

Perspectives on Exports of Goods

2018 – 2nd Forecast

Enterprises expect a 6.4% nominal increase in exports of goods in 2018, corresponding to an upward revision (+0.7 p.p.) in the 1st forecast made in November 2017

The perspectives of the exporting enterprises point to a nominal increase of 6.4% in exports of goods in 2018, corresponding to an upward revision of 0.7 percentage points (p.p.) in the 1st forecast made in November 2017. This revision results from the upward revision of the perspectives in Intra-EU exports (+1.0 p.p. to an increase of 7.3%) and the downward revision in Extra-EU exports (-0.2 p.p. to an increase of 3.7%).

Excluding *Fuels and lubricants*, enterprises are expecting a 7.1% increase in 2018 (+0.2 p.p. in comparison to the 1st forecast).

In this Press release, Statistics Portugal disseminates the main statistical findings from the survey on Perspectives of Exports of Goods (IPEB), carried out in May 2018, corresponding to the 2nd forecast for the nominal variation of exports of goods expected by the enterprises in 2018.

Enterprises expect a 6.4% nominal increase in exports of goods in 2018

The perspectives of exporting enterprises point to a 6.4% increase in exports of goods in 2018 when compared with the previous year. Enterprises foresee an increase of 3.7% in exports for Extra-EU countries and by 7.3% for Intra-EU markets.

Excluding *Fuels and lubricants*, exporting enterprises are expecting higher growths: +7.1% in International trade, +4.9% in Extra-EU trade and +7.8% in Intra-EU trade.

In terms of Broad Economic Categories (BEC), the emphasis goes to the expected increase in exports of *Transport equipment and parts and accessories thereof*, in both Extra-EU and Intra-EU trade (+31.7% and +22.6%, respectively).

Perspectives of the Enterprises on Exports of Goods Annual nominal rate of change 2018/2017

	EXTRA-EU	INTRA-EU	INTERNATIONAL
TOTAL	3.7%	7.3%	6.4%
TOTAL excluding <i>Fuels and lubricants</i>	4.9%	7.8%	7.1%
Of which (BEC):			
<i>Food and beverages</i>	1.2%	1.9%	1.7%
<i>Industrial supplies not elsewhere specified</i>	1.9%	3.7%	3.3%
<i>Capital goods (except transport equipment), and parts and accessories thereof</i>	3.7%	6.5%	5.7%
<i>Transport equipment and parts and accessories thereof</i>	31.7%	22.6%	24.1%
<i>Consumer goods not elsewhere specified</i>	-4.3%	3.6%	2.0%

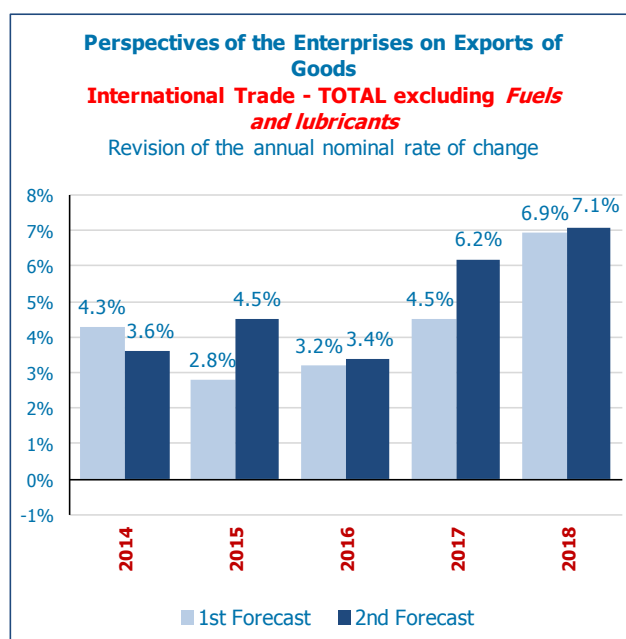
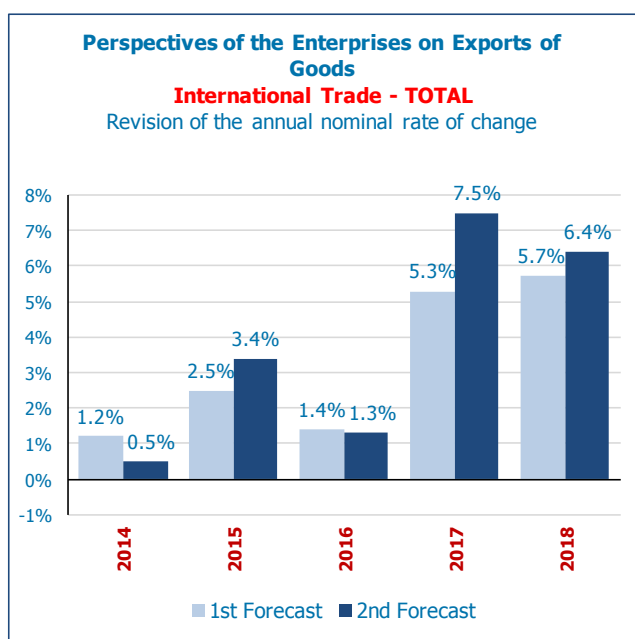
Source: Statistics Portugal, Survey on the Perspectives of the Exports of Goods

Enterprises revised upwards their forecast for exports of goods in 2018

On the 2nd forecast for 2018, carried out in May 2018, enterprises revised upwards their perspectives of growth to +6.4% (+0.7 p.p. comparing with the 1st forecast, carried out in November 2017).

This upward revision in the International Trade results from the updating of the perspectives of exports for the European Union (+1.0 p.p. to an increase of 7.3%), mainly in the categories *Fuels and lubricants* and *Transport equipment and parts and accessories thereof*. Enterprises indicated the better performance compared to what was expected in most of their usual destination markets and the changes in prices as the main reasons for this upward revision.

The perspectives concerning Extra-EU exports decreased by 0.2 p.p., to an increase of 3.7%.



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

EXPLANATORY NOTES

In view of the growing importance of the evolution of exports of goods in portraying the economy, Statistics Portugal promotes this survey (IPEB) by using a representative sample of exporting enterprises. The IPEB allows gathering and summarizing the perspectives of the nominal variation of exports for each enterprise. It provides prospective data, following the example of other surveys conducted by Statistics Portugal, namely the Investment Survey (Business), with which shares some characteristics. This new statistical operation started after the end of the New Orders in Industry Index (Total, Internal market and Foreign market), based on a monthly survey. The figures correspond to the **2nd forecast for the nominal variation of exports expected by the enterprises in 2018**.

The survey was based on a sample of operating exporting enterprises, located in Portugal, with export values declared in International Trade in Goods statistics (ITGS) above EUR 250 000 in 2016 (sum of Intra-EU Trade (via Intrastat System) and Extra-EU Trade (via Customs declarations)) or in 2017 for new exporting enterprises. The total number of enterprises surveyed was 3 164, which represented around 90% of the total exports of goods.

The enterprises were selected according to the following parameters:

Non sampling component:

- 1) Enterprises with a total of exports \geq EUR 3 million in value (based on values declared in 2016/2017 ITGS);
- 2) Enterprises belonging to NACE Rev. 2 - three digits classification (group) – with a sampling representativeness \leq 3 enterprises.

Sampling component:

- 1) By sorting the remaining enterprises in a descending order of the total of exports, a selection was made in each NACE group:
 - a. Enterprises able to reach 15% of the total of exports, if the non sampling weight is \geq 80%;
 - b. Enterprises able to reach 35% of the total of exports, if the non sampling weight is \geq 60% and $<$ 80%;
 - c. Enterprises able to reach 55% of the total of exports, if the non sampling weight is $<$ 60%.
- 2) By including relevant enterprises in terms of representativeness within the Broad Economic Categories Classification (BEC) with single digit classification.

The response rate was 97%, corresponding to 98% of the exported value of the sampled enterprises.

Data broken down by BEC was based on the distribution of data declared by the respective enterprises within the scope of ITGS in the year 2016 or in the year 2017 for new exporting enterprises.

The results of this survey, as they are based in growth perspectives, may differ from the observed values in ITGS and should be seen as indicating trends, which depend on the information available in the enterprises during the time of response to IPEB. For methodological reasons, the scope of IPEB could not be the same as for ITGS, because IPEB does not include exports of specific goods and movements (of which electricity), estimates and does not comprise, in the reference population, special (foreign) enterprises acting as “traders” in Portugal. These “traders” are natural or legal persons not registered for VAT in Portugal, however they are responsible for presenting customs declarations lodged in Portuguese Customs. These movements are included in ITGS, however it’s not possible to survey these enterprises, because they are not registered for VAT in Portugal. To allow a better coverage of the results, this difference concerning foreign enterprises belonging to national economic groups was minimized with a special treatment in order to include their exports in IPEB.

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