

GROSS DOMESTIC PRODUCT IN THE THIRD QUARTER OF 2014

- “flash” estimates

The Gross Domestic Product in Q3 2014 was, in real terms, by 1.9% higher as compared to Q2 2014¹.

- As against the same quarter of 2013, the Gross Domestic Product recorded an increase by 3.2% for the unadjusted series and by 3.3% for the seasonally adjusted series;
- In the first 9 months of the year 2014, as compared to the same period of 2013, Gross Domestic Product increased by 2.8% for unadjusted series and by 3.1% for the seasonally adjusted series;
- Following the revision of the unadjusted series according to ESA2010 and of the seasonally adjusted series, the Gross Domestic Product decreased in the second quarter of 2014 by 0.3% as compared to the first quarter of 2014 and increases in the first quarter of 2014 by 0.5% as compared to the fourth quarter of 2013.

Quarterly Gross domestic product

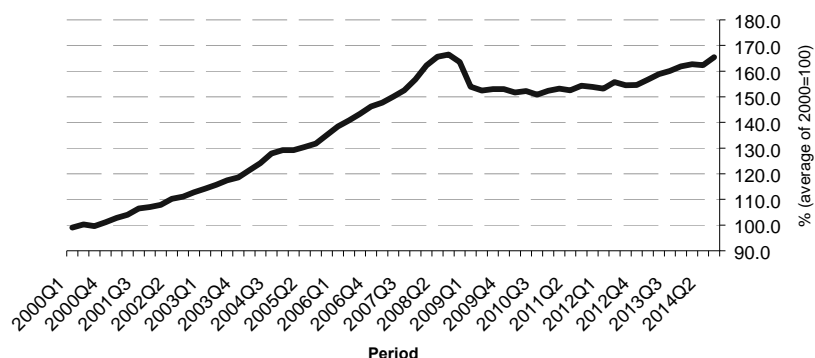
		Q1	Q2	Q3	Q4	Year
- in % as against the corresponding period of the previous year -						
Unadjusted series	2012	100.2	102.1	99.5	100.8	100.6
	2013	102.1	101.4	104.2	105.4	103.5
	2014	104.0	101.4	103.2	-	-
Seasonally adjusted series	2012	100.0	102.1	100.1	100.5	-
	2013	102.3	102.0	103.6	104.7	-
	2014	103.9	102.2	103.3	-	-
- in % as against the previous quarter -						
Seasonally adjusted series	2012	99.5	101.7	99.2	100.0	-
	2013	101.3	101.4	100.8	101.1	-
	2014	100.5	99.7	101.9	-	-

Seasonally adjusted series

In Q3 2014, as compared to the previous quarter, the Gross Domestic Product increased by 1.9%. As compared to the same quarter of 2013, the Gross Domestic Product increased by 3.3%.

1. Seasonally adjusted data, not including working-day correction

**Quarterly Gross Domestic Product of Romania
in the period 2000 – 2014
(seasonally adjusted data)**



In the first 9 months of 2014, Gross Domestic Product increased, as compared to the same period of the previous year, by 3.1%.

Unadjusted series

As compared to the same quarter of 2013, Gross Domestic Product increased by 3.2%.

In the first 9 months of 2014, Gross Domestic Product increased by 2.8%, as compared to the same period of 2013.

Revisions

Following the revision of the unadjusted series for 1995-2014 for implementing the requirements of ESA 2010 and the reconciliation with the annual data revised according to ESA 2010 as well as the adding of the estimates for the third quarter 2014 in the quarterly series, the seasonally adjusted series was reestimated, the volume indices being revised as compared to the provisional version of the GDP estimated for the second quarter of 2014, published in the Press release of October 8, 2014. So, the results for the first quarter of 2014, as compared to the fourth quarter of 2013, had been revised from 99.9% to 100.5% and those of the second quarter of 2014, as compared to the previous quarter, had been revised from 99.1% to 99.7%.

Methodological notes

The “flash” estimates of Gross Domestic Product provide a timely and consistent picture of economy evolution and have the following characteristics:

- are produced according to ESA 2010 methodology;
- are compiled and published at 45 days after the end of the reference quarter;
- are based on an incomplete set of information as compared to the provisional quarterly national accounts being revised on a quarterly basis.

The differences between the “flash” estimates and the provisional estimates of Gross Domestic Product are defined depending on the following aspects:

- Timeliness: “flash” estimates are available earlier than the provisional ones (40-45 days as compared to 70-75 days);
- Accuracy: a compromise is made between timeliness and accuracy. “Flash” estimates are generally less accurate than the provisional ones, but the minus of accuracy is envisaged to be at the lowest level;
- Coverage: the number of variables covered by the “flash” estimates is limited.
- Available information: the « flash » estimates are based on a limited set of data. Quite often, some information resulting from statistical surveys or from administrative sources are not available.
- Estimation method: depending on the available data sources, the direct method (using the existing data and estimates for the missing ones) or the indirect method (using regression techniques) could be used.

The “flash” estimates of quarterly Gross Domestic Product in Romanian national accounts are obtained by applying the direct method, taking into account the existence of infra-annual data sources, particularly of statistical surveys providing information allowing for estimating the quarterly Gross Domestic Product (QGDP) at market prices based on production method, according to the formula:

$$\text{QGDP} = \text{GVA} + \text{TP} - \text{SP}$$

where:

GVA = gross value added at basic price;

TP = taxes on product;

SP = subsidies on product.

Beside the gross estimates of quarterly Gross Domestic Product, seasonally adjusted estimates are also compiled, using the regressive method, a method recommended by the European regulations.

The seasonal adjustment envisages the removal of seasonal effects from the data series, in view to point out the real economic evolution in consecutive periods.

The seasonally adjusted series are re-estimated every quarter as a consequence of the revision of unadjusted annual and quarterly series when more comprehensive and accurate statistical and administrative data sources become available, of including the the deries of new observation, of the chages of the models used and regression parameters.

***Source:** Press release of
National Institute os Statistics*