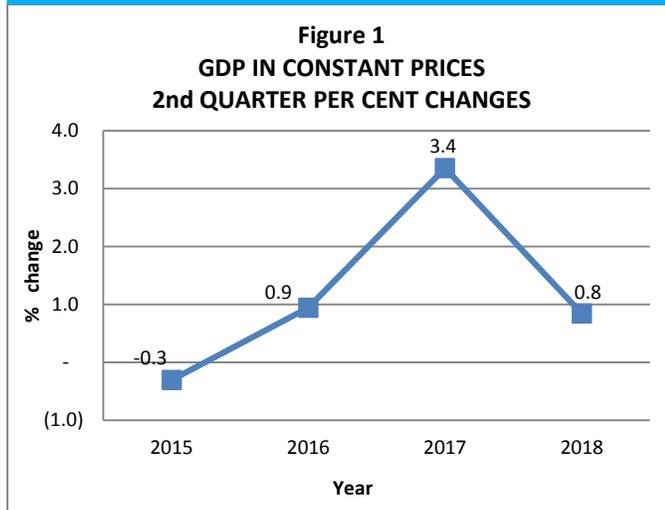


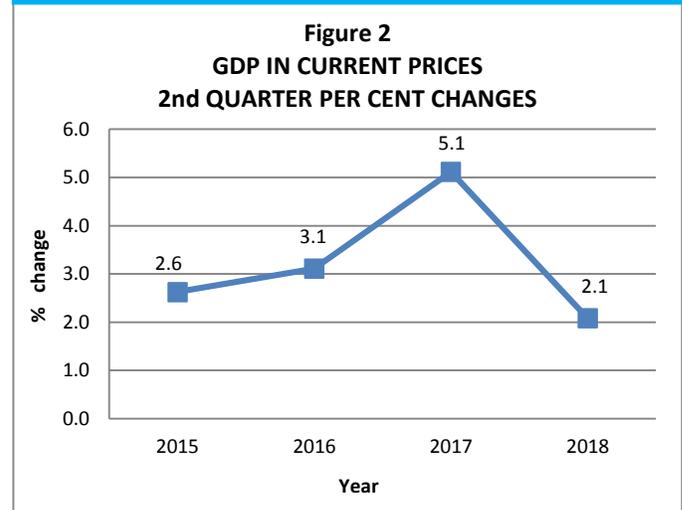


QUARTERLY GROWTH SUMMARY

CONSTANT GDP UP 0.8%



CURRENT GDP UP 2.1%



POSITIVE GDP GROWTH RECORDED FOR 2ND QTR 2018

During the second quarter 2018, quarterly GDP at constant prices was estimated at \$1,144.3 million (Table 1). This represented a 0.8 per cent increase year-over-year (Figure 1). The main driver was a \$14.3 million gain in the external balance of goods and services.

In current prices, nominal GDP increased 2.1 per cent (Figure 2; Table 2). Overall inflation for the 2nd quarter, as measured by the implicit price index, increased 1.2 per cent.

HIGHLIGHTS (CONSTANT PRICES)

- After adjusting for inflation, household final consumption increased 0.2 per cent to \$618.7 million (Table 1). Households spent more year-over-year on air transport, meals eaten outside the home and accommodation services.
- Government final consumption decreased 0.7 per cent due to lower spending on goods and services. (Table 1).
- Gross capital formation (i.e. investment in fixed assets) fell \$4.7 million or 2.1 per cent (Table 1) reflecting lower investment in machinery and equipment such as boats. In contrast, capital formation related to construction registered a 6.0 per cent increase during the period due to projects such as the airport redevelopment.
- The net surplus on trade in goods and services increased \$14.3 million or 14.9 per cent (Table 1), due primarily to a fall in the imports of goods. Imports of goods, which have a downward effect on GDP growth, fell 4.5 percent due to fewer machinery and equipment being imported. Exports of services rose 1.9 per cent during the period due mostly to increased earnings from the export of financial services. Exports of goods registered a 2.8 per cent rise during the period. In contrast, payments for the imports of services rose 3.8 per cent due to construction/engineering services.

QUARTERLY GDP BY EXPENDITURE

Table 1 : GDP by Expenditure – CONSTANT PRICES (BD\$ millions) ^(1,2,3)
(2006=100)

	2017R Q2	2017R Q3	2017R Q4	2018R Q1	2018 Q2
FINAL CONSUMPTION EXPENDITURE	810.3	820.6	831.4	808.3	810.3
Household Final Consumption	617.3	624.3	650.4	617.8	618.7
Government Final Consumption	193.0	196.2	181.0	190.5	191.6
GROSS CAPITAL FORMATION	228.3	163.0	178.0	176.7	223.6
Construction	107.3	83.9	89.7	91.3	113.8
Machinery and Equipment	121.0	79.1	88.3	85.3	109.8
EXTERNAL BALANCE OF GOODS AND SERVICES	96.1	96.7	116.5	303.8	110.4
Exports of Goods and Services	545.8	488.4	501.9	679.7	556.5
Exports of Goods	3.4	3.7	3.6	3.5	3.5
Exports of Services	542.4	484.7	498.3	676.1	553.0
Imports of Goods and Services	449.7	391.7	385.4	375.9	446.1
Imports of Goods	250.2	190.1	182.9	180.3	239.0
Imports of Services	199.5	201.6	202.5	195.6	207.1
GROSS DOMESTIC PRODUCT	1,134.7	1,080.3	1,125.9	1,288.8	1,144.3

Percentage Changes ⁽⁴⁾ (%)

	2017R Q2	2017R Q3	2017R Q4	2018R Q1	2018 Q2
FINAL CONSUMPTION EXPENDITURE	+2.1	+0.4	+0.2	-0.5	0.0
Household Final Consumption	+1.5	+0.6	+0.9	-1.6	+0.2
Government Final Consumption	+4.2	-0.4	-2.1	+3.1	-0.7
GROSS CAPITAL FORMATION	+30.7	-4.9	+0.1	-11.6	-2.1
Construction	+23.4	0.0	+1.5	+0.3	+6.0
Machinery and Equipment	+38.0	-9.5	-1.2	-21.5	-9.3
EXTERNAL BALANCE OF GOODS AND SERVICES	-25.8	+16.1	-2.8	+2.2	+14.9
Exports of Goods and Services	+3.7	+0.7	-0.9	-0.3	+2.0
Exports of Goods	-13.0	-14.4	-9.0	-6.6	+2.8
Exports of Services	+3.8	+0.8	-0.9	-0.3	+1.9
Imports of Goods and Services	+13.3	-2.5	-0.4	-2.3	-0.8
Imports of Goods	+22.5	+0.3	-4.8	-9.8	-4.5
Imports of Services	+3.6	-5.0	+3.9	+5.9	+3.8
GROSS DOMESTIC PRODUCT	+3.4	+0.7	-0.1	-1.6	+0.8

1. Data are preliminary 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

QUARTERLY GDP BY EXPENDITURE

Table 2 : GDP by Expenditure – CURRENT PRICES (BD\$ millions) ^(1,2,3)
(2006=100)

	2017R Q2	2017R Q3	2017R Q4	2018R Q1	2018 Q2
FINAL CONSUMPTION EXPENDITURE	1,051.8	1,067.5	1,084.4	1,061.8	1,072.8
Household Final Consumption	797.5	807.0	844.0	807.9	814.7
Government Final Consumption	254.3	260.4	240.4	254.0	258.2
GROSS CAPITAL FORMATION	256.8	185.4	202.4	202.0	256.1
Construction	133.2	104.4	111.8	114.4	143.2
Machinery and Equipment	123.6	81.0	90.6	87.6	112.9
EXTERNAL BALANCE OF GOODS AND SERVICES	214.3	204.7	211.0	462.3	225.6
Exports of Goods and Services	750.9	672.5	668.7	910.5	767.1
Exports of Goods	4.4	4.9	4.7	4.7	4.8
Exports of Services	746.5	667.6	664.0	905.8	762.3
Imports of Goods and Services	536.7	467.8	457.8	448.2	541.5
Imports of Goods	293.8	226.3	216.3	211.9	285.1
Imports of Services	242.8	241.5	241.4	236.4	256.4
GROSS DOMESTIC PRODUCT	1,522.8	1,457.5	1,497.8	1,726.1	1,554.6

Percentage Changes ⁽⁴⁾ (%)

	2017R Q2	2017R Q3	2017R Q4	2018R Q1	2018 Q2
FINAL CONSUMPTION EXPENDITURE	+3.6	+1.8	+1.7	+1.1	+2.0
Household Final Consumption	+3.2	+2.2	+2.6	0.0	+2.2
Government Final Consumption	+5.1	+0.8	-1.0	+4.9	+1.5
GROSS CAPITAL FORMATION	+31.0	-3.6	+2.2	-9.5	-0.2
Construction	+25.1	+1.5	+2.8	+1.8	+7.5
Machinery and Equipment	+37.9	-9.4	+1.5	-20.9	-8.6
EXTERNAL BALANCE OF GOODS AND SERVICES	-9.8	+10.8	-2.5	+1.6	+5.3
Exports of Goods and Services	+6.0	+2.2	-0.2	+0.4	+2.2
Exports of Goods	-7.9	-7.2	-3.6	-1.5	+8.4
Exports of Services	+6.1	+2.3	-0.2	+0.4	+2.1
Imports of Goods and Services	+14.0	-1.2	+0.9	-0.9	+0.9
Imports of Goods	+22.6	+1.9	-3.4	-8.5	-3.0
Imports of Services	+5.0	-3.9	+5.2	+7.2	+5.6
GROSS DOMESTIC PRODUCT	+5.1	+2.3	+1.2	-0.1	+2.1

1. Data are preliminary 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

DEFINITIONS AND NOTES

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.

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 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.

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.

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.

Published by the Government of Bermuda
December 2018

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