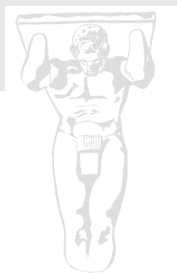


**BANKA  
SLOVENIJE**  
BANK OF SLOVENIA  
EUROSYSTEM



**MONTHLY REPORT  
ON BANK PERFORMANCE**



SEPTEMBER/1 2019

**BRIEF COMMENTARY ON DEVELOPMENTS IN THE BANKING SECTOR**

On the asset side of the balance sheet, banks are continuing to focus primarily on the household sector, where growth in consumer loans remains high, while there is moderate growth in housing loans. Year-on-year growth in corporate loans slowed slightly in July, after an increase in June, which was driven by individual large transactions. The proportion of total loans to the non-banking sector accounted for by non-residents remains low, while growth in this segment is high. The quality of the credit portfolio is continuing to improve. Banks are continuing to fund their investment activities primarily through deposits by the non-banking sector. There was a further increase in profit, thanks to several favourable factors, although these could change in the future. The persistence of the low interest rate environment is expected to continue having a significant impact on net interest income.

Year-on-year growth in the banking system's balance sheet total had increased to 4.8% by July. On the asset side, banks primarily increased their loans to the non-banking sector, which were up EUR 824 million over the first seven months of the year. In contrast to last year, there was a larger increase in corporate loans than in household loans. There has been particularly notable growth in loans to non-residents, the year-on-year rate reaching 36% in July, although they only account for a small proportion of total loans to the non-banking sector. Securities continue to account for a relatively large proportion of the banking system's investments, at 23%. Investments in securities have increased by EUR 245 million this year, although their year-on-year growth is comparable to growth in the balance sheet total.

Banks remain primarily focused on households: growth in household loans in July remained higher than growth in corporate loans, at 6.6% versus 3.9%. Growth in housing loans was comparable to previous months at 5.3%, while growth in consumer loans declined, but remained high at 11.6%. Corporate loans actually declined slightly in July, but individual large transactions in June meant that the year-on-year rate remained higher in July than in the period before June, having averaged less than 3% over the preceding year and a half.

The NPE ratio across the banking system declined to 3.0% by July, while the NPL ratio declined to 4.1%. The stock of NPEs declined by EUR 391 million over the first seven months of the year to reach EUR 1.3 billion, the majority of the decline coming in the corporate segment. The NPE ratio in the corporate segment nevertheless stood at 6.0% in July. The sectors of real estate activities, construction, and wholesale and retail trade all have NPE ratios of more than 10%.

The banking system has seen an increase in profit this year: it amounted to EUR 449 million over the first seven months of the year, up a fifth on the same period last year. This high profit was mainly attributable to a large increase in non-interest income, growth in net interest income, and a net release of impairments and provisions. The increase in net non-interest income was primarily driven by one-off factors at certain banks, although a favourable trend is also discernible in net fees and commission. Growth in net interest income has slowed in recent months, as a result of slower growth in interest income. Banks are again seeing growth in operating costs this year: the year-on-year rate outpaced growth in the balance sheet total in July. The cost to income ratio (CIR) has declined to a half, as a result of an increase in gross income.

Deposits by the non-banking sector, household deposits in particular, remain the main driver of the increase in the balance sheet total and in the banks' funding. Year-on-year growth in household deposits stood at a relatively high 7.7% in July. Year-on-year growth in corporate deposits was higher in July than in previous months, at 4.1%. Household deposits amounted to EUR 19.8 billion in July (49% of the balance sheet total), while corporate deposits amounted to EUR 6.7 billion (17% of the balance sheet total).

The banking system's capital position remains good. The total capital ratio on a consolidated basis improved to 18.1% in the second quarter, while the common equity Tier 1 capital ratio (CET1 ratio) remained unchanged at 17.6%. The improvement in the total capital ratio was driven by additional capital, which increased in the second quarter of 2019 after several years of decline. The banking system's liquidity position remains good. The liquidity coverage ratio (LCR) remains high, and relatively stable.

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1. MAIN FEATURES OF BANKS' PERFORMANCE AND FINANCIAL STATEMENTS<sup>1</sup>

Table 1.1: Banking system's assets and liabilities, as at 31 July 2019

EUR million unless stated, growth rates in %	Stock	Breakdown	Stock	Breakdown	Stock	Breakdown	Increase		Growth in July 19, %	
	31.12.2008	(%)	31.12.2018	(%)	31.07.2019	(%)	in July 19	in 2019	monthly	year-on-year
<b>Assets</b>	<b>47,948</b>	<b>100.0</b>	<b>38,777</b>	<b>100.0</b>	<b>40,586</b>	<b>100.0</b>	<b>433.7</b>	<b>1,809.6</b>	<b>1.1</b>	<b>4.8</b>
Cash in hand, balances at central bank and sight deposits at banks*	1,250	2.6	4,733	12.2	5,214	12.8	410.3	500.3	8.5	11.3
Loans to banks at amortised cost (including central bank)	4,101	8.6	1,577	4.1	1,685	4.2	-34.8	88.3	-2.0	-18.3
domestic banks	2,673	5.6	802	2.1	818	2.0	4.6	-2.6	0.6	-2.4
foreign banks	1,428	3.0	774	2.0	867	2.1	-39.4	90.9	-4.3	-29.2
short-term loans to banks	2,056	4.3	578	1.5	612	1.5	-65.4	14.3	-9.7	-25.8
long-term loans to banks	2,046	4.3	998	2.6	1,072	2.6	30.6	74.1	2.9	-13.3
Loans to non-banking sector*	33,718	70.3	22,236	57.3	23,060	56.8	12.1	823.9	0.1	5.4
of which non-financial corporations	20,260	42.3	8,470	21.8	8,856	21.8	-44.6	386.3	-0.5	3.9
households	7,558	15.8	10,078	26.0	10,414	25.7	60.1	335.9	0.6	6.6
government	506	1.1	1,740	4.5	1,677	4.1	-18.7	-63.1	-1.1	-4.4
other financial institutions	2,829	5.9	1,058	2.7	1,083	2.7	8.7	24.9	0.8	2.0
non-residents	2,515	5.2	858	2.2	1,000	2.5	7.1	142.1	0.7	35.7
Other financial assets classed as loans and receivables (at amortised cost)	0	0.0	128	0.3	175	0.4	-40.5	47.8	-18.8	31.2
Securities / financial assets**	7,323	15.3	8,870	22.9	9,115	22.5	81.9	245.0	0.9	4.6
a) Financial assets held for trading	1,177	2.5	90	0.2	171	0.4	81.0	81.0	-3.9	88.5
of which debt securities held for trading	571	1.2	49	0.1	100	0.2	-7.3	51.6	-6.8	79.9
... government debt securities held for trading	56	0.1	49	0.1	100	0.2	1.7	51.6	1.7	83.7
b) Financial assets measured at fair value through P&L not held for trading	0	0.0	62	0.2	64	0.2	0.2	2.3	0.3	18.8
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	0.1	0.7
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	0.1	0.7
... 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	5,081	12.5	19.0	-313.7	0.4	-7.5
of which debt securities measured at fair value through other comprehensive income	4,318	9.0	5,189	13.4	4,869	12.0	18.5	-320.2	0.4	-7.8
... government debt securities measured at fair value through other comprehensive income	2,875	6.0	3,600	9.3	3,360	8.3	40.1	-239.3	1.2	-8.4
e) Debt securities at amortised cost	1,415	3.0	3,317	8.6	3,793	9.3	69.6	475.2	1.9	23.5
of which government debt securities at amortised cost	1,182	2.5	2,655	6.8	3,019	7.4	69.1	364.7	2.3	30.9
Interests in subsidiaries, joint ventures and associates	627	1.3	515	1.3	516	1.3	0.0	1.0	0.0	-7.3
Other assets	928	1.9	717	1.9	821	2.0	4.7	103.3	0.6	18.2
<b>Equity and liabilities</b>	<b>47,948</b>	<b>100.0</b>	<b>38,777</b>	<b>100.0</b>	<b>40,586</b>	<b>100.0</b>	<b>433.7</b>	<b>1,809.6</b>	<b>1.1</b>	<b>4.8</b>
Financial liabilities measured at amortised cost (deposits)	41,895	87.4	33,663	86.8	35,227	86.8	385.7	1,564.3	1.1	5.2
a) Financial liabilities to central bank (Eurosystem)	1,229	2.6	1,092	2.8	1,040	2.6	-0.4	-52.0	0.0	-6.8
b) Liabilities to banks	18,168	37.9	3,193	8.2	3,231	8.0	34.4	37.8	1.1	-3.7
of which to domestic banks	2,065	4.3	858	2.2	905	2.2	17.5	46.4	2.0	4.0
of which to foreign banks	16,098	33.6	2,335	6.0	2,326	5.7	16.9	-8.6	0.7	-6.4
c) Liabilities to non-banking sector (deposits by NBS)	20,883	43.6	28,979	74.7	30,175	74.3	466.4	1,196.4	1.6	6.5
of which to non-financial corporations	3,728	7.8	6,788	17.5	6,721	16.6	279.6	-66.8	4.3	4.1
households	13,407	28.0	18,733	48.3	19,784	48.7	182.5	1,051.0	0.9	7.7
government	1,879	3.9	1,040	2.7	1,090	2.7	16.1	49.5	1.5	3.2
other financial institutions	1,065	2.2	1,122	2.9	1,341	3.3	-15.6	218.4	-1.1	12.0
non-residents	475	1.0	911	2.3	844	2.1	-6.9	-66.4	-0.8	-3.4
d) Debt securities	1,276	2.7	148	0.4	392	1.0	-0.8	244.0	-0.2	6.7
e) Other financial liabilities measured at amortised cost***	1,568	3.3	251	0.6	389	1.0	-114.1	138.1	-22.7	20.9
Provisions	176	0.4	203	0.5	187	0.5	-2.7	-16.4	-1.5	-11.7
Shareholder equity	4,010	8.4	4,726	12.2	4,852	12.0	26.8	126.8	0.6	-0.3
Other liabilities	1,867	3.9	184	0.5	319	0.8	24.0	134.9	8.1	94.9
<b>BALANCE SHEET TOTAL</b>	<b>47,948</b>	<b>100.0</b>	<b>38,777</b>	<b>100.0</b>	<b>40,586</b>	<b>100.0</b>	<b>433.7</b>	<b>1,809.6</b>	<b>1.1</b>	<b>4.8</b>

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

(EUR million unless stated)	2017	Breakdown	2018	Breakdown	2018	Breakdown	2019	Breakdown	Annual growth, %
		(%)		(%)	Jan.-Jul	(%)	Jan.-Jul	v %	Jan.- Jul 19/ Jan.- Jul 18
Interest income	767.2		775.3		450.3		455.8		1.2
Interest expenses	115.2		103.6		61.0		62.0		1.7
<b>Net interest</b>	<b>651.9</b>	<b>60.7</b>	<b>671.7</b>	<b>58.2</b>	<b>389.3</b>	<b>56.4</b>	<b>393.8</b>	<b>49.6</b>	<b>1.2</b>
<b>Non-interest income</b>	<b>422.2</b>	<b>39.3</b>	<b>481.6</b>	<b>41.8</b>	<b>301.4</b>	<b>43.6</b>	<b>400.6</b>	<b>50.4</b>	<b>32.9</b>
of which net fees and commission	313.5	29.2	315.4	27.3	186.7	27.0	196.9	24.8	5.5
of which net gains/losses on financial assets and liabilities held for trading	29.6	2.8	13.0	1.1	9.6	1.4	8.2	1.0	-14.0
<b>Gross income</b>	<b>1,074.2</b>	<b>100.0</b>	<b>1,153.3</b>	<b>100.0</b>	<b>690.6</b>	<b>100.0</b>	<b>794.4</b>	<b>100.0</b>	<b>15.0</b>
<b>Operating costs</b>	<b>-673.7</b>	<b>-62.7</b>	<b>-669.5</b>	<b>-58.0</b>	<b>-377.6</b>	<b>-54.7</b>	<b>-396.4</b>	<b>-49.9</b>	<b>5.0</b>
<b>Net income</b>	<b>400.5</b>	<b>37.3</b>	<b>483.8</b>	<b>42.0</b>	<b>313.3</b>	<b>45.4</b>	<b>398.0</b>	<b>50.1</b>	<b>27.1</b>
<b>Net impairments and provisions</b>	<b>42.7</b>	<b>4.0</b>	<b>47.1</b>	<b>4.1</b>	<b>63.8</b>	<b>9.2</b>	<b>50.6</b>	<b>6.4</b>	<b>-20.7</b>
<b>Pre-tax profit</b>	<b>443.2</b>	<b>41.3</b>	<b>530.9</b>	<b>46.0</b>	<b>376.8</b>	<b>54.6</b>	<b>448.6</b>	<b>56.5</b>	<b>19.0</b>
Taxes	-18.4		-35.7		-34.5		-50.5		46.5
<b>Net profit</b>	<b>424.8</b>		<b>495.2</b>		<b>342.3</b>		<b>398.1</b>		<b>16.3</b>

Source: Bank of Slovenia

Table 1.3: Selected performance indicators

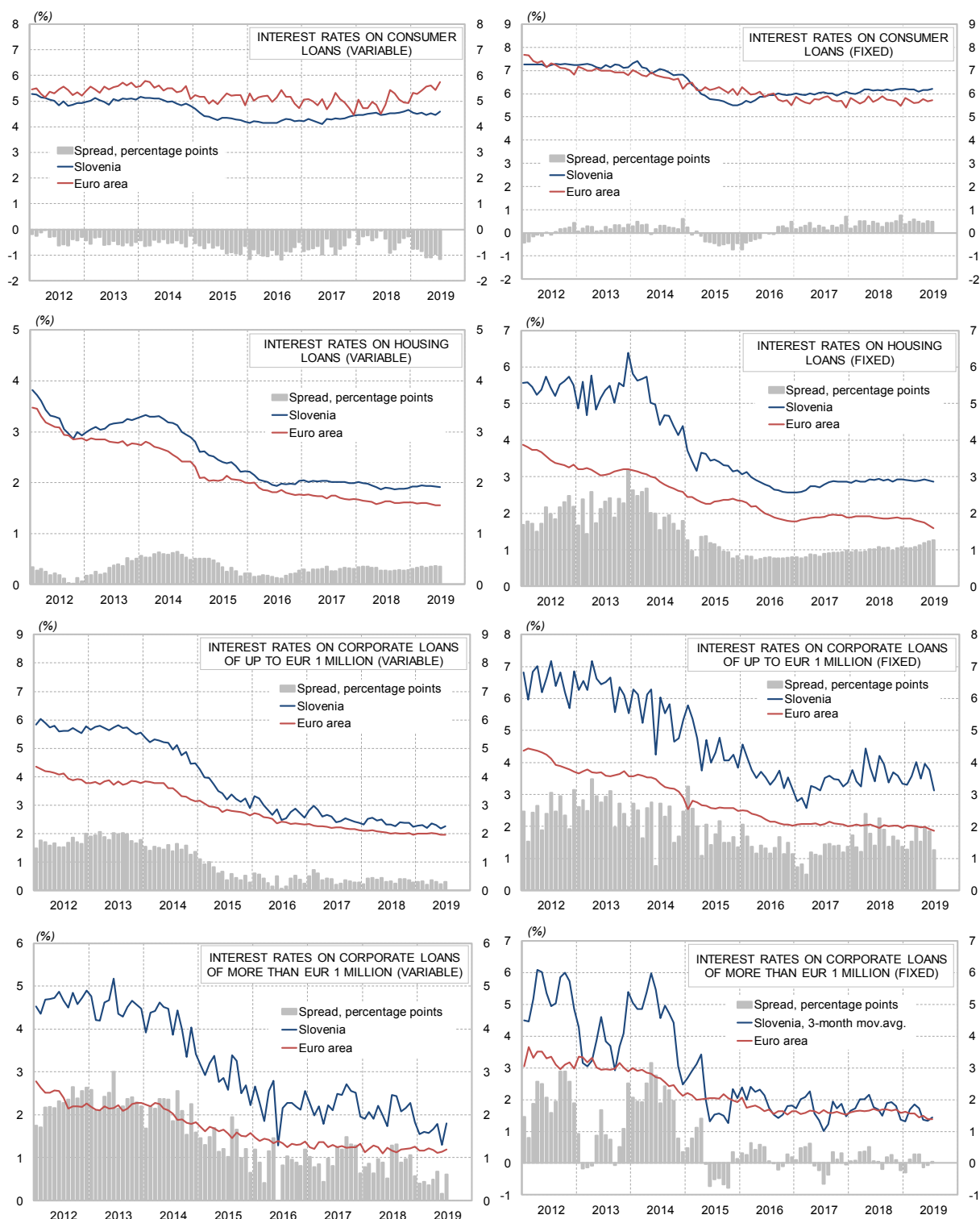
in %	2014	2015	2016	2017	2018	2018	2019	Jul-18	Jul-19
						Jan.-Jul.	Jan.-Jul.	(last 12 mon.)	(last 12 mon.)
<b>Profitability</b>									
Financial intermediation margin*	3,10	3,05	3,05	2,88	3,01	3,13	3,48	2,92	3,21
ROA	-0,27	0,42	0,99	1,19	1,39	1,70	1,96	1,35	1,54
ROE	-2,69	3,63	7,96	9,58	11,07	13,88	16,50	10,74	12,50
Interest margin on interest-bearing assets	2,18	2,06	1,91	1,83	1,84	1,85	1,81	1,84	1,82
Net non-interest income / operating costs	58,05	60,05	68,53	62,67	71,93	79,82	101,07	65,96	84,39
<b>Operating costs</b>									
Labour costs / average assets	0,92	0,97	1,01	1,02	1,02	0,99	0,99	1,02	1,01
Other costs / average assets	0,81	0,84	0,80	0,78	0,73	0,71	0,73	0,75	0,74
<b>Asset quality</b>									
Impairments of financial assets at amortised cost / gross assets	8,98	7,84	5,38	4,09	2,64	2,99	1,89	/	/

\* Gross income / average assets

Source: Bank of Slovenia

## 2. BANKS' INTEREST RATES

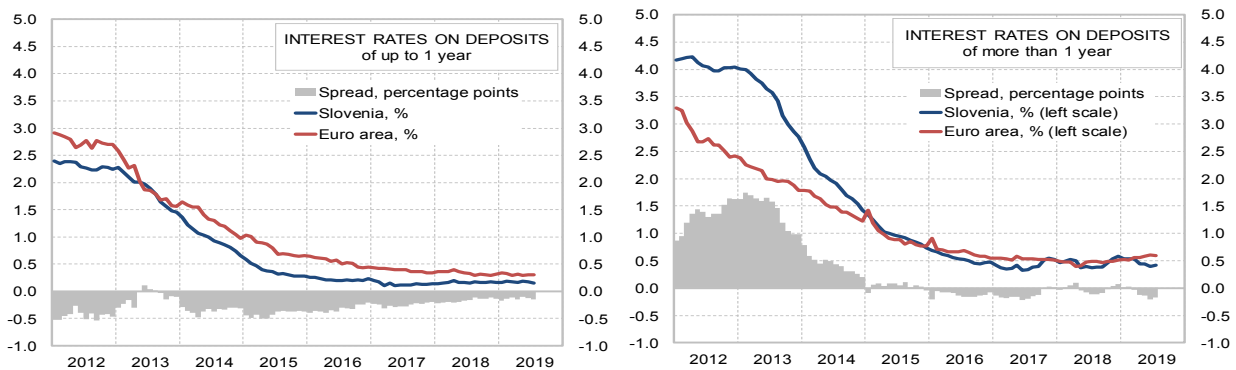
Figure 2.1: Comparison of interest rates on new loans in Slovenia with those across the euro area, variable<sup>1</sup> (left) and fixed<sup>2</sup> (right) rates, in percentages



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 percentages<sup>1</sup>



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
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	1.1	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	5.0	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	4.9	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	4.9	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	5.1	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	0.6
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	1.6	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	1.6	1.9	5.7	4.6	2.0	2.2	1.2	1.8	0.3	0.2	0.6	0.4

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 <sup>1</sup>							
	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
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	2.0	4.4	1.6	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	2.0	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	3.7	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	3.3	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	3.6	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	3.5	1.4	1.4
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	3.1	1.4	1.3

Source: Bank of Slovenia, ECB



## 3. QUALITY OF THE BANKING SYSTEM'S CREDIT PORTFOLIO

Table 3.1:<sup>1</sup> Non-performing exposures by client segment

	Exposures						Non-performing exposures (NPEs)					
	amount, EUR million			breakdown n, %			amount, EUR million			ratio, %		
	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19	Dec.1	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19
NFCs	13,676	13,704	13,829	31.8	31.2	31.1	1,150	863	827	8.4	6.3	6.0
OFIs	1,167	1,289	1,258	2.7	2.9	2.8	15	13	13	1.2	1.0	1.1
Households	11,281	11,562	11,607	26.3	26.3	26.1	288	270	268	2.6	2.3	2.3
sole traders	521	516	514	1.2	1.2	1.2	45	36	35	8.7	6.9	6.8
individuals	10,760	11,047	11,093	25.1	25.1	24.9	242	234	233	2.3	2.1	2.1
Non-residents	7,210	7,745	7,747	16.8	17.6	17.4	248	202	201	3.4	2.6	2.6
Government	5,375	5,393	5,442	12.5	12.3	12.2	13	13	13	0.2	0.2	0.2
Banks and savings banks	891	966	956	2.1	2.2	2.2	0	0	0	0.0	0.0	0.0
Central bank	3,345	3,290	3,628	7.8	7.5	8.2	0	0	0	0.0	0.0	0.0
<b>Total</b>	<b>42,945</b>	<b>43,949</b>	<b>44,466</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>1,715</b>	<b>1,361</b>	<b>1,323</b>	<b>4.0</b>	<b>3.1</b>	<b>3.0</b>

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 n, %			amount, EUR million			ratio, %		
	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19
NFCs	13,358	13,386	13,507	35.6	34.5	34.4	449	264	252	3.4	2.0	1.9
OFIs	1,167	1,288	1,256	3.1	3.3	3.2	6	7	7	0.5	0.5	0.5
Households	11,281	11,552	11,596	30.1	29.8	29.5	239	222	223	2.1	1.9	1.9
sole traders	521	506	504	1.4	1.3	1.3	30	16	17	5.7	3.3	3.4
individuals	10,760	11,046	11,092	28.7	28.5	28.2	209	206	206	1.9	1.9	1.9
Non-residents	4,169	4,925	4,928	11.1	12.7	12.5	144	99	103	3.5	2.0	2.1
Government	3,279	3,401	3,435	8.7	8.8	8.7	6	5	5	0.2	0.2	0.2
Banks and savings banks	928	975	965	2.5	2.5	2.5	0	0	0	0.0	0.0	0.0
Central bank	3,345	3,290	3,628	8.9	8.5	9.2	0	0	0	0.0	0.0	0.0
<b>Total</b>	<b>37,527</b>	<b>38,816</b>	<b>39,316</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>845</b>	<b>597</b>	<b>590</b>	<b>2.3</b>	<b>1.5</b>	<b>1.5</b>

Table 3.3:<sup>1</sup> Non-performing exposures to non-financial corporations by sector

	Exposures			Non-performing exposures (NPEs)			NPE ratio		
	(EUR million)			(EUR million)			(% )		
	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19
Agriculture, forestry, fishing, and hunting	142	138	141	16	11	11	11.3	7.9	7.7
Manufacturing	4,013	3,995	4,087	184	155	150	4.6	3.9	3.7
Electricity, gas, water, and heat supply	1,040	1,086	1,071	13	12	11	1.3	1.1	1.0
Construction	1,098	1,109	1,111	195	139	134	17.8	12.5	12.1
Wholesale and retail trade	2,564	2,473	2,504	411	269	265	16.0	10.9	10.6
Transportation and storage	1,748	1,780	1,762	49	45	31	2.8	2.5	1.7
Accommodation and food services	435	454	445	50	43	43	11.4	9.6	9.7
Information and communication	658	642	647	10	7	7	1.6	1.1	1.1
Financial and insurance activities	45	40	48	9	2	1	20.0	4.9	2.3
Real estate activities	555	598	606	106	89	82	19.2	14.8	13.5
Professional, scientific and technical activities	1,080	1,104	1,129	83	75	77	7.7	6.8	6.8
Public services	297	284	278	23	17	16	7.8	5.9	5.6
<b>Total</b>	<b>13,676</b>	<b>13,704</b>	<b>13,829</b>	<b>1,150</b>	<b>863</b>	<b>827</b>	<b>8.4</b>	<b>6.3</b>	<b>6.0</b>

Source: Bank of Slovenia

Note: <sup>1</sup> 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	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19	Dec.18	Jun.19	Jul.19
Agriculture, forestry, fishing, min	142	135	137	6	1	1	4.5	1.0	0.9
Manufacturing	4,004	3,959	4,052	90	48	47	2.3	1.2	1.2
Electricity, gas, water, remediat	1,030	1,079	1,064	6	6	6	0.5	0.6	0.6
Construction	1,097	1,093	1,096	150	93	88	13.7	8.5	8.1
Wholesale and retail trade	2,345	2,318	2,351	74	33	39	3.2	1.4	1.7
Transportation and storage	1,717	1,747	1,730	8	7	5	0.5	0.4	0.3
Accommodation and food service	431	447	438	22	17	16	5.2	3.7	3.7
Information and communication	634	616	621	2	1	1	0.3	0.1	0.2
Financial and insurance activities	45	40	48	5	1	0	10.6	2.3	0.2
Real estate activities	563	598	597	23	12	6	4.0	2.1	1.1
Professional, scientific and techn	1,055	1,070	1,095	55	43	41	5.2	4.0	3.7
Public services	297	283	278	8	1	1	2.6	0.4	0.4
<b>Total</b>	<b>13,358</b>	<b>13,386</b>	<b>13,507</b>	<b>449</b>	<b>264</b>	<b>252</b>	<b>3.4</b>	<b>2.0</b>	<b>1.9</b>

Source: Bank of Slovenia