

2 April 2013

**Quarterly Spanish National Accounts. Base 2008**  
**Quarterly non-financial accounts for the Institutional Sectors**  
**Fourth quarter of 2012**

**In the fourth quarter of 2012, the net lending of the national economy as compared with the rest of the world stands at 9,500 million euros**

**For the year 2012 as a whole, the net lending of the national economy is estimated at 2,365 million euros, 0.2% of GDP<sup>1</sup>**

**The savings rate for households and non-profit institutions serving households (NPISHs) reaches 12.7% of their disposable income in the fourth quarter of 2012, 3.5 points less than in the same period in 2011**

**For the year 2012 as a whole, households and NPISHs decrease their savings rate by 2.8 points, reaching 8.2% of their disposable income**

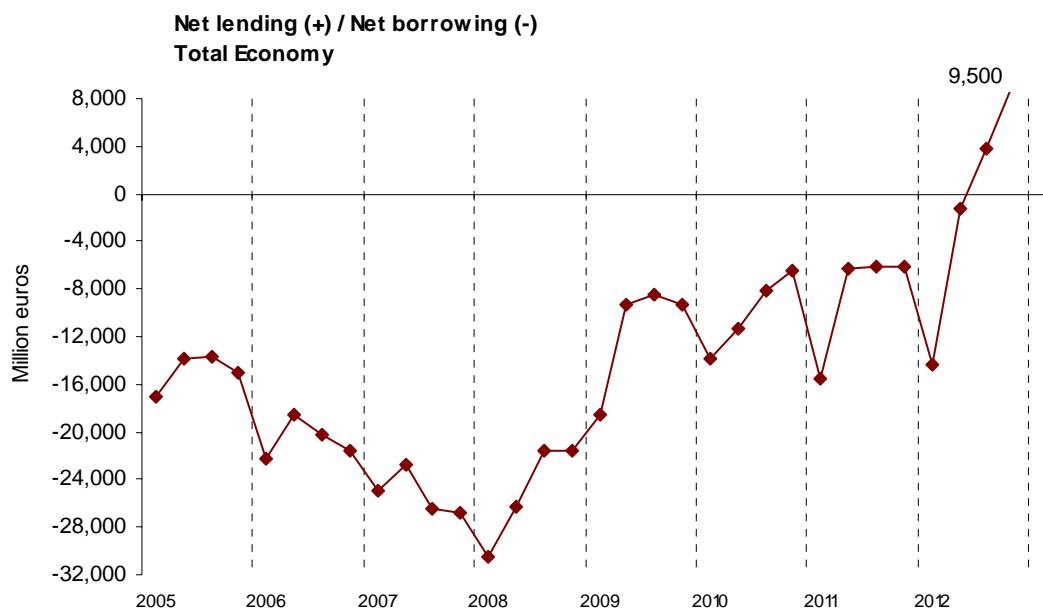
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<sup>1</sup> GDP at market prices (current prices) of year 2012: 1,049,525 million euros. For further information see the INE's website (<http://www.ine.es/en/>) where updated data are available corresponding to the period from the first quarter 2000 to fourth quarter 2012.

## Quarterly estimates

### Total Economy

As a result of the actions of all institutional sectors, the national economy presented net lending of 9,500 million euros as compared to the rest of the world during the fourth quarter of 2012 (15,671 million euros higher than in 2011).



The total of the Spanish economy accumulated net borrowing of 6,171 million euros during the same quarter of 2011. As compared to this result, the net lending observed in the fourth quarter 2012 for the total of the national economy (9,500 million euros) was explained by the behaviour of the balance of foreign exchanges of goods and services, which increased by 7,520 million euros, as a result of an annual increase of exports (5.6%) and a decrease of imports (3.3%). The second component contributing was the improvement in the balance of income and current transfers and of capital with the rest of the world, exceeding by 8,151 million euros the result of the previous year.

### Rest of the world

Unit: million euros

	2011 QIV	2012 QIV	Variation
External balance of goods and services	2,644	-4,876	-7,520
Balance of income and current and capital transfers	3,527	-4,624	-8,151
<b>Net lending (+) / Net borrowing (-)</b>	<b>6,171</b>	<b>-9,500</b>	<b>-15,671</b>

### Total Economy

Unit: million euros

	2011 QIV	2012 QIV	Variation
<b>Net lending (+) / Net borrowing (-)</b>	<b>-6,171</b>	<b>9,500</b>	<b>15,671</b>

## Households and Non-profit Institutions Serving Households Sector

During the fourth quarter of 2012, disposable income for the Households and Non-Profit Institutions Serving Households (NPISH) Sector decreased 4.2% interannually, 7,835 million euros lower than the income in the same quarter of the previous year.

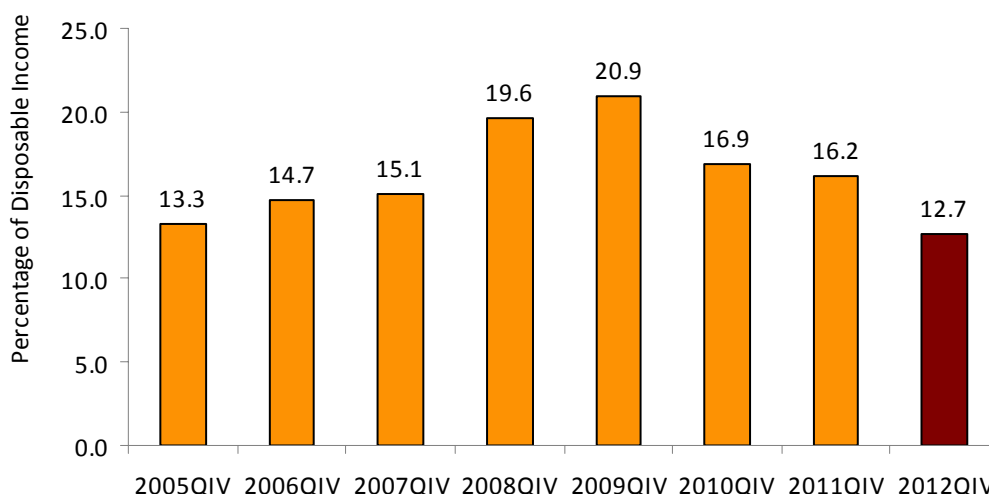
This result was brought about as a result of a decrease in the balance of primary income (5.7%) due to the decrease in remuneration of wage earners (8.5%), that was not compensated by the increase in operating surplus and mixed income of households (0.7%) and in the balance of income from property received (interest, dividends, etc.) (1.0%).

On the other hand, the decrease in the balance of primary income was compensated by the rise in benefits received by households (1.0%) and by the drop in social contributions paid (7.7%). Taxes on income and wealth paid by households decreased by 1.6%, as compared to the fourth quarter of 2011.

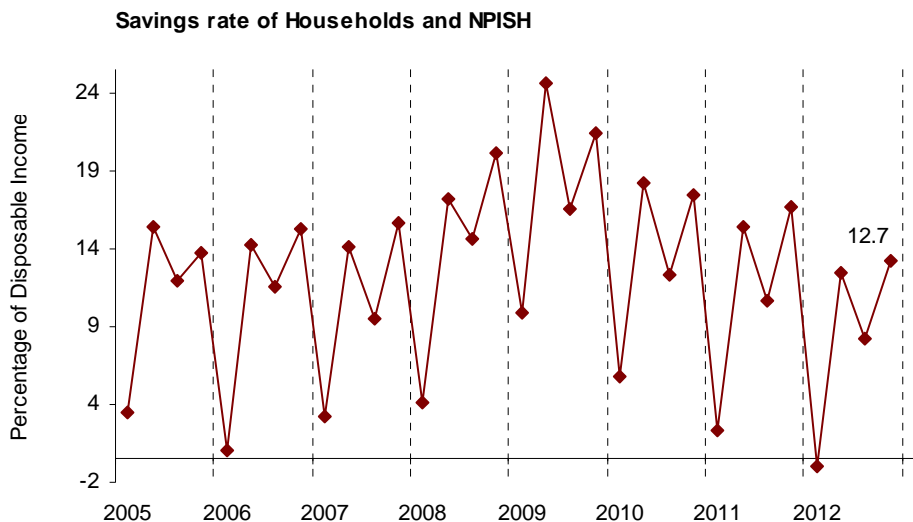
In absolute terms, disposable income of the sector in the fourth quarter 2012 was estimated at 176,766 million euros.

Regarding to the use of this disposable income, it was worth mentioning that final consumption expenditure by households and NPISHs during this period decreased 0.6%, as compared to the same quarter of 2011. This decrease did not compensate the decrease in disposable income, leading to an interannual decrease of 24.7% of its total savings, whose value reached 22,547 million euros. Savings rate stood at 12.7% of the disposable income, 3.5 points lower than that registered in the fourth quarter 2011.

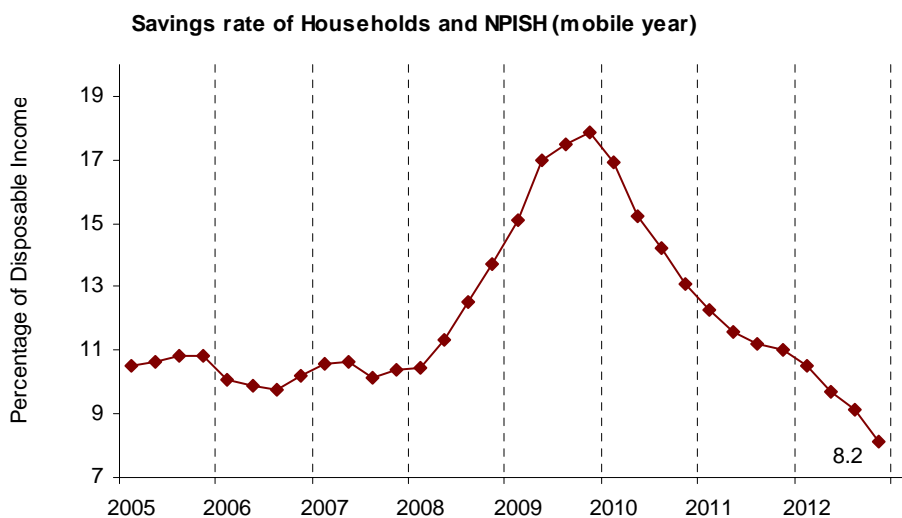
**Evolution of the saving rates of Households and NPISH in the fourth quarter**



It can be observed in the following chart the behaviour of the quarterly saving rates series of the household and NPISHs sector.

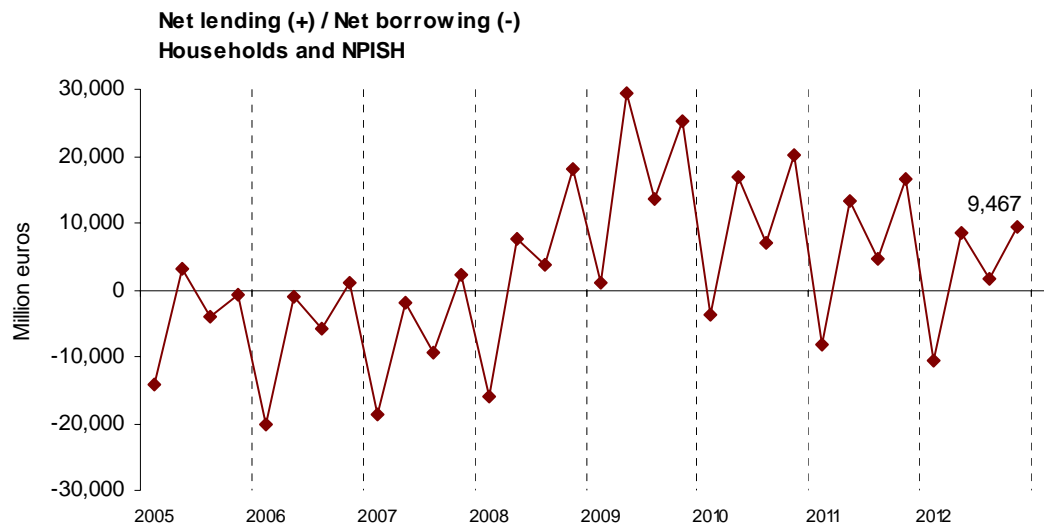


Taking mobile periods of four quarters, it can be observed in the last quarter (first to fourth quarter 2012) that the savings rate for the sector decreased by nine tenths, as compared to the previous mobile period, reaching 8.2% of its disposable income.



Regarding to the capital account, these savings generated by the households and NPISHs, together with a positive balance of 530 million euros due to the capital net transfers received, was sufficient to finance the volume of investment for the sector, which reached 13,610 million euros this quarter.

Thus the sector generated a net lending of 9,467 million euros, 7,008 million euros lower than that in the fourth quarter 2011.



### Non-financial Corporations Sector

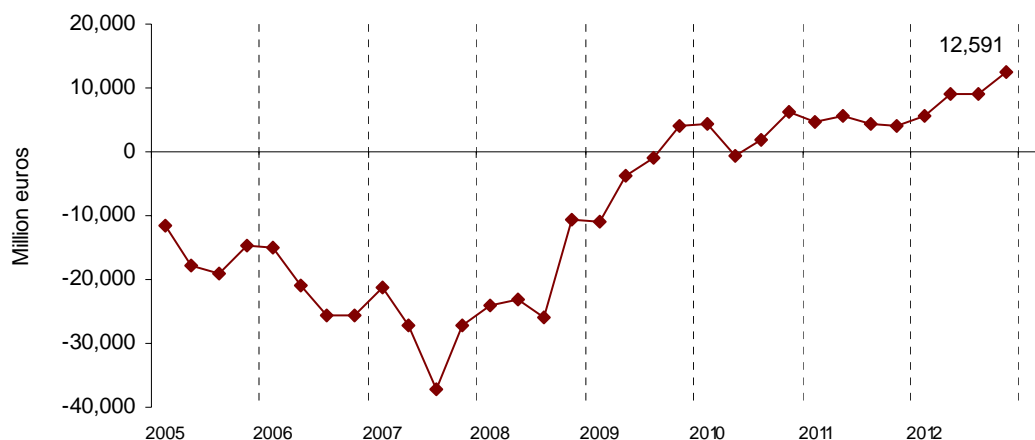
During the fourth quarter of 2012, non-financial corporations experienced an interannual increase of 13.2% in disposable income.

This performance was firstly explained by the 20.1% increase in the balance of primary income. This rise due to the 3.6% increase of operating surplus and the 38.5% decrease of balance of income from property paid.

In addition, the drop in net current transfers paid to the rest of the sectors (1.1%) did not compensate the increase of the corporate tax (64.7%). As a result, disposable income for the sector in the fourth quarter increased by 13.2%, reaching in absolute terms 39,102 million euros.

This amount of disposable income, linked to the positive balance of 2,040 million euros in transfers of net capital received, was sufficient to finance the total investment volume of the sector (28,551 million euros). Consequently, net lending of 12,591 million was estimated, a figure 8,417 million euros higher than that registered in the same period of the previous year.

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



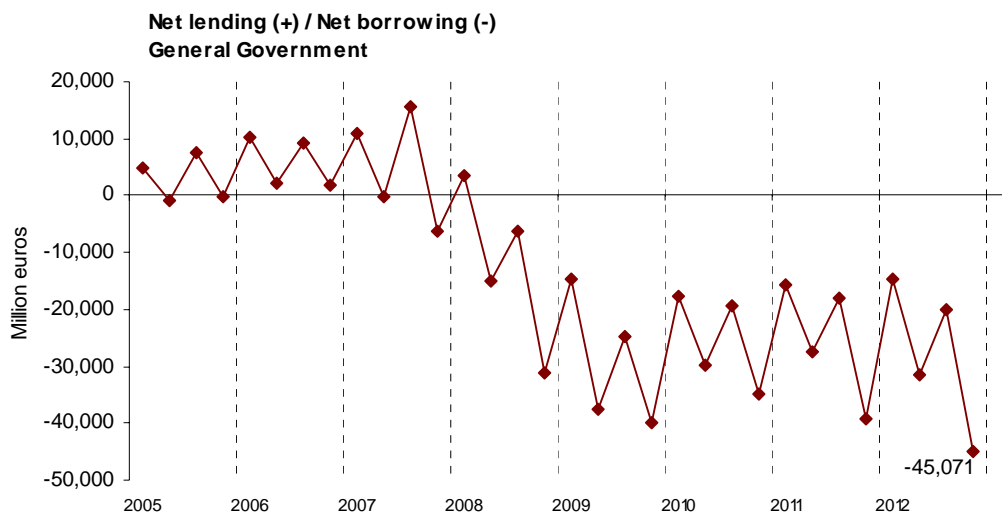
### Public Administration Sector

Disposable income for Public Administrations stood at 46,844 million euros, 6,243 million higher than that registered in the fourth quarter of 2011. The main factors that explain this result were the 16.9% increase in net taxes –those related to production and imports increased by 22.8% and those related to income and wealth increased by 12.8%- and the 42.6% decrease in net current transfers paid.

On the other hand, the drop in benefits received (8.2%), the slight rise in social contributions paid (0.6%) and the increase in property net income paid (31.5%) reduced the growth of the disposable income to 15.4%.

The increase in the level of disposable income and the drop in final consumption expenditure by Public Administrations (9.1%) led savings to stand at -14.051 million euros, improving by 12.359 million, as compared to the fourth quarter of the previous year.

Said savings of the sector, reduced by 28,040 million euros by the net balance of capital transfers paid and by an investment flow from the Public Administrations standing at 2,980 million euros this quarter, made net lending stand at 45,071 million euros. This net lending was reduced to 16,691, excluding helps to Financial Corporations (28,380 million euros).

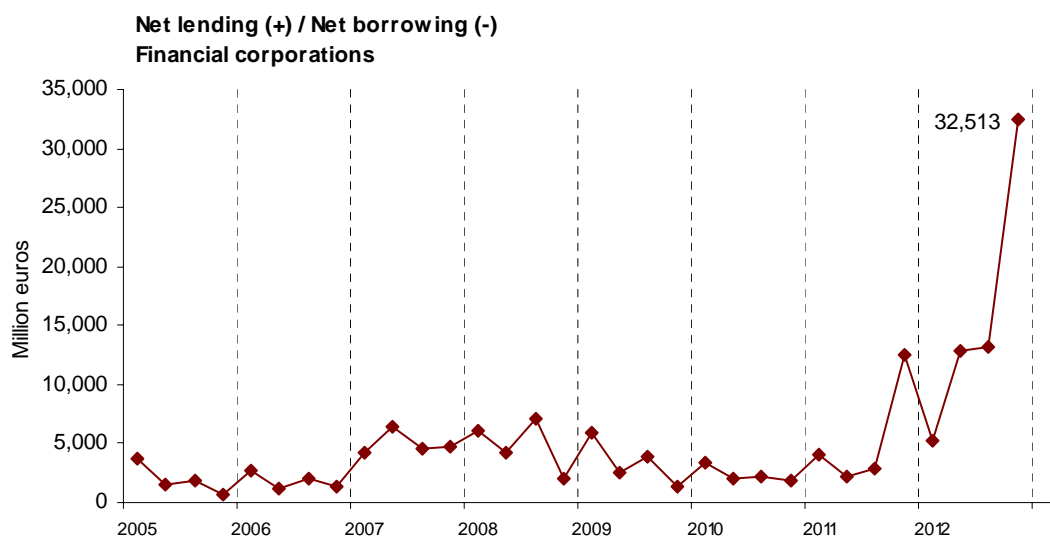


### Financial Corporations Sector

In the fourth quarter of 2012, disposable income for the financial corporations sector decreased 25.2%, standing at 7,768 million euros.

This result is due to a decrease in excess gross operation (21.7%) and the net balance of property income received (4,772 million euros in the reference quarter from 6,183 million in the fourth quarter 2011).

Net capital transfers received by the sector, which was increased to 28,296 million euros (incorporating 28,380 million euros from helps to financial corporations), together with an investment that reached 3,273 million euros made possible to generate a net lending that was estimated at 32,513 million euros.



## Annual estimates

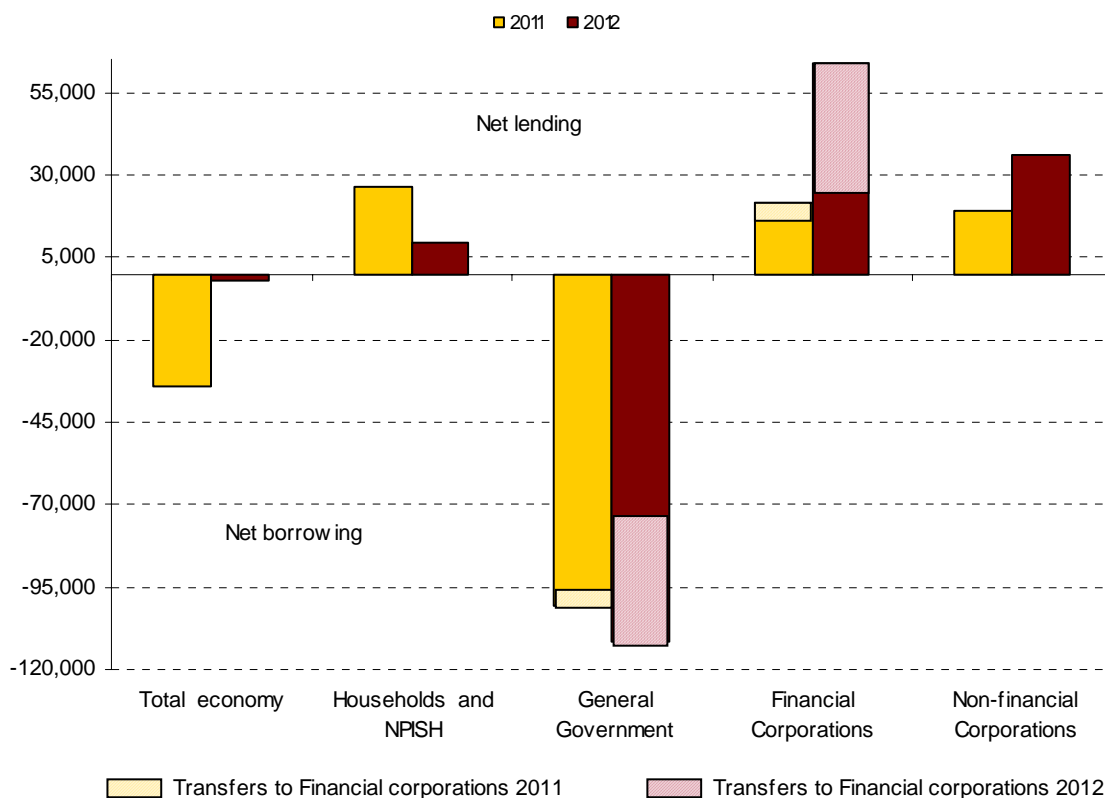
Data showing the behaviour of the different institutional sectors over the entire year were obtained by the breakdown of the estimates corresponding to the four quarters of 2012.

In 2012, the national economy needed an external borrowing of 2,365 million euros, 0.2% of the GDP, 3.0 points lower than that of 2011.

### Net lending (+) / Net borrowing (-)

Unit: million euros

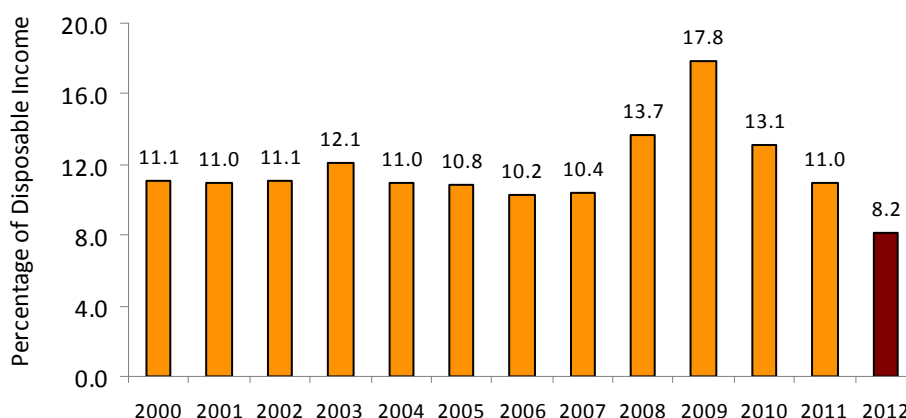
Institutional sector	2011	2012	Variation
Households and NPISH	26,010	9,083	-16,927
General Government	-100,440	-111,616	-11,176
-General Government excluding transfers to financial corporations	-95,304	-73,273	22,031
Financial corporations	21,636	63,899	42,263
Non-financial corporations	18,851	36,269	17,418
<b>Total Economy</b>	<b>-33,943</b>	<b>-2,365</b>	<b>31,578</b>



The decrease in the net borrowing of the economy between 2011 and 2012 (by 31,578 million euros) was explained by the improvement on the balance of external exchanges of goods and services with the rest of the world (by 19,132 million euros) and by the balance of income and current transfers and of capital (by 12,446 million euros).

Households and NPISHs decreased their savings rate by 2.8 points for the year 2012, reaching 8.2% of its disposable income. This drop was due to the increase of final consumption expenditure (0.2%) and to a decrease of the gross disposable income (2.7%).

**Evolution of the annual saving rates of Households and NPISH**



In the analysis of the different household income resources, the balance of primary income decreased by 3.8%, as a consequence of the decrease in employee remuneration (5.4%) and the net balance of property income received (income received decreased 3.4% and income paid increased 1.3%), which counterbalanced the increased in operating surplus and mixed income (0.6%).

Savings generated by households and NPISHs reached 55,122 million euros. These savings, linked to the 3,455 million euros corresponding to the balance of capital transfers received, allowed for financing the investment flow of households and NPISHs, estimated at 49,494 million euros, 11.0% lower than in the year 2011.

Thus, the sector presented net lending of 9,083 million euros in the year 2012.

Regarding to the remaining institutional sectors, Public Administrations presented net borrowing of 111,616 million euros in 2012. This net borrowing was reduced to 73,273 million euros, not excluding helps to financial institutions (38,343 million euros).

The increase in the net borrowing as compared with the previous year was determined, firstly, by the decrease in disposable income (2.7%) and by the increase of capital net transfers paid (190.4%) that were not compensated by the decrease in consumer expenditure (5.1%) and a lower investment (37.0%). The lower disposable income was the result of the increase in property net income paid (35.6%) and payments of social benefits higher than the social contributions received, which did not counterbalanced the rise in income by net taxes (4.5%).

With regard to non-financial corporations, their disposable income increased 10.1% in 2012. The 4.6% increase in the operating surplus, together with the decrease in property income

paid (2.3%) and that of property net income paid (8,031 million euros less than in 2011) compensated the rise of payment of corporate tax (25.7%).

This result, together with the net balance of capital transfers received, was sufficient to finance the net investment volume of the sector (which was 3.7% lower than in 2011) and to obtain net lending of 36,269 million euros.

Finally, financial institutions showed net lending of 63,899 million euros, taking into account the helps to financial institutions.

### **Further information**

**Results for the period from the first quarter of 2000 to the fourth quarter of 2012** are available on the INE website (<http://www.ine.es/en/>).

Estimations referred to the quarters of year 2012 might show some variations as compared to those published previously as a consequence of the availability of new information and/or updating and reviewing of that existing.

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.