

March 26 2014

Business Turnover Index (BTI). Base 2010
January 2014. *Provisional data*

INE presents the results for the new monthly short-term statistical operation: Business Turnover Index

Business Turnover monthly variation stands at 0.6% eliminating the seasonal and calendar effects.

The annual rate of Business Turnover Index stands at 0.7% in the series adjusted for seasonal and calendar effects and at -0.4% in the original series.

As a novelty and in accordance to what is set out in Royal Decree 1017/2013, of 20 December, which approves the Annual Programme 2014 of the National Statistical Plan 2013-2016, INE develops and publishes for the first time the statistical operation of Business Turnover Index (BTI). This operation will be performed monthly and it will offer a combined and weighted measurement of turnover of economic sectors: *Extractive and manufacturing industries, Electrical energy and water supply, Trade and Non-financial market services.*

BTI is a value index that measures turnover evolution of the sectors it is formed by, therefore the information presented is always in current terms of each period. BTI series are available in the INE database (INEbase) from January 2002. Activities included in BTI represent 50.0% of GDP at market prices. This percentage increases to 66.5% if Public Administrations and net Taxes on products are excluded.

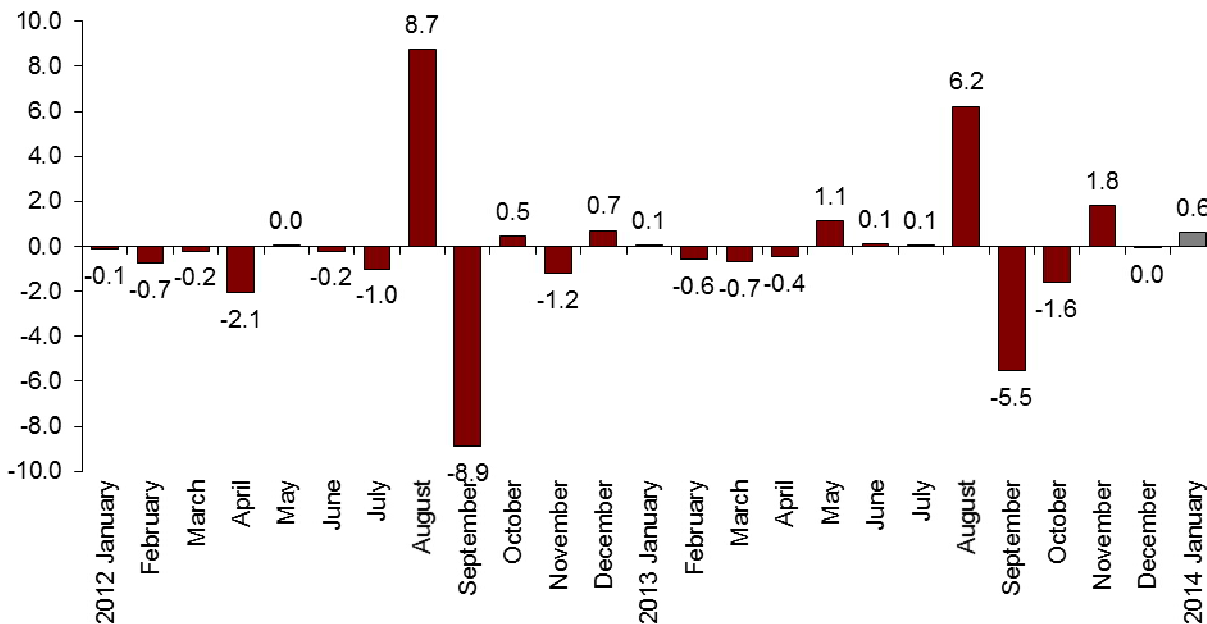
In order to comply with the Code of Practice for European Statistics, this operation has been designed in such a way that its compilation has not involved an increased burden for the respondent. Reusing the information resulting from another three statistical operations carried out by INE, on the one hand the following is obtained: Industrial Turnover Indices, Services Sector Activity Indicators and Retail Trade Indices and on the other hand, using the existing information in administrative registers the following is obtained: Sales recorded by Large Companies in their auto-assessment of VAT in the sector not covered by the aforementioned surveys.

On 26 June 2013, the Permanent Commission of the High Council on Statistics, which is an advisory body of the state statistical services and social involvement of informants, producers and users of official statistics, gave a favourable opinion towards BTI. INE appreciates the collaboration offered by its members for the development and drafting of this new operation.

Monthly evolution of BTI

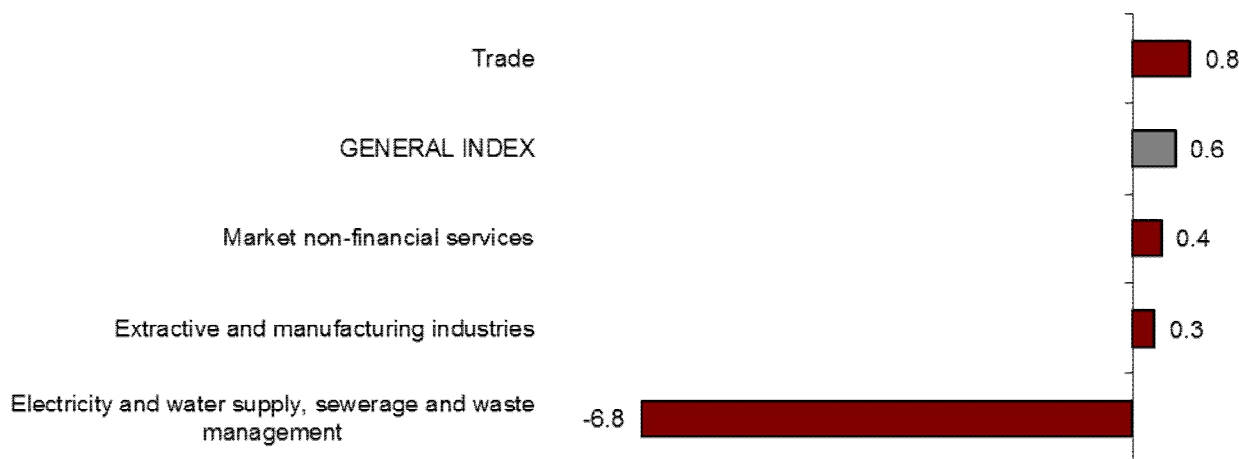
The monthly variation of the General Business Turnover Index (BTI) between the months of January 2014 and December 2013, when eliminating seasonal and calendar effect is 0.6%. This rate is half a point higher than the one for December.

Business Turnover Index
Adjusted for seasonal and calendar effects. Monthly rate



Three of the four analysed sectors present positive monthly rates. As for *Electrical energy and water supply, sewerage and waste management* is the only one that decreases (-6.8%).

Business turnover indices: General and by sectors
Adjusted for seasonal and calendar effects. Monthly rate

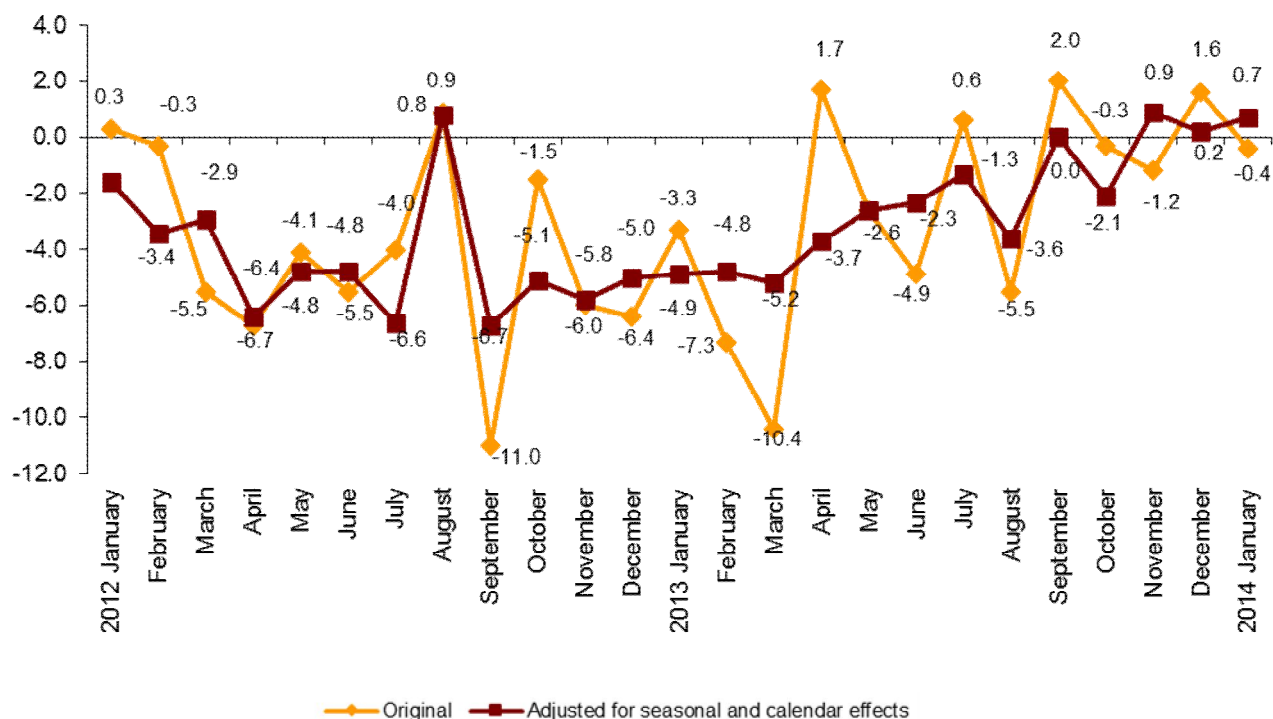


Annual Evolution of BTI

The variation of the General Business Turnover Index adjusted for seasonal and calendar effects stands at 0.7% regarding the same month of the previous year. This rate is half a point higher than December.

The original series of BTI has an annual variation of -0.4%. This rate is two points lower than December 2013.

General Business Turnover Index Annual rate



The adjusted indices for seasonal and calendar effects present positive annual variation rates in *Trade* (1.5%) and *non-financial market services* (1.2%).

On the contrary, *Extractive and manufacturing industries* register a decrease of 1.1% and *Electrical energy and water supply, sewerage and waste management* decreases 3.0% of the annual rate.

Annual rates of the Business Turnover Indices:

General and by sectors

	Original index	Adjusted for seasonal and calendar effects
	Annual rate (%)	Annual rate (%)
GENERAL INDEX	1.5	0.0
Extractive and manufacturing industries	-0.2	-2.4
Electricity and water supply, sewerage and waste management	14.0	12.1
Trade	0.7	-0.5
Market non-financial services	1.7	1.1

Main features of Business Turnover Index (BTI) Base 2010.

The National Statistics Institute (INE) publishes today for the first time, the Business Turnover Index (BTI) Base 2010.

This new indicator complements the information offered by INE each month, about the evolution of the different sectors separately. This offers the final user a short-term indicator that will in the first place allow carrying out monthly monitoring of the business activity of a very important part of the economy, and in the second place, carrying out comparative analyses between the different sectors, as well as analysing the interrelation that may occur among them.

According to the 2012 preview of Spanish National Accounts, the activities included in BTI mean 50.0% of GDP at market prices. When excluding Public Administrations and net Taxes on products, the activities included in BTI represent 66.5% of GDP at market prices.

Calculation formula

This indicator is obtained based on the results of another three statistical operations implemented in INE: Industrial Turnover Indices, Services Sector Activity Indicators and Retail Trade Indices.

Moreover, so as to complete the industrial sector, in activities regarding *Electrical energy and water supply, sewerage and waste management* the information from administrative registers is used (which comes from sales recorded by Large Companies ¹ in their monthly self-assessment of VAT).

Business Turnover Index is calculated by means of a fixed base Laspeyres index, in which the base year has been established so as to find the consistency with the rest of short-term indicators, in the year 2010.

Elementary indices are indices published by INE in the aforementioned short-term statistics or calculated from the information provided by the Spanish Tax Administration Agency for the sector regarding *Electrical energy and water supply, sewerage and waste management*.

¹ For tax purposes, Large Companies are considered individuals or companies whose volume of operations has surpassed 6.01 million euros during the immediately prior natural year. Determining the volume of operations is carried out according to article 121 of the Law 37/1992 on VAT. According to data in the Industrial Companies Survey, the invoicing percentage of Large Companies in the year 2010 was 98% in section D (Electrical energy, gas, steam and air conditioning supply) and 80% in section E (Water supply, sewerage, waste management and decontamination).

Weightings

The weightings that take part in the calculation of the general index have been obtained from the data of the structural surveys: Annual Industrial Companies Survey, Annual Trade Survey and Annual Services Survey, regarding year 2010.

The main objective of these structural and annual surveys is to provide accurate, reliable and convenient information about the different activities that make up these sectors. The three surveys cater for the requirements of the European Union regarding structural statistics covered by Regulation No. 58/97 and amended by Regulation No. 295/08.

The weightings of each elementary aggregate represent the relationship between the invoicing value or turnover of the activities it is formed by, and the total invoicing of the activities that make up the population scope of this index: *Extractive and manufacturing industries, Electrical energy and water supply, sewerage and waste management, Trade and Non-financial market services.*

BTI Weightings, base 2010.

Extractive and manufacturing industries	28.38
Electricity and water supply, sewerage and waste management	4.67
Trade	41.79
Market non-financial services	25.16
	100.00

Dissemination of results

From today onward, Business Turnover Index is available on the INE database (INEbase) from January 2002 (first month available for the elementary indices it is made up of).

The disseminated series are adjusted for calendar effects and adjusted for seasonal and calendar effects. The seasonal adjustment has been carried out according to the "INE Standard for adjusting seasonal and calendar effects in short-term series" published in the INE website

http://www.ine.es/en/clasifi/estandar_efectos_estacionales_en.pdf

Business Turnover Indices. Base 2010

January 2014

Provisional data

1. Business Turnover Indices: General and by sectors Adjusted for seasonal and calendar effects

	Index	Rate (%)		
		Monthly	Annual	Year-to-date average
GENERAL INDEX	95.4	0.6	0.7	0.7
Extractive and manufacturing industries	99.4	0.3	-1.1	-1.1
Electricity and water supply, sewerage and waste management	113.6	-6.8	-3.0	-3.0
Trade	91.0	0.8	1.5	1.5
Market non-financial services	92.7	0.4	1.2	1.2

2. Business Turnover Indices: General and by sectors Adjusted for calendar effects

	Index	Rate (%)	
		Annual	Year-to-date average
GENERAL INDEX	89.7	0.8	0.8
Extractive and manufacturing industries	92.9	-0.9	-0.9
Electricity and water supply, sewerage and waste management	116.8	-3.8	-3.8
Trade	88.9	1.9	1.9
Market non-financial services	82.5	1.3	1.3

3. Business Turnover Indices: General and by sectors Original series

	Index	Rate (%)		Effect
		Annual	Year-to-date average	Annual
GENERAL INDEX	90.0	-0.4	-0.4	
Extractive and manufacturing industries	93.5	-2.5	-2.5	-0.754
Electricity and water supply, sewerage and waste management	117.2	-4.7	-4.7	-0.294
Trade	89.1	1.2	1.2	0.462
Market non-financial services	82.6	1.0	1.0	0.223

For further information see **INEbase** - www.ine.es/en/ All press releases at: www.ine.es/en/prensa/prensa_en.htm

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