

Informations Rapides



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Conjoncture

Main indicators

Quarterly national accounts - Second estimate Q4 2016

French GDP increased by 0.4% in Q4 2016 and by 1.1% over the year

In Q4 2016, GDP in volume terms* accelerated: +0.4%, after +0.2% in Q3. On average over the year, GDP rose by 1.1%, practically as much as in 2015 (+1.2%). Without working day adjustment, GDP growth amounts to +1.2% in 2016, after +1.3% in 2015.

Household consumption expenditures accelerated in Q4 (+0.6% after +0.1%), as well as total gross fixed capital formation (GFCF; +0.4% after +0.2%). All in all, final domestic demand excluding inventory changes gathered momentum, contributing more to GDP growth: +0.5 points after +0.2 points.

Exports were more dynamic (+1.3% after +0.8%) while imports slowed down (+1.0% after +2.7%). All in all, foreign trade balance contributed slightly to GDP growth in Q4: +0.1 points after -0.6 points. Conversely, changes in inventories contributed negatively (-0.1 points after +0.7 points).

Total production rose again

Total production in goods and services accelerated slightly in Q4 (+0.6% after +0.5%), thanks to a strong rebound in energy (+2.3% after -2.3%). It rose slightly more than in Q3 in manufacturing industry (+0.8% after +0.7%) and increased at the same pace in market services (+0.6%). By contrast, activity in construction decelerated (+0.2% after +0.9%).

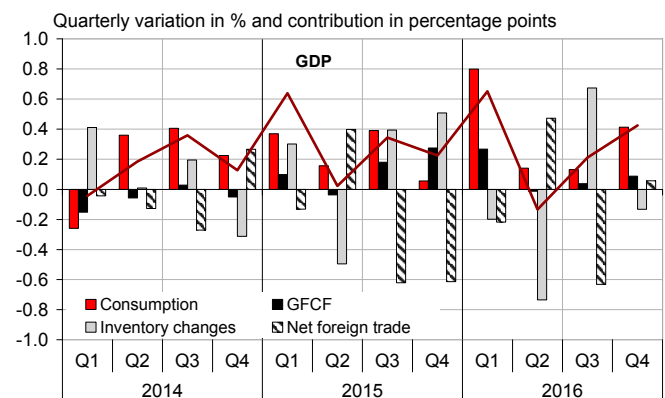
On average over the year, total production increased a little more than in 2015 (+1.4% after +1.3%): it bounced back in construction (+0.7% after -2.2%) and accelerated in market services (+2.2% after +1.8%), but it slowed down in energy (+1.2% after +1.8%) and in the manufacturing industry (+0.6% after +1.5%). Agricultural production decreased sharply (-5.7% after -2.2%), due to adverse weather conditions.

Household consumption recovered

Household consumption accelerated in Q4 2016 (+0.6% after +0.1%). Expenditure in engineered goods bounced back (+0.9% after -1.1%), particularly in cars. Energy consumption accelerated sharply (+3.7% after -1.5%), mainly due to gas and electricity, because temperatures were below the seasonal norms. However, services consumption slowed a little (+0.3% after +0.5%).

* This growth rate is seasonally and working-day adjusted; volumes are chain-linked previous-year-prices volumes.

GDP and its main components



Source: INSEE

Goods and services: supply and uses chain-linked volumes

percentage change from previous period, working-day and seasonally adjusted data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015	2016
GDP	0.7	-0.1	0.2	0.4	1.2	1.1
Imports	0.6	-1.5	2.7	1.0	6.4	3.7
Household consumption expenditure	1.3	0.1	0.1	0.6	1.5	1.8
General government's consumption expenditure	0.4	0.4	0.3	0.4	1.4	1.5
GFCF	1.2	-0.1	0.2	0.4	0.9	2.7
of which Non-financial corporated and unincorporated enterprises	2.1	-0.1	-0.1	0.8	2.7	4.0
Households	0.6	0.5	0.7	0.7	-0.8	2.0
General government	-0.8	-0.6	0.1	-1.5	-3.9	-0.6
Exports	-0.2	0.0	0.8	1.3	6.0	1.1
Contributions :						
Internal demand excluding inventory changes	1.1	0.1	0.2	0.5	1.3	1.9
Inventory changes	-0.2	-0.7	0.7	-0.1	0.2	0.0
Net foreign trade	-0.2	0.5	-0.6	0.1	-0.3	-0.8

Source: Insee

Sectoral accounts

percentage change from previous period, working-day and seasonally adjusted data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015	2016 (ovhg)
Profit ratio of NFC* (level)	32.0	31.6	31.6		31.4	
Household purchasing power	0.6	0.3	0.7		1.6	1.9

*NFC: non-financial corporations

Source: INSEE

Production, consumption and GFCF: main components

percentage change from previous period, working-day and seasonally adjusted data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015	2016
Production of branches	0.7	-0.2	0.5	0.6	1.3	1.4
Goods	0.2	-0.7	0.1	1.0	1.2	0.1
Manufactured Industry	0.3	-1.0	0.7	0.8	1.5	0.6
Construction	0.4	-0.3	0.9	0.2	-2.2	0.7
Market services	1.1	-0.1	0.6	0.6	1.8	2.2
Non-market services	0.4	0.3	0.3	0.3	1.0	1.3
Household consumption	1.3	0.1	0.1	0.6	1.5	1.8
Food products	0.4	-0.6	0.8	-0.4	1.2	0.7
Energy	2.3	1.8	-1.5	3.7	1.4	1.8
Engineered goods	2.3	0.3	-1.1	0.9	2.6	2.5
Services	0.9	-0.2	0.5	0.3	1.0	1.5
GFCF	1.2	-0.1	0.2	0.4	0.9	2.7
Manufactured goods	2.5	-0.1	-2.4	1.3	2.1	5.5
Construction	0.5	-0.1	0.6	0.0	-2.2	0.8
Market services	1.4	0.1	1.3	0.3	4.4	3.5

Source: INSEE

Households' disposable income and ratios of households' account

percentage change from previous period, working-day and seasonally adjusted data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015	2016 (ovhg)
HDI	0.5	0.3	0.8		1.4	1.9
Household purchasing power	0.6	0.3	0.7		1.6	1.9
HDI by cu* (purchasing power)	0.5	0.2	0.6		1.2	1.5
Adjusted HDI (purchasing power)	0.6	0.3	0.6		1.6	1.8
Saving rate (level)	14.3	14.5	15.0		14.5	
Financial saving rate (level)	5.5	5.4	5.9		5.5	

*cu: consumption unit

Source: INSEE

Ratios of non-financial corporations' account

level (in percent), WDA-SA data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015
Profit share	32.0	31.6	31.6		31.4
Investment ratio	23.3	23.4	23.3		22.9
Savings ratio	21.2	20.7	20.7		19.7
Self-financing ratio	91.1	88.2	88.9		86.3

Source: INSEE

Expenditure, receipts and net borrowing of public administrations

level, WDA-SA data

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015
<i>In billions of euros</i>					
Total expenditure	313.1	314.8	317.1		1242.8
Total receipts	295.0	296.1	295.8		1166.3
Net lending (+) or borrowing (-)	-18.1	-18.8	-21.3		-76.5
<i>In % of GDP</i>					
Net lending (+) or borrowing (-)	-3.3	-3.4	-3.8		-3.5

Source: INSEE

On average over the year, household consumption rose more in 2016 than in 2015 (+1.8% after +1.5%), notably buoyed by household expenditure in home equipment in the first half of 2016.

Corporate investment picked up sharply at the end of 2016

In Q4, total GFCF accelerated slightly (+0.4% after +0.2%), because of non-financial corporations. Investment in manufactured goods rebounded sharply (+1.3% after -2.4%), mainly in transport equipment. However, investment in market services slowed down (+0.3% after +1.3%), as that in construction (0.0% after +0.6%), notably due to the decrease in civil engineering. Over the whole of 2016, total GFCF accelerated sharply: +2.7% after +0.9%.

Foreign trade balance stimulated GDP growth at the end of 2016 but weighed down on it on average in 2016

In Q4, exports accelerated (+1.3% after +0.8%), notably in transport equipment. In the same time, imports decelerated (+1.0% after +2.7%). In particular, raw hydrocarbons and manufactured goods purchases slowed sharply. All in all, external exchanges provided a slightly positive contribution to GDP growth: +0.1 points after -0.6 points.

On average over the year 2016, imports slowed down (+3.7% after +6.4%), but much less than exports (+1.1% after +6.0%). Consequently, foreign trade balance contributed more negatively to GDP growth in 2016 than in 2015 (-0.8 points after -0.3 points).

The contribution of inventory changes was slightly negative in Q4

In Q4 2016, the contribution of changes in inventories to GDP growth was -0.1 points (after +0.7 points), mainly due to "other industrial products" (pharmacy and steel products notably).

Over the year, the contribution of changes in inventories to GDP growth was neutral, after +0.2 points in 2015.

Revisions

The estimate of GDP growth in Q4 2016 is confirmed at +0.4%. Slight revisions in different aggregates offset each other; they are mainly due to the integration of new indicators and to the update of seasonal adjustment coefficients.

More:

The **statistical overhang** of a variable is the annual growth rate which would be obtained if this variable was to remain at its level of the last known quarter.

- More data (time series since 1949, methodology...) are available on the dedicated web page: [quarterly national accounts on www.insee.fr](http://www.insee.fr)
- Time series are also available in the Macro-economic database: [G1540](#), [G1548](#)
- Press contact: bureau-de-presse@insee.fr
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