

## GROSS DOMESTIC PRODUCT FOR THE SECOND QUARTER OF 2020 (PRELIMINARY DATA)

In the second quarter of 2020 GDP<sup>1</sup> at current prices amounted to 27 395 million BGN. In Euro terms GDP reaches 14 007 million EUR in total and 2 016 EUR per person. According to the seasonally adjusted figures, GDP down by 8.5% in the second quarter of 2020 compared to the same quarter of the previous year and 10.0% compared to the first quarter of 2020.

### GDP, current prices

#### Second quarter of 2020

According to the preliminary data Gross Domestic Product at current prices for the second quarter of 2020 is 27 395 million BGN (Annex, Table 1). GDP per person is 3 944 BGN. GDP is 15 430 million USD and 2 221 USD per person using the average for the quarter exchange rate of 1.775410 BGN for 1 USD.

The GVA<sup>2</sup> generated by the national economy during the second quarter of 2020 amounted to 23 848 million BGN at current prices.

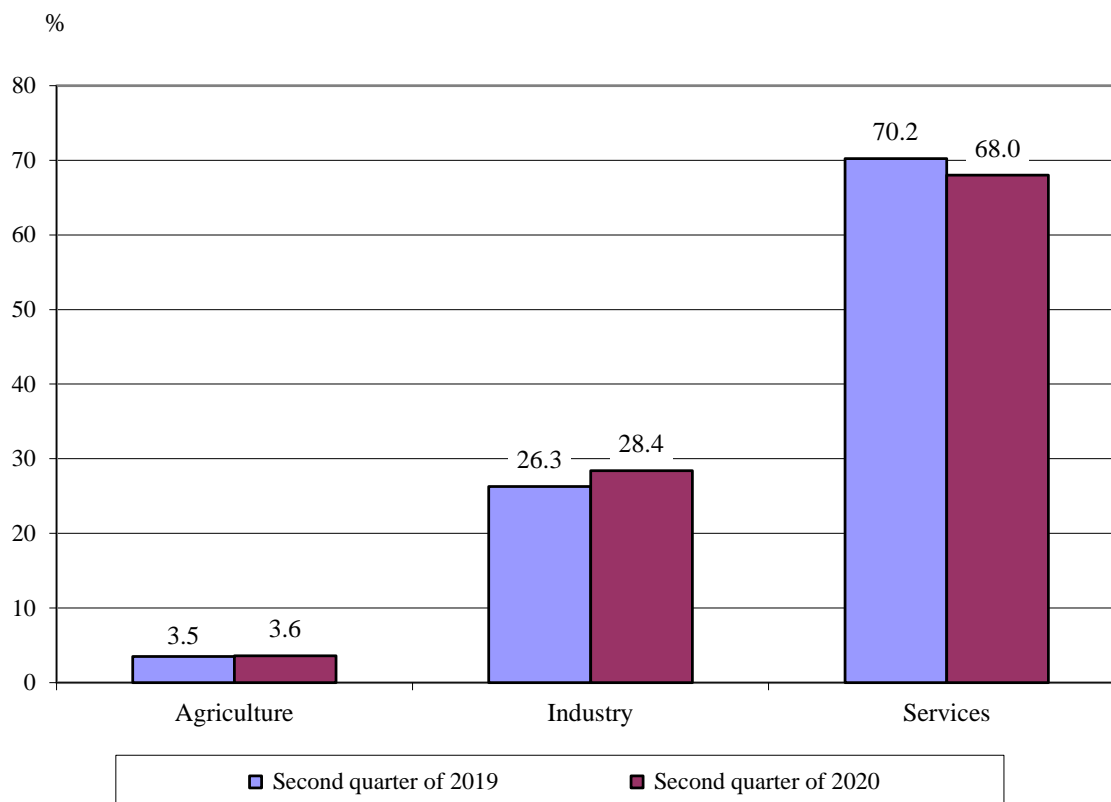
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<sup>1</sup> GDP at market prices characterizes the final result of the economic activity by resident institutional units. GDP is derived by following three approaches:

- 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. Gross value added by economic sector in second quarter of 2019 and 2020**

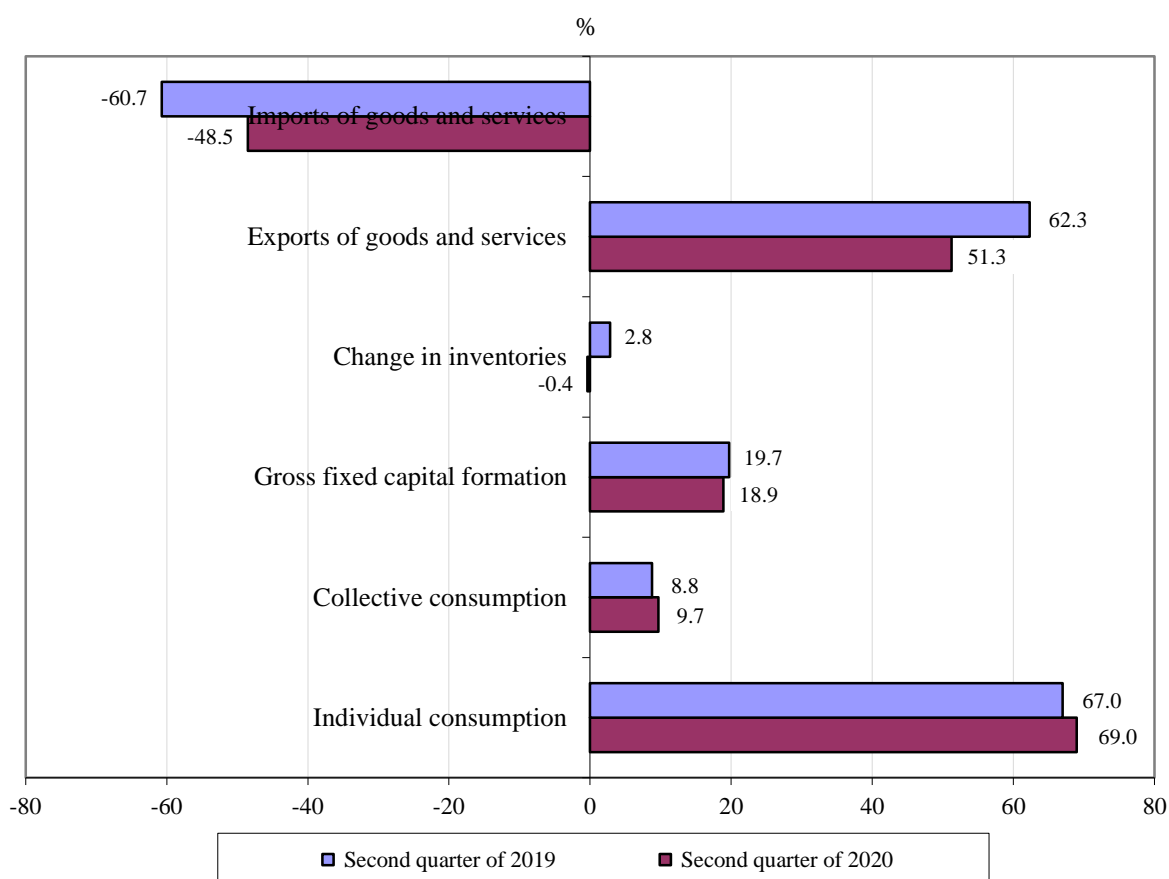


The share of agricultural sector in GVA of the national economy in the second quarter of 2020 increases its level in comparison to the same quarter of 2019 with 0.1 p.p.

The Industry increases its relative share in GVA of the national economy with 2.1 p.p to 28.4%.

The share of the biggest sector in the economy - service sector decreases from 70.2% to 68.0% as compared with the second quarter of 2019.

**Figure 2. Components of GDP used in second quarter of 2019 and 2020**



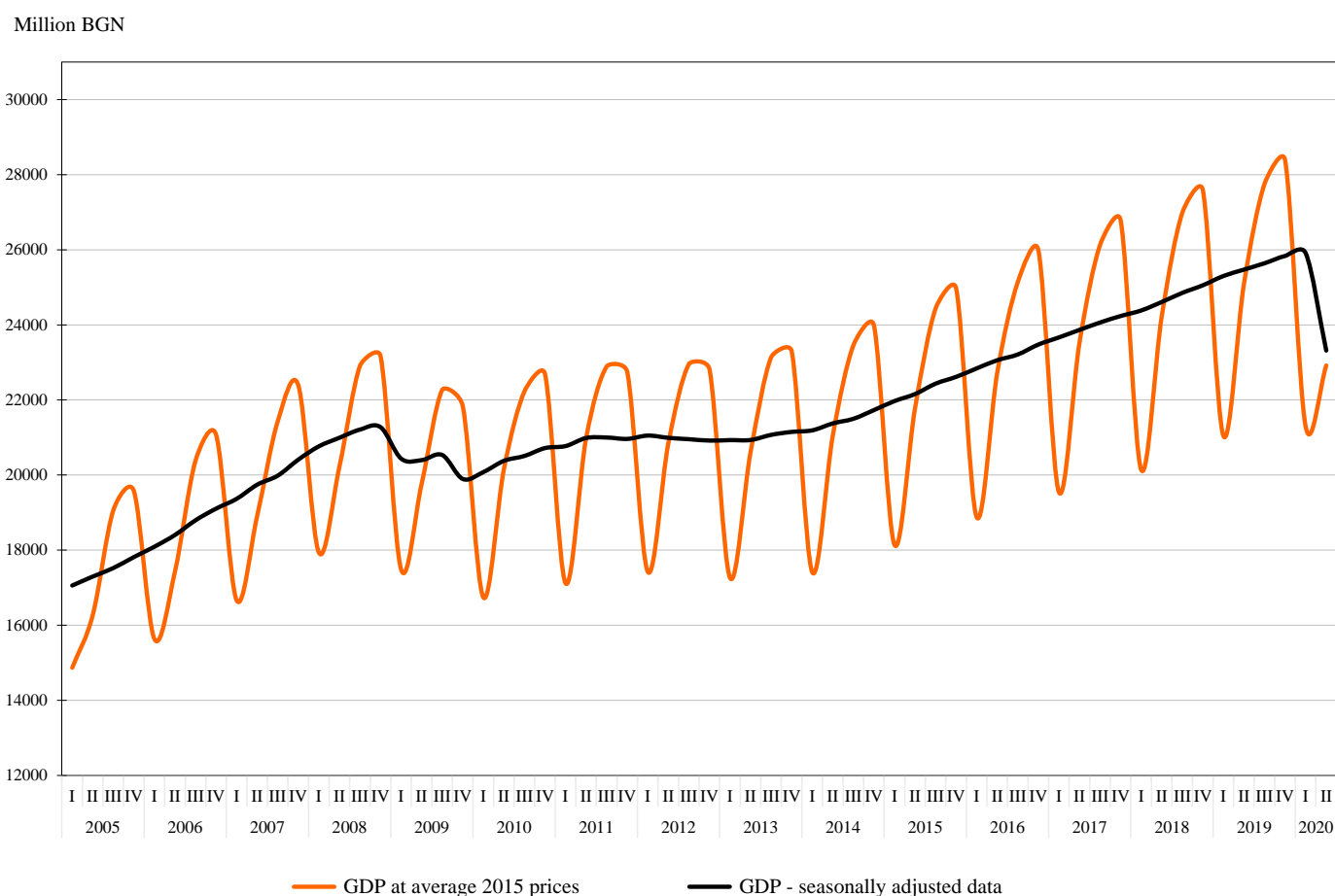
For the final consumption expenditure,<sup>1</sup> 78.7% of the GDP is used during the second quarter of 2020. Investments (gross fixed capital formation<sup>2</sup>) form 18.9% of the GDP. The external balance (exports minus imports of goods and services) is positive.

<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, used many times over a period, longer than one year.

## GDP growth rates, total and by components

**Figure 3. GDP by quarters for 2005 - 2020 at average annual prices of 2015**



### Growth rates on quarterly basis from seasonally adjusted figures

In the second quarter of 2020 GDP<sup>1</sup> declines by 10.0% compared to the previous quarter (Annex, Table 2). For the same period GVA decrease is 8.9%.

According to the preliminary data for the second quarter of 2020, the final consumption decreases by 2.1% compared to the previous quarter. Gross capital formation decline is 7.9% for the same period. In the second quarter of 2020 the export of goods and services decreases by 22.1% and the import of goods and services decreases by 20.4% compared to the previous quarter.

<sup>1</sup> Seasonal adjustment of statistical indicators in the NSI is organized in accordance with [ESS Guidelines on Seasonal Adjustment](#). The seasonal adjustment of GDP data is made by direct approach with the TRAMO/SEATS algorithm applied. The set of variables for seasonal adjustment covers gross value added, gross domestic product and its components from the expenditure side.

## **Growth rates on annual basis from seasonally adjusted figures**

According to seasonally adjusted data, GDP declines by 8.5% for the second quarter of 2020 compared to the same quarter of the previous year.

During the second quarter of 2020 GVA decreases by 7.6% compared to the second quarter of 2019. The decline of gross value added is determined by the registered decrease in: Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - 17.7%, Arts, entertainment and recreation, repair of household goods and other services - 4.7%, Real estate activities - 3.0%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities - 2.8%, and Agriculture, forestry and fishing - 0.8%.

Referring to the expenditure components of GDP, contributors to the registered negative economic growth are individual consumption - with 0.2% decrease and Gross capital formation - with drop of 14.1%. Export and import of goods and services decrease by 19.0% and 19.1% respectively compared to the same 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 Accounts, 2010 - adopted by Council Regulation No. 549/2013 EC.

The survey is 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 method.

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<sup>1</sup> See [www.nsi.bg](http://www.nsi.bg) › Statistical data › Macroeconomic statistics › Gross Domestic Product (GDP).

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## Annex

Table 1

### Gross Domestic Product in the second quarter of 2020 - seasonally unadjusted data

		Value at current prices - Million BGN	Share - %	
			In GVA	In GDP
<b>1</b>	<b>Gross Value Added (2+3+4):</b>	<b>23847.7</b>	<b>100.0</b>	<b>87.1</b>
2	Agriculture	865.0	3.6	3.2
3	Industry	6775.1	28.4	24.7
4	Services	16207.6	68.0	59.2
5	Adjustments	3546.9		12.9
<b>6</b>	<b>Gross Domestic Product (1+5=7+10+13)</b>	<b>27394.6</b>		<b>100.0</b>
7	Final consumption (8+9)	21558.0		78.7
8	Individual	18898.3		69.0
9	Collective	2659.7		9.7
10	Gross capital formation (11+12)	5081.7		18.5
11	Gross fixed capital formation	5181.3		18.9
12	Change in inventories	-99.6		-0.4
13	Balance (14 - 15)	754.9		2.8
14	Exports of goods and services	14045.0		51.3
15	Imports of goods and services	13290.1		48.5

Table 2

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

(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 2019	IV 2019	I 2020	II 2020	III 2019	IV 2019	I 2020	II 2020
1	<b>Gross Value Added by economic sector :</b>	<b>0.6</b>	<b>0.7</b>	<b>0.1</b>	<b>-8.9</b>	<b>2.9</b>	<b>2.7</b>	<b>2.3</b>	<b>-7.6</b>
2	Agriculture, forestry and fishing	0.2	0.4	-1.1	-0.4	3.6	3.8	2.1	-0.8
3	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	1.0	0.9	-0.9	-3.7	2.7	3.5	1.8	-2.8
4	Construction	1.0	1.1	0.2	-1.1	4.0	4.3	3.7	1.2
5	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	0.0	-0.6	0.8	-17.8	0.9	-1.0	-0.1	-17.7
6	Information and communication	0.6	0.5	1.3	1.4	2.6	1.5	3.1	3.8
7	Financial and insurance activities	0.4	1.0	0.6	0.5	5.5	3.8	4.2	2.6
8	Real estate activities	0.5	-0.5	0.7	-3.6	5.4	2.8	3.3	-3.0
9	Professional, scientific and technical activities; administrative and support service activities	-0.1	1.1	0.3	0.5	2.1	2.3	3.0	1.9
10	Public administration and defense; compulsory social security; education; human health and social work activities	0.5	0.4	0.2	0.1	4.3	3.7	2.5	1.3
11	Arts, entertainment and recreation, repair of households goods and other services	-0.2	-0.1	0.2	-4.5	2.7	1.6	1.4	-4.7
12	Adjustments	2.0	0.0	1.0	-5.2	5.9	5.0	1.5	-2.3
13	<b>Gross Domestic Product</b>	<b>0.7</b>	<b>0.8</b>	<b>0.3</b>	<b>-10.0</b>	<b>3.2</b>	<b>3.1</b>	<b>2.4</b>	<b>-8.5</b>
	by final use components:								
14	Final consumption	1.5	1.1	-0.1	-2.1	5.8	6.3	4.1	0.4
15	Individual	1.4	1.2	-0.6	-2.1	5.5	6.4	3.7	-0.2
16	Collective	2.4	0.5	1.1	-0.2	7.4	5.3	4.1	3.8
17	Gross capital formation	-1.8	-3.7	-1.2	-7.9	-4.2	-6.4	-5.6	-14.1
18	Gross fixed capital formation	0.8	1.3	-1.5	-2.0	2.1	3.0	1.2	-1.5
19	Change in inventories	.	.	.	.	.	.	.	.
20	Balance (exports - imports)	.	.	.	.	.	.	.	.
21	Exports of goods and services	3.6	-0.5	0.9	-22.1	4.2	-0.4	1.9	-19.0
22	Imports of goods and services	3.4	-3.1	1.5	-20.4	5.5	-0.2	1.2	-19.1

<sup>1</sup> Growth rate is calculated by using seasonally adjusted, chain-linked estimates of the GDP components based on average 2015 prices.