

Short-term business statistics introduced

Statistics Explained

Short-term business statistics, often simply called short-term statistics and abbreviated as STS, describe the most recent developments of the economies of the [European Union \(EU\)](#) and its Member States. STS indicators are important tools for formulating and monitoring the economic and monetary policy of the EU and the [euro area](#) ; they are in great demand by the [European Commission](#) and [European Central Bank \(ECB\)](#) , national governments and central banks, companies and financial markets.

Overview

Economies (e.g. a single country, the European Union or the euro area) do not develop in a linear way. Over a [business cycle](#) periods of growth change with periods of stagnation or even periods of negative growth. The [analysis of time series](#) provided by STS aims at identifying the various components of the economic development, i.e. wants to find out to what extent changes in a time series follow a stable long term [trend](#) , whether they are a cyclical development around a trend, whether they are a result of seasonal influences or to what extent they are irregular and unpredictable.

The various indicators covered by STS do not represent the general economic development in a synchronised way. Some, like production, move largely in parallel with it ([coincident indicator](#)) and some, like employment, only change when the general conditions have already altered ([lagging indicator](#)). While STS do not provide [leading economic indicators](#) , the link between STS data and leading indicators such as [economic sentiment indicators](#) can be demonstrated.

Scope

STS indicators cover the 27 EU Member States, but also provide aggregate data for the EU and the euro area. A number of indicators are also available for [enlargement](#) and [EFTA](#) countries.

STS indicators are generally published with a monthly frequency. There are however some indicators (e.g. labour input, service turnover, service producer prices) for which currently only a quarterly frequency. However, several countries also produce these indicators on a monthly basis.

In order to be relevant and to reflect current developments with short delays, STS focus on four major domains: industry, construction, retail trade and services (others than trade), for which the following indicators or variables are compiled:

- Industry:
- [Production](#)
 - [Turnover \(domestic and non-domestic\)](#)
 - [Number of persons employed](#)

- Hours worked
- Gross wages and salaries
- Producer prices (Output prices) (domestic and non-domestic)
- Import prices
- Construction:
 - Production (of buildings and of civil engineering)
 - Number of persons employed
 - Hours worked
 - Gross wages and salaries
 - Construction producer price and construction cost indices
 - Building permit index overview
- Retail trade:
 - Retail trade volume
 - Turnover
 - Number of persons employed
 - Hours worked
 - Gross wages and salaries
- Services:
 - Production (experimental)
 - Turnover
 - Number of persons employed
 - Hours worked
 - Gross wages and salaries
 - Services producer prices (Output prices)
- Business demography:
 - Quarterly registrations of businesses and declarations of bankruptcies

Legal base

As of 1 January 2021 the legal base of STS is [Regulation \(EU\) No 2019/2152](#) of 27 November 2019 (European Business Statistics Regulation, EBS-R) and its [General Implementing Regulation No 2020/1197](#) of 30 July 2020.

In the past the [legal base](#) for European STS was [Regulation \(E\) No 1165/98](#) and subsequent amendments. For a list of past changes of the STS Regulation see also the [STS Dedicated Section](#) on the Eurostat site and the [Statistics Explained article on the legal base for STS](#) .

Data requirements

The data requirements describe the details of the statistical indicators that the National Statistical Institutes have to transmit to Eurostat (e.g. NACE codes, reference period, transmission deadlines, form of adjustment etc.). An [overview of the STS requirements](#) is published on the Eurostat site (STS dedicated section, legislation).

Statistical units/Observation units

A [statistical unit/observation unit](#) is the entity for which data are collected. It is to be distinguished from the reporting unit, i.e. the entity which reports data to the Statistical Institute. Under the former STS-Regulation STS used two types of statistical units: For industry and construction the kind-of-activity unit (KAU), for trade and service the enterprise. Under the EBS-Regulation which took effect as of 2021 the only observation unit is the KAU. Transitional arrangements allow Member States to continue providing trade and services data with the enterprise as statistical unit until 2024.

For more information on statistical units (including operational rules) see Chapter 7 of the [European business statistics manual](#) .

Classifications

The four domains which are covered by STS (industry, construction, trade, services) are defined in relation to the general classification of economic activities, the [NACE Rev.2](#) (Statistical classification of economic activities in the European Community, second revision). For STS purposes industry covers mining and quarrying, manufacturing, electricity, gas and water-supply and similar businesses. Construction covers residential and non-residential buildings and civil engineering. Retail trade covers total retail trade with the exception of cars and motorcycles. Other services cover a diverse array of activities such as sales of motor vehicles, transport, information and communication and business services but not financial services.

In addition to the NACE classification STS also provides data for [Main Industrial Groupings \(MIGs\)](#) . MIGs are a re-combination of NACE groups and provide intermediate level between the NACE Sections on the one hand and the Divisions and Groups on the other. They are useful because the four NACE Sections making up Manufacturing in the NACE (B, C, D and E) are often too broad for meaningful analysis, while the 34 Divisions into which these four Sections are divided, are too numerous and too heterogeneous for many analytical purposes.

Smaller countries generally do not report data at the same level of detail as bigger countries. Moreover, not all activities listed in the NACE Rev. 2 under the headings industry, construction, retail trade/repair and services are fully reflected in all STS indicators. Some examples of areas that are not covered are financial services (NACE section K), real estate services (NACE section L) and rental and leasing services (NACE division N77).

For import prices STS are defined in relation to the [European Classification of Product by activity \(CPA\)](#) which is very similar to the NACE.

The [Construction Classification \(CC\)](#) was used in STS for the classification of building activities (NACE section F). With the European Business Statistics Regulation the CC was replaced by the NACE Rev. 2 for production in construction and by CPA 2.1 for construction producer prices or costs and for real estate indicators. There is a transitional arrangement until 2024 and during the transitional period CC codes are transcoded to NACE and CPA 2.1.

For more information on classification see Chapter 8 of the [European business statistics manual](#) .

Data compilation and data sources

STS indicators represent the general economic trend in the form of indices ([time series](#)) and growth rates, i.e. they show the changes of a variable (production, turnover etc.) over time but not the absolute amount or monetary value of the variable. Generally STS indices have a fixed [base year](#) . The index value for any given period in a time series represents the change of the underlying variable compared to a single fixed base which is the same for all indices in that time series. In order to reflect structural changes in the economies the base year is adjusted every five years.

In line with the principle of subsidiarity, STS indicators for Member States are calculated by the national statistical institutes. Depending on the specific situation in a country, data may come from from different sources (usually surveys and [administrative data](#)). Where necessary to ensure comparability, data transmitted to [Eurostat](#) are adjusted so they fit into a common and harmonized methodological framework. It should be noted that national indicators published by Eurostat according to this common methodology are not necessarily identical to the results

published by national statistical institutes for national purposes.

In order to increase comparability between different periods time series are adjusted for [calendar effects](#) ([working-day adjustment](#)) and seasonal effects ([seasonal adjustment](#)). Without such adjustments a figure for May (a month with many public holidays) might wrongly indicate a decline of economic activity. Similarly a comparison between countries, e.g. between Sweden (holidays in June) and France (holidays in August) could be misleading.

For more details on the seasonal adjustment method used by Eurostat see the [Statistics Explained article on seasonal adjustment](#) .

Data transmission, data validation, quality and metadata

National STS data are transmitted to Eurostat according to the deadlines specified in the STS regulation. An overview is given in Table 1 but note that for smaller countries the transmission deadlines are often 15 days longer.

Indicator	Reference period	Transmission deadlines
Industrial production	Month	40 days
Industrial turnover	Month	60 days
Industrial producer prices (total)	Month	45 days
Industrial producer prices (domestic)	Month	35 days
Industrial producer prices (non domestic)	Month	35 days
Industrial import prices	Month	45 days
Production in construction	Month (Quarter for smaller countries)	45 days
Construction prices/cost	Quarter	90 days
Building permits	Quarter	90 days
Volume of retail trade	Month	30 days
Retail trade turnover	Month	30 days
Turnover in services	Quarter	60 days
Service Producer prices	Quarter	90 days
Number of persons employed	Quarter	60 days
Hours worked	Quarter	90 days
Gross wages and salaries	Quarter	90 days

Table 1: STS data transmission deadlines}

Data are transferred to Eurostat via the [EDAMIS web portal](#) which is the single entry point for all data transmission to Eurostat. Each month Eurostat receives about 50 000 STS time series. Before dissemination national data are [checked](#) for consistency and for unusual [revisions](#) . Sometimes national data also have to be converted to indices and in some cases missing data have to be estimated. New national data are fed into Eurostat's dissemination database within one day. (Note that EU aggregates are generally [updated only once a month](#) at pre-announced publication dates.)

STS data are regularly monitored for their [quality](#) , especially for the timeliness of dissemination, compliance with the STS regulation, coherence and size of revisions. Every three years a [report](#) on the quality of STS data is prepared for the European Parliament and for the Council.

For all STS indicators extensive [metadata](#) are available. Moreover, Eurostat also publishes [metadata on the national STS indicators](#) which are prepared by the National Statistical Institutes.

For more information on data sources see Chapter 9 of the [European business statistics manual](#) .

For more information on data processing methods at national level see Chapter 10 of the [European business](#)

Calculation of EU aggregates

On the basis of the national data [Eurostat produces aggregate data for the EU and for the euro area](#) by adding up the weighted national indices. The weights used for this aggregation reflect the size of the various economic activities in the Member States. To ensure that the weights used by Eurostat for this geographical aggregation adequately reflect economic realities they are [updated every five years](#) .

The STS regulation also requires National Statistical Institutes to update the weights used for the aggregation of national indices at least every five years. Several Member States even decided to update the weights more frequently and apply a [chain linking](#) approach.

For more information on the production European statistical aggregates see Chapter 16 of the [European business statistics manual](#) .

Dissemination

Eurostat uses various [channels for the dissemination of STS results](#) :

- [News releases](#)
- [Free online database](#)
- [Statistics Explained](#)
- [Statistics in Focus](#) (now integrated into Statistics Explained)

For more information on the dissemination of statistical results see Chapter 18 of the [European business statistics manual](#) .

Confidentiality

In cases where national STS data would allow identifying individual businesses (e.g. when there is only one major business in a certain industry dominating in a certain sector) data are treated as confidential and not published by Eurostat in accordance with Council Regulation (EEC) 1588/90 (Official Journal L151, 15th June 1990). Despite the fact that confidential data cannot be published or transmitted to external users Eurostat must nevertheless receive the data from national statistical institutes in order to calculate European aggregates.

For more information on the statistical disclosure control see Chapter 17 of the [European business statistics manual](#) .

Other articles

- [All articles on short-term business statistics](#)

Tables

- [Short-term business statistics \(t_sts\)](#)

Database

- [Short-term business statistics \(sts\)](#)

Dedicated section

- [Short-term business statistics](#)

Publications

- [All short-term business statistics publications](#)

Methodology

- [European business statistics manual](#) .
- [Methodology of short-term business statistics – interpretation and guidelines](#)
- [Methodology of short-term business statistics – associated documents](#)
- [Short term business statistics - Metadata in SDMX format \(ESMS metadata file — sts_esms\)](#)
- [More information on Metadata in Eurostat](#)