



NÁRODNÁ BANKA SLOVENSKA  
EUROSYSTEM



# NBS MONTHLY BULLETIN

MARCH 2012

Published by:  
© Národná banka Slovenska

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

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

Fax:  
+421/02/5787 1128

<http://www.nbs.sk>

All rights reserved.  
Reproduction for educational and non-commercial  
purposes is permitted provided that the source is  
acknowledged.  
Approved by the NBS Bank Board on 27 March 2012.

ISSN 1337-9526 (online)



# CONTENTS

<b>1</b>	<b>SUMMARY</b>	<b>7</b>	Table 4	Wage developments in selected sectors	<b>18</b>	
<b>2</b>	<b>THE EXTERNAL ECONOMIC ENVIRONMENT</b>	<b>9</b>	Table 5	Employment in selected sectors	<b>18</b>	
2.1	The euro area	9	Table 6	Monthly net sales of open-end funds in Slovakia	<b>21</b>	
2.2	Developments in Poland, the Czech Republic and Hungary	9	Table 7	Balance of payments current account	<b>33</b>	
<b>3</b>	<b>ECONOMIC DEVELOPMENTS IN SLOVAKIA</b>	<b>11</b>	Table 8	Exports for January to December	<b>34</b>	
3.1	Price developments	11	Table 9	Imports for January to December	<b>35</b>	
3.2	The real economy and the labour market	14	Table 10	Balance of payments capital and financial account	<b>37</b>	
3.3	Monetary aggregates and interest rates	20	Table 11	Capital inflows in the balance of other investment broken down by sector	<b>38</b>	
<b>ANNEXES</b>			Table 12	External debt of the Slovak Republic	<b>39</b>	
Quarterly report on the international economy			23	Table 13	GDP by expenditure	<b>41</b>
Quarterly report on the balance of payments			33	Table 14	Structure of gross fixed capital formation in the fourth quarter of 2011	<b>42</b>
Quarterly report on the real economy			41	Table 15	Export growth and import growth by contribution of price and volume changes	<b>44</b>
Comments on the Quarterly Financial Accounts for Q4 2011			56	Table 16	Seasonally adjusted GDP by expenditure	<b>45</b>
<b>STATISTICS</b>			Table 17	GDP and its components	<b>46</b>	
1	Overview of main macroeconomic indicators for the SR	S2	Table 18	GDP development by sector	<b>46</b>	
2	Monetary and banking statistics	S3	Table 19	Comparison of GDP, GNI and GNDI	<b>47</b>	
3	Prices and costs of labour	S11	Table 20	Average monthly wages and labour productivity in the Slovak economy	<b>48</b>	
4	Real economy	S18	Table 21	Average compensation per employee and labour productivity in the Slovak economy	<b>48</b>	
5	Public finances	S27	Table 22	Real labour productivity and compensation per employee in the fourth quarter of 2011	<b>49</b>	
6	Balance of payments	S29	Table 23	Generation and use of income in the household sector	<b>50</b>	
7	External environment	S31	Table 24	Gross disposable income	<b>50</b>	
<b>LIST OF BOXES</b>			Table 25	Employment and unemployment	<b>51</b>	
Box 1	Quarterly report on the international economy	10	Table 26	Developments in employment by sector	<b>52</b>	
Box 2	Comprehensive revision of the industrial producer price index	12	Table 27	Financial results	<b>52</b>	
Box 3	Balance of payments for January to December 2011	14	Table 28	Financial results	<b>54</b>	
Box 4	The real economy in the fourth quarter of 2011	19	Table 29	The ESA 95 system – institutional sectors and sub-sectors	<b>56</b>	
<b>LIST OF TABLES</b>			Table 30	The ESA 95 system – financial instruments	<b>57</b>	
Table 1	Producer price developments in January 2012	12	<b>TABLE IN BOXES</b>			
Table 2	Balance of payments current account	14	Box 2			
Table 3	Production and sales	17	Table A	Producer price indices	<b>13</b>	



## LIST OF CHARTS

Chart 1	USD/EUR exchange rate	9	Chart 27	Key interest rates of the V4 national central banks (%)	32
Chart 2	Exchange rate indices of the V4 currencies vis-à-vis the euro	9	Chart 28	Exports and imports – annual percentage changes	33
Chart 3	Annual rate of change in the PPI by contribution of main components	11	Chart 29	Imports from the EU-27 and exports: annual percentage changes	34
Chart 4	Indices of industrial production and construction production	16	Chart 30	Trade balance and current account in 2009, 2010 and 2011: cumulative volumes	34
Chart 5	Employment – comparison of monthly and quarterly indicators	19	Chart 31	Exports of TV sets	35
Chart 6	Inflow, outflow and total number of jobseekers	19	Chart 32	Exports: annual percentage changes	35
Chart 7	Economic Sentiment Indicator	20	Chart 33	Year-on-year changes in imports and exports in 2011	36
Chart 8	Monthly net sales of open-end investment funds	22	Chart 34	NEER and REER indices	39
Chart 9	Quarterly GDP growth and the CLI	23	Chart 35	GDP – annual and quarterly rates of change	41
Chart 10	Euro area: economic growth	24	Chart 36	Domestic and external demand	41
Chart 11	Euro area: contributions to quarterly GDP growth by component	25	Chart 37	Contributions to fixed investment growth in p. p.	42
Chart 12	Assessment of the effect of demand on industrial production	25	Chart 38	Contributions to fixed investment growth in p. p.	43
Chart 13	Euro area: assessment of competitiveness outside EU and export expectations in industry, year-on-year growth in euro area goods exports	25	Chart 39	Structure of household final consumption in Q4, 2011	43
Chart 14	Unemployment rate and consumer expectations for the next 12 months	26	Chart 40	Household final consumption growth broken down by component	43
Chart 15	Sectoral expectations for employment	26	Chart 41	Contribution of net exports to GDP at current prices	44
Chart 16	Ifo economic climate index and euro area GDP growth	27	Chart 42	Export performance and import intensity	44
Chart 17	Ifo index for the euro area and Germany, ZEW index for Germany	27	Chart 43	Seasonally adjusted GDP at constant prices by contribution to its quarterly rate of change	45
Chart 18	Euro area: annual HICP inflation rate and the contributions of selected components	27	Chart 44	Economic sentiment indicator and GDP	47
Chart 19	Energy prices in PPI (MIG1) and in HICP	28	Chart 45	Real wages and labour productivity	48
Chart 20	Prices of food and beverage production in PPI and prices of processed food in HICP	28	Chart 46	Unit labour costs by component in ECB methodology	49
Chart 21	Euro area: prices of goods and services	28	Chart 47	Number of employed people and of hours worked	51
Chart 22	Prices of frequently purchased items and consumer price expectations	28	Chart 48	Financial results of financial and non-financial corporations	53
Chart 23	USD/EUR exchange rates	29	Chart 49	Year-on-year changes in non-financial corporation profits for Q4, 2011 by sector of economy	53
Chart 24	GDP growth	30	Chart 50	Year-on-year changes in industry sector profits for Q4, 2011 by branch of industry	53
Chart 25	Contributions to HICP inflation	31	Chart 51	Year-on-year changes in manufacturing profits for Q4, 2011 by branch of manufacturing	55
Chart 26	Exchange rate indices of the V4 currencies vis-à-vis the euro	31	Chart 52	Net lending (+)/ borrowing (-) by sector in Q4/2011	58



Chart 53	Financial transactions by sector in Q4/2011	58	Chart 59	Financial transactions of financial corporations by sub-sector in Q4/2011	59
Chart 54	Net financial assets (transactions) as a share of GDP	58	Chart 60	Financial transactions of the general government by sub-sector in Q4/2011	60
Chart 55	Financial assets and liabilities (transactions) of non-financial corporations by component in Q4 2011	58	Chart 61	Financial assets and liabilities (transactions) of households and NPISH by component in Q4/2011	61
Chart 56	Financial assets (transactions) of non-financial corporations by sector in Q4/2011	59	Chart 62	Financial assets (transactions) of households and NPISH by component in Q4/2011	61
Chart 57	Financial liabilities (transactions) of non-financial corporations by sector in Q4/2011	59	Chart 63	Financial liabilities (transactions) of households and NPISH by component in Q4/2011	61
Chart 58	Net lending (+)/ borrowing (-) by financial corporations in Q4/2011	59			



## 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 2.7% in February, almost unchanged from its level in January. According to Eurostat, the euro area's gross domestic product for the fourth quarter of 2011 grew by 0.7% in year-on-year terms and by 0.3% when measured against the previous quarter (by comparison, GDP for the third quarter rose by 1.3% year-on-year basis and by 0.1% quarter-on-quarter). The exchange rate of the euro against the US dollar appreciated during February in comparison with the previous month. At its meeting on 3 March 2012, the ECB's Governing Council decided to leave the key ECB interest rates unchanged, with the main refinancing rate standing at 1.00%, the marginal lending rate at 1.75% and the deposit rate at 0.25%.

In the Czech Republic, Hungary and Poland, the annual rate of change in the HICP inflation rate increased in February in comparison with the previous month to, respectively, 4.0%, 5.8% and 4.4%. In the fourth quarter of 2011 GDP growth in the Czech Republic fell to 0.6% year-on-year, from 1.3% in the third quarter, according to Eurostat. In Hungary, annual GDP growth stood at 1.5%, unchanged from the previous quarter, and in Poland it rose to 4.3%, from 4.2%. The exchange rates of the Czech koruna, Hungarian forint and Polish zloty appreciated in February in comparison with the previous month. None of the central banks of these central European countries adjusted their monetary-policy settings in February; Česká národní banka left its key rate at 0.75%, Narodowy Bank Polski at 4.50%, and the Magyar Nemzeti Bank at 7.00%.

In Slovakia, according to the Slovak Statistical Office (SO SR), annual GDP growth in the fourth quarter of 2011 (seasonally unadjusted, at constant prices) increased to 3.4%, from 3.0% in the third quarter, while quarter-on-quarter GDP growth (seasonally adjusted) rose to 0.9%, from 0.8% in the third quarter. As for overall employment in Slovakia, its annual rate of growth in the fourth quarter of 2011 declined to 0.9%, from 1.7% in the third quarter, while its quarter-on-quarter growth rate remained unchanged at

0.2%. Although GDP growth in the fourth quarter exceeded NBS expectations, the labour market situation was less positive.

Annual GDP growth was higher in the fourth quarter than in the third quarter. In terms of output performance, GDP growth was boosted mainly by higher value added in the industry, construction, and trade sectors, and to a significant extent, at the end of the year, by net taxes. On the consumption side, economic growth continued to be driven substantially by external demand, which recorded a slightly higher annual increase in the last quarter of the year. With both public and private consumption continuing to decline in year-on-year terms, consumption demand contracted and contributed to the year-on-year fall in domestic demand. The significant year-on-year increase in gross fixed capital formation dampened the decline in domestic demand, which was more moderate than in the previous quarter. Net exports continued to be positive in the fourth quarter, and made the largest contribution to GDP growth. The upturn in the macroeconomic situation in the period under review was reflected in a sharp rise corporate profits and consequent increase in firms' investment activities. The balance of payments current account for the period January to December improved and recorded a surplus. This reflected improvements in all the constituent balances except for the income balance. Despite relatively sharp economic growth and a substantial rise in labour productivity, the labour market situation in the last quarter was marked by slower growth in wages and unemployment and by a rise in the number of unemployed. Unit labour costs declined year-on-year in the fourth quarter, as the annual growth in compensation per employee was lower than the rise in labour productivity. The unemployment rate declined in comparison with the previous quarter, but remained at a relatively high level.

In Slovakia, the annual rate of HICP inflation in February declined month-on-month, to 4.0%. Inflation was affected mainly by lower growth in food and services prices, which was partly



compensated by a higher rise in energy prices and prices of non-energy industrial goods. The annual rate of change in industrial producer price inflation increased in January in comparison with December, due largely to a sharp rise in inflation in the energy component, mainly in prices of gas supply and prices of steam and air-conditioning supply (electricity prices declined year-on-year). Prices of agricultural products recorded a year-on-year increase in January, following a drop in the previous month. Construction work prices rose at a slower pace.

The balance of payments current account improved month-on-month in January 2012, due mainly to a rise in the trade surplus. The services balance and current transfers balance deteriorated slightly in comparison with the previous month.

The annual growth rate of the industrial production index increased markedly in January in comparison with the previous month, driven up mainly by the sector of electricity, gas, steam and air-conditioning supply and to a lesser extent by manufacturing industry. Among the principal segments of manufacturing industry, the largest rises in production were recorded by manufacture of machinery and equipment and manufacture of computer, technological and optical products, while production in the transport equipment segment declined in month-on-month terms. Construction production in January declined quite sharply year-on-year, after rising in the previous month. As for sales in selected sectors, their annual rate of change increased in January, reflecting mainly stronger sales in the sectors of industry, retail trade, and wholesale trade. By contrast, sales growth in the information and communication sector slowed markedly, and sales in the construction fell year-on-year. The overall economic sentiment indicator in February declined both in comparison with the previous month and in year-on-year terms. Confidence indicators in the industry, construction, and services sectors declined, while the retail trade confidence indicator and consumer confidence indicator both improved.

Annual growth in the average nominal wage was substantially higher in January than in the

previous month, and real wage growth also increased in year-on-year terms. All sectors apart from food service activities contributed to the jump in nominal wage growth. On the other hand, the employment level declined year-on-year in January, due to the decline in construction sector employment becoming more pronounced and also to worse employment figures in the transport and storage sector and in the trade sector. The rate of registered unemployment increased month-on-month in January, to stand at 13.7%.

Looking at private sector deposits in January there were contrasting trends in deposits from non-financial corporations and deposits from households. The stock of deposits from non-financial corporations fell markedly in month-on-month terms, reflecting mainly a pronounced decline in the shortest-term deposits, which was to some extent mitigated by a rise in deposits with up to two years' agreed maturity. Overall, the annual rate of decline in the stock of corporate deposits was more pronounced in January. The total stock of deposits from households increased month-on-month in January, with the largest rise recorded by deposits with up to two years' agreed maturity. In year-on-year terms, the stock of household deposits remained largely unchanged from the previous month. Lending to both non-financial corporations and households increased month-on-month in January. In the case of loans to non-financial corporations, a decline in the stock of loans with a maturity of more than five years was offset by a rise in loans with a maturity of up to one year and in loans with a maturity of between 1 and 5 years. The annual rate of growth in lending to non-financial corporations increased moderately. Among loans to the household sector, housing loans recorded the largest month-on-month rise and their annual rate of growth remained largely unchanged from the previous month. Lending rates for non-financial corporations were the only rates which were adjusted significantly in January in response to a decline in interbank market rates. Average lending rates for households remained more or less stable at the beginning of the year, with only housing loans becoming moderately more costly. There was little change in deposit rates for both non-financial corporations and households.





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

### 2.1 THE EURO AREA

The annual rate of euro area inflation, as measured by the Harmonised Index of Consumer Prices (HICP), was 2.7 % in February 2012, unchanged from its level in January. Moderately higher inflation in prices of non-energy industrial goods, energy, and food was counterbalanced by a slightly slower increase in services prices. The lowest inflation rates<sup>2</sup> were recorded by Greece (1.7%), Spain (1.9%) and Malta (2.4%). The highest rates were observed in Estonia (4.4%), Slovakia (4.0%) and Portugal (3.6%). The euro area's annual inflation rate for same period of the previous year was 2.4%.

The exchange rate of the euro against the US dollar was marked by volatility during February. It was affected by the adoption of austerity measures in Greece and by the subsequent decision of EU leaders to approve a further financial aid package for that country, as well as by the fact that several euro area countries had their credit rating downgraded. Over the course of February the euro gained 2.0% against the

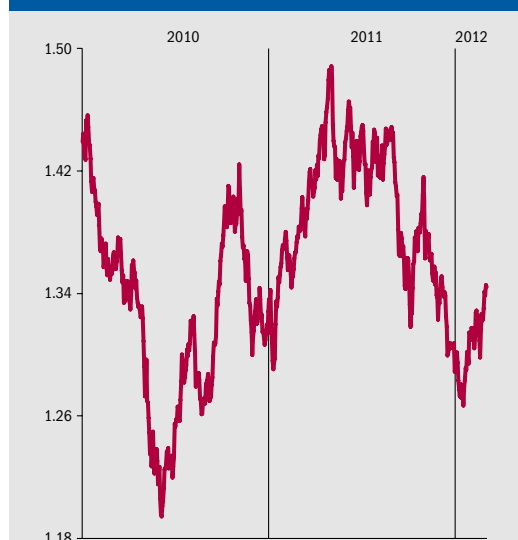
dollar, while in comparison with the same period of 2011 it depreciated by 2.8%.

At its meeting on 8 March 2012, the ECB's Governing Council decided to leave the key ECB interest rates unchanged, with the main refinancing rate standing at 1.00%, the marginal lending rate at 1.75% and the deposit rate at 0.25%. On 28 February 2012 the Governing Council decided to temporarily suspend the eligibility of marketable debt instruments issued or fully guaranteed by Greece for use as collateral in Eurosystem monetary policy operations. At a subsequent meeting on 8 March 2012 the Governing Council decided that these debt instruments will again be accepted as collateral in Eurosystem monetary policy operations.

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

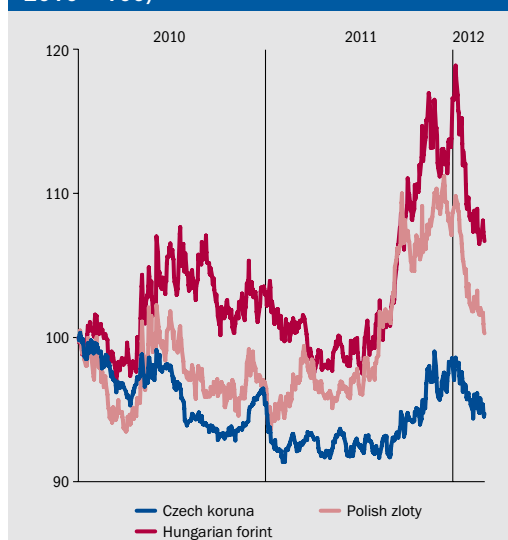
In February 2012 annual HICP inflation increased month-on-month in all three of the countries under review. In the Czech Republic it rose by

Chart 1 USD/EUR exchange rate



Source: ECB.

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.

1 Further information on developments in the international economy is provided in the tables and graphs published in the Statistics Annex, the external environment.  
2 The HICP inflation figures for February 2012 were available for all countries except Ireland. In the case of Ireland, the most recent inflation data were for January.



0.2 percentage point, to 4.0%; in Hungary by 0.2 percentage point, to 5.8%, and in Poland by 0.3 percentage point, to 4.4%. The rise in inflation in the Czech Republic and Poland was largely attributable to prices of energy and services, and in Hungary to prices of non-energy industrial goods and food. In the Czech Republic and Hungary, inflation also came under upward pressure from VAT rate hikes that came into effect from 1 January 2012, and this pressure might continue in the months ahead.

Looking at the currencies of these three central European countries, their exchange rates vis-à-vis the euro have been appreciating since the beginning of the year, although to a far lesser

extent in February. The exchange rates were affected by positive expectations that a second bailout package for Greece would be approved, and in the case of the Hungarian forint by the prospect of a financial assistance agreement being concluded with the IMF. By the end of February, in comparison with the end of February 2011, the Czech koruna had appreciated against the euro by 1.37 %, the Hungarian forint by 1.77%, and the Polish zloty by 2.44%.

The central banks of Poland, the Czech Republic and Hungary left their key interest rates unchanged in February, as follows: Narodowy Bank Polski – 4.50%, Česká národní banka – 0.75%, and the Magyar Nemzeti Bank – 7.00%.

#### Box 1

### QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

Global economic growth slowed in the fourth quarter of 2011. The euro area economy contracted (as did some other advanced economies, including the United Kingdom and Japan), and there was slower growth even in the emerging world. In the Czech Republic, GDP contracted in the fourth quarter; in Hungary, growth slowed moderately, while in Poland it increased slightly.

In the fourth quarter of 2011 global economic sentiment indicators continued to decline, but still remained above the level indicating economic growth. In the euro area, confidence indicators stabilised and stopped falling in the first months of the year, and in some cases they even showed a modest improvement.

Energy prices continued to be the main driver of inflation, although their effect is beginning to lessen somewhat. In both the Czech Republic and Hungary, an increase in the VAT rate contributed to the rise in inflation in the first months of 2012.

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 November to reduce the key ECB rates by 25 basis points, and decided at its meeting in December to make a further cut of 25 basis points. During the course of the third quarter as well as in November and December, the Governing Council adopted several non-standard measures aimed at easing the strains in financial markets and supporting bank credit and liquidity in the euro area money market. In the first months of 2012 the Governing Council kept the key rates unchanged. In Hungary, the Magyar Nemzeti Bank hiked its base rate by 50 basis points in both November and December 2011, in response to mounting inflationary risk in the medium-term horizon. Both the Czech and Polish central banks kept their key rates unchanged. So far in 2012, the Czech, Hungarian and Polish central banks have not made any adjustment to their monetary-policy settings.

## 3 ECONOMIC DEVELOPMENTS IN SLOVAKIA

### 3.1 PRICE DEVELOPMENTS

#### 3.1.1 CONSUMER PRICES

Annual inflation in February stood at 4.0%, which was 0.1 percentage point lower than in the previous month. Inflation was affected mainly by lower growth in food and services prices, which was partly compensated by a higher rise in energy prices and prices of non-energy industrial goods.

Consumer prices in February, as measured by the HICP, increased by 0.2% month-on-month, with goods prices rising by 0.2% and services prices going up by 0.3%. The monthly increase in HICP inflation was in line with NBS expectations. The rise in energy, food and services prices was higher than projected, while the increase in prices of non-energy industrial goods was lower.

In month-on-month terms, consumer prices in February were affected mainly by higher prices of energy (fuel), food and services. The non-energy industrial goods that recorded the sharpest rise in prices were non-durable goods (pharmaceutical products, goods for the maintenance and repair of dwellings). On the other hand, clothing and footwear prices declined as a result of seasonal sales. The energy price component included a marked rise in fuel prices, which stemmed from rising global oil prices. As for food prices, their monthly rate of change reflected a substantial increase in unprocessed food prices and stagnation in processed food prices. In the processed foods category, the most pronounced rises were in prices of bread and cigarettes, while on the other hand there were declines in prices of oils and fats, dairy products, and non-alcoholic beverages. As in the previous month, unprocessed food prices were affected by a marked seasonal rise in prices of fruit and vegetables. In the category of services, the highest monthly inflation was in prices of restaurant services and health services.

The average annual inflation rate for the 12 months from March 2011 to February 2012 stood at 4.2%, which was 0.1 percentage point higher than in the previous month.

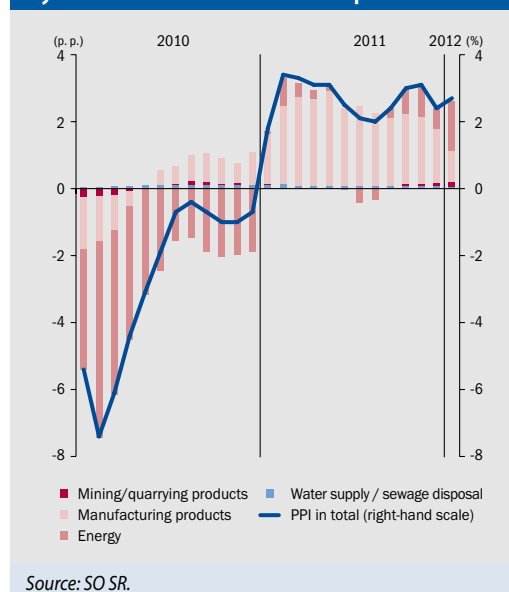
The annual inflation rate in March is expected to decelerate. Food price inflation is assumed to continue slowing in line with movements in agricultural commodity prices. The upward trend in cigarette prices is expected to be maintained (only around half of the cigarette packets sold in February were affected by the hike of €0.10 in excise duty on cigarettes, which contributed 0.03 percentage point to the headline inflation rate). Services price inflation may also decline moderately year-on-year due to the base effect of high inflation in the previous year. Gas prices for households will fall in March.

In February 2012 the Consumer Price Index (CPI) increased month-on-month by 0.2%, with administered prices increasing by 0.1% and the core CPI by 0.2%. The annual CPI inflation rate declined to 3.8%, from 3.9% in January.

#### 3.1.2 PRODUCER PRICES

Industrial producer prices on the domestic market increased in January 2012 by 1.2% in comparison with the previous month; their annual rate of change rose by 0.3 percentage point to 2.7%, largely owing to a higher increase in energy producer prices.

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



**Table 1 Producer price developments in January 2012 (%)**

	Month-on-month changes		Year-on-year changes			
	December 2011	January 2012	January 2011	December 2011	January 2012	Average since beginning of 2012
Industrial producer prices (for the domestic market)	-0.4	1.2	1.8	2.4	2.7	2.7
– prices of manufacturing products	-0.4	0.0	2.7	2.9	1.7	1.7
– prices of mining/quarrying products	0.5	-0.3	8.2	8.8	6.4	6.4
– energy prices	-0.2	2.7	0.2	1.5	3.6	3.6
– water and sewerage charges	-0.1	0.5	7.4	4.4	3.5	3.5
Industrial producer prices (for export)	-0.4	-0.3	6.7	3.6	1.6	1.6
– prices of manufacturing products	-0.4	0.0	6.8	3.7	1.9	1.9
Construction work prices	-0.1	0.1	1.2	0.6	0.3	0.3
Building material prices	-0.1	1.5	1.5	1.3	1.6	1.6
Agricultural product prices	-	-	22.8	-1.4	1.2	1.2
– prices of plant products	-	-	63.1	-6.1	-10.1	-10.1
– prices of animal products	-	-	7.5	8.9	7.7	7.7

Source: SO SR.

The annual rate of growth in energy producer prices was substantially higher in January 2012 than in the previous month, due mainly to prices for the manufacture of gas and distribution of gaseous fuels through mains (which increased by 6.7 percentage points, to 13.4%) and prices for steam and air-conditioning supply (which rose by 4.7 percentage point, to 9.8%). The annual rate of change in electricity production prices in January stood at -1.6%, basically unchanged from the previous month.

The year-on-year rise in manufacturing producer prices slowed in January 2012 in comparison with the previous month. The largest contributions

to this decline came from the segment of refined oil products (with annual price inflation of 11.3%, 12.7 percentage points lower than in December) and the segment of rubber and plastics (with prices falling by 0.2% year-on-year, after decreasing by 1.1% in the previous month). Prices in the food segment increased year-on-year by 4.8%, which was 0.2 percentage point lower compared with their rise in December. In the segment of metals and metal products, price inflation in January was the same as in the previous month, at 1.9%. The annual decline in prices in the transport equipment segment stood at -6.8%, almost unchanged from the previous month.

**Box 2****COMPREHENSIVE REVISION OF THE INDUSTRIAL PRODUCER PRICE INDEX**

During 2011 the SO SR implemented a comprehensive revision of the industrial producer price index, which included changes to the weighting system and to the selection of price representatives and domestic respondents. In January 2012 overall industrial producer prices on the domestic market were 10.0% higher than in December 2005 and 4.1% higher than in December 2010.

In the months ahead, the industrial producer price index will be published in two versions, one with a base index of December 2005 and the other with a base index of December 2010. In September 2012 the time series of the aggregate base indices of industrial producer prices (index: December 2010 = 100) and of their components (index: average for 2010 = 100) will be recalculated retrospectively from 2000.



Table A Producer price indices

Sections / subsections (SK NACE Rev. 2)	Dec. 2005=100	Dec. 2010=100	
	Weight	Weight	Change in weight
<b>INDUSTRY IN TOTAL</b>	<b>1,000.00</b>	<b>1,000.00</b>	-
<b>Mining and quarrying</b>	<b>17.97</b>	<b>18.60</b>	<b>0.63</b>
<b>Manufacturing</b>	<b>596.71</b>	<b>547.06</b>	<b>-49.65</b>
Manufacture of food products, beverages and tobacco products	126.14	81.68	-44.46
Manufacture of textiles, apparel, leather and related products	13.30	4.81	-8.49
Manufacture of wood and paper products, and printing	46.34	27.78	-18.56
Manufacture of coke, and refined petroleum products	33.72	61.28	27.56
Manufacture of chemicals and chemical products	20.36	20.80	0.44
Manufacture of basic pharmaceutical products and pharmaceutical preparations	9.24	5.77	-3.47
Manufacture of rubber and plastics products, and other non-metallic mineral products	82.24	64.10	-18.14
Manufacture of basic metals and fabricated metal products, except machinery and equipment	83.36	64.54	-18.82
Manufacture of computer, electronic and optical products	17.42	34.04	16.62
Manufacture of electrical equipment	25.58	12.32	-13.26
Manufacture of machinery and equipment n.e.c.	33.77	14.62	-19.15
Manufacture of transport equipment	94.15	122.31	28.16
Other manufacturing, and repair and installation of machinery and equipment	11.10	33.01	21.91
<b>Electricity, gas, steam and air conditioning supply</b>	<b>372.4</b>	<b>401.4</b>	<b>29.06</b>
<b>Water supply, sewerage, waste management and remediation activities</b>	<b>12.95</b>	<b>32.93</b>	<b>19.98</b>

A comparison of the weighting schemes shows that in the industrial producer price index based on December 2010, the weights of the electricity, gas, steam and air conditioning supply component, the water supply, sewerage, waste management and remediation component, and, to a lesser extent, the mining and quarrying component will increase at the expense of the manufacturing component. Within the manufacturing component itself there will also be two-way changes in the weights of several segments.

In order to ensure harmonisation with EU statistics, a model of the price indices of industrial products produced for export has been created by analogy with the model of price indices for the domestic market. The new weights of the separate models were determined on the basis of the following: sales of industrial output produced for the domestic market and for export in 2010; and "A one-time survey of the selection of representatives for the tracking of industrial producer price movements" for products classified under SK NACE Rev. 2 into divisions 05 to 39.

Prices of agricultural products increased year-on-year by 1.2% in January 2012, after falling by 1.4% in the previous month. The annual rate of decline in plant product prices increased to -10.1%, from -6.1% in December, while inflation in animal product prices slowed to 7.7%, from

8.9%. Looking at plant products, potato prices again recorded the largest year-on-year annual decline (of 35.4%). As for animal products, prices of raw cow's milk saw the most pronounced slowdown in annual growth, from 14.3% in December to 10.9% in January.



The annual rate of growth in overall industrial producer prices is expected to be lower in February than it was in January, since in the first month food commodity purchase prices remained relatively stagnant, or declined, and energy supply prices rose quite markedly.

According to the latest agrarian market news, global stocks of cereals are relatively stable. In Slovakia, purchase prices of cereals have a moderately falling tendency, which is more pronounced in the case of feed cereals. Prices of potatoes for human consumption are gradually stabilising, although still remain markedly lower than they were a year earlier. As for animal products, purchase prices of slaughter cattle and slaughter pigs are relatively stable. The purchase price of raw cow's milk remains above its level of the previous year. In sum, annual inflation in agricultural product prices in February is expected to fluctuate around the level seen in the previous month.

## 3.2 THE REAL ECONOMY AND THE LABOUR MARKET

### 3.2.1 TRADE BALANCE

The balance of payments current account moved from a deficit to a surplus in January, due to mainly to a rise in trade surplus.

Annual export growth increased moderately in January, to 9.5%, which was 2.6 percentage points higher than in the previous month. As for imports, their year-on-year growth increased quite sharply in January, to 10.4%, from 0.2% in the previous month. Import growth therefore exceeded export growth, changing the trend seen in the previous six months. Due to seasonal effects, the volume of imports in January was moderately lower than in the previous month. Despite the substantial annual rise in import growth, the trade surplus in January increased moderately in comparison with the previous month.

Table 2 Balance of payments current account (EUR millions)

	December	January	
	2011	2012	2011
Trade balance	71.0	229.3	239.6
Exports	4,324.9	4,459.5	4,073.0
Imports	4,253.9	4,230.2	3,833.4
Services balance	54.2	19.6	-14.5
Income balance	-178.6	-125.5	-137.8
of which: income from investment	-280.7	-240.5	-231.2
of which: reinvested earnings	-164.5	-217.1	-210.7
Current transfers balance	-100.8	-107.3	30.1
Current account in total	-154.2	16.1	117.4

Source: NBS and SO SR.

### Box 3

#### BALANCE OF PAYMENTS FOR JANUARY TO DECEMBER 2011

The balance of payments current account for the period January to March 2011 recorded a surplus of €38.0 million, which was €1,674.6 million higher than the previous year's deficit. This year-on-year improvement reflected a stronger performance of all items except the income balance, which was affected

by a rise in reinvested earnings. By contrast, growth in external demand translated into rising exports and subsequently also into a higher trade surplus and lower deficit in the services balance. An increase in receipts had a positive effect on the current transfers balance, which also contributed to the



annual improvement in the current account. The ratio of the current account surplus to GDP (at current prices) for the period under review stood at 0.1%, which represented an improvement of 2.6 percentage point in year-on-year terms. The trade balance to GDP ratio followed a similar pattern, as the trade surplus amounted to 3.5% of GDP and the ratio therefore rose year-on-year by 2.3 percentage points. In the fourth quarter of 2011 the current account recorded a quarter-on-quarter improvement due mainly to a higher trade surplus and partly also to an increase in receipts in the services balances.

Total exports in 2011 increased by 16.9% in comparison with the previous year, and imports rose by 13.6%.

The category of exports that recorded the largest annual growth in 2011 was machinery and transport equipment, which accounted for more than 46% of the total increase in exports and resulted from the rise in external demand. The rise in this category included growth in exports of both transport equipment (accounted for by passenger car exports) and machinery. Another category of exports that saw substantial growth during the period under review was chemical products and semi-finished goods. Export growth in the category of raw materials was largely attributable to higher exports of processed mineral oils and gas, which stemmed mainly from price developments. The lowest annual growth was observed in exports of finished products (the most marked rise in this category was in footwear exports).

As for imports, the highest annual rate of growth was in the category of raw materials, as rising world oil prices pushed up expenditure on oil and gas imports. Other substantial annual rises in imports were recorded in the category of chemical products and semi-finished goods and in the category of machinery and transport equipment. The year-on-year growth in imports was related to the rise in exports, which was reflected mainly in higher imports of components for the automotive industry, i.e. in the sub-category of transport equipment

as well as in the sub-category of machinery. The import category that recorded the lowest growth was finished products.

Looking at the services balance, the decline in its deficit was caused mainly by an improvement in the category *other services in total* and, to a lesser extent, by an increase in receipts in the *transportation* category. The *travel* category, by contrast, saw a moderate decrease in its surplus, as the growth in expenditure exceeded the rise in receipts. The year-on-year deterioration in the income balance was caused by a rise in the investment income deficit. The current transfers deficit declined moderately in year-on-year terms, owing mainly to an improvement in the *other transfers* sub-category (caused mostly by higher revenue from grants, deposits, disbursements and other unilateral transfers of legal entities).

The capital and financial account of the balance of payments recorded a surplus of €3,422.3 million in 2011, compared to a surplus of €515.7 million in 2010). Whereas all categories of the financial account contributed to this rise, the capital account surplus declined moderately, due to lower capital-transfer revenues from the EU budget. The *portfolio investment* balance of the capital and financial account recorded a net inflow in 2011, following a net outflow in the previous year. The cause of this change was a decline in demand among residents for non-resident securities (debt and equity) and a rise in non-resident demand for Slovak government securities. In the *other investment* balance, the rise in deposits held with Národná banka Slovenska was supported by a decline in corporate deposits held abroad. There was also a higher net inflow in the *foreign direct investment* balance, reflecting an increase in non-resident demand for participating interests in Slovakia. The inflow to the capital and financial account in the fourth quarter was higher than in the third quarter by €1,127.5 million. This increase was largely related to NBS activities in the *other investment* balance (NBS liabilities rose, since the inflow to accounts held with NBS was higher than the outflow of funds for the repayment of financial loans).



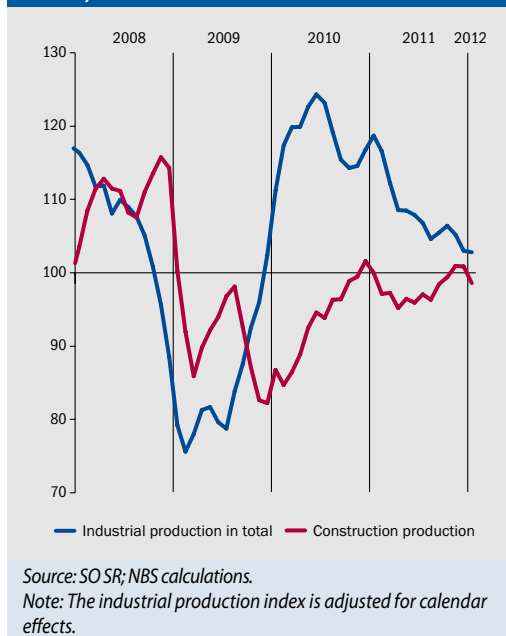
### 3.2.2 PRODUCTION AND SALES

The annual rate of change in the industrial production index (IPI) increased markedly in January, to 7.0% (from 0.8% in December), due to a moderate upturn in the economy as well as to an unusually large spike in electricity and gas production. Whereas manufacturing production increased year-on-year by 3.1% (compared to 2.7% in December), and in month-on-month terms by 1.6%, electricity and gas production soared year-on-year by 27.4% (-6.8%) and by 37% on a month-on-month basis. This sharp rise can be treated as a one-off and, particularly in the case of electricity production, it may have been partly the result of fluctuations in the volume of precipitation.

The manufacturing segments that made the largest positive contributions to the IPI's annual rate of growth in January were manufacture of machinery and equipment (with its annual rate of change rising from -9.1% in December, to 5.1% in January), manufacture of metals and fabricated metal products (from -9.9%, to -3.5%), and manufacture of electrical equipment (from 10.7%, to 21.2%); the largest negative contribution came from manufacture of transport equipment (from 9.5%, to -1.3%). The transport equipment results may have been influenced by the fact that the Chinese New Year – a holiday usually associated with drop in sales – fell earlier in 2011 (on 23 January) than in 2010 (3 February), and therefore this effect is probably only short-term. In the business tendency survey for February,<sup>3</sup> producers confirmed that demand is picking up, but their expectations for the future are not as optimistic as they were in previous months. A positive sign is the moderate upturn in confidence in EU industry and construction sectors. These data imply that month-on-month production growth in Slovakia will remain moderate in the period ahead.

Construction production in January declined month-on-month by 7.1%, after rising in December, and it decreased in year-on-year terms by 8.0%, following growth of 5.2% in the previous month. The weather in January is assumed to have contributed to these results, since precipitation levels rose sharply and temperatures began to drop. At the same time, however, business surveys of the sector showed a downturn in assessments, while expectations

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



for the future and other indicators under review also deteriorated. On the positive side, the annual rate of growth in construction production abroad rose from 10.6% in December to 40.0% in January, but its effect was outweighed by the decline in domestic production (from 5.1%, to -9.2%). The segment that made the largest negative contribution to domestic production was new construction of non-residential buildings.

Total annual sales growth in the selected sectors was higher in January 2012 than in the previous month. This increase, measured at current prices, was largely attributable to the sectors of industry, wholesale trade, and, surprisingly, retail trade. On the other hand, sales results in the construction sector and information and communication sector had a dampening effect on overall sales growth. In industry, the main contributions to the higher sales growth came from the segments of energy production and supply and manufacture of electrical equipment. In the case of energy production and supply, sales were boosted by developments in energy commodity prices on world markets, low temperatures in January, and a hike in administered energy prices for households. This confirmed expectations that the downturn in sales growth in December was a temporary

<sup>3</sup> Source: Business and Consumer Surveys, European Commission, February 2012. The assessment of expected construction production is published online at [www.statistics.sk](http://www.statistics.sk) in the section Business Surveys.





consequence of moderate temperatures and that growth would accelerate in January 2012.

Sales in the construction sector in January declined year-on-year. They reflected unfavourable weather conditions, particularly towards the end of the month, and they are expected to record a further annual decline in February for the same reason.

According to SO SR data, the annual rate of growth in retail trade sales (at current prices) was markedly higher in January 2012 than in the previous month. Sales at constant prices recorded a year-on-year increase in January, after a decline in December. Real retail spending growth probably picked up as a result of post-Christmas sales. The segments that accounted for the markedly higher growth in retail trade sales (at current prices) were *retail trade in non-specialised stores, retail trade of cultural and recreational goods, and retail trade of motor fuels*. Sales in retail trade of motor fuels were probably boosted by a rise in fuels prices as well as brisk business in the post-Christmas period.

As for the sale and maintenance of motor vehicles sectors, the annual rate of growth in sales (at

current prices) rose sharply in January 2012 in comparison with the previous month (after remaining almost unchanged in December). Sales at constant prices also recorded an increase in annual growth. On the whole, domestic trade in January can be described as positive on the basis of these results.

In the selected market services sector, high annual sales growth was maintained in January through strong results in the real estate activities segment and the professional and technical services segment.

### 3.2.3 WAGES, EMPLOYMENT AND UNEMPLOYMENT

The annual rate of growth in the average nominal wage across the selected sectors increased sharply in January 2012 in comparison with the previous month, due to strong wage growth in the industry sector, information and communication sector, and transportation and storage sector. Nominal wages rose also in the other sectors under review, with the exception of food service activities. Monthly indicators for January 2012 imply that wage growth in the first quarter of 2012 will be lower than in the previous quarter. It is necessary, however, to treat these

**Table 3 Production and sales**

Statistical classification of economic activities (SK NACE Rev. 2)	EUR millions (at constant prices)	Indices			
	January 2012	January 2011	Jan. –Dec. 2011	December 2011	January 2012
Industrial production index <sup>1), 2)</sup>	-	119.0	106.9	100.8	107.0
Construction production <sup>2)</sup>	238.4	99.2	98.2	105.2	92.0
Sales: <sup>3)</sup>					
Industry in total	6,335.4	122.7	113.6	104.5	107.3
Construction	360.4	110.0	104.4	101.3	89.4
Wholesale trade, excluding motor vehicles	1,731.1	98.6	102.6	99.8	104.2
Retail trade, excluding motor vehicles	1,356.1	103.6	101.3	100.2	104.4
Sale and maintenance of motor vehicles	277.3	110.9	100.3	99.9	110.3
Accommodation	24.3	100.0	100.9	100.4	106.6
Food service activities	66.6	101.9	101.2	100.1	102.6
Transportation and storage	478.9	107.4	109.4	109.0	106.8
Selected market services	836.0	116.5	117.2	117.0	117.5
Information and communication	403.3	107.1	109.7	114.8	106.5
Total sales from own output and merchandise in selected sectors	11,869.4	113.6	108.6	104.2	106.5

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).

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

	Average monthly nominal wage		Average monthly real wage <sup>1)</sup>	
	December 2011	January 2012	December 2011	January 2012
Industry	101.0	106.7	96.7	102.7
of which: manufacturing	101.6	106.3	97.3	102.3
Construction	102.0	102.7	97.7	98.8
Sale and maintenance of vehicles	99.7	100.3	95.5	96.5
Wholesale trade	99.6	101.2	95.4	97.4
Retail trade	101.8	102.6	97.5	98.7
Accommodation	100.2	101.4	96.0	97.6
Food service activities	99.7	99.4	95.5	95.7
Transportation and storage	100.0	108.8	95.8	104.7
Information and communication	110.9	115.1	106.2	110.8
Selected market services	99.8	101.1	95.6	97.2
Average for the selected sectors	102.1	105.6	97.8	101.6
Consumer prices	104.4	103.9	-	-

Source: SO SR, NBS calculations.

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

indications with caution, considering that the previous quarter recorded a trend rise in wages even though the results for certain months pointed to the opposite.

While wage figures improved, however, employment in January 2012 declined by 0.9% in comparison with the previous month. This was again caused by a large year-on-year drop in construction sector employment, which was more pronounced than in December. The average monthly data for the selected sectors for January 2012 indicate that employment in the

first quarter will decline year-on-year, in contrast to its rising trend in previous quarters.

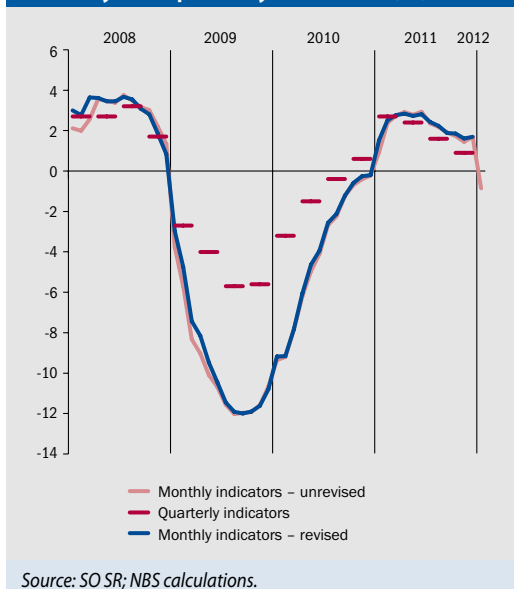
According to data from the Central Office of Labour, Social Affairs and Family, the total number of unemployed in January 2012 increased by 9,000 month-on-month, to stand at 408,800. The rate of registered unemployment for the month rose to 13.7%, from 13.6% in November. The newly-registered unemployed comprised mainly tradespeople, workers in service and retail industries, health care workers, and teachers.

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

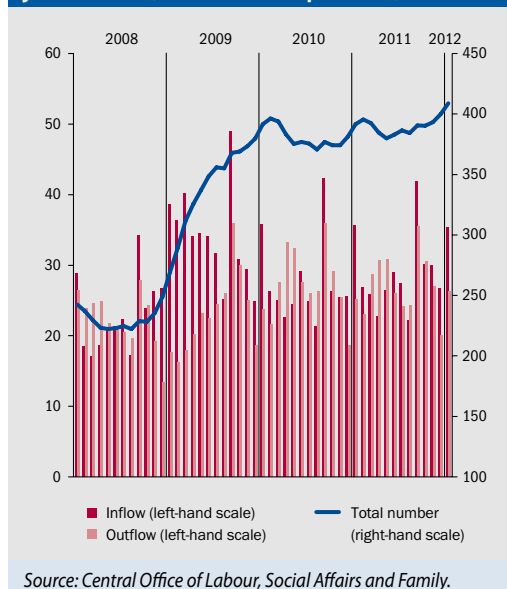
	Employment	
	December 2011	January 2012
Industry	103.3	100.2
of which: manufacturing	104.0	100.7
Construction	96.5	94.6
Sale and maintenance of vehicles	100.0	96.3
Wholesale trade	99.9	99.5
Retail trade	100.0	99.1
Accommodation	100.0	101.3
Food service activities	100.1	101.1
Transportation and storage	100.3	94.9
Information and communication	112.1	99.5
Selected market services	105.7	104.6
Average for the selected sectors	101.7	99.1

Source: SO SR, and NBS calculations.

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



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



**Box 4**

**THE REAL ECONOMY IN THE FOURTH QUARTER OF 2011<sup>4</sup>**

According to data from the Statistical Office of the Slovak Republic (SO SR), Slovakia's annual GDP growth for the fourth quarter of 2011 increased in comparison with the previous quarter, to 3.4% (at constant prices). In quarter-on-quarter terms, GDP in the fourth quarter grew by 0.9% (seasonally adjusted).

Measured by output performance, fourth-quarter GDP growth was boosted mainly by higher value added in the industry, construction, and trade sectors, and by an increase in net tax receipts. In the agriculture sector, however, value added continued to decline in year-on-year terms. Nominal GDP in the fourth quarter rose by 5.3% year-on-year, to stand at €17.8 billion.

In expenditure terms, economic growth in the fourth quarter was influenced mainly by a moderately higher increase in external demand (with exports of products and services going up by 7.5%). Although a rise in domestic demand slowed the annual rate of decline in domestic demand (to -2.4%), it did

not offset the combined effect of a continuing fall in household consumption and general government consumption as well as significant destocking.

The average monthly nominal wage of an employee in the Slovak economy in the fourth quarter of 2011 increased in year-on-year terms by a modest 0.5%, to €848. In seasonally adjusted terms, the nominal wage growth was actually 0.3 percentage point lower than in the previous quarter. Owing to an increase in consumer price inflation, the average real wage in the fourth quarter declined year-on-year by 3.8%, which represented its largest drop in 2011. The year-on-year rise in nominal compensation per employee (ESA 95) in the fourth quarter was 0.2%, far lower than in the previous three months.

The annual rate of growth in employment, as defined in the national account methodology, slowed to 0.9% in the fourth quarter. Employment according to the ESA 95 methodology (seasonally adjusted) remained unchanged in quarter-on-quarter terms.

<sup>4</sup> More detailed information is provided in Annex 3.

As for employment measured in terms of the number of hours worked, its annual rate of change in the fourth quarter declined for the first time in a year, by 0.8%. Compared to the previous quarter, the number of hours worked (seasonally adjusted) fell by 0.4%.

The annual rate of change in unit labour costs in the fourth quarter of 2011 declined by 2.3%, after rising in the previous quarter. In this case, the 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 to growth in real labour productivity (ratio of GDP to total employment).

According to a Labour Force Survey, the number of unemployed in the fourth quarter

of 2011 decreased year-on-year by 1.2%, to 381,800. This decline was reflected in the unemployment rate, which at 14.0% for the fourth quarter was 0.1 percentage point lower than for the same period in 2010. The sectors recording the highest rises in number of unemployment were trade and construction.

The economy's annual growth in the fourth quarter of 2011 was slightly higher than expected owing to better than projected foreign trade figures. Net exports made the largest contribution to growth, while domestic demand declined. Economic growth is expected to ease in the quarters ahead, as external demand slackens and domestic demand remains subdued. As a result, the improvement in labour market indicators is expected to be more moderate.

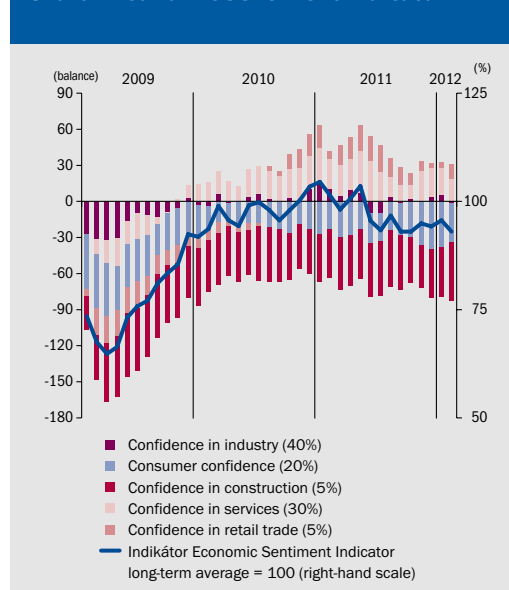
### 3.2.4 ECONOMIC SENTIMENT INDICATOR

In February 2012, the Economic Sentiment Indicator (ESI) declined month-on-month by 2.6 points, to 93.0, and fell in year-on-year terms by 8.4 points. This drop was caused by a weakening of confidence in the industry, construction and services sectors. On the other hand, both the retail trade confidence indicator and consumer confidence indicator improved.

In the case of the industry confidence indicator, the deterioration reflected a worsening of production expectations among firms. The decline in the construction confidence indicator stemmed mainly from expectations of falling employment in the sector. In the services sector, unfavourable assessments of the present business situation had the largest downward effect on the confidence indicator. By contrast, sentiment in the retail trade sector was boosted by positive assessments of the present business situation.

All four components of the consumer confidence indicator continued to rise in February. They comprise the expected financial situation of households, the expected general economic situation of Slovakia, the expected situation in unemployment, and the expected situation in household savings. The consumer confidence indicator increased month-on-month by 5.8 points and declined year-on-year by 8.2 points.

Chart 7 Economic Sentiment Indicator



Source: European Commission.

Note: The percentages given in the legend express the weights of individual components in the economic sentiment indicator.

## 3.3 MONETARY AGGREGATES AND INTEREST RATES

The contribution of monetary financial institutions (MFIs) to the euro area's M3 monetary aggregate fell by a further €251 million in January. This significant monthly decline in M3 caused the



annual growth rate of M3 to fall by 0.7 percentage point, to 1.1%.

The stock of M3 declined more sharply in January than in December, the main reason being a decline in currency in circulation and in short-term deposits. The M1 aggregate, containing the most liquid deposits, fell by €833 million. Most of these funds were transferred to longer-term deposits (with up to two years' agreed maturity), the stock of which increased by €721 million. This increase in less liquid deposits (M2-M1) was partially dampened by the net outflow recorded for deposits with an agreed maturity of up to three months. With these deposits offering relatively low interest rates, other non-monetary financial institutions<sup>5</sup> and households were withdrawing funds more from them than from longer-term deposits. The sectoral breakdown of deposits shows a trend accumulation of deposits from households, consistent with subdued consumption and a high savings rate. The annual rate of growth in the total stock of household deposits remained at more than 6% in January. Household deposits with up to two years' agreed maturity maintained their long trend of rising growth. During January, households shunned investment in long-term deposits, since the difference in interest rates on deposits with up to two years' agreed maturity and on those with more than two years' agreed maturity narrowed quite sharply. Deposit flows in other sectors were relatively volatile, due to deposits being transferred between sectors. As for deposits from non-financial corporations, they declined month-on-month by €557 million, which significantly increased their annual rate of decline, to -10% (from -6.5% in December). On the other hand, the stock of deposits from other non-monetary institutions soared by €344 million in comparison with December, partly owing to the reclassification of money market funds<sup>6</sup>.

Looking at M3 counterparts in January, MFI claims on the private sector increased month-on-month by €171 million, with the outstanding amount of loans increasing by €156 million and the stock of securities rising by €15 million. The year-on-year rise in MFI claims on the private sector moderated by 0.9 percentage point in comparison with the previous month, to 8.2%. The annual rate of growth in the loans component was almost identical (8.3%).

Lending to all sectors increased in January. The stock of loans to households recorded the highest month-on-month increase (€99 million), although it was somewhat lower compared with the previous month. A decline in household demand for loan products is typical at this time of the year, and reflects seasonal factors. On a year-on-year basis, the stock of loans to households edged up by to 11.5%, from 11.1% in December. That growth was accounted for mainly by housing loans (the type of loan most widely used by households), with their stock increasing by €91 million. Loans for consumption purposes rose by a moderate €8 million. After a further decline in December, loans to non-financial corporations increased slightly in January, by €37 million. The annual rate of growth in these loans fell by 2.4 percentage points from the previous month, to 5.2%. The loans that banks extended to firms in January comprised mainly short-term loans with a maturity of up to one year and loans with a maturity of up to five years. The amount of long-term loans declined, possibly indicating that firms are postponing investments or that banks are increasingly averse to making such loans. Bank lending to the sector of other financial intermediaries increased by €21 million in January, to maintain its rising trend. This sector appears to have rebounded from its trough at the beginning of 2011.

**Table 6 Monthly net sales of open-end funds<sup>1)</sup> 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	-34.4 <sup>2)</sup>	.	.	.	.	.	.	.	.	.	.	-77.8

Source: SASS and NBS calculations.

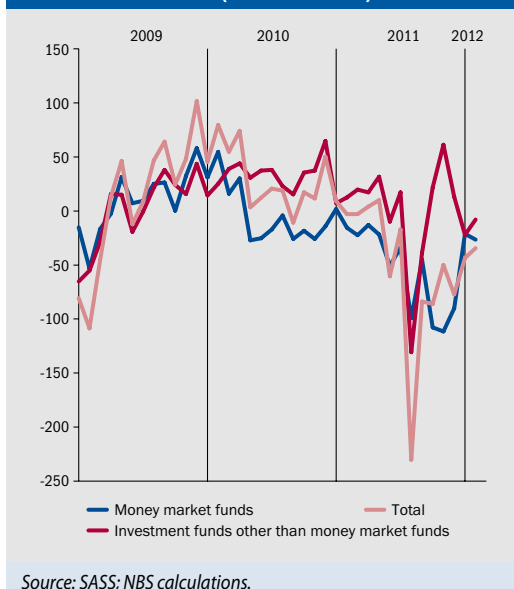
1) Total denominated in the domestic currency (euro) and foreign currency.

2) Calculated for 2011 on the basis of the SASS Monthly Survey of net sales and assets under the management of management companies in Slovakia.

5 The category of other non-monetary institutions includes other financial intermediaries, financial auxiliaries, insurance companies and pension funds.

6 Details of this reclassification are given in Box 1 on the NBS Monthly Bulletin No 1/2012, available online at <http://www.nbs.sk/en/publications-issued-by-the-nbs/nbs-publications/nbs-monthly-bulletin/2012>

**Chart 8 Monthly net sales of open-end investment funds (EUR millions)**



Turning to open-end investment funds (OIFs) in Slovakia, aggregate net sales for all categories (in euro or foreign currencies) remained in negative territory in January, at -€34.4 million.<sup>7</sup> This included net outflows in the first and second weeks (-€17.0 million and -€18.6 million, respectively) and modest net inflows in the third and fourth weeks (€0.9 million and €0.3 million).

In February, the net outflow from money market funds increased to €26.5 million, from €21.1 million in January. By contrast, the net outflow from funds other than money market funds declined by two thirds (from €22.3 million to €7.9 million), with equity funds and mixed funds accounting for most of the improvement.

Outside money market funds, the fund category with the highest negative net sales in February was short-term investment funds (-€34.5 million), followed by other funds (-€17.9 million), bond funds (-€14.0 million), funds of funds (-€3.4 million), and short-term money market funds (-€1.0 million).

The highest inflow was again reported by special securities funds (€38.9 million), followed by special real estate funds (€9.6 million), special funds of professional investors (€6.9 million), equity funds (€4.5 million) and mixed funds (€3.0 million).

As at 24 February 2012, the number of funds registered with the Slovak Association of Asset Management Companies ("SASS") in the new fund categories now operating in Slovakia<sup>8</sup> stood at 24. Of those funds, two were in the category "short-term money market funds", 18 in "short-term investment funds", one in "special securities funds", and three in "special funds of professional investors".

The key ECB rates remained unchanged in January 2012. Interbank markets were, however, affected by recent ECB Governing Council decisions to boost banking sector liquidity by conducting two longer-term refinancing operations and by reducing the reserve ratio from 2% to 1%. Market interest rates declined in response to the high liquidity levels, while the pass-through to retail rates was confined to interest rates on loans to non-financial corporations.

Lending rates for non-financial corporations proved relatively responsive to the decline in market rates, with the more pronounced effects probably seen in the rates linked to the interbank market. Interest rates fell on all types of corporate loan with the exception of investment loans. The largest drops were in rates on operating loans and other loans. In the breakdown of loans by size, interest rates on loans of more than €1 million (to large enterprises) declined more sharply than those on loans of up to €1 million (to small and medium-sized enterprises).

Average lending rates for households did not change significantly in December. Looking at rates on housing loans, they have risen slowly and steadily (by 0.2 percentage) since the fourth quarter of 2011, when they remained flat. This may reflect the banking sector's efforts to preserve profit growth following the introduction of a bank tax, given that banks have sufficient capital and liquidity at their disposal and market rates have fallen quite sharply. A similar pattern can be seen in other categories of loan, with moderate rises in rates on consumer credit, other loans, and loans for self-employed persons.

Deposit rates remained largely unchanged for both non-financial corporations and households. In the case of household deposits there was a slight increase in the remuneration on deposits with an agreed maturity of up to two years. Other interest rates hardly moved at all.

7 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](http://www.openiazoch.sk)) sometimes refer to different periods (SASS makes data releases on Fridays, but some of its members issue data on Thursdays) and the number of 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 towards the year-end, from more than 570 to less than 500; 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 457 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.

8 Further details are given in the NBS Monthly Bulletin No 1/2012, available at [http://www.nbs.sk/\\_img/Documents/\\_Statistika/VybrMakroUkaz/EER/NEER\\_REER\\_Methodology.pdf](http://www.nbs.sk/_img/Documents/_Statistika/VybrMakroUkaz/EER/NEER_REER_Methodology.pdf)





# QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY

## THE GLOBAL ECONOMY

Global economic growth slowed markedly in the fourth quarter of 2011. In the OECD area, quarter-on-quarter GDP growth declined to 0.1%, from 0.6% in the third quarter, and annual GDP growth also decelerated, to 1.3% (from 1.7%). At the same time, however, economic growth rates varied across advanced economies. In the United States, GDP growth accelerated, while in the euro area, Japan and the United Kingdom there was a contraction of economic activity. The variance in economic developments was again reflected at the regional level. Whereas GDP in advanced economies grew very modestly, or contracted slightly, economic growth in emerging countries remained solid, albeit at slightly lower levels. The OECD's composite leading indicator (CLI) declined moderately in the fourth quarter, after declining gradually in the previous two quarters as well. It nevertheless remains above the expansion/contraction threshold.

Consumer price inflation slowed in the fourth quarter of 2011. In the OECD area, the annual inflation rate fell from 3.3% in September 2011,

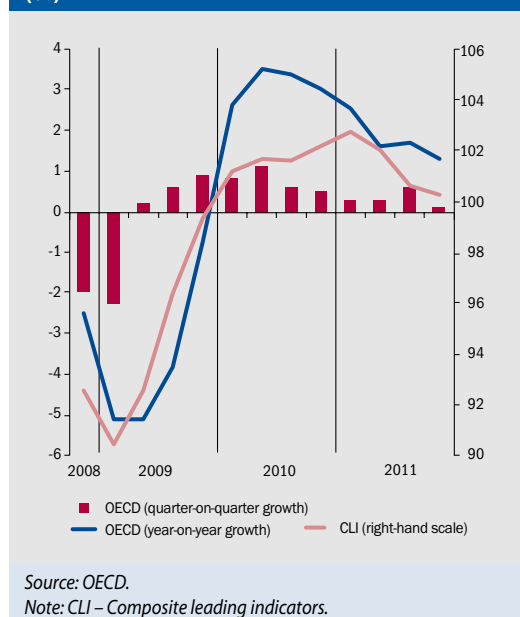
to 2.9% in December, and then to 2.8% in January 2012. This deceleration stemmed mainly from energy price inflation, which slowed sharply to 8.1% in December, from 14.2% in September, and then down to 7.4% in January. Food price inflation again rose slightly in the last quarter of 2011, from 4.2% in September to 4.4% in December, and then edged down to 4.3% in January 2012. Core inflation was also slightly higher in December than in September, at 2.0% compared to 1.9%. In January it slowed moderately, to 1.9%.

Tensions and uncertainty about how to address the euro area debt crisis had a negative effect on the economic outlook for the euro area. In this situation there were mounting risks that advanced economies would fall back into recession and that the smooth recovery of the global economy would be disrupted. Tensions surrounding public finances and the weak financial situation of households are therefore the main obstacles to a stronger recovery of advanced economies. Emerging economies remain at risk from rising prices of commodities, which due to their large weight in the consumer basket are a cause of substantial inflationary pressures. The risks to the global economy therefore remain high. Global economic activity is also being adversely affected by geopolitical tensions in certain regions of the world, by more pronounced protectionist measures, and by a disorderly correction of global imbalances.

## COMMODITIES

Oil prices were volatile in the fourth quarter of 2011. On the one hand, concerns about the global economic outlook prevented oil prices from rising sharply, while, on the other hand, the repercussions of geopolitical tensions in oil-exporting countries put the prices under upward pressure. The average price of oil rose moderately in the fourth quarter, to USD 109 per barrel, from USD 105 per barrel in the previous quarter. Oil prices oscillated between USD 103 and 115 per barrel during the last three months. They rose sharply in the following period, and by the end

Chart 9 Quarterly GDP growth and the CLI (%)





of February 2012 the average oil price stood at USD 124 per barrel. The main causes of this sharp rise were the increase in geopolitical tensions and positive economic data from the United States.

Prices of other commodities declined gradually during the fourth quarter. This reflected increasing concerns about the global economic recovery and the risk that demand for other commodities would fall. In January, prices of agricultural commodities went up moderately due to biological factors. Metal prices increased in the first two months of 2012, particularly in February, owing to rising demand from emerging economies.

## UNITED STATES

The US economy grew at an annualised rate of 3.0% in the fourth quarter of 2011, up from 1.8% in the third quarter. In year-on-year terms, GDP growth increased moderately to 1.6% in the fourth quarter, from 1.5% in the previous quarter. Overall GDP growth in 2011 decelerated in comparison with the previous year, to 1.7%, from 3.0%.

Gross domestic investment increased at a faster pace and made the largest contribution to GDP growth. Within the investment component, the highest contribution to growth came from changes in private inventories. Residential investment also recorded strong growth. Private consumption growth accelerated in the fourth quarter, as it had in the previous quarter, and therefore accounted for a substantial part of GDP growth. Within private consumption, the main increase was again in demand for durable goods. Demand for non-durable goods rose moderately in the fourth quarter, after declining in the previous three months. Services growth decelerated. Net exports made a negative contribution to GDP growth, as the slowdown in export growth was accompanied by rise in imports. As in the previous quarter, federal, state and local government spending also contributed negatively to GDP growth, and federal government spending in particular recorded a marked decline in comparison with the previous quarter.

The inflation rate decelerated sharply in the fourth quarter of 2011, standing at 3.0% in December

in comparison with 3.9% in September. That drop was caused mainly by developments in global energy prices. Inflation continued to ease in January (2.9%). Core inflation, by contrast, increased moderately in the fourth quarter, from 2.0% in September to 2.2% in December, and then decelerated in January to 2.0%.

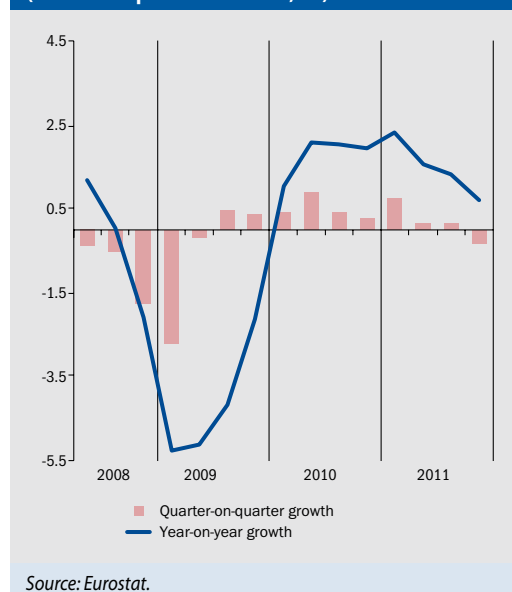
The US Federal Open Market Committee (FOMC) decided at its two regular meetings and one special meeting to leave its target range for the federal funds rate unchanged, i.e. at close to zero. The FOMC also confirmed its intention to maintain the federal funds rate at exceptionally low levels for an extended period of time. At its meeting in January, the FOMC again kept the federal funds rate unchanged.

## THE EURO AREA

The euro area economy contracted quarter-on-quarter by 0.3% in the fourth quarter of 2011, after nine successive quarters of growth. Annual GDP growth thus slowed further, to 0.7%, from 1.3% in the previous quarter.

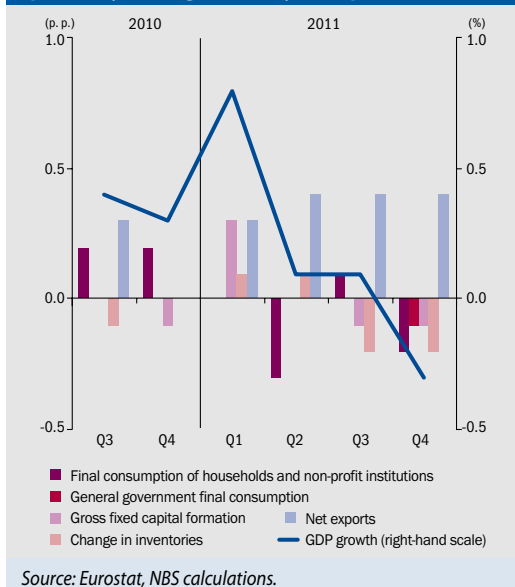
Both domestic and external demand contributed to the fourth-quarter downturn. The private consumption component of domestic demand recorded a marked decline for the seventh

Chart 10 Euro area: economic growth  
(constant prices of 2005; %)

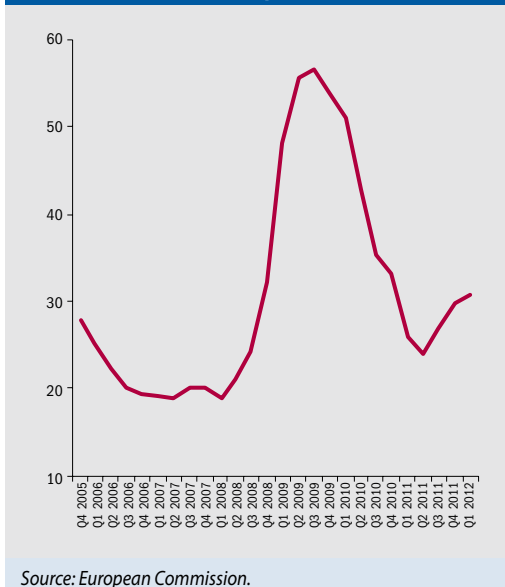




**Chart 11 Euro area: contributions to quarterly GDP growth by component**



**Chart 12 Assessment of the effect of demand on industrial production (balance)**



consecutive quarter. General government consumption also fell, probably in connection with the need for fiscal consolidation. Investment demand decreased in the fourth quarter for the third quarter in a row and at a faster pace. Changes in inventories made a negative contribution to GDP growth for the second successive quarter. Domestic demand basically reflected the marked deterioration in confidence among economic agents which has been observed in almost all sectors of the economy since summer 2011. At the same time, however, the decline in imports more than outweighed the drop in exports, and therefore net exports contributed positively to economic growth.

On the supply side, value added fell by 0.2% with the main contributions to that decline coming from the manufacturing sector and, to a lesser extent, construction. It is clear from the assessment of production-limiting factors in industry that weak demand was the main brake on economic growth. From the third quarter of 2011 surveys were pointing to the downward effect of demand on economic growth, and this trend continued in the first quarter of 2012. Other factors, i.e. fixed capital, labour and financial factors are tending to have the opposite effect. The competitive position of industry in the domestic market and EU markets also continued to deteriorate in the first quarter of the year.

On the other hand, the assessment of the competitive position outside the EU showed an improvement, accompanied by a strengthening of export expectations. This indicates that export growth may have stopped decelerating or may gradually be picking up.

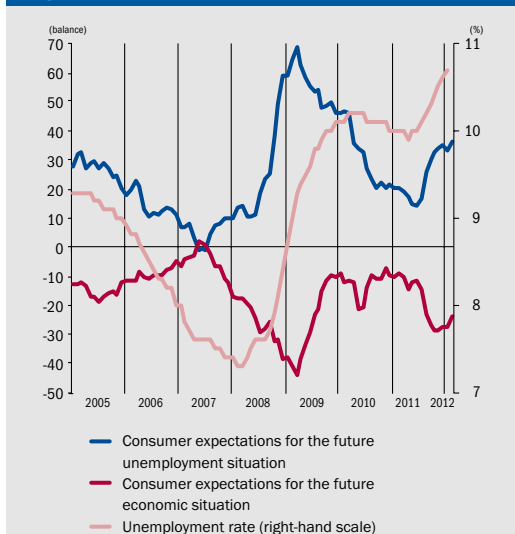
**Chart 13 Euro area: assessment of competitiveness outside EU and export expectations in industry, year-on-year growth in euro area goods exports (balances in %)**



The labour market situation remained unfavourable in the last quarter of 2011, as the rate of unemployment gradually increased up to 10.6% as at the end of the period (compared to 10.3% at the end of the third quarter). The rate edged up further in January, to 10.7%. Consumer expectations about unemployment deteriorated throughout the fourth quarter; they improved slightly in January 2012, only to fall again in February. Expectations in different sectors about the future evolution of employment may to some extent imply that the negative trends in employment will moderate or cease. In industry, expectations about future employment stopped declining, while outlooks for employment in the construction sector improved, although remained very subdued. In the services and retail trade sectors, it is too early to speak of an upturn in employment indicators. As for consumer expectations about the future economic situation, they have improved in recent months but remain at low levels. The situation in the labour market, as well as the expectations for its further development, suggest that consumer demand will remain weak.

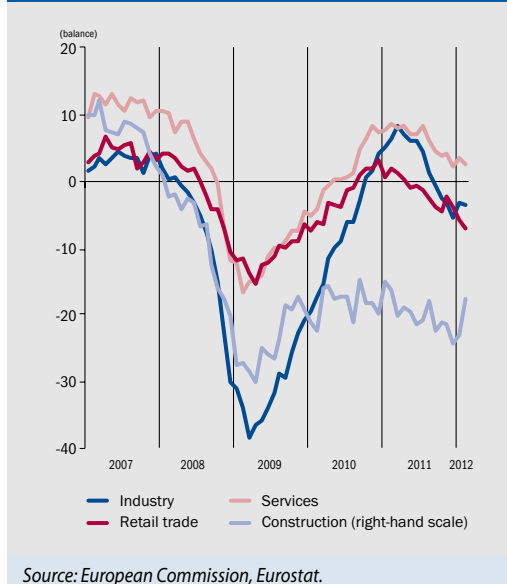
The downturn in economic sentiment, as well as in confidence in different sectors, eased moderately during the fourth quarter of 2011. The consumer confidence and industrial confidence indicators both stabilised, and in

**Chart 14 Unemployment rate and consumer expectations for the next 12 months**



Source: European Commission, Eurostat.

**Chart 15 Sectoral expectations for employment (balance)**

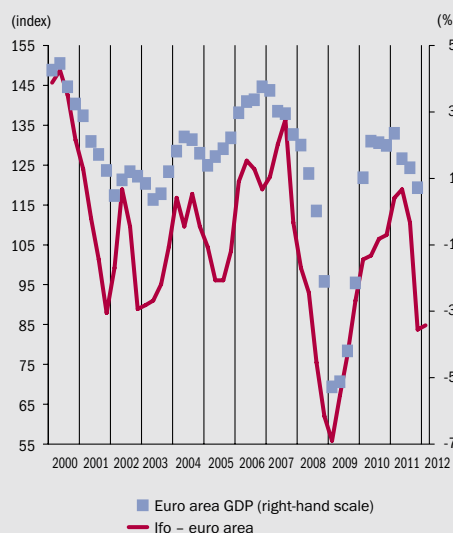


Source: European Commission, Eurostat.

February almost all sectors recorded a modest rise in confidence. Thus the confidence indicators imply that the economic decline is less likely to accelerate than to moderate or stabilise. The Ifo index for the euro area economic climate paints a similar picture. After falling sharply in the fourth quarter, the index stopped declining and even improved slightly in the first quarter of 2012, on the back of stronger expectations for the future economic development. At the same time, however, the assessment of the present economic situation has further deteriorated. According to the Ifo index, the German economy will show a slightly stronger improvement compared with the euro area as a whole. The ZEW index for Germany climbed markedly in the first two months of 2012, after plunging during the fourth quarter of 2011. The Ifo index for the German economic climate has also risen since November, owing to favourable expectations for the future economic situation. In addition, the assessment of the current economic situation improved in February.

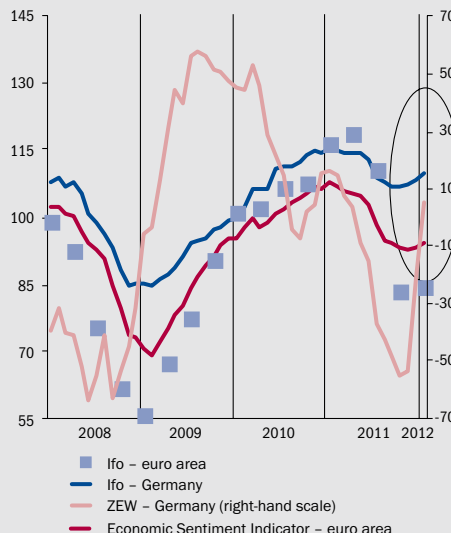
The inflation rate, which remained unchanged at 3% in October and November, slowed by 0.3 percentage point in December, to 2.7%. The main cause of this slowdown was lower energy price inflation. As for prices of services and non-energy industrial goods, their rate of increase remained unchanged in the fourth quarter. The inflation

**Chart 16 Ifo economic climate index and euro area GDP growth**



Source: Ifo Institute for Economic Research, Eurostat.

**Chart 17 Ifo index for the euro area and Germany, ZEW index for Germany**



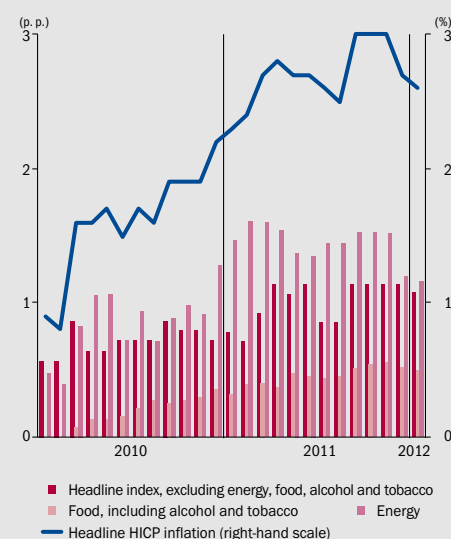
Source: Ifo Institute for Economic Research; ZEW Centre for European Economic Research; European Commission.

rate edged down further in January, to 2.6%. This reflected the impact of the implementation of Commission Regulation (EU) No 1114/2010<sup>9</sup>, which Eurostat estimated at -0.1 percentage point.<sup>10</sup> Among HICP components the most pronounced decline in price inflation was recorded by non-energy industrial goods, followed by energy. According to Eurostat's flash estimate, the inflation rate in February stood at 2.7%.

In the third quarter of 2011 production costs rose sharply and put considerable upward pressure on the headline inflation rate, but in the fourth quarter their impact lessened. This impact on energy prices was very swift, with energy price inflation in December slowing markedly in both the PPI and the HICP. The rate of inflation in producer prices for food and beverages has been decelerating since May 2011, but it was not reflected in processed food prices until December 2011 and January 2012, when their inflation rate stabilised and then slowed. Related to this slower pass-through was the fact that even while prices in the PPI's food component were rising sharply, their increase was not fully reflected in the processed food component of the HICP.

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

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



Source: Eurostat, NBS calculations.

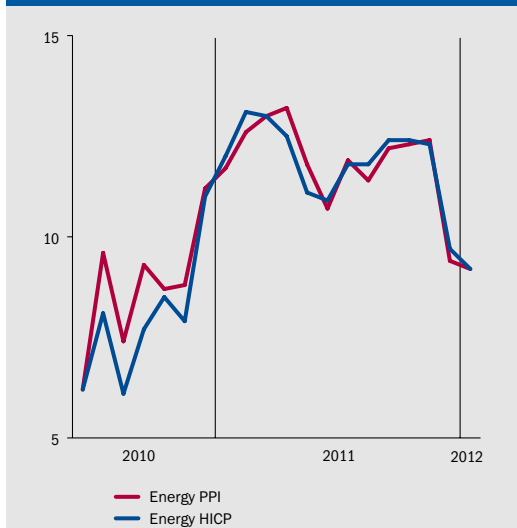
unchanged in the fourth quarter, at 2.0%, and slowed moderately in January 2012, to 1.9%.

Services price inflation hardly changed at all during the fourth quarter. While inflation in transport services prices decelerated moderately, insurance prices accelerated. In January, services

<sup>9</sup> Commission Regulation (EC) No 1114/2010 of 01.12.10 laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for the quality of HICP weightings and repealing Commission Regulation (EC) No 2454/97.

<sup>10</sup> [http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/documents\\_pub/HICP\\_weights\\_info\\_note.pdf](http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/documents_pub/HICP_weights_info_note.pdf)

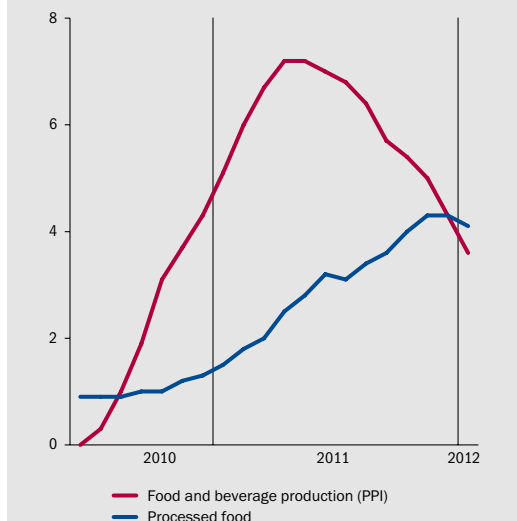
**Chart 19 Energy prices in PPI (MIG1) and in HICP (annual percentage growth)**



Source: Eurostat.

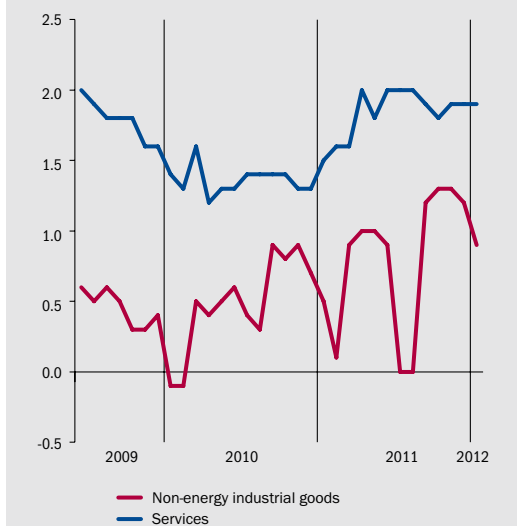
Note: Structure according to Main industrial Groupings.

**Chart 20 Prices of food and beverage production in PPI and prices of processed food in HICP (annual percentage growth)**



Source: Eurostat.

**Chart 21 Euro area: prices of goods and services (annual percentage changes)**



Source: Eurostat.

**Chart 22 Prices of frequently purchased items and consumer price expectations**



Source: European Commission.

price inflation remained flat. Tradable goods price inflation declined again in January, due mainly to slower growth in prices of clothing and footwear.

Prices of frequently purchased items, which markedly affect consumer perceptions of

inflation, recorded a relatively pronounced month-on-month fall in December. The perceived inflation rate remained more or less stable during the last quarter of 2011, and it may possibly decline in the subsequent period. Consumer inflation expectations for the next 12 months stabilised in November and October 2011, rose



sharply in December and then fell gradually in January and February. In the industry sector, inflation expectations increased moderately at the beginning of 2012.

The exchange rate of the euro against the US dollar in the fourth quarter of the year was affected to a large extent by the situation surrounding the euro area debt crisis. At the beginning of the period – following ratification of the agreements of the EU's July summit on reform of the European Financial Stability Facility and an increase in its effective lending capacity – the exchange rate reached the end of a depreciating trend and began to strengthen. Mounting tensions in connection with the sovereign debt crisis, and particularly market doubts about Italy's solvency, put the single currency back under depreciation pressure at the beginning of November. As a result, the euro lost most of its gains and returned to its previous level of early October. The euro ended the year 2.4% weaker than its level at the end of the third quarter. The euro continued to depreciate until the middle of January, and then gradually began gaining in value, probably due to moderately improved outlooks for the euro area as well as to progress made in solving the Greek debt crisis. Overall in the first two months of 2012 the euro's exchange rate vis-à-vis the dollar strengthened by almost 4%.

On 3 November 2011 the ECB's Governing Council decided to cut each of the key ECB rates by 25 basis points with effect from 9 November 2011, i.e. to reduce the main refinancing rate to 1.25%, the marginal lending rate to 2.00%, and the deposit rate to 0.50%. The move was made in response to intensifying financial market tensions related to the European sovereign debt crisis. At its meeting in December, the Governing Council decided to reduce the key rates by a further 25 basis points with effect from 14 December 2011, thus decreasing the main refinancing rate to 1.00%, the marginal lending rate to 1.75 %, and the deposit rate to 0.25%. The Governing Council made no further changes to the key rates at its monetary-policy meetings in the first three months of 2012.<sup>12</sup>

At its monetary policy meeting in October 2011, the Governing Council took decisions concerning the details of refinancing operations for the period ahead (from October 2011 to 10 July 2012). It decided to continue conducting main refinancing operations and special-term refinancing operations as fixed rate tender procedures with full allotment. At the same time, the Governing Council decided that three-month longer-term refinancing operations to be allotted once a month from October 2011 to June 2012 would be conducted as fixed rate tender procedures with full allotment.

In addition, at the October meeting, the Governing Council decided to conduct another two LTROs, one with a maturity of approximately 12 months in October and the other with a maturity of approximately 13 months in December. Also in October the Governing Council decided to launch a new covered bond purchase programme (CBPP2), with the intended amount of the purchases set at €40 billion and the purchases to be made as direct purchases in the primary and the secondary markets, starting in November 2011. Further decisions on the implementation of CBPP2 were taken in November.

At the end of November, the ECB, the Bank of Canada, the Bank of England, the Bank of Japan, the Swiss National Bank, and the Federal Reserve announced coordinated actions to enhance their capacity to provide liquidity support to the global financial system. The purpose of these

<sup>12</sup> In the first three months of 2012 the ECB Governing Council held monetary policy meetings on 12 January, 9 February and 8 March.





actions is to ease strains in financial markets and thereby mitigate the effects of such strains on the supply of credit to households and businesses and so help foster economic activity. These central banks agreed to lower the pricing on the existing temporary US dollar liquidity swap arrangements by 50 basis points. The central banks also agreed to establish temporary bilateral swap arrangements for the provision of liquidity. In this context, the ECB Governing Council decided in co-operation with other participating central banks to establish a temporary network of reciprocal swap lines. This action will enable the Eurosystem to provide euro to those central banks when required, as well as enabling the Eurosystem to provide liquidity operations, should they be needed, in Japanese yen, sterling, Swiss francs and Canadian dollars (in addition to the existing operations in US dollars). The ECB will regularly conduct US dollar liquidity-providing operations with a maturity of approximately one week and three months at the new pricing.

At its monetary policy meeting in December, the Governing Council adopted further measures to enhance access of the banking sector to liquidity and to facilitate the functioning of the euro area money market. These measures included decisions to: conduct two LTROs with a maturity of 36 months and the option of early repayment after one year; discontinue for the time being, as of the maintenance period starting on 14 December 2011, fine-tuning operations carried out on the last day of each maintenance period; reduce the reserve ratio to 1 % (from 2%) with effect from maintenance period starting on 18 January 2012; and increase collateral availability<sup>12</sup>.

All these non-standard measures are, by construction, temporary in nature.

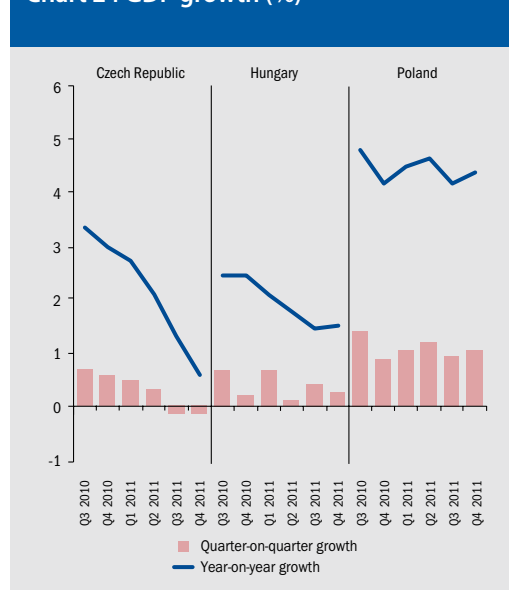
## DEVELOPMENTS IN POLAND, THE CZECH REPUBLIC AND HUNGARY

These three central European countries recorded different rates of economic growth in the fourth quarter of 2011. GDP growth in the Czech Republic fell year-on-year to 0.6%, from 1.3% in the third quarter; in Hungary annual GDP growth stood at 1.5%, unchanged from the previous quarter, and in Poland it rose to 4.3%, from 4.2%.

In the Czech Republic, net exports continued to make a positive contribution to GDP growth but it was lower than in the third quarter. All other components of GDP had a dampening effect on growth, although less pronounced than in the previous quarter. In Hungary, GDP growth was boosted by household final consumption and net exports. The negative contribution of the general government consumption and investment components was more moderate compared with the third quarter, while the negative contribution of changes in inventories increased. In Poland, net exports and investment accounted for most of the moderate economic growth. On the other hand, there was downward pressure from lower household final consumption and a marked decline in inventories.

Fourth-quarter economic growth in the three countries differed also in quarter-on-quarter terms. In the Czech Republic, GDP for the three months fell by 0.1% in comparison with the third quarter (after declining by the same margin in that quarter too). The drop was accounted for mainly by changes in inventories and to a lesser extent by government consumption. Consumer and investment demand stagnated, while net exports made a positive contribution. In Hungary, the quarter-on-quarter increase in GDP in the fourth quarter was 0.3%, which was 0.1 percentage point lower than in the third

Chart 24 GDP growth (%)



Source: Eurostat.

12 Further details are available at [www.ecb.int](http://www.ecb.int)



quarter. The main drivers of the growth were net exports and changes in inventories, while there were declines in consumer and investment demand. The Polish economy grew by 1.1% in the fourth quarter, representing an increase of 0.1 percentage point on the quarterly growth recorded in the third quarter. All the main components apart from changes in inventories contributed significantly to the growth, although the contribution of net exports was far lower than in the previous quarter.

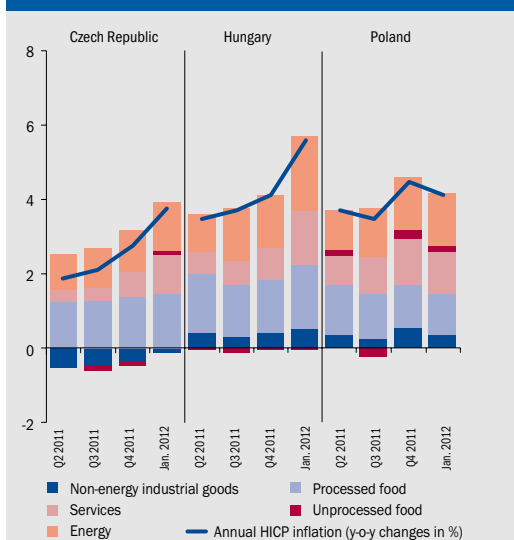
In all three countries, the annual rate of consumer price inflation towards the year-end was higher than in September. In the Czech Republic it was up by 0.7 percentage point, at 2.8%; in Hungary by 0.4 percentage point, at 2.8%, and in Poland by 1.0 percentage point, at 4.5%. In the Czech Republic, all components apart from services and energy contributed to the inflation growth. The country's CPI inflation rate recorded a further marked rise in January 2012 (increasing by 1.0 percentage point, to 3.8%), due in large part to increases in unprocessed food price inflation and service price inflation, as well as to a hike in the lower rate of VAT (from 10% to 14%) that came into effect from 1 January 2012. In Hungary, the increase in the inflation rate in the fourth quarter was driven mainly by services prices and to a lesser extent by energy prices

and prices of non-energy industrial goods. Here, too, inflation accelerated sharply in January 2012 (by 1.5 percentage point, to 5.6%), again partly owing to an increase in VAT, with the standard rate going up from 25% to 27%. In Poland, the fourth-quarter rise in the annual inflation rate was largely the result of increasing prices of non-energy industrial goods, unprocessed food, and, to a lesser extent, services. Unlike in the other two countries, the inflation rate in January slowed moderately by 0.4 percentage point to 4.1%.

The currencies of each of the three countries were adversely affected throughout the fourth quarter by investor risk aversion related to developments in the euro area debt crisis, and the situation was further exacerbated by deteriorating outlooks for economic growth in EU countries. In the case of the Hungarian forint, the depreciation was caused not only by external influences but also by internal factors.

The nervousness in financial markets in October 2011 was mainly related to the uncertainty surrounding the approval by euro area countries of an increase in the European Financial Stability Facility (EFSF), as well as to rising yields on Spanish and, in particular, Italian government bonds (which later resulted in a change of government and the adoption of economic

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



Source: Eurostat; NBS calculations.

Chart 26 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.

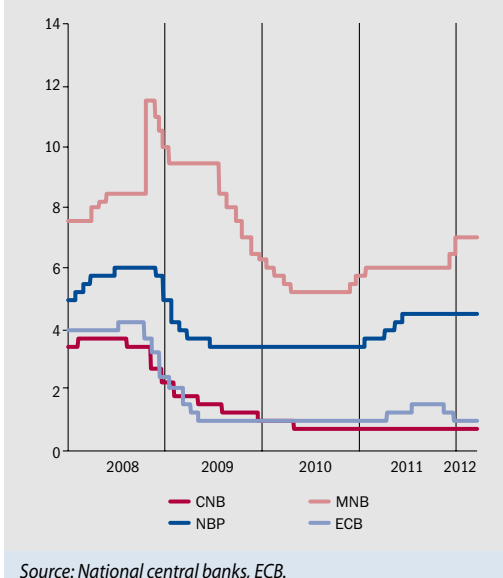




austerity measures). These sentiments put depreciation pressure on the currencies of the three central European countries. The Hungarian forint was further weakened vis-à-vis the euro by the adoption in Hungary of non-standard economic measures (for example, to allow early repayment of foreign exchange mortgage loans at non-market rates) and the subsequent downgrading of Hungary's government bonds. In Poland, the central bank responded to the zloty's plunge in value in the fourth quarter by making several interventions in the foreign exchange market. In early December there were expectations of a shift in financial market sentiment, following an EU summit at which EU countries agreed to establish stricter rules for economic union. These expectations were short-lived, however, and the central European currencies continued to weaken. The Hungarian forint was again affected by domestic factors, such as the cutting short of discussions with international institutions on financial assistance for the country. After several months of losing value against the euro, the currencies of the three countries began to strengthen quite significantly from the beginning of 2012.

Among the central banks of the three countries, only Hungary's Magyar Nemzeti Bank made any changes to its monetary-policy settings in the fourth quarter of 2011. Česká národní banka kept its base rate unchanged at 0.75% (the rate had been unchanged since 6 May 2010, when it was reduced by 25 basis points). In explaining its stance, the central bank noted that, on the one hand, risks to the inflation forecast were moderately on the upside, mainly due to the weaker Czech koruna, while, on the other hand, the Czech economy was expected to grow at a slower pace and therefore no demand-side inflationary pressures were observed in the domestic economy. The euro area debt crisis has not so far impinged on the Czech economy. Narodowy Bank Polski also left its base rate unchanged, at 4.50%, on grounds that the inflation rate is expected to return to target levels in the medium-term horizon, due to the tightening of monetary policy in the first half of the year and to the fact that Polish economic growth is

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



expected to decelerate amid a tightening of fiscal policy (resulting in lower investment expenditure in the government sector). On the other hand, the marked depreciation of the Polish zloty as a result of financial market developments represents an upside risk to the domestic price level. On a number of occasions during the quarter the Polish central bank sought to shore up the zloty by intervening directly in the foreign exchange market. The Magyar Nemzeti Bank was the only central bank in the region that adjusted its monetary stance in the last quarter of 2011, first increasing the base rate by 50 basis points, to 6.50%, and then raising it by a further 50 points, to 7.00%, with effect from 21 December 2011. The moves were mainly a response to mounting inflationary risks in the medium-term horizon, arising from the Hungarian forint's sharp depreciation in previous months. The forint's weakening may also have reflected the increasing vulnerability of the domestic financial system. Another factor contributing to the risk of higher inflation was an escalation of the perceived risks to Hungary's economic growth. None of the central banks changed their monetary stance in the first months of 2012.





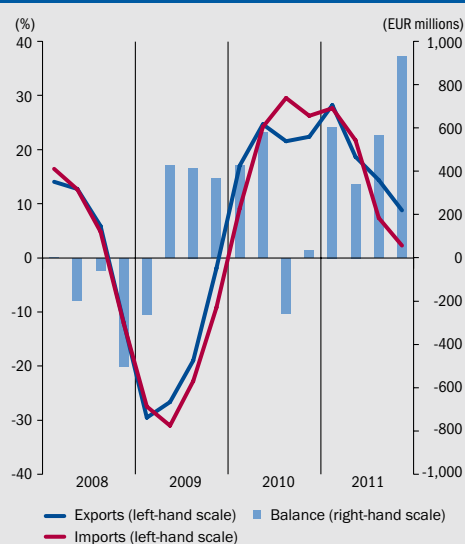
## QUARTERLY REPORT ON THE BALANCE OF PAYMENTS<sup>13</sup>

### BALANCE OF PAYMENTS FOR JANUARY TO DECEMBER 2011

The balance of payments on current account for January to December 2011 resulted in a surplus of €38.0 million, which represented an improvement of €1,674.6 million in year-on-year terms. The current account balance improvement was based on an upturn in all components, except in the income balance, which was affected by a rise in reinvested earnings. By contrast, growth in external demand translated into rising exports and subsequently also into a higher trade surplus and lower deficit in the services balance. An increase in receipts had a positive effect on the current transfers balance, which also contributed to the year-on-year improvement in the current account. The ratio of the current account deficit to GDP (at current prices) reached 0.1%, which represented an improvement of 2.6 percentage points in year-on-year terms. The trade balance to GDP ratio followed a similar pattern: it rose by 2.3 percentage points year-on-year, with the trade surplus amounting to 3.5% of GDP. In the fourth quarter of 2011, the current account recorded a quarter-on-quarter improvement, owing mainly to a higher trade surplus and, to a lesser extent, to an increase in receipts in the services balance.

Total exports in 2011 increased by 16.9% in comparison with the previous year, and imports rose by 13.6%. The trade surplus increased in year-on-year terms, owing to the positive effect of growing external demand, which was mainly reflected in the growing volume of car exports. On the import side, the balance was positive

Chart 28 Exports and imports – annual percentage changes



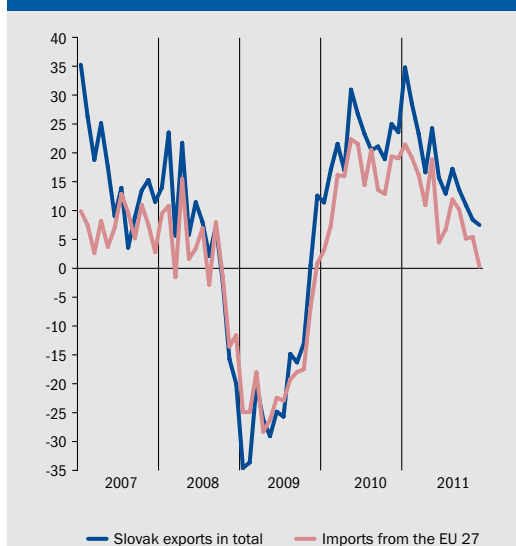
Source: NBS and SO SR.

Table 7 Balance of payments current account (EUR millions)

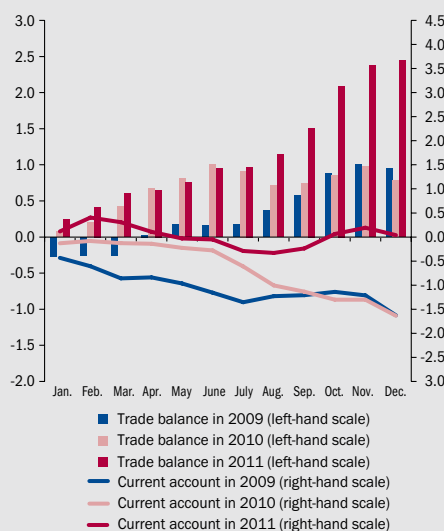
	January – December		
	2011	2010	2011 – 2010
Trade balance	2,441.9	778.5	1,663.4
Exports	56,407.9	48,272.1	8,135.8
Imports	53,966.1	47,493.7	6,472.4
Services balance	-370.5	-743.6	373.1
Income balance	-1,679.9	-1,249.1	-430.8
of which: income from investments	-2,889.7	-2,397.0	-492.7
of which: reinvested earnings	-1,180.6	-598.7	-581.9
Current transfers	-353.5	-422.3	68.8
<b>Current account in total</b>	<b>38.0</b>	<b>-1,636.6</b>	<b>1,674.6</b>
<b>Trade balance to GDP ratio (%)</b>	<b>3.5</b>	<b>1.2</b>	<b>2.3</b>
<b>Current account to GDP ratio (%)</b>	<b>0.1</b>	<b>-2.5</b>	<b>2.6</b>

Source: NBS and SO SR.

<sup>13</sup> Based on data up to 19 March 2012.

**Chart 29 Imports from the EU-27 and exports: annual percentage changes (%)**


Source: SO SR and Eurostat.

**Chart 30 Trade balance and current account in 2009, 2010 and 2011: cumulative volumes (EUR billions)**


Source: NBS and SO SR.

influenced by a fall in import-intensive demand, as well as by accelerated destocking stemming from uncertainty about the future trend in external demand. Such developments took place mostly at the end of the year, causing a significant external trade surplus in the fourth quarter. These factors well exceeded the negative impact of rising raw material prices on the world markets. The dynamics of export and import growth weakened gradually during the year, with import growth decelerating at a faster pace than export growth in the second half of the year.

The slowdown in the annual rate of growth in exports (to 8.8%) and imports (to 2.3%) in the fourth quarter was mainly due to decelerating

growth in external demand. The sharper slowdown in import growth was supported by lower imports of semi-finished goods, which was reflected in the shrinking inventories of products in process and semi-finished goods in the economy. This was probably connected with the falling level of import-intensive demand, as well as with the pessimistic expectations of firms regarding the trend in external demand in the coming months. Mainly as a result of a slowdown at the end of the year, the rate of export growth fell below 20% during the year (after exceeding this level for the first nine months).

Over the twelve months of 2011, the most dynamic export growth in comparison with 2010

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

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2011	2010	2011	2010
Raw materials	1,567	534	3.2	1.3
Chemical products and semi-finished goods	1,730	2,513	3.6	6.3
Machinery and transport equipment	3,774	4,631	7.8	11.7
Finished products	1,065	873	2.2	2.2
<b>TOTAL EXPORTS</b>	<b>8,136</b>	<b>8,551</b>	<b>16.9</b>	<b>21.5</b>

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

**Chart 31 Exports of TV sets (EUR millions)**


Source: NBS and SO SR.

**Chart 32 Exports: annual percentage changes**


Source: NBS and SO SR.

was recorded in the *machinery and transport equipment* category. Exports in this category accounted for more than 46% of the total export growth, owing to a rise in external demand. Within the *machinery and transport equipment* category, year-on-year growth in exports was observed in both subcategories, i.e. *transport equipment* (passenger cars) and *machinery* (shafts, engines, bearings). In the *machinery* subcategory, the lower exports of electrical products from the first half of the year stabilised in the second half, at virtually the same level as a year earlier. This was mainly the result of developments in the second quarter,

when higher exports of electrical products in 2010, supported by increased demand for TV sets before the football championship, affected the level of exports in the second quarter of 2010. This was clearly indicated by the trend in TV exports, which continued to grow up to the level of 2010, after declining in May and June on a year-on-year basis. Besides machinery and transport equipment, *chemical products and semi-finished goods* also recorded a marked increase in exports compared with the previous year. This was caused by a year-on-year increase in semi-finished goods exports (iron and steel, copper, and aluminium

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

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2011	2010	2011	2010
Raw materials	2,022	1,936	4.3	5.0
Chemical products and semi-finished goods	1,753	2,180	3.7	5.6
Machinery and transport equipment	1,482	3,390	3.1	8.7
Finished products	1,215	1,212	2.6	3.1
Of which: agricultural and industrial products	1,181	523	2.5	1.3
passenger cars	-94	92	-0.2	0.2
mechanical and electrical consumer goods	128	597	0.3	1.5
<b>TOTAL IMPORTS</b>	<b>6,473</b>	<b>8,718</b>	<b>13.6</b>	<b>22.5</b>

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

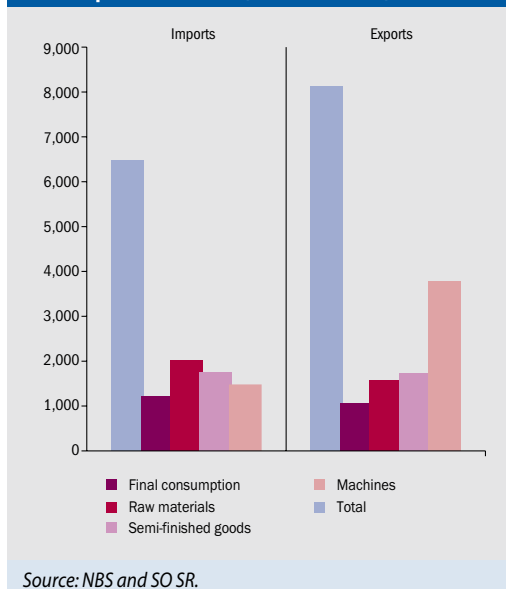
products) and in exports of chemical products, which were probably influenced by the rising prices of petroleum products (mainly rubber, plastics, and rubber/plastic products). Export growth in the *raw materials* category was driven mainly by higher exports of processed mineral oils and natural gas, mainly as a result of price developments. The smallest year-on-year increase in exports was recorded in the *finished products* category, especially in footwear exports.

In the fourth quarter, exports grew most dynamically in year-on-year terms in the *machinery and transport equipment* category, mainly as a result of increased car exports. The growth in machine exports slowed in the fourth quarter, while the growth in transport equipment imports accelerated somewhat. Over the course of 2011, the growth in exports of machinery and transport equipment slowed gradually, down to 16.8% of the annual export growth in the fourth quarter.

The strongest year-on-year growth in imports took place in the *raw materials* category, as rising oil prices on the world markets pushed up expenditure on oil and gas imports. A marked year-on-year increase in imports was also recorded in the *chemical products and semi-finished goods* category. The increased imports of semi-finished goods took place mostly in iron and steel imports, including iron and steel products. In the *chemical products* subcategory, the growth in imports was driven mainly by imports of rubber and plastics. A steep year-on-year increase was also recorded in the *machinery and transport equipment* category. The higher imports in year-on-year terms were stimulated by increased imports of components for the automotive industry, in both the *transport equipment* and *machinery* subcategories. Imports in the *machinery and transport equipment* category recorded a much smaller year-on-year increase than in 2010, owing to a fall in the level of import intensity. The smallest increase was recorded in the imports of finished products. The largest increase took place in the imports of agricultural and industrial products (pharmaceuticals, footwear). In finished products, the overall growth in imports was adversely affected by a decline in car imports.

In the fourth quarter, the strongest year-on-year growth in imports took place in the *raw materials* category, mainly as a result of a rise in oil and gas

**Chart 33 Year-on-year changes in imports and exports in 2011 (EUR millions)**



prices on the world market. This led to growth in natural gas imports. Import growth in the *machinery and transport equipment* category as a share of growth in total imports continued to fall in the fourth quarter, down to 23% of the total import growth in 2011, which represented a sharp decline in comparison with the first nine months, when it accounted for almost 27%. This fact was probably connected with the decreasing volume of inventories in the fourth quarter.

The balance of services for January to December 2011 resulted in a deficit of €370.5 million, representing an improvement of €373.1 million compared with the same period in 2010. The services balance deficit contracted in year-on-year terms, mainly as a result of an improvement in *other services in total* and, to a lesser extent, in transport services. By contrast, the balance surplus in travel services deteriorated somewhat, with expenses growing more rapidly than revenues. The smaller deficit in the balance of *other services in total* was largely due to higher revenues from computer engineering services, accompanied by lower expenses on these services. The year-on-year improvement in the balance was also supported by higher revenues from legal, accounting and advisory services, coupled with lower expenses on technical and financial services. The balance of transportation services improved in year-on-year terms, with revenues from *other freight transport*



services increasing more significantly than expenses on *rail transport*. In the fourth quarter, the services balance improved in comparison with the previous quarter in all main subcategories of services, except in travel services, mainly as a result of rising revenues. In the case of travel services, the balance improvement was caused by a marked fall in expenses, which, however, was due to seasonal factors.

In 2011, the income balance worsened by €430.8 million year-on-year, owing to a higher deficit in income from investments. The fourth quarter saw a marked decrease in the amount of dividends paid, compared with the third quarter. This, however, was due to seasonal factors.

The *current transfers* deficit decreased slightly in year-on-year terms (by €68.8 million), mainly as a result of positive developments in the balance of *other transfers* (higher revenues from grants, deposits, disbursements and unilateral transfers to legal entities). The revenue from transfers of this type was on the decrease during the year; in the fourth quarter, it accounted for only 7.8% of the annual

figure. The balance of government transfers recorded a rise in revenues, which, however, was exceeded by payments to the EU budget. This caused a slight fall in the positive balance of government transfers in year-on-year terms.

The balance of payments on capital and financial account for January to December 2011 resulted in a surplus of €3,939.2 million, compared with a surplus of €515.7 million in the same period in 2010. In year-on-year terms, higher inflows of funds were recorded in all components, except in the capital account, where lower capital-transfer revenues from the EU budget caused a slight decrease in the surplus. In the *portfolio investment* balance, a fall in demand among residents for foreign securities (debt and equity securities), accompanied by a rise in non-resident demand for government debt securities, caused a shift in the balance, from an outflow in 2010 to an inflow in 2011. In the *other investment* balance, deposits held on accounts with NBS increased, while corporate deposits held on accounts abroad decreased. A higher net inflow of funds was also recorded in the *foreign direct*

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

	January – December	
	2011	2010
Capital account	865.1	1,018.4
Direct investment	1,147.7	149.5
of residents abroad	-355.0	-247.3
of which: equity participation abroad	-54.9	-404.3
reinvested earnings	393.4	187.1
in Slovakia	1,502.7	396.8
of which: equity participation in Slovakia	817.7	-107.6
of which: non-privatised equity	817.7	-107.6
reinvested earnings	787.1	411.6
Portfolio investment and financial derivatives	22.6	-1,298.9
of residents abroad	-1,718.8	-2,612.6
in Slovakia	1,741.3	1,313.7
Other long-term investment	1,118.8	-138.1
Assets	206.5	-259.8
Liabilities	912.3	121.7
Other short-term investment	785.0	784.8
Assets	414.5	-108.6
Liabilities	370.5	893.4
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	<b>3,939.2</b>	<b>515.7</b>

Source: NBS.



*investment* balance, mainly as a result of a rise in non-resident demand for participating interests in Slovakia. Compared with the third quarter, the inflow of funds to the capital and financial account increased by €1,127.5 million in the fourth quarter. This increase was mainly related to NBS activities in the *other investments* balance (NBS liabilities rose, since the inflow to accounts held with NBS was higher than the outflow of funds for the repayment of financial loans).

From January to December 2011, *foreign direct investment* (FDI) resulted in an inflow of funds of €1,147.7 million, compared with an inflow of €149.5 million in the same period a year earlier. The year-on-year increase in *direct investment* was caused by an inflow of funds in the form of equity participation (foreign investors were increasingly interested in making investments in Slovakia, while domestic investors showed less interest in investment abroad), which exceeded the outflow of funds in the form of *other capital* (increased claims on direct investment firms, as well as on direct investors). The outflow of funds in the form of *other capital* moderated gradually over the course of the year, from an outflow of €957.3 million in the period January to September to an inflow of €161.6 million in the fourth quarter.

Portfolio investment resulted in a net inflow of €22.6 million, compared with a net outflow of €1,298.9 million in 2010. The year-on-year change from an outflow to a modest inflow was caused by a rise in demand among non-residents for government securities, supported on the asset side by an inflow of funds stemming from a fall in demand for foreign debt securities (among banks) and for equity securities (among enterprises). The fourth quarter saw a revival in demand among non-residents for government securities, i.e. a net inflow of €413.0 million, compared with an outflow of €70.8 million from the sale of government securities in the third quarter.

In other investments, an inflow of €1,903.8 million was recorded in the period from January to December 2011, compared with an inflow of €646.7 million in the same period a year earlier. The year-on-year increase (€1,257.1 million) was mainly the result of developments in the government sector (including NBS), particularly the activities of NBS in the fourth quarter, when an inflow of funds in the form of deposits on NBS accounts was only partly offset by an outflow of funds in the form of loan repayments. The increased inflow of funds in *other investments* was also supported by developments in the corporate sector, resulting from a decline in deposits in accounts abroad. In the banking sector, a higher inflow was moderated by an outflow of liabilities, where a deeper decline in deposits on accounts with Slovak banks (in year-on-year terms) was accompanied by an increase in loan repayment.

#### EXTERNAL DEBT OF SLOVAKIA AS AT 31 DECEMBER 2011

The total gross external debt of Slovakia as at end-December 2011 stood at €53.2 billion (USD 68.8 billion), representing a rise of €3.9 billion (USD 3.0 billion) in year-on-year terms. Total long-term external debt increased by €2.7 billion year-on-year, with the long-term external liabilities of the Government and NBS growing by €2.3 billion year-on-year, mainly as a result of increased demand for government bonds (€1.8 billion). In the second and third quarters of 2011, the external liabilities of the Government and NBS reached €2.1 billion, largely in the form of government bonds. Total short-term external debt recorded a year-on-year increase of €1.2 billion, with the short-term external liabilities of the Government and NBS rising by €1.3 billion (cash and central bank deposits grew by €0.6 billion; loans by €0.5 billion). Short-term external liabilities in the commercial sector showed opposite tendencies:

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

	January – December 2011	January – December 2010	Year-on-year changes
Banks	-254.8	880.1	-1,134.9
Enterprises	781.7	226.4	555.3
Government + NBS	1,376.9	-459.8	1,836.7
Total	1,903.8	646.7	1,257.1

Source: NBS.

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

	USD millions		EUR millions	
	31.12.2010	31.12.2011	31.12.2010	31.12.2011
Total external debt of the SR	65,823.9	68,802.8	49,261.9	53,174.7
Long-term external debt	29,554.5	32,147.6	22,118.3	24,845.5
Government and NBS <sup>1)</sup>	13,296.2	15,827.7	9,950.7	12,232.6
Commercial banks	3,893.8	3,404.3	2,914.1	2,631.0
Enterprises	12,364.5	12,915.6	9,253.5	9,981.9
Short-term external debt	36,269.4	36,655.2	27,143.6	28,329.2
Government and NBS	19,661.4	20,757.4	14,714.4	16,042.5
Commercial banks	4,466.6	3,731.1	3,342.8	2,883.6
Enterprises	12,141.3	12,166.7	9,086.4	9,403.1
External assets	48,274.2	49,670.6	36,128.0	38,388.3
Net external debt	17,549.6	19,132.7	13,133.9	14,786.8
EUR/USD cross rate	1.3362	1.2939	-	-

Source: NBS.

1) Including government agencies and municipalities.

enterprises recorded an increase of €0.3 billion and commercial banks a decrease of €0.5 billion, compared with the beginning of the year.

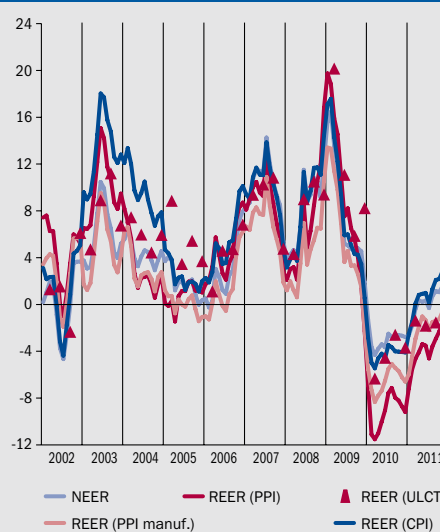
According to preliminary data, the ratio of Slovakia's total gross external debt to GDP (at current prices) reached 77.0% as at 31 December 2011, representing an increase of 2.3 percentage points compared with the end-2010 figure (74.4%). In per capita terms, Slovakia's total gross external debt as at end-December 2011 amounted to €9,845, which was €724 more than a year earlier. The ratio of total short-term external debt to Slovakia's total gross external debt as at end-December 2011 stood at 53.8%, and was 1.3 percentage points lower than a year earlier.

As at end-December 2011, Slovakia had a net external debt of €14.8 billion (debtor position), representing a rise of €1.6 billion compared with the end of 2010.

## NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The nominal effective exchange rate<sup>14</sup> (NEER) appreciated by 1.3% year-on-year in December 2011. Compared with September, the year-on-year rate of appreciation accelerated by 0.1 percentage point. The strengthening of the NEER index was again supported by an

appreciation vis-à-vis the Polish zloty, to the extent of 0.8 percentage point. The month-on-month NEER dynamics weakened gradually over the fourth quarter, because the euro depreciated more and more against the currencies of countries outside continental Europe and its appreciation against the currencies of V4 countries came to an end at the end of the quarter. In 2011, the NEER appreciated by an

**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.

14 The methodology that NBS uses to calculate the effective exchange rate is available on the NBS website at: [http://www.nbs.sk/\\_img/Documents/\\_Statistika/VybrMakroUkaz/EER/NEER\\_REER\\_Methodology.pdf](http://www.nbs.sk/_img/Documents/_Statistika/VybrMakroUkaz/EER/NEER_REER_Methodology.pdf)





average of 0.1% year-on-year, after depreciating by 3.0% in the previous year.

The appreciation of the NEER index, combined with a positive inflation differential, caused the CPI-based real effective exchange rate (REER) to appreciate by 2.6% year-on-year in December, representing an acceleration of 0.5% compared with September. The REER based on the industrial producer price index (PPI) and the REER based on the manufacturing products price index (PPI manufacturing) each recorded a slower rate of depreciation in year-on-year terms. The depreciation of the PPI-based REER

slowed by 1.7 percentage points (to 1.2%) and that of the PPI manufacturing-based REER by 1.0 percentage point (to 0.4%). The continuing moderation of the negative inflation differential vis-à-vis the relevant foreign trading partners of Slovakia, measured in terms of the PPI and PPI-manufacturing price indices, contributed to the weakening depreciation of the relevant REER indices throughout the past year. The CPI-based REER appreciated by an average of 0.8% in 2011, in contrast to its depreciation by 4.2% in 2010. The depreciation of the PPI-based REER moderated from 9.1% to 3.7%, and of the PPI manufacturing-based REER from 6.5% to 2.1%.





## QUARTERLY REPORT ON THE REAL ECONOMY

### THE REAL ECONOMY IN THE FOURTH QUARTER OF 2011

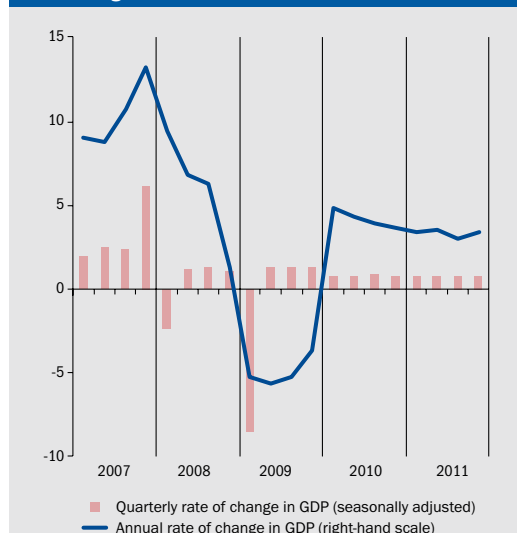
#### GROSS DOMESTIC PRODUCT

According to data from the Statistical Office of the Slovak Republic (SO SR), Slovakia's annual GDP growth for the fourth quarter of 2011 accelerated in comparison with the previous quarter, to 3.4% (at constant prices). In quarter-on-quarter terms,

seasonally adjusted GDP expanded by 0.9% in the fourth quarter.

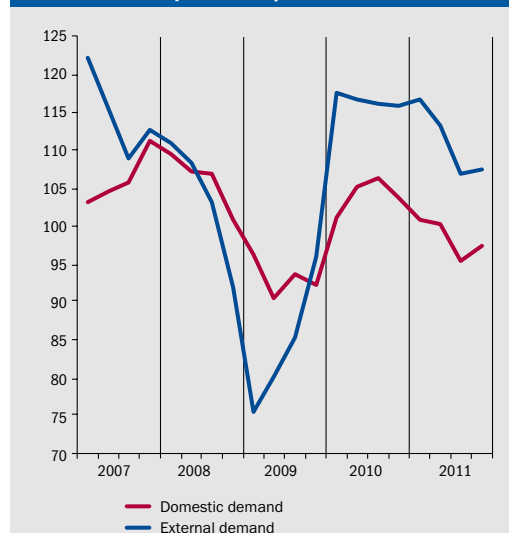
Measured by output performance, fourth-quarter GDP growth was boosted mainly by higher value added in industry, construction and trade, and by an increase in net tax receipts. In agriculture, however, value added continued to decline in year-on-year terms. Nominal GDP generated in the fourth quarter rose by 5.3% year-on-year, to stand at €17.8 billion.

**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; NBS calculations.

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

Indicator	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	103.7	104.2	103.4	103.5	103.0	103.4	103.3
Domestic demand	103.7	104.1	100.8	100.4	95.6	97.6	98.5
Final consumption	99.3	99.7	99.5	98.7	98.6	98.7	98.9
Final consumption of households	100.0	99.2	99.8	99.9	99.1	99.6	99.6
Final consumption of general government	97.3	101.1	98.3	94.9	96.8	96.3	96.5
Non-profit institutions serving households	100.9	101.4	101.4	101.0	101.4	101.0	101.2
Gross fixed capital formation	115.1	112.4	101.6	106.4	105.9	108.4	105.7
Exports of goods and services	115.8	116.5	116.8	113.1	106.8	107.5	110.8
Imports of goods and services	115.5	116.3	111.4	110.9	98.2	99.0	104.5

Source: SO SR.



**Table 14 Structure of gross fixed capital formation in the fourth quarter of 2011 (current prices)**

	Tvorba hrubého fix. kapitálu  (mil. EUR)	Proportion (%)	Index	
			Q3 2011 Q3 2010	Q4 2011 Q4 2010
Slovak economy in total	<b>4,332.6</b>	<b>100.0</b>	<b>106.2</b>	<b>108.8</b>
<i>of which, by sector:</i>				
Non-financial corporations	2,688.3	62.0	108.1	108.8
Financial corporations	170.6	3.9	248.0	267.0
General government	589.7	13.6	98.6	102.0
Households	873.4	20.2	98.5	101.7
Non-profit institutions	10.6	0.2	100.9	102.2
<i>of which, by segment of production:</i>				
Machinery	<b>1,869.5</b>	<b>43.2</b>	<b>111.2</b>	<b>119.7</b>
of which: Other machines and equipment	1,384.3	32.0	110.4	121.9
Transport equipment	485.3	11.2	113.3	114.0
Buildings	<b>1,925.8</b>	<b>44.4</b>	<b>102.6</b>	<b>101.2</b>
of which: Residential buildings	461.4	10.7	101.2	101.6
Other buildings	1,464.4	33.8	103.0	101.1

Source: SO SR.

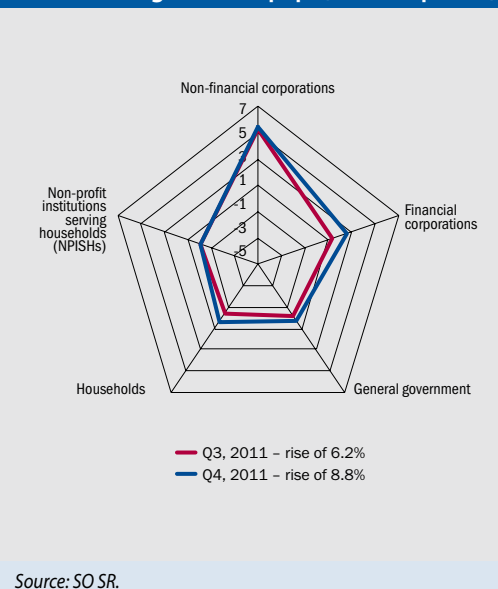
#### DEMAND

In expenditure terms, economic growth in the fourth quarter of 2011 was influenced mainly by a moderately higher increase in external demand (with exports of goods and services growing by 7.5%). Although an upturn in fixed investment slowed the rate of decline in domestic demand (to -2.4%), it did not offset the combined effect of a continuing fall in household and general government consumption, and accelerated destocking.

The rising profits of companies in the quarter under review contributed to the growth in fixed capital formation, which accelerated in comparison with the previous quarter. This took place in the *financial and non-financial corporations* sector, mainly in the form of investment in other machines and equipment, including transport equipment, but investment in other assets also recorded a modest increase.

Investment activity increased in all sectors. The largest contribution to investment growth again came from non-financial corporations. The growth in gross fixed capital formation in financial corporations accelerated and investment also

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

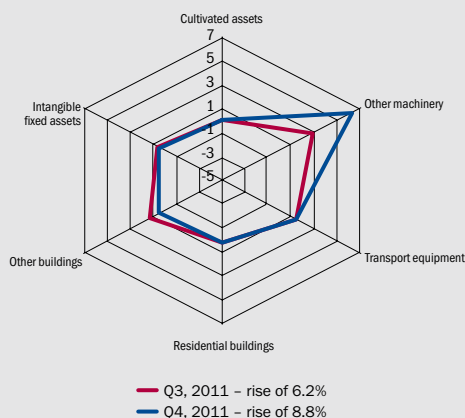


Source: SO SR.

started to grow in the household and general government sectors.

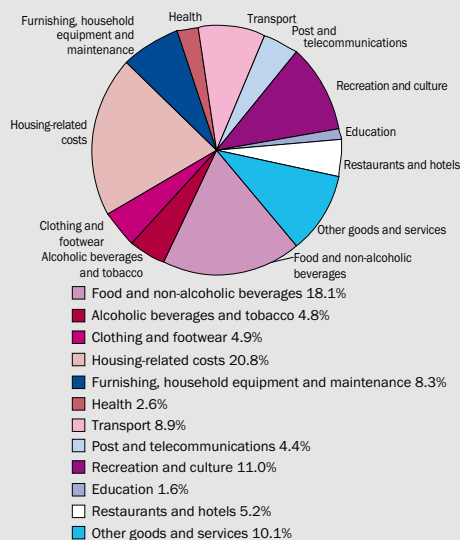
The decline in household final consumption moderated in the fourth quarter, compared with

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



Source: SO SR.

**Chart 39 Structure of household final consumption in Q4, 2011 (shares in %)**



Source: SO SR.

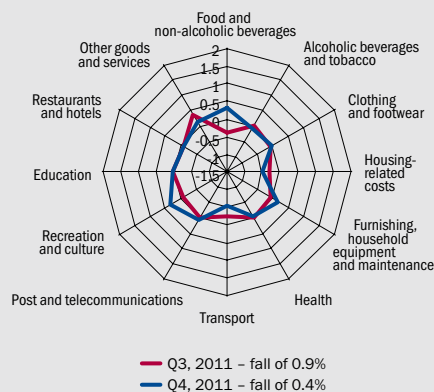
Note: The individual items of final consumption do not add up to 100%.

the previous quarter. The unfavourable situation in the labour market and shrinking household incomes forced consumers to use their savings towards the end of the year. Despite this, consumer spending fell somewhat, while the saving ratio remained relatively high.

The breakdown of consumer spending (at constant prices) indicates that the decline in household consumption was moderated in particular by increased spending on food and non-alcoholic beverages and spending on culture and recreation. As in the previous quarter, the sharpest decline was recorded in spending on transport and housing-related costs. Spending on food and housing-related costs continued to represent the largest expenditure items in overall household consumption.

The slowdown in economic growth in Slovakia's main trading partners at the end of last year was not reflected in the volume of Slovak exports, which maintained a two-digit growth rate (10.0%) at current prices. Thus, Slovakia probably continued to increase its market share. Imports of goods and services, however, remained well behind exports in terms of growth (2.9%), probably as a result of continuing decline in household consumption and inventory reduction in enterprises. This led to a record

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



Source: NBS calculations based on SO SR data.

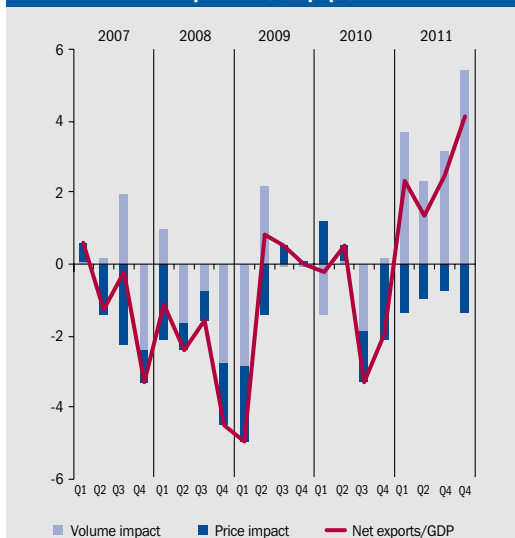
Note: The individual items of final consumption do not add up to 100%.

trade balance surplus of €732.2 million. Thus, net exports continued to be the main source of GDP growth.

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



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



Source: NBS calculations based on SO SR data.

**Chart 42 Export performance and import intensity (% of GDP)**



Source: SO SR.

€1,739.4 million (at constant prices), compared with €1,382.0 million in the previous quarter.

Price developments in external trade were influenced by a further slowdown in oil prices and other non-energy commodity prices. This was

reflected in the import deflator, which slowed to 3.9%, while the export deflator increased by 2.3% in response to a modest rise in industrial producer prices. With import prices rising more sharply than export prices, the terms of trade continued to deteriorate.

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

Indicator	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Exports of goods and services (annual percentage change measured at current prices)	20.6	20.0	24.1	17.5	10.9	10.0	15.2
Contribution of volume	15.8	16.5	16.8	13.1	6.8	7.5	10.8
Contribution of price	4.8	3.5	7.4	4.4	4.1	2.5	4.4
Imports of goods and services (annual percentage change measured at current prices)	23.2	20.5	20.5	16.5	3.1	2.9	10.0
Contribution of volume	15.5	16.3	11.4	10.9	-1.8	-1.0	4.5
Contribution of price	7.7	4.2	9.1	5.7	4.8	3.8	5.6
Contribution of net exports to GDP growth (contribution in % at current prices)	-1.9	-1.3	2.4	1.4	2.5	4.1	2.6
Contribution of volume	0.2	-0.8	3.7	2.3	3.2	5.4	3.7
Contribution of price	-2.1	-0.5	-1.3	-1.0	-0.7	-1.3	-1.0
Terms of trade (index)	97.7	99.4	98.3	98.8	99.0	98.5	98.7

Source: NBS calculations based on SO SR data.

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.

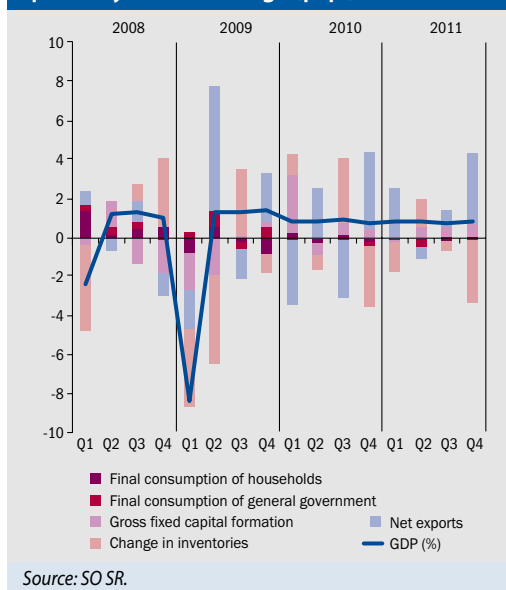
**Table 16 Seasonally adjusted GDP by expenditure (quarterly percentage changes; constant prices)**

Indicator	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	0.8	4.2	0.8	0.8	0.8	0.9	3.3
Final consumption:	-0.3	-0.3	-0.2	-0.4	-0.3	-0.3	-1.1
Households and NPISHs	-0.3	-0.7	0.0	-0.1	-0.3	0.2	-0.4
General government	-1.2	1.1	-0.8	-2.3	0.7	-0.6	-3.5
Gross fixed capital formation	2.0	12.4	-0.1	2.6	1.7	3.0	5.7
Exports of goods and services	4.3	16.5	4.1	-0.5	-2.0	4.5	10.8
Imports of goods and services	-0.2	16.3	1.4	0.2	-3.2	0.6	4.5

Source: SO SR.

The export performance of the Slovak economy increased by 11.5 percentage points in the fourth quarter of 2010, with the contribution of net exports of goods and services to GDP (at current prices) reaching 93.1%. Import intensity also increased, by 9.9 percentage points to 89.0%. The openness of the Slovak economy, expressed in terms of the ratio of exports / imports of goods and services to nominal GDP, increased by 21.4 percentage points compared with the previous quarter, to 182.1%.

According to seasonally adjusted data, GDP for the fourth quarter of 2011 was 0.9% higher than GDP for the previous quarter. The components of domestic demand that made the most significant contribution to GDP growth in quarter-on-quarter terms were fixed capital formation and the slightly increased household consumption. General government consumption fell still further at the end of the year. The moderating growth in the euro area and the neighbouring countries was not reflected in Slovakia's export performance. Exports increased by 4.5% compared with the previous quarter. This indicates that Slovak goods were probably exported to markets outside the euro area. The imports of goods and services also recorded a slight increase. This, however, was partly offset by inventory reduction in enterprises and by a fall in import-intensive demand. This development in external trade resulted in net exports making a significant positive contribution to economic growth. The quarter-on-quarter rate of economic growth is expected to moderate in the period ahead, owing to a fall in both domestic and external demand.

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

GDP growth in the fourth quarter of 2011 was influenced by a further slowdown in the rate of value added growth, to 2.4% (at constant prices), from 3.2% in the previous quarter. This was attributable to slower growth in gross output, as well as in intermediate consumption. A significant contribution to economic growth at the end of the year came from net taxes on products. Their sharp increase was caused by VAT payments for PPP projects in the amount of €174 million.

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

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross output	106.4	108.7	107.5	108.3	103.2	101.8	105.1
Intermediate consumption	108.1	111.8	109.9	111.8	103.3	101.4	106.4
Value added	103.7	104.2	103.7	102.9	103.2	102.4	103.0
Net taxes on products <sup>1)</sup>	103.6	104.0	100.5	110.7	101.3	112.9	106.4

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)**

Branch of economic activity	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product	103.7	104.2	103.4	103.5	103.0	103.4	103.3
of which:							
Agriculture	84.7	105.0	63.5	70.8	90.4	94.4	79.8
Industry	141.1	130.8	124.2	121.4	102.8	106.1	112.8
Construction	113.0	105.6	99.8	93.7	106.5	105.1	102.1
Trade, repair of motor vehicles, accommodation and food services, transportation and storage	74.0	87.0	91.1	88.1	102.9	106.3	96.3
Information and communication	97.1	102.1	105.2	105.8	107.3	107.1	106.4
Financial and insurance activities	89.0	92.1	90.6	95.9	100.0	90.0	94.0
Real estate activities	92.7	96.2	94.7	101.7	112.6	107.1	104.0
Professional, scientific, technical and administration activities	79.1	79.5	103.5	99.0	116.5	95.5	103.5
Public administration, education, health and other services	103.2	103.5	94.5	107.4	100.2	95.2	99.3
Arts, entertainment and recreation; other activities	100.9	106.4	110.6	80.5	88.4	99.9	94.5
Net taxes on products <sup>1)</sup>	103.6	104.0	100.5	110.7	101.3	112.9	106.4

Source: SO SR.

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

15 As of the first quarter of 2011, data on value added for the individual sectors are recorded according to the NACE Rev.2 methodology.

16 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.

Broken down by sector<sup>15</sup>, the most significant contribution to value added growth came from industry, trade and construction. Continuing decline in value added was recorded in agriculture, and a modest decrease in financial services and public administration,

Confidence in the economy, as measured by the economic sentiment indicator, continued to weaken slightly in the fourth quarter of 2011. GDP, however, remained unaffected: it continued

growing as in the previous quarter. If confidence in the economy continues to weaken at the beginning of 2012, this may cause a downturn in economic activity and a slowdown in the rate of economic growth in the period ahead.

## GROSS NATIONAL INCOME

According to data from the Statistical Office of the Slovak Republic, gross national income<sup>16</sup>

**Chart 44 Economic sentiment indicator and GDP (%)**


(GNI) increased in the fourth quarter of 2011 by 4.8% (at current prices) in year-on-year terms. Compared with the previous period, annual GNI growth accelerated by 1.2 percentage points. Gross national disposable income (GNDI), measured at current prices, increased by 4.9% year-on-year.

The smaller volume of GNI, compared with GDP, indicates that in the fourth quarter of 2011, 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). In addition to GDP growth, the acceleration in GNI growth was related to a slower increase in the outflow of income from the domestic economy and a faster increase in remittances from residents working abroad.

## WAGES AND LABOUR PRODUCTIVITY

The labour market indicators for the fourth quarter of 2011 point to a deterioration in the labour market situation. Despite the continuing economic and labour productivity growth, this deterioration was accompanied by a slowdown in wage growth, employment growth, and by an increase in the number of unemployed.

The average monthly nominal wage of an employee in the Slovak economy in the fourth quarter of 2011 increased in year-on-year terms by a modest 0.5%, to €848. In seasonally adjusted terms, the nominal wage growth was actually 0.3 percentage point lower than in the previous quarter. Owing to a steep rise in consumer price inflation, the average real wage fell in the fourth quarter by 3.8% year-on-year, which represented its largest drop in 2011.

The strongest nominal wage growth in this period was observed in the sectors of information and communication (9.3%); financial and insurance activities (7.5%); arts, entertainment and recreation (5.7%); agriculture (4.9%);

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

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross domestic product (GDP)	16,855	65,743	15,853	17,192	18,258	17,756	69,058
Gross national income (GNI)	17,374	64,844	15,028	15,966	17,264	16,586	67,753
Gross national disposable income (GNDI)	16,428	64,235	15,635	16,805	17,692	17,233	67,365
GDP – growth index	104.7	104.7	104.5	105.6	104.7	105.3	105.0
GNI – growth index	106.4	104.9	103.7	105.9	103.6	104.8	104.5
GNDI – growth index	106.5	105.2	104.1	106.5	104.0	104.9	104.9
GNI/GDP ratio in %	103.1	98.6	94.8	92.9	94.6	93.4	98.1
GNDI/GDP ratio in %	97.5	97.7	98.6	97.8	96.9	97.1	97.5

Source: SO SR; NBS calculations.





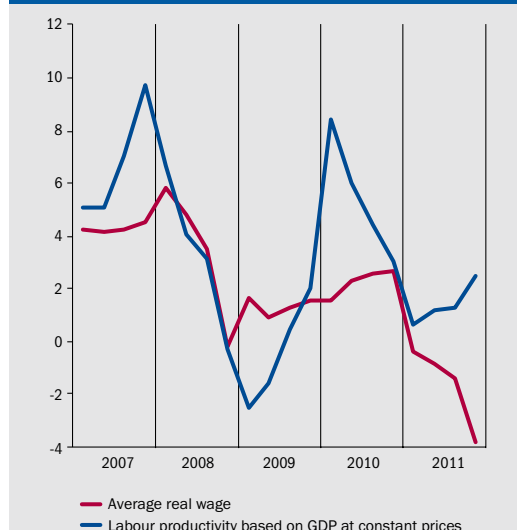
**Table 20 Average monthly wages and labour productivity in the Slovak economy (index: same period a year earlier = 100)**

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Nominal wages (index)	103.8	103.2	102.9	103.0	102.5	100.5	102.2
Real wages	102.7	102.2	99.6	99.1	98.6	96.2	98.3
Labour productivity, at current prices	104.1	106.0	101.7	103.2	102.9	104.4	103.1
Labour productivity, at constant prices	103.1	105.4	100.6	101.2	101.3	102.5	101.4
Real labour productivity – real wages (p.p.)	0.4	3.2	1.0	2.1	2.7	6.3	3.1
CPI (average for the period)	101.1	101.0	103.3	103.9	104.0	104.5	103.9

Source: SO SR; NBS calculations.

Note: Labour productivity is calculated on the basis of GDP and employment data according to quarterly statistical reporting.

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



Source: SO SR; NBS calculations.

construction (3.7%); and health services (3.1%). In seven sectors, however, the average nominal wage remained below the level of the previous year. The sharpest fall was recorded in administrative services (6.1%).

As employment growth slowed, the rate of labour productivity growth accelerated in comparison with the previous quarter. Labour productivity growth was 6.3 percentage points faster than the rate of change in real wages, which were falling from the beginning of 2011 owing to a steeper rise in consumer prices.

Nominal compensation per employee<sup>17</sup> (ESA 95) continued to grow in the fourth quarter, but at a much slower pace. Compared with the previous quarter, the rate of growth in employee compensation slowed by 1.5 percentage points, to 0.2%. Real compensation per employee fell by

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

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Nominal compensation per employee	102.6	104.4	101.6	100.5	101.7	100.2	100.9
Real compensation per employee	100.2	103.4	98.0	96.8	98.0	96.5	97.2
Labour productivity, at current prices	104.4	106.4	102.1	103.3	102.9	104.4	103.2
Labour productivity, at constant prices	103.3	105.8	101.0	101.2	101.3	102.5	101.5
Real labour productivity – real compensation per employee (p.p.)	3.1	2.4	3.0	4.4	3.3	6.0	4.3
ULC nominal	99.3	98.7	100.6	99.2	100.4	97.7	99.4
Deflator of household final consumption	102.3	101.0	103.7	103.8	103.7	103.8	103.8

Zdroj: ŠÚ SR, výpočty NBS.

Source: SO SR; NBS calculations.

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

<sup>17</sup> As defined by the Statistical Office of the Slovak Republic, compensation means remuneration paid by employers to employees.

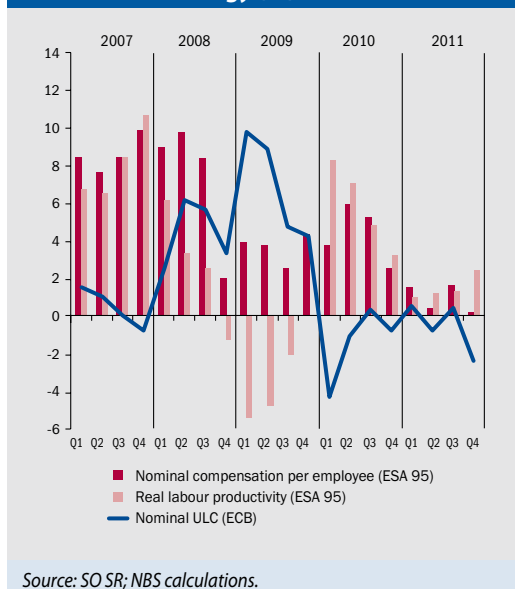


**Table 22 Real labour productivity and compensation per employee in the fourth quarter of 2011 (index: same period a year earlier = 100)**

	Real labour productivity	Real compensation per employee
Economy in total	102.5	96.5
Agriculture and fishing	92.9	101.5
Industry	103.7	99.1
Construction	108.0	94.7
Wholesale trade, retail trade, repair of motor vehicles; transportation and storage; accommodation and food services	106.6	96.0
Information and communication	101.0	91.8
Financial and insurance activities	88.1	98.7
Real estate activities	102.2	98.5
Professional, scientific and technical activities and administrative services	89.6	95.9
Public administration and defence, education and health	96.4	95.0
Arts, entertainment and recreation	100.1	93.2

Source: SO SR; NBS calculations.

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



3.5% year-on-year amid steeper rises in prices. The strongest growth in nominal compensation per employee was recorded in agriculture, industry, financial and insurance services, and real estate activities.

Labour productivity, calculated according to ESA 95, increased year-on-year by 4.4% in nominal terms and by 2.5% in real terms. The largest

contributions to real labour productivity growth came from construction, trade and industry.

Unit labour costs as defined in the ECB's methodology ( $ULC_{ECB}$ ), calculated as the ratio of growth in nominal compensation per employee to growth in real labour productivity (GDP per total employment) based on ESA 95 data, dropped in the fourth quarter of 2011 by 2.3% year-on-year, after rising in the previous quarter.

## INCOME AND EXPENDITURE OF HOUSEHOLDS

The current income of households in the fourth quarter of 2011 reached €16.0 billion, representing a year-on-year increase of 1.6% in nominal terms, according to data from the Statistical Office of the Slovak Republic. Compared with the third quarter of 2011, the rate of growth slowed by 2.2 percentage points, mainly as a result of slower growth in employee compensation and decline in social benefits.

Current household expenditure (expenses paid to other sectors and not used for direct consumption) increased by 4.7% year-on-year, to €4.0 billion (the rate of growth accelerated in comparison with the third quarter of 2011 by



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

	EUR billions		Same period a year earlier = 100 (%)		Percentage share	
	Q4 2010	Q4 2011	Q4 2010 Q4 2009	Q4 2011 Q4 2010	Q4 2010	Q4 2011
	Item	7.3	7.3	2.6	1.0	46.1
Employment compensation (all sectors)	5.7	5.8	2.8	1.1	36.5	36.3
of which: gross wages and salaries	4.8	5.1	8.8	7.2	30.4	32.1
Gross mixed income	0.5	0.5	-10.4	-7.8	3.1	2.8
Property income – received	2.6	2.5	10.3	-4.7	16.6	15.5
Social benefits	0.6	0.6	8.5	0.2	3.8	3.8
<b>Other current transfers – received</b>	<b>15.8</b>	<b>16.0</b>	<b>5.4</b>	<b>1.6</b>	<b>100.0</b>	<b>100.0</b>
Property income – paid	0.1	0.2	-32.8	7.1	3.8	3.8
Current taxes on income, assets, etc.	0.5	0.5	-3.3	7.7	12.5	12.9
Social contributions	2.5	2.6	6.8	5.0	65.7	66.0
Other current transfers – paid	0.7	0.7	9.3	0.7	18.0	17.3
<b>Current expenditure in total</b>	<b>3.8</b>	<b>4.0</b>	<b>3.6</b>	<b>4.7</b>	<b>100.0</b>	<b>100.0</b>
<b>Gross disposable income</b>	<b>11.9</b>	<b>12.0</b>	<b>6.0</b>	<b>0.7</b>	-	-
Adjustment results from changes in net equity of households in pension fund reserves	0.2	0.3	10.6	6.6	-	-
Final consumption of households	9.6	10.0	2.4	3.4	-	-
Gross household savings	2.5	2.3	22.7	-9.2	-	-

Source: SO SR.

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

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Gross disposable income	106	104.2	103.5	103.7	104.1	100.7	102.9
Household final consumption	102.4	100.3	103.5	103.8	102.9	103.4	103.4
Household gross savings	122.7	146.3	100.6	102.9	120.4	90.8	99.9
Gross savings as a share of gross disposable income (%)	21.3	12.2	5.3	10.9	10.6	19.2	11.9

Source: SO SR; NBS calculations.

1.1 percentage points). This growth was largely attributable to a rise in social contributions.

The gross disposable income of households (current income less current expenditure) amounted to €12.0 billion, which represented a year-on-year rise of 0.7%. Of that income, households spent 83.0% on final consumption. The fourth-quarter increase in household consumption expenditure was reflected in household gross savings for the period, which decreased by 9.2% year-on-year, as well as in the savings ratio (gross savings as a share of gross

disposable income), which fell by 2.1 percentage points year-on-year to 19.2%.

## EMPLOYMENT AND UNEMPLOYMENT

Employment, like wage costs, recorded a marked slowdown in the fourth quarter of 2011, compared with the previous quarter. Although it grew in year-on-year terms under each of the three measurement methodologies, the average rate of growth slowed by nearly 1.0 percentage point. According to statistical reporting and the

**Table 25 Employment and unemployment (average for the period)**

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Employment according to statistical reports <sup>1)</sup> thousands of persons	2,175.0	2,151.9	2,185.6	2,200.6	2,190.0	2,194.0	2,192.6
index: same period a year earlier =100	100.6	98.9	102.7	102.4	101.6	100.9	101.9
Employment according to a labour force sample survey thousands of persons	2,339.4	2,317.5	2,332.0	2,355.6	2,366.5	2,351.5	2,351.4
index: same period a year earlier =100	100.4	98.0	102.1	101.9	101.3	100.5	101.5
Employment according to ESA 95 thousands of persons	2,188.8	2,169.8	2,198.4	2,211.2	2,216.1	2,207.5	2,208.3
index: same period a year earlier =100	100.4	98.5	102.3	102.3	101.7	100.9	101.8
Unemployment according to a labour force sample survey thousands of persons	377.3	389.0	375.6	356.5	357.8	381.8	367.9
index: same period a year earlier =100	100.7	120.0	92.3	91.8	93.3	101.2	94.6
Unemployment rate according to a labour force sample survey in %	13.9	14.4	13.9	13.1	13.1	14.0	13.5
Rate of registered unemployment in % <sup>1)</sup>	12.3	12.5	13.1	12.9	13.2	13.4	13.2

Source: SO SR.

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

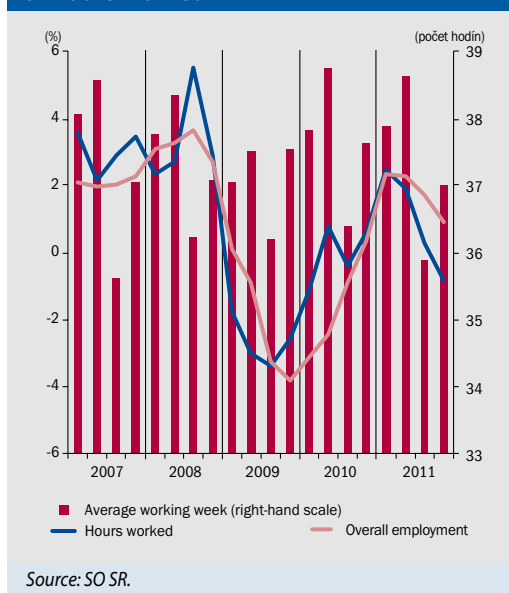
methodology of national accounts (ESA 95), employment grew by 0.9% year-on-year in both cases, and according to a labour force survey (LFS) it rose by 0.5%. According to ESA 95, seasonally adjusted employment remained unchanged in quarter-on-quarter terms.

After rising for a year, employment measured in terms of the number of hours worked fell again in the fourth quarter, by 0.8% year-on-year. In quarter-on-quarter terms, the seasonally adjusted number of hours worked decreased by 0.4%.

In terms of structure, overall employment (LFS) in the fourth quarter was influenced by an increase in the number of employees (0.5%), as well as in the number of self-employed persons (1.2%).

At the sectoral level, growth in employment (ESA 95) in the fourth quarter of 2011 was driven mainly by rising employment in professional, scientific and technical activities; administrative services; information and communication; and real estate activities. Employment in the construction and general government sectors continued to decline in year-on-year terms.

According to a labour force survey, the number of unemployed increased in the fourth quarter of 2011 by 1.2% year-on-year, to 381,800. This

**Chart 47 Number of employed people and of hours worked**

increase was also reflected in the average unemployment rate, which at 14.0% for the fourth quarter was 0.1 percentage point higher than the figure for the same period of 2010. At the same time, the number of long-term unemployed increased by 900 year-on-year, but as a share of the total number of unemployed it decreased by 0.5 percentage point, to 63.5%.

**Table 26 Developments in employment by sector (ESA 95 methodology; SK NACE Rev. 2)  
(index: same period a year earlier = 100)**

	2010		2011				
	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Economy in total	100.4	98.5	102.3	102.3	101.7	100.9	101.8
Agriculture and fishing	95.0	90.9	104.6	104.9	102.4	101.6	103.4
Industry	101.7	96.0	103.7	103.6	103.1	102.3	103.2
Construction	99.1	97.8	98.4	97.9	99.2	97.3	98.2
Wholesale trade, retail trade, repair of motor vehicles; transportation and storage; accommodation and food services	100.7	98.7	101.4	102.6	99.8	99.7	100.8
Information and communication	99.2	99.0	110.3	108.8	105.9	106.0	107.8
Financial and insurance activities	98.0	98.0	98.6	100.0	100.6	102.1	100.3
Real estate activities	109.0	106.0	116.6	106.6	113.0	104.8	110.1
Professional, scientific and technical activities and administrative services	103.0	105.0	109.0	106.8	108.8	106.6	107.8
General government and defence, education and health	99.4	100.0	99.4	99.1	99.2	98.8	99.1
Arts, entertainment and recreation	95.6	95.5	100.6	102.1	102.0	99.8	101.1

Source: SO SR.

The number of unemployed increased most significantly in trade and construction. According to the registers of Offices for Labour, Social Affairs and Family, the average unemployment rate in the fourth quarter of 2011 stood at 13.4%.

### FINANCIAL RESULTS IN THE FOURTH QUARTER OF 2011

For the fourth quarter of 2011, financial and non-financial corporations reported profits in the total amount of €2,569.8 million, according

to preliminary data from the Statistical Office of the Slovak Republic. The profits generated in this period were 77.4% higher than in the same period a year earlier (the third quarter saw a fall of 10.2%). The most significant contribution to this result was made by non-financial corporations, whose profits increased by 49.8% year-on-year, to €2,702.3 million (after falling in the third quarter by 9.2%). In the fourth quarter, financial corporations recorded a loss of €132.5 million, which was 62.7% less than a year earlier (the third quarter saw a fall in profits of 16.1%). Financial corporations, excluding NBS, generated a profit

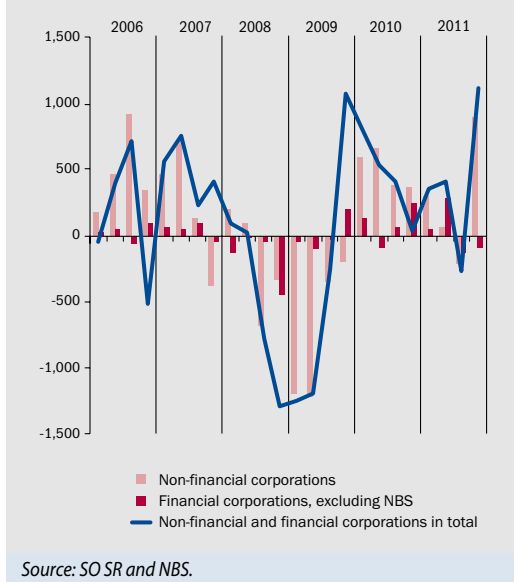
**Table 27 Financial results (EUR millions, current prices)**

Profit/loss (before taxes)	Q4 2010	Q4 2011	$\frac{Q4\ 2011}{Q4\ 2010}$
	EUR millions	EUR millions	Annual growth in %
<b>Non-financial and financial corporations in total</b>	1,449.2	2,569.8	77.4
of which:			
<b>Non-financial corporations</b>	1,804.4	2,702.3	49.8
<b>Financial corporations</b>	-355.2	-132.5	-62.7
of which:			
NBS <sup>1)</sup>	-643.8	-340.6	-47.1
Financial corporations, excluding NBS	288.2	208.1	-27.9

Source: SO SR and NBS.

1) Unaudited financial results.

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



of €208.1 million, which was 27.9% less than a year earlier (profits in the thirds quarter fell by 39.1%).

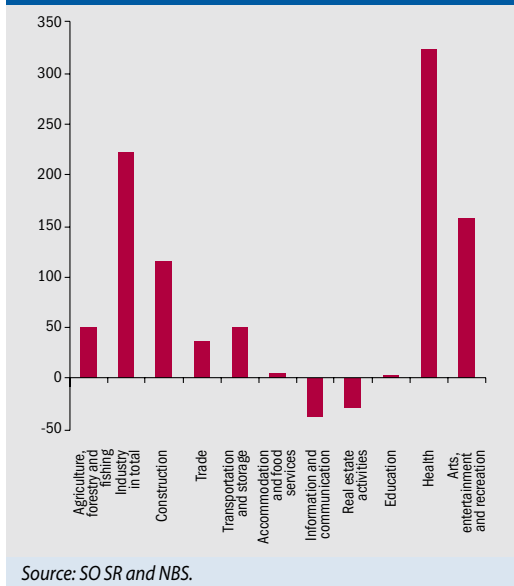
The fourth-quarter losses of financial corporations decreased in absolute terms by €222.6 million (the third quarter saw a fall in

profits of €56.8 million), while the profits of financial corporations excluding NBS dropped by €80.5 million year-on-year. In the financial sector, increased profits were achieved by insurance corporations and pension funds (+€3.2 million), while monetary financial corporations recorded smaller losses (-€231.7 million) and other financial intermediaries smaller profits (-€12.3 million) at the end of the year.

Non-financial corporations achieved very positive financial results in the fourth quarter: their profits increased by €898.0 million year-on-year. In the third quarter, the sector's profits decreased by €207.1 million in absolute terms. The increase in total profit took place predominantly in health services, where profits reached an all-time high of €287 million. Profits in health services increased by €324.1 million year-on-year, owing to the remission of debts owed by hospitals in connection with their planned transformation. Positive contributions to corporate profits were also made in industry (a year-on-year increase in profits by €223.4 million) and construction (a year-on-year increase in profits by €116.2 million). A slight negative result was only recorded in education.

In industry, the year-on-year increase in profits in the fourth quarter (by €223.4 million), following

**Chart 49 Year-on-year changes in non-financial corporation profits for Q4, 2011 by sector of economy (EUR millions)**



**Chart 50 Year-on-year changes in industry sector profits for Q4, 2011 by branch of industry (EUR millions)**

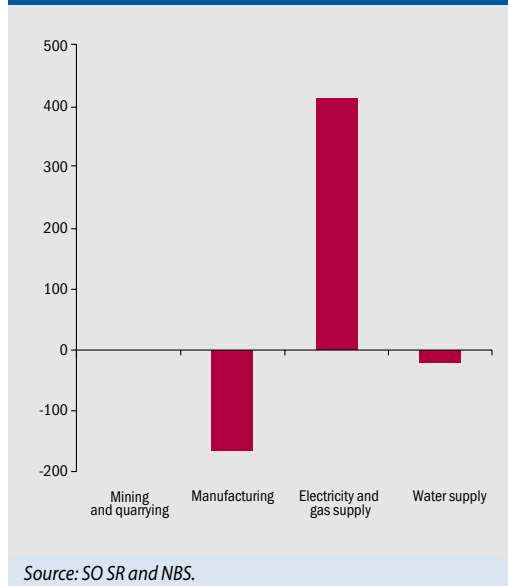




Table 28 Financial results (EUR millions; current prices)		
Financial results before tax	Q4 2011	
	Volume	Year-on-year changes in absolute terms
<b>Non-financial corporations in total</b>	2,702.4	898.0
<b>Agriculture, forestry and fishing</b>	103.7	50.1
<b>Industry in total</b>	893.5	223.4
<i>Mining and quarrying</i>	26.9	-0.7
<i>Manufacturing</i>	199.9	-167.5
Manufacture of foodstuffs, beverages and tobacco products	6.9	-16.7
Manufacture of textiles and textile products	1.9	-1.2
Manufacture of leather and leather products	2.6	0.7
Manufacture of wood and wood products	-12.1	-11.2
Manufacture of paper and paper products, printing and reproduction of recorded media	19.6	-31.1
Manufacture of coke and refined petroleum products	-34.7	-63.4
Manufacture of chemicals, chemical products, and pharmaceuticals	2.4	-9.6
Manufacture of rubber and plastic products	40.8	17.8
Manufacture of other non-metal mineral products	5.3	-6.6
Manufacture of basic metals and metal products, except for machinery and equipment	-52.9	-138.2
Manufacture of computers, electronic, optical and electrical equipment	50.2	37.2
Manufacture of machinery and equipment n.e.c.	13.0	12.6
Manufacture of motor vehicles, trailers and other transport equipment	128.8	36.1
Manufacture of furniture, other goods, repair and installation of machines and instruments	28.1	6.0
<i>Electricity, gas, steam and air-conditioning supply</i>	677.1	413.0
<i>Water supply, sewerage, waste management and remediation</i>	-10.4	-21.4
<b>Construction</b>	226.4	116.2
<b>Wholesale and retail trade, repair of motor vehicles and motor-cycles</b>	516.6	35.4
<b>Transportation and storage; post and telecommunications</b>	49.4	48.7
<b>Accommodation and food service activities</b>	0.9	4.4
<b>Information and communication</b>	202.7	-37.4
<b>Real estate activities; professional, scientific and technical activities; administrative and support service activities</b>	243.5	-27.0
<b>Education</b>	-4.9	3.0
<b>Human health and social work activities</b>	287.0	324.1
<b>Arts, entertainment, recreation; other activities</b>	183.5	157.0

Source: SO SR.





**Chart 51 Year-on-year changes in manufacturing profits for Q4, 2011 by branch of manufacturing (EUR millions)**



Source: SO SR and NBS.

a decrease in the third quarter (by €378.9 million), took place mostly in electricity and gas supply (an increase in profits by €413 million). The total profit achieved in industry was reduced to some extent by a persistent negative trend in manufacturing (a fall in profits by €167.5 million).

In manufacturing, the year-on-year decline in profits in the fourth quarter was caused mainly by unfavourable developments in the manufacture of metal products and the production of coke and refined petroleum products, which recorded losses in the quarter under review. Rising profits in manufacturing were mainly recorded in the production of transport equipment, computers, optical and electronic equipment.



# COMMENTS ON THE QUARTERLY FINANCIAL ACCOUNTS FOR Q4 2011

## QUARTERLY FINANCIAL ACCOUNTS FOR Q4 2011

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

Financial accounts are linked to non-financial accounts through the *net lending/borrowing* balancing item. This item provides information about a country's overall debtor or creditor position vis-à-vis the rest of the world. Slovakia has a long-term debtor position (mainly as a result of inflows of foreign direct investment). Any decrease/increase in the Slovak economy's indebtedness is reflected in the amount of net lending/borrowing.

Net lending/borrowing by the domestic economy vis-à-vis the rest of the world is calculated from the amount of gross disposable national income, less final consumption expenditure in the sectors of *households (including NPISH)* and *general government*. The result represents the total savings in the national economy. If savings in a given quarter (adjusted for net capital transfers) are higher (lower) than gross capital formation, it means that the economy has lent (borrowed) funds to/from non-residents and thus reduced (increased) its overall debtor position vis-à-vis the rest of the world. The amount of net lending/borrowing is then entered into the quarterly financial accounts. Its utilisation within the domestic economy is analysed below.

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 mutual funds)
Other financial intermediaries	S.123 (other mutual funds, leasing, factoring, and hire purchase)
Financial auxiliaries	S.124 (PFMC, SPMC, IF, SE, CD, MFMC) <sup>1)</sup>
Insurance corporations and pension funds	S.125
General government	S.13
Central government	S.1311
Regional government	S.1312
Local government	S.1313
Social security funds	S.1314
Households	S.14
Non-profit institutions serving households (NPISH)	S.15
Rest of the world (non-residents)	S.2
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) PMFC – pension fund management companies, SPMC – supplementary pension fund asset management companies, IF – investment firms, SE – stock exchange, CD – central depository, MFMC – mutual fund management companies.

**Table 30 The ESA 95 system – financial instruments**

Monetary gold and special drawing rights	(A)F0.1 <sup>1)</sup>
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 life insurance 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.

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

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

20 The detailed classification of institutional sectors with codes assigned in accordance with the ESA 95 national accounts classification is shown on page 56.

## OVERALL DEVELOPMENT

In the fourth quarter of 2011, the net debtor position of the Slovak economy increased and therefore so did the net creditor position of the *rest of the world* sector<sup>18</sup>. The result was that net borrowing<sup>19</sup> reached €0.3 billion. This negative result was caused by a lower increase in financial assets than in financial liabilities. Among institutional sectors<sup>20</sup>, 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 €2.2 billion. By contrast, the best result in the fourth quarter of 2011 was reported by *households (including NPISH)* (S.14, S.15), with its creditor position increasing by €1.2 billion.

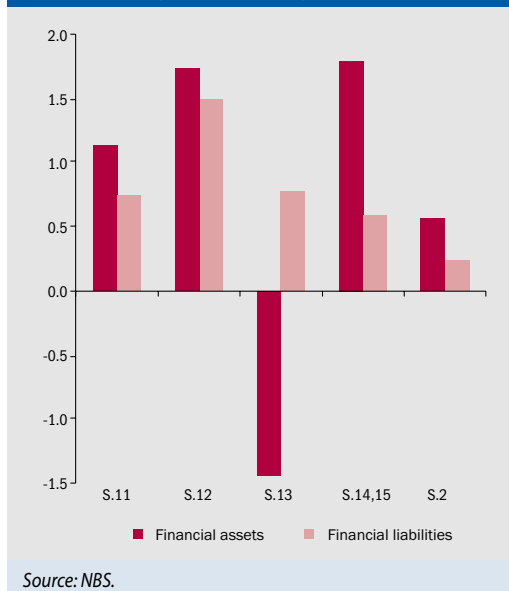
Net financial assets of the national economy at the end of the fourth quarter of 2011 amounted to – €0.3 billion, meaning that the financial position of the economy as a percentage of GDP for the respective quarter deteriorated by 1.9%.



**Chart 52 Net lending (+)/ borrowing (-) by sector in Q4/2011 (EUR billions)**



**Chart 53 Financial transactions by sector in Q4/2011 (EUR billions)**



## QUARTERLY FINANCIAL ACCOUNTS BROKEN DOWN BY INSTITUTIONAL SECTORS

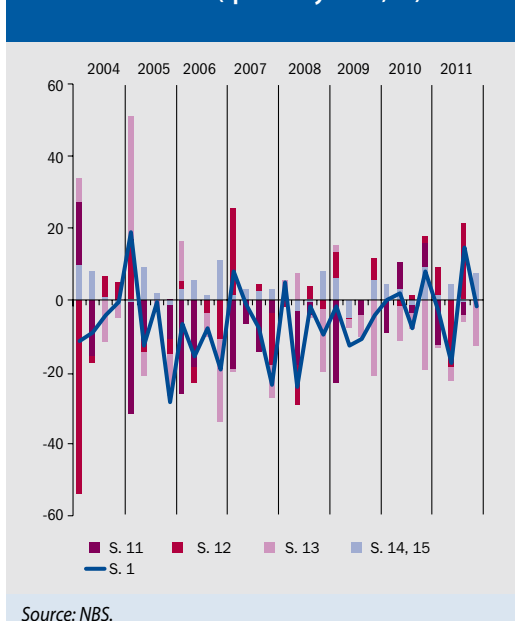
### S.11 NON-FINANCIAL CORPORATIONS

The indebtedness of non-financial corporations decreased as a result of a higher rise in financial assets than in financial liabilities.

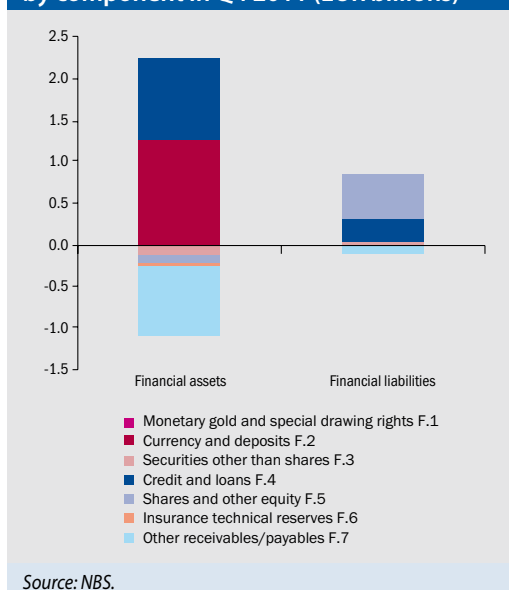
As for assets, the largest increases were in short-term loans to non-residents (€0.8 billion) and deposits with resident banks (€0.6 billion).

On the liability side of the balance sheet of non-financial corporations, the amount of unquoted shares held by non-residents rose by €0.5 billion.

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

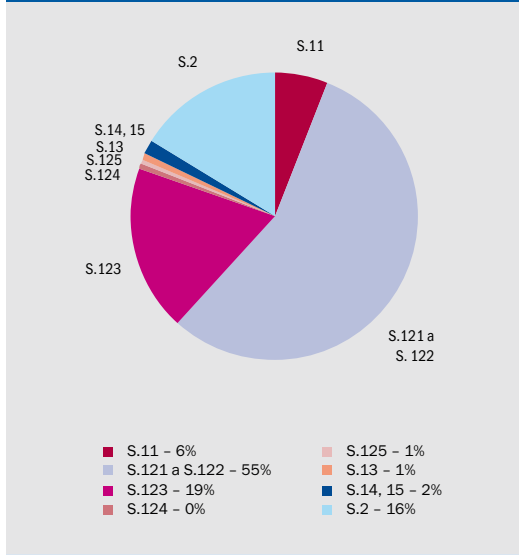


**Chart 55 Financial assets and liabilities (transactions) of non-financial corporations by component in Q4 2011 (EUR billions)**



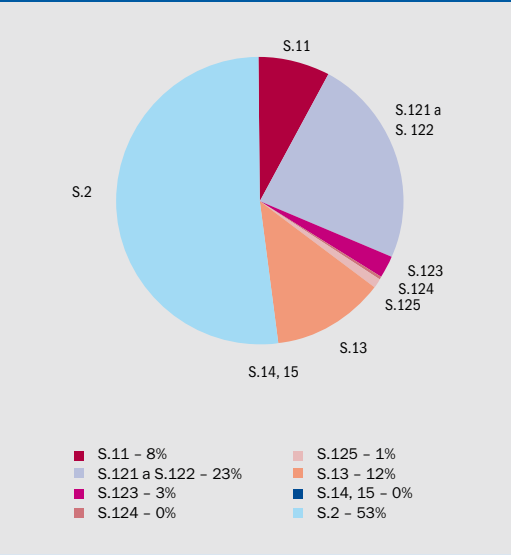


**Chart 56 Financial assets (transactions) of non-financial corporations by sector in Q4/2011**



Source: NBS.

**Chart 57 Financial liabilities (transactions) of non-financial corporations by sector in Q4/2011**



Source: NBS.

**S.12 FINANCIAL CORPORATIONS**

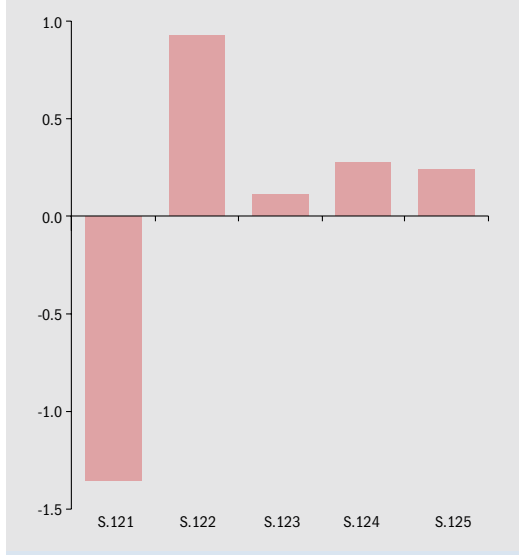
The *financial corporations* sector (S.12) recorded net borrowing in the fourth quarter of 2011, mostly consisting of borrowing from commercial banks.

increase in liabilities was larger than in assets. The main factor in the central bank's negative results was the rise in liabilities related to settlements in TARGET2, which went up by €2.6 billion.

Overall transactions of the *central bank* sub-sector (S.121) were negative in net terms, since the

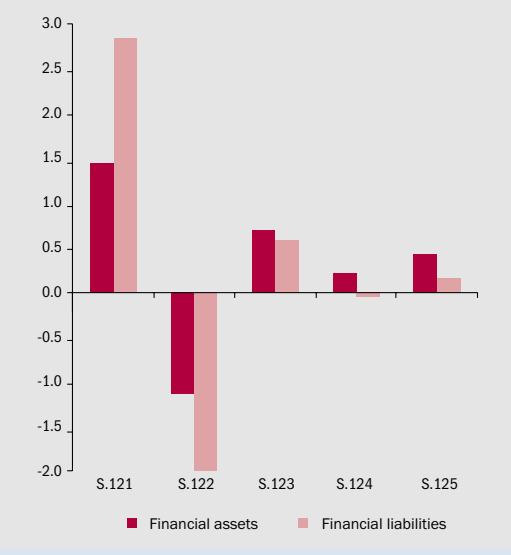
The largest increases on the asset side were recorded by long-term loans to commercial banks

**Chart 58 Net lending (+)/ borrowing (-) by financial corporations in Q4/2011 (EUR billions)**



Source: NBS.

**Chart 59 Financial transactions of financial corporations by sub-sector in Q4/2011 (EUR billions)**



Source: NBS.



as part of LTRO (€1.2 billion) and holdings of foreign long-term debt securities (€0.6 billion).

In the sub-sector of *other monetary financial institutions* (S.122), net lending reached €0.9 billion, as the decrease in liabilities was greater than in assets. The decline in liabilities was mostly attributable to total deposits taken (- €2.0 billion) and mutual fund shares held by households (- €1.0 billion), which mainly relates to the reclassification of money market funds.

The largest decrease on banks' asset side was also recorded for deposits (- €1.4 billion in total), while the decline of deposits in subsector S.122 recorded - €0.8 billion. This was manifested both on the asset and liability sides. Long-term loans to households went up by €0.4 billion.

In the sub-sector of *other financial intermediaries* (S.123), the increase in assets was higher than in liabilities (by €0.1 billion). On the asset side, long-term securities issued by residents and non-residents reported the largest growth (€0.5 billion in total). The rise in liabilities was mostly affected by the reclassification of mutual funds, which led to an increase in liabilities to households (€0.8 billion).

Net transactions of *financial auxiliaries* (S.124) ended with a positive result, as assets went up and liabilities declined. The main factor in the S.124 results was the rise in transferable deposits with banks (€ 0.2 billion) and the fall in the amount of unquoted shares held by non-residents (€ 0.1 billion).

The balance sheet of *insurance corporations and pension funds* (S.125) also improved as assets increased at a faster pace than liabilities. Funds obtained from households in the form of pension savings (€0.2 billion) were invested predominantly in domestic short-term and long-term debt securities (€0.6 billion in total).

### S.13 GENERAL GOVERNMENT

The *general government* sector increased its debtor position by €2.2 billion during the fourth quarter of 2011. The sub-sector of *central government* (S.1311) accounted for the largest part of that rise (€2.2 billion), while the *local government* sub-sector (S.1313) made a negligible contribution. The *social security*

Chart 60 Financial transactions of the general government by sub-sector in Q4/2011 (EUR billions)



Source: NBS.

*funds* sub-sector (S.1314) reported only a very low amount of net borrowing.

The overall result of the *central government* sub-sector was determined mainly by a fall in deposits with domestic banks (- €1.2 billion), a rise in long-term loans received from non-residents (€0.7 billion) and an increase in issued Treasury bills held by resident financial corporations (€0.6 billion).

The item mostly affecting the result of the *local government* sector was deposits with the state Treasury which fell by €0.1 billion.

*Social security funds* (S.1314) reported positive net financial transactions, supported mainly by increasing deposits with the state Treasury.

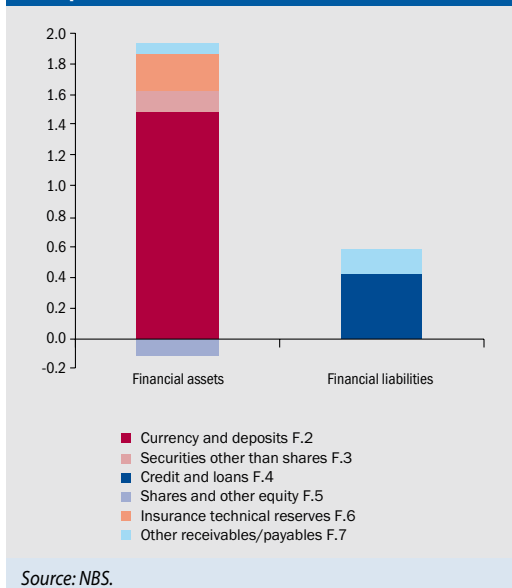
### S.14,15 HOUSEHOLDS (INCLUDING NPISH)

The sector of *households (including non-profit institutions serving households)* increased its overall creditor position in the fourth quarter of 2011, owing to a higher rise in financial assets than in financial liabilities.

The rises on the asset side were household deposits with banks (€0.6 billion) and pension fund savings (€0.2 billion). On the other hand, household holdings of mutual fund shares/units declined by €0.1 billion in total.



**Chart 61 Financial assets and liabilities (transactions) of households and NPISH by component in Q4/2011 (EUR billions)**



Households took on more debt in the form of long-term loans from banks (€0.4 billion), which largely contributed to the rise in liabilities.

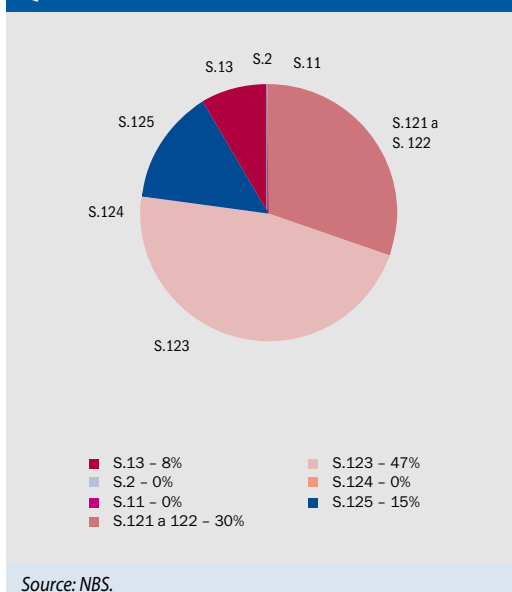
### S.2 REST OF THE WORLD

The overall creditor position of the *rest of the world* sector in relation to the national sectors increased as a result of a higher rise in assets than in liabilities.

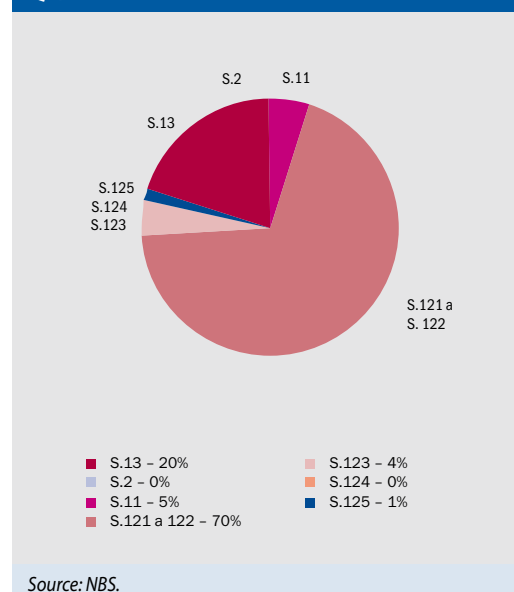
The main factor in the *rest of the world* sector was the rise in transferable deposits with the central bank (€2.6 billion), which included claims related to settlements in TARGET2 (€2.6 billion). Other deposits with banks decreased by €1.5 billion.

In the *rest of the world* liabilities, the largest increase was reported in short-term loans from non-financial corporations (€0.8 billion) and the largest drop was seen in deposits from banks (-€1.6 billion).

**Chart 62 Financial assets (transactions) of households and NPISH by component in Q4/2011**



**Chart 63 Financial liabilities (transactions) of households and NPISH by component in Q4/2011**







NÁRODNÁ BANKA SLOVENSKA  
EUROSYSTEM

# STATISTICS

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

	Gross domestic product	HICP	Industrial producer prices	Employment ESA 95	Unemployment rate (%)	Industrial production index	Total receipts of sectors	Economic sentiment indicator (long-term average =100)	M3 for analytical purposes <sup>1)</sup>	Loans to non-financial corporations	Loans to households	State budget balance (EUR mil.)	General government balance as % of GDP	Debt ratio (general government gross debt as % of GDP)	Current account (% GDP)	Balance of trade (% GDP)	USD/EUR exchange rate
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2008	5.9	3.9	6.1	3.2	9.6	3.3	-	97.6	4.9	15.5	25.3	-703.8	-2.09	27.79	-6.63	-1.13	1.4708
2009	-4.9	0.9	-2.5	-2.0	12.1	-13.8	-18.6	76.6	-2.8	-3.3	11.0	-2,791.3	-7.96	35.42	-2.59	1.51	1.3948
2010	4.2	0.7	-2.8	-1.5	14.4	18.9	7.9	97.4	7.8	1.6	12.5	-4,436.1	-7.90	40.96	-2.49	1.18	1.3257
2011	3.3	4.1	2.7	1.8	13.5	6.9	8.6	97.4	2.9	7.6	11.1	-3,275.3	.	.	0.06	3.54	1.3920
2011 Q1	3.4	3.5	2.8	2.3	13.9	11.8	12.2	101.3	5.8	4.3	12.7	-655.2	-	-	1.93	3.81	1.3680
2011 Q2	3.5	4.1	3.0	2.3	13.1	7.9	9.5	99.9	6.7	8.7	13.0	-1,577.6	-	-	-2.06	1.98	1.4391
2011 Q3	3.0	4.1	2.2	1.7	13.1	5.5	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	3.1	5.8	94.0	2.9	7.6	11.1	-3,275.3	-	-	1.55	5.25	1.3482
2011 Feb.	-	3.5	3.4	-	13.2	10.9	11.6	101.4	7.2	3.7	12.7	-344.1	-	-	-	-	1.3649
2011 Mar.	-	3.8	3.3	-	13.1	6.7	11.4	98.1	5.8	4.3	12.7	-655.2	-	-	-	-	1.3999
2011 Apr.	-	3.9	3.1	-	12.9	8.0	8.7	100.6	4.4	7.0	12.8	-1,018.5	-	-	-	-	1.4442
2011 May	-	4.2	3.1	-	12.8	10.8	12.1	103.5	4.0	7.0	12.9	-1,567.5	-	-	-	-	1.4349
2011 June	-	4.1	2.4	-	13.0	4.9	7.8	95.5	6.7	8.7	13.0	-1,577.6	-	-	-	-	1.4388
2011 July	-	3.8	2.1	-	13.2	4.8	5.3	93.3	6.6	8.6	12.8	-1,675.0	-	-	-	-	1.4264
2011 Aug.	-	4.1	2.0	-	13.1	4.2	9.5	96.7	7.3	9.2	12.6	-2,022.2	-	-	-	-	1.4343
2011 Sep.	-	4.4	2.4	-	13.4	7.4	7.8	93.0	7.0	8.7	12.3	-2,158.9	-	-	-	-	1.3770
2011 Oct.	-	4.6	3.0	-	13.3	7.7	7.4	93.0	6.7	6.3	12.2	-2,341.3	-	-	-	-	1.3706
2011 Nov.	-	4.8	3.1	-	13.3	0.6	5.7	94.9	6.6	4.9	11.8	-2,665.4	-	-	-	-	1.3556
2011 Dec.	-	4.6	2.4	-	13.6	0.8	4.2	94.2	2.9	7.6	11.1	-3,275.3	-	-	-	-	1.3179
2012 Jan.	-	4.1	2.7	-	13.7	7.0	6.5	95.6	2.2	5.2	11.5	97.9	-	-	-	-	1.2905
2012 Feb.	-	4.0	.	-	.	.	.	93.0	.	.	.	-846.0	-	-	-	-	1.3224

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)

With effect from	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.)		
	1	2	3	4	5	6	7	8
1.1.1999	2.00	-	3.00	-	-	-	4.50	-
4.1.1999 <sup>1)</sup>	2.75	0.75	3.00	0.00	-	-	3.25	-1.25
22.1.1999	2.00	-0.75	3.00	0.00	-	-	4.50	1.25
9.4.1999	1.50	-0.50	2.50	-0.50	-	-	3.50	-1.00
5.11.1999	2.00	0.50	3.00	0.50	-	-	4.00	0.50
4.2.2000	2.25	0.25	3.25	0.25	-	-	4.25	0.25
17.3.2000	2.50	0.25	3.50	0.25	-	-	4.50	0.25
28.4.2000	2.75	0.25	3.75	0.25	-	-	4.75	0.25
9.6.2000	3.25	0.50	4.25	0.50	-	-	5.25	0.50
28.6.2000 <sup>2)</sup>	3.25	0.00	-	-	4.25	0.00	5.25	0.00
1.9.2000	3.50	0.25	-	-	4.50	0.25	5.50	0.25
6.10.2000	3.75	0.25	-	-	4.75	0.25	5.75	0.25
11.5.2001	3.50	-0.25	-	-	4.50	-0.25	5.50	-0.25
31.8.2001	3.25	-0.25	-	-	4.25	-0.25	5.25	-0.25
18.9.2001 <sup>3)</sup>	2.75	-0.50	-	-	3.75	-0.50	4.75	-0.50
9.11.2001	2.25	-0.50	-	-	3.25	-0.50	4.25	-0.50
6.12.2002	1.75	-0.50	-	-	2.75	-0.50	3.75	-0.50
7.3.2003	1.50	-0.25	-	-	2.50	-0.25	3.50	-0.25
6.6.2003	1.00	-0.50	-	-	2.00	-0.50	3.00	-0.50
6.12.2005	1.25	0.25	-	-	2.25	0.25	3.25	0.25
8.3.2006	1.50	0.25	-	-	2.50	0.25	3.50	0.25
15.6.2006	1.75	0.25	-	-	2.75	0.25	3.75	0.25
9.8.2006	2.00	0.25	-	-	3.00	0.25	4.00	0.25
11.10.2006	2.25	0.25	-	-	3.25	0.25	4.25	0.25
13.12.2006	2.50	0.25	-	-	3.50	0.25	4.50	0.25
14.3.2007	2.75	0.25	-	-	3.75	0.25	4.75	0.25
13.6.2007	3.00	0.25	-	-	4.00	0.25	5.00	0.25
9.7.2008	3.25	0.25	-	-	4.25	0.25	5.25	0.25
8.10.2008	2.75	-0.50	-	-	-	-	4.75	-0.50
9.10.2008 <sup>4)</sup>	3.25	0.50	-	-	-	-	4.25	-0.50
15.10.2008 <sup>5)</sup>	3.25	0.00	3.75	-0.50	-	-	4.25	0.00
12.11.2008	2.75	-0.50	3.25	-0.50	-	-	3.75	-0.50
10.12.2008	2.00	-0.75	2.50	-0.75	-	-	3.00	-0.75
21.1.2009	1.00	-1.00	2.00	-0.50	-	-	3.00	0.00
11.3.2009	0.50	-0.50	1.50	-0.50	-	-	2.50	-0.50
8.4.2009	0.25	-0.25	1.25	-0.25	-	-	2.25	-0.25
13.5.2009	0.25	0.00	1.00	-0.25	-	-	1.75	-0.50
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

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 Feb.	0.38	2.33	2.80	2.86	0.77	1.55	0.17	0.95	3.05	3.14	-
2011 Mar.	0.40	1.83	2.76	2.92	0.84	1.55	0.20	0.95	1.73	3.08	-
2011 Apr.	0.40	1.96	2.81	3.17	0.92	1.57	0.34	1.23	2.56	3.08	-
2011 May	0.40	2.13	2.81	2.83	0.95	1.58	0.24	1.30	2.81	2.71	-
2011 June	0.40	2.02	3.08	2.87	1.00	1.59	0.43	1.29	3.04	2.38	-
2011 July	0.39	1.96	3.11	3.34	1.05	1.63	0.24	1.29	3.06	4.05	-
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	-

**Interest rates on loans to households (new business)**

(percentages per annum)

	Total <sup>2)</sup>	Current account overdrafts and credit cards	Consumer loans					Loans for house purchase					Other loans			
			Total	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years	Annual percentage rate of charge	Total	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years and up to 10 years	IRF <sup>1)</sup> of over 10 years	Annual percentage rate of charge	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	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 Feb.	7.09	14.31	13.76	13.40	14.71	13.46	16.09	4.86	4.62	4.89	6.03	5.79	5.17	5.88	5.43	12.26
2011 Mar.	6.87	14.14	14.48	13.28	15.41	14.22	16.80	4.83	4.57	4.88	5.85	4.93	5.13	5.97	5.18	5.86
2011 Apr.	6.76	14.04	14.26	13.46	15.15	13.97	16.58	4.86	4.64	4.84	5.69	5.97	5.19	5.96	5.26	5.46
2011 May	6.61	13.97	14.33	13.61	15.04	14.11	16.55	4.80	4.79	4.78	5.03	4.62	5.19	5.68	5.39	5.10
2011 June	6.42	13.78	13.82	12.63	14.85	13.52	16.11	4.67	4.61	4.62	5.11	5.26	5.15	5.45	5.28	5.26
2011 July	6.79	13.95	13.97	13.10	15.17	13.58	16.33	4.79	4.81	4.71	5.27	5.12	5.33	5.51	6.69	5.24
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	13.81	14.22	14.90	15.50	13.81	16.80	4.98	4.93	4.85	5.84	6.53	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

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.

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

	Total <sup>2)</sup>	Current account overdrafts and credit cards	Loans of up to EUR 1 million			Loans of over EUR 1 million		
			Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years	Floating rate and IRF <sup>1)</sup> of up to 1 year	IRF <sup>1)</sup> of over 1 year and up to 5 years	IRF <sup>1)</sup> of over 5 years
	1	2	3	4	5	6	7	8
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 Feb.	2.92	3.59	4.16	5.09	3.94	2.76	4.24	5.20
2011 Mar.	3.11	3.66	4.22	5.55	4.70	2.92	2.46	2.85
2011 Apr.	3.23	3.90	4.25	6.02	4.98	3.10	-	5.62
2011 May	3.31	3.91	4.65	5.39	5.08	3.08	3.70	-
2011 June	3.45	3.90	4.50	5.23	5.27	3.24	3.31	-
2011 July	3.62	3.92	4.62	4.92	5.12	3.60	2.21	-
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	4.35	5.57	3.61	4.37	-
2012 Jan.	2.49	3.47	4.18	4.42	4.18	2.29	-	4.34

Source: NBS.

1) Initial rate fixation.

2) Excluding overdrafts and credit cards.



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

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

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

**Monetary aggregates and counterparts of M3 – contribution of domestic MFI to monetary aggregates and counterparts of the euro area<sup>2)</sup>**

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

					M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents		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 Q1	7,186	25,334	13,082	38,416	1,714	40,131	3,094	15,557	34,220	32,307	5,178
2011 Q2	7,420	25,888	13,355	39,244	1,628	40,872	2,961	15,361	35,391	33,549	6,447
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
2011 Feb.	7,149	25,959	12,704	38,663	1,734	40,397	3,063	16,232	34,070	32,210	4,487
2011 Mar.	7,186	25,334	13,082	38,416	1,714	40,131	3,094	15,557	34,220	32,307	5,178
2011 Apr.	7,265	25,448	13,295	38,743	1,697	40,441	2,940	15,006	34,627	32,712	5,752
2011 May	7,320	25,582	13,434	39,016	1,658	40,674	3,140	15,129	34,959	33,011	5,420
2011 June	7,420	25,888	13,355	39,244	1,628	40,872	2,961	15,361	35,391	33,549	6,447
2011 July	7,500	25,367	13,730	39,097	1,590	40,687	3,344	15,196	35,579	33,728	4,693
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	13,526	40,296	547	40,843	4,580	16,220	36,371	34,444	4,264
2012 Jan.	7,473	25,807	14,307	40,115	443	40,557	5,150	16,928	36,575	34,601	3,230

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
<b>Outstanding amounts</b>												
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 Q1	9,397.8	6,218.4	3,047.5	108.7	22.9	0.4	23,923.7	10,330.5	7,301.3	4,930.3	548.7	813.0
2011 Q2	9,486.1	6,462.7	2,876.9	112.4	33.7	0.4	24,340.4	10,451.7	7,420.5	5,113.1	570.6	784.5
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
2011 Feb.	9,651.8	6,585.3	2,940.3	104.8	21.1	0.3	24,068.4	10,514.3	7,130.0	5,073.3	535.7	815.2
2011 Mar.	9,397.8	6,218.4	3,047.5	108.7	22.9	0.4	23,923.7	10,330.5	7,301.3	4,930.3	548.7	813.0
2011 Apr.	9,413.7	6,169.4	3,112.3	111.3	20.3	0.4	24,093.9	10,454.7	7,301.7	4,959.3	567.3	810.9
2011 May	9,479.6	6,299.6	3,036.4	112.2	31.0	0.4	24,184.4	10,448.0	7,304.7	5,059.6	569.0	803.1
2011 June	9,486.1	6,462.7	2,876.9	112.4	33.7	0.4	24,340.4	10,451.7	7,420.5	5,113.1	570.6	784.5
2011 July	9,084.4	5,995.2	2,935.1	117.6	36.1	0.4	24,466.2	10,428.2	7,558.3	5,131.2	567.6	780.9
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
<b>Transactions</b>												
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 Q1	-647.8	-736.1	71.5	6.9	9.8	0.1	274.9	-132.3	258.8	166.9	-8.5	-10.0
2011 Q2	88.2	244.3	-170.6	3.7	10.7	0.0	416.7	121.2	119.2	182.8	22.0	-28.5
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
2011 Feb.	-162.8	-69.6	-101.4	4.4	4.1	-0.2	227.4	-4.8	-21.7	248.9	6.7	-1.7
2011 Mar.	-254.0	-366.9	107.2	3.9	1.8	0.0	-144.7	-183.8	171.3	-143.0	12.9	-2.2
2011 Apr.	15.8	-49.0	64.9	2.7	-2.6	0.0	170.1	124.2	0.4	29.0	18.6	-2.1
2011 May	65.9	130.2	-76.0	0.9	10.7	0.0	90.5	-6.7	3.0	100.3	1.7	-7.8
2011 June	6.5	163.1	-159.5	0.2	2.6	0.0	156.0	3.7	115.8	53.5	1.6	-18.6
2011 July	-401.7	-467.5	58.2	5.2	2.4	0.0	125.8	-23.5	137.9	18.0	-3.0	-3.6
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

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 Q1	8.5	0.6	26.0	129.9	59.9	-38.0	5.7	9.4	-6.2	21.3	-1.2	3.1
2011 Q2	8.9	4.2	18.6	81.3	69.6	-36.7	5.6	4.8	-0.6	19.9	4.6	-2.4
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
2011 Feb.	12.6	11.2	13.6	131.1	56.3	-44.1	6.0	11.8	-9.6	25.0	-4.8	3.8
2011 Mar.	8.5	0.6	26.0	129.9	59.9	-38.0	5.7	9.4	-6.2	21.3	-1.2	3.1
2011 Apr.	5.6	3.4	8.0	131.0	17.2	-38.1	6.0	9.0	-4.1	18.7	3.5	2.0
2011 May	2.5	-1.2	8.5	129.0	66.9	-37.6	5.7	6.7	-2.8	19.5	4.8	0.3
2011 June	8.9	4.2	18.6	81.3	69.6	-36.7	5.6	4.8	-0.6	19.9	4.6	-2.4
2011 July	5.4	-1.4	19.2	88.6	102.4	-26.7	6.0	4.2	2.1	19.1	2.8	-3.0
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

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
	<b>Outstanding amounts</b>							
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	16,195.0	5,773.0	3,790.0	6,632.0	17,189.0	3,219.0	12,320.0	1,649.0
2011 Q1	15,517.0	5,406.0	3,873.0	6,237.0	15,863.0	2,983.0	11,217.0	1,664.0
2011 Q2	16,044.0	5,823.0	3,848.0	6,373.0	16,422.0	3,085.0	11,656.0	1,681.0
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	16,195.0	5,773.0	3,790.0	6,632.0	17,189.0	3,219.0	12,320.0	1,649.0
2011 Feb.	15,569.0	5,499.0	3,868.0	6,201.0	15,702.0	2,940.0	11,103.0	1,658.0
2011 Mar.	15,517.0	5,406.0	3,873.0	6,237.0	15,863.0	2,983.0	11,217.0	1,664.0
2011 Apr.	15,781.0	5,560.0	3,904.0	6,317.0	16,011.0	3,024.0	11,316.0	1,671.0
2011 May	15,861.0	5,588.0	3,916.0	6,357.0	16,215.0	3,056.0	11,487.0	1,672.0
2011 June	16,044.0	5,823.0	3,848.0	6,373.0	16,422.0	3,085.0	11,656.0	1,681.0
2011 July	16,116.0	5,833.0	3,813.0	6,470.0	16,541.0	3,093.0	11,777.0	1,670.0
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.	16,195.0	5,773.0	3,790.0	6,632.0	17,189.0	3,219.0	12,320.0	1,649.0
2012 Jan.	16,230.0	5,794.0	3,832.0	6,604.0	17,291.0	3,238.0	12,412.0	1,641.0
	<b>Transactions</b>							
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 Q1	409.0	142.0	8.0	257.0	308.0	-107.0	369.0	46.0
2011 Q2	537.0	420.0	-21.0	137.0	590.0	125.0	446.0	18.0
2011 Q3	255.0	102.0	-21.0	174.0	411.0	73.0	336.0	2.0
2011 Q4	-51.0	-113.0	-33.0	96.0	420.0	108.0	335.0	-23.0
2011 Feb.	70.0	-20.0	-14.0	104.0	84.0	22.0	62.0	0.0
2011 Mar.	-45.0	-90.0	6.0	38.0	181.0	60.0	114.0	7.0
2011 Apr.	273.0	156.0	34.0	83.0	158.0	44.0	106.0	7.0
2011 May	77.0	27.0	11.0	38.0	209.0	36.0	171.0	2.0
2011 June	187.0	237.0	-66.0	16.0	223.0	45.0	169.0	9.0
2011 July	70.0	9.0	-36.0	96.0	125.0	12.0	121.0	-9.0
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.	-93.0	-29.0	-60.0	-5.0	138.0	16.0	139.0	-17.0
2012 Jan.	37.0	22.0	43.0	-28.0	99.0	17.0	91.0	-9.0

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 Q1	4.3	3.2	-3.1	10.4	12.7	1.4	16.4	10.6
2011 Q2	8.7	11.2	0.6	11.9	13.0	4.5	15.9	10.1
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
2011 Feb.	3.7	4.0	-5.0	9.6	12.7	1.2	16.4	11.5
2011 Mar.	4.3	3.2	-3.1	10.4	12.7	1.4	16.4	10.6
2011 Apr.	7.0	9.0	-1.9	11.5	12.8	1.3	16.6	10.8
2011 May	7.0	5.9	0.8	12.3	12.9	4.5	15.9	10.3
2011 June	8.7	11.2	0.6	11.9	13.0	4.5	15.9	10.1
2011 July	8.6	11.9	-3.0	13.6	12.8	4.5	15.8	8.7
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.	5.2	5.8	-0.9	8.5	11.5	14.0	12.5	-0.3

Source: NBS.

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



### 3 PRICES AND COSTS OF LABOUR

**TABLE 7 Harmonised index of consumer prices**

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage change on previous period)						Administered prices <sup>1)</sup>	
	Index 2005=100	Total (annual percentage change)	Total excl. unprocessed food and energy (core inflation)	Goods	Services	Total	Processed food	Unprocessed food	Non-energy industrial goods	Energy	Services	Total HICP excluding administered prices	Administered prices
weights in % <sup>2)</sup>	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 Q1	115.6	3.5	1.7	4.0	2.9	3.0	3.4	6.3	-0.2	8.8	2.2	2.8	5.8
2011 Q2	116.8	4.1	2.6	4.4	3.2	1.0	2.1	2.5	0.4	0.9	0.8	3.5	5.8
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	6.9
2011 Q4	117.9	4.7	3.7	4.7	4.6	0.8	0.7	-1.0	0.5	1.3	1.4	3.3	8.7
2011 Mar.	116.0	3.8	2.0	4.1	3.0	0.4	0.9	0.8	0.0	0.4	0.3	3.1	5.8
2011 Apr.	116.6	3.9	2.3	4.2	3.2	0.5	0.6	1.3	0.4	0.4	0.3	3.3	5.8
2011 May	117.0	4.2	2.7	4.6	3.3	0.3	0.8	0.9	0.1	0.2	0.2	3.6	5.9
2011 June	116.9	4.1	2.8	4.5	3.2	-0.1	0.5	-2.0	0.1	-0.2	0.2	3.6	5.8
2011 July	116.7	3.8	3.0	4.0	3.4	-0.2	0.4	-3.6	0.0	-0.1	0.3	3.1	6.1
2011 Aug.	116.8	4.1	3.0	4.4	3.2	0.1	0.3	-2.4	0.0	1.7	0.1	3.1	7.0
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	7.4
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	7.6
2011 Nov.	118.0	4.8	3.7	4.7	5.1	0.5	0.0	0.9	-0.1	0.1	1.4	3.3	9.3
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	9.2
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

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 % <sup>2)</sup>	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 Q1	5.6	3.9	8.9	2.8	-0.7	9.9	3.3	1.0	3.8	0.6	2.2	5.4
2011 Q2	6.4	5.8	7.5	3.4	0.3	9.6	3.8	0.8	4.5	0.4	2.7	5.4
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
2011 Mar.	6.1	4.7	8.8	3.1	-0.5	10.1	4.0	1.2	4.0	0.3	2.4	5.2
2011 Apr.	6.0	5.0	7.9	3.3	-0.1	9.8	3.9	1.2	4.1	0.3	2.6	5.5
2011 May	6.7	5.8	8.3	3.5	0.4	9.5	3.8	0.6	4.7	0.4	2.8	5.3
2011 June	6.5	6.6	6.2	3.5	0.4	9.5	3.6	0.6	4.8	0.4	2.8	5.2
2011 July	5.1	6.9	1.7	3.4	0.5	9.2	3.6	0.6	5.6	0.3	2.9	5.1
2011 Aug.	5.0	7.1	1.1	4.1	0.6	11.1	3.4	0.6	4.9	0.2	2.9	5.0
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	1.0	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

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	79.1	20.9	-	100	16.0	31.1	2.6	29.4	20.9	60.5	63.1
	1	2	3	4	5	6	7	8	9	10	11	12	13
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 Q1	118.5	3.3	1.9	5.9	0.6	2.5	4.0	-0.7	9.7	0.8	4.9	0.1	0.8
2011 Q2	119.7	3.9	2.5	6.0	0.6	1.0	2.3	0.6	4.6	0.9	0.2	0.8	1.4
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
2011 Mar.	118.9	3.6	2.2	5.9	0.6	0.4	0.8	0.2	1.8	0.4	0.1	0.5	1.1
2011 Apr.	119.5	3.7	2.3	5.9	0.6	0.4	0.8	0.3	2.6	0.3	0.1	0.6	1.3
2011 May	119.9	4.0	2.6	6.0	0.6	0.3	1.1	0.1	1.0	0.2	0.1	0.8	1.4
2011 June	119.8	3.9	2.6	6.0	0.6	0.0	-0.6	0.1	-0.9	0.2	0.0	1.0	1.6
2011 July	119.7	3.7	2.2	6.3	0.6	-0.1	-1.5	0.1	-1.0	0.2	0.3	1.1	1.6
2011 Aug.	119.8	4.0	2.3	7.3	0.6	0.1	-0.9	0.0	0.4	0.0	1.2	1.1	1.7
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

Sources: Statistical Office of the SR and NBS calculations.



**TABLE 8 CPI**

(annual percentage changes, unless otherwise indicated)

	Core inflation										Regulated prices		
	Food	Tradable goods without fuels					Market services	Housing	Hotels, cafés and restaurants	Miscellaneous services	Electricity	Gas	Heat
		Tradable goods excluding fuels	Recreation and culture	Furnishings, household equipment	Transport	Fuels							
weights in %	16.0	31.1	6.2	6.0	4.5	2.6	29.4	11.3	5.3	5.8	3.7	3.0	4.2
	14	15	16	17	18	19	20	21	22	23	24	25	26
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 Q1	6.2	-1.4	0.1	-3.2	5.9	17.4	1.7	1.2	0.8	1.9	9.2	5.5	7.6
2011 Q2	6.7	-0.4	-0.2	-2.7	6.2	15.8	2.1	1.9	1.2	2.3	9.2	5.5	7.9
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
2011 Mar.	6.6	-0.9	0.1	-2.8	6.5	16.1	1.9	1.9	0.8	2.0	9.2	5.5	7.6
2011 Apr.	6.2	-0.7	-0.1	-3.0	6.5	16.4	2.1	1.9	1.1	2.3	9.2	5.5	7.8
2011 May	7.2	-0.4	-0.1	-2.7	6.2	15.4	2.2	2.0	1.2	2.3	9.2	5.5	7.9
2011 June	6.6	-0.2	-0.3	-2.3	6.1	15.5	2.2	2.0	1.2	2.3	9.2	5.5	7.9
2011 July	4.6	-0.1	-0.8	-2.2	5.5	13.6	2.3	2.4	1.0	2.3	9.2	5.5	8.0
2011 Aug.	4.7	-0.1	-1.0	-1.8	6.2	14.9	2.4	2.5	1.0	2.2	9.2	12.8	8.3
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

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 <sup>1)</sup>	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 Q1	5.3	7.4	2.8	6.8	3.9	1.1	6.8	26.5	75.9	7.5	1.3	1.6	-2.5
2011 Q2	5.1	7.0	3.0	2.3	4.9	0.3	5.0	23.8	72.4	11.5	1.4	1.5	-2.9
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
2011 Feb.	5.7	7.5	3.4	7.2	4.2	2.0	7.7	27.1	78.9	6.2	1.4	1.9	-
2011 Mar.	5.9	7.9	3.3	5.1	4.8	1.1	5.6	29.2	84.2	8.3	1.3	1.5	-
2011 Apr.	5.8	7.8	3.1	0.3	4.9	0.6	5.4	26.6	78.5	10.4	1.1	0.7	-
2011 May	5.1	6.7	3.1	3.4	5.1	0.5	5.1	22.7	78.0	11.8	1.4	1.9	-
2011 June	4.6	6.2	2.4	3.0	4.3	0.0	4.5	21.9	60.5	12.5	1.7	1.8	-
2011 July	3.3	4.3	2.1	2.8	4.4	-1.0	4.8	35.0	50.6	14.5	1.6	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	0.3	1.6	-

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 Q1	5.3	7.4	2.8	3.7	5.3	-1.7	1.3	1.4
2011 Q2	5.1	7.0	3.0	2.5	5.3	-0.2	2.5	3.7
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
2011 Feb.	5.7	7.5	3.4	4.6	5.8	-1.8	2.1	1.8
2011 Mar.	5.9	7.9	3.3	3.7	5.7	-0.4	2.3	2.3
2011 Apr.	5.8	7.8	3.1	2.7	5.8	0.1	2.4	3.2
2011 May	5.1	6.7	3.1	2.9	5.6	0.0	2.4	3.7
2011 June	4.6	6.2	2.5	2.0	4.4	-0.8	2.7	4.1
2011 July	3.3	4.3	2.1	1.0	4.3	-0.1	3.4	4.3
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	2.0	1.1	-2.3	4.7	4.7

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 Q1	0.6	82.7	-14.7	1.4	15.5	5.4	11.8	21.9	-6.5	6.4	-3.7
2011 Q2	-0.8	54.5	-14.1	1.0	19.1	5.7	8.8	5.5	11.8	-9.6	19.4
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
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 Q1	1.6	10.9	2.1	2.8	3.4	0.5	2.7	-0.9	-11.3	1.2	5.9
2011 Q2	0.5	4.3	0.7	-3.3	2.4	2.9	4.3	0.6	3.7	-2.1	-5.9
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
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 Q1	1.0	-39.3	19.8	1.4	-10.5	-4.6	-8.2	-18.7	-5.1	-4.9	10.0
2011 Q2	1.2	-32.5	17.3	-4.2	-14.1	-2.7	-4.1	-4.6	-7.3	8.2	-21.2
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

Sources: Statistical Office of the SR and NBS calculations.



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

**TABLE 11 Industrial and construction production indices**

(annual percentage changes, unless otherwise indicated)

	Industrial production by economic activity					Industrial production by MIG <sup>2)</sup>				Construction production <sup>3)</sup>
	Industry in total (index, 2005=100)	Industry in total	Manufacturing	Mining and quarrying	Electricity, gas, steam and air conditioning supply	Intermediate goods	Capital goods	Consumer goods		
								Durables	Non-durables	
2008	139.7	3.3	2.6	-10.7	9.9	-4.1	9.7	4.6	0.1	12.0
2009	120.4	-13.8	-15.5	1.7	-5.8	-13.3	-25.9	0.1	-7.3	-11.3
2010	143.2	18.9	20.1	0.4	15.6	14.0	35.4	22.3	3.9	-4.6
2011	153.1	6.9	8.9	-3.6	-2.2	3.2	17.7	-5.9	9.0	-1.8
2011 Q1	148.9	11.8	13.2	-10.8	7.4	5.9	24.8	4.3	1.2	0.5
2011 Q2	157.4	7.9	11.3	7.7	-10.2	0.1	25.2	-5.8	9.7	-1.2
2011 Q3	145.9	5.5	7.6	-2.7	-4.6	4.9	13.9	-13.0	16.3	-1.7
2011 Q4	160.2	3.1	4.1	-9.2	-1.1	2.3	8.6	-7.8	9.3	0.7
2011 Feb.	142.0	10.9	10.9	-14.6	14.8	5.6	19.1	2.0	-2.0	-7.9
2011 Mar.	159.2	6.7	9.9	-17.8	-6.2	1.3	18.7	8.3	1.9	0.5
2011 Apr.	152.1	8.0	11.4	0.6	-8.5	-3.5	20.8	28.7	13.4	-7.1
2011 May	164.8	10.8	14.0	11.2	-7.5	-0.5	32.8	-7.8	5.1	-4.0
2011 June	155.4	4.9	8.4	11.2	-14.3	4.5	22.1	-31.8	12.0	-1.2
2011 July	135.5	4.8	5.3	1.5	2.8	7.7	11.4	-39.7	11.3	-3.7
2011 Aug.	140.1	4.2	7.6	-5.5	-11.3	5.1	16.6	-15.9	16.2	-6.2
2011 Sep.	162.1	7.4	9.5	-3.8	-4.5	2.5	14.0	9.0	20.7	5.3
2011 Oct.	170.9	7.7	8.6	-8.8	4.5	7.8	16.6	-13.3	13.7	-1.0
2011 Nov.	168.8	0.6	1.0	-10.2	-0.3	3.3	3.3	-10.5	3.5	-1.5
2011 Dec.	141.0	0.8	2.7	-8.4	-6.8	-5.3	5.8	6.5	12.5	5.2
2012 Jan.	155.8	7.0	3.1	-8.4	27.4	1.1	1.4	16.7	4.7	-8.0
Month-on-month percentage changes <sup>1)</sup>										
2011 Feb.	149.7	-2.0	-3.1	-9.2	-0.9	-1.9	-6.1	2.7	-3.0	-4.2
2011 Mar.	150.8	0.7	2.5	0.8	-8.2	2.2	2.2	3.0	3.5	4.8
2011 Apr.	152.8	1.3	1.1	13.1	0.8	-4.1	2.1	9.5	2.3	-0.6
2011 May	157.1	2.8	3.1	2.9	0.0	1.2	5.7	-11.4	1.0	-0.9
2011 June	153.4	-2.4	-3.0	-0.2	-0.8	2.6	-5.1	-27.8	-0.8	1.4
2011 July	148.5	-3.2	-4.4	-6.8	0.8	-2.0	-5.2	-1.5	0.2	-0.4
2011 Aug.	151.3	1.9	2.8	-3.2	0.5	2.6	4.3	19.7	3.6	-2.2
2011 Sep.	156.0	3.1	3.2	-0.8	3.0	0.0	2.5	14.2	1.3	3.2
2011 Oct.	157.4	0.9	0.4	-3.9	4.5	2.8	1.7	-3.6	-2.1	-0.7
2011 Nov.	154.1	-2.1	-1.7	-1.6	-5.1	-2.6	-6.1	6.3	-1.0	-1.0
2011 Dec.	153.6	-0.3	1.0	-4.2	-1.0	-4.8	6.5	12.3	1.3	2.4
2012 Jan.	163.0	6.2	1.6	6.3	37.0	5.4	0.0	0.9	-1.4	-7.2

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

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

2) Structure according to Main Industrial Groupings.

3) Not adjusted for calendar effects.



**TABLE 12 Receipts**

(annual percentage changes)

Receipts by branch

	Industrial orders (manufacturing; constant prices)		Total receipts of sectors													Registration of new passenger cars and light trucks	
	(index 2005 = 100)	current prices <sup>2)</sup>	current prices <sup>2)</sup>	Receipts from own output and sales		Construction		Sale and mainte- nance of vehicles	Whole- sale	Retail sale	Hotels and restaurants		Real estates, renting, business activi- ties	Post and telecom- muni- cations	Trans- port and storage	Total in thousands of units	Annual percent- age changes
				constant prices <sup>1)</sup>	current prices <sup>2)</sup>	constant prices <sup>1)</sup>	current prices <sup>2)</sup>				Accom- modation	Restau- rants					
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	170.5	9.4	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 Q1	172.5	20.4	12.2	16.7	20.5	4.4	5.9	18.6	-1.8	-1.2	-3.0	-0.3	13.7	4.3	12.4	17.4	21.3
2011 Q2	172.8	10.8	9.5	12.3	16.3	-0.8	0.9	11.0	-0.9	-2.7	0.7	0.7	13.8	4.4	10.8	20.0	15.1
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	174.2	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
2011 Feb.	173.0	22.9	11.6	16.4	20.2	-5.2	-3.8	15.4	-1.9	0.0	-2.4	-0.1	13.8	0.8	12.5	5.2	21.6
2011 Mar.	183.3	12.0	11.4	14.5	18.9	9.5	10.9	12.8	-2.0	-3.4	-3.8	-1.1	13.5	4.9	16.5	7.3	20.7
2011 Apr.	170.8	11.7	8.7	11.6	15.5	-7.8	-6.8	11.4	-1.8	-0.3	0.3	0.8	14.4	-0.7	11.2	6.1	16.6
2011 May	179.9	14.5	12.1	16.0	20.4	3.1	4.5	11.8	0.2	-3.5	4.2	2.2	14.0	8.5	14.1	7.0	30.2
2011 June	167.6	6.3	7.8	9.4	13.2	2.4	4.1	9.8	-1.1	-4.2	-2.4	-1.0	13.0	5.5	7.2	6.9	1.7
2011 July	141.4	-1.4	5.3	3.2	7.5	3.9	5.6	9.3	-0.2	-4.3	-2.7	-1.1	16.6	6.7	3.4	6.0	1.3
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.	172.3	7.0	6.5	7.9	7.3	-10.8	-10.6	13.2	4.2	1.5	4.3	-0.6	14.4	6.5	6.8	5.1	7.0

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 <sup>2)</sup>		
		Mining and quarrying	Manufacturing		Energy excluding supply of electricity, gas, steam, air conditioning and water		Intermediate goods	Capital goods		Durable consumer goods	Non-durable consumer goods	Consumer goods excluding food, beverages and tobacco		EUR mil. <sup>1)</sup>
	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	current prices <sup>1)</sup>	
	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 Q1	22.6	11.3	22.7	18.0	41.1	28.2	22.4	34.4	0.0	-9.9	10.5	-4.3	22.6	15,041.1
2011 Q2	17.2	15.3	17.2	21.8	53.8	21.1	15.7	26.9	-4.0	-19.7	16.3	-12.2	17.2	16,272.7
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
2011 Feb.	22.7	10.4	22.9	20.3	68.7	27.2	22.5	32.0	-2.3	-9.8	5.4	-4.5	22.7	4,876.4
2011 Mar.	19.0	8.6	19.1	22.4	35.7	24.7	20.4	29.1	-2.9	-14.1	9.2	-9.0	19.0	5,530.1
2011 Apr.	16.7	8.2	16.7	14.5	27.5	17.6	11.8	24.0	10.1	2.2	20.0	5.6	16.7	5,260.2
2011 May	22.4	21.3	22.4	26.7	93.7	27.1	21.6	33.0	-5.0	-22.6	19.3	-14.5	22.4	5,544.7
2011 June	12.9	16.7	12.8	25.2	54.1	18.8	13.9	23.9	-15.3	-36.1	10.3	-25.5	12.9	5,467.8
2011 July	5.9	4.2	6.0	23.1	38.6	8.4	10.2	6.6	-13.5	-36.9	5.4	-21.8	5.9	4,631.4
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.	7.2	-3.0	7.3	8.6	9.6	5.1	3.8	6.4	14.8	27.4	3.7	20.1	7.2	4,968.8

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

1) At current prices.

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



**TABLE 13 Nominal average wages**

(annual percentage changes)

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

	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 Q1	725.0	2.1	2.9	5.8	-0.3	1.2	0.9	4.2	0.6	-0.2	3.9	0.5	-1.1	1.5	3.2	2.2	-0.2	-1.9
2010 Q2	758.0	3.6	-2.5	6.2	4.1	2.0	1.0	6.5	2.0	-1.8	2.4	1.6	-1.4	4.3	2.7	4.0	0.5	-0.5
2010 Q3	750.0	3.7	4.3	4.9	3.7	4.2	1.5	3.7	5.6	3.9	10.8	4.0	1.4	1.5	2.6	6.0	0.8	-0.6
2010 Q4	844.0	3.8	0.8	3.9	6.1	5.3	4.9	6.3	2.2	6.7	5.7	4.5	-2.3	0.3	1.7	4.1	2.5	-0.6
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

	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 Feb.	705.3	4.0	1.9	6.8	3.5	2.1	1.9	1.1	0.0	1.4	6.4	5.9
2011 Mar.	742.6	4.3	3.9	6.3	1.5	0.3	1.3	0.7	0.0	-0.8	7.1	5.5
2011 Apr.	739.4	3.5	3.5	1.5	0.6	-0.3	0.7	0.2	-0.3	0.4	10.4	4.0
2011 May	750.3	6.1	8.2	3.2	1.1	0.3	0.9	0.7	0.6	1.4	5.7	7.8
2011 June	771.6	3.8	2.8	5.4	0.7	-0.3	0.2	0.5	0.3	-0.5	9.1	6.4
2011 July	756.2	3.9	3.6	1.2	-0.1	-0.4	0.4	0.0	0.3	1.7	21.4	1.7
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.	749.6	5.6	6.7	2.7	0.3	1.2	2.6	1.4	-0.6	8.8	115.1	1.0

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

	Economic sentiment indicator <sup>2)</sup> (long-term average = 100)	Manufacturing industry					Consumer confidence indicator				
		Industrial confidence indicator				Capacity utilisation <sup>3)</sup> (percentages)	Total <sup>4)</sup>	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 <sup>4)</sup>	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 Q1	101.3	10.9	-3.7	-4.7	31.7	68.0	-27.0	-20.4	-31.4	26.3	-29.7
2011 Q2	99.9	2.4	-11.2	0.8	19.1	55.4	-25.7	-19.8	-31.3	25.4	-26.6
2011 Q3	94.3	-2.6	-26.2	-1.6	16.8	60.6	-24.4	-17.8	-33.5	21.1	-25.5
2011 Q4	94.0	2.0	-24.0	-5.3	24.8	62.3	-35.4	-23.1	-46.5	42.4	-29.8
2011 Mar.	98.1	4.4	-7.8	-1.6	19.4	-	-29.9	-22.2	-36.2	31.7	-29.6
2011 Apr.	100.6	9.4	-5.3	-3.0	30.5	55.4	-28.4	-22.0	-34.2	29.2	-28.4
2011 May	103.5	7.2	-8.1	4.5	34.3	-	-23.1	-17.0	-27.4	23.7	-24.4
2011 June	95.5	-9.5	-20.1	0.8	-7.5	-	-25.7	-20.4	-32.2	23.4	-26.9
2011 July	93.3	-9.8	-25.5	7.9	4.1	60.6	-23.3	-20.3	-31.9	15.5	-25.6
2011 Aug.	96.7	3.6	-29.7	-7.7	32.7	-	-23.5	-15.6	-30.3	22.9	-25.3
2011 Sep.	93.0	-1.6	-23.4	-5.0	13.7	-	-26.5	-17.5	-38.2	24.9	-25.5
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

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

	Construction confidence indicator			Retail trade indicator				Services confidence indicator			
	Total <sup>4)</sup>	Order books	Employment expectations	Total <sup>4)</sup>	Present business situation	Volume of stocks	Expected business situation	Total <sup>4)</sup>	Business climate	Demand in recent months	Demand in the months ahead
	12	13	14	15	16	17	18	19	20	21	22
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 Q1	-41.1	-50.6	-31.8	13.7	21.3	3.6	23.4	26.0	25.1	22.7	30.3
2011 Q2	-42.5	-53.8	-31.2	20.0	22.2	4.4	42.1	31.5	30.9	29.7	33.8
2011 Q3	-46.2	-60.6	-31.8	17.2	15.4	6.0	42.1	18.4	20.6	10.8	23.9
2011 Q4	-37.8	-53.1	-22.4	7.1	11.4	12.1	22.0	20.4	17.9	14.5	28.8
2011 Mar.	-43.7	-48.4	-39.1	15.8	24.8	1.7	24.5	26.3	28.0	23.3	27.7
2011 Apr.	-41.7	-52.4	-31.1	18.1	20.8	3.4	36.9	25.8	25.1	29.0	23.4
2011 May	-41.6	-50.8	-32.3	21.1	26.9	5.6	41.9	35.2	33.3	31.0	41.1
2011 June	-44.2	-58.2	-30.2	20.7	19.0	4.3	47.5	33.4	34.4	29.0	36.9
2011 July	-45.7	-61.0	-30.4	21.8	15.9	2.6	52.1	25.0	26.9	19.7	28.3
2011 Aug.	-47.1	-60.0	-34.3	15.2	13.0	9.4	42.0	16.7	19.0	7.3	23.9
2011 Sep.	-45.7	-60.7	-30.7	14.5	17.4	6.1	32.2	13.5	15.8	5.4	19.5
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

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 <sup>1)</sup>								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 Q1	2,198.4	2.3	3.1	-1.7	4.6	3.7	-1.6	1.4	10.3	-1.4	16.6	9.0	-0.6	0.6	13.9
2011 Q2	2,211.2	2.3	3.1	-1.9	4.9	3.6	-2.1	2.6	8.8	0.0	6.6	6.8	-0.9	2.1	13.1
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
2011 Feb.	1,253.4	-	-	-	-	5.6	-3.3	1.0	13.6	-	-	-	-	-	13.2
2011 Mar.	1,252.5	-	-	-	-	5.1	-4.0	2.2	16.1	-	-	-	-	-	13.1
2011 Apr.	1,258.6	-	-	-	-	5.2	-4.2	2.3	16.0	-	-	-	-	-	12.9
2011 May	1,258.7	-	-	-	-	4.8	-3.7	2.3	15.0	-	-	-	-	-	12.8
2011 June	1,258.9	-	-	-	-	4.5	-3.8	2.9	13.5	-	-	-	-	-	13.0
2011 July	1,258.6	-	-	-	-	4.3	-3.6	2.2	12.4	-	-	-	-	-	13.2
2011 Aug.	1,258.4	-	-	-	-	3.9	-3.8	2.2	13.0	-	-	-	-	-	13.1
2011 Sep.	1,257.0	-	-	-	-	3.5	-4.1	1.8	12.9	-	-	-	-	-	13.4
2011 Oct.	1,262.2	-	-	-	-	3.1	-3.7	1.6	13.5	-	-	-	-	-	13.3
2011 Nov.	1,260.6	-	-	-	-	2.8	-3.7	1.2	13.3	-	-	-	-	-	13.3
2011 Dec.	1,254.3	-	-	-	-	3.2	-3.5	1.3	12.1	-	-	-	-	-	13.6
2012 Jan.	1,244.9	-	-	-	-	0.2	-5.4	-0.4	-0.5	-	-	-	-	-	13.7

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
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	-
Quarterly percentage changes											
2010 Q1	0.8	4.4	0.3	-1.9	-0.5	13.9	-	-	0.8	5.2	-
2010 Q2	0.9	-1.2	-0.4	-0.3	-0.2	-2.6	-	-	3.8	0.7	-
2010 Q3	0.9	3.2	0.2	0.7	-0.6	2.5	-	-	5.1	9.2	-
2010 Q4	0.8	-1.4	-0.1	2.4	-1.2	2.0	-	-	4.3	-0.2	-
2011 Q1	0.8	0.0	-0.1	-1.4	-0.8	-0.1	-	-	4.1	1.4	-
2011 Q2	0.8	-1.1	-0.1	-0.7	-2.3	2.6	-	-	-0.5	0.2	-
2011 Q3	0.8	-1.7	-0.3	1.1	0.7	1.7	-	-	-2.0	-3.2	-
2011 Q4	0.9	0.0	0.0	1.9	-0.6	3.0	-	-	4.5	0.6	-

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 (mld. EUR)												
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
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												
Medziročné zmeny (%)												
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

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 Mar.	-655.2	2,751.9	1,993.2	3.8	527.2	46.3	962.7	442.3	10.9	118.5	640.3	636.3	3,407.1	3,022.5	384.6
2011 Apr.	-1,018.5	3,635.6	2,668.3	-93.4	578.1	56.8	1,496.7	616.3	13.8	208.1	759.2	751.6	4,654.1	4,127.5	526.6
2011 May	-1,567.5	4,396.2	3,187.3	-99.6	610.7	67.5	1,812.4	778.6	17.7	275.3	933.6	923.5	5,963.7	5,295.5	668.2
2011 June	-1,577.6	5,483.0	4,112.6	-3.1	827.3	79.0	2,222.5	950.5	36.4	341.3	1,029.1	1,017.3	7,060.6	6,261.7	798.9
2011 July	-1,675.0	6,569.4	4,921.3	10.9	968.7	90.4	2,682.5	1,125.5	43.3	459.4	1,188.7	1,171.4	8,244.4	7,255.6	988.8
2011 Aug.	-2,022.2	7,343.2	5,526.2	13.1	1,125.7	99.7	2,942.2	1,298.7	46.8	528.9	1,288.1	1,269.3	9,365.4	8,187.0	1,178.4
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

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



**TABLE 18 Central government budget**

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

(annual percentage changes)

	Budget balance															
	Total revenues									Non-tax revenues	Grants and transfers	Foreign transfers	Total expenditures			
	Tax revenues							Other taxes	Current				Capital			
16	17	18	19	20	21	22	23			24	25	26		27	28	29
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 Mar.	-33.4	9.6	-0.5	-91.1	7.3	-5.5	5.1	-11.3	60.3	-7.2	68.6	76.7	-2.5	-5.0	22.5	
2011 Apr.	-31.2	12.8	8.3	49.0	53.1	-6.9	4.9	-5.5	51.6	7.4	34.0	39.6	-1.1	-2.8	15.1	
2011 May	-24.6	11.1	7.6	16.9	60.6	-0.9	1.1	-2.0	42.7	-6.0	32.7	38.0	-1.2	-2.1	6.7	
2011 June	-35.3	12.4	11.6	-115.3	57.9	-0.4	5.7	0.7	139.5	-3.5	22.7	28.4	-3.5	-2.0	-13.8	
2011 July	-30.4	8.9	8.9	-74.2	52.3	-13.3	2.7	1.9	136.6	9.6	8.3	41.3	-2.4	-1.3	-9.7	
2011 Aug.	-28.4	8.5	8.4	-67.3	48.0	-10.7	1.9	1.7	118.7	9.2	8.5	46.8	-2.4	-1.8	-6.3	
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	

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	-2,295	-893	-4,433	806	2,113	1,579	1,371	5,063
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	21	-1,294	793	-480
2011	56,408	53,966	2,442	4,750	5,120	-370	-1,680	-353	38	865	1,148	23	1,904	3,074
2011 Q1	13,461	12,857	604	1,066	1,194	-128	-399	228	305	42	268	-238	752	782
2011 Q2	14,207	13,867	340	1,167	1,319	-152	-411	-133	-355	390	-275	-102	1,226	849
2011 Q3	13,787	13,221	566	1,212	1,335	-123	-425	-207	-189	195	296	515	-57	753
2011 Q4	14,953	14,022	931	1,304	1,272	32	-445	-242	276	238	859	-152	-17	690
2011 Feb.	4,369	4,191	178	344	404	-60	-119	291	288	-10	-26	409	413	796
2011 Mar.	5,019	4,832	187	367	420	-53	-142	-93	-100	62	144	-28	208	324
2011 Apr.	4,500	4,453	48	370	422	-52	-121	-74	-199	150	-123	-47	537	368
2011 May	4,921	4,818	103	405	476	-71	-138	-30	-136	152	-224	-123	-123	-469
2011 June	4,786	4,596	190	393	421	-29	-151	-29	-19	88	72	68	811	951
2011 July	4,253	4,228	25	405	459	-54	-137	-75	-242	16	-61	351	-99	191
2011 Aug.	4,441	4,270	171	422	467	-45	-133	-30	-38	1	160	269	-374	55
2011 Sep.	5,093	4,723	370	385	408	-23	-155	-101	91	177	197	-106	416	508
2011 Oct.	5,331	4,750	581	369	408	-39	-137	-105	300	-2	-157	179	225	248
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	491	178	-638	31
2012 Jan.	4,460	4,230	229	439	420	20	-126	-107	16	.	.	.	.	.

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 Q1	28.2	27.6	8.4	-5.2
2011 Q2	18.7	21.7	9.9	3.5
2011 Q3	14.4	7.4	6.8	3.1
2011 Q4	8.8	2.3	7.3	-3.0
2011 Feb.	28.4	27.6	13.2	-6.6
2011 Mar.	23.2	25.7	4.1	-7.0
2011 Apr.	16.4	22.9	4.8	-4.2
2011 May	24.2	25.9	17.9	16.4
2011 June	15.5	16.5	7.3	-1.1
2011 July	12.9	9.5	8.7	-3.4
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.	9.5	10.4	23.7	13.5

Sources: NBS and Statistical Office of the SR.



## 7 EXTERNAL ENVIRONMENT

**Table 20 Euro area**

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

	Prices			Real economy				Financial market	
	HICP	HICP <sup>1)</sup> (core inflation)	PPI	GDP <sup>2(4)5)</sup>	Industrial production <sup>2(3)</sup>	Retail trade (sales) <sup>2(3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %)	
2009	0.3	1.3	-5.1	-4.3	-14.8	-2.5	9.6	4.03	
2010	1.6	1.0	2.9	1.9	7.4	0.9	10.1	3.79	
2011	2.7	1.7	5.9	1.4	3.5	-0.5	10.2	4.31	
2010 Q4	2.0	1.1	4.8	2.0	8.1	0.6	10.1	3.72	
2011 Q1	2.5	1.3	6.5	2.4	6.5	0.1	10.0	4.30	
2011 Q2	2.8	1.8	6.3	1.6	4.1	-0.5	10.0	4.46	
2011 Q3	2.7	1.7	5.9	1.3	4.0	-0.6	10.2	4.28	
2011 Q4	2.9	2.0	5.1	0.7	-0.1	-1.1	10.5	4.20	
2011 Nov.	3.0	2.0	5.4	-	0.2	-1.4	10.5	4.41	
2011 Dec.	2.7	2.0	4.3	-	-1.8	-1.3	10.6	4.11	
2012 Jan.	2.6	1.9	3.7	-	-1.2	0.0	10.7	3.92	
2012 Feb.	2.7	1.9	.	-	.	.	.	3.75	

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

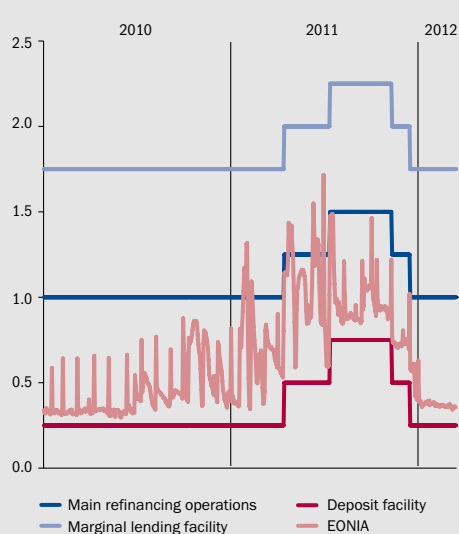
**Chart 1 USD/EUR: year-on-year changes (%)**



Source: ECB.

Note: Negative values denote depreciation of the euro.

**Chart 2 ECB interest rates and the EONIA (%)**



Source: ECB.

**Table 21 Czech Republic***(year-on-year changes in %, unless otherwise indicated)*

	Prices			Real economy				Financial market
	HICP	HICP <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>
2009	0.6	0.5	-3.1	-4.7	-12.9	-1.5	6.7	4.84
2010	1.2	0.5	1.2	2.7	9.9	-1.2	7.3	3.88
2011	2.1	1.4	5.5	1.7	6.9	0.4	6.8	3.71
2010 Q4	2.0	0.9	3.0	3.0	11.1	-1.5	7.0	3.64
2011 Q1	1.9	0.8	5.4	2.7	11.4	1.4	6.9	4.03
2011 Q2	1.8	1.2	5.9	2.1	9.2	1.0	6.9	3.90
2011 Q3	2.1	1.5	5.5	1.3	3.7	-0.9	6.6	3.40
2011 Q4	2.8	2.1	5.2	0.6	3.9	0.2	6.7	3.50
2011 Nov.	2.9	2.1	5.5	-	5.4	-0.3	6.7	3.67
2011 Dec.	2.8	2.3	4.5	-	4.4	2.0	6.8	3.70
2012 Jan.	3.8	3.0	4.1	-	.	.	6.9	3.39
2012 Feb.	4.0	3.0	.	-	.	.	.	3.12

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

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

**Table 22 Hungary***(year-on-year changes in %, unless otherwise indicated)*

	Prices			Real economy				Financial market
	HICP	HICP <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemployment (% of the labour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>
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	1.7	5.5	0.2	10.9	7.64
2010 Q4	4.3	2.2	10.5	2.5	9.9	-0.9	11.1	7.39
2011 Q1	4.3	2.3	9.1	2.1	11.9	-0.1	11.0	7.46
2011 Q2	3.9	3.1	3.7	1.7	4.3	-0.2	10.9	7.13
2011 Q3	3.4	3.2	4.2	1.5	2.0	0.0	10.9	7.49
2011 Q4	4.1	3.3	7.6	1.5	4.4	1.1	10.8	8.46
2011 Nov.	4.3	3.3	7.9	-	3.5	1.1	10.7	8.53
2011 Dec.	4.1	3.5	7.4	-	6.7	1.6	10.9	8.97
2012 Jan.	5.6	4.9	7.8	-	.	.	10.9	9.51
2012 Feb.	5.8	5.3	.	-	.	.	.	8.60

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

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



**Table 23 Poland**

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

	Prices			Real economy				Financial market	
	HICP	HICP <sup>1)</sup> (core inflation)	PPI	GDP <sup>2)4)5)</sup>	Industrial production <sup>2)3)</sup>	Retail trade (sales) <sup>2)3)</sup>	Unemploy-ment (% of the la-bour force) <sup>6)</sup>	10-year bonds (yield to maturity in %) <sup>7)</sup>	
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	
2010 Q4	2.7	1.7	6.4	4.1	9.2	11.9	9.6	5.78	
2011 Q1	3.6	2.4	8.4	4.5	7.4	1.7	9.4	6.26	
2011 Q2	4.0	3.1	8.0	4.6	7.0	1.4	9.6	6.03	
2011 Q3	3.7	3.3	7.1	4.2	5.7	-2.5	9.7	5.75	
2011 Q4	4.2	3.6	7.4	4.3	8.7	-0.6	10.0	5.78	
2011 Nov.	4.4	3.6	7.8	-	9.5	0.3	10.0	5.80	
2011 Dec.	4.5	3.9	7.1	-	9.9	-1.4	10.1	5.84	
2012 Jan.	4.1	3.4	6.9	-	9.1	2.4	10.1	5.68	
2012 Feb.	4.4	3.5	.	-	.	.	.	5.46	

Sources: Eurostat, ECB, NBS calculations.

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

2) Constant prices.

3) Adjusted for calendar effects.

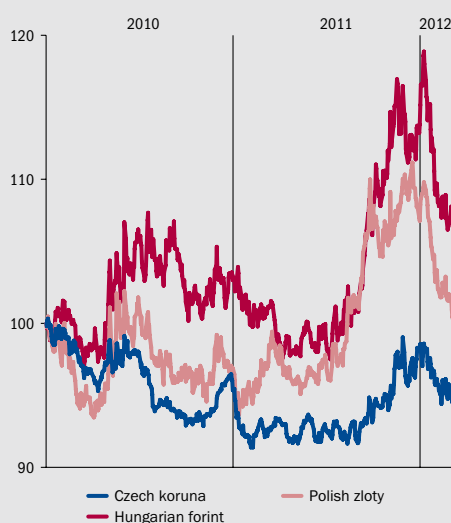
4) Adjusted for seasonal and calendar effects.

5) Annual data are not adjusted for calendar effects.

6) Harmonised data, ILO definition, seasonally adjusted.

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

**Chart 3 Exchange rate indices of V4 currencies against the euro (04.01.2010 = 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 changes in %)**

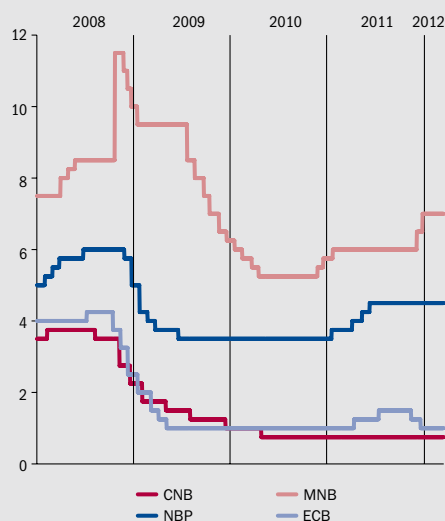


Sources: Eurostat, NBS calculations.

Note: Negative values denote an appreciation.



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



Sources: ECB, national central banks.

**Table 24 United States**

(annual percentage changes, unless otherwise indicated)

	Prices			Real economy				Financial market	
	HICP	HICP <sup>1)</sup> (core inflation)	PPI <sup>2)</sup>	GDP <sup>3)</sup>	Industrial production <sup>4)</sup>	Retail trade <sup>5)</sup>	Unemployment	10-year bonds (yield to maturity in %)	
2009	-0.4	1.7	-2.4	-3.5	-11.2	-6.4	9.3	3.26	
2010	1.6	1.0	4.2	3.0	5.3	6.5	9.6	3.22	
2011	3.2	1.7	6.0	1.7	4.1	6.7	9.0	2.78	
2010 Q4	1.3	0.7	3.8	3.1	6.4	7.7	9.6	2.88	
2011 Q1	2.1	1.1	4.7	2.2	5.4	7.1	9.0	3.46	
2011 Q2	3.4	1.5	6.7	1.6	3.8	6.8	9.0	3.20	
2011 Q3	3.8	1.9	6.9	1.5	3.7	7.2	9.1	2.14	
2011 Q4	3.3	2.2	5.6	1.6	3.6	5.7	8.7	2.05	
2011 Nov.	3.4	2.2	5.7	-	3.8	5.7	8.7	2.01	
2011 Dec.	3.0	2.2	4.8	-	3.3	5.3	8.5	1.98	
2012 Jan.	2.9	2.0	4.3	-	3.4	6.3	8.3	1.97	
2012 Feb.	.	.	.	-	.	6.5	8.3	1.97	

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).

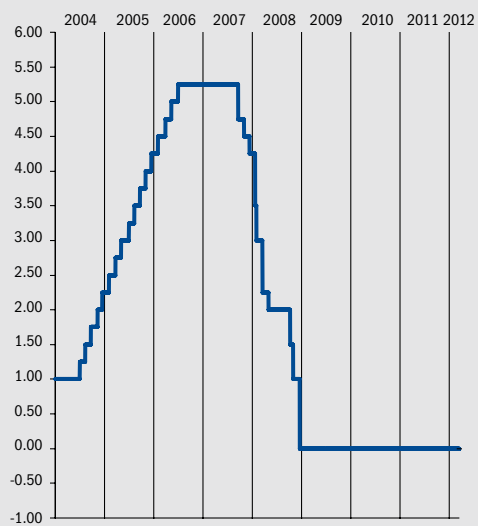
3) Seasonally adjusted.

4) Industrial production in total (seasonally adjusted.)

5) Retail and food services sales.

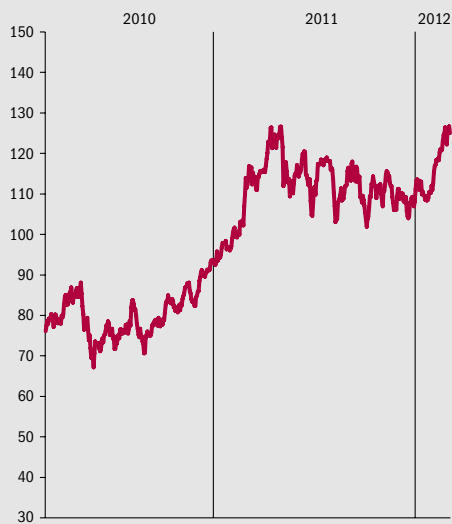


Chart 6 United States (federal funds rate in %)



Source: Federal Reserve System.

Chart 7 Oil prices (USD/barrel)



Source: Reuters.



