

67/2014 - 30 April 2014

Fourth quarter of 2013

## Business investment rate up to 19.5% in the euro area and to 19.4% in the EU28

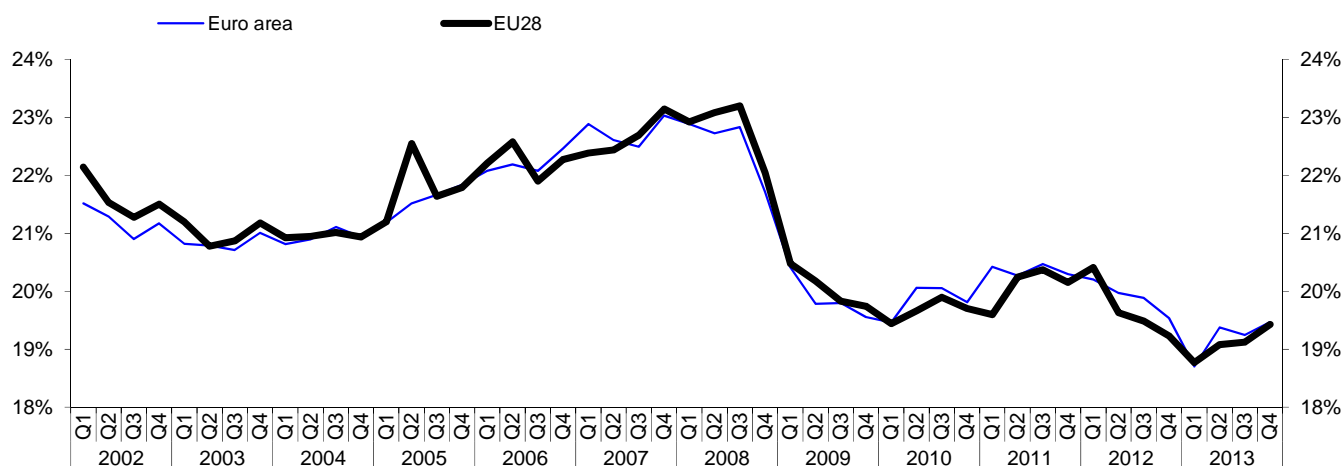
Business profit share stable at 37.8% in euro area, up to 37.4% in EU28

In the fourth quarter of 2013, the business investment rate<sup>1</sup> was 19.5% in the **euro area**<sup>2</sup>, compared with 19.2% in the third quarter of 2013<sup>3</sup>. This rise was the result of a higher increase in investment (+1.6%) than in gross value added (+0.5%), while total stocks (materials, supplies and finished goods) fell.

In the **EU28**<sup>4</sup> the investment rate was 19.4% in the fourth quarter of 2013, compared with 19.1% in the previous quarter.

These data come from a detailed set of seasonally adjusted<sup>5</sup> quarterly European sector accounts<sup>6</sup> released by **Eurostat**, the statistical office of the European Union, and the **European Central Bank (ECB)**.

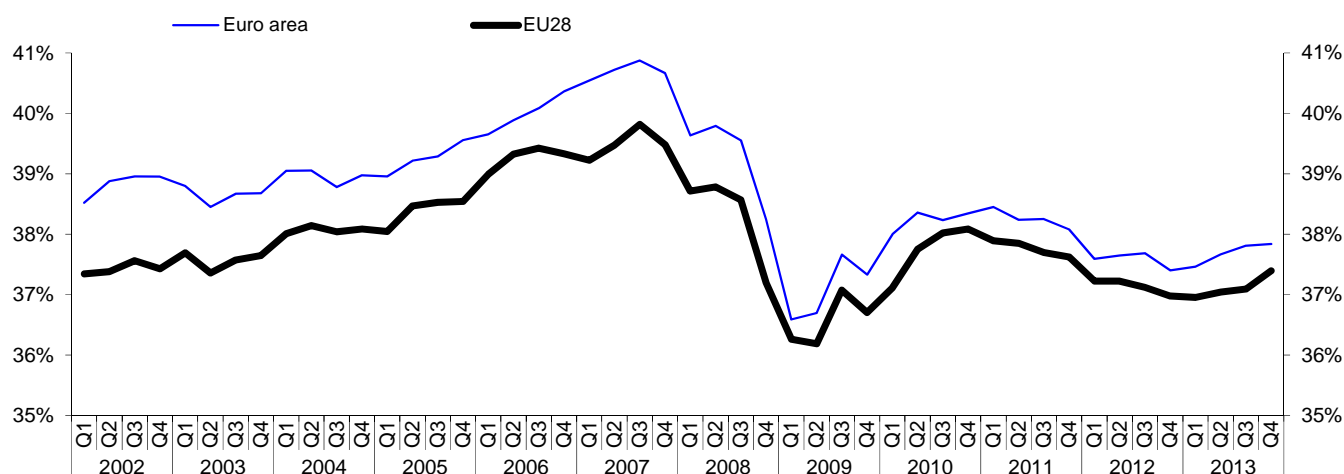
**Investment rate of non-financial corporations (seasonally adjusted)**



## Business profit share up in the EU28, stable in the euro area

In the **EU28** the business profit share<sup>7</sup> was 37.4% in the fourth quarter of 2013, compared with 37.1% in the third quarter of 2013<sup>3</sup>. In the **euro area** the profit share was 37.8% in the fourth quarter, stable compared with the previous quarter.

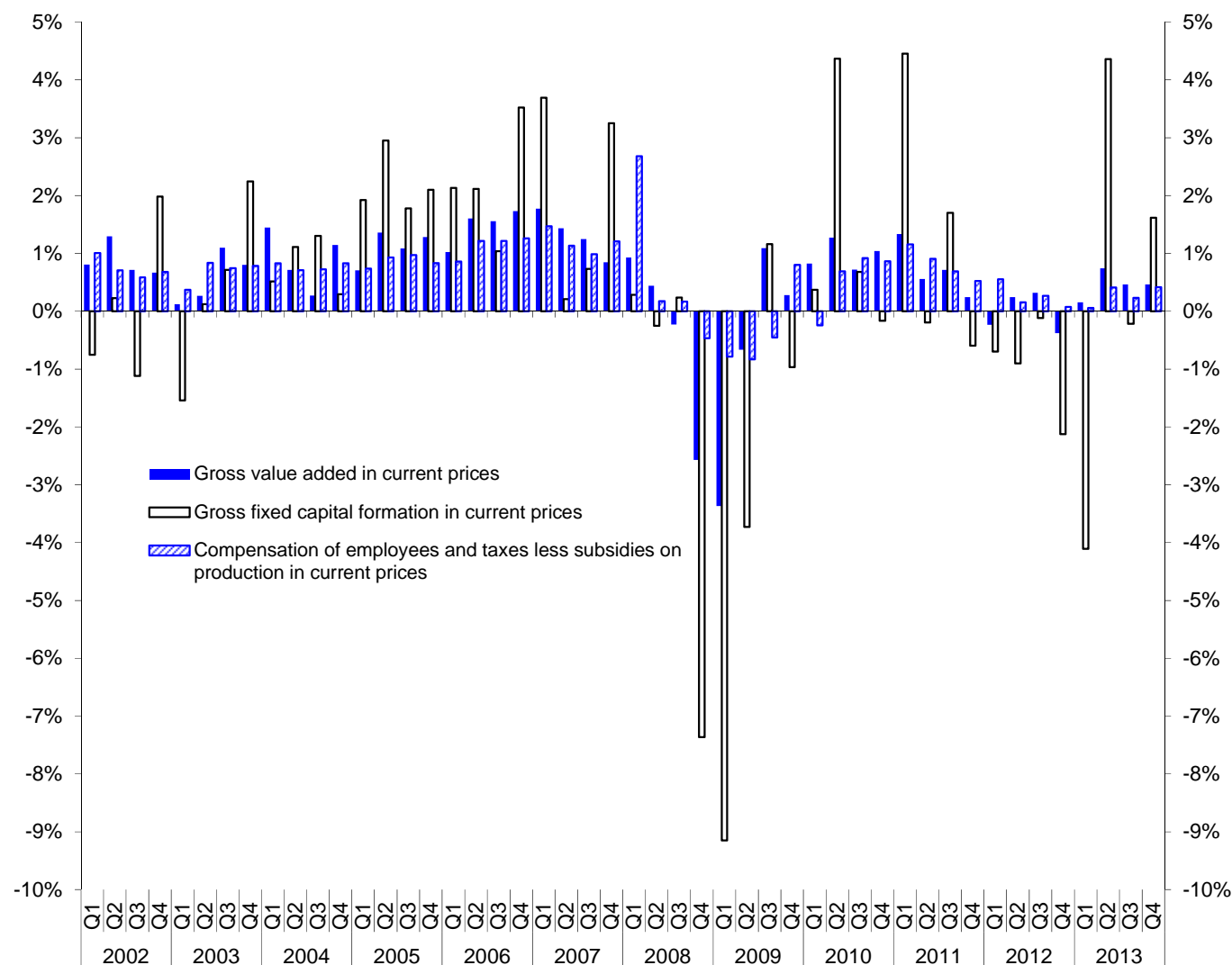
### Profit share of non-financial corporations (seasonally adjusted)



The profit share was stable in the **euro area**, as value added increased at almost the same rate (+0.5%) as compensation of employees (wages and social contributions) plus taxes less subsidies on production (+0.4%).

### Nominal growth of components of the investment rate and the profit share (euro area)

(seasonally adjusted data, change compared with the previous quarter)



1. 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.
2. Until 31 December 2013 the euro area (EA17) consisted of 17 Member States: Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland, plus the European Central Bank and European Stability Mechanism. From 1 January 2014 the euro area (EA18) also includes Latvia.

As part of Eurostat's guidelines for the dissemination of data when the euro area is enlarged, the aggregate data series commented on in this News Release refer to the official composition in the most recent quarter for which data are available. Thus News Releases with data for quarters up to the fourth quarter of 2013 comment on EA17 series, while Releases with data for the first quarter of 2014 onwards will comment on EA18 series. Data for EA18 will be published in July 2014 (first release of sector accounts for the first quarter of 2014).

Eurostat's guidelines can be found on the Eurostat website:  
[http://epp.eurostat.ec.europa.eu/cache/ITY\\_PUBLIC/GUIDE\\_ENLARG\\_2007/EN/GUIDE\\_ENLARG\\_2007-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/GUIDE_ENLARG_2007/EN/GUIDE_ENLARG_2007-EN.PDF)
3. The whole time series are revised every quarter. Compared with News Release 15/2014 of 28 January 2014, the business investment rate for the third quarter of 2013 has been revised from 19.0% to 19.2% for the euro area and from 18.9% to 19.1% for the EU28. The business profit share has been revised from 37.9% to 37.8% for the euro area and from 36.9% to 37.1% for the EU28.
4. The European Union (EU28) consists of 28 Member States: Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom, plus the EU institutions.
5. Seasonal adjustment has been performed using the Tramo-Seats method. The seasonally adjusted series are built up indirectly as the sum of seasonally adjusted components.
6. The compilation of the European sector accounts follows the **European System of Accounts (ESA 95)** and covers the period from the first quarter of 1999 to the fourth quarter of 2013.

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 / EU, it is necessary to remove cross-border flows within the area concerned.

The ECB and Eurostat publish integrated non-financial and financial accounts, including financial balance sheets, for the euro area. Eurostat also publishes the non-financial accounts of the European Union.

Eurostat's website includes detailed **annual** sector accounts by country and derived key indicators, which also include the indicators that combine non-financial and financial accounts such as additional profitability indicators.

The full set of **quarterly** sector accounts is published for euro area / EU aggregates only. However, some of the Member States' selective data are available in the Eurostat database and a subset of quarterly key indicators is published 105 days after each quarter at <http://ec.europa.eu/eurostat/sectoraccounts> (see "Quarterly data") for 15 out of the 18 members of the European Economic Area (EEA) whose GDP is above 1% of the EU total. The other 12 EEA members, whose GDP is below 1% of the EU total, do not have to transmit the quarterly accounts of corporations to Eurostat.

General information on European sector accounts compilation is given in the metadata file available at [http://epp.eurostat.ec.europa.eu/cache/ITY\\_SDDS/en/nasq\\_esms.htm](http://epp.eurostat.ec.europa.eu/cache/ITY_SDDS/en/nasq_esms.htm).

**For detailed data and methodology**, please see Eurostat's website at: <http://ec.europa.eu/eurostat/sectoraccounts> and ECB's website at: <http://www.ecb.eu/stats/acc/html/index.en.html>.
7. 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.

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Selected Principal European Economic Indicators: **<http://ec.europa.eu/eurostat/euroindicators>**  
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Table 1: Key indicators of the euro area (EA17) and of the European Union (EU28)

		Euro area (EA17)				European Union (EU28)			
		Investment rate, %		Profit share, %		Investment rate, %		Profit share, %	
		Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted
2002	Q1	21.5	21.5	40.6	38.5	21.6	22.1	38.1	37.3
	Q2	21.8	21.3	38.5	38.9	22.0	21.5	37.0	37.4
	Q3	20.3	20.9	40.3	39.0	20.8	21.3	38.8	37.6
	Q4	21.2	21.2	35.5	39.0	22.0	21.5	35.5	37.4
2003	Q1	20.8	20.8	41.1	38.8	20.7	21.2	38.6	37.7
	Q2	21.3	20.8	38.1	38.5	21.2	20.8	37.0	37.4
	Q3	20.1	20.7	40.1	38.7	20.4	20.9	38.9	37.6
	Q4	21.1	21.0	35.3	38.7	21.6	21.2	35.8	37.6
2004	Q1	20.8	20.8	41.4	39.1	20.4	20.9	39.0	38.0
	Q2	21.5	20.9	38.7	39.1	21.5	20.9	37.8	38.1
	Q3	20.5	21.1	40.7	38.8	20.6	21.0	39.7	38.0
	Q4	21.1	20.9	36.1	39.0	21.4	20.9	36.7	38.1
2005	Q1	21.2	21.2	41.1	39.0	20.6	21.2	38.8	38.0
	Q2	22.2	21.5	39.0	39.2	23.2	22.6	38.2	38.5
	Q3	21.0	21.7	41.0	39.3	21.2	21.6	40.0	38.5
	Q4	21.9	21.8	36.6	39.6	22.2	21.8	37.1	38.5
2006	Q1	22.1	22.1	42.1	39.7	21.6	22.2	40.0	39.0
	Q2	22.8	22.2	38.7	39.9	23.2	22.6	38.3	39.3
	Q3	21.3	22.1	41.6	40.1	21.5	21.9	40.7	39.4
	Q4	22.5	22.5	37.3	40.4	22.6	22.3	37.8	39.3
2007	Q1	22.9	22.9	42.7	40.5	21.7	22.4	39.9	39.2
	Q2	23.2	22.6	39.5	40.7	23.1	22.4	38.4	39.5
	Q3	21.7	22.5	42.4	40.9	22.4	22.7	41.1	39.8
	Q4	23.1	23.0	37.9	40.7	23.5	23.1	38.2	39.5
2008	Q1	22.8	22.9	41.5	39.6	22.1	22.9	39.3	38.7
	Q2	23.5	22.7	39.2	39.8	23.9	23.1	38.1	38.8
	Q3	22.1	22.8	41.1	39.6	22.9	23.2	39.9	38.6
	Q4	21.9	21.7	35.4	38.2	22.4	22.0	35.9	37.2
2009	Q1	20.4	20.4	38.7	36.6	19.8	20.5	37.1	36.3
	Q2	20.4	19.8	35.5	36.7	20.8	20.2	35.0	36.2
	Q3	19.2	19.8	39.9	37.7	19.6	19.8	38.9	37.1
	Q4	19.7	19.6	35.2	37.3	20.1	19.7	35.9	36.7
2010	Q1	19.4	19.5	39.8	38.0	18.7	19.4	37.7	37.1
	Q2	20.7	20.1	37.1	38.4	20.3	19.7	36.6	37.7
	Q3	19.4	20.1	40.5	38.2	19.7	19.9	39.8	38.0
	Q4	20.0	19.8	36.6	38.3	20.1	19.7	37.6	38.1
2011	Q1	20.4	20.4	40.4	38.5	18.9	19.6	38.5	37.9
	Q2	20.9	20.3	36.8	38.2	20.9	20.2	36.5	37.8
	Q3	19.8	20.5	40.2	38.3	20.1	20.4	39.3	37.7
	Q4	20.4	20.3	35.8	38.1	20.5	20.2	36.8	37.6
2012	Q1	20.2	20.2	39.8	37.6	19.6	20.4	38.0	37.2
	Q2	20.6	20.0	35.9	37.6	20.2	19.6	35.6	37.2
	Q3	19.2	19.9	39.3	37.7	19.2	19.5	38.4	37.1
	Q4	19.7	19.5	35.0	37.4	19.6	19.2	36.2	37.0
2013	Q1	18.6	18.7	39.5	37.5	18.0	18.8	37.6	37.0
	Q2	20.0	19.4	35.9	37.7	19.6	19.1	35.5	37.0
	Q3	18.6	19.2	39.7	37.8	18.8	19.1	38.6	37.1
	Q4	19.6	19.5	35.2	37.8	19.8	19.4	36.5	37.4

**Table 2: Gross operating surplus, its components, changes in inventories and gross fixed capital formation of non-financial corporations, in the euro area (EA17)**  
(Seasonally adjusted)

		Millions of euro at current prices						% change compared with the previous quarter				
		Gross value added	Compensation of employees (paid)	Other taxes less subsidies on production	Gross operating surplus	Gross fixed capital formation	Changes in inventories & net acquisitions of valuables	Gross value added	Compensation of employees and other taxes less subsidies on production		Gross operating surplus	Gross fixed capital formation
									Total	Of which Compensation of employees		
2002	Q1	930031	562221	9550	358261	200101	-2316	0.8	1.0	0.9	0.5	-0.8
	Q2	942067	566105	9718	366244	200555	5395	1.3	0.7	0.7	2.2	0.2
	Q3	948827	569568	9616	369643	198310	3614	0.7	0.6	0.6	0.9	-1.1
	Q4	955182	573567	9550	372064	202241	-2104	0.7	0.7	0.7	0.7	2.0
2003	Q1	956344	575929	9356	371059	199120	6968	0.1	0.4	0.4	-0.3	-1.5
	Q2	958918	580736	9465	368716	199367	5135	0.3	0.8	0.8	-0.6	0.1
	Q3	969468	584805	9798	374864	200795	-1868	1.1	0.7	0.7	1.7	0.7
	Q4	977250	589095	10193	377961	205300	1533	0.8	0.8	0.7	0.8	2.2
2004	Q1	991408	593700	10556	387152	206355	-105	1.4	0.8	0.8	2.4	0.5
	Q2	998505	597852	10693	389961	208650	3757	0.7	0.7	0.7	0.7	1.1
	Q3	1001237	601873	11083	388282	211375	9244	0.3	0.7	0.7	-0.4	1.3
	Q4	1012736	606389	11645	394702	211993	12231	1.1	0.8	0.8	1.7	0.3
2005	Q1	1019920	610539	12049	397332	216072	1235	0.7	0.7	0.7	0.7	1.9
	Q2	1033782	615601	12778	405403	222445	6549	1.4	0.9	0.8	2.0	2.9
	Q3	1045032	621429	13054	410549	226399	632	1.1	1.0	0.9	1.3	1.8
	Q4	1058427	627609	12155	418662	231159	14542	1.3	0.8	1.0	2.0	2.1
2006	Q1	1069296	634959	10310	424027	236084	15688	1.0	0.9	1.2	1.3	2.1
	Q2	1086456	642422	10705	433329	241076	9377	1.6	1.2	1.2	2.2	2.1
	Q3	1103388	650242	10838	442308	243582	11249	1.6	1.2	1.2	2.1	1.0
	Q4	1122489	657919	11487	453084	252158	6086	1.7	1.3	1.2	2.4	3.5
2007	Q1	1142417	666972	12262	463183	261473	18300	1.8	1.5	1.4	2.2	3.7
	Q2	1158812	674741	12194	471876	262020	15350	1.4	1.1	1.2	1.9	0.2
	Q3	1173276	681396	12318	479562	263938	17236	1.2	1.0	1.0	1.6	0.7
	Q4	1183216	689846	12242	481127	272520	15933	0.8	1.2	1.2	0.3	3.3
2008	Q1	1194193	709199	11702	473292	273297	14072	0.9	2.7	2.8	-1.6	0.3
	Q2	1199458	710746	11425	477287	272615	13261	0.4	0.2	0.2	0.8	-0.2
	Q3	1196684	712044	11345	473295	273266	14850	-0.2	0.2	0.2	-0.8	0.2
	Q4	1165917	708438	11591	445888	253148	9315	-2.6	-0.5	-0.5	-5.8	-7.4
2009	Q1	1126637	703190	11208	412239	229987	-7263	-3.4	-0.8	-0.7	-7.5	-9.1
	Q2	1119142	698604	9866	410671	221410	-21760	-0.7	-0.8	-0.7	-0.4	-3.7
	Q3	1131340	696280	8994	426066	223984	-14063	1.1	-0.5	-0.3	3.7	1.2
	Q4	1134487	697406	13543	423539	221824	-9861	0.3	0.8	0.2	-0.6	-1.0
2010	Q1	1143860	700567	8651	434642	222647	-5846	0.8	-0.2	0.5	2.6	0.4
	Q2	1158433	705395	8717	444320	232368	6707	1.3	0.7	0.7	2.2	4.4
	Q3	1166760	711035	9642	446084	233955	4167	0.7	0.9	0.8	0.4	0.7
	Q4	1178904	717158	9736	452010	233572	5756	1.0	0.9	0.9	1.3	-0.2
2011	Q1	1194662	724524	10769	459368	243977	15654	1.3	1.2	1.0	1.6	4.5
	Q2	1201327	730872	11107	459348	243506	16267	0.6	0.9	0.9	0.0	-0.2
	Q3	1209925	735023	12078	462825	247646	11614	0.7	0.7	0.6	0.8	1.7
	Q4	1212870	739081	11934	461855	246165	2764	0.2	0.5	0.6	-0.2	-0.6
2012	Q1	1210034	742180	12998	454856	244456	3236	-0.2	0.6	0.4	-1.5	-0.7
	Q2	1213008	743134	13199	456675	242253	-41	0.2	0.2	0.1	0.4	-0.9
	Q3	1216909	744785	13555	458569	241977	-2374	0.3	0.3	0.2	0.4	-0.1
	Q4	1212331	745596	13325	453409	236839	2078	-0.4	0.1	0.1	-1.1	-2.1
2013	Q1	1214204	746048	13308	454848	227110	1719	0.2	0.1	0.1	0.3	-4.1
	Q2	1223221	748506	13988	460727	237011	-743	0.7	0.4	0.3	1.3	4.4
	Q3	1228887	750537	13744	464607	236496	3275	0.5	0.2	0.3	0.8	-0.2
	Q4	1234587	752913	14539	467135	240321	-4598	0.5	0.4	0.3	0.5	1.6