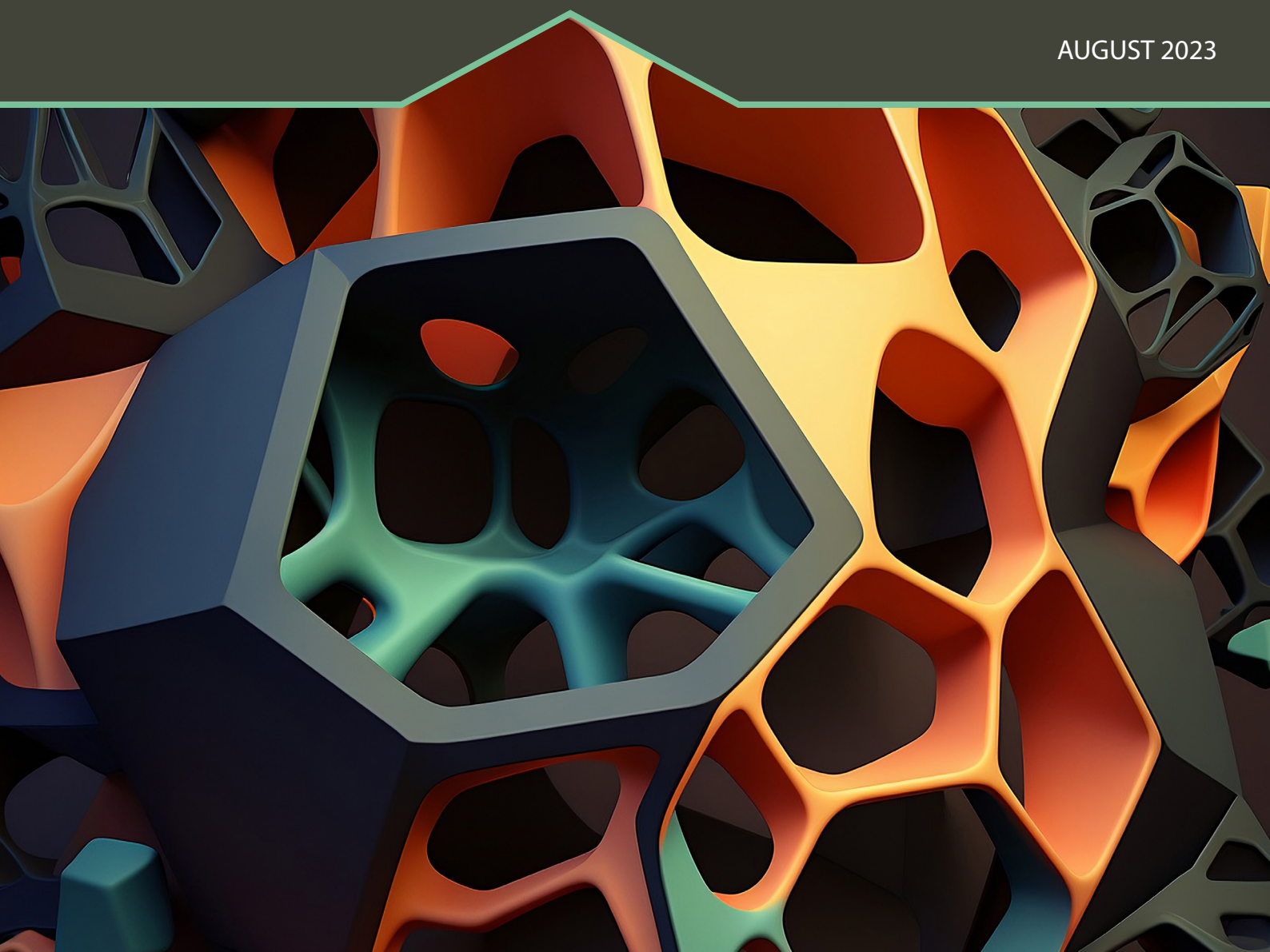


# Monthly Statistical Bulletin

AUGUST 2023



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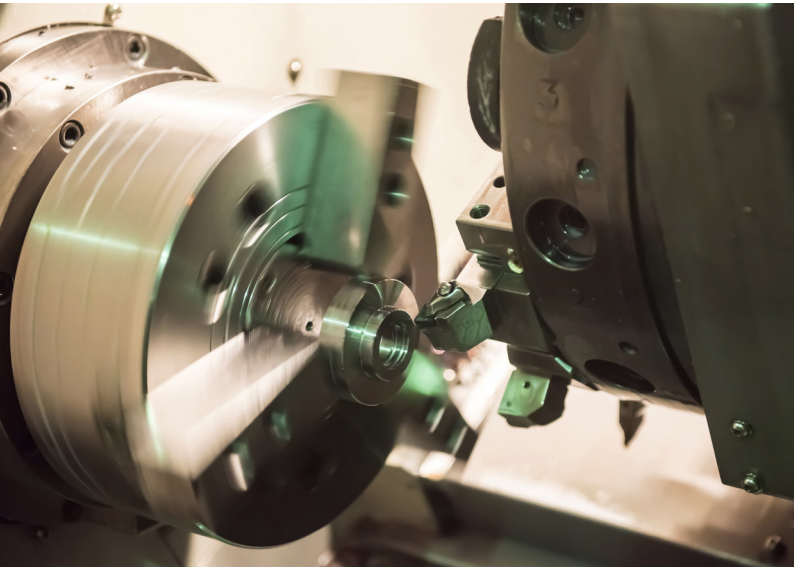
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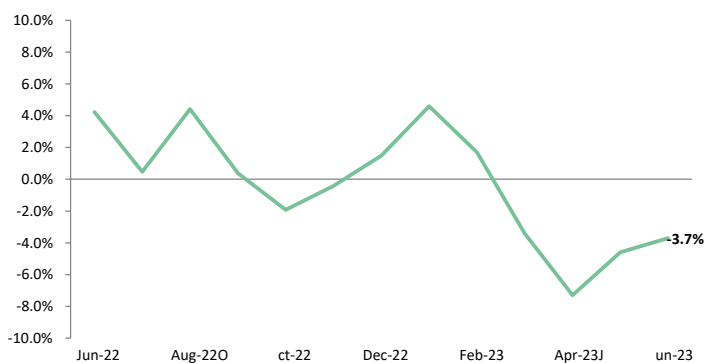
## Industrial production registers a 3.7% year-on-year decrease



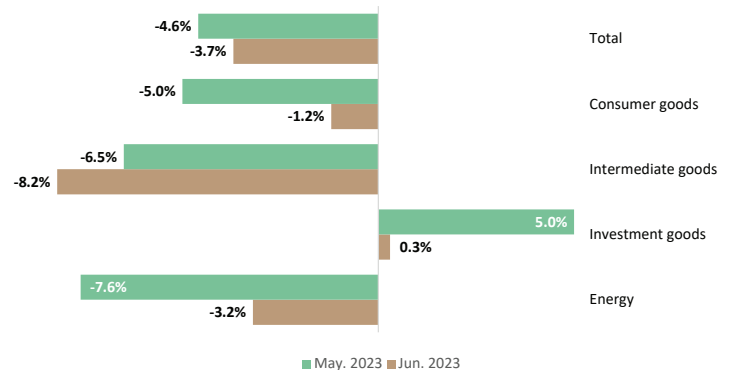
In June 2023, in year-on-year terms:

- The Industrial Production Index (IPI) underwent a 3.7% decrease (-4.6% a month before);
- Excluding the *Energy* grouping, the variation was -3.9% (-4.0% in the previous month);
- The *Manufacturing Industry* rate of change was -4.5% (-4.1% last month); and
- *Investment Goods* was the only large industrial cluster in the index to undergo a slightly positive year-on-year variation.

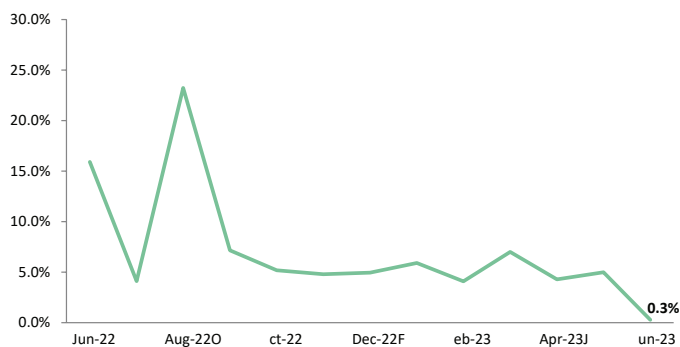
Industrial Production Index  
(year-on-year rate of change)  
Total



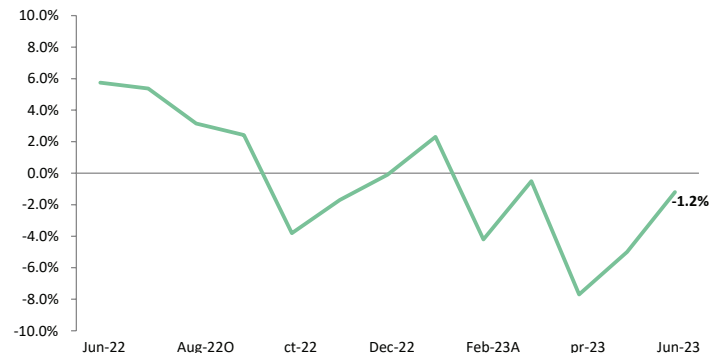
IPI - Total and Main Industrial Groupings  
(year-on-year rate of change)



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

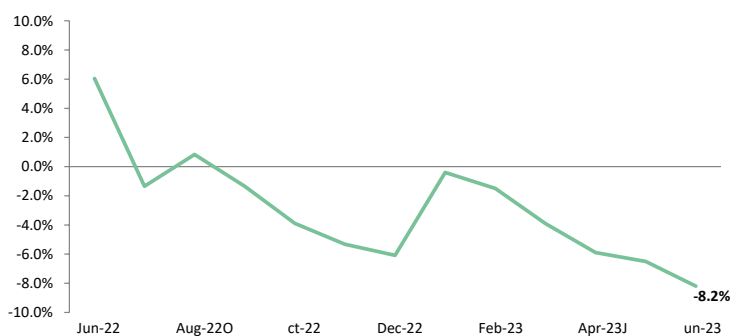


Industrial Production Index (year-on-year rate of change)  
Consumer goods

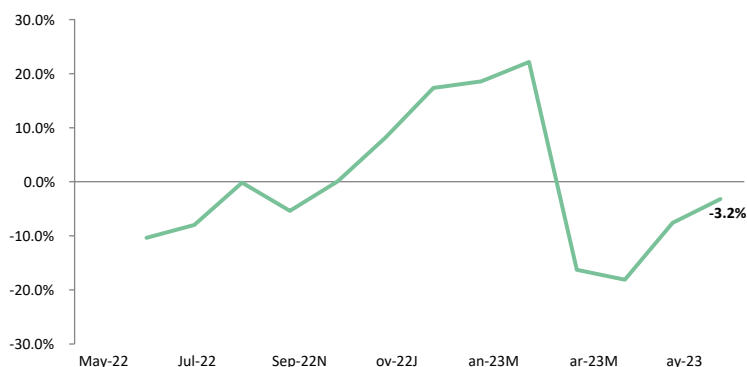




Industrial Production Index (year-on-year rate of change)  
Intermediate goods



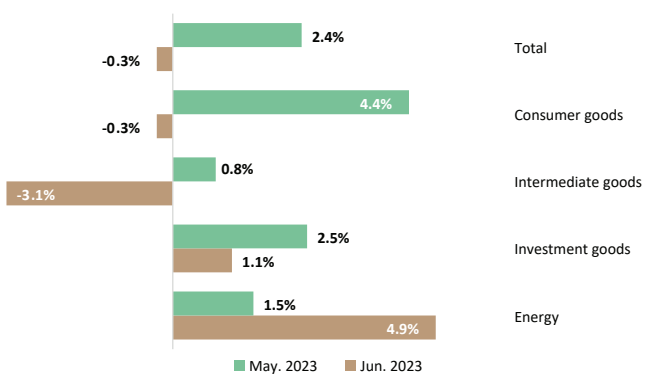
Industrial Production Index (year-on-year rate of change)  
Energy



Regarding monthly variation, in June 2023:

- The IPI decreased by 0.3% (in the previous month, it had increased by 2.4%);
- Of the major industrial groupings that comprise the index, *Intermediate Goods* and *Consumer Goods* decreased by 3.1% and 0.3%, respectively, while *Energy* and *Investment Goods* increased by 4.9% and 1.1%, respectively.

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



In Q2 2023:

- The IPI decreased 5.2% year-on-year (+0.9% in the previous quarter).
- The *Energy* grouping decreased the most: -9.9% (6.4% in Q1);

The *Intermediate Goods* and *Consumer Goods* groupings also showed negative variations of 6.9% and 4.7%, respectively (-1.9% and -0.9% in the previous quarter);

The *Investment Goods* group went from a year-on-year change of 5.7% in the previous quarter to 3.1% in the quarter under review.

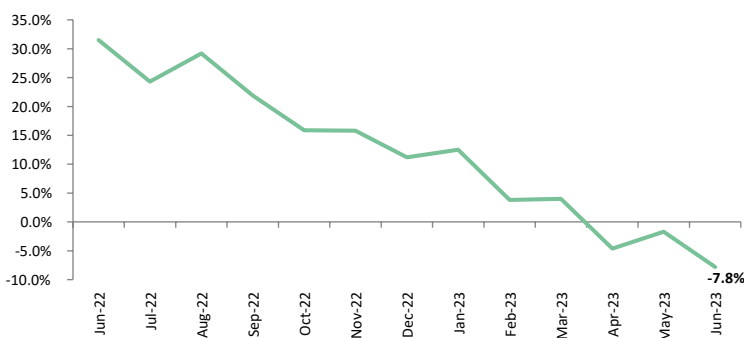
## Industry turnover down by 7.8%

In June 2023, compared to the same month the previous year:

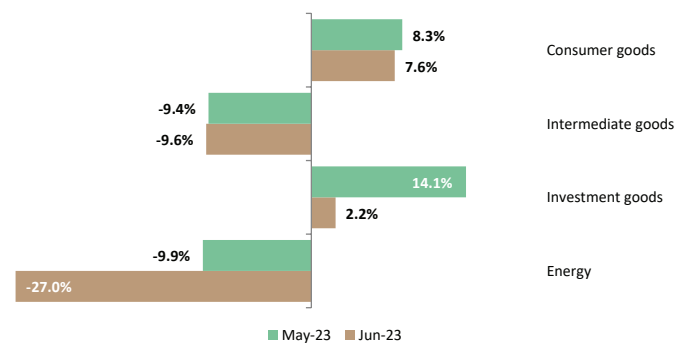
- The nominal variation of the Industry Turnover Index (ITI) was -7.8% (-1.7% in May);
- Excluding the *Energy* grouping, sales in Industry decreased by 1.5% (+0.7% in May);
- The index for the domestic market dwindled by 5.8% (-1.4% in the previous month);
- The external market index decreased by 10.2% (-2.0% in the previous month);



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



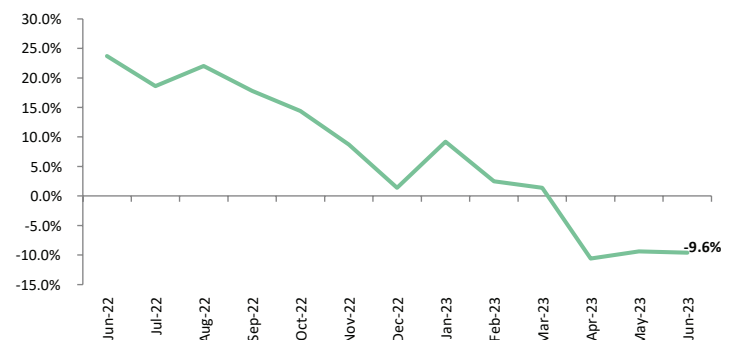
Industry Turnover Index - Major industrial groupings  
(year-on-year rate of change)



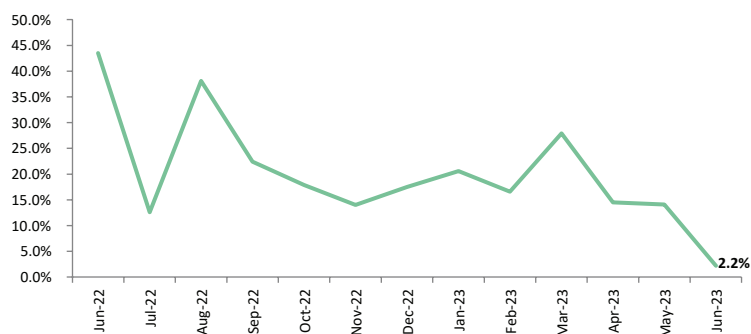
Industry Turnover Index (year-on-year rate of change)  
Consumer goods



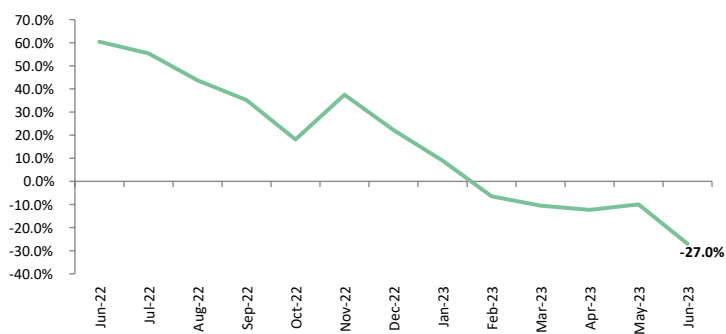
Industry Turnover Index (year-on-year rate of change)  
Intermediate goods



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

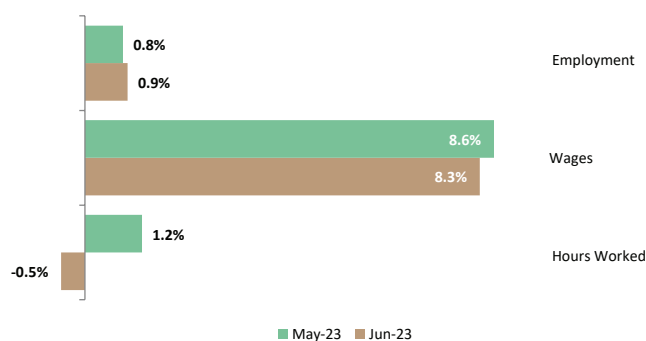


Industry Turnover Index (year-on-year rate of change)  
Energy

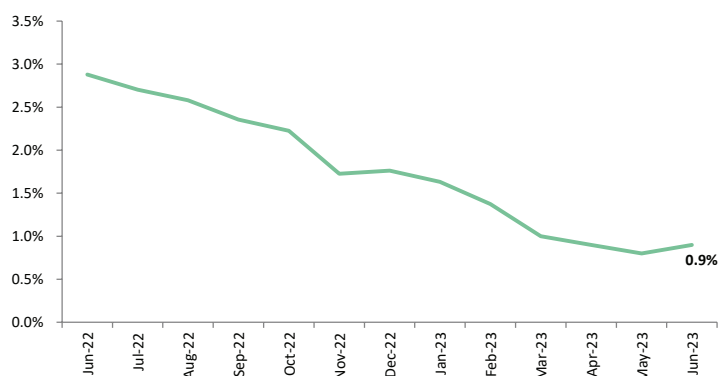


- The employment index grew by 0.9%;
- The gross wages and salaries increased by 8.3%; and
- The calendar-adjusted hours worked index decreased by 0.5%.

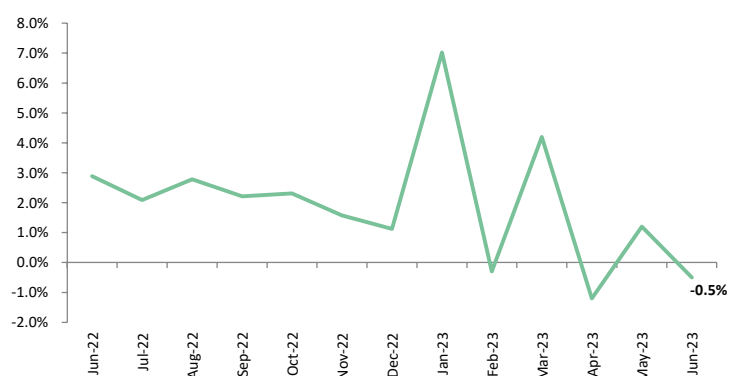
Employment, Wages, and Hours Worked Indices  
(year-on-year rate of change)



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 decreased by 5.7% in June 2023. A year before, the corresponding value was 0.5%.

In Q2 2023, the turnover in Industry recorded an year-on-year rate of change of -4.7% (6.5% in the previous quarter).

## The unemployment rate remained at 6.3%, and the labour underutilisation rate reduced to 11.6%

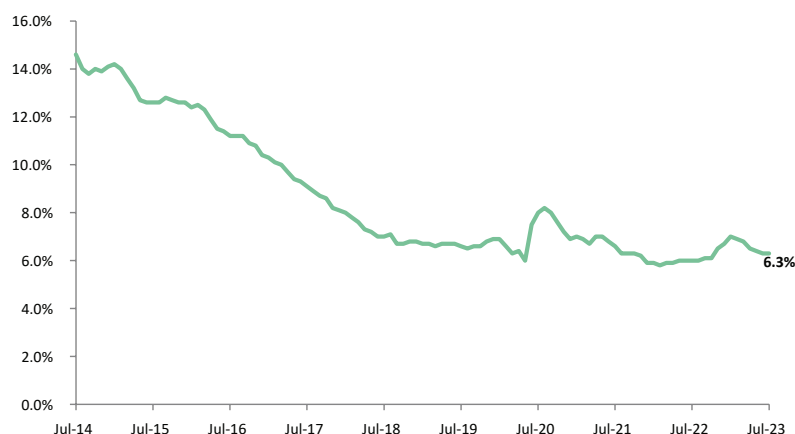
These estimates are 3-month moving averages centred on the reference month. Thus, provisional results for July consider data collected in June, July and August while final figures for June include all data gathered in May, June and July. As a result, a three-month gap is necessary to ensure comparisons have no overlapping data.

Estimates are adjusted for seasonality and consider the population aged 16 to 74.

In July 2023 (provisional results):

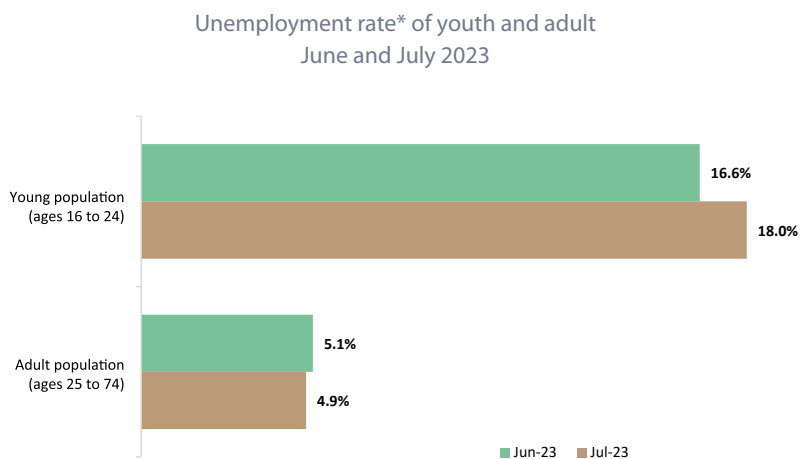
- The working population (5,262.6 thousand people) decreased from the previous month (0.1%) and from April 2023 (0.2%), but increased compared with July 2022 (1.4%);
- The employed population (4,932.7 thousand) dwindled from the previous month (0.1%), but increased from three months earlier (0.1%) and a year earlier (1.0%);
- The unemployed population (329.9 thousand) decreased from the previous month (1.0%) and from three months earlier (4.5%) but increased compared with the same month of last year (6.4%);
- The unemployment rate stood at 6.3%, the same as the previous month but inferior to three months before (0.2 percentage points (pp)) and higher than a year ago (0.3 pp);
- The inactive population (2,427.3 thousand) was up from the previous month (0.3%), and three months earlier (0.6%), but decreased from a year before (1.7%); and
- The labour underutilisation rate stood at 11.6%, 0.1 pp less than the previous month and down by 0.4 pp from three months earlier, but equal to the same month of 2022.

Unemployment rate  
(seasonally adjusted data)

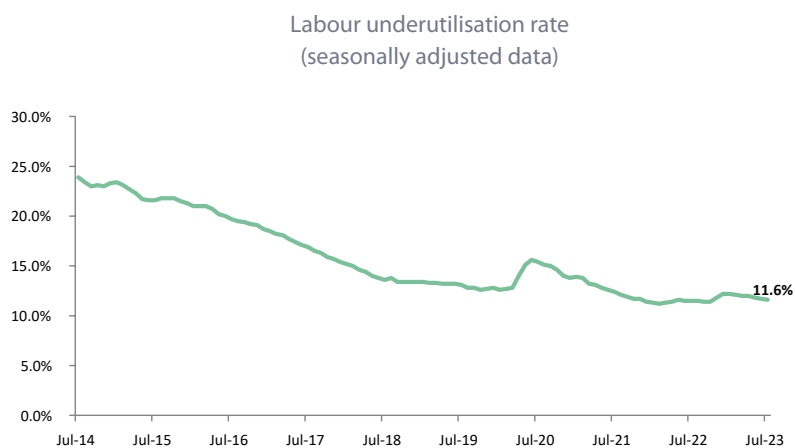


Note: Figures for the most recent period are provisional.





\* Values for the most recent month are provisional.



Note: Figures for the most recent period are provisional.



#### In June 2023:

- The active population (5,268.7 thousand) was down from March and May 2023 (0.2% in both cases), but up by 1.7% from June 2022;
- The employed population (4,945.4 thousand) decreased from May (0.1%), but increased from three months before (0.3%) and from June 2022 (1.3%);
- The unemployed population (333.3 thousand) decreased by 1.4% from May and by 7.5% from March but increased by 7.7% from the same month a year before;
- The unemployment rate stood at 6.3%, down by 0.1 pp from the previous month and by 0.5 pp from three months earlier, but up by 0.3 pp from a year earlier;
- The inactive population (2,415.5 thousand) was up from March and May 2023 (0.5% in both cases), but down from a year earlier (2.5%); and
- The labour underutilisation rate stood at 11.7%, down from the previous month and three months earlier (0.1 pp and 0.3 pp, respectively) and up from one year earlier (0.1 pp).



## Unemployment and labour underutilisation rates decreased to 6.1% and 11.5%, respectively, in Q2 2023

Statistics Portugal estimates that the unemployed population was 324,5 thousand people in Q2 2023, having:

- Decreased by 14.7% (55.8 thousand) compared with the previous quarter; and
- Grown by 8.6% (25.7 thousand) compared with Q2 2022.

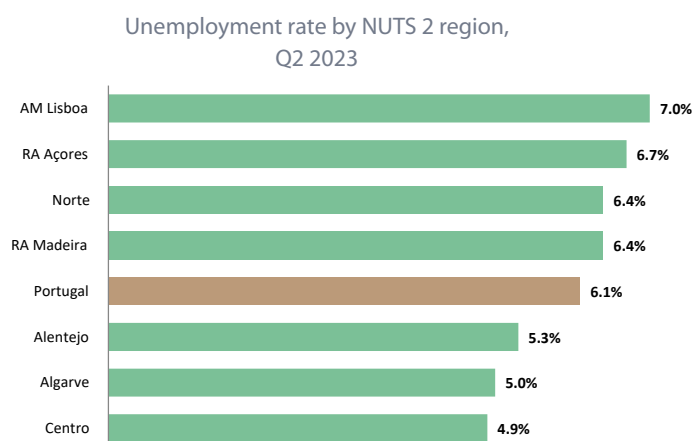
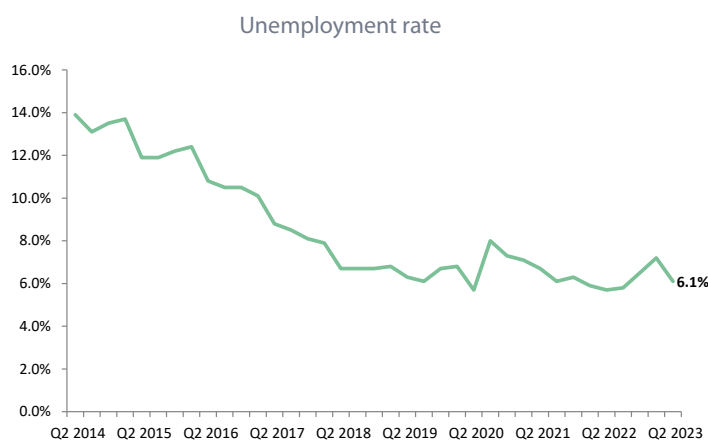
This year-on-year development is mainly due to increases in the following categories:

- Unemployed for less than 12 months: 41.3 thousand (28.1%);
- People who have completed at most an upper secondary and post-secondary non-tertiary education: 22.6 thousand (22.1%);
- People seeking a new job: 21.4 thousand (8.3%);
- Women: 15.4 thousand (9.9%);
- People aged 16 to 24: 12.2 thousand (23.0%); and
- People aged 55 to 74: 12.0 thousand (22.6%).

The unemployment rate in Q2 2023 was 6.1%,<sup>1</sup> which represents:

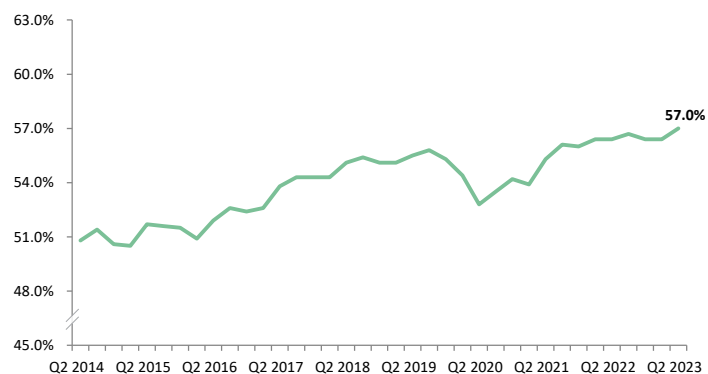
- A decrease of 1.1 pp from the previous quarter; and
- An increase of 0.4 pp compared to the same period of 2022.

The youth unemployment rate (16-24 years) was 17.2% (-2.4 pp than in the previous quarter and +0.5 pp quarter-on-quarter).



<sup>1</sup> This unemployment rate is for people from 16 to 89 years old (cf. current International Labour Organization concepts). The unemployment rate for the quarter centred on May 2023 (corresponding to Q2 2023), published in the June 2023 Monthly Employment and Unemployment Estimates release (on 31-07-2023), was calculated for the age sub-group 16-74 years (cf. Eurostat release). This rate (not seasonality adjusted) stood at 6.2%.

Employment rate



The population employed (4,979.4 thousand people) grew by:

- 1.1% (54.7 thousand) from the previous quarter; and
- 1.6% (77.6 thousand) compared with the same period in 2022.

This year-on-year rate of change is mainly due to increases in the following aggregates:

- People who have completed, at most, 1<sup>st</sup> and 2<sup>nd</sup> stages of basic education: 171.3 thousand (10.7%);
- Employees with a permanent job: 110.8 thousand (2.7%);
- Employed in the *Industry, construction, energy and water* sector: 72.2 thousand (6.1%), particularly in *Construction* activities (40.7 thousand; 13.3%), whose increase represented 56.4% of the variation in the sector;
- Employees with a temporary job: 68.1 thousand (12.2%);
- Full-time employees: 59.8 thousand (1.3%);
- People aged 16 to 24: 49.4 thousand (18.7%); and
- Men: 48.5 thousand (2.0%);

Contributions to the annual rate of change of the employed population in Q2 2023



Considering the total employed population, 19.3% of the people (960.0 thousand) indicated having worked from home in Q2, of which:

- 25.9% (248.6 thousand) always did so;
- 34.4% (330.1 thousand) did it regularly through a system that reconciles face-to-face work and work from home;
- 14.8% (142.2 thousand) worked from home occasionally; and
- 24.3% (232.9 thousand) did it outside working hours.

Comparing these proportions with those of the previous quarter, the increase in those who combined face-to-face work and working from home (2.8 pp) stands out.

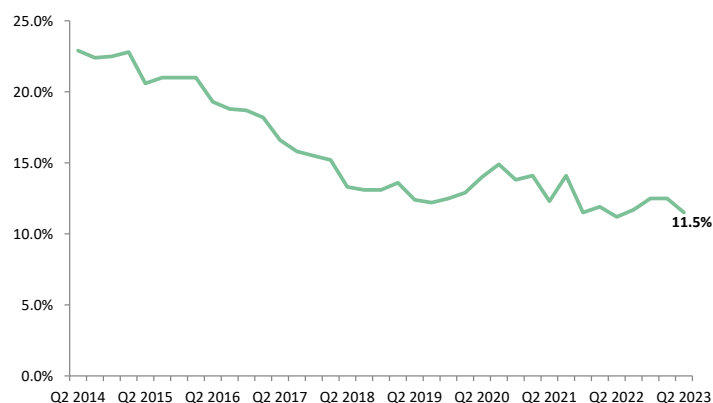
Of the total employed population who worked from home in the 2<sup>nd</sup> quarter, 94.7% (908,900) were teleworking, i.e. using information and communication technologies (ICT) to carry out their work from home.

During this period, those employed in a hybrid system worked from home an average of three days a week.

Also in Q2:

- Labour underutilisation covered 625.3 thousand people, which corresponds to an 8.1% (55.4 thousand) decrease from the previous quarter and a 4.1% (24.6 thousand) increase compared with the same period in 2022;
- The underutilisation rate was 11.5%, having decreased by 1.0 pp from the previous quarter and increased by 0.3 pp compared with the rate observed in Q2 2022;

Labour underutilisation rate



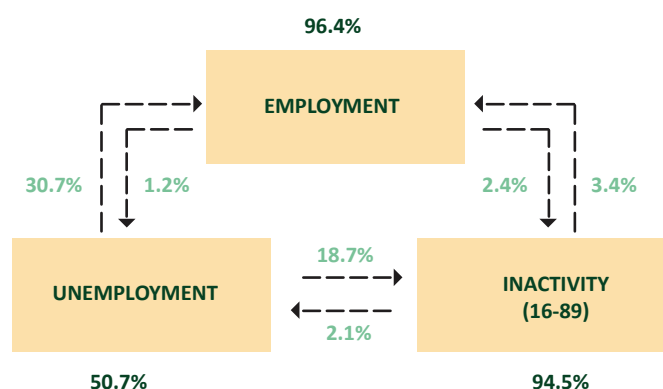
- The inactive population aged 16 and over (3,544.7 thousand people) increased by 0.2% (7.4 thousand) from the previous quarter and decreased by 1.7% (59.7 thousand) compared with the same quarter of 2022.

## 30.7% of the unemployed found a job between Q1 2023 and Q2 2023

From Q1 2023 to Q2 2023:

- Of the unemployed:
  - » 50.7% (192.8 thousand) remained so;
  - » 30.7% (116.6 thousand) got a job: 29.7% of men (54.3 thousand) and 31.5% of women (62.2 thousand); and
  - » 18.7% (70.9 thousand) became inactive;
- The following were notably able to find a job:
  - » Almost two out of five (39.9%; 96.5 thousand) of the short-term unemployed; and
  - » 18.8 % (27.2 thousand) of the potential workforce;
- The overall body of employees was reinforced by:
  - » 11.6% (82.2 thousand) of the previously self-employed; and
  - » 27.5% (104.6 thousand) of the previously unemployed;
- A bit over one in five (21.4%; 153,5 thousand) employees with fixed-term or other types of contracts got an open-ended contract;
- Almost one in five (19.2%; 79.6 thousand) part-time employees got full-time work;
- Of those who remained employed, 3.6% (169.4 thousand) changed jobs (down by 0.2 pp from the previous quarter).

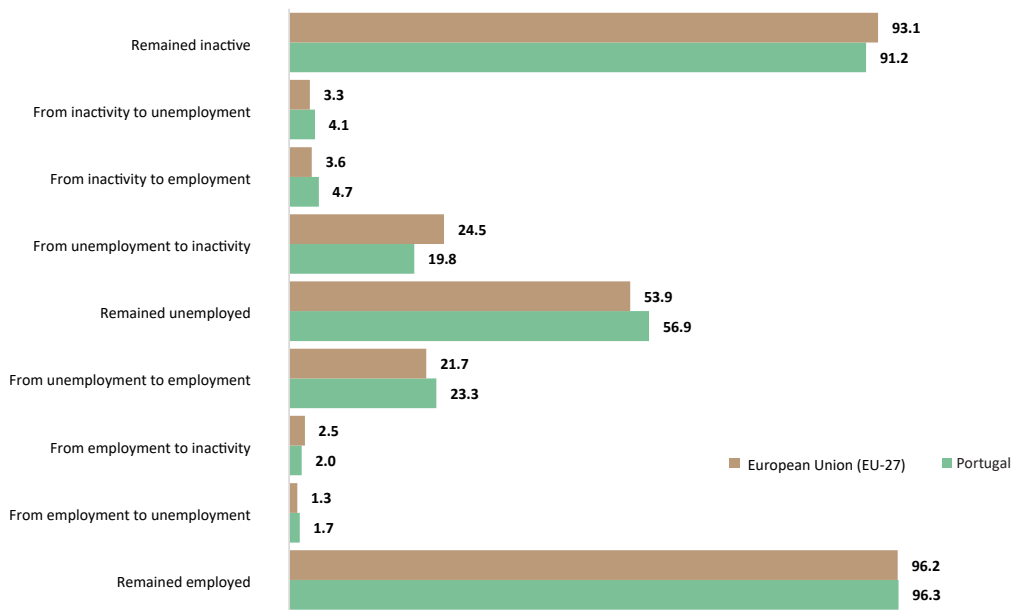
Quarter labour market flows – Q2 2023 (as % of initial state)



The results for Q1 2023 concerning active age population (15 to 74) flows between labour market states, released by Eurostat on 16 June 2023, indicate that compared to the previous quarter:

- The proportion of people who transitioned from unemployment to employment in Portugal was 23.3%, 1.6 pp above that for the EU as a whole (21.7%);
- Almost one in five unemployed people transitioned to inactivity (19.8%) in Portugal, while in the European Union this was the case with almost one unemployed person in four (24.5%).

Quarterly labour market flows of the population aged 15 to 74 in the European Union (EU-27) and Portugal (as % of initial status) – Q1 2023





## In real terms, gross monthly wages have increased for the second time in a row since November 2021

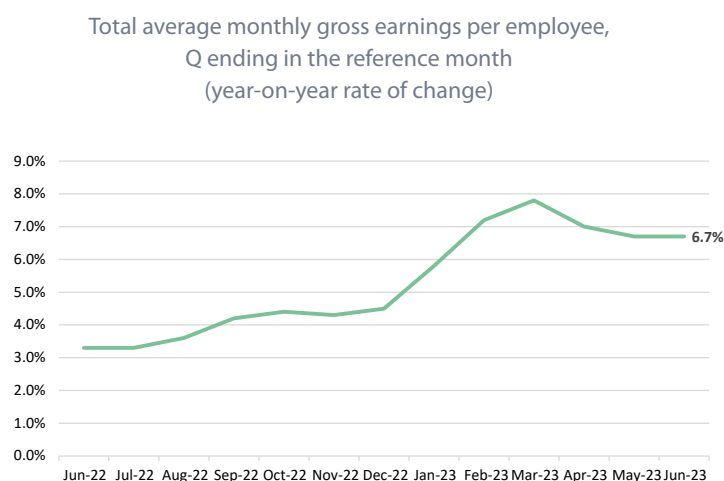
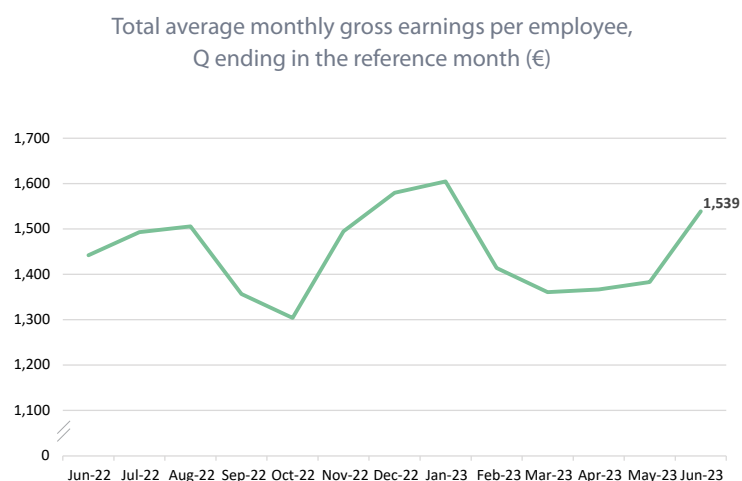
Statistics Portugal found that in Q2 2023, compared with the same period in 2022:

- The average total gross monthly earnings per employee (job<sup>1</sup>) increased by 6.7% to €1,539;
- The regular pay component (excluding holiday and Christmas subsidies) grew by 6.8%, reaching €1,539; and
- The base component of earnings rose by 7.2% to €1,144.

In real terms – that is, considering the rate of change in the Consumer Price Index – there were increases of:

- 2.4% in the average monthly gross earnings and in the regular component; and
- 2.7% in the base earnings.

Real pay rises had not been recorded for two consecutive times since November 2021.



The following categories attained the most significant increases in total earnings:

- In *Knowledge-intensive market services* companies: 9.3%;
- In the *Administrative and support service* activities (section N of the CAE): 9.2%;
- In companies with 1 to 4 employees: 7.7%; and
- In the private sector: 7.5%.

On the other hand, the most minor increases occurred:

- In the Public Sector: 6.4%;
- In companies with 100 to 249 employees: 5.3%; and
- In *Knowledge-intensive financial services* companies: 3.6%; and

Only in the *Electricity, gas, steam and air conditioning supply* activities (section D) was there a negative year-on-year change in the average monthly total gross remuneration: 0.2%.

The number of jobs increased by 4.1% compared with the same period of the previous year, reaching about 4.6 million, corresponding to beneficiaries of Social Security and subscribers to Caixa Geral de Aposentações.

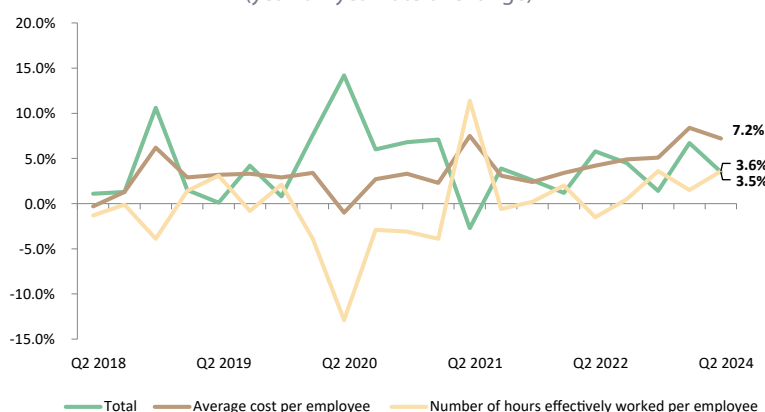
<sup>1</sup> Each employee is counted as many times as the number of jobs registered with the Social Security and Caixa Geral de Aposentações. Readers can find further information in the Methodological note at the end of the press release used for this synthesis by clicking the link under "More information".

## The Labour Cost Index increased by 3.5% in Q2 2023, mainly because of increases in non-wage costs per hour effectively worked (4.6%) and average costs per employee (7.2%).

In Q2 2023, year-on-year:<sup>1</sup>

- The Labour Cost Index (LCI) increased by 3.5% (6.7% in the previous quarter);
- The wage costs per hour effectively worked rose by 3.3% (6.4% in the previous quarter); and
- The other costs, also per hour effectively worked, grew by 4.6% (7.8% in the previous quarter).

Labour Cost Index  
Working days adjusted data  
(year-on-year rate of change)

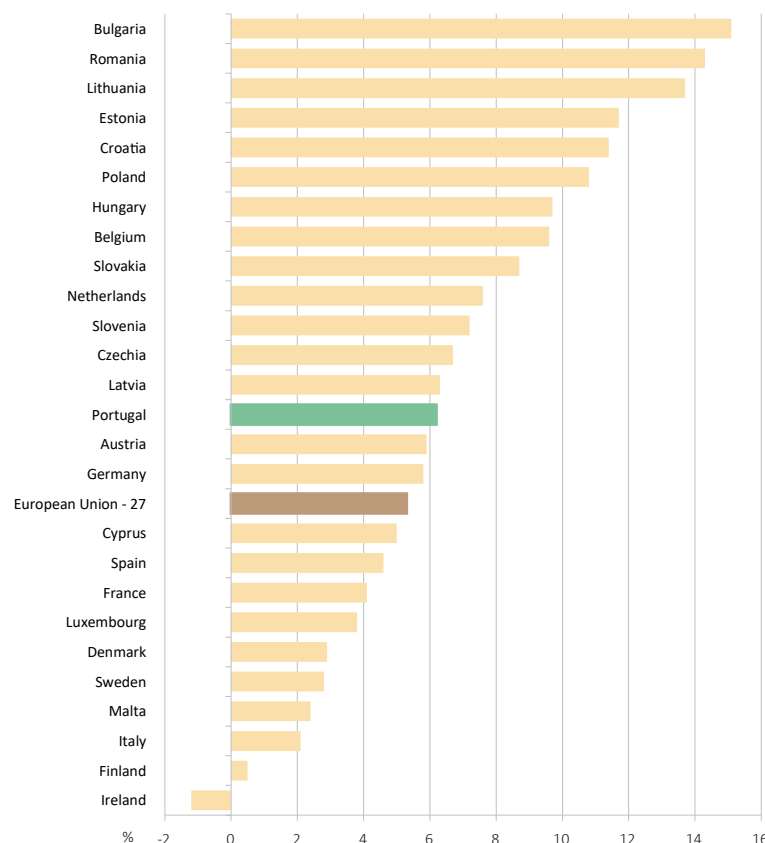


The year-on-year change in the LCI is mainly explained by:

- The 7.2% increase in the average cost per employee (8.4% in the previous quarter);  
This increase was transversal to all sectors of economic activity but with less expressive variations than those observed in the previous quarter, the highest being in Construction (8.8%) and the lowest in Public Administration (6.5%); and
- The 3.6% increase in the number of hours effectively worked per employee (1.5% in the previous quarter);

Also in this case, the economic activities showed increases, the largest of which was in construction: 5.8%, while the smallest was in Public Administration: 0.9%

Year-on-year change in the LCI in the countries of the European Union (27)  
in Q1 2023  
(working days adjusted)



### Comparison with the European Union

The annual change in LCI for the European Union in Q1 2023 was 5.3%. This is the latest information, provided by Eurostat on 16 June 2023. It regards LCI year-on-year change per Member State and the EU as a whole.

Sixteen countries, including Portugal, recorded variations above the EU average, with Bulgaria standing out with year-on-year growth of 15.1%.

The LCI increased by less than the EU average in nine countries, from 0.5% in Finland to 5.0% in Cyprus. Ireland was the only country to see a year-on-year decrease of 1.2%.

For Portugal, Eurostat estimated a year-on-year increase of 6.2%.<sup>2</sup>

<sup>1</sup> The data analysed in this press release are working days adjusted.

<sup>2</sup> In the meantime, this figure has been revised to 6.7%, as stated in the methodological note included in the press release from which this summary was drawn up, which can be consulted by clicking "More information in".

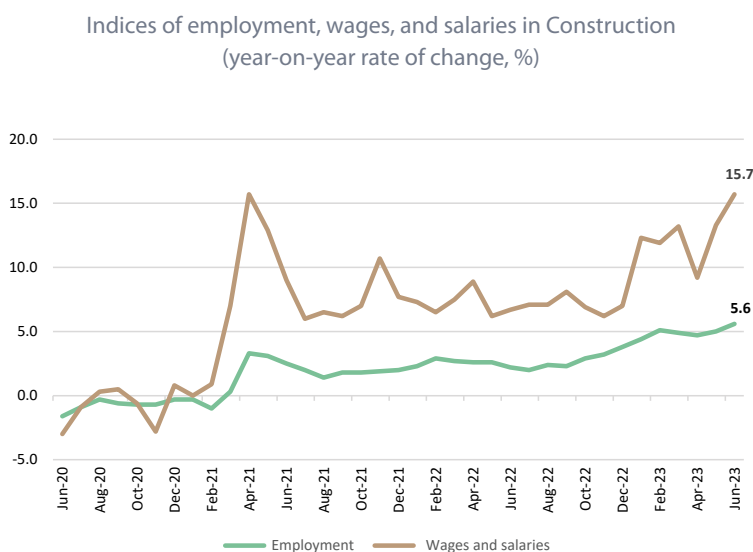
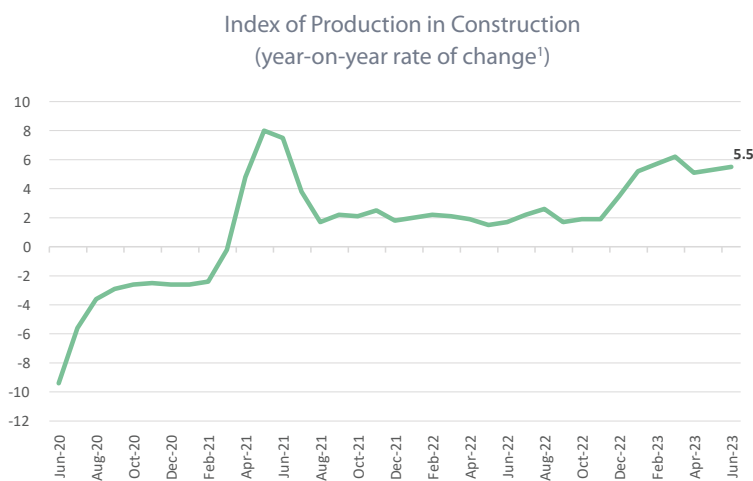
## Production in Construction grew by 5.5%

In June 2023, the Production Index<sup>1</sup> grew by 5.5% year-on-year (0.2 pp more than in the previous month). This change was driven by different behaviors of the segments that make up the sector:

- *Building construction*: 3.8% (+0.6 pp than in May); and
- *Civil engineering*: 8.2% (-0.3 pp than in the previous month).

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

- Employment index: 5.6% (5.0% in the previous month); and
- Wages and salaries index: 15.7% (13.3% in May).



As regards month-on-month changes, Construction sector indexes behaved in the following ways:

- Total Production index: 0.2% (0.3% in the previous month)
- Production index – *Building construction*: 0.3% (unchanged from May);
- Production index – *Civil engineering*: 0.0% (0.4% in May);
- Employment index: 0.3% (-0.3% in June 2022); and
- Wages and salaries index: 12.6% (10.2% in June 2022).

<sup>1</sup> Three-month moving average =  $\left[ \frac{(\text{month } n-2 + \text{month } n-1 + \text{month } n)}{(\text{month } n-14 + \text{month } n-13 + \text{month } n-12)} \right] * 100 - 100$ , adjusted for calendar effects and seasonality.

## Mortgage instalments rose 40.2% year-on-year to €370

In July 2023:

- The implicit interest rate on all housing loan agreements rose to 3.878%, up 22.9 basis points<sup>1</sup> (bps) from the previous month and the highest since April 2009;

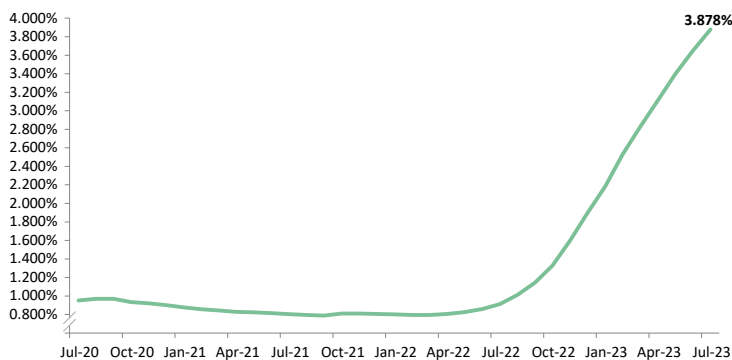
For contracts concluded in the last three months, the interest rate rose to 4.173%, 4.1 bps above the previous month and the highest value since April 2012;

- For Home Purchases (the primary type of mortgage lending), the implicit interest rate stood at 3.858% (+22.7 bps than in June);

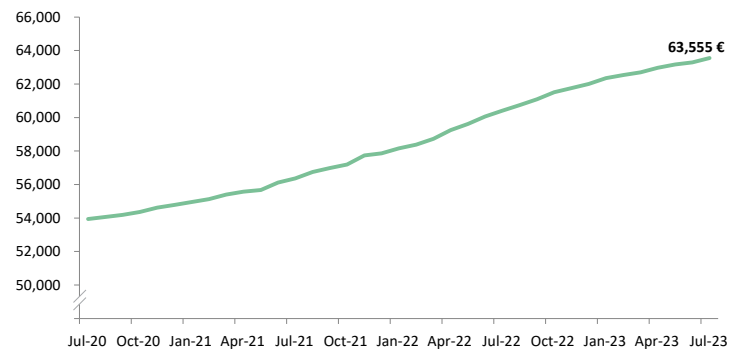
For contracts of this nature concluded in the last three months, the rate increased to 4.161% (+3.8 bps from the previous month);



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 €106 year-on-year, reaching €370, of which €204 (55%) correspond to interest payments and €166 (45%) to capital amortisation;

It should be noted that in July 2022, the interest component represented 17% of the average value of loan instalments (€264);

For contracts concluded in the last three months, the average value of loan instalments decreased by €5 to €604 (an increase of 42.1% compared with July 2022); and

- The average outstanding capital for all contracts increased by €259 compared to June, reaching €63,555;

For contracts concluded in the last three months, the average amount outstanding was €123,098, €528 more than in the previous month.

<sup>1</sup> A base point is the equivalent of 0.01 pp.

## Bank valuation of housing up to €1,525 per square meter

In July 2023, bank valuation, carried out as part of credit applications for the purchase of housing, had a median value of €1,525 per m<sup>2</sup>, up by €7 (+0.5%) from the previous month.

All NUTS 2 regions joined in this increase, except for Região Autónoma dos Açores (-0.1%), with the highest growth taking place in Região Autónoma da Madeira (3.3%).

In comparison with the same month of the previous year, the median value of valuations rose 7.6% (7.9% a month before). The most intense variation was registered in the Região Autónoma da Madeira (20.5%) and the least severe in the Norte (6.7%).



Average Banking Valuation – July 2023  
Flats and Houses



There were approximately 25.0 thousand bank evaluations. This is down by 11.3% from twelve months earlier and up by 8.1% from the previous month.

Of the assessments considered in the reference month:

- Around 16.1 thousand concerned flats; and
- Some 8.8 thousand pertained to houses.

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

- Increased by 7.8% for flats, standing at 1,698 €/m<sup>2</sup>; and
- Rose 4.9% for houses, reaching 1,184 €/m<sup>2</sup>.

In July 2023, compared to the previous month, the median bank appraisal value:

- In flats:
  - » T2 decreased by €4, to 1,723 €/m<sup>2</sup>; and
  - » T3 increased by €6, reaching 1,498 €/m<sup>2</sup>.

These two types together accounted for 78.9% of all flat valuations carried out;

- In houses:
  - » T2 up by €9, to 1,159 €/m<sup>2</sup>;
  - » T3 rose by €9, to 1,156 €/m<sup>2</sup>; and
  - » T4 rose by €15, reaching 1,266 €/m<sup>2</sup>.

Together, these three types accounted for 88.6% of the housing valuations.

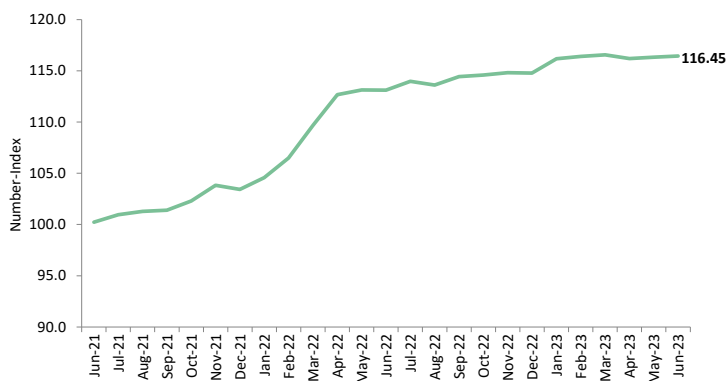


## Construction costs increase by 2.9%

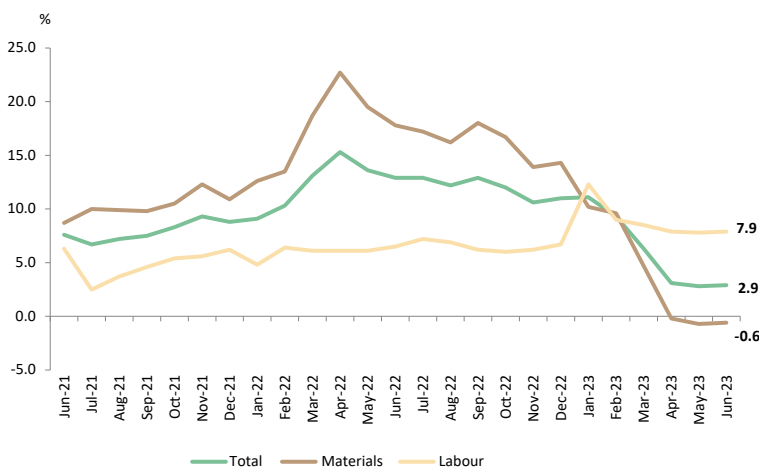
Statistics Portugal estimates the following June 2023 year-on-year rates of change in the context of new housing construction costs:

- Construction Cost Index (CCI) for new residential buildings: 2.9%, 0.1 pp more than in May;
- Materials costs: -0.6% (-0.7% in the previous month); and
- Labour costs: 7.9%, 0.1 pp more than in May.

Construction Costs Index for New Housing  
(100=2021)



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



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



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

- CCI: 0.1% (same change in May);
- Material costs: -0.4% (-0.2% in May); and
- Labour costs: 0.8% (0.5% in May).

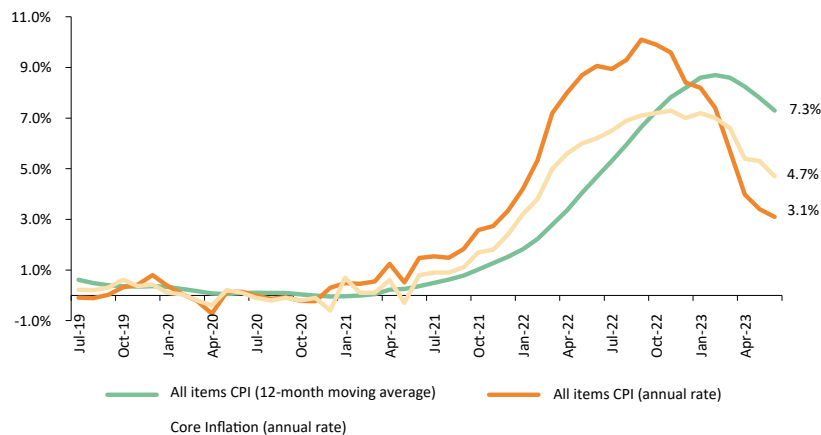
## CPI year-on-year rate of change fell to 3.1% in July

In July 2023, year-on-year:

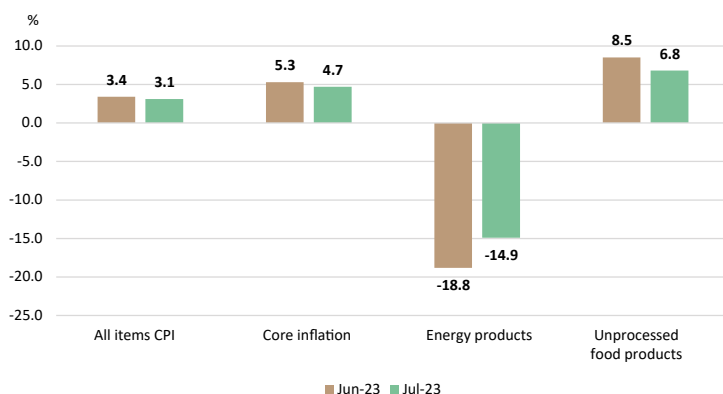
- The Consumer Price Index (CPI) decreased to 3.1%, 0.3 pp less than a month earlier;
- This slowdown is partly due to a decrease in prices in the *Food and non-alcoholic beverages* class;
- The core inflation rate (excluding unprocessed food products and energy) decelerated from 0.6 pp to 4.7%;
- The index for energy products declined a further 3.9 pp, reaching a negative growth of minus 14.9%; and
- The unprocessed food index slowed to 6.8% (8.5% in June).



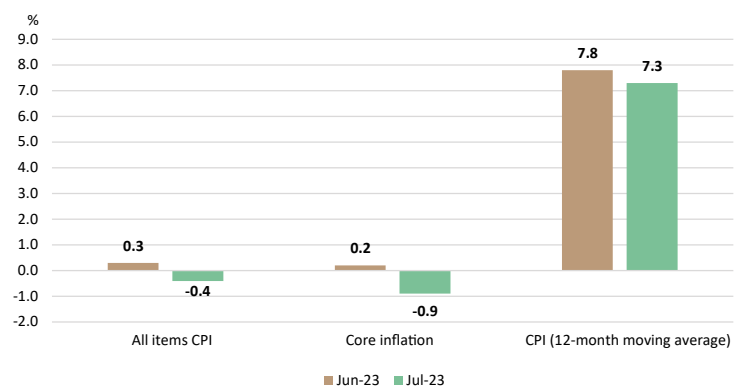
Consumer price and core inflation indices (year-on-year rate of change and 12-month moving average)



CPI - Year-on-year rates of change



CPI related month-on-month variation rates



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

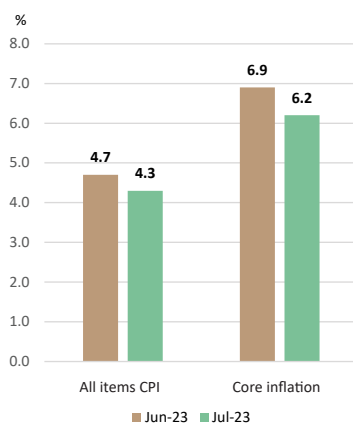
- CPI decreased by 0.4% (+0.3% in the previous month and nil variation in July 2022); and
- Core inflation decreased by 0.9% (-0.2% in the previous month, while in July 2022 it decreased by 0.3%).

The average CPI change over the last 12 months stood at 7.3% (7.8% in June).

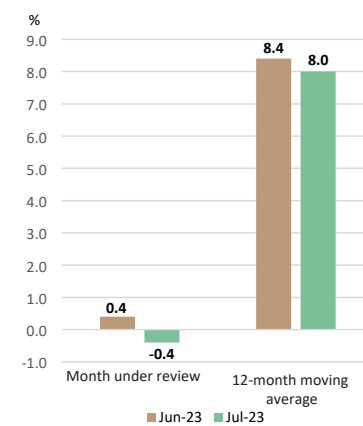
As regards the Harmonised Index of Consumer Prices (HICP), the following rates of change were observed in July 2023:

- Year-on-year: 4.3%, 0.4 pp less than a month before and 1.0 pp below Eurostat's estimated value for the Euro Area (EA) (in June, this rate for Portugal difference was 0.8 pp);
- Year-on-year, excluding unprocessed food products and energy: 6.2% (6.9% in June), which is lower than the estimated value for the Euro Area (6.6%);
- Month-on-month: -0.4% (0.4% in the previous month and nil variation in July 2022); and
- Average of the last 12 months: 8.0% (8.4% in the previous month).

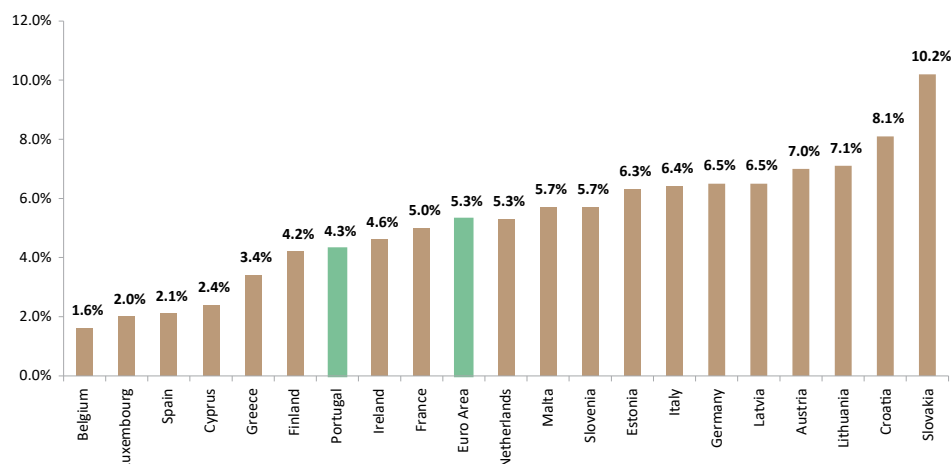
HICP year-on-year rate of change



HICP month-on-month rate of change



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





## Industrial production prices decreased 6.7%

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

- The Industrial Production Price Index (IPPI) moved a further 0.8 pp into negative territory, reaching -6.7%;
- The *Energy* grouping continued to contribute the most to the variation in the aggregate index, with -6.7 pp, as a result of its 25.6% reduction (contribution of -6.4 pp and variation of -24.7% in June);

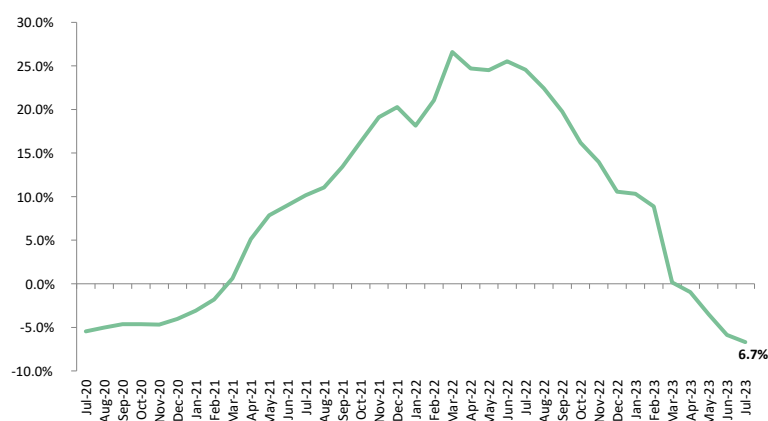
Without this grouping, the variation of the aggregate index was null (0.7% in June); and

- The *Consumer goods* grouping, with a year-on-year change of 6.2% (6.5% in June), made the greatest positive contribution to the index result: 1.7 pp (1.8 pp in June).

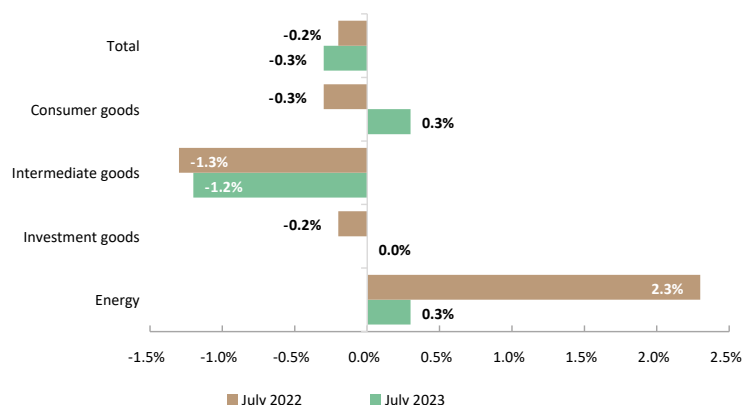
From June to July, the index fell by 0.3%. It had gained 0.6% in the same period of 2022. The *Intermediate goods* group made the most significant contribution to this change in the aggregate index, with a negative contribution of 0.4 pp, due to a change of -1.2% (0.1% in July 2022).



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 August estimated at 3.7%

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

- The Consumer Price Index (CPI) increased to a variation of 3.7%, up by 0.6 pp from the previous month;

This uptake is partly essentially due to increased fuel prices.

- The core inflation index, which excludes the unprocessed food products and energy components, grew 4.5%, 0.2 pp less than the previous month;
- The energy products index moved 8.9 pp towards positive ground, but its variation was still at negative 6.5%; and
- The unprocessed food component of the index decelerated 0.3 pp from July, growing only by 6.5%.

Month-on-month, the CPI increased by 0.3% in August, reversing course from the 0.4% decrease in the previous month. From July to August 2022, the variation was negative by 0.3%.

Statistics Portugal estimates that the average CPI change in the last twelve months was 6.8%, 0.5 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 5.3% in Portugal in August 2023 (1.0 pp more than in the previous month).



|                                         | Monthly change (%) <sup>1</sup> |         | Year-on-year change (%) <sup>1</sup> |         |
|-----------------------------------------|---------------------------------|---------|--------------------------------------|---------|
|                                         | Jul-23                          | Aug-23* | Jul-23                               | Aug-23* |
| <b>CPI</b>                              |                                 |         |                                      |         |
| Total                                   | -0.36                           | 0.33    | 3.07                                 | 3.73    |
| Total except housing                    | -0.39                           | 0.33    | 2.99                                 | 3.68    |
| Total excl. unprocessed food and energy | -0.89                           | -0.15   | 4.67                                 | 4.48    |
| Energy products                         | 5.84                            | 4.44    | -14.92                               | -6.51   |
| Unprocessed food products               | -0.53                           | 0.95    | 6.82                                 | 6.47    |
| Processed food products                 | -0.12                           | -0.18   | 7.02                                 | 6.52    |
| <b>IHPC</b>                             |                                 |         |                                      |         |
| Total                                   | -0.4                            | 0.8     | 4.3                                  | 5.3     |

<sup>1</sup> Values rounded to two and one decimal places.

\* Estimated values.

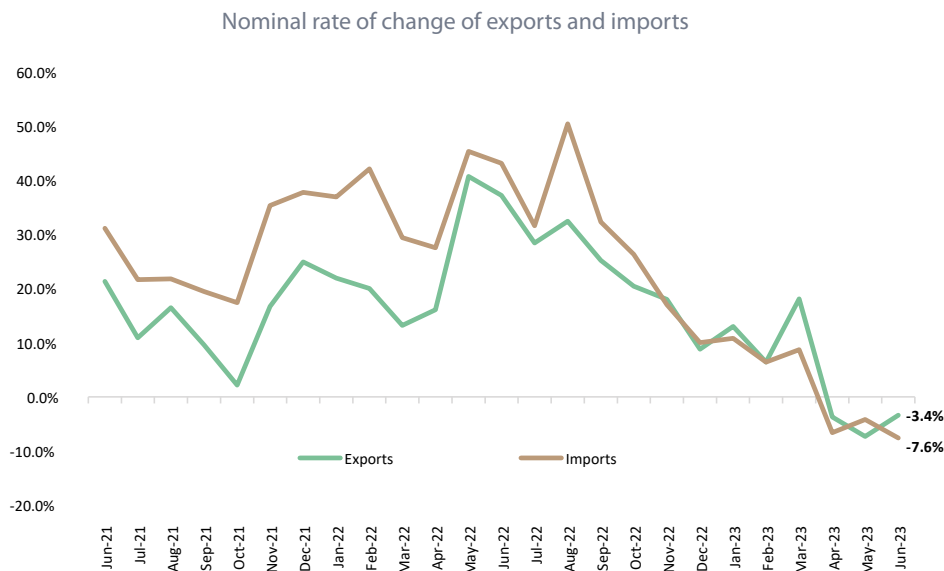
More information in:  
Consumer Price Index, Flash Estimate – August 2023  
31 August 2023



## Exports and imports fell by 3.4% and 7.6% in nominal terms

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

- Exports of goods decreased by 3.4% (-7.3% in the previous month); and
- Imports of goods fell by 7.6% (-4.2% in the previous month).



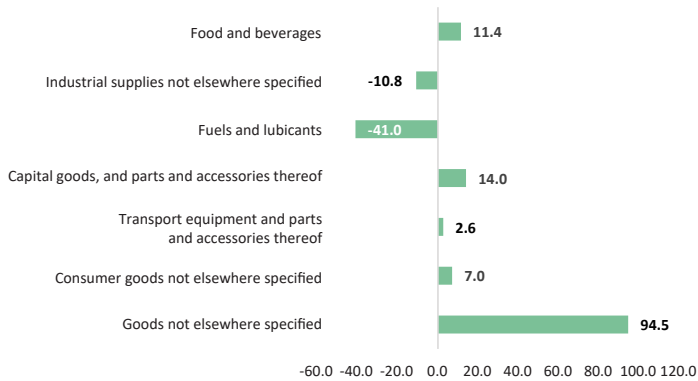
An analysis by major economic categories of goods, still in nominal and year-on-year terms, highlights the June decreases in exports and imports of *Fuels and lubricants* (-41.0% and -47.4%, respectively). These change rates reflect the fall in the price of these products in international markets. Still, there is also a base effect, given that in June 2022 there had been significant increases in transactions of these products, anticipating the expected shortages and price rises regarding the Ukraine conflict.

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

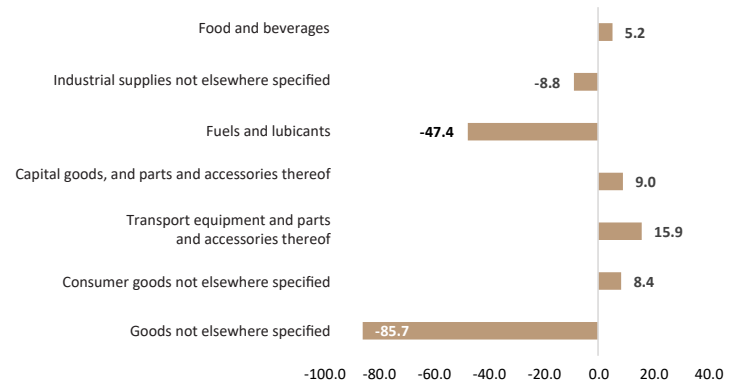
- 1.1% in exports (-4.7% in May 2023); and
- 2.7% in imports (+3.9% in May 2023).



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



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



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

- -4.8% in exports (-2.3% in May 2023; +19.6% in June 2022); and
- -9.1% in imports (-6.5% in the previous month; +26.6% in June 2022).

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

- +0.4% in exports (+2.3% in the previous month; +13.7% in June 2022); and
- -2.6% in imports (same variation in May 2023; +15.7% in June 2022).

Still in June 2023, but relative to the previous month:<sup>1</sup>

- Exports increased by 1.6% (+16.0 in May); and
- Imports grew by 5.5% (+15.8% in the previous month).

In June 2023, the trade balance of goods deficit:

- Reached €2,122 million, decreasing by €496 million compared to the same month in 2022 and by €406 million compared to the previous month; and
- Excluding *Fuels and lubricants*, it totalled €1,522 million, up by €136 million compared to June 2022 and by €439 million compared to the previous month.

In Q2 2023, there were year-on-year changes:

- Of -4.9% in exports (+2.1% in the quarter ending in May 2023); and
- Of -6.1% in imports (-0.7% in the quarter ending in May 2023).

In the 1<sup>st</sup> semester 2023, also year-on-year:

- Exports grew by 3.3% (+24.7% in the 1<sup>st</sup> semester of 2022); and
- Imports were up by 0.8% (+37.2% in the 1<sup>st</sup> semester of 2023).

<sup>1</sup> Note that May 2023 had four more working days than the previous month

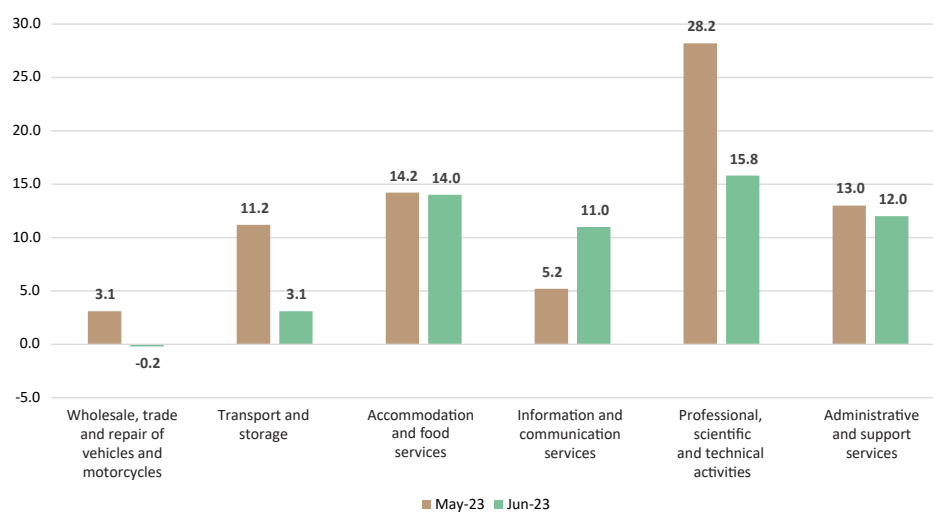
## Services turnover decreased to 4.0%

In June 2023, turnover in Services<sup>1</sup> was 4.0% higher than a year earlier, thus slowing down by 3.7 pp from the previous month.

This rate of change was mainly influenced by the following sections:

- *Wholesale trade; repair of motor vehicles and motorcycles*, that contributed -0,1 pp by decreasing 2.8%;
- *Accommodation and food services*, whose 1.3 pp contribution resulted from a 14.0% increase; and
- *Professional, scientific and technical activities*, which recorded the major slowdown from the previous month among all sections: -11.8%.

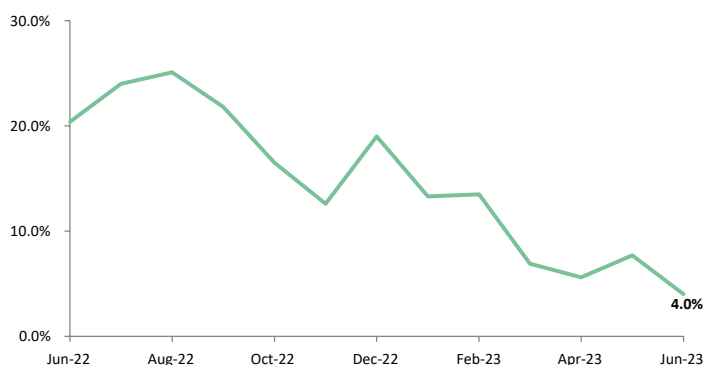
Services Turnover Index sections, May and June 2023  
(year-on-year rate of change, %)



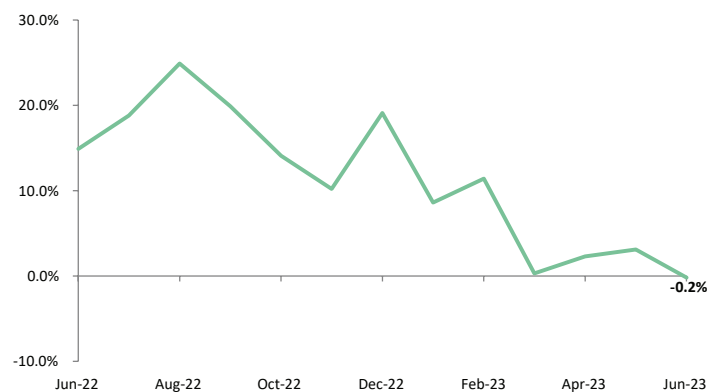
The remaining Services indices grew, year-on-year, at the following rates:

- Employment: 3.5% (3.9% in May);
- Wages and salaries: 11.8% (10.8% in the previous month); and
- Hours worked (adjusted for calendar effects): 5.7% (2.0% a month before).

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

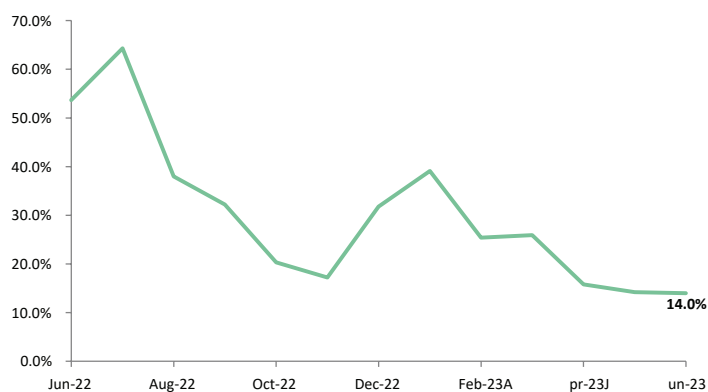


Turnover Index  
(year-on-year rate of change)  
Wholesale trade, trade and repair of vehicles and motorcycles

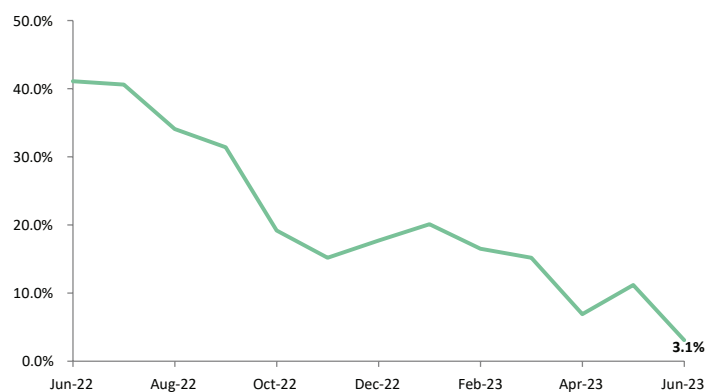


<sup>1</sup> Statistics Portugal measures turnover in services through an index, the IVNES. IVNES is based on adjusted nominal calendar effects and seasonality data.

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



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



Still in June 2023, but compared to the previous month, turnover in the Services decreased by 2.9% (2.8% up in May).

In Q2 2023, the index increased by 5.8% compared to the same period in 2022 (11.2% in the previous quarter).



More information in:  
[Business Turnover, Employment, Wages and Hours Worked in Services – June 2023](#)  
8 August 2023

## In the first half of 2023, 6.6% more marriages were celebrated than in the same period of 2022

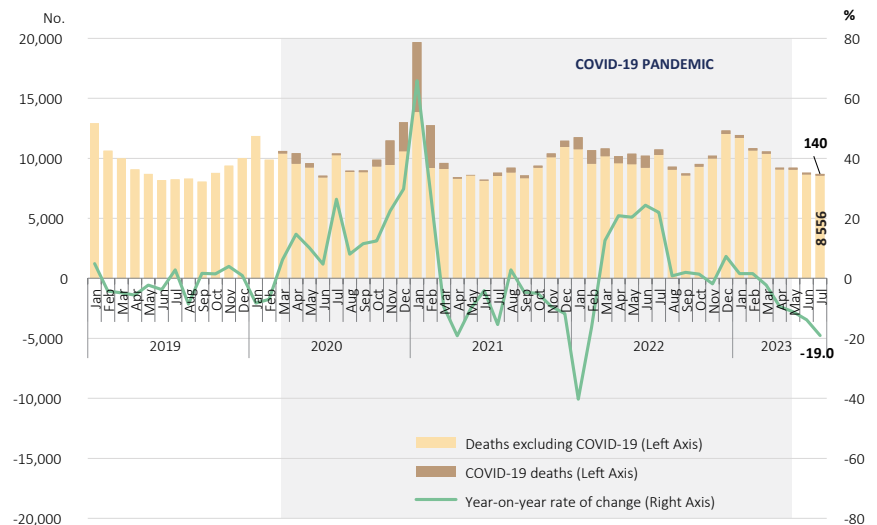
### Mortality

In July 2023, there were 8,696 deaths, 109 less than the previous month (-1.2%) and 2,044 less than in July 2022 (-19.0%).

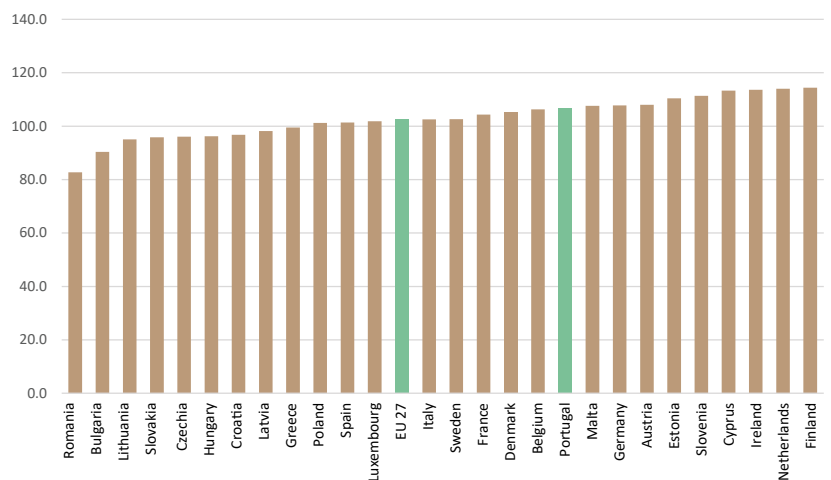
This month, the number of deaths due to COVID-19:

- Was 140, 1.6% of total mortality; and
- Decreased by 11 compared with the previous month and by 327 compared with July 2022.

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



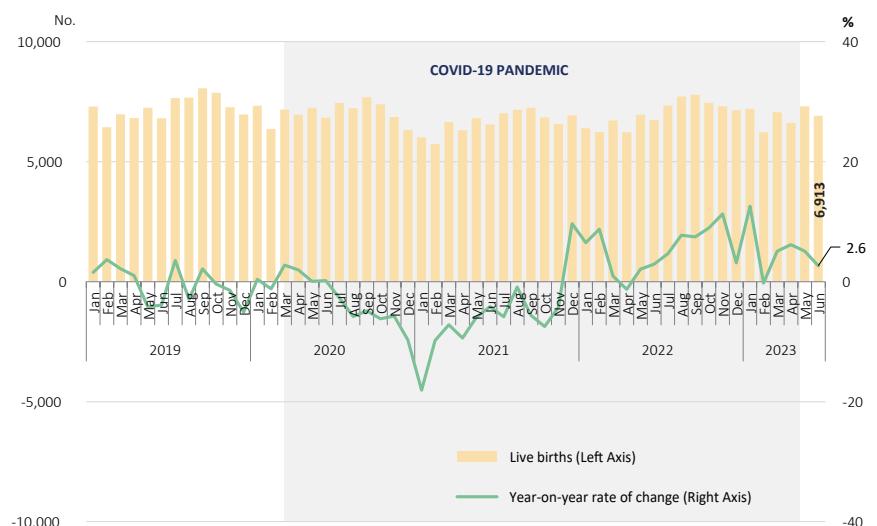
Excess mortality in EU-27 countries, June 2023  
(average 2016-2019=100)



The number of deaths in the first seven months of 2023 (69,317) was lower than the figure for the same period in 2022 (minus 5,469 deaths; -7.3%).

In June 2023, as in May, there was excess mortality in the EU-27. This was true in eighteen of the 27 member states, including Portugal.

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



### Live births

In June 2023, there were 6,913 live births, a 177 increase (+2.6%) compared to June 2022.

The total number of live births in the first six months of 2023 was 41,296, 2,043 more (+5.2%) than in the corresponding period of the previous year.

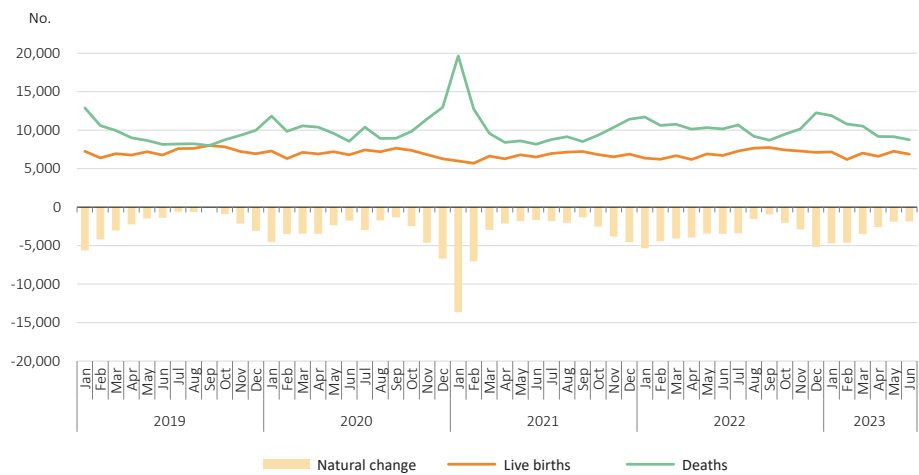


Natural change

The natural change deficit in June 2023 was 1,874, having decreased compared to the same month in 2022, when it was 3,464.

In the first six months of 2023, the cumulative natural change deficit was 19,197. This figure shows some relief compared to the 24,659 observed in the same period of 2022.

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

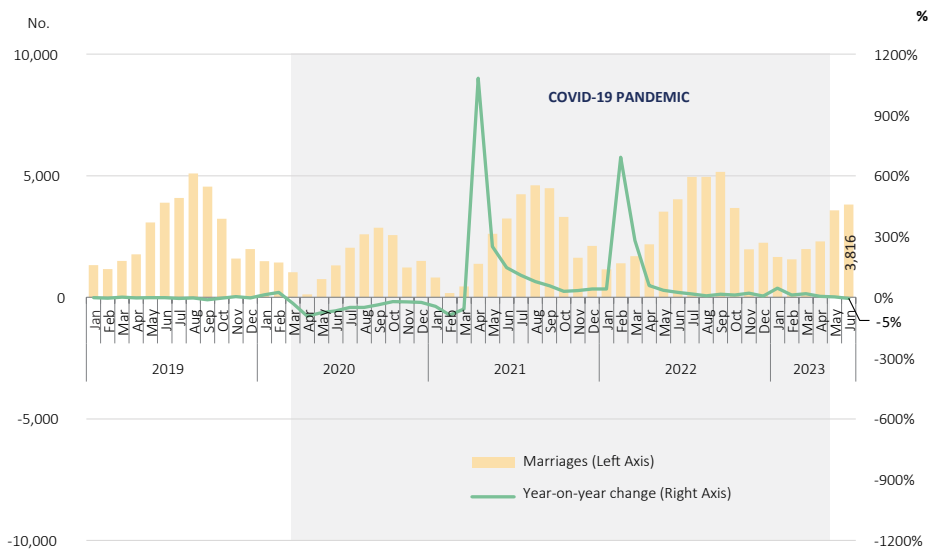


Marriages

Three thousand eight hundred sixteen marriages were celebrated in June 2023, 218 less (-5.4%) than in June 2022.

In the first six months of 2023, 14,894 marriages were celebrated, corresponding to a year-on-year increase of 922 (+6.6%).

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

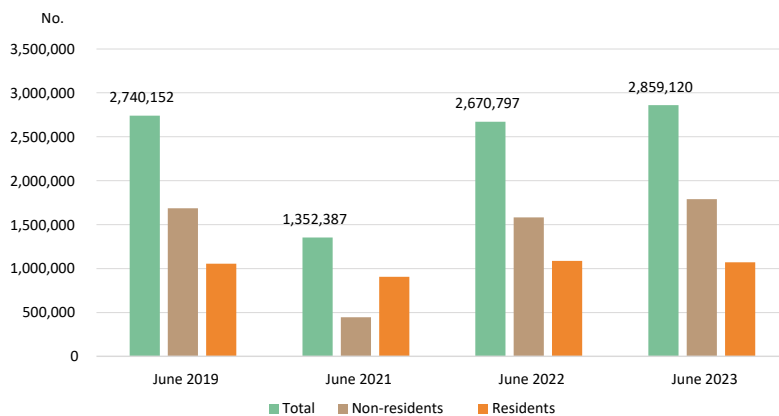


## Tourism revenue grows more than 30% in Q1 2023

In June 2023<sup>1</sup>, the tourist accommodation sector<sup>2</sup> registered:<sup>3</sup>

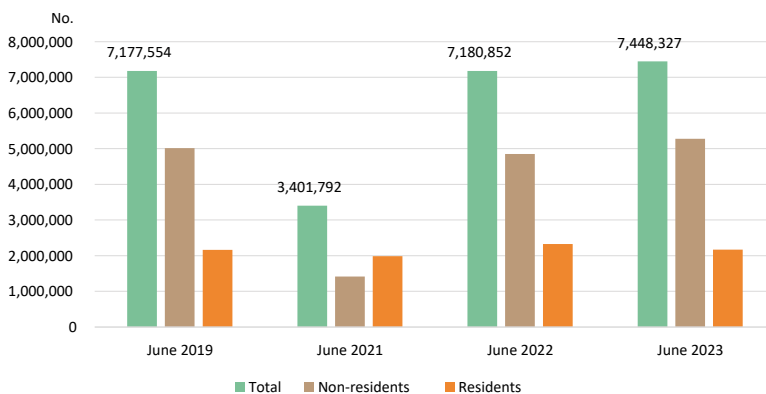
- 2.9 million guests;
- 7.4 million overnight stays;
- €622.1 million in total revenue;
- €480.6 million in accommodation revenue;
- A net bed occupancy rate of 53.0% (down by 0.6 pp. from the same month in 2022);

Guests in tourist establishments



- A net bedroom occupancy rate of 63.5% (unchanged from the same month in the previous year);
- An average revenue per available room (RevPAR) of €78.1 (+11.6% compared with June 2022 and +25.8% compared with the same month in 2019); and
- An average daily rate (ADR) of €123.1 (+11.7% compared with June 2022 and +26.1% compared with June 2019).

Overnight stays in tourist establishments

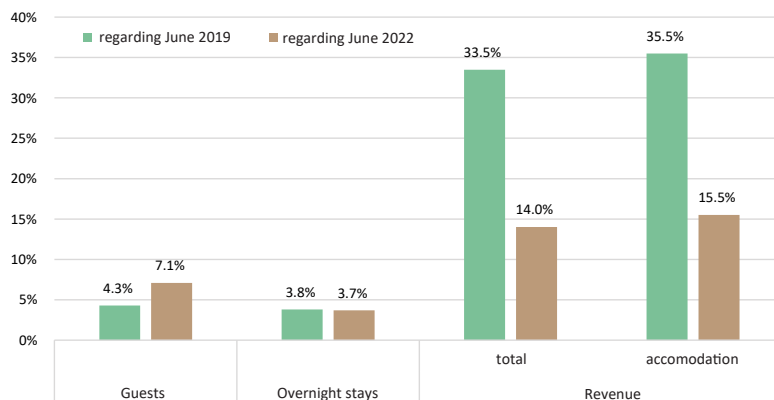


<sup>1</sup> These results are final until the end of 2022, provisional from January to May 2023, and preliminary in June 2023.

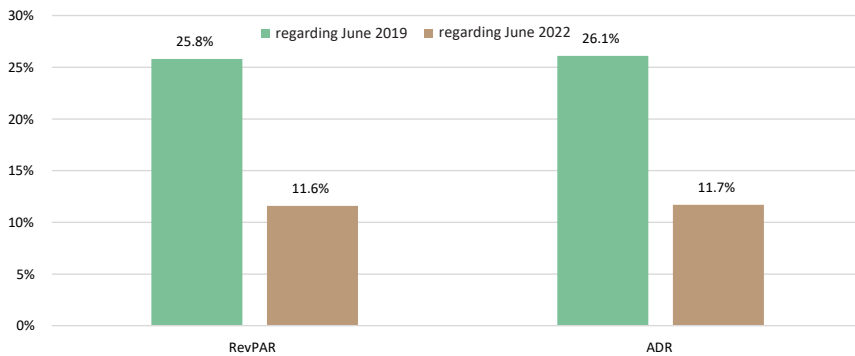
<sup>2</sup> It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, Madeira inns and quintas), local accommodation with 10 or more bed places (according to the statistical threshold defined by EU Regulation 692/2011) and residential or rural environment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

<sup>3</sup> 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.

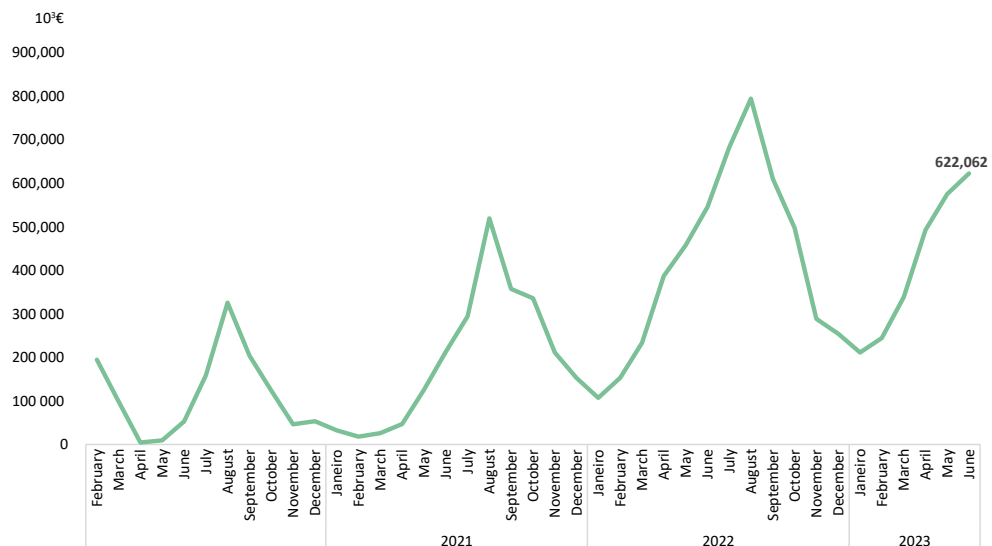
Year on year growth of guests, overnight stays and revenue in the tourist accommodation sector



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



Total revenue in tourist accommodation establishments



Still in June 2023:

- The Área Metropolitana de Lisboa concentrated 30.8% of the total revenue and 32.3% of the accommodation revenue, followed by the Algarve (29.9% and 28.7%, in the same order), the Norte (15.5% and 16.1%), and the Região Autónoma da Madeira (9.5% and 8.7%);

The most significant increases were registered in the Região Autónoma dos Açores (+23.7% in total revenue and +25.2% in accommodation revenue), the Norte (+22.4% and +23.7%), the Área Metropolitana de Lisboa (+18.2% and +19.2%), and in the Centro (+16.9% in both);

Compared with June 2019, the increases in the Região Autónoma dos Açores (+57.6% and +58.7%), the Região Autónoma da Madeira (+51.3% and +67.9%), the Norte (+42.9% and +43.4%), and the Alentejo (+38.9% and +47.3%) stand out; and

- Among the municipalities with a more significant share of overnight stays, Lisboa accounted for 18.0% (8.5% for residents and 21.9% for non-residents), reaching 1.3 million. Compared with June 2019, overnight stays in the municipality of Lisboa increased by 5.3% (-9.7% for residents and +8.2% for non-residents);

Albufeira, while maintaining 2nd place, continued to show a reduction in overnight stays compared with 2019: -10.2% in total (-26.6% in residents and -5.2% in non-residents); and

The municipalities that grew the most compared with June 2019 were Vila Nova de Gaia and Porto (+30.6% and +25.1%, respectively).



In the first semester of 2023:

- Total overnight stays grew 18.8% (+7.7% in residents and +24.2% in non-residents);
- Total revenue increased by 31.8% (+38.3% compared with the same period in 2019); and
- Accommodation revenue increased 34.0% (+41.7% compared with January-June 2019).

Considering all accommodation facilities (that is, adding camping sites, holiday colonies, and youth hostels to tourist accommodation establishments), in the first six months of 2023, there were:

- 14.5 million guests, 20.9% up from the same period last year; and
- 36.7 million overnight stays, 18.7% more than in January-June 2022.

Compared with January-June 2019, overnight stays increased by 11.0% (+11.6% in residents and +10.7% in non-residents).

## Residents' overnight stays continue to fall compared with 2022

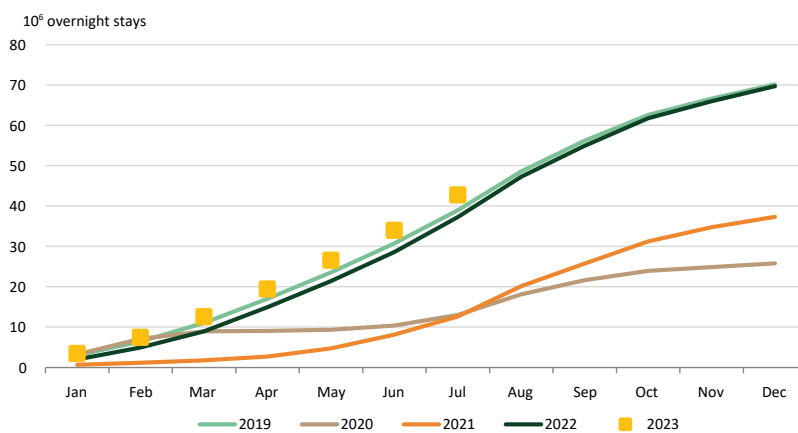
In July 2023, the tourist accommodation sector<sup>1</sup> welcomed 3.2 million guests for 8.8 million overnight stays. These results represent year-on-year increases of:

- 4.1% in guests (+6.9% a month before); and
- 1.3% in overnight stays (+3.6% in the previous month);

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

- 10.7% in guests; and
- 6.7% in overnight stays.

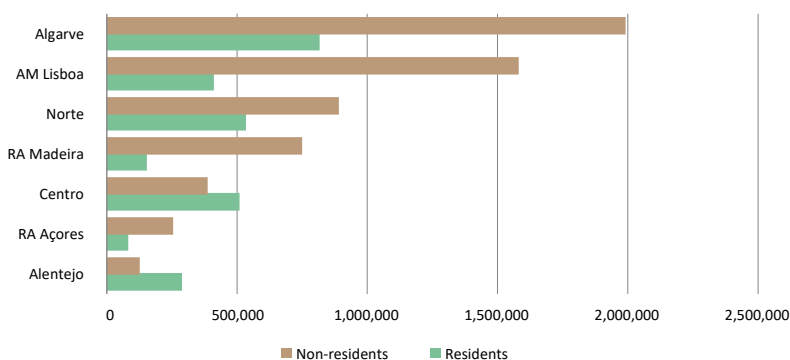
Overnight stays in tourist accommodation establishments per month  
Cumulative sum



Overnight stays in July 2023 – year-on-year rates of change

| Type of accommodation     | Growth from July 2022 | Growth from July 2019 |
|---------------------------|-----------------------|-----------------------|
| Hotels and similar        | -0.2%                 | +4.7%                 |
| Local accommodation       | +8.0%                 | +8.6%                 |
| Rural and lodging tourism | +8.5%                 | +46.1%                |

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



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

- A 2.9% year-on-year domestic tourists decrease to 2.8 million;
- A 3.4% year-on-year inbound tourists increase to 6.0 million.

Compared with July 2019, there were increases of:

- 11.5% in domestic tourists' overnight stays; and
- 4.6% in inbound tourists' overnight stays;

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

- Hotels and similar: 80.4%;
- Local accommodation: 15.0%; and
- Rural and lodging tourism: 4.6%.

In the month under review, the average stay in tourist accommodation establishments (2.78 nights) diminished by 2.7% year-on-year (-3.1% in June) while breaking down into:

- 2.29 nights for domestic tourists (-4.3% year-on-year); and
- 3.09 nights for inbound tourists (-2.3% compared with the same month last year);

The Norte and Região Autónoma dos Açores were the only NUTS 2 regions with slight increases in the average stay (+0.4% and +0.1% respectively). The Algarve accounted for 32.0% of overnight stays, followed by Área Metropolitana de Lisboa (22.7%) and the Norte (16.2%).

<sup>1</sup> 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.



Compared with July 2019, overnight stays in the Algarve continued to fall (-6.0%, after -7.4% in June). The other regions continued to grow, particularly the Norte (+21.7%) and the Região Autónoma da Madeira (+21.1%).

Among the seventeen main issuing markets<sup>2</sup>, which represented 86.8% of all nights spent by inbound tourists in July, the fastest-growing markets continued to be

- Canada: 31.4% (+42.4% compared with July 2019); and
- The United States: 14.2% (+58.0% compared with July 2019).

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

- Finland: -23.9%; and
- Belgium: -14.6%.

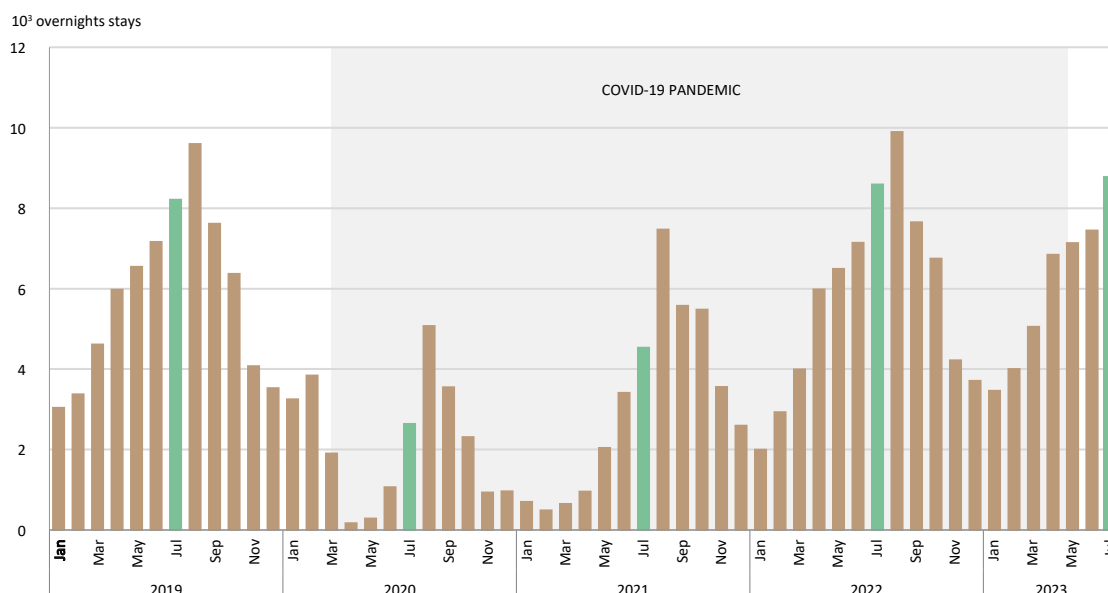
Still, regarding overnight stays by non-residents in July 2023, but compared with the same month in 2019:

- The British market (18.9% of the total) increased by 4.7%;
- The Spanish market (with an 11.7% share) contracted by 0.6%;
- The German market (9.5% share) dwindled by 3.3%; and
- The French market (8.0% share) decreased by 0.3%.

Also compared with June 2019, decreases in the following markets stand out:

- Finnish: 30.6%; and
- Brazilian: 27.4%.

Overnight stays in tourist accommodation establishments per month



In July 2023, 11.2% of tourist accommodation establishments were closed or recorded no guest movement (15.2% in the previous month).

<sup>2</sup> Based on provisional results of overnight stays in 2022.

## Passenger movements at national airports reached all-time highs in the 1<sup>st</sup> half of 2023

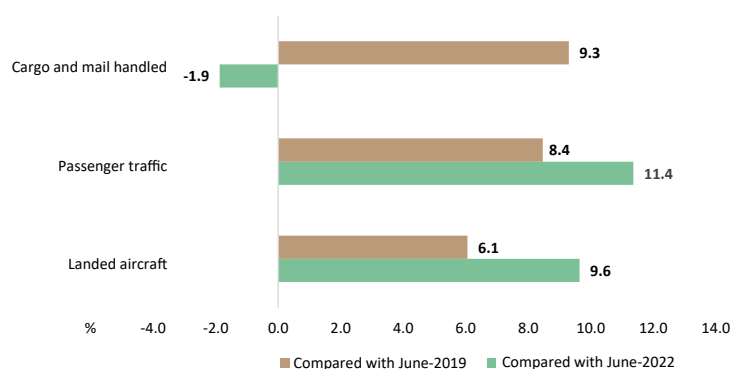
In June 2023, Portuguese airports witnessed:

- The landing of 22.8 thousand commercial flights (+9.6% year-on-year);
- The boardings, disembarkations, and direct transits of 6.4 million passengers (+11.4% year-on-year);
- An average daily disembarking of 107 thousand passengers, 11.6% more than in June 2022; and
- The movement of 17.9 thousand tons of cargo and mail (-1.9% year-on-year).

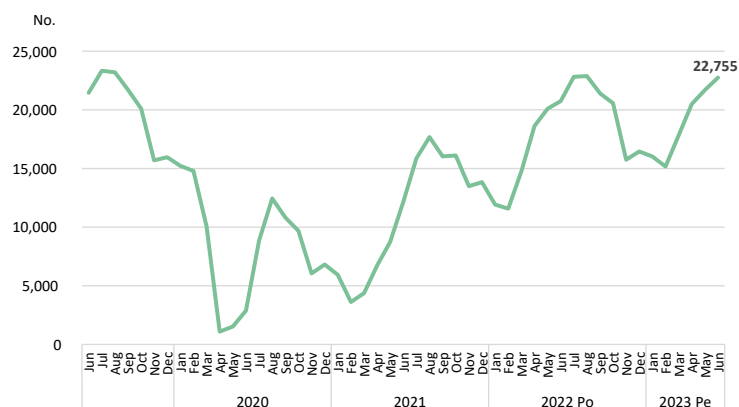
Compared to June 2019, before the pandemic:

- The number of aircraft landed was 6.1% higher;
- The number of passengers increased by 8.4%;
- The average daily number of passengers disembarked increased by 9.1%; and
- The cargo and mail handled increased by 9.3%.

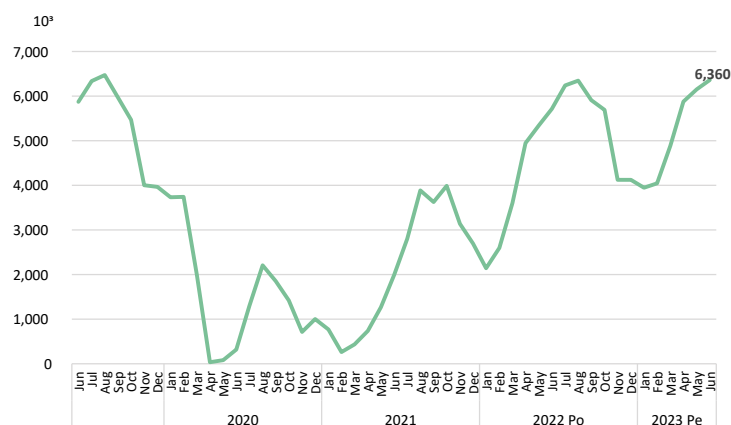
Traffic at national airports, June 2023  
(year-on-year rates of change, %)



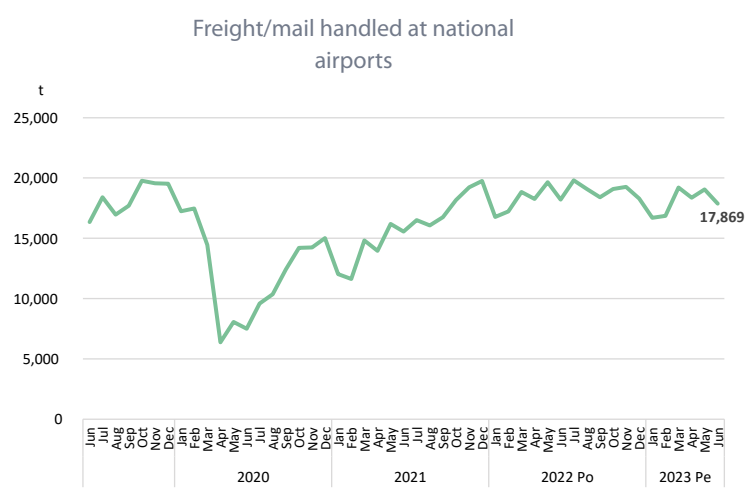
Aircraft landed at national airports



Passenger traffic moving through national airports



Note: Po = Provisional values; Pe = Preliminary value



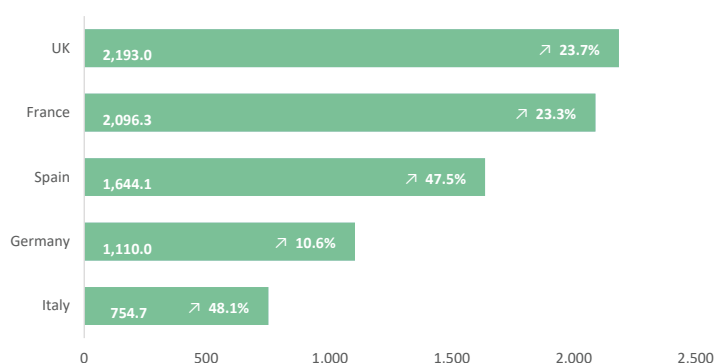
Note: Po = Provisional values; Pe = Preliminary value



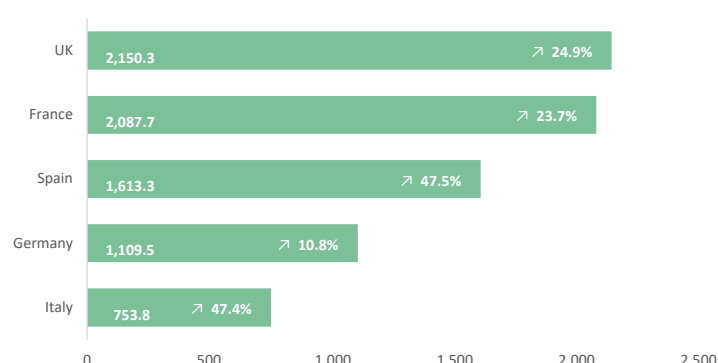
#### From January to June 2023:

- Compared to 2022, the number of passengers increased by 28.4%, while cargo and mail movement slightly decreased (-0.8%);
- Compared to 2019, the number of passengers increased by 12.0%, and cargo and mail movement increased by 9.4%;
- Lisbon airport handled about 15.9 million passengers, 50.8% of the total and 30.9% more than a year before (up by 8.7% from the same period in 2019);
- Porto airport handled 22.6% of all passengers and, compared to 2022, grew by 28.1% (+14.9% regarding the same period in 2019); and
- Faro airport passenger traffic grew by 20.6% (+5.2% compared with January-June 2019).

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



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



More information in:  
Air Transport Flash Statistics – June 2023  
14 August 2023

## Price variations continue their downward trend in July, and GDP slows in the Euro Area and Portugal in Q2

In the Euro Area, year-on-year growth in gross domestic product in volume – in other words, in real terms – slowed by 0.5 pp in Q2 2023, to 0.6%. At the same time, there was a corresponding slowdown of 0.2 pp in Portugal, resulting in year-on-year growth of 2.3%. The Euro Area's gross domestic product chain grew by 0.3%, while Portugal had no change.

As for employment, in the same quarter and in Portugal:

- The labour force grew by 2.0% year-on-year;
- The number of unemployed rose by 8.6% year-on-year (23.3% year-on-year in the previous quarter);
- The unemployment rate was 6.1%, 1.1 pp less than in the previous quarter, but 0.4 pp more than in the same quarter of 2022;
- The labour underutilisation rate was 1.0 pp lower than in Q1, standing at 11.5% and covering 625.3 thousand people (680.7 thousand in the previous quarter);
- Total employment increased by 1.1% compared to the previous quarter and by 1.6% year-on-year (year-on-year change of 0.5% in Q1); and
- The number of hours actually worked rose by 4.4% year-on-year (3.4% in the previous quarter).

In Portugal, total gross monthly earnings rose by 6.7% compared to Q2 2022. In real terms – i.e., considering the effect of inflation by reference to the change in the consumer price index – total gross pay rose by 2.4%.

In monthly terms and from a contextual perspective:

- The economic sentiment indicator fell in the Euro Area in July, extending the downward profile seen since February;
- The raw materials price index recorded a quarter-on-quarter change of 0.9% in July (1.1% in the previous month) and a year-on-year change of -5.2% (-15.9% in June); and
- The average oil price was €72.4 per barrel in July, up 4.9% on the previous month and 34.1% below the price in the same period in 2022.

On the external front, in June and year-on-year terms:

- The implicit prices of goods exports recorded a rate of change of -4.8% (-2.3% in May); and
- Implicit prices of imports of goods fell by -9.1% (-6.5% in May).

In Portugal, in June:

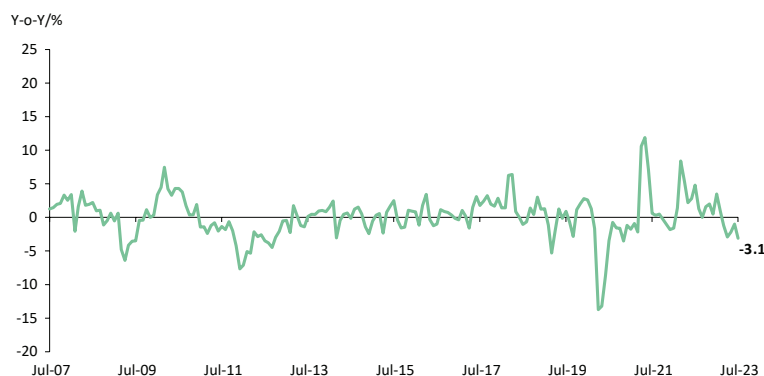
- The short-term indicators for economic activity from the production perspective point to a decrease in Industry, a slowdown in Services, and an acceleration in *Construction*; and
- From an expenditure perspective, the economic activity indicator increased less intensely, with a decrease in the investment indicator and an acceleration in the private consumption indicator.

In Portugal, in July:

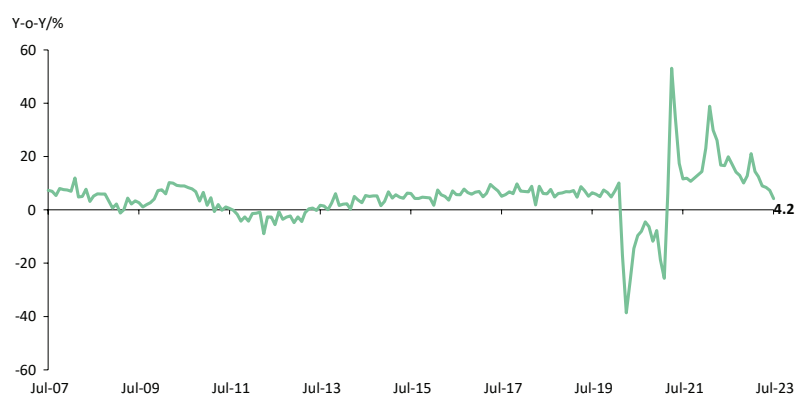
- The year-on-year rate of change in the industrial production price index, down since July 2022 and in negative territory for the last four months (which had not happened since February 2021), recorded a new series low: -6.7%;
- The year-on-year rate of change in the consumer price index slowed by 0.3 pp to 3.1%;
- The economic climate indicator, which summarises questions relating to qualitative business surveys, fell after stabilising in the previous month;

- Average weekday electricity consumption fell by 3.1%, compared to -2.2% in May and -1.0% in June;

Average electricity consumption on working days



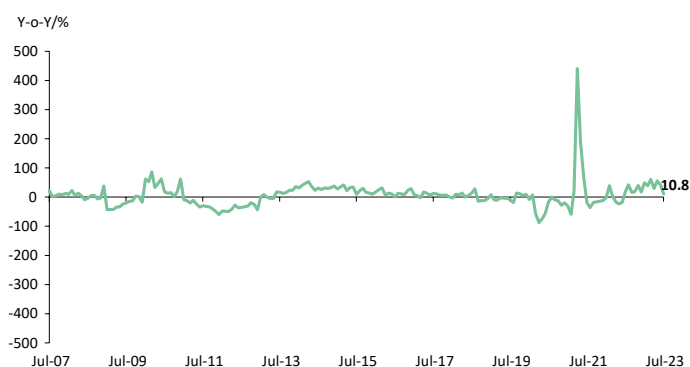
Operations carried out on the Multibanco network (value)



- The overall value of national withdrawals, payments for services and purchases at point-of-sale terminals in the Multibanco network showed an increase of 4.2% (7.3% in the previous month);

Excluding payment services, there was an increase of 4.8% (7.5% in June); and

Passenger car sales



- Sales of passenger cars grew 10.8%, decelerating from the 41.6% recorded in the previous month.



## Consumer confidence and economic climate indicators fall

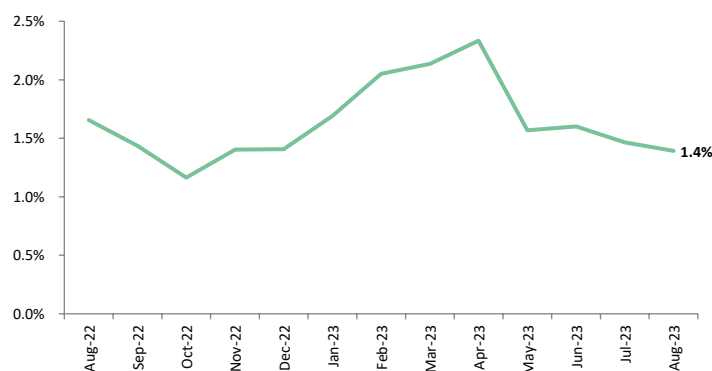
In August 2023:

- The Consumer confidence indicator decreased, not prolonging the ascending trajectory that began in December 2022 and culminated in March in a new high since February 2022;
- The balance of Consumers' opinions about the past evolution of prices decreased, as it had in the three previous months, moving away from the high level it was at in October;
- The economic climate indicator<sup>1</sup> decreased, as it already had in the previous month, after being stable in June;
- Confidence indicators decrease across all sectors (*Manufacturing Industry, Construction and Public Works, Trade and Services*);
- The balance of entrepreneurs' expectations regarding future sales prices:
  - » Increased expressively in *Manufacturing Industry*, interrupting the marked downward trend observed since November 2022 and that culminated in July in a new low since May 2020;
  - » Increased also in *Trade*, after declining uninterruptedly since November and reaching its lowest level since February 2021 in July;
  - » Increased slightly in *Construction and Public Works*, after stabilising in July and decreasing between February and June;
  - » Increased in *Services*, as in the previous month, after declining from February to June.

The information here reported was collected:

- From 1 to 17 August, for the consumer survey; and
- From 1 to 24 August, for the business surveys.

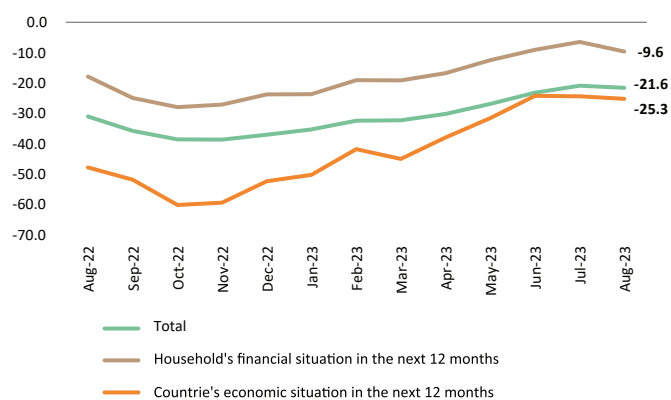
Economic Climate Indicator



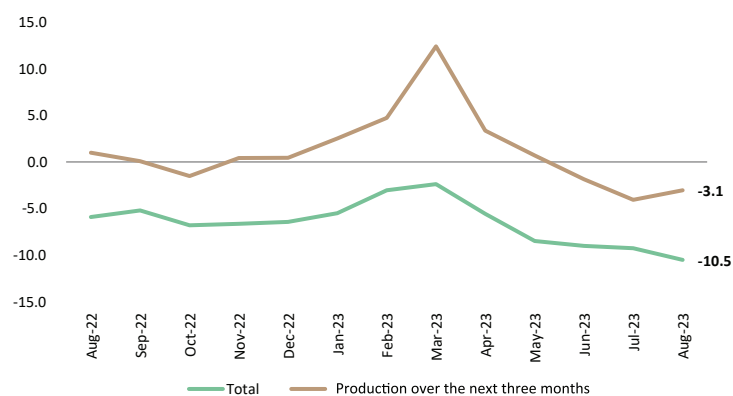
<sup>1</sup> The economic climate indicator summarises the balance of respondents to the business survey questions.

## Confidence indicators (BER\*) (monthly seasonally adjusted basic series values)

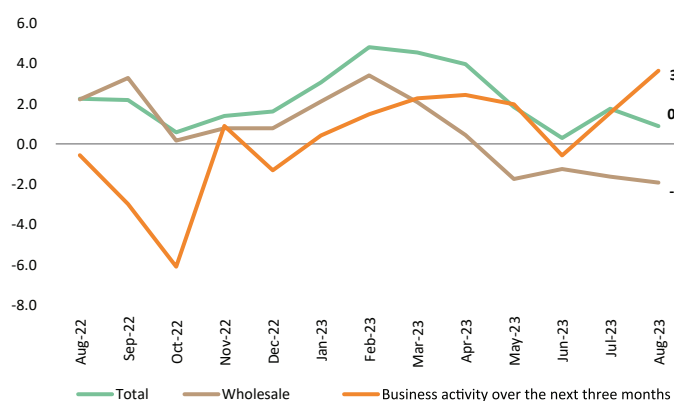
### Consumer Confidence Indicator



### Manufacturing Industry Confidence Indicator



### Trade Confidence Indicator



### Services Confidence Indicator



\* BER — Balance of extreme responses

More information in:  
[Business and Consumer Surveys – August 2023](#)  
30 August 2023





## Retail sales increased by 3.6%

In July, the Retail Trade Turnover Index<sup>1</sup> was up 3.6% from the same month in the previous year, the same rate as last month.

Considering the groupings that make up this index:

- *Food Products* increased 2.5% year-on-year, 0.7 pp less than in June; and
- *Non-food products* accelerated 0.5 pp to a year-on-year growth of 4.4%.

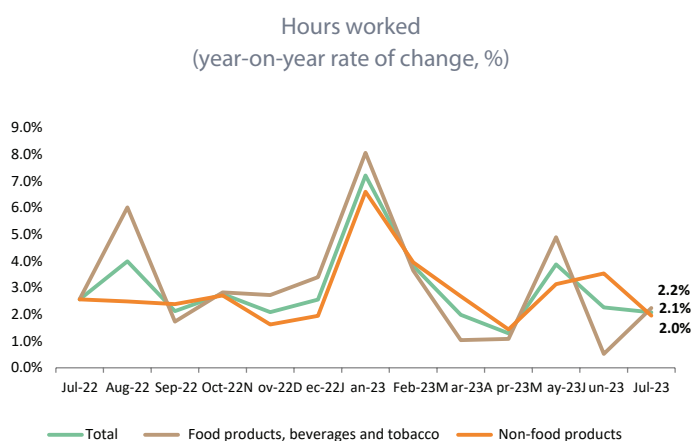
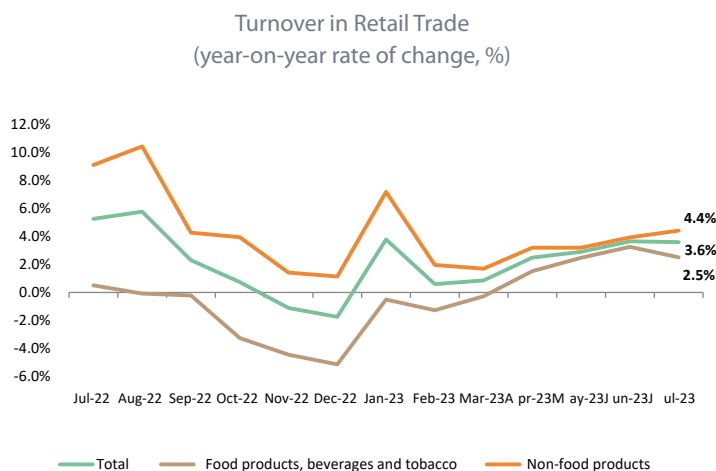
In Retail Trade, the following year-on-year rates of change were also recorded:

- Employment index: 1.7% (1.9% in the previous month);
- Compensation index: 9.8% (12.1% a month before); and
- Hours worked index:<sup>2</sup> 2.1% (2.3% a month earlier).

Month-on-month, the Retail Trade Turnover Index moved into positive ground in July, reaching 1.1%, whereas in June, its value had been negative 1.8%.

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

- Aggregate index: 3.7% (3.1% a month before);
- *Food products*: 7.7% (8.1% in the previous month); and
- *Non-food products*: 0.3% (-0.9% in June).



<sup>1</sup> Total index, adjusted for calendar and seasonality effects, deflated.

<sup>2</sup> Adjusted working hours index of calendar effects.

## Winter cereals production at historic low

As of July 31, it was already clear that:

- The current cereal season is the worst ever for all species, as a result of decreases in both area and productivity;
- Hay and silage had to be used earlier to feed animals raised extensively;
- The spring/summer crops were planted as usual;
- Sixty hydro-agricultural reservoirs have ensured the irrigation campaign, while five remain with irrigation water use restrictions since last year; and
- Cherry production was less than half (-55%) of that recorded in the previous agricultural campaign.

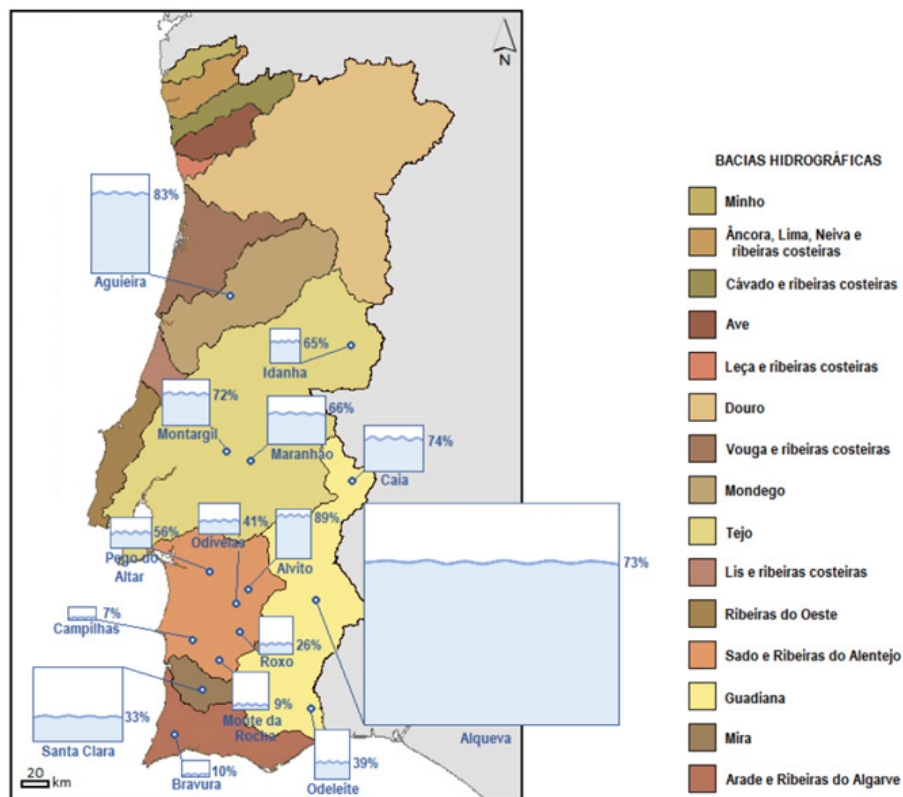
On the same date, agricultural forecasts pointed to:

- An agricultural year once again marked by drought, affecting 96.9% of mainland Portugal, of which 34.4% is in severe or extreme drought (south of the Tagus);
- Normal spring/summer crops, although the recovery in the productivity of tomatoes for industry (+5%) is unlikely to reach the average of the last five years (-4%); and
- Decreased productivity for the second year running in pear (-10%) and apple (-15%) orchards.

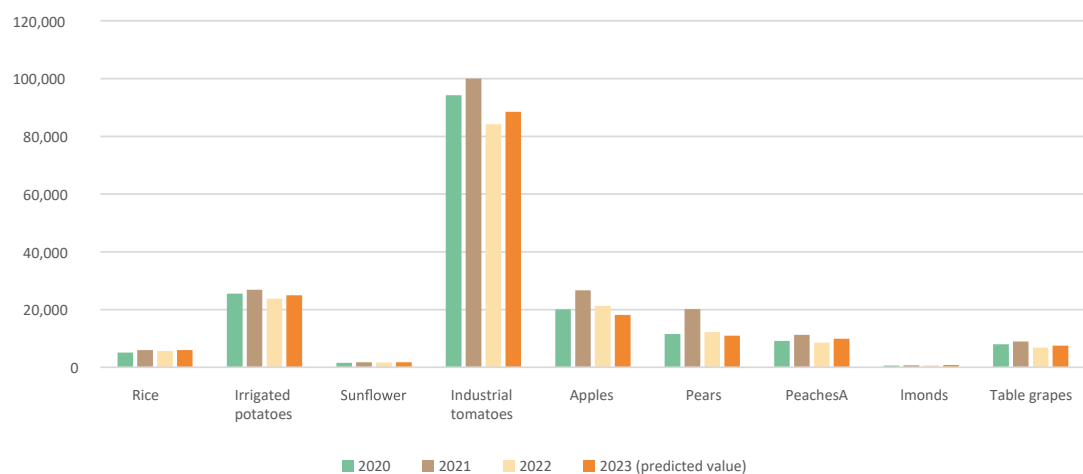




Individual storage (% of total capacity) in the main hydro-agricultural reservoirs  
(31 July 2023)



Produtividade de algumas culturas no Continente, 2020-2022 e previsão da mesma para 2023 (kg/ha)





## Gross Domestic Product in volume grew by 2.3% year-on-year and registered a zero rate of change in the chain

In Q2 2023:

- Gross Domestic Product (GDP), in real terms, recorded a year-on-year change of 2.3% (2.5% in the previous quarter);
- The positive contribution of net external demand to the year-on-year change in GDP was 1.4 pp, lower than the 2.4 pp of the previous quarter, with exports of goods and services decelerating more sharply than imports of goods and services;

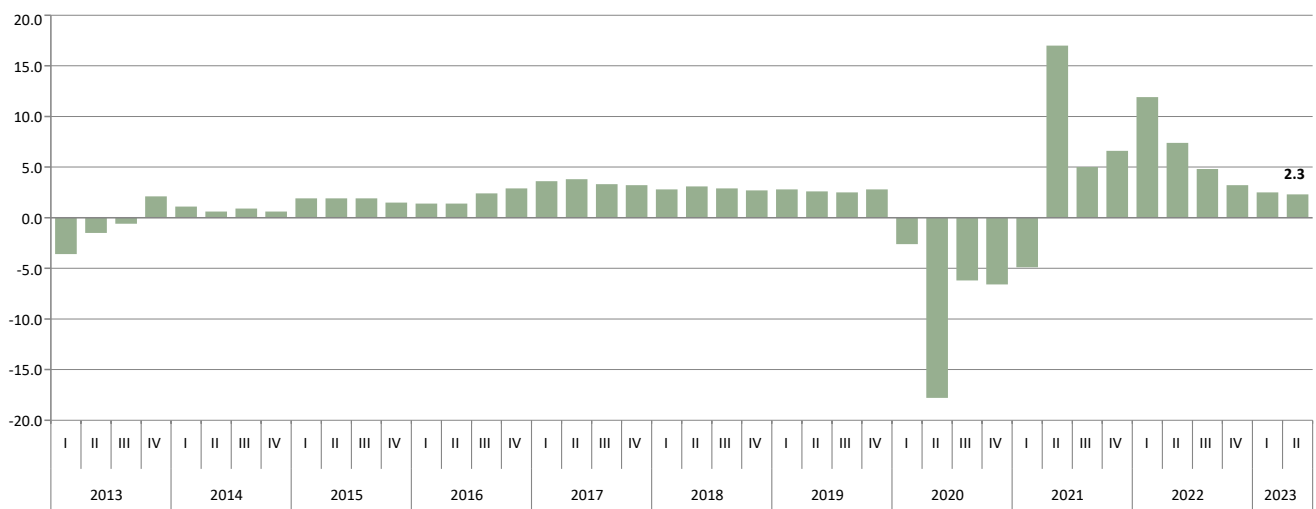
The import deflator variation was significantly lower than in the previous quarter, becoming negative year-on-year and leading to an increase in the terms of trade gains despite the slowdown in the export deflator; and

- In turn, the positive contribution of domestic demand to the year-on-year change in GDP increased from 0.1 pp in the previous quarter to 1.0 pp, with investment decreasing less sharply and private consumption slowing down slightly.

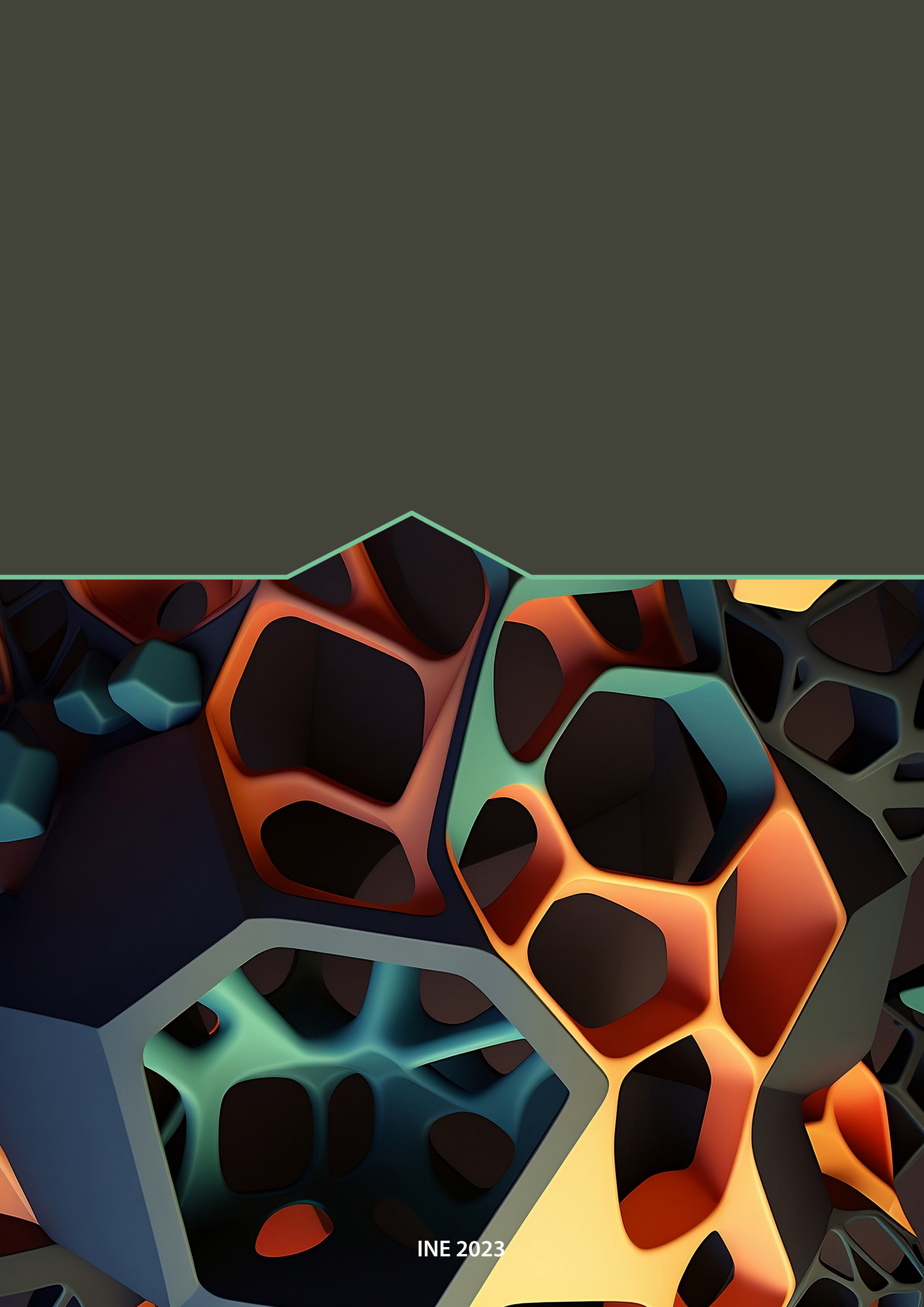
Compared to Q1 2023:

- GDP was stable, having decelerated 1.6% pp from the previous quarter;
- The contribution of net external demand to the GDP quarter-on-quarter change went from a positive 2.3 pp to a negative 0.4 pp because of the fall in exports; and
- Domestic demand's contribution went from a negative 0.7 pp to a positive 0.4 pp, reflecting the acceleration in private consumption and a less intense fall in investment.

Gross Domestic Product in volume (reference year=2016)  
Seasonality and calendar effects adjusted data  
Quarterly year-on-year rate of change, %



More information in:  
[Quarterly National Accounts – Q2 2023](#)  
31 August 2023



INE 2023