



30 November 2022  
QUARTERLY NATIONAL ACCOUNTS (Base 2016)  
Third Quarter 2022

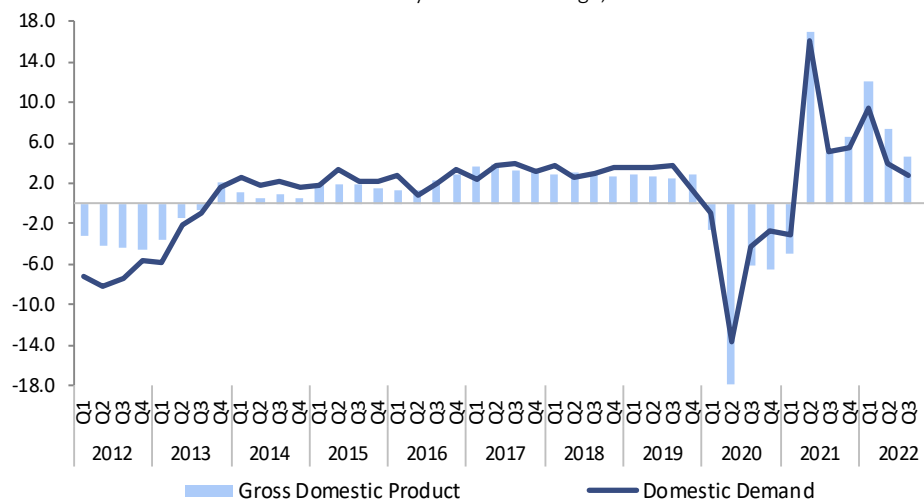
## GROSS DOMESTIC PRODUCT IN VOLUME RECORDED A YEAR-ON-YEAR GROWTH RATE OF 4.9% AND 0.4% COMPARED WITH THE PREVIOUS QUARTER

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 rate of change of GDP decreased in the third quarter of 2022, moving from 4.0 to 2.9 percentage points, with a slightly less intense growth of private consumption and a reduction of investment, determined by Changes in Inventories. The positive contribution of net external demand to the year-on-year rate of change of GDP also decreased to 2.0 percentage points (3.3 in the previous quarter), as a result of the more pronounced deceleration, in volume, of Exports of Goods and Services compared to Imports of Goods and Services. 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 the sixth consecutive quarter, although 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 more than in the previous quarter. The contribution of domestic demand to the quarter-on-quarter rate of change of GDP turned positive, to 0.4 percentage points (-0.5 percentage points in the previous quarter), while in the case of net external demand it changed from positive (0.6 percentage points in the second quarter) to a null contribution.

Figure 1. Gross Domestic Product and Domestic Demand in volume (reference year =2016)

Seasonally and calendar adjusted data  
Year-on-year rate of change, %





In the third quarter of 2022, GDP in volume increased by 4.9% in year-on-year terms and 0.4% compared with the previous quarter

The GDP preliminary estimates for the third quarter of 2022 indicate a year-on-year rate of change of 4.9% in real terms, which compares with 7.4% in the previous quarter and 5.0% in the third quarter of 2021.

In nominal terms, GDP increased by 10.1% comparing with the third quarter of 2021 (11.8% in the previous quarter and 6.7% in the third quarter of 2021). The implicit GDP deflator accelerated in the third quarter to a year-on-year rate of change of 5.0% (4.1% in the previous quarter).

In the third quarter of 2022, contribution of domestic demand to the GDP year-on-year rate of change in volume decreased, shifting from 4.0 percentage points, in the second quarter, to 2.9 percentage points.

Figure 2. Decomposition of GDP rate of change (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-Year rate of change (%)					
Domestic Demand	16.2	5.1	5.5	9.5	3.9	2.8
Exports (FOB)	43.6	12.3	16.4	19.1	25.3	16.8
Imports (FOB)	37.9	12.3	13.0	12.9	15.2	11.3
<b>GDP</b>	<b>17.0</b>	<b>5.0</b>	<b>6.6</b>	<b>12.0</b>	<b>7.4</b>	<b>4.9</b>
	Contributions to GDP year-on-year rate of change (percentage points)					
Domestic Demand	16.9	5.3	5.7	9.8	4.0	2.9
External Demand Balance <sup>1</sup>	0.1	-0.3	1.0	2.2	3.3	2.0

<sup>1</sup> - External Demand Balance (Exports less Imports)

- Differences may occur due to non-additivity of chain-linked volume data and rounding procedures.

Looking into the components of domestic demand, in volume, private consumption (includes Non-Profit Institutions Serving Households) decelerated slightly, with a year-on-year rate of change of 4.4% in the third quarter (4.6% in the previous quarter). Public consumption increased by 0.5% in year-on-year terms, 1.2 percentage points less than in the precedent quarter, and Investment decreased by 0.4% (rate of growth of 3.5% in the second quarter).

Figure 3. Components of domestic demand

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-Year rate of change (%)					
<b>Domestic Demand</b>	<b>16.2</b>	<b>5.1</b>	<b>5.5</b>	<b>9.5</b>	<b>3.9</b>	<b>2.8</b>
Private Consumption <sup>1</sup>	18.2	4.0	5.5	11.6	4.6	4.4
Public Consumption <sup>2</sup>	9.2	4.3	2.7	5.4	1.7	0.5
Investment	16.3	10.1	8.3	6.5	3.5	-0.4

<sup>1</sup> - Final Consumption Expenditure of Resident Households and NPISHs

<sup>2</sup> - Final Consumption Expenditure of General Government

In the third quarter of 2022, the positive contribution of net external demand to the GDP year-on-year growth rate decreased to 2.0 percentage points (3.3 percentage points in the previous quarter). Exports of Goods and Services presented a more pronounced deceleration compared to Imports of Goods and Services, moving from



a year-on-year rate of change of 25.3% in the second quarter to 16,8%, while Imports of Goods and Services in volume increased by 11.3% compared with the same period of 2021, after a growth rate 15.2% in the previous quarter.

Compared to the previous quarter, GDP increased by 0.4% in real terms in the third quarter of 2022 (growth rate of 0.1% in the previous quarter). The contribution of domestic demand to the quarter-on-quarter rate of change of GDP turned from negative (-0.5 percentage points in the second quarter) to positive (0.4 percentage points), while the contribution of net external demand became null (0.6 percentage points in the second quarter).

Figure 4. Decomposition of GDP rate of change (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Quarter-on-quarter rate of change (%)					
Domestic Demand	4.9	1.5	1.5	1.4	-0.5	0.4
Exports (FOB)	-2.1	8.5	7.9	4.0	2.9	1.2
Imports (FOB)	-0.6	4.8	6.5	1.8	1.5	1.2
<b>GDP</b>	<b>4.4</b>	<b>2.8</b>	<b>1.9</b>	<b>2.4</b>	<b>0.1</b>	<b>0.4</b>
Contributions to GDP quarter-on-quarter rate of change (percentage points)						
Domestic Demand	5.0	1.5	1.5	1.4	-0.5	0.4
External Demand Balance <sup>1</sup>	-0.6	1.3	0.4	0.9	0.6	0.0

<sup>1</sup> - External Demand Balance (Exports less Imports)

- Differences may occur due to non-additivity of chain-linked volume data and rounding procedures.

### Final consumption expenditure of Resident Households

Resident Households' final consumption expenditure registered a year-on-year rate of change of 4.5% in volume in the third quarter, after a growth of 4.7% in the previous quarter (4.0% in the third quarter of 2021).

Households' consumption in services and non-durable goods decelerated, in year-on-year terms, moving from 4.7%, in the second quarter to 3.5%, (year-on-year rate of change of 5.1% in the same period of 2021).

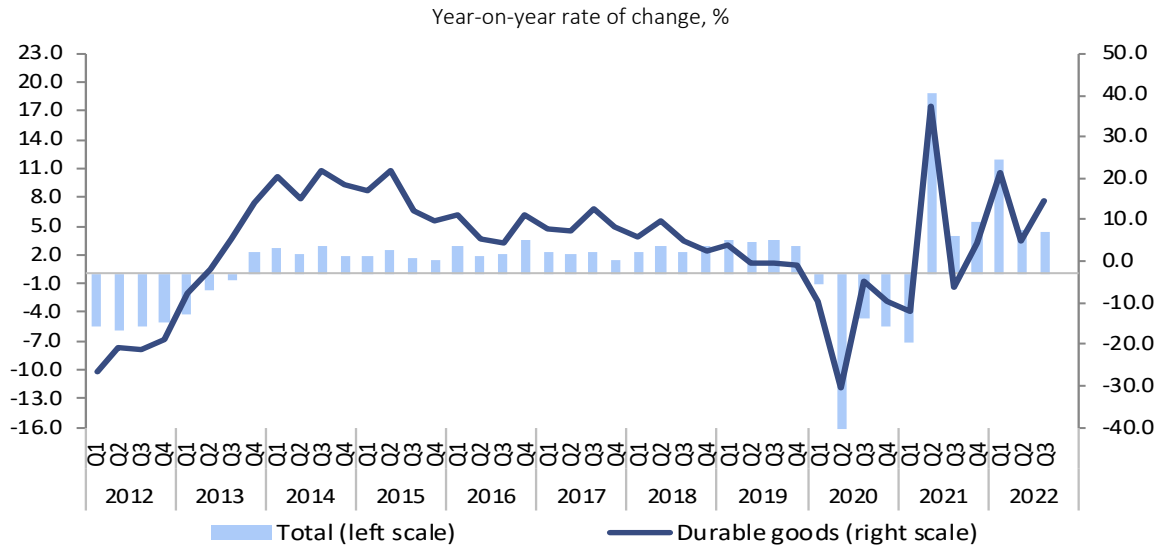
Figure 5. Final consumption expenditure of resident households (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-year rate of change (%)					
<b>Total</b>	<b>18.8</b>	<b>4.0</b>	<b>5.5</b>	<b>11.9</b>	<b>4.7</b>	<b>4.5</b>
Durable Component	37.2	-6.4	4.4	21.3	4.7	14.7
Non-Durable Component	17.2	5.1	5.6	11.0	4.7	3.5
Of which:						
Food and beverage products	1.6	0.9	0.2	-2.1	-2.3	-1.0

The component of durable goods also recorded a more pronounced growth, shifting from 4.7%, in the second quarter, to 14.7%, with an acceleration observed in the acquisition of motor vehicles component, as in expenditures on other durable goods. This evolution partly reflected a base effect, since in the third quarter of 2021 there was a decrease of 6.4%, due to a significant reduction in expenditures with the acquisition of motor vehicles.



Figure 6. Final consumption expenditure of resident households, volume (reference year=2016)



Compared with the second quarter, households' consumption expenditures increased by 1.1% (quarter-on-quarter rate of change of 0.7% in the previous quarter), with growth rates of 2.1% in expenditures in durable goods and of 1.0% in expenditures in non-durable goods and services.

Figure 7. Final consumption expenditure of resident households (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Quarter-on-Quarter rate of change (%)					
Total	7.7	1.3	1.1	1.5	0.7	1.1
Durable Component	18.1	-6.8	5.0	5.0	1.9	2.1
Non-Durable Component	6.7	2.1	0.8	1.1	0.6	1.0
Of which:						
Food and beverage products	0.5	-0.5	-0.6	-1.5	0.2	0.8

### Investment

Investment in volume registered a year-on-year decline of 0.4% in the third quarter, after a 3.5% growth in the previous quarter (10.1% in the third quarter of 2021). Total GFCF decelerated, to an year-on-year growth rate of 1.2% (1.6% in the second quarter), while Changes in Inventories shifted from a positive contribution (0.3 percentage points) to the GDP year-on-year growth in the second quarter, to a negative contribution of 0.3 percentage points in the third quarter.



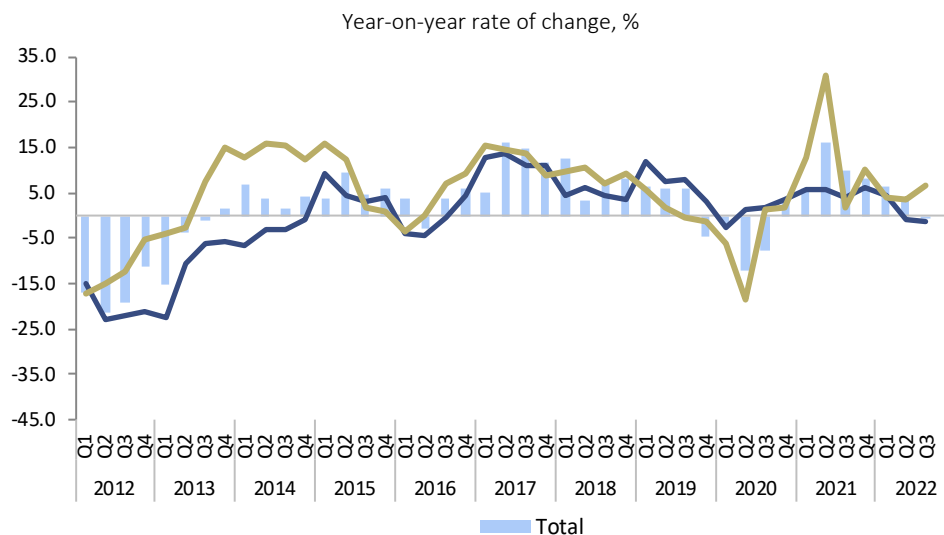
Figure 8. Gross Fixed Capital Formation (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-year rate of change (%)					
Total	17.1	4.6	8.2	5.5	1.6	1.2
Of which:						
Transport Equipment	121.4	-1.4	14.1	17.9	10.4	0.6
Other Machinery and Equipment <sup>1</sup>	30.9	1.7	10.0	4.0	3.6	6.6
Construction	5.9	4.0	6.4	4.6	-0.9	-1.4
Intellectual Property Products <sup>2</sup>	16.0	12.9	9.2	5.7	2.8	1.2

<sup>1</sup> - Includes weapon systems; <sup>2</sup> - includes Research and Development (R&D)

In the third quarter, GFCF in Construction decreased more intensely than in the previous quarter, with a year-on-year rate of change of -1.4% (rate of -0.9% in the second quarter). GFCF in Transport Equipment decelerated to a year-on-year growth of 0.6% in the third quarter (10.4% in the second quarter). In the same direction, GFCF in Products of Intellectual Property also slowed down in the third quarter, recording a year-on-year growth of 1.2% (2.8% in the second quarter). On the other hand, GFCF in Other Machinery and Equipment accelerated to a rate of 6.6%, after a growth of 3.6% in the previous quarter.

Figure 9. Investment, volume (reference year=2016)



Compared with the second quarter of 2022, total investment decreased by 1.7% (quarter-on-quarter rate of change of -4.5% in the previous quarter), with GFCF decreasing by 1.7% (-2.7% in the previous quarter).



Figure 10. Gross Fixed Capital Formation (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Quarter-on-Quarter rate of change (%)					
<b>Total</b>	<b>0.9</b>	<b>-1.2</b>	<b>4.5</b>	<b>1.2</b>	<b>-2.7</b>	<b>-1.7</b>
Of which:						
Transport Equipment	-5.4	9.8	4.3	8.7	-11.4	0.1
Other Machinery and Equipment <sup>1</sup>	0.2	-7.1	11.4	0.3	-0.1	-4.4
Construction	1.7	-0.7	3.1	0.5	-3.7	-1.2
Intellectual Property Products <sup>2</sup>	2.3	1.5	0.2	1.6	-0.5	0.0

<sup>1</sup> - Includes weapon systems; <sup>2</sup> - includes Research and Development (R&D)

## Exports and Imports

Exports of Goods and Services in volume decelerated significantly in the third quarter, reaching a year-on-year rate of change of 16.8% (25.3% in the previous quarter). Exports of goods rose by 11.3% (growth rate of 13.6% in the second quarter), and exports of services continued to grow markedly, nevertheless decelerating significantly, shifting from a growth rate of 60.0% in the second quarter, to 30.1%, largely reflecting the dynamics of the tourism component.

In the third quarter, Imports of Goods and Services in volume increased by 11.3% in year-on-year terms, 3.9 percentage points lower than in the previous quarter, with less intense growths in both components. Imports of goods registered a growth rate of 11.2% (13.0% in the second quarter) and imports of services increased by 12.0% (27.9% in the previous quarter).

Figure 11. Exports and Imports (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-year rate of change (%)					
<b>Exports</b>	<b>43.6</b>	<b>12.3</b>	<b>16.4</b>	<b>19.1</b>	<b>25.3</b>	<b>16.8</b>
Goods (FOB)	44.0	3.2	4.3	4.2	13.6	11.3
Services	42.5	42.4	54.9	68.7	60.0	30.1
<b>Imports</b>	<b>37.9</b>	<b>12.3</b>	<b>13.0</b>	<b>12.9</b>	<b>15.2</b>	<b>11.3</b>
Goods (FOB)	39.1	9.1	11.1	10.7	13.0	11.2
Services	31.7	31.6	23.7	26.1	27.9	12.0

Compared with the previous quarter, total exports increased by 1.2% in real terms (2.9% in the previous quarter), with imports of goods growing by 0.4%, and imports of services by 2.8% (4.0% and 0.8% in the second quarter, respectively). Total imports also registered a quarter-on-quarter rate of change of 1.2% in the third quarter (1.5% in the second quarter), with the goods component increasing by 1.4%, and the services component growing by 0.5% (rates of 0.2% and 8.4% in the second quarter, respectively).



Figure 12. Exports and Imports (volume)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Quarter-on-Quarter rate of change (%)					
<b>Exports</b>	-2.1	8.5	7.9	4.0	2.9	1.2
Goods (FOB)	-4.6	2.5	4.0	2.4	4.0	0.4
Services	6.3	26.4	17.1	7.2	0.8	2.8
<b>Imports</b>	-0.6	4.8	6.5	1.8	1.5	1.2
Goods (FOB)	-1.8	3.0	6.3	3.0	0.2	1.4
Services	6.9	14.7	7.4	-4.2	8.4	0.5

The implicit prices in international trade flows continued to increase in the third quarter, however with a deceleration in both export and import deflators, with a slightly less intense loss of terms of trade than in the previous quarter. The deflator for Exports of Goods and Services changed from a year-on-year rate of change of 17.2% in the second quarter to 16.5%, and the deflator for Imports of Goods and Services increased by 21.5% in the third quarter, after a growth of 22.4% in the previous quarter.

Figure 13. Implicit deflators of exports and imports of goods (FOB) and services

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-year rate of change (%)					
Exports	3.2	8.9	10.4	12.2	17.2	16.5
Imports	5.5	11.0	14.9	17.9	22.4	21.5
<b>Terms of Trade</b>	<b>-2.2</b>	<b>-1.9</b>	<b>-3.9</b>	<b>-4.9</b>	<b>-4.3</b>	<b>-4.1</b>

The negative effect of the evolution of the terms of trade contributed to the deterioration in the External Balance of Goods and Services in nominal terms, standing at -2.9% of GDP (-2.5% of GDP in the second quarter of 2022 and -2.7% of GDP in the third quarter of 2021).



### Gross Value Added (GVA) at basic prices

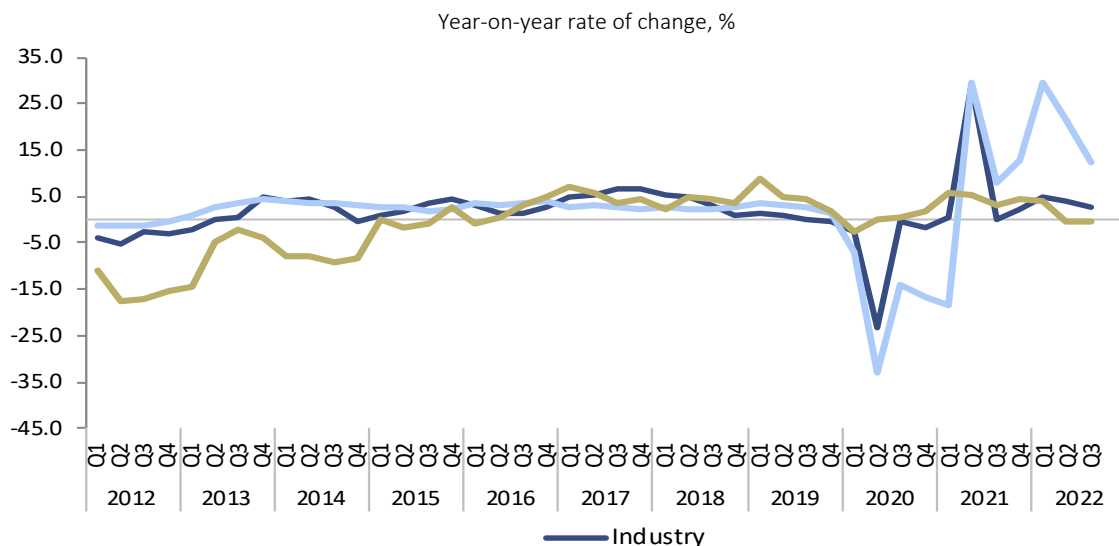
In the third quarter of 2022, GVA at base prices recorded a year-on-year growth of 4.6% in volume (7.4% in the previous quarter and 4.3% in the third quarter of 2021).

Figure 14. Gross Value Added, volume (reference year=2016)

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-Year rate of change (%)					
<b>GVA at basic prices</b>	<b>15.2</b>	<b>4.3</b>	<b>5.3</b>	<b>10.0</b>	<b>7.4</b>	<b>4.6</b>
Agriculture, Forestry and Fishing	7.5	7.2	3.7	-2.6	-6.3	-7.8
Industry	29.0	0.1	2.4	5.1	4.0	2.9
Energy, Water Supply and Sewerage	6.0	1.6	1.3	-0.7	0.2	-1.4
Construction	5.3	3.1	4.4	3.9	-0.2	-0.5
Trade, Repair of Vehicles; Accommodation and Food Services	29.7	7.9	12.8	29.8	21.5	12.5
Transportation and Storage; Information and Communication	16.7	10.0	13.6	14.2	11.1	10.3
Financial, Insurance and Real Estate Activities	2.0	3.1	2.2	1.9	1.2	0.1
Other Services Activities	13.2	3.7	2.9	8.9	6.5	4.1
Taxes less subsidies on products	25.8	13.3	16.5	23.0	10.2	6.3

GVA in Trade and Repair of Vehicles, and Accommodation and Food Services recorded the highest contribution (2.0 percentage points) to the year-on-year rate of change of total GVA (including Taxes less Subsidies on Products), reflecting the year-on-year growth of 12.5% (rate of 21.5% in the second quarter). GVA in Other Services Activities also stood out, with a year-on-year growth of 4.1% and a contribution of 1.1 percentage points.

Figure 15. Gross Value Added, volume (reference year=2016)



Taxes less Subsidies on Products grew by 6.3%, in real terms, in the third quarter of 2022 (10.2% in the previous quarter and 13.3% in the third quarter of 2021).





## Employment

In the third quarter, employment (measured in number of individuals and seasonally adjusted) grew by 1.4% in year-on-year terms, for all sectors of economic activity, after an increase of 2.0% in the previous quarter and of 3.4% in the third quarter of 2021.

The number of employees (also seasonally adjusted) recorded a year-on-year rate of change of 3.3% in the second and third quarters (3.0% in the third quarter of 2021).

Considering employment measured by hours worked, there was an increase of 0.9% in the third quarter, after the 0.8% reduction in the second quarter, which partially reflected the significant increase of 24.7% in the second quarter of 2021.

Figure 16. Employment – Quarterly National Accounts

	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Year-on-Year rate of change (%)					
<b>Employment</b>						
Persons	4.1	3.4	1.8	4.3	2.0	1.4
Hours worked	24.7	1.3	-2.7	9.9	-0.8	0.9
<b>Employees</b>						
Persons	3.7	3.0	2.6	4.5	3.3	3.3
Hours worked	24.0	1.2	-1.3	8.4	0.1	2.5

Compared to the second quarter, total employment (measured in number of individuals) decreased 0.2% in the third quarter, after a growth rate of 0.1% in the previous quarter, while hours worked increased by 0.8% (-1.7% in the previous quarter).

Figure 17. Employment – Quarterly National Accounts

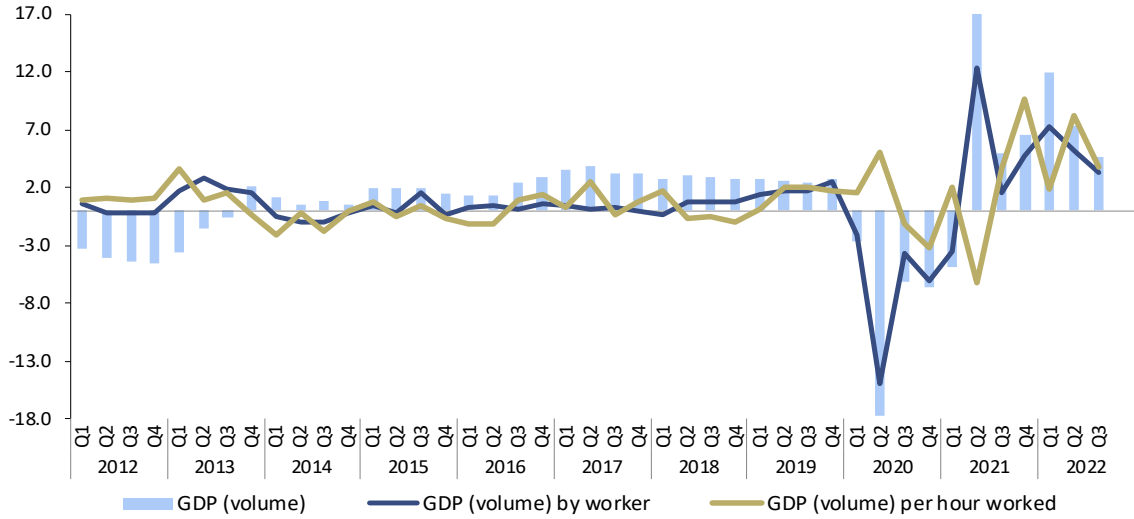
	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22
	Quarter-on-Quarter rate of change (%)					
<b>Employment</b>						
Persons	2.4	0.5	0.1	1.4	0.1	-0.2
Hours worked	8.9	-1.0	-1.4	3.4	-1.7	0.8
<b>Employees</b>						
Persons	2.3	0.4	0.8	0.8	1.1	0.4
Hours worked	6.8	-1.3	-0.9	3.7	-1.4	1.2

In the third quarter, productivity measured by the ratio between GDP in volume and the number of people employed increased by 3.3% in year-on-year terms, 2.0 percentage points more than in the previous quarter (1.5% in the third quarter of 2021). In turn, productivity measured based on the number of hours worked recorded a year-on-year rate of change of 3.8%, after an increase of 8.3% in the second quarter (3.6% in the third quarter of 2021).



Figure 18. GDP (volume) and productivity

Year-on-year rate of change, %





## METHODOLOGICAL NOTE

### Revisions:

Regarding Flash estimates and QNA for the previous quarter, current QNA incorporate new information, causing revisions in some aggregates for the most recent quarters. In particular, the information coming from:

- The latest version for the short-term statistics (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The latest information of the Monetary and Financial Statistics and Balance of Payments compiled by the Bank of Portugal, with changes in imports and exports of services
- The June 2022 preliminary version of the international goods trade statistics. In what concerns, the deflators for external trade of goods for the third quarter of 2022, the Unit Value Quarterly Indices were used, calculated based on the statistics of the International Trade of goods related to June 2022. It should be noticed that this information was not available when the flash estimates were compiled.

Comparing with the flash estimate previously for the third quarter released by Statistics Portugal on October 31, the incorporation of the new data mentioned above did not imply any revisions in the GDP rates of change.

### Methodological issues:

The information in volume presented in this press release is chain linked data, with 2016 as reference year. GDP quarterly aggregates for demand and production approaches are estimated using seasonally and calendar effects adjusted quarterly indicators. The seasonal adjustment procedure used is indirect, i.e. seasonally adjusted GDP is the sum of its seasonally and calendar effects adjusted components. This procedure is based in probabilistic models estimated with the software X-13 Arima. Consequently, the estimated figures are subject to minor revisions as new observations become available.

It should be noted that in the concept of employment underlying the National Accounts, only individuals who work in resident production units (domestic employment) are counted, that is, total employment includes individuals who carry out a productive activity included within the scope of production limits of national accounts. This concept is not exactly coincident with that of the Labour Force Survey. In effect, National Accounts follow the concept of domestic employment, considering resident and non-resident individuals employed in resident production units, while in the Labour Force Survey, the concept of employment covers resident individuals employed by resident production units and non-residents. In addition, the employment data of Quarterly National Accounts are adjusted for seasonal fluctuations, so the published employment levels differ from those in the Labour Force Survey.



The estimates currently published may be revised in some aggregates as a result of new information, notably due to the compilation of the National Accounts by Institutional Sector. The revised estimates will be published with the release of the National Accounts by Institutional Sector for the third quarter 2022.

#### Reference date of the primary data used:

These estimates were calculated using information available until November 28, 2022.

#### ABBREVIATIONS

NPISH – Non-Profit Institutions Serving Households.

Gross Capital Formation (Investment); includes: Gross Fixed Capital Formation (GFCF), Acquisitions less Disposals of Valuables and Changes in Inventories.

Exports (FOB) – Exports of Goods at FOB (Free On Board) prices and Services.

Imports (FOB) – Imports of Goods at FOB (Free On Board) prices and Services.

GDP – Gross Domestic Product at market prices.

GVA – Gross Value Added at basic prices.

ESA – European System of National and Regional Accounts

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**Next releases of National Accounts** - National Accounts by Institutional Sector for the third quarter of 2022 are scheduled for December 23, 2022.

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