

05 August, 2015

## Perspectives on Exports of Goods

2015 – 2<sup>nd</sup> Forecast

### **Enterprises expect a 3.4% nominal increase in export of goods in 2015**

The perspectives of the exporting enterprises point to a nominal increase of 3.4% in exports of goods in 2015 vis-à-vis 2014, corresponding to a revision of +0.9 percentage points in the forecast made in November 2014 (+2.5%). This upward revision is fully due to a revision of +1.3 percentage points in Intra-EU exports, corresponding to a 3.0% increase, while the enterprises revised downwards (-0.4 percentage points) their forecast initially made in November for the Extra-EU exports, to a 4.3% increase.

Excluding *Fuels and lubricants*, enterprises are expecting a 4.5% nominal growth in exports in 2015.

In this Press release, Statistics Portugal disseminates the main statistical findings from the survey on Perspectives of Exports of Goods (IPEB), corresponding to the 2<sup>nd</sup> forecast for the nominal variation of exports expected by the enterprises in 2015. This survey was conducted during May/June 2015, before the recent developments in the Chinese stock market.

### **Enterprises expect a 3.4% nominal increase in export of goods in 2015**

In 2015, the perspectives of exporting enterprises point to a 3.4% increase in exports when compared with 2014 (+4.3% in Extra-EU Trade and +3.0% in Intra-EU Trade). When excluding *Fuels and lubricants* from the group of exporting products, a 4.5% nominal increase is expected in International Trade (+6.6% in Extra-EU Trade and +3.8% in Intra-EU Trade). It should be remembered that according to International Trade in Goods Statistics, exports of goods increased by 1.8% in 2014, in nominal terms, vis-à-vis the previous year (+4.2% excluding *Fuels and lubricants*).

In terms of Broad Economic Categories (BEC), in the Extra-EU market the emphasis went to the increase expected in exports of *Transport equipment and parts and accessories thereof* (+26.4%) and the reduction in exports of *Food and beverages* (-2.1%). In the Intra-EU Trade, it should be mentioned the expected growths in *Capital goods and parts and accessories thereof* (+6.5%) and in *Transport equipment and parts and accessories thereof* (+6.3%).

### Perspectives of the Enterprises on Exports of Goods - Annual rate of change 2015/2014

	EXTRA-EU	INTRA-EU	INTERNATIONAL
<b>TOTAL</b>	4.3%	3.0%	<b>3.4%</b>
TOTAL excluding <i>Fuels and lubricants</i>	6.6%	3.8%	<b>4.5%</b>
Of which (BEC):			
<i>Food and beverages</i>	-2.1%	0.8%	<b>-0.3%</b>
<i>Industrial supplies not elsewhere specified</i>	7.2%	1.5%	<b>3.1%</b>
<i>Capital goods (except transport equipment), and parts and accessories thereof</i>	4.7%	6.5%	<b>5.9%</b>
<i>Transport equipment and parts and accessories thereof</i>	26.4%	6.3%	<b>8.2%</b>
<i>Consumer goods not elsewhere specified</i>	7.3%	5.0%	<b>5.4%</b>

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

### The enterprises revised upwards their forecast, made in November 2014, concerning the evolution of exports of goods in 2015

In the 1<sup>st</sup> forecast for 2015, made in November 2014, enterprises point to a nominal increase of 2.5% in exports of goods in 2015.

In the 2<sup>nd</sup> forecast for 2015, enterprises were requested to update their perspectives for 2015, and an upward revision of 0.9 percentage points (p.p.) was recorded vis-à-vis the first forecast, corresponding to a 3.4% nominal growth of the exports of goods in 2015.

This upward revision is fully due to a revision of +1.3 p.p. in Intra-EU exports, corresponding to a 3.0% increase, while the enterprises revised downwards (-0.4 p.p.) their forecast initially made in November for the Extra-EU exports, to a 4.3% increase.

### Perspectives of the Enterprises on Exports of Goods - Revision of the annual rate of change 2015/2014

	EXTRA-EU	INTRA-EU	INTERNATIONAL
<b>1<sup>st</sup> forecast</b> (november 2014)	4.7%	1.7%	<b>2.5%</b>
<b>2<sup>nd</sup> forecast</b> (may 2015)	4.3%	3.0%	<b>3.4%</b>

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

The surveyed enterprises pointed as the main reason for the revision in their perspectives vis-à-vis the 1<sup>st</sup> forecast, the different performance, compared to what was expected, of most of their usual destination markets, both in Intra-EU and Extra-EU Trade.

## 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 2<sup>nd</sup> forecast for the nominal variation of exports expected by the enterprises in 2015.

The survey was based on a sample of operating exporting enterprises, located in Portugal, with export values declared in International Trade in Goods statistics above EUR 250 000 in 2014 (sum of Intra-EU Trade (via Intrastat System) and Extra-EU Trade (via Customs declarations)). The total number of enterprises surveyed was 3 032, which represented around 90% of the total exports of goods in 2014.

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 2014 International Trade in Goods statistics);
- 2) Enterprises belonging to NACE Rev. 2 - three digits classification (group) – with a sampling representativeness below or equal to 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 BEC (Broad Economic Categories) Classification with single digit classification.

With regard to the response rate, 97% of enterprises responded, corresponding to 99% of total value of exports of the sample in 2014.

Data broken down by BEC is based on the distribution of monthly data declared by the surveyed enterprises within the scope of the International Trade in Goods statistics for the year 2014.

For methodological reasons, the scope of IPEB could not be the same as for International Trade in Goods statistics, because IPEB does not include exports of specific goods and movements (of which electricity) 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 registered in International Trade in Goods Statistics, however it’s not possible to survey this 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 this 2<sup>nd</sup> forecast for 2015, enterprises were requested to indicate the main reasons for the revision in their perspectives vis-à-vis the 1<sup>st</sup> forecast made in November 2014, 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.*