

2 October 2017

**Non-financial Quarterly Accounts for the Institutional Sectors**  
Second quarter 2017

**Main results**

- The financing capacity of the national economy compared to the rest of the world is 5,867 million euros in the second quarter of 2017.
- After adjusting for seasonal and calendar effects, the financing capacity of the national economy stands at 1.7% of the GDP, versus 2.3% in the previous quarter.
- The national income reaches 291,998 million euros in the second quarter and the national disposable income 289,402.
- After adjusting for seasonal and calendar effects, the national income and the national disposable income increase in the second quarter by 0.3% and 0.0%, respectively, as compared with the previous quarter.
- The savings ratio of households is estimated at 14.8% of their disposable income, versus 16.4% in the same quarter of the previous year.
- The financing need of the Public Administrations amounts to 20,341 million euros, versus 25,824 million euros in the same quarter of 2016.

The results published here in the Quarterly Non-Financial Accounts for the Institutional Sectors already include the annual update, whose main results were published on 12 September.

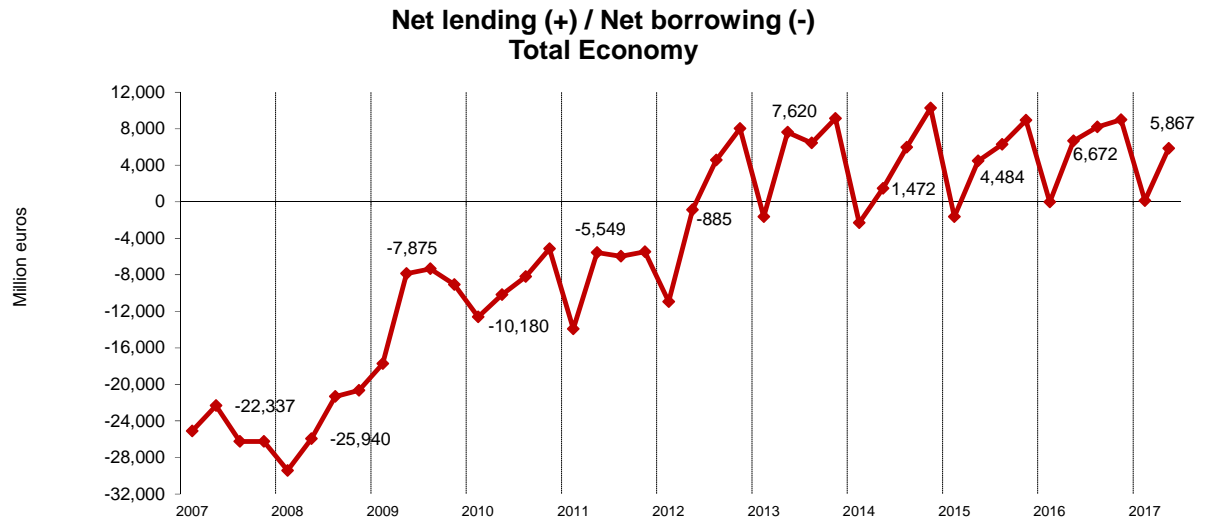
**Financing capacity of the national economy**

The national economy registered a financing capacity compared to the rest of the world of 5,867 million euros in the second quarter of 2017, which represented 2.0% of the GDP of the same period. In the same quarter of 2016, the national economy registered a financial capacity of 6,672 million euros (2.4% of the GDP).

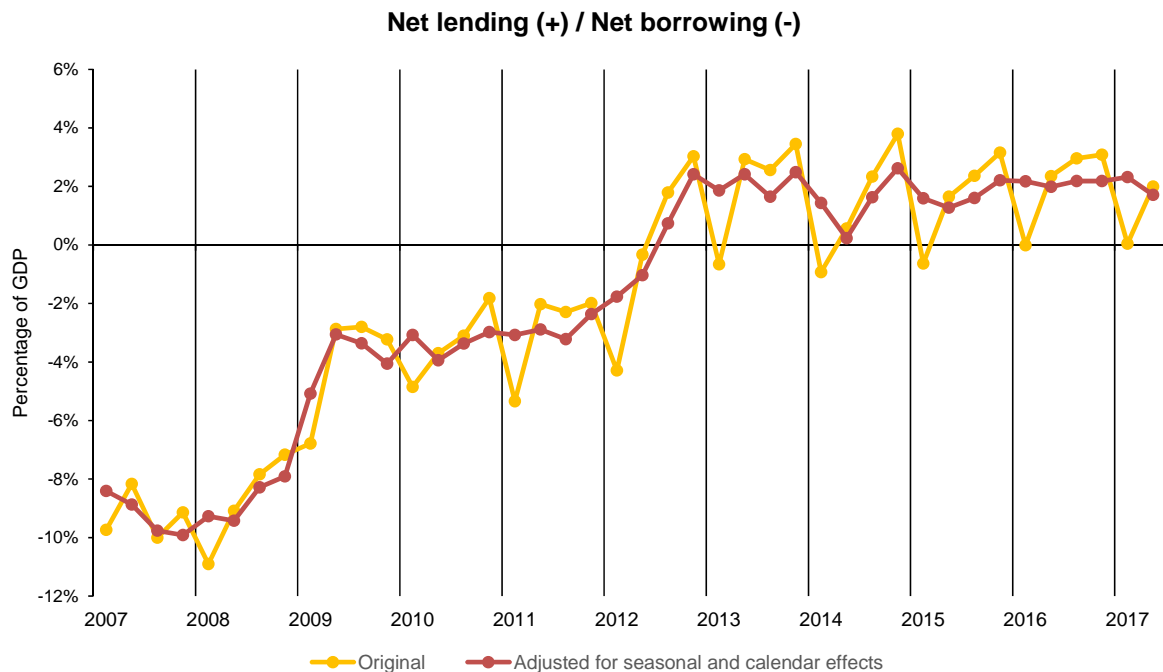
This lower financing capacity occurred in spite of the increase observed in the foreign exchange trade balance of goods and services, which was estimated at 10,755 million euros compared to 10,512 million in the same period of 2016.

By contrast, the balance of income and current transfers with the rest of the world (-5,218 million euros against -4,501 millions in the second quarter of 2016) and the balance of capital

transfers<sup>1</sup> (330 million euros in the second quarter of 2017, with respect to 661 million in the same period of the previous year) were reduced.



If seasonal and calendar effects are eliminated the financing capacity of the national economy stood at 1.7% of the GDP, against 2.3% of the previous quarter.



<sup>1</sup> Capital transfers and acquisitions less disposals of non-produced non-financial assets.

The interannual development of the financing capacity or financial need of the national economy and its breakdown by institutional sector is found in the following tables:

### Net lending (+) / Net borrowing (-) Total Economy

Operations and balance items with the rest of the world	2nd quarter 2017	2nd quarter 2016	Difference
Imports of goods and services	90,237	84,640	5,597
Exports of goods and services	100,992	95,152	5,840
<b>External balance of goods and services (A)</b>	10,755	10,512	243
Balance of income and current transfers account (B)	-5,218	-4,501	-717
<b>Balance of external current account (C=A+B)</b>	5,537	6,011	-474
Balance of capital transfers and the acquisition/disposal of non-financial assets account (D)	330	661	-331
<b>Net lending (+) / Net borrowing (-) (C+D)</b>	5,867	6,672	-805

Note: million euros.

### Net lending (+) / Net borrowing (-) of Institutional Sectors

Institutional Sectors	2nd quarter 2017	2nd quarter 2016	Difference
Households and NPISH	19,814	23,410	-3,596
General Government	-20,341	-25,824	5,483
Financial Corporations	8,186	5,580	2,606
Non-Financial Corporations	-1,792	3,506	-5,298
<b>Total</b>	<b>5,867</b>	<b>6,672</b>	<b>-805</b>

Note: million euros.

## National income

The gross national income stood at 291,998 million euros in the second quarter of 2017, with an increase of 3.8% with respect to the same quarter of 2016.

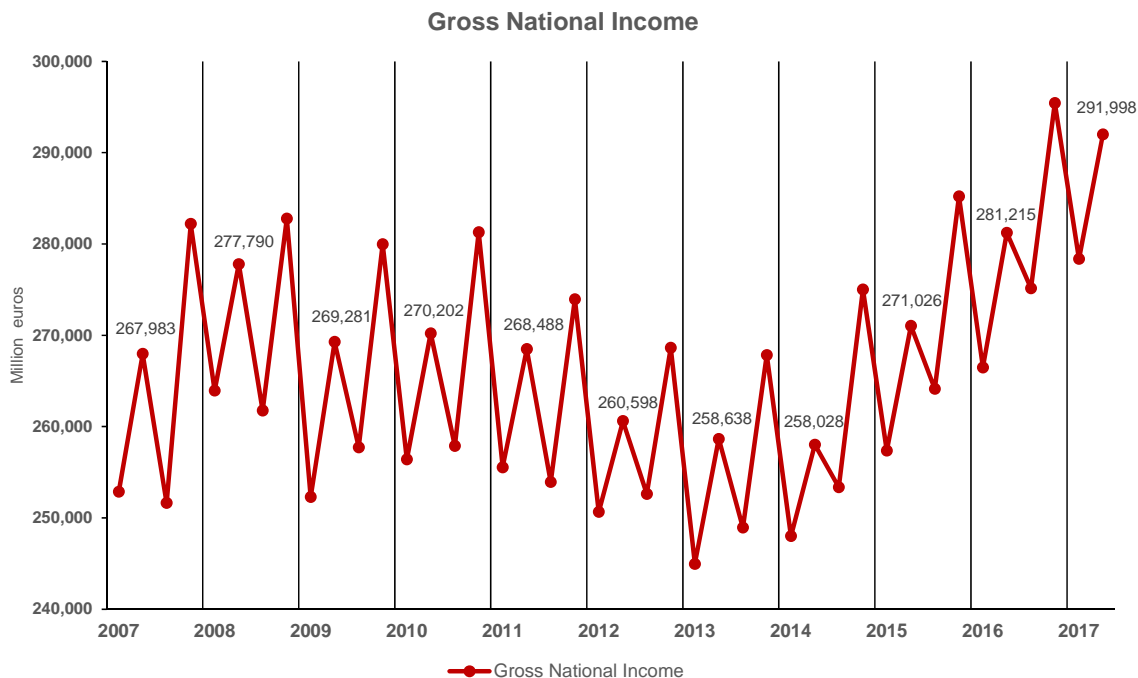
### National Income

	Q2-2017	Q2-2016	Variation (%)
Gross operating surplus/mixed income	123,728	118,113	4.8%
Compensation of Employees	140,308	136,291	2.9%
Taxes (less subsidies) on Production and Imports	30,889	29,846	3.5%
Balance of property income with the rest of the world	-2,927	-3,035	3.6%
<b>Gross National Income</b>	291,998	281,215	3.8%
Balance of current transfers with the rest of the world	-2,596	-1,890	-37.4%
<b>Gross National Disposable Income</b>	289,402	279,325	3.6%

Note: million euros.

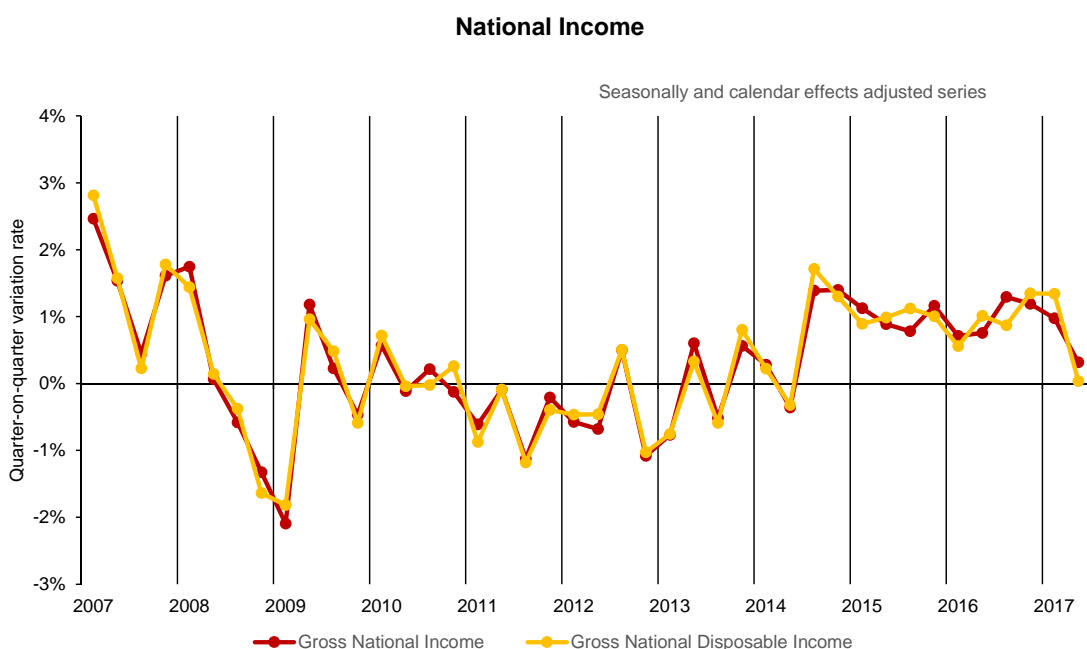
This income increase was due to a greater operating surplus of the resident producer units, which increased 4.8% standing at 123,728 million, as well as a greater compensation perceived by resident employees in the economy, which increased 2.9% reaching 140,308 million euros. There was also a 3.5% increase in the amount accrued in taxes on production and imports, net of subsidies, up to 30,889 million.

There was also the fact that the negative balance of property incomes (interests, dividends, etc.) with the rest of the world decreased to -2,927 million euros (in the second quarter of 2016 it was -3,035 million).



On the other hand, the current transfers balance (income and wealth tax, contributions and social benefits and other current transfers) with the rest of the world decreased to -2,596 million, against -1,890 million in the second quarter of 2016. As a result, the gross national disposable income increased 3.6% standing at 289,402 million euros

After adjusting for seasonal and calendar effects, the gross national income and the national disposable income increased in the second quarter by 0.3% and 0.0%, respectively, as compared with the previous quarter.



## Households<sup>2</sup>

The gross value added generated by households increased 3.2% in the second quarter of the same period of 2016. The gross operating surplus and mixed income of the sector grew 3.4%.

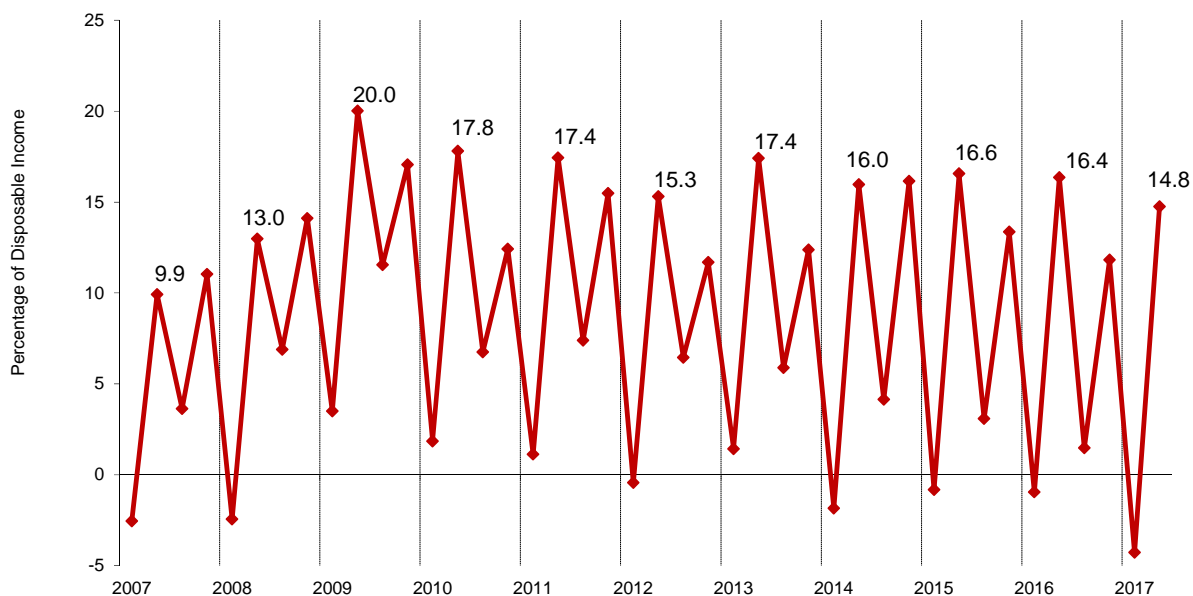
Taking into account the increase in the compensations to be paid to employees (2.9%) and the evolution of the net balance of the property income to be received (interests, dividends, etc.) by the sector there was an increase of 3.5% in the balance of the primary incomes perceived by the households.

Considering the behaviour of the secondary distribution of income flows (income and wealth tax, social contributions and social benefits and other current transfers), results that in the second quarter of 2017 the gross disposable income of households increased 2,6% to 195,352 million euros.

Final consumption expenditure of the households was estimated in 166,471 million euros, with an increase of 4.6%. With this, the household savings stood at 28,811 million euros (in the second quarter of 2016 it was 31,130 millions)<sup>3</sup>.

In this way, the savings rate of the households stood at 14.8% of its disposable income, 1.6 points below that of the second quarter of the previous year.

**Saving rate of Households and NPISH**

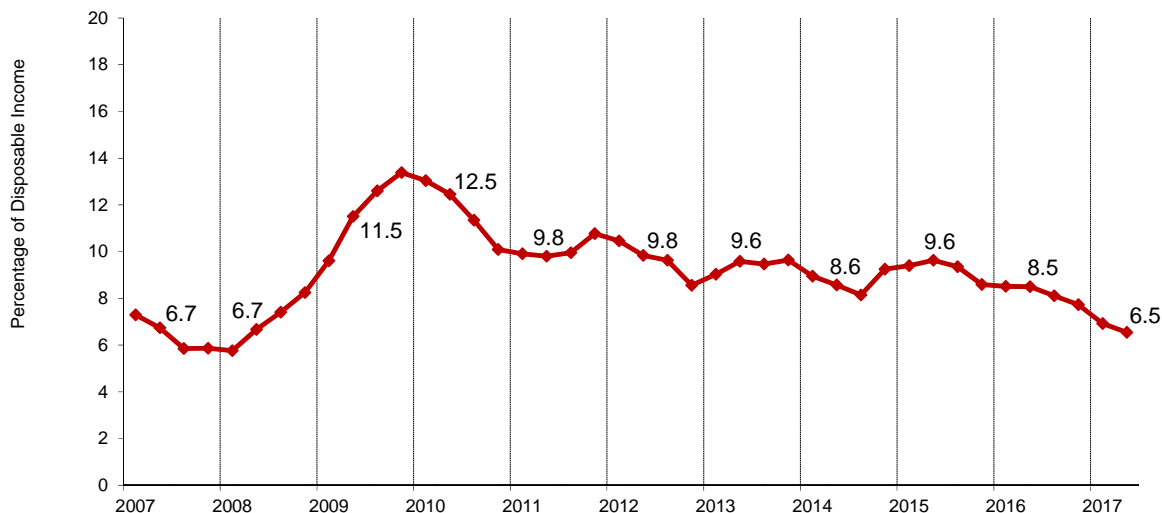


If the savings rates of the household sector are calculated referring to mobile periods of four quarters, the savings rate of the sector decreased 0.4 points as compared to the previous quarter, to 6.5%.

<sup>2</sup> Households and non-profit institutions serving households (NPISH) sectors.

<sup>3</sup> Once the variation in the pension rights is taken into account over which households have a definite right.

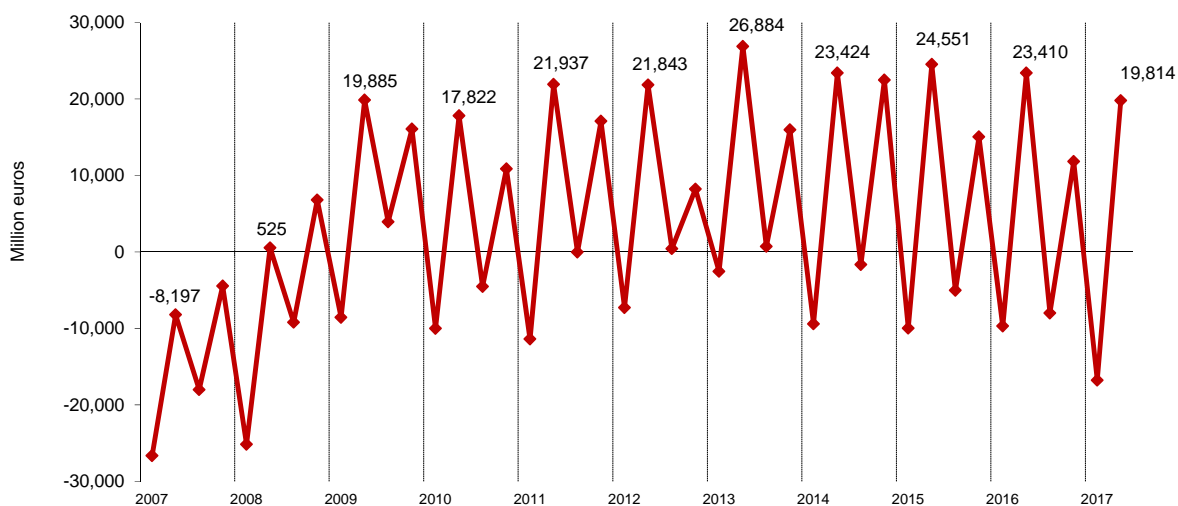
**Saving rate of Households and NPISH (mobile year)**



On the other hand, the household investment<sup>4</sup> reached 8,347 million euros in the second quarter (10.1% more than in the same period of 2016).

In this form, and once the capital transfer balance of the sector was taken into account, the households registered a financing need of 19,814 million (with respect to the 23,410 million estimated for the same quarter of 2016).

**Net lending (+) / Net borrowing (-)  
Households and NPISH**



<sup>4</sup> Gross capital formation and acquisitions less disposal of non-produced non-financial assets.

## Non-Financial Corporations

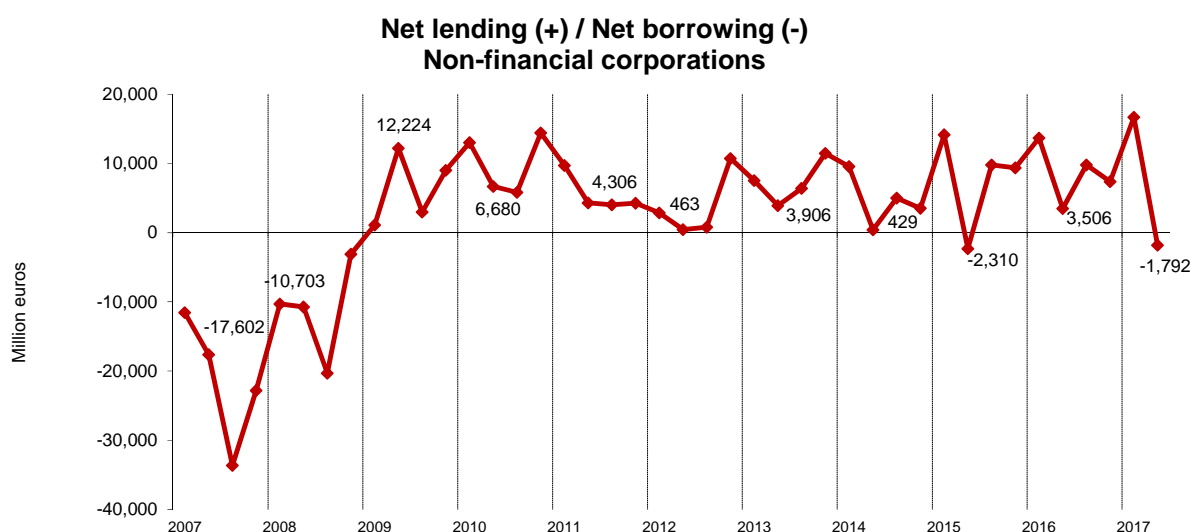
The gross value added generated by the non-financial corporations increased by 5.2% as compared to the same quarter of 2016 and the gross operating surplus of the sector did so by 5.6%.

If the net balance of the property incomes (interests, dividends, etc.) to be perceived by the sector is added to the above, the balance of gross primary income increased 3.6% with respect to the second quarter of 2016.

However, if the evolution of the secondary income distribution flow (corporate taxes, social contributions and benefits and other current transfers) is taken into account, the disposable income of non-financial corporations decreased by 1.3%.

This disposable income, together with its capitals transfer balance was not sufficient to finance the investment volume of the sector, which amounted to 47,760 million (8.6% more than that of the same quarter of the previous year).

Consequently, it is estimated for the sector a financing need of 1,792 million euros. In the second quarter of 2016, the sector had a financing capacity of 3,506 million.



## General Government

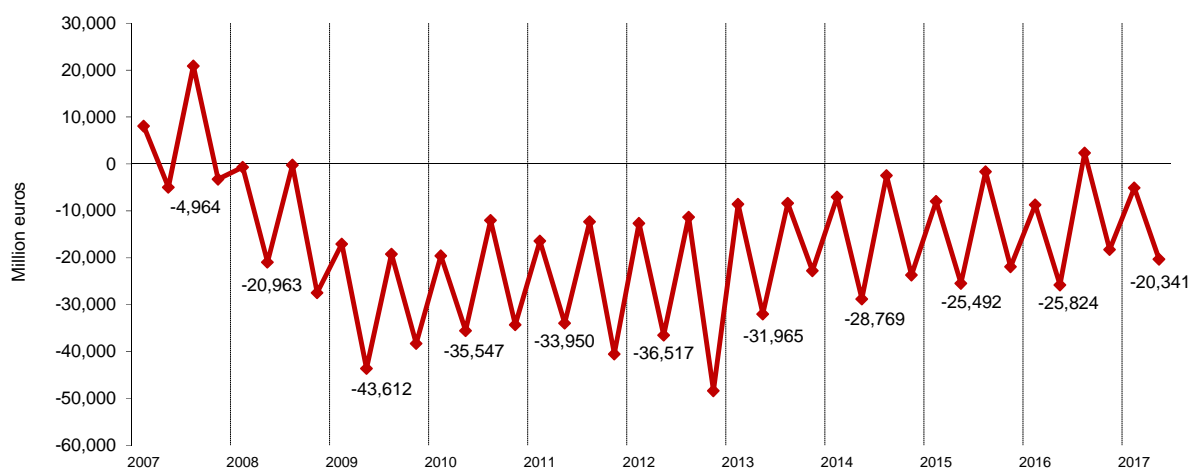
The gross disposable income for General Government reached 40,456 million euros in the second quarter, 12.5% more than the same period of 2016.

The final consumption expenditure increased 0.4% up to 55,765 million euros. With this, the gross savings of the sector amounted to -15,309 million (in the second quarter of 2016, the sector registered savings of -19,611 million euros).

General Government investment is estimated at 5,492 million, decreasing by 2.2% as compared with the second quarter of the previous year.

All of this, together with its capital transfer balance made the sector generate a financial need of 20,341 million euros as compared to the 25,824 million in the second quarter of 2016.

### Net lending (+) / Net borrowing (-) General Government



## Financial Institutions

The gross value added of the financial institutions grew 3.7% in the second quarter of 2017 as compared to the same period of 2016. The gross operating surplus of the sector increased by 11.7%.

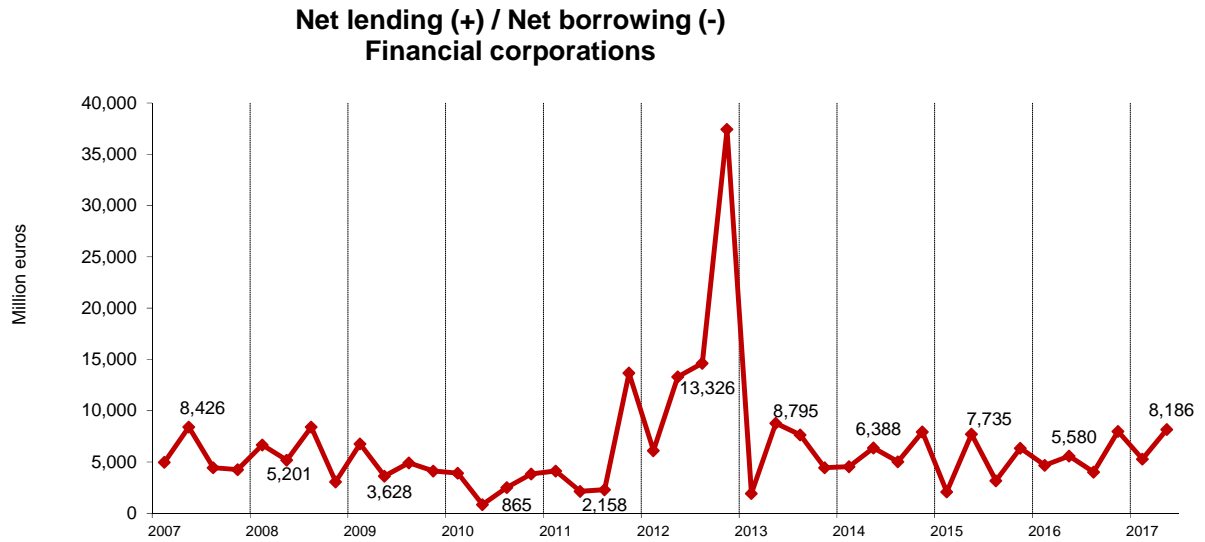
This increase, together with a greater net balance of the property income (interests, dividends, etc.) to be perceived by the sector, makes its primary income balance grow by 10.8%.

If, in addition, its secondary income distribution flows (corporative taxes, social contributions and benefits and other current transfers) are taken into account, it concludes that the gross disposable income of the sector is estimated at 8,369 million euros, 17.6% more than in the same quarter of 2016.



On the other hand, a disinvestment in financial institutions is estimated at 12 million euros (compared to an investment of 1,266 million in the same quarter of 2016).

With this, and once considered its capital transfer balance, the sector generated a financing capacity of 8,186 million euros, against the 5,580 million of the second quarter of 2016.



## Annex: summary of results by institutional sector

### Non-financial accounts for Households and NPISH

	Q2-2017	Q2-2016	Variation (%)
<b>Gross Added Value</b>	57,793	56,011	3.2%
Compensation of Employees (payable) (-)	11,806	11,560	2.1%
Other taxes (less subsidies) on Production and Imports (-)	1,896	1,825	3.9%
<b>Operating surplus/mixed income (gross)</b>	44,091	42,626	3.4%
Compensation of Employees (receivable) (+)	140,308	136,291	2.9%
Property income (receivable, net) (+)	14,111	12,813	10.1%
<b>Balance of primary incomes (gross)</b>	198,510	191,730	3.5%
Current taxes on property and income (-)	16,643	16,199	2.7%
Net social contributions (-)	39,514	37,480	5.4%
Social benefits (+)	52,701	51,873	1.6%
Other current transfers (receivable, net) (+)	298	501	-40.5%
<b>Gross Disposable Income</b>	195,352	190,425	2.6%
Final consumption expenditure (-)	166,471	159,204	4.6%
Adjustment for the change in pension entitlements (+)	-70	-91	23.1%
<b>Gross Savings</b>	28,811	31,130	-7.4%
Capital transfers (receivable, net) (+)	-650	-136	-377.9%
Gross capital formation and Net acquisitions of non-produced assets (-)	8,347	7,584	10.1%
<b>Net lending (+) / Net borrowing (-)</b>	19,814	23,410	-15.4%

Note: million euros.

### Non-financial accounts for Non-Financial Corporations

	Q2-2017	Q2-2016	Variation (%)
<b>Gross Added Value</b>	159,560	151,631	5.2%
Compensation of Employees (payable) (-)	90,595	86,441	4.8%
Other taxes (less subsidies) on Production and Imports (-)	942	771	22.2%
<b>Operating surplus (gross)</b>	68,023	64,419	5.6%
Property income (receivable, net) (+)	-14,999	-13,247	-13.2%
<b>Balance of primary incomes (gross)</b>	53,024	51,172	3.6%
Current taxes on property and income (-)	6,446	3,750	71.9%
Net social contributions (+)	1,858	1,638	13.4%
Social benefits (-)	976	954	2.3%
Other current transfers (receivable, net) (+)	-2,235	-2,277	1.8%
<b>Gross Disposable Income</b>	45,225	45,829	-1.3%
<b>Gross Savings</b>	45,225	45,829	-1.3%
Capital transfers (receivable, net) (+)	743	1,653	-55.1%
Gross capital formation and Net acquisitions of non-produced assets (-)	47,760	43,976	8.6%
<b>Net lending (+) / Net borrowing (-)</b>	-1,792	3,506	-151.1%

Note: million euros.

### Non-financial accounts for General Government

	Q2-2017	Q2-2016	Variation (%)
<b>Gross Added Value</b>	39,574	39,922	-0.9%
Compensation of Employees (payable) (-)	32,519	32,928	-1.2%
Other taxes (payable, less subsidies) on Production and Imports (-)	107	103	3.9%
<b>Operating surplus (gross)</b>	6,948	6,891	0.8%
Taxes (receivable, less subsidies) on Production and Imports (+)	30,889	29,846	3.5%
Property income (receivable, net) (+)	-6,444	-6,609	2.5%
<b>Balance of primary incomes (gross)</b>	31,393	30,128	4.2%
Current taxes on property and income (+)	24,168	21,340	13.3%
Net social contributions (+)	35,865	34,172	5.0%
Social benefits (-)	49,290	48,587	1.4%
Other current transfers (receivable, net) (+)	-1,680	-1,096	-53.3%
<b>Gross Disposable Income</b>	40,456	35,957	12.5%
Final consumption expenditure (-)	55,765	55,568	0.4%
<b>Gross Savings</b>	-15,309	-19,611	21.9%
Capital transfers (receivable, net) (+)	460	-600	176.7%
Gross capital formation and Net acquisitions of non-produced assets (-)	5,492	5,613	-2.2%
<b>Net lending (+) / Net borrowing (-)</b>	-20,341	-25,824	21.2%

Note: million euros.

### Non-financial accounts for Financial Corporations

	Q2-2017	Q2-2016	Variation (%)
<b>Gross Added Value</b>	10,328	9,959	3.7%
Compensation of Employees (payable) (-)	4,816	4,831	-0.3%
Other taxes (payable, less subsidies) on Production and Imports (-)	846	951	-11.0%
<b>Operating surplus and mixed income (gross)</b>	4,666	4,177	11.7%
Property income (receivable, net) (+)	4,405	4,008	9.9%
<b>Balance of primary incomes (gross)</b>	9,071	8,185	10.8%
Current taxes on property and income (-)	794	1,182	-32.8%
Net social contributions (+)	1,604	1,497	7.1%
Social benefits (-)	1,674	1,588	5.4%
Other current transfers (receivable, net)	162	202	-19.8%
<b>Gross Disposable Income</b>	8,369	7,114	17.6%
Adjustment for the change in pension entitlements (-)	-70	-91	23.1%
<b>Gross Savings</b>	8,439	7,205	17.1%
Capital transfers (receivable, net) (+)	-265	-359	26.2%
Gross capital formation and Net acquisitions of non-produced assets (-)	-12	1,266	-100.9%
<b>Net lending (+) / Net borrowing (-)</b>	8,186	5,580	46.7%

Note: million euros.

## Further information

The objective of the **Non-financial Quarterly Accounts for the Institutional Sectors** (QNFAIS) is to discover the economic relationships between the institutional units that form the national economy (households and non-profit institutions serving households, non-financial corporations, financial corporations and public administrations) and among them and the rest of the world in an ordered series of accounts that describe each one of the phases of economic processes (production and creation of income, distribution and redistribution, final consumerism, savings and accumulation of assets).

The QNFAIS form part of the global objective to create an annual and quarterly accounts system for the European Union and the euro zone. This system includes the main macroeconomic aggregates and the financial and non-financial accounts of the institutional sectors, all of which is created in compliance with the conceptual and regulatory framework established by the European System of National and Regional Accounts (ESA 2010), approved by the Regulation (EU) 549/2013, of the European Parliament and Council, of 21 May.

The results of the QNFAIS from the second quarter of 2017 were published today, in addition to their updated series of results, consistent with the revision of the Annual Spanish National Accounts (ASNA), whose main results and detailed results were published on the 12 and 29 September 2017, respectively, and with the updated Public Administrations' Accounts published by the General Intervention of the State Administration on the 27 September 2017.

At the same time, and as announced in previous press releases by national accounts operations, the updated series of main quarterly aggregates of the national economy<sup>5</sup>(QSNA) can now be found on the INE website until the second quarter of 2017, including the latest published information by the QNA. In doing so, the information published today on the QNFAIS and QSNA are entirely consistent.

In addition, and consistent with the above, the results of the non-financial annual accounts of institutional sectors of the Annual Spanish National Accounts have been updated. Furthermore, additional disaggregations of some operations have been added, in line with the requirements set out in the Transmission Programme of National Accounts data to Eurostat in the ESA 2010.

The non-financial annual accounts of the institutional sectors, annual and quarterly, have been published both in the form of integrated and detailed economic accounts.

The QNFAIS also provides series of results of the operations and accounting balances of institutional sectors and the national economy. In the case of main balances of the national economy (gross domestic product, gross operating surplus and mixed income, gross national income and gross national disposable income) and the aggregate flows with the rest of the world (exports and imports, total primary incomes and total secondary incomes), such series are also published adjusted for seasonal and calendar effects, in line with the requirements established by the ESA 2010.

For more detailed information please visit the INE website (<http://www.ine.es/en/>).

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For further information see [INEbase-www.ine.es/en/](http://www.ine.es/en/)

All press releases at: [www.ine.es/en/prensa/prensa\\_en.htm](http://www.ine.es/en/prensa/prensa_en.htm)

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<sup>5</sup> Press release dated 24 August of the QSNA (second quarter of 2017) and press release dated 12 September of the QNA (2014-2016 accounting series update).