

31 October 2017
Snap

It's full speed ahead in Austria

After some turbulent political weeks, the focus shifts back to the economy. And the momentum is strong.

0.8%

Austrian growth (QoQ%)

Institute of Economic Research flash estimate

After a vigorous first half of the year, the strong economic momentum continued with third-quarter growth coming in at 0.8% QoQ, the same as the previous quarter, according to a first flash estimate from the Austrian Institute of Economic Research. The more volatile Eurostat measure came in at 0.6% QoQ, 0.1 percentage point down from the second quarter. Economic growth in the third quarter was once again broad-based, driven by strong domestic and foreign impulses with a buoyant upturn in consumption, industry and investment. Value added in manufacturing increased by 2.3 percent, the highest growth since 2010.

With this third quarter performance, the Austrian economy is heading towards its best year since 2011. Even if the economy was to stagnate in the final quarter, annual GDP growth in 2017 would come in at around 2.2% YoY, slightly less than our Eurozone prediction. But with all sectors continue to grow vigorously and with sentiment indicators remaining high, it is much more likely that Austrian GDP growth will come a lot closer to the 3%-mark than the 2%-mark.

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