

Quarterly Sector Accounts: second quarter of 2011

Household saving rate up to 13.9% in the euro area and up to 12.6% in the EU27

Household real disposable income increased by 0.5% in the euro area

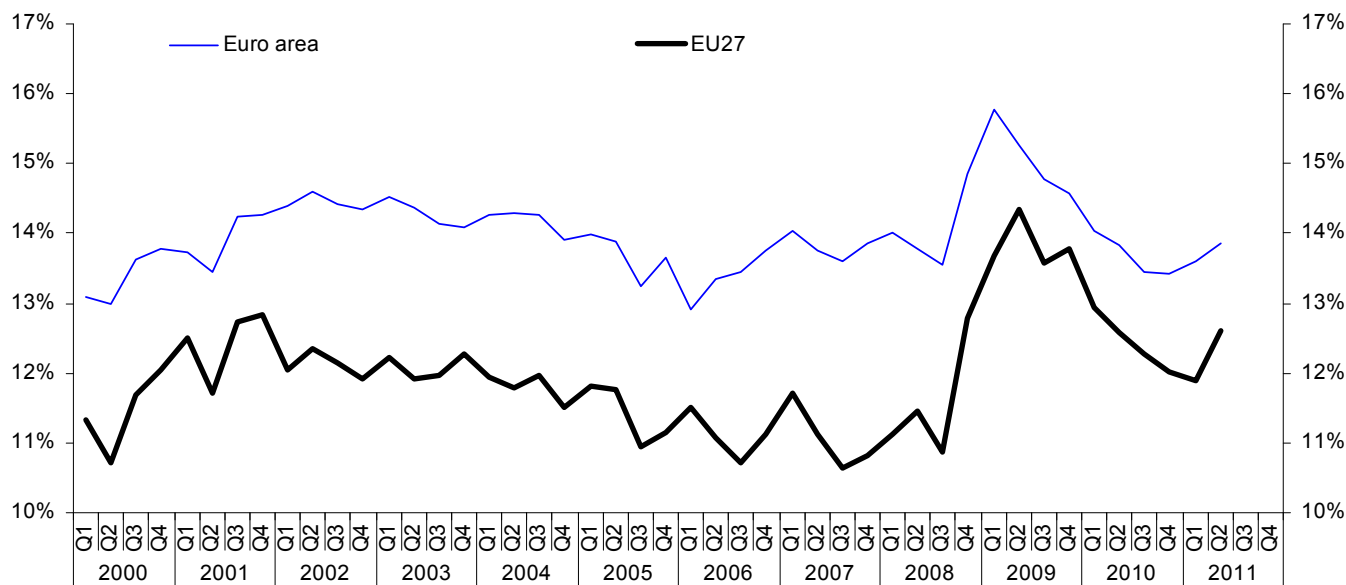
In the second quarter of 2011 compared with the first quarter of 2011, the household saving rate increased while the household investment rate remained almost unchanged in both the **euro area** (EA17) and the **EU27**. In the **euro area**, household disposable income grew by 0.5% in real terms, after an increase of 0.1% in the previous quarter.

These data come from a detailed set of seasonally adjusted¹ quarterly European sector accounts² released by **Eurostat**, the statistical office of the European Union, and the **European Central Bank** (ECB).

Household saving rate increased in both zones

In the second quarter of 2011, the gross saving rate³ of households was 12.6% in the **EU27**⁴, compared with 11.9% in the first quarter of 2011. In the **euro area**⁵, the household saving rate was 13.9% in the second quarter of 2011 compared with 13.6% in the previous quarter.

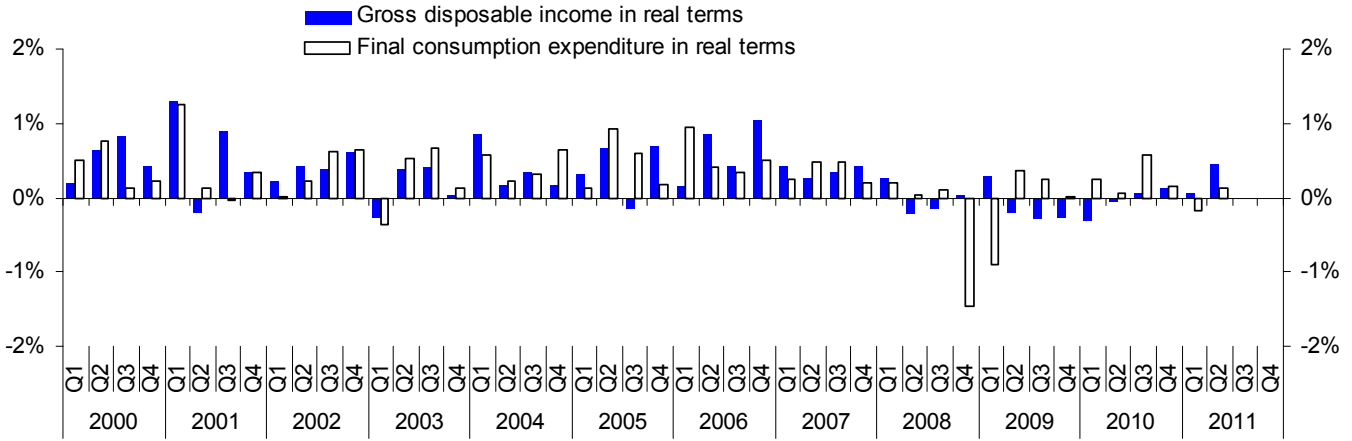
Household saving rate (seasonally adjusted)



Household real disposable income up in the euro area

In the **euro area**, the higher household saving rate was due to real gross disposable income⁶ increasing more (+0.5%) than real final consumption expenditure (+0.1%). Real income grew due to nominal income increasing at a higher pace (+1.1%) than prices (+0.6%).

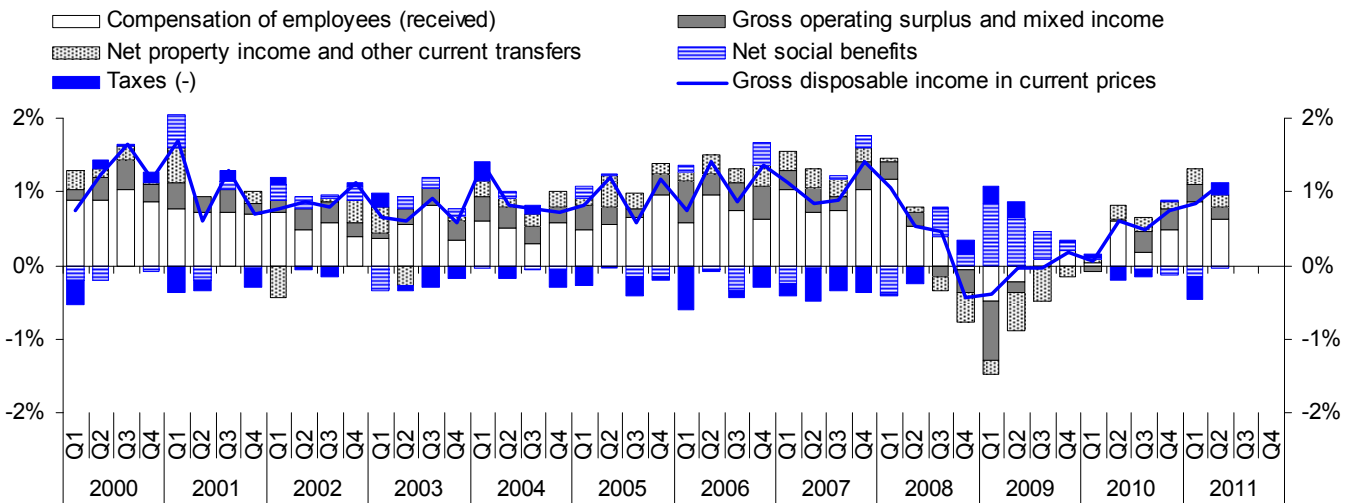
Real growth of household gross disposable income and final consumption expenditure (euro area) (seasonally adjusted data, change compared with the previous quarter)



The increase in household nominal disposable income (+1.1%) was mainly due to compensation of employees (wages and social contributions) which accounted for +0.6 percentage points (pp). Net property income, gross operating surplus / mixed income (of self-entrepreneurs) and taxes each contributed +0.2 pp.

Contributions of components to the growth of nominal household gross disposable income (euro area)

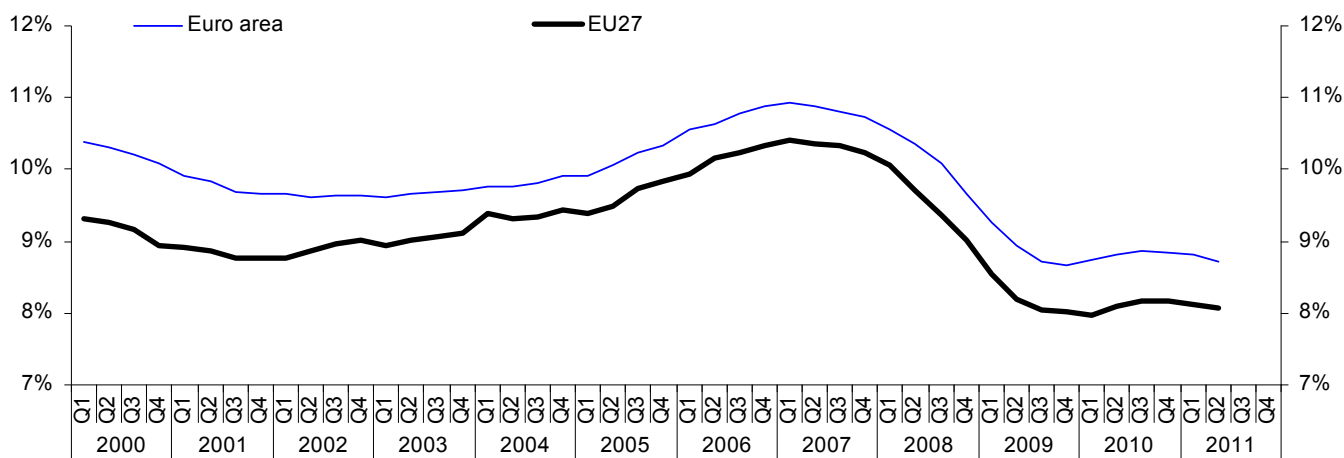
(seasonally adjusted data, change compared with the previous quarter)



Household investment rate remained at low levels in both zones

In the **EU27**, the gross investment rate of households⁷ was unchanged at 8.1% in the second quarter of 2011. In the **euro area**, the household investment rate was 8.7% in the second quarter of 2011, compared with 8.8% in the previous quarter.

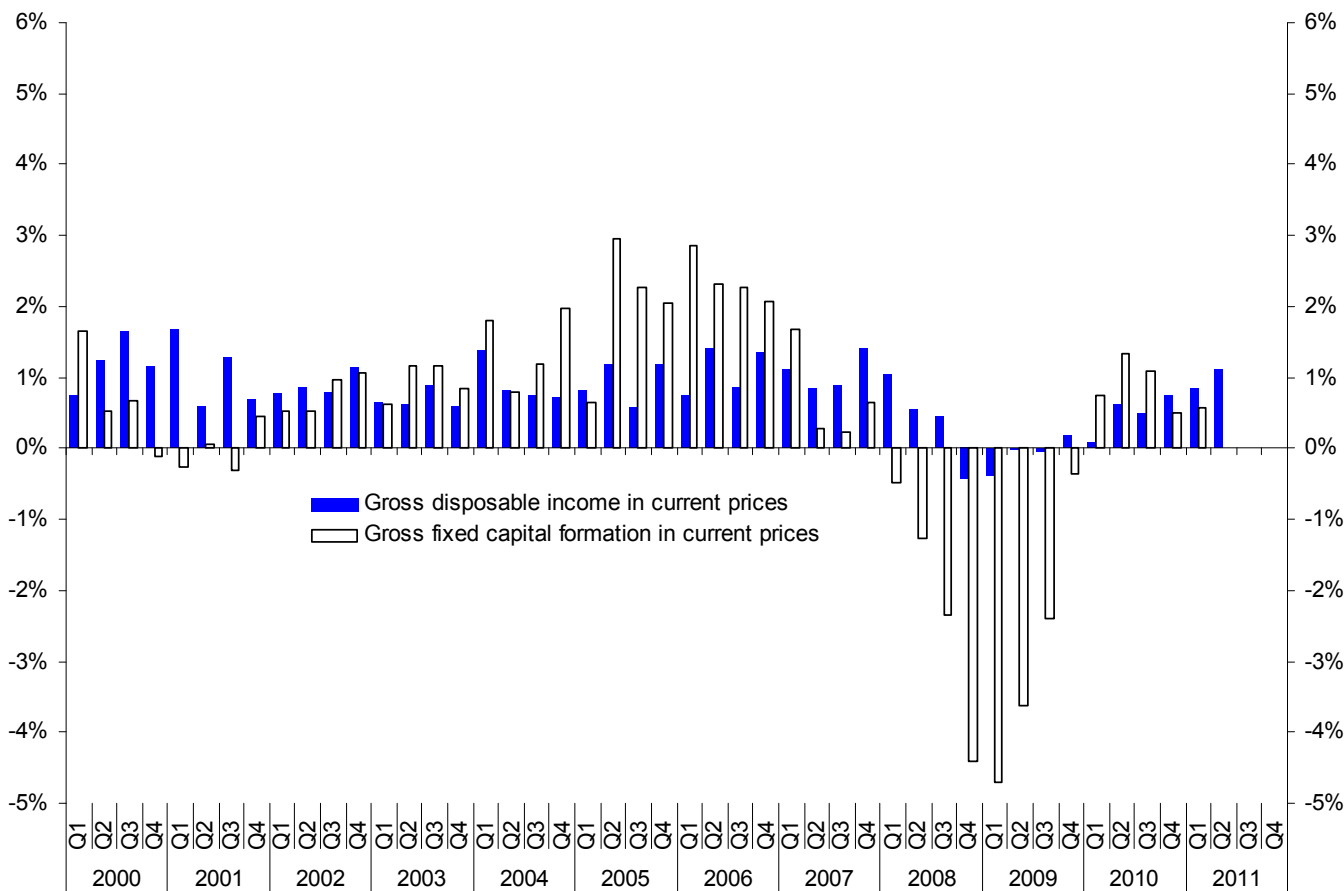
Household investment rate (seasonally adjusted)



In the **euro area**, the slight decrease in the household investment rate was due to investment (gross fixed capital formation, mostly in dwellings) remaining static (+0.0%) while disposable income grew (+1.1%).

Nominal growth of household gross disposable income and gross fixed capital formation (euro area)

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



1. 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.
2. 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.
3. The gross saving rate of households is defined as gross saving divided by gross disposable income, with the latter being adjusted for the change in the net equity of households in pension funds reserves. Gross saving is the part of the gross disposable income which is not spent as final consumption expenditure. Therefore, saving rate increases when gross disposable income grows at a higher rate than final consumption expenditure.
4. The European Union (EU27) consists of 27 Member States: Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom plus the European Central Bank and the EU institutions.
5. The euro area (EA17) consists 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.
6. The real gross disposable income of households is defined as the nominal gross disposable income of households divided by the deflator (price index) of household final consumption expenditure.
7. The gross investment rate of households is defined as gross fixed capital formation divided by gross disposable income, with the latter being adjusted for the change in the net equity of households in pension funds reserves. Household investment mainly consists of the purchase and renovation of dwellings.

Methodological information

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 second quarter of 2011. The European sector accounts are not a simple sum of the data of individual countries. There are six specific compilation steps: (1) conversion to euro, (2) estimation of missing countries, (3) incorporation of the European institutions, (4) estimation of the flows between the euro area / EU and third countries, (5) balancing of the accounts and (6) seasonal adjustment of key series.

Due to the **conversion to euro**, the growth rates of EU aggregates may be affected by movements in exchange rates and should be viewed with caution. For this reason, nominal growth rates (bar charts and table 3) are provided for the euro area only. However, there is hardly any impact on ratios such as saving and investment rates.

The **rest of the world accounts**, as compiled by Member States, record transactions between the national economy and all non-resident units, including those in other EU Member States. To measure the external transactions of the euro area / EU, it is necessary to remove cross-border flows within the area concerned. Imbalances between intra-imports and intra-exports, called "asymmetries", are then eliminated. Currently, intra-flows and resulting asymmetries are not removed in the other domains of national accounts of Eurostat. Therefore, European sector accounts are internally consistent but have discrepancies with other national accounts data.

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>.

Release and revision policy

The quarterly news releases are published four months after each quarter. The next release will take place on 30 January 2012.

The whole time series are revised every quarter. Compared with News Release 111/2011 of 29 July 2011, the household saving rate for the first quarter of 2011 has been revised from 13.3% to 13.6% in the euro area and from 11.6% to 11.9% in the EU27. The household investment rate has been revised from 8.9% to 8.8% in the euro area and from 8.0% to 8.1% in the EU27. The growth rate of euro area household real disposable income was revised from -0.3% to +0.1%.

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 debt-to-income ratios.

The full set of **quarterly** sector accounts is published for euro area / EU27 aggregates only. However, 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 EU27 total. The other 12 EEA members, whose GDP is below 1% of the EU27 total, do not have to transmit the quarterly accounts of households to Eurostat.

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Selected Principal European Economic Indicators: <http://ec.europa.eu/eurostat/euroindicators>

Table 1: Key indicators of the euro area (EA17) and of the European Union (EU27)

		Euro area (EA17)				European Union (EU27)			
		Saving rate, %		Investment rate, %		Saving rate, %		Investment rate, %	
		Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted	Seasonally adjusted
2000	Q1	12.0	13.1	10.2	10.4	10.3	11.3	9.2	9.3
	Q2	15.4	13.0	10.5	10.3	13.9	10.7	9.2	9.3
	Q3	12.6	13.6	10.4	10.2	10.3	11.7	9.4	9.2
	Q4	13.1	13.8	10.0	10.1	11.8	12.0	8.9	8.9
2001	Q1	12.7	13.7	9.7	9.9	11.5	12.5	8.8	8.9
	Q2	16.4	13.4	9.9	9.8	15.2	11.7	8.8	8.9
	Q3	12.8	14.2	9.9	9.7	11.1	12.7	9.0	8.8
	Q4	13.8	14.3	9.6	9.7	12.5	12.8	8.8	8.8
2002	Q1	13.1	14.4	9.5	9.7	11.2	12.1	8.6	8.8
	Q2	17.8	14.6	9.6	9.6	15.9	12.3	8.7	8.9
	Q3	12.6	14.4	9.8	9.6	10.1	12.1	9.2	9.0
	Q4	13.9	14.3	9.7	9.6	11.8	11.9	9.1	9.0
2003	Q1	13.5	14.5	9.4	9.6	11.5	12.2	8.7	8.9
	Q2	17.5	14.4	9.6	9.7	15.4	11.9	8.9	9.0
	Q3	12.2	14.1	9.9	9.7	9.9	12.0	9.3	9.1
	Q4	13.6	14.1	9.8	9.7	11.7	12.3	9.3	9.1
2004	Q1	13.3	14.3	9.5	9.8	10.8	12.0	9.2	9.4
	Q2	17.5	14.3	9.7	9.8	15.0	11.8	9.2	9.3
	Q3	12.1	14.3	10.0	9.8	9.6	12.0	9.6	9.3
	Q4	13.7	13.9	10.0	9.9	11.1	11.5	9.6	9.4
2005	Q1	12.8	14.0	9.6	9.9	10.6	11.8	9.1	9.4
	Q2	17.3	13.9	10.0	10.1	15.1	11.8	9.4	9.5
	Q3	10.9	13.2	10.5	10.2	8.5	10.9	10.0	9.7
	Q4	13.5	13.6	10.5	10.3	10.9	11.2	10.0	9.8
2006	Q1	11.6	12.9	10.3	10.6	9.9	11.5	9.7	9.9
	Q2	17.1	13.4	10.5	10.6	14.8	11.1	9.9	10.2
	Q3	10.8	13.5	11.0	10.8	8.2	10.7	10.5	10.2
	Q4	13.7	13.8	11.0	10.9	11.0	11.1	10.5	10.3
2007	Q1	12.7	14.0	10.8	10.9	9.9	11.7	10.2	10.4
	Q2	18.0	13.8	10.6	10.9	15.3	11.1	10.1	10.4
	Q3	10.9	13.6	11.0	10.8	8.0	10.6	10.6	10.3
	Q4	13.6	13.9	10.8	10.7	10.5	10.8	10.4	10.2
2008	Q1	12.5	14.0	10.4	10.6	9.3	11.1	9.8	10.1
	Q2	18.1	13.8	10.2	10.4	15.5	11.5	9.5	9.7
	Q3	11.0	13.6	10.4	10.1	8.4	10.9	9.7	9.4
	Q4	14.6	14.9	9.8	9.7	12.5	12.8	9.2	9.0
2009	Q1	14.5	15.8	9.0	9.3	12.0	13.7	8.3	8.5
	Q2	19.0	15.3	8.8	8.9	17.9	14.3	8.1	8.2
	Q3	12.1	14.8	8.9	8.7	11.1	13.6	8.3	8.0
	Q4	14.7	14.6	8.7	8.7	13.6	13.8	8.1	8.0
2010	Q1	12.8	14.0	8.6	8.7	11.6	12.9	7.7	8.0
	Q2	17.4	13.8	8.8	8.8	16.0	12.6	8.0	8.1
	Q3	10.7	13.5	9.1	8.9	9.7	12.3	8.5	8.2
	Q4	13.4	13.4	8.8	8.8	11.7	12.0	8.2	8.2
2011	Q1	12.6	13.6	8.6	8.8	10.6	11.9	7.9	8.1
	Q2	17.3	13.9	8.7	8.7	16.0	12.6	8.0	8.1

Table 2: Household gross disposable income and its components, final consumption expenditure and gross fixed capital formation, in the euro area (EA17)
(Millions of euro at current prices, seasonally adjusted)

		Gross disposable income						Final consumption expenditure	Gross fixed capital formation
		Compensation of employees (received)	Gross operating surplus and mixed income	Net property income and other current transfers	Net social benefits	Taxes (-)	Total		
2000	Q1	821963	268698	178562	-8972	166216	1094035	961472	114951
	Q2	831694	271986	179823	-11053	164843	1107608	974486	115549
	Q3	843134	276319	181893	-10930	164533	1125883	983738	116323
	Q4	852890	278868	182271	-11924	162997	1139108	993243	116203
2001	Q1	861747	282907	187562	-6799	167137	1158279	1009646	115909
	Q2	870052	285402	187354	-8965	168636	1165207	1019224	115963
	Q3	878588	288807	187142	-7605	166805	1180126	1022708	115593
	Q4	886815	290448	189066	-7913	170075	1188341	1029825	116114
2002	Q1	895345	292369	183866	-5247	168977	1197356	1035453	116721
	Q2	901027	295797	183841	-3088	169794	1207783	1042299	117333
	Q3	907916	299250	184466	-2370	171776	1217485	1053037	118481
	Q4	912684	301432	188234	88	171181	1231258	1065381	119733
2003	Q1	917326	302077	192570	-4094	168717	1239161	1071261	120477
	Q2	924227	304803	189176	-2005	169470	1246730	1079343	121880
	Q3	934390	307780	188932	-181	172926	1257994	1091861	123300
	Q4	938609	311032	190006	849	175104	1265393	1099272	124339
2004	Q1	946281	315172	192607	449	171739	1282771	1111201	126589
	Q2	952784	318837	194244	1443	174072	1293236	1120689	127589
	Q3	956472	322123	196428	582	172573	1303033	1128905	129106
	Q4	964115	324660	199308	-190	175508	1312385	1142515	131648
2005	Q1	970533	328970	200587	2091	179203	1322977	1149738	132486
	Q2	977880	332228	206093	2306	179702	1338805	1166413	136401
	Q3	986604	333819	209010	133	183096	1346471	1181784	139478
	Q4	999492	337653	210787	-1928	183683	1362320	1189525	142346
2006	Q1	1007493	345329	212236	-521	192055	1372483	1207960	146405
	Q2	1020498	349532	215523	-1385	192460	1391707	1219499	149794
	Q3	1030830	354976	217959	-6315	193600	1403851	1228899	153191
	Q4	1039625	361190	221919	-1933	197708	1423093	1239155	156370
2007	Q1	1054367	364933	225363	-5636	199978	1439050	1250916	158999
	Q2	1064864	369657	228931	-6220	206210	1451022	1263980	159458
	Q3	1075524	372634	232177	-5270	211181	1463885	1276955	159831
	Q4	1090613	378078	235148	-2982	216428	1484429	1292052	160858
2008	Q1	1107918	381617	235904	-8801	216594	1500044	1304633	160089
	Q2	1115961	384428	236969	-8726	220497	1508135	1315105	158053
	Q3	1121849	382063	234226	-3090	220112	1514936	1324352	154330
	Q4	1120927	377394	228145	-729	217311	1508426	1299088	147518
2009	Q1	1113449	365412	225445	12098	213739	1502665	1278871	140594
	Q2	1110127	363366	217358	21767	210315	1502303	1285916	135491
	Q3	1111204	363580	210084	27387	210406	1501849	1292379	132248
	Q4	1114190	363785	207624	29161	210253	1504506	1298326	131788
2010	Q1	1114664	362652	208359	29663	209775	1505564	1306580	132766
	Q2	1123927	362793	211322	29348	212582	1514808	1316121	134544
	Q3	1126773	366792	214372	28410	214013	1522334	1329549	136003
	Q4	1134067	371139	216007	26368	213838	1533743	1339803	136688
2011	Q1	1147154	374822	219506	24070	218741	1546810	1348175	137471
	Q2	1156750	377332	222397	23619	216242	1563856	1358579	137492

Table 3: Household gross disposable income and its components, final consumption expenditure and its deflator and gross fixed capital formation, in the euro area (EA17)
(seasonally adjusted, percentage change compared to the previous quarter)

		Nominal growth of the components of gross disposable income					Contribution* of the components to nominal growth of gross disposable income					Nominal growth			Real growth		
		Compensation of employees (received)	Gross operating surplus and mixed income	Net property income and other current transfers	Net social benefits	Taxes (-)	Compensation of employees (received)	Gross operating surplus and mixed income	Net property income and other current transfers	Net social benefits	Taxes	Gross disposable income	Final consumption expenditure	Gross fixed capital formation	Growth of the deflator of final consumption expenditure**	Gross disposable income	Final consumption expenditure
2000	Q1	1.2	0.6	1.6	32.4	2.3	0.9	0.2	0.3	-0.2	-0.3	0.8	1.1	1.6	0.6	0.2	0.5
	Q2	1.2	1.2	0.7	23.2	-0.8	0.9	0.3	0.1	-0.2	0.1	1.2	1.4	0.5	0.6	0.6	0.8
	Q3	1.4	1.6	1.2	-1.1	-0.2	1.0	0.4	0.2	0.0	0.0	1.6	0.9	0.7	0.8	0.8	0.1
	Q4	1.2	0.9	0.2	9.1	-0.9	0.9	0.2	0.0	-0.1	0.1	1.2	1.0	-0.1	0.7	0.4	0.2
2001	Q1	1.0	1.4	2.9	-43.0	2.5	0.8	0.4	0.5	0.4	-0.4	1.7	1.7	-0.3	0.4	1.3	1.3
	Q2	1.0	0.9	-0.1	31.8	0.9	0.7	0.2	0.0	-0.2	-0.1	0.6	0.9	0.0	0.8	-0.2	0.1
	Q3	1.0	1.2	-0.1	-15.2	-1.1	0.7	0.3	0.0	0.1	0.2	1.3	0.3	-0.3	0.4	0.9	0.0
	Q4	0.9	0.6	1.0	4.0	2.0	0.7	0.1	0.2	0.0	-0.3	0.7	0.7	0.5	0.4	0.3	0.3
2002	Q1	1.0	0.7	-2.8	-33.7	-0.6	0.7	0.2	-0.4	0.2	0.1	0.8	0.5	0.5	0.5	0.2	0.0
	Q2	0.6	1.2	0.0	-41.1	0.5	0.5	0.3	0.0	0.2	-0.1	0.9	0.7	0.5	0.4	0.4	0.2
	Q3	0.8	1.2	0.3	-23.2	1.2	0.6	0.3	0.1	0.1	-0.2	0.8	1.0	1.0	0.4	0.4	0.6
	Q4	0.5	0.7	2.0	-103.7	-0.3	0.4	0.2	0.3	0.2	0.0	1.1	1.2	1.1	0.5	0.6	0.7
2003	Q1	0.5	0.2	2.3	-4747.4	-1.4	0.4	0.1	0.4	-0.3	0.2	0.6	0.6	0.6	0.9	-0.3	-0.4
	Q2	0.8	0.9	-1.8	-51.0	0.4	0.6	0.2	-0.3	0.2	-0.1	0.6	0.8	1.2	0.2	0.4	0.5
	Q3	1.1	1.0	-0.1	-91.0	2.0	0.8	0.2	0.0	0.1	-0.3	0.9	1.2	1.2	0.5	0.4	0.7
	Q4	0.5	1.1	0.6	-568.3	1.3	0.3	0.3	0.1	0.1	-0.2	0.6	0.7	0.8	0.5	0.0	0.1
2004	Q1	0.8	1.3	1.4	-47.1	-1.9	0.6	0.3	0.2	0.0	0.3	1.4	1.1	1.8	0.5	0.9	0.6
	Q2	0.7	1.2	0.8	221.0	1.4	0.5	0.3	0.1	0.1	-0.2	0.8	0.9	0.8	0.6	0.2	0.2
	Q3	0.4	1.0	1.1	-59.6	-0.9	0.3	0.3	0.2	-0.1	0.1	0.8	0.7	1.2	0.4	0.3	0.3
	Q4	0.8	0.8	1.5	-132.7	1.7	0.6	0.2	0.2	-0.1	-0.2	0.7	1.2	2.0	0.6	0.2	0.7
2005	Q1	0.7	1.3	0.6	-1198.8	2.1	0.5	0.3	0.1	0.2	-0.3	0.8	0.6	0.6	0.5	0.3	0.1
	Q2	0.8	1.0	2.7	10.3	0.3	0.6	0.2	0.4	0.0	0.0	1.2	1.5	3.0	0.5	0.7	0.9
	Q3	0.9	0.5	1.4	-94.2	1.9	0.7	0.1	0.2	-0.2	-0.3	0.6	1.3	2.3	0.7	-0.1	0.6
	Q4	1.3	1.1	0.9	-1545.3	0.3	1.0	0.3	0.1	-0.2	0.0	1.2	0.7	2.1	0.5	0.7	0.2
2006	Q1	0.8	2.3	0.7	-73.0	4.6	0.6	0.6	0.1	0.1	-0.6	0.7	1.5	2.9	0.6	0.1	0.9
	Q2	1.3	1.2	1.5	165.9	0.2	0.9	0.3	0.2	-0.1	0.0	1.4	1.0	2.3	0.5	0.9	0.4
	Q3	1.0	1.6	1.1	355.8	0.6	0.7	0.4	0.2	-0.4	-0.1	0.9	0.8	2.3	0.4	0.4	0.3
	Q4	0.9	1.8	1.8	-69.4	2.1	0.6	0.4	0.3	0.3	-0.3	1.4	0.8	2.1	0.3	1.0	0.5
2007	Q1	1.4	1.0	1.6	191.5	1.1	1.0	0.3	0.2	-0.3	-0.2	1.1	0.9	1.7	0.7	0.4	0.3
	Q2	1.0	1.3	1.6	10.4	3.1	0.7	0.3	0.2	0.0	-0.4	0.8	1.0	0.3	0.6	0.3	0.5
	Q3	1.0	0.8	1.4	-15.3	2.4	0.7	0.2	0.2	0.1	-0.3	0.9	1.0	0.2	0.6	0.3	0.5
	Q4	1.4	1.5	1.3	-43.4	2.5	1.0	0.4	0.2	0.2	-0.4	1.4	1.2	0.6	1.0	0.4	0.2
2008	Q1	1.6	0.9	0.3	195.2	0.1	1.2	0.2	0.1	-0.4	0.0	1.1	1.0	-0.5	0.8	0.3	0.2
	Q2	0.7	0.7	0.5	-0.9	1.8	0.5	0.2	0.1	0.0	-0.3	0.5	0.8	-1.3	0.8	-0.2	0.0
	Q3	0.5	-0.6	-1.2	-64.6	-0.2	0.4	-0.2	-0.2	0.4	0.0	0.5	0.7	-2.4	0.6	-0.1	0.1
	Q4	-0.1	-1.2	-2.6	-76.4	-1.3	-0.1	-0.3	-0.4	0.2	0.2	-0.4	-1.9	-4.4	-0.5	0.0	-1.5
2009	Q1	-0.7	-3.2	-1.2	-1760.0	-1.6	-0.5	-0.8	-0.2	0.9	0.2	-0.4	-1.6	-4.7	-0.7	0.3	-0.9
	Q2	-0.3	-0.6	-3.6	79.9	-1.6	-0.2	-0.1	-0.5	0.6	0.2	0.0	0.6	-3.6	0.2	-0.2	0.4
	Q3	0.1	0.1	-3.3	25.8	0.0	0.1	0.0	-0.5	0.4	0.0	0.0	0.5	-2.4	0.3	-0.3	0.2
	Q4	0.3	0.1	-1.2	6.5	-0.1	0.2	0.0	-0.2	0.1	0.0	0.2	0.5	-0.3	0.4	-0.3	0.0
2010	Q1	0.0	-0.3	0.4	1.7	-0.2	0.0	-0.1	0.0	0.0	0.0	0.1	0.6	0.7	0.4	-0.3	0.2
	Q2	0.8	0.0	1.4	-1.1	1.3	0.6	0.0	0.2	0.0	-0.2	0.6	0.7	1.3	0.7	-0.1	0.1
	Q3	0.3	1.1	1.4	-3.2	0.7	0.2	0.3	0.2	-0.1	-0.1	0.5	1.0	1.1	0.4	0.1	0.6
	Q4	0.6	1.2	0.8	-7.2	-0.1	0.5	0.3	0.1	-0.1	0.0	0.7	0.8	0.5	0.6	0.1	0.2
2011	Q1	1.2	1.0	1.6	-8.7	2.3	0.9	0.2	0.2	-0.1	-0.3	0.9	0.6	0.6	0.8	0.1	-0.2
	Q2	0.8	0.7	1.3	-1.9	-1.1	0.6	0.2	0.2	0.0	0.2	1.1	0.8	0.0	0.6	0.5	0.1

* The contribution 'C' of an element 'E' to the growth of an aggregate 'A' between T-1 and T is $C_T = (E_T - E_{T-1}) / A_{T-1}$. It is also equal to the growth rate of the component $(E_T - E_{T-1})/E_{T-1}$ multiplied by its share in the aggregate at the previous period E_{T-1}/A_{T-1} .

** Deflator for the seasonally adjusted final consumption expenditure of households (including non-profit institutions serving households) which has also been used to deflate gross disposable income.