

INS downgrades GDP growth estimates to 4.8 pct in last quarter of 2020

The National Institute of Statistics (INS) revised downwards to 4.8% the data on the growth of the Gross Domestic Product (GDP) for last year's quarter, without affecting, however, the estimate for the whole year, according to which the Romanian economy contracted by 3.9% in real terms, informs a press release of the the institution published on Tuesday.

The figures released by the INS on February 16, 2021 indicate a GDP advance of 5.3% in the fourth quarter of 2020 compared to the previous quarter.

According to the new data presented on Tuesday, compared to the same quarter of 2019, the Gross Domestic Product registered a decrease of 1.4% as gross series (1.5% previously) and by 1.8% as the seasonally adjusted series.

The estimated Gross Domestic Product for the fourth quarter of 2020, as seasonally adjusted series, was 280.125 billion lei current prices, while, as gross series, it was 329.304 billion lei current prices.

The estimated Gross Domestic Product for 2020 was 1,053 billion lei current prices.

The decline in the economy was mainly generated by the decline in consumption, given that, according to the INS, household final consumption expenditures fell by 5%, having a -3.1% contribution to the decline in GDP. The volume of expenditures for individual final consumption of administrations decreased by 2.9%, contributing with -0.2% to the decrease in GDP.

In addition, net exports had a negative contribution to the evolution of the economy (-1.4%), as a consequence of the 10% reduction in the volume of exports of goods and services, correlated with a smaller decrease in the volume of imports of goods and services, by 6%.

On the other hand, the gross fixed capital formation had a positive contribution to the change of GDP, of + 1.3%, against the background of a volume of growing investments by 5.6%.