OECD Quarterly National Accounts

## Methodological notes referring to the OECD press release: Contributions to GDP growth

Press Releases can be found on the OECD web page, see OECD Internet Site.

This release on contributions to GDP growth is published approximately three months after the end of the reference quarter. It follows a first release published less than fifty days after the reference quarter for the GDP flash estimate.

Data for the OECD area is based on quarterly seasonally adjusted data reported by member countries and, when necessary, on estimates from statistical models. A calendar with advanced release dates is available in OECD.Stat.

The statistical data in this publication are supplied by and under the responsibility of the relevant statistical authorities. The use of such data by the OECD is without prejudice the status of or sovereignty over any territory, or to the delimitation of international frontiers and boundaries.

The **seasonal adjustment** includes a working-day correction for the majority of OECD member countries except for Chile, Denmark, Estonia, Greece, Iceland, Ireland, Israel, Latvia, New Zealand, Norway, Portugal, Slovenia and Switzerland. When seasonally adjusted data are not available from member countries, national data are adjusted by the OECD Secretariat with the TRAMO-SEATS method. Seasonally adjusted data for the OECD area are calculated from seasonally adjusted data of member countries.

**Growth rates and contributions** presented in this publication for the OECD area are derived from OECD chained volume estimates (reference year 2010). OECD aggregates at price levels (in US dollars converted using 2010 Purchasing Power Parities (PPPs) of GDP) are calculated by chaining ('annual overlap' method) the sum of the national previous year prices series. Growth rates shown in this release are not annualised and correspond to the real growth over the previous quarter.

**Contribution of a component to quarter-on-quarter GDP growth** has been calculated as the real growth rate of this component weighted by the share of this component in the GDP in the previous quarter for current prices. Thus, contributions reflect two effects: the speed with which a component changes and the relative importance of the component in total GDP. One should be aware that the preceding formula applied here is not strictly correct in the context of chained volume estimates because of the loss of additivity. Nevertheless, it constitutes a reasonable first approximation, simple to interpret and is widely used as such. Due to rounding, the contributions of components may not sum to the GDP growth.

**Contribution of net exports** has been calculated as the sum of contribution of exports and contribution of imports.

**Contribution of changes in inventories** has been derived as a residual and includes a statistical discrepancy.

### Implementation of SNA 2008 / ESA 2010 methodology

National accounts data are progressively compiled by countries according to the new SNA standards. Countries' data shown in this press release are based on SNA 2008 / ESA 2010 except for Japan (based on SNA 1993).

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## Definitions

**Private consumption** represents the final consumption expenditure of households and non-profit institutions serving households (NPISHs).

> **Households final consumption expenditure** consists of the expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant.
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> **NPISHs** consist of NPIs which are not predominantly financed and controlled by government and which provide goods or services to households free or at prices that are not economically significant.

**Government consumption** consists of final expenditure, including imputed expenditure, incurred by general government on both individual consumption goods and services and collective consumption services.

**Investment** represents the gross fixed capital formation (**GFCF**). It is measured by the total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period plus certain additions to the value of non-produced assets (such as subsoil assets or major improvements in the quantity, quality or productivity of land) realised by the productive activity of institutional units.

**Changes in inventories** include acquisitions less disposals of valuables. They consist of changes in stocks of outputs that are still held by the units that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing. They are measured by the value of the entries into inventories less the value of withdrawals and the value of any recurrent losses of goods held in inventories.

**Net exports** are derived as the difference between exports and imports. No consolidation of flows between member countries is done in aggregating to OECD area. This means in particular that the level of exports and imports for OECD area includes flows within the area. The net trade however is not affected, because the non-consolidated flows in exports and imports cancel each other out in the balance.

> **Exports** consist of sales, barter, or gifts or grants, of goods and services from residents to non-residents.
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> **Imports** consist of purchases, barter, or receipts of gifts or grants, of goods and services by residents from non-residents.

The **OECD area** (i.e. **OECD-Total**) covers the following 35 OECD member countries: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States.