

# Monthly Statistical Bulletin

JULY 2023



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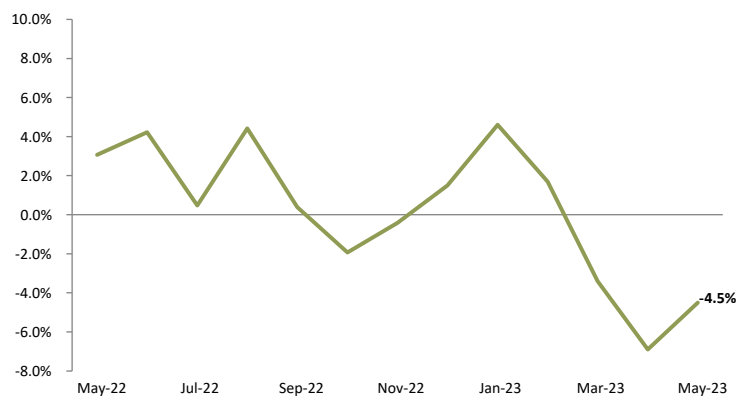
## Industrial production registers a 4.5% year-on-year decrease



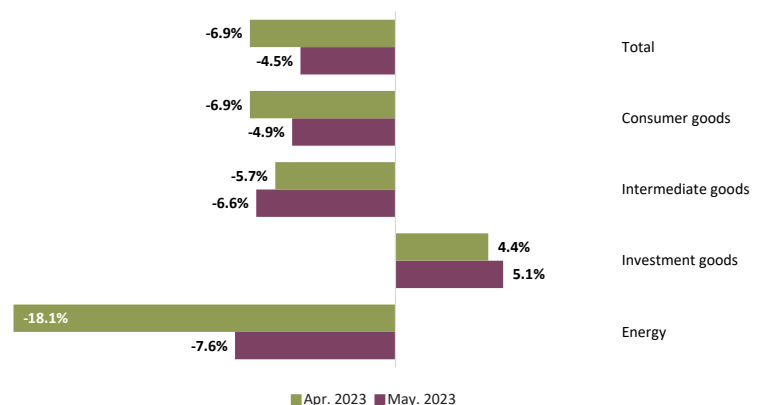
In May 2023, in year-on-year terms:

- The Industrial Production Index (IPI) underwent a negative growth of 4.5% (-6.9% in April);
- Excluding the *Energy* grouping, the variation was -4.0% (-4.5% in the previous month);
- The *Transforming Industries* rate of change was -4.2% (-4.9% in April); and
- Except for *Investment Goods*, all large industrial clusters in the index underwent negative year-on-year variations.

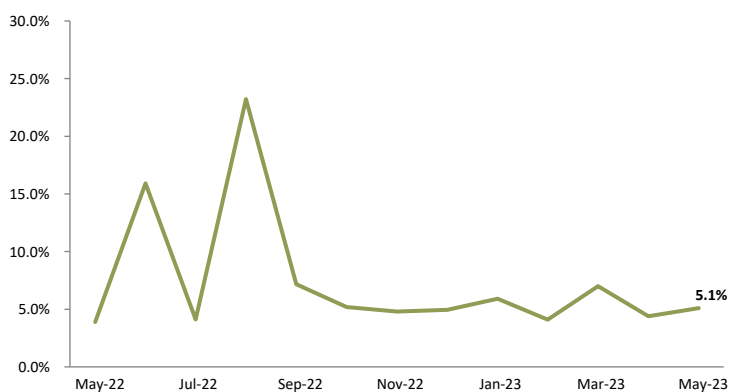
Industrial Production Index  
(year-on-year rate of change)  
Total



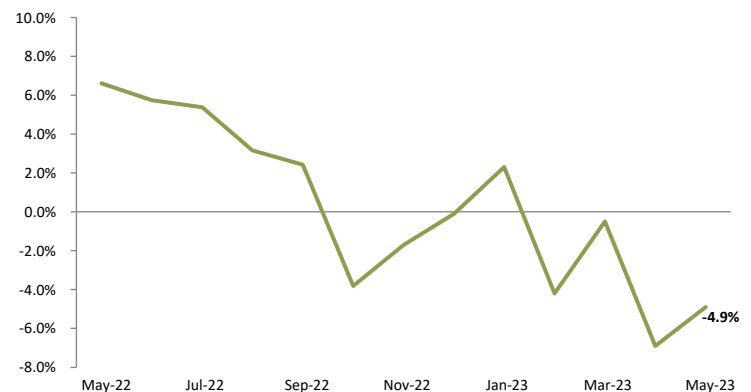
IPI - Total and Main Industrial Groupings  
(year-on-year rate of change)



Industrial Production Index (year-on-year rate of change)  
Investment goods

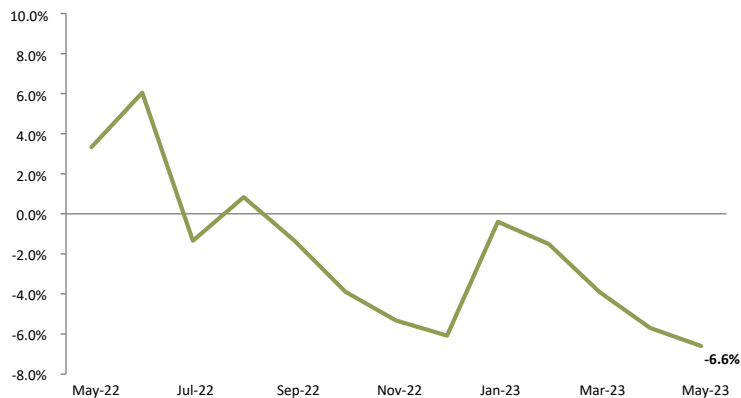


Industrial Production Index (year-on-year rate of change)  
Consumer goods

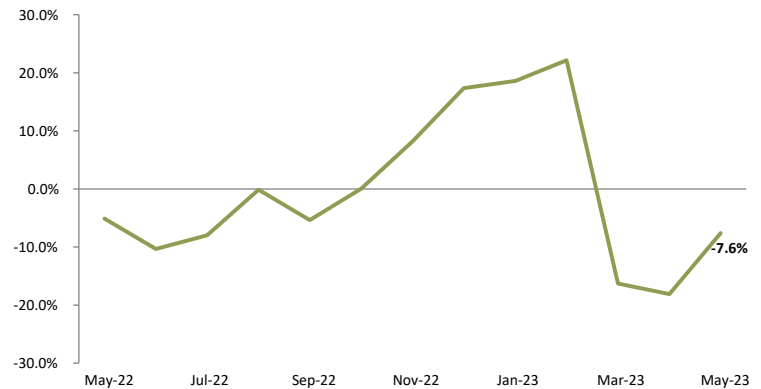




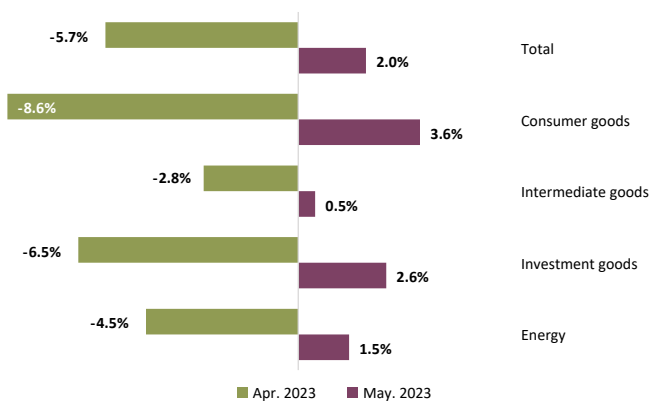
Industrial Production Index (year-on-year rate of change)  
Intermediate goods



Industrial Production Index (year-on-year rate of change)  
Energy



IPI - Total and Main Industrial Groupings  
(month-on-month rate of change)



Regarding monthly variation, in May 2023:

- The IPI increased by 2.0% (in the previous month, it had decreased by 5.7%);
- All major industrial groupings contributed positively to the global index change, with the *Consumer Goods* grouping standing out for its intensity.

More information:  
Industrial Production Index – May 2023  
3 July 2023

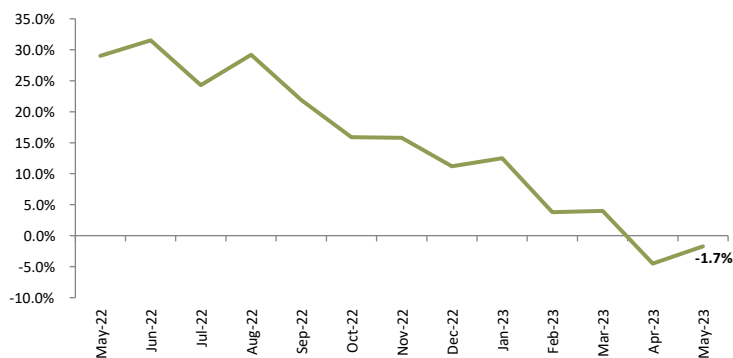
## Industry turnover down by 1.7%

In May 2023, compared to the same month the previous year:

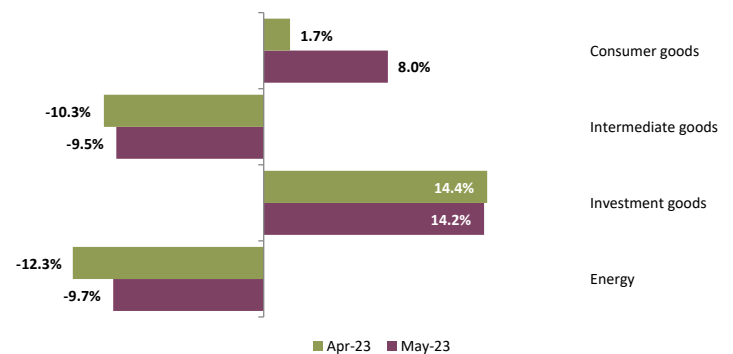
- The nominal variation of the Industry Turnover Index (ITI) was -1.7% (-4.3% in April);
- Excluding the *Energy* grouping, sales in Industry increased by 0.6% (-2.0% in the previous month);
- The index for the domestic market dwindled by 1.4%, 4.3 percentage points (pp) closer to positive ground than in the previous month;
- The external market index decreased by 2.2%, up by 4.9 pp from the previous month;



Industry Turnover Index (year-on-year rate of change)  
Total



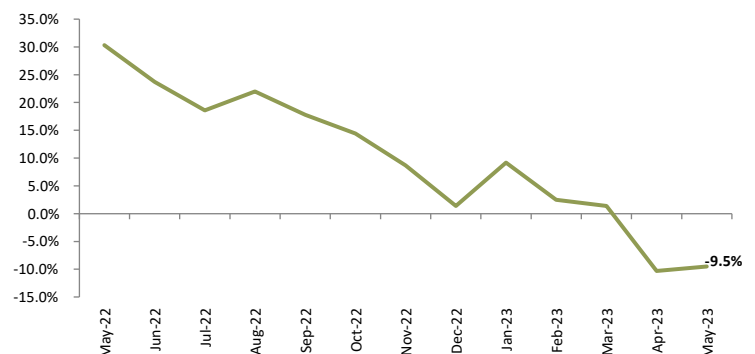
Industry Turnover Index - Major industrial groupings  
(year-on-year rate of change)



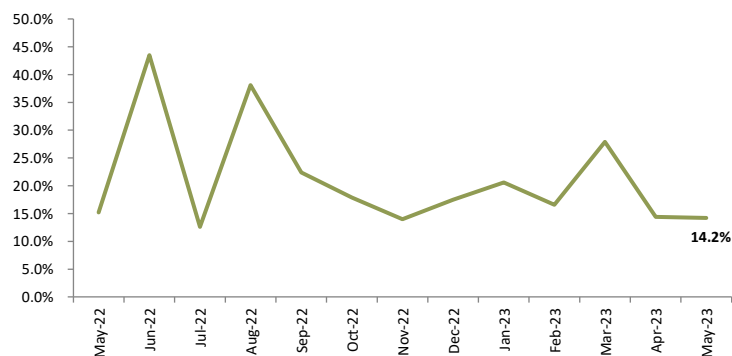
Industry Turnover Index (year-on-year rate of change)  
Consumer goods



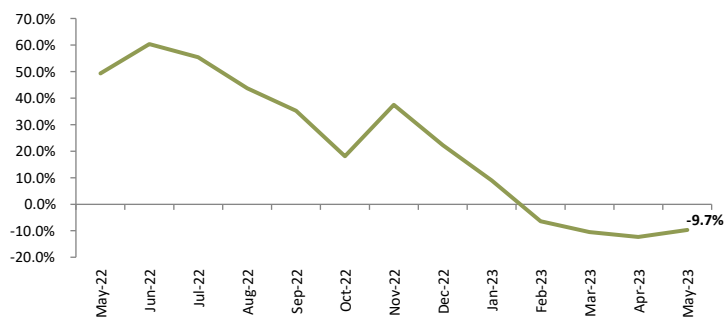
Industry Turnover Index (year-on-year rate of change)  
Intermediate goods



Industry Turnover Index (year-on-year rate of change)  
Investment goods

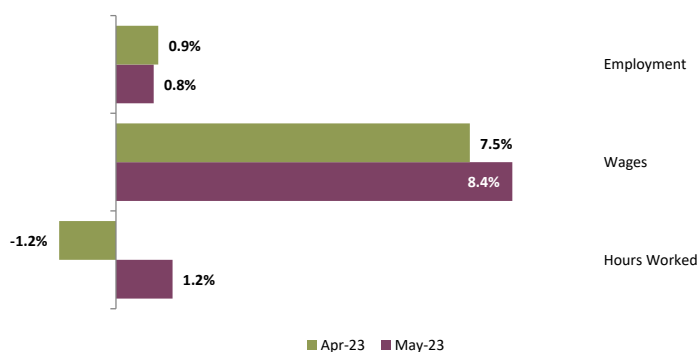


Industry Turnover Index (year-on-year rate of change)  
Energy

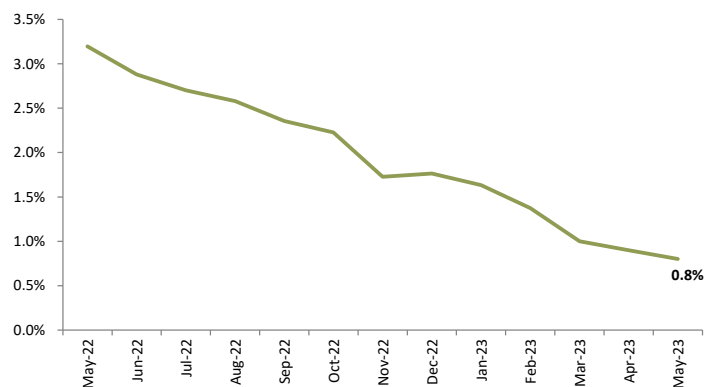


- The employment index grew by 0.8%;
- The gross wages and salaries increased by 8.4%; and
- The calendar-adjusted hours worked index decreased by 1.2%.

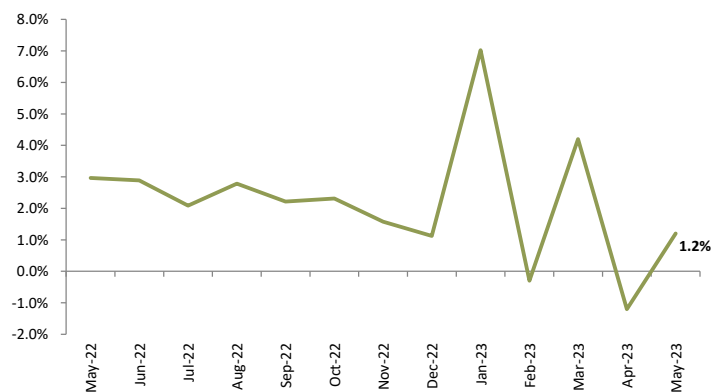
Employment, Wages, and Hours Worked Indices  
(year-on-year rate of change)



Industry Employment Index  
(year-on-year rate of change)



Hours Worked Index\*  
(year-on-year rate of change)



\* Values adjusted of calendar effects

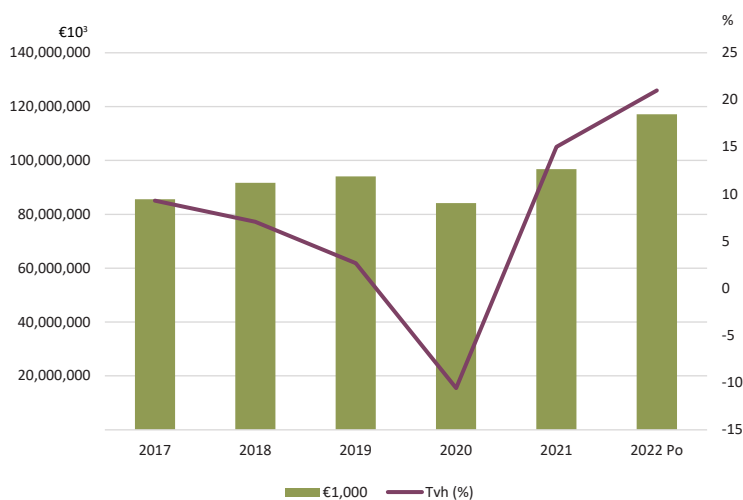
Month-on-month, the ITI increased by 13.8% in May. A year before, the corresponding value was 10.7%.

## Industrial production increased by 21.0% in nominal terms, reflecting the significant increase in prices

According to provisional data from the Annual Survey on Industrial Production, in 2022:

- Sales of products and services in *Manufacturing industries* (Divisions 10 to 33, 35, and 38 of CAE Rev. 3) stood at €117.2 billion;
- This figure represents an increase (nominal rate of change) of 21.0% compared to the €96.8 billion recorded in 2021;
- Compared to 2019, there was a growth of 24.5%.

Sales of products and industrial services



This growth is significantly driven by prices, which rose by 20.5% (year-on-year rate of change concerning the industrial production price index in 2022).

This positive rate of change resulted mainly from the contributions of the following activities:

- From *Manufacture of coke, refined petroleum products and fuels briquettes* (Division 19), at +5.5 pp;
- Of the *Manufacture of food products* (Division 10), at +3.1 pp; and
- From *Manufacture of paper and paper products* (Division 17), at +1.8 pp.

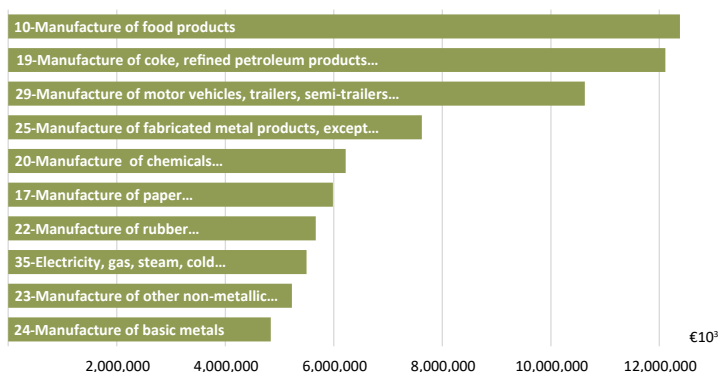
These divisions are among those that recorded the most significant price changes in industrial production in 2022 compared to 2021, with the 26.4% increase in Division 10 standing out.

Also, in terms of activities, the divisions with the highest relative weight in total sales and services rendered were:

- The *Manufacture of food products* (Division 10), at 13.2% (+23.8% and +29.3% compared to 2021 and 2019, respectively);
- The *Manufacture of coke, refined petroleum products, and fuel briquettes* (Division 19), with 10.3% (+79.3% compared to 2021); and
- The *Manufacture of motor vehicles* (Division 29), at 9.1% (+12.9% compared to 2021).

Among the best-selling products, *Gas oils* and *Motor spirit* continued to stand out, followed by *Other parts and accessories for motor vehicles, tractors, and vehicles for special uses (...)* and *Cars and light motor vehicles (...)*.

Sales of products and industrial services by activity  
(CAE Rev. 3) in 2021  
(provisional data)



## In June, the unemployment and labour underutilisation rates remained at 6.6% and 11.7%, respectively

These estimates are 3-month moving averages centred on the reference month. Thus, provisional results for June consider data collected in May, June, and July, while final figures for May include all data gathered in April, May, and June. As a result, a three-month gap is necessary to ensure comparisons have no overlapping data.

Estimates are adjusted for seasonality and consider the population aged 16 to 74.

In June 2023 (provisional results):

- The working population (5,280.6 thousand people) increased from the previous month (almost nil), from March 2023 (0.1%), and compared with June 2022 (1.9%);
- The employed population (4,944.1 thousand) grew from the previous month (0.1%), three months earlier (0.5%) and a year earlier (1.5%);
- The unemployed population (336.5 thousand) decreased from the previous month (0.7%) and from three months earlier (6.5%) but increased compared with the same month of last year (8.5%);
- The unemployment rate stood at 6.4%, the same as the previous month but inferior to three months before (0.4 pp) and higher than a year ago (0.4 pp);
- The inactive population (2,407.6 thousand) was stable compared with the previous month and decreased from three months earlier and a year before (0.1% and 2.9%, respectively); and
- The labour underutilisation rate stood at 11.7%, the same as in the previous month, down by 0.4 pp from three months earlier, but 0.2 pp higher than the same month of 2022.

Unemployment rate  
(seasonally adjusted data)

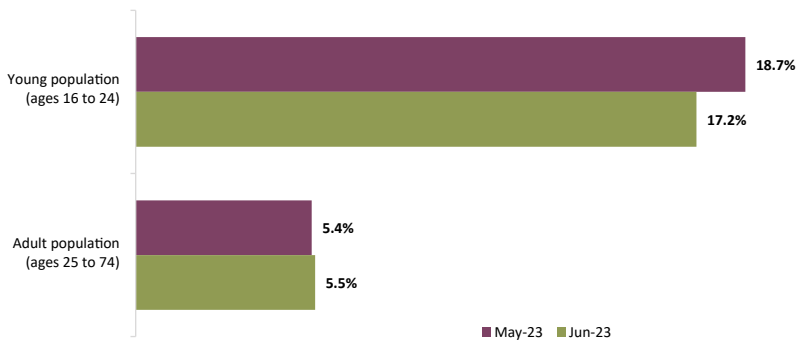


Note: Figures for the most recent period are provisional.



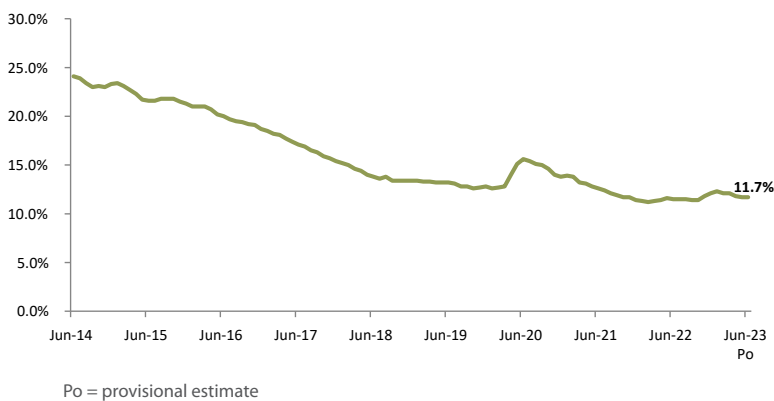


Unemployment rate\* of youth and adult  
May and June 2023



\* Values for the most recent month are provisional.

Labour underutilisation rate  
(seasonally adjusted data)



#### In May 2023:

- The active population (5,279.6 thousand) was down from April and February 2023 (0.1% in both cases) and also by 1.9% from May 2022;
- The employed population (4,940.7 thousand) increased from the three comparison periods (the previous month, three months before, and the same month of last year): 0.3%, 0.6%, and 1.5%, respectively;
- The unemployed population (338.5 thousand) decreased by 1.6% from April and by 6.2% from February but increased by 8.2% from the same month a year before;
- The unemployment rate stood at 6.4%, down by 0.1 pp from the previous month and by 0.5 pp from three months earlier, but up by 0.4 pp from a year earlier;
- The inactive population (2,407.6 thousand) was down from April and February 2023 (0.3% in both cases) and also from a year earlier (2.9%); and
- The labour underutilisation rate stood at 11.7%, down from the previous month and three months earlier (0.1 pp and 0.4 pp, respectively) and up from one year earlier (0.1 pp).

## 3/4 of municipalities reduced inequality in income distribution between 2020 and 2021



In 2021 after personal income tax, the median value of gross declared income per taxable person:

- Amounted to €10,128 when considering the whole country, a 4.8% increase compared with the previous year (+1.3% in 2020);
- At NUTS 3 level, the following regions stand out as having particularly high values:
  - » Área Metropolitana de Lisboa (AML): €11,708;
  - » Região de Leiria: €10,367;
  - » Região de Coimbra: €10,351;
  - » Região de Aveiro: €10,307;
  - » Alentejo Central: €10,243;

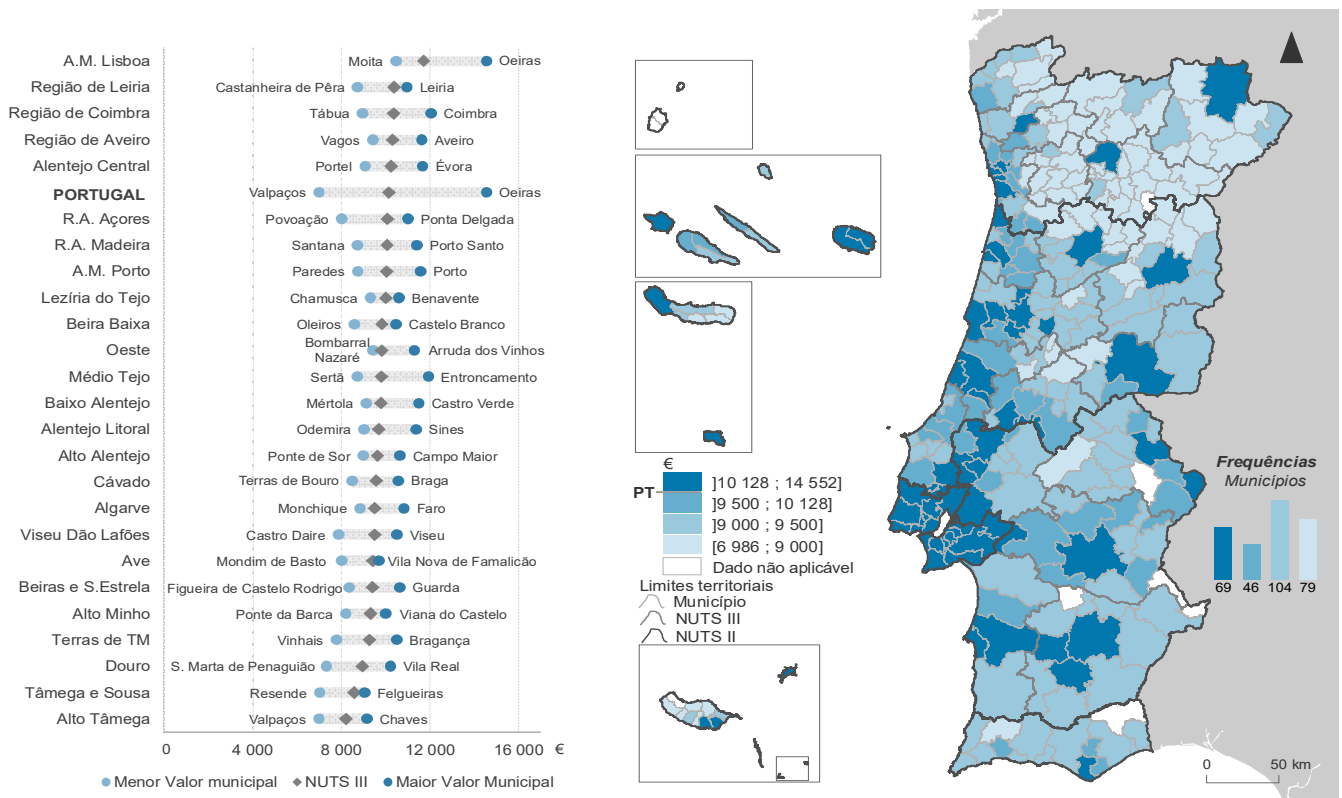
On the other hand, the following stood out for the opposite reason:

- » Alto Tâmega: €8,202;
- » Tâmega e Sousa: €8,568;
- » Douro: €8,943;
- At municipal level:
  - » All grew and, while over 35% did so above the country's average;
  - » 83% grew faster than last year;
  - » 69 municipalities stood above the country's overall figure (one more than in 2020): 18 in the AML, 22 in the Centro, 13 in the Alentejo, seven in the North, five in the Região Autónoma dos Açores, three in the Região Autónoma da Madeira and one in the Algarve;
  - » The highest figures were in Oeiras (€14,452), Lisboa (€13,378), Cascais (€12,296), Alcochete (€12,239) and Coimbra (€12,055); and
  - » All AML municipalities had figures above €10,000.





## Median gross income after the deduction of personal income tax, Portugal, by NUTS 2 and municipality, 2021



Note: The data refer to municipalities with 2,000 or more taxable persons

## Still in 2021:

- The Gini coefficient<sup>1</sup> of the gross declared income deducted from the personal income tax assessed per taxable person was 36.1%, showing a slight reduction in the inequality of income distribution compared to 2020 (36.4%);
- In 30 municipalities, inequality in income distribution was higher than in the country, with the municipalities of Lisbon (42.5%), Porto (42.0%), Vila do Porto (40.7%) and Cascais (40.6%) standing out; and
- Compared to 2020, 75% of the municipalities showed a reduction in the asymmetry of declared gross income minus the personal income tax paid per taxable person, the most significant being in the municipality of Vila do Porto (-1.7 pp).

<sup>1</sup> Inequality indicator in the income distribution that aims to summarize in a single value the asymmetry of this distribution, assuming values between 0 (when all individuals have equal income) and 100 (when all income is concentrated on a single individual).

## Production in Construction grew by 5.3%

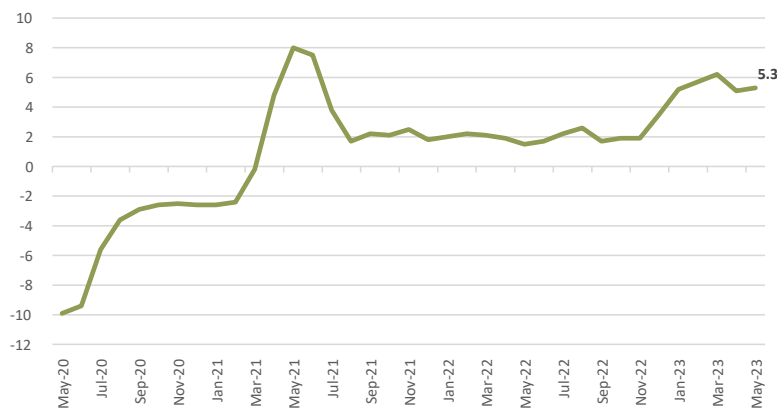
In May 2023, the Production Index <sup>1</sup> grew by 5.3% year-on-year (0.2 pp more than in the previous month).<sup>2</sup> This change was driven by an uptake in both the segments that make up the sector:

- *Building construction*: 3.2% (3.1% in April); and
- *Civil engineering*: 8.5% (8.2% in the previous month).

Other Construction sector indexes grew, year-on-year, at the following rates:

- Employment index: 5.0% (4.8% in the previous month); and
- Wages and salaries index: 13.4% (9.5% in April).

Index of Production in Construction  
(year-on-year rate of change\*)



Indices of employment, wages, and salaries in Construction  
(year-on-year rate of change, %)



As regards month-on-month changes, construction sector indexes behaved in the following ways:

- Total Production index: 0.3% (-0.3% in the previous month)
- Production index – *Building construction*: 0.3% (-0.6% in April);
- Production index – *Civil engineering*: 0.3% (unchanged from April);
- Employment index: 0.5% (0.4% in the past month); and
- Wages and salaries index: 3.8% (0.2% in the preceding month).

<sup>1</sup> Three month moving average, adjusted for calendar effects and seasonality.

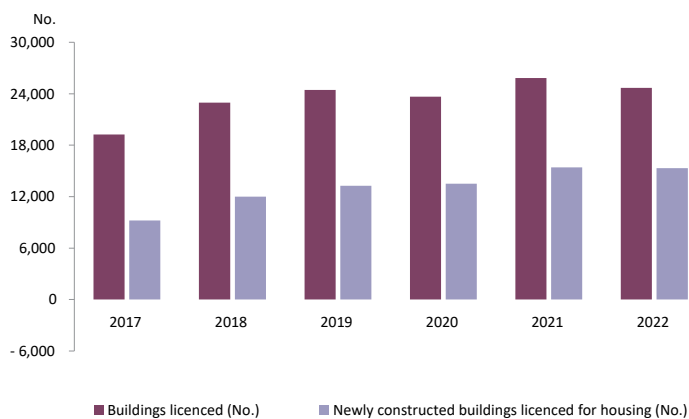
<sup>2</sup> With the Press Release from which this summary was drawn up, Statistics Portugal began publishing the new series of Production, Employment and Wages Indices for Construction, with retrospective figures since January 2005 and with the base year 2021=100. The new series replaces the previous ones, whose base year was 2015=100.

## Licensing and construction decreased, while housing prices continued to rise

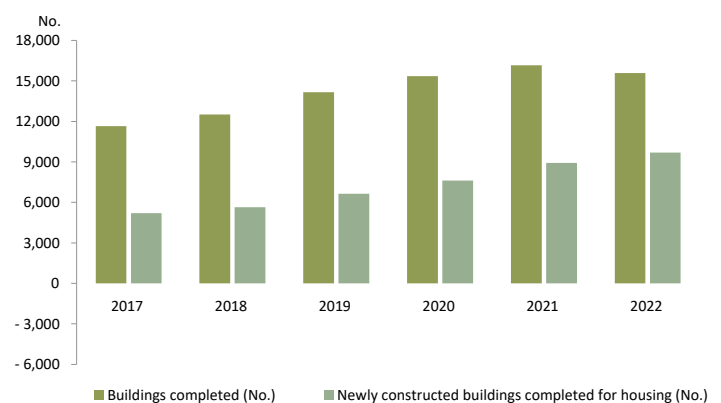
In 2022, in Portugal:

- Licences were granted for:
  - » 24,696 buildings, down by 4.4% from the previous year (+9.3% in 2021) and up by 1.0% from 2019;
  - » 37,458 dwellings, a 0.5% year-on-year decrease (+9.5% in 2021, which saw 37,636 dwellings licensed) and a 5.9% increase compared with 2019;
- The following were completed:
  - » 15,588 buildings, a decrease of 3.5% compared with the previous year (+5.3% in 2021) and an increase of 10.0% compared with 2019;
  - » 22,489 dwellings, i.e., -0.1% compared with the previous year (+13.1% in 2021, with 23,522 dwellings) and +42.2% compared with 2019;

Licensed Buildings - Total and new residential construction



Completed Buildings - Total and new residential construction



Number of housing transactions, national total, existing and new, 2016 - 2022



- 167,900 dwellings were transacted, which is a new high in the series that began in 2009, and represents a growth of 1.3% (2,218 dwellings) over the previous year, which was the lowest since 2012, with the exception of 2020, which was strongly conditioned by the effect of the COVID-19 pandemic;

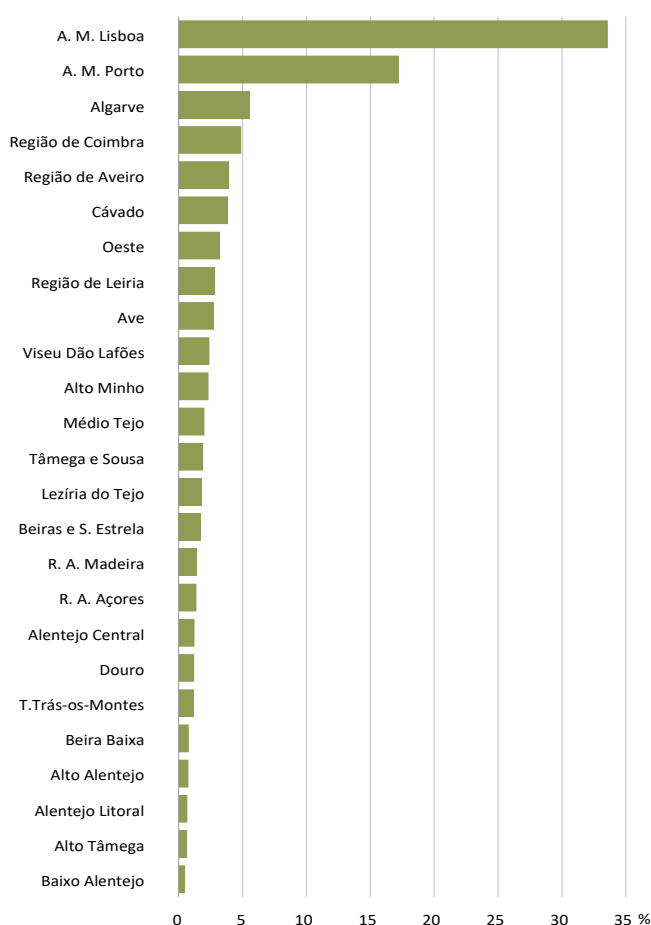
- The value of housing transactions totalled €31.8 billion, 13.1% more than in 2021;
- Approximately 120,000 bank appraisals were carried out as part of mortgage lending (2.7% less than in 2021)
- The median price of family housing transacted was 1,484 €/m<sup>2</sup>, which represents an increase of 14.4% on the previous year;

The median house price remained above the national figure in the sub-regions:

- » Algarve: 2,339 €/m<sup>2</sup>;
- » Área Metropolitana de Lisboa: 2,096 €/m<sup>2</sup>;
- » Área Metropolitana do Porto: 1,607 €/m<sup>2</sup>; and
- » Região Autónoma da Madeira: 1,571 €/m<sup>2</sup>;

- 92,664 new family housing rental contracts were signed, corresponding to an increase of 9.4% compared with 2021; and
- The median rent for new family housing rental contracts reached 6.52 €/m<sup>2</sup>, increasing by 7.9% compared with 2021 (+5.5% in the previous year);

Proportion of new rental contracts for family housing in the total of new rental contracts in the country, NUTS 3, 2022



The value of rents was above the national value in the sub-regions:

- » Área Metropolitana de Lisboa: 9.86 €/m<sup>2</sup>;
- » Algarve: 7.47 €/m<sup>2</sup>;
- » Região Autónoma da Madeira: 7.35 €/ m<sup>2</sup>; and
- » Área Metropolitana do Porto: 7.14 €/ m<sup>2</sup>.

The Área Metropolitana de Lisboa accounted for over a third of new rental contracts (31,123). The Lisboa and Porto metropolitan areas accounted for 50.8% of all new contracts in the country, and the Algarve for 5.6%. Baixo Alentejo had the lowest number of new rental contracts (459).

## Interest share is more than half of the instalment for the second month running

In June 2023:

- The implicit interest rate on all housing loan agreements rose to 3.649%, up 25.1 basis points<sup>1</sup> (bps) from the previous month and the highest since April 2009;

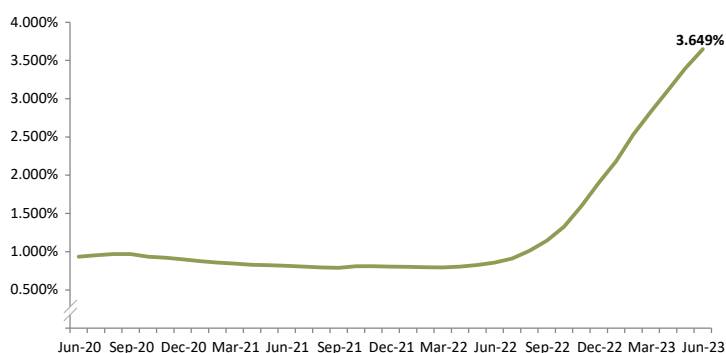
For contracts concluded in the last three months, the interest rate rose to 4.132%, 25.0 bps above the previous month and the highest value since May 2012;

- For *Home Purchases*, the primary goal of mortgage lending, the implicit interest rate stood at 3.631% (+24.8 bps than in May);

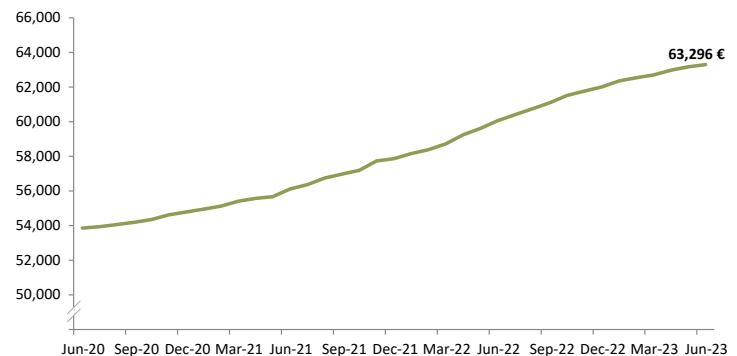
For contracts of this nature concluded in the last three months, the rate increased to 4.123% (+25.2 bps from the previous month);



Implicit interest rates in housing loans



Average owed capital



- Considering all contracts, the average value of loan instalments increased by €9 compared with the previous month and €100 year-on-year, reaching €361. Of this amount, €192 (53%) corresponds to interest payments and €169 (47%) to capital amortisation;

It should be noted that in June 2022, the interest component represented 16% of the average value of loan instalments (€261);

- For contracts concluded in the last three months, the average value of loan instalments increased by €18 to €609; and
- The average outstanding capital for all contracts increased by €127 compared to May, reaching €63,296;

For contracts concluded in the last three months, the average amount outstanding was €122,570, €1,495 less than in the previous month.

<sup>1</sup> A base point is the equivalent of 0.01 pp.

## Bank valuation of housing up to €1,518 per square meter

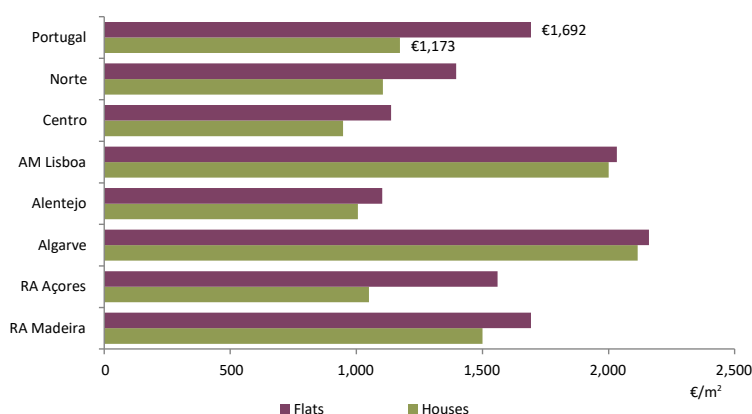
In June 2023, bank valuation, carried out as part of credit applications for the purchase of housing, had a median value of €1,518 per m<sup>2</sup>, up by €8 (+0.5%) from the previous month.

All NUTS 2 regions joined in this increase, especially Região Autónoma dos Açores (3.8%), and the Algarve (0.4%).

In comparison with the same month of the previous year, the median value of valuations rose 7.9% (9.4% a month before). The most intense variation was registered in the Região Autónoma da Madeira (17.6%) and the least severe in the Centro (6.2%).



Average Banking Valuation – June 2023  
Flats and Houses



There were approximately 23.0 thousand bank evaluations. This is down by about three thousand (-21.3%) from the same month in the last year and 323 (-1.4%) less than the previous month.

Of the assessments considered in the reference month:

- Around 19.9 thousand concerned flats; and
- Some 8.1 thousand pertained to houses.

In year-on-year terms, the analysis by type of dwelling reveals that in June 2023, the median bank appraisal value:

- Increased by 8.3% for flats, standing at 1,692 €/m<sup>2</sup>; and
- Rose 4.5% for houses, reaching 1,173 €/m<sup>2</sup>.

In June 2023, compared to the previous month, the median bank appraisal value:

- In flats:
  - » T2 increased by €22, to 1,727 €/m<sup>2</sup>; and
  - » T3 decreased by €2, reaching 1,492 €/m<sup>2</sup>.

These two types together accounted for 79.1% of all flat valuations carried out;

- In houses:
  - » T2 up by €56, to 1,150 €/m<sup>2</sup>;
  - » T3 rose by €20, to 1,147 €/m<sup>2</sup>; and
  - » T4 fell by €16, reaching 1,251 €/m<sup>2</sup>.

Together, these three types accounted for 88.5% of the housing valuations.



## For the first time since Q1 2020, Lisboa outpaces the country in year-on-year house price growth

In Q1 2023, the median price of residential accommodation in Portugal was €1,565/m<sup>2</sup>, which reflects house price increases of:

- 7.6% year-on-year (+10.7% in the previous quarter); and
- 4.3% compared to Q4 2022.

However, there is a noteworthy difference in median price according to buyer's tax residence:

- Domestic: 1,524 €/m<sup>2</sup>; or
- Non-domestic: 2,411 €/m<sup>2</sup>.

### NUTS 3 Subregions

The median house price increased year-on-year in 20 NUTS 3 sub-regions, with the following standing out:

- Lezíria do Tejo: +17.5%;
- Algarve: +16.6%;
- Leiria: +15.9%;
- Cávado: +15.6%; and
- Área Metropolitana de Lisboa: +15.2%.

Three NUTS 3 sub-regions recorded both median prices (overall and in both categories of buyer's tax residence) and year-on-year rates of change greater than the country's:

- Algarve: €2,609/m<sup>2</sup>, +16.6%;
  - » Domestic: 2,450 €/m<sup>2</sup>;
  - » Non-domestic: 3,303 €/m<sup>2</sup>;
- Área Metropolitana de Lisboa: 2,288 €/m<sup>2</sup>, +15.2%;
  - » Domestic: 2,251 €/m<sup>2</sup>;
  - » Non-domestic: 3,832 €/m<sup>2</sup>;
- Área Metropolitana do Porto: 1,728 €/m<sup>2</sup>, +11.1%;
  - » Domestic: 1,701 €/m<sup>2</sup>;
  - » Non-domestic: 2,923 €/m<sup>2</sup>.



The median value in the Autonomous Region of Madeira was also higher than the national figure (1,697 €/m<sup>2</sup>), although the year-on-year rate of change (+7.0%) was lower.

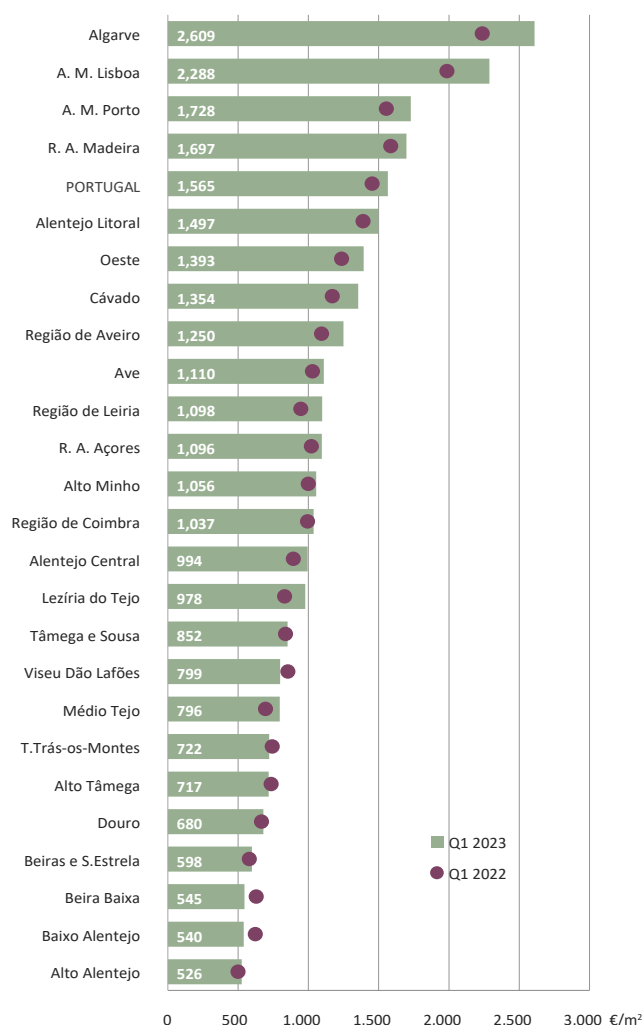
In the metropolitan areas of Porto and Lisboa, the median price (€/m<sup>2</sup>) of transactions made by buyers with a tax residence abroad exceeded the price of transactions by buyers with a tax residence in Portugal by 71.8% and 70.2%, respectively.

Also in Q1 2023:

- The sub-regions of Beira Baixa (-13.5%), Baixo Alentejo (-13.3%), Viseu Dão Lafões (-6.5%), Terras de Trás-os-Montes (-2.8%) and Alto Tâmega (-2.6%) recorded year-on-year decreases in house prices; and
- Alto Alentejo, as in previous quarters, had the lowest median sales price for family housing: 526 €/m<sup>2</sup>.



Median dwelling sales value per m<sup>2</sup>, Portugal and NUTS 3,  
Q1 2022 and Q1 2023



## Municipalities

In Q1 2023, of the 17 municipalities with more than 100,000 inhabitants in the Lisboa and Porto metropolitan areas:

- Only Santa Maria da Feira and Gondomar did not register median house prices higher than the country's, standing out with values above 3,000 €/m<sup>2</sup>:
  - » Lisboa: 4,103 €/m<sup>2</sup>;
  - » Cascais: 3,760 €/m<sup>2</sup>; and
  - » Oeiras: 3,156 €/m<sup>2</sup>.

- Year-on-year rates of change were also higher than the national rate (+7.6%) in 14 municipalities, the highest being in Loures (+26.5%) and the lowest in Lisboa (+9.2%);

It should be noted, however, that for the first time since Q1 2020 (the start of the current series), Lisboa had a higher year-on-year rate of change than the country; and

- The municipalities of Matosinhos (+7.3%), Gondomar (+7.1%) and Porto (+6.3%) recorded lower year-on-year growth than the country.

## Exports and imports fell by 5.2% and 6.2% in Q2, respectively, in nominal terms

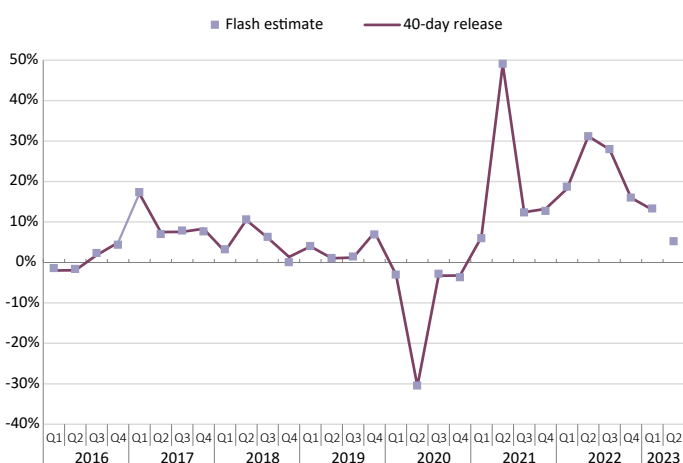
The flash estimate for International Trade in Goods in Q2 2023 points to reductions of 5.2% in exports and 6.2% in imports, in nominal terms, compared with the same period last year.

This decrease comes after a slowdown in the growth of goods transactions since Q3 2022.

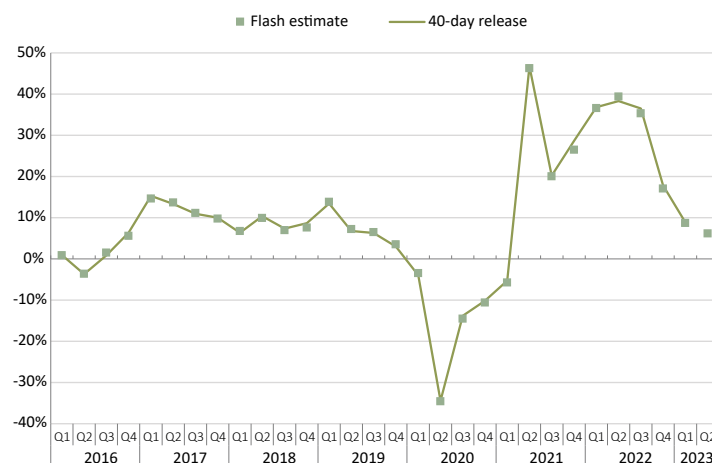
There have been no negative quarterly year-on-year changes in transactions in goods since Q4 2020 (in exports) and Q1 2021 (in imports), both of which were heavily affected by the pandemic crisis.

In Q1 2023, the year-on-year rates of change were +13.0% in exports and +8.9% in imports.

Exports – quarterly year-on-year growth rates



Imports – quarterly year-on-year growth rates



More information:  
International Trade Statistics, Flash Estimate – Q2 2023  
28 July 2023



## Exports and imports fell by 6.9% and 4.1% in nominal terms

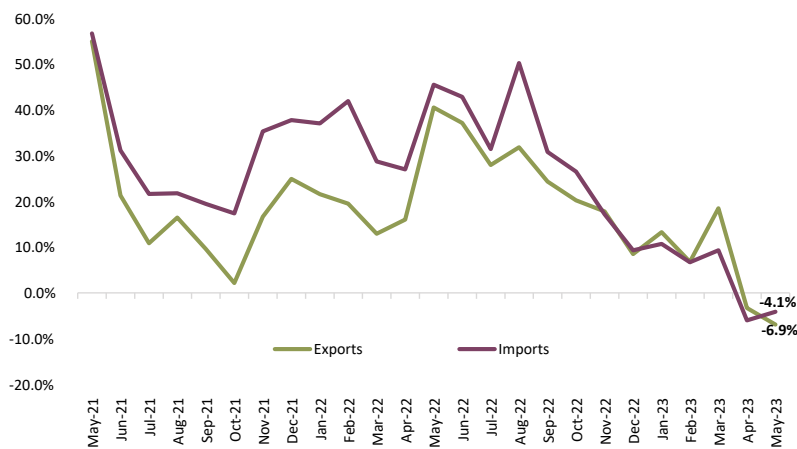
In May 2023, year-on-year and in nominal terms:

- Exports of goods decreased by 6.9% (-3.3% in the previous month); and
- Imports of goods fell by 4.1% (-6.0% in the previous month).

An analysis by major economic categories of goods, still in nominal and year-on-year terms, highlights the May decreases of:

- Exports of *Industrial supplies*: a 25.1% drop, especially in pharmaceutical products; and

Nominal rate of change of exports and imports



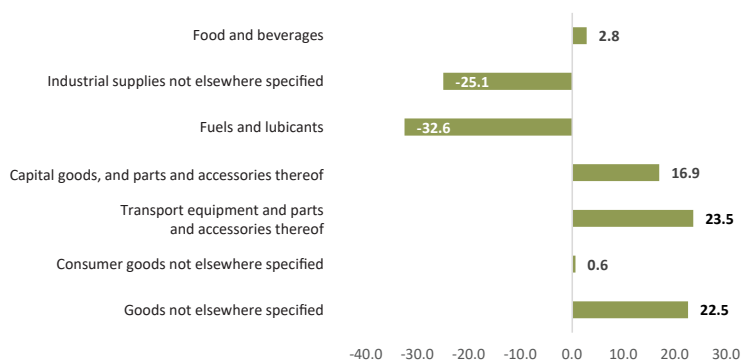
- Imports of *Fuels and lubricants* -41.3%, reflecting the fall in the price of these products in international markets, and a base effect, as in May 2022 the introduction in the market of the Natural gas previously subjected to the customs warehousing procedure had occurred, with a view to the closure of the warehouse in Sines, which resulted in a significant increase in imports of this product.

Excluding *Fuels and lubricants*, there were also:

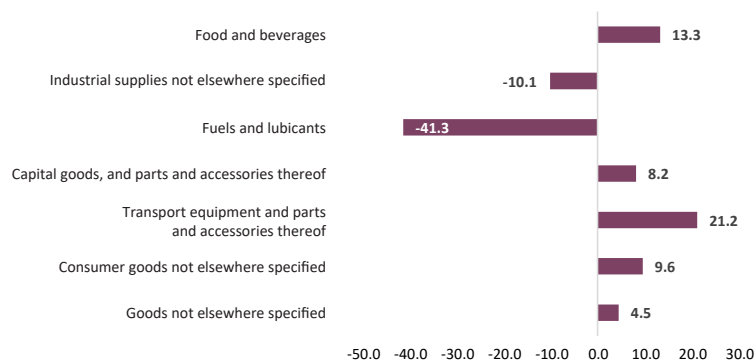
- A 4.4% reduction in exports (-1.4% in April 2023); and
- A 3.8% increase in imports (+1.1% in April 2023).



Exports by Broad Economic Categories of Goods,  
May 2023 (year-on-year change, %)



Imports by Broad Economic Categories of Goods,  
May 2023 (year-on-year change, %)



Regarding unit value indices (prices), there were year-on-year changes of:

- -2.3% in exports (+0.7% in April 2023; +18.2% in May 2022); and
- -6.5% in imports (-5.0% in the previous month; +24.8% in May 2022).

Excluding *Petroleum products*, the variations in prices were:

- +2.3% in exports (+3.2% in the previous month; +13.6% in May 2022); and
- -2.6% in imports (-1.6% in April 2023; +16.3% in May 2022).

Still in May 2023, but relative to the previous month:<sup>1</sup>

- Exports increased by 15.9% (-23.4 in April); and
- Imports grew by 15.7% (-17.6% in the previous month).

In May 2023, the trade balance of goods deficit:

- Reached €2,526 million, increasing by €109 million compared to the same month in 2022 and by €332 million compared to the previous month; and
- Excluding *Fuels and lubricants*, it totalled €1,954 million, up by €610 million compared to May 2022 and by €226 million compared to the previous month.

In the quarter ending in May 2023, there were year-on-year changes:

- Of +2.5% in exports (+7.6% in the quarter ending in April 2023); and
- Of -0.3% in imports (+3.4% in the quarter ending in April 2023).

More information:  
International Trade Statistics – May 2023  
10 July 2023

<sup>1</sup> Note that May 2023 had four more working days than the previous month.

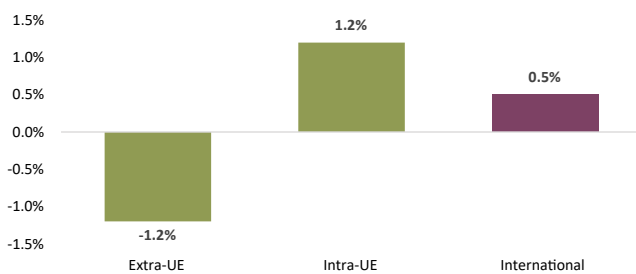


## Enterprises downgrade their 2023 export prospects

The outlook for goods-exporting enterprises is for a nominal increase of 0.5% in their exports in 2023 compared with the previous year, a 0.6 pp downgrade from the 1.1% outlook in December 2022.

This revision results from companies updating their expectations for intra-EU exports (-0.5 pp, to +1.2%) and extra-EU exports (-0.9 pp, to -1.2%).

Business outlook by market scope  
Annual nominal rates of change 2023/2022

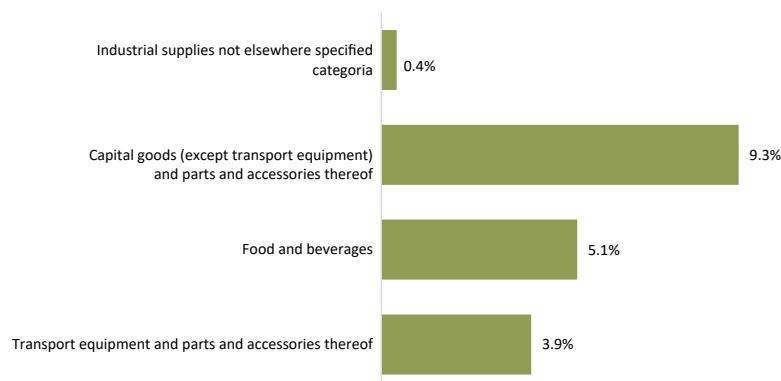


By Classification by Broad Economic Categories (CBEC), the following exports stand out:

- Companies' more positive outlook for the expected evolution of exports of *Machinery, other capital goods (except transport equipment) and accessories* (+9.3%, +1.1 pp compared with the previous forecast) and *Industrial supplies* (+0.4%, +1.5 pp); and
- The less positive outlook for *Transport equipment and accessories* (-2.3 pp, to +3.9%).

The main reason given by companies for this downward revision is the less positive performance than expected in the destination markets for their exports, with an impact on more than half of the responding companies (56.4%).

Enterprises' outlook by broad economic categories  
Annual nominal rates of change – 2023/2022

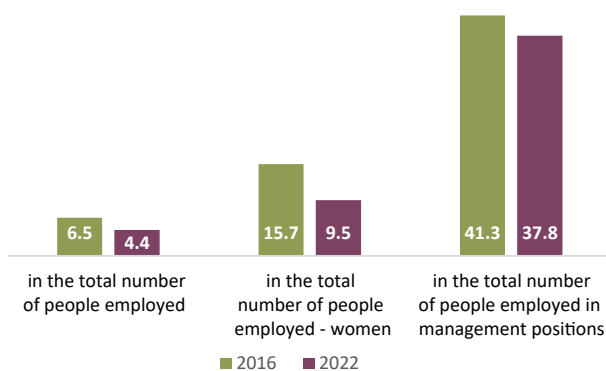


## Encouraging employee autonomy stood out as the leading human resources management practice

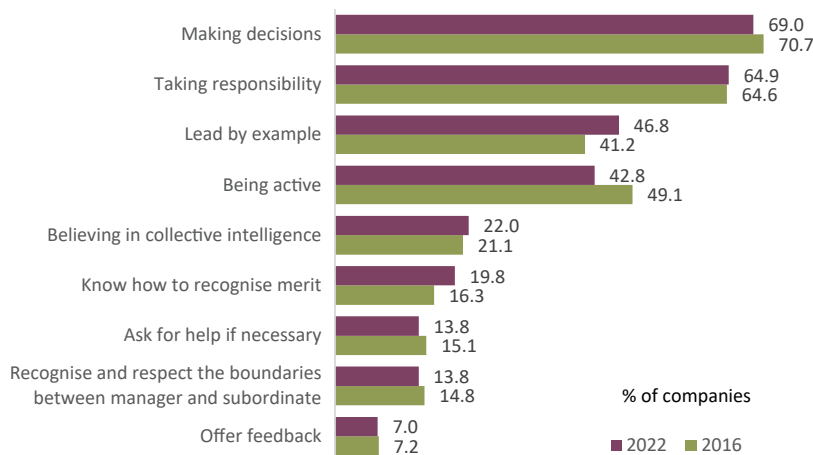
Between February and May 2023, the National Statistics Institute fielded a new wave of the Survey of Management Practices (IPG), with 2022 as the reference year.<sup>1</sup>

This qualitative survey is part of a series of statistical operations aimed at providing information on factors that, although not explicitly translated into monetary terms in company accounts, affect their competitiveness amidst increasing integration into the global economy.

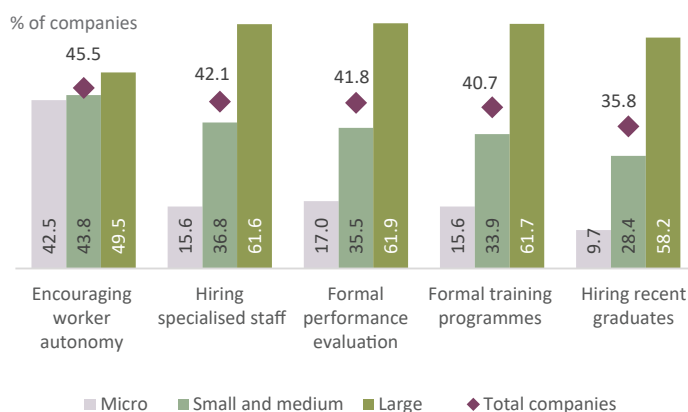
Proportion of women in management positions, 2016 and 2022 (%)



Characteristics that described the top manager, 2016 and 2022



Top 5 human resources management practices, by dimension, 2022



The results of this edition of the IPG revealed, among other things, the following results for 2022:

- Almost two-thirds (62.6%) of respondent companies were part of economic groups, and 51.3% were aged 20 or over;
- Women accounted for almost 38% of employees in management positions and 29.0% of employees in senior management positions;
- More than half of the companies were owned by the founders or family members of the founders;
- In almost two-thirds of the companies (also 62.6%), the top manager had a university degree or higher, with this proportion being:
  - » 81.9% in large companies; and
  - » 38.9% in micro-companies;
- In more than 73% of the companies, the top manager held the position exclusively;

For more than 60% of the companies, what best described the top manager was "Decision-making" and "Taking responsibility";

In 54.7% of the companies, the top manager adopted a democratic and team-centred leadership style; and

- Encouraging employee autonomy was the leading human resources management practice, mentioned by 45.5% of the companies;

Around 97% of the companies said they had defined objectives, and 48.2% said they had awarded performance bonuses to employees for achieving them;

In less than 40% of the companies, there was no promotion of employees.

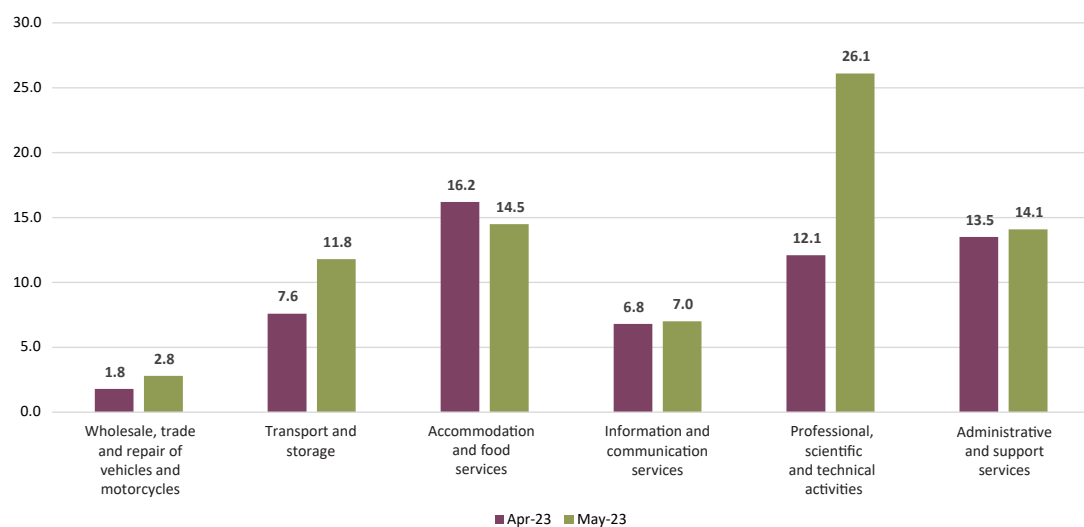
## Services turnover up by 7.6%

In May 2023, turnover in Services<sup>1</sup> was 7.6% higher than a year earlier, thus having picked up 2.0 pp from the previous month.

All sections contributed positively to the index, with the following standing out:

- *Professional, scientific and technical activities*, whose 1.8 pp contribution resulted from a 26.1% increase;
- *Wholesale trade; repair of motor vehicles and motorcycles*, that contributed 1.6 pp by growing 2.8%; and
- *Transportation and storage*, with a 1.6 pp contribution stemming from a 11.8% increase.

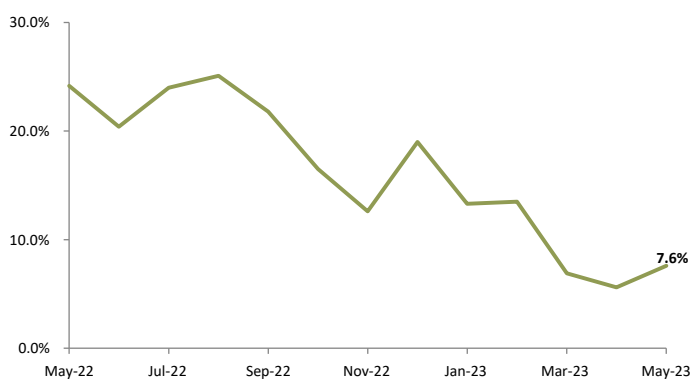
Services Turnover Index sections, April and May 2023  
(year-on-year rate of change, %)



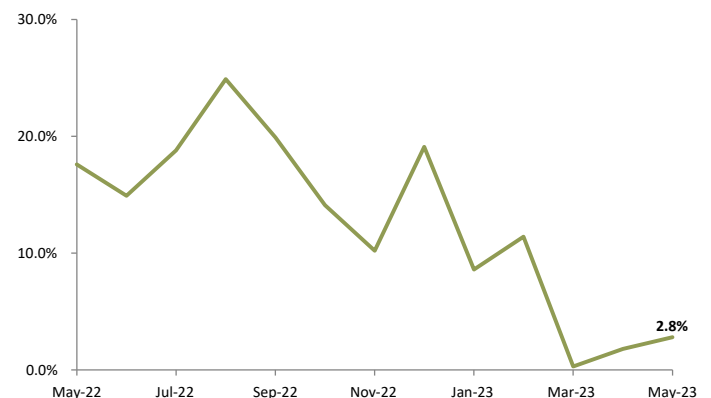
The remaining Services indices grew, year-on-year, at the following rates:

- Employment: 4.0% (4.3% in April);
- Wages and salaries: 11.5% (11.0% in the previous month); and
- Hours worked (adjusted for calendar effects): 2.7% (3.5% a month before).

Services Turnover Index  
(year-on-year rate of change)  
Total



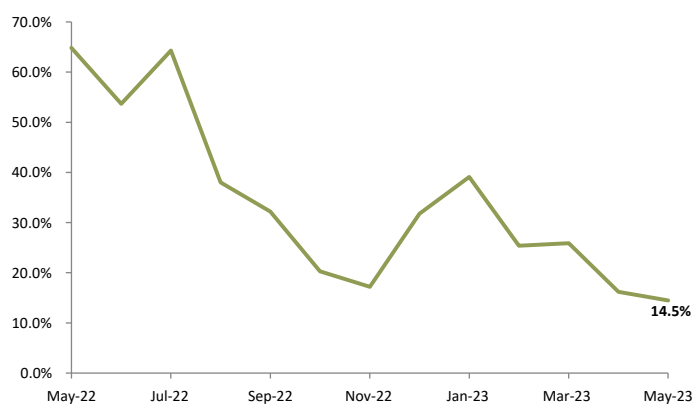
Turnover Index  
(year-on-year rate of change)  
Wholesale trade, trade and repair of vehicles and motorcycles



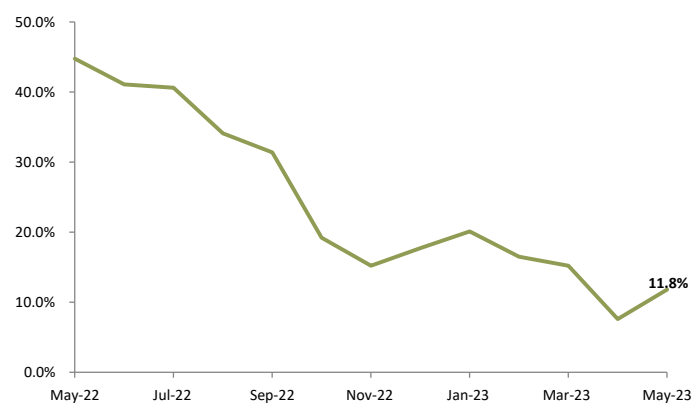
<sup>1</sup> Statistics Portugal measures turnover in services through an index, the IVNES. IVNES is based on adjusted nominal calendar effects and seasonality data.



Turnover Index  
(year-on-year rate of change)  
Accommodation and food services



Turnover Index  
(year-on-year rate of change)  
Transportation and storage



Still in May 2023, but compared to the previous month, turnover in the Services increased by 2.7% (0.8% decline in April).



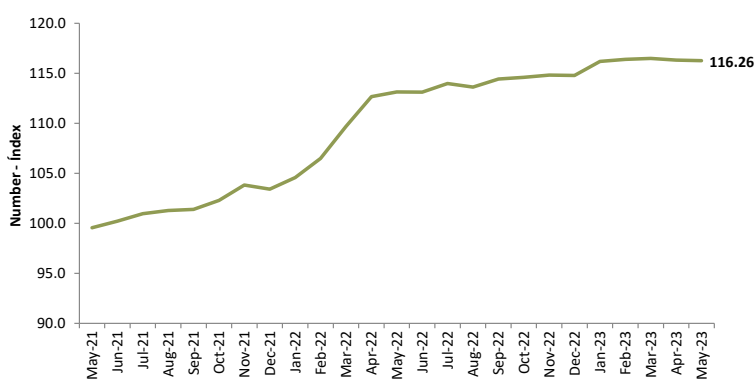
More information:  
Business Turnover, Employment, Wages and Hours Worked in Services – May 2023  
11 July 2023

## Construction costs increase by 2.8%

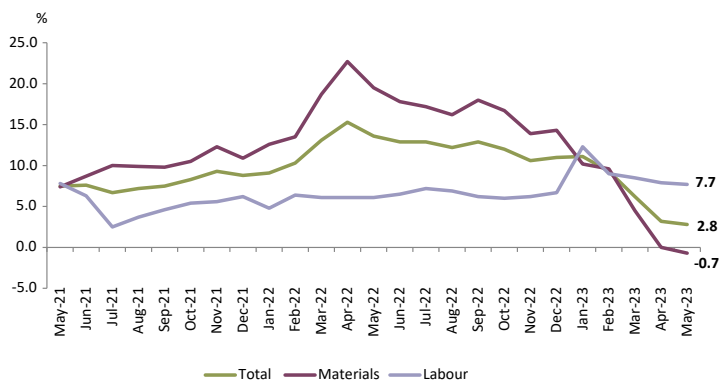
Statistics Portugal estimates the following May 2023 year-on-year rates of change in the context of new housing construction costs:

- Construction Cost Index (CCI) for new residential buildings: 2.8%, 0.4 pp less than in April;
- Materials costs: -0.7%, moving into negative ground after no change in the previous month; and
- Labour costs: 7.7%, 0.2 pp less than in April.

Construction Costs Index for New Housing  
(100=2021)



Construction Costs Index for New Housing  
(year-on-year rate of change)



Note: The figures for February, April and May 2023 are provisional.



As for month-on-month change, Statistics Portugal estimates the following rates:

- CCI: no change (-0.1% in April);
- Material costs: -0.4% (-0.3% in April); and
- Labour costs: 0.4% (no change in April).

## CPI year-on-year rate of change fell to 3.4% in June

In June 2023, year-on-year:

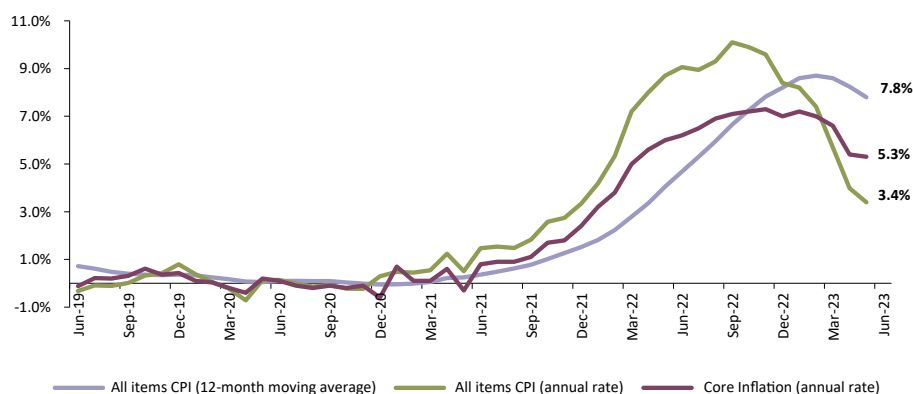
- The Consumer Price Index (CPI) decreased to 3.4%, 0.6 pp less than a month earlier;

This deceleration is partly explained by the base effect resulting from the increase in fuel and food prices in June 2022;

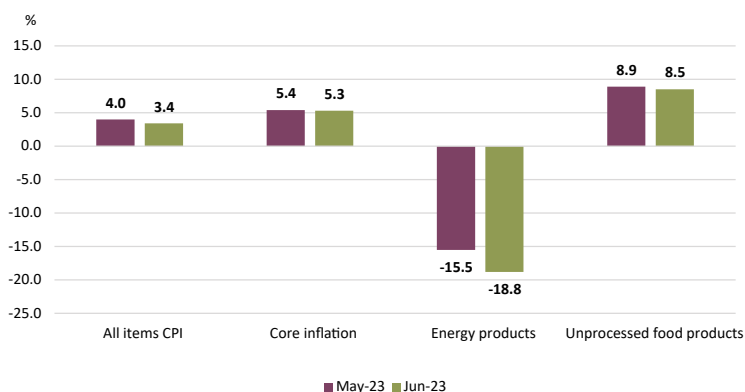
- The core inflation rate (excluding unprocessed food products and energy) decelerated 0.1 pp to 5.3%;
- The index for energy products declined a further 3.3 pp, reaching a negative growth of minus 18.8%; and
- The unprocessed food index slowed a further 0.4 pp, growing only by 8.5%.



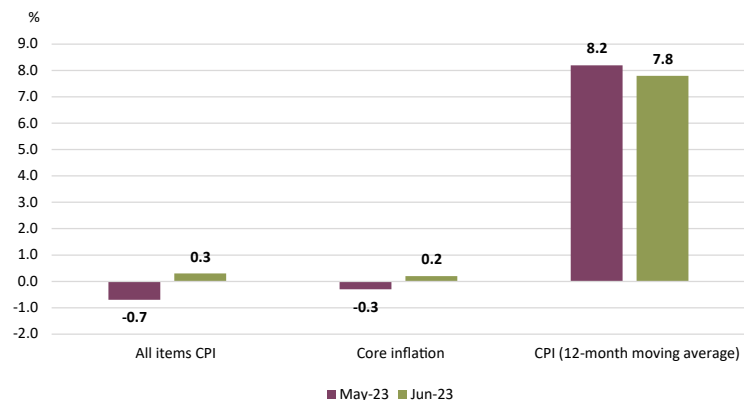
Consumer price and core inflation indices (year-on-year rate of change and 12-month moving average)



CPI - Year-on-year rates of change



CPI related month-on-month variation rates



Still in June 2023, but compared to the previous month:

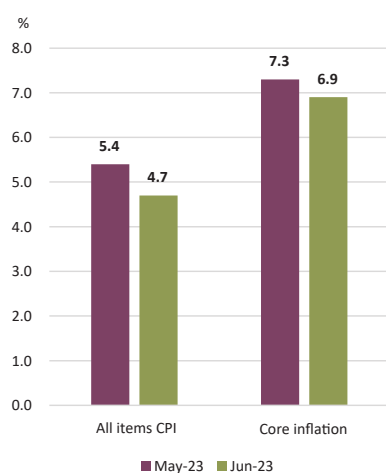
- CPI increased by 0.3% (0.7% in the previous month and 0.8% in June 2022); and
- Core inflation increased by 0.2%, contrasting a 0.3% decrease in the previous month, while in June 2022 it increased by 0.3%.

The average CPI change over the last 12 months stood at 7.8% (8.2% in May).

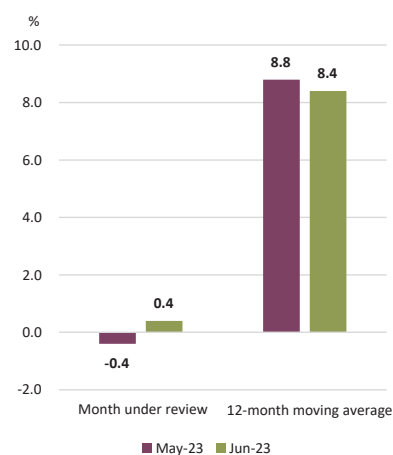
As regards the Harmonised Index of Consumer Prices (HICP), the following rates of change were observed in June 2023:

- Year-on-year: 4.7%, 0.7 pp less than a month before and 0.8 pp below Eurostat's estimated value for the Euro Area (EA) (in May, this rate for Portugal difference was 0.7 pp);
- Year-on-year, excluding unprocessed food products and energy: 6.9% (7.3% in May), which is slightly higher than the estimated value for the Euro Area (6.8%);
- Month-on-month: 0.4% (-0.4% in the previous month and +1.1% in June 2022); and
- Average of the last 12 months: 8.4% (8.8% in the previous month).

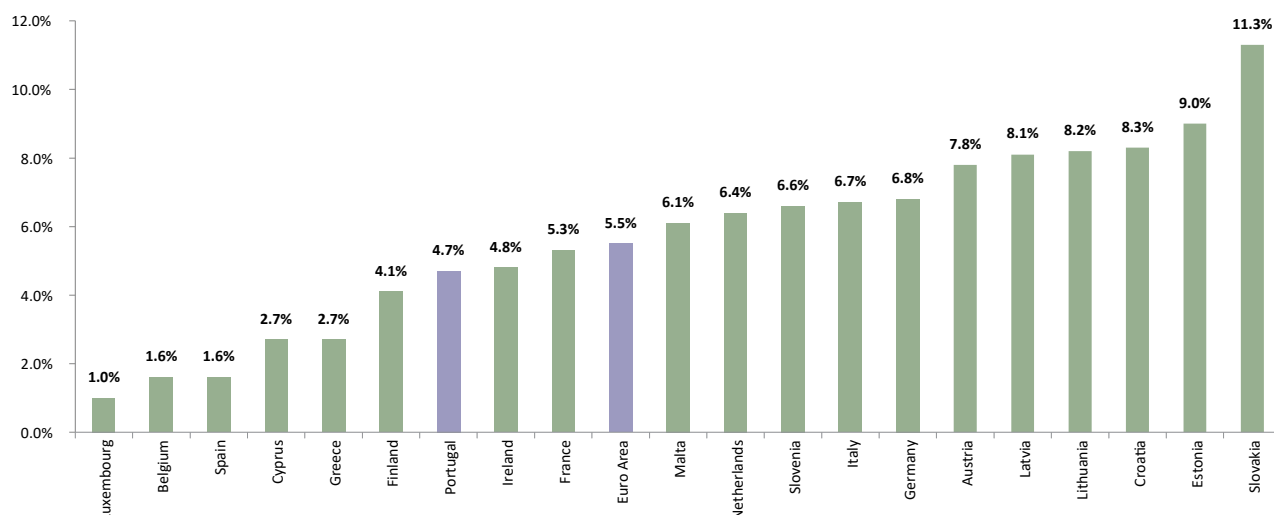
HICP year-on-year rate of change



HICP month-on-month rate of change



Harmonised Index of Consumer Prices  
(year-on-year rate of change in the Euro Area Countries, June 2023)



More information:  
Consumer Price Index – June 2023  
12 July 2023



## Industrial production prices decreased 5.8%

In June 2023, on a year-on-year basis:

- The Industrial Production Price Index (IPPI) moved a further 2.3 pp into negative territory, reaching -5.8%;
- The *Energy* grouping continued to contribute the most to the variation in the aggregate index, with -6.4 pp, as a result of its 24.7% reduction (contribution of -5.1 pp and variation of -20.8% in May);

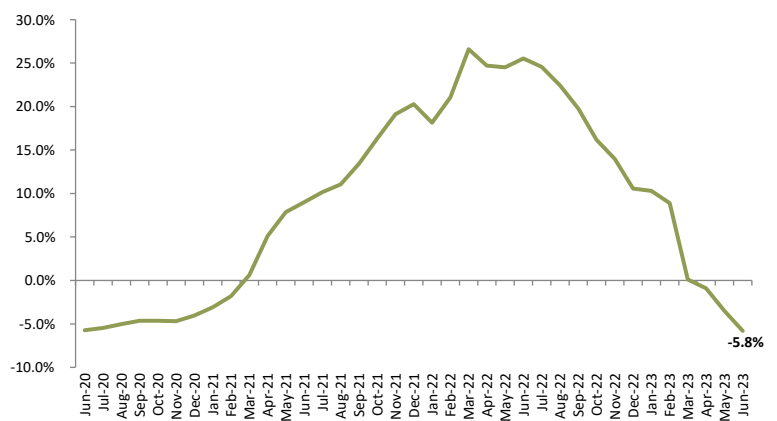
Without this grouping, the variation of the aggregate index was 0.8% (2.2% in May); and

- The *Consumer goods* grouping, with a year-on-year change of 6.4% (8.1% in May), made the only positive contribution to the index result: 1.8 pp (2.3 pp in May).

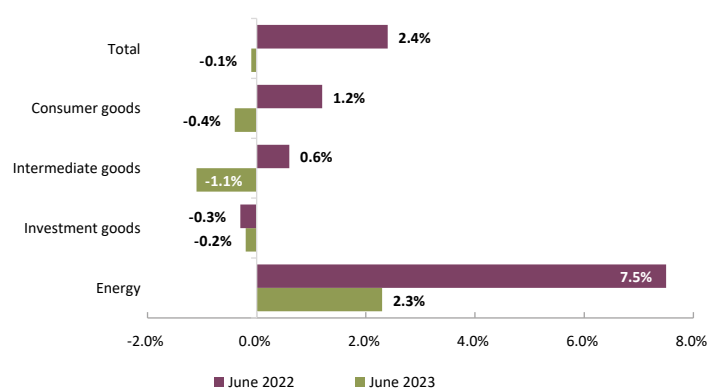
From May to June, the index fell by 0.1%. It had gained 2.4% in the same period of 2022. Of the major groupings that make up the index, only *Energy* grew from the previous month.



Industrial Production Prices Index  
(year-on-year rate of change)



Total Index and Major Industrial Groupings  
(month-on-month rate of change)



In Q2 2023, the IPPI decreased 3.4% year-on-year, 9.7 pp less than in the previous quarter.

This evolution was also strongly influenced by the deceleration of the *Energy* grouping, which went from a variation rate of -6.0% in Q1 to -21.2% in Q2 (contributions of -1.5 pp and -5.3 pp, respectively).

The *Consumer goods* and *Intermediate goods* groupings increased by 8.1% and decrease by 1.2%, respectively (14.0% and 9.4% in the previous quarter), jointly contributing 1.8 pp to the change in the index (7.4 pp in Q1).

## CPI year-on-year rate of change for July estimated at 3.1%

Statistics Portugal estimates that in July 2023, based on the information already available and by comparison with a year earlier:

- The Consumer Price Index (CPI) decreased again to a variation of 3.1%, which corresponds to a deceleration of this index for the ninth consecutive month, in this case by 0.3 pp;

This slowdown is partly due to decreased Food and non-alcoholic beverages prices;

- The core inflation index, which excludes the unprocessed food products and energy components, grew 4.7%, 0.6 pp less than the previous month;
- The energy products index moved 3.8 pp towards positive ground but was still at negative 15.0%; and
- The rate for the unprocessed food component decelerated to 6.9% (8.5% in June).

Month-on-month, in July, the CPI decreased by 0.4% (after a 0.3% increase in June and null variation compared with July 2022).

Statistics Portugal estimates that, in June, the average CPI change in the last twelve months was 7.3% (7.8% in the previous month).

The Harmonised Index of Consumer Prices (HICP) – the most appropriate inflation indicator for comparisons between the different countries of the European Union, and, mainly, in the Euro area – increased by 4.3% in Portugal in July 2023 (0.4 pp less than in the previous month).



|   | Monthly change (%) <sup>1</sup> |         | Year-on-year change (%) <sup>1</sup> |         |
|---|---------------------------------|---------|--------------------------------------|---------|
|   | Jun-23                          | Jul-23* | Jun-23                               | Jul-23* |
| <b>CPI</b>                              |                                 |         |                                      |         |
| Total                                   | 0.25                            | -0.36   | 3.39                                 | 3.06    |
| Total except housing                    | 0.25                            | -0.39   | 3.33                                 | 2.99    |
| Total excl. unprocessed food and energy | 0.17                            | -0.89   | 5.25                                 | 4.67    |
| Energy products                         | 0.49                            | 5.73    | -18.77                               | -15.00  |
| Unprocessed food products               | 0.71                            | -0.50   | 8.48                                 | 6.85    |
| Processed food products                 | -0.15                           | -0.11   | 7.57                                 | 7.03    |
| <b>IHPC</b>                             |                                 |         |                                      |         |
| Total                                   | 0.4                             | -0.4    | 4.7                                  | 4.3     |

<sup>1</sup> Values rounded to two and one decimal places.

\* Estimated values

More information:  
Consumer Price Index, Flash Estimate – July 2023  
31 July 2023

## 5.5% more live births in the first five months of 2023 than in the same period of 2022

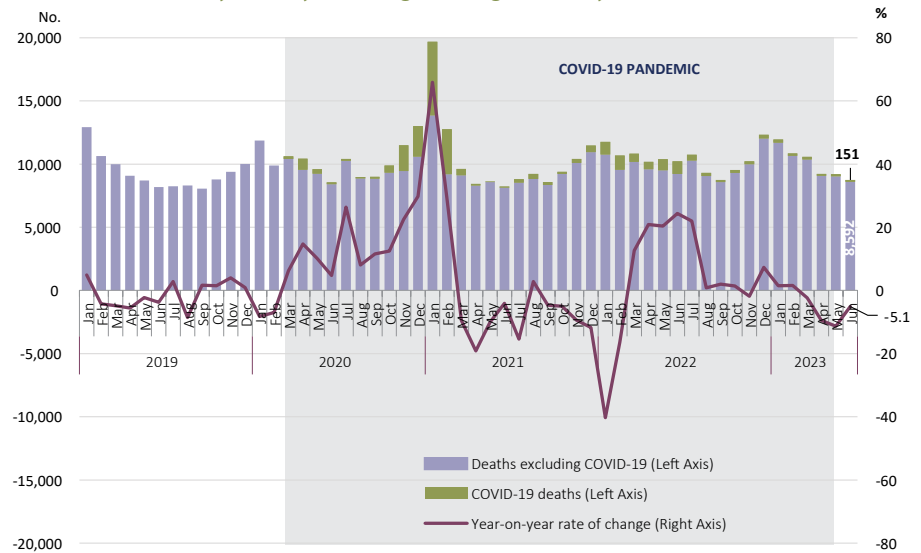
### Mortality

In June 2023 there were 8,743 deaths, 466 less than the previous month (-5.1%) and 1,472 less than in June 2022 (-14.7%).

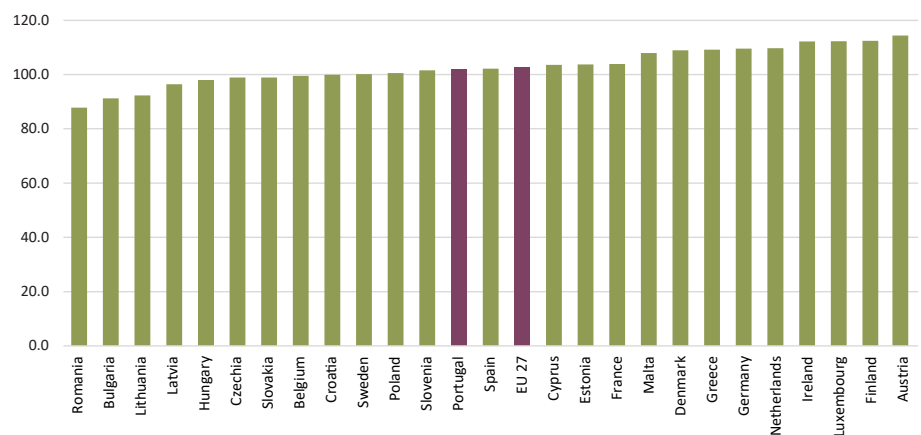
This month, the number of deaths due to COVID-19:

- Was 151, 1.7% of total mortality; and
- Decreased by 20 compared with the previous month and by 836 compared with June 2022.

Deaths and year-on-year change, Portugal, January 2019 to June 2023



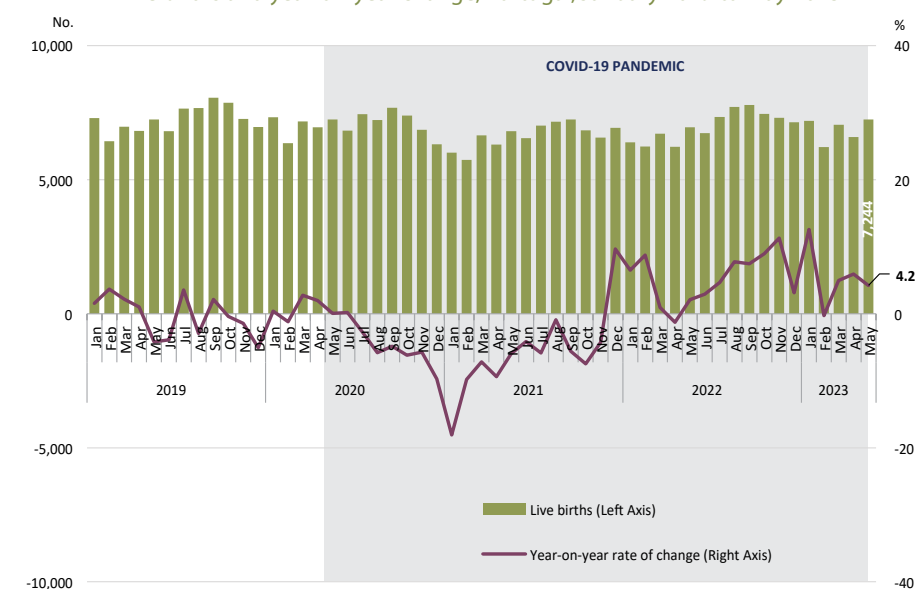
Excess mortality in EU-27 countries, March 2023  
(average 2016-2019=100)



The number of deaths in the first semester of 2023 (60,528) was lower than the figure for the same period in 2022 (less 3,518 deaths; -5.5%).

In April 2023, as March, the EU-27 again recorded excess mortality. Seventeen of the 27 member states, among which was Portugal, had excess mortality.

Live births and year-on-year change, Portugal, January 2019 to May 2023



### Live births

In May 2023, there were 7,244 live births, a 293 increase (4.2%) compared to May 2022.

The total number of live births in the first five months of 2023 was 34,294, +5.5% more than in the corresponding period of the previous year.



## Natural change

The natural change deficit in February 2023 was 1,941, having decreased compared to the same month in 2022, when it was 3,404. In the first five months of 2023, the cumulative natural change deficit was 17,382. This figure shows some relief compared to the 21,195 observed in the same period of 2022.

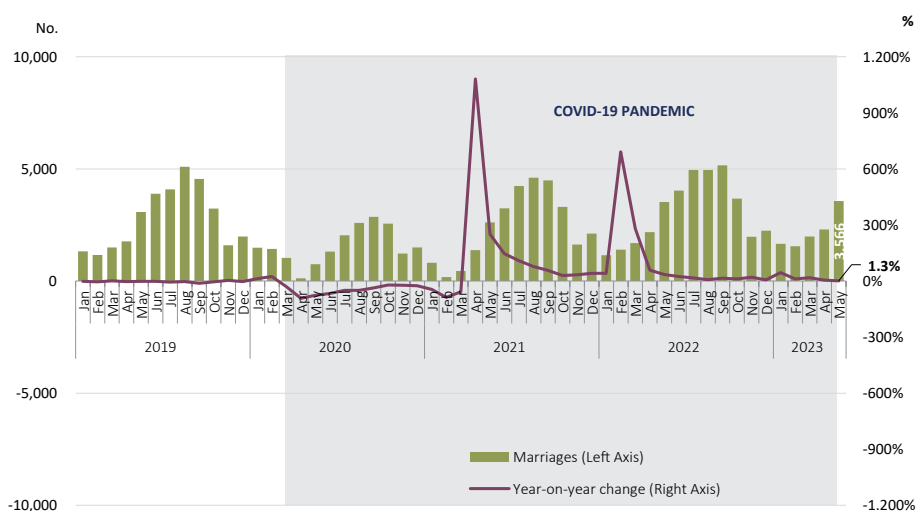
Live births, deaths and natural change, Portugal, January 1919 to May 2023



## Marriages

Three thousand five hundred sixty-six marriages were celebrated in May 2023, 46 more (+1.3%) than in May 2022.

Marriages and year-on-year variation, Portugal, January 1919 to May 2023



In the first five months of 2023, 11,065 marriages were celebrated, corresponding to a year-on-year increase of 1,127 (+11.3%).

## In 2022, current health expenditure increased at a slower rate than GDP

Statistics Portugal estimates<sup>1</sup> that in 2022 current health expenditure will have reached €25,417.7 million.

In relative terms, this value corresponds to:

- A growth (nominal rate of change) of 6.3%, as follows:
  - » 6.6% in public current expenditure;<sup>2</sup>
  - » 5.7% in current private expenditure;<sup>3</sup>
- 10.6% of GDP (0.7 pp less than in 2021, but 1.9 pp more than in 2019);
- €2,474.0 *per capita* (+€149.40 compared to 2021).

The growth in public current expenditure in 2022 reflected the increase in intermediate consumption (COVID-19 tests, reimbursement of medicines and complementary means of diagnosis, consumption of pharmaceutical products and others) and the staff costs of public providers.

In nominal terms, current health expenditure grew less than GDP (-5.1 pp) in 2022, unlike the previous year (+6.0 pp than GDP). Current health expenditure had been growing faster than GDP since 2017.

### Current expenditure on health and GDP (2019-2022Pe)

|                                      | 2019      | 2020      | 2021Po    | 2022Pe    |
|--------------------------------------|-----------|-----------|-----------|-----------|
| <b>Current expenditure on health</b> |           |           |           |           |
| Value (10 <sup>6</sup> €)            | 20,395.2  | 21,150.1  | 23,915.7  | 25,417.7  |
| Nominal rate of change (%)           | 5.6       | 3.7       | 13.1      | 6.3       |
| % of GDP                             | 9.5       | 10.5      | 11.1      | 10.6      |
| <i>Per capita</i> (€)                | 1,982.8   | 2,054.0   | 2,324.6   | 2,474.0   |
| <b>Gross Domestic Product (GDP)</b>  |           |           |           |           |
| Value (10 <sup>6</sup> €)            | 214,374.6 | 200,518.9 | 214,741.0 | 239,240.7 |
| Nominal rate of change (%)           | 4.5       | -6.5      | 7.1       | 11.4      |

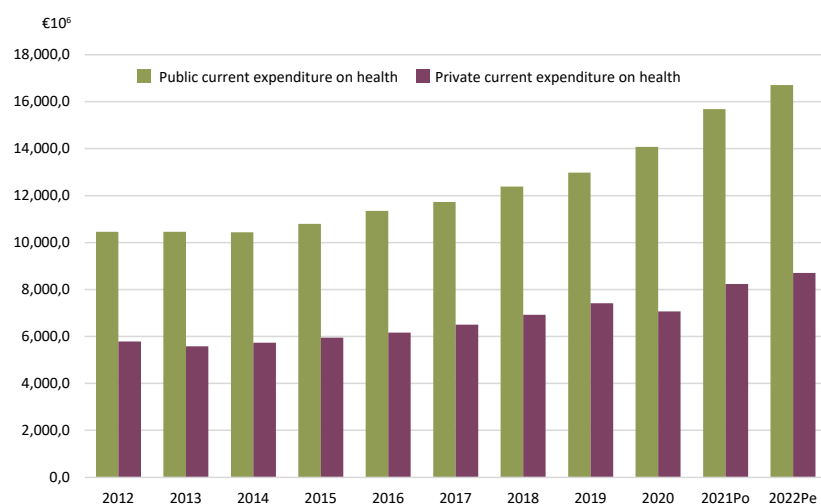
Note: Provisional values (Po) concerning 2021 and preliminary (Pe) regarding 2022.

<sup>1</sup> Based on information available up to the end of April 2023.

<sup>2</sup> Current public expenditure corresponds to the expenditure borne by the public financing agents. Public financing agents include the National Health Service (NHS) and the Regional Health Services (RHS) of the Açores and Madeira, public health sub-systems (compulsory and voluntary), other public administration entities, and Social Security funds.

<sup>3</sup> Private current expenditure corresponds to expenditure borne by private financing agents. Private financing agents include insurance companies, non-profit institutions serving households (NPISHs) (health subsystems and others), and households.

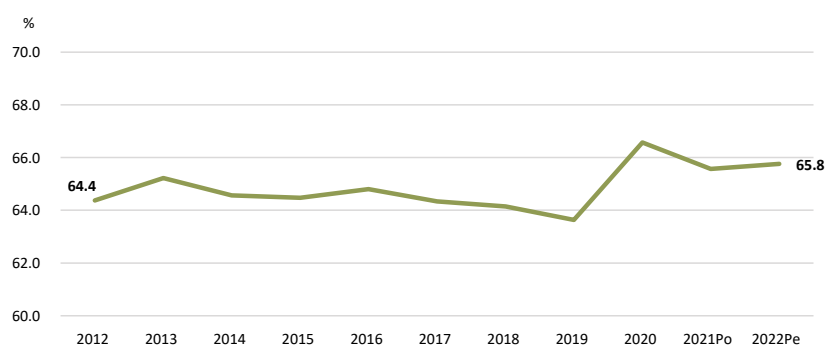
### Current expenditure on health, public and private



Note: Po – Provisional data / Pe – Preliminary data



### Current public expenditure on health as % of the current expenditure on health



Note: Po – Provisional data / Pe – Preliminary data

In 2021, household spending saw a record increase of 17.0%, reaching the highest value in the available series, which began in 2000. The significant increase in household spending occurred in particular:

- In private hospitals: +27.9%; and
- Private outpatient care providers: +20.1%.

In 2020,<sup>4</sup> the Gross Fixed Capital Formation (GFCF) of healthcare providers totalled €2,411.9 million, representing 6.3% of the total GFCF of the national economy. That year, there was a 9.7% increase in investment by healthcare providers, mainly in construction (+20.3%) and intellectual property products (+15.1%). It should be noted that in the same period, the country's total investment fell by 0.8%.

The providers with the most significant increases in GFCF were:

- Public hospitals: +62.2% (due to the investment made in the context of the COVID-19 pandemic);
- Entities in the rest of the economy (including R&D and higher education institutions): +12.8%; and
- Private ambulatory care providers: +9.7%.

Together, these providers accounted for 74.1% of investment in 2020.

At the EU level, in 2021:

- Current health expenditure increased significantly in the majority of Member States (MS) with information available for this year;<sup>5</sup>
- More than half of the MS showed nominal increases in expenditure of more than 10%, with Lithuania (17.8%), Estonia (13.5%), Austria (13.2%) and Portugal (13.1%) standing out. Greece (6.0%) and Italy (4.9%) were the MS with the lowest growths; and
- The MS with the highest share of current health expenditure in GDP<sup>6</sup> were Germany (12.9%), France (12.3%) and Austria (12.1%).

Evolution of current health expenditure and share of current health expenditure in GDP in EU countries (2020-2021)



<sup>4</sup> The availability of GFCF results for healthcare providers within the scope of the Health Satellite Account is only possible after the final and detailed results of the Portuguese National Accounts have been presented, with 2020 being the last year currently available.

<sup>5</sup> Data extracted from the OECD database on 27 June 2023 (date of last update: November 2022) supplemented with updated data published on the official statistics websites of each member state.

<sup>6</sup> Data extracted from the Eurostat database on 27 June 2023 (date of last update: 26 June 2023).

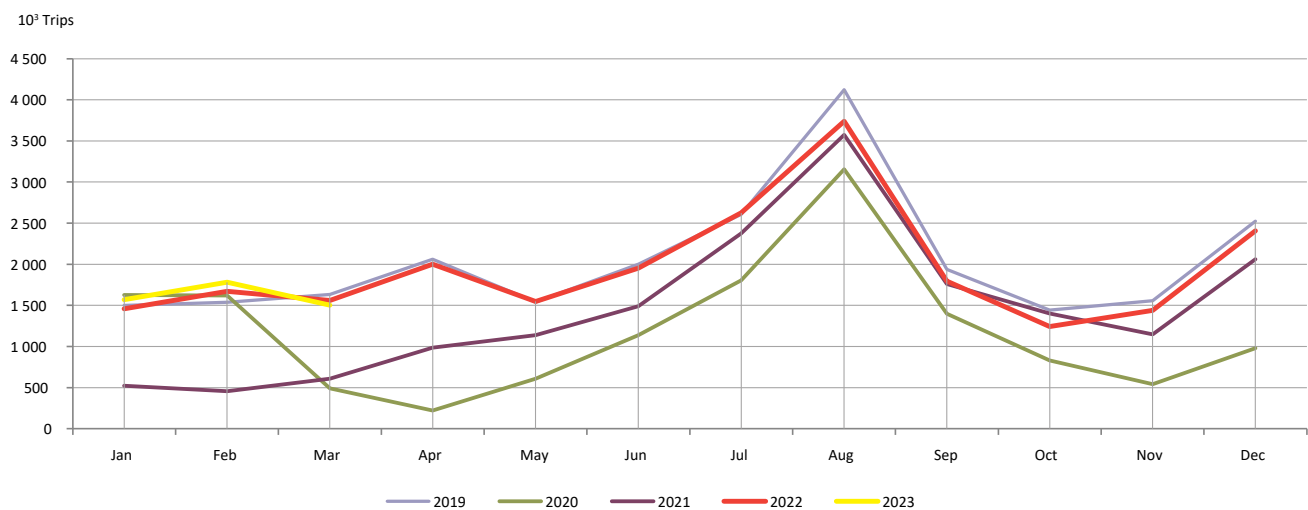
## Residents' trips abroad are still below 2019 levels

In Q1 2023, domestic tourists took 4.9 million trips, corresponding to:

- A 11.8% year-on-year growth (+8.5% in Q4 2022); and
- A 3.9% increase compared with Q1 2019.

The number of trips increased every month of the quarter: 14.4% in January, 15.8% in February and 5.0% in March. Compared to the same months in 2019, there was a decrease of 8.0% in March, while January and February saw increases of 4.6% and 15.7% respectively, essentially due to calendar effects.

Tourist trips of residents — monthly evolution





Q1's 4.3 million domestic trips:

- Accounted for 88.7% of the total (87.9% in the previous quarter; 87.7% in Q1 2019); and
- Increased by 9.3% compared to the same period in 2022 (+5.0% compared to Q1 2019).

Note that the increases compared to the same period in the previous year reflect the effects of the restrictions on the movement of people still in force at the beginning of 2022 as a result of the measures to control the spread of the pandemic.

In the same period, the 549.1 thousand foreign-bound trips:

- Accounted for 11.3% of the total (12.1% in Q4 2022; 12.3% in Q1 2019); and
- Grew 35.8% year-on-year (down 4.6% from Q1 2019).

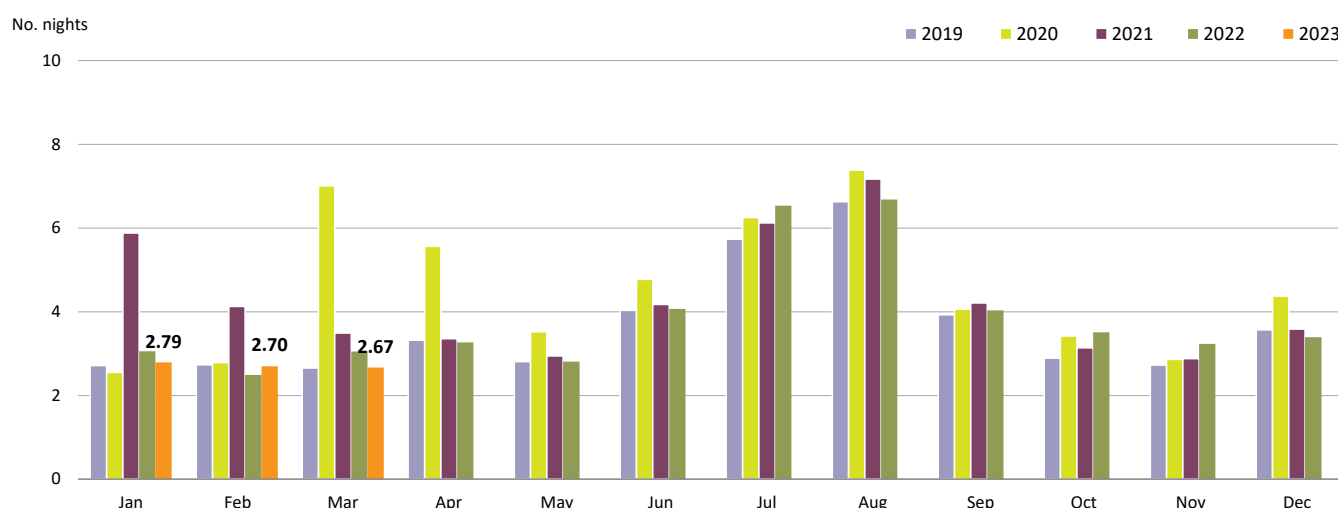
Residents' main reasons for travelling in Q1 2023 were:

- *Visiting relatives or friends*: 2.2 million trips (46.1% of the total; +9.6 year-on-year and +8.1% compared to the same period in 2019);
- *Leisure, recreation, or holidays*: 1.9 million trips (39.5% of the total; +16.2% year-on-year and +7.5% compared to Q1 2019); and
- *Professional or business reasons*: 489.4 thousand trips (10.1% of the total; +23.9% year-on-year and -21.9% compared to Q1 2019).

In the same quarter, residents in Portugal, in their trips:

- Opted mainly for *free private accommodation* (68.7% of overnight stays) and *hotels and similar* (23.6% of overnight stays); and
- Stayed overnight, on average, 2.72 nights on each trip (2.86 nights and 2.70 nights, respectively, in the same periods of 2022 and 2019).

Average number of overnight stays per tourist per month

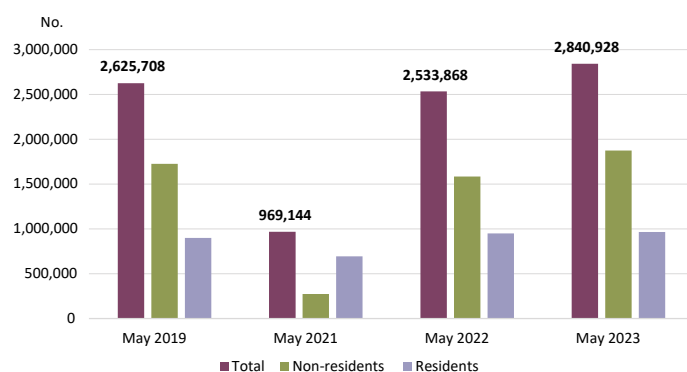


## Average income per occupied room reached an all-time high in the Área Metropolitana de Lisboa

In May 2023,<sup>1</sup> the tourist accommodation sector<sup>2</sup> registered:<sup>3</sup>

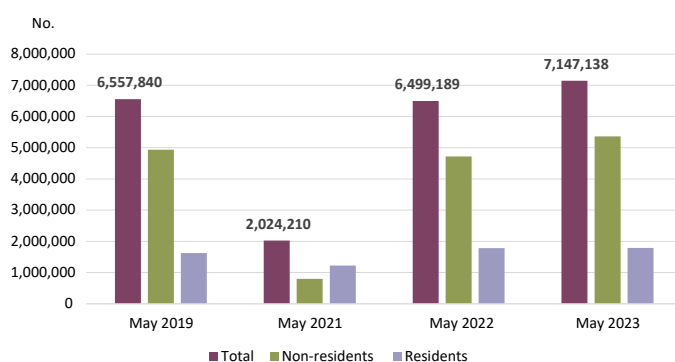
- 2.8 million guests;
- 7.1 million overnight stays;
- €571.7 million in total revenue;
- €436.8 million in accommodation revenue;
- A net bed occupancy rate of 49.9% (up by 1.7 pp from the same month in 2022);

### Guests in tourist establishments



- A net bedroom occupancy rate of 61.9% (up by 3.1 pp from May 2022);
- An average revenue per available room (RevPAR) of €69.8 (+23.7% compared to May 2022 and +32.3% compared to the same month in 2019); and
- An average daily rate (ADR) of €112.7 (+17.6% compared to May 2022 and +28.4% compared to May 2019).

### Overnight stays in tourist establishments

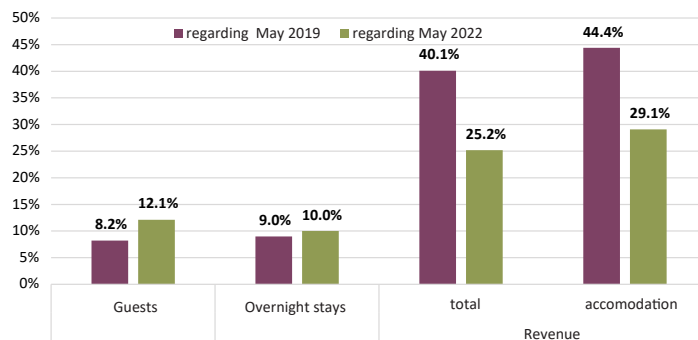


<sup>1</sup> These results are final until the end of 2022, provisional from January to April 2023, and preliminary in May 2023.

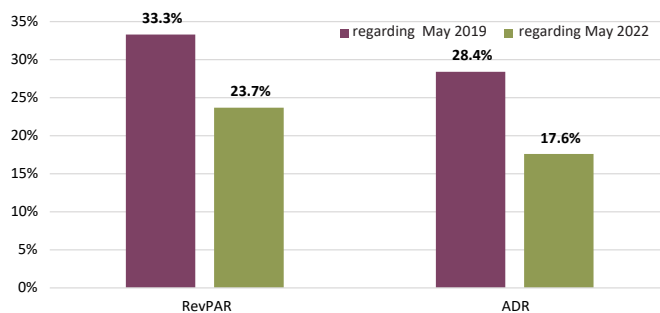
<sup>2</sup> It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, Madeira inns and quintas), local accommodation with 10 or more bed places (according to the statistical threshold defined by EU Regulation 692/2011) and residential or rural environment tourism.

<sup>3</sup> Unless otherwise indicated, the rates of change shown in this note correspond to year-on-year rates of change vis-à-vis the same period of the previous year.

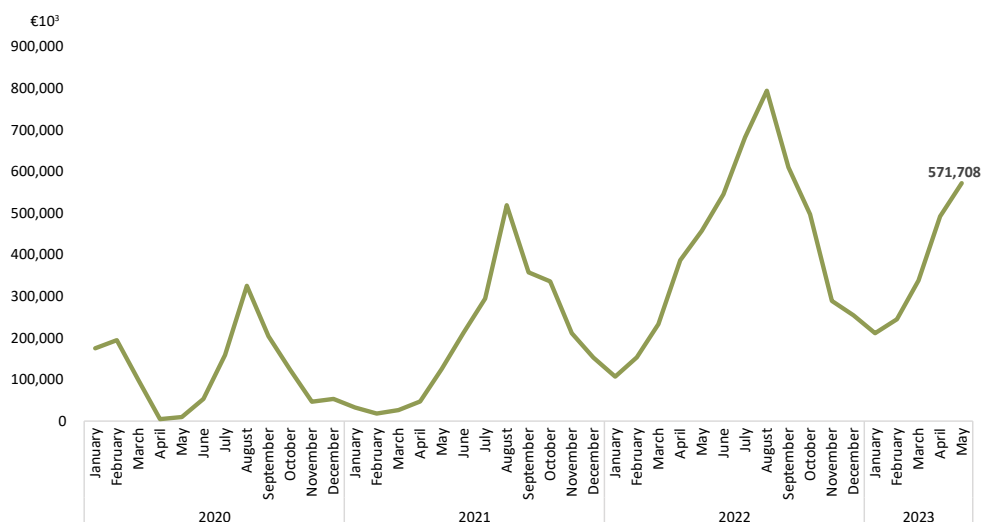
### Year on year growth of guests, overnight stays and revenue in the tourist accommodation sector



### Year-on-year growth of RevPAR and ADR in the accommodation sector



### Total revenue in tourist accommodation establishments



Still in May 2023:

- The Área Metropolitana de Lisboa concentrated 34.9% of the total revenue and 37.3% of the accommodation revenue, followed by the Algarve (24.6% and 22.3%, in the same order), the Norte (16.4% and 17.1%), and the Região Autónoma da Madeira (10.2% and 9.6%);

The most significant increases were registered in the Área Metropolitana de Lisboa (+34.0% in total revenue and +39.0% in accommodation revenue), in the Região Autónoma dos Açores (+32.4% and +35.4%), and in the Norte (+29.1% e +32.5%);

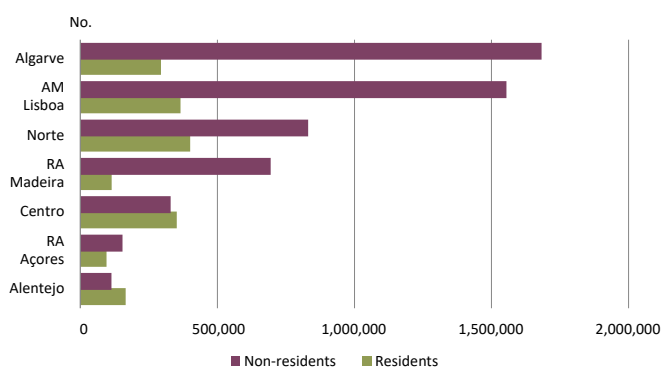
Compared to May 2019, the increases in the Região Autónoma dos Açores (+54.8% and +54.3%), the Região Autónoma da Madeira (+50.9% and +63.7%), the Norte (+49.1% and +52.9%), and the Alentejo (+47.8% and +54.6%) stand out; and

- Among the municipalities with a more significant share of overnight stays, Lisboa accounted for 20.1% (11.2% for residents and 23.1% for non-residents), reaching 1.4 million. Compared to May 2019, overnight stays in the municipality of Lisboa increased by 8.2% (+1.9% for residents and +9.3% for non-residents);

Albufeira, while maintaining 2<sup>nd</sup> place, continued to show a reduction in overnight stays compared to 2019: -5.6% in total (-15.8% in residents and -4.0% in non-residents); and

In Porto and Funchal, the increases compared to May 2019 were maintained (+28.1% and +20.2%, respectively).

Overnight stays at tourist accommodation establishments,  
by NUTS 2 region - May 2023



In the first five months of 2023:

- Total overnight stays grew 23.9% (+12.7% in residents and +29.3% in non-residents);
- Total revenue increased by 38.8% (+39.8% compared to the same period in 2019); and
- Accommodation revenue increased 41.6% (+43.8% compared to January-May 2019).

Considering all accommodation facilities (that is, adding camping sites, holiday colonies, and youth hostels to tourist accommodation establishments), in the first four months of 2023, there were:

- 11.4 million guests, up +25.7% from the same period last year; and
- 28.6 million overnight stays, 23.9% more than in January-May 2022.

Compared to January-May 2019, overnight stays increased by 13.4% (+15.3% in residents and +12.1% in non-residents).

More information:  
Tourism Activity – May 2023  
14 July 2023

## Tourist activity came close to 2019 levels

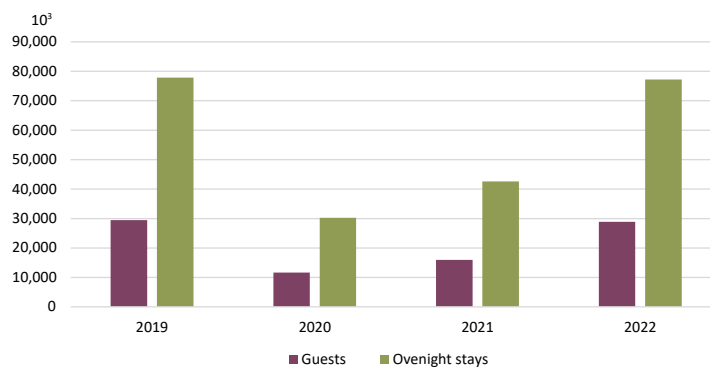
Statistics Portugal estimates that, in 2022, tourist accommodation facilities<sup>1</sup> in Portugal registered:

- 28.9 million guests (up by 80.7% from the previous year, but down by 2.2% from 2019); and
- 77.2 million overnight stays (up by 81.1% from 2021 but down by 0.8% from 2019).

Regarding these overnight stays:

- Domestic tourists originated 27.5 million, growing by 22.2% from 2021 and by 5.3% from 2019; and
- Inbound tourists were responsible for 49.7 million, increasing significantly from the previous year (+146.9%), but still not reaching (-3.9%) the 2019 figure.

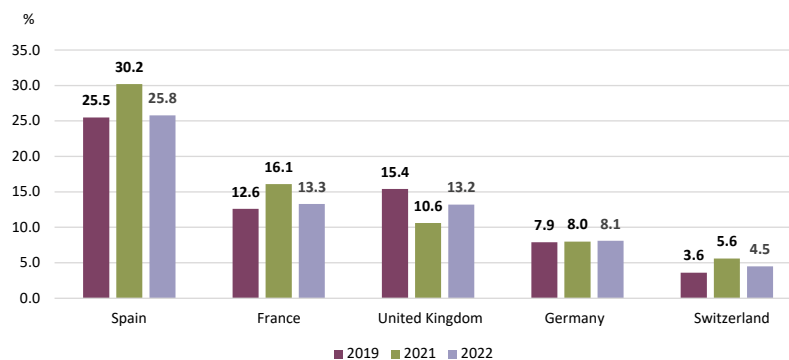
Guests and overnight stays in all tourist accommodation, 2019-2022 (thousands)



Focusing on incoming tourists, they:

- Amounted to 22.3 million (+131.4% compared to 2021, but -9.6% compared to 2019);
- Continued to come mainly from Spain: 25.8% (+97.4% compared to 2021), with the French and British markets trailing at some distance (13.3% and 13.2%, respectively).

Main issuing markets, 2019, 2021 and 2022  
(% of total non-resident tourists)

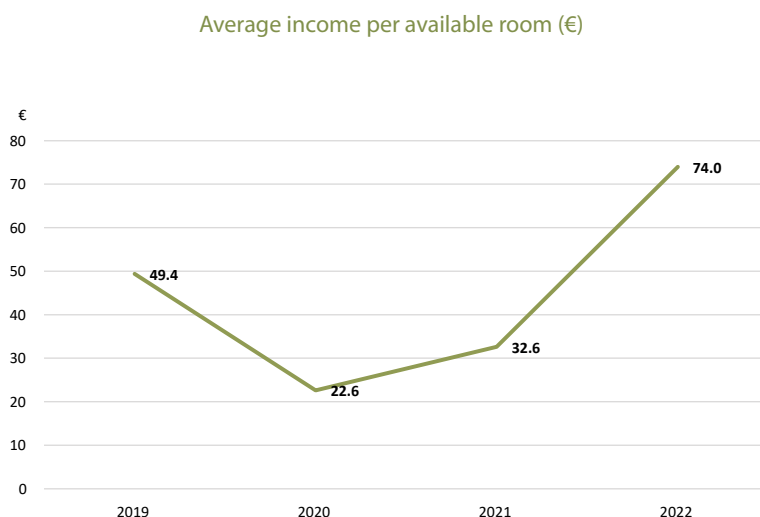


<sup>1</sup> Encompassing tourist accommodation establishments, camping, holiday camps, and youth hostels.



Regarding tourist accommodation establishments<sup>2</sup> specifically, these registered:

- €5.0 billion in total revenue (+115.2% from 2021 and +16.7% compared to 2019);
- €3.8 billion in accommodation revenue (+117.3% and +17.9%, respectively);
- €74.0 € of average revenue per available room (+127.2% and +49.8%); and
- €103.6 € of average revenue per occupied room (+17.4% and +16.1%).



In 2022, domestic tourists:

- Made 22.6 million trips (+29.2% from 2021, but -7.5% compared to 2019), which meant there were year-on-year increases of:
  - » 21.0% on domestic trips (but -6.5% compared to 2019);
  - » 162.5% in travels abroad (but -14.3% compared to 2019);
- Spent an average of €232.5 per tourist on each trip (+18.3% from 2021 and +18.8% compared to 2019), with the following breakdown:
  - » Domestic trips: €163.3 per tourist/trip (-€6.8 from 2021, but +€30.2 compared to 2019); and
  - » Trips abroad: €752.5 per tourist/trip (+19.7% compared to 2021 and +20.1 compared to 2019).

<sup>2</sup> It includes three accommodation segments: hotels (hotels, apartment hotels, tourist apartments, tourist villages, pousadas and "quintas da Madeira"), local accommodation with ten or more beds (according to the statistical threshold laid down in EU Regulation 692/2011) and rural/residential tourism.

## Overnight stays in the Algarve remain below 2019 levels

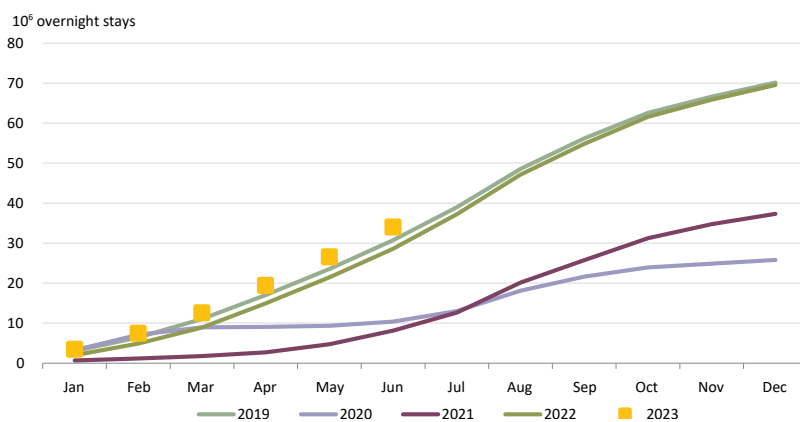
In June 2023, the tourist accommodation sector<sup>1</sup> welcomed 2.9 million guests for 7.4 million overnight stays. These results represent year-on-year increases of:

- 7.1% in guests (+12.2% a month before); and
- 3.7% in overnight stays (+9.9% in May);

Compared with June 2019, the levels now reached represent increases of:

- 4.3% in guests; and
- 3.8% in overnight stays.

Overnight stays in tourist accommodation establishments per month  
Cumulative sum



In June 2023, the domestic market contributed 2.2 million overnight stays (-6.7% year-on-year), while inbound markets totalled 5.3 million (+8.7%).

Compared with June 2019, there were increases of:

- 0.5% in domestic tourists' overnight stays; and
- 5.2% in inbound tourists' overnight stays;

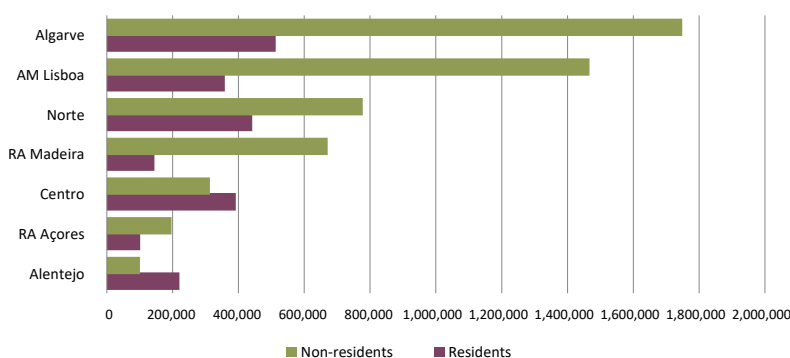
In June 2023, the distribution of total overnight stays by accommodation type was as follows:

- Hotels and similar: 83.1%;
- Local accommodation: 14.9%; and
- Rural and lodging tourism: 3.8%.

Overnight stays in June 2023 — year-on-year rates of change

| Type of accommodation     | Growth from June 2022 | Growth from June 2019 |
|---------------------------|-----------------------|-----------------------|
| Hotels and similar        | +2.4%                 | +2.3%                 |
| Local accommodation       | +10.9%                | +6.3%                 |
| Rural and lodging tourism | +7.0%                 | +33.5%                |

Overnight stays in tourist accommodation establishments, by  
NUTS 2 region – June 2023



In the month under review, the average stay in tourist accommodation establishments (2.61 nights) diminished by 3.1% year-on-year (-2.0% in May) while breaking down into:

- 2.03 nights for domestic tourists (-5.2% year-on-year); and
- 2.95 nights for inbound tourists (-3.8% compared with the same month last year);

All but one NUTS 2 regions recorded year-on-year increases in overnights in June. The exception was Região Autónoma da Madeira (-0.8%), which had no decreases on record since March 2021. The Algarve concentrated 30.4% of all overnight stays, followed by the Área Metropolitana de Lisboa (24.5%) and the Norte (16.4%).

<sup>1</sup> It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, inns and farms of Madeira), local accommodation with 10 or more beds (according to the statistical threshold set in Regulation EU 692/2011) and tourism in rural/housing areas.

Compared with June 2019, overnight stays in the Algarve fell again (-6.8%, after -0.9% in May). The other regions continued to grow, particularly the Norte (+17.1%), the Região Autónoma dos Açores (+16.7%), and the Região Autónoma da Madeira (+14.3%).

Among the seventeen main issuing markets,<sup>2</sup> which represented 87.0% of all nights spent by inbound tourists in June, only three decreased their number of overnight stays:

- Finland: -19.3%;
- The Netherlands: -3.8%; and
- Belgium: -1.2%

Canada and the United States continued to be the fastest-growing markets compared with June 2022, with year-on-year variations of +36.2% and +22.2%, respectively.

Still, regarding overnight stays by non-residents in June 2023, but compared with the same month in 2019:

- The British market (20.8% of the total) increased by 0.6%, slowing down a third consecutive month;
- The German market (11.1% share) dwindled by 2.8%;
- The North American market (9.8% share) continued salient, growing 60.3%;
- The French market (8.0% share) decreased by 6.3; and
- The Spanish market (with a 7.9% share), despite growing 3.8%, still lost share to the French market.

Also, compared with June 2019, the growths of the following markets stand out:

- Canadian: 39.7%; and
- Danish: 33.3%.

Compared with the same month, decreases in overnight stays were more pronounced – and grew steeper regarding May – in guests from:

- Finland: 28.5%; and
- Brazil: 17.7%.

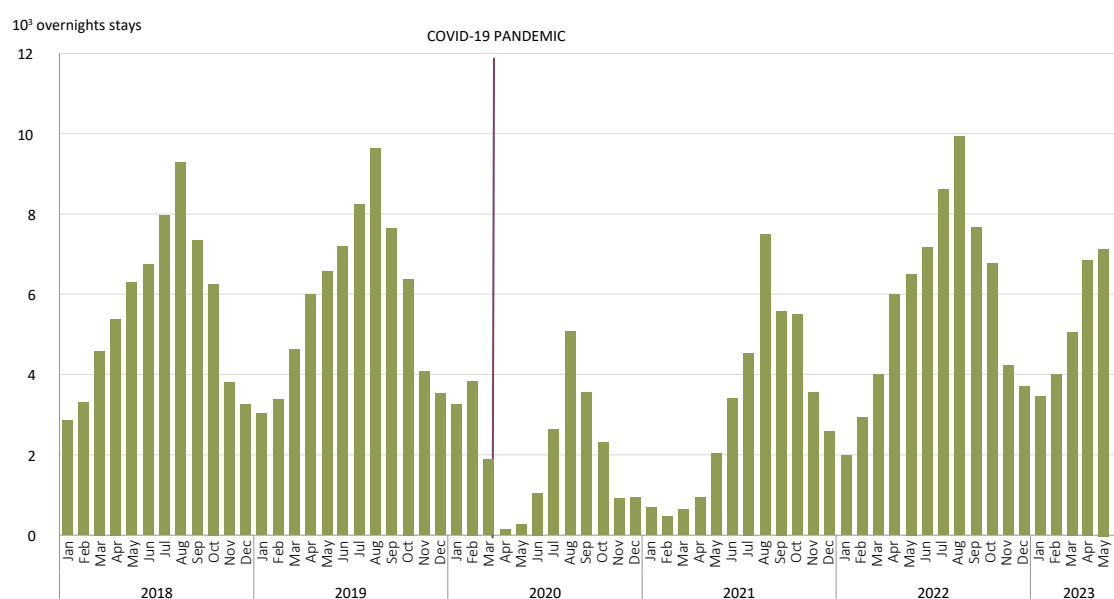
In the first half of 2023:

- Overnight stays increased by 18.8% compared to January-June 2022 (+7.7% in residents and +24.2% in non-residents); and
- Compared to the same period in 2019, overnight stays grew by 10.7% (+13.2% for residents and +9.6% for non-residents).

In Q2 2023, year-on-year:

- Overnight stays increased by 8.9% (+8.7% compared to Q2 2019); and
- Overnight stays from residents decreased by 0.2% (+9.4% compared to Q2 2019) and those from non-residents grew by 12.9% (+8.4% compared to Q2 2019).

Overnight stays in tourist accommodation establishments per month



In June 2023, 14.7% of tourist accommodation establishments were closed or recorded no guest movement (19.0% in the previous month).

<sup>2</sup> Based on provisional results of overnight stays in 2022.

## Passenger traffic at national airports continues to grow above pre-pandemic levels

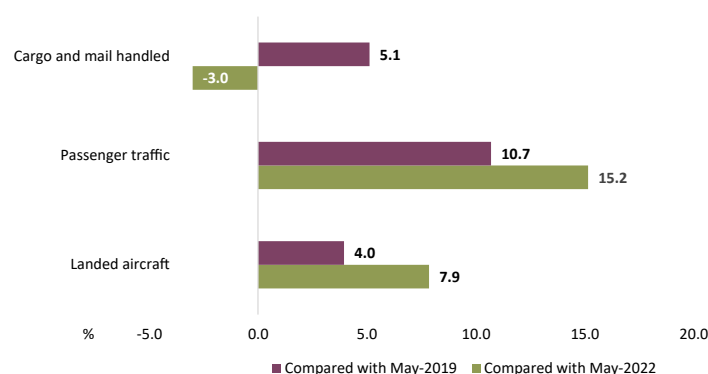
In May 2023, Portuguese airports witnessed:

- The landing of 21.7 thousand commercial flights (+7.9% year-on-year);
- The boardings, disembarkations, and direct transits of 6.2 million passengers (+15.2% year-on-year);
- An average daily disembarking of 100 thousand passengers, 15.0% more than in May 2022; and
- The movement of 19.1 thousand tons of cargo and mail (-3.0% year-on-year).

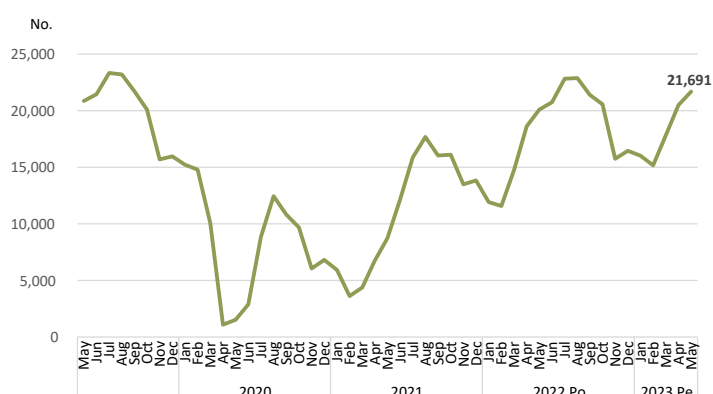
Compared to May 2019, before the pandemic:

- The number of aircraft landed was 4.0% higher;
- The number of passengers increased by 10.0%;
- The average daily number of passengers disembarked increased by 10.6%; and
- The cargo and mail handled increased by 5.1%.

Traffic at national airports, May 2023  
(year-on-year rates of change, %)



Aircraft landed at national airports



Passenger traffic moving through national airports



Note: Po = Provisional values; Pe = Preliminary value



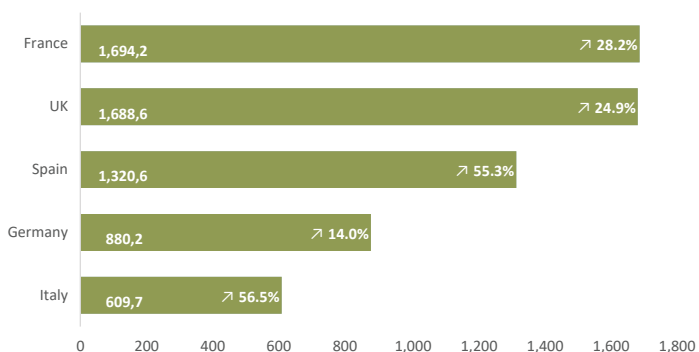
Note: Po = Provisional values; Pe = Preliminary value



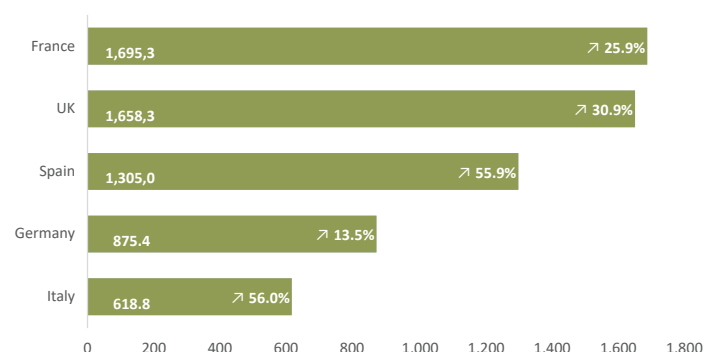
From January to May 2023:

- Compared to 2022, the number of passengers increased by 33.6%, while cargo and mail movement slightly decreased (-0.6%);
- Compared to 2019, the number of passengers increased by 13.0%, and cargo and mail movement increased by 9.5%;
- Lisbon airport handled about 12.9 million passengers, 51.8% of the total and 36.9% more than a year before (up by 10.1% from the same period in 2019);
- Porto airport handled 22.7% of all passengers and, compared to 2022, grew by 32.0% (+14.5% regarding the same period in 2019); and
- Faro airport passenger traffic grew by 24.0% (+6.2% compared with January-May 2019).

Passengers disembarked, by main countries of origin, January-May 2023 (thousands and year-on-year growth)



Passengers embarked, by main countries of destination, January-April 2023 (thousands and year-on-year growth)



More information:  
Air Transport Flash Statistics – May 2023  
13 July 2023



## Production prices fall more sharply, and consumer prices continue to decelerate

In June 2023, the Euro Area (EA) economic sentiment indicator kept to the decreasing trend that has set in since February, with the following month-on-month variations:

- Raw materials: +1.1% (-6.1% in May); and
- Oil: -0.6% (-10.0% in May).

In Portugal, the industrial production prices index:

- Showed negative year-on-year rates of change in April (-0.9%), May (-3.3%), and June (-5.8%), something that did not happen since February 2021, after increases of 8.9% and 0.1% in February and March, following the uninterrupted deceleration profile observed since July 2022;
- The *Energy* grouping was decisive for the reduction of the IPPI, with rates of -20.8% and -24.7% in May and June, respectively. Excluding the *Energy* component, the index decelerated to 0.8% (2.2% in May); and
- The *Consumer goods* index registered a year-on-year change of 6.4% (8.1% in the previous month), decelerating for the sixth consecutive month, after reaching the highest value of the series in November (16.2%);

The year-on-year change in the Consumer Price Index (CPI) in June:

- Slowed down 0.6 pp from May, growing only by 3.4%, partly because of the base effect resulting from the increase in fuel prices in the same month of the previous year; and
- The *Unprocessed foodstuffs* index decelerated from a year-on-year change of 8.9% in May to 8.5% in June.

On the external front, implicit prices of exports and imports of goods registered, in May, variations of -2.3% and +6.5%, respectively (0.7% and -5.5% in April).

Short-term indicators of economic activity from the production perspective, available for Maio, point to:

- A decrease in *Industry*; and
- An acceleration in *Services and Construction*.

From the expenditure perspective, the economic activity indicator accelerated in May, with:

- An increase in the investment indicator; and
- A deceleration in the private consumption indicator.

The economic climate indicator, which summarises the questions regarding the qualitative business surveys, stabilised in June after decreasing in the previous month.

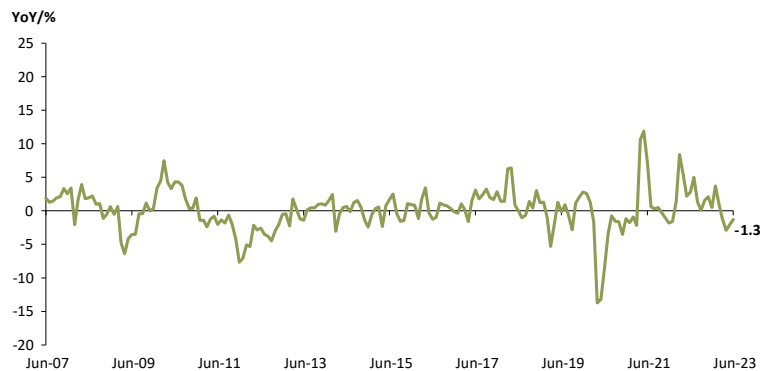
According to the Labour Force Survey monthly estimates, in May:

- The unemployment rate (16 to 74 years old), seasonally adjusted, was 6.4%, 0.1 pp below the figure recorded in April (6.9% in February and 6.0% in May 2022);
- The labour underutilisation rate (16 to 74 years old) stood at 11.9%, the same as in the previous month (12.1% in February and 11.5% in May 2022), and
- The employed population (aged 16 to 74), also seasonally adjusted, rose 1.3% year-on-year and 0.1% compared to the previous month (year-on-year change of 1.0% in April).

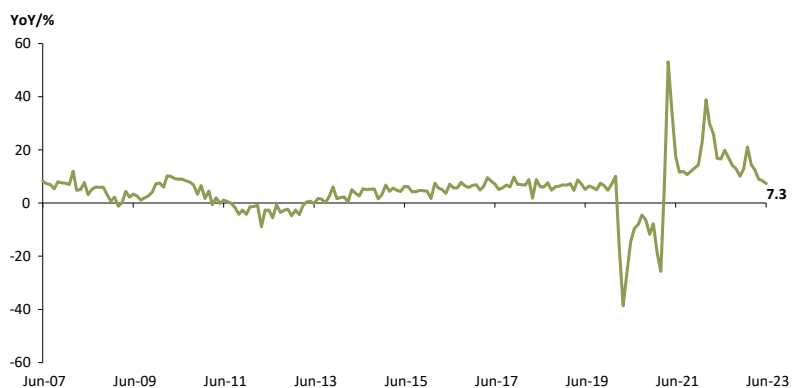
Some additional economic activity and private consumption indicators for June (year-on-year changes):

- Average weekday electricity consumption posted a decrease of 1.3%, which compares with rates of -2.9% in April and -2.1 in May;

Average electricity consumption on working days

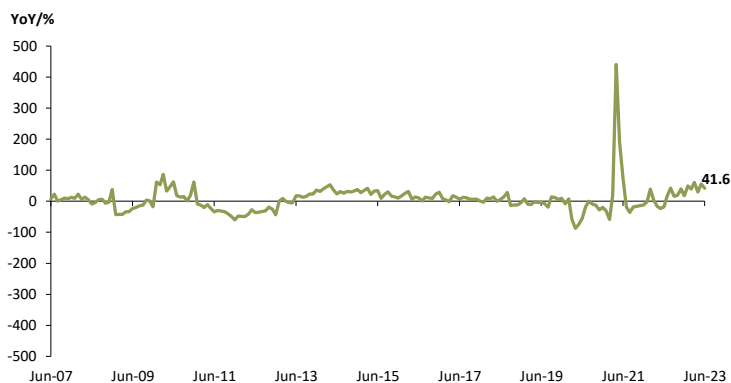


Operations carried out on the Multibanco network (value)



- The overall value of national withdrawals, payments for services and purchases at point-of-sale terminals in the Multibanco network showed an increase of 7.3% (8.4% in the previous month); Excluding payment services, there was an increase of 7.5% (7.0% in May); and

Passenger car sales



- Sales of passenger cars grew 41.6%, decelerating from the 55.5% recorded in the previous month.

## Consumer confidence indicator continues to rise, and economic climate indicator falls

In July 2023:

- The Consumer confidence indicator increased, as it has since December, and hit a new high since February 2022, after having registered in November the lowest value since the beginning of the pandemic in April 2020;
- The balance of Consumers' opinions about the past evolution of prices decreased, as it had already significantly, in May and June, moving away from the high level it was at;
- The economic climate indicator<sup>1</sup> decreased after being stable in the previous month;
- Confidence indicators:
  - » Increased in *Manufacturing Industry, Construction and Public Works, and Services*; and
  - » Decreased in *Trade*.
- The balance of entrepreneurs' expectations regarding future sales prices:
  - » Decreased slightly in *Manufacturing Industry*, extending the marked downward trend observed between November and reaching a new low since May 2020;
  - » Reached the lowest level since February 2021 in *Trade*, continuing the trend begun in November;
  - » Stabilised in *Construction and Public Works*, after decreasing between February and June, continuing at the lowest levels since April 2021; and
  - » Increase in *Services*, reversing the declining trend observed since February.

The information here reported was collected:

- From 1 to 6 July, for the consumer survey; and
- From 1 to 24 July, for the business surveys.



Economic Climate Indicator

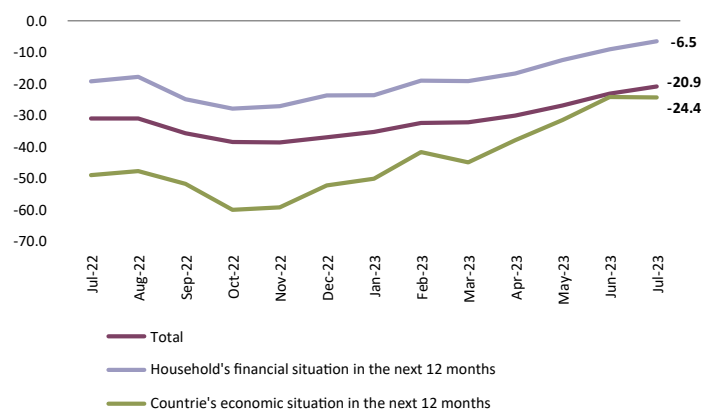


<sup>1</sup> The economic climate indicator summarises the balance of respondents to the business survey questions.

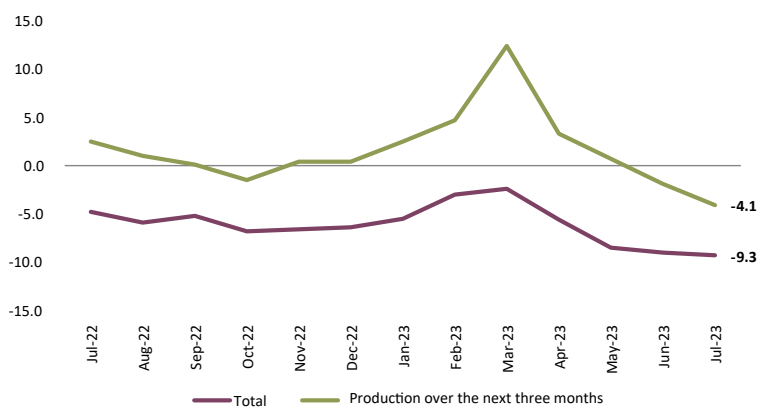


## Confidence indicators (BER\*) (monthly seasonally adjusted basic series values)

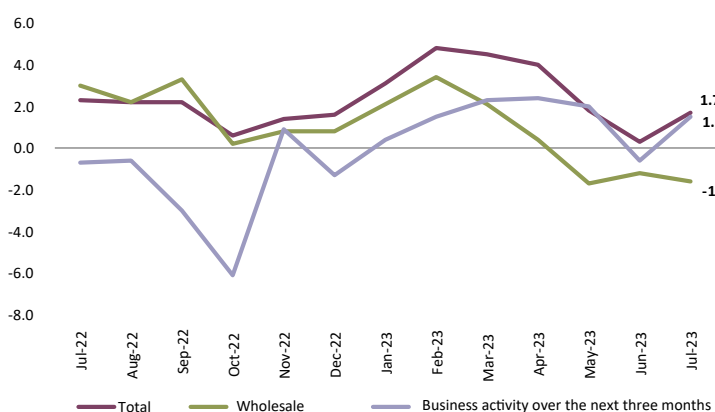
### Consumer Confidence Indicator



### Manufacturing Industry Confidence Indicator



### Trade Confidence Indicator



### Services Confidence Indicator



\* BER — Balance of extreme responses

More information:  
Business and Consumer Surveys – July 2023  
28 July 2023



## Retail sales increased by 4.0%

In June, the Retail Trade Turnover Index<sup>1</sup> was up by 4.0% from the same month in the previous year, accelerating 1.0 pp from the last month.

Considering the groupings that make up this index:

- Food Products increased 3.7% year-on-year, 0.9 pp more than in May; and
- Non-food products accelerated 1.1 pp to a year-on-year growth of 4.2%.

In Retail Trade, the following year-on-year rates of change were also recorded:

- Employment index: 2.2% (the same as in the previous month);
- Compensation index 8.5% (14.9% a month before); and
- Hours worked index:<sup>2</sup> 2.5% (3.7% a month earlier).

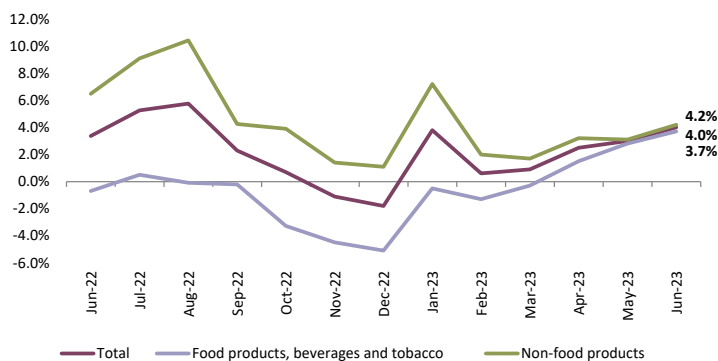
Month-on-month, the Retail Trade Turnover Index declined by 1.6% in June after growing 3.1% in May.

In nominal terms, the following year-on-year changes were recorded in June:

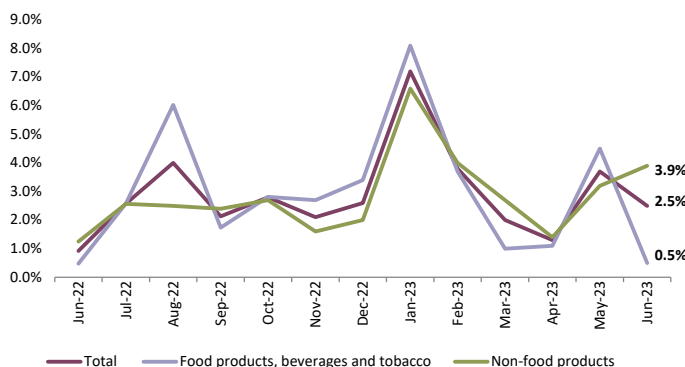
- Aggregate index: 3.5% (4.3% a month before);
- Food products: 8.6% (9.7% in the previous month); and
- Non-food products: -0.6% (-0.2% in May).

In Q2 2023, retail sales rose 3.2% year-on-year (1.7% in Q1).

Turnover in Retail Trade  
(year-on-year rate of change, %)



Hours worked(year-on-year rate of change, %)



<sup>1</sup> Total index, adjusted for calendar and seasonality effects, deflated.

<sup>2</sup> Adjusted working hours index of calendar effects.



## Agricultural Statistics 2022

The 2021/2022 crop year<sup>1</sup> in mainland Portugal was scorching (the hottest since 1931/32) and very dry. The meteorological drought of 2022 was one of the most severe since systematic records have existed, with practically the entire mainland in severe and extreme drought in February, May, June, July, and August.

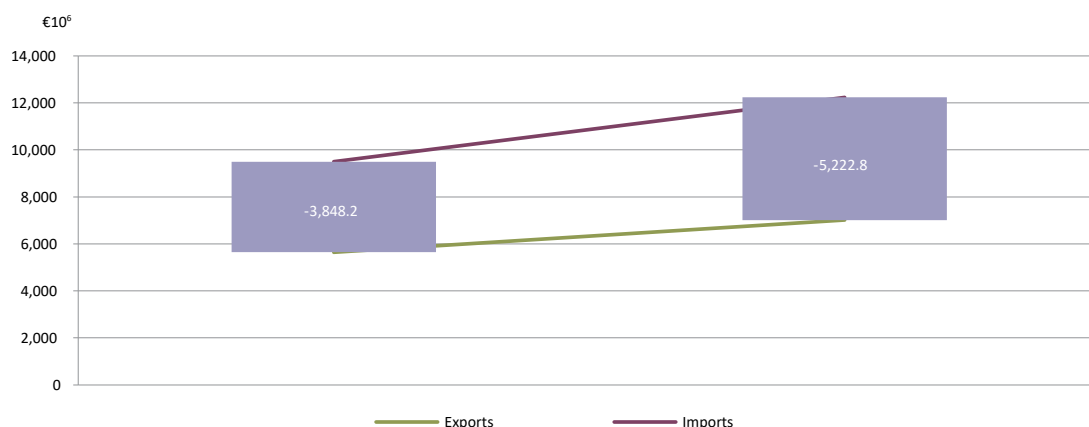
Under these conditions:

- The 2022 winter cereals campaign was the worst ever and was even lower than the production of the 2012 campaign, with the worst cereal campaigns coinciding with the most severe droughts;
- Apple production fell by 20.9% compared to last year, which was the second most productive harvest in the previous 35 years;
- The pear harvest ended with a 41.3% drop in production compared to the previous campaign due to adverse weather conditions and stenphyliosis;
- In Cova da Beira, the cherry harvest took place in good conditions, upending pessimistic expectations and contributing to a slightly higher production than last year (+3.1%), making it the most productive ever; and
- In oranges, increases in production of both early and late varieties contributed to the best campaign ever, 4.0% above the 2021 output.

In 2022:

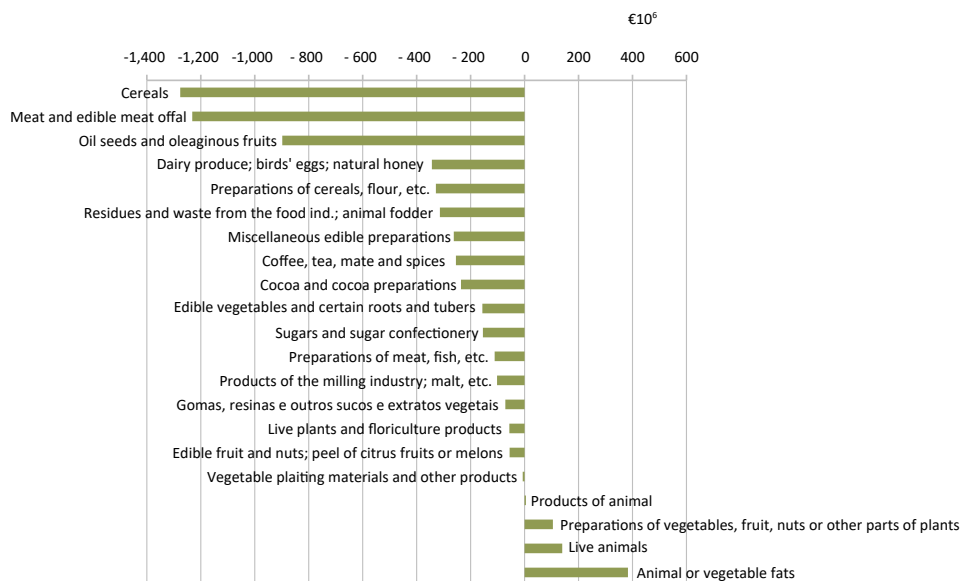
- 10,439 rural fires broke out in Portugal, 26.8% more than in 2021. The number of ignitions, although higher than in the last two years and the average for the previous five years, was around half the average number of fires recorded over the last 20 years;
- The trade deficit for *Agricultural and agri-food products (except beverages)* totalled €5,222.8 million, an increase of €1,374.5 million on the previous year;

International trade in agricultural and agri-food products



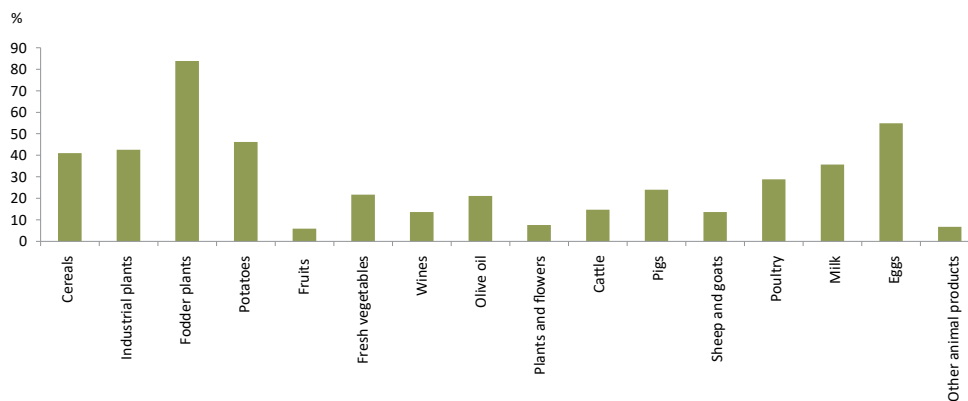
<sup>1</sup> From the 1<sup>st</sup> of November to the 31<sup>st</sup> of October.

## Trade balance for agricultural and agri-food products (2022)

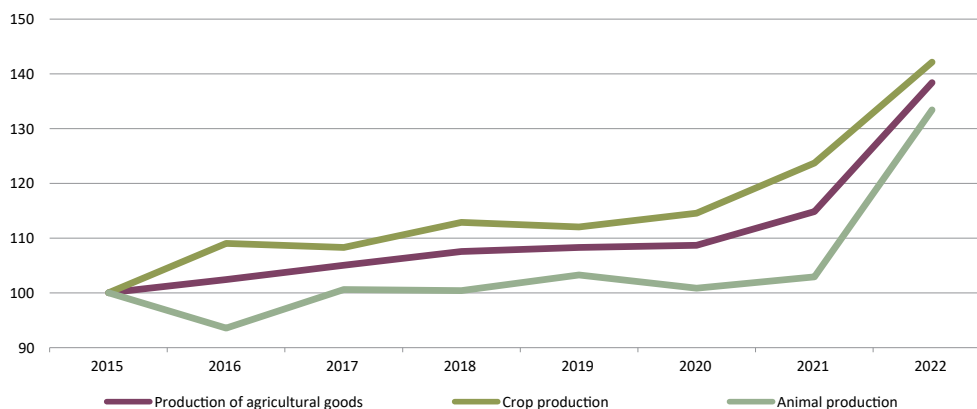


- The deficit in the degree of supply of meat worsened, but the country maintained a surplus degree of self-supply in milk for public consumption, wine, olive oil and rice; and
- There were very sharp increases:
  - » In the production price index for agricultural goods. +20.5%;
  - » The price index for current consumption goods and services in agriculture: +30.0%; and
  - » The price index for agricultural investment goods and services: +10.7%.

## Producer price indices for agricultural products, variation 2022/2021



## Producer price indices for agricultural products Base (2015 = 100)

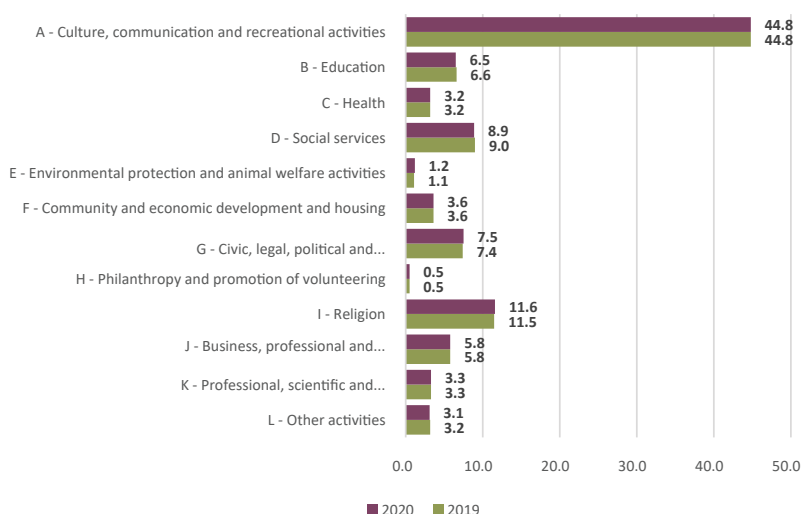


## GVA of the social economy increased slightly in a pandemic year, from 3.0% of national GVA in 2019 to 3.2%

In 2020 (the first year in which the adverse effects of the COVID-19 pandemic were felt):

- Statistics Portugal identified 73,851 social economy organisations, a 0.4% increase from 2019 (2.3% from 2016 to 2019);
- As in previous editions of the Social Economy Satellite Account, around 45% of entities carried out activities related to *Culture, communication and recreational activities*, almost 12% worked in the field of *Religion* and around 9% were in Social services;

### International Classification of Non-Profit and Third Sector Organisations major groups share (%)



- The Gross Value Added (GVA) of the social economy increased slightly (0.4%) compared to 2019, in contrast to the national economy, whose GVA fell by 5.8%;

The weight of the social economy's GVA in the national economy increased to 3.2% (+0.2 pp compared to 2019);

Social economy organisations also generated:

- » 5.0% of salaries;
- » 5.2% of total employment; and
- » 5.9% of paid employment;

The average pay in social economy organisations was 85.2% of the national average;

- Associations with Altruistic Purposes* and *Community and Self-Managed Subsectors* accounted for more than 95% of the total number of social economy organisations and more than 62% of the social economy's GVA;

### Evolution of the leading indicators in the two main social economy groups (Associations with Altruistic Purposes and Community and Self-management Subsectors)

|   | 2019    | 2020    | Rate of change (%) |
|---|---------|---------|--------------------|
| (No.)   | 70,315  | 70,613  | 0.4                |
| GVA (€10 <sup>6</sup> )                       | 3,535   | 3,515   | -0.5               |
| Compensation of employees (€10 <sup>6</sup> ) | 3,036   | 3,089   | 1.8                |
| Employment - FTE (No.)                        | 159,834 | 159,590 | 0.6                |
| Paid employment - ETC (No.)                   | 158,381 | 159,590 | 0.8                |

- In terms of GVA and paid employment, the leading social economy activities were:

- » *Health*: 25.5% and 33.2%, respectively;
- » *Social services*: 24.9% and 29.9%, in the same order;

*Culture, communication, and recreation organisations* accounted for only 3.7% of total GVA and 4.9% of the entire social economy paid employment; and

- Most social economy organisations (55.3%) existed for between 10 and 49 years.

## Gross Domestic Product in volume grew by 2.3% year-on-year and registered a zero rate of change in the chain

In Q2 2023:

- Gross Domestic Product (GDP), in real terms, recorded a year-on-year change of 2.3% (2.5% in the previous quarter);
- The positive contribution of net external demand to the year-on-year change in GDP was lower than in the previous quarter, with exports of goods and services decelerating more sharply than imports of goods and services;

The import deflator was negative year-on-year, significantly lower than in the previous quarter, leading to an increase in the terms of trade gains despite the slowdown in the export deflator; and

- In turn, the positive contribution of domestic demand to the year-on-year change in GDP increased, compared to the previous quarter, due to a less pronounced reduction in investment and a slight slowdown in private consumption.

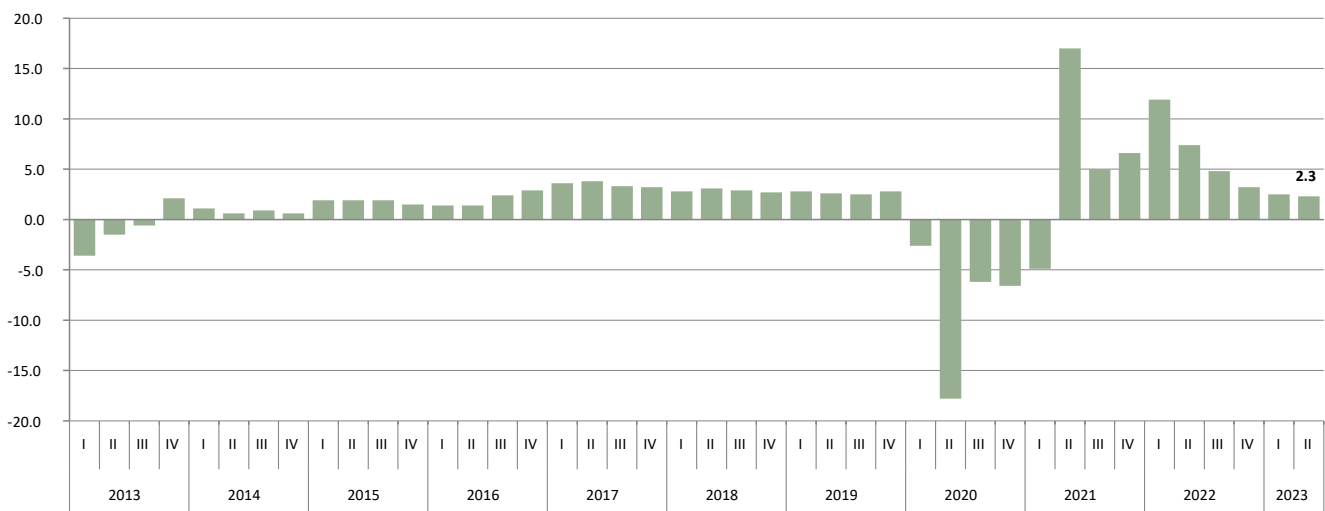
Compared to Q1 2023:

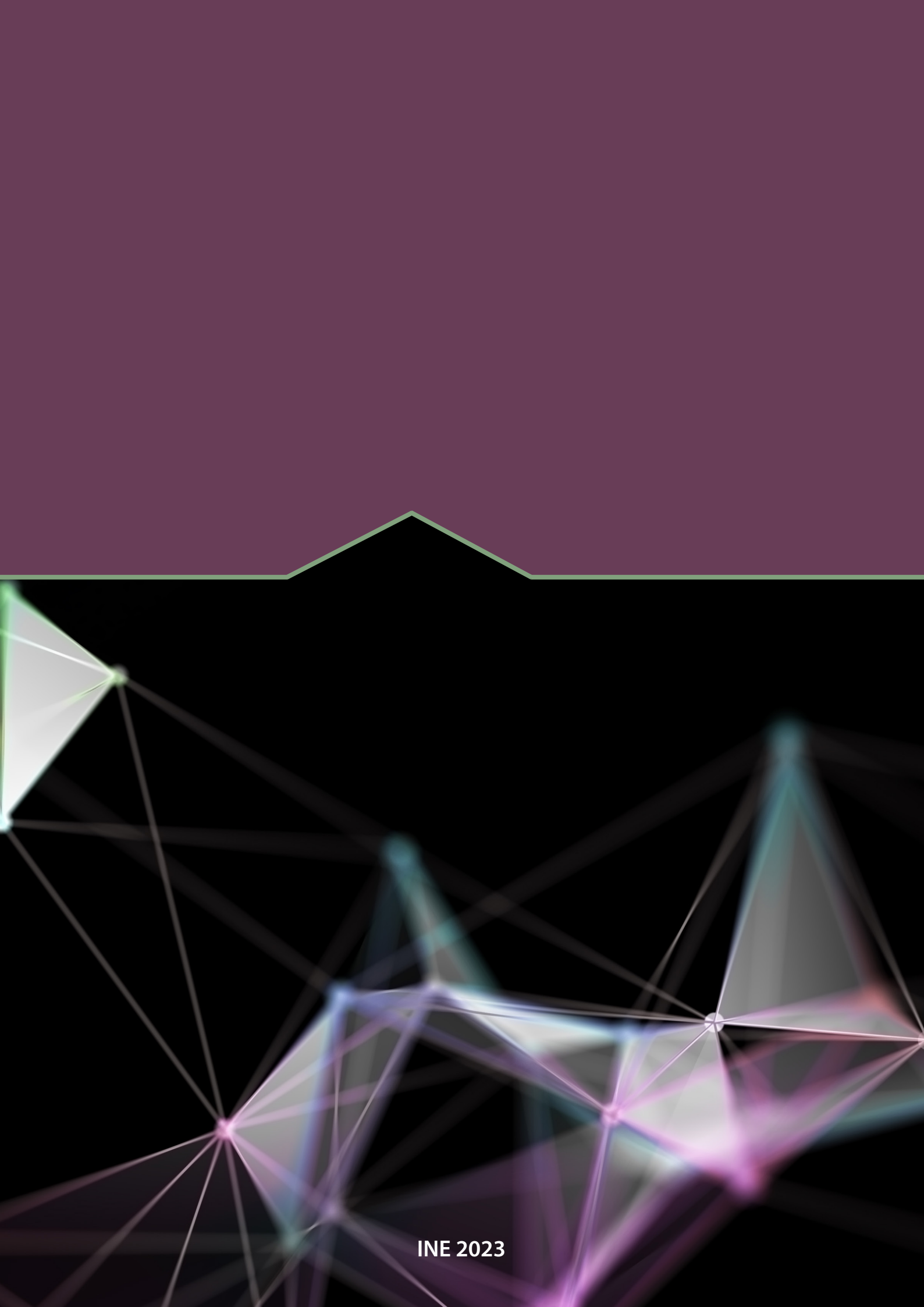
- GDP was stable (quarter-on-quarter growth of 1.6% in the previous quarter); and
- The contribution of net external demand to the quarter-on-quarter change in GDP, which had been positive in the previous quarter, became negative, as the increase in the contribution of domestic demand, which reflected the acceleration in private consumption, did not offset the performance of exports.

### Gross Domestic Product in volume (reference year=2016)

Seasonality and calendar effects adjusted data

Quarterly year-on-year rate of change, %





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