

# APFIPP/Universidade Católica Savings' Indicator: June 2016

**In June the APFIPP/Universidade Católica Savings' Indicator fell to 48.8 after 51.9 in May.**

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

2015						2016					
Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
50.7	51.1	51.9	54.9	51.4	47.9	46.6	48.4	52.8	52.8	51.9	48.8

Source: APFIPP, Universidade Católica Portuguesa

**Preliminary remarks:** This month, the APFIPP/Universidade Católica Savings' Indicator incorporates the Quarterly National Accounts by institutional sector up to Q1 2016, disclosed by the National Statistics.

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

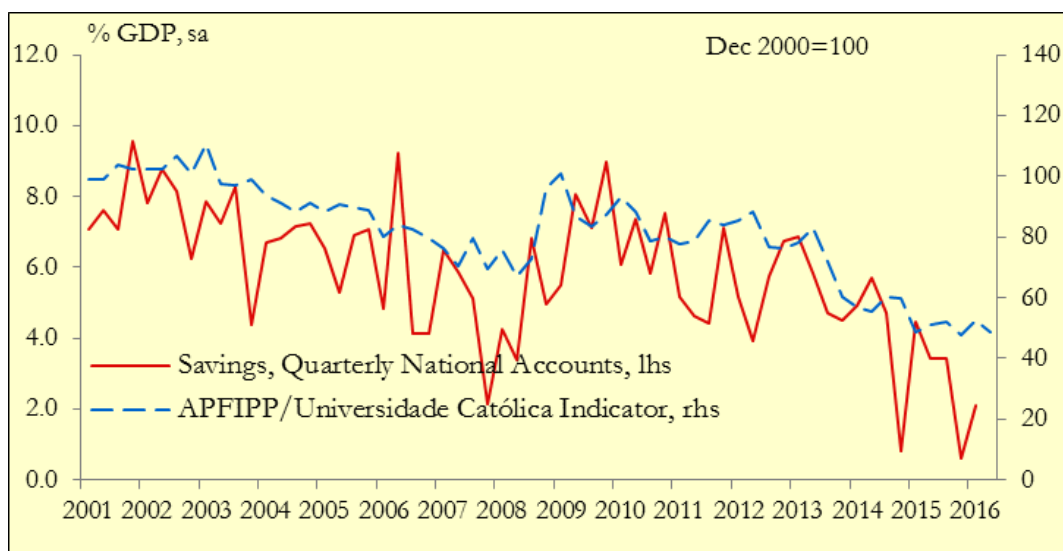


Source: APFIPP, Universidade Católica Portuguesa.

## **APFIPP / Universidade Católica Savings' Indicator decreased in June**

The APFIPP/Universidade Católica Savings' Indicator decreased around 3 p.p. in June, remaining below the average of the past two years.

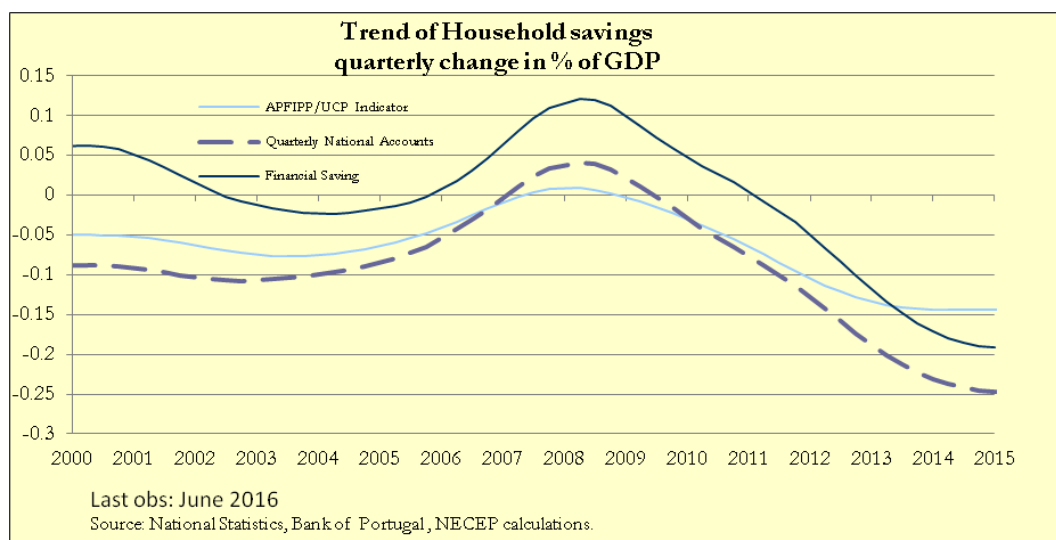
**Chart 2: APFIPP/Universidade Católica Savings' Indicator and Household Saving**



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

The global update of the APFIPP / Universidade Católica Savings' Indicator resulted in some changes on the trend of household savings as a % of GDP, measured by the quarterly change in the smoothed series, which is now very close to -0.15 percentage points of GDP per quarter. This means that, in aggregate terms, households have been decreasing their savings rate at approximately 0.15 percentage points of GDP in each quarter since 2014.

**Chart 3: Trends in Household savings, quarterly change 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

July 14, 2016

### 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.

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