

BANKA
SLOVENIJE

EVROSISTEM

**Monthly report on
bank
performance**

January 2023

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Commentary

Lending to the non-banking sector in November of last year was still up significantly in year-on-year terms, although the monthly increase in the stock of loans was smaller than in the previous months of 2022 amid weaker current lending to non-financial corporations and households. Interest rates on new loans to the non-banking sector rose discernibly in the second half of the year, and deposit rates also rose slightly. Deposits by non-financial corporations have been strengthening since the halfway point of last year, but household deposits also increased again in November after several months of decline. The asset quality indicators point to a certain deterioration over the last two months. Net income in the banking system over the first eleven months of the year was up a fifth on the same period of the previous year. Year-on-year growth in net interest continued to strengthen, and the net interest margin continued to rise, while non-interest income also remained higher than in the previous year. With net impairments and provisions remaining very low, pre-tax profit remains comparable to the previous year.

After one year of decline, year-on-year growth in the balance sheet total has been strengthening since July, and reached 5.5% in November of last year. The balance sheet total increased by EUR 367 million in November. Amid a large inflow of deposits by the non-banking sector and issuance of debt securities, November saw a pronounced increase in the banks' holdings of liquid assets in accounts at the central bank (by EUR 352 million), while a smaller portion of the funding obtained was directed into lending. November's increase in loans to households and non-financial corporations was smaller than the monthly average over the first ten months of the year.

Year-on-year growth in loans to the non-banking sector remained high in November at 12.0%, while interest rates rose notably during the second half of the year. The monthly increase of EUR 147 million in the stock of loans was significantly smaller than the average over the previous ten months (EUR 266 million), and was driven primarily by loans to non-financial corporations and non-residents. Similarly to October, lending to non-financial corporations was again concentrated among just a few large enterprises. Current lending to households continued to decline. The monthly increase of EUR 38 million in the stock of household loans was significantly smaller than the average over the previous ten months, with housing loans accounting for the majority. The volume of new housing loans has nevertheless declined sharply in recent months. The year-on-year increase in the stock of housing loans thus slowed to 10.5%, but remained among the highest in the euro area. Consumer loans accounted for EUR 6.4 million of November's monthly increase in household loans, taking their year-on-year growth to 0.4%, the first positive rate in two and a half years. The rise in interest rates on loans to the non-banking sector continued in November. Interest rates rose significantly in the second half of last year on loans to non-financial corporations and on household loans. Average interest rates on new fixed-rate loans to non-financial corporations rose by 3.0 percentage points over the first eleven months of last year, while average variable interest rates rose by 1.5 percentage points. Fixed and variable interest rates on housing loans rose by 1.7 percentage points and 1.9 percentage points respectively, while the equivalent figures for consumer loans were 0.6 percentage points and 1.5 percentage points.

October's discernible deterioration in the asset quality of certain parts of the portfolio spread across more sectors in the non-financial corporations portfolio in November, but the overall NPE ratio remained low (at 1.2%). The NPE ratio has risen significantly over the last two months in accommodation and food service activities (by 0.8 percentage points) and in professional, scientific and technical activities (0.6 percentage points), and has seen smaller increases in wholesale and retail trade (0.3 percentage points) and in certain other sectors. These increases were reflected in the overall non-financial corporations sector in an increase in the

stock of NPEs, while the NPE ratio in the portfolio remained at the October level of 1.9%. The share of Stage 2 exposures similarly increased in November in numerous sectors within the non-financial corporations portfolio. Manufacturing saw the largest increases in Stage 2 exposures in terms of both share and stock, which raised the share of Stage 2 exposures in the overall non-financial corporations portfolio to 8.0%, up 0.4 percentage points on October. A deterioration in asset quality according to this indicator was also seen for the second consecutive month in the household loans portfolio, particularly the consumer loans portfolio, although it was also evident (in November alone) in the housing loans portfolio. The share of Stage 2 exposures in the total portfolio increased merely by 0.1 percentage points to 4.7%. Coverage of NPEs by impairments and provisions declined by 4.6 percentage points between June and November to reach 55.6%, down on its value at the end of 2021 of 57.1%. The largest factor in the decline in coverage was the decline in coverage of NPEs to non-residents. Coverage of NPEs in other portfolio segments remained higher in November than at the end of 2021, despite its decline in recent months.

Amid a large inflow of household deposits and deposits by non-financial corporations, year-on-year growth in deposits by the non-banking sector has been strengthening since April of last year, and reached 7.9%. After three consecutive months of decline, the stock of household deposits increased by EUR 120 million in November to EUR 25.2 billion, taking the year-on-year rate of growth to 6.1%. Although non-financial corporations sharply increased their holdings of bank savings (by EUR 242 million) in November, similarly to the four previous months, the total increase over the first eleven months of the year of EUR 440 million was merely just over a third of the increase in household deposits over the same period. Year-on-year growth in deposits by non-financial corporations has been picking up pace sharply since June, and reached 11.6% in November, thanks in part to their more modest saving in the previous year.

Gross and net income in the banking system over the first eleven months of last year were up on the same period of the previous year, by 11.5% and 20.7% respectively. The trend of rapid increase in net interest has continued: the year-on-year rate of growth has more than doubled over the last three months, reaching 15.8% in November. Year-on-year growth in net non-interest income and in net fees and commission slowed to 6.6% and 6.3% respectively. The net interest margin is rising rapidly, and reached 1.55% in November, up 0.16 percentage points on its lowest point in April of last year. Quantity effects are increasingly being joined by favourable price effects, particularly since the summer, as a result of rising interest rates. Further positive effects come from the modest increase in interest expenses, as a result of the high share of sight deposits and the virtually unchanged interest rates on fixed-term deposits by the non-banking sector. Growth in operating costs (a year-on-year rate of 5.5%) was comparable to growth in the balance sheet total, and was merely half of the rate of growth in gross income.

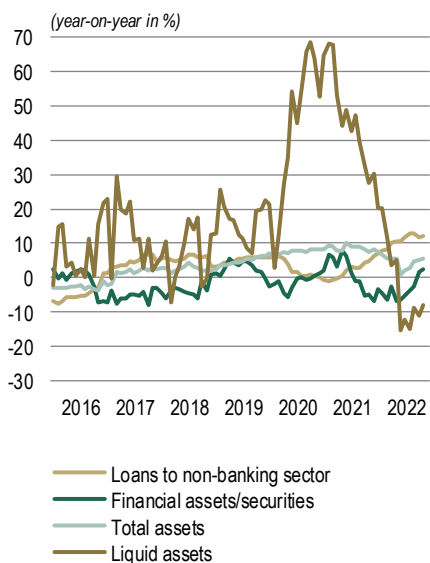
Pre-tax profit amounted to EUR 477 million over the first eleven months of last year, similar to the same period of the previous year. The banks again saw the net creation of impairments and provisions over this period (in contrast to a net release in the previous year). The net creation of impairments and provisions nevertheless remains low, and at EUR 30 million accounted for just 2.5% of the disposal of gross income. Pre-tax ROE stood at 10.5% over the first eleven months of the year, unchanged in year-on-year terms.

The banking system's capital position remained sound, and liquidity remained good. The total capital ratio at the consolidated level declined to 17.0% in the third quarter of last year, slightly less than the euro area average, while the CET1 ratio remains above the euro area average despite declining to 15.5%. After declining in the first quarter of last year, the liquidity coverage ratio (LCR) remained relatively stable over the remaining months of the year. It stood at 282% in November, down 30 percentage points on the end of the previous year, but still well above the regulatory requirement (of 100%). The decline in the LCR over the first eleven months of last year was mainly attributable to a decline in holdings of liquid assets in accounts at the central bank and a simultaneous increase in net liquidity outflows.

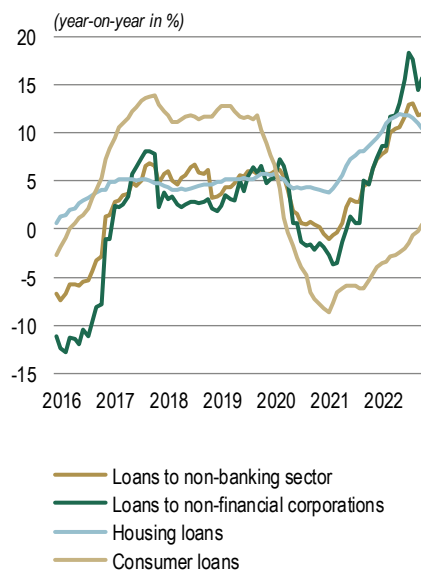
Key trends in the banking sector

Figure 1: Bank investments and loans

Growth in bank investments



Loans by sector and loan type

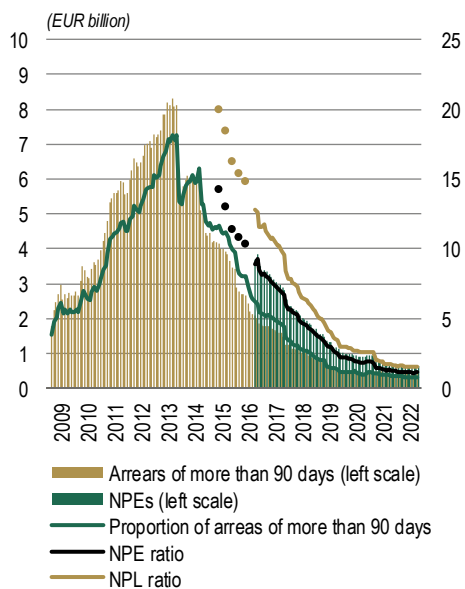


Note: The category 'Financial assets/securities' also includes debt securities from the category of loans and receivables.
 The category "Liquid assets" include cash, balances at CB and sight deposits at banks.
 Source: Bank of Slovenia.

Source: Bank of Slovenia.

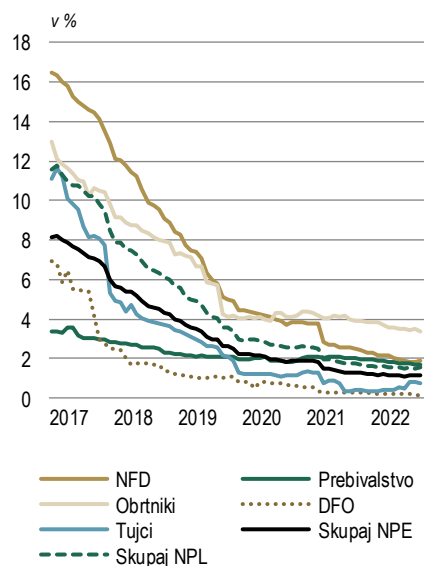
Figure 2: Non-performing exposure

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



Source: Bank of Slovenia.

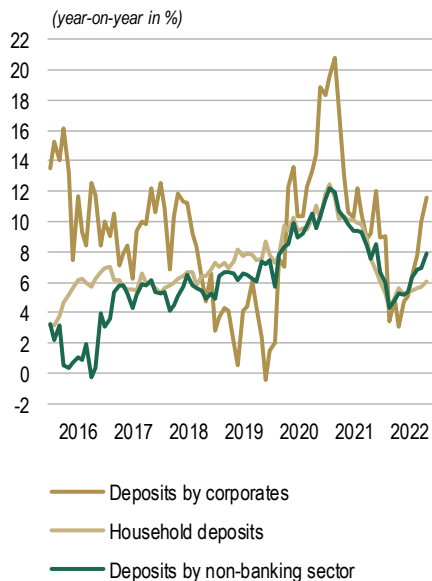
NPE ratio by client segment



Source: Bank of Slovenia.

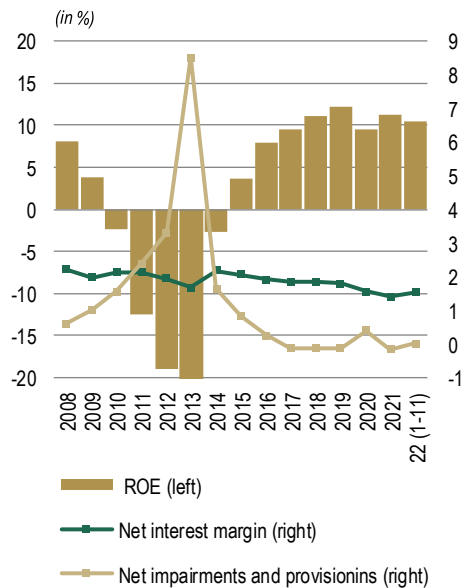
Figure 3: Deposits and selected banks' performance indicators

Deposits by sector



Source: Bank of Slovenia.

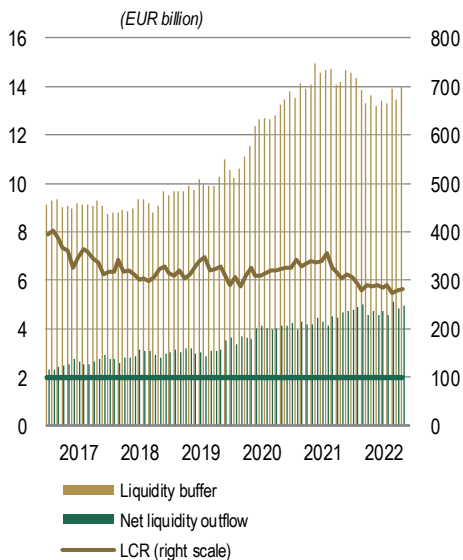
ROE, net interest margin, and ratio of impairment and provisioning costs to total assets



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.
Source: Bank of Slovenia.

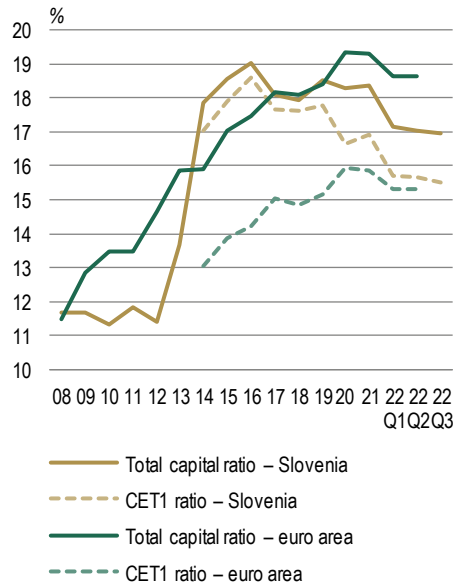
Figure 4: Indicators of liquidity and solvency

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.

Capital ratios compared with the euro area, consolidated basis



Source: Bank of Slovenia, ECB (SDW).

Table 1: Banking system's assets and liabilities, as at 30 November 2022

EUR million unless stated, growth rates in %	Stock	Breakdown	Stock	Breakdown	Stock	Breakdown	Increase in mio EUR		Growth in November 22,	
	dec.08	(%)	dec.21	(%)	nov.22	(%)	nov.22	in 2022	nov.22	year-on-year
Assets	47,948	100.0	48,252	100.0	50,154	100.0	367.4	1,902.8	0.7	5.5
Cash in hand, balances at CB and sight deposits at banks	1,250	2.6	11,495	23.8	9,973	19.9	433.5	-1,522.8	4.5	-8.0
Loans to banks at amortised cost (including central bank)	4,101	8.6	1,544	3.2	1,590	3.2	-112.3	45.1	-6.6	6.1
domestic banks	2,673	5.6	466	1.0	344	0.7	-4.4	-121.7	-1.2	-31.1
foreign banks	1,428	3.0	1,078	2.2	1,245	2.5	-107.9	166.8	-8.0	24.7
short-term loans to banks	2,056	4.3	426	0.9	645	1.3	-93.7	219.3	-12.7	57.6
long-term loans to banks	2,046	4.3	1,118	2.3	944	1.9	-18.5	-174.1	-1.9	-13.3
Loans to non-banking sector*	33,718	70.3	25,045	51.9	27,849	55.5	147.3	2,803.2	0.5	12.0
of which non-financial corporations	20,260	42.3	9,300	19.3	10,821	21.6	61.8	1,520.7	0.6	15.7
households	7,558	15.8	11,263	23.3	12,120	24.2	38.1	856.6	0.3	7.9
of which residential			7,373	15.3	8,093	16.1	30.7	720.0	0.4	10.5
consumer			2,472	5.1	2,495	5.0	6.4	23.1	0.3	0.4
government	506	1.1	1,481	3.1	1,382	2.8	10.3	-99.6	0.8	-2.3
other financial institutions	2,829	5.9	1,365	2.8	1,616	3.2	-13.1	251.4	-0.8	24.4
non-residents	2,515	5.2	1,611	3.3	1,883	3.8	50.3	271.7	2.7	21.6
Other FA classed as loans and receivables (at amortised cost)	0	0.0	148	0.3	170	0.3	-178.7	21.6	-51.3	7.4
Securities / financial assets (FA)**	7,323	15.3	8,355	17.3	8,724	17.4	92.9	368.9	1.1	2.3
a) FA held for trading	1,177	2.5	50	0.1	133	0.3	-16.5	82.2	-11.0	164.6
of which debt securities held for trading	571	1.2	1	0.0	14	0.0	-3.6	13.5	-20.0	1346.5
... government debt securities held for trading	56	0.1	1	0.0	14	0.0	-3.6	13.5	-20.0	1346.5
b) FA measured at FV through P&L not held for trading	0	0.0	95	0.2	85	0.2	0.4	-9.7	0.5	-5.3
of which debt securities measured at FV through P&L not held for trading	0	0.0	3	0.0	1	0.0	-0.1	-1.5	-4.0	-54.9
c) FA designated for measurement at FV through P&L	179	0.4	0	0.0	0	0.0	0.0	0.0	0.0	0.0
of which debt securities designated for measurement at FV through P&L	163	0.3	0	0.0	0	0.0	0.0	0.0	0.0	0.0
... government debt securities designated for measurement at FV through	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
d) FA measured at FV through other comprehensive income	4,552	9.5	4,941	10.2	3,805	7.6	-12.0	-1,136.8	-0.3	-24.8
of which debt securities measured at FV through other comprehensive income	4,318	9.0	4,743	9.8	3,615	7.2	-12.9	-1,128.6	-0.4	-25.6
... government debt securities measured at FV through other comprehensive income	2,875	6.0	3,140	6.5	2,452	4.9	18.4	-688.4	0.8	-24.0
e) Debt securities at amortised cost	1,415	3.0	3,269	6.8	4,702	9.4	121.0	1,433.1	2.6	41.2
of which government debt securities at amortised cost	1,182	2.5	2,248	4.7	3,348	6.7	105.5	1,099.4	3.3	43.9
Investments in subsidiaries, joint ventures and associates	627	1.3	945	2.0	1,072	2.1	9.8	127.2	0.9	14.5
Other assets	928	1.9	718	1.5	778	1.6	-25.3	59.4	-3.1	7.5
Equity and liabilities	47,948	100.0	48,252	100.0	50,154	100.0	367.4	1,902.8	0.7	5.5
Financial liabilities measured at amortised cost (deposits)***	41,895	87.4	42,817	88.7	44,597	88.9	316.9	1,780.9	0.7	5.9
a) Financial liabilities to central bank (Eurosystem)	1,229	2.6	2,344	4.9	1,276	2.5	-87.8	-1,068.3	-6.4	-45.2
b) Liabilities to banks	18,168	37.9	1,716	3.6	1,767	3.5	5.0	51.1	0.3	-7.3
of which to domestic banks	2,065	4.3	649	1.3	512	1.0	-48.5	-137.8	-8.7	-25.6
of which to foreign banks	16,098	33.6	1,066	2.2	1,255	2.5	53.5	188.8	4.5	3.1
c) Liabilities to non-banking sector (deposits by NBS)	20,883	43.6	37,185	77.1	39,086	77.9	493.4	1,900.7	1.3	7.9
of which to non-financial corporations	3,728	7.8	8,998	18.6	9,439	18.8	242.4	440.5	2.6	11.6
households	13,407	28.0	23,953	49.6	25,173	50.2	120.0	1,219.7	0.5	6.1
government	1,879	3.9	1,005	2.1	1,008	2.0	-13.0	2.3	-1.3	29.4
other financial institutions	1,065	2.2	1,417	2.9	1,521	3.0	22.5	103.5	1.5	4.8
non-residents	475	1.0	1,293	2.7	1,423	2.8	108.0	129.8	8.2	8.9
d) Debt securities	1,276	2.7	1,250	2.6	2,065	4.1	218.2	815.4	11.8	65.0
e) Other financial liabilities measured at amortised cost****	1,568	3.3	322	0.7	404	0.8	-311.8	81.9	-43.6	4.9
Provisions	176	0.4	151	0.3	137	0.3	-4.7	-14.5	-3.3	-10.5
Shareholder equity	4,010	8.4	5,061	10.5	5,152	10.3	65.4	91.0	1.3	1.9
Other liabilities	1,867	3.9	223	0.5	268	0.5	-10.2	45.5	-3.6	10.3
Balance sheet total	47,948	100.0	48,252	100.0	50,154	100.0	367.4	1,902.8	0.7	5.5

Notes: * Loans to non-banking sector not held for trading based on "Methodology for compiling the recapitulation of the statement of financial position" comprise loans and other financial assets at amortised cost (from A.VI), at fair value (FV) through P&L (from A.III), and at FV through other comprehensive income (from A.IV).

** 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).

*** Total financial liabilities measured at amortized cost in 2008 also include banks' liabilities to the central bank.

**** 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.

Source: Bank of Slovenia.

¹ 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.

Table 2: Income statement for 2020, 2021 and 2022

	2020	Breakdown	2021	Breakdown	2021	2022	Annual growth, %		
(EUR million unless stated)		(%)		(%)	jan.-nov.	(%)	jan.-nov.	(%)	jan.- nov. 22/ jan.- nov. 21
Interest income	754.0		737.2		684.1		779.1		13.9
Interest expenses	114.9		112.0		114.0		119.0		4.4
Net interest	639.1	47.0	625.2	51.9	570.0	53.5	660.0	55.6	15.8
Non-interest income	721.0	53.0	580.5	48.1	494.8	46.5	527.3	44.4	6.6
of which net fees and commission	329.7	24.2	377.3	31.3	343.9	32.3	365.7	30.8	6.3
of which net gains/losses on financial assets and liabilities held for trading	16.0	1.2	17.7	1.5	17.4	1.6	31.1	2.6	78.5
Gross income	1,360.1	100.0	1,205.6	100.0	1,064.9	100.0	1,187.3	100.0	11.5
Operating costs	-718.4	-52.8	-717.1	-59.5	-644.7	-60.5	-680.1	-57.3	5.5
Net income	641.6	47.2	488.5	40.5	420.2	39.5	507.2	42.7	20.7
Net impairments and provisions	-169.6	-12.5	73.7	6.1	52.4	4.9	-30.0	-2.5	-157.2
Pre-tax profit	472.0	34.7	562.2	46.6	472.6	44.4	477.2	40.2	1.0
Taxes	-21.7		-36.9		-44.3		-53.9		21.7
Net profit	450.3		525.3		428.3		423.4		-1.2

Source: Bank of Slovenia.

Table 3: Selected performance indicators

in %	2016	2017	2018	2019	2020	2021	jan.-nov.	jan.-nov.	(last 12 mon.)	(last 12 mon.)
Profitability										
Financial intermediation margin*	3.05	2.88	3.01	3.13	3.16	2.58	2.50	2.66	2.54	2.72
ROA	0.99	1.19	1.39	1.48	1.10	1.20	1.11	1.07	1.02	1.16
ROE	7.96	9.58	11.07	12.16	9.57	11.33	10.47	10.45	9.58	11.30
Interest margin on interest-bearing assets	1.91	1.83	1.84	1.79	1.57	1.41	1.41	1.56	1.42	1.55
Net non-interest income / operating costs	68.53	62.67	71.93	80.84	100.35	80.95	76.76	77.53	77.79	81.45
Operating costs										
Labour costs / average assets	1.01	1.02	1.02	1.00	0.90	0.85	0.84	0.82	0.84	0.84
Other costs / average assets	0.80	0.78	0.73	0.77	0.77	0.69	0.67	0.70	0.70	0.70
Asset quality										
Impairments of financial assets	5.38	4.09	2.64	1.53	1.59	1.14	1.20	1.10	/	/

* Gross income / average assets

Gross income / average assets*

Source: Bank of Slovenia.

Table 4: Comparison of interest rates on new variable-rate loans in Slovenia with those across the euro area, in percentages

v %	Interest rate ECB	Loans								Household deposits			
		Households				Corporates				up to 1 year		over 1 year	
		Housing		Consumer		up to EUR 1m		over EUR 1m		EMU	SLO	EMU	SLO
dec.17	0.00	1.7	2.0	4.5	4.4	2.1	3.6	1.3	1.1	0.3	0.1	0.5	0.5
dec.18	0.00	1.6	1.9	4.9	4.6	2.0	3.2	1.3	0.7	0.3	0.2	0.5	0.6
dec.19	0.00	1.5	1.8	5.4	4.6	1.9	3.3	1.2	0.9	0.2	0.2	0.5	0.3
dec.20	0.00	1.3	1.8	5.0	4.5	1.8	3.1	1.3	0.3	0.2	0.1	0.5	0.3
dec.21	0.00	1.3	1.6	5.1	4.7	1.7	2.2	1.1	1.1	0.2	0.0	0.5	0.2
jan.22	0.00	1.3	1.5	5.6	4.7	1.8	2.1	1.2	1.7	0.2	0.0	0.4	0.2
feb.22	0.00	1.4	1.6	5.4	4.7	1.7	2.0	1.1	2.7	0.2	0.0	0.4	0.2
mar.22	0.00	1.4	1.5	5.5	4.7	1.7	1.9	1.2	1.2	0.2	0.0	0.4	0.1
apr.22	0.00	1.4	1.5	5.8	4.5	1.8	2.0	1.2	0.7	0.2	0.0	0.5	0.1
maj.22	0.00	1.5	1.5	5.9	4.7	1.7	2.1	1.2	1.4	0.2	0.0	0.5	0.2
jun.22	0.00	1.7	1.6	5.7	4.6	1.8	1.9	1.8	1.4	0.2	0.0	0.6	0.2
jul.22	0.50	1.8	1.8	6.1	4.0	1.9	2.2	1.5	1.7	0.3	0.0	0.8	0.8
avg.22	0.50	2.1	2.0	6.6	5.1	2.1	2.4	1.6	1.7	0.4	0.0	0.9	0.2
sep.22	1.25	2.3	2.5	6.6	5.3	2.5	2.7	2.3	2.2	0.6	0.1	1.2	0.8
okt.22	1.25	2.7	3.2	6.8	6.2	3.0	4.7	2.5	2.8	0.8	0.1	1.6	1.3
nov.22	2.00	2.9	3.4	6.4	6.3	3.3	3.6	2.9	2.7	1.1	0.2	1.8	1.4

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

Source: Bank of Slovenia, ECB.

Table 5: Comparison of interest rates on new fixed-rate loans in Slovenia with those across the euro area, in percentages

v %	Loans							
	Households				Corporates			
	Housing		Consumer		up to EUR 1m		over EUR 1m	
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
dec.19	1.4	2.7	5.3	6.2	1.7	3.5	1.4	1.1
dec.20	1.3	2.2	5.1	6.0	1.7	3.3	1.3	1.7
dec.21	1.3	1.7	5.1	6.0	1.6	2.2	1.2	1.2
jan.22	1.3	1.7	5.3	6.0	1.7	2.6	1.3	1.1
feb.22	1.4	1.7	5.3	6.0	1.8	2.7	1.5	1.7
mar.22	1.5	1.7	5.3	5.9	1.8	2.4	1.5	1.4
apr.22	1.6	1.8	5.4	6.0	1.9	2.5	1.6	1.3
maj.22	1.8	1.9	5.6	6.1	2.1	2.7	2.0	2.2
jun.22	2.0	2.0	5.6	6.0	2.2	3.0	2.0	1.7
jul.22	2.1	2.3	5.7	6.1	2.4	3.2	2.1	2.9
avg.22	2.2	2.5	5.9	6.3	2.6	3.6	2.2	2.0
sep.22	2.4	2.8	6.0	6.2	2.9	4.2	2.4	3.0
okt.22	2.6	3.1	6.2	6.5	3.2	4.7	2.8	3.3
nov.22	2.8	3.4	6.5	6.6	3.5	4.6	3.3	3.9

Source: Bank of Slovenia.

Table 6: Non-performing exposures by client segment

	Exposures				Non-performing exposures (NPEs)					
	EUR million		in %		EUR million				ratio, in %	
	Nov.22	Nov.22	Dec.20	Dec.21	Oct.22	Nov.22	Dec.20	Dec.21	Oct.22	Nov.22
NFCs	16,858	30.6	552	347	312	324	3.9	2.3	1.9	1.9
large NFCs	8,331	15.1	227	71	51	51	3.1	0.9	0.6	0.6
SME	8,194	14.9	325	276	261	274	4.7	3.7	3.2	3.3
OFIs	1,812	3.3	8	4	3	3	0.6	0.2	0.1	0.1
Households	13,547	24.6	255	261	242	238	2.1	2.1	1.8	1.8
sole traders	750	1.4	30	27	25	26	4.3	3.9	3.4	3.5
individuals	12,797	23.2	225	233	216	212	2.0	2.0	1.7	1.7
consumer loans	2,565	4.7	84	94	92	89	3.2	3.7	3.6	3.5
housing loans	8,036	14.6	115	114	100	97	1.7	1.6	1.2	1.2
other	2,196	4.0	25	24	24	25	1.3	1.2	1.1	1.2
Non-residents	9,615	17.5	106	30	72	82	1.3	0.3	0.8	0.8
Government	3,852	7.0	8	0	0	0	0.2	0.0	0.0	0.0
Banks and savings banks	694	1.3	0	0	0	0	0.0	0.0	0.0	0.0
Central bank	8,687	15.8	0	0	0	0	0.0	0.0	0.0	0.0
Total	55,065	100.0	929	641	629	647	1.9	1.2	1.2	1.2

Source: Bank of Slovenia.

Table 7: Non-performing exposures to non-financial corporations by sector

	Exposures		Non-performing exposures (NPEs)				NPE ratio			
	EUR million		EUR million				ratio, in %			
	Nov.22	Nov.22	Dec.20	Dec.21	Oct.22	Nov.22	Dec.20	Dec.21	Oct.22	Nov.22
Agriculture, forestry, fishing, mining	149	0.9	3	2	2	2	3.3	1.5	1.2	1.4
Manufacturing	4,675	27.7	93	61	57	57	2.3	1.5	1.2	1.2
Electricity, gas, water, remediation	1,943	11.5	9	8	3	3	0.6	0.5	0.2	0.2
Construction	1,722	10.2	61	41	34	36	4.8	2.8	2.0	2.1
Wholesale and retail trade	2,885	17.1	208	75	59	68	8.1	2.8	2.0	2.3
Transportation and storage	1,607	9.5	25	19	15	17	1.5	1.3	0.9	1.0
Accommodation and food service	540	3.2	61	77	79	79	9.9	13.3	14.4	14.6
Information and communication	641	3.8	5	4	4	3	0.9	0.7	0.6	0.5
Financial and insurance activities	327	1.9	0	0	0	0	0.0	0.1	0.0	0.0
Real estate activities	723	4.3	24	6	7	7	4.1	0.9	1.0	1.0
Professional, scientific and technical	1,400	8.3	50	43	48	47	3.7	2.9	3.5	3.4
Education, health, public admin.	148	0.9	5	4	3	3	3.8	2.8	1.9	1.9
Arts, recreation and entertainment	97	0.6	7	6	2	2	6.5	5.2	1.9	1.9
Total	16,858	100.0	552	347	312	324	3.9	2.3	1.9	1.9

Source: Bank of Slovenia.

Table 8: Exposures by credit risk stages by client segment

	Share in %									Exposure to stage 2		
	S1			S2			S3			amount, EUR million		
	Dec 20	Dec 21	Nov 22	Dec 20	Dec 21	Nov 22	Dec 20	Dec 21	Nov 22	Dec 20	Dec 21	Nov 22
NFCs	84.7	87.5	90.1	12.3	10.2	8.0	3.0	2.3	1.9	1,743	1,549	1,355
large NFCs	88.4	91.9	94.2	10.0	7.2	5.2	1.5	0.9	0.6	718	527	419
SME	80.9	83.1	85.7	14.6	13.3	11.1	4.6	3.6	3.2	1,026	1,022	936
OFIs	99.2	99.5	97.7	0.3	0.2	2.2	0.6	0.2	0.1	4	3	39
Households	89.4	88.4	90.7	8.5	9.5	7.5	2.1	2.1	1.8	1,010	1,199	1,018
sole traders	84.3	82.3	85.2	11.3	13.8	11.3	4.3	3.9	3.5	78	98	85
individuals	89.7	88.8	91.0	8.3	9.3	7.3	2.0	2.0	1.7	932	1,101	933
consumer loans	89.6	85.1	86.9	7.2	11.2	9.6	3.2	3.7	3.5	189	283	246
housing loans	88.3	89.5	92.3	10.0	8.9	6.5	1.7	1.6	1.2	660	644	522
other	94.6	90.5	91.3	4.1	8.3	7.5	1.3	1.2	1.2	83	174	165
Non-residents	94.5	96.8	97.8	4.6	2.9	1.4	1.0	0.3	0.8	366	251	134
Government	99.2	99.1	98.8	0.6	0.9	1.2	0.2	0.0	0.0	33	39	46
Total	91.9	93.0	94.1	6.5	5.8	4.7	1.6	1.2	1.2	3,166	3,060	2,606

Source: Bank of Slovenia.

Table 9: Exposures by credit risk stages by sector

	Share in %									Exposure to stage 2		
	S1			S2			S3			amount, EUR million		
	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22
Agriculture, forestry, fishing, mining	85.9	91.6	90.2	10.9	6.9	8.6	3.3	1.5	1.2	11	9	13
Manufacturing	80.6	86.8	86.8	17.1	11.7	12.0	2.3	1.5	1.2	682	478	560
Electricity, gas, water, remediation	96.1	96.9	96.9	3.2	2.6	3.0	0.6	0.5	0.2	45	40	58
Construction	84.5	90.9	92.4	10.7	6.4	5.5	4.8	2.7	2.1	135	95	95
Wholesale and retail trade	88.0	89.2	91.6	8.2	8.0	6.1	3.8	2.8	2.3	201	211	176
Transportation and storage	93.8	92.2	94.8	4.7	6.5	4.2	1.5	1.3	1.0	77	100	67
Accommodation and food service	43.9	32.6	55.7	46.9	54.5	30.2	9.3	12.8	14.2	288	314	162
Information and communication	92.2	96.8	94.6	6.9	2.5	4.8	0.9	0.7	0.5	39	16	31
Financial and insurance activities	98.7	95.4	99.7	1.2	4.6	0.3	0.0	0.1	0.0	1	6	1
Real estate activities	86.2	91.0	94.4	9.7	8.0	4.7	4.1	0.9	1.0	56	51	33
Professional, scientific and technical	85.5	86.5	88.2	10.8	10.5	8.5	3.7	2.9	3.4	145	155	119
Education, health, public admin.	85.4	88.6	85.7	10.8	8.6	12.4	3.8	2.8	1.9	15	13	18
Arts, recreation and entertainment	47.7	38.5	76.1	45.8	56.3	22.0	6.5	5.2	1.9	49	61	21
Total	84.7	87.5	90.1	12.3	10.2	8.0	3.0	2.3	1.9	1,743	1,549	1,355

Source: Bank of Slovenia.

Table 10: Coverage of NPEs and credit risk stages with impairments and provisions

	Credit risk stages									NPE		
	S1			S2			S3					
	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22	Dec.20	Dec.21	Nov.22
NFCs	0.7	0.4	0.4	5.6	4.4	4.2	52.5	57.2	58.5	46.5	57.4	58.5
OFIs	0.5	0.4	0.2	1.2	1.6	1.0	54.3	92.8	89.1	54.2	92.8	89.1
Households	0.3	0.2	0.3	4.7	4.3	4.6	51.2	53.9	58.1	51.1	53.9	58.1
sole traders	1.0	0.9	0.7	5.8	5.1	5.6	46.4	52.6	53.4	46.4	52.8	53.4
individuals	0.3	0.2	0.3	4.6	4.2	4.5	51.8	54.0	58.7	51.7	54.0	58.7
consumer loans	0.6	0.4	0.4	8.4	6.0	6.8	60.9	64.3	67.4	61.0	64.3	67.4
housing loans	0.2	0.2	0.2	3.7	3.9	3.9	43.4	43.5	50.1	43.5	43.5	50.1
other	0.3	0.2	0.4	3.3	2.7	2.9	58.8	62.8	59.9	58.0	63.6	61.0
Non-residents	0.3	0.2	0.2	3.7	4.3	7.9	78.1	77.2	37.2	65.1	77.2	35.7
Government	0.1	0.1	0.1	3.6	2.8	0.9	93.9	92.8	48.9	93.9	92.8	39.6
Total	0.3	0.2	0.3	5.1	4.3	4.4	55.0	57.0	55.9	50.3	57.1	55.6

Source: Bank of Slovenia.