

APFIPP/Universidade Católica Savings' Indicator: May 2014

In May the APFIPP/Universidade Católica Savings' Indicator increased to 105.8 after 105.5 in April.

Table 1: Indicator, Dec 2000 = 100

2013							2014				
Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
126.9	126.8	125.0	123.1	121.0	114.9	113.1	110.0	107.0	106.5	105.5	105.8

Source: APFIPP, Universidade Católica Portuguesa

Preliminary remarks

This month's APFIPP/Universidade Católica Savings' Indicator incorporates the data on Portuguese GDP in 2014 Q1, published by INE – Statistics Portugal.

Chart 1: APFIPP/Universidade Católica Savings' Indicator

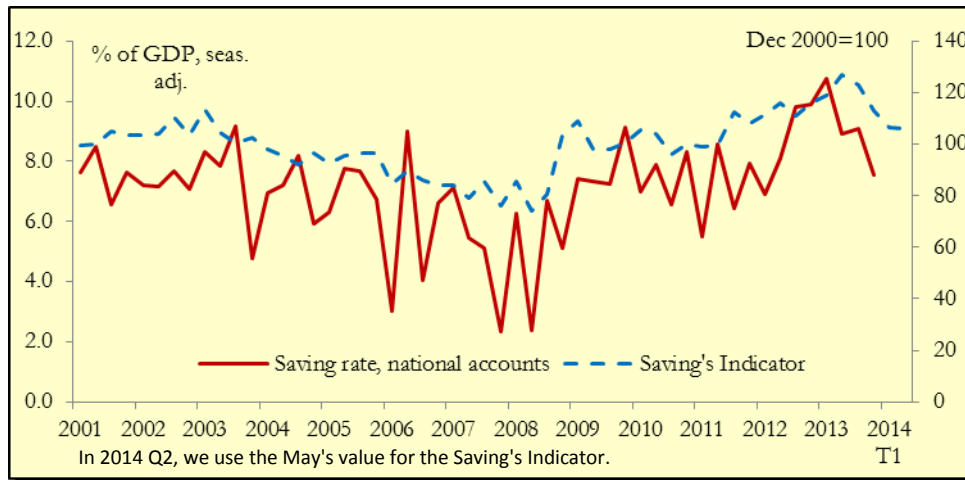


Source: APFIPP, Universidade Católica Portuguesa.

APFIPP / Universidade Católica Savings' Indicator shows a slight increase in May

APFIPP/Universidade Católica Savings' Indicator increased slightly to 105.8 in May after 105.5 in April. These figures are very close to, but above the Indicator's long term average, despite the recent decreases.

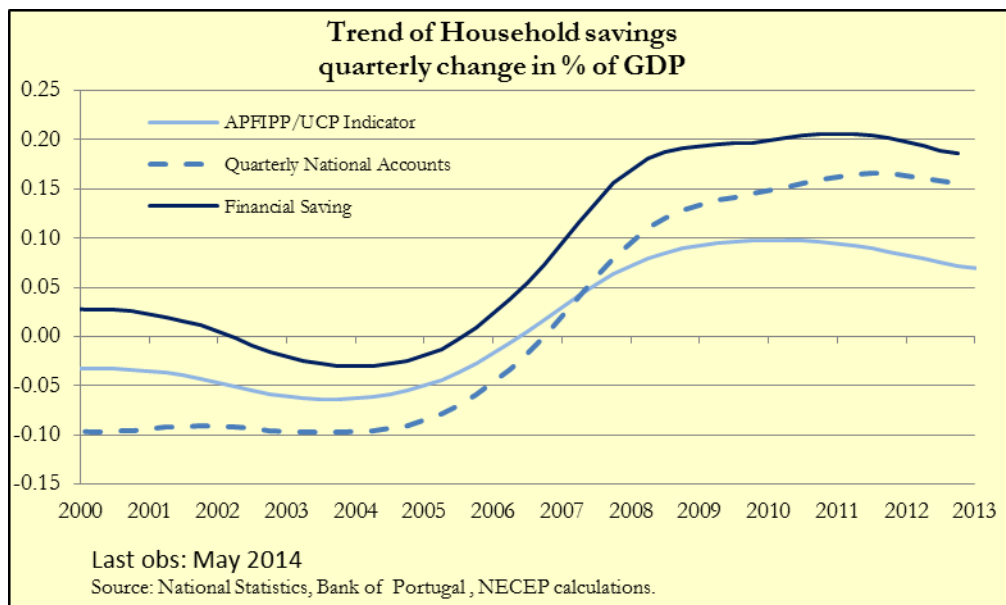
Chart 2: APFIPP/Universidade Católica Savings' Indicator and actual Household Saving



Source: APFIPP, Universidade Católica Portuguesa, INE – Statistics Portugal, seasonally adjusted by the authors

With the declines observed in the APFIPP / Universidade Católica Savings' Indicator over the last months, the Indicator shows a downward trend of household savings, measured by the quarterly variation of the smoothed series, after having remained for several years at historically high levels. Only if the increase recorded in May persists over the next months, the current downward trend may be reversed.

Chart 3: Trends in Household savings, quarterly variation of smoothed series in % of GDP



Source: INE – Statistics Portugal, Bank of Portugal, NECEP (unit of the Economics Faculty of Lisbon's Catholic University) calculations

June 11, 2014

Methodological Information about the Indicator

- The APFIPP/ Universidade Católica Savings' Indicator seeks to anticipate the evolution of Portuguese Households' savings rate, expressed as % of GDP, seasonally adjusted;
- The series started in 2000;
- The indicator is published in the 2nd week of each month;
- CNT refers to the Quarterly National Accounts series published by the National Statistics: demand details, external balance, net financial lending / borrowing capacity and Employment data.
- The Financial Saving refers to the statistics of the National Financial Accounts published quarterly by the Bank of Portugal.
- The indicator is the result of the analysis of the behavior of a wide range of statistical sources;
- The figures disclosed are subject to frequent revisions and the latest estimates are presented.
- The indicator assumes the value 100 in the last quarter of 2000 when the savings rate was about 8% of GDP. Therefore, every 12.5 points of the indicator represents about 1% of GDP. When the indicator reaches the value 125 household saving is about 10% of GDP, on the other hand when the indicator reaches values in the order of 75 household saving reaches approximately 6% of GDP.

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