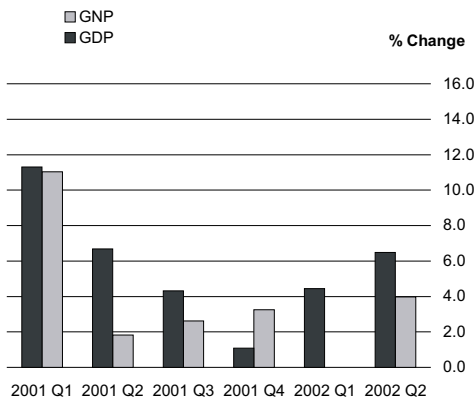




Quarterly National Accounts 2nd Quarter 2002

Year on year growth rates



GDP and GNP at constant 1995 prices

	% annual change			
	Q2 2002	Jan-Jun 2002	Q2 2002	Jan-Jun 2002
	€m	€m	%	%
GDP	23,838	46,638	6.5	5.5
GNP	19,543	38,314	4.0	2.0

GNP Growth of 2% in the first half of 2002

Gross National Product (GNP) at constant 1995 market prices was 2.0 per cent higher in the first half of 2002 compared with the first half of 2001. The corresponding growth rate in GNP for 2001 as a whole was 4.6 per cent. GNP on a quarterly basis is affected by the timing of factor income flows with the rest of the world and the six month comparison is a better indicator. Gross Domestic Product (GDP) at constant prices was 6.5 per cent higher in the second quarter of this year and 4.4 per cent higher in the first quarter of this year compared with the corresponding quarters of last year.

Some of the main features of the results are:

- ◆ *Consumer spending* (personal consumption of goods and services) at constant 1995 market prices rose by 2.3 per cent compared with the same period of 2001
- ◆ *Capital investment*, measured at 1995 constant prices, declined by 1.1 per cent in the second quarter of 2002 compared with the same period of last year.
- ◆ *Exports and Imports* increased in volume by 4.8 per cent and 2.6 per cent respectively compared with the same period of last year.
- ◆ The volume of output of *Industry* increased by 11.6 per cent compared with the same period of last year. Output of *Other Services* was up 3.5 per cent.

The calculation methods for these quarterly accounts are similar to those used in the annual National Income and Expenditure. As some of the available sources are of lesser reliability than those used for the annual national accounts, the quarterly estimates are subject to a greater margin of error than the annual figures. **These preliminary estimates will therefore be revised when the detailed annual results are published later.** The series at this stage are not seasonally adjusted; a longer series will be required before this is feasible.

Published by the Central Statistics Office, Ireland.

Ardee Road
Dublin 6
Ireland

Skehard Road
Cork
Ireland

LoCall: 1890 313 414

Tel: +353-1 498 4000
Fax: +353-1 498 4229

Tel: +353-21 453 5000
Fax: +353-21 453 5555

Both offices may be contacted through any of these telephone numbers.

CSO on the Web: <http://www.cso.ie>

Director General: Donal Garvey

Enquiries:

National Accounts National Accounts, ext 4371
nat_acc@cso.ie
Queries and Sales Information Section, ext 5032
information@cso.ie
Diskette Service Databank, ext 5301/5499
databank@cso.ie

© Central Statistics Office
The contents of this release may be quoted provided the source is given clearly and accurately. Reproduction for own or internal use is permitted.

For more information contact Brian McArdle at ext 4350 or Ciarán Coughlan at ext 4152.

Table 1 Gross Domestic Product by Sector of Origin and Gross National Product at Constant (1995) Prices

€million

Period	Agric. forestry and fishing	Industry	Dist. transport and comms.	Public admin. and defence	Other ¹ services (including rent)	Statistical discrepancy	GDP at constant factor cost	Taxes less subsidies	GDP at constant market prices	Net factor income from rest of world	GNP at constant market prices
1998	4,085	25,960	10,276	2,437	18,649	-29	61,378	7,306	68,684	-9,047	59,636
1999	3,930	29,979	11,269	2,475	19,972	316	67,940	8,398	76,338	-11,476	64,861
2000	3,988	33,971	12,539	2,525	21,348	140	74,511	9,427	83,937	-12,124	71,812
2001	3,994	36,534	13,735	2,568	22,878	-394	79,315	9,395	88,710	-13,621	75,089
1998											
Q1	1,190	6,237	2,357	587	4,500	-105	14,766	1,653	16,420	-1,989	14,431
Q2	1,359	6,500	2,504	612	4,554	13	15,543	1,781	17,324	-2,322	15,002
Q3	868	6,508	2,578	621	4,799	136	15,511	1,852	17,362	-2,566	14,796
Q4	668	6,715	2,836	617	4,796	-74	15,558	2,020	17,578	-2,171	15,407
1999											
Q1	1,081	7,168	2,645	595	4,710	65	16,265	1,908	18,173	-2,284	15,889
Q2	1,292	7,236	2,739	618	4,912	-129	16,668	1,981	18,648	-2,642	16,006
Q3	889	7,481	2,810	632	5,151	177	17,140	2,201	19,340	-3,374	15,966
Q4	667	8,094	3,075	629	5,199	203	17,868	2,309	20,177	-3,176	17,001
2000											
Q1	1,096	7,547	2,992	610	5,097	91	17,433	2,180	19,612	-2,703	16,909
Q2	1,353	8,357	3,126	625	5,165	10	18,635	2,348	20,983	-2,523	18,460
Q3	917	8,337	3,109	641	5,448	159	18,611	2,363	20,974	-3,362	17,612
Q4	621	9,731	3,312	650	5,638	-120	19,832	2,537	22,369	-3,537	18,832
2001											
Q1	1,101	9,278	3,378	612	5,428	-196	19,600	2,231	21,831	-3,056	18,775
Q2	1,400	9,490	3,348	641	5,589	-471	19,998	2,388	22,386	-3,590	18,796
Q3	842	8,496	3,384	658	5,918	305	19,604	2,275	21,879	-3,806	18,073
Q4	650	9,270	3,625	656	5,942	-32	20,112	2,501	22,613	-3,169	19,444
2002											
Q1	1,049	9,825	3,369	641	5,694	-17	20,560	2,239	22,799	-4,029	18,770
Q2	1,370	10,594	3,416	673	5,787	-213	21,627	2,212	23,838	-4,295	19,543
<i>Percentage change on corresponding period of previous year</i>											
1998	1.5	15.5	11.2	1.9	5.6		8.9	8.3	8.8		8.2
1999	-3.8	15.5	9.7	1.5	7.1		10.7	15.0	11.1		8.8
2000	1.5	13.3	11.3	2.0	6.9		9.7	12.2	10.0		10.7
2001	0.1	7.5	9.5	1.7	7.2		6.4	-0.3	5.7		4.6
1998											
Q1	6.6	19.3	11.8	0.9	7.0		11.3	9.1	11.1		14.7
Q2	-3.3	15.2	11.9	2.3	3.6		8.3	10.4	8.5		9.0
Q3	-1.2	17.2	10.7	2.4	6.3		11.0	8.6	10.7		5.8
Q4	7.1	10.9	10.4	1.9	5.5		5.3	5.8	5.4		4.1
1999											
Q1	-9.2	14.9	12.2	1.3	4.7		10.1	15.4	10.7		10.1
Q2	-5.0	11.3	9.4	1.0	7.9		7.2	11.2	7.6		6.7
Q3	2.5	14.9	9.0	1.7	7.3		10.5	18.9	11.4		7.9
Q4	0.0	20.5	8.4	2.1	8.4		14.8	14.3	14.8		10.3
2000											
Q1	1.4	5.3	13.1	2.5	8.2		7.2	14.3	7.9		6.4
Q2	4.8	15.5	14.1	1.0	5.2		11.8	18.5	12.5		15.3
Q3	3.1	11.4	10.6	1.3	5.8		8.6	7.4	8.4		10.3
Q4	-6.9	20.2	7.7	3.2	8.4		11.0	9.8	10.9		10.8
2001											
Q1	0.4	22.9	12.9	0.4	6.5		12.4	2.4	11.3		11.0
Q2	3.5	13.6	7.1	2.7	8.2		7.3	1.7	6.7		1.8
Q3	-8.2	1.9	8.9	2.8	8.6		5.3	-3.7	4.3		2.6
Q4	4.7	-4.7	9.4	1.0	5.4		1.4	-1.4	1.1		3.3
2002											
Q1	-4.8	5.9	-0.3	4.8	4.9		4.9	0.4	4.4		0.0
Q2	-2.1	11.6	2.0	4.9	3.5		8.1	-7.4	6.5		4.0

¹ Includes adjustment for financial services

Table 2 Expenditure on Gross National Product at Current Market Prices

€million

Period	Personal consumption of goods and services	Net exp. by central and local government on current goods and services	Gross domestic fixed capital formation	Value of physical changes in stocks	Exports of goods and services	Imports of goods and services	Statistical discrepancy	GDP at current market prices	Net factor income from the rest of the world	GNP at current market prices
1998	39,387	10,171	17,228	1,303	66,769	-57,999	711	77,569	-9,382	68,187
1999	44,361	11,347	21,323	402	79,014	-66,641	-36	89,770	-13,218	76,552
2000	50,330	12,880	24,767	590	100,889	-86,854	307	102,910	-14,976	87,934
2001	55,144	15,288	26,670	279	112,368	-95,491	221	114,479	-17,677	96,802
1998										
Q1	9,149	2,383	4,150	611	15,502	-13,880	166	18,082	-2,071	16,011
Q2	9,577	2,468	4,305	555	16,399	-14,131	177	19,350	-2,419	16,931
Q3	9,739	2,550	4,186	275	17,246	-14,221	183	19,957	-2,698	17,259
Q4	10,922	2,769	4,587	-137	17,622	-15,767	185	20,181	-2,195	17,986
1999										
Q1	10,355	2,660	5,064	297	17,466	-15,079	-8	20,756	-2,680	18,075
Q2	10,494	2,746	5,216	168	19,164	-16,370	-9	21,409	-2,960	18,450
Q3	11,163	2,848	5,773	-309	20,257	-16,521	-9	23,202	-3,893	19,309
Q4	12,349	3,093	5,269	246	22,127	-18,671	-10	24,402	-3,685	20,718
2000										
Q1	11,676	2,932	6,019	117	21,910	-19,296	70	23,428	-3,336	20,092
Q2	12,220	3,094	6,300	354	24,593	-21,220	76	25,418	-3,022	22,396
Q3	12,435	3,206	6,378	-169	25,767	-21,571	78	26,125	-4,220	21,905
Q4	13,998	3,648	6,070	287	28,619	-24,767	83	27,939	-4,398	23,541
2001										
Q1	12,980	3,466	7,117	433	27,405	-24,319	52	27,135	-3,887	23,248
Q2	13,428	3,649	6,719	-206	28,461	-23,533	55	28,573	-5,032	23,541
Q3	13,486	3,833	6,486	81	27,750	-22,745	56	28,946	-5,020	23,926
Q4	15,250	4,341	6,348	-29	28,752	-24,894	58	29,825	-3,738	26,087
2002										
Q1	14,067	4,021	7,133	-77	30,214	-25,045	59	30,372	-5,365	25,007
Q2	14,524	4,180	6,982	473	30,523	-24,350	63	32,395	-6,114	26,281
<i>Percentage change on corresponding period of previous year</i>										
1998	11.7	10.2	24.7		24.8	28.9		15.6		15.5
1999	12.6	11.6	23.8		18.3	14.9		15.7		12.3
2000	13.5	13.5	16.2		27.7	30.3		14.6		14.9
2001	9.6	18.7	7.7		11.4	9.9		11.2		10.1
1998										
Q1	12.4	10.9	36.2		32.2	35.5		19.0		23.2
Q2	13.2	6.2	22.3		22.5	25.7		15.4		16.4
Q3	12.9	11.8	26.5		25.0	27.1		19.3		15.0
Q4	9.0	12.1	16.4		20.9	27.9		9.6		9.0
1999										
Q1	13.2	11.6	22.0		12.7	8.6		14.8		12.9
Q2	9.6	11.3	21.2		16.9	15.8		10.6		9.0
Q3	14.6	11.7	37.9		17.5	16.2		16.3		11.9
Q4	13.1	11.7	14.9		25.6	18.4		20.9		15.2
2000										
Q1	12.8	10.2	18.8		25.4	28.0		12.9		11.2
Q2	16.4	12.7	20.8		28.3	29.6		18.7		21.4
Q3	11.4	12.6	10.5		27.2	30.6		12.6		13.4
Q4	13.4	18.0	15.2		29.3	32.6		14.5		13.6
2001										
Q1	11.2	18.2	18.3		25.1	26.0		15.8		15.7
Q2	9.9	17.9	6.6		15.7	10.9		12.4		5.1
Q3	8.4	19.6	1.7		7.7	5.4		10.8		9.2
Q4	8.9	19.0	4.6		0.5	0.5		6.8		10.8
2002										
Q1	8.4	16.0	0.2		10.2	3.0		11.9		7.6
Q2	8.2	14.6	3.9		7.2	3.5		13.4		11.6

Table 3 Expenditure on Gross National Product at Constant (1995) Market Prices

Period	Personal consumption of goods and services	Net exp. by central and local government on current goods and services	Gross domestic fixed capital formation	Value of physical changes in stocks	Exports of goods and services	Imports of goods and services	Statistical discrepancy	GDP at constant market prices	Net factor income from the rest of the world	GNP at constant market prices
1998	35,991	9,100	14,584	1,298	64,174	-56,492	29	68,684	-9,047	59,636
1999	39,321	9,705	16,689	291	73,936	-63,288	-316	76,338	-11,476	64,861
2000	42,842	10,429	17,815	539	89,170	-76,719	-140	83,937	-12,124	71,812
2001	45,028	11,554	17,727	235	95,159	-81,388	394	88,710	-13,621	75,089
1998										
Q1	8,507	2,229	3,663	659	14,862	-13,605	105	16,420	-1,989	14,431
Q2	8,762	2,236	3,707	607	15,719	-13,694	-13	17,324	-2,322	15,002
Q3	8,869	2,235	3,473	231	16,287	-13,597	-136	17,362	-2,566	14,796
Q4	9,854	2,400	3,741	-199	17,306	-15,596	74	17,578	-2,171	15,407
1999										
Q1	9,354	2,328	4,119	314	16,630	-14,507	-65	18,173	-2,284	15,889
Q2	9,350	2,372	4,189	206	17,948	-15,545	129	18,648	-2,642	16,006
Q3	9,838	2,410	4,476	-367	18,789	-15,628	-177	19,340	-3,374	15,966
Q4	10,779	2,596	3,906	139	20,569	-17,608	-203	20,177	-3,176	17,001
2000										
Q1	10,237	2,461	4,572	136	19,909	-17,612	-91	19,612	-2,703	16,909
Q2	10,483	2,544	4,661	428	21,758	-18,881	-10	20,983	-2,523	18,460
Q3	10,478	2,605	4,539	-194	22,597	-18,893	-159	20,974	-3,362	17,612
Q4	11,645	2,819	4,043	169	24,906	-21,333	120	22,369	-3,537	18,832
2001										
Q1	10,827	2,719	5,014	439	23,690	-21,055	196	21,831	-3,056	18,775
Q2	10,995	2,771	4,492	-88	23,761	-20,016	471	22,386	-3,590	18,796
Q3	10,934	2,929	4,219	1	23,304	-19,203	-305	21,879	-3,806	18,073
Q4	12,272	3,135	4,001	-117	24,403	-21,114	32	22,613	-3,169	19,444
2002										
Q1	11,205	2,967	4,778	6	25,031	-21,205	17	22,799	-4,029	18,770
Q2	11,250	3,027	4,444	544	24,892	-20,532	213	23,838	-4,295	19,543
<i>Percentage change on corresponding period of previous year</i>										
1998	7.6	6.5	15.6		21.0	25.8		8.8		8.2
1999	9.3	6.6	14.4		15.2	12.0		11.1		8.8
2000	9.0	7.5	6.7		20.6	21.2		10.0		10.7
2001	5.1	10.8	-0.5		6.7	6.1		5.7		4.6
1998										
Q1	8.5	8.2	26.7		25.9	31.6		11.1		14.7
Q2	8.8	2.5	13.3		18.6	21.7		8.5		9.0
Q3	8.8	6.0	16.5		19.6	22.5		10.7		5.8
Q4	4.8	9.2	7.7		20.6	27.5		5.4		4.1
1999										
Q1	10.0	4.4	12.4		11.9	6.6		10.7		10.1
Q2	6.7	6.1	13.0		14.2	13.5		7.6		6.7
Q3	10.9	7.8	28.9		15.4	14.9		11.4		7.9
Q4	9.4	8.2	4.4		18.9	12.9		14.8		10.3
2000										
Q1	9.4	5.7	11.0		19.7	21.4		7.9		6.4
Q2	12.1	7.3	11.3		21.2	21.5		12.5		15.3
Q3	6.5	8.1	1.4		20.3	20.9		8.4		10.3
Q4	8.0	8.6	3.5		21.1	21.2		10.9		10.8
2001										
Q1	5.8	10.5	9.7		19.0	19.5		11.3		11.0
Q2	4.9	8.9	-3.6		9.2	6.0		6.7		1.8
Q3	4.3	12.4	-7.0		3.1	1.6		4.3		2.6
Q4	5.4	11.2	-1.0		-2.0	-1.0		1.1		3.3
2002										
Q1	3.5	9.1	-4.7		5.7	0.7		4.4		0.0
Q2	2.3	9.2	-1.1		4.8	2.6		6.5		4.0

Background Notes

Introduction This release gives the official quarterly national accounts estimates for Ireland. It includes results for the first half of 2002. These are compiled in accordance with the ESA95 system of accounts, as used in all member states of the European Union. The aggregates shown have been derived from a wide variety of sources. As some of the available sources are of lesser reliability than those used for the annual national accounts, the quarterly estimates given in this release have a higher margin of error than the annual figures.

The series at this stage are not seasonally adjusted; a longer series will be required before this is feasible.

Revisions Minor revisions have been made to the previously published figures for the first quarter of 2002. Figures for previous quarters have also been revised and realigned with the latest annual estimates published last month.

Current Price For the annual accounts, GDP at current prices is calculated using two independent approaches i.e. the *income* and *expenditure* methods. On a quarterly basis, it is not possible to compile a reliable income based estimate. The estimates in current prices are on the expenditure basis only and these are supplied in Table 2. The balancing item (i.e. the statistical discrepancy) which is required to adjust the expenditure based estimate to the definitive measure of GDP (the average of income and expenditure) has been projected forward into 2002 in line with the trend in the aggregate of all the other expenditure items.

Volumes Estimates valued at constant 1995 prices have been derived using the *output* and *expenditure* methods (Tables 1 and 3 respectively). The measure of GDP used is the average of the two methods. The output measure is, for the most part, obtained by using various output indicators to project forward the base year value added. On the expenditure side, the current price estimates are deflated using appropriate price indices. The balancing item (i.e. the statistical discrepancy) displayed in Tables 1 and 3 is half of the difference between the two original estimates.

Definitions **Gross Domestic Product (GDP)** represents the total value added (output) in the production of goods and services in the country.

Net factor income from the rest of the world (NFI) is the difference between investment income (interest, profits etc.) and labour income earned abroad by Irish resident persons and companies (inflows) and similar incomes earned in Ireland by non-residents (outflows). The data are taken from the Balance of Payments statistics. The deflator used to generate the constant price figures is based on the implied quarterly price index for the exports of goods and services.

Gross National Product (GNP) is the sum of GDP and NFI. Because NFI is the difference between two large gross flows, its magnitude can fluctuate greatly from one quarter to another. This can lead to significant differences between the GDP and GNP growth rate for the same quarter.

Methodology **Table 1: Output Measure**

The estimation procedures are similar to those used for the annual accounts whenever possible. However, in a number of cases the annual methodology cannot be followed due to the lack of relevant data.

Agriculture, Forestry and Fishing

The estimate for Agriculture is calculated by using the available sub-annual information for exports and slaughterings of animals, milk deliveries, stock changes (six-monthly), fertiliser and feeding stuffs usage etc. For some items, annual figures are distributed equally across the quarters. Monthly sea fish landings are used to estimate the quarterly output of fishing.

Industry

The gross value added of manufacturing industry is calculated by applying monthly volume of production indices to the base year's quarterly gross value added, including royalties. Royalties are separately deflated using the export price index and then deducted.

Changes in the volume of investment in construction projects are used to estimate the output of the building and construction sector.

Distribution, Transport and Communications

For distribution the methods used are similar to those used for the annual calculation. They rely heavily on the retail sales indices and other CSO services inquiries. In the case of transport, most of the output measures used for the annual calculations are available on a quarterly basis. For communications the main data source is a direct inquiry to the suppliers, with additional data and trend estimation for some residual components. For communications the main data source is a direct inquiry to the suppliers, with additional data and trend estimation for some residual components.

Public Administration and Defence

The quarterly estimate of value added for public administration and defence has been calculated based on the employment trends in the public sector.

Other Services (Incl. Rent)

The Other Services category covers a variety of service activities, some of which are surveyed on a quarterly basis by the CSO. For some services, information on outputs is not directly available on a quarterly basis. In most of these cases, quarterly estimates are derived using trends in related indicators. In a small number of residual cases, annual estimates are distributed equally across the quarters.

Taxes and Subsidies

Taxes and subsidies are deflated at a detailed level using appropriate price indices.

Net factor income from the rest of the world

The value of net income flows with the rest of the world in the Quarterly National Accounts release is generally consistent with the published Balance of Payments statistics.

Tables 2 and 3: Expenditure Measures

The various components of the expenditure based measure of GDP are defined in *National Income and Expenditure 2000*. The methods used for the quarterly series are similar to those used for the annual where possible but in many cases alternative methods have been applied.

Personal Consumption Expenditure is estimated using CSO data, such as the Retail Sales Indices together with some direct inquiries. Administrative data sources are used for some goods such as fuel and power products and motor vehicles. Constant price estimates are obtained using components of the Consumer Price Index (CPI).

Net Expenditure by Central and Local Government at current market prices is estimated using Government records. The constant price estimates of remuneration are derived by extrapolating base year estimates using an index of employment or using appropriate deflators for wages. Expenditure on goods and services is deflated partly by consumer price indices and partly by wholesale price indices.

Gross Domestic Fixed Capital Formation at current market prices includes expenditure on building and construction work and machinery and equipment. The quarterly estimates of dwellings are based on data from the Department of Environment's (DoE) Quarterly Housing Bulletin. Information on other building and construction is obtained from the Department's Review and Outlook together with data from the Public Capital Programme. Quarterly estimates of commercial vehicles used in the business sector are estimated using administrative data. Estimates of other machinery and equipment are made by reference to import statistics and the CSO Quarterly Capital Assets in Industry Inquiry. Current estimates are deflated to the 1995 base year using appropriate price indices such as components of the Wholesale Price Index (WPI) and indices for construction activity.

Value of Physical Changes in Stocks at current prices covers stock changes in the agricultural, industrial and distribution sectors and in intervention stocks. This item measures the actual value change in stocks between the beginning and end of quarter *adjusted for any changes in the prices of the underlying commodities*. Data on industrial and distribution stocks are taken from published and unpublished components of the CSO Quarterly Stocks Inquiry. Agricultural stocks are estimated from the results of CSO's agricultural enumerations and statistics on animal slaughterings, etc. Constant price estimates are calculated by deflating the current estimates using relevant price indices and price data on agricultural and intervention stocks. Some adjustments have been made to the stocks values to improve the coherence of the quarterly accounts. These are judgmental adjustments to allow for within-year timing differences between the output and expenditure measures; over a calendar year, these adjustments are neutral.

Exports and Imports of Goods and Services at current prices are taken from the CSO Balance of Payments series. Current price estimates are converted to constant 1995 prices using the available price indices, including export and import unit value indices.