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PRESS RELEASE

26th March 2026
QUARTERLY SECTOR ACCOUNTS (BASE 2021)
Fourth Quarter 2025

THE BALANCE OF THE PORTUGUESE ECONOMY INCREASED BY 0.4 PERCENTAGE POINTS TO 2.5% OF GDP

The Portuguese economy[1] recorded a net lending of 2.5% Gross Domestic Product (GDP) in the fourth quarter of 2025, representing an increase of 0.4 percentage points compared with the previous quarter. Gross National Income (GNI) and Gross Disposable Income (GDI) both increased by 1.6% and 1.7%, respectively. The increase in the external balance of the economy mainly reflected the improvement in the balance of General Government.

The disposable income of Households[2] sector increased by 1.3% compared to the previous quarter, with a growth of 1.7% in compensation of employees and 1.3% in Gross Value Added (GVA). The increase in disposable income, together with the growth by 1.4% of final consumption expenditure (1.6% in the previous quarter), resulted in a household savings rate of 12.1% (0.1 percentage points less than in the previous quarter). Households' net lending decreased by 0.1 p.p. to 3.9% of GDP. In real terms, the adjusted GDI per capita of Households grew by 0.3% in the fourth quarter of 2025 (0.4 percentage points less than in the previous quarter).

The balance of Non-Financial Corporations increased by 0.1 percentage points in the fourth quarter of 2025, reaching -3.5% of GDP. GVA and compensation of employees paid both increased 1.7% and 1.8%, respectively, while Gross Capital Formation grew by 0.5%. The balance of Financial Corporations stood at 1.4% of GDP (0.1 percentage points less than in the previous quarter).

The positive balance of the General Government (GG) sector remained positive, reaching 0.7% of GDP in the year ending in the fourth quarter of 2025 (0.6% in the end of 2024), 0.5 percentage points more than in the previous quarter. Considering quarterly values rather than the year ending in that quarter, the GG balance in the fourth quarter of 2025 was -2,425 million euros, corresponding to -3.0% of GDP, compared with -5.0% in the same period of the previous year. Compared with the same period of the previous year, total revenue increased 7.8%, and total expenditure increased 3.3%.

[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).

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THE BALANCE OF THE ECONOMY INCREASED BY 0.4 PERCENTAGE POINTS TO 2.5% OF GDP

The external balance of the Portuguese economy increased, rising from 2.1% in the third quarter of 2025 to 2.5% of GDP in the fourth quarter. Nominal GDP grew 1.5% compared with the previous quarter and 5.9% compared with the same quarter of the previous year, reflecting the combined effect of increases in real GDP and in the implicit GDP deflator. Compared with the previous quarter, GNI and GDI increased by 1.6% and 1.7%, respectively (6.0% and 5.9% year-on-year, respectively).

In the fourth quarter of 2025, the economy's GDI grew 0.3 percentage points more than final consumption expenditure (which includes the final consumption expenditure of Households and General Government). This resulted in a 2.8% increase in gross saving, reaching a level equivalent to 22.0% of GDP (0.2 percentage points more than in the previous quarter and 0.3 percentage points less than in the same quarter of the previous year).

The 1.7% growth in Gross Fixed Capital Formation (GFCF) (1.8% in the previous quarter) was lower than the increase in saving and, combined with the positive effect of capital transfers, led to a 0.4 percentage points increase in the economy's net lending, reaching 2.5% of GDP in the fourth 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 (%)
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	274 871	1.7	268 229	1.8	273 166	1.9
2Q 2024	279 490	1.7	272 917	1.7	278 319	1.9
3Q 2024	284 279	1.7	278 089	1.9	283 675	1.9
4Q 2024	289 784	1.9	284 402	2.3	289 765	2.1
1Q 2025	293 377	1.2	287 577	1.1	292 998	1.1
2Q 2025	297 518	1.4	291 841	1.5	297 033	1.4
3Q 2025	302 230	1.6	296 707	1.7	301 829	1.6
4Q 2025	306 765	1.5	301 552	1.6	306 997	1.7

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The increase in the economy's balance reflected the improvement in the General Government balance, which more than offset the slight reduction in the balances of Households and Financial Corporations. The net borrowing of Non-Financial Corporations decreased to 3.5% of GDP, while the surpluses of Households and Financial Corporations both fell by 0.1 percentage points, to 3.9% and 1.4% of GDP, respectively. The General Government balance increased by 0.5 percentage points in the year ending in the fourth quarter of 2025 compared with the previous quarter, reaching a net lending of 0.7% of GDP, resulting from a 2.0% increase in revenue, which exceeded the 0.9% increase in expenditure.

The balance of Households decreased by 0.1 percentage points, standing at 3.9% of GDP. This result reflected a 0.5% increase in saving, which was insufficient to offset the 3.9% increase in GFCF. Final consumption and GDI increased 1.4% and 1.3%, respectively, leading to the slight 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
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	1.1	2.3	1.7
1Q 2024	-3.8	2.1	0.9	3.3	2.5
2Q 2024	-4.3	2.3	1.0	3.7	2.8
3Q 2024	-4.1	2.0	0.7	4.3	2.9
4Q 2024	-4.2	1.9	0.6	4.7	3.0
1Q 2025	-4.3	1.7	0.6	4.4	2.4
2Q 2025	-4.1	1.3	0.7	4.1	2.0
3Q 2025	-3.6	1.5	0.2	4.0	2.1
4Q 2025	-3.5	1.4	0.7	3.9	2.5

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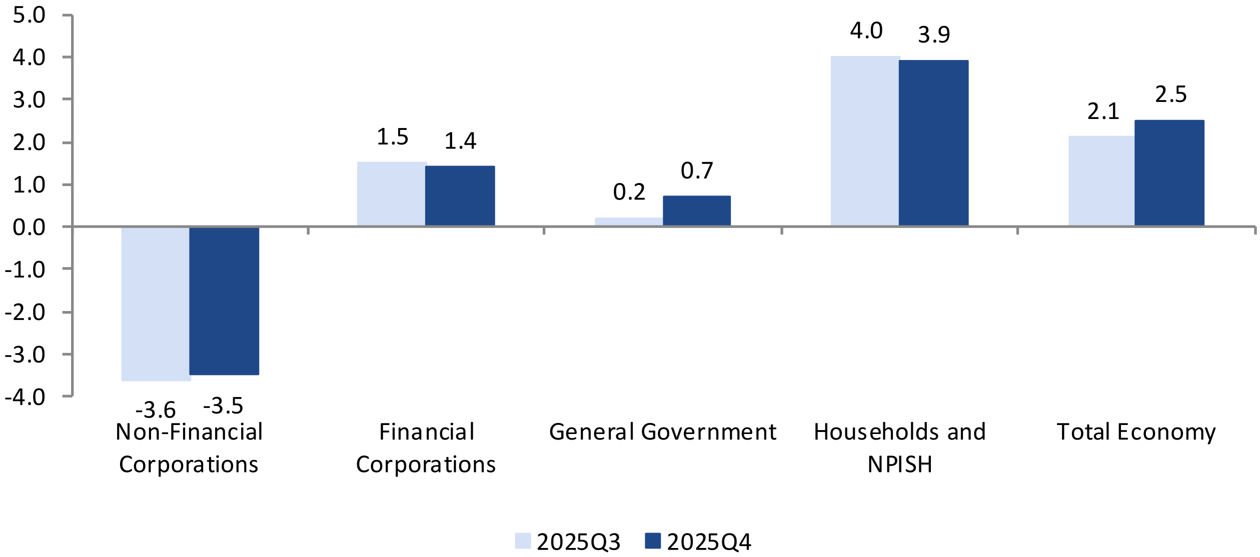
Figure 1

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

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



HOUSEHOLDS: NET LENDING STOOD AT 3.9% OF GDP

The net lending of Households stood at 3.9% of GDP in the year ending in the fourth quarter of 2025, which represented a decrease of 0.1 percentage points compared with the same quarter of the previous year. This behaviour mainly reflected the 4.0% increase in Gross Fixed Capital Formation (GFCF), composed essentially by investment in dwellings, which more than offset the increase in saving (0.5% in the fourth quarter).

The Household saving rate (Figure 2) decreased to 12.1% (0.1 percentage points less). Final consumption expenditure increased 1.4%, a rate 0.1 percentage points above that of Gross Disposable Income, which grew 1.3% in the quarter (1.6% in the previous quarter). 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, final consumption increased 0.8% in the year ending in the fourth quarter of 2025.

Figure 3 presents the decomposition of the growth of disposable income of households. In the year ending in the fourth quarter of 2025, compensation of employees and gross operating surplus contributed 1.2 percentage points and 0.3 percentage points, respectively, to the GDI growth rate. Income taxes contributed -0.3 percentage points.

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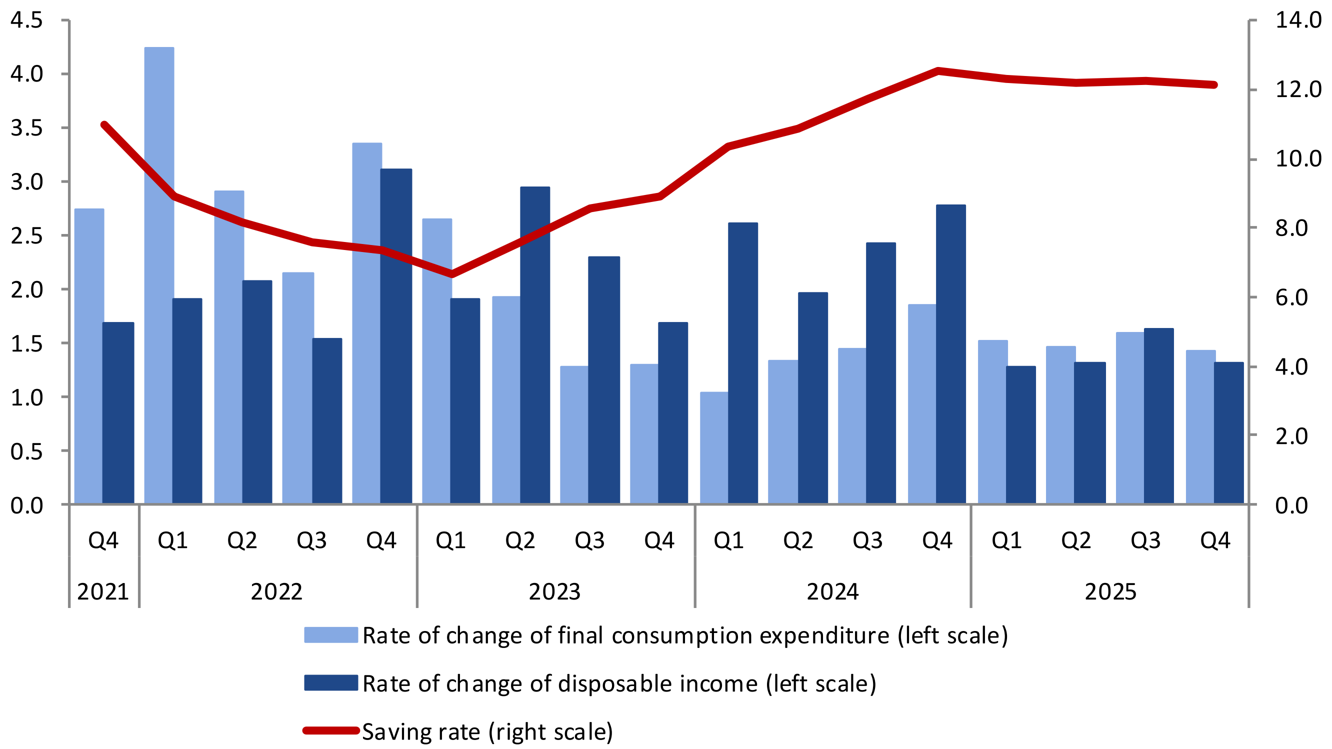
Figure 2

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



The nominal GDI per capita of Households reached 19.7 thousand euros in the fourth quarter of 2025, which represented an increase of 1.0% 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. The 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 0.3% compared with the previous quarter, 0.4 percentage points less than in the previous quarter.

Households' Gross Fixed Capital Formation (GFCF), which essentially corresponds to GFCF in dwellings, increased by 4.0% in the fourth quarter of 2025 (4.6% in the previous quarter). The investment rate of Households (measured by the ratio between GFCF and disposable income) stood at 6.3%, more 0.2 percentage points than in the previous quarter.

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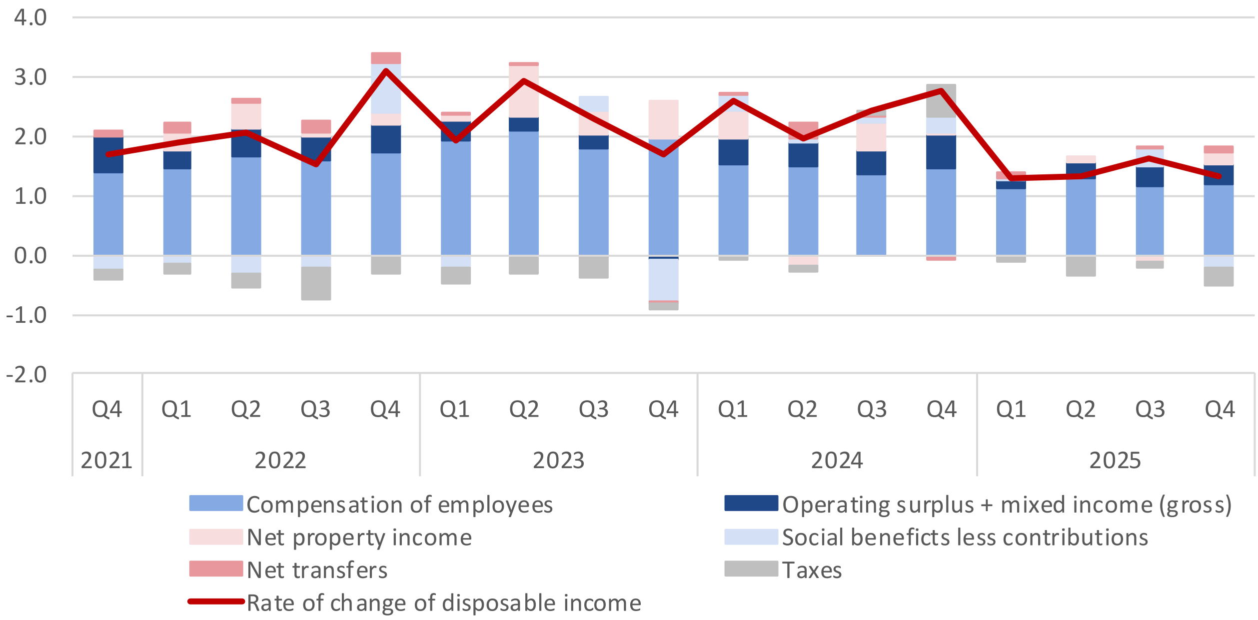
Figure 3

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

(PERCENTAGE POINTS, YEAR ENDING IN THE REFERENCE QUARTER)



NON-FINANCIAL CORPORATIONS: NET BORROWING STOOD AT 3.5% OF GDP

Non-financial corporations' net borrowing stood at 3.5% of GDP in the fourth quarter of 2025, representing a decrease in the deficit by 0.1 percentage points compared to the previous quarter.

GVA recorded an increase of 1.7%, 0.3 percentage points more than in the previous quarter. The increase in GVA was below the 1.8% growth in compensation of employees, resulting in a 1.8% increase in Gross Operating Surplus (2.8% in the previous quarter).

The net operating margin of the sector stood at 19.9%, 0.1 percentage points less than in the previous quarter. This ratio, calculated as Net Operating Surplus divided by Net Value Added, corresponds to the share of value created by firms that is allocated to remunerate financial resources.

The reduction in net borrowing by 0.1 percentage points of GDP resulted mainly from the aforementioned increase in Gross Operating Surplus, which offset the 0.5% increase in Gross Capital Formation (GCF) (0.2% in the previous quarter). Property income received and paid increased 0.1% and 0.5%, respectively, compared with the previous quarter.

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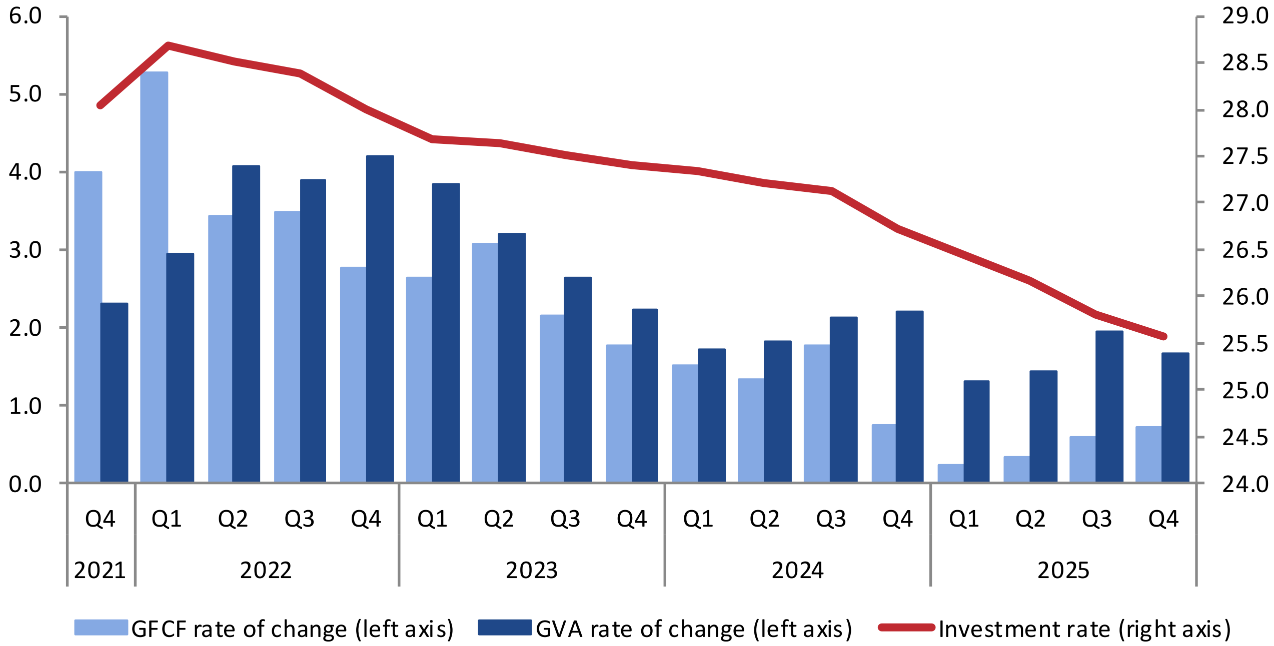
Gross Fixed Capital Formation (GFCF) increased 0.7% in the fourth quarter of 2025 (0.6% in the previous quarter). The investment rate (measured as the ratio of GFCF to GVA) stood at 25.6%, a 0.2 percentage points decrease from the previous quarter, reflecting the stronger growth of GVA relative to GFCF (1.7% and 0.7%, respectively).

Figure 4

GFCF/GVA OF NON-FINANCIAL CORPORATIONS (%, YEAR ENDING IN THE REFERENCE QUARTER)



FINANCIAL CORPORATIONS: NET LENDING STOOD AT 1.4% OF GDP

The net lending of Financial Corporations stood at 1.4% 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 0.4% in the fourth quarter of 2025, compared with a 1.3% decline in the previous quarter.

Property income received and paid recorded growth rates of –5.0% and 3.8%, respectively, in the fourth quarter of 2025, leading to a 2.3% decrease in the sector’s savings (compared with a 14.5% increase in the previous quarter).

The combined effect of the decrease in saving and the increase in Gross Capital Formation (GCF), which grew 5.3% in the year ending in the fourth quarter, resulted in the slight reduction in net lending mentioned above.

[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 third quarter of 2024, this behaviour has been reversed with the reduction in interest rates, with decreases in FISIM being observed in nominal terms.

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GENERAL GOVERNMENT: NET BALANCE INCREASED 0.5 PERCENTAGE POINTS TO 0.7% OF GDP

The net balance of the GG sector, in percentage of GDP, increased by 0.5 percentage points compared to the previous quarter, to 0.7% of GDP. This behaviour was due to a higher increase in revenue (2.0%) than in expenditure (0.9%).

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

Table 3

REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT

(YEAR ENDING IN THE REFERENCE QUARTER)

Unit: 10^6 EUR

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4
Total revenue	**124 668**	**126 259**	**128 379**	**130 387**	**133 000**
Current revenue	122 069	123 563	125 505	127 128	129 166
Current taxes on income and wealth	29 486	29 669	29 636	30 088	30 755
Taxes on production and imports	41 567	42 257	43 145	43 814	44 514
Social contributions	35 883	36 527	37 282	38 026	38 771
Sales	9 150	9 201	9 110	9 091	8 952
Other current revenue	5 985	5 909	6 331	6 109	6 175
Capital revenue	2 598	2 696	2 875	3 259	3 834
Total expenditure	**122 805**	**124 593**	**126 303**	**129 725**	**130 941**
Current expenditure	112 769	114 128	115 452	118 192	119 085
Social benefits	52 143	52 964	53 577	54 987	55 198
Compensation of employees	30 322	30 870	31 534	32 120	32 612
Interest	5 935	5 995	5 965	5 969	5 965
Intermediate consumption	15 076	15 194	15 143	15 637	15 723
Subsidies	1 886	1 513	1 519	1 596	1 718
Other current expenditure	7 407	7 593	7 715	7 882	7 870
Capital expenditure	10 037	10 465	10 851	11 534	11 856
Investment (1)	8 025	8 288	8 525	8 802	9 081
Other capital expenditure	2 011	2 177	2 326	2 732	2 775
Current Balance	**9 301**	**9 435**	**10 053**	**8 936**	**10 081**
Balance	**1 863**	**1 666**	**2 076**	**662**	**2 059**
Memorandum items:					
Primary current expenditure	106 834	108 134	109 487	112 222	113 121
Gross Domestic Product at current market prices	289 784	293 377	297 518	302 230	306 765
Balance in % of GDP	**0.6**	**0.6**	**0.7**	**0.2**	**0.7**

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

Table 4

CHANGE RATES OF REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT

(%; year ending in the reference quarter)

Unit: %

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4
Total revenue	**1.4**	**1.3**	**1.7**	**1.6**	**2.0**
Current revenue	1.6	1.2	1.6	1.3	1.6
Current taxes on income and wealth	-2.2	0.6	-0.1	1.5	2.2
Taxes on production and imports	2.8	1.7	2.1	1.5	1.6
Social contributions	2.3	1.8	2.1	2.0	2.0
Sales	4.7	0.6	-1.0	-0.2	-1.5
Other current revenue	3.3	-1.3	7.1	-3.5	1.1
Capital revenue	-6.8	3.7	6.6	13.4	17.6
Total expenditure	**1.5**	**1.5**	**1.4**	**2.7**	**0.9**
Current expenditure	2.8	1.2	1.2	2.4	0.8
Social benefits	3.4	1.6	1.2	2.6	0.4
Compensation of employees	2.5	1.8	2.2	1.9	1.5
Interest	2.0	1.0	-0.5	0.1	-0.1
Intermediate consumption	3.2	0.8	-0.3	3.3	0.6
Subsidies	-10.2	-19.7	0.3	5.1	7.7
Other current expenditure	4.0	2.5	1.6	2.2	-0.2
Capital expenditure	-10.8	4.3	3.7	6.3	2.8
Investment (1)	6.3	3.3	2.9	3.2	3.2
Other capital expenditure	-45.7	8.2	6.9	17.4	1.6
Memorandum items:					
Primary current expenditure	2.9	1.2	1.3	2.5	0.8

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

In the year ending in the fourth quarter of 2025, total revenue increased by 2.0% due to the increase of both current revenue (1.6%) and capital revenue (17.6%). The growth in current revenue is a result of the increase in revenue from current taxes on income and wealth (2.2%), social contributions (2.0%), taxes on production and imports (1.6%) and other current revenue (1.1%) and a decrease in sales (1.5%).

The expenditure behaviour reflected the increase of 0.8% in current expenditure and 2.8% in capital expenditure. The most relevant variations for the increase of current expenditure are subsidies (7.7%), compensation of employees (1.5%) and the intermediate consumption (0.6%). The primary current expenditure, that excludes interest paid, increased 0.8% in the year ending in the fourth quarter of 2025.

Capital expenditure increased by 2.8%, as a result of an increase in investment (3.2%) and in other capital expenditure (1.6%).

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

Table 5

REVENUE AND EXPENDITURE OF GENERAL GOVERNMENT

(QUARTERLY FIGURES)

	4th quarter 2024		4th quarter 2025		Nominal rate of change (%)
	10^6 EUR	% GDP	10^6 EUR	% GDP	
Total revenue	**33 312**	**43.7**	**35 925**	**44.5**	**7.8**
Current revenue	32 345	42.5	34 383	42.6	6.3
Current taxes on income and wealth	6 787	8.9	7 453	9.2	9.8
Taxes on production and imports	11 175	14.7	11 876	14.7	6.3
Social contributions	10 106	13.3	10 850	13.4	7.4
Sales	2 663	3.5	2 524	3.1	-5.2
Other current revenue	1 614	2.1	1 680	2.1	4.1
Capital revenue	968	1.3	1 542	1.9	59.4
Total expenditure	**37 134**	**48.8**	**38 350**	**47.5**	**3.3**
Current expenditure	32 870	43.2	33 763	41.8	2.7
Social benefits	15 107	19.8	15 318	19.0	1.4
Compensation of employees	8 737	11.5	9 229	11.4	5.6
Interest	1 495	2.0	1 491	1.8	-0.3
Intermediate consumption	4 628	6.1	4 714	5.8	1.9
Subsidies	554	0.7	676	0.8	22.1
Other current expenditure	2 349	3.1	2 336	2.9	-0.5
Capital expenditure	4 264	5.6	4 587	5.7	7.6
Investment (1)	3 341	4.4	3 620	4.5	8.4
Other capital expenditure	923	1.2	966	1.2	4.7
Current Balance	**-525**	**-0.7**	**619**	**0.8**	
Balance	**-3 822**	**-5.0**	**-2 425**	**-3.0**	
Memorandum items:					
Primary current expenditure	31 375	41.2	32 273	40.0	2.9

(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 -2 425 million EUR in the fourth quarter of 2025 (-3.0% of GDP), which compares with -5.0% of GDP for the same period of the previous year. This variation reflects the increases in both total revenue and total expenditure, by 7.8% and 3.3%, respectively.

The increase by 6.3% of current revenue is mainly due to increases in current taxes on income and wealth (9.8%), social contributions (7.4%) and taxes on production and imports (6.3%). In the other hand, the sales decreased 5.2%, mainly due to the change in sector classification of *CP – Comboios de Portugal*, which moved from General

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Government to the sector of Public Non-Financial Corporations. Capital revenue grew by 59.4%, largely driven by the increase in revenue from the Recovery and Resilience Facility.

Within total expenditure, current expenditure increased by 2.7%, due to increases in subsidies (22.1%), compensation of employees (5.6%), intermediate consumption (1.9%) and social benefits (1.4%), while other current expenditure decreased by 0.5% and interests paid decreased by 0.3%.

Capital expenditure increased 7.6%, given the 8.4% increase in investment and of 4.7% in other capital expenditure.

The primary current expenditure, that excludes interest paid, increased 2.9% in the fourth quarter of 2025, representing 40.0% of GDP.

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

Table 6

PUBLIC TO NATIONAL ACCOUNTING ADJUSTMENTS

	2024Q4	2025Q4
Balance in Public Accounting:	**-5 870**	**-5 167**
Accrual adjustment and sector delimitation in National Accounts	3 031	2 544
Difference between paid and due interest	245	98
Other receivables:	510	-13
Time adjustment of taxes and social contributions	406	157
Others	104	-171
Other payables:	-6	554
Expenditure already incurred but not yet paid	143	292
Others	-150	261
Other adjustments:	-1 731	-441
of which:		
Capital injections and debt assumptions	-2 032	-1 470
Balance in National Accounting:	**-3 822**	**-2 425**
GDP (1)	76 160	80 695
Balance in National Accounting in % of GDP	**-5.0**	**-3.0**

(1) Non seasonally and calendar effects adjusted data

Comparing the fourth quarter of 2025 with the same period of 2024, both national accounts and public accounts balances increased, with a higher growth in national accounts.

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In national accounts, the GG net balance changed to -3.0% of GDP in the fourth quarter of 2025 from -5.0% in the same period of 2024. 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 on production and imports, a supplementary adjustment was made to include the future payments as revenue of the period when the activity took place.

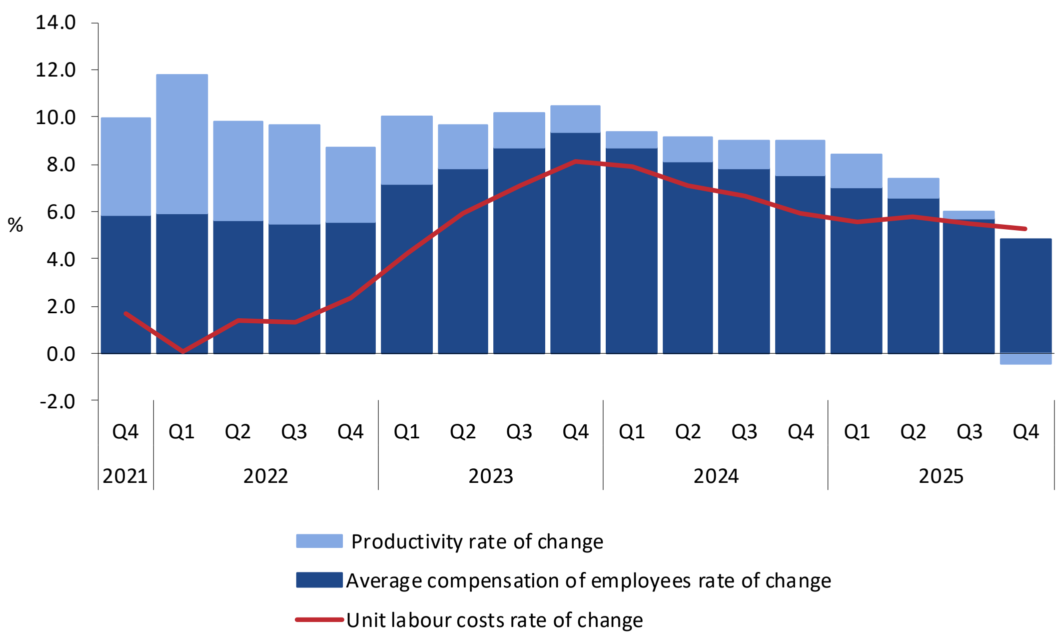
For a more detailed analysis see the press release Excessive Deficit Procedure (1st Notification) simultaneously published with this press release.

UNIT LABOUR COSTS (ULC) INCREASED BY 5.3%

In the year ending in the fourth quarter of 2025, UCL increased by 5.3% in year-on-year terms, 0.2 percentage points less than in the previous quarter, with a 4.8% increase in average compensation and a 0.4% decline in productivity.

Figure 5

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



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PRELIMINARY ANNUAL ACCOUNTS OF INSTITUTIONAL SECTORS FOR 2025

The first version of the Annual Accounts of Institutional Sectors for 2025, now released, results from the sum of the estimates obtained for the four quarters of the year. Table 7 presents the annual evolution of the main economic aggregates derived from the National Accounts by Institutional Sector.

Table 7

INDICATORS FOR THE PORTUGUESE ECONOMY

	2020	2021	2022	2023	2024Po	2025Pe
GDP nominal (rate of change)	-6.3	7.7	12.7	10.8	7.2	5.9
GNI (rate of change)	-5.4	8.2	11.8	9.9	8.0	6.0
GDI (rate of change)	-5.2	8.5	10.8	9.8	8.1	5.9
Gross Saving (rate of change)	-9.7	16.5	7.6	21.0	14.6	4.5
Saving Rate of Households and NPISH (% do GDI)	12.0	11.0	7.3	8.9	12.5	12.1
Final Consumption of Households and NPISH (rate of change)	-6.4	7.0	13.2	7.3	5.8	6.1
Disposable Income of Households and NPISH (rate of change)	-0.9	5.6	8.9	9.1	10.2	5.7
Gross Capital Formation (rate of change)	-3.0	16.1	15.0	6.3	6.4	9.5
Net lending (+)/Net borrowing (-)						
Non-financial Corporations (% of GDP)	-2.1	-2.8	-4.4	-4.0	-4.2	-3.5
Financial Corporations (% of GDP)	2.9	2.5	2.1	2.3	1.9	1.4
General Government (% of GDP)	-5.8	-2.8	-0.3	1.1	0.6	0.7
Households and NPISH (% of GDP)	5.1	4.0	1.3	2.3	4.7	3.9
Total Economy (% of GDP)	0.1	0.8	-1.3	1.7	3.0	2.5
External Balance of Goods and Services (% of GDP)	-2.0	-2.8	-2.4	1.2	2.0	0.9
Unit Labour Costs (rate of change)	8.7	1.7	2.4	8.2	5.9	5.3

Po - Provisional value; Pe - Preliminary Value

The provisional data for 2024, published on December 26, 2025, were revised to incorporate newly available information. Compared with the previous estimates, the current results led to a revision of the balances of Non-Financial Corporations (from -4.5% of GDP to -4.2%), Financial Corporations (from 2.1% to 1.9%), and General Government (from 0.5% to 0.6%).

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METHODOLOGICAL NOTE

The results presented correspond to the preliminary version of the Quarterly Sector Accounts (QSA) for the fourth 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 use of the most recent data from the Balance of Payments and the Monetary and Financial Statistics from Banco de Portugal, as well as the recent information on international trade in goods statistics and the updated data on the GG sector. As a result of the incorporation of additional information after the publication on February 27, the quarterly accounts for the economy as a whole were also revised, thus ensuring the total consistency of the national accounts aggregates available on Statistics Portugal website. Compared to previous estimates, the new results did not determined revisions in the rates of change of GDP.

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 refers to expenditure on goods and services used by institutional units to satisfy individual and collective needs.

Unit Labour Costs (ULC): 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 resulting from 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 amount that each institutional sector has available to allocate 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.

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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 – 24th June 2026