

# APFIPP/Universidade Católica Savings' Indicator: September 2014

**In September the APFIPP/Universidade Católica Savings' Indicator increased to 108.5 after 102.2 in August.**

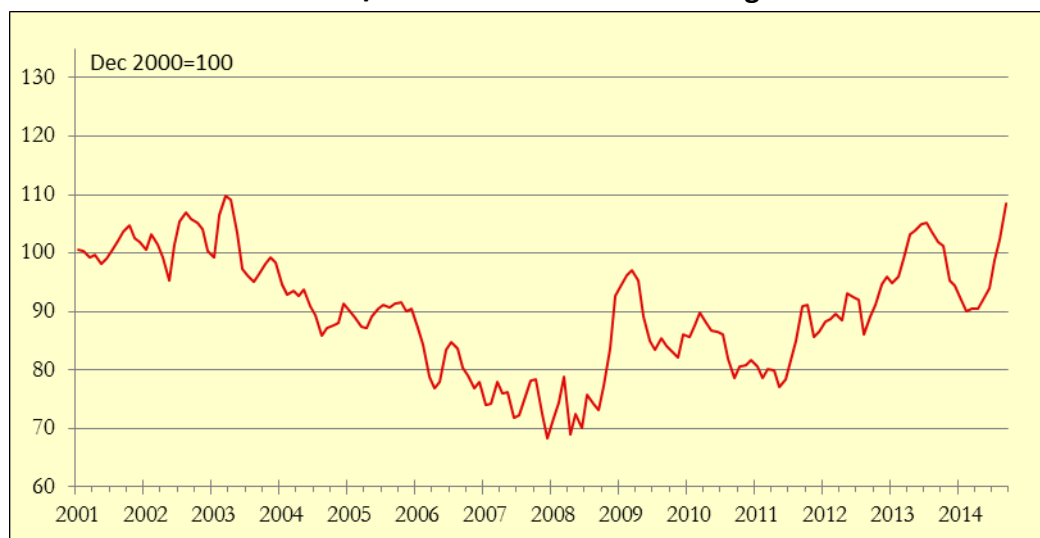
**Table 1: Indicator, Dec 2000 = 100**

2013			2014									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
101.1	95.4	94.5	92.4	90.1	90.5	90.4	92.0	93.9	98.8	102.2	108.5	

Source: APFIPP, Universidade Católica Portuguesa

**Preliminary remarks:** GDP and Household Current Savings' from the quarterly national accounts by institutional sector are now published by the National Statistics in accordance with the new ESA 2010 methodology. The revisions resulting from ESA 2010 involve a general level increase on the nominal GDP series. The new series of Household Current Savings increases less than GDP, and sometimes decreases. These changes on the accounting criteria modify significantly the level of the Indicator, whilst changes in the amplitude of the Indicator's changes are less significant. At the end of this document we publish a comparison of the Household Savings in percentage of GDP resulting from the two methodologies.

**Chart 1: APFIPP/Universidade Católica Savings' Indicator**

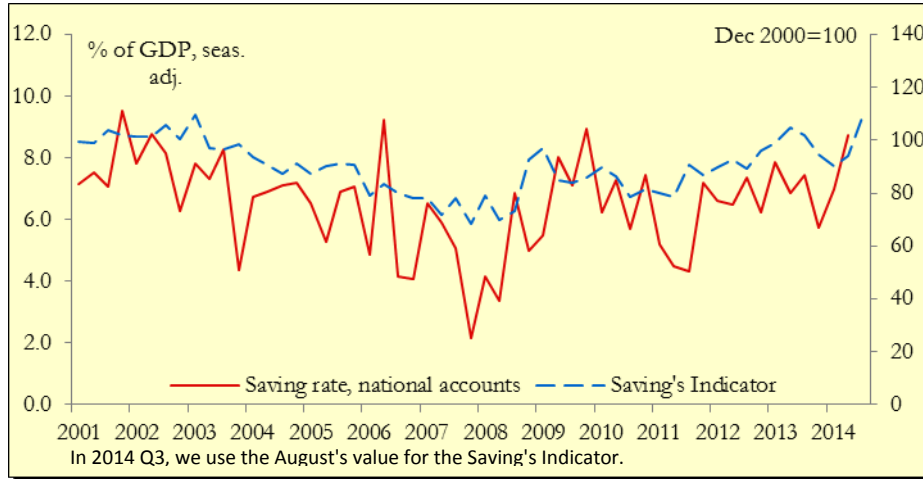


Source: APFIPP, Universidade Católica Portuguesa.

## **APFIPP / Universidade Católica Savings' Indicator increased significantly in September**

The APFIPP/Universidade Católica Savings' Indicator increased significantly in September to 108.5 after 102.2 in August. This value is close to the historical high reached in 2003 by the new series.

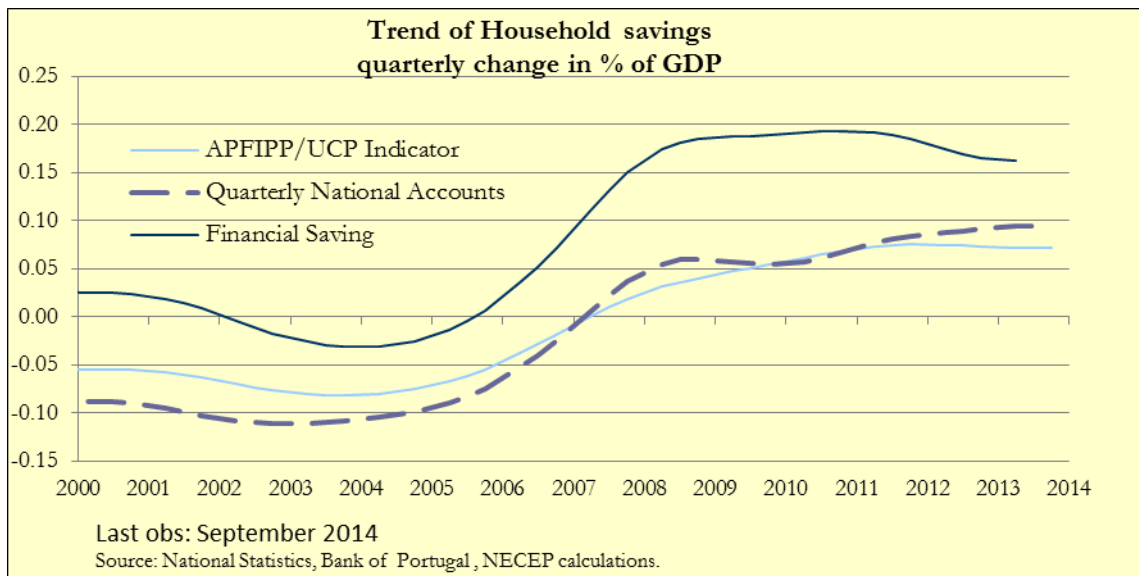
**Chart 2: APFIPP/Universidade Católica Savings' Indicator and actual Household Saving**



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

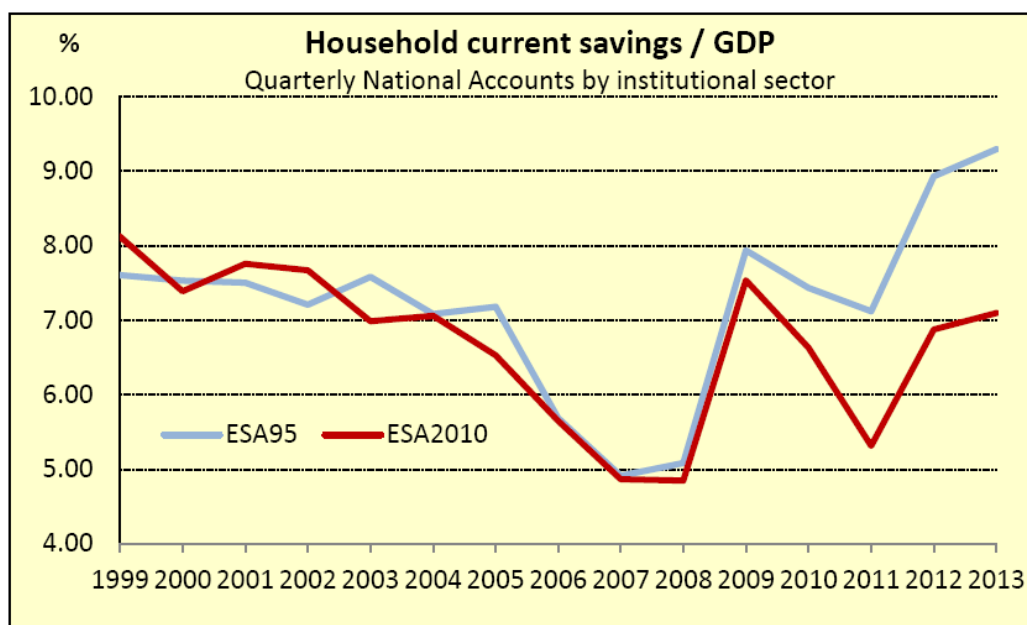
If the changes arising from the ESA2010 were not considered, the household savings' trend (measured by the quarterly variation of the smoothed series) would be above the current series. Nevertheless, though the Indicator have risen significantly, there are no significant changes in the trend (smoothed series) yet.

**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**

**Chart 4: Household current savings/GDP**



**Source: APFIPP, Universidade Católica Portuguesa, INE – Statistics Portugal, Authors' calculations**

#### 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 2<sup>nd</sup> 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.

This information may be used freely for informational and disclosure purposes if it is mentioned the source of the information in the following terms "Source: APFIPP, Universidade Católica Portuguesa" or if it is mentioned the designation of the indicator: "APFIPP / Universidade Católica Savings' Indicator". It is forbidden to use any of its elements for commercial purposes, whether they are text, images or other. In any case APFIPP and Universidade Católica Portuguesa may be held responsible, directly or indirectly, for any damage caused by or otherwise associated with the use of this information.