

Quarterly Spanish National Accounts. Base 2008
Quarterly Non-financial Accounts for the Institutional Sectors
Third quarter of 2013

In the third quarter of 2013, the net lending of the national economy, as compared with the rest of the world, is estimated at 5,758 million euros

The savings rate for households and non-profit institutions serving households (NPISH) drops to 9.2% of their disposable income

National Economy

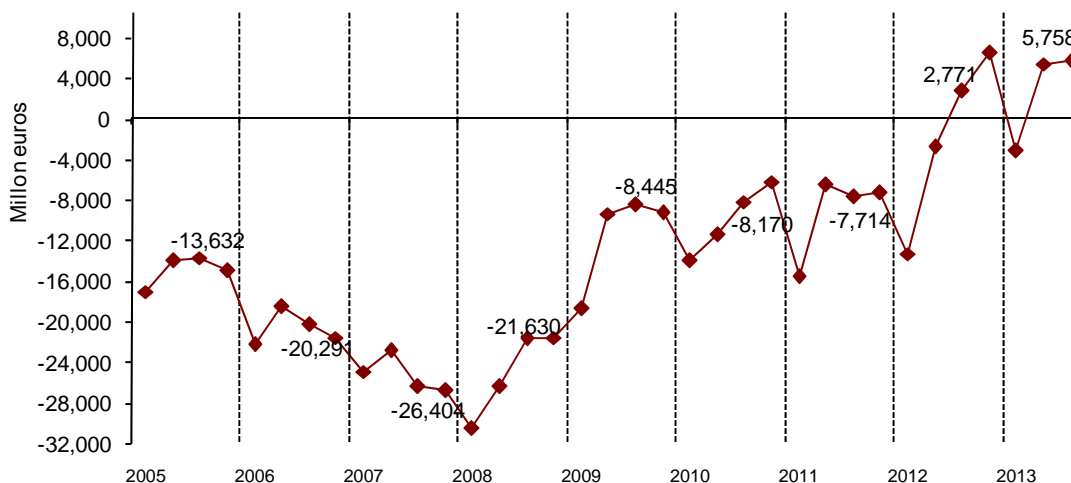
As a result of the actions of all institutional sectors¹, the national economy presented net lending of 5,758 million euros, as compared with the rest of the world, during the third quarter of 2013, representing 2.3% of GDP for said period. This figure was more than twice that estimated for the same quarter in 2012 (2,771 million, 1.1% of GDP).

This improvement in the net lending of the Spanish economy was caused by a 2.9% increase in the exports of goods and services, with regard to the third quarter of 2012, and a 1.4% decrease in imports. In this way, the balance of the two increased to 10,502 million euros, as compared to 6,809 million euros recorded for the same period the previous year.

Conversely, current operations abroad (income and current transfers) and capital transfers contributed a balance of -4,744 million euros for the national economy, which was 706 million worse than that estimated for the third quarter of 2012.

¹Households and non-profit institutions serving households(NPISH), non-financial corporations, General Government and financial institutions.

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



All considered, the national economy accumulated net lending up to the third quarter of the year (8,026 million euros, 1.1% of GDP generated during that period) for the first time in the available series (in base 2008). For the same period in 2012, the economy registered net borrowing of 13,134 million euros (1.7% of GDP).

Households and Non-profit Institution Serving Households Sector

During the third quarter of 2013, gross disposable income for the Households and Non-profit Institutions Serving Households (NPISH) sector decreased to 162,521 million euros, 1.6% less than in the same quarter of 2012.

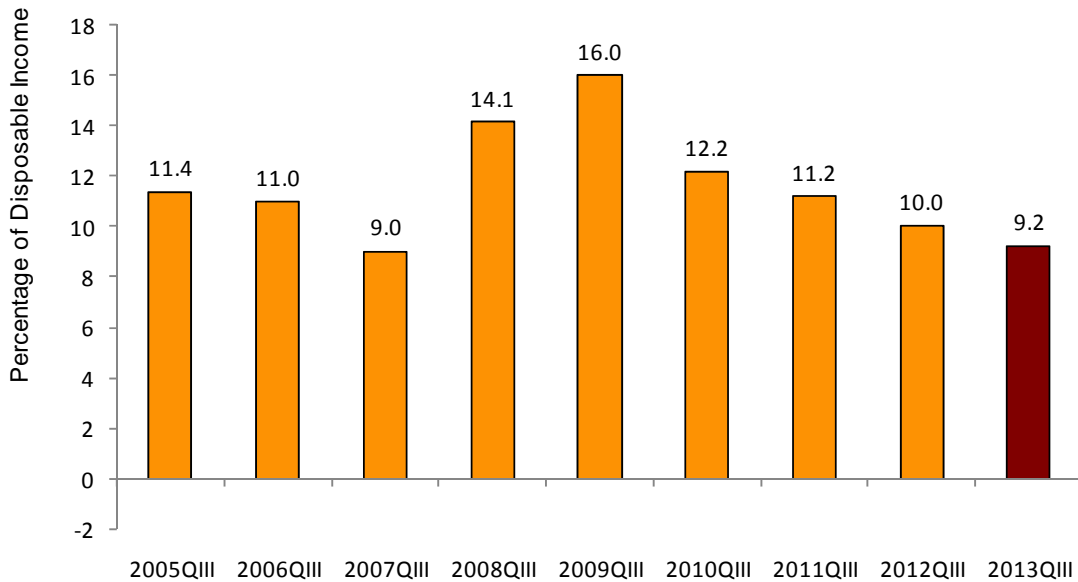
This decrease was brought about the 1.9% reduction in the balance of gross primary income of the sector (the payment received by wage earners decreased 3.5%, and was not compensated by the 1.9% increased in operating surplus and gross mixed income). In addition, the net balance of property income received by households and NPISH (interests, dividends, etc.) also decreased, with regard to the same quarter in 2012, in this case, by 2.5%.

As far as the secondary distribution of income was concerned, this quarter, the volume of benefits received by households presented growth of 1.9%, as compared with the same period of 2012, whereas the amount of social contributions paid decreased 1.4%. Likewise, the net balance of current transfers received decreased 3.7% (those received dropped 6.6%, and those paid dropped 7.1%). Lastly, income taxes and property taxes paid by households increased 3.6%.

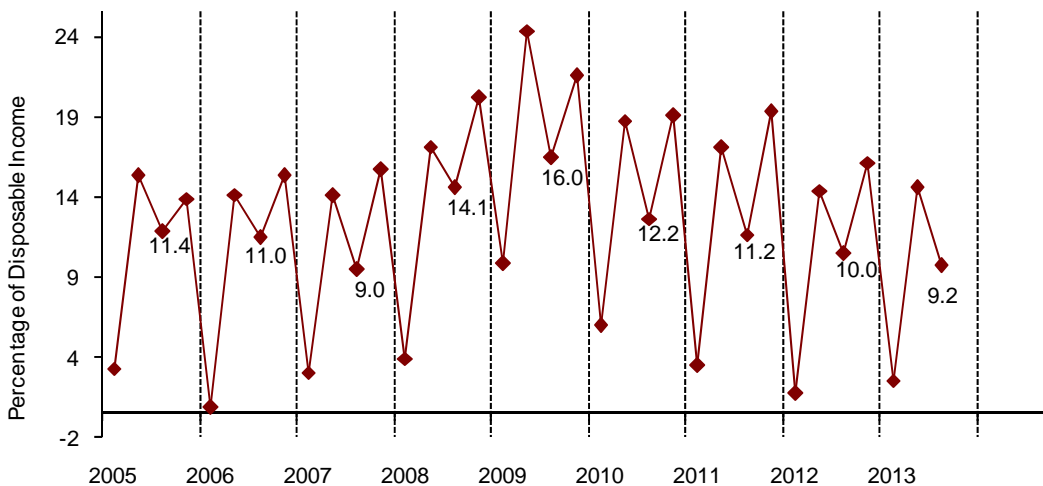
Regarding the use of disposable income, final consumption expenditure of households and NPISH was estimated at 147,037 million euros, 0.4% less than for the same period of 2012. Despite this, the lesser disposable income caused the savings to be 9.1% lower than one year ago (14,932 million).

In this way, the savings rate of household and NPISH dropped 9.2% in their disposable income, which was the lowest rate for a third quarter since the year 2007.

Evolution of savings rate of households and NPISH in third quarters

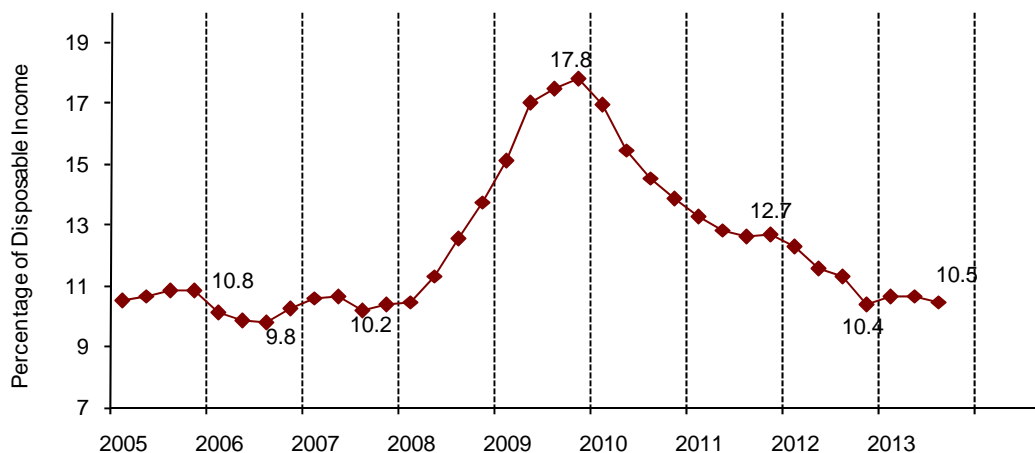


Quarterly savings rate of households and NPISH



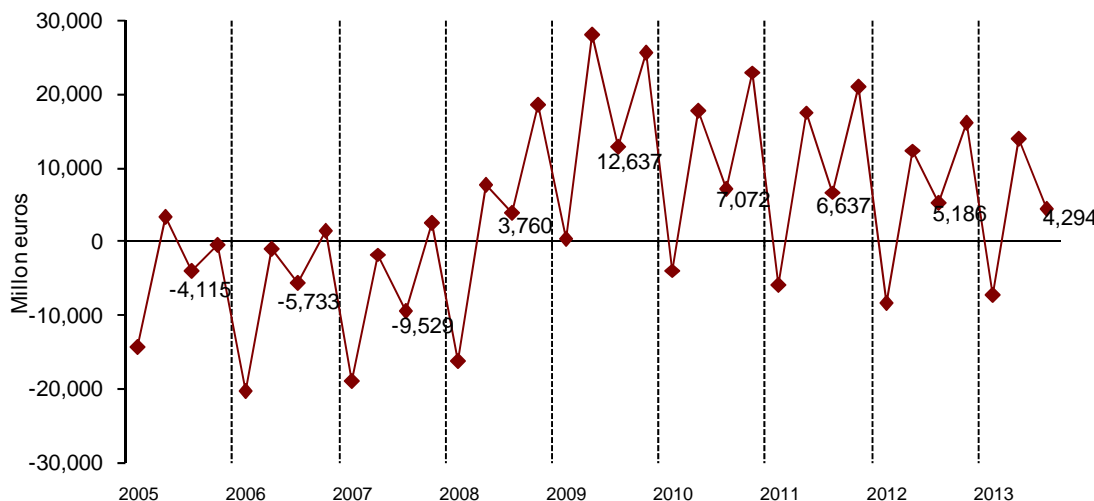
On calculating the savings rates for the households and NPISH sector, referring to mobile periods of four quarters, the savings rate for the sector also decreased. Specifically, it dropped 0.2 points in the last quarter, standing at 10.5% of its disposable income.

Savings rate of households and NPISH (mobile year)



On the other hand, the volume of investment by households and NPISH reached 10,404 million euros in the third quarter, 10.0% less than during the same period in 2012. The savings generated by the sector was enough for financing said investment, and also compensating for the negative balance of net capital transfers received (-234 million). In the third quarter, the sector thus presented net lending of 4.294 million euros, this figure being less than the 5,186 million euros recorded in the same quarter of 2012.

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



Non-financial Corporations Sector

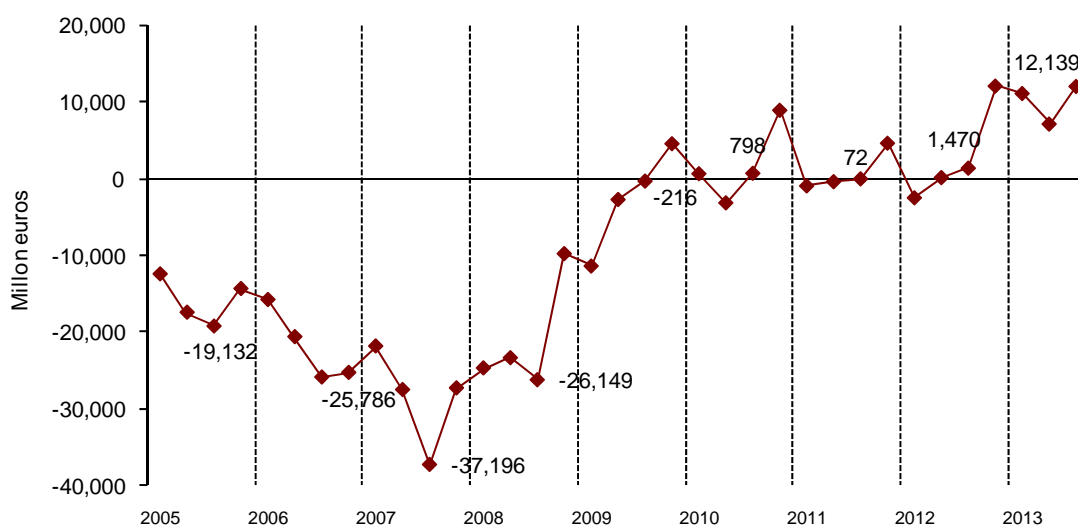
Gross disposable income of non-financial corporations experienced an increase of 28.9% in the third quarter, with regard to the same period in 2012, reaching 37,000 million euros.

This performance was firstly explained by the 18.5% increase in the balance of gross primary income (in turn, resulting from the 5.7% increase in the gross operating surplus and the 36.3% increase in the balance of net property income received). Secondly, it was explained

by the smaller amount paid for corporate taxes (16.1% less than for the same period in 2012).

The disposable income of the corporations, together with the positive balance of 1,617 million euros corresponding to net capital transfers received, was enough to financing the investment volume of the sector, which reached 26,478 million (9.3% less than in the same quarter the previous year). As a result, net lending was estimated at 12,139 million euros for the sector, 10,669 million euros more than for the same period the previous year.

Net lending (+) / Net borrowing (-) Non financial corporations



General Government Sector

The gross disposable income of the General Government reached 36,340 million euros in the third quarter, 6.9% less than in the same period of 2012.

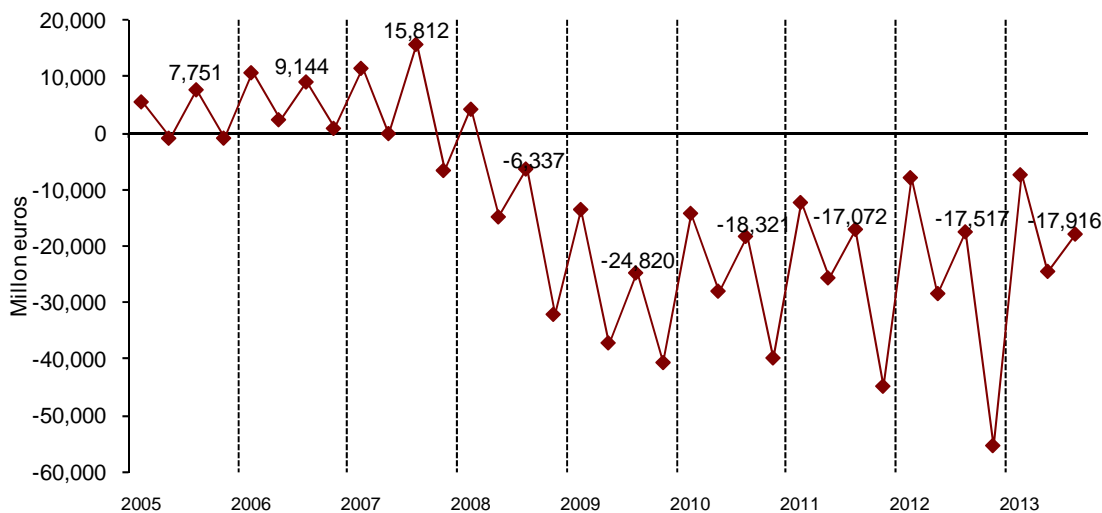
This result occurred, despite the 1.0% growth of net taxes received from the sector, and was caused by both the drop in social contributions paid (-1.7%), and the increase in social benefits (3.6%) and net property income paid (6.6%).

The growth in net taxes charged by the General Government was due to a different evolution in each type: they received 2.2% more in net taxes on production and imports, but 0.1% less in income and property taxes.

On the other hand, final consumption expenditure of the General Government increased 1.2%, causing the sector to register a negative level of savings of -10,784 million euros, as compared with -7,540 million in the third quarter of 2012.

This result, linked to the net balance of 2,321 million euros in capital transfers paid, and an investment of 4,811 million in investment, of the General Government, led to the sector generating net borrowing of 17,916 million euros. Aid to Financial Institutions, within the restructuring framework of the financial sector, reached 2,048 million this quarter. Therefore, the net borrowing of the General Government, without accounting for the expenses registered as aid to the Financial Institutions, reached 15,868 million euros.

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



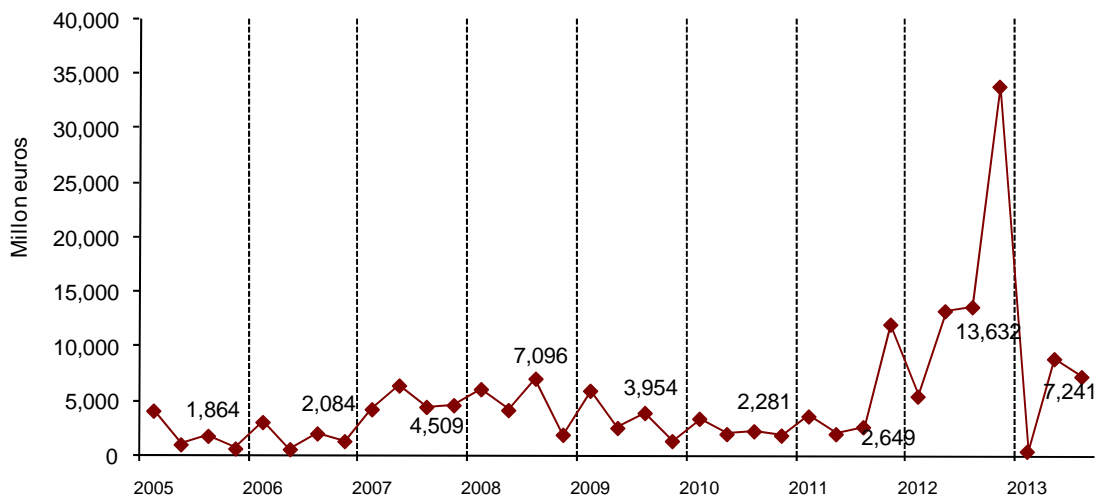
Financial Institution Sector

In the third quarter, gross disposable income of the financial institution sector decreased 43.3%, with regard to the same period the previous year, standing at 5,278 million euros.

This result was due to both the decrease in gross operating surplus (-19.5%), and the drop in the net property income received (-49.4%) - that received dropped 25.5%, and that paid dropped 18.3% - and the increase in the balance of corporate taxes paid by said sector (25.3%).

The gross disposable income generated during the third quarter, mainly together with the net capital transfers received (2,040 million euros) and an investment of 629 million euros, caused the financial institutions to obtain net lending of 7,241 million euros this quarter.

**Net lending (+) / Net borrowing (-)
Financial corporations**



Further information

The Quarterly Non-financial Accounts for the Institutional Sectors are shown under two perspectives: the integrated economic accounts and the detailed accounts of the institutional sectors. This type of presentation is similar to that which is traditionally used with the Annual National Accounts for the Institutional Sectors.

For more detailed information, see the INE website (<http://www.ine.es/en/>). This website includes updated results for the period from the first quarter of 2000 to the third quarter of 2013.

For further information see **INEbase-www.ine.es/en/** All press releases at: **www.ine.es/en/prensa/prensa_en.htm**

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