

Austria: Staying in the fast lane

While other eurozone economies struggle to maintain cruising speed, Austria continues to grow strongly



Source: shutterstock

With domestic demand remaining in the driver seat, second-quarter GDP growth came in at 0.7% quarter-on-quarter, according to a flash estimate from the Austrian Institute of Economic Research. The more volatile Eurostat measure confirmed the positive picture while coming in slightly lower at 0.5% quarter-on-quarter. This is still 0.1 percentage point above our estimate for eurozone growth for this quarter, which will be released at 11 CEST.

After a strong start to the year (0.8%), second-quarter growth levelled off a bit but remains broad-based. Consumption was robust with private consumer demand increasing strongly. Export growth weakened over the course of the year but with a slightly weaker increase in imports, net exports once again contributed positively to GDP growth.

With economic sentiment and consumer confidence continuing to cool off, we expect Austrian GDP growth to slow down further, getting closer to the [new eurozone cruising speed](#) for the remainder of the year.

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