

GDP per capita nowcast for 2003

GDP per capita in new Member States ranges from 42% of EU25 average in Latvia to 83% in Cyprus

GDP per capita¹ in **Luxembourg**², expressed in terms of purchasing power standards³ (PPS), was more than twice the EU25 average in 2003, while **Ireland** was about one third above average, and **Denmark, Austria, the Netherlands** and the **United Kingdom** around 20% above average. **Belgium, Sweden** and **France** were about 15% above average, and **Finland, Germany** and **Italy** were around 10% above the EU25 average.

Spain was 5% below the EU25 average, and **Cyprus** about 15% below. **Greece, Slovenia, Portugal** and **Malta** were between 20% and 30% below average. The **Czech Republic** was around 30% below average and **Hungary** about 40% below. **Slovakia** was just above half the average, while **Estonia, Lithuania, Poland** and **Latvia** all recorded figures between 40% and 50% of the EU25 average.

Eurostat, the Statistical Office of the European Communities, publishes⁴ for the first time today “nowcasts⁵” of GDP per capita expressed in terms of the **EU25** average.

GDP per capita in 2003 in PPS, EU25 = 100

EU Member States, EFTA⁶ countries and Candidate⁶ countries

Luxembourg	208	Greece	79
Ireland	131	Slovenia	77
Denmark	123	Portugal	75
Austria	121	Malta	73
Netherlands	120	Czech Republic	69
United Kingdom	119	Hungary	61
Belgium	116	Slovakia	51
Sweden	115	Estonia	48
France	113	Lithuania	46
Finland	111	Poland	46
EU15	109	Latvia	42
Germany	108	Norway	149
Italy	107	Switzerland	129
Euro-zone	107	Iceland	116
EU25	100	Romania	30
Spain	95	Bulgaria	29
Cyprus	83	Turkey	27

1. GDP, and thus per capita GDP, are indicators of a country's total production and expenditure, and are therefore a way of measuring and comparing the degree of economic development of countries. GDP is not synonymous with the income ultimately available to private households in a country.
2. The GDP per capita in Luxembourg tends to be overestimated, due to the large share of cross-border workers in total employment. While contributing to GDP, they are not taken into consideration as part of the resident population which is used to calculate GDP per capita.
3. The PPS (purchasing power standard) is an artificial currency that reflects differences in national price levels that are not taken into account by exchange rates. This unit allows meaningful volume comparisons of economic indicators over countries.
4. **Eurostat**, *Statistics in Focus*, Economy and Finance, 27/2004, "**GDP per capita in Purchasing Power Standards for EU, Candidate Countries and EFTA - Nowcast 2003**". The *Statistics in Focus* also includes data expressed in terms of EU15 = 100.
5. The regular publication schedule of GDP per capita includes three estimates for a particular year. Taking 2003 as an example, the first estimate (nowcast), based on projections, is published at the beginning of June 2004. At the end of 2004, the second estimate (preliminary data) will be published, partly based on prices collected in 2003. The third estimate (final data) will become available by end-2005. Between the second and third estimates it is mainly national accounts data that will be revised. **The nowcasts of GDP per capita for 2003 presented in this News Release have a very provisional character.** This provisional status arises from the input data availability at the point in time of nowcasting. The GDP per capita figures in national currency are converted, using Purchasing Power Parities (PPP), to "real" volumes. Two main basic data sets are required for the calculation of PPP: prices from the PPP price surveys and weights (GDP expenditure) from National Accounts (NA). Fully validated results of PPP price surveys are usually available only 12 months after the survey has been executed. At the point in time when the nowcasting is undertaken (t+5 months), generally no price data from price surveys are available for the reference year in question. Therefore, the PPP of the previous year have to be extrapolated with annual average price indices such as the HICP or national CPIs for consumer goods and services. NA information on main expenditure aggregates becomes available for the first time by March-April following the reference year. At this point in time, it is limited to a few main aggregates. For the aggregation of PPP more detailed expenditure weights are necessary, so that the detailed expenditure structure of the year 2002 is used to estimate detailed weights for 2003 by scaling it to the newly available information for 2003 at main aggregates level. A reference to a detailed description of the nowcast methodology employed and the related tests is given in the *Statistics in Focus*.
6. EFTA: Iceland, Norway and Switzerland. No data for Liechtenstein. Candidate Countries: Bulgaria, Romania and Turkey.

<p>Issued by: Eurostat Press Office Philippe BAUTIER BECH Building L-2920 LUXEMBOURG Tel: +352-4301-33 444 Fax: +352-4301 35-349 <u>eurostat-pressoffice@cec.eu.int</u> Eurostat Data Shop Network: <u>http://europa.eu.int/comm/eurostat/</u> Data Shop Services / List of Data Shops</p>	<p>For further information on the data: Silke STAPEL Tel: +352-4301-32 263 Fax: +352-4301-33 989 <u>silke.stapel@cec.eu.int</u> Peeter LEETMAA Tel: +352-4301-34 558 Fax: +352-4301-33 989 <u>peeter.leetmaa@cec.eu.int</u> Eurostat news releases on the Internet: <u>http://europa.eu.int/comm/eurostat/</u></p>
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