

**News Release**

**GDP in the OECD area fell by a record 1.5% in the fourth quarter of 2008**

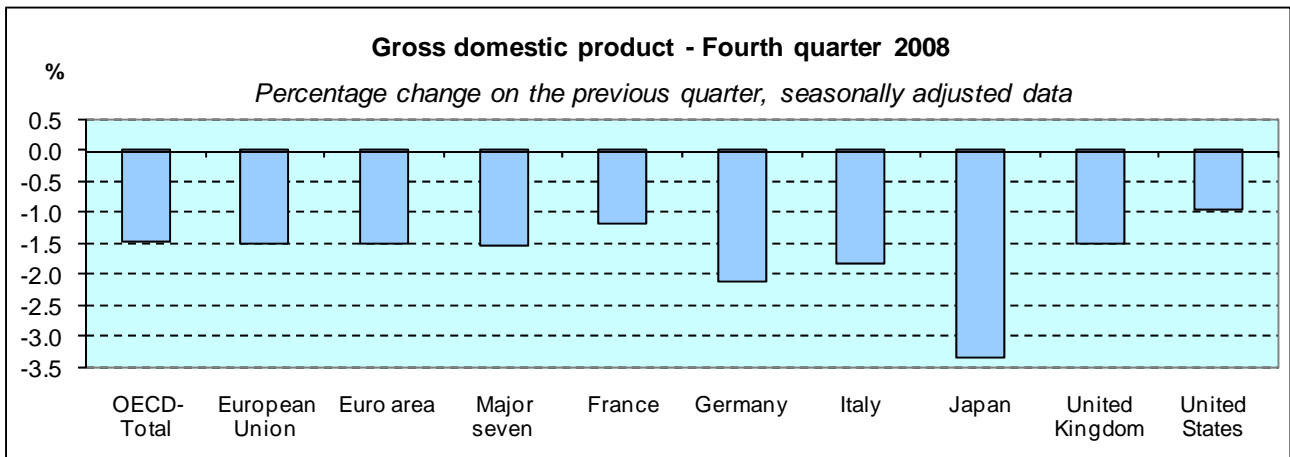
Gross domestic product (GDP) in the **OECD area** fell by 1.5% in the fourth quarter of 2008, the largest fall since OECD records began in 1960, according to preliminary estimates.

In the **United States** GDP fell by 1.0% in the fourth quarter of 2008, following a 0.1% decrease in the previous quarter. **Japan's** GDP declined by 3.3%, following a 0.6% decrease in the previous quarter. GDP in the **euro area** was down 1.5%, following a 0.2% fall in the previous quarter.

GDP fell in the fourth quarter of 2008 in all of the **Major Seven\*** countries, ranging from -3.3% in **Japan** to -1.0% in the **United States**.

Compared with the same quarter a year earlier, all the **Major Seven\*** economies recorded negative growth rates, and a marked deterioration on the previous quarter's year-on-year figures.

The **United States** contributed 0.1% to the **total OECD** fall of 1.1% between the fourth quarter of 2007 and the fourth quarter of 2008. **Japan** contributed 0.5%, the **euro area (12 countries)** 0.3%, and the **remaining countries** 0.2%.



\* 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*

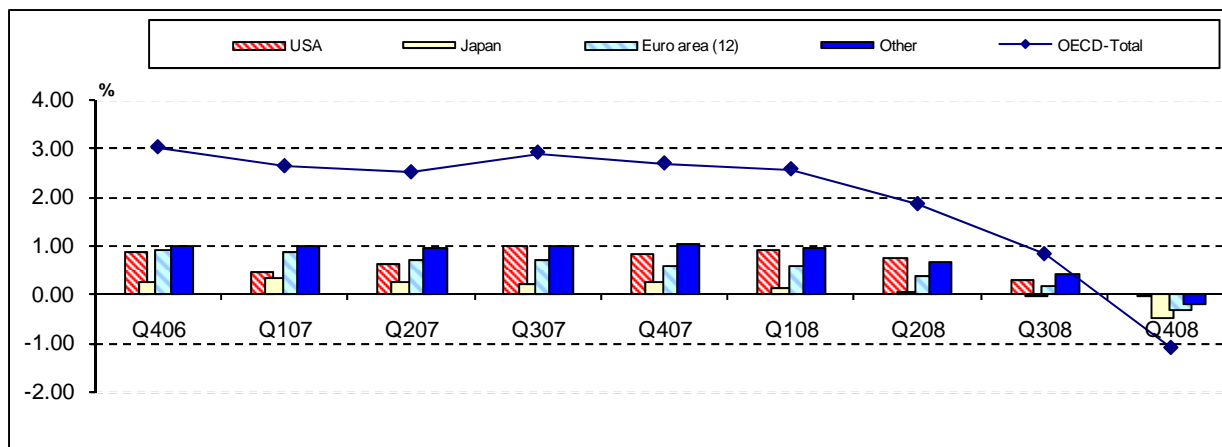
	2006	2007				2008			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>OECD-Total</b>	0.7	0.5	0.8	0.9	0.5	0.4	0.1	-0.2	<b>-1.5</b>
<b>European Union</b>	0.8	0.8	0.6	0.7	0.4	0.6	0.0	-0.2	<b>-1.5</b>
<b>Euro area</b>	0.8	0.7	0.5	0.6	0.3	0.7	-0.2	-0.2	<b>-1.5</b>
<b>Major seven</b>	0.6	0.3	0.7	0.8	0.2	0.4	0.1	-0.3	<b>-1.5</b>
<b>Canada*</b>	0.5	1.0	1.0	0.6	0.2	-0.1	0.2	0.3	..
<b>France</b>	0.6	0.5	0.6	0.7	0.4	0.4	-0.3	0.1	<b>-1.2</b>
<b>Germany</b>	1.1	0.4	0.4	0.6	0.3	1.5	-0.5	-0.5	<b>-2.1</b>
<b>Italy</b>	1.1	0.2	0.1	0.1	-0.3	0.4	-0.6	-0.6	<b>-1.8</b>
<b>Japan</b>	0.9	0.9	-0.1	0.2	1.1	0.2	-0.9	-0.6	<b>-3.3</b>
<b>United Kingdom</b>	0.9	0.8	0.9	0.8	0.6	0.4	0.0	-0.6	<b>-1.5</b>
<b>United States</b>	0.4	0.0	1.2	1.2	0.0	0.2	0.7	-0.1	<b>-1.0</b>

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

	2006	2007				2008			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>OECD-Total</b>	3.0	2.6	2.5	2.9	2.7	2.6	1.8	0.8	<b>-1.1</b>
<b>European Union</b>	3.5	3.3	2.8	2.9	2.5	2.3	1.7	0.8	<b>-1.1</b>
<b>Euro area</b>	3.3	3.2	2.6	2.6	2.1	2.1	1.4	0.6	<b>-1.2</b>
<b>Major seven</b>	2.6	2.1	2.0	2.6	2.2	2.2	1.5	0.4	<b>-1.3</b>
<b>Canada*</b>	2.2	2.2	2.8	3.1	2.8	1.6	0.8	0.5	..
<b>France</b>	2.3	2.2	1.7	2.4	2.2	2.1	1.2	0.6	<b>-1.0</b>
<b>Germany</b>	4.1	3.7	2.5	2.4	1.7	2.8	2.0	0.8	<b>-1.6</b>
<b>Italy</b>	2.6	2.1	1.7	1.5	0.2	0.3	-0.4	-1.1	<b>-2.6</b>
<b>Japan</b>	2.2	3.2	2.2	1.9	2.2	1.4	0.6	-0.2	<b>-4.6</b>
<b>United Kingdom</b>	3.2	2.8	3.0	3.3	3.0	2.6	1.7	0.3	<b>-1.8</b>
<b>United States</b>	2.4	1.3	1.8	2.8	2.3	2.5	2.1	0.7	<b>-0.2</b>

\* 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 growth rate of GDP for the Major Seven, GDP for Canada is estimated using the monthly Canadian series of real GDP by industry at basic prices as the indicator.

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 derived from chained volume estimates in US dollars converted using 2000 Purchasing Power Parities (PPPs) of GDP, reference year 2000. 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 Cyprus<sup>i</sup>, 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>.

## Contacts:

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For answers to technical questions contact [stat.contact@oecd.org](mailto:stat.contact@oecd.org).

**Next release: fourth week of May 2009**

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<sup>i</sup> *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".