



31 October 2022
QUARTERLY NATIONAL ACCOUNTS (Base 2016) – Flash Estimate at 30 days
Third Quarter 2022

**GROSS DOMESTIC PRODUCT IN VOLUME INCREASED BY 4.9% IN YEAR-ON-YEAR TERMS
AND BY 0.4% COMPARED TO THE PREVIOUS QUARTER**

Gross Domestic Product (GDP), in real terms, registered a year-on-year rate of change of 4.9% in the third quarter of 2022 (7.4% in the previous quarter). The contribution of domestic demand to the year-on-year growth rate of GDP decreased in the third quarter, with a deceleration in private consumption and in investment. The positive contribution of net external demand to the year-on-year growth rate of GDP also decreased, with a deceleration in volume of Exports of Goods and Services more intense than that of Imports. As a result of the sharp growth of the imports deflator, higher than that observed in exports, there was a significant loss in the terms of trade, in year-on-year terms, for six consecutive quarters, although in the third quarter of 2022 it was less intense than in the previous quarter.

Compared to the second quarter of 2022, GDP increased by 0.4% in volume, 0.3 percentage points higher than in the previous quarter. The contribution of domestic demand to the quarter-on-quarter rate of change of GDP turned positive, highlighting the growth of private consumption despite the acceleration of consumer prices, while the contribution of net external demand was lower than in the previous quarter.

Figure 1. Gross Domestic Product
Chain linked volume data (reference year=2016)

| | Year-on-Year Rate of Change (%) | | | | | | | | |
|-------------------------|---------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 3Q 20 | 4Q 20 | 1Q 21 | 2Q 21 | 3Q 21 | 4Q 21 | 1Q 22 | 2Q 22 | 3Q 22 |
| Flash 3Q 2022 (30 days) | -6.2 | -6.6 | -4.9 | 17.0 | 5.0 | 6.6 | 12.0 | 7.4 | 4.9 |
| QNA 2Q 2022 (85 days) | -6.2 | -6.6 | -4.9 | 17.0 | 5.0 | 6.6 | 12.0 | 7.4 | |
| QNA 2Q 2022 (60 days) | -6.3 | -6.8 | -5.4 | 16.5 | 4.4 | 5.9 | 11.8 | 7.1 | |

| | Quarter-on-Quarter Rate of Change (%) | | | | | | | | |
|-------------------------|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 3Q 20 | 4Q 20 | 1Q 21 | 2Q 21 | 3Q 21 | 4Q 21 | 1Q 22 | 2Q 22 | 3Q 22 |
| Flash 3Q 2022 (30 days) | 14.6 | 0.4 | -2.6 | 4.4 | 2.8 | 1.9 | 2.4 | 0.1 | 0.4 |
| QNA 2Q 2022 (85 days) | 14.6 | 0.4 | -2.6 | 4.4 | 2.8 | 1.9 | 2.4 | 0.1 | |
| QNA 2Q 2022 (60 days) | 14.7 | 0.3 | -2.9 | 4.4 | 2.7 | 1.7 | 2.5 | 0.0 | |

Flash - Flash Estimate; QNA - Quarterly National Accounts

This flash estimate incorporates new primary information, namely regarding international trade in goods for the second quarter of 2022. This new set of information did not imply revisions in the year-on-year and quarter on quarter rates of change of GDP in comparison with the dissemination of the results of the Quarterly Sector Accounts on September 23, 2022.



Figure 2. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data
Year-on-year rate of change, %

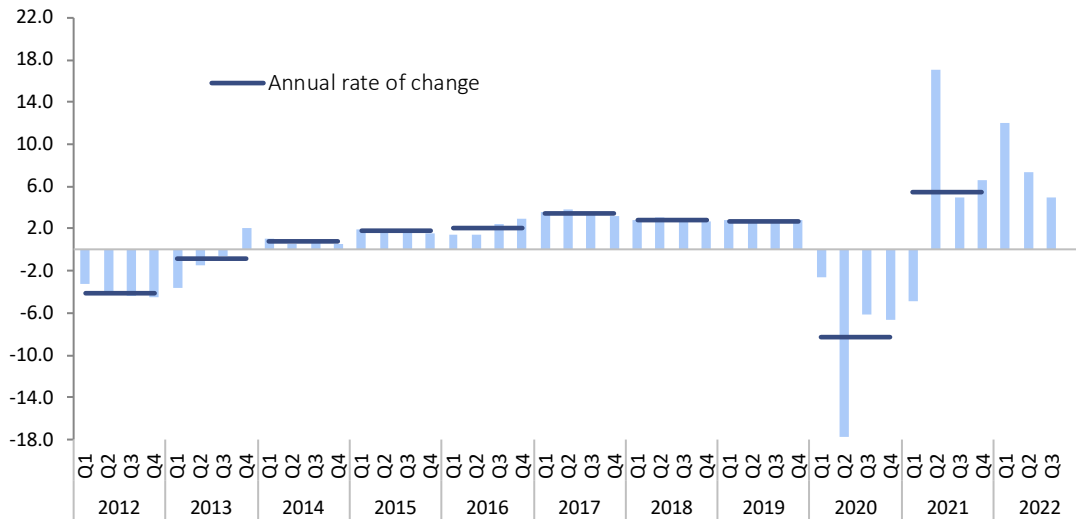
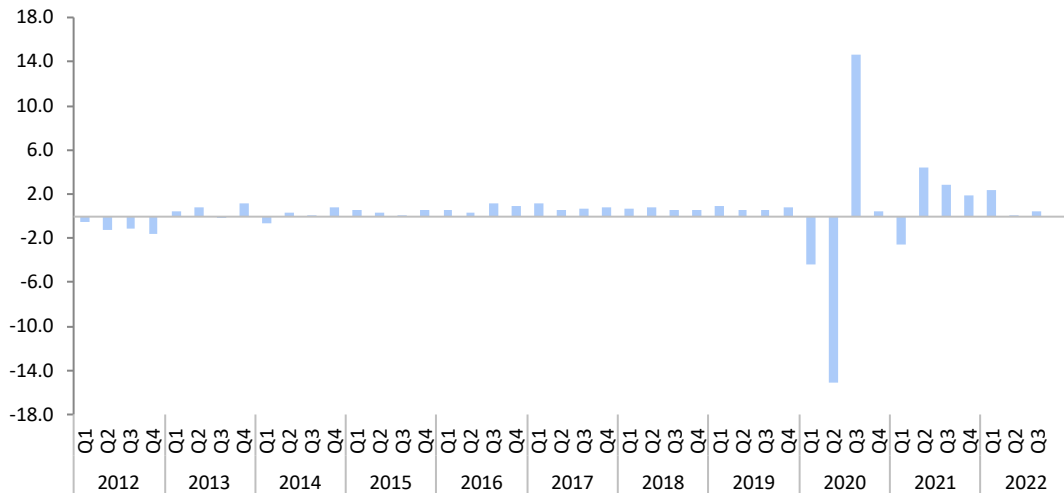


Figure 3. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data
Quarter-on-quarter rate of change, %





METHODOLOGICAL INFORMATION ABOUT THE FLASH ESTIMATES

The publication of quarterly data of the National Accounts is made at t+30 days (GDP flash estimate), t+60 days (detailed results for GDP and its components) and t+85 days (detailed results by institutional sector). It should be recalled that the flash estimates of the rates of change of quarterly GDP in volume are released 30 days after the reference quarter since the second quarter of 2020.

Since the first quarter 2017, when the testing period for the compilation of the GDP flash estimate at t+30 days started, the mean absolute revision vis-à-vis the GDP year-on-year rate of change in volume released at t+60 days was 0.1 percentage points and the revision never exceeded 0.3 percentage points. The magnitude of these revisions is similar to other Member-States.

The flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. It stands out in particular:

- The preliminary version for the short-term statistics for the month of September (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The balance of payments provisional information for the month of September;
- The latest version for international goods trade statistics corresponding to the flash estimate flash estimate released on October 28, 2022. To estimate the deflators for external trade of goods, the unit value monthly indices were used, calculated based on the international goods trade statistics for July and August 2022.

As mentioned in previous editions, in order to reduce the impacts caused by the COVID-19 pandemic on the quality of the primary information used, sources of complementary information have been incorporated, particularly within the scope of the electronic system for issuing invoices and automatic communication to the Tax Authority (e-invoice system) and operations on the automatic teller machines of the Multibanco network.

Understandably, the early publication of the present data carries a greater risk of higher revisions, reflecting the pandemic related uncertainty and the smaller amount of available primary information. However, this early release of macroeconomic information, allows the alignment of Portugal with other EU countries which are, generally, important economic partners.

These results are calculated from chain-linked volume data (2016=100) and data are calendar and seasonally adjusted.

Next Press Release of Quarterly National Accounts - Detailed estimates of Quarterly National Accounts for the third quarter of 2022 will be released on November 30, 2022.
