



STATISTICS IN FOCUS

Economy and finance



1997 □ 17

ISSN 1024-4298

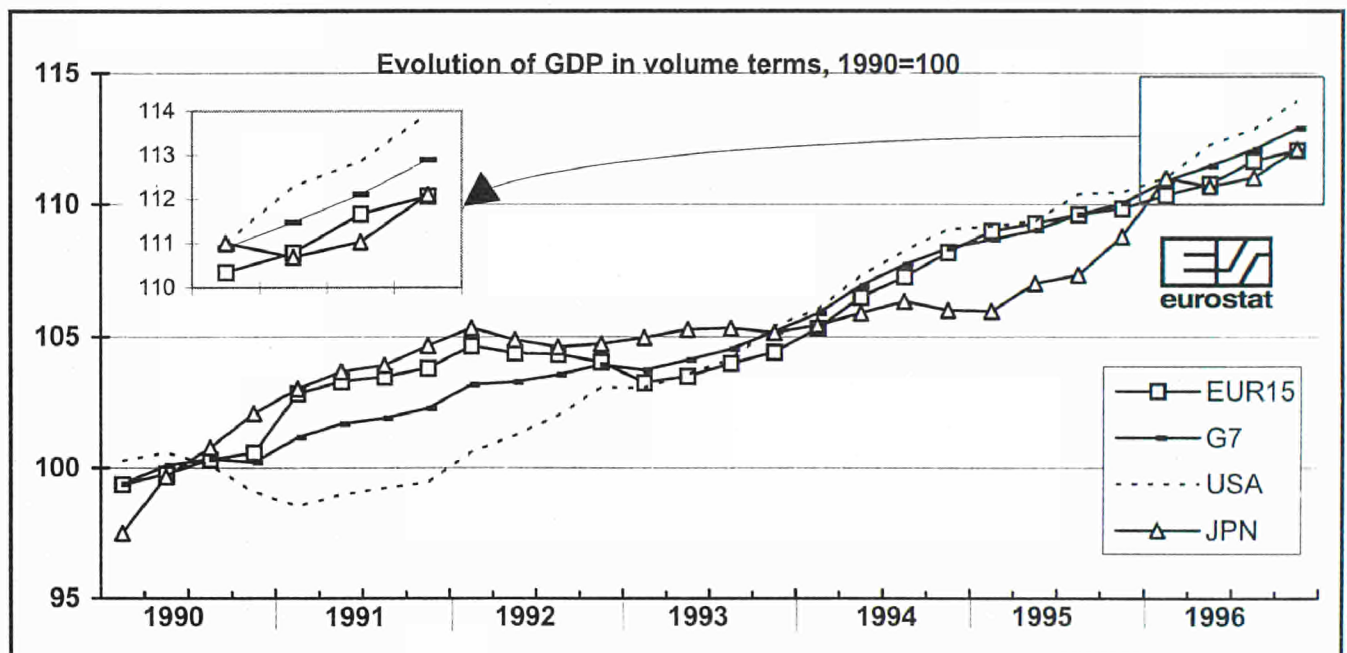
Quarterly National Accounts - Fourth Quarter 1996

Eurostat estimates for the fourth quarter of 1996 show a slowdown in the rate of GDP growth when compared with the previous quarter (GDP growth of 0.4%). This slowdown is principally due to stagnation of the main components, notably private and public consumption (contributing 0.17 and 0.03 to the GDP variation respectively) and gross fixed capital formation (contributing 0.07 to the GDP variation).

By comparison, on a quarterly basis, US economic growth accelerated (+0.9% growth in GDP) and the recovery of the Japanese economy continued to intensify (+1.0%). Economic growth of the G7 also accelerated slightly (+0.7%).

European Union GDP in the fourth quarter of 1996 was 2.0% higher than that in the corresponding quarter of 1995, whilst the growth rate in the US and Japan was higher (at +3.1% for both).

European Union GDP grew by 1.6% during 1996, whilst the growth rate was 2.4% in the US and 3.6% in Japan.



* Methodological Note: Data for the EUR15 are calculated with a coherent and consistent statistical technique using the data available from those Member States which compile quarterly accounts.

Manuscript completed on = 14.05.1997

For further information please contact: G.L.Mazzi / R. Barcellan

Eurostat, L-2920 Luxembourg, tel. 4301-34351 Fax: 4301-33879 e-mail: gianluigi.mazzi@eurostat.cec.be / roberto.barcellan@ems.be

Price (excl. VAT) in Luxembourg: Subscription 'Statistics in focus' of all themes: ECU 310

Subscription 'Statistics in focus' of Theme 2 'Economy and Finance': ECU 85

Single copy: ECU 6

Catalogue number: CA-NJ-97-017-EN-C

THE EVOLUTION OF GDP AND ITS COMPONENTS

The European Union and its principal partners

During the fourth quarter of 1996 the growth rate of the EU economy slowed, whereas growth accelerated in the economies of its main economic partners, the US and Japan.

The economic growth of the first three quarters of 1996 for the European Union continued in the fourth quarter, but at a slower rate (+0.4% GDP growth compared with the previous quarter*). The growth of the US economy, and to a greater degree the Japanese economy, accelerated in the fourth quarter (GDP growth of +0.9% and +1.0% over the third quarter respectively). The Canadian economy continued to grow (+0.7%) although slightly slower, Australia was unchanged (0.0%), and Switzerland recovered slightly (+0.1%) after a period of contraction.

G7 quarter-on-quarter economic growth accelerated (+0.7%), driven by growth in Japan, the US and the UK, counterbalanced by slowdowns in Germany, France and Canada, and by a contraction in Italy.

There was a slowdown in economic growth during 1996 for the European Union (+1.6%) and Canada (+1.5%). By contrast, there was acceleration in the growth of the US (+2.4%), Japan (+3.6%), and notably Australia (+4.1%). Only the Swiss economy contracted (-0.7%).

The quarter-on-quarter growth of private consumption slowed in the EU (to +0.3%). It recovered in Switzerland (+0.4%), Australia (+0.6%) and Japan (+1.2%), and accelerated in the US (+0.8%) and Canada (+1.4%).

There was a slowdown in the growth of gross fixed capital formation in the EU (+0.3%), the US (+0.9%) and Australia (+1.3%). There was a contraction in gross fixed capital formation for Japan and Switzerland (-0.5% and -1.1% respectively). Only Canada had an acceleration in growth (to +4.9%).

EU stocks as a proportion of GDP increased slightly (to +0.4%), whilst US (+0.2%) and Japanese (+0.1%) stocks grew slowly, and stocks were run down in Switzerland (-1.5%).

The EU trade balance was at the same level as the previous quarter (+2.3% of GDP). Export growth fell (to +1.9%) whereas import growth rose (+2.0%). The US trade deficit fell (to -1.7% of GDP) due to the strong growth in exports (+5.7%) and a slowdown in import growth (+0.8%). In Japan the growth in exports (+4.3%)

with the weak recovery of imports (+1.1%) improved the trade balance (+0.7% of GDP). The Canadian trade balance deteriorated (+0.6% of GDP), the Swiss trade balance continued at the same level (+1.9% of GDP) and the Australian trade balance went into deficit (-0.3% of GDP).

The Member States

There was a general tendency for the rate of economic growth to fall in the Member States. Finland (+1.4%), the Netherlands (+0.5%), Denmark (+0.4%), France (+0.2%) and Germany (+0.1%) all experienced falling growth rates. The exceptions were the UK, Sweden and Spain (+1.1%, +1.1%, +0.8% respectively) where the growth accelerated. Italy was the only Member State where the economy actually contracted (-0.2%).

Among the components of domestic demand, growth of private consumption accelerated in Finland (+1.4%) and Italy (+0.5%). Growth was stable in the UK (+0.9%) and Spain (+0.5%), and fell in Denmark (+0.4%), Germany (+0.2%) and the Netherlands (+0.2%). Private consumption fell in France (-0.5%) and was stagnant in Sweden (0.0%).

Gross fixed capital formation recovered strongly in the UK (+2.3%), but the growth rate fell in the Netherlands (+1.5%), Denmark (0.9%) and France (+0.4%), and was negative in Sweden (-1.5%), Italy (-0.3%) and Spain (-0.2%). The growth rate was negative in Finland and Germany (-0.2% and -0.1% respectively) after strong positive growth in previous quarters.

The trade balance improved in Finland (+8.4% of GDP), Sweden (+8.2%), the Netherlands (+7.3%), Denmark (+4.7%) and Spain (+0.9%). The improvements were caused by export growth in Finland (+6.2%), Denmark (+2.2%) and Sweden (+2.0%), and weaker imports in the Netherlands (-0.3%) and Spain (+1.1%). The trade balances of France and Germany (+2.7% and +0.8% respectively of GDP) remained the same. The UK trade deficit (-0.5% of GDP) improved because exports (+2.3%) grew much faster than imports (+1.6%). Despite its high surplus, the Italian trade balance (+5.2% of GDP) fell after a fall in exports (-0.9%).

* The EU growth rates in this publication have been revised since the "Statistics in Focus" No. 11 of 21/03/97. The previous publication was based on a more limited data set than the one used for this publication, and used first estimates for some countries which have now been revised. The size of the revisions, however, is quite small (eg. GDP was revised by 0.08%).

MAIN ECONOMIC AREAS, PARTNERS AND EU MEMBER STATES

EVOLUTION OF GDP AND COMPONENTS

PERCENTAGE CHANGE OVER PREVIOUS PERIOD



IN VOLUME

	GDP				Private consumption				Government consumption				Gross fixed cap. format.				Change in stocks ⁽¹⁾				Domestic demand				Exports				Imports				External balance ⁽¹⁾						
	96				96				96				96				96				96				96				96										
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
I) ECONOMIC AREAS																																							
EUR15 ⁽²⁾	0.5	0.4	0.8	0.4	1.3	-0.1	0.7	0.3	-0.7	0.7	0.3	0.2	-0.8	1.3	0.8	0.3	0.8	0.4	0.3	0.4	0.5	-0.1	0.6	0.4	1.5	1.0	2.5	1.9	1.8	-0.6	1.9	2.0	1.6	2.1	2.3	2.3			
G7	0.8	0.5	0.6	0.7	1.3	0.1	0.3	0.7	-0.3	1.2	0.1	0.0	1.6	1.7	1.2	0.5	0.3	0.2	0.3	0.2	1.0	0.4	0.6	0.5	0.7	0.9	1.7	2.8	1.8	0.4	1.9	1.7	-0.2	-0.1	-0.1	0.1			
II) MAIN ECONOMIC PARTNERS																																							
USA	0.5	1.2	0.5	0.9	0.9	0.8	0.1	0.8	-0.2	1.9	-0.1	-0.4	2.6	1.8	2.0	0.9	0.0	0.1	0.5	0.2	0.8	1.3	0.9	0.3	0.5	1.4	-0.2	5.7	2.6	2.4	2.2	0.8	-1.8	-2.0	-2.3	-1.7			
JPN	2.1	-0.3	0.3	1.0	2.0	-1.0	-0.2	1.2	0.8	0.1	1.3	0.6	3.4	2.4	0.3	-0.5	0.5	0.2	0.2	0.1	2.4	-0.1	0.1	0.6	-0.7	0.1	1.6	4.3	2.0	1.9	-0.3	1.1	0.2	0.0	0.3	0.7			
CAN	0.3	0.4	0.8	0.7	1.3	0.2	0.5	1.4	-0.5	0.2	-1.0	-0.4	2.4	-0.2	4.5	4.9	-0.3	-0.9	-0.4	0.2	0.5	-0.8	2.0	2.7	-0.2	2.0	2.1	-2.6	0.9	-0.6	4.4	1.8	2.1	3.0	2.2	0.6			
AUS	1.7	0.9	0.2	0.0	0.8	1.1	-0.1	0.6	0.9	-1.1	-1.4	2.6	4.7	1.5	1.5	1.3	0.2	0.9	0.6	0.6	1.6	1.2	-0.2	1.0	5.4	-0.2	1.5	0.8	5.2	2.0	-0.6	5.4	0.7	0.2	0.7	-0.3			
III) MEMBER STATES																																							
D	-0.1	0.9	1.1	0.1	1.5	-0.5	0.8	0.2	-3.3	2.9	-0.9	-0.3	-3.0	3.9	1.7	-0.1	1.3	0.9	0.6	0.6	0.1	0.4	0.5	0.1	0.4	0.4	3.6	3.3	0.9	-1.2	1.3	3.4	-0.3	0.1	0.8	0.8			
F	1.3	-0.2	0.8	0.2	2.4	-1.0	0.6	-0.5	0.4	0.4	0.4	0.4	-0.7	-1.4	1.4	0.4	-1.0	-0.2	-0.4	-0.2	0.6	0.0	0.5	0.1	4.7	-1.3	3.6	1.3	2.1	-0.3	2.6	1.2	2.7	2.4	2.7	2.7			
I	0.2	-0.4	0.5	-0.2	0.3	0.4	0.3	0.5	0.1	0.3	0.3	-0.3	-1.0	-0.3	-0.4	-0.3	1.4	-0.5	-0.3	0.1	0.0	-1.7	0.3	0.7	-0.8	1.9	3.0	-0.9	-1.8	-3.6	2.8	2.8	4.5	5.8	-6.0	5.2			
UK ⁽³⁾	0.5	0.5	0.4	1.1	1.4	0.7	0.9	0.9	-0.2	0.4	0.4	1.1	1.3	0.2	-1.5	2.3	1.3	0.6	0.9	0.7	1.0	-0.2	0.6	0.9	1.3	2.0	0.5	2.3	3.9	0.0	1.2	1.6	-1.1	-0.5	-0.8	-0.5			
DK	0.8	1.3	0.9	0.4	1.2	-0.6	1.3	0.4	0.6	0.8	0.8	0.0	-0.5	4.3	2.6	0.9	-0.2	0.3	1.3	0.9	-0.5	1.2	2.4	0.0	2.0	1.1	-2.7	2.2	-1.6	0.8	1.2	1.5	5.8	5.9	4.4	4.7			
E	0.6	0.6	0.6	0.8	0.5	0.5	0.5	0.5	-0.3	-0.1	0.1	0.2	0.1	-0.2	-0.2	-0.2	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.4	3.2	3.3	2.7	2.5	2.2	2.2	1.7	1.1	0.0	0.3	0.5	0.9			
NL	0.3	1.5	0.7	0.5	1.1	1.0	0.7	0.2	-0.2	0.6	0.7	-0.1	-0.7	7.1	3.0	1.5	1.0	0.7	0.1	-0.7	1.0	2.4	1.2	-0.9	1.8	-0.5	2.1	1.1	4.4	0.2	1.8	-0.3	6.7	6.3	6.5	7.3			
P	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:			
A	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:			
S	-0.3	0.4	0.6	1.1	0.3	0.3	1.3	0.0	-1.7	-0.6	2.8	-1.2	1.1	-0.2	0.0	-1.5	0.2	-0.5	-1.3	0.0	-0.6	-0.8	0.7	0.7	0.8	2.7	1.9	2.0	0.2	-0.2	2.4	1.2	6.8	7.9	7.8	8.2			
FIN	1.2	0.8	2.4	1.4	1.8	-0.1	1.1	1.4	-0.2	1.3	0.6	0.8	4.1	1.8	6.2	-0.2	5.7	3.6	4.1	3.8	2.8	-1.7	2.5	0.6	-1.4	5.2	0.4	6.2	3.5	-2.0	0.1	5.1	5.5	7.8	7.7	8.4			
III) EFTA																																							
CH	-0.2	-0.3	-0.2	0.1	0.6	0.1	-0.2	0.4	-0.3	0.1	0.2	0.0	1.8	-1.3	1.0	-1.1	-0.8	-1.3	-1.6	-1.5	-0.3	-0.8	-0.1	0.1	0.9	0.0	0.1	1.1	0.7	-1.1	0.3	1.0	1.5	1.9	1.9	1.9			
N	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:			

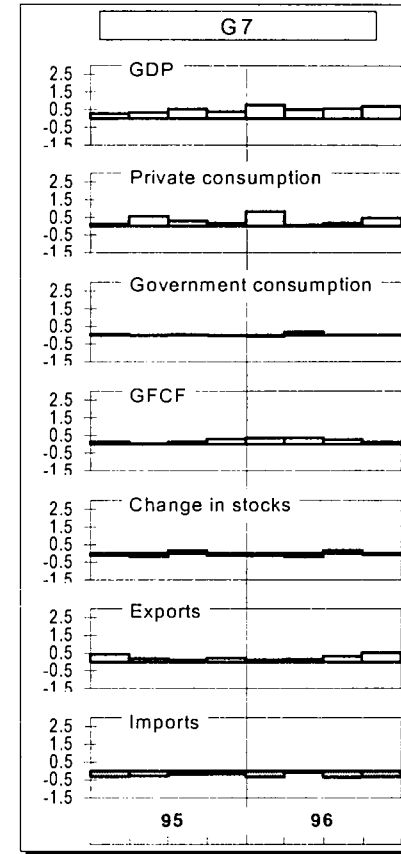
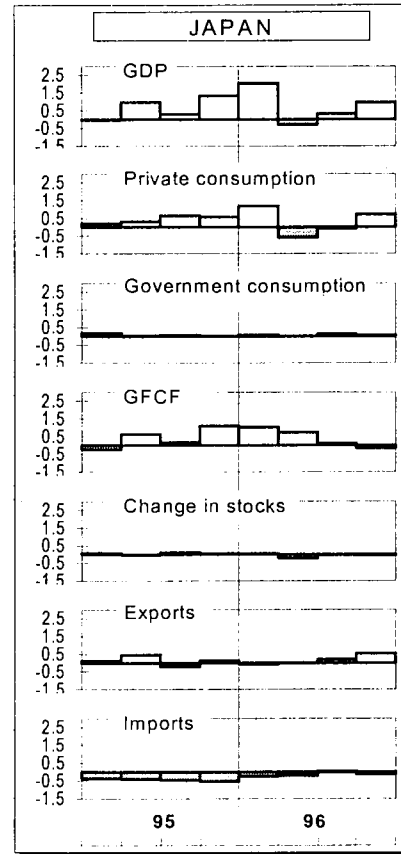
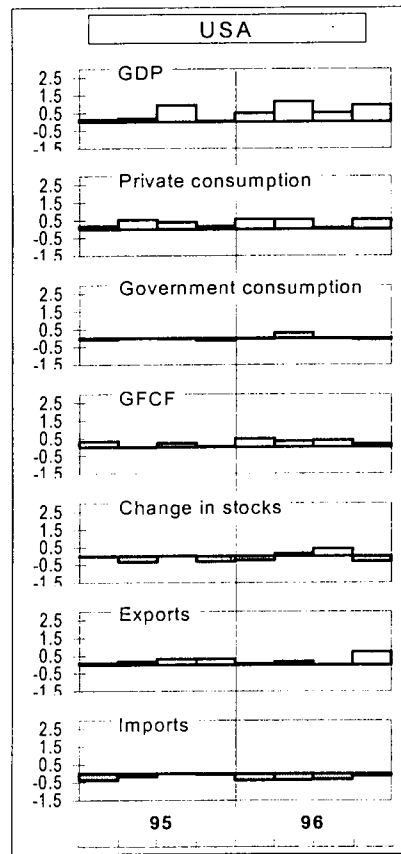
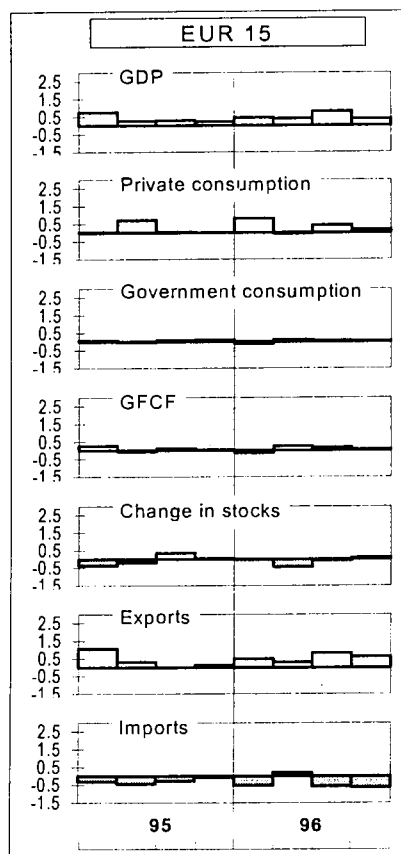
(1) Percentage of GDP (seasonally adjusted.)

(2) The EUR15 aggregates are calculated statistically using data available from Member States which compile quarterly national accounts.

(3) The United Kingdom aggregates are not completely compatible with ESA 79 definitions.

CONTRIBUTION OF THE COMPONENTS TO VARIATIONS IN GDP (*) - CONSTANT PRICES - T/T-1

Eurostat	GDP				Private consumption				Government consumption				Gross fixed cap. formation				Change in stocks				Exports				Imports			
	96				96				96				96				96				96							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
EUR15	0.45	0.39	0.80	0.37	0.81	-0.04	0.43	0.17	-0.12	0.12	0.04	0.03	-0.15	0.25	0.16	0.07	-0.03	-0.43	-0.08	0.10	0.48	0.31	0.81	0.63	-0.54	0.20	-0.57	-0.63
USA	0.50	1.15	0.52	0.94	0.58	0.56	0.09	0.56	-0.03	0.29	-0.01	-0.06	0.48	0.33	0.38	0.17	-0.24	0.14	0.42	-0.32	0.06	0.17	-0.03	0.71	-0.36	-0.34	-0.33	-0.12
JPN	2.05	-0.28	0.31	0.96	1.20	-0.60	-0.10	0.71	0.07	0.01	0.13	0.06	1.02	0.73	0.11	-0.15	0.07	-0.23	-0.04	-0.05	-0.08	0.01	0.19	0.52	-0.23	-0.22	0.03	-0.13
G 7	0.79	0.51	0.57	0.71	0.82	0.07	0.17	0.46	-0.04	0.18	0.02	0.00	0.34	0.36	0.26	0.10	-0.13	-0.19	0.16	-0.07	0.12	0.17	0.32	0.53	-0.33	-0.08	-0.35	-0.31



* Contributions to change in GDP are calculated by expressing changes in the components, compared with the previous quarter, as a percent of GDP in the reference period