



FINTECH AND THE IMPLEMENTATION OF THE NBS INNOVATION HUB

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This article groups fintech into regulated, implicitly regulated and non-regulated categories according to the extent of applicable regulation. It then provides an overview of benefits and risks related to innovation implementation in financial services. The authors end the piece with a discussion of the motivation, purpose and design of the innovation hub recently introduced by Národná banka Slovenska. (p. 2)

MACROECONOMIC PROJECTIONS FOR SLOVAKIA ACCORDING THE JUNE 2019 MEDIUM-TERM FORECAST (MTF-2019Q2)

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After accelerating appreciably in 2018, the Slovak economy is starting to cool gradually. Annual GDP growth is projected to slow to 3.3% in 2019, while the impact of weaker growth in domestic demand is expected to be partly offset by the launch of new production capacity in the car industry. After the car industry supply shock has faded, economic growth is projected to moderate to 2.8% in 2021. The labour market situation is expected to remain favourable, although both employment growth and wage growth should ease over the medium-term projection period. The inflation rate is envisaged to remain at around 2.5%. (p. 6)

CURRENT TRENDS AND RISKS IN THE SLOVAK FINANCIAL SECTOR

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Financial stability is a key precondition for the sound functioning of the financial system. The system is stable when it is able to fulfil its basic functions and also to face significant shocks at times of crisis. This is why it is important, on a regular basis, to analyse developments in the financial system and to identify the presence and level of risks associated with them. This article looks at the financial market trends in the second half of 2018 and first months of this year and assesses the presence of financial sector risks from a financial stability perspective. (p. 8)

WORKFORCE COMPETITIVENESS IN SLOVAKIA

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The recent period has seen increasing debate about the fact that Slovak employers are facing sharp rises in labour costs due to labour shortages and that some current measures are exacerbating this situation. There have been significant increases in the minimum wage and in wage premia for work performed outside regular hours. Wage costs will come under further upward pressure from new mandatory recreational contributions payable by larger employers. Concerns are justifiably being raised about whether Slovakia is losing its competitive edge, with potential adverse repercussions for the future state of its economy. The purpose of this article is to look at labour cost developments in Slovakia in recent years and compare them with those in other central and eastern European (CEE) countries, as well as in the older EU countries (EU15). We also examine the ratio of labour costs to labour productivity in

Slovakia, and compare it with the same ratios in other countries. We conclude by considering the causes of wage level differences between Slovakia and advanced economies. The analysis focuses mainly on the post-crisis period of 2010–2018. (p. 13)

COMPOSITE INDEX FOR ASSESSING HOUSE PRICE DEVELOPMENT IN SLOVAKIA

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The dynamic growth in residential property prices during recent years has raised the question as to whether their increase is still sustainable or is the beginning of real estate bubble similar to that seen in mid-2008. Although this cannot be answered unambiguously, it is possible to quantify the risks associated with current housing price developments. Among the instruments that may be used for such analysis is a composite index covering selected representative partial indicators. Based on the calculated values and defined scales, we can roughly estimate the risk rate of housing price developments in the reference period. Furthermore, we can measure the impact of selected factors on the total value of the composite index. (p. 20)

THE COUNTERFEITING, ALTERATION, AND UNAUTHORISED PRODUCTION OF MONEY

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This article deals with the criminal side of the counterfeiting, alteration, and unauthorised production of money, looking, where practical, at the historical context of, and developments in, this type of criminal activity. Besides examining the crime designated as “the counterfeiting, alteration, and unauthorised production of money (or securities)”, the article also draws on the knowledge of criminal law enforcement and judicial authorities. The analysis of court decisions shows some of the (not very effective) ways in which money is counterfeited, as well as perpetrators and their motives. The article also examines what constitutes this crime and in which circumstances it may be subject to longer terms of imprisonment. (p. 24)

THE KREMNICA MINT: FROM ITS NATIONALISATION BY THE CZECHOSLOVAK REPUBLIC IN 1918 TO ITS PRODUCTION OF THE FIRST CZECHOSLOVAK COINS

Peter Zoričák

The Kremnica Mint plays a crucial role in ensuring domestic coin circulation. Among the longest continuously operating mints in the world, the Kremnica Mint was established on 17 November 1328 during the reign of King Charles Robert of Hungary. In 2018 the Mint marked its 690th anniversary and the 100th anniversary of its nationalisation by the then Czechoslovak Republic, on 16 December 1918. This article looks at the state of the mint when it was nationalised, after its minting technology and equipment had been totally removed, and its remaining facilities substantially destroyed, at the order of the Hungarian Finance Ministry. What followed was a clear example of how business operations were restored in the post-war conditions using all available human, technical and material resources. As a result, the Kremnica Mint was soon able to ensure the production of the Czechoslovak koruna coinage required by the new republic. (p. 28)