



## PRESS RELEASE

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### **Economic activity grows by 0.3 % in the second quarter of 2018**

In this press release, the National Accounts Institute (NAI) publishes the result of the flash estimate of economic growth for the second quarter of 2018.

At the same time, it is publishing an updated version of the accounts for the first quarter of 2018, which draws on a wider series of source data.

#### 1. Flash estimate of economic growth in the second quarter of 2018

According to the flash estimate for seasonally and calendar adjusted gross domestic product (GDP) in volume terms, economic activity in the second quarter of 2018 expanded by 0.3 % compared with the previous quarter. On an annual basis, economic growth works out at 1.3 %.

#### 2. Accounts for the first quarter of 2018

In the first quarter of 2018, seasonally and calendar adjusted GDP in volume rose by 0.3 % compared with the previous quarter. Year-on-year growth of GDP was 1.5 % in the first quarter of 2018.

Compared with the previous quarter, value added was up by 1.3 % in construction and by 0.2 % in the services sector. In industry, on the other hand, it fell back by 0.3 %.

Domestic demand increased. Households stepped up their consumption expenditure by 0.3% and their investment in residential buildings by 1.1 %. Business investment (+0.1%) and public investment (+1.0 %) also posted an increase. By contrast, public consumption dropped back by 0.2 %.

Exports of goods and services rose slightly (+0.1 %), unlike imports, which contracted by 0.2%, so that the contribution of net exports of goods and services to GDP growth was positive (+0.2 of a percentage point).

In the first quarter of 2018, domestic employment firmed up by 0.4 % compared with the previous quarter. In comparison to the corresponding quarter of the previous year, it grew by 1.2 %.

The volume of labour among wage-earners showed an increase of 0.3 % on a quarterly basis and 1.7 % on an annual basis.

## 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	1.3	0.3
II	1.5	0.7
III	1.5	0.1
IV	1.3	0.3
2017 I	1.8	0.7
II	1.6	0.5
III	1.6	0.2
IV	1.9	0.5
<b>2018 I</b>	<b>1.5</b>	<b>0.3</b>
<b>II</b>	<b>1.3</b>	<b>0.3</b>

### MAIN COMPONENTS

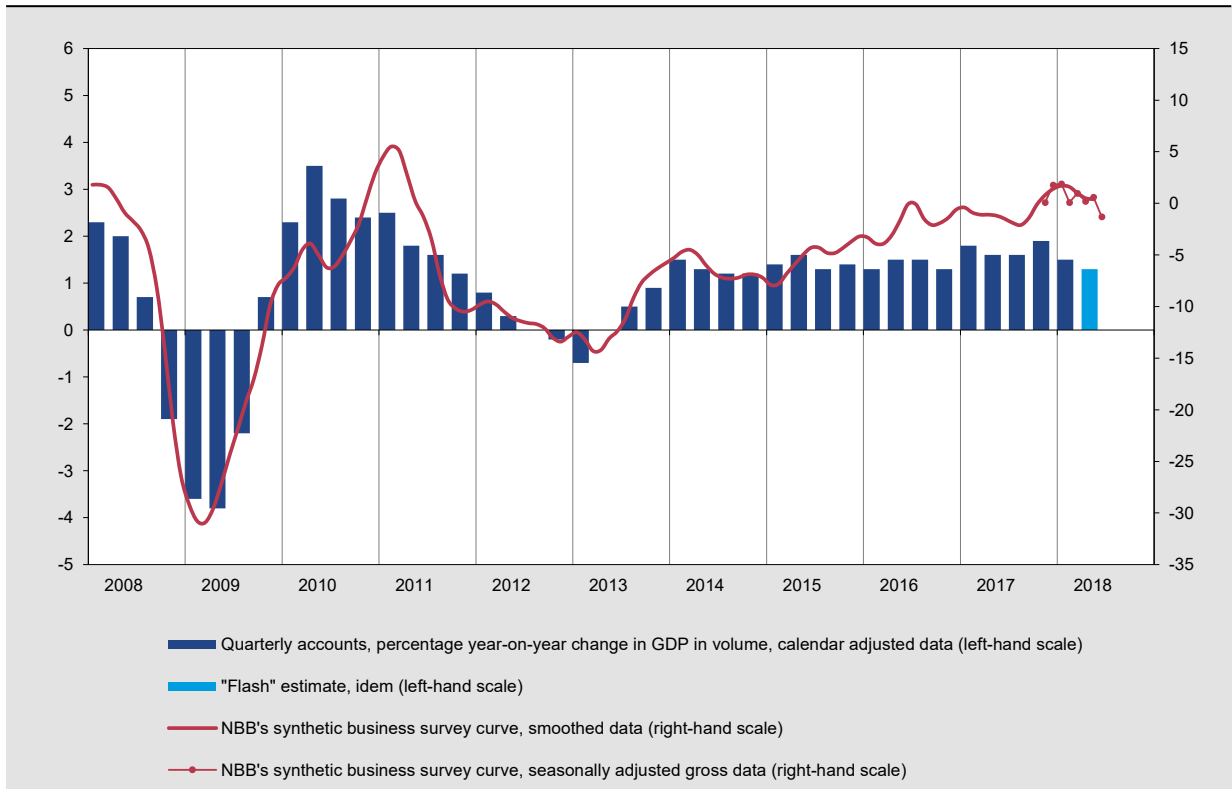
*(percentage change in volume compared to the preceding period, data adjusted for seasonal and calendar effects)*

	2016				2017				2018
	II	III	IV	I	II	III	IV	I	
<b>1. Value added</b>									
Industry	0.3	-0.3	-0.1	0.1	-0.1	-0.1	0.2	<b>-0.3</b>	
Construction	0.1	-0.8	-1.0	2.7	0.1	-0.8	0.1	<b>1.3</b>	
Services	0.8	0.3	0.4	0.7	0.7	0.3	0.6	<b>0.2</b>	
<b>2. Expenditure</b>									
Private consumption expenditure (1)	0.7	0.3	0.0	0.6	0.4	0.3	0.0	<b>0.3</b>	
Final consumption expenditure of general government	-0.4	0.3	0.7	-0.1	0.6	0.6	0.3	<b>-0.2</b>	
Total gross fixed capital formation	0.8	7.7	-5.8	0.4	1.0	0.0	0.8	<b>0.4</b>	
Business	0.6	11.6	-8.2	0.3	1.5	-0.2	1.2	<b>0.1</b>	
Housing	2.0	-0.1	-0.4	0.8	-0.7	0.2	-0.6	<b>1.1</b>	
Public administration	-1.0	-1.1	-0.3	1.4	1.5	0.6	0.8	<b>1.0</b>	
Domestic demand (excluding inventories)	0.4	2.1	-1.3	0.4	0.6	0.3	0.3	<b>0.2</b>	
Change in inventories (2)	0.5	-0.1	0.3	0.0	-0.2	0.0	0.1	<b>-0.1</b>	
Exports of goods and services	5.8	0.9	2.9	0.6	-0.3	-0.4	2.8	<b>0.1</b>	
Imports of goods and services	6.1	3.1	1.4	0.2	-0.4	-0.3	2.7	<b>-0.2</b>	
Net exports of goods and services (2)	-0.2	-1.8	1.3	0.4	0.1	-0.1	0.2	<b>0.2</b>	
<b>3. Labour market</b>									
Total number of workers	0.4	0.5	0.3	0.3	0.5	0.3	0.2	<b>0.4</b>	
Number of hours worked by employees	0.3	0.3	0.6	0.2	0.5	0.3	0.5	<b>0.3</b>	

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.

GRAPH 1 GDP AND THE ECONOMIC CYCLE



Source: NAI.