

BANKA

SLOVENIJE

EVROSISTEM

**Monthly report on
bank
performance**

July 2022

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Commentary

Year-on-year growth in loans to the non-banking sector strengthened slightly again in May to 10.5%, driven by an above-average increase in the stock of housing loans. The increase in the stock of loans to non-financial corporations (NFCs) slowed at the same time, while the stock of consumer loans on bank balance sheets remained similar to previous months. Deposits by the non-banking sector continued to increase, driven by an increase in household deposits, although the year-on-year rate of growth slowed as expected following the major increase in deposits over the last two years. Portfolio quality as measured by the NPE ratio and the share of Stage 2 exposures improved again in May. Pre-tax profit was down almost a fifth on the same period last year, as a result of not only a slight increase in operating costs, but also the net creation of impairments and provisions, compared with last year's net release. Net impairments and provisions remain low relative to total income, particularly in light of the significant macroeconomic risks.

Year-on-year growth in the balance sheet total continued to slow after last year's sharp increase, reaching 5.4% in May. The increase in the balance sheet total over the first five months of this year amounted to EUR 0.5 billion, just under a third of the increase in the same period last year, while the increase in deposits by the non-banking sector was less than a quarter of last year's figure. Deposits again made the largest contribution to the increase on the funding side in May. Loans to the non-banking sector have been the main factor in this year's increase on the asset side, but claims against the central bank also increased in May. While increasing their lending activity this year, banks have reduced their holdings of the most liquid assets, which include claims against the central bank, although their ratio to the balance sheet total remains high.

Lending to the non-banking sector continued to increase in May, the year-on-year rate of growth strengthening to 10.5%. May's increase in loans to the non-banking sector was smaller than those in previous months. New housing loans increased sharply for the fourth consecutive month, while year-on-year growth in the stock of housing loans recorded one of the highest figures in the euro area, at 11.7%. The stock of consumer loans was unchanged in May, and remained down slightly in year-on-year terms (by 2.8%). May's increase in loans to NFCs was just a third of the average monthly increase over the first four months of the year, but the year-on-year rate of growth held at close to 12%, and remained one of the highest figures in the euro area. Similarly to April, the year-on-year increase in loans to NFCs was driven most notably by loans to firms in the sectors of wholesale and retail trade, manufacturing, and electricity and water supply. The largest contributions to the aggregate growth came from loans for other purposes and loans for working capital, while loans for investment in fixed assets were down in year-on-year terms. Only large enterprises saw an increase in year-on-year growth in loans; firms of all other corporate sizes saw a slight decline.

The NPE ratio declined to 1.1% in May. It had previously held at 1.2% for five months, after falling in the second half of last year. May's decline in the NPE ratio was driven by the NFCs portfolio, where the NPE ratio declined to 2.0%, down 0.3 percentage points on the end of 2021. The decline in the NPE ratio was mainly evident in exposures to small enterprises (0.7 percentage points) and micro enterprises (0.6 percentage points), while this year has seen no significant changes in the figures for medium-size

and large enterprises. May saw a slight decline in the share of exposures with increased credit risk (Stage 2) in the total portfolio to 5.5%, while the NFCs portfolio and housing loans portfolio are most notable this year for the reclassification of exposures as lower-risk. The share of Stage 2 exposures has declined in the majority of sectors this year, with the principal exception of professional, scientific and technical activities and other service activities. Coverage of NPEs by impairments and provisions is continuing to increase and reached 58.4% in May, up from 57.1% at the end of last year.

Deposits by the non-banking sector also increased in May (by EUR 392 million), but their year-on-year rate of growth slowed again to 5.3%. This was down 3.2 percentage points on the end of last year, on account of the large net inflows in the same period last year. May's increase in household deposits was larger than in previous months (at EUR 305 million), which raised the year-on-year rate of growth to 5.7%. An increase in household deposits is typically seen in the months before the summer, on account of annual leave payments. May's increase accounted for almost half of this year's overall increase in household deposits (EUR 672 million). Deposits by NFCs declined by EUR 140 million in May, the year-on-year rate of growth slowing to 3%. NFCs have reduced their holdings of bank deposits by EUR 454 million this year, but they still amount to a high EUR 8.5 billion.

The banking system's gross income this year is comparable to last year, but net income is a little lower amid a rise in operating costs. Year-on-year growth in net interest has been positive since the beginning of the year and stood at 3.2% in May, while net non-interest income is down in year-on-year terms on account of several major one-off non-interest inflows in the spring of last year. Year-on-year growth in net fees and commission, which this year has accounted for three-quarters of total non-interest income, remained high in May (at 12%), despite slowing by around 2 percentage points. Gross income was minimally down (0.1%) on the same period last year, but a rise of 4% in operating costs meant that net income was down 6% on last year. The net interest margin calculated over the preceding 12 months stood at 1.39%, comparable to the previous months as its trend of decline came to an end.

Pre-tax profit over the first five months of the year amounted to EUR 174 million, down almost a fifth on the same period last year. The decline in pre-tax profit while gross income has remained broadly unchanged in year-on-year terms is attributable to a slight rise in operating costs and the renewed creation of impairments and provisions. They amounted to EUR 12.8 million over the first five months of the year, in contrast to a net release in the same period last year. Despite the downturn in the international economic outlook in particular and the significant economic risks, many banks are not yet creating net impairments and provisions: they account for less than 3% of the disposal of gross income in the system. Pre-tax ROE stands at 8.6% this year (it would stand at 3.6% if impairments and provisions were at their long-term average), less than in the same period last year (10.9%) and in the whole of 2021 (11.3%).

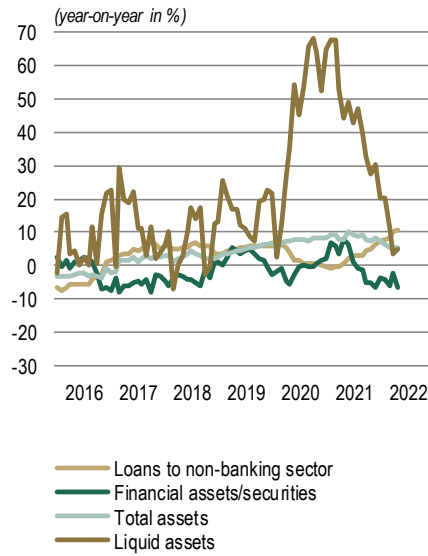
The banking system's capital position remained sound, and liquidity remained high. Capital ratios declined in the first quarter of this year, as a result of strengthened lending and the further consolidation of the banking system. The total capital ratio on a consolidated basis declined to 17.2%, which slightly widened the gap by which it trails the euro area average, while the CET1 ratio declined to 15.7%, almost level with the euro area average. There remains considerable variation in the banks' capital surpluses over their allocated capital requirements, largely on account of differences in the structure and quality of their assets. Primary liquidity, which comprises cash on hand, balances at the central bank and sight deposits at banks, increased by EUR

0.3 billion in May, but declined by EUR 1.2 billion over the first five months of the year. Despite the decline in holdings of primary liquidity, it remained high as a ratio to the balance sheet total: at EUR 10.3 billion, it accounted for more than a fifth of the balance sheet total. The gradual decline in liquid assets is reducing the liquidity coverage ratio (LCR), which stood at 290% in May, down from 312% in December, but remained well above the regulatory requirement of 100%.

Key trends in the banking sector

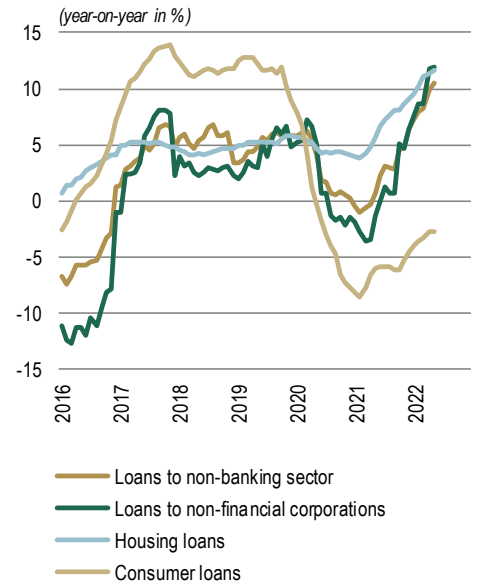
Figure 1: Bank investments and loans

Growth in bank investments



Note: The category 'Financial assets/securities' also includes debt securities from the category of loans and receivables.
The category "Liquid assets" include cash, balances at CB and sight deposits at banks.
Source: Bank of Slovenia.

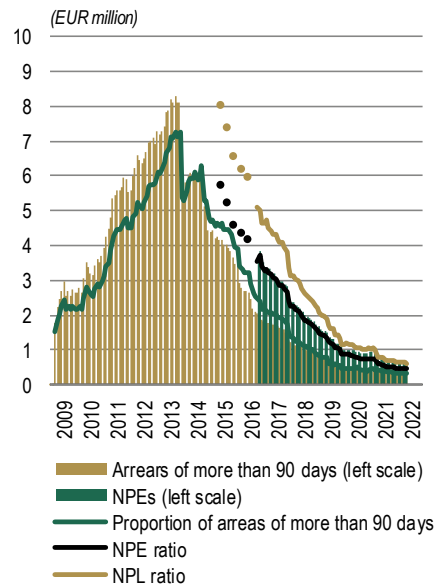
Loans by sector and loan type



Source: Bank of Slovenia.

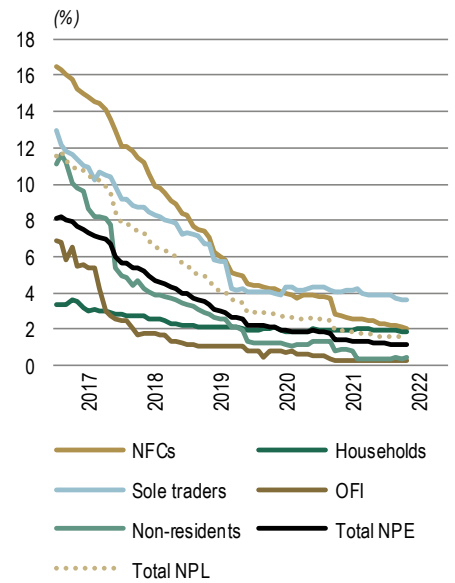
Figure 2: Non-performing exposure

NPEs, NPLs and claims more than 90 days in arrears, stocks and ratios



Source: Bank of Slovenia.

NPE ratio by client segment



Source: Bank of Slovenia.

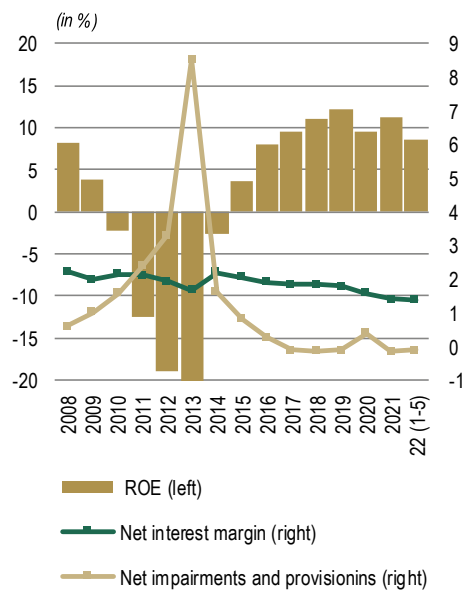
Figure 3: Deposits and selected banks' performance indicators

Deposits by sector



Source: Bank of Slovenia.

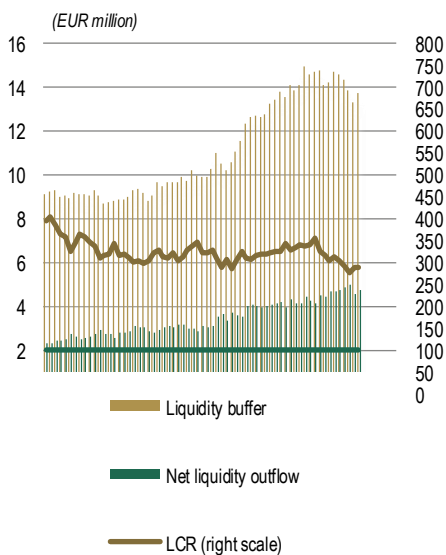
ROE, net interest margin, and ratio of impairment and provisioning costs to total assets



Note: The ratios of net interest margin to interest-bearing assets and net impairment and provisioning costs to total assets are always calculated for the preceding 12 months. Pre-tax ROE is calculated during the year on a cumulative basis up to the most recent data available.
Source: Bank of Slovenia.

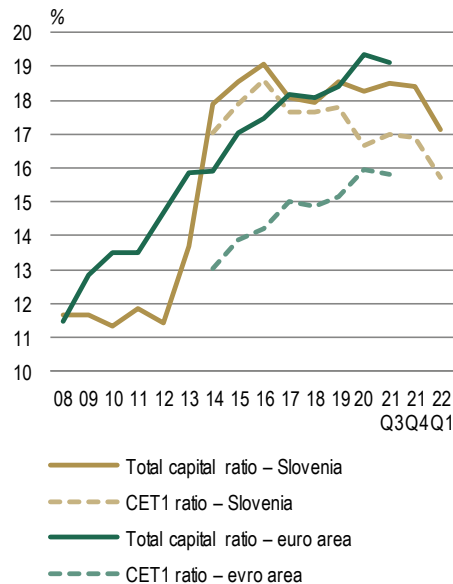
Figure 4: Indicators of liquidity and solvency

Liquidity coverage ratio (LCR)



Note: The horizontal line denotes the minimum requirement for the LCR (100%) in accordance with the CRR.
Source: Bank of Slovenia.

Capital ratios compared with the euro area, consolidated basis



Source: Bank of Slovenia, ECB (SDW).

Table 1: Banking system's assets and liabilities, as at 31 May 2022

EUR million unless stated, growth rates in %	Stock	Breakd	Stock akdown	Stock akdown	increase in mio EUR		Growth in May 22,			
	dec.08	(%)	dec.21	(%)	May 2022	(%)	in May 22	in 2022 monthly	year-on-year	
Assets	47,948	100.0	48,252	100.0	48,774	100.0	271.1	522.0	0.6	5.4
Cash in hand, balances at central bank and sight deposits at banks	1,250	2.6	11,495	23.8	10,288	21.1	296.9	-1,207.4	3.0	5.1
Loans to banks at amortised cost (including central bank)	4,101	8.6	1,544	3.2	1,593	3.3	-109.5	48.9	-6.4	3.2
domestic banks	2,673	5.6	466	1.0	620	1.3	-9.3	153.8	-1.5	-0.5
foreign banks	1,428	3.0	1,078	2.2	974	2.0	-100.3	-105.0	-9.3	5.7
short-term loans to banks	2,056	4.3	426	0.9	572	1.2	-61.8	146.1	-9.7	85.2
long-term loans to banks	2,046	4.3	1,118	2.3	1,021	2.1	-47.8	-97.2	-4.5	-17.3
Loans to non-banking sector*	33,718	70.3	25,045	51.9	26,325	54.0	184.7	1,279.8	0.7	10.5
of which non-financial corporations	20,260	42.3	9,299	19.3	10,033	20.6	54.1	733.3	0.5	11.9
households	7,558	15.8	11,263	23.3	11,672	23.9	102.3	409.2	0.9	7.8
of which residential			7,373	15.3	7,745	15.9	91.7	372.5	1.2	11.7
consumer			2,472	5.1	2,469	5.1	0.3	-2.9	0.0	-2.8
government	506	1.1	1,481	3.1	1,433	2.9	-2.1	-48.2	-0.1	-3.4
other financial institutions	2,829	5.9	1,365	2.8	1,475	3.0	10.0	110.4	0.7	24.4
non-residents	2,515	5.2	1,611	3.3	1,687	3.5	19.6	75.9	1.2	26.4
Other financial assets classed as loans and receivables (at Securities / financial assets**)	0	0.0	148	0.3	149	0.3	-46.3	0.3	-23.8	-2.6
a) Financial assets held for trading	7,323	15.3	8,355	17.3	8,661	17.8	-65.0	305.5	-0.7	-6.7
of which debt securities held for trading	1,177	2.5	50	0.1	75	0.2	-10.6	24.9	-12.4	23.6
of which government debt securities held for trading	571	1.2	1	0.0	1	0.0	-1.8	0.0	-63.7	-67.0
... government debt securities held for trading	56	0.1	1	0.0	1	0.0	-1.8	0.0	-63.7	-67.0
b) Financial assets measured at fair value through P&L not held for trading	0	0.0	95	0.2	97	0.2	-0.9	2.4	-0.9	14.3
of which debt securities measured at fair value through P&L not held for trading	0	0.0	3	0.0	3	0.0	-0.1	0.2	-2.1	19.6
c) Financial assets designated for measurement at fair value through P&L not held for trading	179	0.4	0	0.0	0	0.0	0.0	0.0	0.0	0.0
of which debt securities designated for measurement at fair value through P&L not held for trading	163	0.3	0	0.0	0	0.0	0.0	0.0	0.0	0.0
... government debt securities designated for measurement at fair value through P&L not held for trading	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
d) Financial assets measured at fair value through other comprehensive income	4,552	9.5	4,941	10.2	4,404	9.0	-186.8	-537.8	-4.1	-19.8
of which debt securities measured at fair value through other comprehensive income	4,318	9.0	4,743	9.8	4,210	8.6	-186.1	-533.4	-4.2	-20.4
... government debt securities measured at fair value through other comprehensive income	2,875	6.0	3,140	6.5	2,795	5.7	-173.8	-344.9	-5.9	-21.8
e) Debt securities at amortised cost	1,415	3.0	3,269	6.8	4,085	8.4	133.4	815.9	3.4	12.0
of which government debt securities at amortised cost	1,182	2.5	2,248	4.7	2,833	5.8	131.8	584.9	4.9	3.3
Investments in subsidiaries, joint ventures and associates	627	1.3	945	2.0	1,023	2.1	18.1	78.2	1.8	10.3
Other assets	928	1.9	718	1.5	735	1.5	-7.7	16.7	-1.0	-4.2
Equity and liabilities	47,948	100.0	48,252	100.0	48,774	100.0	271.1	522.0	0.6	5.4
Financial liabilities measured at amortised cost (deposits)***	41,895	87.4	42,817	88.7	43,488	89.2	271.2	671.8	0.6	6.3
a) Financial liabilities to central bank (Eurosystem)	1,229	2.6	2,344	4.9	2,167	4.4	-1.7	-177.0	-0.1	55.2
b) Liabilities to banks	18,168	37.9	1,716	3.6	1,871	3.8	-98.6	155.7	-5.0	-20.4
of which to domestic banks	2,065	4.3	649	1.3	815	1.7	-37.3	165.7	-4.4	1.9
of which to foreign banks	16,098	33.6	1,066	2.2	1,056	2.2	-61.3	-10.0	-5.5	-31.9
c) Liabilities to non-banking sector (deposits by NBS)	20,883	43.6	37,185	77.1	37,496	76.9	391.6	311.2	1.1	5.3
of which to non-financial corporations	3,728	7.8	8,998	18.6	8,544	17.5	-139.7	-453.6	-1.6	3.1
households	13,407	28.0	23,953	49.6	24,625	50.5	304.5	671.6	1.3	5.7
government	1,879	3.9	1,005	2.1	1,040	2.1	162.3	34.4	18.5	16.3
other financial institutions	1,065	2.2	1,417	2.9	1,522	3.1	85.6	104.6	6.0	18.1
non-residents	475	1.0	1,293	2.7	1,260	2.6	-23.3	-33.0	-1.8	-7.3
d) Debt securities	1,276	2.7	1,250	2.6	1,542	3.2	-2.6	292.1	-0.2	30.3
e) Other financial liabilities measured at amortised cost****	1,568	3.3	322	0.7	412	0.8	-17.5	89.7	-4.1	10.7
Provisions	176	0.4	151	0.3	148	0.3	1.7	-3.5	1.2	-14.9
Shareholder equity	4,010	8.4	5,061	10.5	4,943	10.1	11.2	-118.2	0.2	-0.3
Other liabilities	1,867	3.9	223	0.5	195	0.4	-13.0	-28.0	-6.3	-17.4
BALANCE SHEET TOTAL	47,948	100.0	48,252	100.0	48,774	100.0	271.1	522.0	0.6	5.4

Notes: * Loans to non-banking sector not held for trading based on "Methodology for compiling the recapitulation of the statement of financial position" comprise loans and other financial assets at amortised cost (from A.VI), at fair value (FV) through P&L (from A.III), and at FV through other comprehensive income (from A.IV).

** Financial assets / securities on the asset side comprise total financial assets from A.II, including loans held for trading, while equities and debt securities other than loans are captured from other categories of financial asset (A.III, A.IV and A.V).

*** Total financial liabilities measured at amortised cost in 2008 also include banks' liabilities to the central bank.

**** Includes subordinated debt until 31 December 2017. Under the IFRS 9 methodology, the item of "subordinated debt" is abolished, and these liabilities are included under liabilities to banks.

Source: Bank of Slovenia.

¹ The bank performance data in this publication is based on the banks' own book figures, which differ in methodological terms from the published statistics. The data on loans also differs because the data in this publication includes loans to non-residents, applies the net principle (amounts are minus value adjustments), and does not include non-marketable securities

Table 2: Income statement for 2020, 2021 and 2022

(EUR million unless stated)	2020 Breakdown		2021 Breakdown		2021 Breakdown		2022 Breakdown		Annual growth, %
		in %		in %	Jan.-May	in %	Jan.-May	in %	Jan.- May 22/ Jan.- May 21
Interest income	754.0		737.2		309.9		321.9		3.9
Interest expenses	114.9		112.0		50.0		53.7		7.2
Net interest	639.1	47.0	625.2	51.9	259.8	52.7	268.3	54.4	3.2
Non-interest income	721.0	53.0	580.5	48.1	233.5	47.3	224.8	45.6	-3.7
of which net fees and commission	329.7	24.2	377.3	31.3	150.1	30.4	168.2	34.1	12.1
of which net gains/losses on financial assets and liabilities held for trading	16.0	1.2	17.7	1.5	9.6	1.9	16.1	3.3	68.5
Gross income	1,360.1	100.0	1,205.6	100.0	493.3	100.0	493.0	100.0	-0.1
Operating costs	-718.4	-52.8	-717.1	-59.5	-294.7	-59.7	-306.3	-62.1	4.0
Net income	641.6	47.2	488.5	40.5	198.6	40.3	186.7	37.9	-6.0
Net impairments and provisions	-169.6	-12.5	73.7	6.1	14.0	2.8	-12.8	-2.6	-191.4
Pre-tax profit	472.0	34.7	562.2	46.6	212.6	43.1	173.9	35.3	-18.2
Taxes	-21.7		-36.9		-21.4		-20.0		-6.6
Net profit	450.3		525.3		191.2		153.9		-19.5

Source: Bank of Slovenia.

Table 3: Selected performance indicators

in %							2021	2022	May 2021	May 2022
	2016	2017	2018	2019	2020	2021	Jan.-May	Jan.-May	(last 12 mon.)	(last 12 mon.)
Profitability										
Financial intermediation margin*	3.05	2.88	3.01	3.13	3.16	2.58	2.64	2.48	3.09	2.52
ROA	0.99	1.19	1.38	1.48	1.10	1.20	1.13	0.87	1.20	1.09
ROE	7.96	9.58	11.07	12.16	9.57	11.33	10.88	8.59	10.86	10.43
Interest margin on interest-bearing assets	1.91	1.83	1.84	1.79	1.57	1.41	1.46	1.42	1.49	1.39
Net non-interest income / operating costs	68.53	62.67	71.93	80.84	100.35	80.95	79.23	73.37	102.18	78.46
Operating costs										
Labour costs / average assets	1.01	1.02	1.02	1.00	0.90	0.85	0.85	0.82	0.87	0.84
Other costs / average assets	0.80	0.78	0.73	0.77	0.77	0.69	0.71	0.70	0.77	0.68
Asset quality										
Impairments of financial assets	5.38	4.09	2.64	1.53	1.59	1.14	1.37	1.13	/	/

Gross income / average assets*

Source: Bank of Slovenia.

Table 4: Comparison of interest rates on new variable-rate loans in Slovenia with those across the euro area, in percentages

Interest rate	v %	Loans								Household deposits			
		Households				Corporates				up to 1 year		over 1 year	
		Housing		Consumer		up to EUR 1m		over EUR 1m		EMU	SLO	EMU	SLO
ECB	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	
dec.16	0.00	1.8	2.0	4.7	4.2	2.3	3.5	1.4	1.1	0.4	0.2	0.5	0.5
dec.17	0.00	1.7	2.0	4.5	4.4	2.1	3.6	1.3	1.1	0.3	0.1	0.5	0.5
dec.18	0.00	1.6	1.9	4.9	4.6	2.0	3.2	1.3	0.7	0.3	0.2	0.5	0.6
dec.19	0.00	1.5	1.8	5.4	4.6	1.9	3.3	1.2	0.9	0.2	0.2	0.5	0.3
dec.20	0.00	1.3	1.8	5.0	4.5	1.8	3.1	1.3	0.3	0.2	0.1	0.5	0.3
dec.21	0.00	1.3	1.6	5.1	4.7	1.7	2.2	1.1	1.1	0.2	0.0	0.5	0.2
jan.22	0.00	1.3	1.5	5.6	4.7	1.8	2.1	1.2	1.7	0.2	0.0	0.4	0.2
feb.22	0.00	1.4	1.6	5.4	4.7	1.7	2.0	1.1	2.7	0.2	0.0	0.4	0.2
mar.22	0.00	1.4	1.5	5.5	4.7	1.7	1.9	1.2	1.2	0.2	0.0	0.4	0.1
apr.22	0.00	1.4	1.5	5.8	4.5	1.8	2.0	1.2	0.7	0.2	0.0	0.5	0.1
maj.22	0.00	1.5	1.5	5.9	4.7	1.7	2.1	1.2	1.4	0.2	0.0	0.5	0.2

Note: Household deposits are broken down by maturity irrespective of the type of remuneration (fixed and variable interest rates are combined).
Source: Bank of Slovenia, ECB.

Table 5: Comparison of interest rates on new fixed-rate loans in Slovenia with those across the euro area, in percentages

v %	Loans							
	Households				Corporates			
	Housing		Consumer		up to EUR 1m		over EUR 1m	
EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	
dec.16	1.8	2.6	5.5	6.0	2.0	3.2	1.6	2.2
dec.17	1.9	2.9	5.4	6.1	2.0	3.4	1.5	1.8
dec.18	1.9	2.9	5.5	6.2	2.0	3.3	1.6	1.5
dec.19	1.4	2.7	5.3	6.2	1.7	3.5	1.4	1.1
dec.20	1.3	2.2	5.1	6.0	1.7	3.3	1.3	1.7
dec.21	1.3	1.7	5.1	6.0	1.6	2.2	1.2	1.2
jan.22	1.3	1.7	5.3	6.0	1.7	2.6	1.3	1.1
feb.22	1.4	1.7	5.3	6.0	1.8	2.7	1.5	1.7
mar.22	1.5	1.7	5.3	5.9	1.8	2.4	1.5	1.4
apr.22	1.6	1.8	5.4	6.0	1.9	2.5	1.6	1.3
maj.22	1.8	1.9	5.6	6.1	2.1	2.7	2.0	2.2

Source: Bank of Slovenia.

Table 6²: Non-performing exposures by client segment

	Exposures						Non-performing exposures (NPEs)					
	EUR million		in %		EUR million				ratio, in %			
	May.22	May.22	Dec.20	Dec.21	Apr.22	May.22	Dec.20	Dec.21	Apr.22	May.22		
NFCs	16,016	29.8	552	347	337	325	3.9	2.3	2.1	2.0		
large NFCs	7,949	14.8	227	71	71	64	3.1	0.9	0.9	0.8		
SME	7,808	14.5	325	276	266	261	4.7	3.7	3.5	3.3		
OFIs	1,690	3.1	8	4	4	4	0.6	0.2	0.2	0.2		
Households	13,043	24.3	255	261	250	250	2.1	2.1	1.9	1.9		
sole traders	719	1.3	30	27	26	26	4.3	3.9	3.6	3.6		
individuals	12,323	22.9	225	233	224	224	2.0	2.0	1.8	1.8		
consumer loans	2,531	4.7	84	94	91	92	3.2	3.7	3.6	3.6		
housing loans	7,661	14.2	115	114	108	107	1.7	1.6	1.4	1.4		
other	2,131	4.0	25	24	24	24	1.3	1.2	1.1	1.1		
Non-residents	9,011	16.8	106	30	36	36	1.3	0.3	0.4	0.4		
Government	4,142	7.7	8	0	0	0	0.2	0.0	0.0	0.0		
Banks and savings bank	945	1.8	0	0	0	0	0.0	0.0	0.0	0.0		
Central bank	8,931	16.6	0	0	0	0	0.0	0.0	0.0	0.0		
Total	53,777	100.0	929	641	627	615	1.9	1.2	1.2	1.1		

Source: Bank of Slovenia.

Table 7²: Non-performing exposures to non-financial corporations by sector

	Exposures		Non-performing exposures (NPEs)				NPE ratio			
	EUR million		EUR million				ratio, in %			
	May.22	May.22	Dec.20	Dec.21	Apr.22	May.22	Dec.20	Dec.21	Apr.22	May.22
Agriculture, forestry, fishing, mining	144	0.9	3	2	2	2	3.2	1.5	1.4	1.3
Manufacturing	4,378	27.3	93	61	64	63	2.3	1.5	1.5	1.4
Electricity, gas, water, remediation	1,667	10.4	9	8	6	5	0.6	0.5	0.4	0.3
Construction	1,602	10.0	61	41	41	40	4.8	2.8	2.7	2.5
Wholesale and retail trade	2,771	17.3	208	75	71	65	8.2	2.8	2.6	2.4
Transportation and storage	1,656	10.3	25	19	19	18	1.5	1.3	1.1	1.1
Accommodation and food service	558	3.5	61	77	79	79	9.8	13.3	14.1	14.1
Information and communication	634	4.0	5	4	4	4	0.9	0.7	0.6	0.6
Financial and insurance activities	221	1.4	0	0	0	0	0.0	0.1	0.0	0.0
Real estate activities	728	4.5	24	6	5	5	4.1	0.9	0.8	0.7
Professional, scientific and technical	1,401	8.7	50	43	40	39	3.7	2.9	2.9	2.8
Education, health, public admin.	145	0.9	5	4	4	3	3.8	2.8	2.6	1.9
Arts, recreation and entertainment	111	0.7	7	6	2	2	6.5	5.2	1.6	1.6
Total	16,016	100.0	552	347	337	325	3.9	2.3	2.1	2.0

²The data on non-performing exposures is calculated on the basis of the banks' modified reporting under the Guidelines for implementing the Regulation on reporting by monetary financial institutions in accordance with the CRD IV and the EBA definition published in Commission Implementing Regulation (EU) 2015/227 (OJ L 48 of 20 April 2015).

Table 8: Exposures by credit risk stages by client segment

	Share in %									Exposure to stage 2		
	S1			S2			S3			amount, EUR million		
	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22
NFCs	84.7	87.5	89.0	12.3	10.2	9.0	3.0	2.3	2.0	1,743	1,549	1,438
large NFCs	88.4	91.9	93.3	10.0	7.2	5.9	1.5	0.9	0.8	718	527	458
SME	80.9	83.1	84.6	14.6	13.3	12.2	4.6	3.6	3.2	1,026	1,022	980
OFIs	99.2	99.5	99.7	0.3	0.2	0.1	0.6	0.2	0.2	4	3	2
Households	89.4	88.4	89.6	8.5	9.5	8.5	2.1	2.1	1.9	1,010	1,199	1,109
sole traders	84.3	82.3	84.9	11.3	13.8	11.5	4.3	3.9	3.6	78	98	83
individuals	89.7	88.8	89.9	8.3	9.3	8.3	2.0	2.0	1.8	932	1,101	1,026
consumer loans	89.6	85.1	86.5	7.2	11.2	9.8	3.2	3.7	3.6	189	283	249
housing loans	88.3	89.5	90.5	10.0	8.9	8.1	1.7	1.6	1.4	660	644	621
other	94.6	90.5	91.5	4.1	8.3	7.3	1.3	1.2	1.2	83	174	156
Non-residents	94.5	96.8	96.0	4.6	2.9	3.6	1.0	0.3	0.4	366	251	327
Government	99.2	99.1	98.6	0.6	0.9	1.4	0.2	0.0	0.0	33	39	59
Total	91.9	93.0	93.4	6.5	5.8	5.5	1.6	1.2	1.1	3,166	3,060	2,945

Source: Bank of Slovenia.

Table 9: Exposures by credit risk stages by sector

	Share in %									Exposure to stage 2		
	S1			S2			S3			amount, EUR million		
	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22	Dec 20	Dec 21	May 22
Agriculture, forestry, fishing, min	85.0	91.0	92.6	11.8	7.4	6.1	3.2	1.5	1.3	12	10	9
Manufacturing	80.6	86.8	87.7	17.1	11.7	10.8	2.3	1.5	1.4	681	477	474
Electricity, gas, water, remediat	96.1	96.9	97.1	3.3	2.6	2.6	0.6	0.5	0.3	45	40	43
Construction	84.5	90.8	93.9	10.7	6.5	3.7	4.8	2.7	2.4	136	95	58
Wholesale and retail trade	88.0	89.2	90.2	8.2	7.9	7.4	3.8	2.8	2.4	200	211	205
Transportation and storage	93.8	92.2	93.2	4.7	6.5	5.7	1.5	1.3	1.1	78	100	94
Accommodation and food servic	44.1	32.8	39.7	46.7	54.4	46.7	9.2	12.8	13.6	288	315	259
Information and communication	92.1	96.8	97.3	7.0	2.5	2.1	0.9	0.7	0.6	39	16	13
Financial and insurance activitie	99.1	95.7	98.0	0.8	4.2	1.9	0.0	0.1	0.0	1	5	4
Real estate activities	86.2	91.0	93.1	9.7	8.0	6.1	4.1	0.9	0.7	56	51	44
Professional, scientific and techn	85.5	86.5	86.2	10.8	10.5	11.0	3.7	2.9	2.8	145	155	154
Education, health, public admin.	85.4	88.6	86.0	10.8	8.6	12.0	3.8	2.8	1.9	15	13	17
Arts, recreation and entertainme	47.8	38.6	42.3	45.7	56.2	56.0	6.5	5.2	1.6	48	61	62
Total	84.7	87.5	89.0	12.3	10.2	9.0	3.0	2.3	2.0	1,743	1,549	1,438

Source: Bank of Slovenia.

Table 10: Coverage of NPEs and credit risk stages with impairments and provisions

	Credit risk stages									NPE		
	S1			S2			S3			Dec.20	Dec.21	May.22
	Dec.20	Dec.21	May.22	Dec.20	Dec.21	May.22	Dec.20	Dec.21	May.22			
NFCs	0.7	0.4	0.4	5.6	4.4	4.2	52.5	57.2	59.0	46.5	57.4	59.0
OFIs	0.5	0.4	0.3	1.2	1.6	1.0	54.3	92.8	92.7	54.2	92.8	92.7
Households	0.3	0.2	0.3	4.7	4.3	4.3	51.2	53.9	54.8	51.1	53.9	54.8
sole traders	1.0	0.9	0.9	5.8	5.1	5.3	46.4	52.6	53.4	46.4	52.8	53.6
individuals	0.3	0.2	0.2	4.6	4.2	4.3	51.8	54.0	55.0	51.7	54.0	55.0
consumer loans	0.6	0.4	0.3	8.4	6.0	6.1	60.9	64.3	65.7	61.0	64.3	65.6
housing loans	0.2	0.2	0.2	3.7	3.9	3.9	43.4	43.5	43.5	43.5	43.5	43.5
other	0.3	0.2	0.2	3.3	2.7	2.8	58.8	62.8	63.9	58.0	63.6	64.7
Non-residents	0.3	0.2	0.2	3.7	4.3	5.2	78.1	77.2	80.2	65.1	77.2	80.3
Government	0.1	0.1	0.1	3.6	2.8	2.5	93.9	92.8	92.8	93.9	92.8	88.7
Total	0.35	0.22	0.24	5.1	4.3	4.3	55.0	57.0	58.7	50.3	57.1	58.8

Source: Bank of Slovenia