

Decline in the economy decelerated in the 3rd quarter

According to Statistics Estonia, by flash estimates, the gross domestic product (GDP) of Estonia decreased by 15.3% in Estonia in the 3rd quarter of 2009 compared to the same quarter in the previous year.

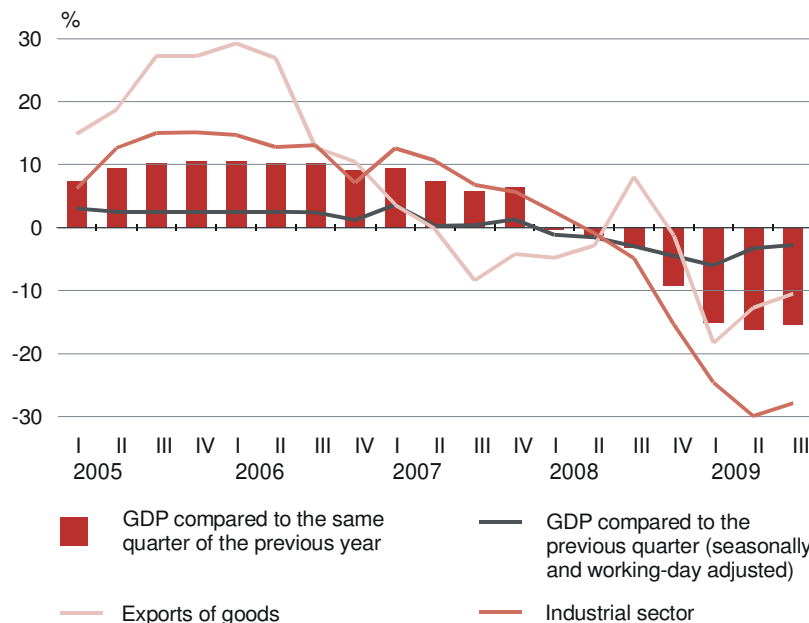
In the 1st quarter of the current year the GDP decreased by 15.0% and in the 2nd quarter by 16.1%.

Compared to the 2nd quarter, the seasonally and working-day adjusted GDP decreased by 2.8% in the 3rd quarter, whereas the decrease decelerated — in the 1st quarter the GDP decreased by 6.0% and in the 2nd quarter by 3.4% compared to the previous quarter.

The decrease of the value added decelerated in the majority of economic activities. By flash estimates the decrease in the value added deepened only in the wholesale and retail trade and the financial intermediation activity. The value added of the financial intermediation dropped due to the decrease in the financial and interest income and fees and commissions' income of the enterprises operating in this economic activity. The decrease of the value added of the wholesale and retail trade was caused by continually weak domestic demand.

The value added of the industrial sector decreased by 28% (in the 2nd quarter by 30%) according to the flash estimates. Whereas the domestic demand was small, domestic orders of the manufacturing production continually decreased in the 3rd quarter. At the same time the decrease of exports of goods of both manufacturing and total economy decelerated.

Real growth rate of the GDP, industrial sector and exports of goods, 1st quarter 2005 – 3rd quarter 2009



Industrial sector consists of mining, manufacturing, electricity, water and gas supply and construction activities accounting for approximately a quarter of the gross value added of the total economy.

The first estimate of the GDP for the 3rd quarter of 2009 calculated in accordance with the internationally recognized methodology will be published by Statistics Estonia on 9 December.

For further information:

Tõnu Mertsina
Head of National Accounts Service
Statistics Estonia
Tel +372 625 9353