



## PRESS RELEASE

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### **Economic activity up 0.3 % in the third quarter of 2018**

- **Public investment rose by 2.0 %**
- **Domestic employment grew by 0.4 %**

In the third quarter of 2018, seasonally and calendar adjusted GDP by volume increased by 0.3 % compared with the previous quarter. In comparison to the same quarter of 2017, economic growth worked out at 1.6 %.

Economic activity was 0.4 % higher than in the previous quarter in services and 0.1 % higher in industry. In the construction sector, it was down by 0.2 %.

Domestic demand (excluding inventories) remained stable. The increase in government consumption expenditure (+0.2 %) and investment (+2.0 %) as well as investment by households in residential housing (+0.5 %) was offset by the fall in household consumption expenditure (-0.2 %) and in business investment (-0.4 %). This evolution in business investment was influenced by a number of specific transactions involving sales and purchases of ships to and from abroad. Without these transactions in the third quarter and in the previous one too, the growth in business investment would have been positive to the tune of about 0.1 % in the third quarter.

These shipbuilding transactions have exerted an upward effect on exports and imports of goods and services. As a result, exports of goods and services rose by as much as 0.8 %, while the corresponding increase on the import side was 0.2 %. Consequently, the contribution from net exports to the increase in GDP was around 0.5 of a percentage point.

Compared with the previous quarter, domestic employment expressed in number of persons grew by 0.4 % during the third quarter of 2018. The increase worked out at 1.3 % in comparison to the same quarter of 2017.

## QUARTERLY AGGREGATES

### GDP, QUARTERLY GROWTH IN VOLUME

(data adjusted for seasonal and calendar effects)

	Percentage change compared to	
	corresponding quarter of the previous	previous quarter
	year	
2016 I	1.4	0.2
II	1.6	0.7
III	1.6	0.2
IV	1.4	0.3
2017 I	1.9	0.7
II	1.5	0.4
III	1.5	0.2
IV	1.9	0.7
2018 I	1.5	0.3
II	1.4	0.3
III	<b>1.6</b>	<b>0.3</b>

### MAIN COMPONENTS

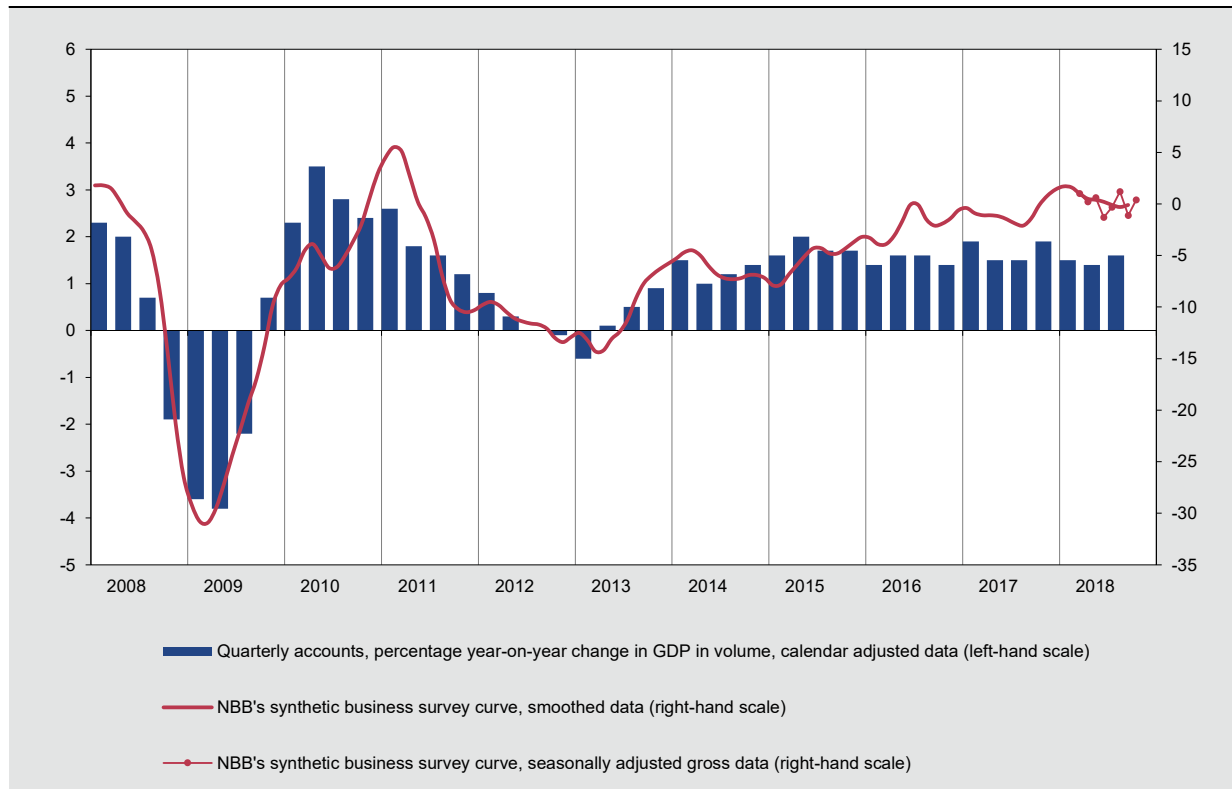
(percentage change in volume compared to the preceding period, data adjusted for seasonal and calendar effects)

	2016		2017				2018	
	IV	I	II	III	IV	I	II	III
<b>1. Value added</b>								
Industry	-0.1	0.8	-0.6	0.2	1.2	0.0	-0.5	<b>0.1</b>
Construction	-1.5	1.9	-0.5	-1.9	0.4	0.8	0.6	<b>-0.2</b>
Services	0.5	0.5	0.7	0.3	0.6	0.2	0.5	<b>0.4</b>
<b>2. Expenditure</b>								
Private consumption expenditure (1)	0.4	0.2	0.6	-0.2	0.0	0.5	0.3	<b>-0.2</b>
Final consumption expenditure of general government	0.7	-0.4	0.4	0.1	0.3	0.1	0.4	<b>0.2</b>
Total gross fixed capital formation	-6.4	2.0	1.0	-0.2	0.5	0.6	0.1	<b>0.0</b>
Business	-9.1	2.7	1.5	-0.5	0.8	0.6	-0.1	<b>-0.4</b>
Housing	-0.6	0.6	-0.9	0.1	-1.3	1.0	0.3	<b>0.5</b>
Public administration	0.4	0.4	1.5	1.1	2.0	0.0	0.8	<b>2.0</b>
Domestic demand (excluding inventories)	-1.2	0.5	0.6	-0.1	0.2	0.4	0.3	<b>0.0</b>
Change in inventories (2)	0.3	-0.3	-0.3	0.2	0.4	-0.4	-0.4	<b>-0.2</b>
Exports of goods and services	2.7	0.7	-0.2	-0.3	2.9	0.1	0.9	<b>0.8</b>
Imports of goods and services	1.2	0.1	-0.3	-0.3	2.8	-0.1	0.5	<b>0.2</b>
Net exports of goods and services (2)	1.2	0.5	0.1	0.0	0.1	0.2	0.4	<b>0.5</b>
<b>3. Labour market</b>								
Total number of workers	0.3	0.4	0.4	0.2	0.3	0.3	0.3	<b>0.4</b>

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.

GRAPH 1 GDP AND THE ECONOMIC CYCLE



Source: NAI.