



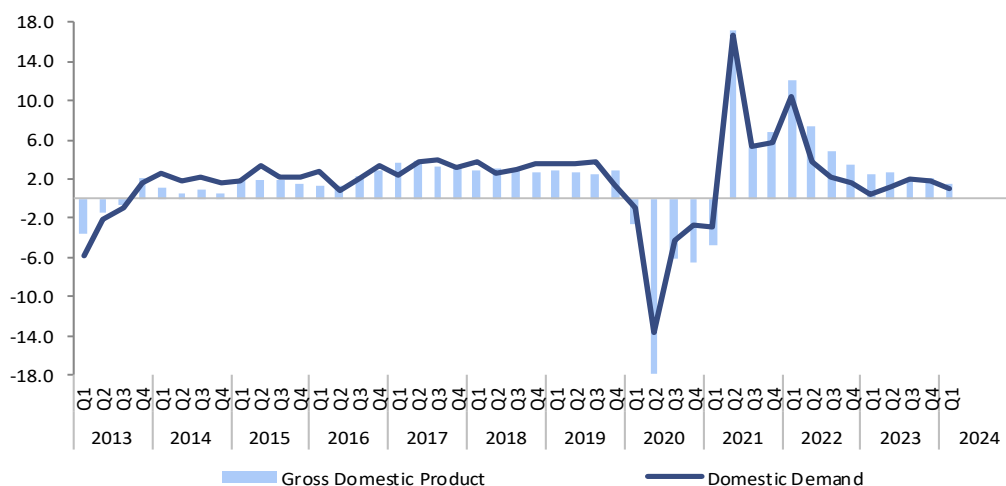
31 May 2024  
QUARTERLY NATIONAL ACCOUNTS (Base 2016)  
First Quarter 2024

## GDP IN VOLUME IN THE FIRST QUARTER GREW 1.5% IN YEAR-ON-YEAR TERMS AND 0.8% WHEN COMPARED WITH THE PREVIOUS QUARTER

Gross Domestic Product (GDP), in volume, registered a year-on-year rate of change of 1.5% in the first quarter of 2024, after increasing 2.1% in the previous quarter. The contribution of domestic demand to the year-on-year growth rate of GDP decelerated, from 1.9 percentage points in the fourth quarter of 2023, to 1.0 percentage points, with a slowdown of private consumption and investment. The contribution of net external demand to the year-on-year growth rate of GDP increased to 0.5 percentage points, after turning positive in the previous quarter (0.1 percentage points), with imports of goods and services in volume slowing down more intensely than exports. For the fifth consecutive quarter, there was a gain in terms of trade in year-on-year terms, although less significant than in the previous three quarters, as a result of the more intense decrease in the import deflator compared to the export deflator.

Comparing to the fourth quarter of 2023, GDP increased by 0.8% in volume, after increasing by 0.7% quarter-on-quarter in the previous quarter. The contribution of external demand turned positive (1.0 percentage points, following a contribution of -0.2 percentage points in the fourth quarter), while the contribution of domestic demand to the quarter-on-quarter growth rate in GDP was negative by 0.1 percentage points in the fourth quarter (0.9 percentage points in the previous quarter), with an acceleration in private consumption and a decrease in investment.

Figure 1. Gross Domestic Product and Domestic Demand in volume (reference year =2016)  
Seasonally and calendar adjusted data  
Year-on-year rate of change, %





In the first quarter of 2024, GDP in volume increased by 1.5% in year-on-year terms and 0.8% compared with the previous quarter

Preliminary GDP estimates for the first quarter of 2024 point to a year-on-year GDP growth of 1.5% in volume, after increasing 2.1% in the previous quarter. Comparing with the flash estimate for the first quarter released by Statistics Portugal on April 30, the incorporation of new data implied an upwards revision of 0.1 percentage points in the rates of change of GDP published previously.

In nominal terms, GDP recorded a year-on-year increase of 6.5% in the first quarter (7.2% in the previous quarter), with the implicit GDP deflator registering a year-on-year rate of change of 5.0% (5.1% in the fourth quarter of 2023).

In the first quarter of 2024, the contribution of domestic demand to the year-on-year growth rate of GDP in volume decreased, to 1.0 percentage points (1.9 percentage points in the fourth quarter).

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

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-Year rate of change (%)					
Domestic Demand	1.7	0.4	1.2	2.1	1.9	1.0
Exports (FOB)	9.7	10.3	4.0	-0.5	3.2	2.5
Imports (FOB)	5.6	5.0	0.9	0.0	2.9	1.4
<b>GDP</b>	<b>3.4</b>	<b>2.5</b>	<b>2.6</b>	<b>1.9</b>	<b>2.1</b>	<b>1.5</b>
	Contributions to GDP year-on-year rate of change (percentage points)					
Domestic Demand	1.7	0.4	1.2	2.1	1.9	1.0
External Demand Balance <sup>1</sup>	1.7	2.2	1.4	-0.2	0.1	0.5

<sup>1</sup> - 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 a deceleration of private consumption (includes Non-Profit Institutions Serving Households), to a year-on-year growth rate of 0.7% in the first quarter (1.6% in the previous quarter), and of Investment (from a rate of change of 3.6% in the fourth quarter to 1.5%). Public consumption (General Government Final Consumption Expenditure) growth rate increased slightly to 1.4% (1.2% in the preceding quarter).

Table 2. Components of domestic demand

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-Year rate of change (%)					
<b>Domestic Demand</b>	<b>1.7</b>	<b>0.4</b>	<b>1.2</b>	<b>2.1</b>	<b>1.9</b>	<b>1.0</b>
Private Consumption <sup>1</sup>	2.3	1.9	1.9	1.1	1.6	0.7
Public Consumption <sup>2</sup>	1.3	0.1	1.1	1.7	1.2	1.4
Investment	-0.1	-4.4	-0.8	5.8	3.6	1.5

<sup>1</sup> - Final Consumption Expenditure of Resident Households and NPISHs

<sup>2</sup> - Final Consumption Expenditure of General Government



In the first quarter of 2024, the contribution of net external demand to the GDP year-on-year growth rate, in volume, increased from 0.1 percentage points to 0.5 percentage points, with Exports of Goods and Services growing by 2.5% (3.2% in the fourth quarter) and Imports of Goods and Services growing by 1.4% (2.9% in the previous quarter).

Compared to the previous quarter, GDP increased by 0.8%, after a quarter-on-quarter growth rate of 0.7% in the fourth quarter. The contribution of net external demand to the GDP quarter-on-quarter rate of change was 1.0 percentage points, after being negative in the fourth quarter (-0.2 percentage points). Conversely, the contribution of domestic demand was negative by 0.1 percentage points in the first quarter, after being positive at 0.9 percentage points in the fourth quarter, with a slowdown of private consumption and a decrease of investment.

Table 3. Decomposition of GDP rate of change (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Quarter-on-quarter rate of change (%)					
Domestic Demand	1.0	0.9	-0.5	0.7	0.9	-0.1
Exports (FOB)	-0.2	2.3	-1.0	-1.6	3.5	1.6
Imports (FOB)	1.0	0.9	-2.3	0.5	3.9	-0.6
<b>GDP</b>	<b>0.5</b>	<b>1.5</b>	<b>0.1</b>	<b>-0.2</b>	<b>0.7</b>	<b>0.8</b>
	Contributions to GDP quarter-on-quarter rate of change (percentage points)					
Domestic Demand	1.0	0.9	-0.5	0.7	0.9	-0.1
External Demand Balance <sup>1</sup>	-0.5	0.6	0.6	-0.9	-0.2	1.0

<sup>1</sup> - 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

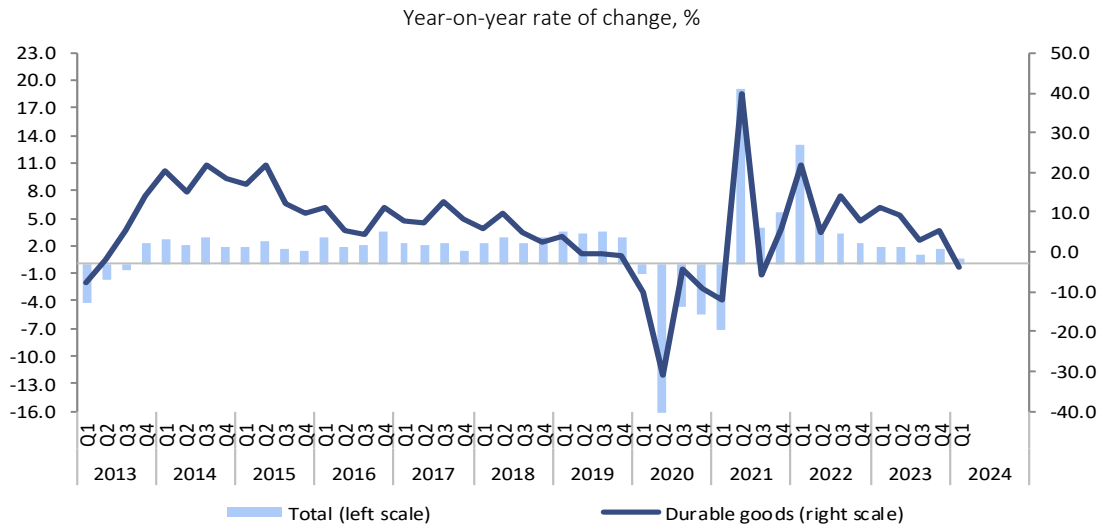
Final consumption expenditure by Resident Households, in volume, grew by 0.7% in year-on-year terms in the first quarter, after increasing 1.6% in the previous quarter, with a decrease of 3.6% in the durable goods component (rate of 5.2% in the fourth quarter) and a slight deceleration in the non-durable goods and services component (from 1.2% to 1.1% in the first quarter).

Table 4. Final consumption expenditure of resident households (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-year rate of change (%)					
<b>Total</b>	<b>2.3</b>	<b>1.9</b>	<b>1.8</b>	<b>1.0</b>	<b>1.6</b>	<b>0.7</b>
Durable Component	7.7	11.0	9.3	3.1	5.2	-3.6
Non-Durable Component	1.8	1.0	1.1	0.8	1.2	1.1
Of which:						
Food and beverage products	-2.3	0.5	1.6	1.7	1.0	1.7



Figure 2. Final consumption expenditure of resident households, volume (reference year=2016)



Compared to the fourth quarter, final consumption expenditure by Resident Households increased by 1.0% (quarter-on-quarter rate of change of 0.7% in the previous quarter), with the non-durable goods and services component growing by 1.4% (0.6% in the previous quarter) and the durable goods component decreasing by 2.0% (+1.4% in the fourth quarter).

Table 5. Final consumption expenditure of resident households (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Quarter-on-Quarter rate of change (%)					
Total	0.2	2.0	-0.6	-0.5	0.7	1.0
Durable Component	-0.6	6.9	0.8	-3.8	1.4	-2.0
Non-Durable Component	0.3	1.4	-0.8	-0.1	0.6	1.4
Of which:						
Food and beverage products	-1.8	1.9	1.0	0.6	-2.4	2.6

### Investment

In the first quarter, Investment in volume increased by 1.5% in year-on-year terms, after an increase of 3.6% in the previous quarter. Gross Fixed Capital Formation (GFCF) decelerated to 0.3% (growth rate of 4.0% in the fourth quarter), while the contribution of the Change in Inventories to the year-on-year rate of change of GDP was 0.2 percentage points in the first quarter (-0.1 percentage points in the previous quarter).



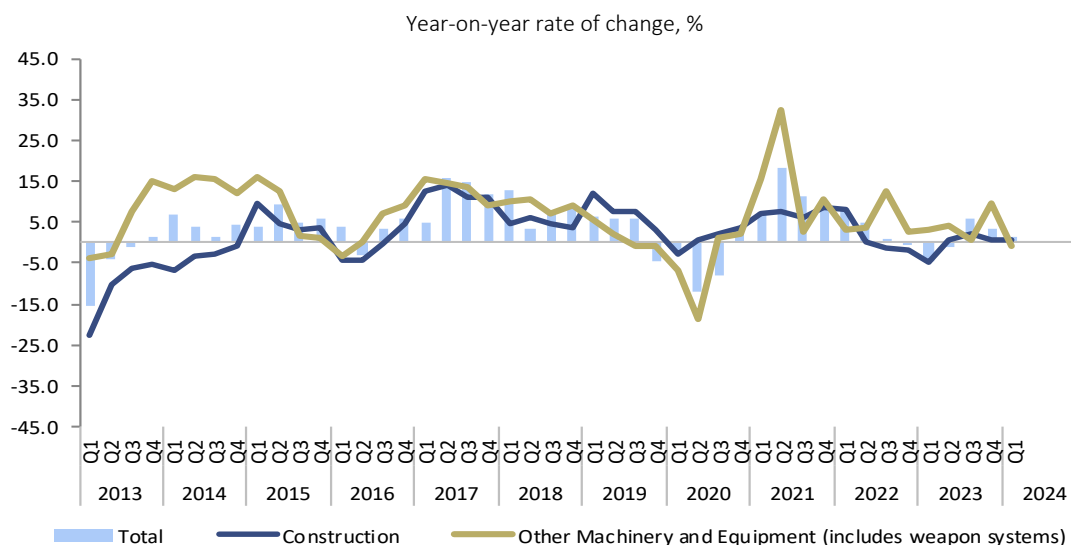
Table 6. Gross Fixed Capital Formation (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-year rate of change (%)					
<b>Total</b>	<b>1.5</b>	<b>0.2</b>	<b>2.5</b>	<b>3.8</b>	<b>4.0</b>	<b>0.3</b>
Of which:						
Transport Equipment	10.0	18.5	10.7	25.9	19.3	2.5
Other Machinery and Equipment <sup>1</sup>	2.6	3.3	4.3	0.9	9.8	-0.6
Construction	-1.8	-4.6	0.6	2.2	0.5	0.9
Intellectual Property Products <sup>2</sup>	6.5	2.3	1.8	3.5	-1.0	-1.1

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

GFCF in Transport Equipment slowed down sharply from 19.3%, in the fourth quarter, to a year-on-year growth rate of 2.5%, while GFCF in Construction grew by 0.9% in the first quarter when compared to the same period of last year (0.5% in the previous quarter). In turn, GFCF in Other Machinery and Equipment recorded a year-on-year decrease of 0.6% (+9.8% in the fourth quarter) and GFCF in Intellectual Property Products recorded a year-on-year decrease of 1.1% in the first quarter (-1.0% in the preceding quarter).

Figure 3. Investment, volume (reference year=2016)



Comparing with the fourth quarter of 2023, total investment, in volume, diminished by 3.9% (rate of 2.0% in the previous quarter), with a decrease of 3.0% in total GFCF (+3.5% in the fourth quarter) and a contribution of -0.2 percentage points of Changes in Inventories to the GDP quarter-on-quarter rate of change (contribution of -0.3 percentage points in the preceding quarter).



Table 7. Gross Fixed Capital Formation (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Quarter-on-Quarter rate of change (%)					
<b>Total</b>	<b>3.3</b>	<b>0.5</b>	<b>-1.1</b>	<b>1.0</b>	<b>3.5</b>	<b>-3.0</b>
Of which:						
Transport Equipment	6.0	18.9	-14.8	17.4	0.4	2.2
Other Machinery and Equipment <sup>1</sup>	2.0	-0.5	1.4	-2.0	11.1	-9.9
Construction	3.0	-0.8	-0.1	0.1	1.2	-0.3
Intellectual Property Products <sup>2</sup>	5.0	-2.2	-0.5	1.3	0.5	-2.3

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

### Exports and Imports

Exports of Goods and Services, in volume, registered a year-on-year rate of change of 2.5% in the first quarter (3.2% in the previous quarter). Exports of goods increased by 2.0% in year-on-year terms, after an increase of 1.6% in the previous quarter, while exports of services decelerated to a rate of change of 3.4% in the first quarter (6.3% in the fourth quarter).

In the first quarter, Imports of Goods and Services in volume increased by 1.4% in year-on-year terms (2.9% in the previous quarter), with the goods component slowing down to 1.6% (2.0% in the preceding quarter) and the services component to 0.4% (6.9% in the fourth quarter).

Table 8. Exports and Imports (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-year rate of change (%)					
<b>Exports</b>	<b>9.7</b>	<b>10.3</b>	<b>4.0</b>	<b>-0.5</b>	<b>3.2</b>	<b>2.5</b>
Goods (FOB)	4.8	5.5	0.2	-3.0	1.6	2.0
Services	20.5	20.9	11.9	4.8	6.3	3.4
<b>Imports</b>	<b>5.6</b>	<b>5.0</b>	<b>0.9</b>	<b>0.0</b>	<b>2.9</b>	<b>1.4</b>
Goods (FOB)	5.0	3.8	0.7	-0.3	2.0	1.6
Services	8.2	11.7	2.2	1.5	6.9	0.4

Compared to the previous quarter, total exports, in volume, registered a 1.6% growth rate, after increasing by 3.5% in the previous quarter, with the goods component increasing by 2.6% and the services decreasing by 0.4% (rates of 2.6% and 5.3% in the fourth quarter, respectively). Total imports registered a quarter-on-quarter growth of -0.6% in the first quarter (+3.9% in the previous quarter), with the goods component increasing by 1.2%, and a decrease of the services component by 8.7% (rates of 3.1% and 7.6% in the preceding quarter, respectively).



Table 9. Exports and Imports (volume)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Quarter-on-Quarter rate of change (%)					
<b>Exports</b>	-0.2	2.3	-1.0	-1.6	3.5	1.6
Goods (FOB)	-2.1	2.2	-1.8	-1.4	2.6	2.6
Services	3.8	2.3	0.6	-1.9	5.3	-0.4
<b>Imports</b>	1.0	0.9	-2.3	0.5	3.9	-0.6
Goods (FOB)	0.8	1.6	-3.0	0.4	3.1	1.2
Services	2.1	-2.8	1.4	0.9	7.6	-8.7

In the first quarter of 2024, gains in terms of trade were recorded for the fifth consecutive quarter, although lower than that observed in the previous quarters. The deflator for Exports of Goods and Services decreased by 0.6% in year-on-year terms in the first quarter (-1.5% in the previous quarter) and the deflator for Imports of Goods and Services went from a year-on-year rate of change of -5.5% in the fourth quarter to -4.1%.

Table 10. Implicit deflators of exports and imports of goods (FOB) and services

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-year rate of change (%)					
Exports	11.7	7.1	0.4	-2.7	-1.5	-0.6
Imports	13.0	3.7	-5.2	-8.1	-5.5	-4.1
<b>Terms of Trade</b>	<b>-1.1</b>	<b>3.2</b>	<b>5.9</b>	<b>5.9</b>	<b>4.2</b>	<b>3.7</b>

In nominal terms, the External Balance of Goods and Services remained positive, as observed in the previous four quarters, increasing to 2.7% of GDP (0.5% of GDP in the previous quarter and 0.7% in the first quarter of 2023). This was the highest value recorded since the beginning of the quarterly national accounts series.



### Gross Value Added (GVA) at basic prices

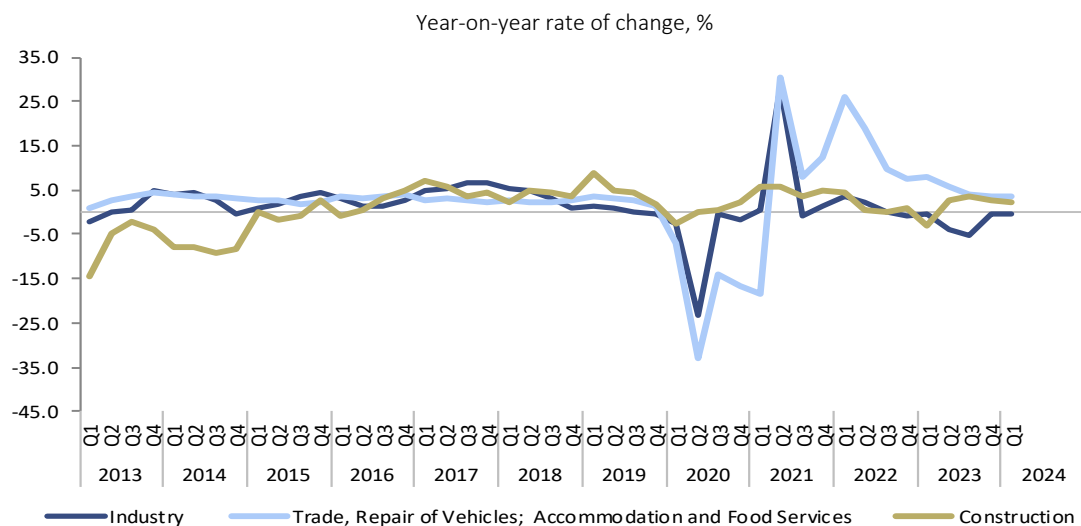
In the first quarter of 2024, GVA at base prices recorded a year-on-year growth of 1.6% in volume (2.2% in the previous quarter).

Table 11. Gross Value Added, volume (reference year=2016)

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-Year rate of change (%)					
<b>GVA at basic prices</b>	<b>3.8</b>	<b>3.2</b>	<b>2.7</b>	<b>1.7</b>	<b>2.2</b>	<b>1.6</b>
Agriculture, Forestry and Fishing	-7.2	-2.7	-0.3	1.4	2.5	-1.2
Industry	-0.7	-0.4	-3.7	-5.1	-0.5	-0.3
Energy, Water Supply and Sewerage	0.2	0.8	-1.3	-0.7	3.4	0.3
Construction	1.0	-2.8	2.6	3.5	2.8	2.1
Trade, Repair of Vehicles; Accommodation and Food Services	7.6	7.8	5.8	3.9	3.6	3.5
Transportation and Storage; Information and Communication	11.3	9.0	8.0	2.8	-0.1	-3.2
Financial, Insurance and Real Estate Activities	1.4	0.5	1.1	1.5	1.6	1.6
Other Services Activities	4.5	3.5	3.7	3.2	3.3	3.2
Taxes less subsidies on products	-2.3	-0.6	-0.6	3.9	2.3	-0.3

GVA in Trade and Repair of Vehicles, and Accommodation and Food Services recorded a year-on-year growth of 3.5% in volume (3.6% in the previous quarter), registering a contribution of 0.6 percentage points to the year-on-year growth rate of total GVA (including taxes net of subsidies). In the same direction, the GVA of the Other Service Activities decelerated slightly to a year-on-year growth of 3.2% (3.3% in the fourth quarter), which corresponded to a contribution of 0.8 percentage points. In turn, GVA of Industry decreased by 0.3% (-0.5% in the fourth quarter), with a null contribution, after a negative contribution in the preceding quarter.

Figure 4. Gross Value Added, volume (reference year=2016)



Taxes less Subsidies on Products diminished by 0.3% in volume when compared to the same period last year, after an increase of 2.3% in the previous quarter.





## Employment

In the first quarter, total employment (measured in number of persons and seasonally adjusted) for all sectors of economic activity increased by 1.8% year-on-year (1.2% in the previous quarter). The number of employees (also seasonally adjusted) registered a year-on-year growth of 2.0%, after the 2.2% increase observed in the fourth quarter.

Considering employment measured in terms of hours worked, there was a year-on-year reduction of 2.2% in the first quarter (rate of -0.9% in the previous quarter).

**Table 12. Employment – Quarterly National Accounts**

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-Year rate of change (%)					
<b>Employment</b>						
Persons	0.2	0.1	1.2	1.0	1.2	1.8
Hours worked	3.9	1.5	2.7	1.5	-0.9	-2.2
<b>Employees</b>						
Persons	1.7	1.6	2.8	2.3	2.2	2.0
Hours worked	6.0	2.8	3.8	2.4	0.2	-1.1

Compared to the fourth quarter, total employment (measured in number of persons) increased by 1.1% in the first quarter (-0.1% in the previous quarter) and hours worked decreased by 0.3% (-1.5% in the fourth quarter).

**Table 13. Employment – Quarterly National Accounts**

	1Q 23	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Quarter-on-Quarter rate of change (%)					
<b>Employment</b>						
Persons	-0.3	0.6	0.6	0.1	-0.1	1.1
Hours worked	0.9	1.0	-0.7	0.3	-1.5	-0.3
<b>Employees</b>						
Persons	0.3	0.7	1.1	0.2	0.2	0.5
Hours worked	1.1	1.1	-0.4	0.6	-1.1	-0.2

In the first quarter, productivity measured by the ratio between GDP in volume and the number of people employed decreased by 0.3% in year-on-year terms, after increasing 0.9% in the previous quarter. In turn, productivity measured based on the number of hours worked registered a year-on-year growth of 3.8%, a rate 0.8 percentage points higher than in the fourth quarter.



## METHODOLOGICAL NOTE

### Revisions:

Regarding Flash estimates and QNA for the previous quarter, current QNA incorporate new information, causing revisions in some aggregates for the most recent quarters. In particular, the information coming from:

- 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 and Balance of Payments compiled by the Bank of Portugal, with changes in imports and exports of services;
- The March 2024 preliminary version of the international goods trade statistics. In what concerns, the deflators for external trade of goods for the first quarter of 2024, the Unit Value Quarterly Indices were used, calculated based on the statistics of the International Trade of goods related March 2024. It should be noticed that this information was not available when the flash estimates were compiled.

Comparing with the flash estimate for the first quarter released by Statistics Portugal on April 30, the incorporation of new data implied an upwards revision of 0.1 percentage points in the rates of change of GDP published previously.

**Table 14. Revisions**

	2Q 23	3Q 23	4Q 23	4Q 24	1Q 24
	Year-on-year rate of change (%)				
QNA 1Q 2024 (60 days)	2.5	2.6	1.9	2.1	1.5
Flash 1Q 2024 (30 days)	2.5	2.6	1.9	2.1	1.4
	Quarter-on-quarter rate of change (%)				
QNA 1Q 2024 (60 days)	1.5	0.1	-0.2	0.7	0.8
Flash 1Q 2024 (30 days)	1.5	0.1	-0.2	0.7	0.7

Flash - Flash Estimate; QNA - Quarterly National Accounts

### Methodological issues:

The information in volume presented in this press release is chain linked data, with 2016 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.

The estimates currently published may be revised in some aggregates as a result of new information, notably due to the compilation of the National Accounts by Institutional Sector. The revised estimates will be published with the release of the National Accounts by Institutional Sector for the first quarter 2024.

#### Reference date of the primary data used:

These estimates were calculated using information available until May 28, 2024.

#### 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

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**Next releases of National Accounts** - National Accounts by Institutional Sector for the first quarter of 2024 are scheduled for June 24, 2024.

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