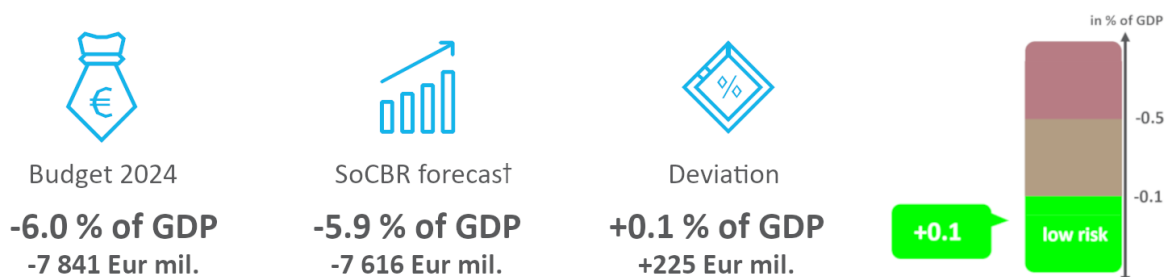


The deficit estimate for 2024 decreased to the level of EUR 7.6 billion, lower investment level in defense is due to shifted deliveries of military equipment



note: negative impact of change in denominator (nominal GDP) on deficit equals 0.1 ppt

Secretariat of the Council for Budget Responsibility (SoCBR) estimates the 2024 General Government Budget (GGB) deficit at 5.9 % of GDP

- SoCBR has decreased the estimated level of GGB deficit in 2024. The positive difference compared to the January forecast amounts to EUR 262 million. Month-to-month decrease of the GG deficit level is due to a lower investment level in the defense sector. Based on current information, a smaller number of fighter jets is expected to be delivered this year compared to the previous SoCBR's assumptions.
- **According to the SoCBR, the deficit can reach the level of 5.9 % of GDP (EUR 7 616 million)**, based on current information and under the assumption that the government does not take additional measures.
- **Positive deviation from the approved budget amounts to 0.1 % of GDP**, which means that the risk of the public deficit level rising above the government objective is low. However, contrary to budgeted year-on-year decrease in the deficit level, **SoCBR estimates an increase of 0.2 ppt of GDP in the GG deficit level relative to a value expected in 2023**.
- The National Council did not approve the proposal for new spending ceilings, which means that Slovakia still does not have a functional tool for a consolidation of public finances. Approving the spending ceilings, update with new measures and subsequent alignment with budget would make it possible to reduce the deficit deeper below the level of 6 % of GDP.
- We expect the most significant negative impact on the GG balance in government measures to compensate high energy prices, since a reserve in the budget does not suffice to finance overall expected costs of compensation schemes.
- On the other hand, expected savings in current expenditures of the state budget represent the most significant positive impact on the GG balance. SoCBR in its forecast does not expect to use the total budgeted amount based on developments observed in previous years.

Underlying data are published [in a data file available on the CBR website](#).

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