



30 April 2021
QUARTERLY NATIONAL ACCOUNTS (Base 2016) – Flash Estimate at 30 days
First Quarter 2021

GROSS DOMESTIC PRODUCT IN VOLUME REGISTERED A YEAR-ON-YEAR RATE OF CHANGE OF -5.4% AND A QUARTER-ON-QUARTER RATE OF CHANGE OF -3.3%

Gross Domestic Product (GDP) in real terms registered a year-on-year reduction of 5.4% in the first quarter of 2021 (rate of change of -6.1% in the previous quarter), reflecting the effects of the general confinement enacted earlier this year due to the deterioration of the COVID-19 pandemic.

It should be noticed that the evolution in year-on-year terms is influenced by a base effect, since, for the first time, the comparison focuses on a quarter already affected by the pandemic in the last month (March 2020). In the first quarter 2021 the contribution of domestic demand to the year-on-year rate of change of GDP was more negative than that observed in the previous quarter, reflecting, to a large extent, the more intense reduction of private consumption. Net external demand presented a less pronounced negative contribution in the first quarter, although Exports of Goods and Services continued to diminish more significantly than Imports of Goods and Services, with particular emphasis on the severe reduction of non-resident tourism.

Compared to the fourth quarter of 2020, GDP decreased by 3.3% in real terms, after the slight increase (0.2%) registered in the previous quarter, reflecting the impact of mobility limitations as a result of the worsening of the pandemic crisis at the beginning of the quarter. The contributions of domestic demand and net external demand to the quarter-on-quarter rate of change of GDP were both negative, being particularly intense in the first case.

Figure 1. **Gross Domestic Product**
Chain linked volume data (reference year=2016)

	Year-on-Year Quarterly Growth Rate (%)									
	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20	1Q 21	
Flash 30 days 1Q 2021	2.6	2.4	2.3	2.6	-2.2	-16.4	-5.6	-6.1	-5.4	
QNA 4Q 2020 (85 days)	2.6	2.4	2.3	2.6	-2.2	-16.4	-5.6	-6.1		
QNA 4Q 2020 (60 days)	2.6	2.4	2.3	2.6	-2.2	-16.3	-5.7	-6.1		

	Quarter-on-Quarter Growth Rate (%)									
	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20	1Q 21	
Flash 30 days 1Q 2021	0.8	0.6	0.5	0.7	-4.0	-14.0	13.4	0.2	-3.3	
QNA 4Q 2020 (85 days)	0.8	0.6	0.5	0.7	-4.0	-14.0	13.4	0.2		
QNA 4Q 2020 (60 days)	0.8	0.6	0.5	0.7	-4.0	-13.9	13.3	0.2		

Flash - Flash Estimate; QNA - Quarterly National Accounts



Figure 2. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data
Year-on-year rate of change, %

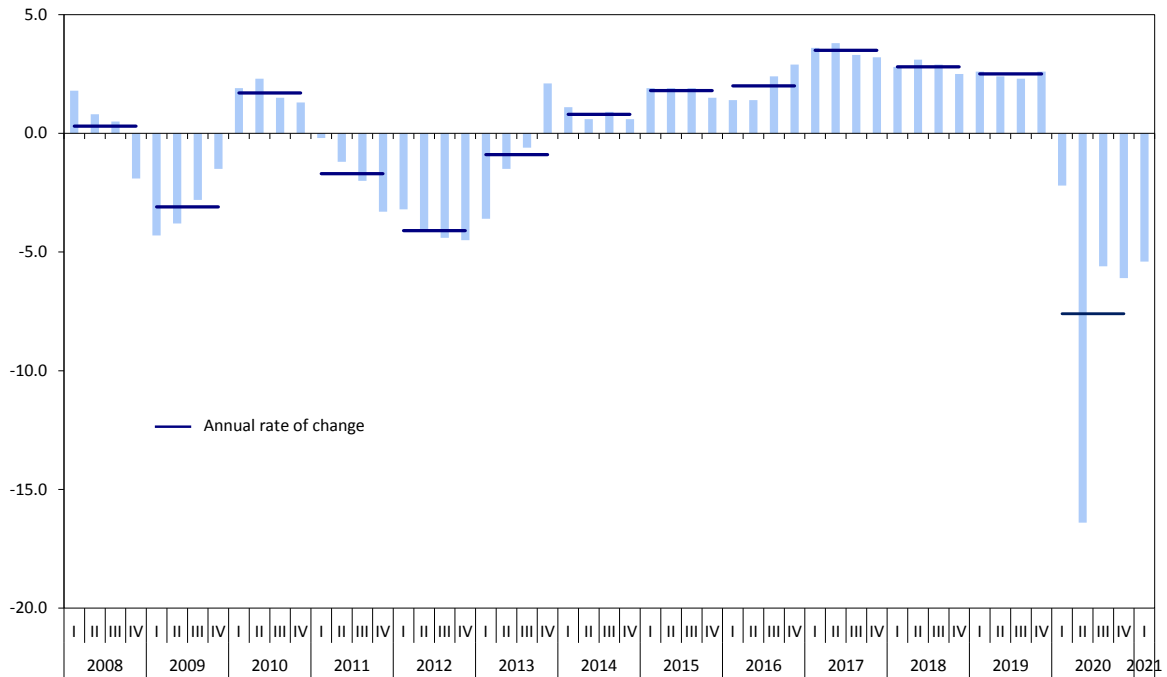
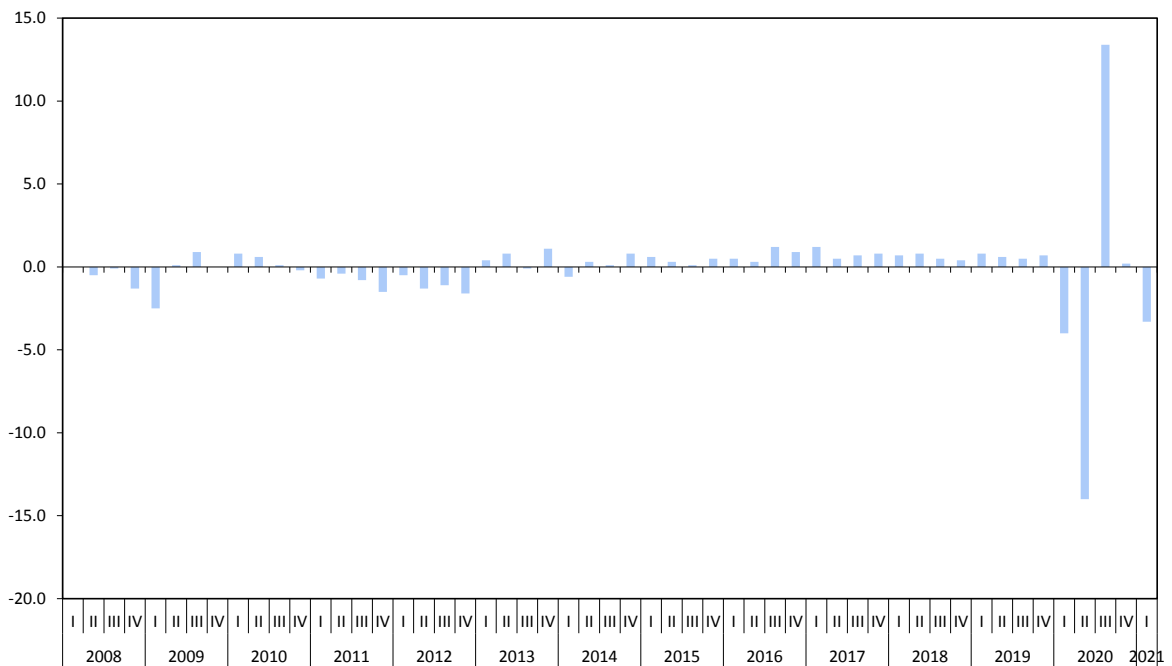


Figure 3. Gross Domestic Product (chain-linked volume data, reference year=2016)

Calendar and seasonally adjusted data
Quarter-on-quarter rate of change, %





This flash estimate incorporates new primary information, namely regarding international trade in goods for the fourth quarter of 2020. This new set of information did not imply revisions in the year-on-year and quarter-on-quarter rates of change of GDP in comparison with the dissemination of the results of the Quarterly National Accounts on March 26, 2021.

METHODOLOGICAL INFORMATION ABOUT THE FLASH ESTIMATES

The publication of quarterly data of the National Accounts is now made at t+30 days (GDP flash estimate), t+60 days (detailed results for GDP and its components) and t+85 days (detailed results by institutional sector). It should be recalled that the flash estimates of the rates of change of quarterly GDP in volume are released 30 days after the reference quarter since the second quarter of 2020.

Since the first quarter 2017, when the testing period for the compilation of the GDP flash estimate at t+30 days started, the mean absolute revision vis-à-vis the GDP year-on-year rate of change in volume released at t+60 days was 0.1 percentage points and the revision never exceeded 0.3 percentage points. The magnitude of these revisions is similar to other Member-States.

The flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. In particular, the following stand out:

- The preliminary version for the short-term statistics for the month of March (retail trade turnover, industry turnover, industrial production, prices in industrial production and services turnover);
- The balance of payments provisional information for the month of March;
- The latest version for international goods trade statistics corresponding to the flash estimate released two days ago. To estimate the deflators for external trade of goods, the unit value monthly indices were used, calculated based on the international goods trade statistics for January and February 2021.

In order to reduce the impacts caused by the COVID-19 pandemic on the quality of primary information available for the first quarter, complementary sources of information were used, in particular:

- Information within the scope of the electronic system for issuing invoices and automatic communication to the Tax Authority (e-invoice system);
- Operations on the automatic teller machines of the Multibanco network.

Understandably, the early publication of the present data carries a greater risk of higher revisions, reflecting the pandemic related uncertainty and the smaller amount of available primary information. However, this early release of macroeconomic information, allows the alignment of Portugal with other EU countries which are, generally, important economic partners.

These results are calculated from chain-linked volume data (2016=100) and data are calendar and seasonally adjusted.



INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

press release



DIÍSTAQUE

Next Press Release of Quarterly National Accounts - Detailed estimates of Quarterly National Accounts for the first quarter of 2021 will be released on May 31, 2021

QUARTERLY NATIONAL ACCOUNTS – FLASH ESTIMATE AT 30 DAYS FOR FIRST QUARTER 2021