



GROSS DOMESTIC PRODUCT FOR THE THIRD QUARTER OF 2010 – FLASH ESTIMATES

According to the seasonally adjusted data, the GDP growth rate in the third quarter of 2010 is 0.3%, compared with the second quarter of the year and 0.2%, compared with the same quarter of the previous year.

The Eurostat Handbook on quarterly National Accounts defines a flash estimates as:

„...the earliest picture of the economy according to national accounts concepts, which is produced and published as soon as possible after the end of the quarter, using a more incomplete set of information than that used for traditional quarterly accounts...”

Flash estimates for GDP in the context of general conditions for the preparation of short – term indicators are based on preliminary short – term information (subject to subsequent update and revisions) expert assessments and models for the components of GDP structure, for which direct basic information at the time of calculation is not available.

Flash estimates of GDP for the third quarter of 2010 were prepared within 43 days after the reference period. They are presented in a standard format for publication of quarterly national accounts data - current prices, relative shares of the components in the GDP structure and growth rates as compared with the previous quarter and compared with the same period of the previous year.

According to the Calendar of statistical surveys, NSI will prepare and publish official quarterly estimates of GDP for the fourth quarter of 2010 on 9 December 2010.

GDP in monetary terms, current prices

According to the flash GDP estimates for the third quarter of 2010, the GDP at current prices amounted to 19 562 million levs. ([Annex 1](#)). The GDP for the first nine months of 2010 in monetary terms amounted to 50,803 million levs.

GVA at current prices amounted to 16 888 million levs. The services sector have the largest share (58.6%) in total value added, followed by agricultural sector (10.4%). The industrial sector constitutes 31.0% of value added in the total economy.

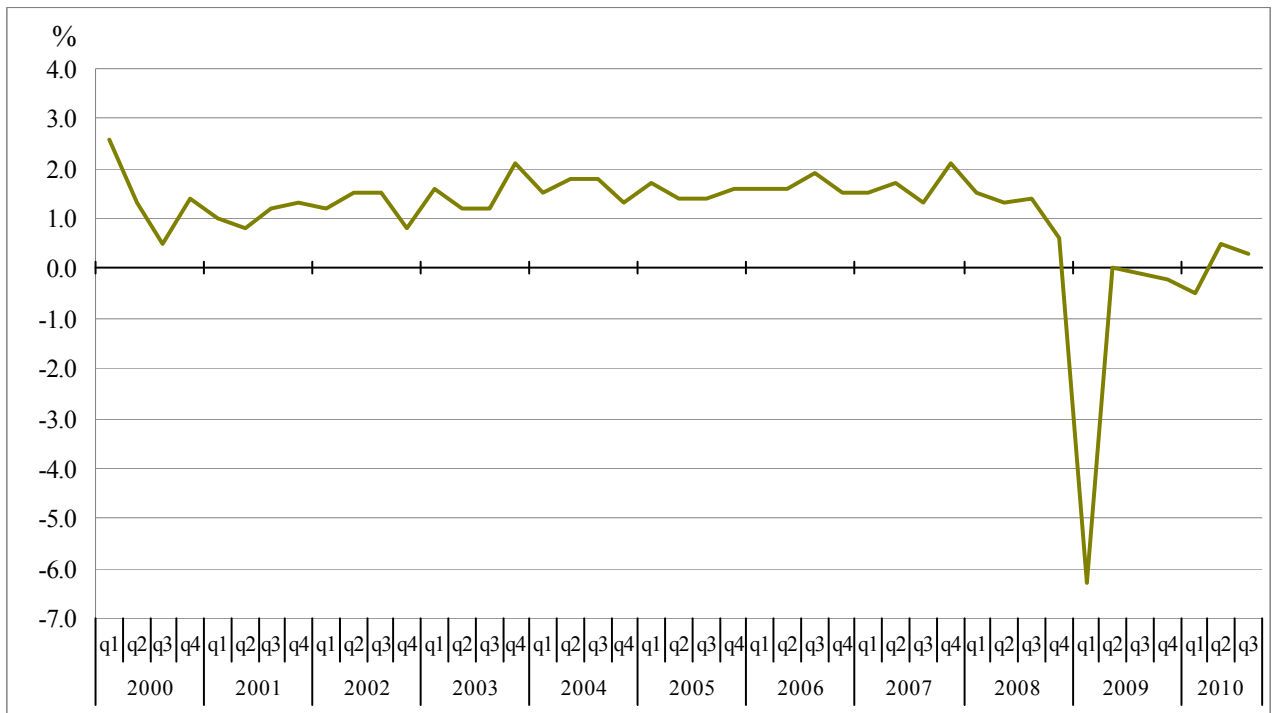
In the structure of GDP by the expenditure approach the largest share in GDP has the final consumption (67.8%), which in value terms amounted to 13 258 million levs. In the third quarter of 2010 gross capital formation is 3 846 million levs and has a share of 19.7% in GDP. The external balance (exports - imports) was positive amounting to 2 459 million levs and accounts for 12.6% in GDP.



Growth rate of GDP, total and by components

According to the seasonally adjusted data¹, the GDP growth rate in the third quarter of 2010 is 0.3%, compared with the previous quarter ([Annex 2](#)).

Fig. 1. GDP growth rates for the period 2000-2010, current quarter compared with the previous quarter
(At average 2000 prices, seasonally and calendar adjusted data)

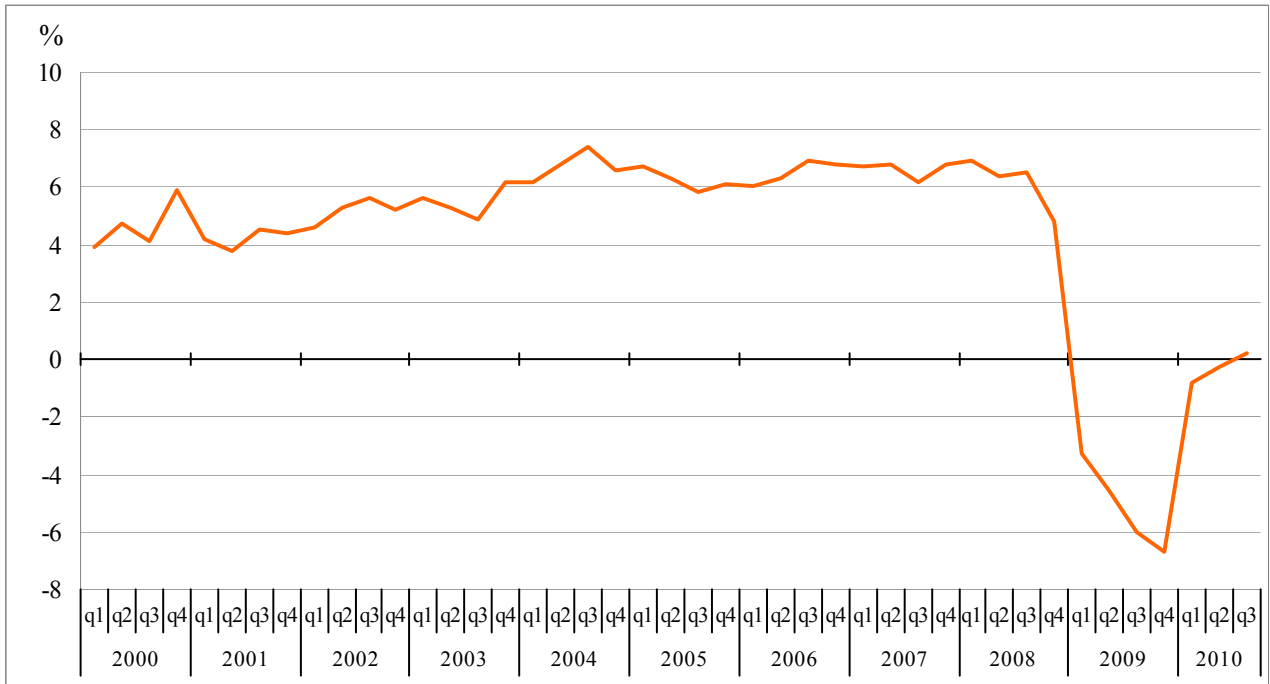


In comparison with the same quarter of the previous year, the real GDP in the third quarter of 2010 rose by 0.2%.

¹ Seasonal adjustment of statistical indicators in the NIS is organized in accordance with [ESS Guidelines on Seasonal Adjustment](#). The seasonal adjustment of GDP data is made with the help of Demetra software, where the TRAMO / SEATS algorithm is applied. The set of variables for seasonal adjustment covers gross value added and gross domestic product by industry and GDP components from the expenditure side. For more information, see "[Quarterly seasonally adjusted data](#)".



Fig. 1. GDP growth rates for the period 2000-2010, current quarter compared with the same quarter of the previous year
(At average 2000 prices, seasonally and calendar adjusted data)



GDP for the first nine months of 2010 decreased by 0.3% over the same period of the previous year.

Quarter-on-quarter growth rates

In the third quarter of 2010 gross value added of the total economy increased by 0.1%, compared to second quarter of the year.

In final use components, exports of goods and services increased by 9.1% in the third quarter of 2010 compared to second quarter. Final consumption expenditure and gross capital formation continue to decrease by 3.7% and 2.3%, respectively. Imports of goods and services decreased by 2.2%.

Growth rates on annual basis

During the third quarter of 2010 gross value added increased by 0.5% compared to same quarter of previous year. The indicator's movement is determined mainly by the increase recorded in the agricultural sector (3.8%) and industry (0.1%). Services have a negative contribution to value added with a decline of 1.7% over the period.

As regards the expenditure component of GDP, a major contributor to registered positive economic growth of 0.2% is the exports of goods and services, which increased by 18.6%. Imports of goods and services also increased by 2.0%. The remaining components of GDP by expenditure approach recorded a decline. The most significant decrease was recorded in final consumption by 7.3 percent, followed by gross capital formation, whose decline was 6.5%.



ANNEX 1

Gross Domestic Product, Third Quarter and First nine months of 2010

Flash estimates

Unadjusted data

	Third quarter of 2010			First nine months of 2010			
	Value at current prices	Share		Value at current prices	Share		
		in GVA	in GDP		in GVA	in GDP	
	Million Levs	%	%	Million Levs	%	%	
1	Gross Value Added by economic sector (2+3+4+5+6+7):	16 888	100.0	86.3	44 172	100.0	86.9
2	Agriculture	1 750	10.4	8.9	2 959	6.7	5.8
3	Industry	5 242	31.0	26.8	13 658	30.9	26.9
4	Services	9 897	58.6	50.6	27 555	62.4	54.2
5	Adjustments	2 674		13.7	6 631		13.1
6	Gross Domestic Product (1+8=10+13+16+19)	19 562	100.0	100.0	50 803	100.0	100.0
	by final use components:						
7	Final consumption (11+12)	13 258		67.8	38 836		76.4
8	Individual	11 894		60.8	34 915		68.7
9	Collective	1 363		7.0	3 921		7.7
10	Gross capital formation (13+14)	3 846		19.7	11 420		22.5
11	Gross fixed capital formation	3 513		18.0	10 712		21.1
12	Change in inventories	333		1.7	708		1.4
13	Balance (exports - imports) (17-18)	2 459		12.6	547		1.1
14	Exports of goods and services	12 906		66.0	29 925		58.9
15	Imports of goods and services	10 447		53.4	29 378		57.8
16	Statistical discrepancy	0		0.0	0		0.0



ANNEX 1

Growth rates of GDP component

(at average 2000 prices, seasonally and calendar adjusted data)

(%)

	Growth rate, current quarter compared with the previous quarter				Growth rate, current quarter compared with the same quarter of the previous year			
	2009		2010		2009		2010	
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1 Gross Value Added by economic sector	0.1	-0.3	0.5	0.1	-4.0	0.1	0.4	0.5
2 Agriculture	-0.6	3.6	-0.4	1.2	-2.2	7.0	5.5	3.8
3 Industry	-0.8	1.7	0.3	-1.1	-5.8	1.1	1.0	0.1
4 Services	-0.1	-0.6	0.1	-1.1	-1.9	-2.5	-1.6	-1.7
5 Adjustments	-1.6	-2.1	0.2	-0.2	-19.9	-6.5	-4.7	-3.8
6 Gross Domestic Product	-0.2	-0.5	0.5	0.3	-6.7	-0.8	-0.3	0.2
By final use components:								
7 Final consumption	-2.2	-1.0	-0.6	-3.7	-5.3	-4.5	-4.3	-7.3
8 Individual	-1.8	-1.1	-0.5	-4.0	-4.6	-3.5	-3.7	-7.2
9 Collective	-23.4	26.5	-3.9	-1.1	-24.0	-3.9	-8.9	-7.8
10 Gross capital formation	-1.8	-1.2	-1.3	-2.3	-36.6	-12.5	-12.0	-6.5
11 Gross fixed capital formation	-6.0	3.8	-3.0	1.0	-33.7	-19.9	-15.6	-4.3
12 Change in inventories	.	.	.	.	.	.	.	.
13 Balance (exports - imports)	.	.	.	.	.	.	.	.
14 Exports of goods and services	2.9	1.7	3.9	9.1	-1.7	5.5	12.6	18.6
15 Imports of goods and services	-2.3	4.0	2.7	-2.2	-18.9	-2.8	0.3	2.0
16 Statistical discrepancy	.	.	.	.	.	.	.	.

Comment: The growth rate is calculated by using chain-linked estimates of the GDP components based on average 2000 prices. Detailed information could be found at the thematic rubric "Gross domestic products", methodology:

[Price and Volume Measures](#)

[Quarterly seasonally adjusted data](#)