

## News Release

# G3 growth

## Quarterly GDP for the US, Euro Area & China

Released: 12:00 GMT, 13<sup>th</sup> May, 2016

Next release: 12:00 GMT, 15<sup>th</sup> June, 2016

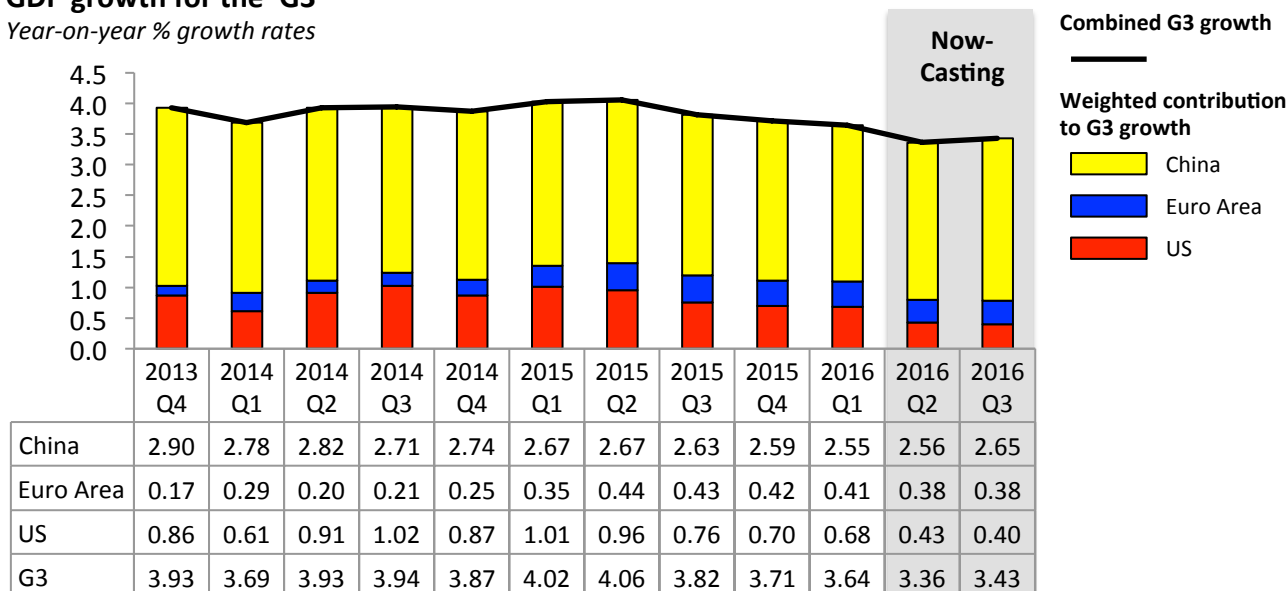
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### G3 growth weakens further

- GDP growth for the G3 – the US, Euro Area and China – is expected to be 3.36% in Q2 and 3.43% in Q2, in each case with respect to the same quarter in the previous year
- The growth outlook is weaker than a month ago, largely because of a fall in the level of the US GDP now-cast. , itself partly due to the disappointing Q1 GDP flash release, and to weak residential housing data for March. It is clear that global growth has decelerated and that growth achieved in 2016 will lower than that achieved in 2015.
- This month's G3 figures are calculated using weights from the IMF World Economic Outlook April 2016 database.

### GDP growth for the 'G3'

Year-on-year % growth rates



### Changes since last month

Year-on-year % growth rates

		2016 Q2	2016 Q3
<b>G3</b>	Last month's prediction	3.67	3.67
	This month's prediction	3.71	3.64
	Change on month	<b>0.03</b>	<b>-0.03</b>
<b>US</b>	Last month's prediction	1.88	2.14
	This month's prediction	1.97	1.94
	Change on month	<b>0.09</b>	<b>-0.20</b>
<b>Euro Area</b>	Last month's prediction	1.58	1.37
	This month's prediction	1.58	1.53
	Change on month	<b>0.00</b>	<b>0.16</b>
<b>China</b>	Last month's prediction	6.80	6.70
	This month's prediction	6.80	6.70
	Change on month	<b>0.00</b>	<b>0.00</b>

### Weights

% share of G3 total GDP based on current international dollars, at purchasing power parity

	New	Old
	From April 2016 WEO database	From October 2015 WEO database
US	35.26	36.30
Euro Area	26.63	25.85
China	38.10	37.85
G3	100.00	100.00

Source: IMF World Economic Outlook

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year-on-year % growth rates

		2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	Full year 2014	Full year 2015	Full year 2016
<b>Growth rates</b>																
US		2.45	1.74	2.59	2.91	2.47	2.87	2.71	2.15	1.97	1.94	1.21	1.14	2.43	2.42	1.40
Euro Area		0.62	1.10	0.75	0.78	0.95	1.30	1.64	1.63	1.58	1.53	1.42	1.42	0.90	1.54	1.45
China		7.60	7.30	7.40	7.10	7.20	7.00	7.00	6.90	6.80	6.70	6.72	6.95	7.25	6.93	7.02
<b>Contribution to G3 growth rate</b>	<i>weights (%)</i>															
US	35.26	0.86	0.61	0.91	1.02	0.87	1.01	0.96	0.76	0.70	0.68	0.43	0.40	0.86	0.85	0.49
Euro Area	26.63	0.17	0.29	0.20	0.21	0.25	0.35	0.44	0.43	0.42	0.41	0.38	0.38	0.24	0.41	0.39
China	38.10	2.90	2.78	2.82	2.71	2.74	2.67	2.67	2.63	2.59	2.55	2.56	2.65	2.76	2.64	2.67
<b>G3 growth rate</b>	100.00	3.93	3.69	3.93	3.94	3.87	4.02	4.06	3.82	3.71	3.64	3.36	3.43	3.86	3.90	3.55

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### Notes

**Release dates** In January, April, July and October, G3 GDP estimates are published on the same day as the official publication of GDP growth in China; in February, May, August and November G3 GDP estimates are published on the same day as the flash estimate of GDP growth from Eurostat, and on other months they are published on the 15<sup>th</sup> of each month or the first working day thereafter.

**Growth rates** All quarterly growth rates mentioned in this release are calculated on a year-on-year basis: comparing the reference quarter with the same quarter in the previous year

**Weights** The US, Euro Area and China are weighted by their share of G3 total GDP in 2014, according to the IMF World Economic Outlook April 2015 database, using current international dollars, at purchasing power parity

**Sources** The US Bureau of Economic Analysis; Eurostat; National Bureau of Statistics of China; IMF World Economic Outlook database; Now-Casting Economics Limited

**Now-Casting model** All forecasts in this release are from the Now-Casting statistical model, which is designed to capture commonalities among macroeconomic data while filtering out idiosyncratic noise. The model produces estimates of the real economic conditions in different countries in real time, taking into account non-synchronous data sampled at mixed frequency. Forecasts are produced automatically, without judgment or other intervention. The deep parameters of Now-Casting model are re-estimated at the beginning of every year

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