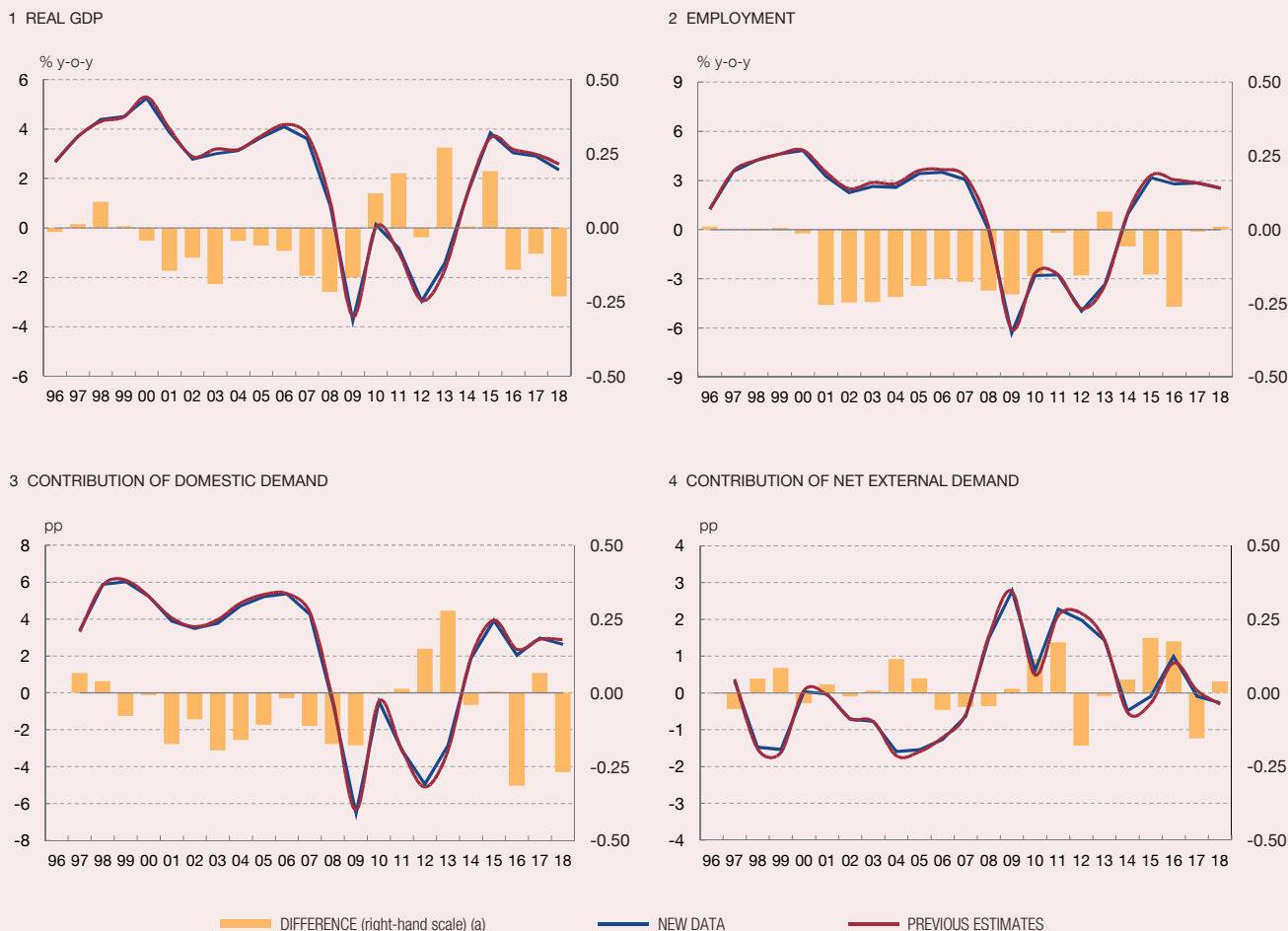


**REVIEW OF ANNUAL NATIONAL ACCOUNTS FOR 1995-2018: MAIN AGGREGATES**

This box describes the main characteristics of the review of Annual National Accounts (ANA) for the years 1995-2018 published by the National Statistics Institute (INE) on 16 September 2019.<sup>1</sup> These benchmark reviews are carried out at least every five years and respond to the need to periodically update the sources and methods

of estimation used to compile the Annual National Accounts.<sup>2</sup> In this case, the complete ANA series since 1995, which is the reference year, have been reviewed. The review of the series corresponding to the main ANA aggregates has been released to date. At the same time, a first update of the Quarterly National Accounts (QNA)

Chart 1  
COMPARISON OF MAIN AGGREGATES OF NATIONAL ACCOUNTS



SOURCE: INE.

a Difference between the year-on-year growth rates (or contributions) for the various aggregates on the new data and the previous estimates.

1 The review was conducted in coordination with the corresponding processes carried out by the Banco de España (on the Financial Accounts for the Institutional Sectors of the Spanish economy and the Balance of Payments and International Investment Position statistics) and by the National Audit Office (IGAE) (on the General Government accounts). The data provided are, therefore, consistent with those provided by these other bodies.

2 For more details see the INE’s press release published on 16 September 2019: “Annual National Accounts of Spain: Main aggregates. Statistical Review 2019. Series 1995-2018”. On benchmark reviews and their implications for the balance of payments and international investment position, and for the financial accounts, see the following notes: [https://www.bde.es/webbde/es/estadis/infoest/htmls/notamet/revBPPII2019\\_en.pdf](https://www.bde.es/webbde/es/estadis/infoest/htmls/notamet/revBPPII2019_en.pdf) and <https://www.bde.es/webbde/es/estadis/infoest/htmls/notamet/revCCFF2019.pdf> (the latter, on financial accounts, only available in Spanish).

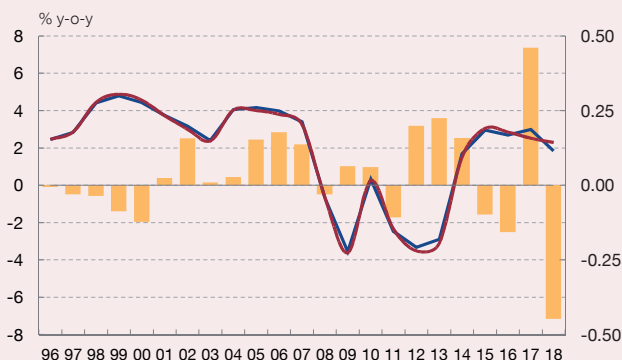
**REVIEW OF ANNUAL NATIONAL ACCOUNTS FOR 1995-2018: MAIN AGGREGATES (cont'd)**

series, consistent with the revised annual series, was released. However, these quarterly data are provisional; the revised series will be released on 30 September.<sup>3</sup> These series will be consistent with the quarterly *Balance of Payments and International Investment Position* data to be released by the Banco de España on 26 September.<sup>4</sup>

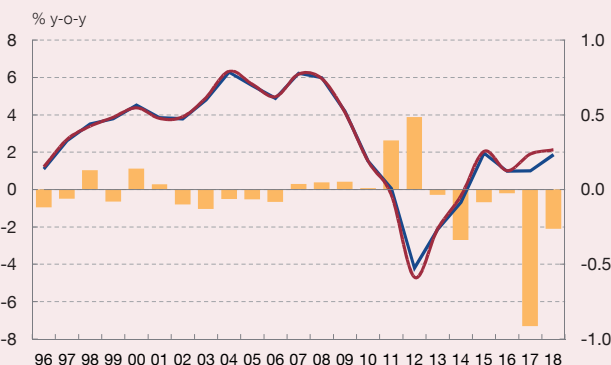
As a result of this review, nominal GDP in 2018 is 0.5% lower than the previous estimate. The reason for this is the less positive performance of real GDP. Specifically, the annual rate of growth of this variable is revised down somewhat on average, which translates into a cumulative decrease in its level since 1995 of 1.3 pp (see Chart 1 and Table 1). With the new series, the decline in GDP during

Chart 1  
COMPARISON OF MAIN AGGREGATES OF NATIONAL ACCOUNTS (cont'd)

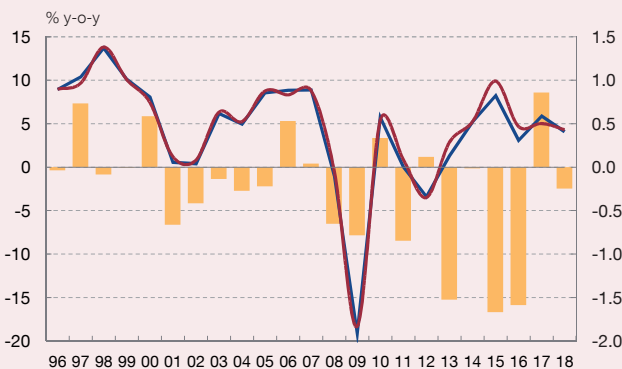
5 PRIVATE CONSUMPTION



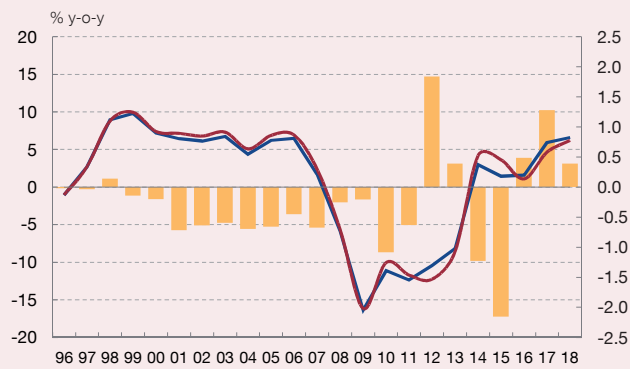
6 GOVERNMENT CONSUMPTION



7 INVESTMENT EXCLUDING CONSTRUCTION



8 CONSTRUCTION



DIFFERENCE (right-hand scale) (a)      NEW DATA      PREVIOUS ESTIMATES

SOURCE: INE.

a Difference between the year-on-year growth rates (or contributions) for the various aggregates on the new data and the previous estimates.

3 In accordance with the INE's release calendar, both the Quarterly National Accounts: Main aggregates (QNA) and the Quarterly Non-Financial Accounts for the Institutional Sectors (QNFAIS) up to 2019 Q2 will be published on 30 September. The Aggregates by Branch of Activity series and the Non-Financial Annual Accounts for the Institutional Sectors series will be released on that date. The Supply and Use tables for 2016 will be published in November 2019 and the Input-Output tables for 2016 in December 2019.

4 The revision of the Financial Accounts will be released on 15 October.

## REVIEW OF ANNUAL NATIONAL ACCOUNTS FOR 1995-2018: MAIN AGGREGATES (cont'd)

the crisis is somewhat smoother. Similarly, the momentum in activity during the current upturn is also tempered, except in 2015 where there is an upward revision of 0.2 pp. Subsequently, GDP growth is revised down by between 0.1 pp and 0.2 pp in each of the following three years, giving rise to a more marked slowdown in the recent profile. In 2018 in particular real GDP growth is reduced by 0.2 pp to 2.4%.

Over the period as a whole, the revision of aggregate employment (in terms of full-time equivalent jobs) is in the same direction as, but more marked than, the revision of GDP, resulting in a cumulative reduction since 1995 of 3.6 pp. In the current growth phase, the downward revision is more pronounced in 2015 and 2016 than in later years.

The ANA revisions are most marked at the level of the demand components. The more moderate rate of growth of real GDP in the period as a whole is the result of a lower contribution of domestic demand, owing to lower than

previously estimated growth in both gross capital formation and government consumption. Conversely, between 1995 and 2018 private consumption increases, despite the downward revision made in the last years of the series. The revisions of the contribution of domestic demand show a similar time pattern to the revision of GDP (with a smaller decline during the crisis and lower momentum in the current upturn). The lower average contribution of domestic demand is partially offset by a generally higher contribution of net external demand, during the crisis and in the subsequent upturn.

In the more recent period, the part played by domestic demand in underpinning the GDP growth path is smaller than suggested by the previous ANA data. Specifically, the downward revision of the rate of growth of GDP in 2016 and 2018 reflects a smaller contribution of domestic demand, which is partially offset by the improved contribution of the external sector.

Table 1  
REVIEW OF MAIN AGGREGATES OF NATIONAL ACCOUNTS

Year-on-year rates	Cumulative difference since 1995	2015		2016		2017		2018		
		New	Difference	New	Difference	New	Difference	New	Difference	
Gross domestic product	-1.3	3.8	0.2	3.0	-0.1	2.9	-0.1	2.4	-0.2	
National final consumption expenditure (76.9)	0.4	2.7	-0.1	2.3	-0.1	2.5	0.1	1.9	-0.4	
Of households and NPISHs (58.3)	1.1	2.9	-0.1	2.7	-0.2	3.0	0.5	1.8	-0.4	
Of general government (18.6)	-2.0	2.0	-0.1	1.0	0.0	1.0	-0.9	1.9	-0.3	
Gross capital formation (20.4)	-9.3	10.1	1.1	1.4	-1.1	5.6	0.2	6.1	0.6	
Fixed capital (19.4)	-9.4	4.9	-1.8	2.4	-0.5	5.9	1.1	5.3	0.0	
Capital goods (6.5)	-33.7	9.9	-2.4	1.9	-3.2	8.5	2.9	5.6	0.4	
Construction (9.6)	-6.6	1.5	-2.2	1.6	0.5	5.9	1.3	6.6	0.4	
Housing (5.3)	11.2	-3.2	-2.3	8.9	1.9	11.5	2.5	7.7	0.8	
Other construction (4.3)	-17.6	5.7	-1.7	-4.8	-1.2	0.2	-0.3	5.3	-0.2	
Intangible fixed assets (3.3)	38.6	5.3	0.7	5.2	1.6	1.3	-2.3	1.1	-1.1	
Change in inventories (b)	—	0.9	0.5	-0.2	-0.1	0.0	-0.2	0.2	0.1	
Domestic demand (97.3)	-1.9	4.1	0.0	2.1	-0.3	3.1	0.1	2.7	-0.3	
Exports of goods and services (35.1)	3.1	4.3	0.1	5.4	0.2	5.6	0.4	2.2	-0.1	
Imports of goods and services (32.4)	1.0	5.1	-0.4	2.6	-0.3	6.6	1.1	3.3	-0.2	
<i>Memorandum items</i>										
Contribution of domestic demand	—	3.9	0.0	2.0	-0.3	3.0	0.1	2.6	-0.3	
Contribution of net external demand	—	-0.1	0.2	1.0	0.2	-0.1	-0.2	-0.3	0.0	
Employment. Total economy	-3.6	3.2	-0.2	2.8	-0.3	2.8	0.0	2.5	0.0	

SOURCE: INE and Banco de España.

a In brackets, the share of each component in GDP in accordance with the new series.

b Contributions to growth.

**REVIEW OF ANNUAL NATIONAL ACCOUNTS FOR 1995-2018: MAIN AGGREGATES** (cont'd)

In recent years, both private and government consumption performed less favourably than had been estimated to date, especially in 2018. The revisions to gross capital formation are larger and more volatile. Thus the most marked increase in this aggregate in 2015 is reversed on account of a sharper slowdown, in the same amount, in 2016. In the last two years of the period analysed, the rate of growth of gross capital formation is revised up, especially in 2018.

Regarding transactions with the rest of the world, the improvement in the contribution of net external demand in 2015 and 2016 reflects somewhat higher growth in exports of goods and services, and especially a downward revision in the rate of growth of purchases abroad. In 2017, the higher increase in purchases abroad explains the deterioration in the contribution of the external sector in that year. Lastly, the rates of growth of trade transactions in 2018 are revised down, most markedly in the case of imports, resulting in a larger contribution of the external sector.