

19th December, 2008

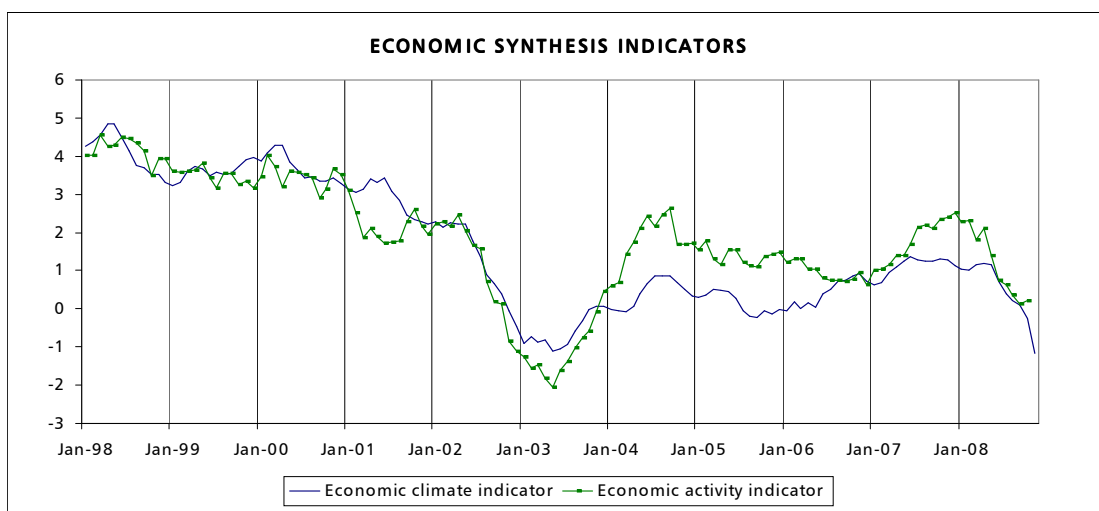
Monthly Economic Survey November 2008

The available information, both on the external and domestic sides, points to a more negative evolution of economic activity.

In the Euro Area (EA), the economic sentiment and the consumer confidence indicators extended in November the downward movement observed since August 2007. The latest information on the main costumer countries industrial production index, for October, pointed to a strong reduction of this activity. In November, the oil price and the raw materials price index year-on-year growth rates continued to diminish strongly.

On the domestic side, most of the available information pointed to a strong slowdown of economic activity. The economic climate indicator, available up to November, attained the minimum value of the series started in 1989 and the economic activity indicator, although slightly increasing, remained in a relatively low level in October. The private consumption indicator decelerated in October, due to the negative evolution of both components, non-durable and durable consumption. In the same month, the GFCF indicator might have accentuated its negative evolution, driven by the construction and the machinery and equipment components. However, it should be noticed that the recent evolution of the private consumption indicator and of the transport material component of the GFCF indicator might be partially connected to adjustments made to previous changes in taxes. On the supply side, in October the Short Term Indicators information revealed declines in the services and industry sectors. Concerning the international trade, imports and exports recorded nominal year-on-year growth rates significantly lower in October than in the previous month, with imports going from 9.6% to 3.3% (associated with the reduction of oil prices) and exports from 4.7% to -1.6%.

In November, year-on-year inflation was 1.4%, 0.9 p.p. less than in the previous month. The differential between the EA Harmonized Index of Consumer Prices (HICP) and the Portuguese HICP stabilized in 0.7 p.p. in November.



Report based on information available up to December 18, 2008.

Next report will be released on January 20, 2008.

NOTES

With exception of situations duly identified, the values presented in tables and graphs and others that also serve for the analysis are, in the case of quantitative series, year-on-year rates of change (y.r.) under three-month moving average (3-mma) or, in the case of qualitative series, 3-mma of seasonally adjusted values (s.a.) or of effective values (e.v). Annual information correspond to 12-mma, with the exception of variables presented as y.r. on stocks, where the annual value corresponds to the variation of the balance at the end of the year. Annualised variation (a.v.). Weight (w.).

Balances: differences between the percentage of respondents giving positive and negative replies.

		Year 2006	Year 2007	Quarter 3 2007	Quarter 4 2007	Quarter 1 2008	Quarter 2 2008	Quarter 3 2008	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08
International background															
GDP of customer countries	s.a/y.r.	3.4	2.9	3.0	2.6	2.4	1.7	0.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GDP European Union	s.a/y.r.	3.1	2.9	2.9	2.5	2.3	1.7	0.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GDP Euro Area	s.a/y.r.	2.9	2.6	2.6	2.1	2.1	1.4	0.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Industrial production index of customer countries	s.a/y.r./3-mma	3.2	2.8	3.0	2.3	1.5	-1.0	-2.9	0.1	-1.0	-2.2	-2.5	-2.9	-4.7	-
Economic Sentiment Indicator in EU	ind/s.a.-3mma	107.5	110.8	111.4	107.0	101.8	96.6	86.8	99.0	96.6	93.5	90.0	86.8	82.9	77.5
Economic Sentiment Indicator in EA	ind/s.a.-3mma	106.3	108.4	108.7	104.3	100.5	96.5	88.5	98.1	96.5	94.0	90.9	88.5	85.3	80.8
Order books in industry of customer countries	balance/s.a.-3mma	-2.2	3.4	3.9	-0.8	-2.4	-7.8	-18.8	-4.9	-7.8	-11.6	-14.2	-18.8	-23.4	-31.3
Consumer confidence indicator in EU	balance/s.a.-3mma	-7.6	-4.2	-3.1	-6.2	-10.4	-14.0	-19.2	-12.0	-14.0	-16.7	-18.6	-19.2	-20.2	-21.9
Unemployment rate in EU	s.a/%	8.2	7.1	7.1	6.9	6.8	6.9	7.0	6.9	6.9	6.9	7.0	7.0	7.1	-
Harmonised index of consumer prices in EA	y.r.	2.2	2.1	1.9	2.9	3.4	3.6	3.8	3.7	4.0	4.0	3.8	3.6	3.2	2.1
Production price index of supplying countries	y.r./3-mma	4.3	3.2	2.7	4.6	5.7	6.9	7.8	6.3	6.9	7.7	8.0	7.8	6.6	-
Crude oil price (Brent)	Euros	51.9	52.6	54.5	61.1	64.6	77.8	75.8	78.9	85.1	84.2	75.6	67.7	53.7	41.2
Crude oil price (Brent)	y.r.	18.2	1.4	-0.2	32.1	46.6	52.8	39.1	58.7	60.7	50.1	45.6	21.8	-7.2	-34.5
Economic activity															
GDP	y.r.	1.4	1.9	1.8	1.9	0.9	0.7	0.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Economic climate indicator	balance/3-mma	0.5	1.2	1.3	1.1	1.2	0.7	0.1	1.2	0.7	0.4	0.2	0.1	-0.3	-1.2
Economic activity indicator	3-mma	0.9	1.9	2.1	2.5	1.8	0.7	0.1	1.4	0.7	0.6	0.4	0.1	0.2	-
Total turnover index	y.r./3-mma	2.6	4.7	4.0	5.8	3.6	2.9	4.2	1.5	2.9	3.3	3.0	4.2	0.7	-
Manufacturing industry production index	s.a/y.r./3-mma	2.3	3.2	2.0	2.8	-0.3	-1.7	-1.4	-1.7	-1.7	-2.9	-0.9	-1.4	-3.0	-
Production index in construction	s.a/y.r./3-mma	-6.6	-4.1	-3.4	-0.3	-2.8	-1.9	-1.7	-3.0	-1.9	-3.6	-3.5	-1.7	-1.5	-
Retail trade turnover index (real)	y.r./3-mma	1.2	-0.1	-0.2	-0.3	2.3	-0.1	1.4	0.4	-0.1	1.2	0.6	1.4	-0.1	-
Sales of passenger vehicles	y.r./3-mma	-5.8	3.7	11.9	10.1	11.5	1.9	0.3	7.6	1.9	-3.6	-4.7	0.3	1.0	-1.6
Consumption															
Consumer confidence indicator	balance/3-mma	-34.2	-35.2	-35.5	-39.2	-42.9	-44.8	-43.0	-43.4	-44.8	-47.2	-45.3	-43.0	-43.1	-45.3
Quantitative indicator of private consumption	y.r./3-mma	1.4	2.0	1.9	2.3	2.2	0.3	2.2	1.1	0.3	1.0	1.1	2.2	1.2	-
Indicator of non-durable consumer goods	y.r./3-mma	1.5	1.6	1.5	1.7	1.7	1.1	2.1	1.2	1.1	1.7	1.7	2.1	1.7	-
Indicator of durable consumer goods	y.r./3-mma	0.8	5.5	5.0	6.5	5.6	-5.2	3.4	0.5	-5.2	-3.9	-3.2	3.4	-2.5	-
Vol. ind. consumption of passenger vehicles	y.r./3-mma	-3.0	5.6	3.3	4.9	5.9	-13.7	3.8	-2.2	-13.7	-11.5	-9.5	3.8	-5.5	-
Investment															
GFCE indicator		-3.0	3.5	2.6	10.8	-1.8	-1.4	-4.1	-2.2	-1.4	-3.1	-5.2	-4.1	-4.7	-
Cement sales	y.r./3-mma	-7.6	2.1	2.0	12.0	-7.5	-3.0	-6.7	-7.7	-3.0	-4.2	-6.7	-6.7	-	-
Sales of steel for concrete	y.r./3-mma	5.9	-6.5	-12.2	-2.9	-8.7	-6.8	-30.4	-5.5	-6.8	-2.7	-22.2	-30.4	-	-
Credit for purchase of habitation	y.r./stocks	15.6	9.8	9.8	9.8	9.3	8.4	5.6	8.7	8.4	8.9	8.1	5.6	-	-
Licenses for construction of new habitations	y.r./3-mma	-5.7	-8.6	-5.4	-7.0	-11.5	-17.2	-25.7	-16.9	-17.2	-25.7	-27.8	-25.7	-29.0	-
Machinery and equipment indicator		2.7	4.6	5.1	5.0	4.5	3.0	3.0	4.2	3.0	2.8	2.3	3.0	2.7	2.3
Sales of light commercial vehicles	y.r./3-mma	-7.3	6.3	-17.5	-7.9	-18.0	-38.1	5.9	-20.2	-38.1	-32.9	-32.0	5.9	-5.4	-10.2
Sales of new heavy commercial vehicles	y.r./3-mma	12.9	6.2	-19.8	92.9	19.0	4.6	-3.2	8.8	4.6	2.5	-2.1	-3.2	-4.7	-18.2
External demand															
External demand indicator in value	s.a/y.r./3-mma	12.9	6.3	8.0	5.6	6.1	3.1	1.5	4.6	3.1	1.6	1.1	1.5	-	-
External order books	balance/3-mma	-14.4	-3.6	-1.3	-4.0	-10.3	-12.3	-16.7	-11.0	-12.3	-12.7	-13.7	-16.7	-27.3	-40.3
Exports of merchandises in value	y.r./3-mma	12.4	8.9	6.4	6.0	4.9	3.9	4.7	2.8	3.9	3.1	2.7	4.7	-1.6	-
Imports of merchandises in value	y.r./3-mma	8.1	7.4	7.4	12.0	12.7	9.9	9.6	8.7	9.9	9.3	9.5	9.6	3.3	-
Labour market															
Unemployment rate	%	7.7	8.0	7.9	7.8	7.6	7.3	7.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Employment	y.r.	0.7	0.2	0.2	0.9	1.1	1.4	-0.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Unemployed registration along the month	s.a/y.r./3-mma	1.1	-6.7	-6.5	-10.8	0.0	7.2	11.0	4.8	7.2	7.4	8.6	11.0	14.6	-
Unemployment expectations	balance/3-mma	43.8	42.2	42.7	45.3	46.6	47.5	48.1	46.1	47.5	49.7	48.9	48.1	49.8	54.5
Vacancies along the month	s.a/y.r./3-mma	3.6	13.6	10.8	25.3	1.0	-3.4	11.2	-3.5	-3.4	0.0	5.5	11.2	8.7	-
Employment indicator (short-term statistics)	y.r./3-mma	-1.9	-0.4	-0.3	0.4	0.7	0.5	-0.2	0.7	0.5	0.3	0.1	-0.2	-0.3	-
Average declared wages	s.a/y.r./3-mma	3.5	3.5	3.6	3.3	4.1	3.9	3.9	3.9	3.9	4.0	4.1	3.9	3.9	-
Wage negotiation	a.v/3-mmaq.w.	2.8	2.9	2.9	3.2	2.9	3.0	3.0	3.1	3.0	3.1	2.9	3.0	2.9	3.4
Prices and exchange rates															
Consumer price index	y.r.	3.1	2.5	2.2	2.7	2.9	2.9	3.0	2.8	3.4	3.1	3.0	3.1	2.3	1.4
Core inflation indicator	y.r.	2.0	1.9	2.0	2.0	2.2	2.0	2.0	2.0	2.0	1.5	2.0	2.4	2.0	1.9
Consumer price index - goods	y.r.	3.2	2.2	1.8	2.5	2.6	2.9	3.2	2.8	3.7	3.3	3.1	3.2	2.0	0.5
Consumer price index - services	y.r.	2.9	2.9	2.9	3.0	3.5	2.8	2.8	2.8	2.8	2.7	2.9	2.9	3.1	2.9
Manufacturing industry production price index	y.r./3-mma	4.6	2.6	1.7	5.2	7.2	7.8	8.5	7.6	7.8	8.7	8.9	8.5	7.1	-
Effective exchange rate index for Portugal	y.r.	0.2	0.8	0.6	1.3	1.6	1.8	1.4	1.8	1.8	1.8	1.5	0.9	-0.1	-
Exchange rate eur/USD	y.r.	0.9	9.1	7.9	12.4	14.4	15.9	9.3	15.1	15.9	15.0	9.9	3.4	-6.4	-13.3
Exchange rate USD/Euro	USD	1.256	1.371	1.374	1.449	1.500	1.562	1.504	1.556	1.555	1.577	1.498	1.437	1.332	1.273
Exchange rate eur/JPY	y.r.	6.6	10.4	9.3	7.9	0.8	0.3	-0.2	-0.6	1.0	1.0	2.9	-4.1	-19.1	-24.3