



GROSS DOMESTIC PRODUCT FOR THE FOURTH QUARTER OF 2010

In the fourth quarter of 2010 GDP at current prices amounts to 19 962 million leva. In Euro terms GDP reaches to 10 206.5 million euro or 1 359.4 euro per person. According to the seasonally adjusted data, the GDP growth rate in the fourth quarter of 2010 is 2.1% compared with the third quarter of the year and 2.8% compared with the same quarter of the previous year.

In 2010, GDP amounted to 70 474.3 million leva at current prices. GDP in Euro amounted to 36 033 million or 4 786.8 euro per person.

GDP, current prices

According to the preliminary data, the Gross Domestic Product (GDP)¹ at current prices in the fourth quarter of 2010 amounted to 19 962 million leva (Table 1). The GDP per person amounted to 2 658.8 leva. In USD terms at average quarterly exchange rate of 1.440271 leva per dollar, the GDP amounted to 13 860 million dollars or 1 846.1 dollars per person. In Euro terms, the GDP amounted to 10 206.5 million euro or 1 359.4 euro per person.

Gross value added (GVA)² at current prices in the fourth quarter of 2010 amounted to 17 012.5 million leva.

As compared with the fourth quarter of 2009 the industrial sector increased its share in the gross value added in the economy by 5.5 percentage points to 33.4% in the fourth quarter of 2010. The share of services was 63.3 %, up by 6 percentage points as compared with the respective period of the previous year. The share of agricultural sector increased by 0.5 percentage points to 3.3% in the fourth quarter of 2010.

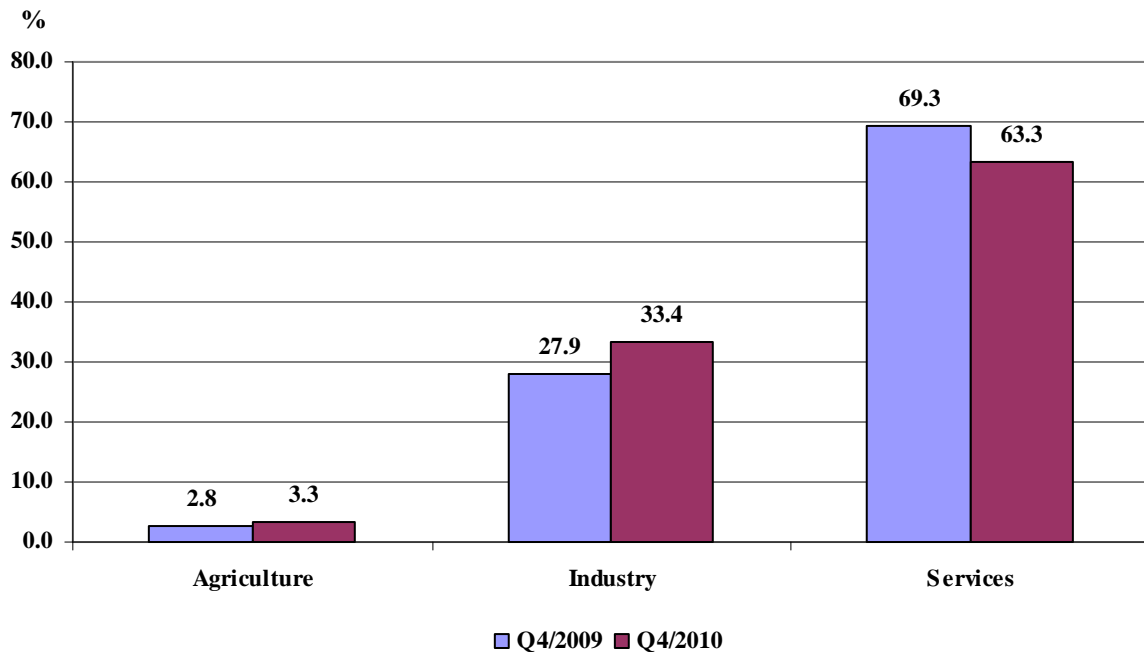
¹ GDP at market prices characterizes the final result of the economic activity by resident institutional units. GDP is derived by following three approaches:

- a) GDP is the sum of GVA created by institutional sectors or economic activity groupings plus net taxes on products (taxes minus subsidies which are not distributed by sectors and economic activity groupings). GVA is the balancing item of the Production account.
- b) GDP by final expenditure is calculated as a sum of individual consumption, collective consumption, gross fixed capital formation, changes in inventories, net exports of goods and services.
- c) GDP by income approach is a sum of generated income in the income account (compensation of employees, net taxes on production, gross operating surplus, and gross mixed income).

² Gross value added at basic prices is a balancing item of the Production account between the gross output at basic prices (before recording of the taxes on products and services, including subsidies on products) and the intermediate consumption at purchasers' prices.



Fig. 1. Gross Value Added by economic sectors in the fourth quarter of 2009 and 2010
(relative share)



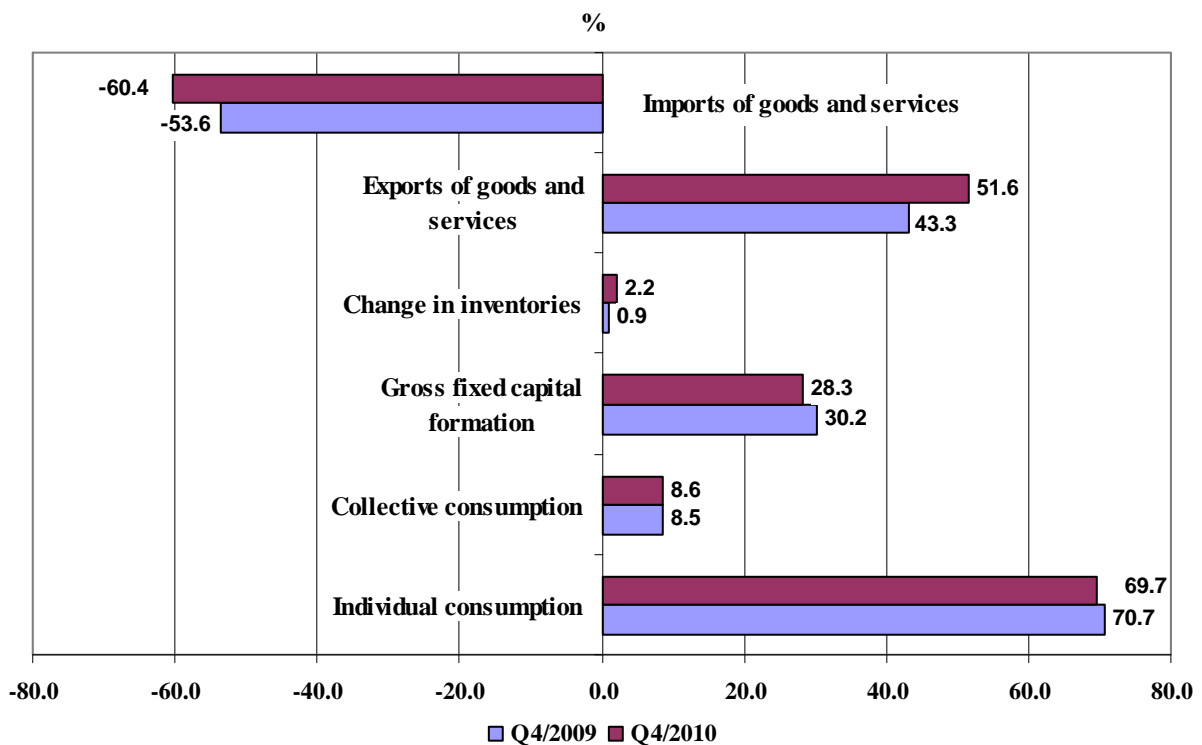
In the fourth quarter of 2010 the individual consumption³ constituted 69.7% of GDP in the economy. Investments (gross fixed capital formation⁴) accounted for 28.3% of GDP. The external balance (exports-imports) was negative amounting to 1 766.4 million levs and accounted for 8.8% in GDP.

³ *Final consumption expenditure* includes expenditures of resident institutional units (households, non-profit institutions serving households, general government) for providing the goods and services, used for individual consumption of the population and collective consumption of the society. According to the national concepts principles, individual consumption expenditures include expenditures for goods and services on the territory of the country and abroad.

⁴ *Gross fixed capital formation* includes the acquired fixed assets owned by residential producers and households less disposal ones during the reporting period. Gross fixed capital formation covers the investments for the tangible and intangible assets, produced in the production process(or imported) which are used many times over than one year.



Fig. 2. GDP and its components in the fourth quarter of 2009 and 2010
(relative share)



GDP for 2010 reached nominal value of 70 474.3 million leva (Table 1). In USD terms at average average annual exchange rate of 1.477896 leva per dollar, the GDP amounted to 47 685.6 million dollars or 6 334.8 dollars per person. In Euro terms, the GDP amounted to 36 032.9 million euro or 4 786.8 euro per person.

In real terms, GDP increased by 0.2% compared to 2009.

Gross value added amounted to 60 645.7 million. In real terms, the indicator increased by 0.2% compared to 2009.

The industrial sector represents 31.2% of the total value added of the economy, which is 0.5 percentage points more than in 2009.

The services sector has created 63.5% of the total added value and the relative share of agricultural sector reached 5.3% in total value added.

Concerning the GDP component by final expenditure, gross fixed capital formation reached share of 23.5% in total GDP and individual consumption formed 69.1% of GDP. External trade balance of goods and services is negative.

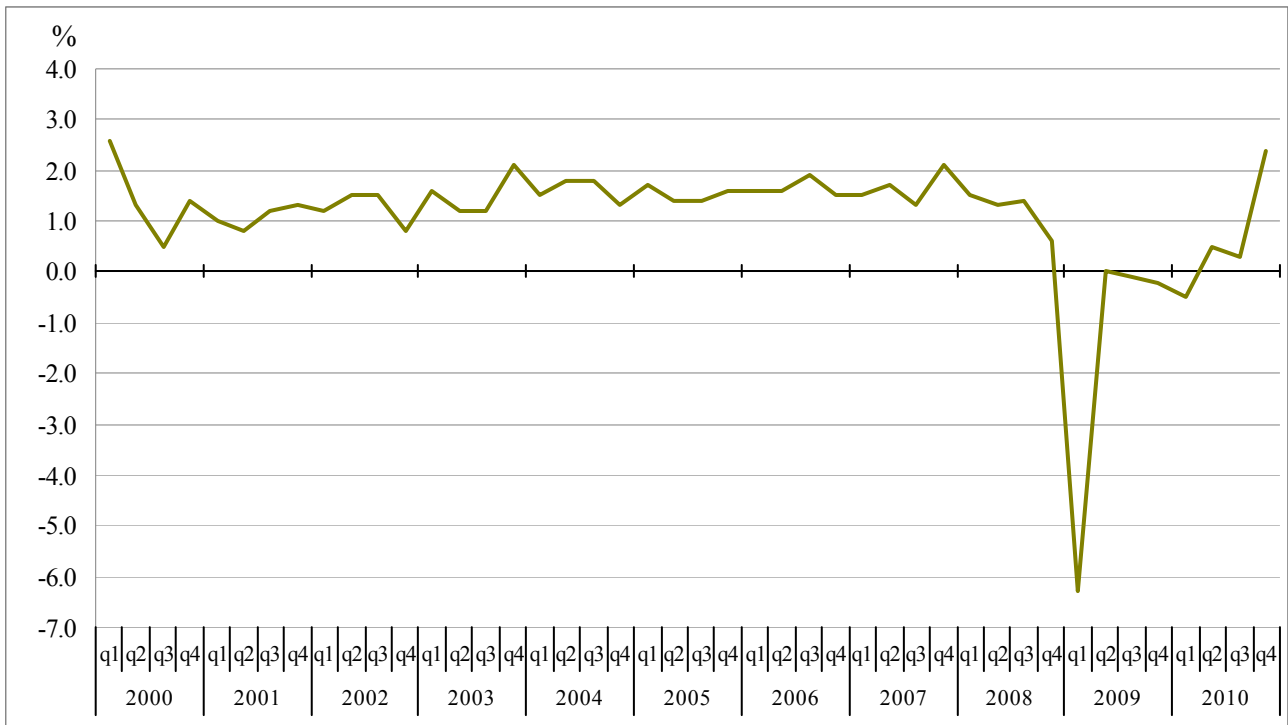


Growth rate of GDP, total and by components

According to the seasonally adjusted data⁵, the GDP growth rate in the fourth quarter of 2010 is 2.1%, compared with the previous quarter (Table 2).

Fig. 3. GDP growth rates for the period 2000-2010, current quarter compared with the previous quarter

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



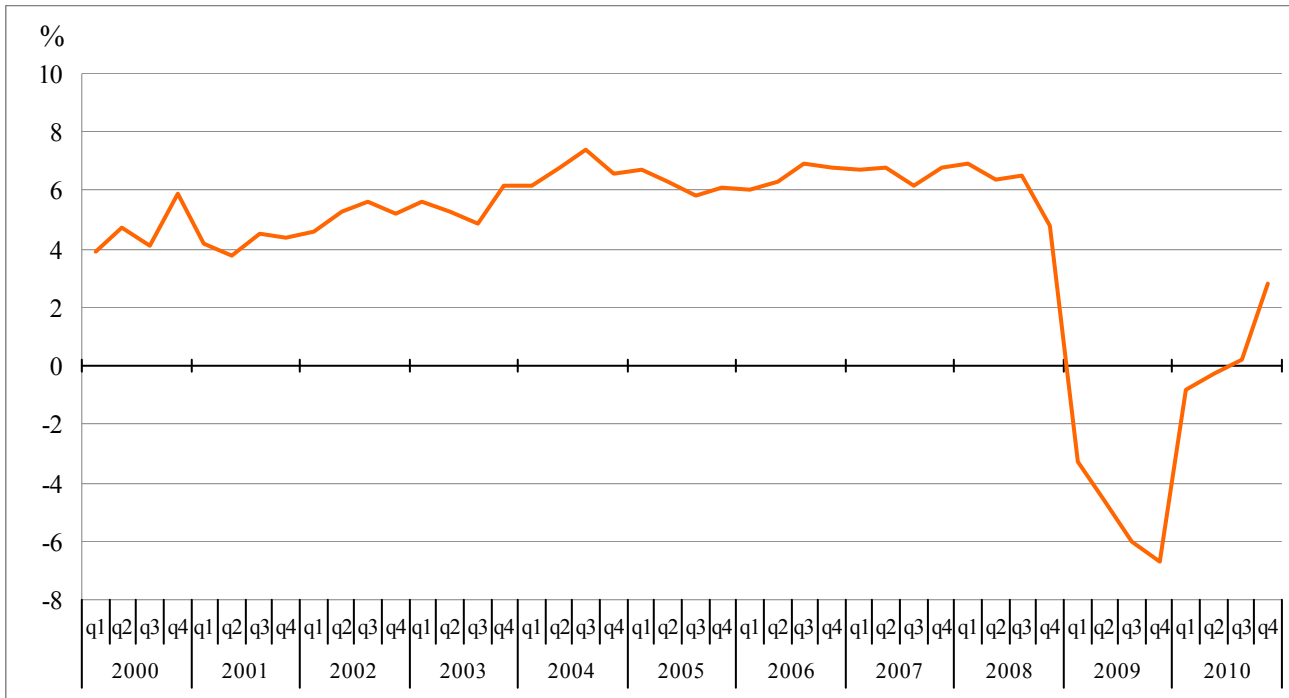
In comparison with the same quarter of the previous year, the real GDP in the fourth quarter of 2010 rose by 2.8%.

⁵ 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”](#).



Figure 2. 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)



Quarter-on-quarter growth rates

In the fourth quarter of 2010 gross value added of the total economy increased by 0.3%, compared to third quarter of the year.

Preliminary data for the fourth quarter of 2010 confirmed the reported increase in the flash estimates of final consumption and gross capital formation compared with the previous quarter. According to preliminary data, the growth of these indicators is 1.7 percent for final consumption and 7.4% for gross capital formation. In the fourth quarter exports and imports of goods and services rose by 0.8% and 9.1% compared to the previous quarter.

Growth rates on annual basis

During the fourth quarter of 2010 gross value added increased by 0.2% compared to same quarter of previous year. The indicator's movement is determined mainly by the increase recorded in industry - 8.4%, and financial sector - 5.2%. Agriculture, construction and services in trade, hotels and restaurants, transport and communications have a negative contribution to value added and reported a decline during the period.

As regards the expenditure component of GDP, a major contributors to registered positive economic growth of 2.8% are collective consumption, exports of goods and services and gross fixed capital formation, which increased by respectively 12.7%, 16.0% and 7.2%. Final consumption recorded a decline compared to the corresponding quarter of previous year by 2.9% .



Methodological annotations

Quarterly surveys of national accounts for GDP and its components are developed in accordance with the methodological principles of the European System of National Accounts, 1995 (ESA '95) - adopted by Council Regulation 2223/96 EC.

The survey is conducted regularly since 1996. The time series are available on the website of the NSI⁶.

The results are preliminary. They are based on available monthly and quarterly statistical and administrative information and are updated annually (15 months after the end of the year) based on data from annual exhaustive surveys and updated administrative information.

⁶ Вж. www.nsi.bg, Национални сметки



ANNEX

Table 1

Gross Domestic Product 2010, Fourth quarter and Year

(Unadjusted data)

		Fourth quarter of 2010			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):	17 012	100.0	85.2	60 645	100.0	86.1
2	Agriculture, hunting and forestry; fishing and operation of fish hatcheries and fish farms	567	3.3	2.8	3 190	5.3	4.5
3	Industry including energy	4 025	23.7	20.2	14 043	23.2	20.0
4	Construction	1 652	9.7	8.3	4 904	8.1	7.0
5	Wholesale and retail trade, repair of motor vehicles and household goods, hotels and restaurants; transport and communications	4 147	24.4	20.7	14 303	23.5	20.3
6	Financial, real-estate, renting and business activities	3 813	22.4	19.1	14 317	23.6	20.3
7	Other service activities	2 808	16.5	14.1	9 888	16.3	14.0
8	Adjustments	2 950		14.8	9 829		13.9
9	Gross Domestic Product (1+8=10+13+16+19)	19 962		100.0	70 474		100.0
	by final use components:						
10	Final consumption (11+12)	15 634		78.4	54 251		77.0
11	Individual	13 912		69.8	48 722		69.1
12	Collective	1 722		8.6	5 529		7.8
13	Gross capital formation (13+14)	6 095		30.5	17 564		24.9
14	Gross fixed capital formation	5 659		28.2	16 546		23.5
15	Change in inventories	436		2.2	1 018		1.4
16	Balance (exports - imports) (17-18)	-1 767		-8.9	-1 341		-1.9
17	Exports of goods and services	10 304		51.6	40 733		57.8
18	Imports of goods and services	12 071		60.5	42 074		59.7
19	Statistical discrepancy	0		0.0	0		0.0



Table 2

Growth rates of GDP component¹

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

(Per cent)

		Growth rate, current quarter compared with the previous quarter				Growth rate, current quarter compared with the same quarter of the previous year			
		2010				2010			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Gross Value Added by economic sector:	-0.3	0.5	-0.4	0.3	0.1	0.4	0.0	0.2
2	Agriculture, hunting and forestry; fishing and operation of fish hatcheries and fish farms	3.6	-0.4	0.5	-6.9	7.0	5.5	3.0	-3.4
3	Industry including energy	2.2	0.0	0.1	5.9	1.7	1.0	1.4	8.4
4	Construction	0.0	1.4	-12.7	10.0	-0.9	0.9	-11.8	-2.7
5	Wholesale and retail trade, repair of motor vehicles and household goods, hotels and restaurants; transport and communications	-0.4	1.2	-5.6	-5.8	-1.9	1.1	-3.7	-10.3
6	Financial, real-estate, renting and business activities	-1.4	-1.4	4.5	3.6	-4.4	-5.7	0.1	5.2
7	Other service activities	0.3	0.6	-0.2	-8.1	-0.2	0.3	0.2	-7.6
8	Adjustments	-2.1	0.2	1.7	5.0	-6.5	-4.7	-1.9	4.7
9	Gross Domestic Product	-0.5	0.5	0.7	2.1	-0.8	-0.3	0.5	2.8
	by final use components:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Final consumption	-1.0	-0.6	-2.7	1.7	-4.5	-4.3	-6.4	-2.6
11	Individual	-1.1	-0.5	-2.6	1.2	-3.5	-3.7	-5.9	-2.9
12	Collective	26.5	-3.9	-1.1	-6.3	-3.9	-8.9	-7.8	12.7
13	Gross capital formation	-1.2	-1.3	-0.7	7.4	-12.5	-12.0	-4.9	4.0
14	Gross fixed capital formation	3.8	-3.0	0.0	6.5	-19.9	-15.6	-5.3	7.2
15	Change in inventories	.	.	.	.	.	.	.	.
16	Balance (exports - imports)	.	.	.	.	.	.	.	.
17	Exports of goods and services	1.7	3.9	8.9	0.8	5.5	12.6	18.5	16.0
18	Imports of goods and services	4.0	2.7	-1.3	9.1	-2.8	0.3	3.0	15.0
19	Statistical discrepancy	.	.	.	.	.	.	.	.

¹ 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