

23rd September 2025
 QUARTERLY SECTOR ACCOUNTS (BASE 2021)
 Second Quarter 2025

THE BALANCE OF THE PORTUGUESE ECONOMY DECREASED BY 0.2 PERCENTAGE POINTS TO 2.1% OF GDP

The Portuguese economy¹ recorded a net lending of 2.1% Gross Domestic Product (GDP) in the second quarter of 2025, representing a decrease of 0.2 percentage points compared with the previous quarter. Gross National Income (GNI) and Gross Disposable Income (GDI) increased by 1.5% and 1.3%, respectively (compared to 1.1% for both aggregates in the previous quarter). The reduction in the external balance of the economy reflected the decrease in the balances of most domestic sectors except for Non-Financial Corporations.

The disposable income of Households² sector increased by 1.5% compared to the previous quarter, with compensation of employees received and Gross Value Added (GVA) growing by 1.8% and 1.5%, respectively. The increase in disposable income, together with the growth by 1.4% of final consumption expenditure (1.5% in the previous quarter), determined the slight increase in the household savings rate to 12.6% (12.4% in the previous quarter). Households' net lending stood at 4.4% of GDP, diminishing by 0.1 percentage points compared to the previous quarter. In real terms, the adjusted GDI per capita of Households grew by 0.5% in the second quarter of 2025 (same as in the previous quarter).

The balance of Non-Financial Corporations was less negative by 0.3 percentage points, reaching -4.4% of GDP in the second quarter of 2025. GVA and compensation of employees paid increased by 1.4% and 1.8%, respectively, while Gross Capital Formation grew by 1.5%. The balance of Financial Corporations stood at 1.6% of GDP (0.2 percentage points less than in the previous quarter).

The positive balance of the General Government (GG) sector stood at 0.5% of GDP in the year ending in the second quarter of 2025, less 0.2 percentage points than in the previous quarter. Considering quarterly values and not the year ending in the quarter, the GG balance in the second quarter of 2025 reached 1 412 million euros, corresponding to 1.9% of GDP (2.5% in the second quarter of 2024). Compared to the same period of the previous year, revenue increased by 4.6% and expenditure by 6.3%.

¹ Unless otherwise stated, the descriptive analysis and graphs presented below refer to the year ending in the reference quarter (which helps eliminate seasonal fluctuations and reduce the impact of irregular changes). When comparing consecutive quarters, quarter-on-quarter rates of change between the year ending in the reference quarter and the year ending in the preceding quarter are used, in general (see methodological notes at the end of press release). The rates of change are based in nominal terms.

² Households and Non-Profit Institutions Serving Households (NPISH) (S.1M).

THE BALANCE OF THE ECONOMY DIMINISHED BY 0.2 PERCENTAGE POINTS TO 2.1% OF GDP

The external balance of the Portuguese economy decreased from 2.3% in the first quarter to 2.1% of GDP in the second quarter of 2025. In nominal terms, GDP grew by 1.3% in the second quarter of 2025 compared with the previous quarter and 6.2% compared to the same quarter of the previous year, reflecting increases in volume GDP and the respective implicit deflator. Gross National Income (GNI) and Gross Disposable Income (GDI) increased by 1.5% and 1.3%, respectively, when compared with the previous quarter (6.9% and 6.5% year-on-year growths).

In the second quarter of 2025, the GDI of the economy grew slightly less, by 0.1 percentage points, than final consumption expenditure (which includes the final consumption expenditure by Households and GG), leading to a 1.2% increase in gross savings, reaching 21.7% of GDP (the same as in the previous quarter and in the same quarter of the previous year).

The 2.3% growth in GCF (2.7% in the previous quarter), more than offset the increase in savings and resulted in a 0.2 percentage point decrease in the economy's net lending, to 2.1% of GDP in the second quarter of 2025.

Table 1

GDP, GNI AND GDI (YEAR ENDING IN THE REFERENCE QUARTER)

Year ending in the reference quarter	GDP		GNI		GDI	
	million euros	quarter-on-quarter rate of change (%)	million euros	quarter-on-quarter rate of change (%)	million euros	quarter-on-quarter rate of change (%)
2Q 2022	230 135	3.3	227 593	3.2	232 522	2.8
3Q 2022	236 890	2.9	233 595	2.6	238 301	2.5
4Q 2022	243 957	3.0	239 550	2.5	244 278	2.5
1Q 2023	251 095	2.9	246 221	2.8	251 204	2.8
2Q 2023	257 674	2.6	252 166	2.4	257 301	2.4
3Q 2023	264 462	2.6	258 331	2.4	263 537	2.4
4Q 2023	270 353	2.2	263 370	2.0	268 166	1.8
1Q 2024	274 826	1.7	268 104	1.8	272 993	1.8
2Q 2024	279 376	1.7	272 638	1.7	277 935	1.8
3Q 2024	284 043	1.7	277 690	1.9	283 091	1.9
4Q 2024	289 428	1.9	283 973	2.3	289 108	2.1
1Q 2025	292 898	1.2	287 106	1.1	292 242	1.1
2Q 2025	296 711	1.3	291 373	1.5	296 129	1.3

The reduction in the external balance of the economy reflected the decrease in the balances of most domestic sectors except for Non-Financial Corporations which recorded a reduction of the net borrowing to 4.4% of GDP. The surplus of Financial Corporations decreased by 0.2 percentage points and the surplus of General Government stood at 0.5% of GDP, 0.2 percentage points less than in the previous quarter, resulting from an expenditure increase (1.4%) that exceeded the growth in revenue (1.1%).

The Households' balance decreased by 0.1 percentage points, standing at 4.4% of GDP in the second quarter of 2025, mainly reflecting the increase in Gross Capital Formation. Final consumption and Gross Disposable Income grew by 1.4% and 1.5%, respectively, leading to a 2.6% increase in savings.

Table 2

NET LENDING (+) / BORROWING (-) BY INSTITUTIONAL SECTOR

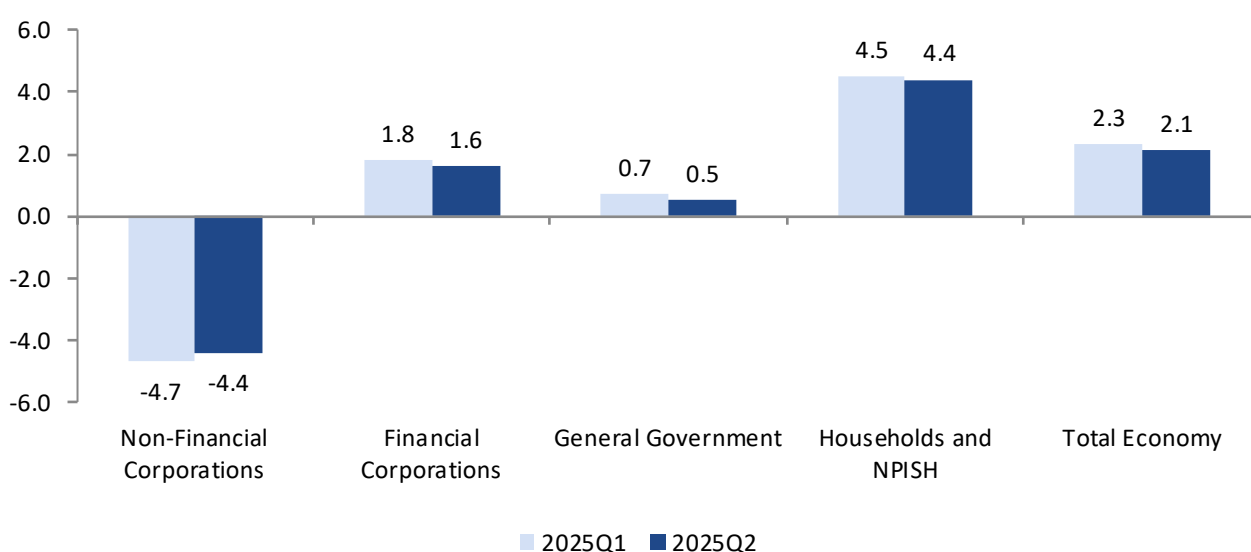
(% OF GDP, YEAR ENDING IN THE REFERENCE QUARTER)

Year ending in the reference quarter	Non-Financial Corporations	Financial Corporations	General Government	Households and NPISH	Total Economy
2Q 2022	-4.6	2.1	0.1	1.8	-0.6
3Q 2022	-5.4	2.0	1.0	1.4	-1.0
4Q 2022	-4.4	2.1	-0.3	1.3	-1.3
1Q 2023	-3.9	2.5	0.2	0.8	-0.3
2Q 2023	-3.5	2.6	0.1	1.5	0.8
3Q 2023	-3.7	2.6	0.5	2.1	1.6
4Q 2023	-4.0	2.3	1.3	2.3	1.9
1Q 2024	-3.9	2.2	0.8	3.3	2.4
2Q 2024	-4.5	2.3	1.1	3.6	2.6
3Q 2024	-4.4	2.3	0.6	4.2	2.7
4Q 2024	-4.6	2.1	0.5	4.7	2.8
1Q 2025	-4.7	1.8	0.7	4.5	2.3
2Q 2025	-4.4	1.6	0.5	4.4	2.1

Figure 1

NET LENDING (+) / BORROWING (-) BY INSTITUTIONAL SECTOR

(% OF GDP, YEAR ENDING IN THE REFERENCE QUARTER)



HOUSEHOLDS: NET LENDING STOOD AT 4.4% OF GDP

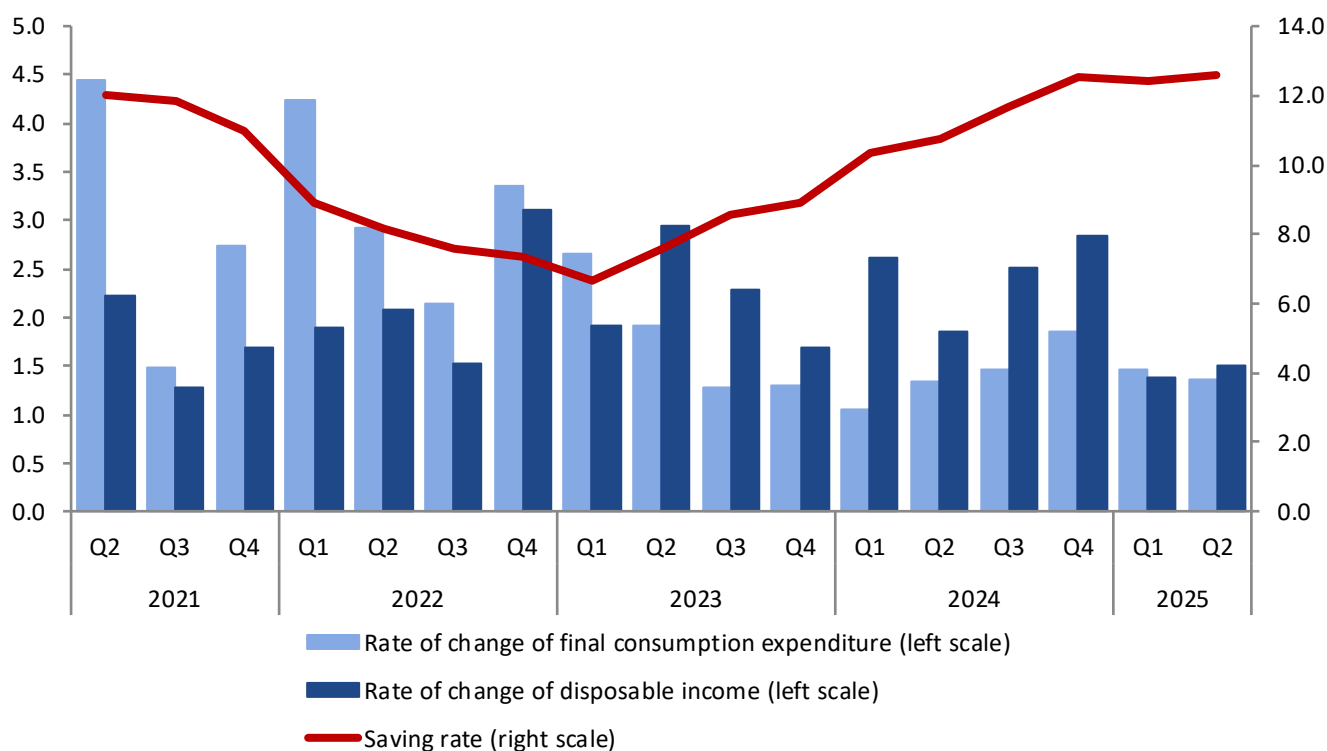
Net lending of Households stood at 4.4% of GDP in the year ending in the second quarter of 2025, which represented a decrease of 0.1 percentage points compared with the previous quarter. This behaviour resulted from Gross Capital Formation growing higher than savings (4.3% and 2.6% compared to the previous quarter, respectively).

The Households' savings rate in the second quarter of 2025 (Figure 2) stood at 12.6% of disposable income, less 0.2 percentage points compared with the previous quarter. Final consumption expenditure increased by 1.4%, a growth rate lower than the 1.5% rise in Gross Disposable Income (1.5% and 1.4% in the previous quarter, respectively). Note that, unless otherwise indicated, the variables presented here are in nominal terms, which, in the case of private consumption, means that the evolution is also marked by price growth. In real terms, private consumption increased by 0.7% in the year ending in the second quarter of 2025.

Figure 3 shows the breakdown of the growth of disposable income of households. In the year ending in the second quarter of 2025, compensation of employees and gross operating surplus contributed by 1.3 and 0.4 percentage points, respectively, to that growth rate. Income taxes had a negative contribution of 0.3 percentage points.

Figure 2

SAVING RATE OF HOUSEHOLDS AND NPISH (% , YEAR ENDING IN THE REFERENCE QUARTER)



The nominal GDI per capita of Households reached 19.3 thousand euros in the second quarter of 2025, which represented an increase of 1.2% compared with the previous quarter.

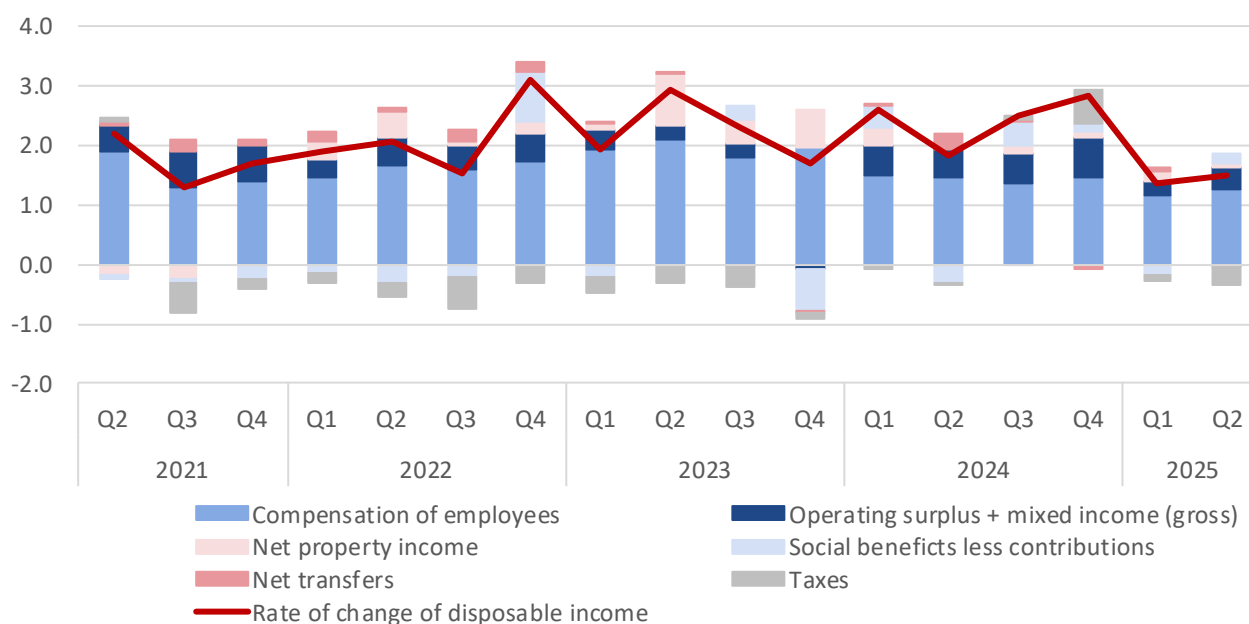
It should be noted that GDIA differs from GDI by including the value of goods and services that are purchased or produced by GG or NPISH and intended for household consumption, such as, for example, co-payments in the purchase of medicines by households. Households' adjusted GDI per capita in real terms, which is a more appropriate indicator in a context of high inflation, and which considers the implicit price index of final consumption expenditure as a deflator, increased by 0.5% in the second quarter of 2025 (same as in the previous quarter).

Households' Gross Fixed Capital Formation (GFCF), which essentially corresponds to GFCF in dwellings, increased by 4.3% in the second quarter of 2025 (3.3% in the previous quarter). The investment rate of Households (measured by the ratio between GFCF and disposable income) stood at 6.0%, more 0.2 percentage points than in the previous quarter.

Figure 3

CONTRIBUTIONS TO THE RATE OF CHANGE OF DISPOSABLE INCOME OF HOUSEHOLDS AND NPISH

(PERCENTAGE POINTS, YEAR ENDING IN THE REFERENCE QUARTER)

**NON-FINANCIAL CORPORATIONS: THE BALANCE WAS LESS NEGATIVE BY 0.3 PERCENTAGE POINTS TO -4.4% OF GDP**

Non-financial corporations' net borrowing stood at 4.4% of GDP in the second quarter of 2025, representing a decrease in the deficit by 0.3 percentage points compared to the previous quarter.

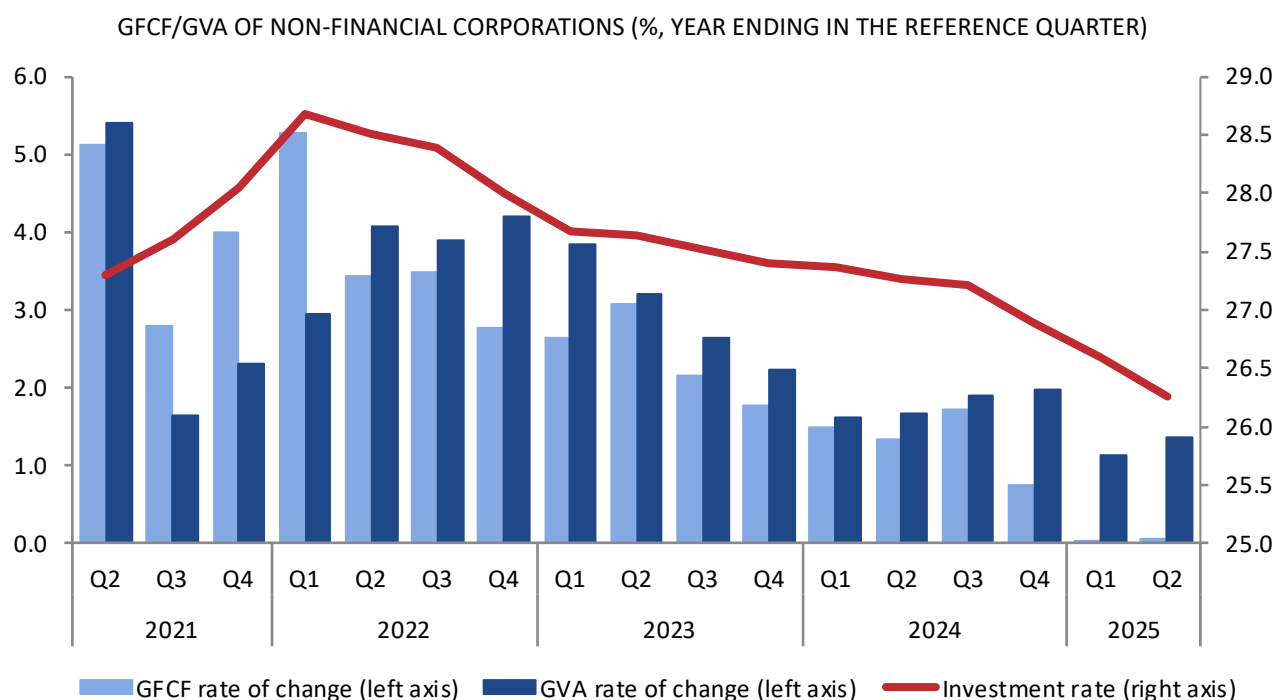
GVA increased by 1.4%, 0.3 percentage points more than in the previous quarter. The growth in GVA offset the 1.8% increase in compensation of employees, resulting in rate of change of 0.5% in Gross Operating Surplus (compared to -0.8% in the previous quarter).

The sector's net operating margin rate stood at 18.4% (0.4 percentage points less than in the first quarter). This rate is obtained from the ratio between Net Operating Surplus and Net Added Value and corresponds to the percentage of value created in companies that is used to remunerate financial resources.

The reduction in net borrowing by 0.3 percentage points of GDP resulted from the previously mentioned increase in Gross Operating Surplus and from a 7.1% decrease in income taxes (nil rate of change in the previous quarter and a 4.3% increase compared to the same quarter of the previous year). Property income received and paid increased by 2.0% and 0.4%, respectively, compared to the previous quarter.

GFCF presented a nil change of rate in the last two quarters. The investment rate (measured by the ratio between GFCF and GVA) stood at 26.3%, which represents a decrease of 0.3 percentage points compared with the previous quarter, determined by the higher growth of GVA compared with GFCF.

Figure 4



FINANCIAL CORPORATIONS: NET LENDING STOOD AT 1.6% OF GDP

The net lending of Financial Corporations decreased by 0.2 percentage points, reaching 1.6% of GDP. The sector's GVA (which includes the financial intermediation margin obtained by banking institutions when granting loans and obtaining deposits (Financial Intermediation Service Indirectly Measured – FISIM)³, by production factors), decreased by 1.3% (reduction of 2.0% in the previous quarter).

Property income received and paid recorded growth rates of -5.4% and -3.5%, respectively, in the second quarter of 2025, resulting in a 11.4% decrease in the sector's savings (compared to a 9.0% decrease in the previous quarter). The reduction in saving led to a decrease by 0.2 percentage point of GDP in the sector's net lending.

³ It should be highlighted that, in National Accounts, the financial intermediation margin obtained by banking institutions when granting loans and obtaining deposits (named Financial Intermediation Services Indirectly Measured – FISIM) is recorded as production, influencing GVA, and not as interest paid and received. Analogously, the cost incurred by other institutional sector in those operations is recorded as intermediate or final consumption. Thus, reflecting the significant rise in interest rates, FISIM is increasing significantly in nominal terms, determining the increase in GVA of the financial sector and negatively influencing the GVA of the other sectors, notably the households' sector in their capacity as owners of dwellings acquired using banking loans. The increase in FISIM bore by the households' sector influences positively the final consumption expenditure. Since the second quarter of 2024, this behaviour has been reversed with the reduction in interest rates, with decreases in FISIM being observed in nominal terms.

GENERAL GOVERNMENT: NET BALANCE DECREASED 0.2 PERCENTAGE POINTS TO 0.5% OF GDP

The net balance of the GG sector, in percentage of GDP, decreased by 0.2 percentage points compared to the previous quarter, to 0.5% of GDP. This behaviour was due to a slightly larger increase in expenditure (1.4%) than in revenue (1.1%).

Tables 3 and 4 show the revenue and expenditure of GG sector in the year ending the reference quarter, in value and rate of change, respectively.

Table 3

REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT (YEAR ENDING IN THE REFERENCE QUARTER)

Unit: 10⁶ EUR

	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2
Total revenue	121 462	122 673	124 626	126 591	127 993
Current revenue	118 604	119 884	122 027	123 910	125 028
Current taxes on income and wealth	29 747	30 158	29 486	29 668	29 639
Taxes on production and imports	39 942	40 440	41 567	42 230	42 880
Social contributions	34 653	34 789	35 883	36 760	36 942
Sales	8 547	8 740	9 150	9 230	9 206
Other current revenue	5 716	5 757	5 943	6 020	6 361
Capital revenue	2 858	2 789	2 598	2 682	2 966
Total expenditure	118 259	120 937	123 174	124 670	126 474
Current expenditure	107 516	109 714	112 776	114 153	115 570
Social benefits	49 314	50 448	52 143	52 920	53 464
Compensation of employees	28 970	29 581	30 322	30 879	31 480
Interest	5 731	5 819	5 935	5 989	6 016
Intermediate consumption	14 437	14 613	15 076	15 238	15 327
Subsidies	2 131	2 101	1 886	1 479	1 439
Other current expenditure	6 932	7 152	7 414	7 648	7 844
Capital expenditure	10 743	11 223	10 399	10 517	10 904
Investment ⁽¹⁾	7 107	7 522	8 018	8 319	8 554
Other capital expenditure	3 636	3 702	2 380	2 198	2 350
Current Balance	11 089	10 170	9 252	9 757	9 457
Balance	3 204	1 736	1 451	1 922	1 519
<i>Memorandum items:</i>					
Primary current expenditure	101 785	103 895	106 841	108 163	109 554
Gross Domestic Product at current market prices	279 376	284 043	289 428	292 898	296 711
Balance in % of GDP	1.1	0.6	0.5	0.7	0.5

⁽¹⁾ Includes Gross capital formation and Acquisitions less disposals of non-produced non-financial assets

In the year ending in the second quarter of 2025, the expenditure behaviour reflected the increase of 1.2% in current expenditure and 3.7% in capital expenditure. All items of current expenditure, except subsidies (-2.7%), increased, with the most relevant variations being those of other current expenditure (2.6%), compensation of employees

(1.9%) and social benefits (1.0%). The primary current expenditure, that excludes interest paid, increased 1.3% in the year ending in the second quarter of 2025.

Capital expenditure increased by 3.7%, as a result of an increase in investment (2.8%) and in other capital expenditure (6.9%).

Table 4

REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT

(%; YEAR ENDING IN THE REFERENCE QUARTER)

Unit: %

	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2
Total revenue	2.7	1.0	1.6	1.6	1.1
Current revenue	3.0	1.1	1.8	1.5	0.9
Current taxes on income and wealth	2.9	1.4	-2.2	0.6	-0.1
Taxes on production and imports	1.7	1.2	2.8	1.6	1.5
Social contributions	4.2	0.4	3.1	2.4	0.5
Sales	2.7	2.3	4.7	0.9	-0.3
Other current revenue	5.7	0.7	3.2	1.3	5.7
Capital revenue	-6.2	-2.4	-6.8	3.2	10.6
Total expenditure	1.9	2.3	1.8	1.2	1.4
Current expenditure	2.0	2.0	2.8	1.2	1.2
Social benefits	2.5	2.3	3.4	1.5	1.0
Compensation of employees	1.9	2.1	2.5	1.8	1.9
Interest	0.9	1.5	2.0	0.9	0.4
Intermediate consumption	1.5	1.2	3.2	1.1	0.6
Subsidies	-9.8	-1.4	-10.2	-21.6	-2.7
Other current expenditure	5.9	3.2	3.7	3.2	2.6
Capital expenditure	-0.1	4.5	-7.3	1.1	3.7
Investment ⁽¹⁾	1.9	5.8	6.6	3.8	2.8
Other capital expenditure	-3.7	1.8	-35.7	-7.7	6.9
Memorandum items:					
Primary current expenditure	2.1	2.1	2.8	1.2	1.3

⁽¹⁾ Includes Gross capital formation and Acquisitions less disposals of non-produced non-financial assets

Total revenue increased by 1.1% due to the increase of both current revenue (0.9%) and capital revenue (10.6%). The growth in current revenue is due to the increase of other current revenue (5.7%), revenue from social contributions (0.5%) and taxes on production and imports (1.5%).

To allow a comparison between quarters, table 5 presents the detail of revenue and expenditure of GG and its GDP percentage for the second quarters of 2024 and 2025.

Table 5

REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT

(QUARTERLY FIGURES)

	2 nd quarter 2024		2 nd quarter 2025		Nominal rate of change (%)
	10 ⁶ EUR	% GDP	10 ⁶ EUR	% GDP	
Total revenue	30 584	42.4	31 986	42.1	4.6
Current revenue	30 049	41.7	31 167	41.1	3.7
Current taxes on income and wealth	6 607	9.2	6 577	8.7	-0.4
Taxes on production and imports	9 809	13.6	10 459	13.8	6.6
Social contributions	9 650	13.4	9 831	13.0	1.9
Sales	2 231	3.1	2 206	2.9	-1.1
Other current revenue	1 751	2.4	2 092	2.8	19.5
Capital revenue	535	0.7	819	1.1	53.0
Total expenditure	28 770	39.9	30 575	40.3	6.3
Current expenditure	26 781	37.2	28 199	37.2	5.3
Social benefits	11 634	16.1	12 178	16.0	4.7
Compensation of employees	7 830	10.9	8 432	11.1	7.7
Interest	1 420	2.0	1 446	1.9	1.9
Intermediate consumption	3 709	5.1	3 798	5.0	2.4
Subsidies	328	0.5	288	0.4	-12.2
Other current expenditure	1 861	2.6	2 056	2.7	10.5
Capital expenditure	1 989	2.8	2 376	3.1	19.4
Investment ⁽¹⁾	1 613	2.2	1 848	2.4	14.6
Other capital expenditure	376	0.5	528	0.7	40.4
Current Balance	3 267	4.5	2 968	3.9	
Balance	1 814	2.5	1 412	1.9	
Memorandum items:					
Primary current expenditure	25 362	35.2	26 753	35.2	5.5

⁽¹⁾ Includes Gross capital formation and Acquisitions less disposals of non-produced non-financial assets

Considering quarterly figures rather than the sum of four quarters, the net balance of the GG was of 1 412 million EUR in the second quarter of 2025 (1.9% of GDP), which compares with 2.5% of GDP for the same period of the previous year. This variation reflects the increases in both total expenditure and total revenue, by 6.3% and 4.6%, respectively.

Within total expenditure, current expenditure increased by 5.3%, due to increases in social benefits (4.7%), compensation of employees (7.7%), interests paid (1.9%), intermediate consumption (2.4%) and other current expenditure (10.5%), and a decrease in subsidies by 12.2%.

The primary current expenditure, that excludes interest paid, increased 5.5% in the second quarter of 2025.

Capital expenditure increased 19.4%, given the 14.6% increase in investment and of 40.4% in other capital expenditure.

The increase by 3.7% of current revenue was due to increases in other current revenue (19.5%), taxes on production and imports (6.6%) and social contributions (1.9%). Capital revenue grew by 53.0%, largely driven by the increase in revenue from the Recovery and Resilience Plan, linked to the increase in capital expenditure.

Table 6 presents the main adjustments carried out for moving from Public Accounts to National Accounts balances in the first semesters of 2024 and 2025.

Table 6

PUBLIC TO NATIONAL ACCOUNTING ADJUSTMENTS

	2024S1	2025S1
Balance in Public Accounting:	-2 343	1 841
Accrual adjustment and sector delimitation in National Accounts	-81	-741
Difference between paid and due interest	540	574
Other receivables:	4 082	505
Time adjustment of taxes and social contributions	732	61
Others	3 350	444
Other payables:	282	-235
Expenditure already incurred but not yet paid	-195	-287
Others	477	52
Other adjustments:	-1 087	-482
of which:		
Capital injections and debt assumptions	-896	-817
Balance in National Accounting:	1 394	1 462
GDP ⁽¹⁾	139 327	146 611
Balance in National Accounting in % of GDP	1.0	1.0

⁽¹⁾ Non seasonally and calendar effects adjusted data

Comparing the first semester of 2025 with the same period of 2024, both national accounts and public accounts balances increase, with a higher growth in public accounts.

In national accounts, the GG net balance maintained to 1.0% of GDP in the first semester of 2025. The expenditure in capital injections and debt assumptions was entirely granted to public corporations classified inside GG, with a neutral impact in the final GG balance.

As mentioned in previous press releases, due to the policy measures for fractional future payment of taxes, a supplementary adjustment was made to include the future payments as revenue of the period when the activity took place.

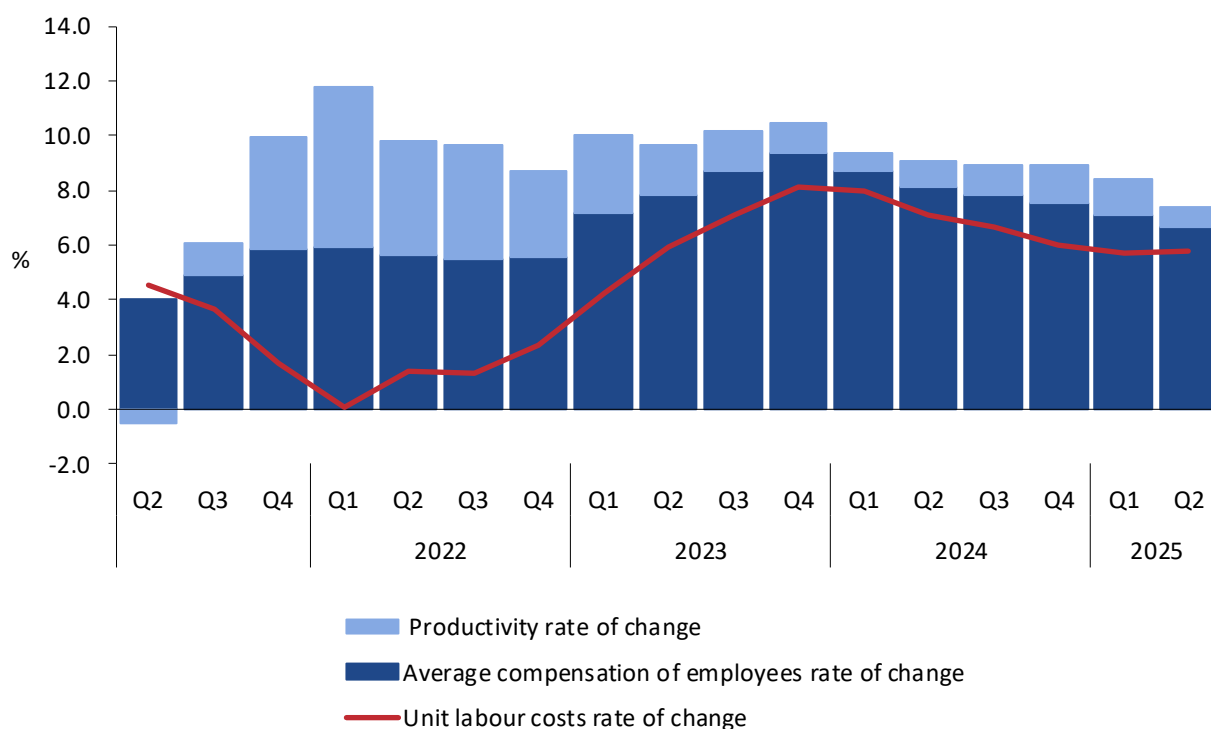
For a more detailed analysis see the press release Excessive Deficit Procedure (2nd Notification) simultaneously published with this press release.

UNIT LABOUR COSTS (ULC) INCREASED BY 5.8%

In the year ending in the second quarter of 2025, UCL increased by 5.8% in year-on-year terms, 0.1 percentage points more than in the previous quarter. This result was due to the growth in average compensation of employees outpacing productivity (6.6% and 0.8%, respectively).

Figure 5

UNIT LABOUR COSTS RATES OF CHANGE (% , YEAR ENDING IN THE REFERENCE QUARTER)



REVISIONS OF THE QUARTERLY NATIONAL ACCOUNTS

With the release of the final results for 2023 and provisional results for 2024 of the Portuguese National Accounts, the quarterly account series have been revised to ensure full consistency with the new annual figures.

The newly published results for 2023 reflect upward revisions of +0.5 percentage points in both volume and the GDP deflator growth rates, resulting in a +1.0 percentage points revision in nominal rate of change.

Compared to the preliminary results, the provisional figures for 2024 also led to an upward revision of the GDP volume change (+0.2 percentage points) and a more significant revision of the deflator (+0.4 percentage points), resulting in a +0.7 percentage points revision in nominal growth rate. In real terms, GDP in 2024 increased by 2.1% (compared to 3.1% in the previous year), while the GDP deflator grew by 4.8%, following a rate of 7.5% in 2023.

Compared to the preliminary data, the provisional results for 2024 now reflect, in addition to the direct impacts from compiling the final 2023 results, more robust and comprehensive information for the Public Administration sector, the inclusion of revised data on international trade in goods and services, and especially the incorporation of data from the Simplified Business Information (IES) for 2024, reported by firms in July 2025. Additional details on the annual results for 2023 and 2024 and their respective revisions are available in a dedicated press release published also today.

On a quarterly basis, revisions were made to the GDP volume growth rates, while the temporal profile of the previously published growth rates remained unchanged, as shown in the following table. The new results led to a downward revision of 0.1 percentage points in the year-on-year GDP volume growth rate for the second quarter of 2025, to a rate of 1.8%, and an upward revision of 0.1 percentage points in the quarter-on-quarter rate, to 0.7%.

Table 7

REVISIONS OF THE QUARTERLY GDP RATES OF CHANGES, IN REAL TERMS

(SEASONALLY AND CALENDAR EFFECTS ADJUSTED DATA)

	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25
	Year-on-year rate of change (%)									
QNA 2Q 2025 (85 days)	3.6	3.7	2.6	2.6	1.9	2.0	2.1	2.6	1.7	1.8
QNA 2Q 2025 (60 days)	3.3	3.1	2.0	2.1	1.4	1.5	2.0	2.8	1.7	1.9
Revision (p.p.)	0.3	0.6	0.6	0.5	0.5	0.5	0.1	-0.2	0.0	-0.1

	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25
	Quarter-on-quarter rate of change (%)									
QNA 2Q 2025 (85 days)	1.3	0.5	0.1	0.7	0.6	0.6	0.2	1.2	-0.3	0.7
QNA 2Q 2025 (60 days)	1.4	0.2	-0.1	0.6	0.6	0.4	0.4	1.4	-0.4	0.6
Revision (p.p.)	-0.1	0.3	0.2	0.1	0.0	0.2	-0.2	-0.2	0.1	0.1

METHODOLOGICAL NOTE

The results presented correspond to the preliminary version of the Quarterly Sector Accounts (QSA) for the second quarter of 2025.

For a better understanding of the results, it should be noted that, unless otherwise indicated, the descriptive analysis and graphs presented in this press release refer to data in the year ending in the reference quarter (which eliminates seasonal fluctuations and reduces the effect of irregular oscillations. When comparing consecutive quarters are used, in general, quarter-on-quarter change rates between the year ending in the reference quarter and the year ending in the preceding quarter. Due to rounding, the sum of the parts of the economic indicators presented may not coincide with the result for the total economy.

The Quarterly Sector Accounts are expressed exclusively in nominal terms and from Quarterly National Accounts (QNA) since they are based on non-seasonally adjusted data. The results are presented for the total economy and in detail by institutional sector.

In addition to the tables attached to this press release, further information is available on the Statistics Portugal's website:

https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_cnacionais&xlang=en

1. REVISION OF ESTIMATES

The Quarterly Sector Accounts now presented includes new information with consequent revisions of the previous estimates of some aggregates.

It is worth mentioning the incorporation of the final results for 2023 and the provisional results for 2024 of the National Accounts, which are the subject of a separate press release also disseminated today.

Reference should also be made to the integration of the latest versions of the Balance of Payments and the Monetary and Financial Statistics produced by the Banco de Portugal, as well as the most recent information from international trade in goods statistics and updated data on the General Government sector.

2. CONCERNING THE BALANCE OF GENERAL GOVERNMENT IN NATIONAL ACCOUNTING AND IN PUBLIC ACCOUNTING, IT SHOULD BE CLARIFIED THAT:

Concerning the balance of General Government in National Accounting and in Public Accounting, it should be clarified that:

In the compilation of the budget deficit in National Accounts it is necessary to perform several adjustments to the Public Accounting data. Indeed, Public Accounting data is on a cash basis, meaning that expenditures and revenues are recorded in the accounting period in which they are paid and received. On the contrary, in National Accounts, expenditure and revenue are recorded on an accrual basis, that is, in the accounting period to which they refer to,

regardless of whether their payment is made or their revenue is received in a different period. Another important adjustment is related to sector delimitation of General Government. In National Accounts, the general government sector includes entities which are not considered in Public Accounting. Similarly, entities which are not part of General Government sector from a National Accounts perspective but are included in Public Accounting should be excluded.

Finally, there are transactions that, according to the framework of National Accounts, have a specific classification. Notably, there are cases of entities belonging to the General Government sector that acquire shares from other entities, which should be recorded as capital transfers rather than financial transactions, thus leading to the introduction of the corresponding adjustments.

MAIN CONCEPTS AND DEFINITIONS

The estimated aggregates are compiled based on the European System of National and Regional Accounts (ESA 2010), with emphasis on the following concepts:

Net lending (+) / borrowing (-): The net lending (+) or borrowing (-) (B.9) represents the net resources that one institutional sector makes available to the other sectors (if it is positive) or receives from the other sectors (if it is negative). The net lending or borrowing of the total economy is equal but of percentage points with opposite sign to the net borrowing or lending of the rest of the world.

Final consumption: Final consumption expenditure is expenditure on goods and services used by institutional units to satisfy individual and collective needs.

Unit Labour Costs (ULC): Measure the average cost of labour per unit of output and are calculated as the ratio of average worker compensation to real GDP by employee.

Gross Fixed Capital Formation (GFCF): Gross Fixed Capital Formation (P.51g) consists of resident producers' acquisitions, less disposals, of fixed assets during a given period plus certain additions to the value of non-produced assets realised by the productive activity of producer or institutional units. Fixed assets are produced assets used in production for more than one year.

Gross Capital Formation (Investment): The Gross Capital Formation (or Investment) (P.5) includes (GFCF) changes in inventories (P.52) and acquisitions less disposals of valuables (P.53).

Disposable income: Disposable income refers to the value that each institutional sector has available to affect to final consumption expenditure or saving.

Adjusted Gross Disposable Income of Households: Corresponds to the sum of gross disposable income of Households and social transfers in kind, that is, it includes value of goods and services that are purchased or produced by GG or NPISH and intended for household consumption, such as, for example, co-payments in the purchase of medicines by households.

Gross National Income (GNI): Gross National Income (at market prices) represents total primary income receivable by resident institutional units: compensation of employees, taxes on production and imports less subsidies, property income (receivable less payable), operating surplus and mixed income.

Property income: Property income accrues when the owners of financial assets and natural resources put them at the disposal of other institutional units. It corresponds to the income receivable by the owner of a financial asset or an asset not produced tangible to remunerate the fact of making funds or assets not produced tangible at the disposal of another institutional unit.

Saving: These aggregate measures the portion of disposable income that is not used for final consumption expenditure. If saving is positive, the remaining income is used in the acquisition of assets or in the reduction of liabilities. If saving is negative, some assets are reduced or some liabilities are increased.

Gross Domestic Product (GDP): Gross Domestic Product (at market prices) is the final result of the production activity of resident producer units. It can be defined in three ways: 1) production approach: GDP is the sum of gross value added of the various institutional sectors or the various industries plus taxes and less subsidies on products (which are not allocated to sectors and industries); 2) expenditure approach: GDP is the sum of final uses of goods and services by resident institutional units (final consumption and gross capital formation), plus exports and minus imports of goods and services; 3) income approach: GDP is the sum of uses in the total economy generation of income account (compensation of employees, taxes on production and imports less subsidies, gross operating surplus and mixed income of the total economy).

Institutional sector: The institutional sector aggregates institutional units with similar economic behaviour. The institutional units are grouped into sectors on the basis of the type of producer they are and depending on their principal activity and function, which are considered to be indicative of their economic behaviour. The institutional sectors are as follows: Non-Financial Corporations (S.11); Financial Corporations (S.12); General Government (S.13); Households and Non-Profit Institutions Serving Households (NPISH)(S.1M); Rest of the World (S.2).

Households Investment rate: Represents the ratio between GFCF and disposable income (includes the adjustment for the change in pension entitlements).

Non-Financial Corporations Investment rate: Represents the ratio between GFCF and Gross Value Added (GVA).

Non-Financial Corporations operating margin rate: This rate is obtained by the ratio between Net Operating Surplus and Net Value Added and corresponds to the percentage of value created that is intended for compensation of the financial resources invested in corporations.

Households saving rate: The households saving rate measures the part of de disposable income which is not spent as final consumption expenditure, and it is calculated as the ratio between gross saving and disposable income (includes the adjustment for the change in pension entitlements).

Next release of Quarterly Sector Accounts – 23rd December 2025
