



QUARTERLY GROSS DOMESTIC PRODUCT BY EXPENDITURE

QUARTER 3/2019 (New Base Year: 2013)

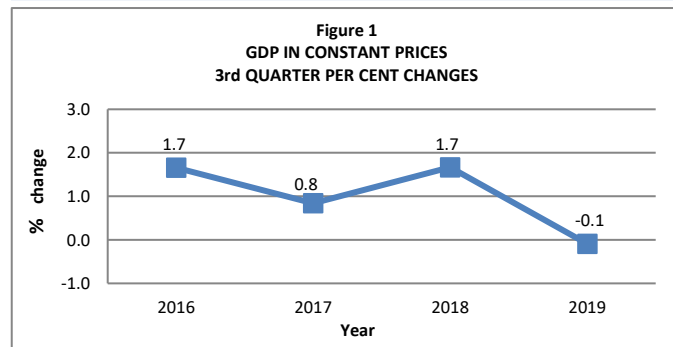
Note to Reader: The base year for the quarterly Gross Domestic Product (GDP) is now updated to 2013. The data series has been benchmarked to align with the higher total levels for the rebased annual GDP. Please refer to the [GDP Rebasing \(Base Year 2013\)](http://www.gov.bm/annual-gross-domestic-product) document at www.gov.bm/annual-gross-domestic-product for further details on rebasing.

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.

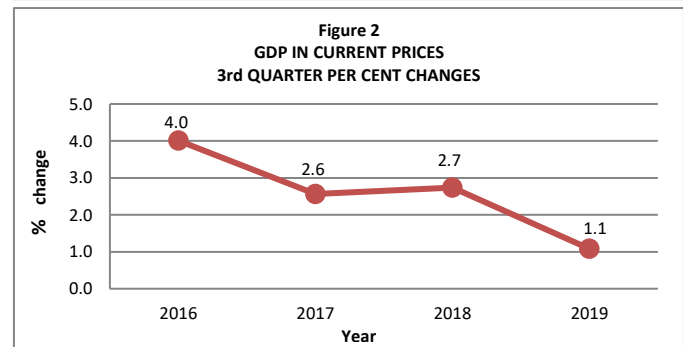
DECLINE IN GDP GROWTH MEASURED AT -0.1 PER CENT FOR 3RD QTR 2019

During the third quarter 2019, quarterly GDP at constant prices was estimated at \$1,558.6 million (Table 1), decreasing 0.1 per cent year-over-year (Figure 1). The main drivers were declines in gross capital formation and final consumption expenditure. In current prices, nominal GDP increased 1.1 per cent (Figure 2; Table 2). Overall inflation for the 3rd quarter, as measured by the implicit price index, increased 1.2 per cent. The growth rates in GDP at constant prices for the first and second quarters 2019 were both revised downwards to +3.1 per cent from their original estimates of +3.4 per cent and +3.3 per cent, respectively (Table 3).

CONSTANT GDP DOWN 0.1%



CURRENT GDP UP 1.1%



YEAR-OVER-YEAR HIGHLIGHTS (CONSTANT PRICES)

- After adjusting for inflation, Household Final Consumption decreased 0.9 per cent year-over-year to \$809.2 million (Table 1). During the third quarter, households spent less on clothing, furniture, motor cycles and catering services. In contrast, spending on rent, electricity and insurance services all increased during the period.
- Government Final Consumption decreased 0.2 per cent to \$195.6 million (Table 1). The marginal decline was due to lower wages and salaries and decreased spending on goods and services year-over-year.
- Gross Capital Formation (i.e. investment in fixed assets) fell by 8.0 per cent to \$230.4 million (Table 1). Gross Capital Formation related to Construction registered a 3.5 per cent decrease during the period. Investment in Machinery and Equipment fell 13.4 per cent due mostly to lower investment in telecommunications equipment, motor vehicles, motor boats, industrial machinery and structures (including parts of structures).
- The net surplus on trade in goods and services increased 9.0 per cent to \$323.4 million (Table 1). This growth reflected mostly lower expenditure on the imports of goods and services. Imports of Goods fell 4.4 per cent with lower imports of fuel as well as machinery and transport equipment as part of investment in capital formation. Payments for the Imports of Services decreased 4.9 per cent due mostly to construction/engineering services. Exports of Services rose 0.8 per cent during the period reflecting increased earnings from the export of travel services, legal services, accounting services and insurance services which offset a decline in financial services receipts. Exports of goods declined 6.7 per cent year-over-year.

QUARTERLY GDP BY EXPENDITURE

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

	2018R Q3	2018R Q4	2019R Q1	2019R Q2	2019P Q3
FINAL CONSUMPTION EXPENDITURE	1,012.9	999.3	972.2	1,019.2	1,004.8
Household Final Consumption	816.9	804.7	768.2	814.2	809.2
Government Final Consumption	196.0	194.5	204.0	205.1	195.6
GROSS CAPITAL FORMATION	250.5	219.2	249.7	342.0	230.4
Construction	136.2	129.6	142.4	139.3	131.4
Machinery and Equipment	114.4	89.6	107.3	202.7	99.0
EXTERNAL BALANCE OF GOODS AND SERVICES	296.6	379.8	581.3	291.6	323.4
Exports of Goods and Services	772.5	836.0	1,002.3	835.8	777.3
Exports of Goods	15.5	14.4	13.0	14.3	14.4
Exports of Services	757.0	821.6	989.2	821.5	762.9
Imports of Goods and Services	475.9	456.1	421.0	544.2	453.9
Imports of Goods	271.6	263.5	241.2	352.2	259.6
Imports of Services	204.3	192.6	179.7	192.1	194.3
GROSS DOMESTIC PRODUCT	1,560.0	1,598.3	1,803.2	1,652.8	1,558.6
Percentage Changes ⁽⁴⁾ (%)					
	2018R Q3	2018R Q4	2019R Q1	2019R Q2	2019P Q3
FINAL CONSUMPTION EXPENDITURE	-2.6	-1.4	+0.6	+0.4	-0.8
Household Final Consumption	-2.4	-2.3	+0.1	-0.4	-0.9
Government Final Consumption	-3.5	+2.7	+2.5	+4.0	-0.2
GROSS CAPITAL FORMATION	+21.6	-1.7	+16.6	+36.6	-8.0
Construction	+11.9	+0.5	+14.3	+3.5	-3.5
Machinery and Equipment	+35.7	-4.8	+19.9	+75.1	-13.4
EXTERNAL BALANCE OF GOODS AND SERVICES	+2.8	+14.1	+2.5	-13.7	+9.0
Exports of Goods and Services	+10.9	+14.8	+3.7	+2.1	+0.6
Exports of Goods	-5.9	-9.0	-16.8	-8.3	-6.7
Exports of Services	+11.3	+15.3	+4.0	+2.3	+0.8
Imports of Goods and Services	+16.6	+15.4	+5.4	+13.2	-4.6
Imports of Goods	+16.3	+18.2	+10.5	+20.9	-4.4
Imports of Services	+17.1	+11.9	-0.8	+1.5	-4.9
GROSS DOMESTIC PRODUCT	+1.7	+1.8	+3.1	+3.1	-0.1

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

QUARTERLY GDP BY EXPENDITURE

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

	2018R Q3	2018R Q4	2019R Q1	2019R Q2	2019P Q3
FINAL CONSUMPTION EXPENDITURE	1,110.7	1,088.3	1,070.8	1,131.8	1,119.9
Household Final Consumption	897.6	876.7	847.8	907.5	904.9
Government Final Consumption	213.2	211.6	223.0	224.3	215.0
GROSS CAPITAL FORMATION	260.2	228.8	261.9	353.7	242.0
Construction	146.4	139.7	155.2	152.3	143.8
Machinery and Equipment	113.8	89.1	106.7	201.4	98.1
EXTERNAL BALANCE OF GOODS AND SERVICES	370.4	431.7	644.3	368.6	398.2
Exports of Goods and Services	863.0	900.0	1,080.7	934.8	874.2
Exports of Goods	16.3	14.6	13.2	14.7	14.7
Exports of Services	846.7	885.4	1,067.5	920.1	859.6
Imports of Goods and Services	492.6	468.3	436.4	566.2	476.0
Imports of Goods	278.7	269.8	246.4	359.3	267.2
Imports of Services	213.9	198.5	190.1	207.0	208.8
GROSS DOMESTIC PRODUCT	1,741.3	1,748.9	1,976.9	1,854.1	1,760.1

Percentage Changes ⁽⁴⁾ (%)

	2018R Q3	2018R Q4	2019R Q1	2019R Q2	2019P Q3
FINAL CONSUMPTION EXPENDITURE	-0.9	+0.3	+2.9	+2.0	+0.8
Household Final Consumption	-0.9	-0.9	+2.3	+1.1	+0.8
Government Final Consumption	-0.9	+5.2	+5.1	+6.0	+0.8
GROSS CAPITAL FORMATION	+22.8	-0.4	+18.4	+36.7	-7.0
Construction	+13.6	+2.1	+16.9	+5.6	-1.7
Machinery and Equipment	+37.1	-4.1	+20.7	+75.8	-13.8
EXTERNAL BALANCE OF GOODS AND SERVICES	+2.1	+13.2	+3.6	-10.6	+7.5
Exports of Goods and Services	+11.2	+15.1	+4.8	+2.8	+1.3
Exports of Goods	-1.0	-7.2	-16.8	-9.8	-10.0
Exports of Services	+11.4	+15.6	+5.1	+3.0	+1.5
Imports of Goods and Services	+19.1	+16.9	+6.6	+13.9	-3.4
Imports of Goods	+17.9	+19.4	+11.4	+20.7	-4.1
Imports of Services	+20.6	+13.7	+0.9	+3.8	-2.4
GROSS DOMESTIC PRODUCT	+2.7	+3.1	+4.9	+4.2	+1.1

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Table 3: Quarterly GDP at Different Revision Intervals

GDP: Total, Constant Prices

BD\$ millions

Period	Revision Interval				
	Jan-March 2019	Apr-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar* 2020
Q3-2018	1,104.1	1,102.7	1,090.7	1,083.2	1,560.0
Q4-2018		1,152.9	1,156.9	1,142.4	1,598.3
Q1-2019			1,339.5	1,308.8	1,803.2
Q2-2019				1,145.3	1,652.8
Q3-2019*					1,558.6

GDP: Total, Constant Prices

Growth rates (%)

Period	Revision Interval				
	Jan-March 2019	Apr-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar* 2020
Q3-2018	+1.6	+1.4	+0.3	+0.9	+1.7
Q4-2018		+1.5	+1.9	+1.6	+1.8
Q1-2019			+3.7	+3.4	+3.1
Q2-2019				+3.3	+3.1
Q3-2019*					-0.1

GDP: Total, Current Prices

BD\$ millions

Period	Revision Interval				
	Jan-March 2019	Apr-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar* 2020
Q3-2018	1,501.5	1,501.7	1,486.5	1,474.2	1,741.3
Q4-2018		1,556.7	1,561.2	1,539.1	1,748.9
Q1-2019			1,816.2	1,773.2	1,976.9
Q2-2019				1,570.4	1,854.1
Q3-2019*					1,760.1

GDP: Total, Current Prices

Growth rates (%)

Period	Revision Interval				
	Jan-March 2019	Apr-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar* 2020
Q3-2018	+2.4	+2.4	+1.4	+1.8	+2.7
Q4-2018		+3.0	+3.3	+2.9	+3.1
Q1-2019			+4.8	+4.5	+4.9
Q2-2019				+4.5	+4.2
Q3-2019*					+1.1

*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.

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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