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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
IFRP	initial fixation rate period
IMF	International Monetary Fund
IPP	Industrial Production Index
IRF	Initial Rate Fixation
MFI	monetary financial institutions
MF SR	Ministry of Finance of the Slovak Republic
MMF	money market fund
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 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 annual rate of euro area inflation as measured by the Harmonised Index of Consumer Prices was 2.6% in August, higher than in the previous month. According to Eurostat's flash estimate, euro area GDP for the second quarter of 2012 contracted year-on-year by 0.5% and was 0.2% lower than GDP for the previous quarter (which was unchanged in both annual and quarterly terms). The exchange rate of the euro against the US dollar appreciated during August in comparison with the previous month. At its meeting on 6 September 2012, the ECB's Governing Council decided to leave the key ECB interest rates unchanged, with the main refinancing rate standing at 0.75%, the marginal lending rate at 1.50% and the deposit rate at 0.00%.

Annual HICP inflation in August increased in the Czech Republic, to 3.4%, and in Hungary, to 6.0 %, while in Poland it declined to 3.8%. According to Eurostat data, GDP in the Czech Republic contracted by 1.0%, year-on-year, in the second quarter of 2012, after shrinking by 0.5% in the first quarter. In Hungary, the decline in GDP moderated to 1.0% in the second quarter (from 1.2% in the first quarter), and in Poland, too, GDP recorded a lower drop of 2.5% (from 3.5%). The Czech koruna appreciated against the euro in August on a month-on-month basis, while the Hungarian forint and Polish zloty both lost ground against the single currency. Among the central banks of these central European countries, only the Magyar Nemzeti Bank changed its monetary-policy settings in August, decreasing the base rate by 25 basis points, to 6.75%, with effect from 29 August 2012. Narodowy Bank Polski and Česká národní banka left their key rates unchanged, at 4.75% and 0.25 % respectively.

Slovakia's GDP at constant prices grew by 2.8%, year-on-year, in the second quarter of 2012, according to non-seasonally adjusted data from the SO SR (after rising by 3.0% in the first quarter). Second-quarter GDP increased quarter-on-quarter by 0.7% (seasonally adjusted), which matched the first-quarter

growth. Overall employment increased year-on-year by 0.2% in the second quarter, after rising by 0.6% in the first quarter, and it remained unchanged in quarter-on-quarter terms (whereas first-quarter employment increased by 0.1%). The second-quarter GDP growth exceeded the estimate of Národná banka Slovenska, while the labour market situation was in line with expectations.

Although the annual rate of change in Slovakia's economic growth remained in positive territory in the second quarter, it recorded a further decline from the previous quarter. Looking at GDP measured by output, the main drivers of growth were value added in industry and, to a lesser extent, in agriculture. Economic growth measured by expenditure continued to be boosted by external demand, which recorded a higher annual growth rate in the second quarter, the main cause probably being automotive production. The annual rate of decline in domestic demand increased moderately as consumption demand fell year-on-year, reflecting year-on-year falls in both household and general government consumption. The annual rate of decline in fixed investment contributed to the negative situation in domestic demand, although with firms increasing investments, it was not as pronounced in the second quarter. Exports stimulated by rising external demand outweighed imports dampened by falling domestic demand, and therefore the contribution of net exports remained the main driver of economic growth in the second quarter. The increase in investment activity of enterprises, supported by moderate profit growth, was checked by a year-on-year decline in the second-quarter profits of financial corporations. The balance of payments current account improved year-on-year in the first half of 2012, recording a surplus for the period. The gains were largely attributable to a strong rise in the trade surplus, and there were positive contributions from all other components with the exception of the current transfers balance. The slowdown in economic growth was also



related to the labour market situation, which included lower growth in employment and weaker wage growth. Employment as measured by the number of hours worked also declined. Annual labour productivity growth continued to exceed annual wage growth, which declined in real terms due to inflation. Unit labour costs fell year-on-year in the second quarter as real labour productivity growth exceeded employee compensation growth, and hence they contributed to higher competitiveness. The labour market still has a large capacity to absorb a substantial inflow of economically-active people.

Slovakia's annual HICP inflation in August remained unchanged from the previous month, at 3.8%. Looking at the inflation dynamics there were higher annual rates of change in prices of unprocessed food, non-energy industrial goods and services, and these were offset by lower food and energy inflation. The annual growth rate of producer prices was lower in July than in the previous month, owing mainly to a marked slowdown in the manufacturing component, as well as in other components with the exception of energy. The annual rate of change of construction work prices was higher in July than in June, while that of building material prices declined. As for agricultural prices, they recorded a moderate annual increase in July after falling in June.

The balance of payments current account surplus was higher in July than in the previous month, due largely to an increase in the trade surplus and partly also to a decline in the income balance deficit. The annual growth rate of the industrial production index recorded a further marked rise in July, based on strong growth in the manufacturing component which reflected a ramp-up of production in the automotive industry. The annual rate of decline in construction production eased in July. Annual sales growth across the economy was far higher in July than in June, boosted mainly by sales growth in industry and in transportation and storage. Annual sales figures were buoyant in all sectors apart from construction, where they have long been on a downward trend. The Economic Sentiment Indicator increased month-on-month in September based on improvements in the

industrial and retail trade confidence indicators. At the same time, however, sentiment deteriorated in construction, services and among consumers.

Turning to nominal wage growth, its annual rate of change was moderately higher in July than in June, reflecting mainly an acceleration of wage growth in industry as well as positive rates of change in construction and selected market services. Annual employment growth in July was moderately lower than in the previous month and therefore it was almost flat. The rate of registered unemployment in July remained unchanged from the previous month, at 13.3%.

Private sector deposits increased in July, swelled not only by deposits from households and deposits from non-financial corporations (following a month-on-month slump in June), but also by deposits from other institutions (pension and insurance funds, and other financial intermediaries). The growth in deposits across the sector was attributable to a decline in interest rates, particularly on short-term time deposits and demand deposits, the stocks of which increased at the expense of longer-term deposits. The annual rate of decline of deposits from non-financial corporations was lower in July than in the previous month, while the annual growth rate of household deposits remained almost unchanged. Turning to lending activity, loans to households increased in July, and so did loans to non-financial corporations after declining sharply month-on-month in June. Among household borrowers, the heaviest demand was for loans with a maturity of up to one year, while the outstanding stock of loans with a maturity of up to five years declined. Household loan demand is therefore holding up, despite uncertainty about future economic developments. Non-financial corporations have traditionally shown preference for real estate loans. In both the household and non-financial corporations sectors, the annual rate of change in lending was almost the same as in the previous month. Lending to the other institutions sector also increased in July, thus ending a long declining trend. Market interest rates in July were affected by the ECB's decision to lower key rates, and as



a result the main change in retail rates was a decline in lending rates for non-financial corporations. By contrast, lending rates for households increased slightly, with the cost of housing loans rising for the first time since the beginning of the year. Deposit rates in July remained flat for both non-financial corporations and households.



2 THE EXTERNAL ECONOMIC ENVIRONMENT¹

2.1 THE EURO AREA

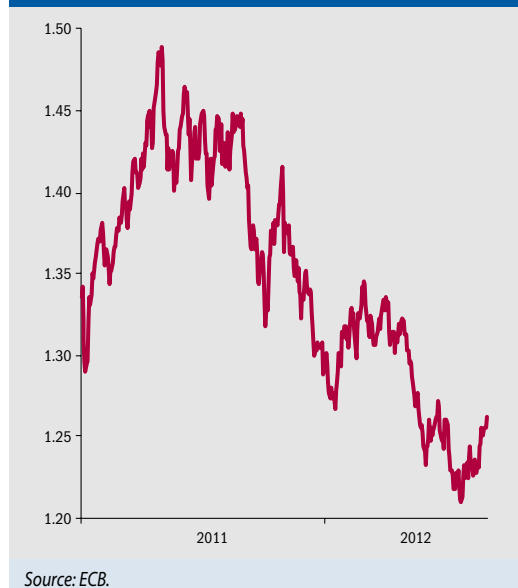
The annual rate of inflation as measured by the Harmonised Index of Consumer Prices (HICP) was 2.6% in August, down by 0.2 percentage point from the previous month. Upward pressure on the headline rate came mainly from energy inflation (with its annual rate of change increasing by 2.8 percentage points) and to a lesser extent from unprocessed food inflation (0.6 p.p.). By contrast, inflation slowed in prices of non-energy industrial goods (by 0.4 p.p.) and in processed food prices (by 0.2 p.p.). Services inflation remained unchanged. The lowest HICP inflation rates were recorded by Greece (1.2%), Germany (2.2%) and Austria (2.3%), while the highest rates were observed in Cyprus (4.5%), Estonia (4.2%) and Slovakia (3.8%). The euro area's annual inflation rate for the same period of the previous year was 2.5%.

The exchange rate of the euro against the US dollar appreciated during almost the whole of August. The rate was significantly affected by market expectations surrounding the expected adoption of previously announced measures by the ECB as well as by the US Federal Reserve. Over the course of August the euro gained 2.7%

against the dollar, while in comparison with the same period of 2011 it depreciated by 12.7%.

At its meeting on 6 September 2012, the ECB's Governing Council decided to leave the key ECB interest rates unchanged, with the main refinancing rate standing at 0.75%, the marginal lending rate at 1.5% and the deposit rate at 0.0%. In order to support the monetary policy transmission mechanism, the Governing Council also decided on the modalities for undertaking Outright Monetary Transactions (OMTs) in secondary markets for sovereign bonds in the euro area. The requirements under which OMTs are to be conducted include their compliance with stipulated conditions, their transparency, and full sterilisation of the liquidity created through them. The decision to proceed with OMTs was accompanied by the termination of the Securities Markets Programme (SMP). The liquidity injected through the SMP will continue to be absorbed as in the past and the existing securities in the SMP portfolio will be held to maturity. In further decisions at the same meeting, the Governing Council sought to ensure the availability of adequate collateral in Eurosystem refinancing operations.

Chart 1 USD/EUR exchange rate



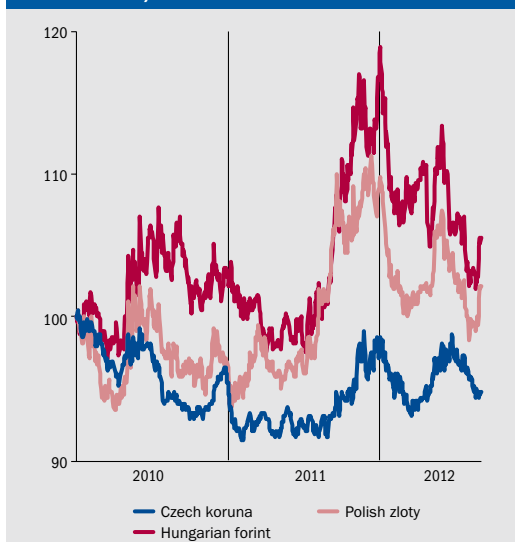
2.2 DEVELOPMENTS IN POLAND, THE CZECH REPUBLIC AND HUNGARY

In August, annual HICP inflation increased in the Czech Republic to 3.4% (up by 0.1 percentage point from July) and in Hungary to 6.0% (by 0.2 p.p.), while in Poland it declined to 3.8% (down by 0.2 p.p.). In the Czech Republic there were increases in the energy and unprocessed food components of the HICP, while prices of non-energy industrial goods declined and inflation in services and processed food prices decelerated. In Hungary, the inflation rate was driven up by all components except for services and processed food. On the other hand, Poland's inflation rate came under downward pressure from all components with the exceptions of unprocessed food and non-energy industrial goods.

The currencies of these three central European countries showed varying movement vis-à-vis

¹ Further information on developments in the international economy is provided in the Statistics Annex (the External Environment).

Chart 2 Exchange rate indices of the V4 currencies vis-à-vis the euro (4 January 2010 = 100)



Source: Eurostat; NBS calculations.
Note: A fall in value denotes appreciation.

the euro in August. Whereas the Czech koruna maintained the appreciating trend observed in July, the Hungarian forint and Polish zloty ceased strengthening and both were depreciating towards the end of the month. The key influence

on the exchange rates was the wait-and-see sentiment of investors ahead of key events in September (the ECB Governing Council meeting and the issue of the European Commission's proposal on banking supervision in the EU). The forint strengthened on expectations for a second round of talks with the IMF and EU, but came under depreciating pressure towards the month-end when the Hungarian central bank cut its base rate by 25 basis points. At the end of August, the Czech koruna's exchange rate against the euro stood 1.64% above its level at the end of July, while the forint and zloty exchange rates were lower, by 1.69% and 1.74% respectively.

Among the central banks of these central European countries, only the Magyar Nemzeti Bank changed its monetary-policy settings in August, decreasing the base rate by 25 basis points, to 6.75%, with effect from 29 August 2012. The bank justified the move on the grounds that, with the economy in a technical recession according to GDP data, the government's commitment to maintaining sound public finances and to reaching agreement with the EU and IMF is crucial for the country's credit risk premium. Narodowy Bank Polski and Česká národní banka left their base rates unchanged, at 4.75% and 0.50 % respectively.

Box 1

QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

OECD economic growth slowed slightly in the second quarter of 2012. The euro area economy contracted, after stagnating in the first quarter, and US GDP growth was lower than in the previous quarter. Emerging economies also reported slower economic activity, owing to weaker external demand. The Czech and Hungarian economies continued to contract, while Poland's economic growth slowed.

The OECD's composite confidence indicator declined in the second quarter amid deteriorating sentiment in the United States, Japan, and certain EU economies, as well as in the emerging economies of China and India. In the euro area, intensifying strains related

to the sovereign debt crisis weighed on confidence in different sectors and resulted in a worsening of economic sentiment.

The main factors in price movements during the second quarter continued to be energy and food inflation, as their annual rates of decline put downward pressure on consumer price inflation.

In the United States, the Federal Open Market Committee (FOMC) left the federal funds rate unchanged. In the euro area, the ECB Governing Council decided at its meeting in July to reduce the key ECB rates by 25 basis points. In September, the Governing Council



decided on the modalities for undertaking Outright Monetary Transactions (OMTs) in secondary markets for sovereign bonds in the euro area, its stated aim being to strengthen the monetary policy transmission mechanism and to address distortions in government bond markets originating from investors' unfounded fears about the future of the euro.

Narodowy Bank Polski responded in May to mounting inflation expectations by raising its base rate by 25 basis points. Česká národní banka decided in June to cut its base rate by 25 basis points in order to stimulate growth in an economy lacking demand-side pressures. In Hungary, the Magyar Nemzeti Bank reduced its base rate by 25 basis points in August.



3 ECONOMIC DEVELOPMENTS IN SLOVAKIA

3.1 PRICE DEVELOPMENTS

3.1.1 CONSUMER PRICES

Annual inflation in August was unchanged from the previous month, at 3.8%. Although the headline rate remained flat, the movement of its core components varied, with increases in unprocessed food, non-energy industrial goods, and services, and declines in the processed food and energy components.

Consumer prices in August, as measured by the HICP, stayed the same on a month-on-month basis; the dynamics included goods prices declining by 0.1% and services prices rising by 0.3%. The monthly increase in headline HICP inflation slightly exceeded NBS expectations. As for the components, fuel inflation was higher than estimated while inflation in food, non-energy industrial goods, and services was in line with expectations.

In month-on-month terms, August consumer price inflation reflected a decline in food prices and offsetting increases in prices of fuel, non-energy industrial goods, and services. In the food component, unprocessed food prices fell markedly owing to seasonal declines in prices of fruit and vegetables, including grapes (-38.5%), melons (-30.8%), peppers (-30.1%), carrots (-30.0%), and potatoes (-9.9%). Processed food inflation remained unchanged in month-on-month terms, while its dynamics included a decline in prices of sugar and sugar-based products and an increase in prices of milk, dairy products, and eggs. The non-energy industrial goods component was driven up by rising prices of pharmaceutical products, but it also included declines in prices of clothing and footwear (semi-durable goods) and in prices of furniture and consumer electronics (durable goods). In the energy component, fuel prices surged in the wake of rising global oil prices. Services prices climbed on the basis of price increases in municipal and national bus transport, financial and social services, and internet provision.

The average annual inflation rate for the 12 months from September 2011 to August 2012 stood at 4.1%, unchanged from 12-month average recorded in July.

Annual inflation in September is expected to be the same as in August. While food inflation is assumed to rise, it should be offset by energy inflation, which is expected to decline due to the base effect of a rise in heat prices in the same period of the previous year.

In August 2012, the Consumer Price Index (CPI) increased by 0.1% in month-on-month terms, with administered prices increasing by 0.3% and core inflation remaining flat. The annual CPI inflation rate was 3.7%, unchanged from July.

3.1.2 PRODUCER PRICES

In July 2012 industrial producer prices on the domestic market declined by 0.3% from the previous month, while their annual growth rate slowed to 3.6% due to a lower annual rate of change in the manufacturing component.

In the manufacturing component of the producer price index, the annual rate of price increase was lower in July than in the previous month in the following segments: manufacture of refined petroleum products (down by 4.2 p.p., to 3.2%); manufacture of chemicals and chemical products (2.2 p.p., 0.8%), manufacture of rubber and plastics products (0.6 p.p., 0.4%), and manufacture of food products (0.1 p.p., 0.7%). The annual rate of price decline increased in manufacture of transport equipment (by 0.3 p.p., to -3.0%), manufacture of metals and fabricated metal products (0.3 p.p., -1.8%) and manufacture of wood and paper products (0.9 p.p., -4.3%).

As for the energy component of the PPI, its annual growth rate was moderately higher in July 2012 than in June owing to manufacture of gas and distribution of gaseous fuels through mains, with this segment's annual rate of price

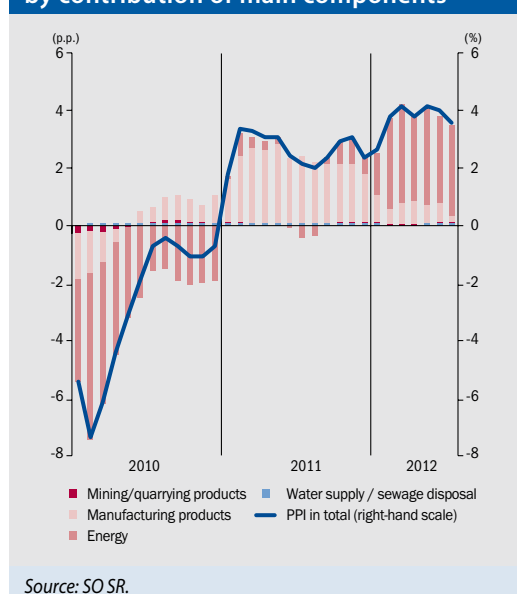


Table 1 Producer price developments in July 2012 (%)

	Monthly percentage changes		Annual percentage changes			
	June 2012	July 2012	July 2011	June 2012	July 2012	Average since beginning of 2012
Industrial producer prices (domestic market)	-0.2	-0.3	2.1	4.0	3.6	3.7
– manufacturing product prices	-0.4	-0.5	4.4	1.1	0.4	1.1
– mining and quarrying product prices	1.3	-0.4	2.8	7.5	6.4	6.2
– energy prices	-0.1	0.1	-1.0	7.6	7.8	7.3
– water and sewerage prices	0.1	0.2	4.8	6.0	5.8	4.2
Industrial producer prices (for export)	-0.8	-0.5	4.3	-0.4	0.0	0.6
– prices of manufacturing products	-0.9	-0.5	4.4	-0.7	-0.3	0.5
Construction work prices	-0.2	0.2	1.6	0.3	0.7	0.5
Building material prices	-0.5	0.0	2.3	1.7	1.5	1.9
Agricultural product prices	-	-	35.0	-0.2	1.8	0.2
– crop product prices	-	-	50.6	-7.8	2.7	-7.1
– livestock product prices	-	-	14.5	2.4	0.5	4.9

Source: SO SR.

Chart 3 Annual rate of change in the PPI by contribution of main components



Source: SO SR.

prices (their annual rate of change declining from 0.1% in June to -0.5% in July) and from steam and air-conditioning supply prices (from 12.0% to 11.0%).

Turning to agricultural prices, their annual rate of change increased to 1.8% in July 2012, from -0.2% in the previous month. In the crop component, the annual rate of change increased in prices of potatoes, to 3.1% (from -1.3% in June), pulses, to 1.1% (from -10.7%), fruit and vegetables, to 5.9% (from 3.0%) and oleaginous fruits and seeds, to 4.7% (from 4.2%), and it decreased in cereal prices, to -3.8% (from 1.8%). As for the livestock component, the annual rate of decline increased in raw cow's milk prices (by 2.1 percentage points, to -4.4%) and slaughter poultry prices (by 1.0 percentage point, to -2.8%). The annual rate of change of slaughter pig prices declined (by 2.4 p.p., to 7.8%), while that of slaughter cattle and calf prices remained almost unchanged (at 2.8%).

growth increasing by 2.7 percentage points, to 26.4%. Downward pressure on the energy component came from wholesale electricity

The annual growth rate in overall industrial producer prices in August 2012 is projected

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

	June	July	
	2012	2012	2011
Trade balance	348.8	399.0	25.1
Exports	5,331.9	4,977.9	4,252.6
Imports	4,983.0	4,578.9	4,227.5
Services balance	32.6	34.3	-54.3
Income balance	-149.0	-129.0	-135.6
of which: income from investment	-264.0	-244.0	-236.8
of which: reinvested earnings	538.6	-143.3	-44.6
Current transfers balance	-90.0	-97.3	-75.1
Current account in total	142.4	207.0	-239.8

Source: NBS and SO SR.

to be the same as in the previous month, with the dynamics including an expected decline in energy wholesales prices and rising prices of agricultural commodities.

According to the latest agriculture market information, the European Commission estimates that cereal production in the EU27 in the current marketing year will be lower than in the previous year by around 5.3 million tons (1.9%). The adverse effects of poor weather on the cereal harvest have been partially offset by an increase in the area under cultivation. In Slovakia, the yield of cereals was more than 17% lower this year than last year and cereal wholesale prices are expected to increase in the near term. Wholesale prices of potatoes for human consumption are expected to fall due to high potato imports. As for livestock products, wholesale prices of slaughter cattle and slaughter pigs are expected to remain flat. The wholesale price of raw cow's milk continues to have a downward tendency. Overall, the annual rate of change in agricultural price inflation is expected to be moderately higher in August than in the previous month.

3.2 THE REAL ECONOMY AND THE LABOUR MARKET

3.2.1 TRADE BALANCE

The balance of payments current account surplus was higher in July than in the previous month, due largely to an increase in the trade surplus and partly also to a decline in the income balance deficit. Since other components were virtually unchanged from June, they made a minimal contribution to the change in the overall balance.

Slovakia's annual export growth accelerated in July to 17.1%, up by 5.7 percentage points from the previous month. This higher growth may reflect differences between the scheduling of factory holidays this summer and last summer. As for imports, their annual rate of change in July was almost the same as in the previous month, falling by just 0.1 percentage point to 8.3%. The lead of export growth over import growth therefore increased, resulting in the largest monthly trade surplus this year. The volume of exports and imports was significantly lower than in June, but such a drop in foreign trade is typical for summer months.



Box 2

BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2012

The balance of payments current account recorded a surplus of €846.2 million for the first half of 2012, representing a year-on-year increase of €895.6 million. This increase reflected stronger performances in all the component balances apart from current transfers, which went from a surplus last year to a slight deficit this year due to lower receipts. By contrast, growth in external demand translated into rising exports and subsequently also into higher surpluses in the trade balance and services balance. The ratio of the current account surplus to GDP (at current prices) was 2.5%, representing a year-on-year increase of 2.1 percentage points. This rise was largely due to the improved trade balance, with the trade surplus to GDP ratio increasing year-on-year by 2.1 percentage points to 5.0%.

For the first six months of 2012, exports grew by 10.5% and imports by 7.9% in comparison with the same period of 2011. The trade surplus rose significantly on a year-on-year basis. The annual growth rate of exports increased to 11.3% in the second quarter (from 9.6% in the first quarter) while that of imports slowed to 7.1% (from 8.9%).

Export growth in the first half of 2012 was driven mainly by exports of transport equipment and machinery, which included increased exports in the sub-categories of transport equipment (mostly accounted for by passenger cars) and machinery. The annual growth rate of automotive industry exports increased to more than 33% in the second quarter (from around 11% in the first quarter) despite weakening external demand. An increase in exports was also recorded in the category of finished products and chemical products and semi-finished products. Exports of raw materials declined due to falling external demand in the second quarter, despite higher oil and gas prices on world markets.

The import category that reported the highest annual growth rate in the first half of the year

was machinery and transport equipment. Its increase accounted for more than 69% of total import growth and was related to the sharp rise in exports. With automotive industry exports accelerating during the six first month, imports of inputs for this industry increased in the second quarter. Annual import growth was also supported by an increase in exports of finished products and chemical products and semi-finished products. Increases in global oil and gas prices had a pronounced effect on raw material imports, most notably in the growth of imports of crude and refined oil. By contrast, total imports of gas declined as the purchase policy of gas importers resulted in a significant decline in volumes of imported gas. High prices weighed on imports in the second quarter, leading to a more marked decline in the volume of oil imports.

The sizeable year-on-year improvement in the services balance was due mainly to increased receipts in the category of other services in total, stemming from a rise in external demand. The income balance improved marginally as a result of higher remittances from residents working abroad. The overall annual increase in the income balance was slightly dampened by a moderate rise in interest payments in the investment income item. The only component of the current account which deteriorated from the previous year was the current transfers balance, which went from a surplus to a deficit owing to declines in receipts under general government transfers (lower receipts from the EU budget) as well as private transfers (lower receipts from grants, deposits, distraints and other unilateral transfers of legal entities).

In most components, developments in the second quarter were similar to those in the first quarter. The services balance recorded a further surplus, which as in the first quarter was based mainly on rising receipts in the category of other services in total. In the income balance, dividend payments to foreign



investors soared as they are made on a highly seasonal basis. The current transfers balance saw declines in both receipts from the EU budget and payments to the EU budget.

The main cause of the lower net inflow to the capital and financial account in the first half of the year lay in the other investment balance under the item Government and NBS sector, in which the decline in deposits held with NBS was higher than the inflow of funds from financial loans. The outflow on the asset side reflected the fulfilment of the Government's commitments to the European Financial Stability Fund (EFSF) and rising deposits of the government in accounts held abroad. The substantial outflow in the other investment balance was only partly offset by a higher net inflow in other components of the financial

account. The portfolio investment balance recorded an inflow from NBS activities in financial markets, while the liability side of the balance was boosted by a rise in sales of government debt securities. The higher inflow of foreign direct investment stemmed mainly from an increase in the inflow of other capital. Demand grew among foreign investors for investments in Slovakia, and resulted in a rise in equity participations.

The shift from an inflow in the first quarter to an outflow in the second quarter arose primarily because the estimate of reinvested earnings was revised down due to an increase in dividend payments to foreign investors. This change far outweighed the quarter-on-quarter growth in the utilisation of EU funds in the form of capital transfers.

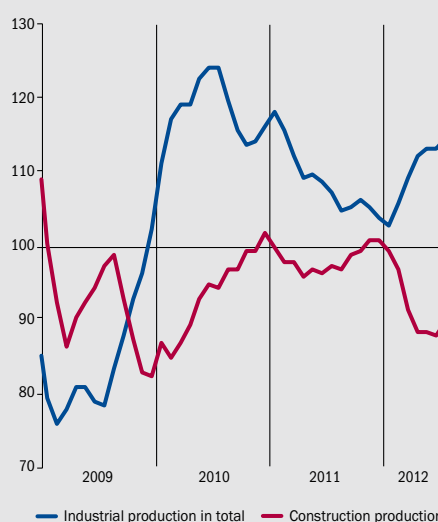
3.2.2 PRODUCTION AND SALES

The annual growth rate of the industrial production index (IPI) increased to 18.5% in July (from 13.0% in June). This rise was largely accounted for by the manufacturing component, which increased by 6.5 percentage points, to 22.6%, with the largest growth observed in manufacture of transport equipment. In both the electricity, steam and gas supply component and the mining and quarrying component, the annual rate of decline eased. In month-on-month terms, the industrial production index increased by 1.5% (seasonally adjusted).

Looking more closely at the manufacturing component, its faster growth was driven largely by the automotive industry; the annual rate of production growth in manufacture of transport equipment was 84%, an increase caused not only by higher production activity but also by different scheduling of the holiday shutdown period. Other segments that made a positive contribution to the manufacturing component were manufacture of chemicals and chemical products, manufacture of coke and refined petroleum products, manufacture electrical equipment, and manufacture of metals and fabricated metal products except machinery and equipment. According to business tendency surveys,² the deterioration

of industrial confidence moderated in August in comparison with the previous month, although assessments for the past twelve months remain at historically low levels. Negative sentiment is particularly apparent in assessments of external

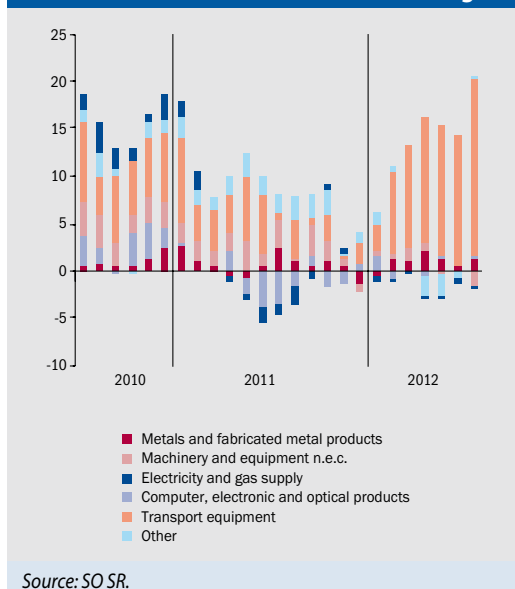
Chart 4 Indices of industrial production and construction production (3-month moving averages; index: same period a year earlier = 100)



Source: SO SR; NBS calculations.

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

2 Source: Business and Consumer Surveys, European Commission, May 2012.

Chart 5 Industrial production – main contributions to its annual rate of change


in comparison with the first half of 2012 they remain relatively low.

Turning to construction production in July, its annual rate of decline eased to 11.2% (from 12.1% in June) and decreased month-on-month by 0.7% (seasonally adjusted). The annual rate of change of domestic construction production was -10.5% and that of construction production abroad was -25.9. The fall in domestic production was attributable to the new construction component (including modernisation and renovation work), which declined by 17.3%, while repair and maintenance work increased.

Total annual sales growth in the sectors under review, at current prices, was higher in July 2012 than in the previous month, with the industry and transportation sectors responsible for almost all of the increase. In industry, the increase was based largely on sales results in the following segments: manufacture of transport equipment, manufacture of coke and refined petroleum products and manufacture of metals. In the case of transport equipment,

and overall demand and in expectations for employment. Expectations for industrial production in the month ahead improved, but

Table 3 Production and sales

Statistical classification of economic activities (SK NACE Rev. 2)	EUR millions (at current prices)	Indices			
	July 2012	July 2011	Jan.-Dec. 2011	June 2012	June 2012
Industrial production index ^{1),2)}	-	103.4	107.2	113.0	118.5
Construction production ²⁾	459.9	96.3	98.2	87.9	88.8
Sales: ³⁾					
Industry in total	6,510.2	107.5	113.6	106.9	115.8
Construction	715.9	105.6	104.4	86.0	85.0
Wholesale trade, excluding motor vehicles	1,947.1	99.8	102.6	102.5	104.0
Retail trade, excluding motor vehicles	1,500.2	99.6	101.3	102.0	101.1
Sale and maintenance of motor vehicles	338.0	98.7	100.3	104.0	107.9
Accommodation	27.1	100.0	100.9	102.7	101.5
Food service activities	70.2	100.7	101.2	102.4	102.5
Transportation and storage	607.8	103.4	109.4	110.7	117.5
Selected market services	1,006.0	119.3	117.2	119.2	119.3
Information and communication	407.4	106.7	109.7	103.0	107.1
Total sales from own output and merchandise in selected sectors	13,129.9	105.3	108.6	105.1	109.7

Source: SO SR, NBS calculations.

1) Adjusted for calendar effects (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).



the annual increase of almost 54% was based on the expansion of production capacities and external demand.

The annual rate of change of construction sales in July remained deep in negative territory for a seventh successive month, amid muted construction work demand in both the public and private sectors.

According to SO SR data, the annual rate of decline in retail trade sales at constant prices accelerated in July 2012, while their growth rate at current prices slowed and was therefore entirely attributable to the price level increase. Looking at retail trade sales at current prices, their lower growth was due mainly to lower annual rates of sales growth in the categories of *retail sale in non-specialised stores* and *retail sale of automotive fuel*. The current situation in retail trade sales growth confirms assumptions that no significant stimulus to consumer behaviour can be expected in the short-term horizon.

In the sector of sale and repair of motor vehicles, annual sales growth in July increased at both current and constant prices. The selected market services sector continues to report double-digit

sales growth (now for more than one and a half years), mainly on the basis of strong results in real estate activities, advertising, and market research.

3.2.3 WAGES, EMPLOYMENT AND UNEMPLOYMENT

The annual rate of average nominal wage growth in the sectors under review was moderately higher in July 2012 than in the previous month. This reflected annual wage growth increases in industry and construction and, after three months, a lower rate of decline in selected market services. Downward pressure on aggregate wage growth came from wages in the information and communication sector, as their annual rate of change went further into negative territory in July after recently enjoying a period of robust growth. The latest average wage data from July for the sectors under review indicates that the rate of wage growth was moderately higher than in the second quarter. Real wages continued to decline in year-on-year terms in most sectors, despite the increase in nominal wage growth.

Employment growth in the sectors under review slowed slightly in July 2012, to 0.2%, from 0.3% in June. It has remained close to zero since the beginning of the year. The only contributions

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

	Average monthly nominal wage		Average monthly real wage ¹⁾	
	June 2012	July 2012	June 2012	July 2012
Industry	102.1	104.3	98.6	100.6
of which: manufacturing	102.3	104.3	98.8	100.6
Construction	98.7	102.8	95.3	99.1
Sale and maintenance of vehicles	104.7	104.9	101.1	101.2
Wholesale trade	102.7	103.5	99.1	99.9
Retail trade	102.4	100.7	98.8	97.1
Accommodation	103.4	103.6	99.8	99.9
Food service activities	102.0	101.7	98.5	98.1
Transportation and storage	100.4	102.1	96.9	98.4
Information and communication	97.1	89.1	93.7	85.9
Selected market services	95.3	101.5	92.0	97.9
Average for the selected sectors	101.0	102.6	97.5	98.9
Consumer prices	103.6	103.7	-	-

Source: SO SR, NBS calculations.

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

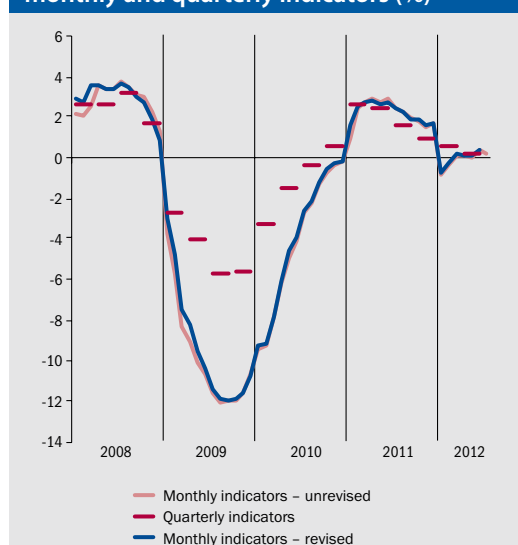


Table 5 Employment in selected sectors (index: same period a year earlier = 100)

	Employment	
	June 2012	July 2012
Industry	99.5	99.2
of which: manufacturing	99.9	99.5
Construction	97.0	96.4
Sale and maintenance of vehicles	95.1	95.0
Wholesale trade	99.3	99.2
Retail trade	98.7	98.6
Accommodation	101.8	101.8
Food service activities	100.9	100.9
Transportation and storage	96.5	98.4
Information and communication	106.3	108.5
Selected market services	113.3	111.3
Average for the selected sectors	100.3	100.2

Source: SO SR, and NBS calculations.

Chart 6 Employment – comparison of monthly and quarterly indicators (%)



Source: SO SR; NBS calculations.

to July's relatively high employment growth came from the information and communication sector and selected markets service sector. Employment in most other sectors fell, with industry and construction recording the most marked declines, in each case even higher than the drop observed in June. The increase in July represented a continuation of the slow growth recorded in the previous quarter in the statistical reporting of enterprises across the national economy.

According to data from the Central Office of Labour, Social Affairs and Family, the total number of unemployed in July 2012 increased by 3,400 month-on-month (the same as in June), to stand at 399,100. The rate of registered unemployment for the month was 13.3%, unchanged from the previous month.

Box 3

THE REAL ECONOMY IN THE SECOND QUARTER OF 2012³

Slovakia's annual GDP growth at constant prices slowed further in the second quarter of 2012, to 2.8%, according to SO SR data. In quarter-on-quarter terms, GDP grew by 0.7% (seasonally adjusted).

In sectoral terms, value added growth was most pronounced in industry and moderate in agriculture, whereas value added in construction continued to decline and value added in trade remained flat. The decrease

³ More detailed information is provided in Annex 4.



in net taxes on products became more pronounced. Nominal GDP for the second quarter of 2012 increased by 3.8% year-on-year, to stand at €17.8 billion.

The main expenditure-side driver of economic growth in the second quarter of 2012, as in previous quarters, was an increase in external demand (exports of goods and services rose by 8.9%). By contrast, domestic demand edged further into negative territory (-1.6%) with each of its components recording a decline.

The average monthly nominal wage of an employee in the Slovak economy increased year-on-year by 1.5% in the second quarter of 2012, to €793, while its quarter-on-quarter growth stood at 0.1%. These increases were lower than those recorded in the previous quarter. As for real wages, their moderately increasing downward trend continued in the second quarter, except for an increase at the turn of the year, and did so despite an easing of consumer inflation. These developments were not reflected in nominal compensation⁴ per employee (based on ESA 95 methodology); its year-on-year growth in the second quarter increased moderately to 2.4%, up by 0.6 percentage point from the first quarter.

In line with GDP developments, the annual rate of employment growth was also slightly lower in the second quarter than in the first; as measured according to the national accounts methodology (ESA 95) it declined by 0.4 percentage point to 0.2%. Employment remained unchanged in seasonally-adjusted quarter-on-quarter terms, as it did in the previous two quarters as well.

Employment as measured by number of hours worked declined by 1.4%, year-on-year, in the second quarter of 2012, after increasing by 1.0% in the first quarter. Seasonally adjusted hours worked fell quarter-on-quarter by 1%,

after an isolated rise in the first quarter. The stagnation in employment and slowdown in wage growth indicate that economic developments are adversely affecting the labour market situation.

Unit labour costs (ULCs) fell by 0.2%, year-on-year, in the second quarter of 2012, which means they have declined in three consecutive quarters, albeit by a diminishing margin. ULCs are calculated from ESA 95 data under the ECB methodology (ULC_{ECB}), i.e. as the ratio of growth in nominal compensation per employee growth to growth in real labour productivity (GDP to total employment ratio). Given that labour productivity growth has for a long time been higher than real wage growth, and that price inflation is relatively strong, there continues to be scope to make ample gains in competitiveness.

According to a Labour Force Survey, the number of unemployed in the second quarter increased by 4.2% year-on-year, to 368,000, with the annual growth rate rising by 2 percentage points from the first quarter. The unemployment rate for the second quarter stood at 13.6%, which despite the moderate employment growth was 0.4 percentage point higher than the rate for the same period of 2011. The sector recording the highest absolute rise in unemployment was public administration, defence and compulsory social security.

The economy's annual growth in the second quarter of 2012 was higher than expected owing to improvements in external trade. Net exports made the largest contribution to growth, while domestic demand again declined. Economic growth is expected to ease in the quarters ahead, as external demand slackens and domestic demand remains subdued. As a result, labour market indicators are expected to show a further moderate deterioration.

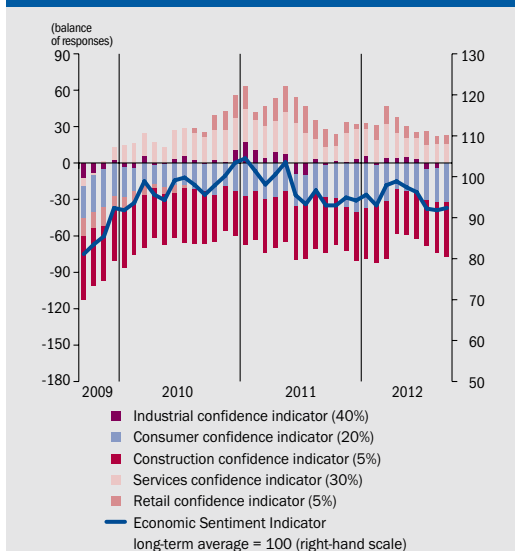
3.2.4 ECONOMIC SENTIMENT INDICATOR

The Economic Sentiment Indicator (the ESI) increased to 92.4 points in September after

recording month-on-month declines since May 2012. The ESI in September was 0.6 points higher than in August, while in year-on-

⁴ As defined by the Statistical Office of the Slovak Republic, compensation per employee means remuneration payable to employees.

Chart 7 Economic Sentiment Indicator



year terms it was lower by 0.6 points. The ESI reflected increases in the industrial and retail trade confidence indicators as well as losses in confidence in construction, services and among consumers.

The increased confidence in industry stemmed mainly from an improvement in production expectations. Sentiment in retail trade increased mainly because the expected business situation was more positively assessed. In construction, confidence was dented in particular by a deterioration in employment expectations, while the moderate loss of confidence in services was largely attributable to negative assessments of future demand.

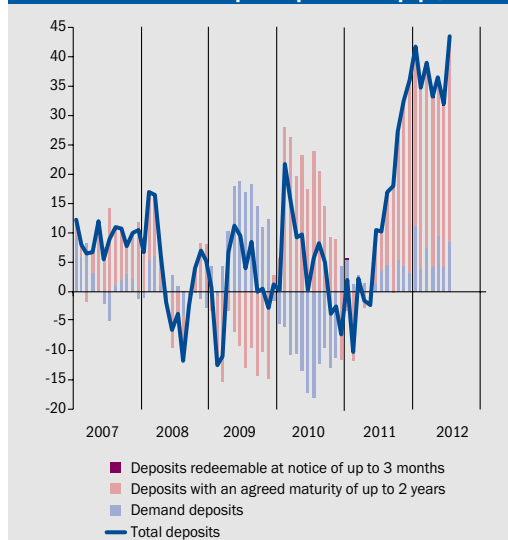
Consumer sentiment fell for a fifth successive month, with declines observed in all components of the confidence indicator: the expected financial situation of households, the future general economic situation of Slovakia, future developments in unemployment, and saving expectations. The consumer confidence indicator fell by 5.3 points from the previous month and declined year-on-year by 6.1 points.

3.3 MONETARY AGGREGATES AND INTEREST RATES

In July, the contribution of domestic monetary financial institutions (MFIs) to the euro area's M3 monetary aggregate increased by €355 million and the annual growth rate of M3 accelerated by 1.4 percentage points, to 4.3%.

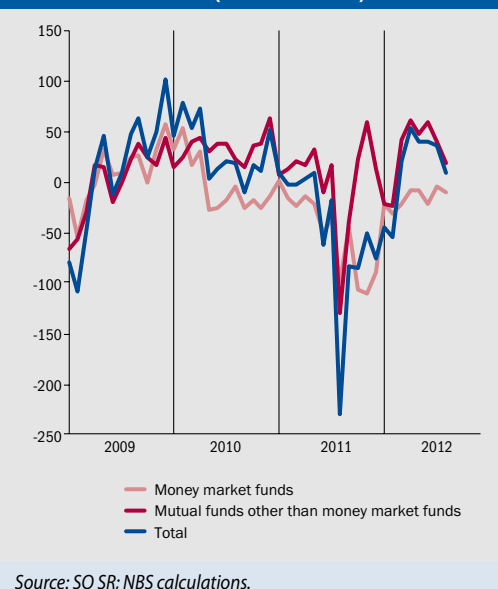
The stock of deposits increased moderately in July due to the inflow for short-term deposits included in the M1 monetary aggregate. Currency in circulation also recorded a slight rise. The accumulation of deposits included in the most liquid component reflects low interest rates and the consequent higher preference for liquid assets. July saw an outflow of deposits from the less liquid component M2-M1 as well as from M3-M2 (marketable instruments). Deposits from the two principal sectors showed the same trends. Total deposits held by households recorded a moderate increase of €47 million in July, one-third higher than the increase observed in June. Households invested mainly in short-term time deposits and demand deposits. Although the annual growth rate for household deposits

Chart 8 Annual growth rate of deposits held by other non-monetary financial institutions (other financial intermediaries, financial auxiliaries, insurance corporations and pension funds) broken down by contributions of deposit product (p.p.)



slowed slightly, it remained at a relatively high level (6.5%). After recording a marked outflow in the previous month, bank deposits held by non-financial corporations increased slightly (by €45 million month-on-month), as firms placed not only new funds into demand deposits, but also a proportion of their time deposits. The annual rate of decline in corporate deposit holdings eased to -0.4%. As regards the sectoral contributions to private sector deposit growth, the largest came not from households or non-financial corporations, but from other non-monetary financial institutions (insurance corporations and pension funds, other financial intermediaries, financial auxiliaries). This is probably the result of low interest rates and the search for secure and relatively high-yielding products at a time when the euro area sovereign debt crisis is severely affecting financial markets. Deposits held by insurance corporations and pension funds have been rising sharply since the beginning of 2011.

As regards the counterparts of M3, an increase in lending activity accompanied growth in the monetary aggregate. Claims on the private sector increased month-on-month by €308 million, with loans increasing by €404 million and securities declining by €96 million. With higher lending activity, the annual growth rate for loans accelerated by 0.6 percentage point, to 5.3%. Lending increased to each sector, with the strongest growth observed in loans to households (up by €154 million month-on-month). Housing loans remained in strong demand among households; their outstanding amount increased by €133 million from the previous month while their annual growth rate rose by 0.2 percentage point, to 10.1%. The rest

Chart 9 Monthly net sales of open-end investment funds (EUR millions)


of the growth in household loans was accounted for by consumer credit, with its annual growth rate increasing to 13.3% in July (from 12.4% in June). Household loan demand is holding up despite the persisting uncertainty about future economic development and the unfavourable labour market situation. In this regard, bank behaviour must be monitored more closely in order to prevent banks taking undue risks associated with a credit expansion. Lending to non-financial corporations increased in July by €165 million month-on-month, with all of that growth attributable to short-loans with a maturity of up to one year. These loans were probably all operational loans, according to the data on new loans. The annual growth rate of corporate loans climbed by 0.6 percentage

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

	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	-2.9	-2.8	4.0	9.9	-60.7	-17.0	-230.2	-83.8	-86.1	-50.2	-77.3	-588.1
2012	-43.4	-54.5	20.9	55.1	38.8	38.6	35.7	9.3 ²⁾	100.3

Source: SASS and NBS calculations.

1) Total denominated in euro and foreign currency. Calculated for 2009–2011, and for January to July 2012, on the basis of the SASS (the Slovak Association of Asset Management Companies) "Monthly survey of net sales and assets under the management of asset management companies in Slovakia".

2) Data for August 2012 are NBS calculations based on SASS weekly data.

Chart 10 Net asset value of open-end investment funds in Slovakia (EUR millions; percentage changes)



Source: SASS and NBS calculations.

point, to 0.8%. Lending to the sector of other non-monetary financial institutions increased month-on-month for the first time in five months, by €84 million, which may constitute a positive impulse to the financing of certain economic agents through this sector.

Aggregate net sales of all open-end investment funds in Slovakia (in euro or foreign currencies) fell in August, to €9.3 million,⁵ continuing the downward trend of previous months. Net weekly sales were positive in all five weeks of August except the fourth, and ranged from -€6.1 million to €7.7 million, with fund sales exceeding redemptions in four of the five weeks.

The further month-on-month decline in net sales in August reflected mainly net sales of funds other than money market funds, which fell by €21.2 million as well as the outflow for money market funds, which increased by €5.1 million.

The main driver of growth in the collective investment market continues to be special securities funds, while other funds appear to be starting to lose momentum. Special securities funds recorded the highest net inflow in August (€33.9 million) and there were also net inflows for special real estate funds (€9.7 million), bond

funds (€4.3 million), funds of funds (€0.5 million) and special alternative investment funds (€0.1 million).

Net outflows were observed for short-term investment funds (-€16.3 million), money market funds (-€9.6 million), mixed funds (-€5.3 million), other funds (-€3.5 million), special funds of professional investors (-€2.1 million), short-term money market funds (-€1.2 million) and equity funds (also -€1.2 million).

As at 31 August 2012, a total of 29 funds were registered with the Slovak Association of Asset Management Companies (SASS) under the five new investment fund categories,⁶ as follows:

- short-term money market funds (2 funds);
- short-term investment funds (18 funds);
- special securities funds (3 funds);
- special alternative investment funds (2 funds);
- special funds of professional investors (4 funds).

The ECB decided at the beginning of July to reduce its key rates by 25 basis points, which led to a sharp decline in market rates. The pass-through of this movement to retail rates was confined to deposit and lending rates for non-financial corporations. Interest rates for households were not affected by the key rate changes.

Lending rates for non-financial corporations maintained a downward trend as they reflected developments in the interbank market. Rates fell on all types of corporate loan. Since most rates on operating loans are linked to interbank rates, and their response is more pronounced. In July, operating loan rates declined by approximately the same margin as market rates. There was also almost complete pass-through of the market rate reduction to interest rates on investment loans. Rates on real estate loans and other loans fell more sharply. The responsiveness of banks to market rate cuts is probably due in part to non-financial corporations having other means of raising finance, whether internally or by issuing bond securities. The lending rate cuts induced a moderate rise in borrowing demand, as seen in the month-on-month increase in investment loans and other loans.

The majority of lending rates for households increased slightly. Since households lack alternative means of external financing, the simplest course for banks is to raise the interest rate margin on credit

⁵ The different amounts of monthly and cumulative net sales can be explained by the fact that the data of the SASS obtained from regular weekly statistical reports and the data of individual OIF administrators (www.openiazoch.sk) sometimes refer to different periods (SASS makes data releases on Fridays, but some of its members issue data on Thursdays) and the number of investment 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 funds denominated in the domestic currency (euro). In 2009 the number of funds recorded in the SASS database fell from more than 570 to less than 500 at the year-end; it remained relatively stable in 2010 (ranging between 494 and 511) and also in 2011 (between 496 and 505). The number of funds has declined further in 2012 (to between 452 and 459), as asset management companies have sought to comply with a new statutory reclassification of investment funds by modifying investment policies, changing fund names, and merging funds.

⁶ Further details are given in Box 1 of NBS Monthly Bulletin No 1/2012, available at http://www.nbs.sk/_img/Documents/_MesacnyBulletin/2012/protected/mb0112.pdf.



to the household sector. Hence the reduction in the key ECB rates and market rates was not passed on to lending rates for households. The increase in these rates may have reflected the perception, in the light of the worsening economic outlook, that risks are mounting. Housing loan rates rose, marginally, for the first time this year, with the increase accounted for by rates in the sub-category of other housing loans. Intermediate loans increased as well, while rates on mortgage loans and building loans remained unchanged. As regards loans for consumption purposes (consumer loans and other loans), they became moderately more costly.

Deposit rates remained largely unchanged. For non-financial corporations there was a relatively large drop in rates on deposits with an agreed maturity of between one and two years, but the volume of new deposits in this category was insignificant. As for household deposits, the competition between banks for relatively stable and cheap funds resulted in a slight rise in time deposit rates. This category included not only an increase in the remuneration of deposits with an agreed maturity of up to one year, but also a decline in rates on those with up to two years' agreed maturity.



QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

THE GLOBAL ECONOMY

OECD economic growth slowed moderately in the second quarter of 2012, both quarter-on-quarter (to 0.2%, from 0.5% in the first quarter) and year-on-year (to 1.6%, from 1.8%). Both the euro area and United Kingdom economies contracted, while Japan recorded the largest slowdown in economic growth. GDP growth also decelerated in the United States, as well as in emerging economies as a weakening of foreign trade weighed on economic activity. The OECD's composite leading indicator (CLI) fell slightly at the end of the second quarter (with weaker confidence reported in most OECD countries), signalling a gradual slowdown in economic activity.

Consumer prices declined in the second quarter, maintaining a downward trend going back to the second half of 2011. In the OECD, the annual inflation rate fell to 2.0% in June, from 2.7% in March. The rate fell further in July, to 1.9%, reflecting mainly lower inflation in energy and food on commodity markets. The annual

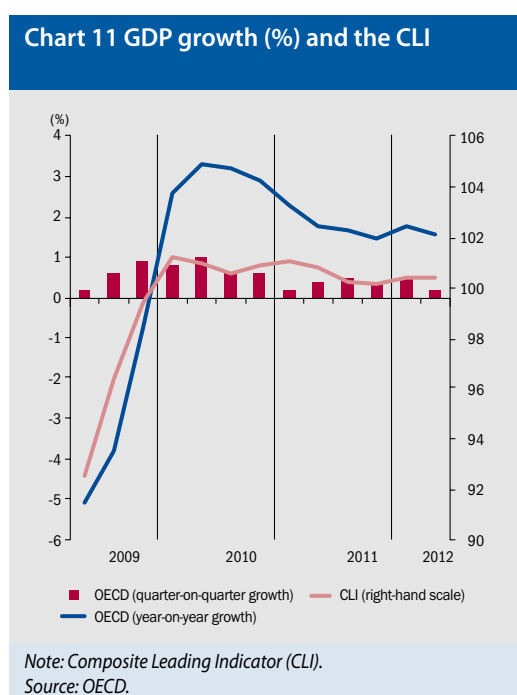
core inflation rate also fell slightly, from 1.8% in March to 1.9% in June. The rate in July remained unchanged at 1.8%.

A weak labour market, the financial situation of households and the need for fiscal consolidation measures remain the major obstacles to achieving stronger economic growth in advanced economies. Strains in some euro area countries intensified amid uncertainty about how to resolve the sovereign debt crisis. Although economic activity in most emerging economies is decelerating, it remains relatively robust. The risk to these economies lies in the weakening of global trade and in an escalation of the debt crisis in advanced economies. Global economic activity is being adversely affected by commodity price inflation and geopolitical tensions in certain world regions.

COMMODITIES

The price of oil fell sharply in the second quarter of 2012 amid fears about developments in the global economy, the euro area sovereign debt crises, declining demand, and mounting inventories. The price of a barrel of oil averaged USD 108 in the second quarter, down from USD 118 in the first quarter. In the following months, however, oil prices climbed again due to a further intensification of fears about geopolitical tensions in oil-exporting countries as well as to a drop in oil production. At the beginning of September the barrel price of oil stood at around USD 113.

Prices of non-energy commodities fell in the second quarter, down to the levels observed at the beginning of the year. After declining gradually from March to June, agricultural commodity prices surged in July in response to the effects of a poor harvest. Metal prices declined in the second quarter due to concerns about global economic developments, and they fell further in July. Overall, non-energy commodity prices increased in July, pushed up by rises in agricultural commodity prices.





UNITED STATES

US economic growth slowed in the second quarter of 2012 with annualised GDP growth standing at 1.7%, quarter-on-quarter, down from 2.0% in the first quarter. In year-on-year terms, GDP growth declined to 2.3% for the quarter, from 2.4% in the first three months. During the second quarter there were regular revisions of the data for the previous five years. GDP for 2009 was revised up by 0.4 percentage point, while GDP for 2010 was revised down by 0.6 p.p., indicating, on the one hand, that the 2009 contraction was less pronounced than first reported but, on the other hand, that the recovery in 2010 was slower.

The largest component of GDP growth was private consumption, although its growth rate was lower than in the first quarter. The most marked slowdown was observed in durable goods, while the strongest growth was in services. Gross investment growth also added to GDP growth, but to a lesser extent. The largest slowdown was in investment growth in non-residential and residential buildings. Changes in inventories made a negative contribution to GDP growth. As in the previous quarter, federal, state and local government spending also contributed negatively to GDP growth, although the expenditure cuts in the second quarter were less severe than those in the first. Net exports contributed positively to GDP growth as export growth increased from the first quarter and import growth declined.

The inflation rate fell sharply in the second quarter to stand at 1.7% in June, down from 2.7% in March. Maintaining a downward trend that began in September 2011, inflation in the second quarter reflected declines in energy and food commodity prices. The headline inflation rate fell further in July, to 1.4%. Core inflation edged down from 2.3% in March, to 2.2% in June and 2.1% in July.

The US Federal Open Market Committee (FOMC) decided at its two regular meetings in the second quarter to leave its target range for the federal funds rate unchanged, i.e. at close to zero. The FOMC reiterated its expectation that the federal funds rate would have to be kept at exceptionally low levels at least until late 2014. At its meeting in August the FOMC decided to

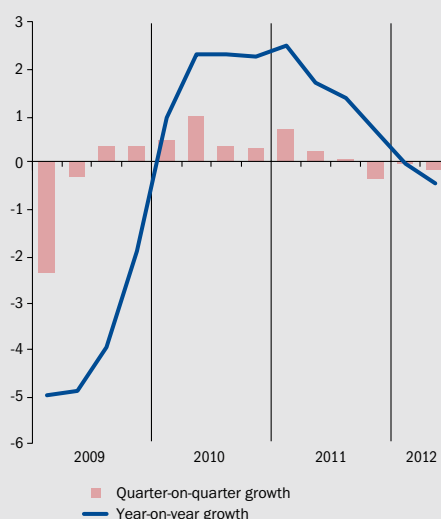
keep the target range for the federal funds rate unchanged, noting a deceleration in economic activity and an increase in unemployment.

THE EURO AREA

The euro area economy continued to weaken in the second quarter of 2012. After remaining flat in the first quarter in both quarter-on-quarter and year-on-year terms, GDP contracted in the second quarter by 0.2% and 0.5% respectively.

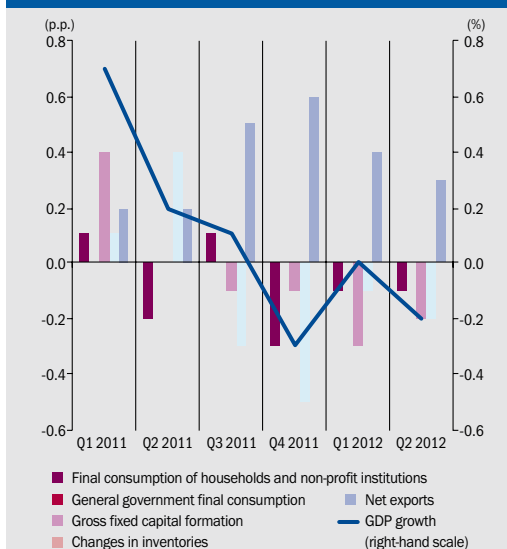
External demand made a positive contribution to the rate of change of GDP in the second quarter, as in the previous quarter, but although export growth increased again, it was lower than import growth, and therefore the positive contribution of net exports declined from the first quarter. For a fourth consecutive quarter, a decline in domestic demand weighed on the economy, investment demand fell, and destocking continued. Private consumption declined further, while public consumption remained flat. The downward trend in consumer and investment demand reflects elevated uncertainty related to the euro area sovereign debt crisis. At the same time, the running down of inventories indicates that no recovery in output demand can be expected in the near term. General government consumption continues to be dampened by the

Chart 12 Euro area: economic growth (at 2005 constant prices; %)



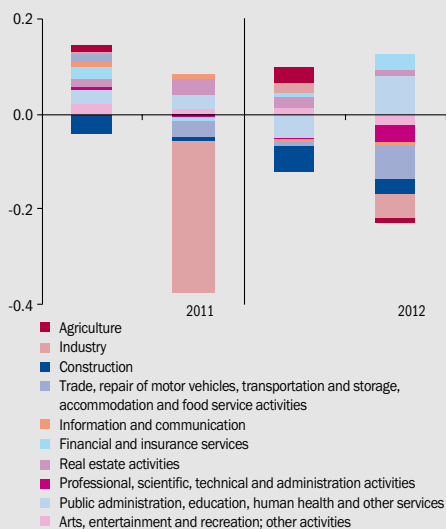
Source: Eurostat.

Chart 13 Euro area: contributions to quarterly GDP growth by component



Source: Eurostat, NBS calculations.

Chart 14 Euro area: value added by sector – contributions to quarter-on-quarter growth (p.p.)



Source: Eurostat, NBS calculations.

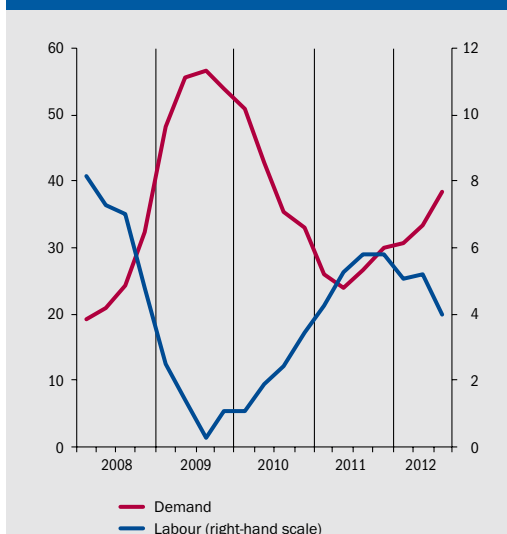
implementation of fiscal consolidation measures in several euro area countries.

On the supply side of the economy, overall value added declined due mainly to negative contributions from the sectors of trade, industry and construction; on the other hand, increases in value added were observed in public administration,

education, human health and other services and in financial and insurance activities.

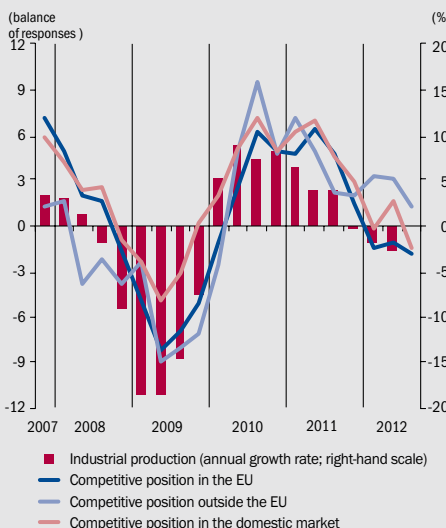
Economic activity in industry declined for a third successive quarter and by a greater margin than before. Surveys of industry indicate weak demand has been weighing significantly on economic activity. On the other hand, the effect

Chart 15 Production-limiting factors (%)



Source: European Commission.

Chart 16 Euro area: industrial production and assessments of industrial competitiveness



Source: European Commission.

Chart 17 The unemployment rate and consumers' expectations for the economic situation and unemployment over the next 12 months

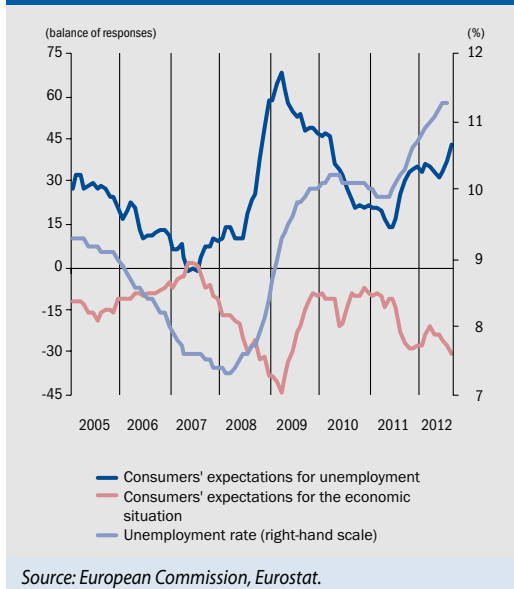
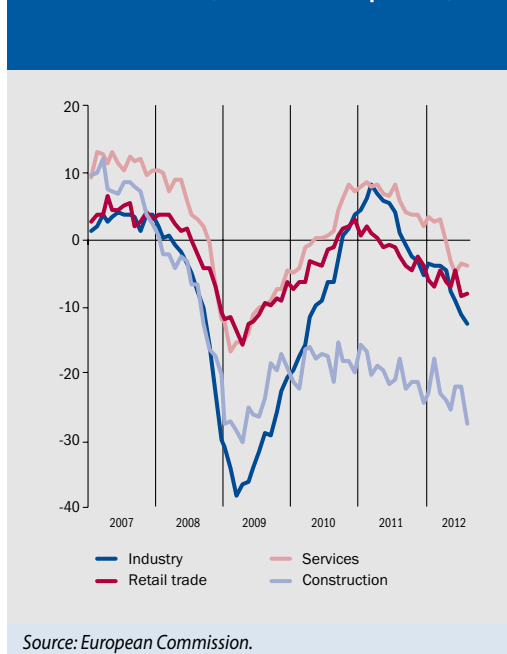


Chart 18 Employment expectation in different sectors (balance of responses)



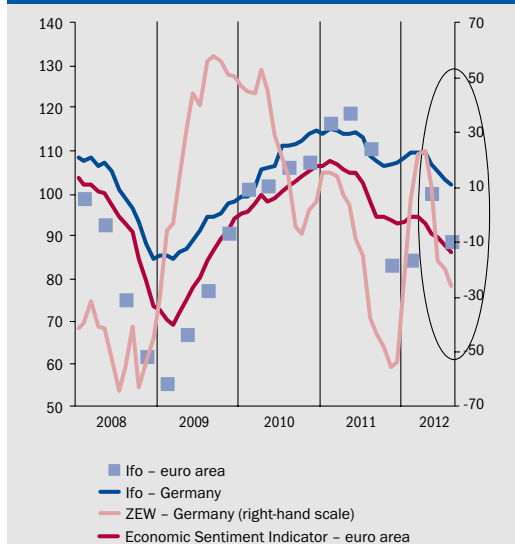
of labour as a production-limiting factor is gradually diminishing; there were significantly fewer assessments of labour being such a factor in the third quarter of 2012, signalling a further easing of labour market conditions and subdued developments in employment. At the same time, assessments of the utilisation of production capacities deteriorated to a greater extent in the third quarter. Industry is the major exporting sector, and in recent quarters exports have been the only positive component of GDP growth. However, the competitive position of industry is being assessed in increasingly negative terms owing to the adverse economic situation in the EU and weak growth in the global economy.

The downturn in economic activity brought on by uncertainty surrounding the sovereign debt crisis is adversely affecting the labour market. The unemployment rate climbed by 0.3 percentage point in the second quarter, to 11.3%, and remained at this level in July. After improving in April and May, consumers' employment expectations deteriorated again in the subsequent months through August. Employment expectations in industry declined further, thus maintaining a downward trend that goes back to April 2011 (with the exception of an increase in January 2012); this trend continued in August.

Nor did employment expectations in other sectors signal any improvement in the labour market situation, as they remained below the long-run average. Therefore labour market developments are expected to further dampen the recovery of consumer demand.

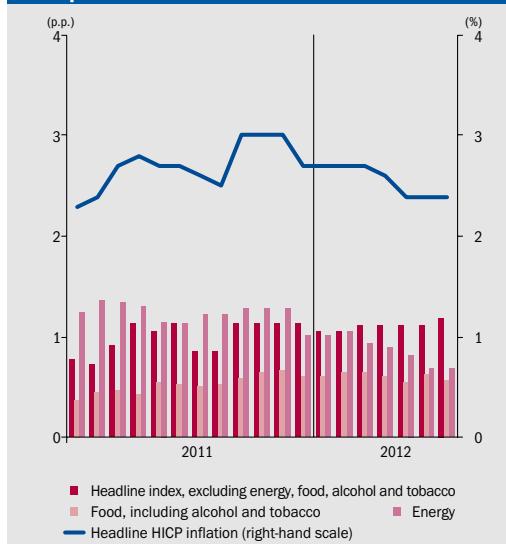
After picking up in the first quarter, sentiment deteriorated again on the basis of intensifying strains related to the euro area sovereign debt crisis. The Economic Sentiment Indicators declined in every month from April through August. The services and industrial confidence indicators registered the most marked deterioration, but sentiment also worsened in retail trade, construction and among consumers. Further evidence of the slump in euro area economic sentiment in the third quarter was provided by the IFO index for the region, which showed both assessments of the current economic situation and expectations for the next six months being more negatively assessed. For Germany, too, both the IFO and ZEW indexes show that sentiment among economic agents and confidence in different sectors were trending downwards from May to August. The IFO index for Germany showed increasingly negative assessments of the current economic situation and expectations for economic developments. The ZEW index in

Chart 19 Economic sentiment indicators for the euro area and Germany



Source: Ifo Institute for Economic Research, Centre for European Economic Research (ZEW), European Commission.

Chart 20 Euro area: the annual HICP inflation rate and contributions of selected components



Source: Eurostat, NBS calculations.

August fell to its lowest level in 2012, implying that the German economy is expected to decelerate over the coming six months. Such a slowdown can be expected to affect Slovak export-oriented sectors in particular.

The inflation rate declined in the first two months of the second quarter and by the end of June stood at 2.4%, compared to 2.7% in March. The slowdown in the headline rate was caused mainly by a decline in energy inflation and to a lesser extent by decelerating inflation in services, non-energy industrial goods, and food. In July, the headline inflation rate remained unchanged, concealing an end to the rising trend in energy inflation, a decline in food inflation, and moderately higher inflation in non-energy industrial goods and services. According to Eurostat's flash estimate, the inflation rate accelerated in August to 2.6%.

With oil prices and food commodity prices gradually falling, the easing of cost-push pressures observed in the first quarter of 2012 continued in the second quarter. The energy component of the consumer price index was declining only up to the end of the quarter. The pass-through of subdued developments in commodity markets to the CPI's food component was not significant, since consumer food prices were not absorbing

the marked rise in commodity prices and higher inflation in food producer prices observed in the previous quarter. On balance, however, energy and food commodity prices had a dampening effect on the inflation rate in the second quarter. On the other hand, commodity prices began to rise again in July and they will have more of an inflationary effect on prices in the following period.

Chart 21 Annual growth rate of oil and energy prices in the HICP (%)



Source: Eurostat, U.S. Energy Information Administration.

Chart 22 Effect of food commodity prices on producer prices and consumer prices (annual rate of change)

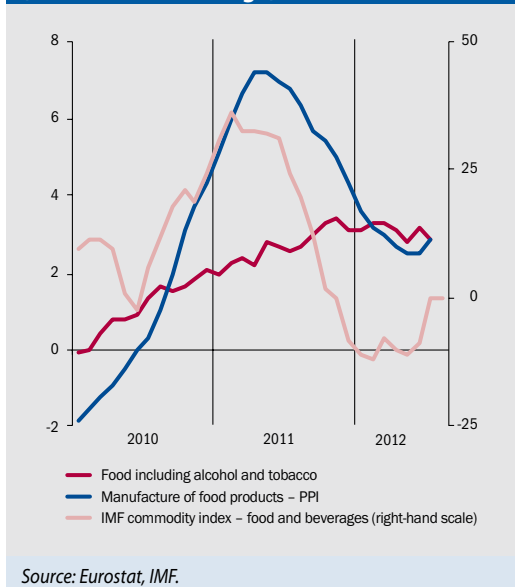
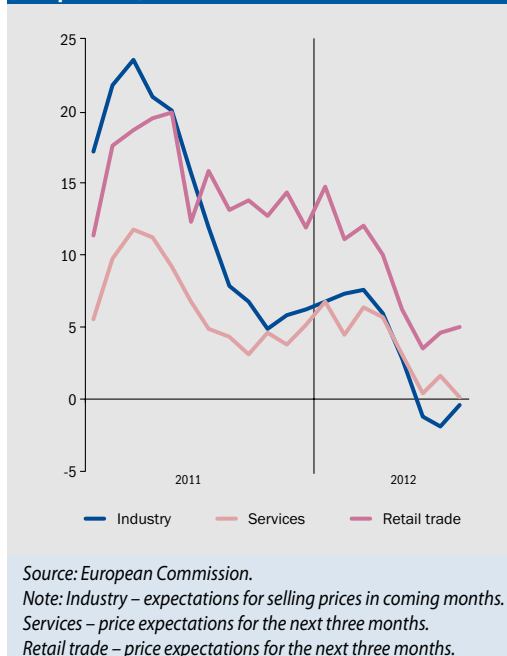


Chart 23 Price expectations in industry, services and retail trade (balance of responses)



Core inflation (i.e. the headline index excluding prices of energy and unprocessed food) slowed in the second quarter by a marginal 0.1 percentage point, to 1.8%, before edging back up to 1.9% in July.

Non-energy industrial goods inflation remained more or less flat during the second quarter, before accelerating moderately in June. Services inflation likewise remained stable up to July. Inflation was also further dampened by a decline in consumer demand. According to business tendency surveys, selling prices are subdued in particular sectors. Price expectations in the retail trade sector increased moderately in July and August, probably because energy and food commodity inflation began rising again, which suggests a partial pass-through of cost-push pressures. The same period saw an increase in consumers' inflation expectations. These usually reflect price developments of frequently purchased items to a considerable extent, but recently they have diverged moderately from them.

The exchange rate of the euro against the US dollar depreciated during almost the whole of the second quarter and continued to do so in July, reflecting the mounting strains related to the euro area sovereign debt crisis. This trend

corrected slightly in August. During the second quarter the euro lost almost 6% of its value against the dollar. The euro's exchange rate at the end of August stood only marginally stronger than at the end of June and approximately 2.5% weaker than at the beginning of the year.

Chart 24 Prices of frequently purchased items and consumers' price expectations

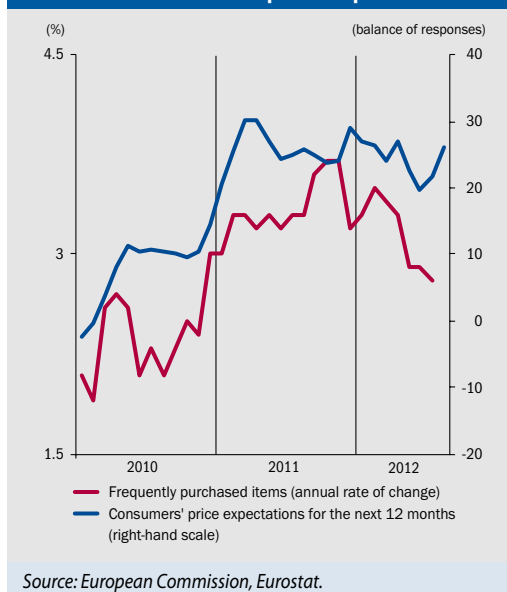


Chart 25 USD/EUR exchange rate



government bond markets which originate from investors' unfounded fears about the future of the euro. A necessary condition for OMTs is strict conditionality attached to an appropriate European Financial Stability Facility/European Stability Mechanism (EFSF/ESM) programme. OMTs will be focused on the shorter part of the yield curve, and in particular on sovereign bonds with a maturity of between one and three years. The liquidity created through OMTs will be fully sterilised. The decision to proceed with OMTs was accompanied by the termination of the Securities Markets Programme (SMP). In further decisions at the same meeting, the Governing Council sought to ensure the availability of adequate collateral in Eurosystem refinancing operations.⁷

DEVELOPMENTS IN POLAND, THE CZECH REPUBLIC AND HUNGARY

At each of its monetary-policy meetings in the second quarter of 2012, the ECB Governing Council decided to leave the key ECB rates unchanged. In July the Governing Council reduced the key rates by 25 basis points, bringing down the main refinancing rate to 0.75%, the marginal lending rate to 1.50%, and the deposit rate to 0.0%. The key rates were not changed in August or May.

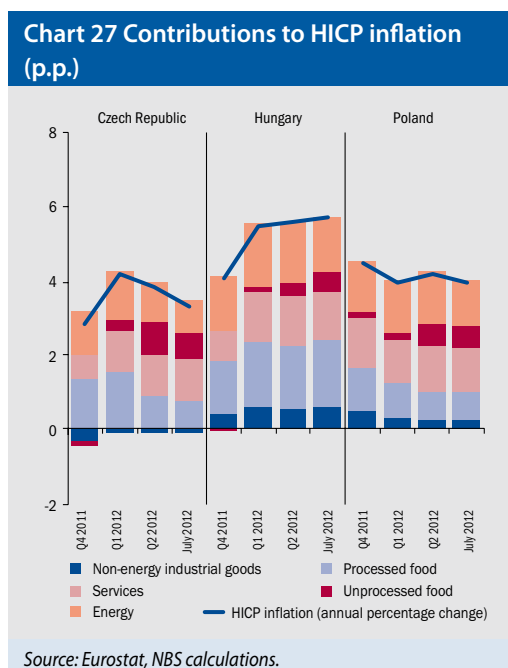
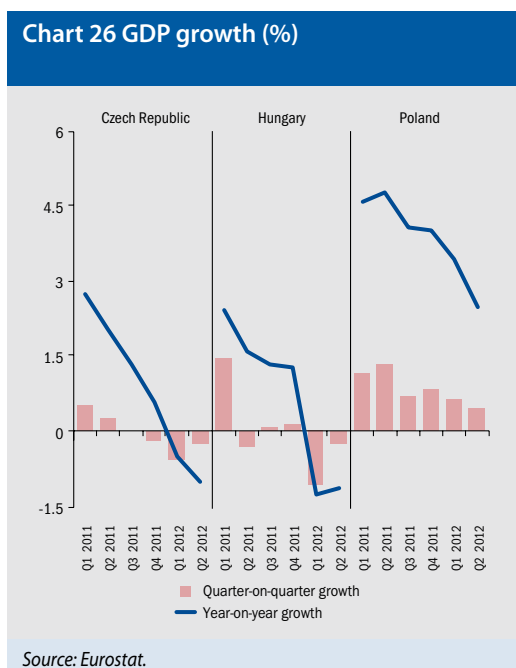
At June's monetary-policy meeting, the Governing Council also decided to continue conducting main refinancing operations (MROs) as fixed rate tender procedures with full allotment at least until 15 January 2013. This procedure will also remain in use for the Eurosystem's special-term refinancing operations, which will continue to be conducted for as long as is needed. The fixed rate in these special-term refinancing operations will be the same as the MRO rate prevailing at the time. Furthermore, the Governing Council decided to conduct six three-month longer-term refinancing operations in July–December.

At its meeting on 6 September 2012, the Governing Council also decided on the modalities for undertaking Outright Monetary Transactions (OMTs) in secondary markets for sovereign bonds in the euro area. The purpose of the move is to strengthen the monetary policy transmission mechanism and to address distortions in

Economic activity in the countries under review continued to show negative tendencies in the second quarter of 2012. In the Czech Republic, GDP contracted year-on-year by 1.0% (after declining by 0.5% in the first quarter), and in Poland annual GDP growth slowed by 1 percentage point, to 2.5%. Only Hungary did not report a worsening situation in economic growth, as the annual rate of GDP contraction eased to 1.1% (from 1.2% in the first quarter). In the Czech Republic only net exports contributed positively to GDP growth, and their contribution declined for a third successive quarter. Investment demand remained flat and other components made negative contributions to GDP growth. In Poland there was upward pressure on GDP from net exports, consumer demand and investment demand. Only changes in inventories had a dampening effect. In Hungary the decline in consumer demand became more pronounced, but on the other hand the contributions of investment demand and changes in inventories were less negative. Net exports continued to drive GDP growth.

In quarter-on-quarter terms the Czech economy shrank for a third successive quarter. Although the contraction was more moderate in the second quarter (-0.2%) than in the first quarter (-0.6%), the persisting economic slump is indicative of a deeper recession. In Hungary,

⁷ Further details may be found at www.ecb.int



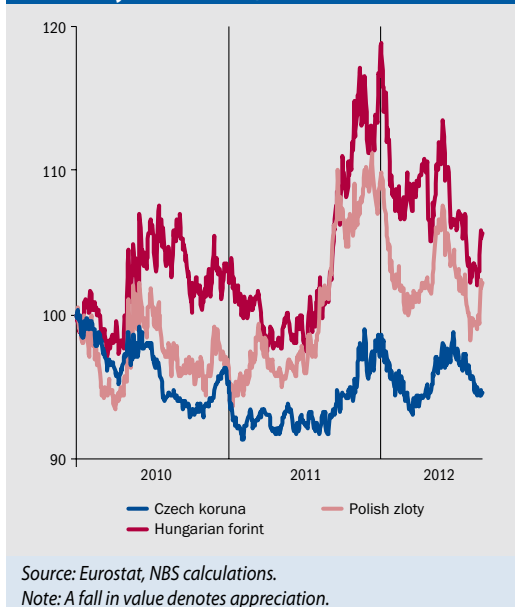
too, the economy's contraction eased in the second quarter, to -0.2% (from -1.0% in the first quarter). The Polish economy saw its growth decelerate by 0.2 percentage point, to 0.4%. In the Czech Republic, household final consumption and general government consumption put downward pressure on GDP growth, and for the first time in two quarters so did net exports. Only investment and inventories made positive contributions. In Hungary, household final consumption remained flat while there were negative contributions from general government consumption and investment demand. The only growth components were net exports and to a lesser extent changes in inventories. Poland's GDP growth was driven by all components apart from inventories, although the positive contribution of household consumption and net exports were lower than in the previous quarter. The investment component was unchanged, and general government consumption differed from the previous quarter by making moderately positive contribution.

Annual consumer price inflation in the Czech Republic was 0.4 percentage lower at the end of the second quarter, at 3.8%, than at the end of March, while in Hungary it increased by a moderate 0.1 percentage point, to 5.6%, and in Poland by a more marked 0.3 p.p., to 4.2%. In each of the countries the main driver of inflation

was higher unprocessed food prices. In the Czech Republic, the deceleration of the headline inflation rate was due largely to energy and processed food inflation, as their negative contributions outweighed the increase in the unprocessed food component. In July, inflation in the Czech Republic slowed further with downward pressure from all components apart from energy and services, which remained unchanged. In Hungary, the moderate acceleration of inflation was largely attributable to the unprocessed food component, the increase in which was not offset by a decline in the energy component. In July, annual inflation in Hungary recorded a further moderate rise under upward pressure from inflation in non-energy industrial goods and again from unprocessed food inflation. The increase in Poland's inflation rate in the second quarter was caused mainly by growth in unprocessed food prices and to a lesser extent in energy prices. On the other hand there was lower inflation in non-energy industrial goods and processed food. In July, the annual inflation rate in Poland eased under downward pressure from the energy and processed food components.

Turning to the currencies of the countries under review, their exchange rates against the euro moved in the opposite direction to that observed in the first quarter, as they depreciated to a significant extent in April and even more so

Chart 28 Exchange rate indices of the V4 currencies vis-à-vis the euro (index: 4 January 2010 = 100)



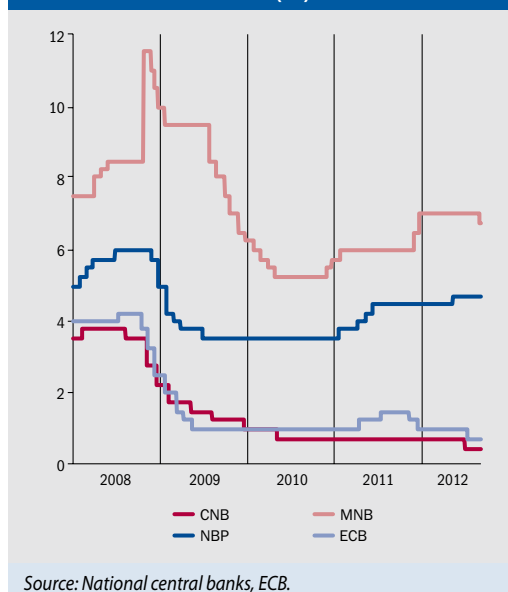
in May. They stopped weakening in June. Among the three currencies, the Hungarian forint was particularly affected by internal political and economic factors.

A major influence on the movement of the currencies in the second quarter was the ongoing nervousness caused by the persisting euro area sovereign debt crisis. In April the market strains stemmed mainly from fears about the economic situation in Spain (high government bond yields alongside high unemployment and a fragile banking sector). The Hungarian forint strengthened on news of the agreement reached with EU institutions on the removal of contentious provisions in the country's central bank law. The factors behind the currencies' depreciation in May included the downgrading of Spanish banks and renewed speculation about Greece leaving the euro area following the country's unsuccessful elections in that month. June saw the currencies under review, and particularly the forint and Polish zloty, gain ground against the euro, even though financial market strains remained unabated. In Hungary, the forint was strengthened by the forthcoming discussions with the IMF and EU on the provision of financial assistance to the country. The currencies' appreciating trend continued into

July, despite an increase in market nervousness. The approval of a bailout package for Spanish banks failed to alleviate the negative sentiment, and in August only the Czech koruna maintained an appreciating trend.

Looking at the monetary-policy settings of the three countries' central banks, Česká národní banka and Narodowy Bank Polski both made changes in the second quarter of 2012. The Czech central bank cuts its base rate by 25 basis points, to 0.50% with effect from 29 June 2012, its justification being that economic growth needed to be stimulated given the lack of demand-side pressures, the continuing fiscal consolidation measures and the possibility of tax increases. Mounting uncertainty about external developments remained a risk, while weakening of the koruna exchange rate posed the most significant upside risk to inflation. A further upward risk to inflation was that inflation expectations would be heightened by indirect tax hikes and koruna depreciation. Narodowy Bank Polski took the opposite step of increasing its base rate, by 25 basis points, to 4.75%, with effect from 10 May 2012. Explaining the move, the bank noted the risk of inflation remaining above the upper limit of deviations from the inflation target over the medium-term horizon, particularly due to depreciation of the zloty, higher commodity prices and a marked

Chart 29 Key interest rates of the V4 national central banks (%)





increase in administrative price. These factors could also put upward pressure on inflation expectations. Although economic growth was expected to decelerate in the medium-term horizon, these developments might not be enough for the inflation target to be met. The Magyar Nemzeti Bank left its key rate unchanged for nine months since December 2011. The bank noted that while inflation pressures from the real economy were only moderate, inflation would be kept above the inflation target by tax increases implemented at the beginning of 2012 and by further measures taken under the Structural Reform Programme. The bank also pointed out that due to the heightened risks associated with the expected deterioration in external demand, there was a worse outlook

for Hungarian export recovery and hence for the acquisition of new export markets. The euro area sovereign crisis weighed further on the credit risk premium on Hungarian financial assets. According to the bank, a reduction in the base could be considered if the credit risk premium declined for a longer period or if the inflation outlook improved. Although the Hungarian central bank reduced its key rates by 25 basis, to 6.75%, with effect from 29 August 2012, it noted that the economy was in a technical recession according to GDP data. In that context, the bank considered the government's commitment to maintaining sound public finances and to reaching agreement with the EU and IMF to be crucial for the country's credit risk premium.



QUARTERLY REPORT ON THE BALANCE OF PAYMENTS

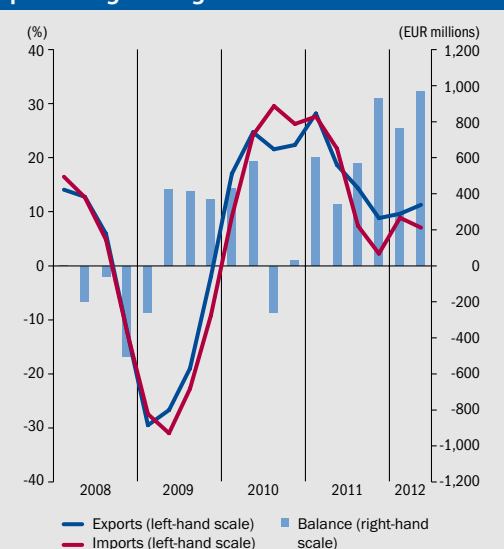
BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2012

The current account of the balance of payments recorded a surplus of €846.2 million in the first half of 2012, representing a year-on-year improvement of €895.6 million. This year-on-year improvement reflected stronger performance in all components apart from current transfers, where a change from the last year's surplus to a slight deficit resulted from lower income (from EU funds and private transfers). By contrast, growth in external demand translated into rising exports and subsequently also into higher surpluses in the trade balance and services balance. The ratio of the current account surplus to GDP (at current prices) was 2.5%, representing a year-on-year improvement of 2.1 percentage points. This development was largely due to the improved trade balance, with the trade surplus to GDP ratio increasing year-on-year by 2.1 percentage points to 5.0%.

For the first six months of 2012, exports and imports grew year-on-year by 10.5% and 7.9% respectively. The trade surplus rose significantly on an annual basis when exports rose to 11.3% in the second quarter (9.6% in the first quarter) while imports slowed to 7.1% (8.9% in the first

quarter). The rate of growth in both exports and imports for the first half of 2012 was affected by data revisions made by the SO SR. As a result, the growth rate of exports was revised upward by 0.6 percentage point and that of imports went up by 3.4 percentage points, in comparison with previously published data.

Chart 30 Exports and Imports: annual percentage changes



Source: NBS and SO SR.

Table 7 Balance of payments current account (EUR millions)

	January – June			Q1 2012	Q2 2012
	2012	2011	2012-2011		
Trade balance	1,730.4	944.5	785.8	764.0	966.4
Exports	30,571.3	27,668.4	2,902.9	14,759.7	15,811.5
Imports	28,840.9	26,723.9	2,117.0	13,995.8	14,845.2
Services balance	132.0	-279.7	411.7	60.3	77.9
Income balance	-779.9	-809.4	29.5	-378.7	-383.2
of which: income from investment	-1,469.9	-1,409.4	-60.5	-723.7	-728.2
of which: reinvested earnings	-300.3	-552.5	252.1	-675.5	78.1
Current transfers balance	-236.2	95.2	-331.5	-73.0	-163.2
Current account in total	846.2	-49.3	895.6	372.6	497.8
Trade balance to GDP ratio (%)	5.0	2.9	2.1	-	-
Current account to GDP ratio (%)	2.5	-0.1	2.6	-	-

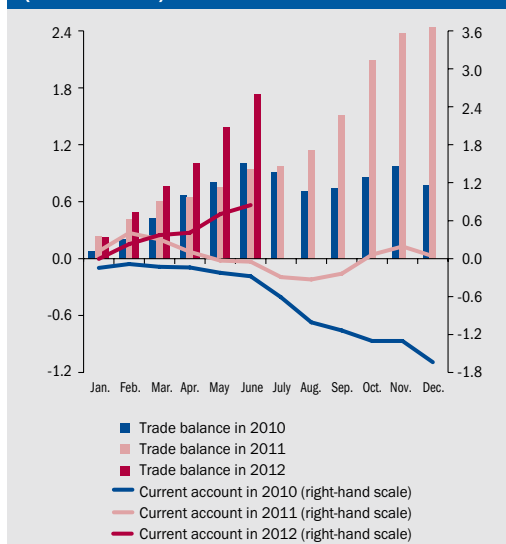
Source: NBS and SO SR.

Chart 31 Imports from the EU-27 and exports from Slovakia: annual percentage changes



Zdroj: NBS, ŠÚ SR a Eurostat.

Chart 32 Trade balance and current account in 2010, 2011 and 2012: cumulative volumes (EUR billions)



Source: NBS and SO SR.

In spite of weak external demand, the annual growth rate of exports increased, which – in combination with slower import growth – resulted in a stronger lead of export growth over that of imports. The rapid increase in exports (relative to external demand) was fuelled mainly by favourable developments in the automotive industry.

In the first half of 2012, export growth was driven mainly by exports of machinery and transport equipment, which accounted for almost 77% of the total export growth. The year-on-year increase in this category included higher annual growth in exports of both transport equipment (especially passenger cars) and machinery. The growth in exports of transport equipment was largely attributable to the production launch of new car models. This enabled a double-digit growth in passenger car exports. In the second quarter, export growth of automotive industry accelerated to more than 33% despite weakening external demand, while in the first quarter of 2012 passenger car export growth amounted to approximately 11%. Slightly higher export growth in the category of finished products was mainly attributable to rising exports of various agricultural and food products, such as sugar, fats, etc. Higher exports in the category of chemical products and semi-finished goods resulted from a year-on-year increase in exports of semi-finished goods (copper,

Chart 33 Exports: annual percentage changes



Source: NBS and SO SR.

and iron and steel products) and from higher exports of chemical products (a rise in exports of tyres). However, while the annual growth in exports of semi-finished goods accelerated in the second quarter, the annual growth of chemical products declined in comparison with the first quarter. Despite increasing oil and gas prices on the world markets, export growth in the category



Table 8 Exports (EUR millions)					
	January – June			2012 – 2011	
	2012	2011	2012 - 2011	Q1	Q2
Raw materials	2,125.6	2,199.9	-74.4	65.8	-140.2
Chemical products and semi-finished goods	7,496.5	7,229.2	267.3	186.0	81.3
Machinery and transport equipment	17,439.8	15,212.1	2,227.6	775.3	1,452.3
Finished products	3,509.4	3,027.1	482.3	271.6	210.7
TOTAL EXPORTS	30,571.3	27,668.4	2,902.9	1,298.7	1,604.2
Annual growth in %	10.5	23.1	-12.6	-	-

Source: NBS calculations based on SO SR data.

Table 9 Imports (EUR millions)					
	January – June			2012 – 2011	
	2012	2011	2012 - 2011	Q1	Q2
Raw materials	4,256.6	4,445.2	-188.6	125.7	-314.3
Chemical products and semi-finished goods	7,054.5	6,732.4	322.1	176.6	145.5
Machinery and transport equipment	10,969.0	9,509.2	1,459.8	592.1	867.7
Finished products	6,560.9	6,037.1	523.8	244.3	279.4
TOTAL IMPORTS	28,840.9	26,723.9	2,117.0	1,138.8	978.2
Annual growth in %	7.9	24.5	-16.6	-	-

Source: NBS calculations based on SO SR data.

of raw materials slightly fell owing to weakening external demand in the second quarter.

As for imports, the largest annual rate of growth in the first half of 2012 was in the category of machinery and transport equipment. The rise in imports in this category accounted for more than 69% of total import growth and related to the sharp rise in exports. This 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 the sub-category of machinery. Related to the gradual acceleration in exports seen in the automotive industry in the first quarter, imports of its components also grew in the second quarter. Their contribution to total imports accounted for 52% in the first quarter and further rose to almost 89% in the second quarter. The annual growth in imports of finished products also significantly contributed to the year-on-year rise in total imports. It was supported mainly by increasing imports of agricultural and food products (sugar, meat). The growth in imports of chemical products and semi-finished goods was concentrated in imports

of plastics and copper, and products made from them. Imports of raw materials were heavily affected by increases in global oil and gas prices. The growth in prices reflected mainly in higher imports of crude and refined oil. By contrast, total imports of gas declined as purchase policy of gas importers resulted in a significant decline in volumes of imported gas. High prices weighed on demand, which resulted in a more marked decline in imported oil volumes in the second quarter. These developments substantially contributed to a change from rising imports of raw materials in the first quarter to their decline in the second quarter.

The marked year-on-year improvement in the services balance was due mainly to increased receipts in the category of *other services in total*, which was supported by a strengthening of external demand for services. The improvements in the balance of the mentioned category were largely attributable to the increase in receipts from advertising services, legal, accounting and advisory services, research and development, and computer services. A rise was also recorded



in receipts from construction services, boosted by contracted expenditure on this type of services. The income balance improved year-on-year only marginally, as a result of higher remittances from residents working abroad. By contrast, the overall annual increase in the income balance was slightly dampened by a moderate rise in interest payments in the investment income item. The only component of the current account which deteriorated from the previous year was the current transfers balance. The year-on-year change from its surplus in the previous year to a deficit in this year reflected declines in receipts of *general government transfers* as well as *private transfers*. Lower receipts from EU funds in the form of current transfers were balanced within the *other transfers* sub-category by a year-on-year drop in receipts from grants, deposits, distraints and other unilateral transfers of legal entities. However, these developments were due to the non-standard rise in that component in 2011, while this year's income is in line with the previous developments.

Compared to the beginning of the year, similar developments continued in the majority of components also in the second quarter. *The services balance recorded a further surplus, which as in the first quarter was based mainly on rising*

receipts in the category of other services in total. In this category, revenues from computer services declined quarter-on-quarter, while those from technical services rose. In the income balance, dividend payments to foreign investors soared as they are made on a highly seasonal basis. This balance's adverse impact on the current account balance was fully offset by declining estimated reinvested earnings, in accordance with the methodology used to calculate profitability. The current transfers balance saw declines in both receipts from the EU budget and payments to the EU budget. Its deficit further increased in comparison with the first quarter, as the fall was more pronounced in revenues than in expenditures.

The capital and financial account of the balance of payments recorded a deficit of €234.8 million in the first half of 2012, compared to a surplus of €2,062.8 million for the same period of 2011. The main factor behind the lower net inflow to the capital and financial account was the development in the balance of other investment when, in the Government and NBS sector, the decline in deposits to NBS accounts was higher than the inflow of funds from financial loans. The outflow on the asset side reflected the fulfilment of the Government's commitments to the European

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

	Jan. – June 2011	Jan. – June 2012	Q1 2012	Q2 2012
Capital account	432.2	540.7	32.6	508.1
Direct investment	-7.0	818.7	774.4	44.3
by residents abroad	-303.4	-79.4	3.6	-83.1
of which: equity participation abroad	0.6	40.7	100.8	-60.0
reinvested earnings	252.0	8.0	11.3	-3.3
in Slovakia	296.3	898.2	770.8	127.4
of which: equity participation in Slovakia	300.9	427.1	354.1	73.0
reinvested earnings	300.5	292.4	664.2	-371.8
Portfolio investment and financial derivatives	-340.3	5,420.8	2,774.2	2,646.6
by residents abroad	-1,336.0	2,498.7	1,617.4	881.3
in Slovakia	995.7	2,922.1	1,156.8	1,765.3
Other long-term investment	541.4	75.4	145.7	-70.3
Assets	304.5	-984.2	-469.5	-514.7
Liabilities	236.8	1,059.6	615.2	444.3
Other short-term investment	1,436.5	-7,090.4	-3,526.8	-3,563.6
Assets	73.8	-2,566.0	-2,113.7	-452.3
Liabilities	1,362.7	-4,524.4	-1,413.2	-3,111.2
CAPITAL AND FINANCIAL ACCOUNT	2,062.8	-234.8	200.2	-434.9

Source: NBS.

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

	January – June 2012	January – June 2011	Year-on-year change
Government	-1,456.2	234.2	-1,690.5
NBS	-3,778.3	290.4	-4,068.7
Banks	-1,822.9	400.8	-2,223.7
Firms	42.4	1,052.5	-1,010.1
Total	-7,015.0	1,977.9	-8,992.9

Source: NBS.

Financial Stability Fund (EFSF) and rising deposits of the Government in accounts held abroad. The substantial outflow in *other investment* balance was only partly counterbalanced by a higher net inflow in other items of the financial account. The *portfolio investment* balance recorded a net inflow from NBS activities in financial markets, while the liability side of the balance was boosted by a rise in sales of government debt securities. In the category of *foreign direct investment*, the inflow increased as a result of the higher inflow of other capital, caused by a larger decrease in claims on, than in liabilities to, direct investment enterprises. Higher foreign investors' interest in investment in Slovakia was also reflected in the increase in equity participations.

The outflow of funds from the capital and financial account in the second quarter amounted to €434.9 million. The change against the previous quarter from inflow to outflow resulted primarily from the lower estimate of reinvested earnings due to a rise in dividend payments to foreign investors. This far outweighed the quarter-on-quarter growth in the utilisation of EU funds in the form of capital transfers.

EXTERNAL DEBT OF SLOVAKIA AS AT 30 JUNE 2012

At the end of June 2012, Slovakia's total gross external debt stood at €52.7 billion (USD 66.3 billion). It fell by €0.3 billion (USD 2.2 billion) when compared with the beginning of 2012. From the beginning of the year, external debt was affected by movements in the EUR/USD cross rate.

Total long-term external debt was €3.8 billion higher at the end of June 2012 than at the start of the year, while total short-term external debt decreased by €4.1 billion.

Within long-term external debt, external liabilities of the Slovak Government and NBS rose by €3.6 billion from the beginning of the year. This increase was mainly accounted for by the external liabilities of the Slovak Government in the item of *bonds and notes*. The commercial sector's long-term external debt remained largely unchanged over the period under review (it went up only marginally by €0.1 billion).

Short-term external debt contracted in the item of *short-term external liabilities*, overall by €4.1 billion, in comparison with the beginning of the year (it fell by €1.6 billion in the first quarter). A decline of €3.4 billion was reported in the item of *Slovak Government and NBS* (€1.6 billion in the first quarter), while NBS showed a decline of €3.7 billion. This decrease in NBS liabilities in the second quarter of 2012 resulted from a fall in cash and deposits of €7.3 billion and a simultaneous rise in NBS short-term borrowings of €3.6 billion.

Short-term external liabilities of enterprises rose by €0.3 billion since the beginning of the year. In the same period, short-term external liabilities of commercial banks declined by €1.0 billion, of which €0.9 billion related to their cash and deposits. In the first quarter, however, cash and deposits of commercial banks only fell by €0.1 billion against their figure at the beginning of 2012.

The gross external debt per capita of Slovakia amounted to €9,752 as at the end of June, which was €49 lower than the figure as at 31 December 2011 (€9,801). The share of total short-term external debt in the country's total gross external debt fell by 7.4 percentage points to 46.1% at the end of June 2012 (compared to 53.5% as at 31 December 2011).

The net external debt of Slovakia, expressed as the difference between gross foreign debt

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

	USD millions		EUR millions	
	31.12.2011	30.6.2012	31.12.2011	30.6.2012
Total external debt of the SR	68,491.4	66,310.3	52,934.0	52,669.1
Long-term external debt	31,836.2	35,729.1	24,604.8	28,379.0
Government and NBS ¹⁾	15,516.3	19,671.0	11,991.9	15,624.3
Commercial banks	3,404.3	3,234.6	2,631.0	2,569.2
Enterprises	12,915.6	12,823.5	9,981.9	10,185.5
Short-term external debt	36,655.2	30,581.1	28,329.2	24,290.1
Government and NBS	20,757.4	15,876.2	16,042.5	12,610.2
Commercial banks	3,731.1	2,478.3	2,883.6	1,968.5
Enterprises	12,166.7	12,226.6	9,403.1	9,711.4
External assets	49,670.6	47,053.5	38,388.3	37,373.7
Net external debt	18,820.8	19,256.7	14,545.7	15,295.4
EUR/USD cross rate	1.2939	1.2590	-	-

Source: NBS.

¹⁾ Including government agencies and municipalities.

(€52.7 billion; liabilities of the Government and NBS, commercial banks and the corporate sector – except for equity participations) and foreign assets (€37.4 billion; foreign reserves of NBS, foreign assets of commercial banks and the corporate sector – except for equity participations) reached €15.3 billion (debtor position) at the end of June 2012, representing an increase of €0.8 billion against the figure as at the beginning of 2011 (i.e. a year-on-year increase of €1.2 billion).

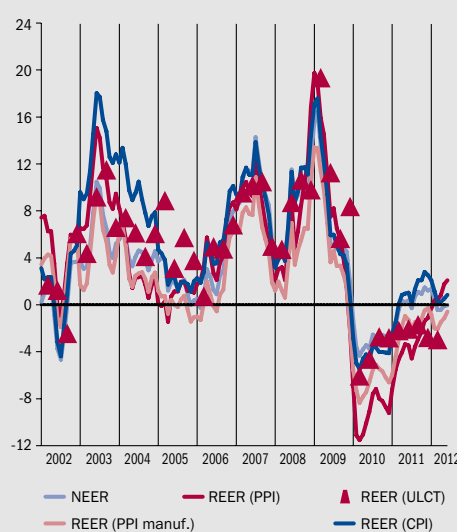
The preliminary ratio of Slovakia's total gross external debt to GDP (at current prices) reached 74.8% at the end of June 2012, which meant a year-on-year rise of 3.3 percentage points (78.1% as at 30 June 2011). On 31 December 2011 this indicator stood at 76.7%.

NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The nominal effective exchange rate⁸ (NEER) remained unchanged in annual terms in June 2012, in contrast to its depreciation of 0.5% in March. The weakening of the NEER index was largely the result of depreciation against the Chinese jüan (by 1.0 of a percentage point). The exchange rates vis-à-vis other V4 countries were the only to record appreciation, which eventually helped to maintain the stable NEER. During the

second quarter of 2012, the NEER index recorded a month-on-month growth; however, from the beginning of the year it depreciated by 1.2% in cumulative terms. The appreciation against the Czech koruna was the strongest, contributing in average 0.2 percentage point month-on-month.

The halt in NEER's weakening was reflected in the real effective exchange rate (REER), when

Chart 34 NEER and REER indices (15 trading partners; year-on-year changes in %)

Source: NBS.

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

⁸ The methodology of the effective exchange rate calculation is published on the NBS website at: http://www.nbs.sk/_img/Documents/_Statistika/VybrMakroUkaz/EER/NEER_REER_Metodika.pdf.



the REER based on a consumer price index (CPI) increased to 0.9% in June, up by 0.6 percentage point from the March figure, and the REER based on the industrial producer price index (PPI) rose by 1.7 percentage points to 2.1%. The REER based on the manufacturing products price index (PPI manufacturing) recorded a slower rate of depreciation when it moderated by 1.5 percentage points to 0.6%. Stronger growth of both the CPI- and PPI-based REER in

comparison with the changing growth rate of the NEER, as well as slower depreciation of the REER based on PPI manufacturing, all indicate that inflation differential vis-à-vis foreign countries has widened. From the beginning of the year, the CPI-based REER weakened in cumulative terms by 0.2%, the PPI-based REER strengthened by 1.3% and the REER based on the manufacturing products price index went down by 0.4%.



QUARTERLY REPORT ON THE REAL ECONOMY

THE REAL ECONOMY IN THE SECOND QUARTER OF 2012

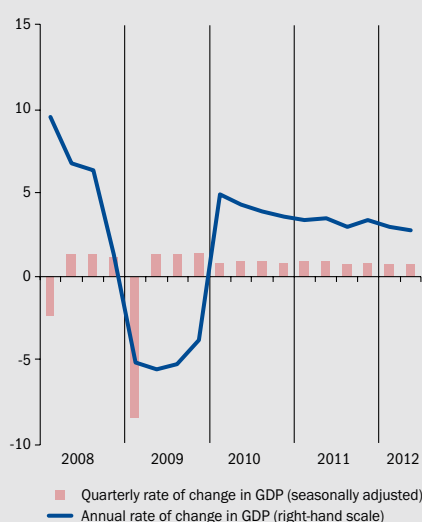
GROSS DOMESTIC PRODUCT

According to data from the Statistical Office of the Slovak Republic, Slovakia's annual GDP growth at constant prices slowed to 2.8% in the second quarter of 2012. In quarter-on-quarter

terms, seasonally adjusted GDP expanded by 0.7% in the same quarter.

In terms of output performance, GDP growth was boosted mainly by increased value added creation in industry. Value added also increased slightly in agriculture. In construction, however, value added continued to decline. Value added in trade was stagnant in that period. Net taxes

Chart 35 GDP – annual and quarterly rates of change (%)



Source: SO SR.

Chart 36 Domestic and external demand (index: same period a year earlier = 100)



Source: SO SR and NBS calculations.

Table 13 GDP by expenditure (index: same period a year earlier = 100, constant prices)

Indicator	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product	103.4	103.5	103.0	103.4	103.3	103.0	102.8
Domestic demand	100.8	100.4	95.6	97.6	98.5	99.3	98.4
Final consumption:	99.5	98.7	98.6	98.7	98.9	100.1	99.3
Households	99.8	99.9	99.1	99.6	99.6	99.9	99.7
General government	98.3	94.9	96.8	96.3	96.5	100.4	97.9
Non-profit institutions serving households	101.4	101.0	101.4	101.0	101.2	100.5	101.2
Gross fixed capital formation	101.6	106.4	105.9	108.4	105.7	96.1	98.9
Exports of goods and services	116.8	113.1	106.8	107.5	110.8	106.0	108.9
Imports of goods and services	111.4	110.9	98.2	99.0	104.5	102.1	103.2

Source: SO SR.

**Table 14 Structure of gross fixed capital formation in the second quarter of 2012 (current prices)**

	Gross fixed capital formation (EUR millions)	Proportion (%)	Index	
			Q1 2012 Q1 2011	Q2 2012 Q2 2011
Slovak economy in total	3,637.6	100.0	96.0	98.6
<i>of which, by sector:</i>				
Non-financial corporations	2,401.7	66.0	95.8	101.0
Financial corporations	47.7	1.3	114.7	82.6
General government	455.5	12.5	98.9	99.6
Households	723.1	19.9	94.5	92.1
Non-profit institutions	9.6	0.3	98.6	95.9
<i>of which, by segment of production:</i>				
Machinery	1,569.4	43.1	96.0	101.5
of which: other machines and equipment	1,110.8	30.5	97.3	101.9
transport equipment	458.6	12.6	93.2	100.3
Buildings	1,658.0	45.6	96.2	95.6
of which: residential buildings	429.9	11.8	94.3	91.1
other buildings	1,228.2	33.8	96.8	97.3

Source: SO SR.

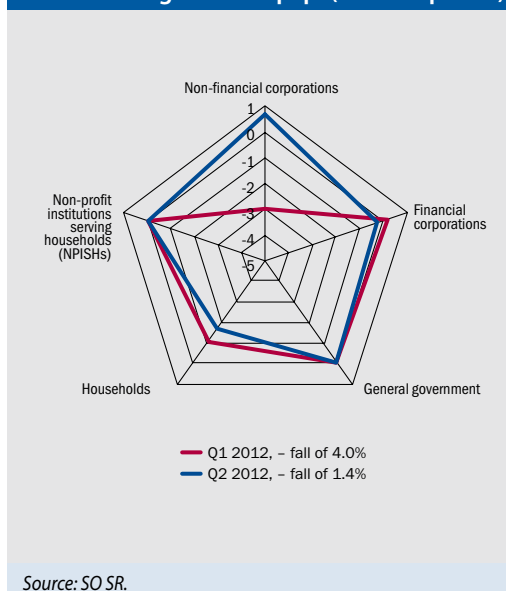
on products continued to decline, too. Nominal GDP for the second quarter of 2012 increased by 3.8% year-on-year, to stand at €17.8 billion.

DEMAND

In the second quarter of 2012, as in the previous quarters, economic growth as measured by expenditure was influenced mainly by rising external demand (exports of goods and services climbed by 8.9%). Domestic demand, however, recorded a sharp decline (-1.6%), owing to a downturn in all components.

The decline in gross fixed capital formation moderated as a result of a modest upturn in investment activity in the *non-financial corporations* sector. One of the factors behind this upturn was an increase in corporate profits in the second quarter of 2012. This increase, however, was not large enough to offset the fall in investment activity in other sectors, mainly in that of financial corporations. The breakdown of assets shows that corporations tended to invest in other machines and transport equipment, while investment in buildings continued to decline.

Household final consumption expenditure continued to decrease slowly in the second

Chart 37 Contributions to fixed investment growth in p. p. (current prices)

Source: SO SR.

quarter, by 0.3% (the previous quarter saw a fall of 0.1%). This was due to a further slowdown in employment growth, as well as in retail sales growth. Thus, the behaviour of households continued to be affected by their cautious approach to consumption in view of the high

Chart 38 Contributions to fixed investment growth in p. p. (current prices)

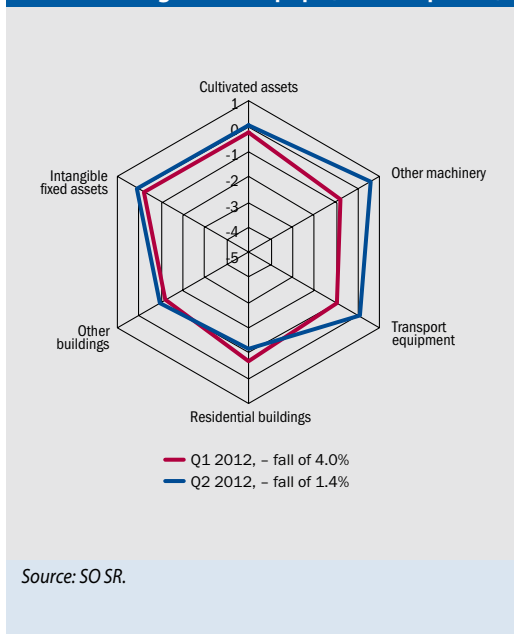
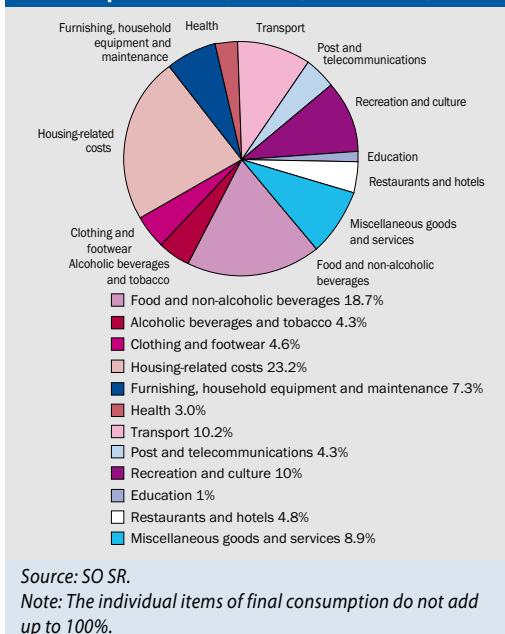


Chart 39 Structure of household final consumption in Q2, 2012 (shares in %)

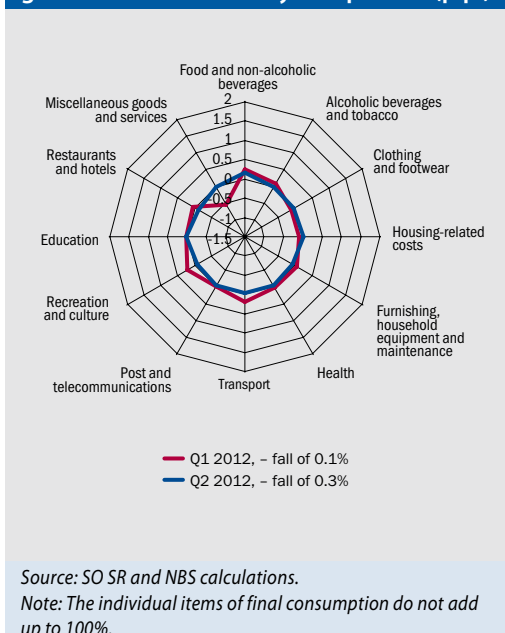


unemployment rate, uncertainty regarding the future, and the planned consolidation measures. This was also reflected in the persistently negative indicator of consumer confidence. As a result, the savings ratio continued to increase still further.

The breakdown of consumption expenditure at constant prices shows that household consumption declined in the second quarter as a result of reduced spending on furniture and household equipment, post and telecommunications, recreation and culture, and hotels and restaurants. The only expenditure item to show a moderately rising tendency was spending on foodstuffs. Spending on food and housing-related expenses continued to account for the largest share of overall household consumption.

The unfavourable economic developments in the euro area and the neighbouring countries are not yet fully reflected in Slovak exports⁹, which grew by 9.4% at current prices in the period under review. Export growth is still relatively strong, owing to the country's automotive industry and its expanding market share in Asia. Imports of goods and services, however, lagged behind exports (with a growth rate of 5.1%) as in the previous quarter. This was due mainly to continued decline in domestic demand. Consequently, the

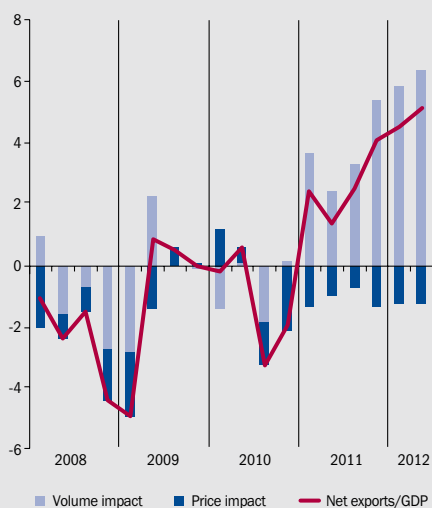
Chart 40 Household final consumption growth broken down by component (p.p.)



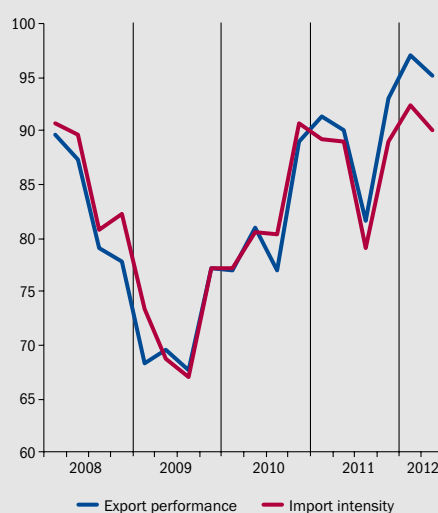
external trade balance resulted in a surplus of €921.9 million. Thus, net exports continued to be the driving force behind GDP growth.

The net export surplus, adjusted for price developments in foreign markets, reached

⁹ The Statistical Office of the SR has decided to revise the data on external trade for the first quarter of 2012. The rationale behind this decision is to identify an import reporting error (undervalued imports of goods and services) within the reporting system used by one of the country's export-oriented enterprises. Since this error also affects the data for 2011, which were partly unavailable as at 6 September 2012, the revision is expected to take place in December 2012. The revaluation of external trade will not affect the data on GDP growth, which are calculated on the basis of output performance.

Chart 41 Contribution of net exports to GDP at current prices (% p.p.)


Source: SO SR and NBS calculations.

Chart 42 Export performance and import intensity (%)


Source: SO SR.

€2,044.7 million (at constant prices), compared with €1,809.8 million in the previous quarter.

Price developments in external trade were influenced mainly by a slower rise in oil prices

and other non-energy commodity prices. This was also reflected in the import deflator, the rise of which slowed to 1.8%, while the export deflator increased by 0.5% owing to a slower rise in industrial producer prices. With import prices

Table 15 Export growth and import growth by contribution of price and volume changes (p. p.)

Indicator	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Exports of goods and services (annual percentage change measured at current prices)	24.1	17.5	10.9	10.0	15.2	10.7	9.4
Contribution of volume	16.8	13.1	6.8	7.5	10.8	6.0	8.9
Contribution of price	7.4	4.4	4.1	2.5	4.4	4.6	0.5
Imports of goods and services (annual percentage change measured at current prices)	20.5	16.5	3.1	2.9	10.0	8.3	5.1
Contribution of volume	11.4	10.9	-1.8	-1.0	4.5	2.1	3.2
Contribution of price	9.1	5.7	4.8	3.8	5.6	6.2	1.9
Contribution of net exports to GDP growth (contribution in % at current prices)	2.4	1.4	2.5	4.1	2.6	4.6	5.2
Contribution of volume	3.7	2.3	3.2	5.4	3.7	5.9	6.4
Contribution of price	-1.3	-1.0	-0.7	-1.3	-1.0	-1.3	-1.2
Terms of trade (index)	98.3	98.8	99.0	98.5	98.7	98.4	98.7

Source: SO SR and NBS calculations.

Note: Calculated from GDP figures in EUR millions. 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.

**Table 16 Seasonally adjusted GDP by expenditure (quarterly percentage changes; constant prices)**

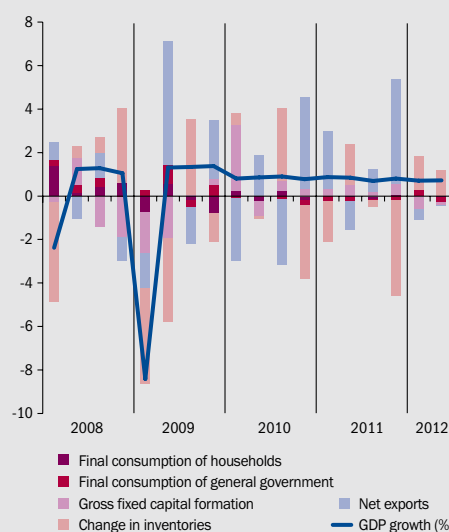
Indicator	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product	0.9	0.9	0.7	0.8	3.3	0.7	0.7
Final consumption:	-0.5	-0.3	-0.2	-0.2	-1.1	0.1	-0.3
Households and NPISHs	-0.1	-0.1	-0.3	0.2	-0.4	0.0	-0.1
General government	-1.1	-0.9	-0.3	-1.1	-3.5	1.7	-1.3
Gross fixed capital formation	1.5	2.3	0.8	2.0	5.7	-2.7	-0.7
Exports of goods and services	4.1	-0.9	-2.1	6.0	10.8	3.3	1.5
Imports of goods and services	1.2	0.6	-3.5	0.7	4.5	4.4	1.7

Source: SO SR.

rising more steeply than export prices, the terms of trade continued to deteriorate.

The export performance of the Slovak economy weakened by 1.8 percentage points in the second quarter of 2012, when the contribution of exports of goods and services to GDP (at current prices) reached 95.3%. Import intensity also decreased, by 2.4 percentage points to 90.1%. The openness of the Slovak economy, expressed in terms of the ratio of exports / imports of goods and services to nominal GDP, contracted by 4.2 percentage points compared with the previous quarter, to 185.4%.

According to seasonally adjusted data, GDP growth for the second quarter of 2012 remained at 0.7%. Following a period of relatively rapid export growth in the first quarter (due to production extension in the automotive industry), the rate of export growth slowed to 1.5% in the second quarter. A similar trend was observed in the imports of goods and services. They were growing in quarter-on-quarter terms at roughly the same pace as exports. Thus, net exports made a zero contribution to economic growth. Domestic demand remained subdued, with both household and government consumption declining. Fixed investment also continued to decline, albeit at a more moderate pace than in the previous quarter. On the basis of seasonally adjusted data, the main factor in GDP growth cannot be clearly identified. Positive contributions to economic growth came only from statistical discrepancies and chain linking or seasonal adjustment errors, which also provide information on the quality of seasonal

Chart 43 Seasonally adjusted GDP at constant prices by contribution to its quarterly rate of change (p.p.)

Source: SO SR.

adjustment. In the period to come, economic growth is expected to moderate still further amid continuing stagnation in domestic demand, caused by a gradual slowdown in external demand, and concerns about the consolidation measures planned by the government.

SUPPLY

GDP growth in the second quarter of 2012 was driven by a further rise in value added, of 3.6% at constant prices, as in the previous quarter. This was associated with a slowdown in gross output growth and a downturn in intermediate consumption. Net taxes on products continued

**Table 17 GDP and its components (index: same period a year earlier = 100; constant prices)**

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross output	107.5	108.3	103.2	101.8	105.1	105.0	102.7
Intermediate consumption	109.9	111.8	103.3	101.4	106.4	105.8	102.2
Value added	103.7	102.9	103.2	102.4	103.0	103.6	103.6
Net taxes on products ¹⁾	100.5	110.7	101.3	112.9	106.4	97.6	95.2

Source: SO SR.

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

Table 18 GDP development by sector (index: same period a year earlier = 100; constant prices)

Sector of economic activity	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product	103.4	103.5	103.0	103.4	103.3	103.0	102.8
of which:							
Agriculture	63.5	70.8	90.4	94.4	79.8	83.2	103.8
Industry	124.2	121.4	102.8	106.1	112.8	106.8	111.5
Construction	99.8	93.7	106.5	105.1	102.1	84.9	96.1
Wholesale and retail trade; hotels and restaurants; transportation and storage	91.1	88.1	102.9	106.3	96.3	98.4	99.8
Information and communication	105.2	105.8	107.3	107.1	106.4	115.1	108.2
Financial and insurance activities	90.6	95.9	100.0	90.0	94.0	95.5	94.9
Real estate activities	94.7	101.7	112.6	107.1	104.0	117.4	101.8
Professional, scientific and technical activities; administration services	103.5	99.0	116.5	95.5	103.5	106.8	104.9
Public administration	94.5	107.4	100.2	95.2	99.3	108.1	98.5
Arts, entertainment and recreation; other activities	110.6	80.5	88.4	99.9	94.5	99.4	97.1
Net taxes on products ¹⁾	100.5	110.7	101.3	112.9	106.4	97.6	95.2

Source: SO SR.

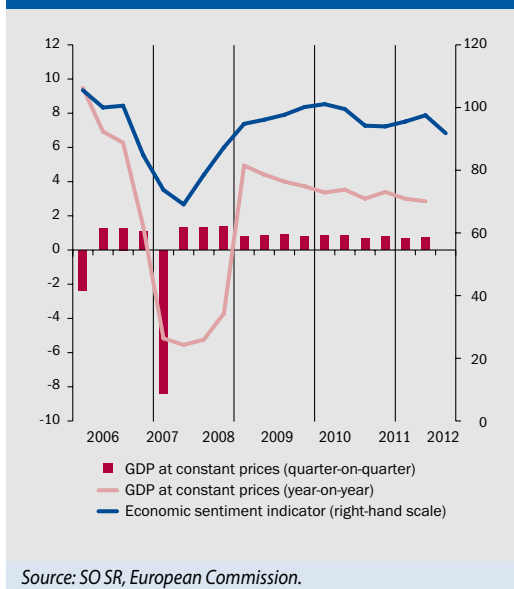
Note: 1) Value added tax, excise tax, import tax less subsidies.

to fall in volume. This was also confirmed by data on the state budget, indicating that VAT revenues (the largest component of taxes on products) were still lower than projected.

Broken down by sector¹⁰, the largest contribution to value added growth came from industry. Value added also increased somewhat in agriculture. In construction, however, value added continued to decline. Value added in trade was stagnant in that period.

Confidence in the economy, as measured by the economic sentiment indicator, continued to weaken in the second quarter of 2012. This, however, was not reflected in the rate of GDP growth, which slowed only slightly in comparison with the previous period. The weakening confidence in the economy in recent months and the negative trend in confidence in other euro area countries may lead to a further slowdown in economic growth in the period ahead.

¹⁰ Data on value added for the individual sectors are reported according to the NACE Rev.2 methodology (as of the first quarter of 2011).

Chart 44 Economic sentiment indicator and GDP (%)


GROSS NATIONAL INCOME

According to data from the Statistical Office of the Slovak Republic, gross national income (GNI)¹¹ at current prices increased in year-on-year terms by 3.5% in the second quarter of 2012. Compared with the previous period, the rate of growth decelerated by 0.6 percentage points. Gross national disposable income (GNDI), measured at current prices, increased by 3.3% year-on-year.

The smaller volume of GNI, compared with GDP, indicates that, in the second quarter of 2012, as in

the previous quarter, remittances from residents working abroad (employee compensation) 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). The slowdown in GNI growth was related to slower GDP growth and a smaller increase in remittances from residents working abroad.

WAGES AND LABOUR PRODUCTIVITY

The improved labour market situation in the first quarter proved to be a short-term trend; the second quarter witnessed a less favourable trend. The creation of new jobs stagnated and wages increased relatively slowly. Despite this, labour productivity growth still exceeded the growth in household incomes. The number of unemployed continued to increase in year-on-year terms, while employment stagnated, meaning that economic growth was not strong enough to create a sufficient number of vacancies for new job applicants.

The average monthly nominal wage of an employee in the Slovak economy increased in year-on-year terms by 1.5%, to €793 in the second quarter of 2012. The seasonally adjusted rate of nominal wage growth was only 0.1 percentage point faster than in the previous quarter. Owing to a rapid increase in consumer prices, real wages continued to decline year-on-year in the second quarter, at a faster pace than in the previous quarters.

Table 19 Comparison of GDP, GNI and GNDI (EUR millions; current prices)

Indicator	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product (GDP)	15,853	17,192	18,258	17,756	69,058	16,556	17,849
Gross national income (GNI)	15,586	16,915	17,878	17,374	67,753	16,223	17,501
Gross national disposable income (GNDI)	15,635	16,805	17,692	17,233	67,365	16,020	17,361
GDP – growth index	104.5	105.6	104.7	105.3	105.0	104.4	103.8
GNI – growth index	103.7	105.9	103.6	104.8	104.5	104.1	103.5
GNDI – growth index	104.1	106.5	104.0	104.9	104.9	102.5	103.3
GNI/GDP ratio in %	98.3	98.4	97.9	97.9	98.1	98.0	98.0
GNDI/GDP ratio in %	98.6	97.8	96.9	97.1	97.5	96.8	97.3

Source: SO SR; NBS calculations.

¹¹ 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 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 20 Average monthly wages and labour productivity in the Slovak economy (index: same period a year earlier = 100)

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Nominal wages (index)	102.9	103.0	102.5	100.5	102.2	103.2	101.5
Real wages	99.6	99.1	98.6	96.2	98.4	99.4	98.1
Labour productivity, at current prices	101.8	103.2	103.0	104.4	103.1	103.9	103.6
Labour productivity, at constant prices.	100.7	101.2	101.4	102.5	101.4	102.5	102.7
Real labour productivity – real wages (p.p.)	1.1	2.1	2.8	6.3	3.0	3.1	4.6
CPI (average for the period)	103.3	103.9	104.0	104.5	103.9	103.8	103.5

Source: SO SR, NBS calculations.

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

Chart 45 Real wages and labour productivity (%)



Source: SO SR, NBS calculations.

The most significant contribution to nominal wage growth (+4.7%) came from large enterprises with 20 or more employees, whereas wages in small enterprises dropped by 7.6%. The strongest nominal wage growth in the quarter under review occurred in real estate activities (6.4%) and health and social work activities (6.2%). The largest wage reduction was recorded in administrative services (-14%); professional, scientific and technical activities (-3.6%); and financial and insurance activities (-2.9%). The year-on-year rate of wage growth slowed in the majority of sectors, including industry and construction.

Labour productivity grew at a somewhat faster pace than in the previous quarter, owing to a marked slowdown in employment growth compared with GDP growth. Productivity continued to grow, while real wages declined.

Table 21 Average compensation per employee and labour productivity in the Slovak economy (ESA 95; index: same period a year earlier =100)

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Nominal compensation per employee	101.6	100.5	101.7	100.2	100.9	101.8	102.4
Real compensation per employee	97.9	96.7	98.0	96.5	97.2	97.4	98.7
Labour productivity, at current prices	102.2	103.3	102.9	104.5	103.2	103.8	103.6
Labour productivity, at constant prices	101.1	101.3	101.3	102.5	101.5	102.4	102.6
Real labour productivity – real compensation per employee (p.p.)	3.1	4.5	3.3	6.0	4.3	4.9	3.8
ULC nominal	100.6	99.2	100.4	97.7	99.4	99.4	99.4
Deflator of household final consumption	103.7	103.9	103.8	103.8	103.8	104.5	103.7

Source: SO SR; NBS calculations.

Note: Labour productivity is calculated from GDP figures and employment according to the ESA 95 methodology.



Table 22 Real labour productivity and compensation per employee in the second quarter of 2012 (index: same period a year earlier =100)

	Real labour productivity	Real compensation per employee
Economy in total	102.6	98.7
Agriculture and fishing	107.2	102.4
Industry	112.0	102.1
Construction	97.3	97.9
Wholesale & retail trade, repair of motor vehicles; transport and storage; accommodation and food service activities	100.7	97.5
Information and communication	105.6	96.7
Financial and insurance activities	93.0	95.2
Real estate activities	92.0	101.0
Professional, scientific and technical activities; administrative services	97.3	87.3
Public administration and defence; education and health	99.6	100.9
Arts, entertainment and recreation	94.8	98.0

Source: SO SR; NBS calculations.

The difference between their dynamics showed a tendency to increase in the period under review.

Nominal compensation per employee¹² (based on ESA 95 methodology) increased in the second quarter by 2.4%, representing an acceleration of 0.6 percentage point compared with the previous quarter. This was due to unchanged growth in overall compensation, accompanied by slower growth in the number of employees. Within the scope of employee compensation, wages and salaries showed weakening dynamics, as well as the average wages from statistical reports. Real compensation per employee fell by 1.3% year-on-year amid steeper price increases. In nominal terms, compensation per employee grew most rapidly in industry, agriculture and fishing, real estate activities, and public administration.

Labour productivity, calculated according to ESA 95, increased year-on-year by 3.6% in nominal terms and by 2.6% in real terms. The largest contribution to real labour productivity growth came from industry, agriculture and fishing, trade and related activities, information and communication.

Units labour costs, as defined in the ECB's methodology (ULC_{ECB}) and calculated as the ratio of growth in nominal compensation per

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



employee to growth in real labour productivity (GDP per total employment) based on ESA 95 data, decreased in year-on-year terms by 0.6% in the second quarter, as in the first quarter of 2012. Since wage growth has long been lagging behind labour productivity growth amid relatively steep price increases, there is still sufficient room for improvement in competitiveness.

¹² As defined by the Statistical Office of the Slovak Republic, employee compensation means remuneration paid by employers to employees.



INCOME AND EXPENDITURE OF HOUSEHOLDS

The current income of households increased in nominal terms by 3.6% year-on-year, to €14.7 billion in the second quarter of 2012. Compared with the first quarter of 2012, the rate of growth decelerated by 0.1 percentage point, mainly as a result of slower growth in gross wages and salaries, gross mixed income, and property income. Social benefits continued to grow dynamically in the quarter under review,

1.7 percentage points faster than in the previous quarter. They contributed 1.3 percentage points to households' income growth.

Current household expenditure (expenses paid to other sectors and not used for direct consumption) increased by 4.8% year-on-year, to €3.8 billion. The rate of growth accelerated by 4.3 percentage points compared with the first quarter of 2012. This acceleration was caused by faster growth in social contributions and, to a lesser extent, by growth in current taxes on income, property, etc.

Table 23 Generation and use of income in the household sector (at current prices)

Item	EUR billions		Same period a year earlier = 100 (%)		Percentage share	
	Q2 2011	Q2 2012	Q2 2011 Q2 2010	Q2 2012 Q2 2011	Q2 2011	Q2 2012
	Employment compensation (all sectors)	6.7	6.9	3.1	3.1	47.5	47.3
of which: gross wages and salaries	5.3	5.4	4.4	1.9	37.5	37.1
Gross mixed income	4.0	4.2	3.5	3.2	28.5	27.6
Property income – received	0.5	0.5	5.5	-4.9	3.8	3.3
Social benefits	2.3	2.5	1.7	8.1	16.4	18.5
Other current transfers – received	0.5	0.6	7.0	2.8	3.8	3.8
Current income in total	14.2	14.7	3.2	3.6	100.0	100.0
Property income – paid	0.1	0.1	3.7	-4.5	3.4	3.1
Current taxes on income, assets, etc.	0.5	0.5	7.3	6.5	13.1	13.3
Social contributions	2.4	2.6	1.0	5.7	66.9	67.4
Other current transfers – paid	0.6	0.6	0.5	1.7	16.6	16.1
Current expenditure in total	3.7	3.8	1.8	4.8	100.0	100.0
Gross disposable income	10.5	10.9	3.7	3.3	-	-
Adjustment arising from changes in the net assets of households in pension fund reserves	0.2	0.3	2.8	21.0	-	-
Household final consumption	9.6	9.9	3.8	3.4	-	-
Gross household savings	1.2	1.2	2.9	5.3	-	-

Source: SO SR.

Table 24 Gross disposable income (index: same period a year earlier = 100; constant prices)

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross disposable income	103.5	103.7	104.1	100.7	102.9	104.9	103.3
Household final consumption	103.5	103.8	102.9	103.4	103.4	104.4	103.4
Household gross savings	100.6	102.9	120.4	90.8	99.9	104.6	105.3
Gross savings as a share of gross disposable income (%)	5.3	10.9	10.6	19.2	11.9	5.3	11.2

Source: SO SR and NBS calculations.



The gross disposable income of households (current income less current expenditure) increased by 3.3% year-on-year, to €10.9 billion in the quarter under review. Households spent 91.4% of their disposable income on final consumption; the remainder went to gross savings, which increased by 5.3% year-on-year. The faster growth in savings compared with consumption caused the savings ratio (ratio of gross savings to gross disposable income) to reach a five-year high, at 11.2% in the second quarter of 2012.

the seasonally adjusted number of hours worked dropped to the level of the fourth quarter of 2011. This supports the view that employment is likely to experience a short-term revival only. The average length of the working week also decreased in quarter-on-quarter terms, by 0.4 of an hour.

In terms of structure, overall employment (LFS) in the second quarter of 2012 was favourably influenced by an increase in the number of

EMPLOYMENT AND UNEMPLOYMENT

Similar to household income, employment also recorded a slight decrease in its year-on-year dynamics compared with the previous period. According to statistical reports, as well as the methodology of national accounts (ESA 95), the rate of growth slowed by 0.4 percentage point year-on-year to 0.2%. Seasonally adjusted employment was stagnant in quarter-on-quarter terms. According to a labour force survey (LFS)¹³, the year-on-year dynamics of employment weakened to 0.7 %.

In the second quarter of 2012, employment expressed in terms of the number of hours worked decreased by 1.4% year-on-year, representing a deterioration in comparison with the previous quarter. Following an increase in the first quarter,

Chart 47 Number of employed people and of hours worked

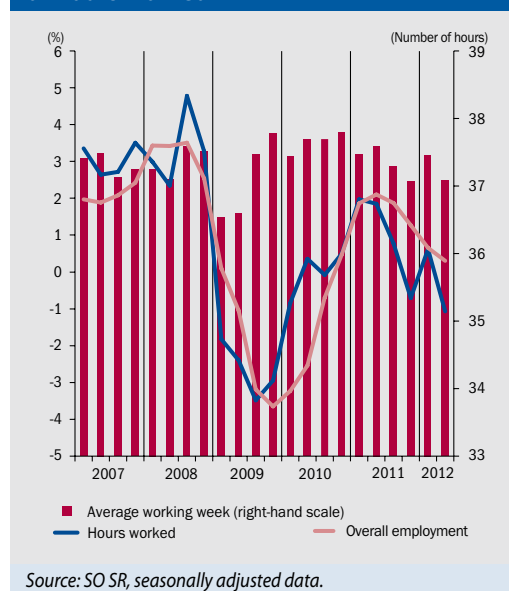


Table 25 Employment and unemployment (average for the period)

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Employment according to statistical reports ¹⁾ thousands of persons	2,185.6	2,200.6	2,190.0	2,194.0	2,192.6	2,197.7	2,204.5
index: same period a year earlier = 100	102.7	102.4	101.6	100.9	101.9	100.6	100.2
Employment according to a labour force survey thousands of persons	2,332.0	2,355.6	2,366.5	2,351.5	2,351.4	2,324.7	2,334.7
index: same period a year earlier = 100	102.1	101.9	101.3	100.5	101.5	101.2	100.7
Employment according to ESA 95 thousands of persons	2,198.4	2,211.2	2,216.1	2,207.5	2,208.3	2,212.2	2,216.4
index: same period a year earlier = 100	102.3	102.3	101.7	100.9	101.8	100.6	100.2
Unemployment according to a labour force survey thousands of persons	375.6	356.5	357.8	381.8	367.9	380.3	368.0
index: same period a year earlier = 100	92.3	91.8	93.3	101.2	94.6	102.2	104.2
Unemployment rate according to a labour force sample survey in %	13.9	13.1	13.1	14.0	13.5	14.1	13.6
Rate of registered unemployment in % ¹⁾	13.1	12.9	13.2	13.4	13.2	13.7	13.3

Source: SO SR.

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

¹³ The labour force survey (LFS) methodology works with data calculated on the basis of the population as at 1 January 2012 derived from the Census of Population, Houses and Apartments 2011; indices are calculated from comparable data.

**Table 26 Developments in employment by sector (ESA 95; index: same period a year earlier = 100)**

	2011					2012	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Economy in total	102.3	102.3	101.7	100.9	101.8	100.6	100.2
Agriculture and fishing	104.6	104.9	102.4	101.6	103.4	95.5	96.9
Industry	103.7	103.6	103.1	102.3	103.2	100.7	99.6
Construction	98.4	97.9	99.2	97.3	98.2	97.7	98.7
Wholesale and retail trade, repair of motor vehicles; transportation and storage; accommodation and food service activities	101.4	102.6	99.8	99.7	100.8	99.4	99.1
Information and communication	110.3	108.8	105.9	106.0	107.8	99.3	102.4
Financial and insurance activities	98.6	100.0	100.6	102.1	100.3	102.5	102.0
Real estate activities	116.6	106.6	113.0	104.8	110.1	103.6	110.6
Professional, scientific and technical activities; administrative services	109.0	106.8	108.8	106.6	107.8	110.6	107.8
Public administration and defence; education and health	99.4	99.1	99.2	98.8	99.1	99.4	98.8
Arts, entertainment and recreation	100.6	102.1	102.0	99.8	101.1	100.7	102.4

Source: SO SR.

employees (+0.8%), whereas the number of entrepreneurs decreased by 0.2% year-on-year.

Broken down by sector, growth in employment (ESA 95) in the second quarter of 2012 was driven by growing employment in information and communication, real estate activities, professional activities and administrative services, and in arts, entertainment and recreation. Other sectors recorded a decline in employment on a year-on-year basis.

According to a labour force survey, the number of unemployed increased by 4.2% year-on-year to 368,000 in the second quarter of 2012. This increase was also reflected in the rate of unemployment, which at 13.6% for the second quarter was 0.5 percentage point higher than the figure for the same period of 2011. The increase in the number of unemployed, accompanied by steady year-on-year growth in employment, resulted from the fact that the number of economically active persons increased by approximately 30,000 in that quarter, but roughly half of the increase was not absorbed by the labour market owing to the economic situation. The number of unemployed increased most significantly in public administration, defence and compulsory social security. According to the registers of Offices for Labour, Social Affairs and

Family, the average unemployment rate in the second quarter of 2012 stood at 13.3%.

FINANCIAL RESULTS FOR THE SECOND QUARTER OF 2012

According to preliminary data from the Statistical Office of the Slovak Republic, financial and non-financial corporations generated a total profit of €3,180.7 million in the second quarter of 2012. The profits made in this period were 0.6% lower than in the same period a year earlier (the first quarter saw an increase of 3.8%). The year-on-year decline in profitability took place in financial corporations, the profits of which dropped by 11.6% year-on-year to €452.0 million in the second quarter (after soaring by 35.5% in the first quarter). The profits of non-financial corporations rose by 1.5% in the second quarter, to €2,728.7 million (after falling by 2.6% in the first quarter).

In absolute terms, the profits of financial corporations fell in the second quarter by €59.6 million year-on-year (after rising by €159.4 million in the first quarter). The financial sector's lower profitability was mainly ascribable to monetary financial institutions, the profits of which fell by €66.8 million year-on-year. The lower



Table 27 Financial results (at current prices)

Profit / loss (before taxes)	Q2, 2011	Q2, 2012	$\frac{\text{Q2, 2012}}{\text{Q2, 2011}}$
	EUR millions	EUR millions	annual growth in %
Non-financial and financial corporations in total	3,200.0	3,180.7	-0.6
of which:			
Non-financial corporations	2,688.4	2,728.7	1.5
Financial corporations	511.6	452.0	-11.6
of which:			
NBS ¹⁾	76.0	141.6	86.2
Financial corporations, excluding NBS	435.6	310.4	-28.7

Source: SO SR and NBS.

1) Unaudited financial results.

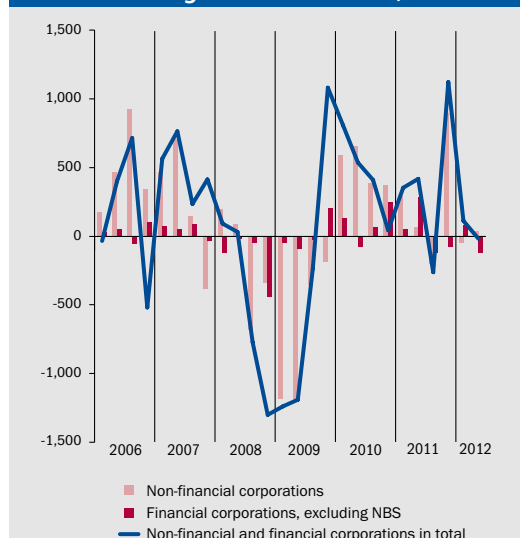
profits in the banking sector were compensated for by higher NBS profits (+€65.5 million). In absolute terms, a modest year-on-year rise in profits was reported by insurance corporations and pension funds (+€4.3 million) and other financial intermediaries (+€2.9 million).

The financial results of enterprises improved somewhat in the second quarter, when the profits of non-financial corporations rose by €40.3 million (after falling in the first quarter by €47.7 million). Profitability followed a positive trend in industry, where profits increased by €54.1 million (after plunging in the first quarter by €184.3 million). The same trend was

recorded in transportation and storage, as well as in information and communication, where profits rose by approximately €50 million. The second quarter saw a fall in corporate profits in real estate activities (-€89 million). In year-on-year terms, lower profits were also recorded in construction (a fall of €35.1 million).

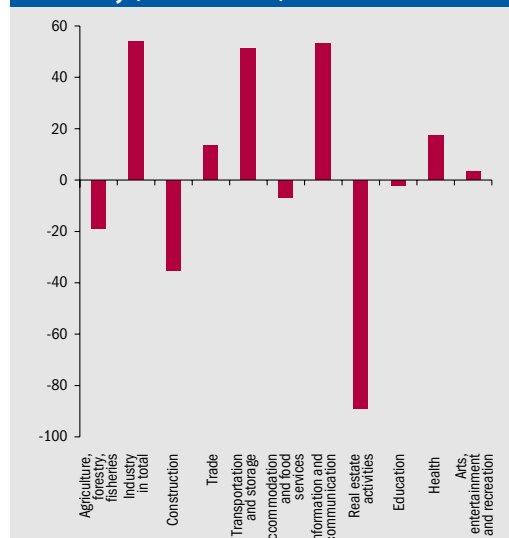
In industry, the favourable trend in corporate profitability in year-on-year terms was influenced in the second quarter by a year-on-year rise in profits in electricity and gas supply (+€98.4 million). Corporate profits in manufacturing continued to decline in the quarter under review, by €62.2 million year-on-year.

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



Source: SO SR and NBS.

Chart 49 Year-on-year absolute changes in corporate profits for Q2, 2012 by sector of economy (EUR millions)



Source: SO SR and NBS.



Table 28 Financial results (EUR millions, current prices)		
Financial results before tax	Q2, 2012	
	Volumes	Year-on-year change in absolute terms
Non-financial corporations in total	2,728.7	40.3
Agriculture, forestry, fisheries, hunting and fishing	-64.8	-19.0
Industry in total	1,409.2	54.1
<i>Mining and quarrying</i>	49.0	-3.1
<i>Manufacturing</i>	712.4	-62.2
Manufacture of foodstuffs, beverages and tobacco products	75.1	32.3
Manufacture of textiles and textile products	8.0	0.9
Manufacture of leather and leather products	5.0	-4.9
Manufacture of wood and wood products	-1.5	-6.7
Manufacture of paper and paper products, printing and reproduction of recorded media	30.5	0.8
Manufacture of coke and refined petroleum products	-38.3	-54.9
Manufacture of chemicals, chemical products and pharmaceuticals	17.0	-44.7
Manufacture of rubber and plastic products	75.2	20.5
Manufacture of other non-metal mineral products	40.1	-11.2
Manufacture of basic metals and metal products, except for machinery and equipment	139.1	20.9
Manufacture of computers, electronic, optical and electrical equipment	105.9	-30.2
Manufacture of machinery and equipment n.e.c.	49.8	1.5
Manufacture of motor vehicles, trailers and other transport equipment	173.0	14.6
Manufacture of furniture, other goods, repair and installation of machines and instruments	33.5	-0.7
<i>Electricity, gas, steam and air-conditioning supply</i>	610.6	98.4
<i>Water supply, sewerage, waste management and remediation</i>	37.3	21.0
Construction	233.0	-35.1
Wholesale and retail trade, repair of motor vehicles and motorcycles	478.0	13.4
Transportation and storage; post and telecommunications	181.9	51.2
Accommodation and food service activities	-5.8	-6.8
Information and communication	228.3	53.1
Real estate activities; professional, scientific and technical activities; administrative and support service activities	229.8	-89.0
Education	4.4	-2.3
Human health and social work activities	19.5	17.4
Arts, entertainment, recreation; other activities	15.0	3.2

Source: SO SR.



Chart 50 Year-on-year absolute changes in corporate profits for Q2, 2012 by branch of industry (EUR millions)

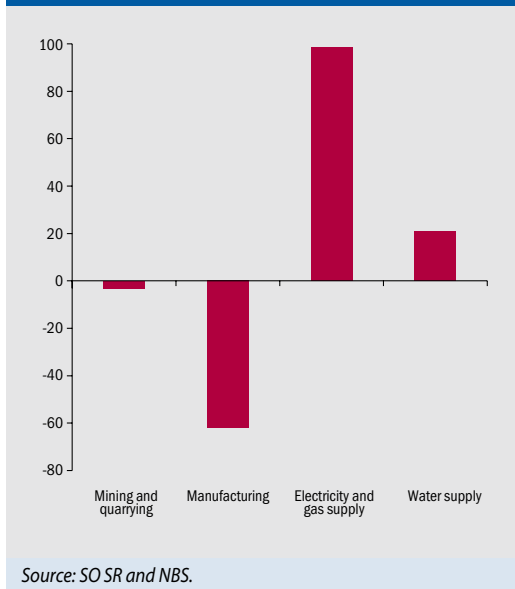
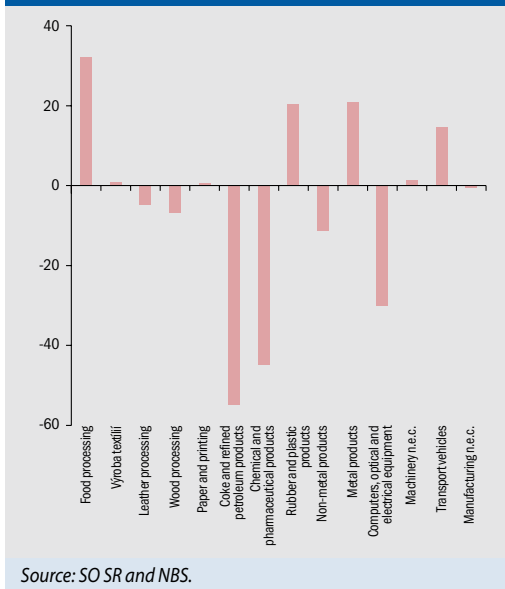


Chart 51 Year-on-year absolute changes in corporate profits for Q2, 2012 by branch of manufacturing (EUR millions)



The continuing year-on-year decline in manufacturing profits was influenced by a negative trend in the manufacture of coke and refined oil products, where a financial loss was recorded in the second quarter. A year-on-year fall in profits was recorded in the manufacture

of chemical and pharmaceutical products, as well as in the manufacture of computers, optical and electronic equipment. By contrast, profitability increased in year-on-year terms in food processing and in the manufacture of metal products.



COMMENTS ON THE QUARTERLY FINANCIAL ACCOUNTS FOR Q2 2012

QUARTERLY FINANCIAL ACCOUNTS (TRANSACTIONS) FOR Q2 2012

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 non-profit institutions serving households)* 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 quarterly financial accounts.

Table 29 The ESA 95 system – institutional sectors and sub-sectors

Non-financial corporations	S.11
Financial corporations	S.12
Central Bank	S.121
Other monetary financial institutions	S.122 (commercial banks and money market funds)
Other financial intermediaries	S.123 (other mutual funds, leasing, factoring, and hire purchase)
Financial auxiliaries	S.124 (PFMCs, SPMCs, IFs, SEs, CDs, MFMCs) ¹⁾
Insurance corporations and pension funds	S.125
General government	S.13
Central government	S.1311
Regional government	S.1312
Local government	S.1313
Social security funds	S.1314
Households	S.14
Non-profit institutions serving households (NPISHs)	S.15
Rest of the world (non-residents)	S.2
The European Union (EU)	S.21
The member countries of the EU	S.211
The EMU Member States and EU Institutions	S.212
Third countries and international organisations	S.22

Source: NBS.

¹⁾ PFMCs – pension funds management companies, SPMCs – supplementary pension management companies, IFs – investment firms, SE – stock exchange, CD – central depository, MFMCs – mutual fund management companies.



Table 30 The ESA 95 system – financial instruments

Monetary gold and special drawing rights	(A)F0.1 ¹⁾
Monetary gold	(A)F0.11
Special drawing rights (SDRs)	(A)F0.12
Currency and deposits	(A)F0.2
Currency	(A)F0.21
Transferable deposits	(A)F0.22
Other deposits	(A)F0.29
Securities other than shares	(A)F0.3
Securities other than shares, excluding financial derivatives	(A)F0.33
Short-term	(A)F0.331
Long-term	(A)F0.332
Financial derivatives	(A)F0.34
Loans	(A)F0.4
Short-term	(A)F0.41
Long-term	(A)F0.42
Shares and other equity	(A)F0.5
Shares and other equity, excluding mutual funds shares	(A)F0.51
Quoted shares	(A)F0.511
Unquoted shares	(A)F0.512
Other equity	(A)F0.513
Mutual funds shares	(A)F0.52
Insurance technical reserves	(A)F0.6
Net equity of households in life insurance reserves and in pension funds reserves	(A)F0.61
Net equity of households in pension funds reserves	(A)F0.611
Net equity of households in pension funds reserves	(A)F0.612
Prepayments of insurance payments and reserves for outstanding claims	(A)F0.62
Other accounts receivable/payable	(A)F0.7
Trade credits and advances	(A)F0.71
Other	(A)F0.79

Source: NBS.

1) Transactions have the F code.

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

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

16 The detailed classification of institutional sectors with codes assigned in accordance with the ESA 95 national accounts classification is shown on page 58.

Its utilisation within the domestic economy is analysed below.

Overall development

In the second quarter of 2012, the net debtor position of the Slovak economy increased slightly and therefore so did the net creditor position of the *rest of the world* sector¹⁴. The result was that net borrowing¹⁵ reached €9.5 billion. This negative result was caused by a higher increase in financial liabilities than in financial assets. Among institutional sectors¹⁶, the most significant contribution to this result

came from financial transactions in the sector of *general government* (S.13), where transactions on the liability side exceeded those on the asset side by €1.5 billion. By contrast, the best result in the second quarter of 2012 recorded *financial corporations* (S.12), with their creditor position increasing by €1.2 billion.

At the end of the second quarter of 2012, net financial assets of the domestic economy reached -€9.5 billion, meaning that the financial position of the economy as a percentage of GDP for the respective quarter deteriorated by 0.05%.



Chart 52 Net lending (+)/ borrowing (-) by sector in Q2/2012 (EUR billions)

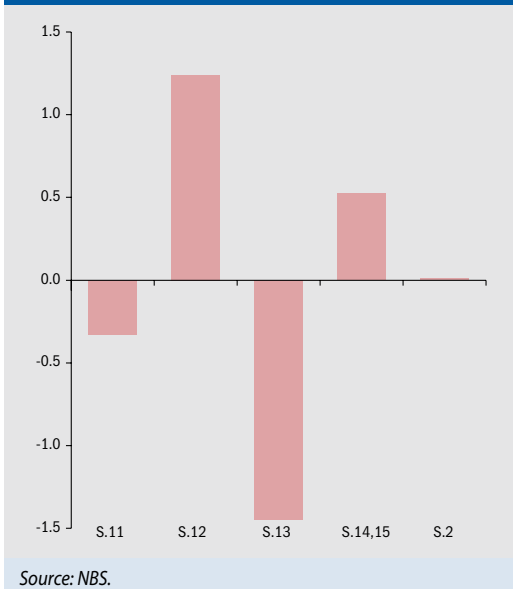
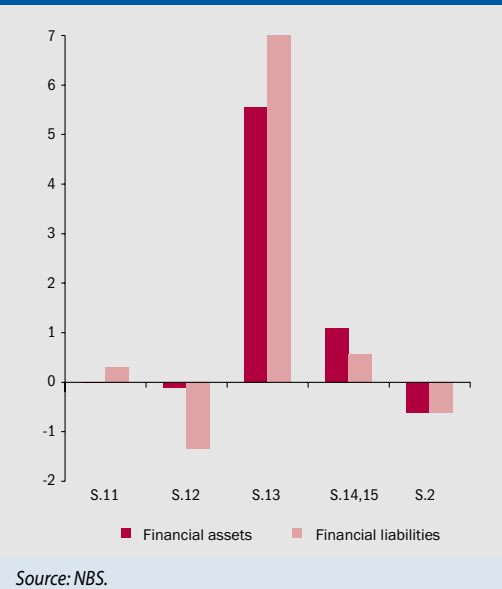


Chart 53 Financial transactions by sector in Q2/2012 (EUR billions)



QUARTERLY FINANCIAL ACCOUNTS BROKEN DOWN BY INSTITUTIONAL SECTOR

S.11 NON-FINANCIAL CORPORATIONS

The indebtedness of non-financial corporations increased as a result of a rise in financial

liabilities and a slight decrease in financial assets.

On the liability side of the S.11 balance sheet, the largest increase was in other accounts receivable (€0.9 billion) which included trade credits and

Chart 54 Net financial assets (transactions) as a share of GDP (quarterly data; %)

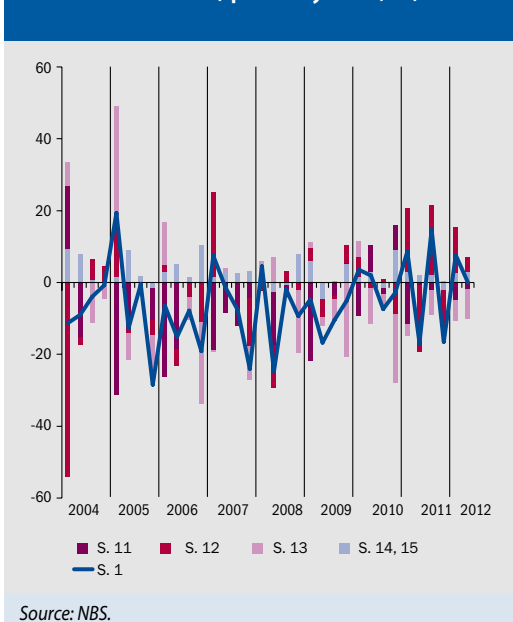


Chart 55 Financial assets and liabilities (transactions) of non-financial corporations by component in Q2/2012 (EUR billions)

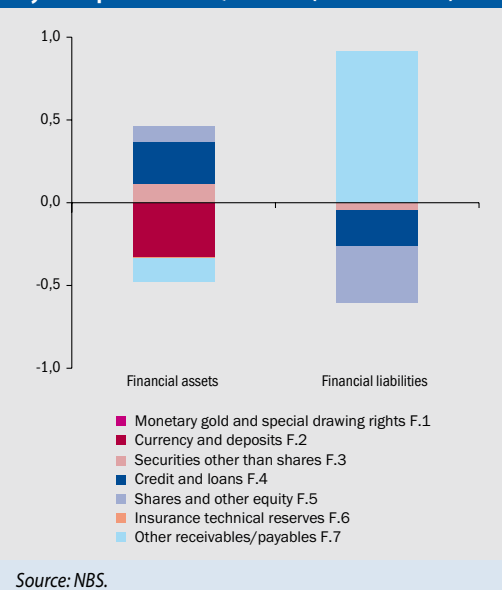


Chart 56 Financial assets (transactions) of non-financial corporations by sector in Q2/2012

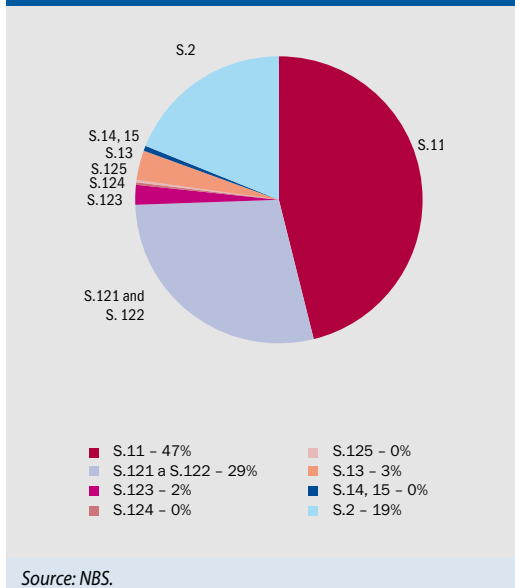
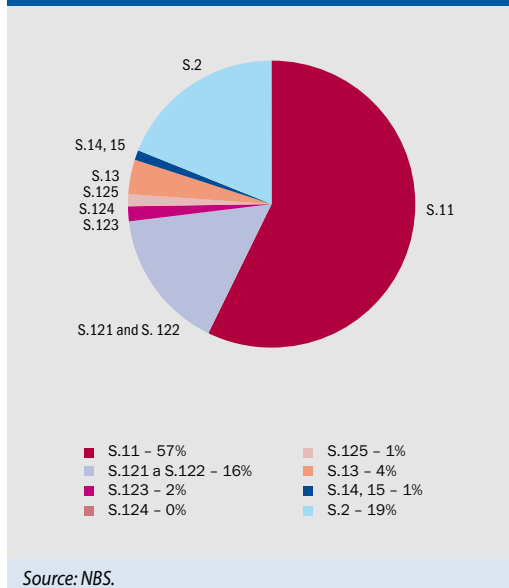


Chart 57 Financial liabilities (transactions) of non-financial corporations by sector in Q2/2012



advances. Short-term loans from non-residents also surged (€0.5 billion).

On the asset side, trade credits of enterprises to non-residents fell significantly by €0.7 billion and bank deposits declined by €0.4 billions.

S.12 FINANCIAL CORPORATIONS

The *financial corporations* sector (S.12) recorded net lending in the second quarter of 2012, mostly consisting of lending by commercial banks.

Chart 58 Net lending (+)/ borrowing (-) by financial corporations in Q2/2012 (EUR billions)

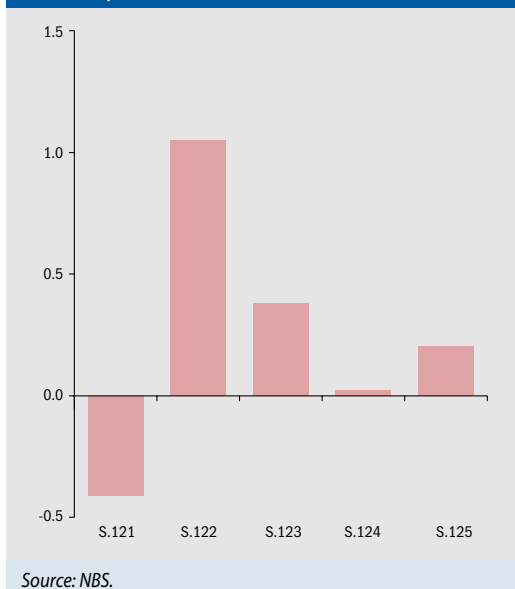
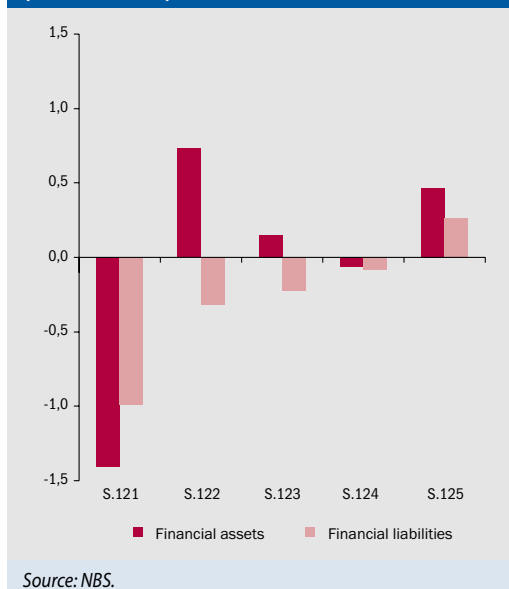


Chart 59 Financial transactions of financial corporations by sub-sector in Q2/2012 (EUR billions)





Overall transactions of the *central bank* sub-sector (S.121) were negative in net terms, since the decline in assets was larger than the decline in liabilities. The overall result of the central bank was determined mainly by declining holdings of long-term debt securities issued by non-residents (€1.6 billion) and by a fall in transferable deposits from non-residents (€2.8 billion). On the liability side, other deposits from central government increased to €1.5 billion.

In the sub-sector of *other monetary financial institutions* (S.122), net lending reached €1.0 billion as assets increased and liabilities declined. The asset growth was mostly attributable to an increase (of €0.8 billion) in holdings of long-term debt securities issued by the Slovak government, in long-term loans to households (€0.5 billion) and in holdings of domestic Treasury bills (€0.3 billion).

The declines on the liability side of the banking sector balance sheet were predominantly in deposits from non-residents (€0.8 billion).

In the sub-sector of *other financial intermediaries* (S.123), assets increased and liabilities declined. The largest rises on the asset side were in deposits held with domestic banks (up by €0.2 billion in total) and in short-term loans to households (€0.04 billion). On the liability side, loans from non-residents recorded the most pronounced decline (€0.3 billion).

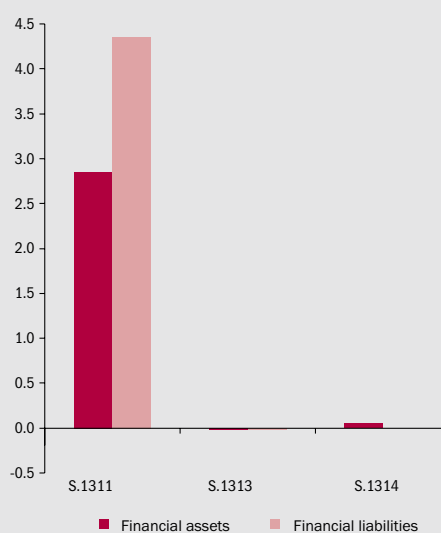
Net transactions of *financial auxiliaries* (S.124) achieved a positive balance due to a lower decline in assets than in liabilities. The result in the S.124 sub-sector was determined mainly by unquoted shares held by domestic banks, which fell by €0.05 billion.

The balance sheet of *insurance corporations and pension funds* (S.125) improved as the increase in assets exceeded the increase in liabilities. The largest liability item in this sub-sector was pension savings obtained from households, which amounted to €0.2 billion. The largest increase on the asset side was in domestic government bond holdings (€0.5 billion) and foreign bond holdings (€0.2 billion).

S.13 GENERAL GOVERNMENT

The *general government* sector increased its debtor position by €1.5 billion during the

Chart 60 Financial transactions of the general government by sub-sector in Q2/2012 (EUR billions)



Source: NBS.

second quarter of 2012, to which the sub-sector of *central government* (S.1311) made the largest negative contribution (€1.5 billion). Two other sub-sectors of *local government* (S.1313) and *social security funds* (S.1314) reported an almost balanced position.

The overall result of the *central government* sub-sector was determined mainly by a rise in debt securities issued (bonds of €2.2 billion and Treasury bills of €0.3 billion).

The asset item in the S.1311 sub-sector that recorded the highest growth was deposits with central bank (€1.5 billion).

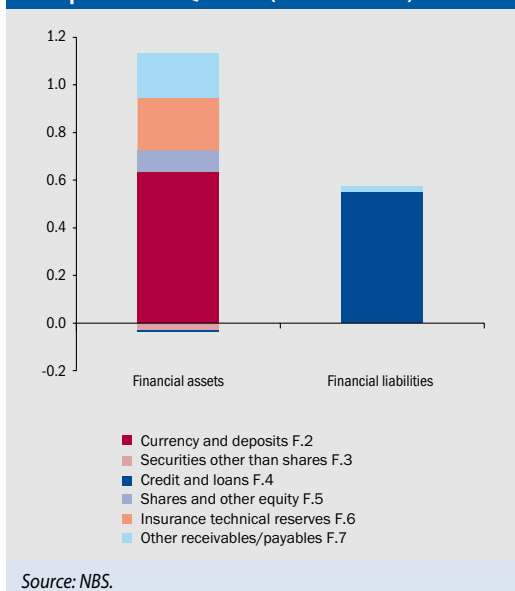
The balanced position of the *local government* sector resulted from a decline in assets and liabilities, both at around the same level (€0.02 billion). The largest movements in the second quarter were recorded in loans from banks that declined and in loans from central government that, by contrast, rose.

S.14,15 HOUSEHOLDS AND NPISHs

The sector of *households (including non-profit institutions serving households)* increased its overall creditor position in the second quarter of 2012 as the rise in its financial assets exceeded the rise in its financial liabilities.



Chart 61 Financial assets and liabilities (transactions) of households and NPISH by component in Q/2012 (EUR billions)



Source: NBS.

The increase on the asset side was accounted for by rises in deposits with banks (€0.5 billion) and pension fund savings (€0.2 billion).

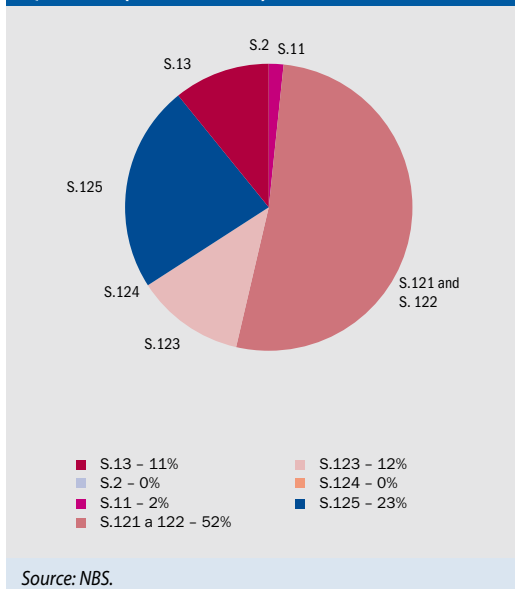
The rise in liabilities resulted mostly from households taking on more debt in the form of long-term loans from banks (€0.5 billion).

S.2 REST OF THE WORLD

The overall creditor position of the *rest of the world* sector in relation to the national sectors increased due to a larger decline in liabilities than in assets.

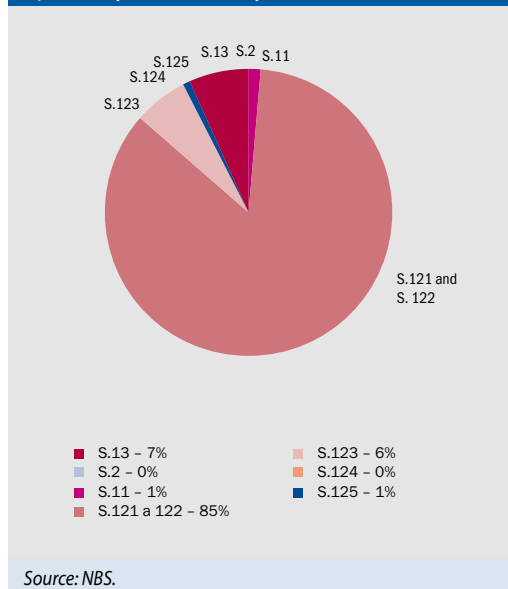
The main factor in the *rest of the world* sector assets development was the fall in deposits held with banks (€2.9 billion), largely owing to settlement claims in the TARGET2 system (-€2.8 billion). On the liability side, long-term debt securities held by banks recorded the largest decline (€1.8 billion).

Chart 62 Financial assets (transactions) of households and NPISH by component in Q2/2012 (EUR billions)



Source: NBS.

Chart 63 Financial liabilities (transactions) of households and NPISH by component in Q/2012 (EUR billions)



Source: NBS.



STATISTICS



1 OVERVIEW OF MAIN MACROECONOMIC INDICATORS FOR THE SR

Table 1 Selected economic and monetary indicators for the SR

(annual percentage changes, unless otherwise indicated)

	Gross domestic product	HICP	Industrial producer prices	Employment ESA 95	Unemployment rate (%)	Industrial production index	Total receipts of sectors	Economic sentiment indicator (long-term average =100)	M3 for analytical purposes ¹⁾	Loans to non-financial corporations	Loans to households	State budget balance (EUR mil.)	General government balance as % of GDP	Debt ratio (general government gross debt as % of GDP)	Current account (% GDP)	Balance of trade (% GDP)	USD/EUR exchange rate
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2008	5.9	3.9	6.1	3.2	9.6	3.0	-	97.6	4.9	15.5	25.3	-703.8	-2.1	27.9	-6.02	-1.13	1.4708
2009	-4.9	0.9	-2.5	-2.0	12.1	-14.1	-18.6	76.6	-2.8	-3.3	11.0	-2,791.3	-8.0	35.6	-2.59	1.51	1.3948
2010	4.2	0.7	-2.8	-1.5	14.4	18.3	7.9	97.4	7.8	1.6	12.5	-4,436.1	-7.7	41.1	-2.49	1.18	1.3257
2011	3.3	4.1	2.7	1.8	13.5	7.2	8.6	97.4	2.9	7.6	11.1	-3,275.3	-4.8	43.3	0.06	3.54	1.3920
2011 Q3	3.0	4.1	2.2	1.7	13.1	5.0	7.5	94.3	7.0	8.7	12.3	-2,158.9	-	-	-1.03	3.10	1.4127
2011 Q4	3.4	4.7	2.8	0.9	14.0	3.6	5.8	94.0	2.9	7.6	11.1	-3,275.3	-	-	1.55	5.25	1.3482
2012 Q1	3.0	4.0	3.6	0.6	14.1	9.3	8.6	95.5	5.3	4.7	11.1	-1,155.4	-	-	2.25	4.61	1.3108
2012 Q2	2.8	3.6	4.0	0.2	13.6	12.8	5.1	97.5	4.2	0.2	9.9	-2,325.7	-	-	2.65	5.41	1.2814
2012 Q3	.	.	.	.	.	.	.	92.1	.	.	.	.	.	.	.	.	.
2011 Aug.	-	4.1	2.0	-	13.1	4.3	9.5	96.7	7.3	9.2	12.6	-2,022.2	-	-	-	-	1.4343
2011 Sep.	-	4.4	2.4	-	13.4	7.1	7.8	93.0	7.0	8.7	12.3	-2,158.9	-	-	-	-	1.3770
2011 Oct.	-	4.6	3.0	-	13.3	7.6	7.4	93.0	6.7	6.3	12.2	-2,341.3	-	-	-	-	1.3706
2011 Nov.	-	4.8	3.1	-	13.3	1.1	5.7	94.9	6.6	4.9	11.8	-2,665.4	-	-	-	-	1.3556
2011 Dec.	-	4.6	2.4	-	13.6	2.1	4.2	94.2	2.9	7.6	11.1	-3,275.3	-	-	-	-	1.3179
2012 Jan.	-	4.1	2.7	-	13.7	4.9	7.4	95.6	2.2	5.3	11.6	97.9	-	-	-	-	1.2905
2012 Feb.	-	4.0	3.8	-	13.8	9.8	10.7	93.0	3.7	4.8	11.5	-846.0	-	-	-	-	1.3224
2012 Mar.	-	3.9	4.2	-	13.7	12.9	7.8	97.9	5.5	4.7	11.1	-1,155.4	-	-	-	-	1.3201
2012 Apr.	-	3.7	3.8	-	13.4	13.1	5.1	98.9	5.3	4.0	10.8	-1,171.1	-	-	-	-	1.3162
2012 May	-	3.4	4.2	-	13.2	12.3	5.1	97.4	6.3	3.4	10.4	-2,159.5	-	-	-	-	1.2789
2012 June	-	3.7	4.0	-	13.3	13.0	5.1	96.2	4.2	0.2	9.9	-2,325.7	-	-	-	-	1.2526
2012 July	-	3.8	3.6	-	13.3	18.5	9.7	92.2	5.6	0.8	10.1	-2,238.5	-	-	-	-	1.2288
2012 Aug.	-	3.8	.	-	.	.	.	91.8	.	.	.	-2,675.5	-	-	-	-	1.2400
2012 Sep.	-	.	.	-	.	.	.	92.4	.	.	.	.	-	-	-	-	.

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

1) Currency in circulation in M3 refers to money held by the public (according to methodology in place prior to 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 ¹⁾	2.75	0.75	3.00	0.00	-	-	3.25	-1.25
22.1.1999	2.00	-0.75	3.00	0.00	-	-	4.50	1.25
9.4.1999	1.50	-0.50	2.50	-0.50	-	-	3.50	-1.00
5.11.1999	2.00	0.50	3.00	0.50	-	-	4.00	0.50
4.2.2000	2.25	0.25	3.25	0.25	-	-	4.25	0.25
17.3.2000	2.50	0.25	3.50	0.25	-	-	4.50	0.25
28.4.2000	2.75	0.25	3.75	0.25	-	-	4.75	0.25
9.6.2000	3.25	0.50	4.25	0.50	-	-	5.25	0.50
28.6.2000 ²⁾	3.25	0.00	-	-	4.25	0.00	5.25	0.00
1.9.2000	3.50	0.25	-	-	4.50	0.25	5.50	0.25
6.10.2000	3.75	0.25	-	-	4.75	0.25	5.75	0.25
11.5.2001	3.50	-0.25	-	-	4.50	-0.25	5.50	-0.25
31.8.2001	3.25	-0.25	-	-	4.25	-0.25	5.25	-0.25
18.9.2001 ³⁾	2.75	-0.50	-	-	3.75	-0.50	4.75	-0.50
9.11.2001	2.25	-0.50	-	-	3.25	-0.50	4.25	-0.50
6.12.2002	1.75	-0.50	-	-	2.75	-0.50	3.75	-0.50
7.3.2003	1.50	-0.25	-	-	2.50	-0.25	3.50	-0.25
6.6.2003	1.00	-0.50	-	-	2.00	-0.50	3.00	-0.50
6.12.2005	1.25	0.25	-	-	2.25	0.25	3.25	0.25
8.3.2006	1.50	0.25	-	-	2.50	0.25	3.50	0.25
15.6.2006	1.75	0.25	-	-	2.75	0.25	3.75	0.25
9.8.2006	2.00	0.25	-	-	3.00	0.25	4.00	0.25
11.10.2006	2.25	0.25	-	-	3.25	0.25	4.25	0.25
13.12.2006	2.50	0.25	-	-	3.50	0.25	4.50	0.25
14.3.2007	2.75	0.25	-	-	3.75	0.25	4.75	0.25
13.6.2007	3.00	0.25	-	-	4.00	0.25	5.00	0.25
9.7.2008	3.25	0.25	-	-	4.25	0.25	5.25	0.25
8.10.2008	2.75	-0.50	-	-	-	-	4.75	-0.50
9.10.2008 ⁴⁾	3.25	0.50	-	-	-	-	4.25	-0.50
15.10.2008 ⁵⁾	3.25	0.00	3.75	-0.50	-	-	4.25	0.00
12.11.2008	2.75	-0.50	3.25	-0.50	-	-	3.75	-0.50
10.12.2008	2.00	-0.75	2.50	-0.75	-	-	3.00	-0.75
21.1.2009	1.00	-1.00	2.00	-0.50	-	-	3.00	0.00
11.3.2009	0.50	-0.50	1.50	-0.50	-	-	2.50	-0.50
8.4.2009	0.25	-0.25	1.25	-0.25	-	-	2.25	-0.25
13.5.2009	0.25	0.00	1.00	-0.25	-	-	1.75	-0.50
13.4.2011	0.50	0.25	1.25	0.25	-	-	2.00	0.25
13.7.2011	0.75	0.25	1.50	0.25	-	-	2.25	0.25
9.11.2011	0.50	-0.25	1.25	-0.25	-	-	2.00	-0.25
14.12.2011	0.25	-0.25	1.00	-0.25	-	-	1.75	-0.25
11.7.2012	0.00	-0.25	0.75	-0.25	-	-	1.50	-0.25

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
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 Dec.	0.37	1.97	2.52	2.82	0.71	1.52	0.15	0.76	2.74	3.05	-
2011 Aug.	0.39	1.58	3.04	3.06	1.07	1.67	0.19	1.30	2.99	5.93	-
2011 Sep.	0.39	1.78	3.02	3.09	1.07	1.65	0.29	1.32	2.62	3.09	-
2011 Oct.	0.38	2.00	3.13	3.36	1.04	1.65	0.22	1.32	2.70	3.22	-
2011 Nov.	0.39	1.88	2.94	3.46	1.04	1.65	0.18	1.19	2.15	3.46	-
2011 Dec.	0.41	1.92	3.19	3.69	1.04	1.65	0.15	1.00	2.44	4.38	1.25
2012 Jan.	0.42	2.16	3.45	3.60	1.08	1.69	0.13	1.00	2.36	3.70	-
2012 Feb.	0.42	2.29	3.48	3.56	1.06	1.69	0.13	0.81	2.07	3.32	-
2012 Mar.	0.43	2.28	3.42	3.23	1.06	1.71	0.12	0.69	2.61	3.80	-
2012 Apr.	0.46	2.24	3.47	3.29	0.94	1.74	0.12	0.62	2.17	3.44	-
2012 May	0.46	2.07	3.31	3.52	0.95	1.73	0.13	0.51	2.28	3.10	-
2012 June	0.46	2.09	2.94	3.26	0.94	1.75	0.12	0.54	2.24	2.28	-
2012 July	0.45	2.34	3.00	3.12	0.91	1.74	0.10	0.57	1.04	2.75	-

Interest rates on loans to households (new business)

(percentages per annum)

	Total ²⁾	Current account overdrafts and credit cards	Consumer loans					Loans for house purchase					Other loans			
			Total	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years	Annual percentage rate of charge	Total	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years and up to 10 years	IRF ¹⁾ of over 10 years	Annual percentage rate of charge	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
2007 Dec.	7.52	14.34	13.23	10.08	16.20	14.12	14.91	6.06	5.80	6.16	7.34	7.41	6.40	6.65	6.93	6.77
2008 Dec.	7.92	14.36	13.83	7.70	15.49	15.20	15.37	6.49	6.31	6.45	7.11	7.92	6.75	6.11	7.01	6.72
2009 Dec.	7.42	14.35	13.90	7.11	15.47	15.18	15.71	5.53	5.26	5.57	8.19	10.29	5.79	5.46	6.46	4.46
2010 Dec.	6.74	14.37	13.17	7.56	15.13	13.60	15.35	4.81	4.74	4.68	6.01	7.70	5.07	4.95	5.16	5.42
2011 Aug.	6.67	14.09	14.00	13.21	15.10	13.63	16.32	4.76	4.85	4.65	5.68	5.05	5.34	5.69	5.63	6.18
2011 Sep.	6.87	14.07	14.08	14.35	15.20	13.66	16.59	4.89	4.82	4.81	5.91	5.74	5.30	6.39	5.77	5.07
2011 Oct.	6.87	14.04	14.16	14.53	15.40	13.69	16.65	5.02	4.99	4.93	5.84	6.42	5.30	6.18	5.64	6.44
2011 Nov.	7.33	13.97	14.30	13.72	15.48	14.00	16.17	4.98	4.91	4.86	5.88	6.44	5.28	6.64	5.78	5.10
2011 Dec.	7.03	13.86	14.22	14.90	15.50	13.81	16.80	4.98	4.92	4.85	5.84	5.73	5.27	6.00	5.66	6.59
2012 Jan.	7.81	13.94	14.30	14.34	15.49	13.91	16.05	5.13	5.13	5.12	6.19	6.50	5.47	6.83	5.58	5.29
2012 Feb.	7.85	13.86	14.73	14.10	16.11	14.43	17.21	5.06	5.02	4.97	6.11	6.43	5.40	6.14	5.65	5.39
2012 Mar.	7.13	13.73	13.98	12.40	15.48	13.72	16.46	4.81	4.77	4.77	7.37	5.75	5.36	6.47	5.56	5.63
2012 Apr.	6.83	13.94	13.91	11.46	15.30	13.84	16.39	4.68	4.53	4.65	6.70	5.66	5.41	5.61	5.71	4.88
2012 May	6.79	13.96	13.95	11.89	15.10	13.86	16.30	4.67	4.62	4.62	7.35	5.85	5.44	5.95	5.60	6.80
2012 June	6.60	13.82	14.00	13.27	15.37	13.63	16.53	4.62	4.46	4.59	7.05	6.11	5.27	5.56	5.79	4.28
2012 July	6.99	13.73	14.03	14.07	15.54	13.55	16.59	4.77	4.80	4.66	6.92	6.36	5.37	4.42	5.73	5.08

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.

**Table 3 Interest rates on loans and deposits (new business)**Interest rates on loans to non-financial corporations (new business)
(percentages per annum)

	Total ²⁾	Current account overdrafts and credit cards	Loans of up to EUR 1 million			Loans of over EUR 1 million		
			Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years	Floating rate and IRF ¹⁾ of up to 1 year	IRF ¹⁾ of over 1 year and up to 5 years	IRF ¹⁾ of over 5 years
	1	2	3	4	5	6	7	8
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 Dec.	3.15	3.56	4.02	5.01	4.60	3.30	2.95	5.43
2011 Aug.	3.40	3.76	4.52	4.93	4.29	3.41	3.66	2.83
2011 Sep.	3.29	3.88	4.69	5.24	4.27	3.13	2.34	2.51
2011 Oct.	3.36	3.86	4.73	4.82	5.50	3.33	5.35	5.21
2011 Nov.	3.19	3.75	4.70	5.03	5.32	3.09	3.35	-
2011 Dec.	3.16	3.69	4.44	4.45	5.39	3.61	4.37	-
2012 Jan.	2.49	3.47	4.18	4.42	4.18	2.29	-	4.34
2012 Feb.	2.56	3.29	4.39	4.36	5.07	2.30	2.23	5.75
2012 Mar.	2.73	3.19	4.26	5.59	4.94	2.48	2.27	5.27
2012 Apr.	2.82	3.11	4.33	4.68	6.23	2.40	8.28	4.50
2012 May	3.12	3.12	4.51	4.25	4.78	3.40	10.00	7.01
2012 June	2.74	3.16	4.11	3.78	4.94	2.63	5.03	7.10
2012 July	2.46	3.02	3.86	4.46	4.49	2.41	5.62	3.45

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.



Table 4 Monetary aggregates and counterparts of M3¹⁾

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

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

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

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

					M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents	Loans	Net external assets	
	Currency	M1	M2-M1	M2							M3-M2
	1	2	3	4	5	6	7	8	9	10	11
	Outstanding amounts										
2008	1,427	19,096	16,914	36,010	1,067	37,078	2,212	15,083	30,866	29,996	976
2009	6,984	24,478	13,344	37,821	1,050	38,872	1,999	13,794	32,341	30,259	5,302
2010	7,324	26,443	12,325	38,768	1,809	40,578	2,778	16,122	33,574	31,704	5,815
2011	7,667	26,770	13,526	40,296	547	40,843	4,580	16,220	36,371	34,444	4,264
2011 Q3	7,489	25,377	14,272	39,648	1,423	41,071	3,835	16,063	35,977	34,113	3,095
2011 Q4	7,667	26,770	13,526	40,296	547	40,843	4,580	16,220	36,371	34,444	4,264
2012 Q1	7,485	25,749	15,166	40,916	419	41,334	6,155	16,574	36,839	34,676	2,303
2012 Q2	7,711	26,200	15,098	41,297	346	41,644	6,893	16,349	36,870	34,862	3,701
2011 Aug.	7,432	25,411	14,548	39,959	1,463	41,422	3,885	15,620	35,925	34,041	3,400
2011 Sep.	7,489	25,377	14,272	39,648	1,423	41,071	3,835	16,063	35,977	34,113	3,095
2011 Oct.	7,556	25,420	14,135	39,555	1,393	40,948	3,929	16,351	36,103	34,210	4,171
2011 Nov.	7,601	25,637	14,335	39,972	1,313	41,285	3,898	16,563	36,372	34,415	3,759
2011 Dec.	7,667	26,770	13,525	40,295	547	40,842	4,596	16,220	36,370	34,442	4,264
2012 Jan.	7,473	25,807	14,307	40,115	443	40,557	5,150	16,924	36,575	34,663	3,229
2012 Feb.	7,467	26,056	14,496	40,552	442	40,994	5,711	17,157	36,682	34,682	2,759
2012 Mar.	7,485	25,749	15,166	40,916	419	41,334	6,155	16,574	36,839	34,676	2,303
2012 Apr.	7,525	25,666	15,521	41,187	386	41,573	6,696	16,959	37,037	34,938	2,386
2012 May	7,627	26,267	15,698	41,966	381	42,347	6,784	16,794	37,147	35,067	2,688
2012 June	7,711	26,200	15,098	41,297	346	41,644	6,893	16,349	36,870	34,862	3,701
2012 July	7,750	26,626	15,057	41,683	336	42,019	7,433	16,572	37,174	35,257	4,564

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												
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
2011	9,393.7	7,035.7	2,239.1	86.9	31.6	0.1	25,226.8	10,145.1	8,166.1	5,658.2	500.7	756.7
2011 Q3	9,332.9	6,065.4	3,114.6	117.7	34.8	0.4	24,582.9	10,306.3	7,781.3	5,178.5	541.6	775.3
2011 Q4	9,393.7	7,035.7	2,239.1	86.9	31.6	0.1	25,226.8	10,145.1	8,166.1	5,658.2	500.7	756.7
2012 Q1	9,363.6	6,453.7	2,772.9	98.6	38.3	0.2	25,664.5	10,161.9	8,582.5	5,714.4	473.4	732.3
2012 Q2	9,005.4	6,477.6	2,389.6	100.3	37.7	0.2	26,013.0	10,373.2	8,716.4	5,686.2	518.7	718.5
2011 Aug.	9,776.3	6,090.8	3,532.3	118.0	34.9	0.4	24,542.7	10,388.0	7,684.3	5,139.8	546.1	784.5
2011 Sep.	9,332.9	6,065.4	3,114.6	117.7	34.8	0.4	24,582.9	10,306.3	7,781.3	5,178.5	541.6	775.3
2011 Oct.	9,012.3	6,100.5	2,762.9	119.1	29.4	0.4	24,601.2	10,160.0	7,880.3	5,271.4	524.7	764.8
2011 Nov.	9,234.2	6,284.6	2,810.2	111.5	27.5	0.3	24,686.1	10,094.1	7,975.3	5,350.0	510.0	756.7
2011 Dec.	9,393.7	7,035.7	2,239.1	86.9	31.6	0.1	25,226.8	10,145.1	8,166.1	5,658.2	500.7	756.7
2012 Jan.	8,836.6	6,335.4	2,372.0	94.6	34.1	0.2	25,369.5	10,162.4	8,328.0	5,666.4	467.7	745.1
2012 Feb.	9,251.8	6,412.0	2,707.7	97.5	34.1	0.2	25,676.3	10,242.1	8,525.7	5,706.4	463.1	738.9
2012 Mar.	9,363.6	6,453.7	2,772.9	98.6	38.3	0.2	25,664.5	10,161.9	8,582.5	5,714.4	473.4	732.3
2012 Apr.	9,512.3	6,328.2	3,049.6	99.2	35.1	0.2	25,794.3	10,198.7	8,664.7	5,719.7	484.0	727.2
2012 May	9,813.9	6,652.3	3,023.0	100.0	38.5	0.2	25,859.0	10,226.7	8,692.5	5,718.7	498.4	722.7
2012 June	9,005.4	6,477.6	2,389.6	100.3	37.7	0.2	26,013.0	10,373.2	8,716.4	5,686.2	518.7	718.5
2012 July	9,050.2	6,708.3	2,180.3	101.0	60.4	0.2	26,060.3	10,390.5	8,756.7	5,668.8	531.3	713.1
Transactions												
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
2011	-651.9	81.2	-736.8	-14.9	18.5	-0.2	1,578.0	-317.6	1,123.6	894.8	-56.5	-66.3
2011 Q3	-153.2	-397.3	237.7	5.3	1.1	0.0	242.5	-145.4	360.8	65.4	-29.0	-9.2
2011 Q4	60.8	970.3	-875.5	-30.9	-3.2	-0.2	643.9	-161.2	384.9	479.8	-41.0	-18.6
2012 Q1	-30.0	-582.1	533.8	11.7	6.7	0.0	437.7	16.8	416.3	56.2	-27.2	-24.4
2012 Q2	-358.2	23.9	-383.3	1.7	-0.6	0.0	348.5	211.3	133.9	-28.2	45.3	-13.8
2011 Aug.	691.9	95.6	597.2	0.4	-1.2	0.0	76.5	-40.2	126.0	8.6	-21.5	3.6
2011 Sep.	-443.5	-25.4	-417.7	-0.2	-0.2	0.0	40.2	-81.8	96.9	38.7	-4.5	-9.2
2011 Oct.	-320.6	35.1	-351.7	1.3	-5.3	0.0	18.3	-146.3	99.1	92.9	-16.9	-10.4
2011 Nov.	221.9	184.1	47.3	-7.6	-1.9	0.0	84.9	-65.8	94.9	78.6	-14.7	-8.2
2011 Dec.	159.5	751.2	-571.1	-24.6	4.1	-0.2	540.7	51.0	190.9	308.2	-9.3	0.0
2012 Jan.	-557.1	-700.3	132.9	7.8	2.5	0.0	142.6	17.2	161.8	8.2	-33.0	-11.6
2012 Feb.	415.2	76.6	335.6	2.9	0.1	0.0	306.8	79.7	197.8	40.0	-4.6	-6.2
2012 Mar.	111.9	41.6	65.3	1.1	4.2	0.0	-11.7	-80.2	56.7	8.0	10.3	-6.6
2012 Apr.	148.7	-125.5	276.7	0.6	-3.2	0.0	129.8	36.9	82.2	5.3	10.6	-5.1
2012 May	301.6	324.1	-26.6	0.8	3.4	0.0	64.6	28.0	27.8	-1.0	14.3	-4.5
2012 June	-808.5	-174.7	-633.4	0.4	-0.8	0.0	154.1	146.5	23.9	-32.5	20.3	-4.1
2012 July	44.8	230.8	-209.3	0.6	22.7	0.0	47.3	17.3	40.2	-17.4	12.6	-5.4

Source: NBS.

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



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											
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
2011	-6.5	1.2	-24.8	-14.6	140.8	-62.1	6.7	-3.0	16.0	18.8	-10.1	-8.1
2011 Q3	5.6	-2.5	22.9	81.5	87.1	-5.6	6.5	2.2	8.0	17.2	-1.4	-4.1
2011 Q4	-6.5	1.2	-24.8	-14.6	140.8	-62.1	6.7	-3.0	16.0	18.8	-10.1	-8.1
2012 Q1	-0.4	3.8	-9.0	-9.2	67.2	-56.6	7.3	-1.6	17.5	15.9	-13.7	-9.9
2012 Q2	-5.1	0.2	-16.9	-10.7	12.1	-58.6	6.9	-0.8	17.5	11.2	-9.1	-8.4
2011 Aug.	8.4	-3.3	34.2	82.5	88.5	-40.4	6.2	3.3	4.8	18.0	-0.7	-2.8
2011 Sep.	5.6	-2.5	22.9	81.5	87.1	-5.6	6.5	2.2	8.0	17.2	-1.4	-4.1
2011 Oct.	0.8	0.9	-1.9	81.0	65.5	4.5	6.4	0.6	9.8	17.6	-4.6	-5.8
2011 Nov.	-1.0	-3.7	4.6	14.6	45.9	-2.5	6.5	-0.4	11.9	17.6	-7.5	-7.2
2011 Dec.	-6.5	1.2	-24.8	-14.6	140.8	-62.1	6.7	-3.0	16.0	18.8	-10.1	-8.1
2012 Jan.	-10.0	-4.8	-22.0	-5.7	100.4	-70.0	6.4	-3.4	16.4	17.5	-11.6	-8.8
2012 Feb.	-4.1	-2.6	-7.9	-6.9	61.6	-50.9	6.7	-2.6	19.6	12.5	-13.6	-9.4
2012 Mar.	-0.4	3.8	-9.0	-9.2	67.2	-56.6	7.3	-1.6	17.5	15.9	-13.7	-9.9
2012 Apr.	1.0	2.6	-2.0	-10.9	73.2	-56.6	7.1	-2.4	18.7	15.3	-14.7	-10.3
2012 May	3.5	5.6	-0.4	-10.9	24.1	-57.2	6.9	-2.1	19.0	13.0	-12.4	-10.0
2012 June	-5.1	0.2	-16.9	-10.7	12.1	-58.6	6.9	-0.8	17.5	11.2	-9.1	-8.4
2012 July	-0.4	11.9	-25.7	-14.1	67.4	-59.3	6.5	-0.4	15.9	10.5	-6.4	-8.7

Source: NBS.

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



Table 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								
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	15,124.0	5,272.0	3,867.0	5,984.0	15,588.0	3,120.0	10,849.0	1,620.0
2011	16,194.0	5,773.0	3,790.0	6,631.0	17,189.0	3,219.0	12,320.0	1,649.0
2011 Q3	16,285.0	5,913.0	3,828.0	6,545.0	16,808.0	3,138.0	11,991.0	1,678.0
2011 Q4	16,194.0	5,773.0	3,790.0	6,631.0	17,189.0	3,219.0	12,320.0	1,649.0
2012 Q1	16,187.0	5,830.0	3,785.0	6,572.0	17,437.0	3,264.0	12,533.0	1,640.0
2012 Q2	15,980.0	5,844.0	3,758.0	6,379.0	17,850.0	3,348.0	12,881.0	1,621.0
2011 Aug.	16,313.0	5,995.0	3,782.0	6,536.0	16,680.0	3,112.0	11,914.0	1,654.0
2011 Sep.	16,285.0	5,913.0	3,828.0	6,545.0	16,808.0	3,138.0	11,991.0	1,678.0
2011 Oct.	16,185.0	5,777.0	3,847.0	6,561.0	16,947.0	3,181.0	12,085.0	1,682.0
2011 Nov.	16,301.0	5,807.0	3,858.0	6,636.0	17,075.0	3,223.0	12,182.0	1,670.0
2011 Dec.	16,194.0	5,773.0	3,790.0	6,631.0	17,189.0	3,219.0	12,320.0	1,649.0
2012 Jan.	16,240.0	5,804.0	3,832.0	6,604.0	17,311.0	3,238.0	12,412.0	1,661.0
2012 Feb.	16,298.0	5,823.0	3,882.0	6,593.0	17,315.0	3,237.0	12,430.0	1,649.0
2012 Mar.	16,187.0	5,830.0	3,785.0	6,572.0	17,437.0	3,264.0	12,533.0	1,640.0
2012 Apr.	16,307.0	6,018.0	3,763.0	6,527.0	17,548.0	3,289.0	12,626.0	1,634.0
2012 May	16,312.0	5,943.0	3,849.0	6,520.0	17,707.0	3,327.0	12,750.0	1,630.0
2012 June	15,980.0	5,844.0	3,758.0	6,379.0	17,850.0	3,348.0	12,881.0	1,621.0
2012 July	16,150.0	6,012.0	3,725.0	6,413.0	17,994.0	3,382.0	13,012.0	1,601.0
Transactions								
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	245.0	181.0	-282.0	345.0	1,743.0	196.0	1,398.0	150.0
2011	1,150.0	551.0	-67.0	664.0	1,729.0	199.0	1,486.0	43.0
2011 Q3	255.0	102.0	-21.0	174.0	411.0	73.0	336.0	2.0
2011 Q4	-50.0	-115.0	-29.0	95.0	420.0	108.0	335.0	-23.0
2012 Q1	-11.0	103.0	-110.0	-5.0	335.0	88.0	253.0	-5.0
2012 Q2	-153.0	32.0	-1.0	-184.0	460.0	108.0	366.0	-14.0
2011 Aug.	217.0	178.0	-30.0	69.0	144.0	23.0	137.0	-16.0
2011 Sep.	-32.0	-85.0	45.0	9.0	142.0	38.0	78.0	27.0
2011 Oct.	-84.0	-130.0	20.0	27.0	148.0	45.0	98.0	5.0
2011 Nov.	128.0	44.0	11.0	73.0	134.0	47.0	98.0	-11.0
2011 Dec.	-94.0	-29.0	-60.0	-5.0	138.0	16.0	139.0	-17.0
2012 Jan.	51.0	34.0	44.0	-27.0	126.0	21.0	93.0	13.0
2012 Feb.	3.0	21.0	-63.0	44.0	71.0	27.0	56.0	-12.0
2012 Mar.	-65.0	48.0	-91.0	-22.0	138.0	40.0	104.0	-6.0
2012 Apr.	167.0	200.0	-16.0	-18.0	126.0	28.0	103.0	-5.0
2012 May	-2.0	-84.0	110.0	-28.0	172.0	46.0	127.0	-1.0
2012 June	-316.0	-84.0	-95.0	-138.0	162.0	34.0	136.0	-8.0
2012 July	165.0	166.0	-22.0	22.0	154.0	40.0	133.0	-19.0

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							
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	1.6	3.5	-6.8	6.1	12.5	8.2	14.8	8.2
2011	7.6	10.5	-1.7	11.1	11.1	6.6	13.7	2.7
2011 Q3	8.7	12.3	-3.4	13.8	12.3	4.8	15.1	8.3
2011 Q4	7.6	10.5	-1.7	11.1	11.1	6.6	13.7	2.7
2012 Q1	4.7	9.4	-4.6	6.5	11.1	13.4	12.2	-0.5
2012 Q2	0.2	2.1	-4.1	1.2	9.9	12.4	11.1	-2.4
2011 Aug.	9.2	13.4	-2.8	13.3	12.6	4.5	15.8	7.2
2011 Sep.	8.7	12.3	-3.4	13.8	12.3	4.8	15.1	8.3
2011 Oct.	6.3	5.5	-2.2	12.7	12.2	5.6	14.7	8.0
2011 Nov.	4.9	1.5	-1.5	12.4	11.8	6.0	14.3	6.4
2011 Dec.	7.6	10.4	-1.6	11.1	11.1	6.6	13.7	2.7
2012 Jan.	5.3	6.0	-0.9	8.6	11.6	14.2	12.5	1.0
2012 Feb.	4.8	6.8	-2.2	7.4	11.5	14.3	12.4	0.3
2012 Mar.	4.7	9.4	-4.6	6.4	11.1	13.4	12.2	-0.5
2012 Apr.	4.0	10.0	-5.9	4.7	10.8	12.7	12.1	-1.2
2012 May	3.4	8.0	-3.4	3.7	10.4	12.9	11.5	-1.4
2012 June	0.2	2.1	-4.1	1.2	9.9	12.4	11.1	-2.4
2012 July	0.8	4.8	-3.8	0.1	10.1	13.3	11.1	-3.0

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).



3 PRICES AND COSTS OF LABOUR

Table 7 Harmonised index of consumer prices

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage change on previous period)						Administered prices ¹⁾	
	Index 2005=100	Total (annual percentage change)	Total excl. unprocessed food and energy (core inflation)	Goods	Services	Total	Processed food	Unprocessed food	Non-energy industrial goods	Energy	Services	Total HICP excluding administered prices	Administered prices
weights in % ²⁾	100.0	100.0	73.9	70.5	29.5	100.0	16.3	7.2	28.0	18.9	29.5	75.2	24.8
	1	2	3	4	5	6	7	8	9	10	11	12	13
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
2011	116.8	4.1	2.7	4.3	3.5	-	-	-	-	-	-	3.2	6.8
2011 Q3	116.9	4.1	3.1	4.4	3.4	0.1	1.3	-6.4	0.1	1.1	0.7	3.2	7.0
2011 Q4	117.9	4.7	3.6	4.7	4.6	0.8	0.7	-1.0	0.5	1.3	1.4	3.4	9.0
2012 Q1	120.2	4.0	3.6	3.8	4.2	2.0	2.2	3.8	0.6	4.5	1.2	2.7	8.0
2012 Q2	121.0	3.6	3.1	3.5	3.9	0.7	0.7	3.9	1.0	-0.7	0.4	2.5	7.3
2011 Sep.	117.2	4.4	3.3	4.7	3.6	0.3	0.4	-1.0	0.1	0.5	0.6	3.4	7.5
2011 Oct.	117.4	4.6	3.4	5.0	3.6	0.2	0.2	-0.1	0.4	0.3	0.1	3.6	7.7
2011 Nov.	118.0	4.8	3.7	4.7	5.1	0.5	0.0	0.9	-0.1	0.1	1.4	3.4	9.6
2011 Dec.	118.1	4.6	3.8	4.4	5.0	0.1	0.2	0.0	0.1	0.0	0.0	3.1	9.5
2012 Jan.	119.9	4.1	3.6	3.9	4.3	1.5	1.5	2.0	0.5	4.4	0.5	2.7	8.4
2012 Feb.	120.2	4.0	3.6	3.9	4.2	0.2	0.0	1.3	-0.1	0.4	0.3	2.6	8.4
2012 Mar.	120.6	3.9	3.8	3.8	4.1	0.3	1.8	1.7	0.2	-0.9	0.1	2.9	7.3
2012 Apr.	120.8	3.7	3.7	3.5	3.9	0.2	-0.4	0.3	0.9	0.1	0.1	2.5	7.5
2012 May	121.0	3.4	3.4	3.2	3.7	0.1	-0.1	1.7	0.1	-0.3	0.0	2.2	7.3
2012 June	121.2	3.7	3.3	3.6	4.0	0.2	0.0	2.6	-0.1	-0.3	0.4	2.7	7.2
2012 July	121.2	3.8	3.2	3.8	4.0	0.0	-0.1	-1.0	0.0	-0.2	0.3	2.9	6.8
2012 Aug.	121.2	3.8	3.3	3.5	4.2	0.0	0.0	-1.8	0.1	0.4	0.3	3.1	5.9

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

1) According to ECB methodology.

2) Weights apply to the period of 2012.



Table 7 Harmonised index of consumer prices (continuation)

(annual percentage changes, unless otherwise indicated)

	Goods						Services					
	Food (incl. alcoholic beverages and tobacco)			Industrial goods			Housing		Transport	Communication	Recreation and personal	Miscellaneous
	Total	Processed food	Unprocessed food	Total	Non-energy industrial goods	Energy	Rents					
weights in % ²⁾	23.5	16.3	7.2	46.9	28.0	18.9	4.0	1.1	4.2	4.0	12.0	5.3
	14	15	16	17	18	19	20	21	22	23	24	25
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	5.3	4.6	0.2	4.6	7.2
2010	2.9	2.3	3.6	-1.3	-1.4	-1.3	2.9	1.6	0.3	0.8	1.4	4.7
2011	5.5	5.9	4.5	3.7	0.3	10.5	3.6	0.8	6.3	0.4	3.0	5.3
2011 Q3	5.0	7.2	1.0	4.0	0.6	10.7	3.5	0.6	5.1	0.2	3.2	5.2
2011 Q4	4.8	6.8	0.8	4.6	1.0	11.8	3.7	0.6	11.8	0.4	3.7	5.3
2012 Q1	3.6	6.4	-1.4	4.0	1.5	7.9	2.8	0.5	13.2	-0.2	3.2	4.6
2012 Q2	3.1	5.0	-0.1	3.7	2.2	6.2	2.0	0.6	12.5	-0.2	3.1	4.2
2011 Sep.	5.0	7.4	0.3	4.6	0.8	11.9	3.5	0.6	4.8	0.1	3.7	5.4
2011 Oct.	5.4	7.3	1.7	4.8	1.1	12.1	3.8	0.6	5.1	0.1	3.7	5.2
2011 Nov.	4.7	6.4	1.3	4.7	0.9	12.0	3.6	0.6	15.2	0.5	3.8	5.4
2011 Dec.	4.3	6.8	-0.6	4.5	1.0	11.2	3.6	0.6	15.1	0.5	3.7	5.4
2012 Jan.	3.7	6.3	-1.1	4.0	1.3	8.3	3.5	0.8	13.3	-0.1	3.2	4.5
2012 Feb.	3.1	6.0	-2.0	4.2	1.6	8.5	2.9	0.4	13.3	-0.2	3.3	4.5
2012 Mar.	4.0	6.9	-1.2	3.7	1.7	7.0	2.0	0.4	12.9	-0.2	3.2	4.7
2012 Apr.	2.9	5.8	-2.1	3.9	2.2	6.6	1.9	0.6	12.8	-0.2	3.1	4.2
2012 May	2.5	4.8	-1.4	3.7	2.2	6.1	1.9	0.6	12.4	-0.2	2.9	4.0
2012 June	3.8	4.3	3.3	3.5	2.1	5.9	2.1	0.6	12.4	-0.2	3.2	4.3
2012 July	4.4	3.8	6.1	3.4	2.0	5.9	2.1	0.6	11.1	-0.2	3.5	4.6
2012 Aug.	4.5	3.5	6.7	3.1	2.1	4.6	2.0	0.6	11.2	0.8	3.6	4.7

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

1) According to ECB methodology.

2) Weights apply to the period of 2012.



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	76.7	23.3	-	100	14.6	31.7	2.8	27.5	23.3	59.2	62.0
	1	2	3	4	5	6	7	8	9	10	11	12	13
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
2011	119.7	3.9	2.3	7.0	0.6	-	-	-	-	-	-	0.9	1.5
2011 Q3	119.9	4.0	2.3	7.1	0.6	0.1	-2.3	0.2	-1.0	0.6	1.4	1.2	1.8
2011 Q4	120.8	4.5	2.5	9.0	0.6	0.8	-0.1	0.6	0.4	0.4	2.2	1.6	2.2
2012 Q1	123.1	3.8	2.6	7.9	0.1	1.9	2.7	0.7	3.2	0.8	3.9	2.4	2.6
2012 Q2	123.9	3.5	2.4	7.2	0.1	0.7	2.0	0.5	3.8	0.8	-0.4	2.3	2.5
2011 Sep.	120.2	4.3	2.5	7.9	0.6	0.3	-0.3	0.2	-0.1	0.4	0.8	1.4	2.0
2011 Oct.	120.4	4.4	2.7	8.0	0.6	0.2	0.2	0.3	0.7	0.0	0.3	1.5	2.1
2011 Nov.	121.0	4.6	2.5	9.6	0.6	0.5	0.3	0.1	-0.1	0.2	1.5	1.6	2.2
2011 Dec.	121.0	4.4	2.3	9.5	0.6	0.1	0.0	0.2	-0.5	0.1	0.0	1.8	2.2
2012 Jan.	122.7	3.9	2.6	8.3	0.1	1.4	1.6	0.6	0.9	0.4	3.6	2.4	2.6
2012 Feb.	123.0	3.8	2.4	8.3	0.1	0.2	0.5	-0.2	2.5	0.3	0.1	2.4	2.6
2012 Mar.	123.4	3.8	2.7	7.2	0.1	0.3	1.7	0.3	3.2	0.3	-1.0	2.4	2.7
2012 Apr.	123.7	3.6	2.4	7.4	0.1	0.3	-0.1	0.3	2.1	0.3	0.3	2.3	2.6
2012 May	123.9	3.4	2.2	7.2	0.1	0.1	0.5	0.1	-0.8	0.1	-0.1	2.3	2.5
2012 June	124.1	3.6	2.5	7.1	0.1	0.2	1.2	0.0	-2.1	0.4	-0.1	2.3	2.4
2012 July	124.1	3.7	2.8	6.8	0.1	0.0	-0.6	0.2	-1.6	0.2	0.1	2.3	2.5
2012 Aug.	124.2	3.7	2.9	5.9	0.1	0.1	-0.6	-0.2	2.8	0.3	0.3	2.4	2.6

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 %	14.6	31.7	6.2	6.0	4.5	2.8	27.5	11.3	5.3	5.8	3.7	3.0	4.2
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
2011	5.3	-0.3	-0.5	-2.3	6.3	15.5	2.2	2.1	1.4	2.2	9.2	8.5	8.8
2011 Q3	4.6	0.0	-0.8	-1.9	6.4	14.7	2.4	2.5	1.3	2.3	9.2	10.4	8.8
2011 Q4	3.8	0.6	-1.2	-1.4	6.8	14.1	2.7	2.7	2.1	2.3	9.2	12.8	10.8
2012 Q1	2.5	2.1	0.4	0.2	3.5	7.3	2.7	2.6	2.8	2.3	1.6	11.0	13.1
2012 Q2	2.2	2.0	1.2	0.6	2.8	6.6	2.6	2.9	2.9	1.7	0.5	7.0	13.3
2011 Sep.	4.3	0.3	-0.7	-1.5	7.5	15.7	2.6	2.6	1.9	2.3	9.2	12.8	10.2
2011 Oct.	4.9	0.6	-1.1	-1.2	7.8	16.0	2.5	2.5	2.0	2.0	9.2	12.8	10.7
2011 Nov.	3.8	0.5	-1.2	-1.7	7.3	15.0	2.8	2.7	2.2	2.4	9.2	12.8	10.9
2011 Dec.	2.8	0.9	-1.3	-1.3	5.5	11.3	2.8	2.7	2.1	2.4	9.2	12.8	10.9
2012 Jan.	2.7	2.0	0.1	0.0	2.7	5.7	2.8	2.9	2.5	2.6	1.6	12.9	12.9
2012 Feb.	1.9	2.1	0.1	0.6	3.6	7.3	2.7	2.4	2.9	2.3	1.6	12.9	13.0
2012 Mar.	2.9	2.1	1.0	0.2	4.3	8.8	2.6	2.4	3.0	2.0	1.6	7.0	13.3
2012 Apr.	2.0	2.1	1.2	0.5	3.9	8.3	2.6	2.8	2.8	1.7	0.8	7.0	13.4
2012 May	1.4	2.0	1.2	0.8	2.6	6.4	2.5	2.9	2.8	1.5	0.4	7.0	13.3
2012 June	3.2	1.9	1.2	0.5	1.9	5.0	2.7	2.9	3.1	1.9	0.4	7.0	13.2
2012 July	4.1	2.1	1.8	0.7	1.8	4.4	2.7	2.9	3.2	2.0	0.4	7.0	13.2
2012 Aug.	4.5	1.9	2.0	0.2	3.3	6.9	3.0	3.0	3.3	2.8	0.4	0.0	12.8

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						Water supply and sewerage ¹⁾	Agricultural products			Construction work prices	Construction material prices	Residential property prices
	Industry total	Industry export	Industry domestic	Mining/quarrying products	Manufactured products	Energy		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
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
2011	4.4	5.7	2.7	5.0	4.1	0.8	5.2	16.7	122.0	10.8	1.2	1.8	-3.1
2011 Q3	3.6	4.8	2.2	3.1	4.1	-0.4	4.7	26.2	33.1	14.6	1.2	2.3	-4.3
2011 Q4	3.6	4.1	2.8	7.7	3.4	1.9	4.4	1.3	-3.0	9.9	0.8	1.7	-2.7
2012 Q1	2.5	1.6	3.6	5.1	1.3	6.7	2.9	-0.8	-14.0	7.5	0.3	1.7	-2.3
2012 Q2	1.6	0.0	4.0	7.1	1.2	7.7	4.9	-0.1	-10.5	4.1	0.6	2.1	-2.3
2011 Aug.	3.7	5.1	2.0	2.5	4.0	-0.8	4.8	30.2	36.5	15.8	0.9	2.1	-
2011 Sep.	3.8	5.0	2.4	4.1	3.7	0.7	4.6	15.9	17.1	13.5	0.9	2.4	-
2011 Oct.	3.8	4.4	3.0	6.4	3.8	1.7	4.5	5.9	3.1	12.0	1.0	2.5	-
2011 Nov.	3.8	4.3	3.1	7.8	3.6	2.2	4.5	-0.6	-6.5	9.0	0.8	1.3	-
2011 Dec.	3.1	3.6	2.4	8.8	2.9	1.5	4.4	-1.4	-6.1	8.9	0.6	1.3	-
2012 Jan.	2.1	1.6	2.7	6.4	1.7	3.6	3.5	1.2	-10.1	7.7	0.4	1.6	-
2012 Feb.	2.6	1.7	3.8	4.0	0.9	8.0	2.6	-1.5	-14.3	7.3	0.3	1.7	-
2012 Mar.	2.6	1.6	4.2	5.0	1.3	8.5	2.7	-1.9	-16.8	7.8	0.3	1.8	-
2012 Apr.	1.8	0.4	3.8	8.0	1.4	7.3	2.7	-0.2	-12.9	6.2	0.7	2.8	-
2012 May	1.7	-0.1	4.2	5.8	1.1	8.3	6.0	0.4	-9.8	3.6	0.7	1.9	-
2012 June	1.4	-0.4	4.0	7.5	1.1	7.6	6.0	-0.2	-7.8	2.4	0.3	1.7	-
2012 July	1.5	0.0	3.6	6.4	0.4	7.8	5.8	1.8	2.7	0.5	0.7	1.5	-

Sources: Statistical Office of the SR, NBS.

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



Table 9 Producer prices and residential property prices

(annual percentage changes)

	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
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
2011	4.4	5.7	2.7	2.8	4.4	-0.9	2.7	3.1
2011 Q3	3.6	4.8	2.2	1.7	3.8	-0.4	3.5	3.8
2011 Q4	3.6	4.1	2.8	3.7	2.9	-1.1	4.0	3.9
2012 Q1	2.5	1.6	3.6	5.7	-0.1	-2.1	3.2	3.1
2012 Q2	1.6	0.0	4.0	6.7	-0.8	-0.5	2.4	1.3
2011 Aug.	3.7	5.1	2.0	1.5	3.9	-1.2	3.6	3.8
2011 Sep.	3.8	5.0	2.4	2.6	3.3	0.1	3.6	3.2
2011 Oct.	3.8	4.4	3.0	3.8	3.3	0.0	3.7	3.4
2011 Nov.	3.8	4.3	3.1	4.0	3.1	-1.0	3.7	4.0
2011 Dec.	3.1	3.7	2.4	3.4	2.3	-2.5	4.6	4.3
2012 Jan.	2.1	1.6	2.7	2.8	1.1	-1.9	4.7	4.7
2012 Feb.	2.6	1.7	3.8	6.8	-0.8	-2.3	2.3	2.9
2012 Mar.	2.6	1.6	4.2	7.7	-0.7	-1.9	2.7	1.8
2012 Apr.	1.8	0.4	3.8	7.1	-0.6	-2.0	2.2	1.3
2012 May	1.7	-0.1	4.2	7.0	-0.7	-0.6	2.7	1.4
2012 June	1.4	-0.4	4.0	6.2	-1.0	1.1	2.3	1.1
2012 July	1.5	0.0	3.6	5.8	-1.4	1.5	1.8	0.7

Sources: Statistical Office of the SR, NBS.



Table 10 Wages and productivity

(annual percentage changes)

	Total	Agriculture, forestry and fishing	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities; administrative and support service activities	Public administration and defence; compulsory social security; education; human health and social work activities	Arts, entertainment and recreation, repair of household goods and other services
	1	2	3	4	5	6	7	8	9	10	11
Unit labour costs (ULC)											
2008	4.5	-6.2	7.6	6.1	-9.4	23.8	9.9	23.1	9.8	11.5	27.6
2009	7.0	57.9	4.5	20.6	13.5	-3.5	-11.9	-27.6	14.3	2.7	-20.7
2010	-1.4	3.7	-9.6	-0.1	4.1	18.1	9.2	-14.8	3.9	2.1	-8.5
2011	-0.6	42.2	-6.5	-4.1	7.1	2.0	10.5	5.6	1.5	-0.5	6.7
2011 Q3	0.4	18.2	3.9	-9.5	0.7	2.7	5.3	-5.0	-10.4	-1.3	14.3
2011 Q4	-2.3	13.4	-0.9	-9.1	-6.6	-5.7	16.2	-0.1	11.1	2.3	-3.3
2012 Q1	-0.6	15.5	-2.2	16.9	1.4	-10.5	15.7	-10.3	-0.9	-5.6	3.0
2012 Q2	-0.2	-0.9	-5.4	4.4	0.4	-5.0	6.2	13.8	-6.9	5.0	7.2
Compensation per employee (current prices)											
2008	7.3	4.8	8.8	13.0	-1.9	15.5	-4.5	43.5	17.2	12.3	-6.1
2009	3.7	17.9	2.9	7.2	-3.0	0.7	0.6	-22.4	16.3	7.8	3.1
2010	4.4	19.2	22.4	5.9	-8.7	21.4	2.3	-22.9	-21.5	5.3	2.0
2011	0.9	6.2	2.3	-1.3	2.3	0.7	3.5	-0.9	-3.0	-0.6	-1.0
2011 Q3	1.7	4.4	3.6	-2.9	3.7	4.0	4.7	-5.3	-4.1	-0.2	-0.9
2011 Q4	0.2	5.3	2.8	-1.7	-0.4	-4.7	2.4	2.2	-0.5	-1.4	-3.2
2012 Q1	1.8	0.6	3.7	1.5	0.4	3.8	7.7	1.6	-4.3	2.7	1.7
2012 Q2	2.4	6.2	5.9	1.5	1.1	0.3	-1.2	4.7	-9.5	4.6	1.6
Labour productivity (constant prices)											
2008	2.7	12.5	1.9	9.3	8.2	-6.1	-11.2	16.6	7.0	0.9	-25.9
2009	-3.0	-22.5	0.0	-10.5	-14.2	5.0	15.4	7.4	2.8	5.9	31.0
2010	5.8	20.2	36.0	6.4	-10.8	3.2	-6.0	-9.0	-24.2	3.5	11.5
2011	1.5	-22.7	10.1	3.1	-3.6	-1.2	-6.2	-5.4	-3.9	0.2	-6.1
2011 Q3	1.3	-11.7	-0.3	7.4	3.0	1.3	-0.6	-0.3	7.1	1.2	-13.3
2011 Q4	2.5	-7.1	3.8	8.1	6.7	1.1	-11.8	2.3	-10.4	-3.6	0.1
2012 Q1	2.4	-12.9	6.1	-13.1	-1.0	15.9	-6.9	13.4	-3.4	8.7	-1.3
2012 Q2	2.6	7.2	12.0	-2.7	0.7	5.6	-7.0	-8.0	-2.7	-0.4	-5.2

Sources: Statistical Office of the SR and NBS calculations.



Table 12 Receipts

(annual percentage changes)

Receipts by branch

	Industrial orders (manufacturing; constant prices)		Total receipts of sectors													Registration of new passenger cars and light trucks	
	(index 2005 = 100)	current prices ²⁾	current prices ²⁾	Receipts from own output and sales		Construction		Sale and mainte- nance of vehicles	Whole- sale	Retail sale	Hotels and restaurants		Real estates, renting, business activi- ties	Post and telecom- munications	Trans- port and storage	Total in thousands of units	Annual percent- age changes
				constant prices ¹⁾	current prices ²⁾	constant prices ¹⁾	current prices ²⁾				Accom- modation	Restau- rants						constant prices^{1)}	constant prices^{1)}
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
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
2011	170.4	9.3	8.6	10.3	13.6	3.2	4.4	11.8	2.6	-2.8	-1.9	-1.2	14.4	9.7	9.4	73.6	3.8
2011 Q3	162.4	6.5	7.5	8.0	11.2	5.9	7.0	9.5	-0.2	-3.9	-2.8	-1.7	16.3	12.7	8.0	17.2	-0.1
2011 Q4	174.1	1.3	5.8	5.3	7.5	3.2	4.1	9.5	-0.3	-3.2	-2.4	-3.1	13.7	17.2	6.9	19.0	-13.6
2012 Q1	187.3	8.6	8.6	9.4	10.2	-12.5	-12.8	17.0	6.9	1.4	3.0	-0.7	19.5	8.3	3.3	17.8	2.7
2012 Q2	194.8	12.7	5.1	7.3	6.5	-13.4	-13.1	7.0	3.7	-0.7	-0.8	-1.2	15.0	5.3	7.2	18.9	-5.4
2011 Aug.	158.7	9.6	9.5	12.2	15.2	2.1	3.0	10.0	-0.2	-3.7	-2.7	-1.3	16.2	26.7	11.7	5.7	1.8
2011 Sep.	187.1	10.6	7.8	8.6	10.8	11.8	12.8	9.3	-0.3	-3.6	-3.1	-2.7	16.2	5.8	9.0	5.4	-3.4
2011 Oct.	188.3	5.6	7.4	6.9	9.8	8.1	9.2	8.8	-0.3	-3.1	-2.1	-2.8	14.0	23.7	3.4	6.3	-5.3
2011 Nov.	175.8	0.3	5.7	5.2	7.9	0.7	1.6	10.1	-0.4	-3.0	-2.5	-3.2	12.8	13.6	8.6	6.4	-9.6
2011 Dec.	158.3	-2.5	4.2	3.9	4.5	0.7	1.3	9.5	-0.2	-3.4	-2.5	-3.4	14.2	14.8	9.0	6.4	-23.5
2012 Jan.	172.8	7.3	7.4	8.0	8.2	-10.0	-9.6	13.2	4.2	1.5	4.3	-0.7	18.6	6.5	7.8	5.1	7.0
2012 Feb.	186.5	7.8	10.7	11.2	13.0	-11.1	-10.9	22.8	7.8	2.0	4.5	-0.8	20.7	10.2	4.1	5.8	11.1
2012 Mar.	202.5	10.5	7.8	9.0	9.4	-16.5	-16.3	14.9	8.3	0.8	0.2	-0.7	19.2	8.3	-1.0	6.9	-6.2
2012 Apr.	189.4	10.9	5.1	6.6	5.8	-11.5	-11.0	6.2	4.7	-1.9	0.4	-1.0	15.0	11.5	4.4	6.2	1.1
2012 May	201.4	12.0	5.1	8.3	6.8	-14.4	-13.8	9.3	4.0	0.6	-3.1	-1.3	14.4	1.8	6.6	6.4	-9.5
2012 June	193.6	15.5	5.1	7.1	6.9	-14.3	-14.0	5.5	2.5	-0.9	0.3	-1.3	15.7	3.0	10.7	6.4	-7.2
2012 July	.	.	9.7	16.9	15.8	-15.3	-15.0	8.8	4.0	-2.0	-1.0	-1.3	15.6	7.1	17.5	6.6	10.0

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 ²⁾		
	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	current prices ¹⁾	EUR mil. ¹⁾
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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
2011	14.2	7.5	14.3	16.2	35.5	17.2	14.2	20.3	-1.4	20.3	-13.1	-7.3	14.2	63,084.9
2011 Q3	11.3	3.9	11.3	17.0	31.6	12.7	11.6	13.8	-0.3	-13.7	12.1	-6.5	11.3	15,400.6
2011 Q4	7.5	0.7	7.5	9.7	20.3	9.1	8.6	9.5	-1.2	-8.8	8.5	-5.6	7.5	16,370.6
2012 Q1	9.0	1.3	9.0	12.9	8.7	8.4	2.7	13.9	11.4	13.9	9.2	12.9	9.0	16,392.0
2012 Q2	6.4	-11.5	6.5	0.3	-18.9	9.5	-3.2	21.6	3.5	1.9	4.9	3.0	6.4	17,309.9
2011 Aug.	15.7	8.5	15.8	17.4	27.6	18.6	13.2	25.0	2.0	-14.5	17.8	-6.3	15.7	5,043.4
2011 Sep.	12.0	-0.9	12.1	11.0	29.4	11.3	11.3	11.4	9.1	4.9	13.4	6.0	12.0	5,725.8
2011 Oct.	9.8	-9.6	10.0	14.9	33.4	12.9	12.0	13.8	-6.0	-15.5	7.9	-11.5	9.8	5,779.7
2011 Nov.	6.1	3.9	6.1	15.7	13.4	9.4	12.6	6.5	-5.8	-14.0	5.7	-10.8	6.1	5,722.1
2011 Dec.	6.4	11.0	6.4	0.5	14.0	4.4	-0.1	8.4	11.2	10.3	12.1	10.8	6.4	4,868.8
2012 Jan.	7.6	-2.4	7.7	9.9	9.0	5.0	4.5	5.5	17.5	28.5	7.8	23.0	7.6	4,988.5
2012 Feb.	10.1	10.3	10.1	18.6	2.2	11.2	3.3	18.5	8.9	2.8	14.2	5.5	10.1	5,370.8
2012 Mar.	9.1	-3.0	9.2	10.1	14.7	8.8	0.6	16.7	8.3	10.8	6.3	10.4	9.1	6,032.6
2012 Apr.	5.5	-5.9	5.6	1.0	-17.1	10.1	-1.8	21.8	-2.7	-4.5	-0.7	-2.7	5.5	5,550.2
2012 May	6.6	-13.5	6.8	-3.4	-32.3	10.1	-4.3	23.9	7.2	7.3	7.2	6.7	6.6	5,911.6
2012 June	7.0	-14.9	7.2	3.1	-7.5	8.4	-3.3	19.3	6.4	4.3	7.9	5.7	7.0	5,848.2
2012 July	17.6	-3.2	17.8	9.3	11.9	19.3	1.7	38.8	12.8	19.0	9.8	12.4	17.6	5,445.5

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

1) At current prices.

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



Table 13 Nominal average wages

(annual percentage changes)

	Wages ¹⁾													
	Total		Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Hotels and restaurants	Transport, storage and communication	Financial intermediation	Real estate, renting and business activities	Public administration and defence; social security	Education	Health and social work activities	Other social services
	EUR	year-on-year % changes												
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2007	668.7	7.2	10.3	6.4	6.9	6.4	6.2	8.9	6.7	5.7	6.8	7.7	15.6	9.0
2008	723.0	8.1	8.9	6.9	7.7	9.8	2.9	5.4	3.6	9.2	8.8	8.5	11.9	9.5

	EUR	year-on-year % changes	Agriculture, forestry and fishing	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles	Transporting and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence; social security	Education	Human health and social work activities	Arts, entertainment and recreation	Other activities
2009	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
2011	786.0	2.2	4.7	3.6	4.1	1.3	1.8	1.0	8.7	8.4	2.0	-0.6	-0.4	-1.0	0.5	3.4	4.5	0.0
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
2011 Q1	746.0	2.9	4.1	2.9	6.1	2.7	1.5	0.2	3.2	6.4	2.9	-1.9	4.7	-0.1	1.2	5.1	2.9	2.7
2011 Q2	781.0	3.0	6.6	4.8	3.3	1.5	5.1	0.6	8.3	11.6	6.9	0.5	1.3	-3.4	1.1	3.2	5.9	1.2
2011 Q3	769.0	2.5	3.3	4.8	4.5	2.7	2.0	1.5	14.3	8.1	-2.4	-0.8	-0.6	1.3	0.0	2.5	3.5	-1.3
2011 Q4	848.0	0.5	4.9	2.6	3.7	-1.2	-1.2	1.8	9.6	7.5	1.1	-0.7	-6.1	-1.9	-0.4	3.1	5.7	-2.2
2012 Q1	770.0	3.2	3.6	5.0	2.5	1.3	3.4	3.3	6.6	9.6	4.3	9.2	-9.8	5.1	1.9	3.6	6.4	0.0
2012 Q2	793.0	1.5	3.8	3.5	0.0	0.7	1.5	0.2	1.9	-2.9	6.4	-4.6	-14.0	0.9	3.9	6.2	0.0	1.4

	EUR	year-on-year % changes	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
2011 Aug.	753.9	6.3	6.4	6.8	0.3	-0.1	0.5	0.0	-0.6	3.9	22.1	3.2
2011 Sep.	748.2	4.5	4.5	5.1	-0.3	-0.1	1.5	0.2	0.0	2.1	8.1	1.6
2011 Oct.	746.9	4.6	3.6	4.2	-0.6	-0.5	2.0	0.4	0.0	2.0	20.7	4.1
2011 Nov.	846.0	2.9	3.0	4.9	-0.3	-0.4	1.9	0.4	0.0	-0.4	8.6	-4.3
2011 Dec.	813.3	2.1	1.0	2.0	-0.3	-0.4	1.8	0.2	-0.3	0.0	10.9	-0.2
2012 Jan.	749.7	5.6	6.8	2.7	0.3	1.2	2.6	1.4	-0.6	8.8	15.1	0.4
2012 Feb.	738.1	4.6	5.1	2.6	3.4	1.9	3.4	2.8	0.6	5.0	6.2	2.5
2012 Mar.	766.8	3.2	3.6	2.4	4.3	5.0	1.5	2.5	0.8	2.6	3.7	0.4
2012 Apr.	754.0	2.0	2.5	-1.6	4.3	2.3	2.0	2.2	1.4	3.2	2.9	-2.2
2012 May	778.4	3.7	5.7	2.9	4.1	3.0	1.6	2.4	1.7	1.8	3.3	-2.2
2012 June	779.4	1.0	2.1	-1.3	4.7	2.7	2.4	3.4	2.0	0.4	-2.9	-4.7
2012 July	775.8	2.6	4.3	2.8	4.9	3.5	0.7	3.6	1.7	2.1	-10.9	1.5

Sources: Statistical office of the SR and NBS calculations.

1) Statistical reports.

Note: According to NACE Rev. 2 as of 1 January 2009.

**Table 14 Business and consumer surveys***(percentage balances¹⁾, unless otherwise indicated; seasonally adjusted)*

	Economic sentiment indicator ²⁾ (long-term average = 100)	Manufacturing industry					Consumer confidence indicator				
		Industrial confidence indicator				Capacity utilisation ³⁾ (percentages)	Total ⁴⁾	Financial situation of households over next 12 months	Economic situation over next 12 months	Unemployment situation over next 12 months	Savings over next 12 months
		Total ⁴⁾	Order books	Stocks of finished products	Production expectations						
	1	2	3	4	5	6	7	8	9	10	11
2008	97.6	-4.6	-11.7	3.8	1.8	72.8	-13.1	-13.6	-12.4	1.2	-25.0
2009	76.6	-17.7	-44.9	10.3	2.0	54.0	-35.4	-18.3	-40.2	53.0	-30.1
2010	97.4	1.9	-21.9	-2.7	25.0	58.0	-20.4	-11.6	-21.9	22.3	-25.8
2011	97.4	3.2	-16.3	-2.7	23.1	61.6	-28.1	-20.3	-35.7	28.8	-27.9
2011 Q4	94.0	2.0	-24.0	-5.3	24.8	62.3	-35.4	-23.1	-46.5	42.4	-29.8
2012 Q1	95.5	2.6	-17.7	-6.0	19.6	67.5	-33.5	-22.8	-42.3	39.8	-29.4
2012 Q2	97.5	4.5	-21.7	-4.7	30.5	71.1	-23.3	-16.8	-28.0	23.3	-25.0
2012 Q3	92.1	-3.2	-23.4	-2.1	11.6	71.2	-28.4	-17.4	-36.8	32.8	-26.8
2011 Oct.	93.0	1.8	-21.7	-3.2	24.0	62.3	-29.6	-17.9	-40.2	31.1	-29.4
2011 Nov.	94.9	0.7	-23.7	-6.4	19.6	-	-36.4	-21.6	-46.4	49.5	-27.9
2011 Dec.	94.2	3.5	-26.5	-6.3	30.7	-	-40.3	-29.7	-52.9	46.5	-32.0
2012 Jan.	95.6	5.9	-18.1	-8.0	27.7	67.5	-37.5	-25.7	-49.4	45.8	-29.4
2012 Feb.	93.0	-1.9	-15.8	-6.2	3.9	-	-31.7	-22.3	-40.9	35.8	-27.9
2012 Mar.	97.9	3.9	-19.3	-3.7	27.2	-	-31.4	-20.3	-36.7	37.8	-31.0
2012 Apr.	98.9	4.3	-17.8	-5.7	25.1	71.1	-21.6	-16.7	-27.0	20.7	-22.0
2012 May	97.4	5.3	-24.3	-2.9	37.3	-	-23.3	-17.0	-26.4	24.5	-25.2
2012 June	96.2	3.9	-22.9	-5.5	29.0	-	-25.0	-16.8	-30.6	24.6	-27.9
2012 July	92.2	-5.3	-21.8	-4.1	1.7	71.2	-25.4	-16.5	-31.1	28.1	-26.1
2012 Aug.	91.8	-4.8	-23.8	-2.9	6.5	-	-27.3	-15.8	-36.2	31.7	-25.7
2012 Sep.	92.4	0.4	-24.7	0.8	26.5	-	-32.6	-19.9	-43.2	38.5	-28.7

Source: European Commission.

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 2010.

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.

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.

**Table 14 Business and consumer surveys (continuation)***(percentage balances¹⁾, unless otherwise indicated; seasonally adjusted)*

	Construction confidence indicator			Retail trade indicator				Services confidence indicator			
	Total ⁴⁾	Order books	Employment expectations	Total ⁴⁾	Present business situation	Volume of stocks	Expected business situation	Total ⁴⁾	Business climate	Demand in recent months	Demand in the months ahead
	12	13	14	15	16	17	18	19	20	21	22
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
2011	-41.9	-54.5	-29.3	14.5	17.6	6.5	32.4	24.1	23.6	19.4	29.2
2011 Q4	-37.8	-53.1	-22.4	7.1	11.4	12.1	22.0	20.4	17.9	14.5	28.8
2012 Q1	-46.0	-60.4	-31.4	10.3	4.5	7.4	33.8	23.4	22.2	26.7	21.3
2012 Q2	-36.8	-48.5	-25.1	8.9	12.1	7.6	22.4	17.8	11.2	22.3	19.9
2012 Q3	-41.6	-57.9	-25.4	8.1	14.7	8.1	17.8	15.5	15.1	16.1	15.1
2011 Oct.	-37.9	-53.3	-22.5	9.2	16.2	14.4	25.8	12.2	9.2	8.5	19.0
2011 Nov.	-35.6	-51.1	-20.1	8.4	15.6	6.3	15.8	24.3	16.0	15.1	41.7
2011 Dec.	-39.8	-54.9	-24.7	3.7	2.3	15.6	24.5	24.8	28.6	20.0	25.7
2012 Jan.	-41.5	-56.9	-26.0	4.7	0.0	7.7	21.9	22.2	16.0	35.1	15.4
2012 Feb.	-48.7	-62.4	-35.0	11.9	4.7	4.4	35.5	19.2	24.7	15.5	17.4
2012 Mar.	-47.7	-62.0	-33.3	14.2	8.7	10.0	43.9	28.8	26.0	29.5	31.0
2012 Apr.	-36.7	-48.1	-25.3	12.5	14.0	9.8	33.4	21.2	22.9	17.5	23.1
2012 May	-35.9	-47.0	-24.8	9.5	8.2	6.2	26.5	15.7	5.6	23.3	18.3
2012 June	-37.8	-50.5	-25.1	4.8	14.0	6.7	7.2	16.5	5.0	26.2	18.3
2012 July	-37.8	-50.2	-25.5	11.2	15.6	12.1	30.1	15.3	15.2	16.3	14.2
2012 Aug.	-42.0	-60.9	-23.1	6.1	14.4	6.7	10.4	15.6	15.9	13.8	17.2
2012 Sep.	-45.0	-62.6	-27.5	7.1	14.0	5.6	12.8	15.5	14.3	18.2	13.9

Source: European Commission.

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 2010.

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.

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.



Table 15 Employment and unemployment

(annual percentage changes)

	Total		Number of employees	Self-employed	Agriculture, forestry and fishing	Industry	Employment ¹⁾								Unemployment rate in %
	Thousand of person	year-on-year % changes					Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities; administrative and support service activities	Public administration and defence; compulsory social security; education; human health and social work activities	Arts, entertainment and recreation, repair of household goods and other services	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2008	2,247.1	3.2	2.0	10.3	-1.1	3.2	9.3	3.7	5.7	8.1	-10.6	3.3	0.8	6.2	9.6
2009	2,203.2	-2.0	-3.3	5.3	-7.1	-10.5	3.9	0.2	-0.1	0.2	8.3	3.8	0.8	6.1	12.1
2010	2,169.8	-1.5	-1.6	-1.2	-9.1	-4.0	-2.2	-1.3	-1.0	-2.0	6.0	5.0	0.0	-4.5	14.4
2011	2,208.3	1.8	2.5	-2.0	3.4	3.2	-1.8	0.8	7.8	0.3	10.1	7.8	-0.9	1.1	13.5
2011 Q3	2,216.1	1.7	2.4	-2.0	2.4	3.1	-0.8	-0.2	5.9	0.6	13.0	8.8	-0.8	2.0	13.1
2011 Q4	2,207.5	0.9	1.5	-2.3	1.6	2.3	-2.7	-0.3	6.0	2.1	4.8	6.6	-1.2	-0.2	14.0
2012 Q1	2,212.2	0.6	1.2	-2.4	-4.5	0.7	-2.3	-0.6	-0.7	2.5	3.6	10.6	-0.6	0.7	14.1
2012 Q2	2,216.4	0.2	0.7	-2.3	-3.1	-0.4	-1.3	-0.9	2.4	2.0	10.6	7.8	-1.2	2.4	13.6
2011 Aug.	1,258.4	2.2	-	-	-	3.9	-3.8	2.2	13.0	-	-	-	-	-	13.1
2011 Sep.	1,257.0	1.9	-	-	-	3.5	-4.1	1.8	12.9	-	-	-	-	-	13.4
2011 Oct.	1,262.2	1.9	-	-	-	3.1	-3.7	1.6	13.5	-	-	-	-	-	13.3
2011 Nov.	1,260.6	1.6	-	-	-	2.8	-3.7	1.2	13.3	-	-	-	-	-	13.3
2011 Dec.	1,254.3	1.7	-	-	-	3.2	-3.5	1.3	12.1	-	-	-	-	-	13.6
2012 Jan.	1,246.6	-0.7	-	-	-	0.2	-5.4	-0.1	-0.5	-	-	-	-	-	13.7
2012 Feb.	1,249.8	-0.3	-	-	-	0.0	-5.6	0.7	5.1	-	-	-	-	-	13.8
2012 Mar.	1,254.3	0.2	-	-	-	0.4	-3.5	0.9	2.7	-	-	-	-	-	13.7
2012 Apr.	1,259.5	0.1	-	-	-	-0.4	-3.6	1.3	5.8	-	-	-	-	-	13.4
2012 May	1,259.7	0.1	-	-	-	-0.4	-4.0	1.6	3.8	-	-	-	-	-	13.2
2012 June	1,263.2	0.3	-	-	-	-0.5	-3.0	1.8	6.3	-	-	-	-	-	13.3
2012 July	1,260.7	0.2	-	-	-	-0.8	-3.6	1.7	8.5	-	-	-	-	-	13.3

Source: Statistical Office of the SR.

1) ESA 95. According to SK NACE Rev. 2 (published as of 2011).



Table 16 GDP – consumption side

	Total	Domestic demand					External balance				Statistical discrepancy
	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		
	1	2	3	4	5	6	7	8	9	10	11
Current prices (EUR bln.)											
2008	66.84	68.44	37.57	0.67	11.69	16.58	1.93	-1.59	55.79	57.39	0.00
2009	62.80	63.32	37.64	0.69	12.49	13.02	-0.53	-0.52	44.51	45.03	0.00
2010	65.74	66.60	37.74	0.70	12.75	14.62	0.80	-0.86	53.41	54.27	0.00
2011	69.06	67.30	39.02	0.72	12.53	15.48	-0.44	1.80	61.52	59.72	-0.04
2010 Q1	15.17	15.20	9.16	0.17	2.81	3.48	-0.42	-0.04	11.70	11.74	0.00
2010 Q2	16.28	16.19	9.25	0.17	3.14	3.48	0.13	0.09	13.23	13.14	0.00
2010 Q3	17.44	18.03	9.69	0.18	3.02	3.67	1.48	-0.58	13.46	14.04	0.00
2010 Q4	16.86	17.18	9.64	0.18	3.77	3.98	-0.39	-0.33	15.03	15.36	0.00
2011 Q1	15.85	15.70	9.48	0.17	2.81	3.56	-0.33	0.38	14.52	14.15	-0.22
2011 Q2	17.19	16.73	9.60	0.18	3.04	3.69	0.23	0.23	15.54	15.31	0.23
2011 Q3	18.26	17.61	9.97	0.18	2.97	3.89	0.59	0.45	14.92	14.47	0.20
2011 Q4	17.76	17.27	9.97	0.18	3.71	4.33	-0.92	0.73	16.53	15.80	-0.25
2012 Q1	16.56	16.05	9.90	0.18	2.87	3.42	-0.32	0.76	16.07	15.32	-0.25
2012 Q2	17.85	16.85	9.93	0.18	3.03	3.64	0.07	0.92	17.00	16.08	0.08
Percentage of GDP											
2011	100.0	97.5	56.5	1.0	18.1	22.4	-0.6	2.6	89.1	86.5	-0.1
Chain-linked volumes											
Annual percentage changes											
2008	5.9	5.7	6.0	7.8	6.1	1.0	-	-	3.1	3.1	-
2009	-4.9	-7.0	0.1	3.2	6.1	-19.7	-	-	-15.9	-18.1	-
2010	4.2	4.1	-0.8	1.4	1.1	12.4	-	-	16.5	16.3	-
2011	3.3	-1.5	-0.4	1.2	-3.5	5.7	-	-	10.8	4.5	-
2010 Q1	4.9	1.1	-0.4	2.2	6.3	9.5	-	-	17.6	11.8	-
2010 Q2	4.4	5.1	-1.9	1.3	0.6	11.3	-	-	16.7	18.0	-
2010 Q3	4.0	6.4	-0.8	1.2	2.1	13.4	-	-	16.2	20.0	-
2010 Q4	3.7	3.7	0.0	0.9	-2.7	15.1	-	-	15.8	15.5	-
2011 Q1	3.4	0.8	-0.2	1.4	-1.7	1.6	-	-	16.8	11.4	-
2011 Q2	3.5	0.4	-0.1	1.0	-5.1	6.4	-	-	13.1	10.9	-
2011 Q3	3.0	-4.4	-0.9	1.4	-3.2	5.9	-	-	6.8	-1.8	-
2011 Q4	3.4	-2.4	-0.4	1.0	-3.7	8.4	-	-	7.5	-1.0	-
2012 Q1	3.0	-0.7	-0.1	0.5	0.4	-3.9	-	-	6.0	2.1	-
2012 Q2	2.8	-1.6	-0.3	1.2	-2.1	-1.1	-	-	8.9	3.2	-
Quarterly percentage changes											
2010 Q1	0.8	4.3	4.0	66.4	8.9	14.7	-	-	1.1	5.1	-
2010 Q2	0.9	-1.1	1.3	-1.1	-10.7	-2.9	-	-	3.4	1.2	-
2010 Q3	0.9	3.2	0.6	0.2	9.7	2.1	-	-	4.8	8.9	-
2010 Q4	0.8	-1.4	0.7	3.9	-2.6	1.6	-	-	4.7	-0.2	-
2011 Q1	0.9	-0.4	-0.1	6.7	9.8	1.5	-	-	4.1	1.2	-
2011 Q2	0.9	-0.8	0.1	1.7	-0.8	2.3	-	-	-0.9	0.6	-
2011 Q3	0.7	-1.7	-0.3	2.6	2.6	0.8	-	-	-2.1	-3.5	-
2011 Q4	0.8	0.2	-0.8	2.7	6.9	2.0	-	-	6.0	0.7	-
2012 Q1	0.7	0.6	-1.5	0.0	-10.8	-2.7	-	-	3.3	4.4	-
2012 Q2	0.7	-0.7	-0.2	0.7	3.8	-0.7	-	-	1.5	1.7	-

Source: Statistical Office of the SR.



Table 17 GDP – supply side

	Gross value added											Taxes on products
	Total	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities; administrative and support service activities	Public administration and defence; compulsory social security; education; human health and social work activities	Arts, entertainment and recreation, repair of household goods and other services	
	1	2	3	4	5	6	7	8	9	10	11	12
Current prices (EUR billions)												
2008	60.7	2.5	17.4	6.1	13.7	2.4	2.0	3.6	4.3	7.3	1.3	6.2
2009	57.1	1.8	14.3	5.6	12.3	2.6	2.3	3.8	4.6	8.0	1.8	5.7
2010	59.8	1.9	18.3	5.7	11.2	2.7	2.2	3.6	3.7	8.4	2.0	6.0
2011	62.6	2.0	20.4	5.9	11.3	2.9	2.2	3.7	3.8	8.6	1.9	6.5
2010 Q1	13.7	0.5	4.6	0.9	2.6	0.6	0.6	0.9	0.9	1.8	0.5	1.4
2010 Q2	14.9	0.4	4.5	1.2	3.1	0.7	0.6	0.8	0.9	2.1	0.5	1.4
2010 Q3	15.9	0.6	4.7	1.7	3.1	0.8	0.5	0.9	1.0	2.0	0.5	1.6
2010 Q4	15.3	0.4	4.4	1.9	2.4	0.6	0.5	1.0	0.9	2.5	0.5	1.6
2011 Q1	14.4	0.4	5.1	0.9	2.6	0.7	0.6	0.9	0.9	1.7	0.5	1.5
2011 Q2	15.6	0.4	5.0	1.2	3.1	0.7	0.6	0.9	1.0	2.3	0.4	1.6
2011 Q3	16.7	0.8	5.2	1.7	3.1	0.8	0.5	0.9	1.0	2.1	0.5	1.6
2011 Q4	16.0	0.4	5.1	2.0	2.5	0.7	0.5	1.0	0.9	2.4	0.5	1.8
2012 Q1	15.1	0.4	5.4	0.7	2.8	0.7	0.6	0.9	1.0	1.9	0.5	1.4
2012 Q2	16.3	0.5	5.4	1.1	3.2	0.8	0.6	0.9	1.0	2.4	0.4	1.5
Contribution to GDP (%)												
2011	90.6	2.9	29.5	8.5	16.4	4.2	3.1	5.3	5.5	12.4	2.8	9.4
Chain-linked volumes, reference year 2000												
Annual percentage changes												
2008	6.4	11.6	4.4	20.3	11.5	-0.9	-4.2	4.5	10.9	1.5	-21.7	-0.4
2009	-4.7	-27.6	-11.2	-7.0	-14.1	3.7	13.9	15.8	5.3	6.2	38.2	-6.8
2010	4.2	5.0	30.8	5.6	-13.0	2.1	-7.9	-3.8	-20.5	3.5	6.4	4.0
2011	3.0	-20.2	12.8	2.1	-3.7	6.4	-6.0	4.0	3.5	-0.7	-5.5	6.4
2010 Q1	5.1	15.9	29.5	-6.9	2.5	-1.1	-5.1	-3.1	-20.8	-4.4	4.6	2.9
2010 Q2	4.3	38.5	18.2	1.0	-6.1	-1.9	-3.5	1.6	-14.7	9.1	8.5	4.6
2010 Q3	3.8	-4.2	34.3	9.1	-20.6	14.6	-11.9	-5.9	-25.4	6.1	11.8	5.1
2010 Q4	3.7	-15.3	41.1	13.0	-26.0	-2.9	-11.0	-7.3	-20.9	3.2	0.9	3.6
2011 Q1	3.7	-36.5	24.2	-0.2	-8.9	5.2	-9.4	-5.3	3.5	-5.5	10.6	0.5
2011 Q2	2.9	-29.2	21.4	-6.3	-11.9	5.8	-4.1	1.7	-1.0	7.4	-19.5	10.7
2011 Q3	3.2	-9.6	2.8	6.5	2.9	7.3	0.0	12.6	16.5	0.2	-11.6	1.3
2011 Q4	2.4	-5.6	6.1	5.1	6.3	7.1	-10.0	7.1	-4.5	-4.8	-0.1	12.9
2012 Q1	3.6	-16.8	6.8	-15.1	-1.6	15.1	-4.5	17.4	6.8	8.1	-0.6	-2.4
2012 Q2	3.6	3.8	11.5	-3.9	-0.2	8.2	-5.1	1.8	4.9	-1.5	-2.9	-4.8

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								Non-tax revenues	Grants and transfers	Foreign transfers	Total expenditures				
			Tax revenues						Other taxes							Current	Capital
			Individual income tax	Corporate tax	Withhold- ing taxes	Value added tax	Excise taxes										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15			
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		
2011	-3,275.3	12,002.3	8,700.3	112.1	1,620.4	143.2	4,753.2	2,001.7	69.8	858.8	2,443.2	2,031.4	15,278.0	12,783.2	2,494.8		
2011 Sep.	-2,158.9	8,279.3	6,205.9	27.7	1,256.9	109.7	3,278.7	1,483.2	49.7	626.0	1,447.4	1,426.5	10,438.2	9,096.3	1,341.9		
2011 Oct.	-2,341.3	9,311.4	7,077.4	39.7	1,379.1	118.8	3,826.7	1,660.1	53.0	666.6	1,567.4	1,533.1	11,652.7	10,152.4	1,500.3		
2011 Nov.	-2,665.4	10,238.9	7,800.6	41.4	1,486.7	132.6	4,250.5	1,833.5	55.9	750.9	1,687.4	1,651.1	12,904.3	11,078.6	1,825.7		
2011 Dec.	-3,275.3	12,002.3	8,700.3	112.1	1,620.4	143.2	4,753.2	2,001.7	69.8	858.8	2,443.2	2,031.4	15,278.0	12,783.2	2,494.8		
2012 Jan.	97.9	1,019.9	977.2	-22.2	122.5	33.9	666.3	166.7	10.0	41.4	1.3	0.0	922.0	916.8	5.2		
2012 Feb.	-846.0	1,492.7	1,325.8	-16.5	242.4	44.9	748.5	293.0	13.5	76.4	90.5	58.0	2,338.7	2,217.3	121.4		
2012 Mar.	-1,155.4	2,467.9	1,933.0	17.4	458.4	59.2	924.6	456.1	17.3	146.9	388.0	382.4	3,623.3	3,345.9	277.4		
2012 Apr.	-1,171.1	3,747.9	3,002.0	19.6	764.8	73.3	1,496.7	627.7	19.9	217.2	528.7	520.1	4,919.0	4,500.0	419.0		
2012 May	-2,159.5	4,331.5	3,292.4	-66.8	750.5	85.2	1,725.1	775.7	22.7	318.3	720.8	710.4	6,491.0	5,921.0	570.0		
2012 June	-2,325.7	5,247.6	4,039.6	52.4	898.9	95.8	2,016.6	949.5	26.4	356.2	851.8	839.2	7,573.4	6,912.0	661.4		
2012 July	-2,238.5	6,287.2	4,917.6	72.6	1,128.4	106.7	2,457.4	1,123.0	29.5	413.0	956.6	942.8	8,525.7	7,703.5	822.2		
2012 Aug.	-2,675.5	7,104.8	5,575.4	85.2	1,252.1	118.7	2,781.8	1,305.5	32.0	486.5	1,042.9	1,026.9	9,780.3	8,769.0	1,013.9		

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 expenditures		
	Total revenues								Non-tax revenues	Grants and transfers	Foreign transfers	Current	Capital			
	Tax revenues															
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
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	
2011	34.6	-9.4	-8.5	-21.9	-9.8	-14.7	-5.5	-12.6	-16.4	-17.2	-10.4	-20.0	-6.4	-4.8	-16.4	
2011 Sep.	-30.6	9.8	8.3	-43.8	43.4	-10.7	2.3	2.3	98.8	18.1	13.1	52.0	-2.0	-1.7	-4.1	
2011 Oct.	-30.6	9.9	9.4	-36.2	43.6	-9.2	4.1	2.9	85.3	11.9	11.4	51.0	-1.6	-1.2	-4.4	
2011 Nov.	-24.1	7.5	8.5	-39.2	36.0	-5.2	4.2	3.0	69.4	16.8	-0.3	46.6	-1.0	-1.2	0.4	
2011 Dec.	-26.2	10.1	9.3	-19.4	28.9	-6.0	7.3	2.9	88.1	26.1	8.2	42.4	-0.4	-1.4	5.4	
2012 Jan.	-653.1	22.8	31.3	47.0	49.8	23.3	39.5	-1.3	177.8	-10.6	-96.7	-100.0	8.7	10.4	-70.1	
2012 Feb.	145.9	-15.1	6.7	-60.0	25.7	24.0	5.8	-13.6	77.6	-4.4	-79.2	-86.6	11.3	11.7	4.3	
2012 Mar.	76.3	-10.3	-3.0	357.9	-13.1	27.9	-4.0	3.1	58.7	24.0	-39.4	-39.9	6.3	10.7	-27.9	
2012 Apr.	15.0	3.1	12.5	-121.0	32.3	29.0	0.0	1.8	44.2	4.4	-30.4	-30.8	5.7	9.0	-20.4	
2012 May	37.8	-1.5	3.3	-32.9	22.9	26.2	-4.8	-0.4	28.2	15.6	-22.8	-23.1	8.8	11.8	-14.7	
2012 June	47.4	-4.3	-1.8	-1790.3	8.7	21.3	-9.3	-0.1	-27.5	4.4	-17.2	-17.5	7.3	10.4	-17.2	
2012 July	33.6	-4.3	-0.1	566.1	16.5	18.0	-8.4	-0.2	-31.9	-10.1	-19.5	-19.5	3.4	6.2	-16.8	
2012 Aug.	32.3	-3.2	0.9	550.4	11.2	19.1	-5.5	0.5	-31.6	-8.0	-19.0	-19.1	4.4	7.1	-14.0	

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
2008	49,522	50,280	-758	6,001	6,488	-487	-1,883	-893	-4,021	806	2,948	1,525	1,446	5,919
2009	39,721	38,775	946	4,342	5,368	-1,026	-870	-676	-1,627	464	-656	-1,506	4,222	2,060
2010	48,272	47,494	779	4,397	5,141	-744	-1,249	-422	-1,637	1,018	150	-1,299	647	-503
2011	56,408	53,966	2,442	4,750	5,120	-370	-1,680	-353	38	865	1,189	-218	1,895	2,866
2011 Q3	13,787	13,221	566	1,212	1,335	-123	-425	-207	-189	195	249	516	-211	554
2011 Q4	14,953	14,022	931	1,304	1,272	32	-445	-242	276	238	947	-394	128	681
2012 Q1	14,760	13,996	764	1,252	1,192	60	-378	-73	373	33	775	2,774	-3,372	177
2012 Q2	15,812	14,845	966	1,386	1,314	72	-402	-163	474	508	44	2,647	-3,644	-953
2011 Aug.	4,441	4,270	171	422	467	-45	-133	-30	-38	1	160	640	-374	426
2011 Sep.	5,093	4,723	370	385	408	-23	-155	-101	91	177	150	-104	263	308
2011 Oct.	5,331	4,750	581	369	408	-39	-137	-105	300	-2	-110	178	379	447
2011 Nov.	5,297	5,018	279	403	386	17	-129	-36	130	38	524	-509	396	412
2011 Dec.	4,325	4,254	71	532	478	54	-179	-101	-154	202	533	-63	-647	-177
2012 Jan.	4,474	4,247	227	439	422	17	-141	-107	-4	-5	682	1,060	-1,229	513
2012 Feb.	4,834	4,572	262	381	381	0	-103	75	235	-2	215	-144	-270	-198
2012 Mar.	5,451	5,176	275	431	389	42	-134	-41	142	39	-122	1,858	-1,872	-137
2012 Apr.	5,067	4,830	237	419	431	-12	-130	-60	36	202	322	1,365	-1,964	-277
2012 May	5,413	5,032	380	495	443	51	-123	-14	296	175	172	543	-1,026	-311
2012 June	5,332	4,983	349	472	440	33	-149	-90	142	131	-450	739	-654	-365
2012 July	4,978	4,579	399	487	453	34	-129	-97	207	.	.	.	.	.

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
2008	4.6	4.6	4.3	22.0
2009	-19.8	-22.9	-27.7	-17.3
2010	21.5	22.5	1.3	-4.2
2011	16.9	13.6	8.0	-0.4
2011 Q3	14.4	7.4	6.8	3.1
2011 Q4	8.8	2.3	7.3	-3.0
2012 Q1	9.6	8.9	17.5	-0.1
2012 Q2	-66.5	-65.9	-60.1	-60.7
2011 Aug.	17.2	6.8	3.7	11.0
2011 Sep.	13.3	6.0	8.4	2.6
2011 Oct.	10.8	1.0	-2.2	-8.4
2011 Nov.	8.4	5.4	12.2	-3.3
2011 Dec.	6.9	0.2	11.0	2.3
2012 Jan.	9.9	10.8	23.7	14.2
2012 Feb.	10.6	9.1	11.0	-5.6
2012 Mar.	8.6	7.1	17.4	-7.4
2012 Apr.	12.6	8.5	13.2	2.1
2012 May	10.0	4.4	22.1	-6.9
2012 June	11.4	8.4	20.3	4.4
2012 July	17.1	8.3	20.4	-1.4

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 ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾⁷⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %)	
2009	0.3	1.3	-5.1	-4.4	-14.9	-2.4	9.6	4.03	
2010	1.6	1.0	2.9	2.0	7.3	0.9	10.1	3.79	
2011	2.7	1.7	5.9	1.4	3.4	-0.6	10.2	4.31	
2011 Q2	2.8	1.8	6.3	1.6	4.0	-0.5	9.9	4.46	
2011 Q3	2.7	1.7	5.9	1.3	3.8	-0.5	10.2	4.28	
2011 Q4	2.9	2.0	5.1	0.6	-0.2	-1.3	10.6	4.20	
2012 Q1	2.7	1.9	3.7	0.0	-1.8	-1.0	10.9	3.65	
2012 Q2	2.5	1.8	2.2	-0.5	-2.4	-1.7	11.2	3.45	
2012 May	2.4	1.8	2.3	-	-2.6	-0.7	11.2	3.53	
2012 June	2.4	1.8	1.8	-	-2.1	-0.9	11.3	3.41	
2012 July	2.4	1.9	1.8	-	-2.3	-1.7	11.3	3.25	
2012 Aug.	2.6	1.7	.	-	.	.	.	3.01	

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

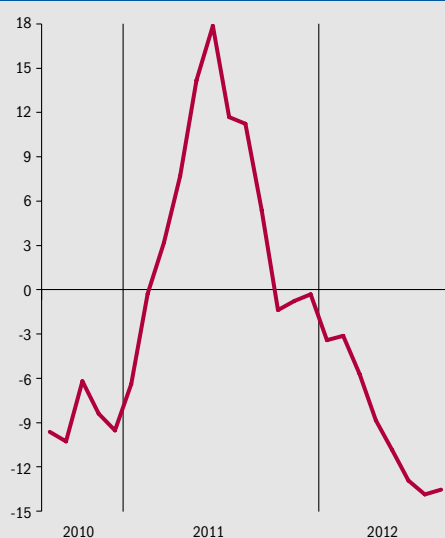
4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

7) GDP data refer to the second and/or third Eurostat estimate.

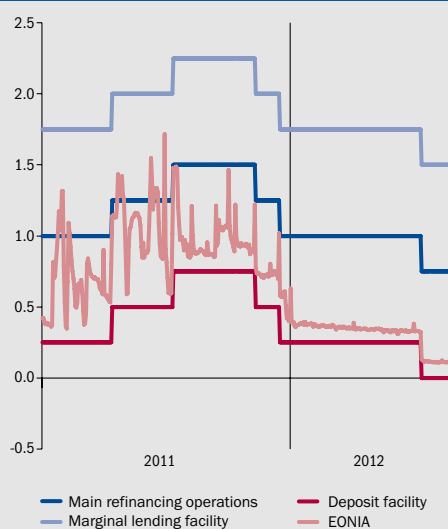
Chart 1 USD/EUR: year-on-year changes (%)



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 ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2009	0.6	0.5	-3.1	-4.7	-13.1	-1.5	6.7	4.84
2010	1.2	0.5	1.2	2.7	9.8	-1.1	7.3	3.88
2011	2.1	1.4	5.5	1.7	6.4	0.4	6.7	3.71
2011 Q2	1.8	1.2	5.9	2.1	8.8	0.8	6.8	3.90
2011 Q3	2.1	1.5	5.5	1.3	3.3	-1.0	6.6	3.40
2011 Q4	2.8	2.1	5.2	0.6	3.2	0.2	6.6	3.50
2012 Q1	4.0	3.1	3.6	-0.5	1.6	0.0	6.8	3.34
2012 Q2	3.8	2.6	1.8	-1.0	0.2	-0.7	6.7	3.31
2012 May	3.5	2.5	1.7	-	-0.7	1.2	6.7	3.31
2012 June	3.8	2.5	1.5	-	-0.2	-0.1	6.7	3.11
2012 July	3.3	2.2	1.3	-	1.7	.	6.6	2.60
2012 Aug.	3.4	2.1	.	-	.	.	.	2.38

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 ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemployment (% of the labour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2009	4.0	4.1	1.2	-6.8	-17.5	-5.3	10.0	9.12
2010	4.7	3.3	7.3	1.3	10.3	-2.2	11.2	7.28
2011	3.9	3.0	6.1	1.6	5.6	0.3	11.0	7.64
2011 Q2	3.9	3.1	3.7	1.7	4.2	-0.2	10.9	7.13
2011 Q3	3.4	3.2	4.2	1.3	2.5	0.0	11.0	7.49
2011 Q4	4.1	3.3	7.6	1.2	4.5	1.3	10.9	8.46
2012 Q1	5.6	5.0	7.6	-1.2	-1.5	0.3	11.1	8.95
2012 Q2	5.5	4.8	7.1	-1.1	0.1	-2.3	11.0	8.47
2012 May	5.4	4.7	7.4	-	2.4	-2.4	11.0	8.33
2012 June	5.6	4.8	6.9	-	0.6	-1.7	10.8	8.30
2012 July	5.7	4.9	6.1	-	.	.	.	7.56
2012 Aug.	6.0	5.0	.	-	.	.	.	7.36

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 ¹⁾ (core inflation)	PPI	GDP ²⁾⁴⁾⁵⁾⁸⁾	Industrial production ²⁾³⁾	Retail trade (sales) ²⁾³⁾	Unemploy-ment (% of the la-bour force) ⁶⁾	10-year bonds (yield to maturity in %) ⁷⁾
2009	4.0	3.3	2.4	1.6	-3.8	3.4	8.2	6.12
2010	2.7	2.0	3.7	3.9	10.8	6.3	9.6	5.78
2011	3.9	3.1	7.7	4.3	7.2	-0.1	9.7	5.96
2011 Q2	4.0	3.1	8.0	4.7	7.0	1.4	9.6	6.03
2011 Q3	3.7	3.3	7.1	4.0	5.7	-2.5	9.7	5.75
2011 Q4	4.2	3.6	7.4	4.0	8.7	-0.6	10.0	5.78
2012 Q1	4.2	3.4	5.6	3.5	5.5	0.9	10.0	5.50
2012 Q2	4.0	3.1	4.2	2.5	2.6	-0.1	10.0	5.38
2012 May	3.6	3.0	4.6	-	2.4	-0.1	10.0	5.41
2012 June	4.2	2.9	3.9	-	1.0	-0.6	10.0	5.24
2012 July	4.0	2.9	3.3	-	4.4	2.9	10.0	4.99
2012 Aug.	3.8	2.6	.	-	.	.	.	4.88

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.

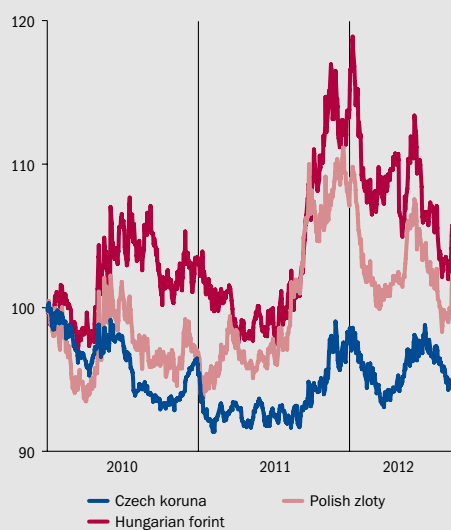
5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

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

8) GDP data refer to the second and/or third Eurostat estimate.

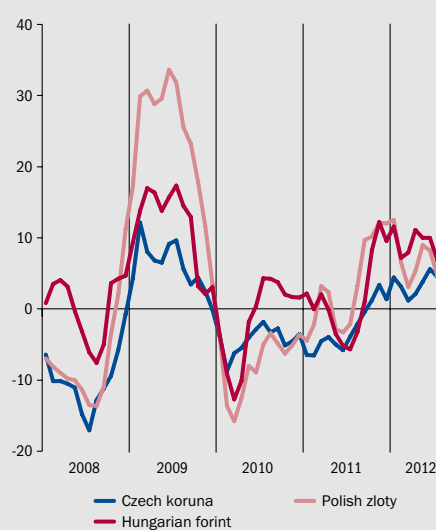
Chart 3 Exchange rate indices of V4 currencies against the euro (4 January 2010 = 100)



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 percentage changes)

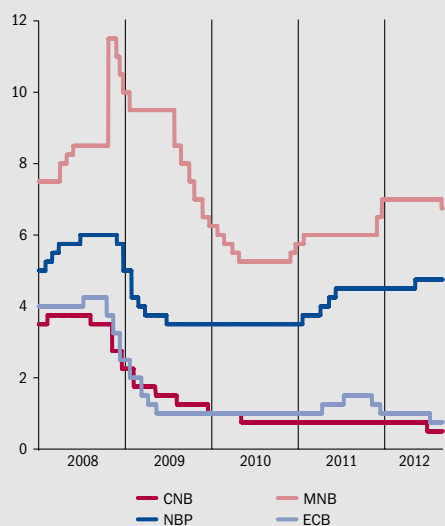


Sources: Eurostat, NBS calculations.

Note: Negative values denote an appreciation.



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



Sources: ECB, national central banks.

Table 24 United States

(annual percentage changes, unless otherwise indicated)

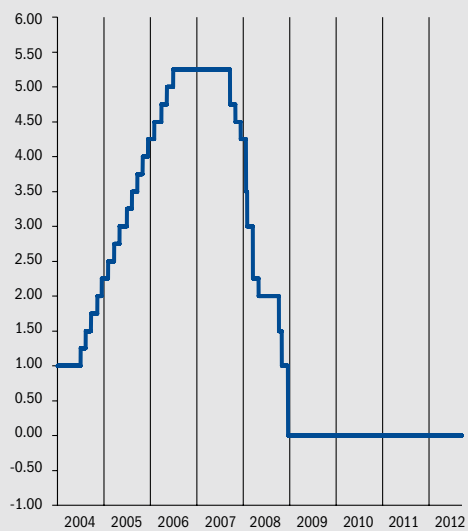
	Prices			Real economy				Financial market
	HICP	HICP ¹⁾ (core inflation)	PPI ²⁾	GDP ³⁾	Industrial production ⁴⁾	Retail trade ⁵⁾	Unemployment	10-year bonds (yield to maturity in %)
2009	-0.4	1.7	-2.4	-3.1	-11.2	-6.4	9.3	3.26
2010	1.6	1.0	4.2	2.4	5.3	6.5	9.6	3.22
2011	3.2	1.7	6.0	1.8	4.1	6.7	9.0	2.78
2011 Q2	3.4	1.5	6.7	1.9	3.8	6.8	9.0	3.20
2011 Q3	3.8	1.9	6.9	1.6	3.7	7.2	9.1	2.14
2011 Q4	3.3	2.2	5.6	2.0	3.7	5.7	8.7	2.05
2012 Q1	2.8	2.2	3.3	2.4	4.2	5.4	8.3	2.04
2012 Q2	1.9	2.3	1.2	2.3	4.6	3.9	8.2	1.83
2012 May	1.7	2.3	0.8	-	4.3	4.1	8.2	1.80
2012 June	1.7	2.2	0.8	-	4.6	3.4	8.2	1.62
2012 July	1.4	2.1	0.5	-	4.1	3.6	8.3	1.53
2012 Aug.	.	.	2.0	-	.	.	8.1	1.68

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.

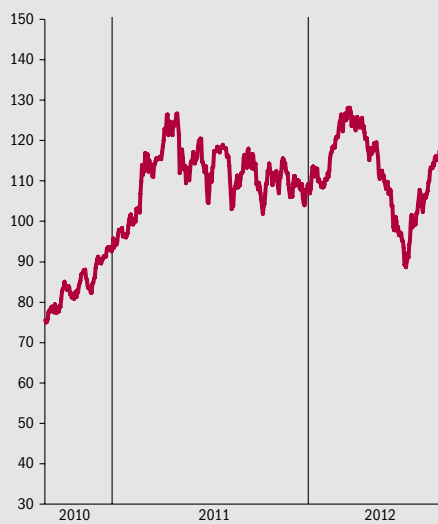


Chart 6 United States (federal funds rate in %)



Source: Federal Reserve System.

Chart 7 Oil prices (USD/barrel)



Source: Reuters.