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PURCHASING POWER PARITIES

2022

## **THE PER CAPITA GROSS DOMESTIC PRODUCT (GDP-PC) VOLUME INDEX, EXPRESSED IN PURCHASING POWER PARITIES, REPRESENTED 78.7% OF THE EU AVERAGE IN 2022, 3.4 PERCENTAGE POINTS HIGHER THAN IN 2021**

In 2022, the Portuguese volume index of Gross Domestic Product per capita expressed in purchasing power parities represented 78.7% of the European Union average, a value higher than the observed in 2021 (75.3%).

Actual Individual Consumption Expenditure per capita, which is more appropriate to evaluate households' well-being, was 87.0% of European Union average (84.4% in 2021).

Chart 1, with provisional values for 2022, shows the volume indices of Gross Domestic Product per capita (GDPpc) and Individual Consumption Expenditure per capita (DCIpc) of the 36 participating countries in the comparison, measured in PPP and in relative terms compared to the European Union average (EU27=100).

According to EUROSTAT, the Portuguese volume index of GDP-Pc expressed in purchasing power parities represented 78.7% of the EU average (EU27=100) in 2022, a value higher than the observed in 2021 (75.3%).

Considering the values sorted in descending order, it is observed that the dispersion of the GDPpc volume indicator measured in PPP in the 27 Member States of the EU is very significant. Luxembourg (256.3) has the highest volume index among all 36 countries included in this analysis, more than two and a half times above the EU27 average and around 4 times higher than that of Bulgaria (62.1), the EU country with the lowest value.

Actual Individual Consumption Expenditure per capita (AICpc) is more appropriate to evaluate households' material well-being. Despite the relative minor dispersion compared to GDPpc, there are, even so, substantial differences in AICpc among EU member states, as shown in Chart 1. Using this indicator (AICpc) as a reference, Portugal occupies the 12th position among the countries of the Eurozone. In 2022, the AICpc measured in PPS stood at 87.0% of the EU27=100, 2.6 p.p. higher than the value registered in 2021.

The purchasing power parities project is partially financed by the European Commission through bilateral grant agreements with the member-states, including Portugal.



Chart 1: Volume Index GDPpc and Actual Individual Consumption per capita (AICpc) in 2021, EU27=100

