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INTRODUCTION

The Statistical Office of the Republic of Serbia, main producer and disseminator of statistics, publishes a large number of releases, indicators, bulletins, etc. A multitude of publications often gives rise to confusion with users who, on the other hand, use data to assess their performances and adapt them to other economic subjects and trends.

As many users, apart from specialists, are statistically and economically illiterate, they may be confused by the diversity of data, unable to understand and prioritise them correctly, which often results in reluctance towards information.

As the statistical system is very complex and generalised, designed to meet the specific sub-sector needs for information, statistical data are often incomprehensible in modern society. Informing the users with „dry" statistical data is often not sufficient as they provide only a partial picture about macroeconomy. Namely, it has been proved that traditional concepts of data (tables, statistical releases, etc.) do not facilitate quick understanding of the socio-economic reality and fail to transmit the key message, particularly when there is a large amount of data.

Having in mind all the above and following world trends in presenting statistical data, as well as the interest shown by professionals, the redesigned Trends traditionally provide quarterly and annual data, but also use new concepts of presenting the most important economic signals via modern and advanced graphical solutions for presenting and dissemination.

The issue for the second quarter of 2025 presents a review of major economic trends in this period: Gross domestic product, Industrial production, Construction, External trade, Domestic trade, Prices, Labour market, Salaries and wages, Tourism, Economic Sentiment Indicator, Regional economic asymmetries, Agriculture, Business services, and Transport and telecommunications

As always, this issue presents also the forecasts of trends in certain areas for the next period, obtained under ARIMA forecasting models (in the following sections: Industry, Domestic trade and External trade).

Since 1999, the Statistical Office of the Republic of Serbia has no available data for AP Kosovo and Metohia, therefore they are not included in the data for the Republic of Serbia (total).

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1. GROSS DOMESTIC PRODUCT

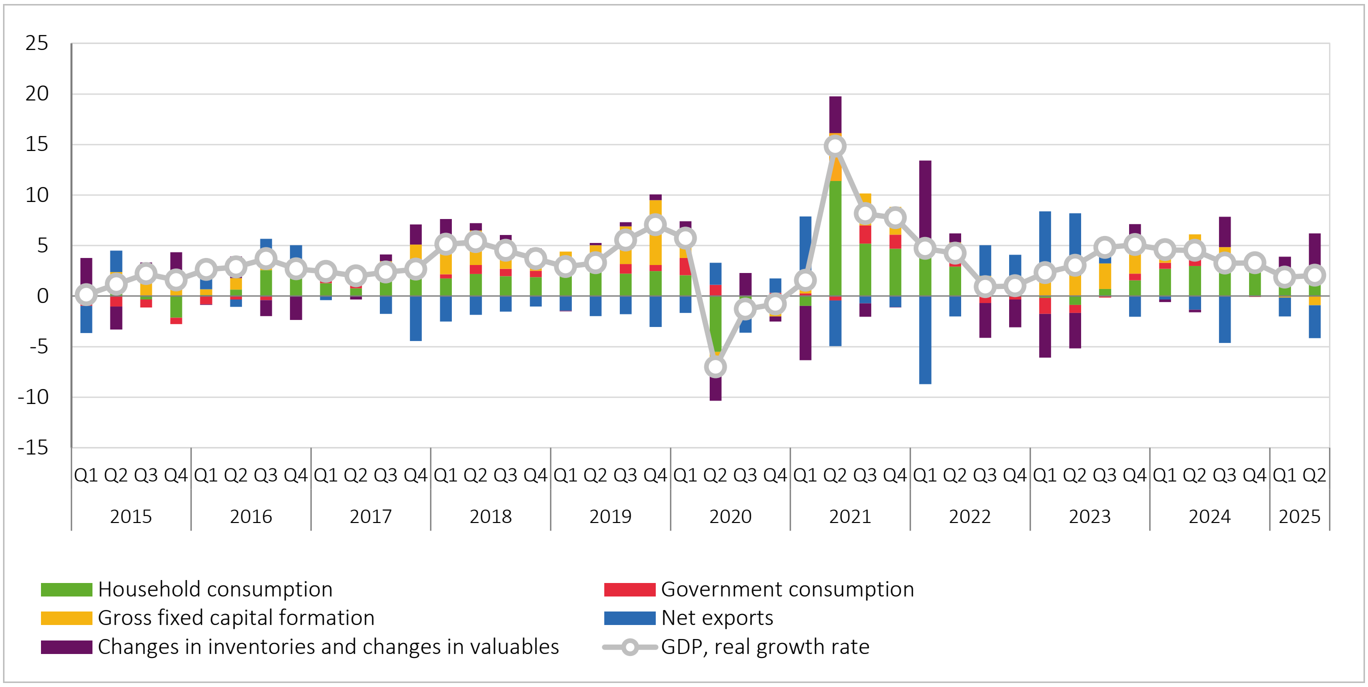
In the second quarter of 2025, GDP real increase of 2.1% was recorded relative to the same period last year. The dominant growth carrier in this quarter related to the section of services, excluding trade, with 1.6 p.p.

Observed by expenditure aggregates, in the second quarter of 2025, relative to the same period last year, household consumption recorded real growth of 3.0% and positively contributed to GDP trend with 2.0 p.p. Gross fixed capital formation recorded fall of 4.0%, relative to the same period of the previous year (GDP contribution of -0.9 p.p.). Export and import increased by 4.6% and 9.8% and resulted in contribution to GDP trend with 2.5 p.p. and 5.7 p.p., respectively (Table 1.1 and Chart 1.1).

Table 1.1. GDP – expenditure aggregates, real inter-annual growth rates, Q1 2023 – Q1 2025 (%)
(comparison with the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
GDP	**2.3**	**3.0**	**4.8**	**5.1**	**4.6**	**4.5**	**3.2**	**3.3**	**1.9**	**2.1**
Household consumption	-0.2	-1.3	1.0	2.5	4.4	4.7	3.9	3.8	1.7	3.0
Government consumption	-8.4	-4.4	-0.9	3.6	3.6	4.6	2.6	-0.3	0.5	3.7
Gross fixed capital formation	7.9	9.3	10.4	10.8	7.9	10.1	8.4	1.1	-0.8	-4.0
Exports	8.7	3.0	-0.7	0.6	2.7	6.7	7.4	8.1	8.6	4.6
Imports	-2.2	-6.1	-1.8	3.7	3.1	8.4	14.7	7.1	11.3	9.8

Chart 1.1. Contributions to inter – annual GDP growth rate – expenditure aggregates (p.p.)

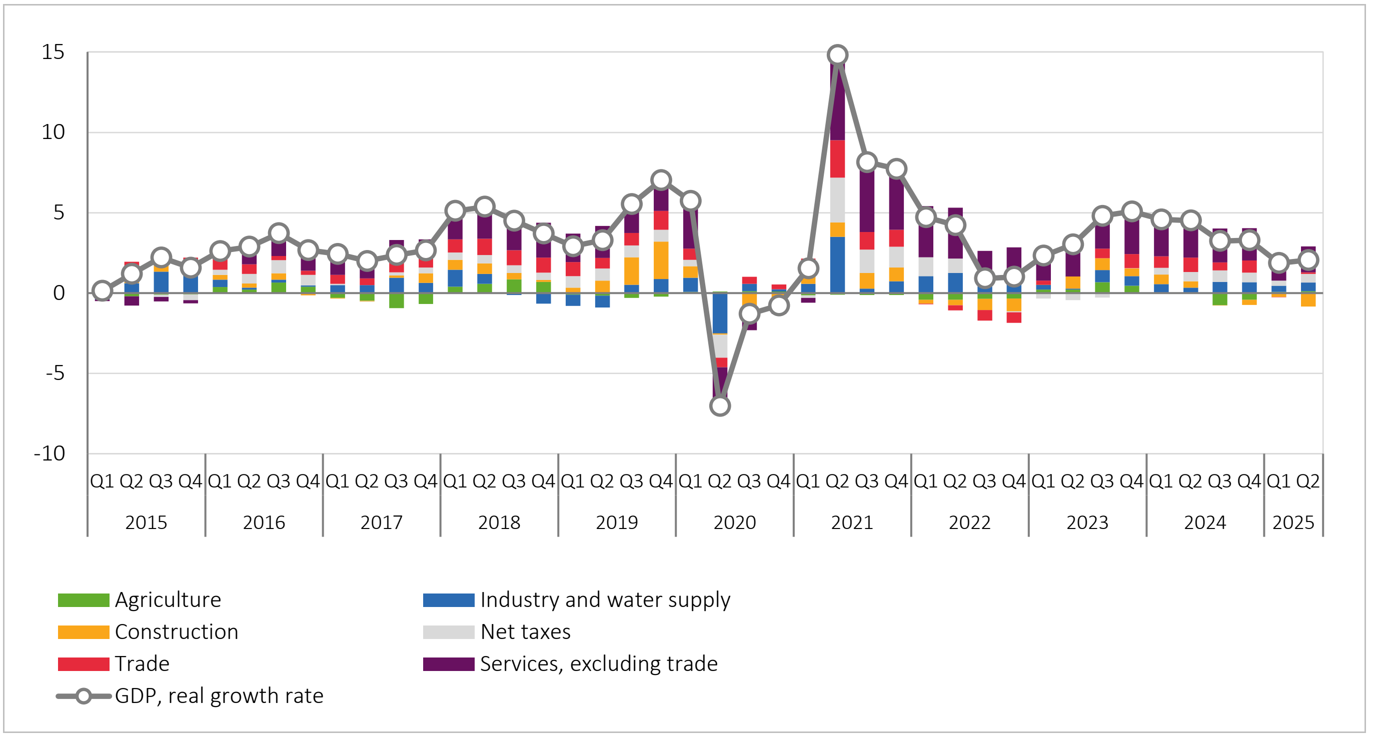


Observed from the **production side**, the greatest positive contribution to GDP increase in Q2 2025 resulted from increased activity in service section (excluding trade), 1.6 p.p.

Table 1.2. GDP – production side, real inter-annual growth rates, Q1 2023 – Q2 2025 (%)
(changes to the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
GDP	**2.3**	**3.0**	**4.8**	**5.1**	**4.6**	**4.5**	**3.2**	**3.3**	**1.9**	**2.1**
Agriculture	8.1	6.5	8.2	6.9	-7.7	-8.1	-8.8	-7.6	2.0	3.0
Industry and water supply	1.0	0.2	4.1	3.1	2.9	1.7	3.6	3.5	2.0	3.0
Construction	0.8	17.0	15.3	8.0	14.0	8.2	-0.3	-5.8	-5.3	-16.1
Trade	2.5	0.0	6.0	8.6	7.1	9.1	4.9	6.9	-0.1	0.8
Services, excl. trade	4.2	5.5	5.2	6.0	4.7	4.9	4.6	4.3	2.7	3.3
Net taxes	-2.4	-2.4	-1.8	-0.1	2.9	3.6	5.0	4.2	2.3	3.4

Chart 1.2. Contributions to inter – annual GDP growth rate – production side (p.p.)



2. INDUSTRIAL PRODUCTION

2.1. TOTAL INDUSTRIAL PRODUCTION

Total industrial production in the Republic of Serbia, in the period January - June of 2025 increased by 2.6% relative to the same period of 2024. Growth was noted in the sections of *Manufacturing* (3.7%) and *Mining and quarrying* (4.1%), while *Electricity, gas, steam and air conditioning supply* recorded fall of -4.0%.

Chart 2.1. Cumulative trend of total industrial production and its sections, growth rates (%) (January - June 2025 relative to January -June 2024)

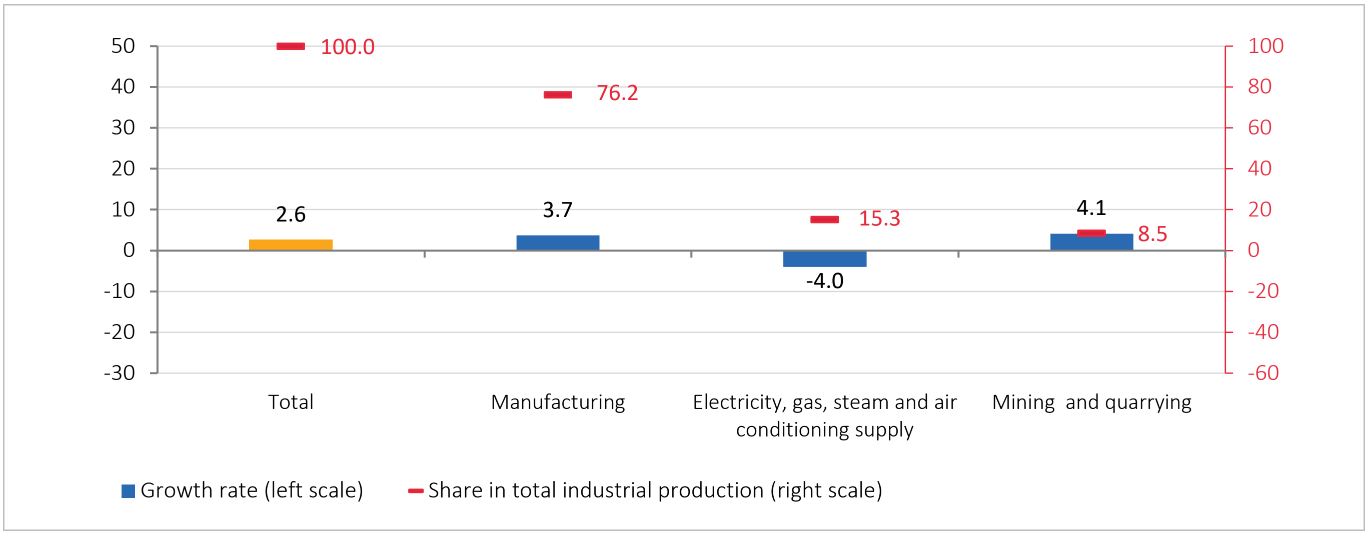
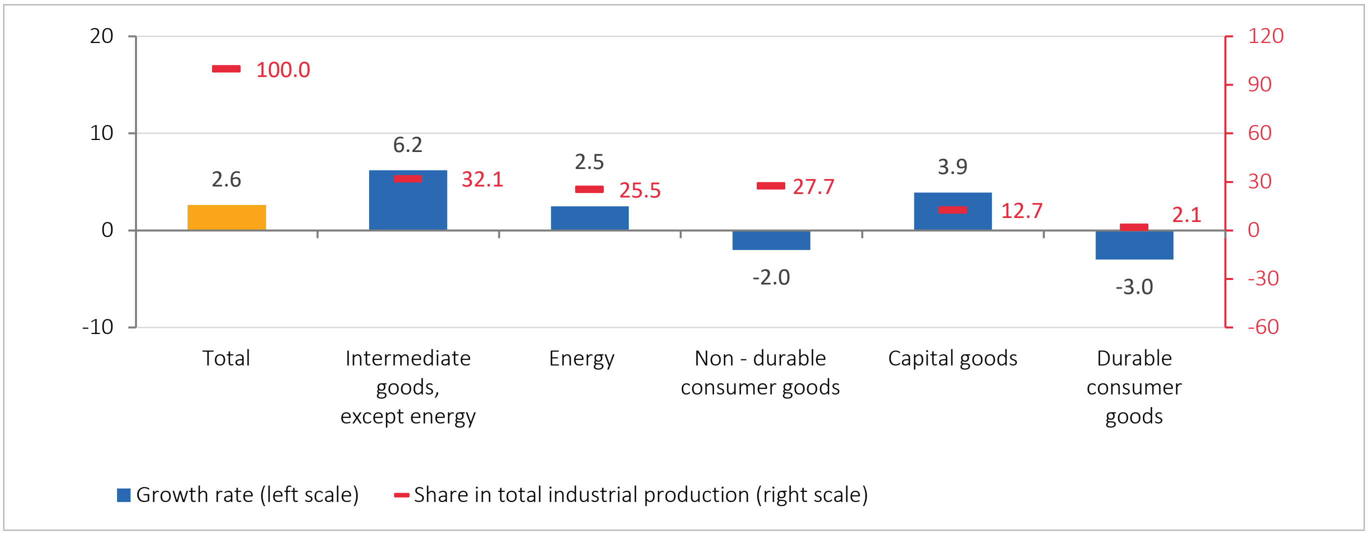


Chart 2.2. Industrial production growth rates by MIGs (%) (January - June 2025 relative to January - June 2024)



In the period January - June 2025 / January – June 2024, the section of **Manufacturing** contributed most to total industry growth with 2.9 p.p., followed by **Mining and quarrying** (0.4p.p.), while **Electricity, gas, steam and air conditioning supply** recorded negative contribution to industry trend (-0.7 p.p.).

Table 2.1. Industrial production, indices (comparison with the same period of the previous year)

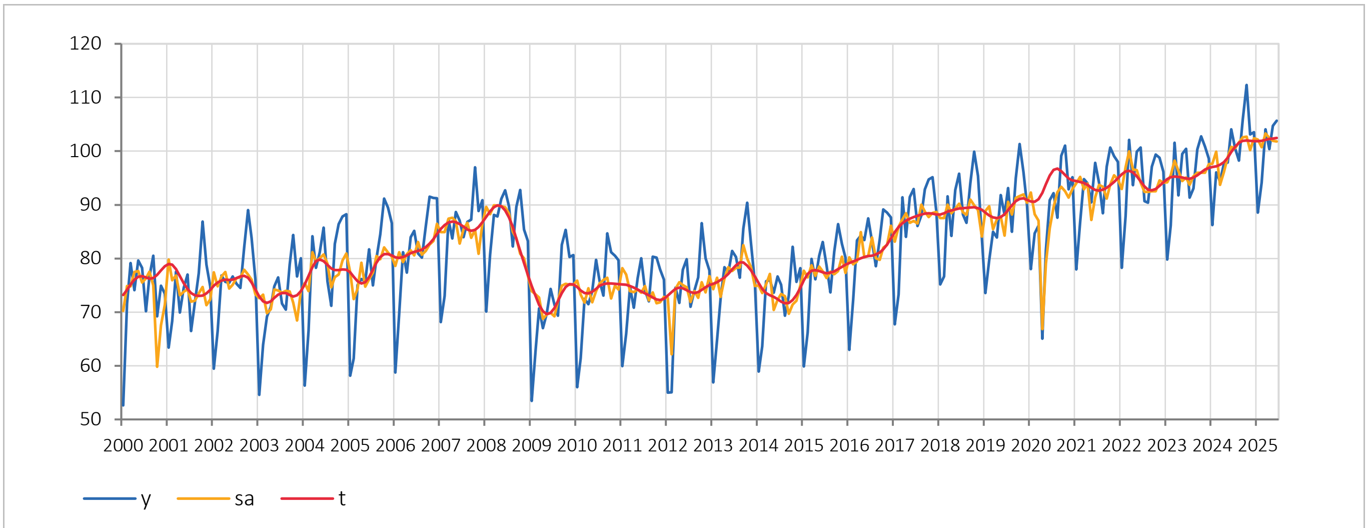
	2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1-Q3[1]
Industrial production – total	102.5	100.9	103.7	102.8	102.9	101.3	103.4	103.9	102.1	103.1	**103.0**
Manufacturing	98.5	99.0	102.1	102.8	103.1	102.4	106.4	105.6	103.7	103.8	**103.5**
Electricity, gas, steam and air conditioning supply	118.6	114.8	111.1	106.6	100.3	89.4	86.9	96.6	94.3	98.3	...
Mining and quarrying	104.5	94.3	105.8	95.3	106.4	116.5	104.4	105.0	104.9	103.4	...

[1] Prognoses (obtained on the basis of time series analysis models).

2.2. MANUFACTURING (C) (share of 76.2% total industrial production index)

Trend-cycle component of Manufacturing in the second quarter of 2025, records increasing trend (chart 2.3).

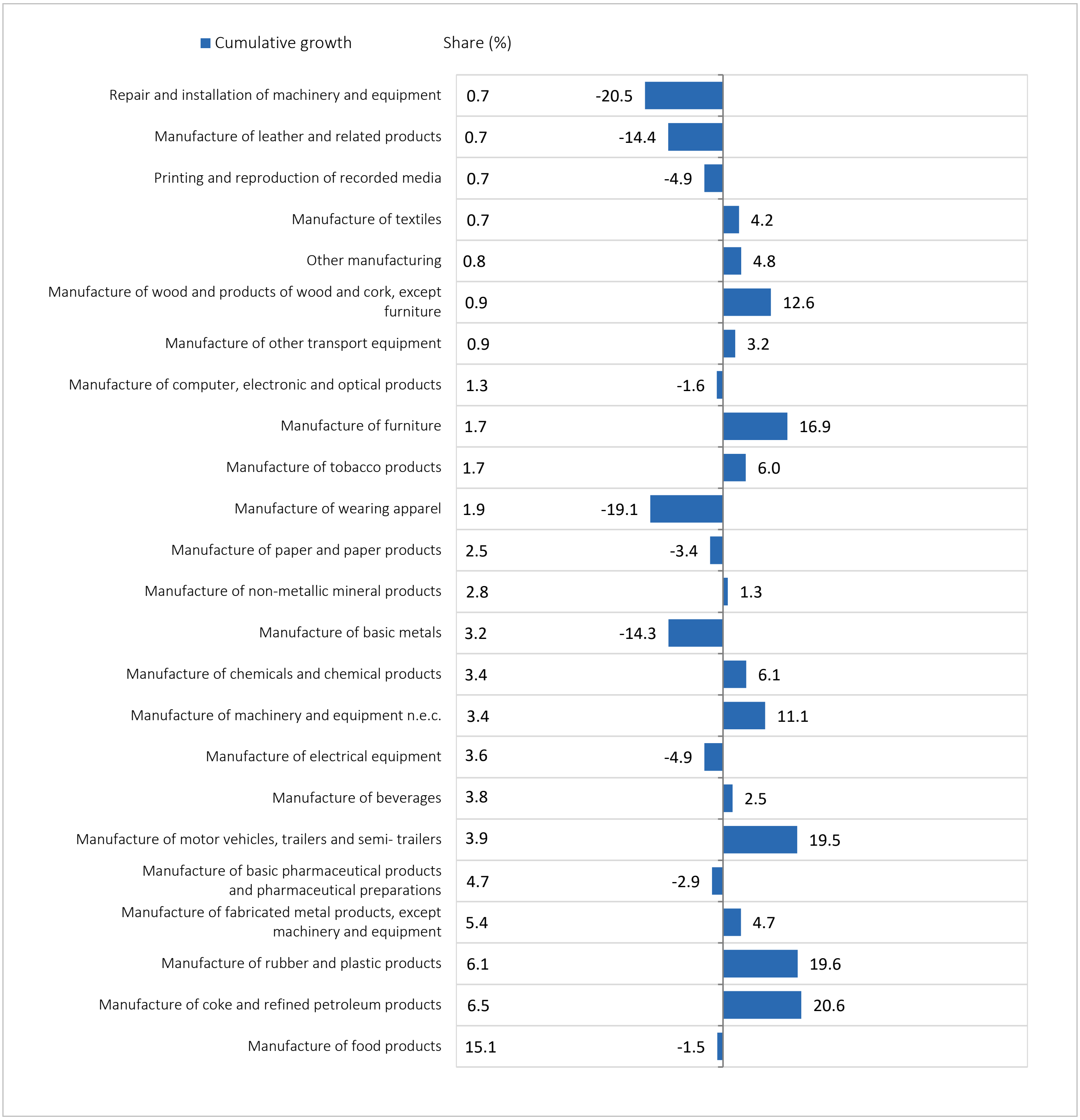
Chart 2.3. Components of Manufacturing time series, indices (y – original series, sa – series with excluded seasonal component, t – trend-cycle component, average 2024 = 100)



Observed by divisions, Manufacturing in the first half of 2025 increased in 14 out of 24 divisions (mutually participating with 41.9% in total industry), if compared with the same period of 2024. The most significant divisions – measured by the share in total industrial production - in which positive results were noted in the first half of 2025 were: Manufacture of coke and refined petroleum products (growth of 20.6%), Manufacture of rubber and plastic products (growth of 19.6%), and Manufacture of metal products except machinery (growth of 4.7%).

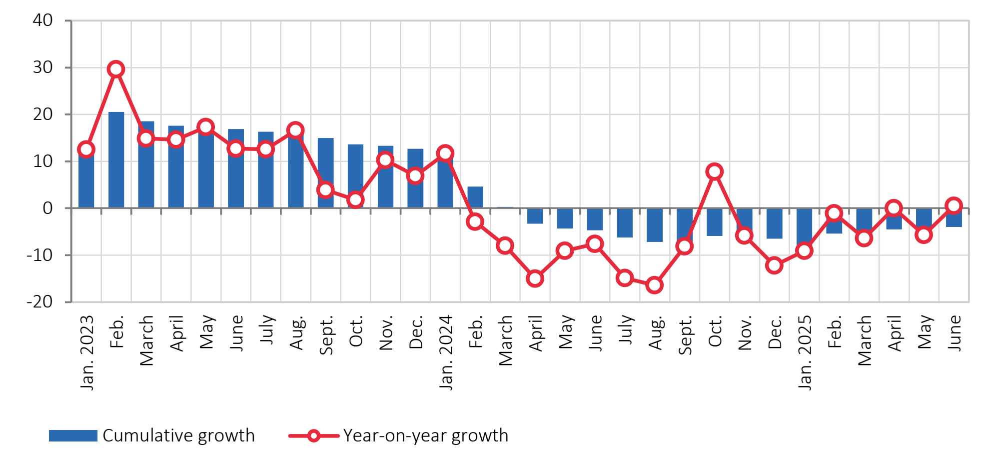
Decrease was recorded in 10 divisions (mutually participating with 34.4% in total industry): Manufacture of food products (fall of -1.5%), Manufacture of basic pharmaceutical products and pharmaceutical preparations (fall of – 2.9%), and Manufacture of electrical equipment (fall of -4.9%).

Chart 2.4. Manufacturing by divisions, cumulative growth rates (%) (January - June 2025 relative to January - June 2024); divisions are presented in ascending order according to shares in total industrial production)



2.3. ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY (D) (share of 15.3% in total industrial production index)

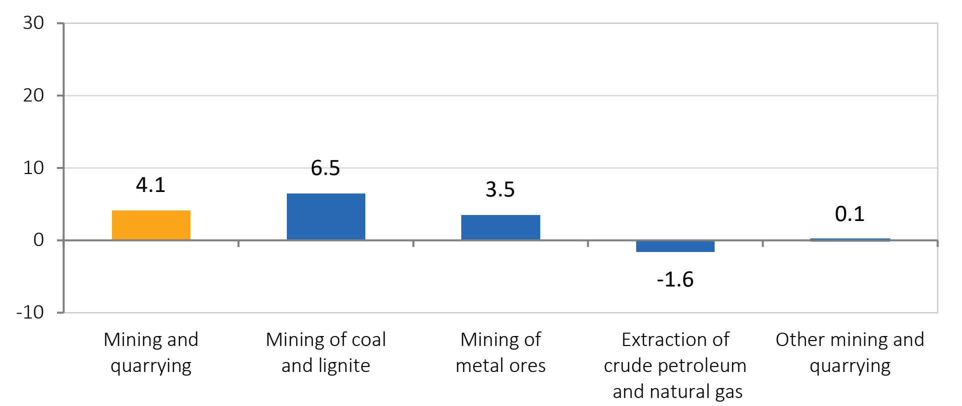
Chart 2.5. Cumulative and year-on-year growth rates in energy section (%) (cumulative – period relative to the same period of the previous year; year-on-year – month relative to the same month of the previous year)



Section of *Electricity, gas, steam and air conditioning supply* recorded fall of -4.0% in **the first six months of 2025** relative to the same period of 2024.
In the second quarter of 2025, relative to the same months in 2024, production in April remined on the same level (0%), decrease was recorded in May (-5.7%), while growth of 0.5% was noted in June.

2.4. MINING AND QUARRYING (B) (share of 8.5% in total industrial production index)

Chart 2.6. Cumulative growth rates in Mining and quarrying section (%) (January - June 2025 relative to January - June 2024)



Production of the section of *Mining and quarrying* recorded growth of 4.1% **in the first six months of 2025** relative to the same period 2024.

Observed by months, in the second quarter of 2025 relative to the corresponding months in 2024, production noted fall in April (-0.5%), in May (-4.4%), while growth was recorded in June (15.0%).

HOW TO INTERPRETE THE SERIES?

Seasonal effects can provoke distortions in time series trend, and in such way camouflaging its “real” nature and significant characteristics necessary for precise and detail analysis of the phenomena. When selecting the indicators that will be used for analysis (original, seasonally adjusted or trend), the nature of the observed series and point of the performed analysis should be taken into account. Three separate components (obtained by series’ disaggregation), together with the original series, describe various aspects of a single phenomenon and are used for versatile analytic purposes – depending on the researcher’s interest. Seasonally adjusted values are used for comparison of the consecutive periods and for estimation of potential value of a series when calendar effects and season effects would not exist, as is the case with industrial production.

3. CONSTRUCTION

3.1. CONSTRUCTION ACTIVITY

In the second quarter 2025 construction activity on the territory of the Republic of Serbia, compared to the same period 2024 decreased by 12.7% at current prices, while the decrease at constant prices amounted to 16.1%.

Observed by type of constructions, the value of construction works on buildings increased by 5.8%, and on civil engineering (transport infrastructure, pipelines, complex industrial constructions, etc.), decrease of 26.2% was recorded, at constant prices.

Table 3.1. **Value of performed construction works, quarterly indices (%)** (comparison with the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Current prices	109.2	121.1	119.3	113.9	122.0	114.9	104.9	99.6	98.6	87.3
Constant prices	99.5	117.9	115.8	111.1	118.3	110.2	104.0	98.1	94.4	83.9

Chart 3.1. **Components of time series of Indices of performed construction works on the territory of the Republic of Serbia, at constant process, indices** (y – original series, sa – series with excluded seasonal component, t – trend cycle component average 2021 = 100)

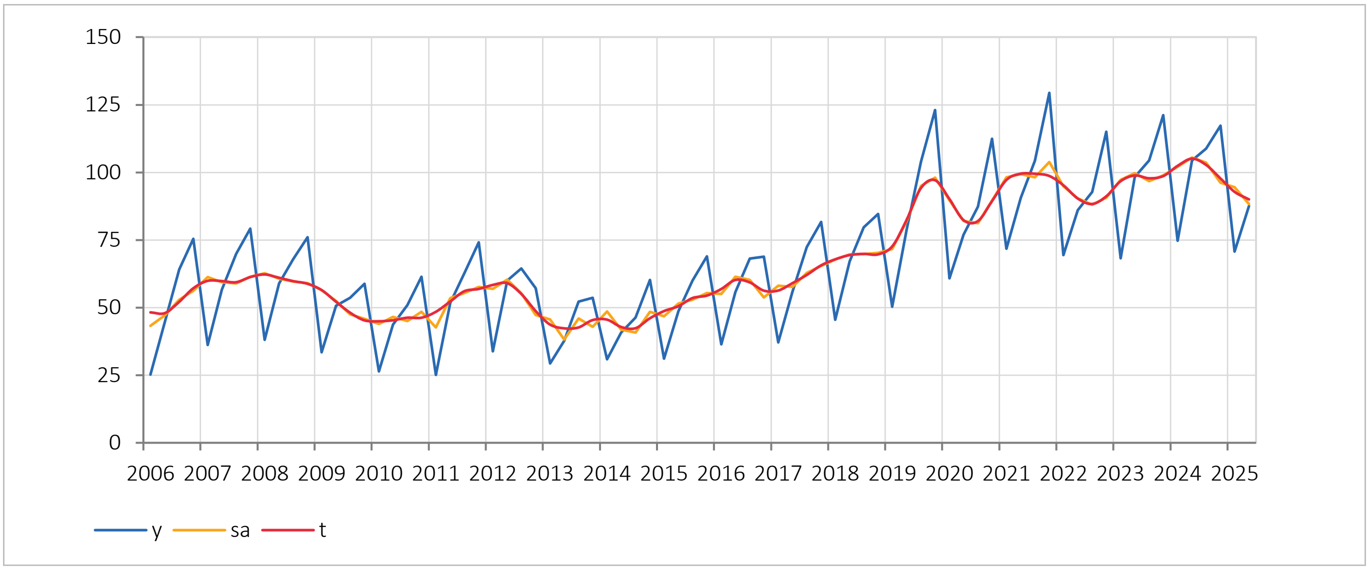
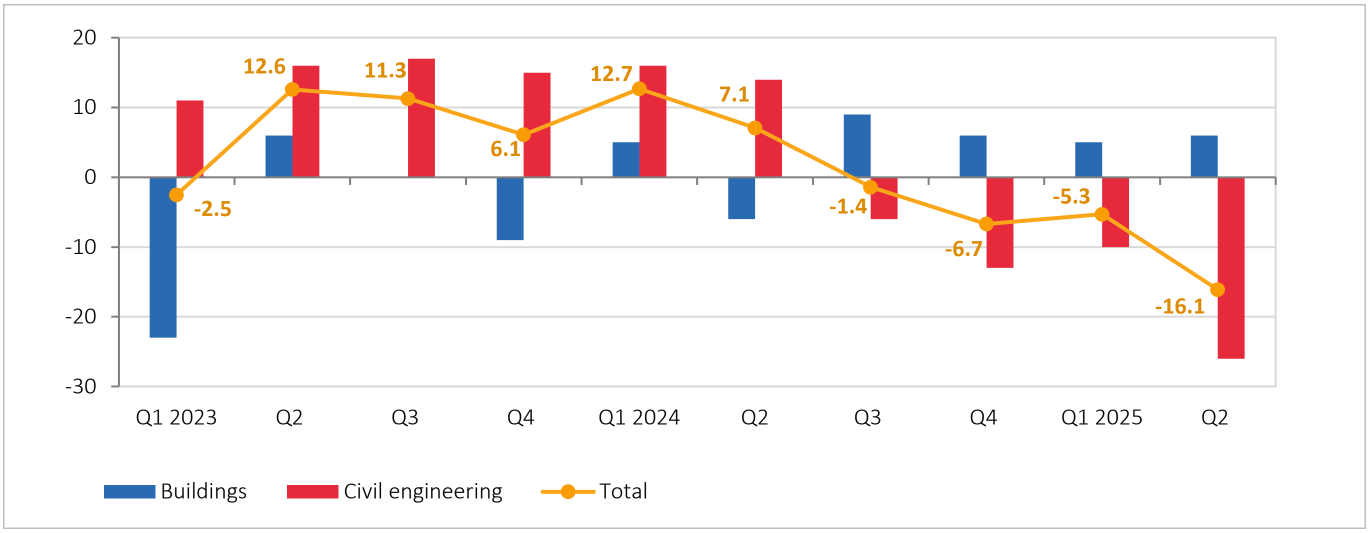


Chart 3.2. **Value of performed construction works at constant prices, growth rates (%)** (quarter relative to the same quarter of the previous year)



Observed by regions (Chart 3.3), a **significant increase** in the value of completed construction works (19.2%) was recorded in the **Beoradski region**. The increase is observed in all types of construction, and especially in buildings. The largest construction sites in Belgrade in the observed quarter were: *Belgrade Waterfront*, *Expo,* and several large residential and commercial complexes throughout the city.

Compared to the same quarter last year, the value of construction works has almost halved in **Vojvodina Region**. The main reason is the completion of works on the Hungarian-Serbian railway project, of which the realized value in the second quarter 2024 was extremely high. On the other hand, the values of residential and non-residential buildings have been growing since the beginning of the year.

The value of completed construction works also decreased in **Region of South and East Serbia (-31.8%)** both for buildings and civil engineering. The index decline was mostly influenced by projects whose implementation was completed in the previous period or which are in the final phase of construction: *Clean Serbia* (construction of communal and sewage infrastructure in Vranje and Svrljig), construction and reconstruction of the "Constantine the Great" Airport in Niš, and reconstruction of Niš-Dimitrovgrad railway.

A decline in construction activity was also recorded in **Šumadija and Western Serbia Region** and amounts to -8.8% in constant prices, compared to the same period of the previous year. Observed by type of construction, an increased value of works on non-residential buildings and complex industrial constructions was recorded, while a decline in construction activity was recorded on residential buildings and transport infrastructure constructions. The effect of a high base is also present here - namely, in 2024, very intensive works were carried out on Šabac-Loznica expressway that was also completed in the same year.

Chart 3.3. Value of performed construction works by regions, at constant prices, growth rates (%)
(quarter relative to the same quarter of the previous year)

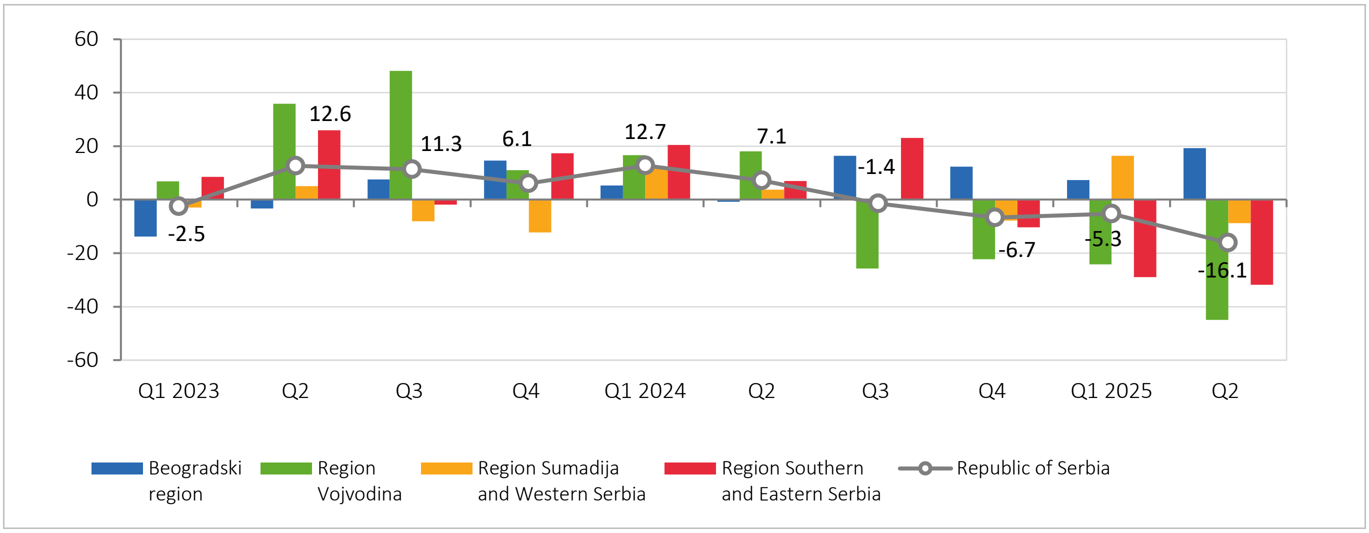


Chart 3.4. Value of performed construction works and hours of work on construction sites, comparative overview, indices (quarter compared to the same quarter of the previous year)

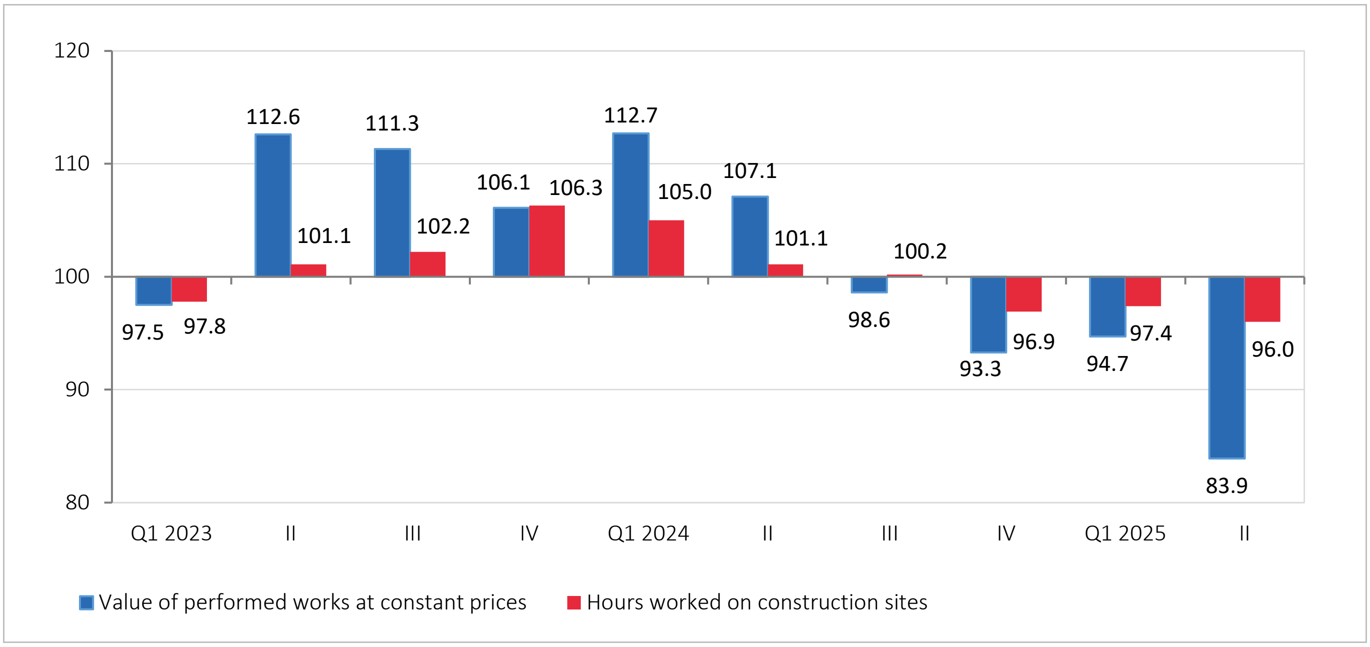


Chart 3.4 shows a comparative overview of the movement of worked hours and the value of works performed on construction sites. Effective worked hours have been increasing since the second quarter of 2023, which is in line with the increase in the value of the performed works.

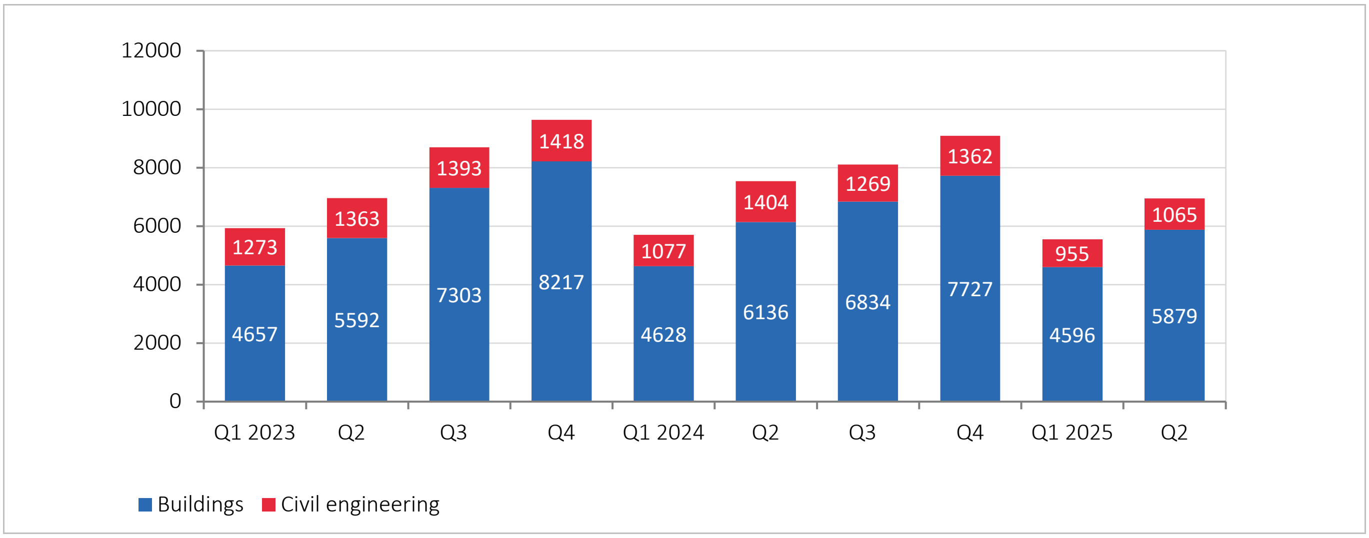
The largest increase in worked hours was achieved in the fourth quarter of 2023 (6.3%). From the fourth quarter of 2024, construction activity has been declining, as shown by both indicators - the value of construction work performed and hours worked.

3.2. BUILDING PERMITS

In addition to the value of works performed and hours of work on construction sites, the statistics of construction keep a monthly record of the issued **building permits and decisions**, which approve the implementation of construction works in the Republic of Serbia and which show the future trend of construction activity.

In **the second quarter 2025,** 6 944 building permits were issued. The greatest part of permits (5 879) related to construction works on buildings, while the rest (1 065) related to transport infrastructure works, pipelines, complex industrial structures. Total number of issued permits in the second quarter 2025 decreased by 7.9% related to the same period of the previous year.

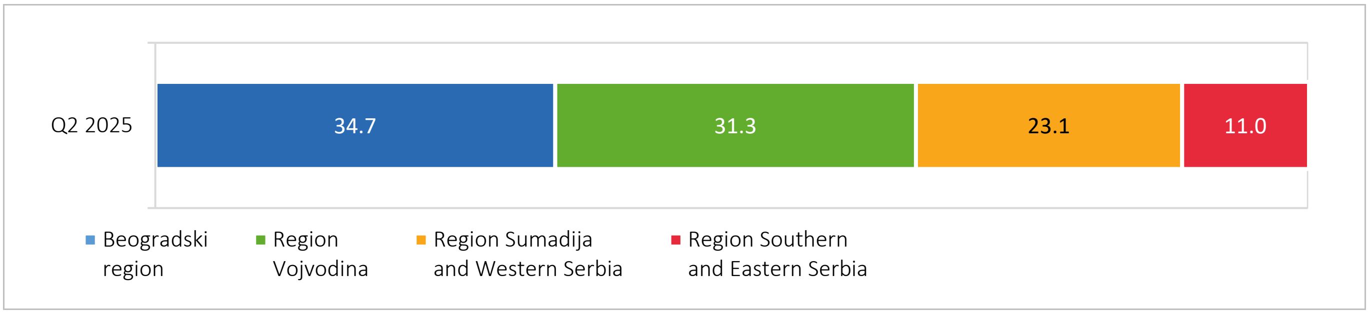
Chart 3.5. **Number of issued building permits for buildings and civil engineering**



The anticipated value of works, according to the issued permits, in the second quarter 2025, amounts to RSD 211 854 million, which represents a decrease of 16.5% compared to the same quarter of the previous year.

The greatest share in estimated value in the second quarter is seen in Belgrade region (34.7%), followed by Vojvodina region (31.3%), Šumadija and Western Serbia region (23.1%) and Southern and Eastern Serbia region (11.0%).

Chart 3.6. **Anticipated value of works according to issued permits, by regions; share in %**



GLOSSARY

Value of performed construction works – the most significant indicator of construction activity trend in Serbia. It presents the value of performed works on construction that the reporting unit performed with workers directly engaged for execution of works.

Value of performed works includes: value of work, value of built in material and finished products for incorporating, consumed energy commodities and other expenditures related to performing works on construction. Value of performed works excludes: value of subcontractors' works, expenditures of land purchase, design, supervision and VAT.

To deflate the value of completed construction works, in accordance with Eurostat recommendations, the Construction Cost Index is used.

According to *Classification of Types of Constructions*, applied since 2004, which is completely harmonized with the same Classification of Eurostat, all constructions can be classified into: buildings and civil engineering.

Value on buildings includes value of performed works, both on residential and non-residential buildings.

Civil engineering, besides transport infrastructure (roads, railways, bridges, etc.) involves also works carried out on pipelines, complex industrial structures and other civil engineering n.e.c. (e.g. sport constructions).

4. EXTERNAL TRADE

4.1. EXPORTS OF GOODS (EUR current exchange rate)

Total value of goods export in the Republic of Serbia in the period January – June 2025 increased by 10.2%, relative to the same period 2024. Total export results were mostly influenced by manufacturing increase of 11.2%, as it presents 87.8% of total export, followed by mining and quarrying share of 5.5%, recording cummulative growth of 4.9%.

Chart 4.1. Components of export's time series, indices (y – original series, sa – series with excluded seasonal component, t – trend cycle component, average 2024 = 100)

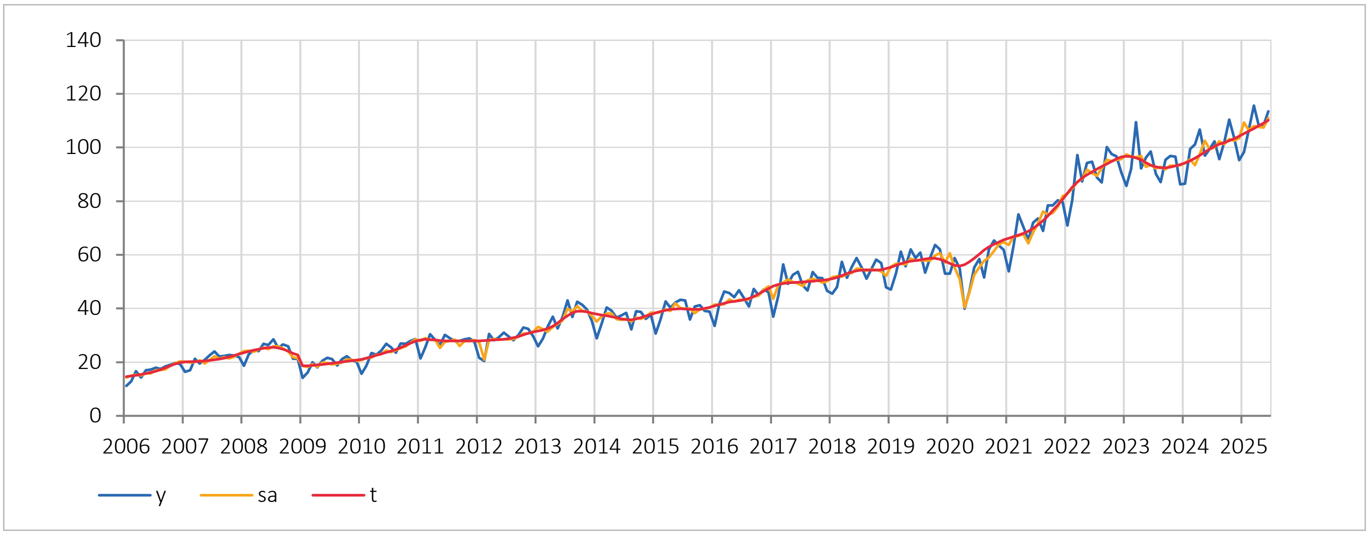
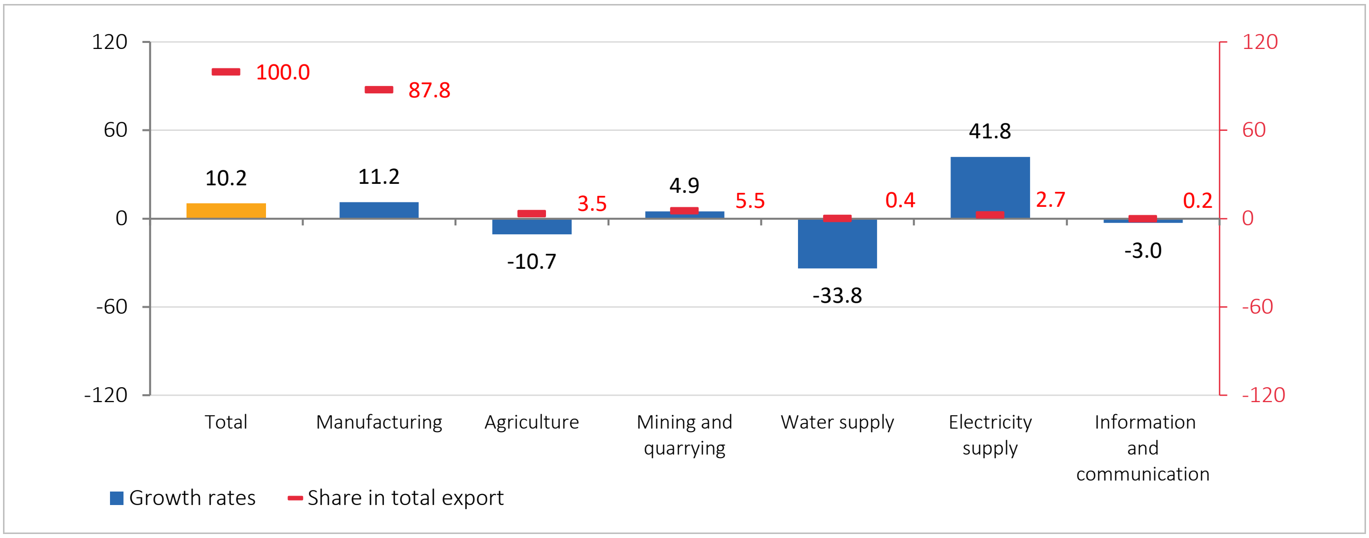


Table 4.1. Export of goods by CA (2010) sections, quarterly indices (comparison with the same period of the previous year)

	2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1-Q3[1]
Export – total	115.6	103.9	98.8	98.1	100.0	105.6	110.1	110.7	111.4	109.7	**109.5**
Manufacturing	112.1	107.4	101.8	101.1	104.9	105.2	110.9	111.2	110.0	112.1	
Agriculture, forestry and fishing	72.8	56.7	72.9	116.4	143.5	161.1	129.8	98.0	99.1	80.8	
Mining and quarrying	125.3	58.7	84.9	65.1	78.7	163.7	112.2	119.9	129.6	97.6	

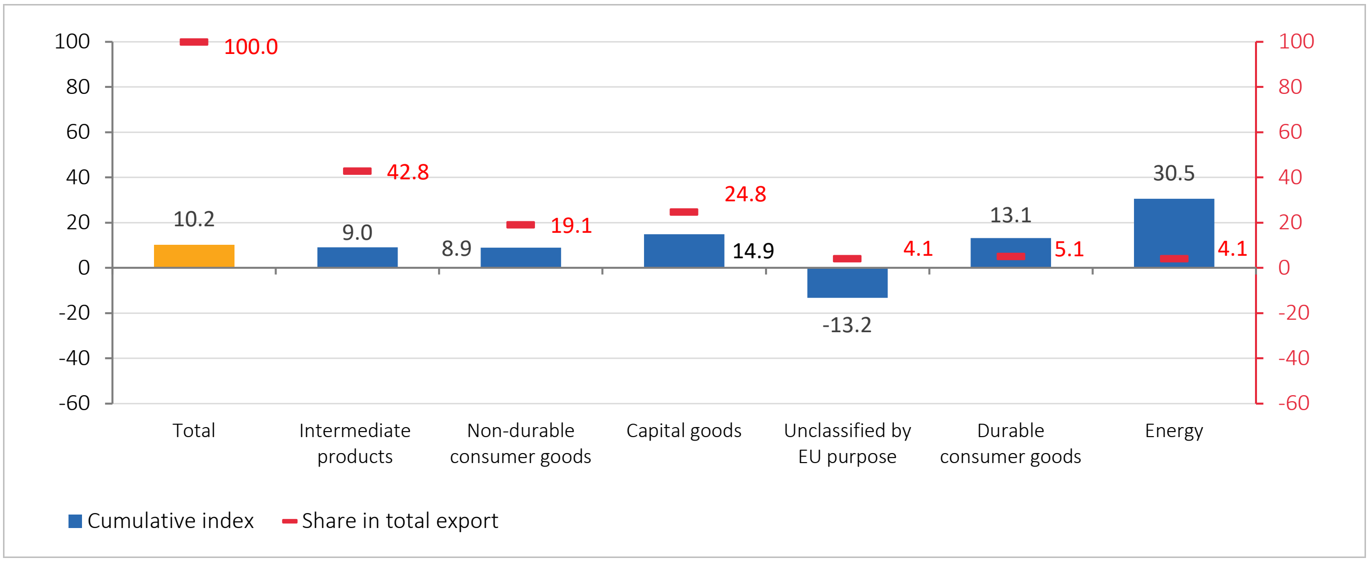
[1] Prognosis (obtained on the basis of a time series analysis model).

Chart 4.2. Cumulative growth rates of export by CA (2010) sections and sections' share in export (%)
(January – June 2025 relative to the same period 2024)



Observed by economic purpose, total export results in the period January – June 2025 were mostly influenced (contribution of 3.9 p.p.) by increased exports of **intermediate products** (share of 42.8% and increase of 9.0%) and **capital goods** (share of 24.8%, increase of 14.9% and contribution of 3.5 p.p.).

Chart 4.3. Cumulative growth rates of exports according to the economic purpose of the European Union (%)
(January – June 2025 relative to the same period 2024)



4.2. IMPORTS OF GOODS (EUR current exchange rate)

Total value of goods import in Serbia in the period January – June 2025 increased by 10.6% relative to the same period 2024. Import results were mostly influenced by the section of manufacturing (increase of 4.1%), as it presents 71.7% of total imports, and 32.5% increase in the section of unclassified products by the economic purpose of the EU (13.5% of total imports) in the first half 2025.

Chart 4.4. Components of import's time series, indices (y – original series, sa – series with excluded seasonal component, t – trend cycle component, average 2024 = 100)

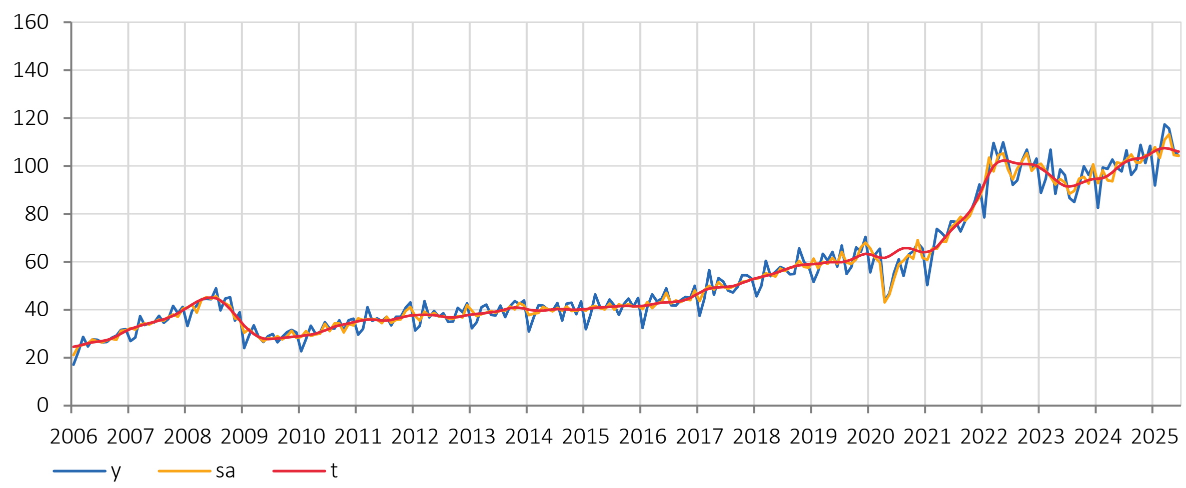
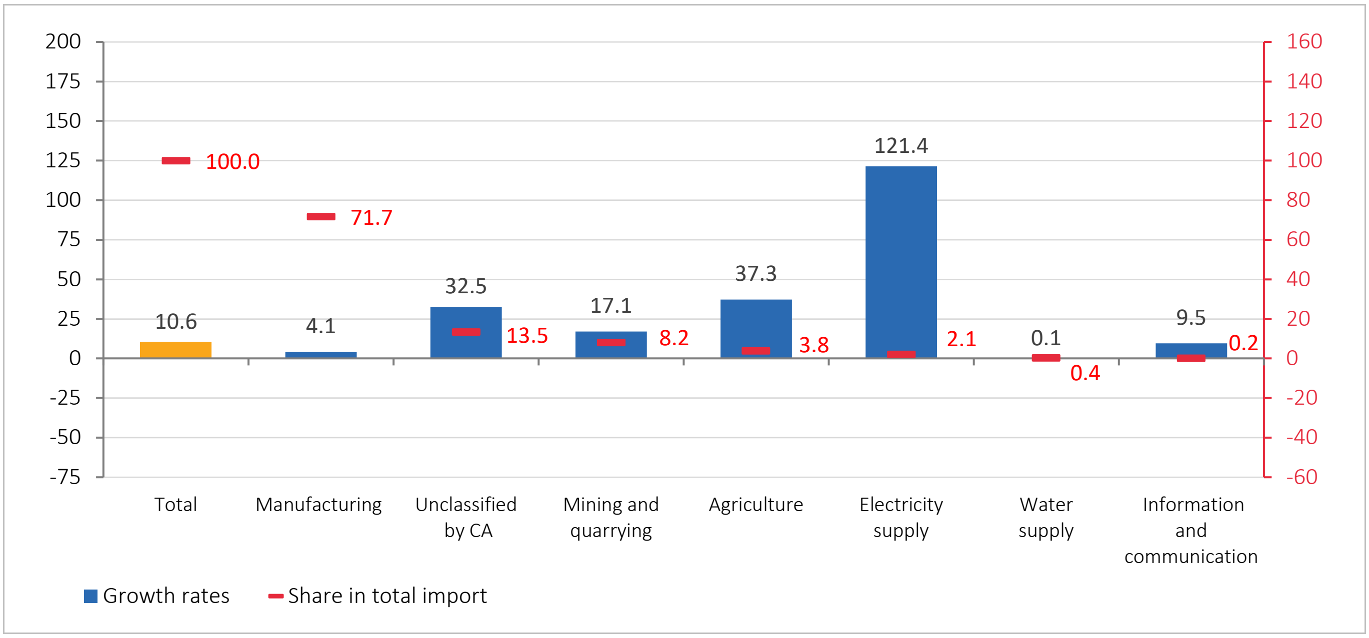


Table 4.2. Import of goods by CA (2010) sections, quarterly indices (comparison with the same period of the previous year)

	2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1-Q3[1]
Import – total	101.0	89.9	91.3	96.1	96.7	105.9	114.5	107.4	112.7	108.9	**109.0**
Manufacturing	103.1	89.6	93.7	99.4	102.9	113.9	112.0	106.0	107.1	101.8	
Agriculture, forestry and fishing	125.5	110.7	100.0	89.3	103.0	110.9	134.0	154.2	128.5	148.5	
Mining and quarrying	96.4	81.4	87.3	84.5	72.5	61.2	129.1	95.0	121.6	114.7	

[1] Prognosis (obtained on the basis of a time series analysis model).

Chart 4.5. Cumulative growth rates of import by CA (2010) sections and sections' share in import (%) (January – June 2025 relative to January – June 2024)



Observed by **MIGs,** the greatest influence (contribution of 4.9 p.p.) on total import in the period January – June 2025 related to **unclassified products by the economic purpose of the EU** (share of 18.0%, increase of 32.5%) and **non-durable consumer goods** (share of 16.9%, increase of 14.4%, contribution of 2.4 p.p.).

Chart 4.6. Cumulative growth rates of imports according to the economic purpose of the European Union (%) (January – June 2025 relative to January - June 2024)

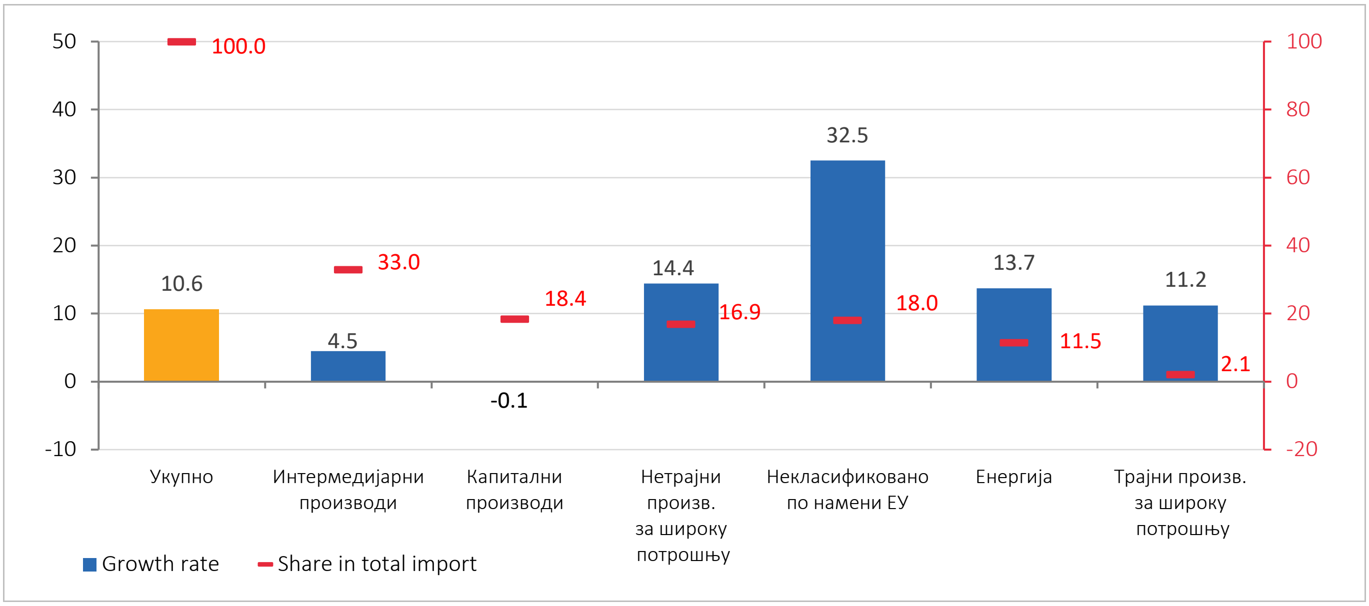
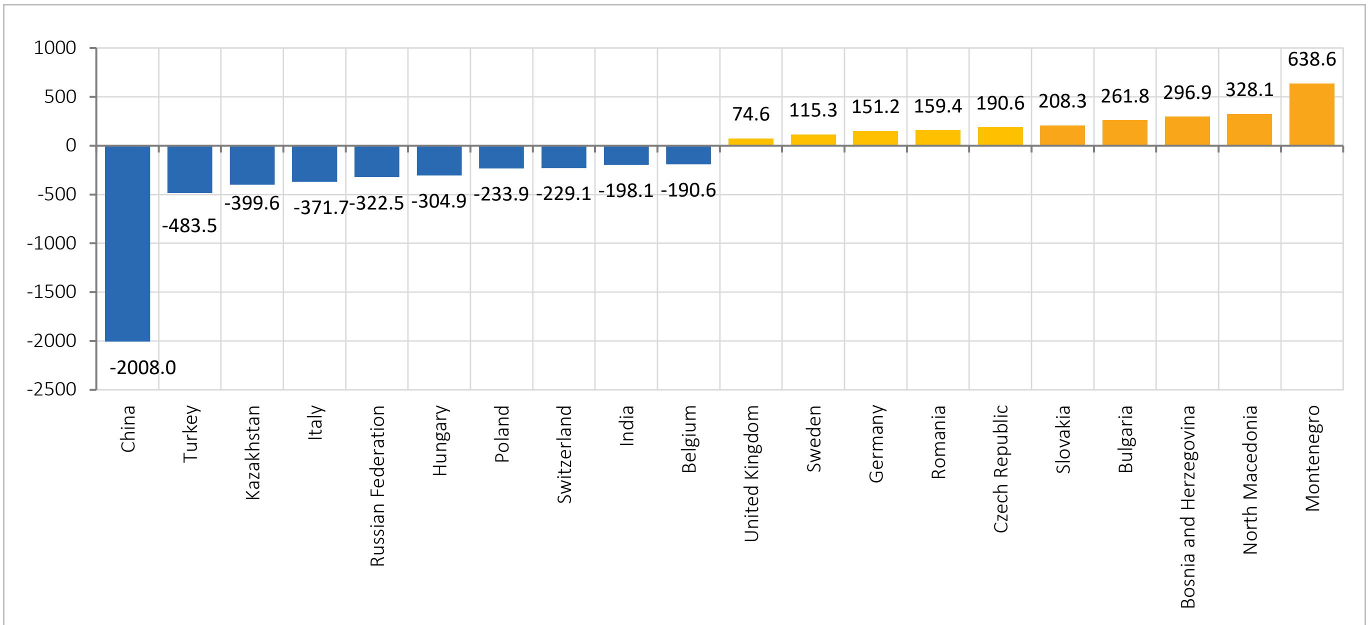


Chart 4.7 shows the external trade balance of the Republic of Serbia by country, in the period January-June 2025. Of the twelve European countries with which the Republic of Serbia achieved the largest positive external trade balance, or surplus (in the amount of a total of EUR 2.5 billion), Montenegro is in first place (a surplus of EUR 638.6 million). In this period, the Republic of Serbia exported the most food products to Montenegro (15.9% of total exports to Montenegro), electricity, gas and steam (8.2% of total exports to Montenegro) and motor vehicles and trailers (7.2% of total exports to Montenegro).

The largest external trade deficit in the period January – June 2025 was recorded in trade with China (EUR -2.0 billion) and Turkey (EUR -483.5 million). Observed by CA product activities, product imports from China mostly consisted of unclassified products (23.0% of total imports from China), imports of unclassified machinery and equipment (15.4% of total imports from China), as well as imports of computers, electronic and optical products (12.6% of total imports from China). With Turkey, the negative external trade balance is the result of the high value of basic metals import (18.9% of total imports from Turkey) and electrical equipment (11.3% of total imports from Turkey). Kazakhstan (deficit of EUR -399.6 million), Italy (deficit of EUR -371.7 million), and the Russian Federation (EUR -322.5 million) follow.

Chart 4.7. External trade balance of the Republic of Serbia by countries, January - June 2025 (EUR mill.)



4.3. THE MOST SIGNIFICANT EXTERNAL TRADE PARTNERS

Table 4.3. The major external trade partners

Export	EUR mill.	Import	EUR mill.
Germany	2569.6	China	2990.8
Bosnia and Herzegovina	1005.4	Germany	2418.4
Italy	993.2	Italy	1364.9
China	982.8	Hungary	1083.3
Hungary	778.4	Turkey	1029.8

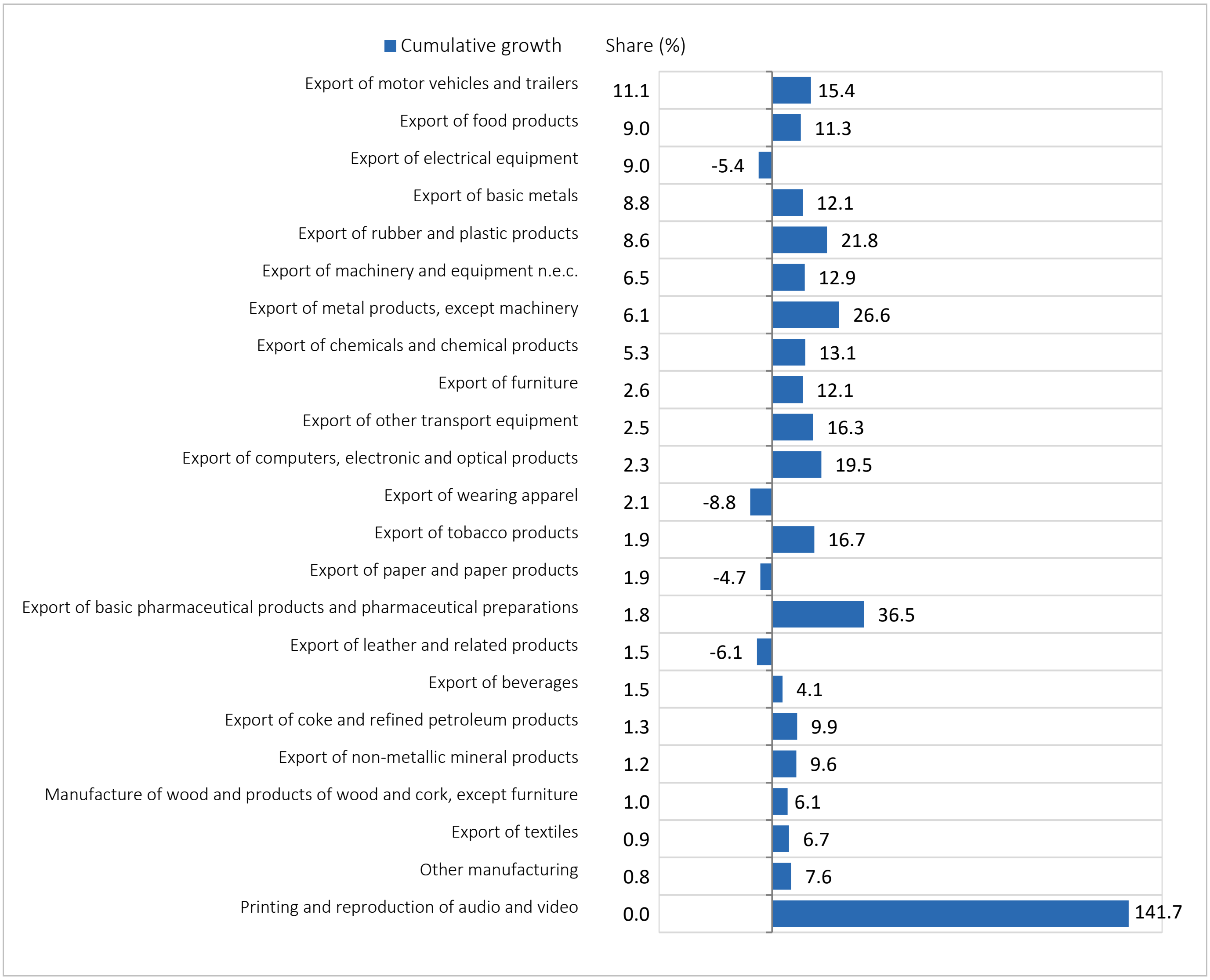
The most significant external trade partners in the first half of 2025 were the countries with which Serbia has signed agreements on free trade. The EU member countries **account for 57.9% of total exte**rnal trade, followed by Asia – Pacific Economic Cooperation, APEC, with share of 18.9%. The major external trade partners are separately presented in Table 4.3.

4.4. MANUFACTURING (C) (share of 87.8% in total export and 71.7% in total import)

Export of manufacturing recorded growth of 11.2% in the period January – June 2025, relative to the same period 2024. Out of 23 divisions, cumulative growth was recorded in 19 divisions, mutually participating with 73.2% of total export.

Export of **motor vehicles and trailers**, the division with the greatest separate value (EUR 1.8 billion), recorded a cumulative growth of 15.4% and a share of 11.1% in total exports (10.6% in the same period 2024). The export of **electrical equipment** recorded a cumulative fall of -5.4%, and export value of EUR 1.5 billion, and a share of 9.0% in total exports. The export of **food products**, the division with the export value of EUR 1.5 billion and share of 9.0% (8.9% in the same period 2024), achieved a cumulative growth of 11.3%. The export of **basic metals,** the division positioned on the fourth place by value in total manufacturing export, with the share of 8.8%, noted cumulative growth of 12.1% and export value of EUR 1.4 bill. The export of **rubber and plastic products** with the export value of EUR 1.4 bill. and share of 8.6% in total exports, recorded cumulative growth of 21.8%.

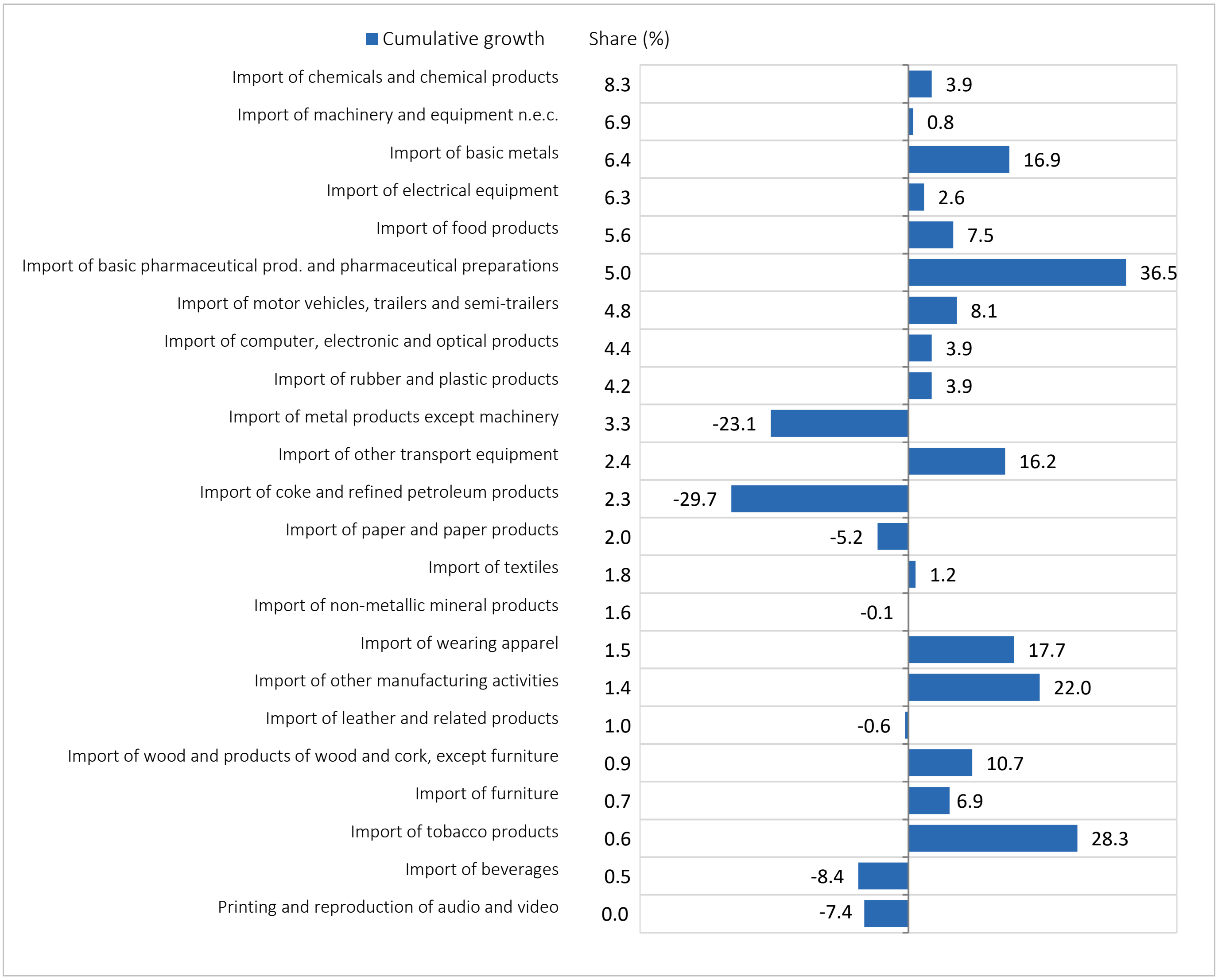
Chart 4.8. **Export of manufacturing by divisions, cumulative growth (%) (January – June 2025 relative to January - June 2024, by descending order in total export)**



Imports of manufacturing in the period January – June 2025, compared to the same period of the previous year, achieved an increase of 4.1%. Out of 23 divisions, cumulative growth was recorded in 16 divisions, which together make up 61.2% of total manufacturing imports.

Import of **chemicals and chemical products** with the greatest separate import value of EUR 1.7 bill, recorded cumulative growth of 3.9% (with the share in total imports of 8.3%, 8.8% was the share in the same period 2024). Import of **machinery and equipment n.e.c.** (cumulative growth of 0.8% and import value of EUR 1.4 bill. and share of 6.9% in total imports (7.6% in the same period 2024). Import of **basic metals** had the import value of EUR 1.3 bill. and share of 6.4%, recorded cumulative growth of 16.9%. Import of **electrical equipment**, with the value of EUR 1.3 bill. and share of 6.3% in total import achieved cumulative growth of 2.6%. Import of **food products** is the division positioned on the fifth place according to the import value in total imports of manufacturing, had the share of 5.6%, and recorded cumulative growth of 7.5% and import value of EUR 1.2 bill.

Chart 4.9. **Import of manufacturing by divisions, cumulative growth (%) (January – June 2025 relative to January - June 2024, by descending share in total import)**



4.5. AGRICULTURE, FORESTRY AND FISHING (A) (share of 3.5% in total export and 3.8% in total import)

Export in this section in the period January – June 2025 realized decrease of 10.7%, as well as decreased share in total export from 4.3% (January – June 2024) to 3.5% in the period January – June 2025. The cumulative fall of 16.6% in exports of cereals (except rice), leguminous crops and oil seeds, a group that makes up 61.9% of the entire section's exports in the observed period, contributed the most to this result. Export fall was achieved in export of pome and stone fruits, the next group by share (8.6%), as it recorded fall of 38.4% in the period January -June 2025 relative to the same period 2024.

Import in this section of Agriculture, forestry and fishing recorded growth of 37.3% in the period January – June 2025 relative to the same period 2024, as well as the share of 3.8% in total imports. The group with the largest participation in the section (20.1%) - Growing of vegetables, root and carotid plants noted growth of 25.8% in the period January – June 2025. The next group by share (19.5%) related to Growing of cereals (except rice), leguminous crops and oil seeds - achieved import growth of 55.1%, and group Growing of beverage crops, recording growth in this section import of 35.6% and share of 10.5%.

4.6. MINING AND QUARRYING (B) (share of 5.5% in total export and 8.2% in total import)

The section of Mining and quarrying records the decrease in total export, from 5.8% in the period January - June 2024 to 5.5% in the same period of the current year. The realized value of exports in January – June 2025 is EUR 911.4 million, which is by 4.9% more than exports in the same period 2024. This result is a consequence of the growth in the export of metal ores (4.1%), a group that accounts for 97.8% of the exports of the entire section in the first half of the current year.

Import value of this section in the period January -June 2025 amounts to EUR 1.7 billion, presenting the share of 8.2% in total import (7.8% in the same period 2024). In the period January – June 2025 in the section of Mining and quarrying, recorded was import increase of 17.1% relative to the same period 2024.

The increase of this section in import was largely caused by 23.4% increase in crude oil and natural gas import, a group that accounts for 79.9% of the entire sector's imports.

GLOSSRY

Unclassified goods by CA (2010), involves storage goods, goods in free zone, as well as goods for which customs tariff is not entered/ filled.

5. DOMESTIC TRADE

5.1. RETAIL TRADE TURNOVER (division 47 of the Classification of Activities)

Retail trade turnover, excluding trade of motor vehicles and motorcycles **in the second quarter of 2025**, relative to the same quarter 2024, increased by 6.4% at current prices and by 3.8% at constant prices. In **the first half of 2025**, relative to the same period 2024, retail trade turnover increased by 5.6% at current and by 2.4% at constant prices. In the second quarter of 2025, retail trade turnover increased by 7.4% at current prices and by 4.7% at constant prices relative to 2024 average.

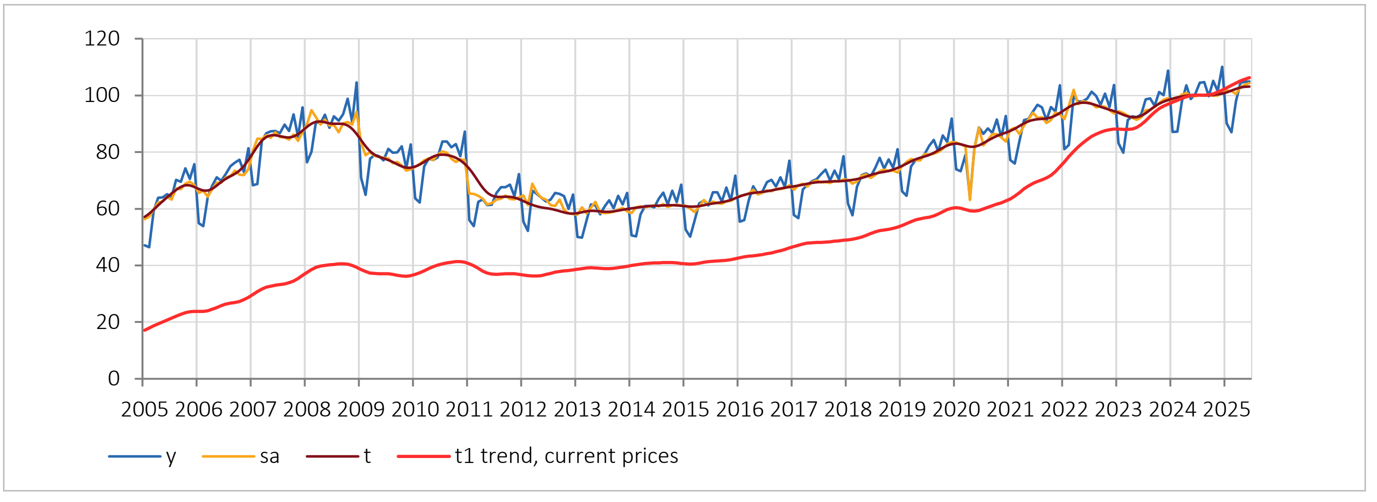
Table 5.1. Retail trade turnover, indices (comparison with the same period of the previous year)

	2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1-Q3[1]
Current prices	112.2	106.2	107.8	109.5	112.2	113.1	107.8	104.8	104.7	106.4	**105.5**
Constant prices[2]	96.6	94.2	98.4	102.9	106.9	108.6	104.9	102.1	101.0	103.8	**102.5**

[1] Forecast (obtained on the basis of time series model analysis).
[2] Indices are recalculated through monthly indices at constant prices.

Retail trade is characterised by stable and upward moving long-term trend, which has been present for the last ten years.. Turnover growth rates at current prices are higher than at constant prices, which is a consequence of accelerated inflation.

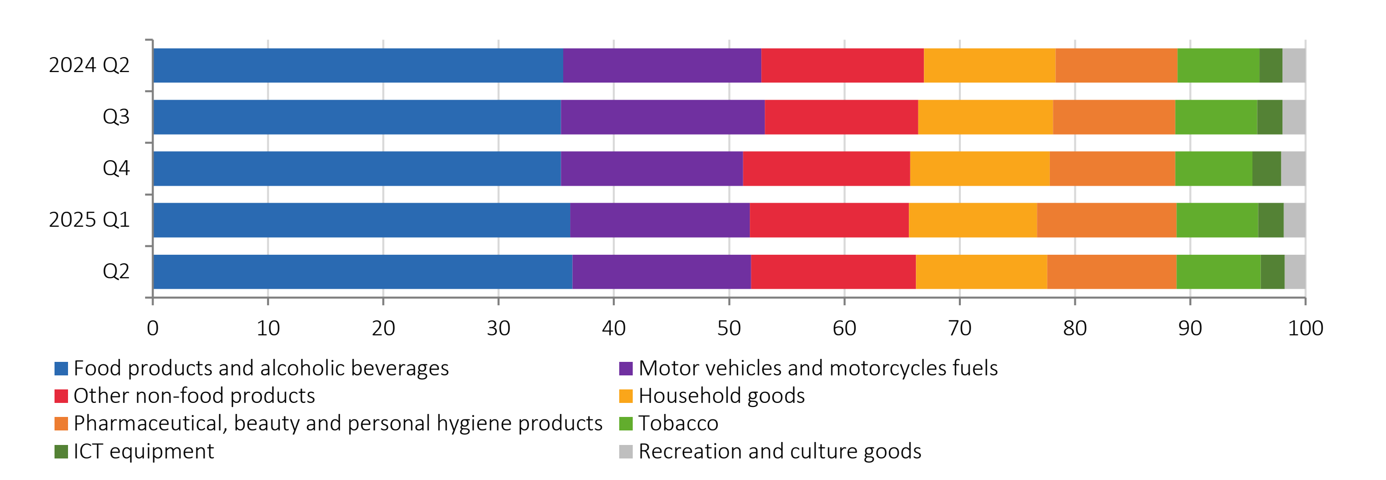
Chart 5.1. Components of time series of retail trade turnover at constant prices, indices
(y – original series, sa – series with excluded seasonal component, t – trend cycle component, average 2024 = 100)



Observed according to the basic aggregates of CA (2010), **in the first half of 2025**, compared to the same period 2024, the highest turnover growth was achieved in trade of Non-food products, except motor fuels, (7.7% at current and 4.5% at constant prices). Growth was also noted in trade of Food, beverages and tobacco, amounting to 6.7% at current and 1.1% at constant prices. On the other hand, trade of Motor fuels noted fall of 1.6% at current prices, while it noted growth of 1.4% at constant prices.

Observed by commodity groups in the retail trade turnover, **in the second quarter 2025,** the most notable were Food products and alcoholic beverages (36.4%), followed by Motor vehicles and motorcycles fuels (15.5%) and Other non-food products (14.3%).

Chart 5.2. Structure of retail trade turnover by trade divisions and commodity groups (%)



5.2. WHOLESALE TRADE TURNOVER (division 46 of the Classification of Activities)

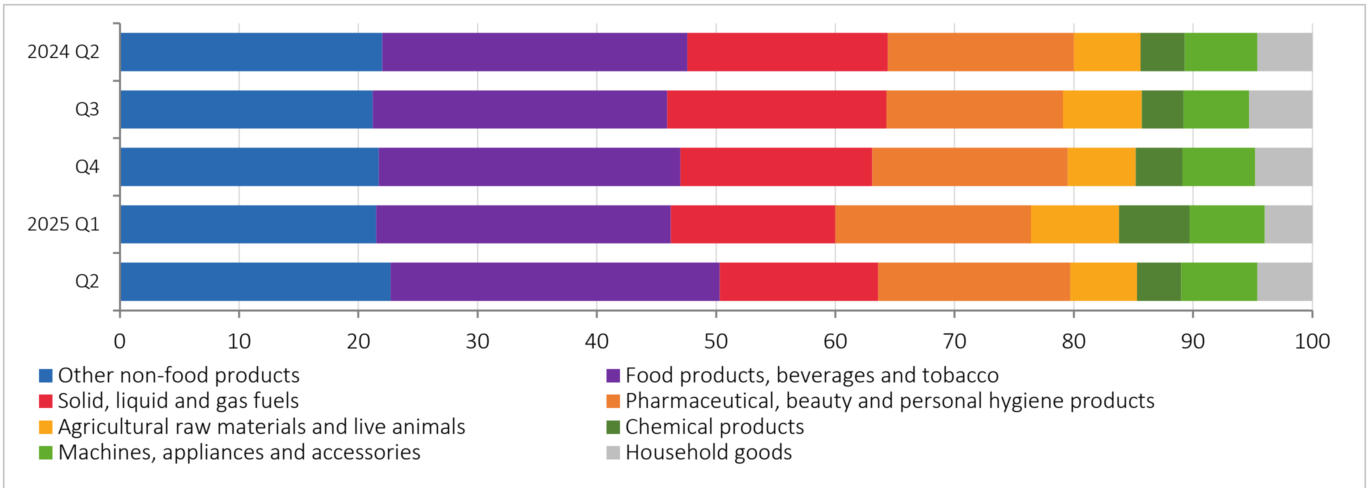
Wholesale trade turnover **in the second quarter 2025**, compared with the same quarter 2024 noted decrease of 2.4% at current prices and 4.4% decrease at constant prices. **In the first six months of 2025**, compared to the same period 2024, wholesale trade turnover decreased by 3.9% at current prices and by 6.2% at constant prices. In the second quarter of 2025 wholesale trade turnover decreased by 4.2% at current prices and by 6.7% at constant prices relative to 2024 average.

Table 5.2. Wholesale trade turnover, indices (comparison with the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Current prices	104.3	93.2	98.9	99.6	106.7	108.1	100.3	101.0	94.6	97.6

Observed by trade divisions and commodity groups, in wholesale trade turnover, in the second quarter of 2025, the most notable were Food products, beverages and tobacco (27.6%), Other non - food products (22.7%), and Pharmaceutical, beauty and personal hygiene products, (16.1%).

Chart 5.3. Structure of wholesale trade turnover by trade divisions and commodity groups (%)



5.3. TURNOVER IN WHOLESALE AND RETAIL TRADE AND REPAIR OF MOTOR VEHICLES (division 45 of the Classification of Activities)

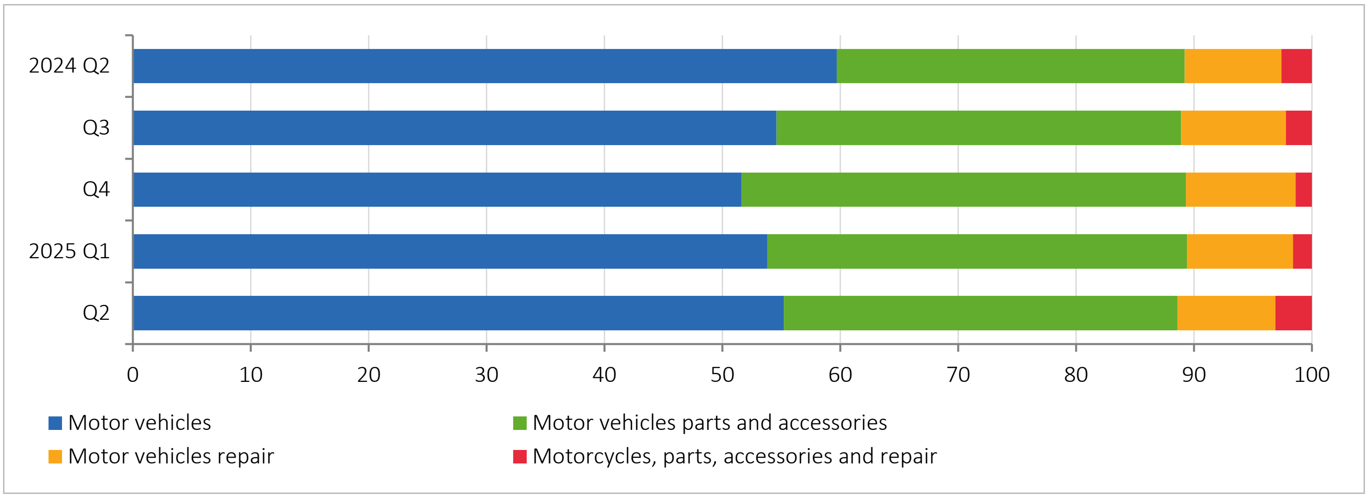
Turnover of goods in wholesale and retail trade and repair of motor vehicles **in the second quarter** 2025, relative to the same quarter 2024, recorded increase of 0.1% at current prices and fall of 2% at constant prices. In **the first half** of 2025, compared to the same period 2024, the turnover at current prices remained at the same level, and decreased by 2.7% at constant prices. In the second quarter 2025, wholesale and retail trade and repair of motor vehicles increased by 7.1% at current prices and by 4.5% at constant prices compared to last year's average.

Table 5.3. Turnover in wholesale and retail trade and repair of motor vehicles, indices (comparison with the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Current prices	112.5	111.7	111.7	112.1	117.9	109.5	107.0	107.4	100.0	100.1

Observed by commodity groups, in the second quarter 2025, similarly to the previous quarters, in the structure of wholesale and retail trade turnover and repair of motor vehicles, the most notable were Motor vehicles (55.2%), and Motor vehicles parts and accessories (33.4%).

Chart 5.4. Structure of wholesale and retail trade turnover and repair of motor vehicles by commodity groups (%)



NOTE:

Retail trade turnover indices (CA division 47) at constant prices are obtained by deflating the indices at current prices with the corresponding indices of consumer prices of goods, which exclude: water (from public utility systems), electricity, motor vehicles, motorcycles and parts.

The wholesale trade turnover indices (CA division 46) at constant prices are obtained by deflating the indices at current prices with the price indices obtained on the basis of the producer price index of industrial products in total (for the domestic market and for export) and the producer price index of agricultural and fishery products.

The turnover indices of wholesale and retail trade and repair of motor vehicles (CA division 45) at constant prices are obtained by deflating the indices at current prices with the consumer price indices (vehicles, parts thereof, maintenance and repair of passenger vehicles).

6. PRICES

In the first half of 2026 consumer prices saw an average year-on-year growth of 4.3%. The largest influence on the growth of total consumer prices was that of the following groups of products: fruit, tobacco, coffee, charges, vegetables and chocolate. This sequence of groups of products describes briefly the core of consumer price inflation in the first half of 2025, accounting for 43.6% of year-on-year growth rate of this group of products. The only deflation effect on total consumer prices in the first half of 2025 arose from fuels for passenger cars and solid fuels (fuelwood).

Table 6.1. Consumer pricesотрошачке цене, year-on-year inflation rate (%) (quarter to the same quarter of the previous year)

	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumer prices	5.7	4.4	4.3	4.4	4.5	4.1	-	-

Chart 6.1. Inflation rate measured by consumer price indices (%), (**monthly** – month to the previous month, with seasonal influence excluded; **annual** – annual to the same month of the previous year)

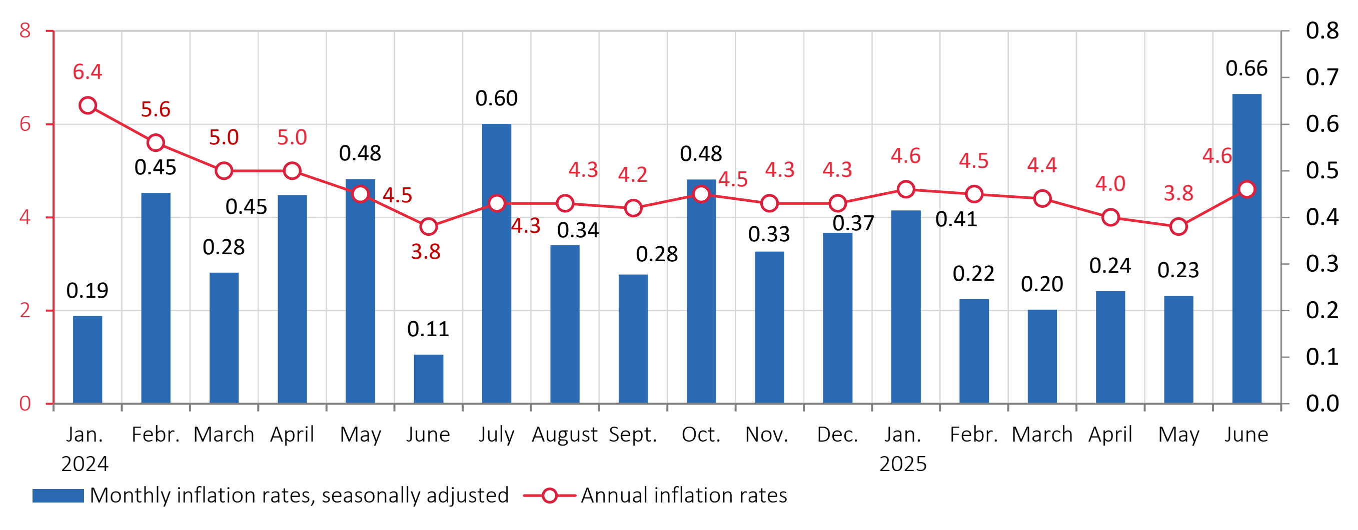


Chart 6.2. Structure of the **average annual consumer price growth rate** (4.3%) by purpose and main groups of products in the first half of 2025 (total = 100) (%)

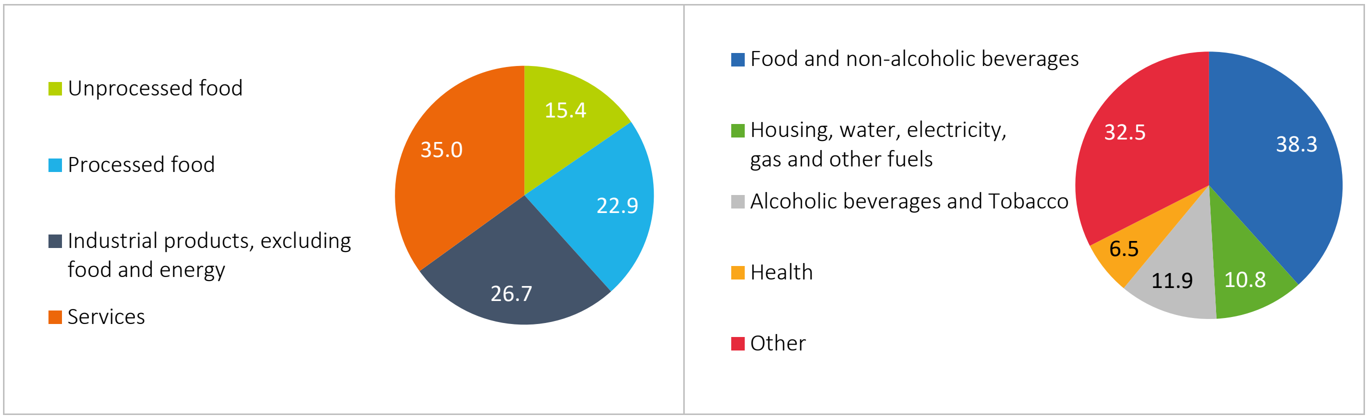
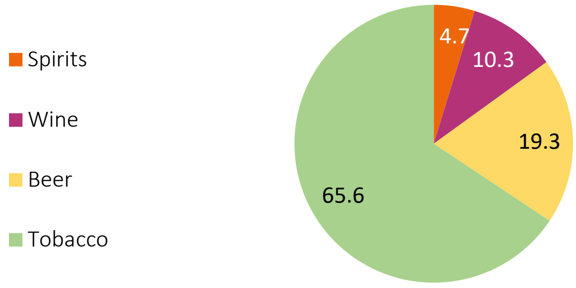
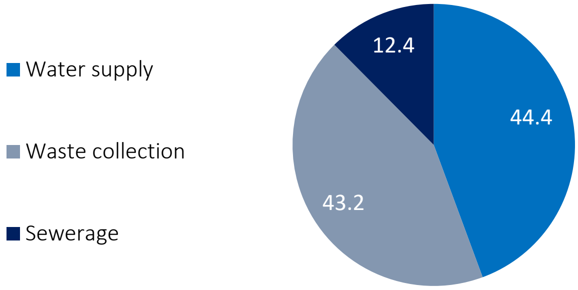


Chart 6.3. Structure of the **average annual consumer price growth rate** of **alcoholic beverages and tobacco, water supply and charges, fruit and non-alcoholic beverages** in Q1-Q2 2025 (total = 100) (%)

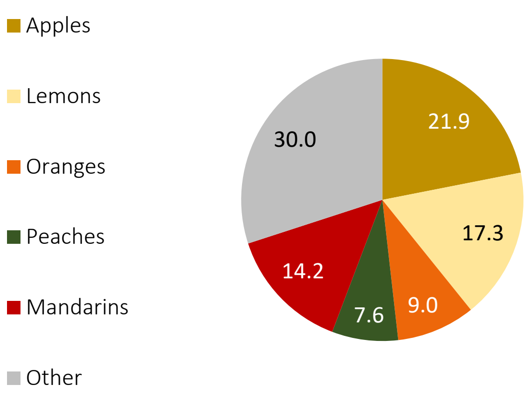
Alcoholic beverages, tobacco and narcotics, structure of the year-on-year growth rate (7.3%) in Q1–Q2 2025 (%)



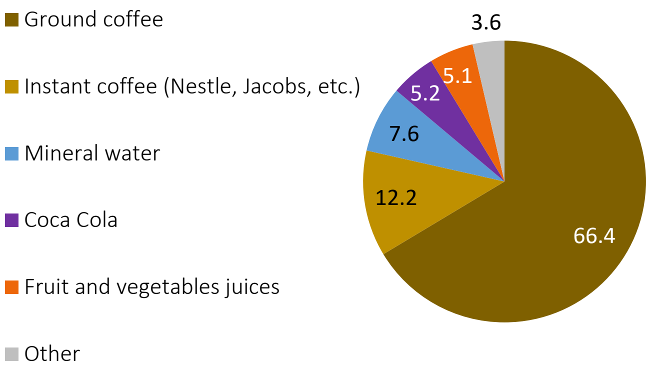
Water supply and miscellaneous services related to the dwelling, structure of the year-on-year growth rate (15.9%) in Q1–Q2 2025 (%)



Fruit, structure of the year-on-year growth rate (18.1%) in Q1–Q2 2025 (%)



Non-alcoholic beverages, structure of the year-on-year growth rate (11.7%) in Q1–Q2 2025 (%)

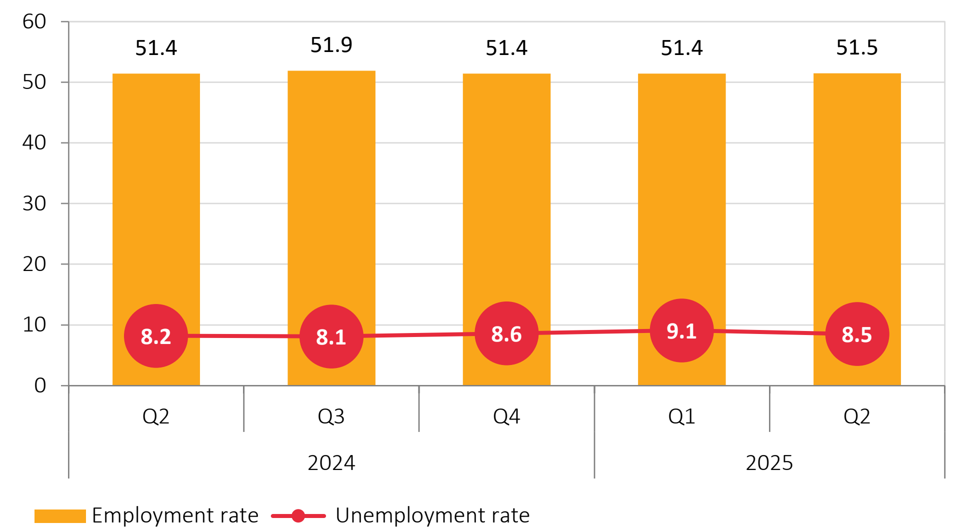


In the first half of 2025, the growth of the prices of fruit of 18.1% was mostly affected by the growth of the prices of apples (28.2%) citrus fruit (lemons (31.9%), oranges (16.6%) and mandarins (33.5%), as the already mentioned consequence of the global growth of the prices of these fruits due to drought and bacterial infection in the largest world plantations (Florida, Brazil). On the other hand, from similar reasons, the price of cocoa in raw form (bad weather conditions in the largest production plantations of raw cocoa in the countries of West Africa, from where it is exported to Europe) but also that of coffee reached historical maxima, which also affected the marked year-on-year growth of the retail prices of chocolate (growth trend from 2020) and coffee in Serbia in Q1–Q2 2025, 38.5% and 22.8%, respectively. The excise and inflation adjustment of producers of alcoholic beverages and tobacco by 7.3%, i.e. only for tobacco price by 7.6%. Since the beginning of 2025, the inflation adjustment and rise of minimum pay have considerably influenced the growth of public utilities prices, resulting in a year-on-year growth of these prices in the first half of 2025 of 15.9%. The year-on-year growth of vegetable prices in Q1–Q2 2025 of 6.1% was mostly impacted by weaker market offer of cabbage, paprika and tomatoes due to bad weather conditions, resulting in a year-on-year growth of the prices of these vegetables – cabbage, 72.0%, paprika 10.5% and tomatoes 6.3%.

7. LABOUR MARKET[1]

In the Republic of Serbia in the second quarter of 2025 there were 2 885 900 million employed persons, 267 000 thousand unemployed persons and 2 454 900 million persons outside labour force aged over 15.
The unemployment rate was 8.5%, by 0.5 p.p. higher than in the first quarter, it is down by 0.6 pp., while the number of the unemployed was down by 22 400 persons, the number of persons outside labour force going up by 16 800.
When looking at regions, the unemployed rate in the second quarter of 2025, compared with the previous quarter, saw a fall in almost all regions: in the Region of Belgrade, from 7% to 6.7%, Region of Vojvodina from 8.6% to 6.4% and Region of Southern and Eastern Serbia, from 13.3% to 12.2%, with the exception of Region of Sumadija and Western Serbia, where the unemployment rate saw a growth from 8.6% to 9.3%.

Chart 7.1. Movement of the employment and unemployment rates for persons aged 15 and over (%)[2]



Labour market trends in the second quarter of 2025 are characterised by a slight increase in the employment rate of 0.1 pp. as well as in the unemployment rate of 0.3 pp., rate of the population outside the labour force falling by 0.2 pp., on year-on-year basis.

Table 7.1. Activity, employment and unemployment rates

	2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2
Activity rate (%)	56.2	56.0	56.4	56.3	56.6	56.2
Employment rate (%)	50.9	51.4	51.9	51.4	51.4	51.5
Unemployment rate (%)	9.4	8.2	8.1	8.6	9.1	8.5

[1] Based on the Labour Force Survey.
[2] Since 2021, the Statistical Office of the Republic of Serbia has been conducting the Labour Force Survey according to the new, revised Eurostat methodology. The methodology was changed in line with the Regulation of the European Parliament and of the Council that entered into force on 1 January 2021. More details on the methodology changes and their effects on major statistical indicators are available in the special publication that can be found on: https://www.stat.gov.rs/vesti/20210628-anketa-o-radnoj-snazi-nova-metodologija/

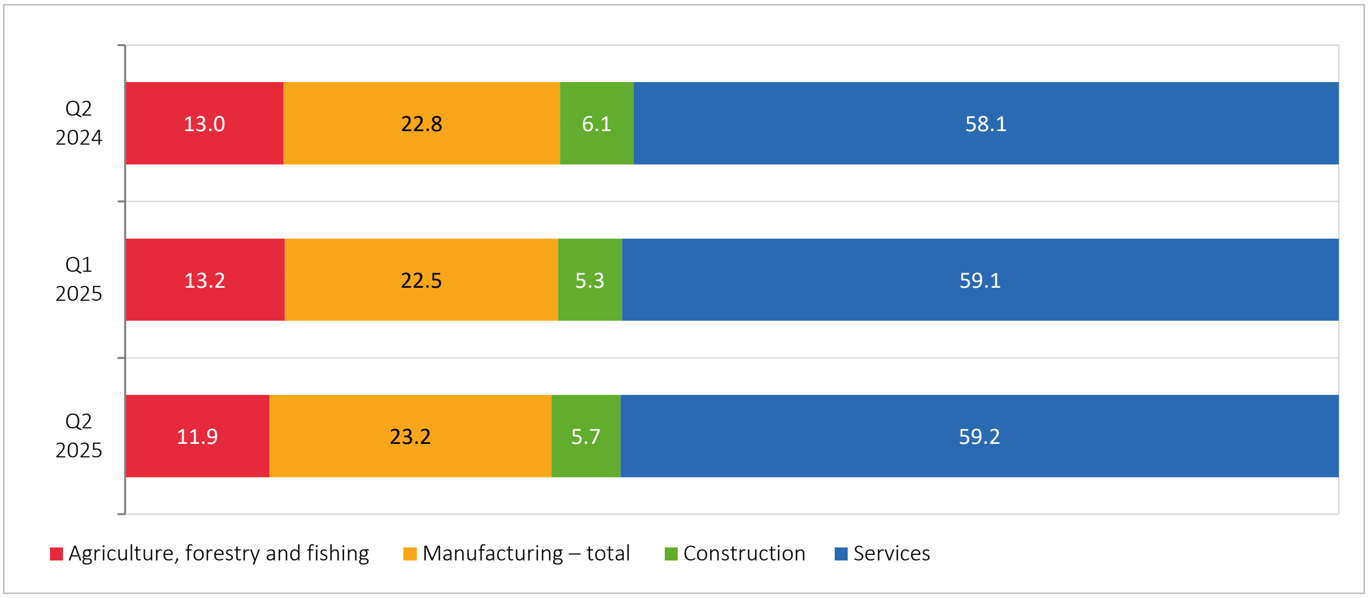
Table 7.2. Labour market – persons aged 15 and over

	Current quarter	Previous quarter		The same quarter of the previous year	
	Q2 2025 (in thous.)	Q1 2025 (in thous.)	Change, %	Q2 2024 (in thous.)	Change, %
Unemployment	267.0	289.4	-7.7	257.8	3.6
Employment	2 885.9	2 887.1	-0.04	2 889.7	-0.5
	%	%	Change, pp.	%	Change, pp.
Unemployment rate	8.5	9.1	-0.6	8.2	0.3
Employment rate	51.5	51.4	0.1	51.4	0.1

Observed by sections, the largest share of the number of employed persons in the second quarter of 2025 was recorded in Services (59.2%), then in Manufacturing (23.2%) and Agriculture (11.9%), and the lowest in Construction (5.7%). When compared with the previous quarter, the share of employed persons went up in the sections Services (from 59.1% to 59.2%), Manufacturing (from 22.5% to 23.2%), and Construction (from 5.3% to 5.7%). On the other hand, the share of the number of employed persons fell in the sections Agriculture, forestry and fishing (from 13.2% to 11.9%).

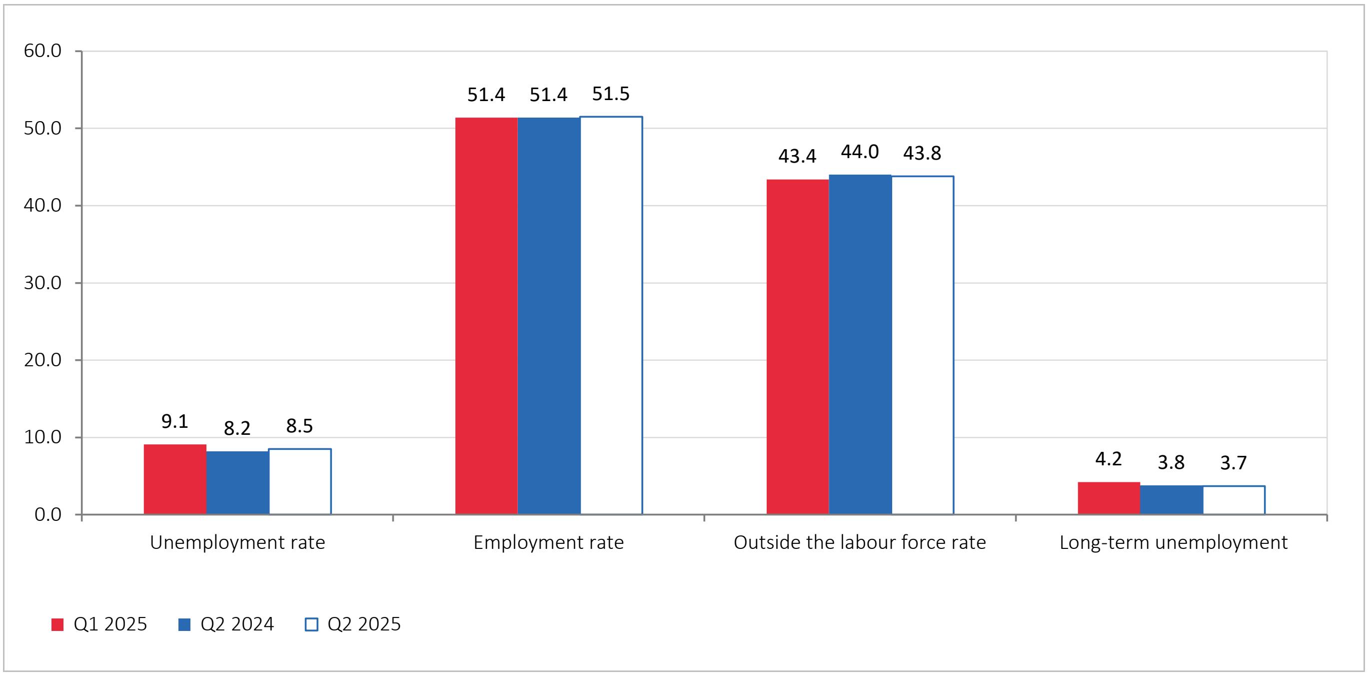
Similar trends have also been seen in the year-on-year periodicity (Quarter II 2024 – to Quarter II 2025), when growth of the share of employed persons was recorded in Services (from 58.1% to 59.2%) and Manufacturing (from 22.8% to 23.2%). However, fall was noted in the sections Construction (from 6.1% to 5.7%) and Agriculture, forestry and fishing (from 13% to 11.9%).

Chart 7.2. Share of employed persons by sections (%)



Labour market trends indicate a considerable inequality in the section structure of employed persons, therefore in the need to adjust educational and economic policies to labour market requirements.

Chart 7.3. Labour market – major indicators for the previous quarter, the same quarter of the previous year and the current quarter (%)



7.1. COMPARISON WITH THE PREVIOUS QUARTER

When compared with the previous, first quarter of 2025, the number of employed persons fell by 1 200, as well the number of unemployed persons, by 22 400, but at the same time the number of persons outside the labour force grew by 16 800. The unemployment rate went down by 0.5 pp., while the outside the labour force rate went up by 0.1 pp. and the employment rate by 0.4 pp.

The number of employed youth (aged 15-24) grew by 2 600 and the number of outside the labour force you grew slightly by 300 persons, while the number of unemployed youth fell by 3 100. This trend led to the growth of the youth employment rate by 0.4 pp, and outside the labour force youth rate by 0.1 pp., but the youth unemployment rate fell by 1.3 pp., compared with the first quarter of 2025.

The long-term unemployment rate was 3.7%, by 0.5 pp. less than in the previous quarter.

Observed by sex, the unemployment rate in the second quarter of 2025, compared with the previous quarter, saw a fall of 0.5 pp. among men and 0.8 pp. among women.

The unemployment rate among men increased only in Region of Sumadija and Western Serbia (from 9% to 9.6%). However, it fell in Belgrade Region (from 7.7% to 6.7%), Region of Southern and Eastern Serbia (from 15.5% to 13.5%) and in Region of Vojvodina (from 7.9% to 6.6%).

The unemployment rate among women recorded similar growth in Belgrade Region, from 6.3% to 6.8%, and Region Sumadija and Western Serbia, from 8% to 9.1%. However, in Region of Vojvodina it went down from 9.5% to 6.2%, and in Region Region of Southern and Eastern Serbia, from 15.5% to 13.5%

Observed by professional status, and compared with the previous quarter, the number of employed persons decreased in the categories of contributing family members (by 13.1%) and self-employed persons (by 5.3%). In contrast, fall was recorded in the category of employed persons (by 2.1%).

Table 7.3. Employment by professional status, comparison Q1 2025 – Q2 2025

	Q1 2025 (in thous.)	Q2 2025 (in thous.)	Change, %
Employed persons – total	**2 887.1**	**2 885.9**	**-0,04**
Self-employed	485.5	459.9	-5,3
Employed	2 236.8	2 282.8	2,1
Contributing family members	164.8	143.2	-13,1

7.2. COMPARISON WITH THE SAME QUARTER OF THE PREVIOUS YEAR

Compared with the same quarter of the previous year, the number of unemployed persons increased by 3.6% (from 257 800 to 267 000). At the same time, the number of employed persons fell by 0.5% (from 2 889 700 in the second quarter of 2024 to 2 885 900 in the second quarter of 2025).

The youth unemployment rate (aged from 15 to 24) in the second quarter of 2025 amounted to 22.8%, higher than in the second quarter of 2024 (2.6 pp.).

The long-term unemployment rate was 3.7% in the second quarter of 2025, by 0.1 pp. less than in the same quarter of 2024.

Observed by sex, the unemployment rate in the second quarter of 2025, compared with the same quarter of the previous year, saw a growth of 0.2 pp among women, and of 0.4 pp. among men.

The unemployment rate among men saw a growth in Belgrade Region, from 5.8% to 6.7%, Region of Sumadija and Western Serbia, from 8.2% to 9.6%. However, fall was recorded in Region of Vojvodina, from 7% to 6.6%, and Region of Southern and Eastern Serbia from 11.9% to 11.2%.

The unemployment rate went up among women in most of the regions: Belgrade Region, from 6.7% to 6.8%, Region of Sumadija and Western Serbia, from 7.3% to 9.1%, Region of Southern and Eastern Serbia, from 12.2% to 13.5%, with the exception of Region of Vojvodina where fall was recorded from 8.2% to 6.2%.

Observed by professional status, relative to the same quarter of 2024, the number of employed persons decreased in the categories of contributing family members (by 12.9%) and the self-employed (by 0.9%), while the category of employed persons saw a growth of 0.5%.

Table 7.4. Employment by professional status, comparison Q2 2024 – Q2 2025

	Q2 2024 (in thous.)	Q2 2025 (in thous.)	Change, %
Employed persons – total	**2 899.8**	**2 885.9**	**-0.5**
Self-employed	464.2	459.9	-0.9
Employed	2 271.1	2 282.8	0.5
Contributing family members	164.5	143.2	-12.9

GLOSSARY

Active population (labour force) comprises all employed and unemployed persons aged 15 and 24.

Employed persons are persons aged 15-89 and over who performed a paid job for at least one hour in the reference week (in cash or in kind), as well as persons who had an employment but who were absent from work in that week. According to the Classification of Employment Status, they are divided into *self-employed, employed and contributing familymember.*

Self-employed are persons working solely in their own enterprise, institution, privately- owned store or on an agricultural holding, as well as persons performing solely a professional activity or any other job for own account. Self-employed are persons who solely define the conditions of their work (as well as of their employees) and bear the risk for their work.

Employed workers are persons who work for an employer in any ownership sector, whether having a formal employment contract or working on an oral contract. Family members who help in performing family business and are paid for their work are considered employed workers.

Contributing family members are persons who help another family member in running family business or agricultural holding and are not paid for that work. Those persons are considered employed even if they are not paid for their work because they have benefits, such as accommodation, food, etc.

Unemployed persons are persons aged 15-74 who did not perform any paid job in the reference week, sought actively a job for four weeks preceding the reference week, and who were ready to start working within two weeks after the reference week

Outside the labour force population comprises all persons aged 15 and more who are classified in the employed or unemployed population. Inactive persons include students, retired persons, houseworkers, as well as all persons who did not perform in the reference week any paid job, did not actively seek employment or were not able to start working within two weeks after the end of the reference week.

Activity rate is the share of active population in the total population aged 15 and over.

Employment rate is the share of employed persons in the total population aged 15 and over.

Unemployment rate is the share of unemployed persons in the total number of active population aged 15 and over.

Outside the labour force rate is the percentage of outside the labour force population aged 15 and over.

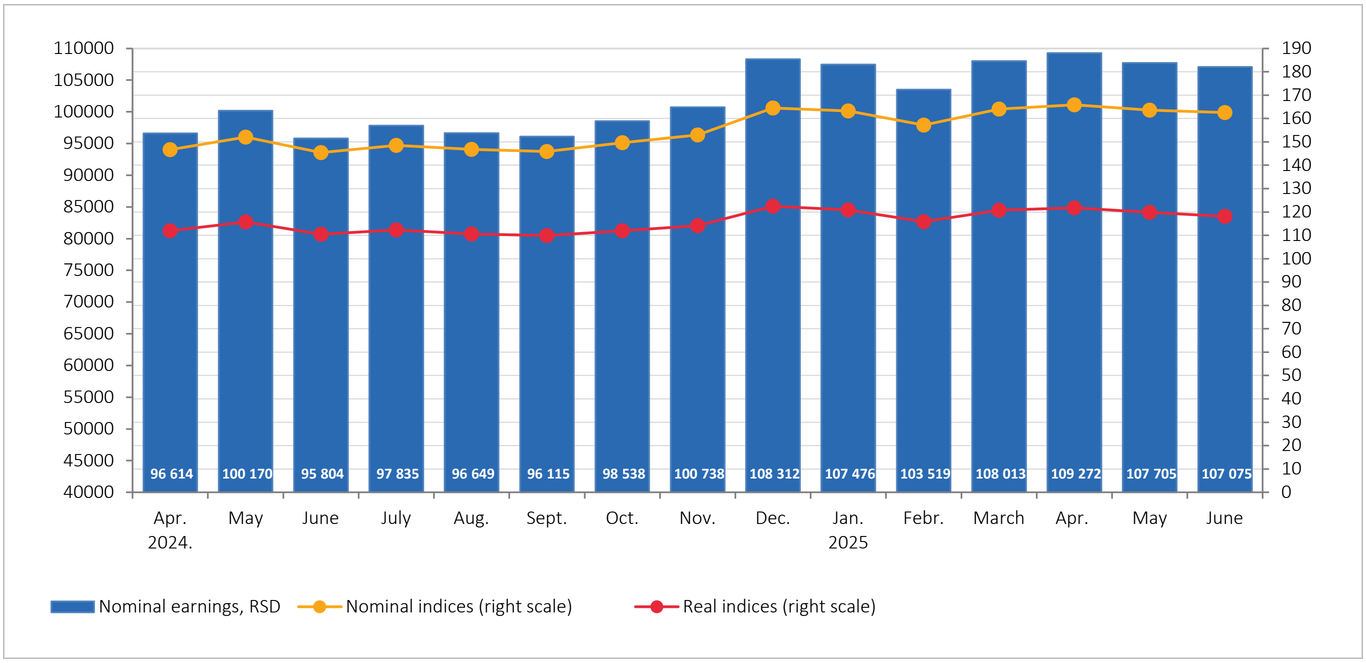
8. SALARIES AND WAGES

Average net salaries and wages in the Republic of Serbia for the second quarter of 2025 amounted to 108 016 dinars. Compared with the same period of the previous year, thy increased nominally by 10.8% and by 6.4% in real terms. Compared with the previous, i.e. first quarter of 2025, they increased nominally by 1.6% and by 0.6% in real terms.
In the first six months of 2025, average net salaries and wages amounted to 107 179 dinars and, compared with the same period of the previous year, they increased nominally by 11% and by 6.4% in real terms.

Table 8.1. Net salaries and wages – real and nominal indices (comparison with the same period of the previous year)

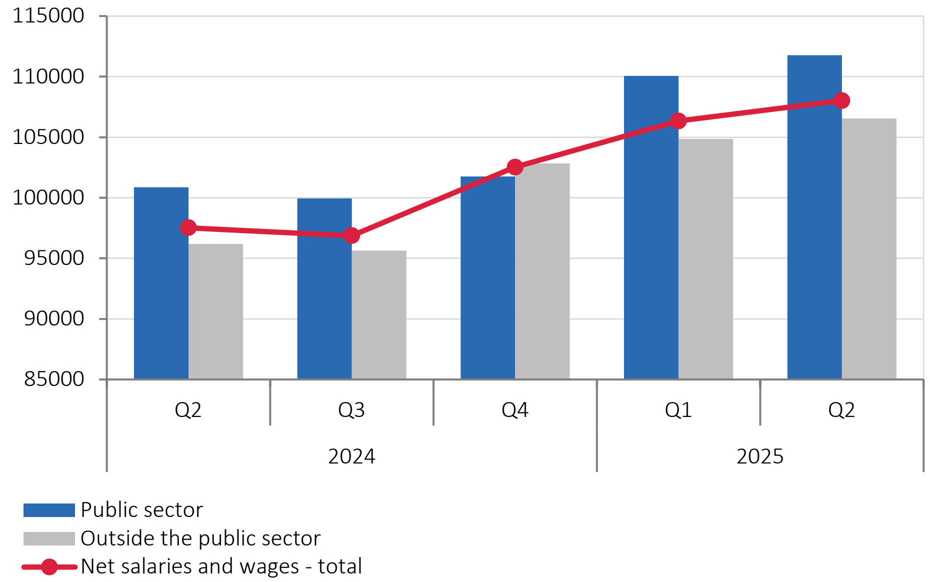
	2022				2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Real indices	104.3	102.7	101.3	98.6	99.5	100.8	102.5	105.8	108.7	109.6	109.3	108.5	106.4	106.4
Nominal indices	113.4	113.6	114.8	113.4	115.5	115.4	114.1	114.2	114.9	114.5	114.0	113.2	111.2	110.8

Chart 8.1. Net salaries and wages, movement of nominal and real indices (average 2021 = 100)



Since the beginning of the year, nominal salaries and wages have followed the real economy and budget, adapting themselves at the same time to trade indicators, i.e. offer and demand for labour force. Average net salaries and wages have been recording upwards trend since the beginning of the year, amounting to 107 075 dinars in June 2025, reaching a year-on-year growth of 11.8%, nominally, i.e. of 6.9% in real terms. The decision on increasing the minimal pay from 271 dinars (net) per worked hour in 2024 to 308 dinars in 2025 influenced the growth of salaries and wages. Average net salaries and wages, expressed in euros, as an indicator of living standard and international economic competitiveness of Serbia, recorded growth also in June 2025, reaching the value of 914 euros or year-on-year growth of 11.7%.

Chart 8.2. Net salaries and wages in and outside the public sector (in RSD)



Average net salaries and wages for the second quarter of 2025 amounted to 111 755 dinars in the public sector and to 106 529 dinars outside the public sector.

The ratio of the movement of salaries and wages in and outside the public sector was variable for a long period of time, knowing that a successive growth of salaries and wages in the public sector led several times to their growth also outside the public sector, which resulted in the increase of total salaries and wages. The policy of salaries and wages manages has proved itself as the catalyst of the impulse of the internal demand and regulator of fluctuations on the labour market. Since the beginning of 2024, salaries and wages in the public sector were at a higher level than those outside the public sector.

Average net salaries and wages in the public sector (January-June 2025)

Public sector – total	RSD 110 906
Public state-owned enterprises	RSD 123 329
Public local enterprises	RSD 101 228
Administration – all levels	RSD 119 219
Government level	RSD 124 692
Autonomous Province level	RSD 115 518
Local authorities level	RSD 92 303
Human health and social work	RSD 107 871
Education and culture	RSD 101 991

When comparing net salaries and wages by CA (2010), one notices that the largest real growth in the first half of 2025, compared with the same period of 2024, was realised in the sections Financial and insurance activities (9%), Arts, entertainment and recreation and Administrative and support service activities (8.6 % each) and Manufacturing (8.5%).

The highest net salaries and wages in the first two quarters of 2025 was recorded in the following divisions: Computer programming and consultancy activities (297 428 dinars), Air transport (229 731 dinars), Scientific research and development activities (211 540 dinars) and Manufacture of coke, refined petroleum products (211 138 dinars).

In all other divisions salaries and wages ranged from 61 338 dinars (Food and beverages service activities) to 190 737 dinars (Manufacture of tobacco products).

Observed by regions, the highest average net salaries and wages in the first half of 2025 were paid in Belgrade Region, 134 616 dinars. In Region of Vojvodina average salaries and wages totalled 101 055 dinars, in Region of Southern and Eastern Serbia, 92 676 dinars, and in Region of Sumadija and Western Serbia, 90 346 dinars.

Chart 8.3. **Real growth of net salaries and wages by CA (2010) sections (January-June 2025 to the same period of the previous year)**

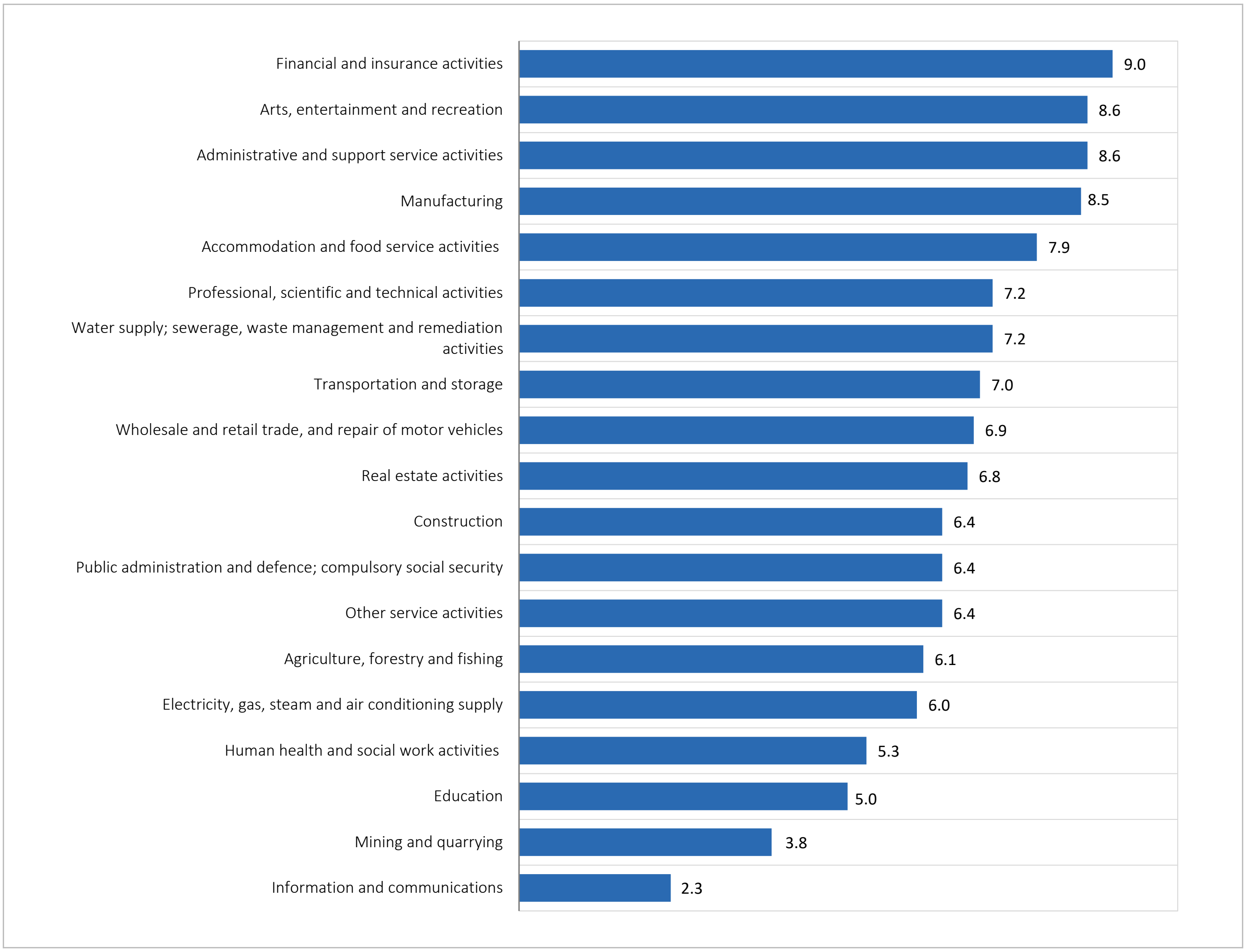
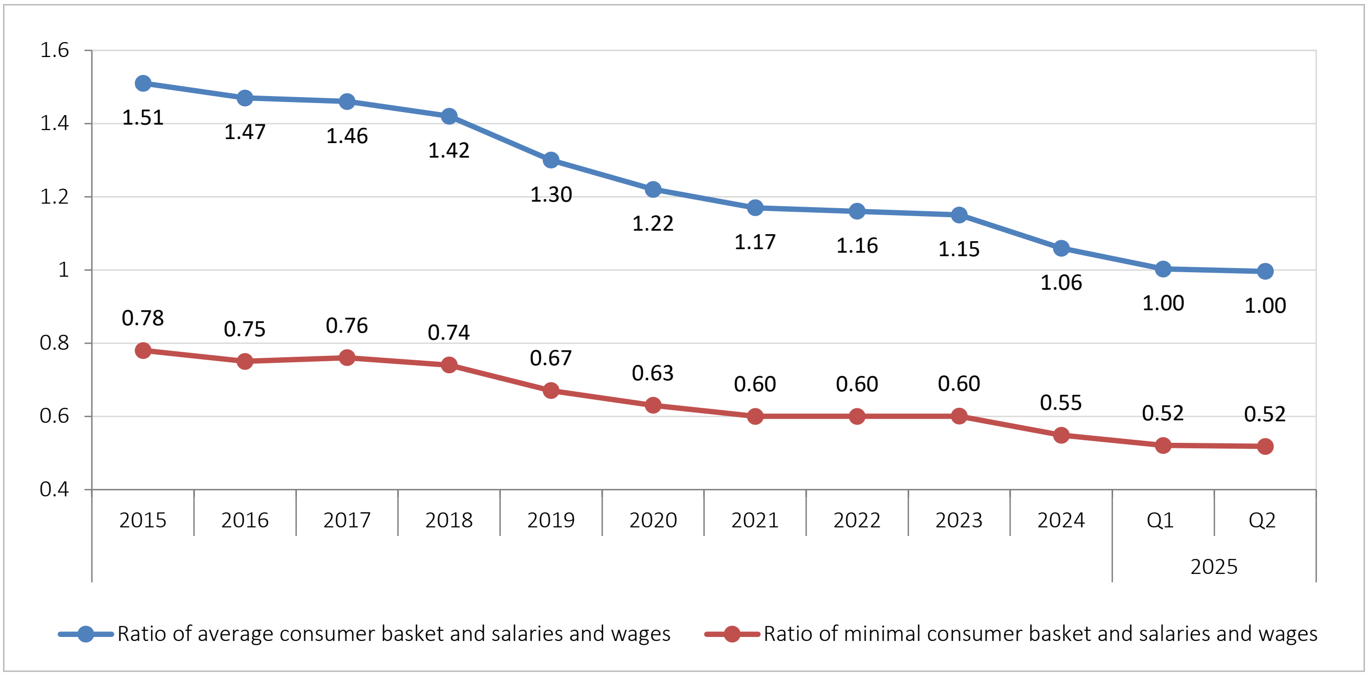


Chart 8.4. Ratio of the consumer basket[3] and net salaries and wages



Increased population living standard over 2015−2024 is primarily the result of a dynamic growth of salaries and wages. In 2015, the ratio of the average consumer basket and average net salaries and wages was 1.51, while in 2024 it was 1.06, indicating that, while in 2015, 1.51 of the average salaries and wages was needed for the average consumer basket, in 2024 this ratio was improved so that 1.06 of the average salaries and wages was necessary for the average consumer basket.

The ratio of net salaries and wages and average consumer basket in the second quarter of 2025 indicates that the purchasing power did not change, when compared with the previous quarter. To cover the average consumer basket in the second quarter of 2025 one average salary was needed, and to cover the minimum consumer basket only 0.52 average salaries and wages, as in the previous quarter.

When compared with the same quarter of the previous year, the ratio of the average consumer basket and net salaries and wages of 1.00 shows that purchasing power grew (in the second quarter of 2024 – 1.06), the minimum consumer basket amounting to 0.52 average salaries and wages, while in the same quarter of the previous year this ratio was slightly disadvantageous (0.55).

Observed by towns, in the second quarter of 2025, purchasing power (ratio of the average consumer basket and average salaries and wages) above the average of the Republic (1.00) was recorded in Belgrade (0.83), Novi Sad (0.98), Smederevo (0.99) and Nis (0.96). In other statistically monitored towns, average salaries and wages covered the minimum, but not average household consumer basket.

[3] *Minimum consumer basket* – refers household consumption, which provides for basic living and working capacity of household members, bearing in mind the optimal biochemical composition of food (carbohydrates, proteins, fats and calories). The total value of the minimum consumer basket is the sum of expenses for food and other products and services making up individual household consumption.
Average consumer basket – refers to the consumption of products and services of the individual consumption of an average household.
Since January 2011 New Average and New Minimum Consumer Basket have been published, which are calculated starting with January 2008 according to the new methodology of the Statistical Office of the Republic of Serbia..

9. TOURISM

Tourism, having a multidimentional and complex nature, is an activity intertwined with many other economic activities, as, besides providing accommodation and restaurant services, indispensable activities related to tourism are the following ones: transport, cultural and recreational activities, payment operations, etc. It not only promotes and forms the national identity of a country but it also plays a big role in its economy – in some regions it is even the only factor for creating employment for the local population, and generally, the only factor of sustainable development — all the reasons to deserve special analytical attention.

9.1. TOURIST OVERNIGHT STAYS

Tourism in the Republic of Serbia started its expansion in 2015, primarily by means of incentive measures of domestic tourism, but also by increased interest of foreign tourists in this period. Expressed in number of overnight stays, tourist turnover was going up until 2019, when a record number of 10.1 million overnight stays was achieved. The year 2020 brought contraction of tourism activity and a fall of the number of overnight stays of 6.2 million, where domestic tourists spent almost 5 million, and foreign ones about 1.3 million nights. The year 2021 brought recovery and the number of overnight stays grew by 8.2 million. The upwards trend, expressed in tourist overnight stays in the Republic of Serbia, continued in the previous year 2024, when 12.7 million of overnight stays were recorded, 1.8% more than in 2023.

In the second quarter of 2025, the number of spent tourist nights amounted to 3.2 million, by 6.1% less than in the second quarter of 2024. Domestic tourists accounted for 51.9% and foreign ones for 48.1% of the total number of overnight stays.

Chart 9.1. Tourist overnight stays – domestic, foreign and total; quarterly and annual data

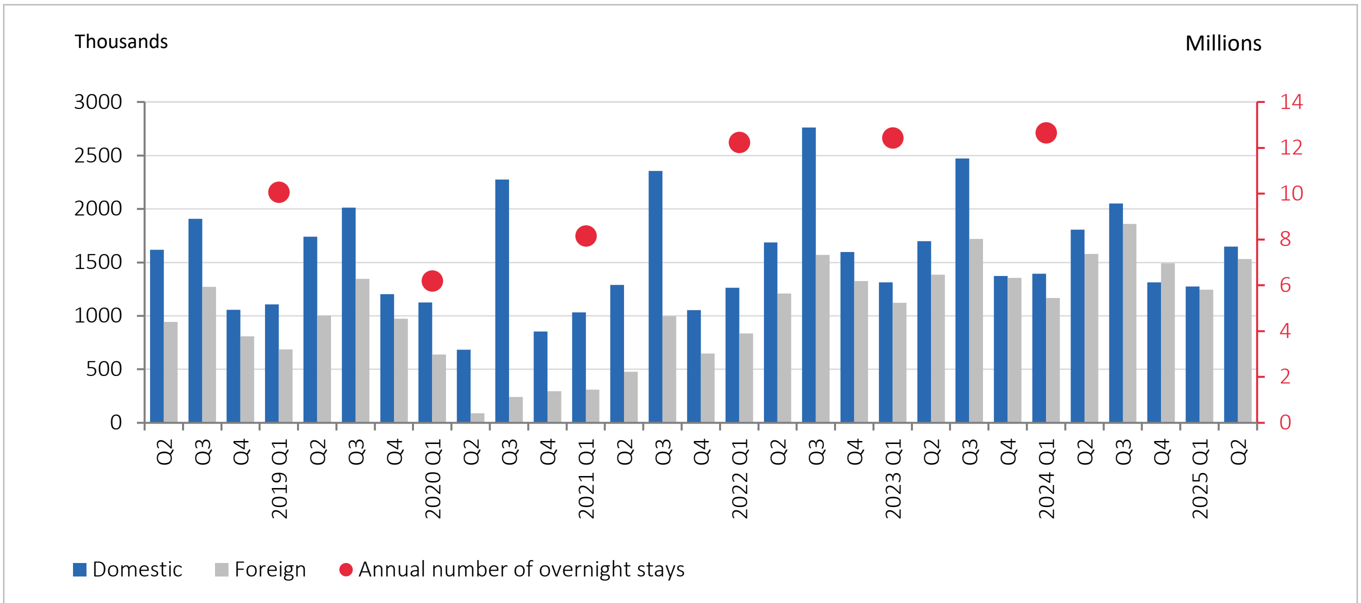


Table 9.1. Tourist overnight stays, indices (comparison with the same of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total	116.0	106.6	96.9	93.3	105.3	109.7	93.2	102.9	98.4	93.9
Domestic tourists	103.9	100.8	89.6	86.0	106.2	106.3	82.9	95.7	91.6	91.3
Foreign tourists	134.4	114.5	109.6	102.2	104.2	113.9	108.0	110.2	106.6	97.0

9.2. MAJOR TOURIST RESORTS

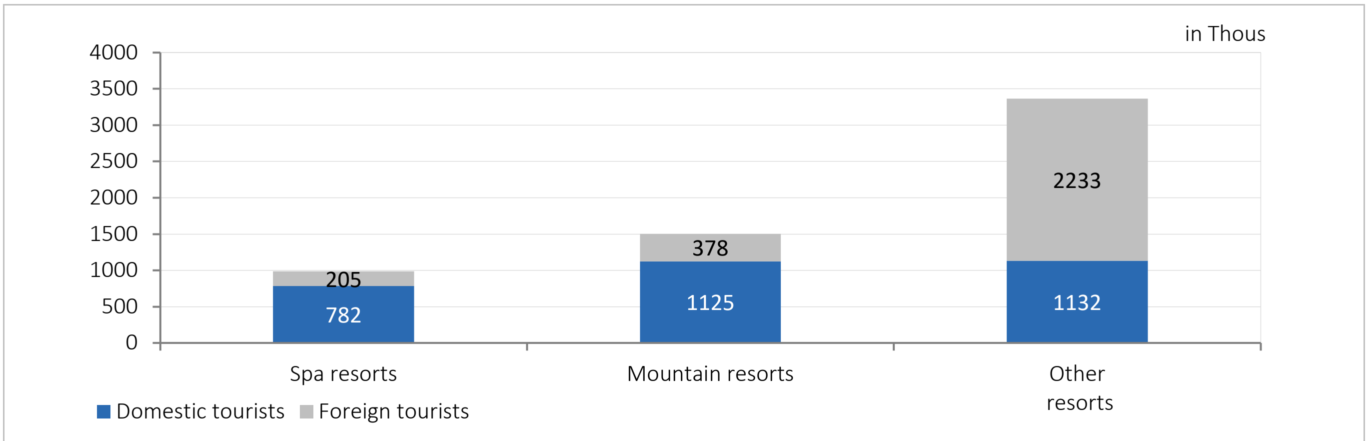
Expressed in number of tourist overnight stays[4], the most frequently visited tourist resorts in the second quarter of 2025 were **Other tourist resorts**, with 3.4 million overnight stays (or about 57% of total overnight stays), by 2.2% more than in the same period of the previous 2024 year. This category comprises Belgrade (1.7 million overnight stays) and larger towns of the Republic of Serbia (Novi Sad, Nis, Subotica). Most of the visitors to Belgrade were foreign tourists (84.6%), and a similar situation was recorded in Novi Sad (74.8% foreign tourists), while foreign tourists were slightly predominant in Nis (51.4% foreign tourists) and Subotica (50.6% domestic tourists).

Mountain resorts, second category in a row of resorts according to the number of tourist overnight stays in the first half of 2025 recorded 1.5 million overnight stays, accounting for 25.7% of total number of overnight stays, by 3.9% less than over January-June 2024. Zlatibor attracted most of the tourists (623 thousand), mainly coming from the Republic of Serbia (about 423 thousand). Kopaonik recorded 372 thousand tourist overnight stays, of whom most were also from the Republic of Serbia (about 260 thousand). These two mountains accommodated about 66% of the total number of tourists that spent nights in mountain centres.

In Spa resorts there were over January-June 2025 about 987.4 thousand nights spent, by 5.1% less than in the same period of the previous year. Tourists were mainly from the Republic of Serbia (79%), and the most visited was Vrnjacka Banja with 276.5 thousand visitors, followed by Sokobanja (165.6 thousand), Banja Vrdnik (100.9 thousand), Banja Koviljaca (81 thousand), and other spas.

The largest growth, expressed in number of overnight stays in the first six months of 2025 relative to same period of 2024, was recorded in Gamzigradska banja (growth 287.5%), Novopazarska banja (growth of 81.4%) and Stara planina (30.7%).

Chart 9.2. Tourist overnight stays by selected tourist resorts, January-June 2025, in thousands



[4] The sum of data by type of resorts (spas, mountains, other resorts) does not give the correct number of tourist overnight stays in the Republic of Serbia knowing that the areas of some tourist resorts belong at the same time to different resorts (e.g. they are at the same time spa and mountain resorts).

9.3. COUNTRY OF ORIGIN OF FOREIGN TOURISTS

Over January-June 2025, foreign tourists from about 50 different countries visited the Republic of Serbia. Tourists from Europe were the most numerous to have spent nights (77.2%).

Three countries which tourists spent the largest number of nights were the Russian Federation (267.2 thousand), Turkey (260.4 thousand), and China (219.3 thousand). Visitors from other non-European countries were at the fourth place (170.1 thousand, then from Bosnia and Herzegovina (168.2 thousand), from North Macedonia (155.1%) and Montenegro (123.6 thousand). Overnight stays of tourists from these seven countries account for 49.1% of the total number of nights spent over January-June 2025.

For the purpose of comparison, chart 9.4 presents the number of tourist overnight stays over January-June 2024

Chart 9.3. Foreign tourist overnight stays by countries from which they came from, January-June 2025

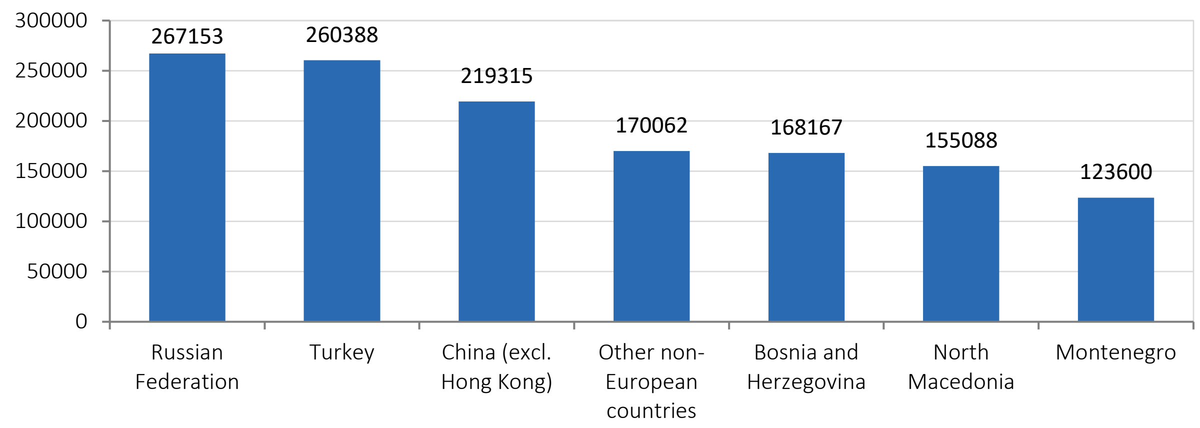
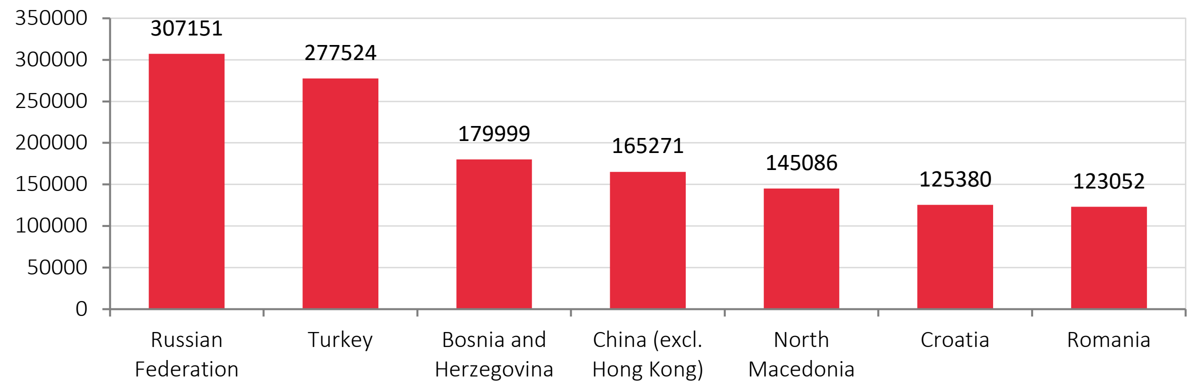


Chart 9.4. Foreign tourist overnight stays by countries from they came from, January-June 2024



Note: in all the publication of the Statistical Office of the Republic of Serbia. Since 2022 data on tourism turnover have been published on the basis of the processing of data retrieved from the administrative source, Central Information System in Caterign and Tourism (Tourist). Until December 2021 included, data were collected, processed and published on the basis of a statistical survey on tourist arrivals and overnight stays in accommodation facilities (TU-11).

All indices of tourism turnover (tourist arrivals and overnight stays) in 2022 are calculated based on the data of the Central Information System in Catering and Tourism (eTourist) for 2022 and 2021. With the change of data source, and therefore of the coverage, the survey-based results (TU‘-11, for the previous year) and those from the administrative source (eTourist) are not comparable.

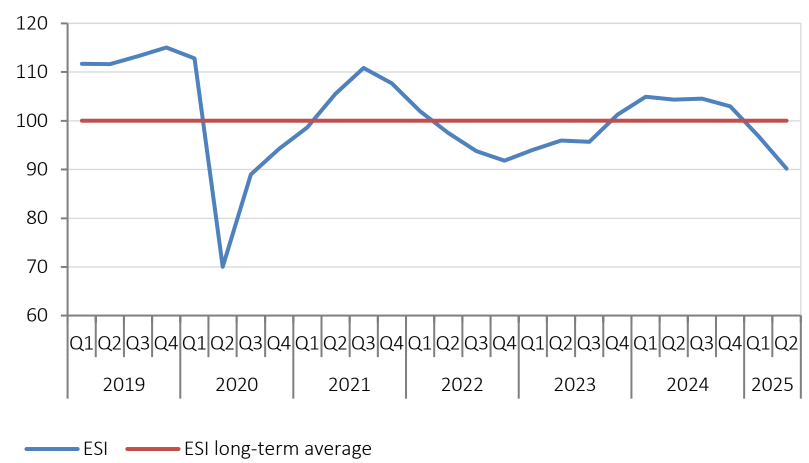
10. ECONOMIC SENTIMENT INDICATOR

10.1. ECONOMIC SENTIMENT INDICATOR - ESI

Economic Sentiment Indicator - ESI is a composite indicator which purpose is to present producers' and consumers' perceptions about economic movements and economic stability. As expectations of business subjects can be an important signal of changes in economic trends, this indicator is used to assess economic situation, make flash estimates, for scientific and analytical use, as well as for international comparisons and creating economic policies.

ESI has been developed by the General Directorate for Economic and Financial Affairs of the European Commission (DG ECFIN). It is obtained through five different surveys of producers and consumers, which attitudes provide a reliable indication of economic movements, based on which confidence indicators are created. Confidence indicators of the analysed sections are weighted in order to reflect as good as possible their influence on economic activity – manufacturing 40%, service activities 30%, household consumption 20%, construction 5% and retail trade 5%. Value of ESI index exceeding 100 indicates improvement or economic activity, while that below 100 suggests decline[5].

Chart 10.1. Economic Sentiment Indicator[6] (%) (seasonally adjusted data)



The Economic Sentiment Indicator (ESI) in the Republic of Serbia with a value of 90.2 saw a fall of 6.6 pp. in the second quarter of 2025 relative to the previous quarter, which is at the same time the lowest value of the indicator after 2020, year marked by corona virus pandemic.
The value of the indicator indicates that expectations in all sections fell: mostly in services, where a fall of 5.1 pp. was noted, then in manufacturing (-3.9 pp.), construction (-2.9 п. п.), consumption (-1.2 pp.) and retail trade (-1.1 pp.).

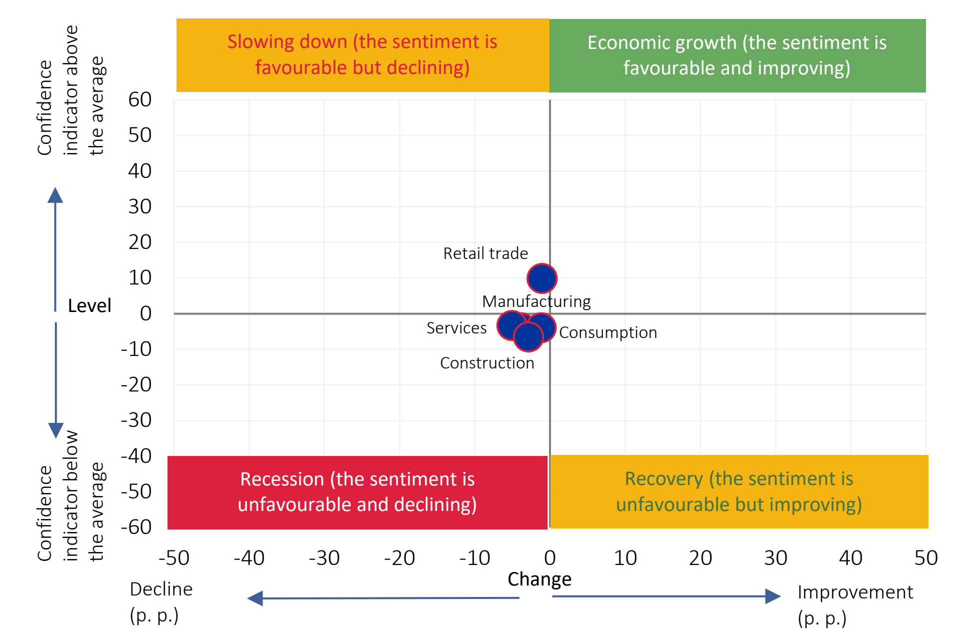
Source: European Commission, processing: Statistical Office of the Republic of Serbia. Quarterly data represent quarterly average.

Table 10.1. Confidence indicators by sections and Economic Sentiment Indicator – growth to the long-term average (%)

Confidence indicators	Minimum		Average	Maximum		2024				2025	
	Quarter	Value		Quarter	Value	Q1	Q2	Q3	Q4	Q1	Q2
Manufacturing	Q2 2020	-8.8	3.1	Q3 2018	7.8	2.2	-0.1	1.0	0.7	0.0	-3.9
Services	Q2 2020	-39.8	6.8	Q2 2016	15.6	10.1	12.7	11.7	10.0	1.8	-3.3
Consumption	Q4 2014	-20.2	-4.4	Q1 2020	10.3	0.5	2.4	1.9	-0.8	-2.7	-3.9
Retail trade	Q2 2020	-12.5	8.7	Q4 2019	16.2	12.2	13.2	12.3	13.0	11.0	9.9
Construction	Q3 2013	-40.8	-9.1	Q3 2019	7.1	-0.6	-1.9	-1.6	-1.9	-3.6	-6.5
Economic Sentiment Indicator	*Q2 2020*	70.0	102.0	*Q4 2019*	115.1	105.0	104.3	104.6	103.0	96.8	90.2

[5] ESI is calculated as an index with a mean value of 100 and standardised deviation of 10. More on the methodology on: https://ec.europa.eu/economy_finance/db_indicators/surveys/documents/methodological_guidelines/bcs_user_guide.pdf
[6] Data for the Economic Sentiment Indicator (ESI) have bee revised in line with the improved methodology of data seasonal adjustment, which has been in use since April 2022.

Chart 10.2. Economic sentiment tracer

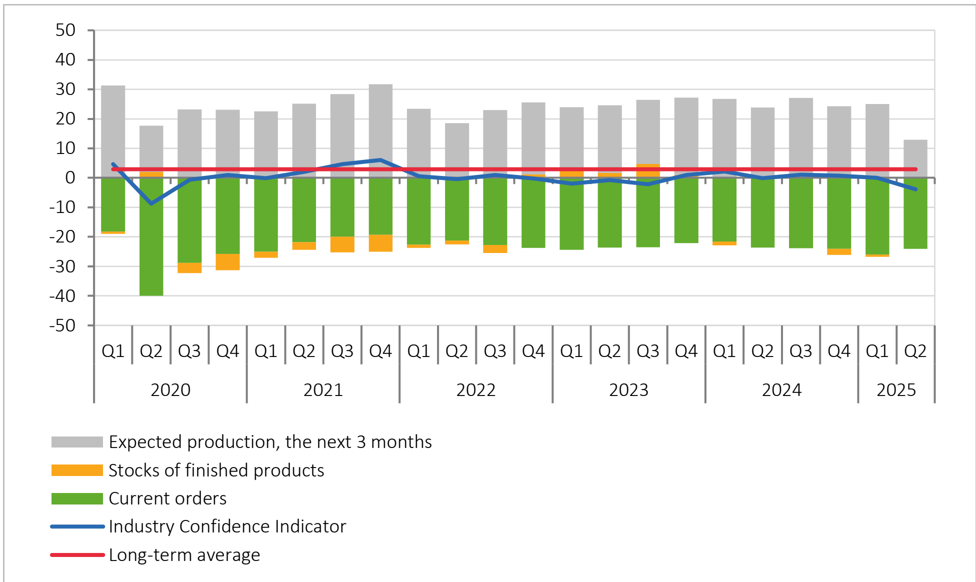


Economic Sentiment Tracer, created on the basis of seasonally adjusted confidence indicators, shows that most of the sections are in the recession phase, characterised by an unfavourable economic climate, which becomes worse and worse. In the phase of slowing down with a climate that is favourable, but declining is the section Retail trade.

10.2. INDUSTRY CONFIDENCE INDICATOR

The Industry Confidence Indicator includes the answers of economic subjects about contracted orders, expected production and stocks of finished products.

Chart 10.3. Industry Confidence Indicator (%) (seasonally adjusted data)

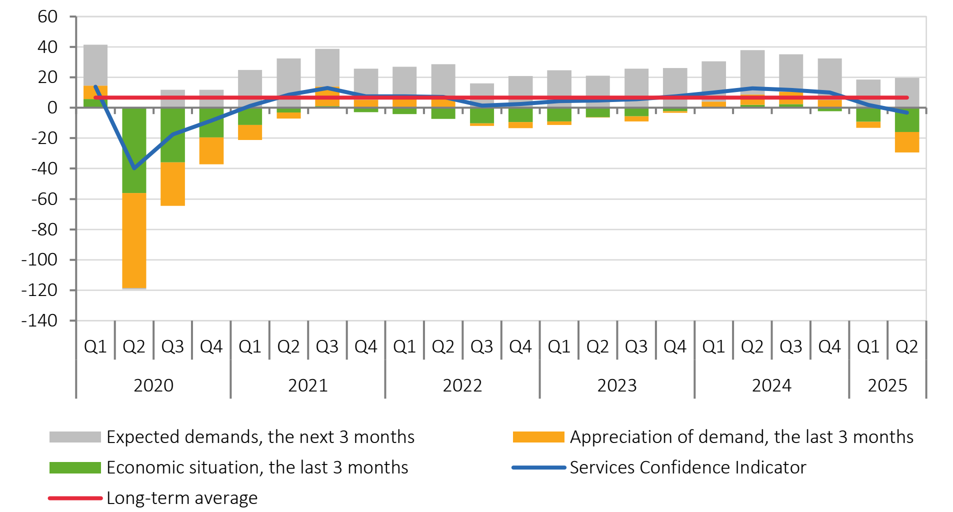


The Industry Confidence Indicator – ICI in the second quarter of 2025 saw a fall of 3.9 pp. compared with the previous quarter, by 6.8 pp. under the long-term average.
The value of this indicator reflects pessimism of businessmen in terms of expected production in the next quarter (-12.3 pp.), while the situation with stocks of finished products is somehow optimistic (+1.1 pp.) and with current orders (+1.9 pp.).

10.3. SERVICE CONFIDENCE INDICATOR

The survey in services is made of questions about the economic situation, current and expected demand for services.

Chart 10.4. Service Confidence Indicator (%) (seasonally adjusted data)



The Service Confidence Indicator – SCI, with a value of -3.3%, in the second quarter of 2025 is lower by 5.1 pp. than in the previous quarter, being below the long-term average by 9.9 pp.

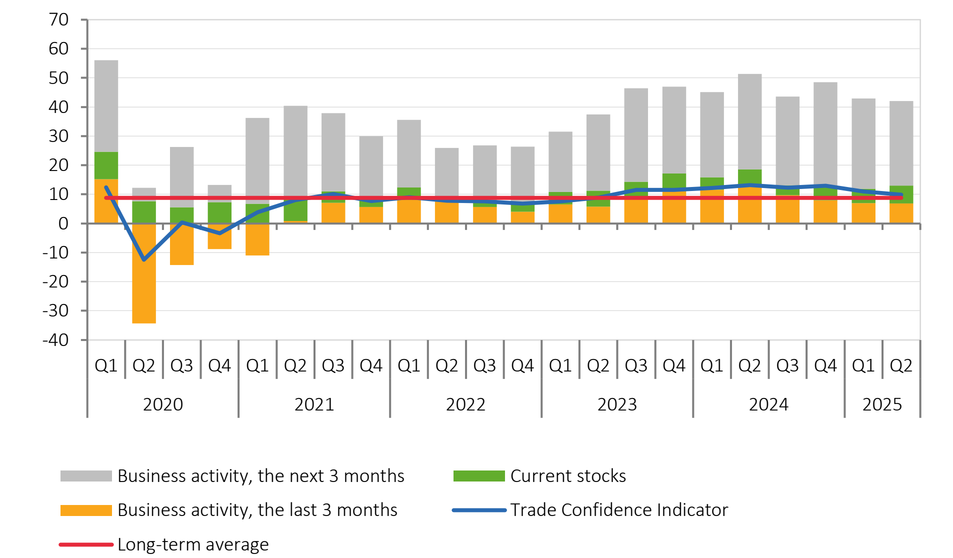
Appraisal of demand (-8.6 pp. and 8.7 pp, respectively), then with the appraisal of the economic situation in the previous quarter (-6.3 pp.).

Пад бележе оцена потражње (-9,5 п.п.), као и оцена економске ситуације у претходном тромесечју (-6,7 п. п.), док су нешто позитивнија очекивања у погледу потражње у наредном тромесечју (+1 п. п.).

10.4. TRADE CONFIDENCE INDICATOR

The survey in services is made of questions about the economic situation, current and expected demand for services.

Chart 10.5. Trade Confidence Indicator (%) (seasonally adjusted data)

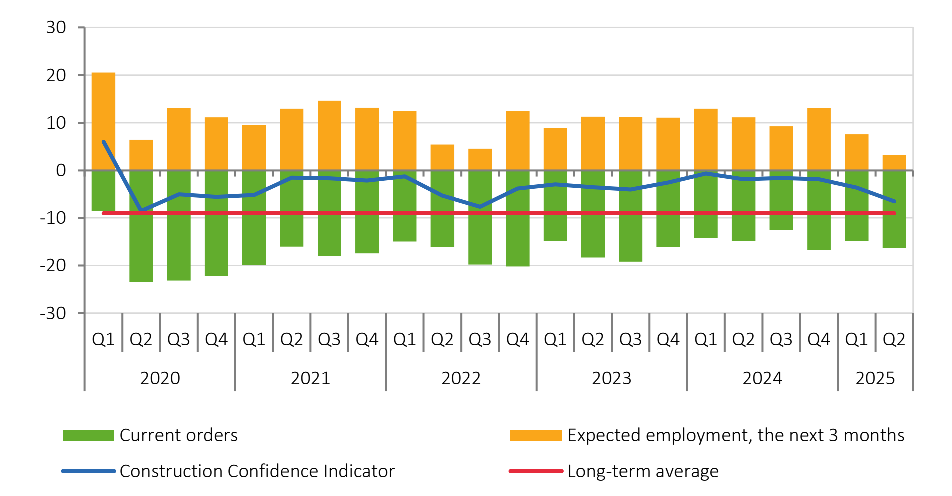


The Trade Confidence Indicator – TCI in the second quarter of 2025, with a value of 9.9%, was lower by 1.1 pp. than in the previous quarter, exceeding by 1.1 pp. the long-term average (8.8%).
The movement of this indicator reflects a decrease of the expected business activity in the next three months (-1.9 pp.), and well as of the appraisal of the business activity in the last quarter (-0.1 pp.), contrary to the appraisal of current stocks, recording a slight fall of 1.2 pp.

10.5. CONSTRUCTION CONFIDENCE INDICATOR

The survey in construction is made of questions about contracted orders and expected employment.

Chart 10.6. Construction Confidence Indicator (%) (seasonally adjusted data)

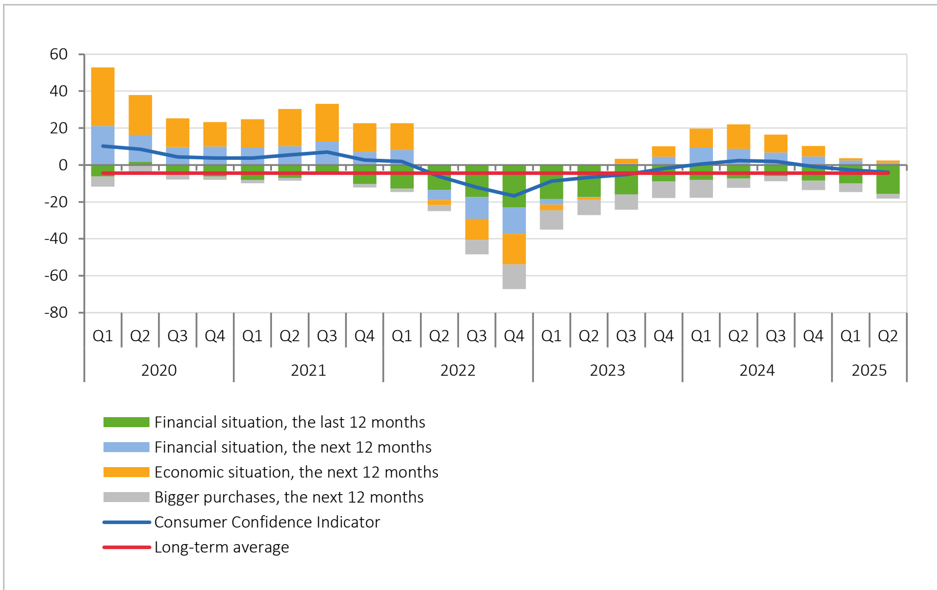


The Construction Confidence Indicator – CCI, with a value of -6.5% in the second quarter of 2025 fell by 2.9 pp. compared with the previous quarter, being above the long-term average by 2.5 pp.
The value of this indicator reflects fall of expectations concerning both components, employment in the next three months (4.3 pp) and appraisal of current orders (1.4 pp.).

10.6. CONSUMER CONFIDENCE INDICATOR[7]

The survey of household consumption is made of questions about household financial situation, general economic situation and expectations relative to bigger purchases.

Chart 10.7. Consumer Confidence Indicator (%) (seasonally adjusted data)



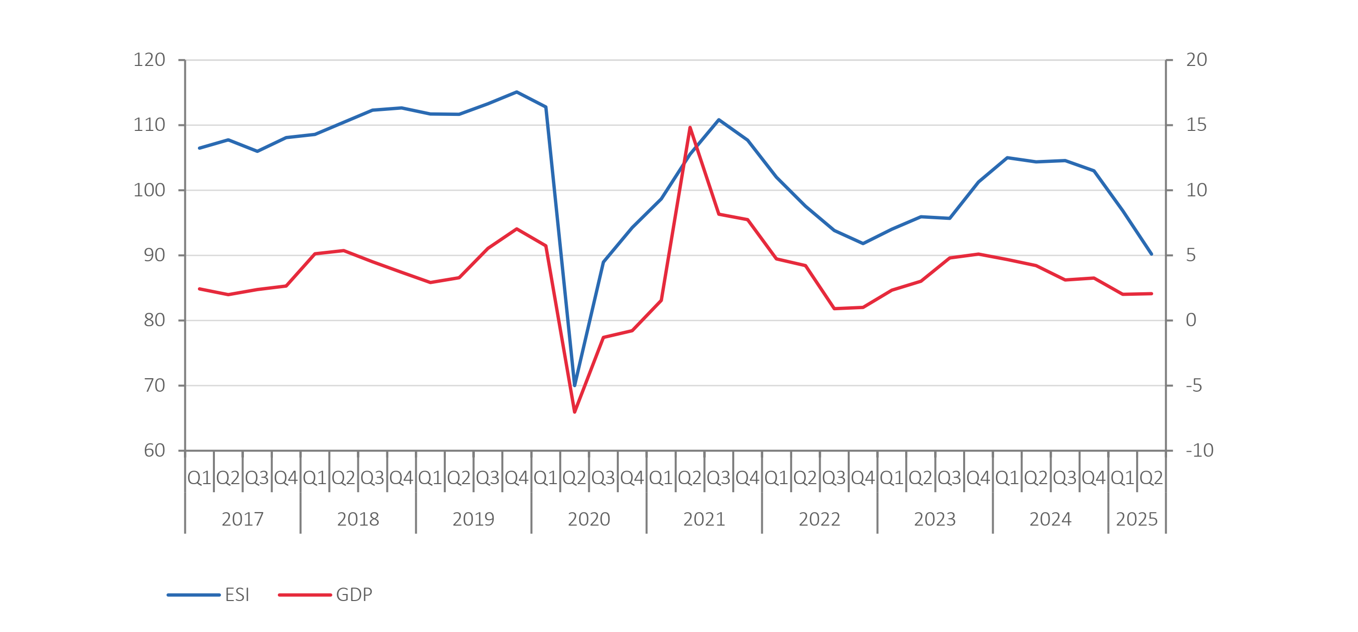
The Consumer Confidence Indicator – CCI in the second quarter of 2025 saw a fall of 1.2 pp. compared with the previous quarter, but still exceeding the long-term average by 0.4 pp. The value of this indicator shows the largest fall of appraisals of the financial situation in the last 12 months (-5.7 pp.), followed by appraisals of the financial situation for the next 12 months (-1.3 pp.), while slightly positive expectations were noted concerning the economic situation for the next 12 months (+0.2 pp.) and big purchases in the next 12 months (+2.1 pp.).

[7] The methodology for the calculation of the Consumer Confidence was changed by the European Commission in 2018, hence the data have been revised.

10.7. CORRELATION OF ESI AND GDP OF THE REPUBLIC OF SERBIA

Researchers and decision-makers in economic matters often include ESI as an explanatory variable with relevant pieces of information to model the economic growth, particularly if one takes into account that the data on the economic climate are available before most of the economic indicators. Gross Domestic Product (GDP) is the reference (explanatory) series that is most frequently used, because it reflects the movements in the economy as a whole. When considering that ESI represents a coincident indicator (showing changes at the same time when the changes are shown by the reference series), it can be concluded that it follows relatively well the GDP trend, which is confirmed also by the correlation coefficient of 0.67.

Chart 10.8. Correlation of ESI and GDP of the Republic of Serbia[8]

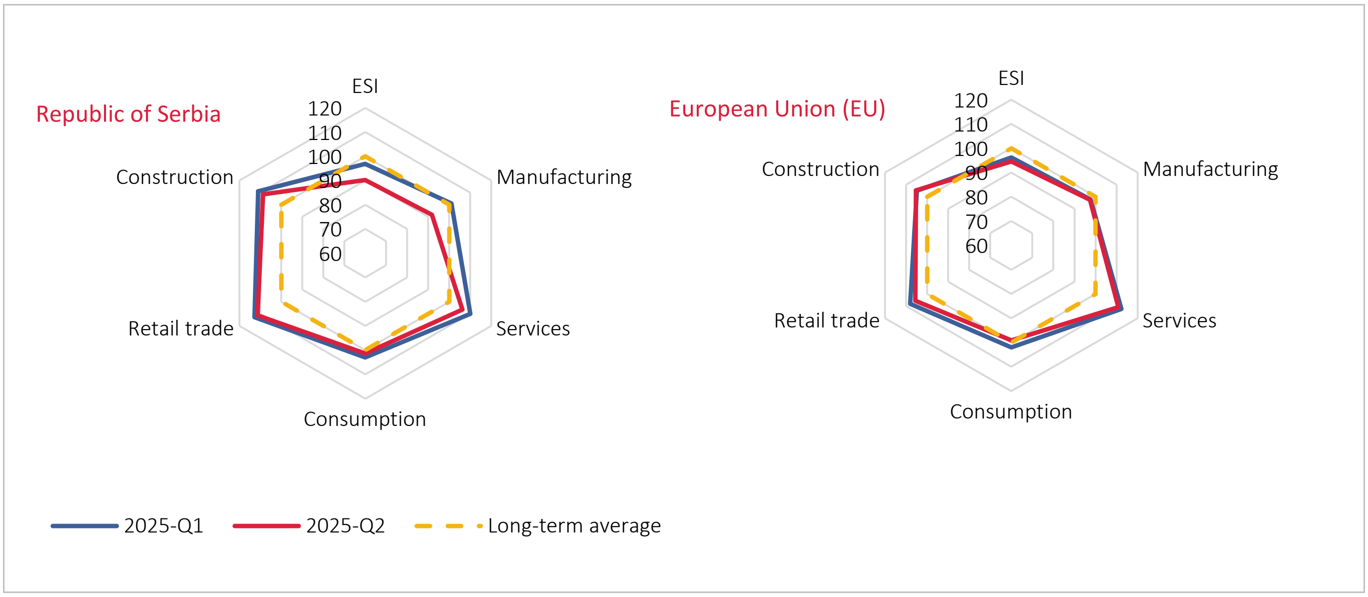


[8] Quarterly GDP has been revised in line with the revised annual data.

10.8. ECONOMIC SENTIMENT INDICATOR IN THE EUROPEAN UNION

Economic expectations in most of EU member states improved in the second quarter of 2025 (relative to the previous quarter), which made ESI go down by 1.7 p.p. (from the value of 94.5). The largest growth in expectations in the EU was recorded in Consumption (-2.9 pp.).

Chart 10.9. Economic Sentiment Indicators



HOW TO INTERPRETE THE TRACER?

The tracer scale of the chart ranges from 60 to 120 (average = 100). The most recent quarterly outcomes (Q2 2025) are compared with the previous quarterly outcomes (Q1 2025) and long-term average (= 100) of the corresponding series of confidence indicators. Developments far from the center reflect confidence indicator improvement, and close to the centre its decline.

11. REGIONAL ECONOMIC ASYMMETRIES

The starting point in realizing various aspects of regional asymmetries is the status of cities and municipalities of Serbia according to Regulation on establishing *List of Regional Development and Local Government Units for 2014* (Official Gazette of RS, no 104/2014). In compliance with the Regulation, excluding Beogradski region that comprises no municipality with the status of undeveloped area, in other three regions, number and size of undeveloped municipalities varies – Region Vojvodine has only one municipality in the group of extremely underdeveloped (out of 46 municipalities), Region Southern and Eastern Serbia has even 30 (out of total of 53), and in Region Šumadija and Western Serbia, such status is recorded in 13 out of 53 municipalities.. On the other hand, there is no municipality in Region Vojvodina with the status of devastated municipality (devastated means that development level is below 50% of the Republic average – see Glossary), while in Region Šumadija and Western Serbia, the mentioned status is recorded in three municipalities, and in Region Southern and Eastern Serbia, even 16 municipalities.

Unequal economic development in Serbia in the last several decades has contributed to deeper, already existing territorial inequalities. Regional polarization is apparent at several levels – undeveloped area, developed centre and insufficiently developed periphery. Regional disproportions – expressed in economic, social, demographic and infrastructure indicators – reflect characteristics of economic and social system of the country.

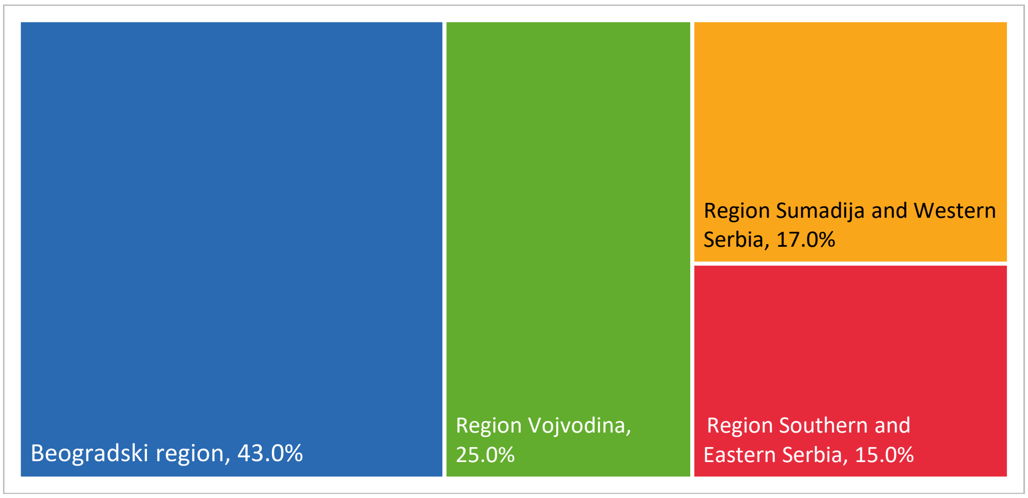
Gross domestic product

Regional gross domestic product presents primary statistical indicator for estimating economic performances of the region and effectiveness of regional policies and programs directed to decreasing the gap among the regions.

Out of total GDP in 2023, observed by level of NSTU 2 regions, the greatest realized GDP was in Beogradski region (43.3%), followed by Region Vojvodina (24.6%), Region Šumadija and Western Serbia (17%) and Region Southern and Eastern Serbia (15.1%).

Knowing that Beogradski region covers 3.7% of the area inhabited by 24% of the population of Serbia, it is clear that it is also the region with the highest GDP per capita (1 331 000 RSD / per capita, i.e. 70.6 % above the republic average, followed by Region Vojvodina that is by 0.1% below the average, then Region Šumadija and Western Serbia (by 37.9%) and Region Southern and Eastern Serbia (by 28.4%) below the Republic average.

Chart 11.1. Share of the region in the national GDP, 2023



Average salaries and wages

Level of regions' development, measured by average net salaries and wages varies in ratio 1.5:1, i.e. the highest salaries and wages are recorded in Beogradski region, and the lowest ones in Region Šumadija and Western Serbia. Average net salaries and wages in the period January – June 2025 in Beogradski region amounted to RSD 134 616, or 126% of RS average (RSD 107 179), in Region Vojvodina, they were insignificantly below RS average (RSD 101 055, or 94.3% of RS average), while in Region Southern and Eastern Serbia and Region Šumadija and Western Serbia, they were about 87% and 84% of the Republic average (RSD 92 676 and RSD 90 346, respectively). In all regions, average salaries and wages recorded growth relative to the same period of the previous year, and the greatest absolute and relative increase was noted in Region Šumadija and Western Serbia, by 11.6%.

In 75 municipalities, average net salaries and wages were below 80% of the Republic average, i.e. in particular Belgrade municipalities, average salaries and wages were more than double relative to municipality of Preševo (with the lowest average salaries and wages of RSD 72 842). Moreover, at the bottom of the list are the municipalities of Bojnik with an average salary of RSD 73 099, Vlasotince (RSD 74 592) and Crna Trava (RSD 75 921).

Labour market

The correlation of unemployment rate and development level of the region is very high, and in accordance with the mentioned, Region Southern and Eastern Serbia, with unemployment rate of 12.8% in the period January – June 2025, by 45.1% exceeds the average of Serbia (8.8%). On the other hand, in Beogradski Region, unemployment rate was the lowest, 6.9%, i.e. 22% below the national average. Additionally, referring to employment rate, it is the highest in Beogradski region (55.6% or 8.1% above the average of Serbia), while in Region Southern and Eastern Serbia, noted was the lowest employment rate of 46.7%, or 9.2% below the Republic average (51.4%).

In the period January – June 2025, Beogradski Region noted the highest share in total employment (27.4%), with the simultaneous lowest share in unemployment (20.9%). On the contrary, Region Southern and Eastern Serbia, with 19.2% has the lowest share in total employment, with the highest share in unemployment (29.2%) (according to the Labour Force Survey).

Export activity

In contrast to other indicators, in the period January – June 2025, Beogradski region was not on the first place regarding total export of Serbia (share of 22.7%). Region Vojvodina is on the first place with the share of 32.6% in export, followed by Region Southern and Eastern Serbia (22%) and Region Šumadija and Western Serbia (21.2%). Export per capita reflects regional asymmetries – Region Vojvodina records the export of EUR 3 127 per capita, and it is by 25% above the Republic average and exceeds by almost double the export value per capita in Region Šumadija and Western Serbia (EUR 1 952), which is by 22% below the average of the Republic. Region Vojvodina, as the leading exporter in the period January – June 2025, recorded the greatest share in export[9] of which the greatest part related to agricultural and food products (18.3%), primarily cereals (29.4%), and the most important export product being corn (12.4% of export of agricultural and food products).

Demographic structure

According to the last available data from 2024, population density in Beogradski region is by 7 times greater than average population density in Serbia, while in Region Southern and Eastern Serbia, population density was the lowest – 29% below the Republic average. Although all regions participate equally in total population of Serbia, interregional differences are particularly apparent. For example, in eight towns in Region Vojvodina, lives even over a half of total population of Vojvodina (56.3%). However, the most obvious population inequality is in other two regions: Region Šumadija and Western Serbia comprises 10 towns in which 55% of total population of the Region lives, while in 13 undeveloped municipalities, only 13% of population lives. This ratio is even more noticeable in Region Southern and Eastern Serbia, as 56.5% of population lives in 9 cities, while even in 30 underdeveloped municipalities live 31% of population. Additionally, due to economic migrations, number of population in Beogradski region is constantly increasing (by 1.5% between 2011 and 2024), while the number of population in other three regions is constantly decreasing. Simultaneously, it means that differences in population density will

[9] According to the Standard International Trade Classification (ISTC).

be even greater as population in Region Southern and Eastern Serbia is becoming more and more fragmented, while population density in Beogradski region becomes increasingly denser.

Transport infrastructure

In the Republic of Serbia, there are huge regional and interregional differences regarding infrastructure equipment (transport, telecommunication and water management, i.e., accompanying supra structures). In roads' quality, telecommunication and modern living conditions, differences are, first of all, manifested in underdeveloped south area and more developed north area of Serbia. The unsatisfactory condition of the road network is particularly evident in the municipal (local) roads, necessary for the daily functioning, development and activation of municipalities and settlements. This is clearly indicated by the fact that in 39 municipalities (2023) the share of municipal roads with modern pavement is below average, while four municipalities account for less than 20%, which are actually undeveloped and devastated areas facing the biggest developmental problems. Also, *the car renewal rate* (the number of cars registered for the first time in relation to the total number of registered cars) as an indicator of socio-economic inequalities at the regional level varies in 2024 from 5.4 in Region Southern and Eastern Serbia to 8.4 in Beogradski region, where a fourth part of the vehicles was registered. The number of first-time registered cars compared to the number of inhabitants in the period January – June 2025 reflects a similar ratio, with Beogradski region leading up to 43.3% above the average of the Republic of Serbia versus Region Southern and Eastern Serbia, with 27.7% below the national average.

Regional asymmetry is seen through the relation between the extreme (the highest and the lowest) values of the key indicators. For example, the highest density of population is recorded in Belgrade and exceeds 10 times the population density in Region Southern and Eastern Serbia, where it is the lowest (Table 11.1).

Table 11.1. Extreme values and indicators of regional asymmetry, January – June 2025

Indicators	Population density, km^2, 2024	GDP/per capita, 2023	Average net salaries and wages	Unemployment rate	Export per capita	Demographic emptying, 2011–2024 (%)
Extreme Values (the highest : the lowest)	9.8 : 1	2.7 : 1	1.5 : 1	2 : 1	1.7 : 1	(-14.2) : (+1.5)
	Beogradski region: Region Southern and Eastern Serbia	Beogradski region: Region Šumadija and Western Serbia	Beogradski region: Region Šumadija and Western Serbia	Region Southern and Eastern Serbia: Beogradski region	Region Vojvodina: Region Šumadija and Western Serbia	Region Southern and Eastern Serbia: Beogradski region

Chart 11.2. Disproportions at the regional level in Serbia (RS level = 100%), January – June 2025

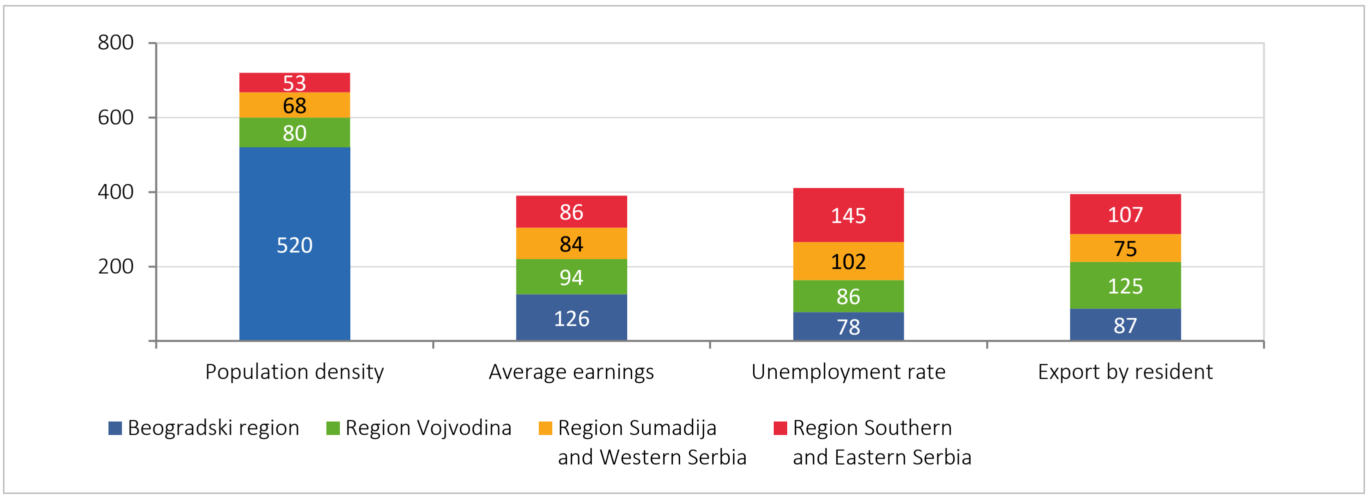


Table 11.2. Indicators of regional development of Serbia (NSTJ 2) (RS level = 100%)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Beogradski region										
Average salaries and wages in dinars	126.6	127.0	127.1	128.2	126.3	126.1	125.6	127.2	125.9	125.4
Employment rate	110.7	109.9	111.0	111.1	110.0	109.1	107.1	108.6	108.2	105.9
Unemployment rate	75.2	80.2	71.1	73.6	69.1	76.8	72.8	72.1	76.9	78.8
Exports per capita in euros	93.8	99.0	93.0	94.3	90.4	89.0	86.5	89.9	86.3	91.1
Number of first- time registered passengers' cars per 1000 inhabitants	133.1	145.8	140.0	141.4	139.9	152.0	133.8	139.9	136.6	148.6
Region Vojvodina										
Average salaries and wages in dinars	95.1	94.2	94.4	94.8	94.6	94.2	94.6	94.4	94.6	94.2
Employment rate	99.8	102.2	97.8	101.2	100.6	100.0	98.8	100.0	98.1	97.5
Unemployment rate	87.1	82.3	112.2	101.1	102.1	92.7	102.5	93.0	94.5	75.3
Exports per capita in euros	124.9	126.1	128.2	132.3	131.4	127.3	132.2	132.7	124.7	124.4
Number of first- time registered passengers' cars per 1000 inhabitants	95.1	88.5	88.3	91.6	92.0	86.7	92.3	92.7	92.6	87.5
Region Šumadija and Western Serbia										
Average salaries and wages in dinars	83.2	83.4	83.6	83.0	83.7	83.9	84.4	84.0	84.9	85.4
Employment rate	99.4	98.8	99.6	96.6	97.2	98.8	100.0	97.9	101.8	100.9
Unemployment rate	101.0	106.3	97.8	108.8	96.8	95.1	93.8	109.3	94.5	109.4
Exports per capita in euros	74.6	76.3	75.6	77.2	75.5	74.9	75.1	73.7	74.8	80.6
Number of first- time registered passengers' cars per 1000 inhabitants	95.2	91.0	92.5	91.9	90.8	87.5	93.7	89.8	93.5	88.3
Region Southern and Eastern Serbia										
Average salaries and wages in dinars	85.9	86.1	85.5	83.9	85.9	86.5	86.1	84.3	86.3	86.2
Employment rate	88.5	87.3	90.7	89.9	90.4	90.7	92.5	92.6	90.3	83.5
Unemployment rate	147.5	143.8	126.7	123.1	143.6	146.3	140.7	133.7	146.2	143.5
Exports per capita in euros	94.1	88.0	96.7	88.8	98.5	107.2	101.7	97.7	109.5	99.8
Number of first- time registered passengers' cars per 1000 inhabitants	72.4	70.9	76.0	71.1	73.4	69.5	76.5	73.9	73.2	71.6

GLOSSARY

Classification of regions and local government units (municipalities) – according to the Regulation. The Regulation establishes the unique list of *regions*' development (that are by development levels classified as developed and insufficiently developed regions) and *municipalities,* classified in four groups and devastated areas. In the first group are municipalities with the development level above the Republic average; in the second group are municipalities with the development level of 80% - 100% of the Republic average, the third group comprises insufficiently developed municipalities with the level of development of 60% - 80% of the average, while in the fourth group are extremely insufficiently developed municipalities, with the development level below 60% of the Republic average.

Devastated areas are municipalities from the fourth group with the development level below 50% of the Republic average (according to the data of the authority competent for statistics and finances tasks). Classification of the regions is performed on the basis of GDP value per capita in the observed region compared to Republic average, for the referent period. Developed regions are the regions that realize gross domestic product value above the Republic average, (Beogradski Region and Region Vojvodina). Insufficiently developed regions are the ones in which GDP value is below the Republic average, (Region Šumadija and Western Serbia and Region Southern and Eastern Serbia). Additionally, status of insufficiently developed region refers to Region Kosovo I Metohija.

Demographic emptying is the term that depicts natural and mechanical population outflow in the specific geographic and administrative area.

12. AGRICULTURE

Agricultural production is made of two main branches: plant production and livestock production. Due to its specific nature, relevant data related to agricultural production are available mainly on annual basis. This issue of Trend presents the movement of occurrences in agriculture referring to:

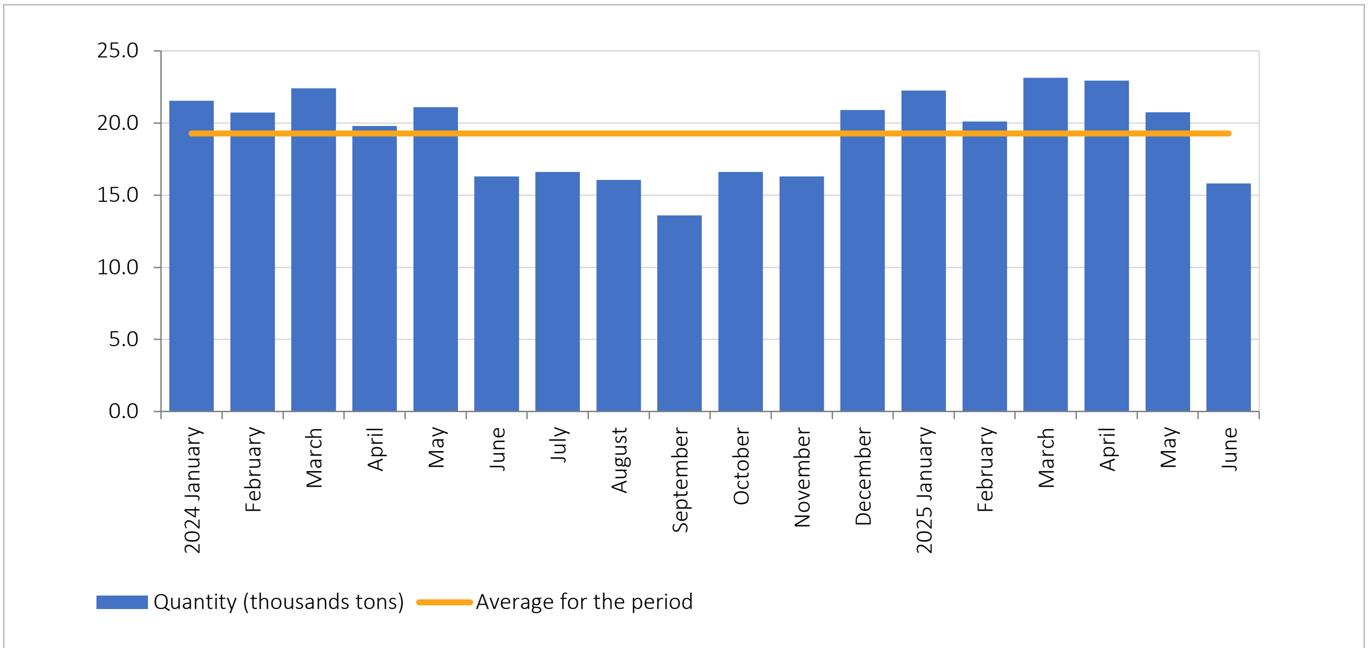
- Livestock production production of consumption cow's milk in dairy factories and livestock slaughtering in slaughtering houses),
- Prices of agricultural products and intermediate goods,
- External trade in agricultural products,
- Expected production of major crops.

12.1. PRODUCTION OF MILK, CEREALS AND LIVESTOCK

Estimates show that farms dealing with the production of cow's milk distribute to milk collection stations (dairy factories) about 59% of the total production[10]. Of the quantity of milk that stays on the holding (about 41%) about 10% are consumed for feeding household members and livestock on the holding and about 22% are processed into dairy products (mainly cheese and „kajmak"), and the remaining part (about 9%) is sold to direct consumers. According to the same source, losses on the holding are insignificant (up to 0.1%).

Cow milk accounts for 97% of the total production of milk on holdings, and the remaining milk is of sheep and goats. In the period January-June 2025 the production of consumption cow's milk in dairy factories is higher by 2.6% than that in the same period of the previous year. Observed by quarters, in the second quarter of 2025 the production of cow's milk saw a growth of 4.0$ relative to the second quarter of 2024.

Chart 12.1. Production of consumption cow's milk in dairy factories (in thous. tons)



[10] Survey on Agricultural Production – Livestock Production, 2022

Purchase prices of cow's milk decreased by 3.0% over January-June of the current year relative to the same period of the previous year[12]. Prices in the first half of the current year fell by 2.7%, 1.3% and 1.8%, respectively, when compared with the average price of milk in the previous year.

Consumer prices of cow's milk increased slightly by 0.3% over January-June of the current year relative to the same period of the previous year. In the first six months of the current year, compared with the average price of milk in 2024, prices rose by 0.4%.

Based on the comparative review and previous analysis, it can be concluded that the purchase prices of cow's milk recorded a slight fall since the beginning of the year, while consumer prices remained stable in the first half of the current year.

As being the topic of analysis in this issue of *Trends,* besides livestock products, selected crops from plant production, as well as some categories of livestock, it is necessary to present their purchase prices.

Over January-June of the **price index** of cereals amounted to 115.9%. In this period the purchase prices of wheat and maize increased by 19.2% and 18.0% relative to the same period of the previous year. In the first six months of the current year of **industrial crops** noted a growth of 4.9% relative to the same period of the previous year.

Table 12.1. Comparative review of purchase and consumer prices of cow's milk

Month	Milk price, din/l	
	Purchase price	Consumer price[11]
January 2024	55.5	145.3
February	55.6	145.2
March	55.5	144.9
April	55.5	145.6
May	55.3	145.6
June	54.9	144.7
July	54.8	144.8
August	54.8	145.2
September	54.8	144.8
October	55.1	144.8
November	55.2	144.2
December	55.3	144.2
January 2025	55.1	145.3
February	54.9	145.7
March	54.5	145.6
April	53.3	145.1
May	52.4	145.7
June	52.0	145.8

Observed by **categories of livestock,** over January-June of the current year, a growth of purchase prices of cattle of 3.4% was recorded, while for pigs the prices fell by 19.7% relative to the same period of the previous year.

Table 12.2. Indices of producers' prices of agricultural and fishing products

	VI 2025 / VI 2024	I–VI 2025 / I–VI 2024	I–VI 2025 / Ø 2024
Agriculture and fishing	103.9	115.9	112.2
Cereals	100.7	119.2	113.5
Wheat	108.8	118.0	114.4
Maize	88.9	104.9	102.6
Livestock	106.1	90.0	95.4
Cattle	114.2	103.4	104.7
Pigs	102.2	80.3	88.0

[11] Consumer prices refer to cow's milk with 2.8% fat content.
[12] Those are producers' prices of agricultural and fishing products – prices at which purchase is done from family holdings and prices at which legal persons in the field of agriculture sell their products.

12.2. INTERMEDIATE GOODS

A stable and successful production in agriculture depends on many factors. As far as plant production is concerned, besides adequate land tillage for high and stable yields, the used inputs are extremely important. The latter refer to seeds and seeding materials, fertilizers and protection preparations. As for the other agricultural branch, i.e. livestock production, good animal health and increase requires adequate animal feed and housing facilities. To meet all these conditions, one need not only human labour but also capital goods, i.e. agricultural machinery. Therefore, farmers have to have corresponding machinery or to engage others (fertilization, sprinkling, harvest, etc.). All these factors make the intermediate consumption (accounting for almost 60% of the total value of agricultural production) and their price indices are shown in table 12.3.

The total intermediate consumption, i.e. the prices of intermediate goods, capital goods and services in agriculture in the second quarter of 2025 increased by 0.9% compared with the same quarter of the previous year. Observed by groups of products, the largest price increase in the second quarter of 2025, relative to the same quarter of the previous year, was recorded in: plant protection preparations (growth of 7.8%) and mineral fertilisers (5.5%).

The prices of intermediate goods, capital goods and services in agriculture in the second quarter of 2025 relative to the first quarter of 2025 decreased, on average, by 1.5%.

Table 12.3. Indices of the prices of intermediate goods, capital goods and services in agriculture

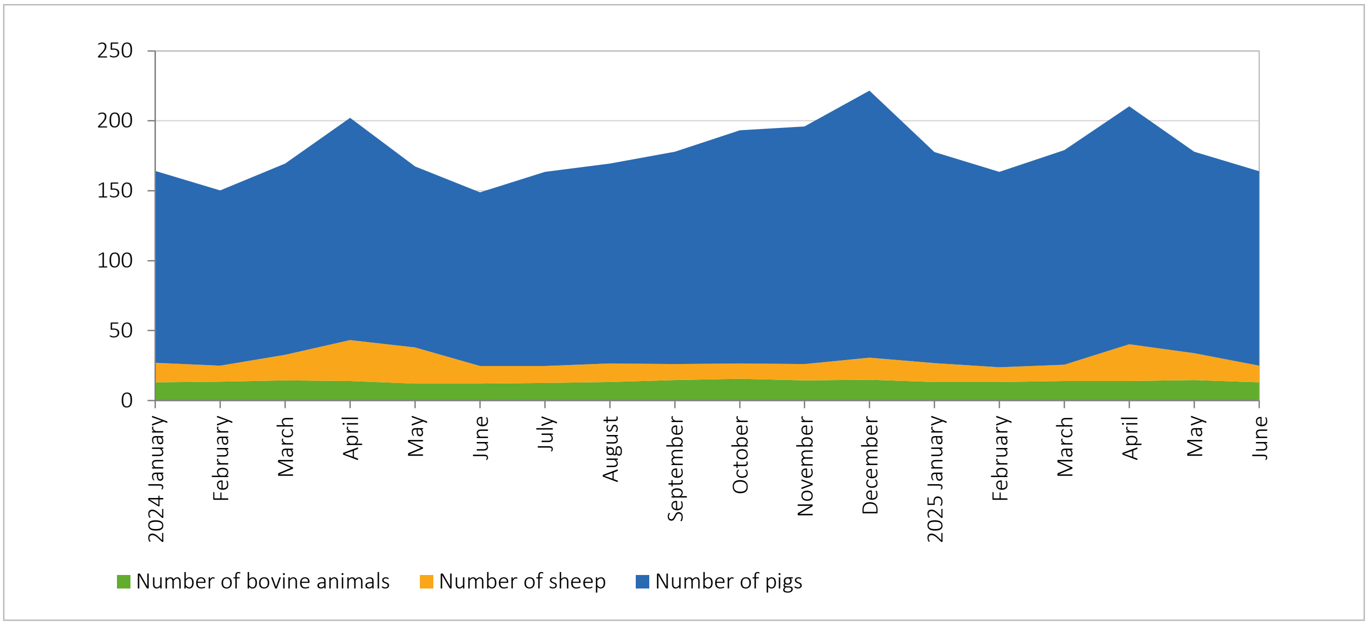
	Quarter II 2025 / Quarter II 2024	II квартал 2025 / Quarter I 2025	II 2025 / Ø 2024
Total	**100.9**	**98.5**	**101.4**
Products and services for current use in agriculture	**100.9**	**98.4**	**101.4**
Seed	102.0	90.8	101.7
Energy commodities	96.0	97.5	97.7
Mineral fertilizers	105.5	104.5	105.2
Plant protection preparations	107.8	88.4	108.3
Animal feed	99.4	99.5	100.3
Equipment maintenance	104.0	101.0	104.2
Facilities maintenance	102.7	101.3	102.9
Other products and services	104.0	100.0	102.9
Products and services for investments in agriculture	**102.5**	**100.2**	**101.6**
Machinery in agriculture	102.5	100.2	101.6

12.3. LIVESTOCK SLAUGHTER

In the Republic of Serbia, livestock slaughter is performed in registered slaughtering houses and outside them, i.e. on agricultural holdings. As far as bovine animals are concerned, slaughter in slaughtering houses accounted for about 57% of total slaughter of this livestock species, while with pigs and sheep slaughter is mostly done outside slaughtering houses, about 60% and 83%, respectively. Data on livestock slaughter in slaughtering houses on the territory of the Republic of Serbia include slaughter in all registered slaughtering houses on the territory of the Republic of Serbia, totalling to 377 as at 30 June 2025. In this issue of Trends, the analysis is focused on livestock slaughter in slaughtering houses.

In the first half of 2025, the total number of slaughtered cattle amounted to 82 thousand, by 3.7% more than in the same period of the previous year. The category of slaughtered bovine animals recorded in the first six months the largest growth of this species of livestock were bovine animals of of 1-2 years (growth of 6.2%). This category of bovine animals noted also the largest share in total slaughter of this species of livestock – 81.4% over January-June 2024

Chart 12.2. **Number of slaughtered pigs, sheep and bovine animals in slaughtering houses (in thous.)**



The number of pigs slaughtered in slaughtering houses in the first six months of the current year (897 thous.) was higher than by 10.5% in the same period of the previous year. The category of slaughtered pigs that saw the largest growth in the total slaughter of this livestock species during the first half of 2025 refers to pigs of 25-50 kg (growth of 12.8% in relation to the same quarter of the previous year). Of totally slaughtered pigs in slaughtering houses the largest share in total slaughter of this livestock species in the first six months of the current year was that of pigs over 50 kg, 91.8%

Of the total number of slaughtered sheep on the territory of the Republic of Serbia only approximately 17% are slaughtered in slaughtering houses. In the first half of 2025 the number of sheep slaughtered in slaughtering houses amounted to 92.9 thousand, by 16.5 less than in the same period of the previous year. Of totally slaughtered sheep in slaughtering houses in the first six months the largest share (94.0%) in the total slaughter of this species was that of the category of lambs up to six months

12.4. EXTERNAL TRADE IN AGRICULTURAL PRODUCTS

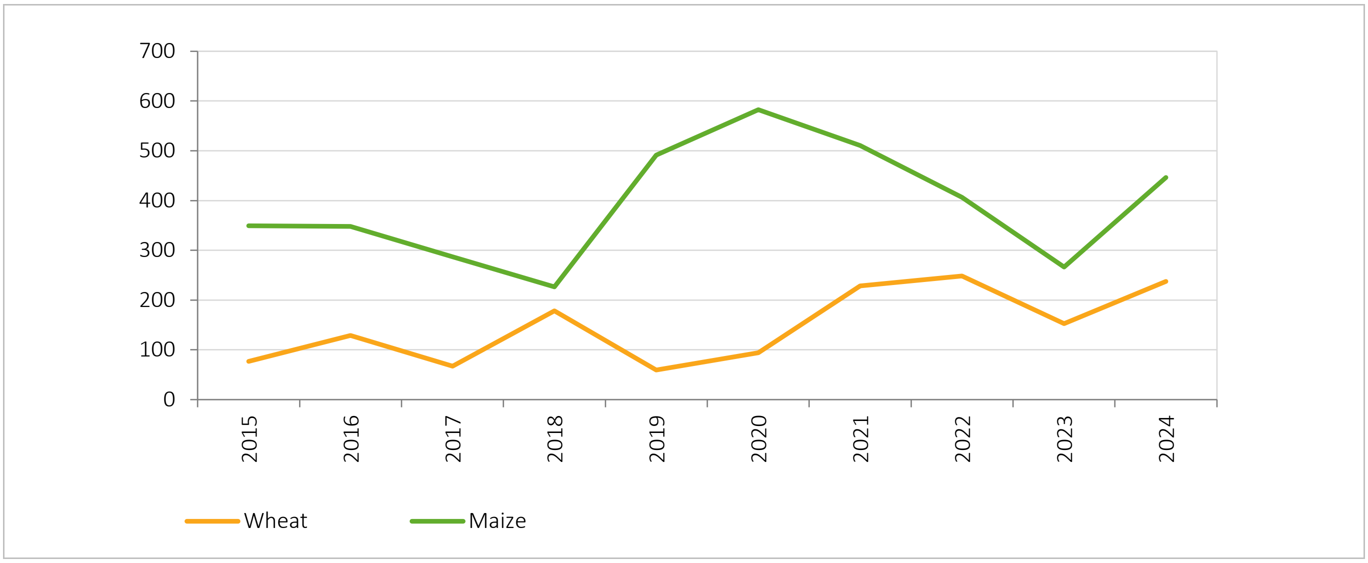
In the first six months of 2025, the section Agriculture, forestry and fishing[13] realised a negative external trade balance of EUR -225.7 million. In the same period exports of this section amounted to EUR 570.8 million, by 10.7% less than in the same period of 2024, and the share in total exports fell from 4.3% to 3.5%. Imports of this section in the first six months of the current year amounted to EUR 796.5 million, by 37.3% more than in the same period of the previous year, and the share in total imports grew from 3.1% to 3.8%.

Exports fall in the first six months of the current year was mostly a result of a cumulative fall of 15.7% in exports of cereals (except for rice), leguminous and oil seed, the most represented groups in this section (share of 62.2%). Contrary to exports, the most represented group of products on the import side in the section Agriculture, forestry and fishing was Growing of vegetables, melons, roots and tubers (share of 22.0%), which realized a cumulative growth of 25.8% in the first six months of the current year.

Exports of wheat[14] in the first six months of 2025 amounted to EUR 111.5 million, a fall of 11.2% relative to the same period of the previous year. Wheat was mostly exported to Italy (52.7% of total exports of wheat), then to Romania, 25.8%, then to Bosnia and Herzegovina, Albania and North Macedonia, with a share of this crop of 11.6%, 5.0% and 2.1%, respectively.

Exports of maize[14] over January-June of the current year amounted to 177.7 million, a fall of 21.2% relative to the same period of the previous year. Most of maize was exported to Romania, 46.3% of total exports of this crop. To Bosnia and Herzegovina 12.8% were exported, then to Hungary, Italy and Albania, 7.8%, 5.6% and 5.1% of total exports of this crop.

Chart 12.3. **Exports of wheat and maize in the ten-year period 2015 – 2024 (in mill. euros)**



[13] According to CA (2010).
[14] According to SITC for the level of products.

12.5. EXPECTED AGRICUTULRAL PRODUCTION IN 2025

The current situation in agricultural production suggests for 2025 a moderate growth of 1.3%, compared with the previous 2024. This growth reflects the stability of the sector but indicates also that further improvements and adjustments to variable factors affecting the production are necessary.

The analysis of different groups of agricultural products, based on current data and estimates, foresees the following growth rates in agricultural production for 2025:

- Wheat – growth of 2.7%
- Industrial crops – growth of 6.9%
- Vegetables – growth of 6.4%
- Fruits – fall of -15.7%
- Livestock – without change (index 100)

The data on sown areas at the end of the spring sowing, obtained from regular statistical surveys and estimates provided by agricultural professional counselling services, indicate that the currently expected situation in agriculture for 2025 concerning major crops are presented in the following table.

Table 12.4. **Expected area, yield and production of major crops, 2025**

	Area, ha	Average yield t/ha	Expected production, thous. Tons	Growth rate 2025/2024
Wheat	607.075	6.1	3.681	▲ 26.9%
Maize	961.215	4.7	4.513	▼ -11.6%
Sunflower	242.385	2.6	628	▲ 1.0%
Soya beans	206.485	1.8	367	▲ 5.9%
Sugar beet	34.382	52.3	1.799	▼ -6.4%

The very beginning of the year, i.e. the initial period for the provision of first estimates of average yields in May and June was optimistic as to the results concerning the yields of crops. The expected yield of wheat in 2025 amounts to 6.1 t/ha. On the other hand, the growth of production of wheat, besides favourable conditions can be also linked to larger sown areas than last agricultural year (10%). However, weather conditions in June, July and August, with very long intervals of high temperatures, caused a heavy drought, thus affected also the quality of grains and smaller estimated yield with other crops.

According to the last reports of agricultural counselling services (end of August of the current year), it is estimated that the total production of wheat will be higher by approximately 26.9% and amounts to about 3.7 million tons, while the total production of maize will decrease (year-on-year fall of about 11.6%) and will amount to about 4.5 tons this year. The production of sunflower, which is considered a more resistant crop, will increase by about 1.0% relative to the previous year and be approximately 628 thousand tons. Besides sunflower, the production of soya beans is expected to grow by 5.9% relative to the previous year.

13. BUSINESS SERVICES

Business services are the key factor to drive a knowledge-based economy as they stand out for their labour-intensive nature, which suggests their potential importance as providers of new businesses and jobs in the future. Business services are a subset of economic activities having in business operations an auxiliary character and where there is no delivery of goods and products in the material sense. It is not possible to store or transport the final “products” of these activities. The activities covered by business services are characterised by the provision of technical or intellectual services.

Enterprises, from the coverage of business services, create service systems which they deliver to their customers. Business services comprise a large spectrum of activities such as: transport, information, communication and other business services (e.g. engineering, legal assistance, employment services, management), excluding financial services.

The content presented below covers the services which end user are mostly enterprises and/or public administrations, but also individuals (physical persons) and/or households. Business services include:

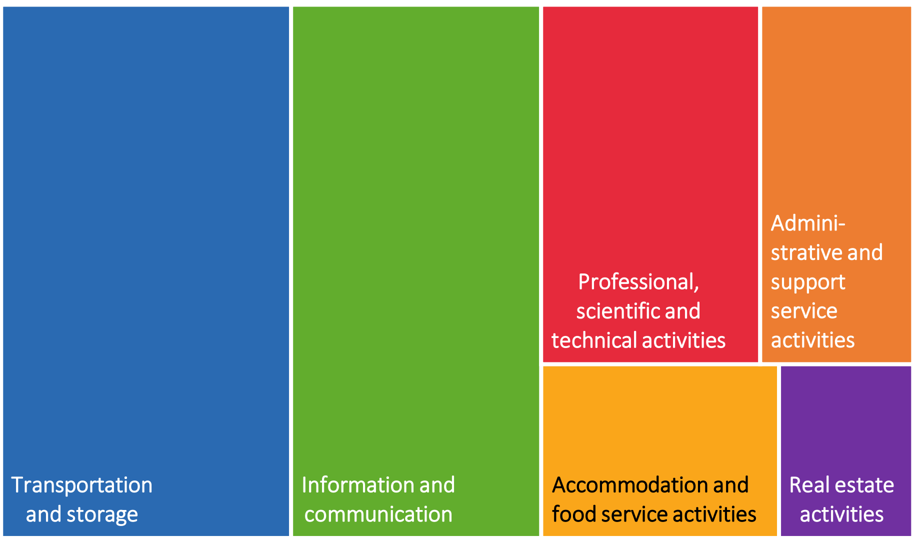
– Transport services, such as: road and railway transportation and storage and postal/courier services;
– Technical services, such as: engineering, architecture and technical studies;
– Computer services, such as: software design and database management;
– Other professional services, such as: legal, accounting, consultancy and managerial services.

Many of these services could be performed by the enterprise itself, but their outsourcing from service suppliers allows the enterprise to focus on its principal activity and to take advantage of the specialisation offered by service providers. Thus, an efficient and successful sector of business services can contribute to economy competitiveness.

The index of service turnover is one of the most essential indicators of the development of service activities. It is used to analyse the trends of business cycles in the service part of the economy, as well as an input for statistics of national accounts.

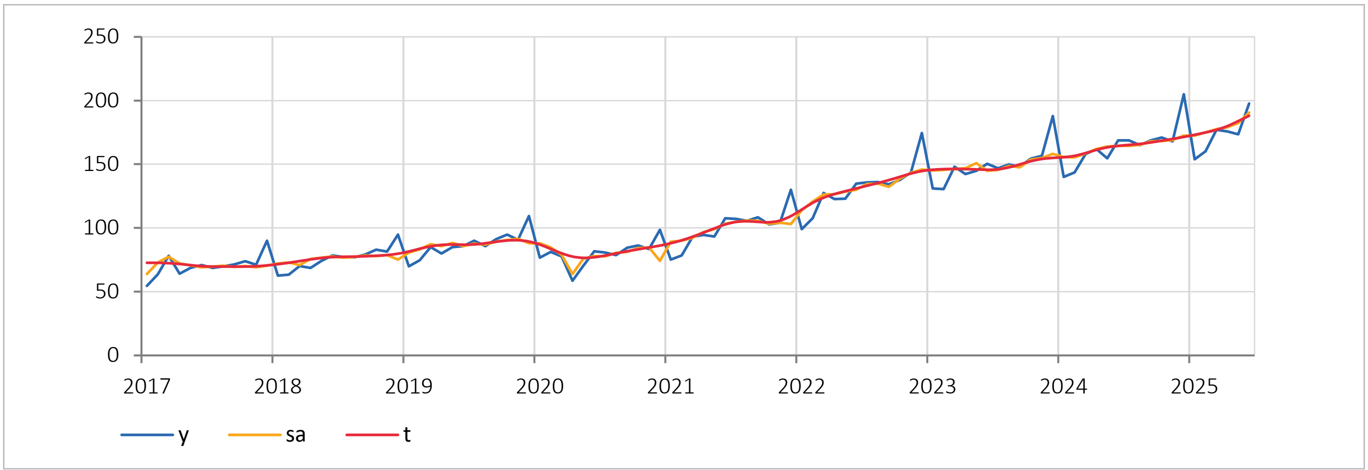
Business services cover service activities of the non-financial economy, specifically activities according to the official national Classification of Activities (2010), from the sections: H – Transportation and storage (divisions 49–53); I – Accommodation and food services (divisions 55 and 56); J – Information and communication (divisions 58–63); L – Real estate activities (division 68); M – Professional, scientific and technical activities (divisions 69–74, excluding 72 and 75) and N – Administrative and support service activities (divisions 77–82).

Chart 13.1. Structure of turnover by sections of business services



The largest share in the structure of the turnover of business services in the second quarter of 2025 was recorded in the sections H – Transportation and storage, with 31.8%, and J – Information and communication, with 27.4%. The sections M – Professional, scientific and technical activities, and N – Administrative and support service activities participated with 16.2% and 11.3%, respectively, and I – Accommodation and food service activities, and L – Real estate activities with 8.5% and 4.8%, respectively.

Chart 13.2. Components of the time series of the turnover in services activities
(y – original series, sa – series with seasonal component excluded, t – trend-cycle component; average 2021 = 100)



During the crisis caused by COVID-19 pandemic, which started at the end of the first quarter of 2020, the development trend in the series of business services' turnover changed significantly. In the second quarter of 2020 business services' turnover was lower by about 16% than in the same quarter of 2019. Starting from the third quarter of 2020 a period of recovery began, and after almost a year, in the second quarter of 2021 the level of turnover returned to its level before the crisis. The post-pandemic long-term trend is stable and slightly going upward.

Over the period January-June 2025, the total realised turnover in business services was higher by 12.0% than in the same period of 2024. The largest growth of turnover was recorded in the section L – Real estate activities (37.3.0%), and the smallest in the section M – Professional, scientific and technical activities (1.0%).

13.1. COMPARISON WITH THE SAME QUARTER OF THE PREVIOUS YEAR

The turnover of business services in the second quarter of 2025 saw a growth of 12.7%, compared with the same quarter of the previous year. Observed by sections, the largest growth share in the second quarter of 2025, compared with the same quarter of 2024, was recorded in the sections L – Real estate activities and J – Information and communication, 41.6% and 15.5%, respectively.

Table 13.1. Turnover of business services, indices (the same quarter of the previous year = 100)

	2023[1]				2024[2]				2025[2]	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Services – total	**122.6**	**115.0**	**109.4**	**109.5**	**107.8**	**111.0**	**113.1**	**109.0**	**111.3**	**112.7**
H – Transportation and storage	133.4	116.2	110.2	101.7	95.8	104.3	105.4	106.6	113.8	114.8
I – Accommodation and food service activities	134.8	124.2	118.8	119.2	121.8	121.7	117.6	114.5	104.8	110.1
J – Information and communication	122.2	124.7	113.7	120.7	115.4	109.5	111.9	108.9	107.5	115.5
L – Real estate activities	133.4	120.1	121.2	121.2	109.6	101.5	105.1	104.7	133.0	141.6
M – Professional, scientific and technical activities	103.8	101.9	100.0	106.0	114.0	119.9	127.6	107.1	101.4	100.7
N – Administrative support service activities	109.9	104.8	102.2	102.4	111.2	117.2	117.9	118.3	125.4	112.0

[1] Final data.
[2] Provisional data.

13.2. COMPARISON WITH THE PREVIOUS QUARTER

The turnover of business services in the second quarter of 2025 saw a growth of 11.4%, compared with the previous quarter. This growth was mostly conditioned by the growth of turnover in the sections with the highest share: H – Transportation and storage (growth of 5.2%, with a share of 31.8%) and J – Information and communication (growth of 14.6% with a share of 27.4%).

Table 13.2. Turnover of business services, indices (previous quarter = 100)

	2023[1]				2024[2]				2025[2]	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Services – total	**89.9**	**106.8**	**101.6**	**112.3**	**88.5**	**110.0**	**103.5**	**108.3**	**90.3**	**111.4**
H – Transportation and storage	98.9	95.9	103.8	103.2	93.3	104.3	104.9	104.4	99.7	105.2
I – Accommodation and food service activities	96.5	110.3	106.4	105.3	98.6	110.2	102.8	102.5	90.2	115.8
J – Information and communication	89.0	112.4	99.6	121.1	85.1	106.7	101.8	117.8	84.1	114.6
L – Real estate activities	99.7	108.6	99.9	112.1	90.2	100.5	103.4	111.6	114.6	106.9
M – Professional, scientific and technical activities	74.1	116.5	96.1	127.8	79.7	122.5	102.3	107.2	75.5	121.6
N – Administrative support service activities	83.3	114.4	105.7	101.7	90.4	120.5	106.4	102.0	95.9	107.6

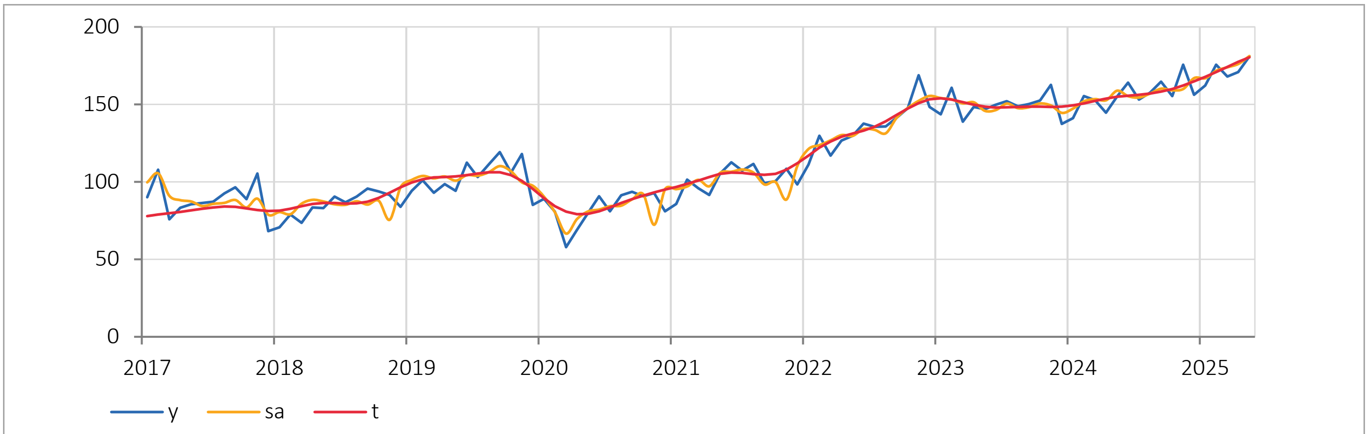
[1] Final data.
[2] Provisional data.

All the sections of business services saw a growth in the second quarter of 2025, compared with the previous quarter. The largest growth was noted in the section M – Professional, scientific and technical activities, and I – Accommodation and food service activities, 21.6% and 15.8%, respectively

13.3. TRANSPORTATION AND STORAGE (section H)

(share of 31.8% in the total turnover of business services in the second quarter of 2025)

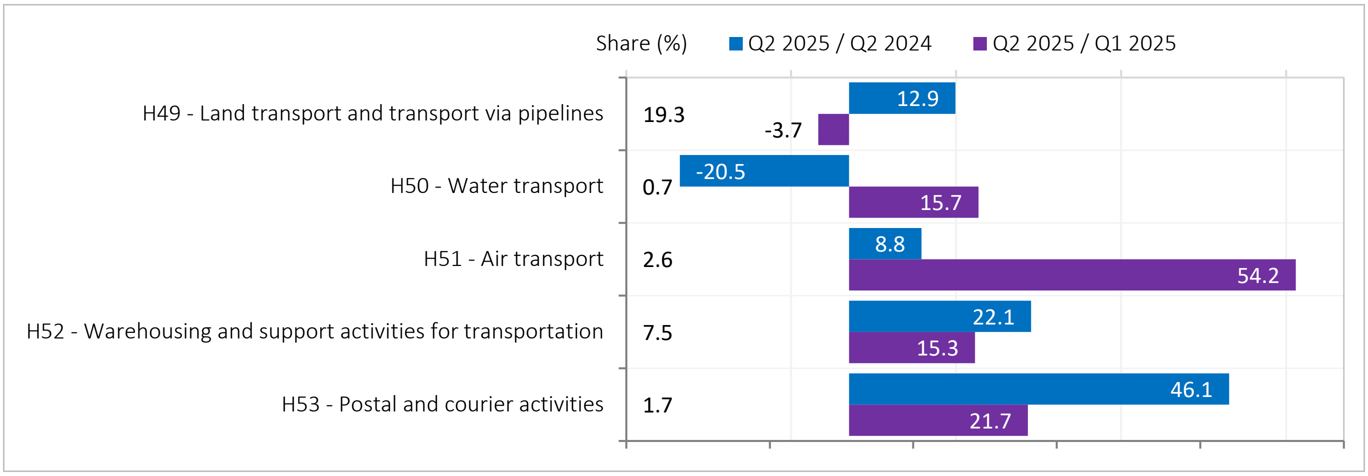
Chart 13.3. Components of the time series of the turnover in section H – Transportation and storage
(y – original series, sa – series with seasonal component excluded, t – trend-cycle component; average 2021 = 100)



Services activities of Transportation and storage were strongly affected by the pandemic – a fall of 30% was recorded in the period from February to April 2020. In the second half of 2020 and during most of 2021, these activities developed rather positively, and the intensive upward trend continued till the first half of 2023, after which there was a period of slow growth that shifted into slower increase.

Over the period January-June 2025, compared with the same period of 2024, the turnover in the section Transportation and storage went up by 14.3%.

Chart 13.4. **Turnover in the section H – Transportation and storage, by divisions, growth rates (%)**



The *share* is the percentage portion of the turnover of a division of activity in the total turnover of business services in the second quarter of 2025.

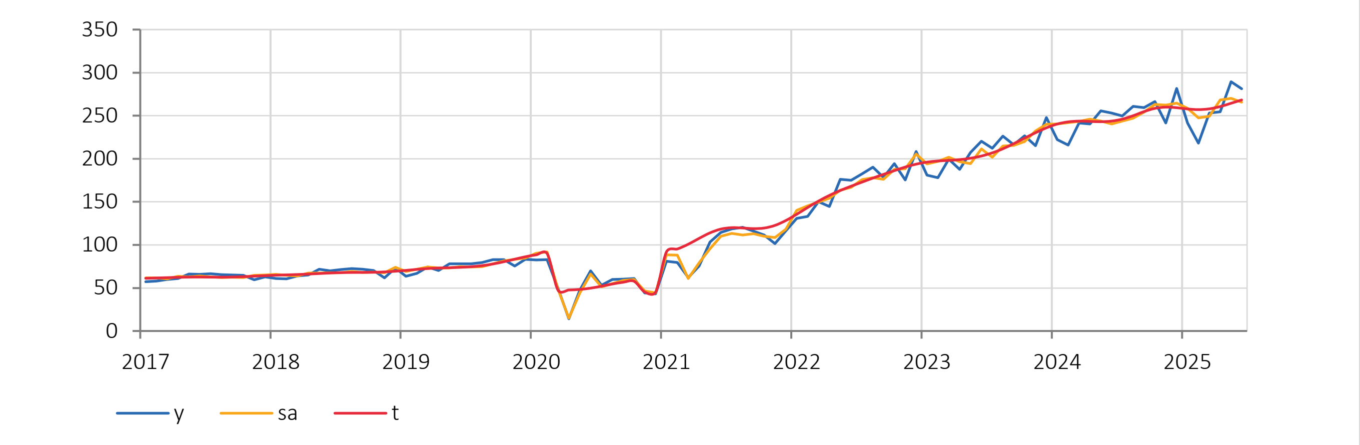
The turnover in the section of Transportation and storage in the second quarter of 2025 saw a growth of 14.8%, compared with the same quarter of the previous year. The largest growth was realised in the divisions H53 **–** Postal and courier activities, and H52 - Warehousing and support activities for transportation, 46.1% and 22.1%, respectively. . Decrease of turnover in the second quarter of 2025, compared with the same quarter of 2024, was recorded in the division H50 – Water transport (-20.5%).

Compared with the previous quarter, turnover grew by 5.2% in the section Transportation and storage. The largest growth in the second quarter of 2025, compared with the previous quarter, was recorded in the division H51 – Air transport (growth of 54.2%), and the lowest in H52 - Warehousing storage and support activities for transportation (growth of 15.3%). Turnover fell only in the division H49 – Land transport and transport via pipelines (fall of 3.7%).

13.4. ACCOMMODATION AND FOOD SERVICE ACTIVITIES (section I)

(share of 8.5% in the total turnover of business services in the second quarter of 2025)

Chart 13.5. **Components of the time series of the turnover in section Accommodation and food service activities (y – original series, sa – series with seasonal component excluded, t – trend-cycle component; average 2021 = 100)**



Accommodation and food service activities were particularly affected by COVID-19 pandemic – from February to April 2020 the turnover realised in this section of business services fell by more than 80%. Except from the initial economic shock that occurred with the pandemic, faster and significant recovery of this section were hindered also by epidemiological measures for suppressing the corona virus, which were introduced during 2020 and 2021. The realised turnover in the section of Accommodation and food service activities returned to the level before the pandemic at the end of 2021 and since then has been intensively going upward.

Over the period January-June 2025, compared with the same period of 2024., the turnover in the section Accommodation and food service activities grew by 7.6%.

In the second quarter of 2025, compared with the same quarter of the previous year, the turnover realised in the division I56 – Food and beverage service activities went up by 10.6%, and by 8.3% in the division I55 – Accommodation.

On the other hand, in the second quarter of 2025 compared with the previous quarter, the turnover grew by 17.8% in the division I55 – Accommodation, and by 15.4% in I56 – Food and beverages service.

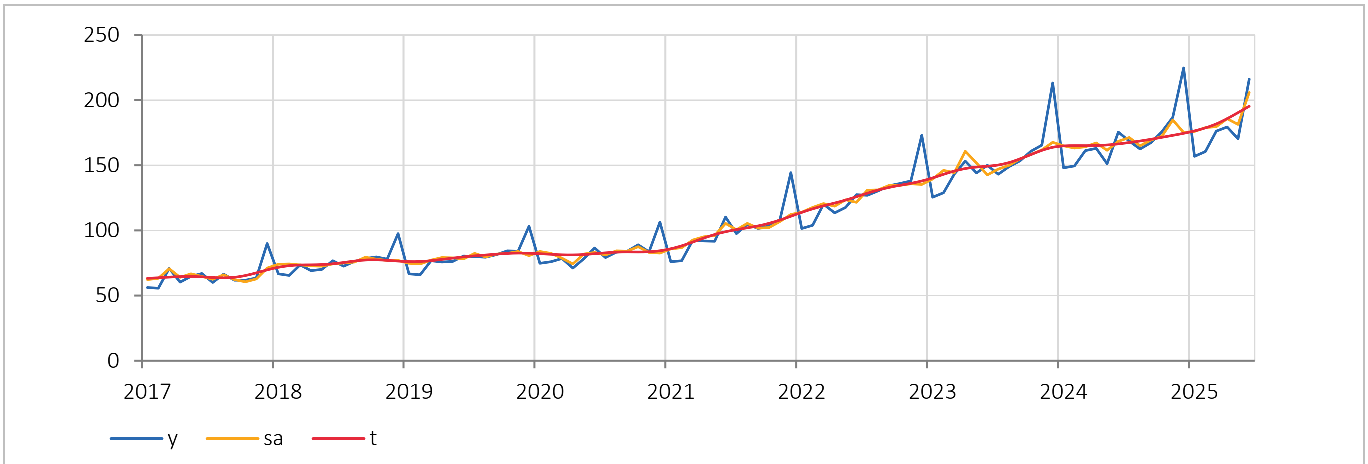
Table 13.3. Accommodation and food service activities, indices

	Q2 2025 / Q2 2024	Q2 2025 / Q1 2025
Accommodation	108.3	117.8
Food and beverage service activities	110.6	115.4

13.5. INFORMATION AND COMMUNICATION (section J)

(share of 27.4% in the total turnover of business services in the second quarter of 2025)

Chart 13.6. Component of the time series of the turnover in section Information and communication (y – original series, sa – series with seasonal component excluded, t – trend-cycle component; average 2021 = 100)



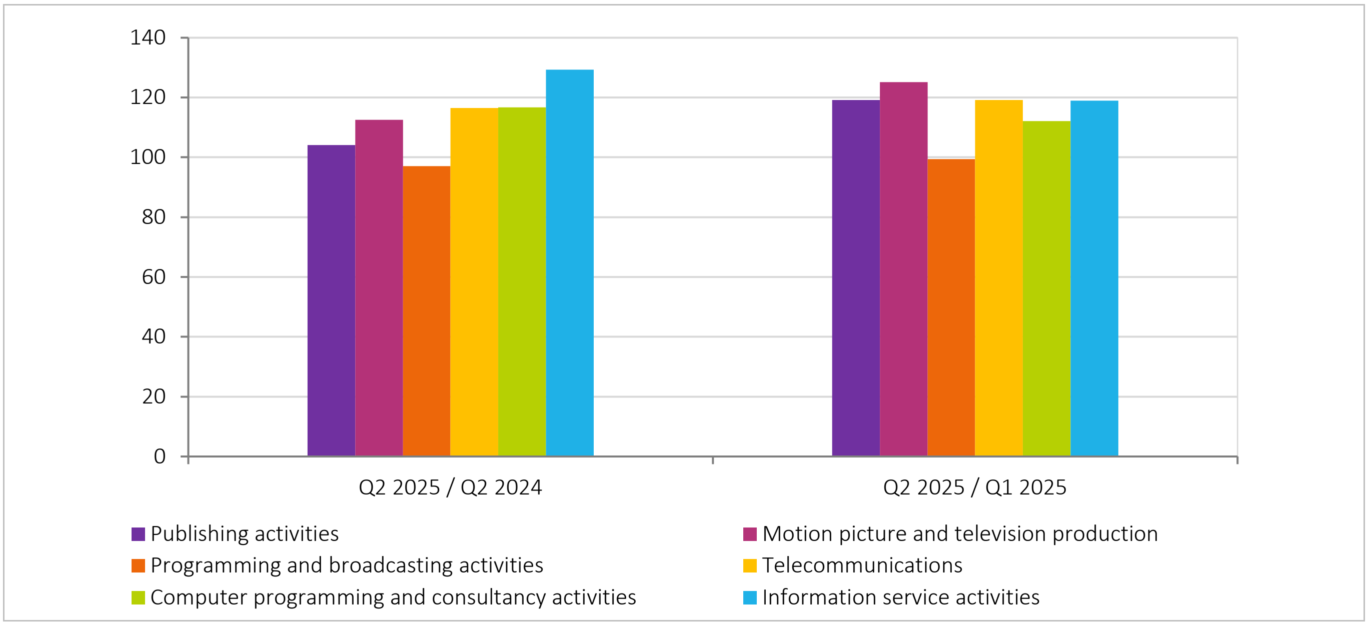
The section Information and communication includes the production and distribution of information and cultural content, activities providing telecommunication and related services, as well as information technologies and data processing activities, and other information service activities. This is one of the rare areas of the economy that was not stricken by crisis of the corona virus pandemic. The section J - Information and communication is characterised by a stable and upward long-term trend, present since 2021.

Over the period January-June 2025, the turnover in the section Information and communication increased by 11.6%, compared with the same period of 2024.

In the second quarter of 2025, there was a growth of business operations in the section Information and communication of 15.5%, compared with the same quarter of 2024. The largest growth was recorded in the divisions J63 – Information service activities (29.3%) and J62 – Computer programming and consultancy activities (16.7%). The smallest growth was noted in J58 – Publishing activities (4.1%). The division J60 – Programming and broadcasting activities saw a fall of -3.0%.

Compared with the previous quarter, the section Information and communication recorded a growth of 14.6%. The largest growth of the turnover was realised in divisions J59 – Motion picture and television production (+25.2%) and J58 – Publishing activities (+19.2%). A decline in business operations was recorded in the division J60 – Programming and broadcasting activities (-0.6%).

Chart 13.7. Turnover by divisions of the section Information and communication, indices

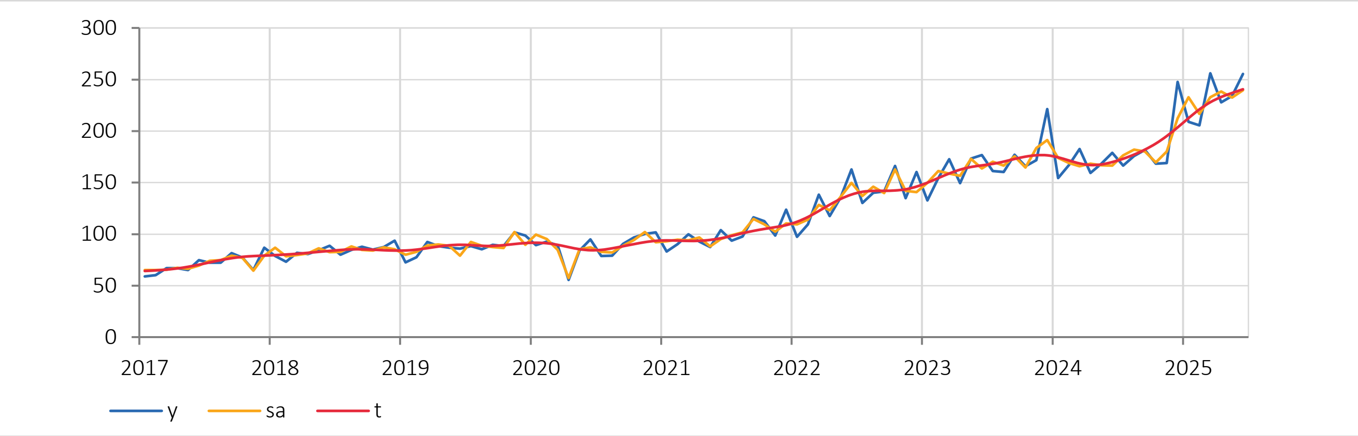


13.6. REAL ESTATE ACTIVITIES (section L)

(share of 4.8% in the total turnover of business services in the second quarter of 2025)

The crisis caused by COVID-19 pandemic had a negative impact on the development of business operations in the section Real estate activities. The index of Real estate activities saw a decrease of 40% from February to April 2020. Except of the initial economic shock, the turnover generated in this section has returned very quickly to the level that preceded the pandemic and has been recording an intensive upward trend ever since.

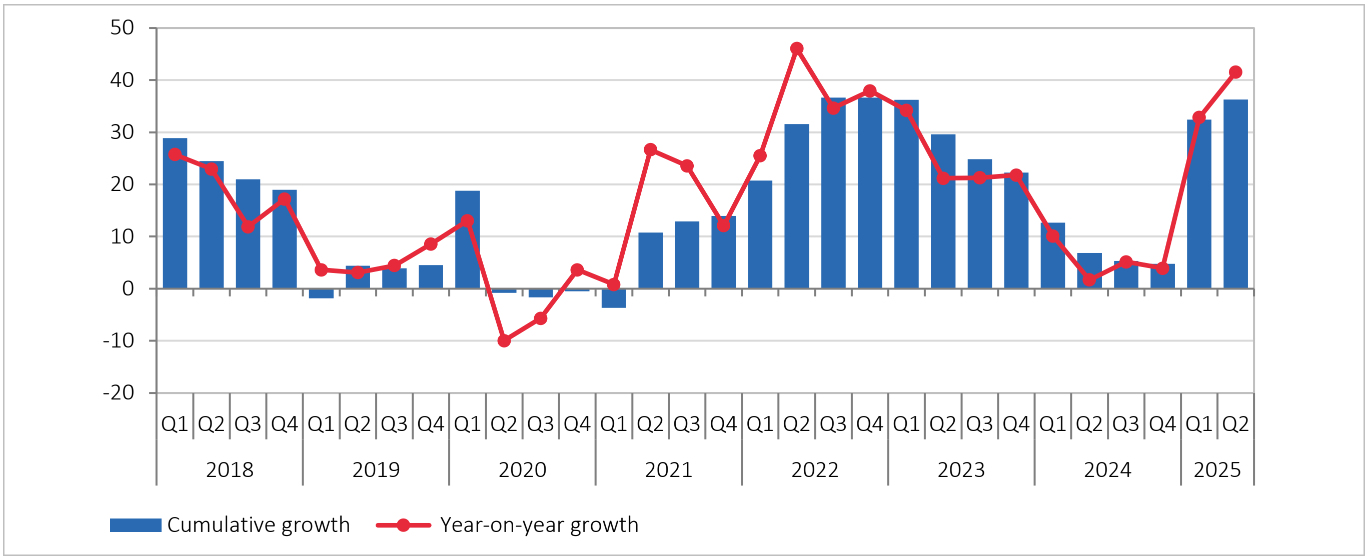
Chart 13.8. Component of the time series of the turnover in section Real estate activities
(y – original series, sa – series with seasonal component excluded, t – trend-cycle component, average 2021 = 100)



Over the period January-June 2025, compared with the same period of 2024, the turnover in the section Real estate activities increased by 37.3%.

The realised turnover in the section Real estate activities in the second quarter of 2025, compared with the same quarter of 2024, increased by 41.6%, while when compared with the previous quarter it saw a growth of 6.9%.

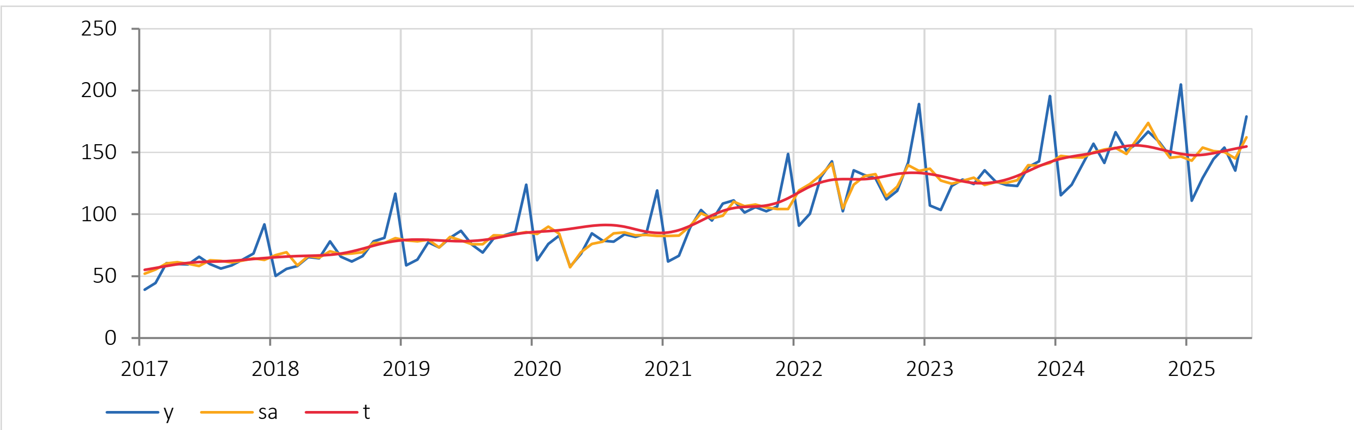
Chart 13.9. Cumulative and year-on-year growth rates in Real estate activities (%) (cumulative – period to the same period of the previous year; year-on-year – quarter to the same quarter of the previous year)



13.7. PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES (section M)
(share of 16.2% in the total turnover of business services in the second quarter of 2025)

Business services do not include all the activities of the section M -– Professional, scientific and technical activities. According to the European definition[15], the divisions that fall into business services are M69 – Legal and accounting activities, M71 – Architectural and engineering activities, M73 – Advertising and market research, M74 – Other professional, scientific and technical activities, and group M70.2 – Management consultancy activities; the other activities of the section M *are not included* in business services.

Chart 13.10. Components of the time series of the turnover in section Professional, scientific and technical activities (y – original series, sa – series with seasonal component excluded, t – trend-cycle component, average 2021 = 100)



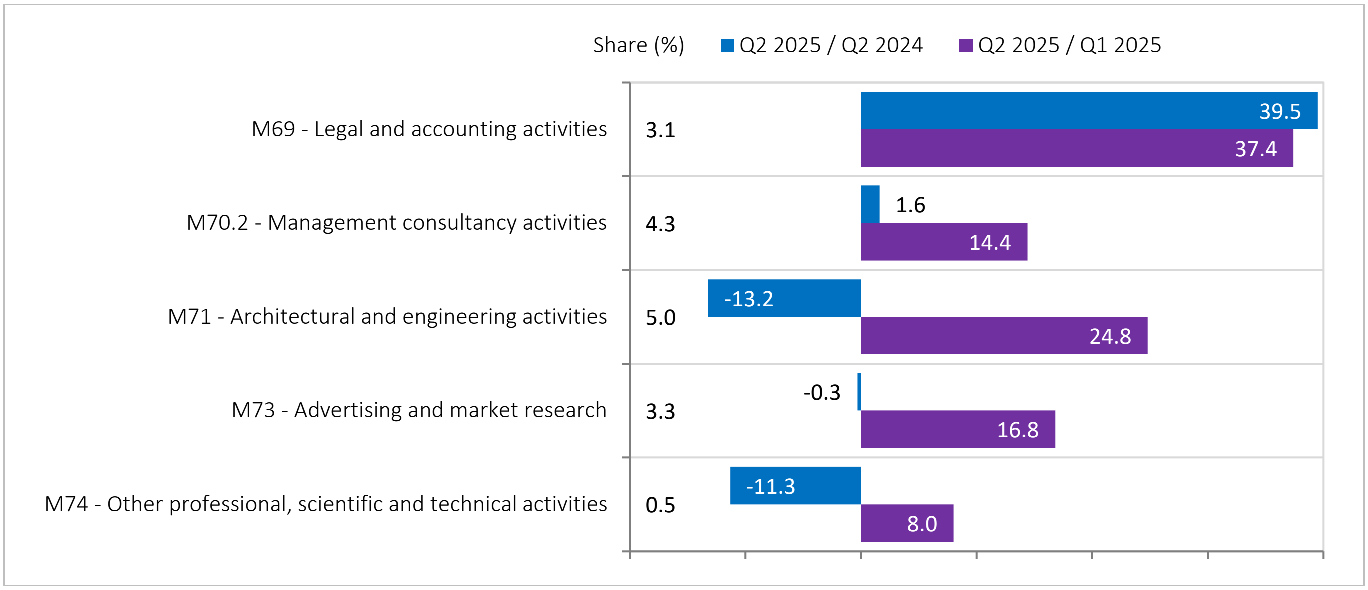
The section Professional, scientific and technical activities includes specialised professional, scientific and technical activities, which require a high degree of training, specialised knowledge and skills made available to users. The crisis caused by COVID-19 pandemic had a negative impact on the development of business operations in this section – a fall of 24% in the generated

[15] The selection of a section, division and group of activities that fall into business services is regulated by the European Business Statistics (EBS) Regulation (EU) 2019/2152 of the European Parliament and of the Council and Commission Implementing Regulation 2020/1197 laying down technical specifications and arrangements pursuant to the mentioned EBS Regulation (General Implementing Act).

turnover was recorded from February to April 2020. Business operations in these activities returned very quickly, after the initial economic shock, to the level that preceded the pandemic and has been recording a an intensive upward trend ever since.

Over the period January-June 2025, compared with the same period of 2024, the turnover in the section Professional, scientific and technical activities increased by 1.0%.

Chart 13.11. Turnover in the section Professional, scientific and technical activities, growth rates (%)



The ***share*** is the percentage portion of the turnover of a division of activity in the total turnover of business services in the second quarter of 2025.

The section Professional, scientific and technical activities recorded a 0.7% growth of turnover in the second quarter of 2025, compared with the turnover of the same quarter of the previous year, and a growth of 21.6% when compared with the previous quarter.

Observed by main aggregates of CA (2010), in the second quarter of 2025, compared with the same quarter of 2024, growth was recorded in the divisions M69 – Legal and accounting activities (39.5%), and in the group M70.2 – Management consultancy activities. Fall was recorded in the divisions M – 71 Architectural and engineering activities (-13.2%), M74 – Other professional, scientific and technical activities (-11.3%), and M73 – Advertising and market research (-0.3%).

On the other hand, when compared to the previous quarter, turnover in the second quarter of 2025 grew in all aggregates of CA (2010) from the coverage of this section. The highest growth of turnover was recorded in the division M69 – Legal and accounting activities (37.4%), and the lowest in M74 – Other professional, scientific and technical services (8.0%).

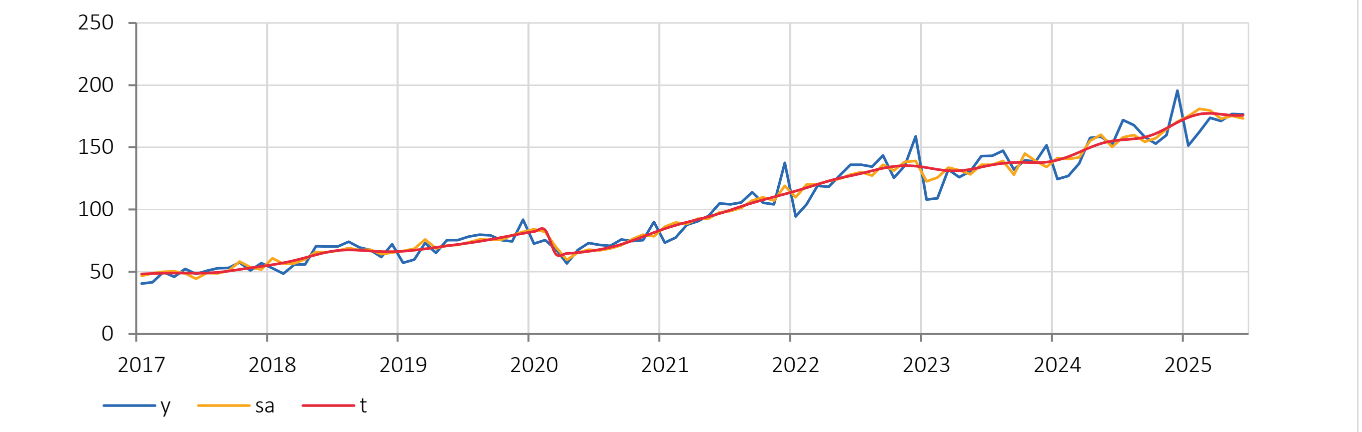
13.8. ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES (section N)

(share of 11.3% in the total turnover of business services in the second quarter of 2025)

The activities of the section N – Administrative and support service activities were also affected by the COVID-19 pandemic. The economic impact of the pandemic and the state of emergency introduced in mid-March 2020 was extremely negative – the turnover in April 2020 was by 25% smaller than in the month preceding the pandemic (February 2020). As the enterprises performing these activities adapted quickly to new circumstances and epidemiologic measures, the initial shock was followed by a fast stabilisation and recovery of this part of the economy. The turnover generated in the section Administrative and support service activities in the third quarter of 2020 returned to the level before the beginning of the pandemic, and the positive trend continued ever since.

Over the period January-June 2025, compared with the same period of 2024, the turnover in the section Administrative and support service activities increased by 18.1%.

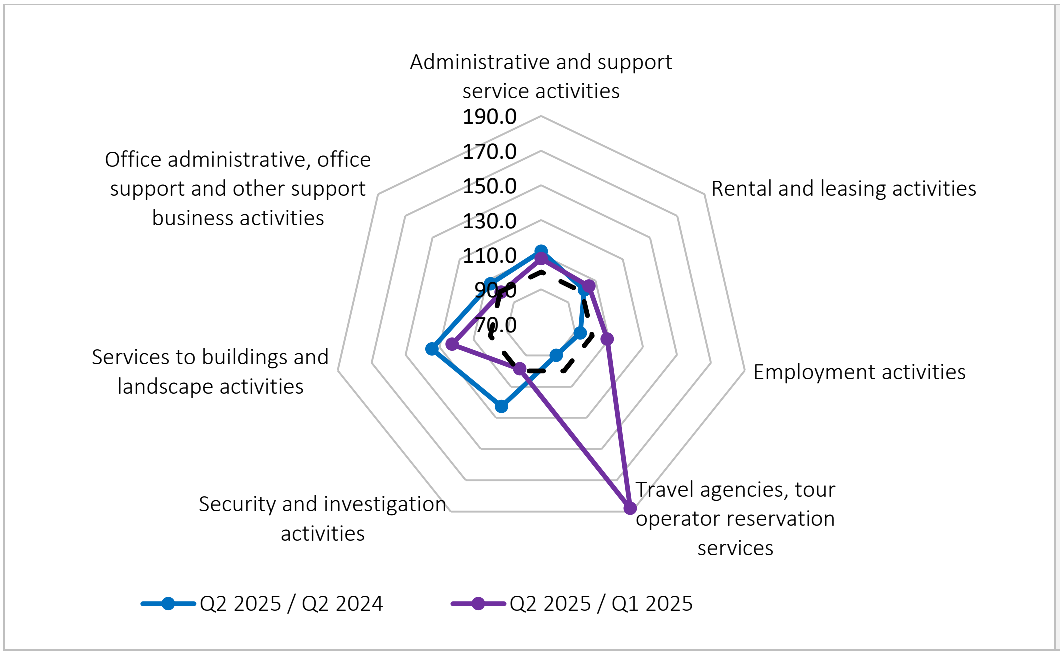
Chart 13.12. **Components of the time series of the turnover in section Administrative and support activities (y – original series, sa – series with seasonal component excluded, t – trend-cycle component; average 2021 = 100)**



In the second quarter of 2025, when compared with the same quarter of the previous year, the turnover in the section Administrative and support service activities recorded a growth of 12.0%. The divisions recording major positive results in the second quarter of 2025, compared with the same quarter of 2024, are: N81 – Services to buildings and landscape activities (34.5%, the share in the section N was 17.9%) and N80 – Security and investigation activities (22.7%, the share in this section was 31.4%). Fall was recorded in the divisions N79 – Travel agency, tour operator and other reservation services and N78 – Employment activities, 10.0% and 7.0%, respectively.

The turnover in the section Administrative and support service activities in the second quarter of 2025 increased by 7.6% compared with the turnover from the previous quarter. In the second quarter of 2025, compared with the previous quarter and looking at the divisions, the largest growth was recorded in the division N79 – Travel agency, tour operator reservation service (87.9%), and the smallest in N77 – Rental and leasing activities (5.0%). Turnover fell in the divisions N80 – Security and investigation activities and N82 – Office administrative, office support and other support business activities, by 1.3% and 0.6%, respectively.

Chart 13.13. **Indices of turnover in the section Administrative and support service activities**



The black heptagon represents the long-term average (100%).

The values closer to the centre corresponds to negative growth rates.

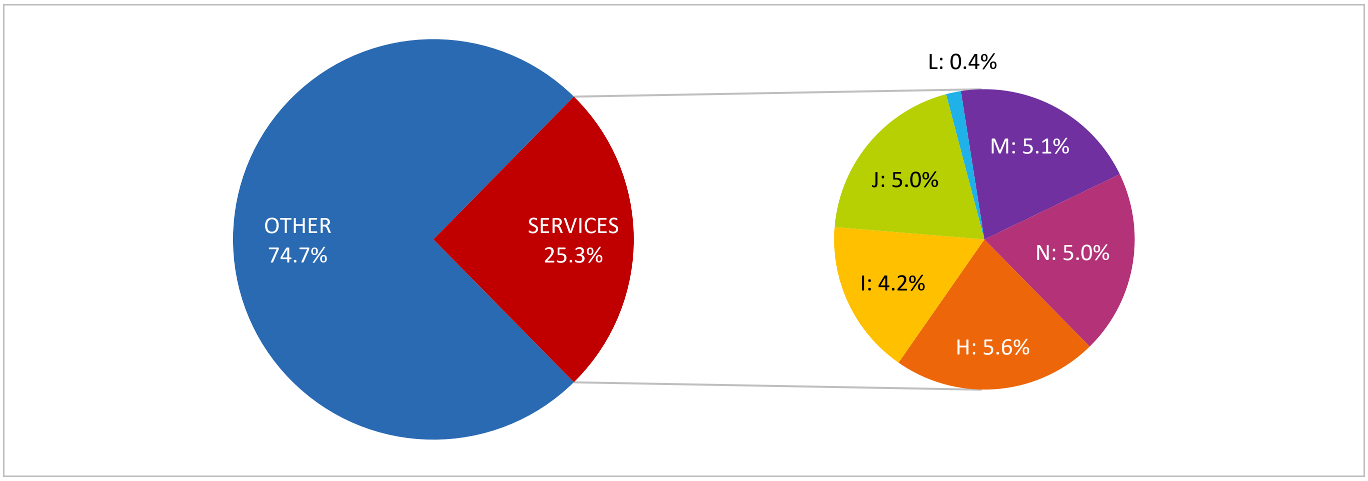
The values outside the black heptagon represent positive growth rates.

The farther we go from the black heptagon (and centre), the growth rates become higher and higher.

13.9. NUMBER OF EMPLOYED PERSONS[16] IN BUSINESS SERVICES

In the second quarter of 2025, more than 585 thousand persons were employed in business service activities in the Republic of Serbia. In other words, every fourth registered employed person (in legal entities, persons individually running business, entrepreneurs and their employees) performed operations covered by business services.

Chart 13.14. Registered employment – share of business services in the total number of employed persons in the Republic of Serbia



Employed persons in business services' activities are almost equally distributed by sections from the coverage of business services, except for section L – Real estate activities which have only 1.6% employed (about nine thousand) of the total number of registered employed persons in business services. Among other sections, the section H – Transportation and storage employs almost 130 thousand persons, sections M – Professional, scientific and technical activities and N – Administrative and support service activities employ more than 115 thousand workers, and in the section I – Accommodation and food service activities there are more than 95 thousand persons working.

NOTE

The ***turnover*** in business services is defined as the total amount which an enterprise invoices for sold goods or for rendered services, and corresponds to market sale of goods or services delivered to third parties.

Employed persons include persons who have a formal contract of employment with an employer for a fixed or indefinite period of time; persons who have temporary and occasional employment, having a formal contract of performing temporary and occasional work, service contract, author contract or any other contract of employment (whatever the duration); persons performing solely an activities or being founders of enterprises or entrepreneur shops; as well as persons performing agricultural activities and being registered in the Central Register of Compulsory Social Insurance.

[16] According to the official statistics: *registered persons* in legal entities, persons performing independently an activity, entrepreneurs and their employees.

14. TRANSPORT AND TELECOMMUNICATIONS

Statistics of transport services include statistics of the main transport branches: road transport, rail transport, public transport, inland waterway transport, air transport and pipeline transport. The most important trend indicators in transport statistics are: number of transported passengers and number of passenger kilometres (pkm) for transportation of passengers and the amount of transported goods and the number of ton kilometres (tkm) for transportation of goods.

Statistics of postal activities and telecommunication services include statistics of the number of shipments and payments, that is, the number of minutes in the fixed and mobile network, and the number of messages sent.

In order to enable the comparison of transport services between transport branches, index of physical volume of transport services was established, and based on it, the development of the entire transport branch or the entire activity of transport and telecommunications can be observed. **Indices of physical volume of transport services** are calculated on the basis of weighted **passenger (pkm) and ton (tkm) kilometres** of each transport branch separately. Work in each branch of traffic expressed in passenger and ton kilometres is weighted differently, depending on the applied technological and economic criteria.

Quarterly index of physical traffic volume recorded a growth of 10.1% in the second quarter of 2025 compared to the same quarter of the previous year, and a growth of 30.9% compared to the previous quarter.

In the period January-June 2025, index of physical traffic volume is higher by 6.6% compared to the same period in 2024. In the same observed period, the largest decrease was recorded in index of physical volume of railway transport (12.7%), while the largest increase was recorded in index of physical volume of inland waterway transport (37.4%).

Table 14.1. Physical volume indices

	Q2 2025 / Q2 2024	Q2 2025 / Q1 2025	Q2 2025 / Ø 2024
TRANSPORT – TOTAL[1]	**110.1**	**130.9**	**110.1**
Railway transport[1]	89.6	103.4	93.8
Road transport [1]	97.2	105.5	97.0
Public transport саобраћај[1]	97.4	100.6	95.9
Pipeline transport[1]	106.8	76.4	92.6
Inland waterway transport[1]	167.7	114.9	155.3
Air transport[1]	120.1	157.6	120.6
Passenger transport[1]	112.8	143.5	113.5
Freight transport[1]	102.6	103.6	101.1
Post activities[2]	**89.6**	**101.2**	**95.1**
Telecommunications[2]	**94.9**	**101.7**	**94.4**

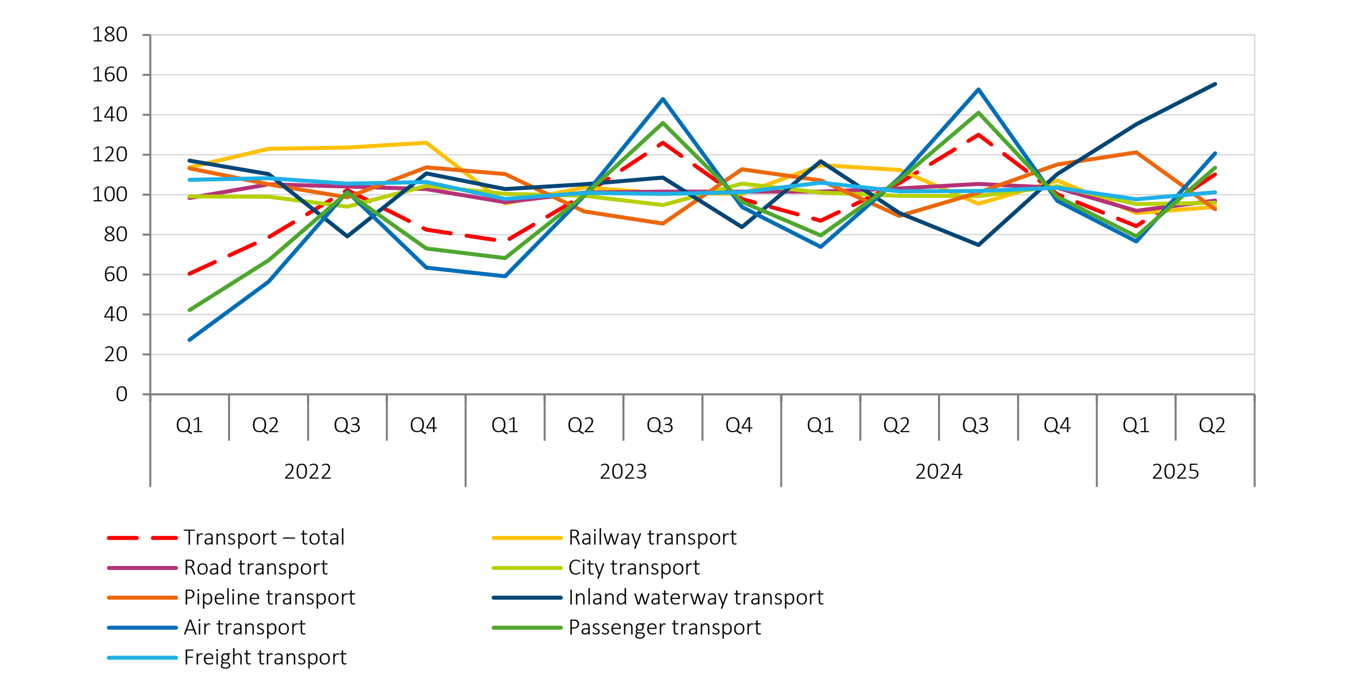
[1] Indices are calculated on the basis of weighted passenger and ton kilometres.
[2] Indices are calculated on the basis of weighted postal and telecommunication services.

In the second quarter of 2025, compared to the same quarter of the previous year, the indices of physical volume of passenger and freight transport recorded growth of 12.8% and 2.6%, respectively. In the same observed period, the index of physical volume of telecommunications services recorded a fall of 10.4% and 5.1%, respectively.

When the second quarter of 2025 is compared with the previous quarter, it can be seen that index of physical volume passenger and freight transport recorded an increase of 43.5% and 3.6%, respectively. In the same observed period, indices of physical volume of post activities and telecommunication services recorded growth of 1.2% and 1.7%, respectively.

In the period January-June 2025, index of physical volume of postal activities and telecommunication services is lower by 8.9% and 5.5%, respectively compared to the same period in 2024. In the same observed period, indices of physical volume of passenger transport recorded growth of 10.0% and of fright transport, recorded was fall of 2.3%.

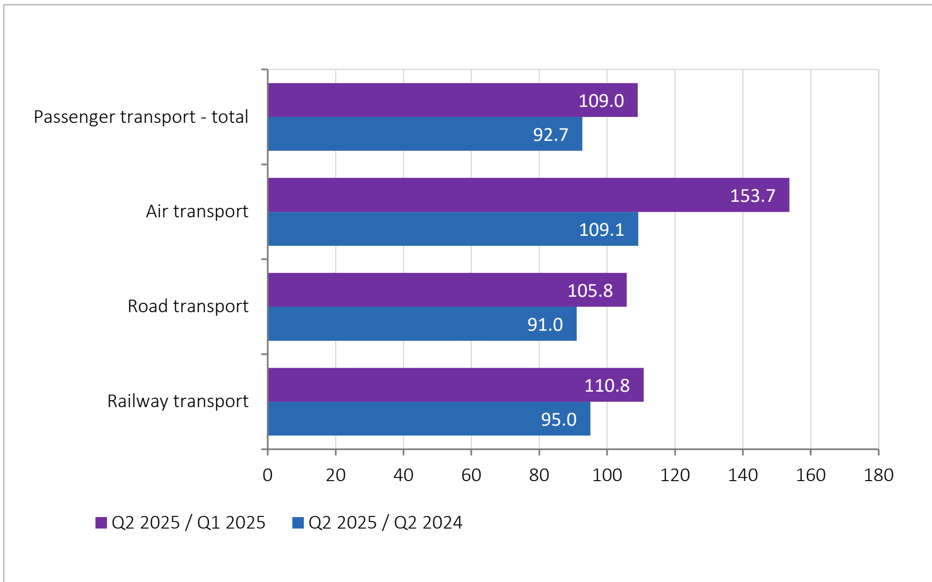
Chart 14.1. Quarterly index of physical traffic volume, 2024=100



4.1. PASSENGER TRANSPORT

In the period January-June 2025, the total number of transported passengers is by 7.7% smaller compared to the same period in 2024. In the same observed period, by transport branches and number of transported passengers, fall was recorded in road (8.8%), and railway (7.3%) transport, while air transport noted growth (6.8%).

Chart 14.2. Transported passengers by branches of traffic, indices

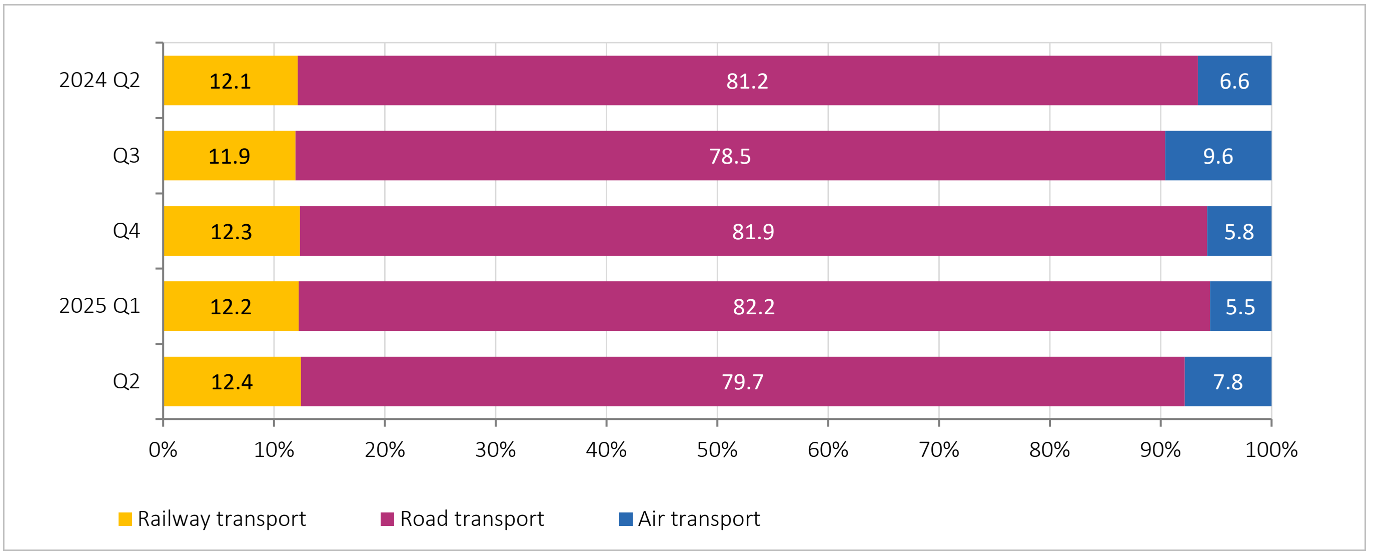


Total number of transported passengers in the second quarter of 2025, compared to the previous quarter, achieves a growth of 9.0%, while relative to the same quarter last year fall of 7.3% was recorded.

Observed by transport branches and the number of transported passengers, **in the second quarter of 2025, compared to the same quarter of the previous year**, growth was achieved only in air transport (9.1%). **Compared to the previous quarter**, all transport branches noted growth. The highest growth was recorded in air transport (53.7%), while it was the lowest in road transport (5.8%).

Observed by transport branches, in the second quarter of 2025, the largest number of passengers (79.7%) was transported by road, and only 7.8% by air transport.

Chart 14.3. Structure of the number of transported passengers by transport branches (%)



In the period January-June 2025, compared to the same period in 2024, the number of passenger kilometres remained unchanged. In the same observed period, by transport branches, and number of passenger kilometres, growth was recorded only in air transport (17.1%).

In the second quarter of 2025, compared to the same quarter of the previous year, air transport recorded an increase (20.3%) in the number of passenger kilometres. Fall was recorded in road (18.1%), and railway (14.6%) transport.

Compared to the previous quarter, all branches of transport recorded an increase in the number of passenger kilometres. The smallest growth was recorded in road (4.4%), and the highest in air (58.3%) transport.

Table 14.2. Passenger kilometres, indices

	Q2 2025 / Q2 2024	Q2 2025 / Q1 2025
Passenger kilometres - total	**101.0**	**131.4**
Railway transport	85.4	119.6
Road transport	81.9	104.4
Air transport	120.3	158.3

In the period January-June 2025, compared to the same period 2024, total number of passenger motor vehicles and passengers that entered the Republic of Serbia decreased by 2.0%, and 4.4%, respectively. In the same observed period, the exit of passenger motor vehicles from the Republic of Serbia increased by 7.2%, while the exit of passengers from the Republic of Serbia decreased by 2.8%.

Total number of passengers that entered the Republic of Serbia in the second quarter of 2025 decreased by 3.3%, compared to the same quarter of the previous year. In the same observed period, **the exit of passengers** from the Republic of Serbia decreased by 2.1%.

In the second quarter of 2025, compared to the previous period, total number of passenger motor vehicles and passengers that entered the Republic of Serbia increased by 22.1% and 27.2%, respectively. In the same observed period, the exit of passenger motor vehicles and passengers from the Republic of Serbia increased by 29.7% and 22.8%, respectively.

The countries with the most frequent registration of passenger motor vehicles entering and leaving the Republic of Serbia belong to the following countries: Germany, Austria, Hungary, Bosnia and Herzegovina, Romania and the Republic of North Macedonia.

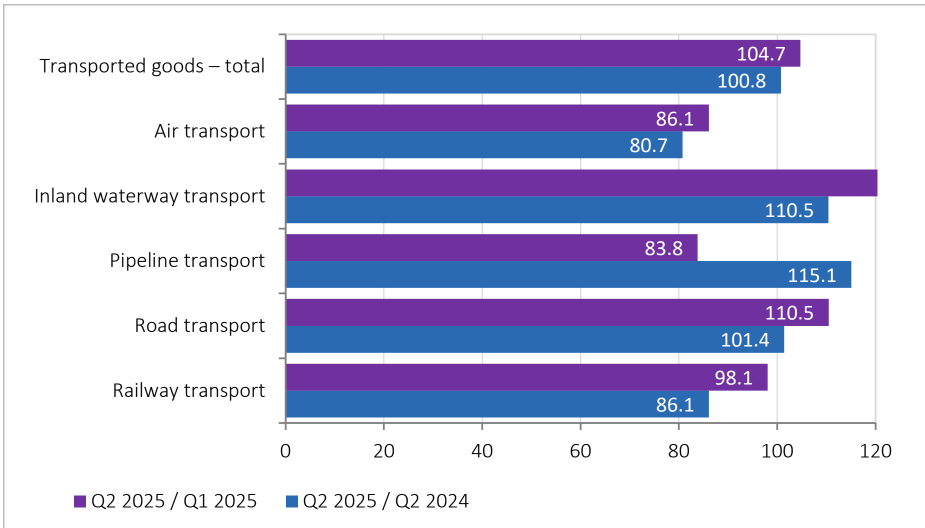
Table 14.3. The most frequent sides of registration of passenger motor vehicles on entering the Republic of Serbia and exiting the Republic of Serbia in the second quarter 2025

Entry		Exit	
Foreign registration	number of passenger motor vehicles, thousand	Foreign registration	number of passenger motor vehicles, thousand
Germany	73.7	Germany	68.2
Hungary	55.1	Hungary	47.5
Austria	46.0	Bosnia and Herzegovina	43.7
Bosnia and Herzegovina	43.1	Austria	39.5
Romania	35.7	North Macedonia	33.8

14.2. FREIGHT TRENSPORT

In the period January-June 2025, total quantity of transported goods remained unchanged compared to the same period in 2024. In the same observed period, by transport branches and quantity of transported goods, the increase in the amount of transported goods was recorded in pipeline transport (12.6%), road (0.8%), and inland waterways transport (5.9%).

Chart 14.4. Transported goods by transport branches, indices

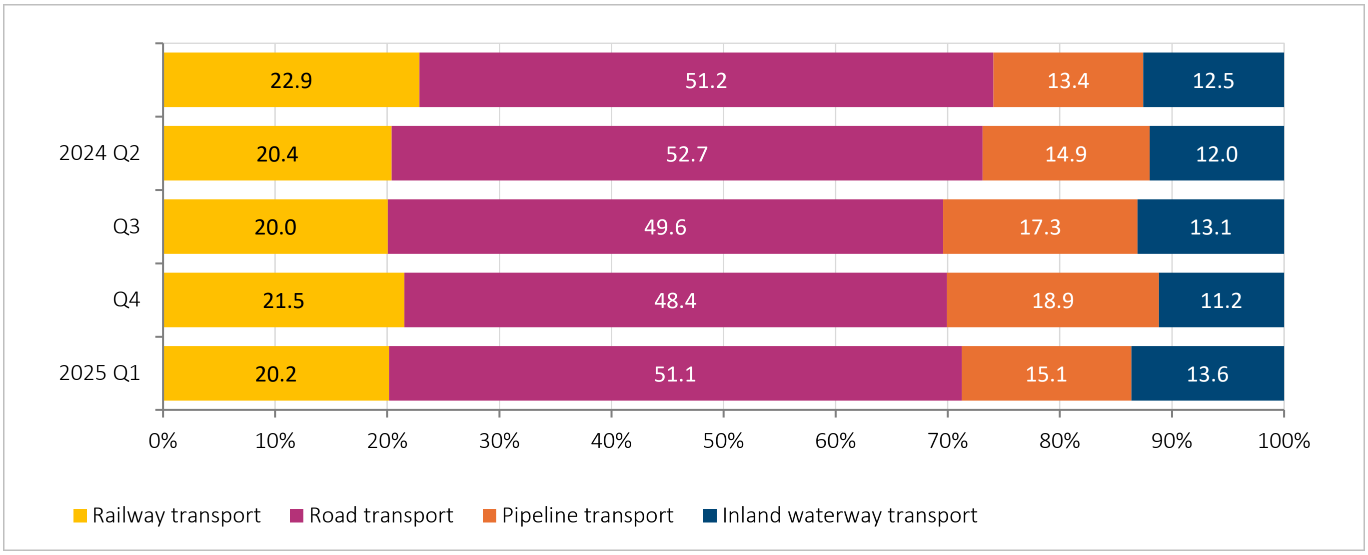


The total amount of transported goods in the second quarter of 2025, compared to the previous quarter, achieves a growth of 4.7%, and compared to the same quarter of the previous year, a growth of 0.8%.

Observed by transport branches and in the amount of transported goods, **in the second quarter of 2025, compared to the same quarter of the previous year**, fall was recorded in air transport (19.3%), and railway transport (13.9%). **Compared to the previous quarter,** the growth was recorded in inland waterway transport (27.9%) and road transport (10.5%). The largest fall was noted in pipeline transport (16.2%).

Total amount of transported goods in the second quarter of 2025, observed by the transport branches is distributed as follows: 51.1% of goods were transported by road, 20.2% by rail, 15.1% by pipeline transport, and 13.6% by inland waterway transport.

Chart 14.5. Structure of the amount of transported goods by transport branches (%)



Air transport data is omitted from the chart due to small values.

In the period January-June 2025, compared to the same period in 2024, there was a growth in the number of ton kilometres, of 2.0%. For the same observed period, by transport branches and number of ton kilometres, the highest growth was noted in inland waterways transport (37.4%), while air transport recorded the largest fall (15.0%).

In the second quarter of 2025, compared to the same quarter of the previous year, inland waterways transport recorded the largest increase in the number of ton kilometres (67.8%), while the largest decrease was recorded in air transport (13.0%).

On the other hand, in the second quarter of 2025, compared to the previous quarter, recorded was the increase in the number of ton kilometres of 4.0%. The smallest decrease was recorded in air transport (18.1%) and the smallest increase in railway transport (0.2%).

Table 14.4. Ton kilometres, indices

	Q2 2025 / Q2 2024	Q2 2025 / Q1 2025
Ton kilometres – total	**107.4**	**104.0**
Railway transport	90.6	100.2
Road transport	103.1	105.9
Pipeline transport	106.8	76.4
Inland waterway transport	167.8	114.9
Air transport	87.0	81.9

Total amount of cargo handling the second quarter of 2025 was reduced by 2.1% compared to the same quarter of the previous year.

Table 14.5. Cargo handling (comparison with the same period of the previous year)

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Handled tons	95.8	74.5	112.2	92.6	84.4	89.4	84.5	78.3	92.7	97.9

14.3. POST ACTIVITIES AND TELECOMMUNICATIONS

In the period January-June 2025, express shipments recorded a growth of 13.8% compared to the same period 2024. In the same observed period, payment service, letter and package shipments decreased by 3.6%, 10.4%, and 22.9%, respectively.

In the second quarter of 2025, compared to the same quarter of the previous year, payment service, letter and package shipments recorded fall of 2.5%, 12.7% and 24.3%, respectively.

Package shipment has noticed exponential growth during the coronavirus pandemic years (2020-2021), and from 2020 to mid-2024 it dominated post activities. In the last year, package shipment service has recorded a significant decline, while the express shipment service has taken over the leading role in post activities. In the second quarter of 2025, compared to the same quarter of the previous year, express shipment service recorded a growth of 15.5%.

Table 14.6. **Post activities, indices (comparison with the same period of the previous year)**

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Letter shipments	74.4	91.4	92.6	106.9	87.9	103.8	96.0	80.6	92.2	87.3
Package shipments	190.2	156.4	195.5	119.5	120.7	155.4	81.7	72.0	78.6	75.7
Express shipments	98.9	96.0	102.0	105.3	104.2	106.4	117.6	119.5	112.2	115.5
Payment service	95.3	95.5	95.6	94.0	95.3	93.8	94.3	97.6	95.3	97.5

In the period January-June 2025, a decrease of 13.6% was recorded in the number of short messages sent relative to the same period 2024. In the same observed period, decrease was also recorded in the number of outgoing calls' minutes (5.5%), and in the number of minutes in fixed telephone network (17.2%).

In the field of telecommunications, there is a decreasing trend in the number of minutes realized in fixed network. In the second quarter of 2025, compared to the same quarter of the previous year, a decrease of 17.0% was recorded. In the same observed period, a decline was also noticed in mobile network: in number of outgoing calls' minutes by 5.1%, and in number of SMS (short messages sent) by 12.9%.

Table 14.7. **Telecommunications, indices (comparison with the same period of the previous year)**

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Fixed telephone network, minutes	78.1	87.3	88.1	92.0	80.0	75.2	75.6	72.6	82.4	83.0
Mobile telephone network – outgoing calls, minutes	97.1	100.4	101.0	100.0	101.7	99.2	98.3	101.9	100.6	94.9
Mobile telephone network – SMS	90.0	88.8	88.4	84.5	82.2	82.4	81.7	84.4	85.7	87.1

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