



PRESS RELEASE

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Economic activity up 0.3 % in the fourth quarter of 2018

- Over the whole year 2018, real growth came to 1.4 %

In this press release, the National Accounts Institute (NAI) is publishing the main economic aggregates for the **fourth quarter** of 2018 and for the **year 2018** as a whole.

1. Main aggregates for the fourth quarter of 2018

Economic activity picked up in the fourth quarter of 2018. Seasonally and calendar adjusted GDP by volume grew by 0.3 % compared with the previous quarter. Compared with the corresponding quarter of the previous year, GDP rose by 1.2 %.

Compared with the previous quarter, value added was up in industry (+1.2 %), construction (+1.2 %), and in the services sector (+0.1 %).

Domestic demand, excluding inventories, was up by 0.4 %. Households and the government raised their investment by respectively 1.2 % and 0.7 %, while corporate investment grew as well (+3.3 %). Changes in these investment figures were once again influenced by a few specific transactions relating to sales and purchases of ships to and from foreign countries, with an overall positive net effect on total corporate investment of nearly 0.6 of a percentage point. By contrast, household consumption expenditure shrank by 0.3 % and the government scaled back its consumption expenditure (-0.2 %).

Exports of goods and services rose by 0.8 %, while imports of both categories were up 1.1 %. Therefore, the contribution of net exports of goods and services to economic growth worked out negative (-0.2 of a percentage point).

During the fourth quarter of 2018, domestic employment expanded by 0.3 % on a quarterly basis. Compared to the same period of 2017, the number of persons in employment rose by 1.3 % (a rise of 60 400 persons), as in the third quarter (+61 300 persons).

2. Aggregates for the year 2018

Having risen by 1.7 % in 2017, GDP by volume grew by 1.4 % in 2018.

In the services sector, value added rose by 1.5 %, a lower growth rate than in 2017 (2.2 %). This increase was mainly on the back of the “Professional, scientific and technical activities; administrative and auxiliary services” branch of activity (+3.3 %) and the “Information and communication” branch of activity (+9.0 %). In industry, a rise of 1.0 % was observed in 2018, coming on top of positive growth of 0.5 % in 2017. The construction industry also made progress: +0.9 % in 2018, compared with a 0.8 % decline in the year before.

As for domestic expenditure, gross investment in fixed assets was up by 2.0 % in 2018. All sectors contributed to this evolution: the government strongly increased their investment spending (+5.6 %), a normalization of investments by corporations was registered (+1.9 %) and investments by households slightly increased (+0.7 %). For the second year running, growth in household consumption expenditure slowed down, but still had, with +0.6 % growth, a positive influence on economic activity. Public consumption also showed some growth in 2018 (+0.8 %). Domestic demand (excluding changes in inventories) thus rose by 1.0 % in 2018.

Over the year 2018 as a whole, export volumes (+3.5 %) were up by more than import volumes (+2.7 %). Consequently, exports of goods and services made a positive contribution to economic growth of 0.7 of a percentage point.

Domestic employment expanded by 58 500 persons on average in 2018; the comparable figure for 2017 was 64 500 units.

QUARTERLY AGGREGATES**GDP, QUARTERLY GROWTH IN VOLUME***(data adjusted for seasonal and calendar effects)*

	Percentage change compared to	
	corresponding quarter of the previous year	previous quarter
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	1.6	0.3
IV	1.2	0.3

GDP, ANNUAL GROWTH IN VOLUME*(percentage changes, data adjusted for seasonal and calendar effects)*

2017	1.7
2018	1.4

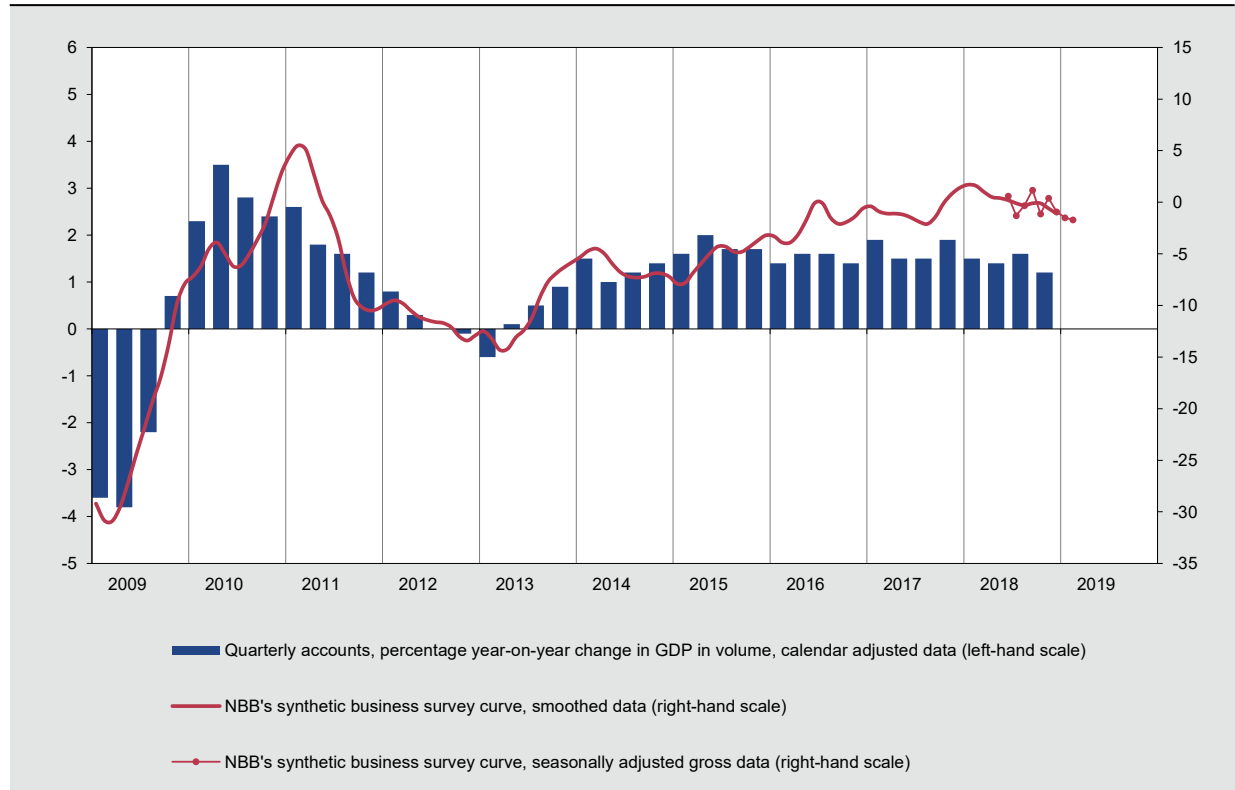
MAIN COMPONENTS*(percentage change in volume compared to the preceding period, data adjusted for seasonal and calendar effects)*

	2017				2018				
	II	III	IV	jaar	I	II	III	IV	jaar
1. Value added									
Industry	-0.6	0.2	1.2	0.5	0.0	-0.5	0.3	1.2	1.0
Construction	-0.5	-1.9	0.4	-0.8	0.8	0.6	0.4	1.2	0.9
Services	0.7	0.3	0.6	2.2	0.2	0.5	0.3	0.1	1.5
P.m. GDP	0.4	0.2	0.7	1.7	0.3	0.3	0.3	0.3	1.4
2. Expenditure									
Private consumption expenditure (1)	0.6	-0.2	0.0	1.1	0.5	0.2	-0.2	-0.3	0.6
Final consumption expenditure of general government	0.4	0.1	0.3	0.6	0.1	0.4	0.1	-0.2	0.8
Total gross fixed capital formation	1.0	-0.2	0.5	1.8	0.8	0.1	-0.1	2.6	2.0
Business	1.5	-0.5	0.8	2.3	0.6	-0.1	-0.4	3.3	1.9
Housing	-0.9	0.1	-1.3	0.0	1.1	0.3	0.5	1.2	0.7
Public administration	1.5	1.1	2.0	2.1	1.6	0.9	1.1	0.7	5.6
Domestic demand (excl. changes in stocks)	0.6	-0.1	0.2	1.1	0.5	0.2	-0.1	0.4	1.0
Change in inventories (2)	-0.3	0.2	0.4	0.0	-0.4	-0.3	0.1	0.1	-0.3
Exports of goods and services	-0.2	-0.3	2.9	5.0	0.1	0.6	1.4	0.8	3.5
Imports of goods and services	-0.3	-0.3	2.8	4.3	-0.1	0.2	1.1	1.1	2.7
Net exports of goods and services (2)	0.1	0.0	0.1	0.6	0.2	0.4	0.3	-0.2	0.7
3. Labour market									
Total number of workers	0.4	0.2	0.3	1.4	0.3	0.3	0.3	0.3	1.2
Number of hours worked by employees	0.5	0.5	0.4	1.6	0.3	0.3	0.3	nb	nb

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.

GRAPH 1 GDP AND THE ECONOMIC CYCLE



Source: NAI.