



PRESS RELEASE

Links: [Infographics](#) [NBB.Stat](#) [General information](#)

Slowdown in Belgian economic growth to 0.2 % in the second quarter of 2022 confirmed

Economic growth

Seasonally and calendar adjusted gross domestic product (GDP) in volume terms rose by 0.2 % **in the second quarter of 2022** compared with the previous quarter. Year on year, or measured against the second quarter of 2021, growth came to 3.3 %.

The slowdown in growth is broad-based among the major branches of activity. Compared with the previous quarter, value added was down by 0.2 % in industry. However, this decline is less marked than that observed in the first quarter of 2022 (-0.8 %). In construction and in the services sector, growth of economic activity remained positive, but slowed down to 0.3 %.

Domestic demand

Private consumption grew by 0.7 % in the second quarter. This increase is entirely due to purchases of non-durable goods while consumption of durable goods continued to fall. Investment in housing dipped slightly (-0.4 %) in the context of rising mortgage rates. Government consumption expenditure increased by 0.5 %. Buoyed up by purchase of an aircraft by National Defence, government investment posted a sharp rise (+5.2 %). By contrast, adversely affected by a few specific foreign ship purchase transactions in the first quarter of 2022, business investment declined by 2.3 %.

Foreign trade

As exports of goods and services contracted more sharply (-0.6 %) than imports (-0.4 %), net exports had a negative impact on the change in GDP (-0.2 of a percentage point).

Employment

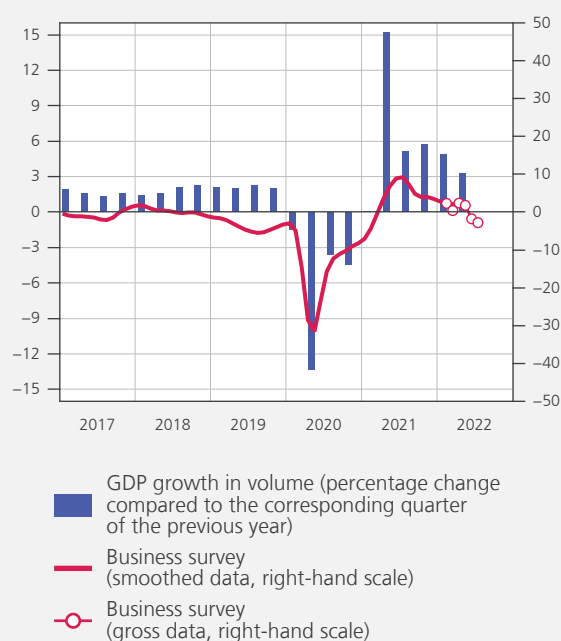
In the second quarter of 2022, domestic employment grew by 0.6 % on a quarterly basis, which represents an increase of 29 300 persons. Compared with the corresponding period of 2021, the number of people in employment rose by 2.1 % (an increase of 105 700 persons).

Compared with the flash estimate of 28 July 2022, the newly published growth figures are a lot more accurate. The main administrative data (namely, VAT data, industrial production statistics, etc.) were equally available, as is customary with the 60-day estimate of GDP for a given quarter. The main uncertainties stemming from the pandemic in this estimate are currently in the area of non-market production and the components of the expenditure approach, for which the available information was still fairly limited and for which traditional estimation models were not always applicable. It is here that wider revisions are possible in the future and, therefore, also at the overall GDP level. As far as seasonal adjustment of the data series is concerned, the recent [Eurostat guidance](#) on the subject has been closely followed in order to estimate the impact of COVID-19 as accurately as possible.

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

	Percentage change compared to	
	Corresponding quarter of the previous year	previous quarter
2020 I	-1.5	-3.2
II	-13.3	-11.6
III	-3.6	11.9
IV	-4.4	-0.1
2021 I	0.1	1.3
II	15.2	1.7
III	5.1	2.1
IV	5.7	0.4
2022 I	4.9	0.5
II	3.3	0.2

GDP AND THE ECONOMIC CYCLE



MAIN COMPONENTS

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

	2021				2022	
	I	II	III	IV	I	II
1. Value added						
Industry	2.4	0.6	-0.3	2.7	-0.8	-0.2
Construction	1.6	0.3	-1.0	0.0	0.7	0.3
Services	0.9	1.7	2.5	0.2	0.7	0.3
p.m. GDP	1.3	1.7	2.1	0.4	0.5	0.2
2. Expenditure						
Private consumption expenditure (1)	1.8	3.8	5.7	-0.8	0.6	0.7
Final consumption expenditure of general government	1.0	-0.7	7.4	0.2	-2.5	0.5
Total gross fixed capital formation	1.8	1.1	-1.0	-2.2	1.3	-1.1
Business	2.1	1.6	-3.1	-2.8	2.7	-2.3
Housing	3.8	0.9	1.2	-0.3	2.5	-0.4
Public administration	-4.2	-1.9	8.4	-2.7	-8.9	5.2
Domestic demand (excluding inventories)	1.6	2.0	4.4	-0.9	-0.3	0.2
Change in inventories (2)	-0.8	-0.2	-1.3	1.2	0.1	0.2
Exports of goods and services	1.3	5.3	0.2	1.8	1.2	-0.6
Imports of goods and services	0.7	5.5	1.4	1.6	0.6	-0.4
Net exports of goods and services (2)	0.5	0.0	-1.0	0.2	0.5	-0.2
3. Labour market						
Total number of workers	0.3	0.9	0.7	0.4	0.4	0.6

(1) Including non-profit institutions serving households.
(2) Contribution to the change in GDP.