Monthly Statistical Bulletin

MARCH 2023

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Contents

Industrial production increased by 4.5 % in January

In January 2023, in year-on-year terms:

- The Industrial Production Index (IPI) showed a variation of 4.5% (1.9% in December);

- Excluding the *Energy* grouping, the variation was 1.7% (-1.2% in the previous month);

- The rate of change in the *Transforming Industries* section stood at 1.3% (-0.2% in December); and

- All the large industrial clusters that comprise the index showed more favourable year-on-year variations than in the previous month.

Industrial Production Index
(year-on-year rate of change)
Total
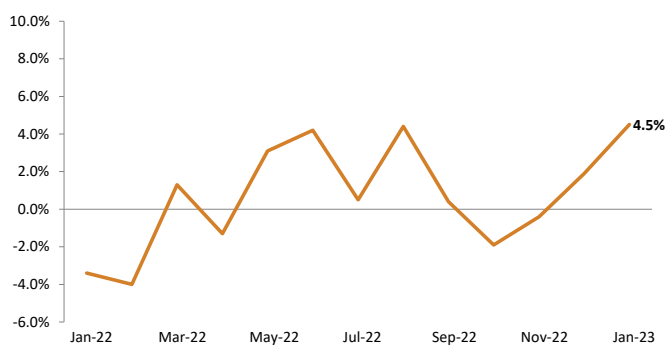
IPI - Total and Main Industrial Groupings
(year-on-year rate of change)
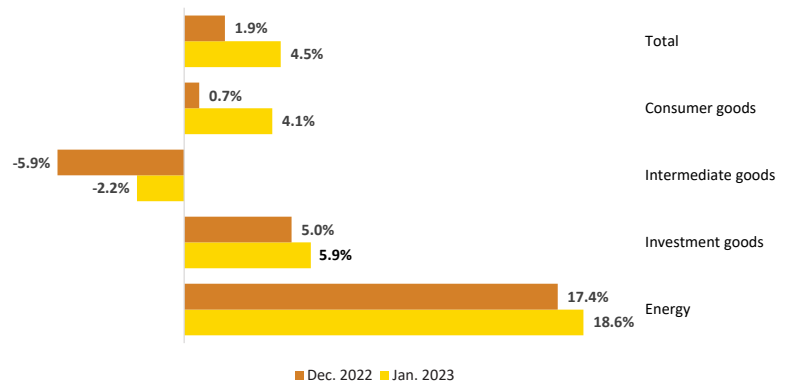
Industrial Production Index (year-on-year rate of change)
Investment goods

Industrial Production Index (year-on-year rate of change)
Consumer goods

2023 Edition
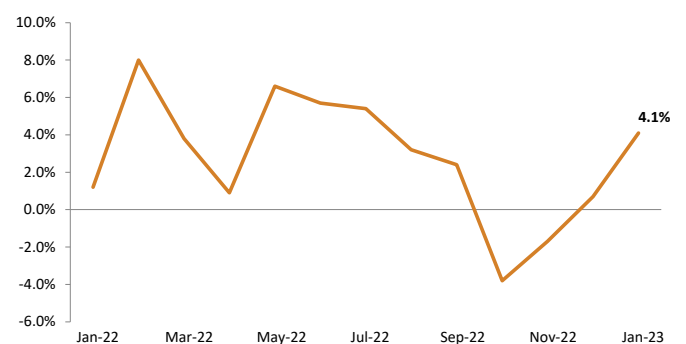
**Industrial Production Index (year-on-year rate of change)
Intermediate goods**

**Industrial Production Index (year-on-year rate of change)
Energy**

**IPI - Total and Main Industrial Groupings
(month-on-month rate of change)**

	Dec. 2022	Jan. 2023
Total	3.6%	-2.6%
Consumer goods	1.1%	0.7%
Intermediate goods	0.2%	-0.1%
Investment goods	4.8%	-11.7%
Energy	14.0%	-5.2%
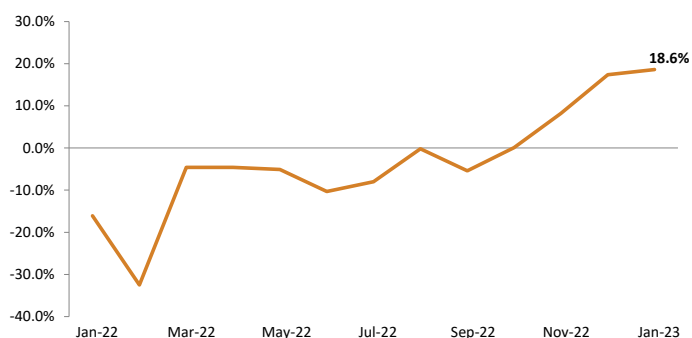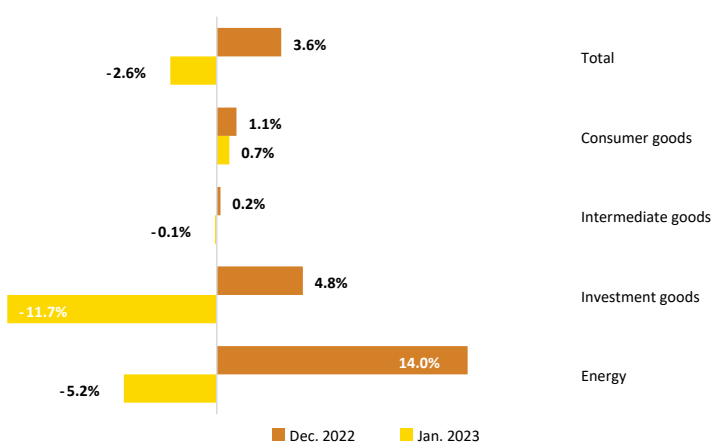
Regarding monthly variation in January 2023:

- The IPI decreased by 2.6% (in the previous month, it had increased by 3.6%);

- The *Investment Goods* and *Energy* groupings determined the evolution of the total index, contributing -1.9 p.p. and -1.0 p.p., resulting from rates of change of -11.7% and -5.2%, respectively (4.8% and 14.0% in the previous month);

  The *Consumption Goods* group contributed 0.2 p.p. due to the monthly change of 0.7% (1.1% in December).

Industry turnover grew by 12.7%

In January 2023, compared to the same month the previous year:

- The Industry Volume Index (ITI) grew nominally by 12.7% (+1.5 p.p. than in December);

  This result continues to reflect the strong effect of the Industry price index, which rose by 9.9% this month;

- Excluding the *Energy* grouping, sales in Industry increased by 13.6% (8.2% in the previous month);

- The index for the domestic market grew by 12.8%, 1.9 p.p. up from December;

- The external market index increased by 12.6%, down by 1.0 p.p. compared to the previous month;

Industry Turnover Index
(year-on-year rate of change)
Total
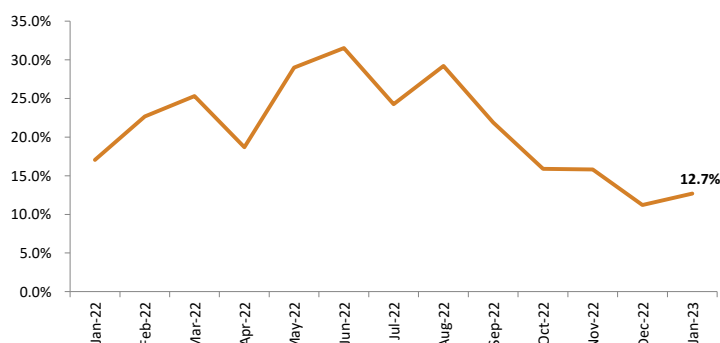
Industry Turnover Index - Major industrial groupings
(year-on-year rate of change)
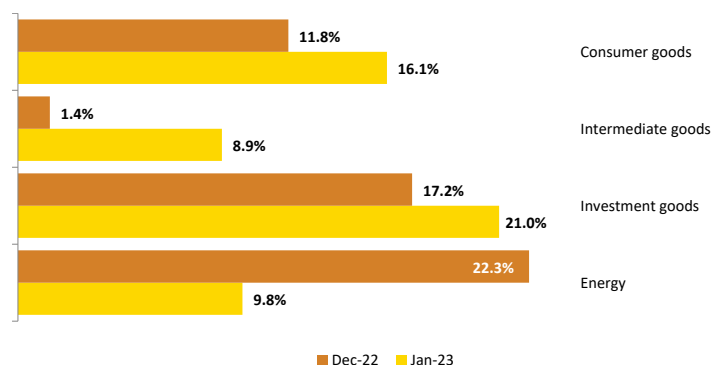
Industry Turnover Index (year-on-year rate of change)
Consumer goods

Industry Turnover Index (year-on-year rate of change)
Intermediate goods
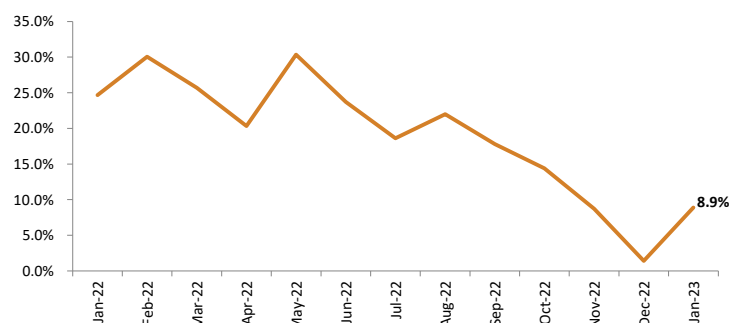
Industry Turnover Index (year-on-year rate of change)
Investment goods
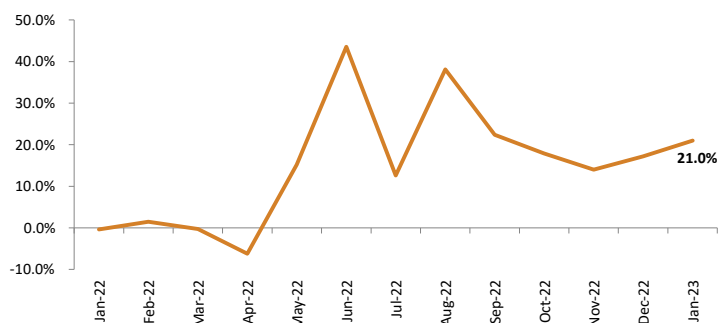
Industry Turnover Index (year-on-year rate of change)
Energy
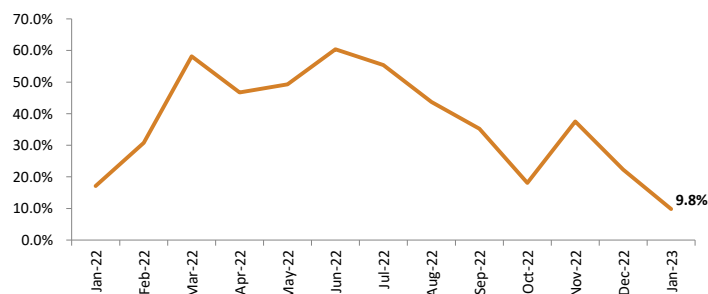
- The employment index grew by 1.8%;

- The gross wages and salaries increased by 11.9%; and

- The hours worked index (calendar adjusted) increased by 6.8%.

Employment, Wages, and Hours Worked Indices
(year-on-year rate of change)

Employment	1.8% (Dec-22), 1.8% (Jan-23)
Wages	6.7% (Dec-22), 11.9% (Jan-23)
Hours Worked	1.1% (Dec-22), 6.8% (Jan-23)

Legend: Dec-22, Jan-23
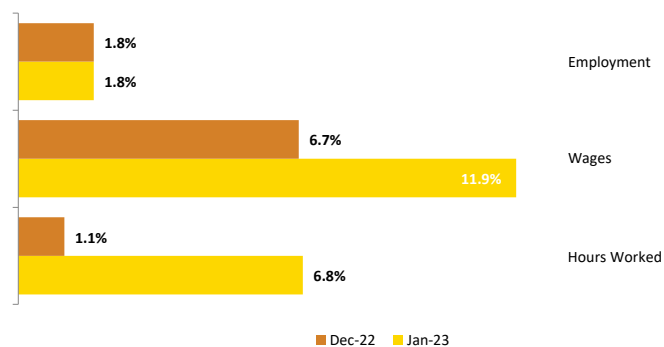
Industry Employment Index (year-on-year rate of change)
Total
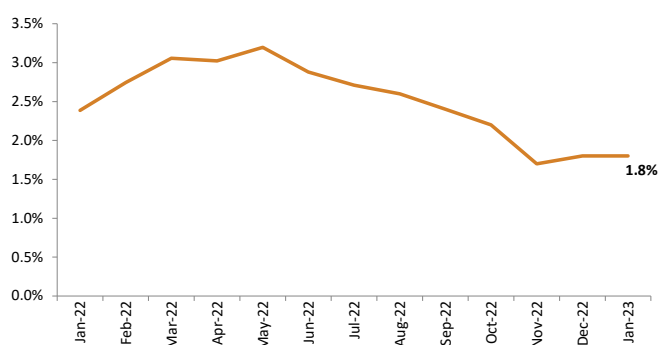
Industry Employment Index* (year-on-year rate of change)
Hours worked
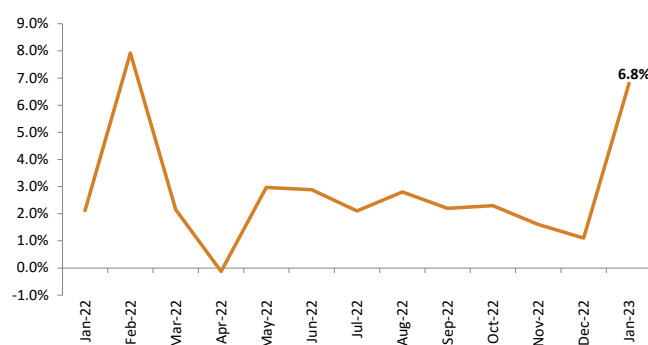
* Values adjusted for calendar effects

Month-on-month, the ITI increased by 2.2% in January, compared to a 0.8% decrease in January 2022. It should be noted that January 2023 had two more working days than the previous month.

4.8% of the self-employed are economically dependent, and 12.0% are organisationally dependent

Employment statistics show that in 2022 there were 711,400 self-employed people in Portugal.

Self-employed population according to the number and importance of clients in the last 12 months
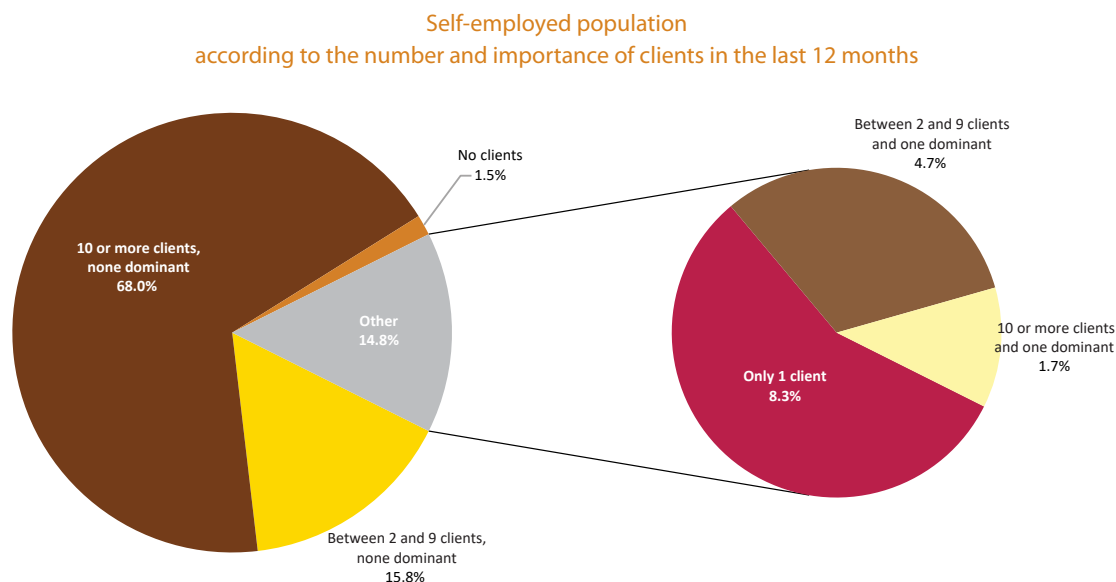
This means that 14.8% (105,100) of the self-employed had a client who represented 75% or more of the income from their activity (after taxes), which is to say that they were economically dependent.

Of the total number of self-employed:

- 71.6% (509.6 thousand) determined their working hours without restrictions;

- For 16.4% (116.4 thousand), circumstances other than their customers' will (legal provisions, for example) determined their schedule; and

- For 12.0% (85.4 thousand), the clients established working hours, matching the definition of organisational dependence.

Considering both the situations above, in 2022, there were 17,700 self-employed workers (2.5% of the total) simultaneously in economic and organisational dependence.

Self-employed population according to who determines daily working hours
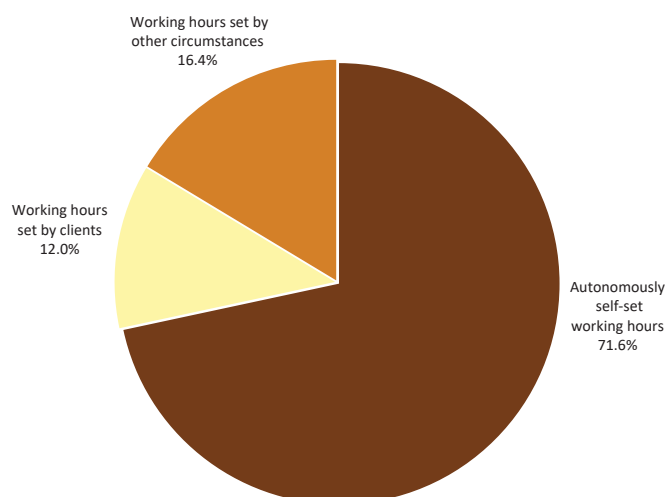
Still, in 2022, there were 7,660.3 thousand persons aged 16 to 74. Of these, the following shares had participated in education in the last 12 months:

- 12.2% (932.0 thousand) attended some formal education;

- 26.0% (1,990.3 thousand) attended a non-formal education course; and

- 33.8% (2,588.5 thousand) participated in at least one of these types of activities.

Considering the 8,693.7 thousand people between 16 and 89 years of age:

- 39.6% (3,443.4 thousand) assessed their general state of health as good; and

- 5.3% (457.2 thousand) considered that they were severely limited by health problems that prevented them from carrying out activities or tasks deemed usual to most people for at least six months.

Self-employed population according to economic and organisational dependence,
by sex and completed educational level, 2022 (%)

	Organisational dependence	Economic dependence
Total	12.0	14.8
Women	11.5	13.5
Men	12.3	15.6
Tertiary education	11.2	16.5
Upper secondary and post-secondary non-tertiary education	13.0	12.1
Up to first and second stages of basic education	12.0	15.0
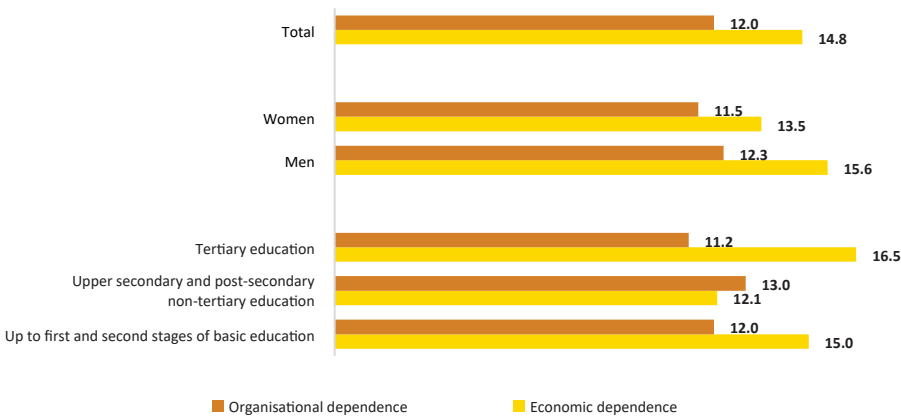
In February, the unemployment rate dropped to 6.8% and the labour underutilisation rate to 12.0%

These estimates are 3-month moving averages centred on the reference month. Thus, provisional results for February consider data collected in January, February, and March, while final figures for January include all data gathered in December, January and February. As a result, a three-month gap is necessary to ensure comparisons have no overlapping data.

Estimates are adjusted for seasonality and consider the population aged 16 to 74.

In February 2023 (provisional results):

- The working population (5,238.1 thousand people) increased from the previous month (0.3%), November 2022 (1.5%) and February 2023 (1.9%);

- The employed population (4,923.5 thousand) increased vis-à-vis the previous month (0.5%), three months earlier (1.1%), and one year earlier (0.6%);

- The unemployed population (359.6 thousand) decreased from the previous month (2.3%) and increased in comparison with three months earlier (7.1%) and with the same month of the previous year (23.1%);

- The unemployment rate stood at 6.8%, lower than in January 2023 (0.2 p.p.) but higher than in November and February 2022 (by 0.3 p.p. and 1.2 p.p., respectively);

- The inactive population (2,404.3 thousand) decreased by 0.7% compared to the previous month, 2.1% from three months earlier and 3.0% regarding February 2022; and

- The labour underutilisation rate stood at 12.4%, 0.2 p.p. down from the previous month, but 0.2 p.p. up from three months earlier, and 0.9 p.p. higher than the same month in 2022 (0.9 p.p.).

**Unemployment rate
(seasonally adjusted data)**

(p) Provisional estimate
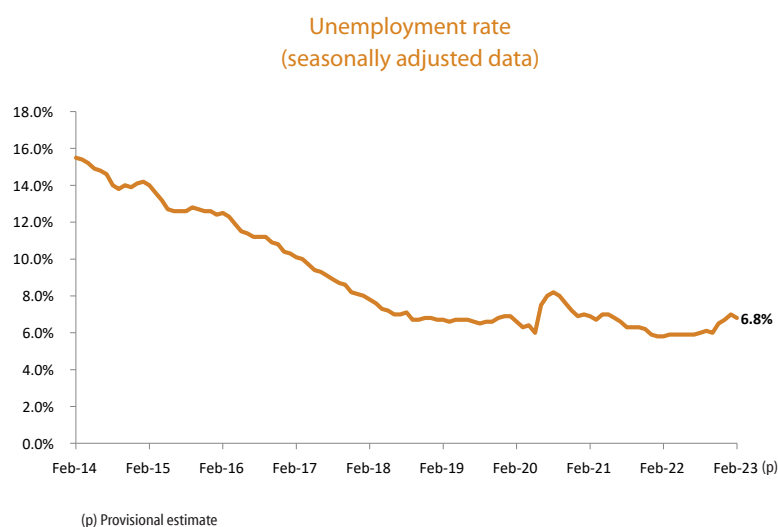
Unemployment rate* of youth and adults
January and February 2023

Youth population (age 16 to 24)	20.9% (Jan-23)
	18.8% (Feb-23)
Adult population (age 25 to 74)	5.9% (Jan-23)
	5.9% (Feb-23)

■ Jan-23 ■ Feb-23
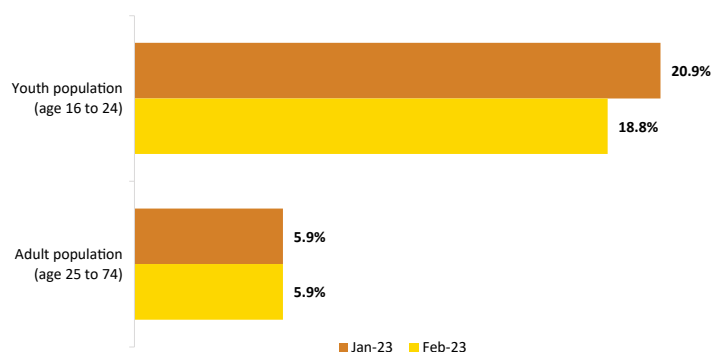
* Values for the most recent month are provisional.

Labour underutilisation rate
(seasonally adjusted data)

12.0%

(p) Provisional estimate
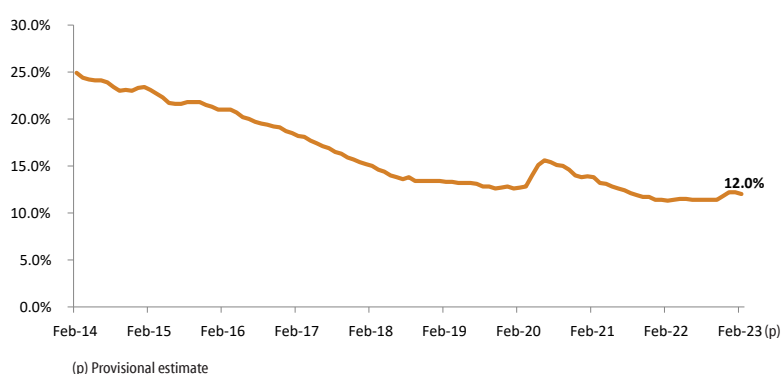
In January 2023:

- The active population (5,265.5 thousand) increased compared to December (0.9%), October (1.2%) and January 2022 (0.5%);

- The employed population (4,897.3 increased from the previous month (0.6%), from three months before (0.2%) and from the same month of the previous year (also 0.2%);

- The unemployed population (368.2 thousand) increased by 5.2% from December, 16.3% from October and 24.8% from January 2022;

- The unemployment rate stood at 7.0%, higher by 0.3 p.p. than in the previous month, 0.9 p.p. than three months earlier, and 1.3 p.p. than one year earlier;

- The inactive population (2,425.5 thousand) decreased over the three comparison periods, respectively: 0.8%, 1.3% and 2.3%; and

- The labour underutilisation rate stood at 12.2%, which is the same as the previous month, 0.8 p.p. more than three months earlier, and 0.9 p.p. higher than one year earlier.

Production in Construction accelerated to 2.2%

In January 2023, the Production Index[1] grew by 2.2% year-on-year (0.6% in the previous month), with the following growths per sector segment:

- *Building construction*: 3.1% (1.4% in December); and

- *Civil engineering*: 0.9% (-0.6% in December).

Other Construction sector indexes grew, year-on-year, at the following rates:

- Employment index: 2.5% (2.2% in the previous month); and

- Wages and salaries index: 10.6% (5.8% in the previous month).

The January minimum wage update (7.8%) significantly influenced the evolution of wages in this period.

Index of Production in Construction
(year-on-year rate of change)
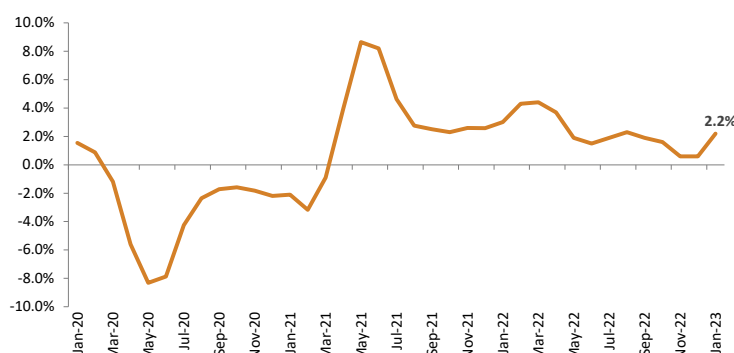
Indices of employment, wages, and salaries in Construction
(year-on-year rate of change)
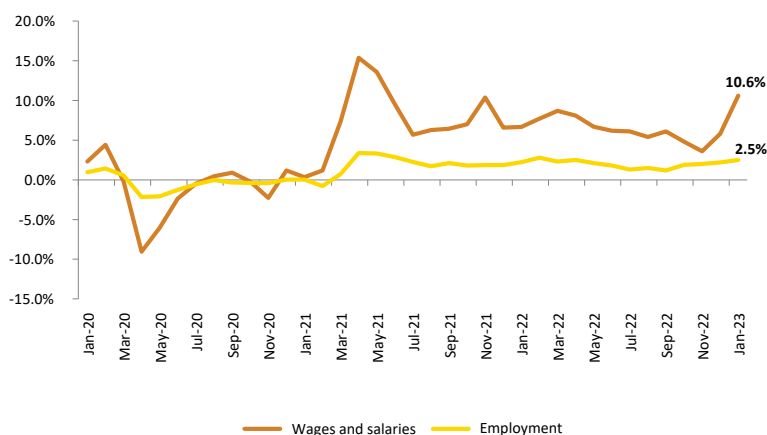
As regards month-on-month changes, the following rates of change in the construction sector were recorded in January 2023:

- Total Production index: 1.5% (-0.5% in December)

- Production index – *Building construction*: 1.1% (0.1% in December);

- Production index – *Civil engineering*: 2.3% (-1.5% in December);

- Employment index: 1.0% (-0.5% in the previous month); and

- Wages and salaries index: -16.2% (2.0% in the previous month).

[1] 3-month moving average, adjusted for calendar effects and seasonality.

Building permits and completed buildings decreased both in Q4 2022 and in the year as a whole

In Q4 2022, the number of buildings permits (5.4 thousand) decreased by:

- 3.8% compared to the same quarter in 2021 (-6.9% in the previous quarter); and
- 9.5% compared to the same period in 2019.

Of the total number of building permits issued, 75.3% were for new constructions, and 80.5% thereof were for family housing.

The number of new building permits fell by:

- 3.8% compared to the same quarter of 2021; and
- 3.5% compared to the same quarter of 2019.

The overall number of renovation permits decreased by:

- 5.2% compared to the same period in 2021 (-12.6% in the previous quarter); and
- 23.2% compared to the same quarter of 2019.

Licensed and Completed Buildings (quarterly year-on-year changes)
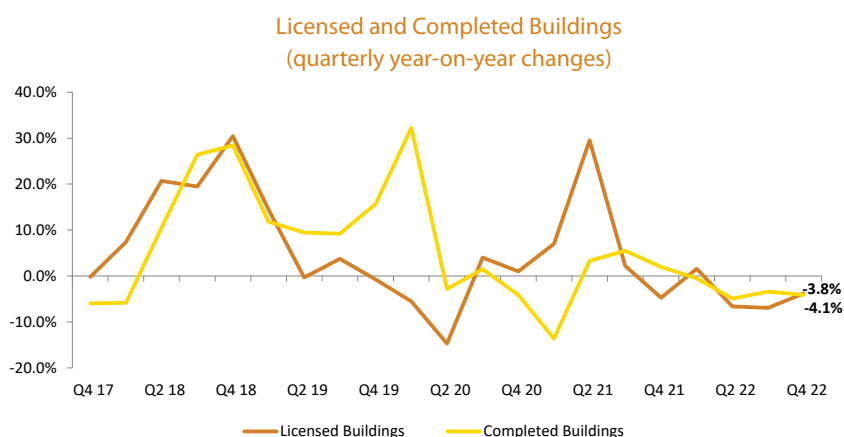
The estimated number of completed buildings (3.7 thousand) covering new constructions, expansions, renovations, and reconstructions:

- Decreased by 4.1% compared to the same quarter of 2021 (-3.4% in the previous quarter); and
- Grew by 7.2% compared to the same quarter of 2019.

Most of the buildings completed (81.4%) were new constructions, of which 78.2% were for family housing.

Compared to the previous quarter:

- The number of building permits decreased by 5.9% (-8.3% in Q3 2022); and
- The number of completed buildings increased by 1.5% (3.4% in Q3 2022).

A monthly analysis shows the sharpest drop in building permits in December (-17.9%) after the increase registered in October (+18.5%).

In 2022 as a whole:

- 24.5 thousand building permits were issued, 3.5% less than the previous year (in 2021, there was an increase of 8.2% compared to 2020) and 0.7% more than in 2019; and
- 14.8 thousand buildings were completed, down 3.2% from the previous year (in 2021, the rate of change compared to 2020 was 3.6%) and up 8.1% in 2019.

Buildings licensed and buildings completed in 2022, change compared to 2021 and 2019 (%)

More information is available at:
Construction: building permits and completed buildings – Q4 2022
10 March 2023
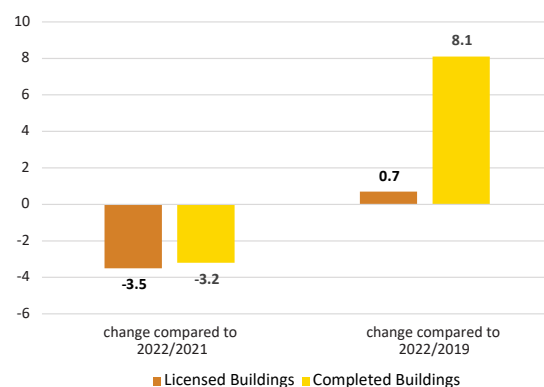
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Interest rate up to 2.532%, the highest since March 2012

In February 2023:

- The implicit interest rate on all housing loan agreements rose to 2.532%, up 34.9 basis points[1] (b.p.) from the previous month and the highest since March 2012;

  For contracts concluded in the last three months, the interest rate rose to 3.409%, reflecting an increase of 27.0 b.p. compared to January 2022;

- For *Home Purchases* (the primary type of mortgage lending), the implicit interest rate stood at 2.528% (+34.0 b.p. than in January);

  For contracts of this nature concluded in the last 3 months, the rate increased to 3.396% (+25.1 b.p. from the previous month);
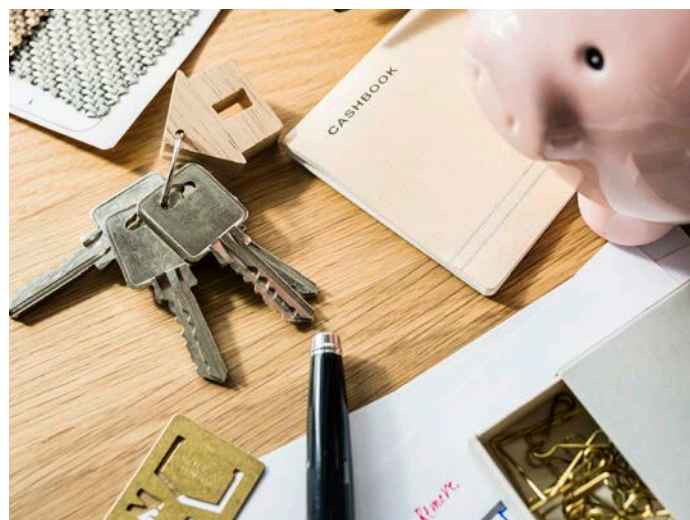
Implicit interest rates in housing loans
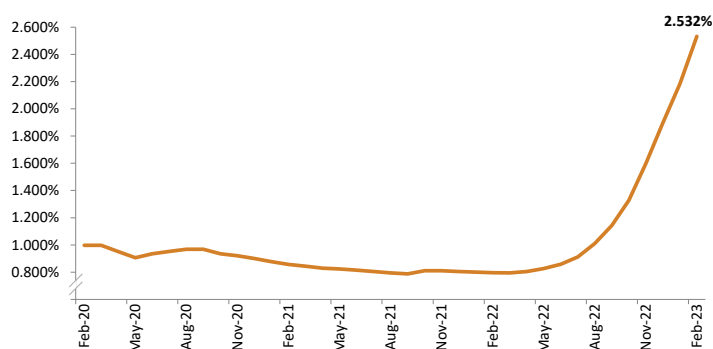
Average owed capital
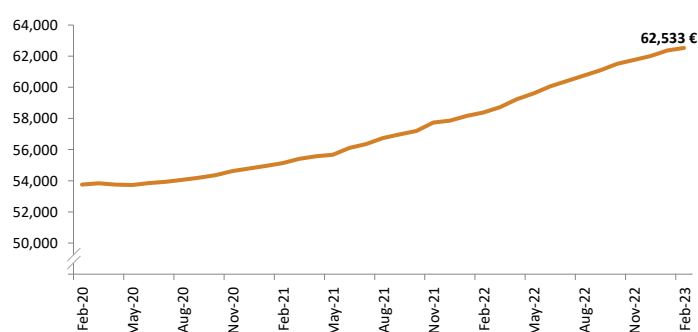
- Considering all contracts, the average value of loan instalments increased by €7 to €322, the highest since March 2009. Of this amount, €132 (41%) corresponds to interest payments and €190 (59%) to capital amortisation;

  It should be noted that in February 2022, the interest component represented 16% of the average value of loan instalments (€255);

- For contracts concluded in the last 3 months, the average value of loan instalments increased by €38 to €569; and

- The average outstanding capital for all contracts increased by €177 compared to January, reaching €62,533;

  For contracts concluded in the last 3 months, the average amount outstanding was €125,215, €1,047 less than the previous month.

[1] A base point is the equivalent of 0.01 p.p.

Bank valuation of housing down to €1,478 per square meter

In February 2023, bank valuation, carried out as part of credit applications for the purchase of housing, had a median value of €1,478 per m^2, down €7 (-0.5%) from January 2023.

Regarding NUTS 2 regions, the only increase regarding the previous month was in the Alentejo (0.7%), and the most significant decrease was in the Centro (-1.1%).

In comparison with the same month of the previous year, the median value of valuations rose 12.5% (14.9% in January). The most intense variation was registered in the Região Autónoma da Madeira (16.1%) and the lowest in the Região Autónoma dos Açores (4.9%).

Average Banking Valuation – February 2023
Flats and Houses
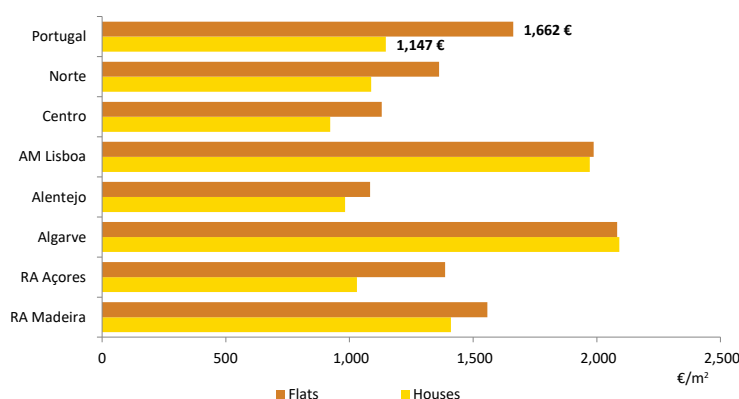
It should be noted that the number of bank evaluations considered decreased once again (this is the ninth consecutive month in which this has happened), reaching approximately 20,300, which represents a reduction of 29.2% regarding the same month of the previous year and 38.7% less than last May when the series maximum was registered.

Of the assessments considered in January:

- Around 13,100 concerned flats; and

- Some 7,200 pertained to houses.

In year-on-year terms, the analysis by type of dwelling reveals that in February 2023, the median bank appraisal value:

- It increased by 13.7% for flats, standing at €1,662/m^2; and

- It rose 9.6% for houses, to €1,147/m^2.

In February 2023, compared to the previous month, the median bank appraisal value:

- In the flats:

  » T2 decreased by €12, to €1,645/m^2; and

  » T3 rose €1, to €1,475 /m^2.

  These two types of flats together accounted for 77.0% of all flat valuations carried out;

- In housing:

  » T2 rose €25, to €1,079/m^2;

  » T3 rose €4, to €1,097/m^2; and

  » T4 fell by €23, to €1,301/m^2.

  Together, these three types of housing accounted for 87.4% of the housing valuations.

More information is available at:
Survey on bank evaluation on housing – February 2023
27 March 2023

Median rent of new leases up by 10.6%, while new contracts dwindle 3.3%, from Q4 2022 to Q4 2023

In Q4 2022 (provisional data), compared to the same quarter of the previous year:

- The number of new leases in Portugal decreased by 3.3% to 22,628; and

- Median house rental grew by 10.6%, reaching €6.91/m^2, the highest year-on-year change since Q2 2021.

There were decreases in the number of new contracts in nine of the 25 NUTS 3, with the metropolitan areas of Lisboa and Porto concentrating 49.7% of the new contracts (50.3% in Q3). As for median rent in new leases, all the NUTS 3 sub-regions registered year-on-year increases, going over 20% in:

- Terras de Trás-os-Montes: +26.9%;

- Baixo Alentejo: +22.7%;

- Médio Tejo: +22.6%; and

- Viseu Dão Lafões: +21.1%.

All the sub-regions with median rents higher than the national average – Área Metropolitana de Lisboa, Algarve, Área Metropolitana do Porto and Região Autónoma da Madeira – grew year-on-year above the country average.

The median rent per m^2 of new rental contracts increased in the 24 municipalities with more than 100 thousand inhabitants. Of these, three Área Metropolitana de Lisboa municipalities stand out with year-on-year increases above 20%: Oeiras (+23.9%), Lisboa (+22.4%) and Cascais (+21.0%).

Median rent per m² and number of new leases, Portugal (Year-on-year rate of change)
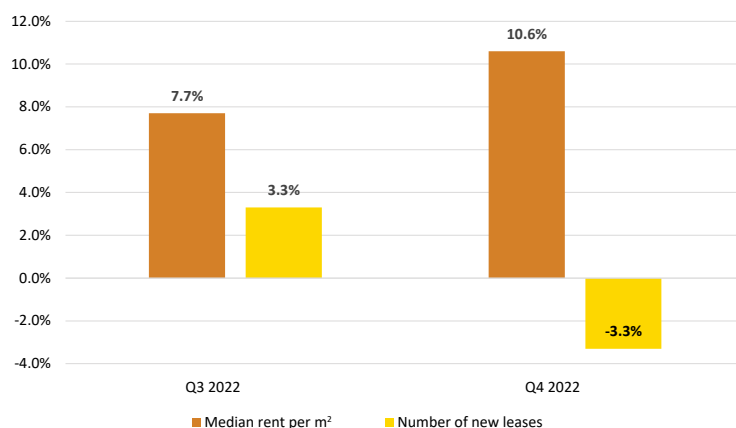
Note: Figures for the most recent period are provisional.

More information is available at:
House Rental Statistics at Local Level – Q4 2022
29 March 2023

2023 Edition

Exports and imports rose 14.5% and 10.3% in nominal terms

Exports and imports nominal rates of change

In January 2023, year-on-year and in nominal terms:

- Exports of goods grew by 14.5%, up by 5.0 p.p. from December; and

- Imports of goods increased by 10.3%, 1.1 p.p. more than in the previous month.

These variations may reflect calendar effects, given that January 2023 had one more working day than the same month in 2022 and two more than last month.

Excluding Fuels and lubricants, there were year-on-year increases of:

- 14.3% in exports, up by 7.3 p.p. from the previous month; and
- 10.8% in imports, 2.7 more than in December.

An analysis by major economic categories of goods, still in January and in nominal and year-on-year terms, highlights:

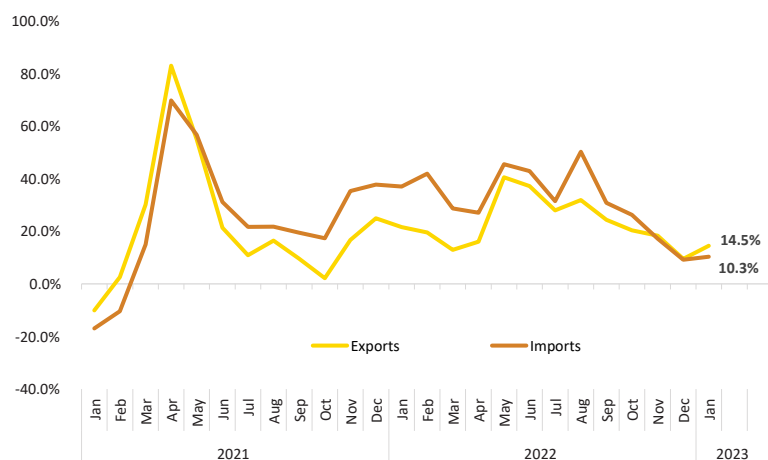- In exports, the increase of all categories, especially *Capital goods and parts thereof* (27.6%); and
- In imports, a rise in *Transport equipment* (40.5%) and a decrease in imports of *Industrial supplies* (-3.9%).

Regarding unit value indices (prices), there were year-on-year increases of:

- 8.1% in exports, 1.6 p.p. down from December; and
- 7.0% in imports, 5.2 p.p. less than the previous month.

Excluding petroleum products, the changes in prices were:

- 8.1% in exports, 0.3 p.p. less than in December; and
- 5.9% in imports, down 3.2 p.p. from the previous month.

In January 2023, compared to the same month of the previous year, the deficit in the trade in goods balance:

- Improved in €27 million, reaching €1,964 million; and
- Excluding *Fuels and lubricants*, decreased by €35 million, totalling €1,325 million.

Still in January 2023, but vis-à-vis the previous month and in nominal terms:

- Exports increased by 10.4% after a 18.8% reduction in December; and
- Imports fell by 2.2%, slowing down from the 11.7% reduction of the previous month.

In the quarter ending in January 2023, year-on-year:

- Exports grew by 14.3%, slowing 1.9 p.p. compared to the quarter ended in December; and
- Imports increased by 12.3%, slowing down by 5.1 p.p. compared to the quarter that ended the previous month.

High and medium-high tech industries - What is their relative importance?

In 2021, *High and medium-High technology manufacturing* represented:

- 0.9% of non-financial companies and 10.4% of *Manufacturing*;

- 6.7% of the turnover of non-financial companies and 27.5% of the turnover of *Manufacturing*;

- 5.8% of the gross value added (GVA) of non-financial companies and 23.9% of the GVA of *Manufacturing*; and

- Around 4.0% (133 thousand people) of the personnel employed in non-financial companies and 19.1% of the personnel employed in *Manufacturing*.

High and medium-high tech industries, 2020 and 2021 (No.)

Medium-high tech industries	2021	3,724
	2020	3,611
High tech industries	2021	505
	2020	470

■ 2021 ■ 2020
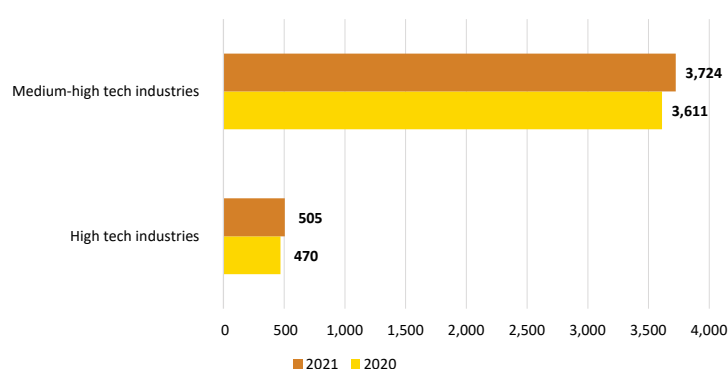
In the same year, *High technology manufacturing* represented, relative to *High and medium-High technology manufacturing*:

- 11.9% of the number of companies;

- 16.0% of turnover;

- 19.5% of GVA generated; and

- 17.5% of staff in service.

Also, in 2021, but compared to companies in *Low and medium-Low technology manufacturing*, enterprises in *High and medium- High technology manufacturing*:

- They remunerated their human resources better, paying, on average, €4,673 more in annual remuneration;

- They showed 1.3 times higher apparent labour productivity;

- They invested more in research and development (with a differential of approximately €17.9 thousand per company); and

- They concentrated a higher proportion of companies with an export profile and high-growth companies.

Young companies (up to 5 years old) by level of technology, 2021 (%)

High technology manufacturing	High and medium-High technology manufacturing	Low and medium-Low technology manufacturing
40.0	28.2	25.8

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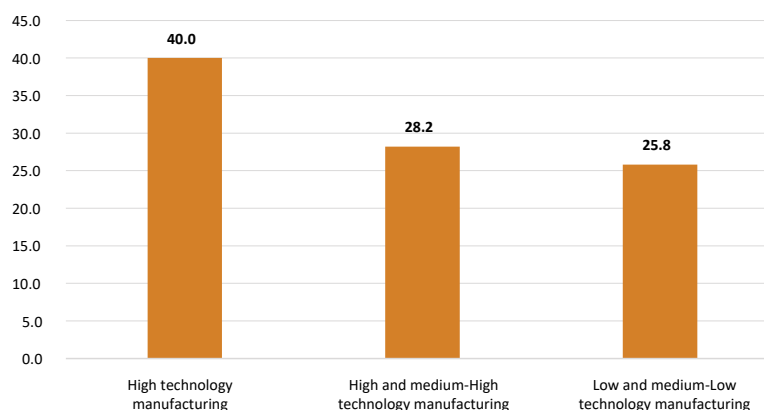
[1] The scope of the analysis corresponds to enterprises in the legal form of a company. However, "company" and "enterprise" are used interchangeably.

Services turnover decelerated to 12.6%

In January 2023, turnover in Services[1] was 12.6% higher than a year earlier, which corresponds to a slowdown of 6.6 p.p. compared to December 2022.

The sections that most influenced this variation were:

- *Wholesale trade; repair of motor vehicles and motorcycles*, decelerating to an year-on-year change of 9.0% (contribution of 5.3 p.p. to the total change);

- *Accommodation and food services* increasing to 37.9% (contribution of 2.8 p.p.); and

- *Transport and storage*, rising to 19.5% (contribution of 2.5 p.p.).

Services Turnover Index sections, December 2022 and January 2023
(year-on-year rate of change, %)
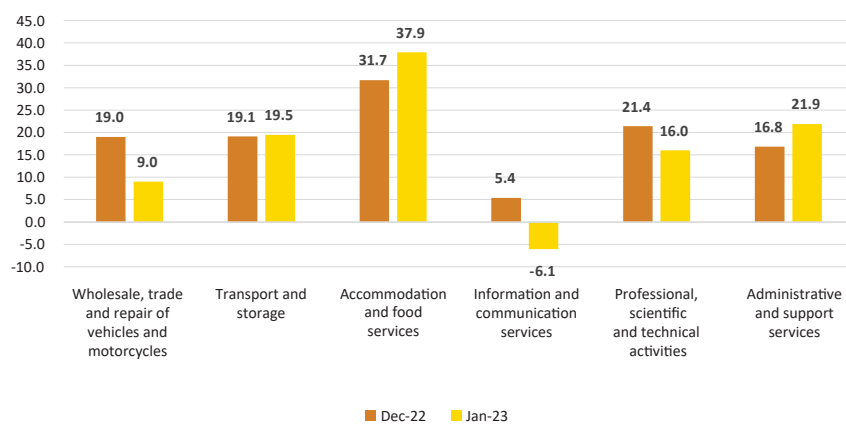
In January, the remaining Services indices grew, year-on-year, at the following rates:

- Employment: 4.9% (5.3% in December);

- Wages and salaries: 12.9% (12.1% in December); and

- Hours worked (adjusted for calendar effects): 7.7% (5.3% in December).

Also in January 2023, but compared to the previous month, turnover in the Services decreased by 2.5% (up 1.2% in the previous month).

Services Turnover Index
(year-on-year rate of change)
Total
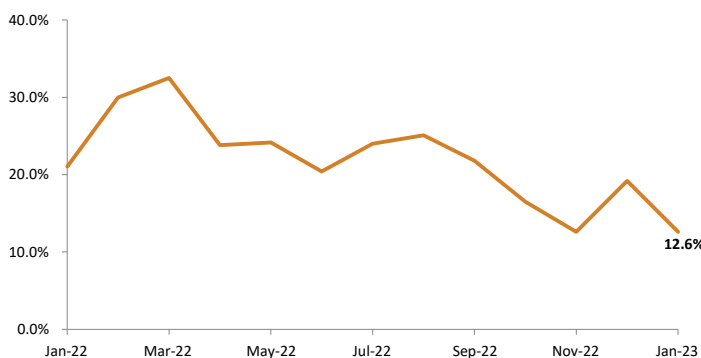
Turnover Index
(year-on-year rate of change)
Wholesale trade, trade and repair of vehicles and motorcycles
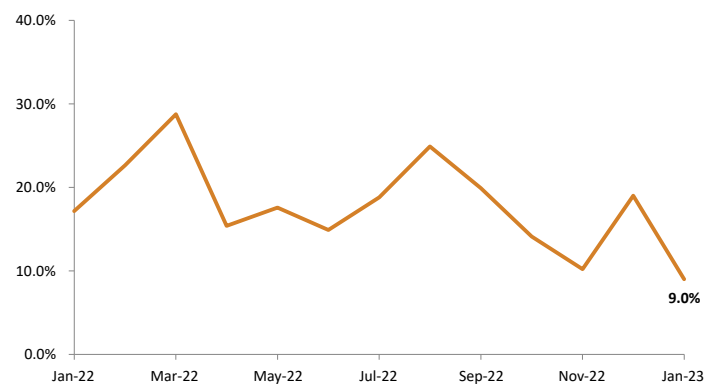
[1] Statistics Portugal measures turnover in Services by way of an index, the IVNES. IVNES is based on adjusted nominal calendar effects and seasonality data.

Turnover Index
(year-on-year rate of change)
Accommodation and food services

37.9%
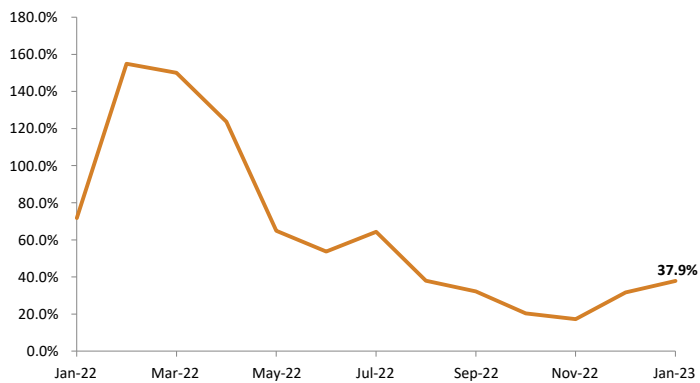
Turnover Index
(year-on-year rate of change)
Transportation and storage

19.5%

Housing prices up by 12.6% in 2022 and 11.3% in Q4 2022

In 2022:

- The Housing Price Index (HPI) increased by 12.6%, 3.2 p.p. more than in 2021;

- The price of existing dwellings (13.9%) grew faster than that of new dwellings (8.7%);

- Transactions reached 167,900, 1.3% more than in 2021 and the second smallest growth since 2012;
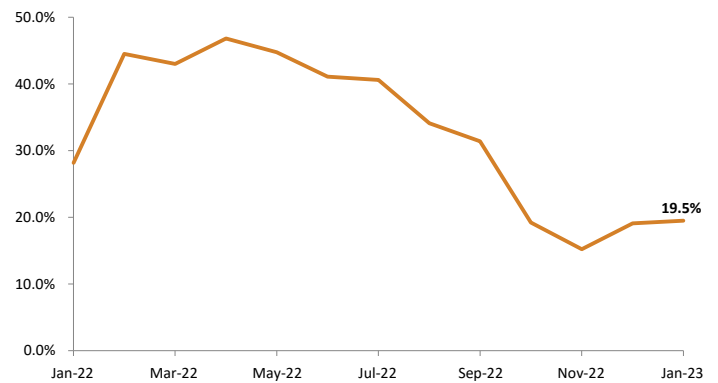
  The number of existing homes sold fell by 0.1%, while the number of new homes rose by 8.5%;

- Transactions totalled €31.8 billion, a 13.1% increase compared to the previous year; and

  This increase was more pronounced in new houses (18.2%) than in existing ones (11.6%);

- Households purchased 2.7% more dwellings than in the previous year, reaching a total of 145,515;

- The overall price households paid for dwellings grew by 13.2%, reaching €27.3 billion; and

- Non-residents bought 10,722 dwellings for a total of €3.6 billion, 20.2% and 25.3% more than in 2021.

In Q4 2022, year-on-year:

- The Housing Price Index (HPI) increased by 11.3% (-1.8 p.p. than in the previous quarter);

- The price increase was higher for existing dwellings (12.7%) than for new dwellings (7.1%);

- Transactions decreased, for the second consecutive quarter, by 16%, reaching 38,526;

- The total value of homes transacted (€7.4 billion) decreased by 10.5%, the first negative change since Q1 2021; and

  Transactions of existing dwellings decreased more (-11.5%) than those of new dwellings (-7.1%).

House Price Index
(year-on-year rate of change)
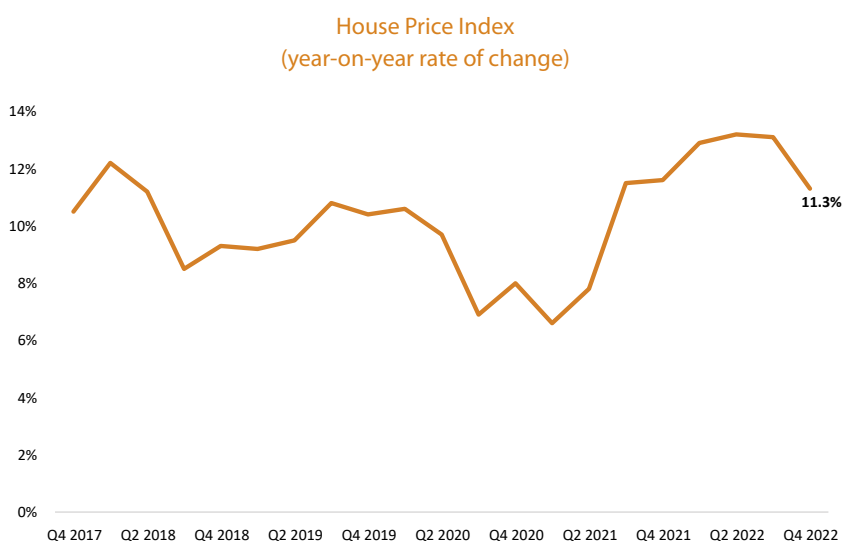
In Q4 2022, quarter on quarter:

- HPI increased by 1.1% (2.9% in the Q3 2022), the lowest quarter-on-quarter variation since Q3 2020; and

- The increase in prices for existing dwellings (1.3%) was more intense than for new dwellings (0.5%).

Housing sales (No.) (Q4 2022)

No.

Existing dwellings	31,652
New dwellings	6,874

Housing sales (value) (Q4 2022)

€ Million

Existing dwellings	5,601
New dwellings	1,761

Value of housing transactions Total (€ thousand million)
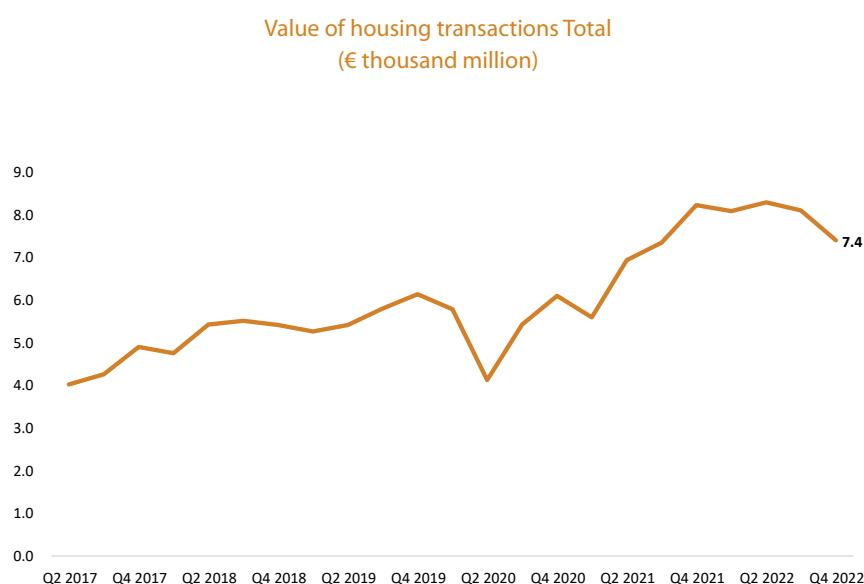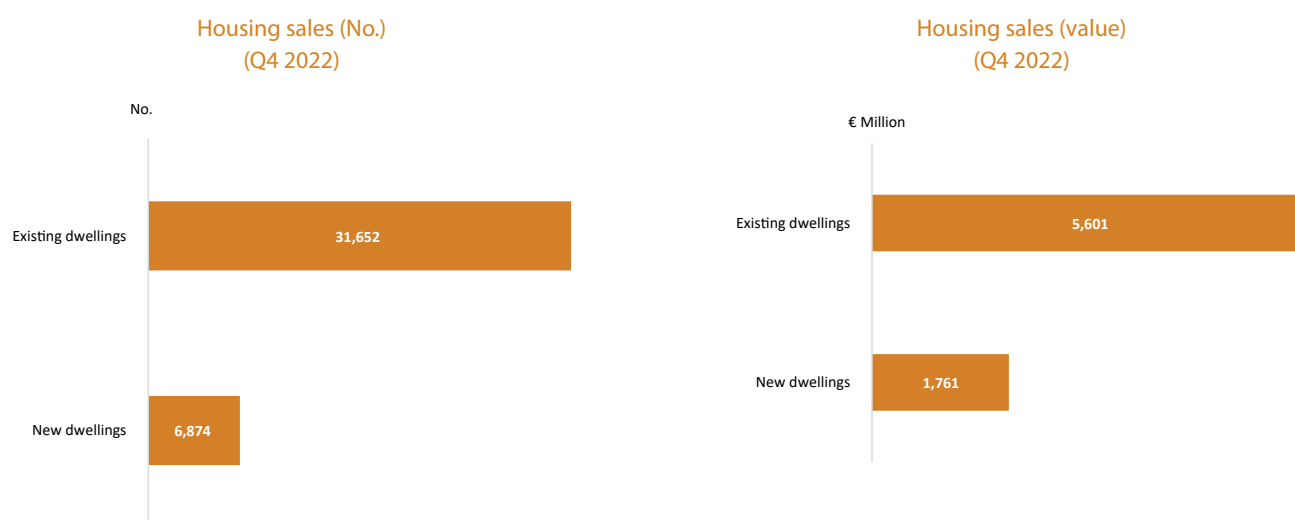
In the reference quarter, it was also observed that:

- Homes purchased by households accounted for 32,847 units (85.3% of the total) and €6.2 billion; and

- Non-resident purchasers acquired 2,616 dwellings, 6.8% of all transactions.

Construction costs increase 11.2% year-on-year

Statistics Portugal estimates the following November 2022 year-on-year rates of change in the context of new housing construction costs:

- Construction Cost Index (CCI) for new residential buildings: 11.2% (0.3 p.p. more than in December);

- Materials costs: 10.4% (decelerating 3.7 p.p. from to the previous month); and

- Labour costs: 12.4% (5.7 p.p. more than in December).

Construction Costs Index for New Housing
(year-on-year rate of change)
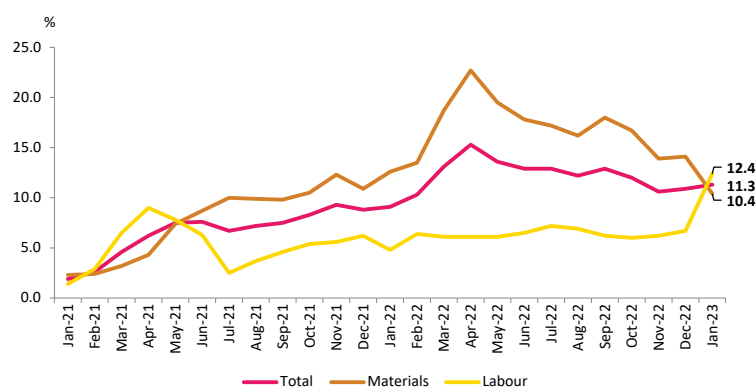
Note: The figures for November and December 2022 and January 2023 are provisional.

It should be noted that, with this highlight, a new data series (base year 2021=100) with retrospective data until 2000 is presented.

Construction Costs Index for New Housing
(100=2021)
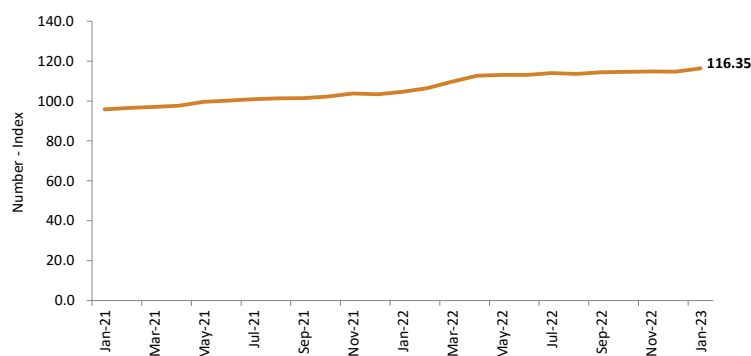
As for month-on-month change, Statistics Portugal estimates the following rates for January 2023:

- CCI: 1.4% (-0.1% in December);

- Material costs: nil change (-0.4% in December); and

- Labour costs: 3.5% (0.3% in December).

More information is available at:
New housing construction costs index – January 2023
9 March 2023

CPI year-on-year rate of change fell to 8.2% in February

In February 2023, year-on-year:

- The Consumer Price Index (CPI) decreased for the fourth consecutive month, reaching 8.2%, 0.2 p.p. less than a month earlier;

- The core inflation rate (excluding unprocessed food products and energy) accelerated to 7.2% (7.0% in January);

- The index for energy products also declined for the fourth consecutive month, reaching 1.9% (7.1% in the previous month); and

- Moving in the opposite direction, the estimated rate for unprocessed food increased to 20.1% (18.5% in the previous month), the highest rate since May 1990.

Consumer price and core inflation indices
(year-on-year rate of change and 12-month moving average)
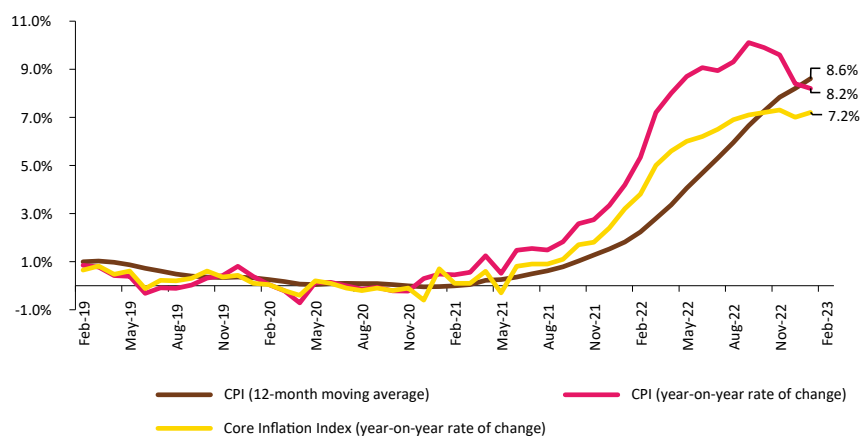
CPI - Year-on-Year rates of change
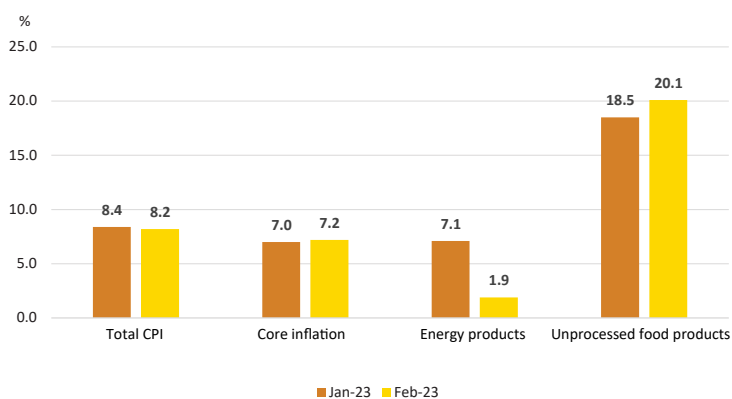
CPI related month-on-month variation rates
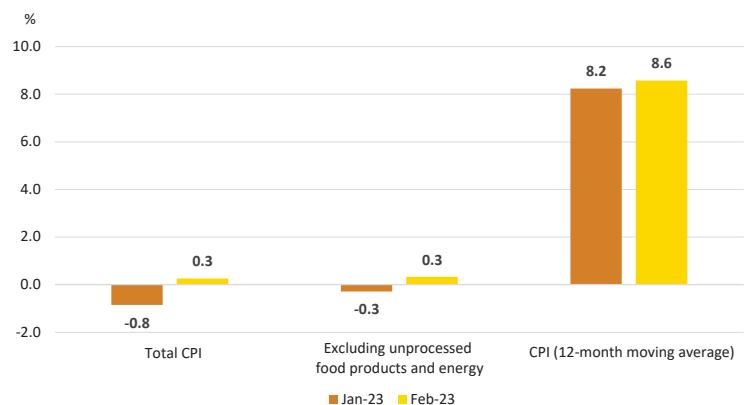
Still in February 2023, but compared to the previous month:

- CPI increased by 0.3% (down 0.8% in the previous month and up by 0.4% in February 2022); and
- Core inflation change was also 0.3% (-0.8% in the previous month and 0.4% in February 2022).

The average CPI change over the last 12 months stood at 8.6%.

As regards the Harmonised Index of Consumer Prices (HICP), the following rates of change were observed in February 2023:

- Year-on-year: 8.6%, the same as in the previous month and 0.1 p.p. above Eurostat's estimated value for the Euro Area (EA); in January, the change in the Portuguese HICP had been the same as that of the EA;
- Year-on-year, excluding unprocessed food products and energy: 8.0%, which is higher than the estimated value for the Euro Area (7.4%);
- Month-on-month: 0.4% (-0.8% in the previous month and 0.5% in February 2022); and
- Average of the last 12 months: 8.9% (8.5% in the previous month).

HICP year-on-year rate of change

HICP month-on-month rate of change
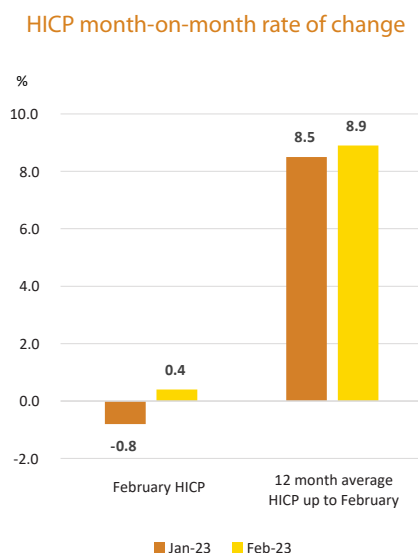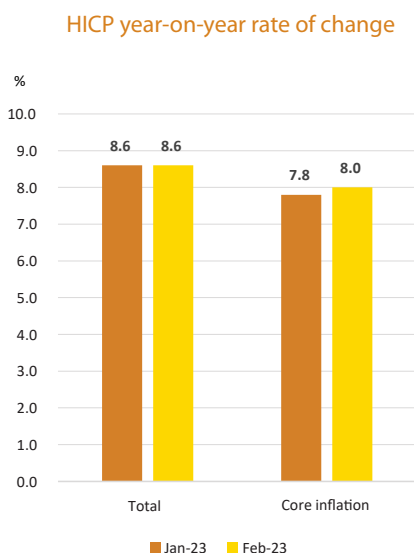
Harmonised Index of Consumer Prices
(year-on-year rate of change in the Euro Area Countries, February 2023)
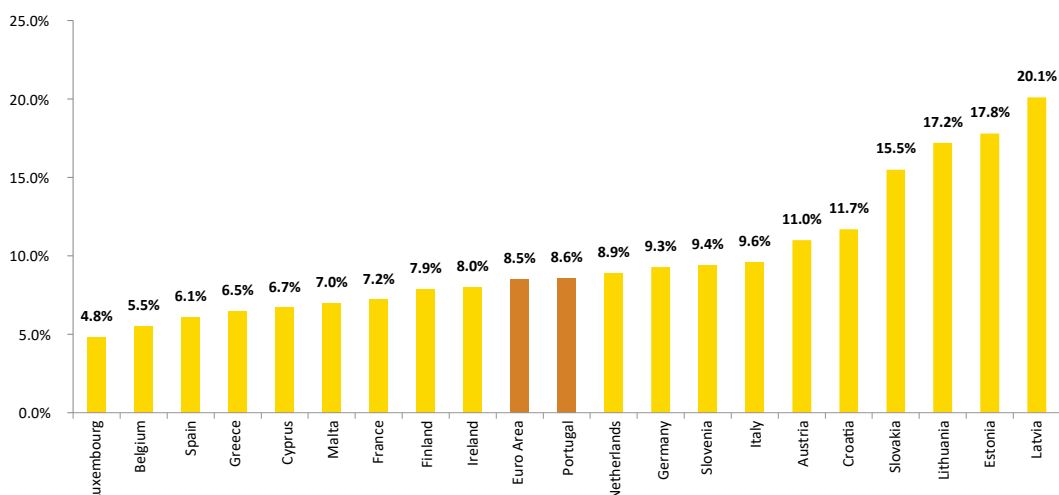
Industrial production prices slow to 8.8%

In February 2023, on a year-on-year basis:

- The Industrial Production Price Index (IPPI) stood at 8.8%, prolonging the slowdown in industrial price growth (this time by 1.5 p.p.) that followed the peak of 25.5% registered in June 2022;

  This development was mainly influenced by slower price growth in the *Intermediate Goods* grouping, which dropped from 11.8% in January to 9.2%;

- Excluding the *Energy* grouping, the change in industrial production prices also slowed down to 10.5% (12.2% in the previous month); and

- The *Capital Goods* grouping was the only one with a rate of change greater than the previous month, though by a minimal difference (0.1 p.p.).

Industrial Production Prices Index
(year-on-year rate of change)

8.8%
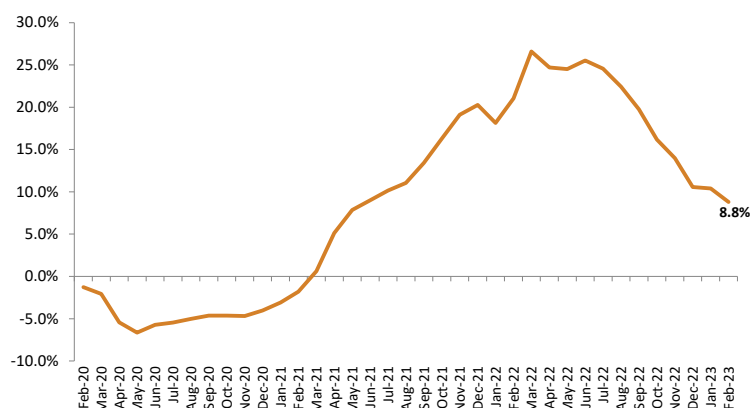
The monthly variation of the IPPI in February was 1.2% (2.7% in the same month of 2022), maintaining the strong influence of the *Energy* grouping, which registered a contribution of 1.4 p.p. to the variation of the total index, as a result of the variation rate of 6.6% (7.4% in the same period of 2022).

Total Index and Major Industrial Groupings
(month-on-month rate of change)
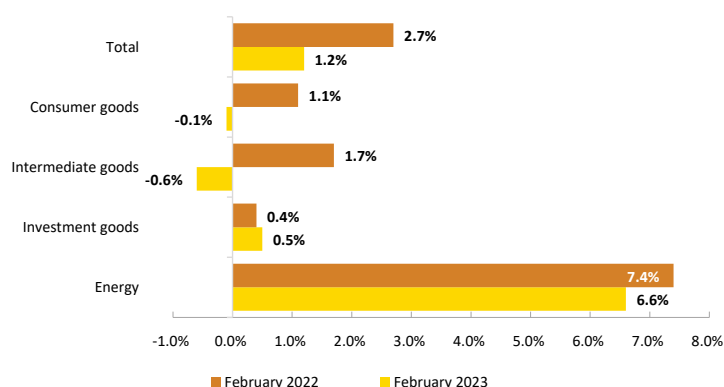
	February 2022	February 2023
Total	2.7%	1.2%
Consumer goods	1.1%	-0.1%
Intermediate goods	1.7%	-0.6%
Investment goods	0.4%	0.5%
Energy	7.4%	6.6%

CPI year-on-year rate of change for March estimated at 7.4%

Statistics Portugal estimates that in March 2023, based on the information already available and vis-à-vis a year earlier:

- The Consumer Price Index (CPI) decreased once again, to a variation of 7.4%, which corresponds to a deceleration of this index for the fifth consecutive month, in this case by 0.8 p.p.;

  This deceleration is partly explained by the base effect resulting from the increase in fuel and food prices in March 2022;

- The core inflation index, which excludes the unprocessed food products and energy components, grew 7.0%, 0.2 p.p. less than the previous month;

- The energy products index sank 6.3 p.p., reaching a negative growth of 4.4%; and

- The rate for the unprocessed food component decelerated by 0.8 p.p., reaching 19.3%.

Compared to the previous month, the CPI rate of change in February will have been 1.7% (0.8% in February and 2.5% in March 2022).

Statistics Portugal estimates that, in March, the average CPI change in the last twelve months was 8.7% (8.6% in the previous month).

The Harmonised Index of Consumer Prices (HICP) – the most appropriate inflation indicator for comparisons between the different countries of the European Union, and, in particular, in the Euro Area – will have recorded an annual change of 8.0% in Portugal in March 2023 (0.6 p.p. less than in the previous month).

	Monthly change (%)[1]		Year-on-year change (%)[1]	
	Feb-23	Mar-23[*]	Feb-23	Mar-23[*]
CPI				
Total	0.26	1.73	8.25	7.42
All items, excluding housing	0.25	1.78	8.44	7.56
All items, excluding unproc. food and energy	0.33	1.97	7.21	7.01
Energy products	-2.24	-0.41	1.94	-4.42
Unprocessed food products	1.45	1.51	20.09	19.30
Processed food products	-0.58	1.06	18.02	15.72
HICP				
Total	0.4	2.0	8.6	8.0

[1] Rounded values to two and one decimals.
[*] Estimated values.

More information is available at:
Consumer Price Index, Flash Estimate – March 2023
31 March 2023

In February 2023, mortality increased by 1.2% compared to the same month in 2022

Mortality

In February 2023:

- There were 10,803 deaths, 1,123 less than the previous month (-9.4%) but 129 more than in February 2022 (+1.2%); and

- The number of deaths due to COVID-19:

  » Was 191, 1.8% of total mortality; and

  » Decreased compared to the previous month (-41 deaths) and to February 2022 (-924).

Deaths and year-on-year change, Portugal, January 2019 to February 2023

Live births

In January 2023, there were 7,146 live births, an increase of 753 (11.8%) compared to January 2022.

The total number of live births in 2022 was 83,979, 4,184 live births (+5.2%) more than the previous year but falling short of the 84,796 recorded in 2020 and 87,026 registered in 2019.
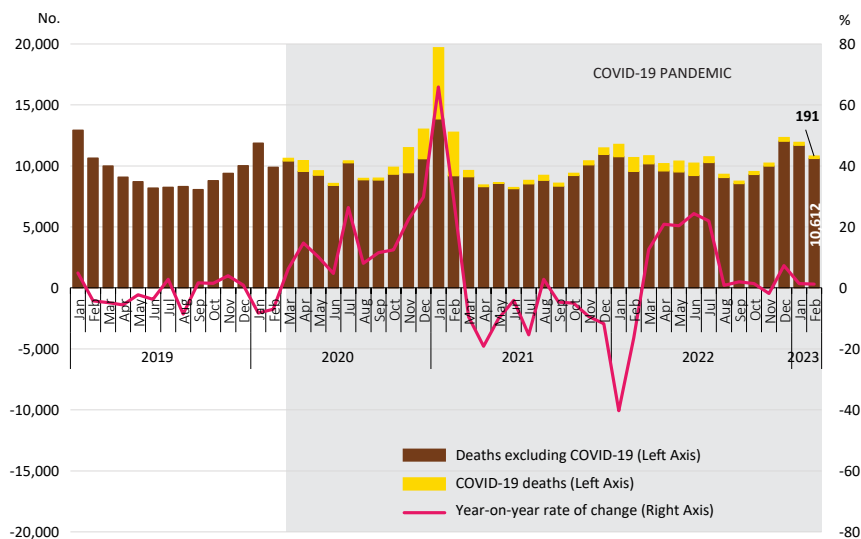
Live births and year-on-year change, Portugal, January 2019 to January 2023
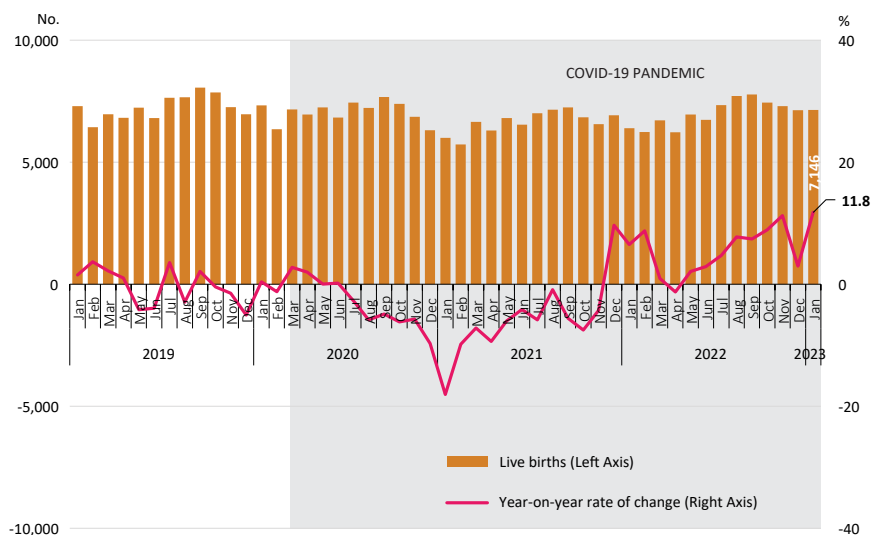
Natural balance

The natural balance in January 2023 was -4,756, alleviating from the -5,344 in the same month in 2022.

The cumulative value of the natural balance for 2022 was -40,643. This figure shows some relief vis-à-vis the -45,220 observed in 2021 but constitutes a further plunge compared to 2020 (-38,866) and 2019 (-25,264).

Live births, deaths and natural balance, Portugal, January 2019 to January 2023
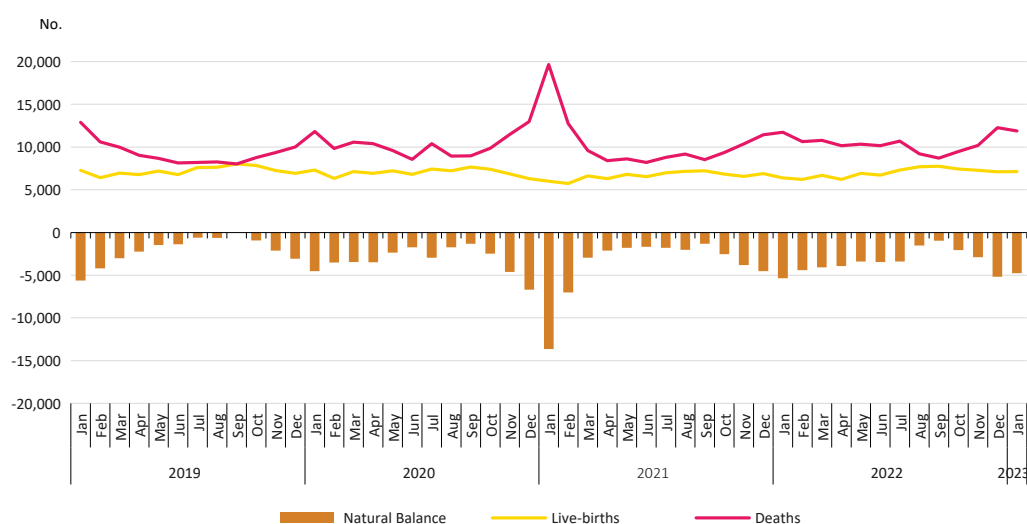
Marriages

One thousand six hundred fifty-six marriages were celebrated in January 2023, 510 more (+44.5%) than in January 2022.

Marriages and year-on-year variation, Portugal, January 2019 to January 2023
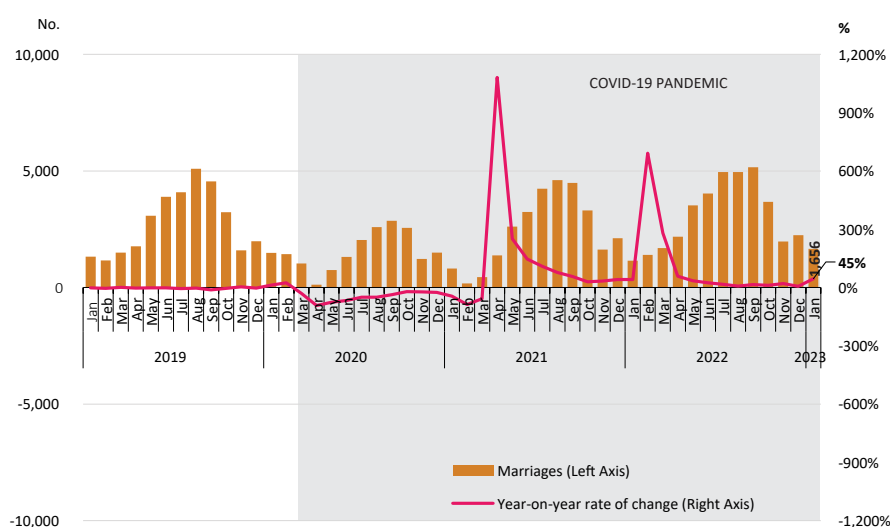
In 2022, 36,947 marriages were celebrated, which corresponds to year-on-year increases of:

- 7,889 (+27.2%) compared to 2021;

- 18,044 (+95.5%) vis-à-vis 2020; and

- 3,674 (+11.0%) by comparison with 2019.

In 2021, the resident population in Portugal increased for the third consecutive year

In 2021:

- The resident population in Portugal was estimated at 10,421,117, which represents an increase for the third consecutive year;

  The effective growth rate was 0.26% (0.18% in 2020);

  The population increase (of 26,820 people compared to the previous year) resulted from the fact that the positive migration growth rate (0.69%) compensated for the negative natural growth rate (-0.43%);

- There were 79,582 live births to mothers residing in the national territory, representing a decrease of 5.9% compared to 2020;

  The average age of women at the birth of a child (regardless of birth order) was 31.8 years (31.6 years in 2020), while the average age at the birth of the first child rose to 30.4 years (30.2 years in 2020);

Resident population, Portugal, 2011-2021
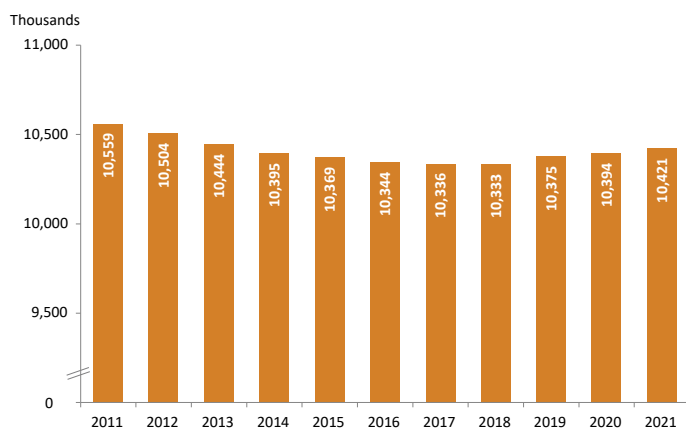
Mean age of women at childbirth and first childbirth (years), Portugal, 2011-2021
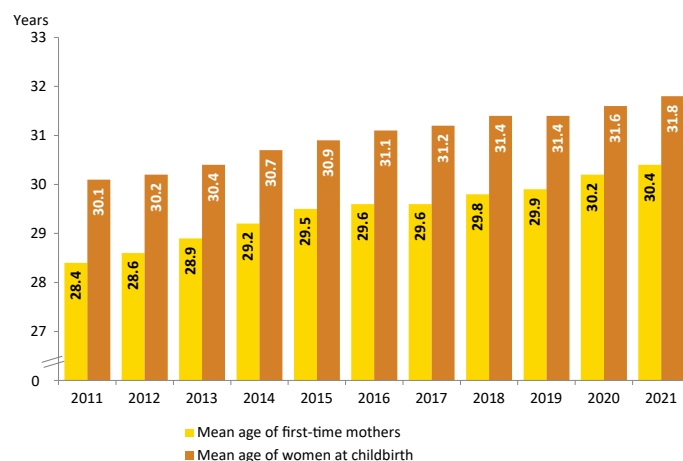
- The number of deaths rose to 124,802, up 1.1% from the previous year (123,396);

  There were 191 infant deaths, 15 fewer than in 2020. The infant mortality rate remained at 2.4 deaths per thousand live births;

- There were 29,057 marriages celebrated in Portugal, an increase of 53.7% (18,902) compared to the previous year;

  The average age at first marriage was 34.3 years for men and 32.9 years for women (34.9 years and 33.4 years, respectively, in 2020);

Marriages (No.) and Crude Marriage Rate (‰), Portugal, 2011-2021
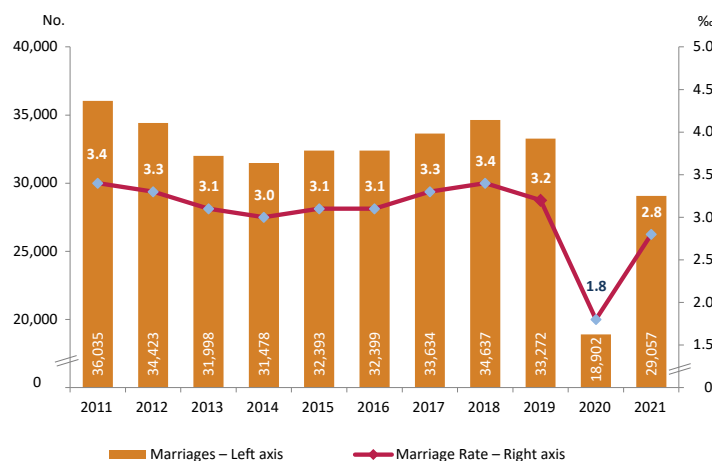
**Mean age at first marriage (years)
by gender, Portugal, 2011-2021**

Years

■ Mean age at first marriage – Men   ■ Mean age at first marriage – women
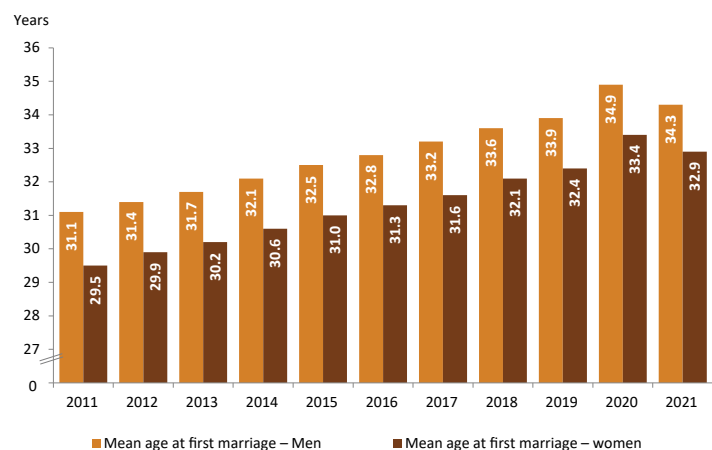
- 17,279 divorces were declared, representing a decrease of 0.1% compared to the previous year (17,295);

  The average age at divorce was 48.4 years for men and 46.0 years for women;

- Concerning marriage dissolutions due to the spouse's death, there was an increase of 1.3% compared to 2020 (49,908 marriage dissolutions due to the death of the spouse in 2021 and 49,290 in 2020). Of these, 14,414 widowers and 35,494 widows resulted.

- For the fifth consecutive year, the number of permanent immigrants (97,119) exceeded that of permanent emigrants (25,079), resulting in a positive migratory balance of 72,040.

Effective, natural and migration growth rates (%), Portugal, 2011-2021
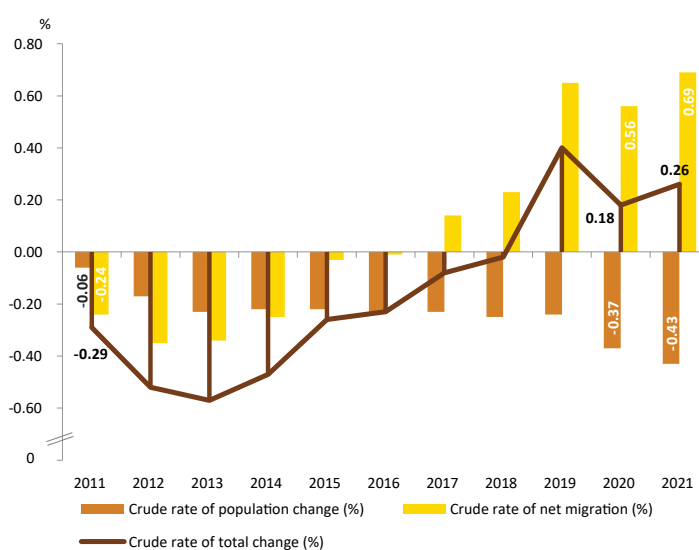
■ Crude rate of population change (%)   ■ Crude rate of net migration (%)
— Crude rate of total change (%)

Tourist accommodation sector revenue maintains a growth trend

In January 2023[1], the tourist accommodation sector[2] registered:[3]

- 1.5 million guests;

- 3.5 million overnight stays;

- €212.4 million in total revenue; and

- €153.9 million in accommodation revenue.

Year on year growth of guests, overnight stays and revenue
in the tourist accommodation sector
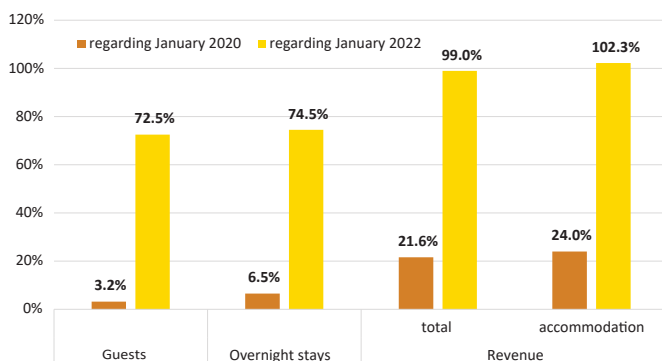
- A net bed occupancy rate of 29.4% (+10.9 p.p.);

- A net bedroom occupancy rate of 37.4% (+13.6 p.p.);

- An average revenue per available room (RevPAR) of €29.0; and

- An average daily rate (ADR) of €78.4.

Year-on-year changes in RevPAR and ADR in the accommodation sector
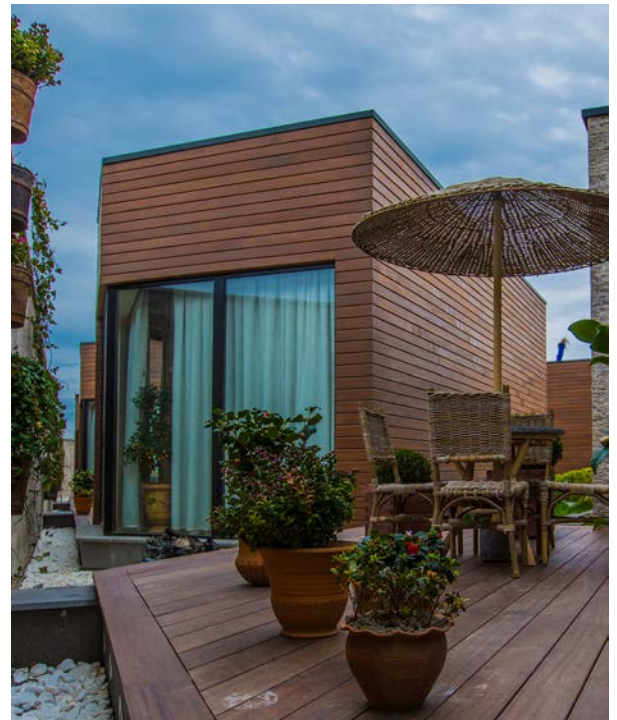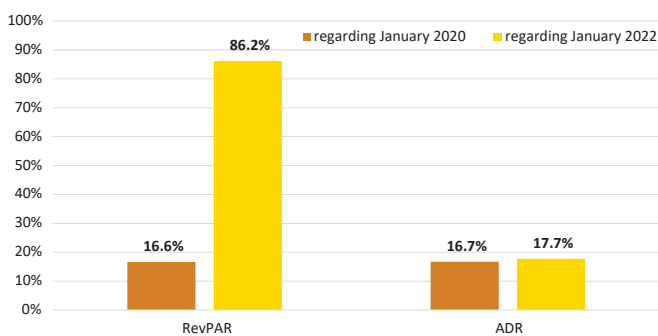
[1] These results are final until the end of 2021, provisional from January to December 2022, and preliminary in January 2023.
[2] It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, Madeira inns and quintas), local accommodation with 10 or more bed places (according to the statistical threshold defined by EU Regulation 692/2011) and residential or rural environment tourism.
[3] Unless otherwise indicated, the rates of change shown in this note correspond to year-on-year rates of change vis-à-vis the same period of the previous year.

Guests in tourist establishments, Portugal

No.

Chart showing guests in tourist establishments (Total, Non-residents, Residents):
- January 2020: Total 1,419,505
- January 2021: Total 296,172
- January 2022: Total 849,084
- January 2023: Total 1,464,817

Legend: ■ Total ■ Non-residents ■ Residents

Overnight stays in tourist establishments, Portugal

No.

Chart showing overnight stays in tourist establishments (Total, Non-residents, Residents):
- January 2020: Total 3,258,226
- January 2021: Total 688,039
- January 2022: Total 1,988,869
- January 2023: Total 3,470,583

Legend: ■ Total ■ Non-residents ■ Residents

Total income in tourist accommodation establishments

€10³

Line chart of total income by month from 2020 to 2023, ending at 212,432.
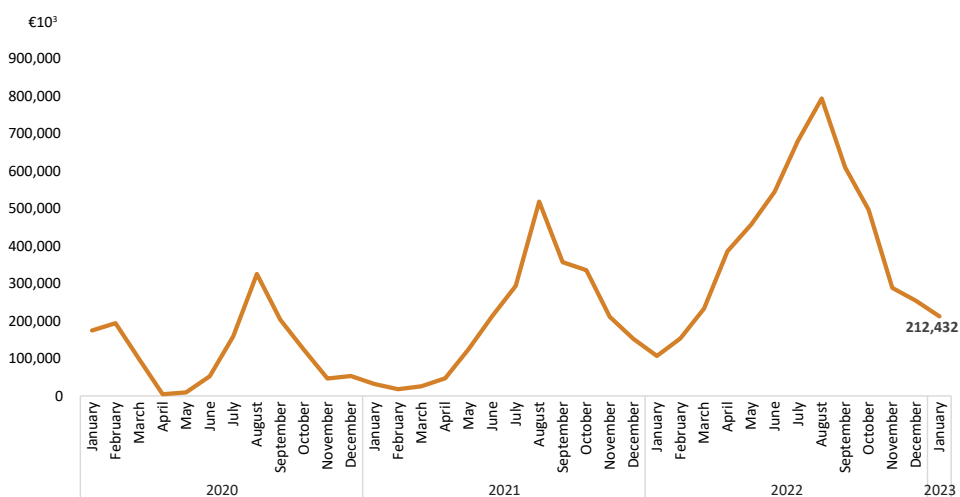
Still in January 2023:

- The Área Metropolitana de Lisboa concentrated 38.2% of the total revenue and 40.3% of the room revenue, followed by the Região Autónoma da Madeira (17.0% and 16.2%, respectively) and the Norte (16.8% and 16.9%, in the same order);

  The most significant increases were registered in the Área Metropolitana de Lisboa (+150.3% in total revenue and +151.9% in room nights) and the Norte (+92.8% and +94.7%, respectively).

  Compared to January 2020, the developments presented by the Região Autónoma da Madeira (+44.9% and +54.2%, in the same order) and the Região Autónoma dos Açores (+42.5% and +45.3%, respectively) stand out.

- Among the municipalities with the highest representation in total overnight stays, Albufeira stands out, which continued to show a reduction in overnight stays compared to 2020, both from residents (-17.5%) and non-residents (-9.9%).

Overnight stays at tourist accommodation establishments,
by NUTS II region - January 2023
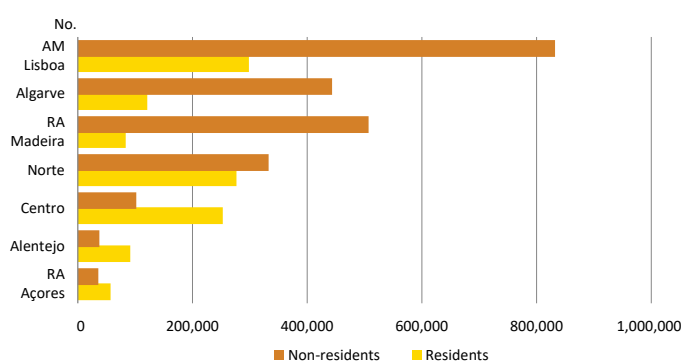
Considering all accommodation facilities (that is, adding camping sites, holiday colonies, and youth hostels to tourist accommodation establishments), in January 2023, there were:

- 1.5 million guests, up +70.4% from January 2022; and

- 3.8 million overnight stays, 70.0% more than the same month last year.

Compared to January 2020, overnight stays increased by 6.4%, more in residents (+6.5%) than non-residents (+6.3%).

Overnight stays in the Algarve and the Açores below pre-pandemic levels

In February 2023, the tourist accommodation sector[1] welcomed 1.7 million guests for 4.0 million overnight stays. These results represent year-on-year increases of:

- 33.0% in guests (+71.4% in January); and
- 38.5% in overnight stays (+74.1% in January).

Compared to February 2020, when no effects of the pandemic were yet observed, the levels now reached represent increases of:

- 4.3% in guests; and
- 5.9% in overnight stays.

Overnight stays in tourist accommodation establishments per month
Cumulative sum
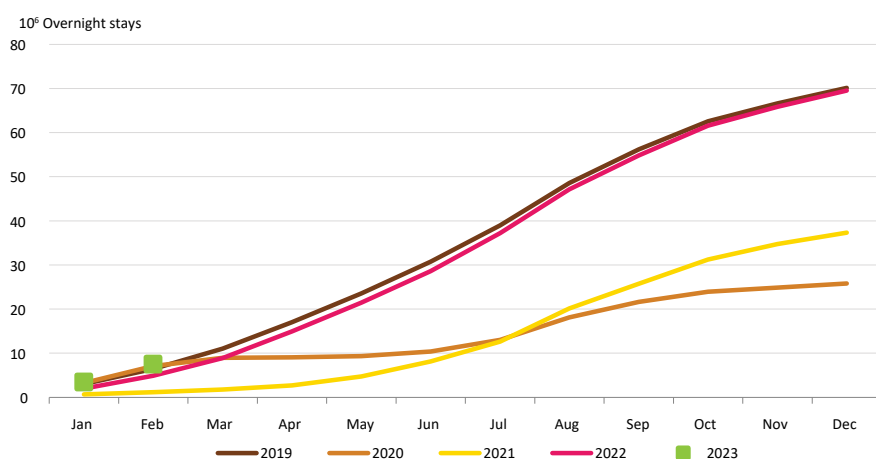
In February 2023, the domestic market contributed with 1.4 million overnight stays (+19.0% year-on-year), while external markets totalled 2.7 million (+51.0%).

Compared to February 2020, there were increases of:

- 4.9% in residents' overnight stays; and
- 6.5% in non-residents' overnight stays.

The distribution of total overnight stays by accommodation type was as follows:

- Hotels and similar: 82.3%;
- Local accommodation: 14.7%; and
- Rural and lodging tourism: 2.9%.

Overnight stays in February 2023 – year-on-year rates of change

Type of accommodation	Change vis-à-vis February 2022	Change vis-à-vis February 2020
Hotels and similar	+39.9%	+2.5%
Local accommodation	+34.5%	+23.8%
Rural and lodging tourism	+21.5%	+36.0%

In the month under review, the average stay in tourist accommodation establishments (2.45 nights) increased 4.1% year-on-year (+1.6% in January) while breaking down into:

- 1.76 nights for domestic tourists (+2.7% year-on-year); and
- 3.06 nights for inbound tourists (-1.3% compared to the same month last year).

All the NUTS 2 regions recorded year-on-year increases in overnights in February. The Área Metropolitana de Lisboa concentrated 30.8% of all overnight stays, followed by the Algarve (19.5%), the Norte (17.2%) and the Região Autónoma da Madeira (15.3%).

[1] It includes three housing segments: hotels (hotels, hotels-apartments, tourist apartments, tourist villages, inns and farms of Madeira), local accommodation with 10 or more beds (according to the statistical threshold set in Regulation EU 692/2011) and tourism in rural/housing areas.

Overnight stays in tourist accommodation establishments, by NUTS 2 region – February 2023
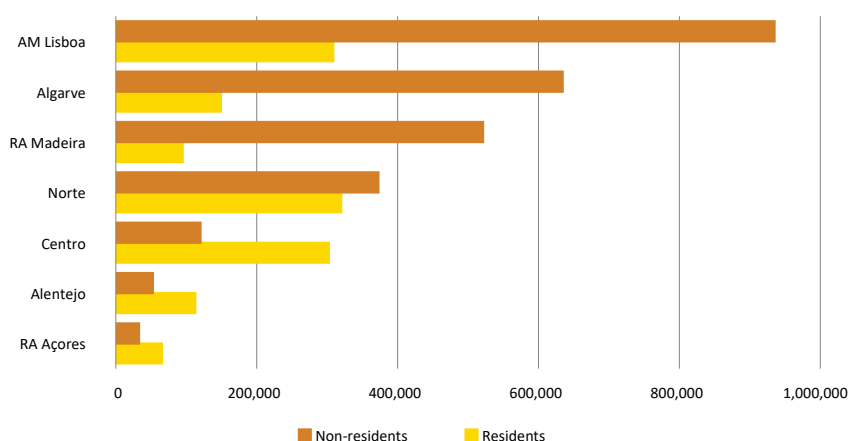
All of the seventeen main issuing markets[2] registered increases in February and represented 86.1% of nights spent by inbound tourists. The following markets stand out in terms of their share in the total number of nights spent by inbound tourists:

- British: 16.9% (+2.2% compared to 2020);
- German: 11.3% (-4.9% compared to 2020); and
- Spanish: 10.2% (-2.6% compared to 2020).

Still comparing with 2020, the following markets' growth stands out:

- Polish: 58.9%;
- North American: 49.6%;
- Irish: 32.8%;
- Italian: 25.2%; and
- Swiss: 21.9%.

Compared to the same year, the number of overnight stays by guests decreased in particular:

- Swedes: -28.5%;
- Danish: -11,0%; and
- Brazilians: -7.6%.

Overnight stays in tourist accommodation establishments per month
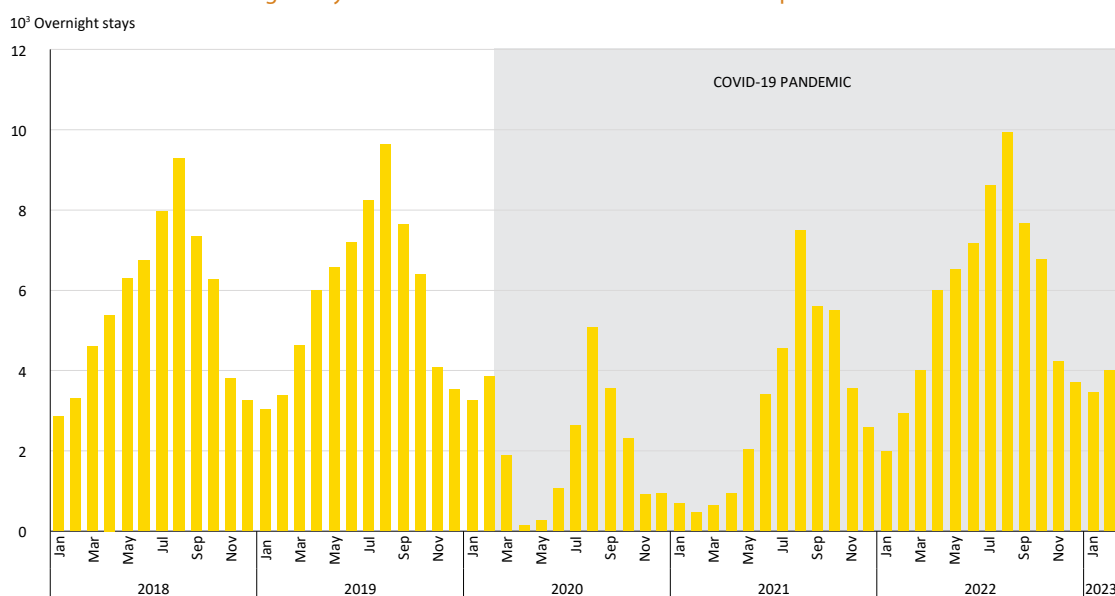
In February 2023, 32.9% of tourist accommodation establishments were closed or recorded no guest movement (37.0% in the previous month).

[2] Based on provisional results of overnight stays in 2022.

2023 Edition

Passenger transport increased in Q4, but overall 2022 results are still below 2019 levels

In Q4 2022, national airports handled 13.9 million passengers, corresponding to:

- +41.9% compared to the same period in 2021; and

- +3.7% compared to Q4 2019.

Passengers carried on rails were:

- 45.9 million on the heavy railway system, which corresponds to rates of change of +15.5% and -6.3% compared to the same period in 2021 and 2019, respectively; and

- 62.1 million on the light railway, representing variations of +27.6% and -17.1% compared to year-on-year quarters of 2021 and 2019.

Passenger transport by inland waterway reached 4.5 million, registering:

- A 20.1% increase compared to Q4 2021; and

- A 15.0% reduction vis-à-vis Q4 2019.

As regards freight transport, the following variations were noted regarding Q4 2021 and Q4 2019, respectively:

- Airway: -0.9% and -3.8%;

- Railway: -3.1% and +0.8%;

- By sea: -3.6% and -7.0%; and

- Roadway: +0.4% and -11.5%.

Aircraft at national airports
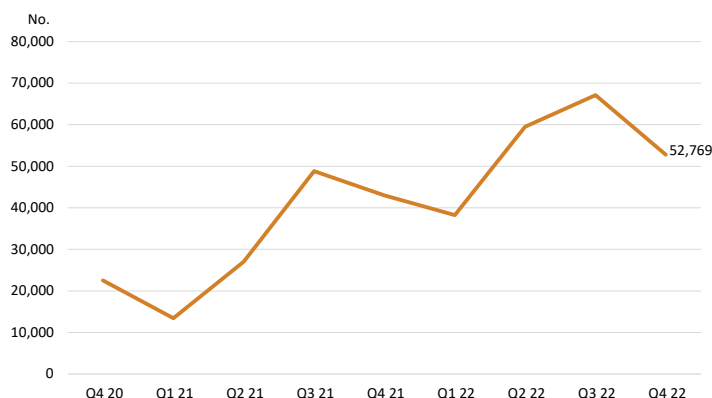
Passengers at national airports
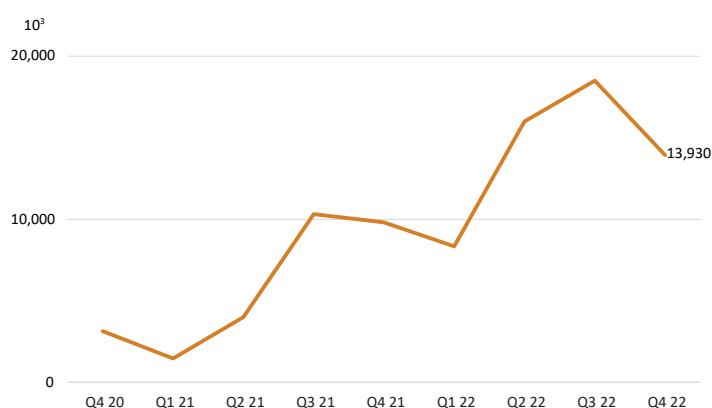
Cargo/mail at national airports
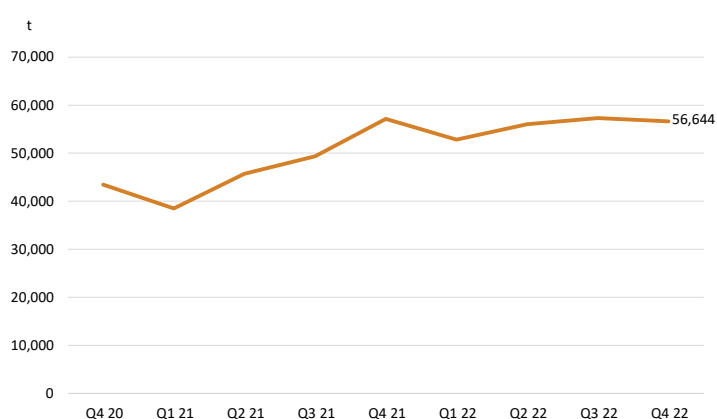
Preliminary 2022 results show, regarding passenger transport, the following year-on-year growth:

- Airway: 121.7% (+39.2% in 2021);
- Heavy railway: 42.1% (+18.1% in 2021);
- Light railway: 58.5% (-2.4% in 2021); and
- By sea: 42.5% (+2.0% in 2021).

As regards freight transport, preliminary 2022 results show rates of change of:

- +16.9% by air (+29.7% in the previous year);
- +2.3% by sea (+4.7% in the previous year);
- -3.2% by rail (+11.4% in the previous year); and
- -2.2% by road (+11.5% in the previous year).

As for oil pipeline transport, it increased in 2022 by 28.3% compared to the previous year (+7.6% in 2021) but fell by 5.7% vis-à-vis 2019.

In 2022, gas transport by pipeline decreased in inputs (-4.3%; -0.1% in 2021; -7.6% compared to 2019) and in outputs (-4.8%; +0.3% in 2021; -7.5% compared to 2019).
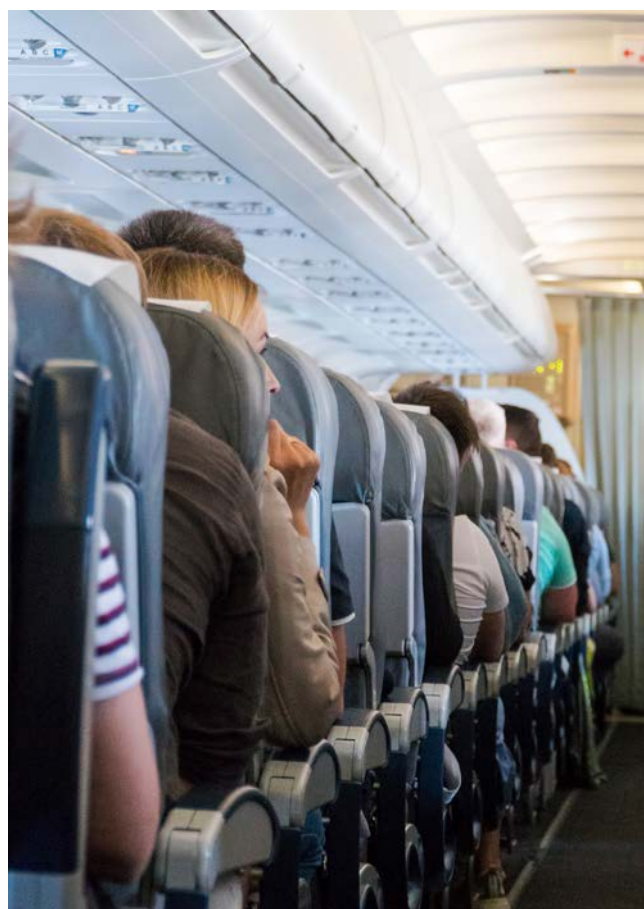
Passenger transport,
changes 2022-2021 and 2022-2019 (%)
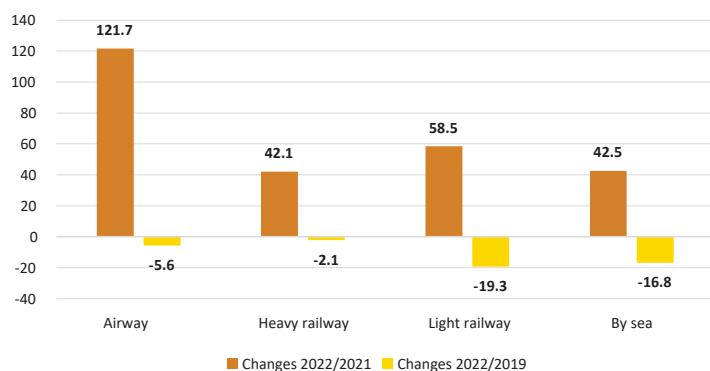
Freight transport,
changes 2022-2021 and 2022-2019 (%)
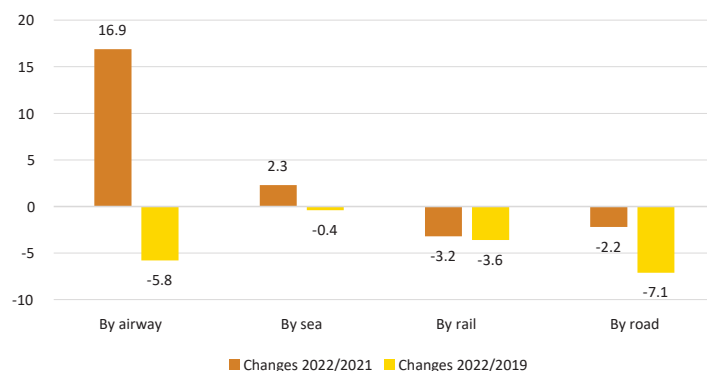
The growth trend in air transport endures

In January 2023, Portuguese airports witnessed the following:

- The landing of 16.0 thousand aircraft landed on commercial flights (+34.4% year-on-year);
- The comings and goings (boardings, disembarkations, and direct transits) of 3.9 million passengers (+84.0% year-on-year);
- An average daily disembarking of 60.7 thousand passengers, significantly more (+89.9% year-on-year); and
- The movement of 16.7 thousand tons of cargo and mail (-0.4% year-on-year).

Compared to January 2020:

- The number of aircraft landed was 5.2% higher;
- The number of passengers increased by 5.7%;
- The average daily number of passengers disembarked increased by 5.4%; and
- The cargo and mail handled decreased by 3.2%.

Traffic at national airports, January 2023
(year-on-year rates of change, %)

Category	Rate of change compared to Jan-2020	Rate of change compared to Jan-2022
Cargo and mail handled	-3.2	-0.4
Passenger traffic	5.7	84.0
Landed aircraft	5.2	34.4
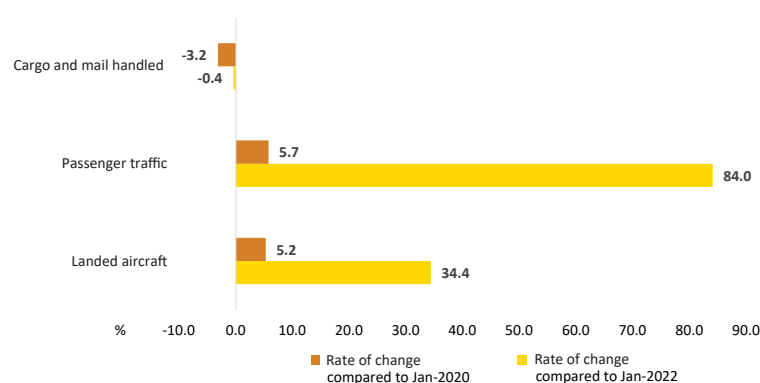
Aircraft landed at national airports

16,019

Note: Po = Provisional values; Pw = Preliminary value.
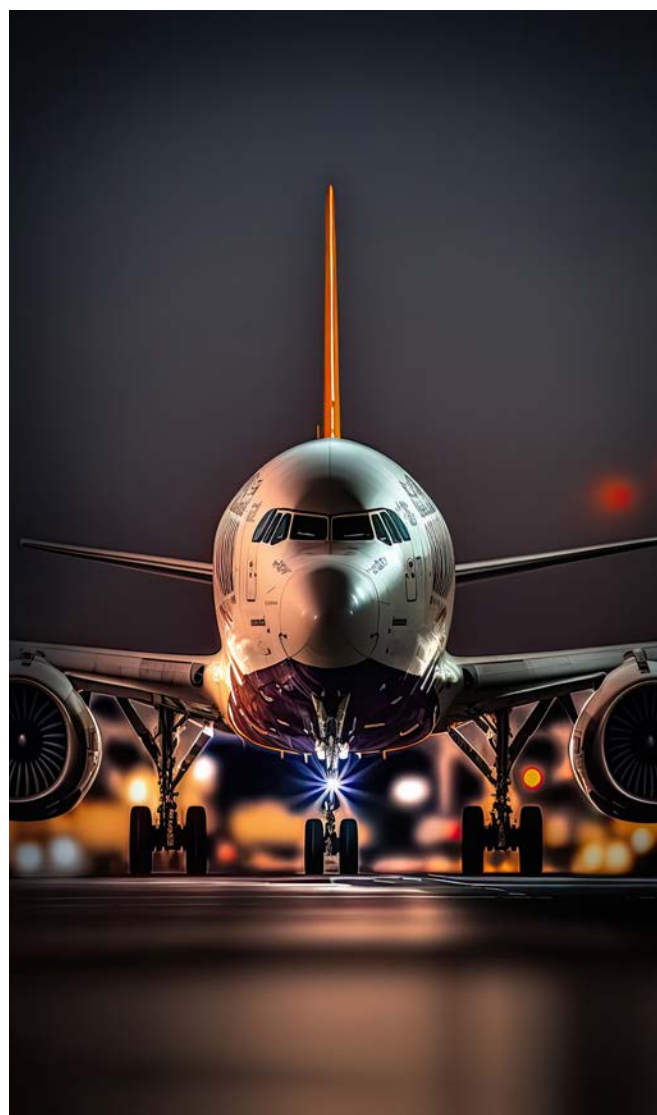
Movement of passengers at national airports

10³

Jan Mar May Jul Sep Nov	...	Jan
2019	2020	2021	2022 Po	2023 Pw

3,994
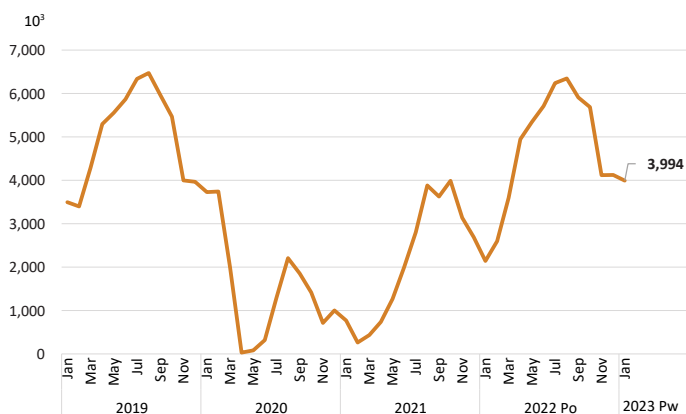
Note: Po = Provisional values; Pw = Preliminary value.

Freight/mail handled at national airports

t

16,699

Jan Mar May Jul Sep Nov | 2019 | 2020 | 2021 | 2022 Po | 2023 Pw
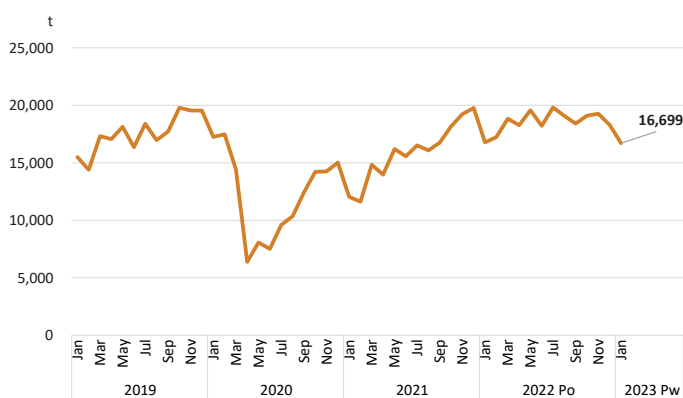
Note: Po = Provisional values; Pw = Preliminary value.

Still in January 2023:

- Lisbon airport handled 2.2 million passengers, 56.9% of the total and 84.8% more than a year before;

- Porto airport handled 22.7% of all passengers and, compared to January 2022, grew by 88.1% (+1.2% regarding January 2020);

- Madeira airport ranked third in overall passengers (313.7 thousand, 86.0% more than a year before), overtaking Faro airport; and

- Faro airport almost doubled its number of passengers compared to the same month last year (+90.7%) and was the airport that grew the most compared to January 2020 (+11.7%).

Passengers disembarked, by main countries of origin, January 2022 (thousands and year-on-year growth)

Country	Value	Growth
France	238.0	↗ 80.8%
Spain	225.0	↗ 134.8%
UK	188.3	↗ 154.5%
Brazil	115.6	↗ 73.8%
Germany	111.7	↗ 68.9%
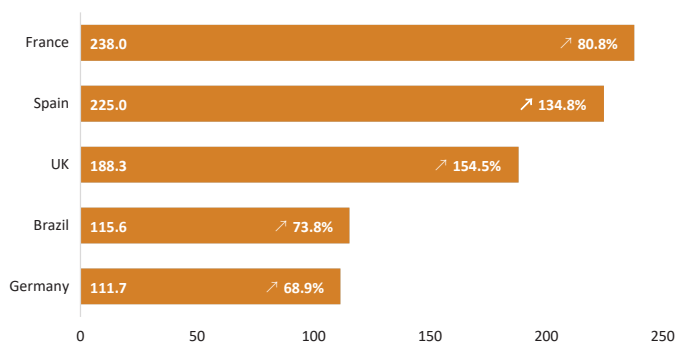
Passengers embarked, by main countries of destination, January 2022 (thousands and year-on-year growth)
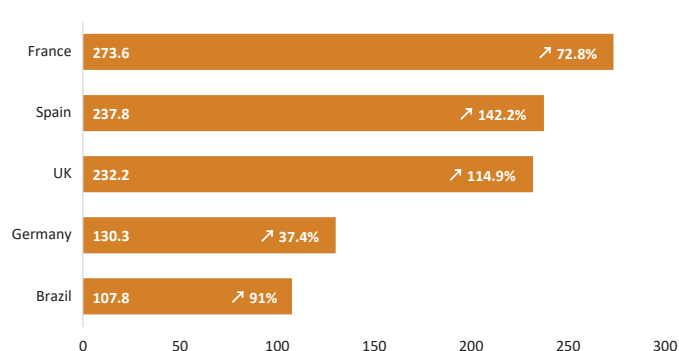
Country	Value	Growth
France	273.6	↗ 72.8%
Spain	237.8	↗ 142.2%
UK	232.2	↗ 114.9%
Germany	130.3	↗ 37.4%
Brazil	107.8	↗ 91%

Economic activity increased in January, while industrial production and consumer prices decelerated but maintained high growth

In February 2023, the Euro Area (EA) economic sentiment indicator showed a slight decrease after having increased in the three previous months:

- Raw materials: 0.3% (4.5% in January); and

- Oil: 0.7% (0.2% in January).

In Portugal, also in February 2023:

- The manufacturing price index decelerated significantly, following what had happened in the previous six months, showing a year-on-year change of 12.3% (16.9% in January);

  Excluding the energy component, this index increased by 10.6% year-on-year (12.4% in January);

- The index for consumer goods registered a year-on-year change of 14.7% (16.0% in the previous month), decelerating for the third consecutive month after having reached in November the highest value of the series (16.2%);

- The year-on-year change in the Consumer Price Index (CPI) slowed to 8.2%, 0.2 p.p. less than in the previous month;

- The index for unprocessed food continued to accelerate, rising from 18.5% year-on-year in January to 20.1%, the highest rate since May 1990;

- The economic climate indicator, which summarises the questions related to the qualitative business surveys, increased, similarly to what had occurred in January and after stabilising in December 2022; and

- The Consumer Confidence Indicator increased, as has been the case since December 2022, interrupting the downtrend of the previous three months.

Also in Portugal, but in January 2023:

- On the external front, implicit prices of exports and imports of goods decelerated for the fifth consecutive month, to year-on-year increases of 8.1% for exports and 7.0% for imports (9.7% and 12.2%, respectively, in December);

- Short-term indicators of economic activity from the production perspective point to an acceleration in Industry, in volume and value, and in Construction, in real terms, and to a slowdown in Services, in nominal terms;

- From an expenditure perspective, the quantitative indicator of private consumption accelerated while the investment indicator decreased;

- The economic activity indicator experienced a sharp year-on-year increase after having declined in November and December; and

- The Labour Force Survey's monthly estimate of the seasonally adjusted unemployment rate (16 to 74 years) was 7.1%, up 0.3 p.p. from the previous month (6.0% in October and 5.9% in January 2022);

  The labour underutilisation rate (16 to 74 years old) stood at 12.4%, up 0.2 p.p. from December (11.5% in January 2022);

  The employed population (16 to 74 years old), also seasonally adjusted, grew 0.5% compared to the previous month and 0.1% year-on-year (year-on-year change of -0.4% in December).

Some additional indicators of economic activity and private consumption for February (year-on-year changes):

- Average weekday electricity consumption grew by 1.0%, which compares with rates of 0.5% in December and 3.7% in January, respectively;

Average consumption of electricity on working days
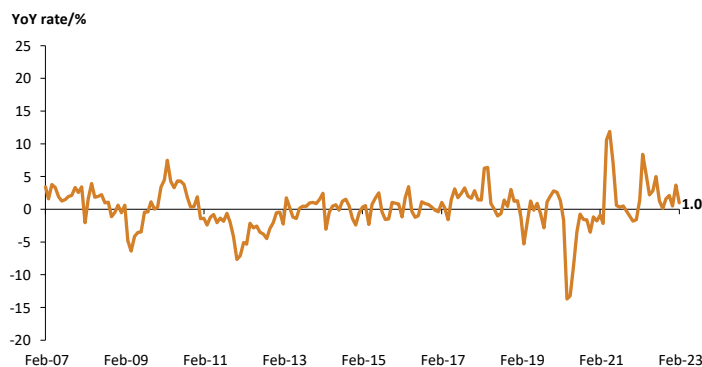
Operations carried out on ATM (value)
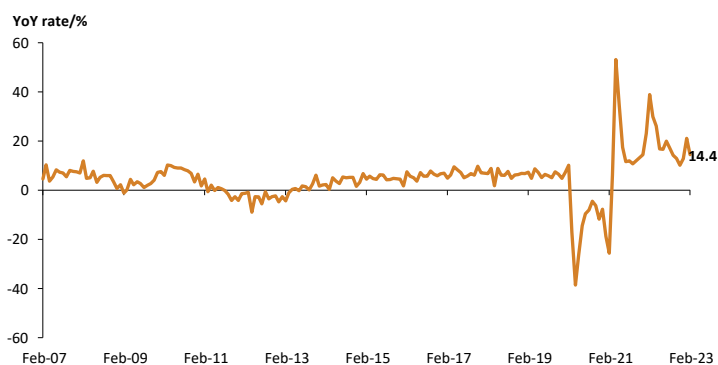
- The overall value of national withdrawals, payments for services and purchases at POS terminals showed an increase of 14.4% (21.1% in the previous month);

  Excluding payment services, there was an increase of 12.6% (19.1% in January); and

Passenger car sales
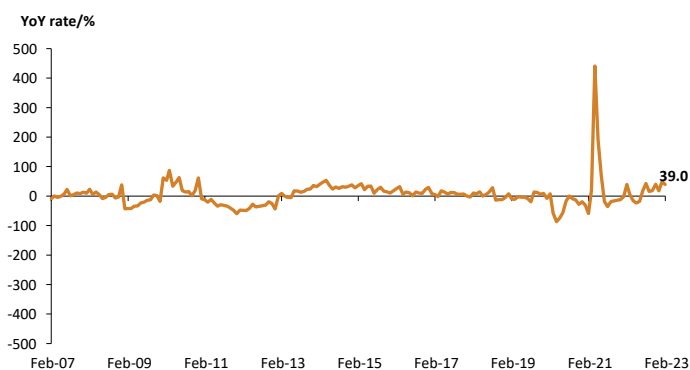
- Sales of passenger cars registered a variation of 39.0%, decelerating 10.0 p.p. from the previous month.

Consumer confidence and economic climate indicators rise slightly

The Consumer Confidence indicator increased between December and March, albeit slightly in the last month, interrupting the negative trend that reached, in November, the lowest value since April 2020 at the beginning of the pandemic.

The balance of Consumers' opinions on past price developments increased in March after having declined in the previous four months from last October's series peak.

The economic climate indicator[1] increased between January and March, albeit slightly in the last month, reversing the downward movement that started a year ago.

In March, the confidence indicators, compared with the previous month:

- Increased in *Manufacturing Industry* and *Construction and Public Works*; and

- Decreased in *Commerce* and, more significantly, in *Services*.

The balance of business people's expectations on the future evolution of sales prices:

- Decreased significantly between November and March in *Manufacturing Industry*, reaching the lowest value since October 2020;

- Also significantly reduced in March in *Trade*, reaching the lowest level since October 2021; and

- Reduced moderately in March in *Construction* and *Public Works* and *Services*.

The collection of information on which the highlight on which this summary is based took place from 1 to 17 March for the consumer survey and from 1 to 24 March for the business surveys.

Economic Climate Indicator

[1] The economic climate indicator summarises the balance of respondents to the business survey questions.
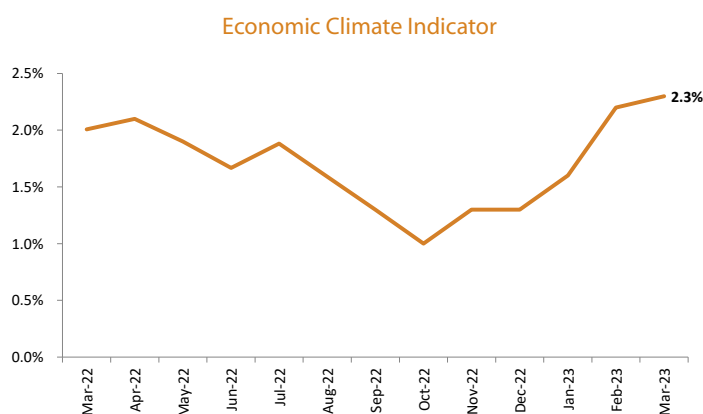
Confidence indicators (BER*)
(monthly seasonally adjusted basic series values)

Consumer Confidence Indicator

- Total
- Financial situation of the households over the last 12 months
- General economic situation in the country over the next 12 months

Values: **-19.2**, **-32.3**, **-45.1**
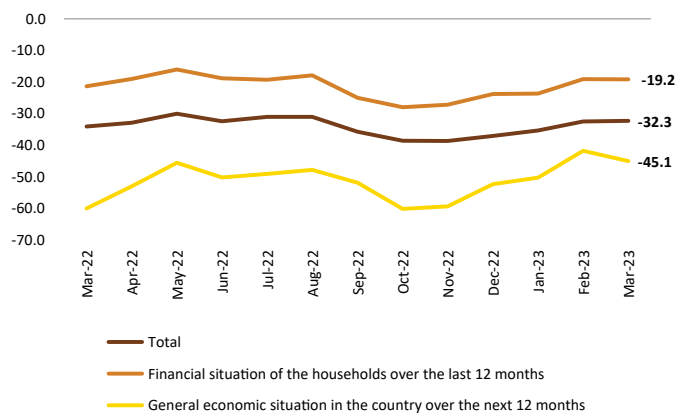
Manufacturing Industry Confidence Indicator

- Total
- Production over the next 3 months

Values: **13.9**, **-1.9**

Trade Confidence Indicator

- Total
- Whole sale
- Business situation over the next 3 months

Values: **5.4**, **3.0**, **2.6**
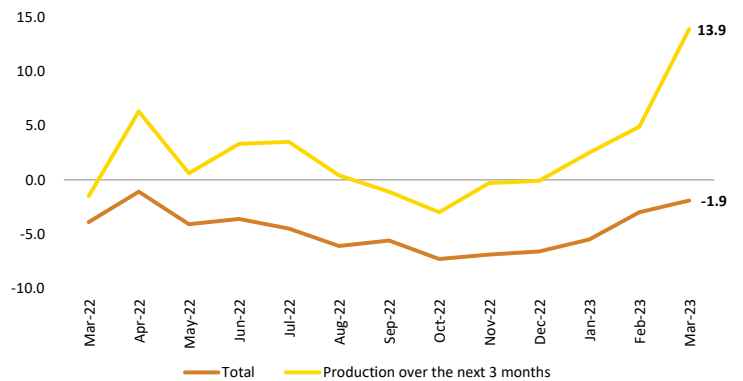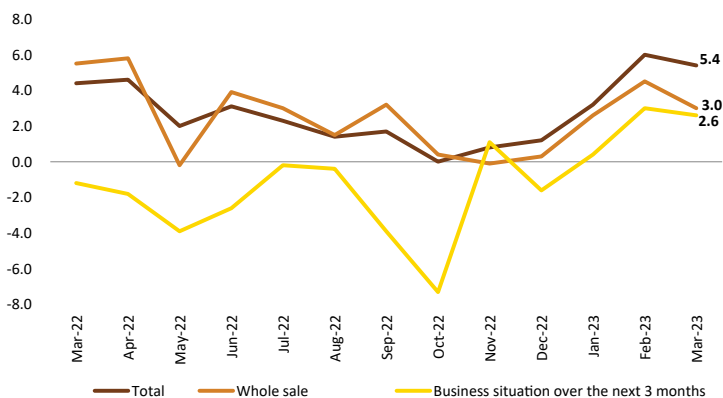
Services Confidence Indicator

- Total
- Demand over the next 3 months

Values: **13.0**, **10.1**
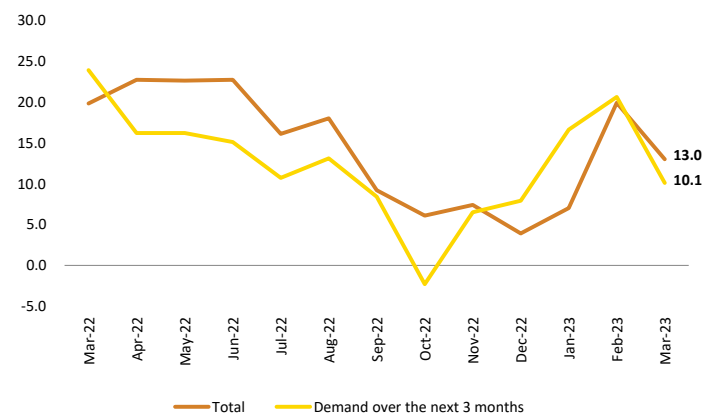
* BER – Balance of extreme responses

More information is available at:
Business and Consumer Surveys – March 2023
30 March 2023

Enterprise births in 2021 (187 thousand) recovering towards 2019 levels

In Portugal in 2021, there were 1,359,035 active enterprises. Of these, 187,036 were born that year. This represents a 21.2% growth regarding 2020, in a marked inversion vis-à-vis that year's 21.4% reduction. As a result, the current figure for new enterprises is only 4.7%, down from the 2019 value.

The proportion of enterprises surviving one year after birth stood at 75.7% (+1.1 p.p. compared to 2020 and -0.4 p.p. compared to 2019), and those surviving three years after birth corresponded to 49.1% (+4.9 p.p. compared to the previous year; +2.9 p.p. compared to 2019).

Births

Survivors (% of births in that year)

From the 468,746 non-financial companies operating in 2021, 38,878 started their activity that year (up 9.2% compared to 2020, but still lower by 15.4% compared to 2019), corresponding to a birth rate of 8.3% (+0.4 p.p. than in 2020, but -2.2 p.p. compared to 2019).

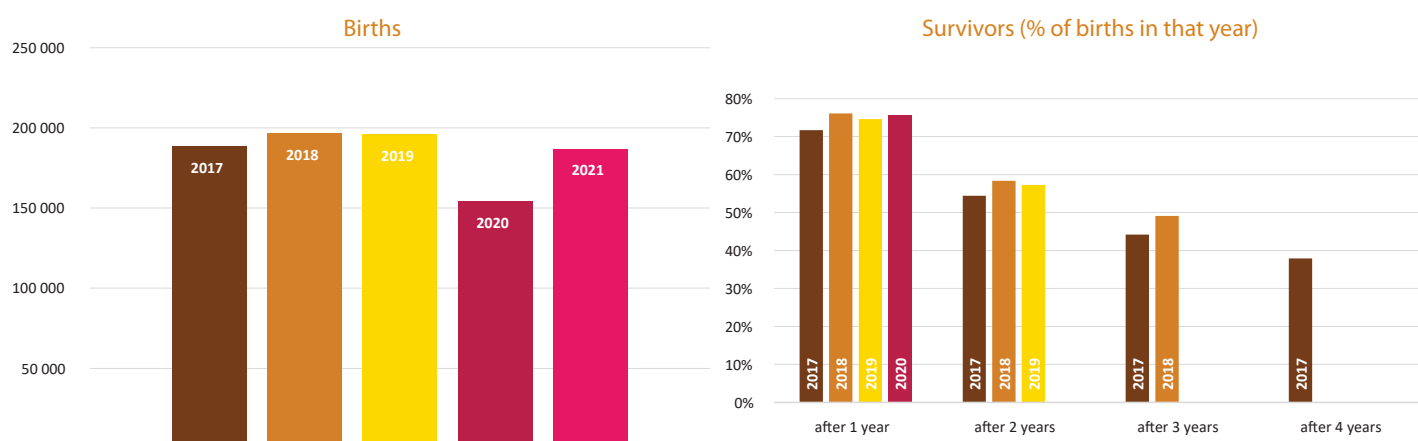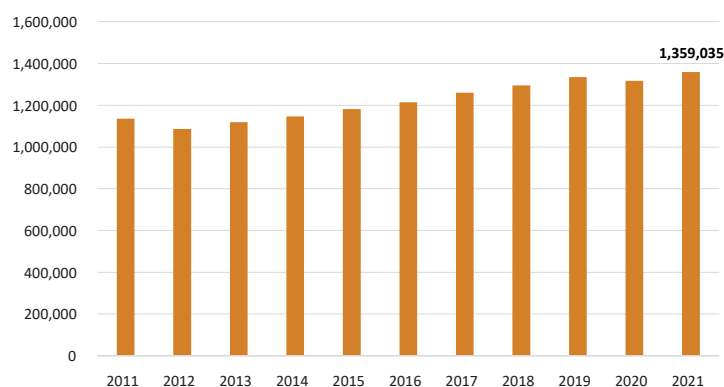The number of non-financial companies deaths in the same year is estimated to have been 17,449 (down 24.8% compared to 2020 and 25.7% less than in 2019), corresponding to a mortality rate of 3.7% (-1.4 p.p. compared to 2020 and -1.7 p.p. compared to 2019).

In 2021, there were 5,349 high-growth companies (down 6.6% from the previous year and 23.1% less than in 2019). As a share of all non-financial corporations with 10 or more employees, these high-growth companies accounted for 10.7% of the total and also:

- 16.0% of the persons employed;
- 13.7% of the turnover; and
- 15.5% of the Gross Value Added (GVA).

Total number of enterprises in Portugal, 2011-2021

The number of high-growth young non-financial corporations, referred to as "gazelles", continued to decline in 2021 (-3.8%, after -13.6% between 2019 and 2020), totalling 554 companies.

Gazelles accounted for an overall GVA of €840 million (€58 million more than in 2020), corresponding to 1.1% of total non-financial companies with 10 or more employees (-0.1 p.p. compared to the previous year and the same as in 2019).

Retail sales slowed to 0.4% in February

The Retail Trade Turnover Index[1] decreased from a year-on-year change of 3.7% in January to 0.4% in February 2023.

Considering the groupings that make up this index:

- *Food Products* registered a decrease of 1.4%, 0.8 p.p. less than in January; and

- *Non-Food Products* decelerated by 5.4 p.p., to a growth rate of 1.8%.

In Retail Trade, the following year-on-year rates of change were also recorded:

- Employment index: 2.1% (2.0% in the previous month);

- Compensation index 12.1% (12.6% in the previous month); and

- Hours worked index[2]: 3.8% (7.4% in the previous month).

The monthly variation in the overall index in February was -0.1% (1.9% in January).

In nominal terms, the following year-on-year changes were recorded in February:

- Aggregate index: 6.9% (11.6% in the previous month);

- *Food products*: 11.6% (13.4% in the previous month); and

- *Non-food products*: 3.3% (10.1% in January).

Turnover in Retail Trade
(year-on-year rate of change, %)
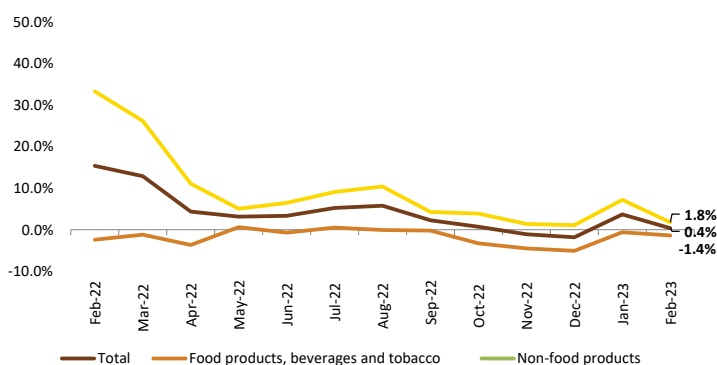
Hours worked
(year-on-year rate of change, %)
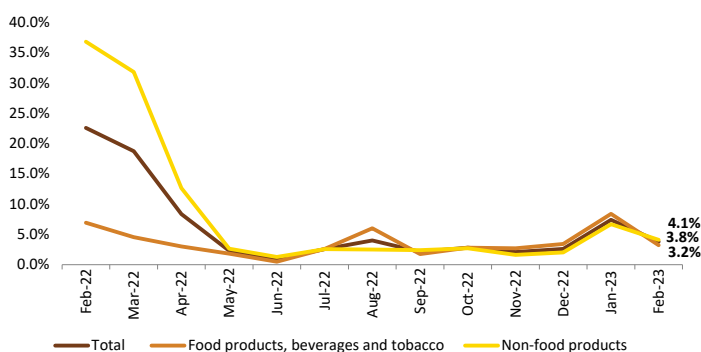
[1] Total index, adjusted for calendar and seasonality effects, deflated.
[2] Adjusted working hours index of calendar effects.

2023 Edition

In 2022 the external balance of the Portuguese economy was -0.6% of the GDP

From Q3 to Q4 2022, the Portuguese economy's net borrowing requirement fell from 0.9% of the Gross Domestic Product (GDP)[1] to 0.6% of GDP (in 2021, the economy had recorded a net lending capacity of 0.9% of GDP).

Nominal GDP grew by 2.4% in Q4 2022 compared to the previous quarter and 11.4% compared to the same quarter of the previous year.

Gross National Income (GNI) and Gross Disposable Income (GDI) increased by 2.6% and 2.7%, respectively, from the previous quarter (11.0% and 10.4%, in the same order, from Q4 2021).

The reduction in the economy's external balance in 2022 reflected mainly the decrease in the Financing Capacity of Households, which dropped from 3.4% of GDP in 2021 to 0.5% in 2022.

In what concerns Households:

- Its GDI increased by 3.3% compared to the previous quarter and 7.8% compared to 2021;

- Salary growth – 2.5% concerning the previous quarter and 9.6% in annual terms – was essential to this result;

- The savings rate stood at 6.1% (5.8% in the last quarter and 9.9% in 2021); and

- In real terms, adjusted GDI per capita increased by 0.6% compared to the previous quarter and 1.1% compared to 2021.

Regarding Non-Financial Corporations:

- Their balance was -2.1% of GDP, 1.4 p.p. less than in the previous quarter;

- Compared to 2021, the balance worsened slightly (-1.8% of GDP) because of increases in salaries and gross capital formation (12.4% and 13.5%, respectively), which more than offset the 15.3% increase in Gross Value Added; and

- Their financing capacity decreased to 1.4% of GDP in Q4 2022 (1.5% in the previous quarter and 2.3% in 2021).

As for Public Administrations (PA):

- The balance decreased by 1.4 p.p. in Q4 2022 to -0.4% of GDP (-2.9% in 2021); and

- Considering the quarterly figures and not the year ended in the quarter, the PA balance in Q4 2022 reached negative €5,671 million, corresponding to 9.1% of GDP, which compares to -4.1% in the homologous period, reflecting the significant increase in expenditure on social benefits (17.6%) and subsidies paid (88.6%).

Net Lending(+) /Borrowing(-) by institutional sector
(in % of GDP, accumulated sum of 4 quarters)
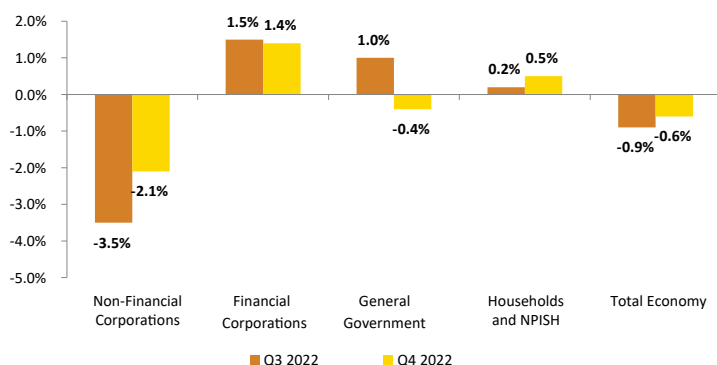
Saving rate of Households and NPISH
(%; accumulated sum of 4 quarters)
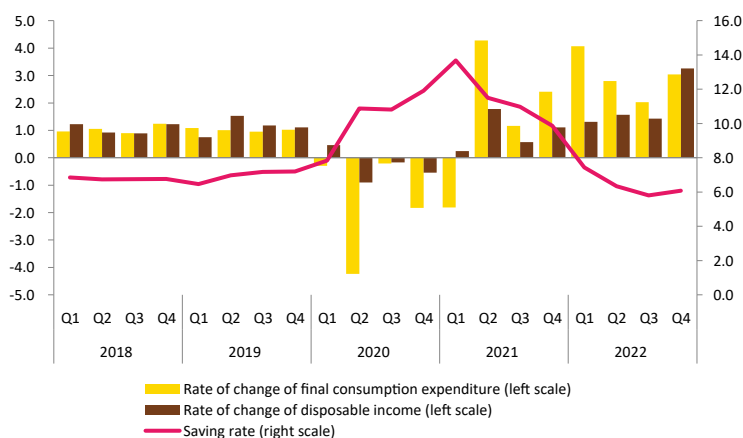
[1] Unless otherwise stated, to eliminate seasonal fluctuations, reduce irregularity, and better capture the trend, the information presented refers to the year ending in the reference quarter. The comparison between consecutive quarters generally uses quarter-on-quarter rates of change between the year ended in the quarter in question and the year ended in the previous quarter.

More information is available at:
Quarterly National Sector Accounts – Q4 2022
24 March 2023

Main aggregates of General Government – 2022

In 2022 the General Government sector's net borrowing was €944 million, which is 0.4% of GDP (2.9% in 2021 and 5.8% in 2020).

Between 2021 and 2022, in Public Administrations:

- Total revenue increased by 10.2% (€9.8 billion);

- Current revenue grew by 11.3% (€10.6 billion);

The three major components of current revenue increased at different rates, with the increase in property and income taxes, which rose by 24.1%, being particularly noteworthy;

- Total expenditure increased by 4.4% (€4.5 billion), with capital expenditure growing by 15.0%, significantly above current expenditure (+3.5%);

The increase in capital expenditure was due to the rise in gross capital formation (+7.5%) and capital transfers granted (+30.5%);

The increases in social benefits, except social transfers in kind (+6.9%) and, to a lesser extent, in remunerations (+3.5%), contributed to the increase in current expenditure. Conversely, there were decreases of around 40% in subsidies paid and 9.4% in interest expenditure.

General Government Balances

Unit.: € Million

Transaction code	Name of the operation	2021	2022
B.9	Net lending (+) / net borrowing (-) (National Accounts Balance)	-6,215	-944
	Current balance	-547	6,702
B.9-D.41	Primary balance	-1,045	3,742

In contrast to 2021, the primary balance, corresponding to the overall balance net of interest expenditure, was positive, improving by €4.8 billion to €3,742 million.

More information is available at:
Main Aggregates of General Government – 2022
24 March 2023

Excessive Deficit Procedure – 1st Notification of 2023

In 2022, in the Public Administrations (PA):

- The financing requirement stood at €944.4 million, corresponding to 0.4% of GDP (2.9% in 2021); and
- Gross debt will have fallen to 113.9% of GDP (125.4% the previous year).

The increase in revenue was essentially due to the positive development of tax and contributory revenue, reflecting the recovery of economic activity and the labour market compared to 2021, still conditioned by the pandemic context.

PA expenditure in 2022 reflects the following:

- The effects of some public policy measures in the context of the COVID-19 pandemic, to a lesser degree than in the two previous years; and
- New measures to mitigate the effects of the high prices of various goods and services, namely energy goods, as a result of the so-called geopolitical shock.

Among the various measures implemented, the following stand out:

- Exceptional supplement to pensioners and extraordinary support to income and social benefit holders;
- Support for families in need;
- Expenditure on the acquisition of goods and services in the health sector, particularly expenditure on COVID-19 tests, the acquisition of medicines, complementary diagnostic resources and clinical consumption material in the National Health Service;
- Expenditure of the Directorate-General for Health on COVID-19 vaccines;
- Staff costs, in particular, due to the effects of salary updates and promotions; and
- Additional allocation of funds to the National Electricity System (SEN) to reduce electricity tariffs.

Public to national accounts adjustments

Unit: € million

	2021	2020
Balance in public accounts	**-8,867.9**	**-3,796.6**
Accrual adjustment and sector delimitation in National Accounts	3,819.0	3,129.0
Difference between paid and due interest	1,013.4	1,136.3
Other receivables	287.8	671.2
Temporal adjustment to taxes and social contributions	*788.6*	*733.9*
Other	*-500.9*	*-62.7*
Other payables:	82.5	-59.5
Expenditure already incurred but not yet paid	*44.1*	*-114.3*
Other	*38.5*	*54.8*
Other adjustments:	-2,550.2	-2,024.7
Capital injections and debt assumptions	*-3,824.6*	*-3,902.5*
Other	*1,274.4*	*1,877.7*
Balance in national accounts	**-6,215.5**	**-944.4**

More information is available at:
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24 March 2023

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