



30 January 2024

QUARTERLY NATIONAL ACCOUNTS (Base 2016) – Flash Estimate at 30 days
Fourth Quarter 2023 and Year 2023

GROSS DOMESTIC PRODUCT IN VOLUME INCREASED BY 2.2% ON A YEAR BEFORE AND BY 0.8% COMPARED WITH THE PREVIOUS QUARTER. IN 2023 GDP GREW BY 2.3%

Gross Domestic Product (GDP), in real terms, registered a year-on-year growth rate of 2.2% in the fourth quarter of 2023, after increasing 1.9% in the previous quarter. The contribution of domestic demand to the year-on-year growth rate of GDP remained high in the fourth quarter, with an acceleration in private consumption and a slowdown in investment. The contribution of net external demand to the year-on-year rate of change of GDP became positive, with Exports of Goods and Services in volume increasing more intensely than Imports.

Compared to the third quarter of 2023, GDP increased by 0.8% in volume (-0.2% in the previous quarter). The contribution of domestic demand to the quarter-on-quarter rate of change of GDP increased in the fourth quarter reflecting the behaviour of private consumption, while the contribution of net external demand was less negative.

In 2023, GDP grew by 2.3%, in volume, after 6.8% in 2022, the highest growth since 1987. Domestic demand presented a positive contribution to the annual growth of GDP, although less significant than that observed in the previous year, with a slowdown in private consumption and in investment. The contribution of net external demand was also positive in 2023, but lower than in 2022, with strong decelerations in volume of both exports and imports of goods and services.

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

	2021	2022	2023
Annual Rate of Change (%)	5,7	6,8	2,3

2021: final data; 2022: provisional data; 2023: preliminary data

	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23
Year-on-Year Quarter Rate of Change (%)	6.9	12.1	7.4	4.8	3.4	2.5	2.6	1.9	2.2
Quarter-on-Quarter Growth Rate of Change (%)	1.9	2.3	0.1	0.5	0.5	1.5	0.1	-0.2	0.8

This flash estimate incorporates new primary information, namely regarding international trade in goods for the third quarter of 2023. 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 December 22, 2023.



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

Calendar and seasonally adjusted data

Year-on-year rate of change, %

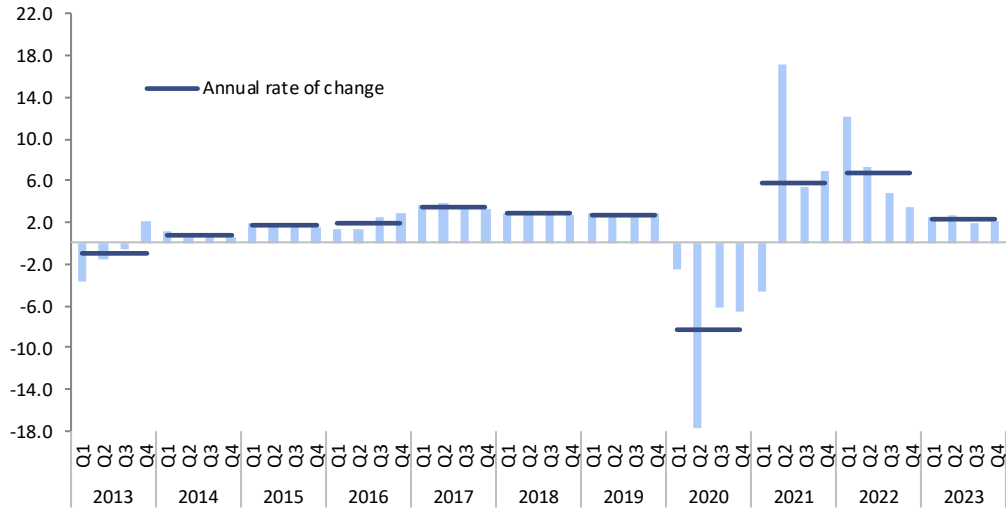
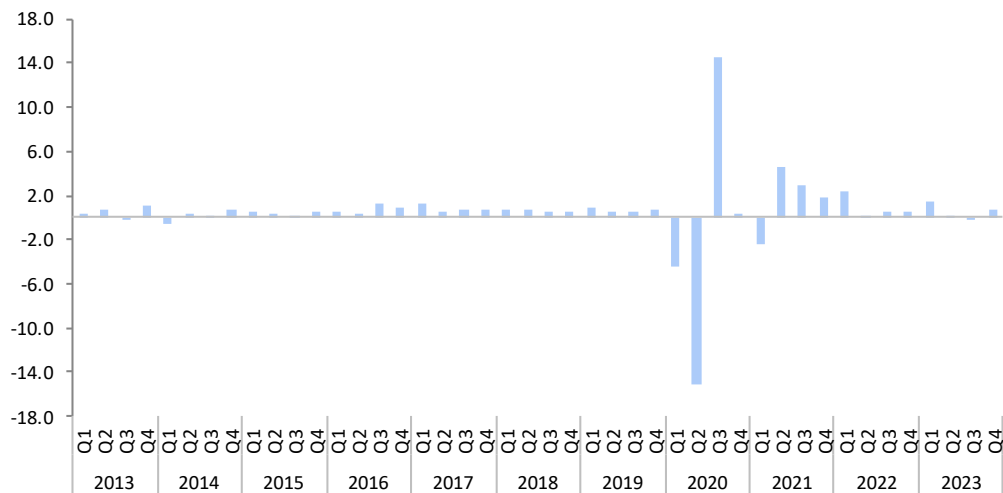


Figure 2. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data

Quarter-on-quarter rate of change, %





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 December (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The balance of payments provisional information for the month of December;
- The latest version for international goods trade statistics corresponding to the flash estimate flash estimate released on January 30, 2024. 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 October and November 2023.

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.

Next Press Release of Quarterly National Accounts - Detailed estimates of Quarterly National Accounts for the fourth quarter of 2024 will be released on February 29, 2024.
