



STATISTICS IN FOCUS

Economy and finance

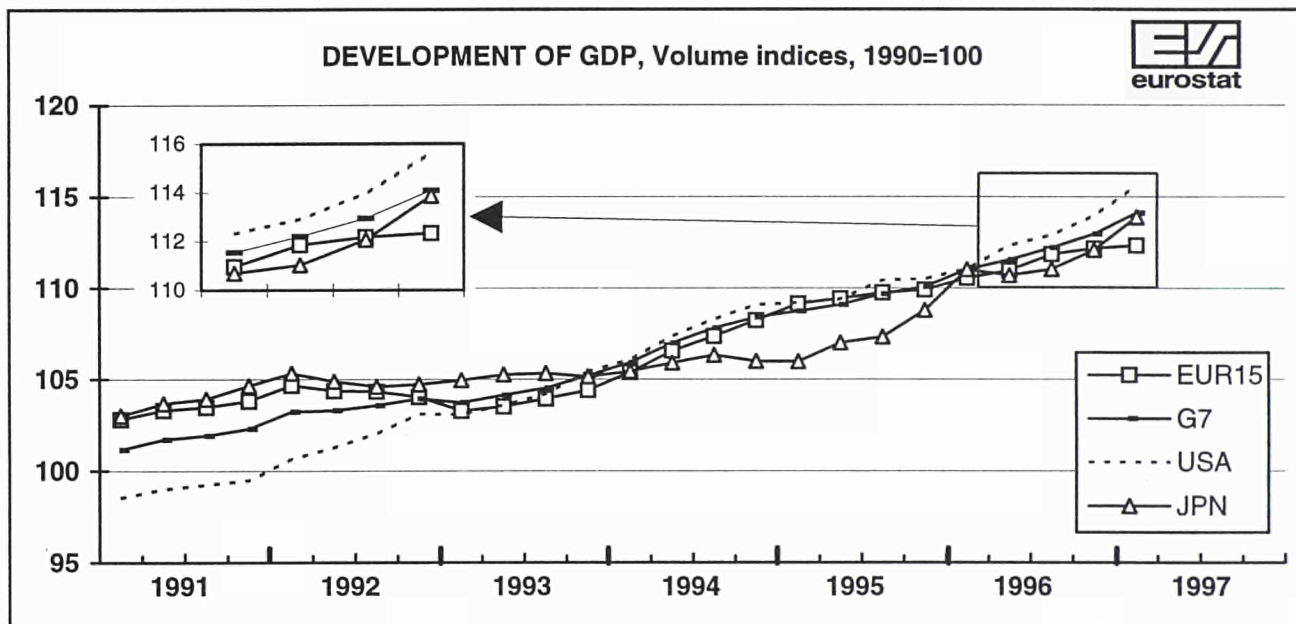
1997 □ 27

ISSN 1024-4298

Quarterly National Accounts - First Quarter 1997

Eurostat estimates* for the first quarter of 1997 show a small positive growth of the economy of the European Union as a whole (+0.1%, compared to the previous quarter), mainly due to a slight increase of private consumption (+0.1 of GDP variation) offset by the slowdown of the gross fixed capital formation (-0.1 of the GDP variation). On an annual basis, the European Union GDP rose 1.6% from the first quarter of 1996.

By comparison, on a quarterly basis, United States and Japan's economies continued their increasing trend with higher growth rates (+1.5% and +1.6% respectively). The economy of the G7 therefore accelerated slightly (+1.0%).



* 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 = 5.08.1997

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-97-027-EN-C

THE EVOLUTION OF GDP AND ITS COMPONENTS

The European Union and its principal partners

After exhibiting weak growth during 1996, in the first quarter of 1997 the European Union slowed down (+0.1%). This was partly due to the lower than average number of working days in this quarter. The United States and Japan continued their rising trend (+1.5% and +1.6% respectively). Canada reached the same pace as the previous quarter (+0.9%) while Australia, after the contraction in the fourth quarter of 1996, returned to an increasing trend (+0.8%). Switzerland, that showed also negative figures in 1996, remained in a stagnation phase in this quarter (0.0%). The G7 economy accelerated continuing the increasing trend showed during 1996 (+1.0%) thanks to the growth of the American and Japanese economies.

Compared with the first quarter of 1996, on annual basis, there was a slowdown of the increase of the European Union (+1.6%), Japan (+2.6%) and Australia (+2.0%). On the other hand, Canada (+2.8%) and the United States (+4.1%) accelerated. Only Switzerland exhibited a negative rate (-0.9%).

The slowdown of private consumption in the European Union, recorded in the last two quarters of 1996, continued during the first quarter of 1997 (+0.2%). Meanwhile, private consumption maintained nearly at the same rates as the previous quarter in Canada (+1.3%) and Switzerland (+0.4%) and accelerated in the United States (+1.4%), Japan (+4.6%) and Australia (+1.0%).

The gross fixed capital formation was lower in the European Union (-0.6%), Japan (-3.8%) and Switzerland (-2.6%). The United States (+1.8%) and, especially, Australia (+5.9%) experienced an acceleration while Canada slowed down (+3.7%). Stocks as a proportion of GDP stood nearly at the same level as the previous quarter in the European Union (+0.3%) and Japan (+0.1%). Meanwhile, they grew in United States (+0.7% of GDP). On the other hand, in Canada (-0.5% of GDP) and Australia (-1.4% of GDP) stocks ran down and in Switzerland they increased (+0.8% of GDP) after the fall of the previous quarters.

The trade balance of the European Union stood at the same level as the previous quarter (+2.3% of GDP). The United States trade deficit increased (-2.0%) due to the slowdown of export growth (+2.6%) and the strong increase of import growth (+4.7%). In Japan, this quarter's much slower growth of exports (+0.7%) was partly compensated by the same behaviour of imports (+0.2%) stabilising the trade balance (+0.7% of GDP). A stable balance was observed also in Canada (+0.6% of GDP) due to the recovery of exports (+5.4%) and the increase of

imports (+5.5%). Australia went into surplus (+0.4% of GDP) thanks to the rise of exports (+2.5%) and the market slowdown of imports (+0.1%). On the contrary, Switzerland went into deficit (-0.6% of GDP) owing to the rise in imports growth (+2.8%).

The Member States

Among the Member States, the economy contracted in Germany (-0.2%), Denmark (-0.1%), the Netherlands (-0.5%), Sweden (-0.3%), Finland (-0.5%) and Italy (-0.2%). Only the economies of France (+0.3%), the United Kingdom (+1.0%) and Spain (+0.9%) rise in this quarter.

Among the components of domestic demand, private consumption decreased in Germany (-0.7%) and Sweden (-0.3%); slowed down in United Kingdom (+0.9%), Finland (+0.4%) and Italy (+0.3%); and increased in Spain (+1.0%), Denmark (+0.7%), the Netherlands (+0.7%) and France (+0.3%, recovering from the previous quarter).

The gross fixed capital formation of Finland (-3.6%), Denmark (-3.0%), Sweden (-2.8%), France (-1.2%) and Germany (-1.1%) continued to decline. The Netherlands fell (-0.2% in contrast to 1.7% in the previous quarter). Meanwhile, Italy showed positive growth (+0.2%) after the falls recorded during 1996; the United Kingdom slowed down (+0.9%) and Spain accelerated (+1.4%). Stocks as a percentage of GDP stood nearly at the same level as the previous quarter in almost all the Member States, with a slight trend towards running down stocks. The two exceptions are Denmark that fell into negative figures (-0.4% of GDP, contrasting with 0.9% in the fourth quarter of 1996) and Finland that exhibited a higher percentage than in the previous quarter (+3.3% of GDP).

Most of the Member States, with the exception of the United Kingdom (-0.5% of GDP), maintained their trade surplus. The positive trade balance remained stable in Finland (+8.2% of GDP), Sweden (+8.1% of GDP), Italy (+4.7% of GDP), Spain (+1.1% of GDP) and Germany (+0.7% of GDP). The trade balance improved in France (+3.2% of GDP), due to the decrease of imports (-0.7%), and Denmark (+6.2% of GDP) owing to the increase of exports (+3.7%) and the decline of imports (+0.8%). The Netherlands showed a slight reduction (+6.9% of GDP) caused by weaker exports (+0.4%) and the increase of imports (+1.2%).

* The EU growth rates in this publication have been revised since the "Statistics in Focus" No. 23 of 16/06/97. 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 0.14%).

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		97		96		97		96		97		96		97		96		97		96		97		96		97		96		97					
	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				

I) ECONOMIC AREAS

EUR15 ⁽²⁾	0.4	0.8	0.3	0.1	-0.1	0.7	0.4	0.2	0.7	0.2	0.2	0.7	1.4	0.5	0.2	-0.6	0.3	0.3	0.4	0.3	-0.1	0.6	0.4	0.0	1.0	2.4	1.7	0.1	-0.5	1.9	2.1	-0.2	2.1	2.3	2.2	2.3
G7	0.5	0.6	0.7	1.0	0.1	0.3	0.7	1.6	1.2	0.1	0.0	0.5	1.7	1.1	0.5	-0.5	0.1	0.3	0.2	0.4	0.4	0.6	0.5	1.1	0.9	1.6	2.8	1.2	0.4	1.9	1.8	1.7	-0.1	-0.1	0.1	0.0

II) MAIN ECONOMIC PARTNERS

USA	1.2	0.5	0.9	1.5	0.8	0.1	0.8	1.4	1.9	-0.1	-0.4	0.2	1.8	2.0	0.9	1.8	0.1	0.6	0.2	0.7	1.3	0.9	0.3	1.8	1.4	-0.2	5.7	2.6	2.4	2.2	0.8	4.7	-2.0	-2.3	-1.7	-2.0
JPN	-0.3	0.3	0.9	1.6	-1.0	-0.2	1.2	4.6	0.1	1.3	0.6	0.1	2.4	0.3	-0.4	-3.8	0.2	0.2	0.1	0.1	-0.1	0.1	0.5	1.6	0.1	1.6	5.0	0.7	1.9	-0.3	1.8	0.2	0.0	0.3	0.7	0.7
CAN	0.4	0.8	0.7	0.9	0.2	0.5	1.4	1.3	0.2	-1.0	-0.4	0.0	-0.2	4.5	4.9	3.7	-0.9	-0.4	0.2	-0.5	-0.8	2.0	2.7	0.8	2.0	2.1	-2.6	5.4	-0.6	4.4	1.8	5.5	3.0	2.2	0.6	0.6
AUS	0.8	0.7	-0.2	0.8	1.1	-0.1	0.7	1.0	-1.1	-1.4	2.0	0.7	1.3	2.5	0.4	5.9	0.7	0.6	0.4	-1.4	1.1	0.2	0.7	0.9	-0.2	1.7	1.2	2.5	2.0	-0.5	5.1	0.1	0.2	0.7	-0.1	0.4

III) MEMBER STATES

D	0.7	1.0	0.0	-0.2	-0.5	0.8	0.1	-0.7	3.2	-0.8	0.3	4.5	3.2	1.1	-0.3	-1.1	0.9	0.6	0.6	0.6	0.4	0.4	0.0	-0.2	0.3	3.3	3.1	0.2	-1.1	1.3	3.2	0.3	0.2	0.7	0.7	0.7
F	-0.2	0.8	0.2	0.3	-1.0	1.0	-0.5	0.3	0.2	0.3	0.3	0.2	-1.2	1.6	-0.1	-1.2	-0.1	-0.4	-0.1	-0.3	-0.1	0.6	0.1	-0.2	-0.7	3.2	1.5	1.0	-0.6	2.7	1.0	-0.7	2.4	2.6	2.8	3.2
I	-0.5	0.7	-0.5	-0.2	0.5	0.3	0.7	0.3	0.4	0.4	0.0	-0.2	-0.5	-0.4	-0.7	0.2	-0.6	-0.2	0.2	0.0	-1.6	0.7	0.7	0.1	0.8	2.5	-1.7	-3.7	-3.7	2.7	3.0	-3.5	5.9	6.0	4.9	4.7
UK ⁽³⁾	0.6	0.6	1.1	1.0	0.8	0.7	1.3	0.9	0.4	0.3	0.4	-0.1	2.8	-2.4	2.5	0.9	0.0	0.7	0.5	0.5	0.0	0.7	1.1	0.7	2.2	0.6	2.4	1.4	0.2	1.2	2.5	0.5	-0.6	-0.7	-0.8	-0.5
DK	1.3	0.7	0.6	-0.1	0.0	1.1	0.2	0.7	0.8	0.8	0.1	0.6	3.6	3.5	-0.4	-3.0	0.1	0.6	0.9	-0.4	0.6	2.0	0.3	-1.3	2.7	-1.4	2.2	3.7	0.9	1.7	1.7	0.8	6.0	4.8	5.0	6.2
E	0.7	0.6	0.7	0.9	0.6	0.5	0.7	1.0	-0.2	-0.7	-0.5	-0.2	0.2	-0.2	0.1	1.4	0.4	0.4	0.3	0.3	0.4	0.1	0.3	0.8	4.1	3.5	1.8	1.4	2.9	1.6	0.7	1.0	0.2	0.7	1.0	1.1
NL	1.3	0.7	0.5	-0.5	1.0	0.6	0.3	0.7	0.5	0.6	-0.1	0.3	6.7	2.8	1.7	-0.2	0.7	0.1	-0.7	-1.1	2.1	1.2	-0.9	-0.4	-0.3	2.0	1.2	0.4	0.4	1.7	-0.1	1.2	6.3	6.5	7.3	6.9
P	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
A	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
S	0.3	0.6	1.1	-0.3	0.1	1.2	0.0	-0.3	-0.8	2.1	-1.2	-2.7	-0.5	-0.3	-2.0	-2.8	-0.6	-1.0	0.2	1.3	-0.7	0.7	0.6	-0.2	2.5	1.7	2.2	0.5	0.1	2.4	1.0	1.1	7.9	7.7	8.2	8.1
FIN	0.9	2.4	1.2	-0.5	-0.1	1.1	1.3	0.4	1.1	0.4	0.6	-0.2	1.9	6.6	-0.8	-3.6	3.0	3.3	3.0	3.3	-1.4	2.3	0.5	-0.3	4.6	0.9	5.2	-1.1	-2.2	0.4	3.8	-0.6	7.7	7.7	8.3	8.2

III) EFTA

CH	-0.4	-0.1	-0.4	0.0	-0.5	0.1	0.3	0.4	0.4	-0.1	-0.1	-1.2	-1.7	1.1	-2.1	-2.6	-0.2	-0.4	-0.3	0.8	-1.1	0.1	-0.3	0.6	0.4	1.1	-0.1	1.4	-1.4	1.6	0.2	2.8	0.4	0.1	0.0	-0.6
N	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:

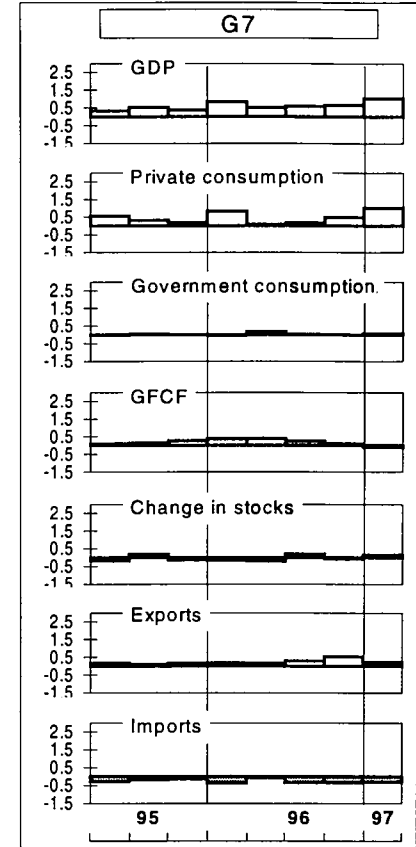
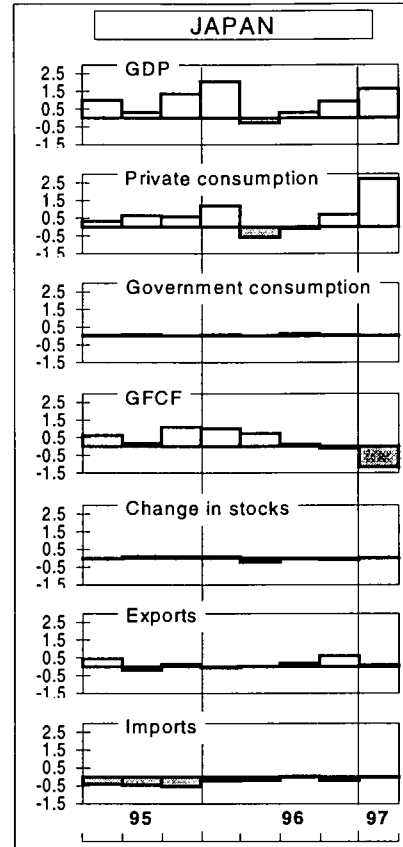
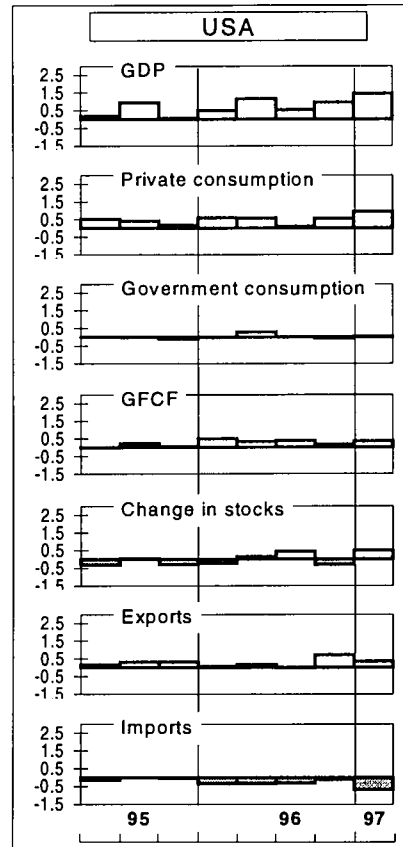
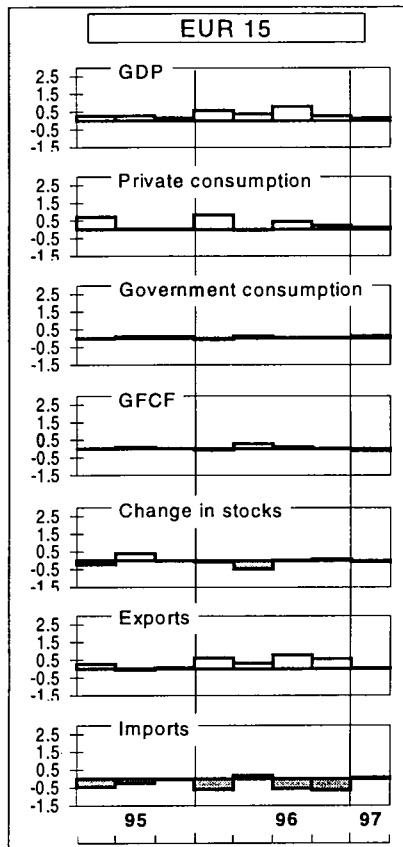
¹ Percentage of GDP (seasonally adjusted.)

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		97		96		97		96		97		96		97		96		97		96		97		96		97	
	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
EUR15	0.37	0.80	0.29	0.13	-0.04	0.44	0.21	0.10	0.12	0.03	0.03	0.12	0.28	0.11	0.03	-0.11	-0.48	0.02	0.09	-0.08	0.32	0.78	0.57	0.04	0.17	-0.57	-0.64	0.06
USA	1.15	0.52	0.94	1.45	0.56	0.09	0.56	0.93	0.29	-0.01	-0.06	0.03	0.33	0.38	0.17	0.35	0.14	0.42	-0.32	0.48	0.17	-0.03	0.71	0.34	-0.34	-0.33	-0.12	-0.69
JPN	-0.28	0.31	0.93	1.61	-0.60	-0.10	0.69	2.70	0.01	0.13	0.06	0.01	0.73	0.11	-0.12	-1.18	-0.23	-0.04	-0.10	0.03	0.01	0.19	0.61	0.09	-0.22	0.03	-0.21	-0.02
G7	0.50	0.58	0.67	1.02	0.07	0.18	0.47	1.00	0.18	0.02	0.00	0.08	0.37	0.23	0.10	-0.10	-0.21	0.21	-0.09	0.14	0.16	0.30	0.53	0.22	-0.08	-0.35	-0.34	-0.32



* 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