



Statistics for data

Comparing year-on-year (or quarter on quarter) data with base-line data

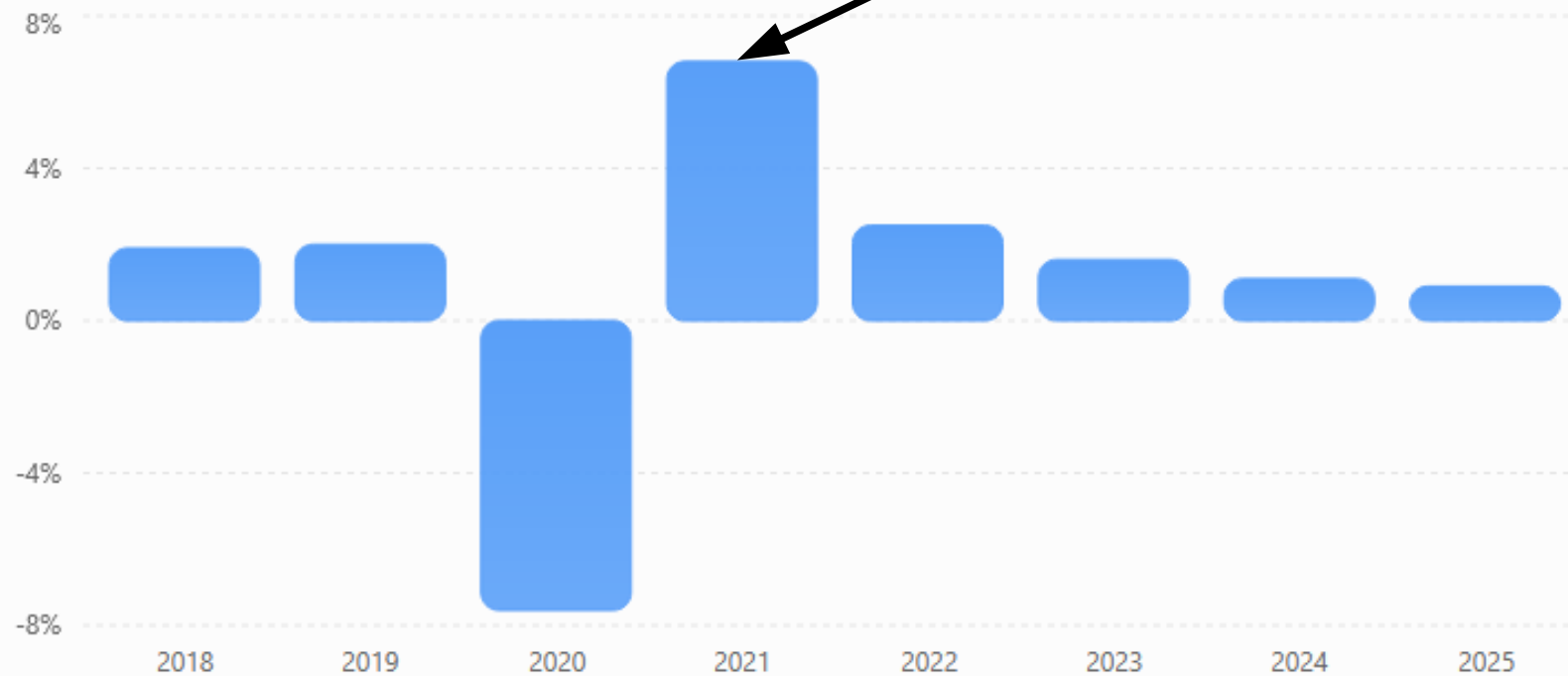
Dr David Rees

French year on Year Growth %GDP

Annual GDP growth (%)

Year-on-year real GDP growth

Percentage change in annual average real GDP.



Notice the dramatic contraction in 2020 and the subsequent rebound in 2021.

1. Why the COVID-19 crisis makes annual growth figures confusing

Consider a simple hypothetical economy:

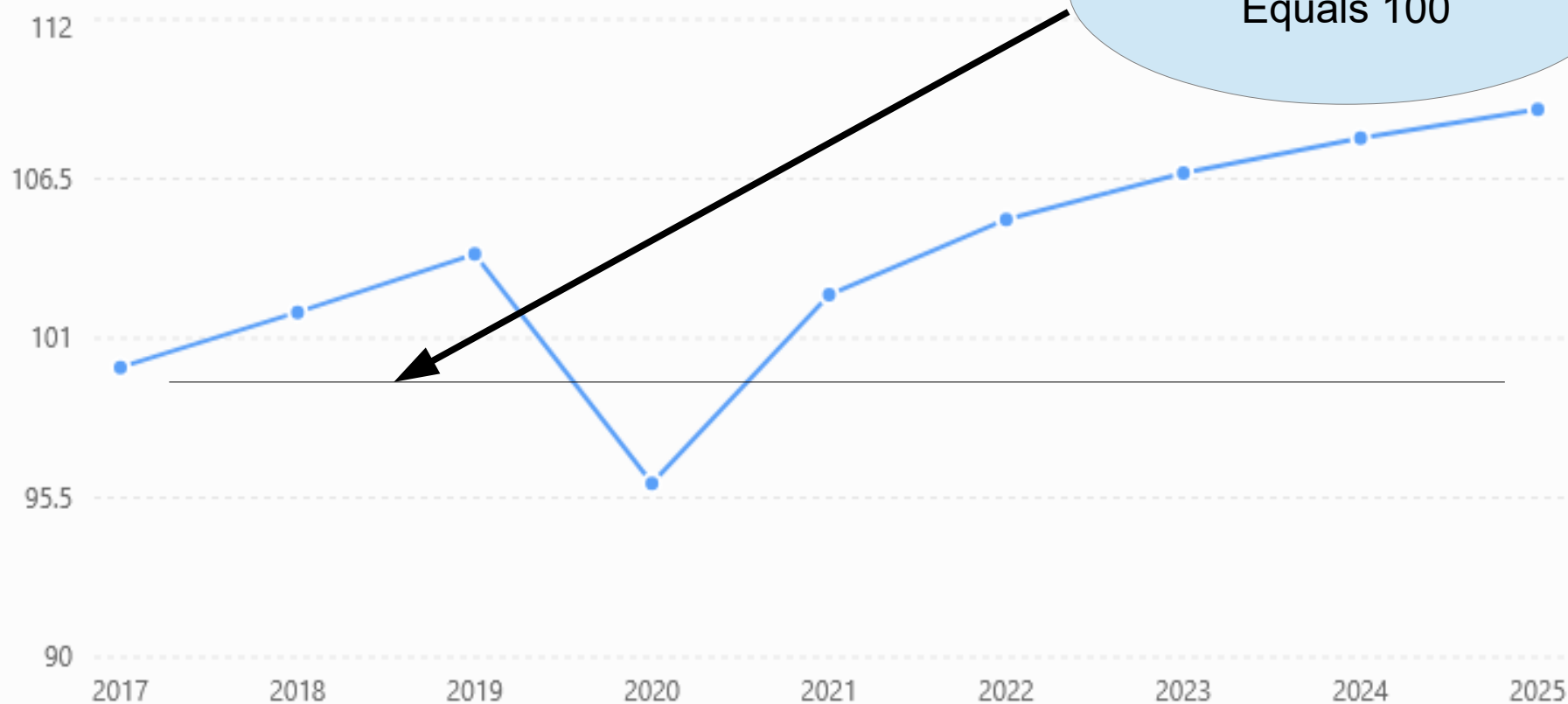
Year	GDP index	Annual growth
2019	100	—
2020	90	−10%
2021	99	+10%
2022	102	+3.0%

In 2021, GDP grows by 10%, exactly the same percentage as its decline in 2020. However, the economy has not returned to its original size.

Base year data – easier to read

Real GDP, fixed base year 2017 = 100

GDP index calculated from INSEE quarterly real GDP figures, annual averages.



The index shows the level of output relative to 2017, not the annual growth rate.