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EUROSYSTEM



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## ABBREVIATIONS

CPI	Consumer Price Index
EA	euro area
ECB	European Central Bank
EC	European Commission
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
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
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, increased to 2.4% in February according to Eurostat's preliminary data. Gross domestic product for the last quarter of 2010 grew by 2.0% in year-on-year terms and by 0.3% when measured against the previous quarter (by comparison, GDP for the third quarter rose by 1.9% on a year-on-year basis and by 0.3% quarter-on-quarter). The exchange rate of the euro against the US dollar appreciated during February. At its March meeting, the ECB's Governing Council decided to leave the key ECB interest rates unchanged, with the rate for the main refinancing operations standing at 1.00%, the marginal lending rate at 1.75% and the deposit rate at 0.25%.

The annual rate of HICP inflation in February remained unchanged in the Czech Republic, at 1.9%, accelerated in Hungary, to 4.2%, and fell in Poland, to 3.3%. According to the Eurostat data, fourth-quarter GDP in the Czech Republic, Hungary and Poland grew in year-on-year terms by, respectively, 2.6%, 2.3%, and 3.9% (in comparison, annual GDP growth in the third quarter was 2.7% in the Czech Republic, 2.2% in Hungary, and 4.6% in Poland). The Czech koruna and Polish zloty depreciated against the euro over the course of February, while the Hungarian forint appreciated. Key interest rates in Poland, the Czech Republic and Hungary remained unchanged in January.

Slovakia's seasonally unadjusted GDP for the last quarter of 2010, measured at constant prices, increased by 3.5% on a year-on-year basis, according to the SO SR's revised data (in the third quarter it rose by 3.8%). The quarter-on-quarter increase in seasonally adjusted GDP was 0.9%. Overall employment in the fourth quarter was 0.5% higher than in the same period of 2009 (the third quarter reported a decline of 0.7%), and compared with the previous quarter it rose by 0.4%. GDP growth in the last quarter slightly undershot expectations, while the employment figures were in line with expectations.

In terms of the output breakdown, GDP development in the last quarter of 2010

reflected the increase in value added, mainly in industry, construction, and public services. The structure of economic growth as measured by expenditure continued to be influenced mainly by rising external demand. The moderate increase in domestic demand was largely related to an increase in fixed investments. In the last quarter of 2010, household final consumption came to the end of its sharp decline and recorded modest year-on-year growth. By contrast, government final consumption fell. Net exports made a positive contribution to GDP growth. The deficit on the balance of payments current account deteriorated slightly in 2010, although the deficit as a share of GDP fell in comparison with the same period of the previous year. The current account structure also underwent a change, as the year-on-year decline in the trade surplus was offset by improvements in the services balance and current transfers balance. The year-on-year fall in the trade surplus stemmed from the adverse effect of rising import intensity and the increasing prices of raw materials on world markets. With overall economic development maintaining an upward trend, the labour market situation improved in the fourth quarter of 2010 and employment increased in year-on-year terms. But although labour productivity growth remained positive amid the continuing economic upturn, its annual growth slowed from that recorded in the previous quarter owing to the rise in employment. Real wage growth did not match the increase in labour productivity. The annual decline in unit labour costs continued in the fourth quarter of 2010, as labour productivity recorded higher year-on-year growth in comparison with the moderate rise in compensation per employee. Economic activity growth is expected to put downward pressure on the unemployment rate. The economic upturn was also reflected in the corporate sector, where the financial situation of firms remained favourable and the year-on-year increase in profits continued to be positive. The main driver of profit growth among non-financial corporations was industry.

In Slovakia, the annual rate of HICP inflation in February increased in month-on-month terms,



to 3.5%. The HICP rate was influenced mainly by an acceleration of annual inflation in energy and food prices. As for prices of services and prices of non-energy industrial goods, their rate of increase remained unchanged. Industrial producer prices accelerated in January in year-on-year terms, after previously recording a downward trend. The turnaround was partly related to the base effect of the substantial reduction in energy prices at the beginning of 2010. Other producer prices also recorded a rise in their year-on-year growth.

The current account balance achieved in January showed an improvement on the previous month. The reduction in the current account deficit was largely attributable to the trade balance surplus as well as to improvements in the current transfers balance and services balance. The income balance worsened slightly in comparison with the previous month. As for the industrial production index, its year-on-year growth slowed somewhat in January, although most sectors continued to report a positive growth trend. Annual output growth in the manufacturing sector, the largest component of the index, increased in January in comparison with December. Construction production for January declined in year-on-year terms. Sales in January increased year-on-year, mainly due to an upturn in sales in the sectors of industry, information and communication, and construction. Annual sales growth was dampened by a slowdown in sales growth in the transport and storage sector. The overall economic sentiment indicator recorded a lower figure in February than in the previous month. The indicator was adversely affected by a downturn in confidence in industry, which reflected expectations for a fall in industrial production. Confidence indicators in retail trade, construction and services also declined, while January's consumer confidence indicator reported a rise.

Year-on-year growth in nominal wages in the selected sectors was, on average, higher in January than in the previous month. The sectors in which nominal wage growth increased were the sale and maintenance of motor vehicles, retail trade, and industry. As for employment in January, it increased in the year-on-year comparison, thus ending a two-year downward trend. Annual employment growth was maintained in industry, and rose sharply in the information and communication sector. The rate of registered unemployment reached 13.0 % in January, representing an increase compared with the previous month.

In the area of deposits, the household and non-financial corporation sectors reported different developments in January. Whereas household deposits increased in comparison with December, deposits of non-financial corporations declined. This drop, following a sharp upward trend in previous months, was largely attributable to a fall in demand deposits. In year-on-year terms, however, deposits from both sectors continued to grow, and in the case of non-financial corporations, substantially so. The deposits accumulated by households were mainly those with an agreed maturity of up to two years. Lending to both sectors showed positive developments. The substantial month-on-month increase in lending to non-financial corporations was related to the improving economic situation of firms. In year-on-year terms, however, lending growth remained at the same positive level. The low increase in lending to households was probably a result of seasonal factors. Annual lending growth in both sectors remained positive. Retail lending rates to non-financial corporations continued their moderate decline in January, and interest rates on loans to households also came down. Deposit rates for both sectors increased slightly.





## 2 THE EXTERNAL ECONOMIC ENVIRONMENT<sup>1</sup>

### 2.1 THE EURO AREA

The year-on-year rate of euro area inflation, as measured by the Harmonised Index of Consumer Prices (HICP), was 2.4% in February 2011, which compared with January represented an increase of 0.1 percentage point. Inflation in energy and food prices again accelerated in comparison with the previous month, and service price inflation also rose. At the same time, the trend of decelerating inflation in prices of non-energy industrial goods continued. The lowest HICP inflation rates were recorded by Ireland (0.9%), France (1.8%), the Netherlands (2.0%) and Slovenia (also 2.0%), while the highest inflation was in Estonia (5.5%), Greece (4.2%) and Luxembourg (3.9%). The annual HICP rate for same period of the previous year was 0.8%.

The euro's exchange rate against the US dollar depreciated in the first half of February, and thereafter appreciated until the end of the month. Overall in February, the euro gained 1.0% against the US dollar, and compared with the beginning of 2011, it appreciated by 3.6 % (in the year-on-year comparison, the single European currency depreciated by 1.9 %).

The ECB's Governing Council decided at its meeting on 3 March 2011 to leave the key ECB interest rates unchanged. Thus, the rates on the main refinancing operations, the marginal lending facility and the deposit facility remained at 1.0 %, 1.75% and 0.25%, respectively. The Governing Council also decided at its first meeting in March to continue conducting its main refinancing operations and the special term refinancing operations with a maturity of one maintenance period as fixed rate tender procedures with full allotment for as long as necessary, and at least until the end of the sixth maintenance period of 2011 on 12 July. Furthermore, the Governing Council decided to conduct the three-month longer-term refinancing operations (to be allotted in April, May and June 2011) as fixed rate tender procedures with full allotment.

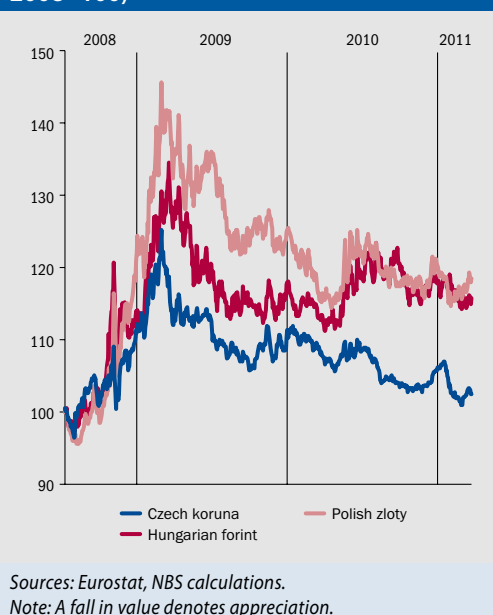
### 2.2 DEVELOPMENTS IN POLAND, THE CZECH REPUBLIC AND HUNGARY

In the Czech Republic, the annual HICP inflation rate for February remained unchanged in comparison with the previous month, at 1.9%;

Chart 1 USD/EUR exchange rate



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



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





in Poland it fell by 0.3 percentage point, to 3.3%, and in Hungary it climbed by 0.2 percentage point, to 4.2%.

The Czech koruna and Polish zloty weakened quite substantially against the euro in February. The Czech currency, after appreciating sharply against the euro in January, began to depreciate at the beginning of February and did not stop weakening until the last third of the month. As for the zloty, it had begun weakening against the euro in January and this trend became more pronounced

in February. The Hungarian forint's exchange rate against the euro did not show any particular trend. From end-January to end-February, the Czech koruna depreciated against the euro by 0.54%, the Polish zloty weakened by 0.47%, and the Hungarian forint appreciated by 1.14%.

Key interest rates in Poland, the Czech Republic and Hungary were left unchanged in February, with Narodowy Bank Polski keeping the base rate at 3.75%, Česká národní banka at 0.75%, and the Magyar Nemzeti Bank at 6.00%.

### Box 1

#### QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY – MARCH 2011

In line with expectations, global economic growth slowed in the fourth quarter of 2011 as the effect of anti-crisis fiscal measures gradually waned. Economic growth in emerging economies continued to be relatively vigorous, while the recovery in advanced economies was slower. US economic growth accelerated in the fourth quarter of 2010, largely on the basis of higher consumer demand, the positive contribution of net exports, and growth in investment demand. In the euro area, economic growth in the fourth quarter was the same as in the previous quarter. Economic activity continued to be boosted by net exports as well as by the relatively robust upturn in private consumption. At the same time, however, investment demand maintained its downward trend, and the economy was further dampened by destocking. A fourth-quarter drop in economic growth was also reported in the Czech Republic, Poland and Hungary, caused principally by the weakening of consumer and investment demand.

The price of oil rose quite sharply in the fourth quarter, mainly in response to higher demand. With the adverse geopolitical situation also a factor, this oil price trend continued in the first months of 2011. Prices of non-energy commodities, especially agricultural commodities, also recorded a relatively high rise. The situation in commodity markets

fuelled the acceleration of global price growth. Inflation rose in almost all of the economies under review.

In the United States, the Federal Open Market Committee (FOMC) left the federal funds rate unchanged. In November, however, the Fed embarked on a second wave of quantitative easing, when the FOMC announced that it would buy a further USD 600 billion of longer-term Treasury securities by the end of the second quarter of 2011. The ECB's Governing Council also kept its key interest rates unchanged. In addition, however, it decided to continue conducting main refinancing operations and special term refinancing operations as fixed rate tender procedures with full allotment, and to retain other details of liquidity-providing operations.

Česká národní banka was another central bank that made no change to monetary-policy rates. In Hungary, by contrast, the central bank (MNB) reacted to mounting inflationary risks by raising its monetary-policy rates on three occasions, by 0.75 percentage point in total. In Poland, too, the central bank (NBP) increased the base rate in January, by 0.25 percentage point, as a response to rising inflation and wage pressures as well as to the secondary effects of rising commodity prices.



## 3 ECONOMIC DEVELOPMENTS IN SLOVAKIA

### 3.1 PRICE DEVELOPMENTS

#### 3.1.1 CONSUMER PRICES

The year-on-year inflation rate in February was 3.5%, which represented an increase on the same figure for the previous month. This rise was primarily the result of an accelerated increase in energy and food prices. The annual inflation in prices of services and non-energy industrial goods remained unchanged.

Consumer prices in February, as measured by the HICP, rose by 0.3% in comparison with the previous month, while prices of goods increased by 0.3% and prices of services went up by 0.4%. The HICP inflation rate was in line with NBS expectations. The rise in prices of non-energy industrial goods was lower than expected, while the prices of food, energy and services recorded a higher increase than projected.

In month-on-month terms, February's consumer prices were affected by increases in prices of fuel, food and services. The increase in fuel prices was a result of rises in global oil prices. As regards food price inflation, it was higher for unprocessed foods than for processed foods. Processed food prices reflected rising prices of bread and bakery products, chocolate, confectionary, coffee, and beer, while unprocessed food prices were

driven up mainly by higher prices of fruit and vegetables. Services prices also increased from the previous month, owing to higher prices in housing-related services and in health care, catering, recreational, and hairdressing services. In the category of non-energy industrial goods, the largest fall in prices was recorded by durable goods (furniture, electricals, computers). The decline in prices of semi-durable goods was attributable to the fall in prices of clothing and footwear. Prices of non-durable goods also went down.

From March 2010 to February 2011, the average 12-month inflation rate reached 1.3%, which was 0.3 percentage point higher than in the previous month.

In the coming month, the HICP inflation rate is expected to be affected by higher prices of cigarettes, food, fuel and services, and the rate's year-on-year increase is assumed to remain unchanged.

In February, the Consumer Price Index (CPI) increased by 0.3% in month-on-month terms, with regulated prices increasing by 0.1% and core inflation standing at 0.4%. The year-on-year CPI inflation rate was 3.3% (compared to 3.0% in January).

**Table 1 Producer price developments in January 2011 (%)**

	Month-on-month changes		Year-on-year changes			
	December 2010	January 2011	January 2010	December 2010	January 2011	Average since begin. of 2011
Industrial producer prices (for the domestic market)	0.4	0.8	-5.4	-0.7	1.8	1.8
– prices of manufacturing products	0.3	1.1	-2.9	1.8	2.7	2.7
– prices of mining/quarrying products	-0.4	2.0	-13.0	6.3	8.3	8.3
– energy prices	0.5	0.6	-8.3	-4.4	0.2	0.2
– water and sewerage charges	0.0	1.2	3.9	6.1	7.3	7.3
Industrial producer prices (for export)	0.2	1.8	-0.8	4.3	6.7	6.7
– prices of manufacturing products	0.2	1.8	-0.5	4.4	6.9	6.9
Construction work prices	-0.1	0.5	1.7	0.9	1.3	1.3
Building material prices	-0.3	1.2	-8.6	0.0	1.5	1.5
Agricultural product prices	-	-	-12.4	18.3	22.8	22.8
– prices of vegetable products	-	-	-12.4	25.6	63.1	63.1
– prices of animal products	-	-	-12.5	4.8	7.4	7.4

Source: SO SR.

### 3.1.2 PRODUCER PRICES

In January 2011, Slovak industrial producer prices for the domestic market rose by 0.8% in comparison with the previous month and fell by 1.8% in year-on-year terms (the last month in which they recorded an annual rise was March 2009). This increase was partly caused by the base effect of the substantial reduction in energy prices for producers in the first months of 2010

Manufacturing prices in Slovakia recorded a faster year-on-year rise in January 2011 than in the previous month, mainly due to accelerated price growth in refined oil products (up by 14.9 percentage points, to 39.7%) and in chemicals and chemical products (9.1 percentage points, to 14.1%). Annual price inflation for metals and metal products was lower by 1.1 percentage point, at 3.1%. Transport vehicles production prices in January fell by 4.7% in year-on-year terms, compared to a drop of 4.0% in the previous month.

Energy prices in January rose by a modest 0.2% year-on-year, which represented their first annual increase since June 2009 (0.8%). The highest annual inflation in January was recorded in prices for the manufacture of gas and distribution of gaseous fuels through mains; their year-on-year increase of 19.4% was 7.9 percentage points higher than in the previous month. Prices for steam and air-conditioning supply in January increased by 0.2%

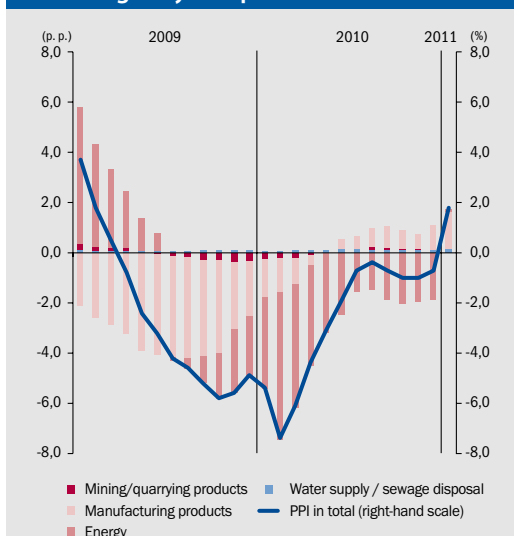
in year-on-year terms, after an annual decline of 3.9% in the previous month. The year-on-year decrease in electricity generation prices again slowed in January, to 6.9% (3.6% lower than in the previous month).

Prices of agricultural products in January 2011 increased by 22.8% in comparison with the previous January. Their 12-month rise was 4.5 percentage points higher than in December, owing to plant product prices increasing by 63.1% year-on-year (driven up mainly by cereal price inflation). On the deflationary side, sugar beet prices fell by 12.5% in year-on-year terms and pulse prices declined by 4.1%. The year-on-year rise in animal product prices accelerated by 2.6% in comparison with the previous month, to stand at 7.4%.

Industrial producer prices in February recorded a higher year-on-year increase than in January; the conditions for this acceleration were created by a combination of rising oil prices, the continuing increase in food commodity purchase prices and the base effect of the sharp fall in energy prices reported in February 2010.

In the latest agrarian market news, the European Commission decided to suspend the customs duty on cereals owing to the low stock levels and high prices of cereals. The aim of this measure is to stimulate imports of cereals from non-Member States as a way of easing tensions in European markets. In Slovakia, the average purchase prices of almost all food cereals went up in January and they are expected to maintain a rising trend. Prices of feed cereals, oilseed rape, sunflowers, and potatoes are also assumed to increase. As regards animal products, prices of slaughter cattle and slaughter pigs are expected to stay the same. The purchase price of raw cow's milk has a slightly rising tendency. Overall, the year-on-year inflation in prices of agricultural products is assumed to be higher February 2011 than in the previous month.

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



Source: SO SR.

## 3.2 THE REAL ECONOMY AND THE LABOUR MARKET

### 3.2.1 TRADE BALANCE

The current account deficit for January was lower than for the previous month, largely owing to the improvement in the trade balance, from a deficit

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

	December	January	
	2010	2011	2010
Trade balance	-241.8	136.0	53.6
Exports	4,040.3	4,170.4	3,079.2
Imports	4,282.1	4,034.4	3,025.6
Services balance	12.2	-35.1	-61.7
Income balance	-114.4	-184.5	-158.6
of which: income from investment	-210.9	-277.9	-245.7
of which: reinvested earnings	-123.6	-223.8	-203.3
Current transfers balance	-31.3	30.1	-20.8
Current account in total	-375.3	-53.5	-187.5

Source: NBS and SO SR.

in December to a surplus in January. A further positive effect on the current account deficit was the improvement in the current transfers balance.

The positive trends in export and import growth recorded in 2010 were maintained in January 2011. In year-on-year terms, export growth and import growth were higher than in December by, respectively, 12 percentage points and 4.9 percentage points. Exports rose by 35.4%, more than in any month of the previous year, while imports increased by a slightly slower 33.3%.

This represented a change to the trend of import growth exceeding export growth, which had been recorded since July 2010. Export growth received a boost from the recovery in external demand, and its substantial month-on-month increase in January indicates a further acceleration in comparison with the previous year.

The trade balance achieved in January was slightly better than NBS had expected, while the amount of both exports and imports was substantially higher.

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

The current account deficit on the balance of payments for January to December 2010 stood at €2,277.5 million, representing an increase of €13.3 million in comparison with the previous year. Although the deficit differed only slightly from 2009, the structure of the current account underwent a change. The year-on-year decline in the trade surplus was offset by improvements in the services balance and current transfers balance, while the income balance deficit recorded only a minimal change compared to the previous year. The ratio of the current account deficit to GDP (at current prices) for the period under review represented 3.5%, which compared with 2009 represented an improvement of

0.1 percentage point. In a comparison to developments in the third and fourth quarters of 2010, the trade balance recorded the most substantial improvement (of €186.9 million).

Compared with 2009, imports and exports increased in 2010 by 22.8% and 25.5%, respectively.

The category of exports that recorded the largest annual increase in 2010 was machinery and transport equipment, which accounted for more than half of the total growth in exports. The increase in this category included growth in exports of both transport equipment (especially



passenger cars) and machinery. Substantial export growth was also recorded for chemical products and semi-finished goods. In the category of finished products, the year-on-year export growth was driven mainly by increases in exports of clothing, footwear, sugar, meat and pharmaceutical products. Export growth in the category of raw materials was largely attributable to increases, mainly price-related, in exports of processed mineral oils and gas.

The largest year-on-year increase in imports was recorded in the category of machinery and transport equipment. The annual import growth was related to the substantial rise in exports, which was reflected mainly in higher imports of components for the automotive industry (i.e. in the sub-category of transport equipment) as well as higher imports in the sub-category of machinery. Similarly to exports, the rise in raw material imports was driven mainly by price increases in global markets and was most apparent in the imports of oil (crude and refined) and gas.

The balance of services deficit contracted in comparison with the previous year, mainly due to the improvement in the sub-category of *other services in total* and, to a lesser extent, because of the increase in revenue from tourism services. The year-on-year improvement in the income

balance was accounted for by the surplus in the *compensation of employees*, since remittances of non-resident workers in Slovakia declined. The balance of investment income remained largely unchanged in year-on-year terms; this was because the higher expected profitability of firms with foreign participating interests (reflected in higher dividend payments to foreign investors), was offset by positive developments in interest income in the NBS sector. The current transfers deficit recorded a year-on-year improvement owing to the increase in *general government transfers* balance, in which the rise in income from EU funds was accompanied by a decline in payments to the EU budget.

The capital and financial account reported a surplus of €538.4 million in 2010, compared to a surplus of 3,422.3 million in 2009. The main factor behind the lower inflow to the capital and financial account was the decline in received deposits in the *other investment* balance. This reduction was a consequence of developments in the NBS sector in 2009, namely the policy applied by the central bank following Slovakia's entry into the euro area and the provision of Eurosystem loans through the TARGET2 system. In the quarter-on-quarter comparison, the net inflow of funds in the fourth quarter was lower by €701.5 million, owing to the decrease in deposits of non-residents in Slovak banks.

### 3.2.2 PRODUCTION AND SALES

The industrial production index (IPI) recorded year-on-year growth of 17.1% in January, which was slightly lower than its growth in December (19.7%). Owing to the global recovery and expansion of emerging markets, a majority of the sectors included in the IPI continue to report a rising trend in both month-on-month and year-on-year terms. The IPI's seasonally adjusted month-on-month increase of 0.9% was dampened by a substantial monthly fall of 7.9% in energy supply, which also slowed the IPP's annual increase. Annual output growth in the manufacturing sector, the largest component of the index, increased to 20.4% in January from 19.4% in December.

The main sectoral contributors to the annual IPP growth was transport vehicles production (which

rose by 50.9% in January and 38.2% in December). The principal downward pressure on the IPI came from energy supply (3.4%; 24.4%). There was also a substantial slowdown in electronics manufacturing (-0.8%; 26.8%), approximately half of which could be attributed to a base effect and the rest to a month-on-month decline in production. While this drop may have been one-off result amid the sector's trend growth, it is also possible that the sector's production will not report very strong annual growth in the first half of 2011 owing to the unusually high demand for its output in the first half of 2010. The February business tendency survey in industry<sup>2</sup> was again optimistic. Despite the slight drop in confidence, production is still expected to increase and indicators of current demand remain relatively high. Several indicators suggest that expansion will continue at both

<sup>2</sup> SO SR, *Business Tendency Surveys*, January 2011.

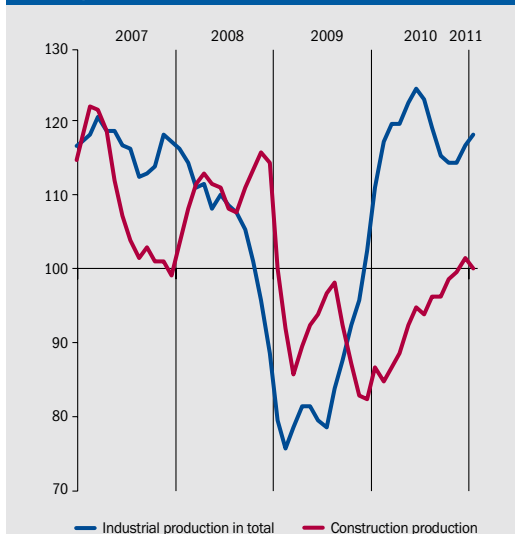
the global and European level.<sup>3</sup> Therefore, in the months ahead, annual production growth could maintain its current levels.

Construction production in January fell by 0.8% in year-on-year terms (after reporting zero growth in December), and recorded another substantial month-on-month decline (2.6%).<sup>4</sup> Business tendency surveys do not indicate that the weather in January was considered to be so adverse that it could explain the persisting uncertainty in the sector. Domestic production in January recorded a month-on-month decline of 0.8% (in December it fell by 1% on the previous month). Building construction output rose in January by 1.1% (5.5% in December), while civil engineering construction output fell sharply in both months (by 10.3% and 10%). In the building constructor sector, the recovery trend came to a halt towards the end of the year and production growth slowed down moderately. Construction production abroad recorded a year-on-year decline of 1.8% (compared to December's drop of 29%). February's business tendency survey underscored the uncertainty in the sector, with production again expected to decline and overall confidence slightly lower than in the previous month.

Total sales in the selected sectors recorded a further acceleration of year-on-year growth in January 2011; they increased by 13.4%, after rising in December by 10.7%. This higher growth (at current prices) was driven mainly by the sectors of industry, information and communication, and retail trade. In the case of industry, the increase in annual growth from 22.2% in December to 23.0% in January was largely accounted for by accelerated growth in transport vehicles production, machinery and equipment production, and food production. By contrast, sales in computer and electronic production recorded a decline in annual growth in comparison with December.

Retail trade sales for January 2011, measured at current prices, rose by a moderate 3.6% in year-on-year terms. Measured at constant prices, their half-year long negative trend continued, but the decline was substantially lower than in December. The annual rise of retail sales at current prices reflected stronger sales growth in the categories of *non-specialised shops* and *retail trade in other household goods*, as well as a slower annual decline in *retail trade in other goods sold by non-specialised shops*, which was probably related to post-Christmas shopping and sales.

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



Source: SO SR and NBS calculations.

Note: The industrial production index is adjusted for the number of working days.

In the sector of sale and maintenance of motor vehicles, year-on-year sales increased in January 2011 for a sixth consecutive month. Their annual growth of 10.9% represented a slight increase in comparison with December (9.6%). In the structure of sales in this category, no significant trend growth in sales of more expensive cars was recorded between 2009 and 2010. The current annual sales growth stems from a combination of lower car prices and a higher annual increase in the number of cars sold (the number of car sales is at present rising more sharply than the growth in receipts).

### 3.2.3 WAGES, EMPLOYMENT AND UNEMPLOYMENT

On average, in the selected sectors, nominal wages recorded higher year-on-year growth in January 2011 than in December 2010. This acceleration in wage growth was most pronounced in the following sectors: sale and maintenance of motor vehicles, retail trade, wholesale trade, and industry. By contrast, the

<sup>3</sup> Source: ECB Monthly Bulletin, February 2011; Business and Consumer Surveys, European Commission, February 2011.

<sup>4</sup> Source: SO SR, Construction Sector Output in January 2011.





**Table 3 Production and sales**

Statistical classification of economic activities (SK NACE Rev. 2)	EUR millions, current prices	Indices			
	January 2011	January 2010	Jan.-Dec. 2010	December 2010	January 2011
Industrial production index <sup>1), 2)</sup>	-	120.1	118.9	119.7	117.1
Production in construction <sup>2)</sup>	258.5	91.9	95.4	100.0	99.2
Sales <sup>3)</sup>					
Industry in total	5,916.3	108.2	117.5	122.2	123.0
Construction	403.0	87.7	94.8	104.9	110.0
Wholesale trade, excluding motor vehicles	1,660.5	96.9	102.6	99.2	98.6
Retail trade, excluding motor vehicles	1,298.6	96.4	99.2	100.5	103.6
Sale and maintenance of vehicles	251.4	95.1	95.6	109.6	110.9
Accommodation and food service activities	87.7	90.1	93.2	95.2	101.4
Transportation and storage	448.3	102.6	107.1	114.6	107.4
Selected market services	676.2	104.0	107.5	111.2	110.7
Information and communication	378.5	98.3	91.3	89.8	107.1
Total sales from own output and merchandise in selected sectors	11,120.5	102.3	107.9	110.7	113.4

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

1) Adjusted for number of working days (data in the time series are continuously revised).

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

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

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

	Average monthly nominal wage		Average monthly real wage <sup>1)</sup>	
	December 2010	January 2011	December 2010	January 2011
Industry	103.5	103.6	102.2	100.6
of which: manufacturing	104.6	103.2	103.8	100.2
Construction	105.1	104.9	103.8	101.8
Sale and maintenance of vehicles	100.8	104.3	99.5	101.3
Wholesale trade	102.8	103.1	101.5	100.1
Retail trade	101.4	102.7	100.1	99.7
Accommodation	101.8	101.6	100.5	98.6
Food service activities	102.3	100.6	101.0	97.7
Transport and storage	106.3	99.9	104.9	97.0
Information and communication	95.1	96.7	93.9	93.9
Selected market services	108.4	103.7	107.0	103.5
Average for the selected sectors	103.3	103.9	102.0	100.8
Consumer prices	101.3	103.0	-	-

Source: SO SR and NBS calculations.

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

information and communication sector and the transport and storage sector reported an annual decline in the average nominal wage in January.

January's figures for the selected sectors indicate that, on average, nominal wage growth in the economy as a whole in the first quarter of 2011



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

	Employment	
	December 2010	January 2011
Industry	102.7	104.3
of which: manufacturing	103.3	104.8
Construction	98.1	97.9
Sale and maintenance of vehicles	95.4	97.8
Wholesale trade	97.0	97.5
Retail trade	99.0	99.1
Accommodation	96.9	96.9
Food service activities	96.1	97.1
Transport and storage	100.7	97.8
Information and communication	90.4	114.0
Selected market services	98.0	98.6
Average for the selected sectors	99.8	100.9

Source: SO SR and NBS calculations.

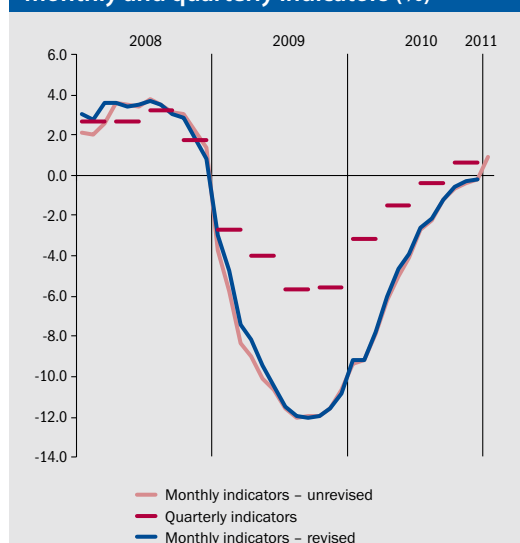
will be 3.9%, slightly higher than in the fourth quarter of 2010 (3.8%).

Employment in the selected sectors recorded an average year-on-year increase of 0.9% in January 2011, after declining for two years. Employment in industry maintained a rising trend in January, and the information and communication sector also reported substantial employment growth. Average data for January from the selected sectors indicate

an improvement in the employment situation in the first quarter of 2011, compared with the previous quarter.

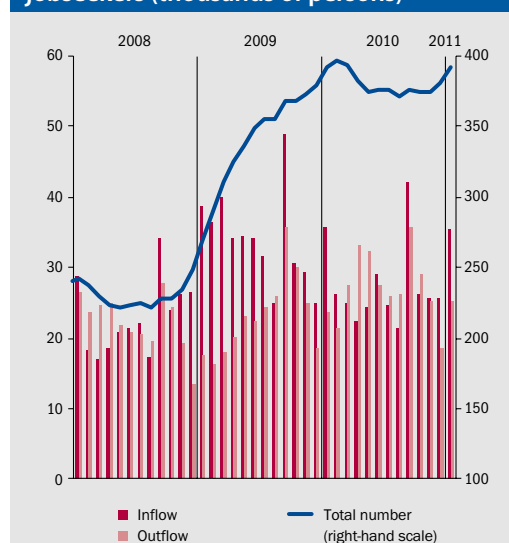
According to data from the Central Office of Labour, Social Affairs and Family, the total number of unemployed increased in January 2011 by 10,400 in comparison with the previous month, to stand at 391,600. The rate of registered unemployment rose to 13.0% in January, 0.5 percentage point higher than in November.

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



Source: SO SR and NBS calculations.

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



Source: Central Office of Labour, Social Affairs and Family.



Box 3

**DEVELOPMENT OF THE REAL ECONOMY IN THE FOURTH QUARTER OF 2010<sup>5</sup>**

Slovakia's gross domestic product (GDP), measured at constant prices, grew in the fourth quarter of 2010 by 3.5% in year-on-year terms, according to revised data from the Statistical Office of the Slovak Republic. By comparison, GDP in the third quarter increased by 3.8%. According to seasonally adjusted data, the fourth quarter GDP rose by 0.9% on a quarter-on-quarter basis, and thus the economy continued its trend of quarterly growth.

In terms of the output breakdown, GDP development in the last quarter of 2010 reflected the increase in value added, mainly in industry, construction, and financial and public services. The year-on-year decline of value added in the agriculture sector was higher than in the previous quarter.

Measured by GDP expenditure, economic growth in the fourth quarter of 2010 was influenced mainly by rising external demand (exports of products and services climbed by 14.3%). In domestic demand, too, there was also a moderate rise (of 1.5%), largely accounted for by fixed investment growth. As regards final consumption, private consumption rose slightly after recording a decelerating decline in the previous quarters of the year. General government consumption fell in the fourth quarter.

The average monthly nominal wage of an employee in the Slovak economy in the fourth quarter of 2010 increased in year-on-year terms by 3.8%, to €844. The seasonally adjusted annual nominal wage growth was 0.9 percentage point higher than in the previous quarter. The average real wage in the fourth quarter increased by 2.7%. Nominal compensation per employee (ESA 95) increased by 2.5% in the annual comparison, which was 1 percentage point higher than in the third quarter.

Employment as defined in the methodology of national accounts (ESA 95) recorded a year-on-year rise of 0.5% in the fourth quarter of

2010, representing its first increase since 2009 and an improvement of 1.2 percentage point on the year-on-year decrease reported in the third quarter. According to seasonally adjusted quarter-on-quarter data, employment rose by 0.4% in the fourth quarter of 2009.

Measured by the number of hours worked, employment in the fourth quarter of 2010 rose by 0.4% in year-on-year terms. However, this figure was 1.9 percentage points lower than the increase recorded in the previous quarter. According to seasonally adjusted quarter-on-quarter data, the number of hours worked increased by 1.0%. The developments in employment imply that the labour market situation gradually began to stabilise in the second half of 2010.

Unit labour costs in the fourth quarter of 2010 fell by 0.4% in year-on-year terms. In this case, they are calculated from ESA 95 data under the ECB methodology (ULCECB), i.e. as the ratio of growth in nominal compensation per employee to growth in real labour productivity (ratio of nominal compensation per employee to real labour productivity). The decline in unit labour costs was caused by a rise in real productivity growth combined with a more moderate increase in compensation per employee.

According to a labour force sample survey, the average number of unemployed in the fourth quarter of 2010 recorded a year-on-year increase of 0.7%, which was lower than in the previous quarter. This increase was reflected in the rate of unemployment, which at 13.9% for the fourth quarter was 0.2 percentage point lower than in the third quarter.

The economy's year-on-year growth in the fourth quarter of 2010 was slightly lower than expected, owing to the more moderate increase in private consumption and decline in general government consumption. Net exports were the main contributor to growth, and the slight increase in domestic demand also made

<sup>5</sup> More detailed information is provided in Annex 4.

a positive contribution. Looking ahead, the growth in economic activity is expected to continue, albeit at a slower pace owing to the expected consolidation of public finances. The

gradual recovery in the labour market is also expected to continue, although it should be dampened to some extent by expected lay-offs in the public sector.

### 3.2.4 ECONOMIC SENTIMENT INDICATOR

The economic sentiment indicator for February stood at 101.2, representing a fall of 3.0 percentage points in comparison with January and an increase of 7.7 percentage points in year-on-year terms. The indicator declined because of weaker confidence in industry, construction, retail trade, and services. The consumer confidence indicator improved in comparison with the previous month.

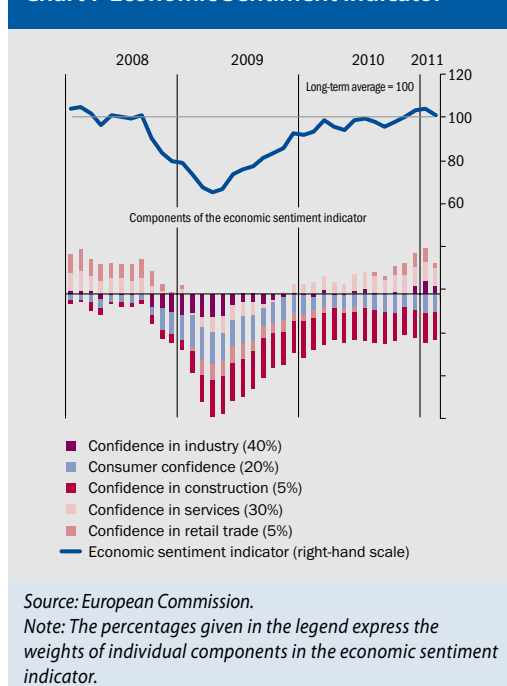
The fall in the industry confidence indicator reflected mainly the worse assessments of expected industrial output. In the construction sector, the expected reduction in employment over the months ahead was the principal cause of the decline in confidence. In retail trade, confidence slumped largely as a result of the more pessimistic assessment of business trends. In services, the downturn in confidence was mostly related to unfavourable expectations for future demand.

Consumer confidence increased from the previous month in regard to the expected financial situation of households, the expected economic development of Slovakia, and the expected household saving ratio. However, consumer sentiment in regard to the expected level of unemployment deteriorated slightly. Compared with the previous month, the consumer confidence indicator climbed by 4.0 percentage points, while in year-on-year terms it fell by 4.8 percentage points.

## 3.3 MONETARY AGGREGATES AND INTEREST RATES

Domestic monetary financial institutions (MFIs) contributed €8 million to the euro area's M3 monetary aggregate in January. In January, M3 growth in year-on-year terms was 6.0%, which was 1.7 percentage points higher than in December.

Chart 7 Economic Sentiment Indicator



The M3 monetary aggregate was affected mainly by developments in the most liquid deposits (M1) and less liquid deposits (M3 – M2). Marketable instruments remained almost unchanged (M3 – M2). As regards the most liquid deposits, both currency in circulation and demand deposits declined. The fall in M1 was, however, fully offset by the increase in deposits with an agreed maturity of up to two years, which are among the less liquid deposits (M2 – M1). In the area of deposits, the household and non-financial corporation sectors reported different developments in January. On one hand, household deposits continued to increase and make a positive contribution to the M3 aggregate; they recorded a year-on-year rise of 5.7% (0.3% higher than in December) and there was growth in both deposits included in M3 and deposits not included in M3. On the other hand, the amount of deposits of non-financial corporations fell, after rising substantially in



previous months. Since their previous rising trend had been relatively strong, non-financial corporate deposits rose in January by 15% in year-on-year terms.

Despite the M3 stagnation, claims of monetary financial institutions (MFIs) on the private sector increased by €372 million in comparison with the previous month, with loans rising by €403 million and securities declining by €31 million. Turning to the counterparts of M3, the growth in lending was partly offset by the decline in net foreign assets and the fall in lending to the central government.

The year-on-year rise in MFI claims on the private sector accelerated by 1.2 percentage points in comparison with the previous month, to 5.7%. Annual lending growth reached 6.3%, which was 0.9 percentage point higher than in December.

Lending to both the household and non-financial corporation sectors increased. Loans to non-financial corporations increased by €369 million in month-on-month terms, thus confirming the improvement in the economic situation and the higher demand for external funds. Firms recorded not only an increase in the outstanding amount of operational loans (short-term loans maturing within 1 year), but also in long-term loans with a maturity of more than five years. This may indicate a relatively strong increase in investment demand. The stock of long-term loans with a maturity of more than five years has risen moderately in each of the last four months, and this favourable development may stimulate future growth in economic activity. Reflecting these monthly increases, lending to non-financial corporations in January recorded a year-on-year rise of 3.1%, which was 1.4 percentage points higher than in the previous month. Household borrowing maintained its rising trend in January, and the outstanding

amount of loans increased by €43 million. The small year-on-year change is explained by the substantial decline in loans for consumption purposes, as borrowing demand shifted to house purchase loans. Consequently, the month-on-month and year-on-year changes in both consumer loans and house purchase loans are distorted. If these changes were deducted, the increase in real estate loans would be only very slight. In the year-on-year comparison, lending growth to households remained unchanged at 12.4%.

The inflow of investments into open-end investment funds (OIFs) in Slovakia came to a halt in February. In the weekly breakdown, the amount of investments ranged from a net outflow of €7.0 to a net inflow of €5.1 million, and over the whole month, across all categories of OIFs operating in Slovakia (both euro-denominated and foreign currency-denominated funds), there were negative net sales of €3.5 million.<sup>6</sup>

As for the situation in particular fund categories, mixed funds again reported the highest net sales (€16.5 million) and there were positive figures also for special real estate funds (€5.1 million), funds of funds (€4.3 million) and equity funds (€1.8 million). Money market funds recorded negative net sales (–€15.5 million), which represented a return to the trend of several months that had been interrupted by the previous month's net inflow. A net outflow of investments was also recorded for other/secured funds (–€10.2 million) and bond funds (–€5.5 million).

The key ECB interest rates remained unchanged in January, with the rates on the main refinancing operations, the marginal lending facility and the deposit facility at 1.00 %, 1.75% and 0.25%, respectively. Market interest rates represented by the EURIBOR rose slightly during the course

6 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 OIF administrators ([www.openiazoch.sk](http://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 investment funds and their conversion into euro funds at the end of 2008 caused a significant decrease in the number of investment funds (from around 550 to 460) and an increase in the number of domestic currency (the euro) funds. In 2009, the funds PARVEST and ING (L) Invest SICAV were added to the SASS database and certain funds of Pioneer Investments Austria GmbH were removed from it (the total number of funds fell from more than 570 at the end of the year, to fewer than 500). In 2010, the number of funds reported by SASS was relatively stable; it ranged from 494 to 511 (falling to 498 at the end of December). In the first two months of 2011, the number of funds was between 496 and 505.

**Table 6 Monthly net sales of open-end investment funds<sup>1)</sup> in Slovakia (EUR millions)**

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Cumulative
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	20.8	18.8	-10.7	17.2	11.4	50.4	377.3
2011	9.0	-3.5 <sup>2)</sup>	.	.	.	.	.	.	.	.	.	.	5.5

1) Total denominated in domestic currency (euro, before 2009 in Slovak koruna) and foreign currency.

2) Calculated by NBS for the given month on the basis of SASS data (Weekly Data on Open-End Investment Funds).



of January. The ECB carried out two longer-term refinancing operations and three fine-tuning liquidity-absorbing operations. Retail lending rates did not reflect the rising trend in market rates and declined moderately. Deposit rates, by contrast, recorded a slight increase.

Retail lending rates to non-financial corporations continued their moderate decline in January, reflecting mainly the lowering of rates for operational and other loans, and to a lesser extent for investment loans. Prices of real estate loans increased. The extent of lending rate cuts was approximately the same for both large corporations and for small and medium-sized enterprises. The lower interest rates were probably related to the economic upturn, the improving performance of firms, and positive expectations for future economic development.

Average lending rates for households fell slightly in January, largely because of competition in the

provision of house purchase loans. The average price of these loans maintained its downward trend from the last quarter of 2010, falling by 0.15 percentage point to 4.65%. By contrast, consumer loan interest rates rose substantially and reached their highest level since the end of 2009.

The remuneration of both household deposits and non-financial corporate deposits increased slightly in January. This probably reflected both the slightly higher market interest rates and competition for fixed-term deposits, which for banks represent a relatively cheap and long-term source of funds. Whereas the rise in deposit rates for households occurred primarily in longer-term fixed deposits (with an agreed maturity of up to two years), the increase in remuneration on non-financial corporate deposits was recorded for deposits with an agreed maturity of one year and demand deposits.



# QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

## THE GLOBAL ECONOMY

Global economic growth in the fourth quarter of 2010 was slower than in the previous quarter. The exiting from fiscal stimuli in the first half of the year dampened, but did not break the recovery in economic activity. The pace of economic activity continues, however, to vary across regions. Whereas advanced economies report no more than moderate growth, owing to subdued labour markets and low consumer confidence, emerging economies are experiencing relatively strong growth. Although the OECD composite leading indicator (CLI) increased slightly in the fourth quarter, it does not imply an acceleration of economic growth.

Gross domestic product in the OECD area recorded quarter-on-quarter growth of 0.4% in the last quarter of 2010, which was slower than in the previous quarter (0.6%). On a year-on-year basis, the global economy grew by 2.7% in the fourth quarter, compared with 3.2% in the third quarter.

Consumer price inflation accelerated slightly again in the last quarter of 2010, reflecting

mainly developments in energy and food prices. While inflation pressures were mostly strong in emerging markets, they remained subdued in advanced economies. The 12-month inflation rate in the OECD area reached 2.1% in December, compared with 1.7% in September. It remained unchanged in January, at 1.9%. Energy prices increased in December 2010 by 8.3% year-on-year (compared with 5.2% in September). Food price inflation also accelerated modestly, from 2.3% in September to 2.6% in December. Annual core inflation in December stood at 1.2%, the same as in September. It went up slightly in January, to 1.3%.

The risks involved in global economic development are still high, but balanced. External trade made a positive contribution to world growth. Global economic activity may continue to be adversely affected by the following factors: a persisting lack of investor confidence in financial markets, renewed commodity price increases, the intensification of protectionist measures, and the possibility of a disorderly correction of global imbalances.

## COMMODITY MARKETS

Oil prices increased during the fourth quarter of 2010. Their average price reached USD 86/barrel, compared with USD 77/barrel in the third quarter. At the end of December, the price of oil stood at USD 93/barrel, representing a rise of 18% since the beginning of 2010. Oil prices continued to increase in January and February 2011, reaching USD 112/barrel at the end of the second month.

World-market prices of other commodities recorded a further substantial increase in the fourth quarter of 2010. The highest rise was in prices of agricultural commodities, resulting from strong demand, poor crop yields (due to biological factors), and low stocks. As in the previous quarter, prices of non-ferrous metals also increased, owing mainly to higher demand from China, a low volume of inventories, and a fall in production of these metals.

Chart 8 GDP quarterly growth and CLI





## UNITED STATES

In the United States, economic growth continued to accelerate in the fourth quarter, recording an annualised rate of 2.8% after 2.6% in the previous quarter.

The largest contribution to GDP growth came from household private consumption. Looking at its structure, the strongest growth was recorded in prices of durable goods (primarily cars and their components). Net exports, too, made a positive contribution to GDP growth, as the increase in exports was accompanied by a substantial decrease of imports. There was also an acceleration of growth in investment demand, particularly in non-residential investments. By contrast, inventories declined sharply and therefore had a dampening effect on GDP growth. Further downward pressure on GDP growth came from federal, state and local government spending, which fell substantially in comparison with spending in the third quarter.

Although inflation was relatively stable in the fourth quarter of 2010, it was driven up at the end of the year by energy price inflation. Annual inflation thus climbed from 1.1% in September to 1.5% in December, and its acceleration continued in January, to 1.6%. Core inflation in the fourth quarter of 2010 remained unchanged

from the third quarter, at 0.8 %, and in January it climbed to 1.0%.

In the last quarter of 2010, the Federal Open Market Committee (FOMC) decided at two regular meetings and one special meeting to leave the federal funds rate unchanged, i.e. at close to zero. The FOMC also confirmed its intention to maintain the federal funds rate at exceptionally low levels for an extended period of time. At a special meeting of the FOMC held in October, discussion focused on the monetary policy framework and on alternative methods of defining and communicating the FOMC's monetary objectives. At its regular meeting in November, the FOMC announced that it would buy USD 600 billion of longer-term Treasury securities by the end of the second quarter of 2011 in order to stimulate the economic recovery. At its regular meeting in December, the FOMC authorised an extension of its dollar liquidity swap arrangements with foreign central banks. At its meeting in January 2011, the FOMC decided to leave the federal funds rate unchanged.

## THE EURO AREA

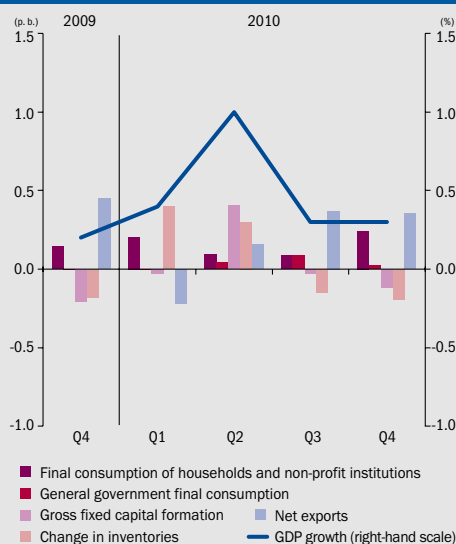
Euro area economic growth in the fourth quarter of 2010 was the same as in the previous quarter, at 0.3%. The year-on-year increase in

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



Source: Eurostat.

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



Source: Eurostat.



**Chart 11 Euro area: assessment of competitiveness in industry**



Source: European Commission.

in comparison with the previous quarter. There was also a moderate rise in general government consumption. The main downward pressure on economic growth came from the decline in inventories and in investment demand.

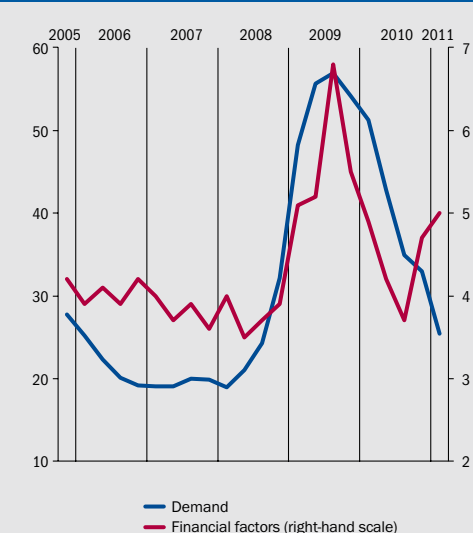
Given the significant role of external trade in the economic recovery of the euro area, developments in the global economy will continue to have a major influence on outlooks for the bloc's economic growth. Views about competitiveness in industry improved in the first quarter of 2011 after a temporary deterioration in the previous quarter. This applied particularly to non-EU markets and to the domestic market. The perception of competitiveness in the EU worsened slightly again, which may to some extent be influenced by the debt crisis in certain countries. Overall, however, the assessment of competitiveness is at relatively high levels.

GDP accelerated slightly, from 1.9% in the third quarter to 2.0% in the fourth quarter.

Net exports were a key driver of economic growth in the fourth quarter of 2010. Although export growth slowed slightly, it remained higher than import growth. With the labour market stabilising, consumer demand continued to pick up, recording a relatively robust increase of 0.4%

The favourable outlooks for future economic growth are also confirmed by the assessment of production-limiting factors in industry. The trend of fewer and fewer firms perceiving demand as an obstacle to production continued in the first quarter of 2011. In fact, equipment and labour were regarded as the more limiting factors. In the case of equipment, this assessment may to a large extent reflect the long-term decline in investment demand; at the same time, however,

**Chart 12 Production-limiting factors (balance of responses)**



Source: European Commission.

**Chart 13 Production-limiting factors (balance of responses)**

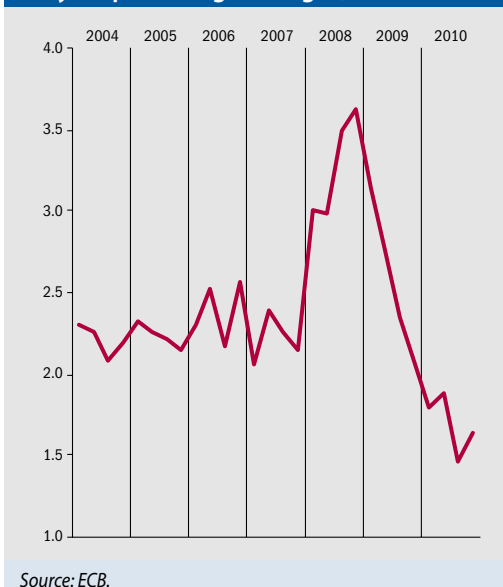


Source: European Commission.

**Chart 14 Expectations for employment by sector (balance of responses)**



**Chart 15 Euro area: agreed wages (year-on-year percentage changes)**



it may indicate its future recovery. As for labour, the assessment indicates that the labour market will continue to stabilise and that there are good prospects for a revival in private demand. The worsening assessment of financial conditions may to some degree be related to the debt crisis.

The higher contribution of consumer demand to economic growth was also related to the gradual stabilisation of the labour market. The rate of unemployment during the last quarter of 2010 remained more or less unchanged at 10%, and in January it even fell slightly, to 9.9%. Although consumer expectations for the development of unemployment did not improve in the last months of the year, the trend improvement in the expectations of particular sectors for the future employment situation indicates that the labour market has sound prospects. In the fourth quarter, the most pronounced improvement in expectations for future employment were recorded in industry, and to a lesser extent in services and in construction.

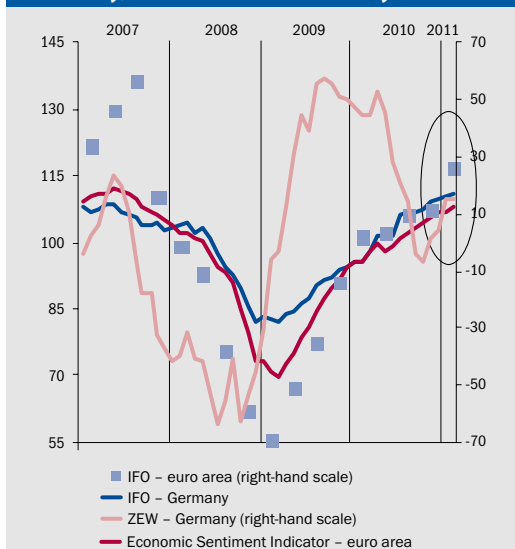
Despite the improving outlooks, wage pressures in the labour market are not excessive; this was confirmed in the fourth quarter by the relatively low year-on-year increase in agreed wages (to 1.6%, from 1.5% in the third quarter). Although wage growth edged up, they remain

at historically low levels. As a source of potential inflationary pressures, wage developments do not at present represent a relatively high risk.

Several short-term indicators of economic activity recorded positive trends during the fourth quarter of 2010. The monthly increase in industrial new orders was relatively high, and there was also growth in industrial production, except in December. Although retail trade sales fell during this period, they rebounded strongly in January 2011, which may indicate a strengthening of consumer demand. The results of almost all surveys conducted in the first months of 2011 suggest that positive sentiment is holding up and that the economic recovery is continuing. Confidence rose in nearly every sector. The IFO index of the economic climate in the euro area has risen sharply in the first quarter of 2011, including a continuing improvement in the assessment of the current economic situation and, after three months of decline, an increase in expectations for the next six months. Germany has seen a rise in both components of the IFO index. Furthermore, the ZEW index for Germany has shown quite robust growth (especially in January) and in February it rose for a fourth consecutive month.

The rate of consumer price inflation rate remained unchanged during October and November 2010, at 1.9%, and accelerated by

**Chart 16 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 17 IFO index – expectations for the next six months**



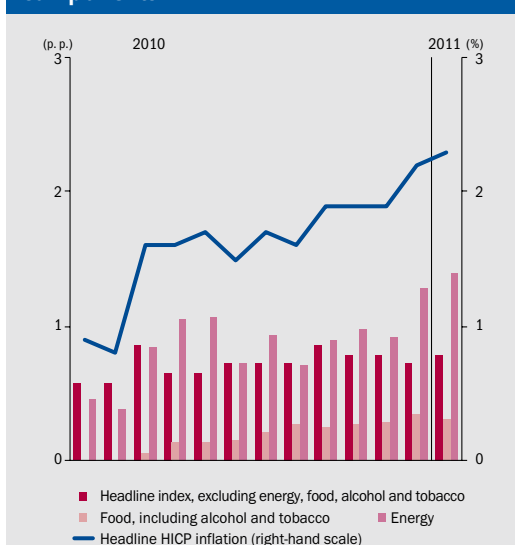
Source: IFO Institute for Economic Research, European Commission.

0.3 percentage point in December, to 2.2%. This rise was driven mainly by higher food and energy prices. Price inflation of market items in the CPI basket stayed more or less the same in the fourth quarter or fell slightly in December. In January, price inflation continued to accelerate, with the annual inflation rate reaching 2.3%. The

stronger upward pressure on prices came again from energy prices, but also from higher prices of services. According to Eurostat's flash estimate, the rate of inflation in February stood at 2.4%.

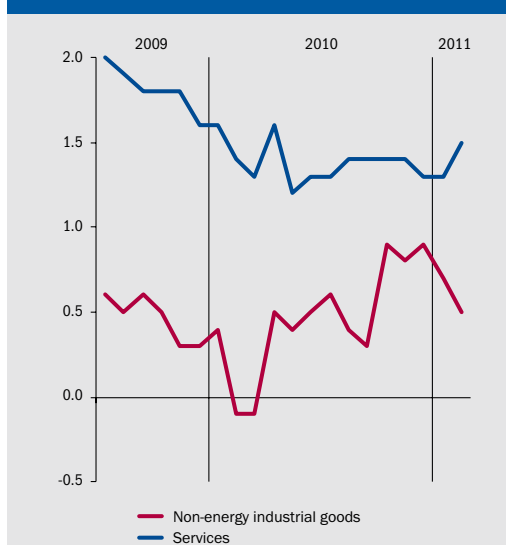
Core inflation (i.e. the headline index excluding prices of energy and unprocessed foods)

**Chart 18 Euro area: annual HICP inflation rate and the contributions of selected components**



Source: Eurostat, NBS calculations.

**Chart 19 Euro area: prices of goods and services (%)**



Source: Eurostat.

**Chart 20 Euro area: administrative prices (%)**


Source: Eurostat.

**Chart 21 Prices of frequently purchased items and consumers' price expectations**


Source: Eurostat, European Commission.

remained largely unchanged during the fourth quarter. The rate in December stood at 1.1%, which was 0.1 percentage point lower than in September. In January 2011, core inflation edged back up to 1.2%.

Price trends in non-energy industrial goods and in services do not at present seem to reflect cost increases related to higher prices of energy and food commodities. Inflation in prices of non-energy industrial goods slowed slightly in the last quarter of 2009 and this tendency continued in January. Services price inflation also decelerated in the fourth quarter, particularly in the case of transport prices. In January, however, it picked up again, probably at least partly as a result of hikes in administrative prices. Price inflation in road transport prices accelerated, too, a development that may have reflected higher rises in fuel prices.

Consumers' price expectations in December rose quite sharply, in reaction to price inflation of frequently purchased items. Even after prices in this segment stabilised in January, price expectations continued to rise. At the same time, there was a relatively strong rise in perceived inflation. In addition, increasing commodity prices fed through to higher price expectations in individual sectors.

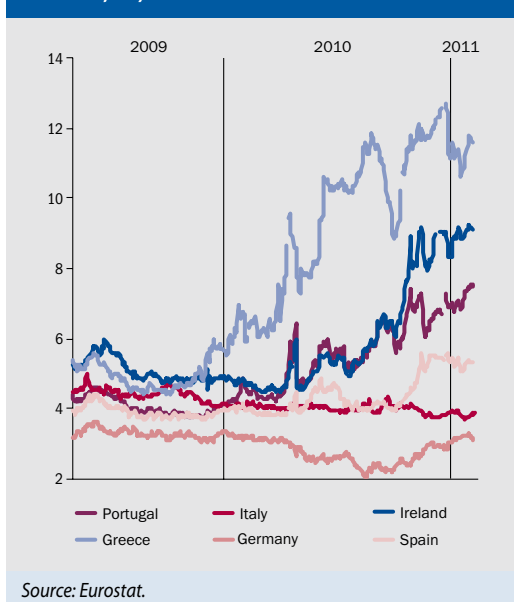
The euro's exchange rate against the US dollar was relatively volatile during the fourth quarter,

with a depreciating tendency. It's development was to a large extent influenced by information about the debt crisis in Europe. Over the quarter, the euro weakened by more than 2% against the dollar, but in January and February it rebounded moderately. The deterioration in investor sentiment in relation to the debt crisis was seen in the further widening of the spread between yields on German government bonds and yields

**Chart 22 EUR/USD exchange rate**


Source: ECB.

**Chart 23 Yields to maturity of government bonds (defined according to convergence criteria; %)**



on the sovereign debt of certain highly indebted euro area countries.

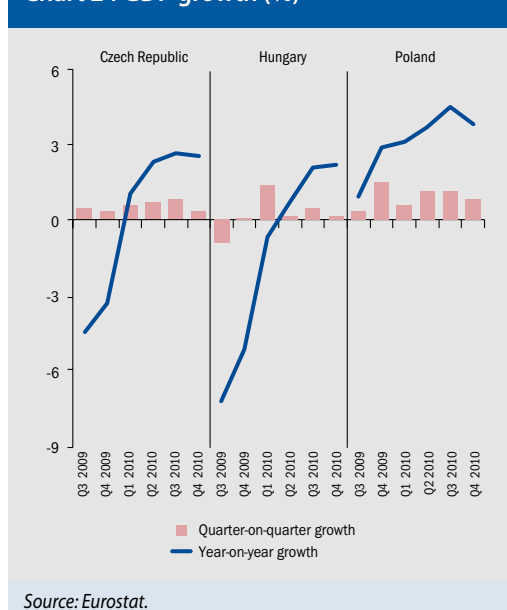
The Governing Council of the ECB did not alter its key interest rates either in the last quarter of 2010, or in the period up to the beginning of March 2010. Thus, the key ECB interest rates remained unchanged: at 1.0% for the main refinancing operations, 1.75% for the marginal lending facility, and 0.25% for the deposit facility. Since October 2008, the main refinancing rate had been cut by a total of 325 basis points.

At its December and March monetary-policy meetings, the Governing Council decided on details of the implementation of liquidity-providing operations for the period ahead (with maturities periods of between 19 January to 12 April and 13 April to 12 July 2011). At both meetings, it extended the conduct of main refinancing operations and special term refinancing operations as fixed rate tender procedures with full allotment. Furthermore, the Governing Council decided to conduct the three-month longer-term refinancing operations (to be allotted in January, February and March 2011, or in April, May and June 2011) as fixed rate tender procedures with full allotment.<sup>7</sup>

## DEVELOPMENTS IN POLAND, THE CZECH REPUBLIC AND HUNGARY

The gradual recovery of neighbouring economies slowed slightly in the fourth quarter of 2010. The Czech economy recorded growth of 2.6%, 0.1 percentage point lower than in the same period of the previous year, while Poland's growth fell by as much as 0.6 percentage point, to 3.9%. Only in Hungary did growth accelerate, by 0.1 percentage point to 2.3%. In the Czech Republic, change in inventories continued to make the largest, albeit slightly lower, contribution to GDP growth. Unlike in the previous quarter, net exports also contributed positively to GDP growth, as export growth rose moderately and import growth fell. Economic growth was dampened by declines in consumption demand (both private and public) and investment demand. In Hungary, the largest positive contribution to GDP growth came from net exports and change in inventories. Investment, on the other hand, continued to fall, as did private and general government consumption. In Poland, all components except for net exports made a positive contribution to economic growth. The trade deficit widened as a result of a substantial slowdown in export growth. The largest contributor to growth was again household final consumption, which had the same growth rate as in the third quarter of 2010.

**Chart 24 GDP growth (%)**

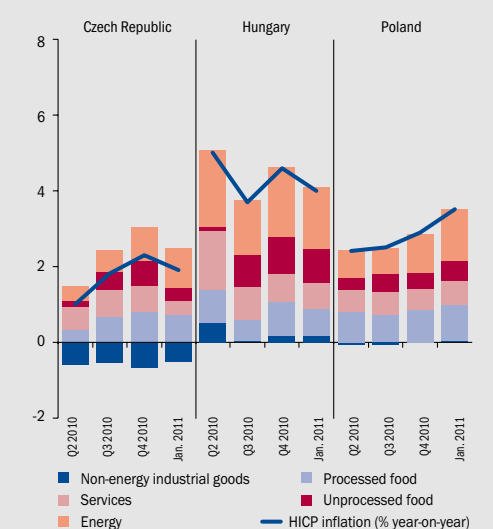


<sup>7</sup> Further details can be found at [www.ecb.int](http://www.ecb.int)

In the quarter-on-quarter comparison, all the countries experienced a slowdown in GDP growth. The Czech Republic recorded a deceleration of 0.6 percentage point, to 0.3%; Hungary 0.4 percentage point, to 0.2%; and Poland also 0.4 percentage point, to 0.8%. In the Czech Republic, the slowdown was caused mainly by a decline in government expenditure and investments, and to a lesser extent by change in inventories. Only net exports made a positive contribution to growth. The deceleration in Hungary was largely attributable to a fall in household final consumption, as well as to a quarterly acceleration of the decline in government spending and investment. Net exports and inventory changes contributed positively to growth. In Poland, the slowdown was caused mainly by weaker consumer and investment demand. Nevertheless, all GDP components except for fixed investments continued to make a positive contribution to growth.

In all the countries under review, the year-on-year rise in consumer prices at the end of the fourth quarter of 2010 was higher than in September. This rise was largely due to developments in food and energy prices. In the Czech Republic, the annual inflation rate in December was 2.3%, 0.5 percentage point higher than in September. This increase was driven by accelerated inflation in prices of energy (up by 2.1 percentage points from September, to 6.5%), unprocessed foods (2.4 percentage points / 8.7%) and processed foods (0.8 percentage point / 4.1%). Downward pressure on price inflation came from prices of non-energy industrial goods, which fell by a slightly larger margin, and to a lesser extent from services prices, which recorded a moderately lower increase. In January, annual inflation in the Czech Republic slowed to 1.9%, owing to the base effect of the rise in indirect taxes and regulated prices recorded in the previous year. Of the three countries, Poland reported the most moderate rise in annual inflation, from 2.5% in September to 2.9% in December (0.4 percentage point), which reflected mainly the inflation in prices of energy (up by 2.8 percentage point, to 7.8 %) and processed food (0.6 percentage point / 4.2%). Unprocessed food prices had a dampening effect. In January, annual price inflation in Poland differed from that in the other countries, by accelerating to 3.5%. This was caused by an increase in the VAT rate<sup>8</sup> and

**Chart 25 Contributions to HICP inflation (p.p.)**



Source: Eurostat, NBS calculations.

in regulated prices. In Hungary, the annual inflation rate in December was 0.9 percentage point higher than in September, at 4.6%. The upward pressure on inflation came from all items under review, except for services. Energy prices had the strongest effect on inflation. In January, Hungary's year-on-year inflation rate slowed to 4.0%.

**Chart 26 Exchange rate indices of the V4 currencies vis-à-vis the euro (29 December 2006 = 100)**



Source: Eurostat, NBS calculations.

Note: A fall in value denotes appreciation.

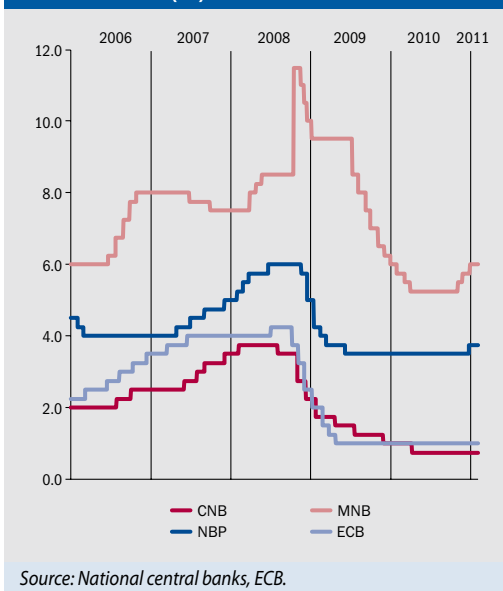
<sup>8</sup> The VAT rate was raised from 22% to 23% with effect from January 2011.

Exchange rate developments in the fourth quarter of 2010 were influenced mainly by investor sentiment in regard to the Federal Reserve's further round of quantitative easing, as well as to the debt crisis in euro area countries. The appreciating tendencies recorded by the central European currencies in third and fourth quarters of 2010 were not maintained, and their exchange rates against the euro weakened towards the end of the year.

The Czech koruna ceased weakening against the euro just shortly before the end of the year, and then appreciated strongly in January. The Hungarian forint in the fourth quarter was adversely affected by uncertainty arising from the downgrading of the country's credit rating, a move that followed the approval of non-standard economic policy measures (including changes to the Hungarian pension system and the introduction of supplementary taxation of selected sectors). This situation also affected the Polish zloty, although it stopped depreciating as early as the beginning of December and then strengthened until January.

The Czech and Polish central banks left their key interest rates unchanged in the fourth quarter of 2010. As for the Hungarian central bank, at the beginning of November it embarked on a series of three interest rate increases, each amounting to 0.25 percentage point, which cumulatively raised the base rate (by 0.75 percentage point) to its current level of 6% (with effect from 25 January 2011). The Magyar Nemzeti Bank explained the increases as mainly a response to the mounting risk of stronger inflationary expectations (since the real inflation rate has long been above the inflation target) as well as cost shocks in the economy (rising food prices; the burden of additional taxes in certain sectors being passed on to consumers). The Polish central bank left its base rate at 3.5%, considering the limited inflationary and wage pressures in the

**Chart 27 Key interest rates of the V4 national central banks (%)**



Polish economy, as well as the persisting risk of foreign capital inflow at a time when developed countries are pursuing long-term expansionist monetary policies and when there is uncertainty surrounding the future growth of the global economy. Narodowy Bank Polski did not change its monetary-policy conditions until January 2011 (increasing the base rate by 0.25 percentage point, to 3.75%, with effect from 20 January 2011), when, according to its analysis, there was a heightened risk of inflationary and wage pressures, as well as a potential risk of higher inflationary expectations based on the sharp rise of commodity prices in global markets. Česká národní banka justified its monetary-policy decisions on the grounds that demand-side inflation pressures are not apparent in the domestic economy and that cost inflation pressures caused by prices of food and commodities are both temporary and dampened by the exchange rate. It therefore decided that the monetary policy stance did not require any change.





## QUARTERLY REPORT ON THE BALANCE OF PAYMENTS

### BALANCE OF PAYMENTS FOR JANUARY TO DECEMBER 2010

The current account deficit on the balance of payments for January to December 2010 stood at €2,277.5 million, representing an increase of €13.3 million in comparison with the previous year. Although the deficit differed only slightly from 2009, the structure of the current account underwent a change. The year-on-year decline in the trade surplus was offset by improvements in the services balance and current transfers balance, while the income balance deficit recorded only a minimal change compared to the previous year. The current account in 2010 reflected the waning of the effects of the financial and economic crisis, mainly through an increased volume of exports and imports, improvements in the balance of services, and a moderate rise in dividend payments. On the side of imports, the positive effect of global economic recovery was offset by the gradual increase in import intensity and higher prices of raw materials, as well as by the building up of inventories. These factors caused a year-on-year decline in the trade surplus, despite the revival in external demand and the boost that this provided. Although the economic crisis adversely affected the amount

of Slovak exports, their market share in EU imports did not fall substantially in 2009 and it rebounded in 2010 amid the upturn in external demand. The competitiveness of the Slovak economy was not impaired by the economic crisis and contemporaneous depreciation of currencies in surrounding countries. The ratio of the current account deficit to GDP (at current prices) for the period under review represented 3.5%, which compared with 2009 represented an improvement of 0.1 percentage point. By contrast, the trade surplus to GDP ratio fell from 1.5% in 2009 to 0.2% in 2010.

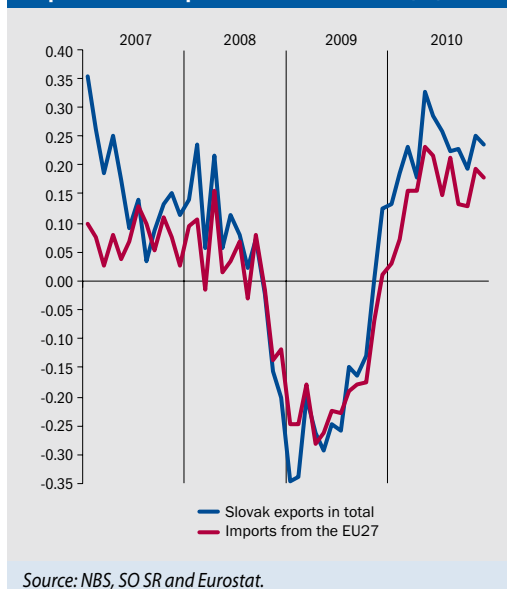
Compared with 2009, both exports and imports increased in 2009, by 22.8% and 25.5% respectively. The year-on-year deterioration in the trade balance stemmed from the adverse effect of rising import intensity, the increasing prices of raw materials on world markets, and the higher imports of finished goods. These factors substantially outweighed the positive effect from rising exports (this growth was stimulated by the pickup in external demand that followed the fading of the economic crisis). The gradually strengthening growth in exports and imports in the first half of the year was less pronounced in the second half. Despite the base effect of

Table 7 Balance of payments current account (EUR millions)

	January - December		
	2010	2009	2010 - 2009
Trade balance	137.5	946.1	-808.6
Exports	48,791.0	39,721.2	9,069.8
Imports	48,653.5	38,775.1	9,878.4
Services balance	-743.6	-1,246.2	502.6
Income balance	-1,249.1	-1,287.9	38.8
of which: income from investments	-2,397.0	-2,387.6	-9.4
of which: reinvested earnings	-598.7	-498.8	-99.9
Current transfers	-422.3	-676.2	253.9
<b>Current account in total</b>	<b>-2,277.5</b>	<b>-2,264.2</b>	<b>-13.3</b>
<b>Trade balance as a share of GDP in %</b>	<b>,0.2</b>	<b>1.5</b>	<b>-1.3</b>
<b>Current account balance as a share of GDP in %</b>	<b>-3.5</b>	<b>-3.6</b>	<b>0.1</b>

Source: NBS and the SO SR.

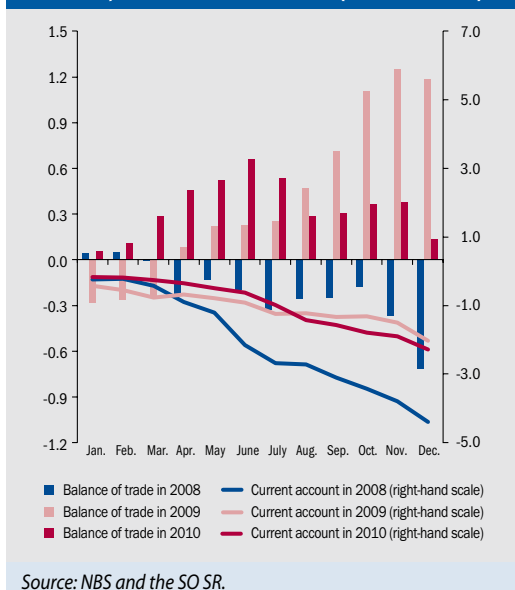
**Chart 28 Year-on-year growth in imports and exports (%)**

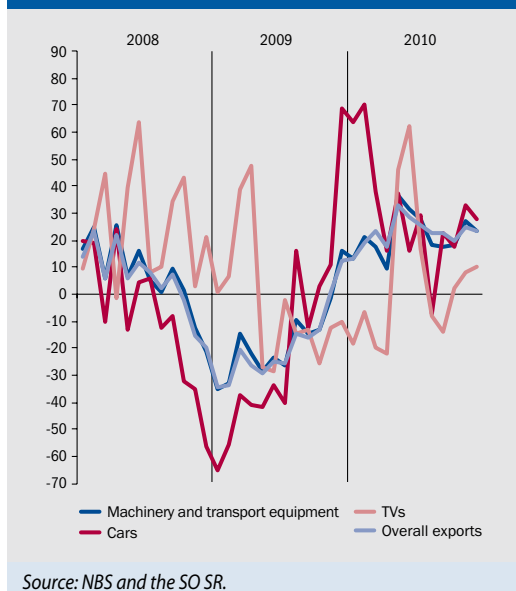
**Chart 29 Year-on-year growth in Slovak exports and imports from the EU27 (%)**


developments in 2009, exports grew by more than 23% in the second half of 2010 (22.5% in the fourth quarter), which was 0.5 percentage point higher than in the first half of the year. Unlike exports, imports recorded a relatively substantial increase in year-on-year growth in the second half of 2010; their growth of 30.4% (28.2% in the fourth quarter) was 10 percentage points higher than in the first half. The continuing acceleration

in import growth was driven mainly by increasing import intensity (probably related to restocking carried out in anticipation of future production growth) and rising prices of raw materials on world markets.

The largest increase in exports in 2010 was recorded in the category of machinery and transport equipment, at a level equivalent to more than 98% of the decline in these exports in 2009. The growth in this category of exports for the whole year accounted for more than half of the overall increase in exports, and it included year-on-year increases in the sub-categories of transport equipment and machinery. The higher exports of transport equipment were the result of revived demand for passenger cars; these exports constituted almost 44% of the total rise in the exports of machinery and transport equipment (or 47% for the first ten months of the year). In the sub-category of machinery, most of the export growth was accounted for by higher exports of shafts, bearings and electro technical products (telephone sets). Whereas exports of machinery exceeded their 2008 level, exports of transport equipment remained below this level. Despite the positive developments in the fourth quarter of 2010, the year-on-year growth in exports of transport equipment for that year was only at the level of around 70% of the year-on-year decline recorded in 2009 (and for the

**Chart 30 Trade balance and current account, cumulative volume (EUR billions)**


**Chart 31 Year-on-year growth in exports (%)**


first nine months it did not reach even a half of that level).

As well as in machinery and transport equipment, a substantial rise in exports was recorded in the category of chemical products and semi-finished goods. Upward pressure on exports came both from the year-on-year increase in exports of semi-finished goods (iron and steel, copper, aluminium, and products made from them) and from the higher exports of chemical products, which were probably affected by the rising prices of oil products (mainly plastics, rubber, and plastic/rubber products). In the category of finished products, the year-on-year export growth was driven mainly by increases in exports of clothing, footwear, sugar, meat and pharmaceutical

products. Export growth in the category of raw materials was largely attributable to higher exports of processed mineral oils and gas, which was related mainly to price developments.

The largest year-on-year increase in imports was recorded in the category of machinery and transport equipment. The annual import growth was related to the substantial rise in exports, which was reflected mainly in higher imports of components for the automotive industry (i.e. in the sub-category of transport equipment) as well as in higher imports in the sub-category of machinery. Imports of goods in this category declined in the fourth quarter in comparison with the previous quarter, despite the growth in exports. This was partly due to the non-standard import in August of components for the electrical industry.

A marked year-on-year increase in imports was also recorded in the category of chemical products and semi-finished goods, which significantly contributed to the year-on-year rise in total imports. The growth in imports of semi-finished goods was concentrated in imports of iron and steel, copper, aluminium, and products made from these metals. In the chemical products category, the increase in imports was driven mainly by imports of plastics and rubber. Similarly to exports, the rise in raw material imports was largely attributable to price increases in global markets, and it was most apparent in the imports of oil (crude and refined) and gas. The category of imports that recorded the lowest growth was finished products.

The balance of services for January to December 2010 recorded a deficit of €743.6 million,

**Table 8 Exports for January to December (year-on-year changes)**

	Year-on-year changes EUR millions		Contributions to year-on-year changes in p.p.	
	2010	2009	2010	2009
Raw materials	590.1	-815.9	1.5	-1.6
Chemicals and chemical products	2,629.8	-3,562.5	6.6	-7.2
Machinery and transport equipment	4,910.5	-4,997.9	12.4	-10.1
Finished products	939.4	-424.7	2.4	-0.9
<b>TOTAL EXPORTS</b>	<b>9,069.8</b>	<b>-9,801.1</b>	<b>22.8</b>	<b>-19.8</b>

Source: NBS calculations based on data from the SO SR.

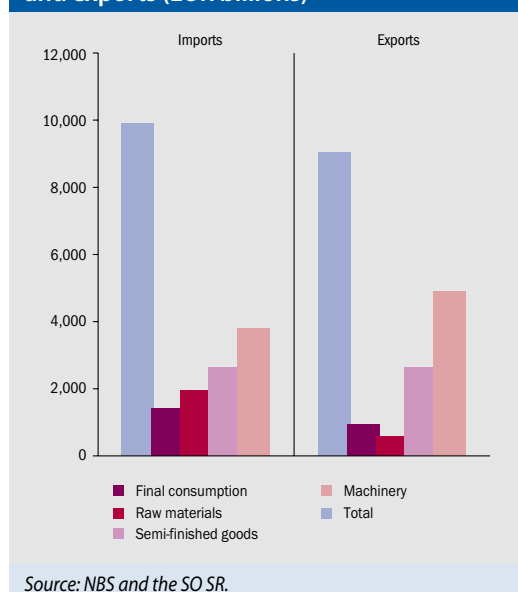


Table 9 Imports for January to December (year-on-year changes)

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2010	2009	2010	2009
Raw materials	1,977.8	-2,342.5	5.1	-4.7
Chemicals and chemical products	2,666.4	-3,556.3	6.9	-7.1
Machinery and transport equipment	3,791.7	-4,811.3	9.8	-9.6
Finished products	1,442.5	-794.8	3.7	-1.6
Of which: agricultural and industrial products	763.7	-88.7	2.0	-0.2
passenger cars	40.4	-657.0	0.1	-1.3
mechanical and electrical consumer goods	638.3	-49.1	1.6	-0.1
<b>TOTAL IMPORTS</b>	<b>9,878.3</b>	<b>-11,504.9</b>	<b>25.5</b>	<b>-22.9</b>

Source: NBS calculations based on data from the SO SR.

Chart 32 Year-on-year changes in imports and exports (EUR billions)



Source: NBS and the SO SR.

representing an improvement of €502.6 million compared with 2009. The lowering of the year-on-year deficit was caused mainly by an improvement in the sub-category of *other services in total*. Upward pressure on the deficit came from an increase in expenditure on transportation services. The overall improvement in the balance of services was also supported by the balance of *tourism*, which recorded a slight rise in revenue from services rendered and a fall in expenditure. The reduction of the deficit in *other services in total*

was due to a decrease in expenditure on financial services (which exceeded the fall in revenue from these services), as well as to an increase in revenue from computer services (accompanied by a decline in expenditure on these services). The year-on-year change in the *transportation* balance, from a surplus to a deficit, reflected the fact that although revenue from the transmission of gas and oil increased by €101.0 million (partly due to the suspension of gas transmission during the gas crisis of January 2009), this rise was offset by lower revenue from road freight transport services (probably as a consequence of the economic crisis) and, on the expenditure side, by an increase in commercial costs related to the recovery of domestic demand and rise in imports. The development of transportation services in 2010 was also adversely affected by the lower revenue and higher expenditure reported for passenger air travel, which may have been connected with the reduction in numbers of flights following the collapse of the carrier Sky Europe in September 2009. In quarter-on-quarter terms, the balance of services showed a gradual improvement during the course of 2010, largely due to positive developments in *tourism* and (except in the last quarter of the year) in *other services in total* – in this case most types of services (particularly insurance services and services in other activities) recorded an improvement in their balance mostly due to a gradual fall in expenditure. The quarter-on-quarter figures for *transportation services* also



improved in the last quarter of 2010, probably in relation to the global economic recovery.

The balance of income deficit for 2010 fell by a modest €38.8 million in comparison with 2009. This year-on-year improvement reflected developments in the balance of *compensation of employees*, which recorded a higher surplus owing to a decline in remittances of non-resident workers in Slovakia. The balance of *investment income* remained largely unchanged in year-on-year terms, since the higher expected profitability of firms with foreign participating interests (reflected in higher dividend payments to foreign investors) was offset by positive developments in interest income in the NBS sector. The year-on-year rise in dividend payments was probably related to the economy's gradual post-crisis recovery and to the expected growth in profitability. Although the amount of dividends paid in the fourth quarter increased substantially in quarter-on-quarter terms, it was offset in the investment income balance by a lowering of the estimate for reinvested earnings.

The current transfers deficit recorded a year-on-year improvement of €253.9 million in 2010 owing to an increased surplus in the balance of *general government transfers*, where the rise in income from EU funds was accompanied by a decline in payments to the EU budget. The *private transfers* balance recorded a year-on-year decline in revenue (mainly non-investment subsidies) and a fall in payments (mainly grants, deposits, disbursements, and other unilateral transfers to legal entities) with the result that it remained almost unchanged from 2009. The quarter-on-quarter improvement in the current transfers balance was largely attributable to the fall in payments to the EU budget.

The capital and financial account of the balance of payments generated a surplus of €538.4 million (compared with a surplus of €3,422.3 million in 2009). The main factor behind the lower inflow to the capital and financial account was the decline in received deposits in the balance of other *investment*. In the quarter-on-quarter comparison, the net inflow of funds in the fourth quarter was

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

	January - December	
	2010	2009
Capital account	1,018.4	463.9
Direct investments	21.1	-346.7
of the SR abroad	-237.4	-310.9
of which: equity participation abroad	-394.3	-312.7
reinvested earnings	187.1	29.2
in the SR	258.5	-35.8
of which: equity participation in the SR	-207.0	839.0
of which: non-privatised equity	-207.0	839.0
reinvested earnings	411.6	469.7
Portfolio investment and financial derivatives	-1,293.8	-662.1
of the SR abroad	-2,607.5	-1,494.6
In the SR	1,313.7	832.5
Other long-term investments	-128.6	-846.6
Assets	-259.8	-865.1
Liabilities	131.2	18.5
Other short-term investments	921.3	4,813.8
Assets	-118.9	-2,189.7
Liabilities	1,040.2	7,003.5
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	<b>538.4</b>	<b>3,422.3</b>

Source: NBS.



lower by €701.5 million, owing to a decrease in deposits of non-residents in Slovak banks.

From January to December 2010, foreign direct investment (FDI) recorded an inflow of €21.1 million, which in comparison with 2009 represented an increase of €367.8 million. The year-on-year change in the balance of *direct investment* resulted mainly from the inflow of other capital on the liability side (a fall in claims on, and increase in liabilities to, parent undertakings), which exceeded the year-on-year decline in the net inflow of funds (owing to falling demand among non-residents for participating interests). The decline in non-resident investment in participating interests in Slovakia became more pronounced toward the end of the year, and fell in the fourth quarter by €546.8 million in year-on-year terms (representing a 52% drop-off in demand over the whole year).

Portfolio investment in the fourth quarter of 2010 recorded a net outflow of €1,293.8 million, compared with a net outflow of €662.1 million for the same period of the previous year. This result was caused by an increase in demand among residents for foreign debt securities, which, on the liability side, was only partly offset by higher demand among non-residents for government debt securities. The highest increase in non-resident demand for Slovak government paper came in the fourth quarter, when it reached €1,207.1 million and represented more than 92% of the inflow for the year as a whole.

In the balance of *other investment*, an inflow of €792.7 million was recorded in the period from January to December 2010, compared with €3,967.2 million for the same period a year earlier. This year-on-year decline resulted mainly from developments in the Government and NBS sector in 2009, when the inflow of funds exceeded the outflow recorded in the banking sector. The

inflow of funds in the Government sector was a consequence of the policy pursued by the central bank following Slovakia's entry into the euro area (in order to meet its liabilities vis-à-vis the banking sector, the central bank borrowed funds from the Eurosystem through Target2, instead of using its foreign reserves). In the banking sector, the outflow resulted from a year-on-year decrease in short-term non-resident deposits held at Slovak banks, which was connected with the euro adoption (accounts denominated in euro as a foreign currency became superfluous) and partially with the financial crisis.

The foreign reserves of NBS (excluding exchange rate differences) increased by €0.1 million during 2010.

#### EXTERNAL DEBT OF SLOVAKIA AS AT 31 DECEMBER 2010

At the end of December 2010, Slovakia's total gross external debt stood at €49.3 billion (€65.8 billion), representing a year-on-year increase of €3.9 billion (USD 0.5 billion). Total long-term foreign debt grew year-on-year by €2.7 billion, and total short-term foreign debt increased by €1.2 billion.

Within the overall long-term foreign debt, liabilities of the Government and NBS sector increased by €2.0 billion year-on-year amid rising demand for government bonds. The commercial sector's long-term foreign debt rose by €0.7 billion, mainly due to an increase of €0.5 billion in borrowings of business entities.

The overall short-term foreign debt increased by €1.2 billion in year-on-year terms, as the short-term external liabilities of the Government and NBS fell by €0.2 billion and those of the commercial sector climbed by €1.4 billion. The

**Table 11 Capital inflows in the balance of other investment broken down by sector (EUR millions)**

	January – December 2010	January – December 2009	Year-on-year changes
Banks	880.1	-10,045.2	10,925.3
Entrepreneurs	372.4	-56.5	428.9
Government + NBS	-459.8	14,068.9	-14,528.7
Total	792.7	3,967.2	-3,174.5

Source: NBS.





**Table 12 External debt of the Slovak Republic**

	USD millions		EUR millions	
	31.12.2009	30.9.2010	31.12.2009	30.6.2010
Total external debt of the SR	65,314.2	65,823.9	45,338.2	49,261.9
Long-term external debt	27,917.9	29,554.5	19,379.3	22,118.3
Government and NBS <sup>1)</sup>	11,406.9	13,296.2	7,918.1	9,950.7
Commercial banks	3,983.7	3,893.8	2,765.3	2,914.1
Businesses	12,527.3	12,364.5	8,695.9	9,253.5
Short-term external debt	37,396.3	36,269.4	25,958.8	27,143.6
Government and NBS	21,507.0	19,661.4	14,929.2	14,714.4
Commercial banks	3,781.7	4,466.6	2,625.1	3,342.8
Businesses	12,107.5	12,141.3	8,404.5	9,086.4
Foreign assets	46,330.0	48,274.2	32,160.2	36,128.0
Net external debt	18,984.1	17,549.6	13,177.9	13,133.9
EUR/USD cross rate	1.4406	1.3362	-	-

Source: NBS.

1) Including government agencies and municipalities.

main factors behind the rise in the commercial sector's foreign debt were trade credits of enterprises, which rose by €0.6 billion, and cash and deposits of commercial banks, which went up by €0.5 billion).

The gross external debt per capita of Slovakia amounted to €9,121 as at the end of December 2010, which was €693 higher than the figure as at the end of 2009 (€8,428). The share of short-term external debt in the country's total gross external debt fell by 2.2 percentage points year-on-year, to stand at 55.1% as at the end of December.

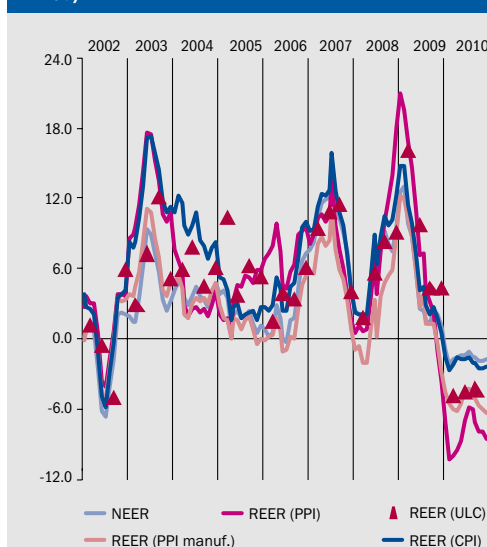
The net external debt of Slovakia as at the end of December 2010 amounted to €13.2 billion, which was the same as a year earlier. The figure was calculated as the difference between the gross external debt, i.e. €49.3 billion (comprising liabilities of the Government and NBS, commercial banks and the corporate sector – except for equity participations), and external assets, i.e. €36.1 billion (comprising the foreign reserves of NBS and foreign assets of commercial banks and the corporate sector – except for equity participations).

According to preliminary data, Slovakia's total gross external debt as a share of GDP at current prices reached 74.7% as at 31 December 2010, which represented an increase of 3.1 percentage points compared with the 2009 figure (71.6%).

## NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The nominal effective exchange rate<sup>9</sup> in December 2010 was 1.7% weaker than a year earlier, in contrast to its year-on-year appreciation of 1.1% in December 2009. The depreciation of the NEER index was largely the result of weakening

**Chart 33 NEER and REER indices (nine trading partners; year-on-year changes in %)**



Source: NBS.

Note: (+) represents appreciation of the indices and (-) represents depreciation.

<sup>9</sup> 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 according to the nine most important trading partners of Slovakia (representing roughly 70% of the total turnover of foreign trade): Germany, the Czech Republic, Italy, Austria, France, the Netherlands, the United States, the United Kingdom, and Switzerland.





against the Czech koruna, to the extent of 0.9 percentage point. Compared with September, the year-on-year depreciation accelerated by 0.2 percentage point.

The NEER's weakening caused the real effective exchange rate (REER) based on the consumer price index (CPI) to depreciate by 2.3% year-on-year, in contrast to its appreciation of 0.5% in December 2009. The REER based on the industrial producer price index (PPI) depreciated by 8.5% year-on-year, after depreciating by 3.5% in December 2009. The weakening of the REER based on the manufacturing products price index (PPI manufacturing) accelerated from 2.8% to 6.2%. Another factor in the depreciation of

all the REER indices was the negative inflation differential in relation to Slovakia's key trading partners. The only exception was the differential vis-à-vis Switzerland in the case of the CPI-based and PPI manufacturing-based REERs, but that country has the lowest weight among the relevant trading partners. The depreciation of the PPI- and PPI manufacturing-based REERs during 2010 far exceeded the depreciation of the NEER. In the fourth quarter of the year, the weakening of the REER indices became even more pronounced. Compared with September, the depreciation of the CPI-based REER was 0.3 percentage point higher, and in the case of the PPI-based REER and PPI manufacturing-based REERs, it was higher by 1.4 percentage point and 1.3 percentage point, respectively.

**Table 13 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) <sup>2)</sup>
December 2002	2.1	4.1	3.6	3.4	5.9
December 2003	3.2	11.3	10.8	4.7	5.1
December 2004	4.7	8.3	4.1	4.7	6.1
December 2005	1.1	2.7	6.0	0.0	5.3
December 2006	7.4	10.1	9.5	5.4	6.0
December 2007	4.2	4.2	1.7	0.8	4.1
December 2008	9.5	12.2	18.0	8.9	9.0
December 2009	1.1	0.5	-3.5	-2.8	4.3
September 2010 <sup>1)</sup>	-1.5 / -2.1	-2.0 / -3.0	-7.1 / -6.6	-4.9 / -4.7	-4.3 <sup>(p)</sup>
Október 2010 <sup>1)</sup>	-1.9 / -2.0	-2.5 / -2.8	-7.8 / -8.1	-5.6 / -4.5	-
November 2010 <sup>1)</sup>	-1.8 / -2.0	-2.5 / -2.8	-7.9 / -8.5	-5.9 / -6.1	-
December 2010	-1.7	-2.3	-8.5	-6.2	.

Source: NBS.

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

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



## QUARTERLY REPORT ON THE REAL ECONOMY

### DEVELOPMENT OF THE REAL ECONOMY IN THE FOURTH QUARTER OF 2010

#### GROSS DOMESTIC PRODUCT

Gross domestic product (GDP) for the fourth quarter of 2010 increased at constant prices by 3.5% in year-on-year terms, according to revised data from the Statistical Office of the Slovak Republic (SO SR). This represented a slight slowdown from the previous quarter, when GDP rose by 3.8% year-on-year.

In terms of the output breakdown, GDP development in the last quarter of 2010 reflected the increase in value added, mainly in industry, construction, and financial and public services. The year-on-year decline of value added in the agriculture sector was higher than in the previous quarter. Nominal GDP for the fourth quarter increased by 4.5% year-on-year, to stand at €17.0 billion.

The fourth-quarter seasonally adjusted GDP rose by 0.9% in comparison with the previous quarter, thus maintaining the recent trend of quarter-on-quarter growth.

#### DEMAND

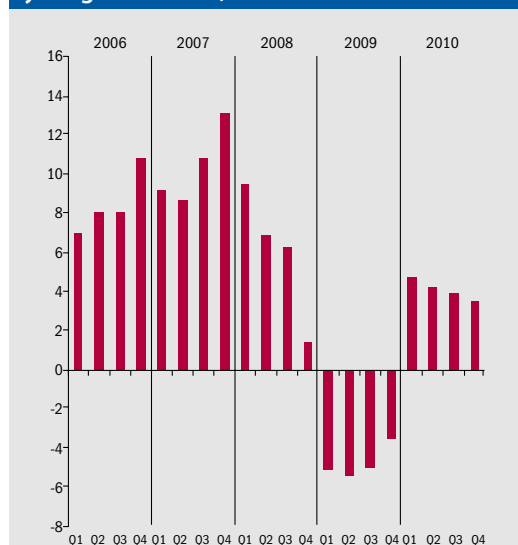
Economic growth in the fourth quarter of 2010 as measured by expenditure was influenced mainly by rising external demand (exports of products and services climbed by 14.3%). There was also a moderate increase in domestic demand,<sup>10</sup> largely caused by the rise in gross fixed capital formation. Private final consumption increased slightly in the fourth quarter of 2010, after recording a decelerating decline previously in the year. General government final consumption decreased.

Growth in gross fixed capital formation was higher than in the previous quarter, driven up by all components but in particular by higher investments in other machines and equipment.

Looking at these sectors, growth in investment activity is accelerating, especially in the sectors of non-financial corporations and financial corporations and to a lesser extent in the household sector. The current development indicates that the improving economic situation is being reflected in a revival of corporate investment activities.

Household final consumption increased in the fourth quarter by a moderate 0.5%,

Chart 34 Real GDP by quarter (year-on-year growth in %)



Source: SO SR.

Chart 35 Domestic and external demand (index, same period a year earlier = 100)



Source: SO SR and NBS calculations.

<sup>10</sup> The sum of final consumption by households, final consumption by general government, final consumption by non-profit institutions serving households, and gross capital formation.



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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	96.4	95.2	104.7	104.2	103.8	103.5	104.0
Domestic demand	91.6	92.7	99.7	104.0	104.0	101.5	102.4
Final consumption	99.9	101.5	101.2	98.7	100.0	99.5	99.8
Final consumption by households	97.4	100.2	99.9	98.6	99.7	100.5	99.7
Final consumption by general government	106.4	105.6	105.9	98.9	100.9	96.7	100.1
Non-profit institutions serving households	100.8	100.7	103.1	102.2	102.1	101.7	102.3
Gross fixed capital formation	83.1	80.1	96.6	101.8	104.8	110.6	103.6
Exports of goods and services	96.3	84.1	118.3	116.1	114.8	114.3	116.4
Imports of goods and services	90.4	81.4	110.9	116.0	116.6	113.5	114.9

Source: SO SR.

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

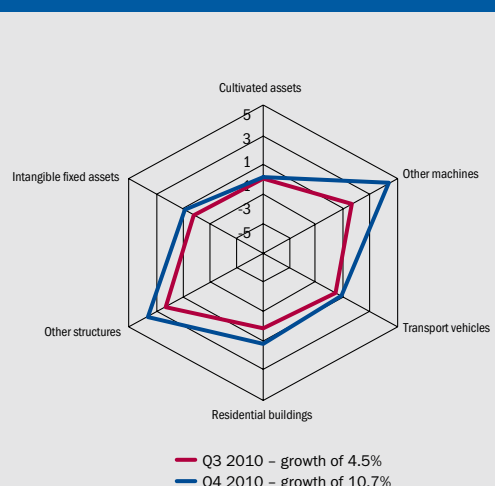
	Gross fixed capital formation (EUR millions)	Proportion (%)	Index	
			Q3 10 Q3 09	Q4 10 Q4 09
Slovak economy in total	3,804.6	100.0	104.5	110.7
<i>of which, by sector:</i>				
Non-financial corporations	2,309.9	60.7	106.3	114.7
Financial corporations	72.0	1.9	91.8	179.8
General government	499.1	13.1	100.7	101.8
Households	912.8	24.0	102.4	103.6
Non-profit institutions	10.7	0.3	100.9	102.0
<i>of which, by segment of production:</i>				
Machinery	1,481.9	38.9	105.3	113.7
of which: Other machines and equipment	1,204.1	31.6	105.2	114.1
Transport equipment	277.7	7.3	105.7	112.2
Construction	2,052.6	53.9	104.2	108.6
of which: Residential buildings	490.8	12.9	100.6	108.8
Other buildings	1,561.8	41.0	105.5	108.5

Source: SO SR.

following a rise of 0.3% in the third quarter. This development was probably related to the improving situation in the labour market (increasing employment and continuing wage growth). Disposable income declined in the period under review and, given the acceleration in household consumption, this led to a larger

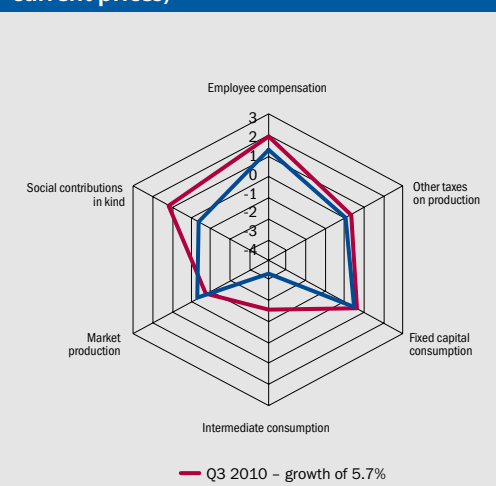
fall in savings. Owing to the increase in household consumption expenditure and trend growth in lending, the total claims of monetary financial institutions (MFIs) on households as a share of their final consumption rose to 40.3%, representing a rise of 0.9 percentage point on the previous quarter.

**Chart 36 Contributions to fixed investment growth (p.p., at current prices)**



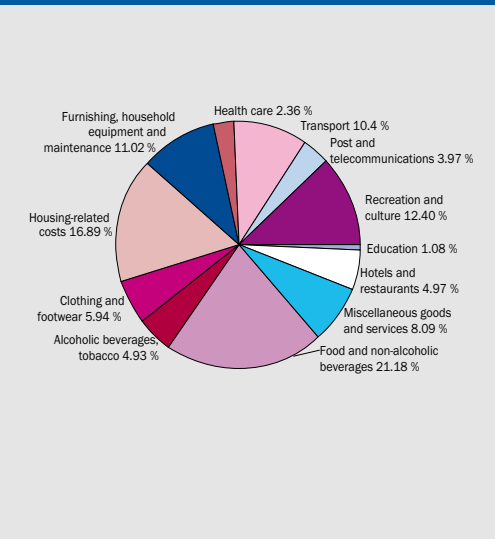
Source: SO SR.

**Chart 37 Contributions to growth in general government final consumption (p.p., at current prices)**



Source: SO SR.

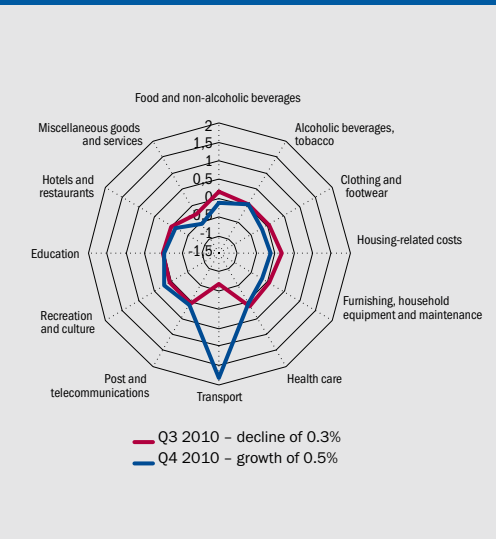
**Chart 38 Structure of household final consumption in the fourth quarter of 2010 (shares in %)**



Source: SO SR.

Note: The individual items of final consumption do not add up.

**Chart 39 Contributions of consumption expenditure groups to household final consumption**



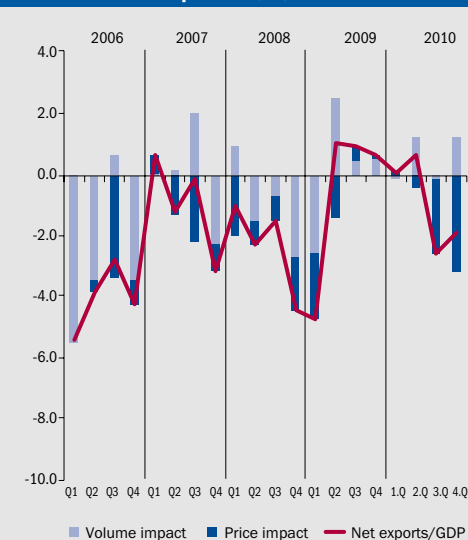
Source: NBS calculations based on data from the SO SR.

Note: The individual items of final consumption do not add up.

The breakdown of consumption expenditure at constant prices shows that the main driver of its growth was higher expenditure on transport. Although expenditures on food and on housing-related costs declined slightly, they continued to account for the largest proportion of overall household consumption expenditure.

The continuing economic growth of Slovakia's main trading partners in the fourth quarter of 2010 stimulated a further increase in exports of goods services, which climbed by 19.0%. Amid the current level import intensity and recovery of the domestic side of the economy, imports of goods and services continued to record high

**Chart 40 Contribution of net exports to GDP at current prices (%)**



Source: NBS calculations based on data from the SO SR.

Price developments in foreign trade were related mainly to rising prices of oil and other non-energy commodities. Their increase was reflected mainly in the import deflator, which rose 8.0%. As for the export deflator, its increase of 4.1% was caused by the continuing rise in industrial producer prices towards the end of the year. With import prices increasing more sharply than export prices, the deterioration in the terms of trade continued.

The export performance of the Slovak economy increased by 9.8 percentage points in the fourth quarter of 2010, when the exports of goods and services as a share of GDP reached 87.4 % at current prices. At the same time, however, import intensity increased by 9.2 percentage points (to 89.3 %). The openness of the Slovak economy, expressed in terms of the ratio of exports / imports of goods and services to nominal GDP, increased by 19.0 percentage points compared with the previous quarter, to 176.7%.

growth, in this case 22.6%. As a result, net exports reported a negative balance of €331.6 million.

Net exports at constant prices, with price developments in foreign markets taken into account, generated a surplus of €577 million (compared with €584 million in the previous quarter).

According to seasonally adjusted data, GDP increased by 0.9% in the fourth quarter of 2010, compared with the previous quarter.

The quarter-on-quarter GDP growth was driven mainly by net exports and investment growth. In

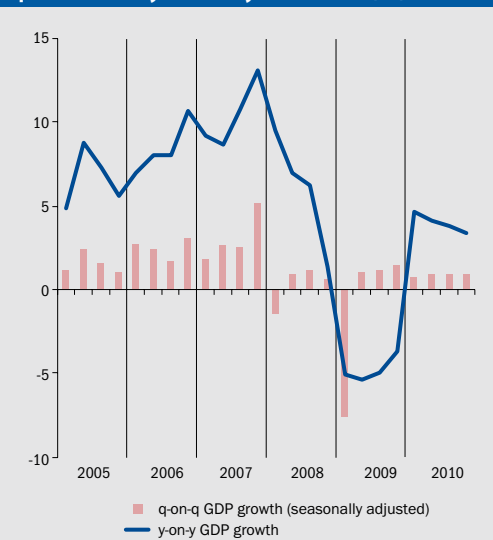
**Table 16 Impact of price and volume on exports and imports (p.p.)**

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Exports of goods and services (year-on-year growth in %, current prices)	-4.6	-20.2	16.8	21.2	21.8	19.0	19.7
Impact of volume	-3.7	-15.9	18.3	16.1	17.3	14.3	16.4
Impact of price	-0.9	-4.3	-1.5	5.1	4.5	4.7	3.3
Imports of goods and services (year-on-year growth in %, current prices)	-10.5	-22.0	9.2	22.0	27.7	22.6	20.5
Impact of volume	-9.6	-18.6	10.9	16.0	19.2	13.5	14.9
Impact of price	-0.9	-3.4	-1.7	6.0	8.5	9.1	5.6
Net exports as a share of GDP (share in %, current prices)	0.6	-0.4	0.1	0.7	-2.6	-1.9	-1.0
Impact of volume	0.5	0.3	-0.1	1.2	-0.1	1.2	0.5
Impact of price	0.1	-0.7	0.2	-0.5	-2.5	-3.2	-1.6
Terms of trade (index)	100.1	99.0	100.2	99.3	96.9	96.4	98.1

Source: NBS calculations based on data from the SO SR.

Notes: Calculated from GDP figures in millions of euro. 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.

**Chart 41 Export performance and import intensity (%)**

**Chart 42 GDP growth in quarter-on-quarter and year-on-year terms (%)**


the breakdown of consumption demand, private consumption stagnated and general government consumption fell in comparison with the previous quarter. Growth in gross fixed capital formation accelerated quarter-on-quarter, thus confirming the ongoing revival of investment activities in the economy. Exports of goods and services

increased amid the continuing rise in external demand, while imports fell slightly, after recording substantial growth in the previous quarter. As a result of this development, net exports made a positive contribution to GDP growth. The next quarter is still assumed to report quarter-on-quarter growth, but at a slightly slower pace than

**Table 17 Seasonally adjusted GDP by expenditure (quarterly changes in %, constant prices)**

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	1.4	-4.8	0.7	0.9	0.9	0.9	4.0
Final consumption:	-0.1	1.5	0.2	-0.4	0.1	-0.2	-0.2
Households and NPISH	-1.4	0.3	0.7	-0.3	0.4	0.0	-0.3
General government	2.8	5.6	-0.6	-1.7	0.2	-0.9	0.1
Gross fixed capital formation	-0.3	-19.9	5.6	-0.7	2.0	3.6	3.6
Exports of goods and services	6.9	-15.9	2.6	1.7	5.4	2.9	16.4
Imports of goods and services	4.2	-18.6	4.4	1.2	8.0	-0.6	14.9

Source: SO SR.

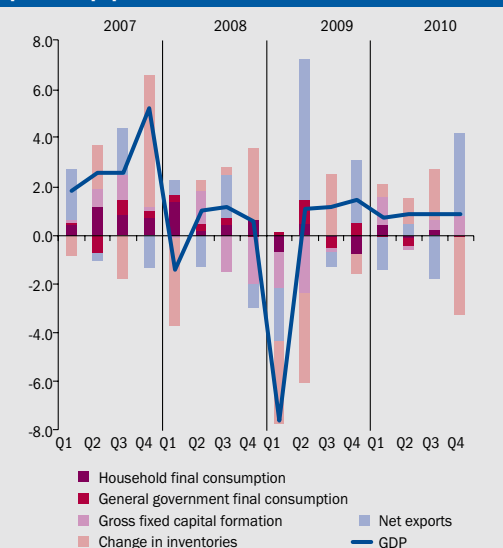
**Table 18 GDP and its components (same period a year earlier = 100, constant prices)**

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross production	94.9	90.2	106.6	108.2	108.5	105.7	107.2
Intermediate consumption	93.2	86.9	107.5	111.3	112.1	106.1	109.1
Value added	97.7	95.4	105.2	104.0	103.9	104.9	104.5
Net taxes on products <sup>1)</sup>	84.5	93.1	99.5	106.2	102.9	89.4	99.3

Source: SO SR.

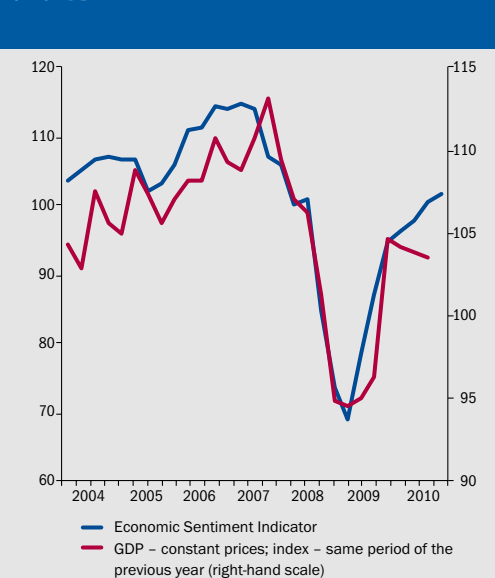
<sup>1)</sup> Value added tax, excise tax, import tax, less subsidies.

**Chart 43 Contributions to seasonally adjusted GDP quarterly growth at constant prices (p.p.)**



Source: SO SR.

**Chart 44 Economic Sentiment Indicator and GDP**



Source: SO SR, European Commission.

the quarter under review owing to effects of the expected consolidation of public finances.

#### SUPPLY

GDP growth in the fourth quarter of 2010 was influenced by the growth in value added, which represented 4.9% at constant prices (compared with 3.9% in the previous quarter). The increase in gross output (5.7%) was surpassed by the rise in intermediate consumption (6.1%). Net taxes on products fell by 10.6%.

The sectors that made the largest contribution to value added growth were industry, construction, and financial and public services. Value added in agriculture continued its decline from the previous quarter, and there was also a fall in value added in commercial services.

Confidence in the economy, as measured by the economic sentiment indicator, continued to increase in the fourth quarter of 2010, and this was reflected in the continuing economic

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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	96.4	95.2	104.7	104.2	103.8	103.5	104.0
of which:							
Agriculture	77.6	100.2	91.4	107.8	75.0	72.5	84.0
Industry	87.9	81.8	101.4	89.9	104.9	111.0	101.8
Construction	90.4	94.4	87.1	94.8	103.5	106.3	99.5
Trade, hotels and restaurants, transport	87.9	88.7	117.5	105.8	101.9	99.3	105.7
Financial intermediation, real estate business	100.3	100.4	109.4	117.4	105.6	106.2	109.6
Public administration, education, health care, and other community, social and personal services	119.9	112.7	100.8	111.5	114.8	107.4	108.6
Net taxes on products <sup>1)</sup>	84.5	93.1	99.5	106.2	102.9	89.4	99.3

Source: SO SR.

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



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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product (GDP)	16,288	63,051	15,149	16,267	17,470	17,020	65,906
Gross national product (GNP)	15,776	62,054	14,945	16,009	17,407	16,779	65,141
Gross national disposable income (GNDI)	15,608	61,331	14,892	15,901	17,186	16,675	64,654
GDP – growth index	96.1	94.1	103.0	104.6	105.9	104.5	104.5
GNP – growth index	97.6	95.2	101.6	105.6	106.1	106.4	105.0
GNDI – growth index	98.4	95.9	102.1	106.6	106.0	106.8	105.4
GNP to GDP ratio in %	96.9	98.4	98.7	98.4	99.6	98.6	98.8
GNDI to GDP ratio in %	95.8	97.3	98.3	97.8	98.4	98.0	98.1

Source: SO SR and own calculations.

growth. The confidence trend in the economy in the following period indicates that economic growth is expected to keep rising.

## GROSS NATIONAL INCOME

Gross national income (GNI)<sup>11</sup> in the fourth quarter of 2010 recorded a year-on-year increase of 6.4%, according to revised data from the Statistical Office of the Slovak Republic. Compared with the previous period, the pace of growth accelerated by 0.3 percentage points. Gross national disposable income (GNDI), at current prices, increased in year-on-year terms by 6.8%.

The smaller volume of GNI compared with GDP indicates that, in the fourth quarter of 2010, as during the year as a whole, the inflow of income earned by persons working abroad (employee compensation) into the domestic economy continued to be lower than the outflow of

income from economic activity in the domestic economy to foreign countries (property income, reinvested earnings, interest income). However, the combination of a year-on-year decline in the outflow of income and the higher inflow of income resulted in an acceleration of GNI growth in the fourth quarter of 2010.

## WAGES AND LABOUR PRODUCTIVITY

The average monthly nominal wage of an employee in the Slovak economy in the fourth quarter of 2010 increased in year-on-year terms by 3.8%, to €844. The seasonally adjusted annual nominal wage growth was 0.9 percentage point higher than in the previous quarter. The average real wage in the fourth quarter increased by 2.7%.

The strongest nominal wage growth in this period occurred in the sectors of financial and insurance activities (6.7%), accommodation

<sup>11</sup> Gross national income (GNI) is one of the macroeconomic indicators used for measuring the output of the economy according to the national concept; GDP, by contrast, 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; it is calculated as GNI less current transfers paid to non-resident units, plus current transfers received from non-resident units.

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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Nominal wages	102.1	103.0	102.1	103.6	103.7	103.8	103.2
Real wages	101.6	101.4	101.6	102.4	102.6	102.7	102.2
Labour productivity, curr. prices	101.9	98.6	106.4	106.2	106.3	103.8	105.7
Labour productivity, const. prices	102.1	99.7	108.1	105.8	104.3	102.9	105.2
Real labour productivity – real wage (p.p.)	0.5	-2.8	6.3	4.2	1.6	0.2	3.0
CPI (average for the period)	100.5	101.7	100.5	101.2	101.1	101.1	101.0

Source: SO SR, NBS calculations.

Note: Labour productivity is calculated on the basis of GDP and employment data according to ESA 95 methodology



**Chart 45 Real wages and real labour productivity (%)**



Source: SO SR and NBS calculations.

and food services (6.3%), construction (6.1%), real estate business (5.7%), wholesale trade and retail trade (5.3%), and professional, scientific and technical activities (4.5%). By contrast, the average nominal wage remained below the level of the previous year in the administrative services sector and other activities sector.

The increase in labour productivity exceeded real wage growth by 0.2 percentage point. Labour productivity growth was lower than in the previous quarter, largely due to the rise in employment.

In the fourth quarter of 2010, nominal compensation<sup>12</sup> per employee (ESA 95) grew in year-on-year terms by 2.5%, which was 1 percentage point higher than in the previous quarter.

Labour productivity in the fourth quarter of 2010, calculated according to ESA 95, increased in

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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Compensation per employee, nominal	103.8	105.0	103.0	103.3	101.5	102.5	102.7
Compensation per employee, real	102.0	103.5	104.2	103.0	99.9	100.3	101.8
Labour productivity, current prices	100.3	96.5	106.2	107.0	106.6	104.0	106.0
Labour productivity, const. prices	100.5	97.7	107.9	106.6	104.5	103.0	105.5
Real labour productivity – real compensation per employee (p.p.)	-1.5	-5.8	3.7	3.6	4.6	2.7	3.7
ULC nominal	103.3	107.5	95.4	96.9	97.1	99.6	97.3
Deflator of household final consumption	99.0	100.1	98.9	100.8	101.6	102.2	100.9

Source: SO SR, NBS calculations.

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

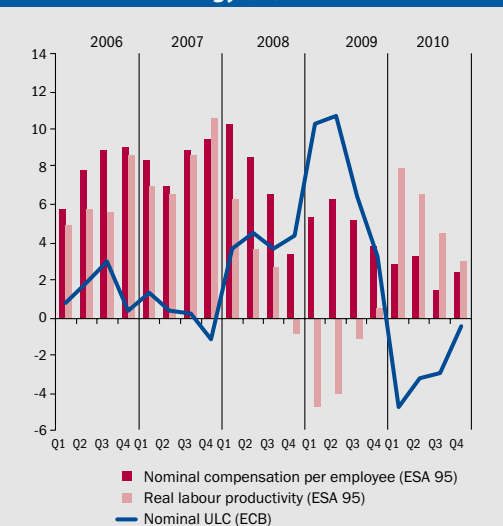
**Table 23 Real labour productivity and compensation per employee in the fourth quarter of 2010 (index, same period a year earlier = 100)**

	Real labour productivity	Real compensation per employee
Economy in total	103.0	100.3
Agriculture and fishing	74.6	90.5
Industry	109.0	102.0
Construction	107.2	99.4
Trade, hotels and restaurants, transport	100.3	97.6
Financial intermediation, real estate business	101.8	104.4
Public administration, education, health care and other community, social and personal services	107.3	98.7

Source: SO SR, NBS calculations.

<sup>12</sup> Compensation per employee as defined by the Statistical Office of the Slovak Republic is the total remuneration that is payable by employers to employees.

**Chart 46 Unit labour costs by component in ECB methodology (%)**



Source: SO SR and NBS calculations.

Unit labour costs in the fourth quarter of 2010 fell by 0.4% in year-on-year terms. In this case, they are calculated from ESA 95 data under the ECB methodology (ULCECB), i.e. as the ratio of growth in nominal compensation per employee to growth in real labour productivity (ratio of GDP to total employment). The decline in unit labour costs was a consequence of real productivity growth combined with a more moderate increase in compensation per employee.

The number of hours worked in the fourth quarter of 2010 rose by 0.4% in year-on-year terms, which was 1.9 percentage points lower than the increase recorded in the previous quarter. This slowdown was attributable to decreases recorded in the public sector, construction, agriculture and trade.

## INCOME AND EXPENDITURE OF HOUSEHOLDS

nominal terms by 4.0% and in real terms by 3.0% on a year-on-year basis. Real labour productivity increased in all sectors except for agriculture.

The current income of households in the fourth quarter of 2010 reached €15.1 billion, representing

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

	EUR billions		Same period a year earlier = 100		Share in %	
	Q4 2009	Q4 2010	Q4 09 / Q4 08	Q4 10 / Q4 09	Q4 2009	Q4 2010
Employee compensation (all sectors)	7.2	7.4	-2.3	2.4	47.6	49.0
of which: gross wages and salaries	5.7	5.9	-1.7	4.1	37.7	39.5
Gross mixed income	4.5	4.6	-6.6	1.8	29.8	30.6
Property income - received	0.5	0.3	-2.6	-33.9	3.3	2.2
Social benefits	2.4	2.1	14.8	-10.2	15.6	14.1
Other current transfers - received	0.6	0.6	3.4	9.3	3.7	4.1
<b>Current income in total</b>	<b>15.2</b>	<b>15.1</b>	<b>-1.2</b>	<b>-0.7</b>	<b>100.0</b>	<b>100.0</b>
Property income - paid	0.2	0.1	-6.9	-47.9	5.8	3.0
Current taxes on income, wealth, etc.	0.5	0.5	-16.3	-0.6	13.5	13.5
Social contributions	2.3	2.4	-11.8	3.9	63.6	66.5
Other current transfers - paid	0.6	0.6	5.6	-1.9	17.2	17.0
<b>Current expenditure in total</b>	<b>3.7</b>	<b>3.7</b>	<b>-9.6</b>	<b>-0.7</b>	<b>100.0</b>	<b>100.0</b>
<b>Gross disposable income</b>	<b>11.5</b>	<b>11.4</b>	<b>1.9</b>	<b>-0.7</b>	-	-
Adjustment for changes in net household assets in the reserves of pension funds	0.2	0.2	-17.5	10.1	-	-
Household final consumption	9.4	9.7	-3.6	2.8	-	-
Gross household savings	2.3	2.0	29.5	-14.1	-	-

Source: SO SR.

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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross disposable income	101.9	102.2	98.4	99.5	100.4	99.3	99.4
Household final consumption	96.4	100.3	98.8	99.4	101.3	102.8	100.6
Gross household savings	129.5	124.7	89.9	97.3	88.7	85.9	88.3
Gross savings as a share of gross disposable income (%)	19.8	9.1	2.8	5.3	5.1	17.2	8.0

Source: SO SR and NBS calculations.

a fall of 0.7% in nominal terms, according to data from the Statistical Office of the Slovak Republic. Compared with the third quarter of 2010, the rate of growth slowed by 0.3 percentage point. The current income of households fell, owing to decreases in property income and social benefits. The strongest growth within the structure of current income occurred in other current transfers and in compensation of employees.

The current expenditure of households (expenses paid to other sectors and not used for direct consumption) decreased on a year-on-year basis by 0.7%, to €4.4 billion. The only component of current expenditure that did not contribute to its year-on-year decline was social contributions.

The gross disposable income of households (current expenditure deducted from current income) amounted to €11.4 billion, which represented a year-on-year fall of 0.7%. Of the disposable income, 85.0% was used for final consumption and the remainder went to gross savings, which decreased year-on-year by 14.1%. This development was also reflected in the savings ratio, which in the fourth quarter of 2010 fell by 2.7 percentage points, to 17.2%.

## EMPLOYMENT AND UNEMPLOYMENT

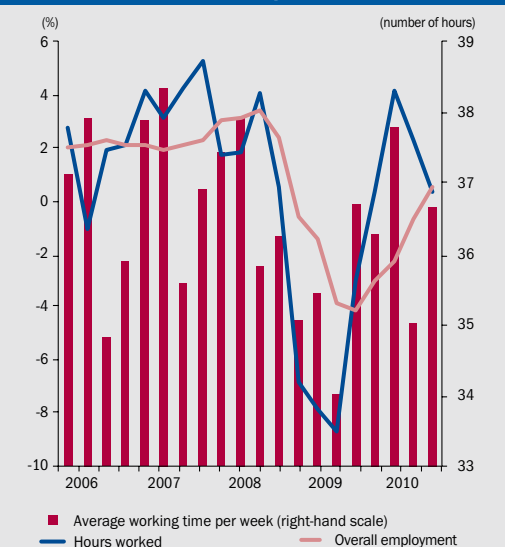
The situation in the labour market stabilised in the fourth quarter of 2010. According to all

**Table 26 Employment and unemployment (average for the period)**

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Employment according to statistical surveys thousands of persons	2,161.3	2,176.6	2,128.2	2,150.0	2,154.6	2,175	2,151.9
index, same period a year earlier = 100	94.4	95.5	96.8	98.5	99.6	100.6	98.9
Employment according to a labour force sample survey							
thousands of persons	2,329.6	2,365.8	2,283.1	2,312.5	2,335.0	2,339.4	2,317.5
index, same period a year earlier = 100	94.5	97.2	95.6	97.2	98.7	100.4	98.0
Employment according to ESA 95 thousands of persons	2,161.7	2,184.4	2,133.1	2,148.3	2,164.1	2,172.0	2,154.4
index, same period a year earlier = 100	95.8	97.5	97.0	97.7	99.3	100.5	98.6
Unemployment according a labour force sample survey							
thousands of persons	374.6	324.2	407.1	388.3	383.3	377.3	389.0
index, same period a year earlier = 100	159.8	125.9	144.9	128.5	113.1	100.7	120.0
Unemployment rate according to a labour force sample survey in %	13.9	12.1	15.1	14.4	14.1	13.9	14.4
Rate of registered unemployment in % <sup>1)</sup>	12.5	11.4	12.9	12.4	12.3	12.3	12.5

Source: SO SR.

1) NBS calculations based on monthly data from the Central Office of Labour, Social Affairs and Family.

**Chart 47 Employment according to hours worked and number of persons (%)**


three survey methodologies, employment rose in comparison with 2009. Statistical reports gave the increase as 0.6%, the methodology

of national accounts (ESA 95) as 0.5%, and the labour force sample survey (LFSS) as 0.4%.

Measured by the number of hours worked, employment in the fourth quarter of 2010 rose by 0.4% in year-on-year terms. This, however, was 1.9 percentage points lower than the increase recorded in the previous quarter. According to seasonally adjusted quarter-on-quarter data, the number of hours worked increased by 1.0%.

In terms of structure, overall employment (LFSS) in the fourth quarter was influenced by an increase in the number of entrepreneurs (1.7%) as well as by a rise in the number of employers (0.3%). According to seasonally adjusted data, employment in the fourth quarter increased year-on-year by 0.4 percentage point.

At the sectoral level, growth in employment (ESA 95) in the final quarter of 2010 was driven mainly by industry. The largest year-on-year declines in employment were recorded in agriculture, financial intermediation, and trade.

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

	2009		2010				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Economy in total	95.8	97.5	97.0	97.7	99.3	100.5	98.6
Agriculture and hunting	83.6	87.4	98.7	87.4	86.3	97.1	92.0
Industry	88.6	90.7	89.5	95.2	98.8	101.8	96.2
Mining and quarrying	89.5	89.3	90.2	95.2	97.1	96.6	94.8
Manufacturing	88.3	90.3	89.0	94.9	99.0	102.0	96.1
Electricity, gas and water supply	94.4	96.5	96.5	99.6	96.7	100.5	98.3
Construction	99.1	104.4	97.6	96.1	97.4	99.2	97.5
Trade	98.8	100.2	100.8	97.8	101.2	98.8	99.6
Hotels and restaurants	105.2	98.1	100.5	102.0	97.1	100.0	99.9
Transport, storage, post and telecommunications	100.0	102.6	95.2	97.2	97.6	99.0	97.2
Financial intermediation	95.9	97.4	96.0	95.0	97.2	98.2	96.6
Real estate, renting and business activities	95.3	97.8	100.9	103.5	103.3	105.4	103.3
Public administration and defence; compulsory social insurance	101.0	101.1	100.7	100.6	100.3	99.1	100.2
Education	100.5	99.7	101.6	101.3	100.8	100.1	100.9
Health and social care	99.5	102.2	98.1	99.8	98.7	99.8	99.1
Other community services	97.5	97.9	98.2	95.8	102.3	102.5	99.7

Source: Statistical Office of the SR

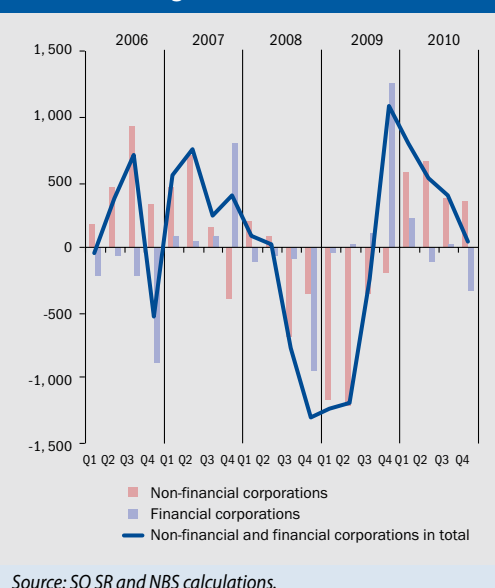


According to a labour force sample survey, the average number of unemployed in the fourth quarter of 2010 recorded a year-on-year increase of 0.7%, which was lower than in the previous quarter. This increase was reflected in the rate of unemployment, which at 13.9% for the fourth quarter was 0.2 percentage point lower than in the third quarter. According to the registers of Offices for Labour, Social Affairs and Family, the average unemployment rate in the fourth quarter of 2010 stood at 12.3%.

### FINANCIAL RESULTS IN THE FOURTH QUARTER OF 2010

Financial and non-financial corporations generated a total profit of €1,449.2 million in the fourth quarter of 2010, according to preliminary data from the Statistical Office of the Slovak Republic. This profit was 3.1% higher than the figure for the same period of 2009 (the profit for the third quarter of 2009 was 18.8% higher). The increase was largely accounted for by the positive financial results of non-financial corporations, which recorded a year-on-year increase of 26.2% (after a rise of 20.9% in the third quarter). As for the financial corporations sector, it recorded an aggregate loss of €355.2 million, which in the year-on-year comparison was 14 times larger (in the third quarter it recorded an aggregate profit that was 6.6% higher year-on-year). If, however, the loss reported by NBS is excluded from the fourth-quarter figure, the financial corporations sector made an aggregate profit that represented a sevenfold increase year-on-year.

**Chart 48 Financial results of financial and non-financial corporations (year-on-year absolute changes in EUR millions)**



The negative development of financial corporations in the last quarter was largely accounted for by the substantial increase in the aggregate loss of monetary financial institutions. However, monetary financial institutions not including NBS recorded a year-on-year rise in profit. Insurance corporations and pension funds increased their aggregate profit (following a drop in the third quarter). Another sub-sector that made a positive contribution to the financial result of financial corporations was other financial intermediaries.

**Table 28 Financial results (EUR millions, current prices)**

Financial results (before tax)	Q 4 2009	Q4 2010
	EUR millions	EUR millions
<b>Non-financial and financial corporations in total</b>	1,405.2	1,449.2
of which:		
<b>Non-financial corporations</b>	1,430.1	1,804.4
<b>Financial corporations</b>	-25	-355.2
of which:		
NBS <sup>1)</sup>	-62.2	-643.8
Financial corporations, excl. NBS	37.3	288.6

Source: SO SR and NBS.

1) Unaudited financial results.



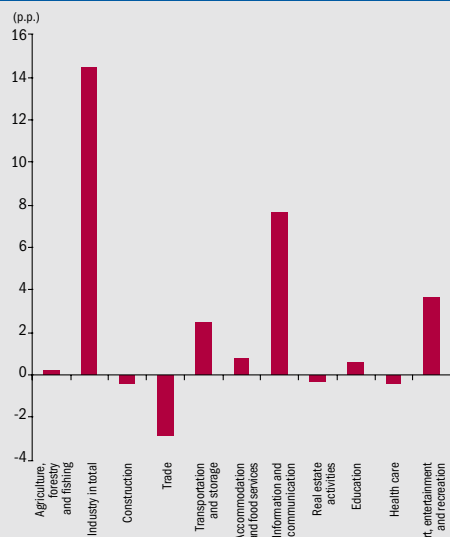
Table 29 Financial results (EUR millions, current prices)		
Financial results before taxes	4th quarter of 2010	
	Volume	Year-on-year changes in absolute terms
<b>Non-financial corporations in total</b>	1,804.4	374.3
<b>Agriculture, hunting, forestry, fishing, fisheries</b>	53.6	4.2
<b>Industry in total</b>	670.1	206.5
<i>Mining and quarrying</i>	27.5	2.2
<i>Manufacturing</i>	367.4	238.4
Manufacture of foodstuffs, beverages and tobacco	23.6	-10.7
Manufacture of textiles and textile products	3.1	-3.4
Manufacture of leather and leather products	1.9	0.4
Manufacture of wood and wood products	-0.9	-1.7
Manufacture of paper and paper products, printing and reproduction	50.7	28.4
Manufacture of coke, refined petroleum products and nuclear fuel	28.7	60.9
Manufacture of chemicals, chemical products, and pharmaceutical products	12.0	52.0
Manufacture of rubber and plastic products	23.0	8.8
Manufacture of other non-metal mineral products	11.9	34.4
Manufacture of basic metals and metal products, except for machinery and equipment	85.3	115.9
Manufacture of computers, electronic, optical and electrical equipment	13.0	-107.1
Manufacture and machinery and equipment n.e.c.	0.4	-20.9
Manufacture of motor vehicles, trailers and other transport equipment	92.6	104.0
Manufacture of furniture, other goods, repair and installation of machines and instruments	22.0	-22.7
<i>Electricity, gas, steam and air-conditioning supply</i>	264.2	-40.1
<i>Water supply, sewerage and sewage treatment, waste management</i>	11.0	6.0
<b>Construction</b>	110.1	-6.3
<b>Wholesale and retail trade, repair of motor vehicles and motorcycles</b>	481.2	-40.6
<b>Transport, storage, post and telecommunications</b>	0.7	36.1
<b>Accommodation and food service activities</b>	-3.5	12.5
<b>Information and communication</b>	240.2	110.2
<b>Real estate; professional, scientific and technical activities; administration and support services</b>	270.5	-4.3
<b>Education</b>	-7.9	9.2
<b>Health and social care</b>	-37.1	-5.8
<b>Arts, entertainment, recreation and other services</b>	26.5	52.6

Source: Statistical Office of the SR.



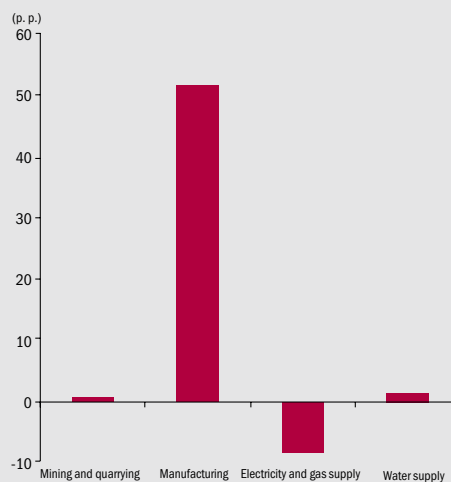


**Chart 49 Contributions to growth in profit of non-financial corporations in Q4 2010 by sector of the economy**



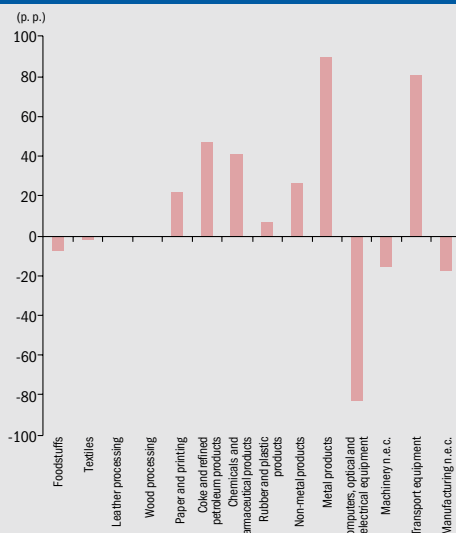
Source: NBS.

**Chart 50 Contributions to growth in profit of industry in Q4 2010 by branch of industry**



Source: SO SR and NBS calculations.

**Chart 51 Contributions to growth in profit of manufacturing in Q4 2010 by branch of manufacturing**



Source: SO SR and NBS calculations.

made the largest contributions to the increase in profit were industry (14.4 percentage points), information and communication (7.7 percentage points), and arts, entertainment and recreation (3.7 percentage points). The trade sector made a negative contribution of 2.8 percentage points, since it recorded a year-on-year drop in profit.

In industry, the largest contribution to the fourth-quarter growth in profits (51.4 percentage points) came from manufacturing, where the profit was 184.7% higher in year-on-year terms (in the third quarter the profit rose by 27.3%). The sector of electricity and gas supply made the only negative contribution (8.6 percentage points) owing to its year-on-year decline in profit.

In manufacturing, the increase in profits in the fourth quarter was driven mainly by the following branches: manufacture of metal products, manufacture of transport equipment, manufacture of coke and refined oil products, and manufacture of chemicals and chemical products. The branch that made the principal negative contribution was manufacture of computer, optical and electrical equipment, which recorded a year-on-year decrease in profit. The only branch of manufacturing to report a (slightly) negative financial result was the processing of wood and wood products.

The positive performance of non-financial corporations continued in the fourth quarter of 2010, with the sector reporting a profit of €1,804.4 million. This represented a year-on-year increase of 26.2%, which followed a rise of 20.9% in the third quarter. The sectors that



# COMMENTS ON THE QUARTERLY FINANCIAL ACCOUNTS FOR Q4 2010

## QUARTERLY FINANCIAL ACCOUNTS (TRANSACTIONS) FOR Q4 2010

### THE LINK BETWEEN QUARTERLY NON-FINANCIAL (GDP) ACCOUNTS AND FINANCIAL ACCOUNTS

Financial accounts are linked to non-financial accounts through the *net lending/borrowing* balancing item. This item provides information about a country's overall debtor or creditor position vis-à-vis the rest of the world. Slovakia has a long-term debtor position (mainly as a result of inflows of 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, less final consumption expenditure in the sectors of *households (including NPISH)* and *general government*. The result represents the total savings in the national economy. If savings in a given quarter (adjusted for net capital transfers) are higher (lower) than gross capital formation, it 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

**Table 30 The ESA 95 system: institutional sectors and sub-sectors**

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) <sup>1)</sup>
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** The ESA 95 system employs the following classification of financial instruments:

Monetary gold and special drawing rights	F.1 <sup>1)</sup>
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.

quarterly financial accounts. Its utilisation within the domestic economy is analysed below.

## OVERALL DEVELOPMENT

In the fourth quarter of 2010, the net debtor position of the Slovak economy decreased and therefore so did the net creditor position of the *rest of the world* sector.<sup>13</sup> The result was that net borrowing<sup>14</sup> reached €1.4 billion. This upturn was caused by a quite substantially higher

increase in financial assets than in financial liabilities. Among institutional sectors,<sup>15</sup> the most significant contributions to this result came from financial transactions in the sector of *non-financial corporations* (S.11), where the difference between asset-side and liability-side transactions was €2.3 billion, and in the sector of *households (including NPISH)* (S.14, S.15), where the difference was €1.4 billion. The worst result in the fourth quarter of 2010 was reported by the sector of *general government* (S.13), where the debtor position increased by €2.5 billion.

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

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

15 The detailed classification of institutional sectors with codes assigned in accordance with the ESA 95 national accounts classification is shown on page 2.

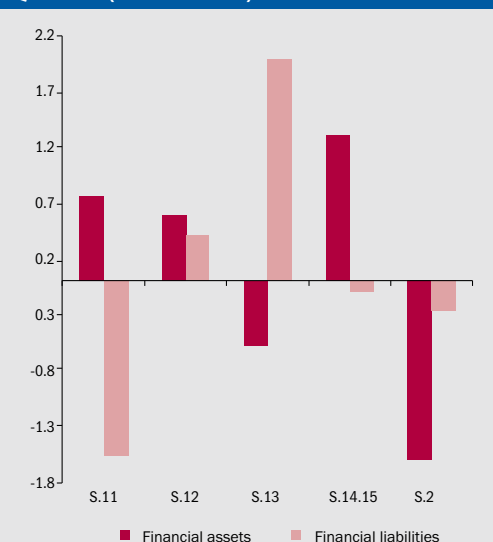


**Chart 52 Net lending (+)/net borrowing (-) by sector in Q4 2010 (EUR billions)**



Source: NBS.

**Chart 53 Financial transactions by sector in Q4 2010 (EUR billions)**



Source: NBS.

## QUARTERLY FINANCIAL ACCOUNTS BROKEN DOWN BY INSTITUTIONAL SECTORS

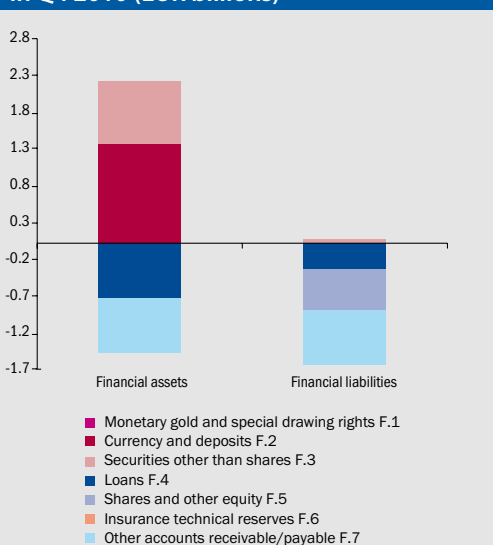
### S.11 NON-FINANCIAL INSTITUTIONS

A positive development was the decrease in the indebtedness of the non-financial corporations sector, in which financial assets increased and financial liabilities decreased.

On the liability side, the amount of unquoted shares held by non-resident entities declined by €0.5 billion, and long-term loans from other financial intermediaries fell by €0.3 billion.

The most pronounced increases in corporate assets were in bank deposits (€0.9 billion) and holdings of domestic government bonds (€0.9 billion). At the same time, however, short-term loans to non-resident entities fell by €0.4 billion).

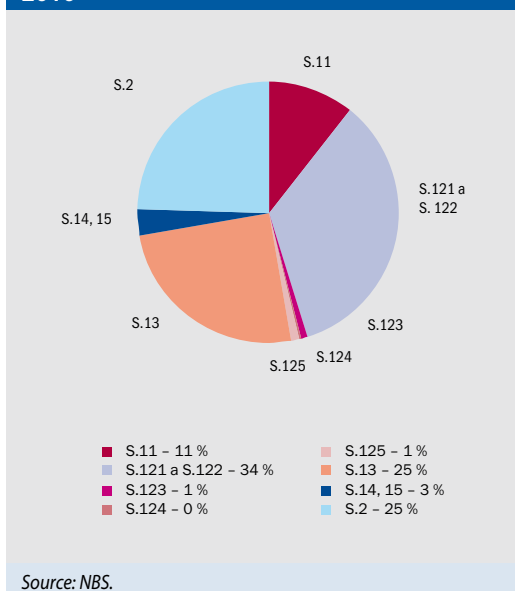
**Chart 54 Financial assets and liabilities (transactions) of non-financial corporations in Q4 2010 (EUR billions)**



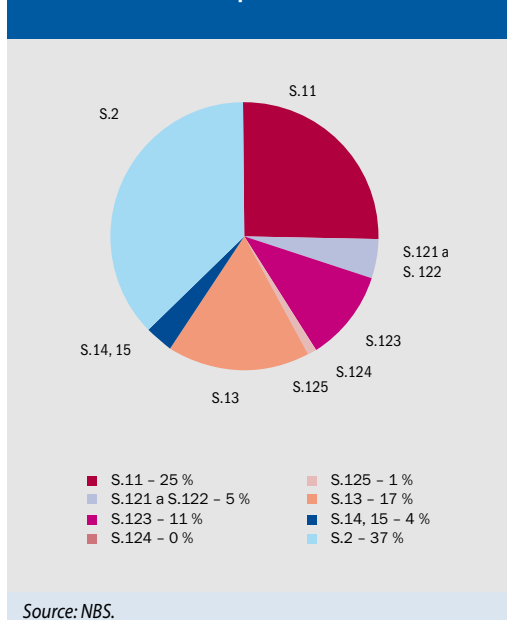
Source: NBS.



**Chart 55 Financial assets (transactions) of non-financial corporations by sector in Q4 2010**



**Chart 56 Financial liabilities (transactions) of non-financial corporations in Q4 2010**



### S.12 FINANCIAL CORPORATIONS

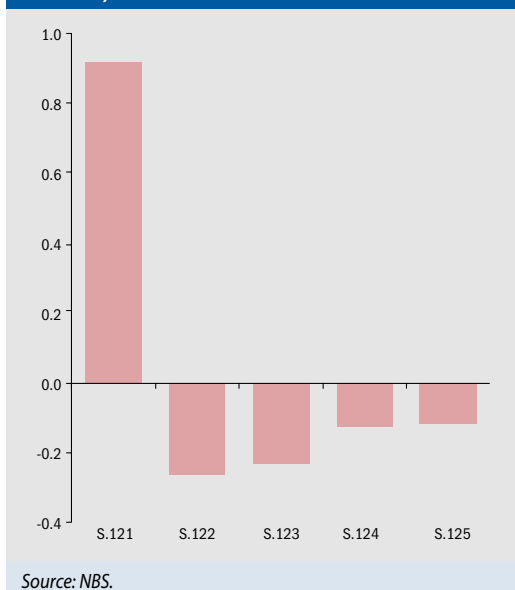
The *financial corporations* sector (S.12) also recorded net borrowing in the fourth quarter of 2010, all of which was accounted for by borrowing from the central bank.

Overall transactions of the *central bank* (S.121) were positive in net terms, reflecting an increase

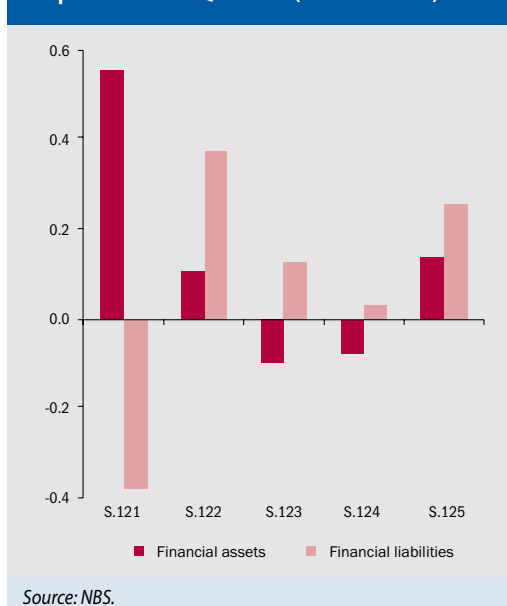
in assets and decline in liabilities. The rise increase on the asset side was in long-term debt securities issued abroad (€0.8 billion). On the liability side, transferable deposits from non-resident entities recorded the sharpest drop (€1.1 billion).

With the exception of the central bank, all sub-sectors of the *financial corporations* sector

**Chart 57 Net lending (+)/net borrowing (-) of financial corporations in Q4 2010 (EUR billions)**



**Chart 58 Financial transactions of financial corporations in Q4 2010 (EUR billions)**



(S.12) reported a negative result on financial transactions. In the case of other monetary financial institutions (S.122), both liabilities and assets increased, but the rise in liabilities was higher. Most of the increase in assets was attributable to transferable deposits received from non-financial corporations (€0.9 billion) and other deposits from central government (€0.5 billion). Commercial banks, on the other hand, recorded an increase of almost €500 million in long-term loans to households and a similar rise in the amount of funds deposited with the central bank.

*Other financial intermediaries* (S.123) recorded a rise in liabilities and a fall in assets. The increase in liabilities was largely driven by purchases of mutual fund shares by households. Notable developments on the asset side were the increase in short-term loans and decline in long-term loans, particularly to non-financial corporations and partly also to households.

Transactions of *financial auxiliaries* (S.124) also ended with a negative result, as assets fell and liabilities rose. It is worth mentioning the decline in the asset-side item of other deposits (down by €0.1 billion) and the increase in short-term loans from banks.

Another contributor to the worsening balance was the sub-sector of *insurance corporations and pension funds* (S.125), which recorded an increase in assets but a larger rise in liabilities. Funds obtained from households in the form of pension savings (€0.2 billion) and life insurance were invested predominantly in domestic and foreign long-term debt securities (in an overall amount of €0.4 billion).

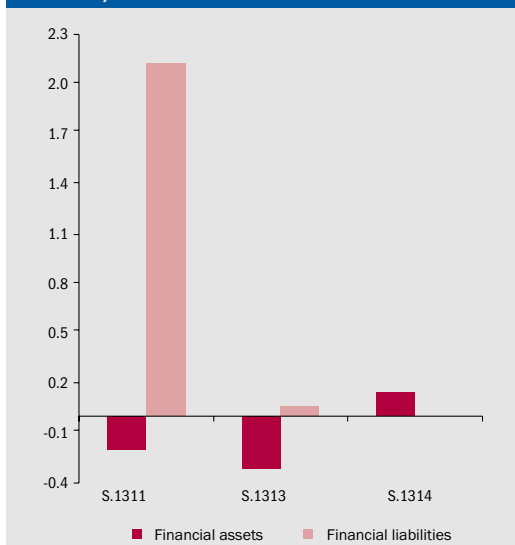
### S.13 GENERAL GOVERNMENT

The *general government* sector increased its debtor position by €2.5 billion during the fourth quarter of 2010. The sub-sectors accounting for this rise were *central government* (S.1311) and *local government* (S.1313), where the negative results on transactions were, respectively, €2.3 billion and €0.4 billion. *Social security funds* (S.1314) reported net borrowing of €0.1 billion.

The overall result of the *central government* sub-sector was determined mainly by issued bonds, which increased by €2.3 billion and were held mainly by non-residents and by resident non-financial corporations.

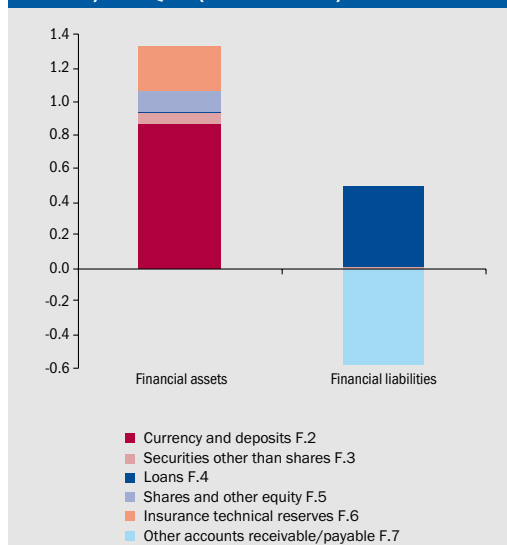
On the asset side of the *local government sector* (S.1311), bank deposits fell by a substantial amount (€0.5 billion), but since other claims

Chart 59 Financial transactions in the general government sector in Q4 2010 (EUR billions)



Source: NBS.

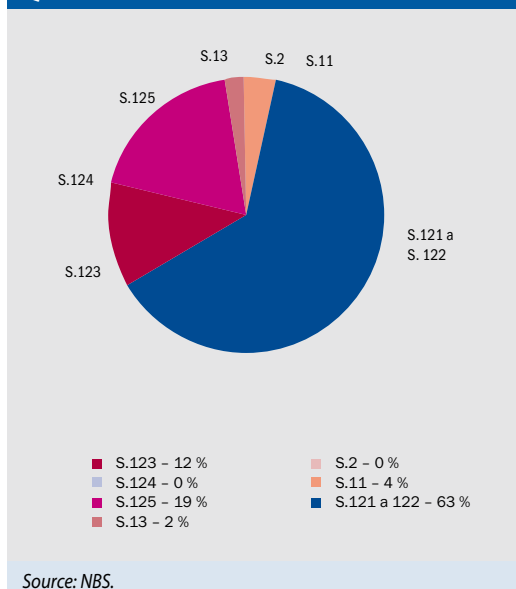
Chart 60 Financial assets and liabilities (transactions) of households (including NPISH) in 4Q10 (EUR billions)



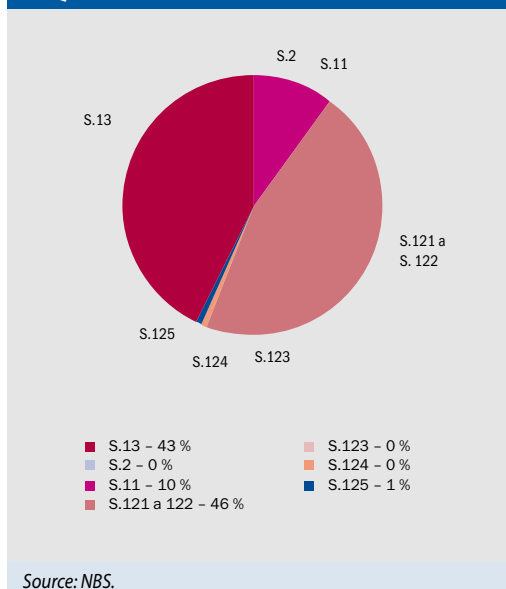
Source: NBS.

Note: NPISH – Non-profit institutions serving households.

**Chart 61 Financial assets (transactions) of households (including NPISH) by sector in Q4 2010**



**Chart 62 Financial liabilities (transactions) of households (including NPISH) by sector in Q4 2010**



declined by an even larger margin (€0.8 billion), an overall drop in assets was registered.

The decline in assets in the *local government sector* was largely concentrated in bank deposits and in other claims on households and non-financial corporations. The increases on the liability side were predominantly in trade credits received from enterprises and in other liabilities to households.

The sub-sector of *social security funds* ended the period in positive territory, owing to an increase in deposits (of almost €0.1 billion).

#### S.14, 15 HOUSEHOLDS (INCLUDING NPISH)

The sector of *households (including non-profit institutions serving households)* improved its overall creditor position in the fourth quarter of 2010, as a result of financial assets increasing and financial liabilities declining. The largest rises on the asset side were household holdings of currency and deposits (€0.9 billion), pension fund savings (€0.2 billion) and mutual fund shares (€0.1 billion). On the liability side, other liabilities to general government fell

by €0.5 billion, and households also took on more debt in the form of long-term bank loans (€0.5 billion).

In the sectoral breakdown, assets were dominated by transactions with *banks, insurance corporations and pension funds*, and other mutual funds, while liabilities involved mainly transactions with the monetary financial institutions and the central government.

#### S.2 REST OF THE WORLD

The overall creditor position of the *rest of the world* sector in relation to the national sectors decreased as a result of a sharper fall in assets than in liabilities.

In the key developments on the asset side, bank deposits fell by €2.0 billion and holdings of unquoted shares dropped by €0.9 billion (of which non-financial corporations accounted for €0.5 billion and financial corporations for €0.4 billion). The largest increases in liabilities occurred in trade credits (€0.8 billion) and in short-term financial loans from non-financial corporations (€0.4 billion).





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 <sup>1)</sup>	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	2.1	13.3	15.6	-	110.7	15.3	-	-	-1,052.2	-3.45	30.44	-7.72	-4.54	1.2556
2007	10.5	1.9	1.8	2.1	11.0	16.9	-	112.7	12.9	25.6	28.6	-780.1	-1.86	29.35	-5.35	-1.18	1.3705
2008	5.8	3.9	6.1	2.9	9.6	3.2	-	97.4	4.9	15.5	25.3	-703.8	-2.19	27.64	-6.62	-1.13	1.4708
2009	-4.8	0.9	-2.5	-2.5	12.1	-13.7	-18.6	76.9	-2.8	-3.3	11.0	-2,791.3	-6.77	35.70	-3.59	1.50	1.3948
2010	4.0	0.7	-2.8	-1.4	14.4	18.9	7.9	97.2	7.8	1.7	12.4	-4,436.1	.	.	.	.	1.3257
2009 Q1	-5.1	2.3	2.0	-0.6	10.5	-21.5	-20.8	73.5	0.0	9.5	21.9	-204.6	-	-	-5.38	-1.78	1.3029
2009 Q2	-5.4	1.1	-2.2	-1.4	11.3	-20.6	-22.5	68.6	-1.1	3.0	17.2	-1,108.4	-	-	-1.21	2.74	1.3632
2009 Q3	-5.0	0.4	-4.6	-3.9	12.5	-12.7	-19.1	78.3	-4.1	-0.5	13.5	-1,360.2	-	-	-2.96	2.51	1.4303
2009 Q4	-3.6	0.0	-5.4	-4.2	13.9	1.3	-12.1	87.2	-2.8	-3.3	11.0	-2,791.3	-	-	-4.89	2.26	1.4779
2010 Q1	4.7	0.0	-6.3	-3.0	15.1	19.7	4.3	94.6	2.8	-4.2	10.7	-983.5	-	-	-1.76	1.91	1.3829
2010 Q2	4.2	0.7	-3.1	-2.3	14.4	24.5	9.9	96.2	5.1	-3.0	10.9	-2,439.3	-	-	-2.18	2.29	1.2708
2010 Q3	3.8	1.0	-0.7	-0.7	14.1	15.3	7.7	97.6	7.2	-1.7	11.1	-3,110.4	-	-	-5.47	-2.04	1.2910
2010 Q4	3.5	1.1	-0.9	0.5	13.9	16.6	9.5	100.2	7.8	1.7	12.4	-4,436.1	-	-	.	.	1.3583
2010 Jan.	-	-0.2	-5.4	-	12.9	20.1	2.3	91.7	-1.1	-3.0	11.4	22.8	-	-	-	-	1.4272
2010 Feb.	-	-0.2	-7.4	-	13.0	20.4	4.3	93.5	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	28.8	10.8	94.2	4.9	-3.3	10.8	-2,077.8	-	-	-	-	1.2565
2010 June	-	0.7	-1.9	-	12.3	24.0	10.2	98.9	5.1	-3.0	10.9	-2,439.3	-	-	-	-	1.2209
2010 July	-	1.0	-0.7	-	12.3	16.8	6.9	99.6	5.5	-2.1	10.7	-2,407.9	-	-	-	-	1.2770
2010 Aug.	-	1.1	-0.4	-	12.2	16.2	8.3	97.8	6.9	-2.1	10.9	-2,822.5	-	-	-	-	1.2894
2010 Sep.	-	1.1	-0.7	-	12.4	13.3	7.9	95.4	7.2	-1.7	11.1	-3,110.4	-	-	-	-	1.3067
2010 Oct.	-	1.0	-1.0	-	12.3	13.4	7.5	97.7	7.9	0.1	11.4	-3,373.4	-	-	-	-	1.3898
2010 Nov.	-	1.0	-1.0	-	12.2	17.3	10.2	99.9	7.9	1.8	11.8	-3,511.0	-	-	-	-	1.3661
2010 Dec.	-	1.3	-0.7	-	12.5	19.7	10.7	103.1	7.8	1.7	12.4	-4,436.1	-	-	-	-	1.3220
2011 Jan.	-	3.2	1.8	-	13.0	17.1	13.4	104.2	9.5	3.1	12.4	-17.7	-	-	-	-	1.3360
2011 Feb.	-	3.5	.	-	13.2	.	.	101.2	.	.	.	-344.1	-	-	-	-	1.3649

Sources: 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 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 <sup>1)</sup>	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 <sup>2)</sup>	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 <sup>3)</sup>	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 <sup>4)</sup>	3.25	0.50	-	-	-	-	4.25	-0.50
15.10.2008 <sup>5)</sup>	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 Dec.	0.34	1.88	2.47	3.11	0.71	1.55	0.12	0.48	1.77	2.96	-
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	-
2010 Aug.	0.33	1.87	2.14	2.33	0.75	1.54	0.11	0.60	2.62	3.15	-
2010 Sept.	0.30	1.85	2.30	2.08	0.75	1.53	0.15	0.62	2.62	3.32	-
2010 Oct.	0.34	2.01	2.38	2.20	0.75	1.53	0.16	0.77	1.69	2.82	-
2010 Nov.	0.35	2.21	2.39	2.48	0.76	1.54	0.14	0.78	3.13	5.84	-
2010 Dec.	0.37	1.97	2.52	2.82	0.71	1.52	0.15	0.76	2.74	3.05	-
2011 Jan.	0.38	2.25	2.73	2.67	0.73	1.52	0.29	0.89	2.27	1.13	-

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

	Total <sup>2)</sup>	Current account overdrafts and credit cards	Consumer loans				Loans for house purchase					Other loans		
			Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years	Annual percentage rate of charge	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years and up to 10 years	IRF <sup>1)</sup> of over 10 years	Annual percentage rate of charge	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> 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 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 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
2010 Aug.	7.04	14.52	9.16	14.91	14.15	15.88	4.80	5.37	6.93	8.75	5.81	6.12	5.88	6.11
2010 Sep.	7.07	14.49	6.93	15.47	14.64	15.72	4.73	5.38	7.47	7.17	5.74	5.93	5.47	6.14
2010 Oct.	6.60	14.45	7.96	15.27	14.07	15.80	4.78	4.93	6.37	7.86	5.48	5.97	4.86	5.36
2010 Nov.	6.67	14.43	7.97	14.64	13.25	15.29	4.68	4.64	5.82	7.49	5.16	6.04	4.73	4.88
2010 Dec.	6.74	14.37	7.56	15.13	13.60	15.35	4.74	4.68	6.01	7.70	5.07	4.95	5.16	5.42
2011 Jan.	6.50	14.48	12.80	15.07	13.51	16.37	4.74	4.55	5.88	5.66	4.88	5.56	5.46	7.76

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 <sup>2)</sup>	Current account overdrafts and credit cards	Loans of up to EUR 1 million			Loans of over EUR 1 million		
			Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> 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 Dec.	3.02	3.31	3.70	4.08	4.72	2.57	7.39	-
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.	3.06	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
2010 Aug.	3.58	3.35	4.17	4.98	5.73	3.43	3.30	-
2010 Sep.	3.20	3.38	4.03	4.68	4.72	2.97	3.43	7.06
2010 Oct.	3.10	3.47	4.10	5.23	5.46	2.90	6.77	3.02
2010 Nov.	3.41	3.48	4.03	5.88	5.20	3.84	2.55	4.30
2010 Dec.	3.15	3.56	4.02	5.01	4.60	3.30	2.95	5.43
2011 Jan.	3.01	3.63	3.90	5.94	5.50	2.85	5.64	5.26

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.



**TABLE 4 Monetary aggregates and counterparts of M3<sup>1)</sup>**

(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 area<sup>2)</sup>**

(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
2010 Q1		6,927	24,052	12,939	36,991	2,053	39,044	2,007	15,163	32,417	30,310	5,069
2010 Q2		7,065	24,891	12,447	37,338	2,010	39,348	1,872	17,097	32,699	30,605	5,475
2010 Q3		7,113	24,904	12,372	37,276	1,855	39,131	2,362	16,562	33,046	31,201	5,259
2010 Q4		7,324	26,443	12,325	38,768	1,809	40,578	2,708	16,122	33,623	31,730	5,758
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
2010 Aug.		7,117	24,937	12,656	37,593	1,866	39,459	2,319	16,501	32,895	31,030	5,130
2010 Sep.		7,113	24,904	12,372	37,276	1,855	39,131	2,362	16,562	33,046	31,201	5,259
2010 Oct.		7,130	24,599	12,732	37,331	1,829	39,160	2,806	16,521	33,512	31,593	5,246
2010 Nov.		7,142	25,401	12,354	37,755	1,816	39,572	2,375	16,472	33,997	32,103	5,622
2010 Dec.		7,324	26,443	12,325	38,768	1,809	40,578	2,708	16,122	33,623	31,730	5,758
2011 Jan.		7,160	25,967	12,800	38,767	1,806	40,573	2,942	15,574	33,972	32,117	5,286

Source: NBS.

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
2010	10,045.6	6,954.5	2,975.9	101.8	13.1	0.3	23,648.8	10,462.7	7,042.6	4,763.4	557.2	823.0
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
2010 Q2	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 Q3	8,838.6	6,220.2	2,534.6	64.9	18.6	0.4	23,072.1	10,088.1	7,206.7	4,419.7	549.1	808.5
2010 Q4	10,045.6	6,954.5	2,975.9	101.8	13.1	0.3	23,648.8	10,462.7	7,042.6	4,763.4	557.2	823.0
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
2010 Aug.	9,017.6	6,301.2	2,632.6	64.7	18.5	0.6	23,101.9	10,057.7	7,332.5	4,354.3	550.1	807.4
2010 Sep.	8,838.6	6,220.2	2,534.6	64.9	18.6	0.4	23,072.1	10,088.1	7,206.7	4,419.7	549.1	808.5
2010 Oct.	8,944.0	6,044.3	2,815.8	65.8	17.8	0.3	23,114.8	10,096.5	7,175.2	4,481.3	549.9	811.9
2010 Nov.	9,328.1	6,524.3	2,687.4	97.3	18.9	0.4	23,177.8	10,136.3	7,125.8	4,549.1	551.2	815.3
2010 Dec.	10,045.6	6,954.5	2,975.9	101.8	13.1	0.3	23,648.8	10,462.7	7,042.6	4,763.4	557.2	823.0
2011 Jan.	9,814.6	6,655.0	3,041.7	100.4	17.0	0.5	23,841.0	10,519.1	7,151.7	4,824.3	529.1	816.9

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
2010	880.9	299.1	517.8	61.7	2.6	-0.2	1,202.7	1,349.0	-1,118.2	1,030.9	-99.4	40.3
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
2010 Q2	43.9	18.0	5.6	14.7	5.5	0.0	414.7	532.5	-323.6	200.6	-9.7	14.9
2010 Q3	130.0	18.9	109.7	2.9	-1.3	-0.2	22.6	115.8	-256.0	154.0	3.7	5.1
2010 Q4	1,207.0	734.3	441.3	36.9	-5.5	-0.1	576.7	374.6	-164.1	343.7	8.1	14.5
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
2010 Aug.	397.7	223.4	171.3	2.3	0.7	0.1	23.6	46.5	-70.0	46.4	-1.9	2.6
2010 Sep.	-179.0	-81.0	-98.1	0.2	0.1	-0.2	-29.9	30.5	-125.8	65.4	-1.1	1.2
2010 Oct.	105.4	-175.9	281.2	0.9	-0.8	0.0	42.7	8.3	-31.5	61.6	0.8	3.4
2010 Nov.	384.1	480.0	-128.4	31.5	1.1	0.0	63.0	39.8	-49.4	67.9	1.4	3.3
2010 Dec.	717.5	430.3	288.5	4.5	-5.7	-0.1	471.1	326.4	-83.3	214.3	5.9	7.7
2011 Jan.	-231.0	-299.5	65.8	-1.4	3.9	0.2	192.2	56.3	109.1	61.0	-28.1	-6.1

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
2010	9.6	4.5	21.1	153.8	24.2	-39.4	5.4	14.8	-13.7	27.6	-15.1	5.2
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
2010 Q2	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 Q3	3.1	8.3	-9.1	60.9	446.4	-19.6	3.4	15.4	-23.8	54.3	15.0	4.4
2010 Q4	9.6	4.5	21.1	153.8	24.2	-39.4	5.4	14.8	-13.7	27.6	-15.1	5.2
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
2010 Aug.	4.7	12.2	-10.8	69.2	651.9	27.6	2.7	14.4	-24.8	60.5	18.6	4.0
2010 Sep.	3.1	8.3	-9.1	60.9	446.4	-19.6	3.4	15.4	-23.8	54.3	15.0	4.4
2010 Oct.	5.6	7.0	1.3	103.9	258.0	-28.9	3.9	14.9	-21.7	47.8	12.3	4.9
2010 Nov.	8.8	10.2	2.8	225.0	94.6	-24.9	4.6	13.9	-17.7	37.1	10.6	4.7
2010 Dec.	9.6	4.5	21.1	153.8	24.2	-39.4	5.4	14.8	-13.7	27.6	-15.1	5.2
2011 Jan.	15.2	11.6	21.6	133.9	24.5	-9.0	5.7	13.6	-11.1	23.7	-7.0	4.4

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).



**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
2010	15,138.0	5,275.0	3,875.0	5,989.0	15,588.0	3,120.0	10,849.0	1,620.0
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
2010 Q3	15,062.0	5,323.0	3,968.0	5,770.0	15,118.0	2,029.0	10,436.0	2,654.0
2010 Q4	15,138.0	5,275.0	3,875.0	5,989.0	15,588.0	3,120.0	10,849.0	1,620.0
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	3,026.0	10,069.0	1,574.0
2010 July	14,922.0	5,260.0	3,937.0	5,724.0	14,805.0	3,036.0	10,183.0	1,585.0
2010 Aug.	15,053.0	5,353.0	3,898.0	5,803.0	14,956.0	3,056.0	10,308.0	1,592.0
2010 Sep.	15,062.0	5,323.0	3,968.0	5,770.0	15,118.0	3,083.0	10,436.0	1,599.0
2010 Oct.	15,324.0	5,539.0	3,940.0	5,845.0	15,255.0	3,092.0	10,555.0	1,608.0
2010 Nov.	15,655.0	5,800.0	3,925.0	5,930.0	15,416.0	3,125.0	10,670.0	1,621.0
2010 Dec.	15,138.0	5,275.0	3,875.0	5,989.0	15,588.0	3,120.0	10,849.0	1,620.0
2011 Jan.	15,502.0	5,522.0	3,883.0	6,098.0	15,621.0	2,921.0	11,041.0	1,659.0

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	-510.0	-1,121.0	674.0	-66.0	1,386.0	253.0	936.0	198.0
2010	258.0	183.0	-275.0	349.0	1,723.0	197.0	1,398.0	129.0
2010 Q1	18.0	155.0	-152.0	15.0	258.0	57.0	184.0	16.0
2010 Q2	-121.0	0.0	-165.0	44.0	487.0	23.0	424.0	42.0
2010 Q3	237.0	43.0	135.0	59.0	456.0	62.0	367.0	26.0
2010 Q4	124.0	-15.0	-93.0	231.0	522.0	55.0	423.0	45.0
2010 Feb.	-23.0	24.0	-53.0	6.0	60.0	17.0	47.0	-5.0
2010 Mar.	-126.0	-47.0	-76.0	-4.0	166.0	36.0	99.0	31.0
2010 Apr.	-130.0	-138.0	-11.0	19.0	117.0	31.0	78.0	9.0
2010 May	73.0	176.0	-96.0	-7.0	182.0	-38.0	204.0	16.0
2010 June	-64.0	-38.0	-58.0	32.0	188.0	29.0	142.0	18.0
2010 July	80.0	-26.0	103.0	4.0	139.0	12.0	115.0	12.0
2010 Aug.	125.0	89.0	-39.0	75.0	153.0	21.0	125.0	6.0
2010 Sep.	32.0	-20.0	71.0	-20.0	164.0	29.0	127.0	8.0
2010 Oct.	270.0	218.0	-28.0	80.0	154.0	21.0	123.0	10.0
2010 Nov.	324.0	258.0	-15.0	80.0	169.0	35.0	121.0	13.0
2010 Dec.	-469.0	-491.0	-50.0	72.0	199.0	-1.0	179.0	22.0
2011 Jan.	369.0	249.0	9.0	110.0	43.0	-189.0	193.0	39.0

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	-17.9	19.4	-1.2	11.0	15.0	10.9	8.4
2010	1.7	3.6	-6.6	6.2	12.4	8.2	14.8	6.9
2010 Q1	-4.2	-15.4	11.0	-1.6	10.7	16.1	10.8	6.2
2010 Q2	-3.0	-8.7	0.5	0.4	10.9	11.2	12.2	6.0
2010 Q3	-1.7	-4.7	-1.4	1.0	11.1	9.5	13.2	4.4
2010 Q4	1.7	3.6	-6.6	6.2	12.4	8.2	14.8	6.9
2010 Feb.	-3.7	-15.8	13.9	-1.4	10.8	16.1	10.7	7.2
2010 Mar.	-4.2	-15.4	10.9	-1.6	10.7	16.1	10.8	6.2
2010 Apr.	-4.5	-15.3	9.0	-1.6	10.6	15.3	10.8	6.5
2010 May	-3.3	-9.8	3.8	-1.3	10.8	11.5	12.0	6.0
2010 June	-3.0	-8.7	0.5	0.4	10.9	11.2	12.2	6.0
2010 July	-2.1	-7.0	2.0	0.1	10.7	10.0	12.2	6.0
2010 Aug.	-2.1	-5.4	-2.1	1.1	10.9	9.8	12.5	5.7
2010 Sep.	-1.7	-4.7	-1.4	1.0	11.1	9.5	13.2	4.4
2010 Oct.	0.1	-1.0	-1.6	2.3	11.4	9.0	13.7	4.6
2010 Nov.	1.8	5.4	-5.7	3.9	11.8	8.6	14.1	5.1
2010 Dec.	1.7	3.6	-6.6	6.2	12.4	8.2	14.8	6.9
2011 Jan.	3.1	4.8	-5.9	7.9	12.4	1.4	16.3	9.9

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 <sup>1)</sup>	
	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 % <sup>2)</sup>	23.9	15.6	8.3	45.3	29.9	15.4	5.3	1.1	4.1	4.2	12.1	5.2	24.5
	1	2	3	4	5	6	7	8	9	10	11	12	13
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
2010	112.2	0.7	0.7	0.1	1.9	-	-	-	-	-	-	0.9	-0.2
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	-0.2	0.2
2010 Q2	112.2	0.7	0.8	0.2	2.0	0.5	0.2	3.9	-0.6	1.1	0.4	0.9	0.0
2010 Q3	112.3	1.0	1.0	0.7	1.9	0.1	0.0	-0.5	-0.3	0.1	0.5	1.4	-0.3
2010 Q4	112.6	1.1	0.9	0.7	1.8	0.3	1.0	-0.7	0.1	0.4	0.3	1.6	-0.6
2010 Sep.	112.3	1.1	1.1	0.7	1.9	0.0	0.1	-0.3	-0.2	-0.1	0.2	1.5	-0.2
2010 Oct.	112.3	1.0	0.9	0.6	1.8	0.0	0.4	-1.4	0.2	0.1	0.0	1.4	-0.6
2010 Nov.	112.6	1.0	0.8	0.6	1.7	0.3	0.8	1.3	0.1	0.2	0.0	1.5	-0.7
2010 Dec.	112.9	1.3	0.9	1.0	1.8	0.2	-0.2	1.8	0.0	0.7	0.1	1.8	-0.6
2011 Jan.	115.2	3.2	1.5	3.4	2.8	2.1	2.0	2.6	0.2	7.3	1.2	2.4	5.8
2011 Feb.	115.6	3.5	1.5	3.8	2.8	0.3	0.2	2.2	-0.3	0.2	0.4	2.7	5.8

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

1) According to ECB methodology.

2) Weights apply to the period of 2011.



**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 % <sup>2)</sup>	23.9	15.6	8.3	45.3	29.9	15.4	5.3	1.1	4.1	4.2	12.1	5.2
	14	15	16	17	18	19	20	21	22	23	24	25
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
2010	2.9	2.3	3.6	-1.3	-1.4	-1.3	2.9	1.7	0.3	0.8	1.4	4.7
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 Q3	4.6	3.4	6.7	-1.4	-1.3	-1.7	3.2	1.5	0.8	0.2	1.2	4.8
2010 Q4	4.6	2.8	8.1	-1.3	-1.1	-1.6	2.1	0.7	1.3	0.0	1.3	4.7
2010 Sep.	4.8	3.6	7.0	-1.4	-1.2	-1.8	3.1	1.5	1.5	0.2	1.2	4.7
2010 Oct.	4.5	3.2	6.9	-1.4	-1.3	-1.7	1.9	0.7	1.3	0.2	1.2	4.9
2010 Nov.	4.4	2.6	7.7	-1.3	-1.1	-1.8	2.1	0.7	1.2	-0.2	1.3	4.7
2010 Dec.	5.1	2.6	9.8	-1.1	-1.0	-1.2	2.2	0.7	1.3	-0.1	1.4	4.6
2011 Jan.	5.2	3.5	8.3	2.5	-0.9	9.2	2.8	0.7	3.7	0.5	2.1	5.7
2011 Feb.	5.5	3.4	9.6	2.9	-0.9	10.3	3.1	1.2	3.6	0.8	2.2	5.3

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

1) According to ECB methodology.

2) Weights apply to the period of 2011.





**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	79.1	20.9	-	100	16.0	31.1	2.6	29.4	20.9	60.5	63.1
	1	2	3	4	5	6	7	8	9	10	11	12	13
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
2010	115.2	1.0	1.2	-0.5	0.1	-	-	-	-	-	-	0.4	0.9
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
2010 Q3	115.3	1.0	1.2	-0.7	0.1	0.0	-0.2	-0.2	-0.2	0.3	0.3	0.2	0.6
2010 Q4	115.6	1.1	1.6	-0.7	0.0	0.3	0.6	0.0	1.1	0.1	0.5	0.1	0.5
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
2010 Sep.	115.3	1.1	1.3	-0.5	0.1	0.0	0.0	-0.2	-0.8	0.1	0.3	0.2	0.5
2010 Oct.	115.3	1.0	1.4	-0.7	0.0	0.0	-0.3	0.1	0.5	0.1	0.2	0.1	0.5
2010 Nov.	115.6	1.0	1.5	-0.8	-0.1	0.3	1.3	0.1	0.7	-0.1	0.0	0.1	0.4
2010 Dec.	115.9	1.3	1.9	-0.7	-0.1	0.3	1.0	-0.2	2.8	0.1	0.1	0.2	0.6
2011 Jan.	118.1	3.0	1.6	5.8	0.5	1.9	1.7	-0.5	6.2	0.3	4.8	-0.2	0.5
2011 Feb.	118.5	3.3	1.8	6.0	0.6	0.3	1.2	-0.2	0.9	0.5	0.1	0.0	0.7

Sources: 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 %	16.0	31.1	6.2	6.0	4.5	2.6	29.4	11.3	5.3	5.8	3.7	3.0	4.2
	14	15	16	17	18	19	20	21	22	23	24	25	26
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
2010	1.8	-1.4	0.5	-4.0	1.8	11.6	2.3	3.2	1.3	1.8	-3.3	-4.8	-2.6
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
2010 Q3	3.9	-1.2	0.8	-3.8	0.3	8.6	1.7	1.6	1.2	1.9	-3.3	-4.8	-2.6
2010 Q4	5.7	-1.0	1.4	-3.1	0.6	9.0	1.3	0.8	1.2	1.7	-3.3	-4.8	-3.1
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
2010 Sep.	4.4	-1.1	1.0	-3.5	-0.5	7.9	1.5	1.2	1.2	1.9	-3.3	-4.8	-2.7
2010 Oct.	4.8	-1.2	1.4	-3.4	-0.1	8.8	1.4	0.8	1.1	2.3	-3.3	-4.8	-2.8
2010 Nov.	5.6	-1.0	1.3	-3.1	0.1	7.6	1.2	0.7	1.2	1.4	-3.3	-4.8	-3.1
2010 Dec.	6.7	-0.9	1.4	-2.8	1.8	10.4	1.4	1.0	1.2	1.4	-3.3	-4.8	-3.3
2011 Jan.	5.8	-1.6	0.3	-3.5	5.6	17.9	1.4	0.6	0.9	1.6	9.2	5.5	7.3
2011 Feb.	6.2	-1.6	0.0	-3.3	5.7	18.3	1.6	1.2	0.8	2.0	9.2	5.5	7.6

Sources: 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 <sup>1)</sup>	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
2010	0.2	2.7	-2.8	1.1	0.0	-6.7	6.2	14.2	29.9	1.1	1.0	-3.3	-3.9
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 Q3	1.9	4.2	-0.7	10.6	1.3	-3.8	6.9	19.8	29.3	5.8	0.9	-1.4	-1.4
2010 Q4	1.9	4.3	-0.9	7.9	1.5	-4.6	6.3	30.0	47.4	5.5	0.9	0.3	-2.1
2010 Aug.	2.0	4.0	-0.4	12.8	1.4	-3.4	6.8	20.2	27.0	7.5	1.0	-1.3	-
2010 Sep.	1.9	4.2	-0.7	11.4	1.6	-4.4	6.6	25.1	39.5	5.5	1.0	-0.5	-
2010 Oct.	2.1	4.8	-1.0	8.8	1.4	-4.7	6.4	38.0	61.0	6.1	1.0	0.5	-
2010 Nov.	1.5	3.6	-1.0	8.6	1.1	-4.6	6.4	37.5	68.3	5.3	0.8	0.0	-
2010 Dec.	2.0	4.3	-0.7	6.3	1.8	-4.4	6.1	18.3	25.6	4.8	0.9	0.4	-
2011 Jan.	4.5	6.7	1.8	8.3	2.7	0.2	7.3	22.8	63.1	7.4	1.3	1.5	-

	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
2010	0.2	2.7	-2.8	-4.5	-0.7	-1.7	-5.7	-1.2
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 Q3	1.9	4.2	-0.7	-1.6	2.3	-1.7	-4.4	-0.9
2010 Q4	1.9	4.3	-0.9	-2.4	3.2	-2.8	-4.1	-0.4
2010 Aug.	2.0	4.0	-0.4	-1.1	2.4	-1.9	-4.1	-0.7
2010 Sep.	1.9	4.2	-0.7	-2.2	3.3	-2.3	-4.1	-0.5
2010 Oct.	2.1	4.8	-1.0	-2.6	3.1	-2.9	-4.1	-0.7
2010 Nov.	1.5	3.6	-1.0	-2.5	3.0	-3.2	-4.1	-0.3
2010 Dec.	2.0	4.3	-0.7	-2.2	3.4	-2.1	-4.2	-0.2
2011 Jan.	4.5	6.7	1.8	2.8	4.3	-2.8	-0.5	-0.1

Sources: 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)							
2007	0.2	-15.0	0.8	1.2	0.9	5.7	-4.7
2008	4.1	-0.3	6.2	-7.4	-8.0	1.3	19.4
2009	7.7	1.0	13.5	14.7	18.8	8.9	-4.6
2010	-2.7	1.6	-3.1	-8.4	-6.0	0.5	-3.2
2009 Q4	3.3	15.1	-0.5	7.2	17.8	5.4	-11.1
2010 Q1	-4.6	3.7	-13.2	-6.8	-12.3	-3.1	8.9
2010 Q2	-3.1	-31.0	8.0	-9.7	-7.7	-6.2	-2.6
2010 Q3	-2.9	9.6	-2.8	-11.6	-3.4	6.5	-13.2
2010 Q4	-0.4	23.9	-4.4	-5.2	-0.6	4.8	-6.0
Compensation per employee (current prices)							
2007	8.4	10.4	9.1	8.1	12.8	4.6	4.5
2008	7.2	13.7	9.1	0.9	0.7	6.6	12.6
2009	5.1	12.8	1.4	2.9	4.6	12.0	6.6
2010	2.7	-7.8	1.9	-8.1	0.3	7.6	4.6
2009 Q4	3.8	6.9	-1.3	-2.1	3.8	10.7	6.6
2010 Q1	3.0	-4.0	-1.6	-16.9	3.7	5.8	9.7
2010 Q2	3.3	-14.8	2.0	-11.0	-0.5	7.8	8.6
2010 Q3	1.5	-4.7	3.1	-6.1	-1.5	9.9	-0.7
2010 Q4	2.5	-7.5	4.3	1.6	-0.3	6.7	0.9
Labour productivity (constant prices)							
2007	8.2	30.2	8.3	6.8	12.3	-0.7	9.8
2008	3.0	15.0	3.6	9.7	9.6	5.3	-5.5
2009	-2.3	14.5	-9.2	-9.5	-11.8	3.4	12.6
2010	5.5	-5.6	5.7	0.3	7.1	7.3	8.5
2009 Q4	0.5	-7.1	-0.8	-8.7	-11.9	5.1	20.0
2010 Q1	7.9	-7.4	13.3	-10.8	18.2	9.2	0.8
2010 Q2	6.6	23.4	-5.6	-1.4	7.8	15.0	11.5
2010 Q3	4.5	-13.1	6.1	6.2	2.0	3.2	14.4
2010 Q4	3.0	-25.4	9.1	7.2	0.3	1.8	7.4

Sources: 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 <sup>2)</sup>				Construction production <sup>3)</sup>
	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	19.3	-1.0	14.6
2006	115.6	15.6	21.0	-3.2	-3.1	8.4	32.1	93.4	20.0	14.9
2007	135.2	16.9	21.2	15.4	-3.7	5.5	47.8	47.0	-2.1	5.8
2008	139.5	3.2	2.5	-10.8	9.9	-4.2	9.6	3.9	0.4	12.0
2009	120.3	-13.7	-15.5	1.7	-5.8	-13.2	-25.7	0.2	-7.5	-11.3
2010	143.1	18.9	20.1	0.4	15.6	14.0	35.5	22.5	3.8	-4.6
2010 Q1	133.1	19.7	21.6	11.8	12.0	22.7	38.6	1.7	12.8	-13.9
2010 Q2	145.7	24.5	26.8	-0.6	16.7	19.8	44.1	44.0	2.6	-5.6
2010 Q3	137.9	15.3	15.7	-4.7	16.3	6.4	33.4	16.4	-0.4	-3.6
2010 Q4	155.8	16.6	17.0	-2.6	17.7	8.8	28.0	28.1	1.1	1.7
2010 Aug.	134.0	16.2	14.7	-0.4	27.3	7.7	28.8	16.1	3.6	-1.1
2010 Sep.	150.6	13.3	12.2	-6.4	23.9	6.4	29.0	-2.5	-7.5	-6.5
2010 Oct.	158.3	13.4	13.5	-3.4	15.7	4.1	24.4	27.8	-0.7	4.1
2010 Nov	169.8	17.3	18.5	0.2	12.5	10.5	28.1	28.3	5.7	0.8
2010 Dec.	139.3	19.7	19.4	-4.8	24.4	12.7	32.1	28.3	-2.8	0.0
2011 Jan.	143.4	17.1	20.4	2.5	3.4	12.5	41.4	0.8	3.1	-0.8
	month-on-month percentage changes <sup>1)</sup>									
2010 Aug.	144.1	2.3	4.1	3.9	9.7	7.9	-0.4	-24.7	0.4	2.0
2010 Sep.	144.8	0.5	4.8	-2.7	-3.4	3.2	7.8	-5.3	-3.5	-7.4
2010 Oct.	146.6	1.2	1.0	1.0	-2.0	-2.5	-0.2	15.6	1.4	2.3
2010 Nov.	152.0	3.7	5.3	0.0	-2.3	0.5	-1.4	6.7	7.8	0.8
2010 Dec.	152.6	0.4	-2.6	-4.5	5.7	0.5	9.5	4.4	-5.0	-4.6
2011 Jan.	154.0	0.9	3.3	6.3	-7.9	4.2	7.9	-7.0	4.2	-2.6

Sources: 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 <sup>2)</sup>	current prices <sup>2)</sup>	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- munications	Trans- port and storage	Total in thosands of units	Annual percent- age changes
				constant prices <sup>1)</sup>	current prices <sup>2)</sup>	constant prices <sup>1)</sup>	current prices <sup>2)</sup>	constant prices <sup>1)</sup>	constant prices <sup>1)</sup>	constant prices <sup>1)</sup>	Accom- modation	Restau- rants	constant prices <sup>1)</sup>	current prices <sup>2)</sup>	current prices <sup>2)</sup>		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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	-18.6	-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
2010	155.9	25.3	7.9	19.2	17.5	-6.1	-5.2	-1.5	2.6	-2.2	-4.8	-9.1	5.7	-8.7	7.1	71.0	-21.5
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	11.6	-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	9.9	25.8	23.6	-6.2	-5.3	-15.4	4.5	-2.5	-6.9	-12.8	3.8	-8.5	10.8	17.4	-45.6
2010 Q3	152.6	16.6	7.7	16.4	17.2	-7.0	-6.2	4.2	1.7	-1.7	0.5	-5.9	8.9	-7.4	3.1	17.2	-30.1
2010 Q4	172.0	24.6	9.5	18.1	17.8	1.0	1.8	19.7	2.1	-3.1	-2.3	-4.2	9.1	-12.4	11.2	22.0	24.9
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	13.4	-15.8	-14.9	-19.2	7.4	0.2	-7.9	-13.1	0.3	-10.3	12	6.1	-21.0
2010 Apr.	153.0	34.0	8.8	24.7	22.3	-6	-4.8	-19.3	3.9	-5.4	-12.0	-13.7	2.8	-8.1	10.6	5.3	-51.8
2010 May	157.2	39.7	10.8	28.0	25.4	-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	-3.6	-10.9	5.9	-9.7	11.2	6.8	-41.3
2010 July	143.5	23.2	6.9	18.5	18.4	-7.3	-6.8	-10.5	-0.8	-1.6	1.1	-6.2	7.8	-9	3.2	6.0	-46.8
2010 Aug.	144.9	14.6	8.3	13.6	15.2	-1.5	-0.5	11.5	6.9	-1.8	1.0	-6.4	9.8	-7.9	-0.4	5.6	-23.8
2010 Sep.	169.3	13.1	7.9	17.1	17.8	-12.2	-11.3	11.5	-0.8	-1.8	-0.7	-5.0	9.1	-5.3	6.3	5.6	-6.6
2010 Oct.	178.3	20.9	7.5	14.6	14.6	-1.2	-0.2	19.8	-0.3	-3.7	-3.5	-2.7	8.2	-13.7	12	6.6	11.0
2010 Nov.	175.3	21.1	10.2	17.5	17.0	0.1	0.9	25.8	7.5	-3.1	-2.7	-1.9	10.2	-13.6	7.3	7.0	36.2
2010 Dec.	162.4	33.2	10.7	22.3	22.2	4.1	4.9	13.4	-0.8	-2.4	-0.7	-8.0	9.0	-10.2	14.6	8.3	28.7
2011 Jan.	.	.	13.4	19.5	23.0	8.7	10.0	27.5	-1.4	-0.1	-2.8	0.3	8.2	7.1	7.4	4.8	21.8

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				Receipts and industry <sup>2)</sup>	
		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 <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	EUR mil. <sup>1)</sup>
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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
2010	20.5	-3.3	20.8	8.8	24.3	24.9	21.8	28.3	7.2	28.3	7.4	8.6	20.5	55,228.1
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	26.4	-8.4	26.9	10.6	12.6	29.6	26.0	33.5	20.7	33.5	35.0	29.1	26.4	13,884.3
2010 Q3	19.2	-1.8	19.5	11.4	24.2	24.9	21.6	28.6	1.4	28.6	-5.0	0.9	19.2	13,842.3
2010 Q4	19.6	9.6	19.7	13.2	23.3	23.7	20.3	27.1	7.1	27.1	6.5	7.5	19.6	15,232.3
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	3,972.7
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	18.6	4,646.2
2010 Apr.	24.7	-1.9	25.0	18.1	46.4	33.5	27.1	41.3	-1.6	-3.4	0.8	-1.8	24.7	4,508.9
2010 May	28.3	-13.1	28.9	6.2	-10.6	30.6	26.1	35.7	32.0	60.6	5.9	48.6	28.3	4,531.1
2010 June	26.2	-9.9	26.7	7.1	4.7	25.2	24.9	25.5	36.2	65.9	11.8	50.9	26.2	4,844.4
2010 July	21.5	-2.3	21.8	8.1	22.7	24.8	19.2	31.4	10.7	15.6	7.1	15.4	21.5	4,372.0
2010 Aug.	17.2	-0.4	17.4	10.2	22.6	21.8	24.2	19.0	2.7	-3.6	9.5	2.3	17.2	4,358.0
2010 Sep.	19.1	-2.6	19.3	15.9	27.3	27.7	21.5	34.4	-6.6	-17.4	8.2	-9.5	19.1	5,112.4
2010 Oct.	15.8	13.7	15.8	11.6	18.5	20.6	15.9	25.5	2.4	1.6	3.6	2.5	15.8	5,263.4
2010 Nov.	18.6	14.6	18.7	12.4	21.0	21.7	21.0	22.4	9.7	7.4	13.2	9.8	18.6	5,393.7
2010 Dec.	25.5	-0.6	25.7	15.3	30.9	30.0	25.1	34.9	10.1	13.7	7.0	11.8	25.5	4,575.1

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 <sup>1)</sup>													
	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	Agri-culture, forestry and fishing	Industry	Con-struction	Wholesale and retail trade; repair of motor vehicles and motorcycles	Trans-posing and storage	Accom-modation and food service activities	Informa-tion and commu-nication	Financial and in-surance activities	Real estate activities	Profes-sional, scientific and technical activities	Admin-istrative and support service activities	Public admin-istration and defence; social security	Education	Human health and so-cial work activities	Arts, entertain-ment and recreation	Other activities
2009 Q4 <sup>2)</sup>	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
2010 Q3	750.0	3.7	4.3	4.9	3.7	4.2	1.5	3.7	5.6	3.9	10.8	4.0	1.4	1.5	2.6	6.0	0.8	-0.6
2010 Q4	844.0	3.8	0.8	3.9	6.1	5.3	4.9	6.3	2.2	6.7	5.7	4.5	-2.3	0.3	1.7	4.1	2.5	-0.6
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
2010	769.0	3.2	1.2	5.4	3.6	2.9	2.1	4.7	2.6	2.1	6.0	2.1	-0.7	1.9	2.5	4.0	0.5	-3.0

	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 Feb. <sup>2)</sup>	678.0	6.1	-0.8	2.4	5.6	1.4	-1.9	6.6	0.5	4.1	4.1
2010 Mar.	711.8	7.4	0.9	2.7	7.8	4.2	5.0	3.8	3.7	-3.5	4.5
2010 Apr.	714.1	6.5	6.6	2.4	6.3	3.7	5.6	2.3	-0.7	3.4	4.8
2010 May	707.4	5.0	2.7	2.5	5.1	4.2	2.4	6.0	0.1	1.4	1.7
2010 June	743.5	6.7	2.9	0.0	6.0	5.4	7.0	4.5	3.0	-2.1	6.9
2010 July	727.9	4.7	3.2	0.1	5.1	4.9	5.8	5.3	0.7	0.6	6.4
2010 Aug.	709.5	4.8	6.1	1.6	4.8	5.0	7.3	5.0	0.0	8.3	7.6
2010 Sep.	719.1	5.2	3.1	1.7	3.1	3.8	3.8	5.9	0.9	2.4	7.5
2010 Oct.	713.9	1.7	4.9	0.8	4.3	4.0	5.2	5.0	1.3	3.0	2.3
2010 Nov.	822.4	5.9	8.0	5.4	5.0	4.0	6.5	5.9	4.9	6.8	18.2
2010 Dec.	796.5	3.5	5.1	0.8	2.8	1.4	1.8	2.3	6.3	-4.9	8.4
2011 Jan.	713.6	3.6	4.9	4.3	3.1	2.7	1.6	0.6	-0.1	-3.3	6.7

Sources: 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 balances<sup>1)</sup>, unless otherwise indicated; seasonally adjusted)

	Economic sentiment indicator <sup>2)</sup> (long-term average = 100)	Manufacturing industry					Consumer confidence indicator				
		Industrial confidence indicator				Capacity utilisation <sup>3)</sup> (percentages)					Savings over next 12 months
		Total <sup>4)</sup>	Order books	Stocks of finished products	Production expectations		Total <sup>4)</sup>	Financial situation of households over next 12 months	Economic situation over next 12 months	Unemployment situation over next 12 months	
	1	2	3	4	5	6	7	8	9	10	11
2006	110.7	9.3	-1.4	0.9	30.3	75.4	-9.6	-6.1	-6.1	-4.4	-30.5
2007	112.7	14.4	5.1	-4.1	34.0	73.6	-0.3	1.1	6.8	-12.4	-21.7
2008	97.4	-4.6	-11.7	3.8	1.8	72.0	-13.1	-13.6	-12.4	1.2	-25.0
2009	76.9	-17.7	-44.9	10.3	2.0	53.7	-35.4	-18.3	-40.2	53.0	-30.1
2010	97.2	1.9	-21.9	-2.7	25.0	57.5	-20.4	-11.6	-21.9	22.3	-25.8
2009 Q1	73.5	-29.5	-44.4	16.3	-27.8	53.3	-40.9	-21.5	-43.7	68.8	-29.5
2009 Q2	68.6	-26.1	-52.3	15.6	-10.5	50.9	-39.0	-21.0	-48.0	56.1	-30.9
2009 Q3	78.3	-11.6	-46.0	6.6	17.8	51.9	-31.7	-16.2	-38.5	43.4	-29.0
2009 Q4	87.2	-3.6	-36.9	2.5	28.4	58.8	-30.0	-14.6	-30.8	43.6	-31.1
2010 Q1	94.6	-0.2	-25.5	-1.5	23.3	58.1	-20.4	-8.7	-18.8	27.3	-26.7
2010 Q2	96.2	0.2	-23.6	-1.6	22.5	55.4	-17.6	-7.5	-18.0	19.6	-25.3
2010 Q3	97.6	2.7	-23.6	-3.0	28.7	59.7	-20.8	-13.7	-23.0	19.3	-27.3
2010 Q4	100.2	5.1	-15.0	-4.6	25.6	56.7	-22.8	-16.3	-27.9	23.1	-24.0
2010 Feb.	93.5	-4.1	-30.3	-1.5	16.4	-	-18.7	-7.7	-13.6	26.8	-26.7
2010 Mar.	98.7	6.4	-13.7	2.3	35.3	-	-17.1	-6.1	-16.0	23.8	-22.4
2010 Apr.	95.4	-2.1	-27.2	-0.7	20.2	55.4	-15.9	-5.8	-13.0	18.8	-26.1
2010 May	94.2	-1.0	-26.2	-3.1	20.0	-	-18.6	-8.6	-16.6	23.5	-25.6
2010 June	98.9	3.7	-17.4	-1.0	27.4	-	-18.2	-8.1	-24.4	16.4	-24.1
2010 July	99.6	6.3	-24.4	-5.6	37.8	59.7	-18.5	-11.8	-18.7	16.8	-26.7
2010 Aug.	97.8	2.5	-25.5	-3.2	29.8	-	-21.3	-13.6	-21.5	23.4	-26.9
2010 Sep.	95.4	-0.7	-20.8	-0.2	18.4	-	-22.6	-15.8	-28.9	17.6	-28.3
2010 Oct.	97.7	2.8	-19.0	-2.9	24.5	56.7	-26.8	-19.7	-34.4	29.1	-24.1
2010 Nov.	99.9	1.3	-19.3	1.5	24.8	-	-18.6	-10.7	-19.7	21.6	-22.4
2010 Dec.	103.1	11.1	-6.7	-12.5	27.5	-	-23.0	-18.4	-29.7	18.5	-25.4
2011 Jan.	104.2	17.6	-0.6	-7.1	46.3	68.1	-27.5	-21.7	-32.3	23.5	-32.5
2011 Feb.	101.2	10.7	-2.8	-5.5	29.5	-	-23.5	-17.4	-25.8	23.7	-27.1

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 balances<sup>1)</sup>, unless otherwise indicated; seasonally adjusted)

	Construction confidence indicator			Retail trade indicator				Services confidence indicator			
	Total <sup>4)</sup>	Order books	Employment expectations	Total <sup>4)</sup>	Present business situation	Volume of stocks	Expected business situation	Total <sup>4)</sup>	Business climate	Demand in recent months	Demand in the months ahead
	12	13	14	15	16	17	18	19	20	21	22
2006	-2.6	-16.2	11.0	23.0	32.4	-2.6	33.9	43.3	39.7	43.8	46.3
2007	-5.1	-20.8	10.5	20.5	33.7	5.9	33.7	34.6	28.9	32.0	43.0
2008	-6.8	-24.0	10.3	20.4	32.6	7.3	35.8	18.7	10.2	19.9	26.0
2009	-43.3	-55.7	-31.0	-14.8	-18.6	15.7	-10.0	-8.6	-13.9	-7.2	-4.7
2010	-41.6	-55.8	-27.5	0.6	-6.3	2.3	10.3	20.4	17.2	20.0	24.1
2009 Q1	-25.8	-33.2	-18.5	-7.5	3.6	19.3	-6.6	-2.2	-2.9	2.7	-6.4
2009 Q2	-50.4	-57.8	-43.1	-21.5	-23.2	18.5	-22.7	-20.9	-27.6	-22.3	-12.8
2009 Q3	-51.9	-66.1	-37.8	-17.7	-27.3	13.8	-12.0	-14.7	-23.0	-12.9	-8.2
2009 Q4	-45.1	-65.9	-24.3	-12.5	-27.5	11.3	1.3	3.5	-1.9	3.7	8.8
2010 Q1	-44.8	-61.2	-28.4	-9.8	-26.5	3.6	0.8	16.2	13.4	14.8	20.3
2010 Q2	-39.9	-55.7	-24.1	-5.0	-12.8	3.4	1.3	17.6	14.4	20.4	18.0
2010 Q3	-44.6	-54.0	-35.2	1.9	1.9	2.4	6.2	22.2	19.5	23.9	23.2
2010 Q4	-37.3	-52.4	-22.3	15.1	12.3	-0.2	32.7	25.7	21.6	20.8	34.9
2010 Feb.	-43.0	-58.2	-27.8	-9.6	-26.8	1.2	-0.8	15.7	11.6	15.2	20.2
2010 Mar.	-43.2	-60.8	-25.6	-9.5	-20.9	6.4	-1.3	18.4	17.0	19.7	18.4
2010 Apr.	-41.1	-58.5	-23.7	-2.5	-10.4	3.2	6.3	16.7	15.6	21.4	13.1
2010 May	-41.3	-57.5	-25.1	-6.4	-14.9	2.8	-1.5	13.0	7.3	17.1	14.5
2010 June	-37.2	-51.0	-23.4	-6.1	-13.0	4.2	-1.0	23.1	20.3	22.6	26.3
2010 July	-45.3	-52.5	-38.2	-1.9	-3.1	2.3	-0.2	22.6	20.5	23.9	23.4
2010 Aug.	-45.2	-54.8	-35.5	3.8	3.4	0.1	8.1	22.7	20.7	24.6	22.9
2010 Sept.	-43.3	-54.8	-31.8	3.8	5.5	4.7	10.8	21.3	17.3	23.2	23.2
2010 Oct.	-38.3	-49.4	-27.3	12.1	12.2	0.7	24.7	24.1	24.1	18.8	29.4
2010 Nov.	-37.0	-54.0	-20.0	15.1	4.8	-0.5	39.9	26.5	21.3	20.5	37.6
2010 Dec.	-36.6	-53.8	-19.5	18.1	19.9	-0.9	33.5	26.6	19.3	23.0	37.6
2011 Jan.	-39.8	-54.7	-24.9	18.9	31.3	-3.3	22.1	26.7	23.5	22.1	34.5
2011 Feb.	-39.9	-48.6	-31.3	6.4	7.9	12.4	23.7	25.0	23.8	22.6	28.6

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 <sup>1)</sup>										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
2006	2,132.4	2.1	2.1	2.1	-7.5	1.1	4.3	4.9	4.6	0.1	13.3
2007	2,177.0	2.1	1.8	3.8	-5.0	1.2	5.1	2.8	7.2	0.2	11.0
2008	2,241.1	2.9	2.2	7.6	-1.8	2.6	7.3	3.3	5.3	1.0	9.6
2009	2,184.4	-2.5	-4.4	9.2	-12.6	-9.3	4.7	0.5	-2.2	0.5	12.1
2010	2,154.4	-1.4	-1.4	-1.1	-8.0	-3.8	-2.5	-0.9	2.2	0.1	14.4
2009 Q4	2,161.7	-4.2	-5.7	5.7	-16.4	-11.4	-0.9	-0.3	-4.6	0.0	13.9
2010 Q1	2,133.1	-3.0	-4.2	3.4	-1.3	-10.5	-2.4	-0.6	0.2	0.0	15.1
2010 Q2	2,148.3	-2.3	-2.0	-3.6	-12.6	-4.8	-3.9	-1.9	2.1	-0.1	14.4
2010 Q3	2,164.1	-0.7	0.1	-4.6	-13.7	-1.2	-2.6	-0.1	2.3	0.3	14.1
2010 Q4	2,172.0	0.5	0.5	0.6	-2.9	1.8	-0.8	-1.0	4.3	0.1	13.9
2010 Feb. <sup>2)</sup>	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.	1,222.1	-	-	-	-	-6.3	-3.1	-6.7	-	-	12.5
2010 May	1,221.1	-	-	-	-	-3.8	-2.6	-6.0	-	-	12.2
2010 June	1,222.3	-	-	-	-	-2.2	-2.3	-5.9	-	-	12.3
2010 July	1,227.3	-	-	-	-	-1.2	-2.9	-3.5	-	-	12.3
2010 Aug.	1,229.2	-	-	-	-	-0.5	-2.8	-3.2	-	-	12.2
2010 Sept.	1,233.6	-	-	-	-	0.6	-2.6	-2.2	-	-	12.4
2010 Oct.	1,239.2	-	-	-	-	1.7	-2.7	-1.7	-	-	12.3
2010 Nov.	1,240.7	-	-	-	-	2.3	-2.1	-1.8	-	-	12.2
2010 Dec.	1,233.4	-	-	-	-	2.8	-1.9	-2.1	-	-	12.5
2011 Jan.	1,248.2	-	-	-	-	4.3	-2.1	-0.8	-	-	13.0
2011 Feb.	.	-	-	-	-	.	.	.	-	-	13.2

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.)											
2007	61.56	62.23	33.90	0.60	10.64	16.10	1.00	-0.68	53.37	54.05	0.00
2008	67.01	68.60	37.60	0.69	11.80	16.58	1.93	-1.59	55.79	57.39	0.00
2009	63.05	63.33	37.71	0.69	12.60	12.99	-0.67	-0.28	44.51	44.78	0.00
2010	65.91	66.05	37.93	0.71	12.69	13.39	1.34	-0.67	53.29	53.96	0.52
2008 Q1	15.79	15.96	9.05	0.17	2.44	3.51	0.79	-0.18	14.18	14.36	0.00
2008 Q2	16.79	17.18	9.19	0.17	2.81	4.42	0.60	-0.40	14.66	15.05	0.00
2008 Q3	17.49	17.76	9.61	0.17	2.84	4.39	0.75	-0.27	13.86	14.12	0.00
2008 Q4	16.94	17.70	9.76	0.18	3.72	4.26	-0.22	-0.75	13.10	13.85	0.00
2009 Q1	14.71	15.40	9.32	0.17	2.59	3.23	0.09	-0.69	10.05	10.74	0.00
2009 Q2	15.56	15.40	9.35	0.17	3.10	3.10	-0.33	0.16	10.84	10.67	0.00
2009 Q3	16.50	16.35	9.64	0.17	2.93	3.22	0.38	0.15	11.12	10.97	0.00
2009 Q4	16.29	16.19	9.41	0.18	3.98	3.44	-0.82	0.10	12.50	12.40	0.00
2010 Q1	15.15	15.14	9.20	0.17	2.73	3.05	-0.02	0.01	11.74	11.73	0.00
2010 Q2	16.27	16.16	9.29	0.18	3.09	3.17	0.44	0.11	13.13	13.03	0.00
2010 Q3	17.47	17.66	9.76	0.18	2.98	3.37	1.38	-0.46	13.26	13.71	0.27
2010 Q4	17.02	17.10	9.67	0.18	3.89	3.80	-0.45	-0.33	14.87	15.20	0.25
Percentage of GDP											
2010	101.0	100.2	57.5	1.1	19.3	20.3	2.0	-1.0	80.9	81.9	0.8
Chain-linked volumes											
Annual percentage changes											
2007	10.5	6.3	6.9	-1.3	0.1	9.1	-	-	14.3	9.2	-
2008	5.8	5.8	6.1	10.5	6.1	1.0	-	-	3.1	3.1	-
2009	-4.8	-7.3	0.2	0.7	5.6	-19.9	-	-	-15.9	-18.6	-
2010	4.0	2.4	-0.3	2.3	0.1	3.6	-	-	16.4	14.9	-
2008 Q1	9.5	9.2	7.6	11.3	2.2	5.6	-	-	10.8	10.5	-
2008 Q2	6.9	7.3	6.4	9.3	11.5	8.6	-	-	8.4	8.8	-
2008 Q3	6.3	6.8	6.1	9.8	7.2	-0.3	-	-	3.1	3.8	-
2008 Q4	1.4	0.7	4.5	11.5	4.1	-7.9	-	-	-8.1	-8.4	-
2009 Q1	-5.1	-3.7	0.6	0.7	3.8	-6.4	-	-	-24.8	-23.0	-
2009 Q2	-5.4	-9.8	1.8	0.5	9.5	-28.7	-	-	-20.0	-24.7	-
2009 Q3	-5.0	-6.8	1.3	0.8	2.5	-24.7	-	-	-14.9	-17.0	-
2009 Q4	-3.6	-8.4	-2.6	0.8	6.4	-16.9	-	-	-3.7	-9.6	-
2010 Q1	4.7	-0.3	-0.1	3.1	5.9	-3.4	-	-	18.3	10.9	-
2010 Q2	4.2	4.0	-1.4	2.2	-1.1	1.8	-	-	16.1	16.0	-
2010 Q3	3.8	4.0	-0.3	2.1	0.9	4.8	-	-	14.8	16.6	-
2010 Q4	3.5	1.5	0.5	1.7	-3.3	10.6	-	-	14.3	13.5	-
Quarterly percentage changes											
2008 Q1	-1.4	-0.4	2.5	6.6	1.7	-0.6	-	-	2.3	1.7	-
2008 Q2	1.0	-0.1	0.6	0.8	1.9	4.8	-	-	-2.9	-1.7	-
2008 Q3	1.2	-0.4	0.8	0.4	2.1	-5.6	-	-	-2.2	-4.0	-
2008 Q4	0.6	1.5	1.0	3.3	-0.5	-7.6	-	-	-5.3	-4.5	-
2009 Q1	-7.6	-4.9	-1.0	-3.7	1.0	-6.1	-	-	-16.6	-14.6	-
2009 Q2	1.1	-7.3	0.4	0.7	5.3	-9.9	-	-	3.8	-3.4	-
2009 Q3	1.2	3.4	-0.3	0.7	-2.4	-0.8	-	-	4.5	5.5	-
2009 Q4	1.4	-0.4	-1.0	3.2	2.8	-0.3	-	-	6.9	4.2	-
2010 Q1	0.7	3.6	0.5	-1.5	-0.6	5.6	-	-	2.6	4.4	-
2010 Q2	0.9	-1.2	-0.2	-0.2	-1.7	-0.7	-	-	1.7	1.2	-
2010 Q3	0.9	1.7	0.2	0.7	0.2	2.0	-	-	5.4	8.0	-
2010 Q4	0.9	-1.4	0.2	2.8	-0.9	3.6	-	-	2.9	-0.6	-

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.)								
2007	55.5	2.3	16.8	4.5	13.5	9.7	8.8	6.1
2008	60.8	2.6	17.6	5.9	15.0	10.7	9.1	6.2
2009	57.3	2.3	14.7	5.4	14.0	11.0	10.0	5.7
2010	60.2	0.5	3.8	1.8	3.5	2.9	3.2	1.3
2008 Q1	14.44	0.62	4.77	1.15	3.48	2.46	1.96	1.35
2008 Q2	15.27	0.50	4.73	1.29	3.95	2.44	2.36	1.51
2008 Q3	15.80	0.85	4.28	1.51	4.03	2.97	2.17	1.69
2008 Q4	15.29	0.59	3.83	1.95	3.49	2.85	2.58	1.66
2009 Q1	13.29	0.57	3.57	0.96	3.08	2.79	2.32	1.42
2009 Q2	14.20	0.44	3.70	1.26	3.72	2.71	2.35	1.36
2009 Q3	15.05	0.72	3.90	1.51	3.76	2.74	2.41	1.45
2009 Q4	14.80	0.52	3.54	1.70	3.40	2.73	2.90	1.49
2010 Q1	13.77	0.54	3.91	0.82	3.38	2.79	2.32	1.38
2010 Q2	14.82	0.51	3.83	1.16	3.87	2.85	2.60	1.45
2010 Q3	15.95	0.75	4.01	1.60	3.87	2.93	2.78	1.52
2010 Q4	15.68	0.51	3.77	1.83	3.46	2.95	3.16	1.34
Contribution to GDP (%)								
2010	91.4	3.5	23.5	8.2	22.1	17.5	16.5	8.6
Chain-linked volumes								
Annual percentage changes								
2007	10.6	23.5	9.7	12.0	14.7	6.4	9.4	9.2
2008	6.7	13.1	5.7	18.8	13.2	11.1	-4.8	-0.4
2009	-4.6	0.2	-18.2	-5.6	-11.3	0.4	12.7	-6.9
2010	4.5	-16.0	1.8	-0.5	5.7	9.6	8.6	-0.7
2008 Q1	10.4	19.8	22.7	11.3	11.6	6.0	-5.0	0.1
2008 Q2	7.5	0.5	15.3	11.0	10.1	7.2	-0.9	1.8
2008 Q3	6.5	11.1	-1.3	13.2	15.9	18.4	-1.0	3.9
2008 Q4	2.3	20.2	-10.7	35.4	15.3	12.0	-11.3	-6.1
2009 Q1	-6.6	12.6	-28.6	-13.3	-13.9	11.8	22.8	11.5
2009 Q2	-5.2	-7.2	-21.7	1.4	-7.1	4.6	4.7	-7.7
2009 Q3	-4.4	17.2	-9.1	-0.6	-12.5	-11.9	4.8	-10.6
2009 Q4	-2.3	-22.4	-12.1	-9.6	-12.1	0.3	19.9	-15.5
2010 Q1	5.2	-8.6	1.4	-12.9	17.5	9.4	0.8	-0.5
2010 Q2	4.0	7.8	-10.1	-5.2	5.8	17.4	11.5	6.2
2010 Q3	3.9	-25.0	4.9	3.5	1.9	5.6	14.8	2.9
2010 Q4	4.9	-27.5	11.0	6.3	-0.7	6.2	7.4	-10.6

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
2010	-4,436.1	10,900.9	7,962.4	139.0	1,257.5	152.3	4,431.5	1,945.0	37.1	681.3	2,257.2	1,427.0	15,337.0	12,969.1	2,367.9
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
2010 Sep.	-3,110.4	7,540.3	5,730.0	49.3	876.4	122.8	3,206.1	1,450.4	25.0	530.1	1,280.2	938.6	10,650.7	9,251.7	1,399.0
2010 Oct.	-3,373.4	8,474.5	6,472.2	62.2	960.4	130.8	3,676.7	1,613.5	28.6	595.9	1,406.4	1,015.3	11,847.9	10,279.0	1,568.9
2010 Nov.	-3,511.0	9,526.9	7,190.8	68.1	1,092.8	139.9	4,077.7	1,779.3	33.0	642.9	1,693.2	1,125.9	13,037.9	11,218.7	1,819.2
2010 Dec.	-4,436.1	10,900.9	7,962.4	139.0	1,257.5	152.3	4,431.5	1,945.0	37.1	681.3	2,257.2	1,427.0	15,337.0	12,969.1	2,367.9
2011 Jan.	-17.7	830.4	744.3	-15.1	81.8	27.5	477.6	168.9	3.6	46.3	39.8	38.4	848.1	830.7	17.4
2011 Feb.	-344.1	1,758.1	1,242.1	-41.3	192.8	36.2	707.8	339.0	7.6	79.9	436.1	433.8	2,102.2	1,985.8	116.4

Sources: 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
2010		58.9	3.4	-0.8	386.0	-41.0	-2.2	15.2	6.0	27.5	-17.7	33.7	32.0	15.0	16.1	9.7
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
2010 Sep.		128.7	4.0	0.2	-186.3	-46.2	2.9	22.3	4.8	15.2	-10.4	36.4	55.2	23.7	22.2	35.1
2010 Oct.		119.5	3.2	-0.6	-234.6	-45.8	0.8	18.0	6.3	19.2	-8.0	33.9	45.0	21.5	21.9	19.6
2010 Nov.		122.8	2.9	-0.3	-249.0	-43.1	-2.5	16.9	5.8	23.6	-7.6	25.5	48.1	20.3	20.5	19.0
2010 Dec.		58.9	3.4	-0.8	386.0	-41.0	-2.2	15.2	6.0	27.5	-17.7	33.7	32.0	15.0	16.1	9.7
2011 Jan.		-177.6	3.8	-2.2	-41.0	37.0	-16.4	-6.3	-7.1	63.6	19.9	4,322.2	38,300.0	9.1	7.2	544.4
2011 Feb.		-55.9	20.3	9.8	-16.1	3.0	-12.8	11.5	8.4	58.3	-10.8	81.6	82.7	-6.2	-5.9	-10.9

Sources: 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	47,351	48,076	-725	5,755	5,320	435	-2,634	-368	-3,292	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	39,721	38,775	946	4,522	5,768	-1,246	-1,288	-676	-2,264	464	-347	-662	3,967	2,958
2010	48,791	48,653	138	4,397	5,141	-744	-1,249	-422	-2,278	1,018	21	-1,294	793	-480
2007 Q4	13,015	13,610	-595	1,518	1,457	60	-879	21	-1,393	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	8,972	9,234	-261	1,026	1,423	-396	-79	-55	-791	253	176	-756	1,041	461
2009 Q2	9,602	9,176	426	1,176	1,427	-250	-203	-161	-189	147	-880	26	1,276	421
2009 Q3	9,917	9,503	414	1,151	1,434	-283	-505	-114	-488	2	39	-635	1,428	831
2009 Q4	11,230	10,862	368	1,168	1,485	-317	-501	-346	-796	62	319	704	222	1,245
2010 Q1	10,655	10,366	289	983	1,259	-276	-343	64	-267	388	294	-949	550	-105
2010 Q2	12,112	11,739	373	1,063	1,275	-213	-373	-143	-355	6	76	-1,567	629	-862
2010 Q3	12,263	12,619	-356	1,135	1,294	-159	-211	-229	-955	308	-404	245	708	549
2010 Q4	13,762	13,930	-169	1,216	1,312	-96	-322	-114	-701	316	56	977	-1,095	-62
2010 Jan.	3,079	3,026	54	327	375	-48	-159	-21	-174	88	178	-432	536	282
2010 Feb.	3,453	3,398	55	304	432	-129	-51	124	-1	82	56	-1,104	-51	-1,099
2010 Mar.	4,123	3,943	180	353	452	-99	-134	-39	-92	218	59	587	65	711
2010 Apr.	3,899	3,729	170	353	441	-87	-114	-53	-84	4	281	-382	-674	-775
2010 May	4,016	3,950	66	344	409	-65	-141	-13	-154	-2	-55	-627	96	-586
2010 June	4,197	4,060	137	366	426	-60	-117	-77	-117	4	-150	-558	1,207	500
2010 July	3,847	3,970	-123	372	475	-103	-32	-105	-363	201	-211	218	-2	5
2010 Aug.	3,858	4,110	-252	407	421	-14	-78	-98	-443	74	108	30	225	363
2010 Sep.	4,558	4,539	19	355	398	-43	-101	-26	-150	33	-301	-4	486	181
2010 Oct.	4,838	4,778	60	378	445	-68	-104	-98	-211	6	-161	1,123	-782	180
2010 Nov.	4,883	4,870	13	359	399	-40	-103	16	-114	34	-278	-297	554	-21
2010 Dec.	4,040	4,282	-242	479	467	12	-114	-31	-375	276	495	151	-867	-221
2011 Jan.	4,170	4,034	136	355	390	-35	-184	30	-54	.	.	.	.	.

Sources: 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	15.7	10.7	7.9	16.0
2008	4.6	4.6	4.3	22.0
2009	-19.8	-22.9	-24.7	-11.1
2010	22.8	25.5	-2.8	-10.9
2008 Q4	-12.0	-12.1	4.1	19.8
2009 Q1	-29.5	-27.4	-26.1	-4.0
2009 Q2	-26.7	-31.0	-21.0	-10.5
2009 Q3	-19.0	-22.7	-25.4	-13.9
2009 Q4	-1.9	-9.1	-26.1	-15.0
2010 Q1	18.8	12.3	-4.2	-11.5
2010 Q2	26.1	27.9	-9.7	-10.6
2010 Q3	23.7	32.8	-1.4	-9.7
2010 Q4	22.5	28.2	4.1	-11.6
2010 Jan.	13.4	1.5	-8.7	-15.4
2010 Feb.	18.8	17.0	-6.4	-10.6
2010 Mar.	23.1	17.7	2.6	-8.8
2010 Apr.	17.9	23.7	1.7	-11.0
2010 May	32.7	36.9	-3.0	-9.6
2010 June	28.3	24.0	-22.9	-11.2
2010 July	25.8	30.5	-9.6	-12.9
2010 Aug.	22.6	39.2	-1.3	-0.2
2010 Sep.	22.8	29.4	8.7	-14.7
2010 Oct.	19.5	27.8	-2.9	-5.4
2010 Nov.	24.9	28.5	6.0	-3.8
2010 Dec.	23.4	28.4	8.9	-22.0
2011 Jan.	35.4	33.3	8.6	4.1

Sources: 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 <sup>1)</sup> (core inflation)	PPI	GDP <sup>2(4)5)</sup>	Industrial production <sup>2(3)</sup>	Retail trade (sales) <sup>2(3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %)
2008	3.3	2.4	6.1	0.4	-1.8	-0.7	7.6	4.36
2009	0.3	1.3	-5.1	-4.1	-14.9	-2.5	9.5	4.03
2010	1.6	1.0	2.9	1.7	7.2	0.8	10.0	3.79
2009 Q4	0.4	1.0	-4.7	-2.0	-7.4	-1.2	9.9	3.84
2010 Q1	1.1	0.9	-0.1	0.8	4.7	0.5	10.0	4.06
2010 Q2	1.6	0.9	3.0	2.0	9.1	0.6	10.0	3.85
2010 Q3	1.7	1.0	4.0	1.9	7.0	1.5	10.0	3.52
2010 Q4	2.0	1.1	4.7	2.0	7.9	0.5	10.0	3.72
2010 Nov.	1.9	1.2	4.5	-	7.9	1.0	10.0	3.73
2010 Dec.	2.2	1.1	5.3	-	8.8	-0.3	10.0	4.07
2011 Jan.	2.3	1.2	5.9	-	6.6	0.7	9.9	3.94
2011 Feb.	2.4	1.1	.	-	.	.	.	4.48

Sources: 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.

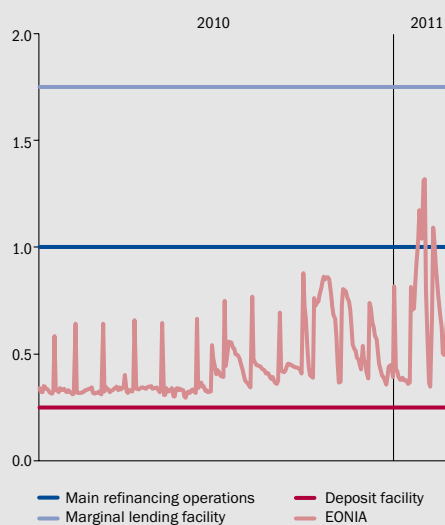
**Chart 1 USD/EUR: year-on-year changes (%)**



Source: ECB.

Note: Negative values denote depreciation of the euro.

**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 <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>
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
2010	1.2	0.5	1.2		9.5	-1.4	7.4	3.88
2009 Q4	0.0	-0.2	-2.6	-3.2	-2.8	-1.9	7.3	4.22
2010 Q1	0.4	-0.1	-1.4	1.1	7.0	-2.1	7.8	4.21
2010 Q2	0.9	0.3	1.3	2.3	9.0	-1.8	7.3	4.07
2010 Q3	1.6	0.8	2.2	2.7	11.1	0.1	7.1	3.62
2010 Q4	1.7	0.9	3.0	2.6	10.7	-1.8	7.4	3.64
2010 Nov.	1.9	0.8	2.7	-	12.4	0.0	7.3	3.59
2010 Dec.	2.3	1.0	3.7	-	9.2	-3.9	7.7	3.89
2011 Jan.	1.9	0.6	4.6	-	14.1	.	7.5	3.98
2011 Feb.	1.9	0.7	.	-	.	.	.	4.05

Sources: 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 <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>
2008	6.0	5.1	11.6	0.8	-0.9	-1.8	7.8	8.24
2009	4.0	4.1	1.2	-6.7	-17.5	-5.3	10.0	9.12
2010	4.7	3.3	7.3	1.2	10.2	-2.2	11.2	7.28
2009 Q4	4.9	5.1	-1.0	-5.1	-7.5	-7.4	10.8	7.50
2010 Q1	5.8	5.1	0.9	-0.6	6.0	-4.6	11.0	7.49
2010 Q2	5.2	4.2	7.8	0.8	12.4	-4.9	11.2	7.08
2010 Q3	3.6	1.8	10.0	2.2	12.7	1.1	11.2	7.17
2010 Q4	4.3	2.2	10.5	2.3	9.9	-1.0	11.6	7.39
2010 Nov.	4.0	2.2	10.7	-	14.6	-0.4	11.5	7.38
2010 Dec.	4.6	2.3	10.9	-	6.1	-1.7	11.8	7.92
2011 Jan.	4.0	2.0	9.6	-	.	.	12.6	7.70
2011 Feb.	4.2	2.0	.	-	.	.	.	7.39

Sources: 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 <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemployment (% of the la-bour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>
2008	4.2	3.6	5.4	5.1	2.5	4.7	7.2	6.07
2009	4.0	3.3	2.4	1.7	-3.8	3.3	8.2	6.12
2010	2.7	2.0	3.7	3.8	10.8	6.5	9.6	5.78
2009 Q4	3.8	3.4	2.1	2.9	4.9	0.4	8.9	6.17
2010 Q1	3.4	2.9	0.6	3.1	10.8	0.5	9.7	5.98
2010 Q2	2.5	1.9	2.7	3.7	10.9	2.4	9.6	5.72
2010 Q3	2.1	1.4	5.1	4.6	12.4	9.9	9.6	5.65
2010 Q4	2.7	1.7	6.4	3.9	9.0	12.5	9.7	5.78
2010 Nov.	2.6	1.6	6.1	-	6.8	10.2	9.7	5.82
2010 Dec.	2.9	1.8	7.2	-	10.5	13.3	9.7	5.98
2011 Jan.	3.5	2.1	7.3	-	8.3	13.1	9.7	6.26
2011 Feb.	3.3	2.2	.	-	-	-	-	6.26

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

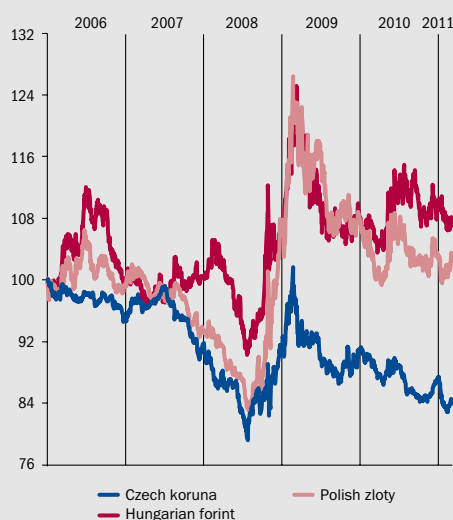
4) Adjusted for seasonal and calendar effects.

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.

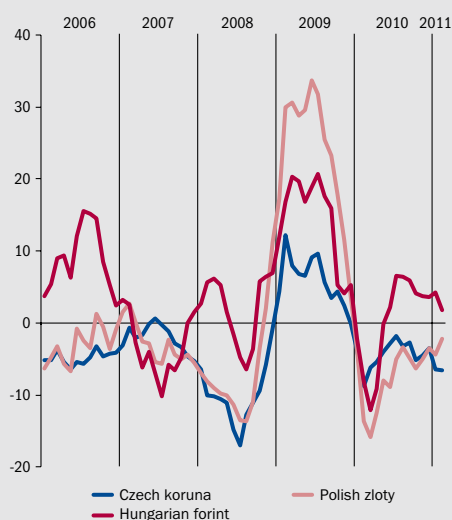
**Chart 3 Exchange rate indices of V4 currencies against the euro (30 December 2005 = 100)**



Sources: 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 %)**

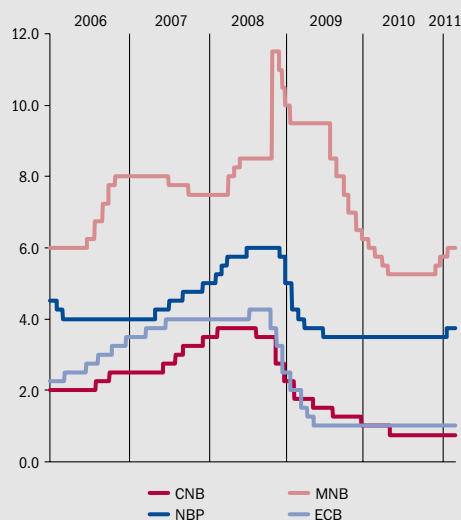


Sources: Eurostat, NBS calculations.

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 <sup>1)</sup> (core inflation)	PPI <sup>2)</sup>	GDP <sup>3)</sup>	Industrial production <sup>4)</sup>	Retail trade <sup>5)</sup>	Unemployment	10-year bonds (yield to maturity in %)
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
2010	1.6	1.0	4.2	2.9	5.6	6.4	9.6	3.22
2009 Q4	1.4	1.7	1.5	0.2	-3.8	2.0	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	4.3	3.0	7.4	6.7	9.7	3.32
2010 Q3	1.2	0.9	3.7	3.2	6.6	5.9	9.6	2.78
2010 Q4	1.3	0.7	3.8	2.8	5.6	7.5	9.6	2.88
2010 Nov.	1.1	0.8	3.3	-	5.6	6.7	9.8	2.76
2010 Dec.	1.5	0.8	4.0	-	6.3	7.5	9.4	3.29
2011 Jan.	1.6	1.0	3.4	-	5.2	7.8	9.0	3.39
2011 Feb.	.	.	.	-	.	.	8.9	3.58

Sources: 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 (commodity data – finished goods).

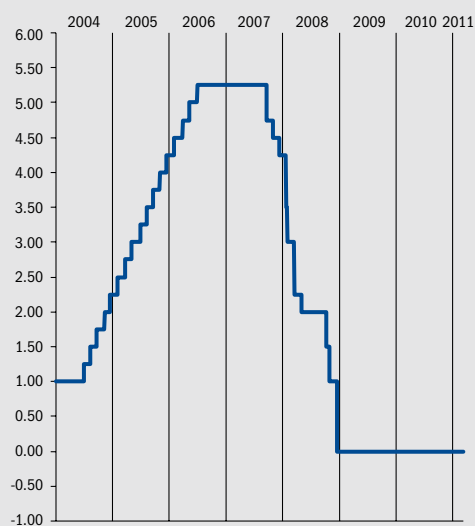
3) Seasonally adjusted.

4) Industrial production in total (seasonally adjusted.)

5) Retail and food services sales.

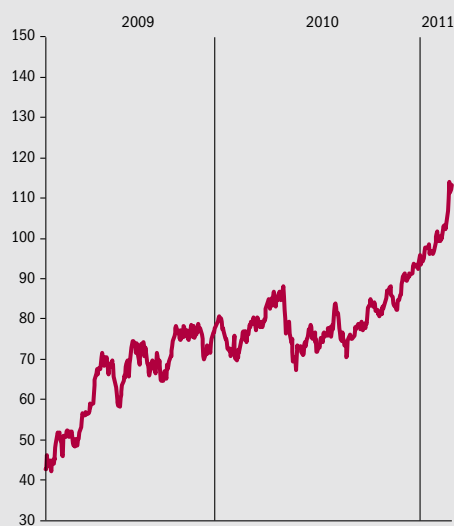


Chart 6 United States (federal funds rate in %)



Source: Federal Reserve System.

Chart 7 Oil prices (USD/barrel)



Source: Reuters.

