



# QUARTERLY GROSS DOMESTIC PRODUCT BY EXPENDITURE

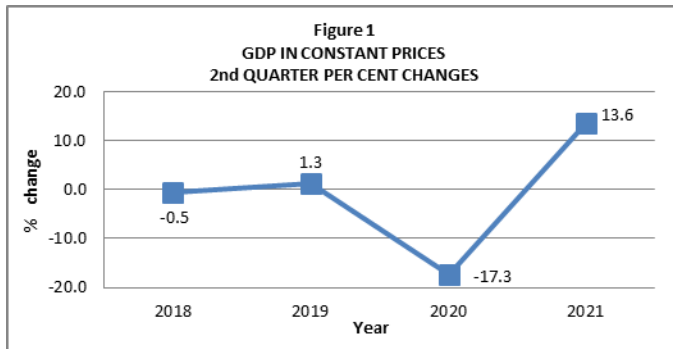
QUARTER 2/2021 (Base Year: 2013)

**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.

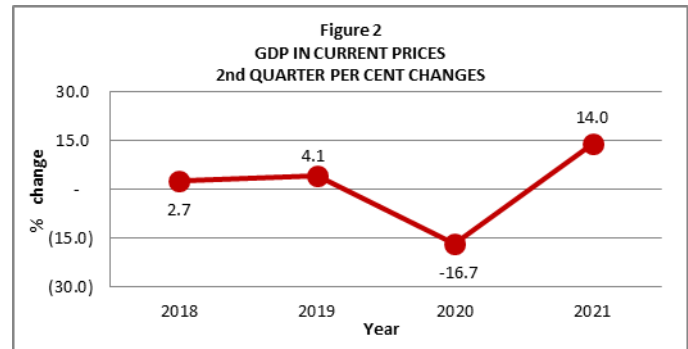
## GDP GROWTH OF +13.6 PER CENT FOR 2<sup>ND</sup> QTR 2021

During the second quarter 2021, quarterly Gross Domestic Product (GDP) at constant prices was estimated at \$1,530.3 million (Table 1), increasing 13.6 per cent year-over-year (Figure 1) but remaining 6.1 per cent lower than pre-pandemic levels in 2019. The growth in the second quarter GDP reflected a rebound in economic activity compared to 2020 when restrictions were imposed on some economic activity as mitigation efforts to reduce the spread of the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. Year-on-year, all categories experienced growth led by Final Consumption (+\$69.6 million), the External Balance of Goods and Services (+61.0 million) and Gross Capital Formation (+\$52.3 million).

### CONSTANT GDP UP 13.6%



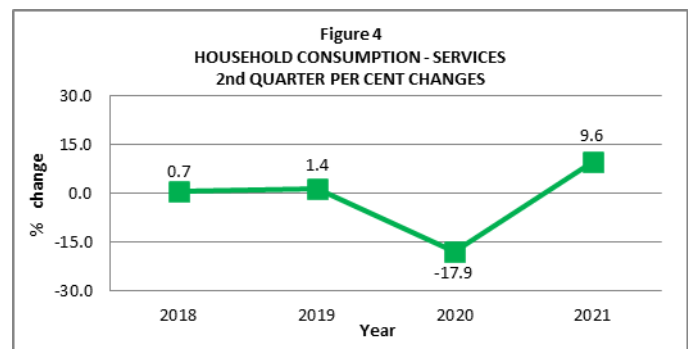
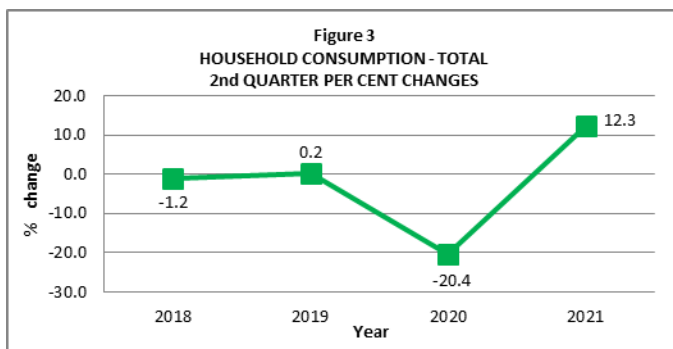
### CURRENT GDP UP 14.0%



In current prices, GDP increased 14.0 per cent (Figure 2; Table 2). Overall inflation for the 2<sup>nd</sup> quarter, as measured by the implicit price index, increased 0.4 per cent.

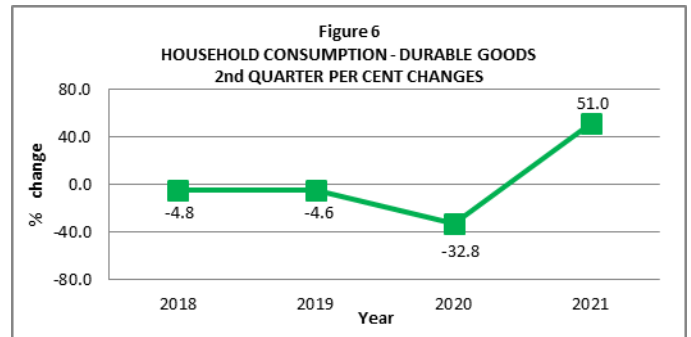
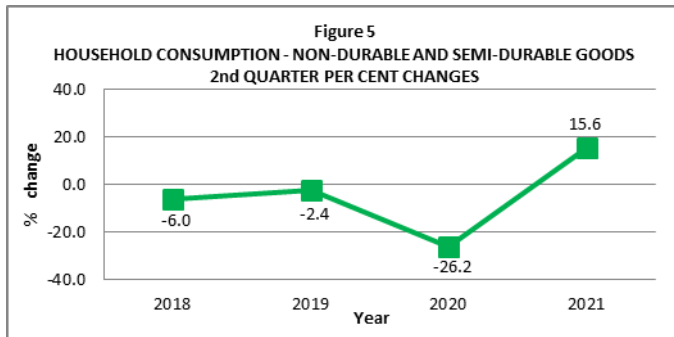
## YEAR-OVER-YEAR HIGHLIGHTS (CONSTANT PRICES)

Household Final Consumption increased 12.3 per cent year-over-year to \$737.3 million (Table 1; Figure 3). Consumption of services, which accounted for 73 per cent of total consumption, increased by 9.6 year-over-year (Figure 4). This growth was reflected in higher expenditure for passenger transport by road, air transport, catering services and personal care services which were all affected negatively by various COVID-19 pandemic restrictions in the year prior.



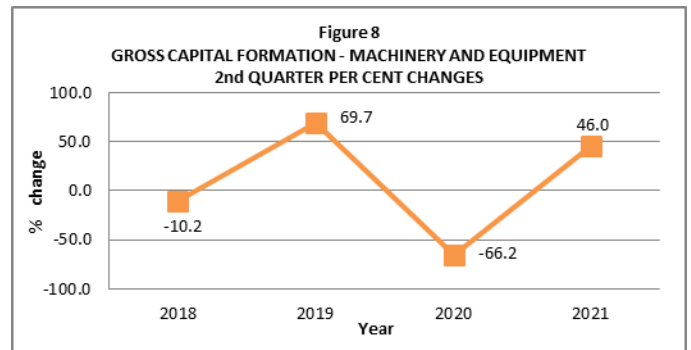
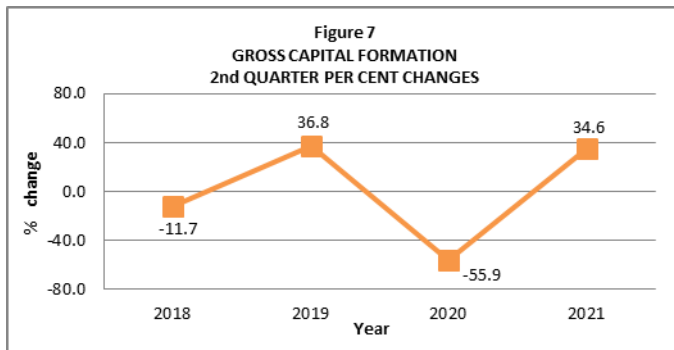
## QUARTERLY GDP BY EXPENDITURE

For non-durable and semi-durable goods, spending rose 15.6 per cent (Figure 5) with increased purchases of fuel, clothing purchased locally and goods purchased while overseas on travel and declared on return to Bermuda. Spending on durable goods grew by 51.0 per cent (Figure 6) due largely to higher expenditure on motor vehicles.

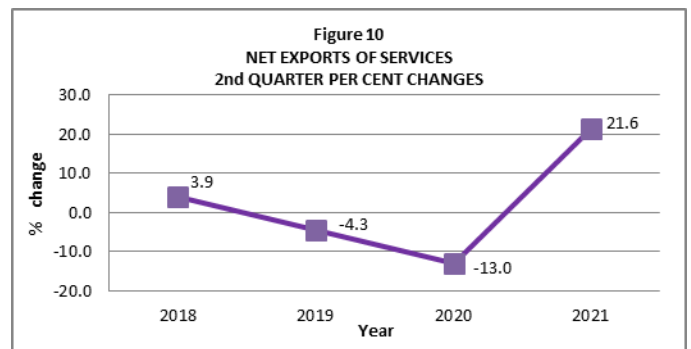
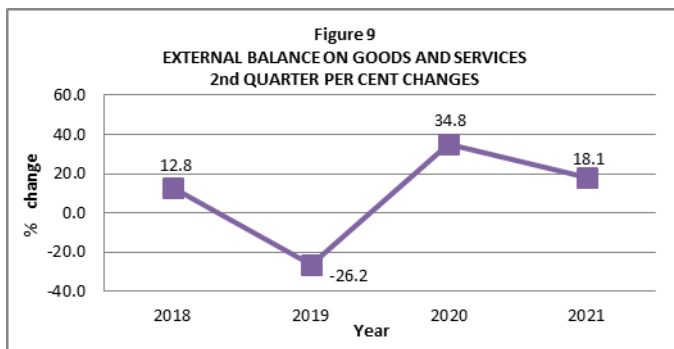


**Government Final Consumption** fell by 5.6 per cent to \$192.6 million (Table 1) due mostly to lower payments for wages, salaries and employee overheads. In contrast, expenditure related to professional services grew by \$5.1 million or 80.7 per cent.

**Gross Capital Formation** (i.e. investment in fixed assets) grew 34.6 per cent to \$203.4 million (Table 1; Figure 7). Gross Capital Formation related to Construction increased 25.6 per cent reflecting the completion of the St Regis Bermuda Resort and the addition of 26 units to the stock of residential dwellings. Investment in Machinery and Equipment increased 46.0 per cent due to the importation of computers, transport equipment and furniture.



**The External Balance of Goods and Services** increased 18.1 per cent to \$397.0 million (Table 1; Figure 9). Growth was reflected mostly in the Exports of Goods and Services which rebounded 19.2 per cent due to increased visitor expenditure and revenue earned from legal, accounting and management services. Exports of goods increased as more fuel was sold to visiting airlines.



Imports of Goods and Services increased 20.3 per cent as payments rose for sea freight transport in line with the increase in imports of goods across all commodity groups. Imports of air passenger transport services and travel services also grew as residents took more international trips compared to the previous year.

## QUARTERLY GDP BY EXPENDITURE

Table 1 : GDP by Expenditure – CONSTANT PRICES (BD\$ millions) <sup>(i,ii,iii)</sup>  
(2013=100)<sup>(vi)</sup>

	2020R Q2	2020R Q3	2020R Q4	2021R Q1	2021P Q2
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>860.3</b>	<b>939.5</b>	<b>959.4</b>	<b>909.9</b>	<b>929.9</b>
Household Final Consumption	656.2	749.9	762.0	725.8	737.3
Government Final Consumption	204.1	189.5	197.4	184.1	192.6
<b>GROSS CAPITAL FORMATION</b>	<b>151.1</b>	<b>203.6</b>	<b>212.3</b>	<b>215.5</b>	<b>203.4</b>
Construction	84.6	108.0	119.0	114.7	106.3
Machinery and Equipment	66.5	95.7	93.3	100.8	97.1
<b>EXTERNAL BALANCE OF GOODS</b>	<b>336.0</b>	<b>281.8</b>	<b>316.9</b>	<b>568.0</b>	<b>397.0</b>
Exports of Goods and Services	634.4	640.6	701.3	941.2	756.0
Exports of Goods	8.4	9.7	11.5	8.2	13.4
Exports of Services	626.0	630.9	689.8	932.9	742.6
Imports of Goods and Services	298.3	358.8	384.4	373.1	359.0
Imports of Goods	183.0	228.7	243.6	240.1	237.1
Imports of Services	115.3	130.1	140.7	133.0	121.8
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,347.5</b>	<b>1,424.9</b>	<b>1,488.6</b>	<b>1,693.5</b>	<b>1,530.3</b>
<b>Percentage Changes <sup>(iv)</sup> (%)</b>					
	2020R Q2	2020R Q3	2020R Q4	2021R Q1	2021P Q2
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>-17.1</b>	<b>-8.1</b>	<b>-5.3</b>	<b>-4.2</b>	<b>+8.1</b>
Household Final Consumption	-20.4	-8.2	-5.9	-3.1	+12.3
Government Final Consumption	-4.3	-8.1	-3.0	-8.3	-5.6
<b>GROSS CAPITAL FORMATION</b>	<b>-55.9</b>	<b>-11.8</b>	<b>-5.7</b>	<b>-3.9</b>	<b>+34.6</b>
Construction	-42.0	-20.1	-11.4	-8.7	+25.6
Machinery and Equipment	-66.2	-0.1	+2.8	+2.3	+46.0
<b>EXTERNAL BALANCE OF GOODS</b>	<b>+34.8</b>	<b>+1.7</b>	<b>-9.1</b>	<b>-4.3</b>	<b>+18.1</b>
Exports of Goods and Services	-20.0	-12.3	-8.7	-5.8	+19.2
Exports of Goods	-41.3	-33.0	-20.2	-46.3	+59.5
Exports of Services	-19.6	-11.9	-8.5	-5.2	+18.6
Imports of Goods and Services	-45.1	-20.9	-8.3	-8.1	+20.3
Imports of Goods	-48.0	-11.9	+2.1	-1.7	+29.6
Imports of Services	-39.9	-33.0	-22.1	-17.7	+5.6
<b>GROSS DOMESTIC PRODUCT</b>	<b>-17.3</b>	<b>-6.9</b>	<b>-6.2</b>	<b>-4.2</b>	<b>+13.6</b>

**Notes:**

(i) Data are provisional and subject to revision

(ii) Data are not seasonally adjusted

(iii) Numbers may not add due to rounding

(iv) All percentage changes refer to the corresponding quarter of the previous year

(v) R – Revised; P - Provisional

(vi) 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](http://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) <sup>(i,ii,iii)</sup>  
(2013=100)<sup>(vi)</sup>

	2020R Q2	2020R Q3	2020R Q4	2021R Q1	2021P Q2
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>969.2</b>	<b>1,047.2</b>	<b>1,076.3</b>	<b>1,033.1</b>	<b>1,056.4</b>
Household Final Consumption	744.2	836.8	857.2	826.9	839.1
Government Final Consumption	225.1	210.3	219.1	206.2	217.3
<b>GROSS CAPITAL FORMATION</b>	<b>161.1</b>	<b>216.4</b>	<b>226.6</b>	<b>232.4</b>	<b>221.2</b>
Construction	95.1	121.4	134.1	131.7	123.8
Machinery and Equipment	66.0	95.0	92.5	100.6	97.4
<b>EXTERNAL BALANCE OF GOODS</b>	<b>416.3</b>	<b>360.6</b>	<b>397.3</b>	<b>684.9</b>	<b>485.6</b>
Exports of Goods and Services	730.3	737.1	802.4	1,085.3	876.8
Exports of Goods	8.2	8.9	10.8	8.2	14.0
Exports of Services	722.1	728.2	791.6	1,077.1	862.8
Imports of Goods and Services	314.1	376.5	405.0	400.4	391.2
Imports of Goods	188.6	235.9	252.0	251.3	251.5
Imports of Services	125.4	140.6	153.1	149.1	139.7
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,546.6</b>	<b>1,624.1</b>	<b>1,700.2</b>	<b>1,950.4</b>	<b>1,763.2</b>
<b>Percentage Changes <sup>(iv)</sup> (%)</b>					
	2020R Q2	2020R Q3	2020R Q4	2021R Q1	2021P Q2
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>-16.0</b>	<b>-8.2</b>	<b>-3.7</b>	<b>-2.7</b>	<b>+9.0</b>
Household Final Consumption	-19.0	-8.3	-4.0	-1.6	+12.8
Government Final Consumption	-4.0	-7.8	-2.4	-7.1	-3.5
<b>GROSS CAPITAL FORMATION</b>	<b>-54.6</b>	<b>-10.8</b>	<b>-4.0</b>	<b>-2.7</b>	<b>+37.3</b>
Construction	-40.5	-17.9	-8.5	-6.6	+30.2
Machinery and Equipment	-66.2	+0.1	+3.2	+2.9	+47.6
<b>EXTERNAL BALANCE OF GOODS</b>	<b>+19.3</b>	<b>-2.5</b>	<b>-5.0</b>	<b>-4.7</b>	<b>+16.7</b>
Exports of Goods and Services	-20.2	-12.9	-6.3	-5.0	+20.1
Exports of Goods	-44.2	-39.0	-25.4	-45.4	+70.2
Exports of Services	-19.8	-12.4	-6.0	-4.5	+19.5
Imports of Goods and Services	-44.5	-20.9	-7.7	-5.5	+24.6
Imports of Goods	-47.5	-11.7	+2.9	+0.3	+33.3
Imports of Services	-39.3	-32.6	-21.0	-13.9	+11.4
<b>GROSS DOMESTIC PRODUCT</b>	<b>-16.7</b>	<b>-7.4</b>	<b>-4.0</b>	<b>-3.4</b>	<b>+14.0</b>

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## QUARTERLY GDP BY EXPENDITURE

**Table 3: Quarterly GDP at Different Revision Intervals**

**GDP: Total, Constant Prices**

BD\$ millions

Period	Revision Interval				
	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021
Q2-2020	1,368.0	1,362.7	1,363.7	1,355.5	1,347.5
Q3-2020		1,437.0	1,447.5	1,437.6	1,424.9
Q4-2020			1,517.2	1,494.3	1,488.6
Q1-2021				1,686.5	1,693.5
Q2-2021					1,530.3

**GDP: Total, Constant Prices**

Growth rates (%)

Period	Revision Interval				
	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021
Q2-2020	-15.7	-16.2	-16.1	-16.7	-17.3
Q3-2020		-5.9	-5.2	-5.8	-6.9
Q4-2020			-4.0	-5.5	-6.2
Q1-2021				-4.3	-4.2
Q2-2021					+13.6

**GDP: Total, Current Prices**

BD\$ millions

Period	Revision Interval				
	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021
Q2-2020	1,552.4	1,546.4	1,547.3	1,538.6	1,546.6
Q3-2020		1,618.2	1,631.5	1,621.0	1,624.1
Q4-2020			1,714.3	1,688.6	1,700.2
Q1-2021				1,917.6	1,950.4
Q2-2021					1,763.2

**GDP: Total, Current Prices**

Growth rates (%)

Period	Revision Interval				
	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021
Q2-2020	-16.0	-16.5	-16.5	-16.9	-16.7
Q3-2020		-7.4	-6.6	-7.2	-7.4
Q4-2020			-2.8	-4.3	-4.0
Q1-2021				-3.9	-3.4
Q2-2021					+14.0

# QUARTERLY GDP BY EXPENDITURE

## 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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