

28 January 2011

## PRESS RELEASE

### EURO AREA ECONOMIC AND FINANCIAL DEVELOPMENTS BY INSTITUTIONAL SECTOR - THIRD QUARTER 2010

*In the third quarter of 2010, the annual growth rate<sup>1</sup> of **net disposable income in the euro area** decreased to 3.2%, compared with 4.0% in the second quarter of 2010 (see Annex Table 1). The annual growth rate of **final consumption** in the euro area increased to 2.4% in the third quarter (2010q2: 2.2%). **Gross fixed capital formation** increased by 1.7% in the third quarter of 2010, compared with 1.1% in the previous quarter.*

*The annual growth rate of **households' gross disposable income** was 1.5% in the third quarter of 2010, up from 0.9% in the previous quarter (see Table 2). The annual growth rate of households' **consumption expenditure** was 2.8% in the third quarter compared with 2.3% in the previous quarter. **Gross saving** of households continued to decrease (-8.5% in the third quarter compared with -5.5% previously). The households' gross saving rate<sup>2</sup> stood at 14.2%, compared with 15.1% in the third quarter of 2009. The annual growth rate of **financing** of households was 2.3% in the third quarter of 2010 compared with 2.5% in the previous quarter, and the annual growth rate of their **financial investment** was 2.7% in the third quarter of 2010, compared with 2.9% in the previous quarter. Households' **net worth**<sup>3</sup> increased by 3.6% in the third quarter, the same rate as in the previous quarter (see Chart 6).*

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<sup>1</sup> The euro area accounts are expressed in current prices and they are not seasonally adjusted. The (nominal) growth rates are presented as year-on-year changes (see the notes).

<sup>2</sup> The households' saving rate is based on four-quarter cumulated sums of both their saving and their gross disposable income (adjusted for the change in net equity of households in pension fund reserves, receivable - payable).

<sup>3</sup> The euro area accounts include non-financial assets. Households' non-financial assets mainly consist of housing wealth (residential structures and land). In addition, they also include non-financial assets of unincorporated enterprises classified within the household sector.

The annual growth rate of **gross fixed capital formation of non-financial corporations** in the euro area decreased to 2.9% in the third quarter of 2010, from 4.9% in the previous quarter (see Table 3). The annual growth rate of **net entrepreneurial income** of non-financial corporations was 10.0% in the third quarter, after 12.8 % in the previous quarter. The annual growth rate of **financing** of non-financial corporations was 2.1% in the third quarter, compared with 1.6% the previous quarter, and the annual growth rate of their **financial investment** increased to 3.4% in the third quarter of 2010, after 2.8% in the previous quarter.

### **Total euro area economy**

The annual growth rate of euro area net disposable income stood at 3.2% in the third quarter of 2010 (2010q2: 4.0%). This decline in the growth rate of net disposable income is due to moderating growth of net disposable income of corporations (see Chart 1). Euro area **gross fixed capital formation** increased by 1.7% annually, (2010q2: 1.1%), due to positive growth by corporations and households, and less negative growth by government (see Chart 2). The growth rate of **gross capital formation<sup>4</sup>** decreased to 7.2% in the third quarter (2010q2: 8.6%) (Chart 3).

As investment growth was stronger than growth of **gross saving**, the net borrowing of the euro area from the rest of the world increased (see Table 1). This was mainly due to a moderation in the growth of corporations gross saving and a continued decline in household savings, only partly offset by government savings becoming less negative (see Chart 3).

### **Households**

The annual growth rate of households' **gross disposable income** increased to 1.5% in the third quarter of 2010, up from 0.9% in the previous quarter. This increase was due to increases in **compensation of employees** and **operating surplus and mixed income**, moderated by increasing tax payments (see Chart 4).

The annual growth rate of households' **consumption expenditure** (2.8%) was above the annual growth rate of their disposable income, which led to a continued decline in households' gross saving (-8.5% after -5.5% previously). The annual rate of change of gross fixed capital formation of households amounted to 0.6% in the third quarter, compared with -1.1% in the previous quarter. The four-quarter moving average households' **gross saving rate** was 14.2% (compared with 15.1% in the third quarter of 2009).

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<sup>4</sup> This also includes changes in inventories and net acquisitions of non-produced, non-financial assets.

The annual growth rate of **financing** of households stood at 2.3% in the third quarter of 2010, down from 2.5% in the second quarter. The annual growth rate of their **gross non-financial investment** was 1.5%, up from 0.3% in the previous quarter (see Chart 5) whilst their **financial investment** was 2.7% compared with 2.9% previously.

Turning to the components of **households' financial investment**, the annual growth rate of their holdings of currency and deposits remained unchanged at 2.8% in the third quarter of 2010 (2010q2: 2.8%). The annual growth rate of their investment in debt securities was -4.4% in the third quarter (2010q2: -5.3%), while the investment in shares and other equity was 1.1% in the third quarter (2010q2: 2.9%). The annual growth rate of households' additions to life insurance and pension fund reserves was 5.2% in the third quarter (2010q2: 5.4%).

Developments in **households' balance sheets** were dominated by valuation changes of their non-financial assets. Growth of households' **net worth** was 3.6% in the third quarter of 2010 (2010q2: 3.6%, see Chart 6). The annual growth rate of **housing wealth** was 3.5% (2010q2: 2.5%), whereas the growth rate of the market value of households' holdings of shares and other equity was 1.7% in the third quarter of 2010 (2010q2: 6.4%, see Table 2).

### **Non-financial corporations**

The annual growth rate of **net entrepreneurial income** of non-financial corporations<sup>5</sup> was 10.0% in the third quarter of 2010, down from 12.8% in the previous quarter (see Table 3). The annual growth rate of net value added was 3.4% (2010q2: 3.7%, see Chart 7 and Table 3). **Gross fixed capital formation** of non-financial corporations increased with an annual growth rate of 2.9% in the third quarter of 2010, after 4.9% in the previous quarter. The annual growth rate of **total gross non-financial investment**, which also includes inventories, was 13.3%, down from 21.9% in the previous quarter (see Chart 8).

In the third quarter of 2010, the annual growth rate of **financing** of non-financial corporations increased to 2.1%, up from 1.6% previously. The growth rate of their loan financing amounted to 1.9% (2010q2: 0.9%). The annual growth rate of their issuance of debt securities was 8.4% (2010q2: 10.5%). The annual growth rate of their equity financing, via the issuance of quoted and unquoted shares and other equity, remained broadly unchanged at 1.5% (2010q2: 1.4%).

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<sup>5</sup> Net entrepreneurial income is broadly equivalent to current profits in business accounting (after the receipt and payment of interest and including the profits of foreign subsidiaries, but before the payment of income taxes and dividends).

**Financial investment growth** of non-financial corporations increased to an annual rate of 3.4% after 2.8% in the previous quarter. The annual growth rate of investment in currency and deposits was 2.2%, after 3.0% previously. The growth rate of loans granted increased to 8.9% in the third quarter of 2010 (2010q2: 7.7%). The growth rate of their investment in shares and other equity remained broadly unchanged at 0.7% (2010q2: 0.6%).

### Insurance corporations and pension funds

The annual growth rate of **insurance technical reserves**, the major financing instrument of insurance corporations and pension funds, decreased to 5.4% in the third quarter of 2010 compared to 5.6% in the second quarter (see Table 6). The annual growth rate of their **financial investment** increased to 5.4% from 5.2% in the previous quarter. The growth rate of their investment in debt securities increased to 8.3%, from 7.4% previously, whilst that of their investment in shares and other equity decreased to 4.8%, from 5.9% in the previous quarter.

### Notes

- The **annual growth rate of non-financial transactions and of outstanding financial assets and liabilities (stocks)** is calculated as the percentage change between the value of the transaction or outstanding amount for a given quarter and that value recorded four quarters earlier. Let  $x_t$  be the level of a non-financial transaction or end-of-quarter stock, then its annual percentage change  $g(x_t)$  is calculated as:

$$g(x_t) = \frac{(x_t - x_{t-4})}{x_{t-4}} * 100.$$

- The **annual growth rate used to analyse financial transactions** refers to the total value of transactions during the year in relation to the outstanding stock a year before. These growth rates for financial transactions exclude the effect on the outstanding stock of revaluations, reclassifications, and further changes that do not arise from transactions. When  $f_t$  represents the value of transactions in a particular financial instrument, and  $F_t$  represents the value of the corresponding stock outstanding at the end of quarter t, then the annual growth rate  $g(f_t)$  is calculated as the sum of the transactions during the year divided by the outstanding stock a year ago:

$$g(f_t) = \left( \frac{\sum_{i=0}^3 f_{t-i}}{F_{t-4}} \right) * 100$$

- The euro area accounts encompass integrated non-financial and financial accounts, including financial balance sheets. They are jointly compiled by the ECB and the European Commission (Eurostat), in close cooperation with the national central banks and the national statistical institutes in the EU.<sup>6</sup> The European sector accounts follow the methodology of the European System of

<sup>6</sup> See <http://ec.europa.eu/eurostat/sectoraccounts> (Eurostat) for the non-financial accounts of the EU.

Accounts 1995 (ESA 95).<sup>7</sup> A detailed set of quarterly data is published in Tables 3.1 - 3.5, "Euro area accounts", of the statistics section of the ECB's Monthly Bulletin.

- This press release incorporates revisions for the second quarter of 2010 and for previous quarters.
- A comprehensive set of tables is made available at <http://www.ecb.eu/stats/acc/html/index.en.html> (ECB). The time series for the euro area accounts can be downloaded from the ECB's Statistical Data Warehouse.
- The publication of euro area economic and financial developments in the fourth quarter of 2010 is scheduled to take place on **3 May 2011** at 10 a.m. CET.

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<sup>7</sup> For more details, see <http://forum.europa.eu.int/irc/dsis/nfaccount/info/data/esa95/en/titelen.htm>.

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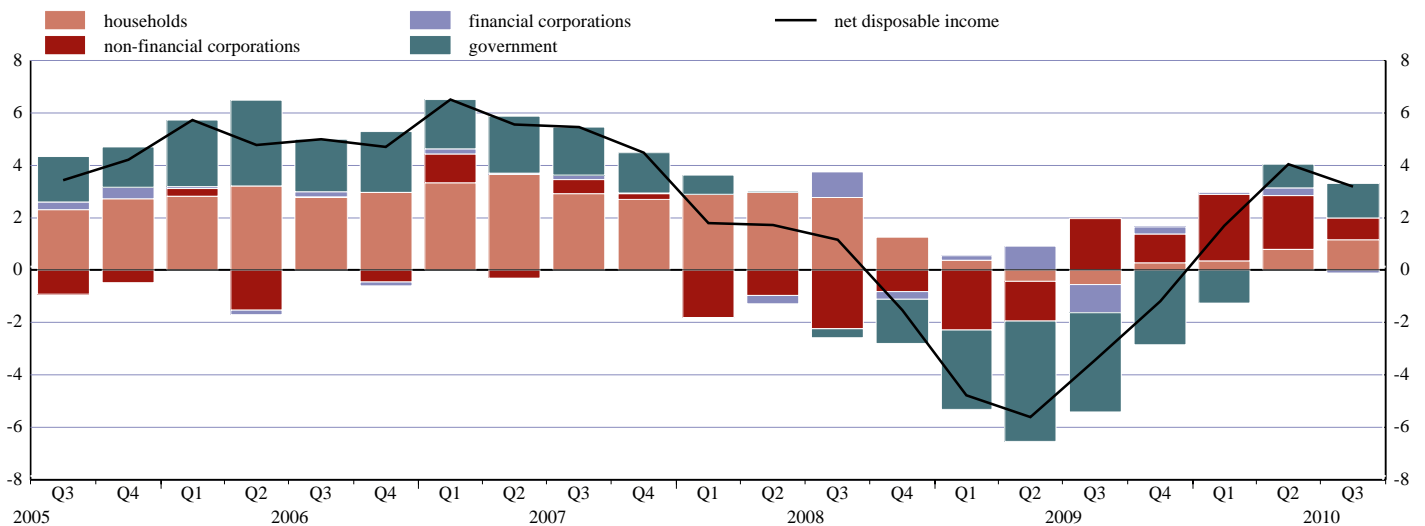
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# Euro area

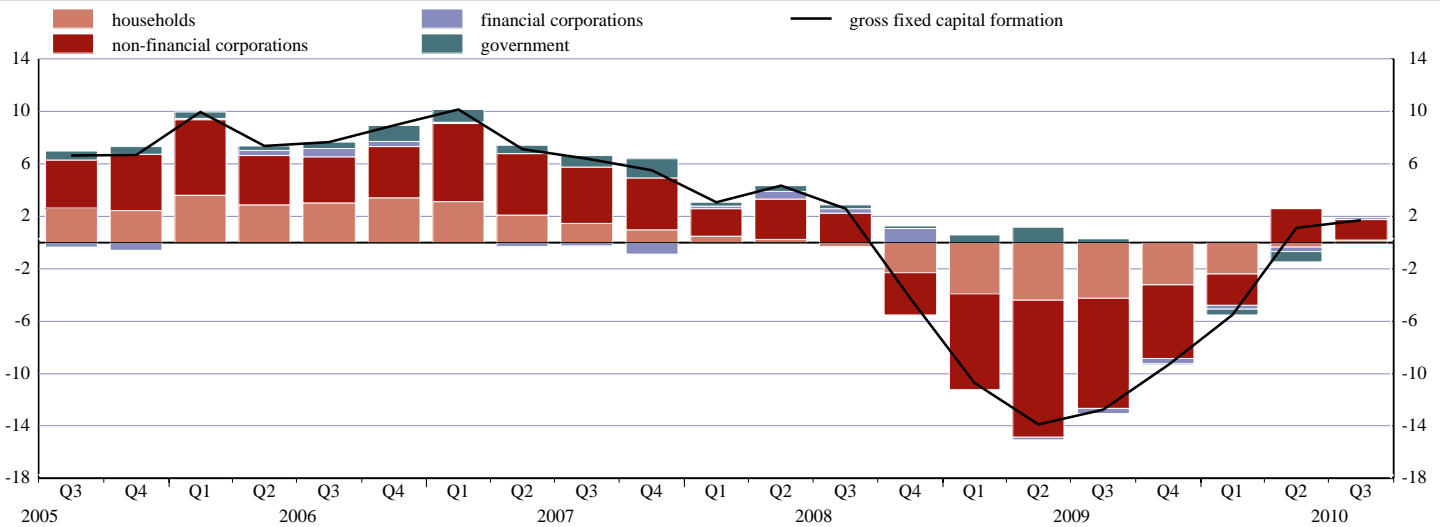
**Chart 1. Growth of euro area net disposable income and its allocation to sectors**

(annual percentage changes and percentage point contributions)



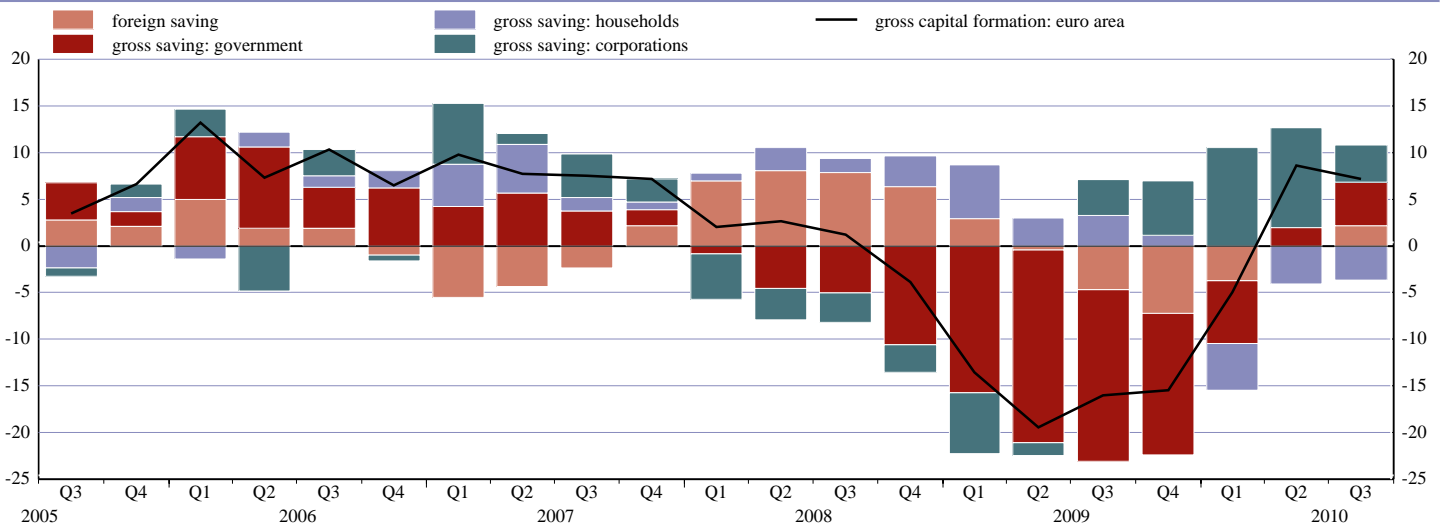
**Chart 2. Growth of euro area gross fixed capital formation and contributions by sector**

(annual percentage changes and percentage point contributions)



**Chart 3. Growth of euro area gross capital formation and its financing by sectoral (gross) saving**

(annual percentage changes and percentage point contributions)

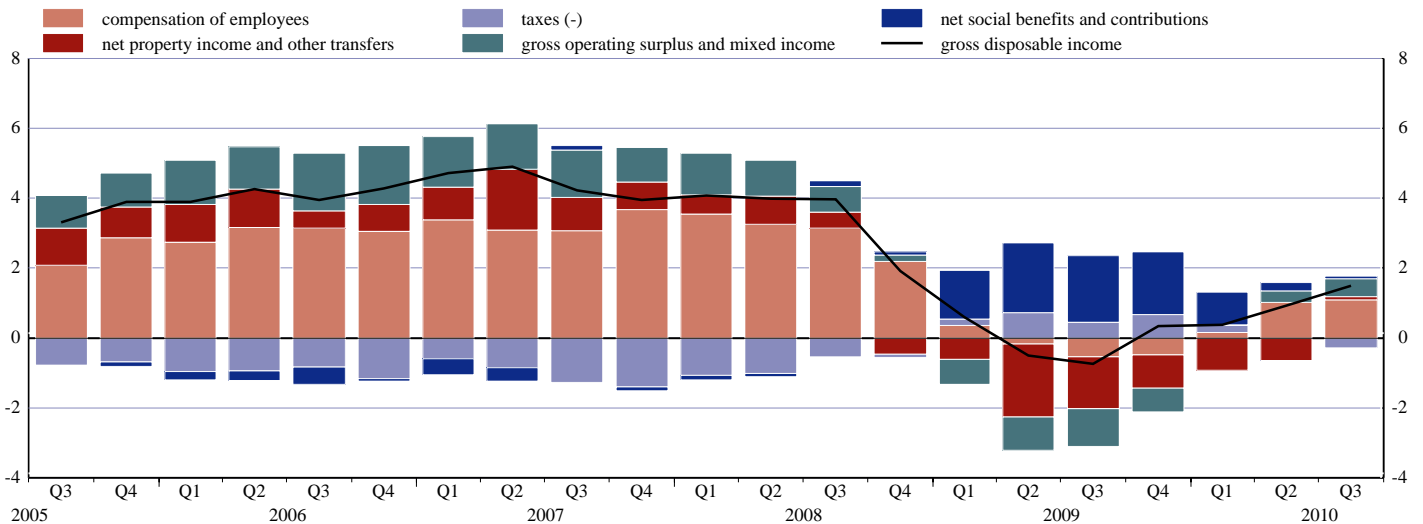


Sources: ECB and Eurostat.

# Euro area households

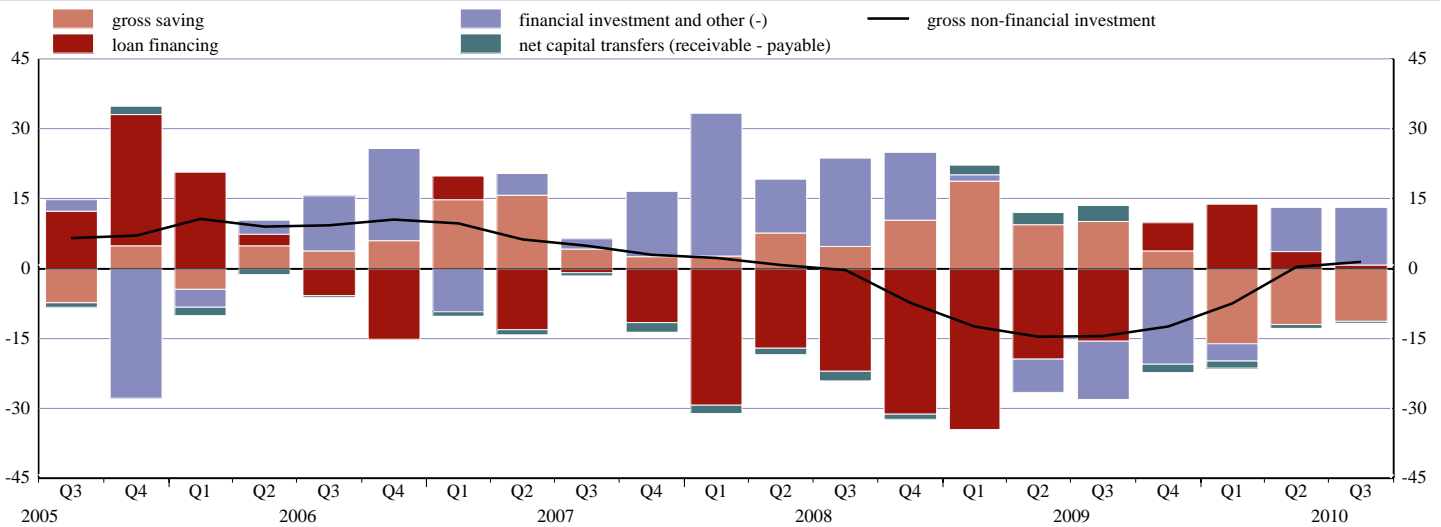
**Chart 4. Growth of households' gross disposable income and contributions by income component**

(annual percentage changes and percentage point contributions)



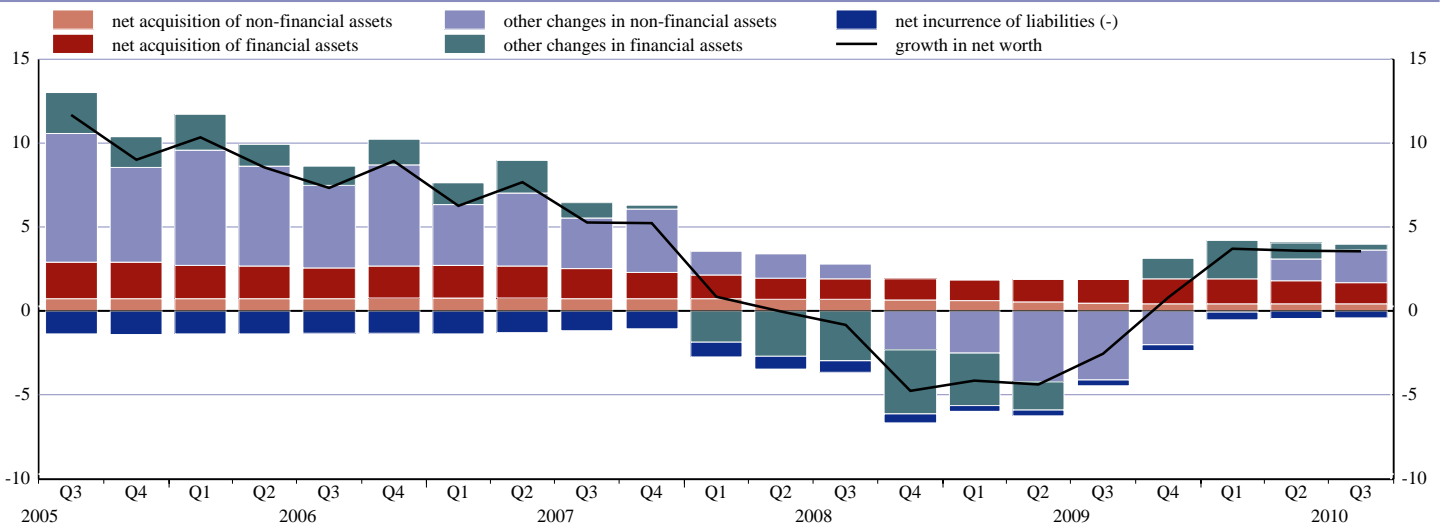
**Chart 5. Growth of households' non-financial investment and contributions by source of internal and external financing**

(annual percentage changes and percentage point contributions)



**Chart 6. Growth of households' net worth and contributions by type of asset change**

(annual percentage changes and percentage point contributions)



Sources: ECB and Eurostat.

# Euro area non-financial corporations

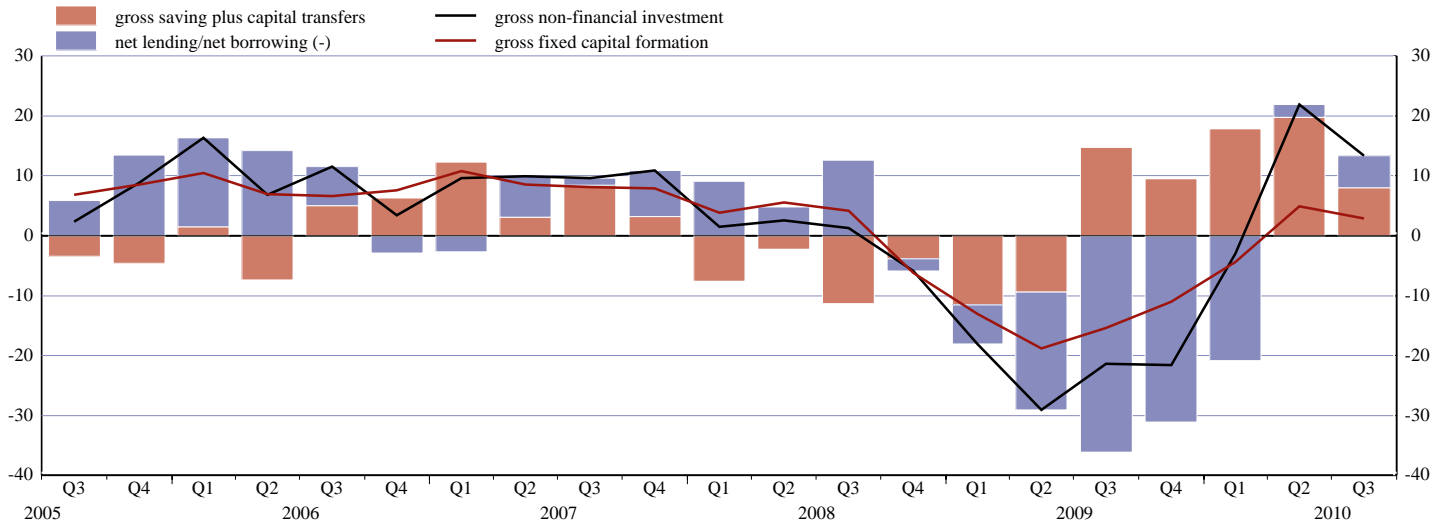
**Chart 7. Growth of net entrepreneurial income of non-financial corporations and contributions by component**

(annual percentage changes and percentage point contributions)



**Chart 8. Growth of non-financial investment of non-financial corp. and contributions by source of internal and external financing**

(annual percentage changes and percentage point contributions)



Sources: ECB and Eurostat.



**Table I. Income, consumption, saving, investment and net lending / net borrowing: euro area and contributions by sector**  
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes <sup>1)</sup>		percentage of euro area NDI	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Net disposable income (NDI):</b>											
Euro area	7,633	7,690	7,427	7,403	7,433	7,507	7,566	4.0	3.2	100.0	100.0
Households <sup>2)</sup>	5,501	5,688	5,676	5,682	5,689	5,703	5,724	1.0	1.5	76.4	75.7
Non-financial corporations	97	-13	-48	-26	19	57	72			-0.6	1.0
Financial corporations	163	170	170	175	176	182	180			2.3	2.4
General government	1,872	1,846	1,628	1,572	1,549	1,566	1,590	4.1	6.8	21.9	21.0
<b>Consumption expenditure:</b>											
Euro area	6,911	7,171	7,162	7,181	7,216	7,256	7,298	2.2	2.4	96.4	96.5
Households <sup>2)</sup>	5,105	5,273	5,198	5,196	5,223	5,253	5,290	2.3	2.8	70.0	69.9
General government collective consumption	713	749	775	784	786	787	788	0.8	0.3	10.4	10.4
General government social transfers in kind <sup>3)</sup>	1,094	1,148	1,188	1,201	1,207	1,215	1,221	2.7	2.0	16.0	16.1
<b>Net saving:</b>											
Euro area	722	520	265	223	217	251	267	88.8	24.9	3.6	3.5
Households <sup>2)</sup>	461	485	545	551	530	513	496	-8.2	-18.8	7.3	6.6
Non-financial corporations	95	-15	-50	-29	16	54	69			-0.7	0.9
Financial corporations	100	101	106	113	115	122	120			1.4	1.6
General government	66	-51	-336	-412	-443	-437	-418			-4.5	-5.5
<b>Consumption of fixed capital:</b>											
Euro area	1,319	1,382	1,396	1,398	1,397	1,399	1,405	0.6	1.5	18.8	18.6
Households <sup>2)</sup>	365	381	383	383	382	382	383	0.4	0.8	5.2	5.1
Non-financial corporations	741	777	786	787	786	786	789	0.0	1.2	10.6	10.4
Financial corporations	44	45	45	45	45	45	46	3.4	3.9	0.6	0.6
General government	170	179	182	183	184	185	187	3.1	3.5	2.5	2.5
<b>Net capital transfers (receivable - payable):</b>											
Euro area	15	10	9	9	10	10	10			0.1	0.1
Households <sup>2)</sup>	12	2	15	13	11	10	9			0.2	0.1
Non-financial corporations	68	72	78	79	78	81	81			1.0	1.1
Financial corporations	-1	11	-1	-1	11	11	17			0.0	0.2
General government	-64	-77	-82	-81	-90	-91	-97			-1.1	-1.3
<b>Gross fixed capital formation:</b>											
Euro area	1,991	2,017	1,828	1,781	1,757	1,762	1,770	1.1	1.7	24.6	23.4
Households <sup>2)</sup>	643	633	570	553	543	541	542	-1.1	0.6	7.7	7.2
Non-financial corporations	1,076	1,096	963	934	924	936	943	4.9	2.9	13.0	12.5
Financial corporations	40	51	48	46	45	43	44	-11.9	6.7	0.6	0.6
General government	232	238	248	247	246	242	241	-6.2	-1.3	3.3	3.2
<b>Net acquisition of other non-financial assets <sup>4)</sup>:</b>											
Euro area	38	22	-42	-71	-68	-37	-14			-0.6	-0.2
Households <sup>2)</sup>	0	2	-1	-4	-4	-2	0			0.0	0.0
Non-financial corporations	38	19	-45	-72	-69	-36	-14			-0.6	-0.2
Financial corporations	-1	1	0	0	0	0	0			0.0	0.0
General government	0	0	4	5	4	0	-1			0.1	0.0
<b>Net lending (+)/net borrowing (-):</b>											
Euro area	28	-127	-115	-81	-64	-64	-73			-1.6	-1.0
Households <sup>2)</sup>	194	234	375	397	383	364	346			5.0	4.6
Non-financial corporations	-211	-280	-104	-25	25	21	10			-1.4	0.1
Financial corporations	104	105	102	111	126	135	140			1.4	1.8
General government	-60	-187	-488	-563	-599	-584	-569			-6.6	-7.5

Sources: ECB and Eurostat.

1) Annual percentage changes are calculated as  $100 \cdot (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction four quarters earlier.

2) Households and non-profit institutions serving households.

3) Transfers of goods and services by government units and non-profit institutions serving households (NPISHs) to individual households.

4) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

**Table 2. Households <sup>1)</sup>**  
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes <sup>2)</sup>		percentage of HGDI, adjusted <sup>3)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
Compensation of employees	4,269	4,446	4,441	4,433	4,436	4,452	4,468	1.4	1.5	72.5	72.4
Gross operating surplus and mixed income	1,491	1,537	1,495	1,485	1,485	1,490	1,498	1.4	2.0	24.4	24.3
Property income (receivable - payable)	894	913	842	825	811	801	804			13.7	13.0
Net social benefits and contributions (rec. - pay.)	-8	-7	73	100	114	118	119			1.2	1.9
Other current transfers (receivable - payable)	72	72	79	81	82	81	80			1.3	1.3
Taxes (on income and wealth) (-)	852	891	870	860	857	857	861	0.1	2.0	14.2	14.0
<b>Gross disposable income (HGDI)</b>	<b>5,866</b>	<b>6,069</b>	<b>6,059</b>	<b>6,065</b>	<b>6,070</b>	<b>6,085</b>	<b>6,107</b>	<b>0.9</b>	<b>1.5</b>	<b>98.9</b>	<b>99.0</b>
+Adj. for change in net worth in pension fund <sup>3)</sup>	64	71	67	65	65	63	62	-9.7	-4.2	1.1	1.0
<b>Gross disposable income (HGDI) plus adjustment <sup>3)</sup></b>	<b>5,930</b>	<b>6,140</b>	<b>6,126</b>	<b>6,130</b>	<b>6,135</b>	<b>6,148</b>	<b>6,169</b>	<b>0.8</b>	<b>1.4</b>	<b>100.0</b>	<b>100.0</b>
<b>Consumption expenditure</b>	<b>5,105</b>	<b>5,273</b>	<b>5,198</b>	<b>5,196</b>	<b>5,223</b>	<b>5,253</b>	<b>5,290</b>	<b>2.3</b>	<b>2.8</b>	<b>84.9</b>	<b>85.8</b>
<b>Gross saving</b>	<b>825</b>	<b>867</b>	<b>928</b>	<b>934</b>	<b>912</b>	<b>895</b>	<b>879</b>	<b>-5.5</b>	<b>-8.5</b>	<b>15.1</b>	<b>14.2</b>
<b>Net capital transfers (receivable - payable)</b>	<b>12</b>	<b>2</b>	<b>15</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>9</b>			<b>0.3</b>	<b>0.1</b>
<b>Gross fixed capital formation</b>	<b>643</b>	<b>633</b>	<b>570</b>	<b>553</b>	<b>543</b>	<b>541</b>	<b>542</b>	<b>-1.1</b>	<b>0.6</b>	<b>9.3</b>	<b>8.8</b>
Net acquisition of other non-financial assets <sup>4)</sup>	0	2	-1	-4	-4	-2	0			0.0	0.0
<b>Net lending (+)/net borrowing (-)</b>	<b>194</b>	<b>234</b>	<b>375</b>	<b>397</b>	<b>383</b>	<b>364</b>	<b>346</b>			<b>6.1</b>	<b>5.6</b>
Financial transactions	four-quarter-cumulated sums							annual growth rates <sup>5)</sup>		percentage of HGDI, adjusted <sup>3)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial investment</b>	<b>580</b>	<b>501</b>	<b>543</b>	<b>548</b>	<b>544</b>	<b>510</b>	<b>477</b>	<b>2.9</b>	<b>2.7</b>	<b>8.9</b>	<b>7.7</b>
Currency and deposits	317	410	313	211	181	174	178	2.8	2.8	5.1	2.9
Debt securities	73	69	-51	-70	-94	-76	-64	-5.3	-4.4	-0.8	-1.0
Shares and other equity	-34	-118	67	124	137	113	48	2.9	1.1	1.1	0.8
Quoted shares	-9	-14	45	38	39	27	10	4.6	1.5	0.7	0.2
Unquoted shares and other equity	7	35	49	61	71	76	54	3.8	2.6	0.8	0.9
Mutual fund shares	-32	-140	-27	25	26	11	-16	0.8	-1.1	-0.4	-0.3
Life insurance and pension fund reserves	217	137	193	242	271	263	265	5.4	5.2	3.1	4.3
Other financial assets <sup>6)</sup>	7	3	22	41	51	35	50			0.4	0.8
<b>Financing</b>	<b>397</b>	<b>221</b>	<b>128</b>	<b>130</b>	<b>169</b>	<b>163</b>	<b>152</b>	<b>2.5</b>	<b>2.3</b>	<b>2.1</b>	<b>2.5</b>
Loans	373	213	102	111	130	135	136	2.3	2.3	1.7	2.2
Short-term	13	7	-8	-8	-6	-11	-11	-2.9	-3.0	-0.1	-0.2
Long-term	360	206	110	119	136	146	147	2.7	2.7	1.8	2.4
Other liabilities <sup>7)</sup>	24	8	26	19	39	28	16			0.4	0.3
Net lending (+)/net borrowing (-) (financial accounts)	183	280	415	418	376	347	325	3.2	2.8	6.8	5.3
<b>Changes in financial wealth not due to transactions</b>	<b>84</b>	<b>-1,489</b>	<b>1</b>	<b>466</b>	<b>846</b>	<b>352</b>	<b>127</b>			<b>0.0</b>	<b>2.1</b>
Balance sheet	end-of-period stocks							annual percentage changes <sup>2)</sup>		percentage of HGDI, adjusted <sup>3)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial assets</b>	<b>18,154</b>	<b>17,175</b>	<b>17,941</b>	<b>18,182</b>	<b>18,389</b>	<b>18,332</b>	<b>18,562</b>	<b>5.0</b>	<b>3.5</b>	<b>292.9</b>	<b>300.9</b>
Currency and deposits	5,804	6,216	6,325	6,438	6,437	6,510	6,510	2.9	2.9	103.3	105.5
Debt securities	1,381	1,476	1,458	1,438	1,429	1,398	1,397	-1.7	-4.2	23.8	22.6
Shares and other equity	5,285	3,908	4,231	4,268	4,345	4,192	4,302	6.4	1.7	69.1	69.7
Quoted shares	1,040	545	709	718	743	687	731	18.0	3.1	11.6	11.9
Unquoted shares and other equity	2,552	2,033	2,095	2,115	2,138	2,077	2,125	4.4	1.4	34.2	34.4
Mutual fund shares	1,693	1,330	1,427	1,435	1,465	1,428	1,445	4.5	1.3	23.3	23.4
Life insurance and pension fund reserves	4,854	4,730	5,050	5,150	5,285	5,323	5,429	9.0	7.5	82.4	88.0
Other financial assets <sup>6)</sup>	830	844	877	888	893	909	923			14.3	15.0
<b>Liabilities</b>	<b>6,208</b>	<b>6,438</b>	<b>6,523</b>	<b>6,561</b>	<b>6,601</b>	<b>6,662</b>	<b>6,691</b>	<b>2.8</b>	<b>2.6</b>	<b>106.5</b>	<b>108.5</b>
Loans	5,600	5,810	5,867	5,908	5,919	5,980	6,006	2.3	2.4	95.8	97.3
Short-term	366	375	361	362	357	363	356	-1.7	-1.5	5.9	5.8
Long-term	5,235	5,435	5,506	5,546	5,562	5,616	5,650	2.6	2.6	89.9	91.6
Other liabilities <sup>7)</sup>	602	622	649	646	676	676	679			10.6	11.0
<b>Non-financial assets</b>	<b>27,341</b>	<b>26,682</b>	<b>25,980</b>	<b>26,104</b>	<b>26,153</b>	<b>26,576</b>	<b>26,864</b>	<b>2.4</b>	<b>3.4</b>	<b>424.1</b>	<b>435.4</b>
<i>of which: Housing wealth</i>	<i>25,854</i>	<i>25,173</i>	<i>24,484</i>	<i>24,603</i>	<i>24,648</i>	<i>25,072</i>	<i>25,333</i>	<i>2.5</i>	<i>3.5</i>	<i>399.7</i>	<i>410.6</i>
<b>Net worth</b>	<b>39,287</b>	<b>37,419</b>	<b>37,398</b>	<b>37,725</b>	<b>37,942</b>	<b>38,245</b>	<b>38,735</b>	<b>3.6</b>	<b>3.6</b>	<b>610.5</b>	<b>627.9</b>

Sources: ECB and Eurostat.

1) Households and non-profit institutions serving households.

2) Annual percentage changes are calculated as  $100 \times (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction or end-of-quarter stock  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction or stock four quarters earlier.

3) Net adjustment for the change in net equity of households in pension fund reserves (receivable - payable).

4) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

5) Annual growth rates for financial transactions are calculated as  $100 \times (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$  where  $f(t)$  stands for the transactions in quarter  $t$ , and  $F(t-4)$  for the end-of-quarter stock value four quarters earlier.

6) Loans granted, prepayments of insurance premiums and reserves for outstanding claims and other accounts receivable.

7) Financial derivative's net liabilities, pension fund reserves and other accounts payable.

**Table 3. Non-financial corporations**

(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes <sup>1)</sup>		percentage of GVA or (NVA) <sup>2)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Gross value added (GVA)</b>	4,646	4,759	4,553	4,519	4,531	4,574	4,611	3.7	3.4	100.0	100.0
Net value added (NVA)	3,906	3,982	3,766	3,732	3,745	3,787	3,822	4.5	3.8	82.7	82.9
<b>Net entrepreneurial income</b>	1,351	1,259	1,077	1,067	1,102	1,146	1,172	12.8	10.0	28.6	30.7
Net disposable income	97	-13	-48	-26	19	57	72			-1.3	1.9
Adj. for change in net worth in pension fund	-1	-2	-3	-3	-3	-3	-3			-0.1	-0.1
<b>Net saving</b>	95	-15	-50	-29	16	54	69			-1.3	1.8
<b>Net capital transfers (receivable - payable)</b>	68	72	78	79	78	81	81			1.7	1.7
Consumption of fixed capital	741	777	786	787	786	786	789	0.0	1.2	17.3	17.1
<b>Gross fixed capital formation</b>	1,076	1,096	963	934	924	936	943	4.9	2.9	21.1	20.4
Net acquisition of other non-financial assets <sup>3)</sup>	38	19	-45	-72	-69	-36	-14			-1.0	-0.3
<b>Net lending (+)/net borrowing (-)</b>	-211	-280	-104	-25	25	21	10			-2.3	0.2
Financial transactions	four-quarter-cumulated sums							annual growth rates <sup>4)</sup>		percentage of GVA	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial investment</b>	1,218	757	332	212	351	423	552	2.8	3.4	7.3	12.0
Currency and deposits	160	53	78	109	87	53	40	3.0	2.2	1.7	0.9
Debt securities	24	-39	-42	-48	-29	25	25	7.8	7.7	-0.9	0.5
Loans	297	373	152	109	134	221	258	7.7	8.9	3.3	5.6
Shares and other equity	429	378	299	132	80	36	53	0.6	0.7	6.6	1.2
Quoted shares	146	116	89	73	66	29	0	2.6	0.0	1.9	0.0
Unquoted shares and other equity	322	269	227	77	44	46	87	0.9	1.6	5.0	1.9
Mutual fund shares	-38	-7	-17	-18	-30	-39	-33	-11.1	-8.3	-0.4	-0.7
Other financial assets <sup>5)</sup>	308	-8	-154	-91	78	88	175			-3.4	3.8
<b>Financing</b>	1,417	1,084	476	258	318	384	520	1.6	2.1	10.4	11.3
Debt securities	38	55	91	84	103	81	69	10.5	8.4	2.0	1.5
Short-term	26	34	31	8	12	3	0	1.1	-0.2	0.7	0.0
Long-term	11	21	60	76	91	78	69	16.8	14.1	1.3	1.5
Loans	851	651	140	25	33	78	162	0.9	1.9	3.1	3.5
Short-term	240	235	-8	-73	-21	1	70	0.0	2.7	-0.2	1.5
Long-term	611	416	148	98	54	77	92	1.3	1.6	3.3	2.0
Shares and other equity	379	308	288	178	169	154	177	1.4	1.5	6.3	3.8
Quoted shares	55	7	71	66	66	47	37	1.6	1.1	1.6	0.8
Unquoted shares and other equity	324	301	217	112	103	107	139	1.3	1.6	4.8	3.0
Pension fund reserves	2	2	3	3	3	3	3	0.9	0.9	0.1	0.1
Other liabilities <sup>6)</sup>	148	68	-46	-32	9	68	110			-1.0	2.4
Net lending (+)/net borrowing (-) (financial accounts)	-199	-326	-144	-46	33	38	31			-3.2	0.7
Financial balance sheet	end-of-period stocks							annual percentage changes <sup>1)</sup>		percentage of GVA	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial investment</b>	16,645	15,299	16,071	16,378	16,695	16,725	17,089	9.0	6.3	353.0	370.6
Currency and deposits	1,687	1,753	1,807	1,854	1,821	1,830	1,845	2.5	2.1	39.7	40.0
Debt securities	429	397	320	356	381	393	371	24.2	16.0	7.0	8.1
Loans	2,439	2,819	2,901	2,921	2,998	3,104	3,158	8.1	8.9	63.7	68.5
Shares and other equity	8,312	6,364	7,204	7,367	7,582	7,367	7,693	13.2	6.8	158.2	166.8
Quoted shares	1,835	1,072	1,240	1,326	1,378	1,321	1,392	20.2	12.3	27.2	30.2
Unquoted shares and other equity	6,068	4,952	5,568	5,659	5,819	5,677	5,930	12.2	6.5	122.3	128.6
Mutual fund shares	409	340	396	383	384	368	371	5.2	-6.5	8.7	8.0
Other financial assets <sup>5)</sup>	3,778	3,965	3,838	3,879	3,914	4,032	4,022			84.3	87.2
<b>Financing</b>	26,510	23,808	24,975	25,327	25,636	25,228	25,929	5.7	3.8	548.6	562.3
Debt securities	683	740	819	820	874	884	894	14.0	9.3	18.0	19.4
Short-term	256	285	325	303	317	324	322	3.8	-0.9	7.1	7.0
Long-term	427	455	493	517	557	561	572	20.9	16.0	10.8	12.4
Loans	7,684	8,357	8,366	8,366	8,401	8,464	8,490	0.8	1.5	183.8	184.1
Short-term	2,390	2,638	2,556	2,542	2,571	2,581	2,602	-0.5	1.8	56.2	56.4
Long-term	5,295	5,718	5,810	5,823	5,830	5,883	5,888	1.4	1.3	127.6	127.7
Shares and other equity	14,368	10,773	11,957	12,265	12,485	11,904	12,558	9.6	5.0	262.6	272.3
Quoted shares	5,041	2,920	3,373	3,508	3,590	3,316	3,542	13.6	5.0	74.1	76.8
Unquoted shares and other equity	9,328	7,853	8,584	8,757	8,895	8,588	9,015	8.1	5.0	188.6	195.5
Pension fund reserves	329	331	333	333	335	336	337	1.2	1.2	7.3	7.3
Other liabilities <sup>6)</sup>	3,445	3,608	3,501	3,542	3,540	3,640	3,650			76.9	79.1

Sources: ECB and Eurostat.

 1) Annual percentage changes are calculated as  $100 \cdot (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction or end-of-quarter stock  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction or stock four quarters earlier.

2) As a percentage of net value added in the case of net entrepreneurial income and net saving.

3) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

 4) Annual growth rates for financial transactions are calculated as  $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$  where  $f(t)$  stands for the transactions in quarter  $t$ , and  $F(t-4)$  for the end-of-quarter stock value four quarters earlier.

5) Other accounts receivable, and prepayments of insurance premiums and reserves for outstanding claims.

6) Other accounts payable, financial derivative's net liabilities and deposits.

**Table 4. General government**  
(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes <sup>1)</sup>		percentage of GNDI	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Net disposable income (GNDI)</b>	1,872	1,846	1,628	1,572	1,549	1,566	1,590	4.1	6.8	100.0	100.0
<b>Consumption expenditure</b>	1,806	1,897	1,964	1,984	1,993	2,002	2,008	1.9	1.3	120.6	126.3
<b>Net saving</b>	66	-51	-336	-412	-443	-437	-418			-20.6	-26.3
Consumption of fixed capital	170	179	182	183	184	185	187	3.1	3.5	11.2	11.8
<b>Net capital transfers (receivable - payable)</b>	-64	-77	-82	-81	-90	-91	-97			-5.1	-6.1
<b>Gross fixed capital formation</b>	232	238	248	247	246	242	241	-6.2	-1.3	15.2	15.2
Net acquisition of other non-financial assets <sup>2)</sup>	0	0	4	5	4	0	-1			0.2	0.0
<b>Net lending (+)/net borrowing (-)</b>	-60	-187	-488	-563	-599	-584	-569			-30.0	-35.8
Financial transactions	four-quarter-cumulated sums							annual growth rates <sup>3)</sup>		percentage of GNDI	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Net acquisition of financial assets</b>	108	340	394	109	-30	-2	22	-0.1	0.6	24.2	1.4
<b>Financial investment <sup>4)</sup></b>	85	316	354	81	-40	-13	20	-0.5	0.7	21.7	1.3
Currency and deposits	27	107	114	-11	-101	-64	-12	-8.2	-1.7	7.0	-0.7
Debt securities	39	86	76	29	8	-2	-6	-0.5	-1.5	4.7	-0.4
Loans	10	47	84	27	24	41	15	9.0	3.1	5.2	0.9
Short-term	6	33	51	1	0	2	-20	2.1	-18.0	3.1	-1.2
Long-term	3	14	33	26	24	39	34	10.9	9.5	2.0	2.2
Shares and other equity	9	76	79	37	29	13	24	1.0	1.9	4.8	1.5
Quoted shares	-12	3	9	14	16	7	4	2.7	1.6	0.5	0.3
Unquoted shares and other equity	5	68	66	14	0	-11	5	-1.4	0.6	4.1	0.3
Mutual fund shares	16	5	4	9	13	17	14	13.2	9.6	0.2	0.9
Other financial assets <sup>5)</sup>	23	23	40	28	11	11	1			2.5	0.1
<b>Net incurrence of liabilities</b>	168	526	881	673	569	582	590	7.3	7.2	54.1	37.1
<b>Financing <sup>4)</sup></b>	131	509	873	644	554	530	525	7.0	6.7	53.6	33.0
Currency and deposits	-17	-7	-5	-9	-6	-1	35	-0.6	15.5	-0.3	2.2
Debt securities	131	440	782	589	496	430	387	7.2	6.3	48.0	24.4
Short-term	36	239	328	144	38	-26	-70	-2.6	-6.7	20.2	-4.4
Long-term	96	201	454	446	458	456	458	9.2	8.9	27.9	28.8
Loans	17	76	96	64	64	101	102	7.4	7.4	5.9	6.4
Short-term	21	35	16	-2	8	12	-5	5.5	-2.2	1.0	-0.3
Long-term	-4	41	80	66	57	89	107	7.7	9.2	4.9	6.7
Other liabilities <sup>6)</sup>	37	18	8	29	15	52	66			0.5	4.1
<b>Net lending (+)/net borrowing (-) (financial accounts)</b>	-60	-187	-488	-563	-599	-584	-569			-30.0	-35.8
Financial balance sheet	end-of-period stocks							annual percentage changes <sup>1)</sup>		percentage of GNDI	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial assets</b>	3,067	3,224	3,459	3,409	3,412	3,515	3,511	2.5	1.5	212.5	220.8
<b>Financial investment <sup>4)</sup></b>	2,480	2,616	2,841	2,774	2,792	2,886	2,878	2.3	1.3	174.5	181.0
Currency and deposits	558	660	704	651	661	722	697	-7.8	-1.0	43.3	43.8
Debt securities	272	359	397	385	377	379	389	-1.4	-2.1	24.4	24.5
Loans	379	426	470	453	451	496	487	9.3	3.6	28.9	30.6
Short-term	56	87	109	90	87	103	90	2.6	-17.7	6.7	5.6
Long-term	323	339	361	364	364	393	397	11.1	10.0	22.2	25.0
Shares and other equity	1,271	1,170	1,270	1,285	1,303	1,289	1,305	7.5	2.8	78.0	82.1
Quoted shares	435	255	282	283	285	250	261	1.6	-7.2	17.3	16.4
Unquoted shares and other equity	686	787	842	854	865	884	880	7.5	4.5	51.7	55.4
Mutual fund shares	150	128	146	148	153	154	163	18.8	12.0	9.0	10.3
Other financial assets <sup>5)</sup>	588	609	617	635	620	629	633			37.9	39.8
<b>Liabilities</b>	6,892	7,528	8,197	8,243	8,445	8,659	8,805	7.9	7.4	503.5	553.8
<b>Financing <sup>4)</sup></b>	6,463	7,113	7,779	7,789	8,006	8,179	8,345	7.8	7.3	477.8	524.9
Currency and deposits	252	245	225	236	225	232	260	-0.6	15.5	13.9	16.4
Debt securities	4,971	5,551	6,180	6,175	6,381	6,470	6,607	8.2	6.9	379.6	415.5
Short-term	608	848	1,047	1,003	994	994	986	-1.2	-5.7	64.3	62.0
Long-term	4,363	4,704	5,133	5,171	5,387	5,476	5,620	10.1	9.5	315.3	353.5
Loans	1,240	1,317	1,374	1,379	1,400	1,476	1,478	7.6	7.6	84.4	93.0
Short-term	153	188	215	186	201	228	211	5.6	-2.0	13.2	13.3
Long-term	1,087	1,129	1,159	1,193	1,199	1,248	1,268	7.9	9.4	71.2	79.7
Other liabilities <sup>6)</sup>	429	416	418	454	440	480	460			25.7	28.9
<i>Memo: Government debt (at nominal value) <sup>7)</sup></i>	5,969.1	6,452.3	7,039.1	7,092.4	7,275.7	7,466.0	7,541.8				

Sources: ECB and Eurostat.

1) Annual percentage changes are calculated as  $100 \cdot (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction or end-of-quarter stock  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction or stock four quarters earlier.

2) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets.

3) Annual growth rates for financial transactions are calculated as  $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$  where  $f(t)$  stands for the transactions in quarter  $t$ , and  $F(t-4)$  for the end-of-quarter stock value four quarters earlier.

4) In line with existing conventions, the financing of the government excludes the net incurrence of liabilities via financial derivatives, shares and other equity, pension fund reserves and other accounts payable, and the financial investment of the government excludes financial derivatives, prepayments of insurance premiums and reserves for outstanding claims and other accounts receivable.

5) Other accounts receivable, financial derivatives and prepayments of insurance premiums and reserves for outstanding claims.

6) Other accounts payable, pension fund reserves, financial derivatives and unquoted shares and other equity.

7) General government debt at nominal value and consolidated between sub-sectors of general government.

**Table 5. Financial corporations**

(EUR billions)

Non-financial transactions	four-quarter-cumulated sums							annual percentage changes <sup>1)</sup>		percentage of GVA or (NVA) <sup>2)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Gross value added (GVA)</b>	390	390	415	425	427	426	425	-1.0	-1.4	100.0	100.0
Net value added (NVA)	347	345	370	380	382	381	379	-1.5	-2.0	89.2	89.2
<b>Net entrepreneurial income</b>	508	475	393	373	372	371	374	-0.3	3.2	106.2	98.6
Net disposable income	163	170	170	175	176	182	180			45.9	47.4
Adj. for change in net worth in pension fund	-63	-69	-64	-62	-62	-60	-59			-17.2	-15.7
<b>Net saving</b>	100	101	106	113	115	122	120			28.7	31.7
<b>Net capital transfers (receivable - payable)</b>	-1	11	-1	-1	11	11	17			-0.4	4.1
Consumption of fixed capital	44	45	45	45	45	45	46	3.4	3.9	10.8	10.8
<b>Gross fixed capital formation</b>	40	51	48	46	45	43	44	-11.9	6.7	11.5	10.3
Net acquisition of other non-financial assets <sup>3)</sup>	-1	1	0	0	0	0	0			0.0	0.0
<b>Net lending (+)/net borrowing (-)</b>	104	105	102	111	126	135	140			24.5	32.9
Financial transactions	four-quarter-cumulated sums							annual growth rates <sup>4)</sup>		percentage of GVA	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3	2009 Q3	2010 Q3
<b>Financial investment</b>	5,520	3,246	472	246	942	1,242	1,262	2.4	2.4	113.8	297.0
Currency and deposits	2,077	1,384	-815	-1,102	-405	139	93	1.1	0.8	-196.5	21.9
Debt securities	940	596	900	822	721	320	313	2.8	2.7	217.0	73.8
Short-term	215	102	31	26	-4	-8	-11	-0.6	-0.8	7.5	-2.6
Long-term	725	494	869	796	724	328	325	3.2	3.1	209.5	76.4
Loans	1,822	1,116	182	90	93	230	348	1.4	2.1	44.0	81.9
Short-term	465	297	-176	-201	-107	-44	76	-1.1	1.9	-42.4	17.9
Long-term	1,357	819	358	290	201	275	272	2.1	2.1	86.4	64.0
Shares and other equity	629	-13	260	489	504	341	295	4.0	3.2	62.8	69.5
Other financial assets <sup>5)</sup>	53	163	-56	-52	29	212	212			-13.5	50.0
<b>Financing</b>	5,416	3,141	370	135	816	1,107	1,122	2.2	2.2	89.3	264.1
Currency and deposits	2,856	2,223	-493	-960	-331	225	240	1.0	1.1	-118.9	56.5
Debt securities	976	536	376	288	179	-66	-80	-0.8	-1.0	90.8	-18.8
Short-term	252	6	-225	-159	-63	-31	16	-3.9	2.1	-54.2	3.7
Long-term	725	530	601	446	242	-35	-96	-0.5	-1.3	144.9	-22.5
Loans	633	355	-26	-55	-122	51	98	1.4	2.8	-6.2	23.0
Short-term	234	206	46	8	-26	54	105	3.3	6.5	11.2	24.7
Long-term	399	150	-72	-63	-96	-3	-7	-0.2	-0.4	-17.4	-1.7
Shares and other equity	667	-111	425	640	646	406	313	4.2	3.0	102.4	73.8
Quoted shares	11	38	51	57	56	40	34	5.5	3.6	12.3	8.0
Unquoted shares and other equity	381	122	225	225	161	46	70	1.3	1.9	54.3	16.6
Mutual fund shares	275	-272	149	358	428	320	209	5.9	3.6	35.8	49.2
Insurance technical reserves	243	145	206	276	322	302	295	5.6	5.3	49.6	69.5
Other liabilities <sup>6)</sup>	40	-7	-118	-53	122	190	256			-28.4	60.3
<b>Net lending (+)/net borrowing (-) (financial accounts)</b>	104	105	102	111	126	135	140			24.5	32.9
Financial balance sheet	end-of-period stocks							annual percentage changes <sup>1)</sup>			
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3		
<b>Financial investment</b>	50,038	50,740	51,757	52,235	53,224	54,700	54,129	6.2	4.6		
Currency and deposits	11,904	13,305	12,115	12,206	12,266	13,277	12,503	4.0	3.2		
Debt securities	10,203	10,747	11,739	11,795	12,108	12,290	12,334	6.6	5.1		
Short-term	1,172	1,273	1,315	1,287	1,316	1,349	1,327	1.9	0.9		
Long-term	9,031	9,474	10,424	10,507	10,792	10,941	11,008	7.2	5.6		
Loans	15,714	16,799	16,861	16,856	17,027	17,345	17,322	2.3	2.7		
Short-term	3,822	4,121	3,976	3,900	3,976	4,127	4,119	0.9	3.6		
Long-term	11,892	12,678	12,885	12,957	13,051	13,218	13,203	2.8	2.5		
Shares and other equity	10,602	8,114	9,276	9,526	9,863	9,650	9,890	12.9	6.6		
Other financial assets <sup>5)</sup>	1,617	1,775	1,765	1,853	1,961	2,138	2,080				
<b>Financing</b>	49,380	50,075	50,954	51,381	52,268	53,665	52,967	5.8	3.9		
Currency and deposits	20,753	23,016	21,945	22,041	22,194	23,385	22,518	2.9	2.6		
Debt securities	6,997	7,597	7,972	7,996	8,128	8,190	8,137	3.5	2.1		
Short-term	898	919	753	762	805	800	787	-0.1	4.6		
Long-term	6,098	6,678	7,219	7,234	7,323	7,391	7,350	3.9	1.8		
Loans	3,117	3,530	3,503	3,481	3,473	3,656	3,647	3.6	4.1		
Short-term	1,385	1,597	1,621	1,598	1,610	1,732	1,766	5.2	8.9		
Long-term	1,732	1,934	1,882	1,883	1,863	1,925	1,881	2.1	0.0		
Shares and other equity	11,787	9,107	10,417	10,585	10,972	10,795	10,918	12.7	4.8		
Quoted shares	1,615	660	952	924	923	774	821	6.3	-13.8		
Unquoted shares and other equity	3,702	3,327	3,630	3,667	3,751	3,728	3,670	7.7	1.1		
Mutual fund shares	6,471	5,121	5,836	5,994	6,299	6,293	6,428	16.8	10.1		
Insurance technical reserves	5,325	5,210	5,555	5,660	5,814	5,861	5,970	8.9	7.5		
Other liabilities <sup>6)</sup>	1,401	1,614	1,561	1,618	1,688	1,778	1,776				

Sources: ECB and Eurostat.

 1) Annual percentage changes are calculated as  $100 \cdot (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction or end-of-quarter stock  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction or stock four quarters earlier.

2) As a percentage of net value added in the case of net entrepreneurial income and net saving.

3) Changes in inventories, acquisitions less disposals of valuables and acquisitions less disposals of non-produced non-financial assets (e.g. land).

 4) Annual growth rates for financial transactions are calculated as  $100 \cdot (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$  where  $f(t)$  stands for the transactions in quarter  $t$ , and  $F(t-4)$  for the end-of-quarter stock value four quarters earlier.

5) Monetary gold and SDRs, other accounts receivable, and prepayments of insurance premiums and reserves for outstanding claims.

6) Other accounts payable and financial derivative's net liabilities.

**Table 6. Insurance corporations and pension funds**  
(EUR billions)

Financial transactions	four-quarter-cumulated sums							annual growth rates <sup>1)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3
<b>Financial investment</b>	237	207	187	250	308	317	339	5.2	5.4
Currency and deposits	54	54	28	-14	-19	-3	1	-0.3	0.2
Debt securities	105	42	33	105	120	170	197	7.4	8.3
Short-term	39	26	38	55	37	30	42	8.3	11.6
Long-term	66	17	-5	49	83	141	155	7.2	7.7
Loans	-15	38	28	15	13	13	18	2.8	3.9
Shares and other equity	87	52	97	133	177	121	105	5.9	4.8
Quoted shares	-1	2	-100	-88	-83	-82	-1	-18.9	-0.2
Unquoted shares and other equity	22	29	6	-3	2	5	6	1.3	1.3
Mutual fund shares	67	21	191	225	257	197	100	16.8	7.6
Other financial assets <sup>2)</sup>	5	22	1	11	17	16	18		
<b>Financing</b>	253	181	220	257	298	296	315	4.7	4.8
Debt securities	3	12	10	1	0	6	4	12.5	7.4
Loans	-2	27	12	-25	-16	-11	12	-3.8	4.3
Short-term	-2	16	11	-20	-12	-7	11	-4.3	6.7
Long-term	0	11	1	-5	-4	-3	1	-3.0	0.5
Shares and other equity	3	9	5	3	3	3	5	0.8	1.0
Quoted shares	1	2	1	3	3	3	3	2.0	1.8
Unquoted shares and other equity	1	6	4	0	0	0	2	0.1	0.5
Insurance technical reserves	241	139	199	272	319	300	294	5.6	5.4
Other liabilities <sup>3)</sup>	8	-5	-6	7	-8	-2	0		
Net lending (+)/net borrowing (-) (financial accounts)	-17	26	-33	-7	10	21	24		
Financial balance sheet	end-of-period stocks							annual percentage changes <sup>4)</sup>	
	2007	2008	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q2	2010 Q3
<b>Financial investment</b>	6,288	5,917	6,310	6,470	6,709	6,725	6,875	10.2	8.9
Currency and deposits	810	866	854	856	856	862	863	0.5	1.0
Debt securities	2,206	2,261	2,377	2,433	2,528	2,582	2,667	12.0	12.2
Short-term	295	321	363	390	391	400	417	11.2	15.0
Long-term	1,911	1,940	2,014	2,044	2,137	2,181	2,250	12.2	11.7
Loans	415	452	464	468	475	480	483	2.8	4.1
Shares and other equity	2,466	1,918	2,183	2,283	2,400	2,343	2,404	14.9	10.1
Quoted shares	718	416	411	420	435	411	435	-5.4	5.8
Unquoted shares and other equity	514	436	461	469	476	466	473	8.4	2.6
Mutual fund shares	1,235	1,065	1,312	1,394	1,490	1,466	1,497	24.8	14.1
Other financial assets <sup>2)</sup>	392	420	432	430	450	458	458		
<b>Financing</b>	6,433	6,134	6,504	6,598	6,784	6,795	6,904	8.0	6.1
Debt securities	29	47	49	53	56	59	58	30.0	18.1
Loans	252	281	272	254	266	271	284	-4.0	4.5
Short-term	154	171	165	151	161	165	175	-5.1	6.2
Long-term	98	110	107	104	105	106	109	-2.3	1.9
Shares and other equity	658	471	497	495	515	479	486	8.2	-2.3
Quoted shares	277	165	176	172	179	150	153	6.2	-13.4
Unquoted shares and other equity	380	306	320	322	336	328	332	9.1	3.8
Insurance technical reserves	5,269	5,147	5,490	5,594	5,748	5,795	5,903	8.9	7.5
Other liabilities <sup>3)</sup>	225	188	196	202	198	191	172		

Source: ECB.

1) Annual growth rates for financial transactions are calculated as  $100 * (f(t) + f(t-1) + f(t-2) + f(t-3)) / F(t-4)$  where  $f(t)$  stands for the transactions in quarter  $t$ , and  $F(t-4)$  for the end-of-quarter stock value four quarters earlier.

2) Other accounts receivable, and prepayments of insurance premiums and reserves for outstanding claims.

3) Other accounts payable and financial derivative's net liabilities.

4) Annual percentage changes are calculated as  $100 * (x(t) - x(t-4)) / x(t-4)$  where  $x(t)$  stands for the transaction or end-of-quarter stock  $x$  in quarter  $t$ , and  $x(t-4)$  for the transaction or stock four quarters earlier.