



28 February 2025
QUARTERLY NATIONAL ACCOUNTS (Base 2021)
Fourth quarter 2024 and year 2024

GDP IN VOLUME IN THE FOURTH QUARTER GREW 2.8% IN YEAR-ON-YEAR TERMS AND 1.5% COMPARING WITH THE PREVIOUS QUARTER. IN 2024 GDP GREW BY 1.9%

Gross Domestic Product (GDP), in volume, registered a year-on-year rate of change of 2.8% in the fourth quarter of 2024, a rate 0.9 percentage points higher than that recorded in the previous quarter. The positive contribution of domestic demand to the year-on-year growth rate of GDP increased, from 2.9 to 3.1 percentage points in the fourth quarter, with an acceleration of private consumption and a reduction of investment. The contribution of net external demand to the year-on-year growth rate of GDP was less negative, moving from -1.0 to -0.3 percentage points, with a slowdown in exports less intense than that of imports.

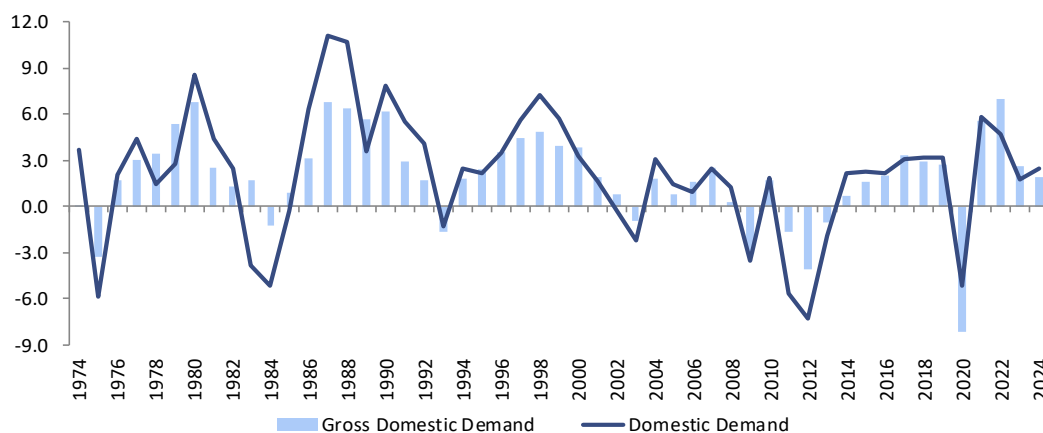
Compared to the third quarter of 2024, GDP increased by 1.5% in volume, after a rate of 0.2% observed in the previous quarter. The contribution of net external demand to the GDP quarter-on-quarter rate of change turned positive (shifting from -1.2 percentage points to +1.0), with imports diminishing in the fourth quarter. The positive contribution of domestic demand decreased to 0.6 percentage points due to the reduction of investment, mainly reflecting a negative contribution of changes in inventories associated to the behaviour of external trade flows.

In 2024, GDP grew by 1.9% in volume, after the 2.6% increase in 2023. Domestic demand presented a positive contribution to the annual growth rate of GDP, higher than that observed in the previous year, with an acceleration of final consumption expenditures. The contribution of net external demand was negative in 2024, with the deceleration of exports of goods and services and the more intense growth of imports.

In nominal terms, GDP increased by 6.3% in 2024 (9.8% in 2023), reaching around 285 billion euros.

Figure 1. Gross Domestic Product and Domestic Demand

Volume (reference year =2021)
Annual rate of change, %





The presented results¹ correspond to the preliminary version of the Annual National Accounts for 2024. The preliminary data for 2023 were revised due to the incorporation of new base information, with upward revisions in in the external balance of services. Thus, compared to previous estimates, the new results determined an upward revision of 0.2 percentage points in the nominal GDP growth rate in 2023, to 9.8%, and an upward revision of 0.1 percentage points in real terms, to 2.6%. In 2024, the new information did not change the annual growth rate of GDP (1.9%), published in the Flash Estimate for the fourth quarter disseminated by INE on January 30. However, in quarterly terms, there were changes in the volume growth rates for the two last years.

GDP in real terms increased by 1.9% in 2024

In 2024, GDP grew by 1.9% in real terms, after the 2.6% increase in 2023. In nominal terms, GDP increased by 6.3% in 2024 (9.8% in 2023), reaching around 285 billion euros. The implicit GDP deflator slowed down in 2024, to a growth rate of 4.3%, following a context of high inflation in the previous year, with a growth of 7.0%.

Table 1. Decomposition of GDP rate of change (volume)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
Domestic Demand	-5.1	5.8	4.7	1.7	2.5
Exports (FOB)	-18.3	12.0	17.2	3.8	3.4
Imports (FOB)	-11.6	12.3	11.3	1.8	4.8
GDP	-8.2	5.6	7.0	2.6	1.9
	Contributions to GDP rate of change (percentage points)				
Domestic Demand	-5.1	5.9	4.9	1.7	2.5
External Demand Balance ¹	-3.1	-0.4	2.1	0.9	-0.6

¹ - External Demand Balance (Exports less Imports)

- Differences may occur due to non-additivity of chain-linked volume data and rounding procedures.

- 2020 to 2022: final data; 2023 and 2024: preliminary data.

Domestic demand accelerated in 2024, contributing to the annual GDP growth rate from 1.7 percentage points in 2023 to 2.5 percentage points.

Table 2. Components of domestic demand (volume)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
Domestic Demand	-5.1	5.8	4.7	1.7	2.5
Private Consumption ¹	-6.8	4.9	5.6	1.9	3.2
Public Consumption ²	0.4	3.8	1.7	0.6	1.1
Investment	-4.9	10.5	4.9	2.0	1.7

¹ - Final Consumption Expenditure of Resident Households and NPISHs

² - Final Consumption Expenditure of General Government

¹ In addition to the tables attached to this press release, a broader set of information can be found in the National Accounts thematic area of the INE Portal, available at: https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_cnacionais&xlang=en.



Private consumption (Final Consumption Expenditures of Resident Households and Non-Profit Institutions Serving Households) grew by 3.2% in real terms in 2024, accelerating by 1.3 percentage points from the previous year. Expenditure on non-durable goods and services grew from 1.3% in 2023 to 3.4%, while the durable goods component slowed down from 7.6% to 1.6% in 2024.

Table 3. Final consumption expenditure of resident households (volume)

	2020	2021	2022	2023	2024
	Year-on-year rate of change (%)				
Total	-6.8	5.0	5.5	1.9	3.2
Durable Component	-13.0	6.1	11.7	7.6	1.6
Non-Durable Component	-6.1	4.9	4.9	1.3	3.4
Of which:					
Food and beverage products	3.6	2.7	-0.3	1.2	2.3

In 2024, public consumption (Final Consumption Expenditure of General Government) accelerated in real terms, with a growth rate of 1.1% (0.6% in the previous year). In nominal terms, it grew by 6.3% (5.6% in 2023).

Investment increased by 1.7% in real terms in 2024, after a growth of 2.0% in the previous year. Gross Fixed Capital Formation (GFCF) recorded a less intense increase compared to the previous year (from 3.6% to 2.3%), while Changes in Inventories contributed -0.1 percentage points to the annual GDP rate of change (-0.3 percentage points in 2023). By GFCF components, there were decelerations in GFCF in Transport Equipment, from a growth of 20.4% in 2023 to 6.8% in 2024, and in GFCF in Other Machinery and Equipment, with an increase of 3.4% in 2024 (5.6% in the previous year). GFCF in Construction grew from 1.2% in 2023 to 1.1%. In turn, GFCF in Intellectual Property Products increased by 2.7%, after a growth of 2.2% in the previous year.

Table 4. Gross Fixed Capital Formation (volume)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
Total	-2.3	7.8	3.3	3.6	2.3
Of which:					
Transport Equipment	-26.6	6.9	8.7	20.4	6.8
Other Machinery and Equipment ¹	-5.9	15.3	7.1	5.6	3.4
Construction	0.3	6.6	0.9	1.2	1.1
Intellectual Property Products ²	5.8	4.3	5.5	2.2	2.7

¹ - Includes weapon systems; ² - includes Research and Development (R&D)

Net external demand contributed -0.6 percentage points to the annual GDP variation, after a contribution of 0.9 percentage points in 2023. The growth of Exports of Goods and Services diminished from 3.8% to 3.4% in 2024, while Imports of Goods and Services accelerated from 1.8% in 2023 to 4.8%. Exports of goods in volume increased by 3.8% in 2024 (rate of -0.1% in 2023), while exports of services decelerated significantly, from a growth of 11.5% in 2023 to 2.7%, mainly reflecting the behaviour of the tourism component. Imports of goods increased by 5.3% (1.1% in 2023) and imports of services grew by 2.4% (4.7% in 2023).



Table 5. Exports and Imports of Goods (FOB) and Services (volume)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
Exports	-18.3	12.0	17.2	3.8	3.4
Goods (FOB)	-11.3	10.7	8.2	-0.1	3.8
Services	-32.7	15.7	40.2	11.5	2.7
Imports	-11.6	12.3	11.3	1.8	4.8
Goods (FOB)	-10.0	11.7	8.9	1.1	5.3
Services	-19.0	15.1	22.9	4.7	2.4

In 2024, there was a gain in terms of trade, although less expressive than in the previous year. The deflator of Imports of Goods and Services recorded a rate of change of -2.3% (-3.6% in the previous year) and the deflator of Exports of Goods and Services increased by 0.8% (1.6% in 2023). This evolution reflected the less intense decrease in energy goods prices, with higher impact in the import deflator.

Table 6. Exports and Imports of Goods (FOB) and Services (Implicit deflators)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
Exports	-2.1	7.2	14.6	1.6	0.8
Imports	-3.5	8.3	18.5	-3.6	-2.3
Terms of Trade	1.5	-1.0	-3.4	5.4	3.1

As a result of the lower gain in terms of trade and in the context of slowing inflation, the implicit GDP deflator slowed down in 2024, with a growth rate of 4.3% (7.0% in the previous year). The implicit deflator of domestic demand decelerated to 2.9% (4.2% in 2023), reflecting slowdowns in the deflators of final consumption expenditure and investment.

In nominal terms, the external balance of Goods and Services was positive in 2023 and 2024 (1.1% and 1.9% of GDP, respectively), after being negative in 2022 (-2.4% of GDP).

Gross Value Added (GVA) at basic prices increased by 1.7% in volume in 2024

In 2024, GVA at basic prices recorded a volume growth rate of 1.7%, after an increase of 2.7% in 2023. For this evolution, the behaviour of the GVA of Other Service Activities stands out, which increased by 2.0% in 2024 (3.7% in 2023), contributing 0.5 percentage points (1.0 percentage points in 2023) to the growth rate of total GVA (including taxes less subsidies).

In real terms, Taxes less Subsidies on Products increased by 2.8% in 2024 (2.0% in the previous year).



Table 7. Gross Value Added, volume (reference year=2021)

	2020	2021	2022	2023	2024
	Annual rate of change (%)				
GVA at basic prices	-7.6	5.3	6.9	2.7	1.7
Agriculture, Forestry and Fishing	-1.3	4.8	-7.8	4.3	3.4
Industry	-6.6	4.6	3.6	-1.9	0.1
Energy, Water Supply and Sewerage	-10.2	9.4	-9.8	12.0	5.5
Construction	0.1	6.5	2.6	3.9	1.7
Trade, Repair of Vehicles; Accommodation and Food Services	-19.1	6.9	14.3	3.2	1.6
Transportation and Storage; Information and Communication	-11.7	10.2	14.5	3.8	2.5
Financial, Insurance and Real Estate Activities	-0.5	2.1	3.2	1.9	1.6
Other Services Activities	-5.2	4.9	7.9	3.7	2.0
Taxes less subsidies on products	-11.7	7.2	7.4	2.0	2.8

Employment increased by 1.6% in 2024

Total employment (measured in number of individuals) grew by 1.6%, after an increase of 1.0% in the previous year. The number of employees increased by 1.0% in 2024 (2.8% in the previous year). Considering employment measured in terms of hours worked, there was a growth of 0.5% in 2024 (1.9% in 2023).

In 2024, productivity measured by the ratio between GDP in volume and the number of people employed increased by 0.3% (1.5% in 2023), while productivity measured by the ratio between GDP in volume and the number of hours worked moved from a growth 0.7% in 2023 to 1.4% in 2024.



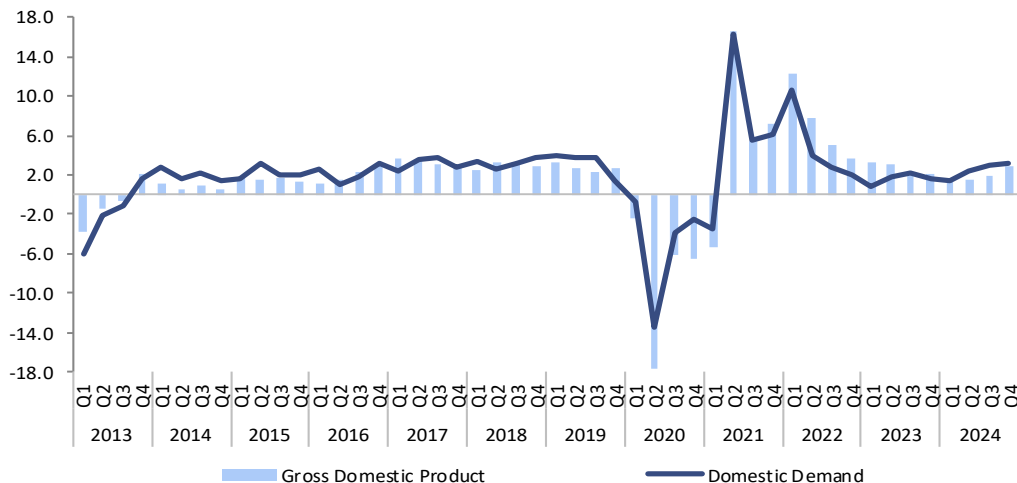
In the fourth quarter of 2024, GDP in volume increased by 2.8% in year-on-year terms and 1.5% compared with the previous quarter

Preliminary GDP estimates for the fourth quarter of 2024 point to a year-on-year GDP growth of 2.8% in volume, a rate 0.9 percentage points higher than in the previous quarter.

In nominal terms, GDP increased by 6.8% in the fourth quarter (6.2% in the previous quarter), with the implicit GDP deflator registering a year-on-year rate of change of 3.9% (4.3% in the third quarter of 2024).

Figure 2. Gross Domestic Product and Domestic Demand in volume (reference year = 2021)

Seasonally and calendar adjusted data
Year-on-year rate of change, %



In the fourth quarter of 2024, the positive contribution of domestic demand to the year-on-year growth rate of GDP in volume increased, from 2.9 in the third quarter to 3.1 percentage points.

Table 8. Decomposition of GDP rate of change (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-Year rate of change (%)					
Domestic Demand	2.3	1.7	1.5	2.5	2.9	3.1
Exports (FOB)	-0.6	2.5	1.5	3.1	5.0	4.1
Imports (FOB)	0.1	1.6	1.7	5.4	7.2	4.7
GDP	2.0	2.1	1.4	1.5	1.9	2.8
	Contributions to GDP year-on-year rate of change (percentage points)					
Domestic Demand	2.3	1.8	1.5	2.5	2.9	3.1
External Demand Balance ¹	-0.3	0.4	-0.1	-1.0	-1.0	-0.3

¹ - External Demand Balance (Exports less Imports)

- Differences may occur due to non-additivity of chain-linked volume data and rounding procedures.



By components of domestic demand, in volume, there was an acceleration of private consumption (includes Non-Profit Institutions Serving Households), to a year-on-year growth rate of 5.0% in the fourth quarter (3.8% in the previous quarter), and a decrease of Investment (from a rate of change of 1.9% in the third quarter to -0.9%). Public consumption (General Government Final Consumption Expenditure) slightly decelerated, registering a year-on-year growth rate of 0.9% (1.0% in the preceding quarter).

Table 9. Components of domestic demand

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-Year rate of change (%)					
Domestic Demand	2.3	1.7	1.5	2.5	2.9	3.1
Private Consumption ¹	0.8	1.8	1.5	2.4	3.8	5.0
Public Consumption ²	1.1	0.6	1.1	1.2	1.0	0.9
Investment	7.8	2.4	1.8	4.0	1.9	-0.9

¹ - Final Consumption Expenditure of Resident Households and NPISHs

² - Final Consumption Expenditure of General Government

In the fourth quarter of 2024, the contribution of net external demand to the GDP year-on-year growth rate was less negative (from -1.0 percentage points to -0.3 percentage points), with a growth of 4.1% in Exports of Goods and Services (5.0% in the third quarter), and 4.7% in Imports of Goods and Services (7.2% in the previous quarter).

Compared to the previous quarter, GDP grew by 1.5%, after a rate of 0.2% observed in the previous quarter. The contribution of net external demand to the GDP quarter-on-quarter rate of change turned positive (shifting from -1.2 to +1.0 percentage points), with imports diminishing in the fourth quarter. The positive contribution of domestic demand decreased to 0.6 percentage points due to the reduction of investment, mainly reflecting a negative contribution of changes in inventories associated to the behaviour of external trade flows.

Table 10. Decomposition of GDP rate of change (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Quarter-on-quarter rate of change (%)					
Domestic Demand	1.1	0.4	0.1	0.9	1.5	0.6
Exports (FOB)	-2.0	1.6	2.0	1.6	-0.2	0.7
Imports (FOB)	0.6	1.0	0.9	2.8	2.4	-1.4
GDP	-0.1	0.6	0.6	0.4	0.2	1.5
Contributions to GDP quarter-on-quarter rate of change (percentage points)						
Domestic Demand	1.1	0.4	0.1	0.9	1.5	0.6
External Demand Balance ¹	-1.2	0.3	0.5	-0.5	-1.2	1.0

¹ - External Demand Balance (Exports less Imports)

- Differences may occur due to non-additivity of chain-linked volume data and rounding procedures.



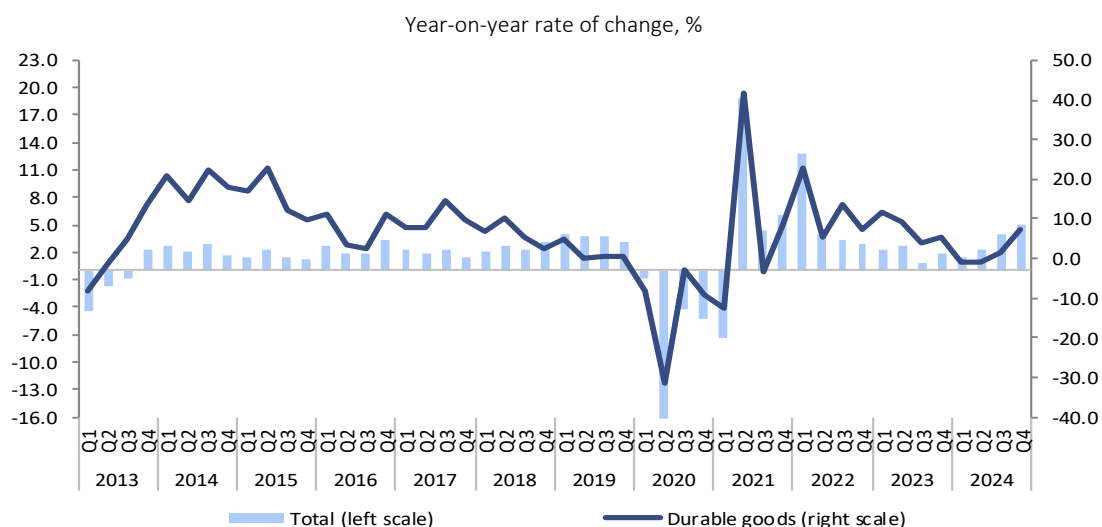
Final consumption expenditure of Resident Households

Final consumption expenditure by Resident Households, in volume, grew by 5.1% in year-on-year terms in the fourth quarter, after increasing 3.9% in the previous quarter, with an acceleration in both components. The non-durable goods and services component went from a growth rate of 4.1% to 4.9% in the fourth quarter and the durable goods component went from a rate of 1.4% in the third quarter to 7.2%.

Table 11. Final consumption expenditure of resident households (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-year rate of change (%)					
Total	0.9	1.9	1.5	2.4	3.9	5.1
Durable Component	4.0	5.6	-1.0	-1.1	1.4	7.2
Non-Durable Component	0.5	1.5	1.8	2.8	4.1	4.9
Of which:						
Food and beverage products	1.5	1.0	1.9	2.0	2.2	3.1

Figure 3. Final consumption expenditure of resident households, volume (reference year=2021)



Compared to the third quarter, final consumption expenditure by Resident Households increased by 2.9% (quarter-on-quarter rate of change of 0.8% in the previous quarter), with the non-durable goods and services component presenting a growth rate of 2.5% (0.7% in the third quarter) and the durable goods component increasing by 7.3% of (2.4% in the previous quarter).



Table 12. Final consumption expenditure of resident households (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Quarter-on-Quarter rate of change (%)					
Total	-0.6	1.7	0.4	0.9	0.8	2.9
Durable Component	-0.1	1.5	-1.6	-0.8	2.4	7.3
Non-Durable Component	-0.6	1.7	0.6	1.1	0.7	2.5
Of which:						
Food and beverage products	0.6	-0.1	0.9	0.6	0.8	0.7

Investment

In the fourth quarter, Investment in volume decreased by 0.9% in year-on-year terms, after an increase of 1.9% in the previous quarter. Gross Fixed Capital Formation (GFCF) decelerated from a growth rate of 4.4% in the third quarter to 0.7%, while the contribution of Changes in Inventories to the year-on-year GDP rate of change was -0.3 percentage points in the fourth quarter (-0.5 percentage points in the previous quarter).

Table 13. Gross Fixed Capital Formation (volume)

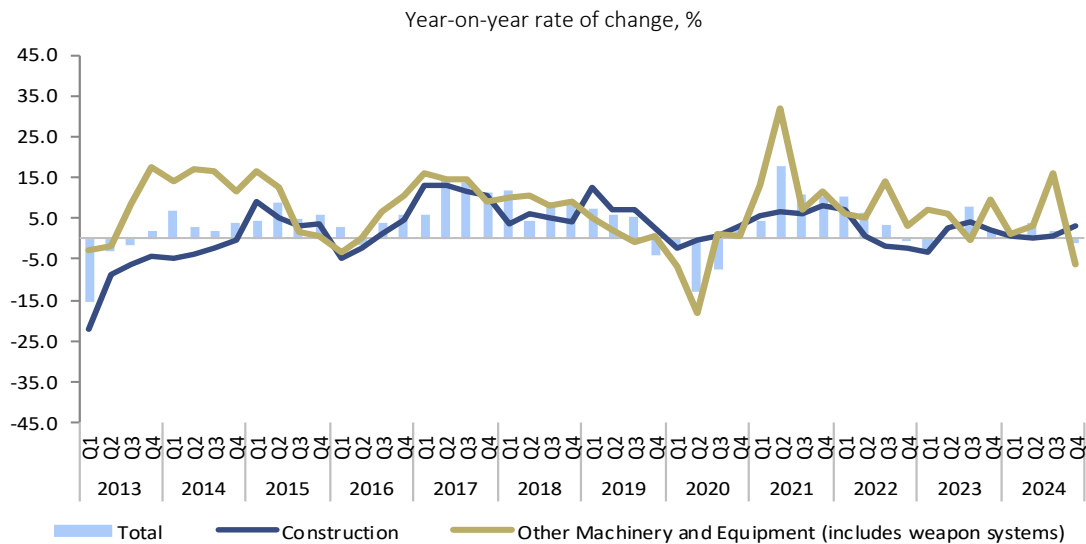
	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-year rate of change (%)					
Total	4.2	5.2	1.1	3.1	4.4	0.7
Of which:						
Transport Equipment	28.3	27.0	0.9	26.1	2.0	1.0
Other Machinery and Equipment ¹	-0.3	9.4	1.3	3.4	15.9	-6.2
Construction	4.0	2.1	0.8	0.2	0.6	3.0
Intellectual Property Products ²	1.9	1.4	1.9	2.6	2.8	3.6

¹ - Includes weapon systems; ² - includes Research and Development (R&D)

GFCF in Other Machinery and Equipment decreased by 6.2% in the fourth quarter compared to the same period of last year, after a growth of 15.9% in the previous quarter. GFCF in Transport Equipment increased by 1.0% year-on-year in the fourth quarter (2.0% in the previous quarter). In turn, GFCF in Construction recorded a year-on-year growth of 3.0%, after a rate of 0.6% in the third quarter, and GFCF in Intellectual Property Products also accelerated, recording a year-on-year growth of 3.6% in the fourth quarter (2.8% in the previous quarter).



Figure 4. Investment, volume (reference year=2021)



Comparing with the third quarter of 2024, total Investment, in volume, decreased by 6.0% (quarter-on-quarter growth rate of 4.5% in the previous quarter), with a reduction of 1.7% in total GFCF (growth of 2.6% in the third quarter) and a contribution of -0.9 percentage points from Changes in Inventories to the quarter-on-quarter GDP growth rate (contribution of +0.4 percentage points in the previous quarter) associated to the behaviour of external trade flows.

Table 14. Gross Fixed Capital Formation (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Quarter-on-Quarter rate of change (%)					
Total	1.3	1.9	-1.8	1.6	2.6	-1.7
Of which:						
Transport Equipment	17.8	3.3	-5.3	9.4	-4.7	2.3
Other Machinery and Equipment ¹	-1.6	8.3	-4.6	1.7	10.3	-12.3
Construction	0.7	-0.4	-0.8	0.7	1.1	1.9
Intellectual Property Products ²	0.6	0.2	0.9	0.8	0.8	0.9

¹ - Includes weapon systems; ² - includes Research and Development (R&D)

Exports and Imports

Exports of Goods and Services, in volume, recorded a year-on-year growth rate of 4.1% in the fourth quarter (5.0% in the previous quarter), with both components recording less intense growths. Exports of goods grew from a year-on-year variation of 5.5% in the third quarter to 5.2%, while exports of services recorded a growth of 2.1% in the fourth quarter, after a rate of 4.1% in the previous quarter.

In the fourth quarter, Imports of Goods and Services in volume increased by 4.7% year-on-year (7.2% in the previous quarter), with the goods component slowing down to 6.0% (7.8% in the previous quarter) and the services component decreasing by 0.8% (growth of 4.7% in the third quarter).



Table 15. Exports and Imports (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-year rate of change (%)					
Exports	-0.6	2.5	1.5	3.1	5.0	4.1
Goods (FOB)	-4.0	0.3	1.3	3.3	5.5	5.2
Services	6.1	6.4	1.9	2.8	4.1	2.1
Imports	0.1	1.6	1.7	5.4	7.2	4.7
Goods (FOB)	0.3	1.1	2.3	5.1	7.8	6.0
Services	-0.8	4.0	-0.7	6.6	4.7	-0.8

Compared to the previous quarter, total exports, in volume, increased by 0.7% (decrease of 0.2% in the previous quarter), with growths of 0.9% and 0.2% in the goods and services components, respectively (rates of 0.0% and -0.7% in the third quarter). Total imports recorded a quarter-on-quarter rate of change of -1.4% in the fourth quarter (2.4% in the third quarter), with decreases of 0.8% in the goods component and a reduction of 3.9% in the services component (rates of 3.2% and -1.0% in the third quarter, respectively).

Table 16. Exports and Imports (volume)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Quarter-on-Quarter rate of change (%)					
Exports	-2.0	1.6	2.0	1.6	-0.2	0.7
Goods (FOB)	-2.1	1.2	2.8	1.4	0.0	0.9
Services	-1.9	2.2	0.6	2.0	-0.7	0.2
Imports	0.6	1.0	0.9	2.8	2.4	-1.4
Goods (FOB)	0.5	0.9	1.4	2.3	3.2	-0.8
Services	0.8	1.5	-0.9	5.1	-1.0	-3.9

Since the first quarter of 2023, there have been gains in terms of trade, although in the fourth quarter of 2024 these gains were lower than in the previous quarter. The deflator of Exports of Goods and Services grew by 0.7% in year-on-year terms in the fourth quarter (1.1% in the previous quarter) and the deflator of Imports of Goods and Services decreased by 1.5% (-2.0% in the third quarter).

Table 17. Implicit deflators of exports and imports of goods (FOB) and services

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-year rate of change (%)					
Exports	-1.0	-0.3	0.1	1.1	1.1	0.7
Imports	-7.7	-5.0	-3.8	-1.9	-2.0	-1.5
Terms of Trade	7.2	5.0	4.0	3.0	3.1	2.2

In nominal terms, similar to what has been observed since the first quarter of 2023, the external balance of Goods and Services remained positive, increasing to 1.9% of GDP (1.4% of GDP in the previous quarter and 1.3% in the fourth quarter of 2023).



Gross Value Added (GVA) at basic prices

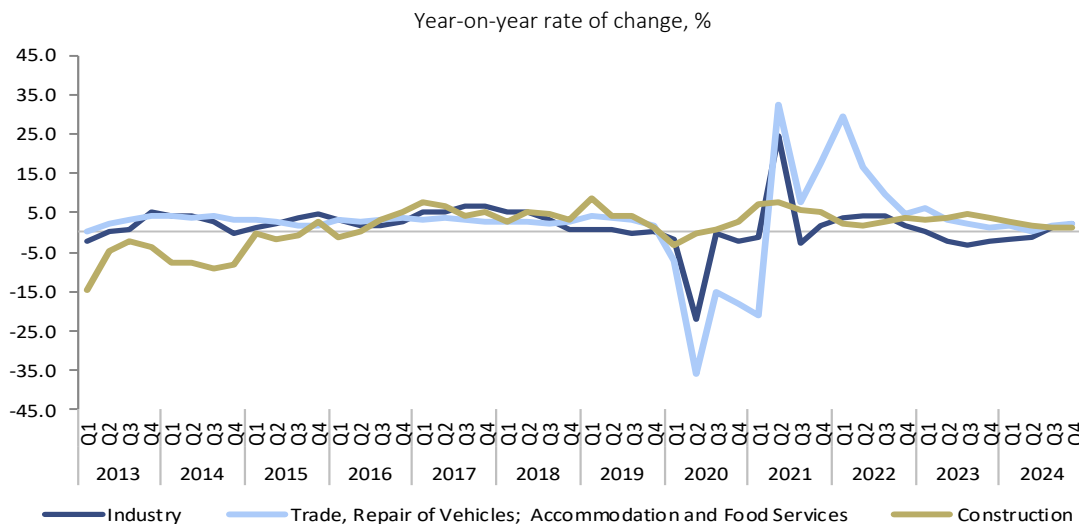
In the fourth quarter of 2024, GVA at basic prices recorded a year-on-year growth of 2.4% in volume (1.8% in the previous quarter).

Table 18. Gross Value Added, volume (reference year=2021)

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-Year rate of change (%)					
GVA at basic prices	2.3	1.8	1.5	1.2	1.8	2.4
Agriculture, Forestry and Fishing	6.7	6.4	5.0	3.6	2.8	2.4
Industry	-3.0	-2.1	-1.8	-1.0	1.0	2.3
Energy, Water Supply and Sewerage	15.4	18.5	10.3	6.6	3.3	2.3
Construction	4.5	3.7	2.6	1.5	1.4	1.3
Trade, Repair of Vehicles; Accommodation and Food Services	2.0	1.3	1.9	0.4	1.9	2.3
Transportation and Storage; Information and Communication	2.5	1.7	-0.5	2.7	4.4	3.5
Financial, Insurance and Real Estate Activities	1.8	1.4	1.5	1.6	1.5	1.8
Other Services Activities	3.6	2.3	2.4	1.5	1.4	2.6
Taxes less subsidies on products	1.9	4.5	2.0	3.7	2.2	3.1

GVA of the Other Service Activities increased by 2.6% year-on-year (1.4% in the third quarter), contributing 0.7 percentage points to the year-on-year growth rate of GVA (including taxes net of subsidies). Similarly, the GVA of the Trade, Repair of Vehicles, Accommodation and Food Service Activities increased by 2.3%, after a growth of 1.9% in the previous quarter.

Figure 5. Gross Value Added, volume (reference year=2021)



Taxes less Subsidies on Products in volume grew by 3.1% in year-on-year terms, after an increase of 2.2% in the previous quarter.



Employment

In the fourth quarter, total employment (measured in number of persons and seasonally adjusted) for all sectors of economic activity increased by 1.6% year-on-year (1.8% in the previous quarter). The number of employees (also seasonally adjusted) registered a year-on-year growth of 0.5%, after the 0.7% increase observed in the previous quarter.

Considering employment measured in terms of hours worked, there was a year-on-year increase of 1.9% in the fourth quarter (nil rate in the previous quarter).

Table 19. Employment – Quarterly National Accounts

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Year-on-Year rate of change (%)					
Employment						
Persons	0.8	1.4	1.6	1.4	1.8	1.6
Hours worked	1.4	0.6	-0.5	0.5	0.0	1.9
Employees						
Persons	2.6	2.8	1.7	1.0	0.7	0.5
Hours worked	3.1	1.4	0.2	1.2	-0.6	1.6

Compared to the previous quarter, total employment (measured in number of persons) maintained a growth of 0.5% in the fourth quarter and hours worked increased by 1.9% (0.3% decrease in the third quarter).

Table 20. Employment – Quarterly National Accounts

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
	Quarter-on-Quarter rate of change (%)					
Employment						
Persons	0.0	0.7	0.5	0.2	0.5	0.5
Hours worked	0.2	0.0	0.0	0.3	-0.3	1.9
Employees						
Persons	0.4	0.5	0.0	0.1	0.1	0.4
Hours worked	1.2	-0.4	0.1	0.3	-0.6	1.9

In the fourth quarter, productivity measured by the ratio between GDP in volume and the number of employed persons increased by 1.2% in year-on-year terms (+0.1% in the previous quarter). In turn, productivity measured based on the number of hours worked recorded a year-on-year growth of 0.9% (1.9% in the third quarter).



METHODOLOGICAL NOTE

Revisions:

The preliminary results for 2023 were revised due to the incorporation of previously unavailable primary information. This new information resulted in an upward revision of 0.2 percentage points in the nominal GDP growth rate in 2023, to 9.8%, and an upward revision of 0.1 percentage points in real terms, to 2.6%. This revision was due to the use of updated Balance of Payments data, published on February 19, which led to an upwards revaluation of the external balance of services, although the balance of the current and capital account was less revised.

Regarding 2024, the new set of information did not imply a revision of the annual volume growth rate of GDP disseminated in the Flash Estimate for the fourth quarter published by INE on January 30. However, there were revisions in the quarterly results, with changes in the volume rates growth rates for the last two years.

Additionally, the newly incorporated information particularly highlights:

- The latest version for the short-term statistics (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The latest information of the Monetary and Financial Statistics compiled by Banco de Portugal;
- The December 2024 preliminary version of the international trade goods statistics. In what concerns, the deflators for external trade of goods for the fourth quarter of 2024, the Unit Value Quarterly Indices were used, calculated based on the International Trade of Goods Statistics for December 2024. It should be noticed that this information was not available when the flash estimates were compiled.

Methodological issues:

The information in volume presented in this press release is chain linked data, with 2021 as reference year. GDP quarterly aggregates for demand and production approaches are estimated using seasonally and calendar effects adjusted quarterly indicators. The seasonal adjustment procedure used is indirect, i.e. seasonally adjusted GDP is the sum of its seasonally and calendar effects adjusted components. This procedure is based in probabilistic models estimated with the software X-13 Arima. Consequently, the estimated figures are subject to minor revisions as new observations become available.

It should be noted that in the concept of employment underlying the National Accounts, only individuals who work in resident production units (domestic employment) are counted, that is, total employment includes individuals who carry out a productive activity included within the scope of production limits of national accounts. This concept is not exactly coincident with that of the Labour Force Survey. In effect, National Accounts follow the concept of domestic employment, considering resident and non-resident individuals employed in resident production units, while in the Labour Force Survey, the concept of employment covers resident individuals employed by resident production units and non-residents. In addition, the employment data of Quarterly National Accounts are adjusted for seasonal fluctuations, so the published employment levels differ from those in the Labour Force Survey.



Reference date of the primary data used:

These estimates were calculated using information available until February 26, 2025.

ABBREVIATIONS

NPISH – Non-Profit Institutions Serving Households.

Gross Capital Formation (Investment); includes: Gross Fixed Capital Formation (GFCF), Acquisitions less Disposals of Valuables and Changes in Inventories.

Exports (FOB) – Exports of Goods at FOB (Free On Board) prices and Services.

Imports (FOB) – Imports of Goods at FOB (Free On Board) prices and Services.

GDP – Gross Domestic Product at market prices.

GVA – Gross Value Added at basic prices.

ESA – European System of National and Regional Accounts

Next releases of National Accounts - National Accounts by Institutional Sector for the fourth quarter of 2024 are scheduled for March 26, 2025.
