

23 December 2020

Quarterly National Accounts of Spain: main aggregates Third quarter of 2020

Results in the context of the COVID-19 crisis

The results released today of the *Quarterly National Spanish Accounts: main aggregates* update those that were provided in the October 30th preview.

In that preview, most of the statistical indicators on recent economic developments offered results through the second month of this quarter (August). The estimation of indicator evolution in the third month was carried out by the INE. Estimation methods for the quarterly economic aggregates were adapted with the incorporation of additional sources, available for all months of the quarter, to complement those habitually used, as well as advanced estimates of indicators based on administrative data, in line with the recommendations of Eurostat and other international statistical agencies.

The results published today incorporate all the statistical indicators that mark the economic evolution of the first three quarters of 2020. In the vast majority of cases, these already cover the entire third quarter. Specifically, the quarterly results of the Non-Financial Accounts of the General Government and the Balance of Payments are included. When analysing the revisions of the advanced results, the various impacts on the quality and availability of the various sources used arising from the restrictions on people's movement and on some economic activities, as well as on the difficulty inherent in the statistical measurement of a situational change of such magnitude, must be taken into account.

On the other hand, to facilitate and enhance analysis of the pandemic's impact on the growth of the Spanish economy, contributions to GDP growth in volume are presented for each of the supply components, detailing activity branch and demand, and distinguishing the contribution from each aggregate of national demand.

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 pandemic 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.

Main results

- The Spanish GDP registered a variation of 16.4% in the third quarter of 2020 compared to the previous quarter. This rate is 34.3 points higher than that registered in the second quarter and three tenths lower than the preliminary figure estimated on October 30.
- Year-on-year GDP variation stood at -9.0% , compared with -21.6% in the previous quarter. This rate is three tenths lower than the preliminary figure published last October 30th.
- The contribution of the domestic demand to the year-on-year GDP growth was -7.2 percentage points, 11.5 points higher than that of the second quarter. On the other hand, the external demand registered a contribution of -1.8 points, 1.1 higher than in the previous quarter.
- The implicit GDP deflator increased by 1.4% compared to the same quarter in 2019, three tenths more than in the previous quarter.
- Employment in the economy, in terms of hours worked, registered a quarter-on-quarter variation of 24.7% . This rate is of lesser magnitude in the case of full-time equivalent jobs (16.0% , which is 33.7 points more than in the second quarter) due to a decrease of 7.5% in average full-time working days.
- In year-on-year terms, hours worked decreased by 6.2% , a rate 18.7 points higher than that of the second quarter of 2020. On the other hand, full equivalent time jobs decreased by 5.5% , a rate 12.9 points higher than that of the second quarter, which represents a decrease of 1,012 thousand full-time equivalent jobs in a year.
- The year-on-year variation of the unit labour cost stood at 4.7% this quarter.
- Gross national income and gross national disposable income increased by 16.6% and 17.1% respectively compared to the previous quarter.
- In relation to the third quarter of 2019, national income and national disposable income decreased by 7.8% and 7.7% , respectively.

Quarter-on-quarter 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 -16.4% in the third quarter of 2020¹. This rate is 34.3 points higher than that recorded for the second quarter.

Gross Domestic Product

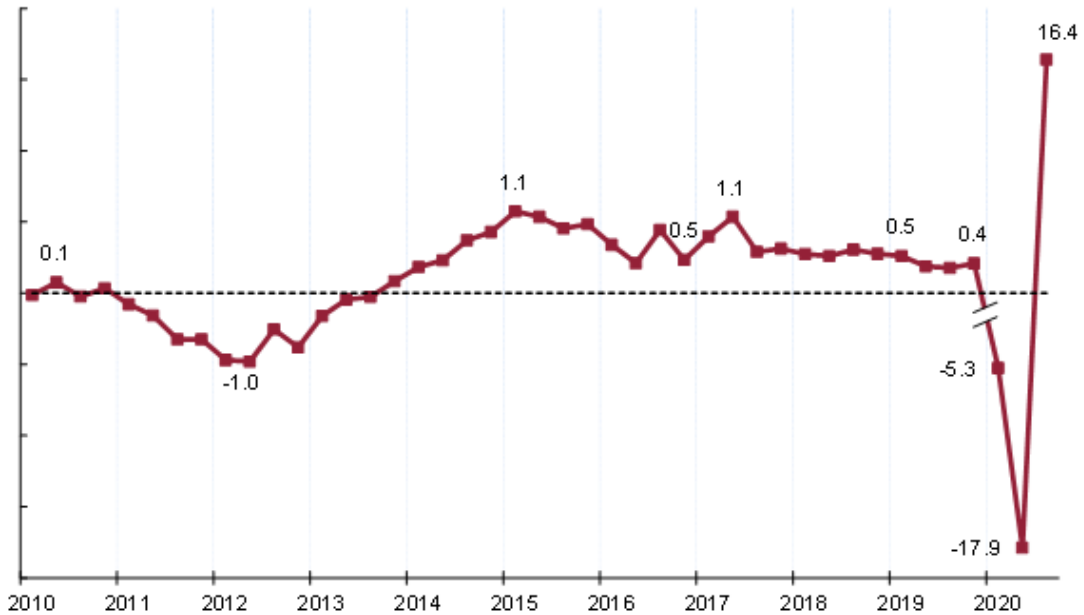
Chain-linked volume. Quarter-on-quarter variation rates (%)

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	0.5	0.4	0.4	0.4	-5.3	-17.9	16.4
Final consumption expenditure	0.4	0.0	0.7	0.3	-4.6	-14.9	14.3
Household final consumption expenditure	0.4	-0.3	0.8	0.1	-6.7	-20.7	20.8
Final consumption expenditure of NPISHs	1.5	1.4	1.6	-0.4	-1.1	0.1	0.0
Final consumption expenditure by government	0.2	0.9	0.6	0.9	1.4	0.3	1.2
Gross capital formation	0.5	-0.3	0.7	-1.2	-4.9	-20.2	20.4
Gross fixed capital formation	1.2	-0.3	1.1	-1.0	-4.9	-20.6	21.7
Tangible fixed assets	1.2	-0.7	1.0	-1.4	-6.0	-23.3	26.4
Dwellings and other buildings and structures	0.0	-0.4	-0.6	-1.3	-4.7	-20.7	16.6
Machinery, Equipment, weapon system and cultivated biological resources	3.0	-1.1	3.4	-1.7	-7.9	-27.2	42.6
Intellectual property products	0.9	1.4	1.2	1.4	0.6	-8.2	3.3
National demand	0.4	-0.1	0.7	0.0	-4.7	-16.0	15.6
Exports of goods and services	0.3	1.5	0.2	0.2	-7.3	-33.1	29.9
Imports of goods and services	-0.2	0.3	1.3	-1.1	-5.8	-28.5	27.0
Gross domestic product at market prices	0.5	0.4	0.4	0.4	-5.3	-17.9	16.4
Agriculture, forestry and fishing	-4.0	-2.7	1.4	0.1	1.4	3.4	-1.2
Industry	0.7	0.7	0.7	-0.1	-6.4	-18.9	26.2
Manufacturing industry	0.6	0.3	0.7	0.4	-7.2	-22.4	31.5
Construction	1.4	0.6	-0.3	-0.1	-6.9	-21.9	22.5
Service activities	0.7	0.5	0.3	0.7	-4.7	-18.5	14.9
Trade, transport and accommodation and restaurants	1.0	0.3	0.7	0.7	-10.1	-40.0	43.2
Information and communication	0.7	0.1	0.6	1.1	-3.5	-11.1	6.5
Financial and insurance activities	-0.8	0.0	-0.5	0.0	0.4	1.0	4.0
Real estate activities	0.6	0.5	0.6	0.8	-0.8	-6.5	2.4
Professional, scientific and technical activities and other	1.3	1.0	0.8	1.0	-5.3	-24.2	19.8
Public administration, education and health activities	0.4	0.6	0.0	0.4	-0.1	-0.5	1.8
Arts, entertainment and other services	0.3	0.5	-1.2	0.6	-8.1	-32.2	29.6
Taxes on products less subsidies	0.1	-0.2	-0.1	-0.2	-8.3	-15.3	15.6

¹ 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 (%)

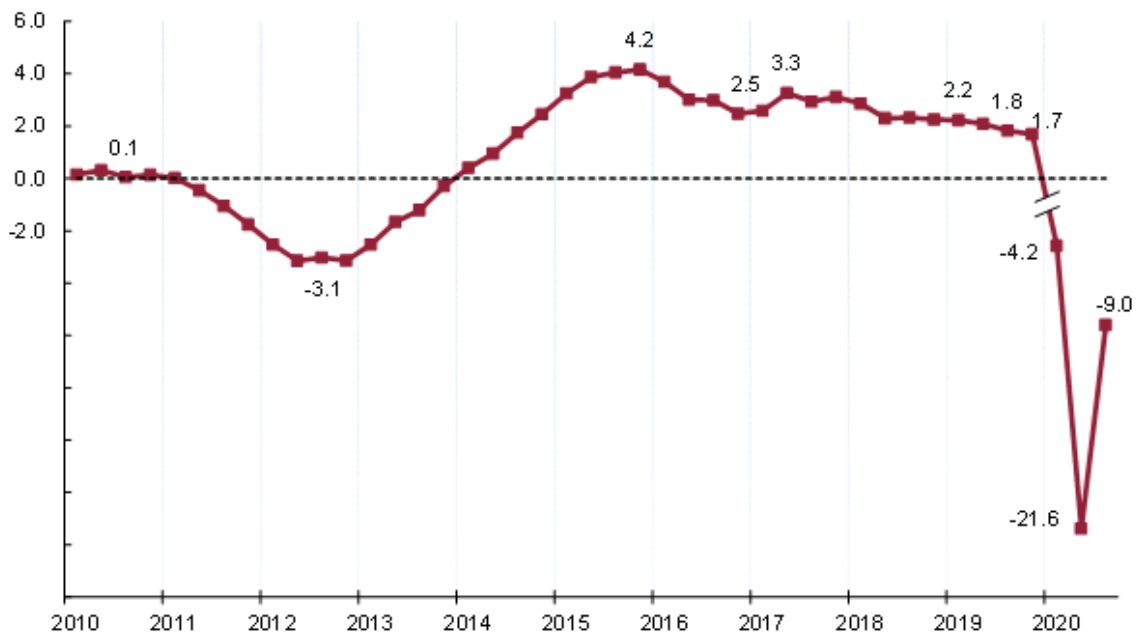


Year-on-year evolution of GDP

In year-on-year terms, the variation in GDP is -9.0%, a rate 12.6 points higher than that of the second quarter of 2020.

Gross Domestic Product

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

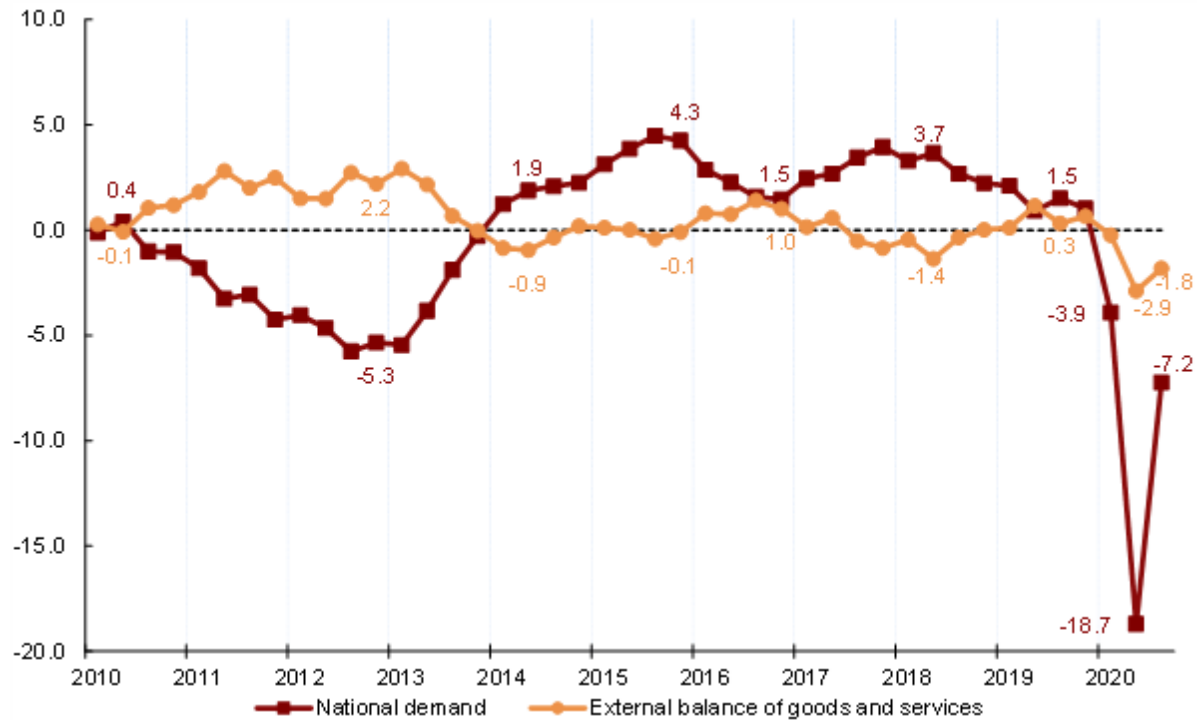


Year-on-year evolution of GDP: demand

The contribution of the domestic demand to the year-on-year GDP growth was -7.2 percentage points, 11.5 points higher than that of the second quarter. Meanwhile, the *external demand* registered a contribution of -1.8 points, 1.1 points more than in the previous quarter.

National and External Demand

Contributions to annual growth in GDP volume



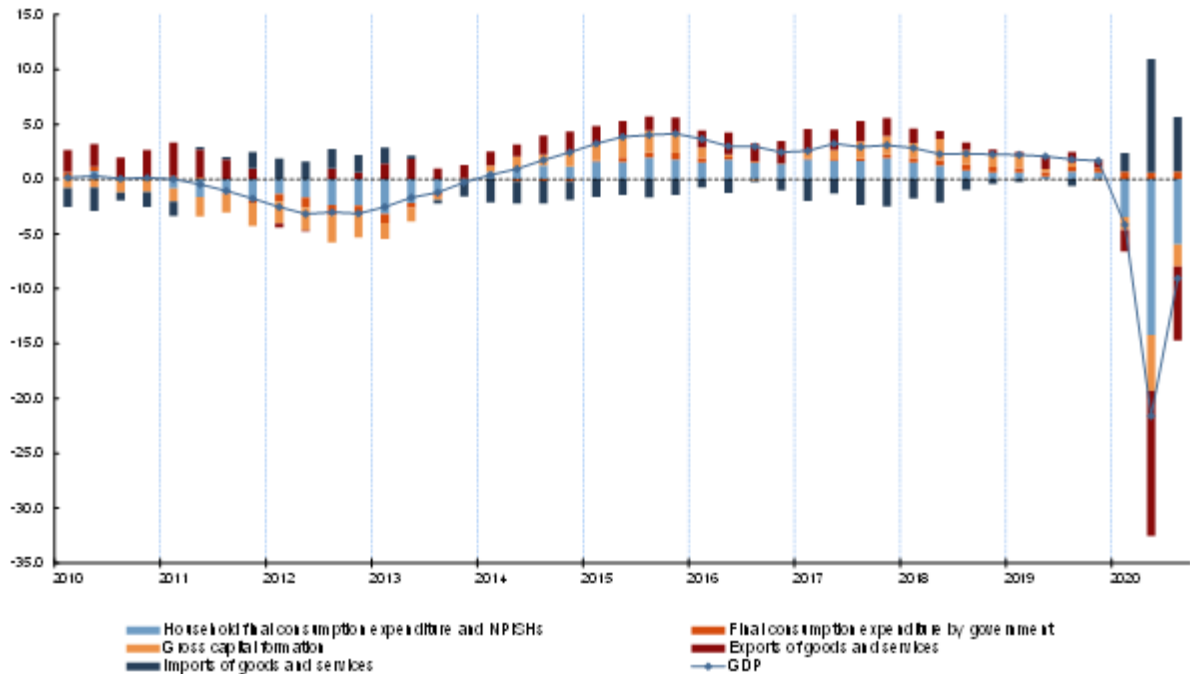
In terms of national demand, *final consumption expenditure of households and NPISHs*² contributed most negatively to the year-on-year volume change in GDP, with -5.9 points, followed by *gross capital formation*³, with -2.0. The evolution of these aggregates is offset by a positive contribution (of 0.7 points) of *final consumption expenditure of the General Government*.

As for external demand, the evolution of *exports of goods and services* contributed -6.8 points to year-on-year GDP evolution. This negative contribution was partially offset by the positive contribution (4.9 points) of *imports of goods and services*.

² Non-Profit Institutions Serving Households.

³ Includes gross fixed capital formation and changes in inventories.

Contributions to year-on-year GDP growth. Demand
Chain-linked volume. Percentage points



Domestic demand

The *final consumption expenditure* decreased by 6.9% compared to the same quarter of 2019. This rate is 11.0 points higher than that of the second quarter.

Household final consumption expenditure experienced a year-on-year rate of -10.5%, which was 14.9 points more than in the previous quarter. On the other hand, *General Government final consumption expenditure* presented a growth of 3.8%, five tenths higher than in the previous quarter.

Gross fixed capital formation had a variation of -9.6%, 14.8 points higher than the previous quarter.

Investment⁴ in *Tangible fixed assets* had a year-on-year rate of -10.2%, which is 18.0 points more than in the previous quarter. By components, investment in *dwellings and other buildings and structures* increased by 12.8 percentage points, going from -25.9% to -13.1%, and investment in *machinery, equipment and weapon systems* rose by 26.7 points, showing a variation of -6.6%, as compared with -33.3% in the previous quarter.

On the other hand, investment in *intellectual property products* registered a variation of -3.3%, an increase of 1.9 points compared to the previous quarter.

⁴ Gross fixed capital formation.

Gross Domestic Product. Demand

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

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	2.2	2.1	1.8	1.7	-4.2	-21.6	-9.0
Final consumption expenditure	1.3	0.9	1.4	1.4	-3.6	-17.9	-6.9
Household final consumption expenditure	1.0	0.3	1.1	1.0	-6.1	-25.4	-10.5
Final consumption expenditure of NPISHs	1.6	3.8	5.9	4.2	1.5	0.2	-1.3
Final consumption expenditure by government	2.2	2.4	2.2	2.6	3.8	3.2	3.8
Gross capital formation	5.4	1.2	1.9	-0.3	-5.6	-24.4	-9.6
Gross fixed capital formation	5.7	1.3	2.8	0.9	-5.2	-24.5	-9.1
Tangible fixed assets	7.0	1.2	2.6	0.1	-7.1	-28.2	-10.2
Dwellings and other buildings and structures	5.3	2.7	0.9	-2.2	-6.9	-25.9	-13.1
Machinery, Equipment, weapon system and cultivated biological resources	9.6	-0.9	5.2	3.6	-7.4	-31.8	-5.9
Machinery, Equipment and weapon system	10.1	-0.9	5.4	3.6	-7.8	-33.3	-6.6
Intellectual property products	-0.2	2.1	3.7	5.0	4.6	-5.2	-3.3
Changes in inventories and acquisitions less disposals of valuables ¹	0.0	0.0	-0.1	-0.2	-0.1	-0.2	-0.2
National demand ¹	2.1	0.9	1.5	1.0	-3.9	-18.7	-7.2
External balance of goods and services ¹	0.1	1.2	0.3	0.7	-0.2	-2.9	-1.8
Exports of goods and services	1.1	3.2	2.7	2.1	-5.6	-37.8	-19.3
Imports of goods and services	0.8	-0.1	2.0	0.3	-5.3	-32.5	-15.4

¹Contribution to GDP growth at market prices

External Demand

Exports of goods and services showed a variation of -19.3% compared to the third quarter of 2019, which represents 18.5 points more than in the previous quarter. This acceleration was due to the recuperation in the year-on-year rates of *exports of goods* (from -27.0% to -5.3%) and of *exports of services* (from -60.8% to -48.5%). Among these, non-resident expenditure in the economic territory increased by 21.2 points (from -99.1% to -77.9%).

Imports of goods and services varied by -15.4% with respect to the same quarter of the previous year, 17.1 points more than in the second quarter. This increase was explained by the recovery of imports of goods (from -29.5% to -10.1%) which was accompanied by a moderation in the negative interannual rate of services imports (from -45.4% at -37.4%). For its part, year-on-year variation of *resident expenditure in the rest of the world* improved by 18.6 points this quarter (from -95.6% to -77.0%).

Year-on-year evolution of GDP: supply

The gross value added of industrial branches decreased by 4.4% with respect to the same quarter of 2019, representing an increase of 19.3 points as compared with the year-on-year variation recorded in the previous quarter. Within them, the manufacturing industry presented a rate of -4.9%, which is 22.3 points more than that of the previous quarter.

The gross value added of *Construction* decreased by 11.0% compared to the same quarter of 2019, 16.5 points more than that of the previous quarter.

The year-on-year variation of the gross added value of *Services* in the third quarter is -10.2%, a rate 11.4 points higher than that of the previous quarter.

Finally, the primary branches recorded a year-on-year variation of 3.7% this quarter compared to 6.5% in the previous quarter.

Gross Domestic Product. Supply

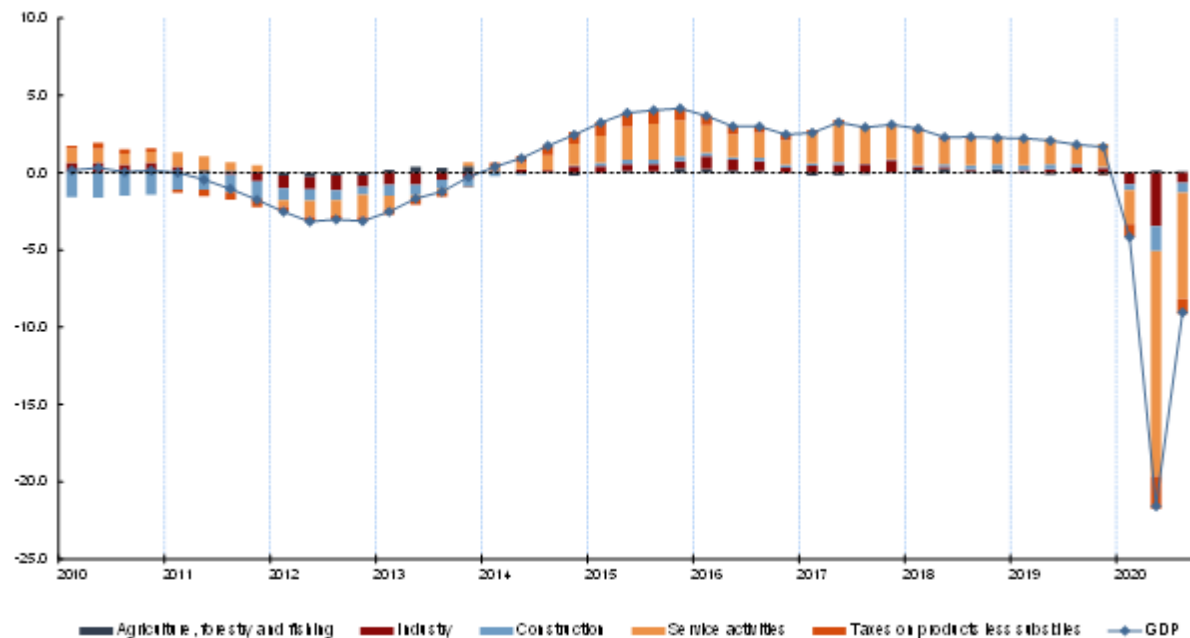
Chain-linked volume. Year-on-year variation rates (%)

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	2.2	2.1	1.8	1.7	-4.2	-21.6	-9.0
Agriculture, forestry and fishing	0.7	-4.4	0.0	-5.3	0.1	6.5	3.7
Industry	0.7	1.6	2.4	2.1	-5.2	-23.7	-4.4
Manufacturing industry	0.3	0.7	1.9	2.0	-5.9	-27.2	-4.9
Construction	6.8	5.8	3.2	1.7	-6.6	-27.5	-11.0
Service activities	2.5	2.4	1.9	2.2	-3.3	-21.6	-10.2
Trade, transport and accommodation and restaurants	3.0	2.6	2.7	2.8	-8.6	-45.3	-22.2
Information and communication	3.6	1.8	1.9	2.6	-1.7	-12.7	-7.6
Financial and insurance activities	2.3	0.1	-1.2	-1.3	-0.1	1.0	5.5
Real estate activities	2.8	2.7	2.4	2.6	1.1	-5.9	-4.3
Professional, scientific and technical activities and other	5.1	5.3	4.1	4.1	-2.6	-27.0	-13.2
Public administration, education and health activities	0.8	1.5	1.0	1.5	0.9	-0.2	1.7
Arts, entertainment and other services	-0.3	1.8	-1.2	0.2	-8.2	-38.1	-18.8
Taxes on products less subsidies	0.7	0.2	0.0	-0.3	-8.8	-22.6	-10.4

With these results, the *Services* sector had the most negative contribution to interannual GDP evolution (-6.9 points). Also of note are *Industry* (-0.9 points) and *Construction* (-0.6). For their part, the contribution of the primary activity branches to GDP growth was slightly positive (0.1 points).

Contributions to year-on-year GDP growth. Supply

Chain-linked volume. Percentage points



GDP at current prices and implicit deflator

GDP at current prices registered a year-on-year variance of -7.8%. This rate is 12.9 points more than what is recorded for the second quarter.

Gross Domestic Product

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

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	3.5	3.5	3.2	3.3	-3.1	-20.7	-7.8
Final consumption expenditure	2.7	2.6	2.4	2.5	-2.5	-17.4	-6.4
Household final consumption expenditure	2.0	1.8	1.8	1.8	-5.3	-25.3	-10.6
Final consumption expenditure of NPISHs	3.8	5.2	7.9	6.5	5.6	4.5	3.0
Final consumption expenditure by government	4.7	4.9	4.0	4.6	5.5	5.0	5.6
Gross capital formation	9.8	4.3	4.4	1.5	-4.7	-24.0	-8.5
Gross fixed capital formation	10.0	4.4	5.2	2.8	-4.2	-23.9	-7.8
Tangible fixed assets	11.9	4.9	5.8	2.8	-5.1	-27.1	-8.1
Dwellings and other buildings and structures	11.6	7.4	4.5	0.7	-5.0	-25.1	-10.1
Machinery, Equipment, weapon system and cultivated biological resources	12.4	1.3	7.8	6.1	-5.3	-30.2	-5.1
Intellectual property products	1.3	2.2	2.3	2.8	0.8	-8.0	-6.4
Changes in inventories and acquisitions less disposals of valuables ¹	0.1	0.0	-0.1	-0.2	-0.1	-0.2	-0.2
National demand ¹	4.1	2.9	2.8	2.2	-2.9	-18.2	-6.7
Exports of goods and services	2.5	3.6	2.2	2.3	-5.5	-38.5	-20.0
Imports of goods and services	4.5	2.0	1.1	-0.9	-5.3	-34.4	-18.5
Gross domestic product at market prices	3.5	3.5	3.2	3.3	-3.1	-20.7	-7.8
Agriculture, forestry and fishing	-5.7	-9.4	5.1	2.1	4.2	15.9	2.7
Industry	2.9	4.4	3.3	4.4	-6.5	-22.4	-3.5
Manufacturing industry	2.1	2.9	3.6	5.8	-6.3	-25.7	-4.8
Construction	10.5	10.7	7.8	7.1	-6.3	-22.0	-8.3
Service activities	3.3	3.6	3.1	3.4	-2.3	-19.8	-9.1
Trade, transport and accommodation and restaurants	2.6	3.5	3.3	4.8	-9.4	-44.3	-21.6
Information and communication	2.6	1.9	2.1	4.0	-4.0	-9.8	-7.7
Financial and insurance activities	11.1	-0.3	1.5	-17.2	12.1	1.5	5.9
Real estate activities	2.8	3.4	3.0	4.6	1.6	-4.4	-3.5
Professional, scientific and technical activities and other	5.7	5.5	4.9	5.9	-2.7	-25.1	-11.7
Public administration, education and health activities	2.7	4.5	3.5	5.0	3.4	2.9	3.9
Arts, entertainment and other services	-0.2	3.0	-0.3	2.5	-7.9	-37.0	-17.6
Taxes on products less subsidies	4.7	0.9	0.3	-1.2	-4.3	-33.7	-7.6

¹Contribution to GDP growth at market prices

As a result, the implicit deflator of the economy presented a year-on-year variation of 1.4%, three tenths higher than in the previous quarter.

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

Compensation of employees recorded a year-on-year variation of -4.8% in the third quarter, 9.1 points higher than in the previous quarter.

This result was due to a 5.5% decrease in the number of *salaried employees*, 10.9 points higher than in the previous quarter, and to the fact that the *average compensation per employee* varied by 0.8%, compared with 2.9% in the second quarter.

The *gross operating surplus / gross mixed income* generated in the economy showed a variation of -8.2% in the year-on-year rate, 13.1 points more than in the second quarter.

Finally, the amount accrued in *taxes on production and net imports of subsidies* showed a year-on-year variation rate of -19.1%, compared to -48.8% in the previous quarter.

Gross Domestic Product. Income

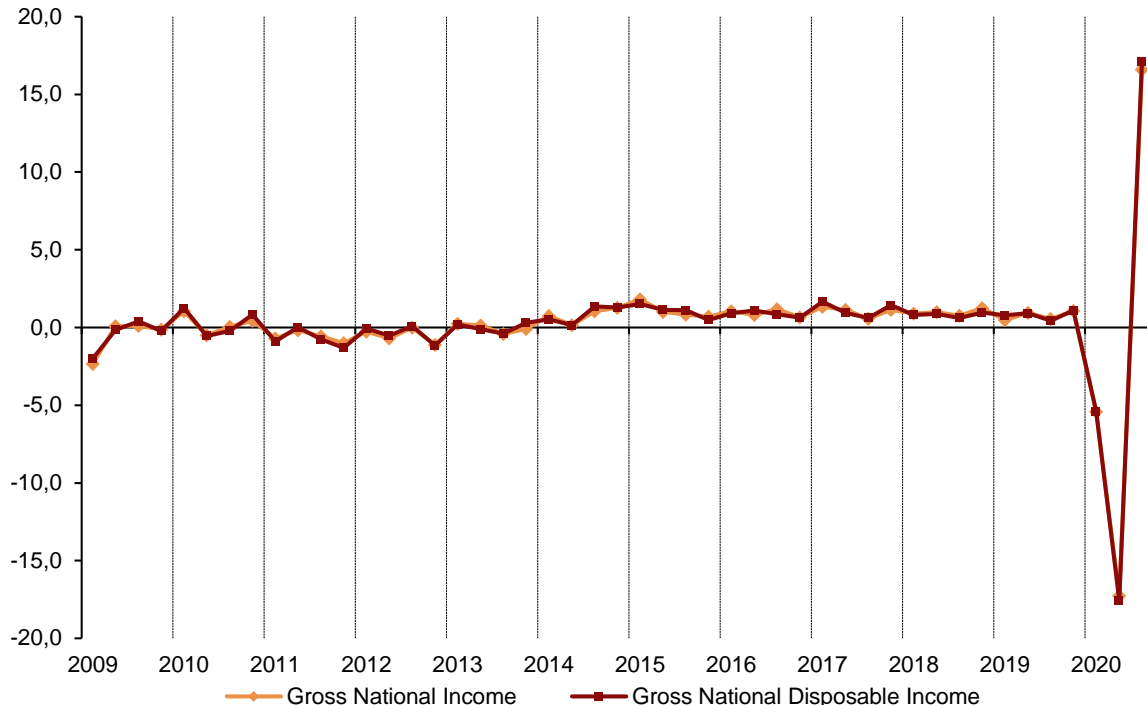
Current prices Year-on-year variation rates (%)

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Gross domestic product at market prices	3.5	3.5	3.2	3.3	-3.1	-20.7	-7.8
Compensation of employees	5.1	5.2	4.5	4.4	2.1	-13.9	-4.8
Gross operating surplus / Gross mixed income	1.7	2.6	2.5	3.2	-8.0	-21.3	-8.2
Net taxes on production and imports	4.2	0.3	0.4	-1.2	-5.7	-48.8	-19.1

If we add the balance of primary income with the rest of the world to the evolution of quarterly GDP at current prices, we obtain that *gross national income* grows by 16.6% with respect to the second quarter, 33.9 points more than in the previous quarter. If we add to this the evolution of the balance of current transfers with the rest of the world, we obtain that the gross national disposable income increased by 17.1% with respect to the previous quarter, 34.7 points more than in the second quarter.

Gross national income and Gross national disposable income.

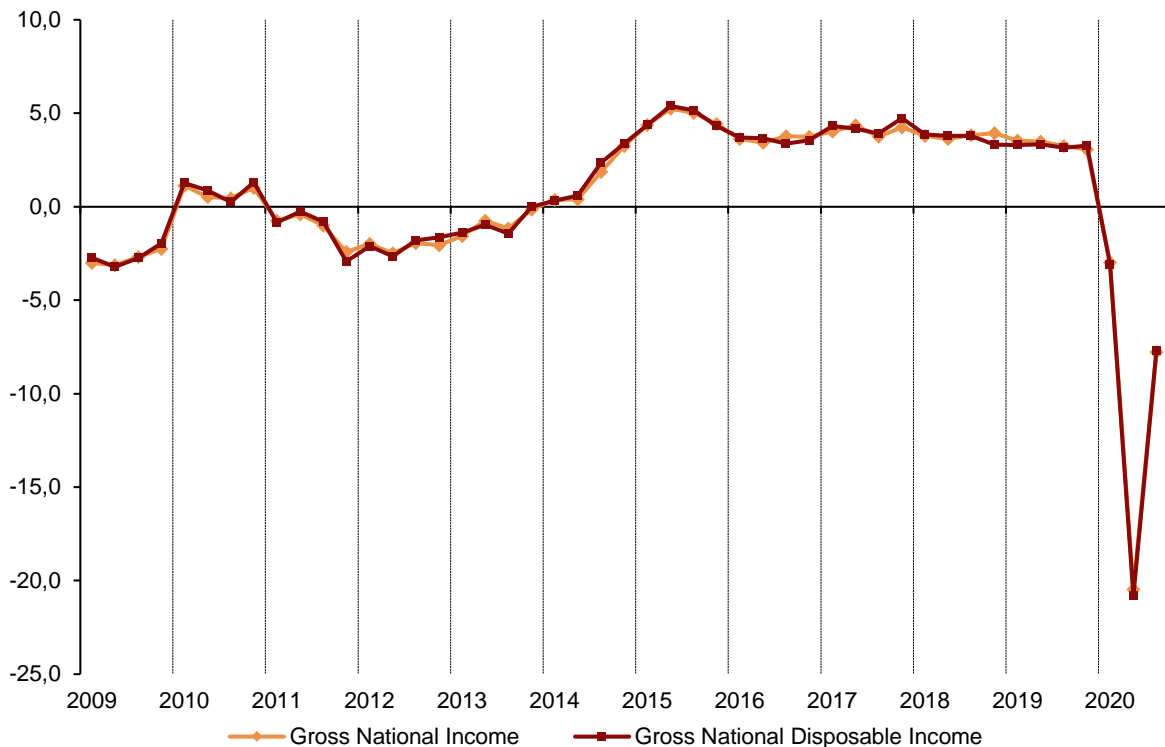
Adjusted for seasonal and calendar effects. Quarter-on-quarter variation rates (%)



In year-on-year terms, the growth rate for the gross national income was -7.8%, a rate three 12.7 points higher than in the second quarter of 2020. Gross national disposable income decreased 7.7%, 13.1 points more than in the previous quarter.

Gross national income and Gross national disposable income

Adjusted for seasonal and calendar effects. Year-on-year variation rates (%)



Employment

The number of hours effectively worked grew by 24.7% compared to the previous quarter. In interannual terms, the number of hours actually worked improved 18.7 points compared to the interannual rate for the second quarter, standing at -6.2%.

The year-on-year variation rate of hours worked at industrial branches stood at -8.6%, or 12.2 points more than in the previous quarter.

In the case of *Construction*, the year-on-year variation was -2.8%, with a increase of 28.3 points compared to the previous quarter.

The year-on-year change for hours worked in the *Services* sector increased 19.3 points with respect to the previous quarter, to -6.5%.

Finally, the primary branches presented a variation of -1.0%, with a decrease of 7.5 points compared with the previous quarter.

Employment

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

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Total	2.8	1.3	0.7	1.4	-4.2	-24.9	-6.2
Agriculture, forestry and fishing	3.0	-1.8	-2.8	-3.6	-9.6	-8.5	-1.0
Industry	1.4	0.9	1.5	1.6	-2.8	-20.8	-8.6
Manufacturing industry	1.7	0.8	1.5	1.5	-3.1	-22.0	-9.5
Construction	10.7	5.8	1.7	-0.6	-7.3	-31.1	-2.8
Service activities	2.2	1.2	0.6	1.8	-3.8	-25.8	-6.5
Trade, transport and accommodation and restaurants	1.2	0.5	0.1	1.4	-6.8	-41.8	-12.4
Information and communication	5.3	5.8	4.9	3.3	3.2	-4.5	-4.1
Financial and insurance activities	-0.9	-1.2	-0.1	0.2	-1.4	-6.8	-0.5
Real estate activities	7.1	3.6	3.5	3.4	-6.8	-23.7	-1.0
Professional, scientific and technical activities and other	4.0	3.0	2.5	2.7	-0.8	-19.9	-4.0
Public administration, education and health activities	3.4	1.7	0.7	1.9	-0.2	-3.7	0.7
Arts, entertainment and other services	-0.5	-1.9	-1.7	1.5	-8.8	-40.5	-8.7
Employees	3.1	1.6	1.1	2.3	-2.9	-22.3	-6.1
Agriculture, forestry and fishing	4.7	-3.2	-3.4	-1.5	-7.5	-4.3	0.7
Industry	1.2	0.8	2.0	2.3	-4.1	-20.4	-8.2
Manufacturing industry	1.5	0.6	2.1	2.3	-4.5	-21.6	-9.0
Construction	9.9	5.6	3.7	2.1	-6.5	-27.1	1.6
Service activities	2.7	1.5	0.9	2.5	-2.1	-22.9	-6.7
Trade, transport and accommodation and restaurants	2.8	1.3	0.9	2.8	-4.2	-40.7	-13.5
Information and communication	5.8	6.5	5.9	4.9	4.8	-3.9	-1.5
Financial and insurance activities	-0.7	-1.1	-0.1	0.1	-0.8	-4.3	-0.6
Real estate activities	7.0	4.2	5.3	6.7	-15.3	-21.1	-16.4
Professional, scientific and technical activities and other	3.3	3.3	2.7	4.1	1.8	-18.1	-3.7
Public administration, education and health activities	3.4	1.7	0.4	1.6	-0.4	-3.3	0.6
Arts, entertainment and other services	-1.5	-2.7	-3.0	0.8	-7.7	-39.0	-11.6

Equivalent full-time jobs, defined as the number of hours worked between the average day spent in full-time jobs, increased by 16.0% compared to the previous quarter. This variation is 33.7 points higher than that of the second quarter. This is explained by the combined effect of the variation in hours worked and the increase in the average work day in full-time jobs (from -5.0 to 7.5).

In year-on-year terms, employment shows a variation of -5.5%, with an advance of 12.9 points compared to the previous quarter, which represents a decrease of 1,012 thousand full-time equivalent jobs in one year

The year-on-year variation rate of employment in industrial branches stood at -7.5%, which is 7.3 points more than in the previous quarter.

In the case of *Construction*, the year-on-year variation of employment was -2.8%, showing an increase of 17.5 points compared to the previous quarter.

Employment in *Services* increased its year-on-year growth by 13.8 points compared to the previous quarter, to -5.6%.

Finally, employment in the primary branches presented a variation of -2.4%, with an increase of 4.6 points compared with the previous quarter.

Employment

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

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Total	2.8	2.5	1.8	2.1	-0.5	-18.4	-5.5
Agriculture, forestry and fishing	-0.4	-1.7	-2.0	-3.6	-6.9	-7.0	-2.4
Industry	1.5	1.9	2.9	1.9	0.6	-14.8	-7.5
Manufacturing industry	1.6	2.0	3.1	1.9	0.4	-15.7	-8.5
Construction	10.6	5.8	3.1	1.4	-3.7	-20.3	-2.8
Service activities	2.5	2.5	1.7	2.4	-0.1	-19.4	-5.6
Trade, transport and accommodation and restaurants	2.6	2.5	1.6	2.7	-1.3	-32.7	-10.5
Information and communication	4.5	6.9	4.8	3.9	3.7	-1.7	1.0
Financial and insurance activities	0.1	-0.4	-0.4	-0.6	0.7	-4.9	-0.2
Real estate activities	10.7	6.0	2.1	0.3	-8.8	-27.6	-4.1
Professional, scientific and technical activities and other	4.3	2.8	2.6	3.4	2.2	-12.3	-4.8
Public administration, education and health activities	2.4	2.7	1.9	2.1	1.4	-4.0	-0.1
Arts, entertainment and other services	-1.4	0.4	-0.9	1.5	-3.8	-34.6	-9.0
Employees	3.1	2.8	2.2	2.5	0.8	-16.4	-5.5
Agriculture, forestry and fishing	-0.6	-2.8	-3.0	-2.3	-3.8	-2.2	-0.4
Industry	2.0	2.0	2.8	1.9	0.4	-14.2	-7.6
Manufacturing industry	2.1	2.1	3.0	2.0	0.3	-14.9	-8.7
Construction	10.9	6.2	4.2	1.9	-1.0	-15.6	-1.3
Service activities	2.8	2.8	2.1	2.8	1.2	-17.3	-5.8
Trade, transport and accommodation and restaurants	3.7	3.2	2.4	3.4	0.6	-31.9	-11.6
Information and communication	5.2	7.7	5.6	5.6	5.5	-1.6	3.1
Financial and insurance activities	0.7	0.1	-0.2	-0.4	1.1	-3.5	0.1
Real estate activities	12.2	7.8	6.2	5.4	-13.6	-25.1	-16.2
Professional, scientific and technical activities and other	3.9	3.0	3.0	4.0	4.3	-11.2	-3.9
Public administration, education and health activities	2.0	2.5	2.0	1.9	1.2	-3.8	-0.3
Arts, entertainment and other services	-0.8	0.1	-1.3	1.1	-2.3	-31.9	-11.1

With this, the year-on-year variation of *productivity per full-time equivalent job* stood at -3.7%, compared to -3.9% in the previous quarter.

For its part, the *productivity per hour actually worked* was at -3.0%. In the second quarter its variation was 4.4%.

Productivity

Year-on-year variation rates (%)

	2019				2020		
	Tr. I	Tr. II	Tr. III	Tr. IV	Tr. I	Tr. II	Tr. III
Labour productivity per full time equivalent employment	-0.6	-0.4	0.1	-0.4	-3.7	-3.9	-3.7
Labour productivity per hour worked	-0.5	0.7	1.1	0.3	0.1	4.4	-3.0

Finally, the unit labour cost (CLU) increased by 4.7% with respect to the third quarter of 2019. This rate is 3.3 points higher than the variation experienced by the implicit deflator of the economy (1.4%).

Labour Expenses

Year-on-year variation rates (%)

	2019				2020		
	Q. I	Q. II	Q. III	Q. IV	Q. I	Q. II	Q. III
Unit Labor Cost (ULC)	2.5	2.8	2.2	2.3	5.1	7.1	4.7
Compensation per employee	1.9	2.3	2.3	1.9	1.3	2.9	0.8

Data Review and Update

The results published today incorporate all the current information available since October 30 (the date for releasing 2020 third quarter results) related to quarterly economic evolution. In particular, they integrate quarterly information on the Balance of Payments published by the Bank of Spain today, and on the General Government Accounts, which are also released today by the General Intervention of the State Administration.

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 third 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.

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information see the section on Quality at INE and the Code of Best Practices on the INE website.

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).