

April 30 2020

Quarterly National Accounts of Spain: main aggregates First Quarter of 2019. Preview

Results preview in the context of the Covid-19 crisis

This results preview is prepared using the information currently available on the economic evolution of the first quarter of 2020. Most of the statistical indicators on recent economic developments offer results through the second month of this year (February). The situation caused by COVID-19 in Spain, and the impact of the measures adopted since March to protect the population's health, create extraordinary difficulties in measuring economic evolution for the entire quarter.

In the case of this results preview for the *Quarterly National Accounts of Spain: main aggregates*, to meet the new statistical challenges, the INE has adapted the estimation methods for the quarterly economic aggregates by incorporating additional sources available for all months of the quarter, which have complemented those normally used, along with advanced estimates of indicators based on administrative data, in line with the recommendations of Eurostat and other international statistical agencies¹.

Aware of the importance of providing users with statistical measurements of the current economic and social reality, the INE, like the rest of the national statistical offices of the EU Member States and Eurostat, has held firm to its commitment to continue with the previously announced calendar for publication of the statistical operations that compromise the Spanish National Accounts. The various implications that the limitations on people's movement and on some economic activities during the second half of March may have had on the quality and availability of many data sources used in the compilation of national accounts, and the difficulty inherent in the statistical measurement of a situational change of such magnitude, suggest that future revisions of the results published today may be of a greater magnitude than usual.

Likewise, the situation provoked by COVID-19 may make the analysis of certain variables more relevant than at previous times. This is the case for hours actually worked, when measuring the evolution of employment. This variable, compared to *full-time equivalent jobs*, most clearly reflects the effects on employment caused by the COVID-19 outbreak and the measures subsequently adopted. Equivalent jobs are affected by both the variation in hours worked and by the average working time, making their interpretation in this exceptional situation less direct.

¹ Technical note on sources and methods incorporated in the preview of the Spanish Quarterly National Accounts: main aggregates for the 1st quarter of 2020.

Main Results

- The Spanish GDP registered a variation of -5.2% in the first quarter of 2020 with respect to the previous quarter in terms of volume. This rate was 5.6 points lower than that recorded for the fourth quarter.
- Year-on-year GDP variation of GDP stood at -4.1% , compared with 1.8% in the previous quarter.
- The contribution of domestic demand to the year-on-year GDP variation was -4.1% percentage points, 5.6 points lower than that of the fourth quarter. On the other hand, the external demand registered a contribution of 0.2 points, three tenths lower than in the previous quarter.
- The implicit GDP deflator increased by 1.3% compared to the same quarter in 2019, four tenths less than in the previous quarter.
- Employment in the economy, in terms of hours worked, registered a variation of -5.0% compared to the previous quarter. This rate is less than that of full-time equivalent jobs (-1.9% , which is 2.8 points less than in the fourth quarter) due to the reduction observed in average full-time hours (-3.1%).
- In year-on-year terms, hours worked decreased by -4.2% , a rate 5.6 points lower than that of the fourth quarter of 2019. On the other hand, equivalent time jobs show a variation of -0.6% , 2.6 points less than in the fourth quarter, which represents a decrease of 102 thousand full-time equivalent jobs in a year.
- The year-on-year variation of the unit labour cost stood at 5.8% this quarter.

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

The *Gross Domestic Product* (GDP) generated by the Spanish economy, measured in terms of chain-linked volume with reference to 2015, registered a quarter-on-quarter variation of -5.2% in the first quarter of 2020². This rate is 5.6 points lower than that recorded for the fourth quarter.

Gross Domestic Product

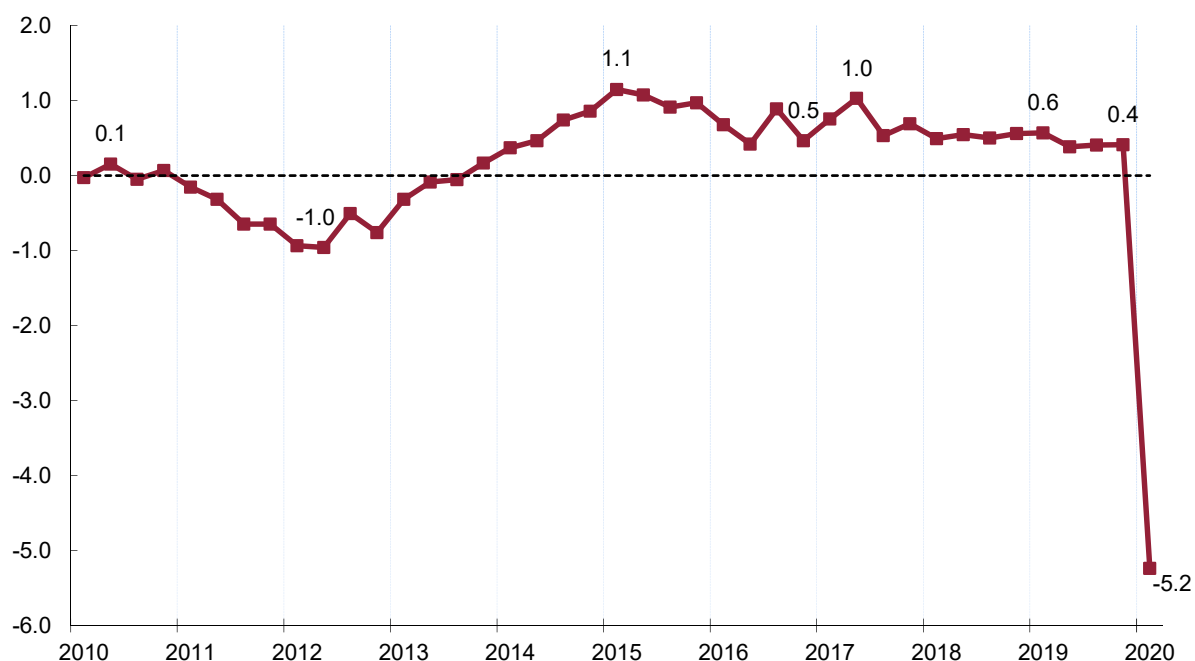
Chain-linked volume. Quarter-on-quarter variation rates (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Gross domestic product at market prices	0.5	0.5	0.5	0.6	0.6	0.4	0.4	0.4	-5.2
Final consumption expenditure	0.4	0.4	0.3	0.3	0.4	0.0	0.8	0.3	-5.1
Household final consumption expenditure	0.3	0.4	0.2	0.2	0.4	-0.1	0.8	0.1	-7.5
Final consumption expenditure of NPISHs	1.9	-0.4	0.3	0.0	-0.1	0.8	1.3	0.3	0.8
Final consumption expenditure by government	0.5	0.5	0.6	0.6	0.6	0.5	0.6	0.7	1.8
Gross capital formation	0.7	3.3	0.6	-0.2	0.8	-0.2	1.3	-1.2	-5.3
Gross fixed capital formation	0.2	3.5	0.2	-0.5	1.5	-0.8	1.1	-1.2	-5.8
Tangible fixed assets	0.0	4.4	0.2	-0.6	1.7	-1.1	1.2	-1.8	-7.1
Dwellings and other buildings and structures	2.1	1.8	0.9	0.9	0.4	-0.5	-0.8	-1.3	-9.6
Machinery, Equipment, weapon system and cultivated biological resources	-2.8	8.1	-0.7	-2.7	3.7	-2.1	4.1	-2.5	-3.5
Intellectual property products	1.0	-0.3	0.3	0.1	0.3	1.2	1.0	1.4	0.6
National demand	0.4	1.0	0.4	0.2	0.5	0.0	0.9	-0.1	-5.1
Exports of goods and services	0.4	-0.2	-1.0	0.9	1.0	1.6	0.1	0.6	-8.4
Imports of goods and services	0.2	1.2	-1.4	-0.2	0.9	0.5	1.4	-0.8	-8.4
Gross domestic product at market prices	0.5	0.5	0.5	0.6	0.6	0.4	0.4	0.4	-5.2
Agriculture, forestry and fishing	2.5	2.0	-3.3	5.7	-4.2	-2.5	1.3	0.1	-1.4
Industry	-0.4	-0.5	-0.1	-0.5	0.7	0.5	0.4	-0.4	-2.7
Manufacturing industry	-0.2	0.1	-0.3	0.0	0.3	0.0	0.3	0.1	-3.2
Construction	1.1	2.0	1.4	1.3	1.4	0.4	-0.6	-0.3	-8.1
Service activities	0.6	0.6	0.8	0.6	0.8	0.6	0.4	0.6	-5.6
Trade, transport and accommodation and restaurants	0.2	0.9	0.6	0.7	0.9	0.3	0.5	0.5	-10.9
Information and communication	1.2	1.7	0.0	0.4	0.2	-0.3	0.3	0.9	-5.5
Financial and insurance activities	2.1	1.8	1.1	0.7	2.6	3.0	1.1	1.7	1.0
Real estate activities	0.5	0.6	0.7	0.6	0.4	0.5	0.4	0.7	-2.7
Professional, scientific and technical activities and other	1.4	0.9	1.6	0.8	1.0	0.8	0.5	0.7	-8.0
Public administration, education and health activities	0.3	0.2	0.8	0.5	0.5	0.5	0.3	0.4	0.8
Arts, entertainment and other services	-0.3	-0.9	0.8	0.2	0.3	0.4	-0.5	0.6	-11.2
Taxes on products less subsidies	0.5	0.1	-0.2	-0.4	-0.1	-0.1	0.6	0.5	-5.7

² All the information presented in this press release corresponds to data adjusted for seasonal and calendar effects, unless expressly mentioned otherwise.

Gross Domestic Product

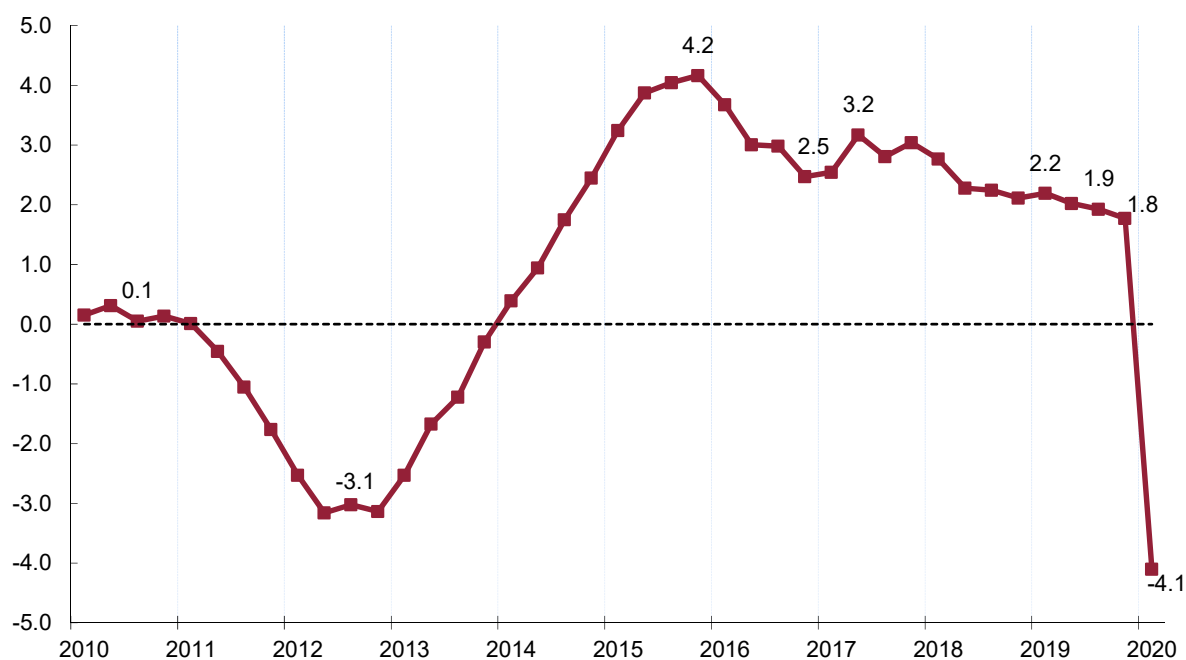
Chain-linked volume. Quarter-on-quarter variation rates (%)



In year-on-year terms, the variation in GDP is -4.1% , a rate 5.9 points lower than that of the fourth quarter of 2019.

Gross Domestic Product

Chain-linked volume. Year-on-year variation rate (%)

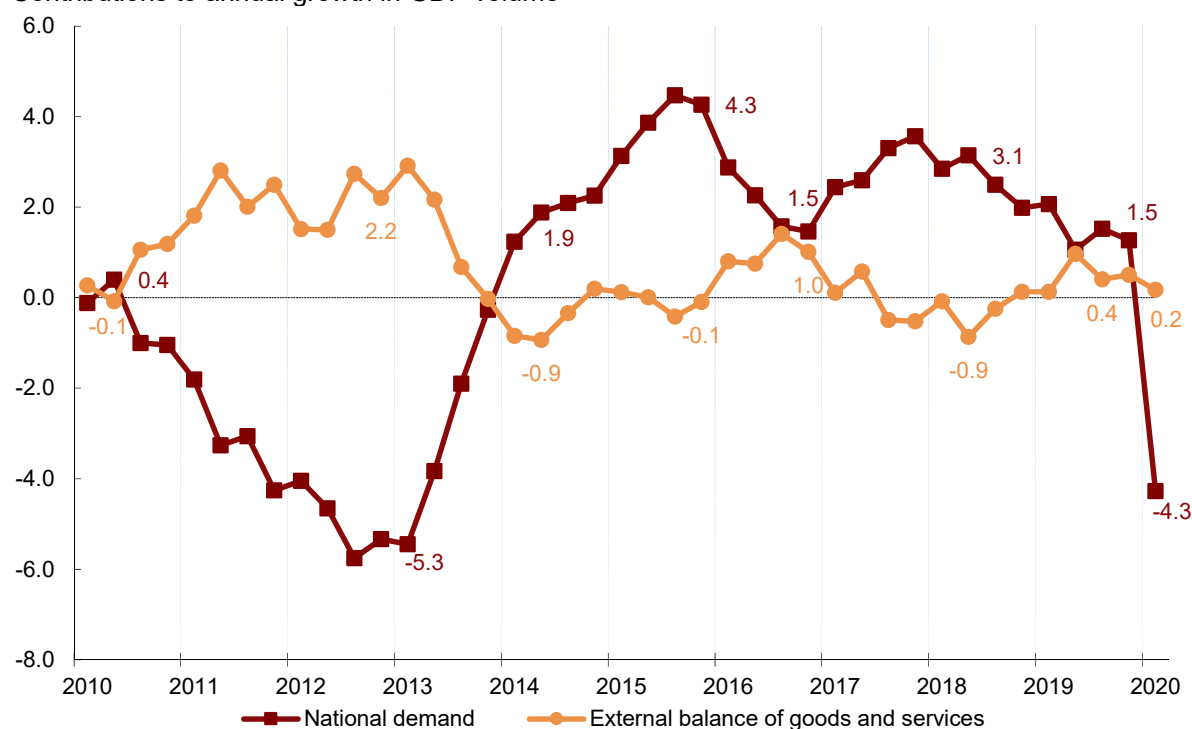


Year-on-year evolution of GDP: demand

The contribution of the *domestic demand* to the year-on-year GDP growth was -4.3 percentage points, six tenths lower than that of the first quarter. Meanwhile, the *external demand* registered a contribution of 0.2 points, three tenths less than in the previous quarter.

National and External Demand

Contributions to annual growth in GDP volume



Domestic demand

The *final consumption expenditure* decreased by -4.1 compared to the same quarter of 2019. This rate is 5.6 points lower than that of the fourth quarter.

Household final consumption expenditure experienced a year-on-year rate of -6.7% , 7.9 points less than in the previous quarter. On the other hand, *General Government final consumption expenditure* presented a growth of 3.6% , 1.2 points more than the previous quarter.

Gross fixed capital formation recorded a year-on-year rate of 0.6% , 6.1 points lower than in the previous quarter.

Investment³ in *Tangible fixed assets* grew at a year-on-year variation of -8.8% , which is 8.7 points less than in the previous quarter. By components, investment in *dwellings and other buildings and structures* decreased by 9.7 percentage points, going from -2.2% to -11.9% , and investment in *machinery, equipment and weapon systems* dropped by 7.2 points, showing a variation of -6.7% , as compared with 2.6% in the previous quarter.

³ Gross fixed capital formation.

On the other hand, investment in *intellectual property products* underwent a change of 4.3%, increasing of three tenths with respect to the previous quarter.

Gross Domestic Product. Demand

Chain-linked volume. Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Gross domestic product at market prices	2.8	2.3	2.2	2.1	2.2	2.0	1.9	1.8	-4.1
Final consumption expenditure	2.3	2.0	1.7	1.4	1.5	1.1	1.5	1.5	-4.1
Household final consumption expenditure	2.5	2.1	1.6	1.2	1.3	0.7	1.3	1.2	-6.7
Final consumption expenditure of NPISHs	3.6	2.4	2.4	1.8	-0.2	1.1	2.0	2.4	3.3
Final consumption expenditure by government	1.6	1.7	1.9	2.2	2.3	2.3	2.2	2.4	3.6
Gross capital formation	5.7	8.4	6.1	4.4	4.6	1.1	1.7	0.6	-5.5
Gross fixed capital formation	4.5	7.9	5.3	3.5	4.8	0.5	1.4	0.6	-6.7
Tangible fixed assets	5.1	9.5	6.3	4.0	5.8	0.2	1.1	-0.1	-8.8
Dwellings and other buildings and structures	7.1	7.5	6.1	5.7	4.0	1.7	0.0	-2.2	-11.9
Machinery, Equipment, weapon system and cultivated biological resources	2.4	12.2	6.7	1.6	8.4	-1.9	2.8	3.0	-4.1
Machinery, Equipment and weapon system	2.3	12.5	6.8	1.4	8.3	-2.5	2.4	2.6	-4.6
Intellectual property products	1.5	1.1	0.7	1.0	0.4	1.9	2.6	4.0	4.3
Changes in inventories and acquisitions less disposals of valuables ¹	0.3	0.1	0.2	0.2	0.0	0.1	0.1	0.0	0.2
National demand ¹	2.8	3.1	2.5	2.0	2.1	1.1	1.5	1.3	-4.3
External balance of goods and services ¹	-0.1	-0.9	-0.2	0.1	0.1	1.0	0.4	0.5	0.2
Exports of goods and services	4.0	3.1	1.6	0.1	0.8	2.6	3.6	3.3	-6.3
Imports of goods and services	4.7	6.3	2.5	-0.3	0.4	-0.2	2.7	2.1	-7.4

¹Contribution to GDP growth at market prices

External Demand

Exports of goods and services showed a variation of -6.3% compared to the first quarter of 2019, which represents 9.6 points less than in the previous quarter. This slowdown was due to a decrease in the year-on-year rates of *exports of goods* (from 2.0 to -4.7%) and of *exports of services* (from 6.0% to -9.6%). Among these, *non-resident expenditure in the economic territory* decreased by 20.4 points (from 1.2% to -19.2%).

Imports of goods and services had a variation of -7.4% with respect to the same quarter of the previous year, 9.5 points less than in the fourth quarter. This decrease is explained by the decrease in imports of goods (from 0.9% to -7.3%) and of imports of services (from 7.0% to -7.6%). For their part, year-on-year variation of *resident expenditure in the rest of the world* fell by 16.5 points this quarter (from 8.8% to 7.1%).

Year-on-year evolution of GDP: supply

The gross value added of industrial branches decreased by 2.2% with respect to the same quarter of 2019, with a decrease of 3.4 points as compared with the year-on-year variation recorded in the previous quarter. Within these, the manufacturing industry presented a rate of -2.8% , which is 3.5 points less than that of the previous quarter.

The gross value added of *Construction* changed by -8.6% compared to the same quarter of 2019, 9.5 points less than in the previous quarter.

The year-on-year variation of the gross added value of *Services* in the first quarter is -4.1% , a rate 6.5 points lower than that of the previous quarter.

Finally, the primary branches recorded a year-on-year variation of -0.6% this quarter compared to -5.4% in the previous quarter.

Gross Domestic Product. Supply

Chain-linked volume. Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Gross domestic product at market prices	2.8	2.3	2.2	2.1	2.2	2.0	1.9	1.8	-4.1
Agriculture, forestry and fishing	5.9	7.8	3.0	6.9	-0.1	-4.5	0.0	-5.4	-2.5
Industry	0.4	-0.3	-0.2	-1.5	-0.4	0.5	1.0	1.2	-2.2
Manufacturing industry	1.7	1.2	0.2	-0.3	0.1	0.0	0.7	0.7	-2.8
Construction	5.0	5.5	6.2	5.9	6.3	4.5	2.5	0.9	-8.6
Service activities	3.0	2.5	2.6	2.7	2.9	2.8	2.4	2.4	-4.1
Trade, transport and accommodation and restaurants	2.5	2.1	2.2	2.5	3.2	2.7	2.6	2.3	-9.7
Information and communication	6.7	6.3	3.9	3.3	2.3	0.2	0.5	1.1	-4.7
Financial and insurance activities	7.3	8.1	5.7	5.8	6.3	7.5	7.5	8.6	6.9
Real estate activities	2.3	2.1	2.4	2.5	2.3	2.2	2.0	2.1	-1.1
Professional, scientific and technical activities and other	5.5	4.3	5.2	4.8	4.3	4.2	3.1	3.0	-6.1
Public administration, education and health activities	1.9	1.2	1.8	2.0	2.2	2.4	1.9	1.7	2.0
Arts, entertainment and other services	1.2	-0.9	0.1	-0.2	0.4	1.7	0.4	0.8	-10.7
Taxes on products less subsidies	2.4	1.5	0.8	0.0	-0.5	-0.7	0.1	0.9	-4.8

GDP at current prices and implicit deflator

GDP at current prices showed a year-on-year rate of -2.9%. This variation is 6.4 points lower than that recorded for the fourth quarter.

Gross Domestic Product

Current prices Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Gross domestic product at market prices	4.0	3.3	3.2	3.4	3.7	3.6	3.5	3.5	-2.9
Final consumption expenditure	3.4	3.1	3.6	3.3	3.1	3.0	2.6	2.6	-2.9
Household final consumption expenditure	3.7	3.1	3.6	3.0	2.6	2.5	2.1	2.2	-5.7
Final consumption expenditure of NPISHs	3.1	2.9	3.2	3.1	2.9	3.7	5.1	5.3	5.5
Final consumption expenditure by government	2.5	3.1	3.9	4.3	4.6	4.6	3.9	3.8	5.1
Gross capital formation	7.4	10.4	7.6	8.7	10.0	4.9	5.7	3.6	-3.1
Gross fixed capital formation	6.4	9.7	6.8	7.9	10.4	5.3	6.5	4.8	-3.5
Tangible fixed assets	7.3	11.4	7.9	9.0	11.9	5.5	6.9	4.8	-4.8
Dwellings and other buildings and structures	9.8	10.5	8.5	11.9	11.6	8.5	7.1	3.9	-7.3
Machinery, Equipment, weapon system and cultivated biological resources	3.7	12.7	7.0	4.9	12.2	1.3	6.6	6.0	-1.1
Intellectual property products	2.6	2.0	1.9	2.6	3.4	4.3	4.7	5.1	3.6
Changes in inventories and acquisitions less disposals of valuables ¹	0.3	0.2	0.2	0.2	0.0	0.0	-0.1	-0.2	0.0
National demand ¹	4.0	4.4	4.3	4.2	4.4	3.3	3.1	2.7	-2.9
Exports of goods and services	4.4	3.7	3.6	1.5	0.7	3.4	3.7	3.7	-5.4
Imports of goods and services	5.1	7.5	7.6	4.3	2.8	2.7	2.8	1.4	-5.9
Gross domestic product at market prices	4.0	3.3	3.2	3.4	3.7	3.6	3.5	3.5	-2.9
Agriculture, forestry and fishing	6.4	8.7	-0.9	-0.7	-4.2	-6.7	3.3	0.7	4.9
Industry	1.6	1.1	2.1	-1.0	2.3	3.7	2.9	3.7	-1.7
Manufacturing industry	3.1	2.9	1.6	-0.5	1.7	1.7	2.4	3.8	-1.3
Construction	6.9	6.4	7.5	8.0	9.8	9.9	7.8	6.5	-7.9
Service activities	4.2	2.9	2.9	4.0	3.7	4.0	3.7	3.9	-3.3
Trade, transport and accommodation and restaurants	3.7	2.1	2.3	2.0	3.8	3.6	3.8	4.3	-9.1
Information and communication	5.8	5.1	3.0	1.8	1.7	0.9	1.4	2.4	-3.3
Financial and insurance activities	10.9	3.7	-4.1	29.3	2.6	7.1	6.2	-2.0	-1.4
Real estate activities	3.5	3.3	3.6	3.3	3.6	3.7	3.7	4.3	-0.1
Professional, scientific and technical activities and other	5.8	5.8	6.2	5.4	6.1	5.1	4.9	5.4	-4.9
Public administration, education and health activities	2.8	2.9	3.8	3.0	4.1	4.3	3.8	4.4	4.4
Arts, entertainment and other services	3.7	-0.9	1.5	-0.4	0.4	3.2	0.3	2.4	-9.6
Taxes on products less subsidies	4.1	6.4	5.1	4.8	4.0	0.3	0.7	-0.1	-0.5

¹Contribution to GDP growth at market prices

With this, the implicit deflator of the economy shows a year-on-year variation of 1.3%, four tenths lower than that of the previous quarter.

Year-on-year evolution of GDP at current prices: income

Compensation of employees recorded a year-on-year variation of 2.8% in the second quarter, 1.7 points lower than in the previous quarter.

This result was due to a 0.8% increase in the number of *salaried employees*, 1.7 points lower than in the previous quarter, and to the fact that the *average compensation per employee* rose by 2.0%, compared with 1.9% in the fourth quarter.

On the other hand, the year-on-year variation of the *gross operating surplus / gross mixed income* generated in the economy stood at -9.3%, with a decrease of 12.7 points compared to the fourth quarter.

Finally, the amount accrued in *taxes on production and net imports of subsidies* showed a year-on-year variation rate of -0.5%, compared to 0.2% in the previous quarter.

Gross Domestic Product. Income

Current prices Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Gross domestic product at market prices	4.0	3.3	3.2	3.4	3.7	3.6	3.5	3.5	-2.9
Compensation of employees	3.7	3.8	4.3	4.4	5.0	5.0	4.5	4.5	2.8
Gross operating surplus / Gross mixed income	4.3	2.2	1.6	2.1	2.5	3.2	3.1	3.4	-9.3
Net taxes on production and imports	4.2	6.3	5.0	4.5	3.1	-0.4	0.9	0.2	-0.5

Employment

The number of hours actually worked varied by -5.0% in comparison with the third quarter, 5.8 points less than in the previous quarter. In year-on-year terms, the number of hours actually worked decreased by 5.6 percentage points, to -4.2% .

The year-on-year variation rate of hours worked at industrial branches stood at -2.8% , or 4.5 points more than in the previous quarter.

In the case of *Construction*, the year-on-year variation was -9.8% , with a decrease of 8.1 points compared to the previous quarter.

The year-on-year change for hours worked in the *Services* sector decreased 5.5 points with respect to the previous quarter, to -3.5% .

Finally, the primary branches presented a variation of -9.9% , with a decrease of 5.7 points compared with the previous quarter.

Employment

Hours worked. Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Total	2.1	2.9	2.7	2.6	2.5	1.3	0.8	1.4	-4.2
Agriculture, forestry and fishing	-2.0	1.1	-0.3	0.8	3.6	-1.0	-1.6	-4.2	-9.9
Industry	2.6	2.0	1.3	-0.1	-0.3	-0.1	1.6	1.7	-2.8
Manufacturing industry	2.8	2.3	1.2	-0.2	-0.1	-0.3	1.8	1.6	-3.1
Construction	7.3	9.0	9.0	10.3	8.9	5.4	1.5	-1.7	-9.8
Service activities	1.9	2.6	2.5	2.4	2.3	1.3	0.8	2.0	-3.5
Trade, transport and accommodation and restaurants	1.0	1.1	1.2	1.3	1.4	0.4	-0.2	1.7	-6.5
Information and communication	4.9	4.9	3.9	5.1	3.0	3.4	2.6	0.9	2.0
Financial and insurance activities	0.6	2.2	-4.1	2.0	-1.2	-1.5	-0.2	-0.4	-1.5
Real estate activities	5.5	6.8	12.5	7.5	6.9	3.0	2.8	3.1	-6.9
Professional, scientific and technical activities and other	1.7	3.7	4.8	5.3	4.5	3.9	3.6	3.6	-0.1
Public administration, education and health activities	2.4	3.5	2.7	3.0	2.8	1.5	0.7	1.6	0.0
Arts, entertainment and other services	3.0	3.5	3.2	-0.6	1.0	-0.2	-0.2	2.7	-8.2
Employees	2.8	3.7	3.4	3.1	3.1	1.7	1.3	2.1	-2.4
Agriculture, forestry and fishing	-1.0	3.6	1.0	0.7	5.5	-2.2	-1.6	-1.4	-6.9
Industry	2.8	2.3	1.8	0.1	-0.1	0.0	1.6	1.8	-2.9
Manufacturing industry	3.0	2.6	1.8	0.1	0.2	-0.2	1.8	1.8	-3.2
Construction	8.9	10.7	10.5	11.8	10.0	5.8	2.8	-0.5	-4.4
Service activities	2.4	3.3	3.1	2.9	2.9	1.8	1.3	2.6	-1.9
Trade, transport and accommodation and restaurants	2.2	2.8	2.7	2.7	3.1	1.5	1.1	2.8	-3.9
Information and communication	5.5	5.7	4.4	5.3	3.9	4.5	3.9	2.5	3.2
Financial and insurance activities	-0.5	1.7	-4.3	2.0	-0.7	-0.9	0.1	-0.2	-0.9
Real estate activities	3.6	5.4	10.1	5.1	8.5	3.0	5.1	7.7	-15.2
Professional, scientific and technical activities and other	1.9	4.3	5.5	5.5	4.0	4.2	3.7	4.8	2.1
Public administration, education and health activities	2.5	3.3	2.5	2.7	2.8	1.5	0.4	1.2	-0.2
Arts, entertainment and other services	3.6	3.3	3.3	-0.5	0.6	-0.3	-0.8	2.3	-7.3

Equivalent full-time jobs, defined as the number of hours worked between the average day spent in full-time jobs, decreased by -1.9% compared to the previous quarter. This variation is 2.8 points lower than that of the fourth quarter. This is explained by the combined effect of the variation in hours worked and the reduction in the average work day in full-time jobs (-3.1).

In year-on-year terms, employment presented a rate of -0.6% , 2.6 points lower than that registered in the previous quarter, which represents a decrease of -102 thousand full-time equivalent jobs in one year.

The year-on-year variation rate of employment in industrial branches stood at 0.8% , which is 1.1 points less than in the previous quarter.

In the case of *Construction*, the year-on-year variation of employment was -3.9% , showing a decrease of 4.8 points compared to the previous quarter.

Employment in *Services* decreased its year-on-year growth by 2.3 points with respect to the previous quarter, to -0.1% .

Finally, employment in the primary branches presented a variation of -7.2% , with a decrease of one tenth compared with the previous quarter.

Employment

Equivalent full-time jobs. Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Total	2.6	2.4	2.5	2.7	2.7	2.5	1.8	2.0	-0.6
Agriculture, forestry and fishing	0.6	0.0	-0.7	0.0	-0.4	-1.6	-1.7	-4.5	-7.2
Industry	3.2	2.6	1.5	0.4	1.0	1.4	2.6	1.9	0.8
Manufacturing industry	3.6	2.9	1.5	0.2	1.0	1.4	2.7	1.8	0.6
Construction	7.1	7.6	7.8	10.4	10.2	5.0	2.2	0.9	-3.9
Service activities	2.2	2.1	2.3	2.5	2.6	2.7	1.9	2.4	-0.1
Trade, transport and accommodation and restaurants	1.7	1.3	1.5	2.1	2.6	2.5	1.7	2.6	-1.3
Information and communication	6.7	3.4	2.4	2.7	2.9	5.0	3.2	1.5	2.3
Financial and insurance activities	1.1	-1.1	-2.9	0.9	1.0	0.7	0.7	-0.1	0.9
Real estate activities	2.5	5.7	8.2	8.0	10.3	5.4	1.5	-1.7	-9.3
Professional, scientific and technical activities and other	2.2	3.7	4.0	4.9	5.2	3.8	3.6	4.1	2.1
Public administration, education and health activities	2.1	2.2	2.7	2.7	1.7	2.3	1.7	1.8	1.6
Arts, entertainment and other services	3.5	1.7	2.2	-0.4	-0.1	1.8	0.3	2.4	-3.7
Employees	3.0	2.9	3.0	3.1	3.1	2.7	2.3	2.5	0.8
Agriculture, forestry and fishing	2.0	0.9	1.2	0.2	-0.5	-2.5	-2.2	-2.7	-3.4
Industry	3.3	2.9	1.9	0.5	1.3	1.5	2.6	1.8	0.5
Manufacturing industry	3.8	3.3	1.9	0.4	1.3	1.4	2.7	1.8	0.3
Construction	8.6	9.0	8.9	11.5	11.1	5.4	3.4	1.9	-1.2
Service activities	2.6	2.5	2.8	2.9	2.9	2.9	2.3	2.9	1.2
Trade, transport and accommodation and restaurants	2.4	2.4	2.5	3.2	3.7	3.3	2.5	3.4	0.7
Information and communication	7.4	4.1	3.1	3.5	3.6	6.0	4.2	4.0	4.4
Financial and insurance activities	0.5	-1.3	-3.0	1.3	1.9	1.6	1.3	0.2	1.3
Real estate activities	0.6	4.7	7.2	9.5	12.9	8.2	6.3	5.7	-13.5
Professional, scientific and technical activities and other	2.5	4.1	4.9	5.3	5.1	4.4	4.2	4.9	4.2
Public administration, education and health activities	2.2	2.1	2.4	2.3	1.3	1.9	1.7	1.7	1.4
Arts, entertainment and other services	3.7	1.6	2.6	-0.4	0.2	1.4	-0.1	2.1	-2.4

The number of hours actually worked varied by -5.0% in comparison with the third quarter, 5.8 points less than in the previous quarter. In year-on-year terms, the number of hours actually worked decreased by 5.6 percentage points, to -4.2% .

With this, the year-on-year variation of *productivity per full-time equivalent job* stood at -3.6% . For its part, the *productivity per hour actually worked* was at 0.1% .

Productivity

Year-on-year variation rate (%)

	2018				2019				2020
	Tr. I	Tr. II	Tr. III	Tr. IV	Tr. I	Tr. II	Tr. III	Tr. IV	Tr. I
Labour productivity per full time equivalent employment	0.2	-0.1	-0.2	-0.6	-0.5	-0.5	0.1	-0.2	-3.6
Labour productivity per hour worked	0.6	-0.6	-0.4	-0.5	-0.3	0.7	1.1	0.4	0.1

The unit labour cost (CLU) increased by 5.8% compared to the first quarter of 2019. This rate is 4.5 points higher than the variation experienced by the implicit deflator of the economy (1.3%).

Labour Expenses

Year-on-year variation rate (%)

	2018				2019				2020
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III	Q. IV	Q. I
Unit Labor Cost (ULC)	0.4	1.0	1.5	1.9	2.4	2.7	2.1	2.1	5.8
Compensation per employee	0.6	0.9	1.3	1.3	1.8	2.2	2.2	1.9	2.0

Data Review and Updates

These preliminary results are based on the information available today on the economic performance of the quarter. This information is provisional and will be updated in the next planned publication of the Quarterly National Accounts of Spain: main aggregates, on the 30th of June, with all information available at that time (in particular, the results of the quarterly Balance of Payments and of the Quarterly Non-Financial Accounts of the General Government).

On the other hand, the operation review policy foresees merely a review of the seasonal and calendar adjustment models for each series in the publication of results referring to the 2nd quarter of each year t , in the month of September, coinciding with their revision from the first quarter of year $t-3$. Exceptionally on this occasion, and following Eurostat recommendations and the practice followed in all the INE short-term statistics, an atypical type of impulse (AO) has been introduced into the series whose importance has been verified in the data referring to the first quarter of 2020, in order to model the effect of COVID-19 on the series.

When the data for subsequent quarters is available, we will analyse whether this impulse should be modified by another type of intervention. This initial approach is consistent since, in the modelling of disturbances that occur in the last observation in a series, there is no difference in the adjusted seasonal and calendar series if this modelling is performed using an impulse, a step, a temporary change or a ramp. The difference between these types of interventions is reduced to assigning the effect to the cycle-trend component in some cases, or to the irregular one in others, but the adjusted series for seasonal and calendar effect includes both components and, therefore, it will not be affected by the type of initial intervention

Methodological note

The *Quarterly Spanish National Accounts: main aggregates* (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*.

This operation provides, one month after the end of the quarter (t+30 days, with t being the reference quarter), a preview of the *Gross Domestic Product* 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 current prices in the case of the first two and 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 offered as both raw data and as data corrected for seasonal and calendar effects. It is, as noted, an estimate that serves as an advance and it is prepared from all the information thus far available regarding the quarter in question.

The results of each quarter are reviewed around t+90 days, incorporating all available information from the advance estimate.

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](#)).

For further information see **INEbase:** www.ine.es/en/ Twitter: [@es_ine](https://twitter.com/es_ine)

All press releases at: www.ine.es/en/prensa/prensa_en.htm

Press office: Telephone numbers: (+34) 91 583 93 63 /94 08 – gprensa@ine.es

Information Area: Telephone number: (+34) 91 583 91 00 – www.ine.es/infoine/?L=1
