

**Quarterly Spanish National Accounts. Base 2000**  
**Quarterly Non-Financial Accounts for the Institutional Sectors**  
**Third quarter of 2007**

**Main results**

- In the third quarter of 2007, the savings rate for households and non-profit institutions serving households (NPISH) reaches 4.8% of their disposable income. Considering mobile periods of the last four quarters as a reference, this rate stands at 9.9% of disposable income, three tenths less than the previous period.
- The financing need of households and NPISH during the third quarter reaches 17,170 million euros, 6.8% of GDP.
- Non-financial corporations have financing needs of 32,931 million euros, 13.1% of quarterly GDP. This rate is 3.2 points above that estimated for the same quarter of the previous year.
- The Public Administrations present a financing capacity of 21,205 million euros, 8.5% of quarterly GDP.
- Financial institutions have a financing capacity of 4,028 million euros in this quarter, 1.6% of GDP.
- The financing needs of the economy versus the rest of the world are estimated at 24,868 million euros, 9.9% of GDP for the quarter, one point higher than one year ago.

### Households and Non-profit Institutions Serving Households Sector

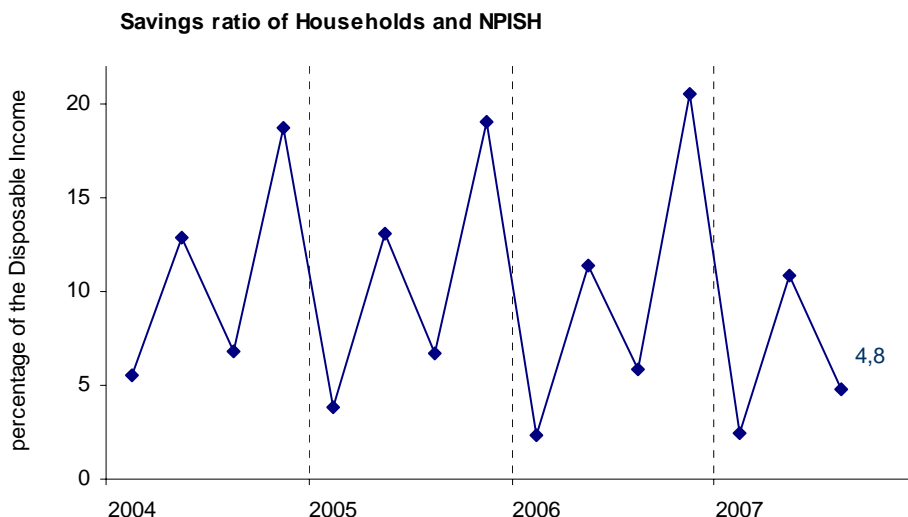
During the third quarter of 2007, disposable income for the Households and Non-profit Institutions Serving Households Sector (NPISH) increased 3.8% as compared with the same quarter of the previous year, which in absolute terms amounted to 5,714 million euros more.

The increase in the balance of primary income (6.5%) contributed significantly to this result, and was noticeably influenced by the growth in both operating surplus and mixed income (7.8%) and employee remuneration (7.2%). In turn, net property income (interests, dividends, etc.) received by households decreased 9.3% (received income grew 7.7% and paid income, 35.8%).

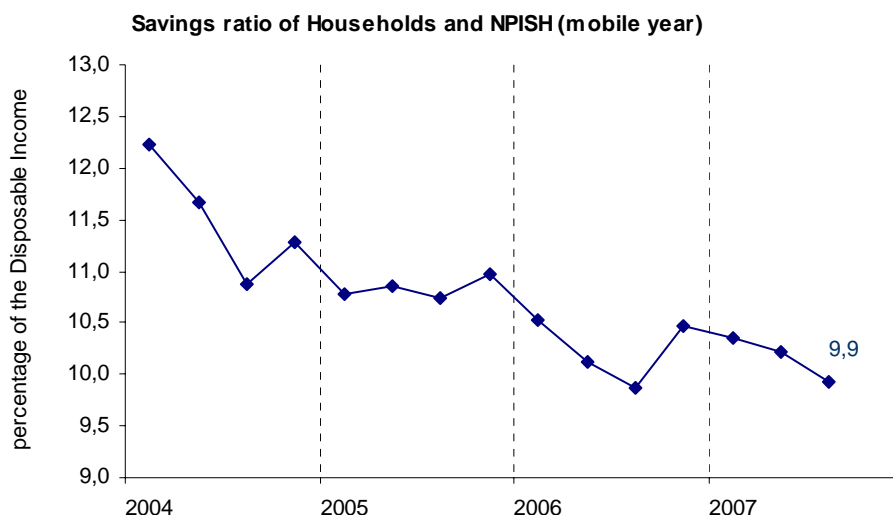
In addition, disposable income for households was affected by higher taxes levied on income and capital gains paid this quarter (21.4%) as well as by an increase in the volume of paid social contributions (those paid increased 6.8% and those received increased 3.8%). Lastly, the volume of net current transfers paid by households decreased 6.6% (those received increased 5.4% and those paid increased 7.6%)

In absolute terms, the disposable income of the sector was estimated at 157,638 million euros in this third quarter.

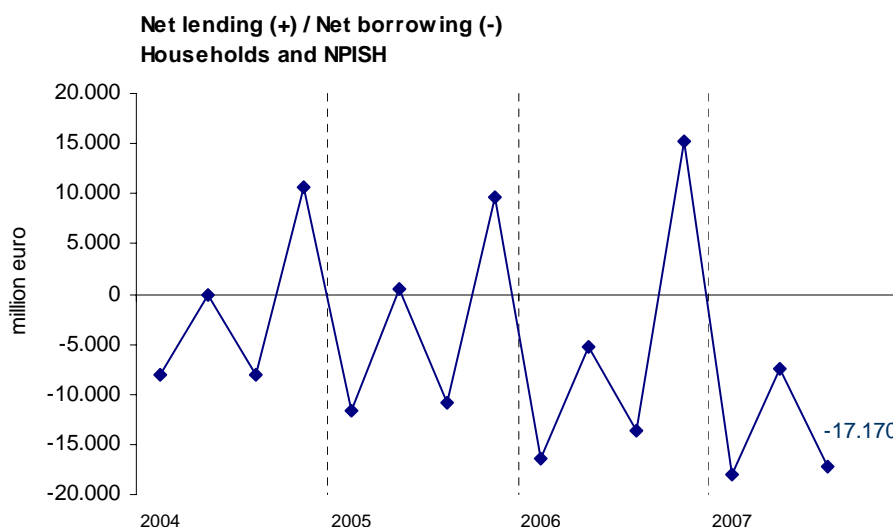
Regarding the use of said disposable income, the largest increase in household and NPISH final consumption expenditure during the period (5.1%) as well as the participation of the households in pension funds, which has multiplied by five as compared with the previous year, has provoked a decrease in the level of savings, the total value of which reached 7,532 million euros this quarter. The savings rate was therefore 4.8% of disposable income, one point lower than one year ago.



Considering mobile periods of four quarters, the last period (from the fourth quarter of 2006 to the third quarter of 2007) showed a savings rate for the sector still descending and reached 9.9% of disposable income, three tenths less than the previous mobile period, as can be observed in the following graph:



Considering the capital account, the savings generated by households and NPISH, together with a positive balance of almost 300 million euros due to net capital transfers received, was not sufficient to finance the considerable volume of investment made by the sector, which reached 24,994 million euros in this quarter, 4.5% more than during the same period of 2006. In this way and as a result, households and NPISH showed financing needs of 17,170 million euros (6.8% of GDP for the quarter).



### Non-financial Corporations Sector

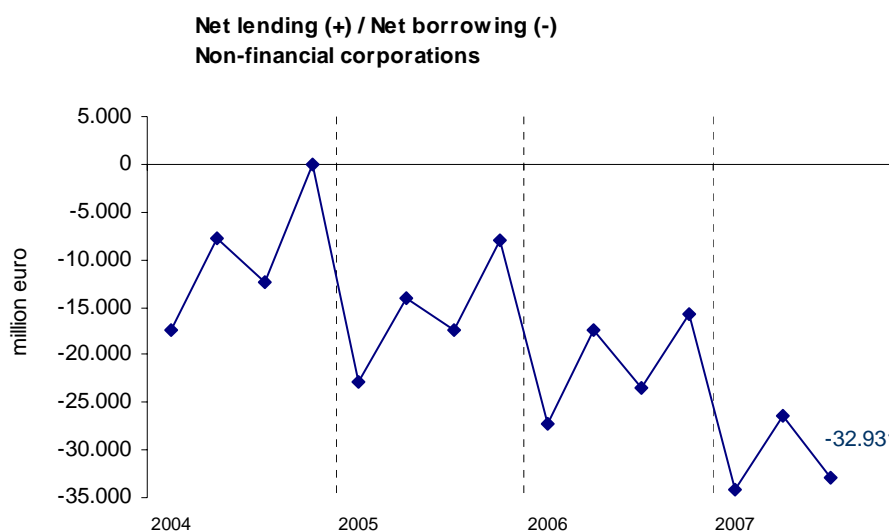
During the third quarter of 2007, non-financial corporations experienced an interannual decrease of disposable income, estimated at -69.1%.

Nevertheless, the balance for primary income registered a 1.9% increase as a result of the increase in its gross operating surplus (8.8%), partially attenuated by a greater negative balance of net property income received by the sector than that of the same quarter from the previous year (by 21.9%).

In addition, the balance of primary income was reduced by the noteworthy increase in the corporations tax (44.1%) paid by the sector during this quarter, with the consequence of a decrease of 69.1% in disposable income as compared with the same period of the previous year.

In absolute terms, the disposable income of the Non-Financial Corporate Enterprises sector reached 2,817 million euros in this third quarter.

This amount, linked to the positive balance of 1,833 million transfers of net capital received, was not sufficient to finance the notable increase (10.2%) over one year ago in the total investment volume of the sector (which reached 37,581 million); therefore non-financial corporations generated a financing need of 32,931 million euros. This figure accounted for 13.1% of quarterly GDP and was 3.2 points higher than that registered one year ago.



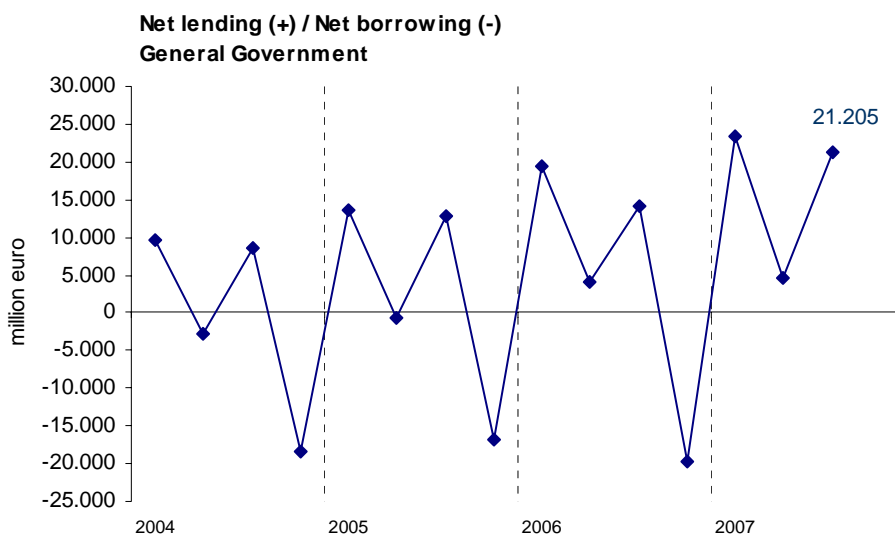
## Public Administration Sector

In the third quarter of 2007, Public Administrations increased their disposable income by 17.8%, reaching 72,493 million euros. This was mainly due to the interannual increase in net taxes (14.7%). Nonetheless, among these, those linked to production and imports decreased (6.6%) whereas those related to income and wealth increased 28.6%. On the other hand, net property income received by the Public Administrations indicated a less negative pattern.

Likewise, the higher interannual growth of social benefits received (7.6%) than that of contributions paid (5.6%), as well as the reduction in net current transfers paid to the remaining sectors, contributed positively to the aforementioned increase in disposable income.

Conversely, Public Administration final consumption expenditure increased 8.8% during the period, by which the sector generated savings which reached an absolute value of 29,997 million euros, 33.4% more than in the third quarter of 2006.

This savings, reduced by 1,321 million euros due to the negative balance of transfers of capital received, allowed for the complete financing of the entire volume of Public Administration investment during this quarter, obtaining as a result the financing capacity estimated at 21,205 million euros, 8.5% of quarterly GDP.

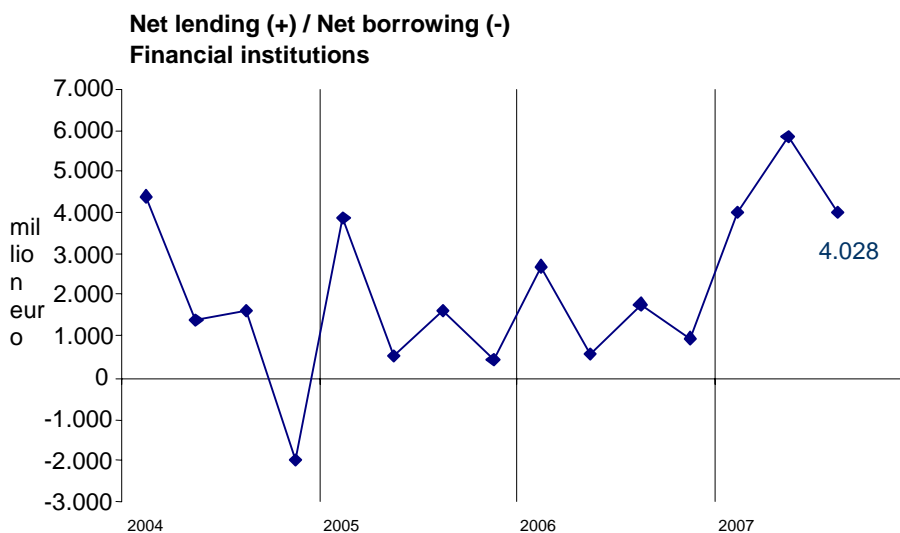


### Financial Institutions Sector

In the third quarter of 2007, disposable income for the financial institutions sector increased very significantly (78%) to stand at 5,757 million euros.

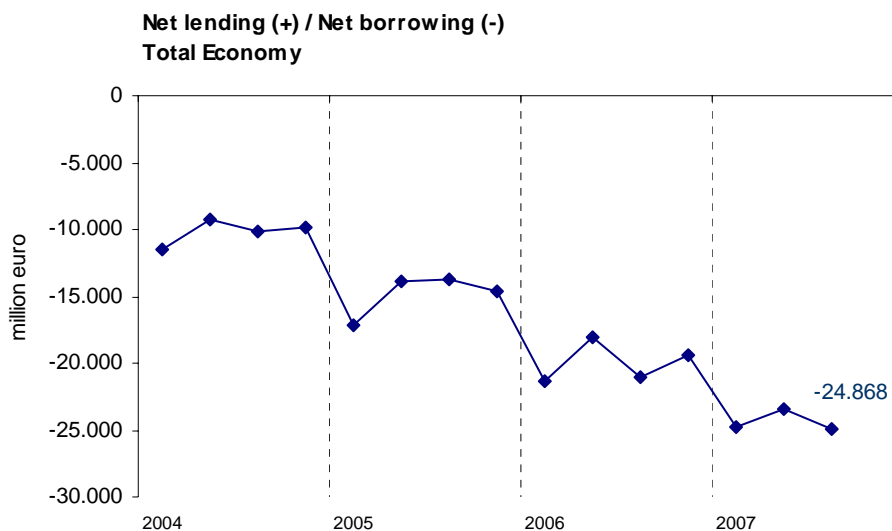
This result was essentially due to the remarkable increase in net property income, in which received revenue grew 40.8% and paid revenue grew 35%, as well as the decrease in the amount of income taxes and corporations taxes paid by the sector (-12.2%)..

The disposable income for the sector, slightly reduced both by the adjustment for household participation in pension funds (383 million) and by the negative balance of 189 million in transfers of capital received, was sufficient to finance the volume of investment made by the sector, reaching 1,157 million euros. As a result, financial institutions showed a financing capacity of 4,028 million euros during this period, 1.6% of GDP, eight tenths higher than exactly one year ago.



## National Economy

In the third quarter of 2007 and as a result of the action of all institutional sectors, the national economy showed a financing need against the rest of the world of 24,868 million euros (3,807 million euros more than that of the third quarter of 2006). This figure represented 9.9% of quarterly GDP, one point higher than that estimated for the same period of the previous year.



From the perspective of the rest of the world, the greater financing need of the Spanish economy had a dual origin. On the one hand, poorer performance, both in the foreign balance of goods and services with the rest of the world, which was 6.7% more negative as compared with the figure from one year before (828 million euros), to stand at -13,176 million euros. On the other hand was the greater negative balance of the balance of income and current and capital transfers (2,979 million euros), which reached -11,692 million euros this quarter.

**The results for the period from the first quarter of 2000 to the third quarter of 2007 are available on the INE website ([www.ine.es](http://www.ine.es)).**

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

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For further information see [INEbase-www.ine.es/en/welcome\\_en.htm](http://INEbase-www.ine.es/en/welcome_en.htm) 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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