



12 July 2021

PERSPECTIVES ON EXPORTS OF GOODS

2021 – 2nd Forecast

**ENTERPRISES EXPECT A 7.2% NOMINAL INCREASE IN EXPORTS OF GOODS IN 2021,
IMPROVING COMPARED TO THE FORECAST MADE IN NOVEMBER**

The perspectives of the exporting enterprises point to a nominal increase of 7.2% in their exports of goods in 2021, corresponding to an upward revision of 2.3 percentage points (p.p.) in the 1st forecast made in November 2020. This revision results from the upward update of expectations for Intra-EU (+1.9 p.p., to 7.0%) and Extra-EU exports (+3.2 p.p., to 7.5%).

If these perspectives are confirmed, exports of goods in 2021 will be 10.6% below the values registered in the International Trade in 2019.

Excluding *Fuels and lubricants*, enterprises are expecting a 5.8% increase in 2021 (+1.3 p.p. in comparison to the 1st forecast).

In this Press release, Statistics Portugal disseminates the main statistical findings from the survey on Perspectives of Exports of Goods (IPEB), carried out in May 2021, corresponding to the 2nd forecast for the nominal variation of exports of goods expected by the enterprises in 2021. In this survey, enterprises were asked to update the perspective that had been indicated in November 2020.

Enterprises expect a 7.2% nominal increase in exports of goods in 2021

The perspectives of exporting enterprises point to a 7.2% increase in exports of goods in 2021, when compared with the previous year. Enterprises foresee increases of 7.5% in exports for Extra-EU countries and of 7.0% to the Intra-EU markets.

In face of the 1st forecast made in November 2020, this estimate corresponds to an upward revision of 2.3 p.p. in the expected variation of exports in 2021 (+1.9 p.p. in Intra-EU exports and +3.2 p.p. in Extra-EU exports).

If these perspectives are confirmed, exports of goods in 2021 will be 10.6% below the values registered in the International Trade in 2019.

Excluding *Fuels and lubricants*, the perspectives of the exporting enterprises point to increases of 5.8% in total international trade, 4.8% in Extra-EU trade and 6.1% in Intra-EU trade (+1.3 p.p., +1.4 p.p. and +1.3 p.p., respectively, comparing with the 1st forecast).



In terms of Broad Economic Categories (BEC), the emphasis goes to the expected increase in exports of *Capital goods and parts and accessories thereof*, due to transactions with Intra-EU countries (+13.2%) given that those for Extra-EU countries are expected to decrease (-1.1%) and *Industrial supplies not elsewhere specified* (+7.1%) both for Extra-EU and for Intra-EU countries (+10.5 % and +5.6%, respectively).

In the 1st forecast for 2021, enterprises already expected a 5.5% increase in exports of *Capital goods and parts and accessories thereof*, which is thus significantly accentuated in this 2nd forecast, corresponding to the largest revision (+3.4 p.p., which results from a revision of +6.4 p.p. in Intra-EU trade and -3.5 p.p. in Extra-EU trade).

Figure 1 >> Perspectives of the Enterprises on Exports of Goods
Annual nominal rates of change 2020/2021

	EXTRA-EU	INTRA-EU	INTERNATIONAL
TOTAL	7.5%	7.0%	7.2%
TOTAL excluding <i>Fuels and lubricants</i>	4.8%	6.1%	5.8%
Of which (BEC):			
<i>Food and beverages</i>	3.3%	0.6%	1.6%
<i>Industrial supplies not elsewhere specified</i>	10.5%	5.6%	7.1%
<i>Capital goods (except transport equipment), and parts and accessories thereof</i>	-1.1%	13.2%	8.9%
<i>Transport equipment and parts and accessories thereof</i>	4.0%	6.4%	5.9%
<i>Consumer goods not elsewhere specified</i>	0.0%	4.1%	3.1%

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

Enterprises review 2.3 p.p. upwards their forecast for exports of goods in 2021

On the 2nd forecast of IPEB 2021, carried out in May 2021, enterprises review upwards their exporting perspectives of goods to 7.2%, which corresponds of +2.3 p.p. comparing with the 1st forecast, carried out in November 2020.

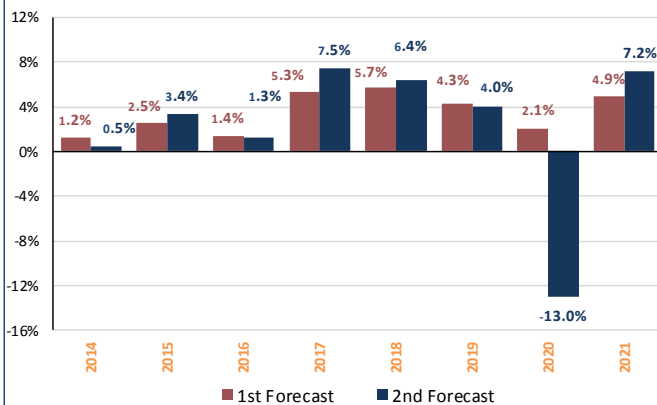
The upward revision in International Trade results from the update of export expectations for both Extra-EU and Intra-EU countries.

The perspectives concerning Extra-EU exports increased by 3.2 p.p., which results in an expected global increase of 7.5% in exports of goods to these markets in 2021 compared to 2020, mainly due to the evolution of the *Industrial supplies not elsewhere specified*.

The 1.9 p.p. increase in Intra-EU trade, for an expected global increase of 7.0% in exports of goods to these markets in 2021, was mainly due the evolution of *Capital goods and parts and accessories thereof*.

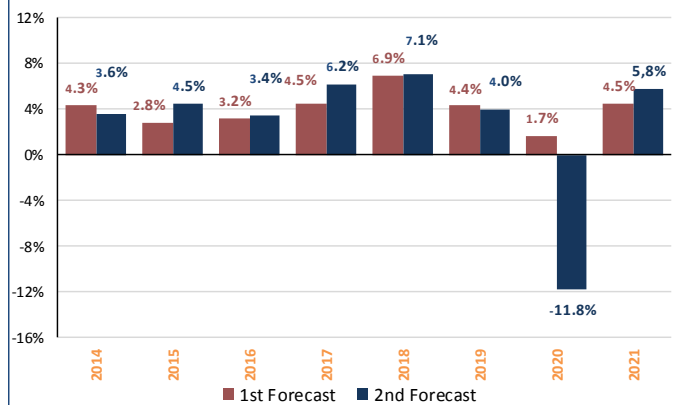


Figure 2 >> Perspectives of the Enterprises on Exports of Goods
International Trade - TOTAL
Revision of the annual nominal rates of change



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

Figure 3 >> Perspectives of the Enterprises on Exports of Goods
International Trade - TOTAL excluding Fuels and lubricants
Revision of the annual nominal rates of change

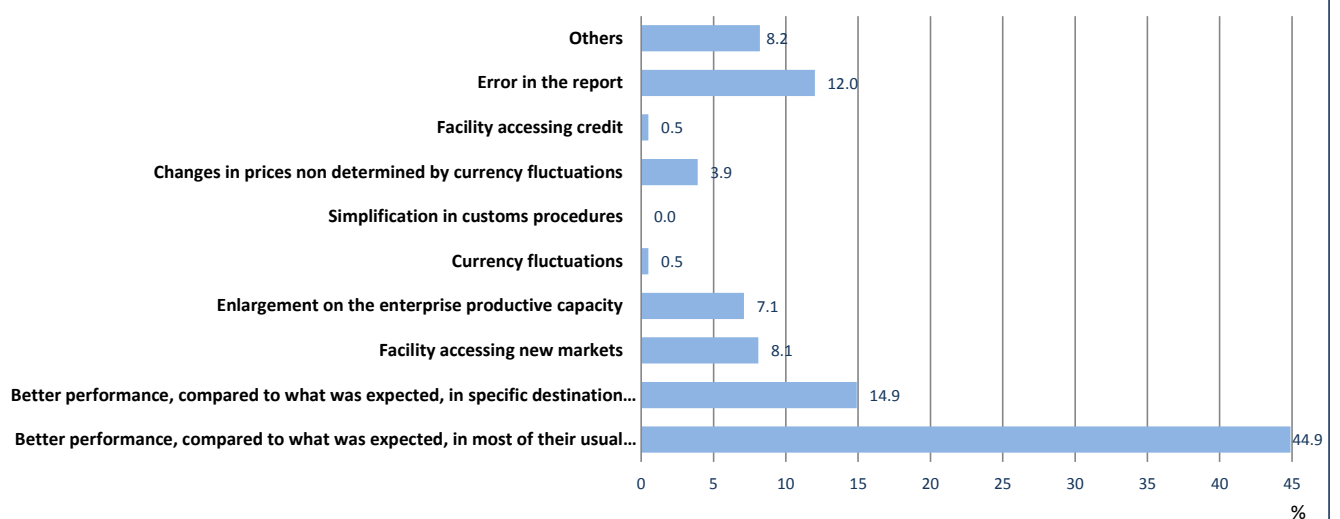


Source: Statistics Portugal, Survey on the Perspectives of the Exports of Goods

Enterprises indicated as the main reasons for the upward revision compared to the forecast made in November 2020, the better performance than expected in most of their usual destination markets (44.9%) and in specific destination markets (14.9%).

Figure 4 >> Perspectives of the Enterprises on Exports of Goods
International Trade

Main reasons for the expected revisions comparing whit the 1st forecast for 2021



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



EXPLANATORY NOTES

In view of the growing importance of the evolution of exports of goods in portraying the economy, Statistics Portugal promotes this survey (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. It provides prospective data, following the example of other surveys conducted by Statistics Portugal, namely the Investment Survey (Business), with which shares some characteristics. 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 **2nd forecast for the nominal variation of exports expected by the enterprises in 2021**.

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 250 000 in 2019 (sum of Intra-EU Trade (via Intrastat System) and Extra-EU Trade (via Customs declarations)) or in 2020 for new exporting enterprises. The total number of enterprises surveyed was 3 224, which represented around 90% of the total exports of goods.

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 2019/2020 ITGS);
2. Enterprises belonging to NACE Rev. 2 - three digits classification (group) – with a sampling representativeness ≤ 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 96%, corresponding to 98% 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 2019 or in the year 2020 for new exporting enterprises.

The results of this survey, as they are based in 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 during the time of response to IPEB.



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.

In the 2nd forecast, enterprises were requested to indicate the main reasons for the revision in their perspectives vis-à-vis the 1st forecast, and the following list of options was presented: Better/worst performance, compared to what was expected, in most of their usual destination markets; Better/worst performance, compared to what was expected, in specific destination markets; Facility/Difficulty accessing new markets; Enlargement/Contraction on the enterprise productive capacity; Currency fluctuations; Simplification/Difficulty in customs procedures; Changes in prices non determined by currency fluctuations; Facility/Difficulty accessing credit; Error in the report; Others.

ACRONYMS AND DESIGNATIONS

EU – European Union

BEC – Classification by Broad Economic Categories, third revision

NACE – Statistical classification of economic activities

ITGS – International Trade in Goods statistics

IPEB – Survey on the Perspectives of the Export of Goods

VAT – Value Added Tax

Date of next release 1st Forecast 2022 – 11 January 2022
