



National Accounts Institute



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## PRESS RELEASE

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### **Economic activity up by 0.4 % in the second quarter of 2018**

In the second quarter of 2018, seasonally and calendar adjusted gross domestic product (GDP) grew by 0.4 % in volume terms compared with the previous quarter. On an annual basis, economic activity rose by 1.4 %.

The trend in activity differed from one branch to another: in comparison to the previous quarter, value added was down in industry (-0.2 %) but rose in construction (+0.4 %) and the services sector (+0.5 %).

All components of domestic demand (excluding inventories) showed an improvement. Households raised their consumption expenditure (+0.1 %) and their investment (+0.3 %). Government expenditure was also up, in terms of both consumption (+0.4 %) and investment (+1.6 %). In addition, companies stepped up their own investment by 1.0 %.

Net exports of goods and services made a positive contribution to the change in GDP (+0.3 of a percentage point), as exports rose by more (+0.7 %) than imports (+0.4 %).

In the second quarter of 2018, domestic employment expanded by 0.5 % from the previous quarter. On a year-on-year basis, it was 1.2 % higher.

## 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	1.3	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
2018 I	1.5	0.3
II	<b>1.4</b>	<b>0.4</b>

### MAIN COMPONENTS

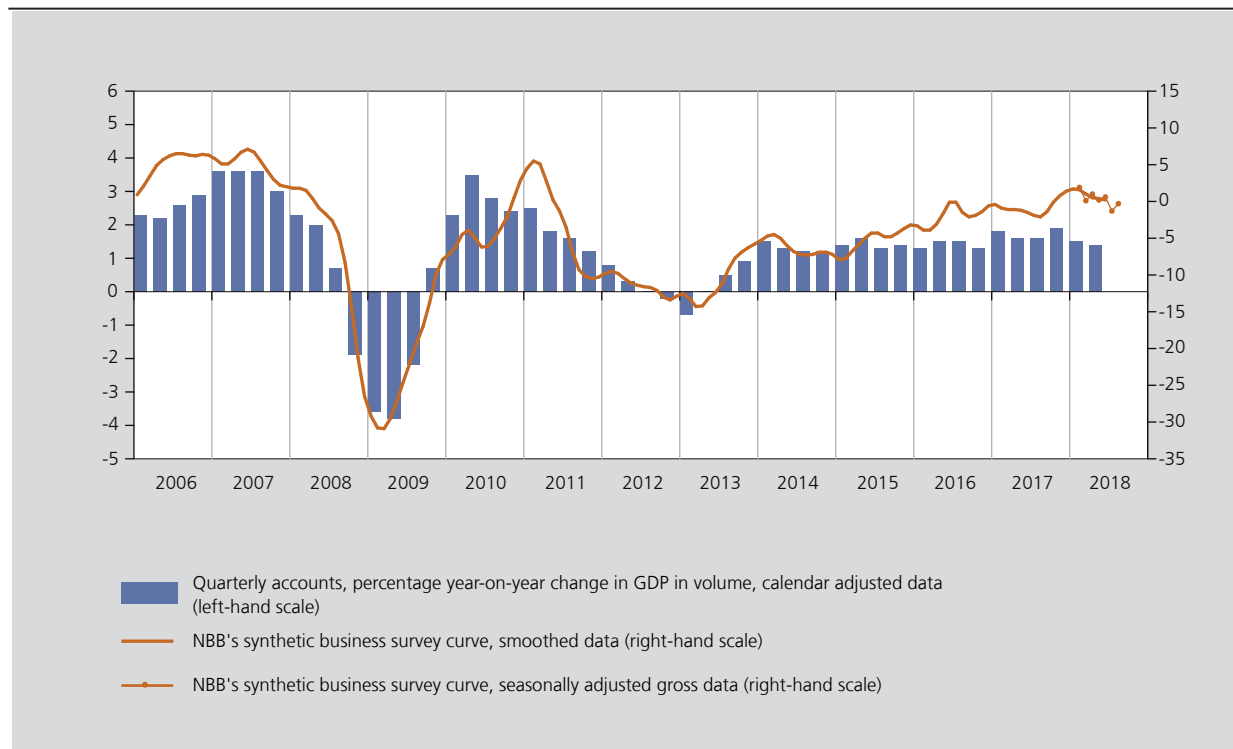
*(percentage change in volume compared to the preceding period. data adjusted for seasonal and calendar effects)*

	2016		2017				2018	
	III	IV	I	II	III	IV	I	II
<u>1. Value added</u>								
Industry	-0.3	-0.1	0.1	-0.1	-0.1	0.2	-0.3	<b>-0.2</b>
Construction	-0.8	-1.0	2.7	0.1	-0.8	0.1	1.3	<b>0.4</b>
Services	0.3	0.4	0.7	0.7	0.3	0.6	0.2	<b>0.5</b>
<u>2. Expenditure</u>								
Private consumption expenditure (1)	0.3	0.0	0.6	0.4	0.3	0.0	0.3	<b>0.1</b>
Final consumption expenditure of general government	0.3	0.7	-0.1	0.6	0.6	0.3	-0.2	<b>0.4</b>
Total gross fixed capital formation	7.7	-5.8	0.4	1.0	0.0	0.8	0.4	<b>0.9</b>
Business	11.6	-8.2	0.3	1.5	-0.2	1.2	0.1	<b>1.0</b>
Housing	-0.1	-0.4	0.8	-0.7	0.2	-0.6	1.1	<b>0.3</b>
Public administration	-1.1	-0.3	1.4	1.5	0.6	0.8	1.0	<b>1.6</b>
Domestic demand (excluding inventories)	2.1	-1.3	0.4	0.6	0.3	0.3	0.2	<b>0.4</b>
Change in inventories (2)	-0.1	0.3	0.0	-0.2	0.0	0.1	-0.1	<b>-0.2</b>
Exports of goods and services	0.9	2.9	0.6	-0.3	-0.4	2.8	0.1	<b>0.7</b>
Imports of goods and services	3.1	1.4	0.2	-0.4	-0.3	2.7	-0.2	<b>0.4</b>
Net exports of goods and services (2)	-1.8	1.3	0.4	0.1	-0.1	0.2	0.2	<b>0.3</b>
<u>3. Labour market</u>								
Total number of workers	0.5	0.3	0.3	0.5	0.3	0.2	0.4	<b>0.5</b>

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.

GRAPH 1 GDP AND THE ECONOMIC CYCLE



Source: NAI.