SYNTHESIS INE@ COVID-19

May . 4 . 2020

Statistics Portugal makes available the synthesis of the 5th weekly report of some of the most relevant statistical findings released for monitoring the social and economic impact of the COVID-19 pandemic.

This summarized report presents the impact of the pandemic on European Statistics and the actions under development to cope with it.

This report focuses on the Business and Consumer Monthly Economic Indicators (April) and the Business Turnover and Employment Index (March), both published on 29 April. It presents the Flash Estimates of the Consumer Price Index (April) and Tourism Activity in Portugal (March), and also some data on the Industrial Production Index (March), all published on April 30.

It also presents the summary analysis of the results of the third week (April 20 to 24) of the "Fast and Exceptional Business Survey - COVID-19", carried out in collaboration with the Banco de Portugal, and published on April 28.

For further details, see the links, for related information, available throughout this press release.

COVID-19: the impact on European Statistics

The COVID-19 pandemic has directly affected the process of producing European statistics. In all European Union (EU) member states, the dynamics of disease transmission and the consequent public health and safety measures introduced by national governments have led to the suspension of face-to-face interviews and difficulties in accessing primary data from other sources.

Despite these exceptional circumstances, Eurostat and the EU National Statistical Authorities are doing their best to continue to publish official statistics, as always based on transparency in the quality of results and following national and Eurostat dissemination calendars (changes to these calendars will be duly announced).

In Portugal, there are also difficulties in the collection of primary information, which has also implied the necessary change from face-to-face collection modes to telephone and Internet, the search for new methodological and software solutions, and the use of new data sources. The challenge of properly assessing the social and economic impact of the pandemic has also led to the inclusion of new questions in regular surveys, the conduct of new surveys, and the study of new subjects and perspectives for analysis and dissemination. These have also been the challenges and responses of the European Statistical Community, with whom we have been aligned.

As a consequence, Eurostat and the National Statistical Authorities, within the European Statistical System, are working together and providing methodological guidance for official statistics on the issues triggered by COVID-19.

Guidelines and methodological notes in the context of the COVID-19 crisis:
https://ec.europa.eu/eurostat/data/metadata/covid-19-support-for-statisticians

In all Member States, Eurostat and the National Statistical Authorities thank households and enterprises for continuing to respond to statistical surveys thus being a privileged source of information for official statistics, that are necessary for taking decisions to protect European citizens and to face the economic and social impacts caused by the COVID-19 pandemic.

Consumer confidence and economic climate indicators reveal significant reductions

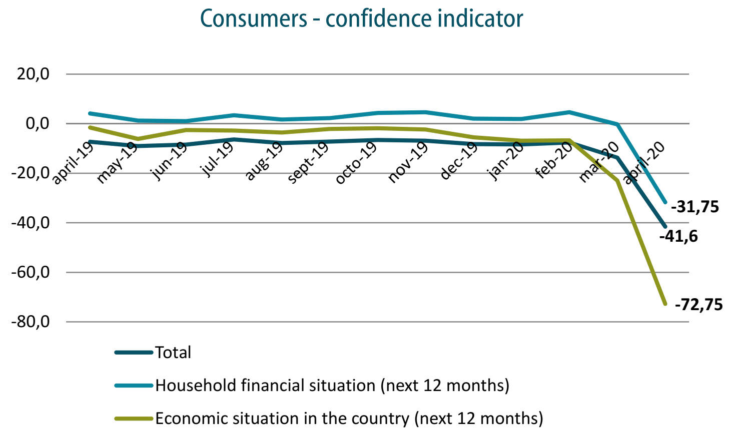
In April, the Consumer confidence indicator reached its minimum value since May 2013 and registered the highest decrease compared to the previous month.

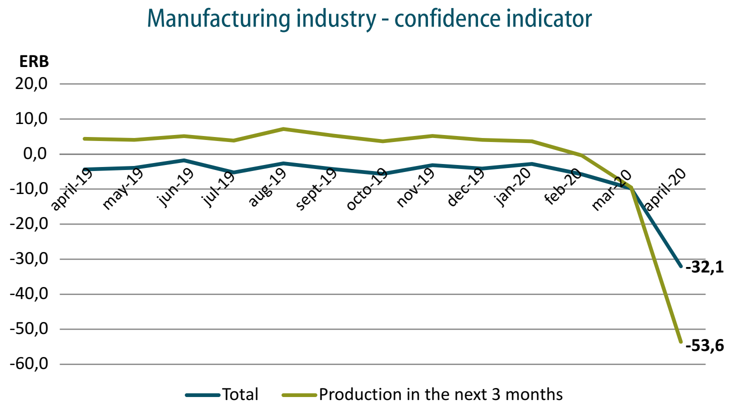
The economic climate indicator declined sharply in April compared to the previous month, registering the largest reduction in this series and leading to a new minimum. In April, the Consumer confidence indicator recorded the largest monthly decrease since September 1997, reaching the minimum value since May 2013. All the series that composes the indicator registered significant decreases, and in the case of expectations regarding the evolution of the country's economic situation and major purchases, the minimum values of these series were also reached in April.

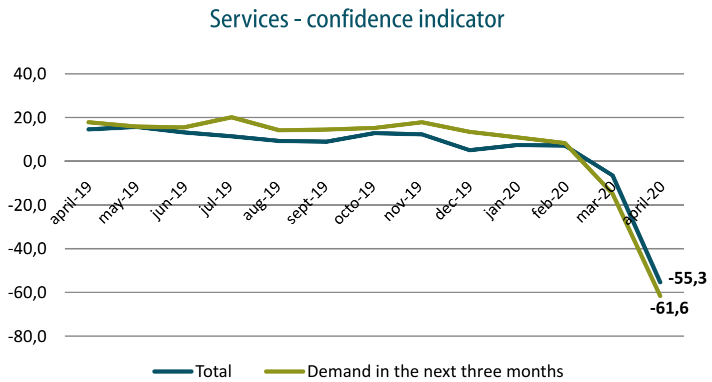
- The Manufacturing Industry confidence indicator reached its lowest level since April 2009, as a result of the negative contributions of the balance on the current global demand and the firms' production perspectives. Opinions on current stock of finished products contributed positively to the indicator.
- The Services confidence indicator recorded the largest monthly reduction with the lowest value since April 2001.
- The Trade confidence indicator declined significantly in April, registering a new minimum, as a result of the negative contribution of the perspectives on business activity in the next three months, opinions on the sales evolution and on the volume of stocks.

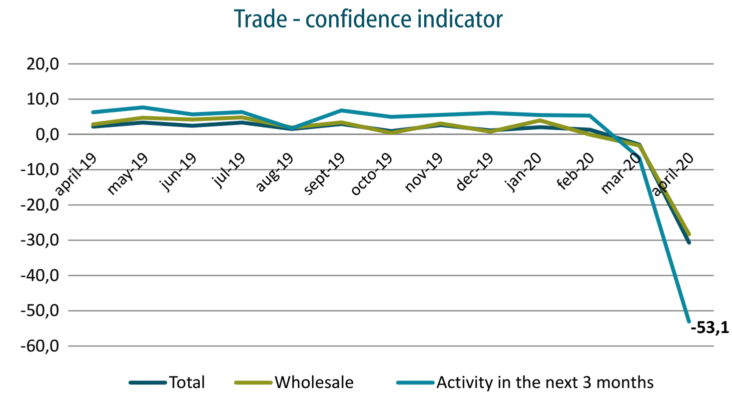
Confidence indicators and their base series (ERB*)

monthly base series values









(* ERB - Extreme Responses Balance)

The period for collecting qualitative surveys data for April occurred from 01 to 17 April in the case of the consumer survey and from 01 to 23 April for business surveys. Considering effective monthly values without moving averages, all confidence indicators (consumers and business) showed strong reductions in April.

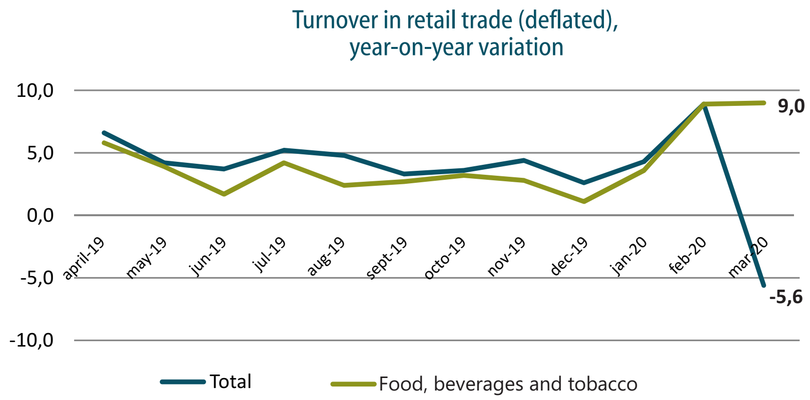
Further information is available at:
Business and consumer surveys
Consumer confidence and economic climate indicators reveal significant reductions
(As of 29 April 2020)

Retail Trade Turnover, Employment, Wages and Hours Worked Indices

Retail Trade Turnover Index registered a year-on-year rate of change of -5.6% in March, which compares with the increase of 8.9% in the previous month.

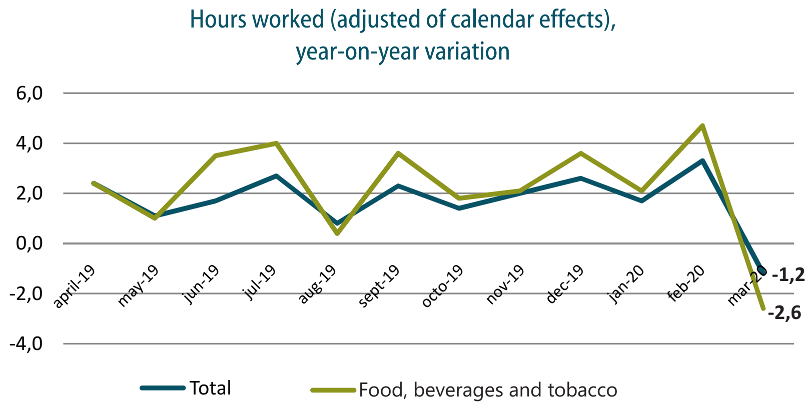
The evolution of its two groupings performed differently:

- Non-Food Products registered a rate of change of -16.8% in March (an increase of 8.9% in February).
- Food Products registered a 9.0% increase in March (8.9% growth in February).



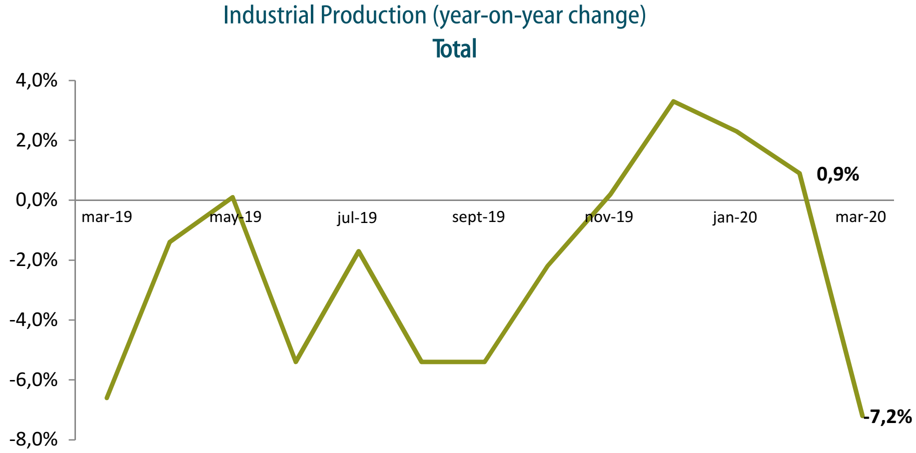
The hours worked index went from a year-on-year rate of change of 3.3% in February to -1.2% in March.

The month-on-month rate of change of the hours worked index stood at -2.2% (a 2.3% rate of change in March of the previous year).



Further information is available at:
[Business turnover, employment, wage and hours worked index in retail trade]
(As of 29 April 2020)

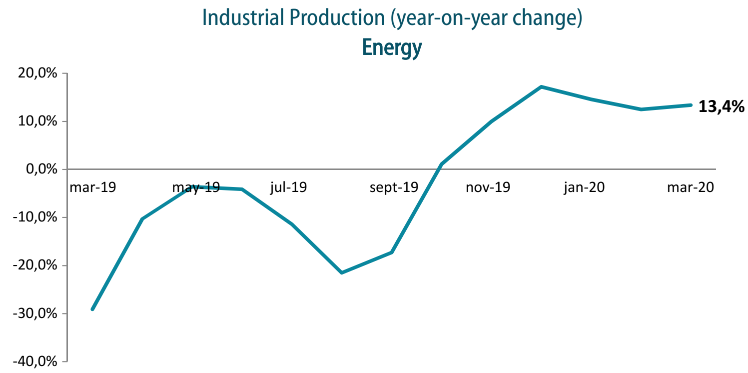
The Industrial Production index recorded a year-on-year rate of change of -7.2% in March 2020

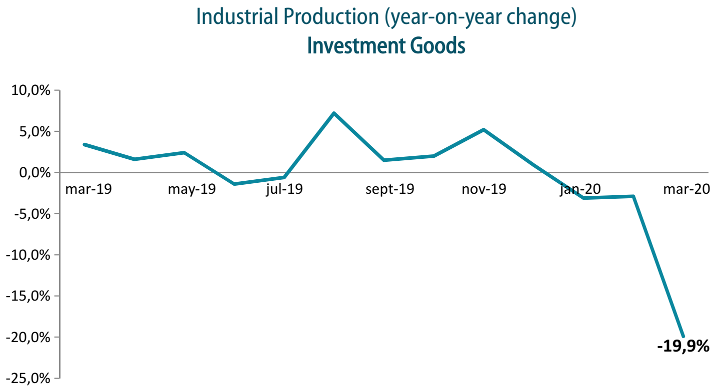


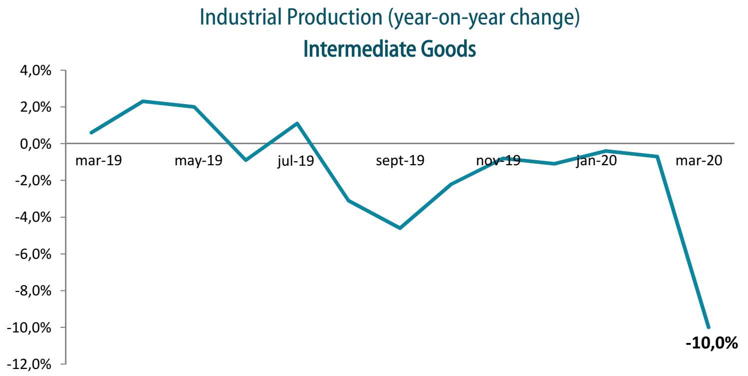
The Industrial Production index recorded a year-on-year rate of change of -7.2%. In the previous month that rate had been positive with 0.9%.

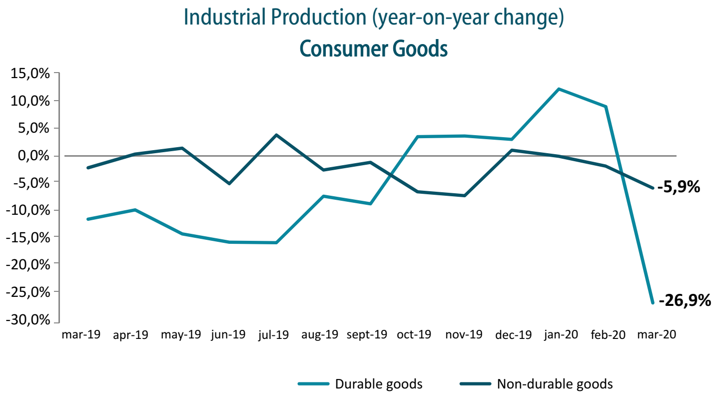
Except for Energy, which had a positive year-on-year rate of change of 13.4%, all the other groupings had negative year-on-year rates of change:

- Intermediate Goods registered a rate of change of -10.0%.
- Investment Goods decreased by 19.9%.
- Consumer Goods showed a year-on-year rate of change of -8.2%. It is worth mentioning the huge reduction in the index for Durable Goods, with -26.9% (9.0% in February), compared with the reduction for Nondurable Goods with a much lesser decrease with -5.9% (-1.9% in February).









Further information is available at:
[Industrial production index](#)
(30 April 2020)

CPI annual rate of change estimated at 0.0%, April 2020
Flash estimate

The year-on-year rate of change in the Consumer Price Index (CPI) was 0.0% in April (the same value as in March).

The year-on-year rate of change for unprocessed food products rose to 8.4% (5.5 p.p. higher than the previous month) and -9.1% for energy products (-3.7% in March), reflecting reductions in fuel and electricity prices.

The core inflation index, which excludes energy and unprocessed food products components, was -0.1% (0.1 percentage points (p.p.) lower than in March).

Concerning the monthly variation, the CPI increased by 0.6% (in March, the month-on-month rate of change was 1.4%).

	Monthly rate (%)		Annual rate (%)	
	Mar-20	Apr-20 (e)	Mar-20	Apr-20 (e)
CPI				
Total	1,43	0,59	0,05	0,05
All items excluding housing	1,49	0,60	-0,09	-0,09
All items excl. unproc. food and energy	2,07	0,49	0,04	-0,11
Unprocessed food	0,25	5,07	2,94	8,36
Energy	-3,39	-4,67	-3,65	-9,07
HICP				
Total	1,6	1,0	0,1	0,1

(e) estimated values.

Considering the Harmonised Index of Consumer Prices (HICP), the most appropriate inflation indicator for comparisons between the European Union countries, and particularly in the Euro Area, Portugal registered a year-on-year rate of change of 0.1% (the same value as in March).

Furter information available at: CPI/HICP Flash Estimate
(As of 30 April 2020)

Negative perspectives for tourist activity

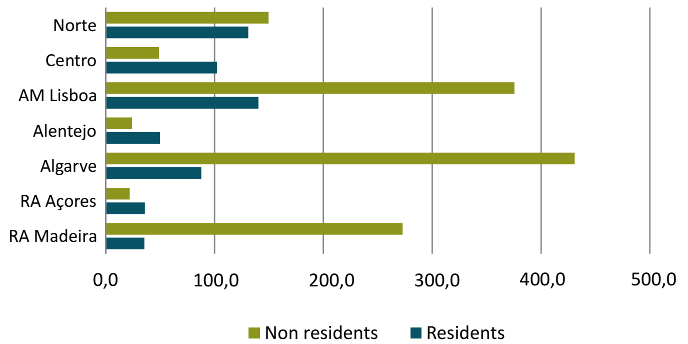
According to the flash estimate, by March 2020 the tourist accommodation sector registered 701,000 guests and 1.9 million overnight stays, which corresponds to rate changes of -49.4% and -58.5%, respectively (+15.3% and +14.7% in February, in the same order).

Tourist accommodation: 701 thousand guests, -49.4%
1.9 million overnight stays, -58.8%

- Overnight stays of residents will have decreased 56.9% (+26.4% in February).
- The number of overnight stays spent by non-residents decreased by 59.2% (+9.5% in February).
- Resident guests were 306,000 declining by 51.2% (+9.5% in February).
- Non-resident guests were 395,100 down by 47.8% (+8.3% in February).

In addition to the great difficulties that the current pandemic has caused in tourist activity, these results were also influenced by the effect of the Carnival period, which took place this year in February and the previous year in March.

Overnight stays in tourist accommodation establishments by NUTS II regions

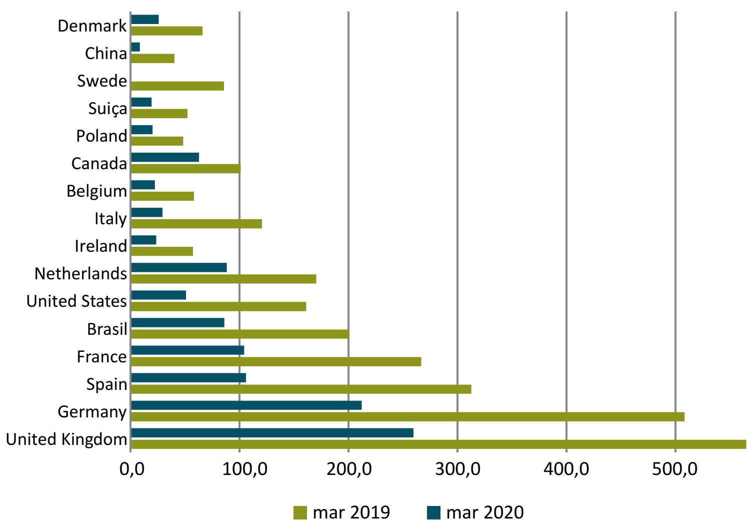


Most of the main countries of origin of tourists registered a decrease in March, the biggest decreases being those registered by tourists from:

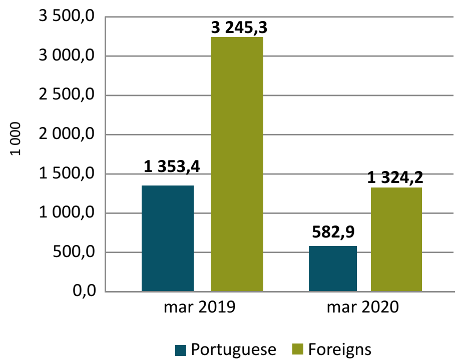
- China (-78.8%)
- Italy (-75.8%)
- North America (-68.5%)
- Spain (-66.1%)

The Canadian tourists registered the smallest decrease (-37.8%).

Overnight stays in tourist accommodation establishments by country of residence



Overnight stays in tourist accommodation establishments

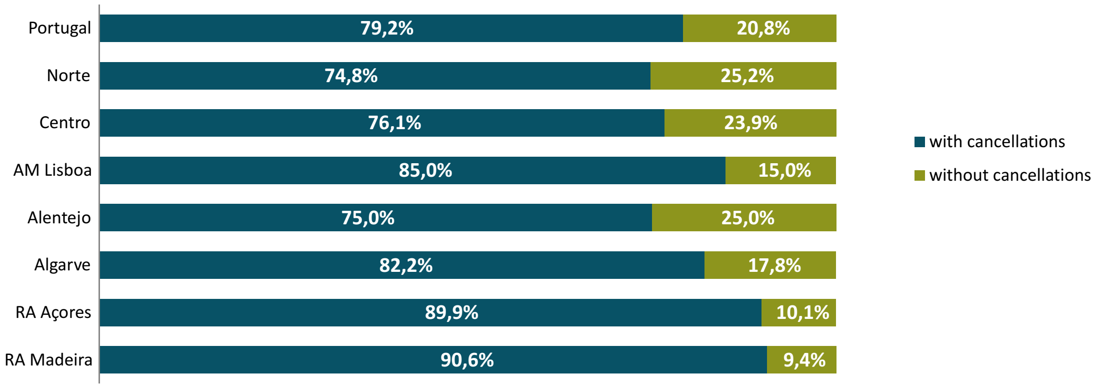


Cancellations of bookings in most establishments

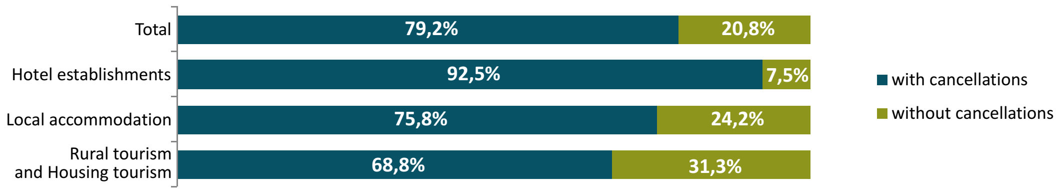
Statistics Portugal asked the tourist accommodation establishments three questions to assess the impact of COVID-19 on their activity, namely as regards reservations and cancellations in the period from March to August 2020, having obtained around 4,000 valid answers.

In Portugal, 79.2% of the responding tourist accommodation establishments reported the cancellation of bookings scheduled for March to August 2020 (these establishments represent 91.3% of the capacity of the responding establishments), 73.9% referred cancellations for June, 62.9% for July, and 55.9% for August.

Establishments with cancellation of bookings

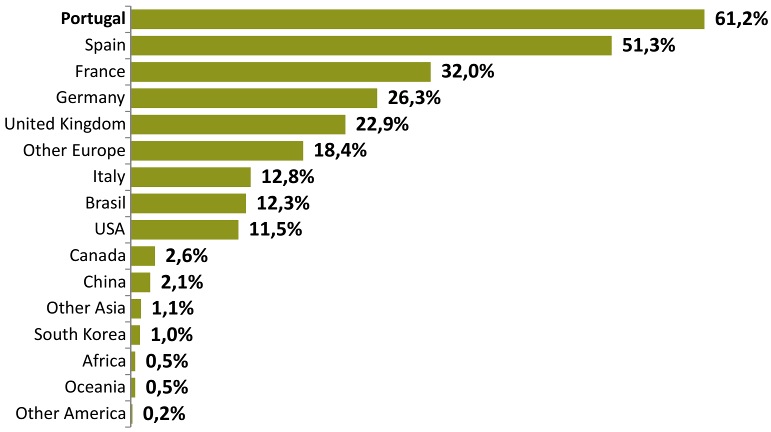


Establishments with cancellation of bookings
by type of establishement



The internal market was preponderant regarding the cancellation of bookings

Main markets with reservation cancellations,
per establishment (%)



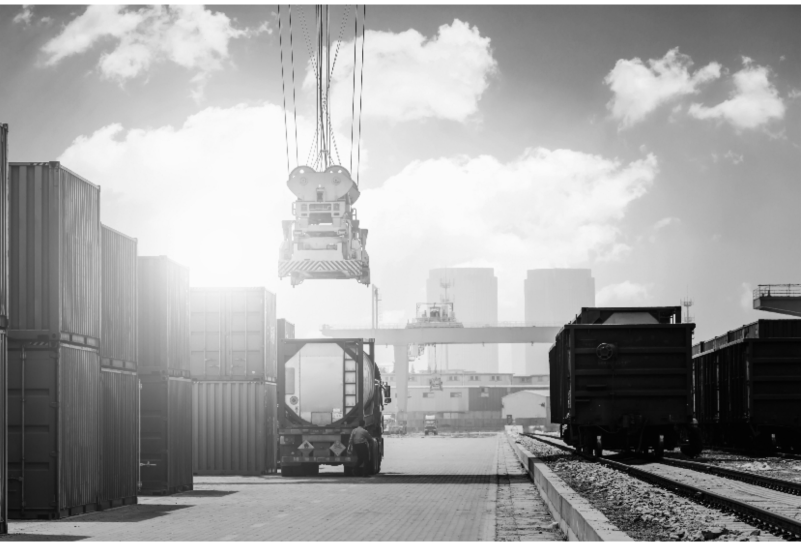
Concerning the hotel accommodation activity, the internal market was mentioned as one of the three markets with the highest number of cancellations by 67.1% of establishments, followed by the Spanish market (61.4%). In local accommodation, the Spanish market was identified by 51.6% of the establishments, followed by the internal market (48.2%). In rural and lodging tourism establishments, the internal market was mentioned by 75.5% of the establishments.

Further information is available at:
[Tourism activity, Flash Estimate - March 2020](#)
(As of 30 April 2020)

COVID-19: monitoring the impact of the pandemic on enterprises

FAST AND EXCEPTIONAL ENTERPRISE SURVEY – COVID-19

Statistics Portugal and the Banco de Portugal launched the Fast and Exceptional Enterprise Survey – COVID-19, weekly, intending to identify the effects of the pandemic on business activity. The survey is necessarily short in order not to overburden enterprises and seeks to capture the impacts in terms of activity, turnover, the number of employees, the use of Government supporting measures, financial liquidity, access to credit, and prices.

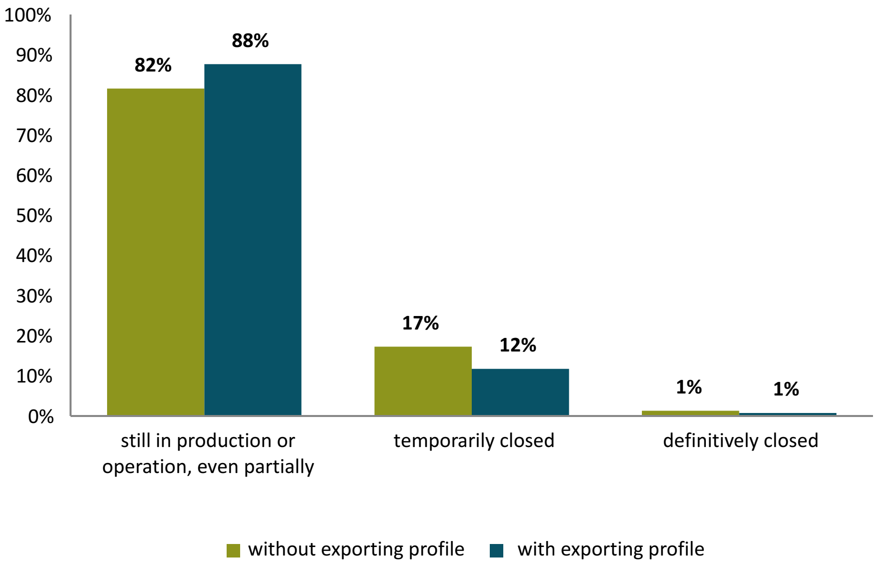


The enterprises that responded to the 3rd week of the survey (from April 20 to 24, 2020) reported the following:

- 83% remained in production or operation, even if partially.
- 16% were temporarily closed.
- 1% had been definetely closed.

The percentage of exporting enterprises that remained in operation stood at 88% (82% for non-exporting enterprises).

SITUATION OF ENTERPRISES IN % OF TOTAL ENTERPRISES



54% of the enterprises reported that the main factor for the reduction of persons employed was the use of simplified layoff.

13% of the enterprises have already benefited from the suspension of tax and contributory obligations and 10% of the moratorium on the payment of interest and capital from already existing credits.

MAIN FINDINGS ON THE WEEK OF APRIL 20 TO 24, 2020

Total responding enterprises and sector of activity

SITUATION OF THE ENTERPRISES

83%
of enterprises remained in production or operation

- 41% in Accommodation and Food Services
- 92% in Construction and Real Estate Activities

ENTERPRISES HAVING ADAPTED THEIR ACTIVITY

27%
of the enterprises have diversified or modified their activity, of which:

- 38% in Information and communication
- 21% in Transportation and storage

20%
of the enterprises have adapted or strengthened their distribution channels, of which:

- 29% in Distributive trade
- 11% in Industry and Energy

IMPACT ON TURNOVER

80%
reported a reduction

- 96% in Accommodation and Food Services
- 73% in Construction and Real Estate Activities

IMPACT ON THE NUMBER OF THE PERSONS EMPLOYED

59%
reported a reduction

- 84% in Accommodation and Food Services
- 45% in Information and communication

SIMPLIFIED LAYOFF

54%
of the enterprises considered it relevant or very relevant in the reduction of the persons employed

- 84% in Accommodation and Food Services
- 45% in Construction and Real Estate Activities

EXPORTING ENTERPRISES

88%
of enterprises remained in production or operation

27%
of the enterprises have diversified or modified their activity

15%
of the enterprises have adapted or strengthened their distribution channels

81%
reported a reduction in turnover

62%
reported a reduction in persons employed effectively working

47%
referred simplified layoff as the most relevant situation in the reduction in persons employed effectively working

NON-EXPORTING ENTERPRISES

82%
of enterprises remained in production or operation

28%
of the enterprises have diversified or modified their activity

22%
of the enterprises have adapted or strengthened their distribution channels

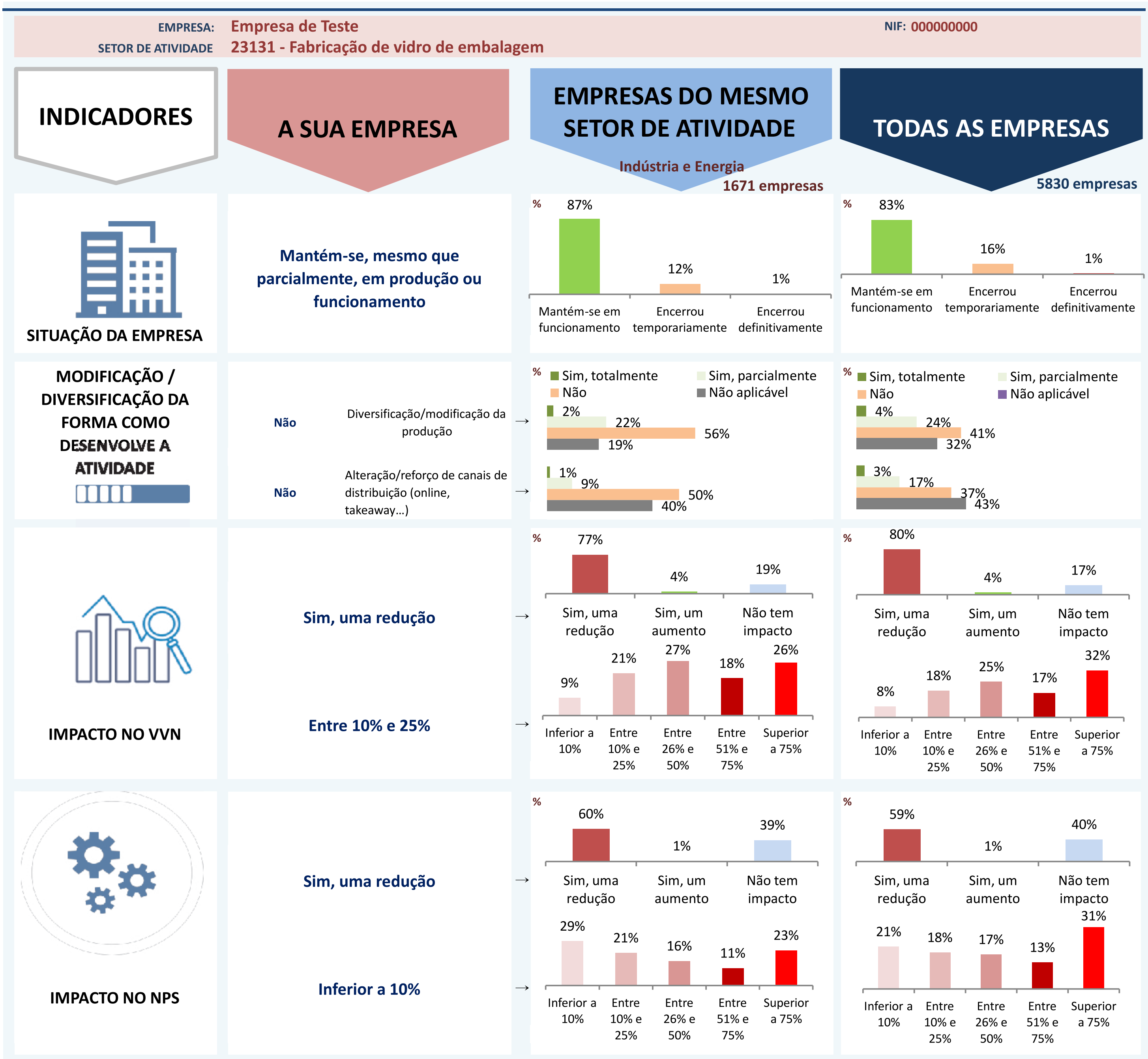
80%
reported a reduction in turnover

58%
reported a reduction in persons employed effectively working

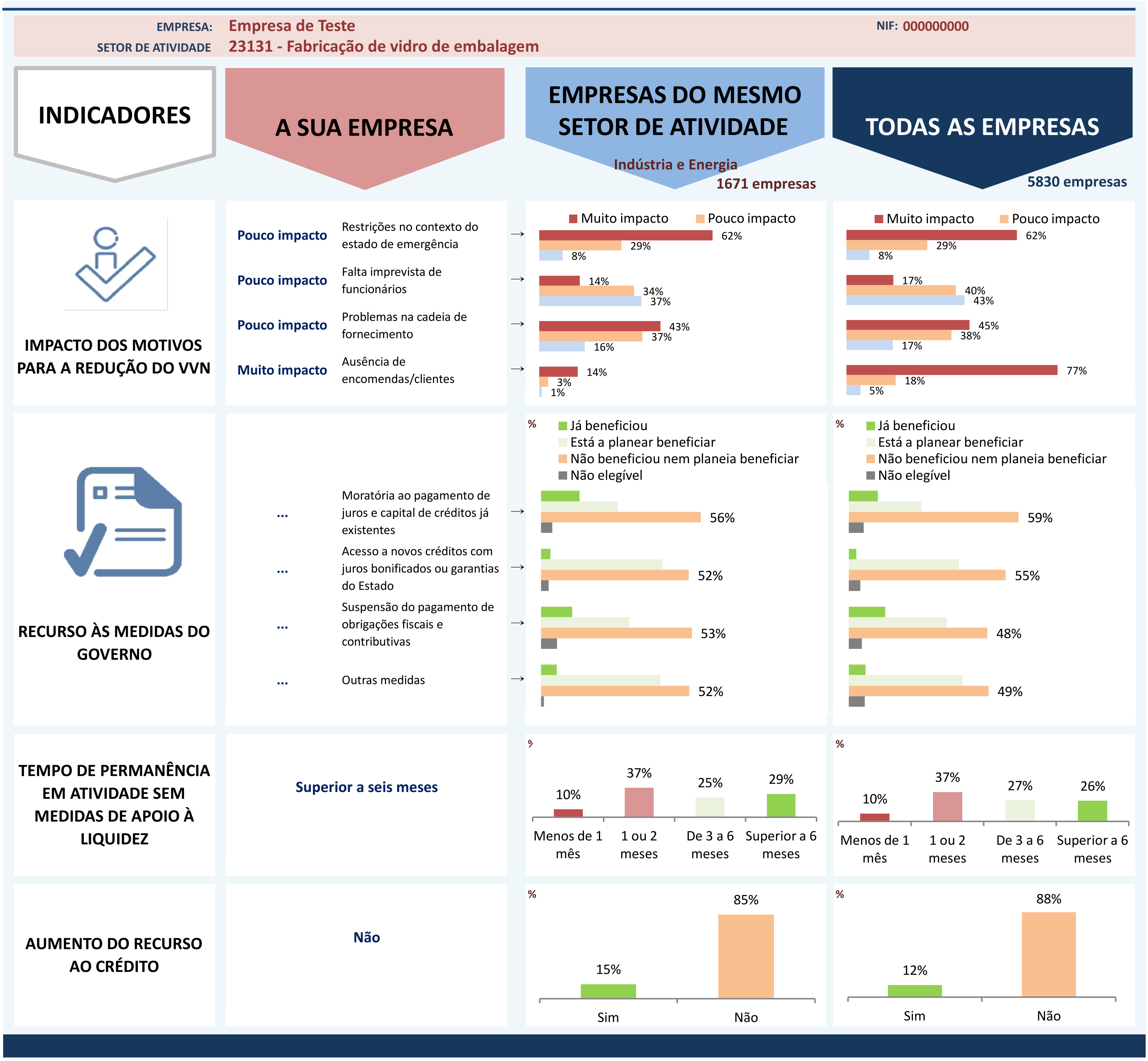
58%
referred simplified layoff as the most relevant situation in the reduction in persons employed effectively working

FEEDBACK TO RESPONDENTS

Taking into account the results of the Fast and Exceptional Enterprise Survey – COVID-19 for the 3rd week of the survey, customized Return of Information to Respondents (RIR) reports were prepared and sent to each of the responding enterprises, containing their response to the survey and its framework regarding the sector of activity in which it is classified and the total of the responding enterprises, as in the following examples.



Communication Unit | tel: +351 21 842 61 00 | sci@ine.pt



Further informaion available at:
Fast and Exceptional Enterprise Survey - COVID-19
Monitoring the impact of the pandemic on enterprises - Week from 27 April to 1 May
(As of 28 April 2020)

Press releases between 04-05-2020 and 08-05-2020

Press releases	Reference period	Release date
Fast and Exceptional Enterprise Survey - COVID-19	Week from 27 April to 1 May	05 May
Employment statistics	1st Quarter 2020	06 May
Employment statistics - Gross monthly earnings per worker		07 May
International trade statistics	March 2020	08 May
Business turnover, employment, wage and hours worke indices in industry	March2 020	08 May