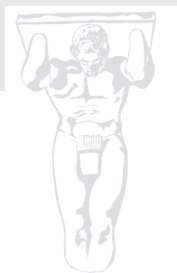


**BANKA
SLOVENIJE**
BANK OF SLOVENIA
EUROSYSTEM



**MONTHLY REPORT
ON BANK PERFORMANCE**



APRIL/2 2019

BRIEF COMMENTARY ON DEVELOPMENTS IN THE BANKING SECTOR

February saw a larger increase in the balance sheet total than the previous months. On the funding side, the main increase continues to be in household deposits, which account for almost half of the banks' total funding. On the investment side, the main increases in early 2019 were in liquid forms of asset and loans to the non-banking sector. The quality of the credit portfolio improved again. The banks were profitable, although generating stable income remains one of the key challenges facing the banking system over the medium term.

February's increase in the balance sheet total was larger than in the previous months: the figure reached EUR 39.4 billion, up 3.4% in year-on-year terms. On the funding side, the main increase remains in household deposits, which in February were up 7% in year-on-year terms at EUR 19.1 billion, almost half of the banks' total funding. In the early part of 2019 there were also increases in government deposits and deposits by other financial institutions, which had declined last year.

On the investment side, the main increases in early 2019 were in interbank sight deposits, balances at the central bank and loans to the non-banking sector. Bank lending activity remains focused on households, and recorded year-on-year growth of 7% in February. Year-on-year growth in housing loans has remained moderate at 5% in 2018 and the early part of 2019, even in the wake of a long period of high growth in residential real estate prices. The banking system is solidly robust to the risks inherent in the real estate market, thanks to good credit standards and high capital adequacy. Consumer loans are continuing to increase rapidly: growth increased again in February, to 12.8%. Corporate lending remains modest: year-on-year growth in corporate loans stood at 2.5% in February. The stock of household loans on bank balance sheets amounted to EUR 10 billion in February, almost EUR 1.5 billion more than the stock of corporate loans.

The quality of the banks' credit portfolio improved again in early 2019. The banks' non-performing exposures (NPEs) declined further in February, to EUR 1.6 billion, taking the NPE ratio to 3.7%. The quality of the corporate portfolio improved, the NPE ratio reaching 7.7%, while the NPE ratio in the household portfolio remained unchanged at 2.2%. The proportion of the banks' classified claims more than 90 days in arrears declined to 2.7%, and the equivalent figure in the corporate segment is also significantly better than the NPE ratio, at 3.1%.

The banking system generated a pre-tax profit of EUR 100 million over the first two months of the year. ROE stood at 13.6%, up from 10.5% in the same period last year, and significantly higher than overall ROE in the EU. The banking system's gross income was up 14% in year-on-year terms, as a result of increases in net interest income and net non-interest income, while impairments and provisions continued to record a net release. Operating costs during the first two months of the year were up 1.8% in year-on-year terms, having remained virtually unchanged in 2018.

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1. MAIN FEATURES OF BANKS' PERFORMANCE AND FINANCIAL STATEMENTS¹

Table 1.1: Banking system's assets and liabilities, as at 28. February 2019

| BALANCE SHEET | Stock | | Breakdown | | Stock | | Breakdown | | Stock | | Breakdown | | Increase | | Growth in February 19, % | |
|--|---------------|--------------|---------------|--------------|---------------|--------------|--------------|--------------|------------|--------------|-----------|--|----------|--|--------------------------|--|
| | 31.12.2008 | (%) | 31.12.2018 | (%) | 28.02.2019 | (%) | in Feb. 19 | in 2019 | monthly | year-on-year | | | | | | |
| <i>EUR million unless stated, growth rates in %</i> | | | | | | | | | | | | | | | | |
| Assets | 47,948 | 100.0 | 38,777 | 100.0 | 39,406 | 100.0 | 412.5 | 629.8 | 1.1 | 3.4 | | | | | | |
| Cash in hand, balances at central bank and sight deposits at banks* | 1,250 | 2.6 | 4,733 | 12.2 | 5,250 | 13.3 | 536.1 | 516.9 | 11.4 | 26.1 | | | | | | |
| Loans to banks at amortised cost (including central bank) | 4,101 | 8.6 | 1,577 | 4.1 | 1,476 | 3.7 | 3.8 | -100.9 | 0.3 | -30.3 | | | | | | |
| domestic banks | 2,673 | 5.6 | 802 | 2.1 | 770 | 2.0 | -16.9 | -31.9 | -2.1 | -8.9 | | | | | | |
| foreign banks | 1,428 | 3.0 | 774 | 2.0 | 706 | 1.8 | 20.7 | -68.9 | 3.0 | -44.5 | | | | | | |
| short-term loans to banks | 2,056 | 4.3 | 578 | 1.5 | 464 | 1.2 | 5.2 | -114.8 | 1.1 | -47.3 | | | | | | |
| long-term loans to banks | 2,046 | 4.3 | 998 | 2.6 | 1,012 | 2.6 | -1.4 | 13.9 | -0.1 | -18.1 | | | | | | |
| Loans to non-banking sector* | 33,718 | 70.3 | 22,236 | 57.3 | 22,516 | 57.1 | 61.3 | 279.6 | 0.3 | 3.7 | | | | | | |
| of which non-financial corporations | 20,260 | 42.3 | 8,470 | 21.8 | 8,692 | 22.1 | 57.0 | 221.7 | 0.7 | 2.5 | | | | | | |
| households | 7,558 | 15.8 | 10,078 | 26.0 | 10,132 | 25.7 | 27.0 | 54.1 | 0.3 | 7.0 | | | | | | |
| government | 506 | 1.1 | 1,740 | 4.5 | 1,734 | 4.4 | -12.1 | -6.0 | -0.7 | -10.7 | | | | | | |
| other financial institutions | 2,829 | 5.9 | 1,058 | 2.7 | 1,043 | 2.6 | -16.9 | -15.3 | -1.6 | -8.4 | | | | | | |
| non-residents | 2,515 | 5.2 | 858 | 2.2 | 884 | 2.2 | 6.9 | 25.6 | 0.8 | 36.1 | | | | | | |
| Other financial assets classed as loans and receivables (at amortised cost) | 0 | 0.0 | 128 | 0.3 | 149 | 0.4 | -83.8 | 21.7 | -36.0 | -26.6 | | | | | | |
| Securities / financial assets** | 7,323 | 15.3 | 8,870 | 22.9 | 8,715 | 22.1 | -109.4 | -155.1 | -1.2 | 0.3 | | | | | | |
| a) Financial assets held for trading | 1,177 | 2.5 | 90 | 0.2 | 95 | 0.2 | 5.2 | 5.2 | -7.8 | 16.3 | | | | | | |
| of which debt securities held for trading | 571 | 1.2 | 49 | 0.1 | 50 | 0.1 | -7.5 | 1.1 | -13.1 | 10.7 | | | | | | |
| ... government debt securities held for trading | 56 | 0.1 | 49 | 0.1 | 50 | 0.1 | -7.5 | 1.1 | -13.0 | 10.7 | | | | | | |
| b) Financial assets measured at fair value through P&L not held for trading | 0 | 0.0 | 62 | 0.2 | 62 | 0.2 | 0.5 | 0.7 | 0.8 | 16.0 | | | | | | |
| 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 | 0.0 | 0.3 | 0.1 | | | | | | |
| of which debt securities designated for measurement at fair value through P&L | 163 | 0.3 | 6 | 0.0 | 6 | 0.0 | 0.0 | 0.0 | 0.3 | 0.1 | | | | | | |
| ... 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 | 5,395 | 13.9 | 5,210 | 13.2 | -75.5 | -184.5 | -1.4 | -6.6 | | | | | | |
| of which debt securities measured at fair value through other comprehensive income | 4,318 | 9.0 | 5,189 | 13.4 | 5,004 | 12.7 | -76.1 | -185.3 | -1.5 | -6.8 | | | | | | |
| ... government debt securities measured at fair value through other comprehensive income | 2,875 | 6.0 | 3,600 | 9.3 | 3,445 | 8.7 | -88.5 | -154.4 | -2.5 | -11.0 | | | | | | |
| e) Debt securities at amortised cost | 1,415 | 3.0 | 3,317 | 8.6 | 3,341 | 8.5 | -26.3 | 23.5 | -0.8 | 12.5 | | | | | | |
| of which government debt securities at amortised cost | 1,182 | 2.5 | 2,655 | 6.8 | 2,644 | 6.7 | -48.3 | -10.5 | -1.8 | 23.2 | | | | | | |
| Interests in subsidiaries, joint ventures and associates | 627 | 1.3 | 515 | 1.3 | 515 | 1.3 | 0.0 | 0.0 | 0.0 | 2.5 | | | | | | |
| Other assets | 928 | 1.9 | 717 | 1.9 | 785 | 2.0 | 4.5 | 67.5 | 0.6 | 10.2 | | | | | | |
| Equity and liabilities | 47,948 | 100.0 | 38,777 | 100.0 | 39,406 | 100.0 | 412.5 | 629.8 | 1.1 | 3.4 | | | | | | |
| Financial liabilities measured at amortised cost (deposits) | 41,895 | 87.4 | 33,663 | 86.8 | 34,183 | 86.7 | 351.1 | 520.2 | 1.0 | 3.7 | | | | | | |
| a) Financial liabilities to central bank (Eurosystem) | 1,229 | 2.6 | 1,092 | 2.8 | 1,092 | 2.8 | -0.3 | -0.7 | 0.0 | -4.3 | | | | | | |
| b) Liabilities to banks | 18,168 | 37.9 | 3,193 | 8.2 | 3,114 | 7.9 | -33.8 | -79.0 | -1.1 | -6.8 | | | | | | |
| of which to domestic banks | 2,065 | 4.3 | 858 | 2.2 | 817 | 2.1 | -23.0 | -41.0 | -2.7 | -7.2 | | | | | | |
| of which to foreign banks | 16,098 | 33.6 | 2,335 | 6.0 | 2,297 | 5.8 | -10.8 | -38.0 | -0.5 | -6.6 | | | | | | |
| c) Liabilities to non-banking sector (deposits by NBS) | 20,883 | 43.6 | 28,979 | 74.7 | 29,423 | 74.7 | 467.5 | 443.9 | 1.6 | 6.4 | | | | | | |
| of which to non-financial corporations | 3,728 | 7.8 | 6,788 | 17.5 | 6,456 | 16.4 | -30.7 | -331.8 | -0.5 | 3.7 | | | | | | |
| households | 13,407 | 28.0 | 18,733 | 48.3 | 19,098 | 48.5 | 138.6 | 364.7 | 0.7 | 7.0 | | | | | | |
| government | 1,879 | 3.9 | 1,040 | 2.7 | 1,215 | 3.1 | 163.5 | 175.0 | 15.5 | 9.1 | | | | | | |
| other financial institutions | 1,065 | 2.2 | 1,122 | 2.9 | 1,369 | 3.5 | 196.2 | 246.3 | 16.7 | 16.1 | | | | | | |
| non-residents | 475 | 1.0 | 911 | 2.3 | 898 | 2.3 | -4.5 | -13.0 | -0.5 | -2.5 | | | | | | |
| d) Debt securities | 1,276 | 2.7 | 148 | 0.4 | 149 | 0.4 | 0.2 | 0.2 | 0.1 | -60.5 | | | | | | |
| e) Other financial liabilities measured at amortised cost*** | 1,568 | 3.3 | 251 | 0.6 | 407 | 1.0 | -82.5 | 155.7 | -16.9 | -12.2 | | | | | | |
| Provisions | 176 | 0.4 | 203 | 0.5 | 200 | 0.5 | 2.5 | -3.4 | 1.2 | -4.1 | | | | | | |
| Shareholder equity | 4,010 | 8.4 | 4,726 | 12.2 | 4,817 | 12.2 | 54.8 | 91.4 | 1.2 | 0.7 | | | | | | |
| Other liabilities | 1,867 | 3.9 | 184 | 0.5 | 206 | 0.5 | 4.2 | 21.7 | 2.1 | 44.5 | | | | | | |
| BALANCE SHEET TOTAL | 47,948 | 100.0 | 38,777 | 100.0 | 39,406 | 100.0 | 412.5 | 629.8 | 1.1 | 3.4 | | | | | | |

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.

The 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 1.2: Income statement for 2017, 2018 and 2019

| INCOME STATEMENT (EUR million unless stated) | 2017 | Breakdown | 2018 | Breakdown | 2018 | Breakdown | 2019 | Breakdown | Annual growth, % |
|--|----------------|--------------|----------------|--------------|---------------|--------------|---------------|--------------|---------------------------------|
| | Jan.-Dec. 17 | (%) | Jan.-Dec.18 | (%) | Jan.-Feb.18 | (%) | Jan.-Feb.19 | v % | Jan.- Feb. 19/ Jan.- Feb. 18 |
| Interest income | 767.2 | | 775.3 | | 118.9 | | 126.4 | | 6.3 |
| Interest expenses | 115.2 | | 103.6 | | 16.4 | | 17.3 | | 5.8 |
| Net interest | 651.9 | 60.7 | 671.7 | 58.2 | 102.6 | 62.4 | 109.1 | 58.2 | 6.4 |
| Non-interest income | 422.2 | 39.3 | 481.6 | 41.8 | 61.8 | 37.6 | 78.2 | 41.8 | 26.5 |
| of which net fees and commission | 313.5 | 29.2 | 315.4 | 27.3 | 51.9 | 31.6 | 54.1 | 28.9 | 4.2 |
| of which net gains/losses on financial assets and liabilities held for trading | 29.6 | 2.8 | 13.0 | 1.1 | 0.4 | 0.2 | 4.4 | 2.4 | 993.8 |
| Gross income | 1,074.2 | 100.0 | 1,153.3 | 100.0 | 164.3 | 100.0 | 187.3 | 100.0 | 14.0 |
| Operating costs | -673.7 | -62.7 | -669.5 | -58.0 | -102.8 | -62.6 | -104.7 | -55.9 | 1.8 |
| Net income | 400.5 | 37.3 | 483.8 | 42.0 | 61.5 | 37.4 | 82.6 | 44.1 | 34.4 |
| Net impairments and provisions | 42.7 | 4.0 | 47.1 | 4.1 | 15.6 | 9.5 | 17.0 | 9.1 | 9.0 |
| Pre-tax profit | 443.2 | 41.3 | 530.9 | 46.0 | 77.2 | 47.0 | 99.6 | 53.2 | 29.1 |
| Taxes | -18.4 | | -35.7 | | -7.2 | | -11.8 | | 64.1 |
| Net profit | 424.8 | | 495.2 | | 70.0 | | 87.9 | | 25.5 |

Source: Bank of Slovenia

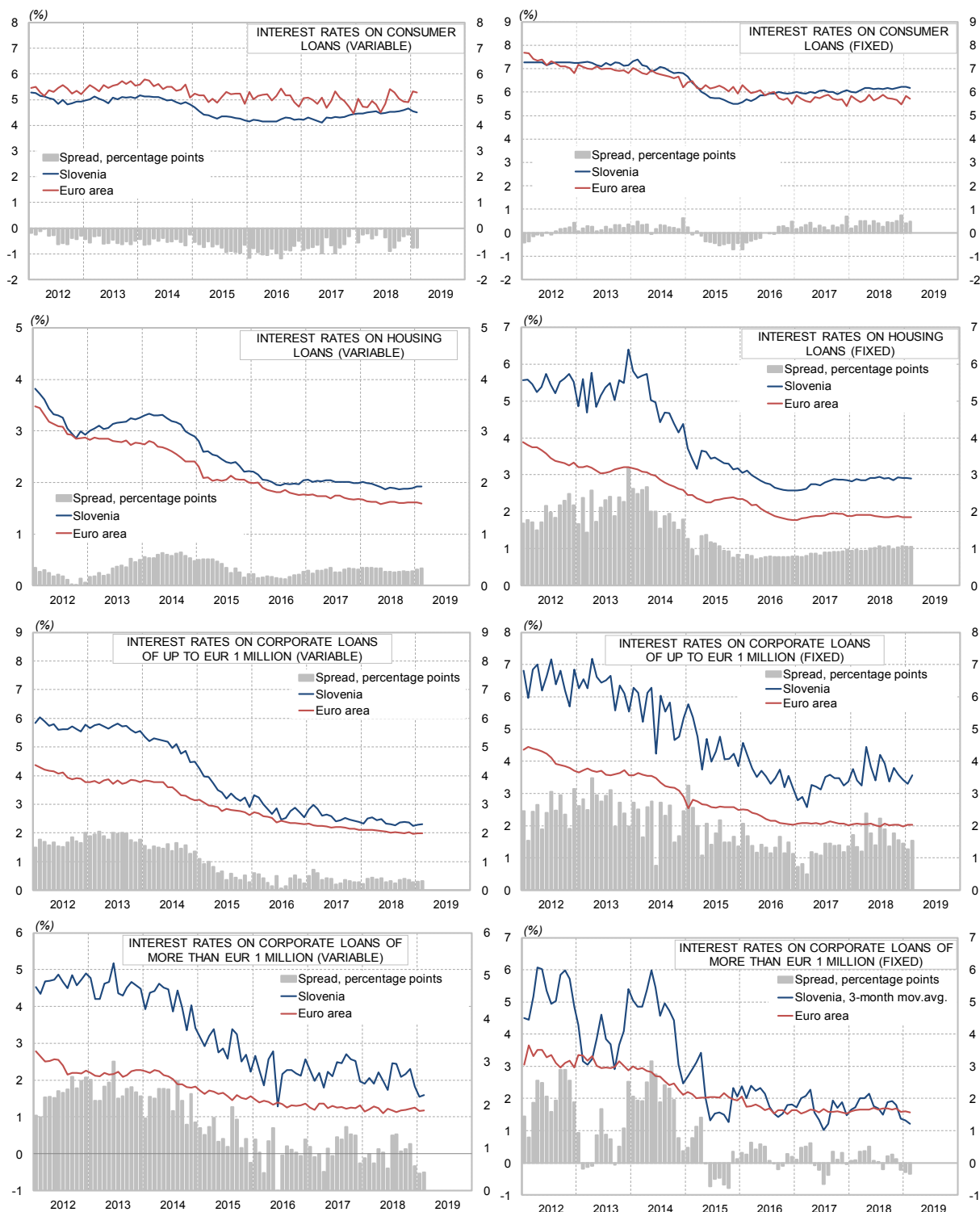
Table 1.3: Selected performance indicators

| in % | 2014 | 2015 | 2016 | 2017 | 2018 | 2018 | 2019 | Feb-18 | Feb-19 |
|--|-------|-------|-------|-------|-------|-----------|-----------|----------------|----------------|
| | | | | | | Jan.-Feb. | Jan.-Feb. | (last 12 mon.) | (last 12 mon.) |
| Profitability | | | | | | | | | |
| Financial intermediation margin* | 3.10 | 3.05 | 3.05 | 2.88 | 3.01 | 2.70 | 3.00 | 2.82 | 3.05 |
| ROA | -0.27 | 0.42 | 0.99 | 1.19 | 1.39 | 1.26 | 1.59 | 1.17 | 1.44 |
| ROE | -2.69 | 3.63 | 7.96 | 9.58 | 11.07 | 10.46 | 13.65 | 9.42 | 11.52 |
| Interest margin on interest-bearing assets | 2.18 | 2.06 | 1.91 | 1.83 | 1.84 | 1.77 | 1.83 | 1.81 | 1.85 |
| Net non-interest income / operating costs | 58.05 | 60.05 | 68.53 | 62.67 | 71.93 | 60.13 | 74.70 | 60.98 | 74.18 |
| Operating costs | | | | | | | | | |
| Labour costs / average assets | 0.92 | 0.97 | 1.01 | 1.02 | 1.02 | 1.00 | 0.99 | 1.02 | 1.01 |
| Other costs / average assets | 0.81 | 0.84 | 0.80 | 0.78 | 0.73 | 0.66 | 0.66 | 0.77 | 0.73 |
| Asset quality | | | | | | | | | |
| Impairments of financial assets at amortised cost / gross assets | 8.98 | 7.84 | 5.38 | 4.09 | 2.64 | 3.46 | 2.49 | / | / |

* Gross income / average assets

Source: Bank of Slovenia

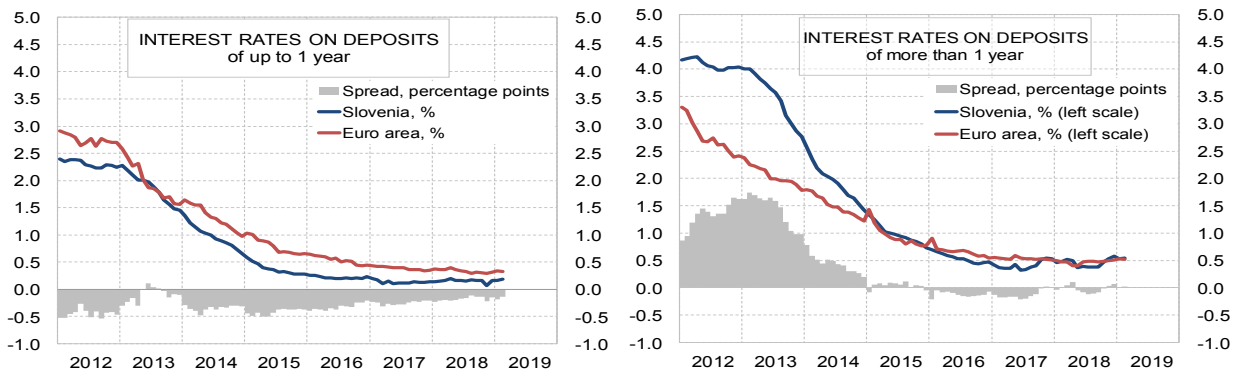
2. BANKS' INTEREST RATES

Figure 2.1: Comparison of interest rates on new loans in Slovenia with those across the euro area, variable¹ (left) and fixed² (right) rates, in percentages

Note: The following definitions apply to all interest rates in this appendix: 1) **variable-rate** loans comprise loans concluded with a variable interest rate or with an interest rate fixed for less than one year (even if it is fixed for the entire term to maturity); 2) **fixed-rate** loans comprise loans concluded with a fixed interest rate for a period of more than one year.

Source: Bank of Slovenia

Figure 2.2: Comparison of interest rates on new household deposits in Slovenia with those across the euro area, in percentages¹



Source: Bank of Slovenia, ECB

Table 2.1: 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 |
| 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 |
| Jan-17 | 0.00 | 1.8 | 2.1 | 5.1 | 4.2 | 2.3 | 2.8 | 1.2 | 2.3 | 0.4 | 0.2 | 0.5 | 0.4 |
| Feb-17 | 0.00 | 1.8 | 2.0 | 5.1 | 4.3 | 2.3 | 3.0 | 1.2 | 2.0 | 0.4 | 0.2 | 0.5 | 0.4 |
| Mar-17 | 0.00 | 1.7 | 2.0 | 5.0 | 4.3 | 2.2 | 2.8 | 1.4 | 2.2 | 0.4 | 0.1 | 0.5 | 0.4 |
| Apr-17 | 0.00 | 1.7 | 2.0 | 4.8 | 4.2 | 2.2 | 2.6 | 1.4 | 1.8 | 0.4 | 0.1 | 0.5 | 0.4 |
| May-17 | 0.00 | 1.7 | 2.0 | 5.1 | 4.1 | 2.2 | 2.6 | 1.2 | 2.2 | 0.4 | 0.1 | 0.6 | 0.4 |
| Jun-17 | 0.00 | 1.7 | 2.0 | 4.7 | 4.3 | 2.2 | 2.6 | 1.3 | 2.1 | 0.4 | 0.1 | 0.5 | 0.3 |
| Jul-17 | 0.00 | 1.8 | 2.0 | 4.9 | 4.3 | 2.2 | 2.4 | 1.3 | 2.5 | 0.4 | 0.1 | 0.5 | 0.3 |
| Aug-17 | 0.00 | 1.8 | 2.0 | 5.3 | 4.3 | 2.2 | 2.4 | 1.3 | 2.5 | 0.4 | 0.1 | 0.5 | 0.4 |
| Sep-17 | 0.00 | 1.7 | 2.0 | 5.1 | 4.3 | 2.2 | 2.5 | 1.2 | 2.7 | 0.4 | 0.1 | 0.5 | 0.4 |
| Oct-17 | 0.00 | 1.7 | 2.0 | 4.9 | 4.3 | 2.2 | 2.5 | 1.3 | 2.6 | 0.4 | 0.1 | 0.5 | 0.5 |
| Nov-17 | 0.00 | 1.7 | 2.0 | 4.7 | 4.4 | 2.2 | 2.4 | 1.2 | 2.5 | 0.3 | 0.1 | 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 |
| Jan-18 | 0.00 | 1.7 | 2.0 | 5.0 | 4.5 | 2.1 | 2.3 | 1.2 | 1.9 | 0.4 | 0.1 | 0.5 | 0.5 |
| Feb-18 | 0.00 | 1.6 | 2.0 | 4.7 | 4.5 | 2.1 | 2.5 | 1.2 | 2.1 | 0.4 | 0.2 | 0.5 | 0.5 |
| Mar-18 | 0.00 | 1.6 | 2.0 | 4.7 | 4.5 | 2.1 | 2.6 | 1.3 | 1.9 | 0.4 | 0.2 | 0.5 | 0.5 |
| Apr-18 | 0.00 | 1.6 | 2.0 | 4.9 | 4.5 | 2.1 | 2.5 | 1.2 | 2.2 | 0.4 | 0.2 | 0.4 | 0.5 |
| May-18 | 0.00 | 1.6 | 1.9 | 4.8 | 4.6 | 2.1 | 2.5 | 1.1 | 2.0 | 0.4 | 0.2 | 0.4 | 0.4 |
| Jun-18 | 0.00 | 1.6 | 1.9 | 4.5 | 4.5 | 2.0 | 2.3 | 1.2 | 1.7 | 0.3 | 0.2 | 0.5 | 0.4 |
| Jul-18 | 0.00 | 1.6 | 1.9 | 4.8 | 4.5 | 2.0 | 2.3 | 1.2 | 2.5 | 0.3 | 0.2 | 0.5 | 0.4 |
| Aug-18 | 0.00 | 1.6 | 1.9 | 5.4 | 4.5 | 2.0 | 2.3 | 1.1 | 2.4 | 0.3 | 0.2 | 0.5 | 0.4 |
| Sep-18 | 0.00 | 1.6 | 1.9 | 5.3 | 4.5 | 2.0 | 2.4 | 1.2 | 2.1 | 0.3 | 0.2 | 0.5 | 0.4 |
| Oct-18 | 0.00 | 1.6 | 1.9 | 5.0 | 4.5 | 2.0 | 2.4 | 1.2 | 2.2 | 0.3 | 0.2 | 0.5 | 0.5 |
| Nov-18 | 0.00 | 1.6 | 1.9 | 4.9 | 4.6 | 2.0 | 2.4 | 1.2 | 2.3 | 0.3 | 0.2 | 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 | 0.5 |
| 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 |

Note 1: Household deposits are broken down by maturity, irrespective of the type of remuneration (fixed and variable interest rates are combined).

Table 2.2: 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 | |
| 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 |
| Jan-17 | 1.8 | 2.6 | 5.9 | 6.0 | 2.1 | 2.8 | 1.6 | 1.6 |
| Feb-17 | 1.8 | 2.6 | 5.7 | 6.0 | 2.1 | 2.9 | 1.5 | 1.4 |
| Mar-17 | 1.8 | 2.6 | 5.6 | 5.9 | 2.1 | 2.6 | 1.6 | 3.0 |
| Apr-17 | 1.9 | 2.7 | 5.6 | 6.0 | 2.1 | 3.3 | 1.7 | 1.8 |
| May-17 | 1.9 | 2.7 | 5.8 | 6.0 | 2.1 | 3.2 | 1.6 | 2.0 |
| Jun-17 | 1.9 | 2.7 | 5.7 | 6.1 | 2.0 | 3.1 | 1.6 | 0.9 |
| Jul-17 | 1.9 | 2.8 | 5.8 | 6.1 | 2.1 | 3.5 | 1.7 | 1.1 |
| Aug-17 | 1.9 | 2.8 | 5.9 | 6.0 | 2.1 | 3.6 | 1.6 | - |
| Sep-17 | 2.0 | 2.9 | 5.7 | 6.0 | 2.1 | 3.5 | 1.6 | 1.3 |
| Oct-17 | 2.0 | 2.9 | 5.7 | 5.9 | 2.1 | 3.5 | 1.6 | 2.6 |
| Nov-17 | 1.9 | 2.9 | 5.7 | 6.0 | 2.1 | 3.3 | 1.6 | 1.3 |
| Dec-17 | 1.9 | 2.9 | 5.4 | 6.1 | 2.0 | 3.4 | 1.5 | 1.8 |
| Jan-18 | 1.9 | 2.8 | 5.8 | 6.0 | 2.0 | 3.8 | 1.6 | 1.4 |
| Feb-18 | 1.9 | 2.9 | 5.7 | 6.0 | 2.1 | 3.4 | 1.6 | 1.8 |
| Mar-18 | 1.9 | 2.9 | 5.6 | 6.1 | 2.0 | 3.2 | 1.7 | 2.0 |
| Apr-18 | 1.9 | 2.9 | 5.7 | 6.2 | 2.1 | 4.4 | 1.7 | 2.2 |
| May-18 | 1.9 | 2.9 | 5.9 | 6.2 | 2.1 | 3.8 | 1.7 | 1.8 |
| Jun-18 | 1.9 | 2.9 | 5.6 | 6.1 | 2.0 | 3.4 | 1.7 | 2.5 |
| Jul-18 | 1.9 | 2.9 | 5.8 | 6.2 | 2.0 | 4.2 | 1.7 | 1.0 |
| Aug-18 | 1.9 | 2.9 | 5.9 | 6.1 | 2.1 | 3.9 | 1.7 | 1.6 |
| Sep-18 | 1.9 | 2.9 | 5.7 | 6.2 | 2.0 | 3.4 | 1.7 | 1.9 |
| Oct-18 | 1.9 | 2.9 | 5.7 | 6.1 | 2.0 | 3.8 | 1.7 | 2.2 |
| Nov-18 | 1.9 | 2.9 | 5.7 | 6.2 | 2.0 | 3.6 | 1.7 | 1.7 |
| Dec-18 | 1.9 | 2.9 | 5.5 | 6.2 | 2.0 | 3.4 | 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 | 3.6 | 1.6 | 1.5 |

Source: Bank of Slovenia, ECB

3. QUALITY OF THE BANKING SYSTEM'S CREDIT PORTFOLIO

Table 3.1:¹ Non-performing exposures by client segment

| | Exposures | | | | | | Non-performing exposures (NPEs) | | | | | |
|-------------------------|---------------------|---------|---------|--------------|---------|---------|---------------------------------|---------|---------|----------|---------|---------|
| | amount, EUR million | | | breakdown, % | | | amount, EUR million | | | ratio, % | | |
| | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 |
| NFCs | 13,676 | 13,707 | 13,716 | 31.8 | 31.9 | 31.7 | 1,153 | 1,139 | 1,056 | 8.4 | 8.3 | 7.7 |
| OFIs | 1,167 | 1,233 | 1,197 | 2.7 | 2.9 | 2.8 | 15 | 14 | 13 | 1.2 | 1.2 | 1.1 |
| Households | 11,281 | 11,306 | 11,306 | 26.3 | 26.3 | 26.2 | 288 | 286 | 282 | 2.6 | 2.5 | 2.5 |
| sole traders | 521 | 515 | 512 | 1.2 | 1.2 | 1.2 | 45 | 45 | 44 | 8.7 | 8.8 | 8.7 |
| individuals | 10,760 | 10,791 | 10,794 | 25.1 | 25.1 | 25.0 | 242 | 241 | 238 | 2.3 | 2.2 | 2.2 |
| Non-residents | 7,211 | 7,159 | 7,224 | 16.8 | 16.7 | 16.7 | 248 | 242 | 232 | 3.4 | 3.4 | 3.2 |
| Government | 5,375 | 5,405 | 5,230 | 12.5 | 12.6 | 12.1 | 13 | 13 | 13 | 0.2 | 0.2 | 0.3 |
| Banks and savings banks | 891 | 855 | 834 | 2.1 | 2.0 | 1.9 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| Central bank | 3,345 | 3,330 | 3,701 | 7.8 | 7.7 | 8.6 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| Total | 42,946 | 42,995 | 43,208 | 100.0 | 100.0 | 100.0 | 1,717 | 1,696 | 1,598 | 4.0 | 3.9 | 3.7 |

Table 3.2: 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. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 |
| NFCs | 13,352 | 13,383 | 13,426 | 35.6 | 35.5 | 35.3 | 449 | 443 | 404 | 3.4 | 3.3 | 3.0 |
| OFIs | 1,168 | 1,231 | 1,195 | 3.1 | 3.3 | 3.1 | 6 | 6 | 6 | 0.5 | 0.5 | 0.5 |
| Households | 11,281 | 11,306 | 11,306 | 30.1 | 30.0 | 29.7 | 239 | 239 | 234 | 2.1 | 2.1 | 2.1 |
| sole traders | 521 | 514 | 512 | 1.4 | 1.4 | 1.3 | 30 | 29 | 28 | 5.7 | 5.7 | 5.5 |
| individuals | 10,760 | 10,791 | 10,794 | 28.7 | 28.6 | 28.4 | 209 | 210 | 205 | 1.9 | 1.9 | 1.9 |
| Non-residents | 4,170 | 4,226 | 4,294 | 11.1 | 11.2 | 11.3 | 144 | 146 | 145 | 3.5 | 3.5 | 3.4 |
| Government | 3,287 | 3,327 | 3,233 | 8.8 | 8.8 | 8.5 | 6 | 6 | 6 | 0.2 | 0.2 | 0.2 |
| Banks and savings banks | 928 | 889 | 868 | 2.5 | 2.4 | 2.3 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| Central bank | 3,345 | 3,330 | 3,701 | 8.9 | 8.8 | 9.7 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| Total | 37,532 | 37,692 | 38,024 | 100.0 | 100.0 | 100.0 | 845 | 841 | 796 | 2.3 | 2.2 | 2.1 |

Table 3.3:¹ Non-performing exposures to non-financial corporations by sector

| | Exposures | | | Non-performing exposures (NPEs) | | | NPE ratio | | |
|--|---------------|---------|---------|---------------------------------|---------|---------|-----------|---------|---------|
| | (EUR million) | | | (EUR million) | | | (%) | | |
| | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 |
| Agriculture, forestry, fishing, mining | 142 | 141 | 142 | 16 | 16 | 14 | 11.3 | 11.1 | 10.0 |
| Manufacturing | 4,011 | 4,008 | 4,003 | 187 | 184 | 162 | 4.7 | 4.6 | 4.0 |
| Electricity, gas, water, remediation | 1,041 | 1,056 | 1,071 | 13 | 13 | 13 | 1.3 | 1.3 | 1.2 |
| Construction | 1,098 | 1,094 | 1,083 | 195 | 194 | 182 | 17.8 | 17.7 | 16.8 |
| Wholesale and retail trade | 2,569 | 2,562 | 2,528 | 411 | 411 | 374 | 16.0 | 16.0 | 14.8 |
| Transportation and storage | 1,746 | 1,744 | 1,743 | 49 | 48 | 48 | 2.8 | 2.7 | 2.7 |
| Accommodation and food service | 434 | 436 | 432 | 50 | 48 | 45 | 11.5 | 11.1 | 10.5 |
| Information and communication | 658 | 664 | 658 | 10 | 10 | 7 | 1.6 | 1.5 | 1.1 |
| Financial and insurance activities | 45 | 43 | 54 | 9 | 6 | 6 | 19.9 | 12.8 | 10.8 |
| Real estate activities | 548 | 547 | 595 | 106 | 104 | 103 | 19.4 | 19.0 | 17.4 |
| Professional, scientific and technical | 1,093 | 1,120 | 1,114 | 82 | 82 | 81 | 7.5 | 7.3 | 7.2 |
| Public services | 292 | 292 | 292 | 23 | 23 | 21 | 7.9 | 7.9 | 7.3 |
| Total | 13,676 | 13,707 | 13,716 | 1,153 | 1,139 | 1,056 | 8.4 | 8.3 | 7.7 |

Source: Bank of Slovenia

Note: ¹ 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 February 2015).

Table 3.4: 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. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 | Dec. 18 | Jan. 19 | Feb. 19 |
| Agriculture, forestry, fishing, mining | 142 | 141 | 142 | 6 | 6 | 5 | 4.5 | 4.4 | 3.5 |
| Manufacturing | 4,001 | 3,998 | 3,993 | 90 | 89 | 81 | 2.3 | 2.2 | 2.0 |
| Electricity, gas, water, remediation | 1,031 | 1,046 | 1,061 | 6 | 7 | 5 | 0.5 | 0.6 | 0.5 |
| Construction | 1,096 | 1,092 | 1,082 | 150 | 150 | 140 | 13.7 | 13.7 | 12.9 |
| Wholesale and retail trade | 2,353 | 2,346 | 2,346 | 74 | 74 | 62 | 3.2 | 3.2 | 2.6 |
| Transportation and storage | 1,714 | 1,712 | 1,712 | 8 | 8 | 8 | 0.5 | 0.5 | 0.5 |
| Accommodation and food service | 429 | 431 | 427 | 22 | 21 | 18 | 5.2 | 4.9 | 4.3 |
| Information and communication | 633 | 639 | 634 | 2 | 2 | 2 | 0.3 | 0.4 | 0.4 |
| Financial and insurance activities | 45 | 43 | 54 | 5 | 2 | 2 | 10.5 | 5.5 | 4.4 |
| Real estate activities | 548 | 547 | 594 | 23 | 21 | 20 | 4.2 | 3.9 | 3.4 |
| Professional, scientific and technical | 1,068 | 1,094 | 1,088 | 55 | 54 | 53 | 5.1 | 5.0 | 4.9 |
| Public services | 292 | 291 | 292 | 8 | 8 | 6 | 2.7 | 2.7 | 2.2 |
| Total | 13,352 | 13,383 | 13,426 | 449 | 443 | 404 | 3.4 | 3.3 | 3.0 |

Source: Bank of Slovenia