



QUARTERLY GROSS DOMESTIC PRODUCT BY EXPENDITURE

QUARTER 3/2020 (Base Year: 2013)

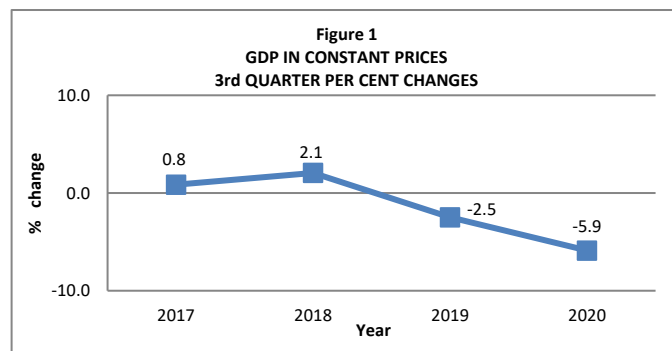
Technical Note: Data in this publication are provisional and subject to revisions based on the availability of updated source data, improved methodologies, new data sources and/or revised international standards for compiling national accounts.

GDP DECLINE OF -5.9 PER CENT FOR 3RD QTR 2020

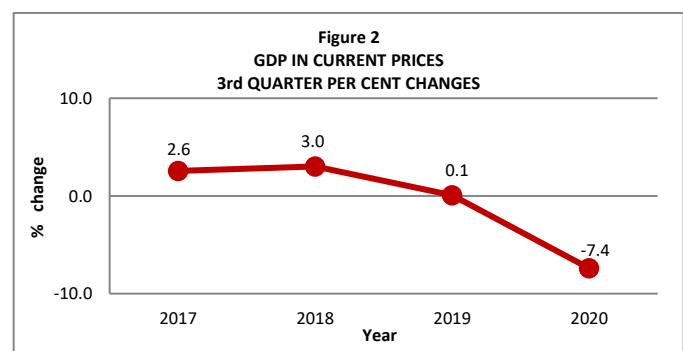
During the third quarter 2020, quarterly Gross Domestic Product (GDP) at constant prices was estimated at \$1,437.0 million (Table 1), decreasing 5.9 per cent year-over-year (Figure 1). The decline in GDP growth was influenced primarily by lower Household Final Consumption on services such as transport, accommodation and catering which were affected by restrictions on economic activity for businesses in these industries. Gross Capital Formation also fell 11.2 per cent during the period. In contrast, the net surplus External Balance of Goods and Services grew 4.5 per cent year-over-year as fewer payments were made for imported goods and services which offset the shortfall in revenue from the exports of goods and services.

In current prices, GDP decreased 7.4 per cent (Figure 2; Table 2). Overall inflation for the 3rd quarter, as measured by the implicit price index, decreased 1.6 per cent.

CONSTANT GDP DOWN 5.9%



CURRENT GDP DOWN 7.4%



YEAR-OVER-YEAR HIGHLIGHTS (CONSTANT PRICES)

- After adjusting for inflation, Household Final Consumption decreased 9.9 per cent year-over-year to \$734.1 million (Table 1). Higher expenditure on durable and non-durable goods was offset by lower expenditure on services. For durable goods, spending increased 12.9 per cent with greater purchases of furniture and motor vehicles. Consumption of non-durable goods grew marginally by 0.7 per cent due largely to food and beverage expenditure. In contrast, spending on services decreased 10.9 per cent reflecting lower expenditure on air transport, accommodation, catering services, personal care services, domestic services and legal services.
- Government Final Consumption increased 2.0 per cent to \$208.6 million (Table 1) which reflected lower payments for employee overheads and other personnel costs but higher spending on goods and services.
- Gross Capital Formation (i.e. investment in fixed assets) fell 11.2 per cent to \$205.2 million (Table 1). Gross Capital Formation related to Construction registered a 17.2 per cent decrease while investment in Machinery and Equipment fell 2.8 per cent due to reduced construction activity during the final phases of major construction projects.
- The net surplus on trade in goods and services increased 4.5 per cent to \$289.2 million (Table 1). This growth reflected mostly lower expenditure on the Imports of Goods and Services. Payments for the Imports of Goods fell by 12.0 per cent due to decreases in imported fuel, food and finished equipment. Imports of Services decreased 33.0 per cent as payments fell for passenger and freight transport, travel services and construction services. Exports of Services were 10.9 per cent lower mostly due to receipts from travel services which were affected by travel restrictions. Exports of Goods also fell 33.0 per cent due primarily to less fuel sold to visiting airlines.

QUARTERLY GDP BY EXPENDITURE

**Table 1 : GDP by Expenditure – CONSTANT PRICES (BD\$ millions) ^(1,2,3)
(2013=100)⁽⁶⁾**

	2019R Q3	2019R Q4	2020R Q1	2020R Q2	2020P Q3
FINAL CONSUMPTION EXPENDITURE	1,019.0	1,007.2	938.6	867.6	942.6
Household Final Consumption	814.6	806.3	739.9	664.1	734.1
Government Final Consumption	204.4	201.0	198.8	203.6	208.6
GROSS CAPITAL FORMATION	231.1	225.4	224.5	152.3	205.2
Construction	135.0	134.3	126.0	86.8	111.8
Machinery and Equipment	96.1	91.1	98.5	65.5	93.4
EXTERNAL BALANCE OF GOODS AND SERVICES	276.7	348.4	604.4	342.8	289.2
Exports of Goods and Services	730.5	768.0	1,010.3	641.1	647.9
Exports of Goods	14.4	14.5	13.1	8.4	9.7
Exports of Services	716.1	753.5	997.3	632.7	638.2
Imports of Goods and Services	453.8	419.6	406.0	298.3	358.7
Imports of Goods	259.5	238.6	244.4	182.9	228.5
Imports of Services	194.3	180.9	161.5	115.4	130.2
GROSS DOMESTIC PRODUCT	1,526.8	1,581.0	1,767.5	1,362.7	1,437.0
Percentage Changes ⁽⁴⁾ (%)					
	2019R Q3	2019R Q4	2020R Q1	2020R Q2	2020P Q3
FINAL CONSUMPTION EXPENDITURE	+0.2	+0.3	-3.3	-16.1	-7.5
Household Final Consumption	-1.0	-0.6	-3.6	-19.2	-9.9
Government Final Consumption	+5.0	+4.1	-1.9	-3.9	+2.0
GROSS CAPITAL FORMATION	-7.7	+2.8	-9.6	-55.6	-11.2
Construction	-0.8	+3.6	-12.1	-40.6	-17.2
Machinery and Equipment	-16.0	+1.7	-6.1	-66.8	-2.8
EXTERNAL BALANCE OF GOODS AND SERVICES	-7.2	-9.3	+0.9	+37.7	+4.5
Exports of Goods and Services	-5.4	-8.1	-1.0	-19.2	-11.3
Exports of Goods	-6.7	+0.8	+0.2	-41.3	-33.0
Exports of Services	-5.4	-8.3	-1.0	-18.7	-10.9
Imports of Goods and Services	-4.3	-7.2	-3.5	-45.2	-21.0
Imports of Goods	-4.5	-9.4	+1.4	-48.0	-12.0
Imports of Services	-4.1	-4.0	-10.1	-39.9	-33.0
GROSS DOMESTIC PRODUCT	-2.5	-1.6	-2.8	-16.2	-5.9

1. Data are provisional and subject to revision
2. Data are not seasonally adjusted
3. Numbers may not add due to rounding
4. All percentage changes refer to the corresponding quarter of the previous year
5. R – Revised; P - Provisional
6. The base year for the quarterly GDP is now updated to 2013. The data series has been benchmarked to align with the higher total levels for the rebased annual GDP. Please refer to the GDP Rebasing (Base Year 2013) document at www.gov.bm/annual-gross-domestic-product for further details on rebasing.

QUARTERLY GDP BY EXPENDITURE

**Table 2 : GDP by Expenditure – CURRENT PRICES (BD\$ millions) ^(1,2,3)
(2013=100)⁽⁶⁾**

	2019R Q3	2019R Q4	2020R Q1	2020R Q2	2020P Q3
FINAL CONSUMPTION EXPENDITURE	1,134.7	1,109.9	1,044.5	970.2	1,041.7
Household Final Consumption	910.3	889.5	826.3	747.6	813.6
Government Final Consumption	224.4	220.4	218.2	222.6	228.1
GROSS CAPITAL FORMATION	243.0	236.5	239.1	162.5	217.7
Construction	147.7	146.5	141.4	97.5	124.9
Machinery and Equipment	95.2	90.0	97.8	65.0	92.8
EXTERNAL BALANCE OF GOODS AND SERVICES	369.8	417.8	715.8	413.7	358.7
Exports of Goods and Services	845.8	856.7	1,139.9	728.0	735.4
Exports of Goods	14.7	14.4	12.8	8.2	8.9
Exports of Services	831.1	842.3	1,127.0	719.8	726.5
Imports of Goods and Services	476.0	438.9	424.0	314.3	376.7
Imports of Goods	267.2	244.8	250.7	188.6	235.9
Imports of Services	208.8	194.1	173.4	125.7	140.8
GROSS DOMESTIC PRODUCT	1,747.5	1,764.2	1,999.5	1,546.4	1,618.2

Percentage Changes ⁽⁴⁾ (%)

	2019R Q3	2019R Q4	2020R Q1	2020R Q2	2020P Q3
FINAL CONSUMPTION EXPENDITURE	+1.7	+1.5	-2.2	-15.5	-8.2
Household Final Consumption	+0.7	+0.7	-2.4	-18.4	-10.6
Government Final Consumption	+6.0	+4.9	-1.4	-3.9	+1.7
GROSS CAPITAL FORMATION	-6.6	+3.4	-8.4	-54.3	-10.4
Construction	+0.9	+4.9	-9.9	-39.0	-15.4
Machinery and Equipment	-16.3	+1.0	-6.3	-66.8	-2.6
EXTERNAL BALANCE OF GOODS AND SERVICES	-0.2	-3.2	+1.4	+18.7	-3.0
Exports of Goods and Services	-2.0	-4.8	-0.2	-20.4	-13.0
Exports of Goods	-10.0	-1.1	-2.4	-44.2	-39.0
Exports of Services	-1.8	-4.9	-0.2	-20.0	-12.6
Imports of Goods and Services	-3.4	-6.3	-2.8	-44.5	-20.9
Imports of Goods	-4.1	-9.3	+1.7	-47.5	-11.7
Imports of Services	-2.4	-2.2	-8.8	-39.3	-32.6
GROSS DOMESTIC PRODUCT	+0.1	+0.6	-1.8	-16.5	-7.4

1. Data are provisional and subject to revision
2. Data are not seasonally adjusted
3. Numbers may not add due to rounding
4. All percentage changes refer to the corresponding quarter of the previous year
5. R – Revised; P – Provisional
6. The base year for the quarterly GDP is now updated to 2013. The data series has been benchmarked to align with the higher total levels for the rebased annual GDP. Please refer to the GDP Rebasing (Base Year 2013) document at www.gov.bm/annual-gross-domestic-product for further details on rebasing.

Table 3: Quarterly GDP at Different Revision Intervals

GDP: Total, Constant Prices

BD\$ millions

Period	Revision Interval				
	Jan-Mar* 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021
Q3-2019*	1,558.6	1,558.6	1,558.6	1,531.1	1,526.8
Q4-2019		1,603.2	1,603.1	1,587.5	1,581.0
Q1-2020			1,756.2	1,776.0	1,767.5
Q2-2020				1,368.0	1,362.7
Q3-2020					1,437.0

GDP: Total, Constant Prices

Growth rates (%)

Period	Revision Interval				
	Jan-Mar* 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021
Q3-2019*	-0.1	-0.1	-0.1	-2.2	-2.5
Q4-2019		+0.3	+0.3	-1.3	-1.6
Q1-2020			-2.8	-2.4	-2.8
Q2-2020				-15.7	-16.2
Q3-2020					-5.9

GDP: Total, Current Prices

BD\$ millions

Period	Revision Interval				
	Jan-Mar* 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021
Q3-2019*	1,760.1	1,760.1	1,760.1	1,752.4	1,747.5
Q4-2019		1,766.5	1,766.5	1,771.5	1,764.2
Q1-2020			1,938.0	2,009.1	1,999.5
Q2-2020				1,552.4	1,546.4
Q3-2020					1,618.2

GDP: Total, Current Prices

Growth rates (%)

Period	Revision Interval				
	Jan-Mar* 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021
Q3-2019*	+1.1	+1.1	+1.1	+0.3	+0.1
Q4-2019		+1.0	+1.0	+1.0	+0.6
Q1-2020			-2.1	-1.4	-1.8
Q2-2020				-16.0	-16.5
Q3-2020					-7.4

*The quarterly GDP by expenditure series was rebased and benchmarked to align with the higher total levels for the rebased annual GDP starting with the Q3- 2019 quarterly GDP publication produced in the period January to March 2020.

DEFINITIONS AND NOTES

Constant Price

A way of measuring the real change in output. A year is chosen as the base year. For any subsequent year, the output is measured using the price level of the base year. This excludes any nominal change in output and enables a comparison of the actual goods and services produced.

Current Price

Also known as the market value, it is the price at which goods are currently being sold in the market.

Exports of Goods and Services

This category includes merchandise exports, re-exports of goods such as the sales of fuel to foreign airlines, exports of services and direct purchases in the domestic market by non-residents.

Government Consumption

Government consumption expenditure consists of expenditure incurred by general government on both individual consumption goods and services and collective consumption services. Individual consumption includes expenditure used for the direct satisfaction of individual needs like health and education. Collective consumption includes expenditure used to satisfy the collective needs of members of the community like defence and environmental protection.

Gross Capital Formation

Gross fixed capital formation consists of net acquisitions (acquisitions less disposals) of fixed assets. Capital assets are goods that are intended for use in a production process and that are expected to last for more than one year. Examples of capital assets are machinery and equipment.

Household Consumption

Household final consumption expenditure consists of the expenditure incurred by resident households on individual consumption goods and services including those sold at prices that are not economically significant. Household consumption in this publication represents “actual final consumption of households” since it includes goods and services as social transfers in kind from general government and non-profit institutions serving households. Household consumption also includes indirect estimates of consumption such as the imputed rent of residents living in their own dwellings.

Imports of Goods and Services

This category includes merchandise imports, imports of services and direct purchases abroad by residents.

REVISIONS POLICY

Revisions to the previously published series may be made each quarter. The frequency and cause of these revisions are as follows:

- **Quarterly:** additional data becoming available for the latest quarters, which is used to replace existing estimates; revisions to quarterly data (e.g. revisions to data from the Balance of Payments survey data or the monthly Survey of Retail Sales), which will be incorporated as soon as possible to maintain consistency between published macroeconomic statistics.
- **Annual:** introduction of annual data following the release of the latest annual national accounts each year; annual updating of the weights used to combine component series to totals and subsequent chaining.
- **Irregular:** for example, methodological changes. However, note that revisions of this nature are, as far as possible, incorporated to coincide with the annual cycle of revisions outlined above.

February 2021

Department of Statistics
Cedar Park Centre
48 Cedar Avenue, Hamilton HM 11
P.O. Box HM 3015
Hamilton HM MX, Bermuda

Tel: (441) 297-7761, Fax: (441) 295-8390

E-mail: statistics@gov.bm

Website: www.gov.bm/quarterly-gross-domestic-product



@BermudaStats