



28 April 2023

QUARTERLY NATIONAL ACCOUNTS (Base 2016) – Flash Estimate at 30 days

First Quarter 2023

## GROSS DOMESTIC PRODUCT IN VOLUME INCREASED BY 2.5% ON A YEAR BEFORE AND BY 1.6% ON THE PREVIOUS QUARTER

Gross Domestic Product (GDP), in real terms, recorded a year-on-year rate of change of 2.5% in the first quarter of 2023 (3.2% in the previous quarter). The contribution of domestic demand to the year-on-year growth rate of GDP remained positive, although lower than that observed in the precedent quarter, due to the deceleration of private consumption and the decline in investment, determined by a negative contribution from the changes in inventories, with an acceleration in exports of goods and services and a slowdown in imports of goods and services. As a result, the contribution of net external demand was higher than in the previous quarter. In the first quarter of 2023, a significant deceleration in the import deflator was observed, more intense than the slowdown in the export deflator, leading to gains in terms of trade, for the first time since the first quarter of 2021.

Compared to the fourth quarter of 2022, GDP increased by 1.6% in volume (0.3% growth in the previous quarter), reflecting the positive contribution of net external demand (after being negative in the fourth quarter), largely resulting from the dynamism of exports, while the domestic demand contribution turned negative.

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

	1Q 21	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23
Year-on-Year Quarter Growth Rate (%)	-4.9	17.0	5.0	6.6	11.9	7.4	4.8	3.2	2.5
Quarter-on-Quarter Growth Rate (%)	-2.6	4.4	2.8	1.9	2.3	0.2	0.3	0.3	1.6

Figure 1. Gross Domestic Product (chain-linked volume data, reference year=2016)

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

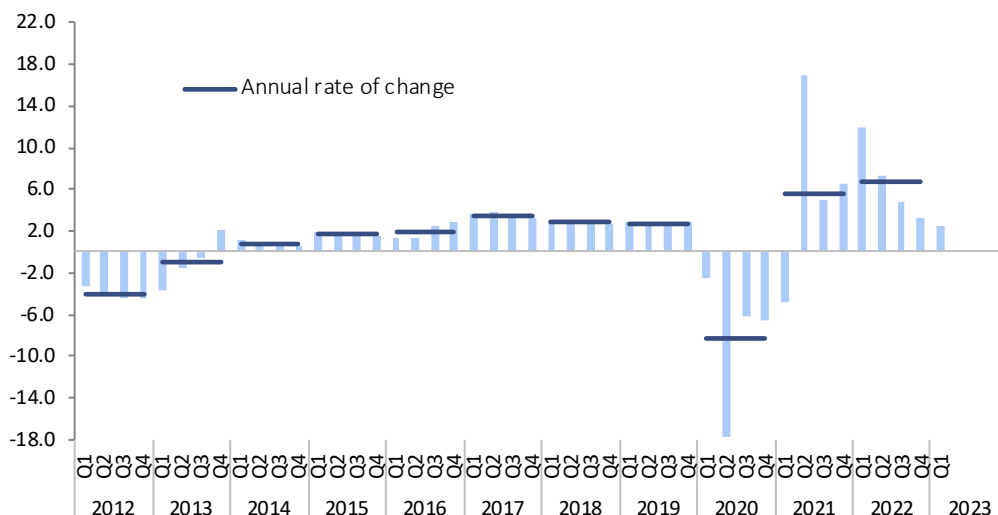
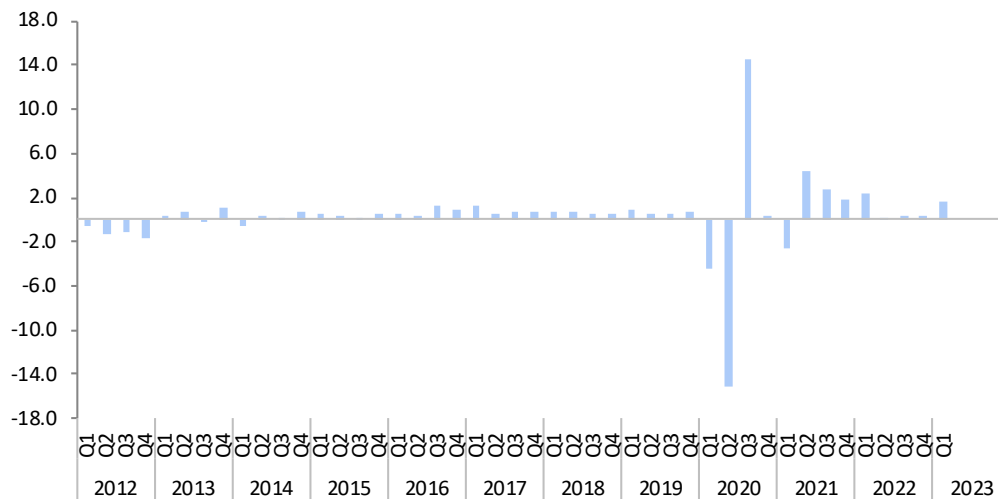




Figure 2. Gross Domestic Product (chain-linked volume data, reference year=2016)

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



This flash estimate incorporates new primary information, namely regarding international trade in goods for the fourth 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 March 24, 2023.



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## 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 March (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The balance of payments provisional information for the month of March;
- The latest version for international goods trade statistics corresponding to the flash estimate flash estimate released on April 28, 2023. 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 January and February 2022.

As mentioned in previous editions, new 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, mainly reflecting 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.

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**Next Press Release of Quarterly National Accounts** - Detailed estimates of Quarterly National Accounts for the first quarter of 2023 will be released on May 31, 2023.

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