



JUNE 2012 ECONOMIC OUTLOOK FOR PORTUGAL: ANSWERS FROM AIP AND CIP

MAIN FORECAST

Annual % change	2012	2013
Real GDP growth	-3,0	0,6
Consumer price inflation	3,2	1,3
Unemployment rate	15,3	15,3
Employment growth	-3,6	-0,7
government net lending (% of GDP)	-4,5	-3,0
gross public debt (% of GDP)	113,1	115,7
current account balance (% of GDP)	-4,0	-2,0

Components of aggregate demand - in real terms

Annual % change		
Private consumption	-6,3	-0,7
Public consumption	-2,9	-2,6
Investment (Gross Fixed Capital Formation)	-9,8	-0,6
Private non-residential investment	0,0	0,0
Exports	3,4	5,6
Imports	-6,4	1,6

ECONOMIC SENTIMENT

	Positive	Negative	Unchanged
Trend in business climate over the next 6 months		Industry Services	

	Positive	Negative	Unchanged
Trend in profitability over the next 6 months		Industry Services	

	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace) Industry	Decrease (faster pace) Services
Investment intentions over the next 6 months					

	Global demand	Domestic demand	Cost of finance	Availability of finance	Company Profitability	Capacity Utilisation
Influence on companies' investment decisions	negative	negative	negative	negative	negative	neutral

	Replacement	Extension	Rationalisation	Innovation
Driving force behind investment decisions in the next 6 months	positive	negative	positive	positive

	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6 months
Overall trend in employment	Down	Down	Down	Down

ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

Compared to 6 months ago, cost/access to finance has been...	sharply up / restrained	up / more difficult	same	down / easier
<i>for SMEs</i>	Cost Access		Demand for finance	
<i>for larger companies (>250 employees)</i>		Cost Access	Demand for finance	

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	Investment	Inventories and working capital	Internal Financing	Issuance of debt securities	Economic Outlook	
Factors contributing to the demand of bank lending	Very negative effect	Very positive effect	Neutral effect	Neutral effect	Negative effect	
	Bank's capital position	Bank's liquidity position	Access to market financing	Financial Regulation	Economic Outlook	ECB Long term refinancing operations
Factors contributing to the supply of bank lending	Negative effect	Negative effect	Very negative effect	Negative effect	Negative effect	Positive effect