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Economic Outlook

January 2022

REPORT ON THE PERFORMANCE OF THE LABOUR MARKET IN 2021

Overview

- **Global growth loses momentum in the face of greater uncertainty and higher risks in the short term.**
- **Inflation remains high in many countries, recording the highest figures of recent decades, which could potentially accelerate monetary policy tightening.**
- **Oil prices fell in December on fears of an economic slowdown, but they have risen again in the first days of January.**
- **Spanish economy: in 2021, employment posted a positive performance but there was also an unexpected inflation surprise.**
- **GDP growth is expected to moderate in Q4 to around 1.5%.**
- **The outlook for 2022 remains highly uncertain due to a variety of factors, including: the evolution of the pandemic itself, high inflation, the impact of the European recovery plan, the extent of monetary policy normalization, and a slower global growth.**
- **The labour market performance in 2021 has been favourable, with a notable dynamism in job creation. However, seasonally adjusted effective registrations with the Social Security increased by 2.1% quarter-on-quarter in Q4- 2021, a milder increase than in Q3-2021.**
- **Average inflation in 2021 stood at 3.1% and core inflation at 0.8%.**
- **Strong momentum in tax collection in 2021, which has allowed for a modest reduction in the General Government's public deficit.**

REPORT ON THE PERFORMANCE OF THE LABOUR MARKET IN 2021
• **Average annual effective registrations with the Social Security in 2021 were still below 2019 levels**

The International Scenario

Increasing uncertainty and risks about growth prospects in the short term

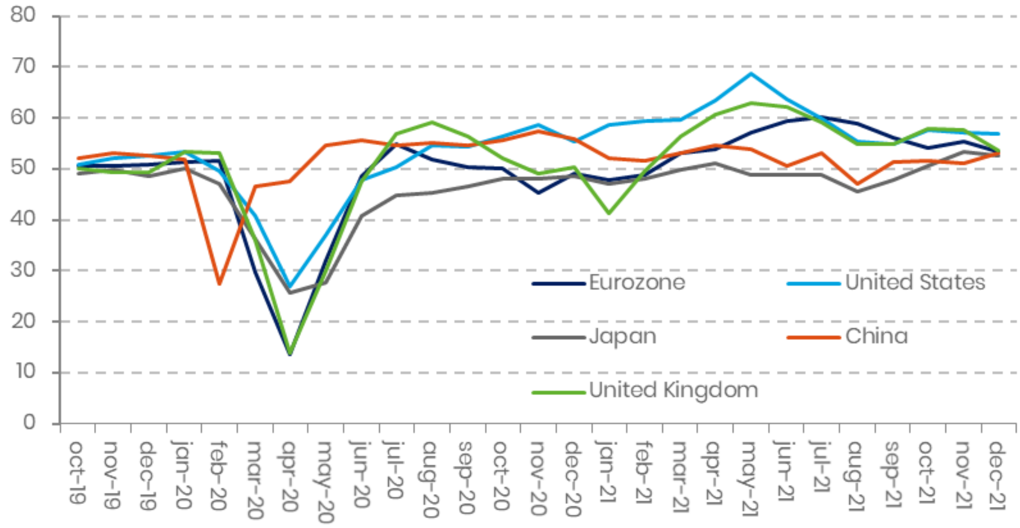
The year 2021 has been characterized by an uneven recovery of the global economy, following the plunge in activity seen in 2020. However, in the latter part of the year, the positive growth trend has lagged, impacted by bottlenecks in production and supply global chains. These supply and demand imbalances, together with the rise in commodity prices, especially in energy, are driving inflation to the highest levels seen in recent decades in various regions. The price tensions, which continued in December, are bringing forward the normalization of monetary policies by central banks, which could reduce the growth momentum in the coming months. This situation is coupled with the rapid advance of the Omicron variant, which may once again lead to restrictions limiting mobility and activity, and in turn negatively affect the global GDP growth rate.

In this context of greater uncertainty and risks to growth, among which it is worth highlighting the high public debt levels (the highest of the last half century), the evolution of COVID-19 and the ¨scarring¨ it may leave in certain economies, as well as high inflation and global supply-demand imbalances, the main international organizations saw a need to revise their growth forecasts for 2022 slightly downwards. In addition, in the early days of January, the World Bank, after having estimated an increase of 5.5% for global GDP in 2021, has lowered its estimates for the current year to 4.1%, two tenths under what it anticipated in June. By 2023, the institution sets growth at 3.2%, which will return to a pre-pandemic pace as built-up demand is diluted and fiscal and monetary support from governments and central banks is reduced.

The growth figures will show notable divergences across regions, with a greater risk for emerging and developing economies than for advanced economies due to the lower margin of action of the former to support activity, should they need it, and the greater financial vulnerability of their economies. In advanced economies, a growth of 3.8% is anticipated for 2022, following the 5.0% set for 2021, and it is expected to decelerate to 2.3% in 2023, thus recovering the estimated pre-pandemic trends in terms of production and investment. In contrast, in emerging economies, in 2022 growth is estimated at 4.6% overall, and in 2023 at 4.4%, after having posted an average growth of 6.3% in 2021. These growth rates would mean that by the end of 2023 these countries would still be around 4% below the trend estimated prior to the pandemic.

With regard to the most recent developments, the global composite PMI index for December fell by half a point, affected by the advance of the Omicron variant and its effects mainly on the services sectors. Nonetheless, it continues to show a global economy in clear expansion, with a more favourable evolution in China while the United States and the Eurozone experienced a certain slowdown, more pronounced in the case of Europe.

Composite PMI Index



Source: Markit Economics

Meanwhile, aside from the pandemic, inflation has continued to take centre stage at the international level over the last few months. In the United States, prices continued to climb, with the year-on-year rate in December standing at 7.0%, the highest since June 1982. The increase in prices is particularly noteworthy in energy, with a 29.3% rise, although the upward trend is generalised, with core inflation at 5.5%, the highest rate since February 1991.

With regard to the labour market, in December the number of jobs created was 199,000, significantly lower than expected and also lower than the 249,000 jobs created in November. Despite this more discreet performance of the labour market, the unemployment rate has continued to fall to 3.9% in December, the lowest since February 2020, when it stood at 3.5%. The explanation is that the labour force is still smaller than before the pandemic, which is generating wage pressures in many sectors.

In light of rising prices and labour market tensions, the Federal Reserve accelerated the tapering of its bond purchases, and a rate hike is expected for March. This would be the first hike since December 2018. For 2022, the Fed anticipated that there could be up to three rate hikes, and its chairman, Jerome

Powell, noted that high inflation could last until mid-year, indicating that the institution is ready to take additional measures if the situation extends beyond this timeline.

In the Eurozone, inflation also continued to rise in December to 5.0%, the highest rate in its historical series. Energy costs are the main drivers of the price increases, especially gas. This situation is aggravated by geopolitical tensions and higher energy demand in the winter months. Meanwhile, core inflation, although also at a record high of 2.6%, is still somewhat contained. In this respect, the Central Bank has insisted on the advisability of avoiding second-round effects that could make inflation more lasting over time.

In China, on the other hand, consumer prices are contained at 1.5%, but it is producer prices that are showing high rates, at 10.3% in December, albeit somewhat lower than the 12.9% recorded in November. Although the PMI indices point to some improvement in Q4 compared to Q3, the economy will continue to decelerate compared to the first half of the year, affected by production constraints, both from COVID-19 and energy prices, and by tensions in the real estate sector. These problems may also have an impact on house prices and, indirectly, on consumption due to the lower household wealth effect. An additional concern, and not just for China's dynamism, is the risk of the spread of the Omicron variant across the country, which, given the zero-tolerance policy on COVID-19 and the proximity of the Olympic Games, could lead to severe restrictions that would affect global supply chains.

As for oil, in December the price of Brent crude fell to $74.4/barrel on average, 9.2% lower than in November, although in annual terms it was 48% higher than in December 2020. The causes of the price decline were rising COVID infections and fears of a slowdown in global growth and demand for crude oil in 2022, along with the announcement by countries such as the US, China, India, and Japan to draw on their strategic reserves to contain prices. However, in the first days of January, oil prices rose sharply again, driven by the expectation that the effects of the Omicron variant on activity will be limited, while OPEC+ countries will continue to slowly increase production, which will keep global oil supply tight.

The Spanish Economy

2021: positive balance for employment and unexpected inflation surprise

The National Statistics Institute (INE) confirmed that the Spanish economy had a more positive performance in Q3, with quarter-on-quarter growth set at 2.6%, compared with the 2% initially estimated. The most relevant aspect has been the change in its composition, with a better performance of consumption and investment in capital goods, in line with the trends set by the indicators for these components. Growth expectations for Q4 point to a moderation in quarterly growth, which could be close to 1.5%.

In December, employment and registered unemployment performed favourably, confirming the analysis that 2021 was a positive year for the labour market. It recorded the second best-ever increase in the number of new registrations with the Social Security, up 776,478 in one year, and the fall in registered unemployment was also notable, with 782,232 fewer unemployed at the end of 2021. Nevertheless, unemployment remains very high at 3.1 million people as of the end of 2021, and the unemployment rate (14%) is still double that of the Eurozone (7.2%), according to the latest Eurostat figures.

The unexpected stand-out factor in 2021 was inflation, which reached levels not seen in decades, following years of moderate growth. Even so, for the year as a whole, the average CPI rate stood at 3.1% and the underlying rate was 0.8%. This increase in prices during 2021 is largely explained by the increase in the price of raw materials, mainly energy, and bottlenecks of various kinds, which have restricted supply. The base effect of 2020, when prices fell by -0.3%, should also be taken into account.

After a 2021 year-end with lowered growth expectations, with the final rate probably set between 4.8% and 5%, and inflation at record highs, the outlook for 2022 is still marked by enormous uncertainty due to several factors, among which the following stand out: (i) the evolution of the pandemic itself, with the unknown effect on the population of whatever new variants may arise and the subsequent consequences on economic activity; (ii) high inflation, its causes (bottlenecks, energy, raw materials) and its consequences (household income, savings, competitiveness); (iii) the impact of European recovery funds on our economy; (iv) the tightening of monetary policies and its effect on the different economies; and (v) lower global growth and its impact on our exports of goods and services.

Demand and Activity

Year-end activity recovery stalls as coronavirus cases rise

In Q3 the economy continued to register an improvement in activity (2.6% quarter-on-quarter, according to the INE's estimate published at the end of December), six tenths higher than the first estimate. With this figure, average growth in 2021 is expected to be slightly below 5%.

In the last two months of the year 2021, the emergence of the new, much more contagious Omicron variant has led to a rapid increase in the number of cases, even among the vaccinated population. As a result, the 14-day cumulative incidence rose from below 50 cases per 100,000 people in early November to over 3,100 per 100,000 people on January 12, and it continues on an upward trend. This sharp spike in cases in a short period of time has also led to an increase in hospitalisations and ICU occupancy, although not to the same extent as in previous waves. However, it is having a significant impact on activity due to the increase in quarantines among workers and it has led to a high cancellation of events, celebrations, and trips during the Christmas holiday period, when a month earlier the forecasts were optimistic.

This situation is compounded by the factors that were already weighing on activity, as mentioned in previous reports, such as the prices of raw materials, problems in the supply of materials and components, and the rising cost of transport.

In this scenario, Q4 figures point to a continued path of recovery, albeit possibly at a slower pace than initially expected. Thus, in November and December, consumer and retail trade expectations have worsened with respect to previous months. Confidence in the services sector, which had been improving significantly until November, also deteriorated sharply in December as the incidence in cases increased. Moreover, the PMIs, although still above the 50 level for both manufacturing and service sector activity, have shown a decline in recent months, especially in December.

The available indicators for household consumption in Q4 show a high level of dynamism, with spending on services increasing mainly in October and November while December saw a rise in spending on consumer goods, both food and durable consumer goods, but a slowdown in services (leisure, tourism, restaurants, etc.). At the beginning of 2022, household consumption is expected to continue to show remarkable dynamism, although it could be conditioned by high inflation and the current high incidence of the pandemic, which will take time to subside. On the other hand, the difficulties in car production due to the shortage of microchips, together with very subdued demand, are causing registrations to accumulate further declines. Thus, between January and December 2021, 859,477 units were sold, 1% more than in 2020, but 32% less than in the same period of 2019. In 2022, as component bottlenecks are resolved and built-up demand materialises, registrations are expected to recover.

From the point of view of the foreign sector, with information up to the month of October, there was a slight improvement in exports compared to imports. Thus, in the first ten months of the year and in terms of volume, exports increased by 13.3% year-on-year and imports grew by 12.7% year-on-year. The result of these flows was an accumulated trade deficit of €16.6289 billion for this period, 41.5% higher than in 2020 and 39.1% lower than in 2019. According to the Balance of Payments data published by the Bank of Spain, the accumulated 12 month-figure up to October 2021 for the Spanish economy recorded a foreign financing capacity of 21.2 billion, higher than the 14.7 billion in the same period of the previous year. This is a result of the improved performance of the current account balance, in turn due to the improvement in the balance of Tourism and travel, and of the capital account.

The latest available data on the tourism sector show that tourist arrivals increased in November, although they are still at lower levels than before the pandemic. Moreover, this trend is likely to slow down in December in light of the increase in the number of cases. In November, the inflow of international tourists stood at 3.3 million tourists, more than six times the previous year's figure, although it is still -28% below the number of tourists in November 2019. Similarly, total spending by international tourists in November reached €3.748 billion, still down 25%, compared to 2019.

The Labour Market

Favourable balance of the labour market in 2021

The labour market in 2021 showed a favourable balance, with a vigorous recovery in employment from spring onwards, and ending the year with positive figures, which even exceeded the end-2019 levels, both in absolute and effective terms (excluding furloughs). However, December 2021 saw a certain loss of intensity in the recovery. Moreover, for the year as a whole, it should be noted that, on average, effective employment in 2021 is still below the figures for 2019 (see the special report below). It should also be noted that the recovery is uneven across sectors. All these factors, together with a high level of unemployment, which exceeds three million people, the more than 100,000 workers who remain furloughed, the growing incidence of COVID-19 in recent weeks and the context of uncertainty and downside risks to the economic recovery, force us to remain cautious about the future evolution of the labour market.

The month of December, which is traditionally favourable for the labour market due to the drive of the Christmas season, was positive for Social Security registrations, with an increase of 72,553 jobs, although, unlike previous months, this was not a record increase. In the private sector, 39,078 new registrations were recorded, while the public sector added 33,475 workers. In seasonally adjusted terms, the number of new registrations increased for the eighth consecutive month. Specifically, in December they grew by 70,814 jobs, somewhat less sharply than in previous months.

Over the month of December, the number of workers under furlough schemes has continued to fall, although the rate of decline has slowed with respect to previous months. At the end of the month, there were a total of 124,087 people in this situation, of which 102,548 correspond to furloughs linked to COVID-19; 20,124 refer to furloughs not linked to COVID-19 (almost one in three workers in this type of furlough belongs to the automotive sector); and 1,415 are related to furloughs due to the eruption of the volcano on La Palma. Moreover, we should bear in mind that 108,178 self-employed workers are receiving extraordinary benefits.

The number of people registered with the Social Security ended 2021 at 19.8 million, a record high and 776,478 more than in December 2020. Meanwhile, the balance of employment in Q4 was positive, although job creation was less intense than in Q3. Specifically, seasonally adjusted effective registrations (discounting furloughs) grew by 2.1% quarter-on-quarter, compared with the increase of 3.4% recorded in Q3.

Inflation

Average inflation in 2021 stood at 3.1% and core inflation at 0.8%

In December, inflation rose to a record high of 6.5%, with higher energy prices being the main inflationary element. However, the average for the year stood at 3.1%, confirming that the CPI behaved quite differently throughout the year, posting 0.5% in January in contrast with the one-off figure at the end of the year.

Core inflation rose by four tenths to 2.1% year-on-year in December. For the year as a whole, the average rate was 0.8%. This behaviour in core inflation is more in line with the trend in the GDP deflator, which averaged 1.3% in the first three quarters of 2021.

Within the core component, Services prices increased their year-on-year rate by one tenth to 1.8%; Industrial goods prices, excluding energy products, increased by three tenths to 1.4%; and Processed foods, beverages and tobacco accelerated their year-on-year rate by one percentage point to 3.5%.

Non-processed food prices increased by 2.6 percentage points year-on-year to 6.5%. The increase in the prices of all types of meat is worth noting, especially lamb (21.8%), and fish, whose evolution may be conditioned by the increase in demand in the run-up to the Christmas holidays, although fresh fruit and vegetables also recorded high growth (9% and 8%, respectively).

Energy prices are the most inflationary component of the CPI, with a year-on-year rate of 40.2%. Electricity prices, together with fuels and liquid fuels, are still growing at very high year-on-year rates. In December, the price of Brent crude fell to an average of $74.4/barrel, -9.2% lower than in November, although in annual terms it was 48% higher than in December 2020. In the first days of January, oil prices have risen again, driven by expectations that the Omicron variant will have a limited effect on activity. So far this month it has averaged around $83/barrel, which would generate year-on-year increases of close to 64% in euro terms. These rates will be progressively reduced as the year progresses due to the mild moderation in crude oil prices anticipated by the futures market and the base effects in 2021.

The Public Sector

The public deficit continued to shrink in 2021, but the reduction is smaller at the State level

At the end of Q3-2021, the General Government deficit stood at €48.459 billion, 36.3% lower than in the same period of 2020. In terms of GDP, it represents -4.0%, compared with the -6.8% accumulated in the same period of 2020. The smallest adjustment continues to fall on the State, in comparison to the surplus reported by the Autonomous Regions and Local Governments, while the Social Security has a lower deficit than in 2020.

If interest expenditure is subtracted from this balance, the primary deficit fell to -2.4% of GDP up to September from -5.1% of GDP in the same period of 2020. The economic recovery and lower pandemic spending, which fell by -27.8%, explain this narrowing of the budget imbalance in 2021, which is expected to close below -8% of GDP. Nevertheless, these are still high levels and far from the targets that Europe considers sustainable (-3% of GDP).

With preliminary information up to November for the Central Government, the State continues to reduce its deficit balance, but very gradually. With one month to go before the end of 2021, the deficit in national accounting terms was set at -5.4% of GDP, one percentage point lower than in the same period for 2020. Resources are still very dynamic, with an increase of 18.0% up to November, while expenditure points to a growth of 9.6%.

Within tax revenue, it is worth highlighting the increase in revenue from VAT, personal income tax and corporate income tax, which together account for 90.7% of the increase recorded in overall taxes. Thus, VAT revenue rose by 17.7%, personal income tax by 21.8% and corporate income tax by 30.7%.

Non-financial allocations continue to be driven by COVID-related spending, which in 2021 amounted to 27.16 billion. Within this, it should be noted that the largest amounts in 2021 correspond to transfers to other public administrations and expenditure on vaccines, as well as the COVID line of direct aid to self-employed workers and companies. Among the rest of the expenditure not linked to the pandemic, of note are the new transfers made to the System in 2021, expenditure on Dependency, which rose by 56.3%, the financing of the Minimum Vital Income, the transfer to the National Employment Service (SEPE) and the greater contribution per GNI resource.

Average annual effective registrations with the Social Security in 2021 were still below 2019 levels

2021 closed with a positive balance in employment terms, although uneven across sectors

The balance for the labour market in 2021 was positive, with a remarkable dynamism in job creation since last spring. In terms of Social Security registrations, this meant that the year ended with both absolute and effective levels (excluding workers under furlough schemes-ERTEs) higher than those recorded at the end of 2019.

However, with the release of the official number of people registered with the Social Security in December, it has been possible to calculate the annual average, which gives us an initial overview of how employment performed in 2021. Thus, the number of people registered with the Social Security reached 19,357,309 jobs on average in 2021, representing a year-on-year growth of 2.5%, or nearly 476,000 workers. This brings the employment figures in 2021 to 0.4% above the ones for 2019, before the pandemic, an increase of 79,491 workers.

SOCIAL SECURITY REGISTRATIONS

	Total employment	Effective employment (excluding furloughs)	Public sector employment	Private sector employment	Effective employment in the private sector (excluding furloughs)
Level (number of jobs)					
2019	19,277,818	19,277,818	2,545,278	16,732,541	16,732,541
2020	18,881,311	17,653,425	2,622,913	16,258,398	15,030,512
2021	19,357,309	18,909,226	2,771,167	16,586,142	16,138,059
Change in the number of jobs					
From 2019 to 2020	-396,507	-1,624,393	77,636	-474,143	-1,702,029
From 2020 to 2021	475,998	1,255,801	148,254	327,744	1,107,547
From 2019 to 2021	79,491	-368,592	225,890	-146,399	-594,481
Percentage change					
From 2019 to 2020	-2.1	-8.4	3.1	-2.8	-10.2
From 2020 to 2021	2.5	7.1	5.7	2.0	7.4
From 2019 to 2021	0.4	-1.9	8.9	-0.9	-3.6

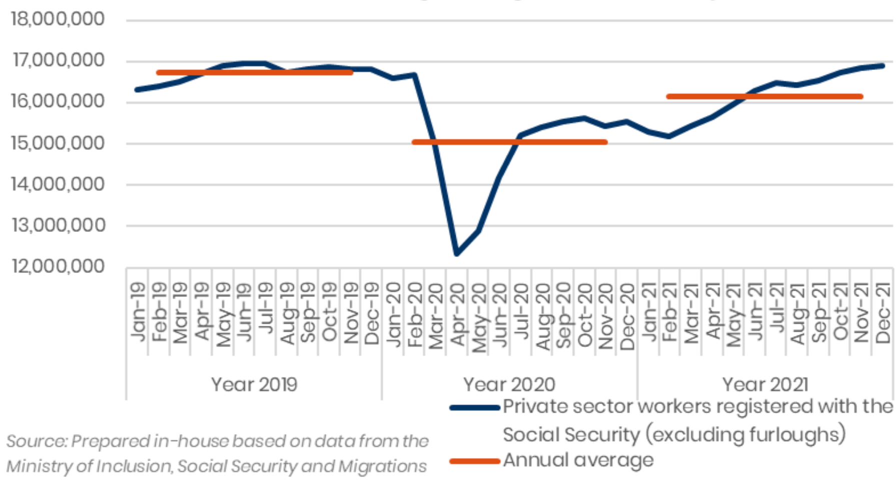
Source: Prepared in-house based on data from the Ministry of Inclusion, Social Security and Migrations

These results for total employment are conditioned by the presence of two factors: the existence of the furlough schemes, which have prevented further job destruction during the economic crisis, and which still affect more than 100,000 workers; and the significant strength of employment in the public sector, which has contributed twofold: firstly, to reduce the intensity in job destruction and, subsequently, to improve job creation in the economic recovery phase.

As a result, the average effective employment for 2021 calculated in terms of Social Security registrations minus workers under furlough is below the levels in 2019 by 368,592 jobs, or -1.9%. This is consistent with the fact that hours worked were also lower in 2021 than in 2019.

In addition, it is also worth making a distinction between the employment performance of the public sector in comparison to the private sector. Thus, Social Security registrations from the public sector grew by 8.9% in 2021 compared with the figures for 2019, which means an increase of 225,890 workers over the past two years.

Meanwhile, the employment performance in the private sector is much more uneven. The economic recovery, although less intense than initially expected, has allowed many companies to resume their activity and increase their workforces, with a year-on-year increase of 2.0% in 2021 and 7.4% in effective terms, according to Social Security registrations. However, this economic and labour market drive has not been enough to return, on annual average, to pre-pandemic levels. Indeed, employment, in terms of the number of workers registered with the Social Security in the private sector, decreased by 146,399 workers in 2021 in relation to 2019, or -0.9%. Moreover, in terms of actual employment in the private sector, the gap is wider, as levels in 2021 are below those in 2019 by -3.6%, representing 594,481 fewer jobs.



Source: Prepared in-house based on data from the Ministry of Inclusion, Social Security and Migrations

The economic activity and labour market recovery is proving to be uneven among the sectors that make up our country's productive fabric. Thus, by the end of 2021 there were quite a few sectors which, in terms of the effective number of registered workers, had already returned to and even surpassed the pre-crisis levels of two years ago, specifically 50 areas of the 87 sectors analysed in the two-digit CNAE (National Classification of Economic Activities). But there is also a considerable group of sectors (37 out of 87 areas of activity) in which their effective employment levels are below pre-crisis figures (in this box, the information by activity refers to the General Scheme and the Special Scheme for Self-Employed Workers).

Among the areas that are still below December 2019 levels, the most notable are those related to tourism and leisure, which have been hit hard by the crisis: food and beverage services, accommodation, travel agencies, air transport and gambling activities. Retail trade has also been affected by pandemic restrictions and changes in consumer habits and still has some way to go to reach pre-crisis levels, similarly to apparel manufacturing and the leather and footwear industry, both within the manufacturing sector. The automotive sector also has lower employment levels than in 2019, as, in this sector, the COVID-19 crisis is coupled with international supply and raw material problems, which are hurting the manufacturing of motor vehicles and other transport equipment as well as the sale of vehicles.

Among the areas that are already at higher levels than at the end of 2019, the following stand out: those linked to the public sector, such as health, education and the public administration; areas linked to the construction sector; employment-related activities; activities related to digitalisation, which has had an enormous boost and importance since the outbreak of the pandemic, such as IT activities; areas related to the boom in e-commerce as a result of the mobility restriction measures, such as postal and courier activities or warehousing and related transport activities; some sectors with a high level of skilled employment, such as research and development and activities carried out in headquarters and business consultancy; building services activities, due to the increased need to reinforce cleaning services in spaces in response to the successive waves of the pandemic; and among manufacturing, it is worth highlighting the food industry, which has played an essential role since the pandemic began.

In summary, 2021 has been a positive year for the labour market, albeit unevenly across sectors. Even so, on average for the year, effective employment levels, in terms of the number of people registered with the Social Security (excluding those under furlough), are still below 2019 levels. Particularly noteworthy is the case of effective employment in the private sector, which in 2021 is almost 600,000 jobs lower (-3.6%) than in 2019, before the outbreak of the pandemic. In contrast, employment in the public sector is almost 9% above the 2019 figures, which is almost 226,000 additional workers. Moreover, it should be borne in mind that there are still areas of activity that have some way to go to reach pre-crisis employment levels, such as those related to tourism and leisure and the automotive sector. On the other hand, areas related to the public sector, digitalisation, the food industry, as well as some sectors with a high proportion of skilled employment, stand out for having reached and even surpassed pre-crisis levels.

AREAS OF ACTIVITY THAT ARE BELOW THE PRE-CRISIS EFFECTIVE EMPLOYMENT LEVELS (CHANGE FROM DECEMBER 2019 TO DECEMBER 2021)			
	Area of activity	Change in jobs	Percentage change
56	Food and beverage service activities	-71,201	-5.4
55	Accommodation	-30,173	-11.4
79	Travel agency, tour operator and other reservation service	-21,821	-33.9
29	Manufacture of motor vehicles, trailers and semi-trailers	-17,903	-11.1
47	Retail trade, except of motor vehicles and motorcycles	-15,377	-0.8
77	Rental and leasing activities	-9,719	-10.3
64	Financial service activities, except insurance and pension fund.	-9,242	-4.4
45	Wholesale and retail trade and repair of motor vehicles	-8,889	-2.6
51	Air transport	-8,599	-21.9
95	Repair of computers and personal and household goods	-6,727	-10.0
14	Manufacture of wearing apparel	-4,379	-9.3
94	Activities of membership organisations	-3,835	-2.7
18	Printing and reproduction of recorded media	-3,735	-5.1
30	Manufacture of other transport equipment	-3,731	-6.6
92	Gambling and betting activities	-3,691	-9.7
15	Manufacture of leather and related products	-3,439	-7.9
93	Sports activities and amusement and recreation activities	-3,228	-1.4
96	Other personal service activities	-3,027	-0.9
24	Manufacture of basic metals	-2,587	-3.3
28	Manufacture of machinery and equipment n.e.c.	-2,023	-1.6
11	Manufacture of beverages	-1,776	-3.6
97	Activities of households as employers of domestic personnel	-1,701	-4.0
58	Publishing activities	-1,559	-3.1
25	Manufacture of fabricated metal products, except machinery	-1,422	-0.5
60	Programming and broadcasting activities	-1,081	-4.2
65	Insurance, reinsurance and pension funding	-610	-1.0
19	Manufacture of coke and refined petroleum products	-522	-6.1
91	Libraries, archives, museums and other cultural activities	-496	-2.8
90	Creative, arts and entertainment activities	-437	-0.7
13	Manufacture of textiles	-287	-0.6
99	Activities of extraterritorial organisations and bodies	-184	-5.0
50	Water transport	-173	-15.5
03	Fishing and aquaculture	-90	-3.0
16	Manuf. of wood and of prod. of wood and cork, except furniture	-71	-0.1
09	Mining support service activities	-40	-3.2
05	Mining of coal and lignite	-30	-20.4
06	Extraction of crude petroleum and natural gas	-7	-4.4

Note: the information refers to the General Scheme and the Scheme for Self-Employed Workers
Source: Prepared in-house based on data from the Ministry of Inclusion, Social Security and Migrations

AREAS OF ACTIVITY THAT HAVE SURPASSED THE PRE-CRISIS EFFECTIVE EMPLOYMENT LEVELS (CHANGE FROM DECEMBER 2019 TO DECEMBER 2021)

	Area of activity	Change in jobs	Percentage change
86	Human health activities	101,900	9.0
84	Public administration and defence; compulsory social security	66,316	5.9
85	Education	61,763	5.7
62	Computer programming, consultancy and related activities	53,978	15.9
88	Social work activities without accommodation	30,263	9.4
43	Specialised construction activities	26,393	3.6
81	Services to buildings and landscape activities	25,857	4.2
41	Construction of buildings	24,449	5.3
78	Employment activities	21,800	9.9
71	Architectural and engineering activities	15,772	6.1
70	Activities of head offices; management consultancy activities	13,238	11.0
82	Office administrative, office support and other busin. sup. Act.	12,671	3.7
52	Warehousing and support activities for transportation	12,365	6.1
10	Manufacture of food products	10,056	2.5
72	Scientific research and development	9,895	10.7
74	Other professional, scientific and technical activities	8,907	6.4
53	Postal and courier activities	7,196	7.9
87	Residential care activities	6,936	2.4
46	Wholesale trade, except of motor vehicles and motorcycles	5,802	0.6
80	Security and investigation activities	5,783	4.2
69	Legal and accounting activities	5,415	1.7
38	Waste collection, treatment and disposal act.; materials recov.	4,679	4.8
20	Manufacture of chemicals and chemical products	4,321	4.4
59	Motion picture, video and television programme production	3,671	8.0
68	Real estate activities	3,598	2.5
73	Advertising and market research	3,233	2.8
23	Manufacture of other non-metallic mineral products	3,213	3.3
21	Manuf. of basic pharmaceutical prod. and pharmac. Prepar.	2,862	5.3
61	Telecommunications	2,656	3.5
31	Manufacture of furniture	2,277	3.6
75	Veterinary activities	2,252	8.3
66	Activities auxiliary to financial services and insurance activ.	2,236	2.0
26	Manufacture of computer, electronic and optical products	1,597	5.5
02	Forestry and logging	1,586	6.3
33	Repair and installation of machinery and equipment	1,521	1.5
42	Civil engineering	1,409	2.6
36	Water collection, treatment and supply	1,151	2.6
49	Land transport and transport via pipelines	1,025	0.2
01	Crop and animal production, hunting and related service activ.	911	0.3
32	Other manufacturing	820	2.2
17	Manufacture of paper and paper products	671	1.5
63	Information service activities	601	1.7
35	Electricity, gas, steam and air conditioning supply	417	1.2
27	Manufacture of electrical equipment	410	0.9
37	Sewerage	273	4.8
39	Remediation activities and other waste management services	208	10.0
08	Other mining and quarrying	75	0.5
07	Mining of metal ores	40	1.2
22	Manufacture of rubber and plastic products	33	0.0
12	Manufacture of tobacco products	12	0.7

Note: the information refers to the General Scheme and the Scheme for Self-Employed Workers
Source: Prepared in-house based on data from the Ministry of Inclusion, Social Security and Migrations

CEOE Empresas Españolas

Informe Economía

Forecasts

Economic forecasts for Spain (last update: January 2022) Annual rates of change, unless otherwise indicated	2017	2018	2019	2020	2021	2022
GDP	3.0	2.3	2.1	-10.8	4.8	5.0
Private consumption expenditure	3.0	1.8	0.9	-12.2	4.4	5.9
Government consumption expenditure	1.0	2.3	2.0	3.3	3.1	2.2
Gross fixed capital formation	6.8	6.3	4.5	-9.5	3.7	4.5
-Tangible fixed assets	7.0	6.2	1.7	-10.2	3.6	4.8
Construction	5.9	6.6	0.8	-8.8	-3.1	2.4
Equipment and cultivated assets	8.5	5.6	3.0	-12.3	14.8	8.1
-Intangible fixed assets	2.9	1.1	-1.5	-4.3	3.9	3.3
Domestic demand (*)	3.0	2.6	1.5	-8.3	4.3	3.8
Exports	5.5	1.7	2.5	-20.1	12.9	11.2
Imports	6.8	3.9	1.2	-15.2	11.6	7.9
External demand (*)	0.0	-0.3	0.6	-2.5	0.5	1.2
GDP current prices	4.3	3.6	3.4	-9.8	6.3	6.8
GDP deflator	1.3	1.3	1.3	1.0	1.5	1.8
CPI (average annual rate)	2.0	1.7	0.7	-0.3	3.1	2.3
Core CPI (average annual rate)	1.1	0.9	0.9	0.7	0.8	1.3
Employment (Quarterly National Accounts)(**)	2.9	2.2	2.6	-7.6	5.9	3.5
Employment (LFS)	2.6	2.7	2.3	-2.9	2.9	2.7
Unemployment rate (LFS) (% active population)	17.2	15.3	14.1	15.5	15.1	14.2
Productivity	0.1	0.1	-0.5	-3.5	-1.1	1.5
Compensation per employee	0.7	1.8	2.6	1.3	-0.3	2.0
Unit labour cost (ULC)	0.6	1.7	3.1	5.0	0.9	0.5
Current Account Balance (% of GDP)	2.8	1.9	2.0	0.7	1.2	1.5
General government net lending (+) / net borrowing (–) (% of GDP)	-3.0	-2.5	-2.9	-11.0	-7.8	-6.2
Interest rates USA (dec)	1.50	2.50	1.75	0.25	0.25	1.00
Interest rates Eurozone (dec)	0.00	0.00	0.00	0.00	0.00	0.00
Brent Oil ($)	54.3	70.9	64.8	41.5	71.1	82.0

Source: CEOE, INE (National Statistics Institute), Banco de España, Eurostat

(*) Contribution to GDP growth

(**) Full-time equivalent jobs