Portugal struggles with 'sick' economy: study

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Portugal is among the most striving EU countries to implement adjustment measures, but is also one of the unhealthiest economies, said a study released on Thursday.

Portugal ranks 5th in terms of its economic adjustment progress, following Greece, Ireland, Latvia and Spain, according to a study by Euro Plus Monitor, the authoritative competitiveness ranking jointly published each year by Brussels-based Lisbon Council think-tank and Germany's Berenberg Bank.

Portugal has been known as "the good pupil of the eurozone," strictly implementing austerity measures to meet the targets under the 78-billion-euro bailout program, which it signed in May 2011 with the troika of international lenders -- the European Commission, the International Monetary Fund and the European Central Bank.

The central-right coalition government has insisted that reforms are bearing fruit and will continue with budget discipline next year.

However, Portugal is struggling to bring down its debt, which stands at around 129 percent of GDP and Brussels has said that the country will fail to keep its budget deficit within the agreed limit of 3 percent of GDP.

The opposition has referred to the austerity-driven program as a failure, saying it has caused poverty and sky-rocketing unemployment especially among Portuguese youth.

Despite the collapse of the Lisbon-based Portuguese bank Banco Espirito Santo (BES) which culminated in a 4.9-billion-euro state rescue in August, the Portuguese government insists the country will reach its 1.5-percent growth target in 2015.