SL – Slovenia

Statistics Slovenia produces a quarterly house price index for new and existing dwellings starting in the first quarter of 2007. The index is constructed using the hedonic method, in which regression analysis is used to describe a dwelling's sales price in relation to it's property characteristics. Multiple regression analysis is performed for each type of real estate, which includes new and existing dwellings as well as different municipalities, and explanatory variables are used to control for characteristics such as age, quality, and size. Regression coefficients are then used in a Laspeyres index and weighted by the average value of real estate characteristics in the previous fourth quarter.

To extend the data back to the first quarter of 1975, we splice two historical series together with the Statistics Slovenia house price index. First, we use the growth rates from the Statistics Slovenia series for existing dwellings only and extend the series back to the first quarter of 2000. To complete the house price series, we use an annual historical series for the average price of one square meter new and existing dwellings. We first interpolate the series to a quarterly series using the quadratic-match average method and use the subsequent growth rates to extend the house price series back to the first quarter of 1975.

The house price series is not seasonally adjusted by the source, so we seasonally-adjust the spliced series using the BSTS model and re-base it to 2005=100. To obtain the real series, we deflate this house price series using the Personal Consumption Expenditure (PCE) deflator obtained from the Eurostat database.

We complete the data for Slovenia by including personal disposable income (PDI) reported in *per capita* terms. To create the PDI *per capita* series we divide household disposable income by the working-age population. Gross disposable income and consumption of fixed capital data is obtained through Statistics Slovenia. Both series are reported quarterly and begin in the first quarter of 2005. Consumption of fixed capital is subtracted from the gross disposable income series to produce PDI. We seasonalize the series using the BSTS model to remove the seasonal and volatility components of the data.

To extend the PDI series to 1975, we use annual historical data from Statistics Slovenia. We first interpolate the series to a quarterly frequency using the quadratic-match average method and use the growth rates to extend the PDI series back to 1975. Working-age population data is obtained through the OECD Main Economic Indicators database and begins in the first quarter of 1999. We use annual working-age population data from the United Nations to extend the series back to 1975 by first interpolating the series using the quadratic-match average method and using the subsequent growth rates. We divide the spliced PDI series to obtain a nominal *per capita* series. We then use the PCE deflator to express the PDI *per capita* series in real terms, and both the nominal and real PDI measures are re-based to 2005=100.

Information Resources:

Statistics Slovenia Data:

House price indices by DWELLINGS, QUARTER and INDEX. PxWeb (stat.si)

Non-financial sector accounts, mio EUR by TRANSACTION, SECTOR and QUARTER. PxWeb (stat.si)

Population Data:

OECD Data Explorer • Working-age population