



31 October 2023
QUARTERLY NATIONAL ACCOUNTS (Base 2016) – Flash Estimate at 30 days
Third Quarter 2023

GROSS DOMESTIC PRODUCT IN VOLUME INCREASED BY 1.9% ON A YEAR BEFORE AND RECORDED A DECREASE OF 0.2% COMPARED WITH THE PREVIOUS QUARTER

Gross Domestic Product (GDP), in real terms, registered a year-on-year growth rate of 1.9% in the third quarter of 2023, after increasing 2.6% in the previous quarter. The positive contribution of net external demand to the year-on-year rate of change of GDP decreased, due to the significant deceleration of exports of goods and services in volume, with the goods component registering a significant reduction. Imports of goods and services recorded a moderate reduction due to the goods component. Regarding the terms of trade, the reduction of the import deflator in year-on-year terms in the third quarter was more intense than that of the export deflator, with higher terms of trade gains than in the previous quarter. Conversely, domestic demand presented a positive contribution to the year-on-year rate of change of GDP, that was higher than in the previous quarter, with an acceleration of investment and a slowdown of private consumption.

Compared to the second quarter of 2023, GDP recorded a decrease of 0.2%, after a quarter-on-quarter growth of 0.1% in the previous quarter. The contribution of net external demand to the quarter-on-quarter rate of change of GDP was negative after being positive in the second quarter, reflecting the reduction of exports of both components, goods and services, including tourism. The contribution of domestic demand moved from negative to positive in the third quarter, with increases in private consumption and investment.

Table 1. Gross Domestic Product (chain-linked volume data, reference year=2016)

	Year-on-Year Rate of Change (%)								
	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23
Flash 3Q 2023 (30 days)	5.3	6.9	12.1	7.4	4.8	3.4	2.5	2.6	1.9
QNA 2Q 2023 (85 days)	5.3	6.9	12.1	7.4	4.8	3.4	2.5	2.5	
QNA 2Q 2023 (60 days)	5.0	6.6	11.9	7.4	4.8	3.2	2.5	2.3	

	Quarter-on-Quarter Rate of Change (%)								
	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23
Flash 3Q 2023 (30 days)	3.0	1.9	2.3	0.1	0.5	0.5	1.5	0.1	-0.2
QNA 2Q 2023 (85 days)	3.0	1.9	2.3	0.1	0.5	0.5	1.5	0.0	
QNA 2Q 2023 (60 days)	2.8	1.9	2.3	0.2	0.3	0.3	1.6	0.0	

Flash - Flash Estimate; QNA - Quarterly National Accounts

This flash estimate incorporates new primary information, namely regarding international trade in goods for the second quarter of 2023. This new set of information implied revisions of +0.1 percentage points in the year-on-year and quarter-on-quarter rates of change of GDP in comparison with the dissemination of the results of the Quarterly Sector Accounts on September 22, 2023.



Figure 1. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data

Year-on-year rate of change, %

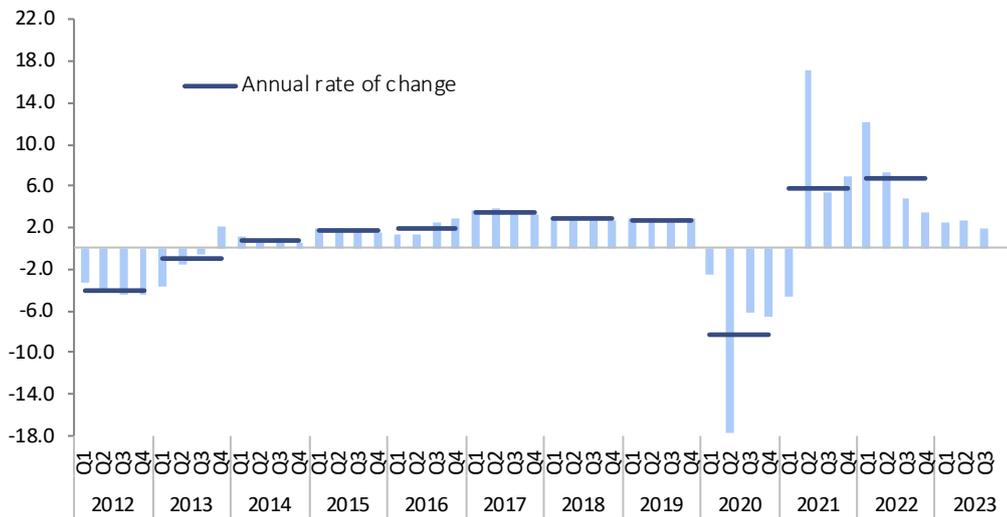
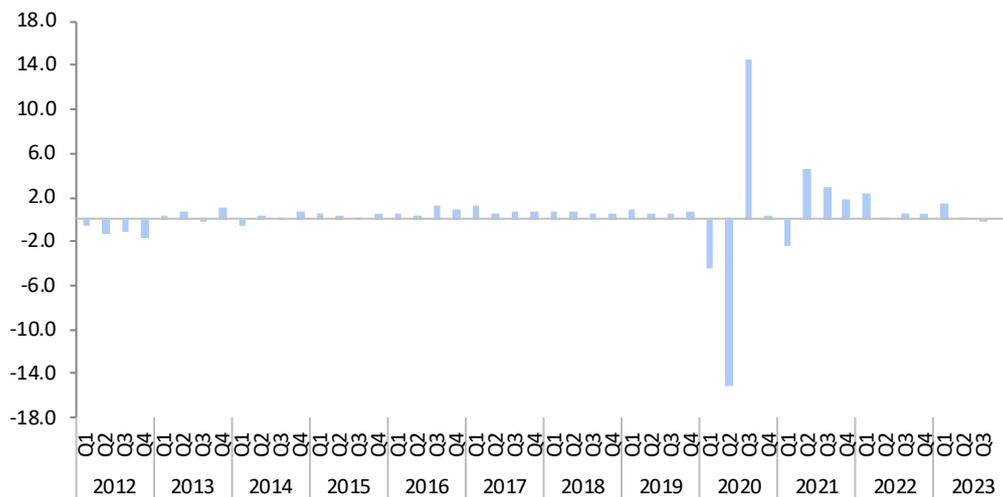


Figure 2. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data

Quarter-on-quarter rate of change, %





METHODOLOGICAL INFORMATION ABOUT THE FLASH ESTIMATES

The publication of quarterly data of the National Accounts is made at t+30 days (GDP flash estimate), t+60 days (detailed results for GDP and its components) and t+85 days (detailed results by institutional sector). It should be recalled that the flash estimates of the rates of change of quarterly GDP in volume are released 30 days after the reference quarter since the second quarter of 2020.

Since the first quarter 2017, when the testing period for the compilation of the GDP flash estimate at t+30 days started, the mean absolute revision vis-à-vis the GDP year-on-year rate of change in volume released at t+60 days was 0.1 percentage points and the revision never exceeded 0.3 percentage points. The magnitude of these revisions is similar to other Member-States.

The flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. It stands out in particular:

- The preliminary version for the short-term statistics for the month of September (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The balance of payments provisional information for the month of September;
- The latest version for international goods trade statistics corresponding to the flash estimate flash estimate released on October 30, 2023. To estimate the deflators for external trade of goods, the unit value monthly indices were used, calculated based on the international goods trade statistics for July and August 2023.

As mentioned in previous editions, new sources of complementary information have been incorporated, particularly within the scope of the electronic system for issuing invoices and automatic communication to the Tax Authority (e-invoice system) and operations on the automatic teller machines of the Multibanco network.

Understandably, the early publication of the present data carries a greater risk of higher revisions, mainly reflecting the smaller amount of available primary information. However, this early release of macroeconomic information, allows the alignment of Portugal with other EU countries which are, generally, important economic partners.

These results are calculated from chain-linked volume data (2016=100) and data are calendar and seasonally adjusted.

Next Press Release of Quarterly National Accounts - Detailed estimates of Quarterly National Accounts for the third quarter of 2023 will be released on November 30, 2023.
