



## GROSS DOMESTIC PRODUCT, SECOND QUARTER OF 2017 (PRELIMINARY DATA)

In the second quarter of 2017 Gross Domestic Product (GDP)<sup>1</sup> at current prices amounts to 24 149 million BGN. In Euro terms GDP is 12 347 million Euro or 1 741 euro per person. According to the seasonally adjusted data, the GDP growth rate in the second quarter of 2017 is 3.6 % compared to the same quarter of the previous year and 1.0% compared to the first quarter of 2017.

### GDP, current prices

#### Second quarter of 2017

According to the preliminary data, the Gross Domestic Product at current prices in the second quarter of 2017 amounted to 24 149 million BGN (Annex, Table 1). The GDP per person amounted to 3 405 BGN. In USD terms at average quarterly exchange rate of 1.77564 BGN per dollar, the GDP amounted to 13 600 million dollars or 1 918 dollars per person. In Euro terms, the GDP amounted to 12 347 million Euro or 1 741 Euro per person.

Gross value added (GVA)<sup>2</sup> at current prices in the second quarter of 2017 amounted to 20 837 million BGN.

As compared to the second quarter of 2017 the share of the agricultural sector in the gross value added of the economy increases with 0.2 percentage points (pp) to 4.1%. The share of industrial sector decreases by 0.6 pp to 29.5%. The relative share of value added from service activities increases from 66.0% to 66.4% pp compared to the corresponding period of the previous year.

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<sup>1</sup> **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.

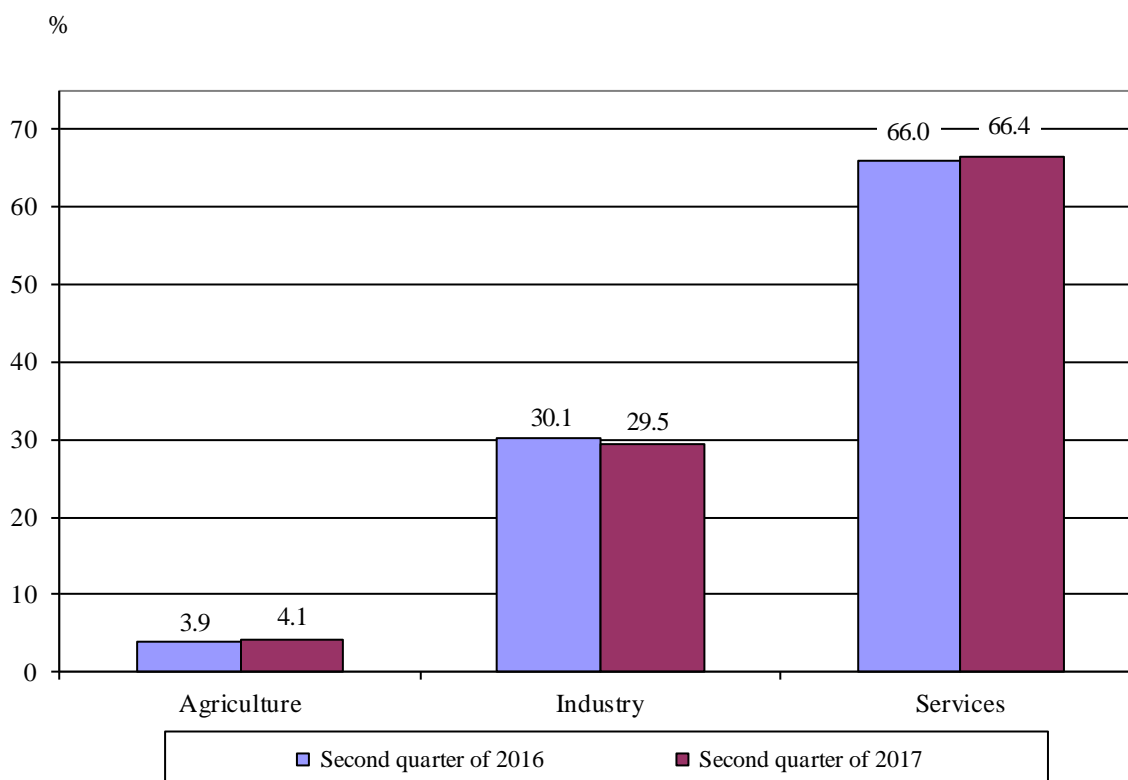
b) GDP by final expenditure is calculated as a sum of individual consumption, collective consumption, gross fixed capital formation, changes in inventories, net exports of goods and services.

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).

<sup>2</sup> **Gross value added at basic prices** is a balancing item of the Production account between the gross output at basic prices and the intermediate consumption at purchasers' prices.



**Figure 1. Structure of Gross Value Added by economic sectors in the second quarter of 2016 and 2017**



In the second quarter of 2017 the final consumption expenditure<sup>1</sup> formed 75.4% of GDP. Investments (gross fixed capital formation<sup>2</sup>) formed 21.3% of GDP. The external balance (exports-imports) is positive.

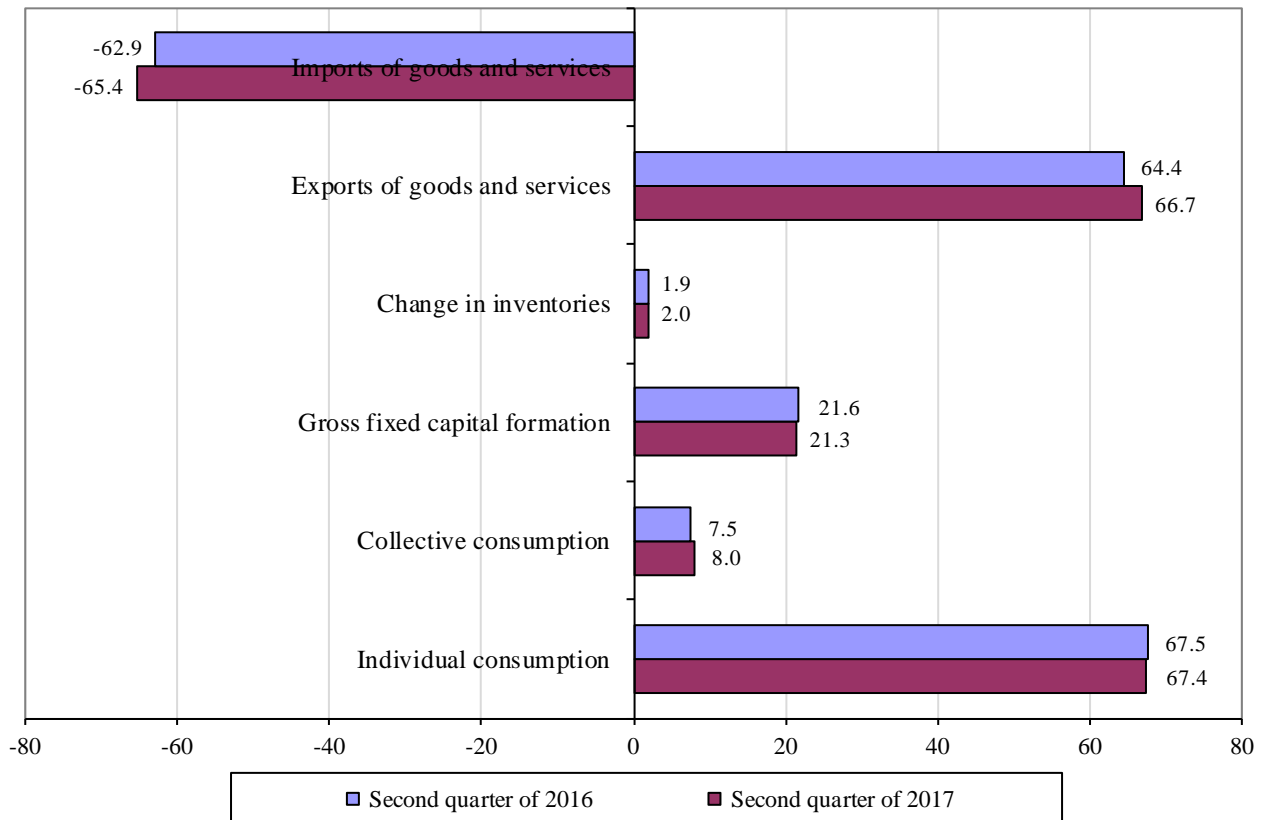
<sup>1</sup> **Final consumption expenditure** includes expenditures of resident institutional units (households, non-profit institutions serving households, general government) for providing the goods and services, used for individual consumption of the population and collective consumption of the society. According to the national concepts principles, individual consumption expenditures include expenditures for goods and services on the territory of the country and abroad.

<sup>2</sup> **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 second quarter of 2016 and 2017**

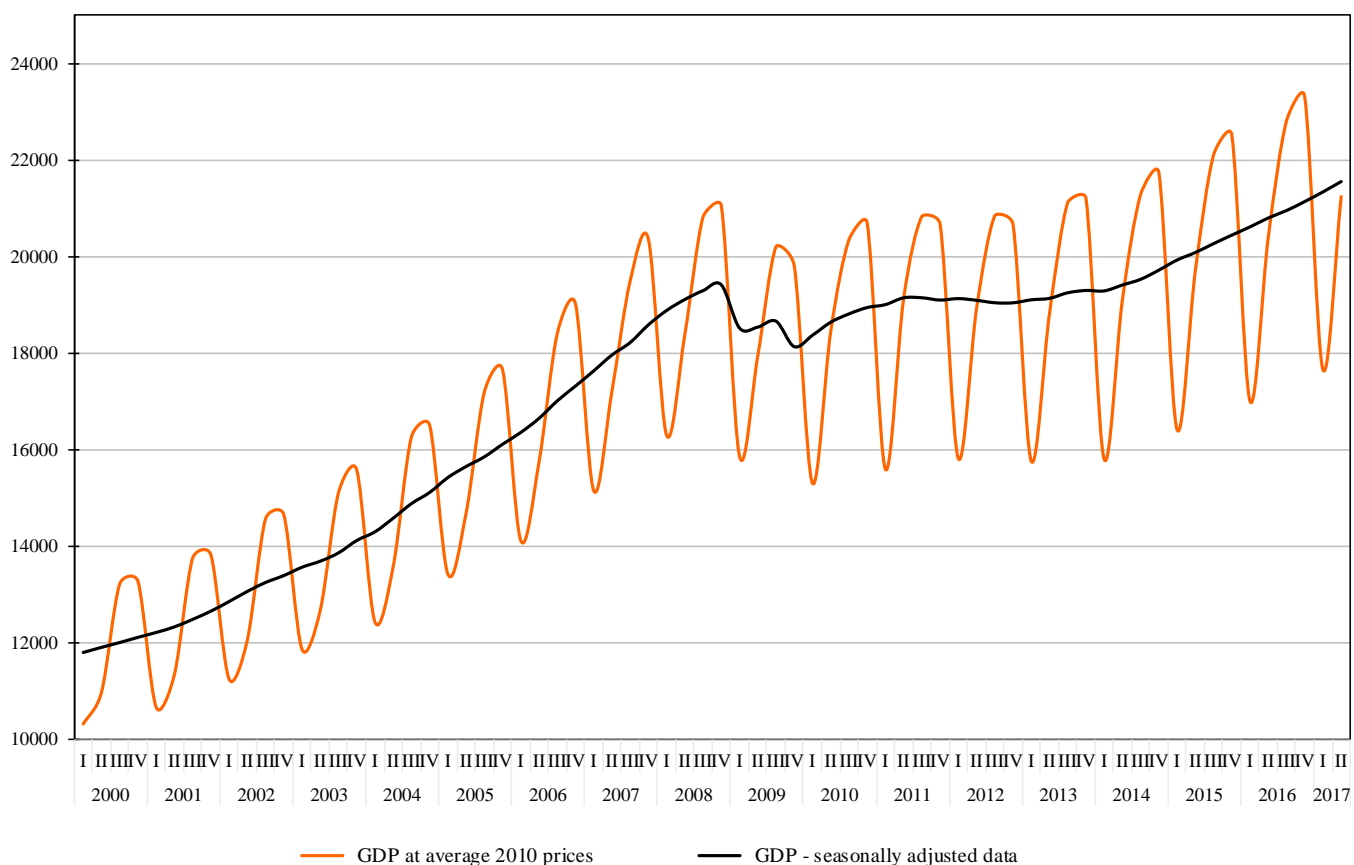
%





**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, GDP in the second quarter of 2017 increased by 1.0% compared with the previous quarter (Annex, Table 2). In the second quarter of 2017 gross value added of the total economy rises by 0.9%.

According to the preliminary estimates of GDP by final expenditure, in the second quarter of 2017 compared with the previous quarter the final consumption increased by 0.4% compared to the previous quarter. For the same period, gross fixed capital formation increased by 2.3%. In the second quarter of



2017, exports and imports of goods and services increased their level compared to the previous quarter by 2.0% and 1.1%.

### **Growth rates on annual basis**

During the second quarter of 2017 GDP increased by 3.6% compared to the same quarter of the previous year according to the seasonally adjusted data. Gross value added increased by 3.7% compared to the same quarter of previous year. The indicator' movement is determined by the increase recorded in: Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - 4.0%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities - 3.1%, Real estate activities - 3.0%, Professional, scientific and technical activities; administrative and support service activities - 2.5%.

As regards the expenditure component of GDP, contributors to the registered positive economic growth are the final consumption with 4.2%. Exports of goods and services increased by 6.5%, Imports of goods and services increased with 7.7%.



### **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 NSI<sup>1</sup>.

The results are preliminary. They are based on available monthly and quarterly statistical and administrative information and are updated annually (9 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 methods.

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<sup>1</sup> See [www.nsi.bg](http://www.nsi.bg), Macroeconomic statistics.



Annex

Table 1

Gross Domestic Product in the second quarter of 2017 - unadjusted data

		Second quarter of 2017		
		Value at current prices	Relative share	
			in GVA	in GDP
		Million BGN	%	%
<b>1</b>	<b>Gross Value Added by economic sector, (2+3+4):</b>	<b>20837</b>	<b>100.0</b>	<b>86.3</b>
2	Agriculture	843	4.1	3.5
3	Industry	6150	29.5	25.5
4	Services	13844	66.4	57.3
5	Adjustments	3312		13.7
<b>6</b>	<b>Gross Domestic Product (1+5=7+10+13+16)</b>	<b>24149</b>		<b>100.0</b>
	By final use components:			
7	Final consumption (8+9)	18218		75.4
8	Individual	16288		67.4
9	Collective	1930		8.0
10	Gross capital formation (11+12)	5619		23.3
11	Gross fixed capital formation	5146		21.3
12	Change in inventories	473		2.0
13	Balance (exports - imports) (14-15)	312		1.3
14	Exports of goods and services	16111		66.7
15	Imports of goods and services	15799		65.4
16	Statistical discrepancy	0		0.0



**Growth rates of GDP - total and by component<sup>1</sup>**

**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			
		III 2016	IV 2016	I 2017	II 2017	III 2016	IV 2016	I 2017	II 2017
<b>1</b>	<b>Gross Value Added by economic sector:</b>	<b>0.6</b>	<b>0.9</b>	<b>1.2</b>	<b>0.9</b>	<b>2.4</b>	<b>3.1</b>	<b>3.5</b>	<b>3.7</b>
2	Agriculture, forestry and fishing	2.6	-1.5	-1.1	0.6	2.8	5.3	-0.2	0.7
3	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	0.6	0.9	0.7	0.9	0.5	2.5	1.4	3.1
4	Construction	0.1	-2.5	0.9	1.6	-0.7	-3.6	-2.5	0.0
5	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	0.8	1.5	1.0	0.7	4.9	5.4	4.4	4.0
6	Information and communication	-0.1	0.9	-1.2	1.0	7.3	7.3	3.0	0.5
7	Financial and insurance activities	-4.2	1.3	1.2	1.8	-1.4	-0.5	-0.6	-0.1
8	Real estate activities	0.0	1.0	0.4	1.7	2.3	3.3	2.5	3.0
9	Professional, scientific and technical activities; administrative and support service activities	-0.6	1.8	1.1	0.2	0.1	-0.1	0.7	2.5
10	Public administration and defence; compulsory social security; education; human health and social work activities	0.0	0.1	0.8	-0.1	-0.2	0.1	1.0	0.8
11	Arts, entertainment and recreation, repair of households goods and other services	-0.5	0.8	-2.7	0.6	7.9	6.6	1.1	-1.9
12	Adjustments	0.5	0.3	-0.8	2.6	7.7	5.0	2.4	2.7
<b>13</b>	<b>Gross Domestic Product</b>	<b>0.7</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>3.4</b>	<b>3.4</b>	<b>3.5</b>	<b>3.6</b>
	by final use components:								
14	Final consumption	0.5	1.3	1.9	0.4	0.2	0.8	4.3	4.2
15	Individual	0.5	1.4	2.0	0.1	1.3	1.7	5.0	4.1
16	Collective	0.6	1.7	0.5	-0.4	-1.6	0.5	3.9	2.3
17	Gross capital formation	.	.	.	.	.	.	.	.
18	Gross fixed capital formation	-0.9	-1.8	-0.6	2.3	-1.8	-4.5	-4.6	-1.0
19	Change in inventories	.	.	.	.	.	.	.	.
20	Balance (exports - imports)	.	.	.	.	.	.	.	.
21	Exports of goods and services	3.0	0.5	0.9	2.0	9.5	6.8	5.8	6.5
22	Imports of goods and services	2.7	1.7	1.9	1.1	7.5	5.5	7.1	7.7
23	Statistical discrepancy	.	.	.	.	.	.	.	.

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