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## Strong rise in consumer spending in 1998

The volume of domestic consumer expenditure in 1998 was 4.4% higher than in 1997. This is the largest increase in household spending for the last twenty years, according to Statistics Netherlands. Suppliers of durable goods and commercial services benefited most from this development.

## No increase in spending on food

The volume increase in spending on food, drink and tobacco in 1998 remained very limited at 0.2%. If the increase in the population is taken into account, this even results in a slight fall per capita.

The increase in spending on alcoholic beverages and tobacco was larger than that on food and non-alcoholic drinks. Less was spent on potatoes, fruit and vegetables, meat and meat products, and tobacco than in 1997.

## Durable goods: highest growth rate since 1970

Spending on durable goods was 8.7% higher in 1998 than in 1997, nearly twice the growth rate of 1997 and the highest volume increase since 1970, when it reached a record 15.1%. Consumer electronics, new cars and home furnishings were consumer favourites in 1998.

## Services and other goods: volume growth 4.1%

With a rise of just over four per cent, the largest spending category was a strong factor in the growth of domestic consumer expenditure. The increase in spending on housing services, energy, and medical services was relatively low in 1998. Spending on financial and business services, petrol, transport and communications rose strongly, however. The disappointing weather curbed spending on eating and drinking outside the home, hitting pubs, bars, and enterprises providing accommodation the hardest. However, consumers spent considerably more on this category than in 1997. This growth would seem to point to a shift from buying in food and drink to eating out.

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