



# QUARTERLY GROSS DOMESTIC PRODUCT BY EXPENDITURE

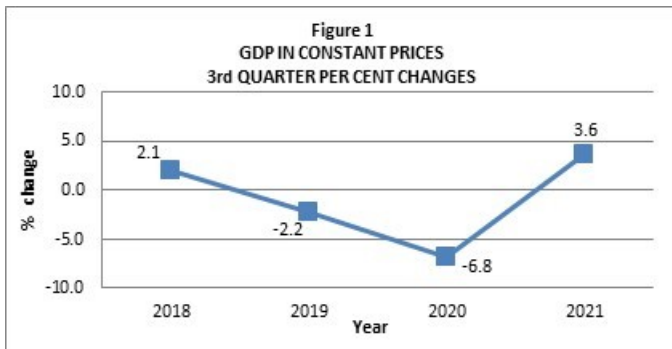
QUARTER 3/2021 (Base Year: 2013)

**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.

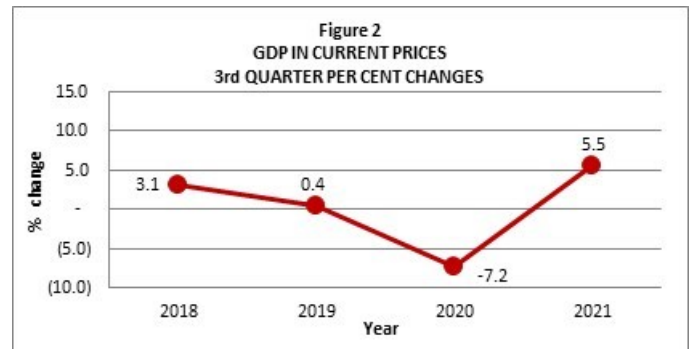
## GDP GROWTH OF +3.6 PER CENT FOR 3<sup>RD</sup> QTR 2021

During the third quarter 2021, quarterly Gross Domestic Product (GDP) at constant prices was estimated at \$1,479.1 million (Table 1), increasing 3.6 per cent year-over-year (Figure 1) but remaining 3.4 per cent lower than pre-pandemic levels in 2019. The growth in the third quarter GDP reflected the continuation of a rebound in economic activity in 2021 compared to lower activity in 2020 when the economy started to re-open fully as restrictions on economic activity were eased. Year-on-year, Final Consumption (+\$50.7 million) and Gross Capital Formation (+\$32.5 million) experienced growth while the External Balance of Goods and Services declined (-\$31.5 million).

### CONSTANT GDP UP 3.6%



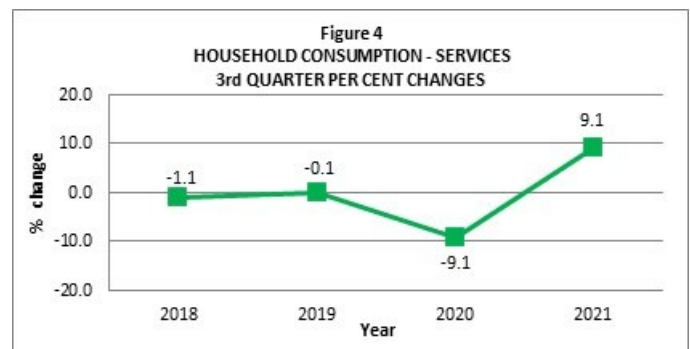
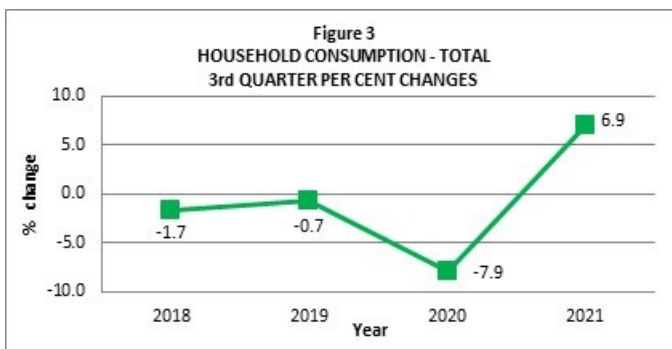
### CURRENT GDP UP 5.5%



In current prices, GDP increased 5.5 per cent (Figure 2; Table 2). Overall inflation for the 3<sup>rd</sup> quarter, as measured by the implicit price index, increased 1.8 per cent.

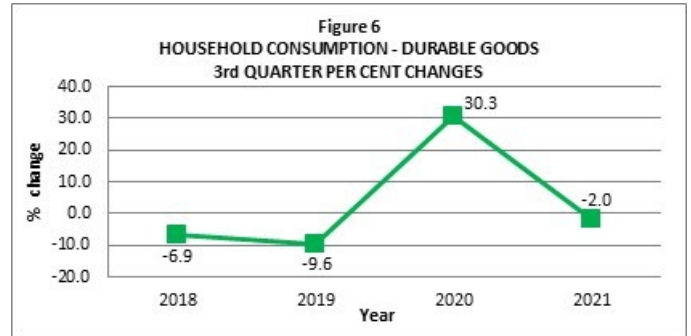
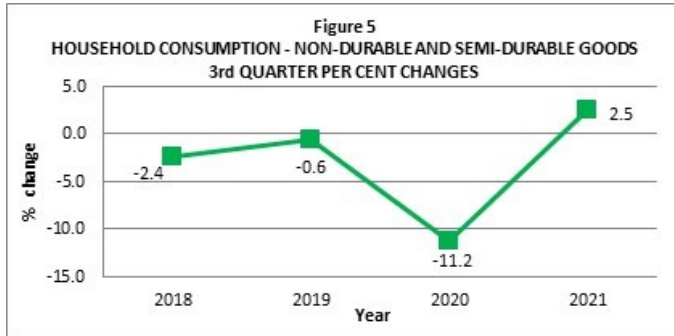
## YEAR-OVER-YEAR HIGHLIGHTS (CONSTANT PRICES)

Household Final Consumption increased 6.9 per cent year-over-year to \$804.3 million (Table 1; Figure 3). Consumption of services, which accounted for 73 per cent of total consumption, increased by 9.1 year-over-year (Figure 4). This growth reflected higher expenditure for air transport, catering services and accommodation services and signalled a return to normal spending on these services which were now offered at a fuller capacity compared to the year prior.



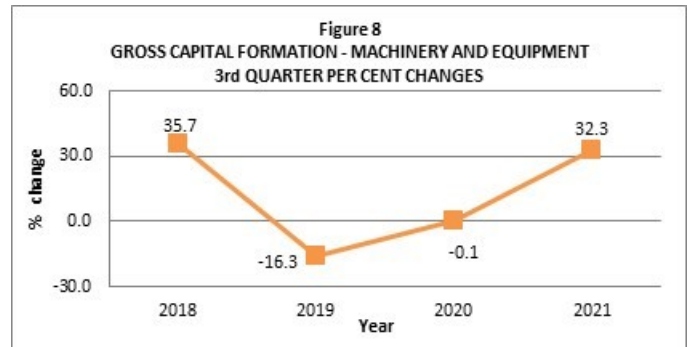
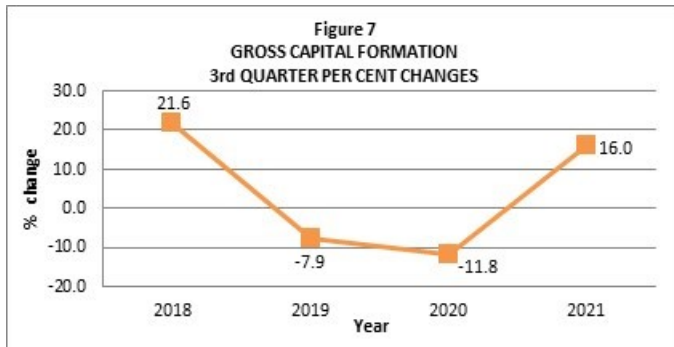
## QUARTERLY GDP BY EXPENDITURE

For non-durable and semi-durable goods, spending rose 2.5 per cent (Figure 5) with increased purchases of electricity and goods purchased while overseas on travel and declared on return to Bermuda such as clothing and electronic goods. Spending on durable goods fell by 2.0 per cent (Figure 6) due largely to reduced expenditure on motorcycles, major household appliances, furniture and furnishings.

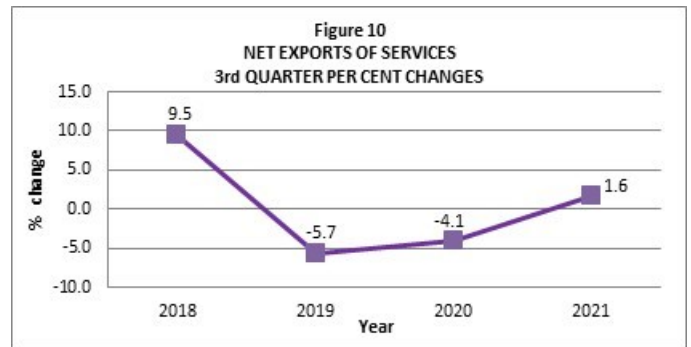
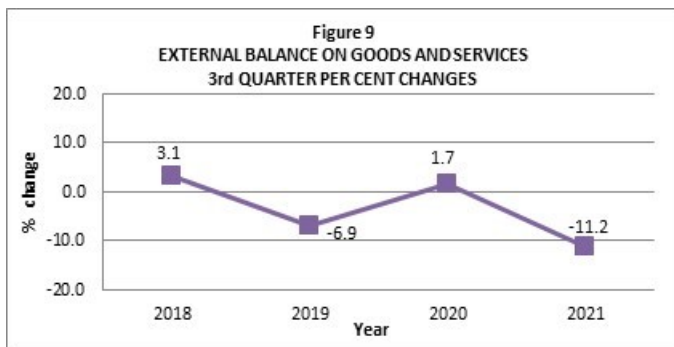


**Government Final Consumption** fell by 0.6 per cent to \$188.3 million (Table 1) due mostly to lower payments for materials, supplies and transport services. In contrast, expenditure related to professional services grew by \$4.2 million during the period.

**Gross Capital Formation** (i.e. investment in fixed assets) grew 16.0 per cent to \$236.1 million (Table 1; Figure 7). Gross Capital Formation related to Construction increased 1.5 per cent reflecting the addition of 43 units to the stock of residential dwellings. Investment in Machinery and Equipment increased 32.3 per cent due to the importation of industrial machinery parts, transport equipment and furniture.



**The External Balance of Goods and Services** decreased 11.2 per cent to \$250.3 million (Table 1; Figure 9). A rise in Imports of Goods and Services that was proportionally larger than the increase in Exports of Goods and Services resulted in a decrease in the overall balance. Exports of Goods and Services increased 4.2 per cent due mostly to increased visitor expenditure in Bermuda.



Imports of Goods and Services increased 16.3 per cent as payments rose for sea freight transport in line with the increase in imports of goods such as fuel and finished equipment. Imports of air passenger transport 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 Q3	2020R Q4	2021R Q1	2021R Q2	2021P Q3
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>941.9</b>	<b>961.9</b>	<b>912.5</b>	<b>932.8</b>	<b>992.6</b>
Household Final Consumption	752.4	764.4	728.4	740.2	804.3
Government Final Consumption	189.5	197.4	184.1	192.6	188.3
<b>GROSS CAPITAL FORMATION</b>	<b>203.6</b>	<b>212.3</b>	<b>215.5</b>	<b>203.4</b>	<b>236.1</b>
Construction	108.0	119.0	114.7	106.4	109.6
Machinery and Equipment	95.7	93.3	100.8	97.1	126.6
<b>EXTERNAL BALANCE OF GOODS</b>	<b>281.8</b>	<b>316.9</b>	<b>568.0</b>	<b>393.8</b>	<b>250.3</b>
Exports of Goods and Services	640.6	701.3	941.2	753.1	667.7
Exports of Goods	9.7	11.5	8.2	13.4	9.4
Exports of Services	630.9	689.8	932.9	739.7	658.3
Imports of Goods and Services	358.8	384.4	373.1	359.3	417.4
Imports of Goods	228.7	243.6	240.1	237.1	267.8
Imports of Services	130.1	140.7	133.0	122.2	149.5
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,427.3</b>	<b>1,491.1</b>	<b>1,696.1</b>	<b>1,530.1</b>	<b>1,479.1</b>
<b>Percentage Changes <sup>(iv)</sup> (%)</b>					
	2020R Q3	2020R Q4	2021R Q1	2021R Q2	2021P Q3
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>-8.0</b>	<b>-5.1</b>	<b>-4.1</b>	<b>+8.1</b>	<b>+5.4</b>
Household Final Consumption	-7.9	-5.7	-3.0	+12.4	+6.9
Government Final Consumption	-8.1	-3.0	-8.3	-5.6	-0.6
<b>GROSS CAPITAL FORMATION</b>	<b>-11.8</b>	<b>-5.7</b>	<b>-3.9</b>	<b>+34.6</b>	<b>+16.0</b>
Construction	-20.1	-11.4	-8.7	+25.6	+1.5
Machinery and Equipment	-0.1	+2.8	+2.3	+46.0	+32.3
<b>EXTERNAL BALANCE OF GOODS</b>	<b>+1.7</b>	<b>-9.1</b>	<b>-4.3</b>	<b>+17.2</b>	<b>-11.2</b>
Exports of Goods and Services	-12.3	-8.7	-5.8	+18.7	+4.2
Exports of Goods	-33.0	-20.2	-46.3	+59.5	-2.9
Exports of Services	-11.9	-8.5	-5.2	+18.2	+4.3
Imports of Goods and Services	-20.9	-8.3	-8.1	+20.4	+16.3
Imports of Goods	-11.9	+2.1	-1.7	+29.6	+17.1
Imports of Services	-33.0	-22.1	-17.7	+5.9	+14.9
<b>GROSS DOMESTIC PRODUCT</b>	<b>-6.8</b>	<b>-6.1</b>	<b>-4.2</b>	<b>+13.4</b>	<b>+3.6</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 Q3	2020R Q4	2021R Q1	2021R Q2	2021P Q3
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>1,049.8</b>	<b>1,078.9</b>	<b>1,036.1</b>	<b>1,059.9</b>	<b>1,131.4</b>
Household Final Consumption	839.4	859.8	829.9	842.7	916.5
Government Final Consumption	210.3	219.1	206.2	217.3	214.9
<b>GROSS CAPITAL FORMATION</b>	<b>216.4</b>	<b>226.6</b>	<b>232.4</b>	<b>221.2</b>	<b>256.8</b>
Construction	121.4	134.1	131.7	123.8	129.0
Machinery and Equipment	95.0	92.5	100.6	97.4	127.9
<b>EXTERNAL BALANCE OF GOODS</b>	<b>360.6</b>	<b>397.3</b>	<b>684.9</b>	<b>482.2</b>	<b>328.6</b>
Exports of Goods and Services	737.1	802.4	1,085.3	873.4	785.0
Exports of Goods	8.9	10.8	8.2	14.0	10.0
Exports of Services	728.2	791.6	1,077.1	859.5	775.0
Imports of Goods and Services	376.5	405.0	400.4	391.2	456.4
Imports of Goods	235.9	252.0	251.3	251.5	286.1
Imports of Services	140.6	153.1	149.1	139.7	170.3
<b>GROSS DOMESTIC PRODUCT</b>	<b>1,626.8</b>	<b>1,702.9</b>	<b>1,953.3</b>	<b>1,763.4</b>	<b>1,716.8</b>
<b>Percentage Changes <sup>(iv)</sup> (%)</b>					
	2020R Q3	2020R Q4	2021R Q1	2021R Q2	2021P Q3
<b>FINAL CONSUMPTION EXPENDITURE</b>	<b>-8.0</b>	<b>-3.5</b>	<b>-2.6</b>	<b>+9.1</b>	<b>+7.8</b>
Household Final Consumption	-8.1	-3.8	-1.5	+12.8	+9.2
Government Final Consumption	-7.8	-2.4	-7.1	-3.5	+2.2
<b>GROSS CAPITAL FORMATION</b>	<b>-10.8</b>	<b>-4.0</b>	<b>-2.7</b>	<b>+37.3</b>	<b>+18.7</b>
Construction	-17.9	-8.5	-6.6	+30.2	+6.3
Machinery and Equipment	+0.1	+3.2	+2.9	+47.6	+34.6
<b>EXTERNAL BALANCE OF GOODS</b>	<b>-2.5</b>	<b>-5.0</b>	<b>-4.7</b>	<b>+15.8</b>	<b>-8.9</b>
Exports of Goods and Services	-12.9	-6.3	-5.0	+19.6	+6.5
Exports of Goods	-39.0	-25.4	-45.4	+70.2	+11.9
Exports of Services	-12.4	-6.0	-4.5	+19.0	+6.4
Imports of Goods and Services	-20.9	-7.7	-5.5	+24.6	+21.2
Imports of Goods	-11.7	+2.9	+0.3	+33.3	+21.3
Imports of Services	-32.6	-21.0	-13.9	+11.4	+21.2
<b>GROSS DOMESTIC PRODUCT</b>	<b>-7.2</b>	<b>-3.9</b>	<b>-3.4</b>	<b>+13.8</b>	<b>+5.5</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				
	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022
Q3-2020	1,437.0	1,447.5	1,437.6	1,424.9	1,427.3
Q4-2020		1,517.2	1,494.3	1,488.6	1,491.1
Q1-2021			1,686.5	1,693.5	1,696.1
Q2-2021				1,530.3	1,530.1
Q3-2021					1,479.1

**GDP: Total, Constant Prices**

Growth rates (%)

Period	Revision Interval				
	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022
Q3-2020	-5.9	-5.2	-5.8	-6.9	-6.8
Q4-2020		-4.0	-5.5	-6.2	-6.1
Q1-2021			-4.3	-4.2	-4.1
Q2-2021				+13.6	+13.4
Q3-2021					+3.6

**GDP: Total, Current Prices**

BD\$ millions

Period	Revision Interval				
	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022
Q3-2020	1,618.2	1,631.5	1,621.0	1,624.1	1,626.8
Q4-2020		1,714.3	1,688.6	1,700.2	1,702.9
Q1-2021			1,917.6	1,950.4	1,953.3
Q2-2021				1,763.2	1,763.4
Q3-2021					1,716.8

**GDP: Total, Current Prices**

Growth rates (%)

Period	Revision Interval				
	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022
Q3-2020	-7.4	-6.6	-7.2	-7.4	-7.2
Q4-2020		-2.8	-4.3	-4.0	-3.9
Q1-2021			-3.9	-3.4	-3.4
Q2-2021				+14.0	+13.8
Q3-2021					+5.5

# 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.

January 2022

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