an increase of 2.7 percentage points compared with 2009 (71.6%).

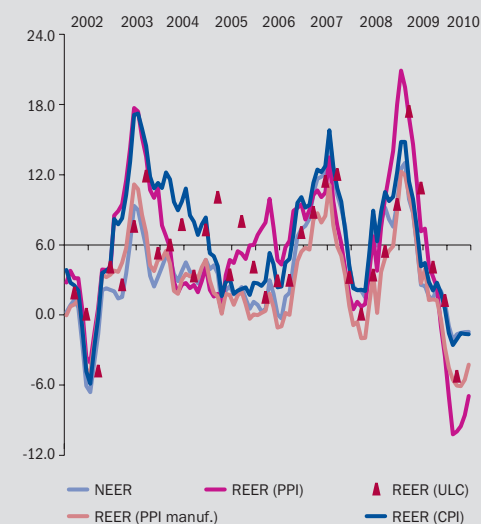
Table 12 External debt of the Slovak Republic

	USD millions		EUR millions	
	31.12.2009	30.6.2010	31.12.2009	30.6.2010
Total external debt of the SR	65,314.2	58,788.0	45,338.2	47,908.1
Long-term external debt	27,917.9	24,416.3	19,379.3	19,897.6
Government and NBS ¹⁾	11,406.9	10,247.5	7,918.1	8,351.0
Commercial banks	3,983.7	3,369.9	2,765.3	2,746.2
Businesses	12,527.3	10,798.9	8,695.9	8,800.4
Short-term external debt	37,396.3	34,371.7	25,958.8	28,010.5
Government and NBS	21,507.0	19,131.4	14,929.2	15,590.7
Commercial banks	3,781.7	3,679.2	2,625.1	2,998.3
Businesses	12,107.5	11,561.1	8,404.5	9,421.5
Foreign assets	46,330.0	44,199.3	32,160.2	36,019.3
Net external indebtedness	18,984.1	14,588.7	13,177.9	11,888.8
EUR/USD cross rate	1.4406	1.2271	-	-

Zdroj: NBS.

1) Including government agencies and municipalities.

Chart 29 Nominal and real effective exchange rates (9 trading partners; year-on-year changes in %)



Source: NBS.

Note: + appreciation, - depreciation of indices.

NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The nominal effective exchange rate¹¹ depreciated by 1.4% year-on-year in June 2010, following an appreciation of 1.1% in December 2009. The

most significant contribution to the weakening of the NEER index came from a depreciation of 0.7 of a percentage point vis-à-vis the Czech koruna. Compared with March 2010, the year-on-year rate of depreciation slowed by 0.3 of a percentage point.

The weakening of the NEER led to a year-on-year depreciation of 1.6% in the real effective exchange rate (REER) based on the consumer price index (CPI), following an appreciation of 0.5% in December 2009. The depreciation of the REER based on the industrial producer price index (PPI) accelerated from 3.5% to 6.9%, and that of the REER based on the manufacturing products price index (PPI manuf.) from 2.8% to 4.3%. A depreciating effect on the REER indices was also exerted by the negative inflation differential in relation to most of Slovakia's foreign trading partners. The depreciation of the PPI-based REER accelerated over the first half of 2010 more significantly than that of the NEER did. During the second quarter of 2010, the depreciation of the individual REER indices weakened. In June, the year-on-year depreciation of the CPI-based REER slowed in comparison with March by 0.5 of a percentage point, that of the PPI-based REER slowed by 3.1 percentage points, and that of the REER based on PPI manufacturing by 1.7 percentage points.

Table 13 Developments in the NEER and REER indices (year-on-year changes in %)

For 9 trading partners, based on the deflator:	NEER	REER (CPI)	REER (PPI)	REER (PPI manuf.)	REER (ULC) ²⁾
December 2002	2.1	4.1	3.6	3.4	4.1
December 2003	3.2	11.3	10.8	4.7	5.3
December 2004	4.7	8.3	4.1	4.7	7.3
December 2005	1.1	2.7	6.0	0.0	4.1
December 2006	7.4	10.1	9.5	5.4	7.1
December 2007	4.2	4.2	1.7	0.8	3.2
December 2008	9.5	12.2	18.0	8.9	9.5
December 2009	1.1	0.5	-3.5	-2.8	1.3
March 2010 ¹⁾	-1.7 / -0.8	-2.1 / -1.4	-10.0 / -4.2	-6.0 / -3.0	-5.2 (p)
April 2010 ¹⁾	-1.5 / -1.2	-1.6 / -1.1	-9.5 / -5.2	-6.1 / -4.0	-
May 2010 ¹⁾	-1.5 / -1.1	-1.6 / -1.4	-8.6 / -5.8	-5.6 / -4.1	-
June 2010 ¹⁾	-1.4 / -1.2	-1.6 / -1.3	-6.9 / -4.5	-4.3 / -3.1	-

Source: NBS.

1) Year-on-year change/cumulative change since the beginning of the year.

2) Year-on-year changes based on quarterly data.

¹¹ The IMF methodology is used for calculating the nominal and real effective exchange rates (NEER and REER). The REER is calculated on the basis of the consumer price index (CPI), the industrial producer price index (PPI), and/or the manufacturing products price index, excluding the prices of mining/quarrying products, electricity, gas, steam, and hot water (PPI manufacturing), and the index of unit labour costs (ULC). The initial year for the calculation is 1999, and the weights selected correspond to the structure of foreign trade in 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade. These countries are: Germany, the Czech Republic, Italy, Austria, France, the Netherlands, the United States, the United Kingdom, and Switzerland.



QUARTERLY REPORT ON THE REAL ECONOMY

DEVELOPMENT OF THE REAL ECONOMY IN THE SECOND QUARTER OF 2010

GROSS DOMESTIC PRODUCT

Gross domestic product (GDP), based on revised data from the Statistical Office of the SR, expanded at constant prices by 4.7% year-on-year in the second quarter of 2010, representing a certain slowdown in its year-on-year dynamics compared with the previous quarter (4.8%).

In terms of production, GDP growth in the second quarter was connected with an increase in value added, mainly in industry, agriculture and public services. Value added in construction continued to fall on a year-on-year basis, albeit at a slower pace. The nominal volume of GDP generated in the second quarter of 2010 amounted to €16.4 billion, which was 4.9% more than a year earlier.

According to seasonally adjusted data, GDP expanded by 1.2% quarter-on-quarter in the second quarter. Thus, the economy continued to grow in quarter-on-quarter terms.

DEMAND

In terms of consumption, the structure of economic growth in the second quarter of 2010 was influenced by an increase in foreign demand (16.5% at constant prices), accompanied by an increase in domestic demand¹² (4.1%) caused by inventory growth. Within the scope of consumer demand, both private consumption and general government consumption declined.

Gross fixed capital formation continued to decline as in the previous quarter. The decline took place mainly in investment in residential and other buildings, while investment in machines grew somewhat.

Investment activity weakened in almost all sectors, except in the general government sector, where gross fixed capital formation increased by 6.0%. The sharpest decline in investment was again reported by financial corporations.

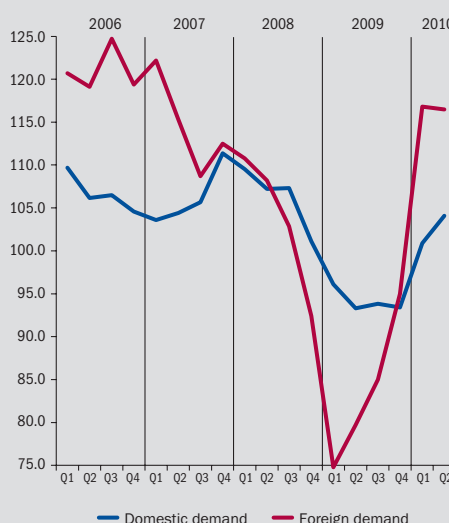
Final consumption expenditure in the household sector fell by 1.0% year-on-year, after growing by 0.4% in the previous quarter. The fall in private consumption was probably connected with the stagnation of consumer confidence

Chart 30 Real GDP growth by quarter
(year-on-year changes in %)



Source: Statistical Office of the SR.

Chart 31 Domestic and foreign demand
(index, same period a year earlier = 100)



Source: Statistical Office of the SR and NBS calculations.

¹² The sum of the final consumption of households, general government, NPISHs and gross fixed capital formation.



Table 14 GDP development by consumption (index, same period a year earlier = 100, constant prices)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross domestic product	94.3	94.5	95.1	97.4	95.3	104.8	104.7
Domestic demand	96.1	93.3	93.8	93.4	94.1	100.9	104.1
Final consumption	99.6	101.9	99.7	99.4	100.1	101.6	99.0
Final consumption by households	99.1	100.5	99.7	98.1	99.3	100.4	99.0
Final consumption by general government	101.3	106.9	99.8	102.9	102.8	106.2	98.8
Non-profit institutions serving households	98.3	98.1	98.5	98.4	98.3	103.4	102.1
Gross fixed capital formation	96.1	82.3	88.6	92.7	89.5	99.6	98.1
Exports of goods and services	74.8	79.7	85.0	94.8	83.5	116.8	116.5
Imports of goods and services	77.7	77.8	84.4	89.7	82.4	109.9	114.4

Source: Statistical Office of the SR.

Table 15 Structure of gross fixed capital formation in the first quarter of 2010 (current prices)

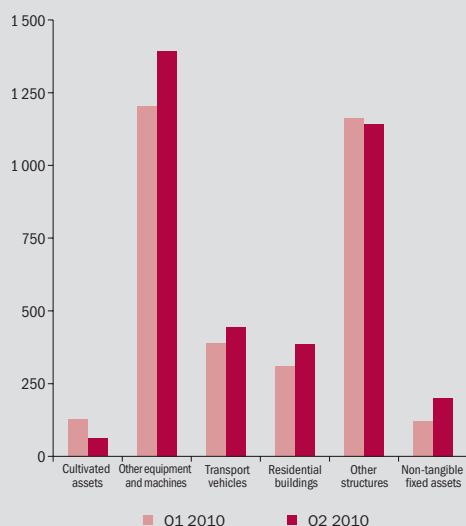
	Gross fixed capital formation (EUR millions)	Proportion (%)	Index	
			Q1 10 Q1 09	Q2 10 Q2 09
Total SR economy	3,624.0	100.0	97.3	98.5
of which, by sector:				
Non-financial corporations	2,440.4	67.3	99.0	98.4
Financial corporations	34.6	1.0	46.8	82.6
General government	339.4	9.4	106.0	106.0
Households	797.4	22.0	93.0	96.8
Non-profit institutions	12.2	0.3	96.0	99.2
of which by branches:				
Machinery	1,837.4	50.7	98.3	101.7
of which: other machines and equipment	1,393.4	38.5	101.6	101.3
transport equipment	443.9	12.2	89.4	103.2
Construction	1,525.7	42.1	96.9	94.9
of which: residential buildings	384.1	10.6	101.6	93.6
other buildings	1,141.6	31.5	95.7	95.4

Source: Statistical Office of the SR.

and the rising savings rate during the crisis. Owing to the fall in private consumption and continuing growth in lending to households, the total receivables of monetary financial institutions from households as a share of their final consumption continued to increase, by 1.3 percentage points compared with the previous quarter (to 38.4%).

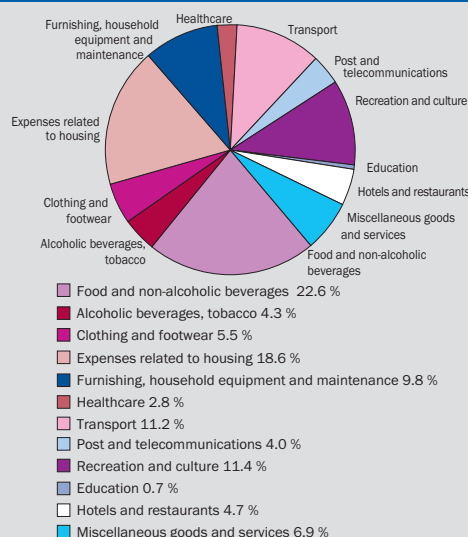
The breakdown of consumer spending at constant prices shows that the main factor in the decline in overall consumption was the falling spending on food and non-alcoholic beverages, miscellaneous goods and services, and transport. Nonetheless, total household expenditure was still dominated by spending on food and by housing-related expenses.

Chart 32 Breakdown of gross fixed capital formation by production (EUR millions)



Source: Statistical Office of the SR.

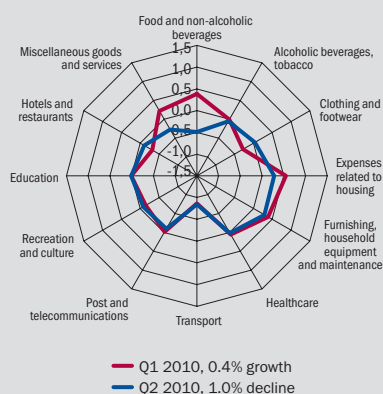
Chart 33 Structure of final household consumption in the second quarter of 2010 (shares in %)



Source: Statistical Office of the SR.

Note: Individual items of final consumption do not add up.

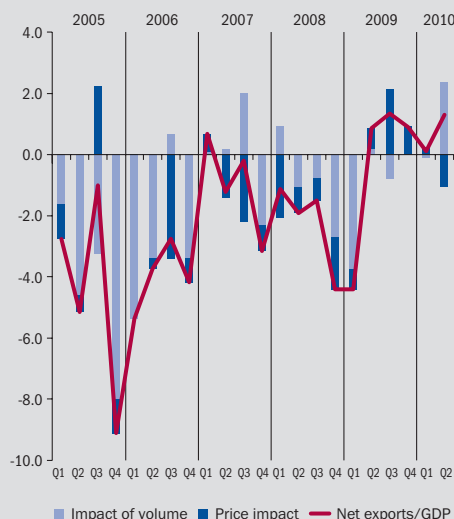
Chart 34 Contribution of consumer spending to household final consumption growth by category (p.p.)



Source: NBS calculations based on data from the Statistical Office of the SR.

Note: Individual items of final consumption may not add up.

Chart 35 Contribution of net exports to GDP at current prices (%)



Source: NBS calculations based on data from the Statistical Office of the SR.

The second quarter of 2010 saw an increase of 22.0% in the exports of goods and services in nominal terms, owing to a revival in foreign demand and to a base effect stemming from the sharp decline a year earlier. Imports grew to a similar extent as exports did. The imports

of goods and services grew by 21.6%, and thus contributed positively to net exports (€212 million), as well as to economic growth.

With price developments in foreign markets taken into account, net exports generated



Table 16 Impact of price and volume on exports and imports (p.p.)

	2008 2007	Q1 09 Q1 08	Q2 09 Q2 08	Q3 09 Q3 08	Q4 09 Q4 08	2009 2008	Q1 10 Q1 09	Q2 10 Q2 09
Exports of goods and services (year-on-year growth in %, current prices)	4.6	-29.2	-26.3	-19.1	-5.8	-20.4	15.1	22.0
Impact of volume	3.2	-25.2	-20.3	-15.0	-5.2	-16.5	16.8	16.5
Impact of price	1.4	-3.9	-6.0	-4.2	-0.6	-3.9	-1.7	5.5
Imports of goods and services (year-on-year growth in %, current prices)	6.1	-25.5	-28.8	-22.2	-11.9	-22.3	8.0	21.6
Impact of volume	3.1	-22.3	-22.2	-15.6	-10.3	-17.6	9.9	14.4
Impact of price	3.1	-3.3	-6.5	-6.6	-1.7	-4.7	-1.9	7.2
Net exports as a share of GDP (share in %, current prices)	-2.3	-4.4	0.9	1.3	0.9	-0.2	0.1	1.3
Impact of volume	-0.9	-3.8	0.2	-0.8	0.0	-1.0	-0.1	2.4
Impact of price	-1.3	-0.7	0.7	2.2	0.9	0.8	0.2	-1.1
Terms of trade (index)	98.4	98.9	101.0	103.2	101.3	101.1	100.3	98.5

Source: NBS calculations based on data from the Statistical Office of the SR.

Notes: Calculated from GDP figures in millions of EUR; the contribution of imports of goods and services reduces the values of net exports and GDP; figures may not add up due to rounding. Terms of trade calculations are based on year-on-year changes in the export and import deflators of goods and services.

a surplus of €928 million (compared with €639 million in the previous quarter).

Price developments in foreign trade, expressed by the deflators of goods and services exports/

imports, were closely connected with the rise in energy-producing raw material and metal prices. In the quarter under review, both import and export prices recorded a marked increase (4.8% and 6.3% respectively). As a result of

Chart 36 Export performance and import intensity (%)

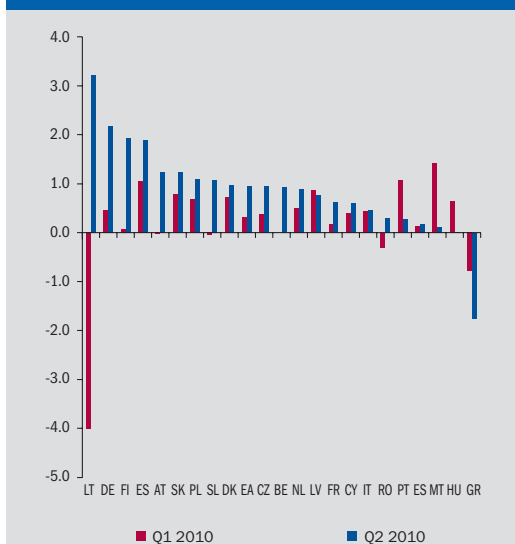


Source: Statistical Office of the SR.

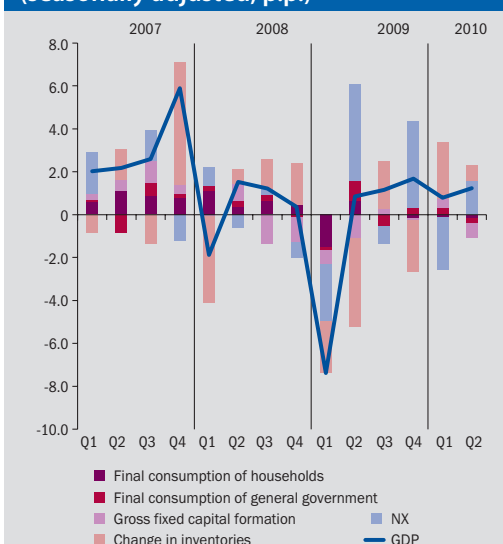
Chart 37 Year-on-year and quarter-on-quarter GDP growth (%)



Source: Statistical Office of the SR.

Chart 38 Quarter-on-quarter GDP growth in selected EU countries (%)


Source: Eurostat.

Chart 39 Contributions to quarter-on-quarter GDP growth at constant prices (seasonally adjusted; p.p.)


Source: Statistical Office of the SR.

these developments, foreign trade relations deteriorated.

The export performance of the Slovak economy increased by 3.7 percentage points in the second quarter of 2010, when the share of exports of goods and services in GDP at current prices reached 80.4%. At the same time, import intensity continued to rise, by 2.5 percentage points (to 79.1%). The openness of the Slovak economy, expressed in terms of the ratio of exports / imports of goods and services to nominal GDP, increased by 6.1 percentage points compared with the previous quarter, to 159.5%.

GDP calculated from seasonally adjusted data expanded by 1.2% in the second quarter of 2010, compared with the previous quarter. Thus, the gradual revival in economic activity continued.

The quarter-on-quarter GDP growth was mainly driven by foreign demand. As for domestic demand, all components decreased, except for inventories. Household consumption expenditure continued to fall slightly. The continuing growth in foreign demand led to a quarter-on-quarter increase in exports. The imports of goods and services grew only slightly, thus net exports contributed positively to the quarter-on-quarter rate of economic growth. In the coming period, economic activity is

Table 17 GDP by consumption (seasonally adjusted quarterly changes in %; constant prices)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross domestic product	-7.4	0.8	1.2	1.7	-4.7	0.8	1.2
Final consumption	-1.1	1.1	-0.6	0.0	0.1	0.3	-0.6
By households and NPISH	-2.8	1.1	0.1	-0.3	-0.7	-0.2	-0.3
By general government	-1.0	5.5	-3.0	1.7	2.8	1.7	-1.3
Gross fixed capital formation	-2.6	-4.3	1.0	-0.4	-10.5	1.7	-2.8
Exports of goods and services	-16.9	3.0	4.6	6.5	-16.5	1.6	3.0
Imports of goods and services	-14.3	-2.6	5.9	1.8	-17.6	4.7	1.3

Source: Statistical Office of the SR.



expected to strengthen gradually on a quarter-on-quarter basis in connection with the gradual revival in foreign demand.

SUPPLY

GDP growth in the second quarter of 2010 was influenced by an increase in value added creation, the dynamics of which reached 3.7% at constant prices (compared with 5.2% in the previous quarter). Gross production growth (7.8%) was exceeded by an increase in intermediate consumption (10.8%). Following a slight increase in the previous quarter, net taxes on products increased by 15.4% in the second quarter.

Broken down by sector, the value added growth took place mostly in industry and agriculture. Value added in construction continued to fall. Value added also rose in services, of which public services made the most significant contribution to GDP growth.

GDP growth was also recorded in the second quarter of 2010, indicating a gradual increase in confidence in the economy (a rise in the economic sentiment indicator). In the coming period, the growing trend in the economy is expected to continue.

GROSS NATIONAL INCOME

According to revised data from the Slovak Statistical Office, gross national income¹³ (GNI) increased at current prices by 6.0% year-on-year in the second quarter of 2010. Compared with the previous period, the rate of growth accelerated by 4.8 percentage points. Gross national disposable income (GNDI) increased at current prices by 7.1% year-on-year.

The smaller volume of GNI compared with GDP indicates that, in the second quarter of 2010, the

Table 18 GDP creation by component (index, same period a year earlier = 100, constant prices)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross output	85.9	86.8	89.9	93.9	89.2	106.2	107.8
Intermediate consumption	81.8	81.6	85.5	91.5	85.2	106.8	110.8
Value added	93.0	94.9	95.8	97.8	95.4	105.2	103.7
Net taxes on products ¹⁾	108.8	90.1	88.0	93.9	94.4	100.4	115.4

Source: Statistical Office of the SR.

1) Value added tax, excise tax, import tax, minus subsidies.

Table 19 GDP development by sector (index, same period a year earlier = 100, constant prices)

Economic sector	Q1 09	Q2 09	Q3 09	Q4 09	2009	Q1 10	Q2 10
	Q1 08	Q2 08	Q3 08	Q4 08	2008	Q1 09	Q2 09
Gross domestic product	94.3	94.5	95.1	97.4	95.3	104.8	104.7
of which:							
Agriculture	114.5	110.5	127.3	87.6	110.2	129.9	141.0
Industry	81.4	86.9	100.0	100.1	91.7	113.1	103.9
Construction	87.9	108.1	105.0	92.4	98.2	81.1	86.7
Trade, hotels and restaurants, transport	84.8	92.7	84.5	85.6	86.9	111.7	100.2
Financial intermediation, real estate	115.7	108.5	91.2	103.0	103.8	95.4	103.5
Public administration, education, health care, and other community, social, and personal services	106.8	92.7	100.5	111.7	102.9	104.0	113.1
Net taxes on products ¹⁾	108.8	90.1	88.0	93.9	94.4	100.4	115.4

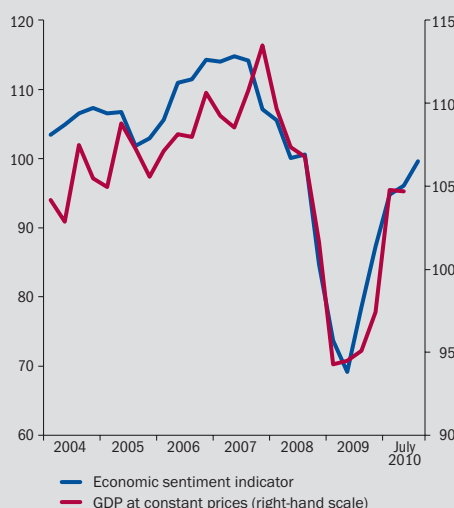
Source: Statistical Office of the SR.

1) Value added tax, excise tax, import tax, minus subsidies.

¹³ Gross national income (GNI) is one of the macroeconomic indicators used for measuring the output of the economy according to the national concept, while GDP is based on the domestic concept, which expresses the final result achieved by resident units in the period under review. GNI is calculated as follows: GDP at market prices minus primary income paid by residents to non-residents, plus primary income received by residents from non-residents. Gross national disposable income (GNDI) is a balance-sheet item in the non-financial national accounts, and is calculated from GNI reduced by current transfers paid to non-resident units and increased by current transfers received from non-resident units.



Chart 40 The economic sentiment indicator and GDP



Source: Statistical Office of the SR, European Commission.

inflow of incomes earned by persons working abroad (employee compensation) into the domestic economy was smaller than the outflow of incomes derived from economic activity in the territory of the domestic economy to foreign countries (property income, reinvested earnings, interest income). The accelerated growth in GNI and GNDI in the second quarter was caused by a year-on-year increase in incomes from abroad.

WAGES AND LABOUR PRODUCTIVITY

The average monthly nominal wage paid to an employee in the Slovak economy increased year-on-year by 3.6% in the second quarter of 2010, to €758. This represented an acceleration of 1.5 percentage points compared with the previous quarter. Real wage growth accelerated by 2.4% in the second quarter.

Table 20 Comparison of GDP, GNP, and GNDI (EUR millions, current prices)

	Q1 09	Q2 09	Q3 09	Q4 09	2009	Q1 10	Q2 10
Gross domestic product (GDP)	14,656	15,587	16,568	16,522	63,332	15,072	16,355
Gross national product (GNP)	14,690	15,190	16,495	16,201	62,575	14,869	16,098
Gross national disposable income (GNDI)	14,542	14,940	16,289	15,714	61,485	14,816	16,006
GDP – growth index	92.9	92.5	94.2	97.1	94.2	102.8	104.9
GND – growth index	93.1	94.0	95.7	99.8	95.7	101.2	106.0
GNDI – growth index	94.0	94.2	96.2	98.5	95.8	101.9	107.1
GND to GDP ratio in %	100.2	97.5	99.6	98.1	98.8	98.7	98.4
GNDI to GDP ratio in %	99.2	95.8	98.3	95.1	97.1	98.3	97.9

Source: Statistical Office of the SR and NBS calculations.

Table 21 Average monthly wages and labour productivity in the Slovak economy (index, same period a year earlier = 100)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Nominal wage	104.7	102.8	102.5	102.1	103.0	102.1	103.6
Real wage	101.6	100.5	101.3	101.6	101.4	101.6	102.4
Labour productivity, curr. prices	95.6	96.4	100.0	102.9	98.7	106.2	106.5
Labour productivity, const. prices	96.9	98.4	100.9	103.2	99.8	108.3	106.3
Real labour productivity – real wage (percentage points)	-4.7	-2.1	-0.4	1.6	-1.6	6.7	3.9
CPI (average for the period)	103.0	101.9	101.2	100.5	101.7	100.5	101.2

Source: Statistical Office of the SR, NBS calculations.

Note: Labour productivity is calculated on the basis of GDP and employment data obtained from quarterly statistical records.



Chart 41 Real wages and real labour productivity (%)



Source: Statistical Office of the SR, NBS calculations.

The strongest nominal wage growth in the second quarter of 2010 was recorded in accommodation and food services (6.5%), industry (6.2%), public administration and defence (4.3%), construction (4.1%), and health and social care (4.0%). At the same time, average nominal wages remained below the level of last year in agriculture, financial and insurance services, administrative services, and other activities.

Labour productivity growth exceeded the growth in real wages by 3.9 percentage points. Compared with the previous quarter, productivity growth slowed in the second quarter, owing to the moderating decline in employment.

In the second quarter of 2010, nominal compensation¹⁴ per employee (ESA 95) grew year-on-year by 3.8%, with the rate of growth accelerating by 0.7 of a percentage point compared with the previous quarter.

Table 22 Average compensation per employee and labour productivity in the Slovak economy (ESA 95 methodology; index, same period a year earlier = 100)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Compensation per employee, nominal	106.5	106.4	104.8	102.1	104.7	103.1	103.8
Compensation per employee, real	103.2	105.5	104.9	102.0	103.5	104.2	103.0
Labour productivity, current prices	93.3	93.7	97.9	101.0	96.5	106.0	107.4
Labour productivity, const. prices	94.6	95.7	98.8	101.4	97.7	108.1	107.2
Real labour productivity – real compensation per employee (in percentage points)	-8.6	-9.8	-6.1	-0.6	-5.8	3.9	4.2
ULC nominal	112.6	111.1	106.0	100.6	107.6	95.4	96.9
Deflator of household final consumption	103.2	100.9	99.9	100.1	101.2	99.0	100.8

Source: Statistical Office of the SR, NBS calculations.

Note: Labour productivity is calculated from GDP figures and employment based on ESA 95.

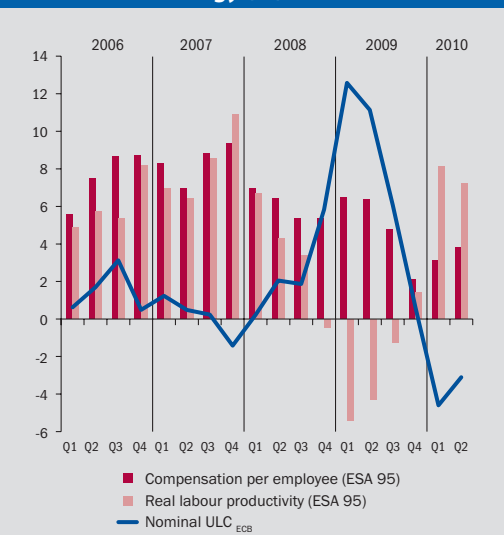
Table 23 Real labour productivity and compensation per employee in the fourth quarter of 2009 (index, same period a year earlier = 100)

	Real labour productivity	Real compensation per employee
Economy in total:	107.2	103.0
Agriculture and fishing	153.3	91.7
Industry	108.3	101.0
Construction	89.6	85.6
Trade, hotels and restaurants, transport	102.6	105.2
Financial intermediation, real estate business	103.0	96.0
Public administration, education, health care, and other community, social, and personal services	113.7	110.1

Source: Statistical Office of the SR, NBS calculations.

¹⁴ Compensation per employee as defined by the Statistical Office of the SR is the total remuneration that is payable by employers to employees.

Chart 42 Unit labour costs by component in ECB methodology (%)



Source: Statistical Office of the SR, NBS calculations.

Labour productivity, calculated according to ESA 95, increased in nominal terms by 7.4% and in real terms by 7.2% on a year-on-year basis.

Broken down by sector, real labour productivity grew in all sectors in the second quarter, except in construction.

Unit labour costs according to the ECB's methodology (ULC_{ECB}), defined as the ratio of growth in nominal compensation per employee to growth in real labour productivity (GDP per total employment) based on ESA 95 data, decreased year-on-year by 3.1% in the second quarter of 2010. The decrease in unit labour costs was the result of dynamic real labour productivity growth, combined with slower growth in compensation per employee.

The number of hours worked in the second quarter increased year-on-year by 4.9%, representing an acceleration of 2.8 percentage points compared with the first quarter of 2010. Nominal compensation per hour worked decreased year-on-year by 0.8%, while real labour productivity fell by 0.2%. Compared with the first quarter of 2010, the growth rate of compensation slowed by 1.5 percentage points and that of labour productivity by 2.9 percentage points.

Table 24 Generation and use of income in the household sector (current prices)

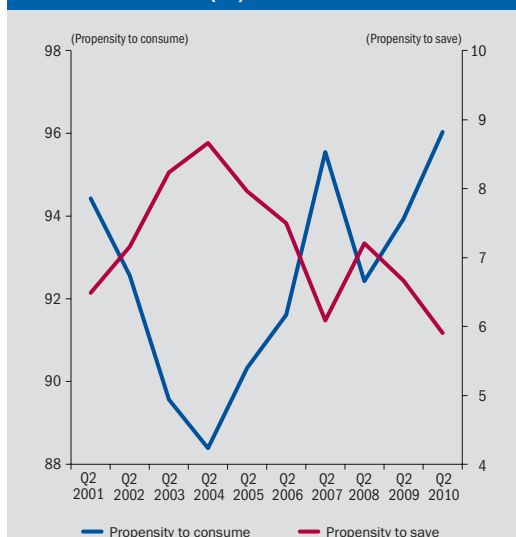
	EUR billions		Same period a year earlier = 100		Share in %	
	Q2 2009	Q2 2010	$\frac{Q2\ 09}{Q2\ 08}$	$\frac{Q2\ 10}{Q2\ 09}$	Q2 2009	Q2 2010
Employee compensation (all sectors)	6.2	6.3	0.9	1.9	47.0	47.4
of which: gross wages & salaries	4.8	4.9	0.6	2.7	36.4	36.8
Gross mixed income	4.0	4.0	1.2	-0.4	30.3	29.8
Property income – received	0.4	0.4	1.1	-16.9	3.0	2.6
Social benefits	2.1	2.2	7.6	3.8	15.9	16.5
Other current transfers – received	0.5	0.5	4.7	2.0	3.8	3.8
Current income in total	13.2	13.3	2.2	0.9	100.0	100.0
Property income – paid	0.2	0.1	-13.3	-25.2	5.9	2.9
Current taxes on income, wealth, etc.	0.4	0.4	-4.1	-9.2	11.8	10.9
Social contributions	2.3	2.4	4.4	2.7	67.6	69.4
Other current transfers – paid	0.5	0.6	4.5	1.1	14.7	16.2
Current expenditure in total	3.4	3.4	2.4	-0.2	100.0	100.0
Gross disposable income	9.8	9.9	2.1	1.3	–	–
Adjustment for changes in net household assets in the reserves of pension funds	0.2	0.2	10.8	-7.3	–	–
Household final consumption	9.3	9.3	1.3	-0.2	–	–
Gross household savings	0.7	0.9	16.0	18.3	–	–

Source: Statistical Office of the SR.

Table 25 Gross disposable income (index, same period a year earlier = 100, current prices)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross disposable income	102.9	102.1	100.6	98.1	100.8	100.4	101.3
Household final consumption	102.3	101.3	99.7	98.2	100.3	99.3	99.8
Gross household savings	114.0	116.0	113.1	94.8	103.8	133.7	118.3
Gross savings as a share of gross disposable income (%)	3.8	7.6	4.4	14.0	7.7	5.1	8.8

Source: Statistical Office of the SR, NBS calculations.

Chart 43 Propensity of households to save and to consume (%)


Source: Statistical Office of the SR, NBS calculations.

INCOME AND EXPENDITURE OF HOUSEHOLDS

According to data from the Slovak Statistical Office, the current income of households reached €13.3 billion in the second quarter of 2010, corresponding to a year-on-year increase of 0.9% in nominal terms. Compared with the first quarter of 2010, the rate of growth accelerated by 0.3 of a percentage point. Within the structure of current income, the most dynamic growth took place in social benefits (3.8%). On the other hand, property income and gross mixed income remained below the level of last year.

The current expenditure of households (expenses paid to other sectors and not used for direct consumption) decreased by 0.2% year-on-

year, to €3.4 billion. Their dynamics weakened by 1.1 percentage points compared with the previous quarter. The year-on-year fall in current expenditure was caused mainly by marked decreases in property incomes and current income tax revenues.

With current expenditure deducted from current income, the gross disposable income of households amounted to €9.9 billion, representing a year-on-year increase of 1.3%. Of the disposable income, 93.9% was used for final consumption, the remainder went to gross savings, which increased year-on-year by 18.3%. This increase was also reflected in the savings rate, which rose by 1.2 percentage points year-on-year in the second quarter, to 8.8%.

EMPLOYMENT AND UNEMPLOYMENT

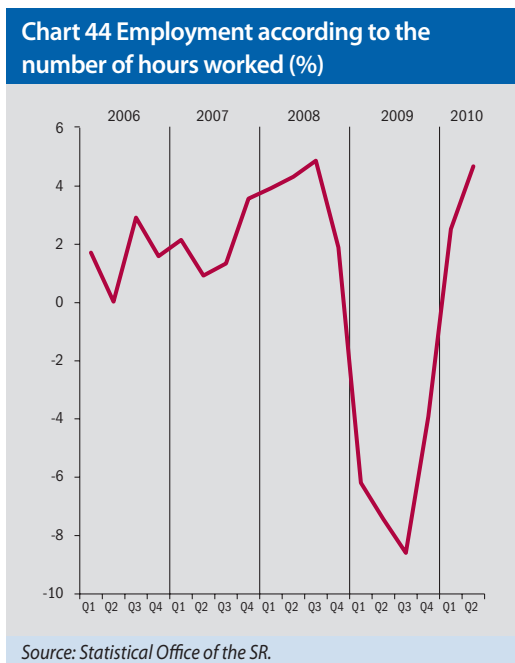
Employment levels continued to fall in the second quarter of 2010 (according to all three methodologies), albeit at a slower pace than in the previous quarter. According to statistical reports, employment declined by 1.5% year-on-year, according to the methodology of national accounts (ESA 95) by 2.3%, and according to a labour force sample survey (LFSS) by 2.8%. In terms of structure, overall employment (LFSS) was influenced in the second quarter by a decrease in the number of employees (3.0%), as well as in the number of entrepreneurs (1.5%). Seasonally adjusted employment fell by 0.3 of a percentage point quarter-on-quarter. Employment expressed in terms of the number of hours worked rose year-on-year by 4.9% in the second quarter, representing an improvement of 2.8 percentage points in dynamics compared with the previous quarter. The seasonally



Table 26 Employment and unemployment (average for the period)							
	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Employment according to statistical records thousands of persons	2,198.9	2,182.9	2,163.5	2,161.3	2,176.6	2,128.2	2,150.0
index, same period a year earlier =100	97.3	96.0	94.3	94.4	95.5	96.8	98.5
Employment according to a labour force sample survey							
thousands of persons	2,388.2	2,378.5	2,366.9	2,329.6	2,365.8	2,283.1	2,312.5
index, same period a year earlier =100	99.9	98.9	95.7	94.5	97.2	95.6	97.2
Employment according to ESA 95 thousands of persons	2,199.9	2,197.9	2,178.3	2,161.7	2,184.4	2,133.1	2,148.3
index, same period a year earlier =100	99.6	98.7	96.3	96.0	97.6	97.0	97.7
Unemployment according to a labour force sample survey							
thousands of persons	281.0	302.1	339.0	374.6	324.2	407.1	388.3
index, same period a year earlier =100	100.2	111.6	138.9	159.8	125.9	144.9	128.5
Unemployment rate according to a labour force sample survey in %	10.5	11.3	12.5	13.9	12.1	15.1	14.4
Rate of registered unemployment in % ¹⁾	9.7	11.4	12.2	12.5	11.4	12.9	12.4

Source: Statistical Office of the SR.

1) NBS calculations based on monthly data from the Centre for Labour, Social Affairs and Family.



construction, transport and storage. At the same time, employment rose year-on-year in real estate and leasing activities, education, public administration and defence.

According to a labour force sample survey, the number of unemployed increased by 28.5% year-on-year in the second quarter of 2010, representing a more modest increase than in the previous periods. This increase was also reflected in the rate of unemployment, which reached 14.4% in the second quarter (0.7 of a percentage point less than in the first quarter). According to the registers of Offices for Labour, Social Affairs and Family, the average unemployment rate in the second quarter of 2010 stood at 12.4%, which was 0.5 of a percentage point less than in the previous quarter.

FINANCIAL RESULTS OF CORPORATIONS IN THE SECOND QUARTER OF 2010

According to preliminary data from the Slovak Statistical Office, financial and non-financial corporations generated a total profit of €2,797.7 million in the second quarter of 2010. The profit was 24.2% higher than in the same period

adjusted number of hours worked increased by 1.0% quarter-on-quarter.

Broken down by sector, the decline in employment in the second quarter of 2010 (as defined in ESA 95) took place in industry,



Table 27 Developments in employment by sector (ESA 95; index, same period a year earlier = 100)

	2009					2010	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Economy in total	99.6	98.7	96.3	96.0	97.6	97.0	97.7
Agriculture, hunting	85.1	91.5	86.9	81.5	86.3	96.6	92.0
Industry	92.0	87.7	86.0	85.3	87.7	90.4	95.9
Mining and quarrying	89.5	90.6	86.7	89.1	89.0	90.2	95.2
Manufacturing	91.8	87.2	85.3	84.7	87.3	90.0	95.7
Electricity, gas, and water supply	95.6	94.8	97.0	93.0	95.1	96.6	99.4
Construction	107.6	108.7	101.3	100.2	104.3	97.1	96.8
Trade	102.9	99.7	99.5	99.2	100.3	100.2	99.9
Hotels and restaurants	97.8	102.7	101.2	102.3	101.0	97.9	93.7
Transport, storage, post and telecommunications	103.8	101.2	100.8	99.9	101.4	94.9	93.5
Financial intermediation	102.3	97.3	94.7	92.7	96.7	94.3	96.8
Real estate, renting, and business activities	105.8	109.5	101.8	103.4	105.0	101.4	101.2
Public administration and defence; compulsory social insurance	101.4	101.4	100.5	101.0	101.1	101.6	100.6
Education	101.8	101.9	102.2	102.8	102.1	100.5	100.9
Health and social care	102.7	105.9	101.2	100.0	102.4	99.0	99.0
Other community services	101.9	105.9	100.1	102.5	102.6	97.5	94.8

Source: Statistical Office of the SR.

Table 28 Financial results of corporations (EUR millions, current prices)

	Q2 2009	Q2 2010	Q2 2010
			Q2 2009
Financial results (before taxes)			Year-on-year change in %
Non-financial and financial corporations in total	2,249.0	2,797.7	24.2
of which:			
Non-financial corporations	1,966.8	2,633.5	33.6
Financial corporations	282.2	164.2	-41.8
of which:			
NBS ¹⁾	50.9	11.3	-77.9
Financial corporations, excl. NBS	231.3	152.9	-33.9

Source: Statistical Office of the SR and NBS.

1) Unaudited financial results.

a year earlier (the first quarter of 2010 saw an increase of 53.3%). This favourable development was caused mainly by the positive financial result of non-financial corporations, which increased by 33.6% year-on-year (compared with 44.5% in the first quarter). The profits of financial corporations fell by 41.8% year-on-year (after rising in the first quarter of 2010 by 119.7%).

The falling profits of financial corporations in the second quarter can be explained in particular by the weak performance of other financial intermediaries, which resulted in a loss. The profits of insurance corporations and pension funds fell by more than a half. Positive financial results were only achieved by monetary financial institutions, whose profits



Table 29 Financial results of non-financial corporations

Financial results before taxes	2nd quarter of 2010	
	Amount	Year-on-year change in absolute terms
Non-financial corporations in total	2,633.5	666.7
Agriculture, hunting, forestry, fishing, fisheries	-79.8	2.9
Industry in total	1,393.0	423.6
<i>Mining and quarrying</i>	45.1	9.9
<i>Manufacturing</i>	692.5	340.4
Manufacture of foodstuffs, beverages and tobacco	40.4	-1.2
Manufacture of textiles and textile products	2.6	5.7
Manufacture of leather and leather products	3.0	0.7
Manufacture of wood and wood products	-5.0	-3.7
Manufacture of paper and paper products, printing and reproduction	41.5	13.8
Manufacture of coke, refined petroleum products and nuclear fuel	-2.2	-18.2
Manufacture of chemicals, chemical products, and pharmaceutical products	27.9	23.0
Manufacture of rubber and plastic products	58.4	64.5
Manufacture of other non-metal mineral products	66.3	23.1
Manufacture of basic metals and metal products, except for machinery and equipment	117.3	45.7
Manufacture of computers, electronic, optical and electrical equipment	144.4	66.8
Manufacture and machinery and equipment n.e.c.	52.4	54.2
Manufacture of motor vehicles, trailers and other transport equipment	114.5	60.6
Manufacture of furniture, other goods, repair and installation of machines and instruments	31.0	5.5
<i>Electricity, gas, steam and air-conditioning supply</i>	625.8	79.2
<i>Water supply, sewerage and sewage treatment, waste management</i>	29.6	-5.9
Construction	235.1	67.8
Wholesale and retail trade, repair of motor vehicles and motorcycles	412.3	41.0
Transport, storage, post and telecommunications	126.3	93.5
Accommodation and food service activities	-0.4	5.0
Information and communication	196.5	24.9
Real estate; professional, scientific and technical activities; administration and support services	265.3	-53.2
Education	3.6	0.1
Health and social care	36.0	16.5
Arts, entertainment, recreation and other services	45.6	44.6

Source: Statistical Office of the SR.



Chart 45 Financial results of financial and non-financial corporations (absolute year-on-year changes in EUR millions)



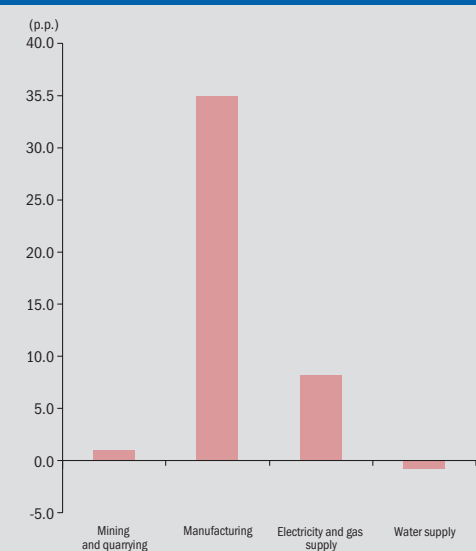
Source: Statistical Office of the SR, NBS calculations.

Chart 46 Year-on-year profit growth in non-financial corporations by sector in Q2/2010



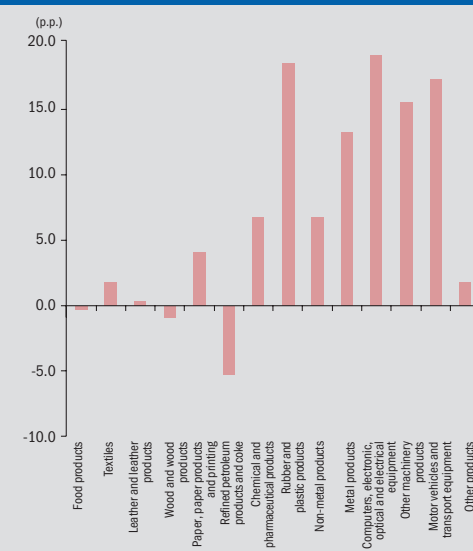
Source: NBS.

Chart 47 Year-on-year profit growth in industry by sub-sector in Q2/2010



Source: NBS.

Chart 48 Year-on-year profit growth in industry by sub-sector in Q2/2010



Source: NBS.

increased in comparison with the same period a year earlier.

The revival in economic activity continued in the second quarter, when the profits of non-financial corporations increased to €2,633.5 million (by 33.6% year-on-year). The most significant contribution to this result came from industry

(21.5 percentage points), where profits increased by as much as 43.7% year-on-year. Positive contributions also came from transport and storage (4.8 percentage points), construction (3.4 percentage points), and other sectors. Among non-financial corporations, a slightly negative contribution (-2.7 percentage points) came from the real estate sector.



The significant increase in profits in industry in the second quarter of 2010 was driven mainly by positive financial performance in manufacturing, where profits increased by 96.7% compared with the same period a year earlier. Positive contributions also came from electricity and gas supply, and from mining and quarrying. A slightly negative contribution was recorded only in water supply as a result of a year-on-year fall in profits.

The year-on-year increase in profits in manufacturing in the second quarter of 2010 was caused by positive developments in most segments. Positive developments were mainly recorded in the production of computers, optical and electronic equipment, transport vehicles, and rubber and plastic goods. Worsened financial performance was recorded only in food production, wood processing, and in the production of coke and refined oil products.



NOTES TO THE QUARTERLY FINANCIAL ACCOUNTS FOR THE SECOND QUARTER OF 2010

QUARTERLY FINANCIAL ACCOUNTS (TRANSACTIONS) FOR THE SECOND QUARTER OF 2010

LINKAGE BETWEEN QUARTERLY NON-FINANCIAL (GDP) AND FINANCIAL ACCOUNTS

Financial accounts are linked to non-financial accounts through the 'net lending/borrowing' balancing item. This item provides information about the country's overall debtor or creditor position vis-à-vis the rest of the world. In the long term, Slovakia is in a debtor position (mainly as

a result of inflows in foreign direct investment). Any decrease/increase in the Slovak economy's indebtedness is reflected in the amount of net lending/borrowing.

Net lending/borrowing by the domestic economy vis-à-vis the rest of the world is calculated from the amount of gross disposable national income, reduced by final consumption expenditure in the general government and household sectors (including NPISH). The result is total savings in the national economy. If savings in the given quarter (adjusted for net capital transfers) are higher (lower) than

Table 30 Institutional sectors and sub-sectors according to the ESA 95

Non-financial corporations	S.11
Financial corporations	S.12
The Central bank	S.121
Other monetary financial institutions	S.122 (commercial banks and money market mutual funds)
Other financial intermediaries	S.123 (other mutual funds; leasing, factoring, and hire purchase companies)
Financial auxiliaries	S.124 (PFMC, SPMC, IF, SE, CD, MFMC) ¹⁾
Insurance corporations and pension funds	S.125
General government	S.13
Central government	S.1311
Regional government	S.1312
Local government	S.1313
Social security funds	S.1314
Households	S.14
Non-profit institutions serving households (NPISH)	S.15
Rest of the world (non-residents)	S.2
European Union (EU)	S.21
EU Member States	S.211
European Monetary Union (EMU) Member States and EU institutions	S.212
Third countries and international organisations	S.22

Source: NBS.

1) PFMC – pension fund management companies, SPMC – supplementary pension asset management companies, IF – investment firms, SE – stock exchange, CD – central depository, MFMC – mutual fund management companies.



Table 31 Financial instruments according to the ESA 95 System

Monetary gold and special drawing rights	F.1 ¹⁾
Monetary gold	F.11
Special drawing rights (SDRs)	F.12
Currency and deposits	F.2
Currency	F.21
Transferable deposits	F.22
Other deposits	F.29
Securities other than shares	F.3
Securities, excluding shares and financial derivatives	F.33
Short-term	F.331
Long-term	F.332
Financial derivatives	F.34
Loans	F.4
Short-term	F.41
Long-term	F.42
Shares and other equity	F.5
Shares and other equity, excluding mutual funds shares	F.51
Quoted shares	F.511
Unquoted shares	F.512
Other equity	F.513
Mutual funds shares	F.52
Insurance technical reserves	F.6
Net equity of households in life insurance and pension funds reserves	F.61
Net equity of households in life insurance reserves	F.611
Net equity of households in pension funds reserves	F.612
Prepayments of insurance premiums and reserves for outstanding claims	F.62
Other accounts receivable/payable	F.7
Trade credits and advances	F.71
Other	F.79

Source: NBS.

1) F is the code for transactions.

gross capital formation, this means that the economy has lent (borrowed) funds to/from non-residents and thus reduced (increased) its overall debtor position vis-à-vis the rest of the world. The amount of net lending/borrowing is then entered into the quarterly financial accounts. Its utilisation within the domestic economy is analysed below.

OVERALL DEVELOPMENT

In the second quarter of 2010, the net debtor position of the domestic economy decreased, as well as the net creditor position of the

'foreign countries' sector¹⁵. This resulted in net lending² totalling €0.3 billion. This favourable development was caused by financial assets, which recorded a larger increase than financial liabilities. Among the institutional sectors³, the most significant contribution to this trend came from financial transactions in the non-financial (S.11) and financial institutions sectors (S.12), with the difference between asset-side and liability-side transactions reaching €0.8 billion and €0.2 billion respectively. On the other hand, the worst result in the second quarter of 2010 was recorded in the general government sector (S.13), the debtor position of which increased by €0.9 billion.

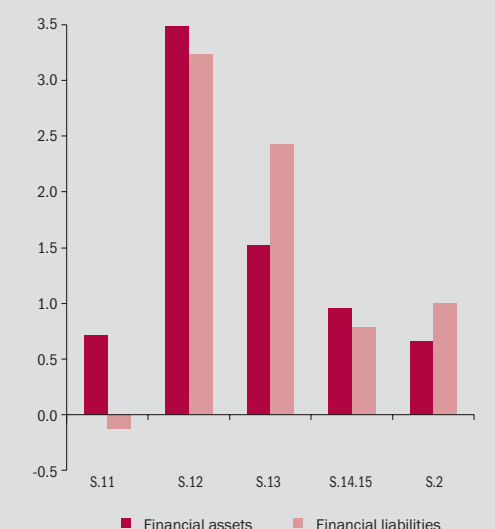
15 The sum of financial assets and liabilities in the 'domestic economy' (S.1) and 'rest of the world' (S.2) sectors must equal 0. This means that, if the domestic economy's indebtedness decreases (or its creditor position increases), the rest of the world's creditor position vis-à-vis the domestic economy will automatically decrease (or its indebtedness will increase). Whether a change occurs in a debtor or creditor position depends on the total volume of net assets, i.e. the stocks of receivables and liabilities.

16 Net lending represents a positive difference between financial assets and financial liabilities. A negative difference is an indication of net borrowing.

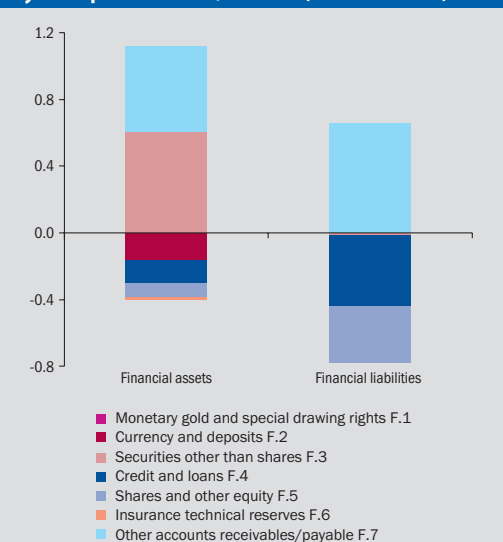
17 The detailed classification of institutional sectors with codes assigned in accordance with the ESA 95 national accounts classification is shown on page 54.

**Chart 49 Net lending (+)/ borrowing (-) by sector in Q2/2010 (EUR billions)**

Source: NBS.

Chart 50 Financial transactions by sector in Q2/2010 (EUR billions)

Source: NBS.

Chart 51 Financial assets and liabilities (transactions) of non-financial corporations by component in Q2/2010 (EUR billions)

Source: NBS.

Among corporate assets, increases occurred only in other receivables (€0.5 billion) and long-term debt securities (€0.5 billion), owing to the purchase of government bonds. An interesting development was the fall in other foreign deposits (€0.2 billion).

On the side of corporate liabilities, trade credits and advances increased (€0.4 billion) vis-à-vis abroad, as well as within the domestic economy. At the same time, short-term loans received from domestic leasing companies and from non-residents decreased by €0.5 billion, and unlisted shares held by non-residents fell by €0.3 billion.

S.12 FINANCIAL CORPORATIONS

As non-financial corporations, financial corporations (S.12) also recorded net lending in the second quarter of 2010, which took place in the central bank (S.121), other monetary financial institutions (S.122), and financial auxiliaries (S.124). Thus, the S.12 sector slightly increased its overall creditor position.

Positive balance-sheet developments were recorded by the central bank (S.121), whose assets grew at a faster pace than liabilities. The central bank purchased foreign debt securities in large amounts and its other deposits with non-resident and domestic banks also increased somewhat, as well as long-term loans provided

QUARTERLY FINANCIAL ACCOUNTS BROKEN DOWN BY INSTITUTIONAL SECTOR

S.11 NON-FINANCIAL CORPORATIONS

Non-financial corporations recorded a positive trend in the form of falling indebtedness, resulting from an increase in financial assets and a slight decrease in financial liabilities.

Chart 52 Financial assets (transactions) of non-financial corporations by sector in Q2/2010

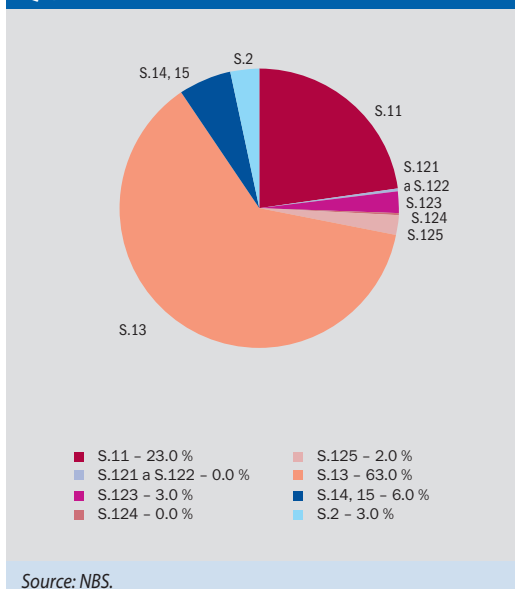


Chart 53 Financial liabilities (transactions) of non-financial corporations by sector in Q2/2010

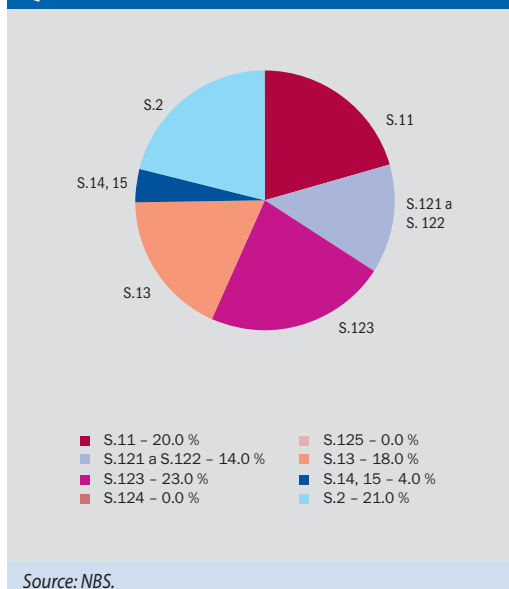
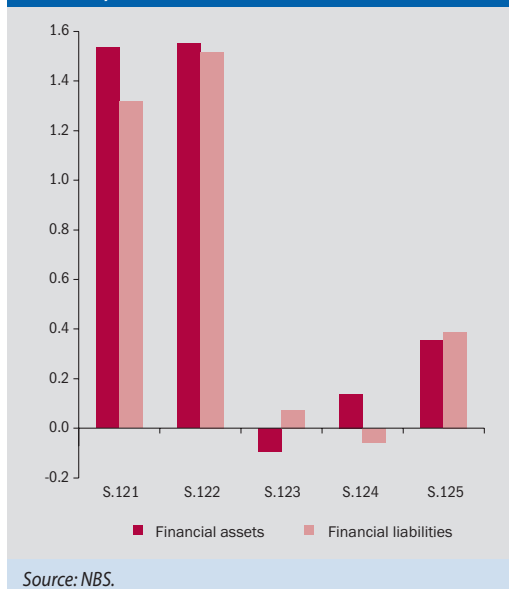


Chart 54 Net lending (+)/borrowing (-) by financial corporations in Q2/2010 (EUR billions)



Chart 55 Financial transactions of financial corporations by sub-sector in Q2/2010 (EUR billions)



to banks. The growth in liabilities was the result of growth in convertible deposits from banks and foreign entities.

Overall, other monetary financial institutions (S.122) recorded positive transactions in net terms, owing to a slightly faster growth in assets

than in liabilities. Among assets, the steepest increases took place in long-term debt securities (government bond purchases) and convertible deposits in the central bank. On the liability side, commercial banks received large deposits from both households and the central government sector.

Among financial corporations, one of the two sub-sectors that recorded negative financial transactions in the second quarter of 2010 was the S.123 sub-sector (other financial intermediaries). A noteworthy development on the asset side was a fall in short-term loans provided to non-financial corporations. At the same time, long-term debt securities and other deposits increased. Loans received and loans provided followed different trends: short-term loans from non-residents increased, while long-term loans from banks and non-residents decreased.

Financial auxiliaries (S.124) reached positive net financial assets in the second quarter of 2010, owing to an increase in assets, mainly in bank and treasury deposits, combined with a decrease in liabilities, mainly in shares owned by insurance companies and pension funds.

Another S.12 sub-sector to record net borrowing was that of insurance companies and pension funds (S.125). The increased savings of households in pension and supplementary pension funds were used primarily for the purchase of domestic government bonds. The asset side saw increased withdrawals of other deposits from domestic banks and a large increase in deposits abroad.

S.13 GENERAL GOVERNMENT

In the second quarter of 2010, the general government sector's debtor position increased by €0.9 billion, owing to increases in all sub-sectors. The largest increase took place in the central government (S.1311), whose assets grew to a lesser extent than liabilities (by €0.7 billion less). Regional self-governments (S.1313) and social security funds (S.1314) achieved €-0.1 billion in that period.

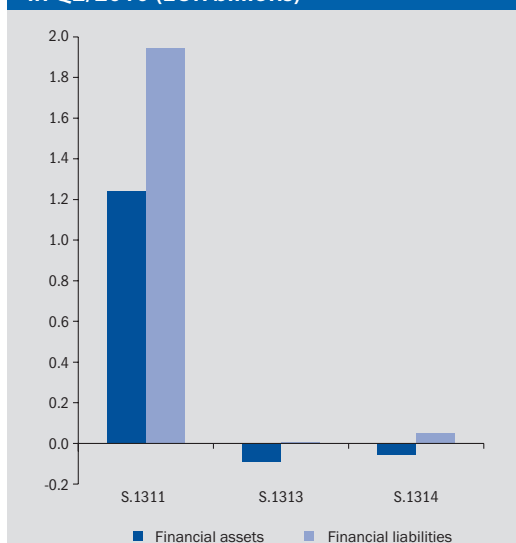
The central government sector's overall result was influenced most significantly by issues of bonds and Treasury bills in the total amount of €2.2 billion. On the asset side, bank deposits and other receivables from corporations and households increased.

Regional self-governments recorded smaller deposits and other receivables. Among liabilities, loans received decreased considerably, but this decrease was smaller than the increase in other liabilities.

S.14.15 HOUSEHOLDS AND NPISH

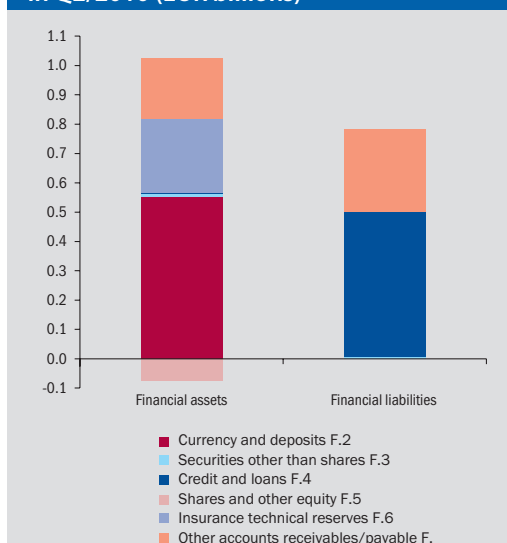
The household and NPISH sector increased its overall creditor position in the second quarter of 2010. This was the result of rapid growth in financial assets, exceeding the growth in financial liabilities.

Chart 56 Financial transactions in the general government sector by sub-sector in Q2/2010 (EUR billions)



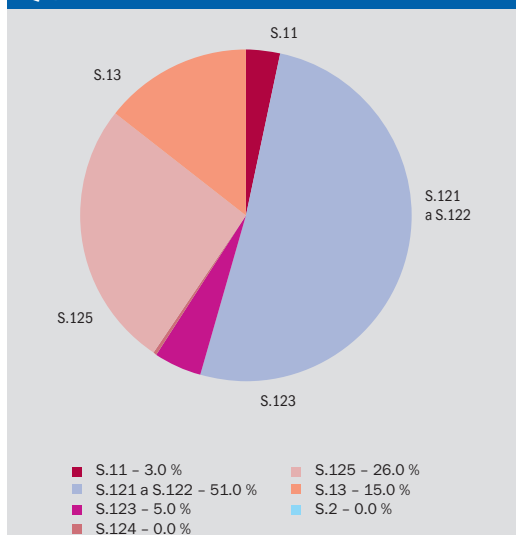
Source: NBS.

Chart 57 Financial assets and liabilities (transactions) of households and NPISH in Q2/2010 (EUR billions)



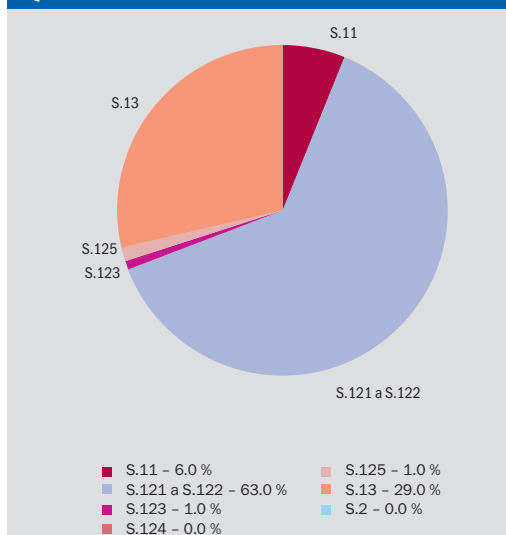
Source: NBS.

Chart 58 Financial assets (transactions) of households and NPISH by sector in Q2/2010



Source: NBS.

Chart 59 Financial liabilities (transactions) of households and NPISH by sector in Q2/2010



Source: NBS.

Among assets, increases were mainly recorded in deposits and pension savings. On the liability side, household indebtedness grew mainly in the form of long-term loans and other liabilities.

The composition of assets by sector was dominated by transactions with insurance corporations, pension/supplementary pension funds and banks, owing to increases in the volumes of pension savings and savings on bank accounts. On the liabilities side, negative developments were mostly caused by transactions with monetary financial institutions and with the central government.

S.2 REST OF THE WORLD

The overall creditor position of the 'rest of the world' sector in relation to domestic sectors decreased, as a result of more dynamic growth in liabilities than in assets.

Liabilities were dominated by an increase in long-term debt securities held by the central bank. Among assets, the most significant increases took place in bank deposits, government bonds, trade credits and advances to enterprises.



NÁRODNÁ BANKA SLOVENSKA
EUROSYSTEM

STATISTICS

**1 OVERVIEW OF MAIN MACROECONOMIC INDICATORS FOR THE SR****TABLE 1 Selected economic and monetary indicators for the SR***(annual percentage changes, unless otherwise indicated)*

	Gross domestic product	HICP	Industrial producer prices	Employment ESA 95	Unemployment rate (%)	Industrial production index	Total receipts of sectors	Economic sentiment indicator (long-term average =100)	M3 for analytical purposes ¹⁾	Loans to non-financial corporations	Loans to households	State budget balance (EUR mil.)	General government balance as % of GDP	Debt ratio (general government gross debt as % of GDP)	Current account (% GDP)	Balance of trade (% GDP)	USD/EUR exchange rate
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2006	8.5	4.3	6.4	2.3	13.3	15.6	-	110.6	15.3	-	-	-1,052.2	-3.45	30.44	-7.72	-4.54	1.2556
2007	10.6	1.9	1.8	2.1	11.0	16.9	-	112.5	12.9	25.6	28.6	-780.1	-1.86	29.35	-5.32	-1.15	1.3705
2008	6.2	3.9	6.1	2.8	9.6	3.2	-	97.7	4.9	15.5	25.3	-703.8	-2.19	27.64	-6.60	-1.13	1.4708
2009	-4.7	0.9	-2.5	-2.4	12.1	-13.7	-18.8	77.2	-2.8	-3.3	11.0	-2,791.3	-6.77	35.70	-3.19	1.87	1.3948
2009 Q1	-5.7	2.3	2.0	-0.4	10.5	-21.5	-20.8	73.7	0.0	9.5	21.9	-204.6	-	-	-5.25	-1.64	1.3029
2009 Q2	-5.5	1.1	-2.2	-1.3	11.3	-20.6	-22.5	69.1	-1.1	3.0	17.2	-1,108.4	-	-	-0.95	3.00	1.3632
2009 Q3	-4.9	0.4	-4.6	-3.7	12.5	-12.7	-19.1	78.5	-4.1	-0.5	13.5	-1,360.2	-	-	-2.51	2.94	1.4303
2009 Q4	-2.6	0.0	-5.4	-4.0	13.9	1.3	-12.1	87.3	-2.8	-3.3	11.0	-2,791.3	-	-	-4.18	2.86	1.4779
2010 Q1	4.8	0.0	-6.3	-3.0	15.1	19.7	4.3	94.8	2.8	-4.2	10.7	-983.5	-	-	-1.62	2.06	1.3829
2010 Q2	4.7	0.7	-3.1	-2.3	14.4	24.3	9.7	96.1	5.1	-3.1	10.9	-2,439.3	-	-	-1.14	3.22	1.2708
2009 Aug.	-	0.5	-4.6	-	12.1	-8.7	-17.3	77.9	-3.0	-0.1	14.6	-1,206.3	-	-	-	-	1.4268
2009 Sep.	-	0.0	-5.2	-	12.5	-7.4	-18.4	81.2	-4.1	-0.5	13.5	-1,360.2	-	-	-	-	1.4562
2009 Oct.	-	-0.1	-5.8	-	12.4	-6.2	-17.4	83.9	-3.4	-1.5	12.1	-1,537.2	-	-	-	-	1.4816
2009 Nov.	-	0.0	-5.6	-	12.4	1.4	-10.4	85.8	-3.7	-2.0	11.4	-1,576.2	-	-	-	-	1.4910
2009 Dec.	-	0.0	-4.9	-	12.7	11.8	-7.8	92.2	-2.8	-3.3	11.0	-2,791.3	-	-	-	-	1.4614
2010 Jan.	-	-0.2	-5.4	-	12.9	20.2	2.3	92.4	-1.1	-3.0	11.4	22.8	-	-	-	-	1.4272
2010 Feb.	-	-0.2	-7.4	-	13.0	20.4	4.3	93.3	1.7	-3.7	10.8	-780.3	-	-	-	-	1.3686
2010 Mar.	-	0.3	-6.1	-	12.9	18.8	6.1	98.7	2.8	-4.2	10.7	-983.5	-	-	-	-	1.3569
2010 Apr.	-	0.7	-4.4	-	12.5	20.6	8.8	95.4	5.0	-4.5	10.6	-1,479.9	-	-	-	-	1.3406
2010 May	-	0.7	-3.1	-	12.2	28.7	10.8	94.3	4.9	-3.4	10.8	-2,077.8	-	-	-	-	1.2565
2010 June	-	0.7	-1.9	-	12.3	23.5	10.2	98.6	5.1	-3.1	10.9	-2,439.3	-	-	-	-	1.2208
2010 July	-	1.0	-0.7	-	12.3	16.8	6.6	99.6	5.5	-2.1	10.7	-2,407.9	-	-	-	-	1.2770
2010 Aug.	-	1.1	.	-	.	.	.	97.9	.	.	.	-2,822.5	-	-	-	-	1.2894

Source: Statistical Office of the Slovak Republic, MF of the SR, NBS, the European Commission.

1) Currency in circulation in M3 aggregate refers to the currency held by households (according to methodology applied up to end-2008).

2) Flash estimate of Statistical Office of the SR.



2 MONETARY AND BANKING STATISTICS

TABLE 2 Key ECB interest rates

(levels in percentages per annum, unless otherwise indicated)

	Deposit facility	Change (p.p.)	Main refinancing operations				Marginal lending facility	Change (p.p.)
			Fixed rate tenders		Variable rate tenders			
			Fixed rate	Change (p.p.)	Minimum bid rate	Change (p.p.)		
With effect from	1	2	3	4	5	6	7	8
1.1.1999	2.00	-	3.00	-	-	-	4.50	-
4.1.1999 ¹⁾	2.75	0.75	3.00	0.00	-	-	3.25	-1.25
22.1.1999	2.00	-0.75	3.00	0.00	-	-	4.50	1.25
9.4.1999	1.50	-0.50	2.50	-0.50	-	-	3.50	-1.00
5.11.1999	2.00	0.50	3.00	0.50	-	-	4.00	0.50
4.2.2000	2.25	0.25	3.25	0.25	-	-	4.25	0.25
17.3.2000	2.50	0.25	3.50	0.25	-	-	4.50	0.25
28.4.2000	2.75	0.25	3.75	0.25	-	-	4.75	0.25
9.6.2000	3.25	0.50	4.25	0.50	-	-	5.25	0.50
28.6.2000 ²⁾	3.25	0.00	-	-	4.25	0.00	5.25	0.00
1.9.2000	3.50	0.25	-	-	4.50	0.25	5.50	0.25
6.10.2000	3.75	0.25	-	-	4.75	0.25	5.75	0.25
11.5.2001	3.50	-0.25	-	-	4.50	-0.25	5.50	-0.25
31.8.2001	3.25	-0.25	-	-	4.25	-0.25	5.25	-0.25
18.9.2001 ³⁾	2.75	-0.50	-	-	3.75	-0.50	4.75	-0.50
9.11.2001	2.25	-0.50	-	-	3.25	-0.50	4.25	-0.50
6.12.2002	1.75	-0.50	-	-	2.75	-0.50	3.75	-0.50
7.3.2003	1.50	-0.25	-	-	2.50	-0.25	3.50	-0.25
6.6.2003	1.00	-0.50	-	-	2.00	-0.50	3.00	-0.50
6.12.2005	1.25	0.25	-	-	2.25	0.25	3.25	0.25
8.3.2006	1.50	0.25	-	-	2.50	0.25	3.50	0.25
15.6.2006	1.75	0.25	-	-	2.75	0.25	3.75	0.25
9.8.2006	2.00	0.25	-	-	3.00	0.25	4.00	0.25
11.10.2006	2.25	0.25	-	-	3.25	0.25	4.25	0.25
13.12.2006	2.50	0.25	-	-	3.50	0.25	4.50	0.25
14.3.2007	2.75	0.25	-	-	3.75	0.25	4.75	0.25
13.6.2007	3.00	0.25	-	-	4.00	0.25	5.00	0.25
9.7.2008	3.25	0.25	-	-	4.25	0.25	5.25	0.25
8.10.2008	2.75	-0.50	-	-	-	-	4.75	-0.50
9.10.2008 ⁴⁾	3.25	0.50	-	-	-	-	4.25	-0.50
15.10.2008 ⁵⁾	3.25	0.00	3.75	-0.50	-	-	4.25	0.00
12.11.2008	2.75	-0.50	3.25	-0.50	-	-	3.75	-0.50
10.12.2008	2.00	-0.75	2.50	-0.75	-	-	3.00	-0.75
21.1.2009	1.00	-1.00	2.00	-0.50	-	-	3.00	0.00
11.3.2009	0.50	-0.50	1.50	-0.50	-	-	2.50	-0.50
8.4.2009	0.25	-0.25	1.25	-0.25	-	-	2.25	-0.25
13.5.2009	0.25	0.00	1.00	-0.25	-	-	1.75	-0.50

Source: ECB.

1) On 22 December 1998 the ECB announced that, as an exceptional measure between 4 and 21 January 1999, a narrow corridor of 50 basis points would be applied between the interest rates for the marginal lending facility and the deposit facility, aimed at facilitating the transition to the new regime by market participants.

2) On 8 June 2000 the ECB announced that, starting from the operation to be settled on 28 June 2000, the main refinancing operations of the Eurosystem would be conducted as variable rate tenders. The minimum bid rate refers to the minimum interest rate at which counterparties may place their bids.

3) The change of 18 September 2001 was effective for the main refinancing operation on that same day.

4) As of 9 October 2008 the ECB reduced the standing facilities corridor from 200 basis points to 100 basis points around the interest rate on the main refinancing operations.

5) On 8 October 2008 the ECB announced that, starting from the operation to be settled on 15 October, the weekly main refinancing operations would be carried out through a fixed-rate tender procedure with full allotment at the interest rate on the main refinancing operations. This change overrode the previous decision (made on the same day) to cut by 50 basis points the minimum bid rate on the main refinancing operations conducted as variable rate tenders.



TABLE 3 Interest rates on loans and deposits (new business)

Interest rates on deposits (new business)
(percentages per annum)

	Deposits by households						Deposits by non-financial corporations				Repos
	Overnight	Agreed maturity			Redeemable at notice		Overnight	Agreed maturity			
		up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months		up to 1 year	over 1 year and up to 2 years	over 2 years	
	1	2	3	4	5	6	7	8	9	10	11
2005 Dec.	0.41	1.91	-	1.79	0.96	1.10	0.64	2.55	0.99	0.67	-
2006 Dec.	0.50	3.92	3.98	3.61	1.55	1.97	1.32	4.39	3.28	2.62	-
2007 Dec.	0.47	3.28	3.58	2.20	1.44	2.05	0.78	3.60	3.79	2.30	-
2008 Dec.	0.58	3.12	4.37	2.49	1.70	2.63	0.47	2.14	4.04	2.04	-
2009 Aug.	0.33	1.24	2.49	2.55	0.67	1.56	0.14	0.48	1.07	2.32	-
2009 Sept.	0.31	1.36	2.74	2.93	0.62	1.54	0.13	0.53	1.08	3.01	-
2009 Oct.	0.31	1.30	2.60	3.11	0.59	1.54	0.12	0.41	1.69	3.06	-
2009 Nov.	0.32	1.64	2.59	2.88	0.63	1.55	0.12	0.46	1.68	2.80	-
2009 Dec.	0.34	1.88	2.47	3.11	0.71	1.55	0.12	0.48	1.77	2.96	-
2010 Jan.	0.38	1.97	2.54	3.03	0.71	1.54	0.12	0.44	2.03	2.88	-
2010 Feb.	0.38	1.68	2.47	2.82	0.73	1.55	0.12	0.44	2.09	1.60	-
2010 Mar.	0.38	1.55	2.35	2.46	0.69	1.51	0.11	0.50	1.83	2.52	-
2010 Apr.	0.37	1.73	2.25	1.96	0.71	1.52	0.11	0.47	2.73	2.27	-
2010 May	0.36	1.46	2.29	2.38	0.69	1.52	0.11	0.44	1.68	1.75	-
2010 June	0.36	1.36	1.91	2.30	0.71	1.53	0.12	0.44	1.63	2.37	-
2010 July	0.35	1.28	2.20	2.25	0.75	1.54	0.11	0.59	1.71	1.41	-

Interest rates on loans to households (new business)
(percentages per annum)

	Total ²⁾	Current account overdrafts and credit cards	Consumer loans				Loans for house purchase					Other loans		
			Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years	Annual percentage rate of charge	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years and up to 10 years	IRF ¹⁾ of over 10 years	Annual percentage rate of charge	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2005 Dec.	7.38	10.93	10.68	15.76	9.09	13.73	4.92	5.77	6.46	7.99	5.47	8.49	9.75	7.40
2006 Dec.	8.36	14.10	12.04	15.68	12.55	15.19	6.81	6.36	7.43	7.45	7.24	7.26	7.26	6.39
2007 Dec.	7.52	14.34	10.08	16.20	14.12	14.91	5.80	6.16	7.34	7.41	6.40	6.65	6.93	6.77
2008 Dec.	7.92	14.36	7.70	15.49	15.20	15.37	6.31	6.45	7.11	7.92	6.75	6.11	7.01	6.72
2009 Aug.	7.50	13.74	7.80	15.35	14.66	15.80	5.46	5.95	8.25	8.41	6.02	5.85	6.76	5.87
2009 Sept.	7.59	13.83	8.19	15.00	14.06	16.30	5.37	5.89	8.28	8.60	6.04	6.18	7.39	5.58
2009 Oct.	7.81	14.31	7.95	14.92	15.09	15.96	5.37	5.78	8.36	8.83	6.04	6.26	6.43	6.17
2009 Nov.	7.81	14.34	7.84	15.42	15.11	16.01	5.36	5.61	7.41	8.81	5.81	5.23	6.67	6.52
2009 Dec.	7.42	14.35	7.11	15.47	15.18	15.71	5.26	5.57	8.19	10.29	5.79	5.46	6.46	4.46
2010 Jan.	7.13	14.62	7.10	14.53	14.04	14.73	5.09	5.58	7.85	7.65	5.86	6.36	6.40	6.51
2010 Feb.	7.45	14.70	8.14	14.34	14.44	15.67	5.01	5.61	8.69	7.77	5.87	6.07	6.08	6.26
2010 Mar.	7.30	14.60	6.66	13.37	15.04	15.17	5.04	5.65	6.84	7.37	5.84	5.85	6.20	5.98
2010 Apr.	6.97	14.51	6.94	13.67	14.10	14.44	4.96	5.46	5.68	7.43	5.76	6.21	5.67	5.53
2010 May	6.77	14.51	8.16	14.83	14.03	15.35	4.81	5.44	5.73	7.25	5.71	6.08	5.82	5.24
2010 June	6.77	14.51	7.19	14.90	14.08	15.28	4.76	5.31	5.63	7.67	5.65	5.43	5.73	5.44
2010 July	7.00	14.49	7.60	15.02	14.47	15.74	4.84	5.29	5.83	7.08	5.72	6.15	5.76	5.78

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.



TABLE 3 Interest rates on loans and deposits (new business)

Interest rates on loans to non-financial corporations (new business)
(percentages per annum)

	Total ²⁾	Current account overdrafts and credit cards	Loans of up to 1 mil. EUR			Loans of over 1 mil. EUR		
			Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years
	1	2	3	4	5	6	7	8
2005 Dec.	4.53	4.93	5.05	5.92	6.20	4.05	3.81	5.34
2006 Dec.	5.89	6.62	6.33	7.18	6.52	5.60	6.43	5.73
2007 Dec.	5.52	5.67	6.07	5.87	6.28	5.39	5.86	4.54
2008 Dec.	4.56	4.83	4.93	8.11	6.50	4.07	6.53	7.58
2009 Aug.	3.80	3.32	5.23	5.88	5.73	2.76	6.30	6.09
2009 Sep.	3.05	3.33	3.71	5.70	5.34	2.37	10.76	6.91
2009 Oct.	3.18	3.31	3.65	5.98	5.98	2.70	10.00	2.44
2009 Nov.	3.14	3.33	3.85	5.70	5.18	2.80	5.96	4.78
2009 Dec.	3.02	3.31	3.70	4.08	4.72	2.57	7.39	-
2010 Jan.	2.70	3.32	3.60	5.25	7.01	2.54	8.46	-
2010 Feb.	2.73	3.34	3.64	5.27	5.34	2.49	5.52	-
2010 Mar.	3.01	3.33	3.94	4.22	5.11	2.87	-	-
2010 Apr.	3.07	3.40	3.79	4.06	5.92	2.92	2.94	4.63
2010 May	3.57	3.41	3.64	4.80	4.85	3.49	3.07	7.55
2010 June	3.10	3.40	3.79	4.44	4.11	2.84	2.70	10.23
2010 July	3.57	3.43	3.93	4.97	6.02	3.59	3.78	4.23

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.



TABLE 4 Monetary aggregates and counterparts of M3¹⁾

(EUR mil.; outstanding amounts at end-of-period;)

						M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents	Loans	Net external assets
	Currency	M1	M2-M1	M2	M3-M2						
	1	2	3	4	5	6	7	8	9	10	11
		Outstanding amounts									
2005	3,977.8	16,126.5	9,929.4	26,055.9	1,541.5	27,597.4	6,339.4	9,077.2	17,318.6	16,845.2	8,677.8
2006	4,354.1	18,280.6	11,864.8	30,145.4	1,666.1	31,811.5	5,575.6	8,457.3	21,275.6	20,830.6	8,496.1
2007	4,704.0	20,666.5	13,025.8	33,692.4	2,247.5	35,939.8	6,061.9	8,685.6	26,066.5	25,569.2	8,703.5
2008	1,600.6	19,115.9	16,435.6	35,551.5	2,122.3	37,673.8	6,611.2	9,037.1	30,076.8	29,470.7	5,845.7
2008 Q1	4,541.9	19,602.3	13,901.7	33,504.0	2,612.4	36,116.5	5,908.1	7,465.7	27,222.6	26,646.5	8,041.3
2008 Q2	4,385.6	19,767.4	13,870.1	33,637.4	2,816.6	36,454.1	4,812.1	7,536.9	28,397.3	27,776.3	6,223.2
2008 Q3	4,074.0	19,149.5	14,998.5	34,148.0	2,727.8	36,875.8	5,657.3	7,865.2	29,551.3	28,917.2	6,523.2
2008 Q4	1,600.6	19,115.9	16,435.6	35,551.5	2,122.3	37,673.8	6,611.2	9,037.1	30,076.8	29,470.7	5,845.7

Monetary aggregates and counterparts of M3 – contribution of domestic MFI to monetary aggregates and counterparts of the euro area²⁾

(EUR mil.; outstanding amounts at end-of-period;)

						M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents		Net external assets
	Currency	M1	M2-M1	M2	M3-M2					Loans	
	1	2	3	4	5	6	7	8	9	10	11
		Outstanding amounts									
2006	4,278	18,305	11,896	30,200	1,212	31,412	2,789	12,180	21,736	20,902	4,028
2007	4,620	20,791	13,191	33,982	1,509	35,491	2,488	14,726	26,781	25,793	4,390
2008	1,427	19,096	16,914	36,010	902	36,912	2,379	15,083	30,866	29,996	977
2009	6,984	24,478	13,344	37,821	1,050	38,872	1,999	13,794	32,341	30,259	5,302
2008 Q4	1,427	19,096	16,914	36,010	902	36,912	2,379	15,083	30,866	29,996	977
2009 Q1	6,485	22,677	15,907	38,584	937	39,522	1,657	13,642	31,477	30,197	3,749
2009 Q2	6,645	23,495	14,772	38,267	401	38,668	1,386	14,586	31,888	30,197	4,231
2009 Q3	6,665	23,121	14,450	37,571	224	37,795	1,652	14,490	32,336	30,482	5,848
2009 Q4	6,984	24,478	13,344	37,821	1,050	38,872	1,999	13,794	32,341	30,259	5,302
2010 Q1	6,927	24,052	12,939	36,991	2,053	39,044	2,007	15,163	32,417	30,310	5,069
2009 Aug.	6,690	22,926	15,014	37,940	306	38,245	1,368	14,228	32,438	30,440	5,327
2009 Sep.	6,665	23,121	14,450	37,571	224	37,795	1,652	14,490	32,336	30,482	5,848
2009 Oct.	6,697	22,883	14,413	37,296	262	37,558	1,551	13,622	32,592	30,515	5,731
2009 Nov.	6,770	23,570	13,631	37,201	670	37,871	1,337	13,507	32,662	30,625	5,595
2009 Dec.	6,984	24,478	13,344	37,821	1,050	38,872	1,999	13,794	32,341	30,259	5,302
2010 Jan.	6,798	23,500	13,455	36,955	1,302	38,256	2,015	14,413	32,364	30,374	5,014
2010 Feb.	6,819	23,783	13,412	37,194	1,679	38,874	1,561	14,645	32,286	30,312	5,025
2010 Mar.	6,927	24,052	12,939	36,991	2,053	39,044	2,007	15,163	32,417	30,310	5,069
2010 Apr.	6,946	24,001	13,470	37,472	2,268	39,740	1,981	15,475	32,399	30,261	5,261
2010 May	7,002	24,796	13,242	38,038	2,010	40,048	2,124	16,401	32,600	30,482	5,596
2010 June	7,065	24,891	12,447	37,338	2,010	39,348	1,872	17,097	32,699	30,605	5,475
2010 July	7,167	24,635	12,656	37,291	1,995	39,287	2,141	16,406	32,728	30,832	4,562

Source: NBS.

Notes:

- 1) Data before 2009 (before Slovakia's entry into the euro area) refer to statistical records of Slovak monetary aggregates converted from the Slovak koruna to the euro (1 EUR = 30.1260 SKK).
2) Data from January 2009 onwards (after Slovakia's entry into the euro area as at 1 January 2009) refer to Slovakia's contributions to EMU monetary aggregates. The volume of currency, based on the set ECB key corresponds to the volume of banknotes based on the NBS share in the total issue of banknotes in the euro area.



TABLE 5 Deposits

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations						Households					
	Total	Overnight	With agreed maturity		Redeemable at notice		Total	Overnight	With agreed maturity		Redeemable at notice	
			up to 2 years	over 2 years	up to 3 months	over 3 months			up to 2 years	over 2 years	up to 3 months	over 3 months
	1	2	3	4	5	6	7	8	9	10	11	12
	Outstanding amounts											
2005	8,798.6	5,373.6	3,411.2	8.8	4.6	0.3	13,504.3	5,722.8	4,509.3	1,864.7	485.1	922.3
2006	9,932.8	6,056.7	3,850.2	19.6	5.9	0.4	15,565.7	6,210.6	5,982.4	2,187.0	378.2	807.5
2007	11,021.7	7,041.2	3,951.0	23.3	5.5	0.7	17,608.8	7,215.7	6,893.7	2,405.5	315.3	778.7
2008	10,770.7	7,060.1	3,683.8	24.2	2.3	0.4	22,905.3	8,533.2	10,767.6	2,529.7	298.3	776.5
2009	9,164.7	6,655.4	2,458.1	40.1	10.6	0.5	22,446.1	9,113.7	8,160.7	3,732.5	656.6	782.6
2008 Q4	10,770.7	7,060.1	3,683.8	24.2	2.3	0.4	22,905.3	8,533.2	10,767.6	2,529.7	298.3	776.5
2009 Q1	8,654.6	5,694.9	2,925.2	30.9	3.2	0.4	22,925.9	8,596.8	10,648.4	2,607.9	288.8	784.0
2009 Q2	8,363.9	5,920.4	2,403.5	37.4	2.2	0.5	22,715.6	8,810.7	10,137.3	2,601.4	384.5	781.8
2009 Q3	8,575.8	5,744.6	2,787.0	40.3	3.4	0.5	22,318.5	8,740.0	9,463.1	2,863.5	477.5	774.3
2009 Q4	9,164.7	6,655.4	2,458.1	40.1	10.6	0.5	22,446.1	9,113.7	8,160.7	3,732.5	656.6	782.6
2010 Q1	8,664.8	6,183.4	2,419.2	47.3	14.3	0.6	22,634.8	9,439.8	7,786.2	4,065.1	555.1	788.6
2009 Aug.	8,611.3	5,618.3	2,951.9	38.2	2.5	0.5	22,497.1	8,789.3	9,754.9	2,712.7	463.8	776.4
2009 Sep.	8,575.8	5,744.6	2,787.0	40.3	3.4	0.5	22,318.5	8,740.0	9,463.1	2,863.5	477.5	774.3
2009 Oct.	8,466.1	5,649.5	2,778.9	32.3	5.0	0.5	22,246.6	8,783.4	9,168.3	3,031.0	489.8	774.1
2009 Nov.	8,573.1	5,918.6	2,614.4	29.9	9.7	0.5	22,159.1	8,899.9	8,662.5	3,319.1	498.6	779.0
2009 Dec.	9,164.7	6,655.4	2,458.1	40.1	10.6	0.5	22,446.1	9,113.7	8,160.7	3,732.5	656.6	782.6
2010 Jan.	8,523.2	5,964.0	2,502.1	42.9	13.7	0.6	22,561.1	9,260.6	8,048.7	3,900.3	568.9	782.6
2010 Feb.	8,571.3	5,923.3	2,588.5	45.3	13.5	0.6	22,697.5	9,403.0	7,887.1	4,059.6	562.5	785.4
2010 Mar.	8,664.8	6,183.4	2,419.2	47.3	14.3	0.6	22,634.8	9,439.8	7,786.2	4,065.1	555.1	788.6
2010 Apr.	8,914.2	5,965.4	2,882.7	48.2	17.3	0.6	22,729.1	9,593.7	7,612.6	4,179.8	548.3	794.7
2010 May	9,245.2	6,377.3	2,799.8	49.0	18.6	0.6	22,883.8	9,789.3	7,516.5	4,234.3	542.9	800.8
2010 June	8,708.6	6,201.3	2,424.8	62.0	19.8	0.6	23,049.5	9,972.3	7,462.7	4,265.6	545.4	803.5
2010 July	8,619.9	6,077.8	2,461.4	62.4	17.8	0.5	23,078.3	10,011.1	7,402.5	4,307.9	552.0	804.7

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



TABLE 5 Deposits

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations						Households					
	Total	Overnight	With agreed maturity		Redeemable at notice		Total	Overnight	With agreed maturity		Redeemable at notice	
			up to 2 years	over 2 years	up to 3 months	over 3 months			up to 2 years	over 2 years	up to 3 months	over 3 months
	1	2	3	4	5	6	7	8	9	10	11	12
	Transactions											
2006	1,134.3	683.0	439.1	10.8	1.3	0.1	2,061.4	487.8	1,473.1	322.3	-107.0	-114.8
2007	1,088.8	984.5	100.7	3.7	-0.4	0.3	2,043.1	1,005.1	911.3	218.4	-62.9	-28.8
2008	-251.0	18.9	-267.2	0.8	-3.2	-0.3	5,296.5	1,317.5	3,873.9	124.2	-17.0	-2.1
2009	-1,606.0	-404.6	-1,225.7	15.9	8.3	0.1	-459.2	580.5	-2,606.9	1,202.8	358.3	6.1
2008 Q4	758.8	1,104.3	-342.8	-2.4	-0.3	0.0	3,489.3	799.2	2,577.8	75.1	10.6	26.7
2009 Q1	-2,116.1	-1,365.2	-758.6	6.7	0.9	0.1	20.6	63.6	-119.2	78.2	-9.5	7.5
2009 Q2	-290.7	225.5	-521.7	6.5	-1.0	0.0	-210.3	213.9	-511.2	-6.5	95.7	-2.2
2009 Q3	211.9	-175.8	383.5	2.9	1.2	0.0	-397.2	-70.7	-674.1	262.2	93.0	-7.5
2009 Q4	588.8	910.8	-328.9	-0.2	7.2	0.0	127.7	373.7	-1,302.4	868.9	179.1	8.4
2010 Q1	-499.9	-472.1	-38.9	7.2	3.8	0.1	188.7	326.1	-374.5	332.6	-101.4	5.9
2009 Aug.	291.9	-189.7	480.2	1.2	0.3	0.0	-135.0	-10.2	-226.7	80.9	24.6	-3.5
2009 Sep.	-35.5	126.3	-164.8	2.1	0.9	0.0	-178.6	-49.3	-291.8	150.9	13.7	-2.1
2009 Oct.	-109.7	-95.1	-8.1	-8.1	1.6	0.0	-71.8	43.4	-294.8	167.5	12.3	-0.2
2009 Nov.	107.0	269.1	-164.5	-2.3	4.7	0.0	-87.6	116.5	-505.9	288.1	8.9	4.8
2009 Dec.	591.6	736.8	-156.3	10.2	0.9	0.0	287.1	213.8	-501.7	413.4	158.0	3.7
2010 Jan.	-641.4	-691.4	44.0	2.8	3.1	0.1	114.9	146.8	-112.0	167.8	-87.7	0.0
2010 Feb.	48.0	-40.7	86.4	2.4	-0.1	0.0	136.5	142.5	-161.6	159.3	-6.4	2.8
2010 Mar.	93.5	260.0	-169.3	1.9	0.8	0.0	-62.7	36.8	-100.9	5.5	-7.3	3.2
2010 Apr.	249.4	-218.0	463.5	0.9	3.0	0.0	94.3	153.9	-173.6	114.7	-6.8	6.1
2010 May	331.0	411.9	-82.9	0.8	1.3	0.0	154.7	195.6	-96.1	54.5	-5.4	6.1
2010 June	-536.6	-175.9	-374.9	13.0	1.3	0.0	165.7	183.1	-53.8	31.4	2.5	2.7
2010 July	-88.7	-123.6	36.5	0.4	-2.0	-0.1	28.8	38.8	-60.2	42.3	6.6	1.3

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



TABLE 5 Deposits

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations						Households					
	Total	Overnight	With agreed maturity		Redeemable at notice		Total	Overnight	With agreed maturity		Redeemable at notice	
			up to 2 years	over 2 years	up to 3 months	over 3 months			up to 2 years	over 2 years	up to 3 months	over 3 months
	1	2	3	4	5	6	7	8	9	10	11	12
	Growth rates											
2006	12.9	12.7	12.9	122.2	28.2	25.2	15.3	8.5	32.7	17.3	-22.0	-12.4
2007	11.0	16.3	2.6	18.9	-7.1	69.9	13.1	16.2	15.2	10.0	-16.6	-3.6
2008	-2.3	0.3	-6.8	3.6	-58.5	-44.3	30.1	18.3	56.2	5.2	-5.4	-0.3
2009	-14.9	-5.7	-33.3	65.8	364.7	27.6	-2.0	6.8	-24.2	47.5	120.1	0.8
2008 Q4	-2.3	0.3	-6.8	3.6	-58.5	-44.3	30.1	18.3	56.2	5.2	-5.4	-0.3
2009 Q1	-14.5	-8.3	-24.6	33.3	10.5	-3.3	26.5	17.3	45.4	8.8	-5.6	1.8
2009 Q2	-13.9	-2.3	-33.7	25.8	-33.2	-2.6	21.4	13.6	33.8	11.7	31.4	2.4
2009 Q3	-14.3	-3.5	-30.8	51.6	29.7	16.2	14.9	13.0	15.5	16.7	66.0	3.3
2009 Q4	-14.9	-5.7	-33.3	65.8	364.7	27.6	-2.0	6.8	-24.2	47.5	120.1	0.8
2010 Q1	0.1	8.6	-17.3	53.2	348.0	34.6	-1.3	9.8	-26.9	55.9	92.2	0.6
2009 Aug.	-14.1	2.3	-34.4	64.6	-9.6	15.5	17.1	12.8	21.0	17.0	59.2	2.8
2009 Sep.	-14.3	-3.5	-30.8	51.6	29.7	16.2	14.9	13.0	15.5	16.7	66.0	3.3
2009 Oct.	-9.9	-2.1	-22.7	40.8	125.4	19.0	11.0	12.4	5.1	22.7	71.1	3.7
2009 Nov.	-11.2	-4.0	-24.4	28.1	343.7	17.5	7.1	14.7	-8.2	34.4	75.2	5.3
2009 Dec.	-14.9	-5.7	-33.3	65.8	364.7	27.6	-2.0	6.8	-24.2	47.5	120.1	0.8
2010 Jan.	-5.3	-3.0	-11.2	29.3	527.0	34.4	-1.8	9.5	-26.2	54.0	92.2	0.5
2010 Feb.	-4.1	1.3	-15.3	50.4	366.6	33.7	-1.9	9.9	-27.6	56.1	91.4	0.4
2010 Mar.	0.1	8.6	-17.3	53.2	348.0	34.6	-1.3	9.8	-26.9	55.9	92.2	0.6
2010 Apr.	4.7	9.7	-5.2	59.8	616.4	32.7	-0.8	9.1	-27.3	62.6	91.7	1.2
2010 May	4.5	9.7	-6.6	59.4	645.5	33.1	0.4	10.4	-26.5	63.4	76.4	2.1
2010 June	4.1	4.7	0.9	65.8	816.0	35.8	1.5	13.2	-26.4	64.0	41.9	2.8
2010 July	3.6	4.6	-0.4	68.4	714.5	17.6	2.0	13.8	-25.8	63.7	25.7	3.2

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



TABLE 6 Loans

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations				Households			
	Total	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total	Consumer loans	Loans for house purchase	Other loans
	1	2	3	4	5	6	7	8
	Outstanding amounts							
2006	10,900.0	4,501.0	2,136.0	4,264.0	7,901.0	1,191.0	5,209.0	1,501.0
2007	13,470.0	5,805.0	2,746.0	4,919.0	10,101.0	1,379.0	6,773.0	1,949.0
2008	15,478.0	6,257.0	3,483.0	5,737.0	12,613.0	1,694.0	8,536.0	2,382.0
2009	14,941.0	5,130.0	4,152.0	5,659.0	13,948.0	1,910.0	9,469.0	2,570.0
2009 Q1	15,647.0	6,255.0	3,612.0	5,780.0	12,881.0	1,728.0	8,710.0	2,443.0
2009 Q2	15,310.0	5,793.0	3,819.0	5,698.0	13,291.0	1,820.0	8,983.0	2,488.0
2009 Q3	15,340.0	5,592.0	4,028.0	5,720.0	13,676.0	1,885.0	9,225.0	2,566.0
2009 Q4	14,941.0	5,130.0	4,152.0	5,659.0	13,948.0	1,910.0	9,469.0	2,570.0
2010 Q1	14,961.0	5,283.0	4,001.0	5,677.0	14,197.0	1,960.0	9,652.0	2,585.0
2010 Q2	14,855.0	5,294.0	3,838.0	5,724.0	14,669.0	1,977.0	10,069.0	2,624.0
2009 Aug.	15,381.0	5,656.0	3,986.0	5,739.0	13,558.0	1,864.0	9,171.0	2,523.0
2009 Sep.	15,340.0	5,592.0	4,028.0	5,720.0	13,676.0	1,885.0	9,225.0	2,566.0
2009 Oct.	15,332.0	5,599.0	4,007.0	5,726.0	13,773.0	1,899.0	9,299.0	2,576.0
2009 Nov.	15,385.0	5,507.0	4,169.0	5,710.0	13,862.0	1,913.0	9,364.0	2,585.0
2009 Dec.	14,941.0	5,130.0	4,152.0	5,659.0	13,948.0	1,910.0	9,469.0	2,570.0
2010 Jan.	15,110.0	5,308.0	4,129.0	5,673.0	13,979.0	1,913.0	9,507.0	2,559.0
2010 Feb.	15,089.0	5,333.0	4,076.0	5,680.0	14,038.0	1,930.0	9,554.0	2,554.0
2010 Mar.	14,961.0	5,283.0	4,001.0	5,677.0	14,197.0	1,960.0	9,652.0	2,585.0
2010 Apr.	14,833.0	5,147.0	3,990.0	5,696.0	14,307.0	1,989.0	9,724.0	2,594.0
2010 May	14,918.0	5,332.0	3,896.0	5,690.0	14,488.0	1,951.0	9,927.0	2,609.0
2010 June	14,855.0	5,294.0	3,838.0	5,724.0	14,669.0	1,977.0	10,069.0	2,624.0
2010 July	14,922.0	5,260.0	3,937.0	5,724.0	14,805.0	1,992.0	10,183.0	2,630.0

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



TABLE 6 Loans

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations				Households			
	Total	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total	Consumer loans	Loans for house purchase	Other loans
	1	2	3	4	5	6	7	8
	Transactions							
2006	1,826.0	576.0	412.0	836.0	1,857.0	238.0	1,226.0	391.0
2007	2,765.0	1,468.0	629.0	669.0	2,251.0	210.0	1,575.0	464.0
2008	2,079.0	487.0	744.0	849.0	2,550.0	340.0	1,764.0	446.0
2009	-513.0	-1,124.0	678.0	-66.0	1,386.0	253.0	936.0	198.0
2009 Q1	161.0	-5.0	128.0	39.0	270.0	34.0	174.0	62.0
2009 Q2	-317.0	-459.0	212.0	-70.0	415.0	96.0	274.0	46.0
2009 Q3	42.0	-196.0	211.0	28.0	389.0	66.0	243.0	80.0
2009 Q4	-399.0	-464.0	127.0	-63.0	312.0	57.0	245.0	10.0
2010 Q1	15.0	154.0	-153.0	14.0	258.0	57.0	184.0	16.0
2010 Q2	-131.0	-7.0	-165.0	41.0	487.0	23.0	424.0	41.0
2009 Aug.	140.0	-3.0	122.0	22.0	119.0	17.0	86.0	16.0
2009 Sep.	-32.0	-60.0	43.0	-15.0	120.0	22.0	54.0	44.0
2009 Oct.	-7.0	8.0	-21.0	6.0	106.0	22.0	74.0	10.0
2009 Nov.	57.0	-91.0	162.0	-15.0	103.0	28.0	66.0	9.0
2009 Dec.	-449.0	-381.0	-14.0	-54.0	103.0	7.0	105.0	-9.0
2010 Jan.	165.0	177.0	-24.0	12.0	32.0	4.0	38.0	-10.0
2010 Feb.	-23.0	24.0	-53.0	6.0	60.0	17.0	47.0	-5.0
2010 Mar.	-127.0	-47.0	-76.0	-4.0	166.0	36.0	99.0	31.0
2010 Apr.	-131.0	-139.0	-11.0	19.0	117.0	31.0	78.0	9.0
2010 May	67.0	172.0	-96.0	-9.0	182.0	-38.0	204.0	15.0
2010 June	-67.0	-40.0	-58.0	31.0	188.0	30.0	142.0	17.0
2010 July	85.0	-24.0	103.0	6.0	139.0	17.0	115.0	8.0

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



TABLE 6 Loans

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations				Households			
	Total	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total	Consumer loans	Loans for house purchase	Other loans
	1	2	3	4	5	6	7	8
Growth rates								
2007	25.6	33.0	29.6	15.7	28.6	17.8	30.3	31.1
2008	15.5	8.4	27.1	17.3	25.3	24.8	26.1	22.9
2009	-3.3	-18.0	19.5	-1.2	11.0	15.0	10.9	8.4
2009 Q1	9.5	-0.2	23.7	13.5	21.9	22.7	22.3	20.1
2009 Q2	3.0	-11.4	27.3	7.0	17.2	20.2	17.5	13.9
2009 Q3	-0.5	-15.0	20.8	4.1	13.5	15.9	13.5	11.7
2009 Q4	-3.3	-18.0	19.5	-1.2	11.0	15.0	10.9	8.4
2010 Q1	-4.2	-15.4	11.0	-1.6	10.7	16.1	10.8	6.2
2010 Q2	-3.1	-8.9	0.5	0.3	10.9	11.3	12.2	5.9
2009 Aug.	-0.1	-15.1	21.4	5.5	14.6	16.9	15.0	11.7
2009 Sep.	-0.5	-15.0	20.8	4.1	13.5	15.9	13.5	11.7
2009 Oct.	-1.5	-14.0	18.4	1.1	12.1	14.8	12.1	10.2
2009 Nov.	-2.0	-16.2	21.2	0.4	11.4	15.1	11.4	8.9
2009 Dec.	-3.3	-18.0	19.5	-1.2	11.0	15.0	10.9	8.4
2010 Jan.	-3.0	-14.6	16.6	-2.4	11.4	16.0	11.4	8.1
2010 Feb.	-3.7	-15.8	14.0	-1.3	10.8	16.1	10.7	7.2
2010 Mar.	-4.2	-15.4	11.0	-1.6	10.7	16.1	10.8	6.2
2010 Apr.	-4.5	-15.4	9.1	-1.6	10.6	15.3	10.8	6.5
2010 May	-3.4	-9.9	3.9	-1.4	10.8	11.5	12.0	6.0
2010 June	-3.1	-8.9	0.5	0.3	10.9	11.3	12.2	5.9
2010 July	-2.1	-7.1	2.0	0.1	10.7	10.6	12.2	5.4

Source: NBS.

Note: Data are calculated according to new methodology (are based on a sum of residents of Slovakia and other member states of the euro area).



3 PRICES AND COSTS OF LABOUR

TABLE 7 Harmonised index of consumer prices

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage change on previous period)						Administered prices ¹⁾	
	Index 2005=100	Total (annual percentage change)	Total excl. unprocessed food and energy (core inflation)	Goods	Services	Total	Processed food	Unprocessed food	Non-energy industrial goods	Energy	Services	Total HICP excluding administered prices	Administered prices
weights in % ²⁾	100.0	100.0	76.5	68.5	31.5	100.0	15.3	7.9	29.7	15.7	31.5	76.4	23.6
	1	2	3	4	5	6	7	8	9	10	11	12	13
2006	104.3	4.3	2.1	4.6	3.5	-	-	-	-	-	-	1.6	12.0
2007	106.2	1.9	1.9	1.4	2.9	-	-	-	-	-	-	1.8	2.1
2008	110.4	3.9	3.9	3.5	4.8	-	-	-	-	-	-	3.5	5.3
2009	111.4	0.9	1.6	-0.8	4.4	-	-	-	-	-	-	-0.5	5.1
2009 Q1	111.7	2.3	2.9	0.8	5.4	0.2	0.7	1.3	-0.5	-2.0	1.5	1.0	6.3
2009 Q2	111.4	1.1	1.8	-0.9	5.0	-0.3	-2.1	0.3	-0.7	0.6	0.4	-0.5	5.8
2009 Q3	111.2	0.4	1.2	-1.5	4.3	-0.2	-0.6	-5.0	-0.5	0.9	0.7	-1.3	5.4
2009 Q4	111.4	0.0	0.6	-1.5	3.0	0.2	1.5	-2.1	-0.1	0.3	0.4	-1.0	3.0
2010 Q1	111.7	0.0	0.3	-1.0	2.0	0.2	1.6	5.3	-0.4	-3.1	0.5	-0.1	0.2
2010 Q2	112.2	0.7	0.8	0.1	2.0	0.5	0.2	3.9	-0.6	1.1	0.4	0.9	0.0
2010 Mar.	111.8	0.3	0.5	-0.6	2.0	0.1	-0.3	1.5	-0.3	0.7	0.1	0.2	0.1
2010 Apr.	112.2	0.7	0.7	0.1	2.0	0.4	0.4	2.2	-0.1	0.7	0.1	0.9	0.0
2010 May	112.3	0.7	0.8	0.1	2.0	0.1	0.0	0.5	-0.3	0.4	0.1	0.9	0.0
2010 June	112.3	0.7	0.9	0.1	2.0	0.0	-0.2	-0.1	0.0	-0.1	0.2	0.9	-0.1
2010 July	112.4	1.0	0.9	0.6	1.8	0.1	0.1	0.6	0.0	0.1	0.2	1.4	-0.4
2010 Aug.	112.3	1.1	1.0	0.7	1.9	-0.1	0.1	-1.8	-0.1	-0.1	0.2	1.4	-0.3

Source: Statistical Office of the Slovak Republic and NBS calculations.

1) According to ECB methodology.

2) Weights apply to the period of 2009.



TABLE 7 Harmonised index of consumer prices (continuation)

(annual percentage changes, unless otherwise indicated)

	Goods						Services					
	Food (incl. alcoholic beverages and tobacco)			Industrial goods			Housing		Transport	Communication	Recreation and personal	Miscellaneous
	Total	Processed food	Unprocessed food	Total	Non-energy industrial goods	Energy		Rents				
weights in % ²⁾	23.7	16.2	7.5	44.0	27.7	16.3	5.8	0.9	4.5	3.8	13.4	4.8
	14	15	16	17	18	19	20	21	22	23	24	25
2006	2.3	1.4	4.1	6.0	0.6	13.1	5.8	2.4	2.4	-1.1	3.5	6.3
2007	4.1	4.7	3.0	-0.1	-1.1	1.3	2.4	4.0	3.8	-0.3	3.3	4.2
2008	6.4	8.0	3.0	2.0	0.4	4.5	4.7	2.6	4.6	-0.8	5.6	7.2
2009	-0.9	0.8	-4.6	-0.7	-1.3	0.3	4.3	5.4	4.6	0.2	4.6	7.2
2009 Q1	2.1	3.6	-1.2	0.1	-0.5	0.9	4.8	5.4	6.3	-0.8	6.2	8.2
2009 Q2	-1.3	0.4	-5.0	-0.6	-1.2	0.4	4.3	5.7	5.7	-0.7	5.8	7.7
2009 Q3	-2.3	-0.3	-6.5	-1.0	-1.7	0.1	3.9	5.2	4.6	1.1	4.2	7.1
2009 Q4	-2.1	-0.5	-5.5	-1.2	-1.7	-0.1	4.3	5.1	1.7	1.2	2.5	5.7
2010 Q1	-0.2	0.3	-1.7	-1.4	-1.6	-1.3	3.0	2.3	-0.5	1.4	1.7	4.6
2010 Q2	2.7	2.7	1.9	-1.2	-1.5	-0.8	3.4	2.2	-0.3	1.7	1.4	4.6
2010 Mar.	0.8	1.0	-0.3	-1.3	-1.5	-1.1	3.0	2.1	-0.4	1.7	1.6	4.7
2010 Apr.	2.7	2.4	2.4	-1.2	-1.6	-0.6	3.3	2.1	-0.1	1.7	1.4	4.4
2010 May	2.5	2.6	1.5	-1.1	-1.6	-0.5	3.5	2.8	-0.4	1.8	1.3	4.7
2010 June	2.9	3.0	1.8	-1.4	-1.4	-1.3	3.4	1.7	-0.4	1.8	1.3	4.7
2010 July	4.4	3.1	6.1	-1.4	-1.4	-1.5	3.2	1.5	0.0	0.2	1.2	4.8
2010 Aug.	4.7	3.4	7.0	-1.4	-1.3	-1.7	3.1	1.5	1.0	0.2	1.1	4.9

Source: Statistical Office of the Slovak Republic and NBS calculations.

1) According to ECB methodology.

2) Weights apply to the period of 2009.



TABLE 8 CPI

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage changes from previous period)						Net inflation excluding fuels	Net inflation
	Index 2005=100	Total	Core inflation	Regulated prices	Contribution of changes in indirect taxes	Total	Food	Tradable goods without fuels	Fuels	Market services	Regulated prices		
weights in %	100	100	79.9	20.1	-	100	16.9	30.7	2.5	29.8	20.1	60.5	63.0
	1	2	3	4	5	6	7	8	9	10	11	12	13
2006	104.5	4.5	2.5	10.5	0.2	-	-	-	-	-	-	2.6	2.8
2007	107.4	2.8	2.9	1.7	0.2	-	-	-	-	-	-	3.1	2.6
2008	112.3	4.6	4.6	4.5	0.0	-	-	-	-	-	-	3.6	3.8
2009	114.1	1.6	0.5	4.2	0.3	-	-	-	-	-	-	2.5	1.4
2008 Q4	113.8	4.8	4.1	6.4	0.1	1.0	-1.1	-0.2	-13.7	3.2	2.5	4.8	4.2
2009 Q1	114.1	3.0	1.9	5.0	0.3	0.2	0.4	-0.6	-13.8	1.5	1.1	3.6	2.2
2009 Q2	113.9	1.9	0.7	4.7	0.3	-0.1	-1.8	-0.8	4.6	0.6	0.3	3.0	1.7
2009 Q3	114.1	1.2	-0.1	4.5	0.3	0.1	-3.5	-0.5	5.9	1.6	0.6	2.3	1.1
2009 Q4	114.3	0.5	-0.5	2.5	0.2	0.2	-1.1	-0.2	0.7	0.5	0.6	1.0	0.7
2010 Q1	114.7	0.5	0.5	-0.2	0.1	0.3	3.5	-0.3	1.8	0.5	-1.6	0.7	1.2
2010 Q2	115.3	1.2	1.4	-0.4	0.1	0.5	1.8	-0.4	6.0	0.4	0.1	0.8	1.3
2009 Oct.	114.2	0.4	-0.8	3.2	0.3	0.1	-0.7	0.1	-0.4	0.2	0.3	1.2	0.4
2009 Nov.	114.5	0.4	-0.5	2.3	0.2	0.3	0.5	0.0	1.8	0.1	0.1	0.9	0.7
2009 Dec.	114.4	0.5	-0.2	2.2	0.2	-0.1	0.0	-0.3	0.2	0.0	0.0	0.8	1.0
2010 Jan.	114.7	0.4	0.2	-0.1	0.2	0.2	2.6	0.2	-0.5	0.3	-1.7	0.6	1.1
2010 Feb.	114.7	0.4	0.4	-0.2	0.0	0.0	0.8	-0.2	0.6	0.2	0.0	0.6	1.1
2010 Mar.	114.8	0.8	0.9	-0.3	0.1	0.1	0.4	-0.5	3.7	0.1	0.1	0.7	1.3
2010 Apr.	115.2	1.3	1.5	-0.4	0.1	0.4	1.2	0.1	2.3	0.2	0.0	0.9	1.5
2010 May	115.3	1.2	1.5	-0.4	0.1	0.1	0.2	-0.1	1.9	0.1	0.0	0.9	1.5
2010 June	115.3	1.0	1.1	-0.4	0.1	0.0	-0.1	-0.1	-0.9	0.2	0.0	0.5	0.9
2010 July	115.4	1.1	1.4	-0.8	0.1	0.1	0.4	-0.1	0.6	0.1	0.0	0.3	0.7
2010 Aug.	115.2	1.0	1.2	-0.6	0.1	-0.1	-1.0	0.0	-0.8	0.0	0.2	0.2	0.5

Source: Statistical Office of the SR and NBS calculations.



TABLE 8 CPI

(annual percentage changes, unless otherwise indicated)

	Core inflation										Regulated prices		
	Food	Tradable goods without fuels					Market services	Housing	Hotels, cafés and restaurants	Miscellaneous services	Electricity	Gas	Heat
		Tradable goods excluding fuels	Recreation and culture	Furnishings, household equipment	Transport	Fuels							
weights in %	16.9	30.7	5.8	6.5	4.4	2.5	29.8	10.0	5.8	7.1	3.6	2.9	4.0
	14	15	16	17	18	19	20	21	22	23	24	25	26
2006	1.5	-0.8	-0.8	-0.9	-0.2	6.0	6.5	10.6	1.1	3.8	.	.	.
2007	4.0	-0.2	-0.9	-0.1	-5.5	-4.8	6.8	12.7	2.5	2.2	-0.2	1.7	4.7
2008	8.1	0.5	-0.2	-0.1	0.9	6.8	7.3	14.8	5.1	1.6	2.6	-0.2	8.2
2009	-3.6	-1.6	-2.2	-2.6	-13.0	-15.8	6.9	14.1	5.0	0.8	6.7	0.9	1.5
2008 Q4	3.7	0.5	0.0	-0.3	-6.7	-6.6	10.0	22.1	7.1	0.3	2.6	-0.2	17.5
2009 Q1	0.7	-0.6	-1.8	-0.8	-15.7	-21.6	8.4	17.7	6.2	0.5	6.7	0.9	6.3
2009 Q2	-3.5	-1.5	-1.8	-2.0	-16.0	-20.6	8.1	16.3	6.3	0.8	6.7	0.9	4.5
2009 Q3	-5.8	-2.2	-2.9	-3.6	-14.4	-17.6	7.0	14.4	4.8	0.8	6.7	0.9	1.5
2009 Q4	-5.8	-2.2	-2.2	-4.0	-6.1	-3.8	4.2	7.7	2.6	1.2	6.7	0.9	-6.2
2010 Q1	-3.0	-1.9	-0.4	-4.6	2.6	13.6	3.2	5.6	1.8	1.5	-3.3	-4.8	-2.3
2010 Q2	0.6	-1.5	0.4	-4.4	3.8	15.2	3.0	5.0	1.2	2.0	-3.3	-4.8	-2.4
2009 Oct.	-6.4	-2.2	-2.7	-3.9	-11.2	-13.4	4.7	9.4	2.7	0.7	6.7	0.9	-4.6
2009 Nov.	-5.6	-2.2	-2.0	-3.9	-5.9	-3.0	4.0	6.9	2.6	1.5	6.7	0.9	-6.7
2009 Dec.	-5.5	-2.3	-1.7	-4.3	-1.0	6.8	3.8	6.8	2.6	1.5	6.7	0.9	-7.4
2010 Jan.	-3.9	-2.1	-0.9	-4.4	1.1	11.6	3.3	5.9	2.1	1.4	-3.3	-4.8	-2.2
2010 Feb.	-3.2	-1.8	-0.2	-4.8	2.2	12.5	3.1	5.5	1.8	1.3	-3.3	-4.8	-2.4
2010 Mar.	-1.9	-1.8	-0.1	-4.7	4.5	16.8	3.1	5.3	1.6	1.8	-3.3	-4.8	-2.3
2010 Apr.	0.4	-1.5	0.3	-4.5	4.8	17.4	3.3	5.7	1.2	1.9	-3.3	-4.8	-2.4
2010 May	0.2	-1.5	0.3	-4.5	4.9	17.4	3.3	5.6	1.1	2.1	-3.3	-4.8	-2.4
2010 June	1.0	-1.5	0.6	-4.2	1.8	11.0	2.5	3.6	1.2	2.0	-3.3	-4.8	-2.4
2010 July	3.4	-1.4	0.7	-4.1	0.9	9.4	2.0	2.3	1.3	1.9	-3.3	-4.8	-2.4
2010 Aug.	4.0	-1.2	0.8	-3.9	0.5	8.5	1.6	1.4	1.2	1.8	-3.3	-4.8	-2.6

Source: Statistical Office of the SR and NBS calculations.



TABLE 9 Producer prices and residential property prices

(annual percentage changes)

	Industrial producer price indices according to CPA							Agricultural products			Construction work prices	Construction material prices	Residential property prices
	Industry total	Industry export	Industry domestic	Mining/quarrying products	Manufactured products	Energy	Water supply and sewerage ¹⁾	Agricultural and fishing products	Crop product	Animal products			
weights in %	-	-	100.0	0.2	63.2	37.2	0.1	100.0	-	-	-	-	-
	1	2	3	4	5	6	7	8	9	10	11	12	13
2005	5.3	6.1	3.8	4.7	1.3	7.4	14.4	-2.4	-10.8	1.4	4.3	4.4	-10.3
2006	5.7	2.7	6.4	23.2	1.5	13.9	11.4	-0.2	1.1	-0.7	3.9	2.9	16.8
2007	-1.2	-4.1	1.8	-2.2	0.2	4.2	-0.1	5.4	24.0	-2.0	4.0	5.6	23.9
2008	2.8	0.3	6.1	16.8	2.0	11.6	5.9	4.1	1.6	5.3	5.6	3.3	22.1
2009	-6.6	-9.7	-2.5	-2.6	-5.9	1.6	4.5	-24.6	-29.5	-20.0	2.7	-5.7	-11.1
2009 Q2	-7.5	-11.5	-2.2	3.4	-6.7	3.5	4.0	-27.7	-41.6	-22.8	2.8	-5.8	-13.4
2009 Q3	-7.9	-10.6	-4.6	-10.3	-7.2	-1.3	4.3	-31.7	-35.7	-25.2	1.9	-8.4	-14.3
2009 Q4	-5.8	-6.0	-5.4	-16.0	-5.4	-5.3	5.0	-16.1	-14.8	-18.3	1.6	-9.0	-12.3
2010 Q1	-3.3	-0.7	-6.3	-10.9	-2.5	-11.0	4.8	-8.5	-8.1	-8.7	1.1	-8.4	-8.3
2010 Q2	0.1	2.8	-3.1	-0.9	0.0	-7.4	6.7	1.3	-2.5	2.3	0.9	-3.8	-3.7
2010 Feb.	-4.4	-1.7	-7.4	-10.3	-2.6	-13.3	4.2	-9.2	-8.1	-9.5	0.9	-8.9	-
2010 Mar.	-2.5	0.5	-6.1	-9.2	-2.0	-11.2	6.2	-4.1	-3.9	-4.3	1.1	-7.5	-
2010 Apr.	-1.1	1.6	-4.4	-4.7	-0.8	-9.1	6.2	0.1	-4.1	1.6	1.2	-4.8	-
2010 May	0.5	3.6	-3.1	-0.9	0.1	-7.3	6.4	1.1	-3.8	2.1	1.0	-3.4	-
2010 June	0.8	3.2	-1.9	3.3	0.9	-5.7	7.7	2.8	0.7	3.3	0.6	-3.2	-
2010 July	2.0	4.4	-0.7	7.8	1.0	-3.6	7.3	12.8	20.3	4.7	0.5	-2.2	-

	Industrial producers by Main Industrial Grouping (MIG)							
	Industry total	Industry export	Industry domestic	Energy related activities	Intermediate goods (excl. energy)	Capital goods industry	Durable consumer goods	Non-durable consumer goods
weights in %	-	-	100.0	42.4	23.9	17.2	0.8	15.2
	14	15	16	17	18	19	20	21
2005	5.3	6.1	3.8	9.7	2.5	2.0	-4.7	-2.5
2006	5.7	2.7	6.4	15.9	2.0	1.1	-2.7	0.0
2007	-1.2	-4.1	1.8	3.1	2.5	-0.6	-6.0	2.2
2008	2.8	0.3	6.1	12.2	2.5	-2.7	-4.1	3.4
2009	-6.6	-9.7	-2.5	-1.1	-8.0	-0.2	-2.5	-1.7
2009 Q2	-7.5	-11.5	-2.2	0.1	-8.1	-0.4	-1.1	-1.8
2009 Q3	-7.9	-10.6	-4.6	-4.3	-10.2	0.7	-4.0	-2.5
2009 Q4	-5.8	-6.0	-5.4	-6.1	-9.8	0.6	-5.0	-2.4
2010 Q1	-3.3	-0.7	-6.3	-9.3	-6.4	-0.7	-7.4	-2.4
2010 Q2	0.1	2.8	-3.1	-4.8	-1.6	-1.7	-7.0	-1.6
2010 Feb.	-4.4	-1.7	-7.4	-11.6	-6.3	-0.5	-7.5	-2.6
2010 Mar.	-2.5	0.5	-6.1	-9.1	-4.8	-1.9	-7.4	-2.4
2010 Apr.	-1.1	1.6	-4.4	-6.3	-3.4	-2.1	-7.3	-2.0
2010 May	0.5	3.6	-3.1	-4.5	-1.6	-2.0	-7.0	-1.7
2010 June	0.8	3.2	-1.9	-3.3	0.4	-0.7	-6.3	-1.1
2010 July	2.0	4.4	-0.7	-1.5	1.3	-0.7	-5.0	-1.3

Source: Statistical Office of the SR, NBS.

1) According to NACE Rev. 2 as of 1 January 2009.



TABLE 10 Wages and productivity

(annual percentage changes)

	Total	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services
	1	2	3	4	5	6	7
Unit labour costs (ULC)							
2005	4.3	7.0	-1.7	-10.5	8.4	17.9	7.2
2006	1.5	-9.9	-4.0	-2.4	6.8	-5.5	6.9
2007	0.1	-0.9	0.1	4.1	0.4	4.8	-5.0
2008	2.5	17.4	6.0	3.9	-7.4	0.5	11.4
2009	7.2	-22.5	-4.4	9.8	18.3	11.8	8.8
2008 Q2	2.1	45.7	-0.6	10.8	-3.2	1.0	5.6
2008 Q3	1.9	11.7	12.2	7.5	-9.3	-4.9	5.7
2008 Q4	5.8	7.7	18.3	-7.6	-10.6	1.5	20.2
2009 Q1	12.6	-23.8	17.5	36.5	25.7	1.2	3.5
2009 Q2	11.1	-11.4	3.3	9.0	11.5	15.4	20.4
2009 Q3	6.0	-34.8	-15.3	-2.2	22.0	22.7	15.7
2009 Q4	0.6	-13.2	-18.1	4.3	16.1	8.3	-1.9
2010 Q1	-4.6	-21.8	-21.9	-2.0	-4.6	2.6	7.6
2010 Q2	-3.1	-39.7	-6.0	-3.6	3.5	-6.0	-2.4
Compensation per employee (current prices)							
2005	9.7	12.7	7.4	5.5	10.1	7.6	12.5
2006	7.6	8.4	11.1	11.8	1.4	5.4	9.2
2007	8.3	12.0	10.9	4.8	13.2	2.4	3.6
2008	6.0	10.9	9.6	-0.3	-3.2	17.2	8.0
2009	4.7	-1.1	0.0	3.4	1.9	12.0	9.5
2008 Q2	6.4	13.3	11.2	0.8	-2.7	16.3	7.5
2008 Q3	5.3	12.4	8.8	-1.8	-2.2	15.6	5.7
2008 Q4	5.4	13.2	7.1	1.8	-3.8	18.6	7.7
2009 Q1	6.5	2.5	4.1	11.5	3.9	11.2	8.5
2009 Q2	6.4	7.2	2.4	8.4	3.0	16.4	8.1
2009 Q3	4.8	-4.6	-1.4	1.4	1.9	11.2	13.8
2009 Q4	2.1	-6.7	-3.9	-3.9	-0.3	9.6	8.1
2010 Q1	3.1	5.1	-2.3	-18.1	7.9	-2.4	11.8
2010 Q2	3.8	-7.6	1.8	-13.7	6.1	-3.3	11.0
Labour productivity (constant prices)							
2005	5.2	-1.3	7.2	7.0	3.5	-5.4	9.0
2006	6.0	20.8	15.9	14.2	-3.5	10.0	2.6
2007	8.2	13.5	11.0	0.7	13.2	-2.0	9.2
2008	3.5	-4.1	4.4	-3.5	4.6	16.7	-2.8
2009	-2.4	27.7	4.5	-5.8	-13.9	0.1	0.7
2008 Q2	4.3	-22.2	11.9	-9.1	0.5	15.2	1.8
2008 Q3	3.4	0.6	-3.0	-8.6	7.8	21.5	0.0
2008 Q4	-0.5	5.1	-9.4	10.1	7.6	16.7	-10.4
2009 Q1	-5.4	34.6	-11.4	-18.3	-17.4	9.9	4.8
2009 Q2	-4.3	20.9	-0.8	-0.5	-7.6	0.9	-10.2
2009 Q3	-1.2	46.4	16.3	3.6	-16.5	-9.4	-1.7
2009 Q4	1.4	7.5	17.4	-7.8	-14.1	1.2	10.1
2010 Q1	8.1	34.5	25.1	-16.5	13.2	-4.8	3.9
2010 Q2	7.2	53.4	8.3	-10.5	2.5	2.9	13.7

Source: Statistical Office of the SR and NBS calculations.



4 REAL ECONOMY (GDP, LABOUR MARKET, ECONOMIC INDICATORS)

TABLE 11 Industrial and construction production indices

(annual percentage changes, unless otherwise indicated)

	Industrial production by economic activity					Industrial production by MIG ²⁾				Construction production ³⁾
	Industry in total (index, 2005=100)	Industry in total	Manufacturing	Mining and quarrying	Electricity, gas, steam and air conditioning supply	Intermediate goods	Capital goods	Consumer goods		
								Durables	Non-durables	
	1	2	3	4	5	6	7	8	9	10
2005	100.0	0.9	-1.2	-14.4	13.5	-2.7	-2.3	19.4	-1.0	14.6
2006	115.6	15.6	21.0	-3.3	-3.1	8.4	32.1	93.7	20.0	14.9
2007	135.2	16.9	21.2	15.4	-3.7	5.5	47.8	46.9	-2.1	5.8
2008	139.5	3.2	2.5	-10.7	9.9	-4.2	9.5	4.0	0.4	12.0
2009	120.4	-13.7	-15.5	1.7	-5.8	-13.2	-25.7	0.3	-7.5	-11.3
2009 Q3	119.6	-12.7	-14.0	5.2	-7.7	-8.6	-25.8	-0.7	-5.5	-7.9
2009 Q4	133.4	1.3	2.3	6.8	-5.1	5.8	5.4	-6.5	0.0	-17.9
2010 Q1	133.1	19.7	21.6	11.8	12.0	22.6	38.7	1.6	12.8	-13.9
2010 Q2	145.7	24.3	26.6	0.3	16.5	20.1	43.9	41.5	2.7	-5.6
2010 Feb.	128.0	20.4	22.0	12.1	12.9	11.9	46.6	10.0	14.3	-19.6
2010 Mar.	148.7	18.8	20.3	15.5	12.2	23.2	39.2	-9.9	12.3	-12.9
2010 Apr.	140.5	20.6	22.9	2.1	12.4	25.4	53.4	-9.7	-3.2	-1.0
2010 May	149.9	28.7	32.8	-0.7	13.1	21.1	53.7	78.4	5.3	-8.6
2010 June	146.6	23.5	24.0	-0.6	24.4	14.3	28.8	82.1	5.5	-6.6
2010 July	129.0	16.8	21.5	-7.1	0.3	4.8	43.9	60.0	4.4	-3.3
	month-on-month percentage changes ¹⁾									
2010 Feb.	135.4	2.8	2.5	7.2	-0.4	1.3	9.7	4.1	-0.5	1.4
2010 Mar.	137.6	1.6	4.2	4.6	12.8	7.5	1.4	-0.4	2.2	3.6
2010 Apr.	140.8	2.3	-0.2	-6.5	2.0	-1.1	0.6	2.5	-7.0	9.4
2010 May	143.9	2.2	1.0	-6.5	-3.7	-2.0	-5.2	12.9	7.7	-3.7
2010 June	144.8	0.6	-0.3	1.8	8.0	-0.8	4.0	3.1	-6.9	1.1
2010 July	140.7	-2.8	-4.5	-1.2	-9.8	-7.6	1.9	-0.3	1.7	2.0

Source: Statistical Office of the SR, NBS calculations; adjusted for calendar effects, not seasonally adjusted (unless otherwise indicated).

1) Seasonally adjusted (except for construction production, not adjusted for calendar effects).

2) Structure according to Main Industrial Groupings.

3) Not adjusted for calendar effects.



TABLE 12 Receipts

(annual percentage changes)

Receipts by branch

	Industrial orders (manufacturing; constant prices)		Total receipts of sectors													Registration of new passenger cars and light trucks	
	(index 2005 = 100)	current prices ²⁾	current prices ²⁾	Receipts from own output and sales		Construction		Sale and mainte- nance of vehicles	Whole- sale	Retail sale	Hotels and restaurants		Real estates, renting, business activi- ties	Post and telecom- muni- cations	Trans- port and storage	Total in thosands of units	Annual percent- age changes
				constant prices ¹⁾	current prices ²⁾	constant prices ¹⁾	current prices ²⁾	constant prices ¹⁾	constant prices ¹⁾	constant prices ¹⁾	Accom- modation	Restau- rants	constant prices ¹⁾	current prices ²⁾	current prices ²⁾		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2006	129.6	29.6	.	.	15.8	.	.	.	.	.	.	.	.	.	.	78.6	10.2
2007	157.8	21.8	.	.	12.5	.	.	.	.	.	.	.	.	.	.	83.3	6.0
2008	160.2	1.5	.	3.6	5.9	16.4	.	7.0	13.7	9.1	-2.9	2.4	.	.	.	96.9	16.4
2009	124.4	-22.3	-18.8	-18.0	-21.1	-13.9	-11.7	-17.9	-26.8	-10.3	-23.6	-27.7	-4.7	3.3	-13.6	90.4	-6.7
2008 Q4	135.6	-20.2	.	-12.3	-9.6	16.1	.	-4.8	7.3	5.6	-7.2	-3.2	.	.	.	25.3	5.4
2009 Q1	112.6	-35.2	-20.8	-25.2	-25.6	-20.8	-17.3	-25.0	-25.1	-10.9	-27.3	-27.4	-1.4	9.4	-14.5	16.2	-25.6
2009 Q2	116.1	-33.1	-22.5	-25.8	-29.0	-8.8	-6.1	-12.3	-29.5	-10.5	-27.9	-30.9	-5.8	9.9	-17.5	32.0	20.9
2009 Q3	130.9	-16.9	-19.1	-16.4	-21.1	-9.0	-7.6	-16.5	-28.7	-9.7	-24.3	-29.1	-9.9	-1.1	-11.9	24.6	5.0
2009 Q4	138.1	1.8	-12.1	-1.6	-7.6	-18.2	-16.9	-18.7	-23.7	-9.8	-13.7	-23.1	-1.6	-3.0	-10.4	17.6	-30.2
2010 Q1	143.2	27.2	4.3	17.1	-31.5	-15.2	-14.5	-9.3	2.3	-1.9	-10.7	-13.7	0.3	-6.0	3.3	14.3	-11.6
2010 Q2	155.9	34.3	9.7	25.3	23.0	-6.3	-5.3	-15.4	4.5	-2.5	-6.9	-12.8	3.8	-8.5	10.8	17.4	-45.6
2009 June	121.7	-27.0	-20.7	-21.4	-25.6	-8.2	-5.5	-6.2	-29.5	-10.7	-27.7	-32.8	-6.7	8.5	-16.7	11.5	28.1
2009 July	116.5	-28.2	-21.4	-22.5	-26.3	-6.5	-4.1	-12.5	-30.4	-10.2	-24.7	-31.4	-8.1	-0.4	-10.8	11.2	20.1
2009 Aug.	126.5	-6.3	-17.3	-11.6	-17.3	-5.9	-4.5	-17.8	-29.5	-9.6	-25.3	-30.5	-11.0	-0.2	-10.9	7.4	5.4
2009 Sep.	149.6	-14.6	-18.4	-15.1	-19.6	-14.7	-13.4	-19.2	-26.3	-9.2	-22.9	-25.3	-10.5	-2.5	-13.9	6.0	-15.1
2009 Oct.	147.5	-8.7	-17.4	-11.1	-15.9	-21.1	-19.9	-25.4	-27.8	-10.3	-16.7	-25.4	-3.2	1.1	-16.4	6.0	-36.5
2009 Nov.	144.8	1.7	-10.4	-1.1	-5.8	-15.6	-14.1	-19.1	-22.3	-9.8	-13.0	-22.7	0.0	4.3	-8.6	5.2	-22.3
2009 Dec.	121.9	18.5	-7.8	7.3	1.7	-17.9	-16.5	-11.5	-20.7	-9.2	-11.4	-21.3	-1.7	-11.2	-5.0	6.5	-29.5
2010 Jan.	125.3	21.3	2.3	14.3	8.2	-13.4	-12.3	-2.8	-3.1	-2.9	-9.9	-12.1	2.5	-1.7	2.5	3.9	-1.9
2010 Feb.	140.8	29.4	4.3	19.6	13.0	-16.5	-15.7	-5.8	2.1	-2.9	-14.3	-15.9	-2.0	-5.3	-4.3	4.3	-4.1
2010 Mar.	163.6	30.0	6.1	17.3	31.7	-15.8	-14.9	-19.2	7.4	0.2	-7.9	-13.1	0.3	-10.3	12.0	6.1	-21.0
2010 Apr.	153.0	34.1	8.8	24.7	22.3	-6.0	-4.8	-19.3	3.9	-5.4	-12	-13.7	2.8	-8.1	10.6	5.3	-51.8
2010 May	157.1	39.6	10.8	27.9	22.9	-7.8	-6.8	-14.3	6.7	-3.1	-5.1	-13.7	2.6	-7.6	10.7	5.4	-43.7
2010 June	157.6	29.5	10.2	24.8	23.1	-4.7	-4.1	-12.7	3.1	1.0	-3.6	-10.9	5.9	-9.7	11.2	6.8	-41.3
2010 July	.	.	6.6	17.7	17.5	-7.3	-6.8	-10.5	-0.8	-1.6	1.1	-6.2	7.8	-9.0	3.2	6.0	-46.8

Sources: Statistical Office of the SR, Eurostat, Automotive Industry Association of the SR and NBS calculations.

1) At constant prices of December 2005. Quarterly data refer to a simple average of indices (the same period of the previous year = 100) at constant prices for corresponding three months.

2) At current prices.

3) At constant prices of December 2000.



TABLE 12 Receipts

(annual percentage changes)

Receipts (Main Industrial Groupings)

	Mining and quarrying; manufacturing			Energy		Intermediate goods and capital goods			Consumer goods				Revenues and Industry ²⁾	
		Mining and quarrying	Manufacturing		Energy excluding supply of electricity, gas, steam, air conditioning and water		Intermediate goods	Capital goods		Durable consumer goods	Non/durable consumer goods	Consumer goods excluding food, beverages and tobacco		
	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	EUR mil. ¹⁾
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2006	16.5	14.0	16.5	15.6	25.9	14.7	9.5	22.5	19.3	22.5	44.7	27.3	16.5	51,622.4
2007	13.9	-7.6	14.1	1.3	-6.9	17.2	8.4	28.8	10.1	28.8	24.6	15.1	13.9	58,801.7
2008	3.1	17.1	3.0	19.4	9.6	2.3	0.3	4.5	4.2	4.5	4.0	3.7	3.1	60,639.6
2009	-24.4	-9.6	-24.6	-10.8	-29.8	-27.1	-26.5	-27.7	-14.1	-27.7	-9.9	-13.3	-24.4	45,832.2
2008 Q4	-13.9	8.0	-14.1	3.7	-26.4	-17.9	-16.5	-19.3	1.7	-19.3	5.4	2.4	-13.9	13,776.1
2009 Q1	-31.7	5.1	-32.0	-7.3	-44.6	-36.0	-33.4	-38.7	-12.8	-38.7	-8.3	-11.4	-31.7	10,498.7
2009 Q2	-32.3	-11.6	-32.5	-15.2	-31.8	-36.2	-33.9	-38.7	-17.1	-38.7	-8.9	-15.7	-32.3	10,983.7
2009 Q3	-24.0	-10.3	-24.1	-15.1	-37.3	-26.1	-26.1	-26.1	-11.5	-26.1	-1.9	-9.3	-24.0	11,610.3
2009 Q4	-7.5	-18.2	-7.4	-6.6	3.4	-5.4	-9.5	-0.9	-15.0	-0.9	-17.1	-16.1	-7.5	12,739.5
2010 Q1	16.9	-12.3	17.2	1.0	41.6	21.5	19.3	24.0	0.2	24.0	-4.1	-1.4	16.9	12,269.2
2010 Q2	25.6	-10.8	26.1	11.1	12.2	28.5	24.8	32.6	20.7	32.6	34.8	29.3	25.6	13,797.9
2009 June	-28.4	-5.6	-28.6	-16.6	-34.8	-29.3	-31.2	-27.4	-22.5	-21.9	-23.1	-24.3	-28.4	3,837.4
2009 July	-30.4	-9.9	-30.6	-15.4	-44.2	-33.2	-29.2	-37.4	-12.4	-0.1	-19.8	-10.6	-30.4	3,597.9
2009 Aug.	-19.9	-13.7	-19.9	-13.0	-33.7	-21.4	-26.6	-14.4	-9.6	1.8	-19.3	-6.2	-19.9	3,719.1
2009 Sep.	-21.4	-7.3	-21.5	-16.9	-33.5	-23.1	-22.6	-23.6	-12.4	-5.5	-20.2	-10.7	-21.4	4,293.3
2009 Oct.	-17.7	-24.9	-17.6	-11.7	-22.9	-15.5	-17.2	-13.6	-21.8	-26.1	-14.5	-23.6	-17.7	4,546.9
2009 Nov.	-4.1	-15.1	-4.0	-10.1	11.4	-3.1	-6.5	0.4	-9.5	-8.9	-10.4	-9.7	-4.1	4,546.2
2009 Dec.	3.8	-12.0	4.0	1.7	47.4	7.0	-1.8	17.3	-11.5	-12.0	-11.1	-11.7	3.8	3,646.3
2010 Jan.	13.3	-22.5	13.8	1.0	51.3	18.3	16.8	20.1	-6.3	-7.4	-5.0	-6.3	13.3	3,650.3
2010 Feb.	18.2	-19.6	18.7	0.2	21.9	23.6	15.4	32.9	3.0	-0.1	6.4	0.7	18.2	3,972.6
2010 Mar.	18.6	6.9	18.7	1.7	51.2	22.4	24.9	19.8	3.2	-4.5	13.0	1.0	31.6	4,646.2
2010 Apr.	24.0	-4.3	24.4	18.5	46.1	32.5	25.9	40.3	-1.5	-3.5	1.0	-1.6	24.7	4,508.9
2010 May	27.5	-15.3	28.1	6.7	-10.9	29.4	24.8	34.7	31.9	60.4	5.9	48.6	25.9	4,531.1
2010 June	25.5	-12.3	25.9	7.6	4.4	24.1	23.6	24.7	36.2	65.7	11.8	51.0	26.2	4,844.3

Sources: Statistical Office of the SR, Eurostat and NBS calculations.

1) At current prices.

2) Intermediate goods receipts + Capital goods + Consumer goods – Energy excluding supply of electricity, gas, heat, cold air, water = Receipts for industry – (Electricity, gas, steam and air conditioning supply + Water supply; sewerage, waste management and remediation activities)



TABLE 13 Nominal average wages

(annual percentage changes)

	Wages ¹⁾													
	Total		Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Hotels and restaurants	Transport, storage and communication	Financial intermediation	Real estate, renting and business activities	Public administration and defence; social security	Education	Health and social work activities	Other social services
	EUR	year-on-year % changes												
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2007	668.7	7.2	10.3	6.4	6.9	6.4	6.2	8.9	6.7	5.7	6.8	7.7	15.6	9.0
2008	723.0	8.1	8.9	6.9	7.7	9.8	2.9	5.4	3.6	9.2	8.8	8.5	11.9	9.5
2008 Q2	712.3	9.5	11.8	8.7	7.3	10.6	2.5	3.9	0.7	13.2	9.9	10.8	14.1	10.6
2008 Q3	704.6	8.8	11.2	7.8	8.6	10.9	2.6	6.8	5.2	7.4	12.0	6.0	9.5	9.2
2008 Q4	796.4	4.6	3.9	3.5	7.2	9.0	2.6	2.6	1.5	3.6	2.5	6.1	7.7	8.6

	EUR	year-on-year % changes	Agriculture, forestry and fishing	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles	Transporting and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence; social security	Education	Human health and social work activities	Arts, entertainment and recreation	Other activities
2009 Q2 ²⁾	732.5	2.8	4.9	1.5	2.2	4.4	1.1	-6.7	3.5	4.6	-1.9	4.6	7.1	4.2	7.0	4.9	5.1	6.7
2009 Q3	722.5	2.5	-0.3	1.6	0.5	-3.0	-1.4	-5.3	0.4	-0.1	-6.1	3.7	10.6	4.2	6.8	5.6	9.0	6.2
2009 Q4	813.2	2.1	1.3	4.7	-2.1	-7.0	-2.5	-8.7	4.3	-1.5	2.0	-3.8	10.3	1.9	7.3	4.8	3.5	2.1
2010 Q1	725.0	2.1	2.9	5.8	-0.3	1.2	0.9	4.2	0.6	-0.2	3.9	0.5	-1.1	1.5	3.2	2.2	-0.2	-1.9
2010 Q2	758.0	3.6	-2.5	6.2	4.1	2.0	1.0	6.5	2.0	-1.8	2.4	1.6	-1.4	4.3	2.7	4.0	0.5	-0.5
2009	744.5	3.0	1.2	2.6	0.6	-1.1	0.2	-7.3	3.0	0.0	-3.0	3.4	9.0	5.0	7.3	5.4	6.4	5.6

	EUR	Industry	Construction	Sale, maintenance and repair of motor vehicles	Wholesale	Retail trade	Accommodation	Restaurants and catering	Transporting and storage	Information and communication	Selected market services
2010 Jan. ²⁾	687.1	3.8	-0.6	2.6	1.2	1.4	3.5	5.0	-1.3	6.1	5.0
2010 Feb.	678.0	6.1	-0.8	2.4	5.6	1.3	-1.8	6.6	0.5	4.1	4.2
2010 Mar.	711.8	7.5	0.9	2.7	7.8	4.3	5.0	3.6	3.7	-3.5	4.6
2010 Apr.	714.1	6.5	6.5	2.4	6.3	3.7	5.6	2.2	-0.7	3.4	4.8
2010 May	707.4	5.0	2.8	2.4	5.1	4.3	2.5	5.9	0.1	1.4	1.8
2010 June	743.5	6.8	2.9	0.0	5.9	5.3	6.9	4.4	2.9	-2.0	6.9
2010 July	728.8	5.1	3.3	0.2	5.1	5.0	5.8	5.3	0.7	0.6	6.4

Source: Statistical office of the SR and NBS calculations.

1) Statistical reports.

2) Data for 2008 are classified according to OKEČ; data for 2009 according to NACE.



TABLE 14 Business and consumer surveys

(percentage balances¹⁾, unless otherwise indicated; seasonally adjusted)

	Economic sentiment indicator ²⁾ (long-term average = 100)	Manufacturing industry					Consumer confidence indicator				
		Industrial confidence indicator				Capacity utilisation ³⁾ (percentages)					
		Total ⁴⁾	Order books	Stocks of finished products	Production expectations		Total ⁴⁾	Financial situation of households over next 12 months	Economic situation over next 12 months	Unemployment situation over next 12 months	Savings over next 12 months
	1	2	3	4	5	6	7	8	9	10	11
2006	110.6	9.0	-1.8	0.9	29.6	75.4	-9.6	-6.1	-6.1	-4.4	-30.5
2007	112.5	14.2	4.7	-4.1	33.8	73.6	-0.3	1.1	6.8	-12.4	-21.7
2008	97.7	-4.2	-11.7	3.6	2.8	72.0	-13.1	-13.6	-12.4	1.2	-25.0
2009	77.2	-17.9	-45.2	10.4	1.9	53.7	-35.4	-18.3	-40.2	53.0	-30.1
2009 Q1	73.7	-30.1	-45.1	17.6	-27.8	53.3	-40.9	-21.5	-43.7	68.8	-29.5
2009 Q2	69.1	-25.8	-52.5	15.1	-9.8	50.9	-39.0	-21.0	-48.0	56.1	-30.9
2009 Q3	78.5	-11.5	-46.2	6.4	17.9	51.9	-31.7	-16.2	-38.5	43.4	-29.0
2009 Q4	87.3	-4.0	-37.2	2.3	27.4	58.8	-30.0	-14.6	-30.8	43.6	-31.1
2010 Q1	94.8	-0.1	-25.5	-1.9	23.2	58.1	-20.4	-8.7	-18.8	27.3	-26.7
2010 Q2	96.1	0.0	-23.8	-1.5	22.2	55.4	-17.6	-7.5	-18.0	19.6	-25.3
2009 Sep.	81.2	-13.3	-44.5	5.9	10.5	-	-26.2	-11.8	-28.3	36.1	-28.8
2009 Oct.	83.9	-8.7	-37.5	4.7	16.2	58.8	-30.9	-14.0	-32.5	46.9	-29.9
2009 Nov.	85.8	-5.6	-37.4	3.0	23.4	-	-31.5	-16.2	-32.4	47.2	-30.1
2009 Dec.	92.2	2.3	-36.7	-0.9	42.7	-	-27.7	-13.7	-27.4	36.6	-33.2
2010 Jan.	92.4	-2.3	-31.9	-6.4	18.7	58.1	-25.3	-12.3	-26.7	31.2	-30.9
2010 Feb.	93.3	-4.6	-30.7	-1.1	15.7	-	-18.7	-7.7	-13.6	26.8	-26.7
2010 Mar.	98.7	6.6	-13.8	1.8	35.2	-	-17.1	-6.1	-16.0	23.8	-22.4
2010 Apr.	95.4	-2.3	-27.4	-0.4	20.1	55.4	-15.9	-5.8	-13.0	18.8	-26.1
2010 May	94.3	-1.2	-26.4	-3.2	19.6	-	-18.6	-8.6	-16.6	23.5	-25.6
2010 June	98.6	3.5	-17.7	-1.0	27.0	-	-18.2	-8.1	-24.4	16.4	-24.1
2010 July	99.6	6.3	-24.5	-5.7	37.9	59.7	-18.5	-11.8	-18.7	16.8	-26.7
2010 Aug.	97.9	2.6	-25.1	-3.4	29.7	-	-21.3	-13.6	-21.5	23.4	-26.9

Source: European Commission.

Note: As of May 2010, data from sentiment surveys (except for the consumer confidence indicator) are classified according to economic activities (SK NACE Rev. 2). Up to May 2010, data are classified according to NACE Rev. 1.

1) Difference between the percentages of respondents giving positive and negative replies.

2) The economic sentiment indicator is composed of the industrial, services, consumer, construction, and retail trade confidence indicators; the industrial confidence indicator has a weight of 40%, the services confidence indicator a weight of 30%, the consumer confidence indicator a weight of 20%, and construction and retail trade indicators a weight of 5% each. Values of the economic sentiment indicator above (below) 100 indicate above – average (below – average) economic sentiment, calculated for the period 1993 to 2009.

3) Data are collected in January, April, July and October each year. The quarterly figures shown are averages of two successive surveys. Annual data are derived from quarterly averages.

4) The confidence indicators are calculated as simple averages of the components shown; the assessments of stocks (columns 4 and 17) and unemployment (column 10) are used with inverted signs for the calculation of confidence indicators.



TABLE 14 Business and consumer surveys (continuation)

(percentage balances¹⁾, unless otherwise indicated; seasonally adjusted)

	Construction confidence indicator			Retail trade indicator				Services confidence indicator			
	Total ⁴⁾	Order books	Employment expectations	Total ⁴⁾	Present business situation	Volume of stocks	Expected business situation	Total ⁴⁾	Business climate	Demand in recent months	Demand in the months ahead
	12	13	14	15	16	17	18	19	20	21	22
2006	-1.6	-15.8	12.6	22.5	30.5	-2.7	34.2	43.5	40.1	43.9	46.7
2007	-4.8	-20.5	10.8	20.5	33.4	5.9	34.2	34.9	29.2	32.2	43.1
2008	-6.6	-23.8	10.6	20.0	32.7	7.2	34.5	19.0	10.6	20.1	26.2
2009	-43.3	-55.7	-30.9	-14.5	-18.4	15.4	-9.6	-8.7	-13.9	-7.4	-4.7
2009 Q1	-25.4	-32.9	-17.9	-6.9	3.6	19.0	-5.4	-2.2	-2.7	2.5	-6.5
2009 Q2	-50.4	-57.9	-43.0	-21.3	-22.8	18.4	-22.7	-21.1	-27.9	-22.6	-12.8
2009 Q3	-52.1	-66.1	-38.1	-17.4	-27.8	13.1	-11.2	-15.0	-23.2	-13.4	-8.4
2009 Q4	-45.3	-66.0	-24.5	-12.2	-26.4	11.2	0.9	3.6	-1.8	3.8	8.9
2010 Q1	-44.1	-61.0	-27.1	-9.6	-26.3	3.7	1.2	16.1	13.4	15.1	19.9
2010 Q2	-39.6	-55.7	-23.6	-5.0	-12.6	3.3	0.9	17.3	14.1	20.2	17.6
2009 Sep.	-52.2	-67.8	-36.6	-14.7	-23.7	15.0	-5.3	-6.8	-17.4	-2.1	-0.8
2009 Oct.	-47.7	-65.2	-30.1	-11.8	-19.5	15.0	-0.9	-1.1	-9.5	1.8	4.3
2009 Nov.	-45.0	-64.9	-25.0	-15.0	-31.7	11.5	-1.8	1.8	-5.8	6.1	5.2
2009 Dec.	-43.2	-68.0	-18.5	-9.9	-28.1	7.1	5.5	10.2	9.8	3.5	17.3
2010 Jan.	-47.7	-64.2	-31.2	-10.0	-30.7	3.2	3.8	15.1	12.0	10.7	22.5
2010 Feb.	-42.1	-58.1	-26.0	-9.5	-27.3	1.3	0.2	15.4	11.0	15.1	20.1
2010 Mar.	-42.4	-60.7	-24.2	-9.3	-20.8	6.6	-0.4	17.9	17.1	19.6	17.1
2010 Apr.	-40.9	-58.6	-23.2	-2.5	-10.7	3.2	6.4	16.6	15.8	21.8	12.2
2010 May	-40.9	-57.6	-24.3	-6.8	-15.4	2.6	-2.4	13.1	7.2	17.6	14.5
2010 June	-37.1	-51.0	-23.2	-5.7	-11.6	4.2	-1.3	22.2	19.4	21.2	26.0
2010 July	-45.2	-52.2	-38.2	-2.0	-3.2	2.3	-0.6	22.7	20.5	23.9	23.5
2010 Aug.	-45.1	-55.0	-35.1	3.6	3.4	0.3	7.6	22.6	20.4	24.5	22.9

Source: European Commission.

Note: As of May 2010, data from sentiment surveys (except for the consumer confidence indicator) are classified according to economic activities (SK NACE Rev. 2). Up to May 2010, data are classified according to NACE Rev. 1.

1) Difference between the percentages of respondents giving positive and negative replies.

2) The economic sentiment indicator is composed of the industrial, services, consumer, construction, and retail trade confidence indicators; the industrial confidence indicator has a weight of 40%, the services confidence indicator a weight of 30%, the consumer confidence indicator a weight of 20%, and construction and retail trade indicators a weight of 5% each. Values of the economic sentiment indicator above (below) 100 indicate above – average (below – average) economic sentiment, calculated for the period 1993 to 2009.

3) Data are collected in January, April, July and October each year. The quarterly figures shown are averages of two successive surveys. Annual data are derived from quarterly averages.

4) The confidence indicators are calculated as simple averages of the components shown; the assessments of stocks (columns 4 and 17) and unemployment (column 10) are used with inverted signs for the calculation of confidence indicators.



TABLE 15 Employment and unemployment

(annual percentage changes)

	Employment ¹⁾										Unemployment rate in %
	Total		Number of employees	Self-employed	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services	
	Thousands of persons	year-on-year % changes									
	1	2	3	4	5	6	7	8	9	10	11
2007	2,177.0	2.1	1.9	3.8	-6.5	2.4	7.1	5.1	-1.5	-0.2	11.0
2008	2,237.1	2.8	2.0	7.6	0.8	1.6	7.8	5.1	4.8	-1.0	9.6
2009	2,184.4	-2.4	-4.2	9.1	-13.7	-12.3	4.3	0.6	3.7	2.0	12.1
2009 Q2	2,197.9	-1.3	-3.5	13.0	-8.5	-12.3	8.7	0.3	7.5	3.3	11.3
2009 Q3	2,178.3	-3.7	-5.7	8.2	-13.1	-14.0	1.3	0.0	0.6	1.1	12.5
2009 Q4	2,161.7	-4.0	-5.5	5.7	-18.5	-14.7	0.2	-0.3	1.7	1.5	13.9
2010 Q1	2,133.1	-3.0	-4.2	3.4	-3.4	-9.6	-2.9	-1.3	0.3	0.1	15.1
2010 Q2	2,148.3	-2.3	-2.0	-3.6	-8.0	-4.1	-3.2	-2.3	0.5	-0.5	14.4
2010 Jan. ²⁾	1,236.7	-	-	-	-	-14.3	-1.8	-6.8	-	-	12.9
2010 Feb.	1,222.6	-	-	-	-	-12.0	-3.1	-8.5	-	-	13.0
2010 Mar.	1,218.7	-	-	-	-	-9.0	-3.4	-8.1	-	-	12.9
2010 Apr.	1,223.9	-	-	-	-	-6.3	-3.1	-6.7	-	-	12.5
2010 May	1,225.3	-	-	-	-	-3.8	-2.6	-6.0	-	-	12.2
2010 June	1,224.5	-	-	-	-	-2.2	-2.3	-5.9	-	-	12.3
2010 July	1,227.3	-	-	-	-	-1.6	-2.9	-3.5	-	-	12.3

Source: Statistical Office of the SR.

1) ESA 95.

2) Monthly data prior to 2009 are classified according to NACE; all other data according to OKEČ.



TABLE 16 GDP – expenditure side

	Total	Domestic demand						External balance			
		Total	Final consumption of households	Final consumption of NPISHs	Final consumption of General government	Gross fixed capital formation	Changes in inventories	Balance	Exports of goods and services	Imports of goods and services	Statistical discrepancy
	1	2	3	4	5	6	7	8	9	10	11
Current prices (EUR bln.)											
2006	55.05	57.22	30.82	0.59	10.41	14.59	0.82	-2.18	46.47	48.65	0.00
2007	61.55	62.19	33.86	0.60	10.64	16.10	1.00	-0.64	53.37	54.02	0.00
2008	67.22	68.73	37.55	0.63	11.69	16.72	2.14	-1.51	55.81	57.33	0.00
2009	63.33	63.77	37.67	0.64	12.41	14.94	-1.90	-0.14	44.43	44.56	-0.30
2008 Q1	15.77	15.95	9.04	0.15	2.41	3.54	0.81	-0.18	14.18	14.36	0.00
2008 Q2	16.85	17.17	9.18	0.16	2.77	4.45	0.61	-0.32	14.62	14.95	0.00
2008 Q3	17.59	17.85	9.60	0.16	2.80	4.42	0.87	-0.26	13.84	14.10	0.00
2008 Q4	17.02	17.76	9.74	0.16	3.71	4.30	-0.15	-0.75	13.17	13.92	0.00
2009 Q1	14.66	15.22	9.25	0.16	2.54	3.40	-0.13	-0.65	10.05	10.69	0.08
2009 Q2	15.59	15.63	9.30	0.16	3.06	3.68	-0.56	0.14	10.78	10.64	-0.18
2009 Q3	16.57	16.33	9.56	0.16	2.88	3.91	-0.19	0.22	11.19	10.97	0.02
2009 Q4	16.52	16.59	9.56	0.16	3.93	3.95	-1.01	0.15	12.41	12.26	-0.22
2010 Q1	15.07	15.13	9.18	0.16	2.69	3.31	-0.22	0.02	11.57	11.55	-0.08
2010 Q2	16.36	16.40	9.28	0.16	3.04	3.62	0.29	0.21	13.15	12.94	-0.25
Percentage of GDP											
2009	100.0	100.7	59.5	1.0	19.6	23.6	-3.0	-0.2	70.1	70.4	-0.5
Chain-linked volumes											
Annual percentage changes											
2005	6.7	8.6	6.5	3.4	3.9	17.5	-	-	10.0	12.4	-
2006	8.5	6.6	5.9	9.1	9.7	9.3	-	-	21.0	17.8	-
2007	10.6	6.4	7.1	-1.3	0.1	9.1	-	-	14.3	9.2	-
2008	6.2	6.0	6.1	1.6	5.3	1.8	-	-	3.2	3.1	-
2009	-4.7	-5.8	-0.7	-1.7	2.8	-10.5	-	-	-16.5	-17.6	-
2008 Q1	9.7	9.5	7.6	2.3	1.0	6.5	-	-	10.8	10.6	-
2008 Q2	7.3	7.2	6.4	0.5	10.3	9.5	-	-	8.2	8.0	-
2008 Q3	6.8	7.3	6.1	0.9	6.1	0.6	-	-	2.9	3.6	-
2008 Q4	1.6	1.1	4.5	2.5	4.0	-7.2	-	-	-7.6	-7.8	-
2009 Q1	-5.7	-3.9	-0.9	-1.7	1.3	-3.9	-	-	-25.2	-22.3	-
2009 Q2	-5.5	-6.7	0.5	-1.9	6.9	-17.7	-	-	-20.3	-22.2	-
2009 Q3	-4.9	-6.2	-0.3	-1.5	-0.2	-11.4	-	-	-15.0	-15.6	-
2009 Q4	-2.6	-6.2	-1.9	-1.6	2.9	-7.3	-	-	-5.2	-10.3	-
2010 Q1	4.8	0.9	0.4	3.4	6.2	-0.4	-	-	16.8	9.9	-
2010 Q2	4.7	4.1	-1.0	2.1	-1.2	-1.9	-	-	16.5	14.4	-
Quarter-on-quarter percentage changes (seasonally adjusted)											
2008 Q1	-1.9	-0.6	2.2	-0.8	1.6	-0.1	-	-	2.5	1.7	-
2008 Q2	1.5	0.5	0.8	0.1	1.8	2.9	-	-	-3.5	-3.0	-
2008 Q3	1.2	0.8	1.2	0.3	1.7	-4.9	-	-	-2.0	-2.4	-
2008 Q4	0.4	-0.5	0.9	2.6	-0.6	-4.7	-	-	-4.9	-4.3	-
2009 Q1	-7.4	-4.7	-2.8	-4.7	-1.0	-2.6	-	-	-16.9	-14.3	-
2009 Q2	0.8	-3.1	1.1	0.0	5.5	-4.3	-	-	3.0	-2.6	-
2009 Q3	1.2	1.8	0.1	0.7	-3.0	1.0	-	-	4.6	5.9	-
2009 Q4	1.7	-1.2	-0.3	2.4	1.7	-0.4	-	-	6.5	1.8	-
2010 Q1	0.8	2.4	-0.2	0.2	1.7	1.7	-	-	1.6	4.7	-
2010 Q2	1.2	1.1	-0.3	-1.2	-1.3	-2.8	-	-	3.0	1.3	-

Source: Statistical Office of the SR.



TABLE 17 GDP – supply side

	Gross value added							Net taxes on products
	Total	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services	
	1	2	3	4	5	6	7	8
Current prices (EUR bln.)								
2006	49.7	1.8	15.6	3.8	11.9	8.7	7.9	5.4
2007	55.5	2.0	17.2	4.3	13.8	9.5	8.8	6.1
2008	61.0	1.9	18.2	5.0	15.8	11.3	8.9	6.2
2009	57.5	1.5	14.7	5.1	14.0	12.6	9.7	5.8
2008 Q1	14.42	0.44	4.91	1.00	3.55	2.59	1.93	1.34
2008 Q2	15.34	0.32	4.87	1.09	4.14	2.57	2.34	1.51
2008 Q3	15.90	0.69	4.41	1.29	4.30	3.11	2.10	1.69
2008 Q4	15.36	0.44	3.95	1.66	3.82	3.00	2.49	1.66
2009 Q1	13.28	0.34	3.58	0.90	3.12	3.20	2.14	1.38
2009 Q2	14.26	0.29	3.67	1.19	3.80	3.10	2.22	1.32
2009 Q3	15.14	0.51	3.87	1.41	3.75	3.14	2.46	1.43
2009 Q4	14.87	0.36	3.58	1.58	3.30	3.17	2.89	1.65
2010 Q1	13.71	0.37	3.79	0.75	3.33	3.17	2.32	1.36
2010 Q2	14.82	0.35	3.71	1.06	3.84	3.23	2.63	1.53
Contribution to GDP (%)								
2009	90.9	2.4	23.2	8.0	22.1	19.9	15.3	9.1
Chain-linked volumes								
Annual percentage changes								
2006	10.1	12.3	17.3	20.2	0.6	14.4	2.9	-4.4
2007	10.7	7.4	12.1	7.0	14.7	6.4	9.4	9.2
2008	6.9	-2.6	7.0	5.6	13.2	11.1	-4.8	-0.5
2009	-4.6	10.2	-8.3	-1.8	-13.1	3.8	2.9	-5.6
2008 Q1	10.7	0.8	23.7	-0.2	11.6	6.0	-5.0	0.0
2008 Q2	7.9	-21.5	16.5	-2.5	10.1	7.2	-0.9	1.7
2008 Q3	7.1	1.1	0.0	0.7	15.9	18.4	-1.0	3.9
2008 Q4	2.6	4.3	-9.1	20.6	15.3	12.0	-11.3	-6.2
2009 Q1	-7.0	14.5	-18.6	-12.1	-15.2	15.7	6.8	8.8
2009 Q2	-5.1	10.5	-13.1	8.1	-7.3	8.5	-7.3	-9.9
2009 Q3	-4.2	27.3	0.0	5.0	-15.5	-8.8	0.5	-12.0
2009 Q4	-2.2	-12.4	0.1	-7.6	-14.4	3.0	11.7	-6.1
2010 Q1	5.2	29.9	13.1	-18.9	11.7	-4.6	4.0	0.4
2010 Q2	3.7	41.0	3.9	-13.3	0.2	3.5	13.1	15.4

Source: Statistical Office of the SR.



5 PUBLIC FINANCES

TABLE 18 Central government budget

(cumulative volumes; in millions of EUR unless otherwise indicated)

	Budget balance															
		Total revenues												Total expenditures		
		Tax revenues							Non-tax revenues	Grants and transfers	Foreign transfers		Current	Capital		
			Individual income tax	Corporate tax	Withhold- ing taxes	Value added tax	Excise taxes	Other taxes								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
2005	-1,124.8	8,587.1	7,388.8	92.7	1,396.4	128.0	4,063.8	1,659.3	48.6	700.8	497.5	460.4	9,711.9	8,667.3	1,044.6	
2006	-1,051.5	9,691.9	7,842.8	85.8	1,568.7	161.3	4,264.1	1,730.9	32.0	647.0	1,202.0	677.8	10,743.4	9,388.9	1,354.5	
2007	-781.0	10,695.7	8,572.0	109.8	1,739.9	189.0	4,513.6	1,981.4	38.3	781.6	1,342.1	847.4	11,476.7	9,857.1	1,621.0	
2008	-703.8	11,352.3	9,022.1	119.5	2,121.1	206.0	4,633.9	1,905.3	36.3	873.9	1,455.6	837.3	12,056.1	10,449.4	1,606.7	
2009	-2,791.3	10,540.8	8,024.9	28.6	2,129.6	155.8	3,846.4	1,835.4	29.1	828.2	1,687.7	1,080.9	13,332.1	11,173.4	2,158.7	
2009 Jan.	100.3	706.7	662.2	-60.0	66.1	33.6	365.9	253.8	2.8	44.1	0.3	0.0	606.4	602.9	3.5	
2009 Feb.	-185.1	1,411.0	1,167.4	-69.7	198.7	43.9	399.0	589.5	6.0	83.8	159.8	158.6	1,596.1	1,565.8	30.3	
2009 Mar.	-204.6	2,410.7	1,979.3	-4.4	663.2	55.2	574.8	682.3	8.2	118.9	312.5	310.1	2,615.3	2,496.2	129.1	
2009 Apr.	-347.4	3,326.4	2,629.6	-129.2	855.0	70.5	1,037.1	785.4	10.8	316.6	380.2	373.3	3,673.8	3,436.5	237.3	
2009 May	-831.6	3,945.5	3,112.6	-133.4	943.0	80.9	1,315.9	893.1	13.1	367.3	465.6	454.8	4,777.1	4,426.8	350.3	
2009 June	-1,108.4	4,605.0	3,700.3	-81.6	1,165.3	91.1	1,508.8	1,001.3	15.4	419.9	484.8	469.7	5,713.4	5,261.7	451.7	
2009 July	-914.4	5,799.5	4,499.9	-61.5	1,368.4	101.6	1,956.2	1,117.9	17.3	483.3	816.3	493.8	6,713.9	6,043.4	670.5	
2009 Aug.	-1,206.3	6,441.1	5,049.7	-71.8	1,488.8	109.8	2,250.2	1,253.2	19.5	542.7	848.7	537.7	7,647.4	6,793.0	854.4	
2009 Sep.	-1,360.2	7,247.9	5,717.3	-57.1	1,627.7	119.3	2,621.8	1,383.9	21.7	591.8	938.8	604.9	8,608.1	7,572.7	1,035.4	
2009 Oct.	-1,537.2	8,210.3	6,512.2	-46.2	1,770.4	129.7	3,116.1	1,518.2	24.0	648.0	1,050.1	700.3	9,747.5	8,435.5	1,312.0	
2009 Nov.	-1,576.2	9,260.8	7,215.7	-45.7	1,919.5	143.5	3,489.4	1,682.3	26.7	696.0	1,349.1	760.0	10,837.0	9,308.3	1,528.7	
2009 Dec.	-2,791.3	10,540.8	8,024.9	28.6	2,129.6	155.8	3,846.4	1,835.4	29.1	828.2	1,687.7	1,080.9	13,332.1	11,173.4	2,158.7	
2010 Jan.	22.8	800.3	760.8	-25.6	59.7	32.9	509.7	181.9	2.2	38.6	0.9	0.1	777.5	774.8	2.7	
2010 Feb.	-780.3	1,461.4	1,131.6	-49.2	187.1	41.5	634.7	312.7	4.8	89.6	240.2	237.5	2,241.7	2,111.0	130.7	
2010 Mar.	-983.5	2,511.5	2,004.1	42.8	491.2	49.0	915.8	498.5	6.8	127.7	379.7	360.2	3,495.0	3,181.1	313.9	
2010 Apr.	-1,479.9	3,224.0	2,463.8	-62.7	377.5	61.0	1,426.7	652.2	9.1	193.8	566.4	538.4	4,703.9	4,246.3	457.6	
2010 May	-2,077.8	3,958.5	2,961.6	-85.2	380.3	68.1	1,791.9	794.3	12.4	292.9	703.8	669.4	6,036.3	5,410.3	626.0	
2010 June	-2,439.3	4,877.0	3,684.6	20.2	523.9	79.3	2,102.1	943.9	15.2	353.8	838.6	792.4	7,316.3	6,390.0	926.3	
2010 July	-2,407.9	6,035.1	4,517.8	42.2	636.0	104.3	2,612.3	1,104.7	18.3	419.3	1,098.0	829.3	8,443.0	7,347.6	1,095.4	
2010 Aug.	-2,822.5	6,770.0	5,098.8	40.1	760.5	111.6	2,887.7	1,277.5	21.4	484.3	1,186.9	864.9	9,592.5	8,334.3	1,258.2	

Source: Ministry of Finance of the SR and NBS calculations.



TABLE 18 Central government budget

(cumulative volumes; in millions of EUR unless otherwise indicated)

(annual percentage changes)

	Budget balance															
		Total revenues												Total expenditures		
		Tax revenues							Non-tax revenues	Grants and transfers	Foreign transfers		Current	Capital		
			Individual income tax	Corporate tax	Withhold- ing taxes	Value added tax	Excise taxes	Other taxes								
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
2006	-6.5	12.9	6.1	-7.4	12.3	26.0	4.9	4.3	-34.2	-7.7	141.6	47.2	10.6	8.3	29.7	
2007	-25.7	10.4	9.3	28.0	10.9	17.2	5.9	14.5	19.7	20.8	11.7	25.0	6.8	5.0	19.7	
2008	-9.9	6.1	5.3	8.8	21.9	9.0	2.7	-3.8	-5.2	11.8	8.5	-1.2	5.0	6.0	-0.9	
2009	296.6	-7.1	-11.1	-76.1	0.4	-24.4	-17.0	-3.7	-19.8	-5.2	15.9	29.1	10.6	6.9	34.4	
2009 Jan.	-76.8	-39.2	-39.8	190.9	-35.5	13.5	-42.6	-27.2	-17.6	-26.5	-72.7	-100.0	-16.8	-16.7	-12.5	
2009 Feb.	-458.7	-17.5	-18.9	32.3	0.5	-2.4	-49.1	28.4	-11.8	-30.7	6.3	6.6	-3.8	-1.9	-52.4	
2009 Mar.	-279.9	-10.3	-10.4	300.0	2.7	-5.3	-38.2	20.4	-17.2	-27.5	-0.5	0.0	1.6	2.4	-5.4	
2009 Apr.	-234.9	-11.7	-15.9	142.9	-0.5	-10.6	-33.0	15.6	-18.8	30.4	-4.1	-4.5	4.7	4.5	8.7	
2009 May	708.9	-10.8	-13.8	46.0	0.2	-12.9	-28.5	10.0	-20.1	17.3	-6.8	-7.1	5.5	5.7	3.2	
2009 June	712.0	-11.2	-13.3	211.5	4.0	-13.5	-28.1	5.2	-21.0	14.6	-11.7	-12.7	7.4	7.6	4.7	
2009 July	4,404.4	-6.4	0.2	485.7	12.7	-17.6	-9.9	15.4	-22.4	4.0	39.7	-13.7	7.9	6.6	21.5	
2009 Aug.	-812.5	-10.5	-11.7	412.9	3.3	-20.1	-21.8	0.4	-21.7	2.2	-10.3	-14.5	8.9	6.4	34.1	
2009 Sep.	-1,053.2	-9.7	-11.6	-1,830.3	-1.1	-22.5	-19.1	-1.0	-14.2	1.7	-4.1	-8.2	9.1	-1.8	33.3	
2009 Oct.	-686.0	-10.0	-12.3	-378.3	-2.0	-23.3	-18.5	-3.7	-20.3	-4.3	4.5	4.4	10.0	6.2	42.7	
2009 Nov.	-594.6	-9.2	-10.9	-329.6	0.7	-24.5	-17.2	-3.1	-24.6	-8.0	0.8	2.7	9.7	5.8	42.2	
2009 Dec.	296.6	-7.1	-11.1	-76.1	0.4	-24.4	-17.0	-3.7	-19.8	-5.2	15.9	29.1	10.6	6.9	34.4	
2010 Jan.	-77.3	13.2	14.9	-57.3	-9.7	-2.1	39.3	-28.3	-21.4	-12.5	200.0	0.0	28.2	28.5	-22.9	
2010 Feb.	321.6	3.6	-3.1	-29.4	-5.8	-5.5	59.1	-47.0	-20.0	6.9	50.3	49.7	40.4	34.8	331.4	
2010 Mar.	380.7	4.2	1.3	-1,072.7	-25.9	-11.2	59.3	-26.9	-17.1	7.4	21.5	16.2	33.6	27.4	143.1	
2010 Apr.	326.0	-3.1	-6.3	-51.5	-55.8	-13.5	37.6	-17.0	-15.7	-38.8	49.0	44.2	28.0	23.6	92.8	
2010 May	149.9	0.3	-4.9	-36.1	-59.7	-15.8	36.2	-11.1	-5.3	-20.3	51.2	47.2	26.4	22.2	78.7	
2010 June	120.1	5.9	-0.4	-124.8	-55.0	-13.0	39.3	-5.7	-1.3	-15.7	73.0	68.7	28.1	21.4	105.1	
2010 July	163.3	4.1	0.4	-168.6	-53.5	2.7	33.5	-1.2	5.8	-13.2	34.5	67.9	25.8	21.6	63.4	
2010 Aug.	134.0	5.1	1.0	-155.8	-48.9	1.6	28.3	1.9	9.7	-10.8	39.8	60.9	25.4	22.7	47.3	

Source: Ministry of Finance of the SR and NBS calculations.



6 BALANCE OF PAYMENTS

TABLE 19 Balance of payments

(EUR mil. unless otherwise indicated)

	Goods			Services			Income	Current transfers	Current account	Capital account	Direct investment	Portfolio investment	Other investment	Financial account
	Export	Import	Balance	Export	Import	Balance								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2005	32,864	35,320	-2,456	4,538	4,208	330	-2,075	16	-4,186	-19	2,347	-1,038	4,916	6,224
2006	40,924	43,422	-2,498	5,332	4,587	745	-2,446	-54	-4,252	-40	4,122	1,441	-4,073	1,490
2007	47,160	47,870	-710	5,755	5,320	435	-2,634	-368	-3,277	377	2,363	-536	3,961	5,788
2008	49,522	50,280	-758	6,001	6,488	-487	-2,295	-893	-4,433	806	2,113	1,579	1,371	5,063
2009	39,716	38,529	1,187	4,522	5,768	-1,246	-1,288	-676	-2,023	464	-347	-662	3,967	2,958
2007 Q4	12,956	13,469	-513	1,518	1,457	60	-879	21	-1,311	188	864	-745	996	1,115
2008 Q1	12,728	12,726	2	1,389	1,482	-93	-117	-214	-422	139	-195	656	74	535
2008 Q2	13,097	13,296	-199	1,489	1,595	-106	-1,210	-216	-1,731	402	562	425	663	1,650
2008 Q3	12,244	12,302	-57	1,543	1,666	-123	-572	-196	-948	82	663	504	88	1,255
2008 Q4	11,452	11,956	-504	1,580	1,746	-166	-395	-267	-1,332	183	1,083	-6	547	1,624
2009 Q1	8,958	9,197	-240	1,026	1,423	-396	-79	-55	-769	253	176	-756	1,041	461
2009 Q2	9,593	9,126	467	1,176	1,427	-250	-203	-161	-148	147	-880	26	1,276	421
2009 Q3	9,904	9,417	486	1,151	1,434	-283	-505	-114	-416	2	39	-635	1,428	831
2009 Q4	11,262	10,788	473	1,168	1,485	-317	-501	-346	-690	62	319	704	222	1,245
2010 Q1	10,637	10,326	311	983	1,259	-276	-343	64	-244	388	294	-949	550	-105
2010 Q2	11,932	11,405	527	1,063	1,272	-209	-362	-143	-186	2	226	-1,009	-578	-1,361
2008 Nov.	3,890	4,094	-203	475	514	-40	-6	-115	-365	14	338	261	132	730
2008 Dec.	2,908	3,275	-367	559	634	-75	-138	-48	-628	116	691	-490	159	360
2009 Jan.	2,711	2,994	-283	358	444	-85	20	-68	-417	-11	15	951	-1,532	-565
2009 Feb.	2,904	2,884	20	324	484	-159	-25	27	-138	273	276	-425	1,349	1,199
2009 Mar.	3,343	3,320	23	344	495	-152	-74	-13	-215	-9	-115	-1,282	1,225	-172
2009 Apr.	3,324	3,003	321	347	495	-148	-49	-41	84	133	-132	-466	1,071	473
2009 May	3,015	2,878	137	354	452	-98	-112	-24	-98	7	-362	1,452	-744	346
2009 June	3,253	3,245	8	475	480	-5	-42	-96	-134	7	-386	-961	949	-398
2009 July	3,060	3,031	29	412	545	-133	-178	-45	-327	-1	-332	-872	1,170	-34
2009 Aug.	3,131	2,914	217	412	422	-10	-129	-62	16	5	446	477	-525	398
2009 Sep.	3,713	3,472	241	327	467	-139	-198	-7	-104	-1	-76	-240	783	468
2009 Oct.	4,133	3,737	396	389	471	-82	-156	-146	11	47	175	159	202	536
2009 Nov.	3,891	3,746	145	339	415	-76	-168	-81	-181	13	210	338	-555	-7
2009 Dec.	3,238	3,305	-67	440	598	-158	-176	-119	-520	3	-66	207	575	715
2010 Jan.	3,088	3,010	78	377	428	-51	-159	-21	-152	88	178	-432	536	282
2010 Feb.	3,442	3,400	43	337	475	-138	-51	124	-23	82	56	-1,104	-51	-1,099
2010 Mar.	4,107	3,932	175	270	356	-87	-134	-39	-85	218	59	587	65	711
2010 Apr.	3,873	3,703	170	353	441	-87	-114	-53	-85	4	281	-382	-674	-775
2010 May	4,003	3,937	66	344	409	-65	-141	-13	-153	-2	-55	-627	96	-586
2010 June	4,186	4,049	138	366	426	-60	-117	-77	-116	4	-150	-558	1,207	500
2010 July	3,757	3,851	-94	380	477	-97	-33	-105	-329	.	.	.	.	.

Source: NBS and Statistical Office of the SR.



TABLE 19 Balance of payments

(EUR mil. unless otherwise indicated)

(annual percentage growth)

	Goods		Services	
	Exports	Imports	Exports	Imports
	15	16	17	18
2005	11.1	13.1	13.8	13.7
2006	24.5	22.9	17.5	9.0
2007	15.2	10.2	7.9	16.0
2008	5.0	5.0	4.3	22.0
2009	-19.8	-23.4	-24.7	-11.1
2008 Q4	-11.6	-11.2	4.1	19.8
2009 Q1	-29.6	-27.7	-26.1	-4.0
2009 Q2	-26.8	-31.4	-21.0	-10.5
2009 Q3	-19.1	-23.4	-25.4	-13.9
2009 Q4	-1.7	-9.8	-26.1	-15.0
2010 Q1	18.7	12.3	-4.2	-11.5
2010 Q2	24.4	25.0	-9.7	-10.8
2008 Nov.	-15.7	-14.2	-4.3	15.5
2008 Dec.	-19.2	-17.8	0.7	28.7
2009 Jan.	-34.7	-26.9	-24.2	-11.6
2009 Feb.	-33.7	-33.8	-29.0	-6.4
2009 Mar.	-20.4	-22.3	-25.3	6.9
2009 Apr.	-25.8	-36.4	-29.1	-7.3
2009 May	-29.3	-30.7	-27.1	-13.9
2009 June	-25.2	-26.7	-7.5	-10.4
2009 July	-25.6	-28.5	-32.7	-10.1
2009 Aug.	-15.3	-19.7	-24.9	-13.5
2009 Sep.	-16.3	-21.7	-14.5	-18.4
2009 Oct.	-11.2	-18.5	-28.9	-21.1
2009 Nov.	0.0	-8.5	-28.6	-19.3
2009 Dec.	11.3	0.9	-21.3	-5.7
2010 Jan.	13.9	0.5	5.3	-3.5
2010 Feb.	18.5	17.9	3.8	-1.8
2010 Mar.	22.9	18.5	-21.6	-28.1
2010 Apr.	16.5	23.3	1.7	-11.0
2010 May	32.8	36.8	-3.0	-9.6
2010 June	28.7	24.8	-22.9	-11.2
2010 July	22.8	27.1	-7.6	-12.5

Source: NBS and Statistical Office of the SR.



7 EXTERNAL ENVIRONMENT

Table 20 Euro area

(year-on-year changes in %, unless otherwise indicated)

	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI	GDP ²⁽⁴⁾⁵⁾	Industrial production ²⁽³⁾	Retail trade (sales) ²⁽³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %)
2007	2.1	2.0	2.7	2.9	3.7	1.6	7.5	4.33
2008	3.3	2.4	6.1	0.5	-1.8	-0.7	7.6	4.36
2009	0.3	1.3	-5.1	-4.1	-14.9	-2.3	9.4	4.03
2009 Q2	0.2	1.5	-5.8	-4.9	-18.7	-2.7	9.3	4.18
2009 Q3	-0.4	1.2	-7.9	-4.0	-14.5	-2.3	9.7	3.95
2009 Q4	0.4	1.0	-4.7	-2.0	-7.5	-1.0	9.8	3.84
2010 Q1	1.1	0.9	-0.2	0.8	4.7	0.6	9.9	4.06
2010 Q2	1.5	0.8	3.0	1.9	9.2	0.6	10.0	3.85
2010 May	1.6	0.9	3.1	-	9.9	0.9	10.0	3.68
2010 June	1.4	0.9	3.0	-	8.3	1.2	10.0	3.70
2010 July	1.7	1.0	4.0	-	7.2	1.1	10.0	3.62
2010 Aug.	1.6	1.0	.	-	.	.	.	3.44

Source: Eurostat, ECB, NBS calculations.

1) Overall inflation, excluding energy and unprocessed food prices.

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

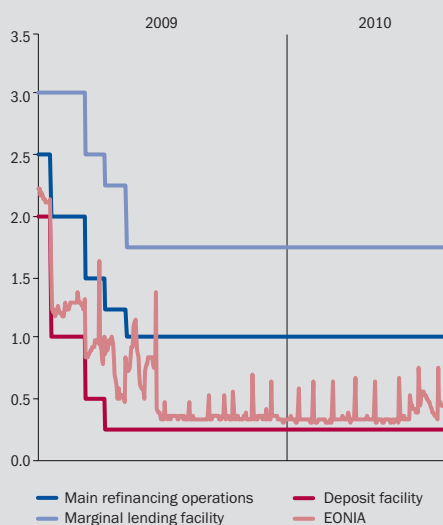
Chart 1 USD/EUR: year-on-year changes (%)



Source: ECB.

Note: Negative values denote appreciation.

Chart 2 ECB interest rates and the EONIA (%)



Source: ECB.



Table 21 Czech Republic

(year-on-year changes in %, unless otherwise indicated)

	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2007	3.0	3.1	4.1	6.1	10.6	7.6	5.3	4.30
2008	6.3	5.8	4.5	2.5	-2.4	3.9	4.4	4.63
2009	0.6	0.5	-3.1	-4.1	-13.1	-1.5	6.7	4.84
2009 Q2	1.0	0.9	-3.6	-4.7	-18.0	-2.8	6.5	5.25
2009 Q3	-0.1	0.0	-5.2	-4.4	-11.7	-1.1	7.3	5.17
2009 Q4	0.0	-0.2	-2.6	-3.2	-2.8	-1.9	7.4	4.22
2010 Q1	0.4	-0.1	-1.4	1.0	7.7	-2.1	7.8	4.21
2010 Q2	0.9	0.3	1.3	2.4	9.9	-1.8	7.5	4.07
2010 May	1.0	0.4	1.5	-	10.6	-3.2	7.5	4.10
2010 June	1.0	0.4	2.0	-	9.0	1.5	7.4	4.26
2010 July	1.6	0.6	2.3	-	10.7	0.3	7.3	3.97
2010 Aug.	1.5	0.7	.	-	.	.	.	3.56

Source: Eurostat, ECB, NBS calculations.

1) Overall inflation, excluding energy and unprocessed food prices.

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

7) Long-term interest rates according to the Maastricht criteria.

Table 22 Hungary

(year-on-year changes in %, unless otherwise indicated)

	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2007	7.9	6.7	6.5	1.0	8.0	-2.0	7.4	6.74
2008	6.0	5.1	11.6	0.6	-0.9	-1.8	7.8	8.24
2009	4.0	4.1	1.2	-6.3	-17.5	-5.3	10.0	9.12
2009 Q2	3.6	3.3	2.1	-7.1	-22.2	-3.2	9.8	10.26
2009 Q3	4.9	5.3	-0.8	-6.7	-17.8	-6.9	10.5	8.37
2009 Q4	4.9	5.1	-1.0	-4.7	-7.6	-7.4	10.6	7.50
2010 Q1	5.8	5.1	0.9	-1.2	5.7	-4.6	11.2	7.49
2010 Q2	5.2	4.2	7.8	0.1	12.0	-4.8	10.6	7.08
2010 May	4.9	4.2	9.1	-	13.8	-4.8	10.4	7.07
2010 June	5.0	3.8	9.1	-	12.6	-4.6	10.4	7.60
2010 July	3.6	1.7	9.9	-	.	.	10.3	7.39
2010 Aug.	3.6	1.8	.	-	.	.	.	7.07

Source: Eurostat, ECB, NBS calculations.

1) Overall inflation, excluding energy and unprocessed food prices.

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

7) Long-term interest rates according to the Maastricht criteria.



Table 23 Poland

(year-on-year changes in %, unless otherwise indicated)

	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI	GDP ^{2,4)5)}	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the la-bour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2007	2.6	2.0	4.0	6.8	9.5	10.9	9.6	5.48
2008	4.2	3.6	5.4	5.0	2.1	5.1	7.2	6.07
2009	4.0	3.3	2.4	1.7	-3.7	2.9	8.2	6.12
2009 Q2	4.3	3.5	2.4	1.3	-6.2	3.6	7.9	6.28
2009 Q3	4.3	3.6	0.7	1.3	-2.5	2.1	8.5	6.15
2009 Q4	3.8	3.4	2.1	2.9	4.7	0.4	8.9	6.17
2010 Q1	3.4	2.9	0.6	3.1	10.9	0.3	9.7	5.98
2010 Q2	2.5	1.9	2.7	3.8	10.9	2.6	9.7	5.72
2010 May	2.3	1.8	3.0	-	11.6	3.5	9.7	5.72
2010 June	2.4	1.7	3.3	-	12.5	6.7	9.6	5.87
2010 July	1.9	1.3	4.7	-	11.4	5.2	9.4	5.84
2010 Aug.	1.9	1.4	.	-	.	.	.	5.62

Source: Eurostat, ECB, NBS calculations.

1) Overall inflation, excluding energy and unprocessed food prices.

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

7) Long-term interest rates according to the Maastricht criteria.

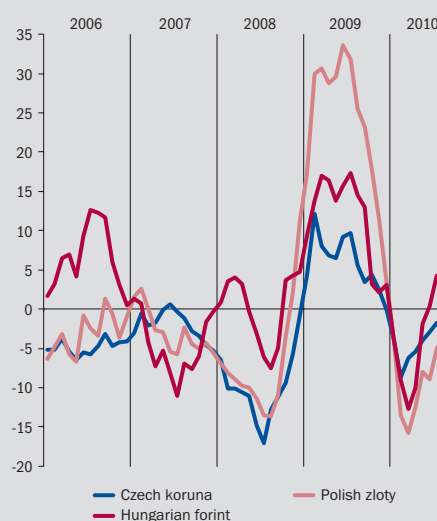
Chart 3 Exchange rate indices of V4 currencies against the euro (30 December 2005 = 100)



Source: Eurostat, NBS calculations.

Note: A fall in value denotes an appreciation.

Chart 4 Exchange rates of V4 currencies against the euro (year-on-year changes in %)

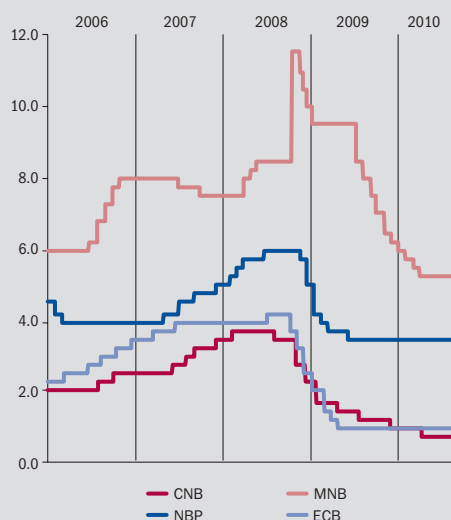


Sources: Eurostat, NBS calculations.

Note: Negative values denote an appreciation.



Chart 5 Key interest rates of the NCBs of V4 countries (%)



Sources: ECB, national central banks.

Table 24 United States

(annual percentage changes, unless otherwise indicated)

	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI ²⁾	GDP ³⁾	Industrial production ⁴⁾	Retail trade ⁵⁾	Unemployment	10-year bonds (yield to maturity in %)
2007	2.9	2.3	3.9	1.9	1.7	3.3	4.6	4.64
2008	3.8	2.3	6.3	0.0	-1.7	-0.8	5.8	3.66
2009	-0.4	1.7	-2.4	-2.6	-10.2	-6.0	9.3	3.26
2009 Q2	-1.2	1.8	-3.9	-4.1	-12.7	-9.5	9.3	3.32
2009 Q3	-1.6	1.5	-5.3	-2.7	-8.6	-6.7	9.6	3.52
2009 Q4	1.4	1.7	1.5	0.2	-3.8	-4.6	10.1	3.46
2010 Q1	2.4	1.3	5.1	2.4	2.7	5.6	9.7	3.72
2010 Q2	1.8	0.9	4.4	3.2	7.2	6.6	9.7	3.32
2010 May	2.0	0.9	5.1	-	7.8	6.6	9.7	3.42
2010 June	1.1	0.9	2.7	-	8.2	5.3	9.5	3.20
2010 July	1.2	0.9	4.1	-	7.4	5.8	9.5	3.01
2010 Aug.	.	.	.	-	6.2	3.7	9.6	2.69

Source: Bureau of Economic Analysis, Bureau of Labour Statistics, Federal Reserve System, U.S. Department of Commerce.

1) Core CPI – inflation excluding food and energy.

2) PPI finished products.

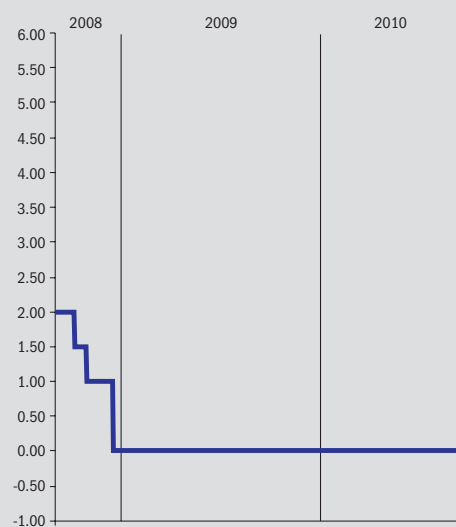
3) Seasonally adjusted.

4) Industrial production in total (seasonally adjusted.)

5) Retail and food services sales.

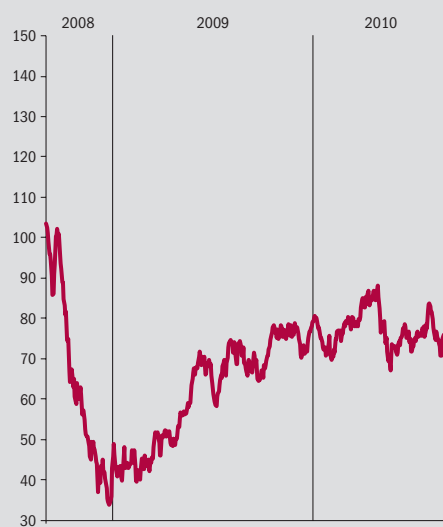


Chart 6 United States (federal funds rate in %)



Source: Federal Reserve System.

Chart 7 Oil prices (USD/barrel)



Source: Reuters.

