

O futuro do Bacalhau 2023

16.02.2023 14.00 - 16.02.2023 17.00

Lisboa, Portugal



Portuguese economic context: the short and medium-term outlook

João César das Neves | Estufa Fria, Lisboa February 16, 2023

Perspectives of the Portuguese Economy

1. Short-term outlook



2. Medium-term outlook



2.1 Human capital



2.2. Financial capital



1. Short-term outlook



Two gigantic crisis

The short-term is dominated by two enormous shocks

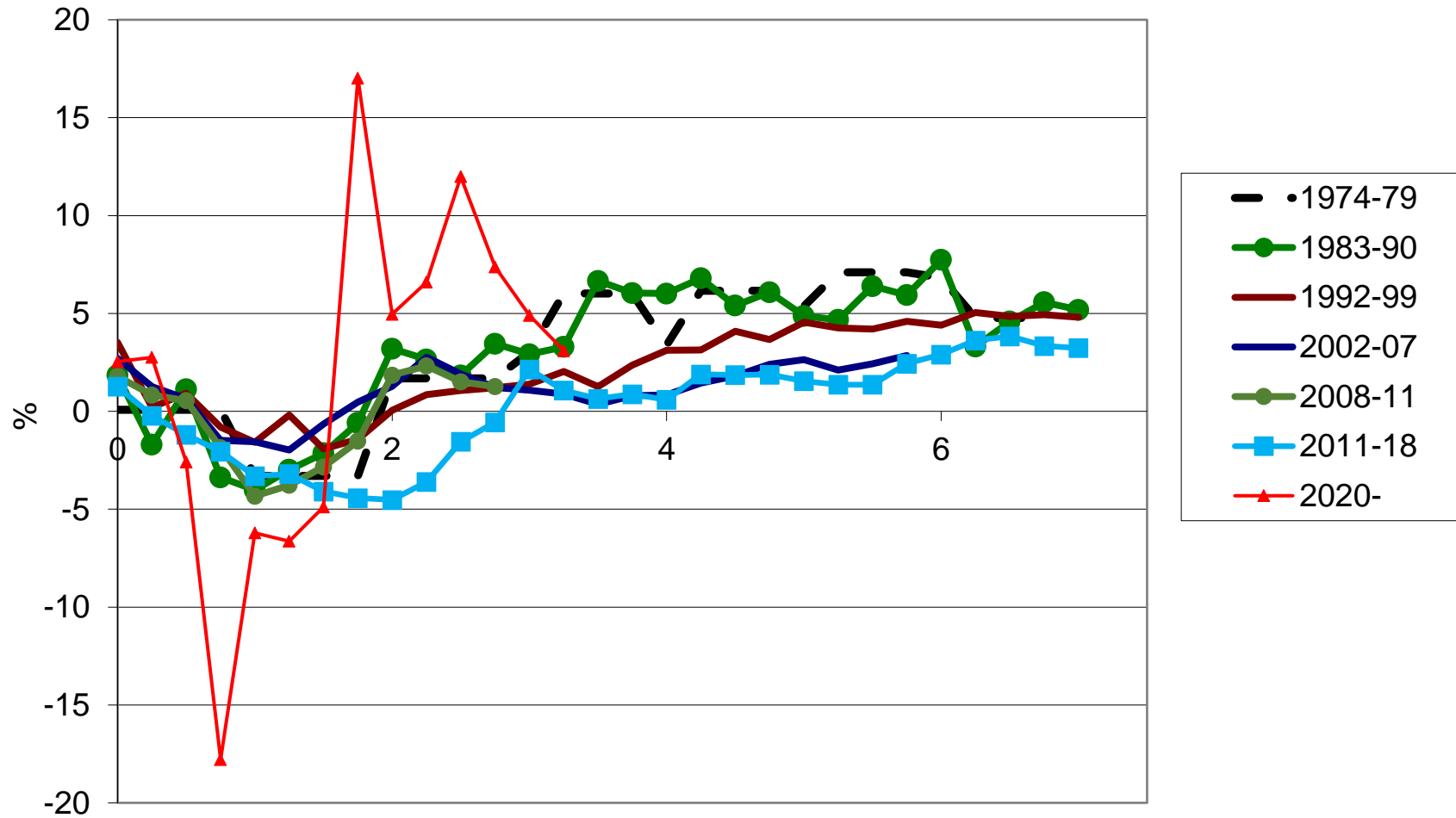


- 11 March 2020 – OMS declares global pandemic

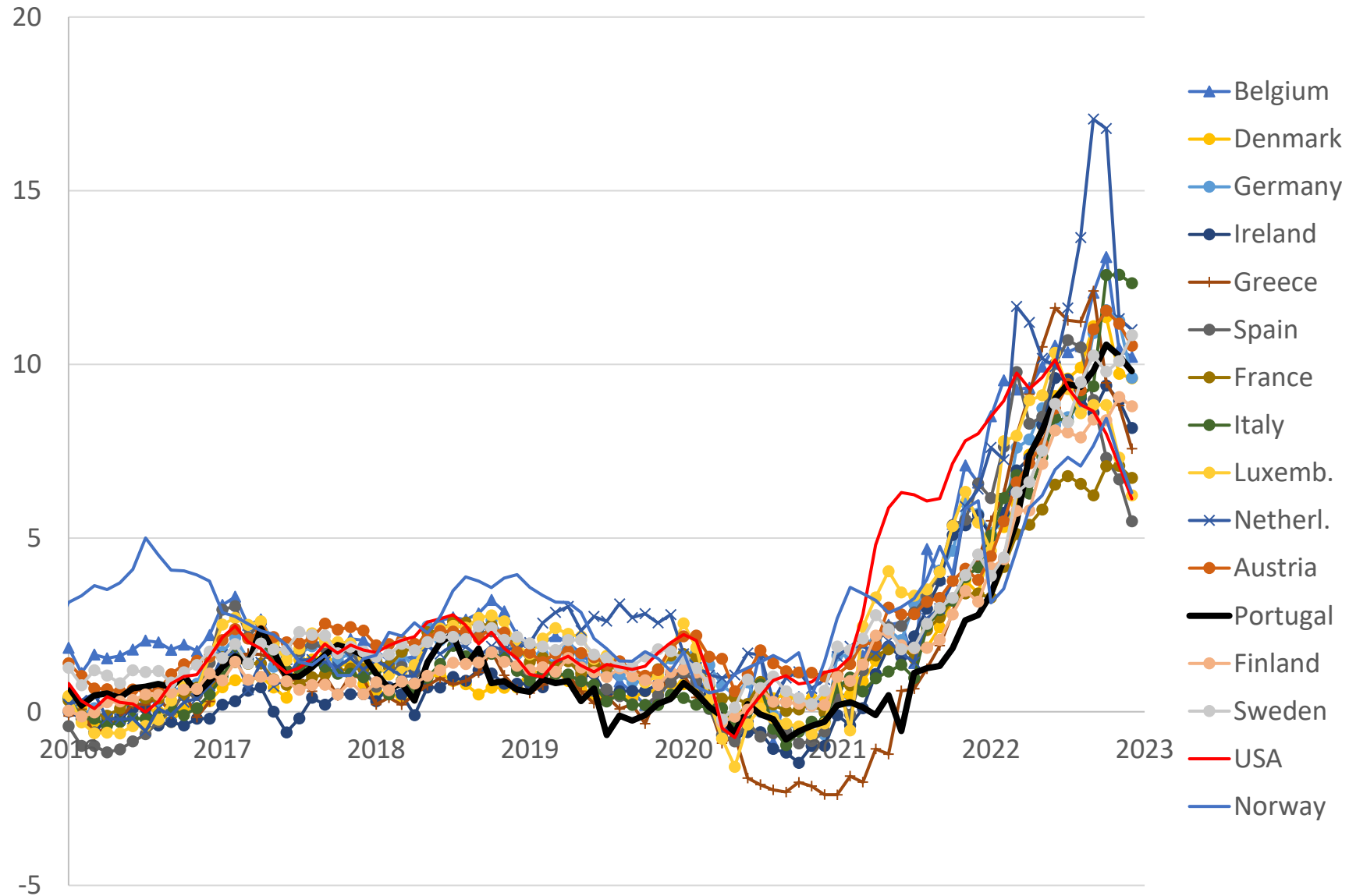
- 24 February 2022 – Russia invades Ukraine



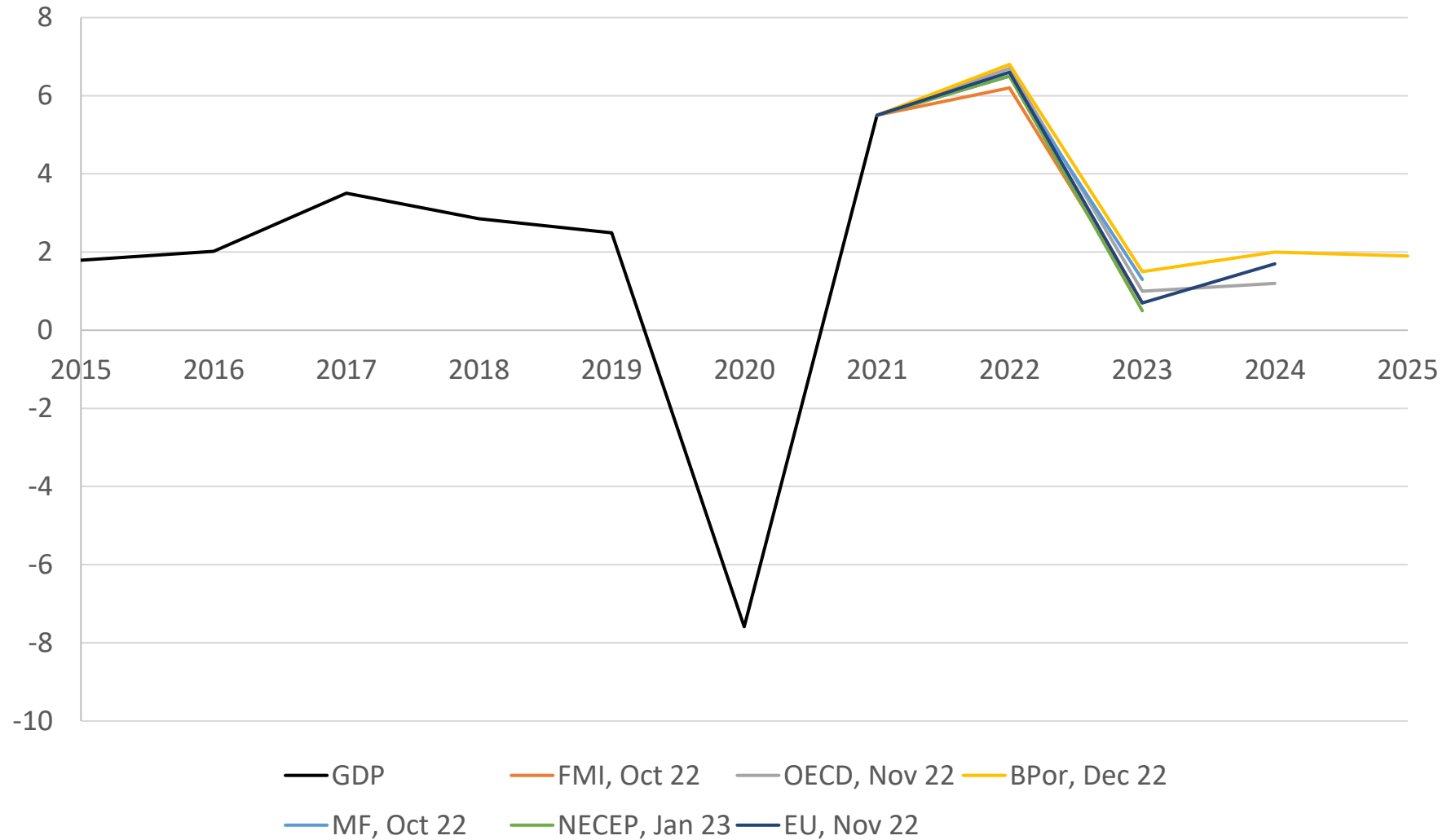
Crises in Portugal



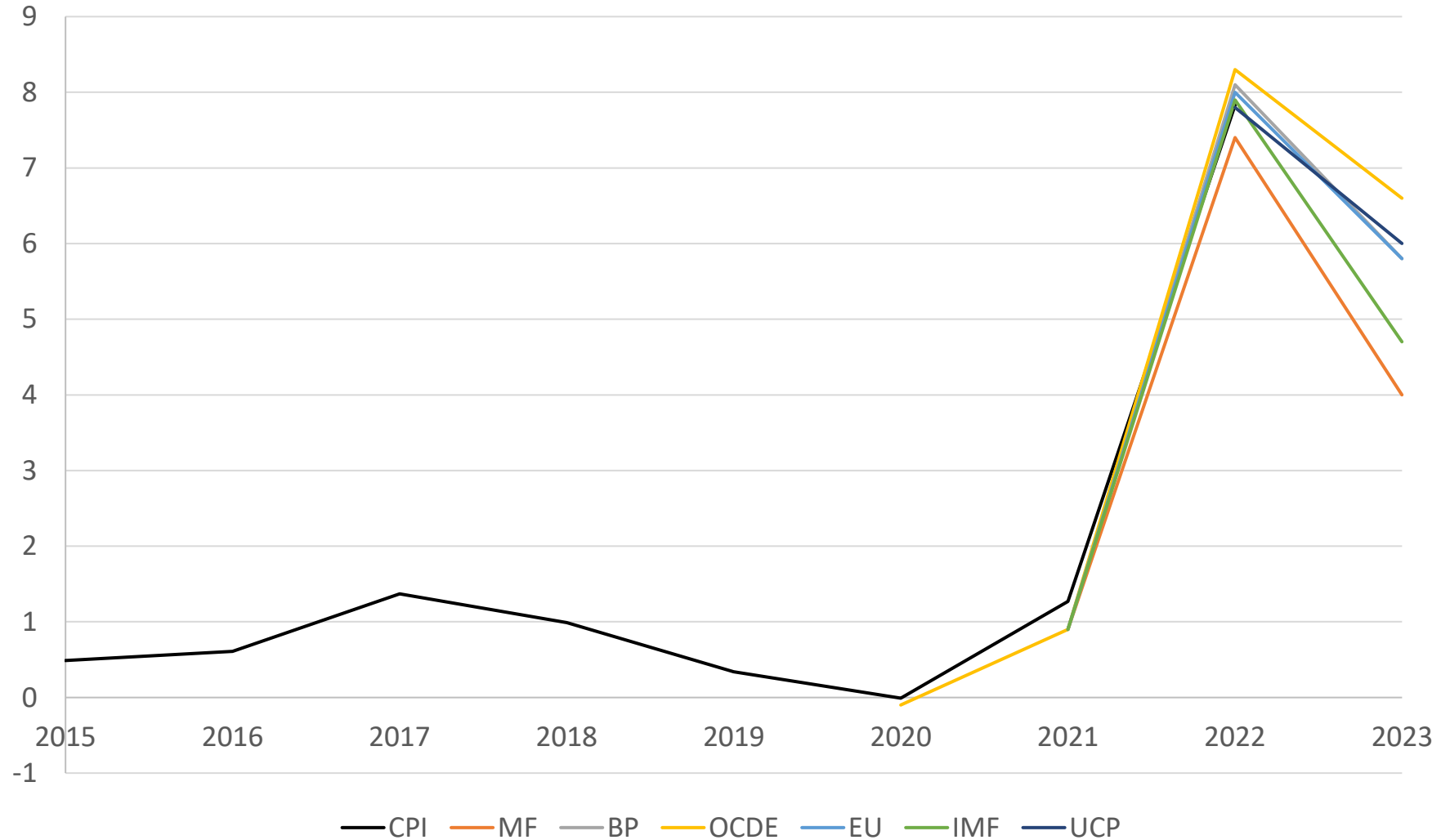
Inflation rate (EU 14 + USA + Norway)



Portugal forecasts: GDP growth



Portugal forecasts: Inflation



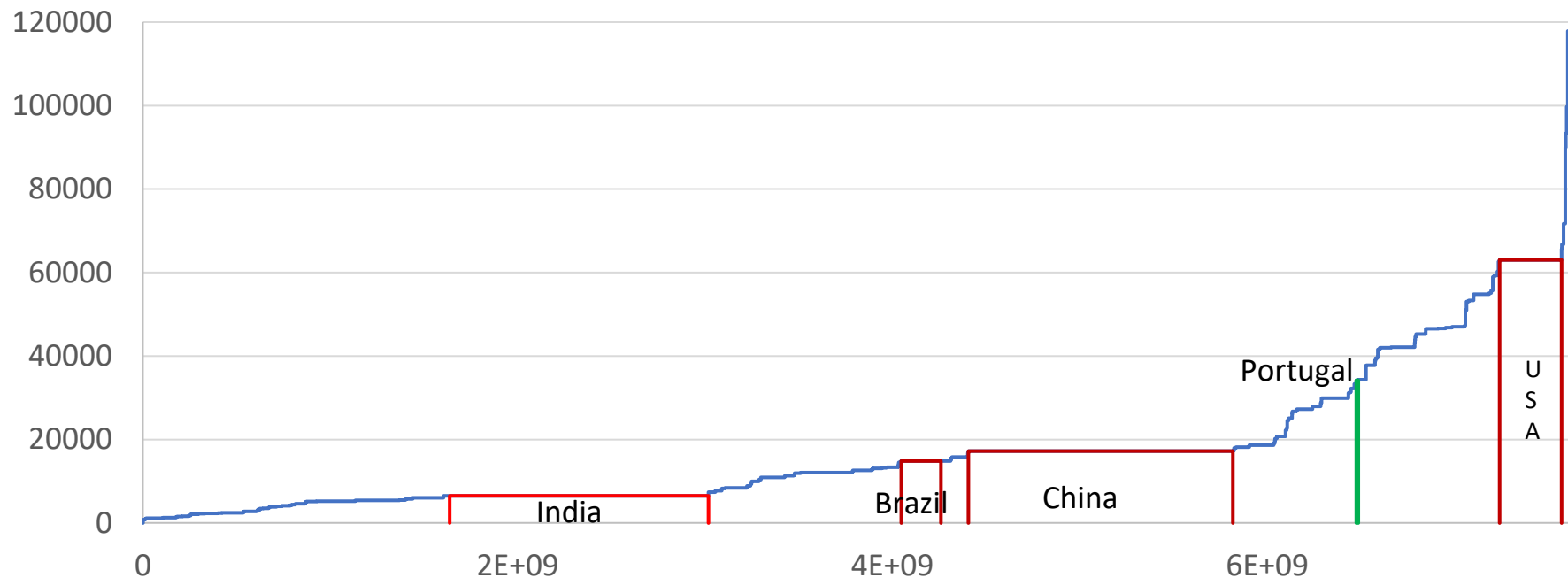
2. Medium-term outlook



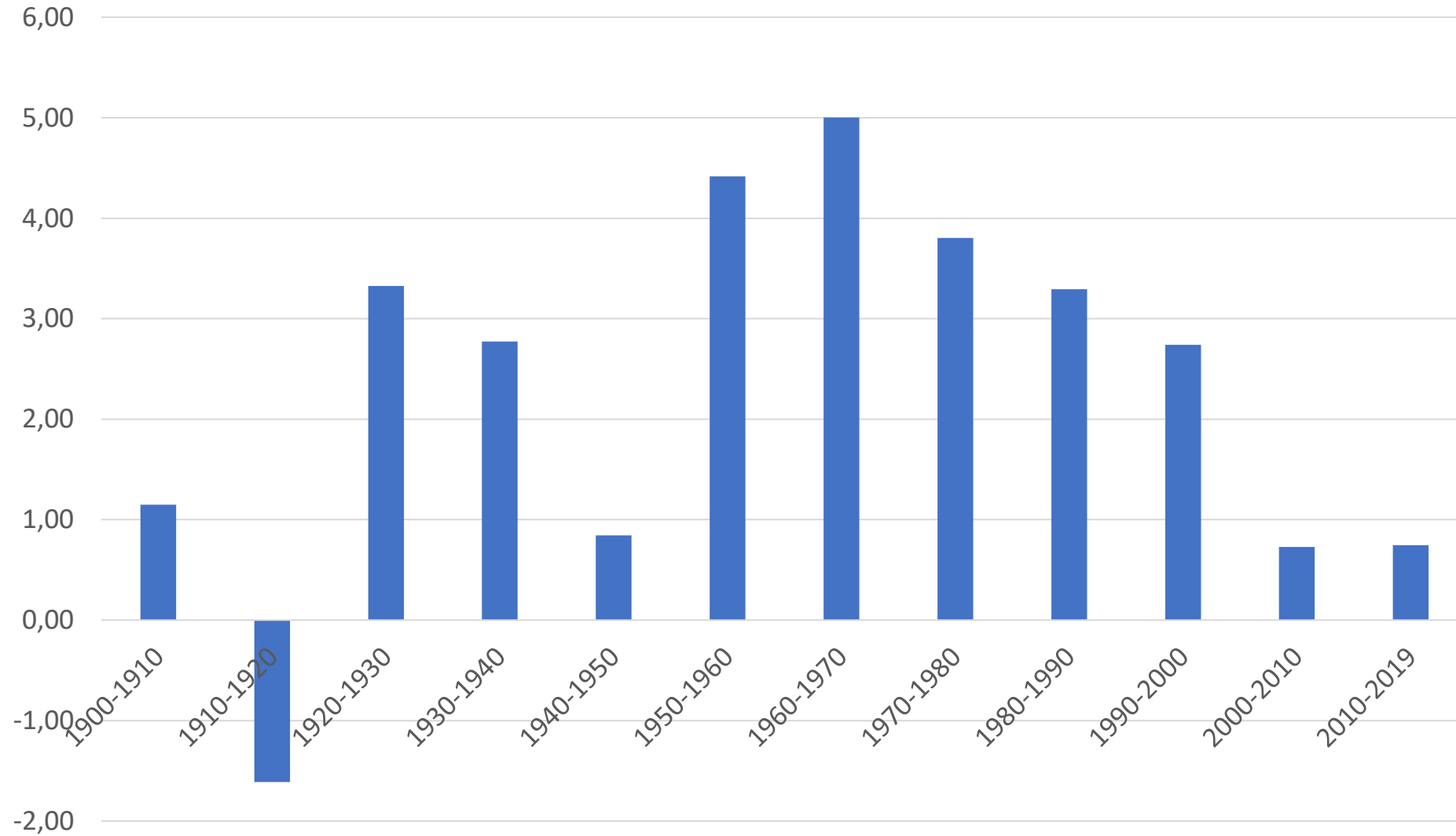
Rich country



- Portugal one of the world richest countries
 - Of the 217 world's countries, is in **69th place**
 - **85%** of world population lives in poorer countries
 - In the *World Development Reports* of the World Bank it was in 1996 Portugal reached the «High Income» class and has been there ever since



Past long-term dynamics



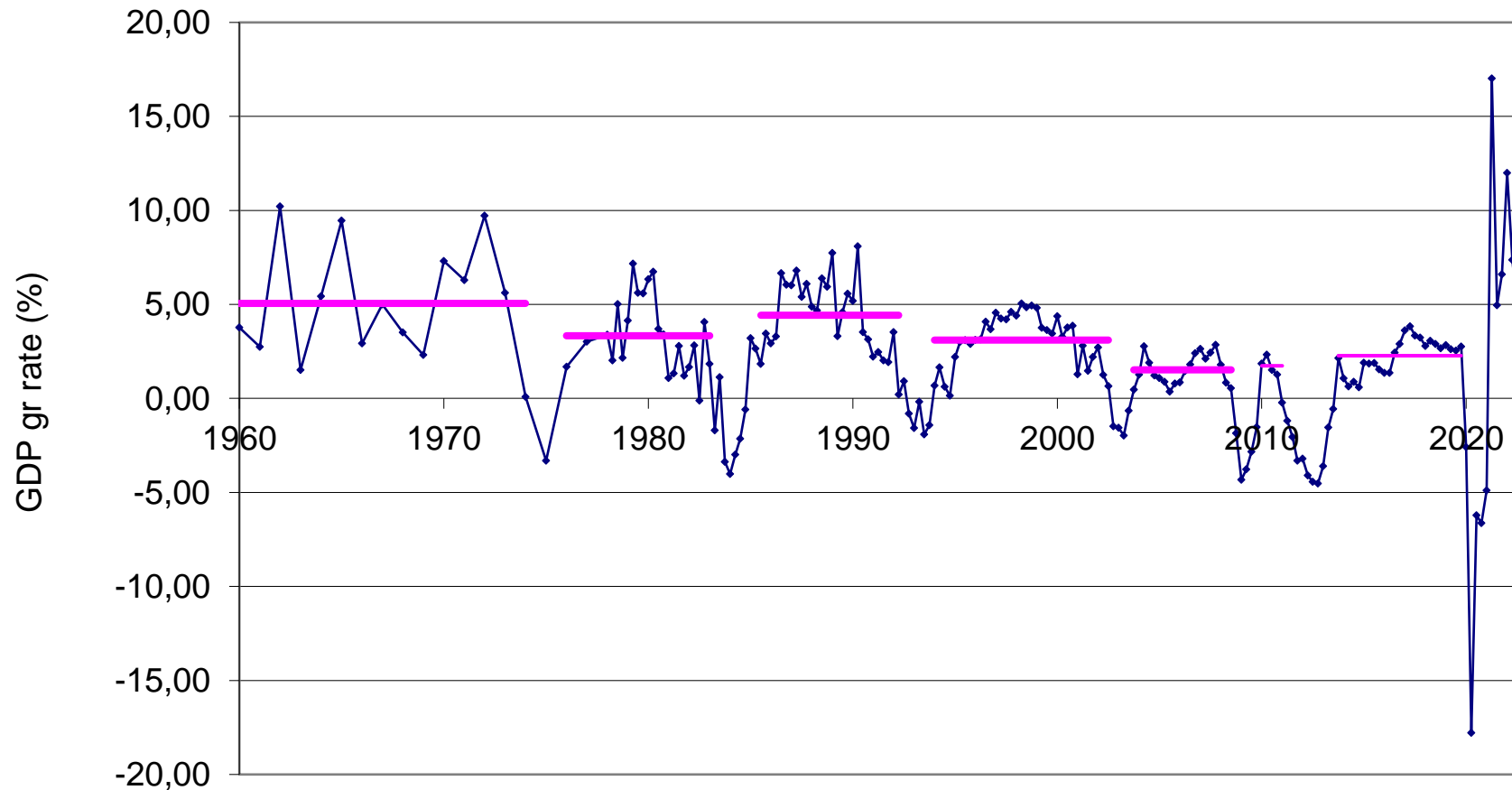
European area



- Portugal belongs to the richest club in the world, the European Union
 - In 2022 Portugal was **19th** (GDPpcap ppp) in 27
 - The country is **falling in the ranking**: in **1999 was 15th** in 28. Since then was passed by six Eastern countries: Slovenia (2003), Czech Republic (2007), Malta (2009), Lithuania (2018) and Estonia (2020); and rose above Greece (2011)
 - in 1986 Portugal had **56%** of the average per capita GDP of the 15; in 1999 had **71.7%**; in 2022 has **71.7%**

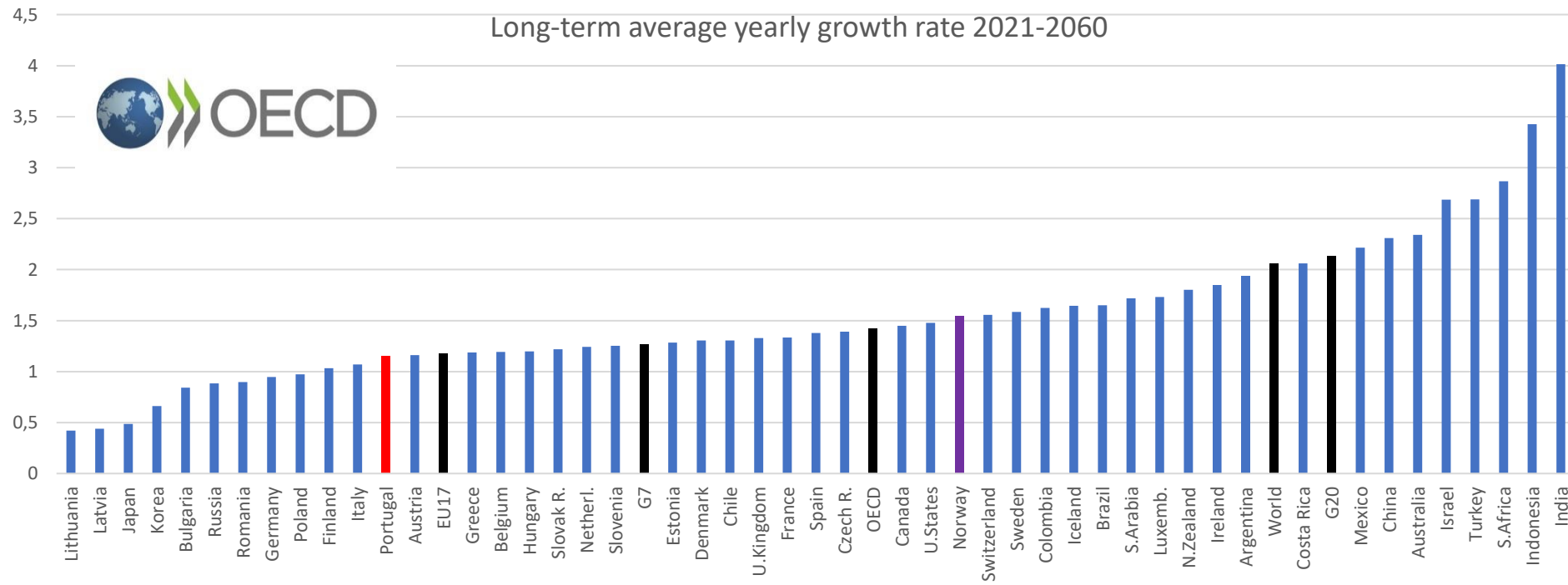
Product Dynamics

- Before the pandemic the Portuguese was growing for **25** consecutive quarters, since the 4^h quarter of 2013.



Future long-term dynamics

- The long-term OECD growth estimates, Portugal is clearly at the bottom of the group
 - Average year growth of 1.2% from 2021 to 2060
 - This places it in 42nd place among 53 countries, better than only than eleven, some rich: Lithuania, Latvia, **Japan, Korea**, Bulgaria, Russia, Romania, **Germany**, Poland, Finland, Italy

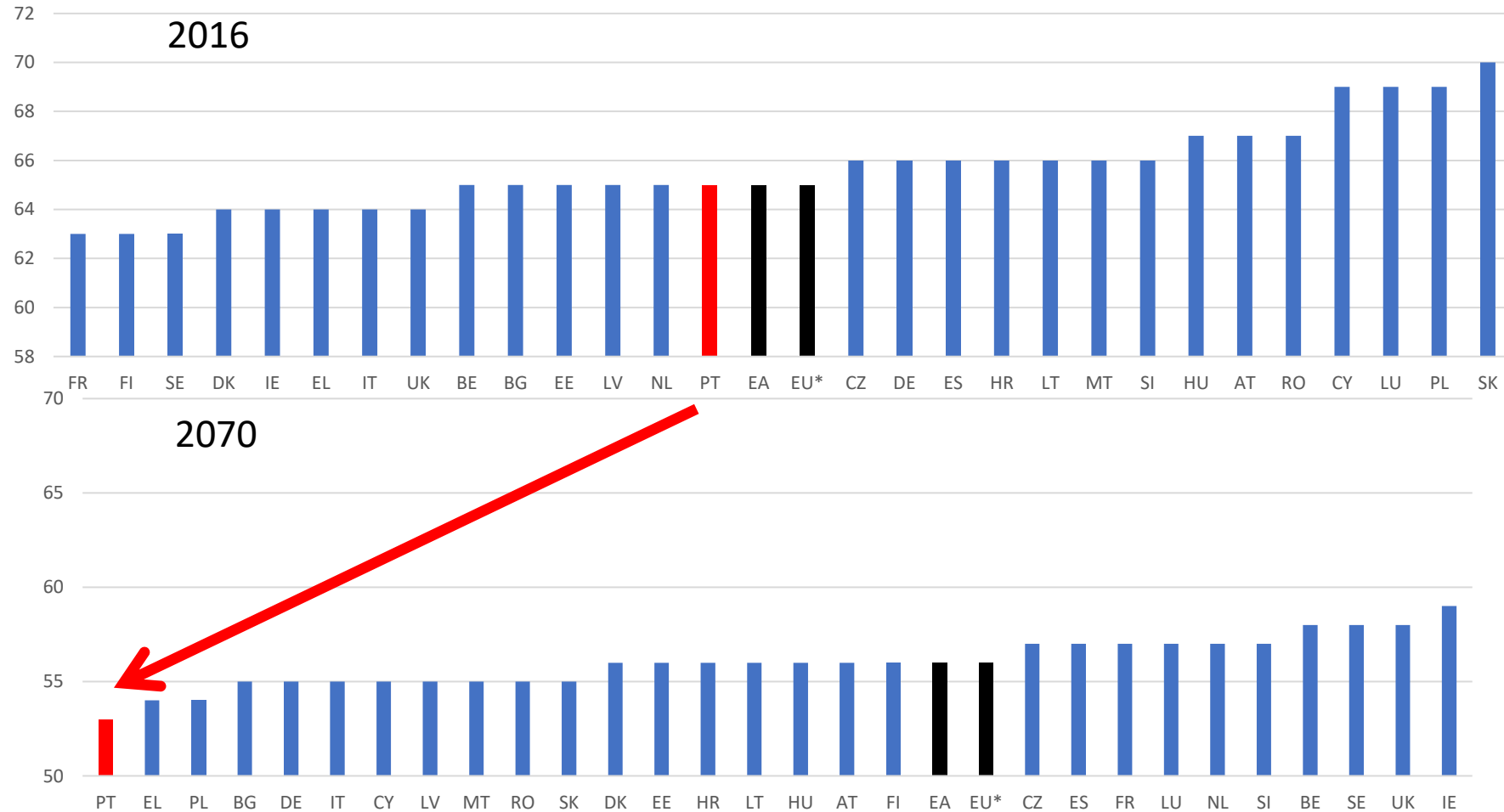


2.1. Human capital



Working age population (% total population)

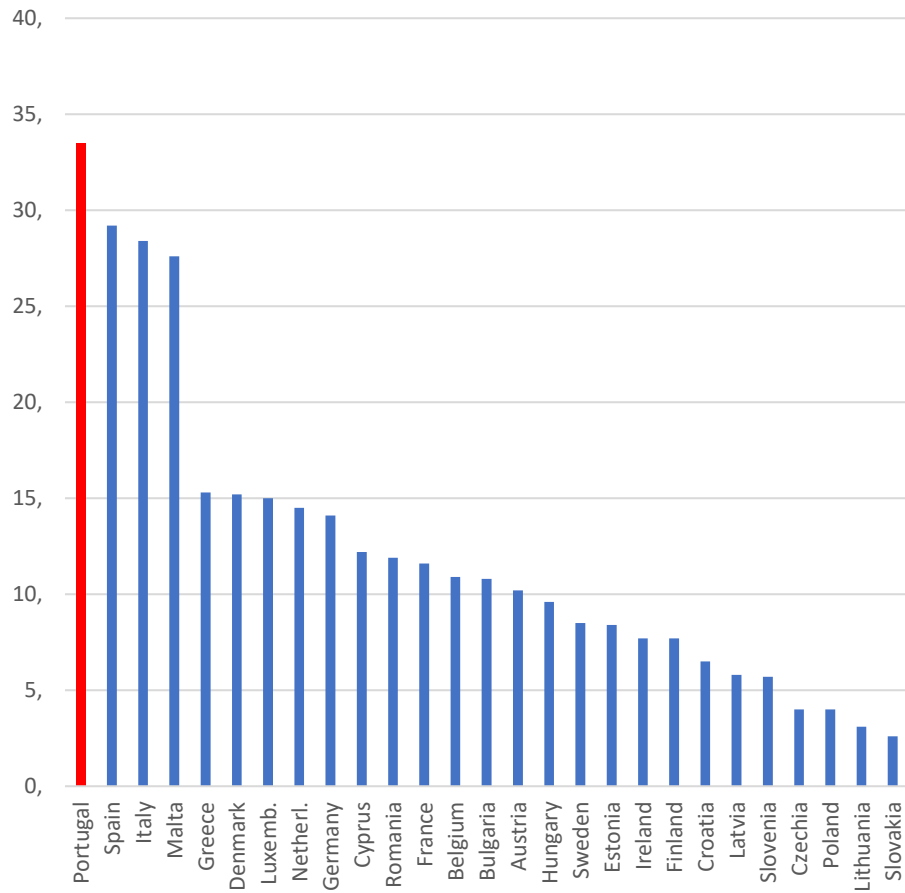
Working age population (15-64) as % of total population 2016



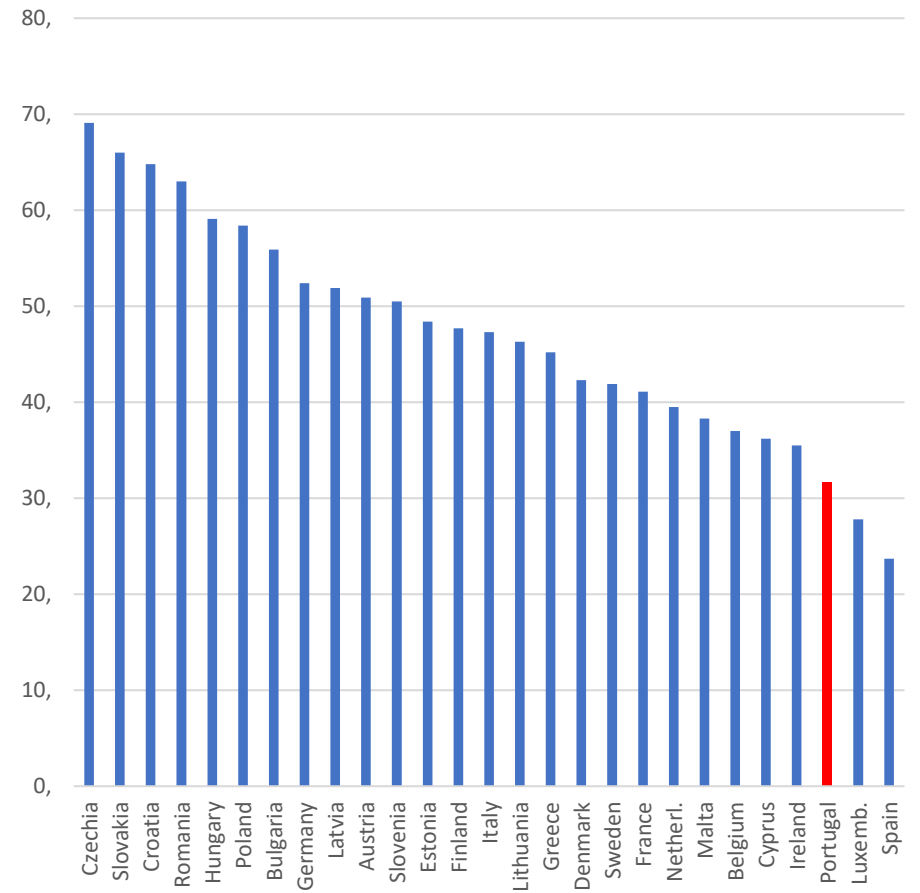
European Commission (2017) *The 2018 Ageing Report*. Economic and budgetary projections for the 28 EU Member States (2016-2070), European Economy, p. 22

Education of the labour force

Employment with lower secondary or less (%)

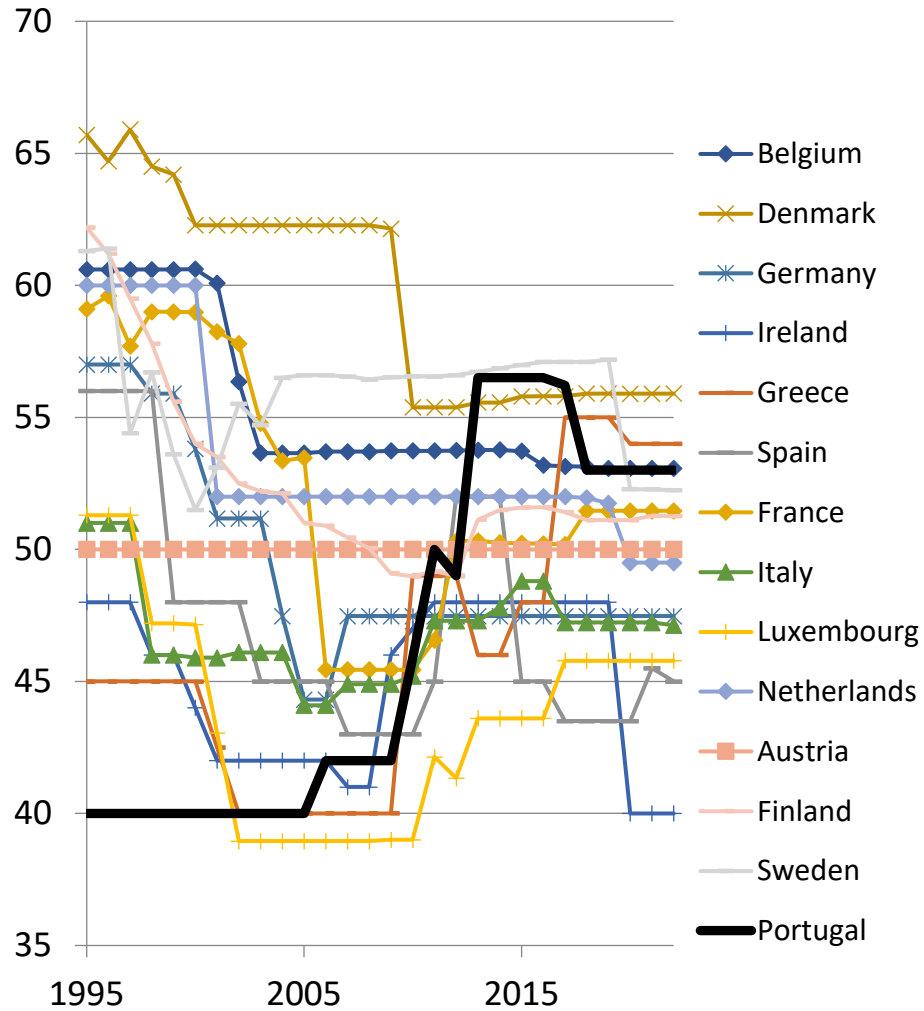


Employment with upper and post-secondary non-tertiary education (%)

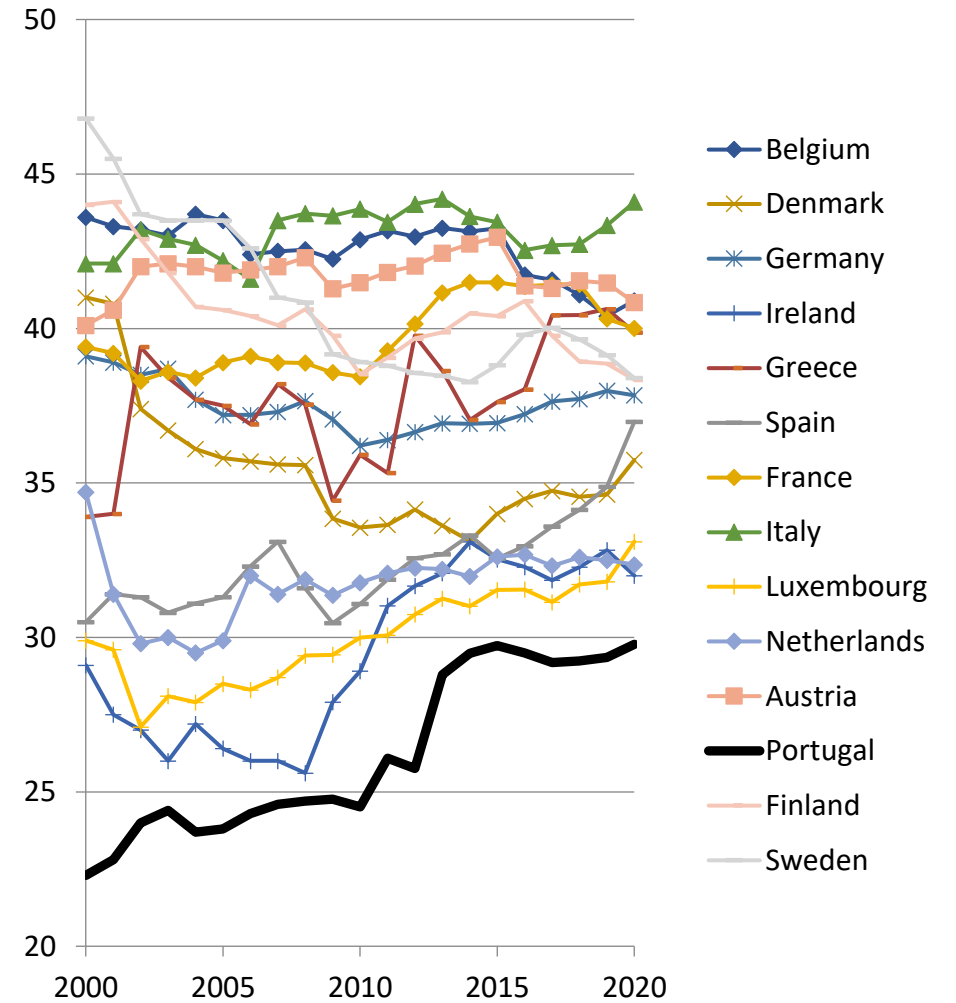


Taxes on employment (EU14)

Top statutory personal income



Implicit tax rates on labour

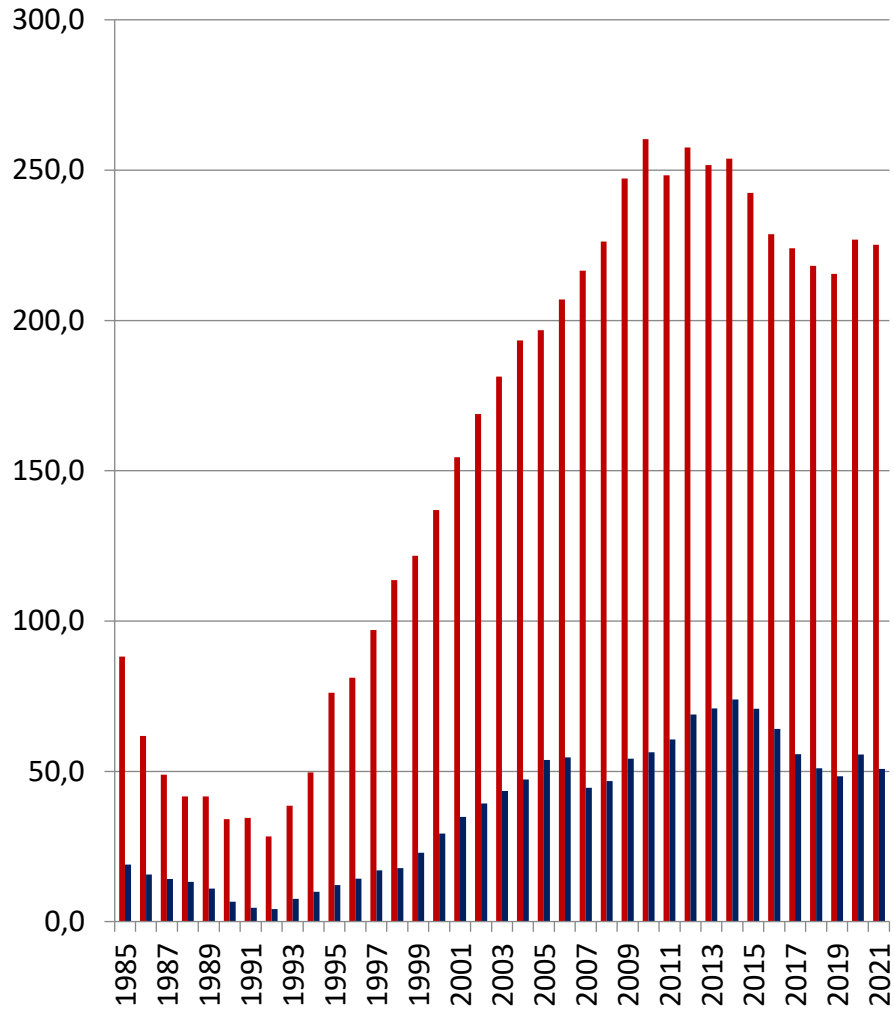


2.2. Financial capital

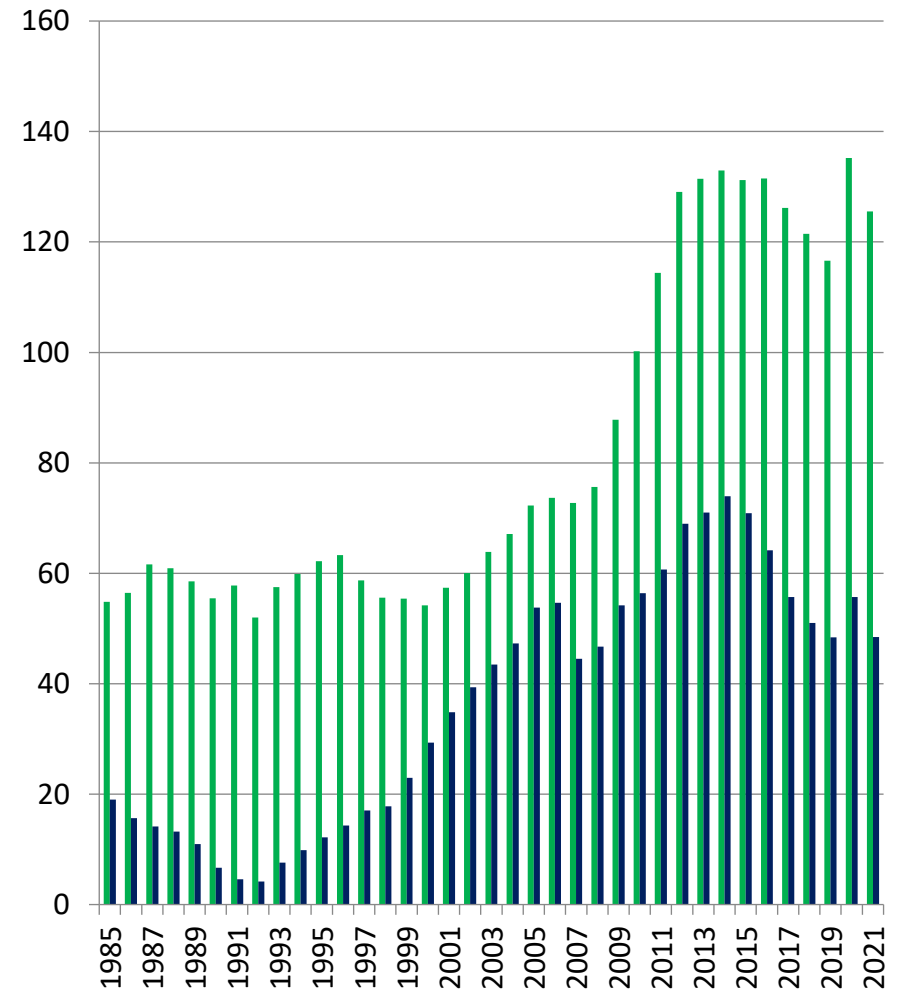


Highly indebted country

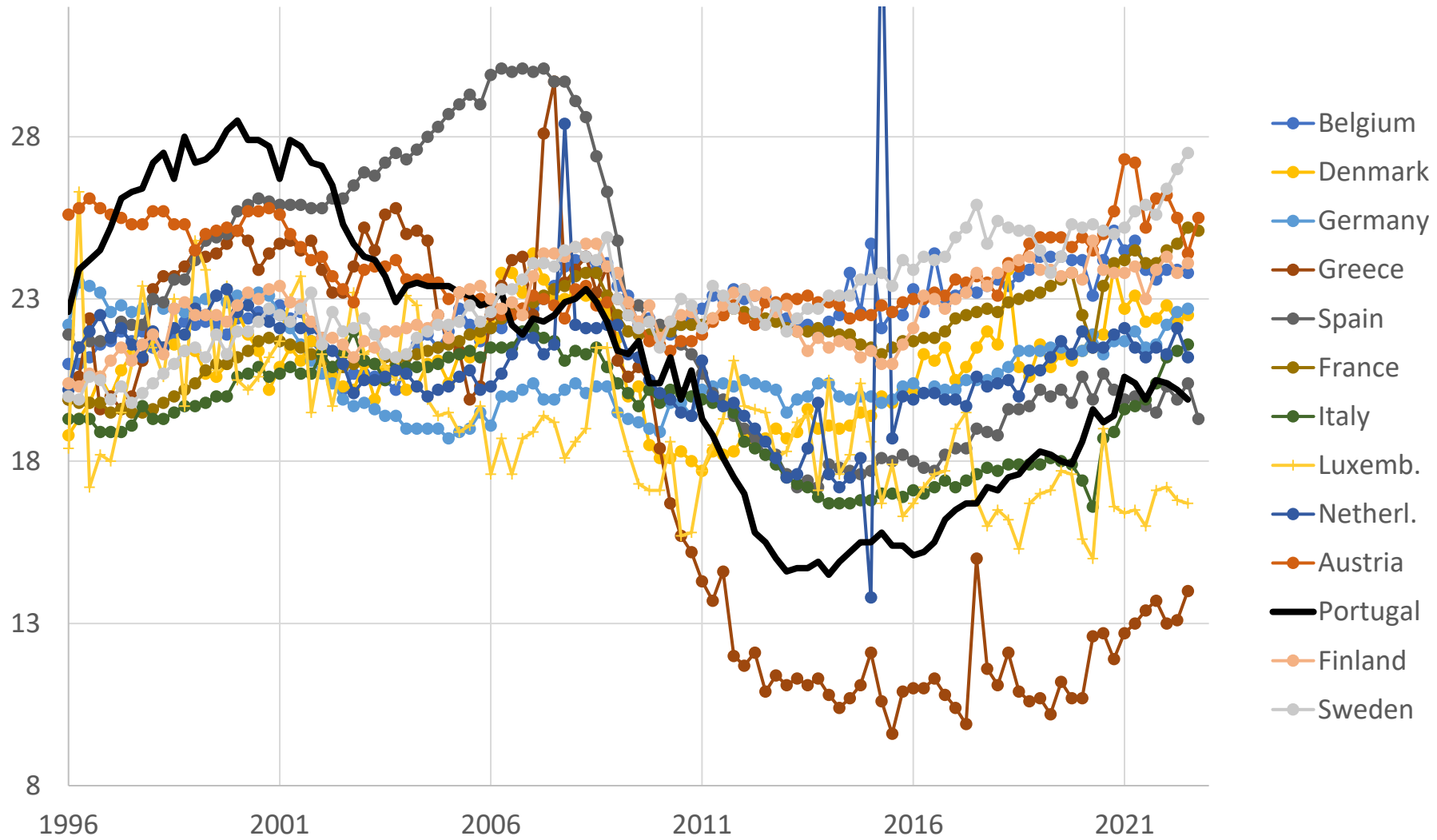
Gross external debt | (total and pub. % GDP)



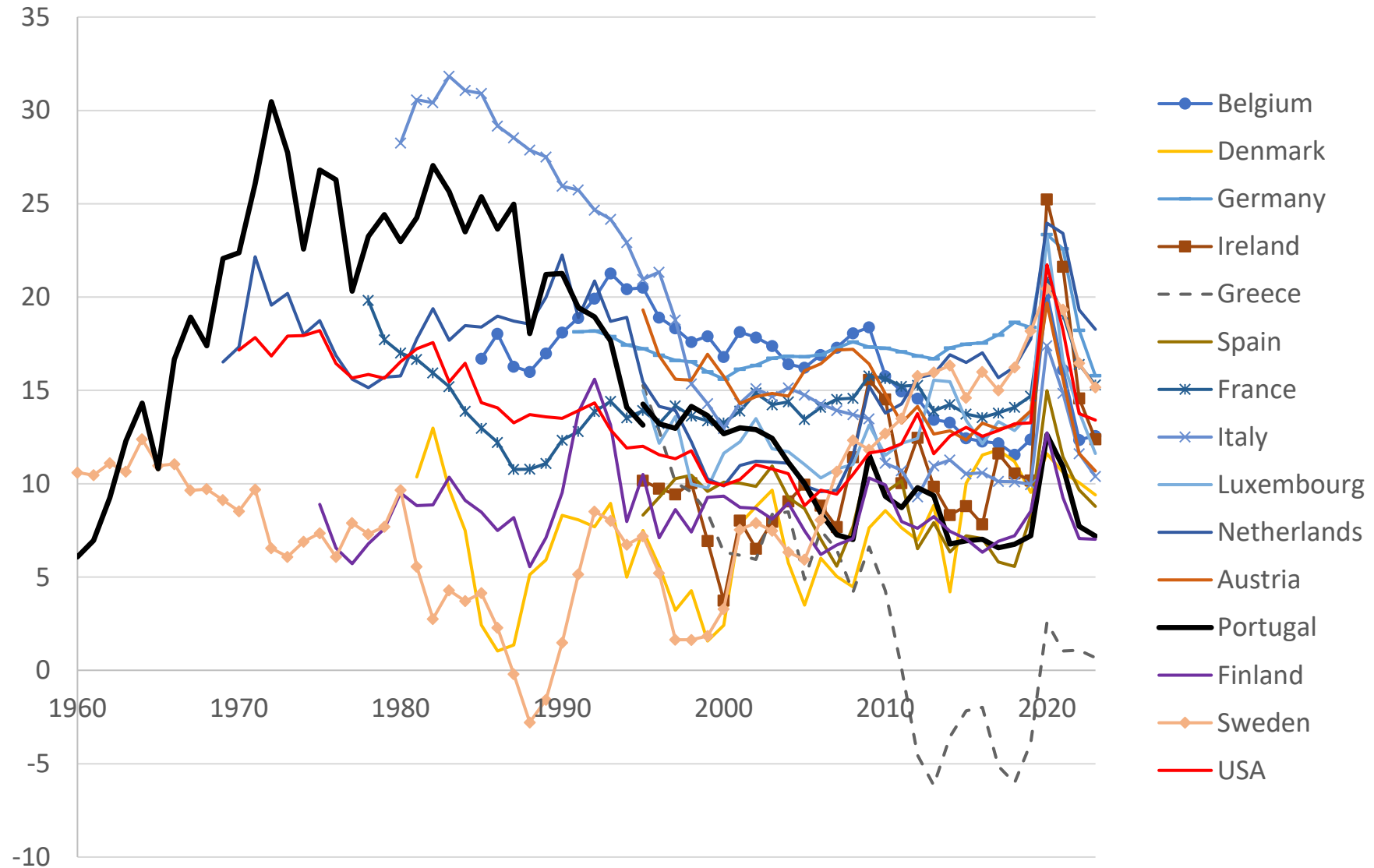
Public Debt | (total and ext., % GDP)



Investment rate EU 14 (% , no Ireland)

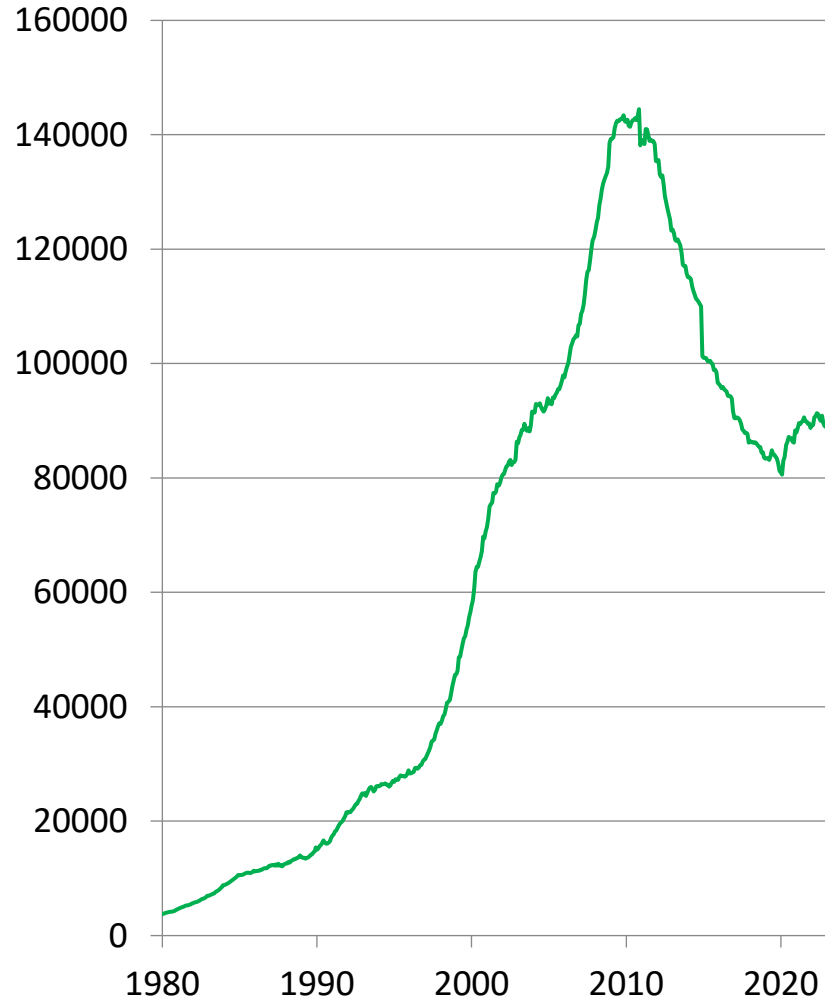


Gross savings rate (EU14, %)

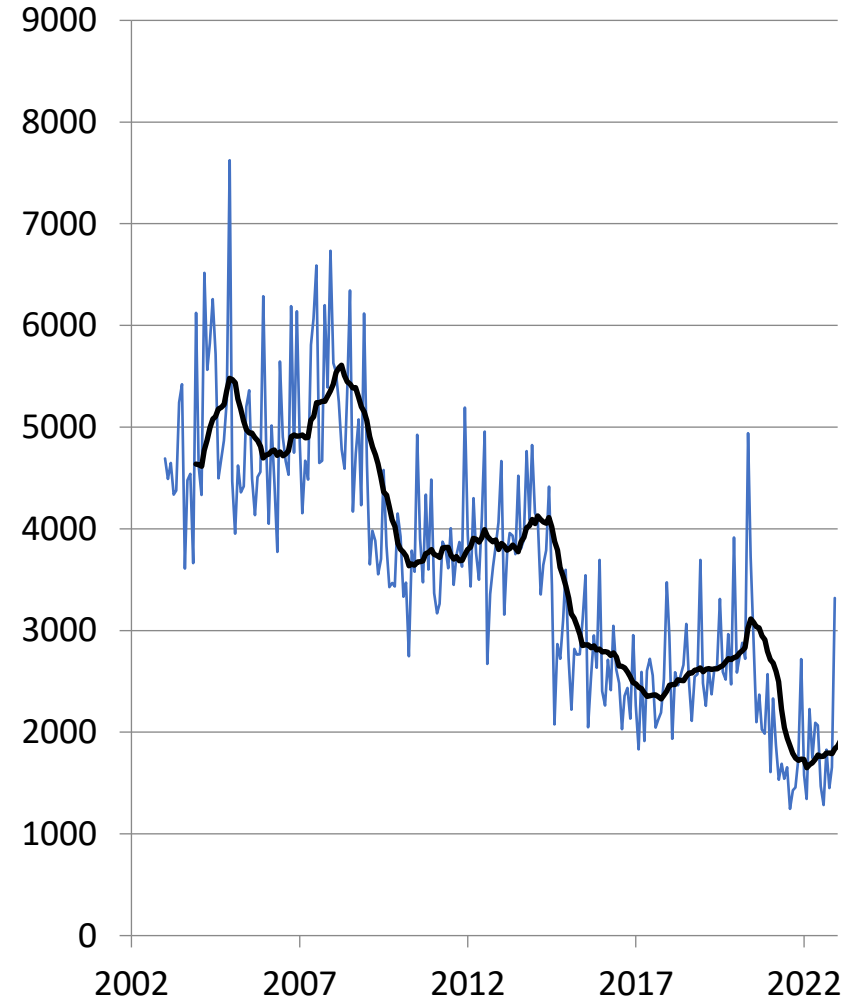


Credit to Corporations (million €)

Total Credit to corporations

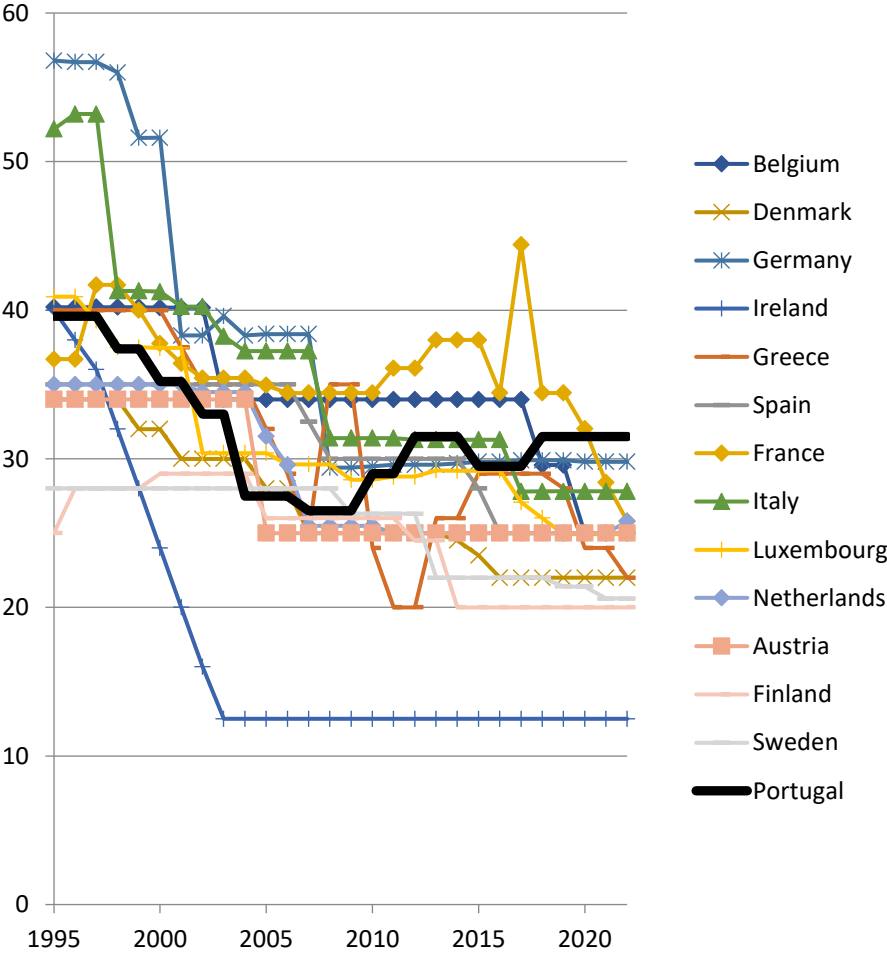


New loans to non financial corporations



Taxes on capital (UE14)

Top statutory corporate income tax rates



Overall Implicit tax rates on capital

