

Glossary of Terms – Macroeconomic Indicators

Term	Description
Gross Domestic Product	<p>Represents the total monetary value of the goods and services produced by a country within its borders over a specific time period, usually a year. GDP is used as an indicator of a country's size and growth.</p> <p>GDP is computed using this formula:</p> $\text{GDP} = \text{Consumers} + \text{Investments} + \text{Government Spending} + (\text{Exports} - \text{Imports})$
Adjusted Net Savings (ANS)	<p>A method of measuring the natural and manmade resources that comprise a nation's total wealth base. ANS accounts for physical capital, human capital, and natural capital. It also inputs the cost of environmental degradation that naturally occurs when these assets are used. ANS forms part of GDP and is considered a measure of sustainability.</p> <p>The formula for computing ANS is:</p> $\text{ANS} = \text{Gross National Saving} - \text{Consumption of Fixed Capital} + \text{Investment in Human Capital} - \text{Depletion of Natural Resources} - \text{Pollution Damages}$
Adjusted Net Income (ANI)	<p>A measure of the available income that can be consumed or invested to increase the nation's future consumption.</p> <p>The formula for computing ANI is:</p> $\text{ANI} = \text{Gross National Income} - \text{Consumption of Fixed Capital} - \text{Depletion of Natural Capital}$
Comprehensive Wealth	<p>Refers to a nation's assets that can be used or leveraged to generate revenue. Comprehensive wealth covers produced capital such as infrastructure, natural capital such as natural resources, and human and social capital.</p> <p>Generally, the formula for measuring Comprehensive Wealth is:</p> $\text{Comprehensive Wealth} = \text{Produced Capital} + \text{Natural Capital} + \text{Human \& Social Capital}$
Produced Capital	<p>The value of physical capital stocks like buildings, machinery, and equipment. It includes land improvements as well as commercial and residential dwellings, road infrastructure, and urban land.</p>