Quarterly National Accounts of Pakistan,

Quarterly National Accounts (QNA) constitutes a system of integrated quarterly time series coordinated through an accounting framework. This framework lends itself for further economic analysis and model building. QNA lies between Annual National Accounts (ANA) and individual short term indicators. It is more timely but less detailed than ANA, however it is comprehensive and more illustrative than individual indicators. Business cycles and seasonal variations are being suppressed in the annual data while these can be tracked through quarterly data. Having QNA data in a time-series format is essential for business cycle analysis, for identifying turning points, for trend-cycle analyses, for studying the dynamic relationships between economic variables (in particular, leads and lags), and for forecasting.

QNA adopt the same principles, definitions, and structure as the annual national accounts. The overall reference for concepts and methods is the System of National Accounts (SNA) 2008 and the manual of International Monetary Fund (IMF) on QNA. Change of base of national accounts of Pakistan, 2005-06 document is the one that has been followed in QNA. The base year of QNA is same as ANA. All developments are within these parameters. Recently adopted standards in the change of base of Annual National Accounts are being followed. The methods of the annual compilations are adopted wherever possible. In rare cases other methods and sources had to be chosen. This is specially the case for construction industry,

The constraints of time, resources and data availability are more in QNA. Given the time pressure the calculations will be confined to the production side of GDP. While the internal compilation fully covers GDP at constant prices in absolute terms the publication of the figures is confined to growth rates as these are the most important early indicators. Industry break up will also be presented. Given the limited accuracy of the preliminary figures the classification of economic activities provided in the publication is less detailed than in the annual one. Other features like nominal estimates, expenditure series and Gross Fixed Capital Formation will continue as usual to be an annual feature.

QNA will be consistent with the ANA. More accurate estimates of the ANA will improve the quality of QNA. Since the sources of both estimates are same, discrepancies will not be high. Sum of the four quarters will be equal to the annual estimates. While aligning the QNA to the ANA, the short term movements of the QNA are being preserved as much as possible. This will be the central theme for this exercise.

Data sources, compilation methods, alignment techniques will be documented. The results will be disseminated through press briefs, website of PBS and electronic media.

The pattern of the finalization of ANA will be followed in the QNA as well. The quarterly accounts within a year will become final when the annual accounts of that year are declared as final. Current year quarterly and annual accounts will remain provisional. However the previous year quarters will be treated as revised. The timing and frequency of releases of QNA will be according to the IMF standards of data dissemination (GDDS & SDDS).

Two types of comparisons will be presented.

- The **First comparison** will be with the corresponding quarter of the previous years. This will be a contribution to the annual growth rates.
- The **Second comparison** will of the cumulative periods.

Release calendar will be followed. The release time, as recommended by the international standards, should be within three months after the quarter. Provisional data are used wherever necessary to meet the target. Thus, PBS is fully in line with this practice.

Results of QNA are mainly compiled for the purpose of observing the business cycle. They are meant for evidence based decisions of the government, Ministry of Finance, State Bank and Planning in their role of counteracting undesirable short-term developments of the economy and monitoring as early as possible. Therefore, the figures of QNA have to be provided at a stage of time where they are provisional. It is common international practice to compromise between the conflicting goals of accuracy and timeliness by applying a cascade of release procedure which in case of PBS is planned as follows:

Quarter	Time	Release of ...
Quarter - 1 (July – September)	First working day of January along with CPI	Provisional figures of Q1
Quarter – 2 (October – December) Half-yearly figures (July–December)	First working day of April along with CPI	Provisional figures of Q2 Half-yearly provisional figures
Q3 &Q4 and Annual	May	Provisional figures Revised and final figures of previous years
When all four quarters have passed	First working day of October.	Reconciliation of quarterly figures with annual accounts

The practice of releasing annual estimates will continue according to its own schedule. The results for the quarter 1 of the year 2013-14 are given in the table below for illustration.

Summary Table: Growth Rates (provisional) Quarter 1 of the Year 2013-14

Sector / Industry	Change (%) over Corresponding Quarter of previous year		Annual Growth Rates	Targets
	Q1 2012-13/ Q1 2011-12	**Q1 2013-14/ Q1 2012-13**	2012-13	2013-14
Agriculture	2.7	**2.5**	3.3	3.8
Industry	3.1	**5.2**	3.5	4.5
Services	2.9	**5.7**	3.7	4.5
Total	2.9	**5.0**	**3.6**	4.4