



PRESS RELEASE

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In the fourth quarter of 2018, economic activity picked up by 0.3 %

- **First GDP estimate for 2018 points to a real growth rate of 1.4 %**

1. Flash estimate¹ of economic growth in the fourth quarter of 2018

According to the National Accounts Institute (NAI), seasonally and calendar adjusted gross domestic product (GDP) grew by 0.3 % in volume terms **in the fourth quarter of 2018** compared with the previous quarter. In comparison to the corresponding quarter of 2017, GDP grew by 1.2 %.

For the year **2018 as a whole**, a first provisional estimate suggests GDP has risen by 1.4 %.

2. Accounts for the third quarter of 2018

In the third quarter of 2018, seasonally and calendar adjusted GDP by volume rose by 0.3 % on the previous quarter. Value added was up in industry (+0.3 %) as well as construction (+0.4 %) and the services sector (+0.3 %).

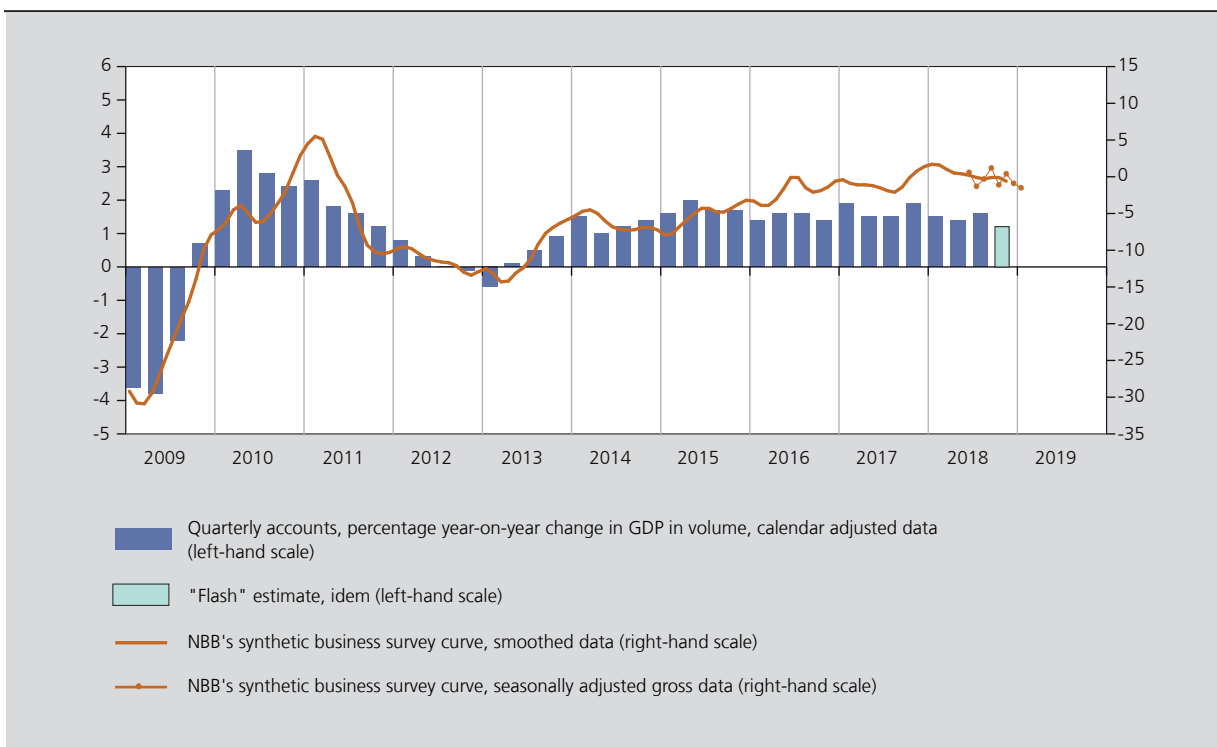
Domestic demand, excluding inventories, fell by 0.1 %. Households reduced their consumption expenditure by 0.2 % and companies cut back their gross investment in fixed capital (-0.4 %). Several specific transactions relating to sales and purchases of ships to and from foreign countries exerted a downward influence on the trend in business investment. Without these exceptional transactions and the similar transaction in the previous quarter, growth of corporate investment in the third quarter would have come in at a positive figure of around 0.1 %. By contrast, households stepped up their investment in residential buildings by 0.5 % and government expenditure was also higher, in terms of consumption (+0.1 %) as well as investment (+0.3 %).

Conversely, foreign demand was up. Exports of goods and services rose by 1.4 %. Growth of imports of goods and services remained limited to 1.1 %, so net exports made a positive contribution to growth (+0.3 percentage point).

In the third quarter of 2018, domestic employment expanded by 15 000 persons (+0.3 %) on a quarterly basis and by 61 300 persons (+1.3 %) on an annual basis. These growth figures were primarily attributable to the increase in employment in services, and especially in business services, as well as to employment growth in health and care and in trade, transport and catering. Likewise, the volume of labour among wage-earners rose by 0.3 % compared with the previous quarter and by 1.4% compared with the same quarter of the year before.

¹ The flash estimate of economic growth is compiled 30 days after the end of the quarter and is based on provisional indicators. This figure is adjusted 60 and 120 days after the end of the quarter on the basis of more detailed information that comes to light in the meantime.

GRAPH 1 GDP AND THE ECONOMIC CYCLE



Source: NAI.

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)*

2015	1.7
2016	1.5
2017	1.7
2018	1.4^e

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	
1. Value added									
Industry	-0.1	0.8	-0.6	0.2	1.2	0.0	-0.5	0.3	
Construction	-1.5	1.9	-0.5	-1.9	0.4	0.8	0.6	0.4	
Services	0.5	0.5	0.7	0.3	0.6	0.2	0.5	0.3	
P.m. GDP	0.3	0.7	0.4	0.2	0.7	0.3	0.3	0.3	
2. Expenditure									
Private consumption expenditure (1)	0.4	0.2	0.6	-0.2	0.0	0.5	0.2	-0.2	
Final consumption expenditure of general government	0.7	-0.4	0.4	0.1	0.3	0.1	0.4	0.1	
Total gross fixed capital formation	-6.4	2.0	1.0	-0.2	0.5	0.6	0.1	-0.2	
Business	-9.1	2.7	1.5	-0.5	0.8	0.6	-0.1	-0.4	
Housing	-0.6	0.6	-0.9	0.1	-1.3	1.0	0.3	0.5	
Public administration	0.4	0.4	1.5	1.1	2.0	0.0	0.8	0.3	
Domestic demand (excl. changes in stocks)	-1.2	0.5	0.6	-0.1	0.2	0.5	0.2	-0.1	
Changes in stocks (2)	0.3	-0.3	-0.3	0.2	0.4	-0.4	-0.3	0.1	
Exports of goods and services	2.7	0.7	-0.2	-0.3	2.9	0.2	0.7	1.4	
Imports of goods and services	1.2	0.1	-0.3	-0.3	2.8	-0.1	0.2	1.1	
Net exports of goods and services (2)	1.2	0.5	0.1	0.0	0.1	0.2	0.4	0.3	
3. Labour market									
Total number of workers	0.3	0.4	0.4	0.2	0.3	0.3	0.3	0.3	
Number of hours worked by employees	0.8	0.1	0.5	0.5	0.4	0.3	0.3	0.3	

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.