

28 December 2018

Quarterly National Accounts of Spain. Base 2010
Third quarter of 2018

Main results

- The Spanish Gross Domestic Product (GDP) in terms of volume registers a growth of 0.6% in the third quarter of 2018 compared with the previous quarter. This rate is similar to the preliminary figure published on 31 October and to that recorded in the second quarter.
- Growth compared to the same quarter of the previous year stands at 2.4% compared to 2.5% in the previous quarter. This rate is one tenth lower than the preliminary figure published on 31 October.
- The contribution of the *domestic demand* to the year-on-year GDP growth is 2.8 points, three tenths lower than in the second quarter. On the other hand, the *external demand* registers a contribution of -0.4 points, two tenths higher than in the previous quarter.
- The implicit GDP deflator increases by 1.0% compared to the same quarter of the previous year, two tenths more than in the second quarter.
- Employment in the economy, in terms of *full-time equivalent jobs*, registers a variation of 0.7% compared to the previous quarter, one tenth lower than that recorded in the second quarter.
- In year-on-year terms, employment increases at a rate of 2.5%, similar to that of the second quarter, representing an increase of 450 thousand full-time equivalent jobs in a year.
- The annual variation of the *unit labour cost* stands at 1.2% this quarter.
- *Gross national income* and *gross national disposable income* increase by 1.1% and 0.9% respectively compared to the previous quarter.
- In relation to the third quarter of 2017, national income increases by 3.5% and national disposable income by 3.4%.

Quarter-on-quarter and year-on-year evolution of GDP

GDP generated by the Spanish economy, measured in terms of volume, registered a growth of 0.6% in the third quarter of 2018¹ as compared with the previous quarter. This rate is similar to that estimated for the second quarter of the year and to the preliminary figure estimated on 31 October for this third quarter.

Gross domestic product

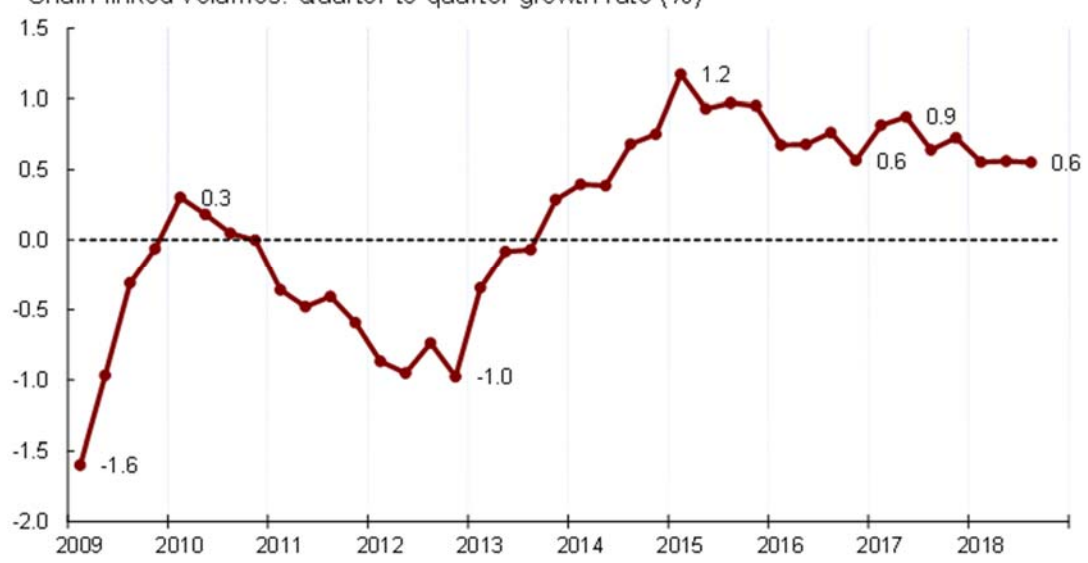
Chain-linked volumes. Quarter-to-Quarter growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	0.8	0.9	0.6	0.7	0.6	0.6	0.6
Household final consumption expenditure	0.5	0.8	0.9	0.4	0.9	0.0	0.8
Final consumption expenditure of NPISHs	-0.5	1.3	0.6	0.2	1.2	-0.6	0.2
Final consumption expenditure by government	1.1	0.6	0.6	0.3	0.6	0.2	0.8
Gross fixed capital formation	2.4	-0.2	2.3	0.6	1.0	3.0	0.8
Tangible fixed assets	2.7	-0.3	2.5	0.6	1.1	3.4	0.9
Dwellings and other buildings and structures	1.2	1.0	1.7	0.8	1.9	1.7	1.0
Machinery, Equipment, weapon system and cultivated biological resources	4.8	-2.2	3.6	0.5	-0.2	5.8	0.8
Intellectual property products	1.0	0.9	1.1	0.1	0.8	0.4	0.4
Exports of goods and services	1.3	1.3	0.1	1.4	0.5	0.3	-0.9
Imports of goods and services	2.4	0.5	1.9	0.6	1.4	0.7	-0.2
Gross domestic product at market prices	0.8	0.9	0.6	0.7	0.6	0.6	0.6
Agriculture, forestry and fishing	-0.8	-0.7	1.5	0.5	0.9	0.5	-3.4
Industry	2.0	0.9	0.6	1.4	-0.4	0.3	-0.2
Manufacturing industry	2.2	0.8	1.1	1.2	-0.4	0.6	-0.4
Construction	1.4	2.0	1.3	1.9	1.7	1.6	1.6
Service activities	0.6	0.7	0.6	0.5	0.7	0.6	0.8
Trade, transport and accommodation and restaurants	0.9	0.9	0.7	0.5	0.7	1.0	0.6
Information and communication	0.8	1.0	1.7	0.6	1.4	1.6	0.3
Financial and insurance activities	-0.5	0.7	0.5	-1.1	1.5	0.2	0.6
Real estate activities	-0.1	0.0	0.0	0.2	0.1	0.2	0.5
Professional, scientific and technical activities and other	1.5	1.4	1.5	1.4	1.6	1.4	2.0
Public administration, education and health activities	0.5	0.7	0.4	0.6	0.5	0.5	0.7
Arts, entertainment and other services	0.6	1.1	-0.1	1.0	-0.6	-1.9	1.7
Taxes on products less subsidies	0.3	1.7	0.3	0.4	0.5	-0.2	0.5

¹ All the information presented in this press release corresponds to data adjusted for seasonal and calendar effects, unless expressly mentioned otherwise.

Gross Domestic Product

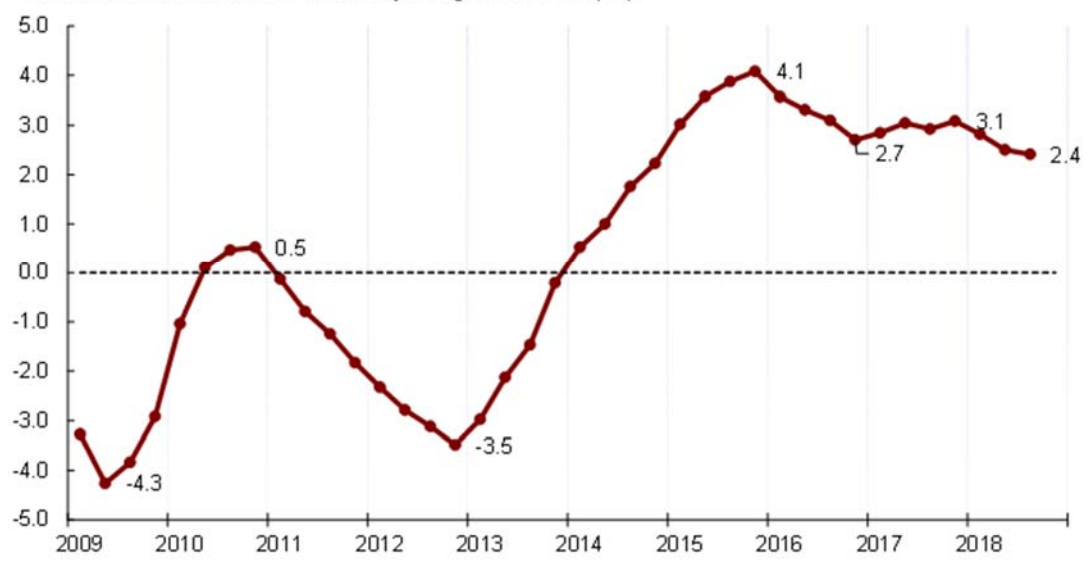
Chain-linked volumes. Quarter-to-quarter growth rate (%)



In year-on-year terms, the GDP growth rate was 2.4%, one tenth lower than in the second quarter of 2018. The increase is, in turn, one tenth lower than the preliminary figure published on 31 October for this third quarter.

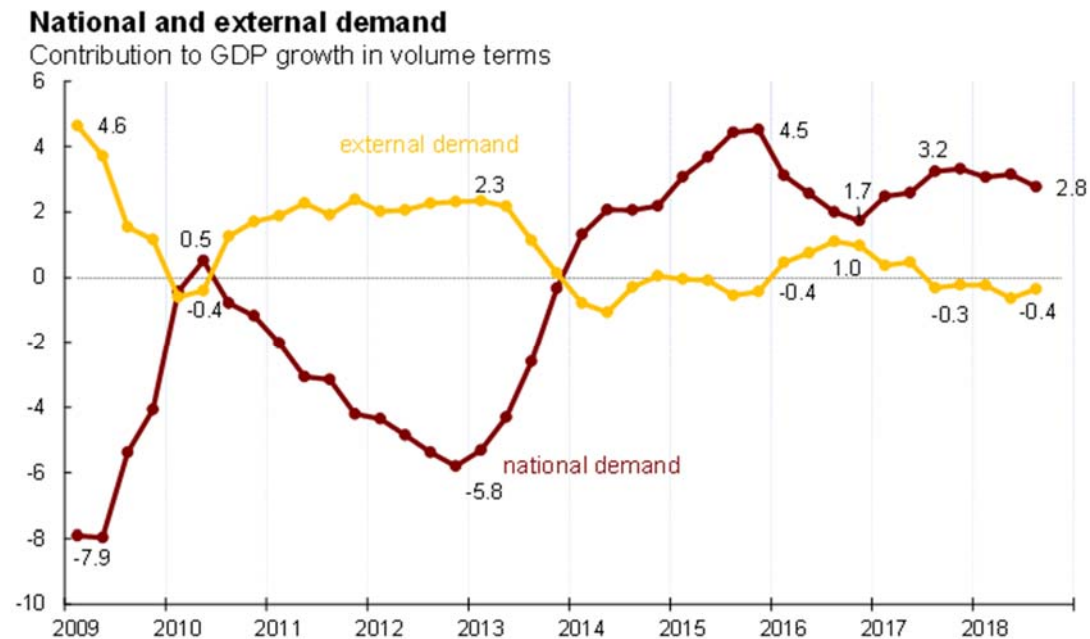
Gross Domestic Product

Chain-linked volumes. Year-to-year growth rate (%)



Year-on-year evolution of GDP: demand

The contribution of the *domestic demand* to the year-on-year GDP growth was 2.8 points, three tenths lower than in the second quarter. On the other hand, the *external demand* registered a contribution of -0.4 points, two tenths more than in the previous quarter.



Domestic demand

Final consumption expenditure increased by 2.1% as compared to the same quarter of the previous year, a similar rate to that of the second quarter.

Household final consumption expenditure experienced a year-on-year growth of 2.1%, one tenth less than in the previous quarter. On the other hand, *General Government final consumption expenditure* also presented a year-on-year variation of 2.1%, two tenths higher than in the previous quarter.

Gross fixed capital formation grew by 5.6%, 1.7 points lower than in the previous quarter.

Investment² in *tangible fixed assets* grew at a year-on-year rate of 6.1%, which is 1.7 points less than in the previous quarter. By components, investment in *dwellings and other buildings and structures* decreased by eight tenths, going from 6.3% to 5.5%, and investment in *machinery, equipment and weapon systems* showed a growth of 7.2%, as compared with 10.3% in the previous quarter.

On the other hand, investment in *intellectual property products* experienced a variation of 1.8%, moderating its growth by seven tenths with respect to the previous quarter.

² Gross fixed capital formation.

Gross domestic product. Demand

Chain-linked volumes. Year-to-year growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	2.9	3.1	2.9	3.1	2.8	2.5	2.4
Final consumption expenditure	2.0	2.3	2.4	2.7	2.9	2.1	2.1
Household final consumption expenditure	2.3	2.5	2.6	2.7	3.1	2.2	2.1
Final consumption expenditure of NPISHs	2.2	3.1	2.2	1.7	3.4	1.5	1.0
Final consumption expenditure by government	1.2	1.7	2.0	2.6	2.2	1.9	2.1
Gross fixed capital formation	4.7	3.6	5.8	5.2	3.8	7.0	5.5
Tangible fixed assets	5.0	3.6	6.0	5.6	3.9	7.8	6.1
Dwellings and other buildings and structures	3.9	4.1	5.7	4.8	5.6	6.3	5.5
Machinery, Equipment, weapon system and cultivated biological resources	6.6	3.0	6.4	6.7	1.6	10.0	7.0
Machinery, Equipment and weapon system	7.0	3.3	6.8	7.0	1.8	10.3	7.2
Intellectual property products	3.1	3.5	4.5	3.1	2.9	2.5	1.8
Changes in inventories and acquisitions less disposals of valuables ¹	0.0	0.1	0.2	0.3	0.1	0.1	0.1
National demand ¹	2.5	2.6	3.2	3.3	3.1	3.1	2.8
Exports of goods and services	6.1	5.4	5.4	4.2	3.3	2.3	1.3
Imports of goods and services	5.5	4.4	7.0	5.4	4.4	4.6	2.5

¹Contribution to GDP growth

External demand

Exports of goods and services grew by 1.3% compared to the third quarter of 2017, representing 1.0 points less than in the previous quarter. This slower growth was due to a decrease in the variation rate of *exports of goods* (from 2.1% to 1.0%) and of *exports of services* (from 2.8% to 2.0%). Among these, *non-resident expenditure in the economic territory* decreased by 1.8 points (from 1.4% to -0.4%).

Imports of goods and services increased by 2.5% with respect to the same quarter of the previous year, 2.1 points less than in the second quarter. This slowdown was partly due to a decrease in the year-on-year rate of *imports of goods* (from 3.8% to 1.1%). However, *imports of services* accelerated their growth rate by two tenths (from 8.5% to 8.7%). Of the latter, growth on *expenditure by residents in the rest of the world* increased by 3.3 points this quarter (from 8.9% to 12.2%).

Year-on-year evolution of GDP: supply

The gross value added of industrial branches increased by 1.2% with respect to the same quarter of 2017, representing a decrease of eight tenths over the year-on-year variation recorded in the previous quarter. Within them, the manufacturing industry presented a rate of 1.0%, which is 1.5 points less than in the previous quarter.

The gross value added of *Construction* increased by 7.1% with respect to the same quarter of 2017, three tenths more than in the previous quarter.

The year-on-year variation in the gross value added of *Services* in the third quarter was 2.6%, two tenths more than in the previous quarter.

Finally, the primary branches recorded a variation of -1.5% this quarter, compared to 3.4% in the previous quarter.

Gross domestic product. Supply

Chain-linked volumes. Year-to-year growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	2.9	3.1	2.9	3.1	2.8	2.5	2.4
Agriculture, forestry and fishing	-0.7	-2.5	-0.8	0.4	2.2	3.4	-1.5
Industry	4.6	4.2	4.0	4.9	2.5	2.0	1.2
Manufacturing industry	3.7	3.7	4.6	5.4	2.7	2.5	1.0
Construction	5.3	6.5	6.0	6.8	7.1	6.8	7.1
Service activities	2.3	2.6	2.5	2.5	2.6	2.4	2.6
Trade, transport and accommodation and restaurants	3.8	3.6	3.4	2.9	2.7	2.8	2.7
Information and communication	4.3	3.6	4.3	4.1	4.8	5.4	4.0
Financial and insurance activities	-1.8	1.5	2.2	-0.5	1.5	1.0	1.1
Real estate activities	0.4	0.1	-0.3	0.0	0.2	0.4	0.9
Professional, scientific and technical activities and other	4.3	5.2	5.9	5.9	6.0	6.0	6.5
Public administration, education and health activities	1.3	1.8	1.6	2.2	2.2	2.0	2.4
Arts, entertainment and other services	0.8	1.7	1.4	2.6	1.4	-1.5	0.2
Taxes on products less subsidies	3.4	4.2	3.1	2.7	2.9	1.1	1.3

GDP at current prices and implicit deflator

GDP at current prices grew at a rate of 3.4%. This growth is similar to that recorded in the second quarter of the year and one tenth lower than that reported in advance on 31 October.

Gross domestic product

Current prices. Year-to-year growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	3.6	4.4	4.1	4.9	4.0	3.4	3.4
Household final consumption expenditure	4.3	4.5	4.0	4.1	4.1	3.8	4.2
Final consumption expenditure of NPISHs	0.7	2.3	1.4	3.0	4.4	4.0	3.5
Final consumption expenditure by government	1.6	1.7	2.3	2.8	2.6	2.9	3.3
Gross fixed capital formation	6.2	6.0	8.2	7.9	5.8	8.7	7.7
Tangible fixed assets	6.7	6.4	8.7	8.3	6.4	9.9	8.8
Dwellings and other buildings and structures	7.2	7.9	10.0	9.0	8.5	8.9	8.3
Machinery, Equipment, weapon system and cultivated biological resources	6.1	4.4	6.9	7.2	3.4	11.2	9.5
Intellectual property products	3.0	4.0	5.3	6.1	2.4	1.9	1.6
Changes in inventories and acquisitions less disposals of valuables ¹	0.0	0.1	0.3	0.3	0.1	0.1	0.1
National demand ¹	4.0	4.2	4.6	4.7	4.1	4.6	4.7
Exports of goods and services	9.7	8.7	7.4	6.4	3.7	3.4	3.3
Imports of goods and services	12.0	9.1	9.8	6.4	4.6	7.7	7.7
Gross domestic product at market prices	3.6	4.4	4.1	4.9	4.0	3.4	3.4
Agriculture, forestry and fishing	1.7	1.5	3.9	9.4	3.8	5.0	-4.2
Industry	5.9	7.7	6.1	7.0	3.4	2.3	2.4
Manufacturing industry	5.5	7.3	6.9	7.3	4.2	3.1	1.6
Construction	7.0	8.9	8.9	10.1	10.1	8.7	8.2
Service activities	2.6	3.2	3.2	4.0	3.4	2.8	3.4
Trade, transport and accommodation and restaurants	4.1	5.9	5.0	4.4	4.0	2.3	2.2
Information and communication	0.8	1.7	2.5	3.2	4.3	4.1	2.5
Financial and insurance activities	8.3	-2.5	0.9	11.2	1.3	3.6	11.0
Real estate activities	0.1	0.8	0.9	1.7	1.9	1.7	2.1
Professional, scientific and technical activities and other	4.0	6.6	6.7	6.8	6.3	6.3	7.0
Public administration, education and health activities	1.4	1.6	1.7	2.5	2.7	2.9	3.4
Arts, entertainment and other services	-0.6	2.5	2.3	3.4	2.5	-1.4	0.1
Taxes on products less subsidies	5.6	5.0	4.4	4.1	5.2	5.7	4.5

¹Contribution to GDP growth

As a result, the implicit deflator of the economy presented a year-on-year variation of 1.0%, two tenths higher than in the previous quarter (0.8%).

Year-on-year evolution of GDP at current prices (income) and national income

Compensation of employees recorded a year-on-year growth of 4.5% in the third quarter, four tenths higher than in the previous quarter.

This was the result, on the one hand, of a 3.3% increase in the number of *employees*, in terms of full-time equivalent jobs, one tenth higher than in the previous quarter. And on the other hand, *average compensation per employee* increased by 1.1%, compared to 0.8% in the second quarter.

Gross operating surplus / gross mixed income generated in the economy grew by 1.8% with respect to the same quarter of the previous year, two tenths less than in the second quarter.

Finally, the amount accrued in taxes on production and imports net of subsidies increased by 5.1%, compared to 5.8% in the previous quarter.

Gross domestic product. Income

Current prices. Year-to-year growth rates (%)

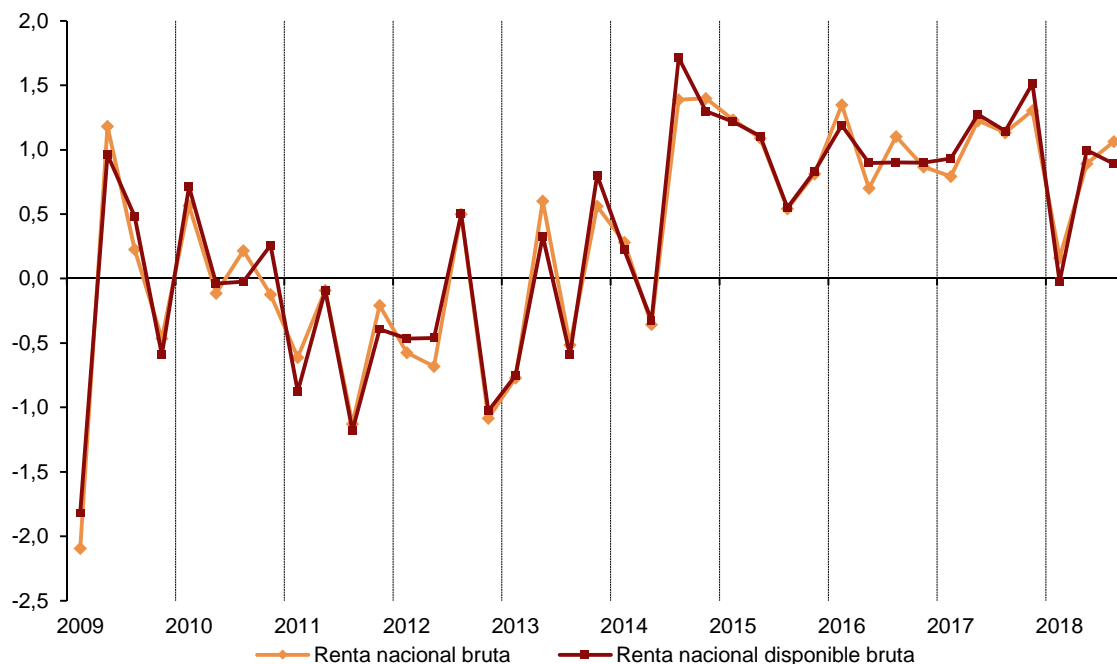
	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	3.6	4.4	4.1	4.9	4.0	3.4	3.4
Compensation of employees	3.3	3.3	3.7	3.9	3.7	4.1	4.5
Gross operating surplus / Gross mixed income	3.6	5.4	4.8	6.2	3.9	2.0	1.8
Net taxes on production and imports	4.9	4.9	3.4	4.4	5.6	5.8	5.1

If we add the balance of primary income with the rest of the world to the evolution of quarterly GDP at current prices, we obtain that *gross national income* grows by 1.1% with respect to the second quarter of 2018, two tenths more than in the previous quarter. If we add to this the evolution of the balance of current transfers with the rest of the world, we obtain that the *gross national disposable income* increased by 0.9% with respect to the previous quarter, one tenth less than in the second quarter.

Gross national income and Gross national disposable income

Quarter-on-quarter variation rate

Adjusted for seasonal and calendar effects

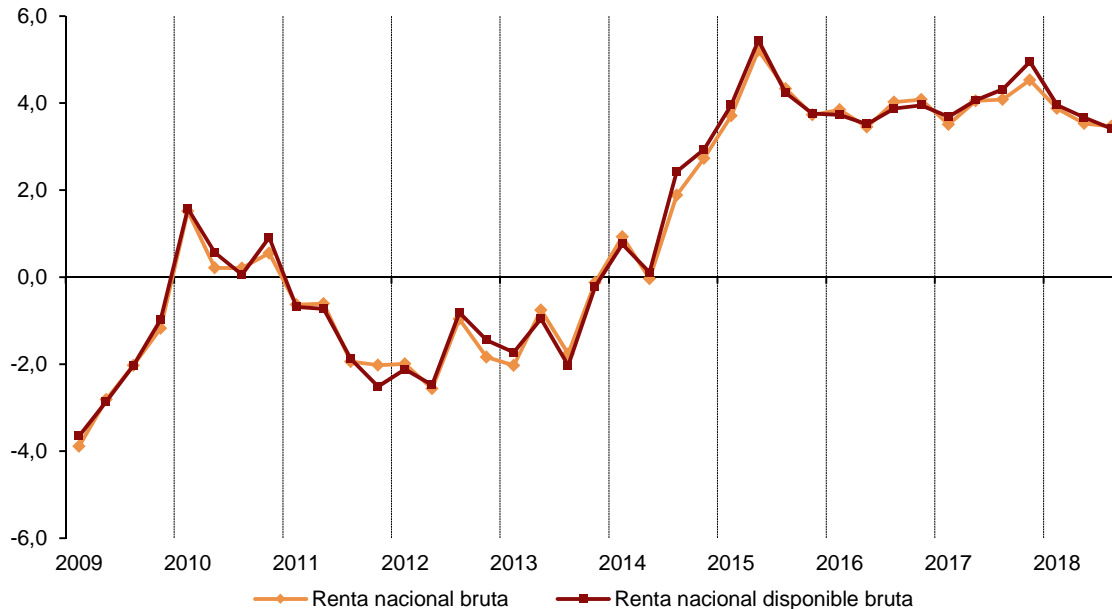


In year-on-year terms, the growth rate of the *gross national income* was 3.5%, a similar rate to that of the second quarter of 2018. And that of the *gross national disposable income* was 3.4%, three tenths lower than the previous quarter.

Gross national income and Gross national disposable income

Year-on-year variation rate

Adjusted for seasonal and calendar effects



Employment

Employment in the economy, in terms of *full-time equivalent jobs*, increased by 0.7% with respect to the previous quarter, a variation one tenth lower than that recorded in the second quarter.

In year-on-year terms, employment grew by 2.5%, similar to that recorded in the previous quarter, representing an increase of 450 thousand full-time equivalent jobs in one year.

Employment in the industrial branches increased by 0.6%, 1.5 percentage points less than in the previous quarter.

In the case of *Construction*, the variation in employment was 8.7%, one tenth of a point more than in the previous quarter.

Employment in *Services* increased by three tenths its year-on-year growth with respect to the previous quarter, up to 2.5%.

Finally, employment in the primary branches presented a variation of -1.4%, with a decrease of three tenths as compared with the previous quarter.

Employment

Full-time equivalent jobs. Year-to-year growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Total	2.7	2.9	2.9	2.9	2.6	2.5	2.5
Agriculture, forestry and fishing	3.5	3.8	2.0	0.6	-0.4	-1.1	-1.4
Industry	3.7	3.8	3.4	3.2	2.8	2.1	0.6
Manufacturing industry	3.9	4.0	3.7	3.6	3.1	2.3	0.6
Construction	5.9	6.4	6.0	7.7	8.3	8.6	8.7
Service activities	2.2	2.5	2.6	2.6	2.2	2.2	2.5
Trade, transport and accommodation and restaurants	2.2	2.6	2.4	2.0	2.2	2.3	2.6
Information and communication	3.5	5.5	7.0	5.8	5.6	2.6	1.7
Financial and insurance activities	-0.9	0.5	0.6	-2.5	0.3	-0.9	-2.4
Real estate activities	7.4	7.5	4.8	4.4	1.6	4.1	6.7
Professional, scientific and technical activities and other	3.8	3.0	3.4	3.3	0.5	1.9	2.4
Public administration, education and health activities	2.1	2.0	2.1	2.5	2.7	2.8	3.2
Arts, entertainment and other services	0.0	1.3	2.5	3.7	3.3	1.5	1.8
Employees	2.9	3.3	3.3	3.4	3.2	3.2	3.3
Agriculture, forestry and fishing	2.7	4.5	2.8	3.5	1.8	0.4	0.8
Industry	3.7	3.8	3.5	3.3	3.0	2.4	1.1
Manufacturing industry	4.0	4.1	3.8	3.7	3.3	2.8	1.2
Construction	6.8	7.4	6.7	8.7	9.7	9.9	9.6
Service activities	2.5	2.8	3.0	3.0	2.8	3.0	3.3
Trade, transport and accommodation and restaurants	3.0	3.2	3.1	2.7	2.9	3.6	3.9
Information and communication	3.2	5.2	6.7	5.8	6.1	3.2	2.2
Financial and insurance activities	-0.9	0.3	0.3	-2.9	-0.1	-1.1	-2.6
Real estate activities	9.9	9.3	5.4	3.2	-1.1	2.1	4.5
Professional, scientific and technical activities and other	3.2	2.6	3.5	3.8	1.0	2.6	3.5
Public administration, education and health activities	2.1	2.2	2.4	2.8	3.0	3.0	3.2
Arts, entertainment and other services	-0.1	2.4	3.0	4.4	4.3	2.2	3.0

The number of hours actually worked increased by 0.7% over the second quarter, four tenths less than in the previous quarter.

In year-on-year terms, the number of hours actually worked increased by 2.9%, one tenth less than in the previous quarter.

With this, the year-on-year variation of *productivity per full-time equivalent job* decreases one tenth as compared with the second quarter of the year, going from 0.0% to -0.1%, while *productivity per hour actually worked* presents a similar variation as in the previous quarter (-0.4%).

Productivity

Year-to-year growth rate (%)

	2017				2018		
	Tr. I	Tr. II	Tr. III	Tr. IV	Tr. I	Tr. II	Tr. III
Labour productivity per full time equivalent employment	0.2	0.1	0.0	0.2	0.3	0.0	-0.1
Labour productivity per hour worked	1.2	1.2	0.9	1.0	0.5	-0.4	-0.5

Finally, the *Unit Labour Cost* (ULC) grew by 1.2% compared to the third quarter of 2017, two tenths above the variation experienced by the implicit deflator of the economy (1.0%).

Review and update of data

Labour costs

Year-to-year growth rates (%)

	2017				2018		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Unit Labor Cost (ULC)	0.2	-0.1	0.4	0.3	0.3	0.8	1.2
Compensation per employee	0.4	0.0	0.4	0.5	0.5	0.8	1.1

The results published today provide a review of those released in the preview of the Quarterly Spanish National Accounts (QNAS)—quarterly GDP flash estimate—for the third quarter of 2018 on 31 October, in accordance with the new information available since then on the economic performance of the quarter. In particular, these results include quarterly information on the Balance of Payments published by the Bank of Spain on 26 December, and on the *Quarterly Accounts of General Government*, disseminated by the General Intervention of the State Administration on 27 December.

QNSA results for the first and second quarters of 2018 have also been updated today, based on the latest information available for these quarters.

Methodological note

The Quarterly Spanish National Accounts (QSNA) is a short-term summary statistic whose main objective is to carry out a systematic and coherent measurement of the recent evolution of the national economy, in accordance with the conceptual and regulatory framework established by the *European System of National and Regional Accounts* (ESA 2010), approved by *Regulation (EU) 549/2013 of the European Parliament and of the Council of 21 May*.

As of the second quarter of 2018, this operation provides, one month after the end of the quarter (t+30 days, being t the reference quarter), not only a preliminary estimate of the GDP generated in the economy during the quarter, but also of each of its components, based on its three approaches of supply, demand and income (both in terms of volume and at current prices in the case of the first two and at current prices in the case of the income approach). It also provides a measurement of the evolution of employment in the economy in terms of *persons employed, jobs, full-time equivalent jobs and hours actually worked*. All estimates are also provided in both raw data and adjusted for seasonal and calendar effects.

This preview of results is updated around t+90 days, with all the information available since then, in particular, the results of the *accounts with the rest of the world*, consistent with the quarterly information of the Balance of Payments published by the Bank of Spain around t+85 days, and the *Quarterly Accounts of General Government*, disseminated by the General Intervention of the State Administration around t+90 days.

This update is disseminated simultaneously with the results of the *Non-Financial Quarterly Accounts for the Institutional Sectors*, offering a complete and integrated view of the economic evolution of the quarter.

This calendar is compatible with the requirements for availability of national accounts results established by Regulation (EU) 549/2013 on the European System of National and Regional Accounts 2010.

Type of operation: quarterly continuous survey.

Geographical scope: *national economic territory*.

Reference period of the results: the quarter.

Collection method: summary statistics.

For more detailed information, please consult the INE website (www.ine.es), as well as access the standardised methodological report on the operation ([Standardised metadata report](#)).

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