



# GDP VS GNP



Understanding GDP and GNP is crucial for analyzing a country's economic health, as they measure different aspects of production and income.



1

## GDP DEFINITION

GDP measures the total monetary value of goods and services produced within a country's borders over a specific period.



2

## GNP DEFINITION

GNP includes the total value of goods and services produced by a country's residents, regardless of where the production takes place.



3

## CALCULATION METHODS

GDP can be calculated through three approaches: production, income, and expenditure, each focusing on a different aspect of economic activity.



4

## GNP ADJUSTMENTS

GNP adjusts GDP by incorporating income earned from abroad and subtracting income paid to foreign residents, reflecting the economic activity of a country...

# KEY TAKEAWAYS

GDP and GNP provide valuable insights into a country's economic performance, highlighting the importance of understanding their distinct definitions and calculation methods.

