

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

In the fourth quarter of 2013, the net lending of the national economy, as compared with the rest of the world, is estimated at 7,815 million euros

In 2013 the national economy accumulated net lending for the first time since 1998, with 15,653 million (1.5% of the GDP)

The savings rate for households and non-profit institutions serving households (NPISH) stands at 14.5% of their disposable income, representing 1.1 points below that registered in the same quarter 2012

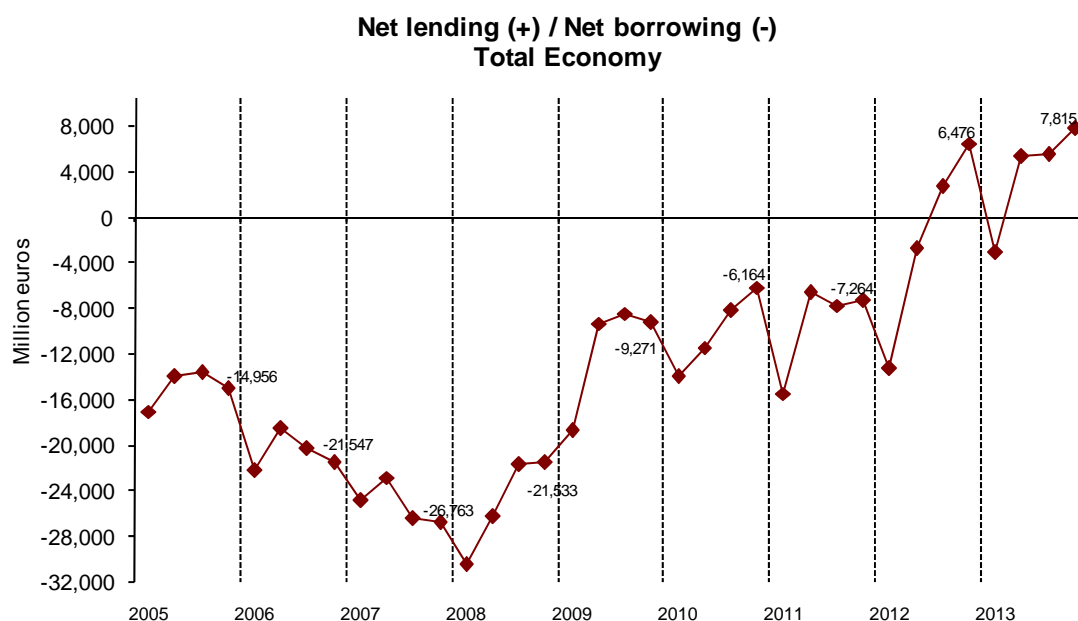
In 2013, the savings rate for households and non-profit institutions serving households stands at 10.4% of their disposable income

National Economy

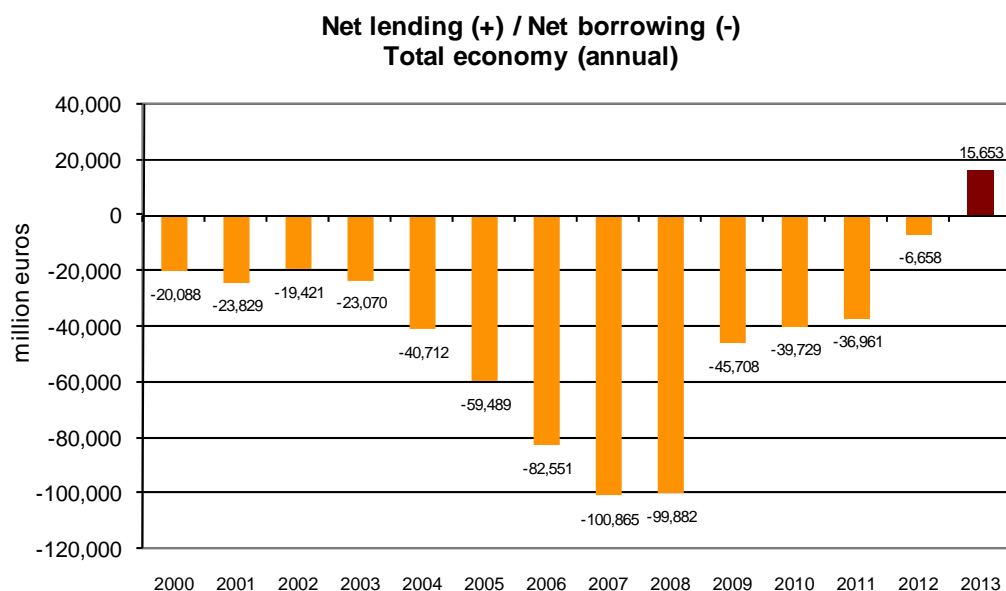
As a result of the actions of all institutional sectors¹, the national economy presented a net lending of 7,815 million euros, as compared with the rest of the world, during the fourth quarter of 2013, representing 3.0% of GDP for said period. This figure exceeded by 1,339 million euros that estimated for the same quarter of the previous year (6,476 millions, that is 2.5% of the GDP)

This improvement of the financing capacity of the Spanish economy was due to an improvement in the income balance and current transfers with the rest of the world (954 million euros) and the balance in capital transfers (804 million euros) as compared with the same quarter of 2012. In turn, imports and exports of goods and services increased by 418 and 420 million respectively, 0.5% in each case, with a balance that remained mainly unchanged.

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



All considered, 2013 is the first year since 1998 and the first year within the homogeneous series available (base 2008) in which the national economy accumulated net lending (15,653 million euros, 1.5% of the GDP). In 2012, the economy registered net borrowing of 6,658 million euros (0.6% of GDP).



The changes on the dependence on external funding of the economy between 2012 and 2013 (from a net borrowing of 6,658 million euros to a net lending of 15,653 million) is due to an improvement of foreign exchanges of goods and services with the rest of the world (17,056 million euros) and despite the decrease of the income balance and current and capital transfers (2,651 million euros).

The following table shows the breakdown by institutional sector of the net lending and net borrowing of the national economy in 2012 and 2013:

Net Lending (+) / Net Borrowing (-)

Institutional Sector	2012	2013	Difference
Households and NPISH	24.996	25.219	223
General Government	-109.295	-72.239	37.056
General Government excluding Transfers to Financial Corporations	-70.227	-67.578	2.649
Financial Corporations	66.078	18.733	-47.345
Non-financial Corporations	11.563	43.940	32.377
Total	-6.658	15.653	22.311

Households and Non-profit Institution Serving Households Sector

During the fourth quarter 2013, gross disposable income for the households and non-profit Institutions serving households (NPISH) sector increased up to 179,060 million euros, 0.3% more than in the same quarter of 2012.

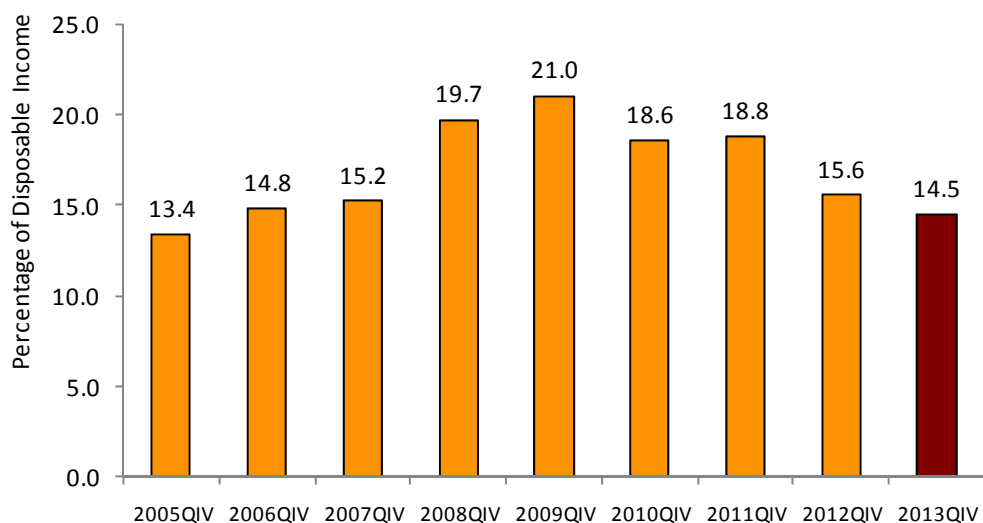
This increase was due to a rise of 0.8% in the balance of gross primary income of the sector, which was produced despite the decrease of 1.1% registered in the gross operating surplus and the gross mixed income. This reduction was offset by an increase of 0.9% in the employees remuneration, and also by an improvement of 13.9% in the net balance of property income received by households and NPISH (interests, dividends, etc.).

As far as the secondary distribution of income was concerned, in the fourth quarter 2013, the net volume of benefits received by households and the net amount of social contributions paid registered an increase of 0.2% and 0.6%, respectively, as compared with the same quarter of 2012. Likewise, the net balance of current transfers received increased by 7.6%. Lastly, income taxes and property taxes paid by households increased 4.4%.

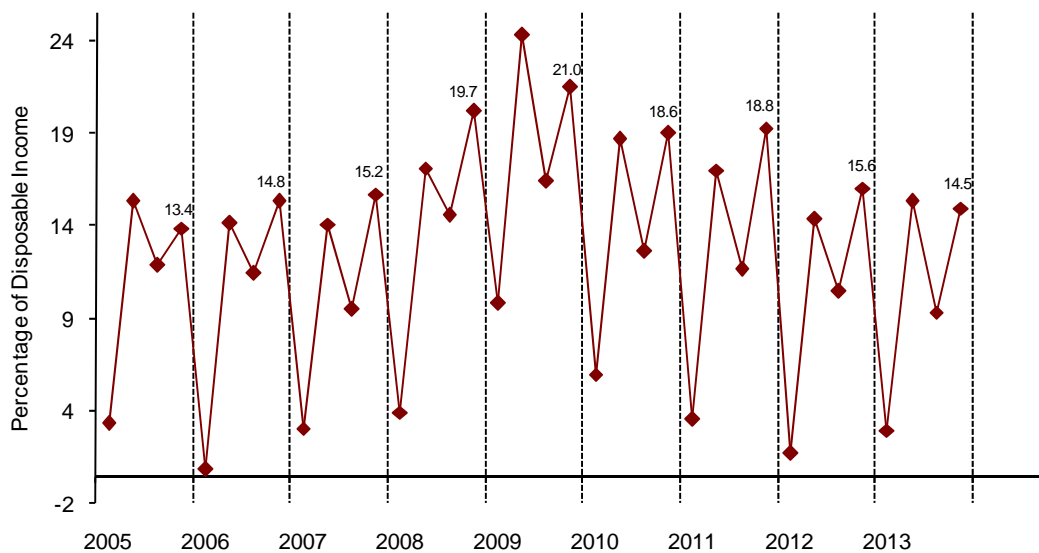
Regarding the use of disposable income, final consumption expenditure of households and NPISH was estimated at 152,964 million euros in the fourth quarter 2013, that is, 1.4% more than the same period of 2012. As a consequence, the savings decreased 6.7%, as compared with the previous year (25,943 million euros).

In this way, the savings rate of household and NPISH dropped by 14.5% in their disposable income, which was the lowest rate registered in a fourth quarter since 2005.

Evolution of the saving rates of Households and NPISH in the fourth quarter

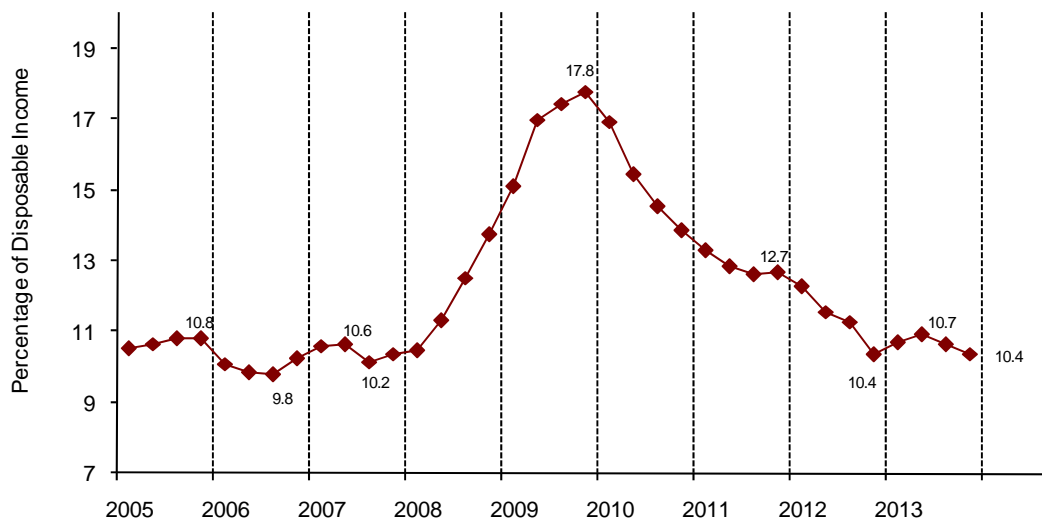


Savings rate of Households and NPISH



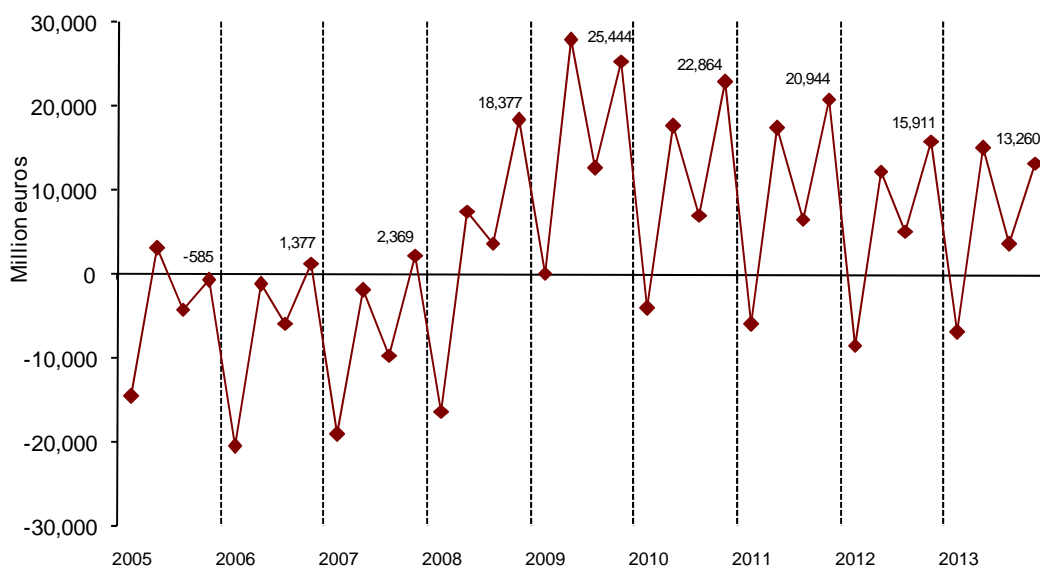
On calculating the savings rates for the households and NPISH sector, referring to mobile periods of fourth quarters, the savings rate for the sector registered a decrease, as compared with the previous quarter, and stood in the same level as that of the fourth quarter 2012. Specifically, it dropped 0.3 points in the last quarter, standing at 10.4% 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 12,310 million euros in the fourth quarter, 0.1% more than in the same period of 2012. The savings generated by the sector were enough in order to finance said investment and to compensate for the negative balance of net capital transfers received (-373 million). In this way, the sector presented a net lending of 13.260 million euros in the fourth quarter of the year, this figure being less than the 15,911 million euros recorded in the same quarter of 2012.

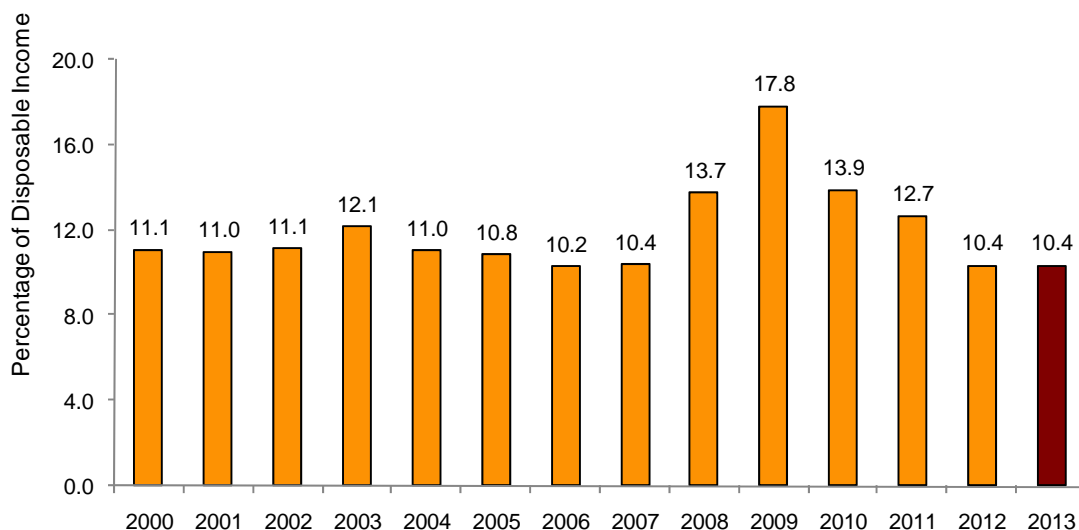
Net lending (+) / Net borrowing (-) Households and NPISH



In 2013, households and non-profit institutions serving households maintained the savings rate unchanged, as compared with 2012, standing at 10.4% of its disposable income. Said

evolution was due to the decrease of 0.7% recorded in final consumption expenditure and in disposable income.

Evolution of the annual saving rates of Households and NPISH

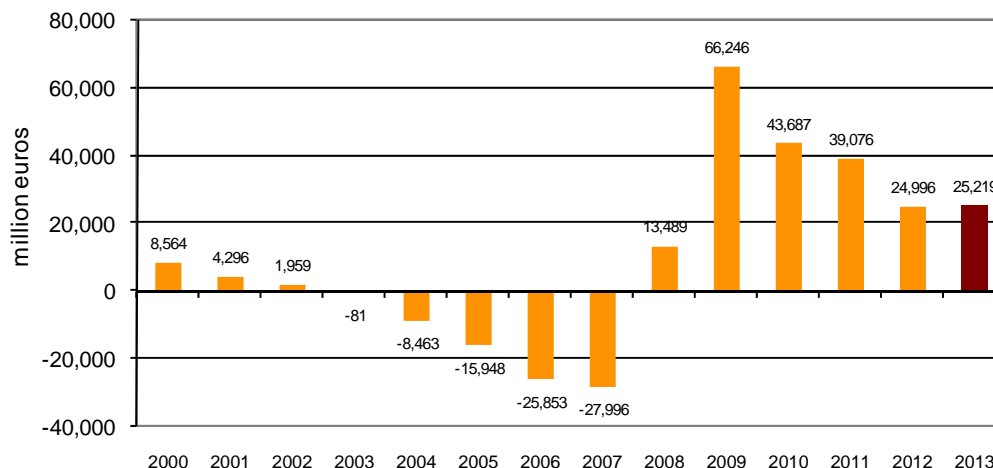


In the analysis of the annual evolution of the different resources of households income, the balance of primary income decreased by 1.6%, as a consequence of the drop in the employees income (3.5%). This drop was offset by the increase in the net balance of property income received (those received registered a slighter decrease of 6.5%, as compared with those paid, which decreased by 22.6%), by the operating surplus and by the mixed income (-1.8%).

The savings generated by households and non-profit institutions reached 70,146 million euros in 2013. This savings, together with 891 million euros that corresponded to the net income of capital transfers received, was enough to financing the investment volume of the sector, which was estimated in 45,818, that is 5% less than in 2012.

In this way, households and non-financial institutions presented a net lending of 25,219 million euros all over the last year.

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



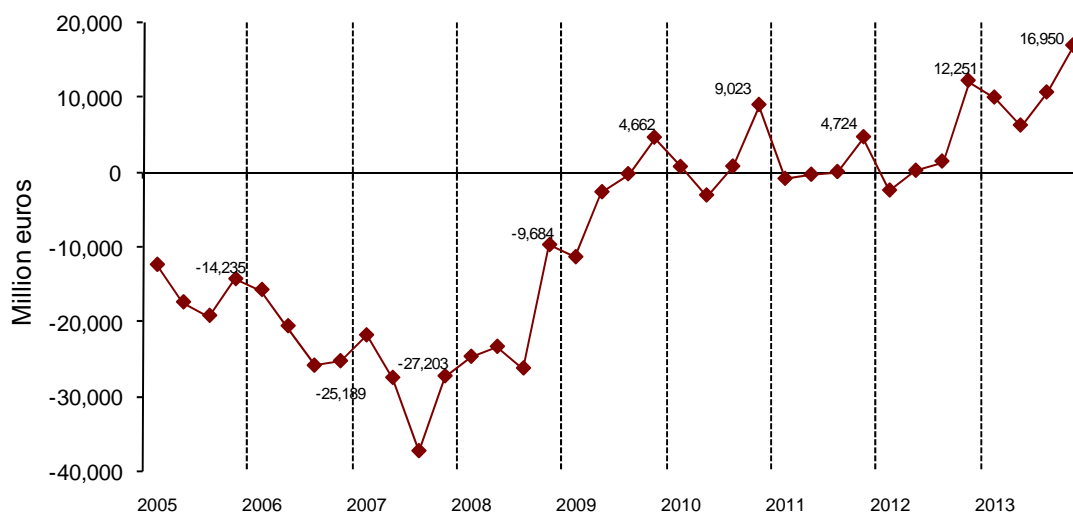
Non-financial Corporations Sector

Gross disposable income of non-financial corporations experienced an increase of 7.8% in the fourth quarter, with regard to the same period in 2012, reaching 41,647 million euros.

This behaviour was firstly explained by the 6.3% increase in the balance of gross primary income (resulting from an increase of 29.8% in the net balance of property income received, which compensates the decrease of 0.4% in the gross operating surplus); secondly, it was explained by the smaller amount paid for corporate taxes (4.1% less than for the same period in 2012).

The disposable income of the corporations, together with the positive balance of 1,716 million euros corresponding to net capital transfers received, was enough to financing the investment volume of the sector, which reached 26,413 million (8.4% less than in the same quarter the previous year). As a result, net lending was estimated at 16,950 million euros for the sector, 4,699 million euros more than for the same period the previous year.

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

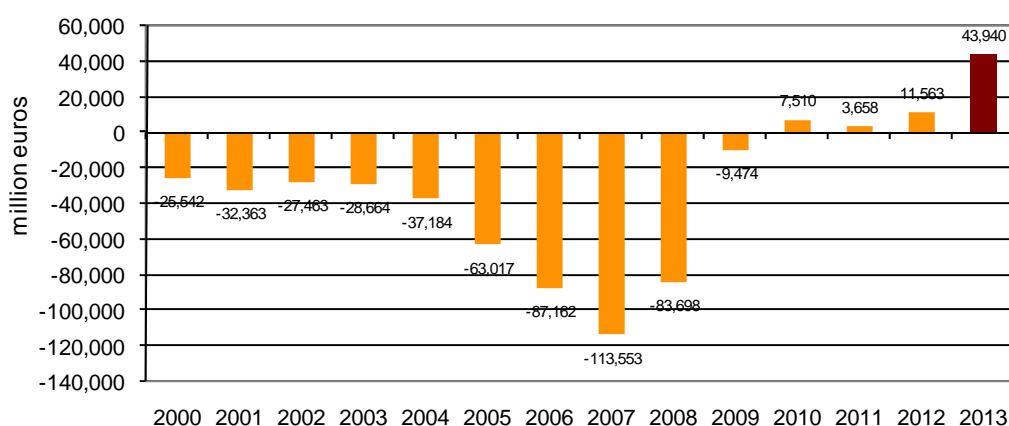


In 2013, the disposable income for the sector increased by 18.1%. The 3.6% increase of the operating surplus, the decrease of the net income of property paid (15,216 million less than in 2012) and less quantity paid as corporate tax (5.2% less than in 2012) were only partly offset by a greater amount of net current transfer paid (1.6%).

This result, together with the net balance of capital transfers received, was enough to financing the net investment volume of the sector (7.8% less than in 2012) and to obtain a net lending of 43,940 million euros.

Net lending (+) / Net borrowing (-)

Non-financial corporation



Public Administration Sector

In the fourth quarter of 2013, Public Administrations increased their gross disposable income by 0.9% as compared with the same period of 2012, reaching the figure of 38,478 million euros.

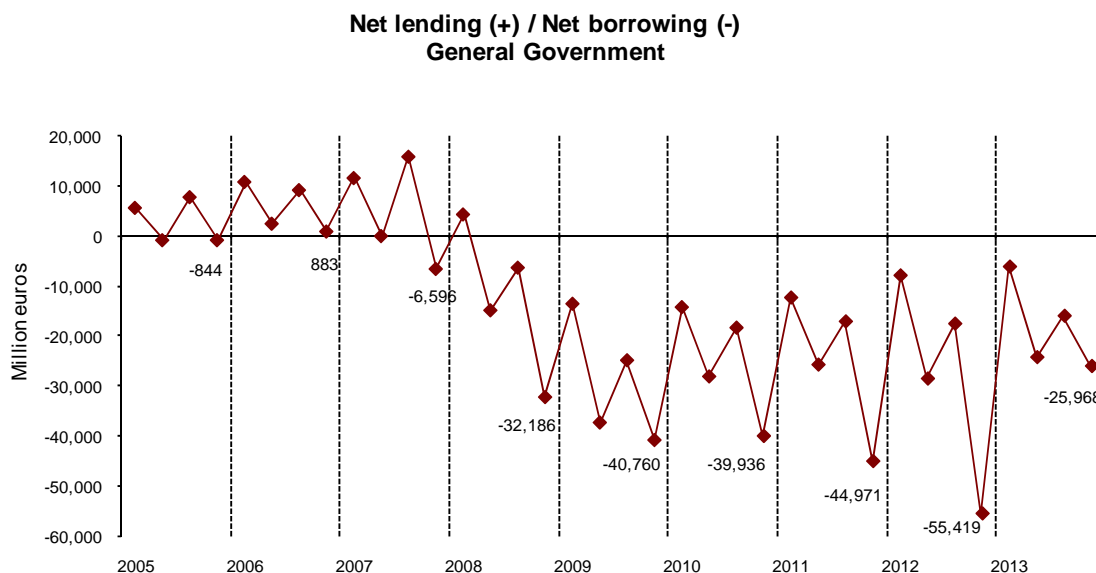
This result is explained by the 2.0% growth of the net taxes received by the sector, as well as the 1.1% decrease in social benefits paid, which compensated the decrease in social contributions received (0.4% less) and the higher net income from property paid (39.1% more).

The growth of net taxes collected by the Public Administration was a consequence of the increase in the collection for each type of tax: 3.6% more in net taxes on production and imports and 1.1% more in taxes on income and property.

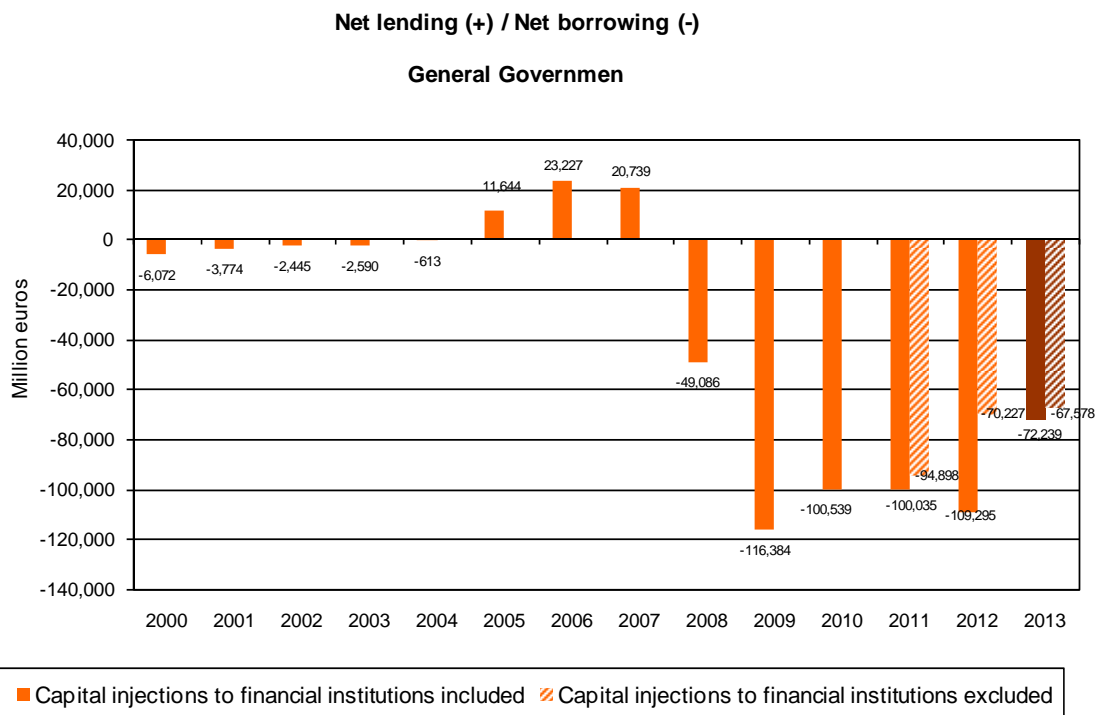
On the other hand, the final consumption expenditure by Public Administrations decreased 0.4%. Consequently, the saving in this sector registered a reduction of 584 million in its negative amount, as compared with the -21,621 million euros registered in the fourth quarter of 2012.

This result, together with the net balance of capital transfers paid (473 million euros) and the investment of Public Administrations (3,874 millions) in this quarter, determined the net borrowing of this sector (25,968 million euros). The Aid for Financial Corporations, in the

framework of the restructuring of the finance sector, increased to 443 million this quarter. Therefore, net borrowing of Public Administrations (without taking into account the expenses registered as aid for Financial Corporations) reached 25,525 million euros.



In 2013, Public Administrations registered a net borrowing of 72,239 million euros, a figure that goes down to 67,578 if the aid to Financial Corporations is excluded (4,661 million).



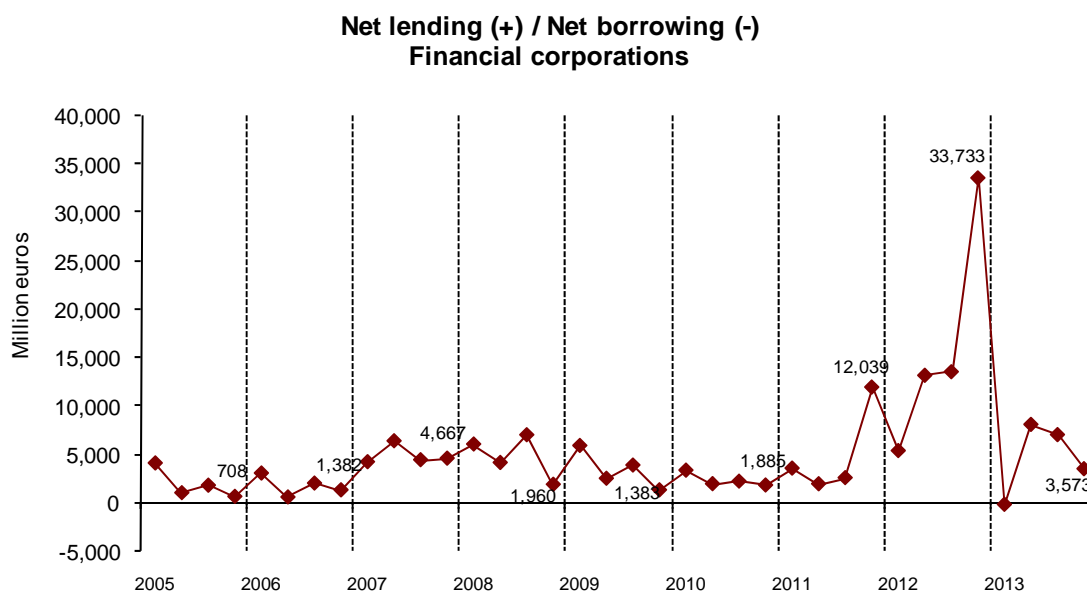
The decrease in the net borrowing of Public Administrations in 2013 took place despite the reduction of the disposable income (3.6% less than in 2012) and was determined by the decrease in both net capital transfers received (85%), and investment (16.2%), as well as final consumption expenditure (1.0%), as compared with 2012. The lower disposable income was a result of higher net property income paid (15.2%), social benefits which were higher than social contributions received and a net increase in the rest of current transfers paid by the sector, all of which does not compensate the increase in net tax income (2.2%).

Financial Corporations Sector

In the fourth quarter of 2013, gross disposable income for the financial corporations sector decreased 37.7%, as compared with the same period of the previous year, standing at 5,322 million euros.

This result was due both to the decrease in gross operating surplus (-34.0%), and to the fall in net property income received (-31.2%). In turn, the amount of corporate tax paid by said sector registered a 21.9% decrease.

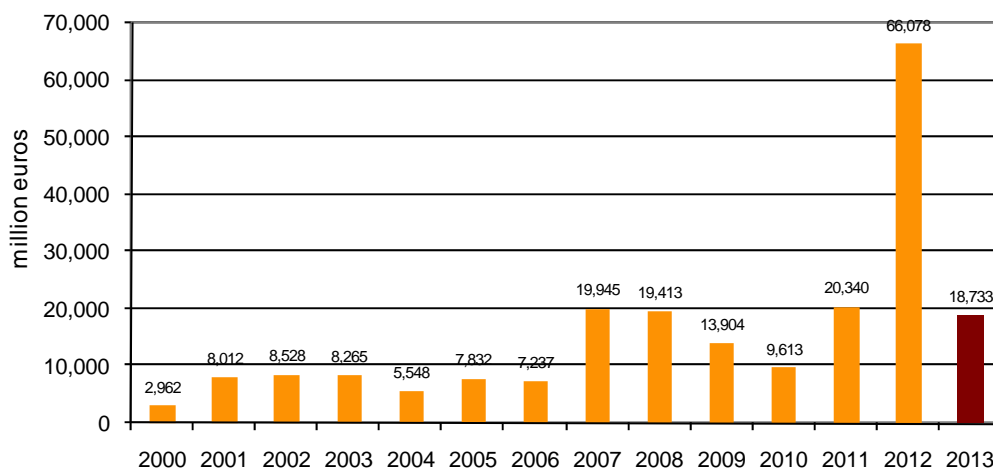
The gross disposable income generated this quarter, together with the net capital transfers received (436 million euros) and an investment of 2,338 million euros, has led to financial corporations obtaining a net lending of 3,573 millions in the fourth quarter of 2013.



In 2013, financial corporations presented a net lending of 18,733 million euros, a figure that includes aids to financial corporations.

Net lending (+) / Net borrowing (-)

Financial corporation



Further information

The Quarterly Non-financial Accounts for the Institutional Sectors 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, which are part of the *Spanish National Accounts*.

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