

Informations *Rapides*

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Main indicators



■ Quarterly national accounts - First 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 kept rising, practically at the same pace: +1.1% after +1.2% in 2015. 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% in Q3 2016), as well as total gross fixed capital formation (GFCF, +0.8% after +0.3%). Overall, final domestic demand excluding inventory changes gathered momentum, contributing more to GDP growth: +0.6 points after +0.2 points.

Exports were more dynamic (+1.1% after +0.5%) while imports slowed down (+0.8% after +2.5%). All in all, foreign trade balance contributed slightly to GDP growth: +0.1 points after -0.7 points. Conversely, changes in inventories contributed negatively (-0.2 points after +0.7 points).

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

Total production rose again

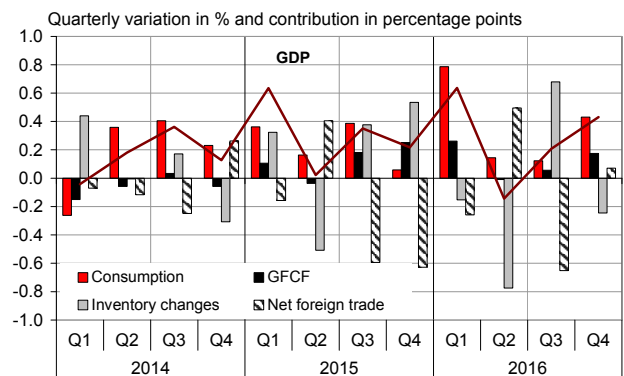
Total production in goods and services accelerated slightly in Q4 (+0.6% after +0.5%), thanks to a strong rebound in energy (+2.5% after -2.3%). It rose at the same pace as in Q3 in manufactory industry (+0.7%) and in market services (+0.6%). By contrast, activity in construction decelerated (+0.3% after +0.9%).

On average over the year, total production grew a little faster than in 2015 (1.4% after +1.3%): it recovered in construction (+0.7% after -2.2%), 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 in the spring.

Household consumption grew anew

Household consumption accelerated in Q4 2016 (+0.6% after +0.1%). Expenditure in engineered goods bounced back (+1.0% after -1.1%), particularly in cars. Energy consumption recovered sharply (+3.7% after -1.5%), mainly due to gas and electricity, because temperatures were below the seasonal norms. In services, consumption kept on increasing at virtually the same pace (+0.3% after +0.4%).

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	0.6	-0.1	0.2	0.4	1.2	1.1
Imports	0.6	-1.5	2.5	0.8	6.4	3.6
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	0.0	0.3	0.8	0.9	2.8
of which Non-financial corporated and unincorporated enterprises	2.2	-0.1	0.1	1.3	2.7	4.3
Households	0.3	0.3	0.7	0.9	-0.8	1.5
General government	-0.9	-0.5	0.0	-1.1	-3.9	-0.7
Exports	-0.3	0.0	0.5	1.1	6.0	0.9
Contributions :						
Internal demand excluding inventory changes	1.0	0.1	0.2	0.6	1.3	1.9
Inventory changes	-0.2	-0.8	0.7	-0.2	0.2	0.0
Net foreign trade	-0.3	0.5	-0.7	0.1	-0.3	-0.9

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	31.5	31.4		31.4	
Household purchasing power	0.6	0.2	0.6		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	-0.8	0.1	0.9	1.2	0.1
Manufactured Industry	0.3	-1.0	0.7	0.7	1.5	0.6
Construction	0.4	-0.3	0.9	0.3	-2.2	0.7
Market services	1.0	-0.1	0.6	0.6	1.8	2.1
Non-market services	0.4	0.3	0.2	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	2.4	1.7	-1.5	3.7	1.4	1.8
Engineered goods	2.3	0.2	-1.1	1.0	2.6	2.5
Services	0.8	-0.1	0.4	0.3	1.0	1.5
GFCF	1.2	0.0	0.3	0.8	0.9	2.8
Manufactured goods	2.7	0.1	-2.3	1.8	2.1	6.0
Construction	0.5	-0.1	0.6	0.3	-2.2	0.9
Market services	1.2	0.0	1.4	0.8	4.4	3.3

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	0.7		1.4	1.9
Household purchasing power	0.6	0.2	0.6		1.6	1.9
HDI by cu* (purchasing power)	0.5	0.1	0.5		1.2	1.5
Adjusted HDI (purchasing power)	0.6	0.3	0.6		1.6	1.8
Saving rate (level)	14.4	14.5	15.0		14.5	
Financial saving rate (level)	5.6	5.5	5.9		5.5	

*cu: consumption unit

Source: INSEE

Ratios of non-financial corporations' account

level (in percent), data WDA-SA

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015
Profit share	32.0	31.5	31.4		31.4
Investment ratio	23.3	23.5	23.4		22.9
Savings ratio	21.2	20.5	20.4		19.7
Self-financing ratio	90.9	87.2	87.0		86.3

Source: INSEE

Expenditure, receipts and net borrowing of public administrations

level, data WDA-SA

	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2015
<i>In billions of euros</i>					
Total expenditure	313.2	314.8	316.8		1242.8
Total receipts	294.9	296.6	297.0		1166.3
Net lending (+) or borrowing (-)	-18.4	-18.2	-19.8		-76.5
<i>In % of GDP</i>					
Net lending (+) or borrowing (-)	-3.3	-3.3	-3.6		-3.5

Source: INSEE

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

Household and corporate investment picked up sharply at end 2016

In Q4 2016, total GFCF accelerated (+0.8% after +0.3%), in particular that of households and non-financial corporations. Indeed, GFCF recovered in manufactured goods (+1.8% after -2.3%), mainly that in transport equipment. However, investment in market services (+0.8% after +1.4%) and in construction (+0.3% after +0.6%) slowed down, notably that in civil engineering.

Over the year 2016, total GFCF increased at a faster pace than in 2015: +2.8% after +0.9%.

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

In Q4 2016, exports accelerated (+1.1% after +0.5%), due in particular to the rebound in transport equipment. In the same time, imports decelerated (+0.8% after +2.5%). They notably slowed down in energy, water, waste and in manufactured goods. All in all, external exchanges provided a slight positive contribution to GDP growth in Q4 2016: +0.1 points after -0.7 points.

On average over the year 2016, imports slowed down (+3.6% after +6.4%), but much less than exports (+0.9% after +6.0%). Consequently, foreign balance contributed more negatively to GDP growth in 2016 than in 2015 (-0.9 points after -0.3 points).

Negative contribution of inventory changes in Q4


In Q4 2016, changes in inventories contributed negatively to GDP growth: -0.2 points after +0.7 points. It was mainly due to "other industrial products" (pharmacy, steel products, etc.). Over the year, the contribution of changes in inventories contribution on GDP growth was neutral, after +0.2 points in 2015.

Revisions

The estimate of GDP growth in Q3 2016 is confirmed at +0.2%. Slight revisions of different aggregates offset each other; they are mainly due to revisions of indicators and to updates 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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