

Informations Rapides

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Main indicators

Quarterly national accounts – Detailed figures Q4 2017

French GDP increased by 0.6% in Q4 2017

Edited version on 1 February 2018: the contribution of foreign trade on GDP growth in 2017 was -0.3 points (instead of -0.4 as published on 30 January 2018).

In Q4 2017, GDP in volume terms* increased again: +0.6%, after +0.5% in Q3. On average over the year, GDP accelerated markedly: +1.9% after +1.1% in 2016.

Total gross fixed capital formation (GFCF) accelerated slightly (+1.1% after +0.9%) while household consumption expenditure slowed down (+0.3% after +0.6%). Overall, final domestic demand excluding inventory changes contributed to GDP growth by +0.5 points in Q4 2017 (after +0.6 points).

Foreign trade balance contributed positively to GDP growth (+0.6 points after -0.5 points): exports accelerated markedly (+2.6% after +1.1%) while imports slowed down sharply (+0.7% after +2.4%). Conversely, changes in inventories contributed negatively (-0.5 points after +0.3 points).

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

Total production kept on increasing

In Q4 2017, total production accelerated slightly in Q4 (+0.8% after +0.7%), mainly due to manufacturing industry (+1.5% after +0.8%). In contrast, energy production weakened a little. In services, production rose overall again (+0.7% after +0.6%).

On average over the year, total production sped up (+2.3% after +0.9%), in particular in manufacturing industry (+2.0% after +0.8%) and in construction. Agricultural production also recovered (+2.3% after -5.6%), after the adverse weather conditions in 2016.

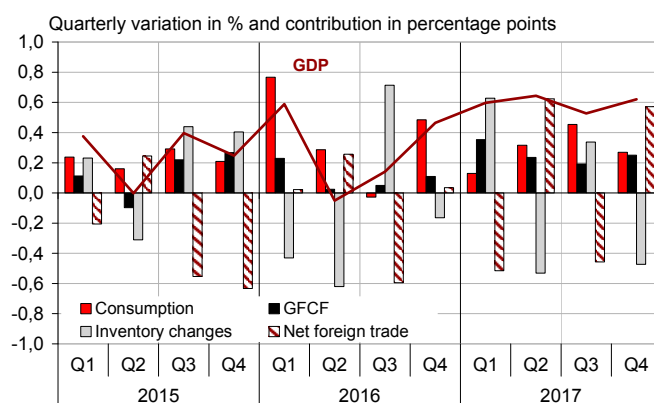
Household consumption slowed down

In Q4 2017, household consumption slowed down (+0.3% after +0.6%). Consumption of services grew at the same pace as in the previous quarter (+0.6%), while expenditure in goods declined slightly (-0.1% after +0.6% in Q2 and Q3).

Energy consumption declined (-0.9% after +1.5%), mainly because of temperatures lower than the seasonal norms in Q3. Expenditure on engineered goods slowed down (-0.1% after +1.2%), notably because of a sharp slowdown in equipment goods and a downturn in other industrial goods. On average over the year, household consumption slowed

down in 2017 (+1.3% after +2.1%), mainly because of a marked slowdown in goods.

GDP and its main components



Source: INSEE

GDP and its main components: chain-linked volumes

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

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2016	2017
GDP	0.6	0.6	0.5	0.6	1.1	1.9
Imports	1.0	0.0	2.4	0.7	4.2	4.3
Household consumption expenditure	0.1	0.4	0.6	0.3	2.1	1.3
General government's consumption expenditure	0.3	0.5	0.6	0.4	1.2	1.5
GFCF	1.6	1.1	0.9	1.1	2.7	3.7
of which Non-financial corporated and unincorporated enterprises	2.3	1.2	1.1	1.5	3.4	4.3
Households	1.6	1.3	1.0	0.7	2.4	5.1
General government	-0.6	0.3	-0.2	0.3	-0.1	-0.8
Exports	-0.7	2.2	1.1	2.6	1.9	3.5
Contributions:						
Internal demand excluding inventory changes	0.5	0.6	0.6	0.5	2.0	1.9
Inventory changes	0.6	-0.5	0.3	-0.5	-0.1	0.4
Net foreign trade	-0.5	0.6	-0.5	0.6	-0.8	-0.3

Source: INSEE

Sectoral accounts

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

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2016	2017 (ovhg)
Profit ratio of NFCs* (level)	31.6	31.8	31.7		31.8	
Households' purchasing power	0.2	0.8	0.5		1.8	1.6

*NFCs: non-financial corporations

Source: INSEE

Production, consumption and GFCF: main components

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

	2016 Q1	2017 Q2	2017 Q3	2017 Q4	2016	2017
Production of branches	0.7	0.8	0.7	0.8	0.9	2.3
Goods	0.1	0.8	0.9	1.2	0.2	1.9
<i>Manufactured Industry</i>	0.2	0.8	0.8	1.5	0.8	2.0
Construction	0.6	1.1	0.3	0.3	0.1	2.4
Market services	1.0	0.9	0.7	0.9	1.4	2.8
Non-market services	0.3	0.4	0.5	0.4	1.0	1.3
Household consumption	0.1	0.4	0.6	0.3	2.1	1.3
Food products	0.3	0.6	-0.5	0.4	0.9	0.8
Energy	-2.8	0.3	1.5	-0.9	2.1	-0.1
Engineered goods	-0.1	0.6	1.2	-0.1	2.4	1.7
Services	0.6	0.3	0.6	0.6	1.6	1.8
GFCF	1.6	1.1	0.9	1.1	2.7	3.7
Manufactured goods	1.9	0.6	1.3	1.9	6.1	2.1
Construction	0.6	1.1	0.5	0.4	0.2	2.5
Market services	2.7	1.3	1.0	1.5	3.9	6.2

Source: INSEE

Households' disposable income and ratios of households' account

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

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2016	2017 (ovhg)
HDI	0.7	0.6	0.6		1.7	2.4
Household purchasing power	0.2	0.8	0.5		1.8	1.6
HDI by cu* (purchasing power)	0.1	0.6	0.4		1.4	1.2
Adjusted HDI (purchasing power)	0.2	0.7	0.5		1.7	1.6
Saving rate (level)	14.1	14.4	14.3		14.0	
Financial saving rate (level)	4.5	4.7	4.6		4.7	

*cu: consumption unit

Source: INSEE

Ratios of non-financial corporations' account

level (in percent), WDA-SA data

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2016
Profit share	31.6	31.8	31.7		31.8
Investment ratio	23.7	23.7	23.8		23.3
Savings ratio	19.7	19.8	20.0		19.7
Self-financing ratio	83.2	83.4	83.8		84.3

Source: INSEE

Expenditure, receipts and net borrowing of public administrations

level, WDA-SA data

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2016
<i>In billions of euros</i>					
Total expenditure	316.9	318.0	321.4		1256.9
Total receipts	299.9	303.4	304.9		1181.1
Net lending (+) or borrowing (-)	-17.0	-14.6	-16.5		-75.8
<i>In % of GDP</i>					
Net lending (+) or borrowing (-)	-3.0	-2.6	-2.9		-3.4

Source: INSEE

Corporate investment accelerated

Total GFCF accelerated in Q4 2017 (+1.1% after +0.9%). Investment in construction rose again (+0.4% after +0.5%); it remained dynamic in the building sector but decreased in public works. GFCF in manufactured goods sharply accelerated (+1.9% after +1.3%), particularly in transport equipment. Investment in tradable services also remained dynamic (+1.5% after +1.0%), notably in the information-communication sector (softwares publishing).

All in all, non-financial corporations investment accelerated over the past quarter (+1.5% after +1.1%), while household investment slowed down a little (+0.7% after +1.0%).

Over the year 2017, total GFCF accelerated sharply: +3.7% after +2.7%.

Foreign trade balance contributed positively to GDP growth

In Q4 2017, exports accelerated (+2.6% after +1.1%), because of sales of transport equipment. At the same time, imports significantly decelerated (+0.7% after +2.4%), mainly because of a sharp decline in transport equipment. All in all, foreign trade balance contributed to GDP growth by +0.6 points (after -0.5 points).

On average over the year, exports considerably accelerated (+3.5% after +1.9% in 2016) while imports progressed virtually at the same pace than in 2016 (+4.3% after +4.2%). As a consequence, the weight of foreign trade balance on GDP growth was lesser in 2017 than in 2016 (-0.3 points after -0.8 points).


Changes in inventories weighed on GDP growth

In Q4 2017, changes in inventories contributed negatively to GDP growth (-0.5 points after +0.3 points). This decrease is mainly due to transport equipment (notably aeronautics).

On average over the year, the contribution of changes in inventories to the activity stood at +0.4 points (after -0.1 points).

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, etc.) are available on the dedicated web page: <https://www.insee.fr/en/statistiques?debut=0&theme=32>
- Time series are also available in the Macro-economic database: <https://www.insee.fr/en/information/2868584#titre-bloc-1>
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