

Quarterly Spanish National Accounts. Base 2000
Quarterly Non-Financial Accounts for the Institutional Sectors
First quarter of 2009

Main results

- In the first quarter of 2009, the savings rate for households and non-profit institutions serving households (NPISH) reaches 7.9% of their disposable income, 4.8 points more than the same period in 2008. Taking mobile periods of the last four quarters as a reference, this rate stands at 14.1% of disposable income, 1.1 points more than the previous period.
- The net borrowing of households and NPISH during the first quarter of 2009 stands at 4,062 million euros, 1.5% of GDP.
- Non-financial corporations have net borrowing of 24,985 million euros, 9.5% of quarterly GDP.
- The Public Administrations present net lending of 261 million euros, 0.1% of quarterly GDP.
- Financial institutions have net lending of 6,343 million euros this quarter, 2.4% of GDP.
- The net borrowing of the economy as compared with the rest of the world is estimated at 22,443 million euros, accounting for 8.5% of quarterly GDP, 2.7 points less than one year ago.

Households and Non-Profit Institutions Serving Households Sector

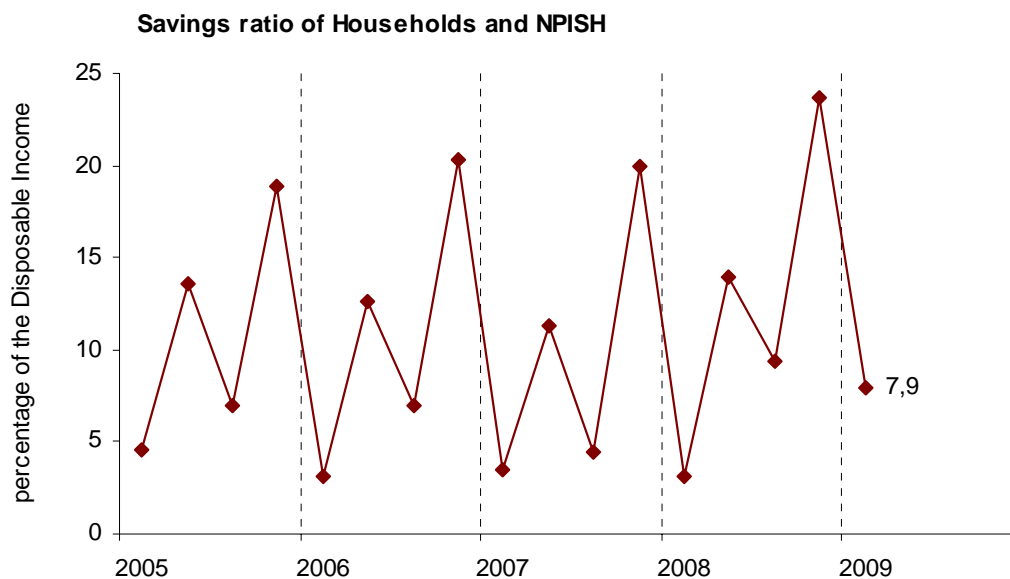
During the first quarter of 2009, disposable income for the Households and Non-Profit Institutions Serving Households Sector (NPISH) increased 1.5% interannually, which in absolute terms amounted to 167,642 million euros, an increase of 2,509 million euros as compared with the income estimated in the first quarter of the previous year.

This result was particularly due to the decrease in the balance for primary income (2.8%), in which it was worth noting both the decrease in operating surplus and mixed income of households (7.2%) and employee remuneration (2.7%), partially compensated by the net balance of property income received (interest, dividends, ...), which grew 26.4% (those received decreased 2.2% and those paid decreased 38.6%).

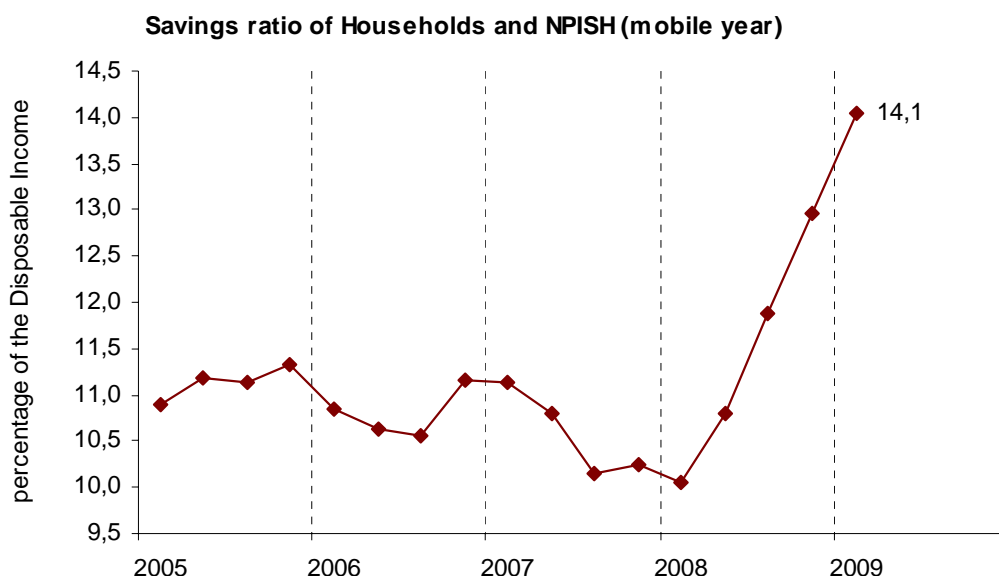
Likewise, and regarding secondary income distribution, households benefited this quarter, from a volume of social benefits received, which grew at an interannual rate of 16.0%, and from a balance of current transfers received that increased 25.2%. In addition, from the job perspective, the amount of social contributions paid decreased 2.8%, and income and capital gains taxes paid by households decreased 6.6%.

The joint consideration of all of the elements mentioned has determined that the interannual growth of the disposable income of households stood at 1.5%, as previously stated.

As regards the use of this disposable income, it is important to note that final consumption expenditure by households and NPISH decreased 3.6% in this period, with the result that the savings reached 13,310 million euros, increasing 8,117 million euros as compared with the same quarter the previous year. Thus, the savings rate stood at 7.9% of disposable income, 4.8 points more than one year ago.

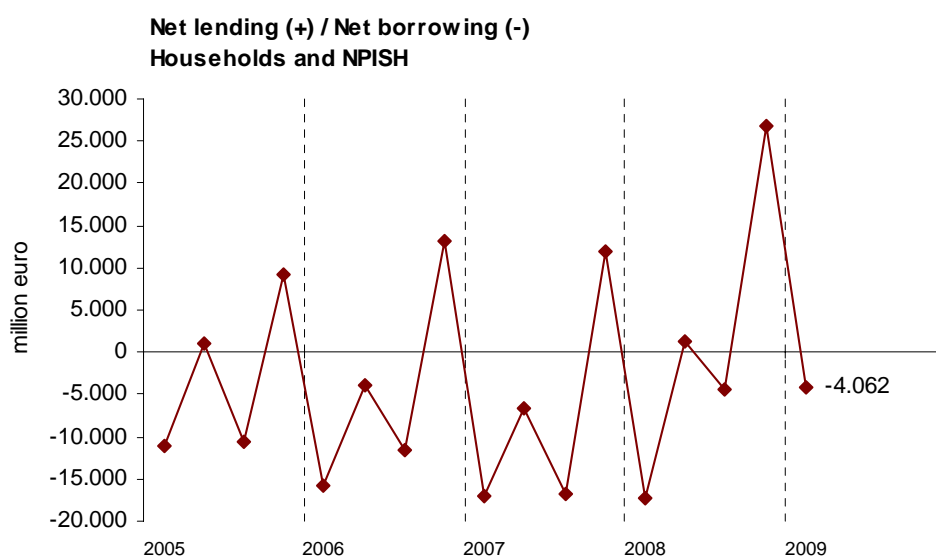


Taking **mobile periods of four quarters**, the period from the second quarter of 2008 to the first quarter of 2009 showed a savings rate for the sector that reached 14.1% of disposable income, 1.1 points more than the previous mobile period.



On inspection of the capital account, it is clear that this savings generated by households and NPISH, together with a positive balance of 1,737 million due to net capital transfers received, was not sufficient to finance the considerable volume of the investment of the sector, despite the 20.7% decrease in said investment, as compared with the same period in 2008.

Thus, the sector generated net borrowing of 4,062 million euros (1.5% of quarterly GDP).



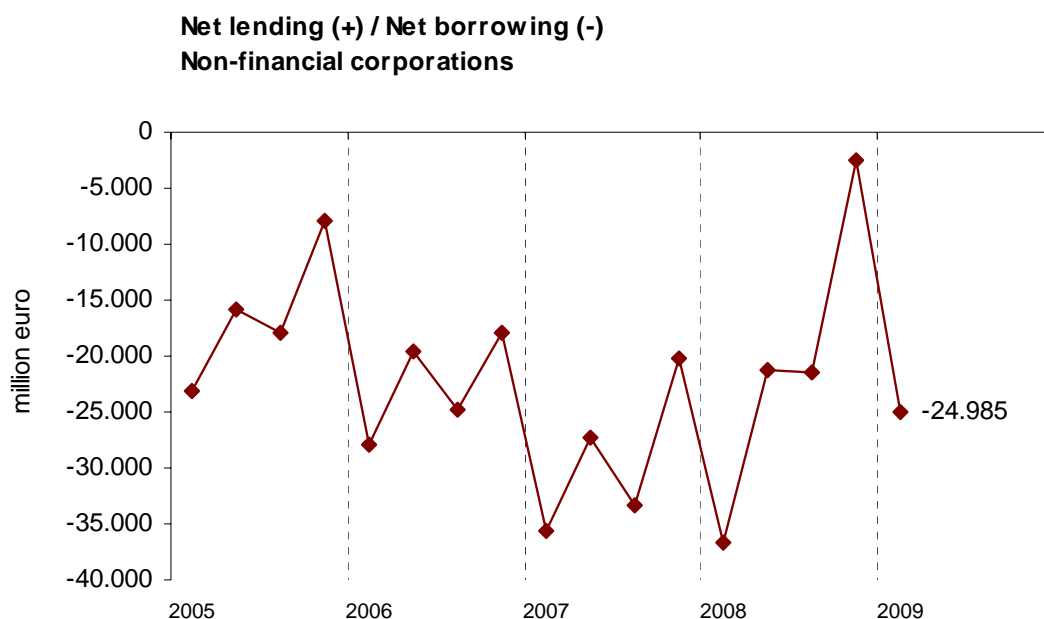
Non-Financial Corporations Sector

During the first quarter of 2009, non-financial corporations experienced an interannual increase of 3.0% in disposable income.

This performance was explained, firstly, by the maintenance of the balance of net income at the same levels as the first quarter of the previous year, due to the 10.2% growth in operating surplus compensated by the increase in net property income paid (25.9%). The second contributing factor was the decrease in corporate tax paid by the sector, which decreased 42.9% this quarter.

In absolute terms, disposable income for the sector reached 20,662 million euros during the referenced quarter.

This amount, linked to the positive balance of 3,413 million in transfers of net capital received, was not sufficient to finance the total investment volume of the sector (49,060 million euros). Consequently, net borrowing of 24,985 million was estimated, this figure accounting for 9.5% of quarterly GDP, a percentage notably lower than that recorded one year ago.



Public Administrations Sector

In the first quarter of 2009, Public Administrations decreased their disposable income by 18.7% in the interannual rate, reaching 53,404 million.

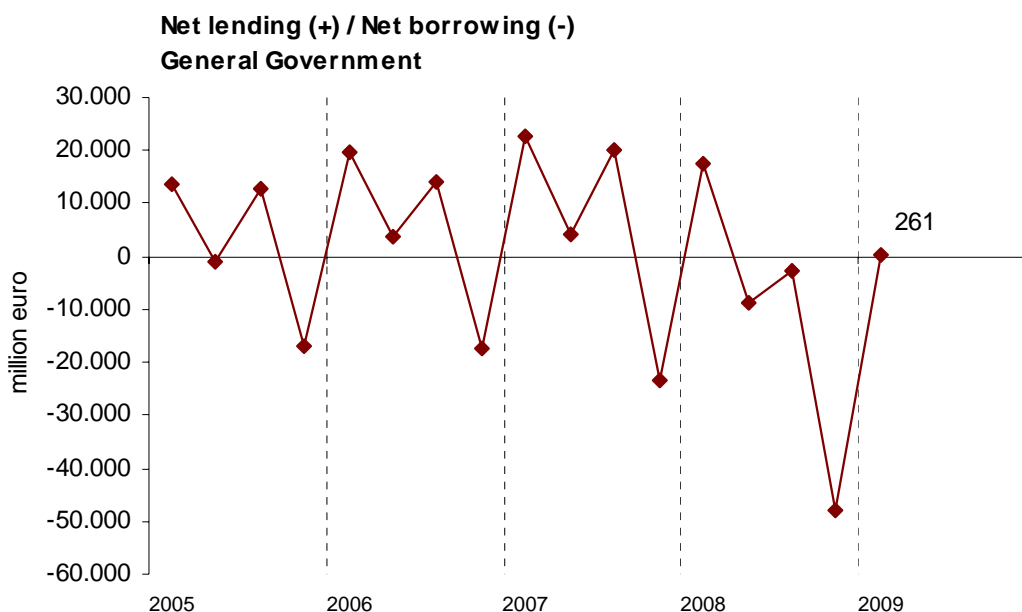
The essential factor explaining this result was the interannual decrease in the total value of net taxes received by the sector (11.6%). In fact, the net taxes linked to production dropped 14.9% (decreasing 4,805 million), and income and capital gains taxes decreased at a rate of 7.4% (1,896 million).

In addition, other elements contributing to the decrease in disposable income were the increases in social benefits (17.8%) and in net property income paid by the Public Administrations (32.7%).

On the other hand, the contributions received by the sector presented an interannual decrease of 3.0%.

In turn, final consumption expenditure of Public Administrations increased 6.2%, and therefore, the savings decreased 63.7%, their absolute value standing at 8,477 million euros.

This savings, reduced by 4,132 million due to the net balance of capital transfers, allowed for the complete financing of the investment of the Public Administrations during this first quarter; a period in which the sector obtained net lending of 261 million euros, 0.1% of quarterly GDP (6.4 points less than one year ago).

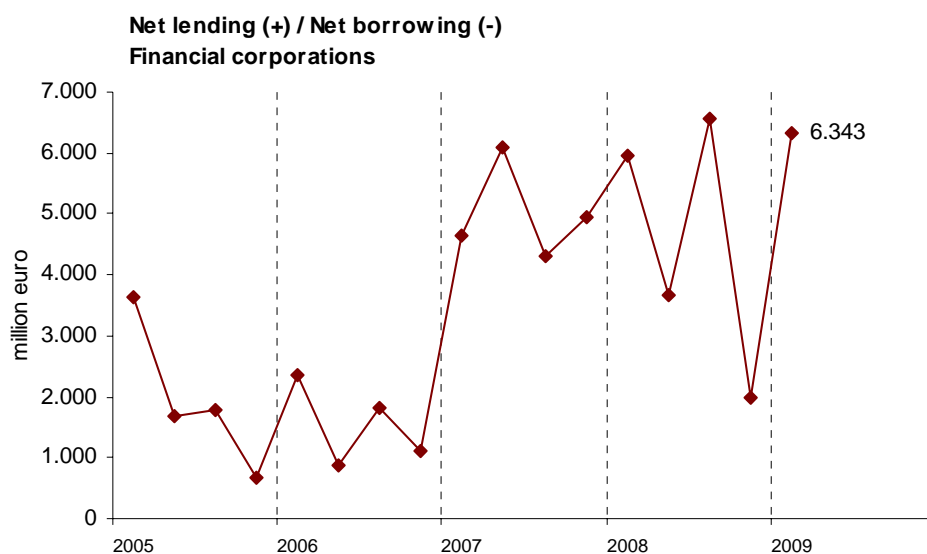


Financial Institutions Sector

In the first quarter of 2009, disposable income for the financial institutions sector increased 16.4% as compared with the same period the previous year, standing at 9,458 million euros.

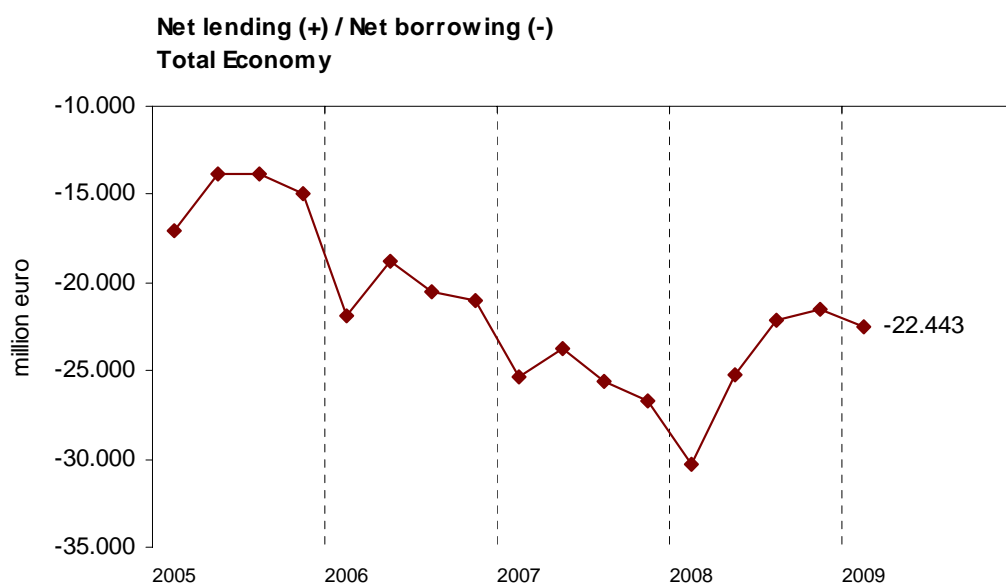
This result was due to the increase in the gross operating surplus of the sector (34.2%), and the increase in the net balance of property income received (81.6%), as well as the drop of 7.9% in the amount of corporate tax paid by financial institutions.

Lastly, this aggregate, reduced by a negative balance of 117 million in capital transfers, was enough to finance the noteworthy volume of investment made by the sector (it grew 61.0% in interannual terms, to stand at 2,985 million euros), so that financial institutions obtained net lending of 6,343 million during this period, 2.4% of GDP, two tenths more than one year ago.



National Economy

As a result of the actions of all institutional sectors, the national economy presented net borrowing of 22,443 million euros, against the rest of the world, during the first quarter of this year (7,907 million euros less than that estimated for the same period of 2008). This figure represented 8.5% of GDP, 2.7 points less than for the first quarter the previous year.



From the perspective of the accounts in the rest of the world, the decrease in the net borrowing of the economy was explained, on the one hand, by the behaviour of the balance of goods and services transactions abroad, which decreased 11,590 million euros, as a

result of a greater decrease in imports (27.3%) than in exports (19.1%), and on the other hand, by the improvement in the balance of income and current and capital transfers, which reached 3,683 million euros.

Further information

The results for the period from the first quarter of 2000 to the first quarter of 2009 are available on the INE website (www.ine.es).

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.

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

Press office: Telephone: 91 583 93 63 / 94 08 – Fax: 91 583 90 87 - gprensa@ine.es

Information area: Telephone: 91 583 91 00 – Fax: 91 583 91 58 – www.ine.es/infoine
