GDP and GDP per capita are widely used as summary, global indicators of economic activity and welfare by analysts, politicians, the press, the business community and the public at large. Movements of GDP and GDP per capita, and their associated price and volume measures, are used to evaluate the overall performance of the economy and to assess the relative success or failure of economic policies pursued by government.

National accounts are also used to investigate the casual mechanism at work within an economy. Economic policy-making and decision-making take place at all levels of government and also within public and private corporations. Large corporations such as multinationals have the ability to build their own macroeconomic models tailored to their own requirements, for which they need national accounts data.

The System of National Accounts (SNA) is used for international reporting of national accounts data that conform to standard, internationally accepted concepts, definitions and classifications. The resulting data are used for international comparisons of the volumes of GDP and GDP per capita and also for comparisons of structural statistics, such as ratios of investment, taxes or government expenditures to GDP. Such comparisons are used by economists, journalists or other analysts to evaluate the performance of one economy against that of other similar economies.
GROSS DOMESTIC PRODUCT

GROSS DOMESTIC PRODUCT (GDP) is the total value of all final goods and services produced within the economy in a given time. The THREE approaches in measuring GDP are:

- **Expenditure Approach:** The total spending on final goods and services by households, government, and foreign countries.
- **Income Approach:** The total income earned by factors of production (labor, capital, entrepreneurship).
- **Production Approach:** The output of goods and services produced within the economy.

GROSS DOMESTIC CAPITAL FORMATION

GROSS DOMESTIC CAPITAL FORMATION (GFCF) is measured by the total value of the gross fixed capital formation, changes in inventories and acquisitions less disposals of valuables. GROSS FIXED CAPITAL FORMATION is measured by the total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period plus certain specified consumption on services that add to the value of non-produced assets.

FINANCIAL CONSUMPTION EXPENDITURE

Final total consumption in the economy is defined from expenditure side as the total value of all expenditures on individual and collective consumption of goods and services incurred by resident households and nonprofit institutions serving households (NPISHs) and general government agencies.

HOUSEHOLD FINAL CONSUMPTION EXPENDITURE

Household final consumption expenditure consists of expenditure incurred by resident households on consumption of goods or services. This includes the purchase of goods and services, goods and services received in kind and goods and services produced and consumed by the same household.

HOUSING

Household is defined as a group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food. It includes both individual and institutional households.

INSTITUTIONAL HOUSEHOLDS are persons living permanently in an institution, or who may be expected to reside in an institution for a very long or indefinite period of time, are treated as belonging to a single institutional household when they have little or no autonomy of action or decision in economic matters.

GOVERNMENT FINAL CONSUMPTION EXPENDITURE

Government final consumption expenditure is the value of all types of output of general government, less the value of output for own account capital formation. It includes government acquisition of goods and services purchased from market producers for delivery to households free or less the value of sales of goods and services, plus the value of goods and services delivered to households. Household final consumption expenditure consists of expenditure incurred by resident households on consumption of goods or services. This includes the purchase of goods and services, goods and services received in kind and goods and services produced and consumed by the same household.

Housing, water, electricity, gas and other fuels

Housing and household equipment and routine household maintenance

Health

Alcoholic beverages, tobacco

Clothing and footwear

Housing, water, electricity, gas and other fuels

Furnishings, household equipment and routine household maintenance

Health

Transportation

Communication

Recreation and culture

General industrial machinery and equipment

Miscellaneous goods and services

Food and non-alcoholic beverages

Total final consumption in the economy is defined from expenditure side as the total value of all expenditures on individual and collective consumption of goods and services incurred by resident households and nonprofit institutions serving households (NPISHs) and general government agencies.

INSTITUTIONAL HOUSEHOLDS are persons living permanently in an institution, or who may be expected to reside in an institution for a very long or indefinite period of time, are treated as belonging to a single institutional household when they have little or no autonomy of action or decision in economic matters.

There are two types of Valuables:

1. **Unique but Reproducible Valuables:** These include unique but reproducible products such as art objects, certain scientific research products, and software. They are recorded or embodied in a product.
2. **Reproducible but Unique Valuables:** These include intellectual property products such as patents, copyrights, trademarks, and designations. They are recorded or embodied in a product.

FINANCIAL TRANSACTIONS

FINANCIAL TRANSACTIONS are outputs produced by an enterprise that is not yet finished and has not reached the stage in which it is normally sold or used. FINISHED GOODS are goods produced as outputs which are ready for sale, but not yet sold and are not intended to be kept on hand.