

News Release

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CNMI GDP INCREASES IN 2017

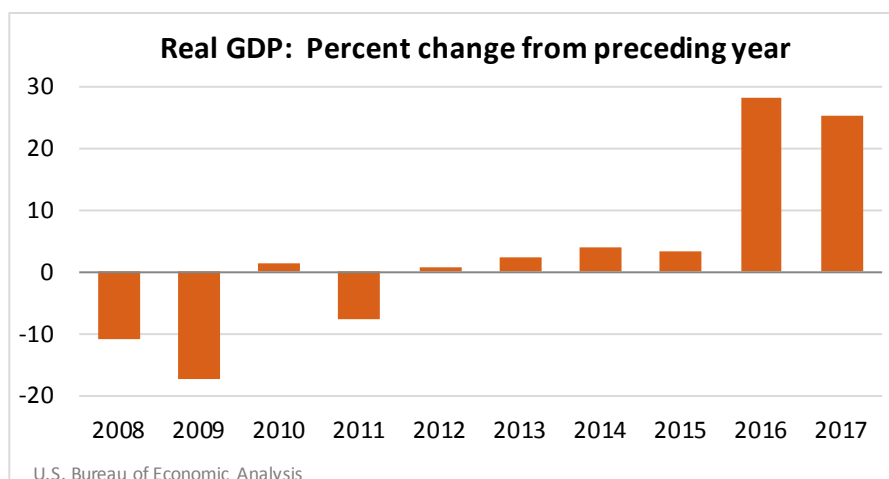
Growth led by tourism and gaming industry revenues

CAPITOL HILL, SAIPAN (October 18, 2018) -- Today, the Bureau of Economic Analysis (BEA) is releasing estimates of gross domestic product (GDP) for the Commonwealth of the Northern Mariana Islands (CNMI) for 2017, in addition to estimates of GDP by industry and compensation by industry for 2016.¹ These estimates were developed under the Statistical Improvement Program funded by the Office of Insular Affairs (OIA) of the U.S. Department of the Interior.

Revised estimates of GDP for 2013 to 2016, as well as revised estimates of GDP by industry and compensation by industry for 2013 to 2015, are also presented in this release.

Gross Domestic Product for 2017

The estimates of GDP for the CNMI show that real GDP—GDP adjusted to remove price changes—increased 25.1 percent in 2017 after increasing 28.2 percent in 2016 (see Table 1.3). For comparison, real GDP for the United States (excluding the territories) increased 2.2 percent in 2017 after increasing 1.6 percent in 2016.



¹ These estimates are based on limited source data and are subject to revision.

The largest contributor to growth in the CNMI economy was exports of services (see Table 1.4). The increase in exports of services reflected continued growth in visitor spending, particularly on casino gambling. The number of visitors to the CNMI grew 24 percent in 2017, following an increase of 11 percent in 2016.

Partly offsetting the growth in exports of services was a decline in private fixed investment, which decreased 8.9 percent after three consecutive years of double-digit growth. However, real business spending on construction and equipment remained at historically high levels, supported by continued development of the casino resort on Saipan (see Table 1.2).

Gross Domestic Product by Industry and Compensation by Industry for 2016

The estimates of GDP by industry for the CNMI show that the private sector was the source of the growth in real GDP in 2016 (see Table 2.5). The largest contributor to growth was the accommodations and amusement sector, reflecting growth in tourism and output of the casino industry.

The compensation by industry estimates, which are measured in current dollars, show trends in compensation for major industries (see Table 2.6). Total compensation increased in 2016, reflecting increases in all sectors shown in the table. The largest increase was in the accommodations and amusement sector.

The accompanying tables present estimates for GDP and its major components, GDP by industry, and compensation by industry. Also included in this release are estimates for the major components of gross domestic income.

Revisions to GDP

Estimates for 2013 to 2016 that were released on October 16, 2017 have been revised in order to incorporate improvements to source data, including:

- newly available data for territorial government spending from government financial statements,
- updated international trade data provided by the CNMI government, and
- the 2016 CNMI Consumer Price Index.

The revised estimates show a similar pattern of inflation-adjusted growth as the previously published estimates (see Table 1.7).

Future directions

Moving forward, an agreement between OIA and BEA will extend and improve the estimates of GDP for the CNMI. The information provided by the CNMI government will continue to be critical to the successful production of these estimates.

BEA currently plans to release GDP estimates for 2018 beginning in the summer of 2019. GDP by industry and compensation by industry estimates for 2017 will also be released at the same time.

Additional Information

Resources

- Stay informed about BEA developments by reading the BEA [blog](#), signing up for BEA's [email subscription service](#), or following BEA on Twitter [@BEA News](#).
- Historical time series for these estimates can be accessed at BEA's [Gross Domestic Product \(GDP\) for the U.S. Territories](#).
- Access BEA data by registering for BEA's Data [Application Programming Interface](#) (API).
- For more on BEA's statistics, see our monthly online journal, the [Survey of Current Business](#).
- BEA's [news release schedule](#)

Definitions

Gross domestic product (GDP) is the value of the goods and services produced by the CNMI economy less the value of the goods and services used up in production. GDP is also equal to the sum of personal consumption expenditures, private fixed investment, net exports of goods and services, and government consumption expenditures and gross investment.

Personal consumption expenditures (PCE), also referred to as “consumer spending,” measures the goods and services purchased by “persons”—that is, by households and by nonprofit institutions serving households (NPISHs)—who are resident in the CNMI.

Private fixed investment (PFI) measures spending by private businesses, nonprofit institutions, and households on fixed assets in the CNMI economy. Fixed assets consist of structures, equipment, and software that are used in the production of goods and services.

Net exports of goods and services is the difference between exports of goods and services and imports of goods and services. Exports measures the portion of total CNMI production of goods and services that is provided to the rest of the world. Imports measures the portion of total

CNMI expenditures that is accounted for by goods and services provided by the rest of the world.

Government consumption expenditures and gross investment, or “government spending,” measures the portion of GDP that is accounted for by the government sector. Government consumption expenditures consists of spending by government to produce and provide services to the public. Gross investment consists of spending by government for fixed assets that directly benefit the public or that assist government agencies in their production activities.

Gross domestic income (GDI) is the sum of incomes earned and costs incurred in the production of GDP. In national economic accounting, GDP and GDI are conceptually equal.

Current-dollar estimates are valued in the prices of the period when the transactions occurred—that is, at “market value.” Also referred to as “nominal estimates” or as “current-price estimates.”

Real values are inflation-adjusted estimates—that is, estimates that exclude the effects of price changes.

Statistical Conventions

Quantities and prices. Quantities, or “real” volume measures, and prices are expressed as index numbers with a specified reference year equal to 100 (currently 2009). Quantity and price indexes are calculated using a Fisher chain-weighted formula that incorporates weights from two adjacent years. “Real” dollar series are calculated by multiplying the quantity index by the current-dollar value in the reference year (2009) and then dividing by 100.

Chained-dollar values are not additive because the relative weights for a given period differ from those of the reference year.

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1. Domestic Product and Income

Table 1.1. Gross Domestic Product

	Line	[Millions of dollars]										
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross domestic product	1	938	939	795	799	733	751	782	845	931	1,250	1,593
Personal consumption expenditures	2	480	504	431	442	451	469	494	520	526	551	597
Goods	3	358	387	332	354	366	399	424	451	453	462	523
Durable goods	4	137	142	119	130	132	143	166	186	194	202	227
Nondurable goods	5	222	245	213	224	234	256	257	265	258	259	296
Services	6	409	427	381	398	378	427	460	498	556	965	1,214
Net foreign travel	7	-287	-310	-283	-309	-293	-357	-390	-429	-483	-876	-1,140
Private fixed investment	8	79	83	85	77	74	79	87	123	198	327	301
Net exports of goods and services	9	47	29	-47	-70	-132	-98	-111	-110	-130	0	296
Exports	10	627	488	312	335	317	380	414	451	504	903	1,170
Goods	11	333	172	23	19	17	16	17	15	13	19	23
Services	12	293	316	289	316	300	364	397	436	491	883	1,148
Imports	13	579	459	360	405	449	478	525	561	633	902	874
Goods	14	498	394	307	346	384	409	449	477	488	636	632
Services	15	81	66	53	59	65	69	76	84	145	267	242
Government consumption expenditures and gross investment	16	332	324	327	349	340	301	312	312	336	372	400
Federal	17	13	15	20	22	22	21	20	22	29	26	26
Territorial	18	319	308	306	327	318	279	292	290	308	346	374

NOTE. Detail may not add to total because of rounding.

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Table 1.2. Real Gross Domestic Product, Chained Dollars

	Line	[Millions of chained (2009) dollars]										
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross domestic product	1	1,084	964	795	806	744	748	766	795	822	1,054	1,319
Personal consumption expenditures	2	516	509	431	444	430	440	463	483	499	518	545
Goods	3	395	400	332	349	338	363	388	403	414	422	463
Durable goods	4	149	149	119	127	121	131	153	169	185	190	203
Nondurable goods	5	246	251	213	222	217	232	234	235	230	233	260
Services	6	434	433	381	389	354	390	413	435	485	812	1,006
Net foreign travel	7	-313	-324	-283	-294	-263	-313	-336	-353	-400	-732	-945
Private fixed investment	8	80	82	85	78	72	76	84	119	193	320	292
Net exports of goods and services	9	147	48	-47	-56	-82	-52	-64	-76	-148	-105	138
Exports	10	747	476	312	320	284	333	357	373	415	721	920
Goods	11	396	138	23	19	15	14	15	13	12	18	20
Services	12	320	331	289	300	269	319	342	359	402	702	898
Imports	13	600	428	360	376	367	384	421	449	563	825	782
Goods	14	511	361	307	320	308	323	354	378	440	594	574
Services	15	88	67	53	56	59	61	67	71	124	229	206
Government consumption expenditures and gross investment	16	348	326	327	341	327	286	289	279	297	324	340
Federal	17	13	16	20	21	21	20	19	20	25	23	22
Territorial	18	335	310	306	320	307	265	270	259	272	301	317
Addenda:												
Population (thousands) ¹	19	59.3	57.6	55.5	53.5	52.2	51.4	51.2	51.0	50.8	50.6	50.3
Per capita real GDP (chained dollars)	20	18,280	16,736	14,324	15,065	14,253	14,553	14,961	15,588	16,181	20,830	26,223

(1) Source: U.S. Census Bureau

NOTE. Estimates of population for 2013–2017 reflect the incorporation of updated information from the U.S. Census Bureau's International Data Base.

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Table 1.3. Percent Change From Preceding Year in Real Gross Domestic Product

	Line	[Percent]									
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross domestic product	1	-11.1	-17.5	1.3	-7.7	0.6	2.4	3.9	3.4	28.2	25.1
Personal consumption expenditures	2	-1.4	-15.4	3.0	-3.2	2.4	5.3	4.2	3.4	3.7	5.3
Goods	3	1.3	-17.1	5.1	-3.0	7.4	6.7	4.0	2.7	2.0	9.6
Durable goods	4	0.2	-20.2	6.7	-5.0	8.5	17.0	10.0	9.5	3.1	6.7
Nondurable goods	5	2.0	-15.3	4.1	-1.9	6.8	1.0	0.1	-2.1	1.2	11.9
Services	6	-0.3	-11.9	2.0	-9.1	10.4	5.7	5.3	11.6	67.4	23.9
Net foreign travel	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Private fixed investment	8	2.1	4.4	-8.9	-6.9	5.6	9.4	42.2	62.6	65.7	-8.9
Net exports of goods and services	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	10	-36.3	-34.4	2.4	-11.1	17.1	7.2	4.5	11.3	73.8	27.6
Goods	11	-65.2	-83.4	-16.7	-20.8	-8.6	6.9	-11.7	-9.0	48.2	16.5
Services	12	3.4	-12.5	3.8	-10.5	18.5	7.3	5.2	11.9	74.5	27.8
Imports	13	-28.6	-16.0	4.5	-2.5	4.8	9.5	6.7	25.4	46.6	-5.3
Goods	14	-29.3	-15.0	4.3	-3.8	5.0	9.6	6.6	16.4	35.0	-3.3
Services	15	-24.3	-21.2	6.0	5.7	3.8	8.8	7.3	73.4	85.3	-10.1
Government consumption expenditures and gross investment	16	-6.4	0.2	4.4	-4.0	-12.8	1.1	-3.2	6.3	9.2	4.7
Federal	17	19.2	30.7	4.4	-3.6	-2.5	-6.4	7.4	26.3	-9.5	-3.3
Territorial	18	-7.4	-1.3	4.4	-4.0	-13.5	1.7	-4.0	4.8	10.9	5.4

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Table 1.4. Contributions to Percent Change in Real Gross Domestic Product

	Line										
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Percent change:											
Gross domestic product	1	-11.1	-17.5	1.3	-7.7	0.6	2.4	3.9	3.4	28.2	25.1
Percentage points:											
Personal consumption expenditures	2	-0.68	-8.36	1.65	-1.80	1.47	3.27	2.63	2.00	2.07	2.34
Goods	3	0.48	-7.20	2.14	-1.39	3.69	3.55	2.13	1.37	0.95	3.56
Durable goods	4	0.03	-3.14	1.02	-0.84	1.52	3.22	2.09	1.99	0.63	1.11
Nondurable goods	5	0.45	-4.06	1.12	-0.55	2.17	0.33	0.04	-0.63	0.31	2.46
Services	6	-0.13	-5.45	0.99	-4.67	5.37	3.25	3.13	6.64	40.08	18.42
Net foreign travel	7	-1.02	4.28	-1.47	4.25	-7.60	-3.52	-2.64	-6.00	-38.96	-19.64
Private fixed investment	8	0.17	0.38	-0.96	-0.67	0.56	0.98	4.59	8.83	13.64	-2.32
Net exports of goods and services	9	-8.43	-9.64	-1.19	-3.46	4.44	-2.35	-2.05	-9.70	9.18	23.68
Exports	10	-25.55	-17.22	0.95	-4.80	7.39	3.66	2.38	5.85	39.63	19.89
Goods	11	-26.56	-12.91	-0.49	-0.53	-0.20	0.14	-0.25	-0.15	0.66	0.25
Services	12	1.01	-4.31	1.44	-4.27	7.58	3.52	2.63	6.00	38.97	19.63
Imports	13	17.13	7.58	-2.14	1.35	-2.95	-6.01	-4.43	-15.55	-30.45	3.79
Goods	14	15.13	6.08	-1.74	1.78	-2.62	-5.21	-3.73	-8.49	-17.55	1.66
Services	15	2.00	1.50	-0.41	-0.43	-0.33	-0.80	-0.70	-7.06	-12.89	2.13
Government consumption expenditures and gross investment	16	-2.12	0.08	1.82	-1.75	-5.92	0.45	-1.28	2.28	3.26	1.42
Federal	17	0.24	0.51	0.11	-0.10	-0.07	-0.18	0.19	0.68	-0.29	-0.07
Territorial	18	-2.36	-0.43	1.71	-1.65	-5.84	0.63	-1.47	1.60	3.55	1.48

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Table 1.5. Percent Change From Preceding Year in Prices for Gross Domestic Product and Price Indexes for Gross Domestic Product

	Line	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
		[Percent]										
Gross domestic product	1	1.6	12.5	2.7	-0.8	-0.7	1.9	1.7	4.1	6.5	4.8	1.9
Personal consumption expenditures	2	3.2	6.3	1.1	-0.4	5.3	1.6	-0.1	1.1	-2.2	1.0	3.0
		[Index numbers, 2009=100]										
Gross domestic product	3	86.5	97.4	100.0	99.2	98.5	100.4	102.1	106.3	113.2	118.6	120.9
Personal consumption expenditures	4	93.0	98.9	100.0	99.6	104.9	106.6	106.6	107.7	105.4	106.4	109.6

Table 1.6. Gross Domestic Income

	Line	[Millions of dollars]										
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross domestic income	1	938	939	795	799	733	751	782	845	931	1,250	1,593
Compensation of employees	2	533	501	455	456	431	415	433	469	497	581	655
Taxes on production and imports less subsidies	3	119	109	99	94	95	102	121	153	165	229	254
Gross operating surplus	4	286	329	241	249	207	234	228	223	269	440	684

NOTE. Detail may not add to total because of rounding.

Table 1.7. Revisions to Percent Change in Real Gross Domestic Product

	Line	2008	2009	2010	2011	2012	2013	2014	2015	2016
Percent change:										
Revised	1	-11.1	-17.5	1.3	-7.7	0.6	2.4	3.9	3.4	28.2
Previously published	2	-11.1	-17.5	1.3	-7.7	0.6	2.7	3.5	3.8	28.6
Percentage points:										
Revision	3	0.0	0.0	0.0	0.0	0.0	-0.3	0.4	-0.4	-0.4

Commonwealth of the Northern Mariana Islands

2. GDP by Industry

Table 2.1. Value Added by Industry

	Line	[Millions of dollars]									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross domestic product	1	938	939	795	799	733	751	782	845	931	1,250
Private industries	2	717	727	586	589	540	563	583	642	716	1,024
Manufacturing	3	174	50	18	16	15	12	11	15	18	22
Distributive Services	4	140	165	135	149	153	157	170	178	187	196
Accommodations and Amusement	5	111	122	105	110	97	114	134	149	188	450
All Other	6	291	390	328	314	274	280	269	301	323	355
Government	7	222	212	209	210	193	188	198	203	215	226
Federal	8	13	14	16	14	15	15	15	14	16	16
Territorial	9	209	197	193	196	178	173	184	189	199	210

NOTE. Detail may not add to total because of rounding.

Table 2.2. Value Added by Industry as a Percentage of GDP

	Line	[Percent]									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross domestic product	1	100	100	100	100	100	100	100	100	100	100
Private industries	2	76	77	74	74	74	75	75	76	77	82
Manufacturing	3	19	5	2	2	2	2	1	2	2	2
Distributive Services	4	15	18	17	19	21	21	22	21	20	16
Accommodations and Amusement	5	12	13	13	14	13	15	17	18	20	36
All Other	6	31	42	41	39	37	37	34	36	35	28
Government	7	24	23	26	26	26	25	25	24	23	18
Federal	8	1	1	2	2	2	2	2	2	2	1
Territorial	9	22	21	24	25	24	23	24	22	21	17

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Table 2.3. Real Value Added by Industry

	Line	[Millions of chained (2009) dollars]									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross domestic product	1	1,084	964	795	806	744	748	766	795	822	1,054
Private industries	2	846	745	586	601	560	573	585	616	639	864
Manufacturing	3	181	52	18	16	15	11	10	13	16	20
Distributive Services	4	147	169	135	147	148	148	158	164	170	179
Accommodations and Amusement	5	120	128	105	110	98	110	126	136	165	364
All Other	6	391	396	328	328	298	303	288	298	283	289
Government	7	237	219	209	204	184	176	182	182	185	192
Federal	8	13	15	16	14	14	14	13	13	13	14
Territorial	9	224	205	193	191	170	163	168	169	172	178

Table 2.4. Percent Changes in Real Value Added by Industry

	Line	[Percent]								
		2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross domestic product	1	-11.1	-17.5	1.3	-7.7	0.6	2.4	3.9	3.4	28.2
Private industries	2	-12.0	-21.3	2.6	-6.9	2.3	2.1	5.2	3.8	35.3
Manufacturing	3	-71.4	-65.4	-10.5	-7.8	-27.3	-6.5	32.3	21.1	23.1
Distributive Services	4	15.1	-20.4	9.3	0.8	-0.3	7.1	3.8	3.4	5.4
Accommodations and Amusement	5	6.9	-17.8	4.2	-11.0	13.0	13.8	8.4	20.8	121.2
All Other	6	1.2	-17.1	0.1	-9.1	1.6	-5.2	3.5	-4.9	2.1
Government	7	-7.5	-4.6	-2.3	-9.9	-4.3	3.1	-0.1	2.0	3.7
Federal	8	10.0	9.9	-15.1	1.5	-2.4	-2.1	-3.8	4.7	3.9
Territorial	9	-8.6	-5.6	-1.2	-10.8	-4.5	3.6	0.2	1.8	3.7

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Table 2.5. Contributions to Percent Change in Real Gross Domestic Product by Industry

	Line									
		2008	2009	2010	2011	2012	2013	2014	2015	2016
Percent change:										
Gross domestic product	1	-11.1	-17.5	1.3	-7.7	0.6	2.4	3.9	3.4	28.2
Percentage points:										
Private industries	2	-9.27	-16.49	1.94	-5.05	1.68	1.57	3.91	2.88	27.29
Manufacturing	3	-12.60	-3.50	-0.24	-0.16	-0.58	-0.10	0.45	0.36	0.44
Distributive Services	4	2.16	-3.58	1.58	0.16	-0.06	1.48	0.82	0.70	1.05
Accommodations and Amusement	5	0.78	-2.34	0.55	-1.52	1.74	2.12	1.42	3.63	25.07
All Other	6	0.39	-7.07	0.04	-3.53	0.58	-1.92	1.22	-1.81	0.72
Government	7	-1.71	-1.04	-0.61	-2.65	-1.13	0.79	-0.03	0.49	0.84
Federal	8	0.13	0.15	-0.32	0.03	-0.05	-0.04	-0.07	0.08	0.06
Territorial	9	-1.84	-1.19	-0.30	-2.68	-1.08	0.83	0.04	0.41	0.77

NOTE. Percentage-point contributions do not sum to the percent change in real gross domestic product because of rounding and differences in source data used to estimate GDP by industry and the expenditures measure of real GDP.

Table 2.6. Compensation of Employees by Industry

	Line	[Millions of dollars]									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total compensation	1	533	501	455	456	431	415	433	469	497	581
Private industries	2	336	307	263	264	259	252	267	298	311	383
Manufacturing	3	74	26	9	8	8	8	7	10	12	15
Distributive Services	4	62	72	58	62	62	63	67	71	74	78
Accommodations and Amusement	5	61	67	58	60	54	64	74	83	104	150
All Other	6	140	142	137	134	135	119	118	135	121	141
Government	7	197	194	192	191	172	163	166	171	186	198
Federal	8	13	14	16	14	14	14	14	14	15	16
Territorial	9	184	180	176	177	158	149	152	158	171	182

NOTE. Detail may not add to total because of rounding.