

Monthly Statistical Bulletin

SEPTEMBER 2023



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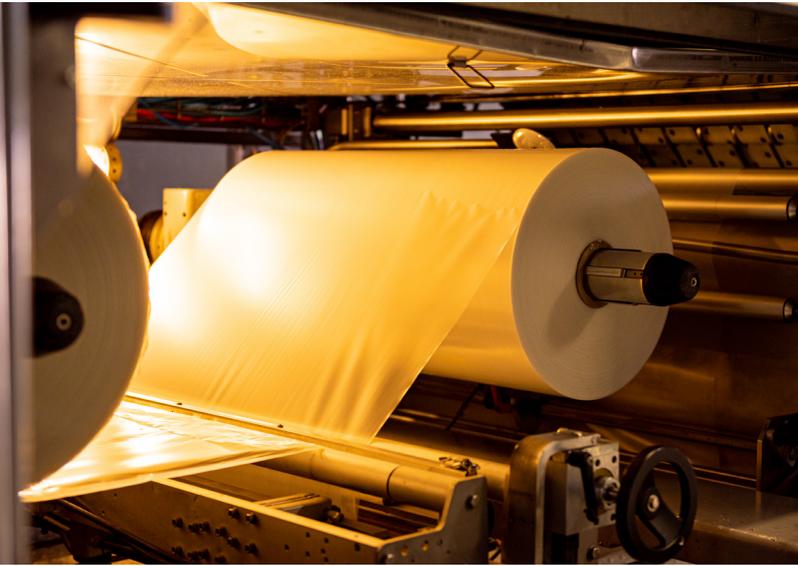
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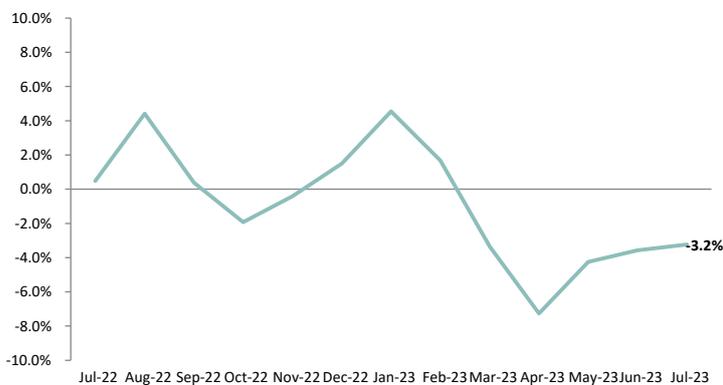
Industrial production decreases by 3.2% year-on-year



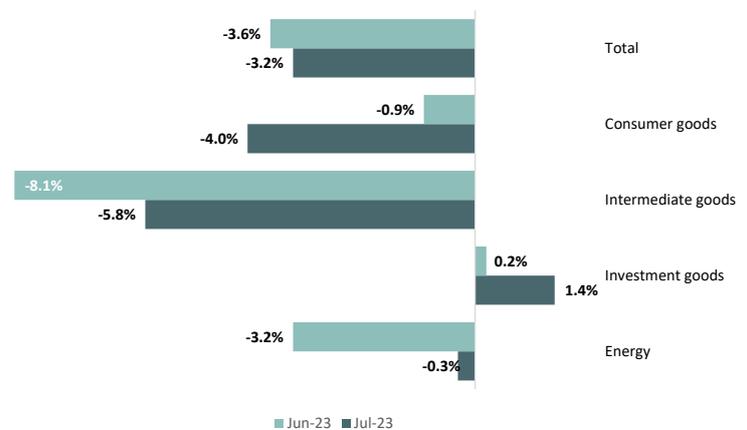
In July 2023, in year-on-year terms:

- The Industrial Production Index (IPI) decreased by 3.2%, which is 0.4 percentage points (pp) slower than a month before;
- Excluding the *Energy* grouping, the index decreased 3.8%, 0.1 pp faster than the month before;
- The *Manufacturing Industry* section decreased by 4.5% (-4.4% last month); and
- *Investment Goods* was the only large industrial cluster in the index to undergo a positive year-on-year variation.

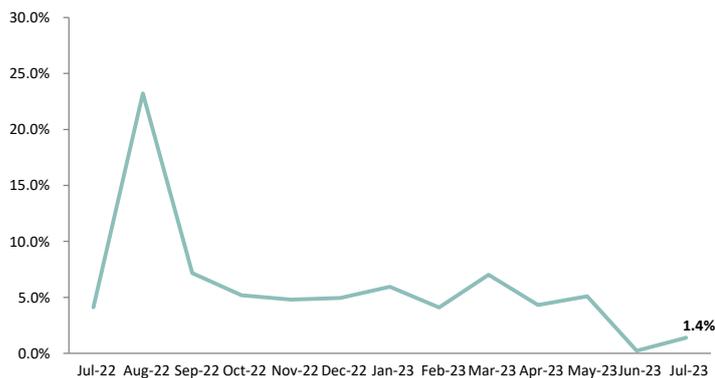
Industrial Production Index
(year-on-year rate of change)
Total



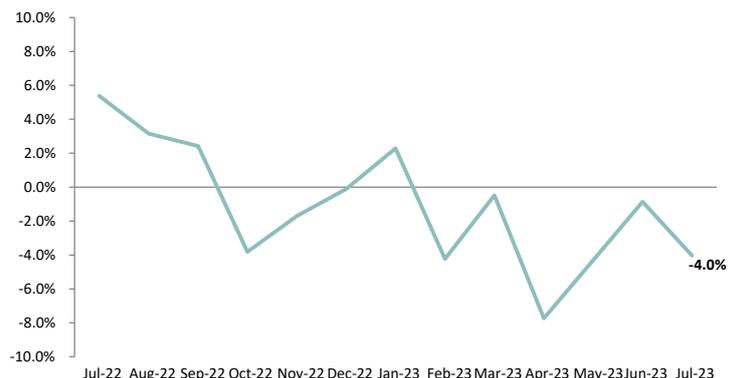
IPI - Total and Main Industrial Groupings
(year-on-year rate of change)



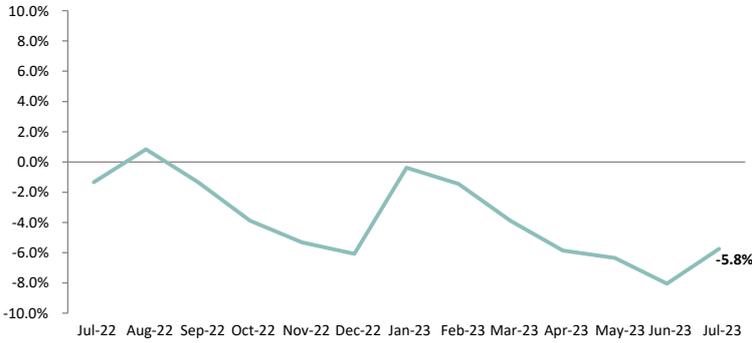
Industrial Production Index (year-on-year rate of change)
Investment goods



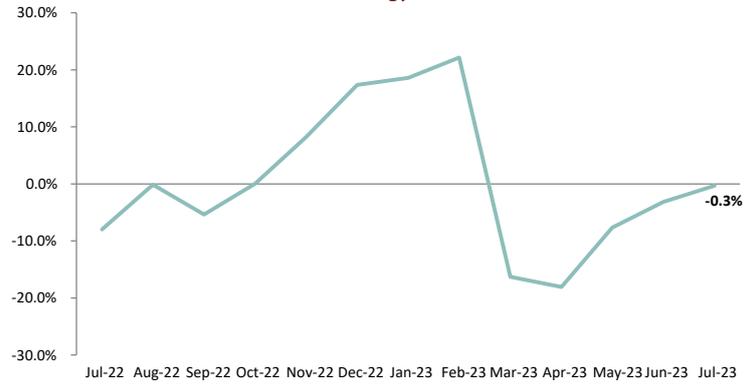
Industrial Production Index (year-on-year rate of change)
Consumer goods



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



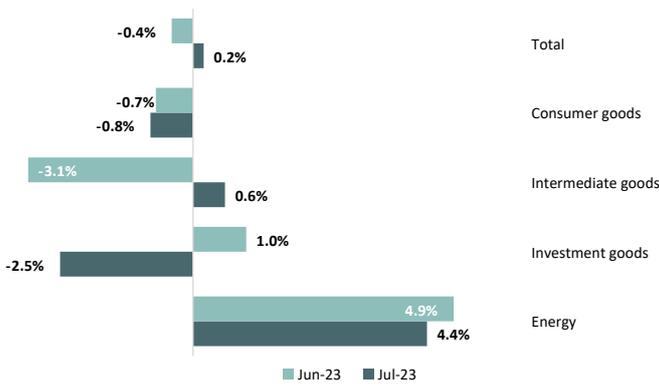
Industrial Production Index (year-on-year rate of change)
Energy



Regarding monthly variation, in July 2023:

- The IPI increased by 0.2% (in the previous month, it had decreased by 0.4%);
- The rate resulted from positive contributions from the *Energy* and *Intermediate Goods* groupings (0.7 pp and 0.2 pp, respectively), and negative contributions from the *Investment Goods* and *Consumer Goods* groupings (-0.4 pp and -0.3 pp, respectively).

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



More information in:
[Industrial Production Index – July 2023](#)
1 September 2023

Industry turnover down by 7.7% in July

In July 2023, compared with the same month the previous year:

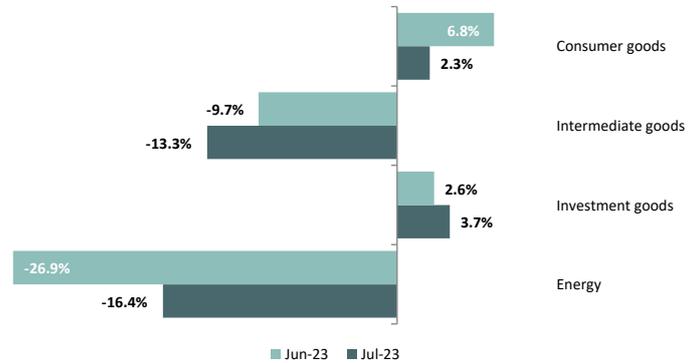
- The nominal variation of the Industry Turnover Index (ITI) was -7.7% (-7.9% in June);
- Excluding the *Energy* grouping, sales in Industry decreased by 4.8% (-1.8% in the month before);
- The index for the domestic market dwindled by 4.1% (-5.8% in the previous month);
- The external market index decreased by 12.5% (-10.6% in June);



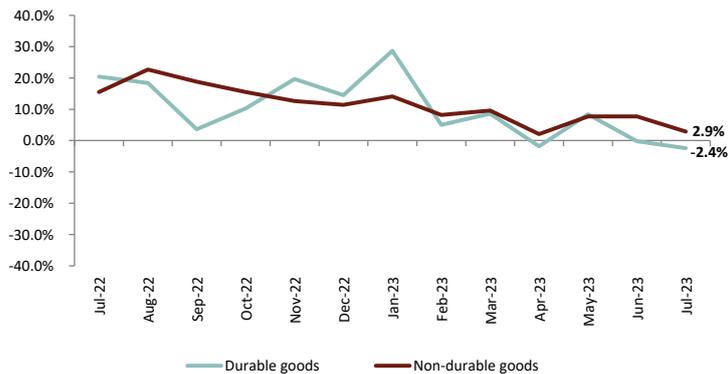
Industry Turnover Index (year-on-year rate of change)
Total



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



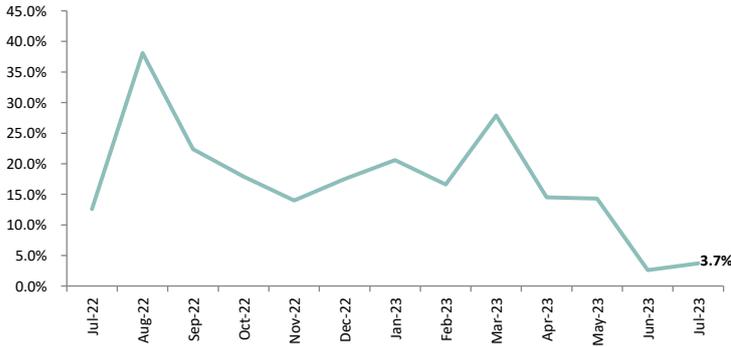
Industry Turnover Index (year-on-year rate of change)
Consumer goods



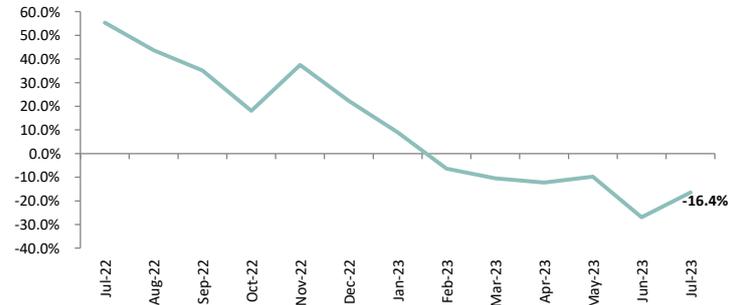
Industry Turnover Index (year-on-year rate of change)
Intermediate goods



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

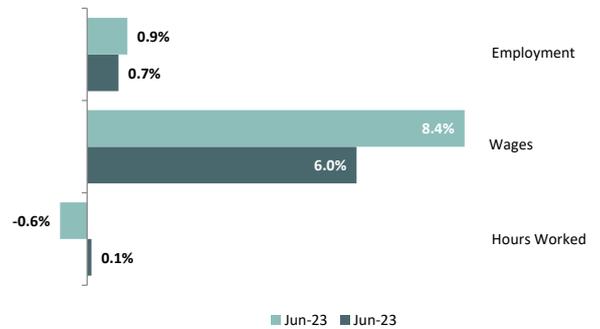


Industry Turnover Index (year-on-year rate of change)
Energy



- The employment index grew by 0.7%;
- The gross wages and salaries increased by 6.0%; and
- The calendar-adjusted hours worked index increased by 0.1%.

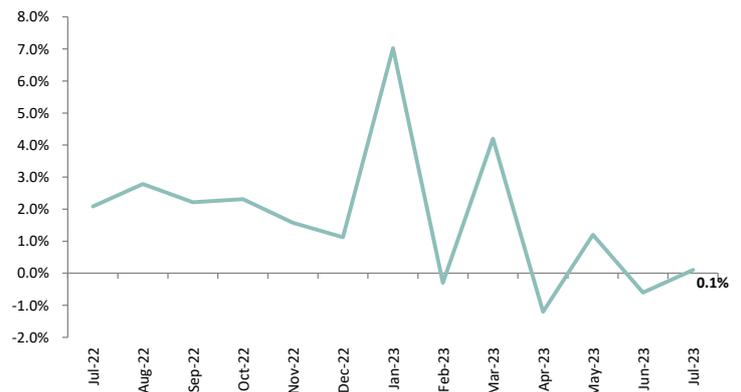
Employment, Wages, and Hours Worked Indices
(year-on-year rate of change)



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 1.5% in July 2023. A year before, the corresponding value was 1.2%.

Unemployment fell to 6.2% and labour under-utilisation to 11.5%

These estimates are 3-month moving averages centred on the reference month. Thus, provisional results for August consider data collected in July, August, and September, while final figures for July include all data gathered in June, July, and August. 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 August 2023 (provisional results):¹

- The labour force (5,274.6 thousand people) decreased by 0.1% as well from July as from May 2023, but it increased by 1.5% compared with August 2022 (respectively: previous month, three months before and the same month of the previous year);
- The employed population (4,948.0 thousand) recorded positive changes compared with the previous month and three months earlier (0.1% in both cases), and to a year earlier (1.3%);
- The unemployed population (326.7 thousand) decreased from July (2.2%) and from May (3.4%) but it increased compared with August 2022 (3.9%);
- The unemployment rate, which stood at 6.2%, was also lower than in July and May 2023 (0.1 pp and 0.2 pp respectively) and higher than in August 2022 (0.2 pp);
- The inactive population (2,414.8 thousand) rose compared with the previous month (0.2%) and three months earlier (0.3%), but fell compared with a year earlier (1.9%); and
- The labour underutilisation rate stood at 11.5%, down 0.1 pp on the previous month and 0.2 pp on three months earlier, but with no change from August 2022.

Unemployment rate
(seasonally adjusted data)

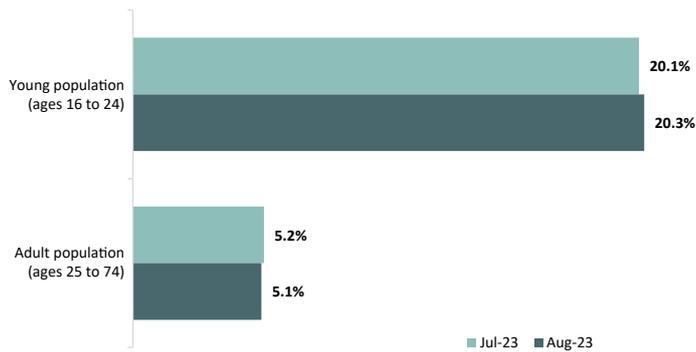


Note: Figures for the most recent period are provisional.



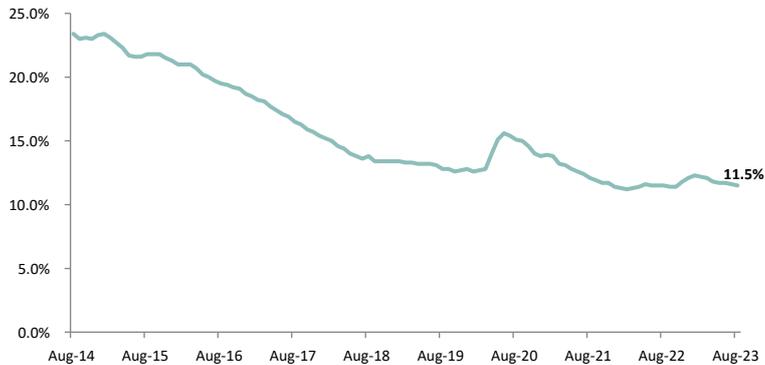
¹ The estimates for the last reference month (in this case, the quarter centred on August 2023: July to September 2023) are calculated with incomplete information for the last month of the quarter (September 2023). These estimates will be revised next month.

Unemployment rate of youth and adult July and August 2023



Note: Figures for the most recent period are provisional.

Labour underutilisation rate (seasonally adjusted data)



Note: Figures for the most recent period are provisional.



In July 2023 (final results):

- The labour force (5,279.0 thousand) increased compared with June (0.2%) and April 2023 (0.1%), as well as compared with July 2022 (1.7%);
- The employed population (4,945.1 thousand) also increased over the three comparison periods: 0.2%, 0.3% and 1.3% respectively;
- The unemployed population (333,9 thousand) remained practically unchanged compared with the previous month, fell 3.3% compared with three months earlier, and rose 7.9% compared with a year before;
- The unemployment rate stood at 6.3%, the same as the previous month, 0.2 pp lower than three months earlier, and 0.3 pp higher than a year earlier;
- The inactive population (2,410.8 thousand) fell over the three comparison periods: 0.4%, 0.1% and 2.4% respectively; and
- The labour underutilisation rate stood at 11.6%, which represents a decrease from the previous month and three months earlier (0.1 pp and 0.2 pp, respectively); compared with July 2022, there was no change.

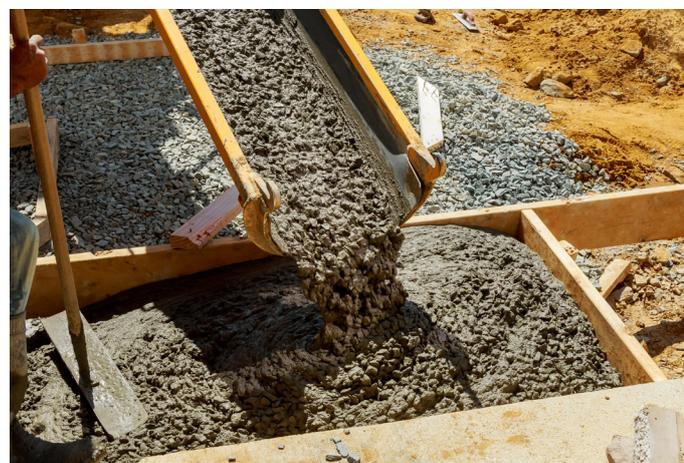
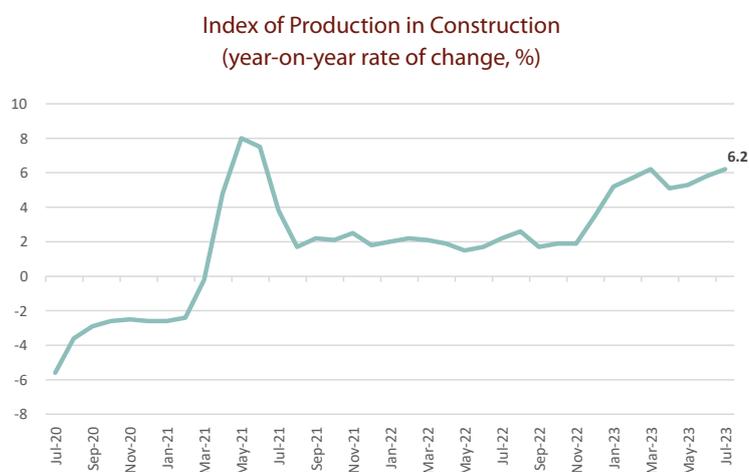
Production in Construction grew by 6.2%

In July 2023, the Construction Production Index¹ grew by 6.2% year-on-year (0.4 pp more than in the previous month). This change was driven by different behaviours of the segments that make up the sector:

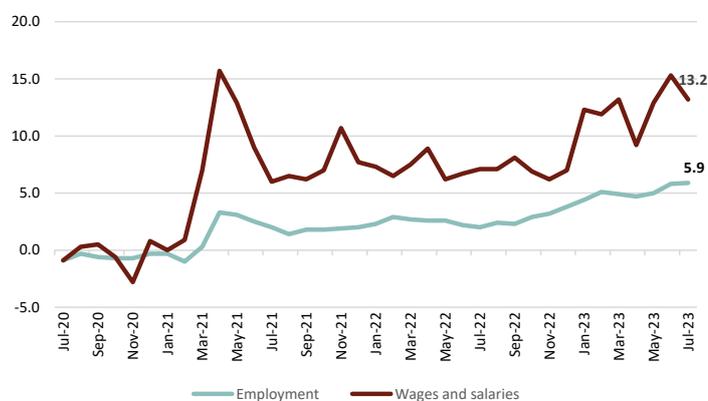
- *Building construction*: +4.5% (+0.7 pp than in June); and
- *Civil engineering*: +9.1% (+0.2 pp than in the previous month).

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

- Employment index: 5.9% (5.8% in the previous month); and
- Wages and salaries index: 13.2% (15.3% in June).



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: 0.6% (the same as in the previous month);
- Production index – *Building construction*: 0.7% (0.6% in June 2023);
- Production index – *Civil engineering*: 0.4% (0.6% a month before);
- Employment index: 0.2% (0.1% in July 2022); and
- Wages and salaries index: 2.6% (4.6% in July 2022).

¹ Three-month moving average = [(month n-2 + month n-1 + month n) / (month n-14 + month n-13 + month n-12)] * 100 – 100, adjusted for calendar effects and seasonality.

More information in:
[Indices of Production, Employment and Wages in Construction – July 2023](#)
 15 September 2023

Mortgage instalments rose 41.4% year-on-year to €379

In August 2023:

- The implicit interest rate on all housing loan agreements rose to 4.089%, up 21.1 basis points¹ (bps) from the previous month and the highest since March 2009;

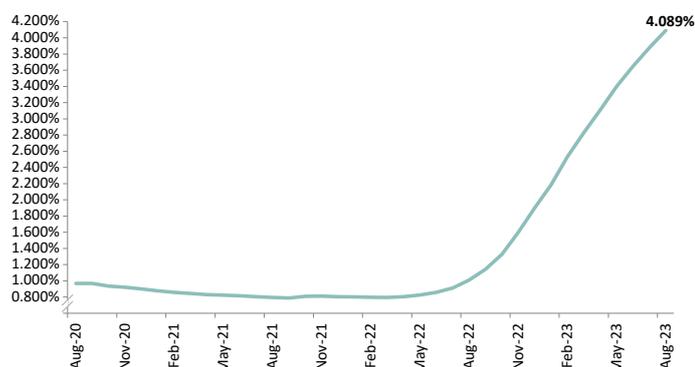
For contracts concluded in the last three months, the interest rate rose to 4.331%, 15.8 bps above the previous month and the highest value since April 2012;

- For *Home Purchases* (the primary type of mortgage lending), the implicit interest rate stood at 4.067% (+20.9 bps than in July);

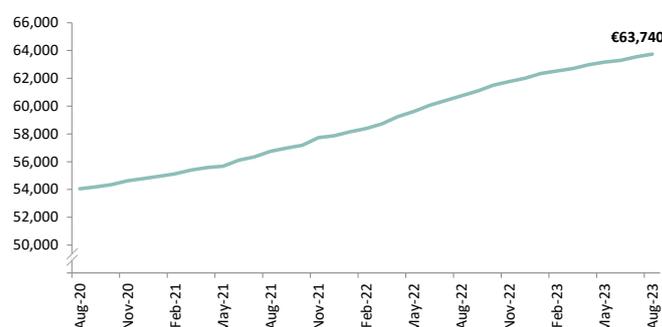
For contracts of this nature concluded in the last three months, the rate increased to 4.320% (+15.9 bps from the previous month);



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 €111 year-on-year, reaching €379 (a 41.4% increase). Of this amount, €216 (57%) corresponds to interest payments and €163 (43%) to capital amortisation;

It should be noted that in August 2022, the interest component represented 19% of the average value of loan instalments (€268);

For contracts concluded in the last three months, the average value of loan instalments was up €19 from July, to €623 (an increase of 40.0% compared with August 2022); and

- The average outstanding capital for all contracts increased by €185 compared with July, reaching €63,740;

For contracts concluded in the last three months, the average amount outstanding was €122,964, €134 more than in the previous month.

¹ A base point is the equivalent of 0.01 pp.

Bank valuation of housing up to €1,538 per square meter

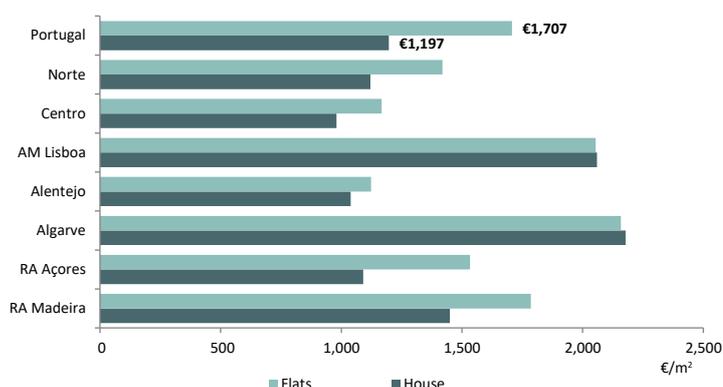
In August 2023, bank valuations, carried out as part of credit applications for the purchase of housing, had a median value of €1,538 per m², up by €13 (+0.9%) from the previous month.

All NUTS 2 regions joined in this increase, except for Algarve (-0.6%), with the highest growth taking place in Região Autónoma dos Açores (5.6%).

In comparison with the same month of the previous year, the median value of valuations rose 8.8% (7.6% a month before). The most intense variation was registered in the Região Autónoma da Madeira (23.1%) and the least severe in the Norte (7.9%).



Average Banking Valuation – August 2023
Flats and Houses



There were approximately 24.6 thousand bank valuations. This is down by 6.3% from twelve months earlier and by 1.1% from the previous month.

Of the assessments considered in the reference month:

- Around 15.9 thousand concerned flats; and
- Some 8.7 thousand pertained to houses.

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

- Increased by 8.2% for flats, standing at 1,707 €/m²; and
- Rose 6.3% for houses, reaching 1,197 €/m².

In August 2023, compared with the previous month, the median bank appraisal value:

- In flats:
 - » T2 increased by €8, to 1,731 €/m²; and
 - » T3 grew by €20, reaching 1,518 €/m²;

These two types together accounted for 78.1% of all flat valuations carried out;

- In houses:
 - » T2 down by €22, to 1,137 €/m²;
 - » T3 grew by €6, to 1,162 €/m²; and
 - » T4 rose by €23, reaching 1,289 €/m²;

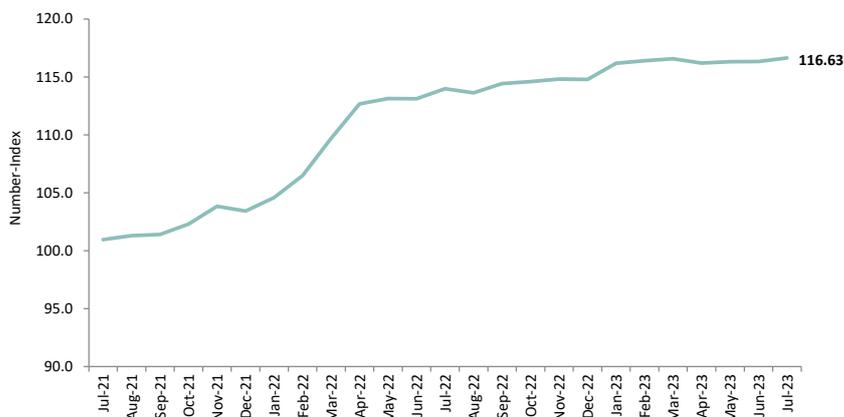
Together, these three types accounted for 88.4% of the housing valuations.

Construction costs increased by 2.3% in July

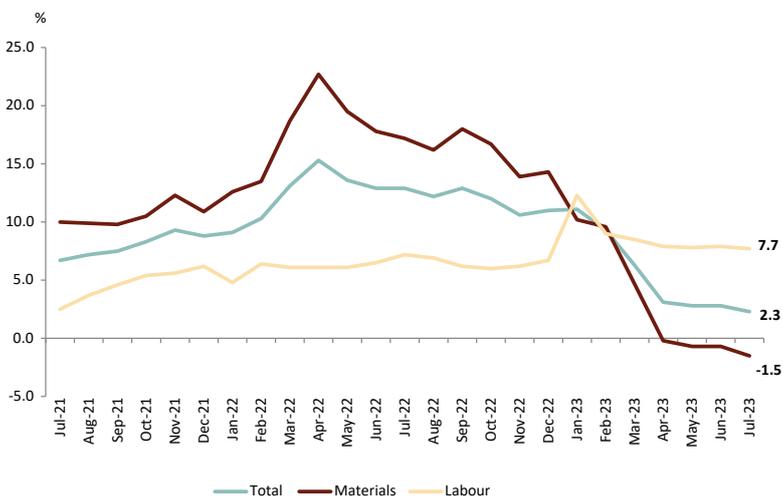
Statistics Portugal estimates the following July 2023 year-on-year rates of change in the context of new housing construction costs:

- Construction Cost Index (CCI) for new residential buildings: 2.3%, 0.5 pp less than the month before;
- Materials costs: -1.5%, 0.8 pp deeper into negative territory than in the previous month); and
- Labour costs: 7.7%, 0.2 pp less than in June.

Construction Costs Index for New Housing
(100=2021)



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



Note: The May, June, and July 2023 figures are provisional.

As for month-on-month change, Statistics Portugal estimates the following rates for July 2023:

- CCI: 0.3% (same change in June);
- Material costs: 0.4% (-0.5% a month earlier); and
- Labour costs: 0.4% (0.7% the month before).



Median rent of new leases up by 11.0%, while new contracts dwindle 1.2%, from Q2 2022 to Q2 2023

In Q2 2023 (provisional data), there were 20,750 new leases in Portugal. This is 1.2% less than in the same quarter of the previous year.

The metropolitan areas of Lisboa and Porto accounted for 50.2% of these new contracts (49.5% in Q1 2023).

The number of new contracts decreased year-on-year in six of the 25 NUTS 3 compared with the same quarter last year:

- Região Autónoma da Madeira: -18.0%;
- Área Metropolitana de Lisboa: -7.5%;
- Beiras e Serra da Estrela: -2.4%;
- Alto Minho e Região de Coimbra: -1.4% in both; and
- Área Metropolitana do Porto: -0.9%.

The following NUTS 3 stood out, with increases above 10% year-on-year:

- Região Autónoma dos Açores: +30.0%;
- Alto Tâmega: +17.1%;
- Baixo Alentejo: +15.8%;
- Alto Alentejo: +15.0%; e
- Beira Baixa: +12.0%.

In Q2 2023, the national median house rental was €7.27/m², thus growing by 11.0% year-on-year. This is the highest year-on-year growth since Q2 2021.

As for median rent in new leases, it was above the national value in the NUTS 3 sub-regions:

- Área Metropolitana de Lisboa: 11.03 €/m²;
- Algarve: 8.35 €/m²;
- Região Autónoma da Madeira: 8.04 €/m²; and
- Área Metropolitana do Porto: 7.87 €/m².

In Q2 2023, compared with the same period of the previous year, the median rent increased in all the NUTS 3 sub-regions, with the variation in Alto Alentejo standing out (+23.7%).

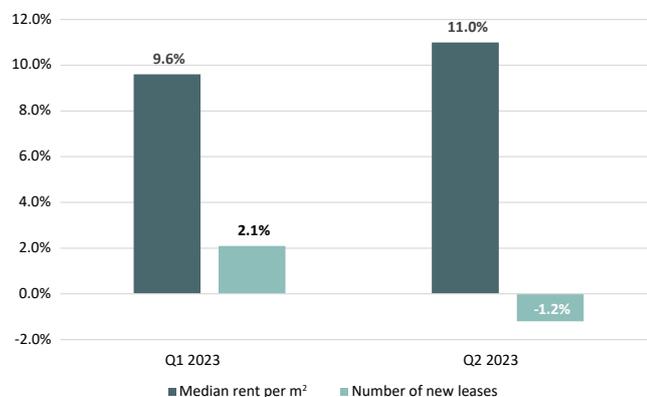
Compared with the previous quarter, the median rent in Q2 2023 rose by 7.7% and:

- It increased in 22 of the 25 NUTS 3 sub-regions;
- It decreased in Terras de Trás-os-Montes (-2.3%) and Alentejo Central (+16.0%);
- It didn't change in Beiras and Serra da Estrela; and
- It recorded the highest growth in Ave (+14.1%) and increased also in the metropolitan areas of Lisboa (+7.5%) and Porto (+7.8%).

The median rent per m² of new rental contracts increased in 11 of the 24 municipalities with more than 100 thousand inhabitants. Of these, the following municipalities stand out with year-on-year increases above 10%:

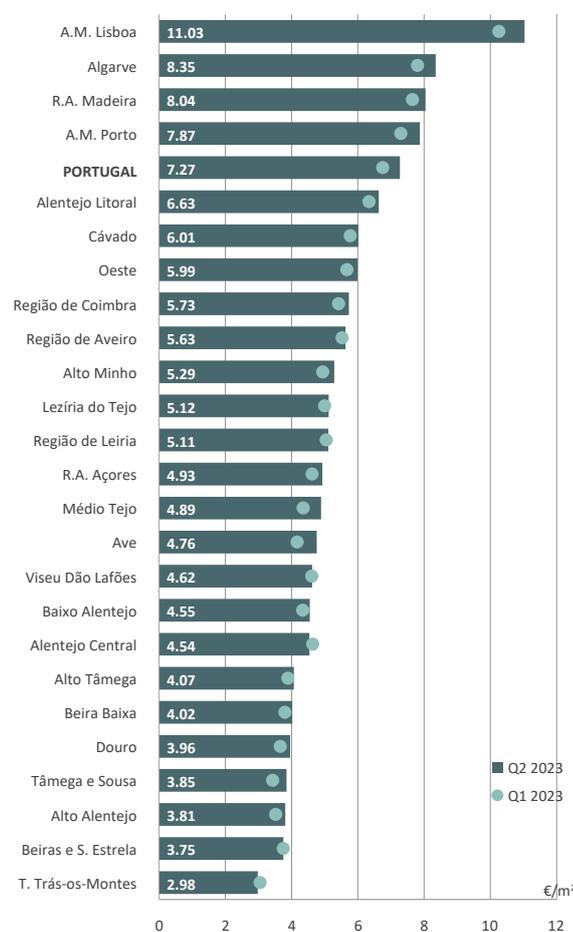
- Santa Maria da Feira: +19.8%;
- Seixal: +16.3%;
- Guimarães: +12.9%; and
- Vila Nova de Famalicão: +12.7%.

Median rent per m² and number of new leases, Portugal (Year-on-year change)



Note: Figures for the most recent period are provisional.

Median rent per m² of new rental contracts for dwellings in Portugal and NUTS 3, Q1 2023 and Q2 2023



Note: Figures for the most recent period are provisional.

Building permits and completed buildings continue to fall

In Q2 2023, the number of building permits (5.7 thousand) decreased by:

- 10.2% compared with the same quarter in 2022 (-10.1% in the previous quarter); and
- 5.8% compared with the same period in 2019.

Of the total building permits issued, 75.7% were for new constructions, 79.9% of which for family housing.

The number of new building permits varied by:

- -10.4% compared with the same quarter of 2022 (+10.0% in the previous quarter); and*
- +0.9% compared with the equivalent quarter of 2019.

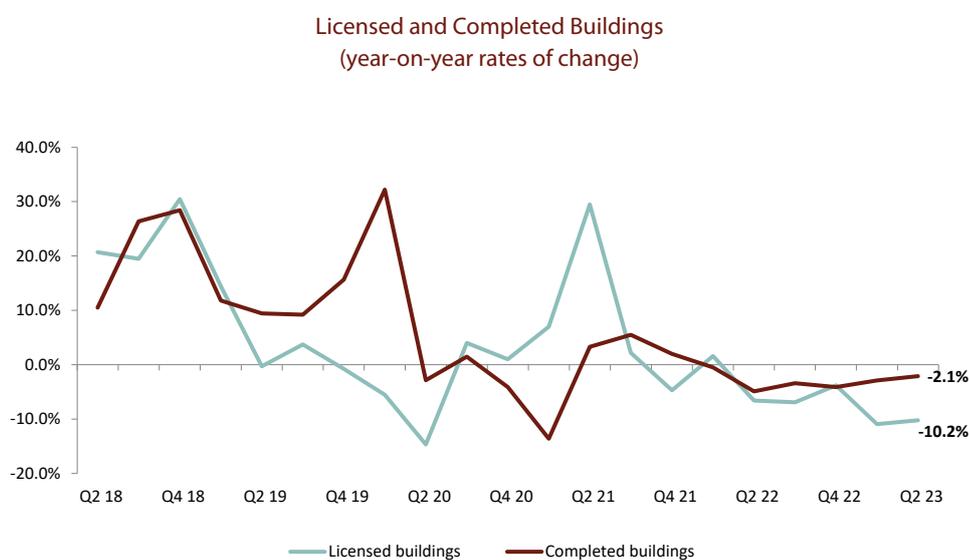
The overall number of renovation permits varied by:

- -10.4% compared with the equivalent period in 2022 (+7.7% in the previous quarter); and*
- -23.4% compared with the same quarter of 2019.

The estimated number of completed buildings (3.8 thousand) covering new constructions, expansions, renovations, and reconstructions:

- Decreased by 2.1% compared with the same quarter of 2022 (-6.1% in the previous quarter); and
- Grew by 9.9% compared with the same quarter of 2019;

Most of the buildings completed (82.1%) were new constructions, of which 80.5% were for family housing.



Compared with the previous quarter:

- The number of building permits decreased by 9.5% (+14.2% in Q1 2023);
- The number of completed buildings increased by 3.2% (-5.6% in Q1 2023).

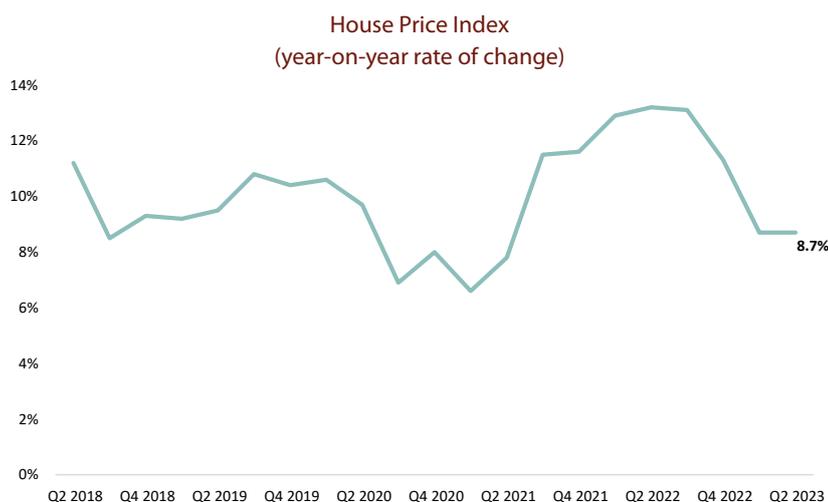
A monthly analysis shows a continuing downward trend in building licenses, especially since April 2021, which has been more significant since November 2022. Throughout 2023, the biggest reduction compared with the same month of the previous year occurred in February (-15.8%), and the smallest was recorded in June (-5.5%).

* Updated text

Housing prices increased by 8.7% and the number of transactions fell by 22.9% in Q1 2023

In Q2 2023, year-on-year:

- The Housing Price Index (HPI) rose by 8.7%, the same as in the previous quarter;
- The rise in prices was higher for existing dwellings (9.0%) than for new dwellings (8.0%);
- The number of dwellings transacted (33,624) fell by 22.9%, the fourth consecutive negative change in this indicator (-20.8% in the previous quarter); and
- The total value of housing transactions (€6.9 billion) fell by 16.7%;
Transactions of existing dwellings decreased more (-20.7%) than those of new dwellings (-4.1%).



Also in Q2 2023, but compared with the previous quarter:

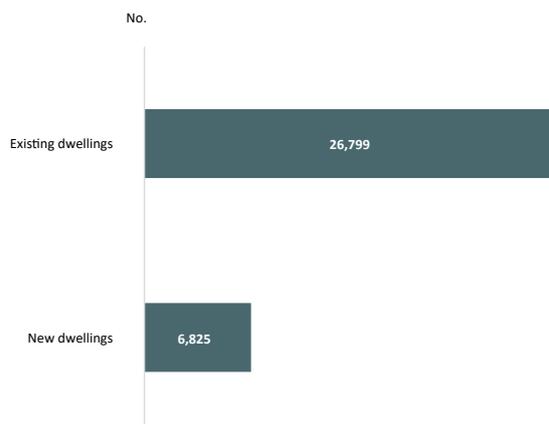
- HPI increased by 3.1% (1.3% in Q1 2023);
- The number of transactions fell by 2.5% (-10.5% in Q1 2023), more significantly in existing dwellings (-2.6%) than in new dwellings (-2.1%); and
- Price rises in existing homes were more intense than in new homes: 3.2% and 2.8%, respectively;

HPI's average annual rate of change in Q1 2023 stood at 10.4% (1.1 pp below the rate recorded in the previous quarter). In this case too, the change in prices of existing homes was higher than that of new homes: 11.4% and 7.3% respectively.

Housing sales (value)
(Q2 2023)



Housing sales (No.)
(Q2 2023)



Value of housing transactions
Total (€ thousand million)



In the reference quarter, it was also observed that:

- Housing purchased by families totaled 28,732 units (85.5% of total purchases) and 5.8 billion euros (83.8% of the total value transacted);

Housing sales to families fell by 24.7% compared with the same period in 2022 and by 1.9% compared with the previous quarter;

The value of dwellings purchased by households corresponded to the lowest percentage of the total value of transactions since Q1 2020, falling 19.5% year-on-year (-17.3% in the previous quarter); and

- Houses purchased by buyers with no tax residence in Portugal (2,535 units) accounted for 7.5% of the total number of purchases, the highest percentage in the series that began Q1 2019;

Purchases by buyers domiciled for tax purposes in another European Union country totaled 1,174 units, 24.5% less than in the same period in 2022;

Also year-on-year, transactions for buyers with tax residence outside the European Union ("Other Countries" category) increased by 10.8% to 1,361 homes.



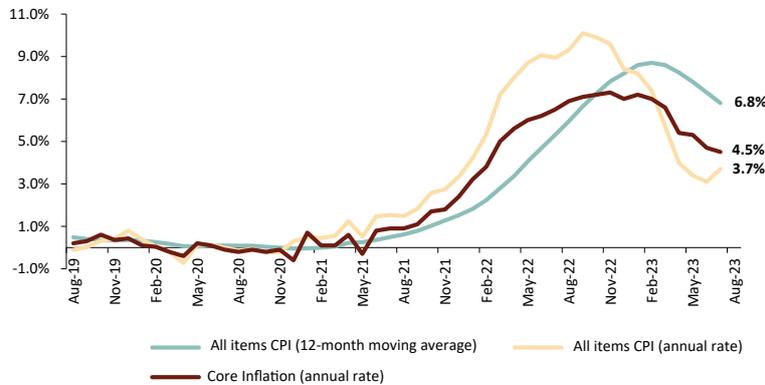
CPI year-on-year rate of change rose to 3.7% in August

In August 2023, year-on-year:

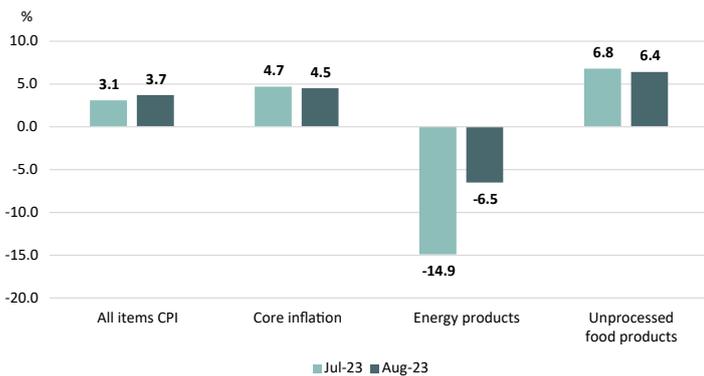
- The Consumer Price Index (CPI) increased to 3.7%, 0.6 pp more than a month earlier;
- This slowdown is essentially explained by the behaviour of Fuel prices, which contributed 0.7 pp to the year-on-year increase in the CPI;
- The core inflation rate (excluding unprocessed food products and energy) decelerated by 0.2 pp to 4.5%;
- The index for energy products moved 8.4 pp towards positive territory, but its variation was still negative 6.5%; and
- The unprocessed food index slowed 0.4 pp to 6.4%.



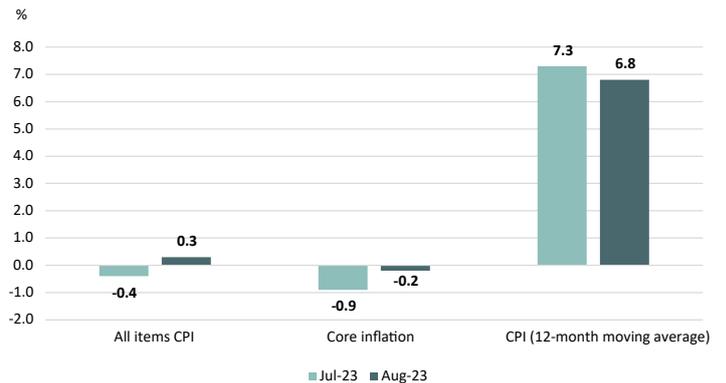
Consumer price and core inflation indices (year-on-year rate of change and 12-month moving average)



CPI - Year-on-year rates of change



CPI related month-on-month variation rates



Also in August 2023, but compared with the previous month:

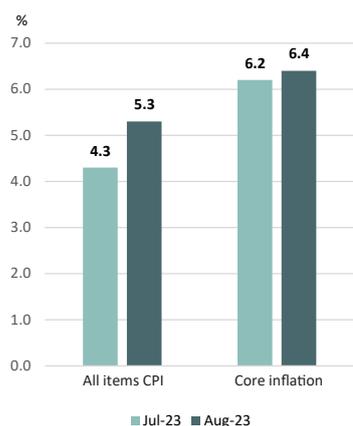
- CPI decreased by 0.3% (-0.4% in the previous month and -0.3 in August 2022); and
- Core inflation decreased by 0.2% (-0.9% in the previous month, while in August 2022 it did not vary).

The average CPI change in the last 12 months slowed down 0.5 pp to 6.8%.

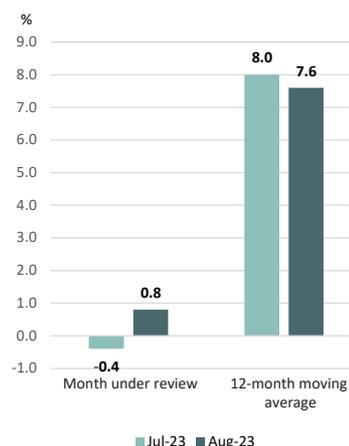
As regards the Harmonised Index of Consumer Prices (HICP), Statistics Portugal observed the following rates of change in August 2023:

- Year-on-year: 5.3%, 1.0 pp more than a month before and the same as Eurostat’s estimated value for the Euro Area (EA) (in July, Portugal’s rate was 1.0 pp below that of the EA);
- Year-on-year, excluding unprocessed food products and energy: 6.4% (6.2% in July), which is 0.2 pp higher than the estimated value for the Euro Area (6.2%);
- Month-on-month: 0.8% (-0.4% in the previous month and -0.2% in August 2022); and
- Average of the last 12 months: 7.6% (8.0% in the previous month).

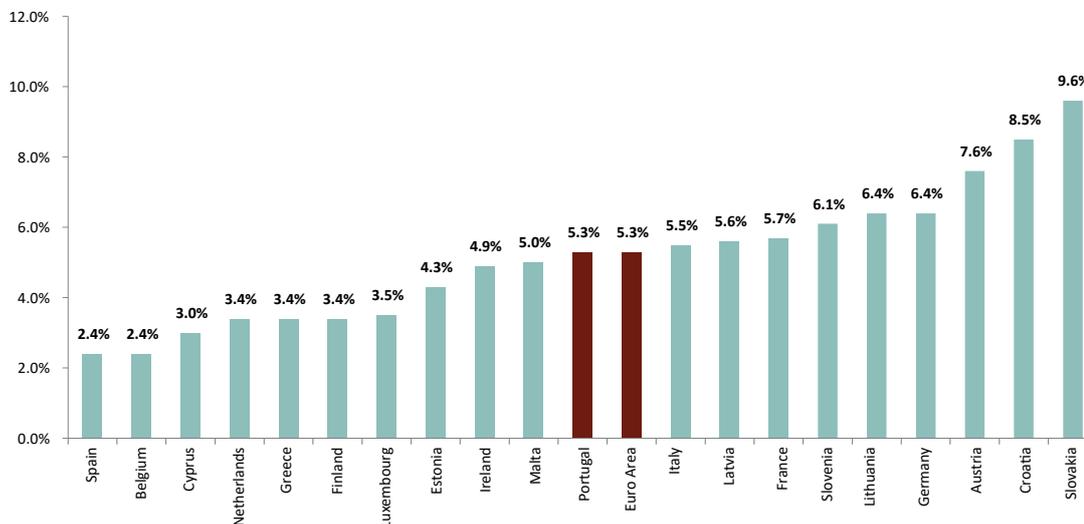
HICP - year-on-year rates of change



HICP - month-on-month and 12-month moving average rates of change



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



More information in:
Consumer Price Index – August 2023
12 September 2023

Industrial production prices decreased 5.2%

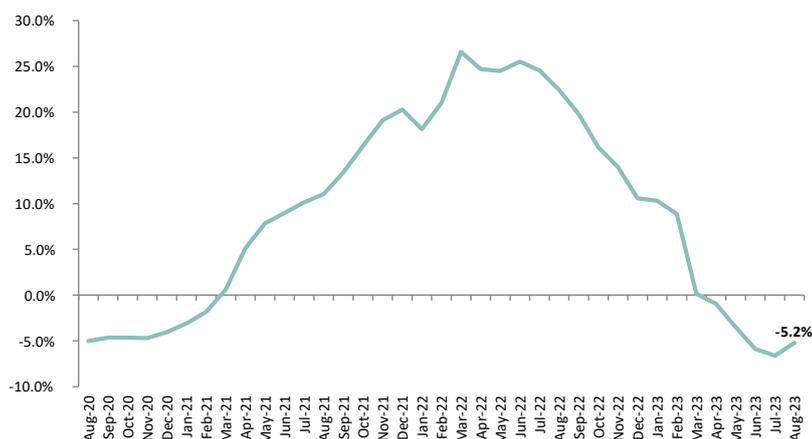
In August 2023, on a year-on-year basis:

- The Industrial Production Price Index (IPPI) recorded a variation of -5.2% (-6.6% in the previous month);
- The *Energy* and *Intermediate Goods* groupings fell by 18.6% and 5.6%, respectively (-25.6% and -4.9% in the previous month) and continued to be decisive for the change in the aggregate index, contributing -4.7 pp and -2.1 pp to its reduction (contributions of -6.7 pp and -1.8 pp in July); and
- Excluding the *Energy* grouping, the only one that didn't show a lower change than the previous month, the change in the aggregate index was -0.6% (0.1% in July), reflecting the trend of price recovery in the energy sector.

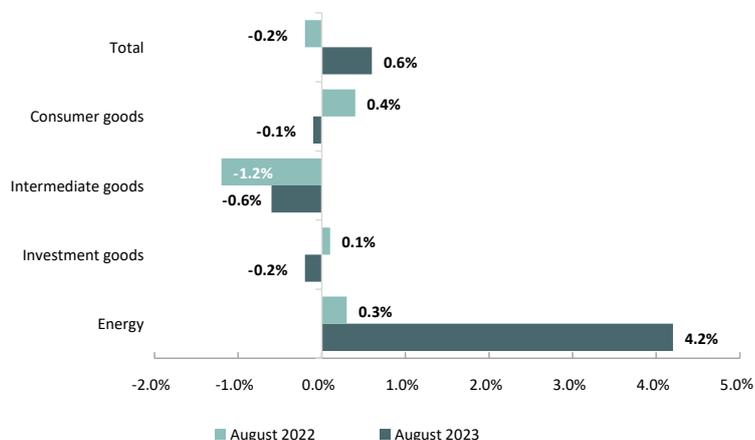
From July to August, the IPPI rose by 0.6% (-0.2% in July 2023 and -0.9% in August 2022). The *Energy* grouping was the most significant contributor to this change in the aggregate index, with a positive contribution of 0.9 pp, due to a change of 4.2% (0.3% in July 2023 and -4.7% in August 2022). Without this grouping, the monthly change stood at -0.3% (0.4% in August 2022).



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



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



CPI year-on-year rate of change for September estimated at 3.6%

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

- The Consumer Price Index (CPI) increased to a variation of 3.6%, down by 0.1 pp from the previous month;
- The core inflation index, which excludes the unprocessed food products and energy components, grew 4.1%, 0.4 pp less than the previous month;
- The energy products index decreased by 4.1% (-6,5% in August); and
- The unprocessed food component of the index decelerated 0.4 pp from August, growing by 6.0%.

Month-on-month, the CPI increased by 1.1% in September (0.3% in August and 1.2% in September 2022).

Statistics Portugal estimates that the average CPI change in the last twelve months was 6.3%, 0.5 pp less than 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 4.8% in Portugal in September 2023 (0.5 pp less than in the previous month).



	Monthly change (%) ¹		Year-on-year change (%) ¹	
	Aug-23	Sep-23*	Aug-23	Sep-23*
CPI				
Total	0.32	1.09	3.72	3.58
Total except housing	0.32	1.12	3.67	3.52
Total excl. unprocessed food and energy	-0.16	1.14	4.48	4.05
Energy products	4.43	1.76	-6.53	-4.12
Unprocessed food products	0.92	0.25	6.44	6.02
Processed food products	-0.19	0.25	6,52	6.15
IHPC				
Total	0.8	0.8	5.3	4.8

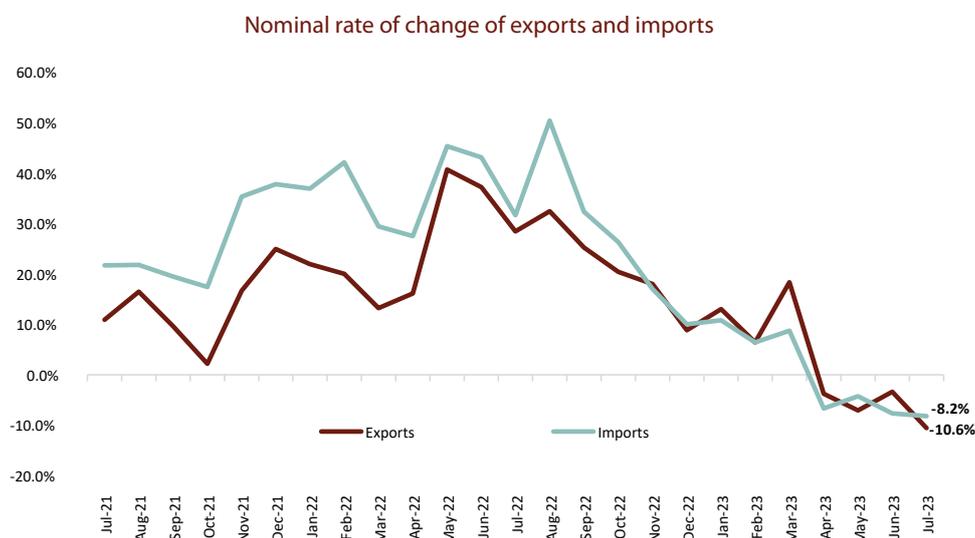
¹ Values rounded to two and one decimal places.

* Estimated values.

Exports and imports fell by 10.6% and 8.2% in nominal terms in July

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

- Exports of goods decreased by 10.6% (-3.4% in the previous month); and
- Imports of goods fell by 8.2% (-7.7% in the previous month).



Analysing by major economic categories of goods, in July 2023, and in nominal terms, we highlight the decreases in imports of *Fuels and lubricants* (-47.8%) – which were due to the decreases in volume (-19.3%) and value (-49.5%) of *Crude petroleum oils*, reflecting the fall in the price of this product on the international market (-37.5%) – and *Industrial supplies* (-13.6%, mainly *Common metals*).

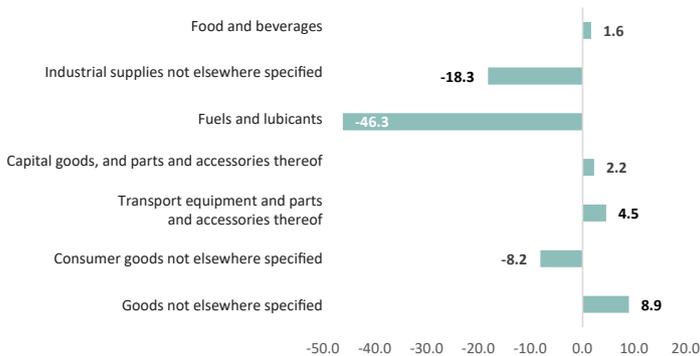
The most notable decreases in exports were in *Fuels and lubricants* (-46.3%, also reflecting decreases in volume and value) and *Industrial supplies* (-18.3%, mainly in *Chemicals* and *Cellulose pulp and paper*).

Excluding *Fuels and lubricants*, also in nominal and year-on-year terms, there were variations of:

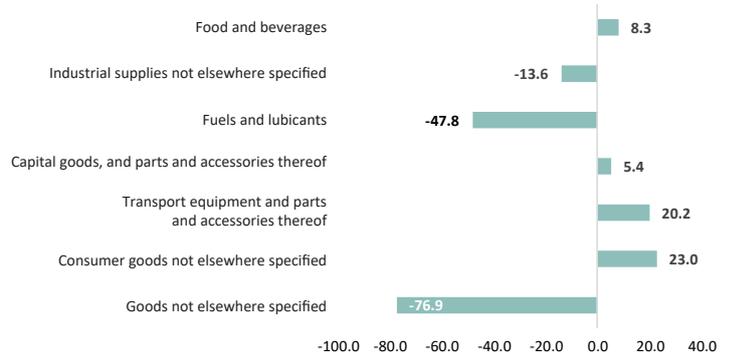
- -7.1% in exports (+1.1% in June 2023); and
- +0.2% in imports (+2.5% in June 2023).



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



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



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

- -4.2% in exports (-5.2% in June 2023; +18.4% in July 2022); and
- -9.1% in imports (-9.4% in the previous month; +22.5% in July 2022).

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

- -0.3% in exports (+0.2% in the previous month; +14.2% in July 2022); and
- -3.4% in imports (-3.0% in June 2023; +15.0% in July 2022).

Still in July 2023, but relative to the previous month:

- Exports decreased by 6.1% (-1.8 in June); and
- Imports decreased by 3.4% (-5.4% in the previous month).

In July 2023, the trade balance of goods deficit:

- Reached €2,218 million, decreasing by €7 million compared with the same month in 2022 and increasing by €109 million compared with the previous month; and
- Excluding *Fuels and lubricants*, it totalled €1,709 million, up by €477 million compared with July 2022 and by €199 million compared with the previous month.

In the trimester ending in July 2023, there were year-on-year changes:

- Of -7.0% in exports (-4.8% in Q2 2023); and
- Of -6.7% in imports (-6.2% in Q2 2023).

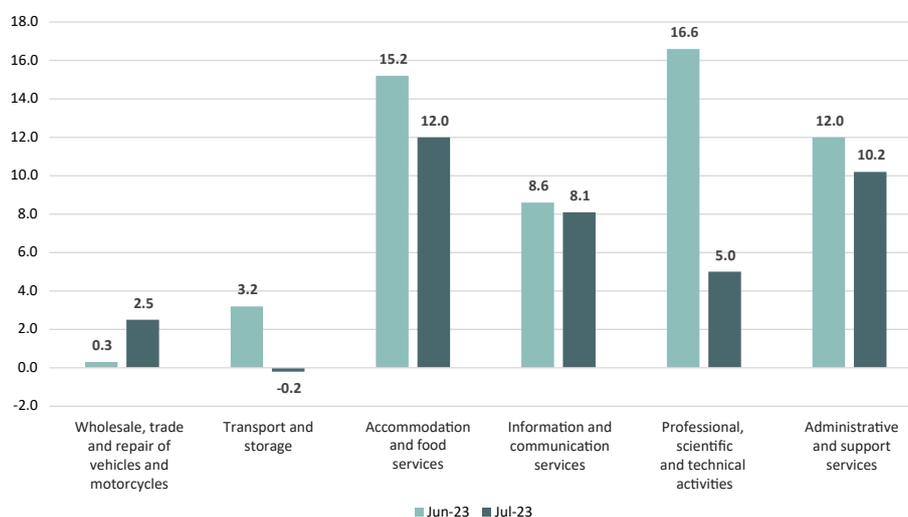
Services turnover slowed to 4.0% in July

In July 2023, turnover in Services was 4.0% higher than a year earlier, thus slowing down by 0.4 pp from the previous month.

The following sections mainly influenced this rate of change:

- *Wholesale trade; repair of motor vehicles and motorcycles*, the only section to show an acceleration in the year-on-year rate of change, reached 2.5% (+2.2 pp than in June), making the most influential contribution (1.4 pp) to the total change;
- *Accommodation and food services*, whose 1.1 pp contribution resulted from a 12.0% increase; and
- *Professional, scientific and technical activities* recorded a major slowdown from the previous month among all sections (-11.6 pp) compared with the previous period, showed a change of 5.0% and contributed 0.4 pp to the total result.

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



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

- Employment: 4.1% (3.8% in June);
- Wages and salaries: 8.5% (12.3% in the previous month); and
- Hours worked (adjusted for calendar effects): 2.9% (5.9% a month before).

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

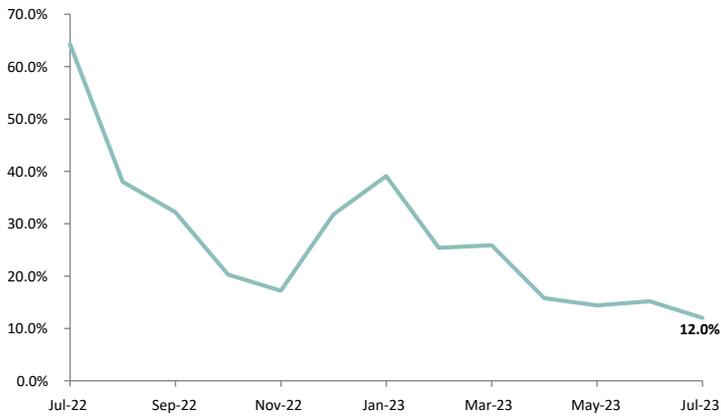


Turnover Index
(year-on-year rate of change)
Wholesale trade, trade and repair of vehicles and motorcycles

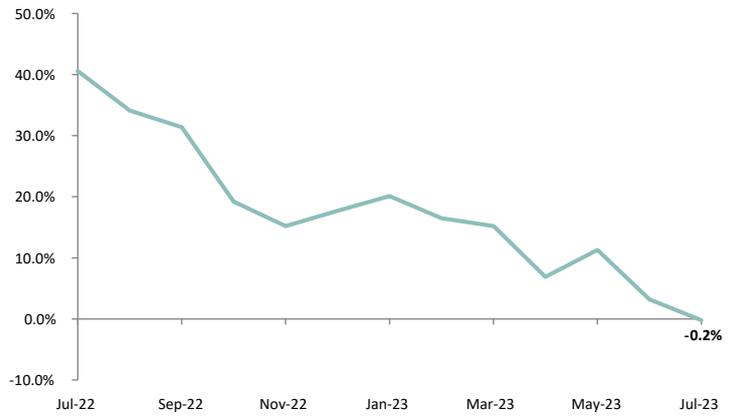


¹ Statistics Portugal measures turnover in services through an index, the IVNES. IVNES is based on adjusted nominal calendar effects and seasonality data.

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



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



Also in June 2023, but compared with the previous month, turnover in the Services increased by 1.0% (-2.7% the month before).



More information in:
[Business Turnover, Employment, Wages and Hours Worked in Services – July 2023](#)
11 September 2023

August deaths up by 8.8% on the previous month and 2.1% on the same month in 2022

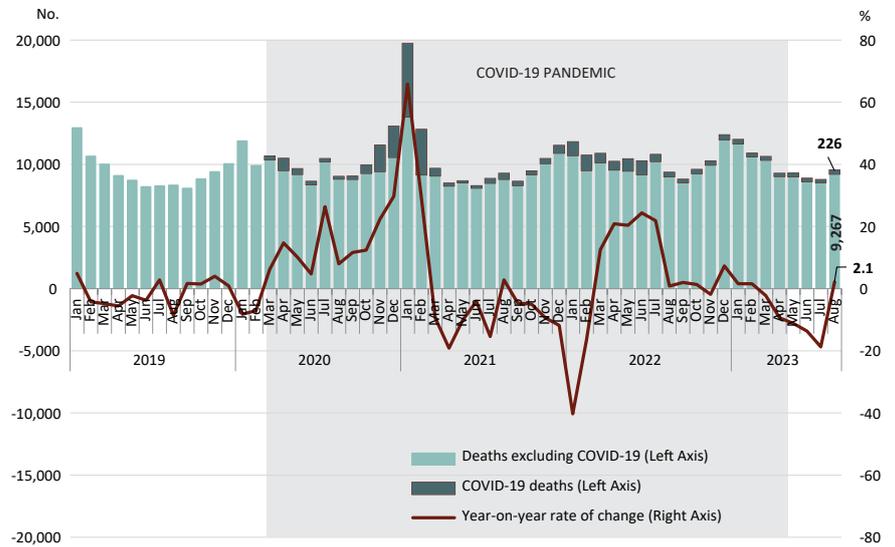
Mortality

In August 2023, there were 9,493 deaths, 766 more than the previous month (+8.8%) and 198 (+2.1%) more than in a year before.

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

- Rose to 226, 2.4% of total mortality; and
- Increased by 86 compared with the previous month and decreased by 10 compared with August 2022.

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



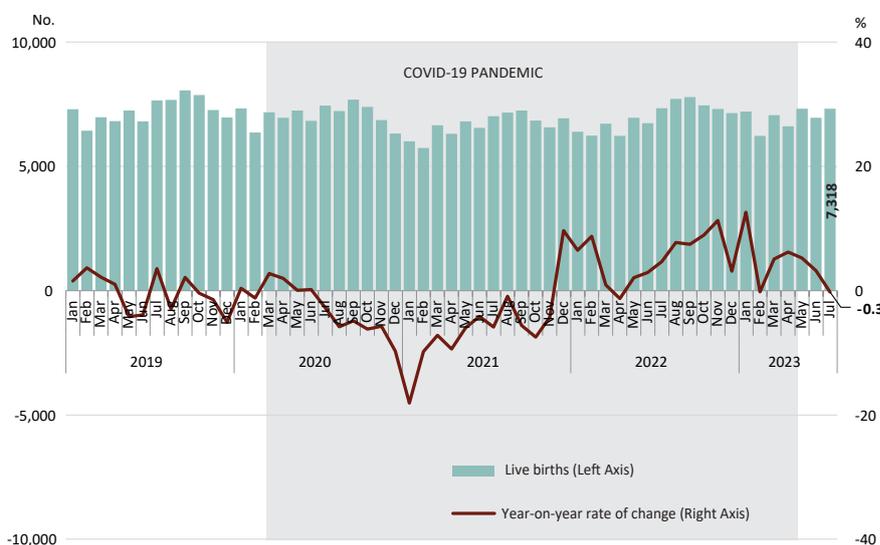
The number of deaths in the first eight months of 2023 (78,864) was lower (5,217 deaths; -6.2%) than the figure for the same period in 2022.

Live births

In July 2023, there were 7,318 live births, 365 more (+5.2%) than the previous month, but 19 fewer (-0.3%) than a year before.

The total number of live births in the first seven months of 2023 was 48,673, 2,083 more (+4.5%) than the 46,590 live births in the corresponding period of the previous year.

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

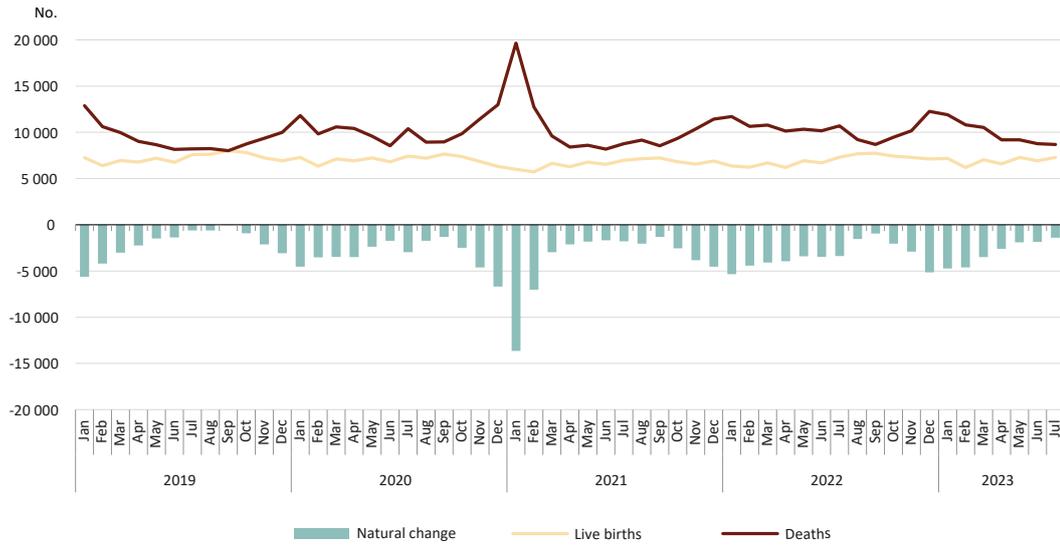


Natural change

The natural change deficit in July 2023 was 1,384, having decreased 1,839 compared with June 2023 and 3,388 compared with the same month in 2022.

In the first seven months of 2023, the cumulative natural change deficit was 20,534. This figure shows some relief compared with the 28,047 observed in the same period of 2022.

Live births, deaths and natural change, Portugal, January 2019 to July 2023

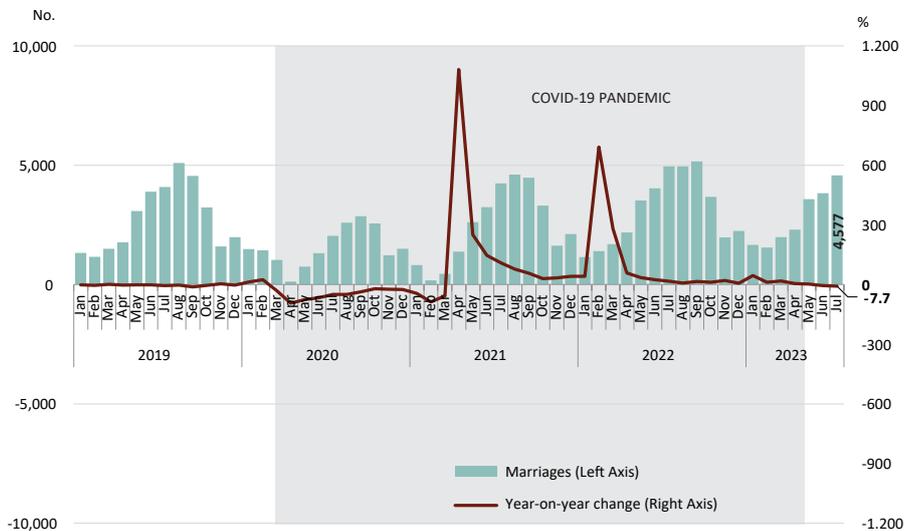


Marriages

Four thousand five hundred seventy-seven marriages were celebrated in July 2023, 749 more (+19.6%) than the previous month, but 381 less (-7.7%) than in July 2022.

In the first seven months of 2023, 19,486 marriages were celebrated, corresponding to a year-on-year increase of 556 (+2.9%).

Marriages and year-on-year variation, Portugal, January 2019 to July 2023

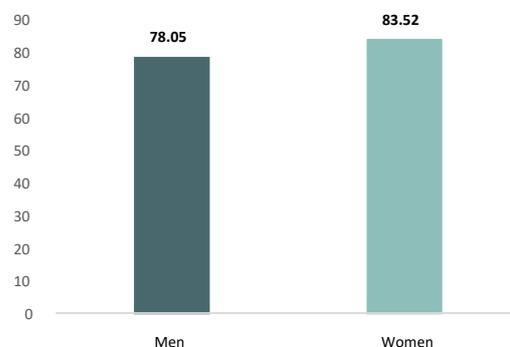


Norte with the highest life expectancy at birth and at age 65

In the 2020-2022 triennium, life expectancy at birth was estimated at 80.96 years (0.01 years, i.e., 0.12 months less than in the preceding triennium), with the following breakdown by sex.



Life expectancy at birth in 2020-2022 (years)

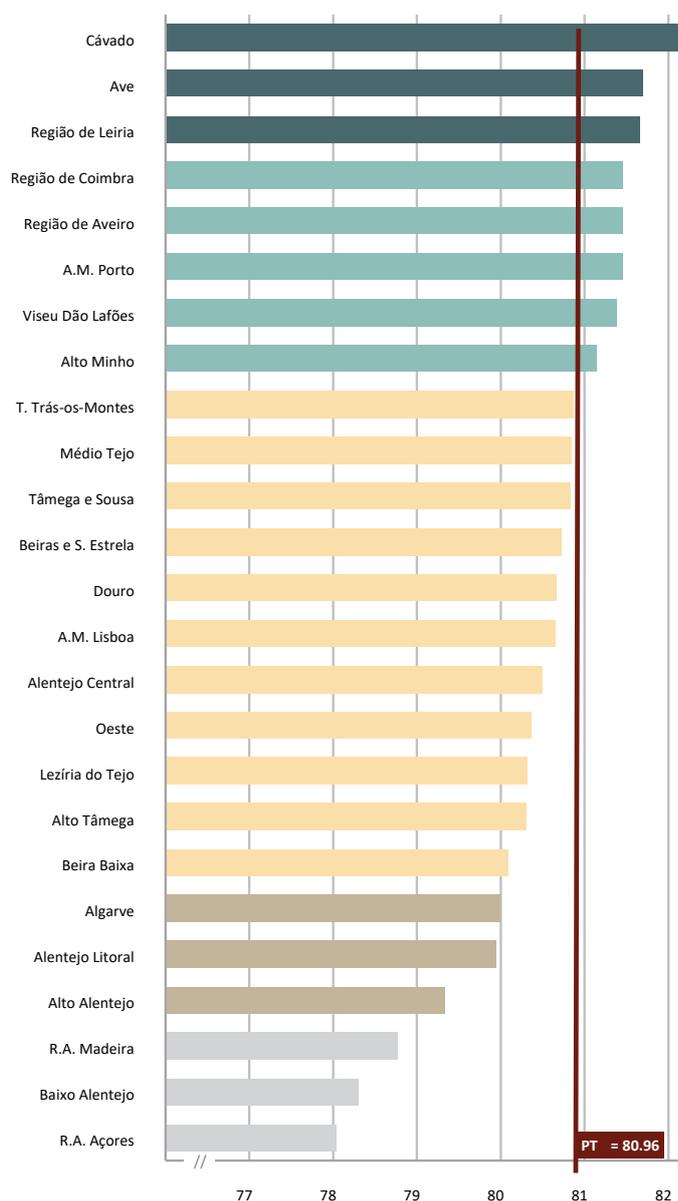


Compared with 2019-2021, these values represent an increase of 0.01 years for men and a decrease of 0.01 years for women, still due to the increase of deaths in the context of the COVID-19 disease pandemic.

By NUTS 2 regions, in the three-year period 2020-2022, the highest estimated life expectancy at birth was in the Norte region, for the total population (81.53 years), and both for men (78.74 years) and for women (84.02 years).

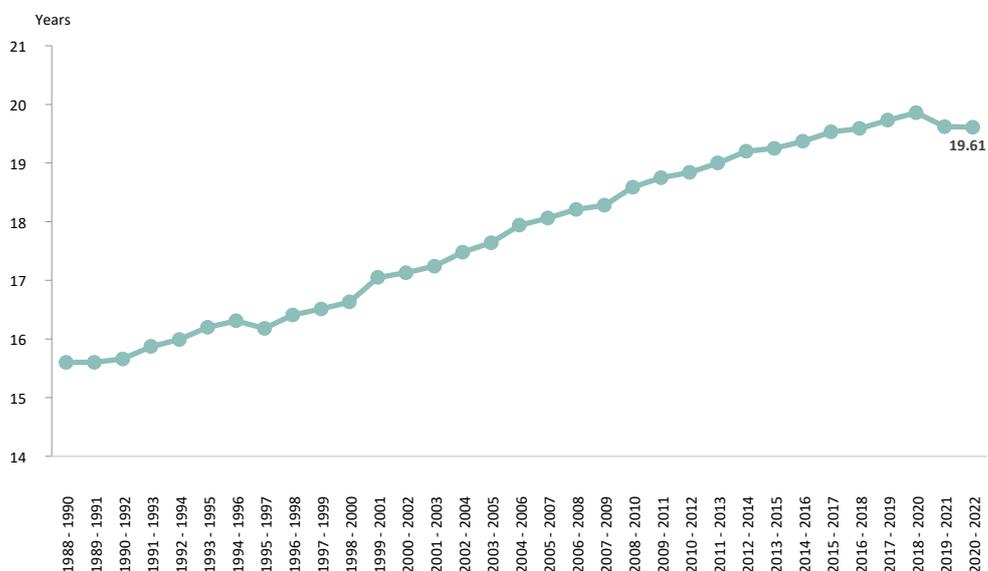
By NUTS 3 regions, the highest life expectancy at birth was in Cávado, the only region where it exceeded 82 years (82.26 years).

Life expectancy at birth, NUTS 3, 2020-2022



Life expectancy at age 65 in Portugal in the 2020-2022 period was estimated at 19.61 years, 17.76 years for men and 20.98 years for women. These figures correspond to a slight decrease (-0.01 years) for men and no change for women, compared with 2019-2021.

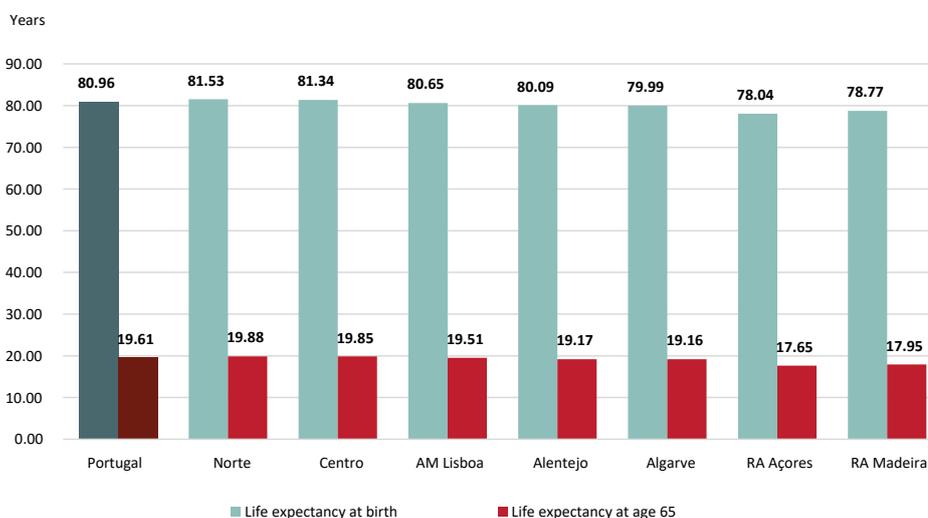
Life expectancy at age 65, 1989-1991 to 2020-2022



By NUTS 2, in the three-year period 2020-2022, the highest life expectancy at age 65 was recorded in the Norte region, for the total population (19.88 years) and for men (18.17 years), and in the Centro region for women (21.24 years).

By NUTS 3, the Cávado and Viseu Dão Lafões regions recorded the highest values for life expectancy at 65: 20.64 and 20.14 years, respectively.

Life expectancy at birth and at age 65, Portugal e NUTS 2, 2020-2022

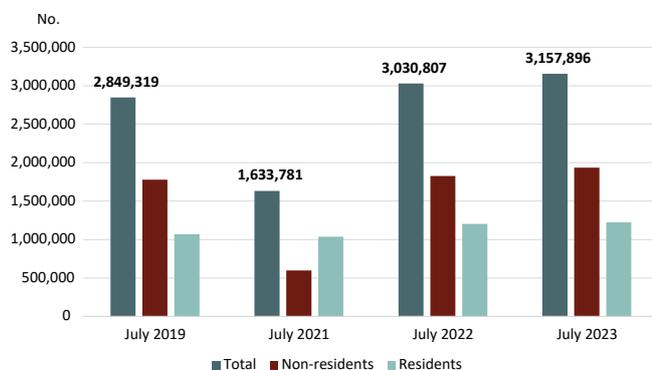


Income from tourism continues to slow down

In July 2023,¹ the tourist accommodation sector² registered:³

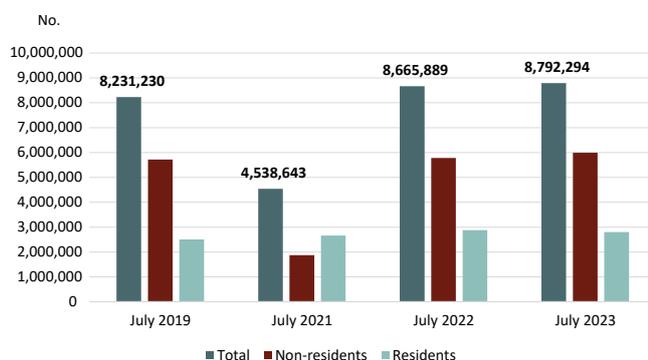
- 3.2 million guests;
- 8.8 million overnight stays;
- €754.0 million in total revenue;
- €597.0 million in accommodation revenue;
- A net bed occupancy rate of 59.2% (down by 1.9 pp from the same month in 2022);

Guests in tourist establishments



- A net bedroom occupancy rate of 67.0% (1.4 pp less than the same month in the previous year);
- An average revenue per available room (RevPAR) of €92.4 (+7.4% compared with July 2022 and +32.1% compared with the same month in 2019); and
- An average daily rate (ADR) of €137.9 (+9.7% compared with July 2022 and +29.1% compared with July 2019). The value of the ADR in July 2023 is a new all-time high (the previous high was in August 2022: €136.0).

Overnight stays in tourist establishments

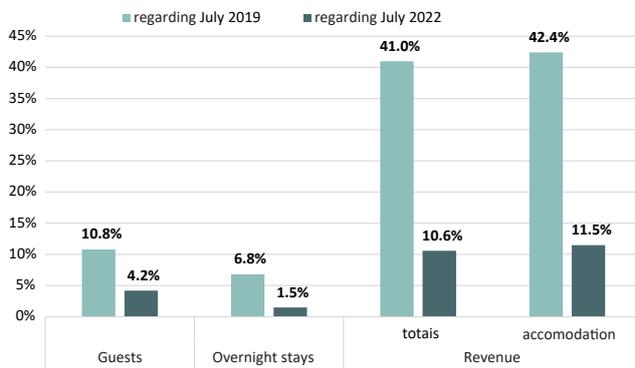


¹ These results are final until the end of 2022, provisional from January to June 2023, and preliminary in July 2023.

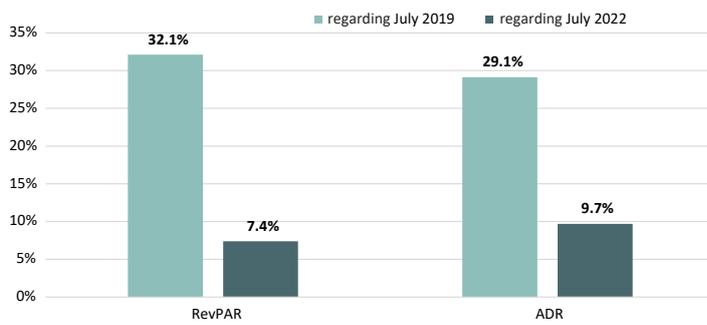
² It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, Madeira inns and quintas), local accommodation with 10 or more bed places (according to the statistical threshold defined by EU Regulation 692/2011) and residential or rural environment tourism.

³ 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.

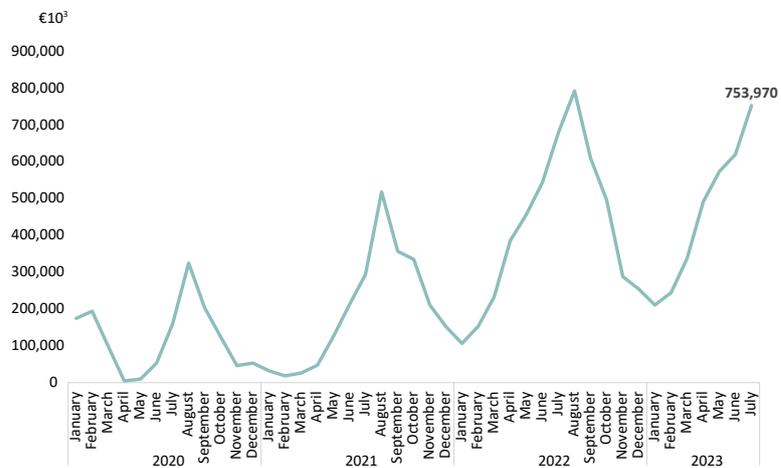
Year on year growth of guests, overnight stays and revenue in the tourist accommodation sector



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



Total revenue in tourist accommodation establishments



Also in July 2023:

- The Algarve was the region with the greatest weight in total revenue and revenue from accommodation (36.2% and 35.5%, respectively), followed by Área Metropolitana de Lisboa (25.6% and 26.8%, in the same order), the Norte (13.6% and 13.9%) and the Região Autónoma da Madeira (9.1% and 8.2%);

The most significant increases occurred in the Alentejo (+20.0% in total revenue and +21.3% in revenue from accommodation), the Região Autónoma dos Açores (+18.0% and +19.6%, respectively) and the Norte (+14.4% and +16.0%);

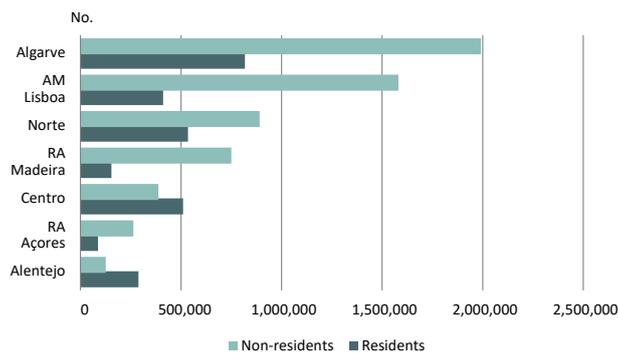
Compared with July 2019, the most notable developments were in the Região Autónoma da Madeira (+62.6% and +75.7%), the Alentejo (+56.1% and +60.1%) and the Região Autónoma dos Açores (+55.5% and +55.6%);

- Among the municipalities with a more significant share of overnight stays, Lisboa accounted for 16.2% (7.4% for residents and 20.3% for non-residents), reaching 1.4 million. Compared with July 2019, overnight stays in the municipality of Lisboa increased by 6.1% (+1.8% for residents and +6.8% for non-residents);

Albufeira remained in 2nd place (12.5% of the total), with 1.1 million overnight stays, and remained below the levels recorded in 2019 (-10.9% of the total; -14.5% for residents and -9.6% for non-residents); and

The municipality that grew the most compared with July 2019 was Ourém, with the highest growth in overnight stays (+27.2%) from both residents (+15.1%) and non-residents (+34.5%).

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



From January to July 2023:

- Total overnight stays grew 14.8% (+5.2% in residents and +19.4% in non-residents);
- Total revenue increased by 61.1% (+38.9% compared with the same period in 2019); and
- Accommodation revenue increased 27.7% (+41.8% compared with January-July 2019).

Considering all accommodation facilities (that is, adding camping sites, holiday colonies, and youth hostels to tourist accommodation establishments), in January-July 2023, there were:

- 18.1 million guests, 17.1% up from the same period last year; and
- 46.9 million overnight stays, 14.5% more than in January-July 2022.

Compared with January-July 2019, overnight stays increased by 9.9% (+10,7% in residents and +9.6% in non-residents).

Monthly overnight stays exceed 10 million for the first time

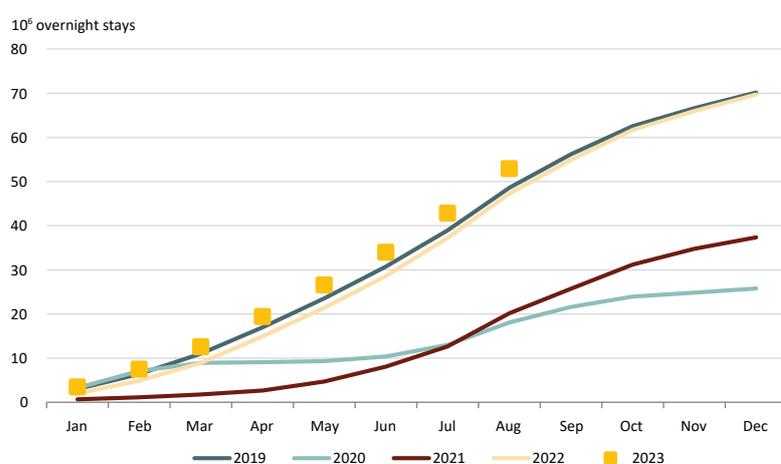
In August 2023, the tourist accommodation sector¹ welcomed 3.5 million guests for 10.1 million overnight stays. These results represent increases of:

- 4.8%² in guests (+4.4% a month before); and
- 1.4% in overnight stays (+1.7% in the previous month);

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

- 6.3% in guests; and
- 4.9% in overnight stays.

Overnight stays in tourist accommodation establishments per month
Cumulative sum



In August 2023, the variations in overnight stays could be broken down into:

- A 6.9% domestic tourists decrease to 3.5 million; and
- A 6.4% inbound tourists increase to 6.6 million.

Compared with August 2019, there were increases of:

- 0.9% in domestic tourists' overnight stays; and
- 7.1% in inbound tourists' overnight stays.

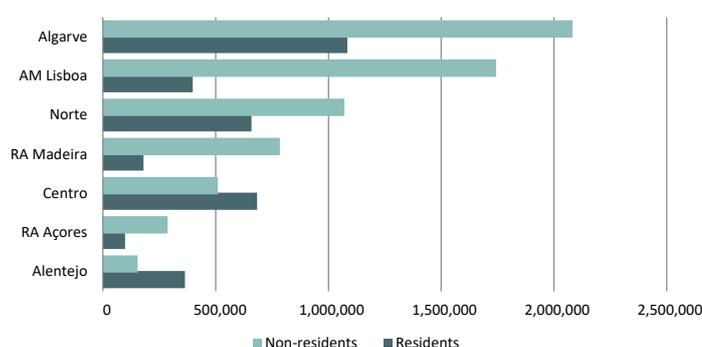
In August 2023, the distribution of total overnight stays by accommodation type was as follows:

- Hotels and similar: 79.8%;
- Local accommodation: 14.9%; and
- Rural and lodging tourism: 5.3%.

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

Type of accommodation	Growth from August 2022	Growth from August 2019
Hotels and similar	0.3%	+3.2%
Local accommodation	+6.8%	+6.0%
Rural and lodging tourism	+4.4%	+33.8%

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



In the month under review, the average stay in tourist accommodation establishments (2.85 nights) diminished by 3.2% (-2.6% in July) while breaking down into:

- 2.50 nights for domestic tourists (-4.9%); and
- 3.09 nights for inbound tourists (-3.1%);

¹ 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.

² Unless otherwise stated, the rates of change shown in this press release are year-on-year rates of change.

The highest values for this indicator were recorded in the Região Autónoma da Madeira (5.01 nights) and the Algarve (4.43 nights). The shortest average stays were in the Centro (2.01 nights) and Norte regions (2.08 nights).

Among the seventeen main issuing markets, which represented 88.6% of all nights spent by inbound tourists in August, the fastest-growing markets continued to be:

- The United States: 28.9%; and
- Canada: 27.5%.

Going in the opposite direction, the greatest decreases in overnight stays belonged to:

- Finland: -10.4%; and
- Spain: -4.3%.

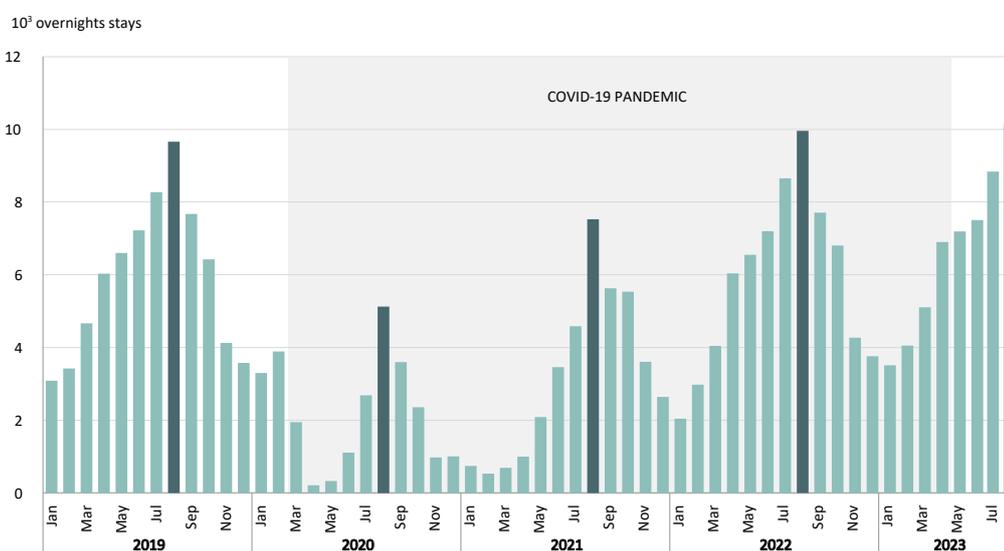
Still, regarding overnight stays by inbound tourists in August 2023, but compared with the same month in 2019:

- The British market (17.5% of the total) continued to grow, recording +6.2%;
- The Spanish market (with an 16.0% share) contracted by 5.4%;
- The French market (11.8% share) registered a slight decrease: 0.7%; and
- The German market (9.0% share) increased by 9.3%.

On the other hand (also comparing August 2023 with August 2019):

- The North American and Canadian markets continued to stand out, with growth of 65.6% and 60.1% respectively; and
- The biggest decreases were seen in overnight stays from Brazilian (-19.3%), Swedish (-13.8%) and Finnish (-10.2%) guests.

Overnight stays in tourist accommodation establishments per month



In August 2023, 10.4% of tourist accommodation establishments were closed or recorded no guest movement (11.9% in the previous month).

In the period January-August 2023:

- Overnight stays increased by 12.0% (+2.4% for domestic tourists and +16.9% for inbound tourists); and
- Compared with the same period in 2019, overnight stays grew by 8.9% (+10.0% for domestic tourists and +8.4% for inbound tourists).

³ Based on provisional results of overnight stays in 2022.

Passenger traffic still on the rise, but at a slower pace

In Q2 2023, national airports handled 18.4 million passengers, corresponding to:

- +14.9% compared with the same period in 2022; and
- +10.0% compared with Q2 2019.

Passengers carried on rails were:

- 49.0 million on the heavy railway system, which corresponds to growths of 12.8% and 13.9% compared with the same period in 2022 and 2019, respectively; and
- 64.9 million on the light railway, representing an 18.0% growth and a 3.7% decrease compared year-on-year with 2022 and 2019, respectively.

Passenger transport by inland waterway reached 5.8 million, registering:

- A 19.4% increase compared with Q2 2022; and
- A 5.6% increase vis-à-vis Q2 2019.

As regards freight transport, the following variations were noted regarding Q2 2022 and Q1 2019, respectively:

- Airway: -1.5% and +7.3%;
- Railway: -0.3% and +3.9%;
- By sea: +1.8% and +4.0%; and
- Roadway: -12.1% and -16.5%.

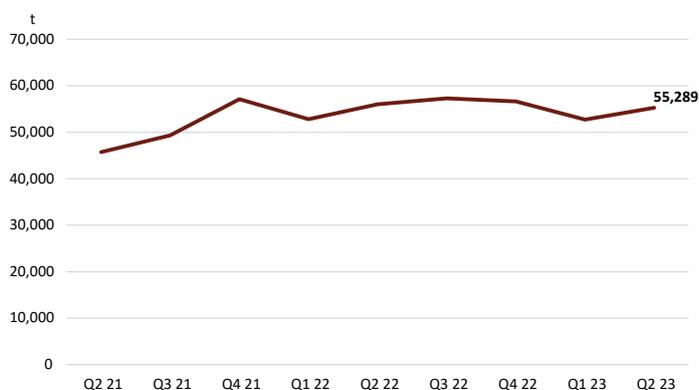
Aircraft at national airports



Passengers at national airports



Cargo/mail at national airports



Average daily passenger movement at national airports reaches an all-time high

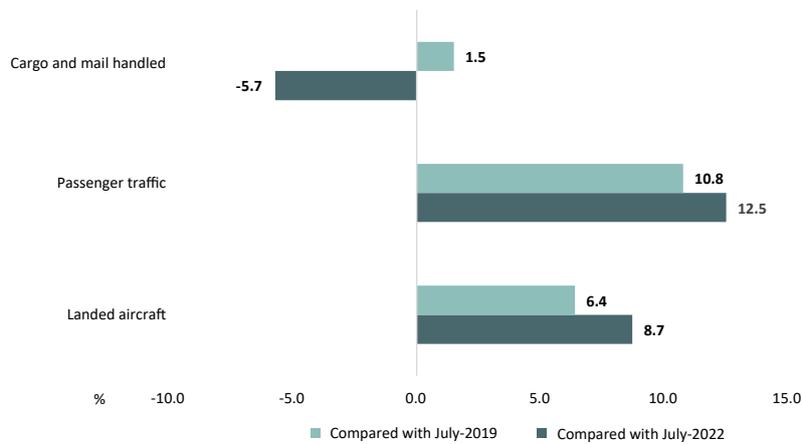
In July 2023, Portuguese airports witnessed:

- The landing of 24.8 thousand commercial flights (+8.7% year-on-year);
- The boardings, disembarkations, and direct transits of 7.0 million passengers (+12.5% year-on-year);
- An average daily disembarking of 117 thousand passengers, 12.4% more than in July 2022; and
- The movement of 18.7 thousand tons of cargo and mail (-5.7% year-on-year).

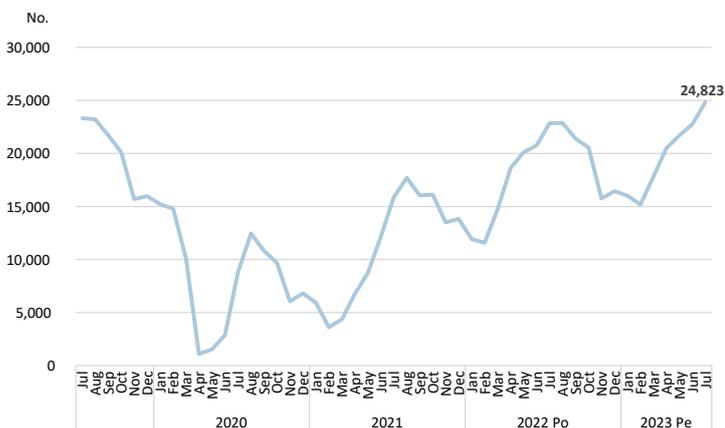
Compared with July 2019, before the pandemic:

- The number of aircraft landed was 6.4% higher;
- The number of passengers increased by 10.8%;
- The average daily number of passengers disembarked increased by 11.1%; and
- The cargo and mail handled increased by 1.5%.

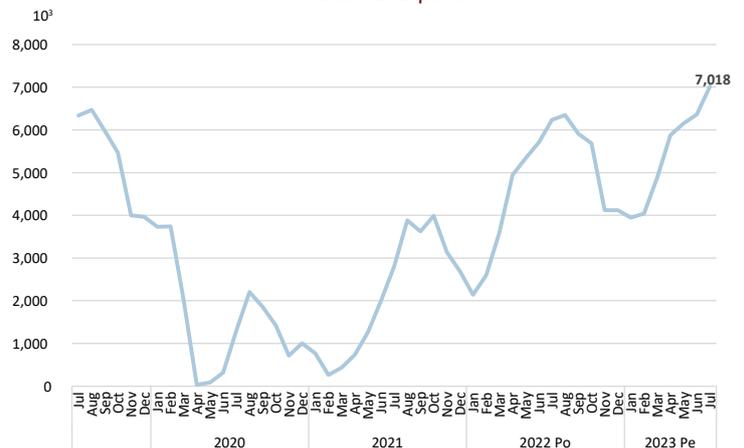
Traffic at national airports, July 2023
(year-on-year rates of change, %)



Aircraft landed at national airports



Passenger traffic moving through national airports



Note: Po = Provisional values; Pe = Preliminary value



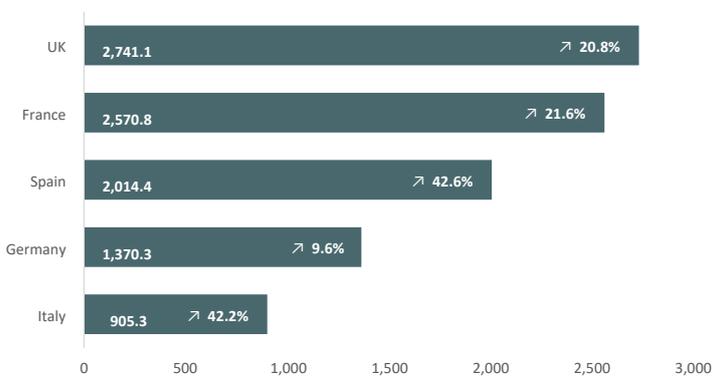
Note: Po = Provisional values; Pe = Preliminary value



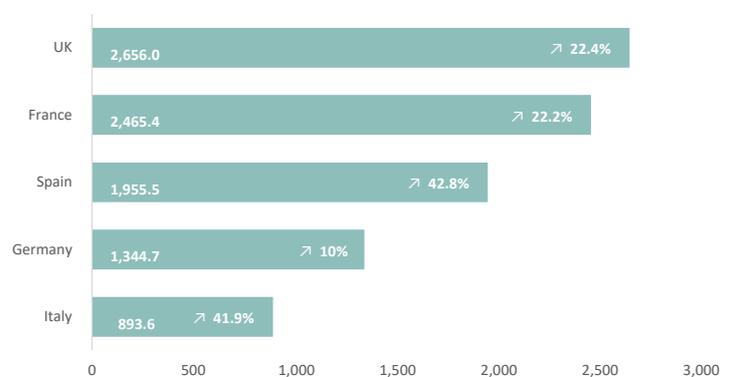
From January to July 2023:

- Compared with 2022, the number of passengers increased by 25.2%, while cargo and mail movement slightly decreased (-1.6%);
- Compared with 2019, the number of passengers increased by 11.8%, and cargo and mail movement increased by 8.2%;
- Lisbon airport handled about 19.1 million passengers, 50.0% of the total and 27.1% more than a year before (up by 8.0% from the same period in 2019);
- Porto airport handled 22.4% of all passengers and, compared with 2022, grew by 25.7% (+15.2% regarding the same period in 2019); and
- Faro airport passenger traffic grew by 19.2% (+5.4% compared with January-July 2019).

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



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



More information in:
[Air Transport Flash Statistics – July 2023](#)
 14 September 2023

Economic activity indicator fell again

In the Euro Area, in Q2 2023, Gross Domestic Product (GDP) in volume increased:

- 0.5% year-on-year (1.1% in Q1 2023); and
- 0.1% quarter-on-quarter (the same rate as in the previous quarter).

In Portugal:

- GDP in volume in the same quarter:
 - » Showed a year-on-year change of 2.3% (2.5% in the previous quarter); and
 - » Compared to Q1 2023, it did not change after a quarter-on-quarter growth of 1.6% in the previous quarter;
- The Industrial Production Price Index recorded a year-on-year rate of change of -5.2% in August (after reaching -6.6% in July), showing a negative rate for the fifth month in a row;

The *Energy* grouping continued to be decisive in the reduction of the total index, with rates of -24.7%, -25.6% and -18.6% between June and August;

Excluding the energy component, this index showed a year-on-year change of -0.6% (0.1% in July); and

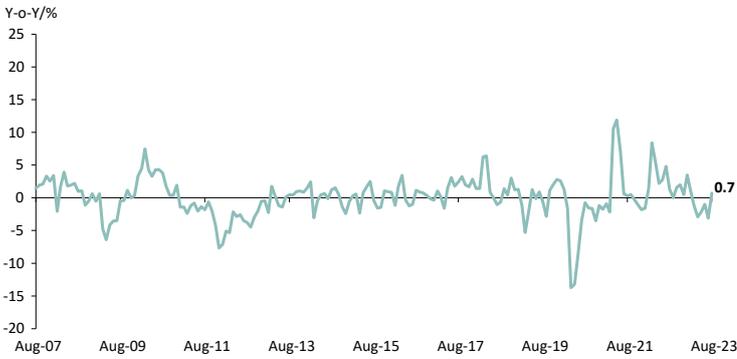
The index for *Consumer goods* recorded a year-on-year change of 5.6% (6.4% in the previous month), slowing down for the ninth month in a row after reaching the highest value in the series in November (16.2%);

- The year-on-year change in the Consumer Price Index (CPI) rose to 3.7% in August, 0.6 pp up on the previous month;
 - The year-on-year change in the energy products aggregate stood at -6.5% (-14.9% in the previous month); and
 - The index for unprocessed food products slowed to 6.4% (6.8% in July);
- On the external side, as far as implicit prices are concerned, there were variations of -4.2% in exports and -9.1% in imports in July, respectively (-5.2% and -9.4% in June, in the same order);
- The short-term indicators for economic activity from the production perspective, available for July, point to a year-on-year slowdown in volume in *Construction* and in nominal terms in *Services* and to less intense decreases in *Industry*;
- From an expenditure perspective, in July:
 - » The economic activity indicator slowed down, as it had in June, recording a year-on-year rate of change close to zero; and
 - » The private consumption indicator slowed down, while the investment indicator accelerated;
- The economic climate indicator, which summarises questions relating to qualitative business surveys, fell in July and August after stabilising in June; and
- The provisional monthly Labour Force Survey estimates indicate that in July:
 - » The seasonally adjusted unemployment rate (16 to 74 years) was 6.3%, identical to the previous month (6.5% in April and 6.0% in July 2022); and
 - » The labour underutilisation rate (16 to 74 years) stood at 11.6%, 0.1 pp lower than the previous month (12.0% in April and 11.6% in July 2022).

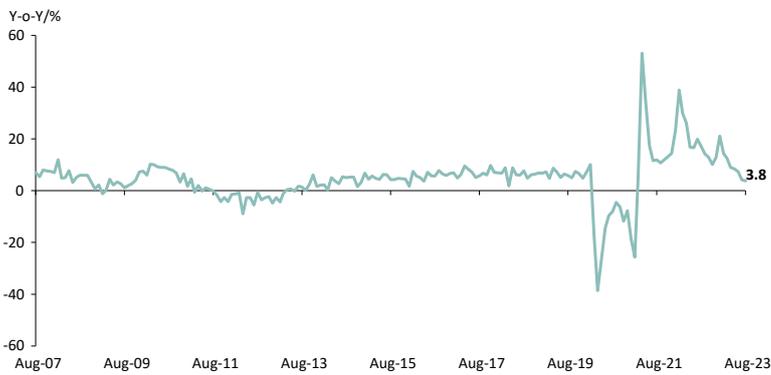
Some additional indicators of economic activity and private consumption for August (year-on-year changes):

- Average weekday electricity consumption increased by 0.7%, compared with -1.0% in June and -3.1% in July;

Average electricity consumption on working days

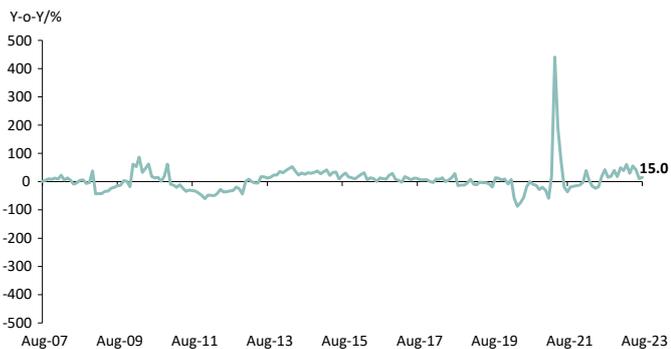


Operations carried out on the Multibanco network (value)



- The overall value of national withdrawals, payments for services and purchases at point-of-sale terminals in the Multibanco network showed an increase of 3.8% (4.2% in the previous month); Excluding the payment of services, there was an increase of 4.5% (4.8% in July); and

Passenger car sales



- Sales of passenger cars grew by 15.0%, accelerating from the 10.8% rate recorded in the previous month.

Consumer confidence and economic climate indicators still falling

The Consumer Confidence indicator fell in August and September, more significantly in the latter month, after recording in July its highest value since February 2022.

The balance of Consumer opinions on past price developments has fallen over the last five months, moving away from the high level where it was, close to the series maximum recorded in October.

The economic climate indicator¹ fell between July and September, after stabilising in June.

Between July and September, confidence indicators:

- They decreased in *Trade and Services*; and
- They increased in *Construction and Public Works* and *Manufacturing Industry*;

In the case of the *Manufacturing Industry*, the confidence indicator increased in the *Consumer Goods* and *Intermediate Goods* groupings, having fallen significantly in the *Investment Goods* grouping, because of the intense reduction seen in the *Manufacture of Motor Vehicles* sub-grouping.

The balance of business owners' expectations about the future evolution of sales prices:

- It increased in *Manufacturing* in August and September, interrupting the marked downward trajectory that began in November, which culminated in July at the lowest value since May 2020;
- It has also risen in the last two months in *Trade and Construction and Public Works*; and
- In *Services*, it has risen in the last three months.

The information here reported was collected:

- From 1 to 15 September, for the consumer survey; and
- From 1 to 22 September, for the business surveys.

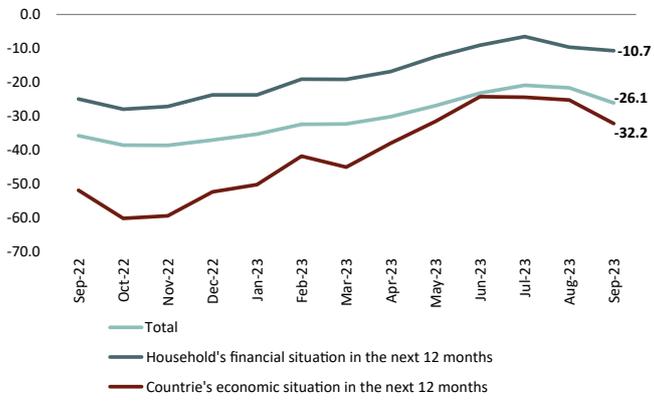
Economic Climate Indicator



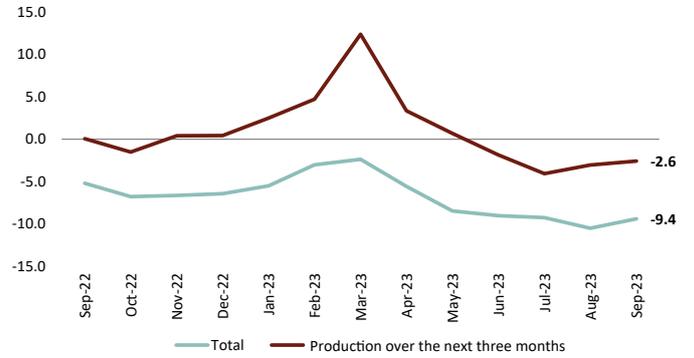
¹ The economic climate indicator summarises the balance of respondents to the business survey questions.

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 in:
Business and Consumer Surveys – September 2023
28 September 2023



Retail sales decreased by 0,3%

In August, the Retail Trade Turnover Index¹ was down 0.3% from the same month in the previous year (+4.0 in the previous month).

Considering the groupings that make up this index:

- *Food Products* increased 2.8% year-on-year, 0.3 pp more than in July; and
- *Non-food products* decelerated 7.6 pp to a year-on-year decrease of 2.5%.

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

- Employment index: 1.6% (same value in the previous month);
- Compensation index: 7.7% (7.2% a month before); and
- Hours worked index:² 1.3% (1.9% a month earlier).

Month-on-month, the Retail Trade Turnover Index returned to negative ground in August, reaching -3.0%, whereas in July, its value had been positive 1.5%.

In nominal terms, the August year-on-year rates were the following:

- Aggregate index: 3.5% (4.2% a month before);
- *Food products*: 10.8% (7.7% in the previous month); and
- *Non-food products*: -2.8% (1.0% in July).



¹ Total index, adjusted for calendar and seasonality effects, deflated.

² Adjusted working hours index of calendar effects.

In 2022, Gross Domestic Product reached €242,3 billion

In 2022:

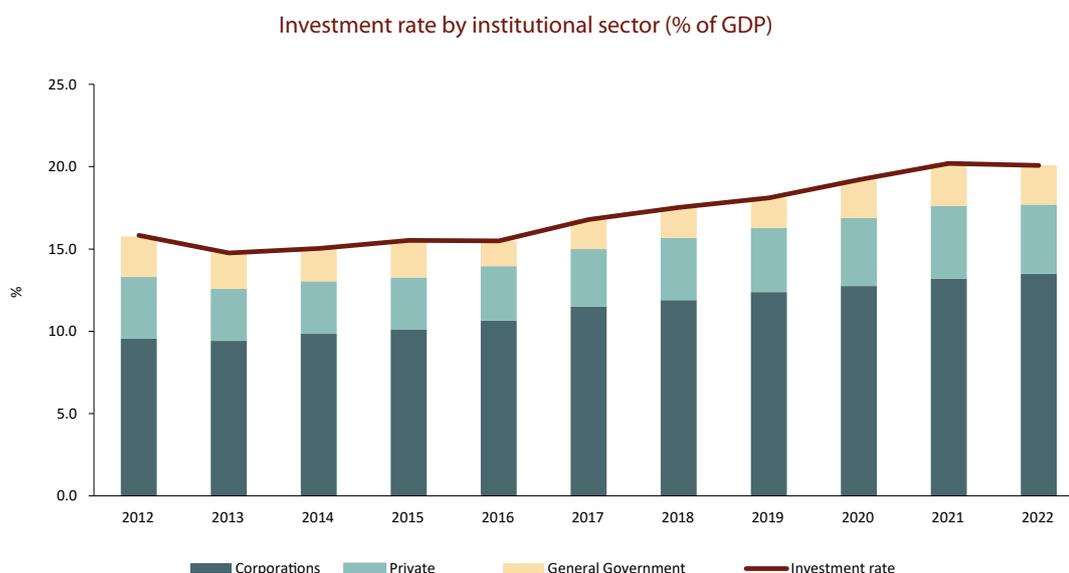
- Gross Domestic Product (GDP) reached €242.3 billion, representing a nominal growth of 12.2%, the highest rate since 1992, after the 7.7% increase recorded in 2021 and the sharp contraction (-6.5%) in 2020, due to the economic effects of the pandemic;

The significant nominal GDP growth occurred in a context of price acceleration, with the GDP deflator increasing by 5.0% (1.9% in 2021);

In volume, GDP increased by 6.8% (5.7% in 2021);

All the main components of expenditure increased significantly, mainly exports of services, that grew by 40.8% in volume (56.9% in value);

Investment increased moderately (3.5% in volume);

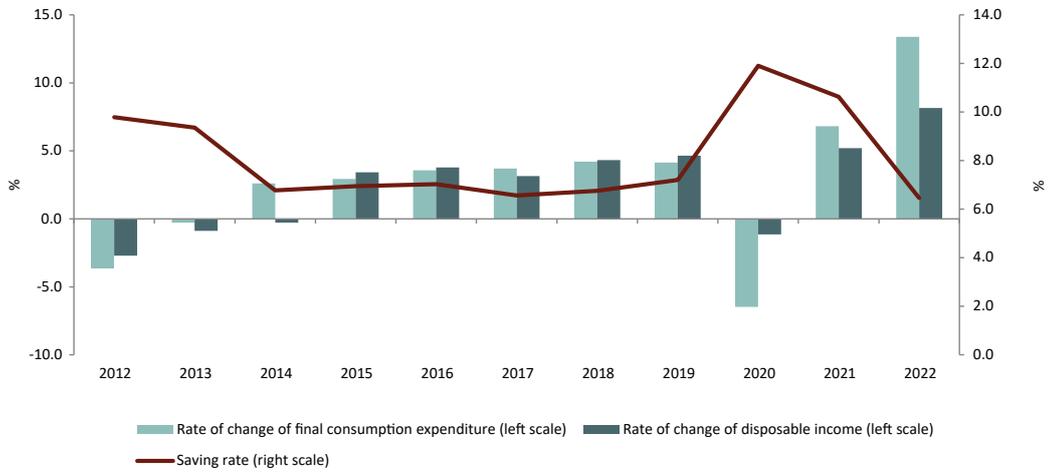


- Gross Value Added increased by 12.1% in nominal terms and 6.5% in volume, after increases of 7.0% and 5.5%, respectively, in 2021;

The *Accommodation and food services*, *Transport and storage* and *Other services* branches showed the most intense growth rates in volume: 50.0%, 20.4% and 13.0%, respectively;

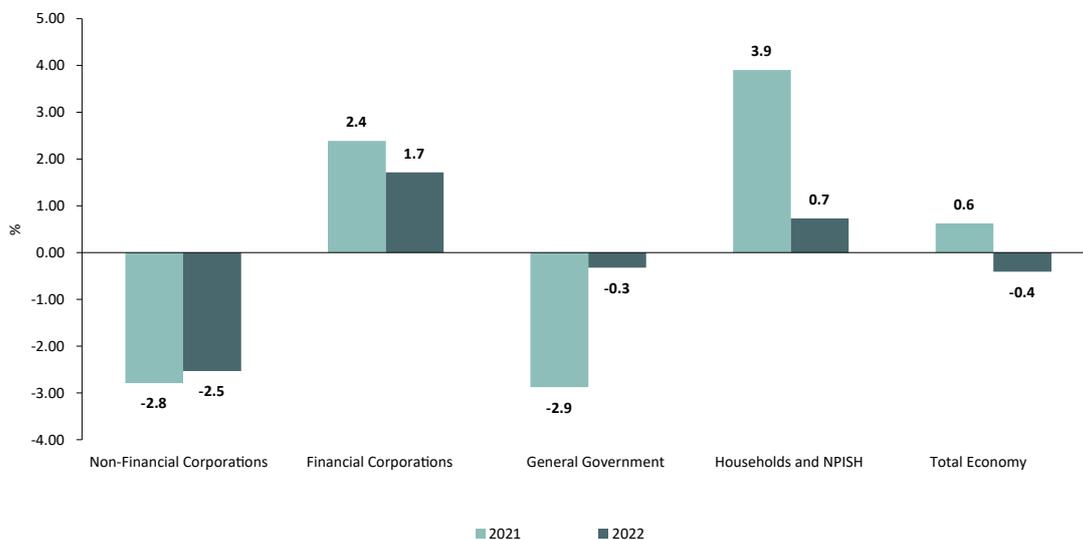
- Gross National Income grew by 11.7%, following an increase of 8.4% in 2021; and
- The household savings rate fell to 6.5%, down by 4.1 pp on the previous year, reflecting the strong recovery in private consumption;

Saving rate of Households and NPISH



- The economy's borrowing requirement totalled 0.4% of GDP, which represents a worsening of the balance by 1.0 pp compared with the previous year.

Net Lending (+) / Borrowing (-) by institutional sector (in percentage of GDP)



More information in:
[Annual National Accounts – 2021 \(final\) and 2022 \(provisional\)](#)
 22 September 2023

The external balance of the Portuguese economy increased to 1.6% of the GDP

In Q2 2023:

- The Portuguese economy¹ recorded a net lending of 1.6% of Gross Domestic Product (GDP), 1.1 pp more than in the previous quarter;
- Gross National Income (GNI) and Gross Disposable Income (GDI) both increased by 2.3% (also identical growths in the previous quarter for both aggregates: 2,4%);
- The increase in the economy's external balance mainly reflected the 0.4 pp increase in the balance of Financial Corporations; and
- The balances of Non-Financial Corporations and Households² both increased by 0.3 pp of GDP.

In what concerns Households:

- Its GDI increased by 1.9% compared to the previous quarter, with growth of 2.7% in wages and salaries and of 0.4% in Gross Value Added (GVA);
- Final consumption expenditure increased by 1.6% (2.5% in the previous quarter), causing the savings rate to fall to 5.7% (5.3% in the previous quarter), which led to a net lending of 0.5% of GDP (0.2% of GDP in the previous quarter); and
- In real terms, adjusted GDR per capita increased by 0.4%.

Regarding Non-Financial Corporations:

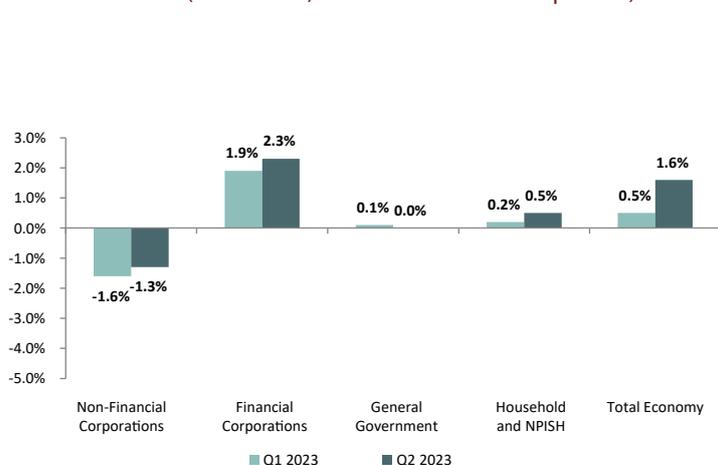
- Their balance was -1.3% of GDP, improving 0.3 pp from the previous quarter; and
- Gross Value Added (GVA) rose by 3.0%, identical to the growth in salaries paid, while Gross Capital Formation grew by 0.4%.

In turn, the balance of Financial Corporations totaled 2.3% of GDP, with the sector's GVA growing by 9.4%, reflecting the growth in the financial intermediation margin obtained by banking institutions when granting credit and taking deposits, due to the significant increase in interest rates, particularly on loans.

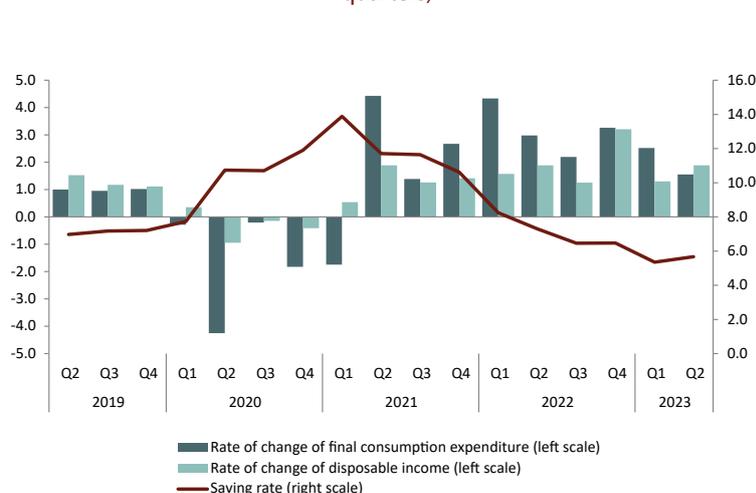
As for Public Administrations (PA):

- Their balance was nil, after a financing capacity of 0.1% of GDP in Q1 2023; and
- Considering quarterly figures and not the year ending in the quarter:
 - » The PA balance in Q2 2023 was positive by €689.0 million, corresponding to 1.0% of GDP, which compares to 1.4% in the same period of the previous year; and
 - » There was also an increase of 7.8% in revenue and 8.9% in expenditure compared to the same period last year.

Net Lending(+)/Borrowing(-) by institutional sector
(in % of GDP, accumulated sum of 4 quarters)



Saving rate of Households and NPISH (%; accumulated sum of 4 quarters)



¹ Unless otherwise stated, to eliminate seasonal fluctuations, reduce irregularity, and better capture the trend, the information presented refers to the year ending in the reference quarter. The comparison between consecutive quarters generally uses quarter-on-quarter rates of change between the year ended in the quarter in question and the year ended in the previous quarter.

² It includes Households and Non-Profit Institutions Serving Households.

Main aggregates of General Government – 2022

From 2021 to 2022, total General Government revenue:

- Increased by 10.1% (approximately €9.8 billion) in total terms;
- Grew by 11.6% (around €10.9 billion) in current terms, but at different speeds in its three main components, with income and wealth taxes standing out: +23.7%; and
- It fell by €43.1 (approximately €1.1 billion) in terms of capital revenue.

(Bear in mind that, in 2021, the margin paid in advance on the loans granted under the Financial Assistance Programme for Portugal under the European Stability Mechanism was repaid.)

In the same period, General Government expenditure:

- Increased by 4.2% (around €4.3 billion) in total terms;
- Capital expenditure grew significantly more than current expenditure: +10.8% and +3.7%, respectively;
- The increase in current expenditure was due to the increase in social benefits, except social transfers in kind (7.2%) and, to a lesser extent, in salaries (3.1%), with a decrease of around 37% in subsidies paid and 10.1% in interest paid; and
- The increase in capital expenditure resulted from growth in capital transfers granted (26.3%) and, to a lesser extent, in gross capital formation (3.1%).

In 2022, the General Government sector had a negative balance (net borrowing) of 779 million euros, corresponding to -0.3% of Gross Domestic Product (-2.9% in 2021 and -5.8% in 2020).

Balances of public administrations

Unit: €10⁶

Transaction Code	Transaction label	2021	2022
B.9	Net lending (+) / Net borrowing (-) (National Accounts Balance)	-6,215	-779
	Current balance	-498	6,958
B.9-D.41	Primary balance	-1,024	3,885

More information in:
Main Aggregates of General Government – 2022
22 September 2023

Excessive Deficit Procedure – 2nd Notification 2023

Regarding General Government in 2022 (provisional data):

- The balance totalled €-779.1 million, which corresponded to -0.3% of GDP (-2.9% in 2021);
- Gross debt fell to 112.4% of GDP (124.5% in the previous year); and
- The significant improvement in the public accounts balance resulted from revenue growth (10.1%) outstripping expenditure growth (4.2%);

The increase in revenue was essentially due to the positive evolution of tax and contributory revenue, reflecting the recovery of economic activity and the labour market compared to 2021, still conditioned by the COVID-19 pandemic; and

Expenditure reflected the effects of some public policy measures in the context of the pandemic (to a lesser extent than in the previous two years) and of new measures to mitigate the effects of the high prices of various goods and services, namely energy goods, as a result of the so-called “geopolitical shock”.

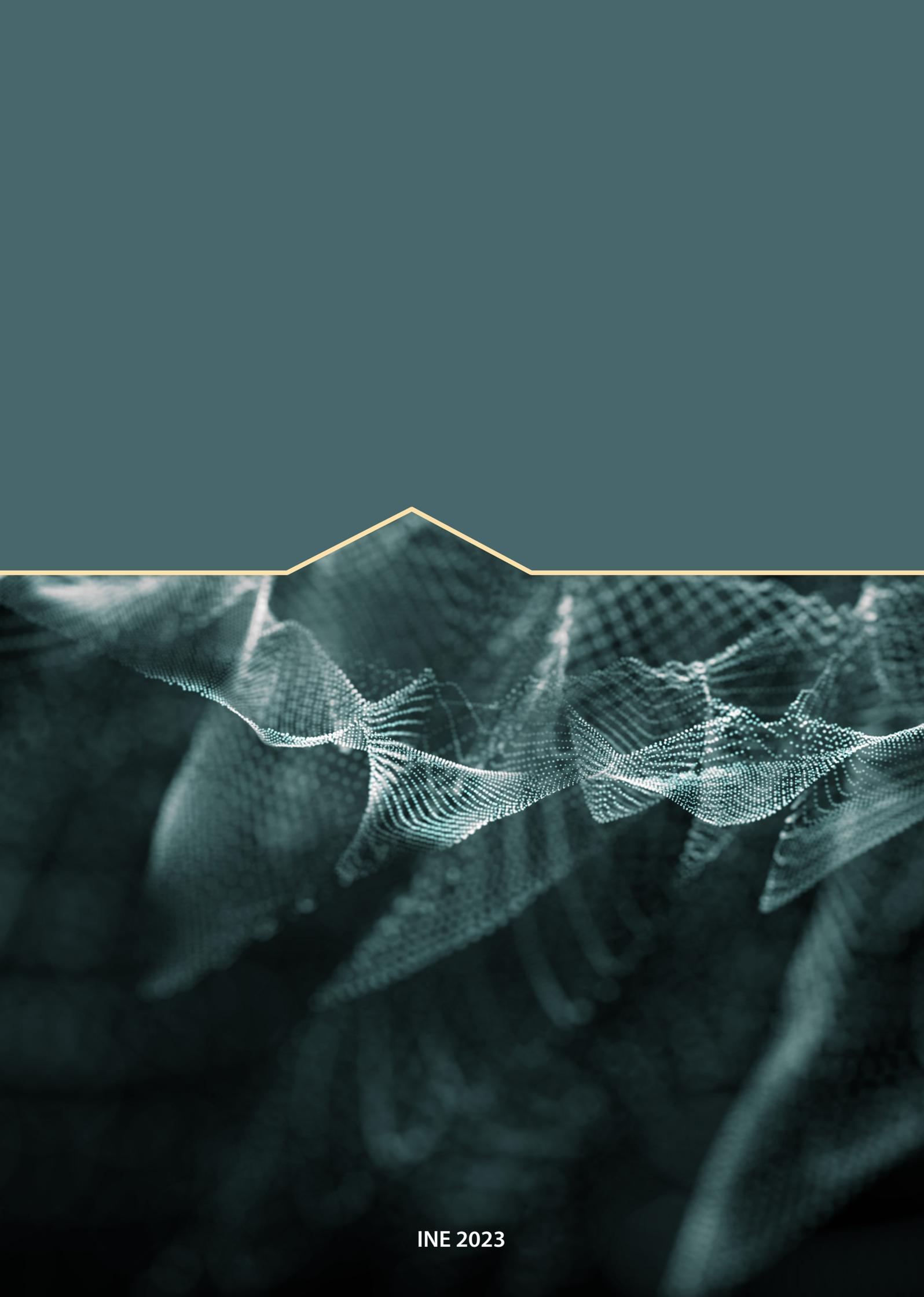
According to the available information included in the Directorate-General for the Budget’s monthly budget execution bulletins, the direct impact of public policy measures on the national accounts balance will have amounted to around -2.2% of GDP in 2022 (-2.7% in 2021).



Public to national accounts adjustments

Unit: €10⁶

	2021	2022
Balance in Public Accounting	-8,867.9	-3,599.1
Accrual adjustment and sector delimitation in National Accounts	3,799.1	3,381.2
Difference between paid and due interest	1,013.4	1,136.3
Other receivables	410.3	567.9
<i>Temporal adjustment to taxes and social contributions</i>	916.6	648.8
<i>Other</i>	-506.2	-80.9
Other payables:	-19.9	-119.7
<i>Expenditure already incurred but not yet paid</i>	25.9	-103.0
<i>Other</i>	-45.8	-16.8
Other adjustments:	-2,550.2	-2,145.8
<i>Capital injections and debt assumptions</i>	-3,824.6	-3,902.5
<i>Other</i>	1,274.4	1,756.7
Balance in National Accounts	-6,215.3	-779.1



INE 2023