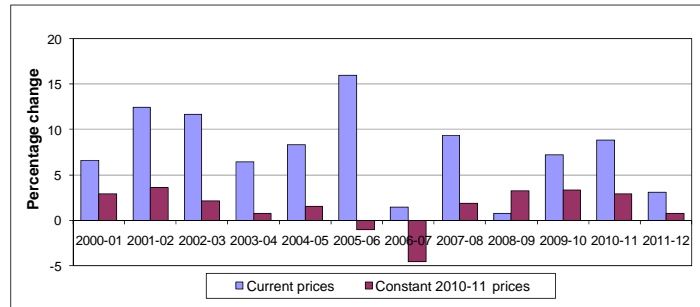


GDP Highlights

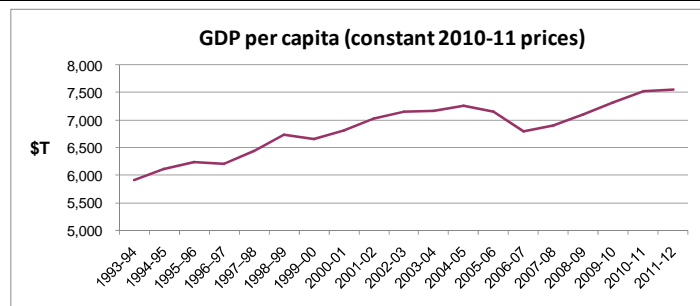
Gross Domestic Product (GDP)

- Real GDP rose by 0.8 percent in 2011-12, after increasing 2.9 percent in 2010-11.
- Annual real GDP growth has risen for five consecutive years, due in part to reconstruction of the Nuku'alofa CBD and donor-funded aid projects.
- Real GDP growth has averaged 2.4 percent per annum since 2006-07.
- The estimated level of nominal GDP for 2011-12 was T\$799.3 million in current prices, up 3.1 percent compared to the revised 2010-11 estimate.



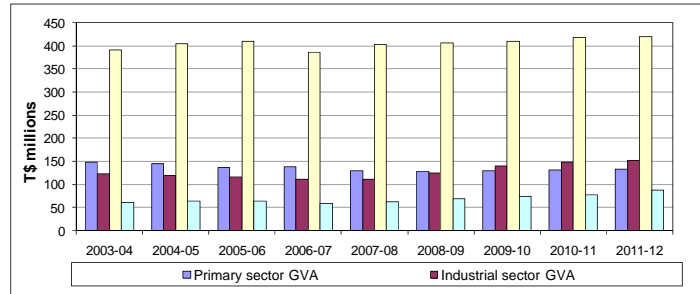
GDP per capita

- GDP per capita has also increased every year since 2006-07 after declines in 2004-05 and 2005-06.
- In 2011-12, current price GDP per capita was \$7,738.
- Population growth is assumed to be 0.25 percent per annum.



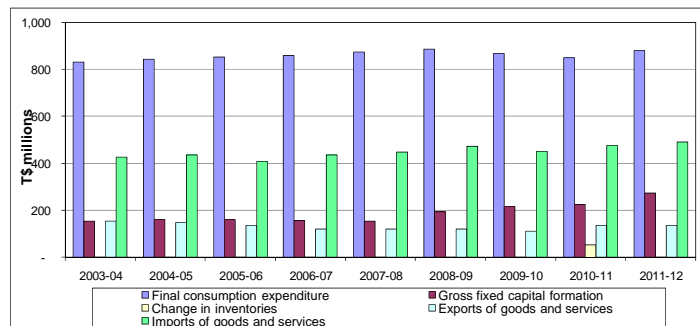
Sectoral analysis

- The primary sector rose 0.5 percent. Increases in agriculture were offset by declines in fishing and forestry exports.
- The industrial sector rose 1.2 percent. Construction and mining and quarrying continued to perform strongly, but there were falls in the manufacturing and electricity and water supply industries.
- The service sector rose 0.4 percent, with mixed results across industries.



Expenditure on GDP

- Final consumption expenditure increased by 3.5 percent due to increases in all sectors.
- Gross capital formation fell by 3.7 percent, due a 12.6 percent fall in durable equipment (the MV Otuanga'ofa was included in the 2010-11 estimates). Change in inventories includes unfinished Chinese loan financed projects.
- Exports declined by 0.8 percent, mainly due to a fall in agriculture exports, while imports increased by 2.6 percent.



Background information

1. Compilation of the accounts

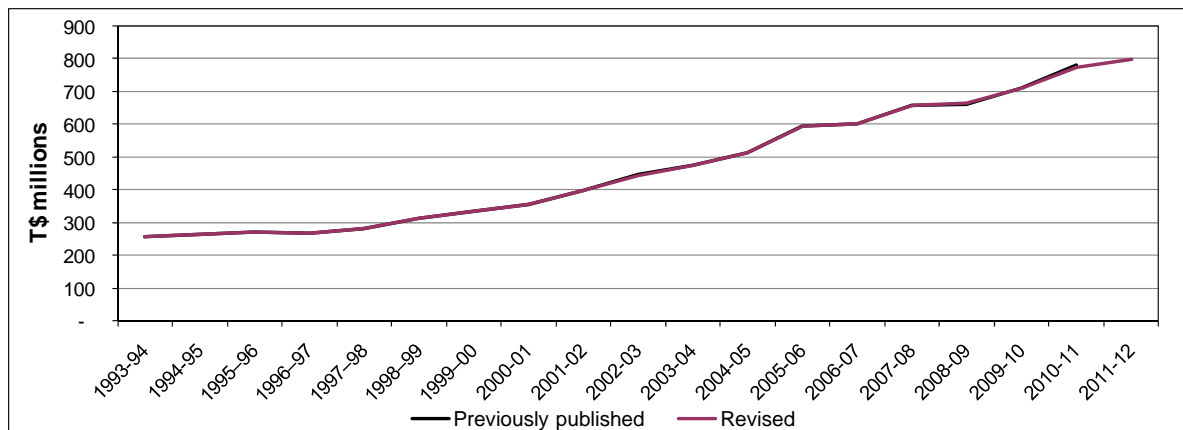
This release is the first preliminary release of data for the 2011-12 financial year and revisions to earlier years. The release contains data from 1993-94 to 2011-12 and provides annual estimates for production and expenditure on GDP, gross national income and gross national disposable income. The estimates were prepared by Anne McAllister, resident economic statistics advisor, and Statistics Department staff. The full National Accounts bulletin, which will be released in April 2013, will contain estimates of gross savings and net worth and a full commentary on the results.

2. Constant price (real) GDP

Real GDP is expressed in the base-year prices for 2010-11. The purpose of GDP revaluation by base-year prices (real GDP) is to eliminate the effects of price changes/inflation in time series of GDP, so that changes in the series represent the changes in the physical volume of goods and services. Inter-temporal comparisons of GDP or other related figures should be measured in real prices.

3. Revisions

There have been some minor revisions that impact on all years, due to updated data and improvements in deflators. The previously published growth rate of 4.7 percent for 2010-11 has been revised downwards to 2.9 percent, while the growth rate for 2009-10 was revised upwards from 2.7 percent to 3.3 percent.



4. Acknowledgement

The Statistics Department wishes to thank the businesses and government ministries that supplied data for use in these estimates.