



GROSS DOMESTIC PRODUCT, FIRST QUARTER OF 2018 (PRELIMINARY DATA)

In the first quarter of 2018 Gross Domestic Product (GDP)¹ at current prices amounts to 21 479 million BGN. In Euro terms GDP is 10 982 million Euro or 1 558 Euro per person. According to the seasonally adjusted data, the GDP growth rate in the first quarter of 2018 is 3.6% compared to the same quarter of the previous year and 0.9% compared to the fourth quarter of 2017.

GDP, current prices

First quarter of 2018

According to the preliminary data, the Gross Domestic Product at current prices in the first quarter of 2018 amounted to 21 479 million BGN (Annex, Table 1). The GDP per person amounted to 3 048 BGN. In USD terms at average quarterly exchange rate of 1.59128 BGN per dollar, the GDP amounted to 13 498 million dollars or 1 915 dollars per person. In Euro terms, the GDP amounted to 10 982 million Euro or 1 558 Euro per person.

Gross value added (GVA)² at current prices in the first quarter of 2018 equals to 18 782 million BGN.

As compared to the first quarter of 2017 the share of the agricultural sector in the gross value added of the economy decreases with 0.3 percentage points (pp) to 2.2%. The share of industrial sector retains its level of 29.3%. The relative share of value added from service activities increases from 68.2% to 68.5% compared to the corresponding 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:

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.

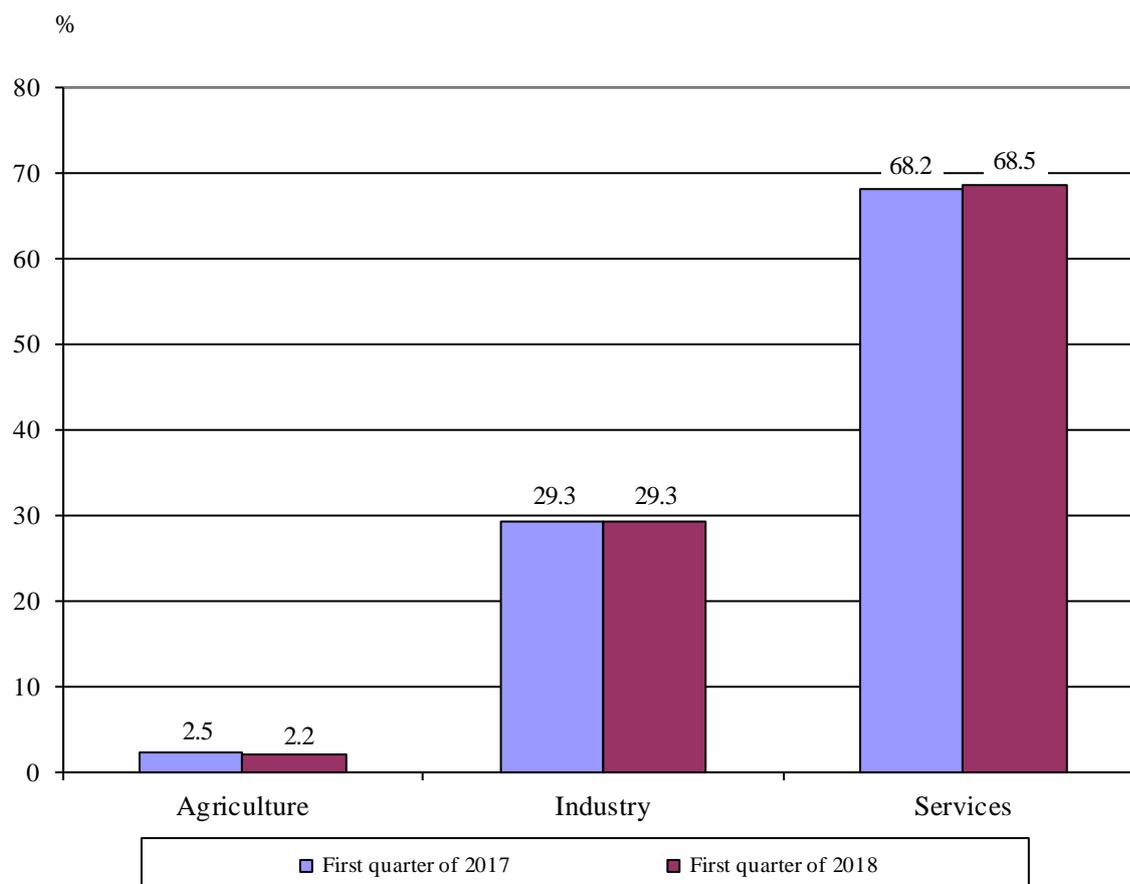
b) GDP by final expenditure is calculated as a sum of individual consumption, collective consumption, gross fixed capital formation, changes in inventories, net exports of goods and services.

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 and the intermediate consumption at purchasers' prices.



Figure 1. Structure of Gross Value Added by economic sectors in the first quarter of 2017 and 2018



In the first quarter of 2018 the final consumption expenditure¹ formed 86.2% of GDP. Investments (gross fixed capital formation²) formed 18.2% of GDP. The external balance (exports-imports) is negative.

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 first quarter of 2017 and 2018

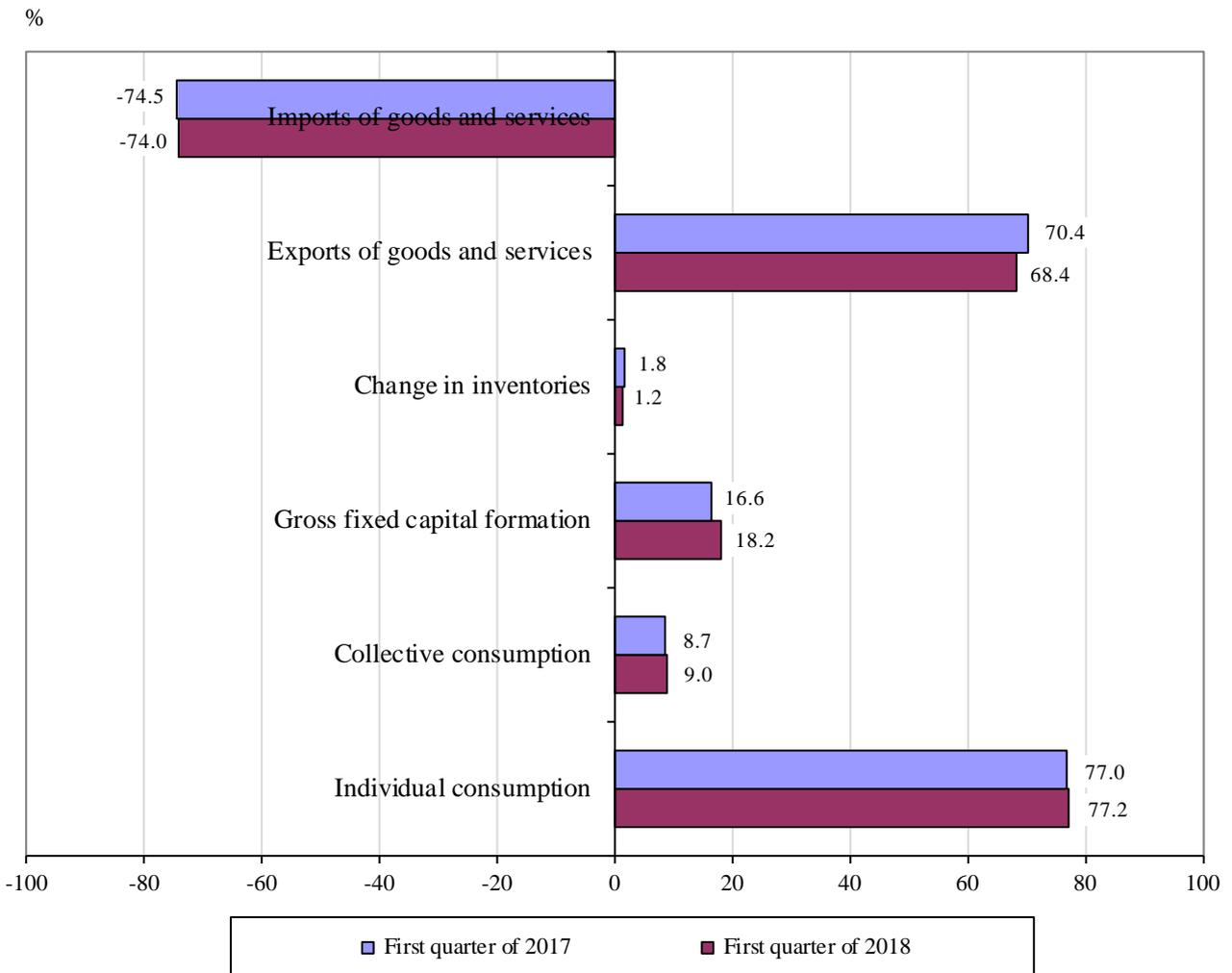
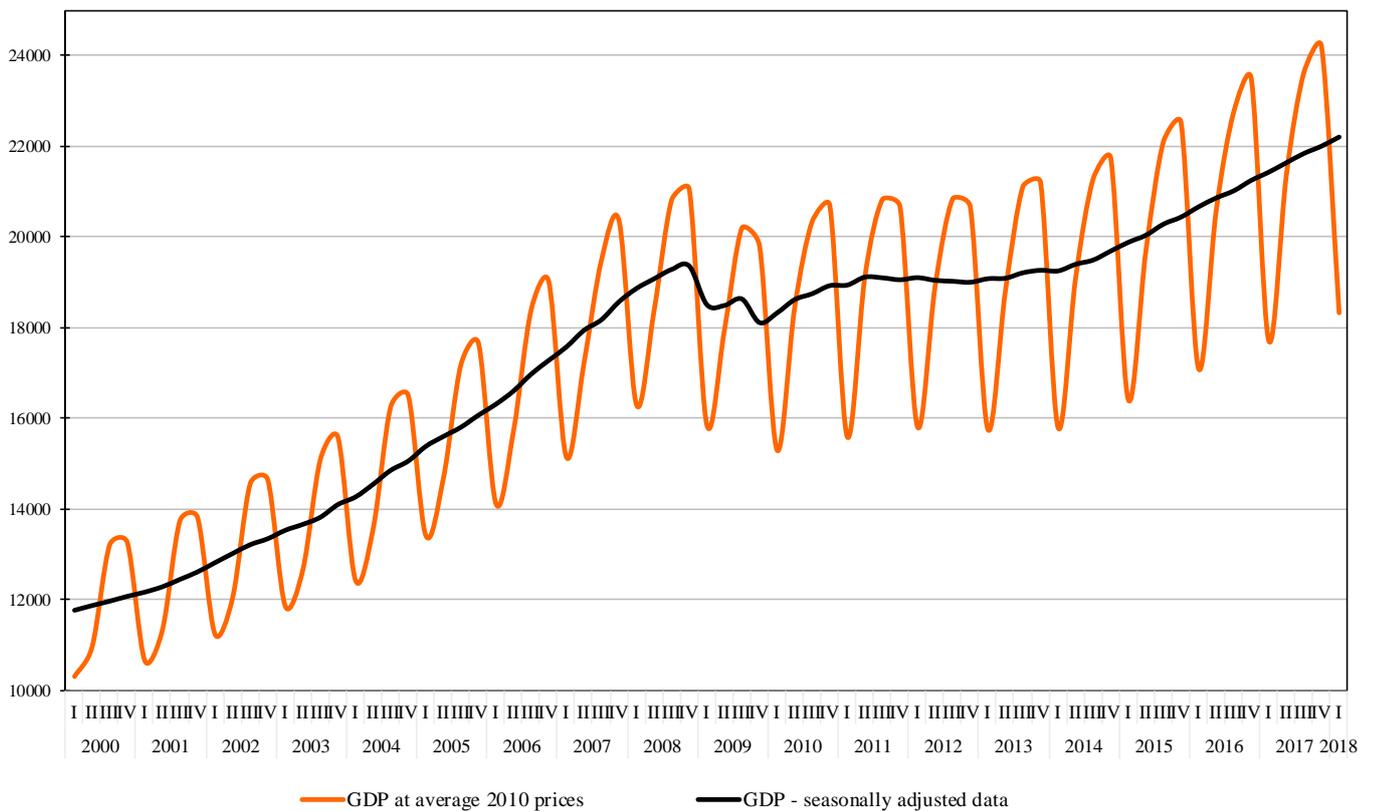




Figure 3. GDP by quarter at average 2010 prices

Million BGN



Growth rate of GDP, total and by components

Quarter-on-quarter growth rates

According to the seasonally adjusted data, GDP in the first quarter of 2018 increased by 0.9% compared with the previous quarter (Annex, Table 2). In the first quarter of 2018 gross value added of the total economy rises by 0.9% also.

According to the preliminary estimates of GDP by final expenditure, in the first quarter of 2018 compared with the previous quarter, the final consumption increased by 0.5%. For the same period, gross fixed capital formation increased by 4.6%. In the first quarter of 2018, seasonally adjusted exports of goods and services increased its level compared to the previous quarter by 1.1%, while imports of goods and services decreased by 2.2%.



Growth rates on annual basis

During the first quarter of 2018 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 3.4% compared to the same quarter of previous year. The indicators' movement is determined by the increase recorded in: Real estate activities - 6.7%, Construction - 6.6%, Financial and insurance activities - 5.5%, Information and communication - 3.7%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities - 3.4%, Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - 2.6%, Professional, scientific and technical activities; administrative and support service activities - 2.1%.

As regards the expenditure components of GDP, main contributors to the registered positive economic growth are the gross fixed capital formation - with growth of 7.0%, individual final consumption of NPISH - 6.8%, individual final consumption of households - 3.4% and collective final consumption of the general government - 1.7%. Exports of goods and services increased by 4.4%, imports of goods and services increased by 4.6%.



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 (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.

¹ See www.nsi.bg, Macroeconomic statistics.



Annex

Table 1

Gross Domestic Product in the first quarter of 2018 - unadjusted data

		First quarter of 2018		
		Value at current prices	Relative share	
			In GVA	In GDP
		Million BGN	%	%
1	Gross Value Added by economic sector, (2+3+4):	18782.5	100.0	87.4
2	Agriculture	406.5	2.2	1.9
3	Industry	5503.3	29.3	25.6
4	Services	12872.7	68.5	59.9
5	Adjustments	2696.4		12.6
6	Gross Domestic Product (1+5=7+10+13+16)	21478.9		100.0
	By final use components:			
7	Final consumption (8+9)	18510.1		86.2
8	Individual	16577.9		77.2
9	Collective	1932.2		9.0
10	Gross capital formation (11+12)	4174.8		19.4
11	Gross fixed capital formation	3903.2		18.2
12	Change in inventories	271.6		1.2
13	Balance (exports - imports) (14-15)	-1206.0		-5.6
14	Exports of goods and services	14692.7		68.4
15	Imports of goods and services	15898.7		74.0
16	Statistical discrepancy	0.0		0.0



Growth rates of GDP - total and by 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			
	II 2017	III 2017	IV 2017	I 2018	II 2017	III 2017	IV 2017	I 2018
1 Gross Value Added by economic sector (2+...+11):	0.9	0.7	0.9	0.9	4.2	4.0	3.7	3.4
2 Agriculture, forestry and fishing	-0.6	0.2	0.9	-1.6	0.9	-3.6	-0.3	-1.1
3 Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	0.9	0.9	0.8	0.7	4.1	3.9	3.5	3.4
4 Construction	1.2	1.3	1.0	3.0	4.2	5.2	7.0	6.6
5 Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	0.1	-0.2	0.9	1.7	4.2	3.5	2.8	2.6
6 Information and communication	0.2	0.6	2.0	0.8	-4.0	-1.0	2.1	3.7
7 Financial and insurance activities	1.5	2.1	0.4	1.4	3.8	6.1	4.1	5.5
8 Real estate activities	1.8	0.4	2.8	1.6	7.2	6.0	6.9	6.7
9 Professional, scientific and technical activities; administrative and support service activities	0.8	0.0	0.6	0.8	3.6	3.0	3.2	2.1
10 Public administration and defense; compulsory social security; education; human health and social work activities	-0.7	0.3	-0.5	0.5	4.9	3.4	2.5	-0.3
11 Arts, entertainment and recreation, repair of households goods and other services	-0.4	0.6	-0.1	-2.3	1.4	0.4	-0.4	-2.3
12 Adjustments	1.2	2.1	0.0	0.8	1.0	3.4	2.8	4.3
13 Gross Domestic Product	1.0	0.9	0.7	0.9	3.7	3.9	3.5	3.6
by final use components:								
14 Final consumption	0.5	0.9	1.3	0.5	3.8	4.3	3.8	3.3
15 Individual	0.4	0.6	1.5	0.5	4.0	4.6	3.6	2.9
16 Collective	0.1	0.8	1.2	-0.4	2.6	1.8	1.7	1.7
17 Gross capital formation	.	.	.	.	.	.	.	.
18 Gross fixed capital formation	2.6	-0.4	0.2	4.6	3.9	4.3	4.5	7.0
19 Change in inventories	.	.	.	.	.	.	.	.
20 Balance (exports - imports)	.	.	.	.	.	.	.	.
21 Exports of goods and services	1.3	3.0	-1.0	1.1	3.7	4.1	2.0	4.4
22 Imports of goods and services	1.1	1.3	4.4	-2.2	6.5	5.1	8.3	4.6
23 Statistical discrepancy	.	.	.	.	.	.	.	.

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