



EUROPEAN CENTRAL BANK
EUROSYSTEM

PRESS RELEASE

4 October 2018

Households and non-financial corporations in the euro area: second quarter of 2018

The annual growth of [loans](#) to households stood at a broadly unchanged rate of 3.1% in the second quarter of 2018. Household [financial investment](#) increased at a lower rate of 1.8% after 2.0% in the previous quarter, while their [gross non-financial investment](#) increased at a higher rate of 8.0% (after 5.9%) and their [net worth](#) at 5.0% (after 4.1%).

The annual growth rate of [gross operating surplus](#) of non-financial corporations (NFCs) decreased to 4.2% in the second quarter of 2018, from 4.9% in the previous quarter. The annual growth rate of [gross non-financial investment](#) increased to 1.4%, after a decline in the previous quarter (-1.1%), while non-financial corporations' [financing](#) increased at a broadly unchanged rate of 1.4%.

European Central Bank

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Chart 1. Household financing and financial and non-financial investment

(annual growth rates)

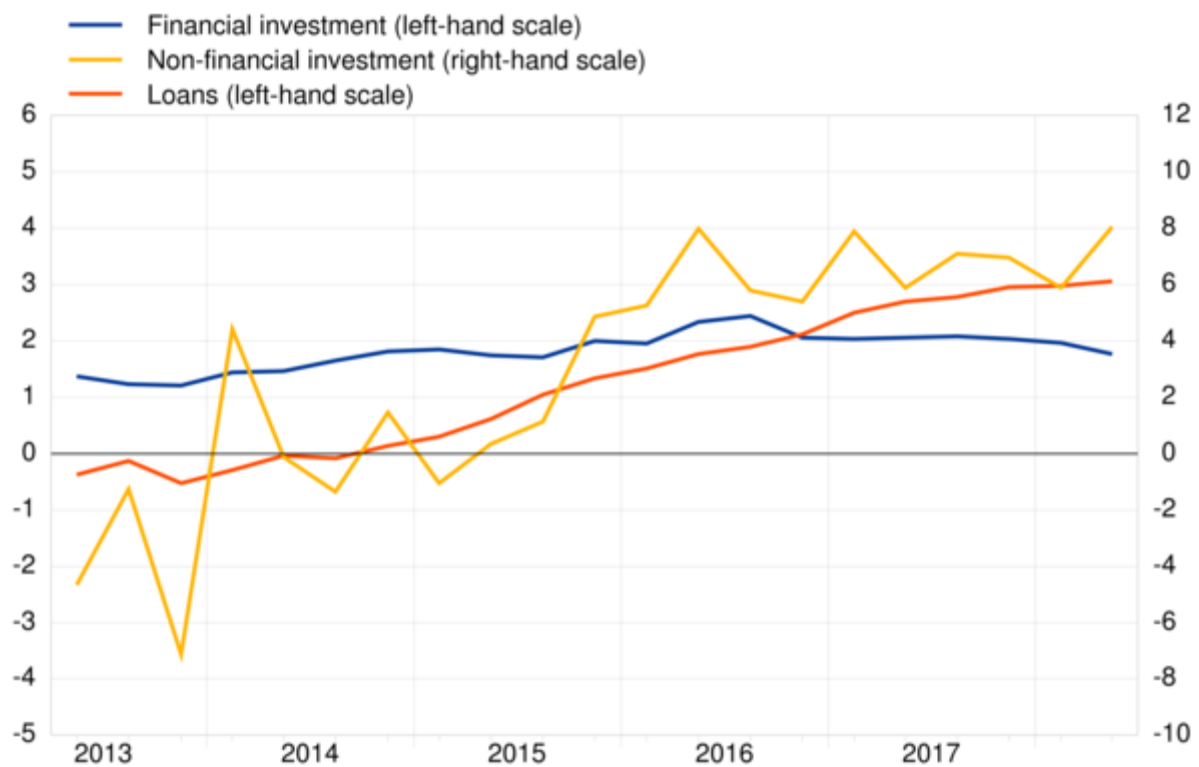
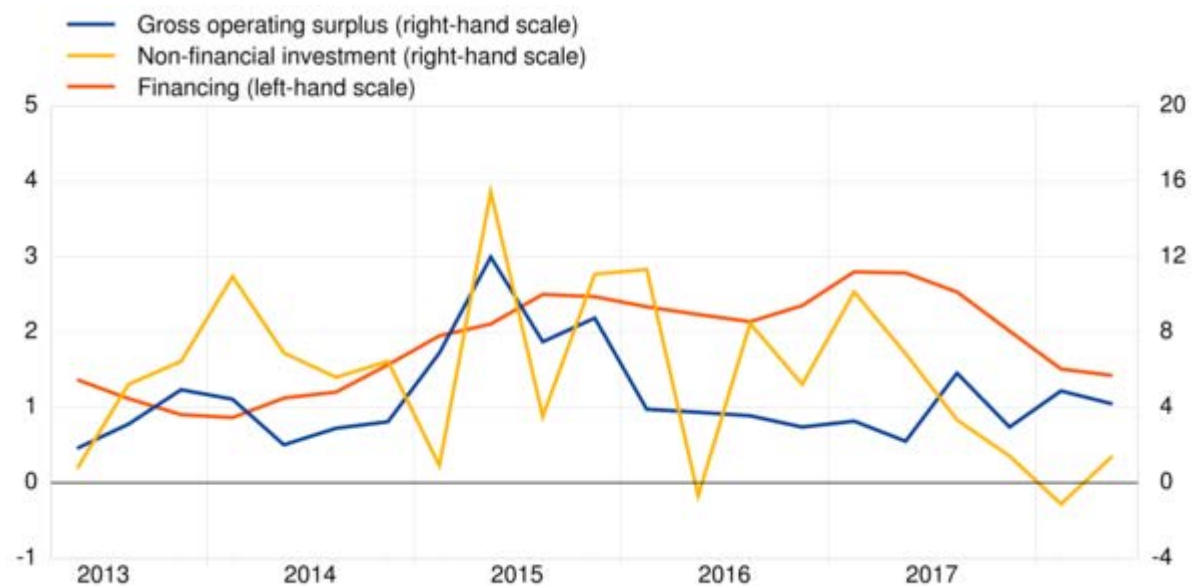


Chart 2. NFC gross-operating surplus, non-financial investment and financing

(annual growth rates)



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Households

The annual growth rate of household [gross disposable income](#) increased to 3.4% in the second quarter of 2018, from 2.9% in the previous quarter. Gross operating surplus and mixed income from the self-employed increased at an unchanged annual rate of 2.6%, while the compensation of employees grew at a higher rate of 4.2% compared with 3.8% in the previous quarter. Household consumption expenditure grew at a higher rate of 3.0% (after 2.8%).

The household [gross saving rate](#) in the second quarter of 2018 was 12.0%, compared with 12.1% in the same quarter of the previous year.

The annual growth rate of household [gross non-financial investment](#) (which refers mainly to housing) increased to 8.0% in the second quarter of 2018, from 5.9% in the previous quarter. [Loans](#) to households, the main component of household financing, increased at a broadly unchanged rate of 3.1%.

The annual growth rate of household [financial investment](#) decreased to 1.8% in the second quarter of 2018, from 2.0% in the previous quarter. Among its components, currency and deposits grew at a higher rate of 3.8% (after 3.3%). Investment in life insurance and pension schemes grew at an unchanged rate of 2.2%, while shares and other equity grew at a lower rate of 1.1% (after 1.8%). Households continued to sell debt securities (in net terms), albeit at a lower rate than in the previous quarter (-10.1% after -11.6%).

The annual growth rate of household [net worth](#) increased to 5.0% in the second quarter of 2018, from 4.1% in the previous quarter, as larger valuation gains on non-financial assets, and to a lesser extent lower incurrence of liabilities, were only partially offset by holding losses in financial assets. The value of [housing wealth](#) increased at a higher rate of 7.1% after 5.6% in the previous quarter.

The household [debt-to-income ratio](#)¹ continued to decrease, to 93.7% in the second quarter of 2018 from 94.1% in the second quarter of 2017, as disposable income grew faster than the outstanding amount of loans to households.

Non-financial corporations

The annual growth rate of non-financial corporations' [gross operating surplus](#) decreased to 4.2% in the second quarter of 2018, from 4.9% in the previous quarter, while net property income (defined in this context as property income receivable minus interest and rent payable) increased. In relation with the decline in operating surplus growth, gross [entrepreneurial income](#) (broadly equivalent to cash flow) increased at a lower rate of 5.1% (after 5.7%).² Net value added increased at a lower rate of 4.2% (after 4.9%). The annual growth rate of gross [non-financial investment](#) increased to 1.4%, after a decline in the previous quarter (-1.1%). [Financing](#) of

¹ Calculated as loans/gross disposable income.

² Gross entrepreneurial income is the sum of gross operating surplus and property income receivable minus interest and rent payable.

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Households and non-financial corporations in the euro area: 2nd Quarter 2018

non-financial corporations increased at a broadly unchanged rate of 1.4%; loan financing grew at an unchanged rate of 2.1%. The latter is the result of different dynamics: a broadly unchanged annual growth rate of loans received from resident sectors other than MFIs, a net reduction in loans from the rest of the world and an increase in the annual growth rate of loans received from MFIs.³

The annual growth rate of issuance of debt securities increased to 5.2% in the second quarter of 2018, from 4.9% in the previous quarter, while trade credit financing also grew at a higher rate (5.3%, after 4.5%). Equity financing grew at a lower rate of 0.5% (after 0.7%).

Non-financial corporations' [debt-to-GDP ratio](#) decreased to 137.0% in the second quarter of 2018, from 138.7% in the second quarter of 2017.

Financial investment grew at an unchanged rate of 2.9% compared with the previous quarter. Among its components, loans granted grew at a lower rate (2.2% after 3.6%), while investment in shares and other equity grew at a broadly unchanged rate of 1.8%.

Annexes

Tables

Charts

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Notes

The annual growth rate of non-financial transactions and of outstanding assets and liabilities (stocks) is calculated as the percentage change between the value for a given quarter and that value recorded four quarters earlier. The annual growth rates used for financial transactions refer to the total value of transactions during the year in relation to the outstanding stock a year before.

Hyperlinks in the main body of the press release are dynamic. The data therefore change with subsequent data releases as a result of revisions. Figures shown in annex tables are a snapshot of the data as at the time of the current release.

³ Loan financing comprises loans granted by all sectors (in particular MFIs, non-MFI financial institutions and loans from other non-financial corporations) and by creditors that are not resident in the euro area.

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Table 1. Households ¹⁾
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes ²⁾		percentage of HGDI, adjusted ³⁾	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Compensation of employees	5,013	5,153	5,238	5,283	5,335	5,384	5,440	3.8	4.2	76.7	77.4
Gross operating surplus and mixed income	1,577	1,606	1,625	1,640	1,652	1,663	1,674	2.6	2.6	23.8	23.8
Property income (receivable - payable)	797	788	797	805	807	815	827			11.7	11.8
Net social benefits and contributions (rec. - pay.)											
Other current transfers (receivable - payable)	85	95	97	95	97	96	96			1.4	1.4
Taxes (on income and wealth) (-)											
Gross disposable income (HGDI)	6,513	6,656	6,741	6,787	6,837	6,884	6,945	2.9	3.4	98.8	98.8
+Adj. for change in net worth in pension fund ³⁾	83	83	84	85	85	86	86	2.3	3.1	1.2	1.2
Gross disposable income (HGDI) plus adjustment ³⁾	6,596	6,738	6,825	6,872	6,922	6,970	7,031	2.9	3.4	100.0	100.0
Consumption expenditure	5,761	5,904	6,002	6,054	6,098	6,139	6,185	2.8	3.0	87.9	88.0
Gross saving	836	835	823	818	824	830	846	3.4	5.9	12.1	12.0
Net capital transfers (receivable - payable)	4	-3	-2	-1	2	3	2			0.0	0.0
Gross fixed capital formation	537	568	588	596	605	614	624	5.9	6.6	8.6	8.9
Net acquisition of other non-financial assets ⁴⁾	0	2	2	4	5	5	7			0.0	0.1
Gross non-financial investment	538	571	590	600	610	619	631	5.9	8.0	8.6	9.0
Net non-financial investment	68	91	103	109	115	120	128	18.3	27.3	1.5	1.8
Net lending (+)/net borrowing (-)	302	261	231	216	216	214	217			3.4	3.1
Financial transactions	four-quarter-cumulated sums							annual growth rates ⁵⁾		percentage of HGDI, adjusted ³⁾	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial investment	427	460	465	475	471	459	417	2.0	1.8	6.8	5.9
Currency and deposits	194	302	284	280	255	255	295	3.3	3.8	4.2	4.2
Debt securities	-155	-93	-95	-86	-85	-82	-70	-11.6	-10.1	-1.4	-1.0
Shares and other equity	202	84	118	108	109	124	75	1.8	1.1	1.7	1.1
Listed shares	-17	-12	-28	-27	-17	-11	-6	-1.1	-0.6	-0.4	-0.1
Unlisted shares and other equity	54	40	28	10	-23	-12	-20	-0.3	-0.5	0.4	-0.3
Investment fund shares	165	57	118	125	150	147	101	6.8	4.6	1.7	1.4
Life insurance and pension schemes	190	159	142	139	156	163	160	2.2	2.2	2.1	2.3
Other financial assets ⁶⁾	-2	8	16	34	37	0	-44			0.2	-0.6
Financing	126	164	217	227	217	184	170	2.6	2.4	3.2	2.4
Loans	82	131	168	174	187	189	196	3.0	3.1	2.5	2.8
Short-term	-7	-13	-11	-10	-2	0	3	0.2	1.0	-0.2	0.0
Long-term	89	144	179	184	190	189	193	3.1	3.1	2.6	2.7
Other liabilities ⁷⁾	44	33	48	53	30	-5	-25	-0.7	-3.5	0.7	-0.4
Net lending (+)/net borrowing (-) (financial accounts)	301	296	249	248	254	275	246	1.7	1.5	3.6	3.5
Changes in financial wealth not due to transactions	524	392	600	478	396	58	43			8.8	0.6
Balance sheet	end-of-period stocks							annual percentage changes ²⁾		percentage of HGDI, adjusted ³⁾ or GDP	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial assets	22,377	23,186	23,670	23,846	24,014	23,929	24,097	2.0	1.8	346.8	342.7
Currency and deposits	7,358	7,645	7,769	7,791	7,893	7,928	8,062	3.2	3.8	113.8	114.7
Debt securities	821	740	689	676	633	610	586	-13.5	-15.0	10.1	8.3
Shares and other equity	6,352	6,510	6,837	6,971	7,014	6,892	6,907	2.3	1.0	100.2	98.2
Listed shares	954	959	1,013	1,043	1,042	1,018	1,016	0.5	0.3	14.8	14.4
Unlisted shares and other equity	3,339	3,477	3,610	3,665	3,669	3,593	3,570	0.6	-1.1	52.9	50.8
Investment fund shares	2,059	2,074	2,215	2,263	2,304	2,281	2,321	5.8	4.8	32.5	33.0
Life insurance and pension schemes	6,721	7,250	7,297	7,324	7,405	7,432	7,486	2.0	2.6	106.9	106.5
Other financial assets ⁶⁾	1,125	1,041	1,077	1,084	1,069	1,067	1,057			15.8	15.0
Liabilities	6,904	7,025	7,178	7,205	7,202	7,241	7,315	2.0	1.9	105.2	104.0
Loans	6,198	6,342	6,420	6,458	6,504	6,528	6,591	2.5	2.7	94.1	93.7
Short-term	285	263	261	252	254	252	258	-2.5	-1.1	3.8	3.7
Long-term	5,912	6,079	6,158	6,205	6,250	6,275	6,333	2.8	2.8	90.2	90.1
Other liabilities ⁷⁾	679	655	730	718	670	685	695	-2.9	-4.7	10.7	9.9
Non-financial assets	30,986	31,836	32,420	33,007	33,288	33,485	34,566	5.1	6.6	475.0	491.6
of which: Housing wealth	29,037	29,874	30,499	31,109	31,376	31,600	32,673	5.6	7.1	446.8	464.7
Net worth	46,458	47,997	48,912	49,649	50,100	50,172	51,347	4.1	5.0	716.6	730.3
Memo: Debt ⁸⁾	6,198	6,342	6,420	6,458	6,504	6,528	6,591	2.5	2.7	58.5	57.9

Sources: ECB and Eurostat.

1) Households and non-profit institutions serving households.

2) Calculated as $100 \cdot (x(t) - x(t-4)) / x(t-4)$ where $x(t)$ stands for the transaction or end-of-quarter stock x in quarter t , and $x(t-4)$ for the transaction or stock four quarters earlier.

3) Net adjustment for the change in net equity of households in pension schemes (receivable - payable).

4) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

5) Annual growth rates for financial transactions are calculated as $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$ where $f(t)$ stands for the transactions in quarter t , and $F(t-4)$ for the end-of-quarter stock value four quarters earlier.

6) Loans granted, prepayments of insurance premiums and reserves for outstanding claims and other accounts receivable.

7) Financial derivative's net liabilities, pension schemes and other accounts payable.

8) Debt is equal to loans received and presented as a percentage of gross domestic product (GDP).

Table 2. Non-financial corporations
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes ¹⁾		percentage of GVA or NVA ²⁾	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Gross value added (GVA)	5,570	5,752	5,853	5,922	5,988	6,055	6,116	4.6	4.1	100.0	100.0
Net value added (NVA)	4,493	4,645	4,726	4,784	4,839	4,897	4,948	4.9	4.2	80.7	80.9
Gross entrepreneurial income	2,612	2,697	2,744	2,783	2,833	2,870	2,910	5.7	5.1	58.1	58.8
Gross operating surplus	2,280	2,361	2,393	2,428	2,445	2,476	2,500	4.9	4.2	50.6	50.5
Property income (receivable - interest and rent payable)	333	336	352	354	387	394	409			7.4	8.3
Net entrepreneurial income	1,536	1,589	1,617	1,645	1,684	1,712	1,741	7.3	6.0	34.2	35.2
Net disposable income	303	314	332	359	420	431	434			7.0	8.8
Adj. for change in net worth in pension fund	.	.	.	.	.	.	.			.	.
Net saving	297	309	324	350	411	421	424			6.9	8.6
Net capital transfers (receivable - payable)	76	74	76	79	84	87	80			1.3	1.3
Consumption of fixed capital	1,077	1,108	1,127	1,138	1,149	1,158	1,169	3.4	3.6	19.3	19.1
Gross fixed capital formation	1,256	1,326	1,354	1,360	1,369	1,385	1,396	5.0	3.0	23.1	22.8
Net acquisition of other non-financial assets ³⁾	30	35	66	71	67	47	41			1.1	0.7
Gross non-financial investment	1,286	1,362	1,420	1,431	1,436	1,432	1,437	-1.1	1.4	24.3	23.5
Net non-financial investment	209	254	293	293	287	274	269	-14.6	-6.5	5.0	4.4
Net lending (+)/net borrowing (-)	163	129	108	136	207	234	236			1.8	3.9
Financial transactions	four-quarter-cumulated sums							annual growth rates ⁴⁾		percentage of GVA	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial investment	909	913	993	957	865	707	712	2.9	2.9	17.0	11.6
Currency and deposits	102	155	155	138	181	116	119	4.7	4.7	2.6	1.9
Debt securities	-23	-2	-46	-42	-14	-33	-17	-12.0	-6.1	-0.8	-0.3
Loans	263	179	258	319	249	180	111	3.6	2.2	4.4	1.8
Shares and other equity	388	432	370	276	169	217	229	1.7	1.8	6.3	3.7
Listed shares	39	105	80	78	29	41	20	2.8	1.3	1.4	0.3
Unlisted shares and other equity	311	311	256	162	117	170	198	1.6	1.9	4.4	3.2
Investment fund shares	38	16	34	36	23	6	11	1.3	2.4	0.6	0.2
Other financial assets ⁵⁾	180	149	256	266	280	228	270			4.4	4.4
Financing	750	770	902	853	695	534	506	1.5	1.4	15.4	8.3
Debt securities	47	114	125	95	70	69	72	4.9	5.2	2.1	1.2
Short-term	2	0	10	9	5	0	5	-0.5	7.1	0.2	0.1
Long-term	45	115	115	85	65	69	67	5.3	5.1	2.0	1.1
Loans	196	146	199	234	311	226	219	2.1	2.1	3.4	3.6
Short-term	-37	-4	27	31	86	114	87	3.9	3.0	0.5	1.4
Long-term	233	151	172	202	225	112	132	1.4	1.7	2.9	2.2
Shares and other equity	449	392	419	336	161	138	99	0.7	0.5	7.2	1.6
Listed shares	67	68	75	60	23	60	52	1.0	0.9	1.3	0.9
Unlisted shares and other equity	382	325	344	276	139	78	47	0.6	0.3	5.9	0.8
Pension schemes	6	5	7	8	9	9	9	2.4	2.4	0.1	0.1
Trade credits and advances	58	114	155	177	148	128	152	4.5	5.3	2.7	2.5
Other liabilities ⁶⁾	-6	-2	-3	4	-4	-35	-45			-0.1	-0.7
Net lending (+)/net borrowing (-) (financial accounts)	160	143	91	104	170	174	206			1.5	3.4
Financial balance sheet	end-of-period stocks							annual percentage changes ¹⁾		percentage of GVA or GDP ⁷⁾	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial assets	21,680	23,710	24,453	24,749	25,003	24,963	25,399	2.2	3.9	417.8	415.3
Currency and deposits	2,273	2,457	2,504	2,542	2,609	2,567	2,614	3.4	4.4	42.8	42.7
Debt securities	284	269	275	271	264	254	252	-6.9	-8.3	4.7	4.1
Loans	4,182	4,819	4,939	4,960	4,962	4,992	5,015	0.9	1.5	84.4	82.0
Shares and other equity	10,928	12,022	12,558	12,769	12,849	12,838	13,107	2.6	4.4	214.5	214.3
Listed shares	1,270	1,370	1,525	1,574	1,609	1,652	1,681	12.7	10.2	26.1	27.5
Unlisted shares and other equity	9,219	10,219	10,585	10,725	10,714	10,714	10,967	1.2	3.6	180.8	179.3
Investment fund shares	439	433	448	471	467	472	459	1.2	2.5	7.6	7.5
Other financial assets ⁵⁾	4,014	4,142	4,176	4,206	4,319	4,311	4,410			71.3	72.1
Liabilities	32,710	34,433	35,496	35,849	36,121	35,955	36,455	1.9	2.7	606.4	596.0
Debt securities	1,260	1,366	1,390	1,420	1,414	1,429	1,437	2.6	3.4	23.7	23.5
Short-term	61	59	76	75	63	76	80	-2.7	5.7	1.3	1.3
Long-term	1,199	1,307	1,314	1,345	1,351	1,353	1,357	2.9	3.3	22.4	22.2
Loans	9,930	10,499	10,587	10,544	10,576	10,658	10,739	0.2	1.4	180.9	175.6
Short-term	2,730	2,866	2,911	2,870	2,898	2,954	2,954	1.6	1.5	49.7	48.3
Long-term	7,200	7,613	7,676	7,674	7,678	7,704	7,784	-0.4	1.4	131.1	127.3
Shares and other equity	17,321	18,337	19,281	19,606	19,761	19,573	19,911	2.8	3.3	329.4	325.5
Listed shares	5,189	5,365	5,805	5,945	5,987	5,881	6,030	2.8	3.9	99.2	98.6
Unlisted shares and other equity	12,133	12,973	13,476	13,661	13,774	13,692	13,882	2.8	3.0	230.2	227.0
Pension schemes	363	366	371	373	375	379	382	2.9	2.9	6.3	6.2
Trade credits and advances	2,744	2,836	2,866	2,889	2,983	2,960	3,029	4.2	5.7	49.0	49.5
Other liabilities ⁶⁾	1,091	1,029	1,002	1,017	1,012	955	958			17.1	15.7
<i>Memo: Debt ⁸⁾</i>	14,298	15,066	15,214	15,226	15,349	15,427	15,586	1.2	2.4	138.7	137.0

Sources: ECB and Eurostat.

1) Calculated as $100 \cdot (x(t) - x(t-4)) / x(t-4)$ where $x(t)$ stands for the transaction or end-of-quarter stock x in quarter t , and $x(t-4)$ for the transaction or stock four quarters earlier.

2) As a percentage of net value added in the case of net entrepreneurial income and net saving.

3) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

4) Calculated as $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$ where $f(t)$ stands for the transactions in quarter t , and $F(t-4)$ for the end-of-quarter stock value four quarters earlier.

5) Other accounts receivable, and prepayments of insurance premiums and reserves for outstanding claims.

6) Other accounts payable without trade credits and advances, financial derivative's net liabilities and deposits.

7) As a percentage of gross domestic product in the case of debt.

8) Loans received, debt securities issued, pension schemes and trade credits.

Table 3. General government
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes ¹⁾		percentage of GNDI	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Net disposable income (GNDI)	.	.	.	.	.	.	.	.	.	.	.
Consumption expenditure	2,173	2,224	2,248	2,262	2,279	2,293	2,309	2.5	2.9	.	.
Net saving	.	.	.	.	.	.	.	.	.	.	.
Consumption of fixed capital	.	.	.	.	.	.	.	.	.	.	.
Net capital transfers (receivable - payable)	.	.	.	.	.	.	.	.	.	.	.
Gross fixed capital formation	.	.	.	.	.	.	.	.	.	.	.
Net acquisition of other non-financial assets ²⁾
Net lending (+)/net borrowing (-)	.	.	.	.	.	.	.	.	.	.	.
Financial transactions	four-quarter-cumulated sums							annual growth rates ³⁾		percentage of GNDI	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Net acquisition of financial assets	12	64	44	124	115	133	104	2.5	1.9	.	.
Financial investment ⁴⁾	-6	34	5	119	85	97	74	2.2	1.7	.	.
Currency and deposits	30	26	-8	106	76	74	38	7.8	3.7	.	.
Debt securities	-45	-25	-22	-18	-34	-25	-16	-5.9	-3.8	.	.
Loans	22	16	29	25	33	33	16	3.4	1.6	.	.
Short-term	6	-2	-2	-2	3	8	-3	5.0	-2.0	.	.
Long-term	16	18	31	27	30	25	20	3.0	2.3	.	.
Shares and other equity	-14	16	5	6	11	15	36	0.8	1.8	.	.
Listed shares	-2	4	-4	-3	-4	-4	0	-1.2	0.0	.	.
Unlisted shares and other equity	-16	-1	-3	-3	3	8	24	0.6	1.7	.	.
Investment fund shares	4	14	12	12	12	11	12	4.2	4.4	.	.
Other financial assets ⁵⁾	18	30	39	5	30	36	30	.	.	.	.
Net incurrence of liabilities	.	.	.	.	.	.	.	.	.	.	.
Financing ⁴⁾
Currency and deposits	20	6	31	31	11	21	-1	4.1	-0.3	.	.
Debt securities	159	172	143	171	159	136	113	1.5	1.3	.	.
Short-term	-50	-13	-6	-12	-26	-30	-34	-5.3	-5.9	.	.
Long-term	209	186	150	183	184	167	147	2.0	1.7	.	.
Loans	-2	-6	-35	-13	-27	-25	-37	-1.1	-1.6	.	.
Short-term	-2	-2	-41	-30	-18	-20	-26	-7.9	-10.5	.	.
Long-term	0	-4	6	17	-9	-6	-11	-0.3	-0.5	.	.
Other liabilities ⁶⁾
Net lending (+)/net borrowing (-) (financial accounts)	.	.	.	.	.	.	.	.	.	.	.
Financial balance sheet	end-of-period stocks							annual percentage changes ¹⁾		percentage of GNDI	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial assets	5,071	5,130	5,349	5,388	5,309	5,406	5,507	3.4	3.0	.	.
Financial investment ⁴⁾	4,145	4,238	4,399	4,437	4,380	4,451	4,524	3.1	2.9	.	.
Currency and deposits	845	876	1,012	1,036	950	1,019	1,054	7.8	4.2	.	.
Debt securities	454	433	417	412	404	401	401	-5.3	-3.7	.	.
Loans	1,001	998	1,004	999	1,013	1,018	1,026	3.5	2.2	.	.
Short-term	171	161	163	154	165	165	161	5.5	-1.7	.	.
Long-term	830	837	841	846	848	853	865	3.2	2.9	.	.
Shares and other equity	1,844	1,931	1,966	1,990	2,013	2,012	2,043	2.4	3.9	.	.
Listed shares	297	294	307	323	330	331	333	9.0	8.6	.	.
Unlisted shares and other equity	1,331	1,383	1,396	1,398	1,406	1,395	1,423	0.0	1.9	.	.
Investment fund shares	215	254	263	270	276	287	287	7.9	9.2	.	.
Other financial assets ⁵⁾	927	892	950	951	929	955	983	.	.	.	.
Liabilities	12,576	12,826	12,933	12,950	12,887	13,038	13,010	1.9	0.6	.	.
Financing ⁴⁾	11,583	11,816	11,859	11,841	11,805	11,911	11,845	1.3	-0.1	.	.
Currency and deposits	328	506	534	545	517	526	533	4.1	-0.3	.	.
Debt securities	8,723	8,968	9,022	9,005	8,997	9,110	9,043	1.8	0.2	.	.
Short-term	552	541	568	554	509	531	532	-6.7	-6.3	.	.
Long-term	8,171	8,427	8,454	8,451	8,488	8,579	8,511	2.4	0.7	.	.
Loans	2,532	2,342	2,303	2,292	2,291	2,275	2,269	-1.2	-1.5	.	.
Short-term	281	254	248	226	235	228	220	-8.6	-11.1	.	.
Long-term	2,251	2,088	2,055	2,066	2,057	2,047	2,049	-0.3	-0.3	.	.
Other liabilities ⁶⁾	993	1,010	1,074	1,109	1,082	1,127	1,166	.	.	.	.
<i>Memo: Government debt (at nominal value)</i>	9,462.0	9,606.9	9,767.8	9,755.3	9,690.0	9,780.6	.	.	.	.	.

Sources: ECB and Eurostat.

1) Annual percentage changes are calculated as $100 \cdot (x(t) - x(t-4)) / x(t-4)$ where $x(t)$ stands for the transaction or end-of-quarter stock x in quarter t , and $x(t-4)$ for the transaction or stock four quarters earlier.

2) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets.

3) Annual growth rates for financial transactions are calculated as $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$ where $f(t)$ stands for the transactions in quarter t , and $F(t-4)$ for the end-of-quarter stock value four quarters earlier.

4) In line with existing conventions, the financing of the government excludes the net incurrence of liabilities via financial derivatives, shares and other equity, pension schemes and other accounts payable, and the financial investment of the government excludes financial derivatives, prepayments of insurance premiums and reserves for outstanding claims and other accounts receivable.

5) Other accounts receivable, financial derivatives and prepayments of insurance premiums and reserves for outstanding claims.

6) Other accounts payable, pension fund reserves, financial derivatives and unlisted shares and other equity.

Table 4. Financial corporations
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes ¹⁾		percentage of GVA or NVA ²⁾	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Gross value added (GVA)	467	462	457	455	455	456	457	0.1	0.9	100.0	100.0
Net value added (NVA)	420	413	407	404	404	403	404	-0.3	0.6	89.0	88.5
Net entrepreneurial income ³⁾	493	516	503	494	449	452	460	2.5	5.2	123.6	114.0
Net disposable income	181	221	183	163	93	94	92			44.9	22.9
Adj. for change in net worth in pension fund	.	.	.	.	.	.	.			.	.
Net saving	104	144	106	87	18	18	16			26.1	3.9
Net capital transfers (receivable - payable)	.	.	.	.	.	.	.			.	.
Consumption of fixed capital	47	49	50	51	52	52	53	3.9	3.1	11.0	11.5
Gross fixed capital formation	55	57	59	61	62	61	63	-3.0	9.4	12.8	13.7
Net acquisition of other non-financial assets ⁴⁾	2	1	2	1	2	1	2			0.3	0.4
Net lending (+)/net borrowing (-)	.	.	.	.	.	.	.			.	.
Financial transactions	four-quarter-cumulated sums							annual growth rates ⁵⁾		percentage of GVA	
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2	2017 Q2	2018 Q2
Financial investment	2,841	2,987	3,859	3,435	3,393	2,129	1,904	2.7	2.5	844.4	417.1
Currency and deposits	313	898	1,323	1,346	1,230	425	512	2.9	3.5	289.6	112.2
Debt securities	582	1,030	992	1,001	971	950	789	5.7	4.7	217.0	172.8
Short-term	-38	26	52	32	70	67	65	5.7	5.7	11.4	14.2
Long-term	619	1,004	940	969	901	883	724	5.7	4.6	205.6	158.6
Loans	275	155	135	18	168	257	430	1.3	2.2	29.5	94.2
Short-term	-92	-27	-58	-75	19	134	167	3.8	4.7	-12.6	36.5
Long-term	367	183	193	93	149	123	263	0.8	1.6	42.1	57.7
Shares and other equity	1,466	732	1,303	917	952	483	119	2.1	0.5	285.1	26.1
Other financial assets ⁵⁾	206	172	106	152	72	14	54			23.2	11.8
Financing	.	.	.	.	.	.	.			.	.
Currency and deposits	773	1,701	1,919	1,940	1,833	941	1,243	3.6	4.7	419.8	272.2
Debt securities	-176	1	12	75	9	95	53	1.2	0.7	2.6	11.7
Short-term	-44	41	8	19	37	37	27	5.2	4.1	1.7	6.0
Long-term	-132	-39	4	56	-28	58	26	0.8	0.3	0.9	5.7
Loans	292	90	168	96	25	8	27	0.1	0.5	36.8	6.0
Short-term	60	58	47	26	8	65	66	3.4	3.5	10.2	14.4
Long-term	232	32	122	70	18	-57	-38	-1.3	-0.9	26.6	-8.4
Shares and other equity	1,523	751	1,246	882	1,110	681	308	2.7	1.2	272.7	67.4
Listed shares	86	59	46	29	24	5	30	0.3	1.7	10.1	6.6
Unlisted shares and other equity	678	199	387	-31	151	-211	-433	-1.8	-3.8	84.8	-94.8
Investment fund shares	759	493	813	884	935	887	710	7.6	6.0	177.8	155.6
Life insurance and pension schemes	261	206	185	177	196	197	185	2.4	2.2	40.4	40.5
Other liabilities ⁶⁾
Net lending (+)/net borrowing (-) (financial accounts)	.	.	.	.	.	.	.			.	.
Financial balance sheet	end-of-period stocks							annual percentage changes ¹⁾			
	2015	2016	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q1	2018 Q2		
Financial investment	72,135	75,299	77,107	77,142	77,213	78,096	78,885	0.8	2.3		
Currency and deposits	12,699	13,674	14,579	14,625	14,601	15,083	15,210	2.7	4.3		
Debt securities	15,436	16,524	16,845	16,957	17,063	17,336	17,389	3.5	3.2		
Short-term	1,104	1,141	1,147	1,146	1,151	1,202	1,198	1.4	4.4		
Long-term	14,332	15,383	15,698	15,811	15,912	16,134	16,191	3.6	3.1		
Loans	19,799	19,740	19,549	19,436	19,304	19,630	19,961	-0.7	2.1		
Short-term	3,537	3,505	3,536	3,446	3,339	3,548	3,704	-0.4	4.8		
Long-term	16,262	16,235	16,014	15,990	15,965	16,082	16,257	-0.8	1.5		
Shares and other equity	21,155	22,348	23,046	23,019	23,262	23,131	23,418	0.4	1.6		
Other financial assets ⁵⁾	3,046	3,012	3,088	3,105	2,983	2,916	2,907				
Financing	70,579	73,797	75,760	75,943	76,041	76,924	77,608	1.1	2.4		
Currency and deposits	23,378	24,951	26,194	26,367	26,439	27,218	27,713	3.9	5.8		
Debt securities	8,238	8,226	8,100	8,054	7,954	8,051	7,988	-1.7	-1.4		
Short-term	637	679	665	693	670	694	668	-1.7	0.4		
Long-term	7,601	7,547	7,435	7,360	7,284	7,357	7,319	-1.7	-1.6		
Loans	6,028	6,154	6,031	5,980	5,872	5,927	6,043	-4.6	0.2		
Short-term	1,820	1,862	1,885	1,876	1,806	1,809	1,893	-5.6	0.4		
Long-term	4,208	4,292	4,146	4,104	4,066	4,118	4,150	-4.1	0.1		
Shares and other equity	23,179	24,190	24,943	25,037	25,261	25,150	25,276	0.8	1.3		
Listed shares	1,555	1,591	1,726	1,834	1,768	1,731	1,705	1.2	-1.2		
Unlisted shares and other equity	11,179	11,389	11,418	11,115	11,123	11,067	11,018	-4.2	-3.5		
Investment fund shares	10,444	11,210	11,798	12,088	12,370	12,352	12,553	5.7	6.4		
Life insurance and pension schemes	7,712	8,201	8,262	8,293	8,374	8,433	8,486	2.2	2.7		
Other liabilities ⁶⁾	2,045	2,074	2,230	2,213	2,140	2,145	2,102				

Sources: ECB and Eurostat.

1) Annual percentage changes are calculated as $100 \times (x(t) - x(t-4)) / x(t-4)$ where $x(t)$ stands for the transaction or end-of-quarter stock x in quarter t , and $x(t-4)$ for the transaction or stock four quarters earlier.

2) As a percentage of net value added in the case of net entrepreneurial income and net saving.

3) ECB estimate

4) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

5) Annual growth rates for financial transactions are calculated as $100 \times (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$ where $f(t)$ stands for the transactions in quarter t , and $F(t-4)$ for the end-of-quarter stock value four quarters earlier.

6) Monetary gold and SDRs, other accounts receivable, and prepayments of insurance premiums and reserves for outstanding claims.

7) Monetary gold and SDRs, other accounts payable and financial derivative's net liabilities.