

17th April, 2008

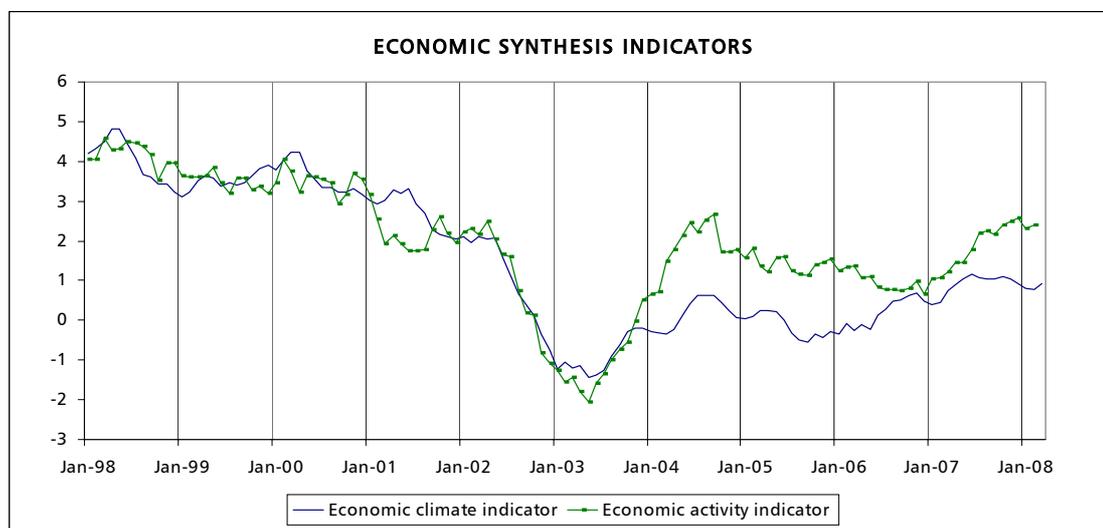
Monthly Economic Survey March 2008

Investment indicator decelerates and consumption indicator accelerates slightly in February. Nominal imports and exports accelerate.

In March the Euro Area economic sentiment and the consumer confidence indicators maintained the downward movement started in August. In the same month, the oil price and the raw material price index continued to present high year-on-year growth rates.

On the domestic side, the economic climate indicator slightly recovered in March and the economic activity indicator recorded a tenuous acceleration in February. Private consumption might have been more dynamic in February, as a result of the acceleration observed in the durable goods consumption. The sales of passenger vehicles remained buoyant in March. On the contrary, the investment indicator points to a significant deceleration of this variable in the first two months of 2008, what, in February, was due to the transport material component. Most of the supply side indicators, as the turnover and production indices, recorded higher year-on-year change rates in February. In nominal terms, imports and exports accelerated in February, more intensely in the second case, registering year-on-year growth rates of 13.7% and 8.6%, respectively. This behaviour might have been partially influenced by the additional working day in February 2008, which improves the year-on-year comparison.

In March, year-on-year inflation was 3.1%, 0.2 p.p. more than in the previous month, reaching the maximum since June 2006. This path is in line with the price developments in the Euro Zone, although the HICP maintained a relatively lower year-on-year change rate in Portugal.



Report based on information available up to April 16, 2008.
Next report will be released on May 20, 2008.

NOTES

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

Balances: differences between the percentage of respondents giving positive and negative replies. Annualised variation (a.v.). Weight (w.).



		Year 2006	Year 2007	Quarter 1 2007	Quarter 2 2007	Quarter 3 2007	Quarter 4 2007	Quarter 1 2008	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
International background															
GDP of customer countries	s.a.y.r.	3.1	2.9	3.2	2.8	3.0	2.7	-	n.a.						
GDP European Union	s.a.y.r.	3.0	2.9	3.3	2.7	2.9	2.6	-	n.a.						
GDP Euro Area	s.a.y.r.	2.8	2.6	3.1	2.4	2.6	2.2	-	n.a.						
Industrial production index of customer countries	s.a.y.r./3-mma	3.3	2.5	3.0	2.4	2.6	2.2	-	2.6	2.8	2.5	2.2	1.9	2.2	-
Economic Sentiment Indicator in EU	ind/s.a.-3mma	107.5	110.8	111.2	113.6	111.4	107.1	101.9	111.4	110.3	108.4	107.1	105.2	103.1	101.9
Economic Sentiment Indicator in EA	ind/s.a.-3mma	106.3	108.4	109.4	111.0	108.7	104.3	100.5	108.7	107.0	105.3	104.3	103.1	101.8	100.5
Order books in industry of EU	balance/s.a.-3mma	-3.4	3.9	4.3	6.3	3.9	1.0	-1.5	3.9	3.1	2.0	1.0	0.3	-1.1	-1.5
Consumer confidence indicator in EU	balance/s.a.-3mma	-7.6	-4.2	-5.0	-2.5	-3.1	-6.2	-10.4	-3.1	-4.1	-5.3	-6.2	-7.9	-9.2	-10.4
Unemployment rate in EU	s.a./%	8.2	7.1	7.4	7.2	7.1	6.8	-	7.0	6.9	6.8	6.8	6.8	6.7	-
Harmonised index of consumer price in EA	y.r.	2.2	2.1	1.9	1.9	1.9	2.9	3.4	2.1	2.6	3.1	3.1	3.2	3.3	3.6
Production price index of supplying countries	y.r./3-mma	4.2	3.1	2.7	2.6	2.6	4.5	-	2.6	3.2	4.0	4.5	5.0	5.3	-
Crude oil price (Brent)	Euros	51.9	52.6	44.1	50.9	54.5	61.1	64.6	55.5	57.9	62.9	62.4	62.6	64.4	66.7
Crude oil price (Brent)	y.r.	18.2	1.4	-14.2	-8.1	-0.2	32.1	46.6	14.1	26.3	38.0	32.0	51.7	46.3	42.4
Economic activity															
GDP	y.r.	1.3	1.9	2.0	1.9	1.7	2.0	-	n.a.						
Economic climate indicator	balance/3-mma	0.2	1.0	0.7	1.2	1.0	0.9	0.9	1.0	1.1	1.1	0.9	0.8	0.8	0.9
Economic activity indicator	3-mma	0.9	1.9	1.2	1.8	2.2	2.6	-	2.2	2.4	2.5	2.6	2.3	2.4	-
Total turnover index	y.r./3-mma	2.6	4.8	4.8	4.1	4.2	5.8	-	4.2	4.6	4.7	5.8	5.2	6.6	-
Manufacturing industry production index	y.r./3-mma	2.3	3.5	4.7	3.6	2.2	3.4	-	2.2	3.4	2.8	3.4	1.4	2.1	-
Production index in construction	y.r./3-mma	-6.6	-3.6	-6.8	-4.7	-2.6	0.1	-	-2.6	-2.3	-2.4	0.1	-0.6	0.3	-
Retail trade turnover index (real)	y.r./3-mma	1.2	0.5	1.7	0.1	0.5	0.0	-	0.5	0.7	0.3	0.0	0.0	0.9	-
Sales of passenger vehicles	y.r./3-mma	-5.8	3.7	-4.8	0.4	11.9	10.1	11.5	11.9	5.4	7.7	10.1	10.0	15.0	11.5
Consumption															
Consumer confidence indicator	balance/3-mma	-34.2	-35.2	-33.2	-32.9	-35.5	-39.2	-42.9	-35.5	-36.8	-37.9	-39.2	-41.4	-42.5	-42.9
Quantitative indicator of private consumption	y.r./3-mma	1.4	2.1	1.9	2.4	2.0	2.3	-	2.0	2.1	2.0	2.3	2.3	2.5	-
Indicator of non-durable consumer goods	y.r./3-mma	1.5	1.7	1.9	1.4	1.6	1.8	-	1.6	1.4	1.5	1.8	1.7	1.7	-
Indicator of durable consumer goods	y.r./3-mma	0.8	5.7	1.7	9.5	5.2	6.6	-	5.2	6.9	5.6	6.6	6.2	7.9	-
Vol. ind. consumption of passenger vehicles	y.r./3-mma	-3.0	6.4	-0.3	14.5	4.1	6.5	-	4.1	7.3	4.8	6.5	7.5	12.3	-
Investment															
GFCF indicator		-3.0	3.5	0.0	0.6	2.6	10.8	-	2.6	1.0	4.2	10.8	5.8	4.1	-
Cement sales	y.r./3-mma	-7.6	2.1	-1.9	-2.3	2.0	12.0	-	2.0	4.6	8.1	12.0	3.9	-	-
Sales of steel for concrete	y.r./3-mma	5.9	-5.9	-6.9	-3.9	-9.9	-2.9	-	-9.9	-16.1	-18.0	-2.9	-2.5	-	-
Credit for purchase of habitation	y.r./stocks	15.6	9.8	9.6	9.0	9.8	9.8	-	9.8	9.9	9.6	9.8	9.8	-	-
Licenses for construction of new habitations	y.r./3-mma	-6.8	-7.8	-8.8	-11.5	-4.9	-5.1	-	-4.9	-6.7	-6.1	-5.1	-10.2	-6.9	-
Machinery and equipment indicator		2.7	4.6	4.1	4.0	5.1	5.0	4.5	5.1	5.2	5.4	5.0	4.6	4.3	4.5
Sales of light commercial vehicles	y.r./3-mma	-7.3	6.3	1.5	48.0	-17.5	-7.9	-18.0	-17.5	-15.3	-12.8	-7.9	-10.4	-11.0	-18.0
Sales of new heavy commercial vehicles	y.r./3-mma	12.9	6.2	2.7	-9.0	-19.8	92.9	19.0	-19.8	-11.8	2.9	92.9	53.8	26.4	19.0
External demand															
External demand indicator in value	s.a.y.r./3-mma	12.1	3.9	4.2	2.6	5.3	3.4	-	5.3	4.8	4.7	3.4	3.5	-	-
External order books	balance/3-mma	-14.4	-3.6	-7.0	-2.0	-1.3	-4.0	-10.3	-1.3	-1.3	-2.0	-4.0	-8.0	-9.7	-10.3
Exports of merchandises in value	y.r./3-mma	12.4	8.8	13.5	9.8	6.3	5.8	-	6.3	5.7	6.1	5.8	4.9	8.6	-
Imports of merchandises in value	y.r./3-mma	8.1	7.4	3.5	6.6	7.3	12.0	-	7.3	7.8	10.3	12.0	12.2	13.7	-
Labour market															
Unemployment rate	%	7.7	8.0	8.4	7.9	7.9	7.8	-	n.a.						
Employment	y.r.	0.7	0.2	0.2	-0.5	0.2	0.9	-	n.a.						
Unemployed registration along the month	s.a.y.r./3-mma	1.2	-6.5	-5.3	-3.8	-6.1	-10.7	-	-6.1	-6.8	-9.7	-10.7	-10.9	-5.4	-
Unemployment expectations	balance/3-mma	43.8	42.2	40.5	40.4	42.7	45.3	46.6	42.7	44.0	44.7	45.3	46.6	47.8	46.6
Vacancies along the month	s.a.y.r./3-mma	3.6	13.7	15.1	3.0	11.4	25.7	-	11.4	19.5	19.5	25.7	15.9	11.6	-
Employment indicator (short-term statistics)	y.r./3-mma	-1.9	-0.3	-1.1	-0.8	-0.1	0.7	-	-0.1	0.1	0.4	0.7	0.9	1.0	-
Average declared wages	s.a.y.r./3-mma	3.5	3.5	3.7	3.5	3.7	3.2	-	3.7	3.6	3.8	3.2	3.2	2.9	-
Wage negotiation	av./3-mma w.	2.8	2.9	2.5	2.9	2.9	3.2	2.9	2.9	2.7	2.6	3.2	3.6	3.4	2.9
Prices and exchange rates															
Consumer price index	y.r.	3.1	2.5	2.4	2.5	2.2	2.7	2.9	2.1	2.6	2.8	2.7	2.9	2.9	3.1
Core inflation indicator	y.r.	2.0	1.9	1.6	1.9	2.0	2.2	2.4	1.7	2.1	2.2	2.3	2.4	2.4	2.5
Consumer price index - goods	y.r.	3.2	2.2	2.3	2.3	1.8	2.5	2.6	1.7	2.4	2.7	2.5	2.5	2.6	2.8
Consumer price index - services	y.r.	2.9	2.9	2.6	3.1	2.9	3.0	3.5	2.8	2.9	3.0	3.0	3.4	3.4	3.6
Manufacturing industry production price index	y.r./3-mma	4.6	2.5	1.5	1.6	1.7	5.2	-	1.7	2.5	3.9	5.2	6.2	6.6	-
Exchange rate indices	y.r.	0.2	0.8	0.8	0.7	0.6	1.3	-	0.8	1.2	1.4	1.2	1.6	1.5	-
Exchange rate eur/USD	y.r.	0.9	9.1	9.0	7.3	7.9	12.4	14.4	9.2	12.8	14.0	10.3	13.2	12.8	17.3
Exchange rate USD/Euro	USD	1.256	1.371	1.311	1.348	1.374	1.449	1.500	1.390	1.423	1.468	1.457	1.472	1.475	1.553
Exchange rate eur/JPY	y.r.	6.6	10.4	11.3	13.2	9.3	7.9	0.8	7.3	10.2	7.8	5.6	1.4	0.2	0.9