

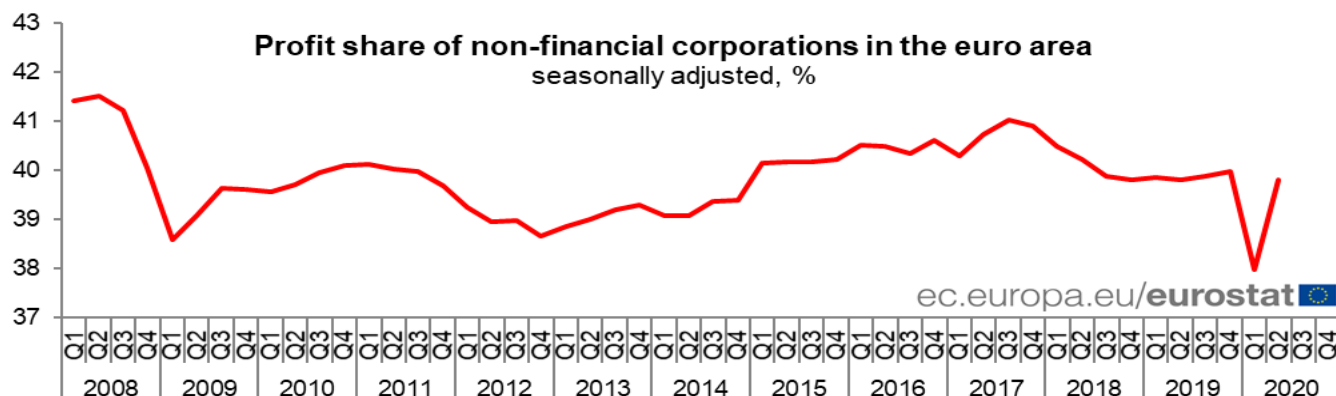
Announcement

As of January 2021, the first release of quarterly sectoral accounts will be issued in one single news release covering both households and business.

First release for the second quarter of 2020

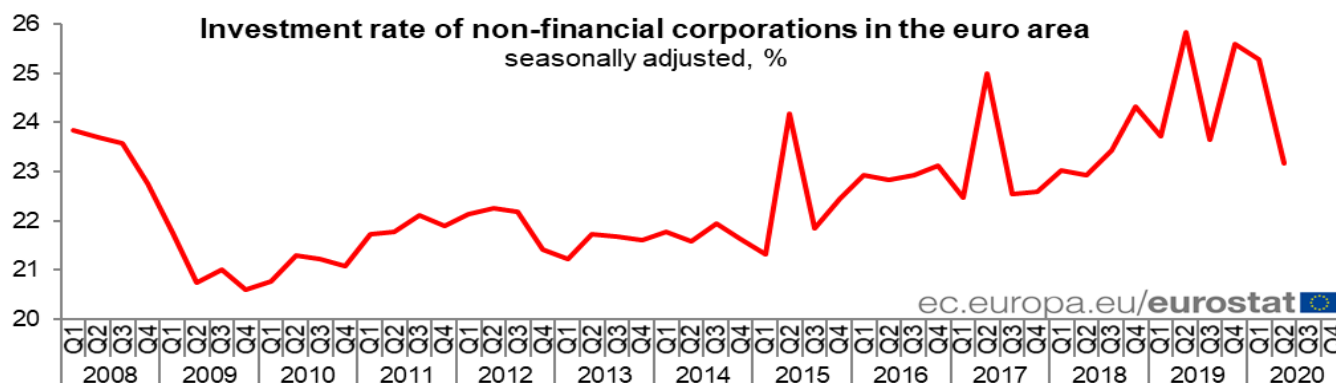
Business profit share recovers back to 39.8% while business investment decreases to 23.2% in the euro area

In the second quarter of 2020, when Member States continued to implement the COVID-19 containment measures, the business profit share increased from 38.0% to 39.8% in the **euro area**, almost recovering its level prior to the beginning of the COVID-19 lockdown. This is explained by the sharp decrease (-16.3%) of *compensation of employees (wages and social contributions) plus taxes less subsidies on production*, at a faster rate than the decrease of *business gross value added* (-13.8%).



The business investment rate in the **euro area** decreased to 23.2%, compared with 25.3% in the first quarter of 2020, reflecting the decrease of the *gross fixed capital formation* by 20.9%.

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).



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 the 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 other taxes less other 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 94 days after each quarter.

The method used for compilation is the same as for previous releases. However, these estimates are based on source data that are subject to revisions under the COVID-19 containment measures.

Revisions and timetable

Compared with data released on 28 July 2020, the investment rate of non-financial corporations for the first quarter of 2020 was revised downwards from 25.5% to 25.3%. The profit share of non-financial corporations for the first quarter of 2020 was revised downwards from 38.1% to 38.0%.

Peaks of the investment rate of non-financial corporations observed in 2015Q2, 2017Q2, 2019Q2, 2019Q4 and 2020Q1 are related to large imports of intellectual property products reflecting globalisation effects. For more details please see our [database](#).

The complete set of sectoral data will be updated in the dedicated section of the Eurostat website on 29 October 2020.

For more information

Eurostat [quarterly data](#), [annual data](#), [quarterly key indicators](#) and [annual key indicators](#) on sectoral accounts

Eurostat [metadata](#) on European sector accounts compilation

Detailed data and methodology on the [Eurostat website](#) and on the [ECB website](#)

[Statistics Explained article](#) on the Impact of Covid-19 crisis on non-financial corporation and household accounts

[Note](#) on the impact of the COVID-19 outbreak on national accounts

[Guidance](#) on quarterly sector accounts in the context of the COVID-19 crisis and [country specific metadata](#) on the impact of COVID-19 on quarterly sector accounts estimates

Eurostat €-indicators [release calendar](#)

European Statistics [Code of Practice](#).

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Key indicators and growth rates of selected transactions of the euro area

		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
2008	Q1	23.3	23.8	44.0	41.4	1.3	-2.2	2.7
	Q2	24.2	23.7	41.0	41.5	0.5	-0.1	0.4
	Q3	23.0	23.6	41.9	41.2	0.0	-0.5	0.5
	Q4	23.4	22.8	37.5	40.1	-2.6	-6.0	-0.7
2009	Q1	21.3	21.8	41.5	38.6	-3.5	-7.7	-1.1
	Q2	21.1	20.7	37.9	39.1	-0.1	-4.8	-0.9
	Q3	20.5	21.0	40.7	39.6	0.7	2.1	-0.2
	Q4	21.2	20.6	37.4	39.6	0.3	-1.7	0.4
2010	Q1	20.4	20.8	42.1	39.6	0.4	1.2	0.5
	Q2	21.7	21.3	38.7	39.7	1.1	3.8	0.9
	Q3	20.7	21.2	41.0	40.0	1.1	0.7	0.7
	Q4	21.8	21.1	38.3	40.1	1.0	0.3	0.7
2011	Q1	21.4	21.7	42.9	40.1	1.2	4.2	1.1
	Q2	22.2	21.8	38.7	40.0	0.7	1.0	0.9
	Q3	21.4	22.1	41.0	40.0	0.4	2.0	0.5
	Q4	22.5	21.9	37.7	39.7	0.1	-0.9	0.6
2012	Q1	21.8	22.1	42.1	39.3	-0.2	0.9	0.6
	Q2	22.7	22.3	37.3	39.0	-0.1	0.5	0.3
	Q3	21.4	22.2	39.9	39.0	0.1	-0.3	0.1
	Q4	22.0	21.4	36.5	38.7	0.0	-3.4	0.5
2013	Q1	20.9	21.2	41.4	38.9	0.2	-0.7	-0.1
	Q2	22.1	21.7	37.5	39.0	0.8	3.2	0.6
	Q3	21.0	21.7	40.3	39.2	0.8	0.6	0.5
	Q4	22.2	21.6	37.1	39.3	0.6	0.3	0.4
2014	Q1	21.4	21.8	41.8	39.1	0.5	1.2	0.8
	Q2	22.0	21.6	37.4	39.1	0.6	-0.2	0.6
	Q3	21.3	22.0	40.4	39.4	1.1	2.8	0.6
	Q4	22.3	21.6	37.3	39.4	0.6	-0.8	0.6
2015	Q1	20.9	21.3	42.9	40.2	1.7	0.2	0.4
	Q2	24.6	24.2	38.6	40.2	1.2	14.7	1.1
	Q3	21.3	21.9	41.3	40.2	0.9	-8.8	0.9
	Q4	23.2	22.4	38.5	40.2	1.1	3.8	1.0
2016	Q1	22.5	22.9	42.5	40.5	1.2	3.4	0.7
	Q2	23.4	22.8	39.5	40.5	0.5	0.0	0.5
	Q3	22.3	22.9	41.4	40.3	0.7	1.1	1.0
	Q4	23.7	23.1	39.0	40.6	1.3	2.1	0.8
2017	Q1	22.2	22.5	42.7	40.3	1.1	-1.8	1.6
	Q2	25.5	25.0	39.1	40.7	1.7	13.2	1.0
	Q3	21.8	22.6	42.1	41.0	1.4	-8.5	0.9
	Q4	23.1	22.6	39.0	40.9	1.3	1.6	1.5
2018	Q1	22.7	23.0	42.5	40.5	0.5	2.4	1.2
	Q2	23.3	22.9	38.9	40.2	0.6	0.3	1.1
	Q3	22.7	23.4	40.7	39.9	0.6	2.9	1.2
	Q4	24.9	24.3	38.1	39.8	0.9	4.7	1.0
2019	Q1	23.2	23.7	42.2	39.9	1.0	-1.6	1.0
	Q2	26.3	25.8	38.1	39.8	0.8	9.8	0.9
	Q3	22.9	23.6	40.8	39.9	1.0	-7.6	0.8
	Q4	26.2	25.6	38.3	40.0	0.5	8.9	0.4
2020	Q1	24.8	25.3	40.5	38.0	-4.4	-5.7	-1.2
	Q2	23.6	23.2	37.3	39.8	-13.8	-20.9	-16.3

Source dataset including non-seasonally adjusted data: [nasq_10_ki](#)