

ASSIGNMENT**PART A**

Excerpts from the UBOS Statistical Abstract 2021 on Uganda's key economic indicators

Table 4.1 A: GDP Summary Statistics, Fiscal Year 2015/16-2020/21

	2016/17	2017/18	2018/19	2019/20	2020/21
GDP at market prices					
At current prices (Billion shillings)	108,518	120,485	132,090	139,689	147,962
At constant 2016/17 prices (Billion shillings)	108,518	115,359	122,787	126,410	130,683
Quantity index (2016/17=100)	100.0	106.3	113.1	116.5	120.4
Constant price growth rates (%)	3.1%	6.3%	6.4%	3.0%	3.4%
Implied deflators (2016/17=100)	100%	104%	108%	111%	113%
GDP per capita at current prices					
GDP per capita (UGS '000)	2,908	3,127	3,321	3,403	3,492
GDP per capita (US \$)	824	855	889	916	954
Memorandum items					
Mid-Year Population ('000)	37,319	38,525	39,772	41,054	42,369
Exchange rate UGS per US \$	3,530	3,659	3,736	3,715	3,659

Source: Uganda Bureau of Statistics

1. Compute the annual GDP deflator and inflation rate for each year.
2. Compare the nominal GDP growth rates to the constant price (real) growth rates, and explain the discrepancy between the two.
3. By computation, show how the figures of GDP per capita at current prices were computed.
4. Calculate the GDP per capita at constant prices and compare these figures to the GDP per capita at current prices.
5. "In international comparisons of national accounts data, such as GDP per capita, it is desirable not only to express the figures in a common currency, but also to adjust for differences in price levels. Failing to do so would result in an overestimation of GDP levels for countries with high price levels, relative to countries with low price levels." Validate this statement.