

DANMARKS
NATIONALBANK

Changing business structures and the Danish economy

Conference on *New opportunities for firm behaviour research based on micro data*
Andreas Kuchler, 27 November 2025

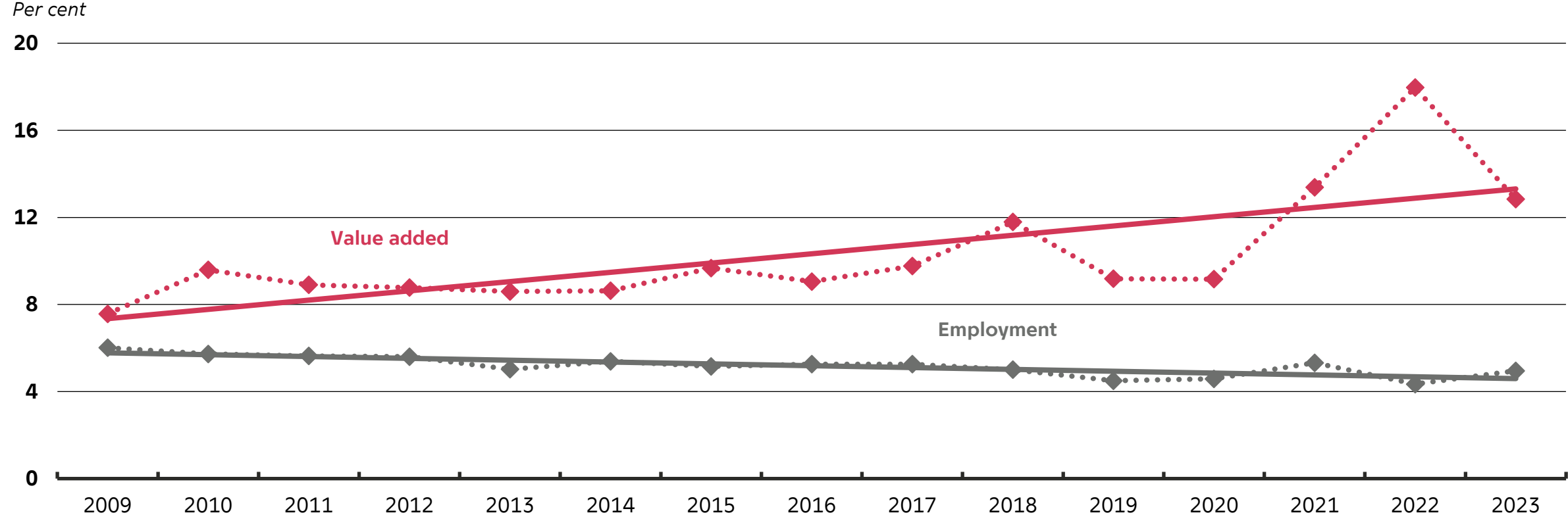
Agenda

- Highlights from our recent work with firm-level data
 - The increasing role of large firms
 - International activities are key
 - High current account surplus and firms' savings
 - + insights on productivity and competitiveness [not covered by this presentation]
- Methodological considerations and data sources: Assessing savings rates of firms
 - Firm level vs. group level
 - Groups don't necessarily follow sector splits

Highlights from recent work with firm-level data at Danmarks Nationalbank

The largest companies account for an increasing share of value added, but a declining share of employment

The 25 largest companies' share of value added and employment



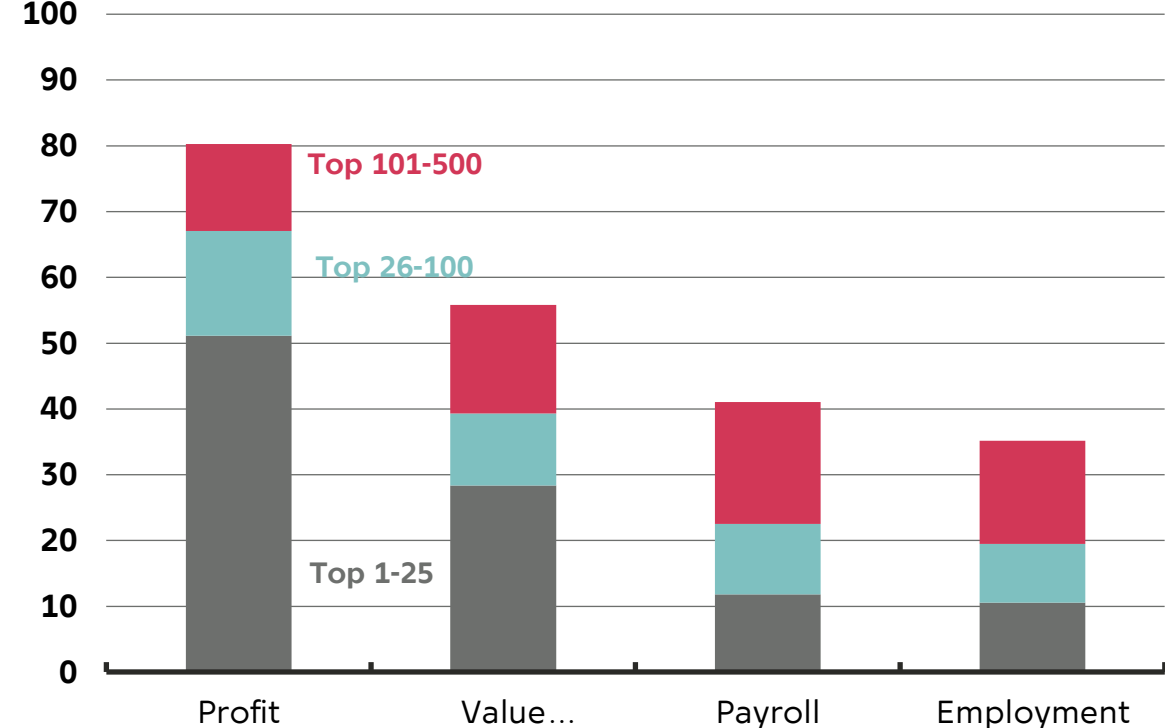
Note: The chart shows the development in total value added and employment for the 25 largest companies (measured by value added) in relation to GDP and total employment. The dotted line indicates the actual shares year on year and the solid line shows the trend over time. The share in 2023 is calculated using data from Danmarks Nationalbank, as company-level data is not yet available via Statistics Denmark for 2023. Note that the value added in 2022 was particularly due to large price increases.

Source: Own calculations based on data from Statistics Denmark and Danmarks Nationalbank.

The largest firms matter more for value added and activity than they do for labour income and employment

The largest companies account for a relatively larger share of profits and value added than of employment and wages

Share of total in per cent, private, non-financial corporations

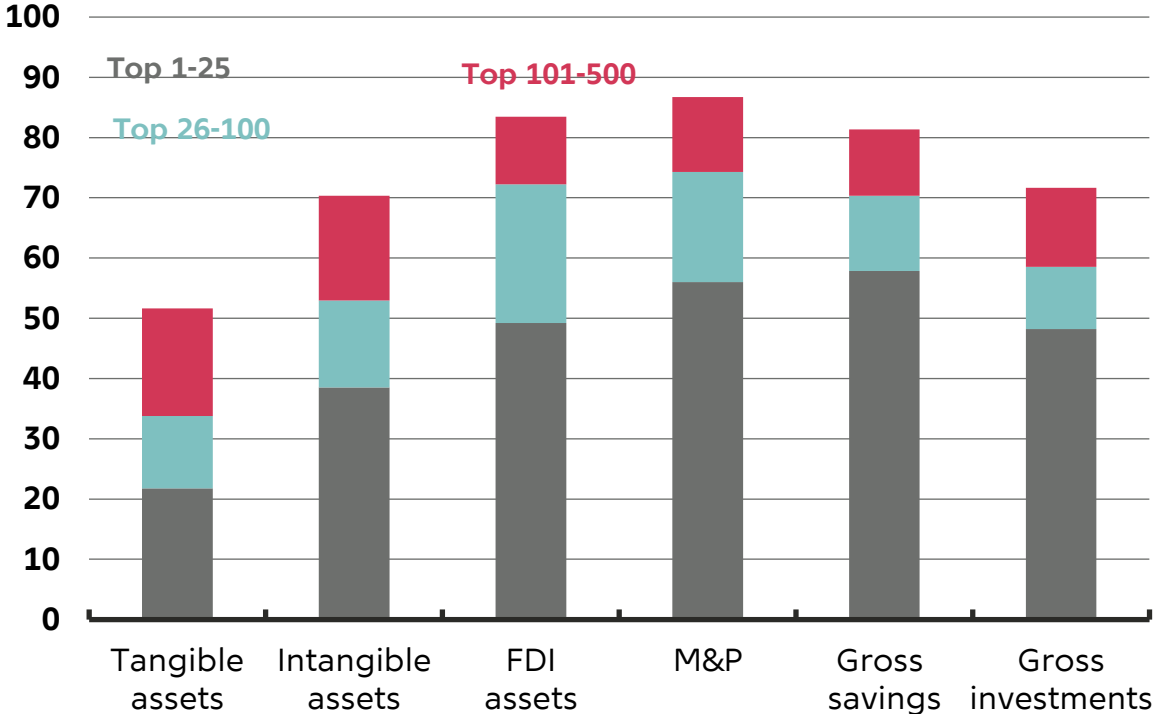


Note: Data for 2020-22. Share of total is calculated for the total period 2020-22. Top 1-25 indicates the 25 largest companies in terms of value added. Top 26-100 indicates the 26-100 largest companies in terms of value added. Top 101-500 indicates the 101-500 largest companies in terms of value added.

Source: Own calculations based on data from Statistics Denmark and Danmarks Nationalbank.

The largest companies account for the majority of merchandising and processing, as well as savings and investments

Share of total in per cent, private, non-financial corporations



Note: Data for 2020-22. Share of total is calculated for the total period 2020-22. M&P refers to gross merchandising and processing activities. Top 1-25 indicates the 25 largest companies in terms of value added. Top 26-100 indicates the 26-100 largest companies in terms of value added. Top 101-500 indicates the 101-500 largest companies in terms of value added.

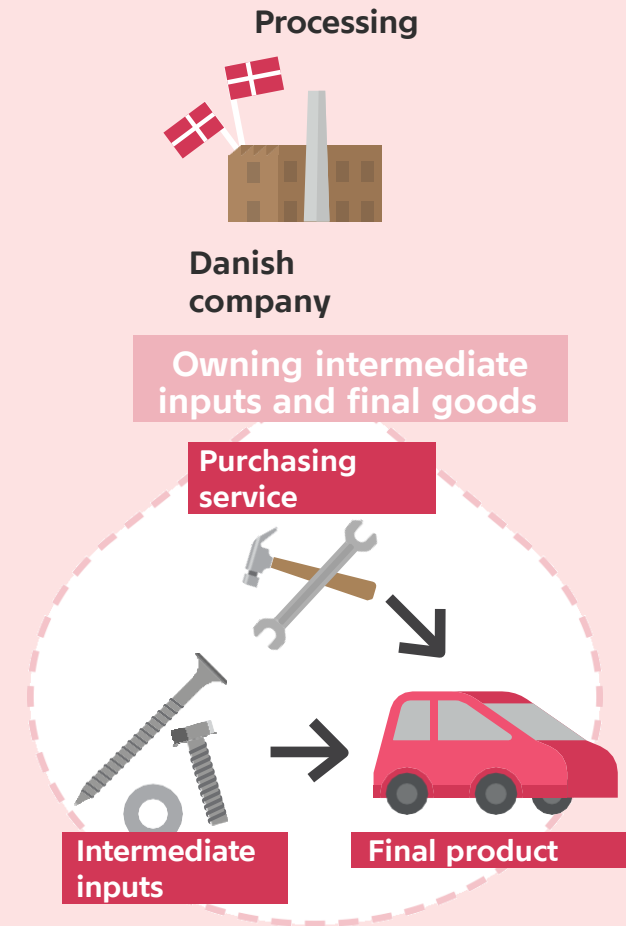
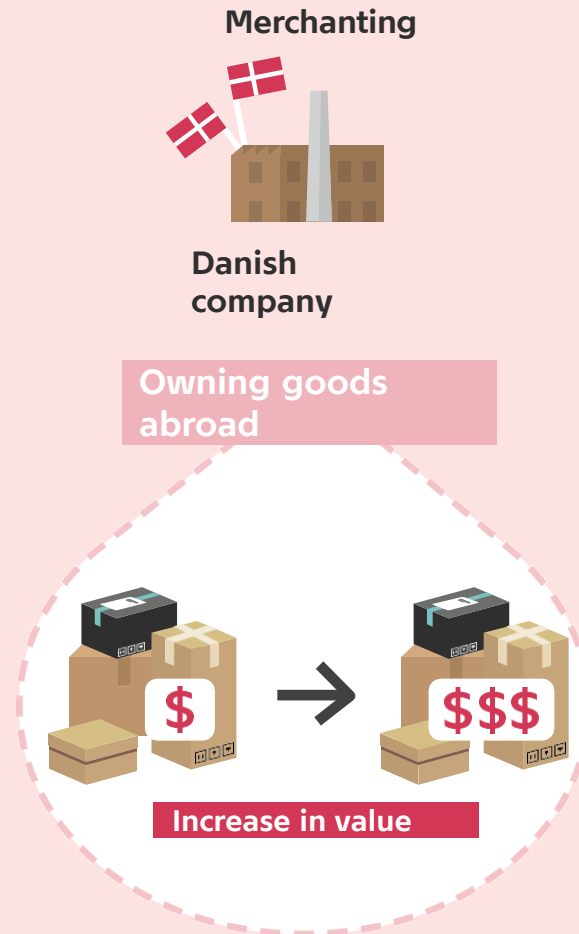
Source: Own calculations based on data from Statistics Denmark and Danmarks Nationalbank.

Exports not crossing the Danish border make up an increasing share of economic activity

Exports of goods crossing the Danish border

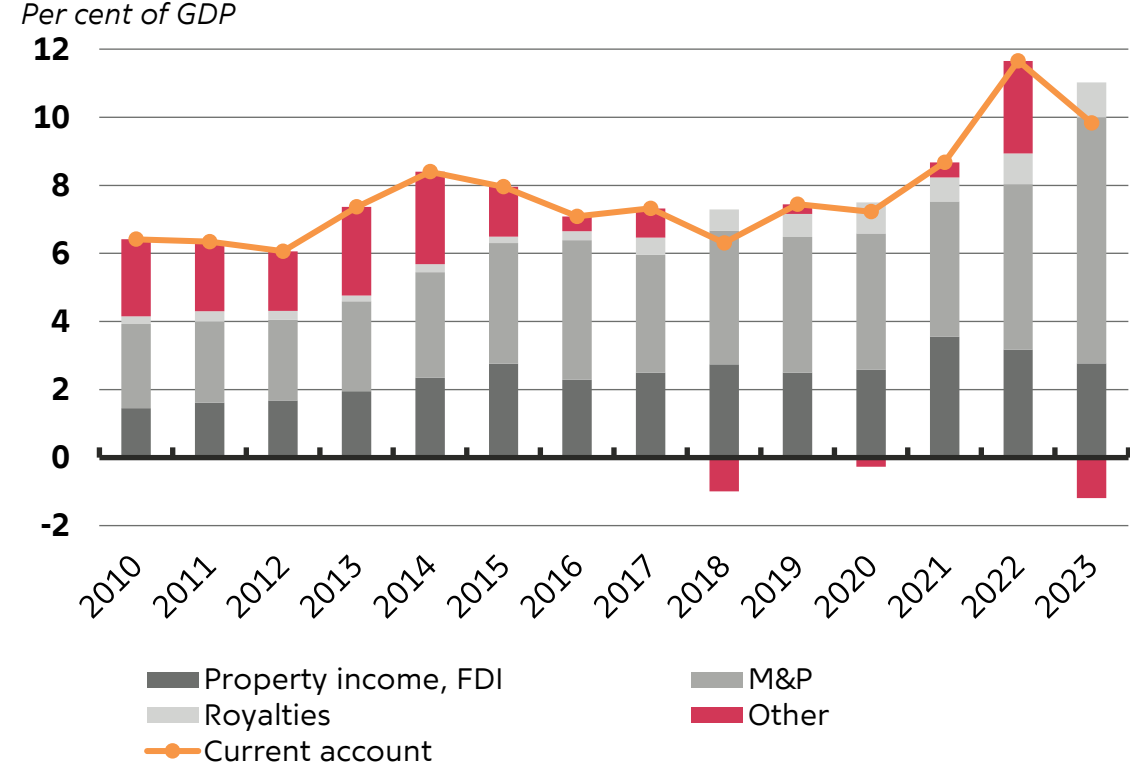


Exports of goods not crossing the Danish border

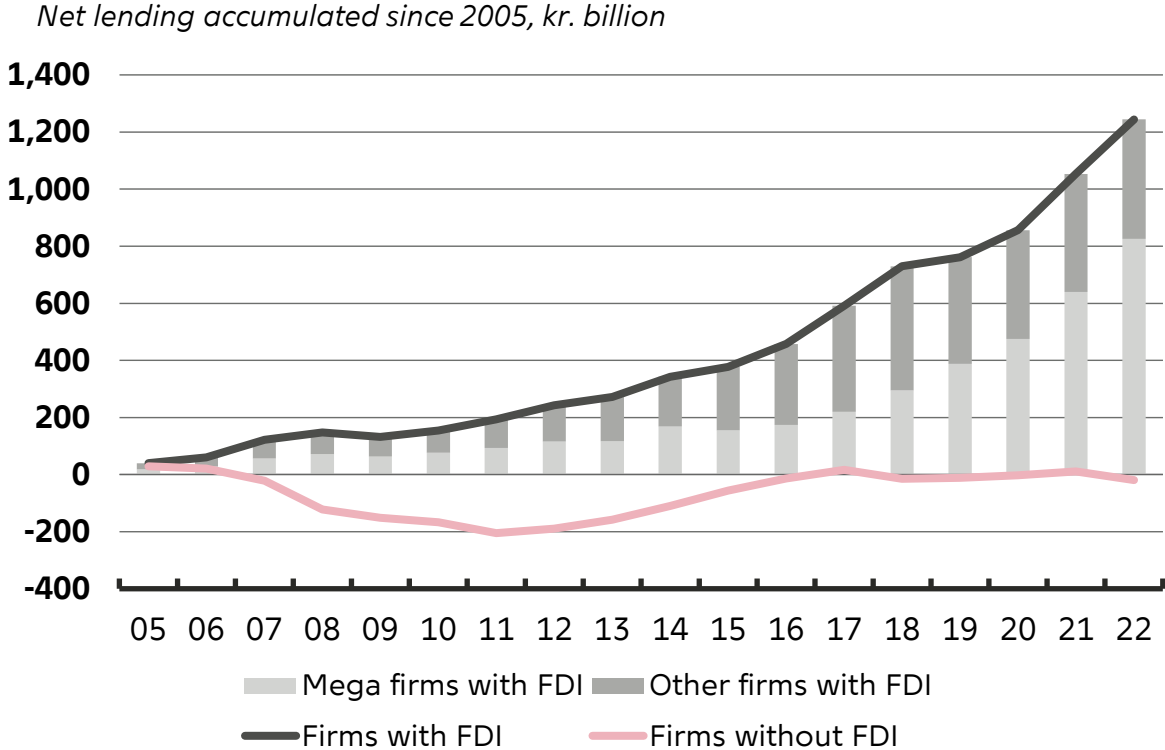


The international activities of very large firms are key

Breakdown of the current account, Denmark



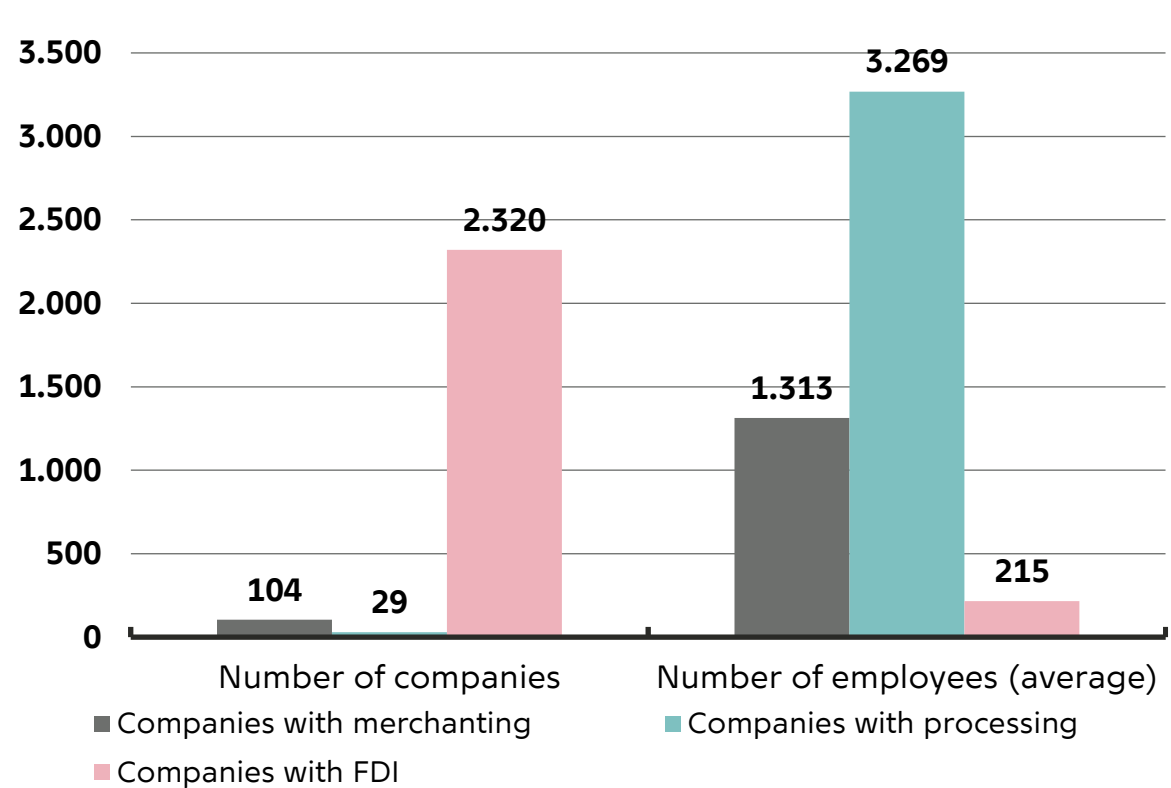
Net lending across firm sizes and FDI engagement



Source: Statistics Denmark, own calculations, and Andersen, Risbjerg, Spange and Wederkinck, The Danish savings surplus: Trends in firm and household savings, Danmarks Nationalbank Economic Memo, no. 6/2024.

International activities are concentrated in large firms that perform well

A smaller group of large companies have international operations

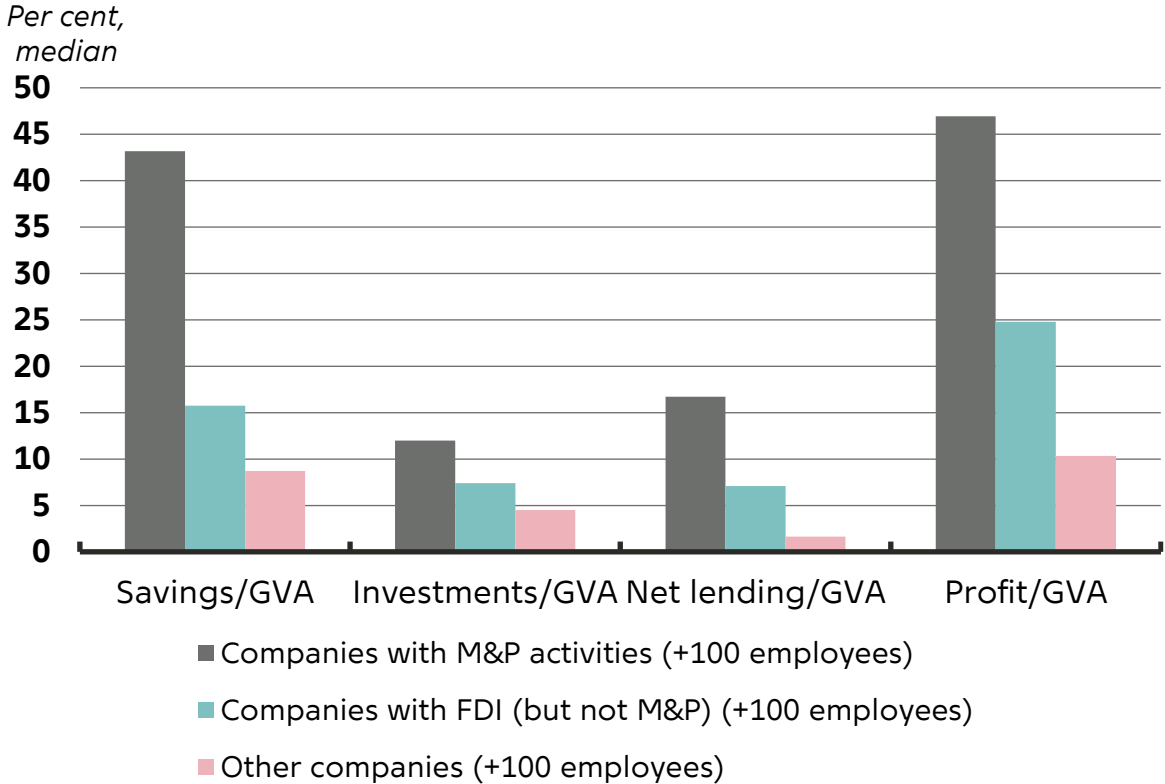


Note: Data for 2023. The three categories are not mutually exclusive, as a company can be involved in more than one of the activities.

Source: Own calculations based on data from Statistics Denmark and Danmarks Nationalbank.



Companies with international operations have high savings, invest a lot and have high profits

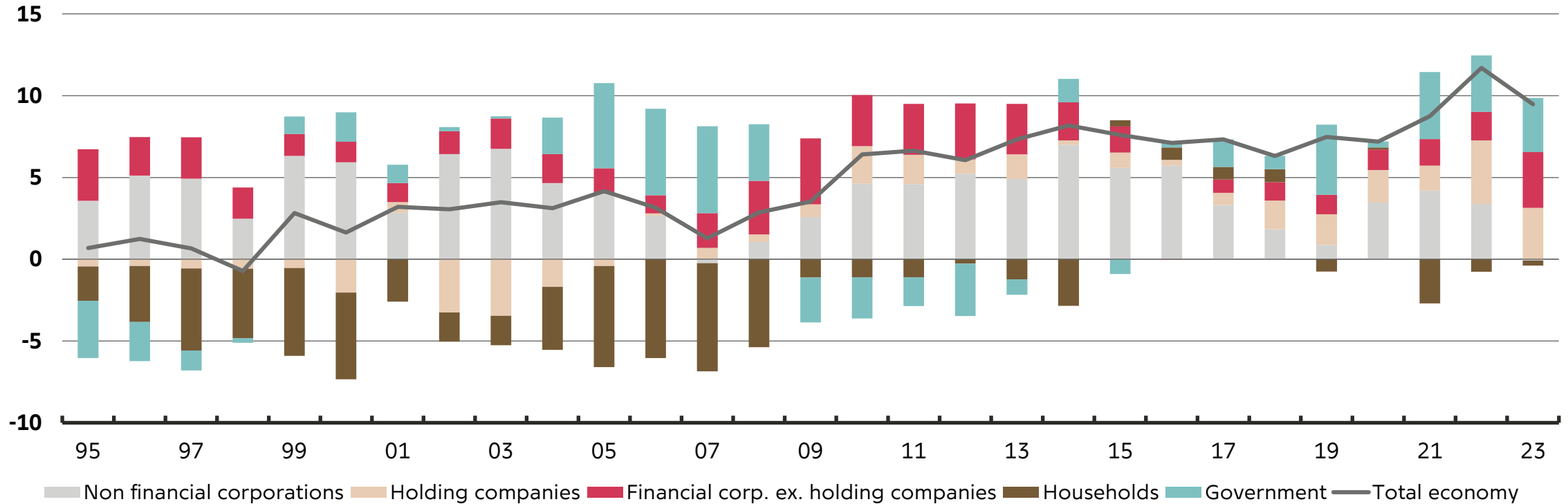


Note: Data for 2023. Source: Own calculations based on data from Statistics Denmark and Danmarks Nationalbank.

Understanding the current account surplus in Denmark

Net lending by sector

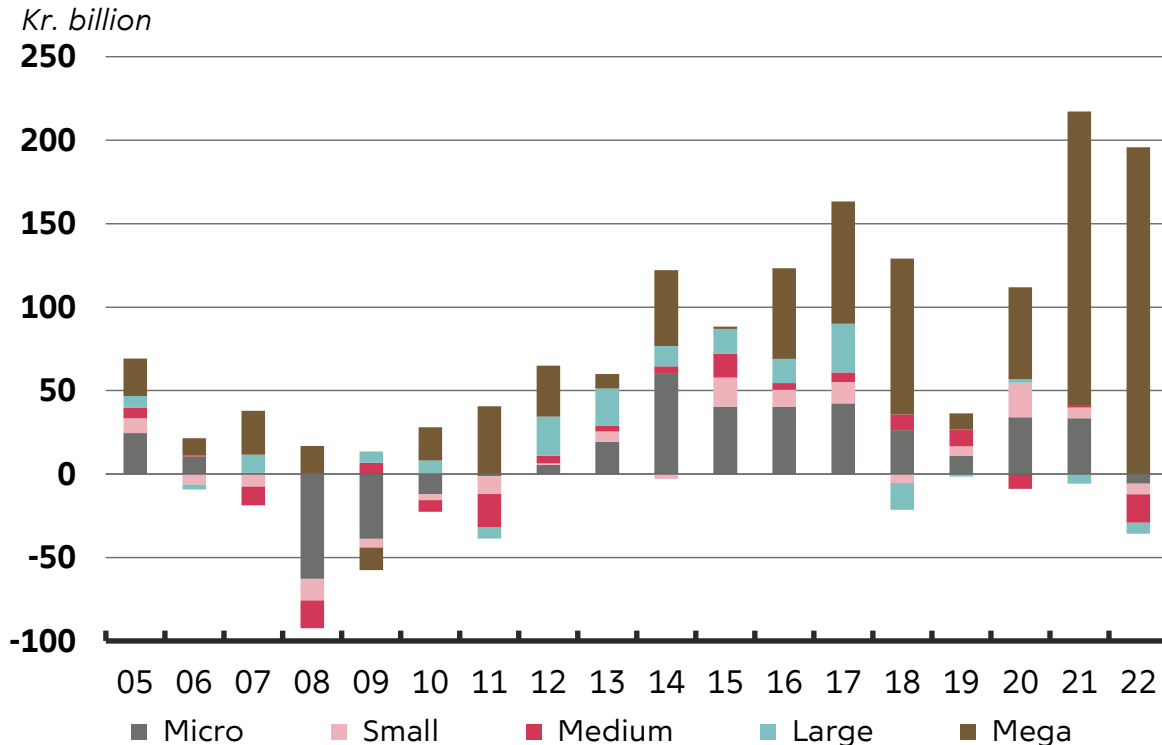
Per cent of GDP



Source: Statistics Denmark.

Very large firms play an increasing role

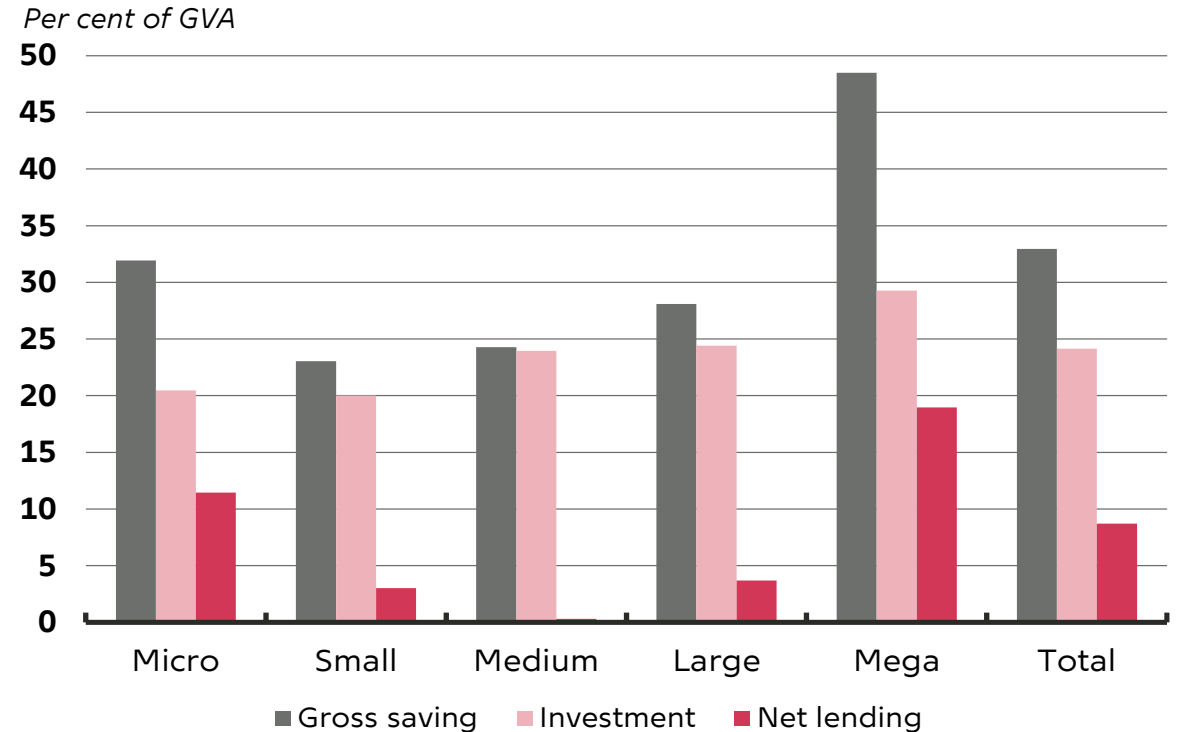
Largest corporations account for large share of net lending



Note: Based on firm-level financial accounting data for non-financial corporations. Micro: 0–9 employees, Small: 10–49 employees, Medium: 50–249 employees, Large: 250–1,999 employees, Mega: 2,000+ employees. Firms are divided into size categories based on the number of employees at group-level.

Source: Andersen, Risbjerg, Spange and Wederkinck, The Danish savings surplus: Trends in firm and household savings, Danmarks Nationalbank Economic Memo, no. 6/2024.

Largest corporations also have the highest propensity to save and invest

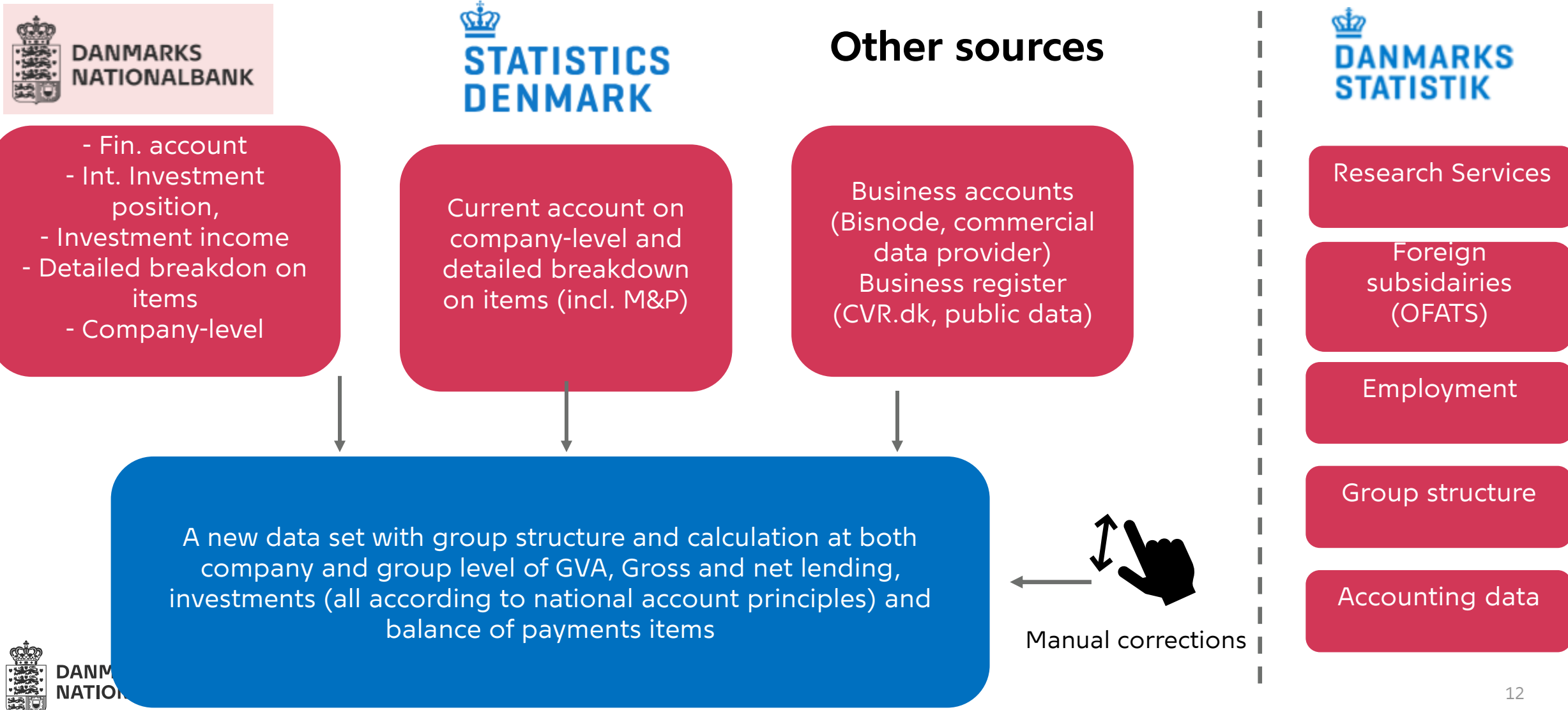


Note: Average for 2010-22. Based on firm level financial accounting data for non-financial corporations. Micro: 0–9 employees, Small: 10–49 employees, Medium: 50–249 employees, Large: 250–1,999 employees, Mega: 2,000+ employees. Firms are divided into size categories based on the number of employees at group-level.

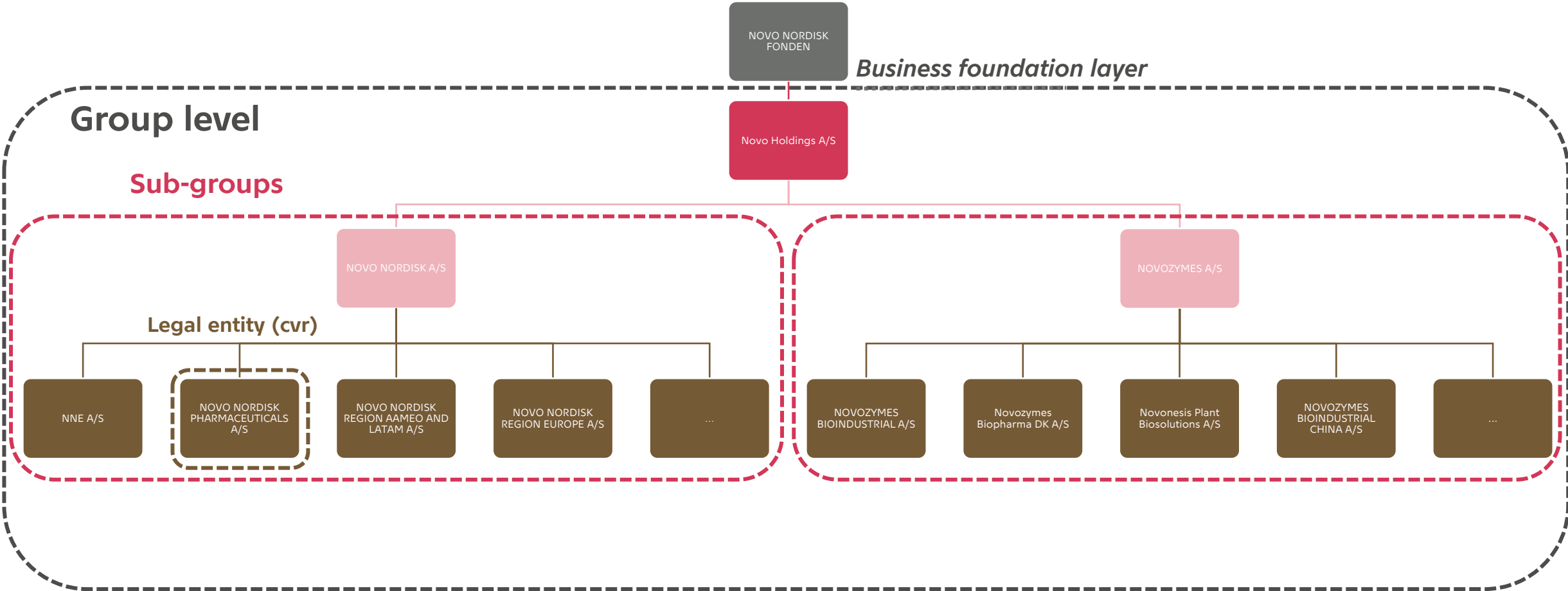
Source: Andersen, Risbjerg, Spange and Wederkinck, The Danish savings surplus: Trends in firm and household savings, Danmarks Nationalbank Economic Memo, no. 6/2024.

Methodological considerations and data sources: Assessing savings rates of firms

Construction of a new detailed data set for companies



What is a firm?



Remarks: Group information from 2024 annual report

Definitions

- *Gross Savings = Operating Result + Depreciation + Financing Income + Income from shares + Reinvested earnings on FDI – Financing Costs – Taxes – Dividend payments*
- *Gross Investments = Δ Fixed non Financial Assets + Depreciation + R&D expenditure + Δ Inventories*
- *Net Lending = Gross Savings – Gross Investments = Operating Result + Financing Income + Income from shares + Reinvested earnings on FDI – Financing Costs – Taxes – Dividend payments – Δ Fixed non Financial Assets – Δ Inventories*

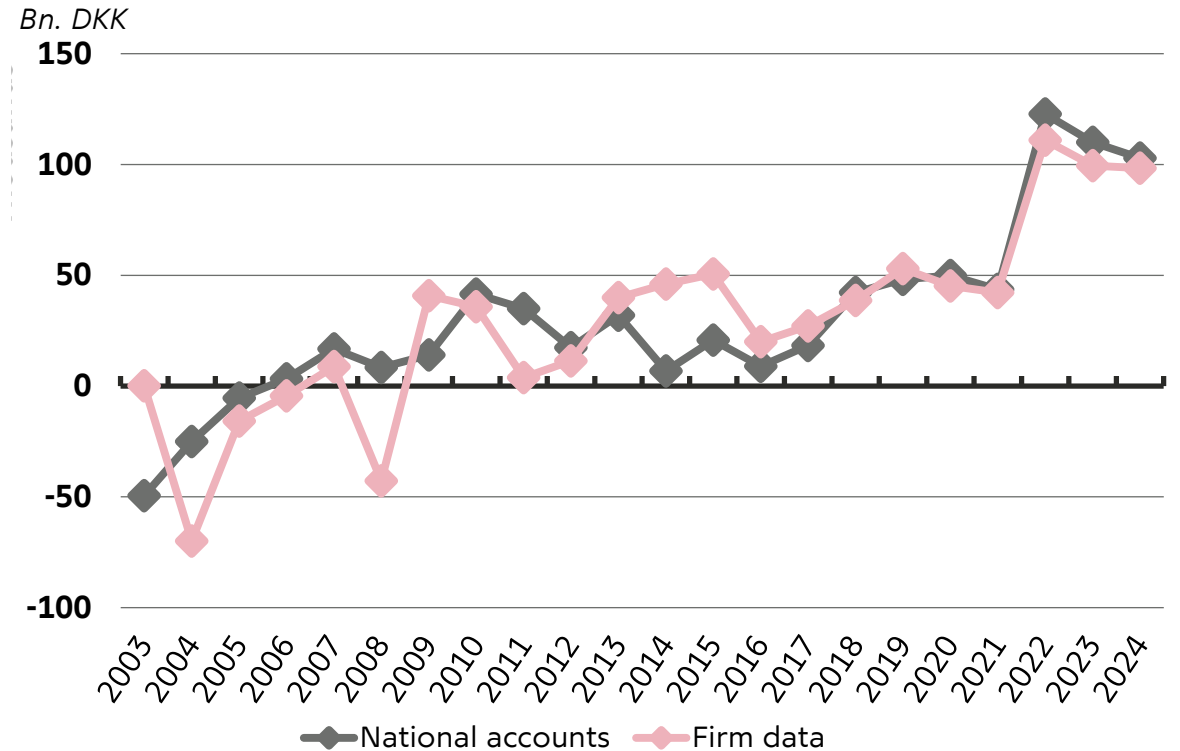
Comparison of firm level savings measure to national accounts

Net lending, non-financial sector



Source: NASD24, Balance of payments statistics and annual reports

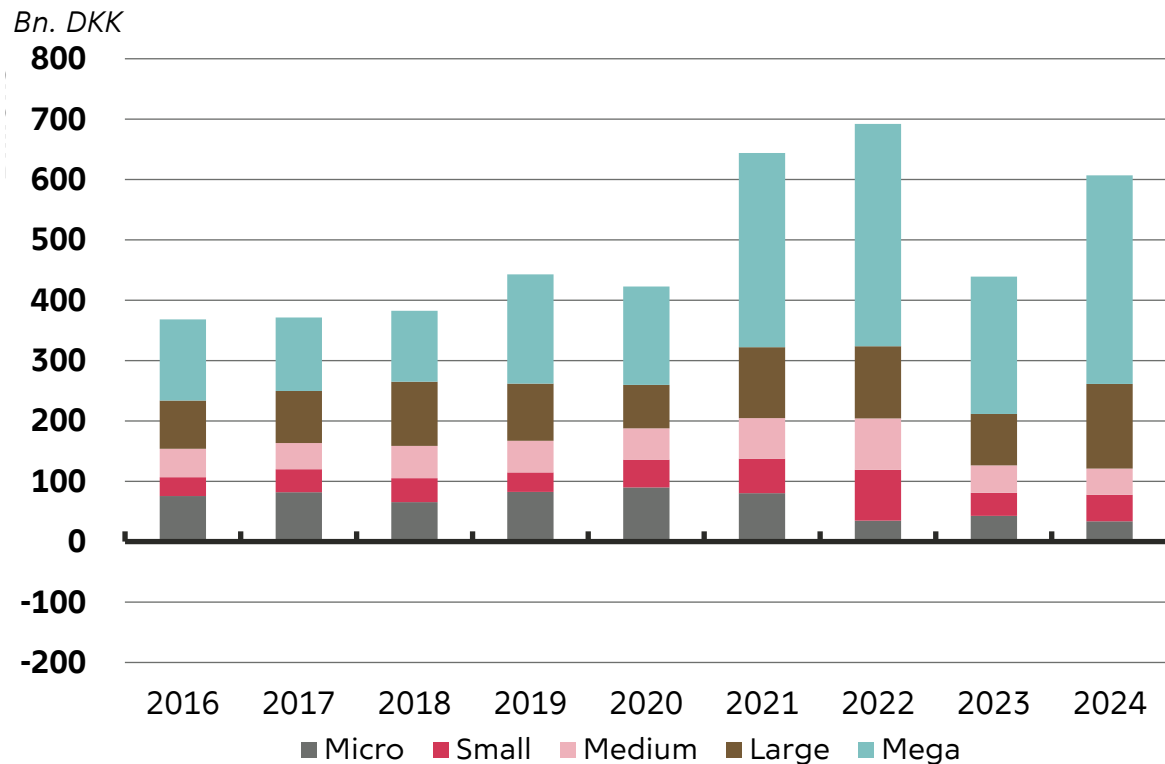
Net lending, captive financial institutions and other financial intermediaries



Remarks: Firms within Captive Financial Institutions (S.127) and Other Financial Intermediaries (S.125).
Source: NASD24, Balance of payments statistics and annual reports

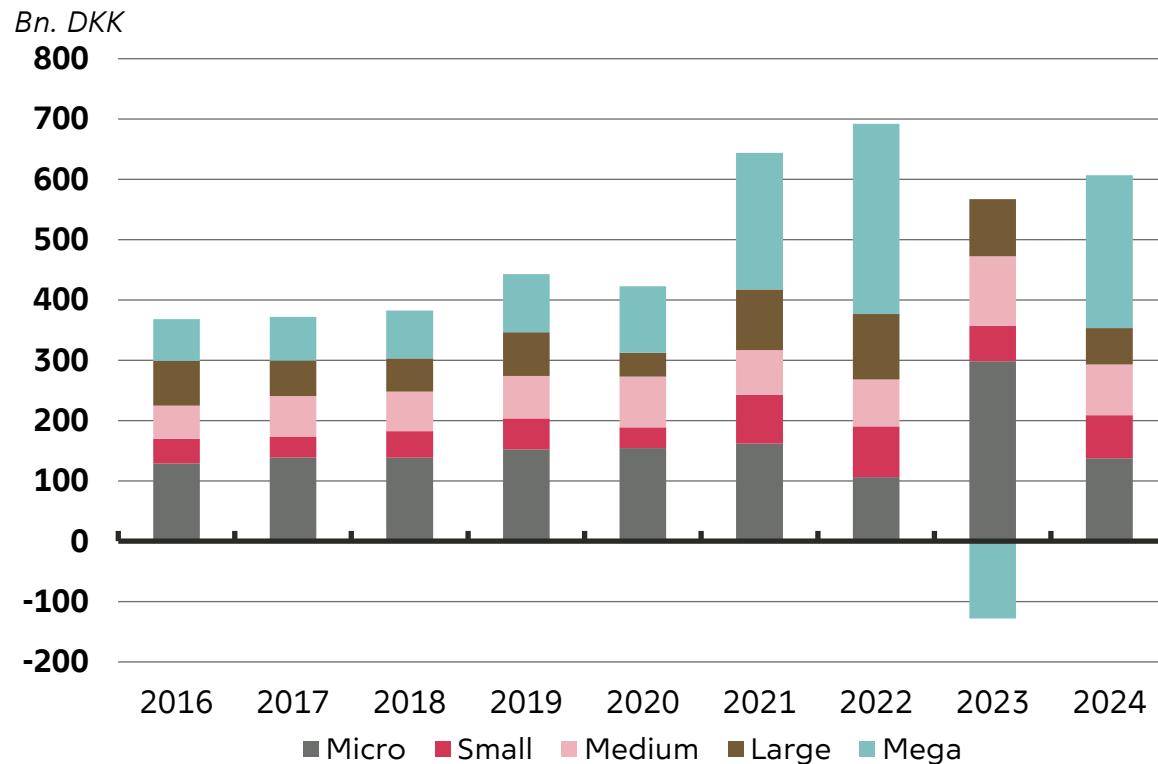
Gross savings by size

Gross savings - group level



Remarks: Business foundation level excluded. Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

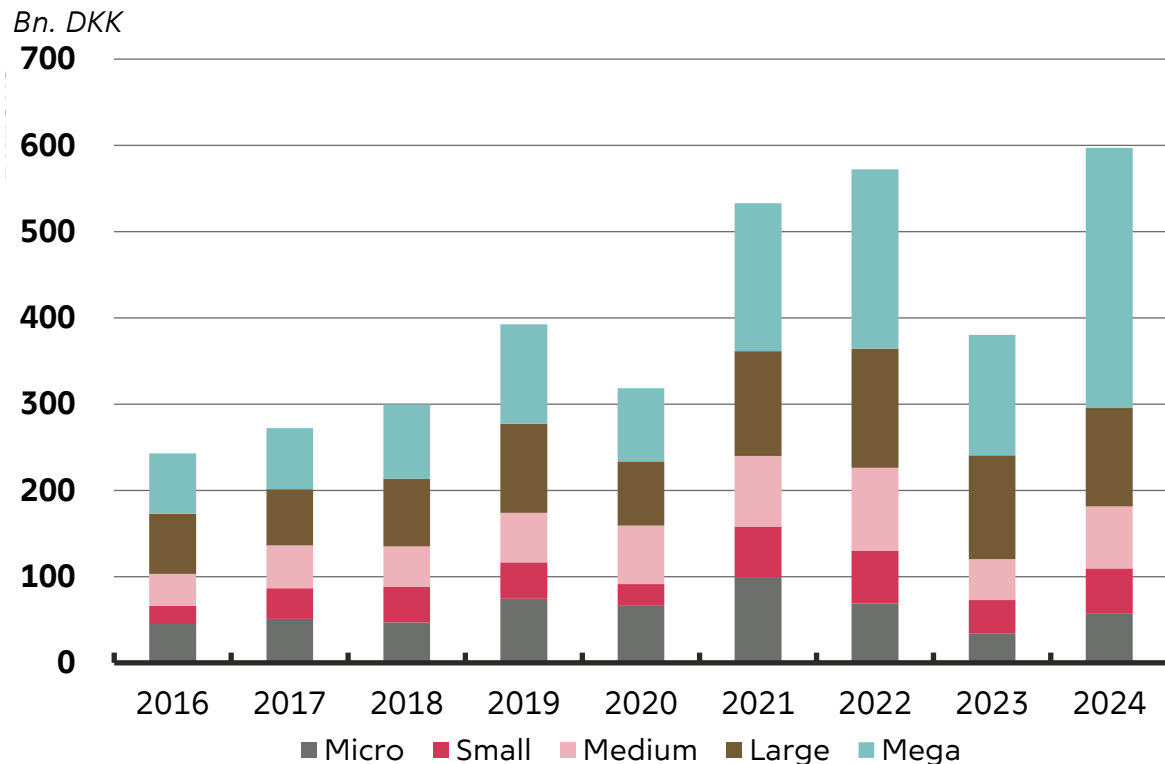
Gross savings - firm level



Remarks: Business foundation level excluded. Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

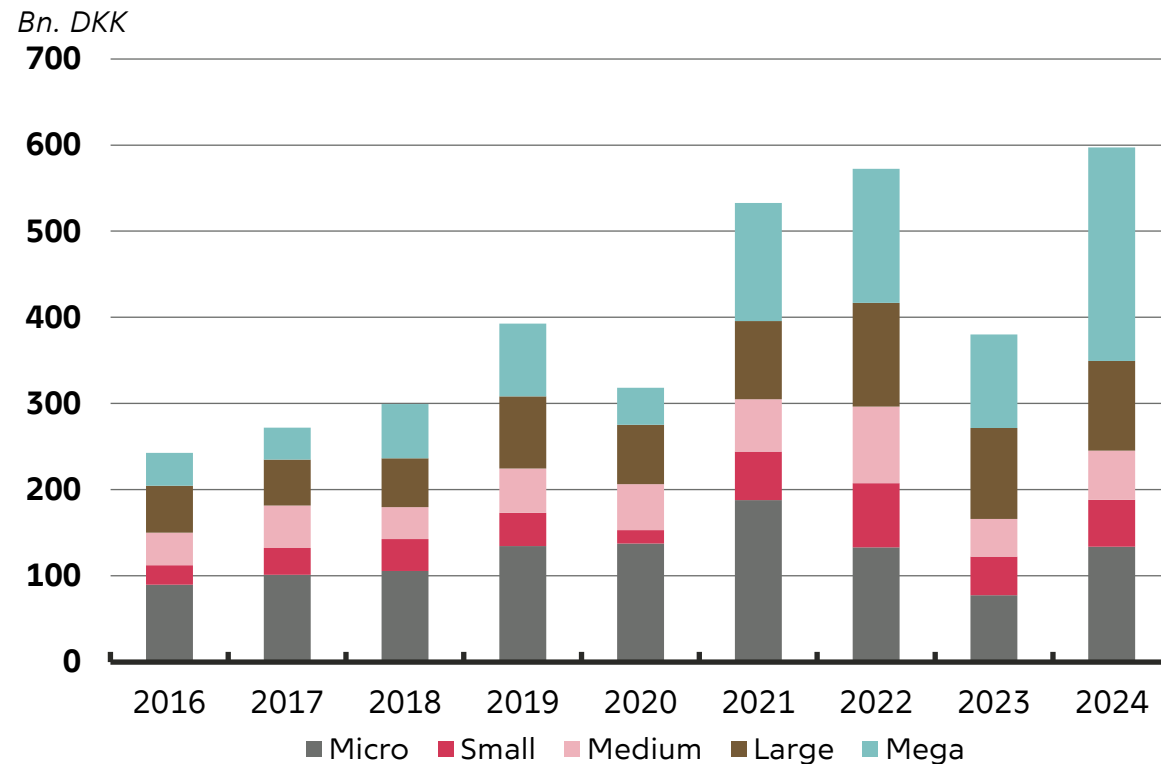
Gross investment by size

Gross investment - group level



Note: Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

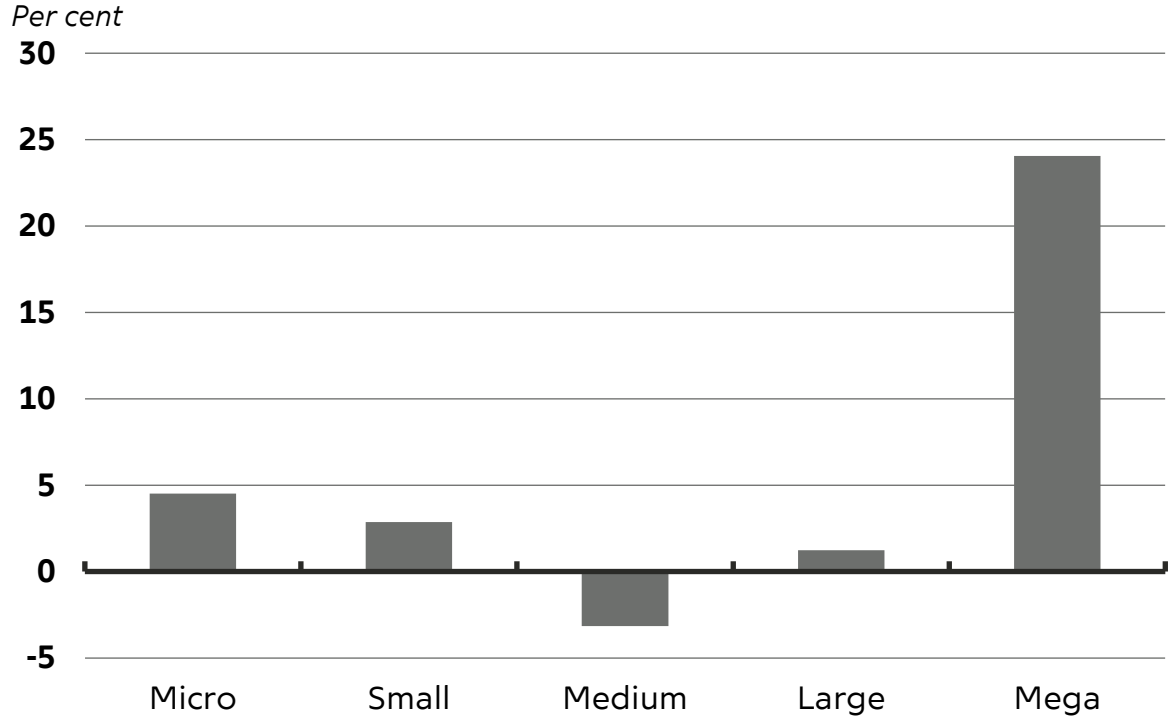
Gross investment - firm level



Note: Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

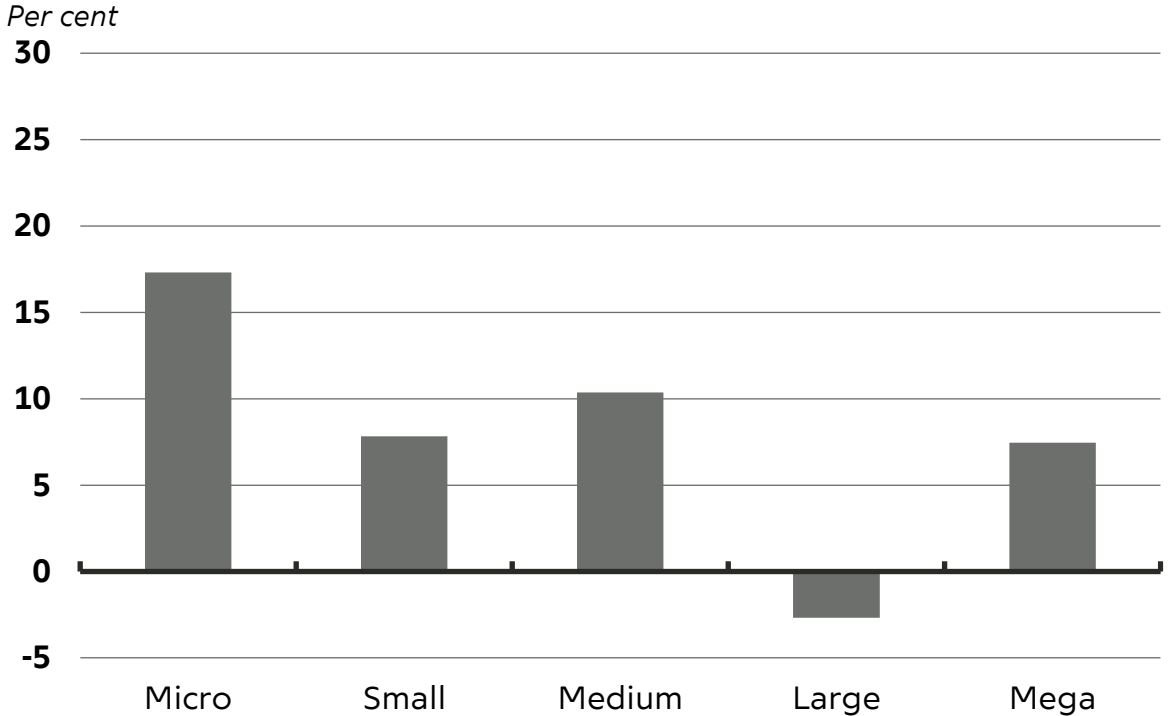
Average savings rate 2016-2024

Average savings rate - group level - 2016-2024



Remarks: Savings rate defined as Net lending / Gross value added. Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

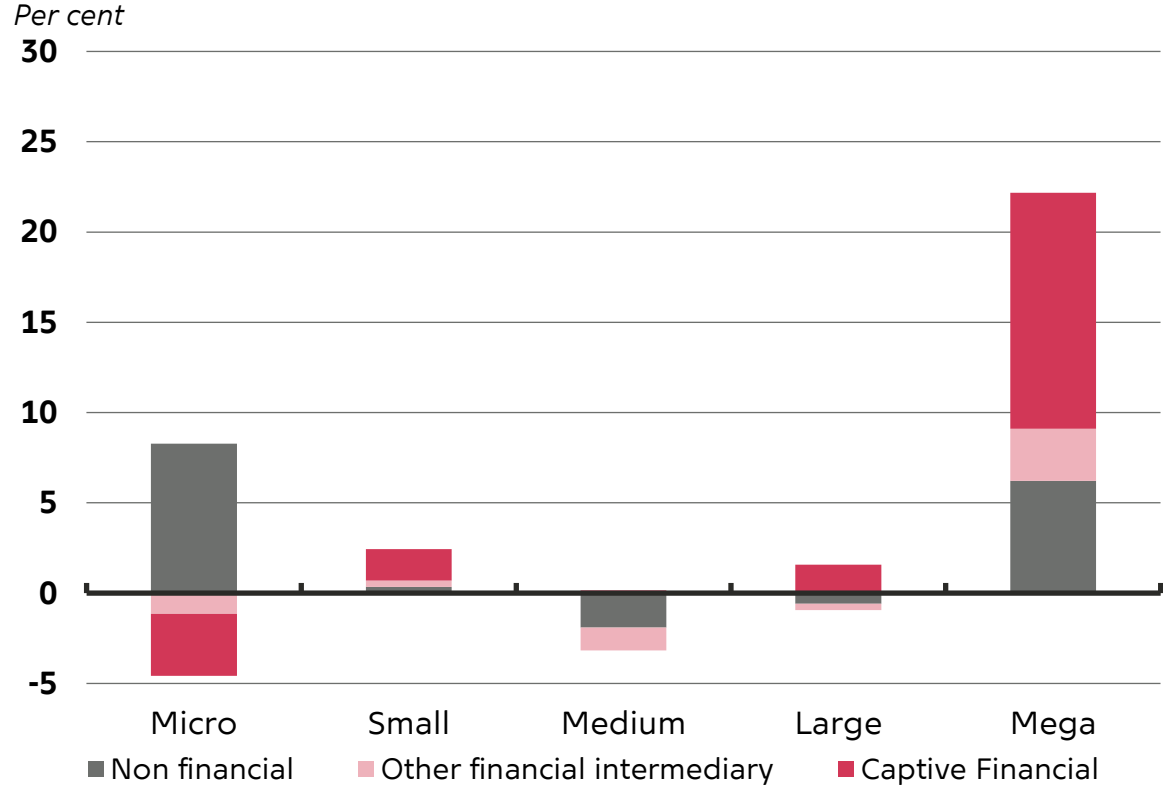
Average savings rate - firm level - 2016-2024



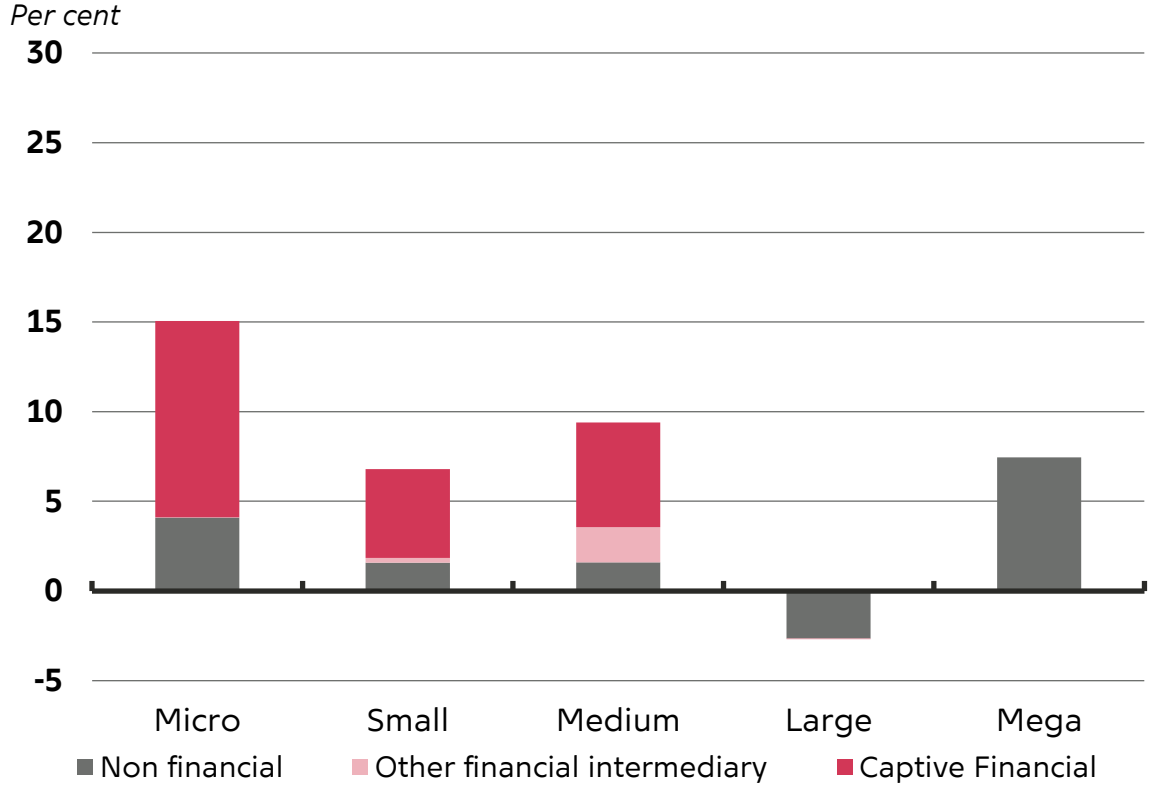
Remarks: Savings rate defined as Net lending / Gross value added. Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

Average savings rate by sector 2016-2024

Average savings rate - group level - 2016-2024



Average savings rate - firm level - 2016-2024



Remarks: Group sector defined by the ultimate owner in the group. Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

Micro: 0-9 employees, Small: 10-49 employees, Medium: 50-249 employees, Large: 250-1,999 employees, Mega: 2,000+ employees.

Conclusions

Highlights from our recent work with firm-level data

- Large companies are increasingly global in their operations.
- Concentration of production on large companies and shifts in the structures of production may affect fluctuations in the Danish economy.
- Macroeconomic policies should be aimed at stabilizing domestic capacity utilization.
- International activities of large firms are key to understanding the current account surplus.

Methodological considerations and data sources: Assessing savings rates of firms

- Important whether one considers the firm level or the group level.
- Groups don't necessarily follow sector splits – sometimes it makes more analytical sense to consider groups rather than sectors.
- Ownership potentially important (work in progress) – are business foundations different owners than households and the government?

Thank you
