

62/2017 - 12 April 2017

First release for the fourth quarter of 2016

Business investment rate up to 23.5% in the euro area

Business profit share also up to 41.0% in the euro area

Pre-announcement

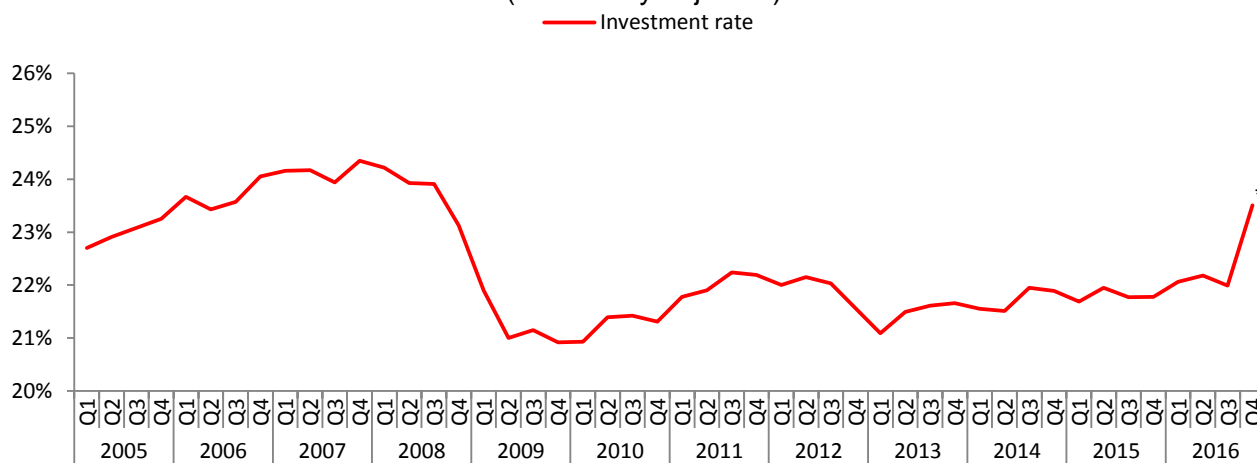
As of July 2017, Eurostat will publish first releases of euro area household and business quarterly sector accounts earlier, at around 94 days after the end of each reference quarter.

In the fourth quarter of 2016, the business investment rate was 23.5% in the **euro area**, compared with 22.0% in the previous quarter.

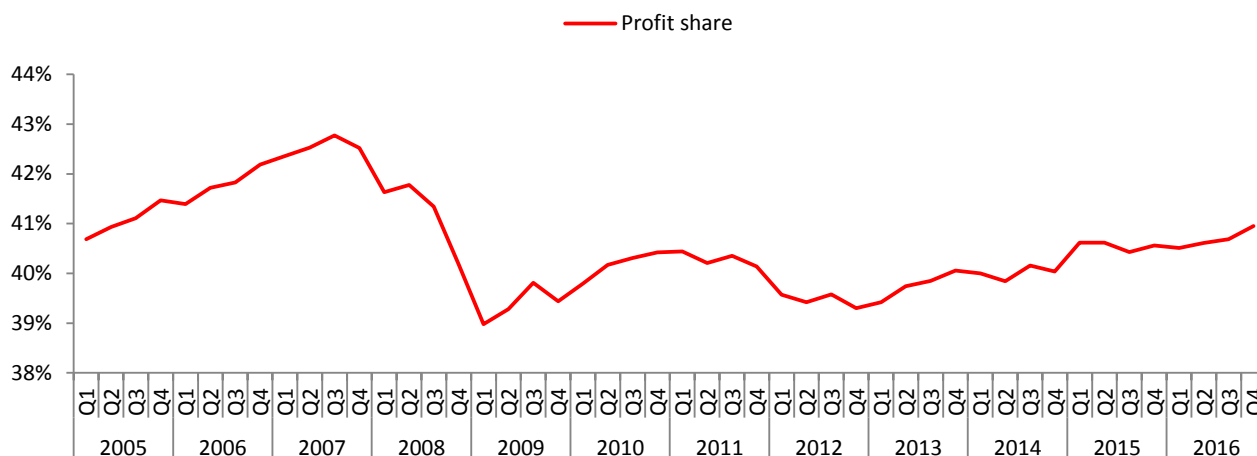
The business profit share in the **euro area** was 41.0% in the fourth quarter of 2016, compared with 40.7% in the third quarter of 2016.

These data come from a first release of seasonally adjusted quarterly European sector accounts from **Eurostat**, the statistical office of the European Union, and the **European Central Bank (ECB)**.

Investment rate and profit share of non-financial corporations in the euro area (seasonally adjusted)



* See explanatory note under "Methods and Definitions".



Geographical information

The **euro area** (EA19) consists of 19 Member States: Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland, plus the European Central Bank and European Stability Mechanism.

Methods and definitions

The **gross investment rate of non-financial corporations** is defined as gross fixed capital formation divided by gross value added. This ratio relates the investment of non-financial businesses in fixed assets (buildings, machinery etc.) to the value added created during the production process.

The **profit share of non-financial corporations** is defined as gross operating surplus divided by gross value added. This profitability-type indicator shows the share of the value added created during the production process remunerating capital. It is the complement of the share of wage costs (plus taxes less subsidies on production) in value added.

The compilation of the European sector accounts follows the **European System of Accounts 2010 (ESA2010)** and covers the period from the first quarter of 1999 onwards.

Institutional sectors bring together economic units with broadly similar characteristics and behaviour, namely: households (including non-profit institutions serving households), non-financial corporations, financial corporations, government and the rest of the world. In the latter, to measure the external transactions of the euro area / European Union, it is necessary to remove cross-border flows within the area concerned.

Eurostat's website includes detailed annual and quarterly sector accounts of Member States of the European Economic Area and derived key indicators published around 120 days after each quarter (which also cover annual indicators such as debt-to-income ratios). A subset of quarterly key indicators is published around 102 days after each quarter.

Explanatory note:

The significant increase in the investment rate in the fourth quarter of 2016 is mainly due to transactions from outside the EU to Ireland.

Revisions and timetable

Compared with data released on 27 January 2017, the investment rate of non-financial corporations for the third quarter of 2016 has been revised from 21.9% to 22.0%. The profit share of non-financial corporations for the third quarter of 2016 has been revised from 40.6% to 40.7%.

The complete set of sectoral data will be updated in the dedicated section of the Eurostat website on 28 April 2017.

For more information

Eurostat quarterly data on sector accounts (including complete euro area dataset – previous vintage)

Eurostat annual data on sector accounts (including complete euro area dataset – previous vintage)

Eurostat metadata on European sector accounts compilation

Detailed data and methodology on the Eurostat website here and on the ECB website here

Eurostat €-indicators release calendar

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Key indicators and growth rates of selected transactions of the euro area (EA19)

		Investment rate, %		Profit share, %		Nominal growth, % change compared with the previous quarter (seasonally adjusted)		
		Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Gross value added	Gross fixed capital formation	Compensation of employees and other taxes less subsidies on production
2005	Q1	22.6	22.7	42.4	40.7	0.7	2.6	0.7
	Q2	23.4	22.9	40.7	40.9	1.6	2.5	1.2
	Q3	22.4	23.1	42.6	41.1	1.2	1.9	0.9
	Q4	23.6	23.3	39.0	41.5	1.2	2.0	0.6
2006	Q1	23.6	23.7	43.5	41.4	1.2	3.0	1.3
	Q2	23.8	23.4	40.7	41.7	1.7	0.7	1.1
	Q3	22.8	23.6	42.9	41.8	1.5	2.1	1.3
	Q4	24.4	24.1	39.8	42.2	2.0	4.1	1.4
2007	Q1	24.0	24.2	44.2	42.4	2.1	2.6	1.8
	Q2	24.6	24.2	41.4	42.5	1.4	1.5	1.1
	Q3	23.2	23.9	43.8	42.8	1.3	0.4	0.9
	Q4	24.7	24.4	40.4	42.5	0.7	2.5	1.2
2008	Q1	24.0	24.2	43.4	41.6	1.2	0.7	2.8
	Q2	24.5	23.9	41.1	41.8	0.6	-0.7	0.3
	Q3	23.2	23.9	42.7	41.3	0.0	-0.1	0.7
	Q4	23.6	23.1	37.9	40.2	-2.4	-5.6	-0.5
2009	Q1	21.7	21.9	41.2	39.0	-3.3	-8.4	-1.3
	Q2	21.4	21.0	37.9	39.3	-0.4	-4.5	-0.9
	Q3	20.6	21.2	41.6	39.8	0.7	1.4	-0.2
	Q4	21.4	20.9	37.6	39.4	0.3	-0.8	0.9
2010	Q1	20.8	20.9	41.8	39.8	0.5	0.6	-0.1
	Q2	21.9	21.4	38.9	40.2	1.3	3.6	0.7
	Q3	20.8	21.4	42.1	40.3	0.9	1.0	0.7
	Q4	21.8	21.3	38.9	40.4	1.0	0.5	0.8
2011	Q1	21.6	21.8	42.7	40.4	1.3	3.5	1.2
	Q2	22.4	21.9	38.7	40.2	0.6	1.1	0.9
	Q3	21.5	22.2	41.9	40.4	0.6	2.1	0.3
	Q4	22.6	22.2	38.1	40.1	0.2	0.0	0.6
2012	Q1	21.9	22.0	42.0	39.6	-0.4	-1.3	0.6
	Q2	22.6	22.2	37.5	39.4	0.1	0.8	0.3
	Q3	21.2	22.0	41.0	39.6	0.2	-0.3	0.0
	Q4	21.9	21.6	37.2	39.3	-0.1	-2.2	0.4
2013	Q1	20.9	21.1	41.6	39.4	0.0	-2.2	-0.2
	Q2	22.0	21.5	37.7	39.7	1.0	3.0	0.5
	Q3	20.9	21.6	41.4	39.9	0.6	1.2	0.4
	Q4	22.0	21.7	38.1	40.1	0.6	0.8	0.2
2014	Q1	21.3	21.6	42.3	40.0	0.6	0.1	0.7
	Q2	22.0	21.5	37.8	39.8	0.3	0.2	0.6
	Q3	21.2	22.0	41.6	40.2	1.2	3.3	0.6
	Q4	22.4	21.9	38.2	40.0	0.4	0.2	0.6
2015	Q1	21.4	21.7	43.0	40.6	1.5	0.6	0.6
	Q2	22.5	22.0	38.7	40.6	1.0	2.2	1.0
	Q3	21.1	21.8	42.2	40.4	0.6	-0.2	0.9
	Q4	22.3	21.8	39.1	40.6	1.0	1.1	0.8
2016	Q1	21.7	22.1	42.3	40.5	0.8	2.1	0.9
	Q2	22.8	22.2	39.3	40.6	0.6	1.2	0.4
	Q3	21.3	22.0	42.1	40.7	0.8	-0.1	0.6
	Q4	23.9	23.5	39.3	41.0	1.0	8.0	0.6

The source dataset is available [here](#).