



GROSS DOMESTIC PRODUCT FOR THE FOURTH QUARTER OF 2018 AND 2018 (PRELIMINARY DATA)

In the fourth quarter of 2018 GDP¹ at current prices amounted to 29 813 million BGN. In Euro terms GDP reaches 15 243 million EUR in total and 2 168 EUR per person. According to the seasonally adjusted figures, the GDP growth rate in the fourth quarter of 2018 is 3.2% compared to the same quarter of the previous year and 0.8% compared to the third quarter of 2018.

In 2018 GDP at current prices amounts to 107 925 million BGN. In EUR terms GDP is 55 181 million EUR or 7 829 EUR per person. GDP for 2018 increases in real terms by 3.1% compared to 2017.

GDP, current prices

Fourth quarter of 2018

According to the preliminary data the produced Gross Domestic Product at current prices for the fourth quarter of 2018 is 29 813 million BGN (Annex, Table 1). GDP per person is 4 240 BGN. GDP is 17 398 million USD and 2 474 USD per person using the average for the quarter exchange rate of 1.713595 BGN for 1 USD. In Euro terms GDP is 15 243 million EUR or 2 168 EUR per person.

The GVA² generated by the national economy during the fourth quarter of 2018 amounted to 25 785 million BGN at current prices.

The share of agricultural sector in GVA of the national economy decreases by 0.2 percentage points to 3.0% in the fourth quarter of 2018 compared to the same quarter of 2017.

The Industrial sector decreases its relative share in the GVA of the national economy by 2.6 percentage points compared to the same quarter of the previous year to 23.5%.

As compared with the fourth quarter of 2017, the service sector increases its share into gross value added of the economy from 70.7% to 73.5%.

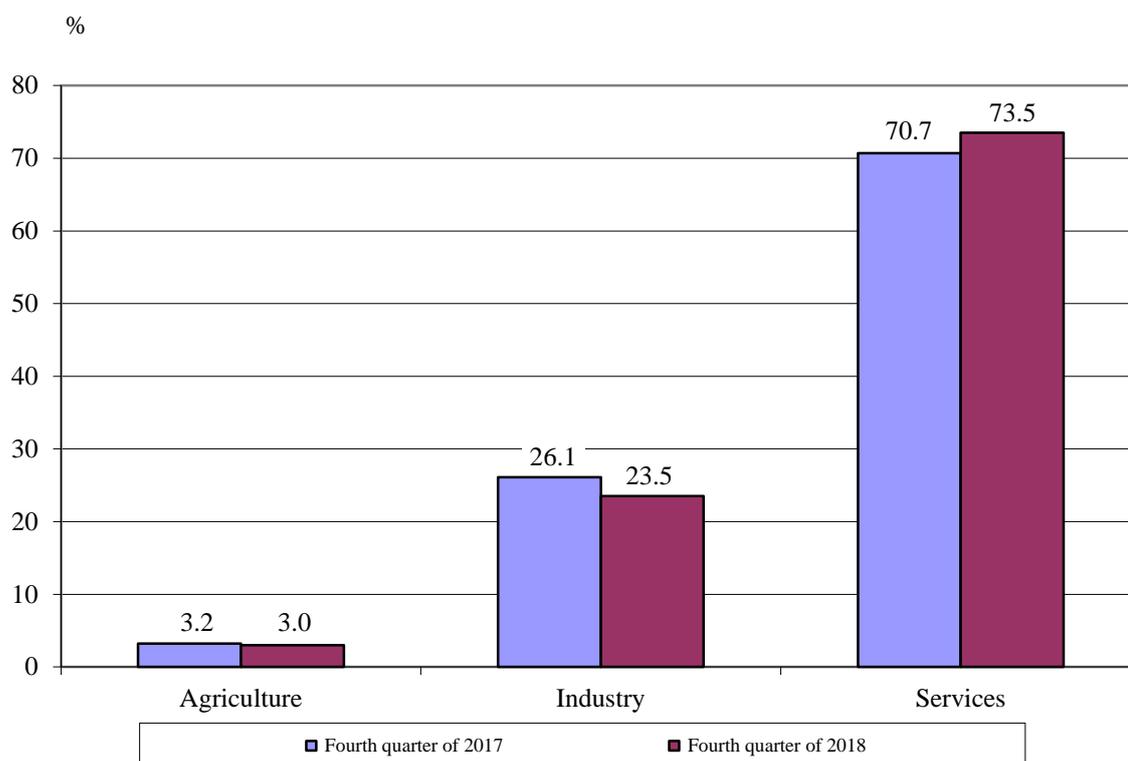
¹ GDP at market prices characterizes the final result of the economic activity by resident institutional units. GDP is derived by following three approaches:

- 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. Gross value added by economic sector in fourth quarter of 2017 and 2018



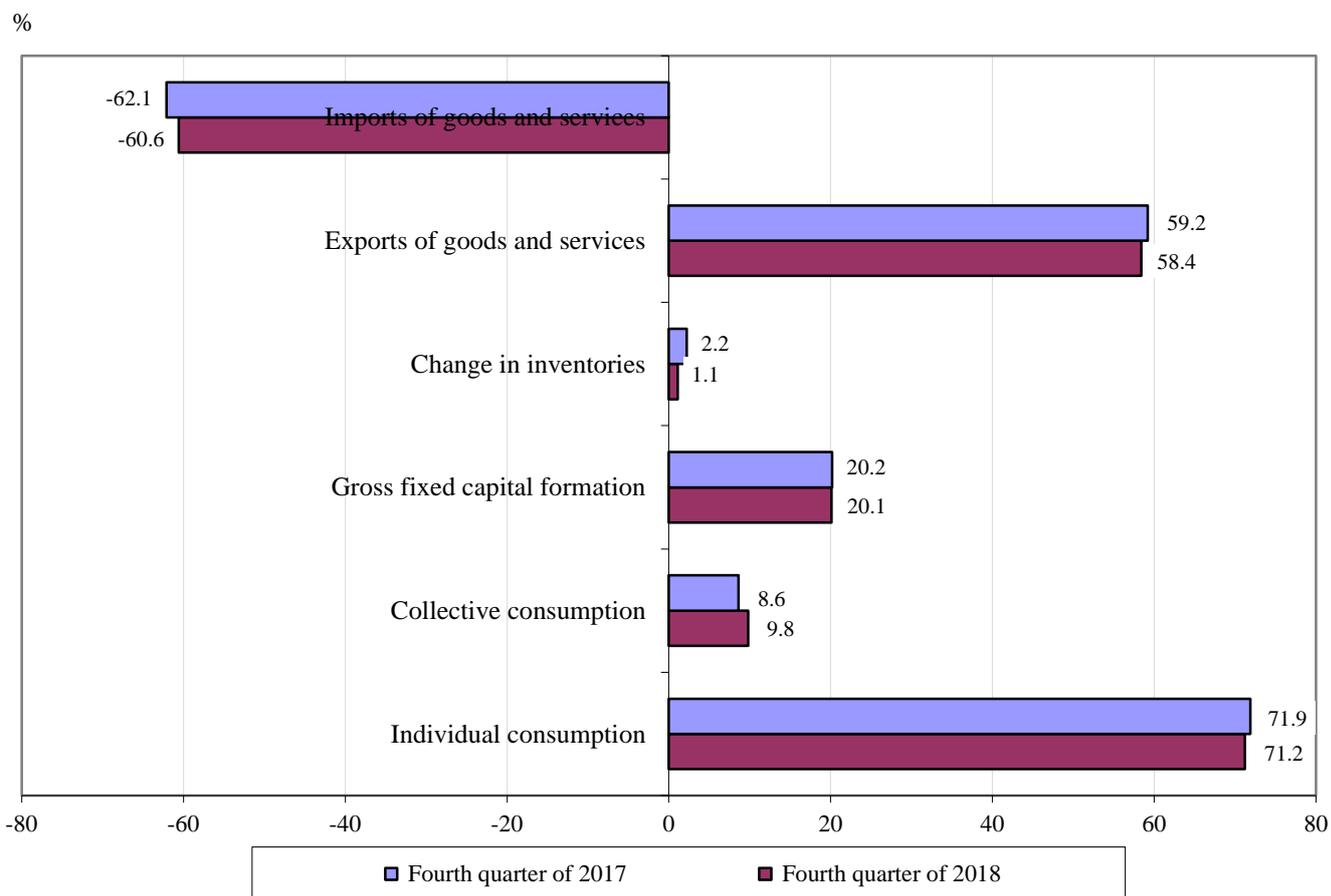
For the final consumption³, 81.0% of the GDP is used during the fourth quarter of 2018. Investments (gross fixed capital formation⁴) form 20.1% of the GDP. The external balance (exports-imports of goods and services) is negative.

³ 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.

⁴ 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.



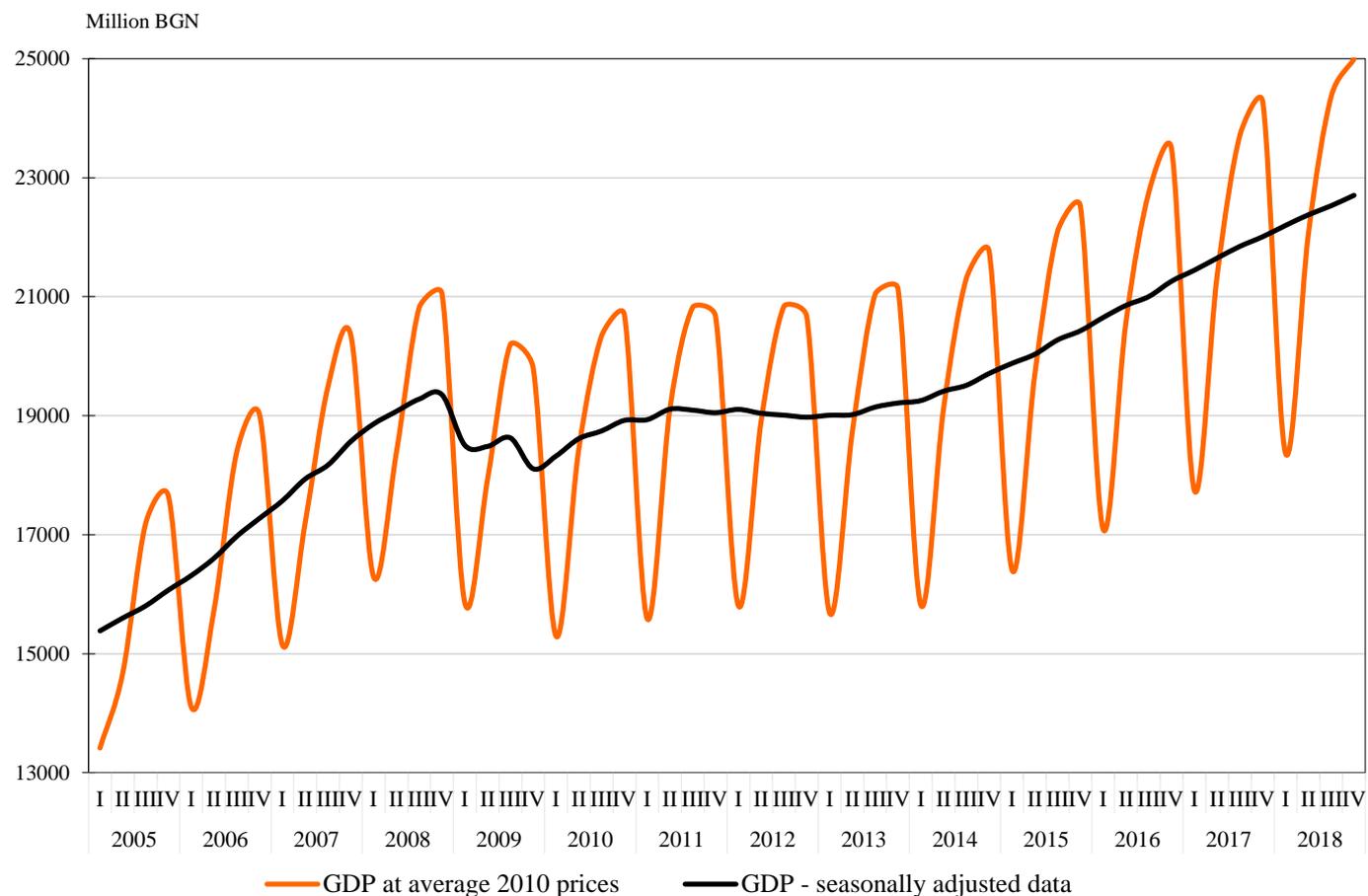
Figure 2. Components of GDP used in fourth quarter of 2017 and 2018





GDP growth rates, total and by components

Figure 3. GDP by quarters for 2005 - 2018 at average annual prices of 2010



Growth rates on quarterly basis from seasonally adjusted figures

In the fourth quarter of 2018 GDP⁵ increases by 0.8% compared to the previous quarter (Annex, Table 2). For the same period GVA increase is also 0.8%.

According to the preliminary data for the fourth quarter of 2018, the final consumption decreases by 0.1% compared to the previous quarter. Gross fixed capital formation increases by 2.8% for the same period. In

⁵ 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.



the fourth quarter of 2018 the export of goods and services increases by 3.1% and the import of goods and services increases by 2.4% compared to the previous quarter.

Growth rates on annual basis from seasonally adjusted figures

GDP for the fourth quarter of 2018 increases by 3.2% compared to the same quarter of the previous year.

During the fourth quarter of 2018 GVA increases by 2.9% compared to the fourth quarter of 2017. The growth is based on the increase in the following economic activities: Financial and insurance activities - 7.5%, Real estate activities - 7.1%, Information and communication - 4.4%, Construction - 3.3%, Professional, scientific and technical activities; administrative and support service activities and Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities - by 2.5% each, Public administration and defence; compulsory social security; education; human health and social work activities - 2.0%, Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities - 1.7%.

With reference to the expenditure components of GDP, contributors to the registered positive economic growth are the growth in the individual final consumption - 5.7% and in the collective consumption - 4.0%. The Gross fixed capital formation increases by 6.6%. Import and export of goods and services increase by 1.6% and 1.4% respectively compared to the same quarter of the previous year.

2018 - Annual figures

GDP for 2018 obtained as a sum of quarterly data increases in real terms with 3.1% in comparison to the previous year.

The nominal value of the GDP for 2018 (Annex, Table 1) is 107 925 million BGN. GDP reaches 65 108 million US dollars using the average annual exchange rate of 1.65763 BGN for 1 USD. GDP per person is 15 311 BGN or 9 237 USD. In euro GDP is 55 181 million or 7 829 EUR per person.

Gross value added at current prices amounts to 93 513 million BGN. In real terms GVA increases by 3.0% in comparison with the 2017.

The Industry' relative share in the GVA of the national economy is 27.4%, which is decrease by 1.0 percentage points compared with 2017. The service sector creates 68.4% of the total GVA and agriculture 4.2%, respectively 66.9% and 4.7% in 2017.



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 NSI⁶.

⁶ See www.nsi.bg › Statistical data › Macroeconomic statistics › Gross Domestic Product (GDP).



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.



Annex

Table 1

Gross Domestic Product, Fourth Quarter of 2018 and 2018
(Preliminary estimates, unadjusted data)

		Fourth quarter of 2018			2018		
		Value at current prices	Share		Value at current prices	Share	
			in GVA	in GDP		in GVA	in GDP
	Million BGN	%	%	Million BGN	%	%	
1	Gross Value Added by economic sector (2+3+4):	25785	100.0	86.5	93513	100.0	86.6
2	Agriculture	775	3.0	2.6	3937	4.2	3.6
3	Industry	6054	23.5	20.3	25639	27.4	23.8
4	Services	18956	73.5	63.6	63937	68.4	59.2
5	Adjustments	4028		13.5	14412		13.4
6	Gross Domestic Product (1+5=7+10+13+16)	29813		100	107925		100
	by final use components:						
7	Final consumption (8+9)	24130		81.0	84648		78.4
8	Individual	21220		71.2	75464		69.9
9	Collective	2910		9.8	9184		8.5
10	Gross capital formation (11+12)	6324		21.2	22363		20.7
11	Gross fixed capital formation	5986		20.1	20549		19.0
12	Change in inventories	338		1.1	1814		1.7
13	Balance (exports - imports) (14 - 15)	-641		-2.2	915		0.9
14	Exports of goods and services	17419		58.4	69606		64.5
15	Imports of goods and services	18060		60.6	68691		63.6
16	Statistical discrepancy	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			
		Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2018	Q2 2018	Q3 2018	Q4 2018
1	Gross Value Added by economic sector :	0.7	0.7	0.7	0.8	3.1	3.0	3.0	2.9
2	Agriculture, forestry and fishing	-2.7	-0.4	0.9	-0.2	0.4	-0.9	-1.9	-2.3
3	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, waste management and remediation activities	0.4	0.6	0.4	0.3	2.0	1.8	1.7	1.7
4	Construction	1.0	0.4	0.5	1.3	3.0	2.3	2.4	3.3
5	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	1.0	0.4	0.5	0.5	2.7	2.4	2.7	2.5
6	Information and communication	1.2	1.6	0.8	0.9	6.7	6.2	5.2	4.4
7	Financial and insurance activities	4.2	-0.3	0.6	3.0	3.4	5.6	5.1	7.5
8	Real estate activities	1.7	1.7	2.7	0.8	7.2	7.1	8.3	7.1
9	Professional, scientific and technical activities; administrative and support service activities	0.5	1.3	0.4	0.2	2.2	3.8	3.7	2.5
10	Public administration and defense; compulsory social security; education; human health and social work activities	0.8	0.8	0.2	0.2	1.5	3.6	2.4	2.0
11	Arts, entertainment and recreation, repair of households goods and other services	-2.6	0.8	0.1	-0.2	0.6	1.4	-1.9	-1.9
12	Adjustments	1.6	1.3	0.4	1.2	5.0	5.0	3.7	4.6
13	Gross Domestic Product	0.9	0.8	0.7	0.8	3.5	3.4	3.1	3.2
	by final use components:								
14	Final consumption	1.8	1.8	1.4	-0.1	6.1	6.9	6.9	5.0
15	Individual	2.1	2.1	1.4	0.0	6.3	7.5	7.7	5.7
16	Collective	-0.1	1.0	1.0	2.0	3.8	4.5	3.6	4.0
17	Gross capital formation	.	.	.	.	.	.	.	.
18	Gross fixed capital formation	4.1	1.1	-1.5	2.8	9.7	6.6	7.0	6.6
19	Change in inventories	.	.	.	.	.	.	.	.
20	Balance (exports - imports)	.	.	.	.	.	.	.	.
21	Exports of goods and services	-1.7	-1.6	1.7	3.1	1.0	-1.9	-3.6	1.4
22	Imports of goods and services	-0.7	0.7	-0.8	2.4	4.4	5.0	4.0	1.6
23	Statistical discrepancy	.	.	.	.	.	.	.	.

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