

3 July 2012

Quarterly Spanish National Accounts. Base 2008
Quarterly Non-Financial Accounts for the institutional Sectors
First quarter of 2012

Main results

- In the first quarter of 2012, the savings rate for households and non-profit institutions serving households (NPISH) reaches a negative amount of 911 million euros. Taking mobile periods of the last four quarters as a reference, this rate stands at 10.8% of disposable income, seven tenths less than the previous period.
- The net lending of households and NPISH stands at 12,591 million euros, 4.8% of GDP.
- Non-financial corporations have net borrowing of 7,067 million euros, 2.7% of quarterly GDP.
- The General Government presents net borrowing of 14,646 million euros, 5.6% of quarterly GDP.
- Financial corporations have net lending of 5,974 million euros this quarter, 2.3% of GDP.
- Net borrowing of the economy as compared with the rest of the world is estimated at 14,196 million euros, accounting for 5.4% of quarterly GDP, eight tenths less than one year ago.

Households and Non-Profit Institutions Serving Households Sector

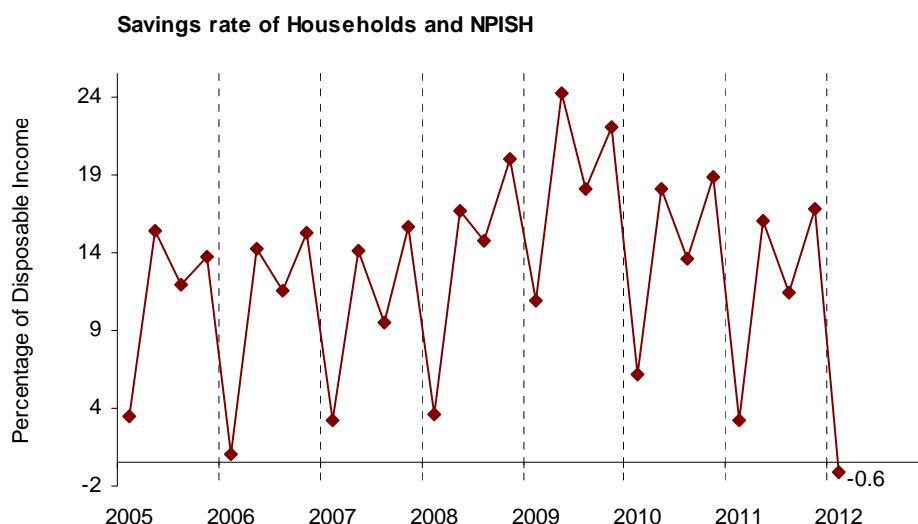
During the first quarter of 2012, disposable income for the Households and Non-Profit Institutions Serving Households Sector (NPISH) decreased 1.3%, reaching 165,838 million euros, an amount 2,195 million euros lower than the income estimated in the first quarter of the previous year.

This result originated from the decrease in the balance of primary income (1.8%), due to the fact that the 1.5% increase in the operating surplus and mixed income didn't compensate the decrease in remuneration of wage earners (3.2%) and the decrease in the net balance of income from property received (4.4%). This decrease in the balance of income from property (interest, dividends, etc.) was as a result of a smaller increase in income received (2.2%) than of that paid (12.6%).

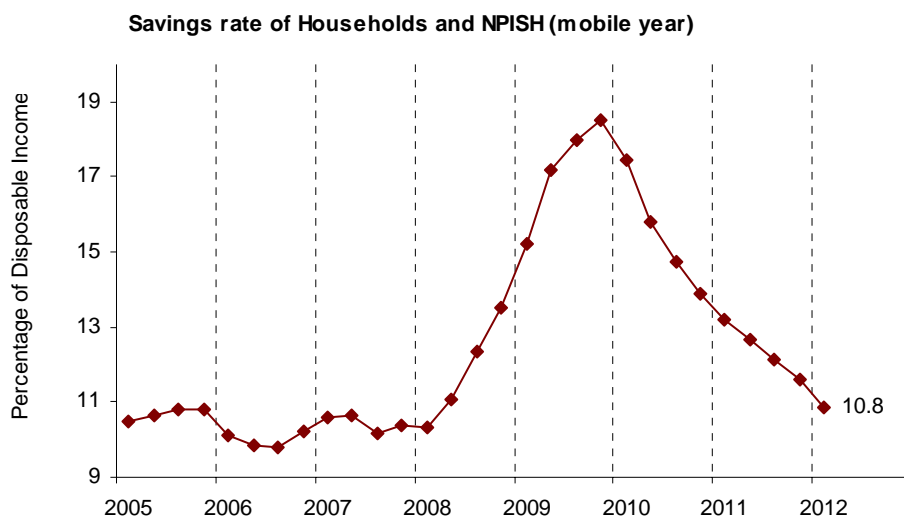
As far as secondary distribution of income is concerned, households received in this quarter from a greater volume of benefits than of social contributions paid (the former increased 3.6%, and the latter decreased 2.2%) and an increase of balance of current transfers received didn't compensate the increase of 5.8% in income tax, capital gains tax, etc. paid by households.

The joint consideration of all of the elements mentioned has determined that the interannual decrease of the disposable income of households stood at 1.3%, as previously stated.

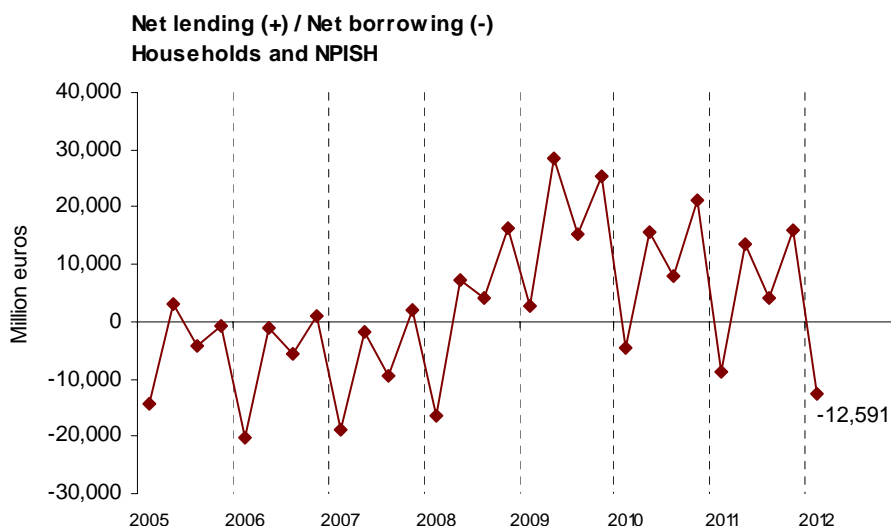
As regards the use of this disposable income, it was worth mentioning that final consumption expenditure by households and NPISH during this period increased 2.1%, with the result that savings decreased 5,473 million euros to reach 911 million euros as compared with the same quarter the previous year. The savings rate stood at -0.6% of disposable income, 3.3 points less than one year ago.



Taking **mobile periods of four quarters**, the period from the second quarter of 2011 to the first quarter of 2012 showed a savings rate for the sector that reached 10.8% of disposable income, seven tenths less than the previous mobile period.



On inspection of the capital account, a positive balance of 1,724 million euros, due to net capital transfers received, was not sufficient to finance the saving and investment volume of the sector. The latter reached 13,404 million euros in this quarter, 9.6% less than the same period of 2011. Thus, the sector generated a financial need of 12,591 million euros (4.8% of quarterly GDP).



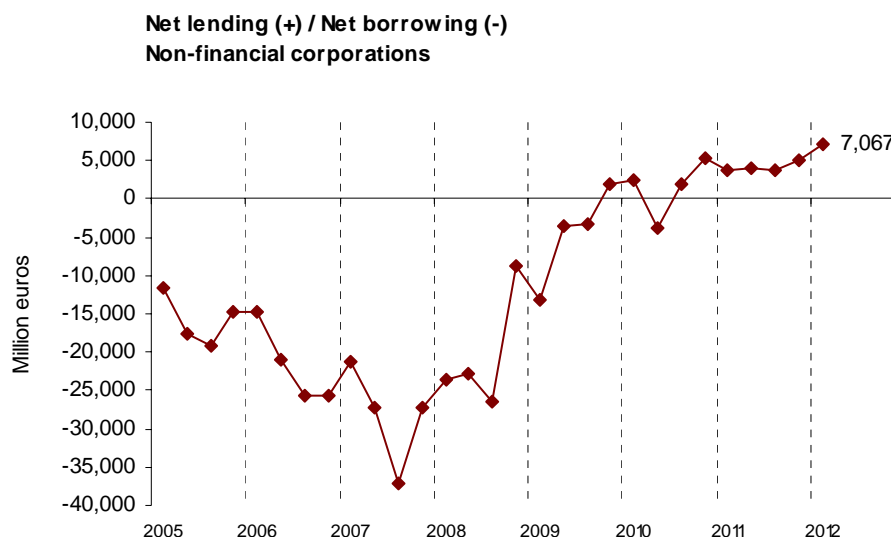
Non-Financial Corporations Sector

During the first quarter of 2012, non-financial corporations experienced an interannual increase of 9.0% in disposable income.

This performance was explained by the 8.0% interannual increase in the balance for primary income, as a result of a greater growth in the operating surplus of the sector (8.5%) that compensated the increase in net property income paid (9.7%). Moreover, corporate tax paid by the sector decreased 68.7%.

In absolute terms, disposable income for the sector reached 36,853 million euros during the reference quarter.

This amount, linked to the positive balance of 3,036 million in transfers of net capital received, was not sufficient to finance the total investment volume of the sector (32,822 million euros). Consequently, net borrowing of 7,067 millions was estimated, a figure involving 2.7% of quarterly GDP.



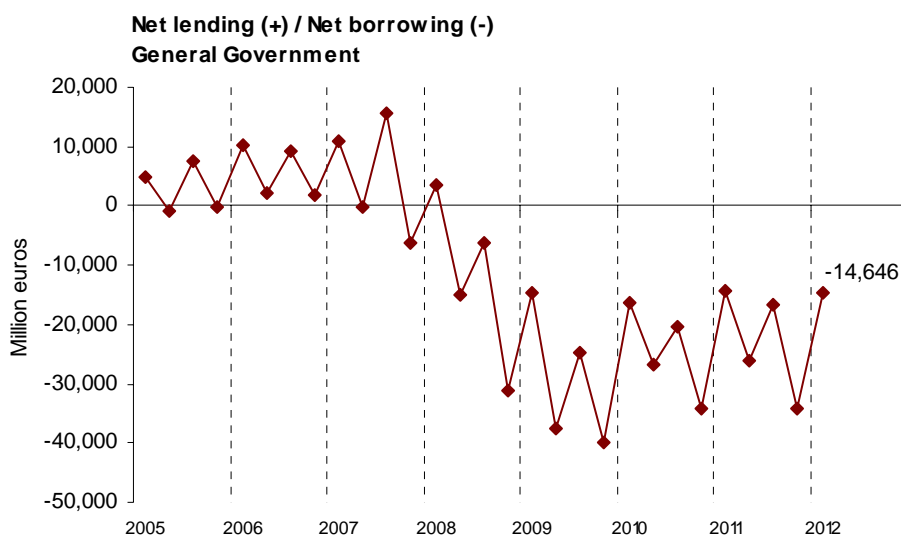
General Government Sector

In the first quarter of 2012, General Government decreased disposable income by 11.3% interannually, reaching 39,258 million euros.

This result was mainly due to the increase in net property income (39.2%) and social benefits in (4.2%) paid by the General Government. In addition, the net taxes received by the sector decreased 2.2%. In fact, taxes from income and wealth increased 3.0% (633 million euros more) but, even so, did not compensate the decrease of 6.3% of the net taxes linked to production (1,655 million less). Nevertheless, contributions received by the sector decreased 2.5%, as compared with the same period previous year.

Although the final consumption expense of General Government decreased 5.1%, the savings stood its absolute value at -5,584 million of euros (2,583 million less than the first quarter of 2011).

These savings, linked to the net balance of capital transfers of 3,928 million euros and an investment from the General Government of 5,134 million euros in this first quarter gives rise to net borrowing of 14,646 million euros, 5.6% of quarterly GDP (one tenth more than one year ago).

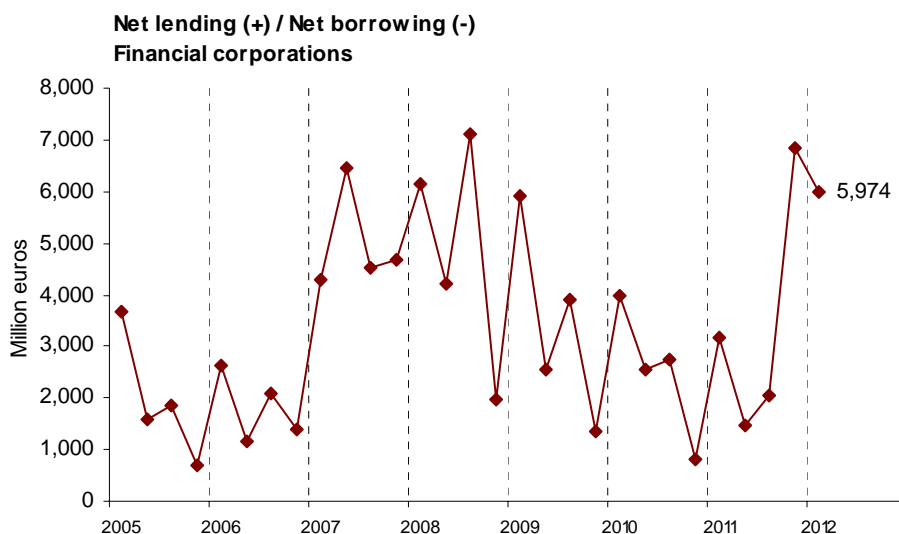


Financial Institutions Sector

In the first quarter of 2012, disposable income for the financial institutions sector increased 61.0%, as compared with the same period the previous year, standing at 8,467 million euros.

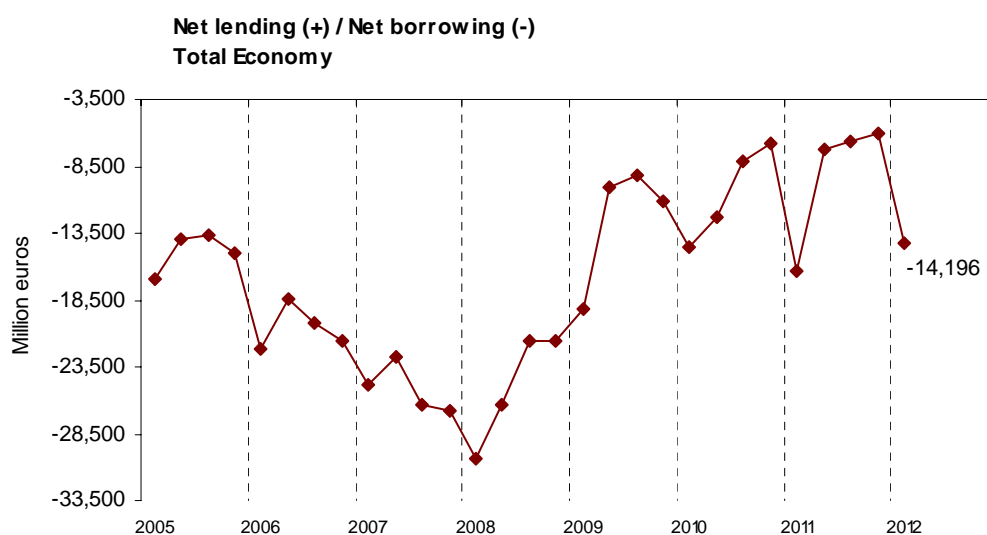
Although the operating surplus increased 17.9%, the net balance of income from property received (which increased 2,170 million euros) was the main cause of the disposable income increase of the sector.

This disposable income, reduced by a negative balance of 166 million in capital transfers, was enough to finance the investment made by the sector (2,585 million euros, 11.1% higher than for the same quarter the previous year), and so that financial institutions obtained net lending of 5,974 million during this period, 2.3% of GDP, 1.1 more than one year ago.



National Economy

As a result of the actions of all institutional sectors, the national economy presented net borrowing of 14,196 million euros against the rest of the world during the first quarter of the year (2,102million more than estimated for the same period of 2011). This figure represented 5.4% of GDP, eight tenths less than the first quarter of the previous year.



The decrease in net borrowing of the Spanish economy was explained, mainly, by the behaviour of the balance of foreign exchanges of goods and services, which decreased 4,118 million euros, due to both an exports increase (4.5%) and an imports decrease (0.9%).

This increase in foreign exchanges of goods and services was reduced by the balance of income and current transfers and of capital, which net payments to exterior increase 2,016 million euros.

Further information

The results for the period since the first quarter of 2000 to the first quarter of 2012 are available on the INE web page (http://www.ine.es/en/welcome_en.htm).

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