



26 January 2024

Perspectives on Exports of Goods

Forecast 2024

ENTERPRISES FORESEE A 2.9% NOMINAL INCREASE IN EXPORTS OF GOODS IN 2024

Enterprises expect a 2.9% nominal increase in exports of goods in 2024, vis-à-vis the previous year.

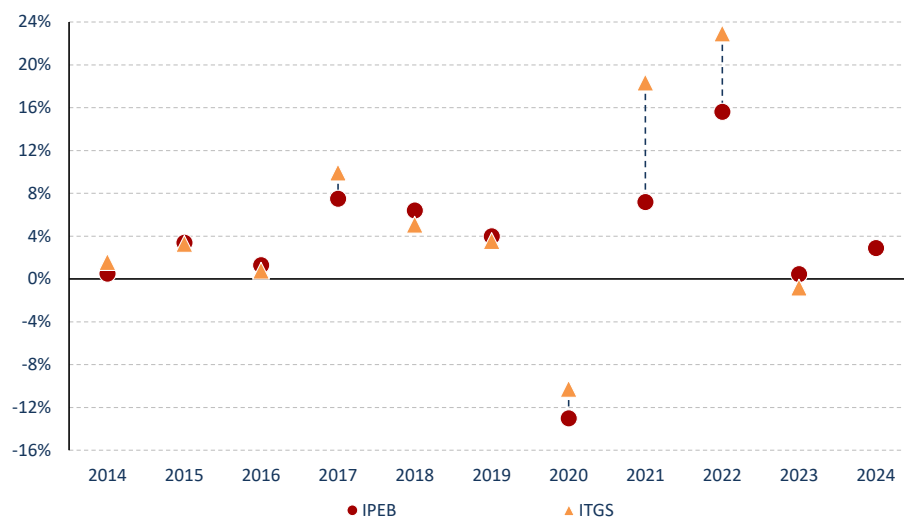
In terms of Broad Economic Categories (BEC), the biggest increase is expected in exports of **Capital goods (except transport equipment), and parts and accessories thereof** (+4.5%), followed by **Transport equipment and parts and accessories thereof** (+4.3%). In the opposite direction, exports of **Industrial Supplies not elsewhere specified** are expected to decrease by 0.7%.

The results from the survey on Perspectives of Exports of Goods (IPEB) for 2024, carried out in November, insofar as they are based on growth perspectives, should be seen as indicating trends conditional on the information made available by enterprises in the response period. Thus, the perspectives of the enterprises regarding their exports of goods for 2024 may also reflect, to a high degree, the uncertainty regarding developments in the international environment.

Enterprises foresee a 2.9% nominal increase in exports of goods in 2024

The perspectives of exporting enterprises point to a 2.9% nominal increase in their exports of goods in 2024, contrary to the downward trajectory observed in the data of International Trade of Goods in the accumulated period from January to December 2023, in which exports fell by 1.1%¹.

Figure 1 - Perspectives of Enterprises on the Exports of Goods and International Trade of Goods
Year-on-year rate of change (%), 2014-2024



¹ International Trade of Goods data for November 2023 released on January 9, 2024.



By Broad Economic Categories (BEC), the most positive perspectives from enterprises are on exports of *Capital goods (except transport equipment), and parts and accessories thereof* (+4.5%), followed by *Transport equipment and parts and accessories thereof* (+4.3%). In the opposite direction, *Industrial supplies not specified* in another category stand out, the only category in which a decrease is expected, of around 0.7%.

Table 1 - Perspectives of the Enterprises on Exports of Goods
Annual nominal rates of change 2024/2023

	INTERNATIONAL TRADE
	2.9%
Of which (BEC):	
<i>Food and beverages</i>	1.1%
<i>Industrial supplies not elsewhere specified</i>	-0.7%
<i>Capital goods (except transport equipment), and parts and accessories thereof</i>	4.5%
<i>Transport equipment and parts and accessories thereof</i>	4.3%

Note: For statistical confidentiality reasons, only disaggregated results for some of the main product categories are disclosed

Source: Statistics Portugal, Survey on the Perspectives of the Exports of Goods

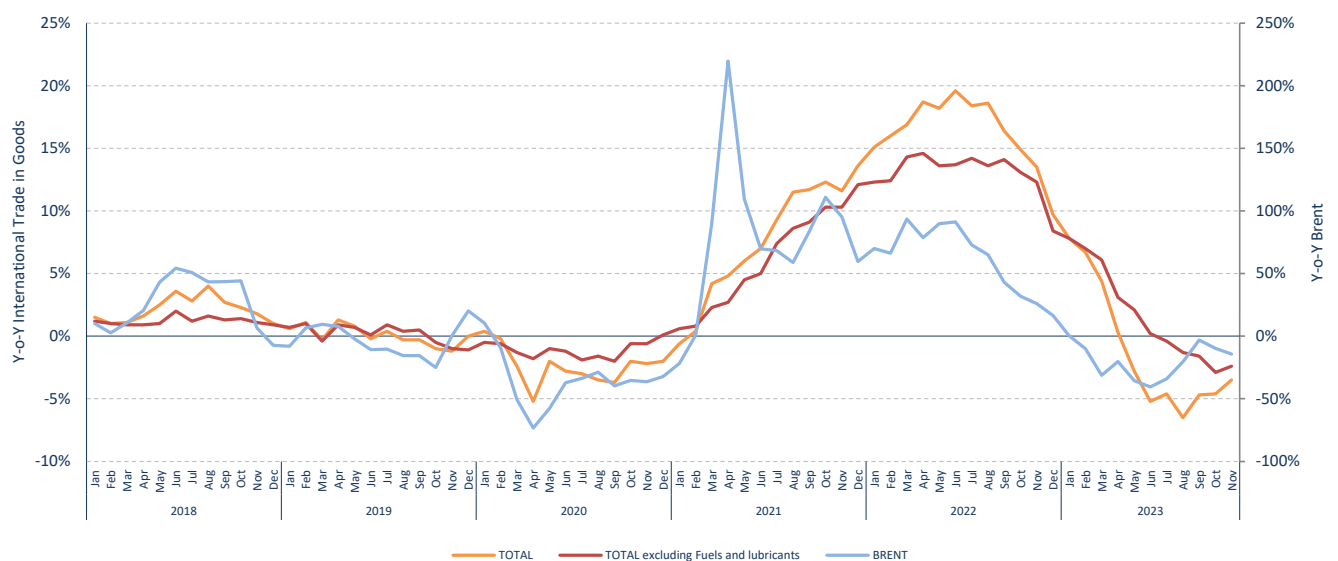


Enterprises' expectations for the evolution of their exports of goods in 2024 differ between activity sectors, with, on the one hand, expected increases as a result of price increases or the implementation of the new production lines, and, on the other, perspectives reduction in export activity stemming from expected contraction in demand, scheduled stoppages or discontinuity of production lines, which are a response to market conditions, potential disruptions in global value chains and increases in input costs.

Uncertainty regarding price developments is once again highlighted by companies as a factor that significantly influences their forecasts on the export of goods for 2024, as well as new production lines or new products and markets.

The following figure illustrates the evolution of prices in international trade transactions, as well as average monthly crude oil prices (Brent), with successive decreases since the second half of 2022, which were less significant from the 3rd quarter of 2023.

Figure 3 - Monthly Unit Value Indices of Exports and Average Monthly Crude Oil Prices – Brent (EUR/barrel)
Year-on-year rate of change (%) – price, 2018-2023



Source: Statistics Portugal, International Trade in Goods Statistics, DGEG, Directorate General for Energy and Geology



Perspectives for the evolution of exports by enterprises main characteristics

Analysing the perspectives of exports of goods based on some of the main characteristics of the responding enterprises (which are simultaneously included in the Integrated Business Accounts System (SCIE)²), it appears that only micro enterprises (with less than 10 people services, which represent only 5% of the enterprises analysed) predict a decrease in their exports of goods in 2024 (-3.8%), thus contradicting the expectations of all enterprises that responded to IPEB (+2.9%). The remaining enterprises expect increases: +4.7% for larger enterprises (with 250 or more people employed, which represent 15% of the enterprises under analysis), +3.2% for medium-sized enterprises (52% of the enterprises under analysis), +0.9% in small businesses (28%).

Enterprises belonging to economic groups, which represent around half of the enterprises simultaneously included in SCIE and IPEB (51%), foresee an increase in their exports in 2024 (+4.2%), while enterprises not belonging to an economic group expect a decrease (-0.7%).

At all age levels of enterprises, these expect growth in their exports of goods in 2024, being less pronounced among adult enterprises (+1.3%), while young and senior enterprises point to more significant increases (+4.2% and +4.5%, respectively).

With regard to enterprises by type of technology, those classified in low and medium low technology sectors anticipate a more significant growth (+4.6%) than those of high and medium high technology (+2.8%).

² Considered only the common enterprises between IPEB and SCIE samples, which correspond to about 96% of the enterprises responding to IPEB.



Table 2 - Perspectives on the Export of Goods, by enterprises main characteristics

	Annual nominal rates of change 2024/2023
	2.9%
DIMENSION	
LARGE	4.7%
MEDIUM	3.2%
SMALL	0.9%
MICRO	-3.8%
ENTERPRISES GROUPS	
BELONGING TO A GROUP	4.2%
NOT BELONGING TO A GROUP	-0.7%
AGE	
YOUNG (LESS OR EQUAL 5 YEARS)	4.2%
ADULTS (BETWEEN 6 AND 19 YEARS)	1.3%
SENIORS (EQUAL TO OR OVER 20 YEARS)	4.5%
TECHNOLOGY TYPE	
HIGH AND MEDIUM HIGH TECHNOLOGY	2.8%
LOW AND MEDIUM LOW TECHNOLOGY	4.6%
PROPORTION OF WORKERS WITH HIGHER EDUCATION	
OVER 50%	1.7%
LESS OR EQUAL TO 50%	3.0%
INNOVATION	
INNOVATIVE ENTERPRISES - 2020	5.7%
NON-INNOVATIVE ENTERPRISES - 2020	1.2%
DIGITAL INTENSITY INDEX	
ENTERPRISES WITH VERY LOW DIGITAL INTENSITY INDEX	-1.4%
ENTERPRISES WITH LOW DIGITAL INTENSITY INDEX	-1.8%
ENTERPRISES WITH HIGH DIGITAL INTENSITY INDEX	3.1%
ENTERPRISES WITH VERY HIGH DIGITAL INTENSITY INDEX	10.4%

Source: Statistics Portugal, IPEB, SCIE, CIS and IUTICE; Single Report from the Social Security

Enterprises that responded to IPEB and that simultaneously indicated that they had developed innovation activities within the scope of the CIS³ - Community Innovation Survey 2020, foresee more significant increases in their exports of goods in 2024 (+5.7%), while enterprises considered as non-innovative expect an increase of 1.2%. It should be noted that innovation activities include product and/or process innovation and, therefore, with an impact that can be relevant when differentiating enterprises in international markets.

According to the Survey on Information and Communication Technologies Usage in Enterprises (IUTICE⁴) - 2023, enterprises were classified according to their degree of digital intensity. Based on the enterprises that responded simultaneously to IPEB and IUTICE, those with a very high (VHI) and high (HI) digital intensity index expect increases in their exports in 2024 (+10.4% and +3.1%, respectively), while those with a low (LO) or very low (VLO) digital intensity index foresee decreases (-1.8% and -1.4%, respectively).

³ Considered only the common enterprises between IPEB and CIS samples, which correspond to about 31% of the enterprises responding to IPEB.

⁴ Considered only the common enterprises between IPEB and IUTICE samples, which correspond to about 30% of the enterprises responding to IPEB.



EXPLANATORY NOTES

In view of the growing importance of the evolution of exports of goods in portraying the economy, Statistics Portugal promotes the survey on Perspectives of Exports of Goods (IPEB) by using a representative sample of exporting enterprises. The IPEB allows gathering and summarizing the perspectives of the nominal variation of exports for each enterprise and provides prospective data. This new statistical operation started after the end of the New Orders in Industry Index (Total, Internal market and Foreign market), based on a monthly survey. The figures correspond to the **forecast for the nominal variation of exports expected by the enterprises in 2024**.

The survey was based on a sample of operating exporting enterprises, located in Portugal, with export values declared in International Trade in Goods statistics (ITGS) above EUR 400 000 in 2022 (sum of Intra-EU Trade (via Intrastat System) and Extra-EU Trade (via Customs declarations)). The total number of enterprises surveyed was 3 245, which in 2022 represented around 85% of the total exports of goods. Until 2023, two annual occurrences of this survey were carried out (in November of year n-1, the 1st forecast, and in May of year n, the 2nd forecast for revising the previous one). From 2024 onwards, a unique occurrence is carried out (in November).

The enterprises were selected according to the following parameters:

Non sampling component:

1. Enterprises with a total of exports \geq EUR 3 million in value (based on values declared in 2022/2023 ITGS);
2. Enterprises belonging to NACE Rev. 2 - three digits classification (group) – with a sampling representativeness \leq 3 enterprises.

Sampling component:

1. By sorting the remaining enterprises in a descending order of the total of exports, a selection was made in each NACE group:
 - a. Enterprises able to reach 15% of the total of exports, if the non-sampling weight is \geq 80%;
 - b. Enterprises able to reach 35% of the total of exports, if the non-sampling weight is \geq 60% and $<$ 80%;
 - c. Enterprises able to reach 55% of the total of exports, if the non-sampling weight is $<$ 60%.
2. By including relevant enterprises in terms of representativeness within the Broad Economic Categories Classification (BEC) with single digit classification.

The response rate was 95%, corresponding to 97% of the exported value of the sampled enterprises.

Data broken down by BEC was based on the distribution of data declared by the respective enterprises within the scope of ITGS in the year 2021 or, in the case of new exporting enterprises, in the year 2023.

The results of this survey, insofar as they are based on growth perspectives, may differ from the observed values in ITGS and should be seen as indicating trends, which depend on the information available in the enterprises in the response period.



For methodological reasons, the scope of IPEB could not be the same as for ITGS, because IPEB does not include exports of specific goods and movements (of which electricity), estimates and does not comprise, in the reference population, special (foreign) enterprises acting as “traders” in Portugal. These “traders” are natural or legal persons not registered for VAT in Portugal, however they are responsible for presenting customs declarations lodged in Portuguese Customs. These movements are included in ITGS, however it’s not possible to survey these enterprises, because they are not registered for VAT in Portugal. To allow a better coverage of the results, this difference concerning foreign enterprises belonging to national economic groups was minimized with a special treatment in order to include their exports in IPEB.

Enterprises main characteristics:

The statistical data presented were obtained from the Integrated Business Accounts System (SCIE), which results from a process of integrating statistical information on enterprises, based on administrative data, with particular emphasis on Simplified Business Information (SBI). This information is complemented, on the one hand, with data for sole proprietors and self-employed workers (referred to as individual enterprises), received through the Protocol established between Statistics Portugal and various bodies of the Ministry of Finance and, on the other hand, with information from the Statistical Business Register of Statistics Portugal. It was possible to classify 96% of the enterprises responding to IPEB (only enterprises present in both IPEB and SCIE samples).

The classification of enterprises in the manufacturing industries followed the aggregations defined by Eurostat and comprise:

- High and medium-high technology industries: includes high technology industries and medium-high technology industries;
- High technology industries: includes divisions 21 and 26, and group 303 of NACE Rev. 2
- Medium-high technology industries: includes divisions 20, 27 to 29 and groups 254, 302, 304, 309 and 325 of NACE Rev. 2
- Low and medium-low technology industries: includes divisions 10 to 19, 22 to 25 (except group 254), 31 to 33 (except group 325) and group 301 of NACE Rev. 2

The enterprises were classified by size, based on the adaptation of the European Commission Recommendation of May 6, 2003. Thus, the following were considered:

- Large enterprise: an enterprise with 250 or more people employed or an enterprise with a turnover of more than 50 million euros and net assets of more than 43 million euros.
- Medium-sized enterprise: an enterprise employing less than 250 people and whose annual turnover does not exceed 50 million euros or annual balance sheet total does not exceed 43 million euros, and which is not classified as micro or small enterprise.
- Small enterprise: an enterprise employing fewer than 50 people and whose annual turnover or annual balance sheet total does not exceed EUR 10 million, and which is not classified as a micro-enterprise.
- Micro-enterprise: an enterprise employing less than 10 people and whose annual turnover or balance sheet annual total does not exceed 2 million euros.

Considering the information available in the Single Report (RU) and relating it to the Integrated Business Accounts System (SCIE), it was possible to detail in greater depth some of the individual characteristics of the workers, namely their education, having analyzed the IPEB results based on the proportion of workers (greater or lesser and equal to 50%) with higher education (bachelor's, master's or doctoral degree).



Based on information from the CIS – Community Innovation Survey, 2018-2020 edition, it was possible to classify 31% of the enterprises responding to IPEB (only enterprises present in both IPEB and CIS samples) according to whether or not they developed innovation activities. A company is considered to be innovative if it has carried out any type of innovation activity, generating expense, whether complete product or process innovation activities, ongoing activities until the end of 2020, abandoned or suspended innovation activities, or research and development (R&D) activities carried out internally, continuously or occasionally, or contracted R&D to other enterprises (including those belonging to its group) or to public or private research organizations.

Groups of enterprises: Association of enterprises linked by legal and financial relations and a holding enterprise which is the group head.

3 aggregations of age of enterprises were also considered, namely:

- young, aged 5 years or less;
- adults, aged between 6 and 19 years;
- seniors, aged 20 or over.

Based on the information from IUTICE – Survey on Information and Communication Technologies Usage in Enterprises (2023), it was possible to classify 30% of the enterprises responding to IPEB (only enterprises present in both samples – IPEB and IUTICE – were used for this exercise). IUTICE serves as the basis to produce a set of indicators in the Information Society area (Access and use of the Internet; Electronic commerce; Use, Sharing, Data Analysis and Commerce; Use of Cloud Computing Services; Artificial Intelligence; Invoicing).

This information makes it possible to classify enterprises according to their degree of digital intensity, using the digital intensity index:

- Enterprises with very low digital intensity index (0 to 3 points),
- Enterprises with low digital intensity index (4 to 6 points),
- Enterprises with high digital intensity index (7 to 9 points),
- Enterprises with very high digital intensity index (10 to 12 points).



ACRONYMS AND DESIGNATIONS

BEC – Classification by Broad Economic Categories, third revision

CIS – Community Innovation Survey

DGEG – Directorate General for Energy and Geology

EU – European Union

INE – Statistics Portugal, I.P.

IPEB – Survey on the Perspectives of the Exports of Goods

ITGS – International Trade in Goods Statistics

IUTICE – Survey on Information and Communication Technologies Usage in Enterprises

NACE – Statistical classification of economic activities, Revision 2

RU – Single Report

R&D – Research and Development

SBI – Simplified Business Information

SCIE – Integrated Business Accounts System

VAT – Value Added Tax

Date of next release Forecast 2024 – January 2025
