

17th July, 2008

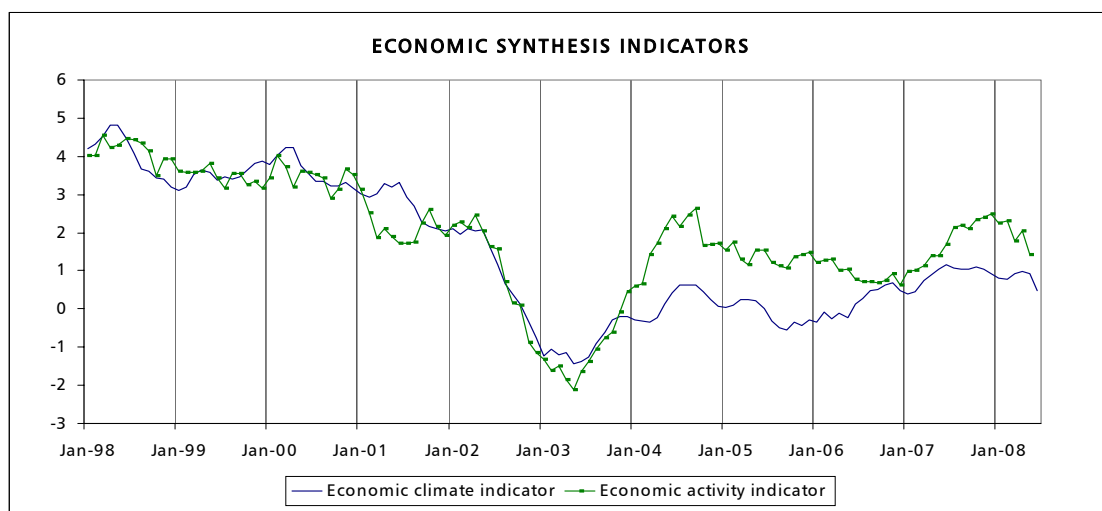
Monthly Economic Survey June 2008

Consumption and investment indicators decline in May. Nominal imports and exports decelerate.

In the Euro Area (EA), the economic sentiment and the consumer confidence indicators maintained in June the downward movement observed since August 2007. In the same month, the oil price and the raw materials price index continued to register high year-on-year growth rates.

On the domestic side, the economic climate indicator, available up to June, and the economic activity indicator, available until May, declined significantly. Concerning the domestic demand, the private consumption might have decelerated in May, as consequence of the decrease observed both in non-durable and durable consumption. The investment indicator also pointed to a deceleration of this variable, due to the reduction recorded in all the components, but mainly in construction. In the same month, on the supply side, the Short Term Indicators information revealed a less dynamic evolution in the services, industry and construction sectors. However, in the last months, the behaviour of these indicators has been partially influenced by calendar effects. In nominal terms, imports (6.4 p.p) and exports (4.8 p.p.) decelerated in May. This behaviour was also partially explained by calendar effects.

In June, year-on-year inflation was 3.4%, 0.6 p.p. more than in the previous month, registering the maximum value of the last two years. The differential between the EA Harmonized Index of Consumer Prices (HICP) and the Portuguese HICP decreased 0.3 p.p. in June, to 0.6 p.p..



Report based on information available up to July 16, 2008.
Next report will be released on August 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. Annualised variation (a.v.). Weight (w.).

Balances: differences between the percentage of respondents giving positive and negative replies.



		Year 2006	Year 2007	Quarter 2 2007	Quarter 3 2007	Quarter 4 2007	Quarter 1 2008	Quarter 2 2008	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08
International background															
GDP of customer countries	s.a/y.r.	3.4	3.0	3.0	3.1	2.7	2.4	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GDP European Union	s.a/y.r.	3.1	2.9	2.9	2.9	2.5	2.3	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GDP Euro Area	s.a/y.r.	2.8	2.7	2.6	2.7	2.2	2.1	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Industrial production index of customer countries	s.a/y.r./3-mma	3.1	2.8	2.7	2.9	2.4	1.7	-	2.4	1.9	2.0	1.7	1.7	0.3	-
Economic Sentiment Indicator in EU	ind/s.a.-3mma	107.5	110.8	113.6	111.4	107.1	101.8	96.6	107.1	105.2	103.1	101.8	100.1	99.0	96.6
Economic Sentiment Indicator in EA	ind/s.a.-3mma	106.3	108.4	111.0	108.7	104.3	100.5	96.5	104.3	103.1	101.8	100.5	99.0	98.1	96.5
Order books in industry of customer countries	balance/s.a.-3mma	-2.2	3.4	6.1	3.9	-0.8	-2.4	-7.8	-0.8	-1.0	-2.5	-2.4	-3.5	-4.9	-7.8
Consumer confidence indicator in EU	balance/s.a.-3mma	-7.6	-4.2	-2.5	-3.1	-6.2	-10.4	-14.0	-6.2	-7.9	-9.2	-10.4	-11.0	-12.0	-14.0
Unemployment rate in EU	s.a/%	8.2	7.1	7.2	7.1	6.9	6.8	-	6.8	6.8	6.8	6.7	6.7	6.8	-
Harmonised index of consumer prices in EA	y.r.	2.2	2.1	1.9	1.9	2.9	3.4	3.6	3.1	3.2	3.3	3.6	3.3	3.7	4.0
Production price index of supplying countries	y.r./3-mma	4.3	3.2	2.7	2.7	4.7	5.7	-	4.7	5.1	5.4	5.7	5.9	6.3	-
Crude oil price (Brent)	Euros	51.9	52.6	50.9	54.5	61.1	64.6	77.8	62.4	62.6	64.4	66.7	69.3	78.9	85.1
Crude oil price (Brent)	y.r.	18.2	1.4	-8.1	-0.2	32.1	46.6	52.8	32.0	51.7	46.3	42.4	38.7	58.7	60.7
Economic activity															
GDP	y.r.	1.3	1.8	1.7	1.6	1.8	0.9	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Economic climate indicator	balance/3-mma	0.2	1.0	1.2	1.0	0.9	0.9	0.5	0.9	0.8	0.8	0.9	1.0	0.9	0.5
Economic activity indicator	3-mma	0.9	1.9	1.7	2.1	2.5	1.8	-	2.5	2.2	2.3	1.8	2.0	1.4	-
Total turnover index	y.r./3-mma	2.6	4.7	4.2	4.0	5.8	3.6	-	5.8	5.0	6.4	3.6	4.3	1.3	-
Manufacturing industry production index	s.a/y.r./3-mma	2.3	3.2	3.4	2.0	2.8	-0.3	-	2.8	0.9	1.7	-0.3	1.0	-1.6	-
Production index in construction	s.a/y.r./3-mma	-6.6	-4.1	-5.0	-3.4	-0.3	-2.8	-	-0.3	-1.0	0.1	-2.8	-0.6	-3.0	-
Retail trade turnover index (real)	y.r./3-mma	1.2	-0.1	-0.7	-0.2	-0.3	2.3	-	-0.3	-0.1	1.3	2.3	1.5	0.4	-
Sales of passenger vehicles	y.r./3-mma	-5.8	3.7	0.4	11.9	10.1	11.5	1.9	10.1	10.0	15.0	11.5	12.8	7.6	1.9
Consumption															
Consumer confidence indicator	balance/3-mma	-34.2	-35.2	-32.9	-35.5	-39.2	-42.9	-44.8	-39.2	-41.4	-42.5	-42.9	-41.8	-43.4	-44.8
Quantitative indicator of private consumption	y.r./3-mma	1.4	2.1	2.3	2.0	2.3	2.2	-	2.3	2.3	2.6	2.2	2.1	1.1	-
Indicator of non-durable consumer goods	y.r./3-mma	1.5	1.6	1.3	1.5	1.7	1.7	-	1.7	1.7	1.7	1.7	1.6	1.2	-
Indicator of durable consumer goods	y.r./3-mma	0.8	5.8	9.2	5.3	7.1	5.7	-	7.1	6.8	8.6	5.7	6.1	0.5	-
Vol. ind. consumption of passenger vehicles	y.r./3-mma	-3.0	6.1	14.1	4.1	6.5	6.0	-	6.5	7.0	11.0	6.0	7.0	-2.2	-
Investment															
GFCF indicator		-3.0	3.5	0.5	2.6	10.8	-1.8	-	10.8	5.8	3.4	-1.8	-0.5	-1.8	-
Cement sales	y.r./3-mma	-7.6	2.1	-2.3	2.0	12.0	-7.4	-	12.0	3.8	1.5	-7.4	-4.6	-	-
Sales of steel for concrete	y.r./3-mma	5.9	-5.9	-3.9	-9.9	-2.9	-8.1	-	-2.9	-3.2	-1.7	-8.1	-7.1	-	-
Credit for purchase of habitation	y.r./stocks	15.6	9.8	9.0	9.8	9.8	9.3	-	9.8	9.8	9.7	9.3	9.2	-	-
Licenses for construction of new habitations	y.r./3-mma	-5.7	-8.6	-12.0	-5.4	-7.0	-11.7	-	-7.0	-10.8	-6.2	-11.7	-7.3	-18.4	-
Machinery and equipment indicator		2.7	4.6	4.0	5.1	5.0	4.5	3.0	5.0	4.6	4.3	4.5	4.4	4.2	3.0
Sales of light commercial vehicles	y.r./3-mma	-7.3	6.3	48.0	-17.5	-7.9	-18.0	-38.1	-7.9	-10.4	-11.0	-18.0	-16.9	-20.2	-38.1
Sales of new heavy commercial vehicles	y.r./3-mma	12.9	6.2	-9.0	-19.8	92.9	19.0	4.6	92.9	53.8	26.4	19.0	17.3	8.8	4.6
External demand															
External demand indicator in value	s.a/y.r./3-mma	12.9	4.3	3.0	5.8	4.2	8.9	-	4.2	5.2	7.2	8.9	8.7	-	-
External order books	balance/3-mma	-14.4	-3.6	-2.0	-1.3	-4.0	-10.3	-12.3	-4.0	-8.0	-9.7	-10.3	-10.0	-11.0	-12.3
Exports of merchandises in value	y.r./3-mma	12.4	8.8	9.8	6.3	5.8	5.3	-	5.8	5.0	8.3	5.3	7.1	2.3	-
Imports of merchandises in value	y.r./3-mma	8.1	7.4	6.6	7.3	12.0	12.1	-	12.0	12.5	15.1	12.1	14.3	7.9	-
Labour market															
Unemployment rate	%	7.7	8.0	7.9	7.9	7.8	7.6	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Employment	y.r.	0.7	0.2	-0.5	0.2	0.9	1.1	-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Unemployed registration along the month	s.a/y.r./3-mma	1.2	-6.5	-3.8	-6.1	-10.7	-0.4	-	-10.7	-10.9	-5.4	-0.4	5.3	7.7	-
Unemployment expectations	balance/3-mma	43.8	42.2	40.4	42.7	45.3	46.6	47.5	45.3	46.6	47.8	46.6	45.2	46.1	47.5
Vacancies along the month	s.a/y.r./3-mma	3.6	13.7	3.0	11.4	25.7	-0.4	-	25.7	15.9	11.6	-0.4	1.4	-3.5	-
Employment indicator (short-term statistics)	y.r./3-mma	-1.9	-0.4	-0.8	-0.3	0.4	0.7	-	0.4	0.6	0.7	0.7	0.7	0.7	-
Average declared wages	s.a/y.r./3-mma	3.5	3.5	3.5	3.6	3.3	4.0	-	3.3	3.4	3.3	4.0	3.9	3.8	-
Wage negotiation	av/3-mmaq.w.	2.8	2.9	2.9	2.9	3.2	2.9	-	3.2	3.6	3.4	2.9	2.8	3.1	-
Prices and exchange rates															
Consumer price index	y.r.	3.1	2.5	2.5	2.2	2.7	2.9	2.9	2.7	2.9	2.9	3.1	2.5	2.8	3.4
Core inflation indicator	y.r.	2.0	1.9	1.9	2.0	2.1	2.3	2.1	2.2	2.3	2.3	2.4	2.1	2.1	2.1
Consumer price index - goods	y.r.	3.2	2.2	2.3	1.8	2.5	2.6	2.9	2.5	2.5	2.6	2.8	2.3	2.8	3.7
Consumer price index - services	y.r.	2.9	2.9	3.1	2.9	3.0	3.5	2.8	3.0	3.4	3.4	3.6	2.8	2.8	2.8
Manufacturing industry production price index	y.r./3-mma	4.6	2.5	1.7	1.7	5.2	7.2	-	5.2	6.1	6.5	7.2	7.2	7.5	-
Effective exchange rate index for Portugal	y.r.	0.2	0.8	0.7	0.6	1.3	1.6	-	1.2	1.6	1.5	1.8	1.9	1.8	-
Exchange rate eur/USD	y.r.	0.9	9.1	7.3	7.9	12.4	14.4	15.9	10.3	13.2	12.8	17.3	16.5	15.1	15.9
Exchange rate USD/Euro	USD	1.256	1.371	1.348	1.374	1.449	1.500	1.562	1.457	1.472	1.475	1.553	1.575	1.556	1.555
Exchange rate eur/JPY	y.r.	6.6	10.4	13.2	9.3	7.9	0.8	0.3	5.6	1.4	0.2	0.9	0.5	-0.6	1.0