

18th March, 2009

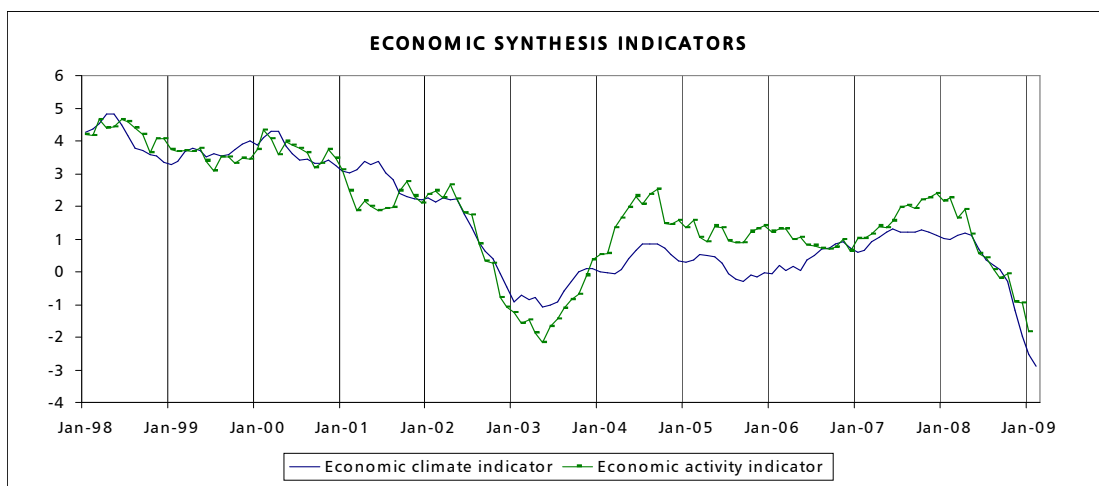
Monthly Economic Survey February 2009

Economic activity strongly decreases in January. Nominal imports and exports of goods record strong reductions

In February, the Euro Area (EA) and the European Union (EU) economic sentiment and consumer confidence indicators maintained the previous downward movement, attaining the minimum value of the series started in March 1995.

In Portugal, the economic climate indicator, available until February, and the economic activity indicator, available until January, extended the strong downward movement observed since May 2008 and January 2008, respectively. The private consumption indicator decelerated in January, due to the negative evolution of the durable consumption component, while the non-durable consumption component slightly recovered. The GFCF indicator prolonged the negative evolution observed since the beginning of 2008, driven by the decline registered in January in all components, but mainly in transport material and construction. Concerning the international trade of goods, in January the year-on-year nominal growth rate of imports (partially reflecting the evolution of the oil prices) and of exports (partially reflecting the economic contraction in the customer countries) registered significant reductions, shifting from -6.4% to -15.8% and from -11.0% to -19.7%, respectively. The GDP first estimate points to a year-on-year growth rate of -1.8% in the 4th quarter (0.4% in the previous quarter) mainly due to the strong reductions of exports and investment.

In February, inflation stabilised in 0.2% (year-on-year monthly change rate), interrupting the downward movement started in July. However, excluding unprocessed food and energy products, the Consumer Price Index continued to slowdown, registering in February a growth rate of 1.4% (1.8% in January). The differential between the EA Harmonized Index of Consumer Prices (HICP) and the Portuguese HICP increased 0.1 p.p. in February to 1.1 p.p..



Report based on information available up to March 17, 2009.

Next report will be released on April 20, 2009.

NOTES

With exception of situations duly identified, the values presented in tables and graphs and others that also serve for the analysis are, in the case of quantitative series, year-on-year rates of change (y.r.) under three-month moving average (3-mma) or, in the case of qualitative series, 3-mma of seasonally adjusted values (s.a.) or of effective values (e.v). Annual information correspond to 12-mma, with the exception of variables presented as y.r. on stocks, where the annual value corresponds to the variation of the balance at the end of the year. Annualised variation (a.v.). Weight (w.).

Balances: differences between the percentage of respondents giving positive and negative replies.

		Year 2007	Year 2008	Quarter 4 2007	Quarter 1 2008	Quarter 2 2008	Quarter 3 2008	Quarter 4 2008	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09
International background															
GDP of customer countries	s.a/y.r.	2.9	1.0	2.7	2.5	1.7	0.7	-1.1	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
GDP European Union	s.a/y.r.	2.9	0.9	2.6	2.4	1.7	0.7	-1.3	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
GDP Euro Area	s.a/y.r.	2.6	0.8	2.1	2.1	1.4	0.6	-1.3	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Industrial production index of customer countries	s.a/y.r./3-mma	2.8	-3.4	2.6	1.5	-1.1	-3.5	-10.4	-2.8	-3.5	-5.4	-7.7	-10.4	-	-
Economic Sentiment Indicator in EU	ind/s.a.-3mma	111.2	90.7	107.6	102.8	97.9	88.7	73.3	88.6	86.9	79.7	73.5	66.6	63.2	61.0
Economic Sentiment Indicator in EA	ind/s.a.-3mma	108.9	91.1	105.0	101.4	97.5	89.9	75.8	89.9	88.9	81.6	76.8	68.9	67.2	65.4
Order books in industry of customer countries	balance/s.a.-3mma	3.4	-17.2	-0.8	-2.4	-7.8	-18.8	-39.6	-14.2	-18.8	-23.4	-31.4	-39.6	-45.3	-49.7
Consumer confidence indicator in EU	balance/s.a.-3mma	-4.2	-17.2	-6.2	-10.4	-14.0	-19.2	-25.1	-18.6	-19.2	-20.2	-21.9	-25.1	-27.6	-30.1
Unemployment rate in EU	s.a/%	7.1	7.0	6.9	6.8	6.9	7.0	7.3	7.0	7.1	7.2	7.3	7.5	7.6	-
Harmonised index of consumer prices in EA	y.r.	2.1	3.3	2.9	3.4	3.6	3.8	2.3	3.8	3.6	3.2	2.1	1.6	1.1	1.2
Production price index of supplying countries	y.r./3-mma	3.2	5.5	4.6	5.5	6.5	7.7	2.2	7.8	7.7	6.5	4.6	2.2	0.3	-
Crude oil price (Brent)	Euros	52.6	64.9	61.1	64.6	77.8	75.8	41.5	75.6	67.7	53.7	41.2	29.7	32.8	33.9
Crude oil price (Brent)	y.r.	1.4	23.4	32.1	46.6	52.8	39.1	-32.0	45.6	21.8	-7.2	-34.5	-52.4	-47.6	-47.4
Economic activity															
GDP	y.r.	1.9	0.0	2.0	0.8	0.6	0.4	-1.8	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Economic climate indicator	balance/3-mma	1.1	0.0	1.1	1.1	0.7	0.1	-2.0	0.2	0.1	-0.3	-1.2	-2.0	-2.5	-2.9
Economic activity indicator	3-mma	1.8	0.3	2.4	1.6	0.6	-0.2	-1.0	0.1	-0.2	-0.1	-0.9	-1.0	-1.9	-
Manufacturing industry production index	s.a/y.r./3-mma	1.2	-4.0	-1.0	-1.5	-2.8	-3.3	-8.4	-3.2	-3.3	-5.0	-5.8	-8.4	-12.9	-
Production index in construction	s.a/y.r./3-mma	-3.8	-1.4	-0.6	-0.9	-1.2	-1.0	-2.6	-1.8	-1.0	-0.7	-0.5	-2.6	-4.8	-
Retail trade turnover index (real)	y.r./3-mma	0.3	0.2	-0.1	2.4	-0.1	0.3	-1.4	-0.2	0.3	-0.1	0.0	-1.4	-1.6	-
Sales of passenger vehicles	y.r./3-mma	3.7	5.6	10.1	11.5	1.9	0.3	9.4	-4.7	0.3	1.0	-1.6	9.4	-3.1	-17.1
Consumption															
Consumer confidence indicator	balance/3-mma	-35.2	-44.8	-39.2	-42.9	-44.8	-43.0	-48.2	-45.3	-43.0	-43.1	-45.3	-48.2	-50.0	-53.9
Quantitative indicator of private consumption	y.r./3-mma	2.2	1.7	2.5	2.4	0.7	2.3	1.3	1.2	2.3	1.4	1.3	1.3	0.9	-
Indicator of non-durable consumer goods	y.r./3-mma	1.8	1.9	2.0	1.9	1.5	2.2	1.8	1.9	2.2	2.0	2.0	1.8	1.9	-
Indicator of durable consumer goods	y.r./3-mma	5.4	0.3	6.7	5.5	-4.9	2.9	-2.3	-3.4	2.9	-2.7	-3.2	-2.3	-6.7	-
Vol. ind. consumption of passenger vehicles	y.r./3-mma	5.6	-1.0	4.9	5.9	-13.7	3.8	3.8	-9.5	3.8	-5.5	-6.1	3.8	-5.9	-
Investment															
GFCF indicator		3.5	-4.1	10.8	-2.1	-1.4	-4.1	-8.7	-5.2	-4.1	-4.7	-7.0	-8.7	-13.8	-
Cement sales	y.r./3-mma	2.1	-8.5	12.0	-8.3	-3.0	-6.7	-16.0	-6.7	-6.7	-10.7	-12.0	-16.0	-	-
Sales of steel for concrete	y.r./3-mma	-6.5	-16.3	-2.9	-9.4	-6.8	-33.7	-18.2	-25.6	-33.7	-38.9	-18.7	-18.2	-	-
Credit for purchase of habitation	y.r./stocks	9.8	3.9	9.8	9.3	8.4	5.6	3.9	8.1	5.6	4.9	4.2	3.9	-	-
Licenses for construction of new habitations	y.r./3-mma	-8.6	-21.3	-7.0	-11.3	-16.8	-24.9	-33.9	-27.0	-24.9	-27.6	-29.1	-33.9	-40.1	-
Machinery and equipment indicator		4.6	3.0	5.0	4.5	3.0	3.0	1.4	2.3	3.0	2.7	2.3	1.4	1.0	0.0
Sales of light commercial vehicles	y.r./3-mma	6.3	-19.1	-7.9	-18.0	-38.1	5.9	-10.4	-32.0	5.9	-5.4	-10.2	-10.4	-20.3	-26.8
Sales of new heavy commercial vehicles	y.r./3-mma	6.2	-1.7	92.9	19.0	4.6	-3.2	-24.4	-2.1	-3.2	-4.7	-18.2	-24.4	-32.1	-28.7
External demand															
External demand indicator in value	s.a/y.r./3-mma	6.3	-1.7	5.7	6.2	3.1	1.4	-16.9	0.8	1.4	-0.9	-5.0	-16.9	-	-
External order books	balance/3-mma	-3.6	-23.1	-4.0	-10.3	-12.3	-16.7	-53.0	-13.7	-16.7	-27.3	-40.3	-53.0	-61.0	-65.3
Exports of merchandises in value	y.r./3-mma	8.9	1.0	6.0	5.2	4.6	5.4	-11.0	3.3	5.4	-0.6	-5.2	-11.0	-19.7	-
Imports of merchandises in value	y.r./3-mma	7.4	7.2	12.0	14.0	11.4	11.3	-6.4	11.0	11.3	5.0	-0.7	-6.4	-15.8	-
Labour market															
Unemployment rate	%	8.0	7.6	7.8	7.6	7.3	7.7	7.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Employment	y.r.	0.2	0.5	0.9	1.1	1.4	-0.1	-0.2	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Unemployed registration along the month	s.a/y.r./3-mma	-6.7	11.2	-10.8	0.0	7.2	11.0	27.2	8.6	11.0	14.6	20.4	27.2	31.1	-
Unemployment expectations	balance/3-mma	42.2	50.7	45.3	46.6	47.5	48.1	60.6	48.9	48.1	49.8	54.5	60.6	65.4	72.2
Vacancies along the month	s.a/y.r./3-mma	13.6	6.0	25.3	1.0	-3.4	11.2	14.0	5.5	11.2	8.7	11.3	14.0	8.1	-
Average declared wages	s.a/y.r./3-mma	3.5	4.0	3.3	4.1	3.9	4.0	4.1	4.1	4.0	4.1	4.3	4.1	-	-
Wage negotiation	av./3-mma&w.	2.9	3.1	3.2	2.9	3.0	3.0	3.3	2.9	3.0	2.9	3.4	3.3	3.3	2.9
Prices and exchange rates															
Consumer price index	y.r.	2.5	2.6	2.7	2.9	2.9	3.0	1.5	3.0	3.1	2.3	1.4	0.8	0.2	0.2
Core inflation indicator	y.r.	2.2	2.4	2.3	2.7	2.3	2.4	2.2	2.5	2.7	2.5	2.2	2.0	1.8	1.4
Consumer price index - goods	y.r.	2.2	2.3	2.5	2.6	2.9	3.2	0.7	3.1	3.2	2.0	0.5	-0.5	-0.8	-0.8
Consumer price index - services	y.r.	2.9	3.0	3.0	3.5	2.8	2.8	3.0	2.9	2.9	3.1	2.9	3.0	2.0	1.9
Manufacturing industry production price index	y.r./3-mma	2.6	5.9	5.4	6.8	7.0	8.7	1.1	8.8	8.7	7.4	4.6	1.1	-2.2	-
Effective exchange rate index for Portugal	y.r.	0.8	1.2	1.3	1.6	1.8	1.4	0.1	1.5	0.9	-0.1	-0.4	0.8	0.6	-
Exchange rate euro/USD	y.r.	9.1	6.9	12.4	14.4	15.9	9.3	-9.2	9.9	3.4	-6.4	-13.3	-7.7	-10.0	-13.3
Exchange rate USD/euro	USD	1.371	1.471	1.449	1.500	1.562	1.504	1.317	1.498	1.437	1.332	1.273	1.345	1.324	1.279
Exchange rate euro/JPY	y.r.	10.4	-6.6	7.9	0.8	0.3	-0.2	-22.9	2.9	-4.1	-19.1	-24.3	-25.1	-24.5	-25.1