



Press release

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Negative economic growth of 1.1 percent

In the third quarter van 2003 the Dutch economy saw a negative growth of 1.1 percent compared to the same quarter of 2002. This decrease in GDP volume was almost the same as the decrease in the second quarter. GDP volume in the first three quarters of 2003 was down by 0.8 percent on the year before according to the first estimate of the Quarterly Accounts of Statistics Netherlands.

In the third quarter of 2003 households consumed less than in the same quarter of 2002. The volume of imports and exports fell as well. While the decrease in investments is levelling off, government consumption continues to grow unabated.

Slightly positive quarter-on-quarter growth

The Dutch GDP volume, corrected for calendar and seasonal effects, increased by 0.1 percent in the third quarter on the second quarter of 2003. This minimal improvement came after three quarters in which the economy showed negative growth.

Households spending less

The volume of household consumption in the third quarter of 2003 was down by 1.4 percent on a year ago. This decrease is the same as in the second quarter. The sharpest drop in the third quarter van 2003 occurred in the expenditure on durable goods.

Decrease in investments levelling off

In the third quarter, investments in fixed capital formation were down by 2.0 percent on the year before. This is the smallest decrease since the end of 2001. Investments in commercial buildings and machinery were down in the third quarter, while investments in computers and company cars increased.

Imports and exports down again

The volume of the imports of goods and services in the third quarter of 2003 was down 0.6 percent on the year before. Exports were down by as much as 1.5 percent. These decreases are about the same as in the previous quarter.

Government consumption continues to grow

The volume growth of government consumption in the third quarter of 2003 reached 2.7 percent. This is slightly more than during the first six months. Expenditure on care continues to increase most, while expenditure on public government and education merely continued to rise. Dutch government consumption is again the only category of expenditure that contributes positively to economic growth.

Trade and industry produce less

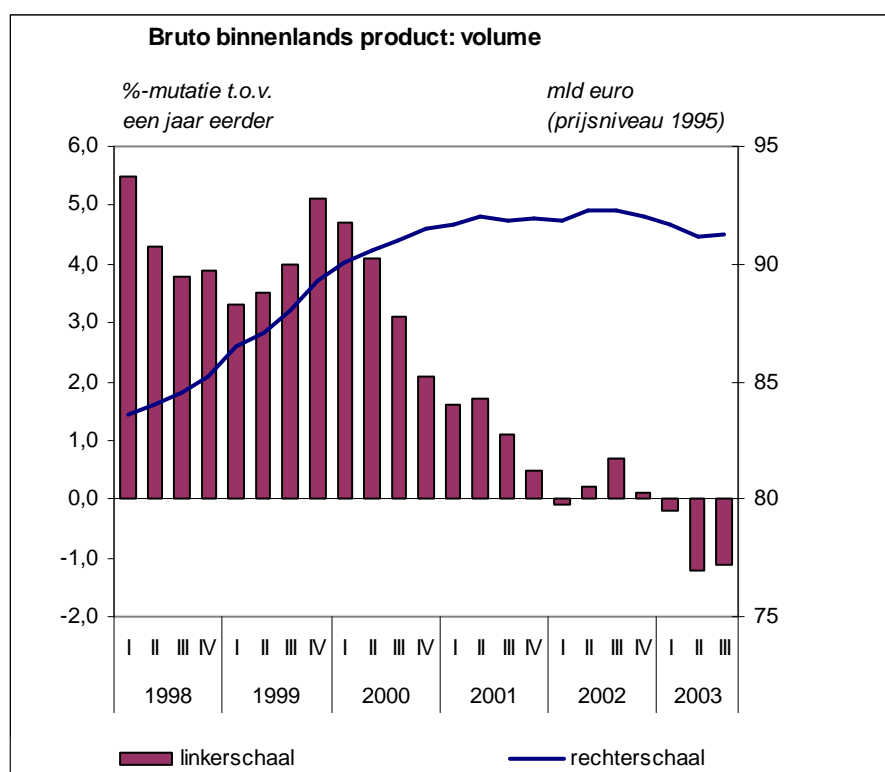
Virtually all sectors in Dutch trade and industry saw their production go down in the third quarter. Production diminished in agriculture, construction and almost all branches of industry and commercial services. Mining and quarrying showed the greatest decrease. Branches where production went up were chemicals, telecommunications and financial institutions.

Dutch production of care and government increased in the third quarter of 2003. The increase in these branches totalled 2.3 percent on the previous year, which is slightly less than the increase in 2002.

GDP price increase falling

The price increase of Dutch GDP in the third quarter of 2003 reached 2.2 percent. This is substantially less than during the first six months of 2003 and during the year 2002 when the GDP deflator stood at 3.5 and 3.4 percent respectively. The price increase in consumption fell sharply. Moreover the improvement in the exchange rate was not as great during this quarter as it was during the first six months.

GDP volume year on year changes in billions of euros



Source: CBS

Table 1: Gross Domestic Product (at market prices)

	Changes on previous year	Previous period ¹⁾
<i>Volume changes in %</i>		
2000	3.5	.
2001	1.2	.
2002	0.2	.
2000-I	4.7	0.9
II	4.1	0.6
III	3.1	0.5
IV	2.1	0.6
2001-I	1.6	0.2
II	1.7	0.4
III	1.1	-0.2
IV	0.5	0.0
2002-I	-0.1	-0.0
II	0.2	0.4
III	0.7	0.0
IV	0.1	-0.3
2003-I	-0.2	-0.3
II	-1.2	-0.6
III	-1.1	0.1

1) Corrected for seasonal and calendar effects.

Source: CBS

Table 2: Value and price developments of GDP at (market prices)

	Value	Value change	Price change
	<i>Billion euros</i>	<i>% changes on the previous year</i>	
2000	402.3	7.5	3.9
2001	429.1	6.7	5.4
2002	444.6	3.6	3.4
2000-I	97.1	8.4	3.6
II	102.2	8.0	3.7
III	98.2	7.2	4.0
IV	104.8	6.7	4.5
2001-I	104.7	7.9	6.2
II	109.6	7.2	5.4
III	104.4	6.4	5.3
IV	110.4	5.3	4.8
2002-I	108.0	3.1	3.2
II	113.3	3.5	3.2
III	109.0	4.4	3.6

IV	114.4	3.6	3.4
2003-I	111.6	3.3	3.5
II	115.9	2.3	3.5
III	110.2	1.2	2.2

Source: CBS