

GROSS DOMESTIC PRODUCT FOR THE FOURTH QUARTER OF 2023 AND 2022 (PRELIMINARY DATA)

In the fourth quarter of 2023, Gross Domestic Product (GDP) grew by 1.6% compared to the fourth quarter of 2022 and there is an increase of 0.5% compared to the third quarter of 2023 at seasonally adjusted data

In 2023, GDP at current prices, calculated as a sum of the quarters, is 183 734.4 million BGN. Preliminary data show an increase of the GDP for 2023 in real terms by 1.8% compared to 2022.

Fourth quarter of 2023

GDP, current prices

According to the preliminary data, GDP¹ at current prices for the fourth quarter of 2023 is 51 848.6 million BGN (Annex, Table 1). The GDP per person is 8 053 BGN. The GDP is 28 480 million USD and 4 424 USD per person using the average for the quarter exchange rate of 1.820520 BGN for 1 USD. In Euro terms, GDP reaches 26 510 million EUR in total and 4 118 EUR per person.

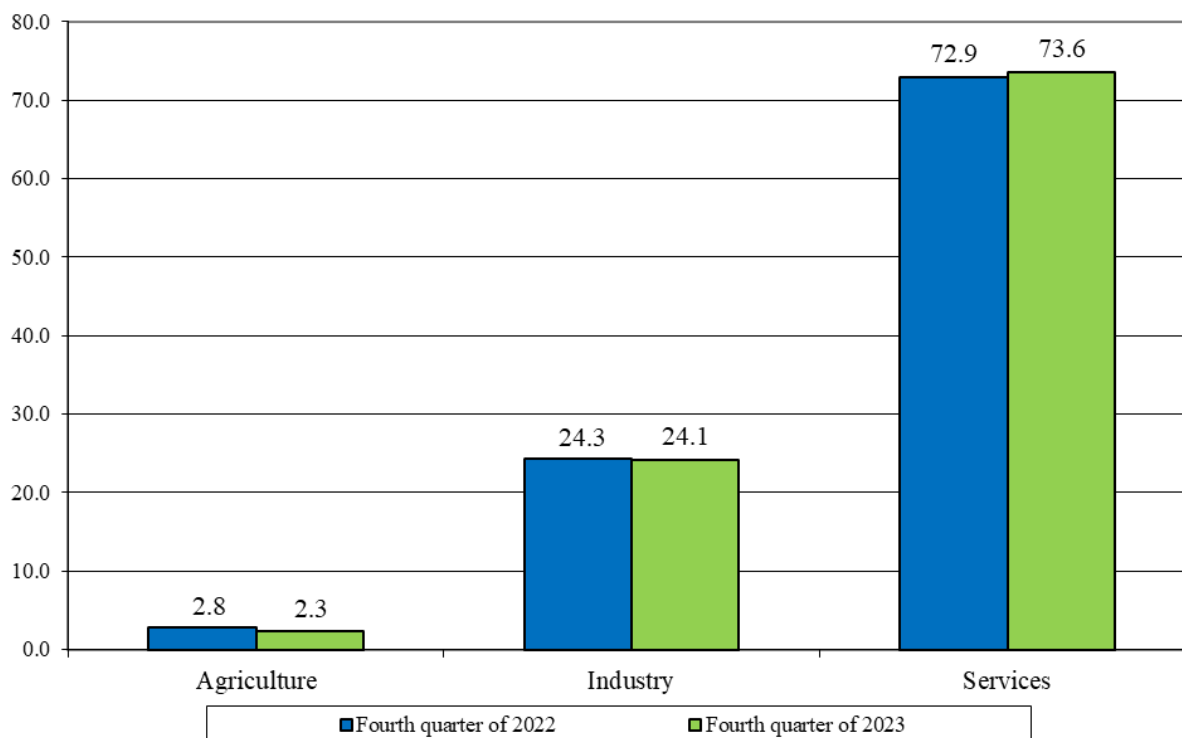
The Gross Value Added (GVA)² generated by the national economy during the fourth quarter of 2023 amounted to 45 579.2 million BGN at current prices.

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

- GDP is the sum of GVA generated by institutional sectors or economic activity groupings plus taxes minus subsidies on product. GVA is the balancing item of the Production account.
- GDP by final expenditure is calculated as the 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 in 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 the fourth quarters of 2022 and 2023, %

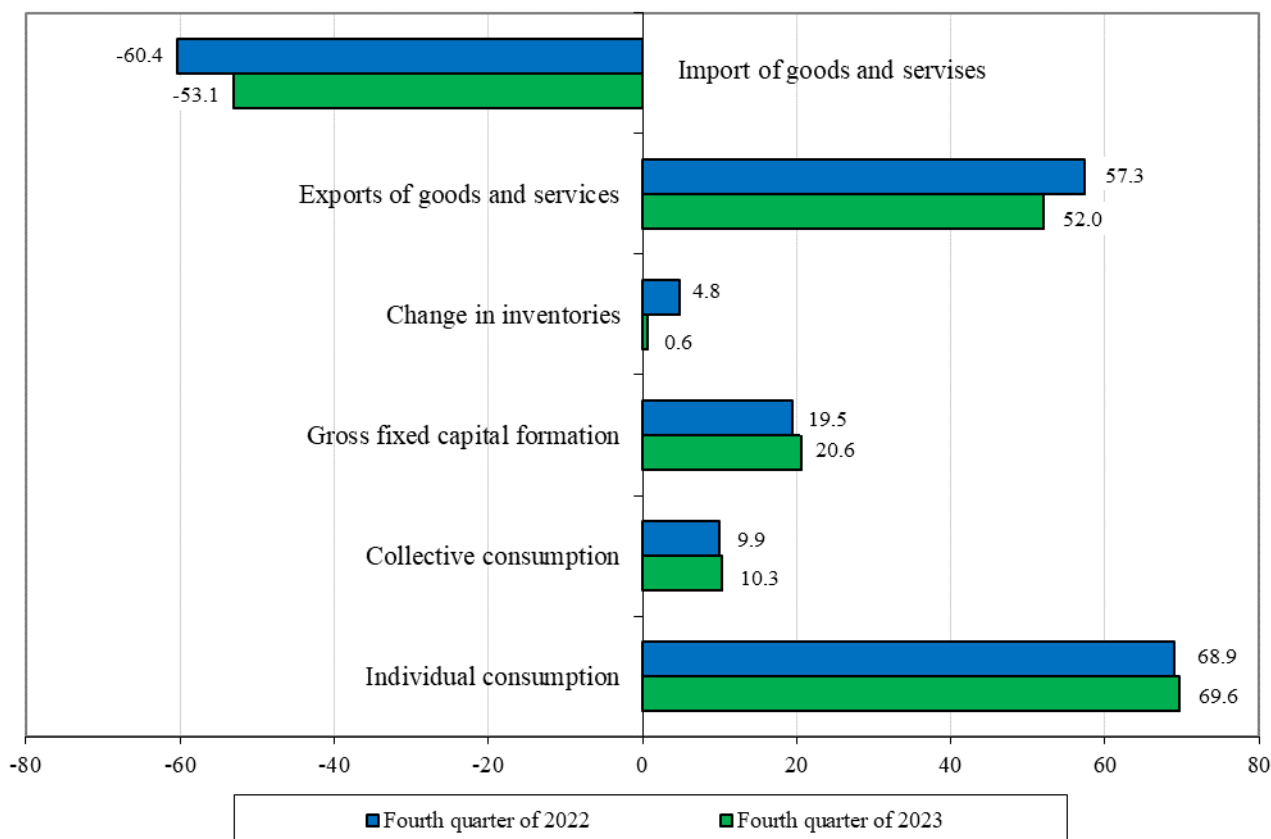


The share of the economic sector of Agriculture in GVA in the fourth quarter of 2023 is 2.3%, which is a decrease of 0.5 percentage points compared to the fourth quarter of 2022.

The Industry sector decreases its relative share in GVA of the national economy by 0.2 p.p. to 24.1%.

The relative share of the value added of the activities in the Services sector increased to 73.6% compared to 72.9% in the fourth quarter of 2022.

Figure 2. Final use components of GDP in the fourth quarters of 2022 and 2023, %



In the fourth quarter of 2023, 79.9% of the GDP is used for final consumption expenditure¹. Investments (gross fixed capital formation²) form 20.6% of GDP.

The external balance of goods and services is negative.

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

² **Gross fixed capital formation** includes 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 and GVA growth rates from seasonally adjusted data

Growth rates on a quarterly basis

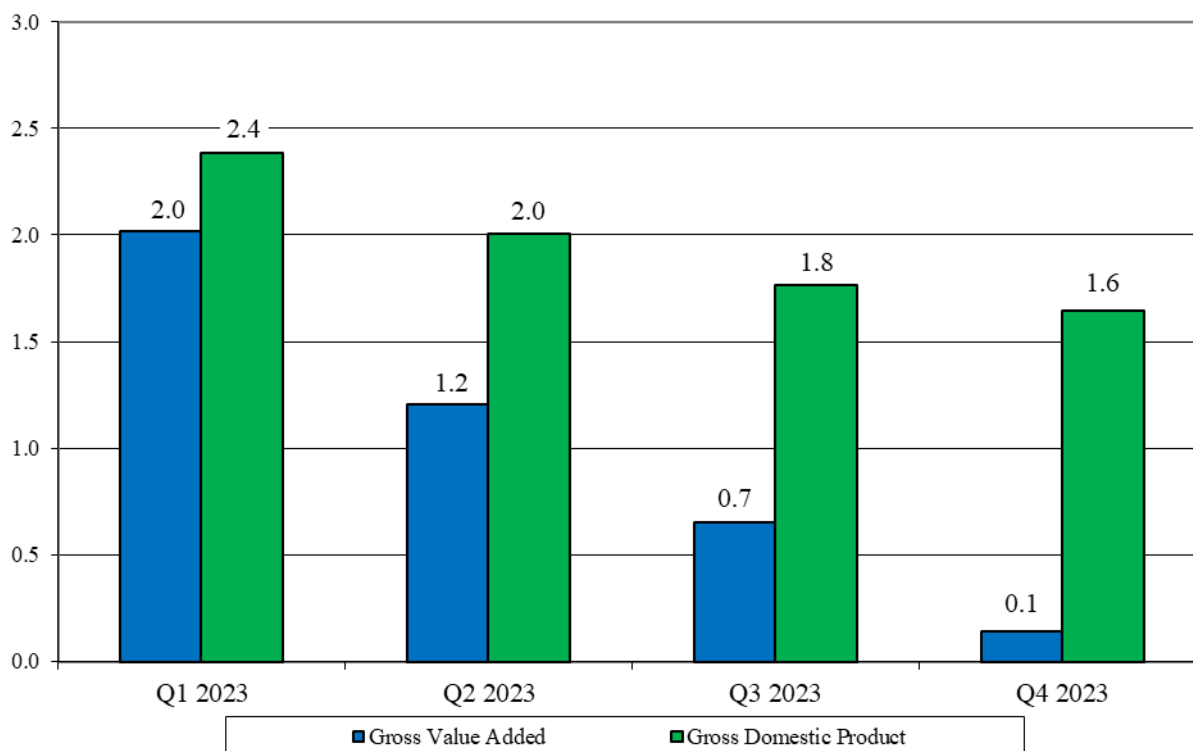
According to the seasonally adjusted data, in the fourth quarter of 2023, GDP increased by 0.5% compared to the previous quarter (Annex, Table 2). For the same period, GVA increased by 0.2%.

According to the preliminary data for the fourth quarter of 2023, final consumption increased by 0.8% and gross fixed capital formation - by 0.4%. Exports of goods and services increased by 1.4% compared to the previous quarter according to the seasonally adjusted data and imports of goods and services - by 4.1%.

Growth rates on an annual basis

GDP increased by 1.6% and GVA increased by 0.1% in the fourth quarter of 2023 compared to the fourth quarter of 2022, according to seasonally adjusted data (Annex, Table 2).

Figure 3. Growth rate of GDP and GVA compared to the corresponding quarter of the previous year, %





The increase in Gross Value Added is determined by the growth in the following economic activities: Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - by 2.1%, Financial and insurance activities - by 1.1%, Construction - by 1.0%, Public administration and defence; compulsory social security; education; human health and social work activities - by 0.5%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities - by 0.5%, Information and communication - by 0.4%, and Real estate activities - by 0.2%.

A decline was registered in the following economic activities:

Professional, scientific and technical activities; administrative and support service activities - by 1.7%, Agriculture, forestry and fishing - by 1.1%, and in Arts, entertainment and recreation, repair of household goods and other services - by 0.9%.

Regarding the expenditure components of GDP, contributors to the registered positive economic growth are the Final consumption, with a growth of 2.6% and gross fixed capital formation - by 3.7%.

2023 - Annual figures

GDP for 2023, obtained as a sum of quarterly data, increases in real terms by 1.8% compared to 2022.

The nominal value of the GDP for 2023 (Annex, Table 1) is 183 743.4 million BGN. GDP reaches 101 555 million US dollars using the average annual exchange rate of 1.809307 BGN for 1 USD. GDP per person is 28 516 BGN or 15 761 USD. In EUR terms, GDP is 93 947 million EUR or 14 580 EUR per person.

Gross Value Added at current prices amounts to 161 194.7 million BGN. In real terms, GVA increased by 0.8% compared to 2022.

In 2023, the Agricultural sector's relative share in the GVA of the national economy is 3.5%, which is a decrease of 0.9 percentage points compared with 2022.

The Industry sector creates 28.9% of GVA of the national economy, which is an increase of 0.3 p. p. compared with 2022.

The services sector increased to 67.6% compared to 67.0% in 2022.



Methodological notes

Quarterly estimates 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 has been conducted regularly since 1996. The time series are available on the website of the NSI (www.nsi.bg)

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

- a) GDP is the sum of GVA generated by institutional sectors or economic activity groupings plus taxes minus subsidies on products.
- b) GDP by final expenditure is calculated as the sum of individual consumption, collective consumption, gross fixed capital formation, changes in inventories, and net exports of goods and services.
- c) GDP by income approach is a sum of compensation of employees, net taxes on production, gross operating surplus, and gross mixed income.

Seasonal adjustment of statistical indicators in NSI is performed using the software developed by Eurostat product JDemetra+, whereby applied the algorithm TRAMO/SEATS. A direct method of seasonal adjustment is applied, in which the aggregates and their components are adjusted independently.



Annex

Table 1

Gross Domestic Product in the fourth quarter of 2023 and in 2023 - seasonally unadjusted data

		Fourth quarter of 2023			2023		
		Value at current prices, Million BGN	Share, %		Value at current prices, Million BGN	Share, %	
			in GVA	in GDP		in GVA	in GDP
1	Gross Value Added by economic sector (2+3+4):	45 579.2	100.0	87.9	161 194.7	100.0	87.7
2	Agriculture	1 043.1	2.3	2.0	5 571.0	3.5	3.0
3	Industry	11 000.8	24.1	21.2	46 609.1	28.9	25.4
4	Services	33 535.3	73.6	64.7	109 014.6	67.6	59.3
5	Adjustments	6 269.4		12.1	22 548.7		12.3
6	Gross Domestic Product (1+5=7+10+13+16)	51 848.6	100.0	100.0	183 743.4	100.0	100.0
	by final use components:						
7	Final consumption (8+9)	41 403.4		79.9	143 291.5		78.0
8	Individual	36 076.3		69.6	127 593.7		69.4
9	Collective	5 327.1		10.3	15 697.8		8.6
10	Gross capital formation (11+12)	11 005.8		21.2	34 635.6		18.8
11	Gross fixed capital formation	10 674.4		20.6	31 796.4		17.3
12	Change in inventories	331.4		0.6	2 839.2		1.5
13	Balance, exports - imports (14 - 15)	-560.6		-1.1	5 816.3		3.2
14	Exports of goods and services	26 974.0		52.0	111 868.1		60.9
15	Imports of goods and services	27 534.6		53.1	106 051.8		57.7
16	Statistical discrepancy	0.0		0.0	0.0		0.0



Table 2

Growth rates of GDP, total and by component¹

(Per cent)

		Growth rate, current quarter compared with the previous quarter				Growth rate, current quarter compared with the same quarter of the previous year			
		I 2023	II 2023	III 2023	IV 2023	I 2023	II 2023	III 2023	IV 2023
1	Gross Value Added by economic sector:	-0.4	0.2	0.1	0.2	2.0	1.2	0.7	0.1
2	Agriculture, forestry and fishing	-0.2	0.1	-3.6	2.7	-1.8	-1.4	-5.4	-1.1
3	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	-0.5	0.1	1.1	-0.2	3.9	1.1	1.9	0.5
4	Construction	0.3	0.2	0.1	0.4	0.3	0.9	0.7	1.0
5	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	0.9	0.1	0.3	0.8	3.5	2.2	1.6	2.1
6	Information and communication	0.1	0.1	0.1	0.1	0.8	0.7	0.5	0.4
7	Financial and insurance activities	-1.8	1.0	1.3	0.6	1.3	1.2	1.5	1.1
8	Real estate activities	0.1	0.2	-0.2	0.1	2.9	1.5	0.7	0.2
9	Professional, scientific and technical activities; administrative and support service activities	-2.5	1.2	-0.7	0.4	1.0	1.1	-0.1	-1.7
10	Public administration and defence; compulsory social security; education; human health and social work activities	-0.5	0.5	0.4	0.2	2.9	2.1	1.3	0.5
11	Arts, entertainment and recreation, repair of household goods and other services	-0.6	0.1	-0.9	0.5	-0.9	-0.6	-1.8	-0.9
12	Adjustments	6.3	2.0	2.7	3.6	4.5	7.7	10.4	15.5
13	Gross Domestic Product	0.4	0.4	0.4	0.5	2.4	2.0	1.8	1.6
	by final use components:								
14	Final consumption	-0.1	1.3	0.5	0.8	4.8	5.4	4.1	2.6
15	Individual	-0.1	2.1	0.0	0.8	5.5	7.8	4.7	2.9
16	Collective	-0.8	0.0	0.4	0.3	-0.3	-11.5	-0.1	-0.1
17	Gross capital formation	.	.	.	.	.	.	.	.
18	Gross fixed capital formation	-1.0	1.6	2.7	0.4	1.5	3.0	5.5	3.7
19	Change in inventories	.	.	.	.	.	.	.	.
20	Balance (exports - imports)	.	.	.	.	.	.	.	.
21	Exports of goods and services	-3.1	-0.2	0.1	1.4	0.0	-2.3	-3.1	-1.9
22	Imports of goods and services	-3.5	-7.0	2.3	4.1	-3.3	-10.5	-6.9	-4.4

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