



## PRESS RELEASE

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### **Economic activity up by 0.5 % in the fourth quarter of 2016. Over the year 2016 as a whole, it rose by 1.2 %.**

The National Accounts Institute (NAI) publishes today, Tuesday 28 February 2017, the main economic aggregates for the **fourth quarter** and for the **year 2016** as a whole.

#### 1. Main aggregates for the fourth quarter of 2016

Economic activity expanded in the fourth quarter of 2016. The seasonally- and calendar-adjusted gross domestic product (GDP) in volume terms grew by 0.5 % compared with the previous quarter. GDP was 1.2 % higher than in the corresponding quarter of the year before.

By comparison with the previous quarter, value added rose by 0.2 % in industry, by 0.4 % in construction and by 0.6 % in the services.

Both household (+0.2 %) and government final consumption expenditure (+0.4 %) as well as investment by businesses (+1.9 %), households (+0.7 %) and government (+0.8 %) increased. Domestic demand (excluding inventories) was up by a total of 0.6 %.

Just as the previous quarter, external demand picked up too. Exports of goods and services rose by 2.0 %, while imports of goods and services increased by 2.2 %.

During the fourth quarter of 2016, employment grew by 0.3 % on a quarterly basis. Compared with the corresponding period of 2015, the number of employed persons increased by 1.5 % (an increase of approximately 68 500 persons), after a rise of 1.4 % (+63 600 persons) in the third quarter.

## 2. Aggregates for the year 2016

On top of a 1.5 % increase in 2015, GDP in volume terms grew further in 2016: over the year as a whole, economic growth worked out at 1.2 %.

In the services sector, value added rose by 1.0 % in industry, on the back of a 0.8 % increase in 2015. There were also signs of growth gaining momentum in construction, where value added progressed by 3.6 % in 2016, against 3.2 % the year before. In the industry, on the other hand, the pace of growth slowed down from 4.0 % in 2015 to 1.6 % in 2016.

As regards domestic expenditure, gross fixed capital formation grew by 2.1% in 2016. This increase is attributable to higher investment by businesses (+0.9 %), government (+2.6 %) and households (+5.4 %).

In 2016, household final consumption expenditure had a positive influence on economic activity, thanks to a 0.7 % increase. Even government consumption expenditure posted a rise in 2016 (+0.2 %).

As a result of these positive growth figures, domestic demand (excluding inventories) rose by 0.9 %.

Over the year 2016 as a whole, the higher export volume (+6.1 %) came to more than that for imports (+5.3 %). Consequently, net exports of goods and services made a positive contribution of 0.8 percentage point to growth.

Employment expanded by an average of 59 500 persons in 2016, after having risen by about 42 100 units in 2015.

## QUARTERLY AND YEARLY 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
2014 I	1.6	0.5
II	1.7	0.4
III	1.7	0.4
IV	1.5	0.3
2015 I	1.4	0.4
II	1.6	0.6
III	1.4	0.1
IV	1.6	0.5
<b>2016 I</b>	<b>1.3</b>	<b>0.1</b>
<b>II</b>	<b>1.2</b>	<b>0.5</b>
<b>III</b>	<b>1.3</b>	<b>0.2</b>
<b>IV</b>	<b>1.2</b>	<b>0.5</b>

### GDP, ANNUAL GROWTH IN VOLUME

(percentage changes, data adjusted for seasonal and calendar effects)

2015	1.5
<b>2016</b>	<b>1.2</b>

### MAIN COMPONENTS

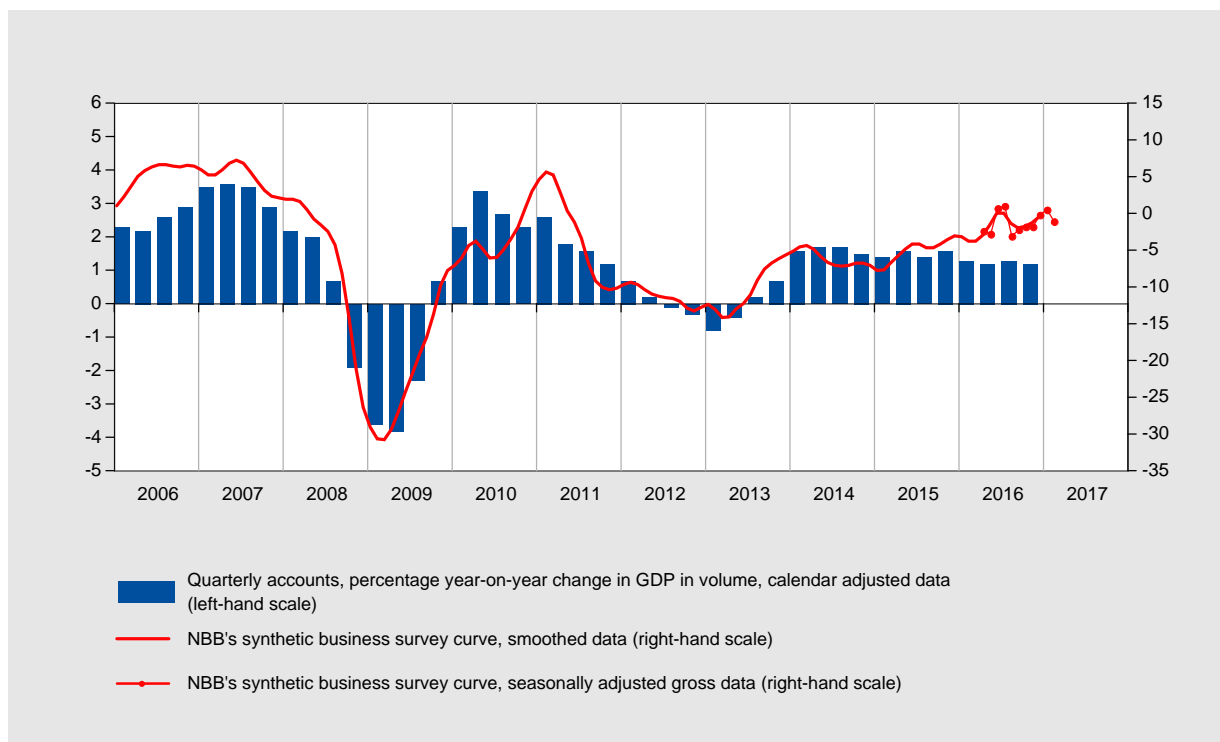
(percentage change in volume compared to the preceding period, data adjusted for seasonal and calendar effects)

	2015				2016				
	II	III	IV	year	I	II	III	IV	year
<u>1. Value added</u>									
Industry	1.0	0.8	1.2	<b>4.0</b>	0.0	-0.2	0.4	0.2	<b>1.6</b>
Construction	1.8	0.6	1.0	<b>3.2</b>	1.5	0.5	0.2	0.4	<b>3.6</b>
Services	0.4	-0.1	0.3	<b>0.8</b>	0.0	0.6	0.1	0.6	<b>1.0</b>
<u>2. Expenditure</u>									
Private consumption expenditure (1)	0.6	-0.3	0.1	<b>1.1</b>	0.0	0.4	0.4	0.2	<b>0.7</b>
Final consumption expenditure of general government	0.0	-0.3	0.0	<b>0.5</b>	0.3	-0.1	-0.1	0.4	<b>0.2</b>
Total gross fixed capital formation	-10.2	2.1	1.8	<b>2.4</b>	1.5	1.5	-1.1	1.5	<b>2.1</b>
Business	-13.9	2.7	1.8	<b>3.1</b>	1.7	1.4	-2.2	1.9	<b>0.9</b>
Housing	-2.1	-0.1	3.4	<b>0.8</b>	1.1	2.4	0.5	0.7	<b>5.4</b>
Public administration	-1.3	2.6	-1.4	<b>1.9</b>	1.4	0.1	2.1	0.8	<b>2.6</b>
Domestic demand (excluding inventories)	-2.2	0.3	0.5	<b>1.2</b>	0.5	0.6	-0.1	0.6	<b>0.9</b>
Change in inventories (2)	0.8	0.0	-0.1	<b>0.3</b>	-0.5	0.0	0.0	0.0	<b>-0.4</b>
Exports of goods and services	1.1	0.3	2.0	<b>4.3</b>	0.6	3.6	0.6	2.0	<b>6.1</b>
Imports of goods and services	-1.3	0.5	1.7	<b>4.3</b>	0.4	3.8	0.3	2.2	<b>5.3</b>
Net exports of goods and services (2)	2.0	-0.2	0.2	<b>0.0</b>	0.1	0.0	0.3	0.0	<b>0.8</b>
<u>3. Labour market</u>									
Total number of workers	0.3	0.3	0.2	<b>0.9</b>	0.3	0.5	0.4	0.3	<b>1.3</b>
Number of hours worked by employees	-0.1	0.0	0.6	<b>0.6</b>	0.5	0.2	0.1	n.	<b>n.</b>

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.

Chart 1  
**GDP and the economic cycle**



Source: NAI