

1.6 HOUSING MARKET INDICATORS  
a) Most significant variables

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	Annual data			Quarterly data					Monthly data			
	2007	2008	2009	08 Q4	09 Q1	09 Q2	09 Q3	09 Q4	Nov 09	Dec 09	Jan 10	Feb 10
<b>Prices and costs (a)</b>												
Housing Price Index (INE) (annual rate)												
National total	9.9	-1.5	...	-5.4	-7.6	-7.7	-7.0	...	...	...	...	...
New housing (first transfer)	12.0	4.3	...	0.8	-2.0	-3.9	-5.6	...	...	...	...	...
Second-hand housing	8.3	-6.2	...	-10.7	-12.5	-11.2	-8.3	...	...	...	...	...
Appraisals (Ministerio de la Vivienda)												
Average price per m2 for open-market housing												
National total (annual rate)	5.8	0.7	-7.4	-3.2	-6.8	-8.3	-8.0	-6.3	...	...	...	...
National total (EUR/m2)	2 056	2 071	1 919	2 019	1 958	1 921	1 903	1 892	...	...	...	...
Based on age (annual rate)												
New housing (<=2 years)	6.2	1.8	-7.0	-2.3	-6.5	-7.9	-7.7	-6.1	...	...	...	...
Second-hand housing (>2 years)	5.5	0.2	-7.6	-3.7	-6.9	-8.6	-8.3	-6.4	...	...	...	...
Based on region (annual rate)												
Madrid and Barcelona provinces	4.3	-0.4	-7.6	-4.5	-7.1	-8.9	-8.3	-5.9	...	...	...	...
East coast, south coast and island provinces	6.2	1.6	-8.3	-2.4	-6.8	-9.2	-8.8	-8.4	...	...	...	...
Other mainland provinces, Ceuta and Melilla	6.2	1.1	-6.7	-2.5	-6.4	-7.5	-7.5	-5.3	...	...	...	...
Asking prices (annual rate)												
New housing (b)	6.3	-3.4	-7.8	-6.6	...	-9.8	...	-5.7	...	...	...	...
Second-hand housing	3.6	-6.1	-9.1	-7.9	-9.0	-9.5	-9.2	-8.5	-8.5	-8.3	-6.4	-6.1
Rentals CPI	4.4	4.2	3.1	4.3	4.1	3.4	2.8	2.0	2.0	1.8	1.5	...
Index of building costs	...	4.6	0.6	4.5	3.0	0.2	-1.4	0.8	1.9	0.2	...	...
Housing investment deflator (QNA)	2.9	0.3	-6.4	-2.4	-4.3	-6.7	-7.5	-7.2	...	...	...	...
<b>Activity</b>												
Supply												
Housing approvals in last twelve months (c)												
National total (annual rate)	-24.7	-59.4	-58.1	-59.4	-60.0	-62.2	-60.7	-58.1	-57.2	-58.1	...	...
National total (thousands)	651	265	111	265	209	159	133	111	120	111	...	...
Housing starts in last twelve months (c)												
National total (annual rate)	-19.0	-43.8	...	-43.8	-50.5	-53.8	-51.5	...	...	...	...	...
National total (thousands)	616	346	...	346	275	224	195	...	...	...	...	...
Based on type of housing (thousands)												
Unsubsidised	532	255	...	255	179	126	101	...	...	...	...	...
Subsidised	84	91	...	91	96	98	94	...	...	...	...	...
Subsidised as % of total	13.6	26.2	...	26.2	34.8	43.6	48.4	...	...	...	...	...
Based on region (annual rate)												
Madrid and Barcelona provinces	-28.0	-34.3	...	-34.3	-35.9	-32.0	-28.9	...	...	...	...	...
East coast, south coast and island provinces	-20.6	-51.2	...	-51.2	-59.0	-63.1	-63.1	...	...	...	...	...
Other mainland provinces, Ceuta and Melilla	-13.2	-39.8	...	-39.8	-47.1	-52.5	-48.9	...	...	...	...	...
Demand												
Number of house purchase transactions												
Before a notary public (Ministerio de la Vivienda)												
National total (annual rate)	-12.4	-32.6	-18.0	-34.7	-34.2	-23.6	-12.5	4.1	...	...	...	...
National total (thousands)	837	564	463	125	105	120	108	131	...	...	...	...
Based on age (annual rate)												
New housing	0.5	-19.2	-27.8	-30.0	-34.8	-29.4	-28.1	-16.9	...	...	...	...
Second-hand housing	-22.1	-45.6	-4.0	-40.6	-33.4	-15.4	12.7	35.4	...	...	...	...
Based on region (annual rate)												
Madrid and Barcelona provinces	-28.7	-37.0	-0.5	-38.3	-25.7	-14.2	10.1	39.7	...	...	...	...
East coast, south coast and island provinces	-12.7	-36.3	-22.1	-36.0	-37.1	-25.9	-17.4	-2.6	...	...	...	...
Other mainland provinces	-1.6	-26.0	-20.8	-31.7	-34.6	-25.2	-15.8	-3.1	...	...	...	...
Registered												
National total (annual rate)	-15.4	-28.8	-24.9	-30.5	-34.0	-34.7	-15.6	-9.1	-2.6	-0.3	2.1	...
National total (thousands)	775	552	414	110	107	99	109	100	35	32	38	...
Based on age (annual rate)												
New housing	-16.2	-14.8	-20.8	-14.0	-23.2	-29.1	-14.8	-14.1	-6.1	-4.2	-5.1	...
Second-hand housing	-14.7	-39.0	-29.2	-43.5	-43.8	-40.0	-16.5	-3.2	1.3	4.3	10.7	...
Housing investment (annual rate)(QNA)(a)	3.0	-10.3	-24.5	-17.6	-23.5	-24.9	-25.2	-24.5	...	...	...	...

1.6 HOUSING MARKET INDICATORS  
a) Most significant variables (continued)

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	Annual data			Quarterly data					Monthly data			
	2007	2008	2009	08 Q4	09 Q1	09 Q2	09 Q3	09 Q4	Nov 09	Dec 09	Jan 10	Feb 10
<b>Demographic variables (c)</b>												
Population >=25 years of age (EPA, 2005 methodology)												
Annual change (thousands)	702	525	209	525	447	364	280	209	...	...	...	...
Households (EPA, 2005 methodology)												
Number (millions)	16.45	16.90	17.12	16.90	16.98	17.05	17.12	17.12	...	...	...	...
Annual change (thousands)	416	448	226	448	411	357	311	226	...	...	...	...
Number of dwellings per household	1.54	1.55	...	1.55	1.56	1.56	1.56	...	...	...	...	...
<b>Foreign investment in property (d)</b>												
Total in last 4 quarters (c)												
Annual rate	13.4	1.6	...	1.6	-10.1	-21.0	-32.0	...	...	...	...	...
Ratio to GDP (%)	0.51	0.50	...	0.50	0.46	0.41	0.37	...	...	...	...	...
<b>Affordability</b>												
Borrowing conditions (a)												
Average new mortgage term (years)	28.1	26.6	24.4	25.6	24.6	24.1	24.2	24.7	...	...	...	...
Loan/value ratio (LTV)(New loans)	63.5	60.6	...	59.8	57.5	57.0	55.3	...	...	...	...	...
Percentage of new loans with LTV>80%	14.3	11.0	...	10.5	10.1	11.2	10.6	...	...	...	...	...
Interest rate on unsubsidised loans (%)	5.3	5.8	3.4	6.1	4.4	3.4	3.0	2.7	2.7	2.6	2.6	...
Labour market												
Employment (EPA, 2005 methodology)												
(annual change) (thousands) (c)	475	-620	-1 211	-620	-1 312	-1 480	-1 476	-1 211	...	...	...	...
Rate of youth unemployment (20-29 years of age) (2005 methodology)(a)	11.4	16.2	26.3	19.8	24.8	25.7	26.9	27.9	...	...	...	...
Measures of affordability												
House price/gross disposable household income	7.7	7.2	6.9	7.2	7.0	6.9	6.9	6.9	...	...	...	...
Annual theoretical affordability without deductions (e)	50.0	51.7	35.9	51.7	43.4	38.9	36.9	35.9	...	...	...	...
Annual theoretical affordability with deductions (e)	40.3	41.6	29.0	41.6	35.0	31.4	29.8	29.0	...	...	...	...
<b>Wealth</b>												
Net household financial wealth (c)												
Annual rate	0.4	-25.9	...	-25.9	-25.3	-13.4	0.3	...	...	...	...	...
As % of GDP	95.1	68.1	...	68.1	62.7	69.1	74.8	...	...	...	...	...
Household real-estate wealth (c)												
Annual rate	8.0	0.0	...	0.0	-3.8	-5.6	-5.8	...	...	...	...	...
Ratio to GDP (%)	576.3	557.6	...	557.6	547.1	545.4	549.0	...	...	...	...	...
Total household wealth (c)												
Ratio to GDP (%)	671.3	625.6	...	625.6	609.8	614.6	623.8	...	...	...	...	...
<b>Credit (including securitisation)</b>												
Total credit to the non-financial private sector												
Annual rate (a)	19.9	10.3	2.1	6.9	5.0	3.3	0.7	-0.6	-0.5	-0.9	-1.2	...
Total mortgage credit												
Annual rate (a)	19.2	8.8	1.4	4.8	2.6	1.4	0.8	0.9	0.9	0.9	...	...
Outstanding balance as % of GDP (c)	98.6	100.0	104.5	100.0	100.3	102.1	103.7	104.5	...	...	...	...
Credit to households for house purchase												
Annual rate (a)	17.0	8.3	1.3	5.0	3.3	1.4	0.5	0.1	0.1	0.1	0.1	...
Outstanding balance as % of GDP (c)	61.4	62.3	64.5	62.3	62.7	63.3	64.1	64.5	...	...	...	...
Number of new mortgage loans (annual rate)												
Total	-15.1	-28.1	...	-27.0	-18.7	-1.6	-1.3	...	...	...	...	...
For house purchase	-19.0	-35.6	...	-39.8	-33.8	-15.3	-5.9	...	...	...	...	...
Financing under housing schemes												
Annual rate (a)	8.8	10.2	...	6.6	6.1	4.4	3.4	...	...	...	...	...
As % of credit for house purchase (c)	4.8	4.9	...	4.9	5.0	5.0	5.0	...	...	...	...	...
Doubtful loans to households for house purchase and renovation. Doubtful loans ratio (a)												
	0.59	1.63	...	2.38	2.86	3.02	3.05	...	...	...	...	...

1.6 HOUSING MARKET INDICATORS  
**a) Most significant variables (continued)**

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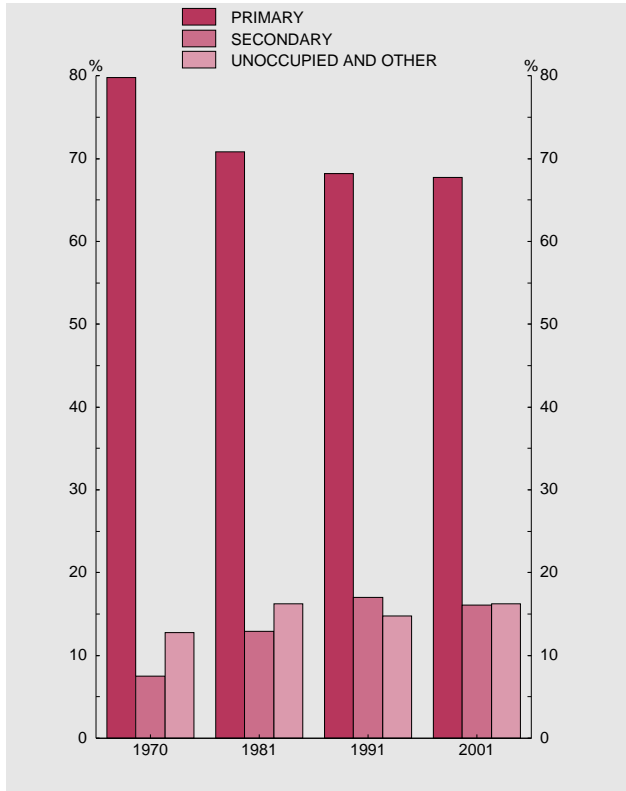
	Annual data			Quarterly data					Monthly data			
	2007	2008	2009	08 Q4	09 Q1	09 Q2	09 Q3	09 Q4	Nov 09	Dec 09	Jan 10	Feb 10
<b>Return on alternative investment</b>												
Cumulative return over last 12 months (c)												
Housing (rental plus change in prices) . . .	8.1	0.1	-2.7	0.1	-3.5	-5.0	-4.6	-2.7	...	...	...	...
Gross return on rental . . . . .	3.3	3.3	3.5	3.3	3.3	3.4	3.4	3.5	...	...	...	...
Money market funds (f) . . . . .	2.8	...	...	...	...	...	...	...	...	...	...	...
Investment funds (g) . . . . .	2.8	...	...	...	...	...	...	...	...	...	...	...
Stock market (IBEX-35) . . . . .	7.3	-39.4	29.8	-39.4	-41.1	-18.7	7.0	29.8	30.7	29.8	29.6	35.6
<b>International comparison</b>												
Real prices indices (annual rates) (a)												
Spain . . . . .	2.9	-3.2	-7.1	-5.5	-7.3	-7.7	-7.0	-6.4	...	...	...	...
Germany . . . . .	-1.3	-1.6	-1.3	...	...	...	...	...	...	...	...	...
France . . . . .	5.5	-0.7	...	-1.9	-0.3	-1.7	-0.8	...	...	...	...	...
Italy . . . . .	3.1	0.8	...	0.6	...	1.9	...	...	...	...	...	...
Netherlands . . . . .	2.6	0.4	-4.4	-0.7	-2.2	-4.3	-5.3	-5.9	-5.6	-6.3	-6.1	...
Euro area . . . . .	2.3	-1.4	...	...	...	...	...	...	...	...	...	...
United Kingdom . . . . .	8.4	...	...	...	...	...	...	...	...	...	...	...
United States . . . . .	-1.0	-6.4	-3.7	-5.8	-3.4	-2.9	-2.4	-6.0	...	...	...	...
Japan (h) . . . . .	-0.9	-5.0	...	-5.0	...	-3.5	...	...	...	...	...	...

Sources: INE, Ministerio de la Vivienda, Ministerio de Fomento, CNMV, Colegio de Registradores, Sociedad de Tasación, Fotocasa, Expocasa, Sociedad de Bolsas S.A., BIS, OECD, ECB and Banco de España.(See accompanying methodological note).

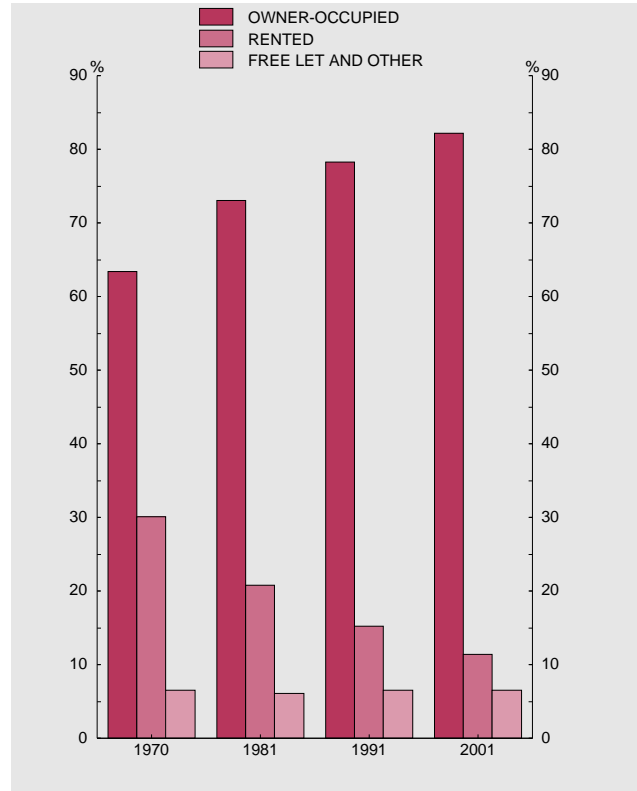
- (a) Period average.
- (b) Half-yearly data.
- (c) End of period.
- (d) Includes residential and non-residential property.
- (e) The quarterly data are annual moving averages.
- (f) During the period for which no data on the return on money market funds are available, the return on short-term fixed-income investment funds is used.
- (g) Excluding money market funds.
- (h) The half-yearly data are annual moving averages.

	1970	1981	1991	2001	2004	2005	2006	2007	2008
<b>Housing stock</b>									
Number of dwellings (Censuses) (a)	10 658 882	14 726 134	17 206 363	20 946 554	23 174 792	23 918 413	24 626 384	25 376 597	26 230 579
Percentage of dwellings (Censuses)									
Primary	79.8	70.8	68.2	67.7	...	...	...	...	...
Secondary	7.5	12.9	17.0	16.0	...	...	...	...	...
Unoccupied and other	12.7	16.3	14.8	16.2	...	...	...	...	...
Percentage of primary dwellings (Censuses)									
Owner-occupied	63.4	73.1	78.3	82.2	...	...	...	...	...
Rented	30.1	20.8	15.2	11.4	...	...	...	...	...
Free let and other	6.5	6.1	6.5	6.5	...	...	...	...	...
Percentage of primary dwellings (HBCS)(b)									
Owner-occupied	...	...	79.3	84.5	84.6	86.3	...	...	...
Rented	...	...	13.5	9.6	10.2	9.3	...	...	...
Free let and other	...	...	7.2	5.9	5.3	4.5	...	...	...

HOUSING STOCK  
TYPE OF DWELLING



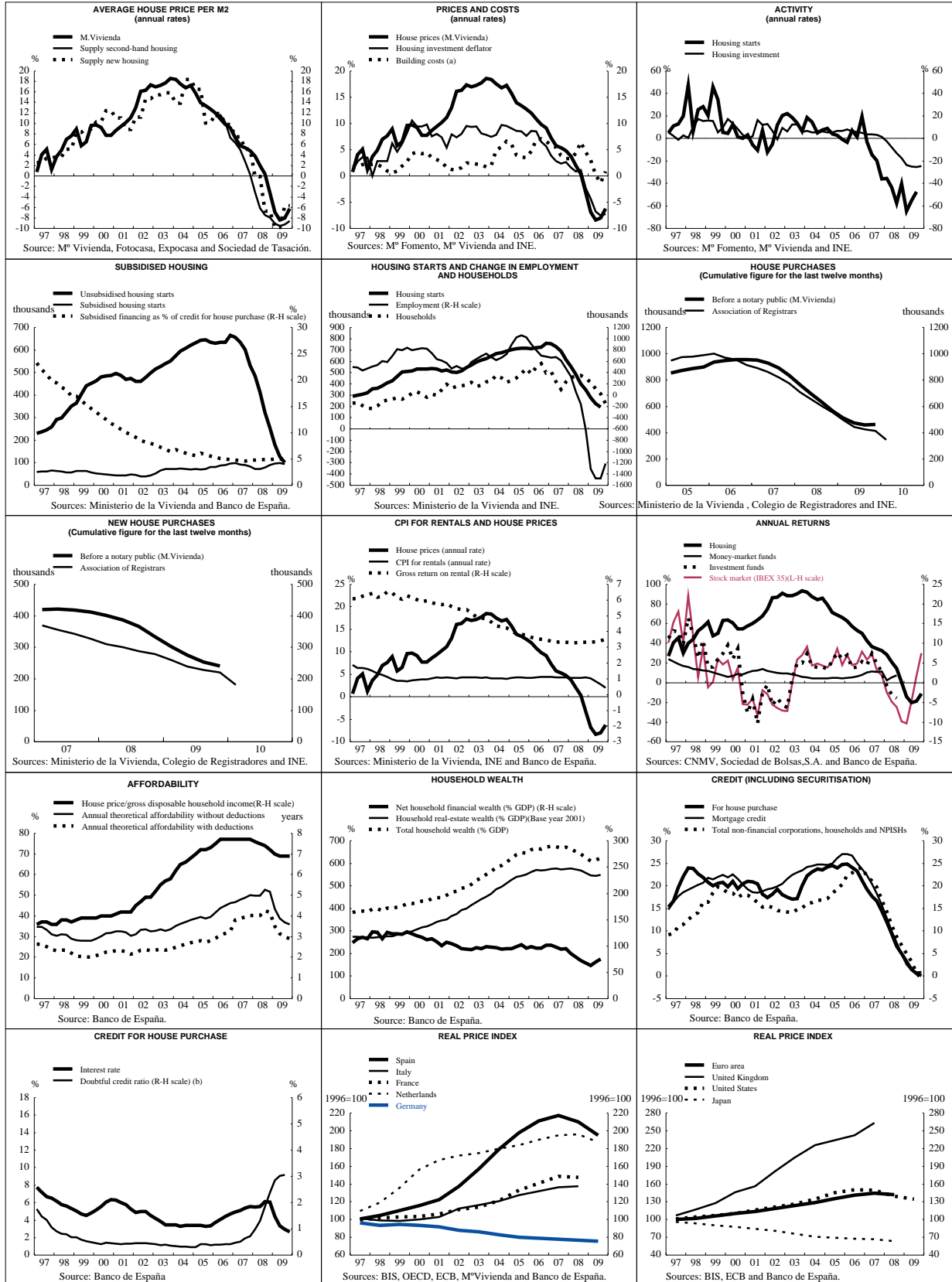
HOUSING STOCK  
PRIMARY DWELLINGS BY TYPE OF TENURE



Source: INE and Banco de España.

(a) Year 2004 to 2008: Banco de España estimates.

(b) Household Budget Continuous Survey (HBCS).



a) Before January 2007, building costs base 1990=100. b) Before December 1997, doubtful loans ratio of mortgage credit of banks and savings banks.