

14 February 2020

Quarterly National Accounts – Flash Estimate

Fourth Quarter 2019 and Year 2019

GDP grew 2.2% year-on-year in the fourth quarter 2019 and 2.0% in the year 2019

The Portuguese Gross Domestic Product (GDP) increased by 2.2% in volume in the fourth quarter of 2019 (0.3 percentage points above the rate of the previous quarter). The contribution of net external demand to the year-on-year GDP rate of change was positive in the fourth quarter, after being negative in the previous quarters, with Exports of Goods and Services accelerating and Imports of Goods and Services decelerating. Domestic demand’s positive contribution decreased, with a slowdown of private consumption and Gross Fixed Capital Formation.

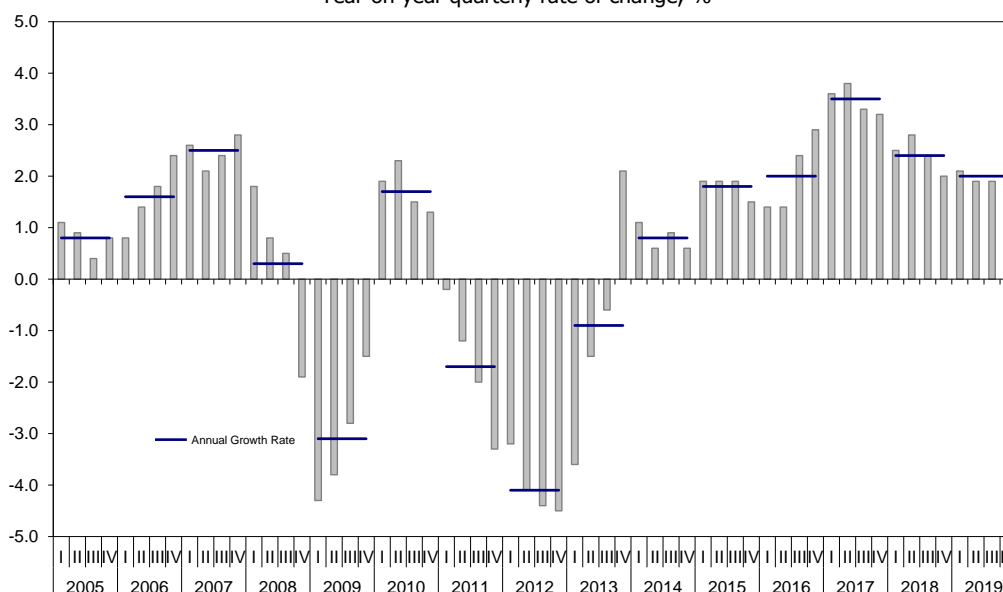
When compared with the third quarter of 2019, GDP increased by 0.6% in real terms (0.4% in the previous quarter). The contribution of net external demand to the quarter-on-quarter GDP rate of change shifted from negative to positive in the fourth quarter, while the contribution of domestic demand was negative, after being positive in the previous quarter.

In 2019, GDP recorded a real growth rate of 2.0%, 0.4 percentage points less than in the previous year. This evolution was driven by the less intense positive contribution of domestic demand, reflecting the growth of private consumption at a slower pace. Net external demand presented a slightly less negative contribution than in 2018, with a deceleration of both Exports and Imports of Goods and Services.

Gross Domestic Product

Chain-linked volume data (reference year=2016)

Year-on-year quarterly rate of change, %



This flash estimate includes revisions in the basic data, particularly due to updated information on external trade of goods and on short term indicators. This new set of information implied revision on the GDP quarter-on-quarter rate of change of the previous quarter.

Gross Domestic Product

Chain linked volume data (reference year=2016)

	Year-on-Year Quarterly Growth Rate (%)								
	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Flash 4Q 2019	3.2	2.5	2.8	2.4	2.0	2.1	1.9	1.9	2.2
QNA 3Q 2019 (85 days)	3.2	2.5	2.8	2.4	2.0	2.1	1.9	1.9	

	Quarter-on-Quarter Growth Rate (%)								
	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19
Flash 4Q 2019	0.8	0.5	0.8	0.4	0.4	0.6	0.6	0.4	0.6
QNA 3Q 2019 (85 days)	0.8	0.5	0.8	0.4	0.4	0.6	0.6	0.3	

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

	Flash Estimate		
	2017	2018	2019
Annual Growth Rate (%)	3.5	2.4	2.0

2017: final data; 2018: provisional data; 2019: preliminary data

Methodological information about the flash estimates

Flash estimates for GDP constitute the first synthetic indication on the quarterly behaviour for the Portuguese economy and do not replace the main estimates of Quarterly National Accounts (also designated as current estimates), more accurate and detailed, which are published at t+2 months (approximately 60 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 the cases where basic information is not complete, selected after a series of tests performed over a large sample. One must take into consideration that the flash estimates might be 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 the second quarter 2005 onwards, the mean absolute error for the flash estimate was 0.1 percentage points for both year-on-year quarterly change rate and quarter-on-quarter change rate, when compared to the current estimate. It should be reminded that the usual information on Quarterly Unit Value Indices for International Trade in Goods used in the compilation of the current estimates of the Quarterly National Accounts is not available when this flash estimate is produced.

This press release only includes information on quarter-on-quarter and year-on-year quarterly change rates in real terms. Change rates included in this press release are calculated from chain-linked volume data (2016=100). Data are calendar and seasonally adjusted.

Next Press Release of Quarterly National Accounts

Current estimates of Quarterly National Accounts (detailed results) for the fourth quarter of 2019 will be published in 28th February 2020.