BANKA SLOVENIJE

EVROSISTEM

Report on Bank Performance with Commentary

Data to April 2026

June 2026

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Methodological notes

The tables and charts include data reported by banks to the Bank of Slovenia in accordance with the Instructions for the implementation of the Decision on the reporting by monetary financial institutions (report on balance sheet items with interest rates – PORFI). In 2020, banks transitioned to a new method for recognising interest on the impaired or adjusted portion of financial assets due to credit risk, in accordance with the IFRS Interpretations Committee (IFRIC) agenda decision of March 2019 and its accompanying illustrative example of 22 July 2019, both available at https://www.ifrs.org/news-and-events/2019/07/ifrs-9-webinarcuring-of-a-credit-impaired-financial-asset/.

Summary

The relatively favourable performance of banks in Slovenia continues, although developments in the international environment remain the main source of uncertainty. Year-on-year growth in loans to the non-banking sector strengthened further up to April. This was driven primarily by loans to households and non-financial corporations (NFCs), and to a lesser extent by loans to the government and non-residents. Amid the stabilisation of interest rates, banks recorded a slight increase in gross income and net interest income. Non-interest income decreased, which is typical for this part of the year due to volatility in individual categories of non-interest income. Banks' pre-tax profit was lower than in the same period last year, also reflecting an increase in certain costs that are fully recognised at the beginning of the year. The quality of banks' assets remained at 1.6%, unchanged from the level at the end of 2025. The assessed level of risks to the banking system for the second quarter remains unchanged. An elevated risk assessment thus continues to be observed for macro-financial risk, where risks are continuing to accumulate, and for cyber risk, for which the outlook has worsened owing to the rapid development of highly advanced artificial intelligence models that can be used in cyberattacks. A negative outlook, with a moderate level of risk, is maintained for risks stemming from the real estate market and for credit risk. By contrast, the outlook for interest rate risk has been revised to stable, reflecting the expected favourable effects of ECB key interest rate increases on the repricing gap, and the increased use of derivatives for hedging against interest rate changes. The resilience of the banking system remains high, with a stable outlook.

Deposits of the non-banking sector declined up to April this year, primarily due to a reduction in deposits of non-financial corporations (NFCs), while household deposits increased. The decrease in NFC deposits in the first half of the year typically coincides with loan repayments, dividend payments to owners, and holiday allowances paid to employees. Despite the decline, NFCs continue to hold a substantial volume of savings with banks, which can be channelled into current operations and investment; however, amid uncertain macroeconomic and geopolitical conditions, they remain cautious in this regard. In the first four months of this year, banks recorded solid inflows of household deposits. The only exception was a more pronounced outflow in March, when some savers redirected part of their savings into the purchase of a government bond issued to retail investors for the third consecutive year, again offering higher interest rates than those available on time deposits at banks. The decline in deposit interest rates came to a halt already at the end of last year, and rates remained stable up to April, albeit at very low levels. Consequently, the majority of all non-banking sector deposits (81%) remain in sight deposits, as savers continue to lack incentives to lock in their savings through fixed-term deposits.

Year-on-year growth in loans to the non-banking sector was higher in April this year than in the same period last year. It reached 10.7%, representing the highest growth since November 2022 and significantly exceeding the European average of 3.7%. Loans to the non-banking sector are thus accounting for an increasing share in the structure of banks' assets. The bulk of this year's increase in lending to the non-banking sector has been driven by loans to the two largest client groups, households and non-financial corporations (NFCs). Loans to the government and non-residents also contributed to growth this year. Lending to households continues to represent the most important segment of growth in loans to the non-banking sector. In the first four

months of this year, the monthly volume of newly granted housing loans and consumer loans both increased.

The quality of banks' assets remains favourable and at the level observed at the end of 2025; the main risk of future deterioration stems from the highly uncertain macro-financial environment, with adverse effects arising from geopolitical conflicts and changes in international trade. The NPE ratio for the total portfolio remained stable up to April this year at 1.6%, without notable changes across individual client segments. After reaching a multi-year high of 4.2% for non-financial corporations (NFCs) in December last year, it declined to 4.0% by April, largely reflecting the restructuring of certain loans at companies where the stock of NPEs had increased markedly last year. The stable NPE ratio for the household sector continues to reflect favourable labour market conditions and, on average, the sound financial position of households. In April, it stood at 1.4% and remained unchanged for both housing loans and consumer loans. The share of exposures in Stage 2 (S2) also remained stable at the level of the total portfolio in the first four months of the year and, at 4.0% in April, was close to its lowest level in recent years.

Banks' exposures to companies in bankruptcy remained limited despite an increase, while exposures to companies with blocked accounts declined; coverage of various segments of the portfolio by impairments and provisions remained stable. In March, the banking system's exposures to non-financial corporations (NFCs) in bankruptcy increased more noticeably; nevertheless, at 0.6% of total NFC exposures, they remained small. Since November last year, the volume of banks' exposures to companies with blocked accounts has been gradually declining, further reducing their already small share in total NFC exposures, which stood at 0.7% in April. Coverage of NPEs by impairments and provisions remained stable; however, at 47.4% in April it was significantly below the multi-year peak reached in January last year. The lower coverage continues to reflect the deterioration in the quality of the NFC portfolio, where coverage declined markedly following the inflow of less provisioned exposures in November last year. The overall coverage of performing exposures by impairments and provisions declined slightly further, reaching 0.34% in April.

Bank income generated in the first four months of the year remains comparable to that in the same period last year. Gross income of the Slovenian banking system increased year-on-year by just over 1%. Net interest income rose by 2.8% year-on-year up to April, while the net interest margin stabilised and is no longer declining; in April it exceeded 2.6%, which is around half a percentage point above the average of the previous two decades. Growth in non-interest income was slightly negative, although this mainly reflects volatility in the early months of the year. Growth in net fees and commissions, which account for the majority of net non-interest income in this period, remains solid. At 7.5%, growth in operating costs remains somewhat elevated at the beginning of the year, reflecting higher estimates of contributions to the deposit guarantee scheme at certain banks. Owing to lower non-interest income and higher operating costs, banks' net income was 6% lower than in the same period last year. Given the expected stability of net non-interest income and cost containment, current income developments are assessed as stable.

Banks' pre-tax profit in the first four months of 2026 was lower than in the same period last year but remained solid. Return on equity before tax stood at 10.9% up to April. The banking system thus continued to record a somewhat above-average level of profitability relative to its long-term average. This year's decline in profit (-14.6%)

reflects both a decrease in net income and an increase in net impairments and provisions. The latter nearly doubled compared with the same period last year, although they still accounted for a moderate share of banks' gross income, comparable to that recorded for the whole of last year.

The solvency of the banking system remained at a high level in the first quarter, despite slightly lower capital ratios. The total capital ratio stood at 20.2%, while the common equity Tier 1 (CET1) ratio reached 17.4%. A further decline in capital adequacy ratios is expected over the remainder of the year, primarily due to growth in exposures to credit risk; however, prudent management of regulatory capital will remain key to maintaining stable solvency.

The liquidity of the banking system remained sound despite a deterioration in certain liquidity indicators. As the stock of high-quality liquid assets (HQLA) declined more than net liquidity outflows, the liquidity coverage ratio (LCR) at the system level fell to 275%. The surplus above the minimum regulatory requirement remains substantial, thereby preserving banks' capacity to cover liquidity outflows over the short term under stressed conditions. Despite a slight deterioration at the beginning of this year, banks also maintained a relatively strong ability to fund their obligations over the longer term. Changes in the structure of liquidity continued.

1 Macro-financial Environment

Global economic growth remained robust in the first quarter despite higher energy prices and increased uncertainty related to the war in the Middle East, while the euro area continued to experience a period of weaker economic activity. The global composite PMI increased in April and May (51.8) compared with March (51), indicating a slight improvement and, for the time being, relatively robust economic activity despite heightened uncertainty. By contrast, weaker economic activity is evident in the euro area. The euro area composite PMI fell into contraction territory in April for the first time since the end of 2024, standing at 48.8, and declined further in May (48.5), signalling the fastest contraction in private sector activity in the past 18 months. This development was driven by weaker demand and persistent inflationary pressures. Confidence indicators in the euro area also deteriorated. Following a decline in April across all sectors, particularly in services and among consumers, weak economic sentiment continued into May. Euro area GDP declined by 0.2% quarter-on-quarter in the first quarter of this year,[1] while it increased by 0.3% year-on-year. According to the latest projections, euro area economic growth is expected to reach 0.8% this year, with inflation rising to 3%. The effects of the energy shock are expected to persist into 2027, when GDP is projected to increase by a modest 1.2%, while inflation is expected to ease to 2.3%[2]. Growth projections for 2026 and 2027 have been revised downwards, reflecting a stronger impact of the war on commodity markets, real incomes and confidence.

Recent developments in financial markets have been marked by negotiations between the United States and Iran and uncertainty regarding the lasting easing of geopolitical tensions. Amid higher inflation expectations and anticipated monetary policy tightening by the ECB and the Federal Reserve, yields on German and US government bonds have increased since the beginning of March. Their rise temporarily eased at the beginning of April following the agreement of a two-week ceasefire and the start of negotiations between the United States and Iran, but strengthened again amid ongoing negotiations. After widening at the outbreak of the war, spreads between yields on euro area bonds with higher credit risk and German government bonds narrowed (Figure 1.1, left). The effects of the war were also evident in equity markets, which, following an initial decline at the beginning of March, have largely recouped their losses amid to the start of negotiations and a partial easing of geopolitical tensions. At its June meeting, the ECB Governing Council raised all three key interest rates by 25 basis points, in line with market expectations, reflecting efforts to contain rising inflationary pressures amid a sharp increase in energy prices. Further developments in financial markets will largely depend on market participants' response to the ECB's decision, expectations regarding the Federal Reserve's upcoming meeting, and the further course of negotiations between the United States and Iran.

The domestic economy maintained favourable growth in the first quarter. GDP continued to expand, both quarter-on-quarter and year-on-year. Compared with the final quarter of last year, it increased by 0.7%, while year-on-year growth reached 3.0%, supported by a low base effect. Growth was driven primarily by domestic consumption and investment, while the deficit in external trade persisted. Year-on-year export growth remained modest at 0.7%, mainly due to a decline in services exports, while goods exports increased by nearly 2%. Imports strengthened by 1.5% amid robust domestic

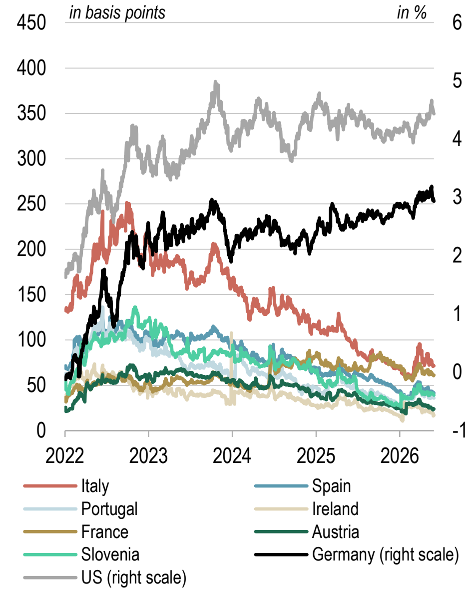
[1] Eurostat revised its initial estimate of 0.1% quarter-on-quarter GDP growth in the euro area to a contraction, following its regular data revision, mainly due to downward revisions to data for Ireland. Eurostat, June 2026.

[2] ECB, June 2026.

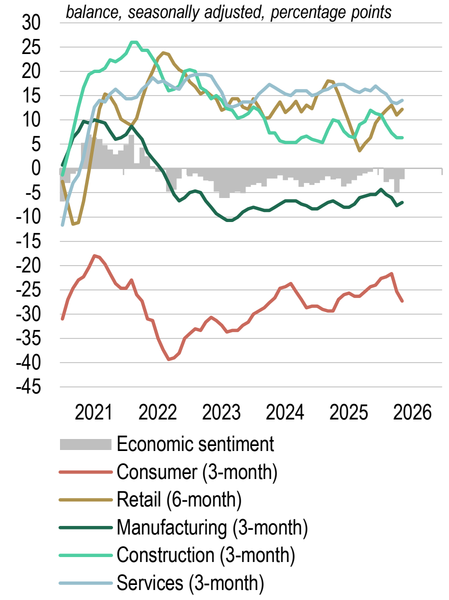
consumption, with net trade consequently reducing economic growth by 0.5 percentage points. Although the impact of geopolitical tensions on domestic economic activity remains limited for the time being, their effects are already reflected in higher inflation, weaker sentiment and less favourable economic prospects. According to the latest projections, economic growth in Slovenia is expected to reach 1.9% this year, and 2.2% in both 2027 and 2028.[3] Inflation (HICP) stood at 3.4% in April 2026 and 3.8% in May, which is significantly higher than in the first quarter of this year and above the euro area average. The increase was driven mainly by higher energy prices. Headline inflation is expected to reach 3.6% in 2026, before declining to 2.3% in 2027 and 2.0% in 2028.[4] Following a marked deterioration in confidence indicators in April, economic sentiment partially improved in May (Figure 1.1, right). This was also supported by higher consumer confidence, which had declined to its lowest level since October 2023 in April. However, the broader effects of geopolitical tensions could materialise with a lag, via the continued pass-through of higher energy and commodity prices into the prices of goods and services. In such circumstances, business conditions for firms and the financial position of households could deteriorate. This would result in higher costs, weaker demand and lower profitability, which would gradually weaken the debt-servicing capacity of firms and, with an additional lag, also of households. Although the banking system remains stable, risks continue to originate predominantly from the external environment and could be transmitted to the financial system, primarily via the real sector.

Figure 1.1: **Financing costs and confidence indicators – Slovenia**

Yields and spreads on 10-year government bonds



Confidence indicators and economic sentiment in Slovenia



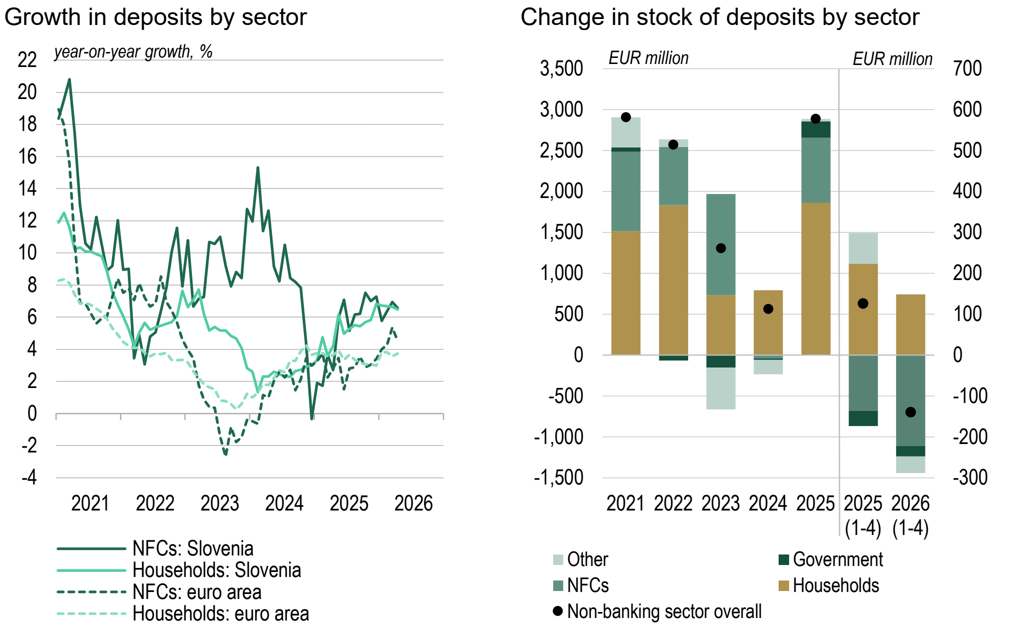
Note: Data up to 29 May 2026. In the left chart, the spread is calculated as the difference between the yield on the ten-year government bond and the yield on the benchmark (German) bond on a daily basis and reflects the additional risks that market participants attribute to the country. The data is illustrated as 30-day moving averages. In the right chart, confidence indicators are shown as 3-month and 6-month moving averages (except for the economic sentiment indicator), expressed in the form of an average balance. The balance represents the difference between the share of positive and negative responses.
Sources: Bloomberg, Banka Slovenije calculations, SORS.

[3] Macroeconomic developments with projections, June 2026.
[4] Macroeconomic developments with projections, June 2026.

2 Bank Funding

Deposits of the non-banking sector declined up to April this year, but remained the key source of funding for Slovenian banks. The decrease, amounting to EUR 140 million, was mainly driven by a reduction in NFC deposits, and to a lesser extent also by a decline in deposits by the government and non-residents (Figure 2.1, right). The relatively strong year-on-year growth of non-banking sector deposits observed during 2025 moderated somewhat at the start of this year, standing at 6.3% in April, which is comparable with pre-pandemic growth rates (Figure 2.1, left). Banks' reliance on wholesale funding increased due to borrowing by some banks from banks abroad, while none of the banks issued debt securities in the period up to April. Despite the increase, wholesale funding accounts for less than one tenth of the banking system's balance sheet.

Figure 2.1: **Trends in deposit by the non-banking sector**



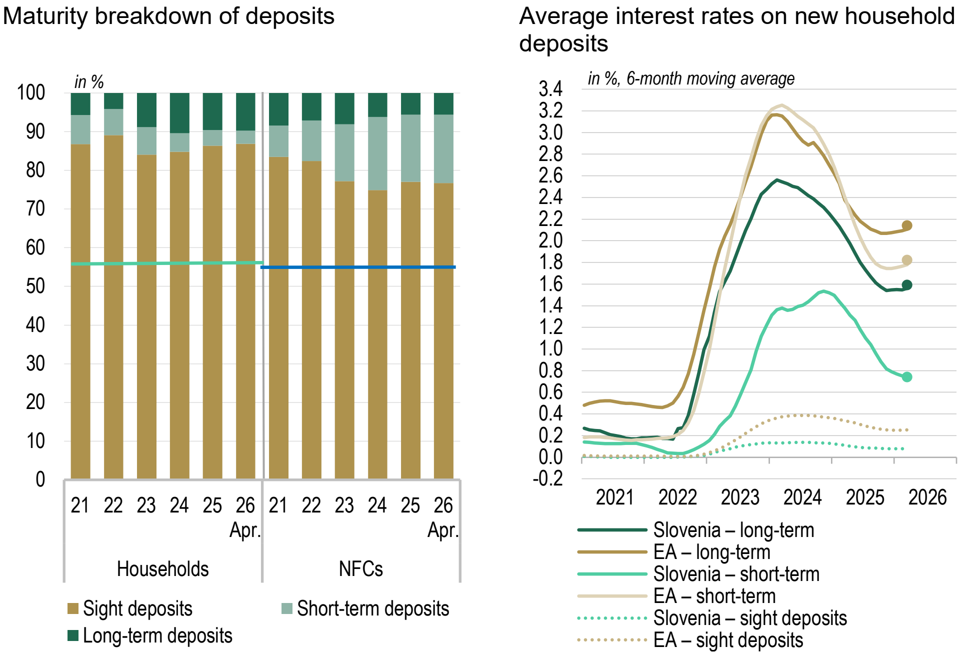
Note: In the right chart, the data for 2025 (1–4) and 2026 (1–4) are shown on the right-hand axis.
Sources: Banka Slovenije, ECB Data Portal.

Household deposits increased by EUR 148 million, which is somewhat less than in the same period last year. Banks recorded solid monthly inflows, with the exception of a larger outflow in March, when some savers allocated part of their savings to the purchase of a government bond. For the third consecutive year, the government issued a bond intended for retail investors, which again carries a more favourable interest rate than those offered by banks on term deposits. Nevertheless, the outflow of household deposits, as in previous issuances, accounted for less than 1% of total household deposits. These remain a stable and, at close to one half of the banking system's balance sheet, the most important source of funding for Slovenian banks. After gradually increasing last year, the year-on-year growth in household deposits moderated slightly up to April this year; at 6.5% it nonetheless remained twice as high as the euro area average. We expect deposit growth to remain favourable in the months leading up to the summer holiday period, particularly on account of the payment of annual leave allowances.

Deposits of NFCs declined in the first four months of this year, similarly to the same period in the previous four years. The outflow of NFC deposits in the first half of the year is typically associated with loan repayments, dividend payments to owners, and higher operating expenses due to the payment of annual leave allowances to employees. Despite the reduction of EUR 222 million, NFC deposits, at close to one fifth of the banking system's balance sheet, remain an important source of funding for Slovenian banks. The strengthening of year-on-year growth in NFC deposits observed in the first half of last year moderated towards the end of the year. With a similar trend continuing this year, year-on-year growth stood at 6.6% in April, remaining above the euro area average, which has also strengthened. Corporates continue to hold a large volume of savings in banks, supporting their liquidity for day-to-day operations, while remaining cautious with regard to investment activity.

With low deposit interest rates the majority of deposits (81.6%) remains in sight deposits. The decline in already low interest rates on term deposits, which has discouraged savers from fixing their savings, came to a halt at the end of last year. Interest rates remained at stable, albeit low levels up to April this year (Figure 2.2, right). Consequently, sight deposits continue to dominate banks' balance sheets (Figure 2.2, left). In April, they accounted for 87% of total household deposits and 77% of total NFC deposits, which is well above both the euro area average and the long-term average in Slovenia.

Figure 2.2: **Maturity of deposits and interest rastes**



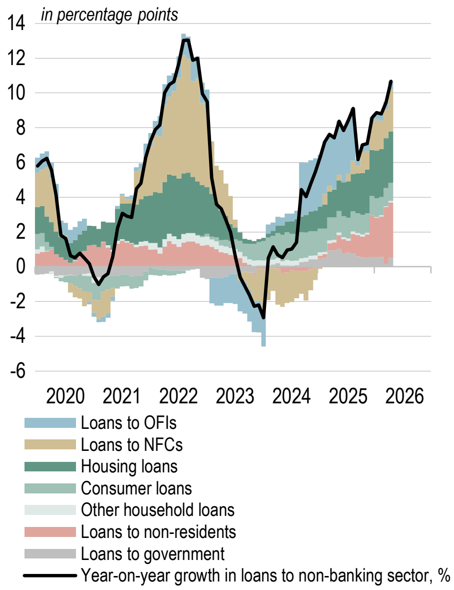
Note: The horizontal lines in the left chart denote the average share of sight deposits between 2000 and April 2026, which stood at 56.5% in the household segment and 54.7% in the NFC segment. In the image on the right, the dots represent the actual latest data point.
Source: Banka Slovenije, ECB Data Portal.

3 Bank Assets

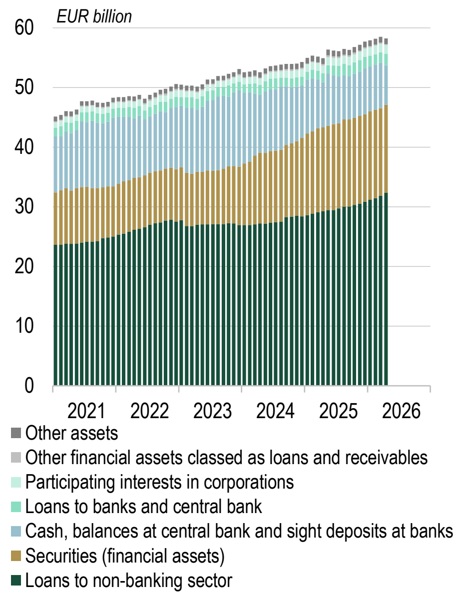
Banks significantly increased lending to the non-banking sector in the first four months of this year, with growth particularly pronounced in the household segment. At the same time, banks continued to reduce the volume of liquid assets[5] and increased their holdings of higher-yielding securities; growth in these investments, however, was markedly more moderate this year compared with the previous two years (Figure 3.1, right). In lending to the non-banking sector, Slovenian banks recorded above-average credit activity, with year-on-year growth of 10.7%, compared with 3.7% in the euro area. The largest contribution to overall growth came from loans to households (4.1 percentage points), followed by loans to non-residents (3.2 percentage points), where the upward trend in lending has continued this year. Most loans to non-residents were extended to finance, in particular, affiliated companies. Within the household segment, housing and consumer loans predominate, with housing loans making the larger contribution to overall growth. Loans to NFCs contributed 2.4 percentage points to growth in April, while loans to other financial institutions (OFIs) and the government contributed 0.5 percentage points (Figure 3.1, left).

Figure 3.1: **Lending to the non-banking sector**

Contributions to credit growth by customer segment and loan type



Structure of financial assets

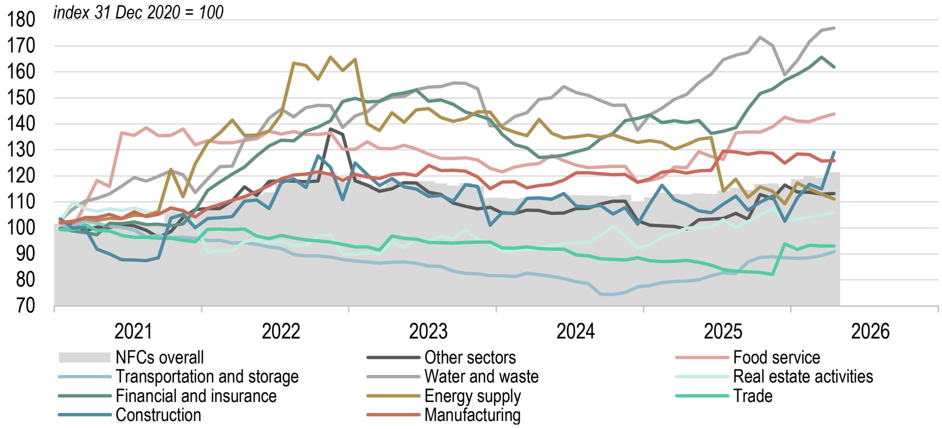


Note: OFIs: other financial institutions. The pronounced negative contribution by loans to OFIs between February 2023 and January 2024 was related to the sale of a leasing company and its repayment of a loan, while the pronounced positive contribution in September and October 2024 was attributable to lending to the same company.
Source: Banka Slovenije.

The year-on-year growth in loans to NFCs strengthened. In April, year-on-year growth stood at 7.0%, compared with 3.4% in the euro area. The largest share of loans to NFCs is extended to companies in manufacturing and construction. Compared with end-2020, loan volumes increased the most among NFCs in water supply and waste management, and in financial and insurance activities, although these two sectors account for a relatively small share of total NFC loans. Overall, loans to NFCs increased in nominal terms by just over 21% between December 2020 and April 2026, corresponding to an average annual growth rate of 3.7% (Figure 3.2). In certain activities, loan growth over this period remained moderate, while in the trade and transport sectors.

[5] Cash, balances with the central bank, and demand deposits with banks.

Figure 3.2: **Lending to NFC by sector**



Note: The data are compiled on a gross basis. The "other activities" category includes the following activities: agriculture, hunting, forestry and fishing; information and communication activities; professional, scientific and technical activities; and public services. The financial and insurance activities category includes only companies from sector S.11 (NFC).
Source: Banka Slovenije.

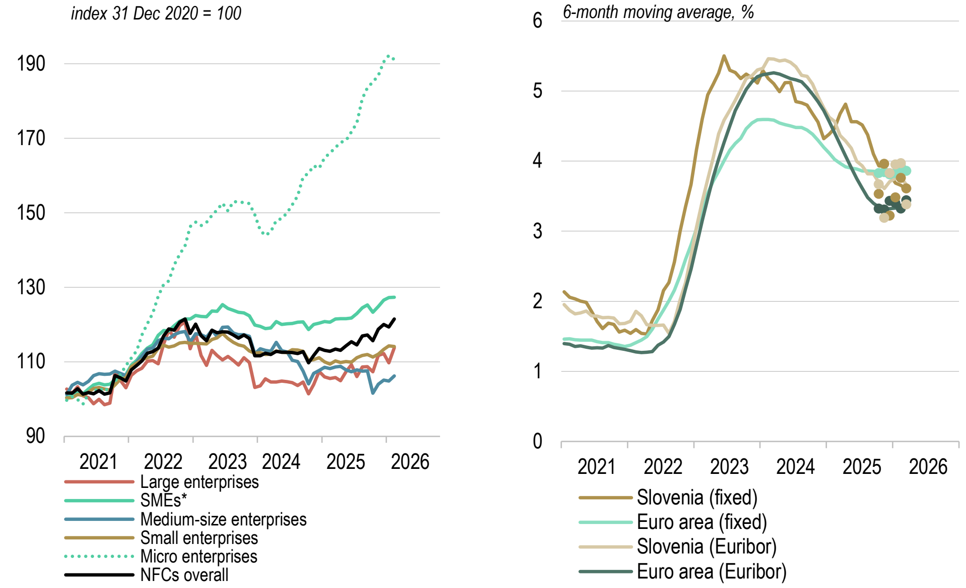
Loans to micro enterprises recorded the strongest growth both this year and over the past five years. The volume of loans to medium-sized enterprises stagnated on a year-on-year basis, while moderate growth was observed among small, medium-sized and large enterprises. Year-on-year growth was most pronounced in micro enterprises, where loan volumes increased by 15.1%. In terms of volume, loans to large enterprises continue to dominate, accounting for almost half of total NFC loans. Compared with end-2020, loan volumes increased the least among large enterprises, by just over 6%, while the increase was largest among micro enterprises, where it reached as much as 91% (Figure 3.3, left).

Interest rates on loans to NFCs have remained broadly unchanged this year. Interest rates on newly granted variable-rate loans to NFCs, which account for the largest share of new lending, reached 3.7% in April. The average fixed interest rate on loans to NFCs stood at 3.5% (Figure 3.3, right). These levels are comparable with the euro area, where interest rates also remained relatively stable in the first four months of this year.

Figure 3.3: **Lending to NFCs and interest rate**

Developments in loans according to corporate size

Interest rates on new loans to NFCs



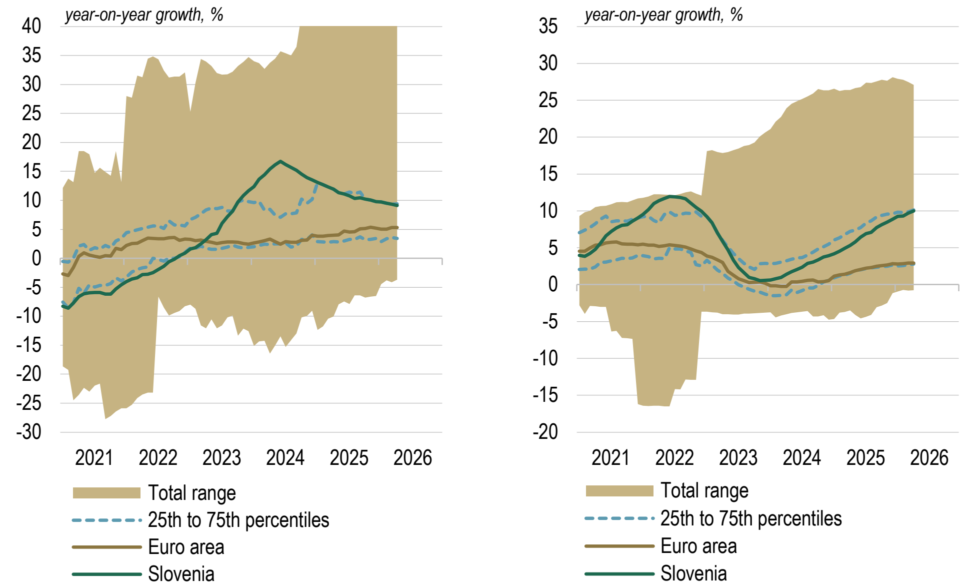
Note: The left chart illustrates gross figures. SMEs include micro, small and medium-size enterprises.
Source: Banka Slovenije, ECB Data Portal, Banka Slovenije calculations.

In the first four months of this year, the monthly volume of newly granted housing and consumer loans continued to increase. Year-on-year growth in loans to households rose to 8.8% in April, which is significantly above the euro area average of 3.0%. Year-on-year growth in consumer loans stood at 9.1% in April (5.3% in the euro area) (Figure 3.4, left). Almost all newly granted consumer loans carry fixed interest rates, which stood at 5.7% in April this year. Growth in housing loans was even more pronounced, accelerating to 10.0% (2.9% in the euro area) (Figure 3.4, right). Interest rates on housing loans remained relatively stable this year. Fixed interest rates on newly granted housing loans, which strongly predominate over variable rates, ranged between 2.8% and 3.0% over the past year; they remained at the same level in April this year.

Figure 3.4: **Household lending**

Consumer loans

Housing loans



Note: In the left chart, Luxembourg recorded the highest year-on-year growth during the period shown up to 2022, and from 2023 onwards, Lithuania.
Source: Banka Slovenije.

4 Bank Asset Quality

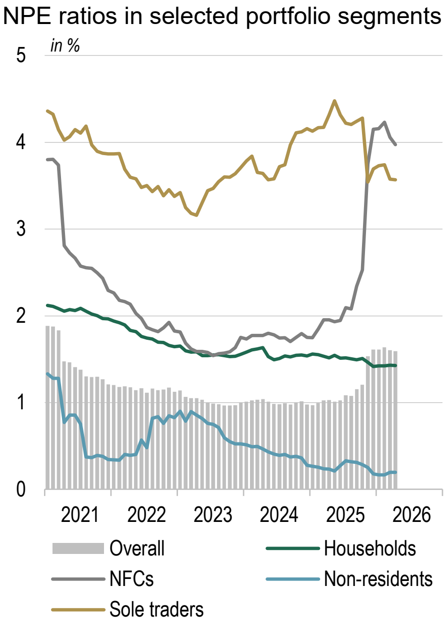
The quality of banks' assets remained at the level observed at end of 2025 during the first four months of this year, while the main risk to future asset quality continues to stem from the uncertain macro-financial environment, as well as from the adverse effects of geopolitical tensions and changes in international trade. The NPE ratio of the banking system remained stable in the first four months of the year; in April it stood at 1.6% and was also stable across client segments (Figure 4.1, left). Following a marked increase among NFCs in November and December last year, when it reached 4.2%—its highest level in several years—the ratio decreased to 4.0% by April. The decrease was largely related to the same companies in manufacturing (C) and in professional, scientific, technical and administrative and support service activities (NO), where the volume of NPEs had risen significantly last year. Some banks restructured and collateralised exposures to these companies, leading to a slight decline in the NPE ratio in these sectors (Figure 4.1, right).[6] In contrast, the NPE ratio increased most notably in transportation and storage (H), reaching 2.1% by April (up 0.7 percentage points from December), which was attributable to a single company entering bankruptcy in March. The bankruptcy of another company and the reclassification of its liabilities into NPE status also led to a slight increase in the NPE ratio in wholesale and retail trade (G), which stood at 1.4% in April (up 0.2 percentage points from December). Among sole traders, the NPE ratio stabilised, standing at 3.6% in April (Figure 4.1, left).[7] Supported by favourable labour market conditions and, on average, still sound financial position of households, the NPE ratio in the household segment remained stable. Since declining to 1.4% in December last year, it has remained unchanged; within this segment, the NPE ratio stood at 0.8% for housing loans and at 3.0% for consumer loans (Figure 11.3 in the Appendix, left).[8] The continuation of an uncertain macro-financial environment, uncertainties surrounding the outcome of the conflict in the Middle East and future developments in commodity prices, as well as changes in international trade conditions, continue to pose risks for the domestic economy; these factors could, going forward, be reflected in a deterioration in the quality of banks' assets.

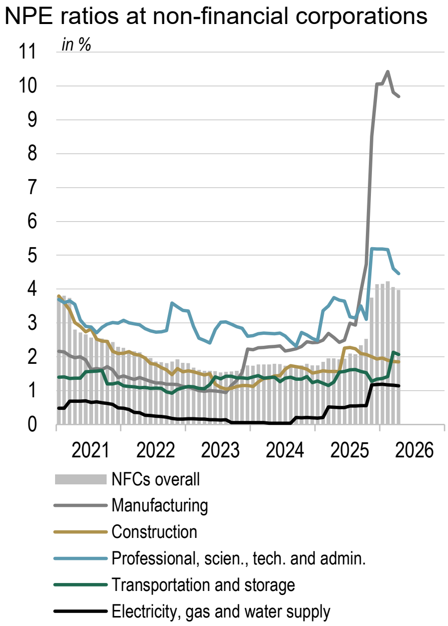
[6] In manufacturing (C), to 9.7% (up by 0.4 pp since December), and in professional, scientific, technical and administrative and support service activities (NO), to 4.5% (up by 0.7 pp since December).

[7] With a 2.7% share in total NPEs and a 1.2% share in banks' total exposure, sole traders represent a smaller group of clients.

[8] For other household loans, it increased to 1.4% in April (up by 0.2 pp since December).

Figure 4.1: **NPE ratios for individual parts of the portfolio**





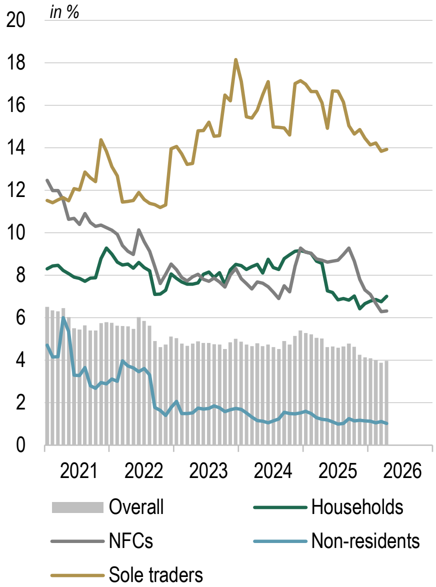
Source: Banka Slovenije.

The share of exposures classified as Stage 2 remained stable in the first four months of the year. At the level of the total portfolio, it declined in March to its lowest level in recent years and, at 4.0%, remained at a similar level in April (Figure 4.2, left). Most of the reduction in the volume of Stage 2 exposures up to April was recorded in the NFC segment, particularly among companies in professional, scientific, technical and administrative and support service activities (NO), where several larger exposures were reclassified into Stage 1. As a result, the share of Stage 2 exposures among NFCs decreased noticeably, to 6.3% in April, representing the lowest level in recent years (Figure 4.2, right). In the household segment, the volume of Stage 2 exposures increased up to April this year in both housing and consumer loans, while remaining unchanged in other loans to households. Consequently, the share of Stage 2 exposures in the household segment rose to 7.0% in April (Figure 11.3 in the Appendix, right).[9] Despite this increase, and alongside a stable NPE ratio, households continue to exhibit a sound financial position from the perspective of banks. In the first four months of the year, the share of Stage 2 exposures among sole traders declined further, to 13.9% in April, marking the lowest level in the past three years; at 1.0%, it also remained at a historically low level among non-residents (Figure 4.2, left).

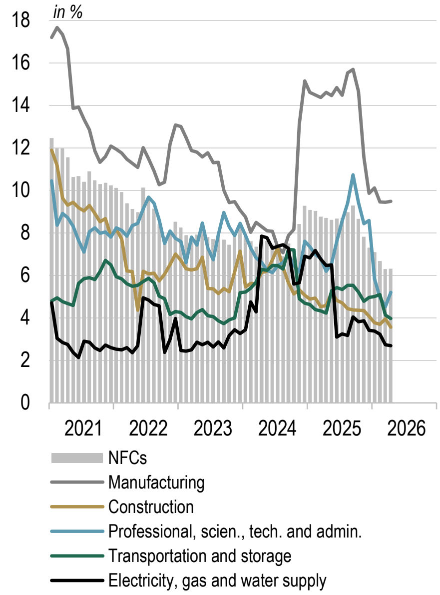
[9] Up to April this year, the share of S2 in housing loans increased by 0.5 percentage points to 5.3%, and in consumer loans by 0.3 percentage points to 10.0%.

Figure 4.2: **Share of Stage 2 exposures**

Share of Stage 2 exposures in selected portfolio segments



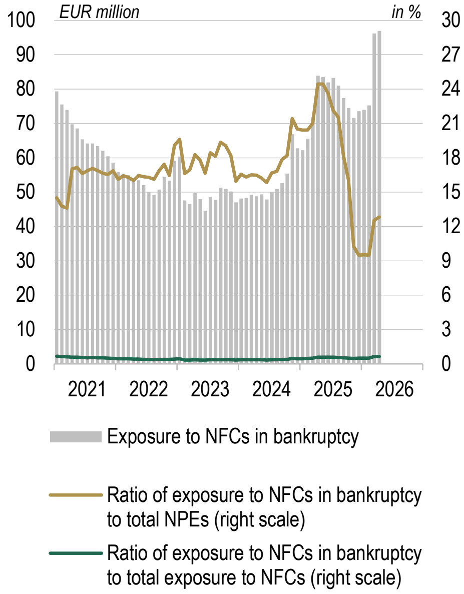
Share of S2 exposures at non-financial corporations

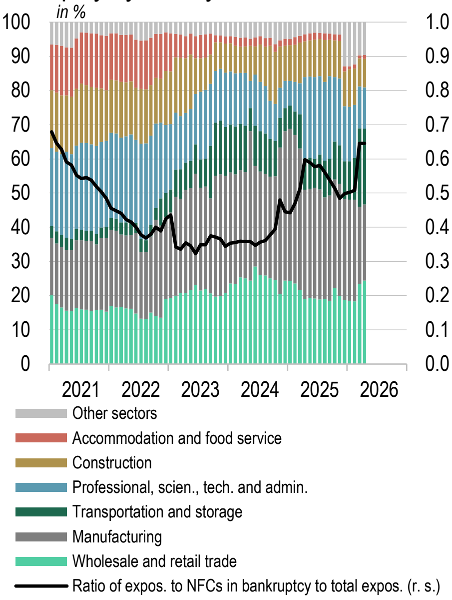


Source: Banka Slovenije.

The number of initiated bankruptcy proceedings increased in the first four months of this year, while banks' exposure, despite the increase, remains limited. More challenging economic conditions have been reflected, since the beginning of 2024, in a rising number of companies entering bankruptcy proceedings, a trend that has continued this year. In March, following the bankruptcy of two companies to which banks had somewhat larger exposures, the banking system's exposure to NFCs in bankruptcy increased discernibly (by EUR 21 million). Despite this increase, it remained small, at 0.6% of total NFC exposure (Figure 4.3, left). Within the structure of exposures to companies in bankruptcy, the shares of wholesale and retail trade (G), and transportation and storage (H), increased; together with manufacturing (C), these sectors account for almost 70% of total exposure to companies in bankruptcy (Figure 4.3, right).

Figure 4.3: **Banks' exposure to NFCs in bankruptcy**





Source: Banka Slovenije.

Banks' exposure to companies with blocked accounts declined in the first four months of this year. Except for March, when it temporarily increased, it has been gradually decreasing since November last year, further reducing the already small share of these exposures in total NFC exposure, which stood at 0.7% in April. In the sectoral breakdown, manufacturing (C) stands out, where exposure increased up to April, while it decreased in most other sectors. As a result, its share in total bank exposures to companies with blocked accounts increased, reaching 43% in April.

Coverage of non-performing exposures (NPEs) and performing exposures (PEs) with impairments and provisions remained stable. After declining markedly in November last year, coverage of NPEs in the total portfolio remained stable up to April, when it stood at 47.4% (Figure 11.4 in the Appendix, left). It thus remained well below the multi-year peak of 62.1% recorded in January last year. The lower coverage of NPEs continues to reflect the deterioration in the quality of the NFC portfolio, where coverage declined sharply in November last year due to the inflow of less provisioned exposures and remained at similar levels up to April this year (41.3%). By contrast, in the household segment, coverage of non-performing exposures increased from December last year to 68.9%. The increase was recorded in both housing loans and, more markedly, in consumer loans. The overall coverage of performing exposures with impairments and provisions declined slightly from December, standing at 0.34% in April (Figure 11.4 in the Appendix, right).

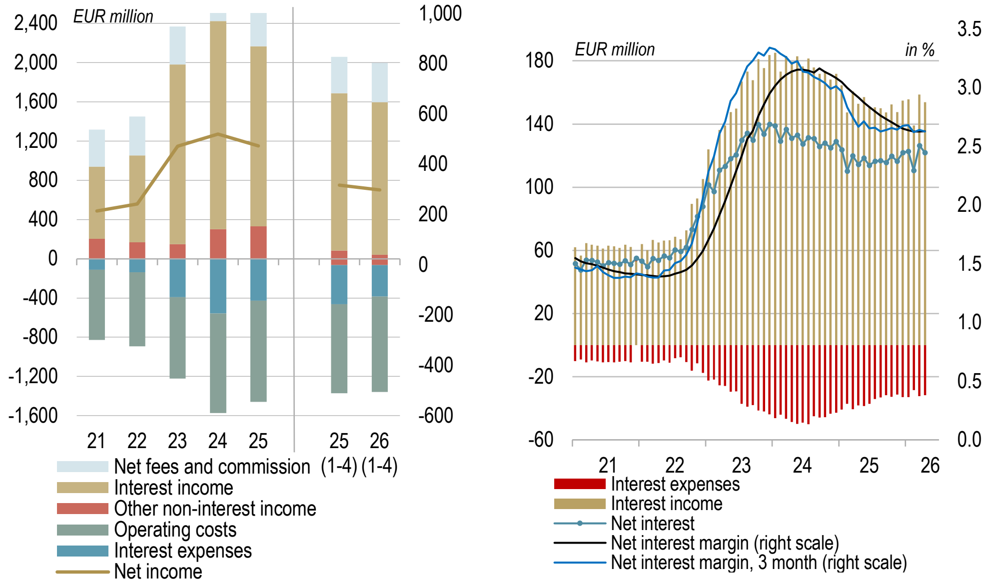
5 Bank Income Generation

Banks' income in the first third of 2026 was comparable to that recorded in the same period last year and remained at a high level. By April, banks generated EUR 679 million in gross income. Net income stood at EUR 298 million in the first four months of the year (Figure 5.1, left), 6% below the level recorded in the same period last year. The shortfall was primarily driven by one-off factors on the non-interest income side and on the cost side. Net income is typically somewhat lower in the first months of the year due to seasonal effects.

Figure 5.1: **Net income and monthly change in net interest and net interest margin**

Net income and components

Monthly increases in interest income, interest expenses, and the net interest margin



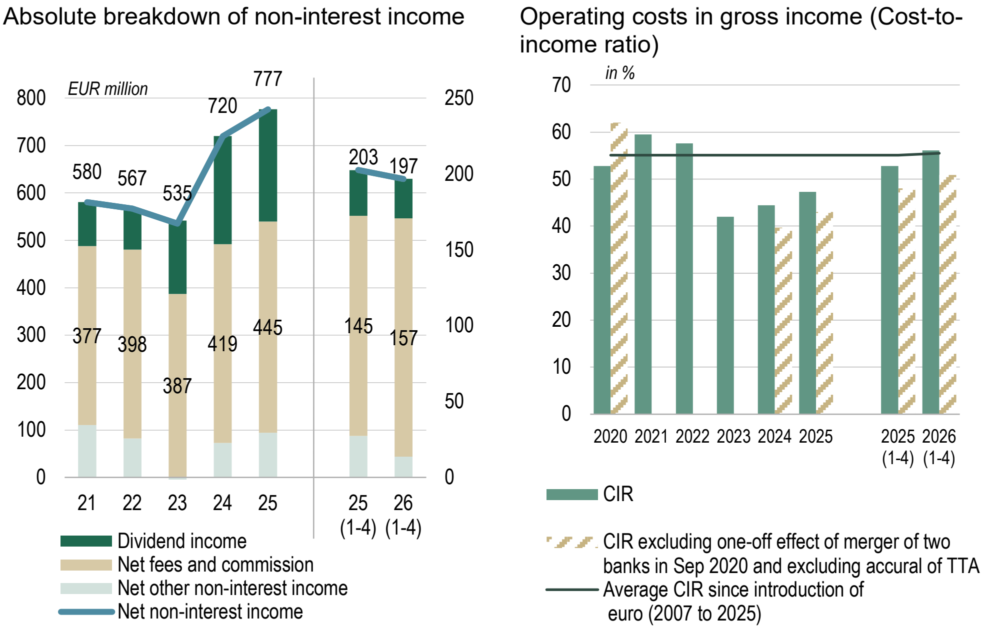
Note: In the left chart, the data for 2025 (1-4) and 2026 (1-4) are shown on the right axis. The net interest margin in the chart on the right is calculated for each respective one-year period.
Source: Banka Slovenije.

Net interest income has no longer been declining since March, and its year-on-year growth accelerated to 2.8% by April. By April, banks generated EUR 607 million in interest income and incurred EUR 125 million in interest expenses. The year-on-year decline in interest income slowed to 2.9%, while interest expenses, albeit from a low base, decreased by as much as 20.1%. Net interest income amounted to EUR 481.8 million; annualised, it would be comparable with the level recorded in 2023. Price effects on the asset side of banks' balance sheets continued this year to exert downward pressure on net interest income, while volume effects contributed to its increase. Loans and securities supported the increase, while banks' claims on the central bank declined further. On the liability side, price effects contributed in the opposite direction, i.e. towards higher net interest income, alongside volume effects from wholesale funding. Overall, the change in total net interest income this year compared with last year remained modest (+EUR 13.1 million). The net interest margin stood at 2.63% over the twelve-month period to April (Figure 5.1, right). Its decline slowed markedly over the course of last year, while in the past three months it has edged up slightly. Calculated on a rolling three-month basis, it also stood at 2.63%, with only very small changes observed since mid-last year. The net interest margin thus remains significantly above the average of the past two decades, by around half a percentage point.

Given the low cost of funding in Slovenia—reflecting the strong predominance of sight deposits of the non-banking sector—and the potential for further ECB interest rate increases, a slight renewed increase in the margin may also be expected.

Net non-interest income declined slightly (-2.8%), while growth in net fee and commission income remained relatively strong at 8.1%. The decline in non-interest income (Figure 5.2, left) was mainly driven by volatility in income from foreign exchange differences and dividends; dividend income is typically low in the early months of the year. Net fee and commission income increased by around 9% year on year on average in the first four months of the year. The net fee and commission margin (0.80%) remained comparable to last year.

Figure 5.2: **Net non-interest income and CIR**



Source: Banka Slovenije.

Growth in banks' operating costs accelerated this year, reaching 7.5% by the end of April, primarily driven by higher costs related to the recognition of expected contributions to the deposit guarantee scheme. These costs increased by 25.5% year on year; excluding this effect, the year-on-year growth in operating costs would have been 4.6%. Growth in labour costs remains moderate, increasing by 4.2% year on year up to April, which is comparable with 2025 (4.0%). The cost-to-income ratio (56.1%) exceeded the level recorded in the same period last year (52.8%). In the first months of the year, the ratio (Figure 5.2), reflecting the recognition of the full amount of contributions to the deposit guarantee scheme at the beginning of the year, is typically higher and gradually declines over the course of the year; a similar pattern can be expected this year.

Banks are currently maintaining stable levels of income. Supported by positive growth in net interest income, stable net non-interest income, and moderate growth in operating costs, we expect banks' income to continue increasing; this is also reflected in banks' own expectations.[10] Since the end of the low interest rate environment, both banks' income and net interest income have remained at a high level. Over recent months, the net interest margin has even shown signs of increasing. Following the transition to a higher interest rate environment, it stabilised already in the second half of last year at a level above the long-term average of the previous two decades. With adverse price effects on the asset side easing and relatively strong credit activity vis-à-vis the non-banking sector at present, we expect solid net interest income. Nevertheless, tighter lending conditions, in particular interest rates on loans to the non-banking sector, could dampen new lending volumes and thereby negatively affect interest income from credit activity. This is also influenced by balance sheet restructuring, as banks have been reducing lower-yielding claims on the central bank and increasing their holdings of securities since the start of the ECB's key interest rate cuts. At the same time, low interest expenses—reflecting the predominantly sight deposit structure[11] and low deposit rates—continue to support the currently high level of the net interest margin. Other components of banks' income remain relatively stable despite volatility in the first months of the year. Growth in net fee and commission income continues to outpace that of the balance sheet. In the second third of the year, from May to July, dividend income typically increases, contributing positively to banks' income. Growth in operating costs remains contained and does not materially reduce banks' net income.

[10] See Chapter 9, which presents the findings from the Bank Lending Survey (BLS).
[11] On average, banks pay an interest rate of only 0.36% on deposits by the non-bank sector.

6 Capital Adequacy, Profitability and Liquidity in the Banking System

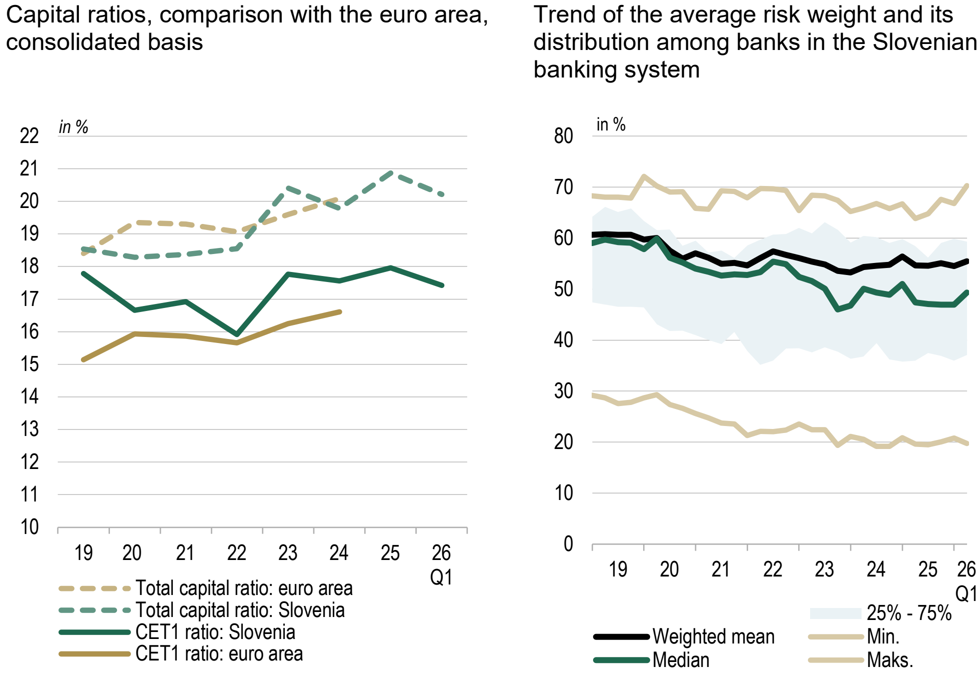
The Slovenian banking system maintained a high level of solvency at the end of the first quarter of 2026. Capital adequacy ratios declined, as expected. The total capital ratio on a consolidated basis stood at 20.2% at the end of the first quarter, representing a decrease of 0.7 percentage points compared with end-2025. The common equity Tier 1 (CET1) ratio declined by 0.6 percentage points to 17.4%.

The decline in capital adequacy ratios in the first quarter was driven by relatively strong growth in risk-weighted exposure amounts (RWAs). Total RWAs increased by 3.4% in the quarter, or 9.5% on a year-on-year basis. The increase was primarily attributable to rising credit risk exposures, with the largest contribution stemming from the growth in RWAs secured by immovable property (up 4.2%) and retail exposures (up 3.2%).The increase in Total RWAs at the system level also raised the average risk weight to 55.4% (+1.0 percentage point), particularly among the half of banks with the lowest RWA density;[12] this points to an overall increase in risk exposure. Growth in regulatory capital in this quarter was, as expected, modest at just 0.1%, as banks had already included most of their planned retained earnings in capital in the final quarter of 2025. Among the components of regulatory capital, other reserves increased the most during this period, rising by 2.4%, while losses from accumulated other comprehensive income had a slightly negative impact. In line with the decline in capital adequacy ratios, the surplus above the overall capital requirement decreased in the first quarter,[13] from 6.6 to 5.9 percentage points. In the euro area, for which the latest data available relate to the third quarter of 2025, the total capital ratio stood at 20.1%, while the CET1 ratio amounted to 16.6%. On a solo basis, the total capital ratio in the Slovenian banking system reached 22.7% at the end of the first quarter of this year, while the CET1 ratio stood at 19.2%; this confirms the high solvency of the banking system in this period.

[12] RWA density (Risk-Weighted Assets density) is the ratio between RWA and total assets.

[13] The overall capital requirement (OCR) includes capital requirements under Pillars 1 and 2, as well as capital buffers, but does not include the P2G guidance.

Figure 6.1: **Capital ratios and trend of average weight**



Note: CAR – capital adequacy, CRE CR – risk weighted exposure for credit risk.
Sources: Banka Slovenije, ECB Data Portal, own calculations.

Further declines in capital adequacy ratios are expected over the remainder of the year, primarily driven by an increase in credit risk exposures. Internal capital generation is expected to remain the main source of capital strengthening, while the scope for raising capital through the issuance of capital instruments on financial markets will remain limited to individual banks.

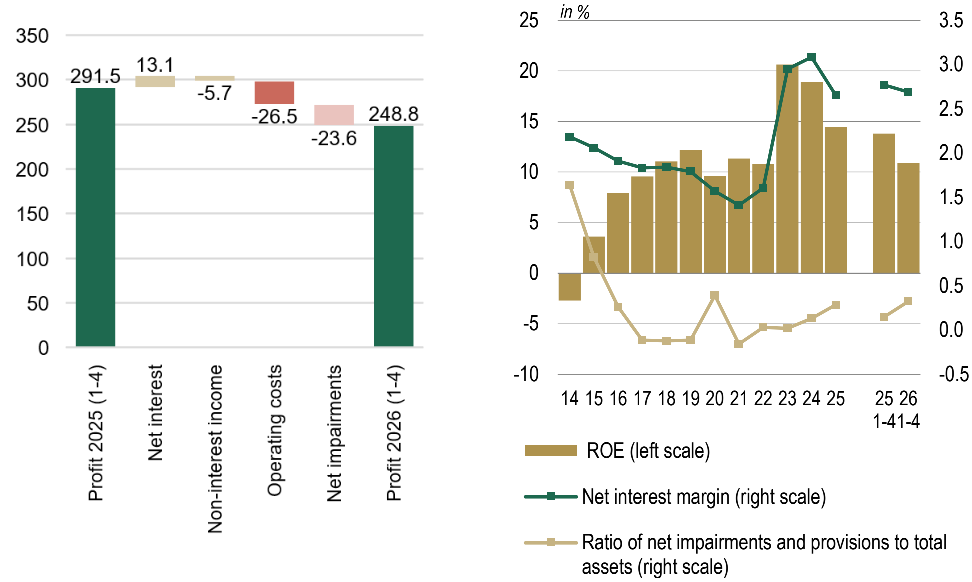
Differences remain among banks in their capital positions and their capacity to absorb sudden shocks from the environment. Despite the high resilience of the system, effective management of capital adequacy at the level of individual banks remains crucial, particularly in a period of heightened uncertainty in the broader macroeconomic environment.

Pre-tax profit in the first four months lagged behind the level recorded in the same period last year by 14.6%, and bank profitability declined. In addition to lower income—reflecting somewhat weaker net non-interest income and higher operating costs (deposit guarantee scheme)—the decline in profit (Figure 6.2, left) was mainly driven by higher net impairments and provisions, which almost doubled year on year by April (+92.1%, +EUR 24 million). By April, these accounted for 7.2% of banks' gross income (compared with 3.8% in the same period last year and 7.4% in the whole of 2025). The return on equity (ROE) decreased this year, standing at 10.9% in April, compared with 13.9% in the same period last year (Figure 6.2, right). The ROE thus returned to a level comparable with its long-term average. Lower income and profit in the first months of the year are also affected by the recognition of expected annual contributions to the deposit guarantee scheme. On the other hand, dividend income typically starts to support profit growth more significantly only from May onwards. Bank profitability had already declined in 2025, as expected, following the exceptionally high levels recorded in the previous two years.

Figure 6.2: **Changes in components of profit and selected bank performance indicators**

Changes in components of profit, January to April 2025 to January to April 2026 (in EUR million)

Selected bank performance indicators

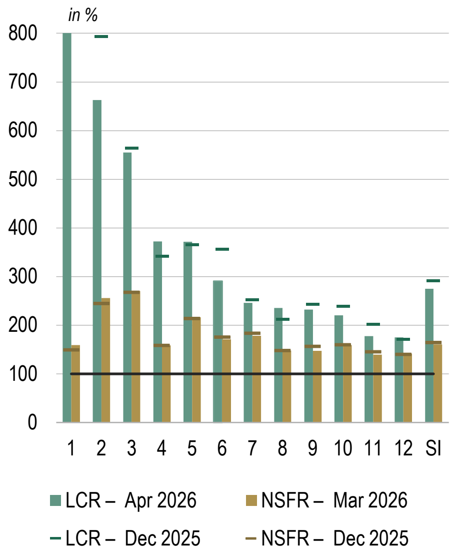


Nore: The net interest margin and the ratio of net impairments and provisions to the balance sheet total are calculated over the preceding 12 months in each instance.
Source: Banka Slovenije.

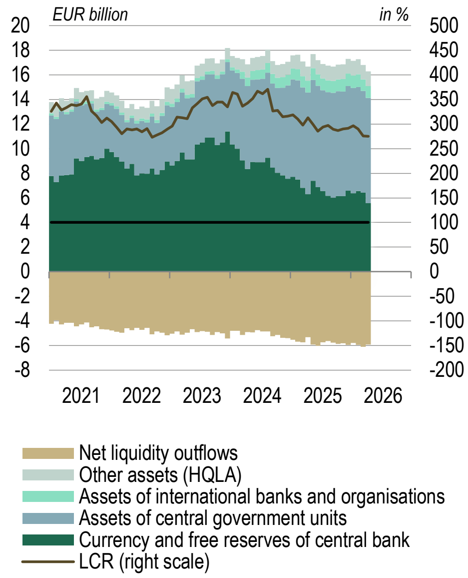
Liquidity in the banking system remains sound despite a deterioration in liquidity indicators. As balances held with the central bank declined, the stock of high-quality liquid assets (HQLA) decreased more than net liquidity outflows. Consequently, the liquidity coverage ratio (LCR) of the banking system on a solo basis declined by 16 percentage points to 275% in the first four months of this year. This indicates that the surplus above the minimum regulatory requirement (100%), and thus the capacity to cover net liquidity outflows in a short-term stress scenario, remains high. The ability of the banking system to meet its funding needs over a longer, one-year horizon also remains relatively strong, despite a slight decline in the net stable funding ratio (NSFR), which stood at 160% at the end of the first quarter of this year. Slovenia ranks among the higher-performing euro area countries in terms of both indicators. Although all banks exceeded the minimum regulatory requirements for both ratios, differences in liquidity surpluses among banks remain significant (Figure 6.3, left).

Figure 6.3: **Liquidity indicators**

LCR and NSFR at individual banks



LCR on an individual basis



Note: The horizontal line denotes the minimum requirements for the LCR and the NSFR in accordance with the CRR (100%). For the sake of clarity, the full values for one of the banks are not illustrated: its LCR stood at 1,561% in April 2026 and 4,494% in December 2025. In the figure on the right, net liquidity outflows are shown in the negative area for clearer presentation, while the positive area displays the main categories of high-quality liquid assets.
Source: Banka Slovenije.

Changes in the composition of high-quality liquid assets also continued at the beginning of this year. In order to increase profitability, banks, as last year, reduced cash holdings and excess reserves held with the central bank, which accounted for just over one third of total HQLA in April (Figure 2.6, right). However, unlike last year, the bulk of liquid assets was not channelled into purchases of debt securities, but primarily into lending to the non-banking sector. Nevertheless, exposure to central government units—consisting predominantly of debt securities—accounts for more than half of total HQLA.

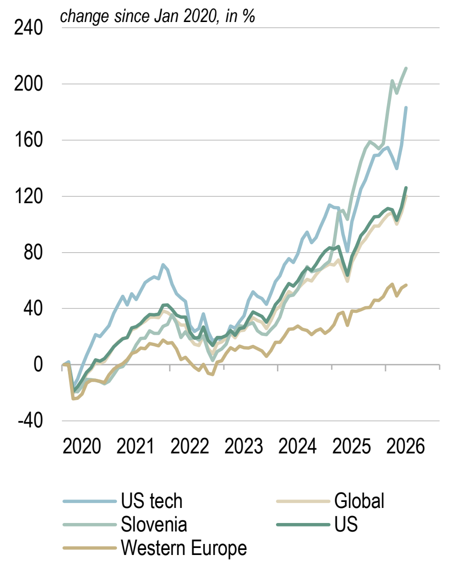
7 Capital Markets and Mutual Funds

Financial markets experienced a correction in March this year following an attack on Iranian territory, which heightened tensions in the Middle East and increased uncertainty in the region. These developments affected global equity indices, while energy prices, particularly oil, rose amid concerns about potential supply disruptions. As early as April, the trend reversed and continued upwards in May, mainly supported by repeated indications of progress in negotiations between the United States and Iran, which strengthened optimism regarding an agreement to ensure the uninterrupted supply of oil. Between the beginning of the year and the end of May, Slovenia's SBI TOP index increased by 21%. Over the same period, the US SPX index rose by 8%, while the Western European SXXE index gained 6% (Figure 7.1, left).

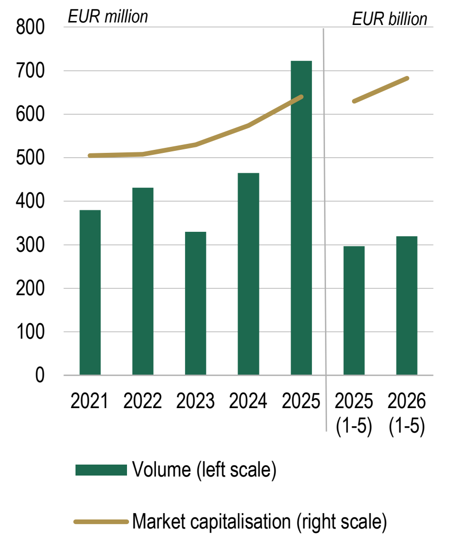
A positive trend is also evident in trading on the Ljubljana Stock Exchange. The total turnover excluding block transactions reached EUR 319.7 million up to and including May, representing an 8% increase compared with the same period last year (Figure 7.1, right). Despite the increase in turnover, however, the number of securities traded on the exchange remains very limited. Equity instruments account for most of the trading on the LJSE. The market capitalisation of the domestic exchange increased by just over 8% year on year, reaching EUR 59.7 billion at the end of May 2026.

Figure 7.1: **Stock market indices and turnover and market capitalization of the Ljubljana Stock Exchange**

Movement of selected stock market indices



Turnover and market capitalization of the Ljubljana Stock Exchange



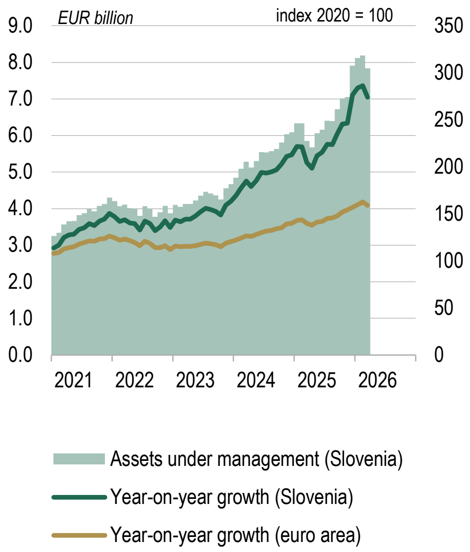
Note: The indices in the left chart are the SPX for the US, the STOXX Europe 600 for western Europe, the SBITOP for Slovenia and the MSCI World Net Total Return Index for global equities. The data in the figure are available up to and including May 2026.
Sources: Eurostat, Banka Slovenije.

Heightened uncertainty and volatility in equity markets affected the volume of net inflows into mutual funds. Up to and including April 2026, domestic mutual funds recorded a year-on-year increase of 25.9% in net inflows, reaching EUR 189.6 million, primarily reflecting low net inflows in the first four months of last year, when a pronounced decline in net inflows was observed from March to May amid uncertainty in equity markets related to announced US tariffs. Equity funds remained the most popular type of fund this year, while households continued to be the largest contributors to domestic mutual funds, followed by other financial intermediaries.

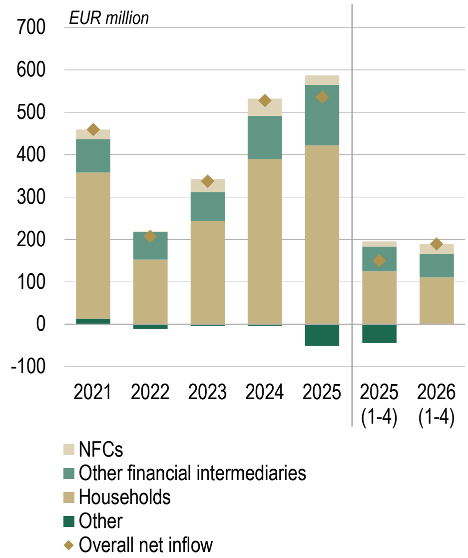
Favourable valuations on equity markets supported an increase in the assets of domestic mutual funds. In the first four months, assets rose by 8.2%, reaching EUR 7.9 billion (Figure 7.2, left). Assets declined slightly in March, mainly due to valuation effects in assets under management, but reached new record levels again in April. By fund type, equity funds dominate in terms of assets, accounting for 70.0% of the total assets of domestic mutual funds. They are followed by mixed funds with 19.4%, bond funds with 6.8%, and money market funds with the remaining 3.9% (Figure 7.2, right).

Figure 7.2: **Domestic mutual funds' assets under management and inflows**

Stock of and growth in mutual funds' assets under management



Net inflows into domestic mutual funds by fund type



Note: The left chart does not include money-market funds. The data on the left chart is up to March 2026 inclusive.
Sources: ECB SDW, ATVP, Banka Slovenije.

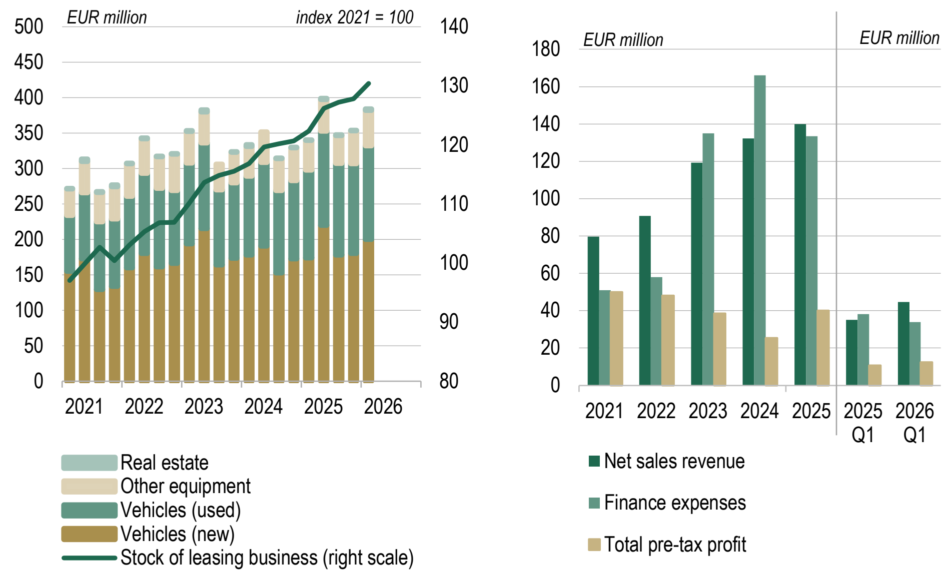
8 Performance of Leasing Companies

The value of newly concluded leasing business increased year on year in the first quarter. New business rose by 13.0% to EUR 384.1 million (Figure 8.1, left). Slightly more than half of new business was concluded with households, with the remainder with NFCs. Leasing companies in Slovenia predominantly finance vehicle purchases. In terms of the value of new business, passenger cars accounted for the largest share (67.0%), followed by commercial and heavy goods vehicles (19.5%). Most new business is concluded with original maturities of between five and ten years. The share of newly concluded business with fixed interest rates increased slightly compared with December 2025 (by 1.3 percentage points), reaching 54.1% at the end of the first quarter of 2026. Outstanding leasing business amounted to EUR 3.0 billion at the end of March 2026, representing year-on-year growth of 6.8%. Most of the outstanding business consists of contracts with households (61.2%), followed by NFCs (38.1%).

Figure 8.1: **New leasing business and profitability of leasing companies**

New leasing business and share of fixed-rate business

Total pre-tax profit of leasing companies



Source: Banka Slovenije.

Profitability of leasing companies continues to improve. Profit before tax increased by 15.9% year on year in the first quarter, reaching EUR 12.3 million (Figure 8.1, right). Growth was supported, inter alia, by higher income from sales and a further decline in financing costs. Year-on-year profit growth has been present since the beginning of last year. Total assets increased by 9.4% year on year over the same period, reaching EUR 3.5 billion. The quality of leasing portfolios remains high. The share of exposures overdue by more than 90 days stood at just 0.6% at the end of March 2026. At the same time, arrears remain highly concentrated, with more than 85% of total past-due exposures stemming from four leasing companies.

9 Bank Lending Survey (BLS)

In the Bank Lending Survey[14] for the first quarter, banks reported only minor changes[15] in credit standards. There were no changes in credit standards for loans to enterprises; however, banks identified general economic conditions and the outlook—particularly the sectoral outlook—as the main factors contributing to the tightening of standards (Figure 9.1, left). For housing loans, standards tightened slightly, with banks highlighting only the “risk tolerance” category among the contributing factors. A similar pattern was observed for consumer loans, where banks pointed to borrowers’ creditworthiness, collateral-related risks, and risk tolerance as the main factors (Figure 9.1, right). For the second quarter, banks expect a fairly marked tightening of standards for loans to enterprises, a slight tightening for consumer loans, and no changes in standards for housing loans.[16]

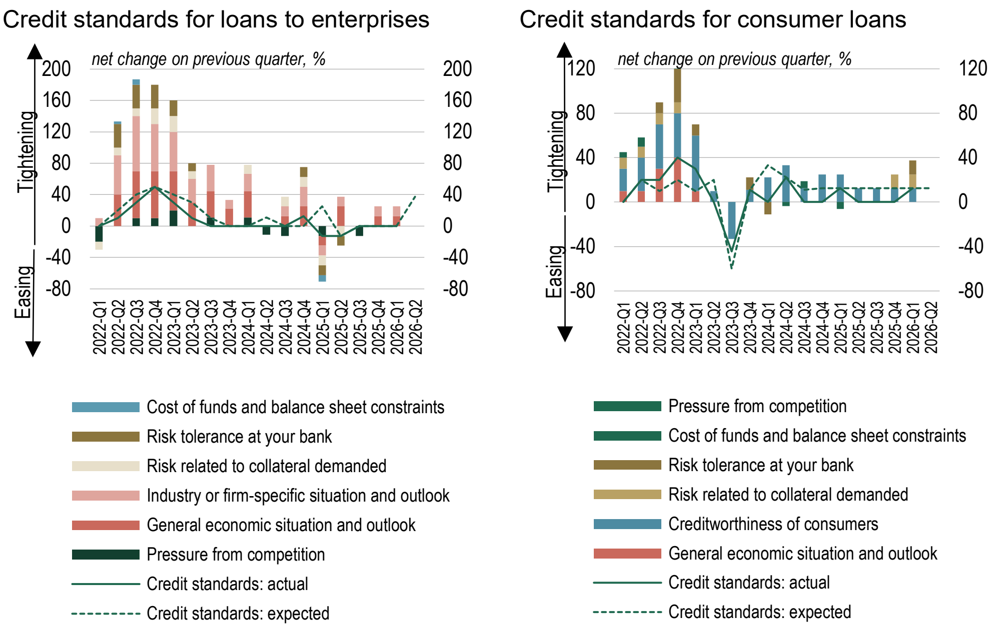


Figure 9.1: **Credit standards for loans to enterprises and consumer loans according to the BLS**

Note: For credit standards, the "actual " values refer to the changes that occurred, while the "expected" values refer to the changes anticipated by banks; the data for the second quarter of 2026 reflect banks' expectations. For credit standards and for loan demand, see the notes in the Annex "Bank Lending Survey" at the end of the publication.
Source: Banka Slovenije.

Credit terms for enterprises remained unchanged, while those for household loans tightened somewhat. In the first quarter of 2026, similarly to several preceding quarters, banks in Slovenia did not report any changes in overall credit terms for enterprises, nor did they indicate a tightening or easing of individual terms. For housing and consumer loans, banks reported a tightening in interest rates and margins (Figure 9.2, left, and Figure 9.2, right). Regarding loans to enterprises, banks did not report changes

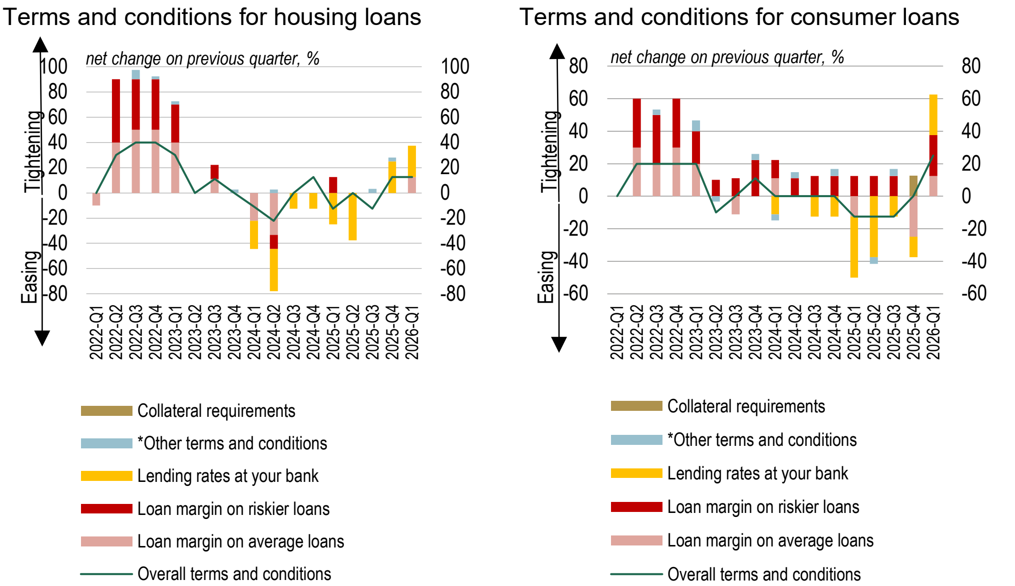
[14] This refers to the euro area Bank Lending Survey (BLS). Banks in the Slovenian BLS sample (since August 2024, the sample has comprised eight banks) covered, in April 2026 on a solo basis, 83.8% of all loans to enterprises, 93.7% of all housing loans, and 92.9% of all consumer loans in the respective segments of the banking system. Further information on the definitions of credit standards, credit terms and conditions, and loan demand within the euro area BLS, discussed below, can be found on the ECB website: https://www.ecb.europa.eu//stats/pdf/ecbblsglossary.en.pdf.

[15] In the BLS, banks report changes in credit standards, credit terms and conditions, and loan demand relative to the previous quarter. Changes are presented as net percentages. Net percentages for credit standards are defined as the difference between the share of banks (in number, expressed as a percentage) reporting a tightening and the share of banks reporting an easing of credit standards. The same applies to credit terms and conditions. For loan demand, net percentages are defined as the difference between the share of banks (in percentage terms) reporting an increase in demand and the share of banks reporting a decrease in demand.

[16] A complete overview of credit standards and loan demand in Slovenia and the euro area is provided in the annex. The figures shown below present only some of the more prominent highlights.

in the factors influencing credit terms. In the case of housing loans, however, they identified competitive pressures as a factor contributing to tightening; in contrast, over the previous two years, these had been cited as a key factor for easing credit terms. For consumer loans, banks pointed to three drivers of tighter credit terms: competitive pressures, risk tolerance, and risk perception.

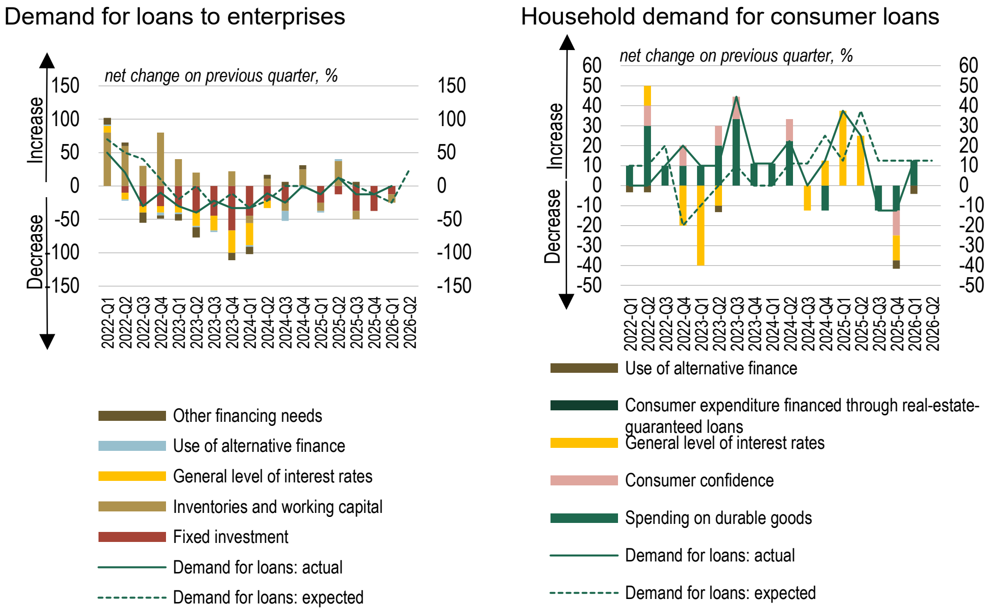
Figure 9.2: **Terms and conditions for housing and consumer loans**



Note: "Loan interest rates" have been included in the BLS survey as part of the section on lending conditions since the first quarter of 2024. "Margins" are defined as the spread over the relevant reference market interest rates. "Other (lending) conditions" are calculated as the arithmetic average of "non-interest charges", "loan size or credit line", "loan covenants", and "maturity". The same applies throughout the text below for lending conditions.
Source: Banka Slovenije.

Demand for loans to enterprises remained unchanged in the first quarter of this year, whereas in previous years banks had generally reported a decline in demand. Corporate investment continued to act as a factor dampening demand, alongside, to a lesser extent, working capital and inventories (Figure 9.3, left). Changes in household lending were limited. Demand for housing loans declined slightly due to the impact of interest rates, while demand for consumer loans increased, driven by purchases of durable goods (Figure 9.3, right). In the next quarter, banks expect an increase in demand from enterprises, a more moderate increase in demand for consumer loans, and a significant decline in demand for housing loans.

Figure 9.3: **Demand for loans to enterprises and household demand for consumer loans according to the BLS**



Source: Banka Slovenije.

In the euro area[17], credit standards tightened for loans to and consumer loans, while remaining largely unchanged for housing loans. The tightening of standards for loans to was driven by economic conditions and the outlook across sectors. Credit standards for housing loans tightened only marginally; banks cited “general economic conditions and outlook” and the “housing market outlook” as factors contributing to tightening. The most pronounced tightening was observed in consumer lending, again reflecting the impact of general economic conditions, borrowers’ creditworthiness and risk tolerance. Banks in the euro area expect a tightening of standards across all three loan categories in the next quarter, most notably for loans to enterprises.

Credit terms tightened somewhat for loans to enterprises and consumer loans, while remaining unchanged for housing loans. In the euro area, banks reported a slight tightening of terms for loans to enterprises, particularly through higher interest rates. No changes were reported for housing loans; among factors easing credit terms, banks highlighted interest rates and loan margins. For consumer loans, a modest tightening of credit terms was observed. Regarding the factors influencing credit terms, banks pointed to general economic conditions and sector-specific developments as drivers of tighter conditions for loans to enterprises. For housing and consumer loans, risk perception and risk tolerance were identified as key factors contributing to tightening, while competitive pressures were cited as a factor supporting an easing of credit terms.

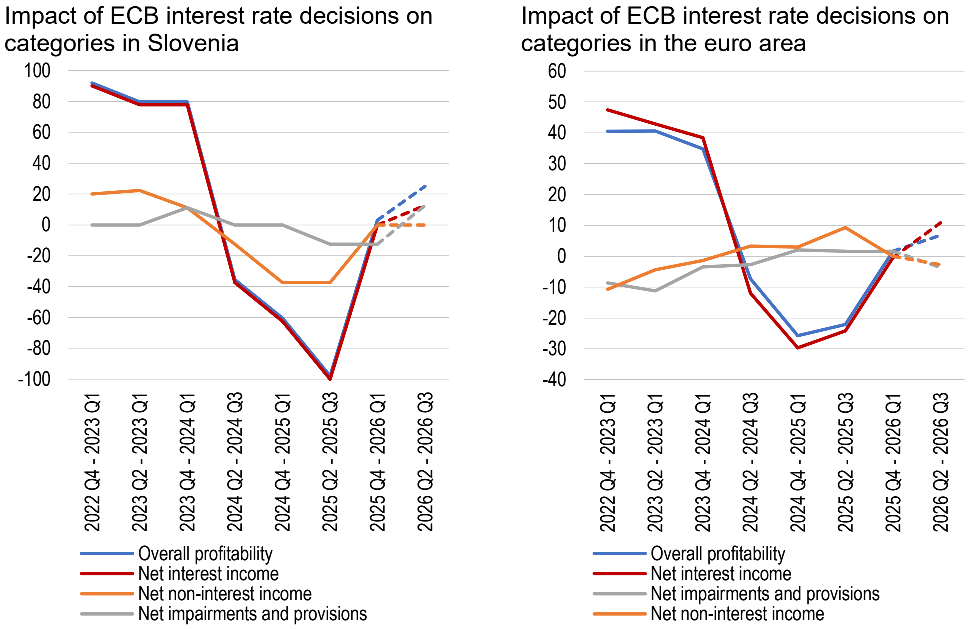
In the euro area, changes in loan demand in the first quarter of 2026 compared with the final quarter of 2025 were limited, with a more pronounced decline observed only in consumer loans. Reduced demand for loans to enterprises was once again driven by investment in fixed assets. For housing loans, a marked moderation has been observed over the past two quarters compared with the preceding prolonged period characterised by declining interest rates. The decline in demand for consumer loans was considerably stronger than in the previous quarter. For both types of household loans, lower demand was influenced by consumer confidence, while for consumer loans it was additionally driven by purchases of durable goods. In the second quarter,

[17] See also, for comparison, the BLS annex at the end of the report, which presents comparisons of credit standards and loan demand for Slovenia and the euro area.

banks expect demand to decline across all three loan categories, most markedly for housing loans.

Slovenian banks and banks in the euro area reported a slight tightening of funding conditions, a tightening impact of the level of non-performing loans (NPLs) on credit standards, and a neutral effect of ECB interest rate decisions on net interest income and banks' profitability. Only one bank in Slovenia reported a tightening of conditions across all main sources of funding; the same applies to expectations for the next quarter. In the euro area, banks reported a slight tightening in access to funding, particularly via debt securities, while changes in other funding sources were limited. For the next quarter, banks expect a more pronounced deterioration in funding conditions, especially through debt securities. The level of NPLs in Slovenia contributes to the tightening of credit standards across all three loan categories. In the euro area, the level of NPLs was particularly notable in its impact on the tightening of standards for consumer loans. While expectations for the next quarter in Slovenia remain broadly unchanged, banks in the euro area expect these factors to primarily affect the tightening of conditions for consumer lending. Banks in Slovenia (Figure 9.4, left) and in the euro area (Figure 9.4, right) already reported a neutral impact of ECB interest rate decisions on changes in net interest income and profitability in the fourth quarter of 2025 and the first quarter of 2026; by contrast, in the autumn, banks had reported a pronounced downward impact on both net interest income and profitability.

Figure 9.4: **Impact of ECB interest rate decisions on bank profitability in Slovenia and in the euro area according to the BLS**



Note: The net percentages are defined as the difference between the sum of percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of the banks responding "decreased somewhat" and "decreased considerably". The net percentages are inverted in the case of net impairments and provisions, where greater need for the net creation of impairments and provisions entails a decline in profitability, and reduced need for the net creation of impairments and provisions entails an increase. The final data denotes expectations for the next six months. The banks' responses for net interest income and profitability (in general) in Slovenia generally overlap, i.e. for much of the past they form a single line.
Source: Banka Slovenije.

Following a period of stabilisation in interest rates, banks in Slovenia and across the euro area expected a renewed increase[18] in net interest income and profitability, driven by expectations of rising interest rates over the subsequent six-month period. The projected increase in net interest income is primarily attributable to

[18] On 11 June 2026, the European Central Bank increased all three key interest rates by 0.25 percentage points, with effect from 17 June 2026. This marks the first interest rate increase since September 2023.

changes in interest rates, whereas lending volumes are expected to have a negative impact on income. Regarding net fees and commissions, both domestic banks and banks in the euro area already report a certain positive impact, while their expectations for the next six months remain relatively unchanged. ECB interest rate decisions were not expected to have an impact on net impairments and provisions, or, by extension, on profitability, in either the past or the forthcoming six-month period.

10 Risk and Resilience Dashboard

Risk assessments for the banking system remained unchanged in the second quarter of 2026. Persistent uncertainty in the international environment continues to represent the main potential trigger for a deterioration in risks to the banking system (Table 10.1). Given the small size and openness of the Slovenian economy, macro-financial risk is therefore still assessed as elevated; the accumulation of risks is increasing the likelihood of a further rise in macro-financial risk going forward. Negative effects may in future be reflected in a higher assessment of credit risk, which remains assessed as moderate. Adverse developments also persist in risks stemming from the real estate market, owing to the continued strong growth in housing loans and the ongoing overvaluation of real estate; however, the overall risk assessment remains moderate.

In the context of the rapid development of highly advanced artificial intelligence models, the outlook for cyber risk has been revised downwards, although it remains assessed as elevated. An example of such an advanced model is Anthropic's Claude Mythos, which, due to its capability to identify and exploit cyber vulnerabilities, represents a potential threat to financial stability.

The outlook for interest rate risk has been revised to stable, reflecting the expected increase in interest rates. This could in the future contribute to a reduction in repricing gaps. Stabilisation is also supported by the increased activity of banks in the use of derivative financial instruments for hedging against the effects of changes in interest rates. For other risks, the outlook remains stable, with risk assessed as moderate or low.

Table 10.1: **Banka Slovenije's risk and resilience dashboard for the Slovenian financial system**

	2021	2022	2023	2024	2025				2026		Trend of change
	Q4	Q4	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Systemic risks											
Macrofinancial risks	elevated	elevated	moderate	moderate	moderate	elevated	elevated	elevated	elevated	elevated	↑
Risk inherent in the real estate market	elevated	elevated	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	↑
Funding risk in the banking system	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	→
Interest rate risk in the banking system	moderate	elevated	elevated	moderate	moderate	moderate	moderate	moderate	moderate	moderate	→
Credit risk in the banking system	elevated	elevated	moderate	low	moderate	moderate	moderate	moderate	moderate	moderate	↑
Income risk in the banking system	elevated	moderate	low	low	low	low	low	low	low	low	→
Risk inherent in the performance of leasing companies	moderate	moderate	low	low	low	low	low	low	low	low	→
Cyber risk	moderate	moderate	moderate	elevated	elevated	elevated	elevated	elevated	elevated	elevated	↑
Climate risks	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	moderate	→
Resilience to systemic risks											
Solvency and profitability of the banking system	medium	medium	medium	high	high	high	high	high	high	high	→
Liquidity of the banking system	high	high	high	high	high	high	high	high	high	high	→

Colour code:

Risk	low	moderate	elevated	high
Resilience	high	medium	low	very low

Note: The colour code in the risk and resilience dashboard relates to the assessment for up to one quarter in advance. The arrow illustrates the expected change in risk or resilience in the scale (up or down) over a slightly longer horizon of around one year. For risks, an up arrow means an increase in risk, and vice-versa, while for resilience it means strengthening, and vice-versa. The risk and resilience dashboard is based on analysis of key risks and resilience in the Slovenian banking system, and is defined as the set of quantitative and qualitative indicators for defining and measuring systemic risks and resilience.
Source: Banka Slovenije.

The resilience of the banking system to systemic risks remains high and stable, across solvency, profitability and liquidity. Although the banking system's solvency has declined slightly, it remains sound. While profits are lower than last year, they still allow for a further strengthening of capital adequacy. The high and stable liquidity of the banking system likewise continues to ensure a high level of resilience to funding risk.

11 Annex

Main characteristics and financial statements of banks

Table 11.1: **Balance sheet of banks and savings banks as at 30 April 2026**

	Stock	Breakdown	Stock	Breakdown	Stock	Breakdown	Increase in mio EUR		Growth in %	
EUR million unless stated, growth rates in %	Dec. 09	v %	Dec. 25	v %	Apr. 26	v %	Apr. 26	in 2026	Apr. 26	year-on-year
Assets	**52,009**	**100.00**	**57,656**	**100.0**	**58,200**	**100.0**	**-299.0**	**543.8**	**-0.5**	**6.0**
Cash in hand, balances at CB and sight deposits at banks	**1,468**	**2.8**	**7,714**	**13.4**	**6,612**	**11.4**	**-1,023.9**	**-1,101.6**	**-13.4**	**-13.0**
Loans to banks at amortised cost (including central bank)	**5,763**	**11.1**	**1,856**	**3.2**	**1,900**	**3.3**	**210.6**	**44.0**	**12.5**	**26.8**
domestic banks	3,531	6.8	123	0.2	163	0.3	-4.2	39.3	-2.5	17.8
foreign banks	2,232	4.3	1,733	3.0	1,738	3.0	214.8	4.7	14.1	27.7
short-term loans to banks	3,020	5.8	1,096	1.9	1,244	2.1	229.8	148.1	22.7	65.0
long-term loans to banks	2,743	5.3	761	1.3	657	1.1	-19.2	-104.1	-2.8	-11.8
Loans to non-banking sector*	**34,132**	**65.6**	**30,842**	**53.5**	**32,332**	**55.6**	**470.8**	**1,490.3**	**1.5**	**10.7**
of which non-financial corporations	20,201	38.8	10,187	17.7	10,739	18.5	197.2	552.0	1.9	7.0
households	8,072	15.5	14,369	24.9	14,801	25.4	141.3	432.0	1.0	8.8
of which residential			9,222	16.0	9,516	16.4	95.8	294.0	1.0	10.0
consumer			3,470	6.0	3,593	6.2	41.0	122.8	1.2	9.1
government	735	1.4	1,615	2.8	1,721	3.0	101.9	105.8	6.3	9.2
other financial institutions	2,719	5.2	2,079	3.6	2,135	3.7	33.9	55.8	1.6	7.1
non-residents	2,354	4.5	2,572	4.5	2,917	5.0	-2.9	345.1	-0.1	47.4
Other FA classed as loans and receivables (at amortised cost)	**0**	**0.0**	**189**	**0.3**	**201**	**0.3**	**-45.0**	**11.7**	**-18.3**	**-11.0**
Securities / financial assets (FA)**	**8,907**	**17.1**	**14,674**	**25.5**	**14,780**	**25.4**	**130.7**	**105.4**	**0.9**	**4.9**
a) FA held for trading	**890**	**1.7**	**70**	**0.1**	**95**	**0.2**	**-10.1**	**24.4**	**-9.6**	**3.7**
of which debt securities held for trading	381	0.7	15	0.0	39	0.1	-7.7	23.6	-16.5	92.1
... government debt securities held for trading	30	0.1	15	0.0	39	0.1	-7.7	23.6	-16.5	92.1
b) FA measured at FV through P&L not held for trading	**0**	**0.0**	**54**	**0.1**	**55**	**0.1**	**1.9**	**-0.9**	**3.7**	**-44.3**
of which debt securities measured at FV through P&L not held for trading	0	0.0	0	0.0	0	0.0	0.0	-0.1	-1.9	-70.2
c) FA designated for measurement at FV through P&L	**270**	**0.5**	**0**	**0.0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
of which debt securities designated for measurement at FV through P&L	264	0.5	0	0.0	0	0.0	0.0	0.0	0.0	0.0
... government debt securities designated for measurement at FV through P&L	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
d) FA measured at FV through other comprehensive income	**6,237**	**12.0**	**4,461**	**7.7**	**4,448**	**7.6**	**90.6**	**-12.3**	**2.1**	**1.0**
of which debt securities measured at FV through other comprehensive income	5,627	10.8	4,211	7.3	4,193	7.2	87.0	-18.8	2.1	0.7
government debt securities measured at FV through other comprehensive income	3,870	7.4	3,073	5.3	2,963	5.1	76.5	-110.1	2.7	-4.1
e) Debt securities at amortised cost	**1,511**	**2.9**	**10,097**	**17.5**	**10,189**	**17.5**	**48.3**	**92.3**	**0.5**	**7.2**
of which government debt securities at amortised cost	1,231	2.4	7,351	12.8	7,477	12.8	46.9	125.3	0.6	10.1
Investments in subsidiaries, joint ventures and associates	**696**	**1.3**	**1,420**	**2.5**	**1,448**	**2.5**	**0.0**	**27.2**	**0.0**	**13.2**
Other assets	**1,042**	**2.0**	**960**	**1.7**	**926**	**1.6**	**-42.2**	**-33.2**	**-4.4**	**-5.7**
Equity and liabilities	**52,009**	**100.0**	**57,656**	**100.0**	**58,200**	**100.0**	**-299.0**	**543.8**	**-0.5**	**6.0**
Financial liabilities measured at amortised cost (deposits)	**46,927**	**90.2**	**49,914**	**86.6**	**50,568**	**86.9**	**-310.4**	**654.2**	**-0.6**	**5.7**
a) Financial liabilities to central bank (Eurosystem)	**2,121**	**4.1**	**0**	**0.0**	**2**	**0.0**	**0.7**	**1.7**	**0.0**	
b) Liabilities to banks	**15,949**	**30.7**	**1,285**	**2.2**	**1,885**	**3.2**	**185.6**	**600.2**	**10.9**	**19.8**
of which to domestic banks	2,920	5.6	218	0.4	272	0.5	0.7	54.9	0.3	11.1
of which to foreign banks	13,024	25.0	1,067	1.9	1,613	2.8	184.8	545.3	12.9	21.4
c) Liabilities to non-banking sector (deposits by NBS)	**23,892**	**45.9**	**44,512**	**77.2**	**44,372**	**76.2**	**-181.5**	**-139.7**	**-0.4**	**6.3**
of which to non-financial corporations	3,850	7.4	11,705	20.3	11,483	19.7	-152.1	-221.7	-1.3	6.6
households	14,049	27.0	29,170	50.6	29,319	50.4	104.2	148.4	0.4	6.5
government	4,008	7.7	967	1.7	942	1.6	-2.1	-25.5	-0.2	28.8
other financial institutions	1,130	2.2	762	1.3	782	1.3	-121.3	20.1	-13.4	-7.6
non-residents	537	1.0	1,294	2.2	1,238	2.1	-9.1	-56.2	-0.7	-3.7
d) Debt securities	**3,442**	**6.6**	**3,718**	**6.4**	**3,688**	**6.3**	**-1.2**	**-29.2**	**0.0**	**-8.4**
e) Other financial liabilities measured at amortised cost***	**1,523**	**2.9**	**399**	**0.7**	**620**	**1.1**	**-313.9**	**221.2**	**-33.6**	**30.4**
Provisions	**175**	**0.3**	**210**	**0.4**	**222**	**0.4**	**-3.9**	**12.1**	**-1.7**	**13.3**
Shareholder equity	**4,310**	**8.3**	**7,228**	**12.5**	**7,130**	**12.3**	**81.3**	**-97.9**	**1.2**	**8.2**
Other liabilities	**597**	**1.1**	**305**	**0.5**	**281**	**0.5**	**-66.0**	**-24.5**	**-19.0**	**-2.4**
Balance sheet total	**52,009**	**100.0**	**57,656**	**100.0**	**58,200**	**100.0**	**-299.1**	**543.8**	**-0.5**	**6.0**

Note: * Loans to the non-banking sector not held for trading are defined in accordance with the Methodology for the compilation of the summary of the statement of financial position and include loans and other financial assets measured at amortised cost (from A.VI), at fair value (FV) through profit or loss (from A.III), and at FV through other comprehensive income (from A.IV).
** Financial assets/securities on the assets side include total financial assets from A.II, including loans held for trading; from other groups of financial assets (A.III, A.IV and A.V), equity and debt securities are included, excluding loans.
*** Up to 31 December 2017, this item included subordinated liabilities; with the introduction of IFRS 9 methodology, the item subordinated liabilities was abolished; these liabilities are included under liabilities to banks.[19]
Source: Banka Slovenije.

[19] The data on banks' performance in this publication are based on banks' accounting data, which differ methodologically from statistical data. Loan data also differ in that the figures in this publication include loans to non-residents, are reported on a net basis (amounts reduced by impairments), and exclude non-marketable securities.

Table 11.2: **Income statement for 2009, 2024, 2025 and 2026**

	2009	Breakdown	2024	Breakdown	2025	Breakdown	2025	Breakdown	2026	Breakdown	Annual growth, %
(EUR million unless stated)		(%)		(%)		(%)	Jan.-Apr.	v %	Jan.-Apr.	(%)	Jan.-Apr.26 / Jan.-Apr.25
Interest income	2,114.7		2,122.8		1,836.1		625.4		607.1		-2.9
Interest expenses	1,175.1		556.6		427.9		156.7		125.3		-20.1
Net interest	**939.6**	**65.2**	**1,566.2**	**68.5**	**1,408.2**	**64.5**	**468.7**	**69.8**	**481.8**	**71.0**	**2.8**
Non-interest income	**500.5**	**34.8**	**720.0**	**31.5**	**776.5**	**35.5**	**202.6**	**30.2**	**196.8**	**29.0**	**-2.8**
of which net fees and commission	342.7	23.8	419.4	18.3	445.0	20.4	145.2	21.6	156.9	23.1	8.1
of which net gains/losses on financial assets and liabilities held for trading	41.5	2.9	24.2	1.1	12.9	0.6	2.3	0.3	7.8	1.1	232.0
Gross income	**1,440.2**	**100.0**	**2,286.1**	**100.0**	**2,184.7**	**100.0**	**671.3**	**100.0**	**678.6**	**100.0**	**1.1**
Operating costs	**-777.0**	**-54.0**	**-1,015.7**	**-44.4**	**-1,032.7**	**-47.3**	**-354.2**	**-52.8**	**-380.6**	**-56.1**	**7.5**
Net income	**663.2**	**46.0**	**1,270.5**	**55.6**	**1,152.0**	**52.7**	**317.1**	**47.2**	**298.0**	**43.9**	**-6.0**
Net impairments and provisions	**-501.0**	**-34.8**	**-70.5**	**-3.1**	**-160.8**	**-7.4**	**-25.6**	**-3.8**	**-49.2**	**-7.2**	**92.1**
Pre-tax profit	**162.1**	**11.3**	**1,199.9**	**52.5**	**991.2**	**45.4**	**291.5**	**43.4**	**248.8**	**36.7**	**-14.6**
Taxes	-39.1		-124.9		-108.9		-34.3		-32.9		-4.2
Net profit	123.0		1,075.0		882.4		257.2		215.9		-16.0

Source: Banka Slovenije.

Table 11.3: **Selected performance indicators**

in %	2019	2020	2021	2022	2023	2024	2025	2025 Jan.-Apr.	2026 Jan.-Apr.	Apr.2025 (last 12 mon.)	Apr.2026 (last 12 mon.)
Profitability											
Financial intermediation	3.13	3.16	2.58	2.68	3.86	4.28	3.90	3.76	3.60	4.13	3.85
ROA	1.48	1.10	1.20	1.11	2.22	2.25	1.77	1.62	1.31	2.10	1.67
ROE	12.16	9.57	11.33	10.82	20.64	18.92	14.44	13.81	10.89	17.38	13.55
Net interest margin on interest-bearing assets	1.79	1.57	1.41	1.61	2.95	3.09	2.65	2.77	2.69	2.92	2.63
Net non-interest income / operating costs	80.84	100.35	80.95	74.89	64.50	70.88	75.19	57.19	51.71	72.12	72.77
Operating costs											
Labour costs / average assets	1.00	0.90	0.85	0.84	0.87	0.94	0.93	0.91	0.89	0.93	0.93
Other costs / average assets	0.77	0.77	0.69	0.71	0.75	0.96	0.92	1.04	1.09	0.95	0.93
Asset quality											
Ratio of allowances for credit losses on loans to banks and non-banking sector not held for trading to gross assets	1.53	1.59	1.14	1.03	0.98	1.09	1.16	1.11	1.14		

* Gross income/average total assets
Source: Banka Slovenije.

Bank interest rates

Table 11.4: **Comparison of Slovenian interest rates with those in the euro area for new business agreed at variable interest rates**

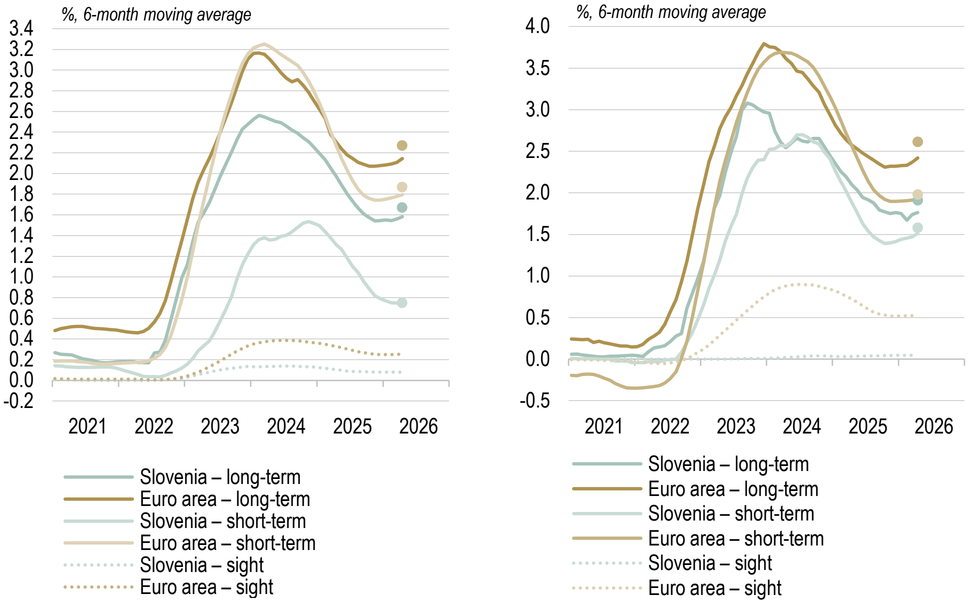
									Loans				
										Household deposits			
	Interest	Households				Corporates				up to 1 year		over 1 year	
	rate	Housing		Consumer		up to EUR 1m		over EUR 1m					
in %	ECB	EA	SLO	EA	SLO	EA	SLO	EA	SLO	EA	SLO	EA	SLO
Dec 17	0.00	1.7	2.0	4.5	4.4	2.1	2.4	1.3	2.0	0.3	0.1	0.5	0.5
Dec 18	0.00	1.6	1.9	4.9	4.7	1.9	2.2	1.3	1.8	0.3	0.2	0.5	0.6
Dec 19	0.00	1.5	1.8	5.4	4.6	1.9	2.2	1.3	1.5	0.2	0.2	0.5	0.4
Dec 20	0.00	1.4	1.8	5.0	4.5	1.8	2.3	1.3	1.8	0.2	0.1	0.5	0.3
Dec 21	0.00	1.3	1.6	5.1	4.7	1.7	1.9	1.1	1.4	0.2	0.1	0.5	0.2
Dec 22	2.50	3.1	3.8	6.7	6.7	3.7	4.0	3.4	3.7	1.4	0.2	1.9	1.4
Dec 23	4.50	4.9	5.8	7.6	6.7	5.5	5.4	5.2	5.5	3.3	1.3	3.3	2.5
Dec 24	3.15	4.2	5.0	6.8	5.4	4.6	4.3	4.2	4.3	2.5	1.4	2.5	2.1
Jan 25	3.15	4.1	4.1	7.2	5.8	4.4	4.1	4.1	4.1	2.3	1.4	2.4	2.0
Feb 25	2.90	4.0	4.3	6.8	6.1	4.3	4.3	3.9	4.7	2.2	1.2	2.3	1.9
Mar 25	2.65	3.9	4.0	7.0	6.0	4.1	3.9	3.7	4.0	2.1	1.3	2.2	1.8
Apr 25	2.40	3.9	3.8	6.9	5.2	3.9	3.9	3.5	4.6	2.0	1.2	2.2	1.8
May 25	2.40	3.7	3.5	6.8	5.8	3.8	3.6	3.3	3.8	1.8	1.2	2.2	1.7
Jun 25	2.15	3.6	3.5	6.7	5.0	3.7	3.5	3.3	3.1	1.8	0.9	2.2	1.6
Jul 25	2.15	3.6	3.5	6.7	5.4	3.6	3.8	3.3	3.7	1.7	0.9	2.2	1.6
Aug 25	2.15	3.6	3.7	7.1	5.3	3.6	3.6	3.1	4.1	1.7	0.8	2.1	1.6
Sep 25	2.15	3.5	3.6	6.7	5.3	3.6	3.7	3.2	4.1	1.7	0.8	2.1	1.5
Oct 25	2.15	3.5	3.7	6.4	5.8	3.7	3.8	3.2	3.6	1.8	0.7	2.1	1.5
Nov 25	2.15	3.5	3.6	6.2	5.5	3.7	3.7	3.2	3.0	1.8	0.8	2.1	1.5
Dec 25	2.15	3.6	3.2	6.4	5.3	3.7	3.6	3.4	3.9	1.8	0.7	2.3	1.6
Jan 26	2.15	3.5	3.4	7.2	5.8	3.6	3.8	3.3	4.1	1.8	0.7	2.2	1.6
Feb 26	2.15	3.5	3.6	6.8	5.1	3.7	3.6	3.2	4.2	1.8	0.7	2.1	1.5
Mar 26	2.15	3.5	3.7	7.0	5.2	3.7	3.7	3.4	3.3	1.8	0.7	2.1	1.6
Apr 26	2.15	3.6	4.0	7.1	7.4	3.8	4.0	3.3	3.6	1.9	0.8	2.3	1.7

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

Figure 11.1: **Average interest rates on new deposits**

Average interest rates on new household deposits

Average interest rates on new NFC deposits



Note: Points indicate the latest observed data.
Source: Banka Slovenije, ECB SDW.

Table 11.5: **Comparison of Slovenian interest rates with those in the euro area for new business agreed at fixed interest rates**

	Loans							
	Households						Corporates	
	Housing		Consumer		up to EUR 1m		over EUR 1m	
in %	EA	SLO	EA	SLO	EA	SLO	EA	SLO
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
Dec 22	2.8	3.6	6.5	6.7	3.8	4.7	3.3	3.5
Dec 23	3.8	3.9	7.7	6.8	5.1	6.0	4.4	5.0
Dec 24	3.2	3.1	7.5	6.4	4.5	5.0	3.6	3.6
Jan 25	3.0	3.1	7.7	6.3	4.4	5.0	3.7	3.7
Feb 25	3.2	3.0	7.7	6.0	4.3	5.2	3.6	3.2
Mar 25	3.2	3.0	7.6	6.0	4.3	4.9	3.7	6.5
Apr 25	3.2	2.9	7.6	6.0	4.3	5.1	3.7	4.7
May 25	3.2	2.9	7.6	5.9	4.4	4.7	3.7	3.0
Jun 25	3.2	2.9	7.5	5.8	4.4	4.7	3.5	3.1
Jul 25	3.2	2.9	7.5	5.8	4.3	4.8	3.5	3.6
Aug 25	3.3	2.8	7.5	5.7	4.3	4.7	3.6	2.5
Sep 25	3.3	2.8	7.5	5.7	4.4	4.9	3.6	3.8
Oct 25	3.3	2.8	7.4	5.7	4.3	4.3	3.5	3.2
Nov 25	3.3	2.8	7.5	5.6	4.4	4.4	3.6	3.2
Dec 25	3.3	2.9	7.2	5.6	4.3	4.4	3.6	2.8
Jan 26	3.3	2.9	7.6	5.8	4.3	4.1	3.6	2.5
Feb 26	3.4	2.9	7.6	5.7	4.4	4.3	3.6	3.3
Mar 26	3.3	2.9	7.5	5.7	4.4	4.3	3.6	3.2
Apr 26	3.4	3.0	7.7	5.7	4.4	4.7	3.7	2.9

Source: Banka Slovenije, ECB.

Quality of banks' credit portfolio

Table 11.6: **Non-performing exposures by client segment**

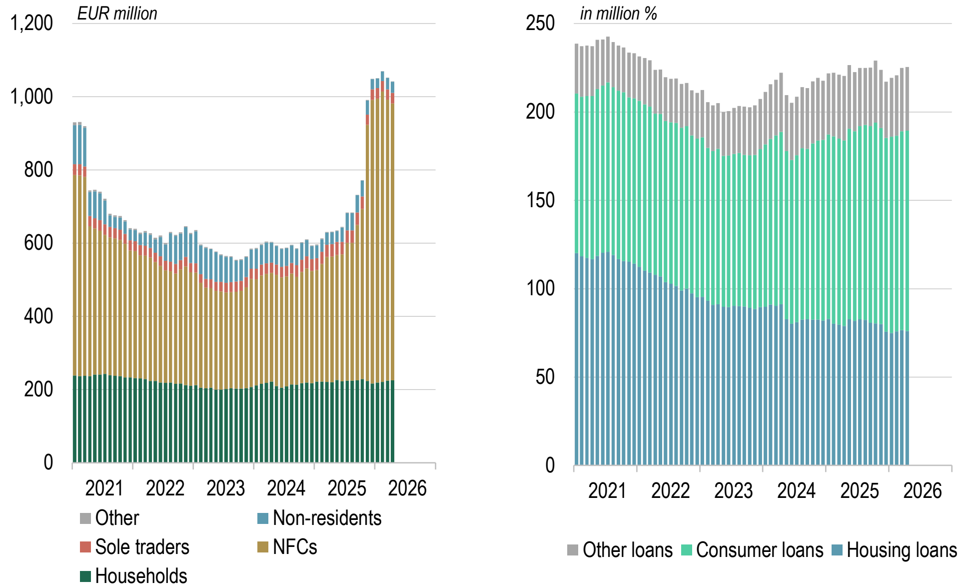
					Non-performing exposures (NPEs)					
				in %	EUR million			ratio, in %		
	Dec 24	Dec 25	Apr 26	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26
NFCs	17,487	18,661	19,043	29.1	306	775	757	1.8	4.2	4.0
Large NFCs	8,979	9,446	9,592	14.7	76	532	492	0.8	5.6	5.1
Micro, small and medium NFCs	8,476	9,186	9,420	14.4	230	243	264	2.7	2.6	2.8
Other financial institutions	2,361	2,510	2,461	3.8	1	1	1	0.1	0.0	0.0
Households	14,959	16,110	16,602	25.4	250	246	254	1.7	1.5	1.5
Sole traders	787	779	789	1.2	33	29	28	4.2	3.7	3.6
Individuals	14,172	15,331	15,813	24.2	218	217	225	1.5	1.4	1.4
Consumer loans	3,283	3,599	3,730	5.7	102	110	113	3.1	3.0	3.0
Housing loans	8,434	9,200	9,508	14.6	82	76	76	1.0	0.8	0.8
Other	2,455	2,532	2,576	3.9	32	31	35	1.3	1.2	1.4
Non-residents	12,811	15,333	15,675	24.0	36	28	31	0.3	0.2	0.2
Government	4,637	4,992	5,095	7.8	1	0	0	0.0	0.0	0.0
Banks and savings banks	743	713	689	1.1	0	0	0	0.0	0.0	0.0
Central bank	7,747	6,748	5,768	8.8	0	0	0	0.0	0.0	0.0
Other	0	5	2	0.0	0	0	0	0.0	0.0	0.0
Total	**60,744**	**65,072**	**65,335**	**100.0**	**594**	**1,049**	**1,042**	**1.0**	**1.6**	**1.6**

Source: Banka Slovenije.

Figure 11.2: **Stock of NPEs**

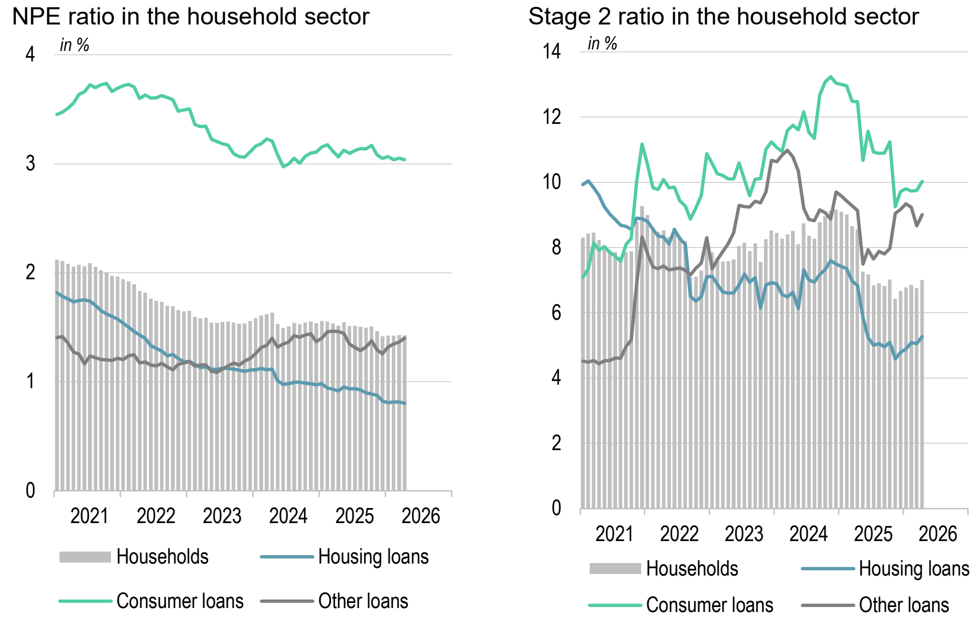
Stock of NPEs by client segment

Stock of NPEs in the household sector



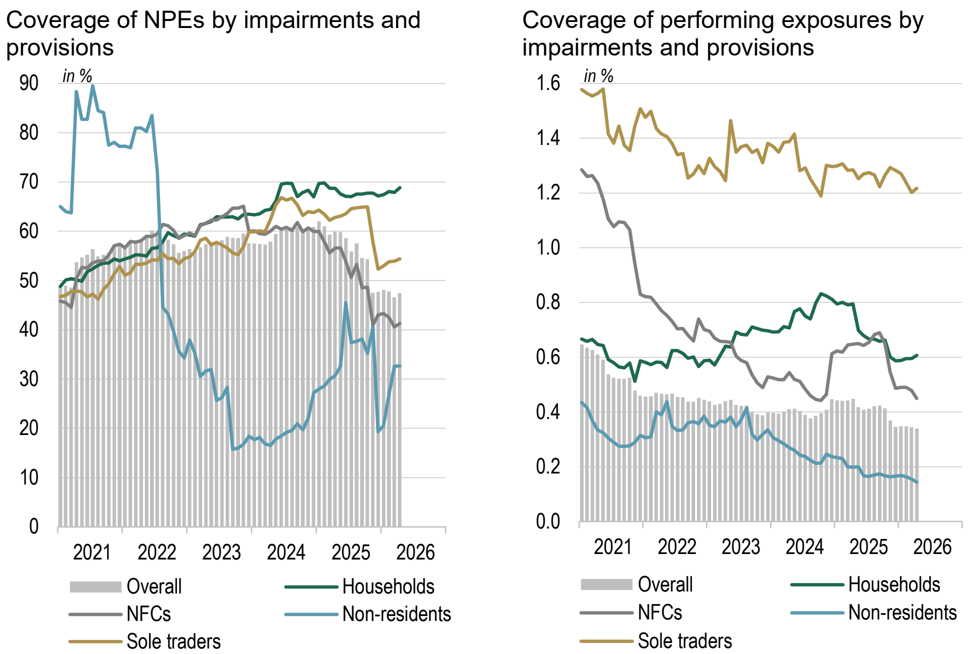
Source: Banka Slovenije.

Figure 11.3: **NPE and Stage 2 ratios for the household sector**



Source: Banka Slovenije.

Figure 11.4: **Coverage by impairments and provisions**



Source: Banka Slovenije.

Table 11.7: **Non-performing exposures to non-financial corporations by activity**

	Exposures		Non-performing exposures (NPEs)				NPE ratio			
	EUR million	in %	EUR million				(%)			
	Apr 26	Apr 26	Dec 23	Dec 24	Dec 25	Apr 26	Dec 23	Dec 24	Dec 25	Apr 26
Agriculture and mining (AB)	116	0.6	3	3	3	3	2.1	2.4	2.3	2.5
Manufacturing (C)	5,386	28.3	109	122	548	521	2.2	2.4	10.1	9.7
Electricity, gas and water supply (DE)	1,537	8.1	1	3	17	18	0.1	0.2	1.2	1.1
Construction (F)	2,118	11.1	17	26	39	39	1.2	1.5	1.9	1.9
Wholesale and retail trade (G)	3,152	16.6	54	55	35	44	1.8	1.8	1.1	1.4
Transportation and storage (H)	1,639	8.6	21	19	20	34	1.4	1.2	1.3	2.1
Accommodation and food service (I)	574	3.0	32	22	10	9	6.6	4.0	1.8	1.6
Information and communication (JK)	863	4.5	3	4	3	3	0.5	0.5	0.4	0.3
Financial and insurance activities (L)	185	1.0	0	0	2	2	0.1	0.1	0.8	0.9
Real estate activities (M)	1,388	7.3	11	11	4	3	1.0	0.9	0.3	0.2
Professional, scientific, technical and admin. (NO)	1,743	9.2	37	37	89	78	2.6	2.5	5.2	4.5
Education, health, public admin. (PQR)	169	0.9	1	1	1	1	0.8	0.8	0.6	0.6
Arts, recreation and entertainment (STUV)	173	0.9	6	3	2	2	3.5	2.1	1.3	1.1
Total	**19,043**	**100.0**	**295**	**306**	**775**	**757**	**1.8**	**1.8**	**4.2**	**4.0**

Source: Banka Slovenije.

Table 11.8: **Exposures by credit risk stage by client segment**

	Share in %									Exposure to stage 2		
	S1			S2			S3			amount, EUR milion		
	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26
NFCs	89.0	88.5	89.7	9.3	7.3	6.3	1.7	4.2	4.0	1,623	1,363	1,203
Large NFCs	90.6	89.0	90.3	8.6	5.4	4.6	0.8	5.6	5.1	768	509	443
Micro, small and medium NFCs	87.3	88.1	89.1	10.0	9.3	8.1	2.7	2.6	2.8	855	853	761
Other financial institutions	99.7	99.9	99.9	0.2	0.1	0.1	0.1	0.0	0.0	6	2	1
Households	88.7	91.4	91.1	9.6	7.0	7.3	1.7	1.5	1.5	1,433	1,135	1,217
Sole traders	78.5	81.9	82.5	17.2	14.5	13.9	4.3	3.7	3.6	135	113	110
Individuals	89.3	91.9	91.6	9.2	6.7	7.0	1.5	1.4	1.4	1,298	1,022	1,107
Consumer loans	83.8	87.2	86.9	13.0	9.7	10.0	3.1	3.0	3.0	428	350	374
Housing loans	91.5	94.4	93.9	7.5	4.8	5.3	1.0	0.8	0.8	632	440	501
Other	88.9	89.6	89.6	9.7	9.2	9.0	1.4	1.3	1.4	238	232	232
Non-residents	98.2	98.7	98.8	1.5	1.1	1.0	0.3	0.2	0.2	194	176	160
Government	99.8	99.8	99.8	0.2	0.2	0.2	0.0	0.0	0.0	10	10	9
Banks and savings banks	98.2	100.0	100.0	1.8	0.0	0.0	0.0	0.0	0.0	13	0	0
Central bank	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Other	92.4	99.4	98.8	7.6	0.6	1.2	0.0	0.0	0.0	0	0	0
Total	**93.6**	**94.3**	**94.4**	**5.4**	**4.1**	**4.0**	**1.0**	**1.6**	**1.6**	**3,279**	**2,684**	**2,591**

Source: Banka Slovenije.

Table 11.9: **Exposures by credit risk stage by activity of non-financial corporations**

	Share in %									Exposure to stage 2 amount, EUR million		
	S1			S2			S3					
	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26
Agriculture and mining (AB)	87.7	89.9	91.6	9.9	7.8	6.0	2.4	2.3	2.5	12	9	7
Manufacturing (C)	82.4	80.1	80.8	15.1	9.9	9.5	2.4	10.1	9.7	764	537	511
Electricity, gas and water supply (DE)	92.9	95.4	96.2	6.9	3.4	2.7	0.2	1.2	1.1	120	50	41
Construction (F)	93.4	94.0	94.6	5.1	4.1	3.6	1.5	1.9	1.9	85	83	75
Wholesale and retail trade (G)	91.6	92.6	92.6	6.5	6.2	6.0	1.8	1.1	1.4	196	193	188
Transportation and storage (H)	94.1	93.7	94.0	4.7	5.0	4.0	1.2	1.3	2.1	70	75	65
Accommodation and food service (I)	75.5	81.1	83.3	20.7	17.0	15.0	3.8	1.8	1.6	111	96	86
Information and communication (JK)	96.6	95.0	95.9	2.8	4.6	3.8	0.5	0.4	0.3	21	39	33
Financial and insurance activities (L)	98.6	98.2	98.2	1.3	0.9	0.9	0.1	0.8	0.9	2	2	2
Real estate activities (M)	94.0	94.7	96.2	5.1	5.0	3.6	0.9	0.3	0.2	63	66	49
Professional, scientific, technical and admin. (NO)	89.8	86.2	90.3	7.6	8.6	5.2	2.5	5.2	4.5	111	147	91
Education, health, public admin. (PQR)	80.2	80.0	82.7	19.0	19.4	16.7	0.8	0.6	0.6	28	30	28
Arts, recreation and entertainment (STUV)	73.9	79.2	83.4	24.0	19.5	15.5	2.1	1.3	1.1	40	34	27
Total	**89.0**	**88.5**	**89.7**	**9.3**	**7.3**	**6.3**	**1.7**	**4.2**	**4.0**	**1,623**	**1,363**	**1,203**

Source: Banka Slovenije.

Table 11.10: **Coverage of NPEs and credit risk stages by impairments and provisions, by client segment**

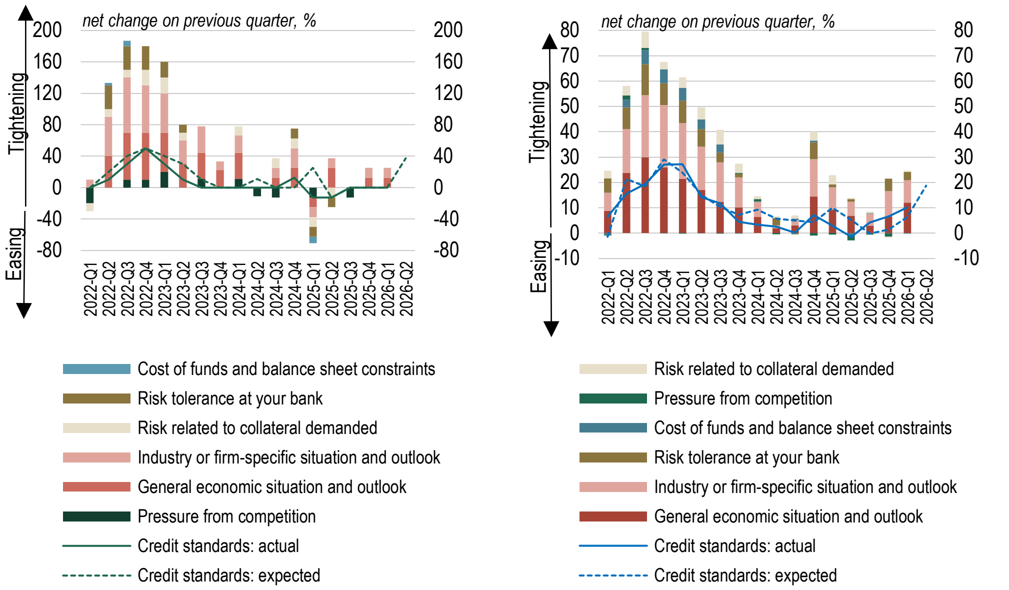
	Credit risk stages									NPE		
	S1			S2			S3					
	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26	Dec 24	Dec 25	Apr 26
NFCs	0.3	0.2	0.2	4.0	3.5	3.3	60.1	43.0	41.3	60.0	43.0	41.3
Other financial institutions	0.2	0.2	0.2	1.4	5.6	6.0	93.6	90.3	95.5	93.6	90.3	95.5
Households	0.3	0.2	0.2	6.1	6.1	6.1	66.3	65.5	67.3	66.5	65.4	67.3
Sole traders	0.7	0.6	0.6	4.2	4.9	4.9	61.9	52.5	54.4	63.8	52.3	54.4
Individuals	0.3	0.2	0.2	6.3	6.2	6.2	67.0	67.2	68.9	67.0	67.2	68.9
Consumer loans	0.5	0.4	0.4	8.5	10.3	10.2	74.1	73.3	75.8	74.0	73.3	75.8
Housing loans	0.2	0.1	0.1	5.6	5.0	4.9	59.1	57.4	58.5	59.1	57.4	58.5
Other	0.3	0.2	0.2	4.1	2.5	2.6	65.0	69.2	69.1	64.7	69.2	69.1
Non-residents	0.1	0.1	0.1	5.8	5.5	4.6	27.3	19.3	32.6	27.3	19.3	32.6
Government	0.1	0.1	0.1	6.1	7.1	4.3	74.5	93.7	93.8	74.5	93.7	93.8
Banks and savings banks	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.0	0.0	0.2	0.7	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Total	**0.2**	**0.2**	**0.2**	**5.0**	**4.7**	**4.7**	**60.9**	**47.7**	**47.4**	**60.9**	**47.7**	**47.4**

Source: Banka Slovenije.

Figure 11.5: **Changes in credit standards applied to the approval of loans or credit lines to enterprises and contributing factors**

Changes in credit standards and contributing factors for loans to enterprises in Slovenia

Changes in credit standards and contributing factors for loans to enterprises in the euro area

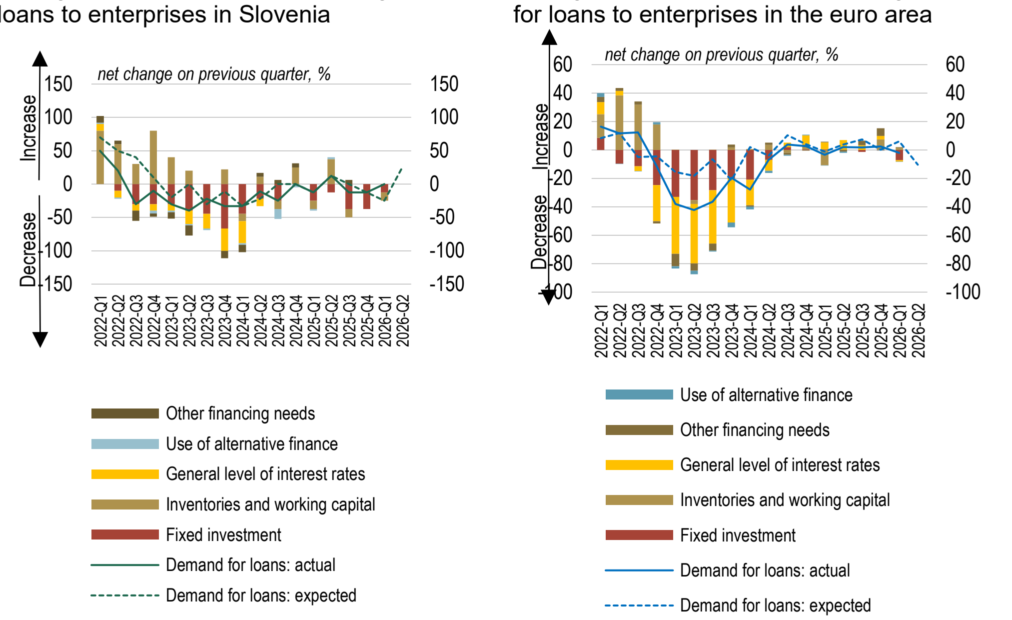


Note: Actual" values refer to changes that occurred, while "expected" values refer to changes anticipated by banks; this applies throughout the remainder of this comparison. Net percentages are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat", and the sum of the percentages of banks responding "eased somewhat" and "eased considerably"; this definition applies throughout wherever standards are presented. In the euro area charts (right-hand panels), weighted net percentage changes are shown. Averages of certain categories in the charts are calculated as simple averages for both Slovenia and the euro area: "Cost of funds and balance sheet constraints" is the unweighted average of "banks' capital and costs related to banks' capital position", "access to market financing" and "liquidity position"; "Competition" is the unweighted average of "competition from other banks", "competition from non-banks" and "competition from market financing".
Source: Banka Slovenije.

Figure 11.6: **Changes in demand for loans to enterprises and contributing factors**

Changes in demand and contributing factors for loans to enterprises in Slovenia

Changes in demand and contributing factors for loans to enterprises in the euro area

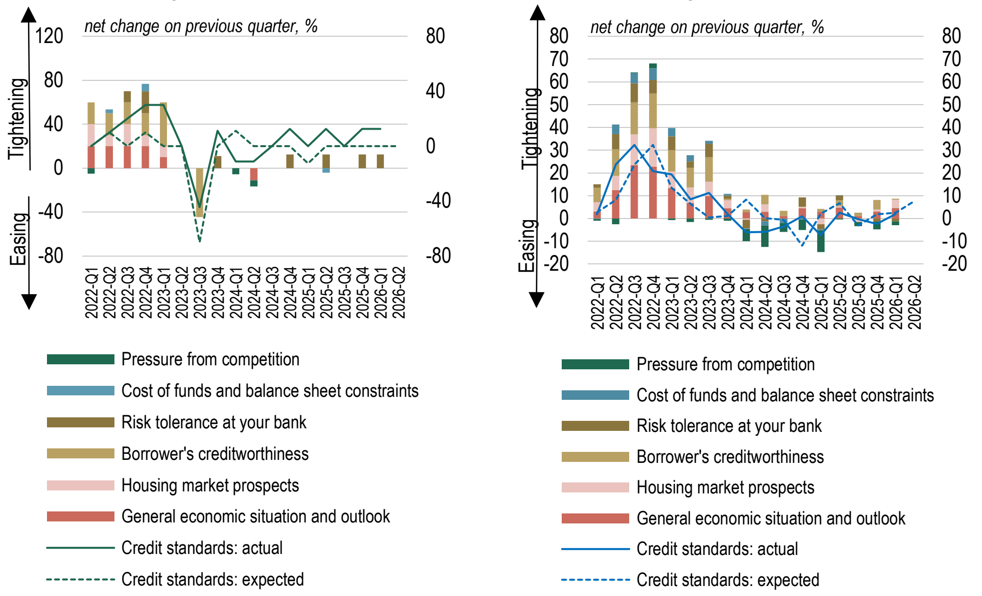


Note: Net percentages for questions on loan demand are defined as the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat", and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably"; this definition applies throughout. "Other financing needs" is the unweighted average of "mergers/acquisitions and corporate restructuring" and "debt refinancing/restructuring and renegotiation"; and "Use of alternative financing" is the unweighted average of "internal financing", "loans from other banks", "loans from non-banks", "issuance/redemption of debt securities" and "issuance/redemption of equity".
Source: Banka Slovenije.

Figure 11.7: **Changes in credit standards for housing loans and contributing factors**

Changes in credit standards and contributing factors for housing loans in Slovenia

Changes in credit standards and contributing factors for housing loans in the euro area

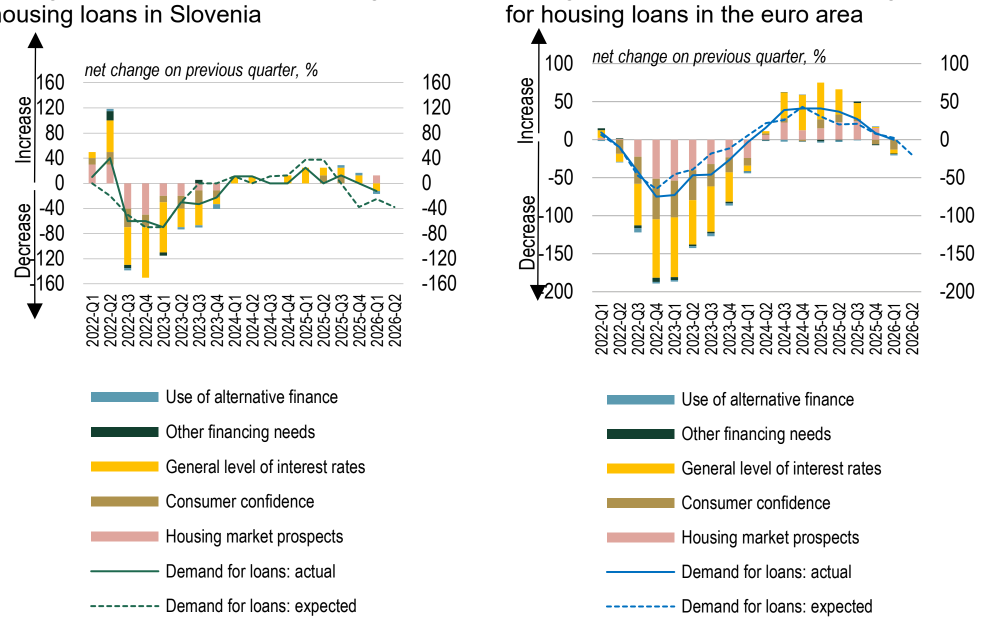


Note: "Cost of funds and balance sheet constraints" is the unweighted average of "banks' capital and costs related to banks' capital position", "access to market financing" and "liquidity position"; "Competition" is the unweighted average of "competition from other banks" and "competition from non-banks".
Source: Banka Slovenije.

Figure 11.8: **Changes in demand for housing loans and contributing factors**

Changes in demand and contributing factors for housing loans in Slovenia

Changes in demand and contributing factors for housing loans in the euro area

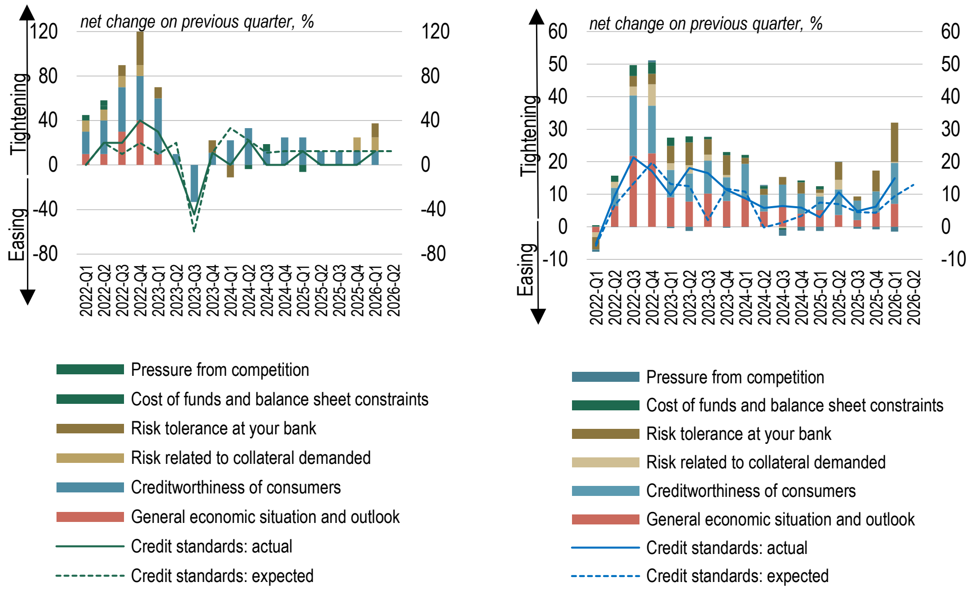


Note: "Other financing needs" is the unweighted average of "debt refinancing/restructuring and renegotiation" and housing market legislation and taxation. "Use of alternative financing" is the unweighted average of "own financing of house purchase from savings/down payment (households' own funds)", "loans from other banks" and "other external sources of financing".
Source: Banka Slovenije.

Figure 11.9: **Changes in credit standards for consumer loans and contributing factors**

Changes in credit standards and contributing factors for consumer loans in Slovenia

Changes in credit standards and contributing factors for consumer loans in the euro area

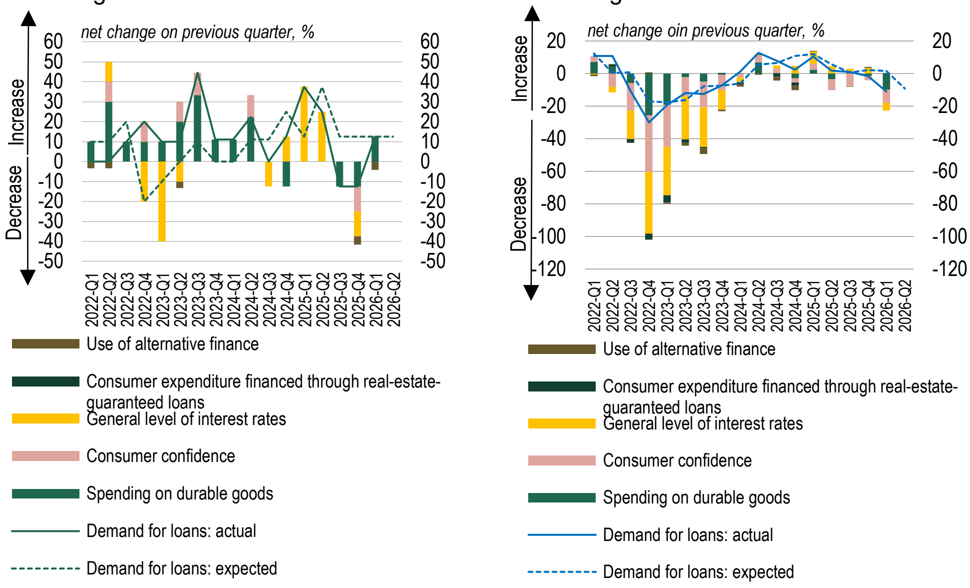


Note: “Cost of funds and balance sheet constraints” is the unweighted average of “banks’ capital and costs related to banks’ capital position”, “access to market financing” and “liquidity position”; “Competition” is the unweighted average of “competition from other banks” and “competition from non-banks”. Detailed sub-components under “Cost of funds and balance sheet constraints” were introduced in April 2024.
Source: Banka Slovenije.

Figure 11.10: **Changes in demand for consumer loans and contributing factors**

Changes in demand for consumer loans and contributing factors in Slovenia

Changes in demand for consumer loans and contributing factors in the euro area



Note: “Use of alternative financing” is the unweighted average of “own financing from savings”, “loans from other banks” and “other external sources of financing”. “Spending on consumption financed by loans collateralised by real estate” refers to “consumption expenditure financed by loans secured by real estate”.
Source: Banka Slovenije.