



Quarterly National Accounts of Lesotho second Quarter 2020

The publication of second quarter of Quarterly Gross Domestic Product (QGDP) covers the period April-June 2020. The compilation of the estimates of QGDP follow the international recommendations as specified in the 2008 System of National Accounts (2008 SNA). The analysis provide more timely, regular and comprehensive short-term indicators as opposed to annual estimates. The reference period for the quarterly accounts covers a period of three months in a year and are published 90 days after the reference quarter.

This statistical publication presents QGDP, which is the short-term indicator for the performance of the economy. The report highlights QGDP at current and constant 2012 prices for the years 2007-2019 derived by the production approach. The percentage changes of GDP, seasonally adjusted GDP and the percentage contribution of all industries to GDP were considered.

It should be noted that the estimates are experimental in the sense that some of the sources should be reviewed and improved since their information is not collected for statistical purposes. Thus, the subsequent publication of QGDP may include revisions of some economic activities.

The estimates are available on the website of Bureau of Statistics (BOS) as a PDF-file with three tables and few graphs as shown in Appendix 2. Excel files will also be available for download.

Bureau of Statistics
PO Box 455, Maseru 100, Lesotho
Tel: +266 22 323 852 Fax: +266 22 310 177
E-mail: economics@bos.gov.ls
Website: www.bos.gov.ls

Mission: To coordinate the National Statistical System (NSS) and produce accurate, timely and reliable culturally relevant and internationally comparable statistical data for evidence-based planning, decision making, research policy, program formulation and monitoring and evaluation to satisfy the needs of users and producers.

Table of Contents

Abbreviations	3
1. Key findings: Second quarter 2020 GDP estimates.....	4
Figure 1: Real GDP year-on-year growth Rates	4
Figure 2: Contributions to GDP, Second Quarter	5
Figure 3: Growth Rates by Industry, Second Quarter.....	Error! Bookmark not defined.
2. Information and Communication	5
Figure 4: Information and Communication Growth Rates	6
3. Education and Health	6
Figure 5: Education and Health Growth rates	7
4. Agriculture	7
Figure 6: Agriculture Growth Rates.....	7
5. Finance and Insurance.....	7
Figure 7: Finance and Insurance Growth Rates	8
6. Manufacturing.....	8
Figure 8: Manufacturing Growth Rates	8
7. Mining and Quarrying.....	9
Figure 9: Mining and Quarrying Growth Rates	9
8. Electricity and Water	9
Figure 10: Electricity and Water Growth Rates.....	10
9. Wholesale and Retail Trade	10
Figure 11: Wholesale and Retail Trade Growth Rates.....	10
Table 1: GDP at Current Prices, Percentage Contributions	11
Table 2A: GDP at Current Prices, Million Maloti	11
Table 2B: GDP at Current Prices, Million Maloti	13
Table 3A: GDP at Constant Prices, Million Maloti	15
Table 3B: GDP at Constant Prices, Million Maloti	17
Table 4A: GDP Growth Rates.....	20
10. Concepts and definitions.....	22
11. Sources and Methods	23
Table 5 Sources and Methods	23
12. Revisions.....	35
Table 6 Growth Rates Revisions for the First Quarter of 2020	35
13. Benchmarking and Seasonal Adjustment	36
13.1 Benchmarking	36
13.2 Seasonal Adjustment.....	36

Abbreviations

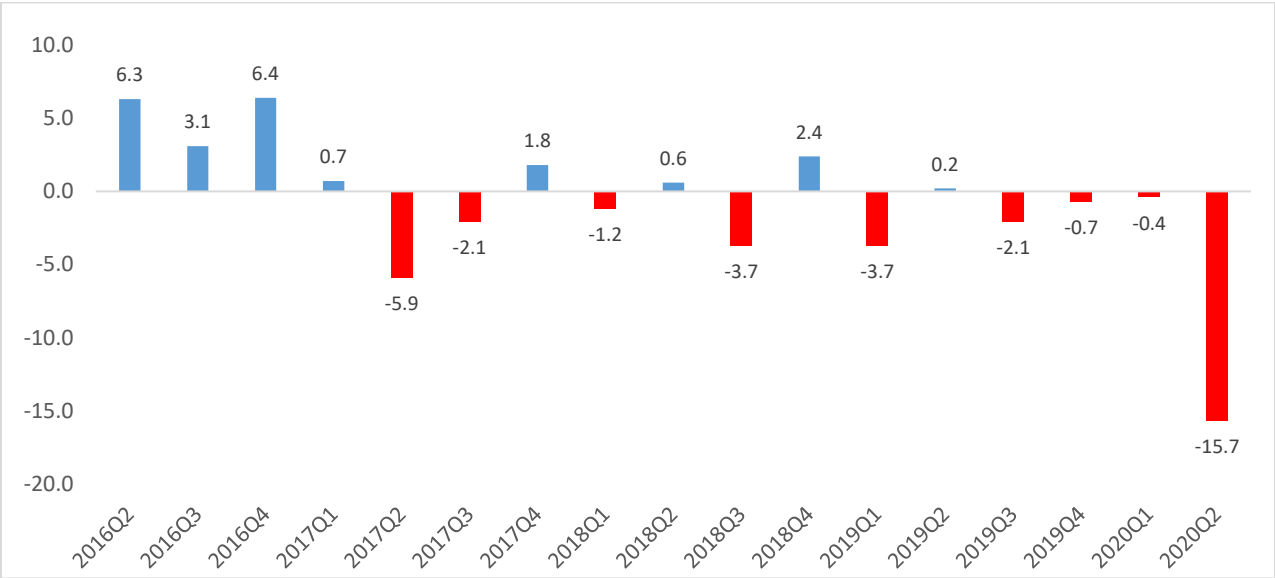
BOS	Bureau of statistics
NSS	National Statistical System
2008 SNA	2008 System of National Accounts
GDP	Gross Domestic Product
QNA	Quarterly National Accounts
ANA	Annual National Accounts
QGDP	Quarterly Gross Domestic Product
VA	Value Added
IC	Intermediate Consumption
COE	Compensation of Employees
VAT	Value Added Tax
CPI	Consumer Price Index
PPI	Producer Price Index
CP	Current Prices
KP	Constant Prices
CC	Correlation Coefficient
Q/Q	Quarter on Quarter
Y/Y	Year on Year

1. Key findings: Second quarter 2020 GDP estimates

Real GDP in the second quarter of 2020 declined by 15.7 percent.

The findings for the real GDP measured by production approach in the second quarter of 2020 indicate a decrease of 15.7 percent as compared with the corresponding quarter of 2019, which was a growth of 0.2 percent. This marks the deepest decline since the history of quarterly GDP in Lesotho and the sharp drop is attributed to COVID 19 impact, which affected the whole economy due to lockdown restrictions imposed since the end of March 2020. A bigger decline preceding this was 5.9 percent in the second quarter of 2017, followed by slower growths of 0.6 percent in the corresponding quarter of 2018.

Figure 1: Real GDP year-on-year growth Rates



The second quarter of 2020 shows the greatest economic recession as compared to other preceding quarters since the year 2015. All the industries show negative GDP growth rates except only 3 industries. The largest negative contributors to the weakening of GDP growth were Hotels, Mining, Trade, Manufacturing, Transport, Electricity and Water, Other services Business services and Real estate, which reflected declines of 51.0, 43.8, 37.8, 32.7, 29.2, 17.5 and 15.5 percent respectively. The industries which contributed positively to the economy were Communication (21.6 Percent), Education and Health (12.1 percent) and Agriculture (2.3 percent).

The Information and Communication industry recorded the highest growth (21.6 percent) in the second quarter of 2020 in contrast to a decline of 17.0 percent in the same quarter of 2019. As more activity moved online during the lockdown period, business became dominated by firms with the biggest repositories of data as highlighted for some operators of communication industry. Other communication services such as

radio stations, newspapers and postal services increased during this period. The contribution of this industry to GDP growth is 3.7 percent in the second quarter 2020.

Increases in the activities of the Education and Health improved from a GDP growth rate of 2.9 percent in the second quarter of 2019 to a substantial increase of 12.1 percent in the same quarter of 2020. This was due to activities of health sector, in terms of goods and services produced during COVID 19.

Economic activity in the Agriculture industry improved from a significant decline of 6.8 percent in the second quarter of 2019 to a rise of 2.3 GDP growth rate in the second quarter on 2020. This is mainly due to increases in animal production.

On the other hand, mining contracted by 24.6 percent in the second quarter of 2020. Local diamond mines were under pressure due to the COVID-19 pandemic with two large companies announcing temporary closures and retrenching workers. Lesotho boasts a complex global value chain in mining production: diamonds are auctioned in Belgium; cut and polished in India; sold to China for further processing; and the US is the major consumer. The pandemic further compounded this complex global value-chain because of the ongoing lockdowns on these countries, adding more pressure to this industry and a further deep its growth.

Figure 2: Contributions to GDP, Second Quarter

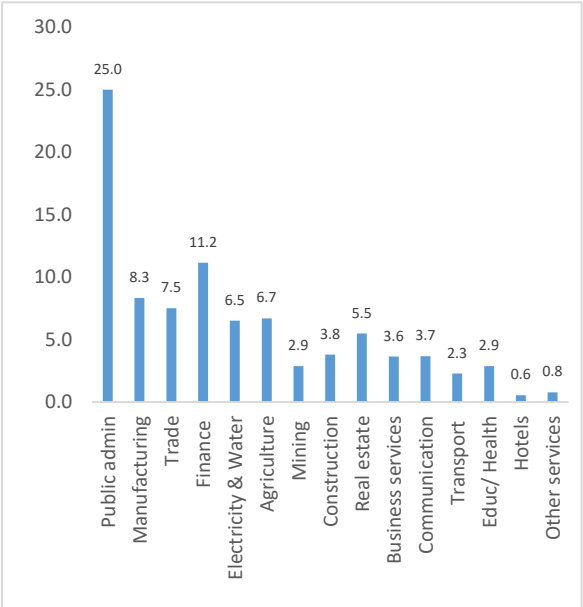
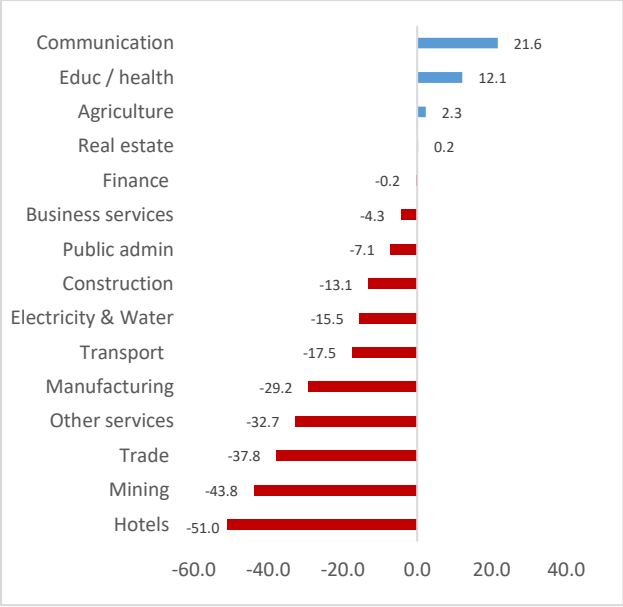


Figure 3: GDP Growth rates by industry, second Quarter

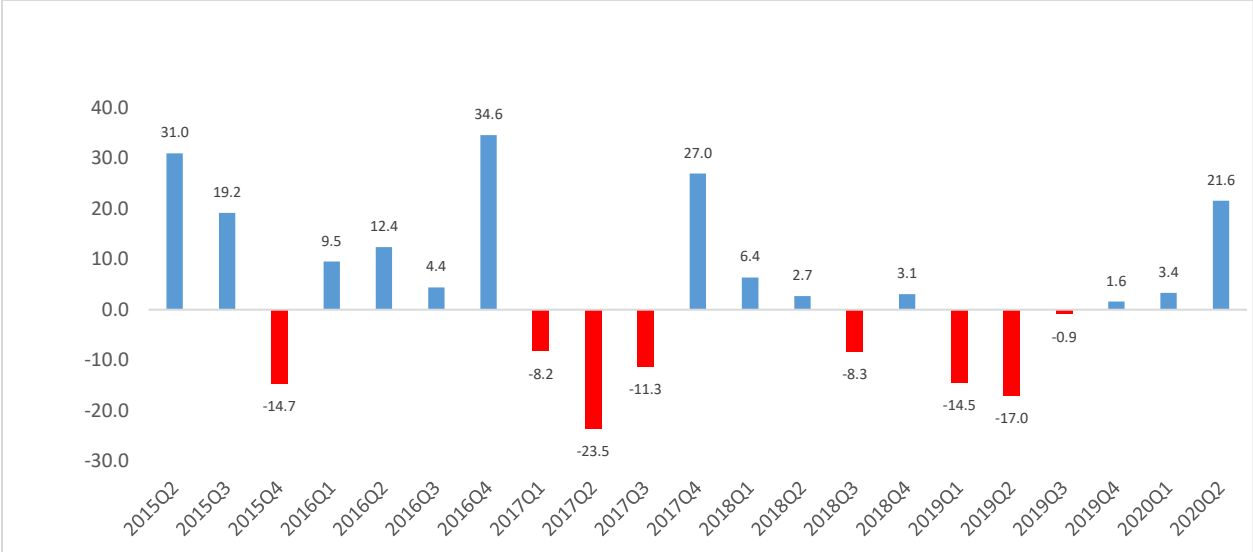


2. Information and Communication

The information and communication industry increased by 21.6 percent in the second quarter of 2020 following a decline of 17.0 percent in the corresponding quarter of 2019. Because of the economic and social disruptions caused by the COVID-19 pandemic, people across the globe relied on technology for information, for social distancing, and

working from home. Lesotho is not an exception: the significant increase in the industry indicate short-term spike in data traffic and increased use of broadband services, as more people are working from home and rely on video conferencing to hold meetings. Traffic growth increased output of telecommunication companies while IT and other information service activities also increased The industry contributed 3.7 percent to GDP growth in the second quarter of 2020.

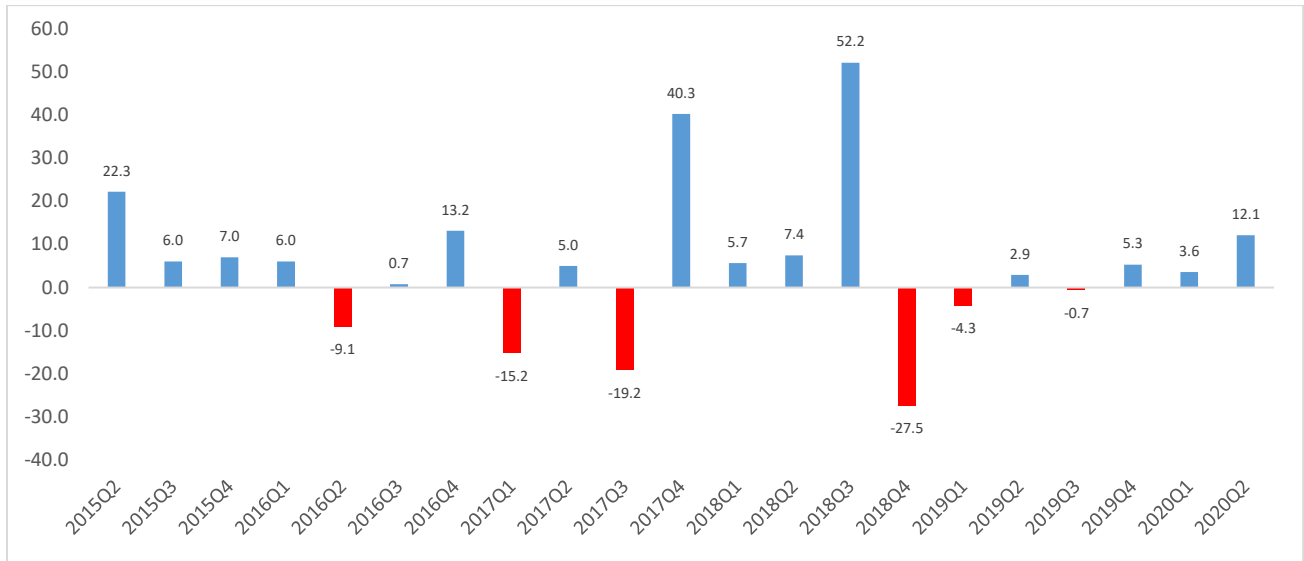
Figure 4: Information and Communication Growth Rates



3. Education and Health

The industry recorded a growth rate of 12.1 percent during the second quarter of 2020, an increase from the 2.9 percent GDP growth recorded in the second quarter of 2019. The emergence of the COVID-19 pandemic saw increased activities in the health sector, especially hospital activities. The surge was observed in the use of goods and services for the health sector and employment of more health workers in trying to contain the disease. The contribution of this industry to GDP growth is 2.9 percent in the second quarter 2020.

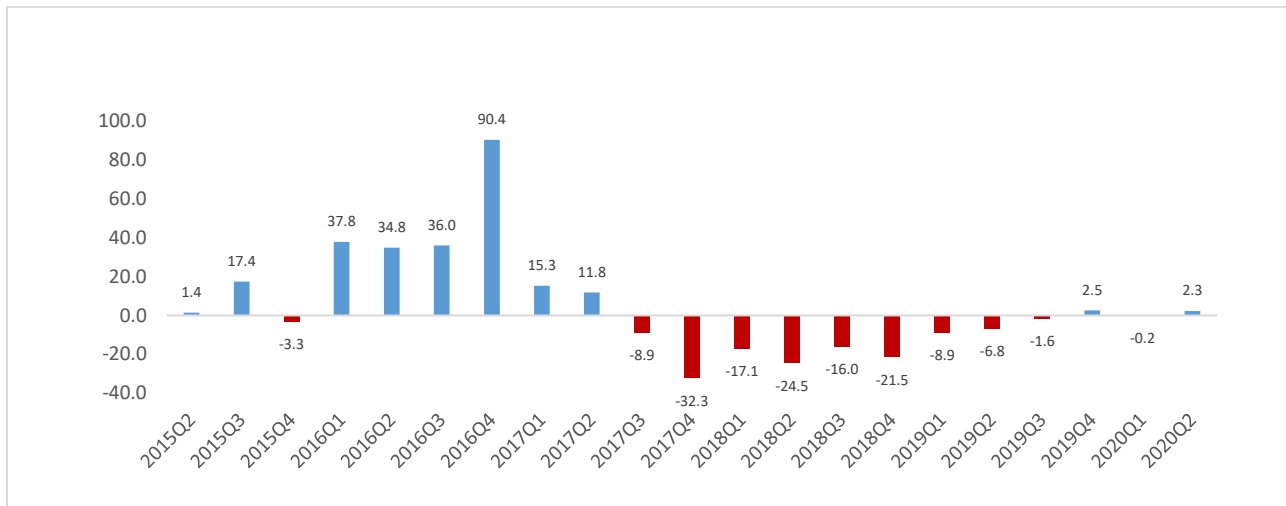
Figure 5: Education and Health Growth rates



4. Agriculture

The industry recorded a growth rate of 2.3 percent during the second quarter of 2020, recovering from a decline of 6.8 percent GDP growth rate in the second quarter of 2019. Animal production was the main and only positive contributor to Agriculture. The industry contributed 6.7 percent to GDP growth in the second quarter of 2020.

Figure 6: Agriculture Growth Rates

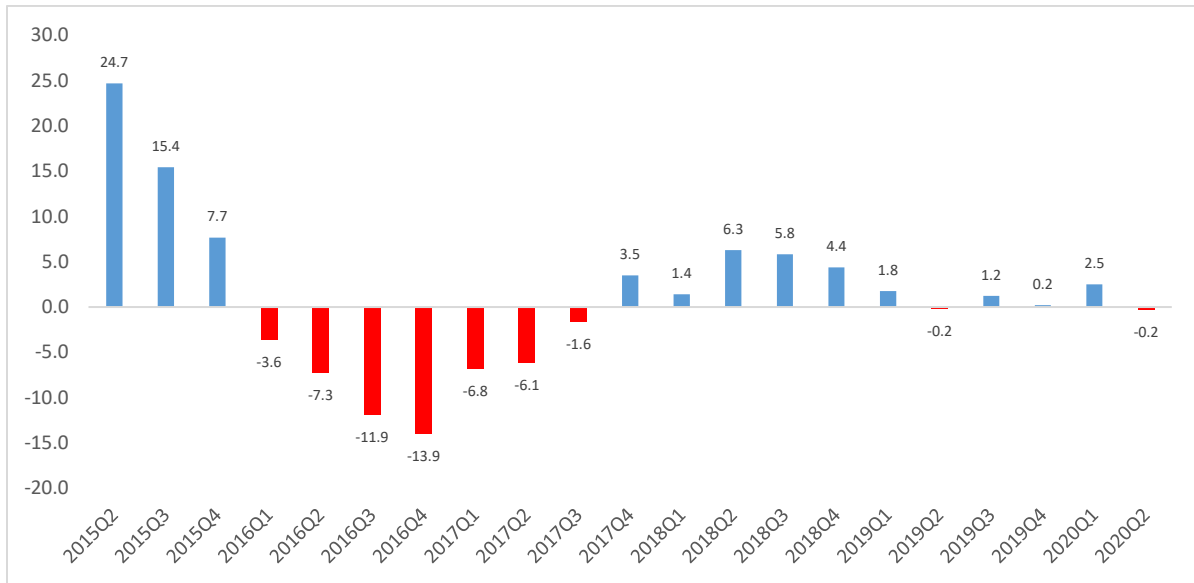


5. Finance and Insurance

The finance and insurance industry has been growing since the fourth quarter of 2017, with the exception of second quarters of 2019 and 2020, which reflected a negative GDP growth rate of 0.2 each. Although the growth rate unchanged in comparison to the same

quarter of 2019, the first quarter of 2020 had registered a growth rate of 2.5 percent. The contribution of finance and insurance to GDP growth was 11.2 percent.

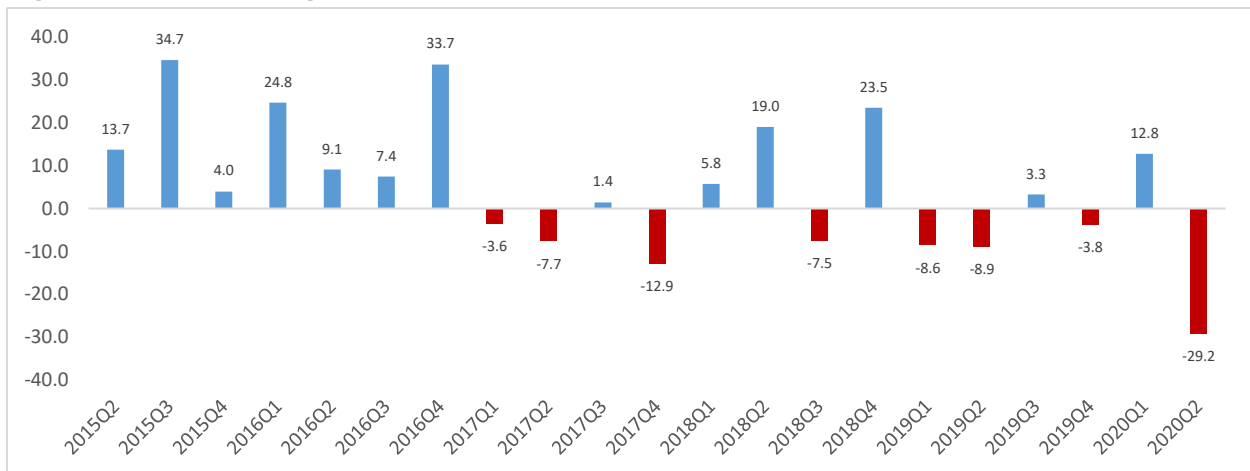
Figure 7: Finance and Insurance Growth Rates



6. Manufacturing

The manufacturing recorded a substantial decline of 29.2 percent following industry recovery of 12.8 percent GDP growth, which was a good start in 2020. The worsening performance is credited to a halt in production in key subsectors of the manufacturing industry such as clothing and textiles as well as leather and footwear during the period. This followed a decline of 8.9 percent in the same quarter of 2019. The contribution of this industry to GDP growth is 8.3 percent in the second quarter of 2020.

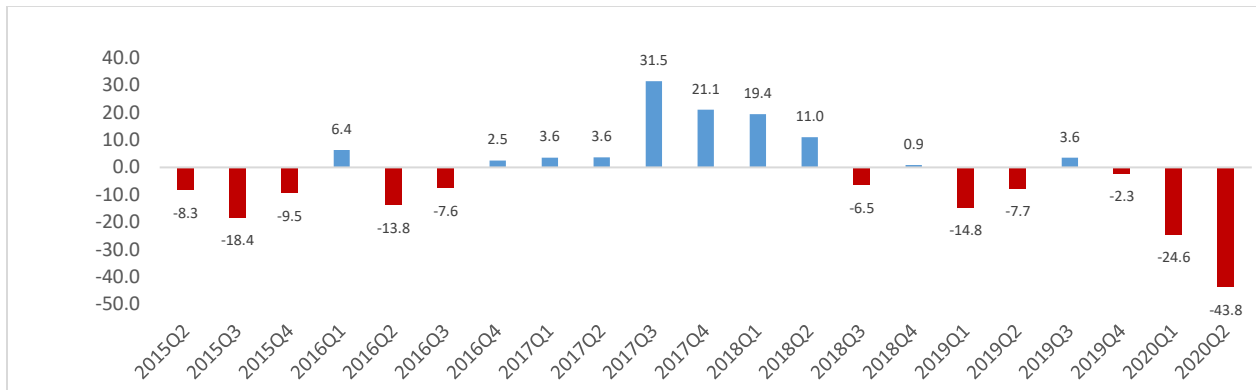
Figure 8: Manufacturing Growth Rates



7. Mining and Quarrying

The mining and quarrying industry became the large contributor to the economy’s poor performance in the second quarter of 2020. The industry reduced by 43.8 percent as compared to the decline of 7.7 percent registered in the second quarter of 2019, the largest fall in five years. The decline in the growth of the industry was attributable to a halt in production caused by lockdown restrictions imposed in the economy because of the COVID 19 pandemic. The contribution of mining and quarrying was 2.9 percent to GDP.

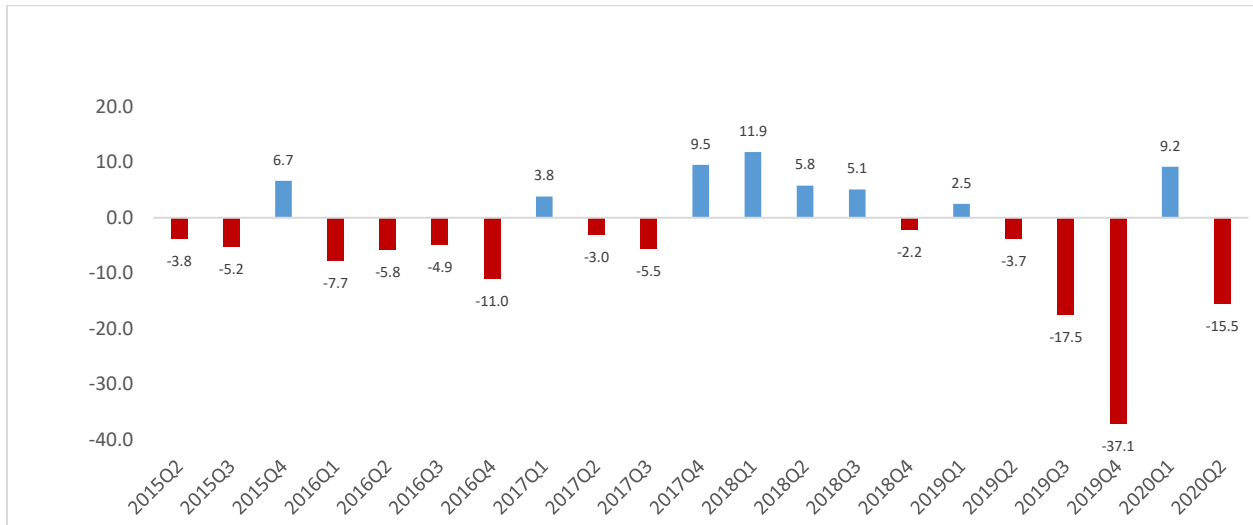
Figure 9: Mining and Quarrying Growth Rates



8. Electricity and Water

The industry reflected 15.5 percent drop in real value added in the second quarter of 2020 compared to decline of 3.7 percent in the same quarter of 2019. The drop in the performance of the utilities industry follows an increase of 9.2 percent GDP growth rate in the first quarter of 2020. The contraction was caused by termination of business in the highest utility consuming industries like manufacturing firms during COVID 19 pandemic. The main contributor to the drop was water supply, sewerage and waste collection. The electricity and water industry contributed 6.5 percent to GDP.

Figure 10: Electricity and Water Growth Rates



9. Wholesale and Retail Trade

The performance of wholesale and retail trade has been fluctuating for the past five years, frequently with negative GDP growth rates. The industry shrank by 37.8 percent in the second quarter of 2020, following a decline of 0.4 percent in the same quarter of 2019. The poor performance of wholesale and retail trade was caused by weaker sales in terms of wholesale and retail trade, except motor vehicles and trade of fuels. With closure of the borders and the prolonged lockdown owing to COVID-19, many of the businesses faced supply chain disruptions and loss of stock and revenue. The contribution of this industry to GDP in the second quarter of 2020 was 7.5 percent.

Figure 11: Wholesale and Retail Trade Growth Rates

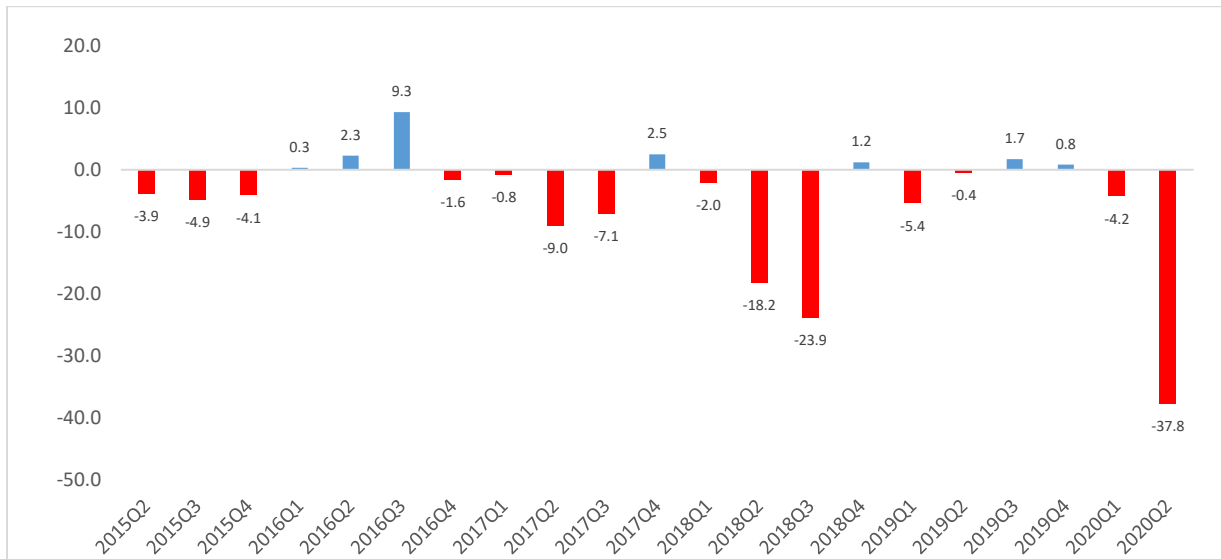


Table 1: GDP at Current Prices, Percentage Contributions

Year Quarter	2016				2017				2018				2019				2020	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Agriculture, forestry, fishing	4.5	4.8	4.9	8.0	5.5	5.3	4.5	4.5	4.5	4.5	4.4	4.0	4.8	4.9	5.0	4.5	4.9	6.7
Mining and quarrying	6.5	5.8	3.3	2.4	3.3	4.4	3.5	3.9	5.5	6.3	5.9	6.2	5.8	5.9	4.4	5.5	5.4	2.9
Manufacturing	14.5	16.2	18.0	16.5	13.9	16.2	18.4	14.3	14.8	17.4	18.4	17.5	14.4	15.9	18.0	17.3	15.0	8.3
Electricity and water	4.0	5.0	5.1	5.3	4.7	5.6	5.0	5.7	4.8	5.0	4.8	4.8	5.8	6.2	5.9	3.9	6.8	6.5
Construction	4.6	4.8	4.1	3.4	4.3	4.0	4.9	3.9	4.0	3.7	4.6	3.4	4.1	3.3	5.4	3.9	4.4	3.8
Wholesale and retail trade	10.3	10.8	11.1	11.5	11.2	11.4	11.2	12.4	11.0	9.0	8.6	11.6	10.7	9.2	9.4	12.4	10.8	7.5
Transport and storage	2.0	2.0	2.1	2.1	2.1	2.1	2.0	2.0	1.9	1.8	1.9	2.2	2.2	2.2	2.2	2.4	2.3	2.3
Hotels and restaurants	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.0	0.9	1.1	0.9	1.0	0.9	1.1	0.6
Information and communication	3.3	3.6	3.4	3.1	3.1	3.0	3.0	3.8	3.0	2.7	2.6	3.5	2.6	2.3	2.8	3.8	2.7	3.7
Finance and insurance	8.4	8.4	8.3	7.9	8.4	8.8	8.4	8.0	8.3	9.1	8.8	7.5	8.1	8.4	8.5	7.2	7.8	11.2
Real estate	4.0	4.1	4.1	3.9	4.2	4.5	4.2	3.9	4.0	4.1	3.9	3.4	4.1	4.2	4.2	3.6	3.9	5.5
Business services	2.9	3.0	3.1	2.9	2.8	3.5	2.8	3.0	2.7	2.7	2.7	2.6	2.6	2.9	2.7	2.4	2.4	3.6
Public administration	20.6	16.8	17.8	18.7	21.9	15.7	17.5	17.3	19.9	18.7	18.5	16.6	18.8	20.3	16.4	17.2	18.2	25.0
Education and health	2.1	1.6	1.7	1.7	1.9	1.9	1.6	2.3	2.0	2.0	2.1	1.6	1.9	2.0	2.0	1.8	2.0	2.9
Other services	0.7	0.9	1.0	0.7	0.9	1.0	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.9	1.0	0.8	0.8	0.8
Taxes on products	10.7	11.1	11.0	10.7	10.6	11.6	11.2	13.1	12.0	11.1	10.9	13.2	12.2	10.6	11.1	12.5	11.3	8.8
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table 2A: GDP at Current Prices, Million Maloti

Year	Quarter	A	B	C	DE	F	G	H	I	J	K
		Agriculture, forestry, fishing	Mining and quarrying	Manufacturing	Electricity and water	Construction	Wholesale and retail trade	Transport and storage	Hotels and restaurants	Information and communication	Finance and insurance
2007		580	721	2,636	693	587	1,251	310	179	376	488
2008		715	1,372	3,099	724	726	1,531	358	238	381	602
2009		812	699	2,582	744	887	1,658	378	255	442	561
2010		795	876	2,140	940	1,190	1,832	406	276	523	713
2011		851	1,626	2,394	1,049	1,148	2,098	438	292	581	813
2012		996	1,177	2,330	1,168	1,596	2,524	521	314	622	892
2013		1,157	1,386	2,499	1,271	1,474	2,979	596	329	714	1,369
2014		1,049	2,448	3,245	1,389	1,438	3,103	664	337	850	2,004
2015		1,139	2,527	4,555	1,534	1,540	3,126	631	299	949	2,599
2016		1,776	1,429	5,195	1,545	1,342	3,484	650	319	1,066	2,627
2017		1,524	1,158	4,826	1,618	1,319	3,566	630	341	1,002	2,577
2018		1,438	1,982	5,650	1,613	1,289	3,361	649	328	991	2,773

2019		1,627	1,856	5,630	1,843	1,423	3,605	765	337	995	2,741
2007	Q1	120	205	596	166	148	261	72	37	94	115
2007	Q2	130	127	612	177	162	292	76	42	88	119
2007	Q3	122	153	764	188	138	313	79	48	95	121
2007	Q4	208	236	663	162	140	385	83	52	100	133
2008	Q1	149	229	674	167	137	345	82	54	94	145
2008	Q2	163	442	755	196	157	362	86	60	90	160
2008	Q3	154	274	835	210	218	387	93	59	92	150
2008	Q4	249	428	835	151	215	437	96	66	105	148
2009	Q1	170	203	693	168	201	391	88	63	104	144
2009	Q2	174	169	628	196	162	383	89	58	98	134
2009	Q3	156	166	715	202	247	403	97	63	112	140
2009	Q4	312	161	547	179	277	481	104	70	128	143
2010	Q1	168	148	459	180	250	429	97	67	133	159
2010	Q2	181	175	534	213	267	431	98	66	120	172
2010	Q3	158	174	548	230	267	455	103	70	130	186
2010	Q4	288	379	600	318	406	517	108	74	140	195
2011	Q1	189	310	458	195	248	492	104	72	131	200
2011	Q2	206	505	558	256	278	479	103	71	129	203
2011	Q3	186	365	741	316	301	510	109	71	153	206
2011	Q4	270	446	638	282	322	617	121	79	168	205
2012	Q1	199	193	407	264	367	596	125	73	149	200
2012	Q2	204	444	610	263	480	579	124	74	144	212
2012	Q3	194	284	637	312	341	610	128	78	153	227
2012	Q4	398	256	677	329	409	738	145	89	176	253
2013	Q1	249	179	575	275	319	653	132	80	158	288
2013	Q2	272	280	590	321	328	681	135	76	164	318
2013	Q3	241	386	667	343	427	700	138	84	182	367
2013	Q4	395	541	667	331	399	946	191	89	210	397
2014	Q1	244	716	660	318	418	746	164	89	202	437
2014	Q2	247	630	762	365	294	751	165	78	197	473
2014	Q3	217	624	928	376	369	735	162	81	220	524
2014	Q4	341	477	896	330	357	870	174	90	231	570
2015	Q1	246	322	829	368	391	745	155	78	246	615

2015	Q2	268	819	1,076	377	358	748	155	67	252	635
2015	Q3	270	787	1,326	380	425	738	153	73	257	666
2015	Q4	354	599	1,325	410	366	895	168	81	194	682
2016	Q1	356	514	1,153	314	364	820	158	78	265	664
2016	Q2	378	457	1,272	393	380	845	159	75	280	660
2016	Q3	383	261	1,415	402	319	874	162	77	264	655
2016	Q4	659	198	1,355	436	280	946	170	89	257	649
2017	Q1	428	258	1,075	364	333	868	162	83	241	647
2017	Q2	378	311	1,154	402	286	812	150	81	211	629
2017	Q3	344	265	1,413	384	377	860	151	85	231	641
2017	Q4	375	324	1,184	469	323	1,026	167	93	319	660
2018	Q1	366	445	1,202	389	321	892	153	87	244	670
2018	Q2	345	477	1,327	384	279	688	134	77	209	692
2018	Q3	349	476	1,482	386	366	692	155	79	207	703
2018	Q4	377	584	1,639	455	322	1,089	207	86	332	708
2019	Q1	401	489	1,219	489	350	901	184	91	221	684
2019	Q2	396	483	1,294	506	265	752	176	76	188	680
2019	Q3	403	353	1,457	475	438	759	179	82	224	690
2019	Q4	427	531	1,660	373	370	1,193	226	88	361	686
2020	Q1	429	472	1,312	599	386	948	198	94	239	684
2020	Q2	415	177	515	403	235	464	141	34	227	690

Table 2B: GDP at Current Prices, Million Maloti

Year	Quarter	L	MN	O	PQ	RST	FISIM	Taxes	GDP	GDP	
		Real estate	Business services	Public administration	Education and health	Other services	FISIM	All industries at basic prices	Taxes on products	GDP	GDP Seasonally adjusted
2007		988	302	1,513	367	152	0	11,143	854	11,997	
2008		1,031	329	2,193	383	161	0	13,843	925	14,768	
2009		1,105	374	2,802	407	175	0	13,881	1,078	14,959	
2010		1,127	432	3,126	432	194	0	15,004	1,608	16,612	
2011		1,162	539	3,474	440	192	0	17,097	1,941	19,038	
2012		1,208	599	3,816	442	213	0	18,418	2,327	20,745	
2013		1,258	661	4,477	463	213	0	20,846	2,519	23,365	
2014		1,252	753	5,006	491	237	0	24,266	2,864	27,130	
2015		1,252	930	5,111	539	240	0	26,971	3,296	30,268	
2016		1,280	945	5,895	571	262	0	28,386	3,466	31,852	

2017		1,294	928	5,593	598	267	0	27,240	3,597	30,836	
2018		1,273	886	6,089	629	276	0	29,228	3,931	33,159	
2019		1,373	899	6,204	660	295	0	30,252	3,981	34,233	
2007	Q1	240	70	291	87	39	0	2,540	168	2,709	2,775
2007	Q2	244	73	397	92	37	0	2,670	193	2,862	2,841
2007	Q3	252	79	404	92	38	0	2,886	201	3,087	3,043
2007	Q4	252	79	421	95	39	0	3,048	291	3,339	3,184
2008	Q1	254	72	477	92	39	0	3,010	213	3,223	3,348
2008	Q2	255	86	536	99	37	0	3,482	250	3,732	3,708
2008	Q3	258	85	590	97	41	0	3,542	196	3,738	3,653
2008	Q4	264	87	590	95	44	0	3,809	266	4,075	3,745
2009	Q1	270	89	634	93	42	0	3,353	225	3,578	3,716
2009	Q2	278	83	569	101	43	0	3,163	236	3,400	3,538
2009	Q3	279	103	633	104	46	0	3,467	263	3,730	3,737
2009	Q4	278	99	966	109	45	0	3,897	353	4,250	3,783
2010	Q1	279	107	807	113	49	0	3,445	365	3,809	3,891
2010	Q2	281	108	756	111	47	0	3,561	388	3,948	4,037
2010	Q3	283	103	817	109	50	0	3,682	388	4,070	4,082
2010	Q4	284	115	747	98	48	0	4,317	468	4,785	4,316
2011	Q1	287	130	849	99	46	0	3,809	435	4,244	4,401
2011	Q2	290	119	806	75	47	0	4,124	476	4,600	4,602
2011	Q3	292	134	840	63	49	0	4,337	456	4,793	4,785
2011	Q4	293	155	979	203	49	0	4,827	574	5,401	4,922
2012	Q1	295	140	1,068	150	56	0	4,283	523	4,806	4,915
2012	Q2	299	140	844	98	51	0	4,567	561	5,128	5,157
2012	Q3	306	155	990	99	52	0	4,566	573	5,139	5,120
2012	Q4	307	163	914	96	54	0	5,003	669	5,672	5,222
2013	Q1	309	172	1,416	106	50	0	4,962	569	5,531	5,427
2013	Q2	314	156	967	121	50	0	4,772	573	5,345	5,501
2013	Q3	318	165	1,073	119	54	0	5,263	597	5,861	5,845
2013	Q4	317	168	1,021	118	58	0	5,850	780	6,629	6,171
2014	Q1	314	172	1,512	152	59	0	6,203	636	6,839	6,503
2014	Q2	315	181	1,075	111	60	0	5,704	689	6,394	6,491
2014	Q3	312	206	1,210	118	61	0	6,141	689	6,830	6,701
2014	Q4	311	194	1,209	111	57	0	6,218	850	7,067	6,817

2015	Q1	311	215	1,537	154	61	0	6,274	716	6,990	6,980
2015	Q2	313	221	1,061	132	61	0	6,543	802	7,345	7,451
2015	Q3	314	227	1,263	131	58	0	7,067	822	7,889	7,753
2015	Q4	313	267	1,249	122	60	0	7,087	956	8,043	7,875
2016	Q1	316	228	1,637	168	55	0	7,090	851	7,942	7,912
2016	Q2	321	234	1,322	127	73	0	6,973	875	7,848	7,987
2016	Q3	321	245	1,401	134	80	0	6,992	861	7,853	7,780
2016	Q4	322	239	1,535	143	54	0	7,330	879	8,209	7,724
2017	Q1	328	217	1,698	150	68	0	6,918	823	7,741	7,888
2017	Q2	323	248	1,119	137	70	0	6,311	827	7,139	7,784
2017	Q3	322	215	1,341	120	65	0	6,811	862	7,673	8,082
2017	Q4	322	248	1,435	190	64	0	7,199	1,085	8,284	8,170
2018	Q1	322	216	1,618	160	66	0	7,149	972	8,121	8,360
2018	Q2	312	208	1,428	152	65	0	6,778	847	7,624	8,395
2018	Q3	316	216	1,489	168	74	0	7,158	874	8,032	8,491
2018	Q4	322	245	1,555	150	72	0	8,143	1,239	9,382	8,678
2019	Q1	342	219	1,583	163	71	0	7,408	1,026	8,434	8,480
2019	Q2	339	236	1,655	165	70	0	7,280	862	8,143	8,567
2019	Q3	342	215	1,321	164	78	0	7,177	893	8,070	8,481
2019	Q4	350	230	1,645	168	76	0	8,386	1,201	9,587	8,738
2020	Q1	339	214	1,595	174	72	0	7,756	988	8,744	8,721
2020	Q2	339	225	1,547	178	49	0	5,639	545	6,184	6,583

Table 3A: GDP at Constant Prices, Million Maloti

	A	B	C	DE	F	G	H	I	J	K	
Year	Quarter	Agriculture, forestry, fishing	Mining and quarrying	Manufacturing	Electricity and water	Construction	Wholesale and retail trade	Transport and storage	Hotels and restaurants	Information and communication	Finance and insurance
2007		821	780	2,569	1,216	712	1,801	417	280	345	549
2008		966	1,163	2,507	1,228	835	1,932	437	277	358	667
2009		1,026	783	2,423	1,206	967	1,945	442	263	427	583
2010		969	825	2,502	1,209	1,241	2,081	456	272	511	674
2011		917	1,184	2,431	1,175	1,169	2,251	476	288	573	745
2012		996	1,177	2,330	1,168	1,596	2,524	521	314	622	892
2013		1,101	820	2,235	1,128	1,435	2,836	568	328	725	1,191
2014		931	895	1,981	1,128	1,355	2,817	567	323	878	1,759
2015		942	767	2,282	1,103	1,415	2,706	542	278	999	2,105

2016		1,442	738	2,692	1,023	1,204	2,770	554	292	1,140	1,911
2017		1,149	874	2,537	1,025	1,163	2,673	535	308	1,088	1,826
2018		998	783	2,791	1,004	1,114	2,422	500	287	1,101	1,871
2019		1,066	757	2,790	974	1,175	2,452	538	294	1,101	1,696
2007	Q1	180	185	605	264	183	399	98	67	86	129
2007	Q2	187	204	603	331	197	428	102	67	80	134
2007	Q3	177	188	733	342	165	444	105	69	88	137
2007	Q4	276	203	627	279	167	530	113	77	92	149
2008	Q1	213	219	612	295	161	462	107	70	88	162
2008	Q2	226	304	711	336	181	468	105	68	84	178
2008	Q3	214	356	586	355	249	476	110	67	86	166
2008	Q4	313	283	598	242	243	526	115	72	100	161
2009	Q1	221	208	582	263	225	466	107	68	100	155
2009	Q2	220	214	585	363	178	452	106	60	94	141
2009	Q3	196	193	705	331	267	471	110	64	110	144
2009	Q4	390	167	550	249	297	557	118	72	124	143
2010	Q1	207	176	529	253	265	492	110	66	129	156
2010	Q2	221	211	581	329	280	491	110	65	117	165
2010	Q3	185	222	695	339	278	515	115	68	128	175
2010	Q4	355	215	697	289	418	582	121	73	138	179
2011	Q1	212	261	595	192	254	546	116	69	128	179
2011	Q2	225	289	624	303	284	520	113	69	127	182
2011	Q3	197	314	661	367	306	544	119	71	151	189
2011	Q4	284	320	552	313	326	642	128	79	168	196
2012	Q1	205	299	472	308	368	608	125	73	149	203
2012	Q2	207	315	517	343	481	583	124	74	144	218
2012	Q3	193	278	656	351	340	609	128	79	153	229
2012	Q4	391	284	686	166	407	724	144	89	176	243
2013	Q1	240	179	560	243	314	630	131	80	160	258
2013	Q2	260	209	550	300	322	653	134	76	165	274
2013	Q3	226	218	605	319	417	667	136	84	184	315
2013	Q4	374	214	520	265	382	886	167	89	215	343
2014	Q1	221	219	456	250	396	688	139	87	207	386
2014	Q2	220	238	515	306	278	682	141	76	203	419

2014	Q3	187	234	483	319	346	664	137	77	227	462
2014	Q4	303	204	527	253	334	782	149	83	240	493
2015	Q1	207	174	498	237	361	668	134	72	258	519
2015	Q2	223	218	586	294	329	656	133	62	266	522
2015	Q3	220	191	650	302	390	632	130	68	271	533
2015	Q4	293	185	548	269	335	750	145	76	205	531
2016	Q1	285	185	621	218	328	670	136	72	283	500
2016	Q2	301	188	639	276	341	671	135	69	299	484
2016	Q3	299	176	699	288	285	691	138	71	283	470
2016	Q4	557	189	732	241	250	738	145	80	275	457
2017	Q1	296	204	600	230	296	667	134	74	260	461
2017	Q2	294	205	591	271	253	611	128	73	229	447
2017	Q3	226	238	709	270	331	641	131	76	251	454
2017	Q4	334	226	637	254	283	754	143	84	348	464
2018	Q1	246	211	631	235	280	649	129	78	273	466
2018	Q2	241	190	700	257	243	502	112	68	232	472
2018	Q3	231	184	659	264	315	498	113	69	230	471
2018	Q4	280	198	801	247	276	773	146	73	366	462
2019	Q1	258	173	598	263	290	627	133	79	246	434
2019	Q2	256	182	670	288	220	513	121	66	207	421
2019	Q3	253	199	716	252	361	515	124	72	246	423
2019	Q4	299	203	807	171	304	797	161	76	401	418
2020	Q1	268	138	604	327	315	625	139	81	267	417
2020	Q2	262	102	475	243	191	319	100	33	252	420

Table 3B: GDP at Constant Prices, Million Maloti

Year	Quarter	L	MN	O	PQ	RST	FISIM	All industries at basic prices	Taxes	GDP	GDP
		Real estate	Business services	Public administration	Education and health	Other services	FISIM		Taxes on products	GDP	GDP Seasonally adjusted
2007		1,172	385	2,044	363	182	0	13,636	1,668	15,304	
2008		1,162	391	2,684	375	183	0	15,164	1,777	16,942	
2009		1,181	413	3,213	407	187	0	15,467	1,815	17,282	
2010		1,175	457	3,469	429	201	0	16,471	1,976	18,447	
2011		1,186	550	3,679	438	196	0	17,258	2,176	19,434	
2012		1,208	599	3,816	442	213	0	18,418	2,327	20,745	

2013		1,238	644	4,248	435	209	0	19,140	2,474	21,614	
2014		1,226	711	4,492	451	228	0	19,741	2,496	22,237	
2015		1,225	857	4,436	490	225	0	20,372	2,454	22,826	
2016		1,251	848	4,829	503	243	0	21,441	2,538	23,978	
2017		1,276	820	3,333	511	243	0	19,362	2,553	21,915	
2018		1,267	767	3,345	529	249	0	19,029	2,442	21,470	
2019		1,366	748	3,373	549	259	0	19,136	2,466	21,602	
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2007	Q1	291	91	406	88	46	0	3,119	371	3,490	4,059
2007	Q2	290	93	543	91	44	0	3,395	401	3,796	4,140
2007	Q3	296	100	541	91	45	0	3,521	411	3,932	4,207
2007	Q4	295	100	554	93	47	0	3,601	485	4,086	4,298
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2008	Q1	292	90	607	91	46	0	3,517	411	3,929	4,368
2008	Q2	288	103	661	95	43	0	3,850	439	4,289	4,460
2008	Q3	290	98	715	94	46	0	3,909	443	4,352	4,414
2008	Q4	292	99	701	94	48	0	3,888	483	4,372	4,285
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2009	Q1	295	101	742	96	46	0	3,674	421	4,095	4,344
2009	Q2	296	93	658	100	46	0	3,607	429	4,036	4,216
2009	Q3	296	112	719	103	48	0	3,869	439	4,308	4,304
2009	Q4	294	107	1,094	108	47	0	4,317	526	4,843	4,499
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2010	Q1	293	114	907	113	52	0	3,862	455	4,317	4,461
2010	Q2	294	114	843	109	49	0	3,979	474	4,453	4,581
2010	Q3	294	108	902	108	52	0	4,184	491	4,675	4,625
2010	Q4	294	120	817	98	49	0	4,446	556	5,001	4,621
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2011	Q1	296	134	915	94	48	0	4,038	512	4,550	4,654
2011	Q2	296	122	861	77	48	0	4,139	525	4,664	4,763
2011	Q3	296	137	887	65	50	0	4,354	519	4,873	4,832
2011	Q4	298	157	1,016	201	50	0	4,728	620	5,347	4,960
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2012	Q1	299	141	1,086	150	56	0	4,542	557	5,099	5,068
2012	Q2	300	140	849	98	51	0	4,443	545	4,989	5,102
2012	Q3	305	155	984	99	52	0	4,611	563	5,174	5,108
2012	Q4	304	162	897	96	54	0	4,823	661	5,483	5,097
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2013	Q1	306	169	1,365	102	50	0	4,786	566	5,352	5,130
2013	Q2	310	153	924	114	49	0	4,493	574	5,068	5,127
2013	Q3	312	160	1,016	111	53	0	4,826	591	5,417	5,225

2013	Q4	310	161	942	108	57	0	5,034	743	5,777	5,268
2014	Q1	307	164	1,373	143	57	0	5,095	583	5,678	5,276
2014	Q2	308	171	967	100	58	0	4,681	618	5,299	5,281
2014	Q3	306	193	1,079	108	59	0	4,882	591	5,472	5,257
2014	Q4	306	182	1,073	100	54	0	5,083	704	5,787	5,342
2015	Q1	305	201	1,345	146	58	0	5,182	575	5,757	5,369
2015	Q2	306	204	925	122	57	0	4,903	586	5,489	5,417
2015	Q3	308	208	1,094	115	54	0	5,166	588	5,754	5,520
2015	Q4	306	244	1,072	108	56	0	5,122	704	5,826	5,476
2016	Q1	309	207	1,368	155	51	0	5,388	623	6,011	5,522
2016	Q2	313	210	1,088	111	68	0	5,194	640	5,833	5,685
2016	Q3	314	219	1,139	115	75	0	5,261	671	5,932	5,645
2016	Q4	315	213	1,234	122	50	0	5,598	603	6,202	5,672
2017	Q1	322	191	1,034	131	63	0	4,963	594	5,557	5,892
2017	Q2	318	220	675	117	64	0	4,496	647	5,144	5,781
2017	Q3	318	191	793	93	58	0	4,780	601	5,381	5,940
2017	Q4	318	218	831	170	58	0	5,123	711	5,834	5,926
2018	Q1	318	189	906	138	59	0	4,808	616	5,424	5,893
2018	Q2	310	182	786	125	58	0	4,478	529	5,008	5,868
2018	Q3	316	186	808	142	67	0	4,553	538	5,091	5,823
2018	Q4	323	209	845	125	65	0	5,189	758	5,948	5,864
2019	Q1	340	185	849	135	63	0	4,672	631	5,304	5,825
2019	Q2	336	196	901	133	62	0	4,572	540	5,112	5,814
2019	Q3	340	178	722	146	68	0	4,615	564	5,179	5,714
2019	Q4	349	190	901	135	66	0	5,277	731	6,008	5,713
2020	Q1	338	175	866	142	63	0	4,764	593	5,356	5,543
2020	Q2	337	187	837	149	42	0	3,948	361	4,310	4,600

Table 4A: GDP Growth Rates

		A	B	C	DE	F	G	H	I	J	K
Year	Quarter	Agriculture, forestry, fishing	Mining and quarrying	Manufacturing	Electricity and water	Construction	Wholesale and retail trade	Transport and storage	Hotels and restaurants	Information and communication	Finance and insurance
2008		17.7	49.1	-2.4	1.0	17.2	7.3	4.7	-0.9	3.8	21.6
2009		6.3	-32.7	-3.3	-1.8	15.8	0.7	1.1	-4.9	19.3	-12.6
2010		-5.6	5.3	3.3	0.3	28.3	7.0	3.3	3.3	19.6	15.6
2011		-5.3	43.6	-2.8	-2.9	-5.7	8.1	4.4	5.7	12.1	10.5
2012		8.6	-0.7	-4.2	-0.6	36.5	12.1	9.5	9.3	8.6	19.7
2013		10.6	-30.3	-4.1	-3.4	-10.1	12.4	9.0	4.5	16.5	33.5
2014		-15.5	9.1	-11.4	0.0	-5.6	-0.7	-0.2	-1.7	21.1	47.8
2015		1.2	-14.3	15.2	-2.2	4.4	-3.9	-4.4	-13.9	13.9	19.6
2016		53.0	-3.8	17.9	-7.2	-14.9	2.3	2.3	5.1	14.0	-9.2
2017		-20.3	18.3	-5.8	0.1	-3.4	-3.5	-3.4	5.3	-4.5	-4.5
2018		-13.2	-10.4	10.0	-2.1	-4.2	-9.4	-6.5	-6.7	1.2	2.5
2019		6.8	-3.3	0.0	-3.0	5.4	1.3	7.6	2.3	0.0	-9.4
2007	Q1										
2007	Q2										
2007	Q3										
2007	Q4										
2008	Q1	18.3	18.8	1.0	11.8	-11.7	15.9	9.5	4.0	2.0	25.9
2008	Q2	20.4	48.6	17.9	1.5	-8.3	9.4	2.4	2.1	5.5	33.0
2008	Q3	20.7	90.0	-20.0	3.8	50.9	7.2	5.1	-3.4	-1.5	21.2
2008	Q4	13.6	39.4	-4.6	-13.3	45.6	-0.8	2.1	-5.7	9.0	7.9
2009	Q1	3.4	-5.2	-4.8	-11.0	39.2	0.7	0.3	-3.3	13.9	-4.7
2009	Q2	-2.6	-29.6	-17.6	8.1	-1.4	-3.4	1.5	-11.3	11.9	-21.0
2009	Q3	-8.3	-45.7	20.3	-6.7	7.0	-1.1	-0.5	-4.4	26.9	-12.7
2009	Q4	24.5	-40.9	-8.0	3.0	22.1	5.9	2.9	-0.7	23.6	-11.2
2010	Q1	-6.1	-15.4	-9.1	-3.9	17.8	5.7	2.3	-1.9	28.7	0.7
2010	Q2	0.6	-1.1	-0.8	-9.6	57.0	8.7	3.4	7.1	24.2	17.2
2010	Q3	-5.3	14.7	-1.4	2.4	3.9	9.6	4.9	6.7	16.5	21.0
2010	Q4	-9.1	28.5	26.6	16.3	41.0	4.5	2.6	1.8	11.6	24.8
2011	Q1	2.2	48.5	12.3	-24.1	-4.0	10.8	5.9	4.4	-0.5	14.7
2011	Q2	1.6	36.8	7.4	-7.9	1.4	5.7	2.8	7.0	8.2	10.3
2011	Q3	6.4	41.5	-4.9	8.4	10.2	5.4	3.3	3.3	18.3	8.0

2011	Q4	-20.0	48.6	-20.8	8.2	-22.2	10.3	5.4	8.1	21.5	9.5
2012	Q1	-3.0	14.3	-20.7	60.5	44.8	11.4	8.0	5.5	16.4	13.4
2012	Q2	-7.9	8.9	-17.1	13.2	69.5	12.1	9.8	6.5	13.9	19.9
2012	Q3	-2.3	-11.3	-0.8	-4.4	11.3	12.0	7.3	11.7	1.4	21.1
2012	Q4	37.7	-11.1	24.3	-47.0	24.9	12.8	12.5	12.9	5.2	24.1
2013	Q1	17.0	-40.1	18.7	-20.9	-14.7	3.7	4.3	9.9	7.2	27.0
2013	Q2	25.9	-33.8	6.4	-12.3	-33.2	12.1	7.8	2.7	14.7	25.9
2013	Q3	17.5	-21.6	-7.8	-9.1	22.6	9.5	6.9	6.5	20.6	37.8
2013	Q4	-4.3	-24.6	-24.1	59.7	-6.1	22.3	16.0	-0.3	22.1	41.6
2014	Q1	-7.9	22.5	-18.6	2.9	26.3	9.2	6.6	8.4	29.9	49.9
2014	Q2	-15.5	14.1	-6.2	1.7	-13.7	4.5	5.0	0.4	22.8	52.6
2014	Q3	-17.4	7.0	-20.2	0.0	-17.0	-0.5	0.6	-8.7	23.2	46.5
2014	Q4	-19.2	-4.8	1.2	-4.6	-12.5	-11.7	-10.5	-5.9	11.5	43.5
2015	Q1	-6.5	-20.8	9.2	-5.4	-9.0	-2.9	-3.9	-16.8	24.3	34.5
2015	Q2	1.4	-8.3	13.7	-3.7	18.5	-3.9	-5.5	-17.8	31.0	24.7
2015	Q3	17.4	-18.4	34.7	-5.2	12.6	-4.9	-5.1	-11.7	19.2	15.4
2015	Q4	-3.3	-9.5	4.0	6.5	0.3	-4.1	-3.2	-9.4	-14.7	7.7
2016	Q1	37.8	6.4	24.8	-7.9	-9.0	0.3	1.5	-0.1	9.5	-3.6
2016	Q2	34.8	-13.8	9.1	-6.0	3.6	2.3	1.8	10.4	12.4	-7.3
2016	Q3	36.0	-7.6	7.4	-4.9	-26.8	9.3	6.4	4.5	4.4	-11.9
2016	Q4	90.4	2.5	33.7	-10.4	-25.5	-1.6	0.0	6.3	34.6	-13.9
2017	Q1	3.7	10.5	-3.4	5.3	-10.0	-0.6	-1.2	2.4	-7.9	-7.9
2017	Q2	-2.3	9.1	-7.6	-1.9	-25.7	-8.9	-5.5	6.7	-23.3	-7.7
2017	Q3	-24.3	35.1	1.4	-6.1	16.0	-7.1	-5.8	7.5	-11.3	-3.4
2017	Q4	-40.1	19.5	-13.0	5.2	13.4	2.2	-1.3	4.9	26.4	1.6
2018	Q1	-16.8	3.2	5.1	2.3	-5.2	-2.6	-3.6	4.9	4.9	1.1
2018	Q2	-18.1	-7.6	18.5	-5.2	-3.9	-17.9	-12.1	-7.8	1.4	5.7
2018	Q3	2.3	-22.5	-7.0	-2.2	-4.9	-22.3	-13.4	-9.8	-8.4	3.7
2018	Q4	-16.2	-12.6	25.8	-2.6	-2.6	2.5	2.0	-13.1	5.2	-0.5
2019	Q1	4.7	-18.0	-5.2	11.9	3.5	-3.4	2.7	1.7	-9.7	-6.9
2019	Q2	6.5	-4.1	-4.3	11.8	-9.7	2.4	7.4	-1.9	-10.8	-10.9
2019	Q3	9.5	7.9	8.6	-4.6	14.6	3.4	9.3	4.8	7.2	-10.2
2019	Q4	6.8	2.7	0.7	-30.9	10.2	3.1	10.6	4.3	9.6	-9.6
2020	Q1	3.9	-20.4	1.0	24.4	8.5	-0.3	4.9	2.6	8.4	-3.9
2020	Q2	2.3	-43.8	-29.2	-15.5	-13.1	-37.8	-17.5	-51.0	21.6	-0.2

10. Concepts and definitions

As mentioned above QGDP in Lesotho was compiled by the production approach only, and is derived as;

GDP compiled by the production approach (GDP by activity):

Sum of gross values added at basic prices

+ Taxes on products

– Subsidies on products

= GDP

The contribution of each economic activity to GDP is its value added, which is derived in the production account as:

Output at basic prices

– Intermediate consumption at purchasers' prices

= Gross value added at basic prices

The values of output and intermediate consumption, which are flows of goods and services, can be factored into two components, one reflecting changes in the prices of the goods and services concerned and the other the changes in their volumes. Measures in volume terms are derived by using the prices of a base year, hence the term “at constant prices”. In broad terms, there are two ways of deriving constant prices:

- a) by deflating the current price value by an appropriate price index; and
- b) by moving the base year value with volume index or volume indicator

Ideally, annual and quarterly GDP should be measured by deriving values added for each economic activity as per the second equation above. Constant prices should then be derived in the same way, i.e. by deflating output and intermediate consumption by their own appropriate price indices.

11. Sources and Methods

Data sources used for estimates of QGDP are generally more limited in detail and coverage than those available for the annual estimates. An important factor is that the data sources must be timelier than the data used for the annual estimates. Thus, the estimates of QGDP in Lesotho are based on indicators that capture the movements in the target variable, i.e. output and value added in estimating QGDP by activity. As far as possible, the same indicators will be used as in the annual estimates.

The table below summarises methodology and indicators used per industry. The table also shows the reliability checks, as the correlations between ANA and Indicators, as well as the improvement plans for individual industries. This table does not constitute all industries yet therefore, it will be published in parts.

Table 5 Sources and Methods

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
Growing of crops; horticulture	VAT taxes on agricultural products (value index base=2012), CPI & PPI	<p>The indicator is the composite index of 4 groups of products weighted by the annual output.</p> <p><u>Plants</u>: the CP indicator is VAT value index weighted by the annual VA, the KP indicator is CP deflated by PPI</p> <p><u>Fruit</u>: The KP indicator is the annual VA quarterized with the following pattern Q1=0.7, Q2=0.1, Q3=0.1, Q4=0.1. CP is KP inflated by CPI.</p> <p><u>Cereals</u>: The KP indicator is the annual VA quarterized with the following pattern Q1=0.05, Q2=0.15,</p>	CC (CP)*=0.99 CC (KP)*=0.99	Need a plan to move ahead without annual value

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		<p>Q3=0.00, Q4=0.8 CP is KP inflated by quarterized annual implicit deflator</p> <p><u>Vegetables</u>; KP is the quarterization of the annual value and CP is KP reflatd by CPI</p>		
Animal production		Denton without indicator		
Fishing and aquaculture	no indicator	Denton without indicator		
Quarrying of stone, sand and clay	Average of PPI for aggregated crushed stones and sand VAT for quarrying of stone	Indicator of CP is VAT. Indicator of KP is CP deflated by PPI	<p>CC(CP) = 0.99</p> <p>CC(KP) = 1.00</p>	
Mining of diamonds	Quantity and Price of the mining companies	<p>The indicator is the sum:</p> <p>VA of Lets'eng: Output at CP is one quarter of the 2012 annual value extrapolated with the value index (is calculated from quantity and price); output KP is one quarter of the 2012 annual value extrapolated with the quantity index; IC at KP is quarterization of annual by the output at KP; IC at CP is IC at KP reflatd by the IC deflator (calculated as the weighted average of electricity (0.06), fuel (0.21) and other products (0.73))</p> <p>Output of other mines; Output CP is</p>	<p>CC(CP) = 0.84</p> <p>CC(KP) = 0.84</p>	Plan to look for the VA of other mines as well

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		one quarter of the 2012 annual value extrapolated with the value index of the output of the 3 remaining companies. Output KP is one quarter of the 2012 annual value extrapolated with the quantity index of the three remaining companies.		
Support activities to mining	VAT of mining support services and SA PPI of civil engineering	CP, VAT is used as an indicator. KP is the deflated CP	CC(CP) = 0.99 CC(KP) = 0.99	
Manufacture of food products	VAT for Processing and preserving of meat, Manufacture of dairy products, Manufacture of grain mill products, Manufacture of bakery products, Manufacture of other food products CPI for bread SA PPI for grain mill	The indicator for CP is the sum of VAT The indicator of KP is the indicator of CP deflated by the weighted average of CPI (0.34) and PPI (0.66)	CC(CP) = 0.85 CC(KP) = 0.82	
Construction	VAT for construction of roads, other civil engineering projects, building completion and Other specialized construction activities. CPI services (straight average)	The indicator for CP is the sum of VAT for all construction activities. KP is CP deflated by CPI. <u>Steps</u> Second of all, rebase the VAT to 2012.	CC(CP) = 0.91 CC(KP) = 1.00	Plan is to streamline by skipping the rebasing and use VAT and CPI straight forward.

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
	was used as the deflator.	<p>Benchmark VA at CP with VAT to get the quarterly VA at CP.</p> <p>Deflate quarterly VA at CP by CPI to get quarterly indicator for VA at KP.</p> <p>Benchmark quarterly indicator of the annual VA at KP to get quarterly VA at KP.</p>		
Water supply and sewerage	<p><u>LHDA</u> Monthly data on exports to SA (values and quantities)</p> <p><u>WASCO</u> VAT Data</p> <p><u>Government</u> Quarterly data on wages and salaries (Government data)</p>	<p><u>LHDA</u> The indicator for CP is the water sales in values. KP is the base year value multiplied by water sales in quantities.</p> <p><u>WASCO</u> The indicator for CP is VAT for the company involved in water collection, treatment and distribution. KP is CP deflated by CPI.</p> <p><u>Government</u> The Indicator for CP are Quarterly data on wages and salaries, while KP is CP deflated by the quarterized annual implicit deflator.</p>	<p>CC(CP) = 0.84 CC(KP) = 0.57</p>	<p>Need a plan to move ahead without annual value</p>
Trade, repair of motor vehicles	<p>VAT for Trade and repair of motor vehicles establishments, and CPI</p>	<p>The indicator for CP is VAT.</p> <p>KP is CP deflated by CPI</p>	<p>CC(CP) = 1.00 CC(KP) = 0.99</p>	

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
Wholesale and retail trade of fuels	VAT for Wholesale and retail trade of fuels establishments	<p>For this one, calculations are done separately for Output and Intermediate consumption; Indicator for Output CP is VAT Output KP is Output CP deflated by CPI for Food (0.05) and CPI for Fuels (0.95) weighted.</p> <p>Intermediate consumption KP is moved with output KP Intermediate consumption CP is intermediate consumption KP reflatd by weighted CPI for Electricity (0.06), Actual renting for housing (0.17) and Services (0.77)</p> <p>Value added = Output – intermediate consumption</p>	CC(CP) = 1.00 CC(KP) = 1.00	
Wholesale and retail trade except motor vehicle, motorcycles and fuels	VAT for Wholesale and retail trade except motor vehicle, motorcycles and fuels	<p>For this one also, calculations are done separately for Output and Intermediate consumption; Indicator for Output CP is VAT. Output KP is Output CP deflated by CPI for all items. Intermediate consumption KP is moved with output KP</p>	CC(CP) = 0.98 CC(KP) = 0.97	

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		<p>Intermediate consumption CP is intermediate consumption KP reflatd by weighted CPI for Electricity (0.06), Actual renting for housing (0.21), Fuels and lubricants (0.04), Transportation (0.13) and Services (0.56)</p> <p>Value added = Output – intermediate consumption</p>		
Freight transport by road	<p>Related Industries being; Wholesale and retail trade of fuels and Wholesale and retail trade except motor vehicle, motorcycles and fuels</p> <p>CPI</p>	<p>The indicator for KP is movement of value added of Wholesale and retail trade of fuels, and Wholesale and retail trade except motor vehicle, motorcycles and fuels.</p> <p>CP is KP reflatd by CPI</p>	<p>CC(CP) = 1.00 CC(KP) = 1.00</p>	
Transport support; postal and courier activities	<p><u>Private sector</u> VAT for transport; postal and courier activities</p> <p><u>Government</u> Quarterly data on wages and salaries (Government data)</p> <p>CPI</p>	<p><u>Private sector</u> The indicator for CP is VAT for transport, postal and courier activities.</p> <p>KP is CP deflated by weighted deflator for support activities to transportation (0.9) and deflator for postal and courier activities (0.1).</p> <p><u>Government</u></p>	<p>CC(CP) = 0.88 CC(KP) = 0.84</p>	<p>Need a plan to move ahead without annual value</p>

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		<p>The indicator for CP is quarterly data on wages and salaries.</p> <p>KP is CP deflated by quarterized annual implicit deflator.</p>		
Accommodation	VAT for Accommodation Activities and CPI	<p>Output and Intermediate consumption are separately calculated;</p> <p>Indicator for output CP is VAT.</p> <p>Output KP is Output CP deflated by CPI (average of Food, Non-food and services)</p> <p>Intermediate consumption KP is moved with output KP</p> <p>Intermediate consumption CP is Intermediate consumption KP reflatd by weighted CPI of raw materials (0.7), electricity (0.1) and services (0.2).</p> <p>Value added = Output – intermediate consumption</p>	<p>CC(CP) = 0.88</p> <p>CC(KP) = 0.84</p>	
Telecommunications	VAT for telecommunication activities and CPI	<p>Indicator for output CP is VAT.</p> <p>Output KP is output CP deflated by CPI telephone and telefax services.</p>	<p>CC(CP) = 0.31</p> <p>CC(KP) = 0.33</p>	Concern is that the relationship between the annual and quarterly indicators is low. A plan in

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		<p>Intermediate consumption KP is moved with output KP</p> <p>Intermediate consumption CP is intermediate consumption KP deflated by weighted CPI for telephone and telefax services (0.24), Non-food goods (0.05) and Services (0.71)</p> <p>Value added = Output – intermediate consumption</p>		place to reconsider
Other monetary intermediation	Depository Corporations Survey (DCS) and CPI	<p>Indicator for CP is stocks of loans and deposits.</p> <p>KP is CP Stocks of loans and deposits deflated by CPI all items.</p>	<p>CC(CP) = 0.94</p> <p>CC(KP) = 0.61</p>	
Other financial service activities	Depository Corporations Survey (DCS) and CPI	<p>Indicator for CP is Stocks of household loans taken from Other financial intermediation industry in Sheet DCS.</p> <p>KP is CP deflated by CPI all items.</p>	<p>CC(CP) = -0.07</p> <p>CC(KP) = 1.00</p>	Plan to reconsider seeing that CC CP is very low.
Real estate activities	VAT for real estate activities, Population statistics and CPI.	<p><u>Corporations</u></p> <p>Indicator for Output CP is VAT.</p> <p>Output KP is Output CP deflated by CPI for Actual Renting for Housing.</p>	<p>CC(CP) = 1.00</p> <p>CC(KP) = 0.98</p>	

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		<p>Intermediate consumption KP is Moved with output KP</p> <p>Intermediate consumption CP is intermediate consumption KP reflated by straight average of CPI for Insurance, Financial services, Non-food Goods and Services.</p> <p>Value added = Output – intermediate consumption</p> <p><u>Households, market and Owner-occupied dwelling</u></p> <p>Indicator for output KP is estimated by the Denton Method from annual estimate that uses Urban population growth for Households, market, and total population growth for Owner-occupied dwellings.</p> <p>Output CP is output KP reflated by CPI.</p> <p>Intermediate consumption KP is moved with output KP</p> <p>Intermediate consumption CP is Intermediate consumption KP reflated by CPI.</p>		

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		Value added = Output – intermediate consumption		
Professional, scientific and technical activities	VAT for professional, scientific and technical activities.	<u>Private sector</u> The indicator for CP is VAT. KP is CP deflated by CPI Services. <u>Government</u> Indicator for CP is quarterly data on wages and salaries KP is CP deflated by quarterized annual implicit deflator	CC(CP) = 0.78 CC(KP) = 0.79	
Rental and leasing activities; travel agents	VAT for Rental and leasing activities; travel agents.	<u>Renting Activities</u> Indicator for CP is VAT. KP is CP deflated by straight average of CPI for Motor cars, Operation of personal transport and Non-food goods. <u>Travel agents</u> Indicator for CP is VAT. KP is CP deflated by CPI Services.	CC(CP) = 0.58 CC(KP) = 0.79	
Security and investigation activities	VAT for Security and investigation activities.	Indicator for CP is VAT. KP is CP deflated by straight average of CPI for Goods, Services, and Fuels and lubricants.	CC(CP) = 1.00 CC(KP) = 0.60	
Admin and support service activities n.e.s.	VAT for Admin and support service activities.	Indicator for CP is VAT.	CC(CP) = 1.00 CC(KP) = 1.00	

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
		KP is CP deflated by straight average of CPI for Non-food goods and Services.		
Public administration	Quarterly data on wages and salaries (Government data)	The Indicator for CP is quarterly data on wages and salaries adjusted with share of consumption of fixed capital KP is CP deflated by quarterised annual implicit deflator	CC(CP) = 0.73 CC(KP) = 0.61	
Education	Quarterly data on wages and salaries (Government data)	<u>Government funded schools (secondary and primary</u> The indicator for CP is quarterly data on wages and salaries. KP is annual value divided by four. <u>Parastatals and private schools</u> Denton Method without indicator	CC(CP) = 1.00 CC(KP) = 1.00	Need to reconsider how to move ahead without annual value Plan is to use salary/ wages index
Human health and social work activities	VAT for Human health and social-work activities. Quarterly data on wages and salaries (Government data) CPI	<u>Private sector</u> The indicator for CP is VAT. KP is CP deflated by straight average CPI for Out-patient services, Hospital services and Services. <u>Government</u> CP is estimated by quarterly data on wages and salaries. KP is CP deflated by quarterised annual implicit deflator.	CC(CP) = 0.94 CC(KP) = 0.95	Need to reconsider how to move ahead without annual value Plan is to use salary/ wages index
Arts, entertainment and recreation	VAT for Human health and social-work activities.	<u>Private sector</u> The indicator for CP is VAT.	CC(CP) = 0.84 CC(KP) = 0.78	Need to reconsider how to move

QNA Activities	Indicators used	Methodology	Indicator of reliability	Improvement plan
	Quarterly data on wages and salaries (Government data) CPI	KP is CP deflated by straight average CPI for Cultural services and Games of chance. <u>Government</u> CP is estimated by quarterly data on wages and salaries. KP is CP deflated by quarterized annual implicit deflator.		ahead without annual value Plan is to use salary/ wages index
Activities of membership organisations		Denton Method without indicator		
Other personal service activities	VAT for Other personal service activities. CPI	Indicator for CP is VAT. KP is CP deflated by straight average CPI for Repair of footwear, Hair-dressing saloons, and other services (e.g. funerals)	CC(CP) = 0.79 CC(KP) = 0.99	
Private households with employed persons	CPI	KP is estimated by synthetic quarterly values (Denton Method) CP is KP reflatd by CPI, domestic servants (0.8) plus Food (0.2)		
FISIM	Depository Corporations Survey (DCS) and CPI	CP is estimated with Stocks of loans and deposits of non-financial corporations and non-bank financial institutions KP is CP deflated by CPI all items	CC(CP) = 0.54 CC(KP) = 0.90	

12. Revisions

The accuracy of National Accounts estimates depends on timely revisions to data on GDP and its components. Thus National Accounts have to be revised over a number of years since data sources are always changing and improving. The time series must be suitably adjusted in order to reveal the best possible outcomes of the series in question over a long period. Such revisions are however usually small and done mainly to improve the results when new evidence become available. The length of time series shown will depend on a number of factors. In general, comparison over many years need to be interpreted carefully in response to innovations in products, the growth of the economy over a long period, marketing strategies and changing import patterns.

Table 6 outlines the revisions made in the first quarter of 2020. Based on the revised changes, real GDP growth for the first quarter of 2020 showed an increase of 1.0 percent compared to a contraction decline of 0.4 percent reported in the first quarter GDP publication. The major revisions were observed in the following sectors: ‘Electricity and water’ (15.2 percentage points), ‘Manufacturing’ (-11.8 percentage points), ‘Hotels and restaurants’ (11.3 percentage points), and Construction (10.3 percentage points). The revisions were mainly due to updated data from sources.

Table 6 Growth Rates Revisions for the First Quarter of 2020

Industry	First quarter 2020 in %	Revised first quarter 2020 in %	Difference
Agriculture	-0.2	3.9	4.1
Mining	-24.6	-20.4	4.2
Manufacturing	12.8	1.0	-11.8
Electricity and water	9.2	24.4	15.2
Construction	-1.8	8.5	10.3
Trade	-4.2	-0.3	3.9
Transport	-1.2	4.9	6.0
Hotels and restaurants	-8.7	2.6	11.3
Information and communication	3.4	8.4	5.1
Finance	2.5	-3.9	-6.4
Real estate	-4.9	-0.7	4.2
Business services	-5.2	-5.5	-0.3
Public administration	2.0	2.0	-0.1
Education and health	3.6	5.4	1.8
Other services	0.6	0.7	0.1
All industries at basic prices	0.7	2.0	1.2
Taxes on products	-9.3	-6.1	3.2
GDP	-0.4	1.0	1.4

13. Benchmarking and Seasonal Adjustment

13.1 Benchmarking

The estimates of QGDP must be consistent with the annual estimates of GDP, i.e. the sum of the four quarters must be equal to the annual estimate for all items. Benchmarking is used to bring the two together; it deals with the problem of combining a series of high-frequency data (quarterly data) with a series of less frequent data (annual data) for a certain variable into a consistent time series. Normally, the two series show different levels and movements and need to be made temporally consistent. Because annual data are usually more comprehensive and accurate than quarterly ones, the quarterly series is benchmarked to the annual data.

13.2 Seasonal Adjustment

The emphasis in developing the estimates of QGDP is on the original estimates as well as in the publication and analysis of the estimates. However, QGDP is seasonally adjusted in order to allow/improve comparability overtime, and for business cycle analysis. That is; seasonal component, calendar and irregular effects have to be reduced in the time series. One option is to seasonally adjust the detailed estimates by economic activity and to derive the seasonally adjusted QGDP as the sum. In this publication however, due to lack of detail, only the total GDP is seasonally adjusted.