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# Economic and Business Outlook

December 2023

# Overview

- **Global GDP growth is losing momentum and the OECD revises its forecast for 2023 downwards, suggesting that the economy will remain weak next year as well.**
- **Inflation continues to show signs of slowing down, making it easier for the main monetary authorities to keep interest rates unchanged and to start talking about future cuts.**
- **Oil prices continue to fall despite OPEC+ cuts, due to increased production outside the cartel.**
- **The OECD, the latest body to update its forecasts, estimates that Spanish GDP will increase by 1.4% in 2024, in line with CEOE, and 2.0% in 2025.**
- **The Spanish economy continues its slowdown and could end the year with growth somewhat lower than in Q3. For 2023, GDP growth will be around 2.4%**
- **Inflation eased to 3.2% in November, as core inflation slowed down.**
- **Social Security registrations lose momentum in the final stretch of the year compared with the strong job creation recorded in the first part of 2023.**
- **As we wait for specifics on the General State Budget for 2024, the Government is proposing an expansionary spending policy which, it seems, will be supported by an increase in the tax burden. This is the least favourable combination for stimulating investment and competitiveness.**

Note: This report includes a section analysing the current state of business activity based on several existing indicators.

# The International Scenario

## The slowdown in inflation makes it possible for monetary authorities to consider ending the rate hikes

The slowdown in the economy in the second half of the year is leading international organisations to revise their global growth forecasts downwards. At the end of November, the OECD cut its estimates for 2023 by one tenth to 2.9% and kept them at 2.7% for 2024, while suggesting a certain recovery in 2025, when global GDP is expected to increase by 3.0%. These forecasts highlight the weakness of the world economy, with growth, this year as well as in the coming years, significantly below the average rate of 3.4% recorded in the pre-pandemic years.

**OECD Forecasts** (november 2023)

| | GDP | | | Inflation | | |
|---|---|---|---|---|---|---|
| (y-o-y rate) | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
| **World** | 2,9 | 2,7 | 3,0 | | | |
| **OECD** | 3,1 | 2,8 | 3,0 | 7,4 | 5,3 | 3,9 |
| **United States** | 2,4 | 1,5 | 1,7 | 3,9 | 2,8 | 2,2 |
| **Japan** | 1,7 | 1,0 | 1,2 | 3,2 | 2,6 | 2,0 |
| **Eurozone** | 0,6 | 0,9 | 1,5 | 5,5 | 2,9 | 2,3 |
| **Germany** | -0,1 | 0,6 | 1,2 | 6,2 | 2,7 | 2,1 |
| **France** | 0,9 | 0,8 | 1,2 | 5,7 | 2,7 | 2,2 |
| **Spain** | 2,4 | 1,4 | 2,0 | 3,5 | 3,7 | 2,3 |
| **Italy** | 0,7 | 0,7 | 1,2 | 6,1 | 2,6 | 2,3 |
| **UK** | 0,5 | 0,7 | 1,2 | 7,3 | 2,9 | 2,5 |
| **China** | 5,2 | 4,7 | 4,2 | 0,4 | 1,0 | 1,5 |
| **India** | 6,3 | 6,1 | 6,5 | 6,1 | 5,3 | 4,2 |
| **Brazil** | 3,0 | 1,8 | 2,0 | 4,6 | 3,2 | 3,0 |
| **Mexico** | 3,4 | 2,5 | 2,0 | 5,5 | 3,9 | 3,2 |
| **World Trade** | 1,1 | 2,7 | 3,3 | | | |

*Source: OECD*

The central scenario involves a soft landing, with the slowdown in activity extending into the first half of 2024, followed by some improvement as central banks begin to ease their monetary policies. Meanwhile, inflation is projected to continue slowing through 2024 to reach monetary authorities' target rates by the end of 2025 in most countries.

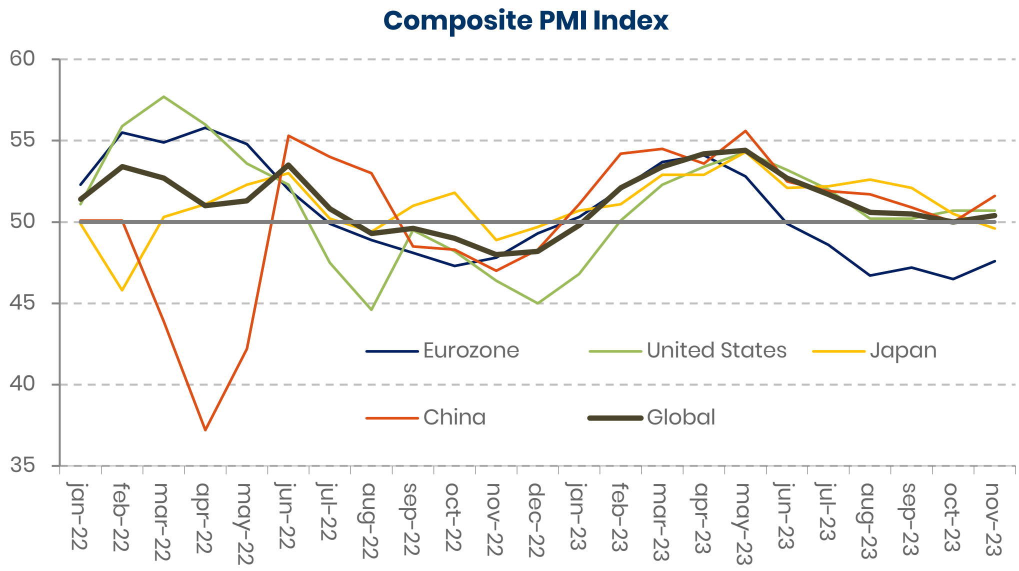
The outlook is subject to considerable uncertainty due to risks, most of them on the downside, including geopolitical risks. In addition, there are concerns about a sharp slowdown in the Chinese economy, as well as persistently high inflation rates, the possibility of further turbulence in the financial markets, and a worsening of trade fragmentation between regions. On the positive side, growth could be boosted if existing savings were to be used more for consumption, or if inflation were to decelerate more rapidly, which would allow the main central banks to bring forward the relaxation of their monetary policies.

The OECD report also highlights the weakness in global trade as one of the factors affecting economic growth. It points to problems in the configuration of value chains between countries, while demand shifts are also taking place. In this regard, spending on durable goods has weakened while service consumption is increasing, which is making imports less buoyant. Specifically, in Q2, trade showed negative year-on-year rates of -1.4%, with a notable decline in the trade in goods (-2.8%), while trade in services slowed down to 3.9%.

**World Trade (y-o-y)**


*Source: Prepared-in-house base on data from OECD.*

The slowdown in global activity is reflected in the PMI indices which, despite the slight improvement in November, are still close to 50 points. This indicates very subdued growth, albeit with notable disparities across regions. November's global composite PMI rose four tenths to 50.4 points, with Japan moving into contractionary levels, which is where the euro zone has been since June. By contrast, the United States and China continue to be in positive territory, albeit at more moderate levels than in the first part of the year.




*Source: Prepared-in house based on data from Markit Economics*

In the United States, the economy continues to show remarkable strength, with 199,000 jobs created in November, although the figure is below the average for the first half of the year. The unemployment rate fell by two tenths to 3.7%, driven by the end of strikes in sectors such as the audiovisual and automobile industries. However, the number of vacancies is declining, and wage growth is also easing gently.

In the euro zone, PMI indices remain in contractionary territory, although in November they improved slightly over previous months. The economy continues to show weakness, but there are some mixed signals. On the one hand, industrial production fell by -0.7% in October, while retail trade rose by 0.1%, after three months of declines. On the other hand, the unemployment rate remained stable at a low of 6.5%, although the number of unemployed individuals increased slightly.

The slower pace of economic activity and the fall in commodity prices, particularly energy prices, are favouring the gradual slowdown in inflation on both sides of the Atlantic. In November, headline inflation in the United States fell to 3.1%, the lowest since March 2021, while in the euro area it dropped to 2.4%, the lowest since July 2021. However, core inflation, excluding energy and food, while also decelerating, still remains far from central banks' targets (4% and 3.6% respectively).

The slowdown in the economy and the moderation of inflation have allowed the main central banks to halt interest rate hikes, ending the current upward cycle, and to start talking about future cuts.

At its December meeting, the Federal Reserve kept interest rates unchanged between 5.25% and 5.5%, the same range held since last July. Although it pointed out that the evolution of rates will be determined by the economy, the Fed revised growth for 2023 slightly upwards, to 2.6%, and downwards for 2024, to 1.4%. It also cut its inflation estimates for 2023 to 2.8%, down five tenths from what it was forecasting three months ago, and to 2.4% for 2024, down one tenth from its previous September estimations. Moreover, there has been talk of possible interest rate cuts, and the institution's expectations of where rates will be by the end of 2024 point to the possibility of three rate cuts over the next year, although the markets are pricing in a more intense process.

In turn, the European Central Bank also left its interest rates unchanged: the main refinancing rate at 4.5%, the deposit facility at 4% and the marginal lending facility at 4.75%. In addition, the ECB announced that it will start reducing the Pandemic Emergency Purchase Programme (PEPP) in the second half of 2024, reinvesting only half of the maturities, i.e., reducing the portfolio by about €7.5 billion per month. The ECB also revised its growth forecasts, in this case downwards, for both 2023 and 2024, by one and two tenths respectively, to set them at 0.6% for this year and 0.8% for the next. Inflation was also revised downwards, to 5.4% in 2023, two tenths below what was estimated three months ago, and to 2.7% in 2024, five tenths below September's estimate. Although its president, Christine Lagarde, pointed out that no rate cuts were discussed, the downward revisions pave the way for them to happen over the course of the coming year.

On the other hand, oil prices also continue to fall, helping to contain inflation. In November, the price of Brent crude oil fell to $85.7/barrel, and in the first days of December it is below $80/barrel, despite the new voluntary cuts announced by OPEC+. The lower production within the countries that make up the cartel was offset by the increase in supply from countries outside the organisation, such as the United States, which is at record production levels, Brazil, and Guyana. This, together with lower expectations for world growth, is exerting downward pressure on crude oil prices.

# The Spanish Economy

## The Government will continue to maintain an expansionary public spending policy in 2024

The Government has approved the budget expenditure ceiling for 2024. Specifically, it raises the non-financial spending limit by 0.5%, including €9.9 billion of European funds. Excluding this amount, spending increases by 9.3%. This increase is well above the nominal growth anticipated for 2024, since the forecast for real GDP growth is around 1.5% and the deflator is 4%. Thus, nominal GDP is expected to grow by less than 6%, which means that public spending will continue to gain weight in the economy. It will be important to see the breakdown when the draft budget for 2024 is presented but, given the anticipated increase in pensions (6.9% in non-contributory pensions and 3.8% in contributory pensions), it is fair to expect that social spending will be the main focus of this increase.

The Government hopes to reduce the deficit to -3% of GDP, after the -3.9% it estimates for 2023, partly due to the withdrawal of anti-crisis measures. But this doesn't seem to be enough. Revenues also have to increase and, according to the Government, tax revenues will rise by 9%, well above nominal GDP growth (5%-6%), which seems difficult to achieve in a context of slowing inflation and less economic dynamism. In any case, the goal continues to be to increase the tax burden.

Therefore, and awaiting detailed information on the General State Budget for 2024, the Government is proposing an expansionary spending policy which, it seems, will be supported by an increase in the tax burden. This is the least favourable combination for stimulating investment and competitiveness. Moreover, we should bear in mind that this is going to happen at a time when financial conditions are restrictive and fiscal rules are going to be reinstated.

With regard to the economic situation, the most positive surprise is inflation, which stood at 3.2% in November. This means that the year will end at around 3.5%, below the 4% that was signed in the NCA for 2023. The resilience of the labour market is another of the most relevant aspects, albeit on a clearly decelerating path, especially if we look at the seasonally adjusted data. For all these reasons, both employment and GDP are expected to grow moderately in Q4, in the range of 0.1%-0.2%.

The OECD, the latest institution to update its forecasts, estimates that GDP will increase by 1.4% in 2024, in line with CEOE, while it forecasts 2.0% for 2025.

# Demand and Activity

## The economy slows down amid falling external demand, but private consumption takes over

Against a backdrop of a slowdown in the main European economies, the Spanish economy is showing a more positive performance, with growth of 0.3% in Q3 as opposed to the -0.1% recorded in the Eurozone. This differential performance is mainly due to the greater weight of the services sector in Spain and, specifically, the tourism industry, coupled with inertia from a delayed recovery after the crisis.

The indicators available for Q4, which are still quite incomplete, point to continued slowdown throughout 2023, meaning that growth for the quarter could be a tenth of a percentage point lower than in Q3. All in all, the economy's growth this year will be around 2.4%, significantly lower than the 5.8% recorded in 2022, but better than initially expected.

In the second half of the year, a series of factors have weighed on economic growth, including the significant slowdown in international trade, a notably tighter monetary policy (with interest rates 4.5 p.p. higher) and the worsening of expectations and increased political and economic uncertainty.

The November confidence indicators published by the European Commission show similar levels to those recorded in Q3 or a slight deterioration. Both the consumer confidence indicator as well as the services and retail trade indicators show greater resilience, while there was a worse performance in the case of industry, in line with other expectations indicators.

Already in Q3, the performance of private consumption was decisive in maintaining positive GDP growth and it is expected to continue to be the main driver of the economy in Q4. The resilience of the labour market, together with the increase in household disposable income and the savings accumulated in previous months, could sustain private consumption in the last part of 2023 and throughout 2024. Moreover, inflation is clearly on a decelerating path and interest rates are expected to start gradually declining sometime next year.

By sector, there is still a clear divergence between industry and services, which could continue in the coming quarters. Thus, the industrial sectors could be more sluggish, in line with the drop in new orders and the overall international slowdown, which is reflected in PMIs below 50 that indicate contraction. However, in the case of services, although PMIs have worsened compared with the first half of 2023, the outlook continues to be favourable, in line with the resistance of private consumption to the slowdown. Nonetheless, the increase in operating costs could weigh on the sector's activity levels.

The latest available data for the tourism sector continue to show a very positive evolution. In October, the latest available data, visitor arrivals stood at just over 8.2 million tourists, 8% more than in the same month of 2019. Moreover, as average spending has been increasing, total tourist spending during October was almost 24% higher than in the same month of 2019. In the first ten months of this year, the number of international tourist arrivals is already 0.2% higher than in the same period of 2019 and, in terms of tourist expenditure, it is up 16%.

From the point of view of the foreign sector, the customs information available for the first three quarters of the year shows clear contractionary trends in foreign flows, which have become more acute over the course of the year. Thus, exports have gone from increasing at a rate of 14.6% in Q1 to falling by -8.5% in Q3, due both to the fall in real terms and to the increase in export prices. Imports, on the other hand, have shown a sharper decline. They increased by 4% in Q1 and fell by -14.0% in Q3, mainly due to their decline in terms of volume, as their prices have hardly changed. The result of these flows has been a trade deficit in this period of -€29.5964 billion, compared with -€53.4371 billion in the same period of 2022.

Along the same lines, according to the Balance of Payments data published by the Bank of Spain, in the first nine months of 2023, the current account surplus reached 31.1 billion compared with a surplus of 2.0 billion in the same period of the previous year. This positive evolution was due to the significant improvement in the balance of non-tourism goods and services (with a surplus of 0.6 billion, compared to a deficit of -29.7 billion in the same period of 2022), in addition to the increase in the tourism services surplus (47.9 billion, compared to 39.0 billion in the same period of the previous year), as a result of the favourable evolution of visitor inflows this year and the increase in tourist expenditure.

# The Labour Market

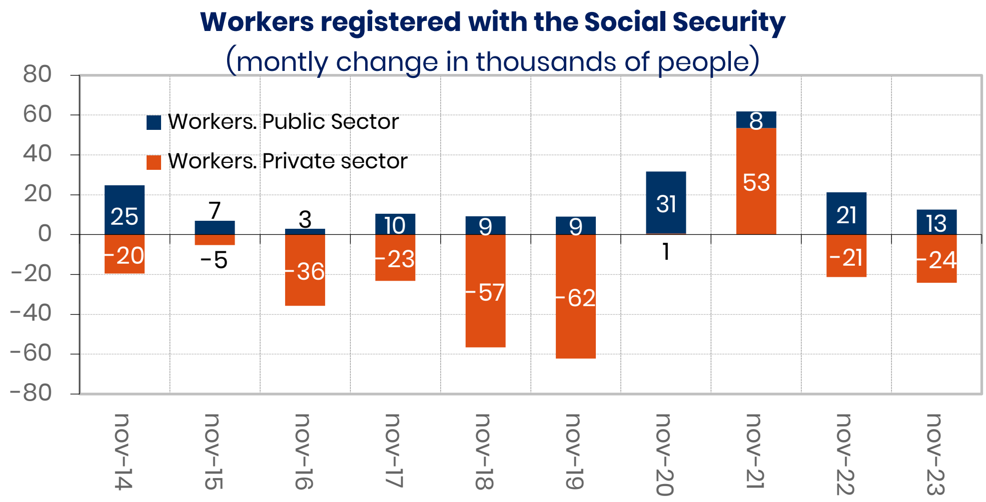
## Social Security registrations lose momentum in the final stretch of the year

Job creation, although still positive, continues to lose momentum in the final stretch of 2023, judging by the early labour market indicators for Q4. Seasonally adjusted Social Security registrations have shown notably more moderate monthly increases in recent months than in the first half of the year. However, it should be noted that the slowdown in employment expected for Q4 will be mild. All in all, it is worth highlighting the resilience of the labour market this year, whereby the Spanish economy continues to generate employment amid slower economic growth and higher labour and financial costs for companies.

The month of November, which is usually unfavourable for the labour market, recorded 11,583 fewer workers registered with the Social Security, a higher figure than the slight fall recorded in this same month in 2022, but much lower than the norm for the 2014-2019 period (with an average decrease of 23,219 people). On the other hand, in seasonally adjusted terms (according to the Ministry of Inclusion, Social Security and Migration), there was an increase of 10,350 registrations, which, although more favourable than the weak October result, means a continuation of the trend seen since the middle of the year with seasonally adjusted registrations growing more slowly than they did in the first part of the year.

Turning to the raw data again, it should be noted that the fall in Social Security registrations in November came from the private sector, which lost 24,166 jobs. In contrast, the public sector added 12,582 new workers. By branch of activity, it is worth highlighting, on the one hand, the fall in registrations in the Hospitality sector (due to the end of activity linked to the summer season); and on the other, the increase in registrations in Education (with the latest additions linked to the start of the school year) and Trade (marked by the beginning of the end of the year season).

In year-on-year terms, the number of people registered with the Social Security stabilised at 2.6%, below the peak of 3.0% reached in April. The private sector continued the gradual slowdown it has shown in recent months, to stand at 2.4% in November. Meanwhile, the pace of growth in the public sector is high, although it eased to 3.4% after the notable rebound in October.




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

By economic sector, the change in Social Security registrations was mixed in November. Industry continued with moderate increases as it has done throughout the year, and its year-on-year rate remained stable at 1.7%. Services, on the other hand, posted high growth of 3.0%, one tenth lower than in October. Meanwhile, construction, which showed great dynamism in the first half of the year, has seen as slowdown in the last few months, to be set at 2.7% in November. Finally, agriculture continues to lose jobs, although its rate of decline eased to -1.8%.

The number of workers under furlough schemes decreased in November to 11,697 on average for the month, meaning that the number furloughed workers has stabilised at around 11,000-12,000 since last July. Registered unemployment fell by 24,573 in November, after three consecutive months of increases. This fall in unemployment is less intense than falls recorded in the same month of 2021 and 2022, but, in any case, it is a more favourable figure than the average for the 2014-2019 period (with an increase of 1,506 people). Thus, the total number of unemployed stands at 2,734,831 individuals, the lowest level in the historical series for the month since 2007.

With the December results still to be released, all the signs point to employment showing slightly less dynamism in Q4. According to estimates by CEOE's Economics Department, effective registrations (discounting furloughed workers) adjusted for seasonal effects will increase by around 0.1% quarter-on-quarter in Q4, one tenth below Q3's figure, and well below the 1.4% recorded in Q2.

# Inflation

## Inflation slows to 3.2% in November as core inflation eases

In November, headline inflation fell by three tenths to 3.2%, while core inflation continued to decelerate and fell by 0.7 month on month, to stand at 4.5%.

There was a general slowdown in price increases in the groups that make up the CPI basket, especially in the core components. Specifically, the Services prices decreased by three tenths to 4.0% year-on-year; Industrial goods prices excluding energy products fell by five tenths to 2.2%; and Processed food, beverages and tobacco slowed by 1.6 percentage points to 8.6% year-on-year. Energy product prices also contributed to the moderation in inflation and continued to record a notable rate of decline, -10.0% year-on-year, due to the fall in both electricity and gas prices and in fuel and lubricants.

However, Unprocessed food prices increased by 1.7 points year-on-year to 9.0%. This was the result of heterogeneous behaviour within this group: a significant number of items saw a price decline, but others posted double-digit increases.

With this information, the average inflation rate is expected to be around 3.5% in 2023, closing the year a few tenths above 3%. In 2024, it is expected to continue a path of gradual moderation to end the year below 3%, while core CPI is expected to converge with headline CPI. However, these forecasts will be heavily conditioned by how quickly anti-inflationary measures are reversed and by oil price developments.

Although inflation has evolved positively, when we compared it with Europe, the HICP in October reached a rate of 3.3%, while this rate stood at 2.4% in the Monetary Union. This shows a nine-tenth increase in the differential, which, if prolonged over time, may be a drag on the competitiveness of the Spanish economy.

# The Public Sector

## The State public deficit shows some containment in October

The information provided by the Spanish National Accounts Office (IGAE) up to October shows that the negative balance of the deficit in terms of GDP has been reduced to -1.4%, compared with -1.6% in the same period of 2022. According to the Government, the Central Government will close 2023 with a fiscal imbalance of -3.1% of GDP, which, given the figures up to October, seems feasible.

Non-financial resources accumulated up to October have increased slightly (0.4%), although tax revenues are somewhat more dynamic (3.1%). VAT and personal income tax revenues show moderate growth rates (between 2 and 3%), while corporate income tax recorded an increase of 7.9%. The second source of State resources are transfers between Public Administrations and these have recorded a sharp decline (-43.6%), mainly due to the negative effect on revenues of the final settlements of the 2021 financing system.

With regard to the new taxes, their total collection amounted to 3.934 billion, of which 3.529 billion came from the temporary levies on the energy and financial sector and the tax on large fortunes. The remaining 405 million were collected through the special tax on non-reusable plastic packaging. It is also worth noting the higher interest income and the higher dividends received.

Non-financial government spending showed some containment (-0.2% cumulative to October), with a very uneven evolution between the different items. The biggest increases in spending are in transfers between public administrations (basically to SEPES (State Public Land Entity) and to the Social Security Funds), in social benefits (due to greater resources for the passive classes and the cultural voucher for youths) and in interest payments. By contrast, there is a decline in subsidies (due to the withdrawal of transport measures), EU own resources (due to the lower contribution to the GNI resource) and investment.

In the case of investment, investment aid and capital transfers increase (91.5%), but not nationally financed investment (-15.4%). Aid is explained by the higher contributions to the State Water Company of the Mediterranean Basins, without correspondence in 2022, and to the CDTI, for the financing of participation in space programmes, which doubles the allocation of 2022.

# Business Activity

**The indicators relating to business activity show that, since the summer, there has been a fall in income and a certain containment of business confidence and dynamism. Financing conditions remain tight, although there is some moderation. There are still large differences between sectors.**

According to the INE, **turnover** (in nominal terms) in September continued its year-on-year decline, accumulating six months of negative rates. Specifically, the year-on-year rate stood at -8.3% in the original series (1.4 points lower than in August), with a variation of -6.2% in the series adjusted for seasonal and calendar effects. The latter rate is six tenths higher than in August. There was a fall in those areas linked to industry and, to a greater extent, in energy, water and sanitation, recording a sharp decline of -49.7% year-on-year. The non-financial market services sector is the only one to post positive rates, but trade continues to register negative rates (-0.9% in September), accumulating six months of consecutive falls.

The Tax Agency's **sales indicator for large companies**, deflated and adjusted for seasonal and calendar variations, fell by -0.7% in Q4 (in year-on-year terms), compared with 1% in the previous quarter. This loss of strength is explained by the fall in exports (-5.7%), while domestic sales have increased slightly (0.7%). By sector, the biggest falls have been recorded in some industrial areas, to a greater extent in the extractive industry (-14.7%) and in coking and refining of petroleum (-16.7%).

**According to the Bank of Spain's Survey of Business Activity (EBAE)** for Q4 2023, firms believe that their turnover has remained unchanged in Q4 2023, following the decline in the previous quarter, and report a decline in employment. Inflationary pressures on both production costs and selling prices are easing slightly, but expectations point to a slight pick-up next year. Business activity has been affected by economic policy uncertainty, difficulties in filling positions and problems in accessing finance.

**Financing conditions for companies** are beginning to soften after several months of persistent rises but they are still at high levels. Thus, interest rates on new credit transactions for companies are beginning to show a slight decline, specifically in transactions of up to €250,000 and between €250,000 and €1,000,000. However, interest rates on transactions of more than €1,000,000 recorded a rise in October (5.1%), after the slight improvement in September (4.7%).

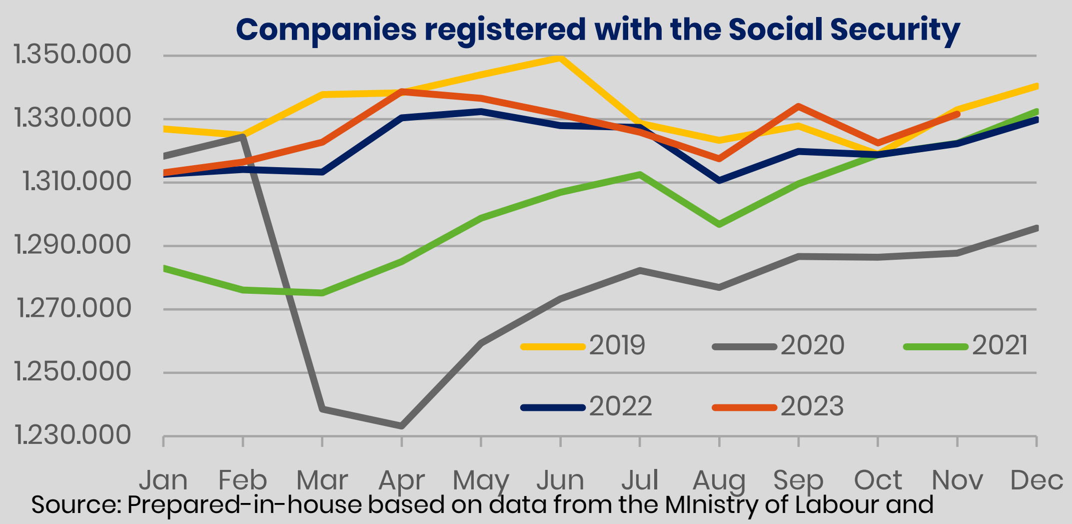
The results of the **Bank Lending Survey**, published by the Bank of Spain, reveal that, in Q3 2023, both the criteria for granting loans and the general conditions applied to new loans to companies have continued to tighten with a similar intensity to that of the previous quarter and have now accumulated six consecutive quarters of restrictive behaviour. In October, in year-on-year terms, **new business loans** up to €250,000 and loans between €250,000 and €1,000,000 rebounded, with positive rates of 2.8% and 5.2%, respectively. Loans of more than €1 million are the only ones to show negative rates, with a fall of -18.5%.

The **business confidence indicator published by the INE** deteriorates in Q4 compared to Q3, with 19.2% of businesses believing that their business will do better, compared to 22% in the previous quarter. All five sectors analysed saw a decrease in confidence compared to the previous quarter. Transport and the Hospitality Industry show the largest drops, with -4.4% and -3.2% respectively. The European Commission's **Economic Sentiment Indicator** moderately declined from the previous month (98.8 in November versus 100.3 in October). Industry remains in contractionary territory, which is counterbalanced by the good performance of construction, retail trade and services.

The **composite PMI** came in at 49.8 in November, slightly below October's level (50). The services sector is slightly down from the previous month (51 in November, down from 51.1 in October). The manufacturing sector shows signs of recovery after the sharp fall in October (45.1), standing at 46.3 in November, but has now accumulated eight months with values below 50.

In 2023, the **number of companies registered with the Social Security** is growing very moderately compared with 2022, at an average annual rate of 0.4%. In September and October, the number of companies recovered pre-pandemic levels but, in November, it returned to levels lower than in 2019 (1,343 fewer companies than four years ago). Moreover, by size, the number of the smallest companies, those with 1-5 workers, is still below 2019 levels. By economic sector, in November, the number of companies registered with Social Security was higher than pre-crisis levels only in construction.

**As we mentioned in previous reports, the number of companies registered with the Social Security may be used as an indicator of the evolution of economic activity**. The year-on-year change in the number of registered companies shows a very high positive correlation with GDP growth, specifically by a factor of 0.92. In this regard, it should be noted that, by company size, the highest correlation is seen in the case of the smallest companies, specifically those with 1 to 2 workers, which account for more than half of the total number of registered companies.




Source: Prepared-in-house based on data from the MInistry of Labour and Social Economy

# Forecasts

| Economic forecasts for Spain (last update: December 2023) | | | | | | |
|---|---|---|---|---|---|---|
| Annual rates of change, unless otherwise indicated | | | | | | |
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| **GDP** | 2,0 | -11,2 | 6,4 | 5,8 | 2,4 | 1,4 |
| *Private consumption expenditure* | 0,9 | -12,4 | 7,2 | 4,8 | 2,0 | 1,7 |
| *Government consumption expenditure* | 1,9 | 3,6 | 3,4 | -0,2 | 2,5 | 1,1 |
| *Gross fixed capital formation* | 4,5 | -9,0 | 2,8 | 2,4 | 1,0 | 2,1 |
| *-Tangible fixed assets* | 5,3 | -10,3 | 1,7 | 2,1 | 1,0 | 0,9 |
| *Construction* | 7,2 | -9,2 | 0,4 | 2,6 | 2,6 | 0,7 |
| *Equipment and cultivated assets* | 2,4 | -11,9 | 3,9 | 1,2 | -1,9 | 1,2 |
| *-Intangible fixed assets* | 0,6 | -2,7 | 7,7 | 3,8 | 1,3 | 7,8 |
| *Domestic demand (*)* | 1,6 | -9,0 | 6,7 | 2,9 | 1,6 | 1,6 |
| *Exports* | 2,2 | -20,1 | 13,5 | 15,2 | 0,8 | 2,2 |
| *Imports* | 1,3 | -15,0 | 14,9 | 7,0 | -1,3 | 2,6 |
| *External demand (*)* | 0,4 | -2,2 | -0,3 | 2,8 | 0,8 | -0,2 |
| **GDP current prices** | 3,5 | -10,2 | 9,2 | 10,2 | 7,9 | 5,4 |
| **GDP deflator** | 1,5 | 1,0 | 2,8 | 4,4 | 5,5 | 4,0 |
| **CPI (average annual rate)** | 0,7 | -0,3 | 3,1 | 8,4 | 3,5 | 3,0 |
| **CPI (Dec/Dec)** | 0,8 | -0,5 | 6,5 | 5,7 | 3,3 | 2,7 |
| **Core CPI (average annual rate)** | 0,9 | 0,7 | 0,8 | 5,2 | 6,1 | 2,9 |
| **Employment (Quarterly National Accounts)(**)** | 3,3 | -6,5 | 7,1 | 3,7 | 2,7 | 1,3 |
| **Employment (LFS)** | 2,3 | -2,9 | 3,0 | 3,1 | 2,9 | 1,8 |
| **Unemployment rate (LFS) (% active population)** | 14,1 | 15,5 | 14,8 | 12,9 | 12,1 | 11,7 |
| **Productivity** | -1,3 | -5,0 | -0,6 | 2,0 | -0,3 | 0,0 |
| **Compensation per employee** | 2,5 | 2,8 | 0,3 | 2,9 | 4,9 | 3,6 |
| **Unit labour cost (ULC)** | 3,8 | 8,3 | 1,0 | 0,9 | 5,2 | 3,5 |
| **Current Account Balance (% of GDP)** | 2,1 | 0,6 | 0,9 | 0,6 | 2,2 | 0,8 |
| **General government net lending (+) / net borrowing (–) (% of GDP)** | -2,9 | -11,0 | -6,9 | -4,8 | -4,2 | -3,7 |
| **Interest rates USA (Dec)** | 1,75 | 0,25 | 0,25 | 4,50 | 5,50 | 4,50 |
| **Interest rates Eurozone (Dec)** | 0,00 | 0,00 | 0,00 | 2,50 | 4,50 | 3,75 |
| **Brent Oil ($)** | 64,8 | 41,5 | 71,1 | 103,7 | 83,7 | 78,0 |

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

*(*) Contribution to GDP growth*

*(**) Full-time equivalent jobs*