

## What is new in PWT 6.2?

A major improved world ICP benchmark comparison is being carried about by the Global Office at the World Bank covering about 150 countries for 2005. As these data become available in 2007 and beyond, a major revision of PWT will be undertaken, PWT 7.0. Until then PWT 6.2 combines 2002 benchmark data for 30 OECD countries, updates for the other 138 countries in PWT 6.1, and adds 20 additional countries. Users may refer to some additional explanatory *Notes on PWT 6.2*.

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*Notes on PWT 6.2.* PWT 6.2 combines 2002 benchmark data for 30 OECD countries, updates for the other 138 countries in PWT 6.1, and adds 20 additional countries. The base year has been moved from 1996 to 2000. In addition there are some anomalies that users may see in the data that we try to correct as they are called to our attention. However, there some special problems that may appear first hand as errors, but in fact are problems with the underlying national accounts or population data. For example:

Some countries provide current and constant price national accounts for consumption, investment and government, but not exports and imports. This means that PWT can offer current price estimates of PPPs for the country, but not a constant price series. Examples include Guyana and Sierra Leone. In the future we will provide estimates of current and constant price domestic absorption.

Many small economies, or oil economies, where international trade is important, have improbably high historical levels of income. This is typically due to questionable national accounts deflators, especially for the foreign sector. For some of the oil economies, like Qatar, the problem may also be that their population figures do not include temporary workers but the GDP counts their production.

For the transition economies of the former Soviet Union and Eastern block, the years around 1990 represented a change in national accounting and price collection methods, so that often there are big jumps in the data. These jumps probably overstate real changes on the ground, but they do represent presently available national accounts information.

The price level of countries uses a PPP in the numerator and the exchange rate in the denominator. So shifts in this number can come about because of say rapid inflation with no accompanying exchange rate adjustment or an exchange rate change without any accompanying price changes. For countries experiencing major inflationary periods or major exchange rate adjustments, price levels will often display big changes from year to year.

China preliminarily revised its National Accounts in January, 2006 from the production side, but the expenditure side revisions are not completed as of August, 2006. China's national accounts estimates from the expenditure side in PWT 6.2 are therefore

subject to revision as the new data become available in the coming months. It is our judgment that future changes will be neither large nor systematic.