



EUROPEAN CENTRAL BANK

EUROSYSTEM

Statistical release

4 October 2021

Households and non-financial corporations in the euro area: second quarter of 2021

Households' [financial investment](#) increased at lower annual rate of 4.2% in second quarter of 2021 (after 4.8% in first quarter)

Non-financial corporations' [financing](#) grew at unchanged rate of 2.2%

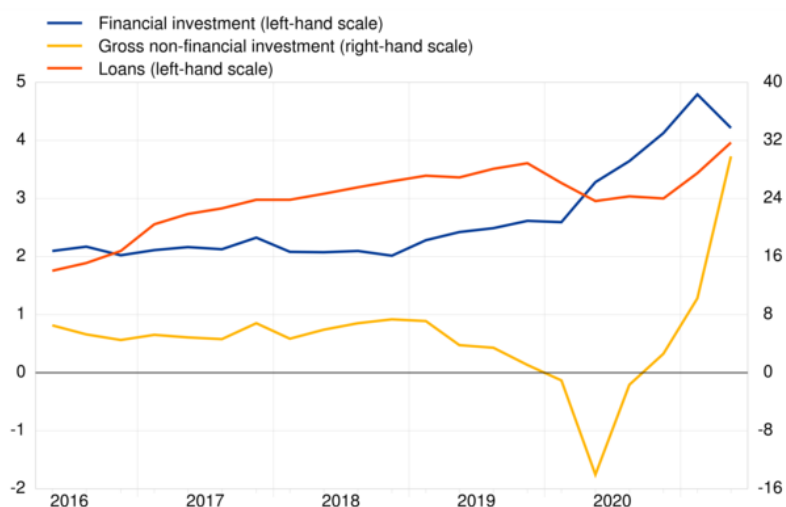
Non-financial corporations' [gross operating surplus](#) increased at rate of 30.0% (after 8.5% in first quarter)

European Central Bank
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[Statistical information request](#), website: www.ecb.europa.eu

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

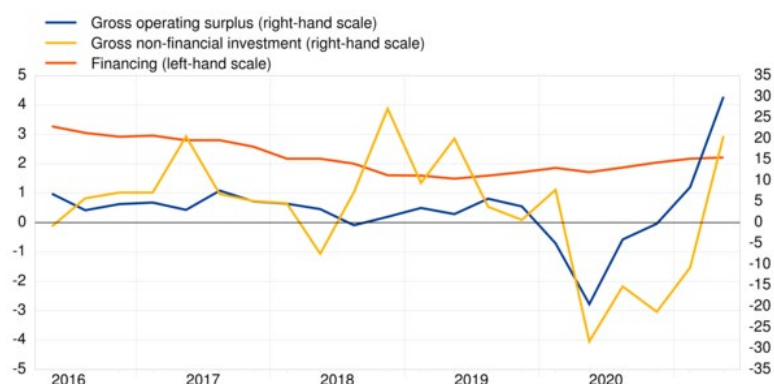
(annual growth rates)



[Data for household financing and financial and non-financial investment \(Chart 1\)](#)

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

(annual growth rates)



[Data for NFC gross-operating surplus, non-financial investment and financing \(Chart 2\)](#)

Households

The annual growth rate of household [gross disposable income](#) increased to 4.9% in the second quarter of 2021 (after 1.0% in the previous quarter). Gross operating surplus and mixed income of the self-employed grew at a higher rate of 9.2%¹ (after 0.9%). The growth rate of compensation of employees increased to 9.7% (after

¹ Annual growth rates for non-financial transactions are significantly affected by the developments in the second quarter of 2020 in relation with the COVID-19 crisis.

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0.3%). Household consumption expenditure grew at a rate of 14.0% after decreasing in the previous quarter (-4.7%).

The household [gross saving rate](#) in the second quarter of 2021 was 19.1%, compared with 20.6% in the previous quarter.

The annual growth rate of household [gross non-financial investment](#) (which refers mainly to housing) increased to 29.8% in the second quarter of 2021, from 10.3% in the previous quarter. [Loans](#) to households, the main component of household financing, grew at a higher rate of 4.0% (after 3.4%).

Household [financial investment](#) rose at a lower rate of 4.2% in the second quarter of 2021, compared with 4.8% in the previous quarter. Among its components, currency and deposits grew at a lower rate of 6.8% (after 8.1%), and net sales of debt securities increased (-9.9% after -7.3%).

The annual growth rate of household [net worth](#) decreased to 6.5% in the second quarter of 2021, from 7.4% in the previous quarter, as valuation gains in financial assets slowed while those in non-financial assets accelerated. In particular, [housing wealth](#) grew at a higher rate of 5.0% (after 4.7%). The household [debt-to-income ratio](#) increased to 96.7% in the second quarter of 2021 from 94.9% in the second quarter of 2020, as loans to households grew faster than disposable income.

Non-financial corporations

[Net value added](#) by NFCs increased at a higher annual rate of 24.9% in the second quarter of 2021, after 0.6% in the previous quarter. [Gross operating surplus](#) increased by 30.0% year on year, compared with 8.5% in the previous quarter, and net property income (defined in this context as property income receivable minus interest and rent payable) also increased. As a result [gross entrepreneurial income](#) (broadly equivalent to cash flow) increased at a higher rate of 27.8% (after 9.1%).²

NFCs' [gross non-financial investment](#) increased at an annual rate of 20.6% after declining in the previous quarter (-10.7% year on year).³ NFCs' financial investment grew at an annual rate of 4.3%, compared with 3.9% in the previous quarter. Among its components, loans granted grew at a higher rate of 4.1% (after 1.5%), while investment in currency and deposits grew at a lower rate of 7.8% (after 16.7%).

[Financing](#) of NFCs increased at an unchanged annual rate of 2.2%. The growth rate of financing via loans (2.2%, after 2.7% in the previous quarter)⁴ and debt securities (2.0%, after 9.4%) decreased. Conversely, trade credit financing (8.9%, after 2.8%) and equity financing (1.5%, after 1.3%) grew at higher rates.

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

³ Gross non-financial investment is the sum of gross fixed capital formation, changes of inventories, and the net acquisition of valuables and non-produced assets (e.g. licences).

⁴ Loan financing comprises loans granted by all euro area 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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NFCs' [debt-to-GDP ratio](#) (consolidated measure) decreased to 81.7% in the second quarter of 2021, from 82.1% in the same quarter of the previous year. The [non-consolidated](#), wider debt measure increased to 144.9% from 142.9%, as the non-consolidated debt grew faster than GDP, mainly due to the growth of trade credits and loans between non-financial corporations.

For queries, please use the [Statistical information request](#) form.

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 statistical release are dynamic. The data they lead to may 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.

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