



12th November 2010

Quarterly National Accounts – Flash Estimate

3rd Quarter 2010

Gross Domestic Product up by 1.5% in real terms in the 3rd quarter 2010

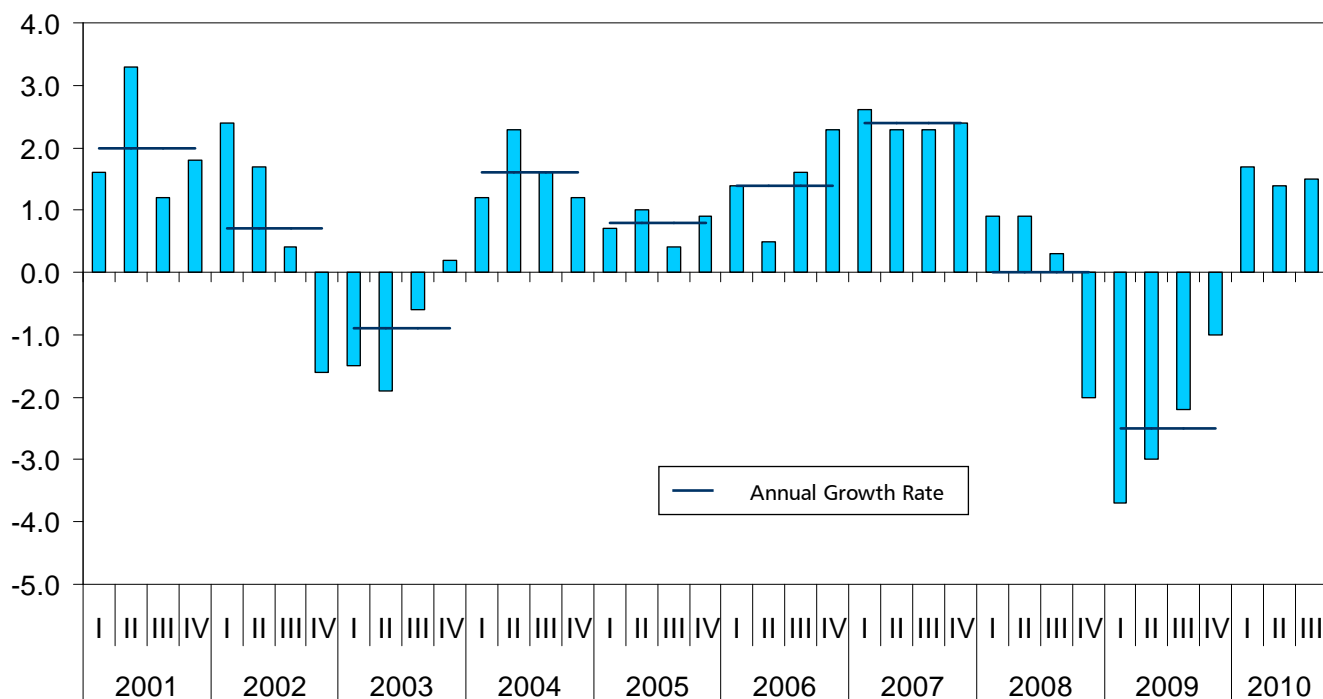
The Flash Estimate of the Portuguese Gross Domestic Product (GDP) points to a year on year growth rate of 1.5% in volume in the 3rd quarter 2010 (1.4% in the previous quarter). Comparing with the previous quarter, the Portuguese GDP grew 0.4%.

In the 3rd quarter the contribution of External Demand Balance for GDP change rate was positive (negative in the previous quarter), with Exports of Goods and Services registering a strong increase. The contribution of Domestic Demand was negative in the 3rd quarter (positive in the 2nd quarter) mainly due to the behaviour of Investment.

Gross Domestic Product

Chain-linked volume data (reference year=2006)

Year on year quarterly change rate, %



This flash estimate includes revisions in the data, with the introduction of the updated information on external trade of goods, in nominal terms since 2009, and in the deflators for the 2nd quarter 2010. The new information implied a downward revision of 0.1 p.p. in the year on year GDP growth rates of the two previous quarters. Concerning 2008 and 2009, it was introduced the updated data on Final Consumption Expenditures of General Government from the last Excessive Deficit Procedure, leading to a small upward revision of GDP volume change rate in 2009.

Gross Domestic Product

Chain linked volume data (reference year=2006)

	Year on Year Quarterly Growth Rate (%)							
	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Flash 3Q 2010	0.3	-2.0	-3.7	-3.0	-2.2	-1.0	1.7	1.4
QNA 2Q 2010	0.3	-2.0	-3.8	-3.1	-2.3	-1.0	1.8	1.5
Flash 2Q 2010	0.3	-2.0	-3.9	-3.2	-2.3	-1.0	1.8	1.4

	Quarter on Quarter Growth Rate (%)							
	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Flash 3Q 2010	-0.6	-1.4	-1.6	0.6	0.2	-0.2	1.1	0.2
QNA 2Q 2010	-0.7	-1.4	-1.8	0.6	0.3	-0.1	1.1	0.3
Flash 2Q 2010	-0.7	-1.4	-1.8	0.6	0.2	-0.1	1.1	0.2

Flash - Flash Estimate (45 days); QNA - Quarterly National Accounts (70 days)

Gross Domestic Product

Chain linked volume data (reference year=2006)

	Annual Growth Rate (%)		
	2007	2008	2009
Flash 3Q 2010	2.4	0.0	-2.5
QNA 2Q 2010	2.4	0.0	-2.6

Flash - Flash Estimate (45 days)

QNA - Quarterly National Accounts (70 days)

2007: definitive data

2008 and 2009: preliminary data

Next Press Release of Quarterly National Accounts

Current estimates of Quarterly National Accounts (detailed results) for the 3rd quarter 2010 will be published in 9th December 2010.



Methodological information about the flash estimate

Flash estimates for GDP constitutes the first synthetic indication on the quarterly behaviour for the Portuguese economy and does not replace the main estimates of Quarterly National Accounts (also designated as current estimates), more accurate and detailed, which is published 70 days after the end of the reference quarter.

These flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. The percentage of basic information available for flash estimates is over 80%. Methods for imputation and forecasting are used in those cases where basic information is not complete, selected after a series of tests performed over a large sample. One must take into consideration that these flash estimates are eventually subject to larger revisions (when compared to current estimates), although the percentage of basic information available is high.

In the real time tests carried out from 2nd quarter 2005 onwards, the mean absolute error for the flash estimate was 0.1 percentage points for both year-on-year quarterly growth rate and quarter-on-quarter growth rate, when compared to the current estimate. However, it must be stressed that in the current economic juncture, characterised by significant price decelerations or even reductions, the difficulty in measuring the behaviour of main macroeconomic aggregates is particularly high, mainly in splitting the nominal change of exports and imports in price and volume changes. It should be reminded that when this estimate is produced the usual information on external trade deflators used in the Quarterly National Accounts compilation is not available.

This press release only includes information on quarter-on-quarter and year-on-year quarterly growth rates in real terms.

Growth rates included in this press release are calculated from chain linked volume data (2006=100). Data is seasonally adjusted.