



GDP by Categories of Use - I Quarter, 2015

Economic Outlook and Indicators

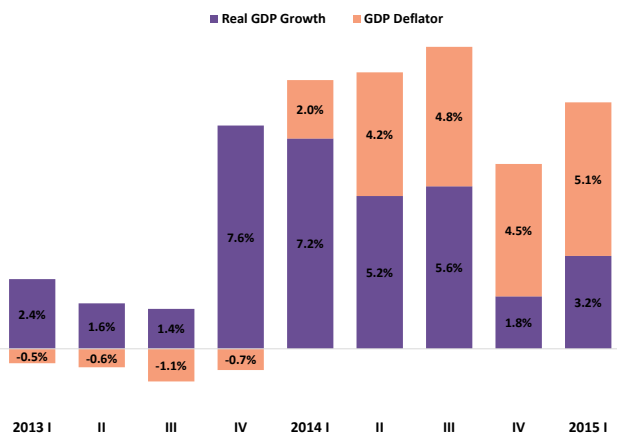
Delivering Progress

Issue #50 / 17.07.2015

In the first quarter of 2015, the nominal GDP increased by 8.3% and real GDP increased by 3.2% compared to the first quarter of 2014.

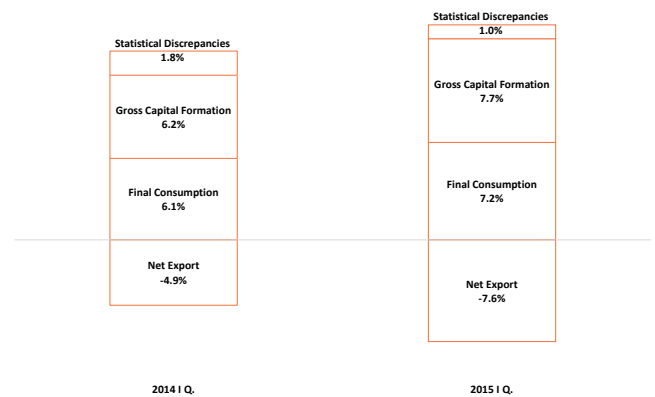
In this period, total volume of the final consumption expenditures as well as gross capital formation increased (7.9%, 32.1% respectively). Total volume of exports declined in national currency (GEL) by 0.5% and in foreign currency (USD) by 16.0%. Total volume of imports increased in national currency by 12.0%, but declined in foreign currency by 5.4%. This difference can be explained by the depreciation of national currency (18.5%).

Real GDP Growth and Dynamic of GDP Deflator, 2013 - 2015



Source: GeoStat

The Structure of Nominal GDP Growth, 2014 - 2015 I Quarter

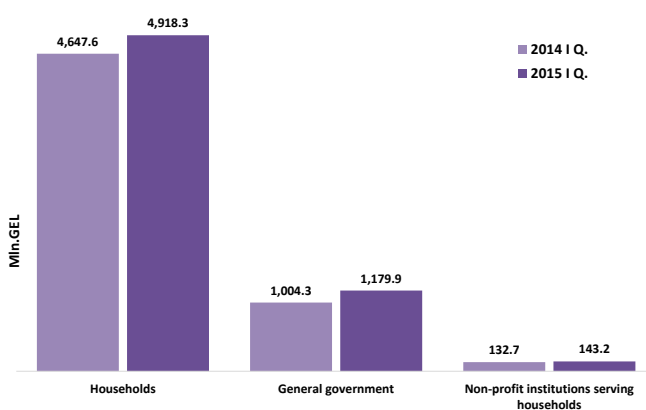


Source: GeoStat

In the first quarter of 2015, nominal GDP increased by 8.3% compared to the first quarter of 2014. In this period, real GDP increased by 3.2% which is lower (-4.0 percentage points) compared to the corresponding indicator in the first quarter of 2014 (7.2%).

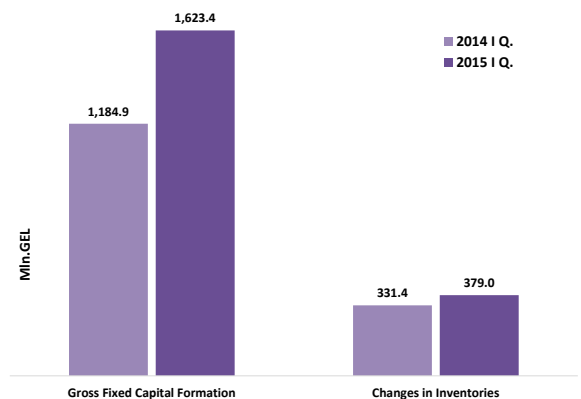
In the first quarter of 2015, gross capital formation (7.7 % points) and final consumption (7.2 % points) has the largest contributions in nominal GDP growth rate (8.3%). In the first quarter of 2015, the volume of export of goods and services declined (in national currency), which had the negative impact (-0.2 % points) on GDP growth while the contribution of export in GDP growth in the first quarter of 2014 was 7.4 % points.

Final Consumption Expenditures, 2014 - 2015 I Quarter



Source: GeoStat

Gross Capital Formation, 2014 - 2015 I Quarter

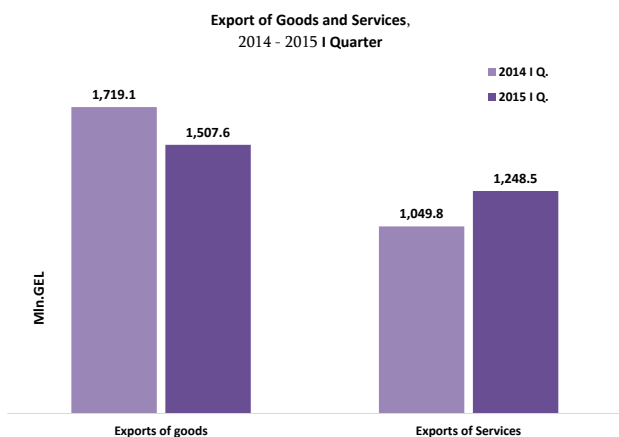


Source: GeoStat

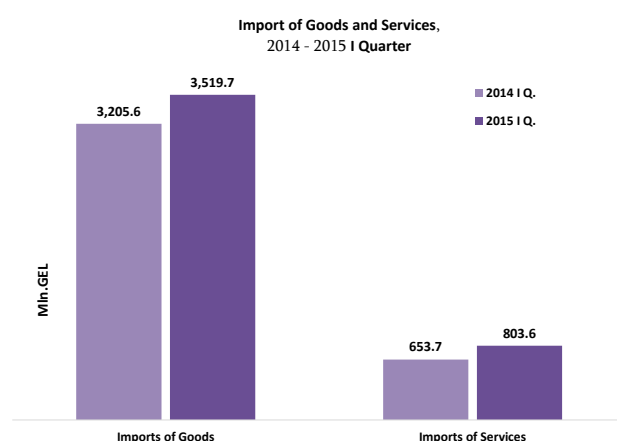
In the first quarter of 2015, the volume of final consumption expenditures (in normal terms) increased by 7.9%. The real consumption increased by 6.2% as the indicator of Consumer Price Index (CPI) (inflation) in corresponding period was 1.7%. The structure of final consumption is the following: households consumption (78.8%), general government (18.9%) and non-profit institutions serving households (2.3%).

In this period, the expenditures increased in all components of the final consumption: households by 5.8%, general government - 17.5% and non-profit institutions serving households (NPISH) - 7.9%.

In the first quarter of 2015, the volume of gross capital formation (in nominal terms) increased by 32.1%, which is mainly due to the increase of gross fixed capital formation (37.0%). In this period, the volume of changes in investments also increased (14.4%).



Source: GeoStat



Source: GeoStat

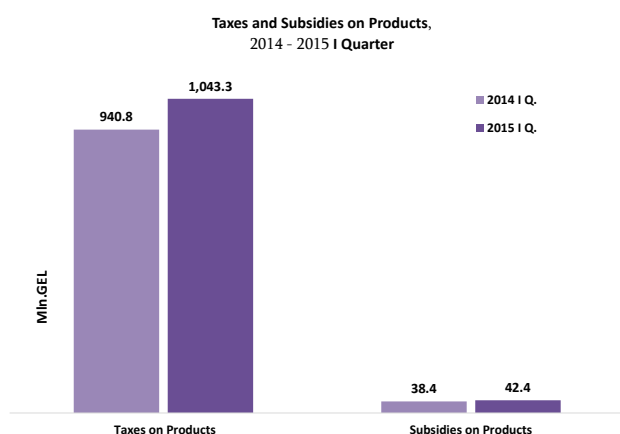
In the first quarter of 2015, 54.7% of total export is the export of goods and 45.3% - the export of services.

In the first quarter of 2015, compared to the first quarter of 2014, total volume of export (in national currency) declined (- 0.5%). In this period, the export of goods declined by 12.3% and the export of services increased by 18.9%.

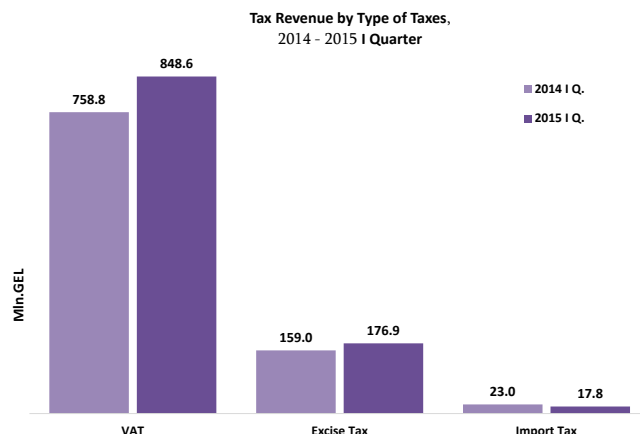
In the first quarter of 2015, the import of goods was 81.4% and the import of services was 18.6% of total import .

In this period, the total volume of import increased by 12.0%. Among them, the import of goods as well as services increased, respectively (9.8%; 22.9%).

In this period, GEL depreciation had important impact on the external trade. In the first quarter of 2015, GEL depreciated towards USD by 18.5%, compared to the first quarter of 2014.



Source: GeoStat



Source: GeoStat

In the first quarter of 2015, the share of tax (VAT, excise, import) revenues and subsidies in formation of nominal GDP is 15.9%.

In this period, the total volume of taxes (VAT, excise, import) increased by 10.9% (102.5 mln. GEL) compared to the first quarter of 2014. The revenue from VAT increased by 11.8% and from excise tax - by 11.3%, while the revenue from import tax declined by 22.6%.

Basic Economic Indicators	2012	2013	I 2014*	II 2014*	III 2014*	IV 2014*	2014*	I 2015*
Nominal GDP (mIn USD)	15846.8	16139.9	3605.3	4064.1	4320.4	4527.8	16528.5	3298.9
Per capita GDP (USD)	3523.4	3599.6	802.9	905.0	962.1	1 008,3	3680.8	884.5
GDP real growth (%)	6.4%	3.3%	7.2%	5.2%	5.6%	1.8%	4.8%	3.2%
Consumer Price Index (annual average)	99.1	99.5					103.1	
Foreign Direct Investment (USD)	911.6	941.9	265.3*	150.5*	507.5*	349.2*	1 272.5*	175.3
Unemployment Rate (%)	15%	14.6%					12.4%	
External Public Debt (mIn USD)	4739	4202		4082				
Poverty level (registered)	9.7%	9.7%					11.6%	

Source: National Statistics Office of Georgia
Ministry of Finance of Georgia
National Bank of Georgia

* Forecasted