

**BANKA
SLOVENIJE**

EVROSISTEM



**MONTHLY REPORT
ON BANK PERFORMANCE**



JANUARY 2021

COMMENTARY IN BRIEF

Despite the worsening epidemiological situation and the deterioration in the business conditions, the banking system generated relatively high profits over the first eleven months of 2020, although much of this was due to a one-off factor, namely the merger of two banks. Pre-tax profit was down less than a fifth on the previous year, but in the absence of the one-off effect would have been down fully 53.9%. Similarly to the previous months, the banks directed the majority of the money from the increase in deposits by the non-banking sector into accounts at the central bank. The contraction in corporate loans and consumer loans continued, while housing loans continued to grow. In the final quarter non-performing exposures (NPEs) began to rise in the customer segments that have been hit hardest by the epidemiological crisis. The banking system's capital and liquidity positions remained sound.

The balance sheet total continued to grow in November: it increased by EUR 351 million to stand at EUR 44 billion, up 8.2% in year-on-year terms. In the wake of the renewed increase in deposits by the non-banking sector, as in previous months the banks have mainly increased their balances in accounts at the central bank.

Year-on-year growth in loans to the non-banking sector remained positive, but at 0.5% was at its lowest since November 2016. The stock of loans increased by EUR 31 million in November of last year, driven primarily by growth in housing loans and loans to non-residents. The latter have been increasing since September, although only at certain banks, and they continue to account for less than 3% of total assets. After two consecutive monthly increases, corporate loans declined by EUR 9 million in November, leaving them down 2.2% in year-on-year terms.

Year-on-year growth in household loans slowed to 0.4% in November, as a result of a decline in consumer loans (down 7.3% in year-on-year terms) and other loans (down 2.0%). The decline in the latter was primarily attributable to overdrawn current accounts and to borrowing via credit cards and payment cards. The contraction in consumer loans strengthened in November: the stock was down EUR 33 million, the second-largest monthly decline of last year. This can be attributed to the increased uncertainty during the second wave of the pandemic, reduced household income, and diminished opportunities to spend. As the real estate market remained relatively stable, housing loans continued to increase, and were up 4.2% in year-on-year terms in November.

After declining for months even during the pandemic, NPEs have begun to increase slightly in the last two months. The two-month increase of EUR 21 million was attributable in part to methodological changes in the disclosure of interest on NPEs, and in part to an actual increase in NPEs. The NPE ratio increased by 0.1 percentage points to 1.9% in the banks' portfolio as a whole, and by the same amount to 3.8% in the non-financial corporations portfolio and to 2.8% in the consumer loans portfolio. In the non-financial corporations portfolio there were notably sharp increases in the NPE ratio in accommodation and food service activities, where it rose by 2.6 percentage points over the last two months to 10.1%, and in public services, where it rose by 0.7 percentage points to 8.1%. The reclassification of claims to stages with increased credit risk in numerous other sectors is indicative of a likely deterioration in asset quality in other parts of the portfolio.

Year-on-year growth in deposits by the non-banking sector stood at 9.6% in November, strongly outpacing the 0.5% growth in loans to the non-banking sector. Year-on-year growth in household deposits and corporate deposits strengthened to 11.0% and 14.5% respectively, as the trend of increase in sight deposits continued. By November sight deposits accounted for 78% of total deposits by the non-banking sector.

Banks generated a pre-tax profit of EUR 471 million over the first eleven months of the year, down 19.3% on the same period of the previous year. Pre-tax ROE stood at 10.5%. Given the adverse circumstances, a major factor in the relatively high profit was the one-off effect of the merger of two banks. Amid declining lending and falling returns on bank assets, net interest income over the first eleven months of the year was down 6.3% on the same period of the previous year. The decline in the net interest margin thus continued: it reached 1.59% in November for the preceding 12 months. In contrast to net interest income, net non-interest income was up almost a quarter on the previous year, primarily because of the aforementioned one-off effect. Net impairment and provisioning costs have returned as the main factor on the expense side, although they still account for a relatively low share of the generated gross income (10%). Growth in operating costs slowed further: operating costs over the first eleven months of the year were up 3.0% in year-on-year terms.

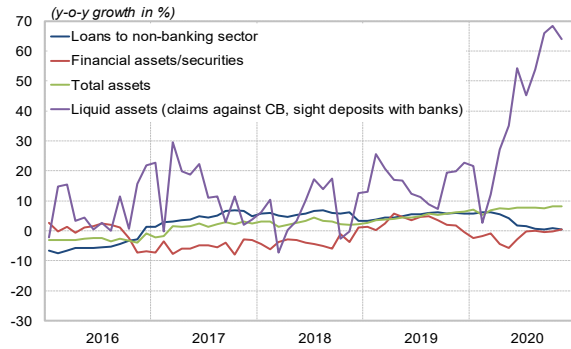
The total capital ratio increased to 20.0% on a consolidated basis in the third quarter of 2020, and the common equity Tier 1 capital ratio to 18.2%, driven by an increase in regulatory capital and a decline in risk-weighted assets. The LCR in the banking system stood at 322% in November, thus remaining more than three times higher than the regulatory requirement (100%). The ratio of assets in the most liquid forms to the balance sheet total rose to a record high of 19.2%.

APPENDICES

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1. KEY TRENDS IN THE BANKING SECTOR

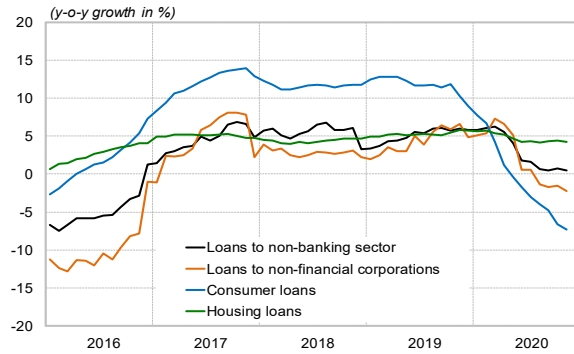
Figure 1.1: Growth in bank investments



Note: The category 'Financial assets/securities' also includes debt securities from the category of loans and receivables.

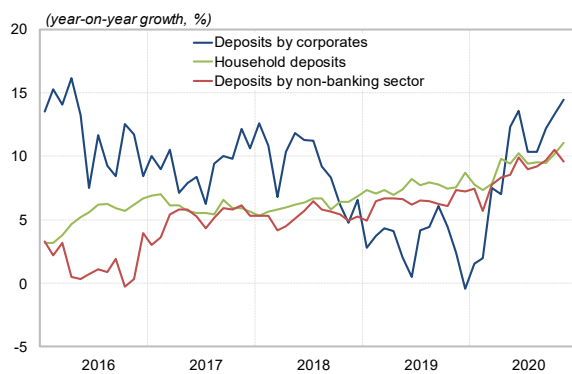
Source: Bank of Slovenia.

Figure 1.2: Loans by sector and loan type



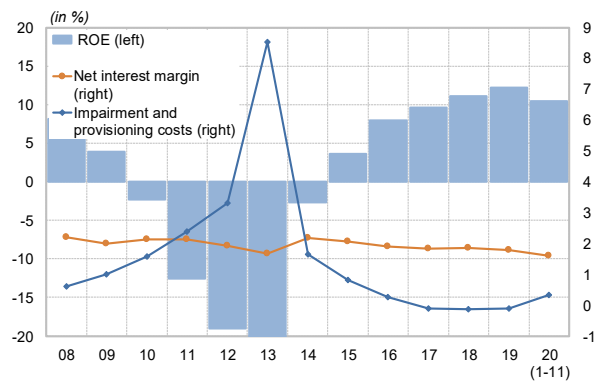
Source: Bank of Slovenia.

Figure 1.3: Deposits by sector



Source: Bank of Slovenia.

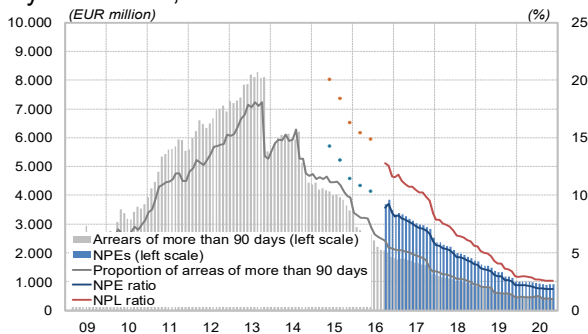
Figure 1.4: ROE, net interest margin, and ratio of impairment and provisioning costs to total assets



Note: The ratios of net interest margin to interest-bearing assets and net impairment and provisioning costs to total assets are always calculated for the preceding 12 months. Pre-tax ROE is calculated during the year on a cumulative basis up to the most recent data available (September 2020).

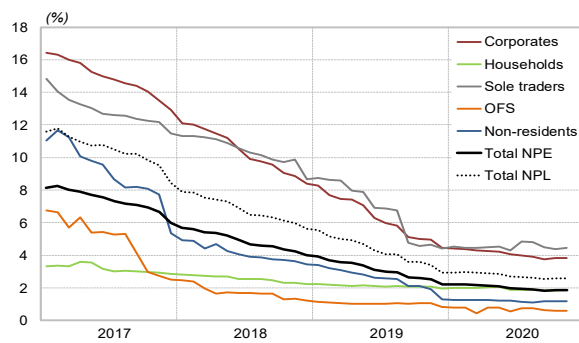
Source: Bank of Slovenia.

Figure 1.5: NPEs, NPLs and claims more than 90 days in arrears, stocks and ratios



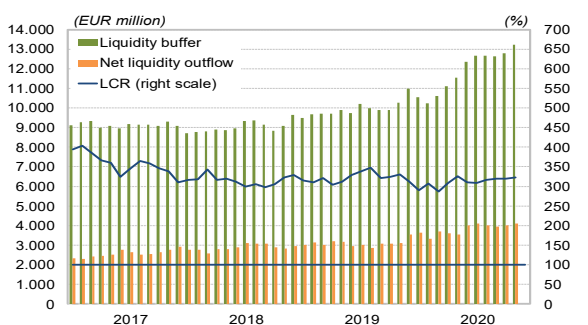
Source: Bank of Slovenia.

Figure 1.6: NPE ratio by client segment



Source: Bank of Slovenia.

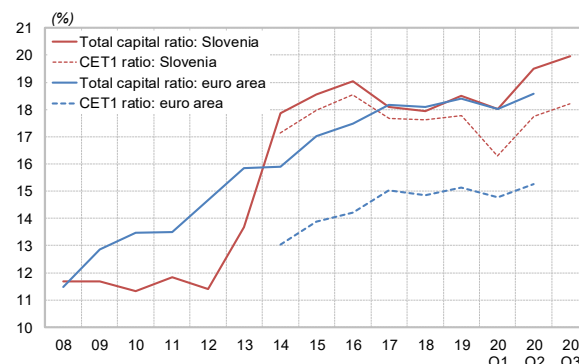
Figure 1.7: Liquidity coverage ratio (LCR)



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

Source: Bank of Slovenia.

Figure 1.8: Capital ratios compared with the euro area, consolidated basis



Source: Bank of Slovenia, ECB (SDW).

2. MAIN FEATURES OF BANKS' PERFORMANCE AND FINANCIAL STATEMENTS¹

Table 2.1: Banking system's assets and liabilities, as at 30 November 2020

EUR million unless stated, growth rates in %	Stock	Breakdown	Stock	Breakdown	Stock	Breakdown	Increase		Growth in November 20, %	
	31.12.2008	(%)	31.12.2019	(%)	30.11.2020	(%)	in November 20	in 2020	monthly	year-on-year
Assets	47,948	100.0	41,213	100.0	44,239	100.0	350.9	3,025.8	0.8	8.2
Cash in hand, balances at central bank and sight deposits at banks*	1,250	2.6	5,783	14.0	8,506	19.2	423.8	2,722.5	5.2	64.0
Loans to banks at amortised cost (including central bank)	4,101	8.6	1,592	3.9	1,600	3.6	-73.1	8.4	-4.4	-4.3
domestic banks	2,673	5.6	758	1.8	624	1.4	-6.0	-134.6	-1.0	-17.9
foreign banks	1,428	3.0	834	2.0	977	2.2	-67.0	143.0	-6.4	7.1
short-term loans to banks	2,056	4.3	563	1.4	376	0.9	-69.0	-186.7	-15.5	-41.6
long-term loans to banks	2,046	4.3	1,029	2.5	1,224	2.8	-4.1	195.1	-0.3	19.2
Loans to non-banking sector*	33,718	70.3	23,520	57.1	23,726	53.6	30.8	206.2	0.1	0.5
of which non-financial corporations	20,260	42.3	8,877	21.5	8,937	20.2	-8.9	59.1	-0.1	-2.2
households	7,558	15.8	10,703	26.0	10,729	24.3	-21.5	26.3	-0.2	0.4
of which residential			6,493	15.8	6,744	15.2	30.5	251.2	0.5	4.2
consumer			2,809	6.8	2,623	5.9	-33.5	-185.9	-1.3	-7.3
government	506	1.1	1,634	4.0	1,542	3.5	9.7	-92.2	0.6	-5.9
other financial institutions	2,829	5.9	1,239	3.0	1,222	2.8	-13.8	-17.5	-1.1	15.2
non-residents	2,515	5.2	1,036	2.5	1,268	2.9	65.6	231.9	5.5	20.5
Other financial assets classed as loans and receivables (at amortised cost)	0	0.0	148	0.4	121	0.3	-13.2	-26.8	-9.8	-23.7
Securities / financial assets**	7,323	15.3	8,838	21.4	8,978	20.3	-1.8	140.1	0.0	0.5
a) Financial assets held for trading	1,177	2.5	63	0.2	62	0.1	0.3	-1.1	0.4	-31.8
of which debt securities held for trading	571	1.2	8	0.0	4	0.0	1.4	-4.1	63.2	-88.0
... government debt securities held for trading	56	0.1	8	0.0	4	0.0	1.4	-4.1	63.2	-88.0
b) Financial assets measured at fair value through P&L not held for trading	0	0.0	52	0.1	77	0.2	2.6	25.3	3.5	69.7
of which debt securities measured at fair value through P&L not held for trading	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
c) Financial assets designated for measurement at fair value through P&L	179	0.4	6	0.0	6	0.0	0.0	0.1	0.3	1.0
of which debt securities designated for measurement at fair value through P&L	163	0.3	6	0.0	6	0.0	0.0	0.1	0.3	1.0
... government debt securities designated for measurement at fair value through P&L	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
d) Financial assets measured at fair value through other comprehensive income	4,552	9.5	5,012	12.2	5,857	13.2	-17.1	845.6	-0.3	18.0
of which debt securities measured at fair value through other comprehensive income	4,318	9.0	4,807	11.7	5,662	12.8	-17.6	855.0	-0.3	19.1
... government debt securities measured at fair value through other comprehensive income	2,875	6.0	3,385	8.2	3,887	8.8	2.7	501.9	0.1	19.0
e) Debt securities at amortised cost	1,415	3.0	3,706	9.0	2,976	6.7	12.3	-729.7	0.4	-22.3
of which government debt securities at amortised cost	1,182	2.5	2,862	6.9	2,314	5.2	8.7	-548.0	0.4	-23.6
Investments in subsidiaries, joint ventures and associates	627	1.3	509	1.2	517	1.2	0.0	7.9	0.0	1.0
Other assets	928	1.9	823	2.0	791	1.8	-15.6	-32.4	-1.9	-3.4
Equity and liabilities	47,948	100.0	41,213	100.0	44,239	100.0	350.9	3,025.8	0.8	8.2
Financial liabilities measured at amortised cost (deposits)	41,895	87.4	35,803	86.9	39,002	88.2	338.6	3,199.0	0.9	10.0
a) Financial liabilities to central bank (Eurosystem)	1,229	2.6	983	2.4	1,382	3.1	-0.1	399.4	0.0	42.5
b) Liabilities to banks	18,168	37.9	2,821	6.8	2,525	5.7	-29.6	-295.8	-1.2	-7.5
of which to domestic banks	2,065	4.3	856	2.1	779	1.8	-15.7	-77.1	-2.0	-7.5
of which to foreign banks	16,098	33.6	1,965	4.8	1,746	3.9	-13.9	-218.7	-0.8	-7.5
c) Liabilities to non-banking sector (deposits by NBS)	20,883	43.6	31,069	75.4	33,674	76.1	381.4	2,604.4	1.1	9.6
of which to non-financial corporations	3,728	7.8	6,758	16.4	7,749	17.5	73.3	991.2	1.0	14.5
households	13,407	28.0	20,365	49.4	22,061	49.9	288.2	1,696.5	1.3	11.0
government	1,879	3.9	1,037	2.5	946	2.1	-10.2	-91.1	-1.1	-15.2
other financial institutions	1,065	2.2	1,243	3.0	1,256	2.8	25.9	13.1	2.1	-9.8
non-residents	475	1.0	1,228	3.0	1,206	2.7	0.2	-21.9	0.0	3.6
d) Debt securities	1,276	2.7	600	1.5	1,059	2.4	-3.3	459.3	-0.3	75.8
e) Other financial liabilities measured at amortised cost***	1,568	3.3	329	0.8	361	0.8	-9.9	31.7	-2.7	-15.7
Provisions	176	0.4	187	0.5	180	0.4	2.5	-7.7	1.4	-1.9
Shareholder equity	4,010	8.4	4,963	12.0	4,798	10.8	20.1	-165.0	0.4	-3.3
Other liabilities	1,867	3.9	260	0.6	259	0.6	-10.3	-0.6	-3.8	-10.6
BALANCE SHEET TOTAL	47,948	100.0	41,213	100.0	44,239	100.0	350.9	3,025.8	0.8	8.2

Notes: * Loans to non-banking sector not held for trading comprise "Loans and other financial assets at amortised cost" (from A.VI of the "Methodology for compiling the recapitulation of the statement of financial position", the category of "Loans (and other financial assets) designated for measurement at fair value through profit and loss" (from A.III), the category of "Loans (and other financial assets) designated for measurement at fair value through other comprehensive income" (from A.IV) and the category of "Loans (and other financial assets) measured at fair value through other comprehensive income".

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

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

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

Source: Bank of Slovenia.

Table 2.2: Income statement for 2018, 2019 and 2020

(EUR million unless stated)	2018	Breakdown	2019	Breakdown	2019	Breakdown	2020	Breakdown	Annual growth, %
		(%)		(%)	Jan-Nov	(%)	Jan-Nov	v%	Jan.-Nov 20/ Jan.-Nov.19
Interest income	775.3		790.0		722.7		689.9		-4.5
Interest expenses	103.6		107.3		98.2		104.8		6.7
Net interest	671.7	58.2	682.7	54.4	624.5	54.0	585.1	47.0	-6.3
Non-interest income	481.6	41.8	573.4	45.6	530.9	46.0	660.6	53.0	24.4
of which net fees and commission	315.4	27.3	333.8	26.6	306.3	26.5	299.5	24.0	-2.2
of which net gains/losses on financial assets and liabilities held for trading	13.0	1.1	12.1	1.0	12.7	1.1	14.0	1.1	10.8
Gross income	1,153.3	100.0	1,256.1	100.0	1,155.4	100.0	1,245.6	100.0	7.8
Operating costs	-669.5	-58.0	-709.3	-56.5	-630.5	-54.6	-649.4	-52.1	3.0
Net income	483.8	42.0	546.8	43.5	524.9	45.4	596.2	47.9	13.6
Net impairments and provisions	47.1	4.1	45.7	3.6	59.0	5.1	-124.8	-10.0	-311.6
Pre-tax profit	530.9	46.0	592.5	47.2	583.9	50.5	471.4	37.8	-19.3
Taxes	-35.7		-62.0		-63.7		-22.5		-64.7
Net profit	495.2		530.5		520.2		448.9		-13.7

Source: Bank of Slovenia.

Table 2.3: Selected performance indicators

in %	2014	2015	2016	2017	2018	2019	2019	2020	Nov-19	Nov-20
							Jan.-Nov.	Jan.-Nov.	(last 12 mon.)	(last 12 mon.)
Profitability										
Financial intermediation margin*	3.10	3.05	3.05	2.88	3.01	3.13	3.16	3.18	3.18	3.15
ROA	-0.27	0.42	0.99	1.19	1.39	1.48	1.60	1.20	1.54	1.12
ROE	-2.69	3.63	7.96	9.58	11.07	12.16	13.18	10.46	12.64	9.71
Interest margin on interest-bearing assets	2.18	2.06	1.91	1.83	1.84	1.79	1.80	1.58	1.81	1.59
Net non-interest income / operating costs	58.05	60.05	68.53	62.67	71.93	80.84	84.21	101.72	82.43	96.54
Operating costs										
Labour costs / average assets	0.92	0.97	1.01	1.02	1.02	1.00	0.98	0.90	1.00	0.92
Other costs / average assets	0.81	0.84	0.80	0.78	0.73	0.77	0.74	0.75	0.76	0.79
Asset quality										
Impairments of financial assets at amortised cost / gross assets	8.98	7.84	5.38	4.09	2.64	1.53	1.75	1.46	/	/

* Gross income / average assets

Source: Bank of Slovenia.

3. BANKS' INTEREST RATES

Table 3.1: Comparison of interest rates on new variable-rate loans in Slovenia with those across the euro area, in percentages

	ECB interest rate	Loans								Household deposits 1)			
		Households				Corporates				up to 1 year		over 1 year	
		Housing		Consumer		up to EUR 1m		over EUR 1m		EMU	SLO	EMU	SLO
		EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO
Dec-12	0.75	2.9	2.9	5.2	4.9	3.8	5.8	2.3	4.9	2.7	2.2	2.4	4.0
Dec-13	0.25	2.8	3.3	5.5	5.1	3.8	5.5	2.3	4.5	1.6	1.5	1.8	2.8
Dec-14	0.05	2.4	2.9	5.1	4.8	3.1	4.5	1.8	3.4	1.0	0.7	1.2	1.4
Dec-15	0.05	2.0	2.2	4.8	4.2	2.6	2.9	1.6	2.2	0.7	0.3	0.8	0.7
Dec-16	0.00	1.8	2.0	4.7	4.2	2.3	2.5	1.4	2.6	0.4	0.2	0.5	0.5
Dec-17	0.00	1.7	2.0	4.5	4.4	2.1	2.4	1.3	2.0	0.3	0.1	0.5	0.5
Dec-18	0.00	1.6	1.9	4.9	4.6	2.0	2.2	1.3	1.8	0.3	0.2	0.5	0.6
Jan-19	0.00	1.6	1.9	5.3	4.5	2.0	2.3	1.2	1.5	0.3	0.2	0.5	0.5
Feb-19	0.00	1.6	1.9	5.3	4.5	2.0	2.3	1.2	1.6	0.3	0.2	0.5	0.5
Mar-19	0.00	1.6	2.0	5.4	4.6	2.0	2.2	1.2	1.6	0.3	0.2	0.6	0.5
Apr-19	0.00	1.6	1.9	5.6	4.5	2.0	2.4	1.2	1.7	0.3	0.2	0.6	0.4
May-19	0.00	1.6	1.9	5.6	4.5	2.0	2.3	1.1	1.8	0.3	0.2	0.6	0.4
Jun-19	0.00	1.5	1.9	5.4	4.5	1.9	2.2	1.1	1.3	0.3	0.2	0.6	0.4
Jul-19	0.00	1.5	1.9	5.7	4.6	2.0	2.2	1.2	1.8	0.3	0.2	0.6	0.4
Aug-19	0.00	1.5	1.9	6.2	4.6	1.9	2.3	1.1	1.8	0.3	0.2	0.5	0.4
Sep-19	0.00	1.5	1.8	5.6	4.6	1.9	2.2	1.1	1.3	0.3	0.2	0.6	0.4
Oct-19	0.00	1.4	1.8	5.9	4.7	1.9	2.3	1.2	1.8	0.2	0.2	0.6	0.4
Nov-19	0.00	1.4	1.8	5.4	4.6	1.9	2.3	1.2	1.4	0.2	0.2	0.5	0.4
Dec-19	0.00	1.5	1.8	5.4	4.6	1.9	2.2	1.2	1.4	0.2	0.2	0.5	0.3
Jan-20	0.00	1.5	1.8	5.6	4.7	2.0	2.3	1.1	1.3	0.3	0.1	0.5	0.3
Feb-20	0.00	1.4	1.8	5.5	4.6	1.9	2.4	1.1	1.4	0.3	0.0	0.5	0.3
Mar-20	0.00	1.4	1.8	5.5	4.5	1.8	2.3	1.1	1.4	0.3	0.2	0.4	0.3
Apr-20	0.00	1.3	2.0	3.6	4.4	1.4	2.7	1.2	2.0	0.2	0.2	0.5	0.2
May-20	0.00	1.5	2.0	4.1	4.4	1.4	2.4	1.2	1.9	0.2	0.2	0.5	0.3
Jun-20	0.00	1.4	1.9	4.4	4.6	1.6	2.3	1.2	1.5	0.2	0.2	0.5	0.3
Jul-20	0.00	1.4	1.8	4.7	4.6	1.7	2.3	1.2	1.9	0.2	0.2	0.5	0.3
Aug-20	0.00	1.4	1.7	5.4	4.7	1.7	2.2	1.3	2.4	0.2	0.2	0.5	0.3
Sep-20	0.00	1.4	1.7	5.1	4.7	1.8	2.2	1.2	2.0	0.2	0.1	0.5	0.3
Oct-20	0.00	1.4	1.7	5.1	4.6	1.8	2.3	1.3	1.6	0.2	0.1	0.5	0.3
Nov-20	0.00		1.7		4.6		2.4		1.8		0.2		0.3

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

Table 3.2: Comparison of interest rates on new fixed-rate loans in Slovenia with those across the euro area, in percentages

	Loans ¹							
	Households				Corporates			
	Housing		Consumer		up to EUR 1m		over EUR 1m	
	EMU	SLO	EMU	SLO	EMU	SLO	EMU	SLO
Dec-12	3.3	5.5	6.8	7.2	3.7	6.9	3.0	5.3
Dec-13	3.2	6.4	6.8	7.2	3.6	5.5	2.9	4.6
Dec-14	2.6	4.4	6.2	6.8	2.9	5.4	2.1	2.9
Dec-15	2.4	3.2	5.9	5.5	2.5	3.8	1.9	3.0
Dec-16	1.8	2.6	5.5	6.0	2.0	3.2	1.6	2.2
Dec-17	1.9	2.9	5.4	6.1	2.0	3.4	1.5	1.8
Dec-18	1.9	2.9	5.5	6.2	2.0	3.3	1.6	1.5
Jan-19	1.9	2.9	5.8	6.2	2.0	3.3	1.6	0.9
Feb-19	1.9	2.9	5.7	6.2	2.0	3.5	1.6	1.5
Mar-19	1.8	2.9	5.6	6.2	2.0	4.0	1.6	2.6
Apr-19	1.8	2.9	5.6	6.1	2.0	3.6	1.4	1.5
May-19	1.7	2.9	5.8	6.2	2.0	4.0	1.5	1.1
Jun-19	1.7	2.9	5.7	6.2	1.9	3.8	1.4	1.6
Jul-19	1.6	2.9	5.7	6.2	1.9	3.2	1.4	1.3
Aug-19	1.5	2.8	5.8	6.1	1.9	4.2	1.4	3.7
Sep-19	1.5	2.8	5.6	6.1	1.8	3.2	1.3	1.4
Oct-19	1.4	2.7	5.6	6.2	1.8	3.6	1.3	1.2
Nov-19	1.5	2.7	5.5	6.2	1.8	3.7	1.3	1.5
Dec-19	1.4	2.7	5.3	6.2	1.7	3.5	1.4	1.1
Jan-20	1.4	2.7	5.7	6.2	1.8	3.1	1.3	1.0
Feb-20	1.4	2.6	5.6	6.1	1.8	3.8	1.3	1.4
Mar-20	1.4	2.6	5.5	6.1	1.7	3.0	1.2	1.3
Apr-20	1.4	2.8	5.5	6.1	1.6	2.9	1.3	2.9
May-20	1.4	2.6	5.3	6.1	1.6	2.8	1.3	1.8
Jun-20	1.4	2.5	5.1	6.1	1.7	2.8	1.4	1.2
Jul-20	1.4	2.4	5.3	6.1	1.7	3.5	1.4	2.3
Aug-20	1.4	2.3	5.4	6.1	1.7	2.9	1.2	1.9
Sep-20	1.4	2.3	5.3	6.0	1.7	3.2	1.3	1.2
Oct-20	1.4	2.2	5.3	6.1	1.7	3.4	1.4	1.4
Nov-20	1.4	2.2	5.3	6.0	1.7	3.0	1.2	1.5

Source: Bank of Slovenia, ECB.

4. CREDIT PORTFOLIO QUALITY¹Table 4.1:² Non-performing exposures by client segment

	Exposures						Non-performing exposures (NPEs)					
	amount, EUR million			breakdown, %			amount, EUR million			ratio, %		
	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20
NFCs	14.272	14.420	14.414	31,3	29,8	29,5	636	554	553	4,5	3,8	3,8
OFIs	1.372	1.367	1.361	3,0	2,8	2,8	11	8	8	0,8	0,6	0,6
Households	11.794	11.935	11.957	25,9	24,7	24,5	247	236	240	2,1	2,0	2,0
sole traders	691	688	686	1,5	1,4	1,4	28	28	29	4,0	4,1	4,2
individuals	11.104	11.247	11.272	24,4	23,3	23,1	219	208	211	2,0	1,8	1,9
Non-residents	7.587	7.914	8.017	16,6	16,4	16,4	99	93	95	1,3	1,2	1,2
Government	5.176	5.337	5.323	11,4	11,0	10,9	12	12	12	0,2	0,2	0,2
Banks and savings banks	897	856	841	2,0	1,8	1,7	0	0	0	0,0	0,0	0,0
Central bank	4.440	6.523	6.968	9,7	13,5	14,3	0	0	0	0,0	0,0	0,0
Total	45.592	48.352	48.893	100,0	100,0	100,0	1.006	903	907	2,2	1,9	1,9

Table 4.2: Classified claims more than 90 days in arrears by client segment

	Classified claims						Claims more than 90 days in arrears					
	amount, EUR million			breakdown, %			amount, EUR million			ratio, %		
	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20
NFCs	14,041	14,208	14,197	34.6	33.4	33.0	201	178	174	1.4	1.3	1.2
OFIs	1,369	1,371	1,365	3.4	3.2	3.2	5	3	3	0.3	0.2	0.2
Households	11,794	11,934	11,957	29.1	28.1	27.8	214	197	200	1.8	1.7	1.7
sole traders	691	688	686	1.7	1.6	1.6	20	18	19	2.9	2.6	2.7
individuals	11,103	11,246	11,271	27.4	26.5	26.2	194	179	181	1.8	1.6	1.6
Non-residents	4,846	4,571	4,642	11.9	10.8	10.8	41	42	42	0.8	0.9	0.9
Government	3,175	3,077	3,113	7.8	7.2	7.2	6	5	5	0.2	0.2	0.2
Banks and savings banks	916	798	793	2.3	1.9	1.8	0	0	0	0.0	0.0	0.0
Central bank	4,440	6,523	6,968	10.9	15.4	16.2	0	0	0	0.0	0.0	0.0
Total	40,581	42,482	43,035	100.0	100.0	100.0	466	426	424	1.1	1.0	1.0

Table 4.3:² Non-performing exposures to non-financial corporations by sector

	Exposures			Non-performing exposures (NPEs)			NPE ratio		
	(EUR million)			(EUR million)			(%)		
	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20
Agriculture, forestry, fishing, mining	128	128	127	3	2	2	2.0	1.9	1.9
Manufacturing	4,021	4,029	4,027	114	96	95	2.8	2.4	2.4
Electricity, gas, water, remediation	1,297	1,413	1,424	8	9	9	0.6	0.6	0.6
Construction	1,157	1,218	1,235	84	60	60	7.3	4.9	4.9
Wholesale and retail trade	2,558	2,552	2,570	229	203	201	9.0	7.9	7.8
Transportation and storage	1,751	1,668	1,653	20	24	23	1.2	1.4	1.4
Accommodation and food service	476	541	548	40	53	55	8.4	9.8	10.1
Information and communication	654	639	598	6	5	5	0.9	0.8	0.9
Financial and insurance activities	55	59	59	0	0	0	0.8	0.0	0.0
Real estate activities	586	579	587	46	33	34	7.9	5.8	5.8
Professional, scientific and technical	1,325	1,341	1,335	65	49	48	4.9	3.6	3.6
Public services	257	247	248	20	20	20	7.9	7.9	8.1
Total	14,265	14,414	14,409	636	554	553	4.5	3.8	3.8

Source: Bank of Slovenia.

¹ In 2020 banks are changing over to a new way of disclosing interest on credit-impaired financial assets in accordance with the interpretation of the IFRS Interpretations Committee (IFRIC) of March 2019, and the application of that interpretation to a specific case of 22 July 2019, which can be found online at <https://www.ifrs.org/news-and-events/2019/07/ifrs-9-webinar-curing-of-a-credit-impaired-financial-asset/>. As a result of the changeover the gross exposure increased by EUR 11.7 million as at 30 November 2020, the accumulated impairment allowances by EUR 10.0 million and adjustments to fair value due to credit risk by EUR 1.6 million.

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

Table 4.4: Classified claims against non-financial corporations more than 90 days in arrears

	Classified claims			Classified claims more than 90 days in arrears			Proportion of classified claims more than 90 days in arrears		
	(EUR million)			(EUR million)			(%)		
	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20	Dec.19	Oct.20	Nov.20
Agriculture, forestry, fishing, mining	128	128	127	1	1	1	0.7	0.7	0.7
Manufacturing	4,009	4,021	4,018	42	35	31	1.1	0.9	0.8
Electricity, gas, water, remediation	1,290	1,406	1,417	4	5	5	0.3	0.4	0.4
Construction	1,157	1,216	1,234	58	36	37	5.0	3.0	3.0
Wholesale and retail trade	2,434	2,438	2,455	36	33	34	1.5	1.4	1.4
Transportation and storage	1,721	1,653	1,639	5	7	7	0.3	0.4	0.4
Accommodation and food service	471	537	543	18	19	20	3.9	3.6	3.6
Information and communication	633	612	570	1	1	1	0.1	0.1	0.1
Financial and insurance activities	61	59	59	0	0	0	0.0	0.0	0.0
Real estate activities	582	576	583	5	8	8	0.9	1.4	1.4
Professional, scientific and technical	1,298	1,315	1,305	31	31	30	2.4	2.4	2.3
Public services	257	247	248	1	1	1	0.3	0.4	0.5
Total	14,041	14,208	14,197	201	178	174	1.4	1.3	1.2

Source: Bank of Slovenia.