

Snap | 27 April 2018

## Austria: Economy gets off to a strong start in 2018

On the back of both domestic demand and net exports, the Austrian economy sees strong first-quarter growth



Source: Shutterstock

### Positive momentum

First-quarter GDP growth came in at 0.8% quarter-on-quarter, according to a flash estimate from the Austrian Institute of Economic Research, carrying momentum into 2018. Fourth-quarter GDP growth was revised upwards slightly while full-year GDP growth for 2017 was revised up to 3.0% year-on-year from 2.9% YoY, a level last seen in 2011.

First-quarter growth remained broad-based. Private as well as public consumption expenditure increased by 0.3% each, similar to the previous quarter, while investment momentum remained strong, with continued demand for gross fixed capital formation (+0.8%). Foreign trade and industrial production also supported GDP growth, but both components slowed in the first quarter.

### Looking ahead

We expect momentum to continue to slow down somewhat in the months to come. However, this will simply be a levelling off from recent highs and growth should remain robust throughout the year.

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