



United Republic of Tanzania

PRESS RELEASE

**ON FIRST QUARTER GROSS DOMESTIC
PRODUCT
JANUARY – MARCH, 2014**



**National Bureau of Statistics
Ministry of Finance
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1.0 Introduction

The Quarterly Gross Domestic Product (QGDP) reports provide up-to-date information, on quarterly basis to national accounts stakeholders, for monitoring economic cycles in short intervals. The First QGDP report is for the period of January to March, 2014.

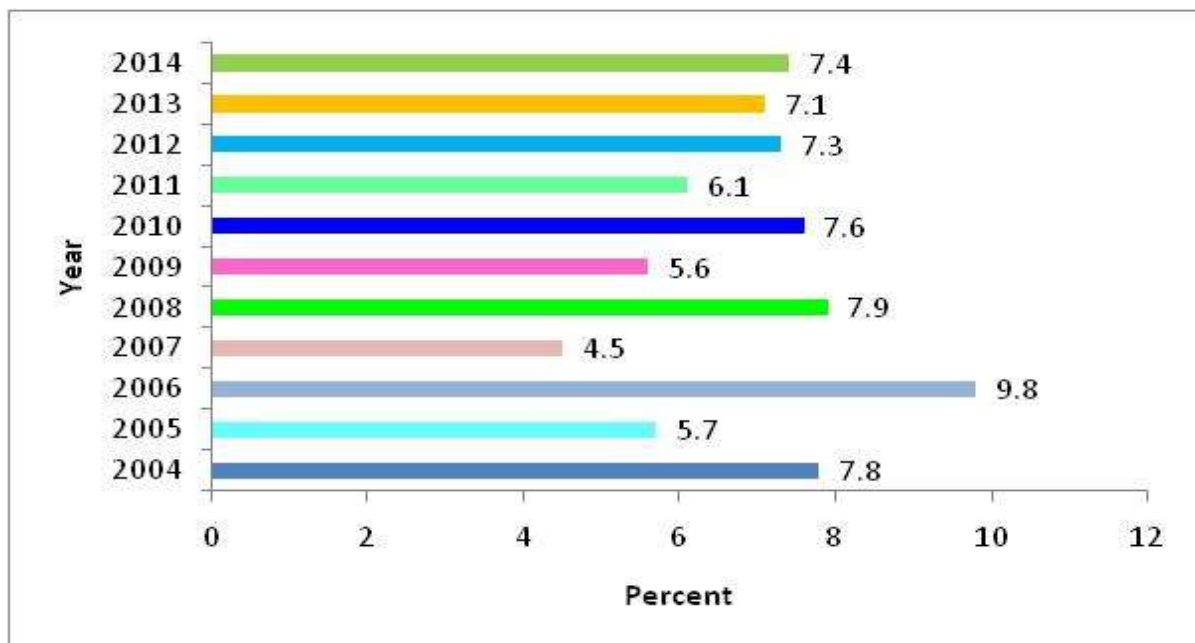
The information used in the compilation of the First QGDP are for goods and services produced in the country during the period of January – March, 2014. Nevertheless, the compilation of Quarterly Gross Domestic Product follows the United Nations System of National Accounts (SNA).

1.1 Economic Growth

The First Quarter Gross Domestic Product at market price increased at the growth rate of 7.4 percent during the period of January – March, 2014 compared to the growth rate of 7.1 percent recorded in the reference quarter in 2013, Chart No. 1.

In absolute terms, the QGDP for the quarter under review was 4,862,689 million shillings in 2014 compared to 4,526,148 million shillings in 2013.

Chart No. 1: Growth Rates for the First Quarter GDP 2004 - 2014



2.0 Growth Rates by Kind of Economic Activities

The Quarterly GDP growth rates by kind of economic activity for the first quarter, 2014 are presented as follows:

2.1 Agriculture and Fishing Activity

The agriculture activity registered the growth rate of 1.6 percent in the first quarter of 2014 similar to what was registered in the first quarter of 2013. During the period under review crops recorded the growth rate of 1.4 percent in 2014 compared to 0.6 percent in 2013; Livestock recorded the growth rate of 1.8 percent in 2014 compared to 3.5 in 2013; Forestry and Hunting recorded the growth rate of 1.6 in 2014 compared to 2.9 percent in 2013. During the period under review, there was enough rainfall in areas that produce short rain crops and the government effort of providing improved seeds and extension services to farmers.

Fishing activity increased at the growth rate of 2.5 percent in the first quarter of 2014 compared to the growth rate of 1.8 percent recorded in the first quarter of 2013. The growth rate was attributed to increased fish catch to meet domestic and international markets.

2.2 Industry and Construction Activity

The Mining and Quarrying activity growth rate increased at 8.7 percent in the first quarter of 2014 compared to a negative growth rate of 1.7 percent in the similar quarter of 2013. The growth rate was mainly attributed to increased gold production in the first quarter of 2014 compared to the first quarter of 2013.

Manufacturing activity recorded the growth rate of 8.5 percent in the first quarter of 2014 compared to 8.3 percent in 2013. The growth was attributed to increased manufactured food, beverage and tobacco products.

Electricity generation and water supply activity increased by 12.6 percent in the first quarter of 2014 compared to 6.2 percent in the corresponding quarter of 2013.

The growth rate was attributed to the increase in electricity generated from thermal and gas plants.

2.3 Services Activity

Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles, Personal and Household Goods recorded the growth of 8.0 percent in the first quarter of 2014 compared to 10.0 percent recorded in the first quarter of 2013. Real Estates and Business Services activity recorded the growth rate of 8.1 percent in the period under review compared to 9.0 percent in 2013.

During the period under review, Transport and Communication activity increased by 16.5; Hotels and Restaurants increased by 3.0 percent; Public Administration increased by 5.1 percent; Education increased by 5.2 percent and Health and Other Services increased by 4.5 percent.

3.0 Conclusion

The First Quarter Gross Domestic Product compilation used information on goods and services produced during the period of January to March in 2014; recording the growth rate of 7.4 percent in 2014 compared to 7.1 percent recorded in 2013.

However, according to the projection by “the Financial Programming Group”, GDP growth is projected to increase to 7.2 percent in the period of January to December, 2014.

Furthermore, the National Bureau of Statistics will disseminate Second Quarter Gross Domestic Product (April – June) on 30th September, 2014 as indicated in the NBS Release Calendar.