

22 September 2017

International Trade in Services Survey (ITSS)
Second quarter of 2017. *Provisional data*

Services exports reach 16,446.9 million euros and increase 7.3% in annual rate

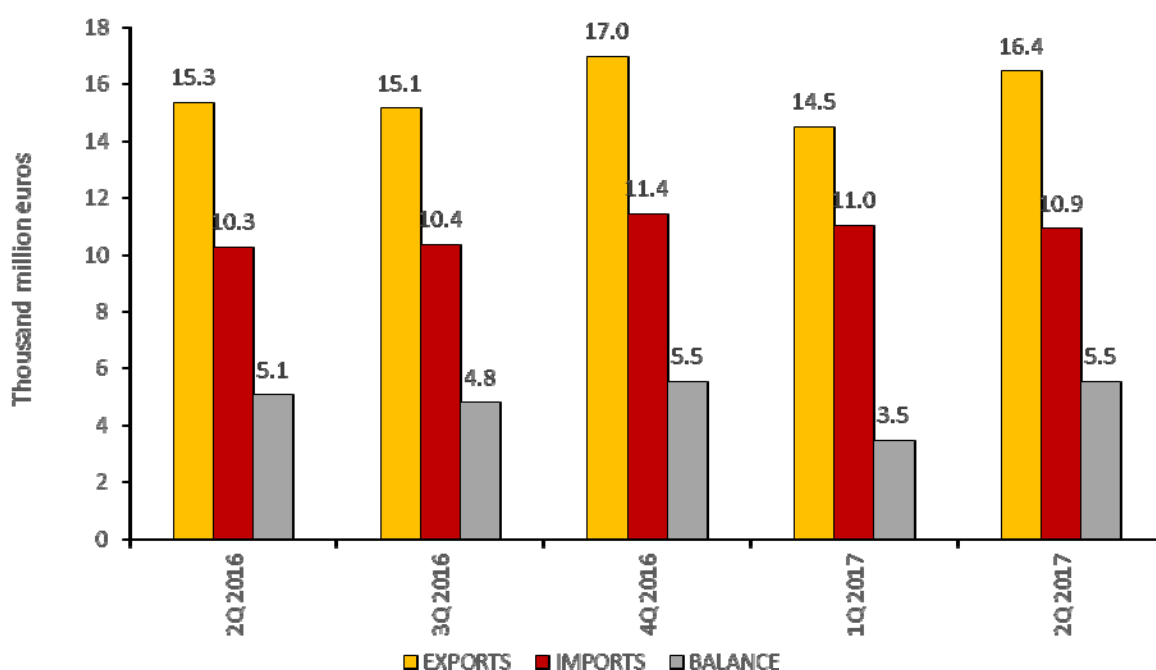
Services imports increase 6.3% and stand at 10,912.4 million euros

Services exports increased by 7.3%, as they reached 16,446.9 million euros in the second quarter as compared with the same period of the previous year.

On the other hand, Services imports increased 6.3% in annual rate and reached a total of 10,912.4 million euros.

The **balance** or difference between exports and imports stood at 5,534.6 million euros, with a 9.4% increase in annual rate.

Quarterly evolution of exports and imports of Services



International Trade in Services by type

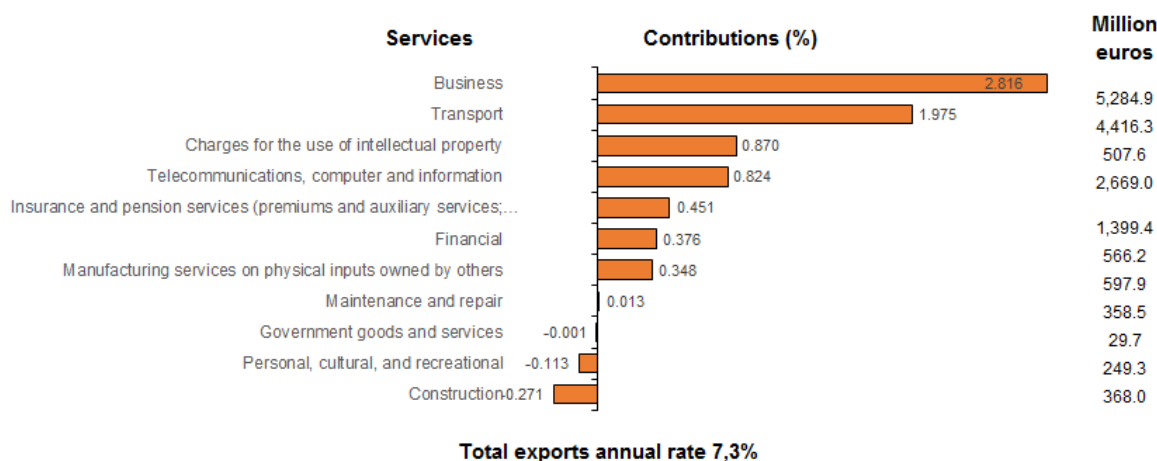
In the second quarter, Services exports increased by 7.3%. The services with the greatest positive contribution¹ to this annual rate were:

- **Business**, with exports valued at 5,284.9 million (32.1% of the total) and an annual variation of 8.9%.
- **Transport**, whose exports reached 4,416.3 million (26.9% of the total), which is an increase of 7.4% as compared with the same quarter of the previous year.
- **Intellectual property**, whose exports reached 507.6 million euros (3.1% of the total) with an annual variation rate of 35.6%.

In turn, the services with the most negative contributions were:

- **Construction**, with 368.0 million euros in exports (2.2% of the total) and an annual variation rate of -10.1%.
- **Personal, cultural and leisure**, with exports valued at 249.3 million euros (1.5% of the total) representing a 6.5% decrease as compared with the same quarter of the previous year.
- **Government goods and services**, with 29.7 million euros in exports (0.2% of the total) and an annual variation of -0.6%.

Contributions to the annual rate and value of the exports by type of service. Second quarter of 2017.



¹ Contribution refers to the weight of a specific service (or geographical area) to the annual variation rate of the total of exports / imports, expressed in percentage points. Said contribution depends on the weight of the exports / imports of each service (or geographical area) over the total and on its own annual rate.

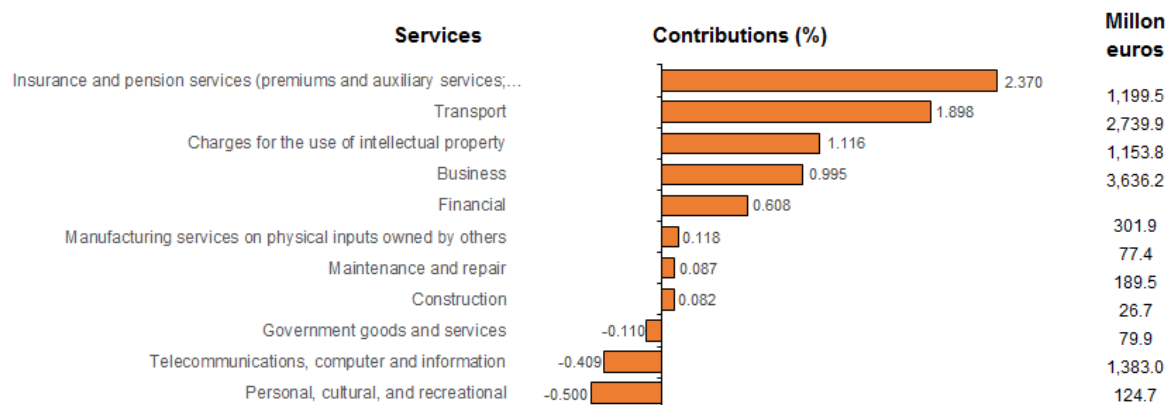
In turn, **Services imports** increased by 6.3% in the second quarter. The services with the greatest positive contribution to this annual rate were:

- **Insurance and pension services (premiums and auxiliary services; contributions to pension funds)**, whose imports reached 1,199.5 million (11.0% of the total), with an increase of 25.5% as compared with the same quarter of the previous year.
- **Transport**, with imports valued in 2,739.9 million (25.1% of the total) and an annual variation of 7.7%.
- **Intellectual property**, whose imports reached 1,153.8 million euros (10.6% of the total) with an annual variation rate of 11.0%.

In turn, the services with the most negative contributions were:

- **Personal, cultural and leisure**, with imports valued in 124.7 million euros (1.1% of the total) and an annual variation of -29.2%.
- **Telecommunications, computers and information**, with imports valued at 1,383.0 million (12.7% of the total), which is a decrease of 2.9% as compared with the same quarter of the previous year.
- **Government goods and services**, with 79.9 million euros in exports (0.7% of the total) and an annual variation of -12.3%.

Contributions to the annual rate and value of the exports by type of service. Second quarter of 2017.



Total imports annual rate 6,3%

International trade Services by geographical destination and origin

Services exports to Europe in the second quarter reached 10,396.9 million euros. Those with destination to the European Union (EU-28) stood at 8,779.5 million euros, noting the exports for the total of the Euro Zone (valued in 6,490.2 million euros).

Regarding **Services imports**, those whose origin is Europe reached 8,144.7 million euros, with values for the European Union (EU-28) and the total Euro Zone of 7,418.7 and 5,589.2 million euros, respectively.

The geographical zone that contributed the most to the annual variation in total exports is the European Union (EU-28), with 4.912 points. As regards imports, the zone with the greatest contribution is Europe, with 5.003 points.

Exports and imports by geographical destiny and origin

	Exports		Imports	
	Million euros	Contribution to annual rate (%)	Million euros	Contribution to annual rate (%)
WORLD	16,446.9	7.3	10,912.4	6.3
1. EUROPE	10,396.9	4.453	8,144.7	5.003
1.1 EU-28	8,779.5	4.912	7,418.7	4.802
1.1.1. Euro Area	6,490.2	3.818	5,589.2	4.864
1.2 Rest of Europe	1,617.4	-0.459	726.0	0.200
2. AMERICA	3,882.4	3.350	1,767.5	0.252
3. AFRICA	585.6	0.299	224.1	-0.131
4. ASIA	1,465.8	-1.014	711.5	1.132
5. OCEANIA	116.2	0.199	64.6	-0.001

Methodological note

The **International Trade Services Survey (ITSS)** that the INE presents for the first time in gross levels is compiled in the framework of the requirements established in (EU) Regulation No. 555/2012 of the EC of 22 June 2012, by which there is a modification of the European Parliament and Council Regulation (EC) No. 184/2005 regarding Community statistics on Balance of Payments, International Trade Services and Direct Foreign Investment.

The objective of the statistical operation is the collection of quarterly information of a sampling group of approximately 7,300 units residing in Spain (companies and other entities), referring to the value of their exports and imports of non-tourist services with non-resident units, by type of service as well as by geographical origin in the case of imports and by destination in the case of exports. The data obtained is used as a basic statistical source in the compilation of statistics regarding Balance of Payments and Spanish National Accounts.

The INE disseminates the information of this survey on a quarterly basis and with an annual periodicity will publish more detailed results not only of the export and import variables but also of the characteristics of the businesses involved in this type of international trade.

The quarterly ITSS presents information by levels of the exports and imports for the main types of Services, except tourism, in agreement with the *Extended Balance of Payments Services Classification (EBOPS-2010)*. Specifically, they refer to the following services: *Transformation of goods without transferring property, Maintenance and repair, Transport, Construction, Insurance and pensions (only premiums and auxiliary services, and contributions to pension funds), Financial, Intellectual Property, Telecommunications, computers and information, Business (broken down into R+D, Professional and management consulting and Technical, related with trade and other business services), Personal, cultural and leisure, and Government goods and services (not included in other consignments).*

Moreover, it provides information on exports and imports of non-tourist Services for the different geographical areas and counterpart countries. The breakdowns under consideration are as follows: Europe, considering the total European Union (EU-28), the Euro Zone (distinguishing Germany, Belgium, the Netherlands, France, Italy, Portugal and the rest of the Euro Zone), United Kingdom, Rest of EU-28 and Rest of Europe; America (broken down into North and Central America and South America), Africa, Asia and Oceania.

Lastly, it is worth noting that the information that is provided today supplements the information published each quarter by the Bank of Spain in its statistics on the Balance of Payments referring to the exchange of this type of services. The differences between these macroeconomic synthesis statistics and ITSS as basic company statistics, come from the incorporation to the Balance of Payments, and therefore in the Rest of the World Account of the Annual Accounts, of concepts not covered by ITSS that should be covered by other sources of information. The adjustments carried out by the Bank of Spain on the ITSS data as per the Balance of Payments of Services are the following: First, the estimation of the weight of operators with all their international operation of services below the 50,000-euro threshold. Second, the National Accounting estimates of freight services based on the data regarding foreign trade of goods in accordance with a correct FOB valuation of the transported goods; the estimation of the value of the insurance service (as ITSS only includes the gross premiums and compensations) and the estimation of illegal activities. Third, the incorporation to the financial estimation services by Bank of Spain of the financial intermediation services indirectly measured (FISIM). Finally, in the fourth place, the

inclusiveness of the collection of government services by way of collection of traditional EU own resources.

The quarterly publication of the ITSS definitely substitutes the Foreign Trade in Services Indices (FTSI) publication that the INE had published for the period 2008-2014, and which were calculated through the information provided by a panel of statistical units fixed on the base year of the index (2007).