

INTRODUCTION

The New Caledonian economy, relatively saved from the world turbulences, was very dynamic in 2007.

Essentially pulled upward by emerging countries, the **global economic growth** knew how to keep the annual growth rate of the GDP raised enough in 2007. However, the American financial crisis and the inspiration of the prices of raw materials are responsible for the slowing down observed late in the year.

In spite of this weakened world context, New Caledonia registers in 2007, in the tendency of these last years, a very steady **economic activity**, widely stimulated by the nickel, with a growth which promises to be superior to that of the 2006 and an **inflation** limited to 1,8%. Pulled in the increase by foodstuffs (+4,5%), notably over the last five months of the year, the prices in the household consumption increase by 1,8% in 2007. The strong inflation of the food was partially compensated with a very moderate evolution of the manufactured goods and services prices, respectively +0,4% and +1,2%.

The fallouts from this economic dynamism on the **employment** are considerable, with about 4 000 supplementary employees in one year, that is an ever reached level of creations and an important reduction of the unemployment as the number of applicants at the end of the month has been contracted by 7%.

This dynamism of the local economy allows a steady growth of the **financial assets**, sign of the actors confidence, and an acceleration of the financing demand on behalf of all the economic agents.

The domestic demand so accelerated, that is of the **household consumption**, as shows the automotive market (+9,7% more registrations), of the real-estate through home loans (+12,4%) and the Residents journeys (+6,2%), or still of the **companies investment**, illustrated by the progress of the credits in the investment (+21%) as in the construction (+31%), or the high level of **new business start-ups** (about 4 000 created units).

Finally, the **exchanges of goods** outside of the territory were dynamic, with on one hand the imports which progress in 21,5% value over one year, pulled in the increase by the fit of raw materials but especially by an extremely strong domestic demand and on the other hand the exports which get closer to the bar of 200 billions, carried by the exceptional level of the nickel prices in the LME. The cover rate reaches the remarkable level of 73,2%.

The **public finances** benefit from this economic prosperity, with notably a New Caledonian budget in strong progress because of the high profitability of fiscal receipts. Government expenditures in New Caledonia progressed by 5%, of which a big part paid for the benefit of the households, in the form of salaries or pensions.

The cross-section analysis reveals mitigated results in the **agriculture**. The livestock industry presents increasing results to both the beef meat and pork production. The produce industry gets through also rather well in spite of climatic conditions unfavourable in the 4th term which notably damaged lychees, squashes and potatoes, and maintained till the end of the year the vegetables price at a high level. Concerning the **fisheries** and the **aquaculture**, the strong decrease in the production of prawns, conjugated to a stability of the open sea fishing activity, directs in the decline the exports of sea products with a fall of 14,9% in volume and 16,2% in value, and this in spite of the good behaviour of overseas sales of troca shells and sea cucumbers.

As for the **mining and metallurgic industries**, having reached the historic records in May, nickel prices began a decrease in July which lasted until December.

If the price lost about 20% in a few months, on average over the year, it remains superior of 50% to that of the 2006 and adds to the overseas sales of New Caledonian nickel, assuring the sector record turnovers.

Concerning the level of activity, if the mining extraction progresses, notably because of new export markets, the metallurgic production is in recession, because of technical hitches arisen in Doniambo.

The **building industry** goes very well, in spite of an industrial strife which hampered the sector for two months. Increase of the cement consumption, strong growth of the employment and inspiration of the outstanding discounted bills of the home loans indeed testify of the dynamism of the BTP.

Concerning the **maritime transport of goods**, beyond the strong progress of the volumes transported by sea, we notice a rise in power of the port activity in Prony, bound to the construction of the Goro Nickel's factory on one hand, but also to the supply of the thermal power plant of Prony Energie on the other hand.

The **air traffic** increases, pulled essentially by the New Caledonian's travelling, and in a lesser measure by those of the non resident tourists. The international and domestic perspectives augur an even stronger growth in the years to come.

Thanks to the launches of diverse promotional campaigns, the arrivals of Anglo-Saxon **tourists** grow considerably during the year, allowing to compensate for the recession of the Japanese and so to maintain the annual attendance over the 100 000 tourists. As for the **cruise-ship passengers**, they show a record attendance.