

News Release

OECD area GDP down 0.1% in the third quarter of 2008

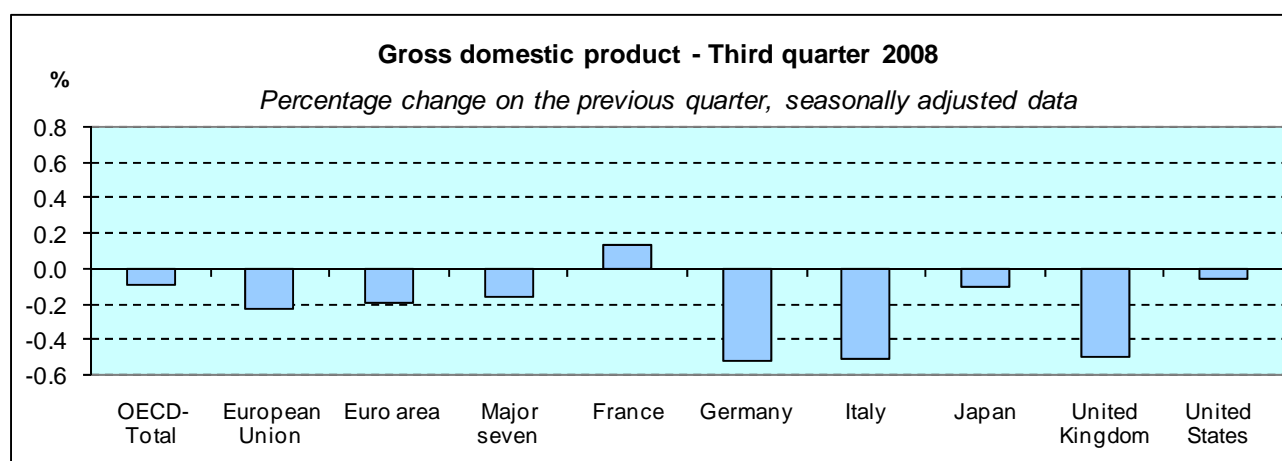
Gross domestic product (GDP) in the **OECD area** declined by 0.1% in the third quarter of 2008, the first fall in seven years, according to preliminary estimates.

In the **United States** GDP fell by 0.1% in the third quarter of 2008, the first contraction since the third quarter of 2001. **Japan's** GDP declined by 0.1%, following a 0.9% fall in the previous quarter. GDP in the **euro area** was down by 0.2%, the same rate of decline as in the previous quarter.

Among the **Major Seven*** countries, GDP change in the third quarter of 2008 ranged from a 0.5% fall in **Germany, Italy** and the **United Kingdom** to 0.1% rise in **France** - the only country showing positive growth in the quarter. GDP fell for two consecutive quarters in **Germany, Italy** and **Japan**.

Compared with the same quarter a year earlier, GDP growth was highest in **Germany** and the **United States** (0.8%) and lowest in **Italy** (-0.9%) in the third quarter of 2008. Across the **Major Seven*** countries, the current quarterly growth rates over last year experienced slowdown compared to that in the previous quarter.

The **United States** contributed 0.3 percentage point to **total OECD** growth of 0.9% between the third quarter of 2007 and the third quarter of 2008 but no contribution came from **Japan**. The **euro area (12 countries)** contributed 0.2 and the **remaining countries** 0.4 percentage point.



* No official estimate of Canadian GDP is yet available for the latest quarter - see Methodological Notes.

Quarterly GDP Volume Growth
Percentage change on the previous quarter

	2006		2007				2008		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
OECD-Total	0.4	0.7	0.6	0.8	0.9	0.4	0.5	0.1	-0.1
European Union	0.6	0.8	0.8	0.6	0.7	0.4	0.6	0.0	-0.2
Euro area	0.5	0.8	0.7	0.5	0.6	0.4	0.7	-0.2	-0.2
Major seven	0.3	0.6	0.4	0.7	0.9	0.1	0.4	0.1	-0.2
Canada*	0.3	0.5	1.0	1.0	0.6	0.2	-0.2	0.1	..
France	0.1	0.5	0.6	0.6	0.7	0.3	0.4	-0.3	0.1
Germany	0.7	1.1	0.4	0.4	0.6	0.3	1.4	-0.4	-0.5
Italy	0.3	1.0	0.3	0.1	0.2	-0.4	0.5	-0.4	-0.5
Japan	0.5	0.9	0.9	-0.3	0.6	0.4	0.6	-0.9	-0.1
United Kingdom	0.5	0.9	0.9	0.8	0.8	0.5	0.3	0.0	-0.5
United States	0.2	0.4	0.0	1.2	1.2	0.0	0.2	0.7	-0.1

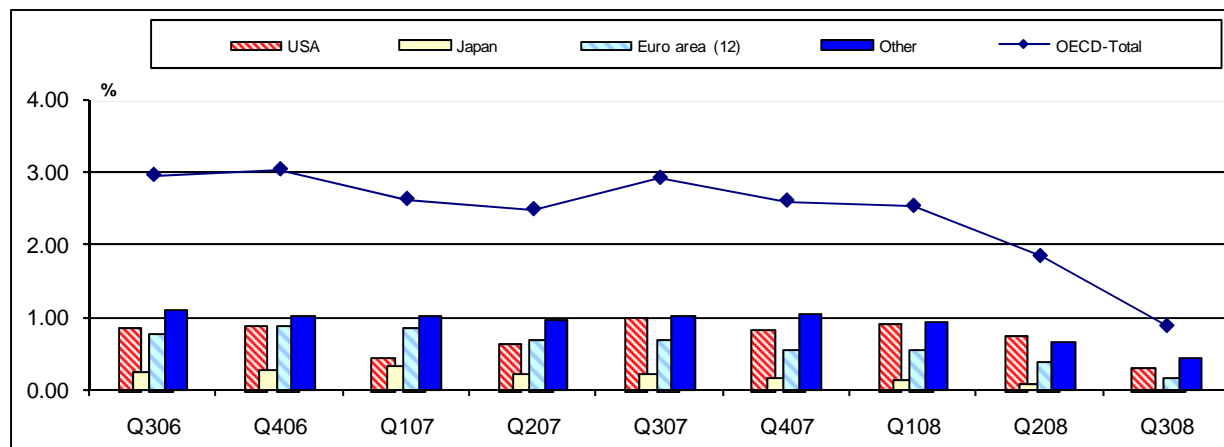
Quarterly GDP Volume Growth
Percentage change on the same quarter of the previous year

	2006		2007				2008		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
OECD-Total	3.0	3.0	2.6	2.5	2.9	2.6	2.5	1.8	0.9
European Union	3.2	3.5	3.4	2.8	2.9	2.5	2.3	1.7	0.8
Euro area	2.9	3.3	3.2	2.6	2.6	2.1	2.1	1.4	0.7
Major seven	2.4	2.7	2.0	2.0	2.6	2.1	2.1	1.5	0.5
Canada*	2.8	2.2	2.2	2.8	3.1	2.8	1.6	0.7	..
France	2.2	2.2	2.1	1.7	2.4	2.2	2.0	1.2	0.6
Germany	3.2	4.1	3.7	2.5	2.4	1.7	2.7	1.9	0.8
Italy	1.6	2.5	2.1	1.7	1.6	0.1	0.4	-0.2	-0.9
Japan	2.1	2.5	3.0	1.9	2.0	1.6	1.3	0.7	0.0
United Kingdom	2.8	3.2	2.9	3.0	3.3	2.9	2.3	1.5	0.3
United States	2.4	2.4	1.3	1.8	2.8	2.3	2.5	2.1	0.8

* No official estimate of Canadian GDP is yet available for the latest quarter - see Methodological Notes.

Country or area contributions to OECD-Total growth

Total growth over the same quarter of the previous year



Methodological Notes

This first estimate of GDP growth for the OECD area in the latest quarter is produced by the OECD Secretariat. It is based on quarterly seasonally adjusted data reported by member countries and, when necessary, on estimates from the OECD *Economic Outlook* and statistical models. Data from all the Major Seven countries except Canada are available now. In order to calculate the Major Seven, GDP for Canada is estimated using the OECD forecast produced by the Economics Department.

The seasonal adjustment includes a working-day correction for the majority of OECD Member countries except for Denmark, Greece, Iceland, Ireland, Luxembourg, New Zealand, Norway, Portugal, Switzerland and Turkey. When seasonally adjusted data are not available from member countries, national data are adjusted by the OECD Secretariat with the ARIMA X-12 method. Seasonally adjusted data for the OECD and the Major Seven areas are calculated from seasonally adjusted data of member countries.

Growth rates for the OECD and the Major Seven areas are calculated using totals obtained by summing volume data expressed at 2000 price levels and converted into US dollars using fixed 2000 Purchasing Power Parities (PPPs) of GDP. Growth rates for the European Union and the euro area shown in the two tables above are obtained from chained volume data, reference year 2000, published by Eurostat, the Statistical Office of the European Communities, in "Euro-Indicators News Release", see [Eurostat Internet site](#). Growth over the previous quarter is not annualised in this publication.

Contributions to the total OECD growth shown in the graph are also calculated using data expressed in US dollars converted using PPPs. Note that the euro area (12) covers the twelve OECD Member countries which belong to the euro area.



Definitions

The **OECD area** (i.e. **OECD-Total**) covers the 30 OECD Member countries: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States.

The **euro area (12)** covers the following 12 OECD Member countries: Austria, Belgium, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, Netherlands, Portugal and Spain.

The **euro area** covers the euro area (12) plus Cyprusⁱ, Malta and Slovenia.

The **European Union** covers the euro area plus Bulgaria, Czech Republic, Denmark, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovak Republic, Sweden and United Kingdom.

This Press Release can be found on the OECD web page, see [OECD Internet Site](#).

Quarterly GDP volume growth rates for all OECD countries and geographic groupings, as well as historical data, are available for download from the OECD online data dissemination facility OECD.Stat at: <http://stats.oecd.org/WBOS/Index.aspx?QueryName=350&QueryType=View&Lang=en>.

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ⁱ *Footnote by Turkey:* "The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the 'Cyprus issue'".

Footnote by all the European Union Member States of the OECD and the European Commission: "The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus".