



GROSS DOMESTIC PRODUCT, THIRD QUARTER OF 2014 (PRELIMINARY DATA)

In the third quarter of 2014 GDP at current prices amounts to 22 838 million BGN. In Euro terms GDP is 11 677 million Euro or 1 616 euro per person. According to the seasonally adjusted data, the GDP growth rate in the third quarter of 2014 is 1.5% compared with the same quarter of the previous year and 0.4% compared with the second quarter of 2014.

GDP, current prices

Third quarter of 2014

According to the preliminary data, the Gross Domestic Product (GDP)¹ at current prices in the third quarter of 2014 amounted to 22 838 million BGN (Annex, Table 1). The GDP per person amounted to 3 161 BGN. In USD terms at average quarterly exchange rate of 1.47546 BGN per USD, the GDP amounted to 15 479 million USD or 2 142 USD per person. In Euro terms, the GDP amounted to 11 677 million Euro or 1 616 Euro per person.

Gross value added (GVA)² at current prices in the third quarter of 2014 amounted to 19 508 million BGN.

As compared with the third quarter of 2013 the agricultural sector increases its share of 8.2% in the gross value added of the economy with 0.2 percentage points. The share of industrial sector reaches 27.9 %, up by 0.2 percentage points. The share of services is 63.9% which is a decrease of 0.4 percentage points compared to the same period of the previous year.

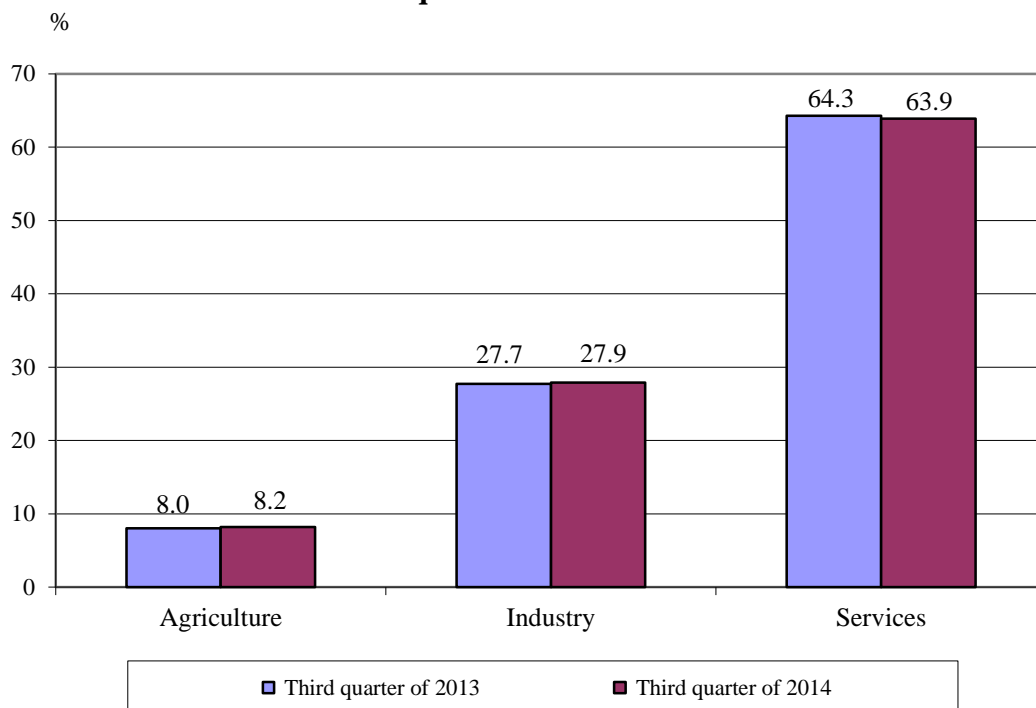
¹ **GDP at market prices** characterizes the final result of the economic activity by resident institutional units. GDP is derived by following three approaches:

- 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.
- 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.
- 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.



Figure 1. Structure of Gross Value Added by economic sectors in the third quarter of 2013 and 2014



In the third quarter of 2014 the final consumption expenditure¹ formed 69.1% of GDP in the economy. Investments (gross fixed capital formation²) formed 20.7% of GDP. The external balance (exports - imports) is positive.

¹ **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.

² **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 is used many times over than one year.



Figure 2. GDP and its components in the third quarter of 2013 and 2014

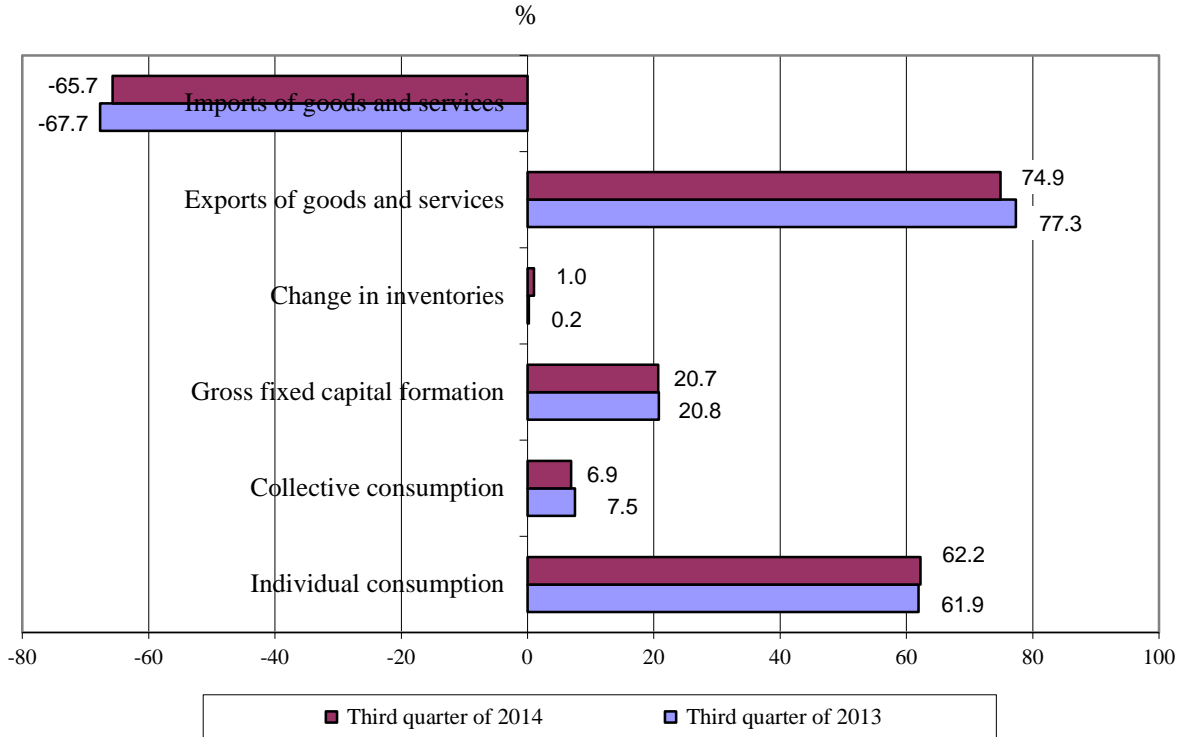
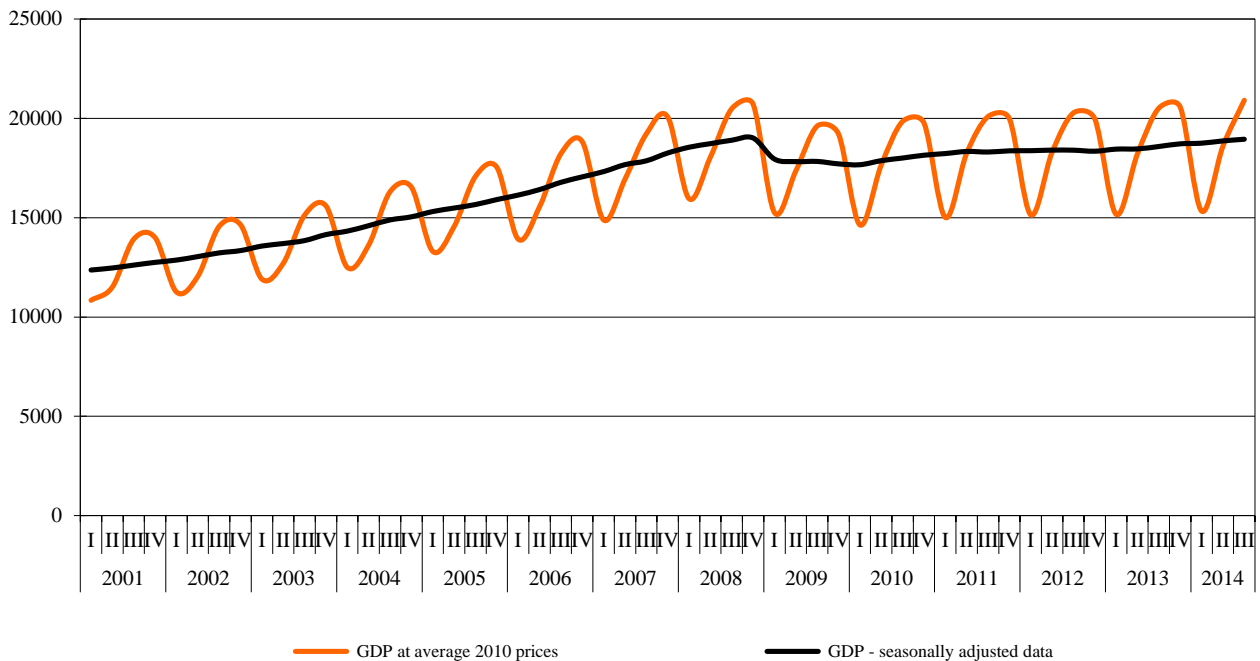


Figure 3. GDP by quarter at average 2010 prices

Million BGN





Growth rate of GDP, total and by components

Quarter-on-quarter growth rates

According to the seasonally adjusted data, the GDP growth rate in the third quarter of 2014 increased by 0.4% compared with the previous quarter (Annex, Table 2). In the third quarter of 2014 gross value added of the total economy rises also by 0.4% compared with the second quarter of the current year.

According to the preliminary estimates of GDP by final expenditure, in the third quarter of 2014 compared with the previous quarter the final consumption expenditure increased by 0.3%. For the same period, gross fixed capital formation increased by 0.7%. In the third quarter of 2014, the exports of goods and services decreased by 2.6%. During the same period, imports of goods and services increased by 0.7% over the previous quarter.

Growth rates on annual basis

During the third quarter of 2014 GDP increased by 1.5% compared to the same quarter of the previous year. Gross value added increased by 1.9% compared to the same quarter of previous year. The indicator's movement is determined mainly by the increase recorded in; Professional, scientific and technical activities; administrative and support service activities - 7.8%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation - 4.0%, Agriculture, forestry and fishing - 3.7%, Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - 1.7%, Real estate activities - 1.5%, Public administration and defence; compulsory social security; education; human health and social work activities - 0.8%.

As regards the expenditure component of GDP, contributors to the registered positive economic growth are the final consumption with 0.8% and the gross fixed capital formation with 4.4%. Imports of goods and services increased by 2.6%, while Exports of goods and services decreased by 2.8% compared with the corresponding quarter of the previous year.



Methodological notes

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, 2010 - adopted by Council Regulation 549/2013 EC.

The survey has been conducted regularly since 1996. The time series are available on the website of the NSI¹.

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.

The calculations are based on two independent approaches for estimation of GDP: production and final use method. The difference between the estimated GDP by the two approaches is shown as an unbalanced sum from the final use side.

¹ See www.nsi.bg, Gross Domestic Product.

Table 1

Gross Domestic Product in the third quarter of 2014 - unadjusted data

		Third quarter of 2014		
		Value at current prices	Relative share	
			in GVA	in GDP
		Million BGN	%	%
1	Gross Value Added by economic sector, (2+3+4):	19 508	100.0	85.4
2	Agriculture	1 608	8.2	7.0
3	Industry	5 442	27.9	23.8
4	Services	12 458	63.9	54.6
5	Adjustments	3 330		14.6
6	Gross Domestic Product (1+5=7+10+13+16)	22 838		100.0
	By final use components:			
7	Final consumption (8+9)	15 776		69.1
8	Individual	14 198		62.2
9	Collective	1 578		6.9
10	Gross capital formation (11+12)	4 957		21.7
11	Gross fixed capital formation	4 727		20.7
12	Change in inventories	230		1.0
13	Balance (exports - imports) (14-15)	2 105		9.2
14	Exports of goods and services	17 099		74.9
15	Imports of goods and services	14 994		65.7
16	Statistical discrepancy	0		0.0



Growth rates of GDP component¹

Table 2

(Per cent)

		Growth rate, current quarter compared with the previous quarter				Growth rate, current quarter compared with the same quarter of the previous year			
		IV 2013	I 2014	II 2014	III 2014	IV 2013	I 2014	II 2014	III 2014
1	Gross Value Added by economic sector:	0.9	0.1	0.4	0.4	2.6	2.2	2.3	1.9
2	Agriculture, forestry and fishing	0.1	-0.7	1.5	2.7	1.6	-0.3	1.4	3.7
3	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	1.6	0.8	0.8	0.7	1.9	3.7	3.6	4.0
4	Construction	-1.6	0.7	-0.5	0.4	5.4	-1.3	-1.1	-1.0
5	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	0.5	0.1	0.8	0.3	2.3	1.8	2.2	1.7
6	Information and communication	0.4	0.1	0.1	0.2	2.1	1.7	1.8	0.7
7	Financial and insurance activities	-1.8	2.2	1.3	-1.7	-1.2	0.4	-1.7	0.0
8	Real estate activities	0.1	-0.1	0.3	1.2	1.6	0.9	1.3	1.5
9	Professional, scientific and technical activities; administrative and support service activities	4.3	1.7	0.3	1.3	1.1	6.0	2.2	7.8
10	Public administration and defence; compulsory social security; education; human health and social work activities	0.8	0.0	0.2	-0.2	2.2	2.6	2.3	0.8
11	Arts, entertainment and recreation, repair of households goods and other services	5.6	-6.8	0.0	0.1	13.4	2.1	1.8	-1.5
12	Adjustments	-0.3	0.5	1.8	0.5	-1.2	-1.7	1.6	2.5
13	Gross Domestic Product	0.6	0.1	0.3	0.4	1.9	1.5	1.8	1.5
	by final use components:								
14	Final consumption	0.5	0.3	-0.3	0.3	-1.3	3.3	1.2	0.8
15	Individual	0.8	0.2	-0.6	0.2	-1.9	4.3	0.9	0.6
16	Collective	-0.1	0.5	0.4	0.2	2.8	2.1	1.7	1.0
17	Gross capital formation	.	.	.	.	.	.	.	.
18	Gross fixed capital formation	1.6	1.1	0.9	0.7	4.2	4.8	5.1	4.4
19	Change in inventories	.	.	.	.	.	.	.	.
20	Balance (exports - imports)	.	.	.	.	.	.	.	.
21	Exports of goods and services	-0.1	-2.2	2.2	-2.6	10.5	2.1	3.0	-2.8
22	Imports of goods and services	-0.1	2.6	-0.5	0.7	6.4	5.5	3.7	2.6
23	Statistical discrepancy	.	.	.	.	.	.	.	.

¹ The growth rate is calculated by using chain-linked estimates of the GDP components based on average 2010 prices.