

14 August 2017

Quarterly National Accounts – Flash Estimate

Second Quarter 2017

**GDP grew 2.8% year-on-year**

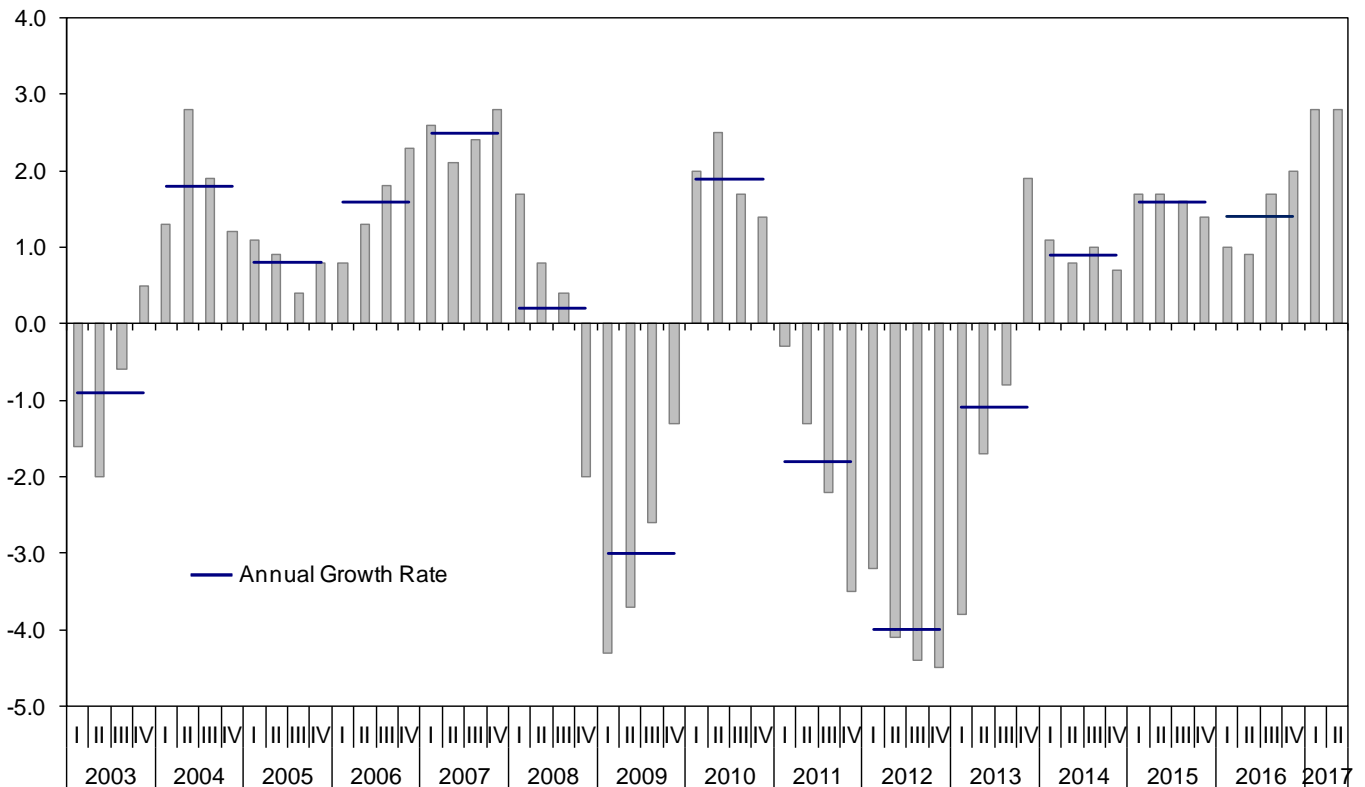
The Portuguese Gross Domestic Product (GDP) increased by 2.8% in volume in the second quarter 2017, compared with the same period of 2016 (similar growth rate as in the first quarter 2017). Net external demand registered a slight negative contribution to the year-on-year GDP growth rate, reflecting the more pronounced deceleration in volume of Exports of Goods and Services relatively to the deceleration in Imports of Goods and Services. The positive contribution of domestic demand remained strong, more intense than in the previous quarter, due to the acceleration of Investment.

In comparison with the first quarter of 2017, GDP increased 0.2% in real terms (quarter-on-quarter change rate of 1.0% in the previous quarter). The contribution of net external demand was negative, while the contribution of domestic demand increased due to the Investment evolution, with a positive contribution of both Changes in Inventories and GFCF, although the latter was lower than the observed in the previous quarter.

**Gross Domestic Product**

Chain-linked volume data (reference year=2011)

Year-on-year quarterly change rate, %



This flash estimate includes revisions in the basic data, particularly due to updated information on external trade of goods, with revisions in nominal terms for the first quarter 2017. Despite this new set of information, the GDP year-on-year and quarter-on-quarter change rates remained unchanged.

### Gross Domestic Product

Chain linked volume data (reference year=2011)

	Year-on-Year Quarterly Growth Rate (%)								
	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16	3Q 16	4Q 16	1Q 17	2Q 17
<b>Flash 2Q 2017</b>	1.7	1.6	1.4	1.0	0.9	1.7	2.0	2.8	2.8
<b>QNA 1Q 2017 (85 days)</b>	1.7	1.6	1.4	1.0	0.9	1.7	2.0	2.8	
<b>QNA 1Q 2017 (60 days)</b>	1.7	1.6	1.4	1.0	0.9	1.7	2.0	2.8	

	Quarter-on-Quarter Growth Rate (%)								
	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16	3Q 16	4Q 16	1Q 17	2Q 17
<b>Flash 2Q 2017</b>	0.3	0.1	0.3	0.2	0.2	0.9	0.7	1.0	0.2
<b>QNA 1Q 2017 (85 days)</b>	0.3	0.1	0.3	0.2	0.2	0.9	0.7	1.0	
<b>QNA 1Q 2017 (60 days)</b>	0.3	0.1	0.3	0.2	0.2	0.9	0.7	1.0	

Flash - Flash Estimate (45 days); QNA - Quarterly National Accounts

### Gross Domestic Product

Chain linked volume data (reference year=2011)

	Annual Growth Rate (%)		
	2014	2015	2016
<b>Flash 2Q 2017</b>	0.9	1.6	1.4
<b>QNA 1Q 2017 (85 days)</b>	0.9	1.6	1.4
<b>QNA 1Q 2017 (60 days)</b>	0.9	1.6	1.4

Flash - Flash Estimate (45 days)

QNA - Quarterly National Accounts

2014: final data; 2015 and 2016: preliminary data

### Next Press Release of Quarterly National Accounts

Current estimates of Quarterly National Accounts (detailed results) for the second quarter 2017 will be published in 31<sup>st</sup> August 2017.

### **Methodological information about the flash estimates**

Flash estimates for GDP constitute the first synthetic indication on the quarterly behaviour for the Portuguese economy and do not replace the main estimates of Quarterly National Accounts (also designated as current estimates), more accurate and detailed, which are published at t+2 months (approximately 60 days) after the end of the reference quarter.

These flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. The percentage of basic information available for flash estimates is over 80%. Methods for imputation and forecasting are used in the cases where basic information is not complete, selected after a series of tests performed over a large sample. One must take into consideration that the flash estimates might be subject to larger revisions (when compared to current estimates), although the percentage of basic information available is high.

In the real time tests carried out from the second quarter 2005 onwards, the mean absolute error for the flash estimate was 0.1 percentage points for both year-on-year quarterly change rate and quarter-on-quarter change rate, when compared to the current estimate. However, it must be stressed that in the current economic juncture, characterized by significant price decelerations or even reductions, the difficulty in measuring the behaviour of main macroeconomic aggregates is particularly high, mainly in splitting the nominal change of exports and imports in price and volume changes. It should be reminded that the usual information on external trade deflators used in the compilation of the current estimates of the Quarterly National Accounts is not available when this flash estimate is produced.

This press release only includes information on quarter-on-quarter and year-on-year quarterly change rates in real terms.

Change rates included in this press release are calculated from chain-linked volume data (2011=100). Data are calendar and seasonally adjusted.