NÁRODNÁ BANKA SLOVENSKA
EUROSYSTÉM

NBS
Monthly Bulletin

August 2009

Published by:
© Národná banka Slovenska

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Prepared on the basis of the Report on the Economic Development in August 2009, approved by the NBS Bank Board on 29 September 2009

ISSN 1337-9526 (online)

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Abbreviations

CPI	Consumer Price Index
ECB	European Central Bank
EMU	Economic and Monetary Union
EONIA	Euro OverNight Index Average
ESA 95	European System of National Accounts 1995
EU	European Union
Eurostat	Statistical Office of the European Communities
FDI	Foreign Direct Investment
Fed	Federal Reserve System
EMU	Economic and Monetary Union
EURIBOR	Euro Interbank Offered Rate
FNM	Fond národného majetku – National Property Fund
FOMC	Federal Open Market Committee
GDP	Gross domestic product
GNDI	Gross National Disposable Income
GNI	Gross National Income
HICP	Harmonised Index of Consumer Prices
IMF	International Monetary Fund
IPP	Industrial Production Index
IRF	Initial Rate Fixation
MB	Mortgage Bonds
MFI	Monetary Financial Institutions
MF SR	Ministry of Finance of the Slovak Republic
NARKS	National Association of Real Estate Agencies of Slovakia
NBS	National Bank of Slovakia
NEER	Nominal Effective Exchange Rate
NPISH	Non-profit Institutions Serving Households
OIF	Open-end Investment Funds
p.a.	per annum
p.p.	percentage points
q-q	quarter-on-quarter
PPI	Producer Price Index
REER	Real Effective Exchange Rate
RULC	Real Unit Labour Costs
SASS	Slovenská asociácia správcovských spoločností – Slovak Association of Asset Management Companies
SO of the SR	Statistical Office of the SR
SR	Slovenská republika – Slovak Republic
ULC	Unit Labour Costs
VAT	Value Added Tax
Y-Y	Year-on-year

Symbols used in the tables

. – Data are not yet available.

- – Data do not exist / data are not applicable.

(p) – Preliminary data

1 SUMMARY

The annual rate of euro-area inflation, as measured by the Harmonised Index of Consumer Prices (HICP), remained negative in August, at -0.2% (compared with -0.7% in July). Compared with July, the exchange rate of the euro against the US dollar strengthened somewhat in August. At its September meeting, the Government Council decided to leave the key ECB interest rates unchanged. The rate for the main refinancing operations remained at 1.00%, and those for marginal lending and deposit facilities at 1.75% and 0.25%, respectively.

In the central European region, the only country recording a year-on-year slowdown in inflation in August was Poland. Price levels in the Czech Republic remained unchanged, while Hungary recorded a certain price increase. Owing to the volatile exchange rate developments, the Polish zloty and the Czech koruna appreciated during the month under review, while the Hungarian forint depreciated in comparison with the last trading day of July. Two central banks reduced their key interest rates in August, i.e. Česká národní banka and Magyar Nemzeti Bank, while Narodowy Bank Polski left its reference rate unchanged.

The current data pointing to stagnation in the OECD economies, accompanied by a noticeable moderation in the pace of economic decline in the US and the euro area, suggest that the global recession is bottoming out, confidence is on the increase, but the strength of the expected recovery is highly uncertain.

Slovakia's annual inflation rate slowed by 0.1 of a percentage point in August, to 0.5%, representing a new historical low. HICP inflation fell as a result of a slowdown in the dynamics of non-energy industrial goods prices, processed food prices, and prices for services. The year-on-year price decline deepened most significantly in services, mainly in transport, personal and recreation services. Concerning producer prices, the year-on-year decline in manufacturing products prices also deepened somewhat in July. Building materials prices recorded a further year-on-year fall, and agricultural prices continued to decline too.

Real gross domestic product at constant prices contracted by 5.3% in annualised terms in the second quarter of 2009, with overall employment falling year-on-year by 1.3%. Regarding production, value added decreased in industry and services in particular. As for demand, marked declines were recorded in investment and foreign demand. On a quarter-on-quarter basis, however, the economy experienced a seasonally adjusted growth of 2.2%, indicating that the recession probably reached its bottom in the first quarter of 2009.

The July data on the current account deficit point to a modest decrease in comparison with June, caused mainly by a surplus achieved in the trade balance. The July index of industrial production recorded a further year-on-year fall, which took place in the key industries, despite the announced increase in production. Industrial revenues showed a similar tendency. The August business tendency survey in industry was still dominated by expectations of growing production, while the indicator of supplies dropped. This may lead to a certain increase in production in the coming months in connection with the stabilising external environment. The falling number of buildings under construction is reflected in the deepening year-on-year decline in the output of the construction sector. This trend is not expected to change even according to the August business tendency surveys. Retail trade revenues recorded a year-on-year fall in July, comparable with that in June. The overall indicator of economic sentiment continued to show a positive tendency in August, when confidence increased in both retail trade and services. After improving for several months, confidence in industry showed a negative tendency again.

On average, the dynamics of nominal wages in the selected sectors remained unchanged in July, compared with June, while real wage dynamics strengthened somewhat. Wage statistics from the sectors under review indicate that the pace of nominal wage growth in the economy as a whole slowed in the third quarter of 2009, compared with the previous quarter. In

July, employment fell more rapidly than in the previous month, mainly in wholesale trade and food service activities. The rate of registered unemployment rose month-on-month by 0.3 of a percentage point, to 12.1% in July.

Bank deposits from the private sector continued to decrease in July, especially short-term deposits. This was probably the result of interest rate reductions. Households tried to increase their yields on deposits by converting them into higher-interest-earning structured deposits. In parallel with the decline in deposits, lending to the private sector continued to grow, but the rate of growth slowed. Loans to non-financial corporations continued to fall, while the volume of loans to households grew still further. This development was mainly the result of increased demand for house purchase loans in the last two months. Consumer credits also increased somewhat.

Interest rates on loans for non-financial corporations continued to show a falling tendency in July, in reaction to the decline in market rates. The sharpest fall took place in lending rates for small- and medium-sized enterprises. These rates are, however, much higher than those for large corporations. Interest rates on loans to households remained virtually unchanged in July. Within the scope of loans to households by type, interest rates on consumer loans continued to rise for the second consecutive month, while those on other loans declined. Interest rates on house purchase loans remained unchanged in July.

2 The external economic environment[1]

2.1 THE EURO AREA

The annual rate of euro-area inflation, as measured by the Harmonised Index of Consumer Prices (HICP), reached -0.2% in August, representing a rise in comparison with July (-0.7%). The steepest year-on-year price declines occurred in Ireland (-2.4%), Portugal (-1.2%), Cyprus (-0.9%), Spain (-0.8%), and Belgium (-0.7%). Consumer price increases were recorded in Finland (1.3%), Greece and Malta (1.0%), and Slovakia (0.5%). Year-on-year price declines in the euro area were recorded in the following categories: transport (-3.2%), household costs (-1.3%), food (-1.2%), and post and telecommunications (-0.7%). On a year-on-year basis, the steepest price increases took place in alcohol and tobacco (4.5%), miscellaneous goods and services (2.2%), and household equipment (1.7%). In the same period a year earlier, consumer price levels in the euro area rose by 3.8%.

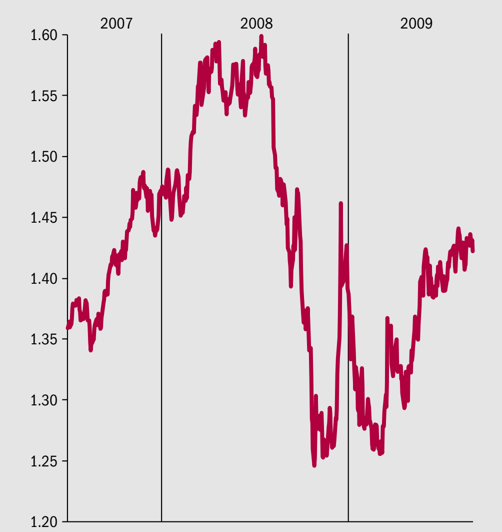
The exchange rate of the euro against the dollar hovered around the level of EUR/USD 1.43 in August. The appreciation of the euro was mainly supported by the release of better-than-expected macroeconomic data on the euro area and news of an increase in Germany's business climate index (Ifo) at the end of the month, to 90.5 (the highest value since October 2008). On the other hand, stock market corrections caused an appreciation of the dollar. Thus, on a month-on-month basis, the euro appreciated vis-à-vis the dollar only slightly (by 0.95%). Since the beginning of the year, the single European currency had appreciated against the dollar by 2.93% (compared with the same period of 2008, the euro had depreciated by 3.14%).

At its meeting on 3 September 2009, the Government Council decided to leave the key ECB interest rates unchanged. The rate for the main refinancing operations remained at 1.00%, and those for marginal lending and deposit facilities at 1.75% and 0.25%, respectively.

2.2 DEVELOPMENTS IN THE CZECH REPUBLIC, HUNGARY AND POLAND

In August, Poland's annual HICP inflation rate slowed by 0.2 of a percentage point, to 4.3%. In the Czech Republic, price levels stagnated on a year-on-year basis, after rising by 0.1% in

Chart 1 USD/EUR exchange rate



Sources: ECB, NBS.

Chart 2 Exchange rate indices of V4 currencies against the euro (29 December 2006=100)

Sources: Eurostat, NBS calculations.
Note: A fall in value denotes appreciation.

1 *The chapter on international economic developments includes a tabular / graphical overview, which is available in the statistics annex.*

the previous month. In Hungary, price inflation accelerated by 0.1 of a percentage point, to 5%.

In the first weak of August, the currencies of the neighbouring countries followed the moderately depreciating trend that started at the end of the previous month. In the following period, the Hungarian forint and Polish zloty showed higher volatility than the Czech koruna. In the last third of August, the exchange rates of the PLN and CZK strengthened vis-à-vis the euro. Compared with the last trading day of July, the Polish zloty appreciated by 1.3% and the Czech koruna by 0.8%. The Hungarian forint depreciated by 2%.

In August, two central banks reduced their key interest rates in the region under review. At the beginning of August, Česká národní banka lowered its two-week repo rate by 0.25 of a percentage point (to 1.25%) and Magyar Nemzeti Bank cut its base rate by 0.5 of a percentage point (to 8%) with effect from 25 August. Narodowy Bank Polski left its reference rate unchanged, at 3.5%.

Box 1

QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY – SEPTEMBER 2009[2]

Numerous economic data indicate that the global economic recession is reaching a bottom. After recording a historical decline in the first quarter of 2009 (the sharpest since 1960), the economies of OECD countries stagnated in the second quarter. The decline in economic activity moderated to a significant extent in both the United States and the euro area. GDP continued to slow or fall in the Czech Republic, Hungary and Poland. Leading and short-term indicators of economic activity again pointed to an improvement, indicating that the global economy is likely to stabilise and to recover gradually.

In the second quarter, the rate of price increase continued to slow. It was still influenced by a base effect resulting from oil and food price developments, and by the sluggish demand. In the OECD countries, inflation reached slightly negative values in June. The United States and the euro area also recorded price declines on a year-on-year basis. Inflation also slowed in the Czech Republic, owing to the fading effects of indirect price adjustments. On the other hand, inflation in Poland and Hungary accelerated as a result of the administrative measures affecting price developments and the pass-through of the currency depreciation to some of the consumer price categories.

The persisting downturn in economic activity led to further key interest rate reductions, except in the federal funds rate. The Federal Reserve System left its main monetary-policy rate unchanged, at a level near zero. The ECB reduced its rate for the main refinancing operations by a further 0.5 of a percentage point in the second quarter. In addition to interest rate reductions, the ECB also used certain non-standard monetary-policy measures. The central banks of Poland, the Czech Republic, and Hungary (in July) continued to lower their key interest rates.

2 More detailed information is available in Annex 1.

3 Economic development in Slovakia

3.1 PRICE DEVELOPMENTS

3.1.1 Consumer prices

Consumer prices, as measured by Harmonised Index of Consumer Prices (HICP), dropped month-on-month by 0.2% in August, with goods prices falling by 0.4% and services prices rising by 0.2%. HICP inflation was lower than predicted by NBS, mainly because of a sharper than expected fall in food and non-energy industrial goods prices.

Slovakia's annual inflation rate slowed in comparison with the previous month (by 0.1 of a percentage point), to 0.5% in August, representing the lowest level since the start of HICP monitoring. This was caused by a slowdown in the year-on-year dynamics of non-energy industrial goods prices and processed food prices. Energy and unprocessed goods prices increased at an accelerated pace on a year-on-year basis. The year-on-year price decline deepened most significantly in services, especially transport services (driving schools) and personal & recreation services (prices in restaurants and hair salons). Non-energy industrial goods prices reflected the continuing fall in the prices of non-durable household goods (washing powders and detergents). Within the 'processed food' category, prices continued to fall on a year-on-year basis for bread and cereals, milk, cheese, eggs, oils and fats. Energy prices were influenced by a slowdown in the year-on-year dynamics of prices for heating (base effect) and a slowdown in the year-on-year rate of decline in fuel prices.

From September 2008 to August 2009, the average 12-month inflation rate reached 2.3%, representing a fall of 0.3 of a percentage point compared with the previous month.

In the following month, the year-on-year inflation rate is expected to continue falling, mainly as a result of a slowdown in the year-on-year rate of increase in prices for services and energy (heating).

The consumer price index (CPI) fell month-on-month by 0.1% in August 2009, while regulated prices increased by 0.1% and core inflation dropped by 0.2%. The annual rate of consumer-price inflation reached 1.3% (compared with 1.7% in July 2009). The Statistical Office of the SR revised the rate of CPI inflation for January 2009 to August 2009, with the aim of reassessing the calculation and weights of house maintenance prices and imputed rents. The revision resulted in a lower rate of CPI inflation, due to changes in the weights of consumer basket components

Table 1 Producer price developments in July 2009 (%)

	Month-on-month changes		Year-on-year changes			
	June 2009	July 2009	July 2008	June 2009	July 2009	Average since begin. of 2009
Industrial producer prices (for the domestic market)	-0.6	-0.7	6.3	-3.2	-4.2	-0.7
– Prices of manufacturing products	-0.4	0.0	2.6	-7.2	-7.3	-5.8
– Prices of mining /quarrying products	-4.0	-3.4	14.6	-3.0	-6.6	7.0
– Price of energy	-0.6	-1.3	11.2	1.9	-0.3	5.9
– Prices for water supply and sewerage	-0.6	0.4	7.0	3.6	4.1	4.4
Industrial producer prices (for export)	0.5	-0.2	2.1	-11.0	-11.5	-11.0
– Prices of manufacturing products	0.5	-0.1	0.9	-10.5	-10.7	-10.5
Construction prices	0.3	0.2	5.6	2.9	2.7	3.4
Building materials prices	-0.3	-1.2	2.7	-6.6	-7.6	-3.4
Agricultural prices	-	-	21.6	-26.4	-34.5	-27.2
– Prices of vegetable products	-	-	43.5	-37.8	-41.0	-41.0
– Prices of animal products	-	-	7.9	-22.9	-25.1	-19.2

Source: Statistical Office of the SR.

and the calculation of imputed rents using a new method.

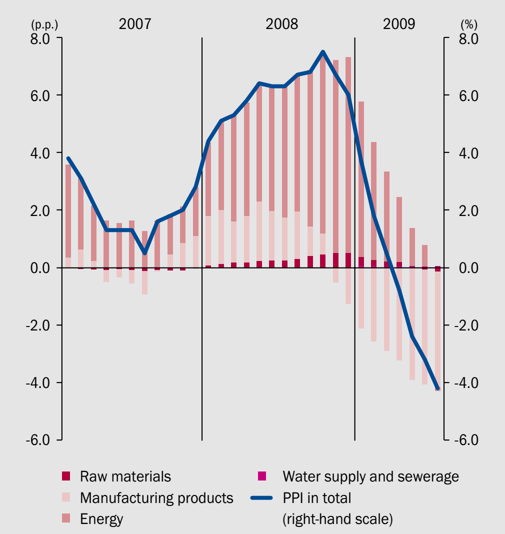
3.1.2 Producer prices

Industrial producer prices for the domestic market fell on a month-on-month basis in July, mainly as result of a drop in energy prices, which led to a further year-on-year decline in industrial producer prices compared with June 2009 (by 1 percentage point), to -4.2%.

The continuing year-on-year fall in manufacturing products prices in July (compared with the previous month) was caused mainly by a deepening decline in the prices of metals and metal structures (by 1.5 percentage points, to -7.4%), offsetting a slower year-on-year fall in the prices of refined oil products (by 1.8 percentage points, to -38.2%), transport vehicles (by 0.8 of a percentage point, to -1.3%) and electrical devices (by 1.7 percentage points, to -3.6%).

Energy prices in Slovakia recorded a year-on-year fall in July (compared with the previous month) for the first time since the structure of industrial producer prices started to be monitored for statistical purposes. The year-on-year fall was caused by a further decline in prices for gas production and the distribution of gaseous fuels via pipelines (by 6.4 percentage points, to -19.2%). The year-on-year price increase slowed somewhat for electricity (by 0.3 of a percentage point, to 6.8%), steam and air-conditioning supply (by 0.7 of a percentage point, to 10.0%).

Chart 3 Contributions of main components to year-on-year changes in PPI



Source: Statistical Office of the SR.

In July 2009, the year-on-year decline in agricultural prices deepened still further (by 8.1 percentage points, to -34.5%), mainly as a result of a marked fall in oilseed prices, prices for pork (for live animals) and unpasteurised milk.

The stabilising dynamics of oil and food prices, combined with a persistent fall in metal prices, created conditions for a further moderate year-on-year fall in industrial producer prices in August 2009, compared with the previous month.

According to the latest agrarian market news, record oilseed rape crops are expected in the EU this year, which may impose further downward pressure on oilseed prices. In Slovakia, demand for cereals is still exceeded by their supply; hence, despite the lower crops this year, the currently low purchase prices cannot be expected to rise significantly in the near future. Among animal products, beef prices are expected to stabilise and pork prices to fall still further (for live animals). Although the purchase price of unpasteurised milk has stopped falling, milk prices are still declining on a year-on-year basis, owing to a base effect resulting from the high price recorded last year. Overall, the year-on-year decline in agricultural prices is expected to stagnate or moderate in August 2009.

3.2 THE REAL ECONOMY AND THE LABOUR MARKET

3.2.1 Trade balance

The current account balance achieved in July was more favourable than the balance for the previous month. The modest month-on-month decrease in the current account deficit was mainly the result of a change in the trade balance from a deficit in June to a surplus in July. The balance improvement was also supported by a smaller deficit in current transfers (smaller payments to the EU budget) and, to a lesser extent, by a smaller income balance deficit. On the other hand, the balance of services again resulted in a larger deficit (caused by lower receipts from financial and communications services), after an improvement in the previous month.

Table 2 Balance of payments current account (EUR millions)

	June	July	
	2009	2009	2008
Balance of trade	-34.8	49.3	-128.5
Exports	3,213.5	3,025.5	4,099.8
Imports	3,248.3	2,976.2	4,228.3
Balance of services	-4.6	-131.8	6.6
Balance of income	-41.7	-20.8	-325.3
of which: income from investment	-136.6	-112.4	-434.8
of which: reinvested earnings	341.7	-86.5	-46.5
Current transfers	-95.7	-44.8	-76.3
Current account in total	-176.8	-148.1	-523.5

Sources: NBS and the Statistical Office of the SR.

In July, exports and imports continued to show negative year-on-year dynamics, while the year-on-year decline deepened somewhat in comparison with June, mainly in imports. The dynamics of exports changed only to a minimum extent, while the fall in volume in comparison with the previous month was influenced by the beginning of the holiday season. Both exports and imports decreased on a year-on-year basis, by 26.2% and 29.6%, respectively.

The trade balance achieved in July, as well as the export and import volumes, were in line with the expectations of NBS.

Box 2

BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2009[3]

The balance of payments on current account for January to June 2009 resulted in a deficit of €948.2 million, representing a year-on-year improvement of €1,208.6 million. The year-on-year decrease in the deficit was caused mainly by improvements in the income and trade balances and, to a lesser extent, in the balance of current transfers. On the other hand, the overall improvement in the current account balance was moderated by an increased deficit in the balance of services.

Compared with the first half of 2008, both exports and imports declined over the first six months of 2009 (by 28.4% and 29.7%, respectively).

In the first half of 2009, the sharpest decline compared with the same period a year earlier was recorded in the exports of machinery and transport equipment. The year-on-year decline in exports in this category was mainly caused by a year-on-year decrease in exports in the 'transport equipment' subcategory (decline in car exports). The decline in exports in the 'machinery and transport equipment' category was moderated to some extent (mainly in the first quarter) by a year-on-year increase in television exports. A significant decline in exports was also recorded in the 'chemical products and semi-finished goods' category. The decline was caused by year-on-year decreases in the exports of both semi-finished goods and chemical products. Year-on-year declines in exports were also recorded in the 'finished products' category and, as a result of price developments, in that of 'raw materials'.

The sharpest year-on-year decline in imports was recorded, as in exports, in the 'machinery and transport equipment' category. The lower imports were connected with the sharp decline

3 *More detailed information is available in Annex 2.*

in exports, which led to decline in the imports of components for the automotive industry in the 'transport equipment' subcategory. A marked year-on-year decrease in imports was also recorded in the 'chemical products and semi-finished goods' category, which significantly contributed to the year-on-year decline in total imports. The fall in raw material imports was, as in the case of exports, significantly influenced by developments in the world-market price of oil and by the reduced gas imports (in terms of physical volume). The smallest year-on-year decline in imports was recorded in the 'finished products' category, mainly in car imports.

The year-on-year increase in the negative balance of services was caused by developments in all three major subcategories. The higher deficit in the services balance was mainly the result of lower receipts from services provided. The year-on-year improvement in the income balance was caused by a decrease in the negative balance of income from investment (lower corporate profits), which exceeded the decrease in the employee compensation surplus. The year-on-year decrease in the current transfers deficit was mainly caused by positive developments in the balance of private transfers, resulting from a marked decrease in payments.

Over the first six months of 2009, the balance of payments on capital and financial account resulted in a surplus of €1,282.2 million (compared with a surplus of €2,725.2 million in the same period of 2008). The year-on-year change from an inflow a year earlier to an outflow in the balance of direct and portfolio investments, caused mainly by an outflow of other capital in direct investment and growth in demand among residents for foreign debt securities, exceeded the increased inflow in other investment.

3.2.2 Production and revenues

In July, the year-on-year decline in the industrial production index deepened to -21.6% (from -18.5% in June). The deterioration was caused by a base effect resulting from increased production in power engineering a year earlier (contributing roughly 1.7 percentage points to the overall decline), the earlier beginning of factory holidays, and a slight month-on-month fall in production in July (by 1%[4] in manufacturing production). Although the exports markets of Slovak producers have stabilised in the recent period, activity in these markets has not yet recovered. Hence, there are no stimuli for increased production (except for fiscal stimuli). However, forecasts for the coming months point to a gradual recovery[5].

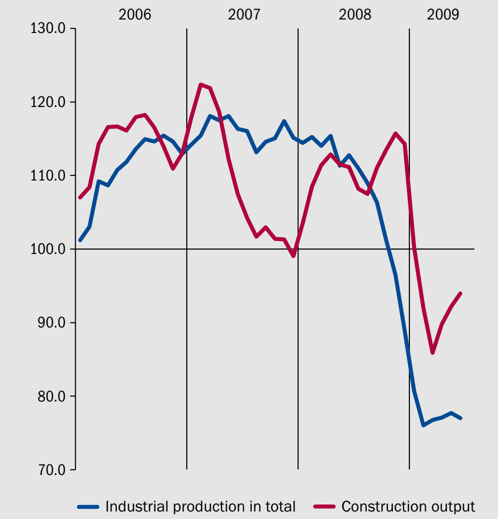
The industrial production index recorded an increase in its negative dynamics, which took place in the key industries, specifically in the production of transport vehicles (-42.5% in July; compared with -31.2% in June) and the production of metals and metal structures (-29.8%; -21.9%). In the automotive industry, holidays were postponed from August to July (compared with 2008), which was probably the main reason behind the decrease in dynamics, for these producers had announced an increase in production. Despite this, the majority of other sectors recorded increased year-on-year dynamics, mainly electronics (72.2%; 13.2%). The August business tendency survey in industry[6] was still dominated by expectations of growing production, while the indicator of supplies decreased. This should lead to a certain increase in production in the coming months in connection with the stabilising external environment. The negative year-on-year dynamics of industrial production is also expected to moderate to a significant extent, for August 2008 already saw a marked fall in production.

The year-on-year decline in construction deepened to -5.7% in July (from -0.3% in June). The dynamics of domestic production and production abroad weakened to -5.3% and -16.9%, respectively. This can be ascribed to the falling activity in the construction of buildings (-14% year-on-year in domestic production[7]), the impact of which is moderated by increased production in civil engineering (20.7%). The August business tendency surveys do not yet point to a change in the current situation.

Revenues from the selected sectors recorded a faster year-on-year decline as a result of an acceleration in the year-on-year decline in

4 *Based on seasonally adjusted data.*
5 *E.g. ECB Monthly Bulletin, September 2009.*
6 *Statistical Office of the SR, Business Tendency Surveys: Industry, Construction, Retail Trade, Services. Volume 8, August 2009.*
7 *Statistical Office of the SR, Construction sector output in July 2009.*

Chart 4 Industrial Production Index and Construction Production Index (3-month moving averages; index, same period a year earlier =100)



Source: Statistical Office of the SR and NBS calculations.
Note: The industrial production index is adjusted for calendar effects.

industrial revenues (the year-on-year decline in the production of transport vehicles, coke and refined oil products, exceeded the growth in revenues from the production of computers, electronic and optical products), and an acceleration in the year-on-year decline in revenues from the sale and maintenance of vehicles. Revenues in the information and communication sector recorded a slight year-on-year fall in July 2009, following an increase in June 2009. A slower year-on-year decline in revenues was recorded in transport and storage.

Retail sales at current prices recorded a year-on-year fall in July, comparable with that in June. The pace of year-on-year decline in retail sales receipts in non-specialised shops and in revenues from retail trade in fuels recorded a moderate slowdown, which was offset by an acceleration in the pace of decline in revenues from retail trade in other goods in specialised shops.

The year-on-year dynamics of revenues from the sale and maintenance of motor vehicles

Table 3 Production and revenues

Statistical classification of economic activities (SK NACE Rev. 2)	EUR millions, current prices	Indices			
	July 2009	July 2008	Jan.-Dec. 2008	June 2009	July 2009
Industrial production index[1), 2)]	-	111.3	102.8	81.5	78.4
Production in construction[2)]	540.5	109.0	112.0	99.7	94.3
Revenues[3)]					
Manufacturing in total	4,367.3	111.3	105.9	74.4	72.9
Construction	855.1	.	.	94.5	95.9
Wholesale trade, excluding motor vehicles	1,891.1	120.2	113.7	70.5	69.6
Retail trade, excluding motor vehicles	1,483.8	.	.	86.5	86.6
Sale and maintenance of vehicles	367.7	.	.	87.8	82.0
Accommodation and food services	98.0	.	.	77.8	81.2
Transportation and storage	484.5	.	.	83.3	89.2
Selected market services	644.1	.	.	94.9	93.0
Information and communication	391.4	.	.	108.5	99.6
Revenues from own output and sales for the selected sectors	10,583.0	.	.	79.3	78.3

Source: Statistical Office of the SR and NBS calculations.
1) Adjusted for calendar effects (continuously revised time series).
2) Index, same period a year earlier = 100 (constant prices).
3) Index, Same period a year earlier = 100 (current prices).

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

	Average monthly nominal wage		Average monthly real wage[1)]	
	June 2009	July 2009	June 2009	July 2009
Industry	102.9	100.9	101.1	99.2
of which: manufacturing	102.5	101.4	100.7	99.7
Construction	101.2	103.5	99.4	101.8
Sale and maintenance of vehicles	100.8	96.6	99.1	95.0
Wholesale trade	101.1	100.0	99.3	98.3
Retail trade	103.3	102.9	101.5	101.2
Accommodation	102.1	99.8	100.2	98.1
Restaurant services	102.6	101.7	100.8	100.0
Transport and storage	101.4	101.1	99.6	99.4
Information and communications	99.1	101.4	97.3	99.7
Selected market services	106.3	115.3	104.4	113.4
Average for the selected sectors	102.4	102.4	100.6	100.7
Consumer prices	*101.8*	*101.7*	-	-

Source: Statistical Office of the SR, NBS calculations.
1) Real wage index = nominal wage index / consumer price index.
Notes: 1. As from January 2009, the SO of the SR applies a new classification of economic activities (SK NACE).
2. On 10 September 2009, the SO of the SR revised CPI data since the beginning of 2009.

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

	Employment	
	June 2009	July 2009
Industry	82.8	82.2
of which: manufacturing	81.5	81.0
Construction	102.5	101.8
Sale and maintenance of vehicles	90.0	88.1
Wholesale trade	81.3	74.9
Retail trade	97.3	96.6
Accommodation	94.2	93.5
Restaurant services	78.4	75.0
Transport and storage	100.2	104.0
Information and communication	105.2	103.7
Selected market services	90.9	91.5
Average for the selected sectors	89.6	88.4

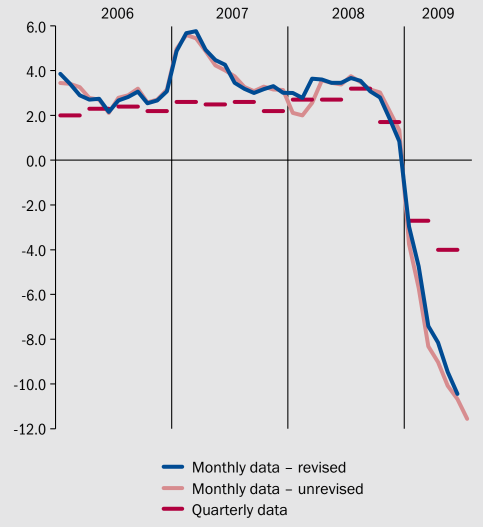
Source: Statistical Office of the SR, NBS calculations.

recorded a faster year-on-year slowdown in July, compared with June 2009, probably as a result of the fading effect of the car-scrapping bonus.

3.2.3 Wages, employment and unemployment

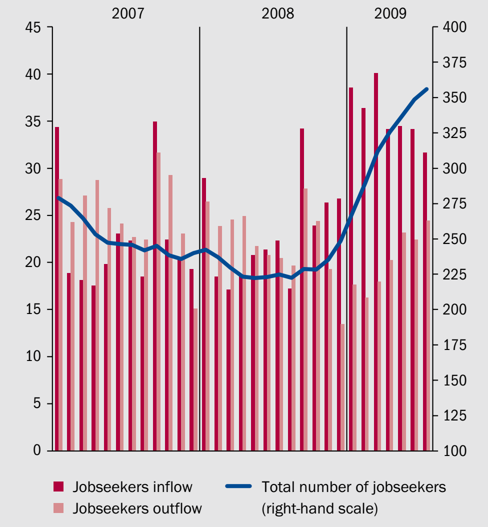
On average, the dynamics of nominal wages in the selected sectors remained unchanged in July, compared with June 2009. Nominal wages fell in the sale and maintenance of motor vehicles and accommodation services. The most rapid wage growth was recorded in selected market services and construction. The dynamics of real wages increased somewhat in July, compared with June 2009. Wage statistics from the sectors under review for July 2009 indicate that the average rate of nominal wage

Chart 5 Comparison of employment rates based on monthly and quarterly data (%)



Source: Statistical Office of the SR and NBS calculations.

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



Source: Centre for Labour, Social Affairs and Family.

growth in the economy as a whole will slow in the third quarter of 2009, to 2.4% (from 2.8% in the second quarter of 2009).

In July 2009, employment continued to fall at a somewhat faster pace than in the previous month. Compared with June 2009, the year-on-year growth in employment slowed most significantly in wholesale trade and restaurant and food service activities. Average monthly data from the selected sectors for July 2009 point to a sharp fall in employment in the third quarter of 2009 (-11.6%, from -4.0% in the second quarter of 2009).

According to data from the Centre for Labour, Social Affairs and Family, the total number of unemployed increased month-on-month by 7,200, to 355,800 in July 2009. The rate of registered unemployment rose month-on-month by 0.3 of a percentage point, to 12.1% in July. The inflow of job seekers fell to the year's record low (the lowest level since the beginning of 2009), and their outflow reached the highest figure since November 2008.

Box 3

DEVELOPMENT OF THE REAL ECONOMY IN THE SECOND QUARTER OF 2009[8]

In the second quarter of 2009, gross domestic product (GDP), based on revised data from the Statistical Office of the SR, contracted on a year-on-year basis by 5.3% at constant prices, compared with 5.6% in the first quarter of 2009. According to seasonally adjusted quarter-on-quarter figures, however, GDP increased in the second quarter by 2.2%. This indicates that the recession probably reached a bottom in the first quarter of 2009.

In terms of production, GDP was influenced by a fall in value added, mainly in industry and services, accompanied by value added growth in agriculture and construction.

In terms of GDP use, the economic decline was caused by a fall in domestic demand (-5.9% year-on-year at constant prices). Within the structure of domestic demand, investment recorded a pronounced decline. Final consumption in the household sector (the car-scrapping bonus) and the general government had a pro-growth effect. Foreign demand recorded a year-on-year fall of 20.5% in the second quarter of 2009.

8 More detailed information is available in Annex 3.

This was connected with the declining imports in Slovakia's major trading partner countries.

In the second quarter of 2009, the average monthly nominal wage of an employee in the Slovak economy increased year-on-year by 2.8%, to €732.5. Compared with the previous quarter, however, the rate of wage growth slowed by 1.9 percentage points. The dynamics of real wages strengthened by 0.9% in the second quarter of 2009. Nominal compensation per employee (ESA 95) grew year-on-year by 5.7% (owing to redundancy payments), but the rate of growth slowed in comparison with the previous quarter by 0.5 of a percentage point.

Labour productivity fell in nominal terms by 5.2% and in real terms by 4.1% in the second quarter, as a result of a sharp decline in GDP.

Unit labour costs grew by 10.2% in the second quarter (according to ECB methodology), but the rate of growth slowed by 1.9 percentage points compared with the first quarter of 2009. The slowdown in the growth of unit labour costs was caused by a smaller fall in real labour productivity in the second quarter, coupled with a smaller increase in compensation per employee.

The economic decline started to be reflected in the number of workers. According to the methodology of national accounts (ESA 95), employment fell by 1.3% in the second quarter of 2009. In terms of structure, overall employment was influenced by a decrease in the number of employees, accompanied by a year-on-year increase in the number of entrepreneurs.

According to a labour force sample survey, the number of unemployed increased year-on-year by 11.6% in the second quarter of 2009. This increase was also reflected in the rate of unemployment, which reached 11.3% in the second quarter, 0.8 of a percentage point more than in the first quarter of 2009.

The continuing slowdown signalled by Slovakia's macroeconomic indicators for the second quarter of 2009 was sharper than expected by NBS. GDP was influenced by the weakening domestic demand, resulting from a continuing decline in investment and inventories. The growth in household final consumption was probably connected with the gradually rebounding public confidence and the introduction of the car-scrapping bonus. The increase in foreign demand, together with the implementation of PPP projects, should have a positive influence on the economy in the coming quarters. Hence, the economy is expected to grow on a quarter-on-quarter basis. The economic decline was also reflected in the labour market indicators. Nominal compensation per employee was considerably influenced by the growing amount of redundancy payments, but this growth is expected to slow down in the coming period, causing another fall in employment.

3.2.4 The economic sentiment indicator

In August, the economic sentiment indicator increased by 2.6 points in comparison with July (to 60.8 points), but was still 32.6 points lower than in the same period a year earlier. Its course was favourably influenced by an increase in confidence in retail trade and services. A modest rise in optimism was also reflected in the indicator of confidence in construction and in that of consumer confidence. After improving for several months, confidence in industry showed a negative tendency again.

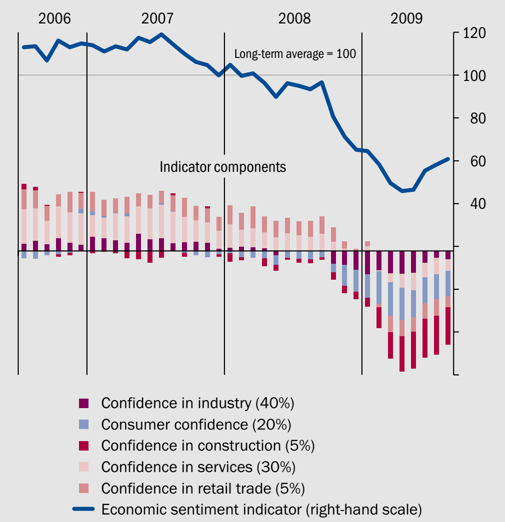
Compared with the previous month, consumer confidence improved in respect of the expected economic development and savings in Slovakia. On the other hand, consumer sentiment worsened in respect of the expected financial situation of households and unemployment. Compared with the previous month, the consumer confidence indicator rose by 0.4 of a point, while falling on a year-on-year basis by 23.3 points.

3.3 MONETARY AGGREGATES AND INTEREST RATES

In July, the M3 monetary aggregate[9] for analytical purposes decreased month-on-month by €294.9 million (a year-on-year increase of €1,118.6 million), and its year-on-year dynamics weakened in comparison with the previous month by 2 percentage points, to -3.1%.

9 As a result of a change in the methodology used for recording monetary aggregates (2009), the time series of individual monetary aggregates, as well as their year-on-year dynamics, have become inconsistent with their time series and dynamics from the previous years.
The contribution of M3 to the euro-area M3 monetary aggregate (influenced by the change in methodology) increased year-on-year by €4,001 million to €38,295 million in July, and its dynamics reached 6.3% (8.5% in June).
The year-on-year growth rates of monetary aggregates and their counterparts are calculated from end-of-month data, including non-transaction operations, which comprise all movements in the outstanding amounts of balance-sheet items, resulting from changes in the valuation of marketable instruments, the depreciation/write-off of loans, exchange rate differentials, reclassification, and other changes.

Chart 7 Economic sentiment indicator



Source: European Commission.
Note: The percentages given in the legend represent the weights of individual components in the economic sentiment indicator.

Bank deposits from the private sector continued to decrease in July. The most significant decrease took place in short-term deposits. Other types of deposits (long-term) also decrease in volume. This probably resulted from developments in customer interest rates, especially from the fall in short-term deposit rates. Another factor was the use of own funds by non-financial corporations for business purposes, owing to the downturn in bank lending. The sharpest decline in short-term deposits was recorded in the 'non-financial corporations' sector. Part of these deposits was converted into higher-interest-earning deposits with agreed maturities. Households tried to increase their yields from deposits by converting them into higher-interest-earning structured deposits (deposits with an agreed maturity of over 2 years, which are not part of M3). Hence, they were searching for higher-interest-earning but relatively liquid deposits with a maturity of up to 3 months.

The outstanding amount of loans in the private sector continued to grow in July, by €10 million month-on-month. The dynamics of bank lending weakened by 2.3 percentage points, to 4.7%. Developments in the individual sectors followed the trend from the previous period. On the one hand, the outstanding amounts of loans in the 'non-financial corporations' and 'other financial intermediaries' sectors decreased. On the other hand, the outstanding amount of loans in the household sector increased. Lending to non-financial corporations by monetary financial institutions continued to decline (this trend began in February this year), by €70 million month-on-month. Short-term loans (up to 1 year) continued to fall. The opposite trend was recorded in long-term loans, the outstanding amount of which increased somewhat on a month-on-month basis. The year-on-year dynamics of lending to non-financial corporations slowed by 3 percentage points, to 0.1%.

The outstanding amount of loans granted to households grew month-on-month by €145 million. This was mainly the result of persistent demand for house purchase loans. Their volume increased month-on-month by €101 million. The last two months saw record month-on-month increases in house purchase loans. This reflects a modest increase in demand for house purchases. This is also documented in the statistics of new loans (new credit contracts for house purchases). In the last two months, the volume of new loans reached record values (the highest in 2009). Consumer loans also recorded a modest increase. The year-on-year rate of growth in

Table 6 Monthly net sales of open-end investment funds[1] in the SR (EUR millions)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Cumu-lative
2006	58.4	14.3	39.2	-54.0	-3.6	-12.5	1.8	-61.8	-14.8	39.6	81.3	47.8	135.7
2007	129.9	8.9	28.7	50.0	60.4	71.2	69.6	72.1	43.2	23.0	41.6	65.8	664.4
2008	101.3	70.3	-22.1	19.4	24.3	29.6	-32.5	-52.0	-157.2	-648.0	-179.9	-96.3	-943.1
2009	-76.8	-108.6	-47.0	16.4	38.1	-14.7	7.1	46.6	.	.	.	.	-138.9

Source: NBS calculations based on data from the Slovak Association of Asset Management Companies (SASS).
1) Total sales in the euro (in the Slovak koruna before 2009) and the foreign currency.

loans to households continued to slow, by 1.5 percentage points (to 15.7%).

Within the counterparts of M3, a significant increase was recorded in net foreign assets, which points to increased demand among banks for foreign securities paying higher yields.

According to data from the Slovak Association of Asset Management Companies (SASS), open-end funds (OEF) of all categories operating in Slovakia (euro and foreign-currency funds) recorded positive monthly net sales in August (€46.6 million)[10], when the inflow of funds from investors was supported by positive news about the economy and improved sentiment in the global stock markets.

The largest positive increases were achieved by money market funds (€24.9 million) and mixed funds (€10.2 million). Positive net sales were also recorded by equity funds (€6.7 million), special real estate funds (€5.6 million), bond funds (€0.5 million), and the funds of funds (€0.4 million).

On the other hand, other/secured funds again recorded negative net sales (€1.6 million) in August.

Box 4

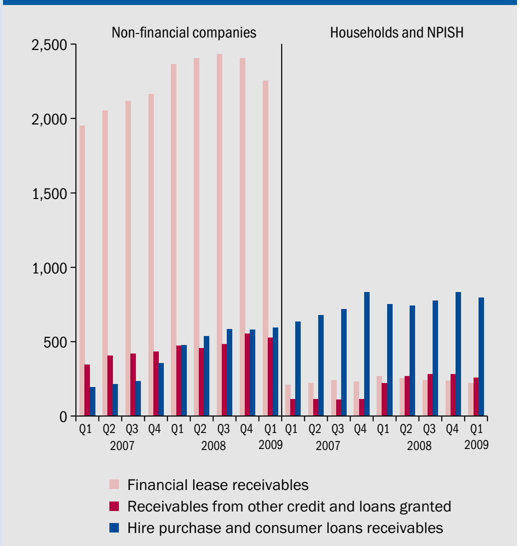
RECEIVABLES OF FACTORING, LEASING, AND HIRE PURCHASE COMPANIES

The receivables of factoring, leasing, and hire purchase companies from the private sector reached €4,651.3 million at the end of the first quarter of 2009, representing a fall of €245.6 million compared with the previous quarter (following an increase in the previous period). Their growth dynamics weakened by 16.3 percentage points, to 2.1%. Decreases were recorded in both finance lease receivables and other receivables (including instalment sale receivables and consumer credit receivables). However, the most significant contribution to the decrease in total receivables came from finance lease receivables, which accounted for almost 55% of the total and which fell in volume by €171.4 million compared with the previous quarter.

The volume of receivables from non-financial corporations decreased by €164.5 million (by the end of Q1, 2009), and the rate of growth slowed by 18 percentage points, to 1.8%. The slowdown was mainly caused by a decrease in finance lease receivables (by €153.8 million). Other receivables also decreased, except for hire purchase and consumer credit receivables, which recorded a slight increase in volume (after falling in the previous quarter).

The household sector again recorded a slowdown in the rate of growth (2.7%, compared with 14.9% in the previous quarter), when their volume decreased by €81.1 million. The slowdown was mainly caused by decreases in instalment sale and consumer credit receivables (by €40.4 million) and other receivables (by €23 million).

Chart A Receivables of factoring, leasing, and hire purchase companies (EUR millions)



Source: NBS.
Note: NPISH stands for non-profit institutions serving households.

10 The different amounts of monthly and cumulative net sales can be explained by the fact that the data of SASS obtained from regular weekly statistical reports and the data of individual OEF administrators (www.openiazoch.sk) sometimes refer to different periods (SASS makes data releases on Fridays, but some of its members issue data on Thursdays) and the number of mutual funds is recorded differently. The merger of mutual funds and their conversion into euro funds at the end of 2008 have caused to a significant fall in the number of mutual funds (from ca. 550 to 460), as well as a marked decrease in the number of foreign-currency funds and an increase in the number of euro funds.
In May 2009, BNP Paribas Asset Management (PARVEST funds) became an associate member of SASS. In June, the SASS database was extended to include the funds of ING (L) Invest SICAV. Thus, the total number of open-end funds increased to 570.
The number of funds is still highly volatile. In August, the majority of PARVEST funds were excluded from the database. They were followed by several Pioneer Investments Austria GmbH funds in September. Thus, the number of funds decreased below 500.

The ECB left its key interest rates unchanged in July, but continued to supply liquidity by conducting short-term and long-term refinancing operations and purchasing covered bonds. These measures caused a further fall in the market rates. This was subsequently reflected in customer interest rates as well (deposit rates for households and non-financial corporations, lending rates for non-financial corporations), except in lending rates for households.

Interest rates on loans for non-financial corporations continued to show a falling tendency in July, in reaction to the decline in the market rates. The sharpest fall took place in rates for small- and medium-sized enterprises. These rates are, however, much higher than those for large corporations.

The breakdown of loans by purpose shows that interest rates rose on loans granted for investment purposes (investment loans and house purchase loans). The opposite trend was recorded in rates for operating loans and other loans. The price of current account overdrafts was at a standstill. Interest rates on the individual types of loans do not show a clear tendency this year. Lending rates are set with regard to the credibility of the customer (non-financial corporation applying for a loan) and the project concerned.

Interest rates on loans to households remained virtually unchanged in July. Within the scope of loans to households by type, interest rates on consumer loans continued to rise for the second consecutive month. Interest rates on other loans showed the opposite tendency. Interest rates on house purchase loans remained unchanged in July.

The prices of deposits from non-financial corporations were affected by the situation in the interbank market. Short-term market rates (EONIA) recorded another fall, which was reflected in the EURIBOR rates for all maturities, as well as in deposit rates for non-financial corporations. This can be observed in the rates of interest on deposits with an agreed maturity of up to 7 days, up to 1 year, and up to 2 years, which recorded the most significant falls. Interest rates on the shortest-term deposits remained unchanged, because of their relatively low level (0.1-0.2%).

Interest rates on household deposits fell somewhat in July, in reaction to the decline in market rates. This can be seen in the prices of deposits with an agreed maturity of up to 7 days and up to 2 years. A relatively sharp drop was recorded in interest rates on passbooks with a notice period of up to 3 months.

QUARTERLY REPORT ON THE INTERNATIONAL ECONOMY – JUNE 2009

THE GLOBAL ECONOMY

The global economy continued to decline in the second quarter of 2009. The pace of decline, however, was slower than in the first quarter of 2009, and the global economy as well as global trade showed some signs of stabilisation. Despite this, uncertainty regarding the outlook for future economic developments remained high and there were no clear signs of global economic recovery.

In the second quarter of 2009, GDP in the OECD countries was at a standstill, following a decline of 2.1% in the previous quarter. On a year-on-year basis, the economy contracted by 4.6%, compared with 4.7% in the first quarter of 2009. The second quarter of 2009 saw increases in the confidence indicators of OECD countries and some signs of stabilisation. Despite this, the confidence indicators remained below the level of 100 points, which indicates that the negative expectations regarding economic developments persist.

Price developments in the second quarter of 2009 were influenced, as in the previous two quarters, by the downturn in global economic activity and the base effect resulting from a fall in commodity prices. In June, the OECD countries recorded negative inflation, which reached -0.1% on a year-on-year basis. Energy prices recorded a year-on-year fall of 15.5% in June, compared with 11.8% in March 2009. Food prices rose on a year-on-year basis by 1.8% in June (in March by 4.5%). Core inflation remained virtually unchanged in June, at 1.7% (compared with 1.8% in March).

The risks involved in global economic development are still high, but balanced. The measures taken against the crisis in individual countries had a more favourable than expected impact on economic developments. Economic confidence also improved more rapidly than was predicted. Global economic activity may be adversely affected by the deepening of the financial crisis, rise in commodity prices, increased protectionist measures, and a deterioration in the labour market.

COMMODITY MARKETS

Oil prices recorded a modest increase in the second quarter of 2009. The average price of oil reached USD 59/barrel in the second quarter, compared with USD 45/barrel in the previous quarter. At the beginning of August, the price of oil stood at USD 74/barrel, representing a rise of 73% compared with the beginning of 2009.

In the second quarter, oil prices followed a similar trend as in the first quarter, when oil prices stabilised and became less volatile. In April and May, the price of oil hovered around the level of USD 50/barrel. The following months saw a gradual increase in oil prices. This increase reflected an improved outlook for global economic recovery. Despite this, the market participants remained worried about the trend in demand for oil in 2009. At the same time, the OPEC countries continued to set quotas for daily oil production.

The world-market prices of other commodities showed a gradually rising tendency in the second quarter. They were relatively stable in April and May, and then started to rise at the beginning of June. As a result of fiscal stimuli granted for infrastructural development in China, demand for metal commodities increased, as well as their prices. Agricultural commodity prices rose gradually in the second quarter, mainly towards the end of the quarter. The most significant increase was recorded in the price of soya beans, as a result of increased demand from China.

UNITED STATES

In the United States, economic activity continued to decline in the second quarter of 2009, but at a slower pace than in the first quarter. In annualised terms, GDP contracted by 1.0% in the second quarter, following a decline of 6.4% in the previous quarter. In the second quarter, the economy recorded a year-on-year decline of 3.9%, compared with 3.3% in the previous quarter.

In the second quarter, GDP was again adversely affected by a fall in investment expenditure, combined with a decrease in inventories. Their dynamics, however, were much weaker than in the first quarter. In the second quarter, private consumption made a negative contribution to GDP growth, following a positive contribution in the first quarter. The most significant decrease was recorded in durable goods. The stabilisation of the global economy led to a slowdown in the pace of decline in both exports and imports. In the second quarter, net exports again made a positive contribution to economic growth, despite a slowdown in dynamics. Positive contributions to GDP growth came from the federal government and some of the local governments, in the form of expenditures.

Consumer prices were falling over the second quarter of 2009, and closed the quarter with a year-on-year fall of 1.4% at end-June. This fall was mainly caused by a base effect resulting from commodity price developments. Core inflation slowed somewhat in the second quarter of 2009, but remained relatively stable in comparison with the first quarter. In June, core inflation reached 1.7%, compared with 1.8% in March.

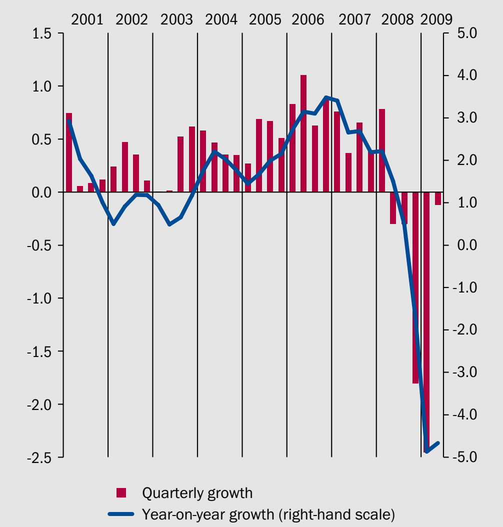
At its meetings held in the second quarter, the Federal Open Market Committee (FOMC) decided to leave its target for the federal funds rate unchanged, at a level close to zero. In addition, the FOMC confirmed its readiness to use even unconventional tools to ensure the functioning of the financial market and to foster the economic recovery. At its August 2009 meeting, the FOMC left its target rate unchanged again.

THE EURO AREA

The decline in the euro-area economy slowed in the second quarter of 2009, in line with the individual sectors' short-term indicators. Compared with the previous quarter, the economy contracted by 0.1% in the second quarter (in the first quarter by 2.5%). At the same time, the year-on-year pace of GDP decline moderated, to 4.7% (from 4.9% in the first quarter of 2009).

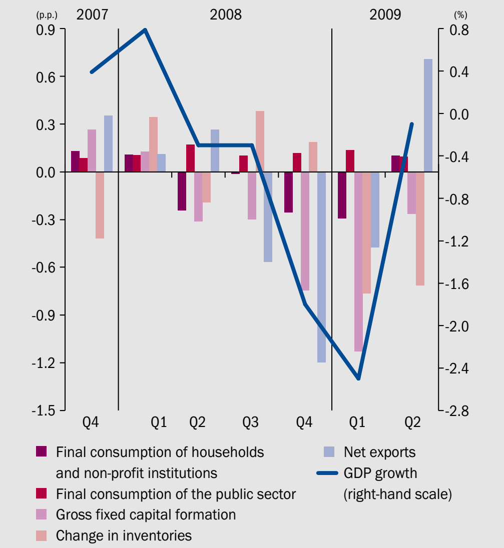
The slowdown in the pace of economic decline was caused mainly by net exports, which made,

Chart 8 Euro area economic growth (constant 2000 prices; %)



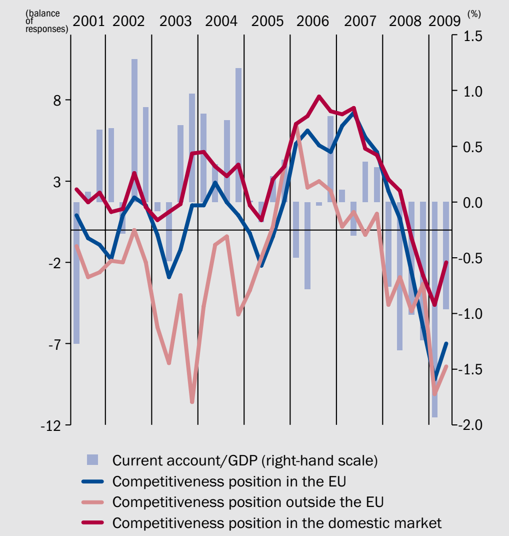
Source: Eurostat.

Chart 9 Contributions of individual components to quarterly GDP growth in the euro area



Source: Eurostat, NBS calculations.

Chart 10 Euro area: evaluation of industry competitiveness



Source: European Commission, ECB.

Chart 11 Economic sentiment indicator and confidence in industry and construction

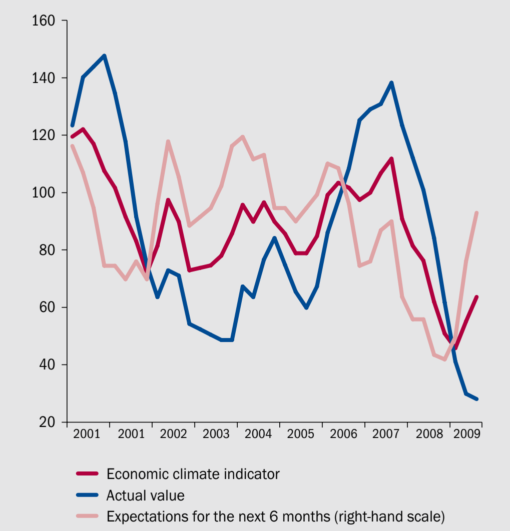
Source: European Commission.

after three quarters, a positive contribution to economic growth again. This was due to exports, which declined to a lesser extent than imports. Having been subdued for a longer period, household final consumption showed some signs of revival. General government consumption continued to have a growth-stimulating effect. The decline in fixed investments slowed and the negative contribution made by changes in inventories decreased.

The sectoral breakdown of the economy shows that the most significant slowdown took place in industry, mainly in manufacturing. Value added in industry declined by 8.2% in the first quarter. In the second quarter, the decline slowed to 2.0% (in the manufacturing industry, the value added decline moderated from 9.5% to 1.3%). The improvement in industry was also confirmed by companies that evaluated their competitive strengths. All companies recorded an improvement not only in the domestic market, but also in the EU and outside the EU. They also recorded improved competitiveness, combined with a decrease in the current account deficit as a share of GDP. As in the previous quarters, companies continued to view demand and financial factors as the main causes behind the fall in production.

Numerous short-term indicators and recent surveys suggest that the global recession is

Chart 12 Ifo economic climate indicator (2000=100)

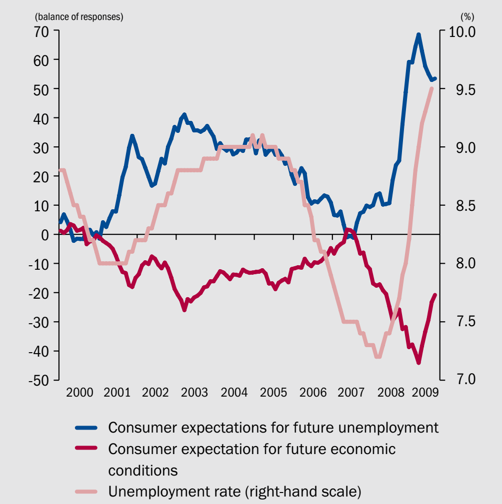


Source: Ifo Institute for Economic Research.

bottoming out and that economic activity is likely to stabilise or enter a phase of gradually recovery in the coming quarters. This is indicated by a gradual rise in the economic sentiment indicator and growing confidence in the individual sectors.

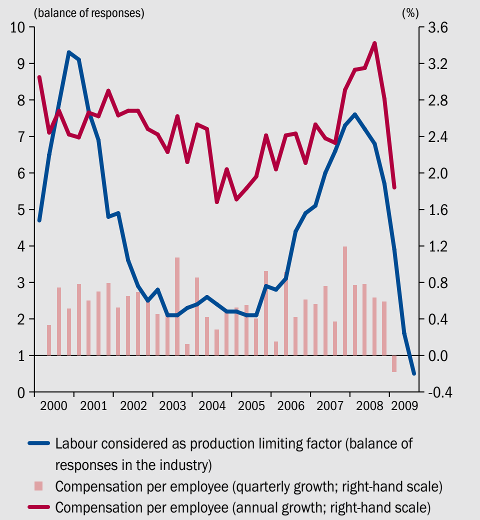
The Ifo economic climate index improved again, when a relatively significant increase

Chart 13 Unemployment rate and consumer expectations for economic conditions and unemployment in next 12 months



Source: Eurostat, European Commission.

Chart 14 Costs of labour and perception of labour as production limiting factor (balance of responses) (%)



Source: ECB, European Commission.
Note: When this report was prepared, data on compensation per employee were available only for the period until the first quarter of 2009.

was recorded in expectations regarding the economic situation in the future. The evaluation of the current situation, however, deteriorated somewhat as in the previous period.

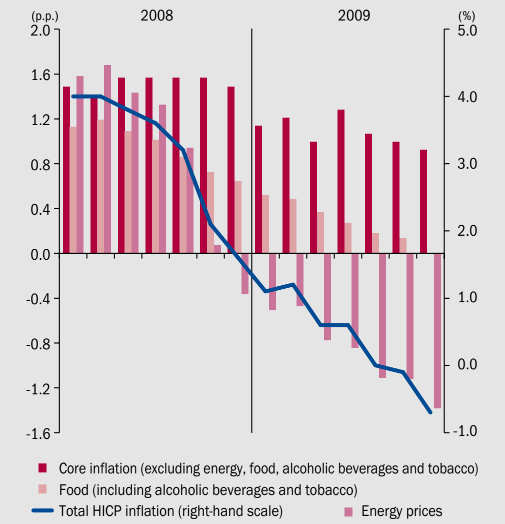
The decline in economic activity was accompanied by a gradual increase in unemployment. At the end of June 2009, the rate of unemployment reached 9.4%, and then rose to 9.5% in July. In the second quarter, however, consumers gradually changed their views on the future trend in unemployment, and their expectations began to fall. The expectations of consumers regarding the economic situation in the future continued to improve.

The easing of labour market conditions, accompanied by rising unemployment and falling employment, led to weaker pressure on wages. The growth in compensation per employee slowed in both year-on-year and quarter-on-quarter terms. On a quarter-on-quarter basis, compensation per employee recorded a fall in the first quarter of 2009. A survey of labour as a factor limiting production also pointed to a gradual decrease in wage pressures and eased labour market conditions. The number of replies from industrial companies, classifying this factor as limiting, was close to zero.

In the second quarter of 2009, the base of effect of energy and food prices, coupled with limited demand, continued to have a decelerating effect on the price increase. At the end of the quarter, inflation reached a slightly negative value (-0.1%). Compared with the end of the first quarter, the year-on-year decline in energy prices deepened from 8.1% to 11.7% in June. The rise in unprocessed food prices slowed down (from 2.4% to 0%). Processed food prices also showed weaker dynamics. The market components of inflation also contributed to the slowdown in the price increase. In July, inflation fell further into negative territory (-0.7%), mainly as a result of developments in energy and food prices. According to a flash Eurostat estimate, however, the price decline moderated in August and the 12-month inflation rate reached -0.2%.

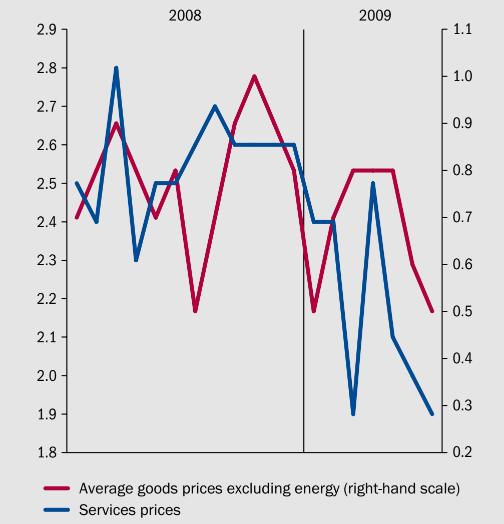
In the second quarter, core inflation dropped by 0.2 of a percentage point (to 1.3% in June), as a result of slower year-on-year increases in all components. Another slowdown was recorded in July (to 1.2%).

Chart 15 Euro area: overall HICP inflation (year-on-year) and contributions of selected components



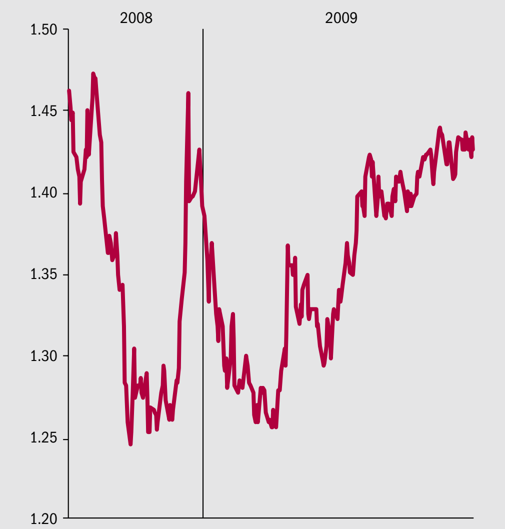
Sources: Eurostat, NBS calculations.

Chart 16 Euro area: prices of goods and services (%)



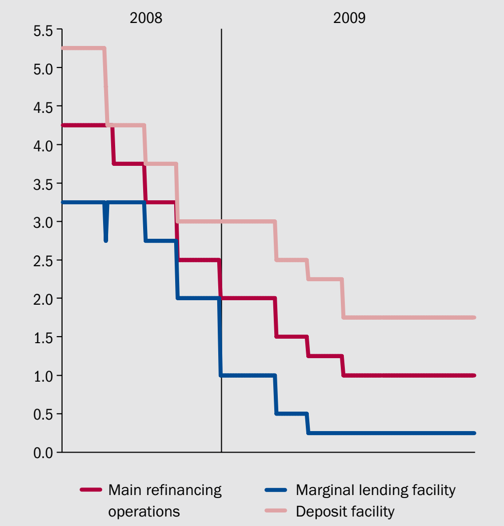
Source: Eurostat.

Chart 17 USD/EUR exchange rates



Source: ECB.

Chart 18 ECB interest rates (%)



Source: ECB.

The rate of price increase in the market components slowed during the second quarter. The rise in industrial goods prices stagnated until May, and then slowed somewhat in June. This was attributable to a slowdown in the prices of clothes and footwear, caused probably by large-scale clearance sales held to stimulate consumer demand. The prices of motor vehicles also continued to show weakening dynamics. They dropped year-on-year by 0.5% in June, following a rise of 0.1% in March. After a volatile period in March and April, influenced by seasonal factors (Easter holidays), the increase in services prices moderated gradually. There was a slowdown in the prices of services related to holidays – trips, transport services (air fares), hotels and restaurant. This was connected with the delayed pass-through of the lower energy and food prices to services prices, and with the relatively low consumer demand. The moderate slowdown in services prices continued in July.

Compared with the previous period, the EUR/USD exchange rate was less volatile in the second quarter and showed a more or less appreciating tendency. At the beginning of April, the euro weakened as a result of an expected cut in the key ECB interest rates and uncertainty regarding the implementation of non-standard monetary-policy measures. In the following period, however, the euro followed a slightly appreciating trend in relation to the dollar, probably as a result of an increased risk appetite among investors, combined with better than expected financial results. At the end of the second quarter, the exchange rate of the euro reached EUR/USD 1.4134, and was approximately 6% stronger than at the end of March. The moderate appreciating trend in the euro vis-à-vis the dollar continued in the following two months.

In the second quarter of 2009, the ECB continued to lower its key interest rates. In the light of the persisting downturn in economic activity with a dampening effect on inflation, the Government Council decided to reduce the key ECB interest rates by a further 0.25 of a percentage point in April. With effect from 8 April, the rate for the main refinancing operations was set at 1.25%, and the rates for marginal lending and deposit facilities at 2.25% and 0.25%, respectively. When data on GDP growth for the first quarter of 2009 showed that the economic decline was deeper than expected, the Governing Council decided to lower the key rates still further. With effect from 13 May 2009, the rate for the main refinancing operation was reduced by 0.25 of a percentage point (to 1.0%) and the rate for marginal lending facility by 0.5 of a percentage point (to 1.75%). The interest rate for deposit facility remained unchanged, at 0.25%. At its following meetings, the Governing Council left the key interest rates unchanged (until September). Since October 2008, the rate for the main refinancing operations had been reduced by a total 325 basis points.

Apart from key interest rate reductions, the ECB also uses other measures to ensure the functioning of the financial markets and to maintain an adequate level of euro liquidity, as well as liquidity in USD and CHF. At its May meeting, the Governing Council decided to conduct three long-term refinancing operations with a maturity of one year, and to purchase covered bonds denominated in euro.[11]

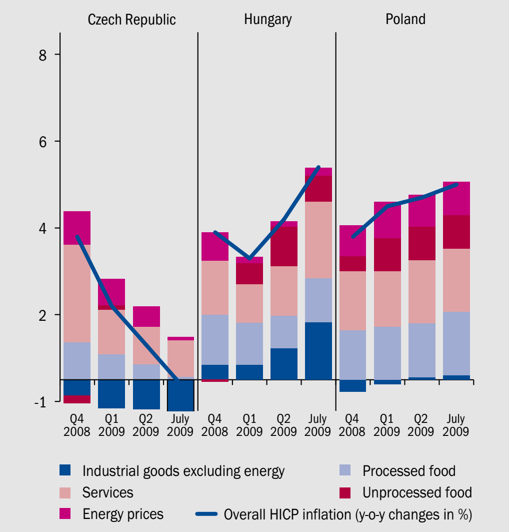
DEVELOPMENTS IN THE CZECH REPUBLIC, HUNGARY AND POLAND

In the second quarter of 2009, the V4 countries still faced the adverse effects of the global economic crisis. The year-on-year rate of GDP decline in the Czech Republic and Hungary continued to deepen, by 1 percentage point (to 5.5%) and 1.7 percentage points (to 7.3%), respectively. Poland maintained a positive economic growth rate on a year-on-year basis, which, however, slowed by 0.3 of a percentage point, to 1.4%. The growth in the Polish economy continued to be favourably influenced by domestic demand and net exports. However, the dynamics of domestic demand moderated, mainly as a result of a slowdown in household and government consumption. Investment demand continued to weaken in the second quarter, when gross fixed capital formation declined on a year-on-year basis (after growing for roughly six years). The positive contribution of net exports increased somewhat. The slowdown in the Czech economy was mainly caused by a fall in domestic demand, caused by a decrease in inventories and slower growth in household and government consumption. The decline in investment demand moderated. The contribution of net exports remained negative, but its dampening effect weakened considerably in comparison with the previous quarter. In Hungary, the most significant item with a positive contribution to GDP growth was net exports, as in the previous quarter. Government spending increased somewhat in comparison with the previous period. Investment and household consumption continued to fall on a year-on-year basis, but at a slower pace. Economic growth was still dampened by a decrease in inventories.

In Poland and Hungary, inflation accelerated in the second quarter of 2009. In the Czech Republic, the price increase continued to moderate. On a year-on-year basis, price developments were influenced, as in the previous quarter, by base

11 More detailed information is available at www.ecb.int.

Chart 19 Contributions to HICP inflation (p.p.)



Source: Eurostat, NBS calculations.

Chart 20 Exchange rate indices of V4 currencies against the euro (29 December 2006 = 100)

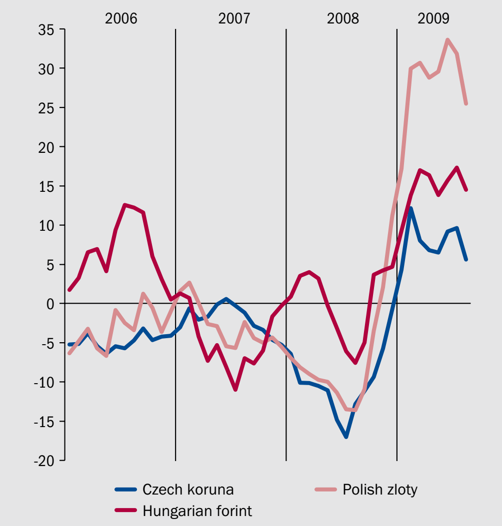
Source: Eurostat, NBS calculations.
Note: Decline in value denotes appreciation.

effects from last year's increases in energy and food prices, regulated price adjustments from the beginning of 2009, currency depreciation and falling demand resulting from the weak economic activity. In Poland, the price increase accelerated by 0.2 of a percentage point (to 4.2%) compared with the first quarter. Price levels mirrored the regulated price adjustments (energy, services related to housing) and the excise tax increase for alcohol and tobacco. Food prices also increased more rapidly, owing to the lower domestic supply. The rise in energy prices also recorded a slowdown, as in the Czech Republic and Hungary, mainly as a result of a base effect. At the same time, the negative contribution of non-energy industrial goods to headline inflation was eliminated by a marked year-on-year depreciation of the zloty[12]. In the Czech Republic, inflation dropped by 0.9 of a percentage point, to 0.8%. In the second quarter, the effects of changes in indirect taxes faded and the rise in regulated prices, which contributed greatly to the price increase, slowed down. Inflation slowed in all components, while unprocessed food prices were falling. The negative contribution of non-energy industrial goods prices to headline inflation deepened still further. In Hungary, the year-on-year rate of price inflation accelerated in comparison with the first quarter by 0.9 of a percentage point, to 3.7% in June. The acceleration took place mostly in services prices and, owing to the depreciation of the forint[13], in unprocessed food and non-energy industrial goods prices. With effect from July, Hungary has adopted certain administrative measures, which have indirect effects on price developments, e.g. value added tax increase, excise tax increase for alcohol, cigarettes and fuels. In July, the accelerating trend in inflation continued in both Poland (by 0.3 of a percentage point, to 4.5%) and Hungary (by 1.2 percentage points, to 4.9%). In the Czech Republic, the price increase slowed by 0.9 of a percentage point, causing a year-on-year fall of 0.1% in the price level.

In the second quarter of 2009, the currencies of the neighbouring countries followed the modified trend from March. The exchange rate weakening, which started in July 2008 as a result of growing uncertainty in the financial markets, came to a halt and the currencies concerned began to appreciate vis-à-vis the euro for a longer period. The appreciation of the zloty, the Czech koruna, and the forint was caused in large part by external factors, such as the diminishing global risk aversion and improved investor confidence in emerging

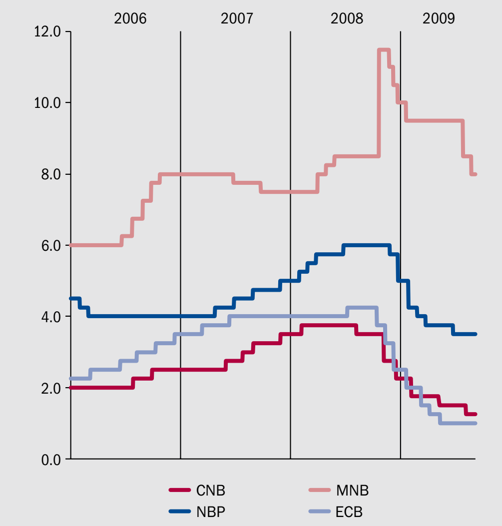
12 On a year-on-year basis, the exchange rate of the Polish zloty was weaker by more than 33% at the end of June.
13 More than 15% on a year-on-year basis.

Chart 21 Exchange rates of V4 currencies against the euro (year-on-year changes in %)



Source: Eurostat, NBS calculations.
Note: Negative values denote appreciation.

Chart 22 Key NCB interest rates of V4-countries



Source: National central banks, ECB.

markets. The currency appreciation in these countries continued, despite deficiencies in their fundamentals. The exchange rates remained relatively volatile in the period under review.

The exchange rate of the zloty was affected in the second quarter of 2009 by increased uncertainty regarding the participation of the zloty in ERM II and the expected date of euro adoption. At the end of April, the exchange rate was positively influenced by the provision of a flexible credit line to Poland by the International Monetary Fund. In May and June, the zloty depreciated more or less, and so reflected the increased risk aversion (caused by concerns about a possible devaluation in Latvia) to a greater extent than the other currencies under review. Compared with the beginning of the year, the Czech koruna showed lower volatility in the second quarter, probably as a result of weaker activity among foreign short-term investors. The Czech koruna was the only currency in the region to achieve the same value as at the end of 2008; the most rapid appreciation took place at the beginning of the second quarter. The strongest appreciation was recorded in the Hungarian forint, owing to the positive perception of the administrative reform and the successful drawdown of a loan from the International Monetary Fund. Compared with the end of the first quarter, the Polish zloty strengthened by 5%, the Czech koruna by 5.5%, and Hungarian forint by almost 12% in the second quarter. On a year-on-year basis, however, the V4 currencies depreciated to a relatively significant extent. In June, the average monthly exchange rate of the zloty was more than 33% weaker, that of the Czech koruna by approximately 9%, and the forint exchange rate by almost 16%.

The central banks of the Czech Republic and Poland continued to ease their monetary policies in the second quarter of 2009. Česká národní banka lowered its two-week repo rate by 0.25 of a percentage point, to 1.5% in May. This decision was motivated by inflation, which fell below the prescribed inflation target, and by the slowdown in domestic economic activity. Narodowy Bank Polski decided to reduce its reference rate by 0.25 of a percentage point, to 3.5% in June, owing to the prospect of a further slowdown in inflation, and the need to support the weak economic growth. To this end, the central bank decided to reduce the minimum reserve requirement by 0.5 of a percentage point (to 3%), in order to increase the level of liquidity in the domestic banking sector in support of bank lending. These factors outweighed the inflationary effects of the exchange rates and developments in certain commodity prices in both economies. Magyar Nemzeti Bank left its base rate unchanged in the second quarter of 2009, at 9.5 %. At its July meeting, the MNB Board decided to lower the base rate by 1 percentage point, to 8.5%. Nonetheless, Hungary still has the highest interest rates within the V4 region.

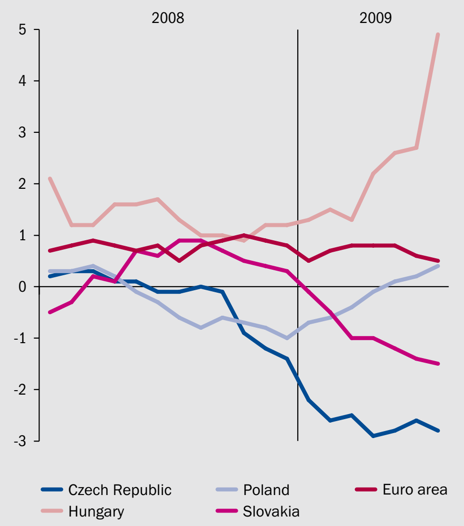
PASS-THROUGH EFFECT OF EXCHANGE RATE CHANGES TO CONSUMER PRICES IN THE V4 COUNTRIES

The depreciation of the Czech koruna, Hungarian forint, and Polish zloty started roughly in the second half of 2008, following a phase of sharp appreciation. The depreciation lasted until the end of February 2009. During this period, the Czech koruna depreciated against the euro by approximately 15%, the Hungarian forint by 21.5% and the Polish zloty by 28.5%. Subsequently, from March 2009 to the beginning of September, the exchange rates strengthened to some extent, i.e. the Czech koruna by 10.7%, the Hungarian forint by 12%, and the Polish zloty by 15.4%. On a year-on-year basis, however, they were still weakening.

In the first and second quarters of 2009, the exchange rates acted as inflationary factors in all three economies. The rise in non-energy industrial goods prices accelerated in Poland and Hungary. Paradoxically, these prices dropped in the Czech Republic. At the same time, the rise in euro-area industrial goods prices remained virtually unchanged or slowed somewhat in June and July. In Slovakia, the decline in these prices deepened gradually. The currency depreciation in the V3 countries was reflected mostly in the prices of consumer durables, the rise of which accelerated in that period in all countries (including the Czech republic). The prices of consumer non-durables rose only in Hungary.

The currency depreciation was also reflected in food prices, mainly in Poland and Hungary. A large part of foodstuffs comes from import,

Chart 23 Non-energy industrial goods (year-on-year changes in %)



Source: Eurostat.

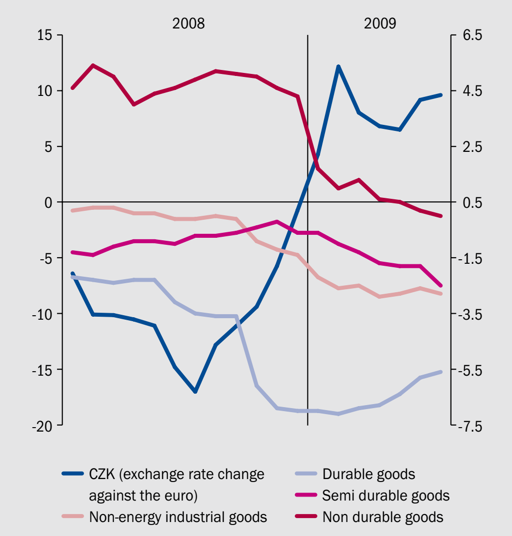
mainly in the first months of the year. The depreciation, however, was also reflected in the prices of traditionally imported food commodities such as tea, coffee, rice, etc. This led to accelerated rise in the prices of unprocessed foodstuffs, mainly in the first quarter of 2009.

Similarly, the pass-through of the falling oil prices to energy prices was to some extent dampened by the currency depreciation. This was, however, somewhat distorted by the base effect resulting from the steep rise in energy prices in 2008 (mainly in the CR and Hungary) and by adjustments to regulated energy prices in 2009.

The currency depreciation was not fully reflected in the level of consumer prices (mainly in the CR), owing to the weak demand. It is possible to assume that the increased import costs were offset by the lower prices of domestic goods. The pass-through of exchange rate changes to prices takes place with a certain time delay. It is, therefore, probable that some of the effects will be reflected in consumer prices only in the period ahead. At the present time, the currencies of the neighbouring countries are appreciating again.

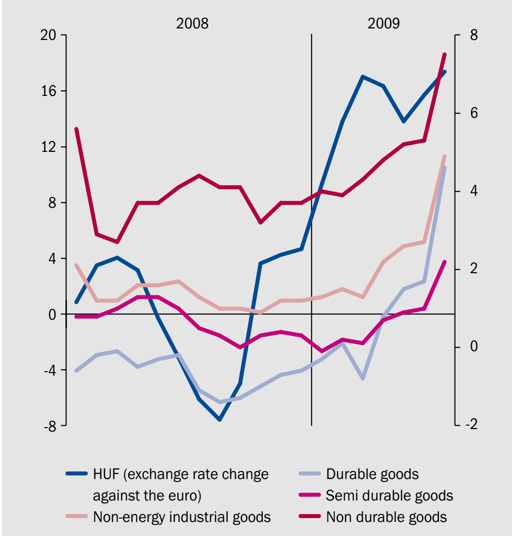
DEVELOPMENTS IN INDUSTRIAL GOODS PRICES[14]
(year-on-year changes in %)

Chart 24 Czech Republic



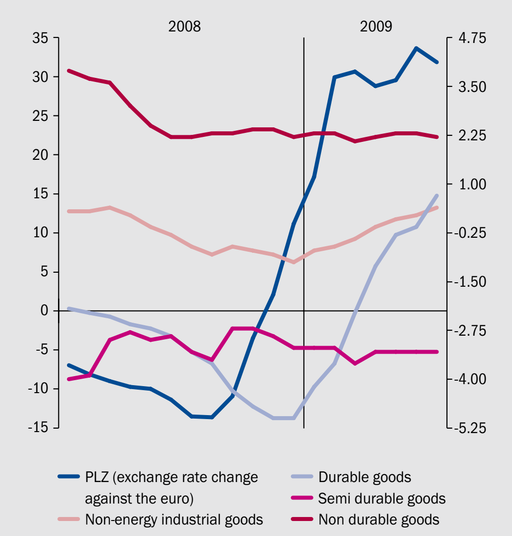
Source: Eurostat.

Chart 25 Hungary



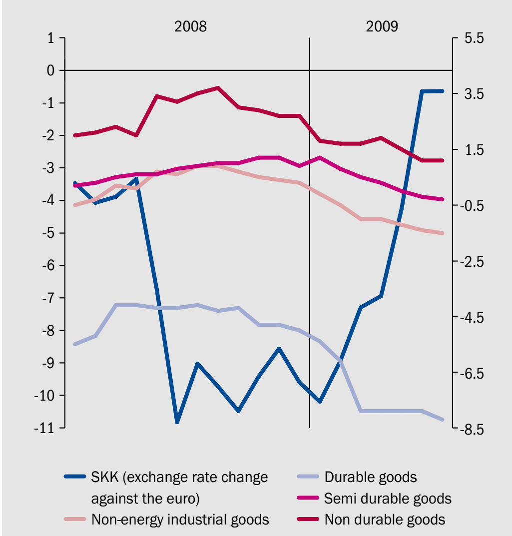
Source: Eurostat.
Note: The sharp rise in tradable goods prices in July was connected with the increase in VAT rates.

Chart 26 Poland



Source: Eurostat.

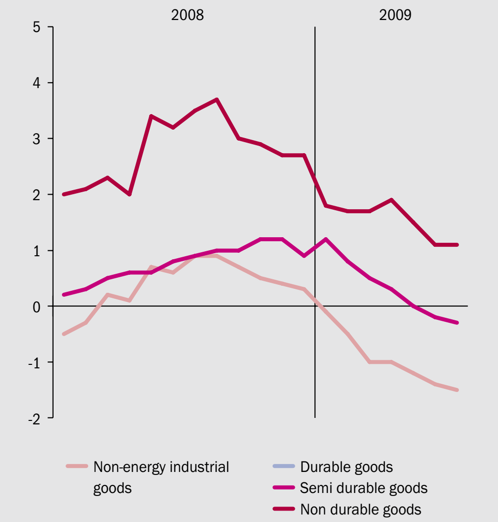
Chart 27 Slovakia



Source: Eurostat.

14 Note: Negative values on the left-hand axis denote currency appreciation.

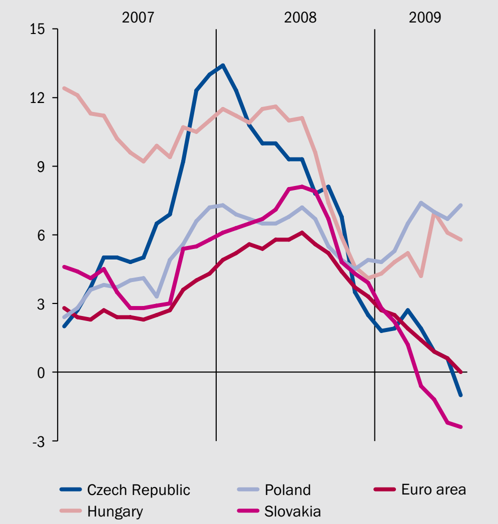
Chart 28 Euro area



Source: Eurostat.

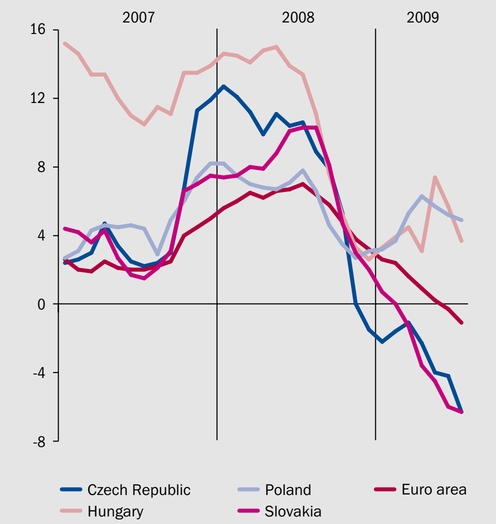
DEVELOPMENTS IN FOOD PRICES (year-on-year changes in %)

Chart 29 Food



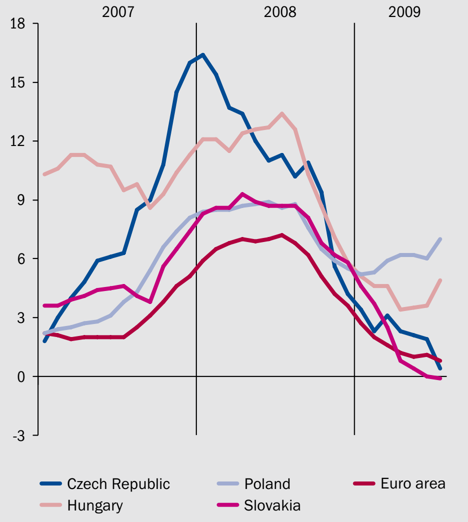
Source: Eurostat.

Chart 30 Food, including alcohol and tobacco



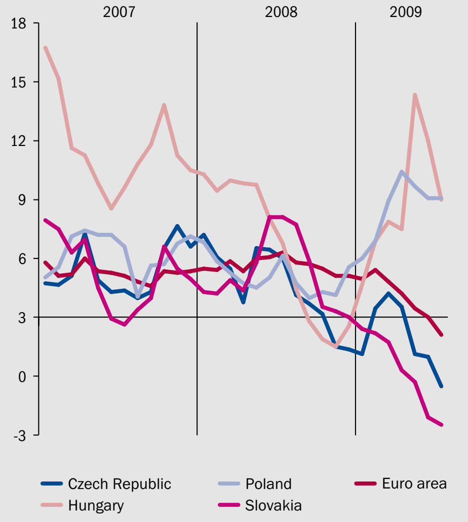
Source: Eurostat.

Chart 31 Processed food



Source: Eurostat.

Chart 32 Unprocessed food



Source: Eurostat.

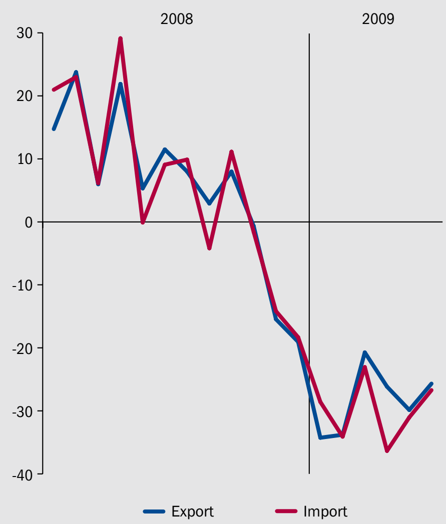
QUARTERLY REPORT ON THE BALANCE OF PAYMENTS

BALANCE OF PAYMENTS FOR JANUARY TO JUNE 2009

The balance of payments on current account for January to June 2009 resulted in a deficit of €948.2 million, representing a year-on-year improvement of €1,208.6 million. The decrease in the deficit on a year-on-year basis was supported by improvements in the income and trade balances and, to a lesser extent, in the balance of current transfers. On the other hand, the decrease in the current account deficit was moderated by an increased shortfall in the services balance. Compared with the first three months, the most significant improvements took place in the income and trade balances in the second quarter. The impact of the financial and economic crisis on the current account caused a year-on-year improvement in the income balance (lower corporate profits) and decreases in the exports and imports of goods and services. The negative impact of the crisis on the trade balance was mitigated on the imports side by the existing import intensity, fall in raw materials prices, lower gas imports resulting from the importer's business strategy, and by a decrease in the volume of inventories in the economy and decline in imported investments. These factors enabled a year-on-year improvement in the trade balance.

Compared with the first half of 2008, exports declined over the first six month of 2009 by 28.4% and imports by 29.7%. The dynamics of exports and imports continued to show a negative tendency in the second quarter (as in the previous quarter), but the proportions changed: the slowdown in export dynamics moderated

Chart 33 Year-on-year growth in imports and exports (%)



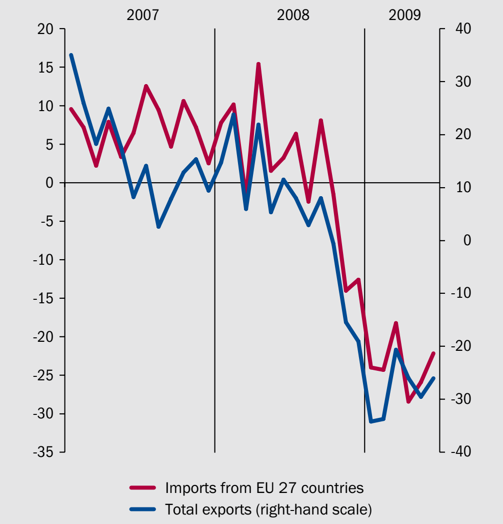
Source: NBS and the Statistical Office of the SR.

Table 7 Balance of payments current account (EUR millions)

	January – June		
	2009	2008	2009-2008
Balance of trade	196.1	-198.4	394.5
Exports	18,482.6	25,795.8	-7,313.2
Imports	18,286.5	25,994.2	-7,707.7
Balance of services	-646.6	-199.2	-447.4
Balance of income	-282.1	-1,327.8	1,045.7
of which: income from investment	-823.9	-1,951.8	1,127.9
of which: reinvested profit	215.0	-278.8	493.8
Current transfers	-215.6	-431.5	215.9
Current account in total	**-948.2**	**-2,156.8**	**1,208.6**
Trade balance as a share of GDP in %	**0.6**	**-0.6**	**1.2**
Current account balance as a share of GDP in %	**-3.1**	**-6.7**	**3.6**

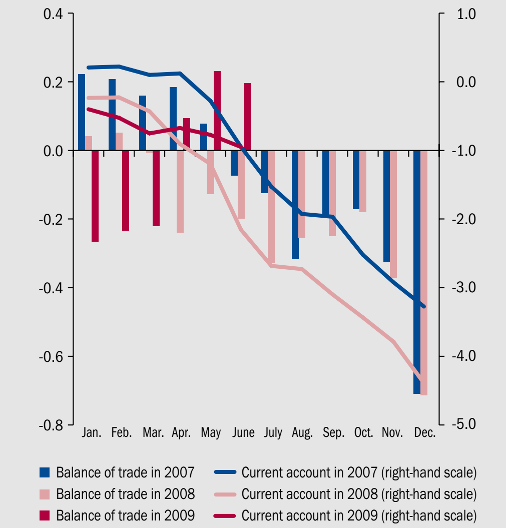
Source: NBS and the Statistical Office of the SR.

Chart 34 Year-on-year growth in Slovak exports and imports from EU-27 countries



Source: NBS and the Statistical Office of the SR.

Chart 35 Balance of trade and current account in 2007, 2008, and cumulative 2009 (EUR billions)

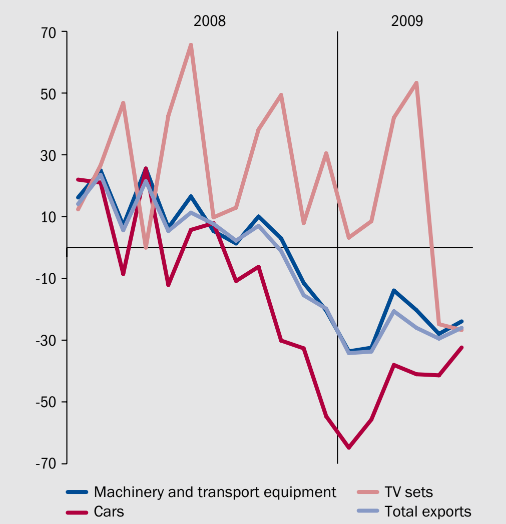


Source: NBS and the Statistical Office of the SR.

over the first six months by 1.2 percentage points compared with the first quarter, while import dynamics weakened still further, by 1.8 percentage points. Export dynamics weakened more moderately, owing to a slowdown in the year-on-year decline in passenger car exports. On the other hand, the weakening import dynamics were mainly influenced by a marked year-on-year decline in raw material imports.

In the first half of 2009, the most significant decrease in comparison with the same period a year earlier took place in the exports of machinery and transport equipment; it accounted for almost a half of the overall decline in exports. The year-on-year decrease in exports in this category took place mostly in the 'transport equipment' subcategory (caused by a fall in car exports). The lower exports of transport equipment can be attributed to lower demand for passenger cars, while exports in this subcategory accounted for almost 73% of the total decrease in the exports of machinery and transport equipment (compared with 81% in the first quarter). The smaller contribution of transport equipment to the year-on-year decline in the 'machinery and transport equipment' category was mainly caused by a moderation of the year-on-year decline in the 'transport equipment' subcategory. In the 'machinery' subcategory, year-on-year decreases were recorded in the exports of washing machines, pumps, shafts and bearings. The decline in the exports of machinery was moderated to some extent by a year-on-year increase in television exports (by 6.9%). The positive effect of growth in exports in this category was mainly the result of developments in the first four months of the

Chart 36 Year-on-year growth in exports (%)



Source: NBS and the Statistical Office of the SR.

Table 8 Exports in January to June, year-on-year changes

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2009	2008	2009	2008
Raw materials	-586.7	367.6	-2.3	1.6
Chemicals and chemical products	-2,675.9	425.9	-10.4	1.9
Machinery and transport equipment	-3,638.9	1,957.3	-14.1	8.6
Finished products	-411.7	269.6	-1.6	1.2
TOTAL EXPORTS	-7,313.2	3,020.5	-28.4	13.3

Source: NBS calculations based on data from the Statistical Office of the SR.

Table 9 Imports in January to June, year-on-year changes

	Year-on-year changes in EUR millions		Contribution to year-on-year changes in p.p.	
	2009	2008	2009	2008
Raw materials	-1,496.3	1,343.1	-5.8	5.9
Chemicals and chemical products	-2,529.5	535.5	-9.7	2.4
Machinery and transport equipment	-3,329.3	826.3	-12.8	3.6
Finished products	-352.5	556.4	-1.4	2.4
Of which: agricultural and industrial products	-95.1	201.4	-0.4	0.9
passenger cars	-259.7	241.8	-1.0	1.1
mechanical and electrical consumer goods	2.2	113.1	0.0	0.5
TOTAL IMPORTS	-7,707.7	3,261.3	-29.7	14.3

Source: NBS calculations based on data from the Statistical Office of the SR.

year, for May and June saw a year-on-year fall in television exports.

Apart from machines and transport vehicles, chemical products and semi-finished goods also recorded a significant decline in exports. The decline was caused by year-on-year decreases in the exports of semi-finished goods (iron and steel, iron/steel products, and, to a lesser extent, copper and aluminium, copper/aluminium products) and chemical products. The lower exports of chemical products were partly attributable to the falling prices of oil products (mainly plastics, rubber, and plastic/rubber products). A year-on-year decrease in exports was also recorded in the 'finished products' category, mainly in footwear exports. The lower raw material exports were connected with the lower exports of refined oil products, which were influenced by price developments in particular.

The sharpest year-on-year decline in imports was recorded, as in exports, in the 'machinery and transport equipment' category. The fall in imports in this category accounted for more than 43% of the total decline in imports. The lower imports were connected with the steep decline in exports, which was reflected in the falling imports of components for the automotive industry in the 'transport equipment' subcategory. In the 'machinery' subcategory, the sharpest fall was recorded in components imported for the electrical industry, such as liquid crystal products. The year-on-year decline in imports in this category, accompanied by growth in the exports of television sets, resulted from a reduction in the electrical industry's import intensity, through the production of screens in Slovakia.

A marked year-on-year decrease in imports was also recorded in the 'chemical products and semi-finished goods' category, which significantly contributed to the year-on-year reduction in total imports. The lower imports of semi-finished goods were concentrated in iron and steel, and iron and steel products. In the 'chemical products' subcategory, the decrease in imports took place mostly in plastics and rubber. The decrease in raw material imports was, as in the case of exports, markedly affected by the world-market price of oil, which led to decline in crude oil imports. Decreases were also recorded in the imports of refined oil products and natural gas. While the fall in oil imports can be ascribed to the lower price of oil, the fall in gas imports was caused by the importer's purchasing strategy, which was reflected in the smaller volume of gas imported into Slovakia. The smallest year-on-year decrease in imports was recorded in the 'finished products' category, mainly in car imports.

The balance of services for January to June 2009 resulted in a deficit of €646.6 million, representing a deterioration of €447.4 million compared with the same period of 2008. The year-on-year increase in the deficit was mainly caused by smaller revenues in all three subcategories of services. The increased deficit in the balance of 'other services in total' was caused by a fall in revenues from mediating and computer engineering services, and a fall in revenues from telecommunications services, accompanied by a marked increase in payments for such services. The year-on-year deterioration in the balance of tourism services was mainly the result of the poor winter tourist season, causing a marked decrease in revenues from tourism services, mainly in the first quarter. Transport services generated a smaller surplus than a year earlier, mainly as a result of lower revenues from the transit of gas and oil (by €118.2 million) and lower revenues from road haulage services, which were probably affected by the financial and economic crisis.

The year-on-year improvement in the income balance for the first half of 2009 (by €1,045.7 million) was caused by a decrease in the negative balance of income from investment, which exceeded the decrease in the surplus of employee compensation balance. The decrease in the employee compensation surplus was connected with the economic crisis, which adversely affected the employment of Slovak citizens abroad. The smaller deficit in income from investment was mainly the result of limited dividend payments by companies with foreign stakes, which was probably connected with the expectations of lower profits this year, owing to the financial and economic crisis. The year-on-year improvement in the balance of income from investment was also supported by lower interest payments on portfolio investments as a result of the declining interest rates. A significant factor that also affected the balance of income was a methodological change[15] concerning the estimation of reinvested earnings. This methodological change contributed to the year-on-year improvement in the balance of income from investment (by €362.9 million).

The year-on-year decrease in the current transfers deficit (by €215.9 million) was mainly caused by positive developments in the balance of private transfers, resulting from a marked decrease in payments (unilateral transfers by legal entities, income and property taxes).

During the first six months of 2009, the balance of payments on capital and financial account resulted in a surplus of €1,282.2 million (compared with a surplus of €2,725.2 million recorded in the same period of 2008). The year-on-year change from an inflow (last year) to an outflow in the balances of direct and portfolio investments, caused mainly by an outflow of other capital in direct investment and growth in demand among residents for foreign debt securities, exceeded the increased inflow in other investment.

From January to June 2009, foreign direct investment (FDI) recorded outflows in the amount of €704.7 million, representing a year-on-year decrease of €1,069.8 million in the amount of net inflows, compared with the same period of 2008. The year-on-year change in the balance of direct investments was mainly influenced by developments on the liabilities side in the second quarter, when, despite an increase in capital participation by foreign investors, an outflow of funds was recorded, owing to developments in other capital (an increase in receivables and a decrease in liabilities vis-à-vis parent companies) and a methodological change concerning the estimation of reinvested earnings. The overall outflow of funds was strengthened on the assets

15 The methodology for reporting data on dividends and reinvested earnings was modified in 2009. In the past, the profits of companies with foreign stakes were expressed in terms of the estimated amount of reinvested earnings and data on dividends. As from 2009, the profit is estimated and reinvested earnings are calculated with regard to the amount of dividends. Thus, in months when the amount of dividends is lower than the total profit, there is an outflow of funds in the form of reinvested earnings, and in months when the amount of dividends is higher than the total profit, an inflow of reinvested earnings is recorded.

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

	January-June	
	2009	2008
Capital account	400.1	541.1
Direct investments	-704.7	365.1
of the SR abroad	-317.8	-39.8
of which: equity participation abroad	-682.1	-53.1
reinvested earnings	15.1	-19.9
in the SR	-386.9	405.0
of which: equity participation in the SR	616.4	182.6
of which: non-privatised equity	616.4	182.6
reinvested earnings	-230.1	298.7
Portfolio investment and financial derivatives	-730.3	1,082.1
f the SR abroad	-1,083.0	36.5
In the SR	352.7	1,045.6
Other long-term investments	-717.2	89.6
Assets	-571.4	-199.2
Liabilities	-145.8	288.8
Other short-term investments	3,034.3	647.3
Assets	-3,266.5	-604.1
Liabilities	6,300.8	1,251.4
Capital and financial account	1,282.2	2,725.2

Source: NBS.

Table 11 Capital inflows in other investment in a sectoral breakdown (EUR millions)

	January – June 2009	January – June 2008	Year-on-year changes
Banks	-12,139.9	718.2	-12,858.1
Entrepreneurs	-48.1	17.9	-66.0
Government and NBS	14,505.1	0.8	14,504.3
Total	2,317.1	736.9	1,580.2

Source: NBS.

side by increased demand among residents for investment abroad in the form of FDI.

Portfolio investment resulted in a net outflow of €730.3 million, compared with a net inflow of €1,082.1 million in the first half of the previous year. The year-on-year change from an inflow to an outflow resulted from an increase in demand among residents for foreign debt securities, which increased gradually over the first half of the year. On the liabilities side, the lower net inflow from the beginning of the year, caused by lower demand among non-residents for government securities, was partly offset by an issue of eurobonds in May.

In other investment, an inflow of €2,317.1 million was recorded in the period from January to June 2009, compared with €736.9 million recorded in the same period a year earlier. The year-on-year increase (€1,580.2 million) resulted from developments in the government sector (including NBS), which recorded an inflow of funds exceeding the outflow from the banking sector. The inflows in the government sector resulted from the central bank's policy pursued after entry into the euro area (to meet its liabilities vis-à-vis the banking sector, the central bank borrowed funds from the Eurosystem through Target 2, instead of using its foreign reserves). In the banking sector, the outflows resulted from a year-on-year decrease in short-term non-resident deposits held in Slovak banks, which was connected with the euro changeover (euro accounts lost their significance) and partially with the financial crisis.

The foreign reserves of NBS (excluding exchange rate differences) fell by €54.4 million during the first half of 2009.

EXTERNAL DEBT OF THE SLOVAK REPUBLIC AS AT 30 JUNE 2009

At the end of June 2009, Slovakia's total gross external debt stood at USD 63.4 billion (EUR 44.9 billion), representing an increase of USD 10.9 billion (EUR 7.6 billion) compared with the figure for the beginning of 2009. Total long-term foreign debt grew during this period by USD 1.4 billion, and total short-term foreign debt increased by USD 9.5 billion.

Within the scope of long-term external debt, the foreign liabilities of the SR Government and NBS increased by USD 0.7 billion and the commercial sector's long-term foreign debt grew by USD 0.7 billion. Although the Ministry of Finance issued eurobonds in foreign markets in the amount of EUR 2 billion (USD 2.8 billion), the Government's total long-term debt increased by only USD 0.3 billion, mainly as a result of a fall in demand for government bonds among non-residents.

Short-term external debt recorded conflicting developments: the short-term liabilities of the Government and NBS increased to USD 21.2 billion as a result of a negative balance on the NBS-ECB-TARGET2 account (a special account of NBS for receivables and liabilities vis-à-vis other central banks within the Eurosystem), while the short-term liabilities of commercial banks decreased by USD 12.4 billion. A decrease of USD 10.4 billion took place in cash and deposits, mainly as a result of the euro changeover and the transfer of funds by foreign parent banks to accounts held abroad. A decrease of USD 2.0 billion was recorded in loans. The short-term foreign liabilities of entrepreneurial entities grew by USD 0.7 million.

At the end of June, Slovakia's total per capita gross foreign debt stood at USD 11,791, representing a 6-month increase of USD 2,027 (compared with USD 9,764 as at 31/12/2008). The share of short-term foreign debt in the country's total

Table 12 External debt of the Slovak Republic

	USD millions		EUR millions	
	31.12.2008	30.6.2009	31.12.2008	30.6.2009
Total external debt of the SR	52,526.5	63,429.1	37,286.0	44,877.0
Long-term external debt	25,414.7	26,858.7	18,040.6	19,002.9
Government and NBS[1)]	10,313.3	10,985.1	7,320.9	7,772.1
Commercial banks	3,334.6	3,589.0	2,367.0	2,539.3
Businesses	11,766.8	12,284.6	8,352.7	8,691.5
Short-term external debt	27,111.8	36,570.4	19,245.4	25,874.1
Government and NBS	0.0	21,208.2	0.0	15,005.1
Commercial banks	15,321.6	2,880.2	10,876.1	2,037.8
Businesses	11,790.2	12,482.0	8,369.3	8,831.2
Foreign assets	40,007.8	45,467.2	28,399.6	32,168.7
Net external indebtedness	12,518.7	17,961.9	8,886.4	12,708.3
SKK/USD and SKK/EUR	21.385		30.126	
EUR/USD cross rate		1.4134		

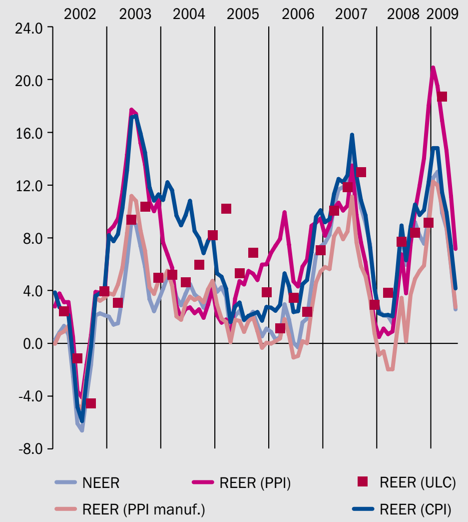
Source: NBS.
1) Including government agencies and municipalities.

gross external debt increased during the first six months by 6.1 percentage points, to 57.7% at end-June 2009.

The net external debt of Slovakia, expressed as the difference between gross foreign debt, i.e. USD 63.4 billion (liabilities of the Government and NBS, commercial banks, and the corporate sector – except for equity participations), and foreign assets, i.e. USD 45.5 billion (foreign reserves of NBS, foreign assets of commercial banks and the corporate sector – except for equity participations), reached USD 17.9 billion (debtor position) at end-June 2009, representing an increase of USD 5.4 billion compared with the figure for the beginning of 2009.

According to preliminary data, Slovakia's total gross external debt as a share of GDP at current prices reached 68.7% at 30 June 2009, representing an increase of 13.3 percentage points compared with the end of 2008.

Chart 37 Developments in the NEER and REER indices (9 trading partners; year-on-year changes in %)



Source: NBS.

NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The year-on-year appreciation of the nominal effective exchange rate (NEER)[16] slowed to 2.6% in June 2009, from 9.5% in December 2008. This was primarily the result of appreciation in relation to the Czech koruna (by 2.4 percentage points).

The slower appreciation of the NEER led to a slowdown in the year-on-year appreciation

Table 13 Developments in the NEER and REER indices (year-on-year changes in %)

For 9 partners, based on the deflator:	NEER	REER (CPI)[3]	REER (PPI)	REER (PPI manuf.)	REER (ULC)[2]
December 2002	2.1	4.1	3.6	3.4	3.9
December 2003	3.2	11.3	10.8	4.7	5.0
December 2004	4.7	8.3	4.1	4.7	8.2
December 2005	1.1	2.7	6.0	0.0	3.9
December 2006	7.4	10.1	9.5	5.4	7.1
December 2007	4.2	4.2	1.7	0.8	2.9
December 2008	9.5	12.2	18.0	8.9	9.2
Január 2009[1]	12.5 / 2.0	14.8 / 1.9	20.9 / 2.8	12.3 / 1.1	-
Február 2009[1]	13.0 / 2.9	14.8 / 2.9	19.5 / 4.3	12.0 / 1.2	-
Marec 2009[1]	9.9 / 2.0	11.4 / 1.3	16.9 / 2.7	10.3 / 0.3	18.7(p)
Apríl 2009[1]	8.7 / 1.5	9.9 / 1.0	14.6 / 1.1	8.8 / -0.7	-
Máj 2009[1]	5.8 / 1.5	7.3 / 0.7	11.1 / -0.6	5.9 / -1.3	-
Jún 2009[1]	2.6 / 1.3	4.2 / 0.9	7.2 / -1.0	2.7 / -1.6	.

Source: NBS.
1) Year-on-year change/cumulative change since the beginning of the year.
2) Year-on-year change based on quarterly data.
3) The REER index is calculated with regard to the revision of CPI SR data for 2009.

16 The IMF methodology is applied for calculating the nominal and effective exchange rates of the Slovak koruna (NEER and REER). The REER is calculated on the basis of the consumer price index (CPI), the industrial producer price index (PPI), and/or the manufacturing products price index, excluding the prices of mining/quarrying products, electricity, gas, steam, and hot water (PPI manufacturing), and the index of unit labour costs (ULC). The initial year for the calculation is 1999, and the weights selected correspond to the structure of foreign trade in 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade. These countries are Germany, the Czech Republic, Italy, Austria, France, the Netherlands, the United States, the United Kingdom, and Switzerland.

of the real effective exchange rate (REER). The REER defined on the basis of the consumer price index (CPI) slowed from 12.2% to 4.2%, that based on the producer price index (PPI) from 18.0% to 7.2%, and the index based on the manufacturing products price index (PPI manuf.) from 8.9% to 2.7%. A depreciating effect on the REER based on the CPI and PPI indices was also exerted by the shrinking inflation differential in relation to Slovakia's foreign trading partners. In most economies, inflation as measured by these price indices was falling during the first half of 2009 at a slower pace than in Slovakia, which led to a marked slowdown in the appreciation of the REER compared with the NEER.

Quarterly report on the real economy

DEVELOPMENT OF THE REAL ECONOMY IN THE SECOND QUARTER OF 2009

GROSS DOMESTIC PRODUCT

In the second quarter of 2009, gross domestic product (GDP), based on revised data from the Statistical Office of the SR, declined on a year-on-year basis by 5.3% at constant prices, following a decline of 5.6% in the previous quarter.

In terms of production, the GDP decline was connected with a fall in value added, mainly in industry and services, while value added in agriculture and construction increased. The nominal volume of GDP generated in the second quarter of 2009 amounted to €15.6 billion, which was 6.5% less than a year earlier.

DEMAND

In terms of consumption, the structure of economic growth in the second quarter of 2009 was influenced by declines in both domestic demand[17] (by 5.9% year-on-year at constant prices) and global demand (by 20.5% year-on-year). Within the structure of domestic demand, continued growth was recorded in final consumption expenditure in the general government and household sectors (though it was slower than in the first quarter). A slight fall in consumption was reported by non-profit institutions serving households.

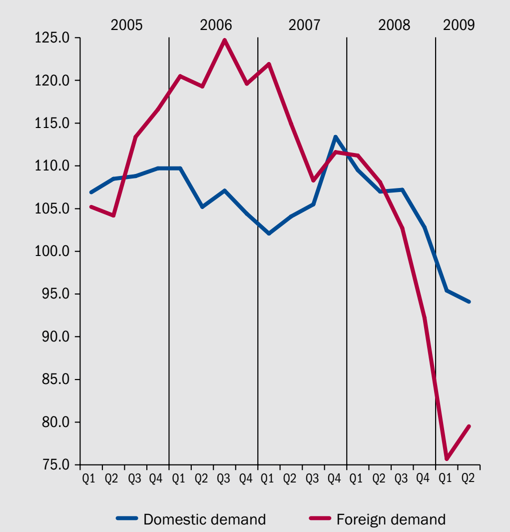
The decline in domestic demand was mainly caused by a further fall in gross fixed capital formation (by 17.3% year-on-year). The same trend was observed in all categories of production (machinery, transport equipment, residential buildings and other structures), with the sharpest fall recorded in investment in transport equipment. Investment activity weakened in all the sectors under review, mainly in financial and non-financial corporations (by 24.5% and 20.3%, respectively).

Another source of GDP decline was the continuing decrease in the volume of inventories, which was more intense than in the previous quarter. This decrease was connected with the falling supplies of goods, while the other inventory components decreased only slightly.

Chart 38 Real GDP by quarter (%)

Source: Statistical Office of the SR.

Chart 39 Domestic and foreign demand (index, same period a year earlier = 100)



Source: Statistical office of the SR, NBS calculations.

17 The sum of final consumption by households, final consumption by general government, final consumption by non-profit institutions serving households, and gross capital formation.

Table 14 GDP Development by consumption (index, same period a year earlier = 100, constant prices)

	2008					2009	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product	109.3	107.9	106.6	102.5	106.4	94.4	94.7
Domestic demand	109.4	106.9	107.0	102.9	106.4	95.7	94.1
Final consumption	106.6	106.5	105.8	104.0	105.7	99.3	101.9
Final consumption by households	108.4	105.7	106.0	104.7	106.1	98.8	100.7
Final consumption by general government	100.7	109.6	105.3	102.3	104.3	101.2	105.9
Non-profit institutions serving households	101.9	101.0	100.4	102.2	101.4	99.8	99.3
Gross fixed capital formation	107.5	111.8	107.3	101.4	106.8	95.9	82.4
Exports of goods and services	111.2	108.1	102.7	92.2	103.2	75.7	79.5
Imports of goods and services	110.6	107.7	103.6	93.3	103.3	77.4	78.1

Source: Statistical Office of the SR.

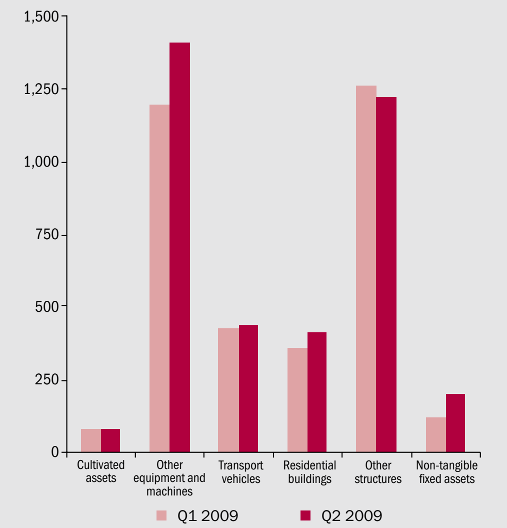
Table 15 Structure of gross fixed capital formation in the second quarter of 2009 (current prices)

	Gross fixed capital formation (EUR millions)	Proportion (%)	Index	
			Q1 09 / Q1 08	Q2 09 / Q2 08
Total SR economy	3,746.0	100.0	96.1	82.7
of which, by sector:				
Non-financial corporations	2,497.1	66.7	93.2	79.7
Financial corporations	41.8	1.1	116.1	75.5
General government	320.2	8.5	97.2	90.1
Households	879.4	23.5	103.5	89.8
Non-profit institutions	7.5	0.2	89.5	83.3
of which by branches:				
Machinery	1,839.3	49.1	96.1	82.6
of which: other machines and equipment	1,401.0	37.4	96.7	84.6
transport equipment	438.3	11.7	94.6	77.0
Construction	1,637.0	43.7	96.3	81.1
of which: residential buildings	418.1	11.2	105.3	96.4
other buildings	1,219.0	32.5	94.1	76.9

Source: Statistical Office of the SR.

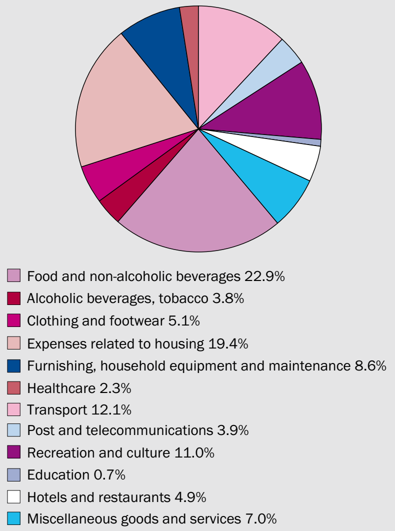
Final consumption in the household sector increased by 0.7%, after falling in the previous quarter by 1.2%. Consumption increased despite an accelerated decline in employment and decelerated growth in wages. This was probably the result of a certain correction in the decrease of consumer confidence from the previous quarter and the introduction of the car-scrapping bonus. The total receivables of monetary financial institutions from households as a share of their final consumption continued to increase in the second quarter, by 0.9 of a percentage point (to 34.6%).

Chart 40 Breakdown of gross fixed capital formation by production (EUR millions)



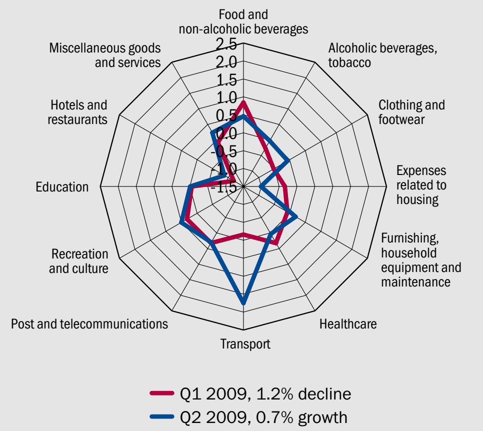
Source: Statistical Office of the SR.

Chart 41 Structure of final household consumption in the second quarter of 2009 (shares in %)



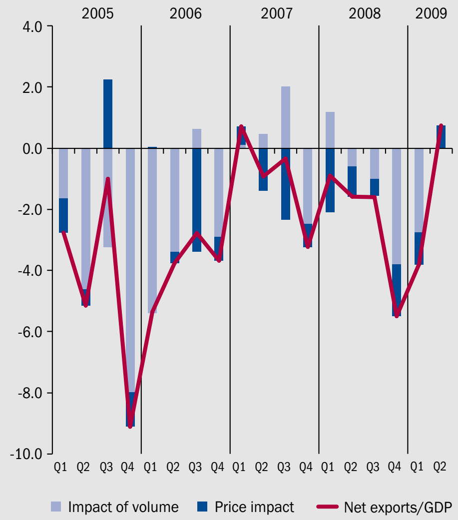
Source: Statistical Office of the SR.
Note: Individual items of final consumption do not add up.

Chart 42 Contributions of consumer expenditure groups to growth in household final consumption (p.p.)



Source: NBS calculations based on data from the Statistical Office of the SR.
Note: Individual items of final consumption do not add up.

Chart 43 Contributions of net exports to GDP (current prices; %)



Source: NBS calculations based on data from the Statistical Office of the SR.

The breakdown of consumer spending at constant prices shows that contributions to the growth in overall consumption came from transport expenses (16.7%) and expenses on food and non-alcoholic beverages. A marked fall was recorded in housing expenses and expenses on restaurant and hotel services. In percentage terms, the largest consumption components were, as in the previous quarter, expenses on food and non-

Table 16 Impact of price and volume on exports and imports (p.p.)

	Q1 08 / Q1 07	Q2 08 / Q2 07	Q3 08 / Q3 07	Q4 08 / Q4 07	2008 / 2007	Q1 09 / Q1 08	Q2 09 / Q2 08
Exports of goods and services							
(year-on-year growth in %, current prices)	14.6	11.4	4.5	-10.1	4.6	-29.3	-26.5
Impact of volume	11.2	8.1	2.7	-7.8	3.2	-25.3	-20.5
Impact of price	3.3	3.2	1.8	-2.3	1.4	-3.9	-6.0
Imports of goods and services							
(year-on-year growth in %, current prices)	16.6	12.2	6.2	-6.9	6.4	-26.1	-28.5
Impact of volume	10.6	7.7	3.6	-6.7	3.3	-23.2	-21.9
Impact of price	6.0	4.5	2.6	-0.2	3.1	-2.8	-6.7
Net exports as a share of GDP							
(share in %, current prices)	-0.9	-1.6	-1.6	-5.5	-2.4	-3.8	0.7
Impact of volume	1.2	-0.6	-1.0	-3.8	-1.1	-2.7	0.0
Impact of price	-2.1	-1.0	-0.5	-1.7	-1.3	-1.1	0.7
Terms of trade (index)	97.7	98.9	99.3	97.7	98.4	98.4	101.1

Source: NBS calculations based on data from the Statistical Office of the SR.
Notes: Calculated from GDP figures in millions of EUR; the contribution of imports of goods and services reduces the values of net exports and GDP; figures may not add up due to rounding. Terms of trade calculations are based on year-on-year changes in the export and import deflators of goods and services.

alcoholic beverages (22.9%) and expenses related to housing (19.4%).

The exports and imports of goods and services at current prices continued to decline on a year-on-year basis, by 26.5% and 28.5%, respectively. Net exports improved in nominal terms, owing to a significant decline in imports compared with the first quarter of 2009, and reached a positive balance of €117 million.

Net exports at constant prices, with price developments in foreign markets taken into account, generated a surplus of €616 million (compared with €194 million in the previous quarter).

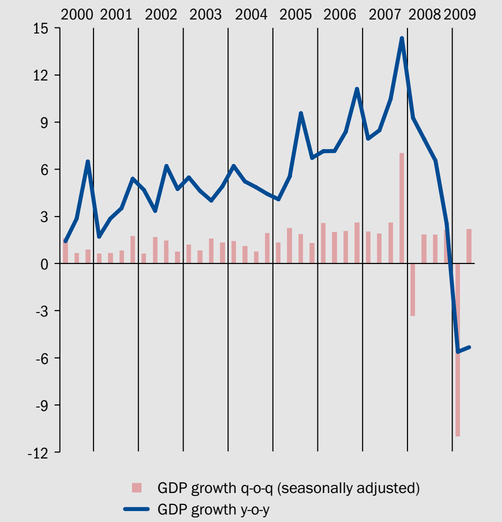
Price developments in foreign trade, expressed by the deflators of goods and services exports/imports, were closely connected with the prices of energy-producing raw materials and the price decline resulting from the falling demand in other countries in connection with the economic crisis. Import prices dropped year-on-year by 8.5%, while export prices fell by 7.5%. Thus, the trade relations improved in the second quarter.

Chart 44 Developments in export performance and import intensity (%)

Source: Statistical Office of the SR.

In the second quarter of 2009, the export performance of the Slovak economy weakened by 0.8 of a percentage point compared with the previous quarter, with goods and services exports as a share of GDP at current prices reaching 68.7%.

Chart 45 Year-on-year and quarter-on-quarter GDP growth



Source: Statistical Office of the SR.

Chart 46 GDP and the Economic Sentiment Index (ESI) in the Slovak Republic

Source: Statistical Office of the SR, European Commission.

At the same time, import intensity decreased by 5.0 percentage points, to 67.9%. The openness of the Slovak economy, expressed in terms of the ratio of exports / imports of goods and services to nominal GDP, decreased by 5.7 percentage points compared with the previous period, to 136.6%.

GDP calculated from seasonally adjusted data grew by 2.2% in the second quarter of 2009, compared with the previous quarter. This indicates that the current recession probably reached a bottom in the first quarter of 2009. A contribution to GDP growth came from the growing private and public consumption and from net exports. On the other hand, the continuing decline in investment and supplies had a dampening effect on the economy. The growth in household final consumption was probably connected with the introduction of the car-scrapping bonus, and with the gradual revival of confidence among consumers. These one-off effects, together with the implementation of PPP projects, should have a positive effect on the economy in the coming quarters; therefore, we expect quarter-on-quarter increases in its output. This development was supported by an increase in economic sentiment in the third quarter.

SUPPLY

GDP growth in the second quarter of 2009 was influenced by value added creation, which fell year-on-year by 5.5% at constant prices (compared with 7.5% in the first quarter of 2009). The fall in gross output (13.1%) was partly offset by a marked decrease in intermediate consumption (17.9%), caused, as in the first quarter, by effective cost cutting in the corporate

Table 17 GDP creation by component (index, same period a year earlier = 100, const. prices)

	2008					2009	
	Q1	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross output	108.3	109.9	105.2	101.4	106.0	85.8	86.9
Intermediate consumption	107.3	110.8	103.9	100.1	105.3	81.8	82.1
Value added	110.2	108.6	106.9	103.6	107.2	92.5	94.5
Net taxes on products [1]	99.9	101.7	103.7	93.7	99.4	114.9	96.1

Source: Statistical Office of the SR.
1) Value added tax, excise tax, import tax, minus subsidies.

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

Economic sector	Q1 08 / Q1 07	Q2 08 / Q2 07	Q3 08 / Q3 07	Q4 08 / Q4 07	2008 / 2007	Q1 09 / Q1 08	Q2 09 / Q2 08
Gross domestic product	109.3	107.9	106.6	102.5	106.4	94.4	94.7
of which:							
Agriculture	106.4	97.1	106.0	113.9	106.6	77.3	111.7
Industry	111.4	106.9	90.7	79.8	96.3	84.9	88.3
Construction	107.3	106.6	108.7	129.3	114.0	88.2	107.7
Trade, hotels and restaurants, transport	116.2	113.6	119.4	118.8	117.0	86.2	91.8
Financial intermediation, real estate	105.5	107.2	116.8	111.6	110.5	106.5	98.8
Public administration, education, health care, and other community, social, and personal services	106.3	108	107.8	104.8	106.7	108.3	97.8
Net taxes on products 1)	99.9	101.7	103.7	93.7	99.4	114.9	96.1

Source: Statistical Office of the SR.
1) Value added tax, excise tax, import tax, minus subsidies.

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

	Q1 08	Q2 08	Q3 08	Q4 08	2008	Q1 09	Q2 09
Gross domestic product (GDP)	15,602	16,722	17,658	17,349	67,331	14,648	15,640
Gross national product (GNP)	15,597	16,086	17,327	16,632	65,642	14,682	15,454
Gross national disposable income (GNDI)	15,317	15,796	17,018	16,260	64,391	14,570	15,443
GDP – growth index	112.9	111.3	109.7	104.7	109.5	93.9	93.5
GND – growth index	112.4	106.9	116.5	103.9	109.8	94.1	96.1
GNDI – growth index	112.0	105.9	117.0	102.5	109.1	95.1	97.8
GND to GDP ratio in %	100.0	96.2	98.1	95.9	97.5	100.2	98.8
GNDI to GDP ratio in %	98.2	94.5	96.4	93.7	95.6	99.5	98.7

Source: Statistical Office of the SR and NBS calculations.

sector. Net taxes on products fell by 3.9%, after growing in the previous period by 14.9% (this growth can be attributed to an excise tax increase for tobacco and tobacco products, preceded by increased stocking-up on tobacco products).

The most significant value added declines took place in industry (-11.7%); trade, hotels and restaurants (-8.2%); financial services (-1.2%); and public services (-2.2%). This decline was partly offset by value added increases in agriculture and construction.

GROSS NATIONAL INCOME

According to revised data from the Statistical Office of the SR, gross national income[18] (GNI) decreased year-on-year by 3.9% at current prices in the second quarter of 2009. Compared with the previous period, the rate of decrease slowed by 2 percentage points. Gross national disposable income (GNDI) decreased in year-on-year terms by 2.2% at current prices.

The smaller volume of GNI compared with GDP indicates that, in the second quarter of 2009, the inflow of incomes earned by persons working abroad (employee compensation) into the domestic economy was smaller than the outflow of incomes from economic activity in the territory of the domestic economy to foreign countries (property income, reinvested earnings, interest income). The significant slowdown in GNI, compared with GDP, resulted from a substantial reduction in the outflow of

18 Gross national income (GNI) is one of the macroeconomic indicators used for measuring the output of the economy according to the national concept, while GDP is based on the domestic concept, which represents the final result of resident units achieved in the period under review. GNI is calculated as follows: GDP at market prices minus primary income paid by residents to non-residents, plus primary income received by residents from non-residents. Gross national disposable income (GNDI) is a balance-sheet item in the non-financial national accounts, and is calculated from GNI reduced by current transfers paid to non-resident units and increased by current transfers received from non-resident units.

Table 20 Average monthly wages and labour productivity in the Slovak economy

	2008				2009	
	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Nominal wage	109.5	108.8	104.6	108.1	104.7	102.8
Real wage	104.8	103.5	99.8	103.3	101.7	100.9
Labour productivity, curr. prices	108.4	106.3	102.9	106.7	96.5	97.4
Labour productivity, const. prices	105.1	103.2	100.8	103.7	97.0	98.6
Real labour productivity – real wage (percentage points)	0.3	-0.3	1.0	0.4	-4.7	-2.3
CPI (average for the period)	104.5	105.1	104.8	104.6	103.0	101.9

Source: Statistical Office of the SR, NBS calculations.
Labour productivity is calculated on the basis of GDP and employment data obtained from quarterly statistical records.
Note: At 10 September 2009, the Statistical Office revised the CPI data since the beginning of 2009.

incomes from economic activity in the territory of the domestic economy to foreign countries, compared with the same period a year earlier.

WAGES AND LABOUR PRODUCTIVITY

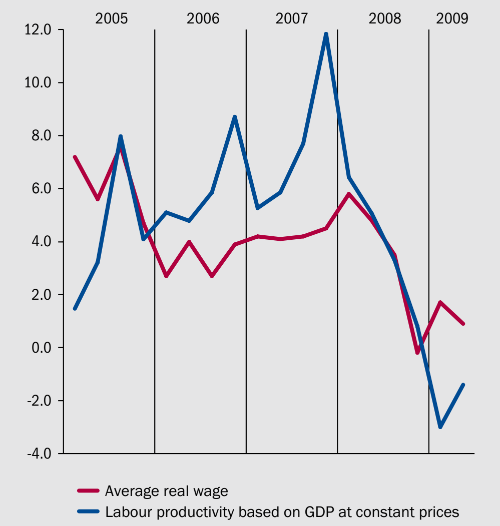
In the second quarter of 2009, the average monthly nominal wage of an employee in the Slovak economy increased year-on-year by 2.8%, to €732.5. Compared with the previous quarter, however, the dynamics of nominal wages weakened by 1.9 percentage points. The growth rate of real wages accelerated by 0.9% in the second quarter of 2009.

The strongest nominal wage growth in this period took place in education (7.5%); administrative services (7.1%); other activities (6.7%); arts, entertainment and recreation (5.1%); health care and social work (4.9%). On the other hand, average nominal wages lagged behind the figure for the same period a year earlier in accommodation and food service activities, and in real estate activities.

In the second quarter of 2009, labour productivity fell in both nominal and real terms, but to a lesser extent than in the first quarter of 2009. The relation between growth in real labour productivity and growth in real wages improved in the second quarter of 2009, but labour productivity still lags behind the wage growth.

In the second quarter of 2009, nominal compensation per employee (ESA 95) grew year-on-year by 5.7%, but the rate of growth slowed

Chart 47 Development of real wages and real labour productivity (%)



Sources: NBS calculations, Statistical Office of the SR.

by 0.5 of a percentage point compared with the previous quarter. Nominal compensation per employee slowed more moderately than nominal wages, because redundancy payments are not included in the average wage.

Labour productivity, calculated according to ESA 95, decreased in nominal terms by 5.2% and in real terms by 4.1% on a year-on-year basis. Broken down by sector, real labour productivity (calculated from ESA 95 data) dropped in all sectors in the second quarter of 2009, except in agriculture and industry. Except in industry, real compensation per employee did not follow

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

	2008				2009	
	Q2	Q3	Q4	Q1 – Q4	Q2	Q2
Compensation per employee, nominal	110.4	109.2	106.2	109.0	106.2	105.7
Compensation per employee, real	105.2	104.3	102.4	104.4	102.7	104.1
Labour productivity, current prices	108.1	106.3	102.6	106.5	94.2	94.8
Labour productivity, const. prices	104.8	103.2	100.4	103.5	94.7	95.9
Real labour productivity – real compensation per employee (in percentage points)	-0.4	-1.1	-2.0	-0.9	-8.0	-8.2
ULC nominal	105.3	105.4	105.8	105.3	112.1	110.2
Deflator of household final consumption	104.9	104.7	103.7	104.4	103.4	101.5

Source: Statistical Office of the SR, NBS calculations.
Note: Labour productivity is calculated from GDP figures and employment based on ESA 95.

Table 22 Real labour productivity and employee compensation in the second quarter of 2009 (index, same period a year earlier = 100)

	Real labour productivity	Real compensation per employee
Economy in total:	95.9	104.1
Agriculture and fishing	122.1	107.6
Industry	100.7	99.7
Construction	99.1	107.1
Trade, hotels and restaurants, transport	91.5	100.4
Financial intermediation, real estate business	91.9	112.1
Public administration, education, health care, and other community, social, and personal services	94.7	106.0

Source: Statistical Office of the SR, NBS calculations.

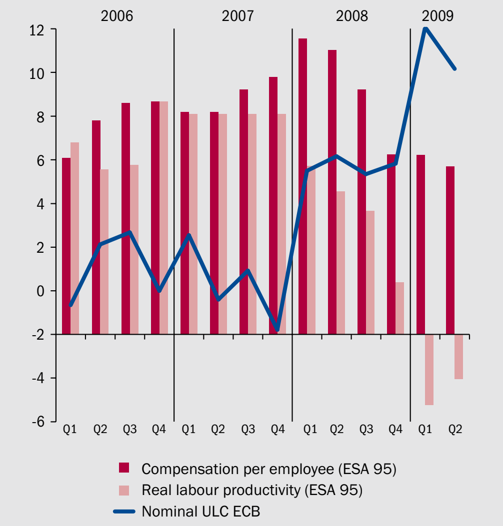
the trend in labour productivity, and so there is room for a further reduction, which would also contribute to the slowdown in the growth of unit labour costs.

Units labour costs according to ECB methodology (ULC_{ECB}), defined as the ratio of growth in nominal compensation per employee to growth in real labour productivity (GDP per total employment) based on ESA 95 data, increased year-on-year by 10.2% in the second quarter of 2009, but their dynamics weakened by 1.9 percentage points compared with the first quarter of 2009. The slowdown in the growth of unit labour costs was caused by slower decline in real labour productivity, accompanied by slower growth in compensation per employee in the second quarter of 2009.

At the time of an economic crisis, an interest indicator is the number of hours worked. The downturn in economic activity was not directly reflected in the level of employment, because employers tended to restrict production and the number of hours worked, in order to avoid redundancies.

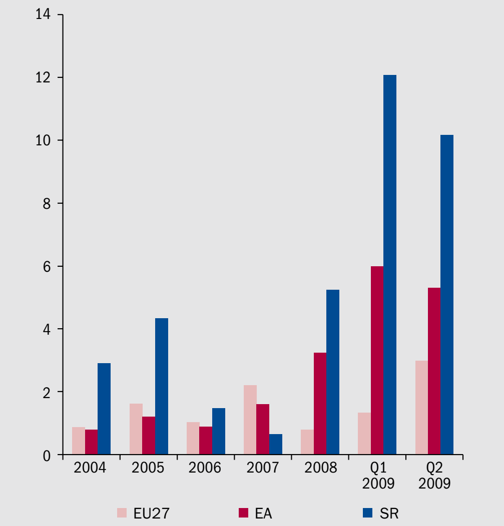
As a result of a significant reduction in the number of hours worked, nominal compensation expressed in terms of the hours worked increased by 10.4% in the second quarter of 2009, while real labour productivity grew by 2.6%. Compared with the first quarter of 2009, the growth rate of employee compensation slowed by 1.2 percentage points and that of labour productivity by 1.4 percentage points.

Chart 48 Unit labour costs by component in ECB methodology (%)



Sources: Statistical Office of the SR and NBS calculations.

Chart 49 Unit labour costs in ECB methodology (%)



Source: Statistical Office of the SR, NBS calculations.

Box 5

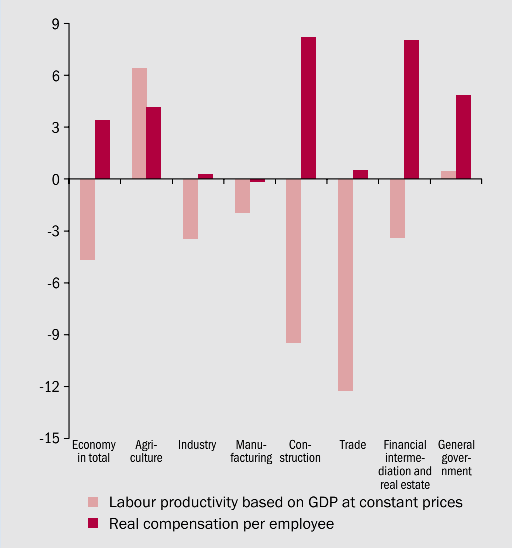
REAL LABOUR PRODUCTIVITY AND COMPENSATION PER EMPLOYEE IN THE FIRST HALF OF 2009

In the first half of 2009, the average real wage earned in the Slovak economy increased year-on-year by 1.3%, but its dynamics weakened from 1.7% in the first quarter to 0.9% in the second quarter of 2009. Real labour productivity did not follow the trend in real wages, and recorded marked year-on-year decreases in reaction to the GDP decline (-3.0% in the first quarter and -1.4% in the second quarter). Average wages do not reflect all the wage costs of companies such as redundancy pay, which, in relation to mass redundancies, is a significant wage component at a time of economic crisis. Such components are included in the 'compensation per employee' indicator, which rose during the first half of 2009 by 3.4%. The growth in real compensation per employee was not covered by labour productivity growth (productivity decreased), and so unit labour costs increased year-on-year by 11.1%. Their dynamics weakened over the quarters. This led to a slowdown in the growth of compensation and a moderation in the decrease of labour productivity. Despite the slowdown, the pace of growth is relatively fast. We assume that the decrease in labour productivity will moderate in the coming quarters and will be accompanied by a fall in real compensation per employee, which will probably lead to a slowdown in the growth of unit labour costs.

During the first six months, compensation per employee was significantly influenced by the payment of redundancy money to redundant workers and by the sharp decrease in staff numbers. In the individual sectors, the relation between labour productivity and wages showed some signs of stabilisation (mainly in industry). Wage developments were influenced by the restriction of production and the payment of reduced wages (60%), without bonuses. In financial intermediation, the number of employees dropped in the second quarter of 2009, as a result of redundancies in the commercial banking sector. This was accompanied by a steep increase in redundancy payments. In historical terms, relatively dynamic wage growth has been enjoyed by the public sector. Wages in this sector are valorised on the basis of a higher-level collective agreement, and so they do not really react to the current economic situation. Hence, public-sector wage bargaining for the coming years should take the economic situation into account.

Overall, it is possible to say that, with regard to the economic situation and the level of labour productivity in the individual sectors, there is room for a further slowdown in the pace of wage growth (even for zero growth).

Chart A Real labour productivity and real compensation per employee in the first half of 2009 (%)



Source: Statistical Office of the SR, NBS calculations.

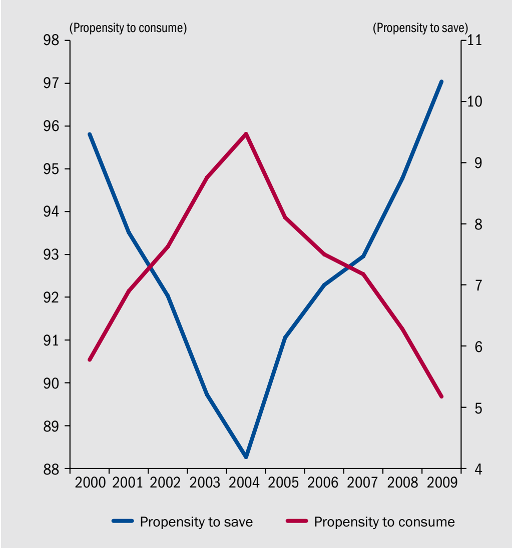
INCOME AND EXPENDITURE OF HOUSEHOLDS

According to data from the Statistical Office of the SR, the current income of households reached €13.5 billion in the second quarter of 2009, corresponding to a year-on-year increase of 2.9% in nominal terms. Compared with the first quarter of 2009, the rate of growth slowed by 0.8 of a percentage point. Within the structure of current income, the most rapid growth took place in social benefits (12.1%) and other current transfers (8.1%).

The current expenditure of households (expenses paid to other sectors and not used for direct consumption) increased year-on-year by 3.0%, to €3.4 billion. Their dynamics weakened by 1.9 percentage points compared with the previous quarter. The year-on-year growth in current expenditure was connected with the growth in other transfers and social contributions. On the other hand, income from property and current taxes on income and property decreased on a year-on-year basis.

With current expenditure deducted from current income, the gross disposable income of households amounted to €10.1 billion, representing a year-on-year increase of 2.9%. Of the disposable income, 92.0% was used for final consumption, the remainder went to gross savings, which increased year-on-year by 10.2%.

Chart 50 Propensity of households to save and to consume (%)



Source: Statistical Office of the SR, NBS calculations.

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

	EUR billions		Index [1]		Share in %	
	Q2 2008	Q2 2009	Q2 08 / Q2 07	Q2 09 / Q2 08	Q2 2008	Q2 2009
Employee compensation (all sectors)	6.4	6.4	11.9	0.5	48.9	47.4
of which: gross wages & salaries	5.0	5.1	12.4	0.6	38.2	37.8
Gross mixed income	3.9	4.0	14.3	1.5	29.8	29.6
Property income - received	0.4	0.4	10.3	0.2	3.1	3.0
Social benefits	2.1	2.3	10.6	12.1	16.0	17.0
Other current transfers - received	0.4	0.5	8.3	8.1	3.1	3.7
Current income in total	**13.1**	**13.5**	**12.2**	**2.9**	**100.0**	**100.0**
Property income - paid	0.2	0.2	-7.6	-8.6	6.1	5.9
Current taxes on income, wealth, etc.	0.4	0.4	16.4	-3.4	12.1	11.8
Social contributions	2.2	2.3	12.1	4.5	66.7	67.6
Other current transfers - paid	0.5	0.5	8.3	6.2	15.2	14.7
Current expenditure in total	**3.3**	**3.4**	**10.9**	**3.0**	**100.0**	**100.0**
Gross disposable income	**9.8**	**10.1**	**12.7**	**2.9**	**x**	**x**
Adjustment for changes in net household assets in the reserves of pension funds	0.2	0.2	-5.5	9.4	x	x
Household final consumption	9.1	9.3	10.9	2.3	x	x
Gross household savings	0.9	1.0	26.9	10.2	x	x

Source: Statistical Office of the SR.
1) Indices are based on figures in millions of EUR.

Table 24 Gross disposable income (index, same period a year earlier = 100, current prices)

	2008				2009	
	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Gross disposable income	112.7	112.3	112.1	111.9	103.3	102.9
Household final consumption	110.9	111.1	108.5	110.8	102.2	102.3
Gross household savings	126.9	133.5	136.9	122.3	121.6	110.2
Gross savings as a share of gross disposable income (%)	9.6	6.2	15.1	9.2	5.6	10.3

Source: Statistical Office of the SR, NBS calculations.

EMPLOYMENT AND UNEMPLOYMENT

Employment levels fell in the second quarter of 2009 according to all three methodologies. According to statistical reports, employment dropped by 4.0%; according to the methodology of national accounts (ESA 95) by 1.3%, and according to a labour force sample survey (LFSS) by 1.1%. Employment according statistical reports also includes part-time jobs, so the sharp fall recorded in the second quarter may indicate redundancies in this category. In terms of structure, overall employment (LFSS) was influenced in the second quarter by a decrease in the number of employees (3.5%), accompanied by a year-on-year increase in the number of entrepreneurs (15.4%). Employment expressed in terms of the number of hours worked decreased in the second quarter by 7.7%, but increased slightly on a quarter-on-quarter basis, probably as result of new production facilities in industry.

Broken down by sector, employment levels (as defined in ESA 95) fell most significantly in the

Table 25 Employment and unemployment (average for the period)

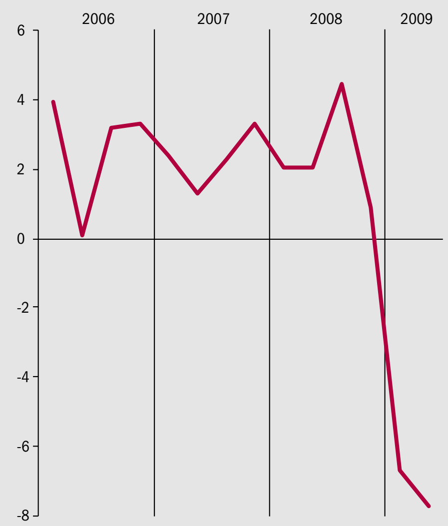
	2008				2009	
	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Employment according to statistical records thousands of persons	2,274.4	2,294.1	2,290.6	2,280.0	2,198.9	2,182.9
index, same period a year earlier =100	102.7	103.2	101.7	102.6	97.3	96
Employment according to a labour force sample survey thousands of persons	2,404.8	2,472.9	2,466.0	2,433.8	2,388.2	2,378.5
index, same period a year earlier =100	102.9	104.5	102.8	103.2	99.9	98.9
Employment according to ESA 95 thousands of persons	2,226.9	2,262.6	2,251.0	2,237.1	2,199.9	2,197.9
index, same period a year earlier =100	102.9	103.2	102.1	102.8	99.6	98.7
Unemployment according to a labour force sample survey thousands of persons	270.8	244.1	234.4	257.5	281.0	302.1
index, same period a year earlier =100	93.0	81.9	85.1	88.2	100.2	111.6
Unemployment rate according to a labour force sample survey in %	10.1	9.0	8.7	9.6	10.5	11.3
Rate of registered unemployment in %[1)]	7.4	7.5	7.9	7.7	9.7	11.4

Source: Statistical Office of the SR.
1) NBS calculations based on monthly data from the Centre for Labour, Social Affairs and Family.

manufacturing industries in the second quarter of 2009. Employment also dropped below the level of last year in agriculture, financial intermediation, and trade. On the other hand, employment rose on a year-on-year basis in real estate and renting activities, construction, health care, and other community services.

According to a labour force sample survey, the number of unemployed increased year-on-year by 11.6% in the second quarter of 2009. This increase was also reflected in the rate of unemployment, which reached 11.3% in the second quarter, 0.8 of a percentage point more than in the first quarter of 2009. According to the registers of Offices for Labour, Social Affairs and Family, the average unemployment rate in the second quarter of 2009 stood at 11.4%, which was 1.7 percentage points more than in the previous quarter.

Chart 51 Developments in employment according to the number of hours worked (%)



Source: Statistical Office of the SR.

FINANCIAL RESULTS OF CORPORATIONS

According to preliminary data from the Statistical Office of the SR, financial and non-financial corporations generated a total profit of €3,763 million over the first half of 2009. This profit was 38.9% lower than the figure for the same period of 2008. In the second quarter of 2009, financial and non-financial corporations achieved a profit 49.0% higher than in the previous quarter. Non-

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

	2008				2009	
	Q2	Q3	Q4	Q1 – Q4	Q1	Q2
Economy in total	102.9	103.2	102.1	102.8	99.6	98.7
Agriculture, hunting	101.4	101.0	99.9	100.8	85.1	91.5
Industry	102.6	101.7	98.8	101.6	92.0	87.7
Mining and quarrying	99.6	95.7	94.2	97.8	89.5	90.6
Manufacturing	103.3	102.3	99.2	102.2	91.8	87.2
Electricity, gas, and water supply	92.8	93.6	93.7	93.5	95.6	94.8
Construction	106.4	109.1	109.6	107.8	107.6	108.7
Trade	105.6	104.3	103.2	104.4	102.9	99.7
Hotels and restaurants	108.9	103.5	105.0	106.8	97.8	102.7
Transport, storage, post and telecommunications	107.5	105.1	106.2	106.4	103.8	101.2
Financial intermediation	103.6	103.9	104.3	104.0	102.3	97.3
Real estate, renting, and business activities	102.8	109.0	104.9	104.9	105.8	109.5
Public administration and defence; compulsory social insurance	100.5	101.0	101.8	100.7	101.4	101.4
Education	98.1	100.5	99.7	99.0	101.8	101.9
Health and social care	97.1	99.1	99.6	98.1	102.7	105.9
Other community services	95.3	97.0	98.1	97.4	101.9	105.9

Source: Statistical Office of the SR.

Table 27 Financial results of corporations (EUR millions, current prices)

	1st half of 2008	2nd quarter of 2009	1st half of 2009	Index 1st half of 2009 / 1st half of 2008
Financial result (before taxation)				
Non-financial and financial corporations in total	**6,197**	**2,251**	**3,763**	**61.1**
of which:				
Non-financial corporations	**5,693**	**1,967**	**3,300**	**58.3**
Financial corporations	**504**	**285**	**463**	**93.0**
of which:				
NBS	-51	51[1)]	48[1)]	-
Financial corporations, excl. NBS	555	234	414	74.6

Source: Statistical Office of the SR and NBS.
1) Non-audited financial result.

financial corporations recorded a profit of €3,300 million (a fall of 41.7%) and financial corporations earned €463 million (a fall of 7.0%).

The lower profits of non-financial corporations in the first half of 2009, compared with the same period of 2008, resulted from declines in profits in manufacturing, wholesale and retail trade, transport and storage, caused by the low domestic and foreign demand, and from declines in profits in real estate activities; professional, scientific and technical activities;

Table 28 Financial results of non-financial corporations

	Financial result before tax	
	1st half of 2009 (EUR millions)	Index 1st half of 2009 / 1st half of 2008
Non-financial corporations in total	**3,300.1**	**58.3**
Agriculture, forestry, hunting, and fishing	**-162.6**	**164.1**
Industry in total	**1,575.3**	**52.9**
Mining and quarrying	***42.2***	***57.1***
Manufacturing	***427.3***	***24.1***
Manufacture of foodstuffs, beverages and tobacco products	95.3	94.8
Manufacture of textiles and textile products	-10.3	X
Manufacture of leather and leather products	11.1	91.5
Manufacture of wood and wood products	-6.9	X
Manufacture of pulp, paper and paper products, printing and publishing	52.5	64.1
Manufacture of coke and refined oil products	7.9	4.5
Manufacture of chemicals, chemical products, basic pharmaceuticals and drugs	0.2	0.3
Manufacture of rubber and plastic products	-18.1	X
Manufacture of other non-metal mineral products	28.0	22.2
Manufacture of metals and metal products without machines and equipment	100.8	24.0
Manufacture of computer, electronic and optical equipment and electric equipment	118.3	104.4
Manufacture of machines and equipment i. n.	-5.1	X
Manufacture of cars, trailers and other transport equipment	20.3	5.8
Manufacture of furniture, other manufacture, repair and installation of machines and equipment	33.2	42.9
Electricity, gas, steam and conditioned air supply	***1,069.6***	***98.1***
Water supply, wastewater cleaning and sewerage, waste and waste liquidation services	***36.2***	***86.1***
Construction	**241.7**	**96.0**
Wholesale and retail trade, repair of motor vehicles, motorcycles, and consumer goods	**666.8**	**49.7**
Hotels and restaurants	**39.1**	**19.8**
Transport, storage, post and telecommunications	**-7.0**	**X**
Information and communication	**453.1**	**153.0**
Real estate; professional, scientific and technical activities; administration and support services	**434.7**	**77.1**
Education	**5.1**	**58.2**
Health and social care	**29.2**	**74.0**
Arts, entertainment, recreation and other services	**24.7**	**51.2**

Source: Statistical Office of the SR.

and administrative and support service activities. On the other hand, profits in information and communication markedly increased in the first half of 2009, compared with the same period of 2008.

The profits of non-financial corporations earned in the first half of 2009 came mostly from businesses specialising in electricity, gas, steam and air-conditioning supply, despite the gas supply crisis at the beginning of 2009. In the first half of 2009, the profits of non-financial corporations mirrored the effects of the economic and financial crisis. The fall in global demand for manufacturing products and the low commodity prices were reflected in the low profits, compared with the same period a year earlier, recorded in the production of motor vehicles and transport equipment, coke and refined oil products, and other non-metal mineral products. In manufacturing, a modest year-on-year fall in profits was recorded in non-cyclical sectors, i.e. the production of foodstuffs, beverages and tobacco products, and the manufacture of leather and leather products. In the first half of 2009, the persistent competition abroad and downturn in economic activity in Slovakia and abroad resulted in losses in the manufacture of textiles and textile products, wood and wood products, rubber and plastic products, and machinery and equipment not elsewhere classified. The production of computer, electronic, optical and electrical devices resulted in a profit before taxation, which was somewhat higher than in the same period of 2008.

Agriculture, hunting, forestry, fishing and fisheries produced a deeper loss than in the first half of 2008, owing to the low prices of agricultural commodities. Profits in construction fell only slightly in comparison with the same period of 2008, probably as a result of contracts made in the past when implementation prices were higher than the current market prices. The fall in profits in construction is likely to occur with a time delay, in the following quarters.

Financial corporations achieved a profit of €463 million in the first half of 2009 (compared with €504 million in the same period of 2008). The lower financial result can be attributed to a lower profit earned by commercial financial institutions (€222 million in the first half of 2009, compared with €434 million in the first half of 2008). At the same time, insurance corporations recorded a profit of €126 million, compared with €77 million in the same period of 2008. Other financial intermediaries also achieved an increased profit in the first half of 2009 (€66 million, compared with €37 million in the same period of 2008). In the period under review, NBS contributed a profit of €48 million to the financial result of financial corporations (compared with a loss of €51 million in the first half of 2008).

STATISTICS

1 OVERVIEW OF MAIN MACROECONOMIC INDICATORS FOR THE SR

TABLE 1 Selected economic and monetary indicators for the SR

(annual percentage changes. unless otherwise indicated)

	Gross domestic product	HICP	Industrial producer prices	Employment ESA 95	Unemployment rate (%)	Industrial production index	Total receipts of sectors	Economic sentiment indicator (long-term average =100)	M3 for analytical purposes[1)]	Loans to non-financial corporations	Loans to households	State budget balance (EUR mil.)	Deficit ratio (general government deficit as % of GDP)	Debt ratio (general government gross debt as % of GDP)	Current account (% GDP)	Balance of trade (% GDP)	USD/EUR exchange rate
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2005	6.5	2.8	3.8	1.4	16.2	-2.6	.	101.7	7.8	-	-	-1,125.3	-2.81	34.16	-8.49	-4.98	1.2441
2006	8.5	4.3	6.4	2.3	13.3	12.2	.	110.4	15.3	-	-	-1,052.2	-3.45	30.44	-7.72	-4.54	1.2556
2007	10.4	1.9	1.8	2.1	11.0	16.1	.	111.5	12.9	25.6	28.6	-780.1	-1.86	29.35	-5.33	-1.15	1.3705
2008	6.4	3.9	6.1	2.8	9.6	2.9	.	90.9	4.9	15.5	25.3	-703.8	-2.19	27.64	-6.52	-1.06	1.4708
2008 Q2	7.9	4.0	6.1	2.9	10.1	9.6	.	94.0	6.6	25.9	28.8	-136.1	-	-	-10.31	-1.15	1.5622
2008 Q3	6.6	4.5	6.6	3.2	9.0	4.3	.	95.0	6.4	22.6	28.5	142.7	-	-	-5.34	-0.29	1.5050
2008 Q4	2.5	3.9	6.7	2.1	8.7	-12.1	.	72.6	4.9	15.5	25.3	-703.8	-	-	-7.45	-2.67	1.3180
2009 Q1	-5.6	2.3	2.0	-0.4	10.5	-22.0	-20.8	57.4	0.0	9.6	21.9	-204.6	-	-	-4.52	-0.91	1.3029
2009 Q2	-5.3	1.1	-2.2	-1.3	11.3	-21.4	-22.5	49.1	-1.8	3.1	17.2	-1,108.4	-	-	-1.12	2.73	1.3632
2009 Jan.	-	2.7	3.7	-	9.0	-24.8	-21.7	64.5	2.6	11.6	23.4	100.3	-	-	-	-	1.3239
2009 Feb.	-	2.4	1.8	-	9.7	-24.5	-23.9	58.3	-0.3	10.9	22.7	-185.1	-	-	-	-	1.2785
2009 Mar.	-	1.8	0.5	-	10.3	-16.8	-17.0	49.5	0.0	9.6	21.9	-204.6	-	-	-	-	1.3050
2009 Apr.	-	1.4	-0.8	-	10.9	-22.8	-23.6	45.9	0.2	7.3	20.1	-347.4	-	-	-	-	1.3190
2009 May	-	1.1	-2.4	-	11.4	-23.0	-23.3	46.5	-0.2	6.4	18.6	-831.6	-	-	-	-	1.3650
2009 June	-	0.7	-3.2	-	11.8	-18.5	-20.7	55.4	-1.1	3.1	17.2	-1,108.4	-	-	-	-	1.4016
2009 July	-	0.6	-4.2	-	12.1	-21.6	-21.7	58.2	-3.1	0.1	15.7	-914.4	-	-	-	-	1.4088
2009 Aug.	-	0.5	.	-	.	.	.	60.8	.	.	.	-1,206.3	-	-	-	-	1.4268

Source: Statistical Office of the Slovak Republic, MF of the SR, the European Commission.
1) Currency in circulation in M3 aggregate refers to the currency held by households (according to methodology applied up to end-2008).

2 MONETARY AND BANKING STATISTICS

TABLE 2 Key ECB interest rates

(levels in percentages per annum, unless otherwise indicated)

	Deposit facility	Change (p.p.)	Main refinancing operations				Marginal lending facility	Change (p.p.)
			Fixed rate tenders		Variable rate tenders			
			Fixed rate	Change (p.p.)	Minimum bid rate	Change (p.p.)		
With effect from	1	2	3	4	5	6	7	8
1.1.1999	2.00	-	3.00	-	-	-	4.50	-
4.1.1999[1)]	2.75	0.75	3.00	0.00	-	-	3.25	-1.25
22.1.1999	2.00	-0.75	3.00	0.00	-	-	4.50	1.25
9.4.1999	1.50	-0.50	2.50	-0.50	-	-	3.50	-1.00
5.11.1999	2.00	0.50	3.00	0.50	-	-	4.00	0.50
4.2.2000	2.25	0.25	3.25	0.25	-	-	4.25	0.25
17.3.2000	2.50	0.25	3.50	0.25	-	-	4.50	0.25
28.4.2000	2.75	0.25	3.75	0.25	-	-	4.75	0.25
9.6.2000	3.25	0.50	4.25	0.50	-	-	5.25	0.50
28.6.2000[2)]	3.25	0.00	-	-	4.25	0.00	5.25	0.00
1.9.2000	3.50	0.25	-	-	4.50	0.25	5.50	0.25
6.10.2000	3.75	0.25	-	-	4.75	0.25	5.75	0.25
11.5.2001	3.50	-0.25	-	-	4.50	-0.25	5.50	-0.25
31.8.2001	3.25	-0.25	-	-	4.25	-0.25	5.25	-0.25
18.9.2001[3)]	2.75	-0.50	-	-	3.75	-0.50	4.75	-0.50
9.11.2001	2.25	-0.50	-	-	3.25	-0.50	4.25	-0.50
6.12.2002	1.75	-0.50	-	-	2.75	-0.50	3.75	-0.50
7.3.2003	1.50	-0.25	-	-	2.50	-0.25	3.50	-0.25
6.6.2003	1.00	-0.50	-	-	2.00	-0.50	3.00	-0.50
6.12.2005	1.25	0.25	-	-	2.25	0.25	3.25	0.25
8.3.2006	1.50	0.25	-	-	2.50	0.25	3.50	0.25
15.6.2006	1.75	0.25	-	-	2.75	0.25	3.75	0.25
9.8.2006	2.00	0.25	-	-	3.00	0.25	4.00	0.25
11.10.2006	2.25	0.25	-	-	3.25	0.25	4.25	0.25
13.12.2006	2.50	0.25	-	-	3.50	0.25	4.50	0.25
14.3.2007	2.75	0.25	-	-	3.75	0.25	4.75	0.25
13.6.2007	3.00	0.25	-	-	4.00	0.25	5.00	0.25
9.7.2008	3.25	0.25	-	-	4.25	0.25	5.25	0.25
8.10.2008	2.75	-0.50	-	-	-	-	4.75	-0.50
9.10.2008[4)]	3.25	0.50	-	-	-	-	4.25	-0.50
15.10.2008[5)]	3.25	0.00	3.75	-0.50	-	-	4.25	0.00
12.11.2008	2.75	-0.50	3.25	-0.50	-	-	3.75	-0.50
10.12.2008	2.00	-0.75	2.50	-0.75	-	-	3.00	-0.75
21.1.2009	1.00	-1.00	2.00	-0.50	-	-	3.00	0.00
11.3.2009	0.50	-0.50	1.50	-0.50	-	-	2.50	-0.50
8.4.2009	0.25	-0.25	1.25	-0.25	-	-	2.25	-0.25
13.5.2009	0.25	0.00	1.00	-0.25	-	-	1.75	-0.50

Source: ECB.
1) On 22 December 1998 the ECB announced that, as an exceptional measure between 4 and 21 January 1999, a narrow corridor of 50 basis points would be applied between the interest rates for the marginal lending facility and the deposit facility, aimed at facilitating the transition to the new regime by market participants.
2) On 8 June 2000 the ECB announced that, starting from the operation to be settled on 28 June 2000, the main refinancing operations of the Eurosystem would be conducted as variable rate tenders. The minimum bid rate refers to the minimum interest rate at which counterparties may place their bids.
3) The change of 18 September 2001 was effective for the main refinancing operation on that same day.
4) As of 9 October 2008 the ECB reduced the standing facilities corridor from 200 basis points to 100 basis points around the interest rate on the main refinancing operations.
5) On 8 October 2008 the ECB announced that, starting from the operation to be settled on 15 October, the weekly main refinancing operations would be carried out through a fixed-rate tender procedure with full allotment at the interest rate on the main refinancing operations. This change overrode the previous decision (made on the same day) to cut by 50 basis points the minimum bid rate on the main refinancing operations conducted as variable rate tenders.

TABLE 3 Interest rates on loans and deposits (new business)

Interest rates on deposits (new business)

(percentages per annum)

	Deposits by households						Deposits by non-financial corporations				Repos
	Overnight	Agreed maturity			Redeemable at notice		Overnight	Agreed maturity			
		up to 1 year	over 1 year and up to 2 years	over 2 years	up to 3 months	over 3 months		up to 1 year	over 1 year and up to 2 years	over 2 years	
	1	2	3	4	5	6	7	8	9	10	11
2005 Dec.	0.41	1.90	-	1.79	0.96	1.10	0.64	2.55	-	0.66	-
2006 Dec.	0.50	3.92	3.98	3.61	1.54	1.97	1.32	4.39	3.28	2.62	-
2007 Dec.	0.47	3.28	3.58	2.20	1.44	2.05	0.78	3.60	3.79	2.30	-
2008 Aug.	0.51	3.66	4.45	0.72	2.01	2.29	0.89	3.86	4.19	1.37	-
2008 Sept.	0.51	3.61	4.46	1.21	2.12	2.53	0.80	3.76	5.15	1.90	-
2008 Oct.	0.53	3.64	3.99	1.20	2.17	2.58	0.94	3.58	4.02	2.00	-
2008 Nov.	0.64	3.36	3.96	3.35	2.18	2.66	0.80	2.96	4.18	2.30	-
2008 Dec.	0.58	3.12	4.37	2.49	1.70	2.63	0.47	2.14	4.04	2.04	-
2009 Jan.	0.53	2.06	3.69	3.61	1.73	2.49	0.41	1.61	3.05	3.31	-
2009 Feb.	0.49	1.89	3.57	3.52	1.51	2.10	0.41	1.28	1.46	1.98	-
2009 Mar.	0.44	1.52	2.93	3.22	1.30	1.77	0.38	1.06	2.48	2.64	-
2009 Apr.	0.37	1.29	2.72	2.50	1.05	1.57	0.18	0.80	1.57	1.08	-
2009 May	0.35	1.24	2.57	2.99	1.05	1.57	0.28	0.80	1.77	2.71	-
2009 June	0.34	1.27	2.55	2.66	0.98	1.57	0.15	0.71	2.35	2.59	-
2009 July	0.34	1.14	2.43	2.30	0.81	1.56	0.13	0.54	1.06	2.56	-

Interest rates on loans to households (new business)

(percentages per annum)

	Total[2]	Current account overdrafts and credit cards	Consumer loans				Loans for house purchase					Other loans		
			Floating rate and IRF[1] of up to 1 year	IRF[1] of over 1 year and up to 5 years	IRF[1] of over 5 years	Annual percentage rate of charge	Floating rate and IRF[1] of up to 1 year	IRF[1] of over 1 year and up to 5 years	IRF[1] of over 5 years and up to 10 years	IRF[1] of over 10 years	Annual percentage rate of charge	Floating rate and IRF[1] of up to 1 year	IRF[1] of over 1 year and up to 5 years	IRF[1] of over 5 years
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2005 Dec.	7.38	10.93	10.68	15.76	11.46	13.73	4.92	5.77	6.46	7.99	5.47	8.49	9.75	7.40
2006 Dec.	8.36	14.10	12.04	15.68	15.29	15.19	6.81	6.36	7.43	7.45	7.24	7.26	7.26	6.39
2007 Dec.	7.52	14.34	10.08	16.20	14.14	14.91	5.80	6.16	7.34	7.41	6.40	6.65	6.93	6.77
2008 Aug.	8.00	14.67	7.73	14.81	14.45	14.96	6.27	6.44	8.66	8.96	6.88	6.81	6.92	7.19
2008 Sept.	8.01	14.65	8.11	14.85	14.22	15.04	6.23	6.31	7.68	8.73	6.76	6.87	7.23	6.89
2008 Oct.	7.85	14.66	8.20	15.00	14.29	15.33	6.29	6.23	7.26	7.91	6.64	6.82	6.96	6.60
2008 Nov.	8.12	14.65	7.85	15.77	14.68	15.21	6.28	6.38	7.33	8.10	6.70	6.99	7.04	6.64
2008 Dec.	7.92	14.36	7.70	15.49	15.20	15.37	6.31	6.45	7.11	7.92	6.75	6.11	7.01	6.72
2009 Jan.	7.81	14.02	8.34	15.81	14.44	16.14	6.30	6.37	6.87	7.86	7.01	5.34	7.06	6.75
2009 Feb.	7.69	14.17	8.43	14.57	13.56	15.50	5.85	6.15	6.94	8.07	6.39	5.88	7.01	6.81
2009 Mar.	7.75	14.28	8.59	13.91	13.44	15.33	5.77	6.13	6.96	8.04	6.19	6.02	6.96	5.71
2009 Apr.	8.23	14.20	9.05	14.31	13.35	15.02	5.71	6.21	8.30	8.15	6.32	6.19	7.07	6.74
2009 May	7.74	14.34	8.31	14.54	13.27	14.80	5.70	6.17	8.97	8.63	6.33	5.08	6.85	6.00
2009 June	7.46	14.44	8.19	14.51	13.58	14.91	5.48	5.96	8.18	8.51	6.04	5.95	6.68	6.10
2009 July	7.40	14.17	7.89	14.84	14.15	15.37	5.52	5.96	8.04	8.31	6.08	5.32	6.80	6.09

Source: NBS.
1) Initial rate fixation.
2)Excluding overdrafts and credit cards.

TABLE 3 Interest rates on loans and deposits (new business)

Interest rates on loans to non-financial corporations (new business)
(percentages per annum)

	Total[2]	Current account overdrafts and credit cards	Loans of up to 1 mil. EUR			Loans of over 1 mil. EUR		
			Floating rate and IRF[1] of up to 1 year	IRF[1] of over 1 year and up to 5 years	IRF[1] of over 5 years	Floating rate and IRF[1] of up to 1 year	IRF[1] of over 1 year and up to 5 years	IRF[1] of over 5 years
	1	2	3	4	5	6	7	8
2005 Dec.	4.53	4.93	5.05	5.92	6.20	4.05	3.81	5.34
2006 Dec.	5.89	6.62	6.33	7.18	6.52	5.60	6.43	5.73
2007 Dec.	5.52	5.67	6.07	5.87	6.44	5.39	5.86	4.54
2008 Aug.	5.66	6.02	6.16	6.80	6.59	5.40	6.32	-
2008 Sept.	5.64	5.84	5.99	7.00	6.91	5.48	6.89	-
2008 Oct.	5.85	5.73	6.06	7.27	6.80	5.77	7.69	6.41
2008 Nov.	4.94	5.31	5.72	7.30	5.03	4.71	5.86	6.13
2008 Dec.	4.56	4.83	4.93	8.11	6.50	4.07	6.53	7.58
2009 Jan.	3.61	4.15	4.77	6.20	8.99	3.02	7.38	5.95
2009 Feb.	3.25	3.93	4.86	6.65	6.04	2.71	5.44	4.80
2009 Mar.	3.40	3.51	3.52	6.33	5.48	3.04	5.61	4.25
2009 Apr.	3.05	3.35	4.36	5.29	5.62	2.54	7.27	3.71
2009 May	3.78	3.44	4.98	5.78	5.39	3.17	6.67	-
2009 June	3.45	3.44	5.16	6.37	4.80	2.51	7.58	5.04
2009 July	2.94	3.37	4.61	5.70	5.71	2.23	8.00	3.99

Source: NBS.
1) Initial rate fixation.
2)Excluding overdrafts and credit cards.

TABLE 4 Monetary aggregates and counterparts of M3[1)]

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

	Currency	M1	M2-M1	M2	M3-M2	M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents	Loans	Net external assets
	1	2	3	4	5	6	7	8	9	10	11
	Outstanding amounts										
2005	3,977.8	16,126.5	9,929.4	26,055.9	1,541.5	27,597.4	6,339.4	9,077.2	17,318.6	16,845.2	8,677.8
2006	4,354.1	18,280.6	11,864.8	30,145.4	1,666.1	31,811.5	5,575.6	8,457.3	21,275.6	20,830.6	8,496.1
2007 Q3	4,569.6	19,010.4	13,488.5	32,498.9	2,004.1	34,503.0	5,616.0	8,400.1	24,414.7	23,948.8	9,441.5
2007 Q4	4,704.0	20,666.5	13,025.8	33,692.4	2,247.5	35,939.8	6,061.9	8,685.6	26,066.5	25,569.2	8,703.5
2008 Q1	4,541.9	19,602.3	13,901.7	33,504.0	2,612.4	36,116.5	5,908.1	7,465.7	27,222.6	26,646.5	8,041.3
2008 Q2	4,385.6	19,767.4	13,870.1	33,637.4	2,816.6	36,454.1	4,812.1	7,536.9	28,397.3	27,776.3	6,223.2
2008 Q3	4,074.0	19,149.5	14,998.5	34,148.0	2,727.8	36,875.8	5,657.3	7,865.2	29,551.3	28,917.2	6,523.2
2008 Oct.	4,122.4	19,186.5	14,958.5	34,144.9	2,326.1	36,471.0	6,053.2	8,129.9	30,019.0	29,379.0	6,216.9
2008 Nov.	3,694.6	19,102.2	15,520.7	34,622.9	2,223.1	36,846.0	6,452.4	8,496.5	30,312.6	29,701.3	6,298.6
2008 Dec.	1,600.6	19,115.9	16,435.6	35,551.5	2,122.3	37,673.8	6,611.2	9,037.1	30,076.8	29,470.7	5,845.7

Monetary aggregates and counterparts of M3 – contribution of domestic MFI to monetary aggregates and counterparts of the euro area [2)]

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

	Currency	M1	M2-M1	M2	M3-M2	M3	Longer-term financial liabilities	Credit to general government	Credit to other euro area residents	Loans	Net external assets
	1	2	3	4	5	6	7	8	9	10	11
	Outstanding amounts										
2006	4,278	18,305	11,896	30,200	1,212	31,412	2,789	12,180	21,736	20,902	4,028
2007 Q3	4,511	19,093	13,582	32,675	1,437	34,113	2,288	14,225	25,081	24,190	4,387
2007 Q4	4,620	20,791	13,191	33,982	1,509	35,491	2,488	14,726	26,781	25,793	4,390
2008 Q1	4,482	19,659	14,035	33,694	1,823	35,517	731	12,345	28,137	27,201	2,411
2008 Q2	4,325	19,836	13,973	33,809	1,769	35,577	998	12,741	29,230	28,285	2,564
2008 Q3	3,999	19,233	15,281	34,514	1,665	36,179	1,536	11,845	30,527	29,534	3,732
2008 Oct.	4,018	19,201	15,352	34,553	1,190	35,743	2,017	12,107	30,912	29,906	3,701
2008 Nov.	3,573	19,089	15,972	35,061	1,229	36,290	2,505	12,456	31,104	30,212	4,105
2008 Dec.	1,427	19,096	16,914	36,010	902	36,912	2,379	15,083	30,866	29,996	977
2009 Jan.	6,250	22,625	16,541	39,166	1,178	40,343	1,873	12,262	30,875	29,984	3,169
2009 Feb.	6,303	22,432	16,484	38,916	996	39,911	2,141	12,917	31,256	30,140	3,524
2009 Mar.	6,485	22,677	15,907	38,584	937	39,522	1,657	13,642	31,477	30,197	3,749
2009 Apr.	6,586	22,617	16,082	38,699	640	39,338	1,516	13,376	31,414	30,130	3,528
2009 May	6,635	23,304	15,716	39,020	611	39,631	1,256	14,067	31,670	30,144	4,265
2009 June	6,645	23,495	14,772	38,267	401	38,668	1,394	14,586	31,897	30,206	4,231
2009 July	6,724	23,326	14,709	38,035	260	38,295	1,116	14,339	32,128	30,215	4,905

Source: NBS.
Notes:
1) Data before 2009 (before Slovakia's entry into the euro area) refer to statistical records of Slovak monetary aggregates converted from the Slovak koruna to the euro (1 EUR = 30.1260 SKK).
2) Data from January 2009 onwards (after Slovakia's entry into the euro area as at 1 January 2009) refer to Slovakia's contributions to EMU monetary aggregates. The volume of currency, based on the set ECB key corresponds to the volume of banknotes based on the NBS share in the total issue of banknotes in the euro area.

TABLE 5 Deposits

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations						Households					
	Total	Overnight	With agreed maturity		Redeemable at notice		Total	Overnight	With agreed maturity		Redeemable at notice	
			up to 2 years	over 2 years	up to 3 months	over 3 months			up to 2 years	over 2 years	up to 3 months	over 3 months
	1	2	3	4	5	6	7	8	9	10	11	12
	Outstanding amounts											
2006	9,932.8	6,056.7	3,850.2	19.6	5.9	0.4	15,565.7	6,210.6	5,982.4	2,187.0	378.2	807.5
2007	11,021.7	7,041.2	3,951.0	23.3	5.5	0.7	17,608.8	7,215.7	6,893.7	2,405.5	315.3	778.7
2008 Q1	10,119.0	6,210.3	3,882.1	23.2	2.9	0.5	18,123.7	7,327.3	7,324.4	2,396.2	305.9	770.0
2008 Q2	9,718.3	6,058.6	3,626.2	29.7	3.2	0.5	18,717.4	7,757.7	7,573.6	2,329.9	292.7	763.4
2008 Q3	10,011.9	5,955.7	4,026.5	26.6	2.6	0.4	19,416.0	7,734.1	8,189.8	2,454.6	287.7	749.8
2008 Oct.	9,393.0	5,772.4	3,595.0	22.9	2.2	0.4	20,039.9	7,813.9	8,723.4	2,470.1	286.2	746.3
2008 Nov.	9,649.3	6,165.4	3,457.9	23.4	2.2	0.4	20,691.6	7,760.0	9,436.9	2,470.5	284.6	739.7
2008 Dec.	10,770.7	7,060.1	3,683.8	24.2	2.3	0.4	22,905.3	8,533.2	10,767.6	2,529.7	298.3	776.5
2009 Jan.	8,998.6	6,146.3	2,816.5	33.2	2.2	0.4	22,977.3	8,459.7	10,909.5	2,533.2	296.0	778.8
2009 Feb.	8,934.8	5,844.5	3,056.8	30.2	2.9	0.4	23,129.3	8,552.3	10,900.9	2,600.2	293.9	781.9
2009 Mar.	8,654.6	5,694.9	2,925.2	30.9	3.2	0.4	22,925.9	8,596.8	10,648.4	2,607.9	288.8	784.0
2009 Apr.	8,510.0	5,436.2	3,040.8	30.2	2.4	0.4	22,908.3	8,793.5	10,472.3	2,571.3	286.1	785.1
2009 May	8,844.4	5,813.0	2,997.7	30.8	2.5	0.5	22,782.0	8,870.9	10,228.3	2,591.0	307.8	784.1
2009 June	8,363.9	5,920.4	2,403.5	37.4	2.2	0.5	22,715.6	8,810.7	10,137.3	2,601.4	384.5	781.8
	Transactions											
2006	1,134.3	683.0	439.1	10.8	1.3	0.1	2,061.4	487.8	1,473.1	322.3	-107.0	-114.8
2007	1,088.8	984.5	100.7	3.7	-0.4	0.3	2,043.1	1,005.1	911.3	218.4	-62.9	-28.8
2008 Q1	-902.7	-830.8	-68.8	-0.2	-2.6	-0.2	514.9	111.6	430.7	-9.2	-9.4	-8.7
2008 Q2	-400.7	-151.7	-255.9	6.6	0.3	0.0	593.6	430.4	249.2	-66.4	-13.2	-6.5
2008 Q3	293.6	-102.9	400.3	-3.1	-0.6	-0.1	698.7	-23.7	616.2	124.7	-5.0	-13.6
2008 Oct.	-618.9	-183.3	-431.5	-3.7	-0.4	0.0	623.9	79.9	533.6	15.5	-1.5	-3.5
2008 Nov.	256.3	393.0	-137.1	0.5	0.0	0.0	651.7	-54.0	713.5	0.4	-1.6	-6.7
2008 Dec.	1,121.4	894.7	225.9	0.8	0.1	0.0	2,213.7	773.2	1,330.7	59.2	13.7	36.9
2009 Jan.	-1,772.1	-913.7	-867.3	9.0	-0.1	0.1	72.0	-73.5	141.9	3.5	-2.2	2.3
2009 Feb.	-63.8	-301.8	240.3	-3.0	0.7	0.0	152.0	92.7	-8.6	67.0	-2.1	3.1
2009 Mar.	-280.2	-149.6	-131.6	0.7	0.3	0.0	-203.4	44.5	-252.5	7.7	-5.1	2.1
2009 Apr.	-144.6	-258.7	115.6	-0.7	-0.8	0.0	-17.7	196.7	-176.1	-36.5	-2.8	1.0
2009 May	189.8	118.1	72.5	-0.1	-0.7	0.0	-143.9	274.1	-420.1	-16.9	19.0	0.1
2009 June	-146.1	484.2	-637.3	7.2	-0.3	0.0	-192.6	17.2	-335.0	30.0	98.4	-3.3
	Growth rates											
2007	11.0	16.3	2.6	18.9	-7.1	69.9	13.1	16.2	15.2	10.0	-16.6	-3.6
2008 Q1	0.6	6.0	-7.1	39.2	-51.3	10.8	13.5	13.9	18.9	6.5	-12.7	-1.5
2008 Q2	-6.3	1.4	-17.2	144.0	-43.6	-17.2	13.6	15.7	18.1	3.6	-10.5	-2.7
2008 Q3	-3.1	1.4	-9.3	106.6	-54.0	-38.3	14.5	10.9	24.0	7.6	-9.5	-3.2
2008 Oct.	-9.8	3.1	-25.1	74.7	-56.8	-71.1	18.0	12.9	30.3	8.3	-9.3	-3.4
2008 Nov.	-3.6	1.7	-11.8	6.9	-62.1	-44.2	20.7	10.9	39.5	7.3	-8.9	-4.1
2008 Dec.	-2.3	0.3	-6.8	3.6	-58.5	-44.3	30.1	18.3	56.2	5.2	-5.4	-0.3
2009 Jan.	-13.1	-1.9	-30.6	47.3	-64.7	-9.7	28.0	16.3	51.9	5.8	-5.6	-0.5
2009 Feb.	-14.8	-7.3	-26.5	31.6	0.3	-6.3	27.9	17.0	50.0	7.4	-5.2	0.7
2009 Mar.	-14.5	-8.3	-24.6	33.3	10.5	-3.3	26.5	17.3	45.4	8.8	-5.6	1.8
2009 Apr.	-15.0	-2.1	-31.4	34.5	-15.8	2.5	24.3	17.4	39.5	8.2	-4.6	2.7
2009 May	-15.2	-5.2	-29.9	41.1	-17.1	2.0	23.1	16.3	37.5	8.8	4.3	2.9
2009 June	-13.9	-2.3	-33.7	25.8	-33.2	-2.6	21.4	13.6	33.8	11.7	31.4	2.4
2009 July	-15.6	0.3	-38.7	22.9	-35.6	8.0	19.2	12.6	27.9	13.5	49.3	2.7

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

TABLE 6 Loans

(EUR mil.; annual growth rates; outstanding amounts and growth rates at end-of-period; transactions during period)

	Non-financial corporations				Households			
	Total	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total	Consumer loans	Loans for house purchase	Other loans
	1	2	3	4	5	6	7	8
	Outstanding amounts							
2006	10,900.0	4,501.0	2,136.0	4,264.0	7,901.0	1,191.0	5,209.0	1,501.0
2007	13,470.0	5,805.0	2,746.0	4,919.0	10,101.0	1,379.0	6,773.0	1,949.0
2008 Q1	14,319.0	6,291.0	2,922.0	5,107.0	10,594.0	1,429.0	7,124.0	2,040.0
2008 Q2	14,881.0	6,542.0	3,003.0	5,336.0	11,372.0	1,537.0	7,647.0	2,188.0
2008 Q3	15,467.0	6,603.0	3,341.0	5,522.0	12,081.0	1,648.0	8,128.0	2,304.0
2008 Q4	15,478.0	6,257.0	3,483.0	5,737.0	12,613.0	1,694.0	8,536.0	2,382.0
2008	15,478.0	6,257.0	3,483.0	5,737.0	12,613.0	1,694.0	8,536.0	2,382.0
2009 Jan.	15,615.0	6,231.0	3,551.0	5,832.0	12,595.0	1,683.0	8,533.0	2,379.0
2009 Feb.	15,708.0	6,346.0	3,586.0	5,776.0	12,721.0	1,698.0	8,631.0	2,393.0
2009 Mar.	15,647.0	6,255.0	3,612.0	5,780.0	12,881.0	1,728.0	8,710.0	2,443.0
2009 Q1	15,647.0	6,255.0	3,612.0	5,780.0	12,881.0	1,728.0	8,710.0	2,443.0
2009 Apr.	15,547.0	6,087.0	3,665.0	5,795.0	12,998.0	1,767.0	8,786.0	2,445.0
2009 May	15,424.0	5,904.0	3,752.0	5,768.0	13,135.0	1,793.0	8,872.0	2,470.0
2009 June	15,314.0	5,794.0	3,819.0	5,701.0	13,296.0	1,822.0	8,985.0	2,489.0
2009 Q2	15,314.0	5,794.0	3,819.0	5,701.0	13,296.0	1,822.0	8,985.0	2,489.0
2009 July	15,244.0	5,660.0	3,865.0	5,718.0	13,440.0	1,847.0	9,086.0	2,507.0
	Transactions							
2006	1,824.0	576.0	413.0	836.0	1,857.0	238.0	1,226.0	391.0
2007	2,764.0	1,466.0	629.0	669.0	2,251.0	210.0	1,575.0	464.0
2008 Q1	875.0	776.0	569.0	677.0	935.0	617.0	814.0	651.0
2008 Q2	596.0	268.0	86.0	243.0	784.0	111.0	523.0	150.0
2008 Q3	564.0	52.0	336.0	177.0	713.0	115.0	482.0	116.0
2008 Q4	45.0	-325.0	143.0	227.0	556.0	63.0	411.0	82.0
2008	2,080.0	771.0	1,134.0	1,324.0	2,988.0	906.0	2,230.0	999.0
2009 Jan.	115.0	-37.0	66.0	85.0	-18.0	-11.0	-3.0	-4.0
2009 Feb.	91.0	114.0	34.0	-57.0	128.0	15.0	98.0	15.0
2009 Mar.	-44.0	-82.0	28.0	11.0	160.0	30.0	79.0	51.0
2009 Q1	162.0	-5.0	128.0	39.0	270.0	34.0	174.0	62.0
2009 Apr.	-95.0	-170.0	54.0	21.0	118.0	39.0	77.0	2.0
2009 May	-110.0	-179.0	91.0	-22.0	138.0	26.0	86.0	26.0
2009 June	-108.0	-109.0	67.0	-66.0	165.0	33.0	113.0	20.0
2009 Q2	-313.0	-458.0	212.0	-67.0	421.0	98.0	276.0	48.0
2009 July	-70.0	-134.0	46.0	18.0	145.0	26.0	101.0	18.0
	Growth,rates							
2007	25.6	33.0	29.6	15.7	28.6	17.8	30.3	31.1
2008 Q1	30.4	34.5	36.8	22.6	28.6	16.4	30.3	32.3
2008 Q2	25.9	26.2	33.9	21.6	28.8	22.8	29.5	30.9
2008 Q3	22.6	22.3	38.7	15.0	28.5	25.8	29.0	28.6
2008 Q4	15.5	8.4	27.1	17.3	25.3	24.8	26.1	22.9
2008	15.5	8.4	27.1	17.3	25.3	24.8	26.1	22.9
2009 Jan.	11.6	2.5	21.4	16.7	23.4	23.3	24.0	21.4
2009 Feb.	10.9	2.6	22.2	14.6	22.7	22.8	23.4	20.4
2009 Mar.	9.6	-0.2	23.7	13.5	21.9	22.7	22.3	20.1
2009 Q1	9.6	-0.2	23.7	13.5	21.9	22.7	22.3	20.1
2009 Apr.	7.3	-3.8	24.2	11.1	20.1	21.9	20.4	17.8
2009 May	6.4	-6.9	27.9	10.5	18.6	20.8	18.9	16.2
2009 June	3.1	-11.3	27.3	7.1	17.2	20.3	17.5	14.0
2009 Q2	3.1	-11.3	27.3	7.1	17.2	20.3	17.5	14.0
2009 July	0.1	-14.8	21.3	5.8	15.7	18.1	16.1	12.7

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

3 PRICES AND COSTS OF LABOUR

TABLE 7 Harmonised Index of Consumer Prices

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage change on previous period)						Administered prices[1]	
	Index 2005=100	Total (annual percentage change)	Total excl. unprocessed food and energy (core inflation)	Goods	Services	Total	Processed food	Unprocessed food	Non-energy industrial goods	Energy	Services	Total HICP excluding administered prices	Administered prices
weights in %[2]	100.0	100.0	76.3	67.7	32.3	100.0	16.2	7.5	27.7	16.3	32.3	76.1	23.9
	1	2	3	4	5	6	7	8	9	10	11	12	13
2005	100.0	2.8	1.7	1.7	5.3	-	-	-	-	-	-	0.9	9.3
2006	104.3	4.3	2.1	4.6	3.5	-	-	-	-	-	-	1.5	12.6
2007	106.2	1.9	1.9	1.4	2.9	-	-	-	-	-	-	1.9	2.0
2008	110.4	3.9	3.9	3.5	4.8	-	-	-	-	-	-	3.5	5.4
2008 Q1	109.2	3.4	3.5	3.1	4.0	1.8	3.2	2.9	0.4	2.1	1.8	3.4	3.5
2008 Q2	110.3	4.0	4.0	3.8	4.4	1.0	1.1	4.2	0.0	1.1	0.8	3.8	4.6
2008 Q3	110.7	4.5	4.2	4.2	5.0	0.4	0.1	-3.4	0.0	1.3	1.4	4.2	5.4
2008 Q4	111.5	3.9	3.9	3.0	5.7	0.6	1.7	-3.1	0.0	0.5	1.6	2.6	7.9
2009 Q1	111.7	2.3	2.9	0.8	5.5	0.2	0.7	1.3	-0.5	-2.0	1.5	1.0	6.4
2009 Q2	111.4	1.1	1.8	-0.9	5.0	-0.3	-2.1	0.3	-0.7	0.6	0.4	-0.4	5.8
2009 Mar.	111.5	1.8	2.4	0.2	5.2	-0.3	-1.0	-0.2	-0.5	0.0	0.1	0.4	6.0
2009 Apr.	111.4	1.4	2.1	-0.4	5.2	-0.1	-1.0	-0.5	0.0	0.2	0.2	-0.1	5.9
2009 May	111.5	1.1	1.8	-0.8	5.1	0.1	-0.2	1.5	-0.3	0.3	0.0	-0.4	5.6
2009 June	111.5	0.7	1.6	-1.3	4.9	0.0	-0.6	-0.4	-0.2	0.7	0.2	-0.9	5.6
2009 July	111.3	0.6	1.5	-1.4	4.7	-0.1	0.0	-3.4	-0.1	0.3	0.4	-1.1	6.2
2009 Aug.	111.1	0.5	1.2	-1.4	4.4	-0.2	-0.2	-2.5	-0.2	0.1	0.2	-0.8	5.8

Source: Statistical Office of the Slovak Republic and NBS calculations.
1) According to ECB methodology.
2) Weights apply to the period of 2009.

TABLE 7 Harmonised Index of Consumer Prices (continuation)

(annual percentage changes, unless otherwise indicated)

	Goods						Services					
	Food (incl. alcoholic beverages and tobacco)			Industrial goods			Housing		Transport	Communication	Recreation and personal	Miscellaneous
	Total	Processed food	Unprocessed food	Total	Non-energy industrial goods	Energy		Rents				
weights in %[2]	23.7	16.2	7.5	44.0	27.7	16.3	5.8	0.9	4.5	3.8	13.4	4.8
	14	15	16	17	18	19	20	21	22	23	24	25
2005	-0.7	-1.7	1.1	3.1	-0.5	8.2	7.6	5.7	3.4	-1.1	5.6	12.0
2006	2.3	1.4	4.1	6.0	0.6	13.1	5.8	2.4	2.4	-1.1	3.5	6.3
2007	4.1	4.7	3.0	-0.1	-1.1	1.3	2.4	4.0	3.8	-0.3	3.3	4.2
2008	6.4	8.0	3.0	2.0	0.4	4.5	4.7	2.6	4.6	-0.8	5.6	7.2
2007 Q4	5.5	6.5	3.6	-0.2	-1.3	1.4	2.5	4.7	3.9	2.9	3.6	5.1
2008 Q1	6.3	8.5	1.9	1.4	-0.2	3.7	4.3	2.8	4.0	-0.6	4.5	6.1
2008 Q2	7.3	9.0	4.1	1.9	0.5	4.1	4.6	2.3	4.2	-0.8	5.1	7.1
2008 Q3	7.6	8.5	5.6	2.5	0.8	5.1	4.9	2.4	4.1	-0.9	6.0	7.7
2008 Q4	4.3	6.2	0.4	2.2	0.4	5.1	5.1	3.0	6.2	-0.9	6.8	8.0
2009 Q1	2.1	3.6	-1.2	0.1	-0.5	0.9	4.8	5.4	6.3	-0.8	6.2	8.3
2009 Q2	-1.3	0.4	-5.0	-0.6	-1.2	0.4	4.4	5.7	5.7	-0.7	5.8	7.7
2009 Mar.	1.2	2.5	-1.7	-0.4	-1.0	0.5	4.5	5.5	5.9	-0.7	6.0	7.9
2009 Apr.	-0.6	0.8	-3.6	-0.3	-1.0	0.6	4.5	5.5	5.9	-0.7	5.9	7.8
2009 May	-1.2	0.4	-4.4	-0.7	-1.2	0.2	4.3	5.4	5.6	-0.7	5.9	7.7
2009 June	-2.2	0.0	-6.8	-0.7	-1.4	0.5	4.3	6.2	5.4	-0.7	5.5	7.7
2009 July	-2.4	-0.1	-7.3	-0.8	-1.5	0.5	4.0	5.8	5.4	1.1	4.9	7.6
2009 Aug.	-2.5	-0.4	-7.0	-0.8	-1.6	0.6	3.9	5.1	4.9	0.9	4.5	7.2

Source: Statistical Office of the Slovak Republic and NBS calculations.
1) According to ECB methodology.
2) Weights apply to the period of 2009.

TABLE 8 CPI

(annual percentage changes, unless otherwise indicated)

	Total					Total (percentage changes from previous period)						Net inflation excluding fuels	Net inflation
	Index 2005=100	Total	Core inflation	Regulated prices	Contribution of changes in indirect taxes	Total	Food	Tradable goods without fuels	Fuels	Market services	Regulated prices		
weights in %	100	100	77.1	22.9	,-,	100	14.3	30.2	2.6	30.1	22.9	60.3	62.9
	1	2	3	4	5	6	7	8	9	10	11	12	13
2005	100.0	2.7	1.0	8.2	.	-	-	-	-	-	-	1.5	1.8
2006	104.5	4.5	2.5	10.5	0.2	-	-	-	-	-	-	2.6	2.8
2007	107.4	2.8	2.9	1.7	0.2	-	-	-	-	-	-	3.1	2.6
2008	112.3	4.6	4.6	4.5	0.0	-	-	-	-	-	-	3.6	3.8
2008 Q1	110.8	4.0	4.3	3.1	0.0	2.0	3.4	0.4	2.7	2.9	2.4	2.8	3.3
2008 Q2	111.8	4.5	4.7	3.9	0.0	0.9	2.6	0.1	3.4	0.9	0.6	3.0	3.5
2008 Q3	112.7	5.1	5.3	4.5	-0.1	0.8	-1.2	0.2	2.1	2.6	0.8	3.9	4.3
2008 Q4	113.8	4.8	4.1	6.4	0.1	1.0	-1.1	-0.2	-13.7	3.2	2.5	4.8	4.2
2009 Q1	114.1	3.0	1.9	5.0	0.3	0.2	0.4	-0.6	-13.8	1.5	1.1	3.6	2.2
2009 Q2	113.9	1.9	0.7	4.7	0.3	-0.1	-1.8	-0.8	4.6	0.6	0.3	3.0	1.7
2008 Dec.	113.8	4.4	3.3	6.8	0.2	-0.2	-0.1	-0.2	-8.9	0.1	0.2	4.7	3.5
2009 Jan.	114.2	3.4	2.5	5.2	0.3	0.4	0.9	0.0	-4.9	0.8	0.5	4.2	2.8
2009 Feb.	114.2	3.0	2.0	5.0	0.3	0.0	0.0	-0.5	-0.1	0.4	0.1	3.6	2.2
2009 Mar.	113.9	2.5	1.4	4.8	0.3	-0.2	-0.9	-0.6	-0.1	0.0	0.2	3.1	1.7
2009 Apr.	113.8	2.1	0.9	4.9	0.3	-0.1	-1.2	-0.1	1.8	0.0	0.2	3.0	1.7
2009 May	113.9	1.9	0.6	4.7	0.3	0.1	0.4	-0.1	1.9	0.1	0.0	3.0	1.6
2009 June	114.2	1.8	0.5	4.6	0.3	0.2	-0.8	-0.2	4.8	0.9	0.0	3.1	1.8
2009 July	114.2	1.7	0.2	5.1	0.3	0.0	-2.0	-0.2	2.1	0.6	0.4	2.9	1.6
2009 Aug.	114.0	1.3	-0.2	5.0	0.3	-0.1	-1.5	-0.2	0.1	0.4	0.1	2.4	1.2

Source: Statistical Office of the SR and NBS calculations.

TABLE 8 CPI

(annual percentage changes, unless otherwise indicated)

	Core inflation										Regulated prices		
	Food	Tradable goods without fuels					Market services				Electricity	Gas	Heat
		Tradable goods excluding fuels	Recreation and culture	Furnishings, household equipment	Transport	Fuels		Housing	Hotels, cafés and restaurants	Miscellane-ous services			
weights in %	14.3	30.2	6.0	5.4	5.4	2.6	30.1	11.3	6.0	8.4	3.9	3.2	4.4
	14	15	16	17	18	19	20	21	22	23	24	25	26
2005	-1.2	-2.0	-1.6	-3.5	0.7	6.3	6.0	8.6	3.5	3.0	.	.	.
2006	1.5	-0.8	-0.8	-0.9	-0.2	6.0	6.5	10.6	1.1	3.8	.	.	.
2007	4.0	-0.2	-0.9	-0.1	-5.5	-4.8	6.8	12.7	2.5	2.2	-0.2	1.7	4.7
2008	8.1	0.5	-0.2	-0.1	0.9	6.8	7.3	14.8	5.1	1.6	2.6	-0.2	8.2
2008 Q1	8.7	0.2	-0.3	-0.5	3.6	11.9	5.8	10.8	3.9	2.2	2.6	-0.2	2.8
2008 Q2	10.2	0.5	-0.4	-0.2	3.3	10.6	6.0	11.3	3.9	1.9	2.6	-0.2	4.5
2008 Q3	9.7	0.7	0.1	0.5	3.3	11.3	7.6	14.9	5.4	2.2	2.6	-0.2	7.9
2008 Q4	3.7	0.5	0.0	-0.3	-6.7	-6.6	10.0	22.1	7.1	0.3	2.6	-0.2	17.5
2009 Q1	0.7	-0.6	-1.8	-0.8	-15.7	-21.6	8.4	17.7	6.2	0.5	6.7	0.9	6.3
2009 Q2	-3.5	-1.5	-1.8	-2.0	-16.0	-20.6	8.1	16.3	6.3	0.8	6.7	0.9	4.5
2008 Dec.	2.5	0.4	-0.2	-0.6	-12.1	-16.7	9.8	22.5	6.9	-0.7	2.6	-0.2	19.2
2009 Jan.	1.4	-0.1	-1.6	-0.6	-14.7	-21.3	9.1	20.2	6.3	-0.1	6.7	0.9	6.7
2009 Feb.	1.0	-0.5	-1.9	-0.7	-15.2	-21.3	8.2	16.8	6.1	0.8	6.7	0.9	6.7
2009 Mar.	-0.2	-1.1	-2.0	-1.2	-17.1	-22.0	7.9	16.1	6.3	0.7	6.7	0.9	5.4
2009 Apr.	-2.5	-1.3	-2.0	-1.3	-16.2	-21.0	7.9	15.7	6.4	0.8	6.7	0.9	5.1
2009 May	-3.3	-1.4	-1.9	-1.9	-16.4	-21.4	7.9	15.9	6.4	0.9	6.7	0.9	4.2
2009 June	-4.8	-1.7	-1.7	-2.7	-15.3	-19.5	8.4	17.5	6.2	0.8	6.7	0.9	4.0
2009 July	-5.6	-2.1	-3.1	-3.2	-15.3	-19.2	8.4	17.7	5.9	0.9	6.7	0.9	3.8
2009 Aug.	-6.2	-2.2	-3.0	-3.7	-14.4	-17.8	7.2	14.6	5.6	0.8	6.7	0.9	2.9

Source: Statistical Office of the SR and NBS calculations.

TABLE 9 Producer prices and residential property prices

(annual percentage changes)

	Industrial producer price indices according to CPA							Agricultural products			Construction work prices	Construction material prices	Residential property prices
	Industry total	Industry export	Industry domestic	Mining/ quarrying products	Manu-factured products	Energy	Water supply and sewerage[1)]	Agricultural and fishing products	Crop product	Animal products			
weights in %	-	-	100.0	0.2	63.2	37.2	0.1	100.0	-	-	-	-	-
	1	2	3	4	5	6	7	8	9	10	11	12	13
2005	5.3	6.1	3.8	4.7	1.3	7.4	14.4	-2.4	-10.8	1.4	4.3	4.4	-10.3
2006	5.7	2.7	6.4	23.2	1.5	13.9	11.4	-0.2	1.1	-0.7	3.9	2.9	16.8
2007	-1.2	-4.1	1.8	-2.2	0.2	4.2	-0.1	5.4	24.0	-2.0	4.0	5.6	23.9
2008	2.8	0.3	6.1	16.8	2.0	11.6	5.9	4.1	1.6	5.3	5.6	3.3	22.1
2008 Q2	4.0	2.4	6.1	12.9	3.1	10.1	6.9	13.8	45.9	9.8	5.7	5.0	31.2
2008 Q3	3.4	1.2	6.6	18.5	2.4	12.1	7.1	8.9	13.2	5.8	6.3	2.6	19.9
2008 Q4	0.2	-4.8	6.7	28.4	-0.6	16.4	7.3	-12.4	-26.1	-0.9	5.7	1.3	6.4
2009 Q1	-5.1	-10.5	2.0	15.7	-4.5	10.3	4.9	-22.9	-40.2	-13.3	4.3	0.4	-4.3
2009 Q2	-7.5	-11.5	-2.2	3.4	-6.7	3.5	4.0	-27.7	-41.6	-22.8	2.8	-5.8	-13.4
2009 Feb.	-4.8	-9.9	1.8	14.2	-4.6	10.0	4.4	-22.5	-39.4	-13.0	4.4	1.0	-
2009 Mar.	-6.0	-10.9	0.5	12.0	-5.2	7.6	3.7	-26.6	-43.8	-17.0	3.5	-0.9	-
2009 Apr.	-6.5	-10.7	-0.8	10.2	-5.8	5.5	4.0	-29.8	-44.7	-23.0	2.9	-4.2	-
2009 May	-8.2	-12.6	-2.4	3.4	-7.0	3.2	4.4	-26.8	-42.2	-22.5	2.7	-6.5	-
2009 June	-7.6	-11.0	-3.2	-3.0	-7.2	1.9	3.6	-26.4	-37.8	-22.9	2.9	-6.6	-
2009 July	-8.2	-11.5	-4.2	-6.6	-7.3	-0.3	4.1	-34.5	-41.0	-25.1	2.7	-7.6	-

	Industrial producers by Main Industrial Grouping (MIG)							
	Industry total	Industry export	Industry domestic	Energy related activities	Intermediate goods (excl. energy)	Capital goods industry	Durable consumer goods	Non-durable con-sumer goods
weights in %	-	-	100.0	42.4	23.9	17.2	0.8	15.2
	14	15	16	17	18	19	20	21
2005	5.3	6.1	3.8	9.7	2.5	2.0	-4.7	-2.5
2006	5.7	2.7	6.4	15.9	2.0	1.1	-2.7	0.0
2007	-1.2	-4.1	1.8	3.1	2.5	-0.6	-6.0	2.2
2008	2.8	0.3	6.1	12.2	2.5	-2.7	-4.1	3.4
2008 Q2	4.0	2.4	6.2	11.3	3.2	-2.1	-3.4	4.4
2008 Q3	3.4	1.2	6.7	13.6	3.3	-4.5	-3.1	3.6
2008 Q4	0.2	-4.8	6.7	14.8	1.6	-3.2	-5.1	1.6
2009 Q1	-5.1	-10.5	2.0	6.8	-3.6	-1.4	-0.2	-0.2
2009 Q2	-7.5	-11.5	-2.2	0.1	-8.1	-0.4	-1.1	-1.8
2009 Feb.	-4.8	-9.9	1.8	6.5	-3.8	-1.9	-0.1	-0.4
2009 Mar.	-6.0	-10.9	0.5	4.0	-5.1	-0.6	-0.4	-0.4
2009 Apr.	-6.5	-10.7	-0.8	2.1	-6.6	-0.7	-0.6	-1.2
2009 Máj	-8.2	-12.6	-2.4	-0.3	-8.7	-0.5	-0.9	-1.7
2009 Jún	-7.6	-11.0	-3.2	-1.5	-9.0	-0.1	-1.8	-2.4
2009 Júl	-8.2	-11.5	-4.2	-3.5	-9.4	-0.1	-3.2	-2.5

Source: Statistical Office of the SR, NBS.
1) According to NACE Rev. 2 as of 1 January 2009.

TABLE 10 Wages and productivity

(annual percentage changes)

	Total	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services
	1	2	3	4	5	6	7
	Unit labour costs (ULC)						
2005	4.3	7.4	-1.6	-10.6	8.7	17.9	6.9
2006	1.5	-9.8	-4.1	-2.0	6.3	-5.6	6.9
2007	0.6	1.6	-0.6	4.8	-1.5	11.9	-3.1
2008	5.2	0.2	14.1	-8.3	-3.1	3.3	6.2
2008 Q2	5.3	12.9	6.4	-2.7	2.6	3.6	5.3
2008 Q3	5.8	2.9	21.2	-4.2	-5.5	1.1	4.3
2008 Q4	5.8	-6.1	29.6	-15.8	-6.8	0.6	4.4
2009 Q1	12.1	14.8	13.0	37.9	23.9	6.3	0.9
2009 Q2	10.2	-10.6	0.4	9.6	11.3	23.7	13.7
	Compensation per employee (current prices)						
2005	9.7	12.7	7.4	5.5	10.1	8.3	12.2
2006	7.6	8.4	11.1	11.8	1.6	5.2	8.8
2007	8.8	16.5	9.4	5.7	7.3	18.1	5.3
2008	9.0	6.0	8.2	-3.1	7.9	8.9	14.4
2008 Q2	10.4	8.1	10.9	-2.5	9.6	8.0	15.8
2008 Q3	9.2	8.5	9.1	-4.3	8.6	9.4	13.0
2008 Q4	6.2	7.0	4.7	-0.7	6.4	7.2	9.4
2009 Q1	6.2	4.2	4.3	13.0	4.1	7.6	7.2
2009 Q2	5.7	9.2	1.2	8.7	1.9	13.7	7.6
	Labour productivity (constant prices)						
2005	5.1	5.0	9.1	18.3	1.4	-8.0	5.3
2006	6.1	20.2	15.9	14.3	-4.1	11.4	1.9
2007	8.1	15.7	10.2	0.9	9.3	5.9	8.9
2008	3.5	5.8	-5.1	5.7	11.3	5.4	7.7
2008 Q2	4.8	-4.3	4.2	0.3	6.8	4.2	10.0
2008 Q3	3.2	5.4	-10.8	-0.4	14.4	7.9	8.0
2008 Q4	0.4	14.0	-19.2	18.0	14.2	6.5	4.8
2009 Q1	-5.3	-9.2	-7.6	-18.0	-16.0	1.2	6.3
2009 Q2	-4.1	22.1	0.8	-0.9	-8.5	-8.0	-5.3

Source: Statistical Office of the SR and NBS calculations.

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

TABLE 11 Industrial and construction production indices

(annual percentage changes, unless otherwise indicated)

	Industrial production by economic activity					Industrial production by MIG[2)]				Construction production
	Industry in total (index, 2005=100)	Industry in total	Manufacturing	Mining and quarrying	Electricity, gas, steam and air conditioning supply	Intermediate goods	Capital goods	Consumer goods		
								Durables	Non-durables	
	1	2	3	4	5	6	7	8	9	10
2005	100.0	-2.6	-3.0	-14.4	2.3	-3.6	-2.2	-9.5	-1.0	14.6
2006	112.2	12.2	16.7	-3.2	-2.9	6.6	32.3	35.5	20.1	14.9
2007	130.2	16.1	19.5	15.4	-0.4	6.3	46.5	37.6	-2.6	5.8
2008	134.0	2.9	3.2	-10.8	2.6	-2.6	10.2	2.7	0.6	12.0
2008 Q3	133.2	4.3	4.9	-29.8	8.2	-1.5	12.7	6.6	1.0	11.2
2008 Q4	122.5	-12.1	-13.3	-10.0	-6.0	-17.1	-18.1	4.5	-2.4	14.3
2009 Q1	107.9	-22.0	-24.7	-2.2	-9.8	-24.0	-34.8	15.5	-16.2	-13.6
2009 Q2	111.5	-21.4	-24.8	-3.4	-1.0	-18.3	-38.9	-7.5	-8.4	-5.9
2009 Feb.	103.8	-24.5	-26.6	-3.2	-15.5	-20.4	-40.6	7.3	-16.5	-11.0
2009 Mar.	117.3	-16.8	-19.6	3.2	-3.7	-18.3	-30.0	33.1	-16.3	-5.7
2009 Apr.	109.5	-22.8	-26.8	-7.9	2.7	-23.6	-46.2	24.1	-5.9	-13.9
2009 May	109.4	-23.0	-25.5	-4.4	-10.1	-15.9	-40.1	-22.1	-3.3	-3.9
2009 June	115.7	-18.5	-22.2	2.3	5.8	-15.2	-30.4	-23.5	-15.9	-0.3
2009 July	108.7	-21.6	-23.7	5.3	-14.1	-10.4	-40.7	-19.7	-10.8	-5.7
	month-on-month percentage changes[1)]									
2009 Feb.	107.5	0.7	0.5	5.5	-2.8	20.4	-2.4	0.9	-2.0	18.0
2009 Mar.	112.3	4.5	3.2	1.4	5.6	-2.6	-1.4	12.5	-2.0	-0.6
2009 Apr.	110.9	-1.2	-1.5	4.7	2.2	-1.6	-3.8	-1.6	5.1	-2.8
2009 May	108.3	-2.3	-2.8	-4.7	-4.1	5.2	0.9	-35.6	-0.9	5.1
2009 June	114.7	5.9	6.8	1.8	3.4	2.4	4.0	4.0	-7.0	-2.0
2009 July	114.2	-0.4	-1.0	5.8	0.6	5.3	-0.8	0.3	3.2	-2.4

Source: Statistical Office of the SR, NBS calculations; adjusted for calendar effects, not seasonally adjusted (unless otherwise indicated).
1) Seasonally adjusted (except for construction production, not adjusted for calendar effects).
2) Structure according to Main Industrial Groupings.

TABLE 12 Receipts

(annual percentage changes)

Receipts by branch

	Industrial orders (manufacturing; constant prices)		Total receipts of sectors													Registration of new passenger cars and light trucks	
		Total		Receipts from own output and sales		Construction		Sale and maintenance of vehicles	Wholesale	Retail sale	Hotels and restaurants		Real estates, renting, business activities	Post and telecommunications	Transport and storage	Total in thosands of units	Annual percentage changes
											Accommodation	Restaurants					
	(index 1000 = 100)		current prices[2]	constant prices[1]	current prices[2]	constant prices[1]	current prices[2]	constant prices[1]	constant prices[1]	constant prices[1]	constant prices[1]	constant prices[1]	constant prices[1]	current prices[2]	current prices[2]	current prices[2]	current prices[2]
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2005	100.0	4.3	.	.	9.1	.	.	.	.	.	.	.	.	.	.	71.3	5.4
2006	129.6	29.6	.	.	15.8	.	.	.	.	.	.	.	.	.	.	78.6	10.2
2007	157.8	21.8	.	.	12.5	.	.	.	.	.	.	.	.	.	.	83.3	6.0
2008	160.2	1.5	.	3.6	5.9	16.4	.	7.0	13.7	9.1	-2.9	2.4	.	.	.	96.9	16.4
2008 Q1	174.0	17.1	.	11.7	13.6	16.1	.	19.3	15.8	14.7	-8.1	7.9	.	.	.	21.7	22.7
2008 Q2	173.6	10.7	.	13.1	15.2	15.7	.	11.1	17.5	7.7	9.3	7.7	.	.	.	26.5	20.5
2008 Q3	157.5	1.1	.	4.5	6.7	17.2	.	5.7	15.4	9.8	-3.0	-1.0	.	.	.	23.4	19.5
2008 Q4	135.6	-20.2	.	-12.3	-9.6	16.1	.	-4.8	7.3	5.6	-7.2	-3.2	.	.	.	25.3	5.4
2009 Q1	112.6	-35.2	-20.8	-25.2	-25.6	-20.8	-17.3	-24.9	-25.1	-11.0	-27.3	-27.4	-1.4	9.4	-14.5	16.2	-25.6
2009 Q2	116.1	-33.1	-22.5	-25.8	-29.0	-8.8	-6.1	-12.1	-29.5	-10.9	-27.9	-30.9	-5.8	9.9	-17.5	32.0	20.9
2008 Nov.	142.4	-16.7	.	-14.3	-12.6	17.2	.	-9.0	4.4	4.4	-8.0	1.5	.	.	.	6.7	-12.8
2008 Dec.	102.8	-32.0	.	-19.0	-16.3	9.6	.	-5.6	3.5	5.3	-14.0	-5.4	.	.	.	9.2	13.0
2009 Jan.	103.3	-38.1	-21.7	-28.9	-28.0	-23.1	-19.3	-34.0	-23.4	-6.5	-28.7	-28.7	0.0	7.7	-16.3	4.0	-41.8
2009 Feb.	108.8	-38.5	-23.9	-29.4	-29.6	-20.3	-16.8	-33.3	-27.8	-14.6	-29.0	-25.9	-3.3	11.1	-10.7	4.5	-39.1
2009 Mar.	125.8	-29.3	-17.0	-17.4	-19.1	-19.1	-16.3	-7.3	-24.2	-11.8	-24.1	-27.6	-0.8	9.5	-16.5	7.7	2.5
2009 Apr.	114.1	-38.4	-23.6	-29.3	-31.1	-11.9	-9.3	-15.0	-28.9	-9.2	-25.9	-29.2	-5.6	10.8	-17.3	10.9	17.1
2009 May	112.5	-33.4	-23.3	-26.6	-30.2	-6.2	-3.6	-15.3	-30.2	-12.3	-30.0	-30.8	-5.0	10.4	-18.5	9.6	17.4
2009 June	121.7	-27.0	-20.7	-21.4	-25.6	-8.2	-5.5	-5.9	-29.5	-11.3	-27.7	-32.8	-6.8	8.5	-16.7	11.5	28.1
2009 July	117.9	-27.3	-21.7	-23.4	-27.1	-6.7	-4.1	-12.2	-30.4	-11.1	-24.7	-31.4	-8.2	-0.4	-10.8	11.2	20.1

Sources: Statistical Office of the SR, Eurostat, Automotive Industry Association of the SR and NBS calculations.
1) At constant prices of December 2005. Quarterly data refer to a simple average of indices (the same period of the previous year = 100) at constant prices for corresponding three months.
2) At current prices.
3) At constant prices of December 2000.

TABLE 12 Receipts

(annual percentage changes)

Receipts (Main Industrial Groupings)

	Minning and quarrying; manufacturing			Energy		Intermediate goods and capital goods			Consumer goods			
		Minning and quarrying	Manufacturing		Energy excluding supply of electricity, gas, steam, air condicioning and water		Intermediate goods	Capital goods		Durable consumer goods	Non/durable consumer goods	Consumer goods excluding food, beverages and tobacco
	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]	current prices[1]
	1	2	3	4	5	6	7	8	9	10	11	12
2005	9.4	18.3	9.3	9.3	16.0	7.2	13.2	-0.2	15.2	47.8	2.6	25.5
2006	16.4	16.1	16.4	16.9	33.1	14.6	9.5	22.4	19.1	43.8	4.5	26.6
2007	14.4	-1.4	14.7	1.5	-2.1	18.1	8.8	30.8	10.5	27.4	-1.6	16.2
2008	3.7	18.0	3.6	20.9	11.9	2.8	0.5	5.6	4.6	3.6	4.9	3.8
2008 Q1	11.6	13.5	11.6	28.2	34.9	10.6	6.8	15.0	9.9	13.9	6.3	11.0
2008 Q2	13.0	27.8	12.9	28.6	13.1	14.7	9.1	21.3	7.2	2.9	11.3	5.9
2008 Q3	4.8	22.1	4.6	22.5	26.9	4.5	3.1	6.2	-0.7	-6.8	4.4	-3.7
2008 Q4	-14.5	8.7	-14.7	4.4	-27.1	-18.4	-17.0	-20.0	1.8	4.4	-2.4	1.9
2009 Q1	-31.7	5.4	-32.0	-7.3	-44.6	-36.0	-33.4	-38.7	-12.7	-7.7	-17.4	-11.1
2009 Q2	-32.2	-10.3	-32.4	-15.2	-31.5	-36.1	-33.9	-38.3	-17.2	-9.4	-24.1	-16.0
2008 Nov.	-17.1	4.6	-17.2	2.1	-31.8	-18.9	-19.3	-18.4	-8.0	-6.6	-10.0	-7.8
2008 Dec.	-22.5	16.1	-22.8	-4.0	-48.5	-26.9	-25.1	-29.0	1.7	-4.2	7.5	-2.5
2009 Jan.	-36.0	16.4	-36.4	-2.2	-43.0	-40.6	-36.1	-45.1	-18.9	-19.7	-17.9	-19.8
2009 Feb.	-36.1	2.0	-36.4	-9.3	-47.6	-40.1	-35.3	-44.8	-17.9	-15.9	-20.0	-16.8
2009 Mar.	-23.0	-2.1	-23.1	-10.4	-43.0	-27.4	-28.7	-26.0	-1.2	12.5	-14.5	3.5
2009 Apr.	-35.0	-26.2	-35.1	-11.4	-26.6	-42.4	-36.2	-48.5	-8.4	9.4	-24.5	-3.7
2009 May	-33.2	0.8	-33.6	-17.6	-33.1	-36.6	-34.2	-39.1	-20.6	-15.7	-24.6	-19.9
2009 June	-28.4	-5.6	-28.6	-16.6	-34.8	-29.3	-31.2	-27.4	-22.5	-21.9	-23.1	-24.3
2009 July	-31.2	-8.4	-31.4	-16.1	-44.2	-34.1	-30.4	-37.9	-13.3	-0.3	-21.0	-11.0

Sources: Statistical Office of the SR, Eurostat and NBS calculations.
1) At current prices.

TABLE 13 Nominal average wages

(annual percentage changes)

	Wages[1]													
	Total		Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Hotels and restaurants	Transport, storage and communication	Financial intermediation	Real estate, renting and business activities	Public administration and defence; social security	Education	Health and social work activities	Other social services
	EUR	year-on-year % changes												
2005	573.4	9.2	7.8	7.2	6.0	8.3	7.6	8.5	5.7	9.4	9.4	10.3	8.4	8.4
2006	622.8	8.0	8.6	6.8	5.0	7.4	6.7	6.5	9.6	10.3	10.3	8.5	8.5	6.2
2007	668.7	7.2	10.3	6.4	6.9	6.4	6.2	8.9	6.7	5.7	6.8	7.7	15.6	9.0
2008	723.0	8.1	8.9	6.9	7.7	9.8	2.9	5.4	3.6	9.2	8.8	8.5	11.9	9.5
2008 Q1	678.6	10.0	8.3	8.4	7.3	8.5	3.8	8.1	7.2	11.7	12.4	11.4	16.4	9.6
2008 Q2	712.3	9.5	11.8	8.7	7.3	10.6	2.5	3.9	0.7	13.2	9.9	10.8	14.1	10.6
2008 Q3	704.6	8.8	11.2	7.8	8.6	10.9	2.6	6.8	5.2	7.4	12.0	6.0	9.5	9.2
2008 Q4	796.4	4.6	3.9	3.5	7.2	9.0	2.6	2.6	1.5	3.6	2.5	6.1	7.7	8.6
2008 Q4	796.4	4.6	3.9	3.5	7.2	9.0	2.6	2.6	1.5	3.6	2.5	6.1	7.7	8.6

	EUR	year-on-year % changes	Agriculture, forestry and fishing	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles	Transporting and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence; social security	Education	Human health and social work activities	Arts, entertainment and recreation	Other services activities
2009 Q1[2]	710.5	4.7	-1.1	3.0	2.7	1.2	3.7	-8.5	3.9	-2.3	-6.0	9.1	7.9	11.0	7.8	6.7	8.0	7.4
2009 Q2	732.5	2.8	4.9	1.5	2.2	4.4	1.1	-6.7	3.5	3.8	-1.9	4.6	7.1	4.2	7.5	4.9	5.1	6.7

	EUR	Industry	Construction	Sale, maintenance and repair of motor vehicles	Wholesale	Retail trade	Accomodation	Restaurants and catering	Transporting and storage	Information and communication	Selected market services
2009 Jan.[2])	673.8	4.1	3.7	3.1	2.1	6.3	11.5	5.7	8.5	3.2	8.1
2009 Febr.	656.8	2.1	3.2	3.2	0.5	6.3	13.3	7.3	2.3	4.3	5.5
2009 Mar.	682.6	2.9	1.4	3.8	-1.8	3.0	7.3	2.9	-1.2	8.5	6.2
2009 Apr.	682.4	2.5	5.1	1.9	1.7	4.2	8.9	6.5	3.6	3.2	6.5
2009 May	684.3	-0.7	0.2	-0.6	1.9	3.6	6.6	0.8	-0.1	5.7	5.8
2009 June	709.3	2.9	1.2	0.8	1.1	3.3	2.1	2.6	1.4	-0.9	6.3
2009 July	700.9	0.9	3.5	-3.4	0.0	2.9	-0.2	1.7	1.1	1.4	15.3

Source: Statistical office of the SR and NBS calculations.
1) Statistical reports.
2) The Statistical office of the SR has applied new classification of economic activities SK NACE since 2009.

TABLE 14 Business and consumer surveys

(percentage balances[1], unless otherwise indicated; seasonally adjusted)

	Economic sentiment indicator [2] (long-term average = 100)	Manufacturing industry					Consumer confidence indicator				
		Industial confidence indicator				Capacity utilisation[3] (percentages)					
		Total[4]	Order books	Stocks of finished products	Production expectations		Total[4]	Financial situation over next 12 months	Economic situation over next 12 months	Unemployment situation over next 12 months	Savings over next 12 months
	1	2	3	4	5	6	7	8	9	10	11
2005	101.7	5.5	-6.2	2.2	24.8	78.8	-13.5	-10.9	-8.9	-1.0	-35.4
2006	110.4	9.0	-1.8	0.9	29.6	74.4	-9.8	-6.1	-6.1	-3.6	-30.5
2007	111.5	14.2	4.7	-4.1	33.8	74.0	-0.2	1.1	6.8	-13.1	-21.7
2008	90.9	-4.2	-11.7	3.6	2.8	69.3	-12.7	-13.6	-12.4	-0.2	-25.0
2008 Q2	94.0	-0.9	-7.0	0.0	4.0	72.1	-11.5	-17.0	-12.0	-9.0	-27.0
2008 Q3	95.0	0.0	-7.0	4.0	10.0	70.2	-10.1	-15.0	-9.0	-9.0	-25.0
2008 Q4	72.6	-20.8	-33.0	10.0	-19.0	61.1	-22.2	-15.0	-21.0	27.0	-26.0
2009 Q1	57.4	-30.1	-45.1	17.6	-27.8	52.1	-40.9	-21.5	-43.7	68.8	-29.5
2009 Q2	49.3	-25.8	-52.5	15.1	-9.8	51.4	-39.0	-21.0	-48.0	56.1	-30.9
2009 Mar.	49.5	-31.0	-46.6	19.6	-27.0	-	-45.4	-24.9	-50.9	76.5	-29.1
2009 Apr.	45.9	-30.9	-50.6	17.0	-25.2	50.9	-44.3	-27.3	-53.5	63.0	-33.3
2009 May	46.5	-29.9	-52.2	9.5	-28.0	-	-36.8	-18.3	-44.6	54.7	-29.4
2009 June	55.4	-16.5	-54.7	18.8	23.9	-	-36.0	-17.5	-45.8	50.7	-30.1
2009 July	58.2	-9.9	-46.9	7.2	24.2	51.9	-34.7	-18.5	-45.2	46.4	-28.9
2009 Aug.	60.8	-11.4	-47.2	6.1	19.0	-	-34.3	-18.2	-42.1	47.7	-29.2

Source: European Commission.
1) Difference between the percentages of respondents giving positive and negative replies.
2) The economic sentiment indicator is composed of the industrial, services, consumer, construction, and retail trade confidence indicators; the indistrial confidence indicator has a weight of 40%, the services confidence indicator a weight of 30%, the consumer confidence indicator a weight of 20%, and construction and retail trade indicators a weight of 5% each. Values of the economic sentiment indicator above (below) 100 indicate above – average (below – average) economic sentiment, calculad for the period 1993 to 2009.
3) Data are collected in January, April, July and October each year. The quarterly figures shown are averages of two succesive surveys. Annual data are derived from quarterly averages.
4) The confidence indicators are calculated as simple averages of the components shown; the assesments of stocks (columns 4 and 17) and unemployment (column 10) are used with inverted signs for the calculation of confidence indicators.

TABLE 14 Business and consumer surveys (continuation)

(percentage balances[1], unless otherwise indicated; seasonally adjusted)

	Construction confidence indicator			Retail trade indicator				Services confidence indicator			
	Total[4]	Order books	Employment expectations	Total[4]	Present business situation	Volume of stocks	Expected business situation	Total[4]	Business climate	Demand in recent months	Demand in the months ahead
	12	13	14	15	16	17	18	19	20	21	22
2005	-10.1	-24.6	4.5	14.6	14.8	5.1	34.2	33.6	24.6	33.7	42.5
2006	-1.6	-15.8	12.6	22.5	30.5	-2.7	34.2	43.5	40.1	43.9	46.7
2007	-4.8	-20.5	10.8	20.5	33.4	5.9	34.2	34.9	29.2	32.2	43.1
2008	-6.6	-23.8	10.6	20.0	32.7	7.2	34.5	19.0	10.6	20.1	26.2
2008 Q2	-6.9	-21.0	8.0	21.8	39.0	6.0	33.0	21.7	15.0	19.0	32.0
2008 Q3	-4.5	-22.0	13.0	21.3	32.0	7.0	39.0	21.6	10.0	22.0	32.0
2008 Q4	-10.1	-29.0	9.0	10.8	18.0	12.0	26.0	5.3	1.0	9.0	7.0
2009 Q1	-25.4	-32.9	-17.9	-6.9	3.6	19.0	-5.4	-2.2	-2.7	2.5	-6.5
2009 Q2	-50.4	-57.9	-43.0	-21.3	-22.8	18.4	-22.7	-21.1	-27.9	-22.6	-12.8
2009 Mar.	-36.1	-39.4	-32.8	-22.8	-16.3	17.3	-34.8	-12.4	-12.7	-6.2	-18.5
2009 Apr.	-48.2	-52.8	-43.7	-22.5	-22.7	18.2	-26.6	-19.8	-28.7	-21.7	-8.9
2009 May	-50.2	-59.2	-41.1	-20.5	-19.5	20.3	-21.7	-24.0	-28.3	-30.1	-13.5
2009 June	-52.9	-61.6	-44.2	-20.9	-26.3	16.8	-19.8	-19.6	-26.8	-16.1	-16.0
2009 July	-52.8	-63.7	-41.9	-22.7	-32.4	12.5	-23.0	-21.9	-27.8	-27.1	-10.8
2009 Aug.	-51.3	-66.7	-35.9	-14.8	-27.3	11.8	-5.3	-16.3	-24.3	-11.0	-13.6

Source: European Commission.
1) Difference between the percentages of respondents giving positive and negative replies.
2) The economic sentiment indicator is composed of the industrial, services, consumer, construction, and retail trade confidence indicators; the indistrial confidence indicator has a weight of 40%, the services confidence indicator a weight of 30%, the consumer confidence indicator a weight of 20%, and construction and retail trade indicators a weight of 5% each. Values of the economic sentiment indicator above (below) 100 indicate above – average (below – average) economic sentiment, calculad for the period 1993 to 2009.
3) Data are collected in January, April, July and October each year. The quarterly figures shown are averages of two succesive surveys. Annual data are derived from quarterly averages.
4) The confidence indicators are calculated as simple averages of the components shown; the assesments of stocks (columns 4 and 17) and unemployment (column 10) are used with inverted signs for the calculation of confidence indicators.

TABLE 15 Employment and unemployment

(annual percentage changes)

	Employment[1]										Unemployment rate in %
	Total		Number of employees	Self-employed	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services	
	Thousands of persons	year-on-year % changes									
	1	2	3	4	5	6	7	8	9	10	11
2005	2,084.0	1.4	0.6	7.0	-1.9	-1.1	2.6	3.6	8.8	-0.8	16.2
2006	2,131.8	2.3	2.3	2.1	-7.2	1.2	4.9	5.3	4.2	0.4	13.3
2007	2,177.0	2.1	1.9	3.8	-6.5	2.4	7.1	5.1	-1.5	-0.2	11.0
2008	2,237.1	2.8	2.0	7.6	0.8	1.6	7.8	5.1	4.8	-1.0	9.6
2008 Q2	2,226.9	2.9	2.2	7.4	1.4	2.6	6.4	6.3	2.9	-1.9	10.1
2008 Q3	2,262.6	3.2	2.4	8.7	1.0	1.7	9.1	4.4	8.2	-0.2	9.0
2008 Q4	2,251.0	2.1	1.4	6.8	-0.1	-1.2	9.6	4.1	4.8	0.0	8.7
2009 Q1	2,199.9	-0.4	-1.9	9.7	-14.9	-8.0	7.6	2.6	5.3	1.9	10.5
2009 Q2	2,197.9	-1.3	-3.5	13.0	-8.5	-12.3	8.7	0.3	7.5	3.3	11.3
2009 Jan.[2]	1,361.7	-	-	-	-	-6.2	6.7	-2.5	-	-	9.0
2009 Febr.	1,345.9	-	-	-	-	-9.7	6.6	-3.2	-	-	9.7
2009 Mar.	1,322.0	-	-	-	-	-13.3	5.1	-5.4	-	-	10.3
2009 Apr.	1,302.6	-	-	-	-	-14.3	4.0	-5.8	-	-	10.9
2009 May	1,284.9	-	-	-	-	-16.0	3.2	-7.1	-	-	11.4
2009 June	1,274.6	-	-	-	-	-17.2	2.5	-7.9	-	-	11.8
2009 July	1,259.7	-	-	-	-	-17.8	1.8	-9.6	-	-	12.1

Source: Statistical Office of the SR.
1) ESA 95.
2) The Statistical Office of the SR has applied new classification of economic activities SK NACE since 2009.

TABLE 16 GDP – expenditure side

	Total	Domestic demand						External balance			
		Total	Final consumption of households	Final consumption of NPISHs	Final consumption of General government	Gross fixed capital formation	Changes in inventories	Balance	Exports of goods and services	Imports of goods and services	Statistical discrepancy
	1	2	3	4	5	6	7	8	9	10	11
	Current prices (EUR bln.)										
2005	49.32	51.58	27.69	0.52	9.13	13.09	1.15	-2.26	37.60	39.86	0.00
2006	55.08	57.20	30.75	0.54	10.57	14.59	0.74	-2.11	46.50	48.62	0.00
2007	61.50	62.13	33.80	0.56	10.65	16.05	1.07	-0.63	53.18	53.81	0.00
2008	67.33	68.98	37.44	0.59	11.57	17.47	1.92	-1.64	55.61	57.25	-0.01
2007 Q4	16.56	17.10	8.96	0.14	3.44	4.47	0.08	-0.54	14.53	15.07	0.00
2008 Q1	15.60	15.82	9.07	0.14	2.40	3.56	0.65	-0.14	14.18	14.32	-0.08
2008 Q2	16.72	16.89	9.08	0.15	2.75	4.53	0.37	-0.26	14.60	14.87	0.10
2008 Q3	17.66	17.91	9.55	0.15	2.78	4.70	0.73	-0.28	13.75	14.03	0.03
2008 Q4	17.35	18.36	9.73	0.15	3.64	4.68	0.16	-0.96	13.07	14.03	-0.06
2009 Q1	14.65	15.18	9.27	0.15	2.53	3.42	-0.19	-0.51	10.17	10.68	-0.03
2009 Q2	15.64	15.67	9.29	0.15	3.01	3.75	-0.56	0.12	10.74	10.62	-0.11
	Percentage of GDP										
2008	100.0	102.5	55.6	0.9	17.2	25.9	2.9	-2.4	82.6	85.0	0.0
	Chain-linked volumes, reference year 2000										
	Annual percentage changes										
2005	6.5	8.5	6.6	4.6	3.3	17.6	-	-	10.0	12.4	-
2006	8.5	6.5	5.9	-0.3	10.2	9.3	-	-	21.0	17.7	-
2007	10.4	6.5	7.1	2.0	-1.3	8.7	-	-	13.8	8.9	-
2008	6.4	6.4	6.1	1.4	4.3	6.8	-	-	3.2	3.3	-
2008 Q1	9.3	9.5	8.4	1.9	0.7	7.5	-	-	11.2	10.6	-
2008 Q2	7.9	7.0	5.7	1.0	9.6	11.8	-	-	8.1	7.7	-
2008 Q3	6.6	7.2	6.0	0.4	5.3	7.3	-	-	2.7	3.6	-
2008 Q4	2.5	2.8	4.7	2.2	2.3	1.4	-	-	-7.8	-6.7	-
2009 Q1	-5.6	-4.3	-1.2	-0.2	1.2	-4.1	-	-	-24.3	-22.6	-
2009 Q2	-5.3	-5.9	0.7	-0.7	5.9	-17.6	-	-	-20.5	-21.9	-
	Quarter-on-quarter percentage changes (seasonally adjusted)										
2008 Q1	-3.3	-3.2	1.8	0.2	1.5	2.2	-	-	2.4	3.2	-
2008 Q2	1.8	1.6	1.0	0.3	1.4	3.9	-	-	-4.4	-4.8	-
2008 Q3	1.8	1.7	1.4	-0.1	0.4	-1.6	-	-	-2.5	-2.1	-
2008 Q4	2.1	2.0	1.1	0.5	0.0	-3.8	-	-	-3.7	-3.3	-
2009 Q1	-11.0	-8.7	-4.6	-0.3	0.6	-4.6	-	-	-17.2	-15.7	-
2009 Q2	2.2	-0.6	3.2	-0.3	3.8	-6.7	-	-	4.3	-0.1	-

Source: Statistical Office of the SR .

TABLE 17 GDP – supply side

	Gross value added							Taxes on products
	Total	Agriculture, hunting and forestry; fishing	Industry	Construction	Wholesale and retail trade	Financial, real estate, renting and business activities	General government, education, healthcare and other services	
	1	2	3	4	5	6	7	8
	Current prices (mld. EUR)							
2005	43.81	1.60	13.02	2.95	11.29	7.76	7.19	5.50
2006	49.70	1.77	15.55	3.81	11.83	8.86	7.89	5.38
2007	55.35	1.96	17.34	4.38	13.55	9.36	8.75	6.15
2008	61.05	2.09	17.18	5.30	15.97	10.82	9.69	6.29
2008 Q1	14.30	0.44	4.67	1.05	3.59	2.49	2.05	1.30
2008 Q2	15.21	0.39	4.60	1.15	4.17	2.47	2.42	1.52
2008 Q3	15.98	0.74	4.19	1.35	4.35	2.97	2.38	1.67
2008 Q4	15.55	0.50	3.73	1.75	3.85	2.89	2.84	1.80
2009 Q1	13.16	0.35	3.42	0.95	3.20	2.85	2.40	1.48
2009 Q2	14.20	0.34	3.51	1.25	3.84	2.73	2.54	1.44
	Contribution to GDP (%)							
2008	90.7	3.1	25.5	7.9	23.7	16.1	14.4	9.3
	Chain-linked volumes. reference year 2000							
	Annual percentage changes							
2005	5.7	2.9	7.9	20.9	5.3	0.0	3.8	13.3
2006	10.1	11.8	17.2	20.4	0.1	15.9	2.3	-4.6
2007	10.4	9.2	13.0	7.8	14.1	4.2	8.2	10.7
2008	7.2	6.6	-3.7	14.0	17.0	10.5	6.7	-0.6
2007 Q4	12.3	20.0	17.9	5.8	16.7	9.1	1.2	34.4
2008 Q1	10.2	6.4	11.4	7.3	16.2	5.5	6.3	-0.1
2008 Q2	8.6	-2.9	6.9	6.6	13.6	7.2	8.0	1.7
2008 Q3	6.9	6.0	-9.3	8.7	19.4	16.8	7.8	3.7
2008 Q4	3.6	13.9	-20.2	29.3	18.8	11.6	4.8	-6.3
2009 Q1	-7.5	-22.7	-15.1	-11.8	-13.8	6.5	8.3	14.9
2009 Q2	-5.5	11.7	-11.7	7.7	-8.2	-1.2	-2.2	-3.9

Source: Statistical Office of the SR.

5 PUBLIC FINANCES

TABLE 18 Central government budget

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

	Budget balance	Total revenues	Tax revenues	Individual income tax	Corporate tax	Withholding taxes	Value added tax	Excise taxes	Other taxes	Non-tax revenues	Grants and transfers	Foreign transfers	Total expenditures	Current	Capital
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2005	-1,124.8	8,587.1	7,388.8	92.7	1,396.4	128.0	4,063.8	1,659.3	48.6	700.8	497.5	460.4	9,711.9	8,667.3	1,044.6
2006	-1,051.5	9,691.9	7,842.8	85.8	1,568.7	161.3	4,264.1	1,730.9	32.0	647.0	1,202.0	677.8	10,743.4	9,388.9	1,354.5
2007	-781.0	10,695.7	8,572.0	109.8	1,739.9	189.0	4,513.6	1,981.4	38.3	781.6	1,342.1	847.4	11,476.7	9,857.1	1,621.0
2008	-703.8	11,352.3	9,022.1	119.5	2,121.1	206.0	4,633.9	1,905.3	36.3	873.9	1,455.6	837.3	12,056.1	10,449.4	1,606.7
2007 Q4	-781.0	10,695.7	8,572.0	109.8	1,739.9	189.0	4,513.6	1,981.4	38.3	781.6	1,342.1	847.4	11,476.7	9,857.1	1,621.0
2008 Q1	113.7	2,687.6	2,209.6	-1.1	645.5	58.3	930.4	566.6	9.9	164.0	314.0	310.1	2,573.9	2,437.4	136.5
2008 Q2	-136.5	5,185.2	4,269.8	-26.2	1,120.2	105.3	2,099.3	951.7	19.5	366.3	548.9	537.9	5,321.7	4,890.1	431.6
2008 Q3	142.7	8,029.6	6,466.2	3.3	1,646.4	154.0	3,239.7	1,397.5	25.3	582.1	978.9	659.1	7,886.9	7,710.1	776.8
2008 Q4	-703.8	11,352.3	9,022.1	119.5	2,121.1	206.0	4,633.9	1,905.3	36.3	873.9	1,455.6	837.3	12,056.1	10,449.4	1,606.7
2008 Oct.	262.3	9,125.1	7,422.2	16.6	1,805.7	169.2	3,823.9	1,576.7	30.1	677.1	1,004.6	671.0	8,862.8	7,943.3	919.5
2008 Nov.	318.7	10,193.8	8,099.3	19.9	1,905.3	190.0	4,212.3	1,736.1	35.4	756.7	1,338.3	740.2	9,875.1	8,799.7	1,075.4
2008 Dec.	-703.8	11,352.3	9,022.1	119.5	2,121.1	206.0	4,633.9	1,905.3	36.3	873.9	1,455.6	837.3	12,056.1	10,449.4	1,606.7
2009 Jan.	100.3	706.7	662.2	-60.0	66.1	33.6	365.9	253.8	2.8	44.1	0.3	0.0	606.4	602.9	3.5
2009 Feb.	-185.1	1,411.0	1,167.4	-69.7	198.7	43.9	399.0	589.5	6.0	83.8	159.8	158.6	1,596.1	1,565.8	30.3
2009 Mar.	-204.6	2,410.7	1,979.3	-4.4	663.2	55.2	574.8	682.3	8.2	118.9	312.5	310.1	2,615.3	2,496.2	129.1
2009 Apr.	-347.4	3,326.4	2,629.6	-129.2	855.0	70.5	1,037.1	785.4	10.8	316.6	380.2	373.3	3,673.8	3,436.5	237.3
2009 May	-831.6	3,945.5	3,112.6	-133.4	943.0	80.9	1,315.9	893.1	13.1	367.3	465.6	454.8	4,777.1	4,426.8	350.3
2009 June	-1,108.4	4,605.0	3,700.3	-81.6	1,165.3	91.1	1,508.8	1,001.3	15.4	419.9	484.8	469.7	5,713.4	5,261.7	451.7
2009 July	-914.4	5,799.5	4,499.9	-61.5	1,368.4	101.6	1,956.2	1,117.9	17.3	483.3	816.3	493.8	6,713.9	6,043.4	670.5
2009 Aug.	-1,206.3	6,441.1	5,049.7	-71.8	1,488.8	109.8	2,250.2	1,253.2	19.5	542.7	848.7	537.7	7,647.4	6,793.0	854.4

Source: Ministry of Finance and NBS calculations.

TABLE 18 Central government budget

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

(annual percentage changes)

	Budget balance	Total revenues											Total expenditures		
			Tax revenues							Non-tax revenues	Grants and transfers	Foreign transfers		Current	Capital
				Individual income tax	Corporate tax	Withholding taxes	Value added tax	Excise taxes	Other taxes						
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
2006	-6.5	12.9	6.1	-7.4	12.3	26.0	4.9	4.3	-34.2	-7.7	141.6	47.2	10.6	8.3	29.7
2007	-25.7	10.4	9.3	28.0	10.9	17.2	5.9	14.5	19.7	20.8	11.7	25.0	6.8	5.0	19.7
2008	-9.9	6.1	5.3	8.8	21.9	9.0	2.7	-3.8	-5.2	11.8	8.5	-1.2	5.0	6.0	-0.9
2007 Q4	-25.7	10.4	9.3	28.0	10.9	17.2	5.9	14.5	19.7	20.8	11.7	25.0	6.8	5.0	19.7
2008 Q1	-128.8	15.3	16.4	-84.5	44.1	0.2	-5.5	39.0	33.8	16.2	7.6	10.4	-5.6	-3.5	-31.9
2008 Q2	-62.6	7.1	4.6	47.2	9.9	3.2	0.1	10.0	17.5	9.6	29.1	32.8	2.2	3.8	-13.0
2008 Q3	-799.6	5.8	6.6	-68.1	19.2	4.1	3.1	2.8	-2.3	10.0	-1.3	36.5	3.7	13.7	-5.9
2008 Q4	-9.9	6.1	5.3	8.8	21.9	9.0	2.7	-3.8	-5.2	11.8	8.5	-1.2	5.0	6.0	-0.9
2008 Oct.	14.7	4.5	6.5	-34.4	18.6	4.7	3.7	2.3	0.0	12.7	-13.6	4.3	4.2	5.1	-2.9
2008 Nov.	76.2	5.8	4.0	-34.7	19.1	7.8	0.9	-1.9	5.0	-20.0	10.9	8.7	4.4	5.7	-4.9
2008 Dec.	-9.9	6.1	5.3	8.8	21.9	9.0	2.7	-3.8	-5.2	11.8	8.5	-1.2	5.0	6.0	-0.9
2009 Jan.	-76.8	-39.2	-39.8	190.9	-35.5	13.5	-42.6	-27.2	-17.6	-26.5	-72.7	-100.0	-16.8	-16.7	-12.5
2009 Feb.	-458.7	-17.5	-18.9	32.3	0.5	-2.4	-49.1	28.4	-11.8	-30.7	6.3	6.6	-3.8	-1.9	-52.4
2009 Mar.	-279.9	-10.3	-10.4	300.0	2.7	-5.3	-38.2	20.4	-17.2	-27.5	-0.5	0.0	1.6	2.4	-5.4
2009 Apr.	-234.9	-11.7	-15.9	142.9	-0.5	-10.6	-33.0	15.6	-18.8	30.4	-4.1	-4.5	4.7	4.5	8.7
2009 May	708.9	-10.8	-13.8	46.0	0.2	-12.9	-28.5	10.0	-20.1	17.3	-6.8	-7.1	5.5	5.7	3.2
2009 June	712.0	-11.2	-13.3	211.5	4.0	-13.5	-28.1	5.2	-21.0	14.6	-11.7	-12.7	7.4	7.6	4.7
2009 July	4,404.4	-6.4	0.2	485.7	12.7	-17.6	-9.9	15.4	-22.4	4.0	39.7	-13.7	7.9	6.6	21.5
2009 Aug.	-812.5	-10.5	-11.7	412.9	3.3	-20.1	-21.8	0.4	-21.7	2.2	-10.3	-14.5	8.9	6.4	34.1

Source: Ministry of Finance and NBS calculations.

6 BALANCE OF PAYMENTS

TABLE 19 Balance of payments

(EUR bln. unless otherwise indicated)

	Goods			Services			Income	Current transfers	Current account	Capital account	Direct investment	Portfolio investment	Other investment	Financial account
	Export	Import	Balance	Export	Import	Balance								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2005	32,864	35,320	-2,456	4,538	4,208	330	-2,075	16	-4,186	-19	2,347	-1,038	4,916	6,224
2006	40,924	43,422	-2,498	5,332	4,587	745	-2,446	-54	-4,252	-40	4,122	1,441	-4,073	1,490
2007	47,160	47,870	-710	5,755	5,320	435	-2,634	-368	-3,277	377	2,363	-536	3,961	5,788
2008	49,544	50,257	-714	6,001	6,488	-487	-2,295	-893	-4,390	806	2,113	1,579	1,371	5,063
2007 Q4	12,956	13,469	-513	1,518	1,457	60	-879	21	-1,311	188	864	-745	996	1,115
2008 Q1	12,730	12,736	-6	1,389	1,482	-93	-117	-214	-430	139	-195	656	74	535
2008 Q2	13,065	13,258	-193	1,489	1,595	-106	-1,210	-216	-1,725	402	562	425	663	1,650
2008 Q3	12,223	12,275	-52	1,543	1,666	-123	-572	-196	-943	82	663	504	88	1,255
2008 Q4	11,524	11,988	-464	1,580	1,746	-166	-395	-267	-1,292	183	1,083	-6	547	1,624
2009 Q1	8,957	9,089	-133	1,026	1,423	-396	-79	-55	-662	253	176	-649	1,086	613
2009 Q2	9,512	9,084	427	1,176	1,422	-245	-196	-161	-175	.	.	.	.	.
2008 Nov.	3,901	4,093	-192	475	514	-40	-6	-115	-353	14	338	261	132	730
2008 Dec.	2,914	3,256	-342	559	634	-75	-138	-48	-603	116	691	-490	159	360
2009 Jan.	2,734	2,999	-265	358	444	-85	20	-68	-399	-11	15	951	-1,532	-565
2009 Feb.	2,903	2,871	32	324	484	-159	-25	27	-126	273	276	-425	1,349	1,199
2009 Mar.	3,329	3,316	13	344	495	-152	-74	-13	-225	-9	-115	-1,175	1,269	-21
2009 Apr.	3,310	2,995	314	347	495	-148	-49	-41	77	133	-133	-573	1,026	321
2009 May	2,994	2,857	137	354	452	-98	-112	-24	-98	7	-362	1,452	-744	346
2009 June	3,213	3,248	-35	475	480	-5	-42	-96	-177	7	-386	-961	949	-398
2009 July	3,026	2,976	49	412	544	-132	-21	-45	-148	.	.	.	.	.

(annual percentage growth)

	Goods		Services	
	Export	Import	Export	Import
	15	16	17	18
2005	11.1	13.1	13.8	13.7
2006	24.5	22.9	17.5	9.0
2007	15.2	10.2	-71.6	16.0
2008	5.1	5.0	0.6	22.0
2008 Q4	-11.0	-11.0	4.1	19.8
2009 Q1	-29.6	-28.6	-26.1	-4.0
2009 Q2	-27.2	-31.5	-21.0	-10.8
2008 Nov.	-15.5	-14.2	-4.3	15.5
2008 Dec.	-19.1	-18.3	0.7	28.7
2009 Jan.	-34.2	-27.1	-24.2	-11.6
2009 Feb.	-33.7	-34.3	-29.0	-6.4
2009 Mar.	-20.6	-22.1	-25.3	6.9
2009 Apr.	-26.0	-36.3	-29.1	-7.3
2009 May	-29.5	-30.9	-27.1	-13.9
2009 June	-26.0	-26.3	-7.5	-10.4
2009 July	-26.2	-29.6	-32.7	-10.4

Source: NBS and Statistical Office of the SR.

7 EXTERNAL ENVIRONMENT

Table 20 Euro area

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

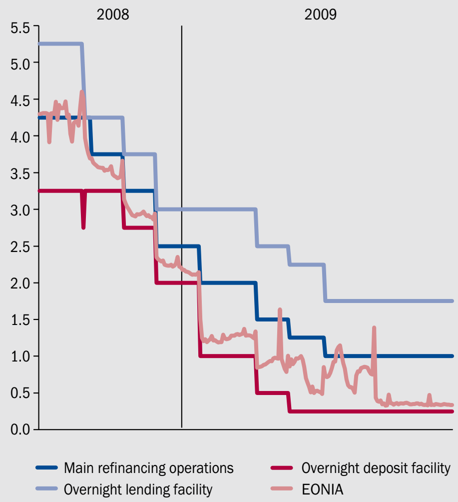
	Prices			Real economy				Financial market
	HICP	HICP[1] (core inflation)	PPI	GDP [2)4)5)]	Industrial production[2),3)]	Retail trade (sales)[2),3)]	Unemployment (% of the labour force)[6)]	10-year bonds (yield to maturity in %)
2006	2.2	1.5	5.1	3.0	4.2	2.3	8.3	3.86
2007	2.1	2.0	2.7	2.7	3.7	1.4	7.5	4.33
2008	3.3	2.4	6.0	0.7	-1.7	-0.7	7.6	4.36
2008 Q2	3.6	2.5	7.0	1.5	1.1	-0.2	7.4	4.50
2008 Q3	3.8	2.5	8.4	0.5	-1.4	-1.0	7.6	4.61
2008 Q4	2.3	2.2	3.4	-1.7	-9.0	-1.9	8.0	4.17
2009 Q1	1.0	1.6	-2.0	-4.9	-18.4	-3.2	8.8	4.15
2009 Q2	0.2	1.5	-5.7	-4.7	-18.5	-2.3	9.3	4.19
2009 May	0.0	1.5	-5.9	-	-17.6	-3.1	9.3	4.14
2009 June	-0.1	1.3	-6.5	-	-16.7	-2.0	9.4	4.32
2009 July	-0.6	1.2	-8.5	-	-15.9	-1.8	9.5	4.09
2009 Aug.	-0.2	1.2	.	-	.	.	.	3.89

Source: Eurostat, ECB, NBS calculations.
1) Overall inflation, excluding energy and unprocessed food prices.
2) Constant prices.
3) Adjusted for calendar effects.
4) Adjusted for seasonal and calendar effects.
5) Annual data are not adjusted for calendar effects.
6) Harmonised data, ILO definition, seasonally adjusted.

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

Source: ECB.
Note: Negative values denote appreciation.

Chart 2 ECB interest rates and the EONIA (%)



Source: ECB.

Table 21 Czech Republic

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

	Prices			Real economy				Financial market
	HICP	HICP[1] (core inflation)	PPI	GDP[2)4)5)]	Industrial production[2),3)]	Retail trade (sales)[2),3)]	Unemployment (% of the labour force)[6)]	10-year bonds (yield to maturity in %)[7)]
2006	2.1	0.9	1.5	6.8	8.7	8.9	7.1	3.80
2007	3.0	3.1	4.1	6.1	10.8	7.8	5.3	4.30
2008	6.3	5.8	4.5	3.0	-2.2	4.0	4.4	4.63
2008 Q2	6.7	6.2	5.1	4.0	3.6	6.6	4.3	4.90
2008 Q3	6.5	5.9	5.5	2.9	-1.3	3.8	4.3	4.60
2008 Q4	4.4	4.3	1.7	0.5	-11.9	1.8	4.5	4.45
2009 Q1	1.5	1.3	-1.2	-4.5	-18.9	0.4	5.5	4.70
2009 Q2	1.0	0.9	-3.6	-5.5	-17.9	-2.2	6.1	5.25
2009 May	0.9	0.9	-3.8	-	-20.0	-3.0	6.1	5.06
2009 June	0.8	0.8	-4.4	-	-14.4	-3.0	6.3	5.45
2009 July	-0.1	0.4	-4.9	-	.	.	6.4	5.41
2009 Aug.	0.0	0.1	.	-	.	.	.	5.09

Source: Eurostat, ECB, NBS calculations.
1) Overall inflation, excluding energy and unprocessed food prices.
2) Constant prices.
3) Adjusted for calendar effects.
4) Adjusted for seasonal and calendar effects.
5) Annual data are not adjusted for calendar effects.
6) Harmonised data, ILO definition, seasonally adjusted.
7) Long-term interest rates according to the Maastricht criteria.

Table 22 Hungary

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

	Prices			Real economy				Financial market
	HICP	HICP[1] (core inflation)	PPI	GDP[2)4)5)]	Industrial production[2),3)]	Retail trade (sales)[2),3)]	Unemployment (% of the labour force)[6)]	10-year bonds (yield to maturity in %)[7)]
2006	4.0	2.5	8.4	4.0	10.6	4.9	7.5	7.12
2007	7.9	6.7	6.5	1.2	8.1	-2.0	7.4	6.74
2008	6.0	5.1	11.6	0.6	-0.9	-1.8	7.8	8.24
2008 Q2	6.8	5.6	11.8	1.6	4.7	-1.3	7.7	8.20
2008 Q3	6.3	5.2	13.1	0.3	-1.8	-1.2	7.9	7.96
2008 Q4	4.2	3.8	10.8	-2.2	-12.1	-2.4	8.1	9.10
2009 Q1	2.7	2.9	4.9	-5.6	-21.8	-3.0	9.3	10.35
2009 Q2	3.6	3.3	2.1	-7.3	-22.0	-3.4	10.2	10.26
2009 May	3.8	3.3	1.8	-	-22.1	-4.1	10.3	10.01
2009 June	3.7	3.3	2.1	-	-18.8	-2.2	10.3	10.15
2009 July	4.9	5.2	-0.5	-	.	.	10.3	8.81
2009 Aug.	5.0	5.3	.	-	.	.	.	8.40

Source: Eurostat, ECB, NBS calculations.
1) Overall inflation, excluding energy and unprocessed food prices.
2) Constant prices.
3) Adjusted for calendar effects.
4) Adjusted for seasonal and calendar effects.
5) Annual data are not adjusted for calendar effects.
6) Harmonised data, ILO definition, seasonally adjusted.
7) Long-term interest rates according to the Maastricht criteria.

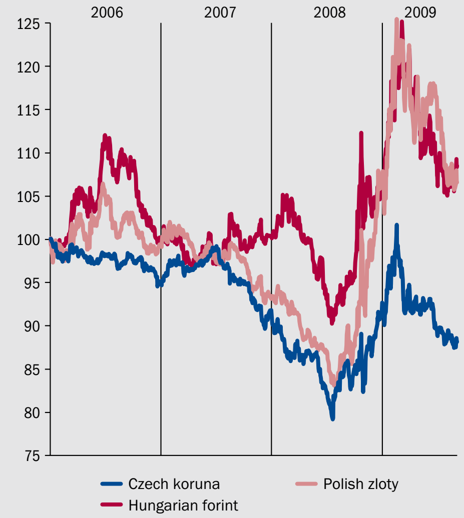
Table 23 Poland

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

	Prices			Real economy				Financial market
	HICP	HICP[1] (core inflation)	PPI	GDP[2),4),5)]	Industrial production[2),3)]	Retail trade (sales)[2),3)]	Unemploy-ment (% of the la-bour force)[6)]	10-year bonds (yield to maturity in %)[7)]
2006	1.3	0.6	3.4	6.2	12.2	12.5	13.9	5.23
2007	2.6	2.0	4.0	6.6	9.3	11.0	9.6	5.48
2008	4.2	3.6	5.4	5.0	2.3	4.4	7.2	6.07
2008 Q2	4.3	3.8	6.2	5.6	5.1	5.9	7.2	6.17
2008 Q3	4.4	3.7	5.9	4.9	1.1	4.3	6.9	6.15
2008 Q4	3.6	3.1	4.0	2.6	-6.0	0.4	6.9	6.09
2009 Q1	3.6	2.9	4.3	1.7	-11.7	5.3	7.7	5.88
2009 Q2	4.3	3.5	2.4	1.4	-5.4	2.9	8.2	6.28
2009 May	4.2	3.6	1.9	-	-5.1	2.1	8.2	6.31
2009 June	4.2	3.6	1.8	-	-4.5	2.0	8.2	6.34
2009 July	4.5	3.8	0.6	-	-4.6	4.4	8.2	6.19
2009 Aug.	4.3	3.6	.	-	.	.	.	6.08

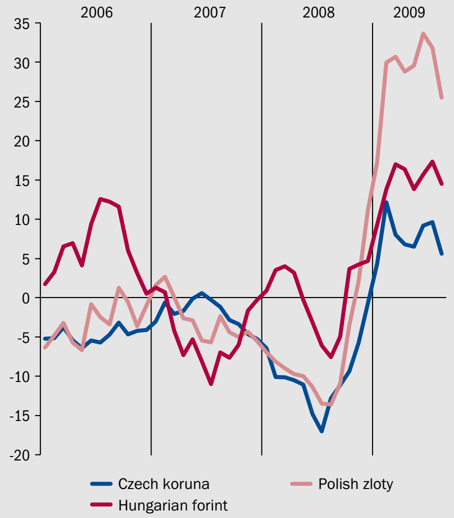
Source: Eurostat, ECB, NBS calculations.
1) Overall inflation, excluding energy and unprocessed food prices.
2) Constant prices.
3) Adjusted for calendar effects.
4) Adjusted for seasonal and calendar effects.
5) Annual data are not adjusted for calendar effects.
6) Harmonised data, ILO definition, seasonally adjusted.
7) Long-term interest rates according to the Maastricht criteria.

Chart 3 Exchange rate indices of V4 currencies against the euro (30 December 2005 = 100)



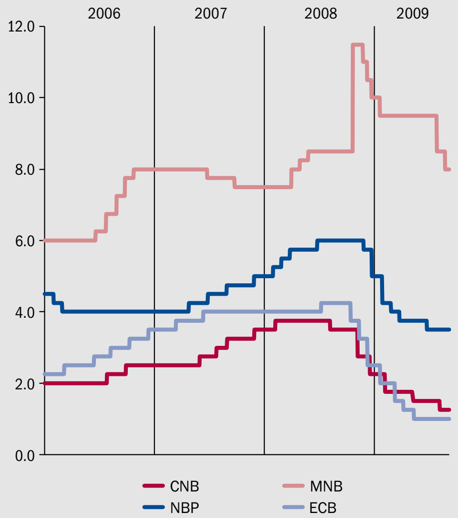
Source: Eurostat, NBS calculations.
Note: A fall in value denotes an appreciation.

Chart 4 Exchange rates of V4 currencies against the euro (year-on-year changes in %)



Sources: Eurostat, NBS calculations.
Note: Negative values denotes an appreciation.

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



Sources: ECB, national central banks.

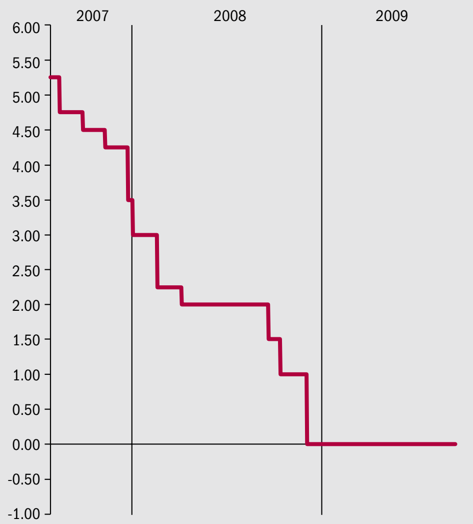
Table 24 United States

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

	Prices			Real economy				Financial market
	HICP	HICP[1] (core inflation)	PPI[2]	GDP[3]	Industrial production[4]	Retail trade[5]	Unemployment	10-year bonds (yield to maturity in %)
2006	3.2	2.5	3.0	2.7	2.2	6.2	4.6	4.80
2007	2.9	2.3	3.9	2.1	1.7	4.1	4.6	4.64
2008	3.8	2.3	6.3	0.4	-1.7	-0.8	5.8	3.66
2008 Q2	4.4	2.3	7.6	1.6	0.2	2.2	5.3	3.88
2008 Q3	5.3	2.5	9.4	0.0	-3.0	-0.1	6.0	3.86
2008 Q4	1.6	2.0	1.3	-1.9	-6.0	-2.2	6.8	3.23
2009 Q1	0.0	1.7	-2.2	-3.3	-11.4	-8.6	8.1	3.67
2009 Q2	-1.2	1.8	-4.2	-3.9	-13.7	-11.2	9.3	3.32
2009 May	-1.3	1.8	-4.7	-	-13.9	-11.4	9.4	3.29
2009 June	-1.4	1.7	-4.3	-	-14.2	-10.7	9.5	3.72
2009 July	-2.1	1.5	-6.4	-	-13.7	-10.3	9.4	3.56
2009 Aug.	.	.	-4.3	-	.	-7.3	9.7	3.59

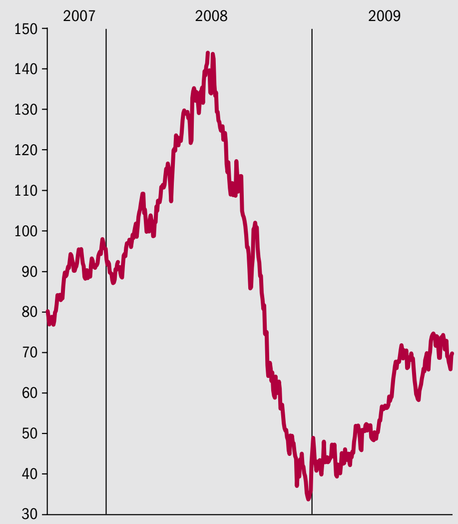
Source: Bureau of Economic Analysis, Bureau of Labour Statistics, Federal Reserve System, U.S. Department of Commerce.
1) Core CPI – inflation excluding food and energy.
2) PPI finished products.
3) Seasonally adjusted.
4) Industrial production in total (seasonally adjusted.)
5) Retail and food services sales.

Chart 6 United States (federal funds rate in %)



Source: Federal Reserve System.

Chart 7 Oil prices (USD/barrel)



Source: Reuters.