

29 May 2020 | 1100 hrs | 091/2020

Provisional estimates indicate that the Gross Domestic Product (GDP) for the first quarter of 2020 amounted to €3,192.8 million, an increase of €59.0 million or 1.9 per cent when compared to the corresponding period last year. In volume terms, GDP rose by 0.5 per cent.

Gross Domestic Product: Q1/2020

Cut-off date:
27 May 2020

The production approach

During the first quarter of 2020, Gross Value Added (GVA) increased by €72.2 million when compared to the same quarter last year. GVA is the net result of output valued at basic prices less intermediate consumption valued at purchasers' prices (Table 1).

This increase was mainly generated by the following sectors: Arts, entertainment and recreation (€21.4 million or 5.3 per cent); Construction (€14.6 million or 14.1 per cent); Professional, scientific and technical activities (€14.0 million or 6.0 per cent); and Real estate activities (€13.5 million or 9.2 per cent).

Drops were registered in the following sectors: Accommodation and food service activities (€16.0 million or 18.0 per cent); Transportation and storage (€13.5 million or 8.2 per cent); Administrative and support service activities (€3.6 million or 1.9 per cent); Agriculture and fishing (€1.2 million or 4.6 per cent); and Other services (€1.1 million or 4.2 per cent).

The drop in net taxes on products amounted to €13.3 million or 3.8 per cent. This decline contributed negatively to GDP growth.

The expenditure approach

The expenditure approach is another method used to calculate GDP and is derived by adding consumption of households, government and non-profit institutions serving households, investment and net exports (Tables 2 and 4).

During the first quarter of 2020, total final consumption expenditure increased by 2.4 per cent in nominal terms and 0.6 per cent in volume terms. This resulted from a drop in household final consumption expenditure of 1.8 per cent in nominal terms and 3.3 per cent in volume terms, an increase in non-profit institutions serving households expenditure of 6.7 per cent in nominal terms and 4.5 per cent in volume terms, and an increase in government expenditure of 11.9 per cent in nominal terms and 9.3 per cent in volume terms.

The declines reported in Restaurants and hotels, Transport and Recreation and culture are partly explained by the drop in tourist expenditure, while the increases registered in Food and non-alcoholic beverages, Housing, water, electricity, gas and other fuels and Miscellaneous goods and services are mainly attributed to local residents' expenditure.

Statistics in this News Release should be interpreted in context to the unprecedented developments related to COVID-19.

Gross Fixed Capital Formation (GFCF) decreased by 16.5 per cent in nominal terms and 18.5 per cent in volume terms. The drop in GFCF largely reflects increases in Other buildings and structures, and Intellectual property products being outweighed by declines in Transport equipment, Other machinery and equipment, and Dwellings. The decrease in investment in Transport equipment is largely the result of a negative base effect resulting from a large one-off transaction in the first quarter of 2019.

Exports of goods and services decreased by 2.3 per cent in nominal terms and 4.7 per cent in volume terms. Imports of goods and services fell by 5.0 per cent in nominal terms and by 7.6 per cent in volume terms.

The income approach

The third approach to measure economic activity is the income approach which shows how GDP at market prices is distributed among compensation of employees, the operating surplus of enterprises and taxes on production and imports net of subsidies (Table 3).

Compared to the first quarter of 2019, the estimated €59.0 million increase in GDP in nominal terms resulted from the following: an increase of €78.2 million in compensation of employees, a €36.0 million increase in gross operating surplus and mixed income, and a drop of €55.2 million in net taxation on production and imports. The drop in net taxation on production and imports is mainly due to higher subsidies on production. This is the result of the new measures introduced by the Government to support businesses in retaining their employees in the context of COVID-19. There was a minimal impact on the compensation of employees in first quarter of 2020 as a result of COVID-19. The impact on gross operating surplus and mixed income was more pronounced with a drop in the rate of growth compared to the previous years.

Gross National Income (GNI)

The GNI differs from the GDP measure in terms of net compensation receipts, net property income receivable and net taxes (minus subsidies) receivable on production and imports from abroad.

Considering the effects of income and taxation paid and received by residents to and from the rest of the world, GNI at market prices for the first quarter of 2020 was estimated at €2,915.1 million (Table 3).

Chart 1. GDP annual growth rates

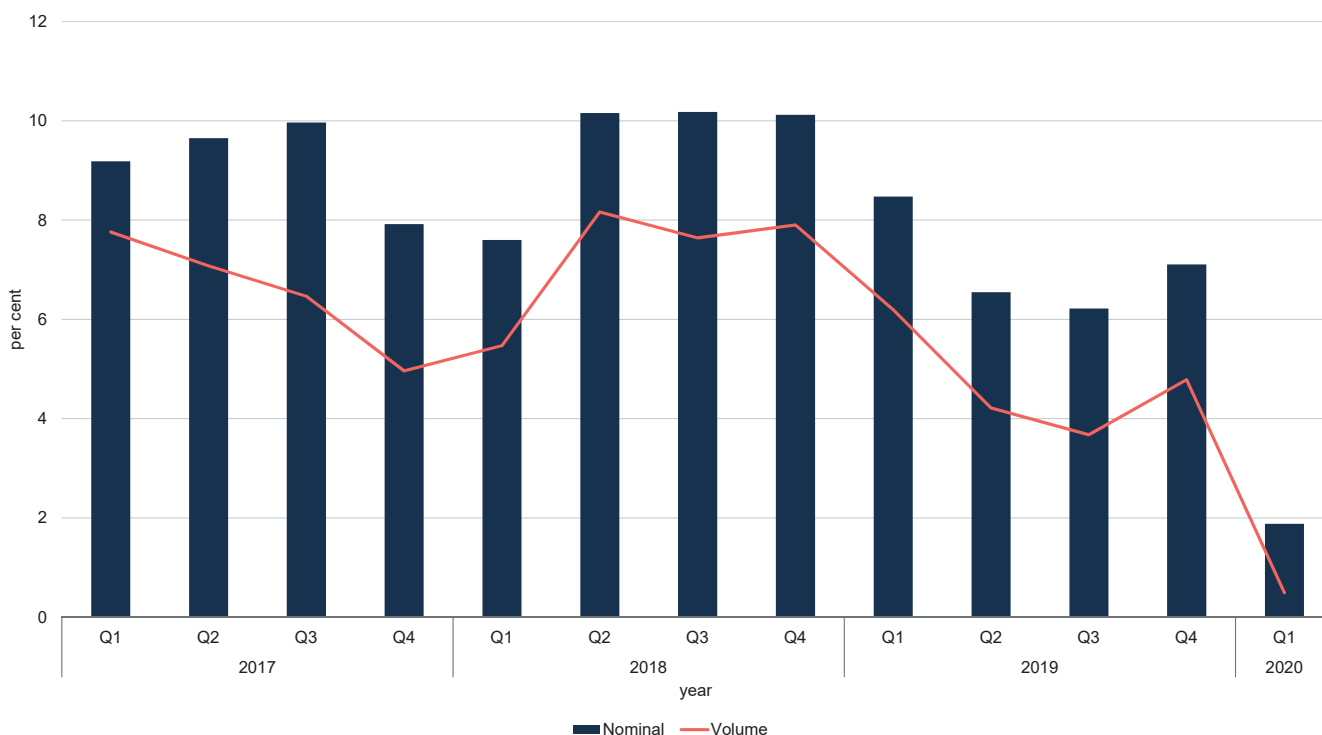


Table 1. GDP identity from the production (output) side by period ...

€ 000												
	NACE section	Computational notes	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Gross value added - Total A10	Total	1=2+3+5+...+12	5,957,771	6,284,044	6,726,430	7,491,308	8,548,725	9,184,324	10,014,104	10,933,769	11,783,097	
Gross value added by industry	Agriculture, forestry and fishing	A	2	93,586	95,322	91,718	97,086	104,338	126,197	88,943	107,807	105,548
	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities	B to E	3	868,848	819,502	848,207	858,072	862,383	925,192	997,975	1,113,272	1,149,416
		<i>of which: C</i>	4	783,872	792,789	732,128	739,241	722,260	742,525	823,989	914,978	944,169
	Construction	F	5	281,824	274,648	293,676	300,811	327,449	325,525	364,067	394,451	450,096
	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	G to I	6	1,288,897	1,392,280	1,521,785	1,632,340	1,923,234	1,993,745	2,141,319	2,311,299	2,449,840
	Information and communication	J	7	367,401	371,242	368,948	466,839	560,193	622,559	686,872	733,939	789,704
	Financial and insurance activities	K	8	456,610	532,025	534,841	516,335	546,391	586,803	616,881	643,402	665,278
	Real estate activities	L	9	369,891	376,786	388,715	400,011	465,512	503,717	497,718	554,018	603,005
	Professional, scientific and technical activities; administrative and support service activities	M to N	10	568,563	650,747	730,990	858,770	1,084,800	1,211,063	1,478,571	1,626,432	1,792,446
	Public administration and defence; compulsory social security; education; human health and social work activities	O to Q	11	1,116,413	1,182,054	1,256,090	1,364,154	1,463,979	1,554,384	1,675,380	1,819,084	1,986,861
Arts, entertainment and recreation, repair of household goods and other services	R to U	12	545,738	589,438	691,460	996,892	1,210,448	1,335,139	1,466,379	1,630,065	1,790,904	
Taxes on products		13	899,818	919,551	959,166	1,071,407	1,141,410	1,222,715	1,365,728	1,538,580	1,566,424	
Subsidies on products		14	18,131	32,681	34,058	36,498	33,520	37,314	58,086	69,519	72,259	
Taxes less subsidies on products		15=13-14	881,687	886,870	925,108	1,034,909	1,107,890	1,185,401	1,307,641	1,469,061	1,494,164	
Gross Domestic Product	Total	16=1+15	6,839,459	7,170,914	7,651,539	8,526,217	9,656,615	10,369,725	11,321,745	12,402,830	13,277,262	
Rate of growth (%)				4.8%	6.7%	11.4%	13.3%	7.4%	9.2%	9.5%	7.1%	

Note: Totals may not add up due to rounding.

... Table 1. GDP identity from the production (output) side by period

€ 000

	NACE section	Computational notes	2017				2018				2019				2020	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
			Gross value added - Total A10	Total	1=2+3+5+...+12	2,369,820	2,525,252	2,610,612	2,508,420	2,565,830	2,765,208	2,857,998	2,744,733	2,782,517	2,940,081	3,086,688
Gross value added by industry	Agriculture, forestry and fishing	A	2	22,459	24,259	24,125	18,100	24,441	23,307	24,802	35,257	25,750	22,379	23,654	33,765	24,568
	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities	B to E	3	244,855	251,789	246,594	254,737	260,374	283,780	282,080	287,038	267,126	287,790	292,385	302,114	272,250
		<i>of which : C</i>	4	205,423	213,126	199,333	206,107	214,433	236,887	224,092	239,566	221,293	237,733	232,628	252,515	229,768
	Construction	F	5	88,768	91,239	91,839	92,220	96,246	98,343	98,040	101,821	103,927	111,234	114,385	120,550	118,556
	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	G to I	6	453,497	556,791	611,443	519,587	489,716	604,551	656,714	560,318	524,124	623,148	700,383	602,185	500,657
	Information and communication	J	7	162,815	170,405	173,508	180,144	176,521	180,526	189,382	187,509	190,474	195,700	199,348	204,181	196,446
	Financial and insurance activities	K	8	153,134	153,214	157,308	153,225	155,231	166,330	163,598	158,243	170,607	168,217	168,291	158,164	179,540
	Real estate activities	L	9	125,156	122,567	124,336	125,658	136,081	137,164	138,129	142,644	146,129	147,275	151,136	158,464	159,613
	Professional, scientific and technical activities; administrative and support service activities	M to N	10	344,465	366,426	389,185	378,495	371,672	397,757	439,313	417,691	421,000	442,375	477,195	451,876	431,398
	Public administration and defence; compulsory social security; education; human health and social work activities	O to Q	11	411,317	421,091	424,894	418,079	458,494	459,400	450,426	450,764	499,595	486,339	505,222	495,705	517,616
Arts, entertainment and recreation, repair of household goods and other services	R to U	12	363,353	367,470	367,381	368,175	397,053	414,050	415,514	403,448	433,785	455,622	454,691	446,806	454,113	
Taxes on products		13	324,298	300,693	376,107	364,629	340,831	349,223	436,182	412,343	366,673	379,399	412,558	407,794	356,952	
Subsidies on products		14	9,306	14,865	13,516	20,399	17,758	17,835	18,293	15,633	15,387	20,228	19,666	16,978	18,950	
Taxes less subsidies on products		15=13-14	314,992	285,828	362,591	344,230	323,073	331,388	417,889	396,711	351,286	359,171	392,892	390,816	338,001	
Gross Domestic Product	Total	16=1+15	2,684,812	2,811,080	2,973,204	2,852,650	2,888,903	3,096,596	3,275,887	3,141,444	3,133,803	3,299,252	3,479,580	3,364,627	3,192,758	
Rate of growth (%)			9.2%	9.6%	10.0%	7.9%	7.6%	10.2%	10.2%	10.1%	8.5%	6.5%	6.2%	7.1%	1.9%	

Note: Totals may not add up due to rounding.

Table 2. GDP identity from the expenditure side by period ...

			€ 000										
	ESA code	Computational notes	2011	2012	2013	2014	2015	2016	2017	2018	2019		
Gross Domestic Product	B1GQ	1=2+19+29-30	6,839,459	7,170,914	7,651,539	8,526,217	9,656,615	10,369,725	11,321,745	12,402,830	13,277,262		
Final consumption expenditure	Total	P3	2=3+17+18	5,360,780	5,553,362	5,722,190	5,976,548	6,356,904	6,485,073	6,758,563	7,447,675	8,000,453	
	of households	P31_S14	3=4+...+16	3,906,248	3,995,414	4,129,795	4,254,045	4,543,073	4,689,756	4,892,799	5,312,830	5,543,075	
	Food and Non-Alcoholic Beverages	4		619,820	622,653	646,110	659,774	677,149	698,550	731,955	752,245	784,702	
	Alcoholic Beverages, Tobacco	5		180,069	189,184	189,614	209,004	218,805	229,571	241,351	259,301	270,004	
	Clothing and Footwear	6		202,507	204,754	210,322	233,521	265,520	251,890	284,552	301,531	307,766	
	Housing, Water, Electricity, Gas and other fuels	7		554,005	562,636	573,845	564,033	588,718	628,214	657,045	700,211	773,402	
	Furnishings, Household Equipment and Routine Household Maintenance	8		314,710	319,407	320,493	345,480	390,365	398,610	412,519	449,117	472,633	
	Health	9		190,812	199,498	203,396	192,370	213,175	215,465	232,554	251,559	272,440	
	Transport	10		591,599	596,110	621,996	659,341	662,629	690,191	733,262	773,082	794,763	
	Communication	11		169,957	173,797	177,795	182,365	191,765	197,358	207,267	213,678	222,583	
	Recreation and Culture	12		479,184	510,912	520,130	541,251	558,853	575,315	599,455	633,278	668,610	
	Education	13		60,074	69,798	79,582	89,000	97,116	85,567	88,281	87,341	90,221	
	Restaurants and Hotels	14		763,239	810,320	889,832	955,466	1,054,999	1,086,833	1,221,964	1,367,291	1,406,873	
	Miscellaneous Goods and Services	15		494,414	511,530	517,605	521,648	594,343	627,534	662,060	717,468	765,383	
	Balance of Expenditures of Residents Abroad and of Non-Residents on the Economic Territory	16		-714,142	-775,183	-820,923	-899,208	-970,366	-995,342	-1,179,465	-1,193,272	-1,286,304	
	of NPISHs ¹	P31_S15	17		107,489	107,210	111,270	115,794	122,577	127,646	134,750	146,620	157,675
	of general government	P3_S13	18		1,347,043	1,450,738	1,481,124	1,606,709	1,691,253	1,667,671	1,731,013	1,988,225	2,299,702
	Gross capital formation	Total gross capital formation	P5	19=26+27+28	1,325,010	1,284,692	1,449,659	1,499,720	2,370,199	2,460,345	2,163,987	2,309,317	2,556,359
Gross fixed capital formation by asset													
Dwellings		P51	20	232,779	213,895	200,615	207,166	273,106	364,062	523,807	634,311	670,010	
Other buildings and structures		P51	21	378,299	430,021	436,006	468,817	781,775	551,051	629,239	571,437	711,424	
Transport equipment		P51	22	89,001	64,453	44,468	44,641	462,569	682,518	186,403	134,033	219,013	
Other machinery and equipment		P51	23	343,854	377,224	433,985	468,092	582,880	534,023	635,330	634,874	573,327	
Cultivated biological resources		P51	24	739	2,975	2,670	1,979	2,120	2,462	2,442	3,406	2,550	
Intellectual property products		P51	25	180,962	208,904	215,466	277,255	294,479	311,955	344,752	362,245	391,125	
Total gross fixed capital formation	P51	26=20+...+25	1,225,634	1,297,472	1,333,212	1,467,950	2,396,930	2,446,071	2,321,973	2,340,306	2,567,449		
Changes in inventories and statistical discrepancy	P52	27	124,573	-13,660	102,743	23,780	-35,339	10,759	-164,356	-47,669	-27,262		
Acquisitions less disposals of valuables	P53	28	-25,196	880	13,705	7,989	8,608	3,516	6,370	16,680	16,172		
Exports of goods and services	P6	29	10,965,051	11,845,038	12,001,783	12,664,483	14,850,776	15,716,379	16,895,124	17,905,970	18,690,219		
Imports of goods and services	P7	30	10,811,382	11,512,179	11,522,092	11,614,534	13,921,264	14,292,072	14,495,929	15,260,132	15,969,769		

¹ Non-Profit Institutions Serving Households

Note: Totals may not add up due to rounding.

... Table 2. GDP identity from the expenditure side by period

				2017				2018				2019				2020
		ESA code	Computational notes	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Gross Domestic Product		B1GQ	1=2+19+29-30	2,684,812	2,811,080	2,973,204	2,852,650	2,888,903	3,096,596	3,275,887	3,141,444	3,133,803	3,299,252	3,479,580	3,364,627	3,192,758
Final consumption expenditure	Total	P3	2=3+17+18	1,671,266	1,659,622	1,721,995	1,705,679	1,775,277	1,852,069	1,880,983	1,939,346	1,963,719	1,960,280	2,027,087	2,049,366	2,010,642
	of households	P31_S14	3=4+...+16	1,210,107	1,187,324	1,242,906	1,252,462	1,286,007	1,305,775	1,366,617	1,354,430	1,345,040	1,360,880	1,432,696	1,404,458	1,320,456
	Food and Non-Alcoholic Beverages		4	172,075	180,105	198,463	181,312	170,321	194,787	204,282	182,855	173,634	205,198	214,211	191,658	195,274
	Alcoholic Beverages, Tobacco		5	48,810	61,164	73,535	57,841	51,267	64,267	79,512	64,255	55,753	68,372	78,918	66,962	55,414
	Clothing and Footwear		6	68,765	70,528	74,778	70,481	80,453	71,317	75,952	73,809	77,728	70,746	82,562	76,730	67,301
	Housing, Water, Electricity, Gas and other fuels		7	161,751	158,991	170,440	165,863	170,355	168,833	182,809	178,214	188,036	187,851	201,748	195,767	203,422
	Furnishings, Household Equipment and Routine Household Maintenance		8	101,678	115,367	90,843	104,631	105,228	122,454	105,774	115,660	115,808	132,949	110,454	113,423	109,748
	Health		9	59,491	57,347	59,988	55,728	62,767	60,726	63,234	64,832	69,015	65,873	67,574	69,977	69,508
	Transport		10	167,935	177,552	195,058	192,716	180,028	192,407	201,374	199,273	183,730	200,269	210,564	200,200	163,926
	Communication		11	40,746	53,526	52,475	60,520	42,248	56,971	52,080	62,379	41,159	59,485	54,089	67,849	42,183
	Recreation and Culture		12	126,875	142,204	185,214	145,161	132,367	152,056	202,626	146,229	136,600	165,312	209,786	156,911	121,092
	Education		13	20,759	24,233	24,921	18,368	20,730	24,189	23,448	18,975	21,120	24,946	24,189	19,967	21,180
	Restaurants and Hotels		14	189,086	323,726	448,886	260,266	224,177	368,805	496,133	278,176	225,966	376,660	517,132	287,115	181,734
	Miscellaneous Goods and Services		15	170,331	162,727	165,641	163,360	175,773	184,351	179,243	178,101	185,778	190,864	193,259	195,481	195,904
	Balance of Expenditures of Residents Abroad and of Non-Residents on the Economic Territory		16	-118,196	-340,147	-497,338	-223,784	-129,706	-355,389	-499,851	-208,327	-129,288	-387,645	-531,790	-237,582	-106,230
	of NPISHs ¹	P31_S15	17	33,394	33,657	34,044	33,656	39,648	43,425	30,137	33,410	45,579	32,870	46,226	33,000	48,639
	of general government	P3_S13	18	427,765	438,642	445,045	419,562	449,622	502,869	484,229	551,506	573,100	566,529	548,165	611,908	641,546
	Gross capital formation	Total gross capital formation	P5	19=26+27+28	587,657	447,057	491,432	637,841	526,086	576,840	553,048	653,343	689,342	599,355	675,963	591,698
Dwellings		P51	20	124,100	132,635	130,057	137,015	138,586	152,065	166,119	177,540	166,236	165,515	165,910	172,349	155,597
Other buildings and structures		P51	21	208,710	111,616	118,342	190,571	102,531	111,631	134,451	222,824	132,365	167,503	151,767	259,788	156,336
Transport equipment		P51	22	27,686	29,494	74,891	54,331	20,807	37,265	33,580	42,380	119,389	27,399	32,341	39,884	22,247
Other machinery and equipment		P51	23	145,123	134,465	138,942	216,800	150,527	168,199	154,817	161,331	152,444	134,946	142,532	143,406	116,903
Cultivated biological resources		P51	24	545	762	634	500	884	934	835	753	740	720	511	579	438
Intellectual property products		P51	25	83,417	86,346	87,725	87,264	85,840	89,751	93,650	93,004	96,004	96,627	98,619	99,876	105,691
Total gross fixed capital formation		P51	26=20+...+25	589,581	495,318	550,593	686,482	499,175	559,846	583,453	697,832	667,178	592,710	591,681	715,881	557,213
Changes in inventories and statistical discrepancy	P52	27	-3,367	-49,290	-60,707	-50,992	24,169	13,515	-31,212	-54,142	18,759	2,990	82,102	-131,114	44,980	
Acquisitions less disposals of valuables	P53	28	1,443	1,029	1,547	2,351	2,742	3,479	807	9,653	3,406	3,655	2,180	6,931	2,404	
Exports of goods and services	P6	29	3,962,039	4,248,968	4,401,671	4,282,446	4,184,587	4,513,320	4,713,539	4,494,524	4,378,347	4,647,321	4,916,297	4,748,254	4,279,665	
Imports of goods and services	P7	30	3,536,150	3,544,568	3,641,895	3,773,316	3,597,047	3,845,633	3,871,684	3,945,769	3,897,606	3,907,705	4,139,767	4,024,691	3,702,146	

¹ Non-Profit Institutions Serving Households
Note: Totals may not add up due to rounding.

Table 3. GDP identity from the income side by period ...

€ 000

		NACE section	Computational notes	2011	2012	2013	2014	2015	2016	2017	2018	2019
Gross Domestic Product		Total	1=2+26+29	6,839,459	7,170,914	7,651,539	8,526,217	9,656,615	10,369,725	11,321,745	12,402,830	13,277,262
Total compensation of employees		Total	2=3+4+6+...+13	3,039,711	3,212,657	3,417,303	3,673,239	4,040,255	4,321,592	4,661,200	5,059,028	5,410,427
Compensation of employees by industry	Agriculture, forestry and fishing	A	3	27,888	29,264	29,874	24,369	25,227	32,056	34,937	37,871	35,118
	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities	B to E	4	443,933	448,023	469,372	471,073	465,777	471,576	493,869	523,374	538,353
		of which: C	5	373,668	379,563	398,030	407,432	432,259	435,259	451,180	476,577	487,847
	Construction	F	6	135,538	129,039	132,542	126,933	140,375	141,936	149,173	154,421	179,618
	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	G to I	7	686,364	724,545	763,872	781,302	861,488	917,828	965,774	1,043,852	1,072,788
	Information and communication	J	8	141,430	157,718	178,922	193,881	215,838	239,984	257,493	276,952	290,059
	Financial and insurance activities	K	9	240,305	270,015	285,562	314,092	348,148	355,917	376,744	394,092	425,532
	Real estate activities	L	10	4,755	6,650	5,476	7,406	8,412	9,759	10,483	12,475	14,620
	Professional, scientific and technical activities; administrative and support service activities	M to N	11	305,219	332,363	361,349	429,816	513,502	572,678	634,248	689,749	758,511
Public administration and defence; compulsory social security; education; human health and social work activities	O to Q	12	914,486	968,087	1,028,765	1,123,211	1,214,888	1,283,409	1,387,233	1,511,377	1,643,813	
Arts, entertainment and recreation, repair of household goods and other services	R to U	13	139,794	146,954	161,569	201,156	246,599	296,450	351,245	414,866	452,015	
Gross operating surplus and mixed income			26	2,929,968	3,092,741	3,327,882	3,852,661	4,546,923	4,900,569	5,382,756	5,952,605	6,455,912
Taxes on production and imports			27	934,378	957,363	1,001,062	1,121,603	1,204,006	1,284,539	1,423,810	1,593,846	1,626,769
Subsidies on production and imports			28	64,599	91,847	94,709	121,286	134,569	136,975	146,020	202,648	215,846
Taxes less subsidies on production and imports			29=27-28	869,779	865,516	906,353	1,000,317	1,069,437	1,147,564	1,277,789	1,391,198	1,410,923
Primary income receivable from the rest of the world			30	10,040,329	10,047,004	10,088,626	10,286,326	10,103,726	9,960,360	9,659,973	9,538,727	9,388,932
Primary income payable to the rest of the world			31	10,262,522	10,338,593	10,423,988	10,616,417	10,615,998	10,824,491	10,671,376	10,576,053	10,550,714
Gross National Income at market prices		Total	32=1+30-31	6,617,266	6,879,325	7,316,177	8,196,127	9,144,342	9,505,594	10,310,342	11,365,504	12,115,480

Note: Totals may not add up due to rounding.

... Table 3. GDP identity from the income side by period

€ 000

	NACE section	Computational notes	2017				2018				2019				2020	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Gross Domestic Product	Total	1=2+26+29	2,684,812	2,811,080	2,973,204	2,852,650	2,888,903	3,096,596	3,275,887	3,141,444	3,133,803	3,299,252	3,479,580	3,364,627	3,192,758	
Total compensation of employees	Total	2=3+4+6+...+13	1,129,220	1,160,669	1,175,370	1,195,942	1,247,692	1,260,416	1,267,546	1,283,374	1,328,020	1,330,019	1,372,402	1,379,985	1,406,232	
Compensation of employees by industry	Agriculture, forestry and fishing	A	3	8,213	9,079	8,673	8,972	9,076	9,352	9,966	9,477	8,373	8,693	8,935	9,118	9,273
	Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities	B to E	4	120,458	122,357	124,616	126,439	129,890	130,823	131,924	130,737	132,631	132,988	135,585	137,149	135,711
	Construction	F	6	36,636	37,519	37,646	37,373	37,954	38,626	38,215	39,626	41,189	44,274	45,828	48,326	51,885
	Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	G to I	7	234,504	240,022	243,262	247,986	255,906	260,134	264,952	262,860	259,584	267,093	272,065	274,047	273,213
	Information and communication	J	8	62,689	63,802	64,703	66,298	66,681	68,808	70,622	70,840	71,690	71,879	72,860	73,630	72,990
	Financial and insurance activities	K	9	90,430	90,858	92,619	102,838	96,517	95,780	98,974	102,821	104,556	104,271	108,748	107,957	109,686
	Real estate activities	L	10	2,472	2,549	2,681	2,781	3,003	3,030	3,154	3,289	3,366	3,555	3,747	3,953	3,949
	Professional, scientific and technical activities; administrative and support service activities	M to N	11	152,204	160,635	160,069	161,340	167,137	169,505	172,568	180,539	183,598	186,381	190,941	197,591	199,783
	Public administration and defence; compulsory social security; education; human health and social work activities	O to Q	12	339,265	347,668	352,243	348,057	381,705	381,618	372,825	375,229	413,705	399,529	419,446	411,132	433,486
	Arts, entertainment and recreation, repair of household goods and other services	R to U	13	82,349	86,180	88,858	93,858	99,824	102,740	104,346	107,956	109,328	111,356	114,248	117,082	116,256
Gross operating surplus and mixed income		26	1,255,154	1,362,237	1,443,782	1,321,583	1,332,510	1,510,436	1,606,258	1,503,401	1,476,414	1,613,784	1,736,123	1,629,592	1,512,383	
Taxes on production and imports		27	339,017	318,740	390,618	375,434	353,983	370,121	449,062	420,679	376,430	411,355	419,507	419,476	368,258	
Subsidies on production and imports		28	38,580	30,566	36,566	40,309	45,282	44,376	46,979	66,011	47,062	55,907	48,451	64,426	94,115	
Taxes less subsidies on production and imports		29=27-28	300,438	288,174	354,052	335,126	308,701	325,745	402,083	354,669	329,369	355,448	371,055	355,050	274,143	
Primary income receivable from the rest of the world		30	2,417,309	2,394,214	2,438,926	2,409,524	2,390,638	2,383,925	2,404,206	2,359,957	2,367,881	2,356,733	2,339,625	2,324,693	2,315,624	
Primary income payable to the rest of the world		31	2,653,878	2,628,071	2,682,141	2,707,287	2,603,590	2,614,118	2,693,171	2,665,174	2,646,918	2,635,612	2,622,804	2,645,381	2,593,250	
Gross National Income at market prices	Total	32=1+30-31	2,448,243	2,577,223	2,729,989	2,554,887	2,675,952	2,866,404	2,986,922	2,836,227	2,854,766	3,020,373	3,196,402	3,043,939	2,915,132	

Note: Totals may not add up due to rounding.

Table 4. Expenditure approach at chain-linked volumes by period (reference year 2010)¹ ...

€ 000

	ESA code	2011	2012	2013	2014	2015	2016	2017	2018	2019
Gross Domestic Product	B1GQ	6,692,406	6,881,094	7,215,148	7,862,970	8,722,107	9,230,284	9,831,664	10,552,412	11,044,919
Rate of growth (%)			2.8%	4.9%	9.0%	10.9%	5.8%	6.5%	7.3%	4.7%
Total final consumption expenditure	P3	5,261,407	5,321,281	5,406,748	5,602,365	5,863,024	5,928,192	6,105,990	6,650,648	7,021,922
Household final consumption expenditure	P31_S14	3,825,479	3,813,506	3,903,147	4,006,453	4,210,544	4,322,891	4,467,168	4,813,819	4,945,980
NPISHs ² final consumption expenditure	P31_S15	103,911	100,984	101,768	102,321	103,951	104,859	107,763	117,287	127,770
General government final consumption expenditure	P3_S13	1,332,017	1,407,425	1,402,036	1,493,970	1,549,315	1,502,015	1,533,037	1,720,152	1,942,329
Gross capital formation	P5	1,283,064	1,198,803	1,339,400	1,356,380	2,069,511	2,101,447	1,809,351	1,881,031	2,016,586
Gross fixed capital formation	P51	1,180,615	1,198,443	1,213,357	1,299,159	2,021,944	2,018,047	1,875,478	1,841,100	1,955,156
Changes in inventories including acquisitions less disposals of valuables ³	P52_P53									
Exports of goods and services	P6	10,271,663	10,985,068	11,082,202	11,534,480	13,326,864	13,932,531	14,597,874	15,099,883	15,479,206
Imports of goods and services	P7	10,123,728	10,631,926	10,628,675	10,654,698	12,583,845	12,782,289	12,717,385	13,103,070	13,492,149

¹ Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components

² Non-Profit Institutions Serving Households

³ Chain-linking for variables with a potentially changing sign is aggravated and the results could prove to be erratic. For this reason, variables that are regularly susceptible to this are not required by Eurostat, at least not in absolute terms

... Table 4. Expenditure approach at chain-linked volumes by period (reference year 2010)¹

	ESA code	€ 000												
		2017				2018				2019				2020
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Gross Domestic Product	B1GQ	2,281,875	2,373,674	2,656,658	2,519,458	2,406,735	2,567,467	2,859,628	2,718,582	2,555,999	2,675,662	2,964,704	2,848,554	2,568,537
Rate of growth (%)		7.7%	7.1%	6.5%	5.0%	5.5%	8.2%	7.6%	7.9%	6.2%	4.2%	3.7%	4.8%	0.5%
Total final consumption expenditure	P3	1,517,986	1,493,672	1,561,159	1,533,174	1,596,290	1,651,434	1,685,462	1,717,462	1,740,971	1,718,023	1,781,540	1,781,388	1,750,632
Household final consumption expenditure	P31_S14	1,109,822	1,077,474	1,143,270	1,136,603	1,173,504	1,179,908	1,247,287	1,213,120	1,213,029	1,211,091	1,284,005	1,237,855	1,173,276
NPISHs ² final consumption expenditure	P31_S15	26,221	27,037	27,350	27,155	30,871	34,925	24,162	27,328	36,395	26,835	37,849	26,691	38,044
General government final consumption expenditure	P3_S13	382,472	389,229	391,091	370,245	392,312	435,667	415,584	476,590	489,116	479,073	459,076	515,064	534,398
Gross capital formation	P5	496,863	375,534	409,108	527,845	434,657	472,658	448,917	524,799	551,059	476,515	531,013	457,999	471,575
Gross fixed capital formation	P51	481,396	401,838	443,266	548,979	398,317	443,028	457,901	541,854	515,041	455,127	447,980	537,007	419,509
Changes in inventories including acquisitions less disposals of valuables ³	P52_P53													
Exports of goods and services	P6	3,588,054	3,569,367	3,780,104	3,660,349	3,740,213	3,698,383	3,915,285	3,746,003	3,844,639	3,732,182	4,011,427	3,890,958	3,662,219
Imports of goods and services	P7	3,332,563	3,070,640	3,100,097	3,214,084	3,372,413	3,260,979	3,194,186	3,275,492	3,590,039	3,254,123	3,365,273	3,282,714	3,317,430

¹ Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components

² Non-Profit Institutions Serving Households

³ Chain-linking for variables with a potentially changing sign is aggravated and the results could prove to be erratic. For this reason, variables that are regularly susceptible to this are not required by Eurostat, at least not in absolute terms

Methodological Notes

1. The compilation of quarterly national accounts estimates in the context of the COVID-19 crisis

Under normal circumstances, GDP estimates are based on established sources and estimation techniques, which have been tested and evaluated carefully, as well as documented. GDP is estimated independently from the output approach and expenditure approach, complemented by estimates of income-related data. These estimates are based on a multitude of sources such as tourism statistics, short-term business statistics (STS), trade and balance of payments statistics, as well as administrative data.

Eurostat and national statistical authorities in the European Statistical System have been working together to elaborate guidelines and notes on how to address the statistical challenges brought about by COVID-19 and thereby ensure that European statistics continue to be based on sound foundations. These guidelines cover the compilation of national accounts, as well as important national accounts data sources, such as the Harmonised Index of Consumer Prices (HICP), the Labour Force Survey, short-term business statistics, and intra-EU trade in goods. NSO followed these guidelines to mitigate the impact resulting from this crisis, which meant delays in data availability, lower response rates and possible quality issues, and thus ensure that the data continue to capture economic developments in the most reliable manner possible.

In view of these unprecedented developments, a thorough examination was carried out on the imputation methods and models used in the compilation of national accounts, given that, in some cases, past relationships between indicators and macroeconomic statistics were not expected to hold during the COVID-19 crisis. In the absence of traditional sources, compilers had to make assumptions about industries which were fully or partially 'closed'. Statisticians referred to alternative or complementary information, such as business and consumer surveys, information from professional federations and administrative data, in order to fill in for gaps in the established data sources.

NSO is committed to maintain the usual dissemination pattern of quarterly national accounts with the most accurate estimates possible, however, it is important to bear in mind that first estimates may be subject to larger revisions than usual.

For further details, refer to:

Eurostat's methodological note 'Guidance on Quarterly National Accounts (Including Flash) Estimates in the Context of the COVID-19 Crisis', available at:

https://ec.europa.eu/eurostat/documents/10186/10693286/QNA_estimates_guidance.pdf

Eurostat's methodological note 'Guidance on the Publication and Transmission of National Accounts Data and Metadata in the Context of the COVID-19 Crisis', available at:

https://ec.europa.eu/eurostat/documents/10186/10693286/NA_guidance.pdf

Eurostat's methodological note 'Guidance on Time Series Treatment in the Context of the COVID-19 Crisis', available at:

https://ec.europa.eu/eurostat/documents/10186/10693286/Time_series_treatment_guidance.pdf

2. Impact of some policy measures in the context of the COVID-19 crisis

The government announced active policy measures in order to mitigate the economic and social impact of the COVID-19 pandemic.

Such policy measures include, but are not limited to, the following:

- Employment-related measures: government support for keeping employees on the payroll despite a reduction in business activity, and support for self-employed and small businesses;
- Tax-related measures: deferral of tax deadlines.

In this news release, the new measures to support businesses in retaining their employees in the context of COVID-19 by financing wages, partly of fully, were recorded as subsidies on production (D.39) to employers.

Taxes on production and imports are recorded when activities, transactions or other events occur which create the liability to pay taxes. In this news release, estimates were specifically necessary for VAT, classified as taxes on production and imports, due to the Government's announced deferrals. This implies that revisions may be necessary in the future.

For further details, refer to:

Eurostat's methodological note 'Draft Note on Statistical Implications of Some Policy Measures in the Context of the COVID-19 Crisis', available at:

https://ec.europa.eu/eurostat/documents/10186/10693286/GFS_draft_note.pdf

3. Timeline of events

Below is a timeline which shows the unfolding of relevant local developments in relation to COVID-19, which were considered in the compilation of national accounts for 2020 Q1.

28 February 2020	Passengers flying in from Italy, China, Hong Kong, Singapore, Japan, Iran and South Korea from 26 February onwards, were requested to stay in quarantine for 14 days upon arrival.
07 March 2020	First case of COVID-19 in Malta.
08 March 2020	Flights from/to Milan were suspended.
10 March 2020	Flights from/to Italy were suspended. Last cruise liner call.
11 March 2020	Flights from/to France, Switzerland, Germany and Spain were suspended. Passengers flying in from France, Switzerland, Germany and Spain were requested to stay in quarantine for 14 days upon arrival.
13 March 2020	Closure of schools and educational institutions. All passengers flying in from all destinations were requested to stay in quarantine for 14 days upon arrival.
16 March 2020	Closure of the Courts of Justice.
17 March 2020	Suspension of Legal Times relating to Promise of Sale Agreements, Notarial and other related matters. Closure of bars, restaurants, and public entertainment.
18 March 2020	Suspension of passenger ferry trips between Malta and Sicily.
20 March 2020	Closure of vehicle roadworthiness testing stations.
21 March 2020	All flights from/to all destinations were suspended.
23 March 2020	Closure of non-essential retail outlets and outlets providing non-essential services, as well as the suspension of organised events.

Sources:

Malta Tourism Authority, Virtu Ferries, Transport Malta and Government of Malta Legal Notices.

4. Data in this news release are in line with the European System of Accounts (ESA) 2010 Manual (ISBN 978-92-79-31242-7). This system of accounts is mandatory for all EU Member States. The accounts are subject to audit by the European Court of Auditors and Eurostat's GNI Committee to ensure reliability, comparability and exhaustiveness.
5. Gross Domestic Product (GDP) is an estimate of the value of goods and services produced in the economy over a period of time. The GDP is estimated at current prices using the Production Approach, aggregating the output of the various productive sectors net of the cost of intermediate inputs. The Expenditure Approach is reconciled with the Production Approach and is used to derive an estimate of GDP at volume terms, in other words, excluding the effects of price inflation on market prices. The Income Approach shows how GDP at market prices is distributed into compensation of employees, operating surplus of enterprises and taxes on production and imports net of subsidies.
6. Data in this News Release should be considered as final for 1995-2010 and provisional for 2011 to date.
7. Data users must be aware that the industrial activities of General Government are spread over 21 different NACE categories (at A88 division) and include local councils and extra-budgetary units that are financially dependent on Government. NACE 84 is the largest category and, in terms of gross value added, represents approximately 38.3 per cent of the General Government sector in 2019.
8. The ESA 2010 GNI Inventory provides a detailed explanation of sources and methods used for estimating GNI in Malta. It is the basis for the Eurostat assessment of the quality and exhaustiveness of GNI data and their compliance with ESA 2010 in the context of the GNI for own resources purposes. The Inventory is a reference document that is kept up-to-date to reflect the latest methodology in place. Complimentary to this inventory, process tables have been compiled for reference year 2010. Process tables enable users to understand the compilation process of national accounts and thus shows the transition from basic data sources to final balanced national accounts figures. The GNI Inventory and the Process Tables are available online: http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A1/National_Accounts/Pages/Gross-Domestic-Product.aspx
9. Data for 2011 to 2016 are available on the online version of this news release in Excel format at: https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_A1/National_Accounts/Pages/Gross-Domestic-Product.aspx
10. Further details are available from the NSO upon written request or from Eurostat's website: <http://ec.europa.eu/eurostat/data/database>

11. More information relating to this news release may be accessed at:

Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>

Metadata: <http://nso.gov.mt/metadata/reports.aspx?id=1>

Classifications: <http://nso.gov.mt/metadata/classificationdetails.aspx?id=ESA 2010>

Statistical Database: <http://nso.gov.mt/statdb/start>

European statistics comparable to data in this news release are available at:

[EUROSTAT Website/Homepage/Complete Database](#)

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