



Press release

PB09-071
13 November 2009
15:00 hrs

Dutch economy rallies slightly in third quarter 2009

- Quarter-on-quarter economic growth 0.4 percent
- Year-on-year decrease 3.7 percent
- Fall in exports much smaller
- Household spending remains cautious
- Investment spending falls further
- Sharp drop in job numbers

According to Statistics Netherlands' first provisional estimate, the Dutch economy shrank by 3.7 percent in the third quarter of 2009 compared with the same quarter last year. This decrease is considerably smaller than the decrease in the first half of the year. Compared with the second quarter of this year, the economy grew again in the third quarter. Exports were considerably lower than twelve months previously, but here too the decrease was much smaller than the first six months. Investment spending did decrease further. Households remain cautious with their money. Only government spending increased. The number of jobs was 140 thousand down on twelve months previously.

Quarter-on-quarter growth 0.4 percent

Compared with the previous quarter, the Dutch economy grew by 0.4 percent in the third quarter of 2009 after adjustment for seasonal and working day effects. This is the first quarter with a positive quarter-on quarter growth, following four quarters of negative growth. According to the most used definition, this means the Dutch economy is no longer in recession.

Fall in exports smaller than in second quarter

The volume of exports of goods and services was 8.1 percent smaller in the third quarter of 2009 than in the same quarter last year. Although this is a large decrease, it is much smaller than in both preceding quarters, when exports were around 12 percent lower. The relative improvement was seen in both exports of Dutch products and re-exports. Imports of goods and services were 9 percent lower than one year previously. Imports of consumer durables and investment goods in particular were down.

Households remain cautious

Households spent 2.6 percent less in the third quarter of 2009 than in the same quarter last year. This decrease is almost the same as in the two previous quarters. Spending on expensive durable goods, in particular, was down substantially. Consumers spent a lot less on home furnishings and consumer electronics. Sales of new cars were much lower than twelve months previously. Households also spent much less in hotels and restaurants and on air travel.

The volume of government consumption did rise: it was 3.6 percent higher than in the same period last year. Again, government spending is the only spending category that showed an increase. Real spending on care rose by most, but spending on public administration also increased.

Largest fall for investment spending

Investment spending dropped by 14.4 percent in the third quarter compared with last year. This decrease is slightly larger than in the second quarter. Spending on machinery and transport equipment and on residential and non-residential buildings fell strongly. One notable exception was investment in infrastructure projects. Again, spending in this category rose. These projects are often commissioned by the government.

Smaller decrease for manufacturing output

Mainly as a result of improved exports, the decrease in manufacturing production was smaller than in the first six months of 2009. As the trade and transport sectors also benefited from this, the decrease in these sectors was also smaller. The largest recoveries were for the chemical industry, and in basic metals and machine construction.

Production of construction and business services fell further

The decrease for construction output was larger than in the first six months, as work contracted earlier came to an end and there have not been enough new contracts to replace it. The decline in the business services sector also continued. Agricultural production did pick up, however, and production also rose in the collective sector, especially in care.

Sharp drop in job numbers

The number of employee jobs was 143 thousand down in the third quarter of 2009 compared with twelve months previously. This 1.8 percent decrease is much larger than in the second quarter. The delayed effects of lower production levels are now being felt clearly in employment. After adjustment for seasonal and working day effects, the number of jobs is 0.6 percent lower than in the second quarter of 2009. Temporary jobs, in particular, were down.