

Review of macroeconomic developments

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Summary

Economic activity in Slovenia continued to strengthen in the third quarter according to the latest data, albeit less than in the previous quarter, with industrial production remaining weak. Inflation slowed slightly at the end of the quarter.

Following weak growth in the second quarter, economic growth in the euro area is expected to continue expanding in the third quarter. This is suggested by the PMI indicator, which rose slightly in September, largely as a result of an improvement in the situation in Germany and Spain, while the contraction in France deepened. Growth in the service sector was stronger than expected, while the manufacturing PMI returned to contraction territory, where it has remained for more than three years except in August. Inflation in the euro area stood at 2.2% in September.

The ECB left its key interest rates unchanged in September for the second consecutive time. By contrast, the Fed lowered its key interest rates by 0.25 percentage points in September, bringing it to a range of 4.00% to 4.25%, in the wake of a significant deterioration in the US labour market. According to current interest rate swap rates, markets expect four or five further cuts of 25 basis points in the Fed's key interest rate by September 2026, while an additional cut in the ECB's key interest rates over the same period is not ruled out.

Developments in the international financial markets have been relatively stable since the beginning of September, despite the government shutdown in the US. Yields on US and German government bonds fell, as investors moved into safer asset classes following the recent announcement of additional tariffs on Chinese exports to the US. The major global equity indices rose over the observation period, supported by mostly encouraging economic data and announcements of increased investment in the US technology sector. The price of gold has risen sharply since the beginning of September, reaching new highs.

Sentiment in the domestic economy improved slightly in the third quarter, while the latest data shows economic growth continuing, albeit at a lower rate than in the previous quarter. A slowdown in growth in consumption on the domestic market is indicated, despite persistently high wage growth and low unemployment. Manufacturing output remains weak and continues to face cost pressures and inadequate foreign demand. There has been a sharp reversal in growth in construction, where all segments other than residential construction are showing a year-on-year uptick amid a strong base effect. The nowcast models are forecasting quarterly growth of 0.5% in the third quarter.

International trade slowed over the summer. Merchandise imports and exports in July and August were down in year-on-year terms, by 2.8% and 3.7% respectively, slightly more than in the previous quarter. Services imports were up approximately 2% in year-on-year terms, while exports remained unchanged. The 12-month current account surplus narrowed but remained close to EUR 3 billion. Slovenia's market share of merchandise exports to the EU declined slightly over the first seven months of the year.

The number of persons in employment is continuing to fall in year-on-year terms, but the labour market remains tight. The registered unemployment rate is low at

4.5%, and there remain major labour shortages. Despite slowing, wage growth remains high, particularly in the public sector. Real wage growth is outpacing growth in labour productivity, which is weakening the cost competitiveness of the economy.

Inflation, as measured by the HICP, decelerated to 2.7% in September. The slowdown was mainly driven by the smaller contribution from the other goods prices and, to a lesser extent, by easing food inflation. The contribution by energy prices meanwhile remained negative. By contrast, services inflation remained robust at 3.8%, supported by relatively strong real wage growth. Services prices therefore continue to drive core inflation, despite its slowdown to 2.4% in September. However, food prices have been the main driver of headline inflation since July and were up 6.4% year on year in September.

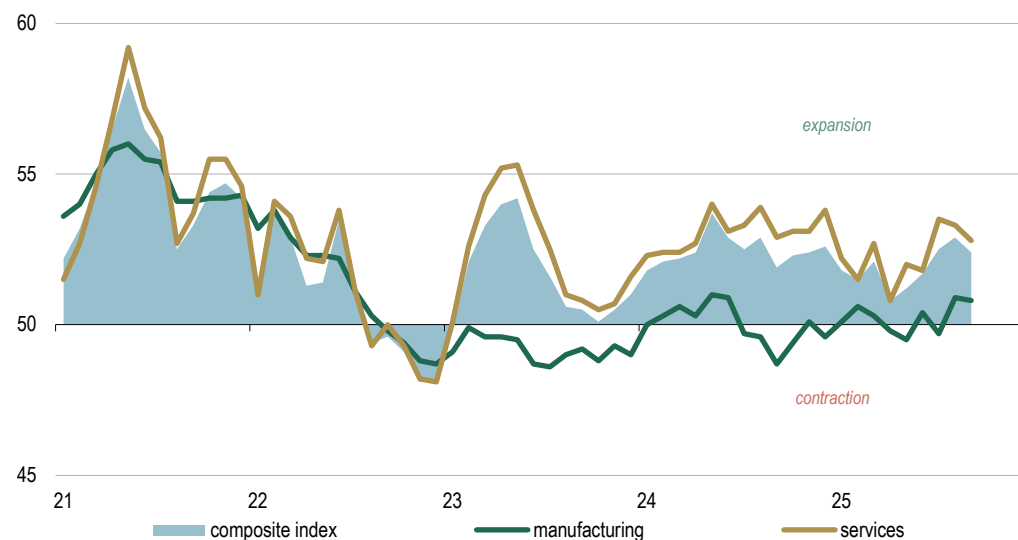
The general government deficit will increase to close to 3% of GDP next year according to the government's plans. This is narrowing the space for fiscal policy measures in the event of new macroeconomic shocks. The general government deficit over the 12 months to June of this year widened to 1.7% of GDP. Growth in general government revenues slowed amid weak economic activity, while expenditure is being raised by the wage reform, social security benefits, and investment. Amid the ongoing implementation of the wage agreement and the rise in defence spending, the general government deficit is expected to widen to 2.8% of GDP next year. General government expenditure will also be raised when the adopted pension reform enters into force, while in the long-term sustainability of the pension system will be improved. The public finance developments over the next two years will be profoundly affected by the structural reforms under preparation and their implementation, by investment activity, and by defence spending.

Global economic growth continued in September with moderate outlook despite increased uncertainty in the United States.

September's PMIs indicate that global economic activity continues to expand (see Figure 1.1). The composite PMI declined slightly to 52.4 points in September, down from 52.9 points in August. Its average of 52.6 points over the third quarter was the highest since the second quarter of 2024, further evidence that the global economy remains in the zone of moderate growth. The gap between manufacturing and services remains, with growth in services slowing slightly. The manufacturing PMI remains at a similar level to the previous month, amid a further increase in output and new orders. Employment remained sluggish, while export demand declined for the sixth consecutive month, which might be partly attributable to the adverse impact of tariff rises.

Among major world economies, India continues to record the highest composite PMI, at 61.0 points. The composite PMI in the US declined slightly to 53.9 points, in reflection of a slight slowdown in growth in services and manufacturing. The average composite PMI in the third quarter nevertheless remains at its highest level of the year. The composite PMI in China rose to 52.5 points, its highest level since June 2024. Meanwhile the composite PMI in Japan declined to 51.3 points, as a result of a sharp decline in industrial production. The figure of 50.1 points for the composite PMI in the UK, its lowest level for five months, is indicative of stagnation, largely on account of a contraction in manufacturing and weak growth in services.

Figure 1.1: JPMorgan PMIs for the global economy



Source: Bloomberg. Latest data: September 2025

Uncertainty in the US is being additionally heightened by the federal government shut-down, Congress having failed to approve a budget bill by the end of the budget year

(30 September). This could have a short-term adverse impact on the economy, but the expectation is that the lost growth will mostly be made up after the end of the shutdown.^{1,2}

The IMF's October projections are forecasting stable global economic growth of 3.2% this year and 3.1% next year. GDP growth is forecast at 2.0% in the US, 1.3% in the UK, 6.6% in India, 4.8% in China and 0.6% in Russia.

The euro area growth continues according to the PMI indicator, with services remaining its main driver.

GDP in the euro area in the second quarter was up 0.1% compared to the previous quarter. The growth was underpinned mainly by changes in inventories, which accounted for 0.5 percentage points, and by private and government consumption, which each accounted for 0.1 percentage points. Meanwhile there were negative contributions from net exports and gross fixed capital formation, in the amount of 0.2 percentage points and 0.4 percentage points respectively. On the production side, the majority of growth was driven by services, which expanded at a similar rate to the first quarter.

According to the composite PMI, the euro area economy remained in expansion at the end of the third quarter (see Figure 1.2, left). The composite PMI remained at 51.2 points in September, its highest level since May 2024. The expansion was driven by an improvement in the situation in Germany and Spain, while the contraction deepened in France. The services PMI strengthened slightly more notably, rising from 50.5 points in August to 51.3 points, thereby outperforming expectations. Growth in services reached its highest rate since January of this year, as the indicator remained in the zone of expansion for the fourth consecutive month. Conversely, contrary to expectations, the manufacturing PMI fell back into contraction territory at 49.8 index points. With the exception of a temporary improvement in August, this sector has been contracting since June 2022. The continued decline in new orders, particularly due to weaker foreign demand, remains the most concerning factor for the economic outlook.

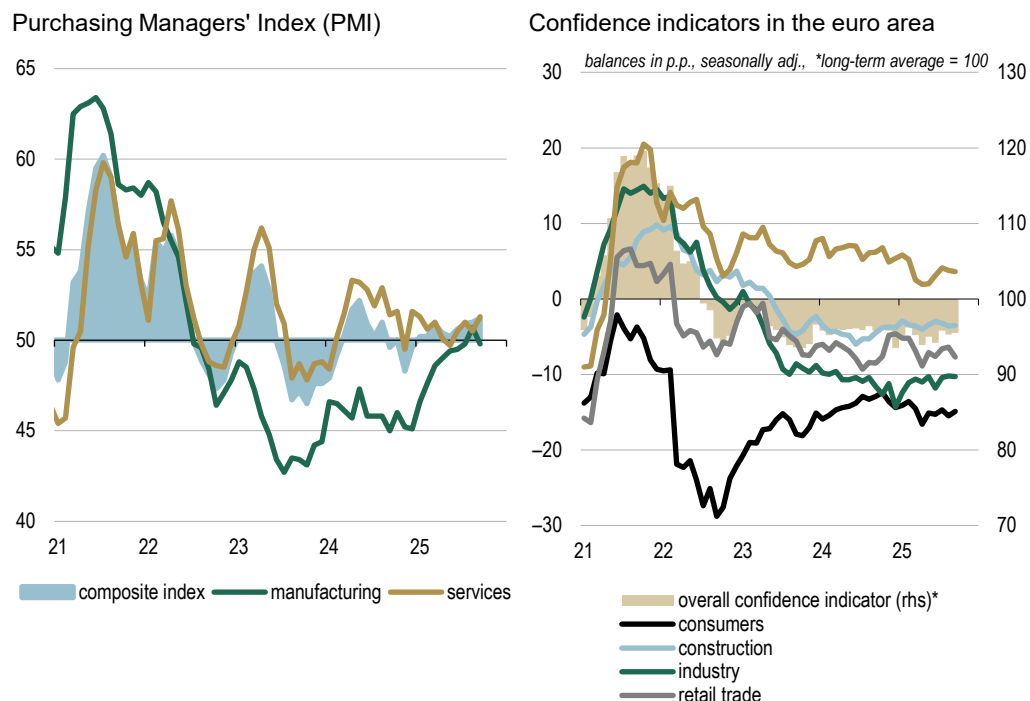
Similar developments are being reflected by the European Commission's economic sentiment indicator, which rose to 95.5 points in September, slightly above market expectations (see Figure 1.2, right). The slight improvement was driven by improved expectations in industry and services and among consumers, while retail confidence declined and construction confidence remained unchanged. Further evidence of the moderate optimism regarding economic recovery comes from the slight rise in the ZEW economic sentiment indicator in September, which exceeded expectations. The indicator declined slightly in October, largely on account of the situation in France.

According to the ECB's September projections, economic growth in the euro area is expected to reach 1.2% this year, which is 0.3 percentage points higher than in the Eurosystem's June projections, mainly due to more favourable starting conditions and better outcomes in the first half of the year. In 2026, growth is expected to slow slightly to 1.0%, reflecting weaker foreign demand, higher tariffs, and a stronger euro. In 2027, growth is projected to strengthen again, reaching 1.3%. The IMF's October forecasts project the same growth rate as the ECB for this year, and 0.1 percentage points higher rate in 2026.

¹ The economic consequences of the government shutdown are hard to assess, but analysis by Goldman Sachs suggests that it could reduce GDP growth by 0.2 percentage points per week, where the lost activity is usually recovered later ([How much does a US government shutdown cost the economy?](#))

² Uncertainty is being further increased by the inability to release key statistics on time, including the monthly employment report.

Figure 1.2: Indicators of economic developments in the euro area



Sources: Eurostat, Bloomberg, Banka Slovenije calculations. Latest data: September 2025

Euro area inflation stood at 2.2% in September, remaining close to the monetary policy target rate of 2%.

Year-on-year inflation in the euro area, as measured by the HICP, strengthened slightly to 2.2% in September, after having stabilised at 2.0% over the previous three months (see Figure 1.3, left). The increase was driven in particular by energy prices, which were down just 0.4% year on year, compared with a decline of 2.0% in August. The higher contribution was attributable to a base effect, as the energy prices declined in month-on-month terms. According to the available data, the decline was not driven by fuels but rather by other energy components.

Core inflation, i.e. inflation excluding energy and food prices, stood at 2.3% for the fifth consecutive month. This masks a slight increase in services inflation to 3.2% (up from 3.1% in August), despite slower growth in labour costs and continued weakening in services activity. Meanwhile, ECB indicators regarding future wage developments³ point to easing wage pressures in the second half of the year, which could help slowing down stubbornly elevated services inflation. Growth in prices of non-energy industrial goods (other goods) remains weak at 0.8%, unchanged from August.

Food inflation slowed to 3.0% (from 3.2% in August), driven entirely by unprocessed food prices. Their developments reflect a negative base effect and a monthly price growth that was nevertheless smaller than typically observed in September.⁴ However, food inflation in Slovenia was more than double the rate of the euro area overall (see Figure 1.3, right). A breakdown by subcomponents suggests the difference stems from a faster domestic growth in prices of meat, oil and fats, and non-alcoholic beverages.⁵

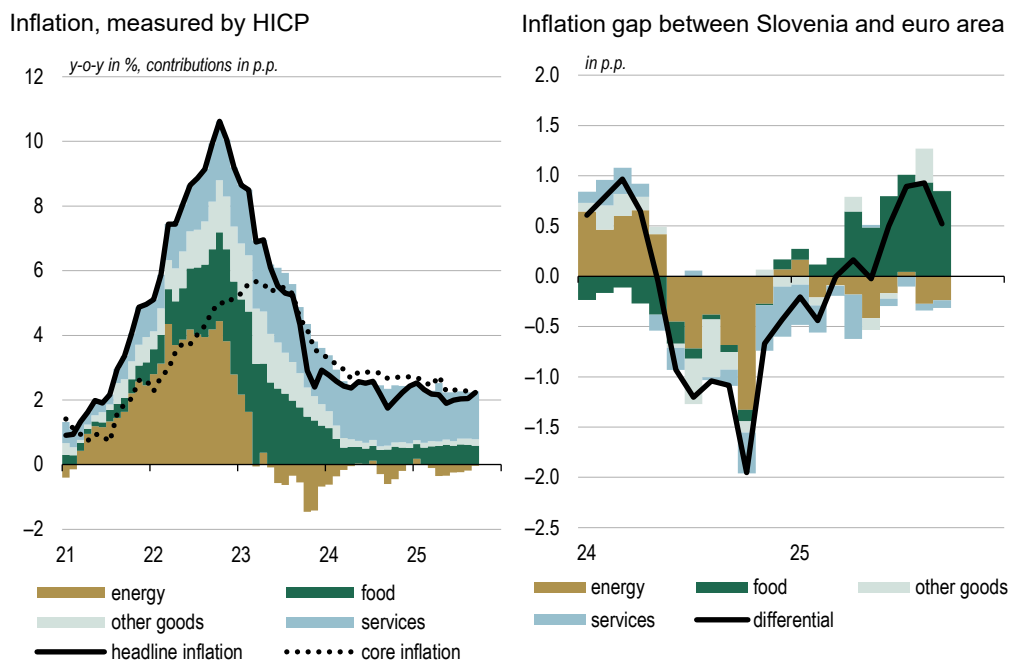
³ ECB Wage Tracker.

⁴ September's monthly growth rate in prices of unprocessed food averaged 0.6% between 2015 and 2024, but stood at 0.2% this year.

⁵ The difference in prices of non-alcoholic beverages between Slovenia and the euro area overall is almost entirely attributable to the introduction of higher VAT on sugar-sweetened beverages in January 2025.

In September, inflation in 15 euro area countries outpaced the euro area average. The lowest rate was seen in Cyprus (0.0%), while the highest rate was recorded by Estonia (5.2%).

Figure 1.3: **Euro area inflation and its difference to inflation in Slovenia**



Sources: Eurostat, ECB. Latest data: September 2025

2 Monetary Policy and Financial Markets

The Eurosystem left the interest rate on the deposit facility unchanged at 2.00% in September, while the Fed lowered its key interest rate to a target range of 4.00% and 4.25%.

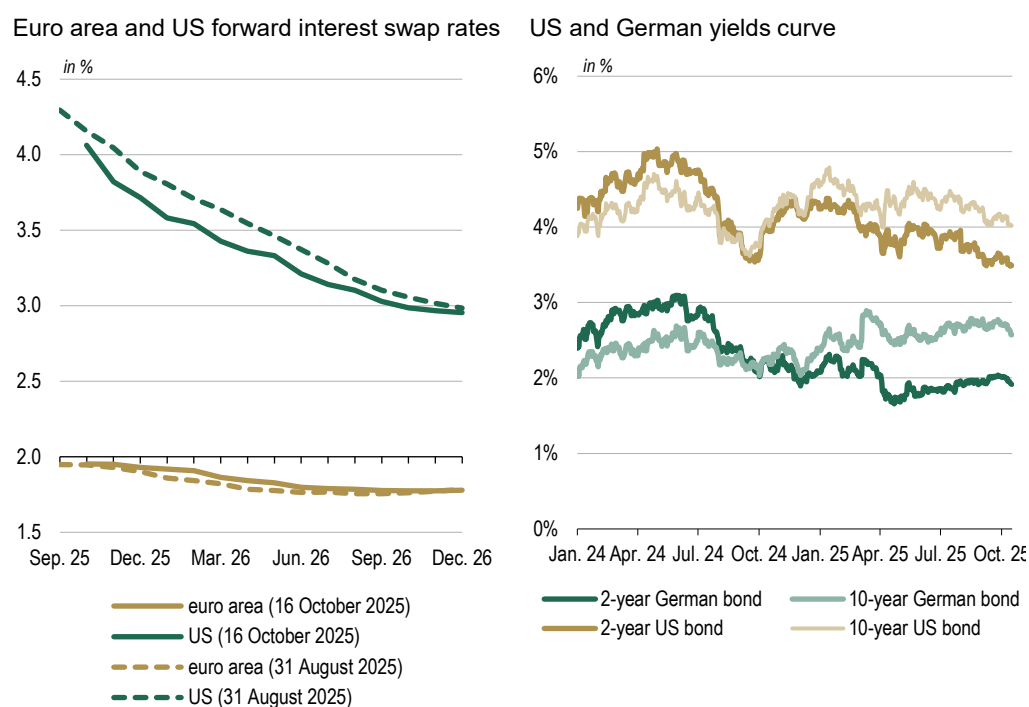
In light of stable inflation and the inflation outlook, the Eurosystem left all three key interest rates unchanged for the second consecutive meeting in September. The interest rates on the deposit facility, main refinancing operations and the marginal lending facility remain at 2.00%, 2.15% and 2.40%, respectively.

The Fed lowered its key interest rate by 0.25 percentage points at its September meeting, to the corridor between 4.00% and 4.25%, largely due to a significant deterioration in the US labour market. This was the first cut in the Fed's key interest rate since December 2024.⁶ Key interest rates were also cut by the central banks of Canada (to 2.50%) and Norway (to 4.00%), while rates remained unchanged in Japan (at 0.50%), the UK (at 4.00%) and Australia (at 3.60%).

⁶ The Fed cut its key interest rate by a total of 1.0 percentage point between September and December 2024, lowering it from a target range of 5.25% to 5.50%.

There has been no significant change since the beginning of September in the expectations regarding developments in the key interest rates at the ECB, but markets are anticipating slightly faster cuts in the Fed's key interest rate over the medium term. This is primarily attributable to the worsening trade relations between the US and China, and a deterioration in the US labour market, all in the context of inflation figures that remain above the Fed's target rate, albeit mostly in line with market expectations. According to current overnight index swap rates (OIS), the markets are not ruling out the possibility of an additional rate cut by the ECB before September 2026. Four or five further rate cuts of 25 basis points are expected at the Fed by September 2026, which would bring the rate to the corridor between 2.75% and 3.00% or between 3.00% and 3.50% (see Figure 2.1, left).

Figure 2.1: **Interest rate swap rate curves and government bond yields**



Sources: Bloomberg, Banka Slovenije calculations. Latest data, right chart: 16 October 2025

The leading global equity indices rose further in the wake of mostly encouraging economic data, and announcements of significant investment by technology firms. Gold also reached record highs.

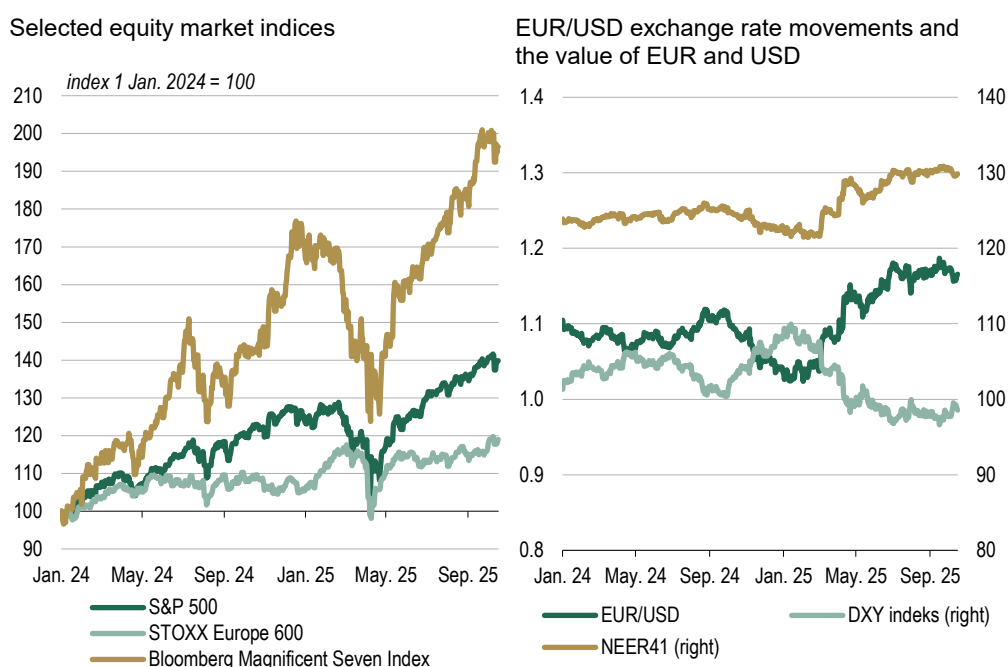
Driven by strengthening market expectations of larger rate cuts by the Fed over the next year, yields on US short-term and long-term Treasuries have fallen by 0.12 percentage points and 0.21 percentage points, respectively, since the beginning of September (see Figure 2.1, right). The decline in yields was attributable to the release of figures showing a moderate increase in personal consumption expenditures in August (as measured by the PCE index), which eased the market concerns about rising inflation, as well as the announcement of additional tariffs on imports of all goods from China. The impact in the US was also transmitted to bond markets in the euro area. As investors moved into safer asset classes, yields on German government bonds also declined slightly, by 0.03 percentage points on short-term bonds and 0.15 percentage points on long-term bonds. The spreads between yields on euro area government

bonds with higher credit risk and the German benchmarks remained low over the observed period.

The major global equity indices have mostly risen since the beginning of September. The rise was driven by encouraging economic data and growing investor optimism about the strength of the global technology sector following announcements of significant investment by US technology firms. However, the upward trend in equity indices ended as investors shifted towards safer asset classes amid deteriorating trade relations between the US and China. The main European index (STOXX Europe 600) has gained 3.4% over this period but remains below its record high from early October. Similar increases were seen in the leading US index (S&P 500) and the Magnificent Seven index of leading technology firms, which are up 3.3% and 7.6%, respectively, since the beginning of September (see Figure 2.2, left). Hong Kong's tech-focused Hang Seng Index fell sharply after the announcement of new US tariffs, but is nevertheless up 3.2% since the beginning of September.

The US dollar has appreciated slightly since the beginning of September, driven mainly by encouraging economic data and, in early October, by investors' retreat to safe-haven currencies. It gained 0.2% against the euro, and 0.8% against a basket of major global currencies (see Figure 2.2, right). The price of gold has increased by 22.7% since the beginning of September, driven by the heightened political uncertainty in the US, with the government shutdown coming into effect at the end of September, and by the escalating global trade war. The rise in gold prices was further fuelled by market expectations of faster rate cuts by the Fed. Gold is currently at a record high (USD 4,200 per ounce). The price of Brent crude oil has fallen by 8.6% since the beginning of September, reflecting investor concerns about the trade war's adverse impact on global economic growth, and expectations that OPEC+ will again increase oil production.

Figure 2.2: **Share indices and developments in the euro and the US dollar**



Sources: Bloomberg, Banka Slovenije calculations. Latest data, right chart: 16 October 2025

Note: In the left chart the Magnificent Seven comprise Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. In the right chart DXY measures the US dollar against a basket of six currencies (EUR, JPY, GBP, CAD, SEK, CHF) in terms of trade flows. The euro has the highest weight at 57%. NEER41 denotes the nominal effective exchange rate of the euro against 41 trading partners. EUR/USD denotes the value of the euro against the US dollar. A higher value indicates a stronger euro.

The economic sentiment indicators for the third quarter show a rise in confidence at construction firms, and a rise in output expectations in manufacturing.

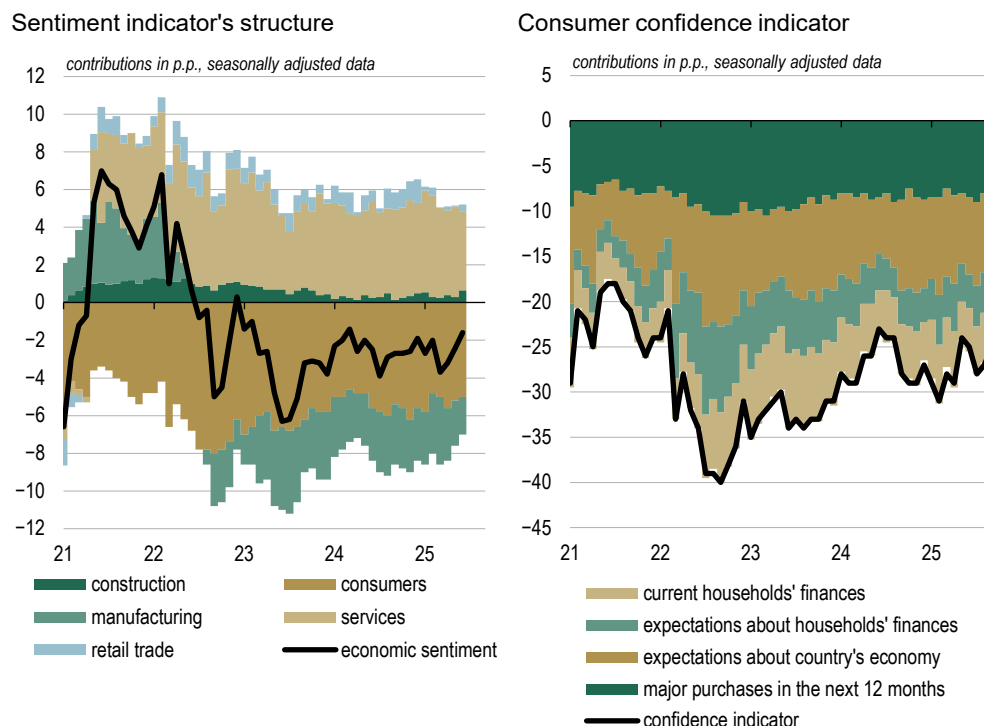
The economic sentiment remained solid in the third quarter, given the situation in the international environment (see Figure 3.1, left). The indicator rose to -1.6 percentage points in September, comparable to its average between 2010 and 2024. The most pronounced improvement in confidence compared with previous months came in construction, where firms reported an increase in the amount of construction put in place over the last three months and a rise in total order books. They were also expecting a significant rise in employment over the next three months.

Confidence in the retail sector rose to a higher level than in previous months. The rise was driven by a run-down in inventories, expectations of further rises in selling prices, and a much smaller decline in sales according to the survey data compared with previous months. Confidence remained relatively high in the service sector, although in September it was down slightly on the previous months. The assessments of demand and employment expectations remained favourable, while service firms were expecting slightly slower growth in prices than in the first half of the year.

Manufacturing confidence remained below its long-term average, but nevertheless reached its highest level since February 2023. The minor improvement in sentiment was primarily attributable to improved expectations regarding output. Firms also gave more favourable assessments of their current output in September than in August. This component of the indicator reached its highest level since November 2022. Conversely the issues with weak demand are set to continue, as assessments of export orders and total orders remained low.

Consumer confidence improved slightly in September, approaching its average for the period 2010–2024. They nevertheless expressed concerns surrounding the economic situation and inflation over the next 12 months, but also assessed the past rise in prices as high (see Figure 3.1, right). They gave above-average assessments of their current financial situation, convenience for major purchases over the next 12 months, and the financial situation over the last 12 months.

Figure 3.1: **Economic sentiment indicators**



Sources: SORS, Banka Slovenije calculations. Latest data: September 2025

Manufacturing output remained relatively weak in the third quarter, while consumption on the domestic market slowed. Activity in the construction sector picked up.

Total manufacturing activity continues to reflect the deterioration in exporters' cost competitiveness and the issues with foreign demand (for more about developments in the competitiveness of the Slovenian economy, see Box 5.1). This year, monthly developments are weak, and output was down 1.6% in year-on-year terms in August.⁷ A fall in output was faced in August by 14 of the 21 sectors for which data is available, and the gap between the sectors with the largest fall and the largest increase was 78.4 percentage points. Manufacturing output over the first eight months of this year was down 1.2% in year-on-year terms, again with major differences between sectors. In terms of technological complexity, it was only high-tech sectors that succeeded in increasing output, which is indicative of the increasing role played by the pharmaceutical sector in driving economic growth. The situation in industry overall was even less favourable: output in the energy sector has been declining sharply since 2020, at least according to the monthly data (see Figure 3.2, left).

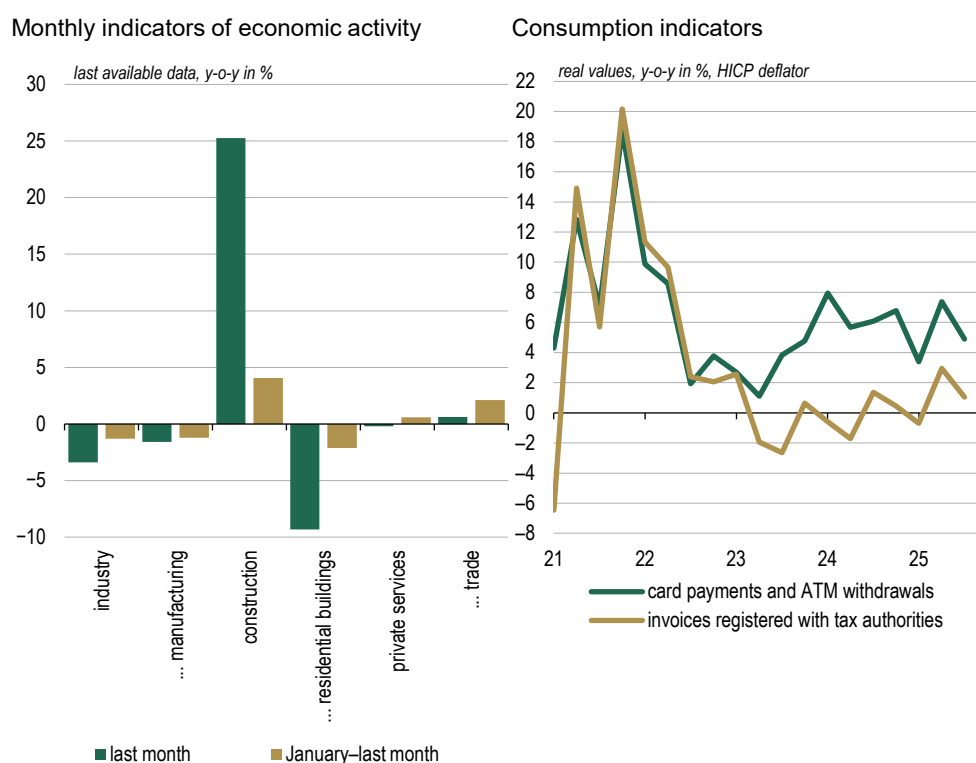
Activity in construction rose sharply over the summer in all segments other than residential construction. The year-on-year reversal in growth began in May amid strong monthly dynamics, and activity in August was already up 25.2% on a year earlier. This is indicative of the high volatility in the sector, partly on account of a strong base effect, which was most pronounced in August. The sharpest reversal was seen in civil engineering work, and was indicative of the increase in infrastructure projects (road construction), where the government and government-affiliated firms usually play a central role (see Figure 3.2, left).

⁷ Output was up 1.8% in year-on-year terms according to calendar-adjusted data.

Activity in residential construction remains down in year-on-year terms, despite a low base. It was down 9.3% in August (see Figure 3.2, left). The situation is increasingly unfavourable from the perspective of consumer purchasing power: residential real estate prices rose by 112.1% between the final quarter of 2015 and the second quarter of this year according to the SORS data, while compensation per employee rose by just 66.8% over the same period according to the national accounts. There is no expectation of a sharper increase in the supply of residential real estate over the next few years, as the number of new building permits remains relatively low despite rising this year, and the corresponding floorspace is even lower than last year.

The first data available for the complete third quarter shows a slowdown in consumption in the domestic market. The year-on-year increases in card payments and ATM withdrawals and in invoices registered with tax authorities were weaker than in the second quarter, despite rising to 4.9% and 3.5% respectively in September (see Figure 3.2, right). July was an unfavourable month according to turnover (real income) in retail and other private-sector services: total sales were down 0.7% on the previous month, and down 0.2% in year-on-year terms (see Figure 3.2, left). These developments were somewhat surprising, as the situation on the labour market remains favourable from the perspective of private consumption, and July recorded the highest number of tourist arrivals for that month to date. Despite this, the year-on-year increase in retail turnover was weak in July at just 0.6%, and turnover was unchanged in accommodation and food service activities. Turnover in real estate activities continued to decline in year-on-year terms amid very high prices, but consumers continued to increase their spending on car purchases.

Figure 3.2: **Economic activity indicators**



Sources: SORS, Bankart, FARS, Banka Slovenije calculations. Latest data, right chart: September 2025.

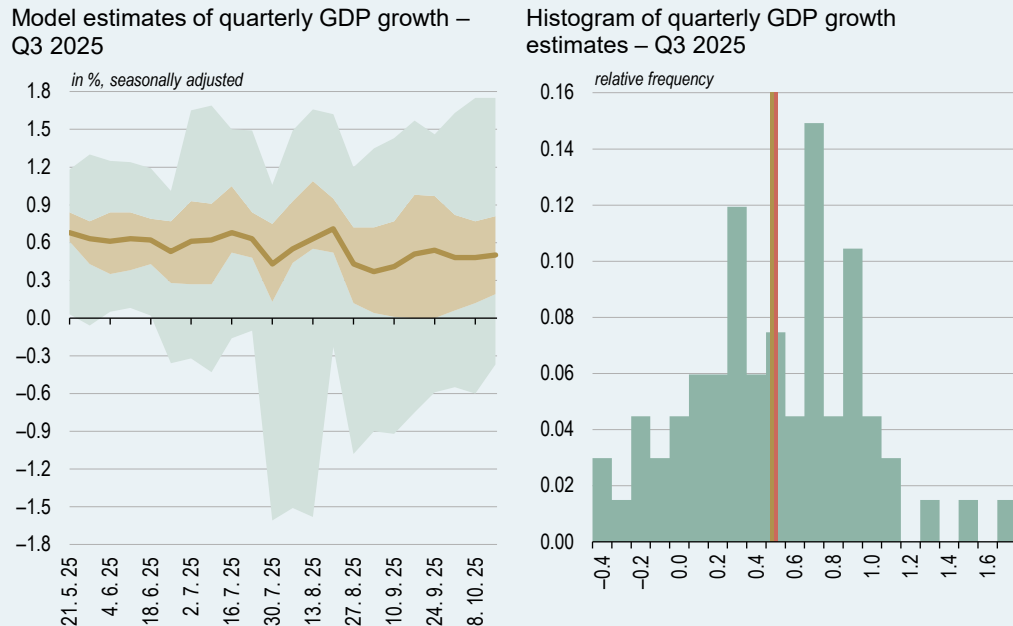
Note: The year-on-year changes in the left chart relate to August for industry and construction, and to July for private-sector services.

The average nowcast for quarterly GDP growth in the third quarter is 0.5%.

The current nowcast for quarterly GDP growth in the third quarter stands at 0.5% (see Figure 3.1.1, left). The figure reflects a slight improvement in recent developments in survey indicators. Economic sentiment in September rose by 1.6 percentage points compared with July. The largest increase was observed in manufacturing (up 0.8 percentage points), followed by consumer confidence (up 0.6 percentage points), construction (up 0.3 percentage points) and retail trade (up 0.2 percentage points). In contrast, confidence in the services sector declined by 0.3 percentage points.

Most major indicators of economic activity are currently available only for July, apart from industrial production, for which August data are already published. After strengthening by 2.1% in July, industrial production declined by 0.6% in August. A significant decrease was recorded in electricity, gas, steam and air conditioning supply (down 16.4%), while mining and quarrying experienced a smaller decline (down 1.3%). Manufacturing output continued its modest growth in August, rising by 0.3%. Activity in July increased also in construction, with the value of construction put in place up by 9.9%. The growth was broad based but most pronounced in civil engineering works (up 18.5%). By contrast, total turnover in services and retail trade fell by 0.7% month-on-month in July. Activity declined by 1.0% in services and by 0.3% in retail trade.

Figure 3.1.1: Nowcast for economic growth



Sources: SORS, Banka Slovenije calculations.

Note: The left chart illustrates the nowcasts for quarterly GDP growth. The gold area represents the interval between the 25th and 75th percentiles, while the green area represents the interval between the lowest and highest forecasts. The gold line represents the average nowcast for GDP growth in the third quarter of 2025. The right chart illustrates the distribution of the nowcasts for quarterly GDP growth in the third quarter of 2025. The vertical gold line represents the median, and the red line the mean. The relative frequency represents the share of the total set of models yielding a particular growth nowcast. Nowcast date: 15 October 2025.

The current data set of high-frequency indicators is also reflected in the chart showing the distribution of nowcasts (see Figure 3.1.1, right). The range based on the 25th and 75th percentiles of the distribution currently lies between 0.2% and 0.8%.

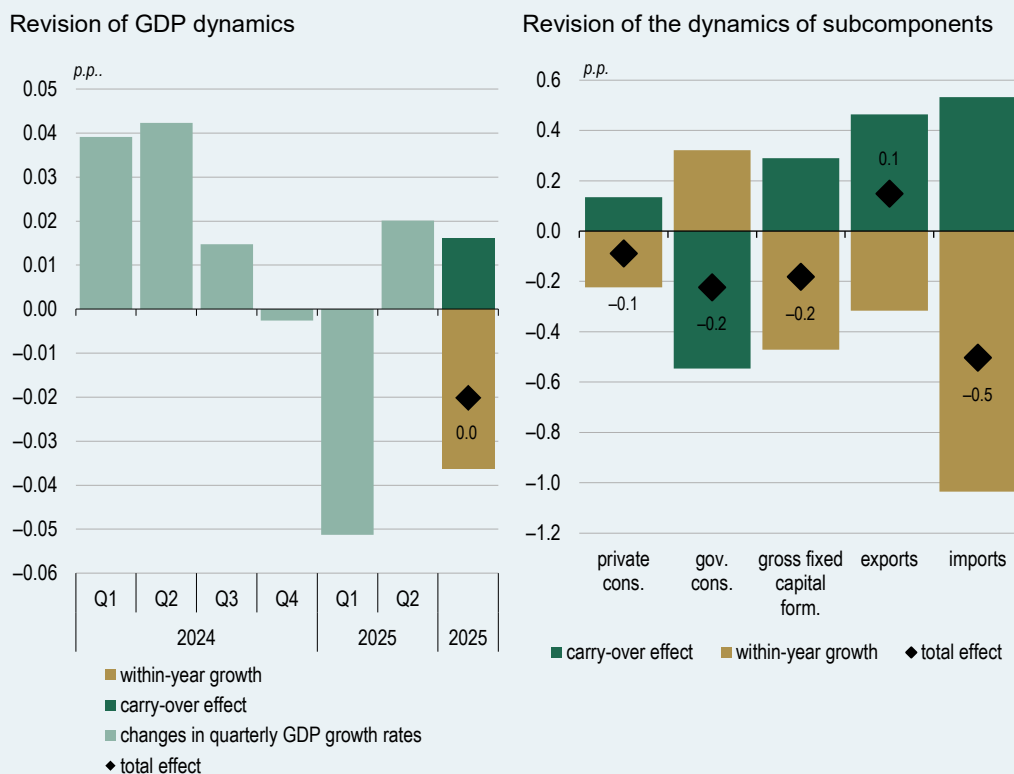
Since October of this year, the nowcast for economic growth has also been available on the [Banka Slovenije website](#). It is updated weekly, typically on Friday mornings.

Box 3.2: Impact of the revision to the previous year's data on this year's GDP growth

The alignment of the quarterly GDP data with the annual figures indicates a neutral impact on this year's economic growth.

Following the release of revised annual GDP data and its main subcomponents for 2024, the SORS also adjusted the quarterly data for these aggregates⁸ (see Figure 3.2.1, left). For GDP, only negligible changes were observed in both the carry-over effect from the previous year and the contribution of growth within the current year. The carry-over effect of last year's GDP growth remains unchanged at 0.3 percentage points; despite minor changes in quarterly growth in the first half of 2025, the within-year growth contribution also remains the same at –0.2 percentage points. Thus, the overall effect of revisions to past quarterly data on GDP growth in 2025 is neutral.

Figure 3.2.1: Impact on GDP growth and its main subcomponents in 2025 from the revision of previous year's data



Sources: SORS, Banka Slovenije calculations

⁸ Details of the revision to the annual data, released by the SORS on 30 August 2025, can be found in Box 3.2 of the [September 2025 issue of the Review of macroeconomic developments](#). The SORS published the [quarterly data adjustment](#) on 30 September 2025.

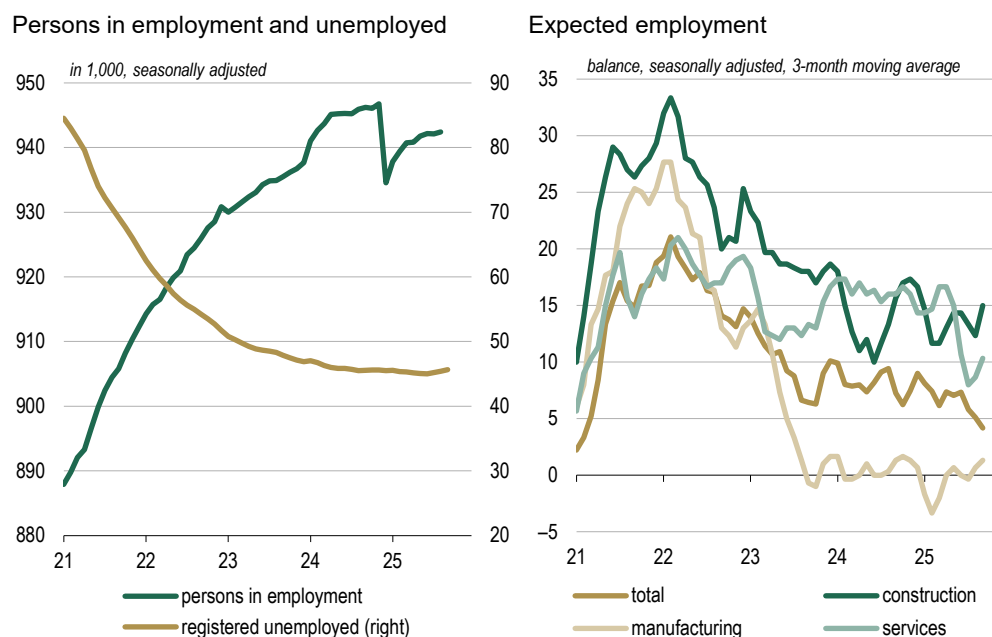
For the main GDP subcomponents, the effects of the revisions on growth in 2025 are most pronounced for imports of goods and services, and somewhat smaller for government consumption and gross fixed capital formation (see Figure 3.2.1, right). For imports of goods and services and gross fixed capital formation, the changes are -0.5 and -0.2 percentage points, respectively, mainly due to a smaller within-year growth contribution. In the case of government consumption, the change of -0.2 percentage points results from a smaller carry-over effect from the previous year. Private consumption and exports of goods and services experienced only minor changes in the overall impact.

4 Labour Market

The number of employees is decreasing, but the labour market remains tight.

The number of persons in employment decreased year-on-year by 0.4% in August, to 938,175 (Figure 4.1, left). The decline was most pronounced in the private sector, particularly in manufacturing, where employment fell by 1.8%. The reduction in employment is mainly influenced by the cooling of economic activity and retirements. Companies continue to address the shortage of domestic labour by hiring foreign workers, whose number among the employed population continues to increase; their share reached 15.8% in July. Despite the slowdown in employment, survey indicators continue to show a relatively favorable picture, as companies' expectations regarding future employment remained positive across all activities in September (Figure 4.1, right).

Figure 4.1: **Persons in employment, unemployment and employment expectations**



Sources: SORS, Employment Service, Banka Slovenije calculations. Latest data, left chart: registered unemployment: September 2025; persons in employment: August 2025; right chart: September 2025

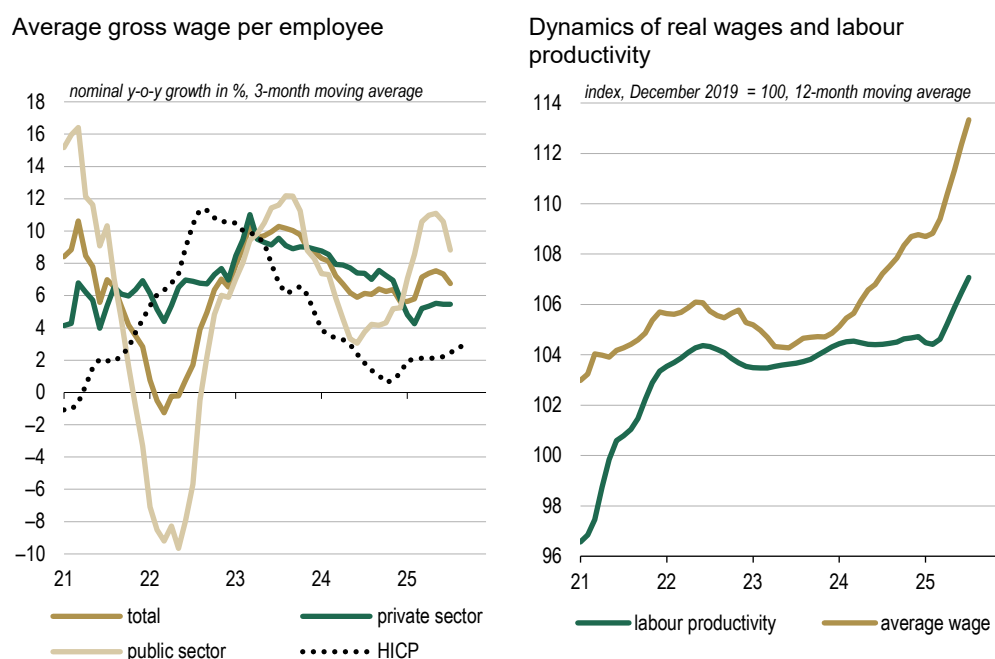
The labour market remains tight. The number of registered unemployed in September was 43,944, which is 0.2% higher than in the same period last year. The registered unemployment rate did not change year-on-year in July and remains low at 4.5%. After several years of decline, the number of unemployed has clearly stabilized at just over 40,000 people. The tightness of the labour market is also confirmed by survey indicators on labour shortages, which remain at high levels across all sectors and have not changed significantly year-on-year.

Wage growth remains robust, mainly due to developments in the public sector.

The average gross wage in July was 5.8% higher year-on-year, which represents the lowest growth rate this year. The public sector has had a significant impact on maintaining relatively high wage growth.⁹ In the private sector, wage growth has hovered around 5% for several months, reaching 5.2% in July, while in the public sector it has remained considerably higher. After strong growth in the first half of the year, averaging nearly 12%, it slowed to 6.9% in July (Figure 4.2, left), which is mostly attributed to the expiration of the wage adjustment to inflation that took place in June 2024.¹⁰

Alongside high nominal growth, real wage growth has also continued, reaching 2.9% in July. The strong real wage growth, present since 2023, exceeds the real growth of labour productivity, which worsens companies' cost competitiveness (for more on the competitiveness of the Slovenian economy, see Box 5.1). In the private sector, the average wage was about 13% higher in real terms compared to 2019, while labour productivity in the same period increased by about 7% (Figure 4.2, right).

Figure 4.2: Wage growth and labour productivity growth



Sources: SORS, Banka Slovenije calculations. Latest data left chart: July 2025; inflation: September 2025; right chart: July 2025
Note: Real rates are calculated using the GDP deflator.

⁹ Mostly public services accounted for 22.3% of employment in July.

¹⁰ The June 2024 wage adjustment affected the base for the calculation of year-on-year rates.

The nominal decline in merchandise trade seen in the second quarter continued over the summer, while year-on-year growth in services trade also slowed.

Nominal merchandise exports in July and August were down 3.7% overall in year-on-year terms according to balance of payments figures. This was slightly larger than the decline in the previous quarter, when exports remained at a similar level to the previous year (down 0.5%). The decline was mainly attributable to lower sales on euro area markets, most notably Croatia and Germany, and in certain countries outside the EU (most notably Switzerland and the US).¹¹ The breakdown by products (according to SORS data) shows a particular decline in exports of iron and steel. Re-exports, i.e. exports of previously imported refined petroleum products and electricity, were weaker. The decline in total merchandise exports was slightly mitigated by stronger exports of road vehicles, transport equipment and food products.

The nominal decline in merchandise imports stood at 2.8% according to balance of payments figures. This was slightly more than in the second quarter (–1.8%), largely as a result of a decline in imports of chemical products and transport equipment. The larger decline in imports was mitigated by imports of non-monetary gold and metal products. In terms of broad economic category, the main decline was in imports of capital goods (down 7.2%), which coincided with weaker investment activity in the corporate sector. In the geographical breakdown, the main decline was in imports from euro area countries (–4.1%), most notably Italy and Germany.

Year-on-year nominal growth in services trade also slowed sharply. Services exports in July and August were virtually unchanged in year-on-year terms (down 0.1%), significantly worse than the growth of 6% recorded in the previous quarter. This was primarily attributable to declines in exports of transport services and other business services (of 7.4% and 7.9% respectively), and the contraction in exports of construction services (of 9.1%), which have been in decline since March of last year. A larger deterioration was prevented by exports of insurance and pension services, which more than doubled, most notably those to Italy.

Services imports by contrast were up 2.0% in year-on-year terms, only slightly less than in the second quarter (2.8%). The rise was driven by relatively strong imports in the majority of categories other than transport services and construction services, which were down 14.4% and 10.5% respectively. There were notable increases in imports of health services, and government goods and services,¹² which more than tripled in year-on-year terms.

¹¹ In July and August, exports were lower year-on-year by 8.4% (or EUR 73 million) to Croatia, 4.0% (or EUR 46 million) to Germany, 34.5% (or EUR 68 million) to Switzerland and 15.1% (or EUR 23 million) to the US.

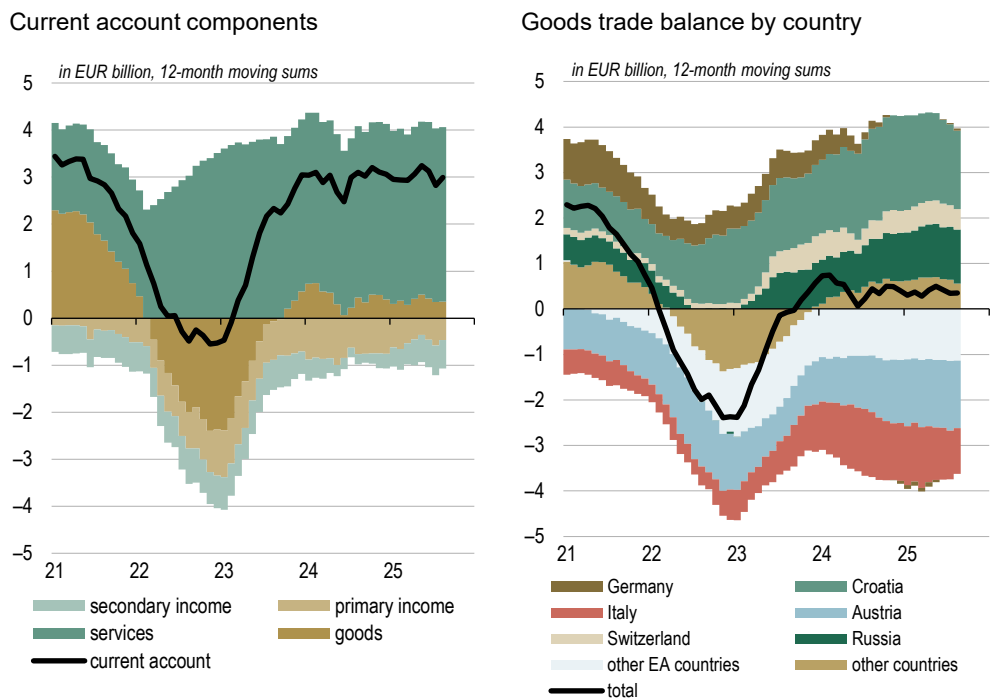
¹² Within this category, most notably services of military units and agencies.

The 12-month current account surplus narrowed slightly but remained close to EUR 3 billion in August.

The current account surplus over the 12 months to August amounted to almost EUR 3 billion, or just EUR 110 million less than a year earlier (see Figure 5.1, left). The largest factor in the surplus was services trade, where the surplus reached EUR 3.7 billion. The merchandise trade balance was EUR 350 million in surplus, down just over EUR 90 million in year-on-year terms but has remained consistently in surplus since August 2023. Its largest components were the merchandise trade surpluses with Russia and Croatia, while merchandise trade deficits with Italy and Austria widened (see Figure 5.1, right).

The current account surplus continues to be narrowed by the income balance, which recorded a deficit of EUR 1.1 billion over the 12 months to August, up 9.4% on a year earlier. The deficit in primary income narrowed by approximately a third, largely mainly due to higher net income from capital (most notably equity and reinvested earnings). Conversely the deficit in secondary income almost tripled, driven above all by smaller inflows from current international cooperation with EU institutions (excluding the ECB), and other current transfers (most notably non-life insurance claims).

Figure 5.1: Current account and goods trade balance by country

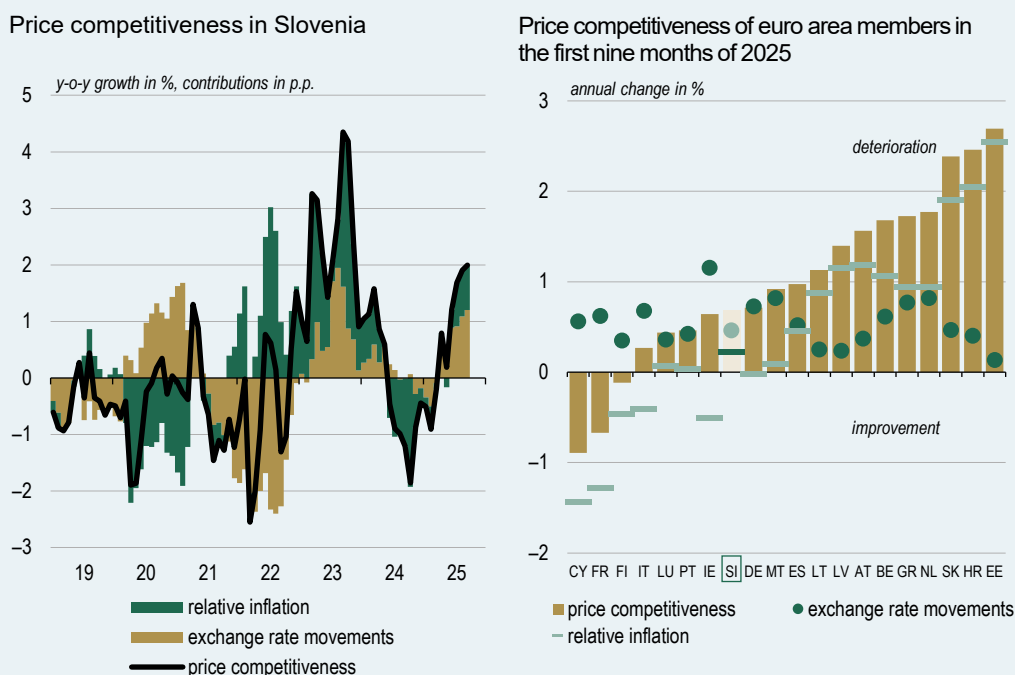


Sources: Banka Slovenije, Banka Slovenije calculations. Latest data: August 2025

The price and production competitiveness of the Slovenian economy deteriorated over the first nine months of the year.

While price competitiveness last year remained at a similar level to the previous year, the indicator's average over the first nine months of this year was 0.7% higher (worse) than last year (see Figure 5.1.1). More than two thirds of the deterioration in the indicator was due to the appreciation of the euro against the basket of currencies of Slovenia's main trading partners, while the remaining part reflected comparatively higher domestic inflation. Both exchange rate movements and domestic price pressures worsened more markedly on a year-on-year basis during the summer months and also in September. Consequently, Slovenia's price competitiveness against non-euro area trading partners weakened. The price competitiveness of the Slovenian economy during the observation period also underperformed its long-term average and its pre-pandemic level.

Figure 5.1.1: Price competitiveness against 37 trading partners



Sources: ECB, SORS, Banka Slovenije calculations. Latest data, left chart: September 2025

Note: The RHC (HICP) reflects price competitiveness, while the NHCI reflects exchange rate developments vis-à-vis a basket of currencies of trading partners, and the ratio between the two signifies relative inflation. A rise in the indicator denotes a deterioration in competitiveness, and vice-versa. The group of 37 partner countries combines euro area countries and 18 partners outside the euro area. The latter consists of seven EU Member States outside the euro area (Bulgaria, Czechia, Denmark, Hungary, Poland, Romania and Sweden), and 11 other countries (Australia, Canada, China, Hong Kong, Japan, Norway, Singapore, South Korea, Switzerland, US, UK).

Price competitiveness deteriorated over the first nine months of the year in the majority of euro area countries, with almost two-thirds of them seeing worse developments than Slovenia (see Figure 5.1.1, right). Consequently, Slovenia saw an improvement in its price competitiveness relative to those countries. A deterioration occurred in all countries of central and eastern Europe (CEE), with Slovenia seeing the smallest deterioration, and Estonia, Croatia and Slovakia the largest.¹³

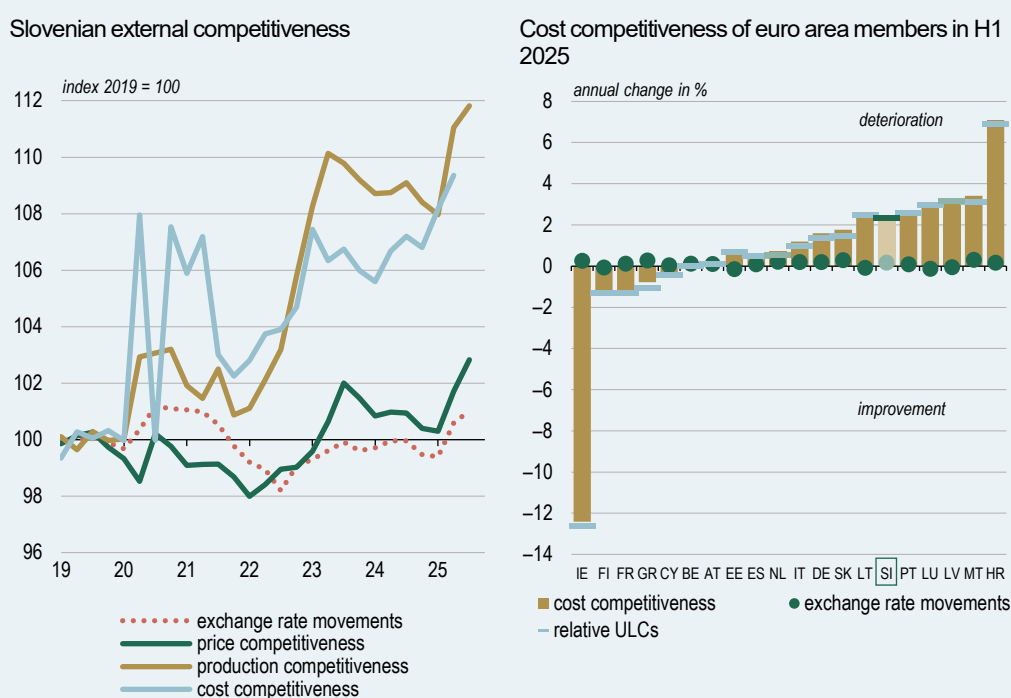
¹³ CEE denotes the countries of central and eastern Europe that are catching up economically with the more advanced countries of western Europe. The euro area countries that are also CEE countries are Croatia, Estonia, Latvia, Lithuania, Slovakia and Slovenia.

The production competitiveness of the economy, which in addition to exchange rate developments takes account of the level of producer prices relative to comparable prices in partner countries, saw a slightly larger deterioration over the first nine months of the year than that in price competitiveness (see Figure 5.1.2, left). The production competitiveness indicator was up (worse) 1.3% in year-on-year terms. A deterioration was seen in the majority of euro area countries, with Slovenia recording an above-average figure. The production competitiveness of the Slovenian economy relative to euro area partners consequently deteriorated over the first nine months of the year, while the deterioration relative to non-euro-area countries was even greater.

The deterioration in cost competitiveness over the first half of this year was even more pronounced than that in price competitiveness or production competitiveness.

Last year the cost competitiveness indicator remained similar to the previous year, but in the first half of this year it increased (deteriorated) by 2.5% in year-on-year terms (see Figure 5.1.2). While exchange rate developments over the first half of the year still had a relatively neutral impact on cost competitiveness, relative unit labour costs (ULCs) deteriorated markedly. The level of the indicator therefore stood somewhat further above both its pre-pandemic level and the long-term average. The cost competitiveness of the Slovenian economy deteriorated relative to euro area countries and, slightly more markedly, to non-euro-area partners.

Figure 5.1.2: **External competitiveness indicators against 37 trading partners**



Sources: ECB, Banka Slovenije calculations. Latest data, left chart: Q3 2025; cost competitiveness: Q2 2025

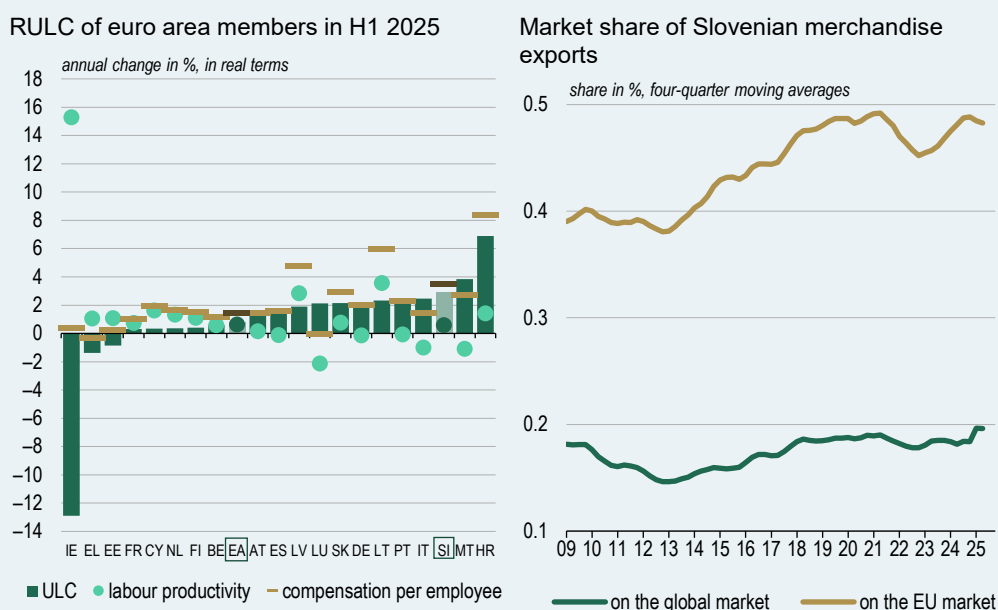
Note: The group of 37 partner countries combines euro area countries and 18 partners outside the euro area. The latter consists of seven EU Member States outside the euro area (Bulgaria, Czechia, Denmark, Hungary, Poland, Romania and Sweden), and 11 other countries (Australia, Canada, China, Hong Kong, Japan, Norway, Singapore, South Korea, Switzerland, US, UK). In the left chart the NHCI reflects the exchange rate developments in the euro vis-à-vis a basket of currencies of trading partners, while the RHCI (HICP) reflects price competitiveness, the RHCI (PPI) reflects production competitiveness, and the RHCI (ULCs) reflects cost competitiveness. A rise in the indicators means a deterioration in competitiveness, and vice-versa. In the right chart the RHCI (ULCs) reflects cost competitiveness, the NHCI reflects the exchange rate developments in the euro vis-à-vis a basket of currencies of trading partners, while the ratio between them reflects relative ULCs.

The deterioration in the cost competitiveness of the Slovenian economy in the first half of the year was above average compared with other euro area countries, while just a third of them saw their position improve (see Figure 5.1.2, right). Among the CEE countries the most unfavourable developments in cost competitiveness were recorded by Croatia and Lithuania.

Developments in real ULCs (RULCs) also remained unfavourable in the second quarter. RULCs remained higher in year-on-year terms, by 2.2%, although this was slightly less than at the beginning of the year (see Figure 5.1.3, left). Their rise was driven by 3.5% real growth in compensation per employee (wages), while it was partly mitigated by renewed growth in labour productivity (of 1.2%).¹⁴ The year-on-year rise in RULCs averaged 0.7% across the euro area over the same period, and was also driven by an increase in real wage growth (1.4%), while real growth in labour productivity stood at 0.7%.

In the first half of the year, only Croatia and Malta recorded a stronger increase in RULC than Slovenia (2.9%) among euro area members, while among the CEE countries in the euro area, a decline in RULC was observed only in Estonia (see Figure 5.1.3, left). Developments in domestic RULCs over the first half of the year were unfavourable in the tradable (2.6%) and non-tradable (4.0%) sectors alike, with the majority of sectors recording a deterioration.¹⁵ In the tradable sector cost pressures strengthened most in information and communication, wholesale and retail trade, accommodation and food service activities, and industry, where the deterioration stood at 3.3% in manufacturing. The largest rises in RULCs in the non-tradable sector were seen in financial and insurance activities and in real estate activities.

Figure 5.1.3: Real ULCs and market share of Slovenian merchandise exports



Sources: Eurostat, SORS, WTO, Banka Slovenije calculations. Latest data, right chart: Q2 2025

Note: The calculation in the left chart is made on the basis of GDP. Under the methodology for measuring ULCs, the deflator used to compute real growth in compensation per employee is the same as that used to compute real growth in productivity, i.e. the GDP deflator. In the right chart the market share of Slovenia's merchandise exports on the global market is calculated as the ratio of Slovenia's exports to global exports. Slovenia's merchandise exports exclude exports of pharmaceutical products to Switzerland that had previously been imported and therefore have no effect on the competitiveness position of the economy and its activity. The market share of Slovenia's merchandise exports on the EU market is calculated as the ratio of Slovenia's exports to the EU relative to the EU's total imports.

¹⁴ The GDP deflator is used to calculate real compensation per employee.

¹⁵ The tradable sector consists of agriculture (A), industry (B to E), trade, accommodation, food services and transportation (G to I), information and communication (J), and professional, scientific and technical activities and administrative and support service activities (M and N). The non-tradable sector consists of all other sectors under the SKD 2008.

Alongside the deterioration in competitiveness indicators, Slovenia's share of goods exports to the EU market – its main export destination – was also lower year-on-year in the first seven months of this year.

After the share of Slovenian goods exports in both the global and EU markets had declined in 2021 and 2022, an improvement was recorded in 2023. Last year, the market share increased further in the EU market, while it edged down slightly in the global market. According to the latest available data, the market share on the global market rose year-on-year in the first half of this year, while in the EU market it declined on average over the first seven months (see Figure 5.1.3, right).

6

Inflation

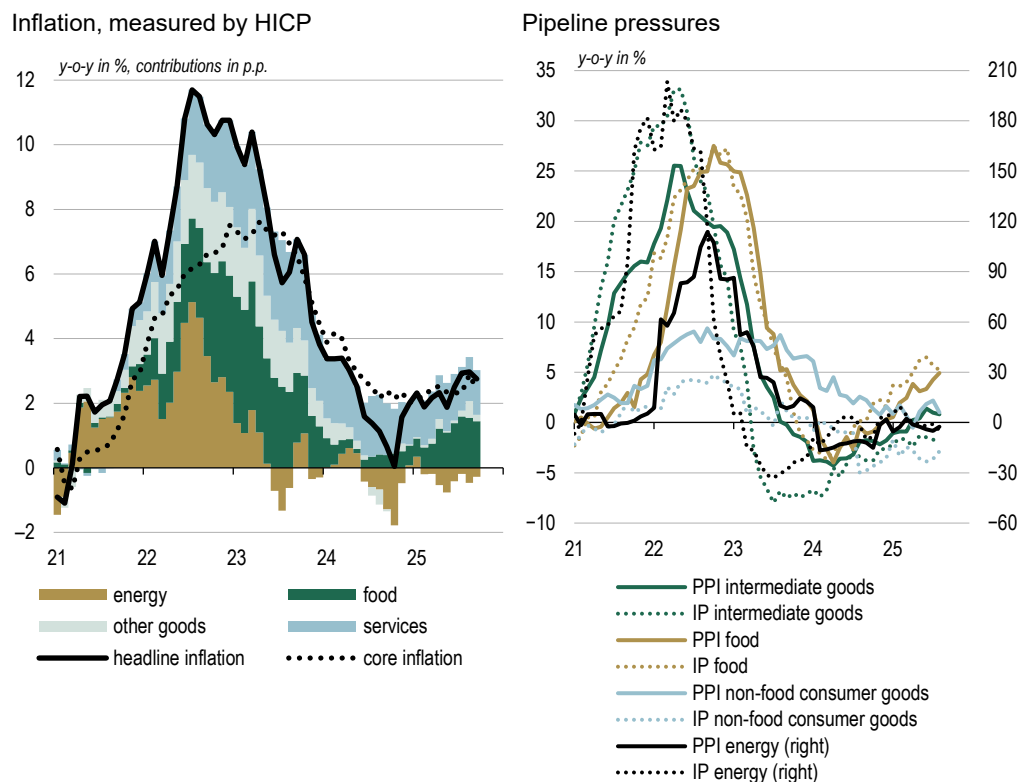
The price of the representative basket of goods and services is rising mainly due to food prices. Services inflation remains elevated.

Year-on-year inflation, as measured by the HICP, decelerated to 2.7% in September, down from 3.0% in August (see Figure 6.1, left). The slowdown was driven primarily by a smaller contribution from other goods prices, and to a lesser extent by food inflation, which eased to 6.4% in September, down from 6.8% in August. Food inflation declined roughly equally because of smaller contributions of unprocessed food and processed food prices, reflecting base effects in the former and month-on-month decreases in prices of sugar, other food products and non-alcoholic beverages in the latter.

Food prices nevertheless remain the main driver of the overall inflation and have also recorded the strongest increase since the pre-pandemic period among the main inflation components. Meanwhile, pipeline pressures remain elevated, at least in the short term, reflecting recent developments along the food supply chains. The growth of producer prices of agricultural products has strengthened, particularly for beef prices, while import and producer prices have continued to rise at an increasingly faster pace. In August, their annual growth rates accelerated to 5.2% and 4.9%, respectively, suggesting broader food supply pressures (see Figure 6.1, right).

By contrast, energy price pressures remain subdued as global oil and gas prices have continued to decline, supported by the euro's year-on-year appreciation against the US dollar. This has been reflected in consumer energy prices, which were again slightly lower vis-à-vis the preceding month. However, the year-on-year rate of energy prices increased to -2.4%, from -3.9% in August, owing to base effects related to price developments in September of last year.

Figure 6.1: Inflation and pipeline pressures



Sources: SORS, ECB. Latest data, left chart: September 2025; right chart: August 2025

Note: In the right chart PPI denotes year-on-year inflation in producer prices on the domestic market, while IP denotes year-on-year inflation in import prices.

Core inflation, i.e. inflation excluding energy and food prices, slowed to 2.4% in September, down from 2.9% in August. The slowdown was expected and was driven entirely by other goods prices, as August's one-off base effect dropped out of the calculation.¹⁶ Year-on-year inflation in other goods prices therefore stood at 0.7% in September, down from 1.8% in August. Indeed, the monthly increase in clothing and footwear prices, typically observed in September during the seasonal changeover to autumn and winter collections, was less pronounced than in the previous year. By contrast, services prices declined in month-on-month terms, largely reflecting lower prices in the tourism sector. Nevertheless, its year-on-year rate remained robust at 3.8% (up from 3.7% in August) and broad-based: the 0.1 percentage point increase in September was observed across health, cultural and other services prices. Looking forward, services inflation continues to be supported by relatively high real wage growth that is sustaining private consumption,¹⁷ whereas firms' expectations also point to stable growth in services prices in the near term.

¹⁶ The base effect is mainly related to the prices of clothing and footwear, which fell by 7.7% in monthly terms in August 2024, compared with an average fall of 1.3% between 2005 and 2023.

¹⁷ Real growth in compensation per employee, as measured by the private consumption deflator, stood at 5.6% in the second quarter. In case of the GDP deflator, the rate is lower at 3.5%, unchanged since the last quarter of 2024. After a stagnation in the first quarter, real growth in labour productivity resumed in the second quarter, reaching 1.2%, in line with last year's developments.

The general government deficit widened in the first half of the year. The largest factor in the rise in expenditure was the implementation of a new wage reform. Growth in general government revenues slowed as the economy cooled.

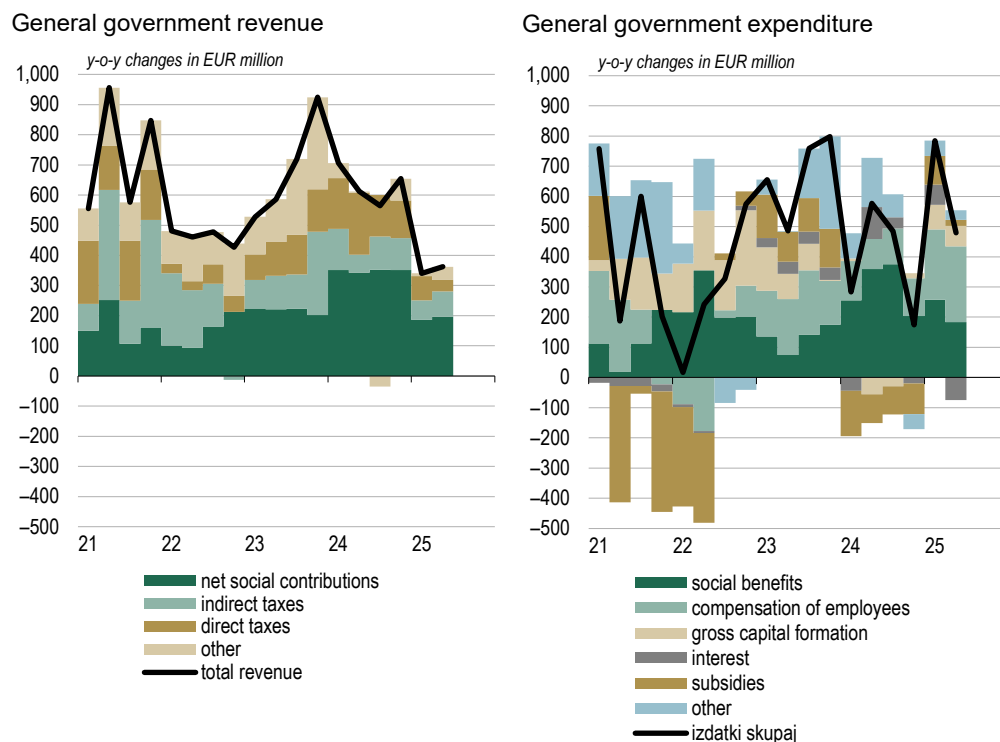
The general government deficit over the first half of the year amounted to EUR 1,060 million or 3.1% of GDP, EUR 561 million or 1.6 GDP percentage points wider than the same period last year.¹⁸ From 0.9% of GDP at the end of 2024 also after revision, the 12-month deficit had widened to 1.7% of GDP by the end of June 2025. The small primary surplus swung into a deficit.

General government revenues in the first half of the year were up EUR 703 million or 4.8% in year-on-year terms (see Figure 7.1, left). The slowdown in growth compared with the previous year was largely attributable to the temporary effect of the transformation of supplementary health insurance into a compulsory health contribution (which accounted for 2.3 percentage points of last year's revenue growth), while economic growth has also slowed. The main driver of a rise in general government revenues remains social security contributions, with the labour market situation remaining relatively favourable for the public finances. Growth in personal income tax revenues slowed to 4.2%, as a result of adjustments in tax brackets and allowances. According to SORS estimates, corporate income tax revenues over the first six months of the year also recorded slower growth (5.0%). Growth in revenues from taxes on production and imports was similar to growth in household consumption. Revenues from property income, which include interest and dividends, were down.

General government expenditure in the first half of the year was up 8.3% or EUR 1,264 million in year-on-year terms (see Figure 7.1, right). The largest factor in the increase was compensation of employees, whose growth of 12.8% was the result of the implementation of the new wage reform, and also reflects last year's wage increase in June, promotions at the end of the year, and a rise in employment. Social security benefits were up 7.1%, while pensions grew slightly faster in the first half of the year according to the ZPIZ data, on account of regular increase and a rise in the number of pensioners. Expenditure on investment and subsidies also strengthened, while interest payments were down slightly in year-on-year terms.

¹⁸ This data refers to the ESA2010 (European System of Accounts) methodology. The general government sector includes other institutional units (e.g. public funds and agencies) alongside the four main public finance budgetary accounts (state budget, ZPIZ, ZZZS, local government).

Figure 7.1: **General government revenue and expenditure**



Sources: SORS, Banka Slovenije calculations. Latest data: Q2 2025

The available data for the third quarter suggests that the fiscal position has most likely not changed significantly in the year-on-year comparison.

The consolidated general government deficit over the first half of the year was almost EUR 600 million wider in year-on-year terms, while the available data for the third quarter shows no significant change.¹⁹ The consolidated general government deficit in July and August however amounted to EUR 200 million, EUR 94 million more than in the same period last year.²⁰ The state budget deficit over these two months widened by EUR 159 million, but the preliminary data for September suggests that the overall position in the third quarter was similar to the same period last year. The developments in the area of taxes seen in the first half of the year largely continued, but the initial payments of the long-term care contribution increased growth in social security contributions. On the expenditure side wage payments and social transfers to individuals and households continued to increase.

The general government debt temporarily increased in the middle of the year, but is expected to have declined again by the end of the year.

The general government debt amounted to EUR 47.5 billion or 69.4% of GDP at the midpoint of this year, up EUR 2.6 billion on the end of last year. The nominal increase is being driven by an increase in long-term and short-term borrowing alike. The largest part of debt maturing this year came in July (RS75 bonds in the amount of EUR 1.9 billion with a coupon rate of 2.125%), when a new bond with a slightly smaller principal

¹⁹ The consolidated general government position includes ZPIZ, ZZZS and local government alongside the state budget.

²⁰ The consolidated general government deficit over the first eight months of the year amounted to EUR 1,066 million, compared with EUR 378 million over the same period last year. The 12-month consolidated general government deficit increased to 2.4% of GDP in August this year, compared with 1.4% of GDP at the end of last year.

was issued (RS97 bonds in the amount of EUR 1.0 billion with a coupon rate of 3.125%). The debt will consequently decline in the second half of the year, although the implicit interest rate will rise. This stood at 1.9% at the midpoint of this year, unchanged from the end of last year, but up from the lows of 1.6% seen in 2021 and 2022.

The fiscal space for mitigating any future shocks is being reduced by the planned increase in the deficit.

According to the government's latest estimates from the Draft budgetary plan, the general government deficit is also expected to increase next year, from 2.4% of GDP this year to 2.8% of GDP. The main driver according to the government estimates is defence spending, which is forecast to increase by 0.4 GDP percentage points according to the COFOG (from 1.41% of GDP this year to 1.78% of GDP next year). The general government debt is forecast to stand at 66.0% of GDP at the end of this year, before declining further to 64.7% of GDP next year, largely as a result of growth in GDP and the utilisation of the government's extensive cash reserves.

Given the planned state budget deficits of slightly under 3% of GDP over the next two years (2.9% of GDP in 2026 and 2.8% of GDP in 2027), the fiscal space for mitigating any future shocks is diminishing. The deficit already takes account of the implementation of certain major structural reforms, such as the wage reform in the public sector, the pension reform, the introduction of long-term care, gradual changes in healthcare, increased defence spending and the continuation of the post-flood reconstruction. Alongside the implementation of the aforementioned reforms and the post-flood reconstruction, a further risk to the public finances is posed by the implementation of other planned investments, the uncertain geopolitical situation, which might affect economic growth, and the introduction of a tax-free winter bonus (Christmas bonus).

Box 7.1: Pension expenditure

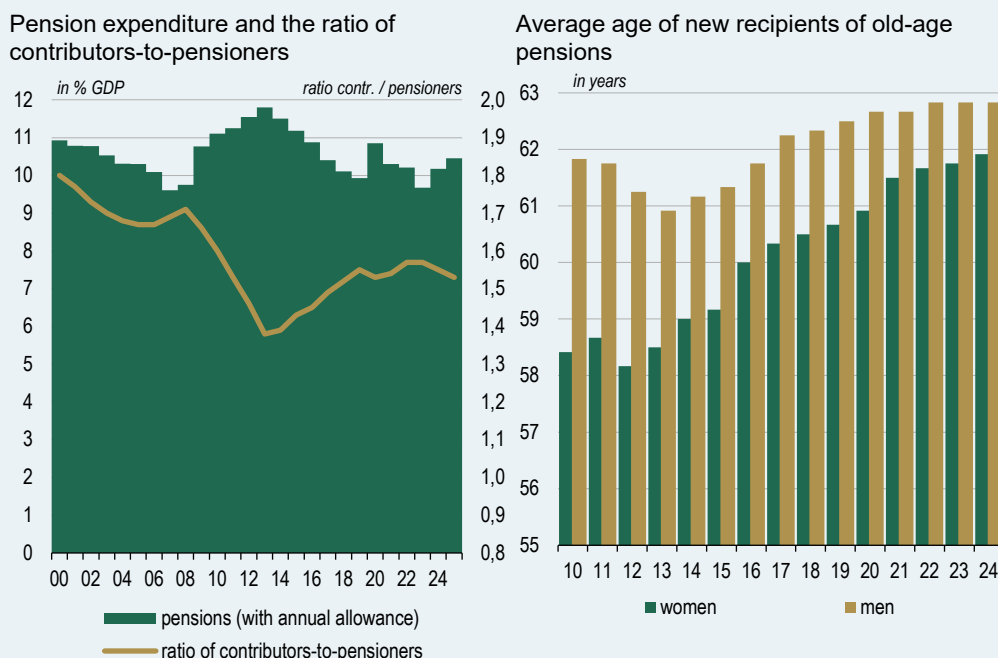
Pension expenditure declined as a ratio to GDP following the implementation of the pension reform in 2013, and has averaged just over 10% in recent years.

The last major pension reform in Slovenia (the ZPIZ-2) was carried out in 2013. This equalised the retirement conditions for men and women, extended the period for calculating the pension base, and modified the approach to pension increases.²¹ The number of pensioners was rising sharply before 2013. Pension expenditure (including the annual bonus) had stood at 11.8% of GDP in 2013, the highest figure of the last quarter century. The ratio of contributors to pensioners was also deteriorating (see Figure 7.1.1, left). Pension expenditure declined following the reform, and has stabilised on average at just over 10% of GDP over the last five years, equivalent to just over a fifth of total

²¹ The retirement age for both genders was raised, with transition periods, to 65 for those with at least 15 years of pensionable service, and to 60 for those with 40 years of pensionable service without purchase. Reductions in the retirement age for receiving an old-age pension were allowed for care for infants during their first year of life, for compulsory military service and for insurance coverage before the age of 18. The period for calculating the pension base was extended to the 24 most favourable consecutive years, up from 18 years. An annual pension increase in the amount of 60% of the rise in the average wage over the past year and 40% of the average rise in consumer prices over the past year was applied.

government expenditure.²² The current ratio of contributors to pensioners is more favourable than at the time of the entry into force of the ZPIZ-2 also due to the buoyant labour market. After peaking in 2022 and 2023, it has nevertheless deteriorated slightly. This was driven by last year's stagnation and this year's fall in the number of pension contributors, and a rise in the number of pensioners, whose annual rate has exceeded 1% since 2023, with a rise of 1.6% seen over the first eight months of this year.²³

Figure 7.1.1: Pension expenditure, ratio of contributors to pensioners, and average retirement age



Sources: ZPIZ, SURS, Banka Slovenije calculations

Note: In the left chart pension expenditure in 2025 is an estimate from the financial plan of ZPIZ, while the ratio of pension contributors to pensioners relates to the first half of the year. Since 2014 pension contributors include people insured under other legal relationships (mainly school and college students), and employees working abroad.

The retirement age and average insurance period of new retirees were raised following the reform. For the sake of equalising the age requirement between men and women, the rise was more pronounced for women (see Figure 7.1.1, right). In 2024 women retired with the average insurance period of 39 years and 2 months (3 years and 10 months more than in 2012, i.e. before the reform), while men had on average insurance period of 38 years and 5 months (1 year and 2 months more than in 2012). The average age at retirement rose to 61 years and 11 months for women, and 62 years and 10 months for men (3 years and 9 months higher than in 2012 in the first case, and 1 year and 7 months higher in the second). Last year 81.2% of women and 74.5% of men retired having completed 40 years or more of pensionable service according to ZPIZ data. Despite people staying in active employment for longer, the period for which the pension is received is increasing.

The employment rate is also higher than when the ZPIZ-2 entered into force.²⁴ Although the rate in the 20 to 64 age cohort in Slovenia is higher than the EU average, in the

²² In addition to the measures under the ZPIZ-2, pension expenditure was also affected by other factors, e.g. the economic situation, particularly the labour market situation. Numerous other measures were also adopted, such as the introduction of a guaranteed pension in October 2017, various austerity measures during the crisis period, and the equalisation of accrual rates for men and women.

²³ [ZPIZ Monthly Report](#). The data covers recipients of old-age pensions, partial pensions, family pensions, disability pensions, and survivor pensions.

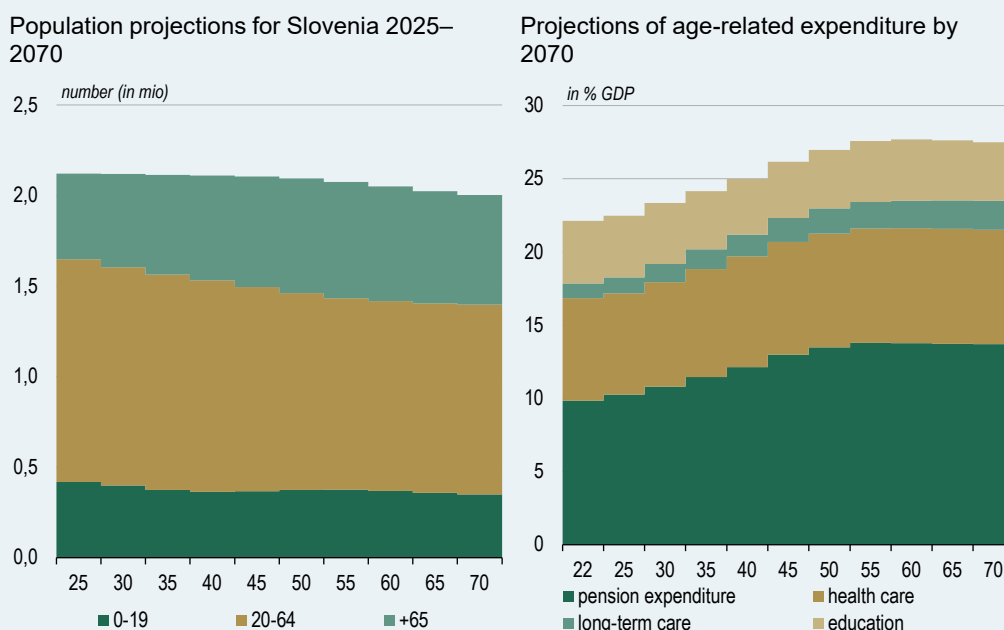
²⁴ The employment rate is the share of persons in employment in a certain age group.

older cohort of 55 to 64 it is below the average, despite rising after the entry into force of the ZPIZ-2.²⁵

Adverse demographic trends are one of the key challenges facing the public finances.

The population of Slovenia will continue to age (see Figure 7.1.2, left). There will be fewer people of working age, and more aged over 65. Because pensions in Slovenia are funded on the basis of intergenerational solidarity (a pay-as-you-go system), the sustainability of the system is hugely dependent on the ratio of pension contributors to pensioners.

Figure 7.1.2: Projections of Slovenia's population and age-related expenditure to 2070



Sources: SURS (EUROPOP2023 projections, baseline scenario), European Commission, Banka Slovenije calculations

According to the estimates from the Ageing Report, age-related expenditure in Slovenia will increase by 5.4% of GDP between 2022 and 2070 under the baseline scenario, mostly on pensions (see Figure 7.1.2, right).²⁶ The latter is projected to increase from 9.8% of GDP in 2022 to 13.7% of GDP in 2070. Expenditure on long-term care is also forecast to be 1 percentage point higher, while a slightly smaller increase is projected for health expenditure. Expenditure on education is projected to decline. A pension reform that targets the future sustainability of the pension system alongside a pension that allows for a dignified old age is therefore vital.

²⁵ Last year Slovenia's employment rate stood at 78.3% in the 20 to 64 cohort (EU: 75.8%), and at 56.3% in the 55 to 64 cohort (EU: 65.2%). The employment rate in the older cohort was approximately 33% when the ZPIZ-2 entered into force.

²⁶ The most recent [Ageing Report](#) was published in 2024.

The new pension reform raises government expenditure over the short term, but improves the sustainability of the pension system in the long-term.

The National Assembly passed the pension reform on 18 September 2025, and it is expected to come into force next year, with the winter bonus payment envisaged already for this year.²⁷ While the extension of the contribution period and changes in the approach to pension increases contribute to the long-term sustainability of the system, they also envisage a rise in some of the lowest pension categories and a winter bonus for all pensioners, which target a dignified standard of living. The main changes are as follows:

- A rise of two years in the retirement age (by 3 months each year between 2028 and 2035), to 62 years with 40 years of pensionable service, and 67 years with 15 years of pensionable service. It will be possible to lower the age requirement for work done before the age of 20, for childcare during the first year of life, and for compulsory military service.
- A period of 40 years minus the five worst (not necessarily consecutive) years will be used to calculate the pension base. The transition period will run from 2028 to 2035, with an additional two years taken into account in the calculation each year, and the number of years excluded from the calculation also rising gradually.
- The accrual rate for 40 years of pensionable service will be gradually increased from 63.5% to 70% between 2028 and 2035. It will be possible to raise it by remaining in the labour force after completing 40 years of pensionable service, by caring for a child during the first year of life and by serving in the military, if these have not been used to lower the age requirement.
- The approach to pension increases is also being changed: between 2026 and 2035 inflation and wages will each account for 50% of the increase, and then the share of inflation will gradually be raised to 80% by 2045, with the share of wages being reduced to 20%.
- A winter bonus is being introduced, starting with payments of EUR 150 to every pensioner this year, with the payments rising by EUR 20 each year until a level of EUR 250 is reached in 2030, and thenceforth being adjusted in the same way as transfers to individuals and households.

In light of the aforementioned changes, the adopted reform will raise expenditure and widen the general government deficit over the short term, but will improve the sustainability of the pension system over the long term. The winter bonus is costed at approximately EUR 87.5 million this year, and around EUR 100 million next year, rising to just over EUR 150 million by 2030. An increase in certain disability, survivor and family pensions is planned next year. Other effects, particularly savings, will act more gradually. The Draft budget plan estimates that the combination of reform measures will hold pension expenditure below 12.5% of GDP in 2070, which despite an increase is less than the estimates in the latest Ageing Report (13.7% of GDP).²⁸ The calculations show that pensions should increase most for those with the lowest incomes.²⁹

²⁷ The reform may yet be subject to a referendum. The utilisation of funding under the recovery and resilience plan is also tied to pension reform.

²⁸ The government was briefed on the [Draft budgetary plan for 2026](#) on 9 October 2025. The projections relate to simulations by the Institute for Economic Research.

²⁹ See for example the [Response to petitioning for a referendum on changes to the pension system](#).

Table 8.1: Key macroeconomic indicators at the monthly level for Slovenia

	2023	2024	12 m. 'till Jul. 25	3 m. 'till Jul. 24	3 m. 'till Jul. 25	2025 May	2025 Jun.	2025 Jul.	2025 Aug.	2025 Sep.
Economic Activity										
	balance of answers in percentage points									
Sentiment indicator	-3.8	-2.7	-2.7	-2.0	-3.0	-2.0	-3.7	-3.2	-2.4	-1.6
- confidence indicator in manufacturing	-8.3	-7.7	-7.6	-6.7	-8.0	-8.0	-9.0	-7.0	-6.0	-5.0
	year-on-year growth rates in %									
Industry: - total	-4.9	-1.2	-0.3	-3.5	-1.4	-0.2	-4.5	0.5	-0.1	...
- manufacturing	-3.7	0.9	0.5	-1.2	-0.8	-0.2	-2.6	0.5	1.8	...
Construction: - total	19.4	-9.4	-4.5	-13.4	11.6	3.8	8.9	23.0	25.2	...
- buildings	10.5	-12.6	-4.3	-17.3	13.7	15.9	8.4	16.7	11.5	...
Trade and service activities - total	0.4	1.9	0.9	1.9	1.0	0.8	2.6	-0.4	...	...
Wholesale and retail trade and repair of motor vehicle	11.5	6.7	4.5	5.5	8.3	8.2	9.7	6.9	...	...
Retail trade, except of motor vehicles and motorcycl	-4.6	0.7	1.3	1.4	1.2	2.0	2.5	-0.8	...	...
Other private sector services	2.5	1.5	0.2	1.2	0.7	-0.4	2.5	0.0	...	...
Labour market										
	year-on-year growth rates in %									
Average gross wage	9.7	6.2	6.5	6.1	6.7	7.1	7.4	5.8	...	...
- private sector	9.4	7.1	5.7	7.4	5.5	4.9	6.0	5.4	...	...
- public sector	10.3	4.6	7.8	3.8	8.8	11.0	9.4	6.1	...	...
Real net wage ¹	4.0	1.8	3.6	1.7	3.8	5.1	4.6	1.6	...	...
Registered unemployment rate (in %)	5.0	4.6	4.6	4.4	4.4	4.4	4.3	4.5	...	...
Registered unemployed persons	-14.0	-5.6	-3.0	-6.3	-1.9	-2.0	-2.2	-1.3	-0.4	0.2
Persons in employment	1.3	1.1	0.1	1.2	-0.4	-0.5	-0.4	-0.4	-0.4	...
- private sector	1.4	1.1	-0.2	1.2	-0.9	-1.0	-0.9	-0.9	-0.9	...
- public sector	0.9	1.2	1.0	1.3	1.0	1.0	1.0	1.0	1.0	...
Price Developments										
	year-on-year growth rates in %									
HICP	7.2	2.0	1.8	1.8	2.4	1.9	2.5	2.9	3.0	2.7
- services	7.7	4.8	4.1	4.9	4.0	4.2	4.0	3.7	3.7	3.8
- industrial goods excluding energy	5.4	0.6	0.2	0.1	0.3	0.1	0.3	0.6	1.8	0.7
- food	11.8	1.9	3.6	1.1	6.0	4.9	6.1	7.1	6.8	6.3
- energy	2.2	-2.3	-4.1	-1.5	-3.9	-6.4	-3.6	-1.6	-3.9	-2.4
Core inflation indicator ²	6.7	2.9	2.3	2.7	2.3	2.3	2.3	2.3	2.9	2.4
Balance of Payments - Current Account										
	in % GDP									
Current account balance	4.8	4.6	4.2	5.9	4.5	5.8	1.6	5.9	6.5	...
1. Goods	0.9	0.6	0.5	1.3	0.9	1.0	-1.3	2.9	0.2	...
2. Services	5.7	5.6	5.5	5.6	5.8	5.5	6.0	5.9	7.7	...
3. Primary income	-1.1	-1.1	-0.9	-0.3	-1.0	0.0	-1.6	-1.5	-1.5	...
4. Secondary income	-0.7	-0.5	-0.9	-0.7	-1.2	-0.6	-1.5	-1.4	0.0	...
	nominal year-on-year growth rates in %									
Export of goods and services	-0.3	2.1	2.7	1.2	0.0	-0.5	2.8	-2.0	-3.7	...
Import of goods and services	-6.2	2.5	2.5	4.4	0.3	-3.1	3.2	0.7	-4.8	...
Public Finances										
	2023	2024	12 m. 'till Aug. 25	2024 Jan.-Aug.	2025 Jan.-Aug.					
Consolidated general government (GG) balance ³	EUR mio		% GDP	y-o-y, %	EUR mio	y-o-y, %	EUR mio	y-o-y, %		
Revenue	25,035	27,918	42.4	6.5	17,830	11.9	18,601	4.3		
Tax revenue	21,977	24,547	37.7	7.2	16,068	12.5	16,982	5.7		
From EU budget	1,084	1,040	1.4	-9.7	494	-8.1	393	-20.3		
Other	1,974	2,331	3.4	7.5	1,269	13.9	1,225	-3.4		
Expenditure	27,308	28,871	44.9	5.4	18,208	8.8	19,667	8.0		
Current expenditure	11,572	12,910	20.3	10.3	8,101	12.6	8,948	10.5		
- wages and other personnel expenditure	6,094	6,539	10.5	11.2	4,343	6.5	4,871	12.2		
- purchases of goods, services	3,869	4,368	6.7	6.4	2,699	16.3	2,849	5.6		
- interest	711	793	1.3	13.5	599	13.3	693	15.6		
Current transfers	12,050	12,794	19.7	4.7	8,475	8.3	8,978	5.9		
- transfers to individuals and households	9,731	10,397	16.0	4.9	6,967	8.6	7,358	5.6		
Capital expenditure, transfers	3,014	2,531	3.8	-13.3	1,228	-4.1	1,266	3.1		
GG surplus/deficit	-2,274	-953	-2.4		-378		-1,066			

Sources: SORS, Banka Slovenije, Ministry of Finance, Banka Slovenije calculations

Note: The figures for economic developments are calendar-adjusted (with the exception of economic sentiment indicators, which are seasonally adjusted). The other figures in the table are unadjusted. The monthly activity indicators in industry, construction and services are given in real terms. Owing to a change in data source, the series for average wages before 2023 were adjusted on the basis of the growth rates in previous series. (1) HICP deflator. (2) Inflation excluding energy, food, alcohol and tobacco. (3) Consolidated position of the state budget, local government budgets, pension and disability insurance subsector and compulsory health insurance subsector, according to the principle of paid realisation.

Table 8.2: Key macroeconomic indicators at the quarterly level for Slovenia and the euro area

	2022	2023	2024	24Q3	24Q4	25Q1	25Q2	2022	2023	2024	24Q3	24Q4	25Q1	25Q2
	Slovenia							euro area						
Economic developments														
	q-o-q growth in %													
GDP				0.3	0.4	-0.8	0.7				0.4	0.4	0.6	0.1
- industry				1.1	-0.1	-1.0	0.3				0.5	0.3	2.0	0.2
- construction				-2.5	4.0	-2.5	4.8				-0.7	0.2	0.7	-0.6
- mainly public sector services (OPQ)				-0.1	4.3	-3.7	1.7				0.3	0.5	0.3	-0.0
- mainly private sector services (without OPQ)				0.5	-0.5	-0.1	0.5				0.3	0.2	0.7	0.2
Domestic expenditure				-2.4	2.5	0.5	2.3				1.3	0.3	0.5	0.4
- general government				-0.9	-1.2	-0.5	1.8				0.7	0.5	-0.1	0.5
- households and NPISH ¹				1.5	1.2	0.7	0.5				0.5	0.5	0.3	0.1
- gross capital formation				-12.7	11.6	2.5	5.4				3.9	-0.1	1.7	0.7
- gross fixed capital formation				-2.3	0.8	-1.1	1.9				1.6	0.6	2.7	-1.8
	y-o-y growth in %													
GDP	2.7	2.4	1.7	1.8	1.6	-0.6	0.7	3.6	0.4	0.9	1.2	1.3	1.4	1.3
- industry	-1.0	6.5	3.8	5.4	4.2	-1.7	-1.6	0.4	-1.6	-0.8	0.4	-0.6	2.3	2.4
- construction	1.5	11.8	-3.7	-9.1	-1.7	-6.7	3.9	-0.3	0.9	-1.0	-0.7	-0.6	-0.6	-0.8
- mainly public sector services (OPQ)	1.7	0.8	1.8	1.5	2.1	1.3	2.0	2.8	0.9	1.4	1.6	1.8	1.6	1.0
- mainly private sector services (without OPQ)	5.2	1.1	1.2	1.1	1.1	-0.3	1.1	4.2	0.6	0.8	1.2	0.7	1.1	1.2
Domestic expenditure	3.9	-0.0	3.3	1.4	1.1	1.4	3.0	3.9	0.0	0.5	1.4	1.5	1.9	2.5
- general government	-0.6	2.1	7.3	9.0	3.8	1.9	-0.7	1.3	1.5	2.3	2.8	2.3	2.0	1.6
- households and NPISH	3.9	-0.0	3.8	3.8	2.6	0.3	3.4	5.3	0.4	1.2	1.5	1.7	1.1	1.3
- gross capital formation	8.1	-1.6	-1.3	-10.3	-4.9	3.6	5.3	3.4	-2.1	-2.9	-0.2	-0.0	4.0	6.2
- gross fixed capital formation	4.7	5.5	-0.3	-4.0	-2.7	-5.4	-0.2	1.9	1.7	-2.0	-1.2	-1.9	2.1	2.7
- inventories and valuables, contr. to GDP growth in p.p.	0.8	-1.6	-0.2	-1.5	-0.5	2.0	1.3	0.4	-0.9	-0.2	0.2	0.4	0.4	0.7
	q-o-q growth in %													
Labour market														
Employment				0.0	-0.1	-0.4	-0.1				0.3	0.1	0.2	0.1
- mainly private sector (without OPQ)				-0.1	-0.3	-0.5	-0.2				0.2	0.1	0.1	0.0
- mainly public services (OPQ)				0.5	0.5	0.3	0.6				0.4	0.2	0.3	0.2
	y-o-y growth in %													
Employment	2.9	1.5	0.5	0.4	0.0	-0.6	-0.5	2.3	1.4	1.0	1.0	0.8	0.8	0.6
- mainly private sector (without OPQ)	3.1	1.5	0.1	0.0	-0.5	-1.1	-1.1	2.6	1.5	0.8	0.8	0.6	0.6	0.5
- mainly public services (OPQ)	2.0	1.6	2.0	2.2	2.0	1.5	1.9	1.5	1.3	1.6	1.8	1.4	1.4	1.1
Labour costs per employee	4.9	9.6	6.2	6.7	6.0	6.6	6.9	4.6	5.4	4.6	4.5	4.2	3.9	3.9
- mainly private sector (without OPQ)	7.7	9.6	6.5	7.1	6.1	5.2	5.4	5.0	5.7	4.5	4.5	4.2	3.8	4.0
- mainly public services (OPQ)	-3.3	9.5	5.1	5.5	6.0	11.1	11.4	3.5	4.8	4.6	4.5	4.1	4.1	3.7
Unit labour costs, nominal ²	5.2	8.7	4.9	5.4	4.4	6.6	5.6	3.2	6.5	4.7	4.3	3.6	3.3	3.3
Unit labour costs, real ³	-1.2	-1.2	1.4	2.0	1.8	3.5	2.2	-1.9	0.5	1.7	1.6	1.0	1.0	0.7
LFS unemployment rate in %	4.0	3.7	3.7	4.4	3.5	4.0	3.2	6.8	6.6	6.4	6.2	6.1	6.6	6.3
	q-o-q growth in %													
Foreign trade														
Real export of goods and services				3.0	-1.5	-0.4	-1.4				-1.4	0.1	2.2	-0.5
Real import of goods and services				-1.5	0.6	3.2	0.2				0.3	-0.1	2.2	-0.0
	y-o-y growth in %													
Real export of goods and services	7.4	-1.9	2.3	8.2	3.7	0.9	-0.5	7.6	-1.1	0.4	1.4	0.4	2.1	-0.1
Real import of goods and services	9.3	-4.5	4.3	8.1	3.3	3.6	2.4	8.6	-1.9	-0.4	1.8	0.7	3.4	2.2
Current account balance as % GDP ⁴	-0.9	4.8	4.5	4.5	4.5	4.3	4.6	-0.7	0.0	0.0	0.0	0.0	0.0	0.0
External trade balance as contr. to GDP growth in p.p.	-1.0	2.4	-1.3	0.6	0.5	-2.0	-2.2	-0.1	0.4	0.4	-0.2	-0.2	-0.5	-1.1
	in % GDP													
Financing														
Banking system's balance sheet	91.0	84.9	82.9	83.1	82.9	83.7	84.4	272.3	255.5	253.7	252.7	253.7	253.8	254.4
Loans to NFCs	20.1	17.5	16.3	16.5	16.3	16.5	16.4	36.3	34.0	33.0	33.2	33.0	32.9	32.8
Loans to households	21.5	19.9	20.1	19.9	20.1	20.2	20.4	48.0	45.3	43.7	44.0	43.7	43.5	43.4
	in %													
HICP	9.3	7.2	2.0	1.1	1.2	2.1	2.2	8.4	5.4	2.4	2.2	2.2	2.3	2.0
HICP excl. energy, food, alcohol and tobacco	5.9	6.7	2.9	2.3	2.2	2.3	2.4	4.0	5.0	2.8	2.8	2.7	2.6	2.4
	in % GDP													
Public finance														
Debt of the general government	72.8	68.3	66.6	66.3	66.6	69.5	69.4	89.3	87.1	87.2	87.9	87.2	87.9	...
One year net lending/net borrowing of the general government ⁴	-3.0	-2.6	-0.9	-1.7	-0.9	-1.6	-1.7	-3.5	-3.5	-3.1	-3.2	-3.1	-3.0	...
- interest payment ⁴	1.1	1.2	1.3	1.3	1.3	1.4	1.3	1.7	1.7	1.9	1.9	1.9	1.9	...
- primary balance ⁴	-1.9	-1.3	0.3	-0.3	0.3	-0.2	-0.5	-1.8	-1.8	-1.2	-1.3	-1.2	-1.1	...

Sources: SORS, Eurostat, Banka Slovenije, ECB, Ministry of Finance, Banka Slovenije calculations

Note: Original figures are used to calculate the year-on-year rates, and seasonally adjusted figures are used to calculate the current rates of growth. (1) The figures for Slovenia are calculated as the difference between the seasonally adjusted figures for aggregate final consumption and government final consumption. (2) Nominal unit labour costs are the ratio of nominal compensation per employee to real labour productivity. (3) Real unit labour costs are the ratio of nominal compensation per employee to nominal labour productivity. (4) 4-quarter moving sums.

Abbreviations

AJPES	Agency of the Republic of Slovenia for Public Legal Records and Related Services
GDP	Gross domestic product
BoS	Banka Slovenije
COFOG	Classification of the Functions of Government
ECB	European Central Bank
ECOICOP	European classification of individual consumption by purpose
EA	Euro area
ESA	European System of Accounts
EU	European Union
EUR	euro
Fed	US Federal Reserve System
HICP	Harmonised index of consumer prices
Nato	North Atlantic Treaty Organization
NFCs	Non-financial corporations
NIPH	National Institute of Public Health
RRP	Recovery and Resilience Plan
OECD	Organisation for Economic Co-operation and Development
OIS	Overnight index swap
Opec+	Organization of the Petroleum Exporting Countries
RES	renewable energy sources
PMI	Purchasing managers' index
ROE	Return on equity
SDH	Slovenski državni holding (Slovenian Sovereign Holding)
CHP	Combined heat and power
SURS	Statistical Office of the Republic of Slovenia
S&P 500	Standard and Poor's 500
STOXX Europe 600	Main European share index
USD	United States dollar
US	United States of America
ESS	Employment Service of Slovenia
ZPIZ	Pension and Disability Insurance Institute of Slovenia
ZZZS	Health Insurance Institute of Slovenia

Abbreviations from the standard classification of economic activities (SKD 2008)

A: Agriculture, forestry and fishing, **01** – Crop and animal production, hunting and related service activities, **02** – Forestry and logging, **03** – Fishing and aquaculture; **B:** Mining and quarrying, **05** – Mining of coal and lignite, **06** – Extraction of crude petroleum and natural gas, **07** – Mining of metal ores, **08** – Other mining and quarrying, **09** – Mining support service activities; **C:** Manufacturing, **10** – Manufacture of food products, **11** – Manufacture of beverages, **12** – Manufacture of tobacco products, **13** – Manufacture of textiles, **14** – Manufacture of wearing apparel, **15** – Manufacture of leather and related products, **16** – Manufacture of wood and of products of wood and cork, except furniture, manufacture of articles of straw and plaiting materials, **17** – Manufacture of paper and paper products, **18** – Printing and reproduction of recorded media, **19** – Manufacture of coke and refined petroleum products, **20** – Manufacture of chemicals and chemical products, **21** – Manufacture of basic pharmaceutical products and pharmaceutical preparations, **22** – Manufacture of rubber and plastic products, **23** – Manufacture of other non-metallic mineral products, **24** – Manufacture of basic metals, **25** – Manufacture of fabricated metal products, except machinery and equipment, **26** – Manufacture of computer, electronic and optical products, **27** – Manufacture of electrical equipment, **28** – Manufacture of machinery and equipment n.e.c., **29** – Manufacture of motor vehicles, trailers and semi-trailers, **30** – Manufacture of other transport equipment, **31** – Manufacture of furniture, **32** – Other manufacturing, **33** – Repair and installation of machinery and equipment; **D:** Electricity, gas, steam and air conditioning supply, **35** – Electricity, gas, steam and air conditioning supply; **E:** Water supply, sewerage, waste management and remediation activities, **36** – Water collection, treatment and supply, **37** – Sewerage, **38** – Waste collection, treatment and disposal activities, materials recovery; **F:** Construction, **41** – Construction of buildings, **42** – Civil engineering, **43** – Specialised construction activities; **G:** Wholesale and retail trade, repair of motor vehicles and motorcycles, **45** – Wholesale and retail trade and repair of motor vehicles and motorcycles, **46** – Wholesale trade, except of motor vehicles and motorcycles, **47** – Retail trade, except of motor vehicles and motorcycles; **H:** Transportation and storage, **49** – Land transport and transport via pipelines, **50** – Water transport, **51** – Air transport, **52** – Warehousing and support activities for transportation; **I:** Accommodation and food service activities, **55** – Accommodation, **56** – Food and beverage service activities; **J:** Information and communication, **58** – Publishing activities, **59** – Motion picture, video and television programme production, sound recording and music publishing activities, **60** – Programming and broadcasting activities, **61** – Telecommunications, **62** – Information technology service activities, **63** – Information service activities; **K:** Financial and insurance activities, **64** – Financial intermediation, except insurance and pension funding, **65** – Insurance, reinsurance and pension funding, except compulsory social security, **66** – Other financial

activities; **L**: Real estate activities, **68** – Real estate activities; **M**: Professional, scientific and technical activities, **69** – Legal and accounting activities, **70** – Activities of head offices, management consultancy activities, **71** – Architectural and engineering activities, technical testing and analysis, **72** – Scientific research and development, **73** – Advertising and market research, **74** – Other professional, scientific and technical activities; **N**: Administrative and support service activities, **77** – Rental and leasing activities, **78** – Employment activities, **79** – Travel agency, tour operator and other reservation service and related activities, **80** – Security and investigative activities, **81** – Services to buildings and landscape activities, **82** – Office administrative, office support and other business support activities; **O**: Public administration and defence, compulsory social security, **84** – Public administration and defence, compulsory social security; **P**: Education, **85** – Education; **Q**: Human health and social work activities, **86** – Human health activities, **87** – Residential care activities, **88** – Social work activities without accommodation; **R**: Arts, entertainment and recreation, **90** – Creative, arts and entertainment activities, **91** – Libraries, archives, museums and other cultural activities, **92** – Gambling and betting activities, **93** – Sports activities and amusement and recreation activities; **S**: Other service activities, **94** – Activities of membership organisations, **95** – Repair of computers and personal and household goods, **96** – Other personal service activities; **T**: Activities of households as employers, undifferentiated goods- and services-producing activities of households for own use, **97** – Activities of households as employers of domestic personnel, **98** – Undifferentiated goods- and services-producing activities of private households for own use; **U**: Activities of extraterritorial organisations and bodies, **99** – Activities of extraterritorial organisations and bodies.

Country abbreviations

AT – Austria, **BE** – Belgium, **BG** – Bulgaria, **CY** – Cyprus, **CZ** – Czechia, **ME** – Montenegro, **DK** – Denmark, **EE** – Estonia, **FI** – Finland, **FR** – France, **EL** – Greece, **HR** – Croatia, **IE** – Ireland, **IS** – Iceland, **IT** – Italy, **LV** – Latvia, **LT** – Lithuania, **LU** – Luxembourg, **HU** – Hungary, **MT** – Malta, **DE** – Germany, **NL** – Netherlands, **UK** – United Kingdom, **US** – United States of America, **PL** – Poland, **PT** – Portugal, **RO** – Romania, **MK** – North Macedonia, **SK** – Slovakia, **SI** – Slovenia, **RS** – Serbia, **ES** – Spain, **SE** – Sweden, **TR** – Türkiye