ECONOMIC BULLETIN

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BANCO DE ESPAÑA
Eurosistema

CONTENTS

Overview

In 2014 Q1, Spanish economic activity continued on a path of gradual recovery in a setting marked by further progress in the normalisation of financial markets and the gradual firming of the improvement in the labour market. On the as-yet incomplete information available, GDP is estimated to have increased by 0.4% quarter-on-quarter (compared with 0.2% in 2013 Q4), which would place the year-on-year rate in positive territory (0.5%) too for the first time following nine consecutive quarters of negative year-on-year rates (see Table 1 and Chart 1).

The quarter-on-quarter rate of national demand increased slightly (0.2%), underpinned by the relatively similar performance of the private-sector components of spending to that of the previous quarter, characterised by increases in private consumption and business investment, and by a further decline in residential investment. In addition, moderate rises in government consumption and in public investment are estimated after their marked decline in the closing months of 2013. In turn, net external demand is expected to have made a positive contribution of 0.2 pp to the quarter-on-quarter growth of GDP, down in any event on that of the final stretch of 2013.

The GDP estimate for 2014 Q1 is consistent with the macroeconomic projections for 2014 and 2015 published by the Banco de España last month, which placed the increase in GDP at rates of 1.2% and 1.7%, respectively.[1] The projections were made on the basis of specific assumptions, including most notably those relating to the envisaged gradual strengthening of Spanish export markets, the further improvement in financial conditions and the continuation of the fiscal consolidation process, according to the measures known at the time the projections were formulated (the fiscal scenario did not therefore include the information that the forthcoming Updated Stability Programme for Spain, to be released on 30 April, may contain). The report considered that the risks of GDP slippage relative to these projections were skewed to the downside, albeit moderately, and were linked to the possibility of the emerging economies slowing more markedly or, on the domestic front, to a greater fiscal adjustment in 2015. Conversely, the possibility was envisaged that the estimated favourable impact of the measures geared to entrenching the normalisation of euro area financial markets was excessively cautious, or that the structural reforms undertaken might boost activity and employment above expectations.

The inflation rate continued in the opening months of 2014 on the moderating path on which it embarked in early 2013, with the CPI posting a zero rate of change for the quarter on average (-0.1% in March) and core inflation a rate of only 0.1%. These figures are the outcome of a combination of various factors of differing nature and durability, but whose coincidence in time is causing a prolonged period of low inflation (see Box 1). Firstly, the stripping out of the base effects prompted by the rise in indirect taxes and regulated prices in the second half of 2012 is influencing the year-on-year rates of change of the CPI in the opening months of 2014. Adding to this is the impact of other likewise temporary determinants, such as those associated with energy prices or linked to Easter falling later (in April this year as opposed to March last year), given that this period is usually

1 See “Spanish economic projections report”. *Economic Bulletin*. March 2014.

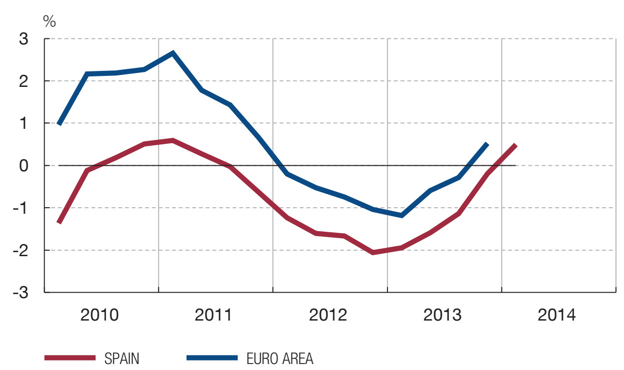
MAIN SPANISH MACROECONOMIC AGGREGATES (a) | TABLE 1

	2012	2013	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1
National Accounts							
Quarter-on-quarter rate of change, unless otherwise indicated							
Gross domestic product	-1.6	-1.2	-0.3	-0.1	0.1	0.2	0.4
Private consumption	-2.8	-2.1	-0.4	0.1	0.5	0.5	0.3
Gross capital formation	-6.9	-5.2	-1.3	-2.1	0.5	0.9	-0.1
Domestic demand	-4.1	-2.7	-0.3	-0.6	0.5	-0.3	0.3
Exports	2.1	4.9	-4.5	7.0	0.6	0.8	-0.6
Imports	-5.7	0.4	-4.6	6.1	2.1	-0.6	-1.2
Contribution of net external demand (b)	2.5	1.5	0.0	0.4	-0.5	0.5	0.2
Year-on-year rate of change							
GDP	-1.6	-1.2	-1.9	-1.6	-1.1	-0.2	0.5
Employment	-4.8	-3.4	-4.7	-4.0	-3.3	-1.6	-0.3
GDP deflator	0.0	0.6	1.2	0.7	0.4	0.2	-0.4
Price indicators (year-on-year change in end-of-period data)							
CPI	2.4	1.4	2.4	2.1	0.3	0.3	-0.1
CPI excl. unprocessed food and energy	1.6	1.4	2.3	2.0	0.8	0.2	0.0
HICP	2.4	1.5	2.6	2.2	0.5	0.3	-0.2
HICP: differential with the euro area	-0.1	0.2	0.9	0.6	-0.6	-0.5	-0.7

SOURCES: INE and Banco de España.

a Information available to 16 April 2014.
b Contribution to the quarter-on-quarter rate of change of GDP, in pp.

GROSS DOMESTIC PRODUCT (a) | CHART 1



SOURCES: ECB, INE and Banco de España.

a Seasonally adjusted series.

accompanied by a temporary rise in certain prices. Lastly, the low-inflation setting is being driven by surplus capacity in the economy as a whole, the declining course of ULCs and relatively sluggish spending. The easing in the growth rate of the HICP is expected to have been slightly greater in Spain than in the euro area, meaning that the differential remains favourable for Spain, having widened by 0.2 pp to -0.7 pp.

Recent price developments are in line with the projections for the inflation rate made in the report published in March for the two years spanning 2014 and 2015, and which projected

Since end-2012, inflation in Spain – which is approximated by the year-on-year growth rate of the consumer price index (CPI) – has decelerated sharply (see Panel 1). The overall CPI decreased by 0.1% in March 2014, compared with the rise of 3.5% in October 2012. This was partly due to temporary factors such as those linked to the stripping out of the direct effect on prices of previous fiscal consolidation measures (increase in VAT in September 2012 and rises in regulated prices in the second half of that year) (see Panel 2), but also to other factors like weak demand and the slowdown of unit labour costs.

Focusing on the first group of factors,[1] various estimates put the impact on the CPI of the VAT increase at between 0.7 pp and 0.8 pp in terms of the change in the CPI in October 2012, representing a degree of pass-through of approximately 40% of the total potential impact.[2] This impact is similar to that estimated following the VAT increase of 2010, but is considerably lower than those corresponding to the rises in this tax introduced in the 1990s (1992 and 1995). The small pass-through reflects the acute weakness of household spending which would have led firms to absorb part of the tax increase in their margins. The biggest effects relate to non-food components and the impact on food prices is very limited.[3] It is estimated that the effect on the CPI of the regulated price rises implemented in the second half of 2012 (which affected a wide range of goods and services such as pharmaceutical products, travel fares and university fees) amounted to 1.1 pp of inflation in 2012 Q4.

The change in services price dynamics – clearly seen since 2009 – is particularly notable and more durable in nature. In the boom period, services prices in the Spanish economy had increased by around 4%, were highly sticky and not very sensitive to cyclical conditions. However, in the period of crisis, the contraction of household spending and the decrease in unit labour costs is estimated to have prompted a substantial change in the trajectory of services items, which are particularly labour-intensive. This led to the lowest variation in the time series in March 2014 (–0.3%), although Easter-related effects had some impact on this specific figure.

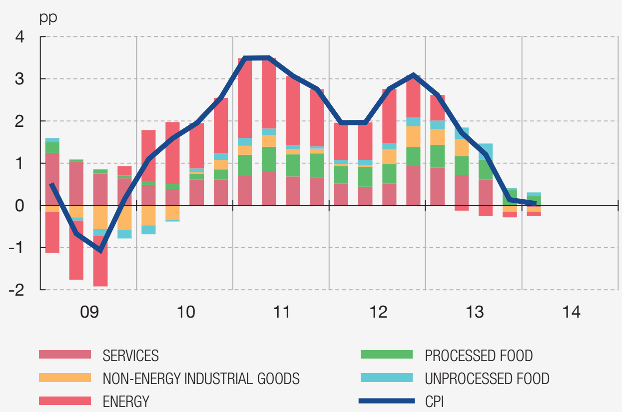
Services price dynamics changed across the board. Panels 3 and 4 depict this, showing the percentage of items accounted for by non-energy industrial goods and services components in terms of the interval of the year-on-year rate of change of each of their items, with the darker colours relating to smaller changes in prices. The percentage of sub-indices with price increases of above 2.5% year-on-year are shown in light blue, whereas the percentage of items with price decreases of more than 1% are shown in dark blue. In 2007 and 2008 practically all the services items increased in price by more than 2.5% per annum and virtually none of them decreased in price. Conversely, in the most recent period, a noticeable percentage of headings posted decreases in price, most notably telephone communications. The growth rate of the prices of other items has declined substantially, such as housing rents and restaurants, bars and cafés. There are almost no headings with noticeable price increases; most such headings relate to the prices of different types of insurance. By contrast, the distribution of the price variations of non-energy industrial goods experienced smaller changes.

1 Note that in September 2012 the standard rate of VAT increased by 3 pp to 21% and the reduced rate by 2 pp to 10%, whereas the super-reduced rate held at 4%.

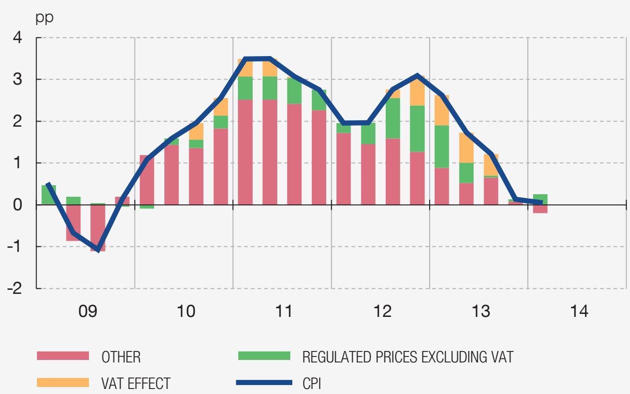
2 Based on the information on the consumer price index at constant tax rates, the tax effect using the assumption of a full pass-through of the VAT change would have been 1.96 pp.

3 This shows, to a certain degree, that a portion of these goods is subject to the super-reduced VAT rate (which was not changed) and almost all of the other goods are subject to the reduced rate (which only rose by 2 pp).

1 CONTRIBUTIONS TO THE YEAR-ON-YEAR RATE OF CHANGE IN THE CPI



2 CONTRIBUTIONS TO THE YEAR-ON-YEAR RATE OF CHANGE IN THE CPI



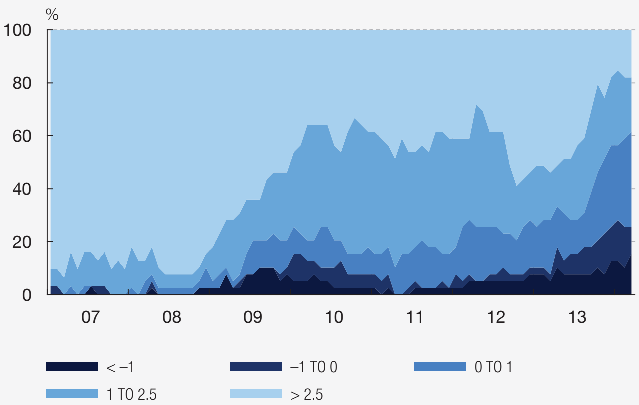
SOURCES: INE and Banco de España.

The different services price dynamics are also seen when compared with the euro area. For instance, in 2013 Q4 the rate of increase in services prices in Spain was 0.6 pp higher than that of the euro area, whereas in the early months of 2014 it was 1.4 pp lower than the euro area as a whole, an unprecedented occurrence since the onset of monetary union. The shift in the distribution of prices of various items towards lower growth is likely to have also been recorded in the euro area as a whole, although less pronounced. Thus, in the most recent period, the prices of a substantial share (69%) of the items in the HICP show lower growth in Spain than those of the euro area.

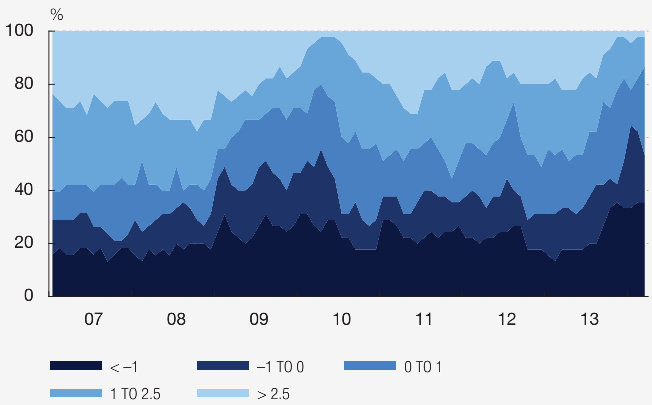
In short, Spanish inflation has eased substantially in the most recent period, although the change in the CPI is considerably higher than that recorded in mid-2009. This trajectory is partly explained by the stripping out of the temporary effects which had driven inflation higher in the past, but also due to more durable factors, especially those linked to changes in services prices. In this setting, very low rates of change in the CPI are expected this year which may even be negative from time to time. Nevertheless, the probability of widespread persistent declines in consumer prices is considered remote and, were it to occur, it would be a euro area-wide phenomenon. In fact, the already-discernible trends of a recovery in household spending and lower labour costs point to a slightly upward path for inflation during 2014.

PROPORTION OF SUB-CLASSES OF CPI WITH YEAR-ON-YEAR RATES BY INTERVAL

3 SERVICES



4 NON-ENERGY INDUSTRIAL GOODS

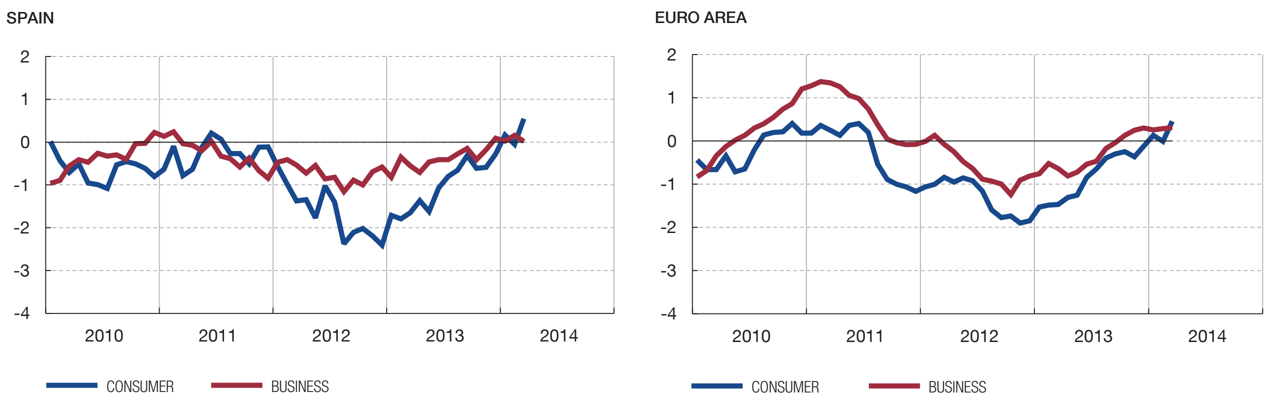


SOURCE: Banco de España.

very modest albeit positive and slightly rising rates of change for the private consumption deflator of 0.4% and 0.8%, respectively, given the contained recovery forecast for domestic demand. The report stipulated that the risks of inflation departing from the baseline scenario were skewed slightly to the downside, and linked to a lesser pass-through of the recovery in expenditure, given the level of slack in the economy, or to the effects on commodities prices and on the euro exchange rate of a more pronounced slowdown in some of the emerging economies. Conversely, an intensification of the fiscal adjustment might prompt rises in administered prices or in indirect taxes that could raise inflation.

Turning to the international economic outlook, the firming of the recovery in the developed economies continued during the opening months of the year, although in some cases bad weather temporarily slowed activity. Inflation rates in this group of countries held at low levels and monetary policies retained an expansionary stance. On the contrary, the emerging economies still showed signs of slowing, albeit to differing degrees, while financing conditions tightened as a result of the response by the monetary authorities to the bouts of volatility on financial markets, the intensity of which abated, in any event, as the quarter unfolded.

CONFIDENCE INDICATORS (a) CHART 2



SOURCE: European Commission.

a Normalised confidence indicators (difference between the indicator and its mean value, divided by the standard deviation).

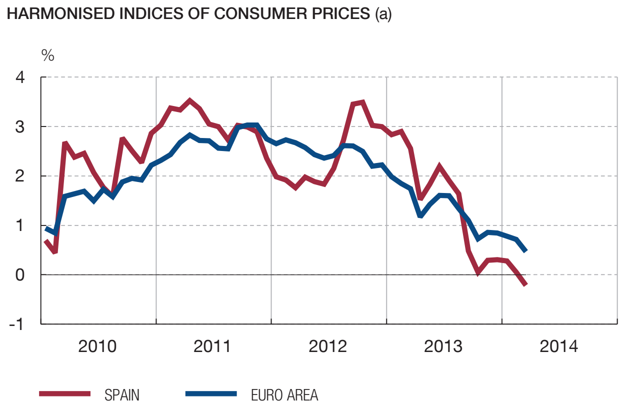
In the euro area the recovery dating back to 2013 Q2 continued, assisted by the sustained easing in financial tensions and improved consumer and business confidence against the background of an accommodative monetary policy and less restrictive fiscal policies. Inflation in the euro area continued to fall in the opening months of 2014 at a swifter pace than forecast. The year-on-year rate of the HICP stood at 0.5% in March, 0.3 pp down on end-2013. This moderation, affected also by the above-mentioned calendar effects, was due to the slower pace of growth of the prices of the more volatile components, whereby core inflation remained unchanged at 0.9%. In the medium term, inflation is expected to hold over a prolonged period at moderate levels, significantly below 2%. In this context, the Governing Council of the ECB confirmed its forward guidance strategy, reiterating its expectations that official interest rates will hold at current or lower levels for a prolonged period of time. Further, at its April meeting, the Council explicitly indicated that it would not rule out additional monetary stimulus measures and stressed that there was unanimous agreement about the use of unconventional instruments to tackle the risks that might arise from an overly long period of low inflation.

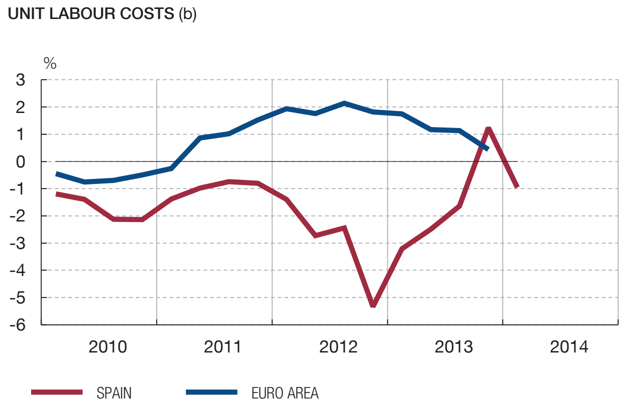
In March an agreement was reached on the design of the Single Resolution Mechanism (SRM), the second pillar of the banking union project. Lastly, under the Macroeconomic Imbalances Procedure, the European Commission (EC) released the results of the in-depth examinations of the countries with potential macroeconomic imbalances, concluding that Italy and Slovenia had excessive imbalances. The EC further considers that Spain has ceased to form part of this latter group of countries, though it stressed that the adjustment process is far from over and that certain macroeconomic imbalances persist (in particular, high public and private debt and the high unemployment rate). The National Reform Programmes to be presented at the end of the month shall specify the measures for further progress in correcting imbalances.

In Spain, the improvement in financial conditions continued apace, in line with the developments observed at the euro area level. Specifically, Spanish government debt yields fell further, to historically low levels, and the related spread over the German benchmark 10-year bond stood as at mid-April below 160 bp. The yields and risk premia on private fixed-income securities likewise fell. There was also a fresh increase in stock market prices, with IBEX 35 gains standing at 3.5% since the start of the year. Access to

PRICES AND COSTS

CHART 3





SOURCES: Eurostat, ECB and INE.

a Year-on-year rate of change.
b Per unit of output. Year-on-year rate of change calculated on the basis of seasonally adjusted series.

wholesale market funding received a fresh boost, enabling the Treasury to comfortably meet its funding objectives.

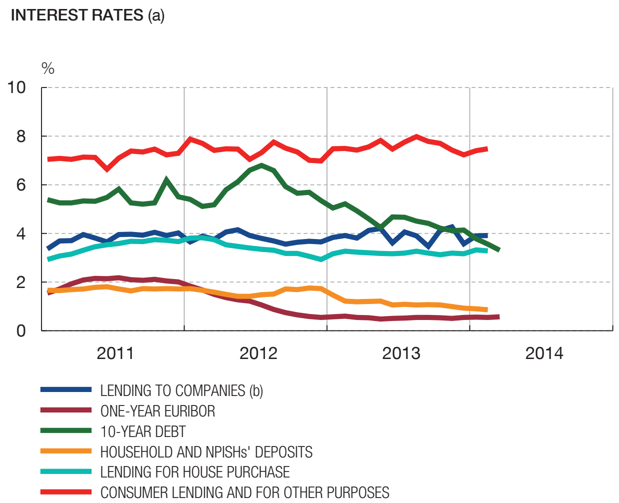
Easier conditions on financial markets did not pass through, however, to interest rates on borrowing. These rose slightly in the case of lending to households and remained stable in the case of non-financial corporations, meaning that overall they remained high given the monetary policy stance. Despite this, the strengthening of the external setting and the enhanced climate of confidence were conducive to a somewhat more favourable environment for private-sector consumption and investment decisions.

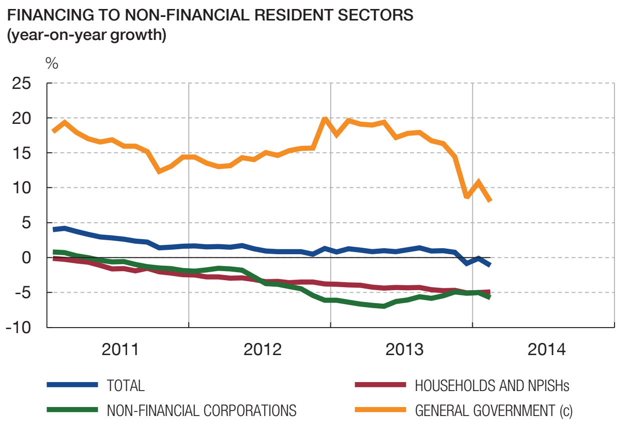
Household consumption spending is expected to have posted quarter-on-quarter growth of 0.3% in Q1, underpinned by the gradual improvement in employment and in its effect on confidence and disposable income. The rate of decline of this latter variable eased progressively over the course of the year, standing at the end of 2013 at -0.7%. According to the above-mentioned projections, household disposable income might increase moderately in 2014. It is estimated that the contractionary path of residential investment continued to slow, in a setting in which the demand for housing remained weak, in line with the trend of its main determinants (disposable income and financing conditions) and despite the momentum of house purchases by foreigners. The absorption of the sizeable housing overhang is moving slowly, which is delaying the start of the new construction cycle in some regions. The household sector is estimated to have reduced its debt and its interest burden in the opening months of the year, although saving not earmarked for debt servicing remains at low levels.

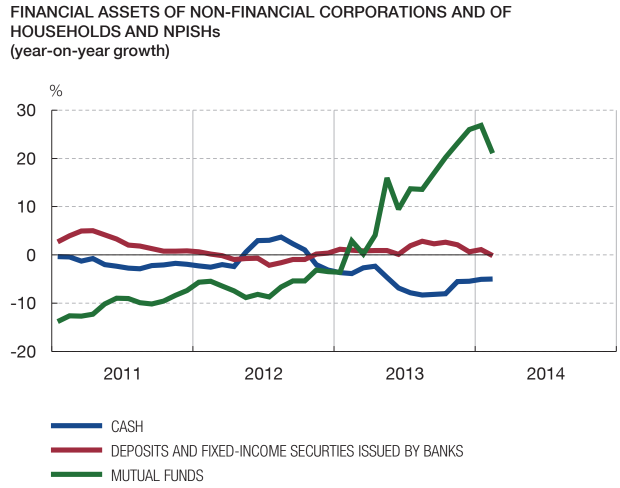
In the corporate sector, spending on investment in capital goods is estimated to have continued growing moderately, prolonging the path of recovery observed since early 2013. The improved business climate along with the favourable trend of foreign orders have continued to boost this demand component. Other private productive investment, which is centred mainly on investment in non-residential construction, is expected to have fallen off compared with the previous quarter. It is estimated that the reduction in the debt of the non-financial corporations sector and in its interest burden continued in the opening months of 2014, although financial pressure remains high.

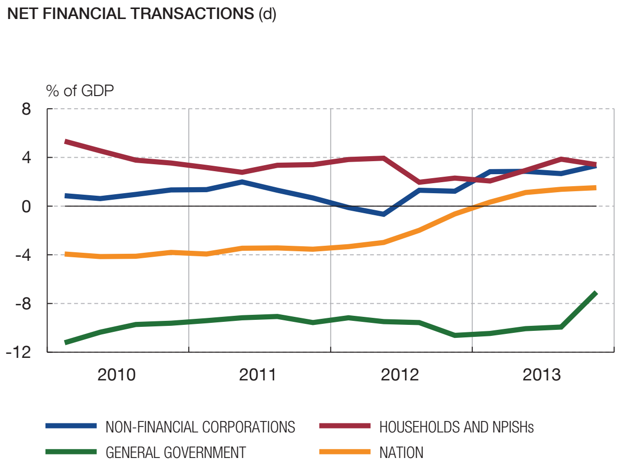
FINANCIAL INDICATORS OF THE SPANISH ECONOMY

CHART 4









SOURCE: Banco de España.

a In June 2010 the statistical requirements relating to interest rates applied by credit institutions to their customers were amended, potentially causing breaks in the attendant series. Of particular significance was the change in the interest rates on consumer credit and other loans, as a result of which, from that month, operations transacted using credit cards have not been included. APR for loans (includes commissions and other expenses) and NDER for deposits.

b Weighted average of interest rates on various transactions grouped according to their volume. For loans exceeding €1 million, the interest rate is obtained by adding to the NDER (Narrowly Defined Effective Rate), which does not include commission and other expenses, a moving average of such expenses.

c Consolidated financing: net of securities and loans that are general government assets.

d Four-quarter cumulated data. GDP is seasonally adjusted.

In connection with foreign trade, the information available for the opening months of 2014 suggests that the contribution of net external demand to year-on-year GDP growth may have increased slightly, standing at around 0.6 pp for Q1. This would be the outcome of a more pronounced acceleration in exports (underpinned by the recovery in the euro area economies, gains in competitiveness and the buoyancy of foreign tourism) than in imports (driven by the improvement in industrial activity and the progressive recovery of consumption).

The final figures for the general government account for 2013 were released on 31 March. The sector's net borrowing amounted to 6.6% of GDP (7.1% if the impact of financial assistance is included), slightly above the target set by the European Council last July, which entails a reduction of 0.2 pp of GDP in relation to that observed a year earlier. The fiscal drive has, however, been significant in terms of the reduction in the primary structural balance. Fulfilment of the fiscal objectives set at the national and European levels is essential for breaking the upward trajectory of public debt, which rose to 93.9% of GDP at end-2013. The information on the budget outturn in 2014 to date is still scant and rather unrepresentative of the trend of the various items over the year as a whole. In any event, it denotes the continuity of the fiscal consolidation process in the different tiers of government.

From the supply-side standpoint, the sectoral indicators available point to a gradual path of recovery in value added in industry and in market services in the second half of 2013, while construction is expected to have continued to contract, albeit at a more moderate rate. In industry, the manufacturing sectors linked to the production of capital and intermediate goods led this rise in activity, while in services the most dynamic activities were in retail and wholesale trade, hotels and restaurants, and transport.

As in the final stretch of 2013, employment continued to improve in the opening months of 2014. Drawing on information on Social Security registrations, employment grew by 0.6% in 2014 Q1 (0.3% the previous quarter). That shaped a relatively widespread recovery across the sectors of activity, but somewhat more intensely so in the market economy (singularly in services). The figures on registered contracts also showed a widespread increase in hires in terms of duration and number of weekly hours, albeit at a brisker pace in terms of temporary and part-time employment. The recent entry into force of a programme of incentives for permanent contracts implemented through a reduction in employers' contributions for common contingencies in respect of new permanent hires[2] might generate an increase in this type of contract in the coming months.

Overall, the information available appears to augur a further rise in the rate of change of employment in terms of Quarterly National Accounts, for the second quarter running and after more than five years of continuous declines. In step with the aforementioned developments, the pace of decline of registered unemployment intensified in the first three months of the year. That will foreseeably entail a stabilisation of the unemployment rate at around the levels of last quarter and an appreciable decline compared with the level at the start of 2013.[3]

Lastly, and albeit on relatively preliminary data, the labour cost indicators available for Q1 show that the patterns of wage moderation observed throughout 2013 have been maintained. The average increase in wage rates to March stood at 0.6%, in line with 2013, and the inflation indexation clauses are scarcely exerting any influence given their progressively diminishing relevance in collective bargaining agreements and the low-inflation setting in which the Spanish economy is operating.

16.4.2014.

2 The reduction in contributions will affect permanent hires for which contracts are entered into before the end of the year and which increase the firm's level of employment over two consecutive years.

3 This analysis does not yet include the new EPA series released by INE on 24 April to show the impact of the new population base in accordance with the 2011 Population and Housing censuses.

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Focusing on the first group of factors,[1] various estimates put the impact on the CPI of the VAT increase at between 0.7 pp and 0.8 pp in terms of the change in the CPI in October 2012, representing a degree of pass-through of approximately 40% of the total potential impact.[2] This impact is similar to that estimated following the VAT increase of 2010, but is considerably lower than those corresponding to the rises in this tax introduced in the 1990s (1992 and 1995). The small pass-through reflects the acute weakness of household spending which would have led firms to absorb part of the tax increase in their margins. The biggest effects relate to non-food components and the impact on food prices is very limited.[3] It is estimated that the effect on the CPI of the regulated price rises implemented in the second half of 2012 (which affected a wide range of goods and services such as pharmaceutical products, travel fares and university fees) amounted to 1.1 pp of inflation in 2012 Q4.

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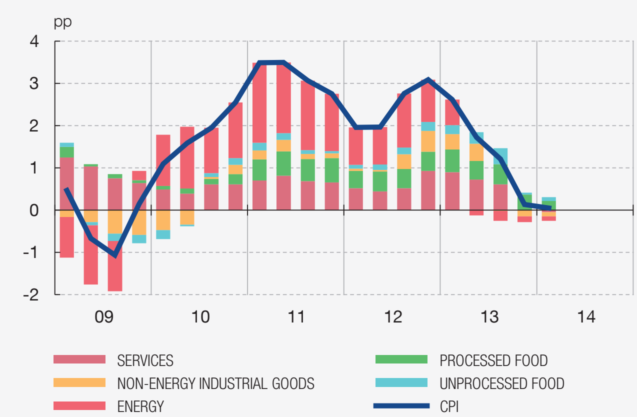

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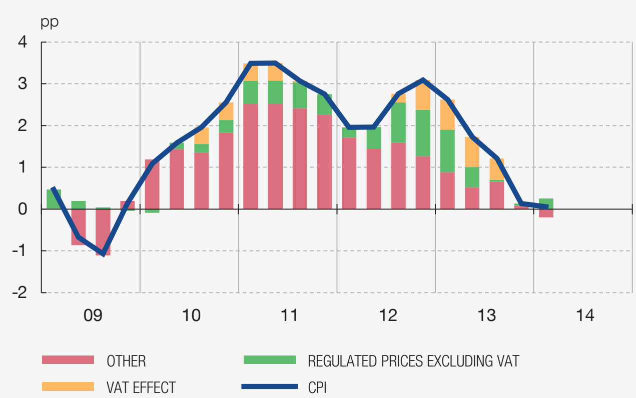

SOURCES: INE and Banco de España.

The different services price dynamics are also seen when compared with the euro area. For instance, in 2013 Q4 the rate of increase in services prices in Spain was 0.6 pp higher than that of the euro area, whereas in the early months of 2014 it was 1.4 pp lower than the euro area as a whole, an unprecedented occurrence since the onset of monetary union. The shift in the distribution of prices of various items towards lower growth is likely to have also been recorded in the euro area as a whole, although less pronounced. Thus, in the most recent period, the prices of a substantial share (69%) of the items in the HICP show lower growth in Spain than those of the euro area.

In short, Spanish inflation has eased substantially in the most recent period, although the change in the CPI is considerably higher than that recorded in mid-2009. This trajectory is partly explained by the stripping out of the temporary effects which had driven inflation higher in the past, but also due to more durable factors, especially those linked to changes in services prices. In this setting, very low rates of change in the CPI are expected this year which may even be negative from time to time. Nevertheless, the probability of widespread persistent declines in consumer prices is considered remote and, were it to occur, it would be a euro area-wide phenomenon. In fact, the already-discernible trends of a recovery in household spending and lower labour costs point to a slightly upward path for inflation during 2014.

PROPORTION OF SUB-CLASSES OF CPI WITH YEAR-ON-YEAR RATES BY INTERVAL

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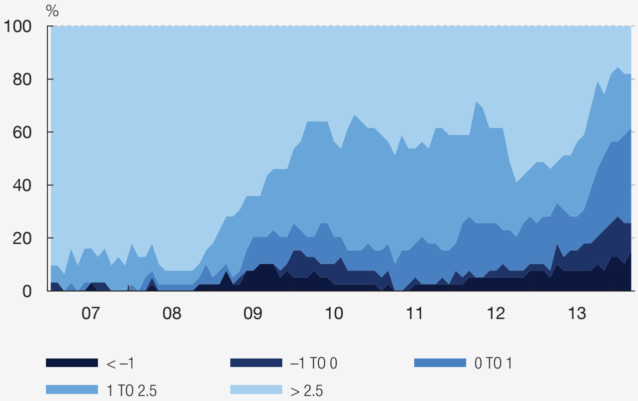
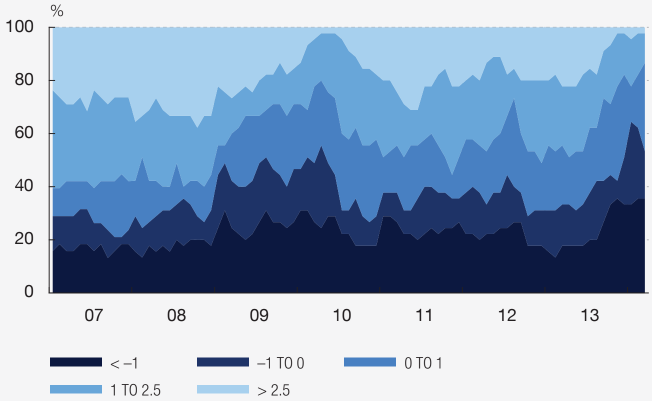


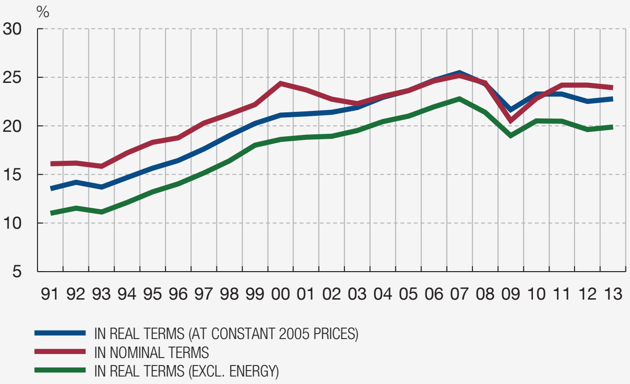
4 NON-ENERGY INDUSTRIAL GOODS



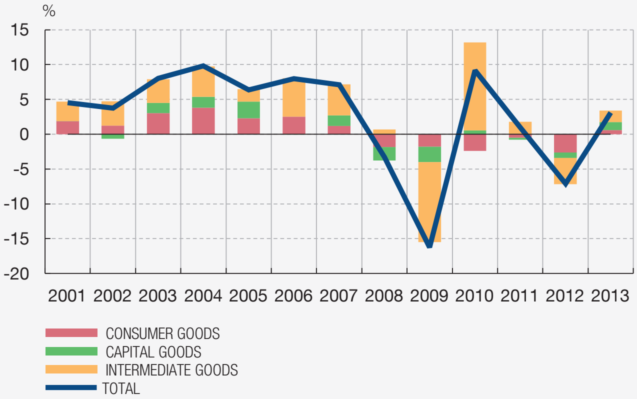
SOURCE: Banco de España.

One of the most striking features of the Spanish economy in 2013 was that it was a net lender to the rest of the world, for the first time since 1997, following a sharp contraction in the external imbalance, which had reached 10% of GDP in 2007. Behind this adjustment lie buoyant exports and contracting imports. Some of the factors that explain the performance of exports in recent years, such as the increase in the number of firms exporting regularly and the increasing geographic diversification of external sales, suggest that a structural change in this component may be occurring, which would presage a persistently higher average level of exports

1 IMPORT PENETRATION IN FINAL DEMAND (a)
Goods and services

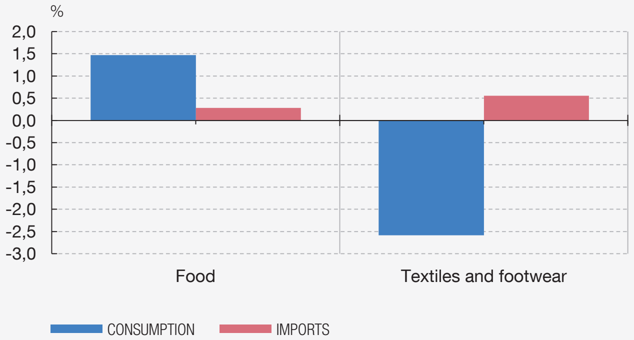


2 TOTAL IMPORTS (ANNUAL CHANGE): CONTRIBUTION OF COMPONENTS, IN REAL TERMS

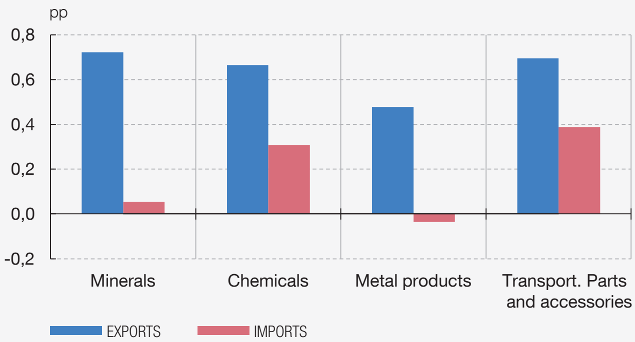


3 ESTIMATED AND OBSERVED GOODS IMPORTS (b)

4 IMPORTS AND CONSUMPTION OF NON-DURABLE CONSUMER GOODS, IN NOMINAL TERMS
Average annual rate 2008-2012



5 IMPORTS AND EXPORTS OF NON-ENERGY INTERMEDIATE GOODS. CONTRIBUTIONS TO THE NOMINAL RATE OF GROWTH
Average 2011-2013



SOURCES: INE, Ministerio de Hacienda y Administraciones Públicas and Banco de España.

a Import penetration is defined as total imports as a percentage of final demand.
b For total imports as a percentage of final demand, each component has been weighted by its import content. The average weight in total imports for the period 2008-2013, in real terms, is shown in brackets.

in the future. In the case of imports, however, there is greater uncertainty as to the size of the structural adjustment, especially following their rise from the middle of last year, when private domestic demand began to show incipient signs of recovery.

Following the strong growth recorded during the period 1995-2008, the penetration of goods and services imports fell from the start of the crisis. Thus, at the end of 2013 total imports as a percentage of final demand, in real terms, were almost 1.5 pp down from 2008, in spite of the mild pick-up recorded last year (see Panel 1). This fall is consistent with the sharp contraction in domestic demand during these years and the behaviour of its components, especially of those with high import content. According to the latest input-output tables (for 2005, so they may be somewhat out of date), equipment investment was the component with the highest import content (72.8%), followed by goods exports (48.5%) and private consumption (18.3%). Specifically, in real terms, imports of capital and consumer goods fell significantly (by around 6% on average over the period 2008-2013), while those of intermediate goods, closely linked to export demand, behaved more favourably over the same period (see Panel 2).

One way of analysing possible changes in the relationship between imports and final demand, both at the aggregate level and by component, consists in estimating the respective relationships using historical data and then predicting the evolution of imports over the subsequent period[1]. If the path of imports projected on the basis of the evolution of their determinants (the demand for each type of product and their relative prices), is similar to the observed one, it may be concluded that there has been no relevant change in this relationship. Panel 3 shows the dynamic predictions obtained in this way, both for total imports and for their main non-energy components (imports of durable and non-durable consumer goods, equipment and intermediate goods) and the forecast errors. As seen in this chart, the behaviour of total imports has been in line with the prediction obtained using the estimated equation, so that according to this type of approximation there have been no significant changes in the historical relationship between imports and their determinants. An analysis of the various demand components reveals other details that help to characterise the recent behaviour of imports and, also, to discern possible future trends.

Imports of consumer goods have basically been linked to changes in private consumption. However, it is worth analysing the behaviour of imports of durable and non-durable consumer goods separately. Durable consumption was the component of final household spending that fell most when the crisis began (by 5.6% on average over the period 2008-2013, as against -1.7% in the case of total spending).[2] This fall was especially steep in the case of certain goods whose demand is covered by imports, such as cars and domestic appliances, so that, overall, the imports of this type of product behaved in line with what would be expected given the sharp adjustment in the demand for them. By contrast, imports of non-durable consumer goods displayed a larger decline than predicted on the basis of the behaviour of their determinants. This may be indicative of changes in the pattern of consumption of such goods by Spanish households, whose spending capacity has been highly constrained during the crisis, with a shift towards the acquisition of lower priced domestic goods. Food products, which have seen an increase in the demand for own-brands, may be an example of this shift.[3] In the case of other non-durable goods (such as textiles), however, the impact of the crisis has not necessarily led to higher relative consumption of domestic goods (see Panel 4).

The growth rate of intermediate goods imports exceeded that predicted by the estimated equation (the forecast error in this case is positive), possibly as a consequence of the recent significant growth in exports, which are highly dependent on imported intermediate goods.[4] By type of activity, those sectors with the highest import content (well above average) are those related to the chemicals and minerals industry, vehicles and transport equipment, and electrical and precision equipment. These three sectors, which represent more than one third of Spanish goods exports, were the ones that contributed most to the growth of imports in 2013 (see Chart 5). In the short and medium term, sectors with high import content are projected to continue to have a significant weight, since globalisation and advances in the reduction of transport and communication costs will enable firms to continue to exploit the cost advantages inherent in international fragmentation of the production process. Against this background, competitiveness improvements and structural reforms have increased the Spanish economy's attractiveness as an investment destination, especially for the car industry, but also for services activities.

Finally, the start of the investment cycle in 2013 has driven the purchase of capital goods which, in general, are not produced in Spain (see Panel 2). Last year purchases of machinery and metal structures, transport equipment and other capital goods increased, especially those from the euro area (which have a higher technological content than those from the rest of the world).

In short, the evidence available, having taken into account changes in demand and relative prices, shows signs of changes in the pattern of imports of certain products, although it cannot be concluded unequivocally that a process of wholesale import substitution is taking place. That said, the size of the adjustments facing the Spanish economy, both on the demand side (income and wealth adjustment) and on the supply side (sectoral reallocation), means that the scope and depth of this import substitution process can only be partially identified at this stage.

1 The relationship between imports and final demand components is estimated using quarterly data for the period 2000-2008.

2 According to annual National Accounts data, the fall in spending on furniture, cars and domestic appliances accounted for around 50% of the fall in final household expenditure. Imports of durable consumer goods, which before the crisis represented around 50% of total consumer goods imports, fell by about 10% on average over the period 2008-2013.

3 See Álvarez, L.J. and Ll. Matea (2011): "La estructura de la distribución comercial y su efecto sobre los precios en el área del euro y en España", Boletín Económico, December, Banco de España.

4 According to the OECD's Trade in Value Added database, the import content of Spanish goods and services exports, which fell in 2009 to around 20%, owing to the sudden contraction in world trade, recovered in 2011 (preliminary estimate) to pre-crisis levels (around 30%).

Introduction

The Federal Reserve's announcement in May 2013 that it would at some point commence tapering prompted a bout of instability on Latin American financial markets and on emerging markets in general, which was followed from September by a period of some stability and recovery. Indeed, the actual start of tapering in December was digested with relative calm by the markets. However, early 2014 saw some intermittent episodes of tension, one with its epicentre in Argentina, which have affected the emerging economies with differing degrees of intensity, depending on their vulnerabilities and idiosyncrasies (less so in the case of those countries whose economic policies had already reacted during the mid-2013 episode). Significantly, in any event, the change in outlook for the monetary cycle in the United States comes in step with the firming of the recovery in this country and, with a greater lag, in other advanced economies, a recovery which is a favourable factor for the region. Nonetheless, the main concern over Latin America appears to be shifting more recently from the tightening of global monetary conditions to the risk that China may slow down more than expected.

Against this background of weaker commodities prices, and with the output gap having closed in some of the region's main economies, the second half of 2013 saw a slowdown in activity in Latin America. Average GDP across the five countries with inflation targets (excluding Argentina and Venezuela[1]) dipped from year-on-year growth of 3% in Q2 to 2% in Q4. As a result, GDP in these five economies as a whole grew by 2.3% in 2013, down on the previous year's figure of 2.9% and on the expectations of recovery that prevailed at the start of the year. Moreover, this weakness has been spreading to more countries: in 2012, only Argentina and Brazil showed lower growth rates, influenced by domestic factors; in 2013, the slowdown has progressively passed through to other countries, such as Venezuela, Mexico and also Chile. In any event, Chile, along with Colombia and Peru, has maintained growth far above the average.

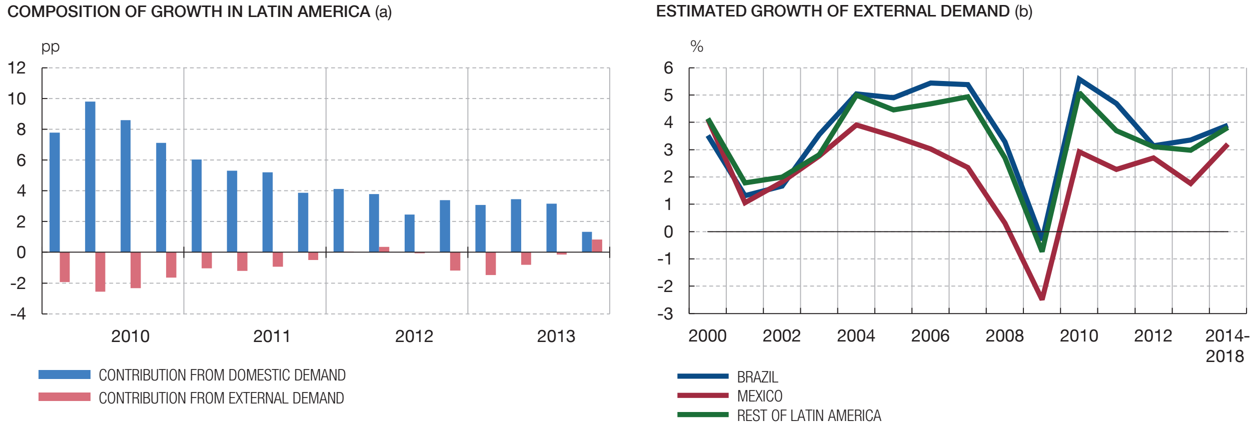
While there are a wide range of different circumstances across the region's countries, one common feature in the recent slowdown has been the easing in domestic demand. This variable, having exceeded on average year-on-year growth of 3.5% in the first half of 2013, posted growth of only 1.2% in Q4, owing to the slowdown in Brazil, Chile and Mexico (see Chart 1). Conversely, external demand began to pick up in some economies in the final stretch of the year, although its contribution is as yet modest, in line with the slow recovery in the developed economies; indeed, in 2013 as a whole, it continued to subtract from growth. In addition, the slowdown in GDP has become more marked in Argentina and Venezuela as a result of specific factors in these countries, with significant risks building up.

The growth outlook for Latin America for 2014 has continued to be revised downwards in recent months. On average, growth similar to and even slightly lower than that in 2013 is expected, with notable intra-regional differences. On one hand, Peru, Colombia and, to

1 At the cut-off date for this publication, Argentina and Venezuela had not released the National Accounts data for 2013 Q4; accordingly, it has not been possible to compile the LatAm-7 aggregate of the region's seven main countries, as was the habitual practice. Alternatively, a LatAm-5 aggregate comprising Mexico, Brazil, Colombia, Peru and Chile has been constructed so that recent growth in the region may be analysed and comparisons made with previous quarters.

COMPOSITION OF GROWTH AND ESTIMATED GROWTH OF EXTERNAL DEMAND

CHART 1



SOURCES: Bloomberg and Datastream.

a Aggregate of Brazil, Chile, Colombia, Mexico and Peru.
b GDP growth of the trading partners of the seven largest economies of the region, weighted by their share in exports.

a lesser extent, Chile are expected to remain soundly buoyant, although possibly less intensely so than in previous years. In Mexico the outlook is favourable since temporary factors, which were responsible for the slowdown in 2013, are expected to gradually fade over the course of the year; moreover, current reforms are also expected to boost confidence. The Brazilian economy, for its part, appears to have settled into a low growth rate which, viewed positively, may contribute partially to correcting its external imbalances and to shoring up its growth in the medium term, conditional upon the path of reforms being furthered. Finally, Venezuela and Argentina are expected to enter a low growth phase, with the risk of recession with high inflation.

In the countries with inflation targets, inflationary pressures appear to be manageable and expectations remain anchored. There are, however, upside risks derived from currency depreciations (in some cases substantial) and from the increase in food prices, which might offset the moderating effect of domestic demand and compound economic policy dilemmas. Some countries retain the capacity to pursue countercyclical policies, such as Peru, Colombia, Mexico and Chile which, in the absence of inflationary pressures, have been able to keep their policies accommodative and to assume the depreciation of their currencies. In Brazil, however, this leeway seems more limited at present owing to persistent inflation. In Argentina and Venezuela, inflationary pressures have worsened substantially and, although their respective economic policy responses are proving different, both economies face a series of macroeconomic constraints, singularly so in terms of forgone reserves, which obviate the application of countercyclical policies.

The year 2014 poses uncertainties for Latin America. The positive impact on the region of the recovery under way in the US economy, in the specific form of greater external demand (see Chart 1), may be offset to a greater or lesser extent by the tightening of financing conditions, and something of a slowdown in certain emerging economies. One factor of risk is the possibility that the easing in activity in China proves sharper than expected, which would have a greater impact on the countries more exposed to this economy and in which the presence of macroeconomic imbalances curtails the margin for manoeuvre of economic policy. Overall, it will seemingly be difficult for the region to recover the forceful dynamism it showed in exiting the Great Recession. Moreover, 2014 will provide a chance to see whether the cumulative depreciation of the exchange rate is sufficient to accommodate these external shocks, and to what extent it will restrict monetary policy leeway in the future. How Venezuela and Argentina will manage a situation of low growth with major imbalances is another sizeable factor of uncertainty. All these developments highlight the importance of reinforcing economic policy frameworks and prioritising competitiveness-enhancing structural reforms.

External environment

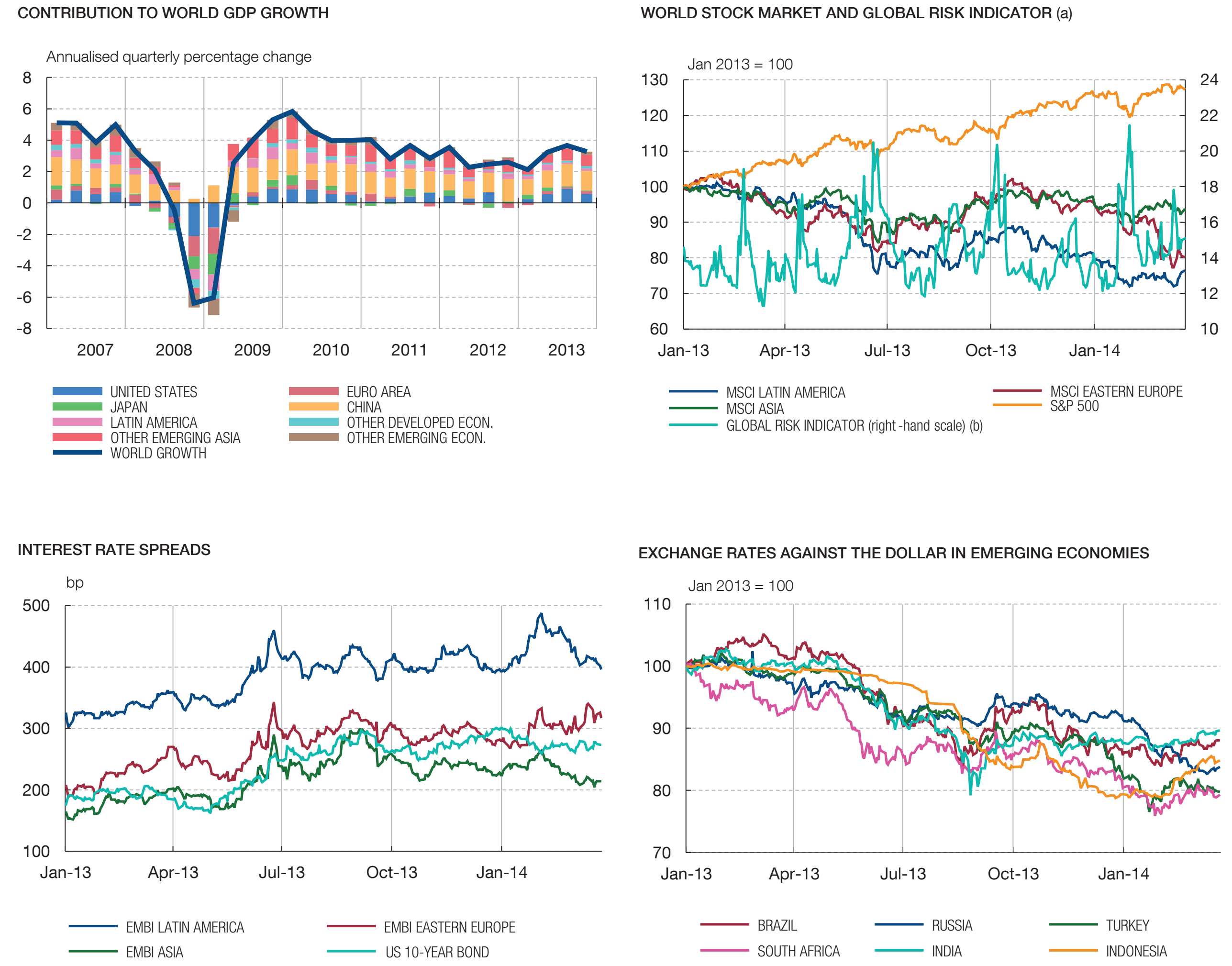
Developments in the world economy in the past six months have continued to be influenced by two key factors: first, the slowdown in various emerging economies, in general, and doubts over the sustainability of the pace of growth in China, in particular; and further, expectations about the normalisation of the monetary cycle in the United States. Following a recovery on the financial markets at year-end, underpinned by the clarification of the US monetary strategy and by increasingly widespread signs of a pick-up in the advanced economies, there were temporary episodes of tension in the emerging financial markets in 2014 Q1 which highlight the persistence of doubts over the position of certain emerging economies that may have built up excessive imbalances.

Against this backdrop, global activity quickened in the second half of 2013 to rates of around 3.5% (see Chart 2), 1 pp up on the first half of the year, as a result of the firming of the recovery in the advanced economies; accordingly, the ongoing shift in global growth towards this group of economies continued. True, the latest data point to some easing in the growth of the advanced economies in early 2014, owing to temporary factors (such as the bad weather in the United States). But they are expected to continue strengthening, in a setting of smaller fiscal adjustments than in 2013 (except in Japan), favourable monetary and financial conditions (despite the tightening), gradual recovery in real estate and labour markets, and an increase in private-sector wealth. With the exception of Japan, inflation trended downwards in this group of economies, which can in certain cases cause concern, as in the euro area (0.5% in March). The monetary authorities in these countries face a divergent outlook; while some, such as the Federal Reserve or the Bank of England, are managing the change in monetary cycle with successive alterations to their forward guidance strategies, others such as the Bank of Japan or the ECB are assessing the possibility of providing greater stimuli. The balance of risks for the advanced economies has improved, with the increase in risks associated with low inflation rates standing out.

In the second half of 2013 the growth rate of the emerging economies generally stood below expectations, with the pace of growth across the different regions remaining mixed. In 2013 on average, China grew by 7.7%, the rest of Emerging Asia by 4.4% and Eastern Europe by 1.3%, while Latin America was in an intermediate position (2.3%). The worsening outlook for the emerging economies has continued in 2014 to date. While for this year growth is expected to stabilise at similar rates to those in 2013, there are downside risks with this scenario, arising from the potential re-emergence of episodes of financial volatility and from their impact on investors' and agents confidence, and from a sharper-than-expected slowdown in China. These risks are more material for the economies with weaker fundamentals. However, significant exceptions aside, it should be clarified that the imbalances built up recently by these economies have been moderate; also, levels of vulnerability are lower than in the past, given the greater soundness of their macroeconomic policy frameworks, the solvency of their banking systems and the presence of mitigation mechanisms, such as the absorption capacity generated by exchange-rate flexibility – against a background of fewer currency mismatches – and the high level of reserves in many of these countries. In any event, greater market sensitivity has in certain cases restricted the headroom available for countercyclical policies.

GLOBAL MACROECONOMIC AND FINANCIAL INDICATORS
Annualised quarterly rate, indices and basis points

CHART 2



SOURCES: Datastream and JP Morgan.

a Stock market indices in dollars.
b VIX.

Financial markets and external financing

In the final quarter of 2013, the financial indicators of the emerging economies were characterised by a stock market recovery and a downtrend in spreads and in default risk premia (see Chart 2). Stock markets regained the levels prior to the turbulence in May, while sovereign spreads, measured by the EMBI index, stabilised at some 70 bp above the levels observed in the first half of 2013. Exchange rates picked up to levels close to those seen in May, except those of the more vulnerable economies, which continued to show an 8-10% depreciation against the dollar.

In early 2014, in the new setting of gradually normalising global monetary conditions, developments in the emerging markets came to depend to a greater extent on idiosyncratic factors, economic and political alike. In light of the earlier-mentioned doubts over the outlook for China, the political tensions in Turkey and the weakness of this country's external sector, coupled with the strong and swift depreciation of the Argentine peso, gave rise to fresh turbulence in late January which was relatively widespread but more fleeting in nature than the episode in 2013 (see Chart 3). This turbulence had less of an impact on economies whose economic policies had already reacted in 2013, such as Brazil, Indonesia and India, although a further factor of weight in this lesser reaction was the intensity of the cumulative depreciation of exchange rates. Subsequently, events in Ukraine renewed tensions, although the impact was more regional in nature, chiefly affecting the Eastern European countries and Turkey. Moreover, low financial volatility globally and low long-term yields in the United States restricted the spread of these bouts of turbulence (see Chart 2). By late March, the financial indicators of the emerging markets had recovered, in particular in those countries most affected by the turbulence in May. Nonetheless, investor sentiment towards the emerging markets is now generally less favourable than a year ago, in a setting in which doubts persist over economic activity and the financial sector in China, with possible repercussions for the external demand of the emerging economies and commodities prices.

In parallel, the past six months have seen a withdrawal by minority investors from the emerging markets in the form of heavy outflows from debt funds and stock markets (see Chart 3), based on the surveys habitually used. Moreover, balance of payments figures point to a slowdown in portfolio inflows. Bond issues across the emerging economies as a whole once again reached historical highs between December and January, but a slowdown has since been perceptible. Against a background of expectations of lower global liquidity and interest rate rises, fixed-income issues are likely to be geared to a greater proportion towards asset-backed and variable-yield issues with shorter maturities and, possibly, with a higher average rating. These characteristics began to become discernible as from the third or fourth quarter of 2013, albeit incipiently (see Chart 3).

The performance of the Latin-American financial markets was similar to that of the other emerging markets, with the odd particularity suggesting a degree of intra-regional discrimination. Stock markets fell very sharply from end-September to early 2014 (especially in Brazil and Chile, although Mexico performed favourably), with indices picking up subsequently. As a result, from October 2013 to March 2014 Latin American stock markets posted an average fall of 1.3%, compared with the 3% increase on Asian bourses. This was marked by the declines in Brazil (-2.6%) and Peru (-9.6%); in Mexico, the decline was smaller (-1%) owing to the greater correlation with US markets and improved expectations on the back of Mexico's structural reforms.

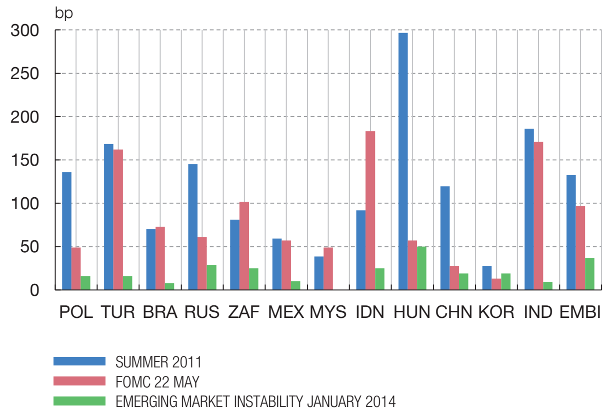
Sovereign spreads in the Latin American countries were relatively stable until the January-February episode of turbulence, when they widened somewhat, although this movement was reversed in late March (see Chart 4). Sovereign risk premia, measured by the Latin American EMBI, stood from late March at somewhat below 400 bp for the region, close to the average for the past four years. These developments were influenced by the behaviour of the Argentine sovereign spread (which narrowed by 170 bp from mid-October further to the post-election shift in the economic policy stance), and were offset in part by the increase in Venezuela (100 bp). Overall, the recent decline in the EMBI Latin America has been on a lesser scale than that in other emerging regions (15 bp since mid-October, compared with 40 bp in Asia), and with some differences from country to country. The stability of sovereign spreads has been compatible with a substantial increase in local currency-denominated long-term bond yields since late May 2013 although, once again, differences across countries have been significant (increases of almost 3 pp in Brazil, 1.7 pp in Mexico and unchanged in Chile; see Chart 4). The behaviour of spreads has been similar to that of CDS premia, which have over the past 18 months re-adjusted in step with the greater perception of risk in this region and in other emerging regions, and the reverse of what has been observed in the developed economies, as is analysed in Box 1.

SOVEREIGN SPREADS, EXCHANGE RATES, BOND ISSUES AND FUND FLOWS

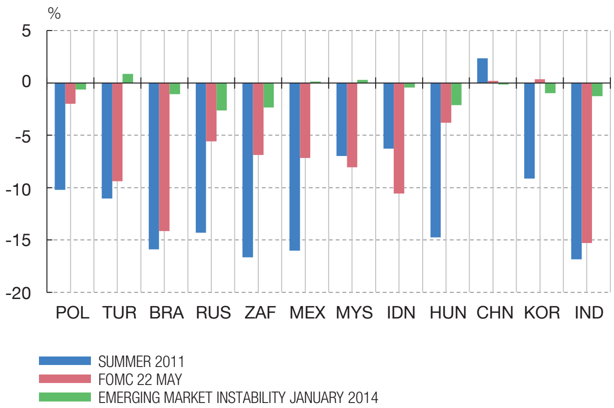
CHART 3

Percentages, basis points and $bn

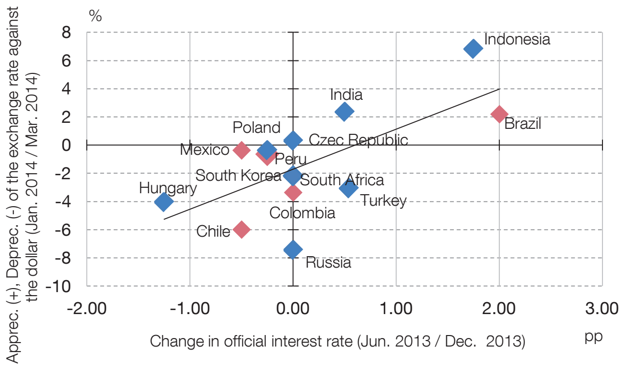
CHANGE IN SOVEREIGN SPREAD



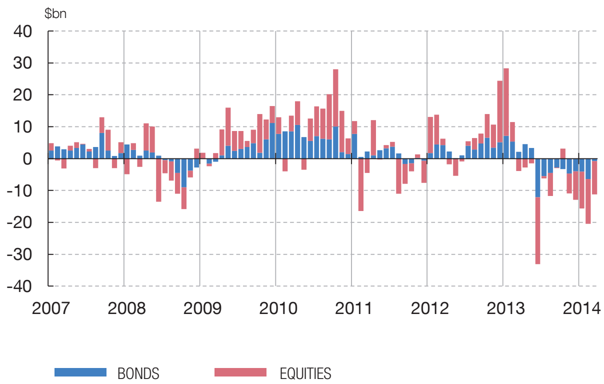
EXCHANGE RATE VARIATION



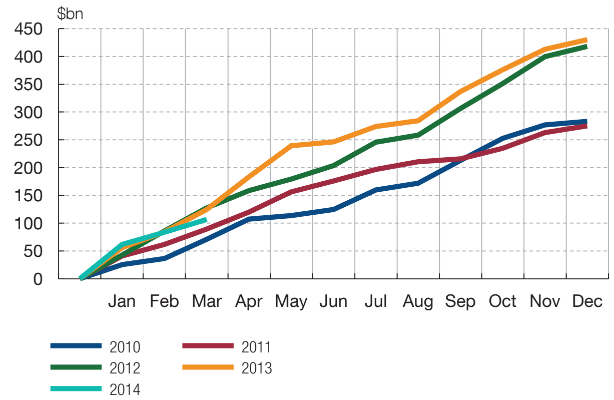
OFFICIAL INTEREST RATES AND EXCHANGE RATE AGAINST THE DOLLAR



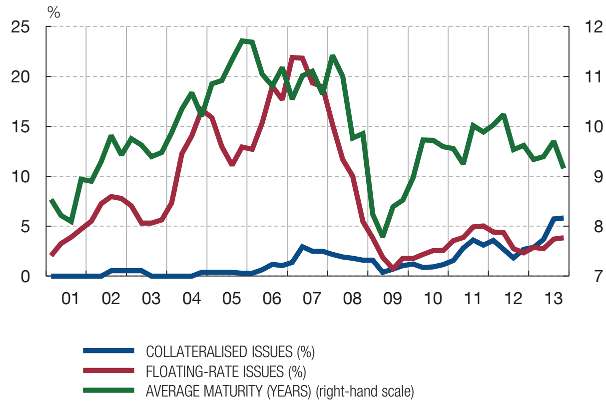
FLOWS TO STOCK MARKET FUNDS AND EMERGING DEBT



BOND ISSUANCE ON INTERNATIONAL MARKETS
(cumulative from the beginning of each year)



BOND ISSUANCE BY EMERGING ECONOMIES

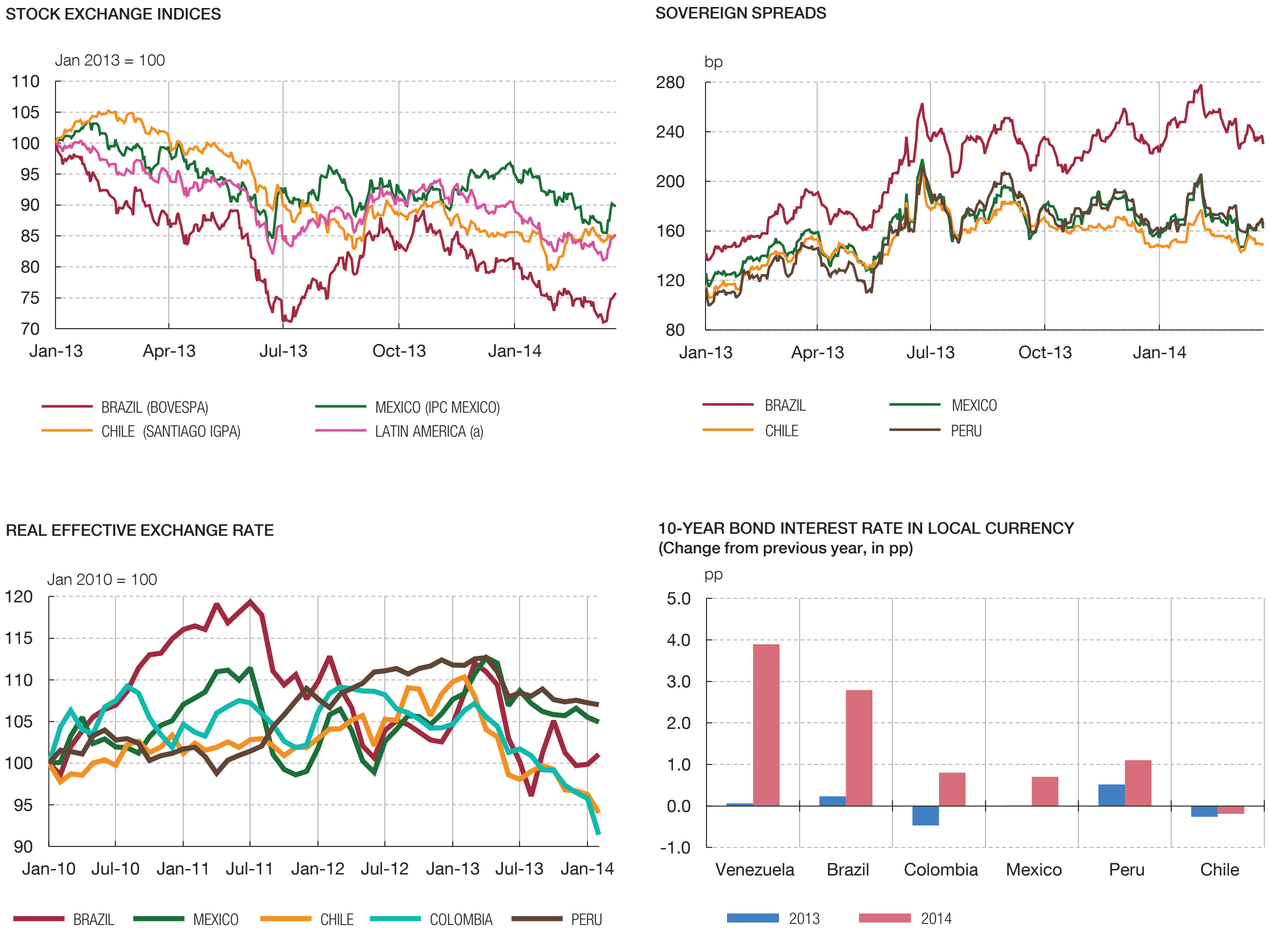


SOURCES: Datastream, Dealogic, EPFR and national statistics.

The exchange rates of the region’s currencies held on a mild depreciating trend over the last six months. The exception was the Mexican peso, which appreciated by 0.8% from October. The cumulative depreciation against the dollar was more marked in the case, first, of the Brazilian real (-2%), despite intervention by the country’s central bank on the currency markets and the successive rises in the official interest rate; and further, of the

FINANCIAL INDICATORS
Indices, basis points and percentage points

CHART 4



SOURCES: Datastream, JP Morgan and national statistics.

a MSCI Latin America index in local currency.

currencies of the economies more closely tied to commodities prices, such as Chile (-8.8%) and Colombia (-3.2%). In some instances, the depreciations recorded since May 2013 have enabled the prior appreciation of the real exchange rate to be corrected (see Chart 4).

Finally, despite the bleaker growth outlook, there was a firm inflow of high foreign direct investment into the Latin American economies in 2013 ($163 billion, $8.7 billion up on 2012; see Chart 5). There were notable inflows in Mexico, which broke the declining trend evident since the crisis of 2008, along with an increase in Colombia and a recovery in Venezuela, in the oil sector. Conversely, Brazil, Peru and Chile recorded lower inflows, although they were at historically high levels. Portfolio investment inflows fell by around $30 billion in 2013, to levels similar to those in 2011 (see Chart 5), with the decline centred on Mexico and Chile in the second quarter of the year. From October 2013 to March 2014, fixed-income issues in the region amounted to $60 billion, with notable issuance activity in Mexico by both the Treasury – with short-term debt refinancing operations and very long-term currency-denominated issues – and the State-owned oil corporation (23% of the total between the two), and an $8.5 billion placement by the Brazilian State-owned oil corporation (see Chart 5).

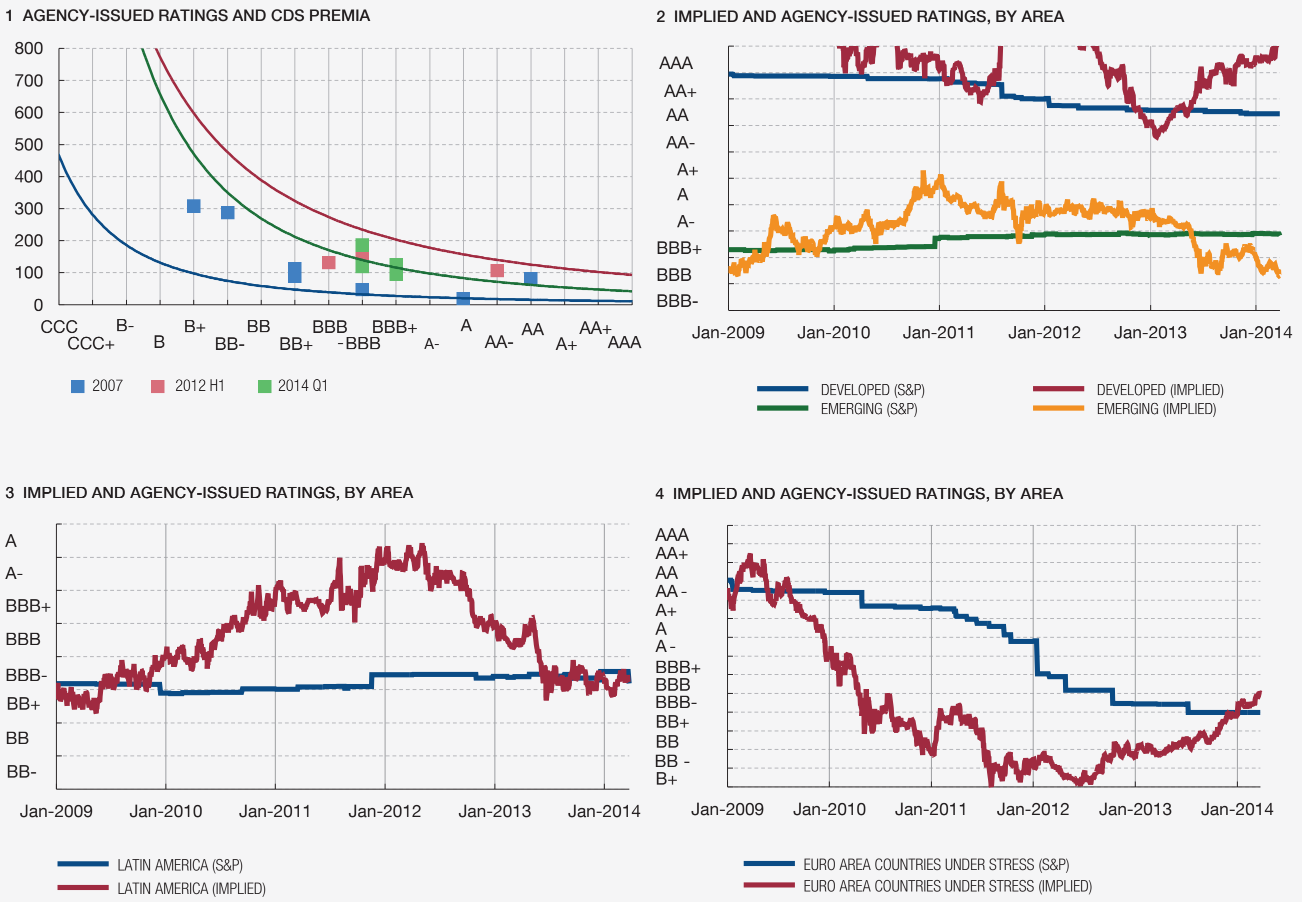
DIVERGENCE AND CONVERGENCE BETWEEN AGENCY RATINGS AND THE RATINGS IMPLIED BY SOVEREIGN CDSs

After the 2008 global financial crisis there was a notable change in the perception of risk across the main developed and emerging markets, which has reversed partially in the last year and a half. These changes in perceptions are reflected both in the sovereign ratings issued by credit rating agencies and in certain market indicators, such as credit default swaps (CDSs). However the rightward shift of the curves of CDS premia versus sovereign ratings shows that the risk measured by CDSs has increased notably for the same level of rating (see panel 1 of Chart 1). Moreover, the dispersion between the ratings assigned by agencies and those implied by CDSs has also increased.

This Box analyses the relationship between the sovereign ratings issued by Standard & Poor´s and the ratings implied by CDSs, which are derived from a regression of the agency-issued rating on the level of default premia in CDS markets. In the charts, upward movements in these two variables denote lower credit risk.

Panel 1 of Chart 1 shows the convergence of credit risk between advanced and emerging economies (the former influenced by the deterioration in the euro area), measured in terms of implied ratings and of agency-issued ratings. Also apparent is a clear divergence between the agency-issued ratings and the risk perceived by the markets at certain points in time, particularly from 2010, after the outbreak of the euro crisis. At that time, in the euro area economies under high financial stress the credit risk implied by CDSs increased notably, at a level well below the rating assigned by credit rating agencies. By contrast, in the aggregate of emerging economies the credit risk implied by CDSs was lower than that indicated by agency-issued ratings. The situation began to change at the end of the summer of 2012. First, the reduction of extreme risks in the euro area was reflected in an improvement in its implied ratings, which are now again above those assigned by agencies. The improvement again centred on the countries most affected by the crisis and, for some of them, such as Spain, the discounted rating in March 2014 stood two notches above that assigned by the rating agency. By contrast, the worsening perception of the emerging economies, particularly from May 2013 with the change in monetary policy stance in the United States, led to a revision of their credit risk, such that now the rating implied by sovereign CDS premia is BBB, two notches below that of the rating agency. The worsening of the implied sovereign rating was most marked in emerging Asia (as much as two notches below the agency-assigned level), while in eastern Europe the implied ratings

1 RATINGS IMPLIED BY CDSs, BY AREA



SOURCES: Standard & Poor’s and Banco de España.

2 RATINGS IMPLIED BY CDSs: LATIN AMERICA

1 IMPLIED AND AGENCY-ISSUED RATINGS: MEXICO

2 IMPLIED AND AGENCY-ISSUED RATINGS: BRAZIL

3 IMPLIED AND AGENCY-ISSUED RATINGS: CHILE

4 IMPLIED AND AGENCY-ISSUED RATINGS: COLOMBIA

5 IMPLIED AND AGENCY-ISSUED RATINGS: PERU

6 IMPLIED AND AGENCY-ISSUED RATINGS: URUGUAY

7 IMPLIED AND AGENCY-ISSUED RATINGS: ARGENTINA

8 IMPLIED AND AGENCY-ISSUED RATINGS: VENEZUELA

AGENCY-ISSUED (S&P) IMPLIED

SOURCES: Standard & Poor's and Banco de España.

remained in line with agency-issued ratings until February 2014, when the Ukraine crisis triggered a sharp rise in CDSs and a fall in the ratings discounted.

In Latin America (see panel 3 of Chart 1) there was a sharp discrepancy between the rating implied by CDSs and that assigned by agencies, amounting to more than three notches, which the gradual improvement in the latter has not sufficed to offset. However, the rise in CDS premia from mid-2012 caused the two measures to converge towards a BBB– rating. Examination by country shows that the implied rating of Brazil decreased sharply from the beginning of 2012 in an earlier and larger fall than the effective downgrade finally made at the end of March (see panel 2 of Chart 2). Recently there have also been declines in the implied sovereign ratings of Colombia, Peru and Chile, which had enjoyed recent upgrades in the sovereign rating assigned by Standard and Poor's. By contrast, in Mexico the CDS-implied ratings continue to be higher than agency-assigned ratings, even after the recent upgrade of the assigned rating (see panel 1 of Chart 2),[1] which reflects a perception of lower vulnerability than in the rest of the region. Finally, for Argentina and Venezuela (countries with a worse agency-assigned rating), the implied rating is even lower, reflecting a higher level of default risk than that perceived by the rating agency. The implied rating of Uruguay slipped by less than those of other economies in the region (see panel 6 of Chart 2) and is currently in line with that of the rating agency, just on the threshold of investment grade (BBB–).

The perception of credit risk is strongly correlated with the behaviour of capital flows and issuance volume in the primary corporate bond markets. Chart 3 sets out the portfolio inflows and corporate issues in primary markets for various groups of countries: emerging economies with higher vulnerability (Turkey, Brazil, India, Indonesia, South Africa and Russia); the more stable emerging economies (Mexico, Korea and Poland); and the euro area countries under financial stress (Italy, Portugal, Ireland and Spain). As can be seen, at the same time as portfolio inflows slowed and issues slackened in the first group, those of the second remained relatively stable, while those of the European economies recovered strongly, albeit without recouping their pre-crisis levels.

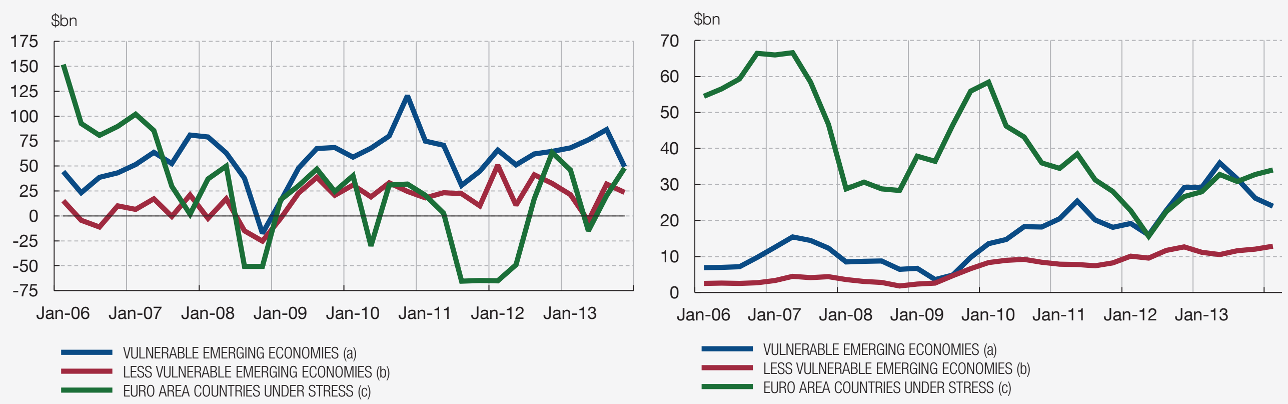
In short, analysis of the ratings implied by the sovereign CDS markets and their comparison with those issued by agencies reveals information of interest on the behaviour of investors and their perceptions of the countries in question. Since agency-issued ratings change much more slowly, the implied ratings may in some cases anticipate agencies' revisions and lend firmness to the perception of greater or lesser risk. Nevertheless, the volatility of implied ratings also shows the variable, oscillatory nature of market sentiment. Specifically, the positive divergence of implied ratings in emerging economies following the crisis may reflect an over-reaction in favour of these markets, which has been corrected recently. Another interesting conclusion is that a certain substitutability can be appreciated between emerging economies and the euro area countries under stress: the dissipation of tail risks in the latter, simultaneously with the perception of greater vulnerability in the emerging economies as changes were made to US monetary policy has prompted opposing developments which are mirrored in capital flows: these now target the emerging economies to a lesser extent and are returning to the euro economies, in a trend which is reversing that of previous years.

1 Somewhat similar to the situation for South Korea, Poland and Hungary.

3 CAPITAL FLOWS BY AREA

1 PORTFOLIO INFLOWS

2 ISSUANCE ON INTERNATIONAL MARKETS

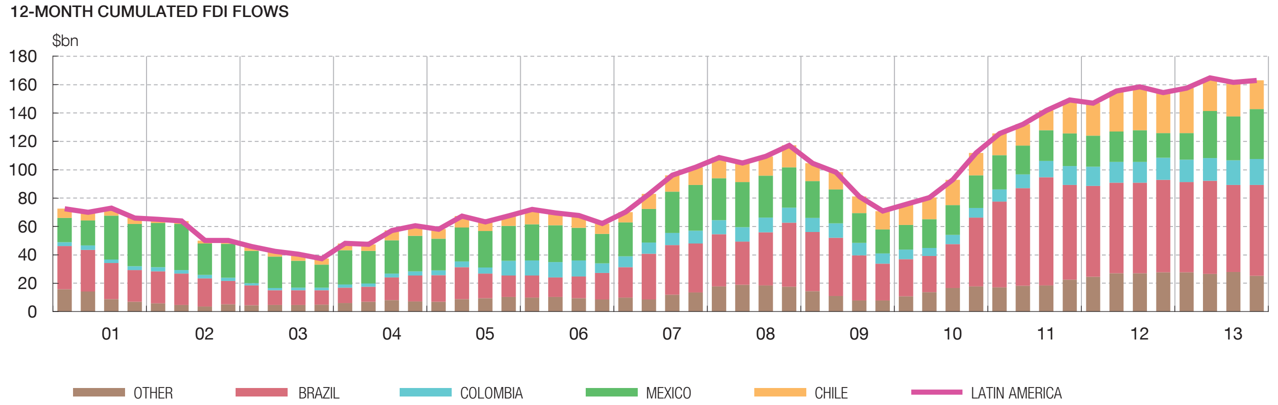


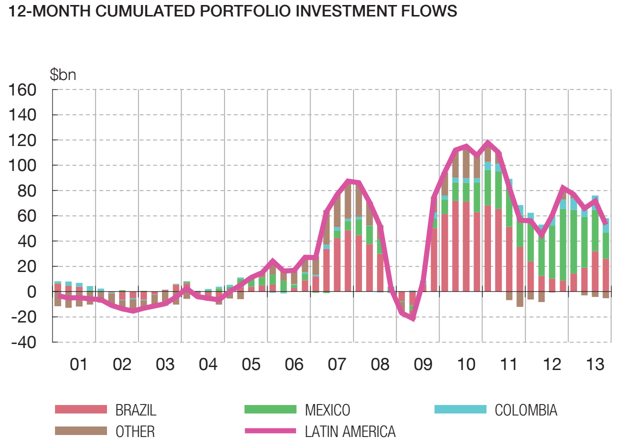
SOURCES: Datastream and Dealogic.

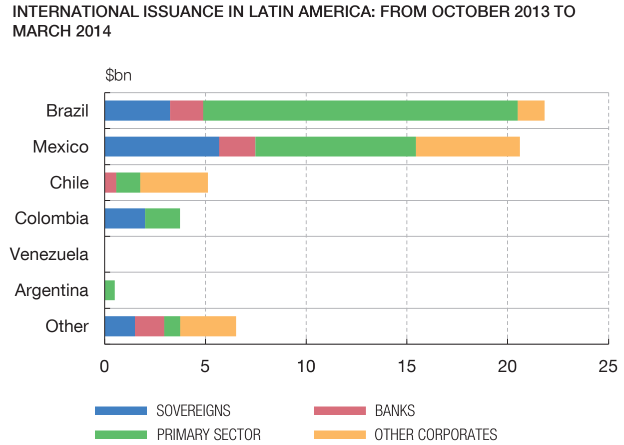
a Turkey, Brazil, India, Indonesia, South Africa and Russia.
b Mexico, South Korea and Poland.
c Spain, Italy, Ireland and Portugal.

EXTERNAL CAPITAL FLOWS
$bn

CHART 5







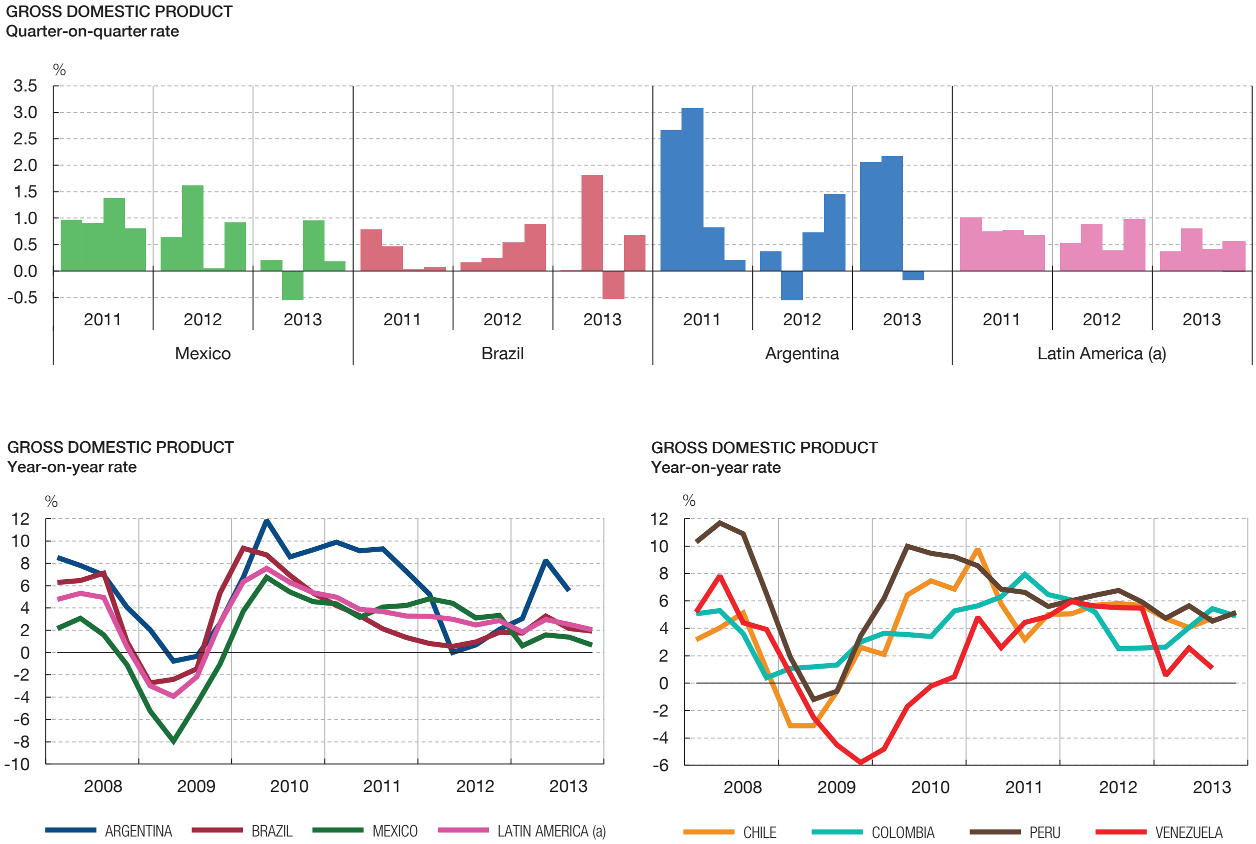
SOURCES: Datastream, Dealogic and national statistics.

Activity and demand

The Latin American economies[2] were unable to entrench in the second half of 2013 the incipient recovery discernible at mid-year (see Chart 6 and Table 1). Following relatively weak quarter-on-quarter growth in the third and fourth quarters, average GDP in the region slowed from 3.5% year-on-year in Q2 to 2% in Q4. Notwithstanding this widespread easing in activity, results continued to be notably mixed across the region. Activity in Colombia and Peru, with annual growth of 4.3% and 5%, respectively, was much sounder than the average, especially in the second half of the year when Colombia posted growth rates higher than those observed in 2012. Chile, whose economy had been mildly slowing, dipped surprisingly in Q4 with a decline in terms of the quarterly rate that took its year-on-year growth to 2.7% at the end of the year. Both Mexico (with meagre growth of 1.1% for the year and 0.7% year-on-year in Q4) and Brazil (which posted annual growth of 2.3% in 2013 and of 1.9% in Q4) showed a clearer easing in their growth rates, although Brazil held up better than expected in the final stretch of the year. Argentina and Venezuela, meanwhile, saw activity grind to a halt in a setting in which, despite the differences in economic policy responses, the underlying situation (worsening public finances, overvaluation of the real exchange rate, exchange rate pressures and the tailing off of international currency reserves) appear to make adjustment inevitable.

2 All the data are for the LatAm-5 aggregate (see footnote 1).

LATIN AMERICAN GDP CHART 6
Year-on-year and quarter-on-quarter rates



SOURCE: National statistics.

a Aggregate of Brazil, Chile, Colombia, Mexico and Peru, as a GDP-weighted average for the region.

In terms of components, the main determinant of the easing in growth in the second half of 2013 was the sluggishness of domestic demand, which marks a significant difference from the composition of growth in recent years (see Chart 7). Although the path of year-on-year growth see-sawed during 2013, the buoyancy of domestic demand tended to soften towards a year-on-year rate close to 1% in 2013 Q4, 2 pp below that at the start of the year. In contrast, external demand ceased to contribute negatively to growth, posting a positive contribution (+0.8 pp) as from Q4, against a backdrop of gradually improving exports and the diminishing momentum of imports. This may be an incipient sign of re-balancing in the region's sources of growth, with a less expansionary contribution of domestic demand relative to recent years and a more positive contribution by the external sector.

The slowdown in domestic demand originated in the weakening in gross capital formation (see Chart 7) which, after rising in the region on average to a year-on-year rate of 5.5% in Q2, failed to firm and ended the year growing at a year-on-year rate of 1.5%, albeit with significant dispersion from country to country. In Mexico and Chile, investment fell to year-on-year rates of -3% and -12.7%, respectively (with a significant temporary component in Mexico, and unexpectedly in Chile), and in Peru it slowed abruptly to 1.2% year-on-year, down from 9.5% in Q2. However, in Brazil, where investment had languished in 2012, there was a recovery which was sharper mid-year (9.1% year-on-year in Q2) and somewhat

LATIN AMERICA: MAIN ECONOMIC INDICATORS

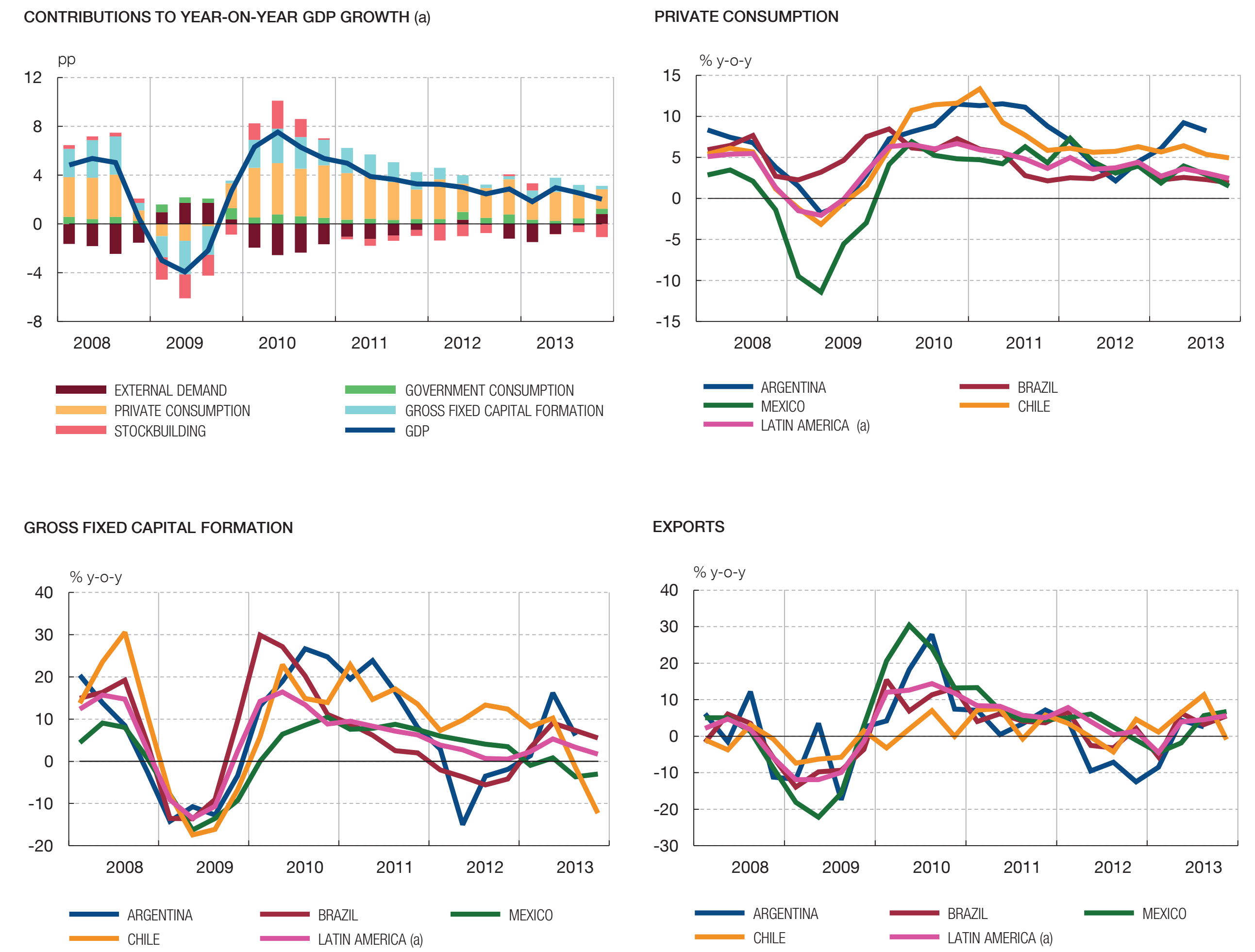
TABLE 1

	2011	2012	2013	2012				2013				2014
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	March
GDP (year-on-year rate)												
Latin America 7 (a)	4.5	2.9	-	3.6	2.8	2.5	3.0	1.9	3.6	2.8	-	
Latin America 5 (a)	3.9	2.9	2.3	3.2	3.0	2.5	2.9	1.8	3.0	2.5	2.0	
Argentina (b)	8.9	1.9	3.0	5.2	0.0	0.7	2.1	3.0	8.3	5.5	-	
Brazil	2.7	1.0	2.3	0.8	0.6	0.9	1.8	1.8	3.3	2.2	1.9	
Mexico	4.0	3.9	1.1	4.8	4.4	3.1	3.3	0.6	1.6	1.4	0.7	
Chile	5.8	5.4	4.1	5.1	5.8	5.5	5.2	4.9	3.8	5.0	2.7	
Colombia (c)	6.6	4.0	4.3	6.1	5.2	2.5	2.6	2.6	4.0	5.4	4.9	
Venezuela	4.2	5.6	-	5.9	5.6	5.5	5.5	0.6	2.6	1.1	-	
Peru	6.9	6.3	5.0	6.0	6.4	6.8	5.9	4.7	5.6	4.5	5.2	
CPI (year-on-year rate)												
Latin America 7 (a)	6.8	6.2	7.3	6.6	6.1	6.1	6.1	6.4	7.2	7.5	8.0	-
Latin America 5 (a)	4.9	4.5	4.5	4.7	4.3	4.6	4.5	4.5	4.9	4.4	4.3	4.6
Argentina (b)	9.8	10.0	10.6	9.7	9.9	10.0	10.6	10.8	10.4	10.5	10.7	-
Brazil	6.6	5.4	6.2	5.8	5.0	5.2	5.6	6.4	6.6	6.1	5.8	6.2
Mexico	3.4	4.1	3.8	3.9	3.9	4.6	4.1	3.7	4.5	3.4	3.7	3.8
Chile	3.3	3.0	2.1	4.1	3.1	2.6	2.2	1.7	1.9	2.3	2.5	3.5
Colombia	3.4	3.2	2.0	3.5	3.4	3.1	2.8	1.9	2.1	2.3	1.8	2.5
Venezuela	27.2	21.1	38.3	25.1	22.3	19.0	18.8	22.6	33.0	43.4	52.9	-
Peru	3.4	3.7	2.8	4.2	4.1	3.5	2.8	2.6	2.5	3.1	3.0	3.4
Budget balance (% of GDP) (d)												
Latin America 7 (a) (e)	-2.1	-2.3	-	-2.0	-1.9	-2.0	-2.1	-2.1	-2.2	-2.6	-	
Argentina (b)	-1.7	-2.6	-	-1.9	-1.7	-1.9	-2.4	-2.5	-2.0	-2.3	-	
Brazil	-2.6	-2.5	-3.3	-2.4	-2.6	-2.8	-2.5	-2.8	-2.8	-3.3	-3.3	
Mexico	-2.5	-2.6	-2.4	-2.7	-2.4	-2.2	-2.5	-2.0	-2.2	-2.7	-2.3	
Chile	1.5	0.6	-0.7	1.6	1.1	0.4	0.6	0.2	-0.7	-0.5	-0.7	
Colombia	-2.0	-1.9	-1.9	-2.5	-1.0	-1.2	-1.9	-1.4	-2.5	-2.7	-2.3	
Venezuela	-4.0	-4.8	-	-	-	-	-	-	-	-	-	
Peru	0.9	1.3	1.3	1.3	2.4	1.6	1.3	1.2	0.7	0.5	0.4	
Public debt (% of GDP)												
Latin America 7 (a) (e)	39.1	40.9	-	40.1	40.8	41.0	41.2	41.4	41.3	36.4	-	
Argentina (b)	40.1	41.5	-	39.7	39.5	39.9	41.5	40.6	39.9	-	-	
Brazil	54.2	58.7	57.2	56.2	57.3	58.8	58.7	59.4	59.1	58.3	57.2	
Mexico	28.1	27.7	30.0	28.1	28.0	28.7	27.7	29.3	29.8	30.4	30.0	
Chile	11.1	11.9	12.8	11.2	11.5	11.3	11.9	11.5	12.1	12.6	12.8	
Colombia	33.4	32.2	-	32.9	32.4	32.4	32.2	33.0	33.3	35.0	-	
Venezuela	36.5	-	-	35.1	-	-	-	-	-	-	-	
Peru	21.7	20.1	18.6	20.7	19.8	19.5	20.1	18.9	17.9	17.2	18.6	
Current account balance (% of GDP) (d)												
Latin America 7 (a)	-1.0	-1.6	-	-0.9	-1.2	-1.3	-1.6	-2.1	-2.3	-2.5	-	
Argentina (b)	-0.5	0.0	-	-0.5	-0.4	-0.1	0.0	-0.3	-0.3	-0.7	-	
Brazil	-2.1	-2.4	-3.6	-2.0	-2.2	-2.2	-2.4	-3.0	-3.2	-3.6	-3.6	
Mexico	-1.1	-1.2	-1.8	-1.0	-1.0	-0.7	-1.2	-1.5	-1.7	-2.0	-1.7	
Chile	-1.2	-3.4	-3.4	-1.7	-2.4	-3.0	-3.5	-4.0	-4.1	-3.5	-3.4	
Colombia	-2.9	-3.2	-3.4	-2.7	-3.1	-3.3	-3.3	-3.6	-3.3	-3.3	-3.4	
Venezuela	7.7	2.9	-	6.9	5.7	4.2	2.9	1.7	1.3	1.9	-	
Peru	-1.9	-3.3	-4.9	-1.5	-1.7	-3.0	-3.3	-4.2	-4.5	-4.6	-4.9	
External debt (% of GDP)												
Latin America 7 (a)	20.3	21.2	-	20.5	20.2	21.1	21.1	21.6	20.6	21.2	-	
Argentina (b)	31.5	29.7	-	33.2	28.1	29.9	29.3	30.7	24.5	27.5	-	
Brazil	12.1	13.9	13.9	12.1	12.7	13.5	13.9	14.6	14.1	13.7	13.8	
Mexico	18.1	19.3	20.5	18.4	19.1	19.3	19.3	19.1	18.7	19.3	20.5	
Chile	39.2	44.1	47.2	39.4	40.0	42.0	44.1	43.5	42.9	44.4	47.2	
Colombia	22.5	21.3	24.4	20.7	20.6	21.5	21.3	21.7	22.2	23.9	24.4	
Venezuela	35.0	31.1	-	33.3	31.9	31.8	31.1	31.2	32.0	32.7	-	
Peru	26.9	29.5	29.2	28.8	28.9	29.9	29.5	30.5	29.6	29.3	29.2	

SOURCE: National statistics.

a Latin America 7: the seven countries represented. Latin America 5: except Argentina and Venezuela.
b Official data. At end-2013 the GDP methodology was changed and so far only real annual data have been published. In December 2013 publication of the new official CPI time series began. It is not planned to publish year-on-year rates until December 2014.
c Seasonally adjusted.
d Four-quarter moving average.
e The quarterly figures for the Latin American aggregate do not include Venezuela.

COMPOSITION OF GDP ON THE DEMAND SIDE CHART 7
Year-on-year rate and pp



SOURCES: National statistics and IMF.

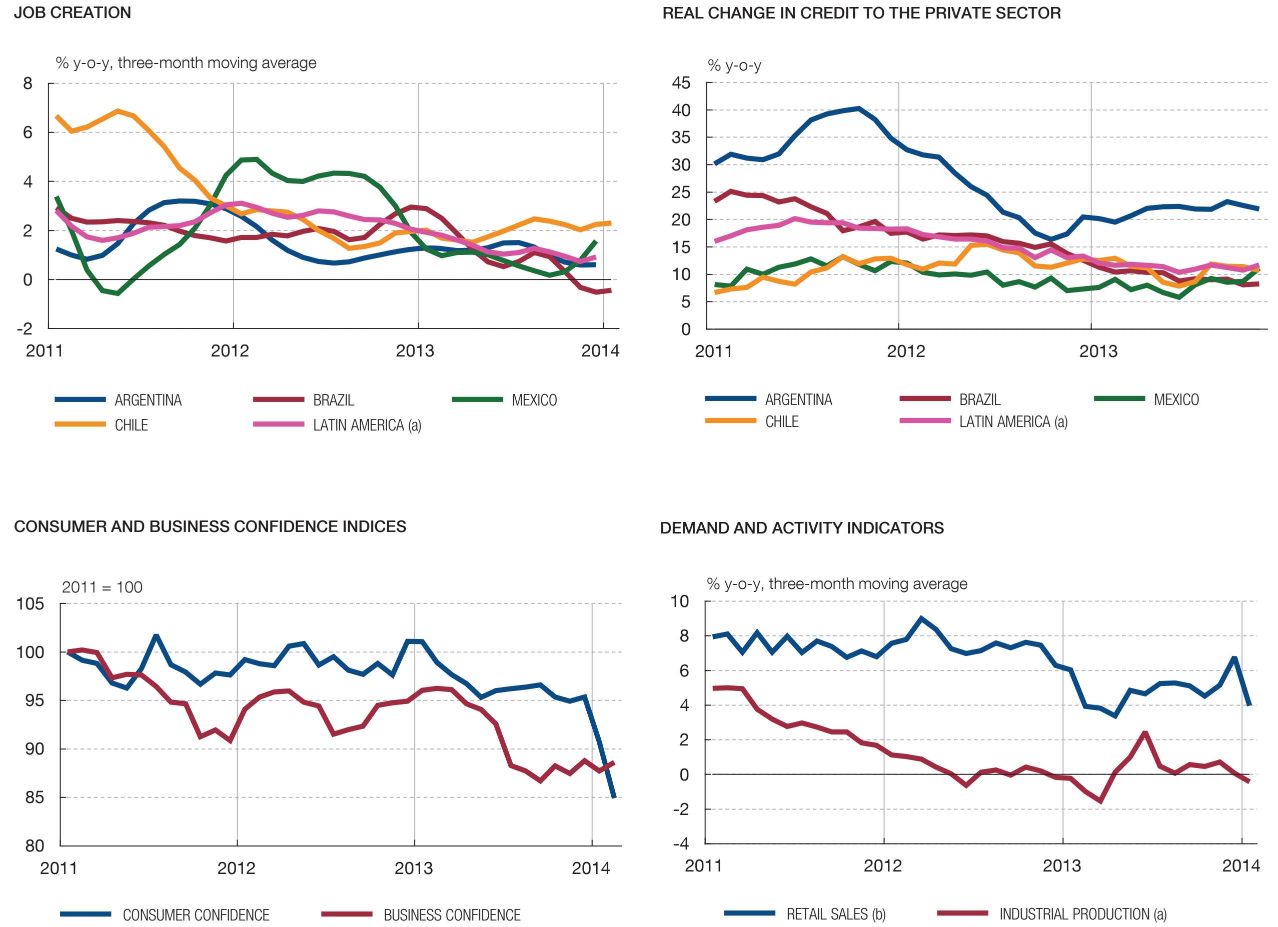
a Aggregate of Brazil, Chile, Colombia, Mexico and Peru, as a GDP-weighted average for the region.

more moderate thereafter (5.5% year-on-year in Q4). In Colombia, investment, after commencing mildly in 2013, rose forcefully to 8% at the end of the year.

Over the region as a whole, the driving force of domestic demand continued to be private consumption (see Chart 7). This variable maintained a robust growth rate, thanks to the continuing soundness of labour markets, since the unemployment rate ended 2013 at 6.1% of the labour force, around its historical low. Despite this, job creation tended to ease (see Chart 8), in line with events in 2012, and other determinants of consumption, such as wages and credit, posted lower growth than that previously observed. This may explain why, in countries such as Brazil and Mexico, an appreciable slowdown in private consumption has been witnessed, to year-on-year rates of 1.9% and 1.5%, respectively, in Q4. Finally, government consumption held at a high rate of increase in most countries in the region, especially in the most dynamic economies, such as Colombia, Peru and Chile, where it exceeded the growth of the two previous years.

As to external demand, exports were notably and increasingly buoyant in the second half of 2013, posting growth of 5.6% year-on-year in Q4. In Mexico and Peru, exports

EMPLOYMENT, DEMAND AND CREDIT INDICATORS CHART 8
Year-on-year rate, indices and three-month moving average of the year-on-year rate



SOURCES: National statistics and Datastream.

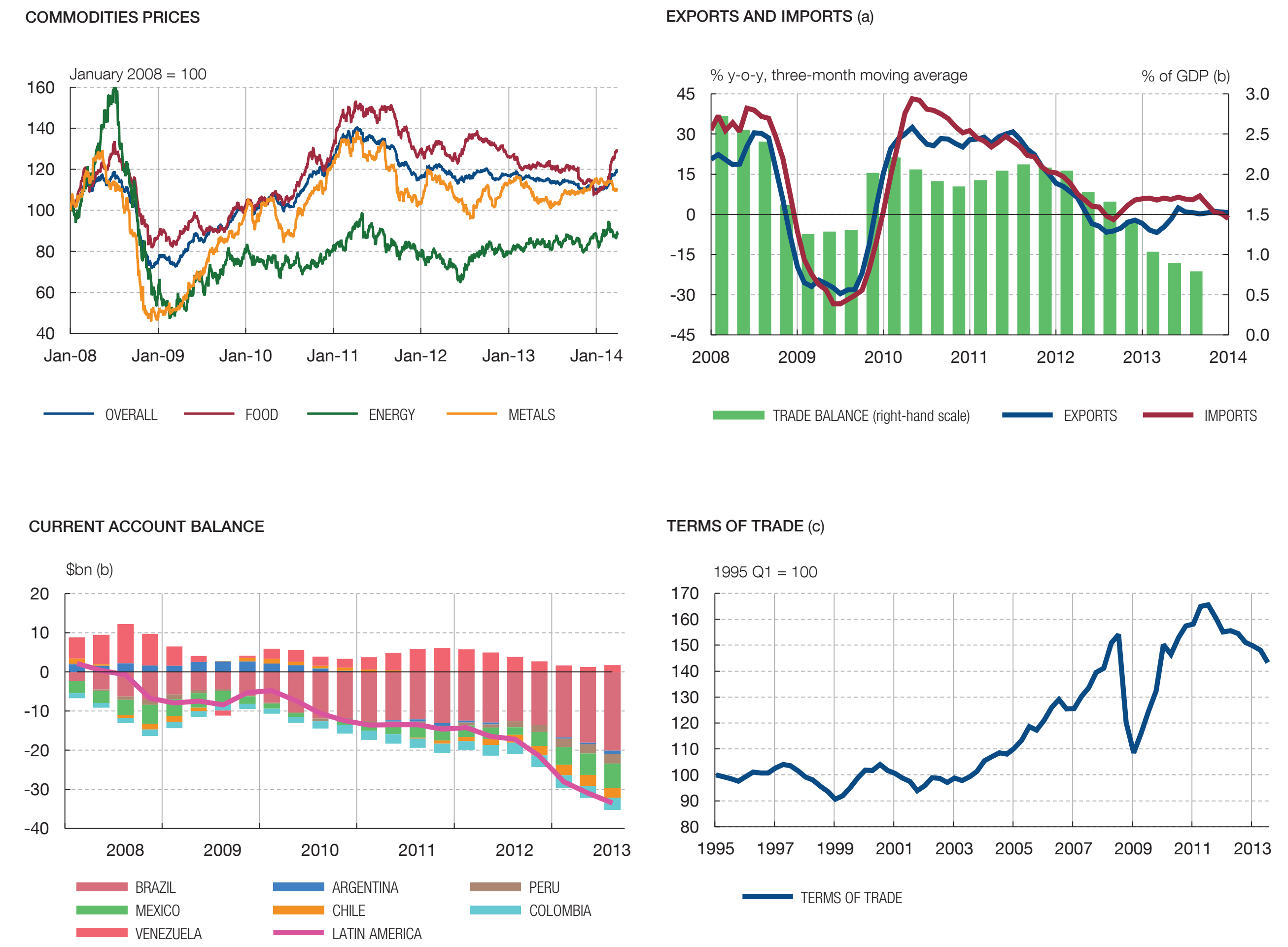
a Aggregate of the seven main economies, as a GDP-weighted average for the region.
b Aggregate of Argentina, Brazil, Mexico, Chile, Colombia and Venezuela.

grew by 6.7% and 3.1%, respectively, in Q4 following the collapse in Q1, and in Brazil there was a slight recovery over 2013 as a whole (2.5%), after the slackness shown in 2012. Conversely, exports in Chile ground to an abrupt halt in Q4 after growing by 11% in Q3. Imports lost notable momentum in the final stretch of 2013, declining from a year-on-year rate of 7.3% in Q3 to 2.3% in Q4, dragged down by the slowdown in gross capital formation and, possibly, by the widespread depreciation of exchange rates in the region too.

The high-frequency indicators point to continuing weakness in early 2014, but with divergences from country to country. Thus, while certain coincident indicators of activity and industrial output were growing at a sound pace in Brazil, they were easing to some degree in Peru and Chile, with signs of slackness of external demand bearing negatively on the productive activity of the export sector. On the demand side, retail sales proved notably dynamic in January, although the signs in February are mixed, with declines in both the business and consumer confidence indices, in Brazil, and a more positive trend in Mexico and Peru. Argentina and Venezuela are witnessing a collapse in confidence indicators, which might augur a decline in activity.

EXTERNAL ACCOUNTS AND DETERMINANTS
Indices, year-on-year rate of change, percentage of GDP and $bn

CHART 9



SOURCES: Datastream, national statistics and central banks.

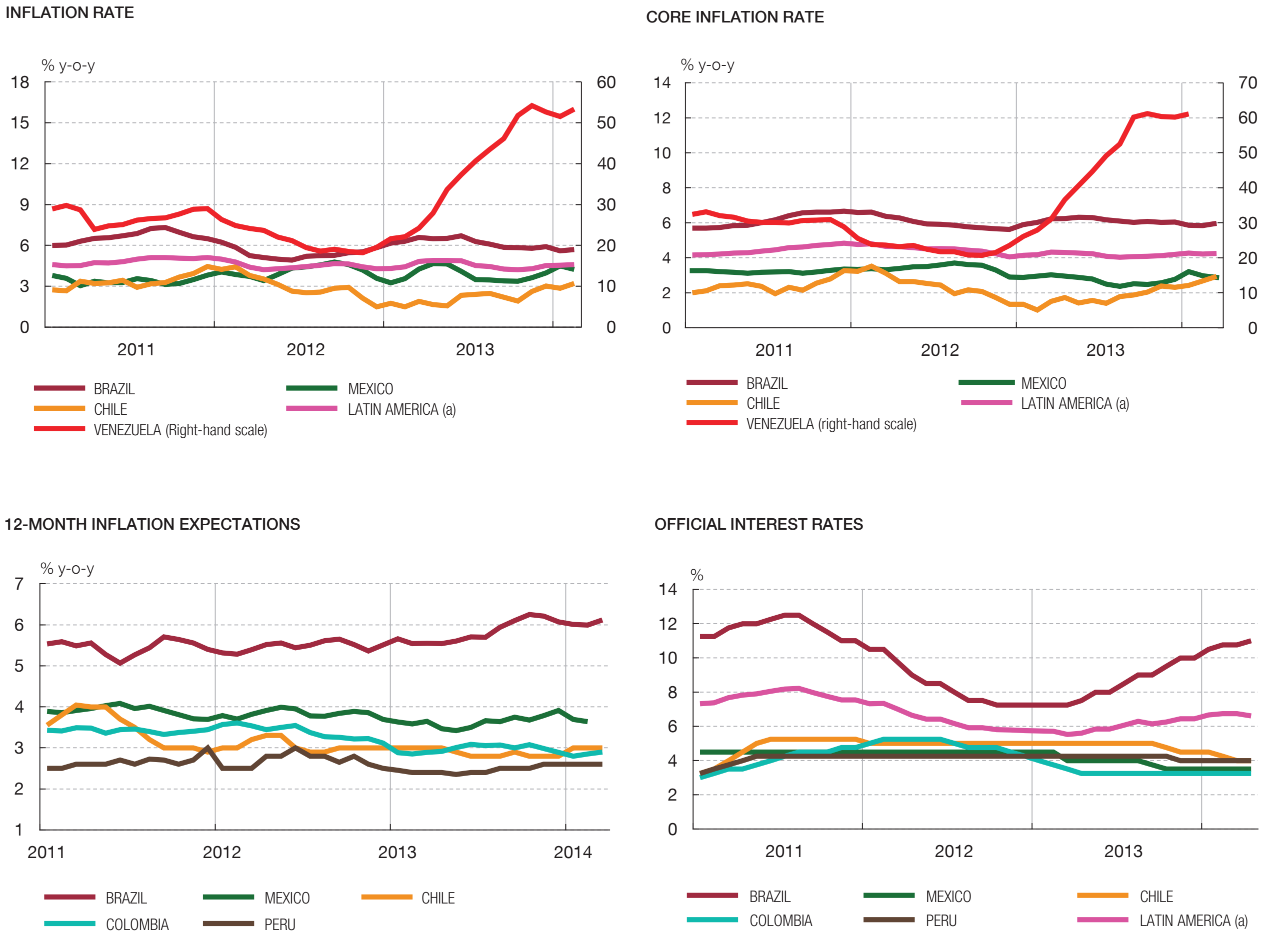
a Customs data in dollars, aggregate of the seven main economies.
b Four-quarter moving average.
c Aggregate of the seven main economies, as a GDP-weighted average for the region.

On the external front, the trade surplus continued to narrow to 0.8% of regional GDP, less than half the figure in 2012, stabilising in Q4. This stabilisation is due to a resurgence in exports by the biggest economies in the region, Brazil and Mexico, a development that contrasts with the year-on-year decline experienced by other major exporters of commodities, such as Chile, Colombia and Peru. Imports, meanwhile, quickened to 2013 Q3, easing in Q4 and thus providing for the stabilisation of the trade surplus. Country by country, the reduction in the surplus was most marked in South America and in the commodities-exporting countries, except in Chile, where it improved owing to the decline in imports, linked to the sluggishness of investment.

Despite this stabilisation in the trade surplus in the closing months of the year, the current account deficit continued to widen in the region on the whole (see Chart 9). It stood at 2.5% of GDP in Q4, the highest figure of the past decade. The protracted worsening in the Brazilian current account deficit was of note (-3.6% of GDP), as was that of Peru (-4.9%) and Mexico (-1.7%), prompted by the forgone revenue from remittances and the increase in investment income payments. In the remaining countries, the deficit held stable, and even fell slightly in

INFLATION AND OFFICIAL INTEREST RATES
Year-on-year rates of change and percentage

CHART 10



SOURCES: Datastream and national statistics.

a Aggregate of Brazil, Chile, Colombia, Mexico and Peru, as a GDP-weighted average for the region.

Chile to -3.4% of GDP. Generally, the financing of current account deficits have been mostly covered with foreign direct investment (FDI) flows, which have sustained a good pace over the year; however, in some cases such as Brazil and Peru the coverage ratio has worsened in the face of the strong expansion of the deficit and some easing in FDI. Finally, in Venezuela and Argentina the strong appreciation of the exchange rate and the contraction in activity are also expected to have checked real imports, but to have made their value soar, while exports have also declined, with the subsequent worsening of these countries' respective current accounts.

Prices and economic policies

In the five countries with inflation targets (which involves excluding Argentina and Venezuela again), year-on-year inflation rose slightly from 4.4% to 4.6% from September to March (see Chart 10). There was a relatively widespread uptrend in consumer prices, especially in early 2014, partly as a result of rising food prices and the depreciation of exchange rates. In Brazil, despite the fact that inflation was easing, the rate remains the highest of the five countries in question and has recently risen further (6.2% year-on-year in March). In any event, the main tensions and risks are centred on Venezuela and Argentina, where inflation stood in February at rates of 53% year-on-year and 3.4% month-on-month, respectively.[3]

3 In accordance with the new CPI methodology, which only publishes monthly data.

INFLATION
Year-on-year rates of change

TABLE 2

Country	2013 Target	2013 December	2013 Fulfillment	2014 March	2014 Expectations (a)	2015 Expectations (a)
Brazil	4,5 ± 2	5.9	Yes	6.2	6.0	5.6
Mexico	3 ± 1	4.0	Yes	3.8	4.1	3.5
Chile	3 ± 1	3.0	Yes	3.5	3.1	3.0
Colombia	3 ± 1	1.9	Yes	2.5	3.1	3.1
Peru	2 ± 1	2.9	Yes	3.4	2.7	2.6

SOURCES: National statistics and Consensus Forecasts.

a March 2013 Consensus Forecasts for the end of the year.

The inflation outlook differs from country to country. In Brazil, prices continue to show downward stickiness and expectations have held in the upper part of the target range, despite the weakness of growth and the tightening of monetary policy in the past year (see Table 2). The depreciation of the exchange rate, the rise in food prices and the risk of a hike in energy prices, given the prevailing drought, might continue hampering price moderation. In Chile, too, the depreciation of the exchange rate might impose greater pressure on prices in the short run. In Colombia, inflation is expected to continue increasing mildly until stabilising around the central bank's target level, after having stood temporarily in the lower part of the band in late 2013. In Peru and Mexico, the recent rise appears to be due to a greater extent to temporary supply-side factors, whereby a change in direction may be expected in the coming quarters. In all cases, the cumulative exchange rate depreciation introduces the main upside risk, although pass-through is limited and second-round effects are not observed.

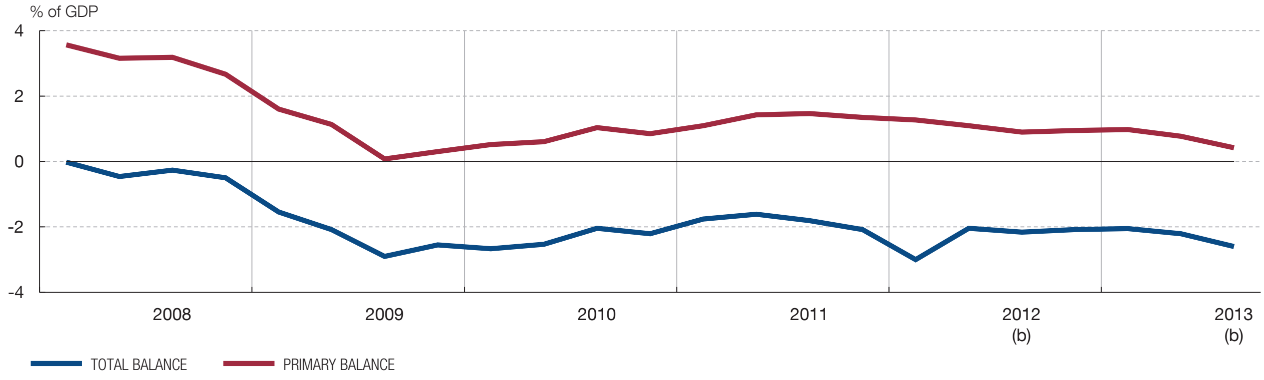
Monetary policy responses have also differed. In Brazil, the monetary authority extended the contraction in the phase of its policy, initiated on April 2013, with further rises in the official interest rate from October to April, up to 11%. At the other extreme, the Chilean central bank initiated an expansionary cycle last October, in response to the slowdown in activity, making four cuts to lower the rate to 4%. Peru has also shown an expansionary bias: after the unexpected 25 bp cut in November, the official interest rate held at 4%, but the central bank has continued reducing local-currency-denominated bank reserves, seeking to counter the absorption of liquidity in local currency arising from the intervention on foreign exchange markets to contain the depreciation. In the remaining countries, the stance was accommodative: Mexico has kept its official rate at 3.5% following the 25 bp cut in October, while the official rate in Colombia has now stood at 3.25% for a year.

In the foreign exchange realm, the authorities have continued allowing currencies to depreciate in 2013 Q4 and in 2014 to date, although the depreciation has generally been less sharp than during the episode last summer. Mexico and Chile did not intervene on the foreign exchange markets; however, in other countries the monetary authorities have intervened to temper the depreciation and prevent excessive volatility, with possible unwanted effects on inflation or on economic agents' financial positions in dollarised economies. Thus, in Brazil the dollar swap programme launched in the summer of 2013 was extended to end-2014, and in Peru the habitual policy of intervention on the spot market was maintained. Colombia, by contrast, retained its reserves-purchase programme, for a limited amount. In any event, these economies' indicators of external vulnerability

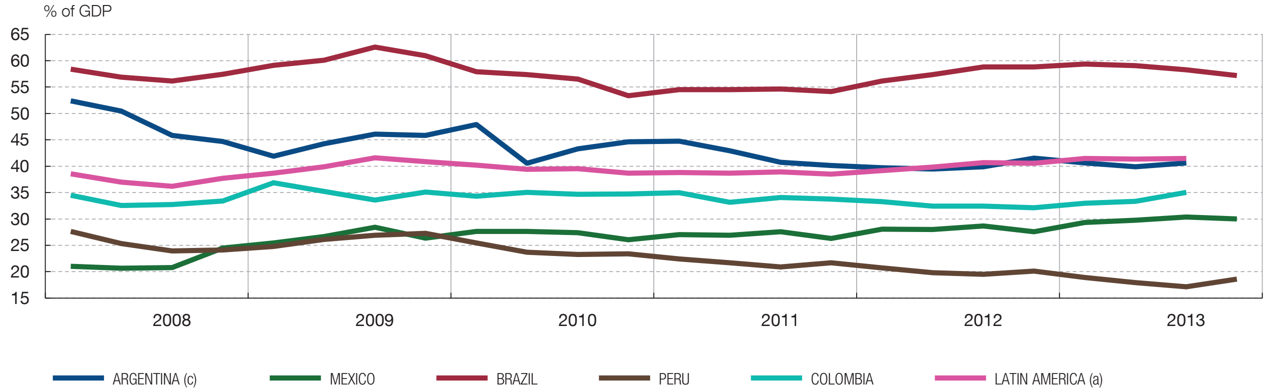
MAIN PUBLIC SECTOR FIGURES
Percentage of GDP

CHART 11

BUDGET SURPLUS (+) OR DEFICIT (–) IN LATIN AMERICA (a)



GROSS PUBLIC DEBT



SOURCE: National statistics.

a Aggregate of the seven main economies, as a GDP-weighted average of the region.
b In Venezuela, 2012 quarterly data estimated from annual data. In 2013, aggregate excluding Venezuela.
c Excludes untendered debt in the debt swap offers of 2005 and 2010.

remain robust, their level of foreign reserves is appropriate and the ratio of reserves to short-term external debt is manageable (see Box 2).

Venezuela and Argentina are worthy of mention, since their respective levels of inflation, the highest in the region, have risen to highs in recent years, pushed by heavy currency depreciations. In the case of Venezuela, escalating prices reflect the widespread shortage of products – since the decline in currency reserves constrains imports – and the monetisation of the growing fiscal deficit. Faced with this situation, the policy response has been to create a system of multiple exchange rates which entails a strong devaluation of the currency and which in any event brings about only temporary relief to public finances, but progress in other areas has not been announced. In Argentina's case, steps towards correcting the exchange rate overvaluation take the form of a broader re-gearing of economic policy. The measures adopted by the economic authorities in Argentina and Venezuela are detailed in the section on economic developments by country.

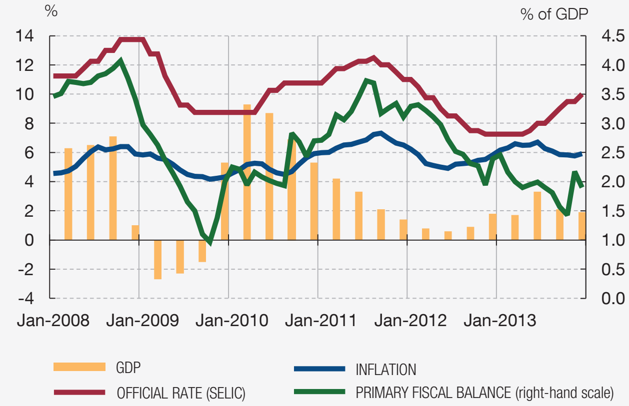
Turning to fiscal policy, there was a widespread fall in revenue in 2013, derived from the cyclical slowdown in the region and from lower commodities-related receipts, whereas

During the latest bouts of turmoil, the emerging economies perceived as more vulnerable due to their larger macroeconomic imbalances were the hardest hit (see Chart 1). Contributing to this were, depending on the cases, the greater depth of their financial markets, the sharp appreciation of their currencies and the capital inflows received in the past expansionary phase.[1] Brazil has been one of the countries showing highest volatility. Moreover, its rating

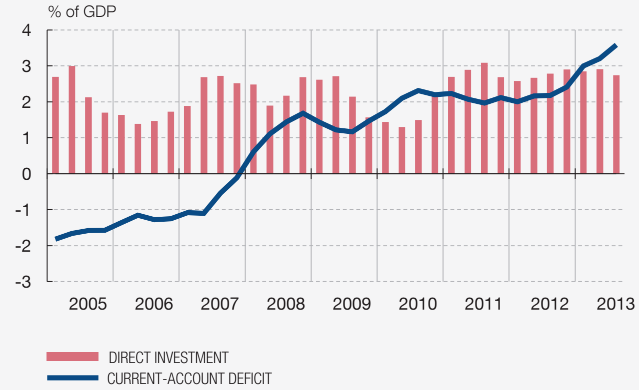
1 See B. Eichengreen and P. Gupta (2014), *Tapering Talk: the Impact of Expectations of Reduced Federal Reserve Security Purchases on Emerging Markets*, Policy Research Working Paper Series 6754, World Bank.

1 EFFECT OF TAPERING ON BRAZIL

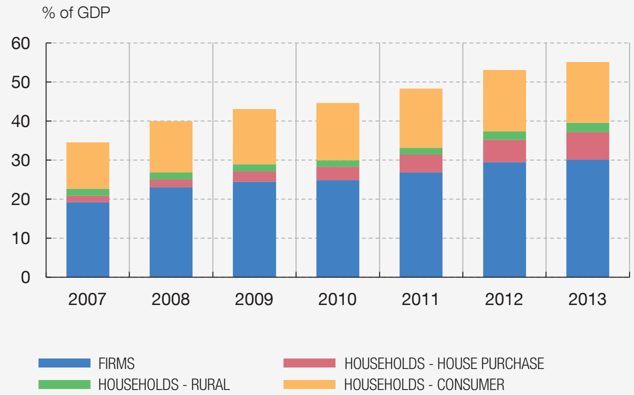
2 GDP AND MACROECONOMIC POLICIES



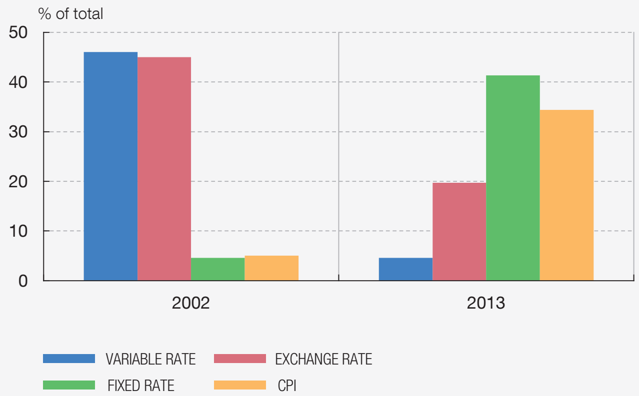
3 CURRENT ACCOUNT AND DIRECT INVESTMENT



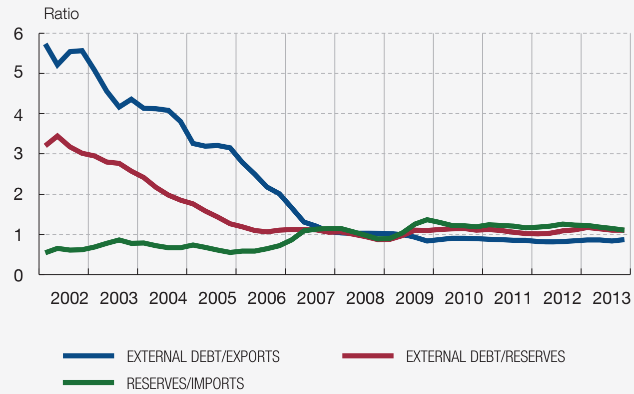
4 CREDIT TO THE NON-FINANCIAL PRIVATE SECTOR



5 STRUCTURE OF GOVERNMENT DEBT



6 INDICATORS OF EXTERNAL VULNERABILITY



SOURCES: IBGE, Ministério da Fazenda, Banco Central do Brasil, Datastream, IPEA and Banco de España.

has recently been revised downward by the credit rating agency S&P. Although the Brazilian economy has significant economic imbalances, it also has the means to mitigate the effects of a less favourable economic and financial environment. This Box assesses the strengths and weaknesses of the Brazilian economy in the current economic scenario.

From 2003 Brazil saw a stage of sustained economic growth underpinned by the commodity boom. Simultaneously, institutional reforms were adopted and economic policy frameworks were strengthened to underpin macroeconomic stability. This enabled Brazil to confront the recent global crisis with sufficient latitude to adopt decidedly counter-cyclical policies (in some cases based on a more active role of the public sector) and navigate it with notable buoyancy (see Chart 2). However, this also contributed to create excessive growth expectations. During the years of expansion, Brazil has barely progressed in introducing the structural reforms needed to raise productivity, such as developing infrastructure or simplifying its tax system and bureaucracy,[2] a failing which has not helped to reduce its traditional supply rigidities and has constrained its investment ratio, which has remained among the lowest in the region (18% of GDP). When in 2011 activity cooled unexpectedly and certain imbalances (inflation and the external and fiscal deficits) widened, structural rigidities surfaced, prompting a revision of growth expectations. Thus, for example, the IMF, in its latest regular analysis of Brazil (Article IV) lowered potential growth to 3.5%.

The external deficit is perceived by investors as another source of vulnerability, against a background trend of tightening global financial conditions. The current account balance of Brazil has deteriorated since 2008 to a deficit of -3.6% of GDP in 2013 (see Chart 3), leaving behind the times of surplus. This development is explained in part by the world economic slowdown and the worsening terms of trade, but it also reflects Brazil's loss of competitiveness related to its strong exchange rate,[3] growing labour costs[4] and low productivity increases.[5] In the short term, the depreciation of the real will be the main source of gains in the economy's competitiveness which will act as a cushion against the moderating domestic demand, although they are unable to replace the supply policies needed to boost competitiveness and growth potential.

The scant progress in the area of structural reforms has eroded investor sentiment towards Brazil. In general, there has been a certain tendency to expand the role of the State in the economy, timidity in implementing deregulatory policies and a certain relaxation in compliance with macroeconomic objectives. Inflation remains at around 6%, 1.5 pp above the central target, despite the fact that the economy has been growing at below potential for three years and the primary fiscal surplus fell from 3.1% to 1.9% of GDP between 2011 and 2013, thus failing to meet the government's target. Monetary policy had to be tightened (the Selic rate rose by 375 bp to 11% between April 2013 and April 2014), given the highly entrenched inflation with upside risk. By contrast, fiscal policy and directed credit have been expansionary (see Chart 4). Although the government plans a neutral fiscal policy for 2014 (primary surplus target of 1.9% of GDP) and a moderation of public credit, the fact that it coincides with an electoral year poses doubts as to whether these objectives will be met (thus the credit rating agencies signal the fiscal situation as one of the main factors of risk).

Bank credit to the private sector grew at an annual average rate of 21% between 2004 and 2013, underpinned by the macroeconomic stability, the lower cost of borrowing, steady employment growth and a policy of promoting directed credit through government-owned banks. This growth favoured the financial deepening of the economy, although in some segments the pace has been overly rapid. Private agents' ability to pay, eroded by the high interest rates (near 30% for open-market credit) and short average maturities may be further weakened by the tightening of financial conditions. There are, however, factors which moderate this source of risk: the stock of credit is low (54% of GDP), especially in the case of mortgage credit (6% of GDP); the banking system is well capitalised (solvency ratio of 15%) with sizeable provisions (coverage ratio of 1.5) and moderate non-performing loans (3.6%); and macro-prudential policy is active and strict.

In any event, the Brazilian economy has significant strengths which mitigate many of the risks mentioned above. The economic policy framework is a strength despite its recent deterioration, with a central bank whose objective is inflation control, a flexible exchange rate and adherence to a law of fiscal responsibility. Also, government debt now has a more sustainable structure (see Chart 5), with only a small proportion denominated in foreign currency (4.7% of the total in 2013) and an average maturity of 4.4 years. This improvement has mitigated exchange and interest rate risk, easing the constraints on monetary policy conduct, previously limited by the high weight of short-term debt denominated in foreign currency. The stock of foreign reserves means that net government debt is low (35% of GDP); indeed, the public sector has a net creditor position in foreign currency, so depreciation reduces the stock of net debt.

Additionally, Brazil's lower external vulnerability than in the past (see Chart 6) reduces the probability of a balance of payments crisis like those seen in previous periods (1998-2002). Firstly, the current-account deficit is financed basically through foreign direct investment, which is a stable source of finance, although the recent increase in the external deficit has weakened that ratio somewhat. As a result of that form of financing, the Brazilian

2 See FMI (2013), *Article IV and Selected Issues, Brazil*, July.
3 See World Bank (2013), *Latin America`s Deceleration and the Exchange Rate Buffer*, Semiannual Report, October.
4 See OECD (2013), *Economic Review, Brazil*, August.
5 See S. Sosa, E. Tsounta and H.S. Kim (2013), *Is the Growth Momentum in Latin America Sustainable?* IMF Working Paper/13/109.

economy maintains its net debtor position vis-à-vis the rest of the world at manageable levels (14% of GDP). Most of the external liabilities are from direct investment (46%), a percentage which has increased significantly since 2002 at the expense of other investment; moreover, they are mostly (70%) denominated in local currency. Secondly, external reserves represent 17% of GDP, equivalent to more than a year of imports. Finally, the gross external debt has fallen by half in the past decade to 15% of GDP, with a scant weight of short-term debt (10% of the total). For all these reasons, the sustainability of Brazil's external debt, as measured by the ratios to external reserves or exports, has improved, facilitating the access of the sovereign to the international financial markets.

In short, although the Brazilian economy has certain fragilities which make it vulnerable to fresh bouts of turmoil in the markets (structural deficiencies, high external deficit, high credit growth), it also has significant buffers with which to hold them in check and prevent a disproportionate impact on economic activity and financial stability. Nevertheless, the constraints on growth are palpable and will make it difficult for the economy to grow sustainedly and robustly in the coming years unless new structural reforms are introduced.

expenditure is holding at robust growth rates (see Chart 11). This has seen several economies, Peru and Colombia among them, joining others who were already experiencing a downturn in their fiscal balances. In Brazil, fiscal policy has maintained the expansionary stance of recent years, amplified by a directed credit-boosting policy, while budgetary targets have failed to be met, despite undergoing interim revisions. This is one of the reasons behind the recent credit downgrade, which highlights the tightness of fiscal margins. In 2014, the government foresees a neutral stance, with a stable primary surplus at 1.9% of GDP. Mexico met its fiscal target, with a deficit of 2.3% of GDP. Fiscal policy will be more expansionary in 2014, albeit remaining within the parameters of the new fiscal rule.

Trade and reform

As in the preceding months, regional integration processes advanced at different paces depending on whether analysis is made of the group of countries more oriented to the Pacific, with greater progress, or the Southern Cone. Globally, the trend towards greater trade liberalisation is becoming entrenched, as reflected in the first multilateral agreement reached since 1995 – at the WTO Summit in Bali – and on the progress, albeit with difficulties, in the negotiations for multinational agreements such as the Transpacific Partnership or the agreement between the United States and the European Union. Against this background, the protocol for the liberalisation of trade among the Pacific Alliance countries (Colombia, Peru, Chile and Mexico), which neutralises tariffs for 92% of trade, was finally signed in February 2014. At the same time, negotiations began or free trade agreements were approved with other markets, such as Turkey (Peru), Thailand (Peru and Colombia) and Panama (Mexico and Colombia). The MERCOSUR countries appear to continue to be standing on the sidelines of these tendencies. The political dispute over Venezuelan membership and Paraguay's suspension were the focus of attention in the half-year period, and the submission of offers to resume negotiations of the treaty with the European Union was postponed, owing essentially to the low coverage of products susceptible to liberalisation offered by Argentina. That gave rise to tensions within the group, since Brazil and Uruguay once again called for the obligation to negotiate agreements en bloc to be made null and void. Finally, mention should be made of the progress in negotiations between the EU and Ecuador to sign a co-operation treaty.

As regards structural reforms, Mexico approved a fiscal reform (of somewhat less breadth than expected, but which includes a structural fiscal rule) in late 2013, and an energy sector reform, which proved more ambitious than initially planned, as well as being in line with the main recommendations by multilateral agencies. In the case of Peru, a reform of fiscal accountability legislation was approved, in order to make it more structural. In Chile, the change in government entailed the creation of new welfare benefits, and a tax reform was announced with a view to it funding educational reform. In Argentina, the dispute between the government and Repsol over the expropriation of YPF was resolved, and a price indicator more in step with IMF recommendations began to be published.

Economic developments by country

In *Brazil*, GDP in Q4 surprised on the upside, growing at a quarterly rate of 0.7% after falling by 0.5%. But the recovery continues at a slow pace, with year-on-year growth of 1.9% in Q4, down from 2.2% the previous quarter. Indeed, in 2013 as a whole, the economy grew by 2.3% (1% in 2012), below expectations at the start of the year. In terms of demand components, the higher growth in 2013 is attributable to the rise in investment, which grew by 6.3%. Both private and government consumption slowed on the previous year, affected by high inflation, lower confidence, high financing costs and lower growth in consumer credit. External demand made a negative contribution in 2013 as a whole (-0.9 pp), given the greater buoyancy of imports (driven by the improvement in investment) relative to exports which, in any event, picked up in the second half, assisted by the depreciation of the real. Despite easing somewhat since June, inflation held at a high level (6.2% year-on-year in March), with upside risks. This derived from the strong cumulative depreciation over the past year, which was by more than 11% against the dollar and might prove persistent, and the possible reduction in subsidies to certain regulated products. Free-market lending slowed appreciably, especially consumer credit, although total credit retained its dynamism owing to the boom in directed credit. Against this backdrop, the central bank, having changed the bias in its policy in April 2013, implemented rises in official rates totalling 375 bp, up to 11% in April, although at the past two meetings the pace of increases has eased to 25 bp. The current account deficit widened considerably to 3.7% of GDP in 2013 as a result of the trade surplus being practically wiped out. The primary surplus for the public sector dipped to 1.9% of GDP, the worst figure since 2001 (see Chart 11). In 2014, the primary surplus target, which was initially set at 2.1% of GDP, fell to 1.9%, which implies a more neutral fiscal policy stance compared with the expansionary one of previous years. However, in April Standard & Poor´s downgraded Brazil’s sovereign debt rating (the country’s first downgrade since 2002), owing to low growth, to the cumulative deterioration in the external accounts and public finances, and to doubts over the consistency of fiscal policy and its limited margin for manoeuvre in the face of external shocks. The high-frequency indicators were more positive in early 2014, although they have not yet become entrenched. What is anticipated in some change in the composition of growth, with a greater contribution by external demand, assisted by the depreciation of the exchange rate and an easing in domestic demand.

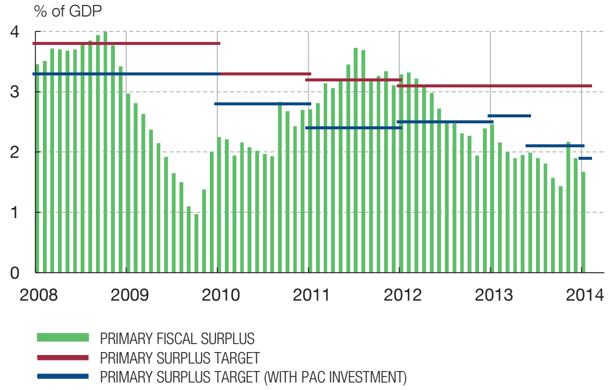
In *Mexico,* GDP expanded by 1.1% in 2013, compared with 3.9% in 2012. The figure was far lower than expected at the start of the year, apparently as a consequence of several temporary factors: the relative weakness of the US recovery (especially in the first half of the year), the decline in the construction industry and the delay in implementing public spending derived from the new incoming administration. The contribution of external demand turned positive in the second half of the year (1.5 pp on average) in light of the strong moderation in imports and the marked pick-up in exports in Q4 (6.7% year-on-year). A pick-up in the economy is expected in 2014, given the momentum of economic policy and the improvement in external conditions, although the indicators at the beginning of the year have been mixed, and the rise is estimated to take place from Q2. Inflation increased from October, owing to supply-side factors. Adding to these in January was the effect of the fiscal reform, which took inflation in March to a year-on-year rate of 3.8%, slightly below the upper limits of the target range. However, the underlying rate has held at historical lows (2.9 % in March) and inflation expectations remain anchored. The peso has depreciated by 7.7% over the past year, less than other currencies in the region despite the lack of intervention on the foreign exchange market. Against this background, the central bank cut official interest rates by 25 bp in September and October, holding them since at 3.5%. On the fiscal front, the deficit target of 2.3% of GDP in 2013 was met (considering PEMEX investment). For 2014, a bigger stimulus is envisaged, with a deficit close to 3.5% owing to increases in spending on infrastructure and social security. The current account balance for 2013 as a whole posted a deficit equivalent to 1.8% of GDP, a notable deterioration on the previous year (-0.7%), due in part to the trade balance, which went from surplus into deficit. In any event, the external imbalance remains covered in its entirety by FDI, which has broken the declining trend of recent years. Finally, the government approved two major new reforms, in the fiscal area and in the energy sector. The first was somewhat less ambitious than foreseen, given that it did not alter the VAT tax bases and left certain sectors outside this tax. It did, however, harmonise tax rates across export-geared sectors and others, and it increased the State tax-raising capacity by around 1 pp of GDP. Furthermore, a new fiscal rule was approved to correct the procyclical bias of the current balanced-budget rule, setting a ceiling on spending and allowing slippage from the equilibrium level if GDP grows below potential. In the case of the energy reform, which was more ambitious than expected, private-sector participation is permitted at all stages of hydrocarbons production, which augurs a strong increase in foreign direct investment over the coming years; a sovereign wealth fund has been created (with the oil revenue remaining after attending to the maintenance of certain public spending ratios); and the electricity sector is opened up to private-sector participation. Thanks largely to these advances, an upgrading of sovereign debt was announced by Standard and Poor's (to BBB+) and, subsequently, by Moody's (to A3).

Although activity in *Argentina* regained greater momentum in 2013, it weakened noticeably in the second half. Growth was 3% in 2013, a figure incorporating a methodological change that prevents its comparison with previous data. In terms of components, private consumption was the driving force, assisted by public policies, the increase in lending to the private sector (by around 30% year-on-year) and a relatively sound labour market (the unemployment rate fell to 6.4%, albeit with less job creation and lower growth in real wages). Investment eased in the second half, despite construction picking up. But the key characteristic of 2013 was the heightening of the pressures on the balance of payments. Thus, despite capital controls, there was a growing outflow of currency through the current account, which posted a deficit of 0.9% of GDP, with a high tourism deficits adding to the rising energy deficit. These dynamics, in the context of exchange-rate intervention, resulted in a heavy absorption of external reserves. In these circumstances, there has been something of a shift in economic policy since last November, initially with the aim of checking the decline in currency reserves. The pace of depreciation of the peso increased strongly, up to 6.2% in December, compared with a monthly rate of 1.5% during the first half of the year. Further, quotas on certain imports were increased and an attempt was made to reduce the premium on the parallel exchange rate, through the sale of dollar-denominated bonds by State agencies. Nonetheless, during the first two weeks of January, the downturn in reserves accelerated, resulting in further economic measures. Thus, on 22 January the authorities ceased to intervene on the foreign exchange market for two days, prompting a depreciation of 16% (to 8.01 pesos per dollar, see Chart 12), while uncertainty took the premium on the parallel exchange rate to 70%. Subsequently, in an attempt to restore confidence, capital controls were eased for individuals, who were allowed to

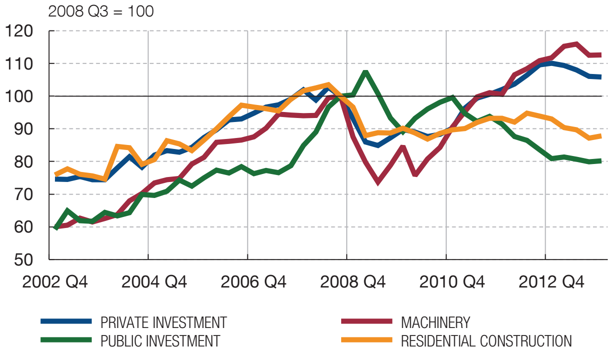
BRAZIL AND MEXICO

CHART 12

BRAZIL: PRIMARY FISCAL BALANCE



MEXICO: INVESTMENT



SOURCE: National statistics.

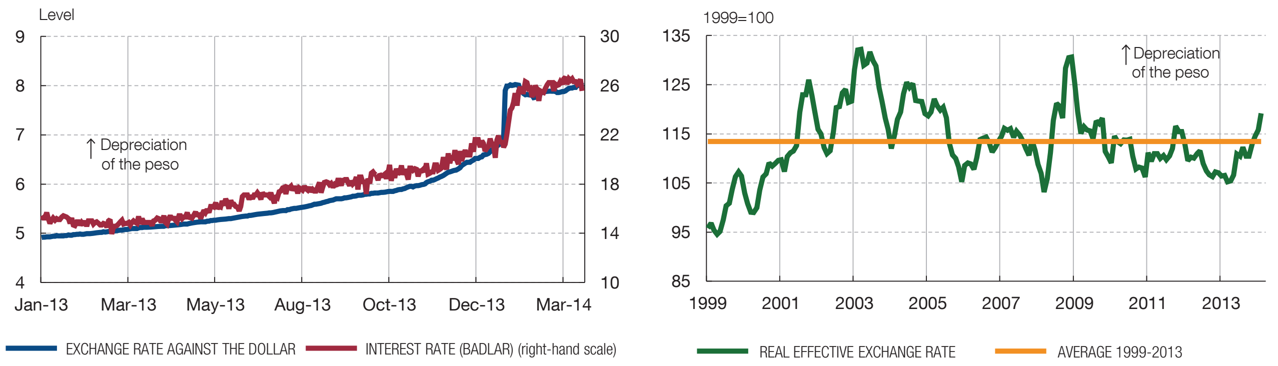
purchase dollars for saving purposes, with certain restrictions. At the same time, the interest rates on pesos were raised (by 900 bp) and sterilisation increased, with a rise in reserve requirements. More recently, a reduction in energy subsidies has been announced in an attempt to contain fiscal worsening. As a result of these measures, the exchange rate has stabilised at around 8 pesos per dollar, the premium on the parallel rate has fallen and the decline in reserves has been checked, although a regulatory change that obliged the banking system to reduce its position in dollars also contributed here. Despite the fact that the measures implemented are steps in the right direction, the short-term outlook is uncertain. According to the new indicator, cumulative inflation in the first two months of 2014 is estimated to have increased by 7.2%. Over the course of 2013, the primary deficit amounted to 3% of GDP. Finally, Argentina has made progress in recent months in normalising its external relations, reaching agreements with litigating private corporations, commencing negotiations with the Paris Club and improving relations with the IMF. This change may be conducive to the opening up of certain foreign funding facilities and attract foreign investment to the oil sector. In any event, a difficult fiscal adjustment lies ahead, without which recent reforms may prove insufficient, and without it being possible to rule out second-round effects on wages in these circumstances.

In *Chile*, the pace of growth eased in 2013. This was especially so in Q4, when it posted a quarterly decline of 0.1%, resulting in a marked year-on-year slowdown to 2.7%. Over the course of 2013 growth was 4.1%, compared with 5.4% in 2012, with a slowdown in domestic demand to 3.4%. Contributing particularly to this was investment, with a rise of only 0.4% (in Q4 this variable even fell by 12.3%). Hence, compounding the strong correction in investment in machinery and equipment, against the background of the levelling off of mining investment, was the unexpected stagnation of construction. Meantime, though moving on a mildly slowing trend, consumption continued to be a mainstay, growing by 5.4% (4.6% in Q4), thanks to the favourable labour market conditions. Specifically, the unemployment rate remains at a low (6%) and real wages increased by 3%. Government consumption also exerted a positive influence, albeit to a lesser extent, after increasing by 4.2% over the year, although it eased in the final quarter. The contribution of external demand turned positive (0.6 pp), given the adjustment on imports and some pick-up in exports, which increased by 4.3%. The balance of payments posted a slight downturn in the trade surplus, despite which the current account deficit stabilised at 3.4%

CHART 13

ARGENTINA. EXCHANGE RATE AGAINST THE DOLLAR AND INTEREST RATE (BADLAR)

CHILE: REAL EFFECTIVE EXCHANGE RATE



SOURCES: National central banks and Datastream.

of GDP, comfortably financed by FDI flows. Inflation, which had remained contained, has risen in recent months in the face of supply-side shocks in food and energy. In March it stood at 3.5%, somewhat above its central target. Underlying inflation has also risen, to 2.9%, evidencing some pass-through due to the depreciation of the peso (see Chart 12). The central bank began last October to pursue an expansionary monetary policy, having made four 25 bp cuts to the official rate to date, to 4%. At the fiscal level, strong moderation in spending at the end of the year enabled, despite lower revenue, an effective fiscal deficit of 0.6% of GDP and a structural deficit of 0.7% of GDP, above-target, to be recorded in 2013. As a result, the 2014 target of a structural deficit of 1% of GDP along with higher structural revenue attributable to the depreciation should provide for an expansion in public spending, thereby exerting some momentum. Despite this factor, growth in 2014 will ease. The main risk is associated with the possibility that a slowdown and change in the pattern of growth in China may entail a further decline in the price of copper, which would have adverse effects on growth and on the external and fiscal accounts. The draft tax reform includes a progressive rise in taxes on corporations, a reduction in the maximum personal income tax rate and some rises in indirect taxes. The reform is expected gradually to raise revenue by 3 pp of GDP, with an increase of 0.3% of GDP in 2014, with the aim of financing educational reform.

In *Colombia*, GDP grew by 4.3% in 2013 as a whole, marginally up on 4% in 2012. The pace of expansion quickened throughout the year. This greater dynamism was underpinned by investment in civil engineering works. However, investment in capital goods remained sluggish, with the industrial sector recovering at a slower pace than expected. Final consumption quickened to 4.9% in Q4 (4.7% for the year) thanks to an equivalent increase in private consumption, driven by greater job creation and by the cuts to the official rate in 2013. The contribution of external demand to growth turned positive in 2013 (0.3 pp), as the increase in exports (5.3%) outpaced that in imports (2.1%), owing to the weakness of investment in capital goods and the exchange rate depreciation (9.2% over the past year). The high-frequency indicators point to growth remaining buoyant and potentially more balanced, against the backdrop of the expected recovery in exports and in non-residential private investment. Despite the depreciation, inflation continued to surprise on the downside (2.5% year-on-year in March), which might denote that the output gap, following the increase in investment in recent years, could remain negative. In this setting, the central bank has kept the official rate at 3.25% since last April and extended its dollar purchase programme at least until next June. On the fiscal front, the target of holding the structural deficit on a declining path was met, with a figure of 2.4% of GDP being recorded. The current account deficit widened to around 3% of GDP, reflecting an increase in the rate of investment. Colombia is not among the countries most affected by the current bout of tension on the emerging markets, maintaining net portfolio investment inflows. Further, the Government is considering reducing the withholding tax on foreign bondholders, seeking to increase their participation in the local market. Lastly, Fitch raised Colombia's long-term sovereign foreign currency rating to BBB.

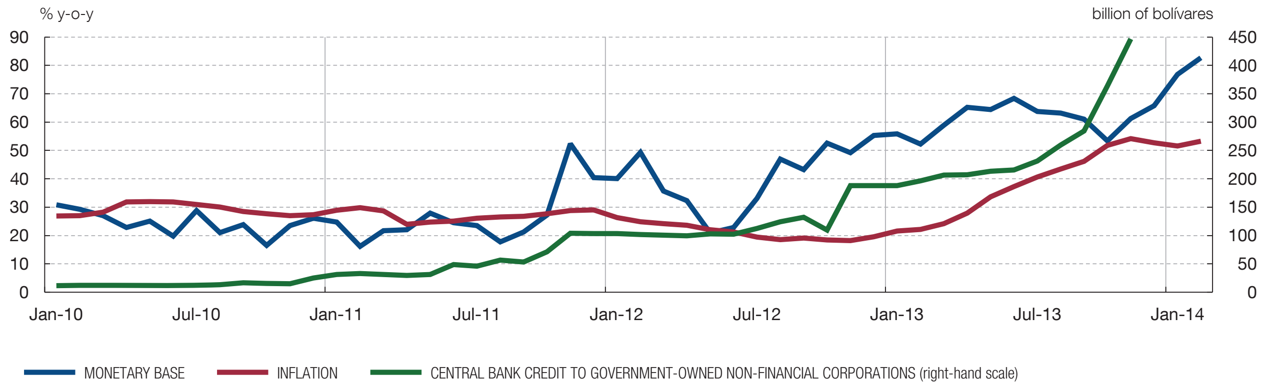
In *Peru,* activity regained greater momentum in the second half of the year, especially in Q4, when GDP posted quarter-on-quarter and year-on-year rates of growth of 1.4% and 5.1%, respectively. Even so, growth for the year as a whole (5%) was down on the previous year (6.3%). In terms of components, private consumption remained very dynamic, growing by 5.2% in 2013 in a setting in which the labour market remains robust. By contrast, investment increased more slowly than expected, growing by 5.9% in 2013 (1.8% in Q4), much less than in 2012 (14.8%). The contribution of external demand turned slightly positive in the second half of the year (although over the year as a whole it subtracted 1 pp), as a result of the more marked easing in imports than in exports. The current account deficit widened notably in 2013, to 4.9% of GDP, owing to the deterioration in the trade balance. This high current account deficit, though it could be a factor of vulnerability, reflects the increase in the investment ratio, financed by long-term capital and chiefly aimed at the tradeables (mining) sector. Inflation, after having stood within its target range in the second half of 2013, quickened more recently to 3.4% in March. Core inflation also stood above its target. The central bank has kept its official rate unchanged, excepting a surprise 25 bp cut in November to 4%. Conversely, it has sought to ease monetary conditions by means of reductions in the local currency reserve requirements, to offset intervention on the foreign exchange market in defence of the sol. On the fiscal front, the public sector posted a primary surplus in 2013 equivalent to 2.3% of GDP, markedly worse owing to a much bigger increase in expenditure than in revenue. Fitch raised its credit rating of Peru's foreign-currency-denominated debt to BBB+ and that in local currency to A–. With a view to 2014, the indicators of activity and confidence show greater momentum, partly due to the better performance of the primary sectors, which should be conducive to somewhat higher growth than in 2013.

In *Venezuela,* the economy retained the sluggishness shown during the first half of the year. After growing by 5.6% in 2012, and although it has not officially released the figures for Q4, it was announced that GDP grew by 1.6% in 2013. In terms of components, this slowdown is attributable to the strong correction in investment, against a backdrop of collapsing imports, as a result of the shortage of foreign currency and of the fall-off in public investment. Private and government consumption remain the most dynamic components, albeit tending to slow, owing to the moderation of credit and to a labour market where, despite unemployment holding at 7.5%, wages underwent a notable loss in purchasing power for the second year running. Inflation surged above 50% towards the end of the year, driven by a lower official distribution of currency for imports, a very strong increase in the money supply due to the funding of public entities (see Chart 14) and a depreciation of the black market exchange rate, with the depletion indicator standing at a high. The government's response was to increase price controls, passing legislation on fair prices, which sets ceilings for increases in prices and profits. To alleviate the currency constraint, the government set in train a new dollar tender system (SICAD I) last July, under which currency is delivered to importers at lower exchange rates than the official parity (42%); finally, in

VENEZUELA

CHART 14

MONETARY BASE AND INFLATION



SOURCE: Banco Central de Venezuela.

March 2014 a new parallel market – SICAD II – was created. In principle, this makes the exchange controls in force in the country since 2003 more flexible, allowing for trading in currency, both in cash and in government bonds issued to the private sector, which may retain a greater portion of its export revenues to route them to this market. The exchange rate on this new market stood close to that of the parallel market (52 bolivars per dollar, 87.9% below the parity for preferential imports). This heavy devaluation will impact the inflation rate but, conversely, it will ease the State's budgetary constraint and reduce pressure on the central bank's currency reserves, which fell once more during the six-month period and stood below the maturities of external debt scheduled for 2014. At the same time, the opening up of this new market might reduce the level of shortages insofar as it provides swifter access to the foreign currency needed for imports. The rating agencies downgraded the country's sovereign rating in December and once again in March.

14.4.2014.

ASSESSMENT OF EXTERNAL IMBALANCES AND COUNTRY RISK PERCEPTION

The authors of this article are Teresa Sastre and Francesca Viani of the Associate Directorate General International Affairs.

Introduction

The scale and persistence of the current account surplus or deficit positions of a large number of countries were one of the main causes for concern in terms of global economic stability during the years prior to the economic and financial crisis. While these global imbalances did not trigger the crisis, and as they have not diminished with the ensuing adjustments (see Chart 1), their nature, their causes and the consequences potentially arising from them remain to the fore of international economic debate.

Insofar as cross-country divergences in current account balances are the result of differences in levels of development, demographic factors and other characteristics relating to economic structure, they should not be a cause for concern globally. However, when they are the outcome of deep-seated macroeconomic imbalances, in many cases induced or amplified by unsuitable economic policies, they are factors of vulnerability that may pose a threat to global financial stability. Thus, persistently high deficits that are unsustainable in the long run may give rise to foreign exchange crises and capital outflows from the countries that generate them, with significant externalities for other economies; similarly, bloated surpluses, such as those of certain countries in the years running up to the crisis, may be indicative of excess saving which, naturally, has repercussions ultimately for the countries that are recipients of this investment, contributing to heightening vulnerability in the face of real and financial shocks.

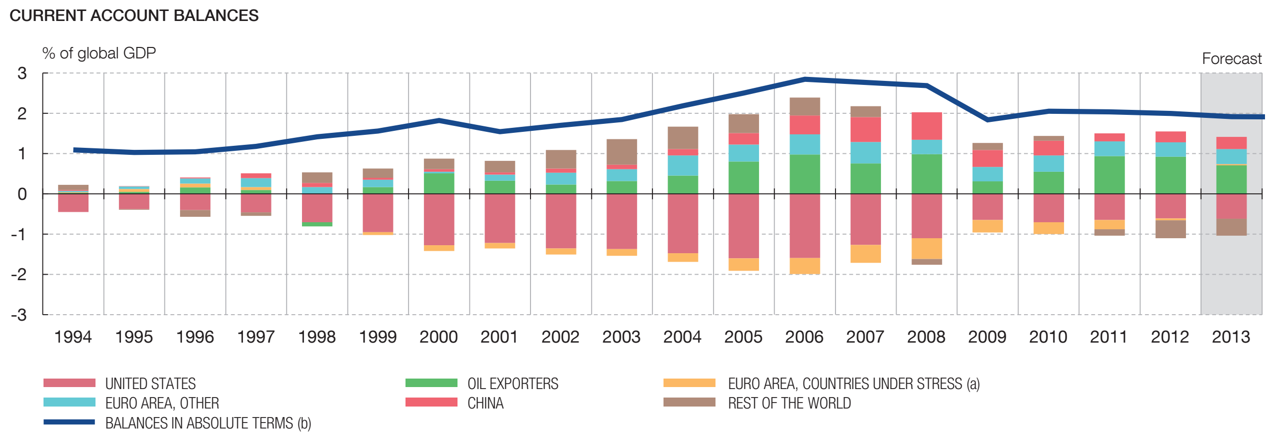
Several multilateral organisations – such as the G-20, the International Monetary Fund (IMF) and the European Union – have designed surveillance mechanisms to detect excessive imbalances in countries' external positions and redress them. The IMF took the initiative here some years back, when it conducted its analysis of current account balances and real exchange rates under the CGER[1]. In 2012, the IMF began to regularly publish a new analysis on the external sector – in its *External Sector Report*[2] – with a view to assessing the external position of a broad group of countries from a multilateral perspective. In this connection, it developed a new method called the *External Balance Assessment* (EBA), which is a reform of the CGER analysis that had been used until then. The new method incorporates an analysis of the determinants of the current account balance and the real exchange rate – using two different regression models – for a panel of countries, that include structural and cyclical factors and others relating to policy variables. Moreover, the EBA includes a normative analysis that evaluates to what extent deviations between the policies adopted and those that would be desirable – according to IMF-defined criteria – contribute to generating current account or real exchange rate imbalances, in order to formulate recommendations on such policies.

The empirical regression models for the current account balance and the real exchange rate are thus cornerstones of the IMF's analysis and assessment of external imbalances. This article posits an extension of the analysis conducted for the current account balance, incorporating the international financial markets' risk perception of each country. The

1 The Consultative Group on Exchange Rates (CGER), which designed the analytical framework.
2 See IMF (2012).

CURRENT ACCOUNT BALANCES, BY GEOGRAPHICAL AREA

CHART 1



SOURCES: IMF and Datastream-Thomson Reuters.

a Italy, Spain, Portugal, Greece and Ireland.
b Sum of balances, in absolute terms, divided by 2.

economic literature suggests that the dynamics of the current account balance can vary depending on the degree of safety of the country as an investment recipient. As the experience of the United States shows, countries perceived as safe destinations for investment can sustain high current account deficits over long periods, and the foreign capital flows they receive are less dependent on changes in their macroeconomic fundamentals. Conceivably, these differences in risk perception for different countries may also be more significant in crisis periods.

This article presents an extension of the IMF's framework of analysis, incorporating two additional aspects into the Fund's equation for the current account balance: the different degree of risk (or the degree of safety) with which different countries are perceived, and the distinction between periods of calm and phases of global stress. The results obtained are robust and allow an assessment other than that of the IMF to be made of the current account imbalances for the year 2012 for a broad range of countries. This analysis is a continuation of that performed in Sastre and Viani (2014), the starting point for which was the regression published by the Fund in its first pilot report on the external sector (2012). Subsequently, the IMF partly revised its methodology on publishing its second report, in June 2013. This new estimation is now taken as a benchmark to incorporate the extensions mentioned. The second section briefly describes the main elements of the analytical framework of the EBA and the proposed extension. Then, in the third section, the main findings of the new regression are discussed, while in the fourth section these results are used to determine the extent to which current account balances correspond to the fundamentals of economies and appropriate policies, or whether they incorporate genuine elements of imbalance. Finally, the closing section draws the main conclusions of the article.

Analysis of the current account balance under the IMF's methodology

The analytical framework currently used by the IMF to assess the external position of a broad group of countries (EBA) incorporates, on one hand, an empirical analysis that examines the determinants of the current account balance and of the exchange rate (drawing on regressions with a panel of countries); and, on the other, a normative analysis that sets desirable benchmark values for specific economic policies,[3] obtaining the current

3 The way in which the Fund set these benchmarks for the normative assessment is explained in Phillips *et al.* (2013).

CURRENT ACCOUNT BALANCE DETERMINANTS ACCORDING TO THE EBA AND EXPECTED SIGN

TABLE 1

Dependent variable: current account balance/GDP

		Expected sign of coefficient	Significant in the EBA specification	Difference from extended specification
Structural factors	GDP per worker (lag) #	(+)		x
	GDP per worker (lag)*(capital openness) #	(+)	v	x
	Expected GDP growth	(-)	v	x
	Political and institutional stability	(-)	v	x
	Oil balance	(+)	v	
	Financial centre #	(+)	v	
	(Net external assets/GDP) (lag) #	(+)	v	x
	Dependency ratio	(-)		x
	Ageing speed	(+)	v	x
	Population growth	(-)		x
	VIX*(capital openness) #	(+)	v	
	VIX*(capital openness)*(% reserves) #	(-)	v	
	% currency shares in global reserves #	(-)	v	x
Cyclical factors	Output gap	(-)	v	x
	Cyclical gap in terms of trade #	(+)	v	
Policy variables	Cyclically adjusted fiscal balance	(+)	v	x
	Public healthcare spending/GDP	(-)	v	x
	(Change in reserves/GDP)*(capital controls)	(+)	v	
	Private-sector credit/GDP	(-)	v	

SOURCE: IMF.
NOTES: "lag" represents the first lag of the respective variable.
"x" denotes a significant difference between the EBA-estimated coefficient and those of the extended specification (see Table 2).
All the variables are in deviations from the global average, except those with the symbol #.

account balance that would be compatible with those values, and evaluates whether the deviations between the policies adopted and those benchmark values contribute to generating imbalances.

In particular, in an initial phase, the EBA estimates reduced-form models of the determinants of the current account balance and the real exchange rate, using a panel of 50 countries for the 1986-2010 period. In the case of the current account balance, it envisages three types of determinants: structural, cyclical and economic-policy determinants, which are summarised in Table 1.[4] Most of the variables described below are expressed as a deviation from the world average, with the exception of those detailed in the table.

Among the structural factors, the EBA includes the following: a) productivity per employee compared with the more advanced economies, which is interpreted as an indicator of the stage of economic development (in the initial stages, countries with low productivity relative to the more advanced economies tend to attract capital and to record current account deficits, giving rise to a positive relationship between this variable and the external balance) and interacts with an index of free capital movements, which modulates the intensity of the effect on the current account depending on the restrictions on capital movements (a higher value for the index denotes a greater degree of openness and a greater capacity to finance a current account deficit); b) growth prospects (if they are high, they tend to attract investment from abroad, which allows current account deficits to be financed, giving rise to a negative relationship with the current account balance); c) risks relating to the political and institutional environment (greater stability is associated with

4 These determinants are based on avenues of research such as Debelle and Faruquee (1996), Calderón *et al.* (2002), Chinn and Prasad (2003) and Bussière *et al.* (2010), among others.

bigger capital inflows and a lower balance); d) the importance of oil and commodities export revenue (with a positive sign); e) the standing as an international financial centre of certain countries, which run current account surpluses and tend to export capital (with a positive sign) and f) net assets accumulated vis-à-vis the external sector, which also positively affect the external balance by means of the net returns on such assets.

Other structural factors are demographic in nature, such as the dependency ratio[5] of the elderly (which would negatively affect saving, according to the life-cycle theory, and the current account balance), the pace of ageing (which drives greater saving in pre-retirement stages and has a positive effect on the external balance) and population growth (high growth entails a bigger population proportion for inactive youth, which acts to the detriment of saving and is associated with a lower balance); others are financial in nature, such as the status of some countries whose currency is an international reserve currency, which confers on them a special ability to finance a current account deficit (negative sign), and volatility on international markets (proxied by the VIX index), which interacts with the degree of openness of capital movements and with the international reserve currency status of some economies' currencies (high volatility is conducive to capital inflows into these countries and is associated with a negative effect on the external balance; the opposite occurs for economies whose currency does not have this status).

Secondly, among the cyclical factors, the IMF regression includes the output gap as an indicator of demand pressure (with a negative impact on the external balance, since it is associated with demand pressures) and the cyclical component of the real terms of trade of commodities, whose increase tends to reflect cheaper import prices for these products and is positively associated with an improvement in the current account balance.

The third group of factors considered by the IMF's recent methodology – economic policy variables – include the following: the nature of fiscal policy (proxied by the cyclically adjusted fiscal balance, with a positive effect on the current account, since fiscal expansions increase demand and tend to generate a current account deficit); the level of social protection (measured by the ratio of public healthcare spending to GDP, which is conducive to a reduction in household precautionary saving and negatively affects the external balance); an indicator of capital controls, which regulates the impact of other variables on the external balance (the greater the degree of openness, the greater the impact of each variable in absolute terms); the policy of interventions on the foreign exchange market, proxied through the accumulation of reserves (a rise in these external assets increases the current account balance), although their impact depends on the degree of openness of capital movements; and, ultimately, the containment of financial excesses, captured through the deviation by the private-sector credit/GDP ratio from a trend (a financial imbalance of this type negatively affects the external balance).

The results of the IMF estimation reveal that the parameters have the expected signs, although several demographic factors, such as population growth and relative productivity, among others, are not significant in this specification, as is reflected in Table 1.[6] The detailed parameters are included in Table 2, for the variables in which there are significant differences from the extended regression detailed in the following section.

5 The dependency ratio is defined as the population over 65 divided by the population aged 30-65. The pace of ageing is the change projected in the dependency ratio over the coming decades relative to the current level.

6 Greater details of the IMF estimation can be found in Phillips *et al.* (2013).

EXTERNAL BALANCE IN SAFE COUNTRIES AND LESS SAFE COUNTRIES AT TIMES OF CRISIS — TABLE 2

Dependent variable: current account balance/GDP

	EBA	Extended specification
GDP per worker (lag)	0.01	**0.05**
GDP per worker (lag)*(capital openness)	**0.07**	**0.08**
GDP per worker (lag)*(capital openness)**safe*		**-0.07**
Expected GDP growth	**-0.47**	**-0.56**
Expected GDP growth**crisis*		**0.46**
Expected GDP growth**crisis*safe*		**-0.32**
Political and institutional stability	**-0.11**	**-0.11**
(Political and institutional stability)**crisis*		**0.04**
Ageing speed	-0.03	**-0.15**
Ageing speed**safe*		**0.33**
Pace of ageing	**0.16**	-0.01
Pace of ageing**safe*		**0.24**
% currency share in global reserves	**-0.05**	**-0.14**
(% currency in global reserves)**safe*		**0.11**
Output gap	**-0.4**	**-0.34**
(Output gap)**crisis*		**-0.17**
(Output gap)**crisis*safe*		**0.21**
Cyclically adjusted fiscal balance	**0.32**	**0.32**
(Cyclically adjusted fiscal balance)**safe*		**0.26**
(Cyclically adjusted fiscal balance)**crisis*		**-0.18**
Public healthcare spending/GDP	**-0.55**	**-0.90**
(Public healthcare spending/GDP)**safe*		**0.99**
Observations	1,080	1,080
Number of countries	49	49
Adjusted R2	0.51	0.57
Sample period	1986-2010	1986-2010

SOURCES: IMF and Banco de España.
NOTES: *safe* and *crisis* are dummies that identify the safe countries and the crisis periods.
"lag" represents the first lag of the respective variable.
The significant coefficients are in bold.

The methodology applied by the IMF in its 2013 report allows individual policy recommendations to be made to each country and takes into account the specific characteristics (structural and cyclical) of the countries, further adopting a multilateral perspective that provides these recommendations with overall consistency. However, despite including indicators of capital controls and market volatility, the treatment given to financial aspects appears scant. In this respect, the economic literature suggests that current account dynamics may differ in terms of the risk perception of each country as an investment destination and, moreover, that these differences may be amplified in periods of global stress. Thus, several papers indicate that the ability to offer safe destinations for investors, which is a characteristic of some economies, may be one of the main factors contributing to explaining the changes in, and global configuration of, external positions in recent years.[7] Moreover, the experience of the United States shows that countries that are perceived as safer destinations by financial market participants can sustain high current account deficits over long periods. That suggests the possibility that foreign capital flows received by these countries are somewhat less dependent on such countries' macroeconomic

7 See Caballero *et al.* (2008) and Mendoza *et al.* (2009), among others.

fundamentals and, therefore, that they can be decoupled from the patterns characterising capital movements towards other economies, that lack this characteristic. These differences will tend to widen in periods of stress, in which risk aversion increases. To accommodate these considerations, the following section posits an extension to the analytical framework used by the IMF.

External imbalances, sovereign risk perception and episodes of financial stress

To explore the significance of the above-mentioned aspects, the regression model estimated by the IMF for the current account balance has been extended in two directions. Firstly, a distinction is drawn between countries that are perceived as safe destinations and those considered less safe, on the basis of their Standard & Poor's rating. The country is classified as safe when its rating is AA or higher for over half of the years of the sample; under this criterion, the countries considered safest match a sub-set of industrialised countries.[8] Secondly, a distinction is also drawn between phases of calm and periods of global stress, with the latter defined as years in which the volatility on financial markets – measured by the VIX index of financial market turbulence – amply exceeds the historical average. In the sample as a whole, there are eight years in which this criterion holds, including the last years of the period.[9]

The consideration of these two aspects is incorporated into the IMF model through the inclusion of dummy variables, which identify, first, the safest economies and, further, the crisis years *(safe* and *crisis,* respectively, in Table 2), and which interact in the specification with the various determinants of the current account balance. The coefficient of these interactions reflects the related differential effect. Thus the interaction of the *safe* variable captures the differential impact of each factor on the countries considered safe compared with that exerted on the less safe economies (which is reflected by the determining factor without interaction), whereas the crisis variable identifies the differential effect of each factor at times of financial stress relative to their impact in periods of calm, captured by the corresponding variable without interaction.

Table 2 summarises the results of the estimation of the extended model[10] and its comparison with the IMF model for the current account balance in terms of GDP.

In general, the coefficients estimated with the extended specification that correspond to variables without interaction – those that reflect the effects in less safe economies and in phases of calm – have the expected sign, such as those of the EBA, and are significant. The fact that the parameters of the interactions with this set of factors prove significant confirms that the external balance of the countries considered safe responds to the main determinants in a different way to how the remaining countries do, and that, in some cases, these responses change in periods of financial market stress, compared with phases of greater stability.

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8 Sastre and Viani (2014) include further details on this classification. According to this criterion, the countries considered safe are Austria, France, Germany, the Netherlands, Norway, Switzerland, the United Kingdom, the United States, Australia, Belgium, Denmark, Finland, Ireland, Italy, Japan, New Zealand, Spain, Canada and Sweden.

9 A year is considered a crisis year if the VIX index exceeds its moving average calculated over two quarters by more than three standard deviations. According to this criterion, the global crisis years are 1987-1988 (coinciding with the *Black Monday* financial markets collapse and the savings and loan associations crisis in the United States), 1990 (marked by bank crises in Italy, Norway and Brazil), 1998 (financial crises in emerging Asia and Russia), 2001-2002 (financial crises in Argentina, Uruguay and Turkey), 2008 (the Lehmans Brothers collapse), 2010 (Greek crisis) and 2011 (tensions in the euro area).

10 The total effect on safe economies is the sum of the two coefficients, with and without interaction with the *safe* dummy variable, for each determinant, and, similarly, the total impact at moments of crisis is the sum of the coefficients, with and without interaction with the *crisis* dummy variable.

Among the structural factors, an effect other than long-term growth prospects, political stability, reserve currency status or demographic factors is detected. Countries with good growth prospects, which tend to post current account deficits (as the negative coefficient of this variable indicates), have greater difficulties financing them in episodes of financial market crisis (the positive coefficient of the interaction with the *crisis* variable practically offsets the foregoing), except if they are safe destinations for investment, in which case investors appear to tolerate a greater deterioration in the current account balance (negative coefficient of the interaction with *crisis* and *safe).* Moreover, the contribution of political and institutional stability to facilitating the financing of the external balance diminishes in all economies in periods of global stress. Likewise, the fact that a country has a currency used as a reserve currency, which makes financing a current account deficit easier, has scant additional impact on the safest economies and is more significant in the case of countries that are not perceived to have that level of safety. This means that, in those euro area economies that were not perceived by the markets in the same way as those with an AA or higher rating before joining the euro area, the adoption of the single currency – which is a reserve currency – entailed a change in status which increased their credibility and enabled them to finance higher deficit levels, which is also known as the Monetary Union "halo effect".

Demographic variables also affect the two groups of countries differently. The pace of ageing, which has a positive effect on the current account balance, is only significant in the safe countries (with a coefficient higher than that estimated by the EBA), where rapid population ageing and its consequences have already affected private-sector saving patterns. The dependency ratio – which is not significant in the EBA estimate – has a considerably adverse impact on the external balance in the case of the less safe economies, and affects it positively in the case of safe countries. While according to the life-cycle theory a lower rate of household saving may be expected as the proportion of individuals of retirement age increases, the empirical evidence on this effect is very mixed. Indeed, there is abundant literature indicating that retirees continue saving a significant proportion of their income once they have retired, whether for precautionary motives[11] (to meet potential healthcare expenses), to leave an inheritance or because of the characteristics of public pension systems[12] or other aspects of the social protection system.

Differences between safe and less safe countries are also detected in the negative response of the external balance to cyclical factors such as the output gap, a variable that captures fluctuations in demand. In periods of global stress, economies perceived as less safe are subjected to fluctuations in investor sentiment that may give rise to capital outflows, meaning that their external position becomes more dependent on domestic demand (on interacting with the *crisis* variable, the total negative effect increases in absolute terms). Conversely, in safer countries, which tend to receive capital inflows in times of international market turbulence, fluctuations in the current account balance depend to a lesser extent on developments in domestic demand (the negative impact on the external balance is dampened, as indicated by the positive coefficient of the dual interaction with *crisis* and *safe).*

Regarding economic policy variables, the response of the current account balance to fiscal policy, to the degree of social protection and to capital controls differs between safe and

11 Kenickell and Lusardi (2005) find that precautionary saving is particularly significant among older individuals.

12 Börsch-Supan and Lusardi (2002), who examine the saving rate for six advanced economies and its relationship to pension and healthcare systems, detect a pattern growing commensurately with age in Japan and the United Kingdom, and one that is practically flat in Italy's case.

less safe economies. The possibility of attracting capital to finance a fiscal expansion (a positive relationship between the fiscal balance and the external balance) is dampened in periods of financial stress (the negative sign of the interaction with *crisis* partly offsets the foregoing) and the countries perceived as safer can attract capital more readily to finance the higher deficit derived from a fiscal expansion (as the positive sign of the interaction with *safe* indicates). The effect of a social protection network on the saving and on the current account balance of less safe countries – among which the emerging economies are predominant – is far higher than that estimated by the EBA and that characterising the safe countries, which are advanced economies in the main (the sum of the coefficients of the variable and the interaction with *safe* is practically zero). Lastly, the impact of flexibility in capital controls on inflows into economies in the early stages of development, characterised by low relative productivity, is similar to that estimated by the EBA in the case of less safe economies, and it is almost zero in the case of less risky countries.

The regression, extended with differential effects between safe and unsafe economies and between periods of global crisis and calmer periods, notably improves the fit (the adjusted R2 exceeds that of the EBA by 12%) and allows the significance of certain key variables, such as GDP per employee, to be salvaged, which reinforces the relevance of these additional factors.

Results and comparison of external imbalances

On the basis of these estimations, the current account balance for each country can be derived, which would be consistent with its structural and cyclical factors, and with the economic policy variables in terms of their benchmark values, defined by the IMF; that would give the "equilibrium" or "desirable" balance. The difference between the values observed for the current account balance and the equilibrium values is, under this methodology, what is known as "external imbalances"[13]. These deviations are a combination of the residual of the regression, i.e. the portion of the fluctuations in the current account balance that the model considered is unable to explain, and of the impact of inadequate economic policies (policy gaps). These policy gaps are evaluated as deviations between the policies adopted and the benchmarks defined by the IMF for the five economic policy variables considered, namely the adjusted fiscal balance, public healthcare spending, capital controls, the change in reserves and the credit/GDP ratio. In the case of the extension proposed by Sastre and Viani (2014), with differential elements based on the risk perception of the economies and market volatility, the deviations are derived from the residuals of the new regression and from the impact of the policy gaps on the external balance, where the policy variable benchmarks are the same as those used in the IMF's analysis.

The top panel of Chart 2 compares the balances observed in 2012 and the desirable balance according to the two specifications considered: that of the IMF and the proposed extension. The bottom panel of Chart 2 directly presents the difference between the observed balance and the respective desirable balances, i.e. the estimated imbalance for each country.[14]

According to the IMF (EBA) estimate, the current account surplus observed in 2012 was higher than would be desirable in several Asian economies and, within the European Union,

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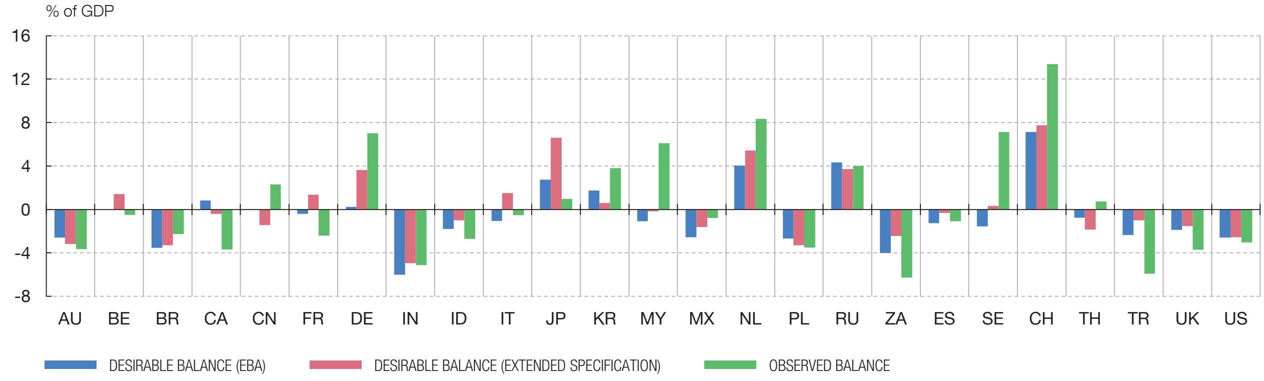
13 The imbalances shown in the *External Sector Report* are not directly those resulting from this analysis, but can rather be qualified by different types of information and analysts' own judgement. See IMF (2013), Box no. 6.

14 Chart 2 shows the imbalances obtained by the EBA, which refer only to 25 of the 49 countries making up the sample used in the estimate. IMF (2013) shows that, for the imbalances of the 49 countries to be mutually consistent, only a minor correction is necessary, since they account for 90% of world GDP. The imbalances of the 25 countries depicted in Chart 2 need not be globally consistent (i.e. totalling zero).

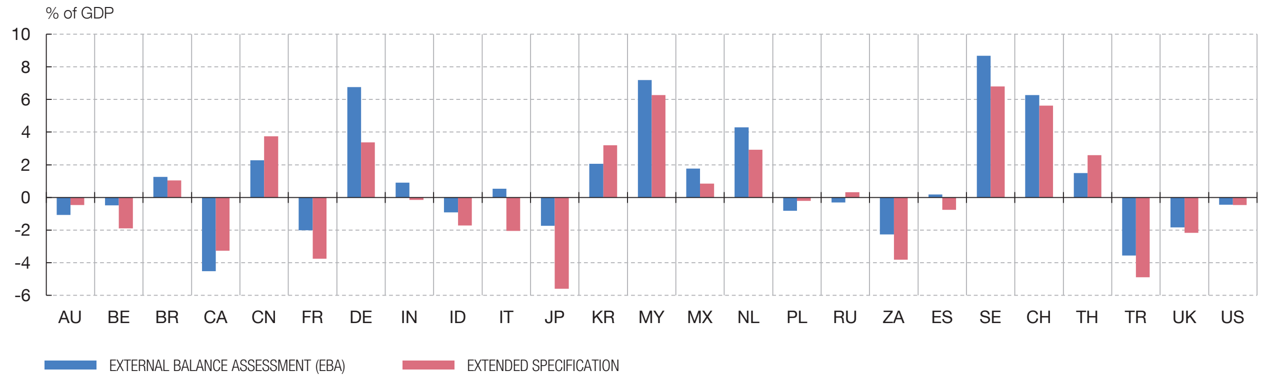
CURRENT ACCOUNT BALANCE AND EXTERNAL IMBALANCES

CHART 2

OBSERVED AND DESIRABLE CURRENT ACCOUNT BALANCES (2012)



CURRENT ACCOUNT IMBALANCES (2012)

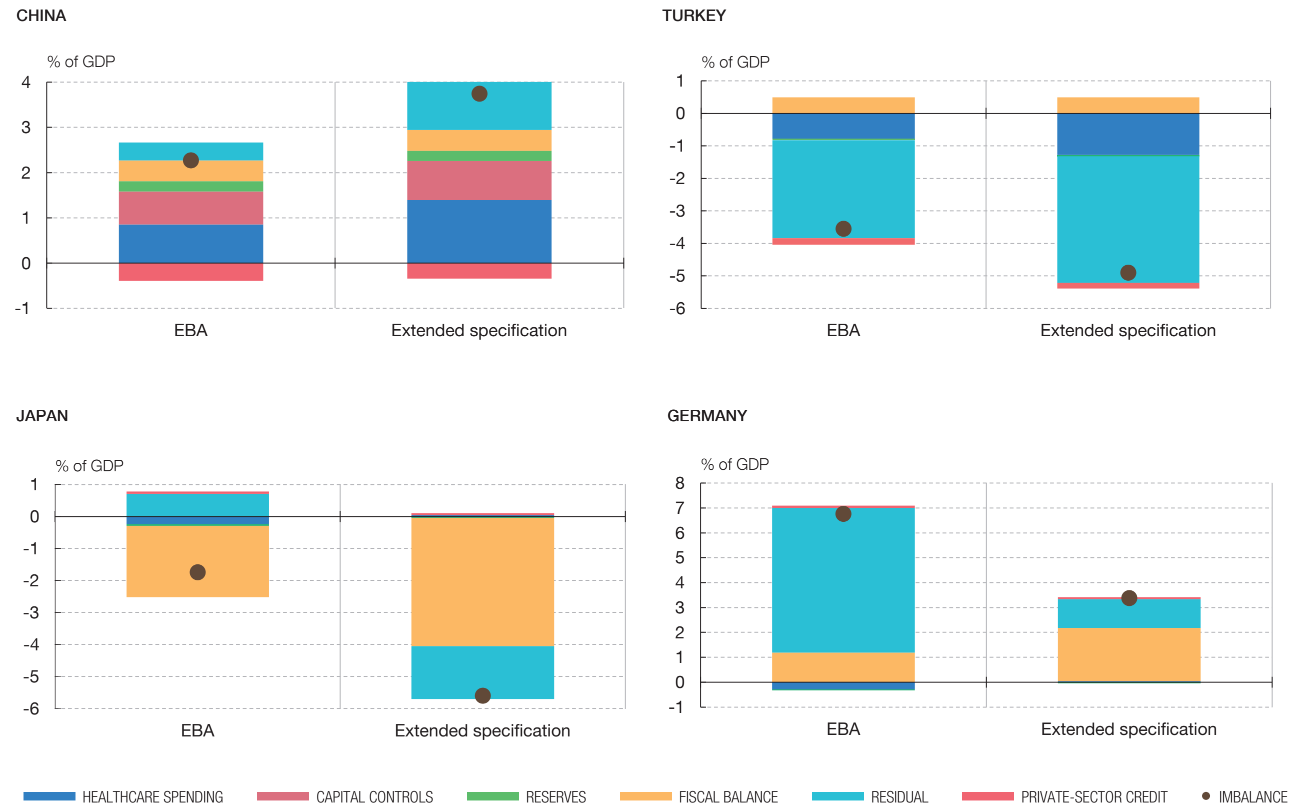


SOURCES: IMF and Banco de España.

in countries such as Germany, Sweden and the Netherlands. Moreover, several advanced economies, such as Japan and Canada, posted a lower-than-desirable current account balance, along with certain European countries, such as France and the United Kingdom, and emerging economies, such as Turkey and South Africa. In Spain's case, the differences between the desirable and observed balances are minimal and close to zero in both cases.

In particular, according to the EBA, China, Malaysia, South Korea and Thailand registered an excessive surplus in 2012 that would be attributable to an insufficient degree of social protection (proxied by public healthcare spending), which encourages high precautionary saving, owing to restrictions on capital movements (which hamper the possibility of financing growth) and to foreign exchange market interventions. For their part, Germany, Sweden, the Netherlands and Switzerland recorded a strong current account surplus in 2012. The marked population ageing projected for these countries (which requires the build-up of saving) and their low growth prospects (which encourage capital transfers to more dynamic economies) can explain this surplus only in part. Other advanced economies, such as Japan and the United Kingdom, posted a lower-than-desirable current account, owing chiefly to a fiscal policy deemed excessively lax, which gives rise to an insufficient external surplus (in Japan's case) or an excessive deficit (United Kingdom). Despite the fact the United States posted a current account deficit in 2012, this balance is similar to what would be desirable, according to the EBA, owing mainly to the dollar's status as a reserve currency and to US political and institutional stability, which are attractive to foreign capital. Optimally high healthcare spending and a relatively high desirable fiscal

CONTRIBUTION TO THE IMBALANCES OF SELECTED COUNTRIES (2012) CHART 3



SOURCES: IMF and Banco de España.

deficit explain, moreover, why the desirable national saving and external balance levels are relatively low.

The lower panel of Chart 2 compares the EBA-estimated current account imbalances with those resulting from estimates made using the extended specification. The differences between both may stem from the effect of the deviations by the policy variables from their desirable benchmarks, which is different in the two specifications, or from the size of the residual. In several Asian economies – China, South Korea and, to some extent, Thailand – the distortion due to the insufficient degree of social protection takes on greater significance in the extended specification (Chart 3, for China), as healthcare spending has a greater impact on the current account balance in the countries perceived as less safe.

In some emerging economies running a deficit, such as Turkey, the external imbalance in the regression with differential effects is bigger, since this regression provides a lower desirable deficit than that of the EBA. In Turkey's case, this is mainly due to demographic factors: Turkey has a high proportion of youths and a low dependency ratio, the positive impact of which on saving and the current account balance that would be desirable is far greater in the extended estimation[15].

In Japan's case, the imbalance obtained with the extended specification is far greater than that estimated by the IMF. This is due chiefly to the deviation by fiscal policy from the

15 Moreover, the benchmark established by the IMF implies that public healthcare spending in Turkey is above the desirable figure, generating a more pronounced policy distortion in the extended specification, which estimates an impact of this determinant that is greater in absolute terms.

desirable benchmark, which has a greater impact on the regression with differential effects for safe countries than on the EBA.[16] The differences observed in Belgium's case also arise from the fiscal distortion.

Finally, for the set of industrialised countries with a strong surplus, namely Germany, the Netherlands, Switzerland and Sweden, the regression with differential effects of safe countries leads to a higher benchmark surplus than that resulting from the IMF estimation, although it is still below the surplus these economies post, whose estimated external imbalances remain considerable. Contributing to the lesser imbalance is the correlation between safe countries and certain characteristics warranting a bigger surplus, such as the notable effect of the pace of ageing (see Chart 3, for Germany) or the impact of the lower growth prospects for these economies. Furthermore, the high healthcare spending of these European countries scarcely has an effect on the current account, as they are safe economies. However, in this group of European countries, although the estimated imbalance is lower with the extended specification, the impact of the fiscal distortion is greater, as excessively contractionary fiscal policies, in relative terms, have been implemented.

Conclusions

The capacity of certain countries, perceived as safe destinations by investors, to sustain high current account deficits over long periods and to attract foreign capital at times of turbulence on international financial markets entails a lesser relationship between their current account balance and their macroeconomic fundamentals. The present article confirms this hypothesis, providing evidence that the risk perception of an economy as an investment destination effectively influences the way in which fundamentals affect the external balance.

To test this, an extension of the model for the current account balance that the IMF uses in assessing the external position of countries in its *External Sector Report* is employed. Thus, factors such as fiscal policy, the level of social protection and the pace of ageing affect the economies in different ways depending on the perceived degree of risk, and the restrictions on capital movements only prove significant in the less safe countries. Likewise, the capacity to attract foreign capital to finance future growth is hampered at times of financial market crisis, except if countries that are safe destinations for investment are involved.

The external imbalances calculated in this article with the IMF's extended methodology are qualitatively similar to those obtained with the IMF's original methodology, although differences arise in terms of their scale and the attendant factors. The results entail lower imbalances in the advanced economies, which showed excessive surpluses in the original specification (and slightly greater ones, in general, in the emerging economies), and bigger imbalances in the economies with excessive deficits, the odd exception aside.

This paper is a contribution to the methodology for the analysis of global imbalances developed by the IMF, which is still to take its final shape and which is one of the palpable results of the renewed framework of economic cooperation within the G-20.

10.4.2014.

16 The size of the residual also influences the scale of Japan's imbalance, proving positive in the EBA regression and negative in the extended estimation. These differences arise from the different effects estimated for demographic factors, healthcare spending and the fact of having a currency that is used as an international reserve currency.

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FINANCIAL REGULATION: 2014 Q1

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Introduction

This article summarises the new financial legislation adopted in the first quarter of 2014.

The European Central Bank (ECB) adopted various pieces of legislation relating to: amendment of its rules of procedure; the reporting requirements for quarterly financial accounts and government finance statistics; modification of the provisions for the preparation of its annual accounts; management of the foreign reserve assets of the ECB by euro area national central banks (NCBs); the acquisition of euro banknotes; and adjustments to the stakes of the NCBs that make up the European System of Central Banks (ESCB) in the capital of the ECB.

The Banco de España published two circulars. The first implements the rules on supervision and solvency of EU credit institutions making use of some of the regulatory options established therein. The second amends the accounting regulation of credit institutions to specify certain aspects of Law 8/2012 of 30 October 2012 on the write-down and sale of real estate assets of the financial sector.

Four sets of provisions were approved in relation to the securities market: 1) the terms of issuance of State debt for 2014 and January 2015, as usual in this period; 2) an update of the operating conditions of public debt market makers; 3) the designation of Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria (Sareb) as an entity cooperating in State housing plans; and 4) the establishment of accounting rules and financial forms for investment firms and market infrastructure operators.

In the sphere of European Union law, a delegated regulation, which establishes a number of technical standards applicable to the own funds requirements of financial institutions, and a directive on credit agreements for consumers relating to residential immovable property were published.

Finally, there is a discussion of: 1) urgent measures adopted in relation to the refinancing and rescheduling of corporate debt; 2) changes made in relation to the control of trade debt in the public sector, and 3) amendment of the law for the protection of consumers and users.

Table 1 sets out the contents of this article.

The Spanish version of this article discusses the same legislation in greater detail.

European Central Bank: amendment of its rules of procedure

Decision ECB/2014/1 of 22 January 2014 (OJ L of 29 March 2014) amending Decision ECB/2004/2 adopting the Rules of Procedure of the ECB was published and came into force on 24 January 2014. Its purpose was to adjust the internal organisation of the ECB and its decision-making bodies to the new requirements arising from Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the ECB relating to the prudential supervision of credit institutions, to clarify the interaction of the bodies involved in the process of preparing and adopting supervisory decisions.

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The most important changes made by this decision are: 1) the establishment of a code of conduct for the guidance of the members of the Governing Council and their appointed alternates, which will be published on the ECB's website; 2) the establishment of an audit committee, the mandate and composition of which will be laid down by the Governing Council, to strengthen internal and external layers of control and to further enhance the corporate governance of the ECB and the Eurosystem, and 3) the development of the tasks of the Supervisory Board, created by Regulation (EU) No 1024/2013, establishing, in addition to its composition, the way in which its members are appointed, the terms and conditions of employment of the Chair of the Board, and the procedure for voting and for adopting decisions when carrying out the tasks conferred upon it by the above-mentioned Regulation.

European Central Bank: statistical information in relation to quarterly financial accounts

Guideline ECB/2013/24 of 25 July 2013 (OJ L of 7 January 2014) on the statistical reporting requirements of the ECB in the field of quarterly financial accounts was published. This Guideline replaces Guideline ECB/2002/7 of 21 November 2002 , repealing the latter from 1 September 2014, the date on which it takes effect.

This Guideline adapts the ECB's requirements in the field of quarterly financial accounts to the Union's statistical standards laid down by Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union (hereinafter the "ESA 2010"), which has replaced the ESA 95. The data specified in the new tables set out in Annex 1, which must comply with the principles and definitions of ESA 2010, will be reported to the ECB by the NCBS on a calendar quarterly basis.

Finally, the duty to cooperate with the competent national authorities, when these are not the NCBs, is maintained, to ensure an appropriate data transmission complying with the standards and requirements set out in this Guideline.

European Central Bank: statistical information on public finances

Guideline ECB/2013/23 of 25 July 2013 (OJ L of 7 January 2014) on government finance statistics was published. This Guideline replaces Guideline ECB/2009/20 of 31 July 2009,[1] repealing the latter from 1 September 2014, the date on which it takes effect.

This guideline adapts the ECB's requirements in the field of government finance statistics to the EU standards laid down in Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the ESA 2010, which has replaced the ESA 95. The NCBs will continue to report government finance statistics – the new forms for which, duly updated in accordance with the ESA 2010, are set out in Annex I – to the ECB every year.

Also, the data on deficit/surplus, debt, revenue, expenditure and nominal GDP must be accompanied by reasons for revisions when the magnitude of the change to deficit/surplus caused by revisions is at least 0.3% of GDP or the magnitude of the change to debt, revenue, expenditure or nominal GDP caused by revisions is at least 0.5% of GDP.

On the basis of the data reported by the NCBs, the ECB will continue to manage the 'GFS database', which will include euro area and national data. The ECB shall disseminate the GFS database to the ESCB.

The NCBs shall endeavour to establish with competent national authorities, when these are not the NCB, modalities of cooperation to ensure a permanent structure of data transmission to fulfil the standards and requirements of the ESCB, unless the same result is already achieved on the basis of national legislation.

European Central Bank: rules for drawing up its annual accounts

Decision ECB/2013/52 of 27 December 2013 (OJ L of 4 February 2013) amending Decision ECB/2010/21 of 11 November 2010 on the annual accounts of the ECB, in order to adapt it to the revised version of International Accounting Standard 19 "Employee Benefits", was published.

Annex I to Decision ECB/2010/21 is amended to provide for the reporting of remeasurement results of the net defined liability (asset) in respect of post-employment benefits on the liability side of the ECB's balance sheet. These results are the net position of the following sub-items: 1) actuarial gains and losses in the present value of the defined benefit obligation; 2) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and 3) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

This Decision entered into force on 30 December 2013.

European Central Bank: management of foreign reserve assets

Guideline ECB/2013/45 of 28 November 2013 (OJ L of 4 March 2014) amending Guideline ECB/2008/5 of 20 June 2008 on the management of the foreign reserve assets of the ECB by the euro area NCBs and the legal documentation for operations involving such assets was published and entered into force on 4 March 2014.

1 See "Financial regulation: 2009 Q3", *Economic Bulletin,* October 2009, Banco de España, p. 142.

Guideline ECB/2008/5 established that the NCBs were entitled to: 1) participate in the operational management of the foreign reserve assets transferred to the ECB; 2) pool such management with one or more other NCBs, or 3) abstain from such management. In the latter case, the other NCBs will manage the assets that otherwise would have been managed by the abstaining NCB.

It is now possible for a euro area NCB to request the ECB or another euro area NCB to assume certain tasks on its behalf relating to such management, and they will be free to consent to or reject such a request.

Procurement of euro banknotes: amendment of the legislation

Guideline ECB/2013/49 of 18 December 2013 (OJ L of 1 February 2014) amending Guideline ECB/2004/18 of 16 September 2004[2] on the procurement of euro banknotes, in order to give effect to its provisions that require it to be reviewed every two years, was published.

On 10 July 2003 the Governing Council of the ECB decided that the procurement of euro banknotes would be subject to the single Eurosystem tender procedure from 1 January 2012 at the latest. As the assumptions on which the start date was based did not occur, Guideline ECB/2011/3 of 18 March 2011 changed the start date for the single Eurosystem tender procedure from 1 January 2012 to 1 January 2014, with the proviso that the Governing Council could decide on a different start date.

Now, Guideline ECB/2013/49 has provided for a later start date, since the above-mentioned assumptions were still not fulfilled, and gives the Governing Council authority to decide on the start date.

This guideline entered into force on 1 February 2014.

Adjustments to the shares in the capital of the European Central Bank

The Statute of the ESCB and of the ECB requires the capital key weightings to be adjusted every five years, and the new weightings to be applied from the first day of the following year. The last adjustment was made in 2008, by means of Decision ECB/2008/23 of 12 December 2008, which came into effect on 1 January 2009.

On 1 July 2013, on the occasion of Croatia's accession to the European Union, the ECB's subscribed capital increased automatically from €10,760.65 million to €10,825.01 million, which required the establishment of new weightings assigned to each of NCB in the key for subscription to the ECB's capital.

In accordance with Council Decision 2003/517/EC of 15 July 2003, the European Commission provided the ECB with the statistical data to be used in determining the adjusted capital key.

On the basis of that information, the ECB has published various decisions to adjust the shares of the NCBs in the capital of the ECB, which entered into force on 1 January 2014.

The most important changes are indicated below:

Decision ECB/2013/28 of 29 August 2013 (OJ L of 21 January 2014) replaces and repeals Decision ECB/2013/17 of 21 June 2013 on the NCBs' percentage shares in the key for subscription to the ECB's capital. New weightings assigned to each NCB in subscription

2 See "Financial regulation: 2004 Q4", *Economic Bulletin,* January 2005, Banco de España, pp. 132-133.

to the ECB's capital are established. In the case of the Banco de España, its capital key weighting increases from 8.2533% to 8.8409%.

Decision ECB/2013/30 of 29 August 2013 (OJ L of 21 January 2014) replaces and repeals Decision ECB/2013/19 of 21 June 2013 on the paying-up of the ECB's capital by the NCBs of Member States whose currency is the euro. The ECB's subscribed capital will continue to be €10,825.01 million. The total amount of the subscribed and paid-up capital of each euro area NCB is amended in line with the new capital key weightings established in the previous decision. In the case of the Banco de España, the amount of subscribed and paid-up capital increases from €893.42 million to €957.03 million.

Decision ECB/2013/29 of 29 August 2013 (OJ L of 21 January 2014) replaces and repeals Decision ECB/2013/18 of 21 June 2013 laying down the terms and conditions for transfers of the ECB's capital shares between the NCBs and for adjustment of the paid-up capital.

Given that the euro area NCBs have paid up their shares in the ECB's subscribed capital to 31 December 2013, each of them[3] should either transfer an additional amount to the ECB, or receive an amount back from the ECB, as appropriate, in order to arrive at the new amounts of subscribed capital reflected in Decision ECB/2013/30. In the case of the Banco de España, the amount it must transfer to the ECB is €63.61 million.

Decision ECB/2013/31 of 30 August 2013 (OJ L of 21 January 2014) replaces and repeals Decision ECB/2013/20 of 21 June 2013 on the paying-up of the ECB's capital by the non-euro area national central banks. Each non-euro area NCB will pay up 3.75% of its share in the ECB's subscribed capital, which is the same percentage as established previously.

Decision ECB/2013/26 of 29 August 2013 (OJ L of 21 January 2014) replaces and repeals Decision ECB/2013/15 of 21 June 2013 laying down the measures necessary for the contribution to the ECBs accumulated equity value and for adjusting the NCBs claims equivalent to the transferred foreign reserve assets.

The adjustments to the capital key weightings and the resulting changes in the NCBs' shares in the ECB's subscribed capital make it necessary to adjust contributions by euro area NCBs of foreign reserve assets to the ECB. In the case of Spain, as at 31 December 2013 the foreign reserve assets transferred to the ECB amounted to €4,782.87 million and from 1 January must be €5,123.39 million, so that a compensatory transfer to the ECB of €340.52 million must be effected.

Decision ECB/2013/27 of 29 August 2013 (OJ L of 21 January 2014) amends Decision ECB/2010/29 of 13 December 2010 on the issue of euro banknotes. As a consequence of the new weightings in the capital key of the ECB new banknote allocation keys applying from 1 January 2014 are specified. In the case of Spain, the key increases from 10.916% to 11.623%.

Banco de España: supervision and solvency of credit institutions

CBE 2/2014 of 31 January 2014 (BOE of 5 February 2014) on the exercise of various regulatory options contained in Regulation (EU) No 575/2013 of the European Parliament

3 With the exception of Latvijas Banka, the NCB of Latvia, which has been part of the euro area since 1 January 2014. The paying-up of capital, the transfer of foreign reserve assets and the contribution to the reserves and provisions of the ECB by Latvijas Banka will be governed by specific decisions of the Governing Council of the ECB mentioned below.

and of the Council of 26 June 2013[4] on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012[5] was published and entered into force on 6 February 2014. This Circular repealed CBE 7/2012 of 30 November 2012 on minimum core capital requirements.

The Banco de España makes use of some of the regulatory options established in the aforementioned Regulation, some of which are permanent while others are temporary. The former allow the treatment that Spanish law had been giving to certain questions before the entry into force of the said Regulation to be continued, this being justified by the business model that Spanish institutions have traditionally followed. The temporary ones will apply, save for the odd exception that will be indicated when appropriate, from 1 January 2014 to 31 December 2017. Note that, in 2014 credit institutions must at all times comply with a Common Equity Tier 1 capital ratio of 4.5% and a Tier 1 capital ratio of 6%.

Also, the treatment that institutions must continue to apply to certain questions until the regulatory technical standards being drawn up by the European Banking Authority enter into force is specified.

Banco de España: accounting rules for credit institutions

CBE 1/2014 of 31 January 2014 (BOE of 5 February 2014) amended CBE 4/2004 of 22 December 2004[6] on public and confidential financial reporting rules and formats.

Law 8/2012 of 30 October 2012 on the write-down and sale of real estate assets of the financial sector stipulated that the Banco de España had determine the assets to which credit institutions were to allocate the unused provisions as at 31 December 2013 (i.e. the unused amount of specific allowances) for real-estate development and construction loans set aside for exposures classified as standard as at 31 December 2011 which had not been subsequently reversed as a result of reclassification as doubtful or sub-standard assets or of foreclosure.

In compliance with this rule, the Circular specifies two categories of assets to which institutions may, if there is evidence of impairment, allocate the aforementioned unused balance. They are as follows:

1) Financial assets classified as doubtful and real estate assets needing coverage above the minimum set in Annex IX of CBE 4/2004, for reasons such as impairment exceeding that estimated in the borrower's ability to pay, impairment exceeding the estimated value of the rights in rem received as security with respect to market, including the cost and time period for the recovery of liquidity, or any other circumstances constituting evidence that, based on the publicly available information as at 31 December 2013, the institution will not recover all the amounts recognised on its balance sheet.

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4 See "Financial regulation: 2013 Q2", *Economic Bulletin,* July-August 2013, Banco de España, pp. 53-66.

5 Royal Decree Law 14/2013 of 29 November 2013 on urgent measures to adapt Spanish law to EU law on the supervision and solvency of financial institutions made the most urgent adjustments to the Spanish legal system to comply with the provisions of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, and of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms. Also, its fifth final provision authorised the Banco de España to make use of the options attributed by Regulation (EU) No 575/2013 to the competent national authorities, some of which are exercised in this Circular.

6 See "Financial regulation: 2004 Q4", *Economic Bulletin*, January 2005, Banco de España, pp. 3-7.

2) Financial assets linked to investments in equity instruments not traded on active markets of companies the main business of which relates directly or indirectly to the real estate sector and in which the estimates of impairment of their real estate assets may not coincide with market estimates or in which consideration has not been given to the necessary variability or risk that the sale price, costs or construction periods may differ from the expected amount and times, in accordance with the publicly available information as at 31 December 2013.

Prior to the preparation of the 2013 accounts and, in any event, by 28 February 2014, institutions had to submit to the Banco de España a report with a breakdown of the amount provisioned for standard exposures and of the amounts used until 31 December 2013, as well as an analysis substantiating that the unused allowance relates to exposures which at that date meet the requirements to be classified as standard. In the 2013 income statement, the unused balance will be credited as a release of allowances recorded but not used and simultaneously charged for the same amount to provision for or write off the two categories of assets specified above.

The Circular came into force on 6 February 2014.

State debt: issue conditions in 2014 and January 2015

Law 22/2013 of 23 December 2013[7] on the State Budget for 2014 authorised the Minister for Economic Affairs and Competitiveness to increase State debt this year with the limitation that the outstanding balance at the end of the year may not exceed that on 1 January 2014 by more than €73 billion.

Following the usual practice in January each year, an order providing for the creation of State debt over the coming year was published, namely *Ministerial Order ECC/1/2014 of 2 January 2014* (BOE of 10 January 2014) covering 2014 and January 2015. It includes standard collective action clauses and the *Resolutions of 20 and 23 January 2014* (BOE of 21 and 24 January 2014, respectively) of the General Secretariat for the Treasury and Financial Policy (the Treasury) providing for certain issues of Treasury bills and for medium- and long-term government bonds and setting out the schedule of auctions for this year and January of next year.

The Ministerial Order came into force on 10 January 2014 and the resolutions on 21 and 24 January 2014, respectively.

Similarly to Ministerial Order ECC/1/2013 of 2 January 2013[8] providing for the creation of State debt in 2013 and January 2014, the current Ministerial Order includes the collective action clauses applying from 1 January 2013 to all issues of State debt with a maturity of more than one year.

The current issue instruments and mechanisms largely remain in place.[9] A new issuance procedure introduced is that of outright sale (direct placement of Treasury securities with one or more counterparties). Also permitted are the sale, either outright or under repo agreements, of new issues, new tranches of existing issues or securities that the Treasury might have in its securities account.

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7 See "Financial regulation: 2013 Q4", *Economic Bulletin*, January 2014, Banco de España, pp. 95 and 96.
8 See "Financial regulation: 2013 Q1", *Economic Bulletin*, April 2013, Banco de España, pp. 74-77.
9 That is to say, by tender or any other technique considered appropriate, depending on the type of operation in question. In particular, issues may be assigned in whole or in part, at an agreed price, to one or more financial institutions which underwrite their placement.

As regards tenders, issuance continues to be through ordinary and special tenders (competitive and non-competitive bids) and by other procedures. In particular, issues may be assigned, in whole or in part, to one or more financial institutions which underwrite their placement.

In competitive bids, bidders shall state the nominal amount and the interest rate requested by them. The minimum nominal amount continues to be €1,000 and bids above that amount shall be expressed in whole-number multiples thereof and the bids accepted shall be allotted in each case at the price equivalent to the requested interest rate or at the weighted average interest rate, as applicable on the basis of the result of the tender.[10]

The minimum nominal amount for non-competitive bids is also unchanged at €1,000 and larger bids must be integer multiples of this amount. The maximum total nominal amount of non-competitive bids submitted by any individual bidder in each auction may not exceed €5 million. As an exception, certain institutions[11] are allowed to submit non-competitive bids for a maximum nominal value of €500 million. In all cases, the accepted bids will be allotted at the price equivalent to the weighted average interest rate.

Provision is again made to exclude, for the purpose of calculating weighted average price and interest rate, any competitive bids for Treasury bills and medium- and long-term government bonds not considered to be representative of the market situation, so as not distort the result of the tenders.

Lastly, as in previous years, tenders will be followed by a second round reserved for those financial institutions that have acquired market-maker status which will be conducted in accordance with the regulations governing market makers.

TREASURY BILLS

As in previous years, the Resolution sets out the schedule of auctions to be held in 2014 and January 2015. This gives the dates of ordinary Treasury bill auctions and their maturities, setting the issues and the auction notices simultaneously with the publication of the schedule. Nevertheless, for reasons of demand or issuance policy, the Treasury may hold additional auctions.

To avoid the CACs affecting Treasury bills, as in the previous year eighteen-month bills will not be issued. Thus in 2014 three-, six-, nine- and twelve-month Treasury bills will be issued.

Auctions of six- and twelve-month bills will be held on the third Tuesday of each month and those of three- and nine-month bills the following Tuesday. Maturities may differ from the foregoing by the number of days necessary to group issues together in a single monthly maturity so that, with some exceptions, they coincide with the date of issue of six- and twelve-month bills so as to make it easier to reinvest.

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10 The competitive bids accepted are used to calculate the weighted average price of the tender, expressed as a percentage of the nominal value and rounded up to three decimal places. The allotment price is determined as follows: bids made at the minimum price are allotted at that price; bids between the minimum price and the weighted average price are allotted at the bid price; and bids above the weighted average price, along with non-competitive bids, shall pay the weighted average price.

11 The Wage Guarantee Fund, the Credit Institution Deposit Guarantee Fund, the Social Security reserve fund, the Investment guarantee fund, the Sociedad Estatal de Correos y Telégrafos S. A., the Sociedad Estatal de Participaciones Industriales (SEPI), the Spanish data protection agency, the Social Security Prevention and Rehabilitation Fund, the FROB (which has now been expressly included in the regulations), or any other public entity or State-owned company determined by the Treasury.

In all other respects auction procedures and awards will be the same as in 2013, including the submission of bids in terms of the interest rate quoted on secondary markets, so as to simplify bidding for subscribers. Thus, in competitive auctions, bidders will indicate the interest rate desired. The accepted bids will be allotted, in each case, at the price equivalent to the interest rate tendered or the weighted average, as applicable based on the outcome of the auction.

MEDIUM- AND LONG-TERM GOVERNMENT BONDS

The Resolution sets out the schedule of auctions to be held in 2014 and January 2015, indicating the dates and maturities of ordinary auctions, setting the issues and the auction notices simultaneously with the publication of the schedule.

As in 2013, the securities offered will be announced on the Friday prior to each auction, following consultation with market-makers in order to match the issue to market preferences. Nevertheless, if the market conditions or financing requirements make it advisable, the Treasury may add new security types to the resolution setting out the issues of medium- and long-term bonds to be offered for sale, or it may choose to omit any of the maturities included, for guidance, in the aforementioned resolution. Also, auctions additional to the ordinary ones scheduled may be held to provide liquidity to certain securities and improve secondary market functioning.

With some exceptions, bond auctions continue to be held on the first and third Thursday of each month and both medium- and long-term government bonds may be offered. The way in which auctions will be run and awarded remains unchanged, including the possibility that competitive bids considered clearly unrepresentative of the market situation may be of excluded from the price and weighted average interest rate calculations so as not to distort the results of the auction.

Three-, five-, ten-, fifteen- and thirty-year government bonds will continue to be offered during auctions. New tranches will be issued or previously issued securities will be reopened to ensure their liquidity and meet investor demand in the various segments in which this arises, thus increasing the average volume of outstanding bond classes. The newly issued securities will accrue nominal interest at the same rate as the original issue.

Finally, provision is again made for the issuance of index-linked medium- and long-term bonds, in which case the index and the adjustment method will be indicated. If the issue is linked to a price index,[12] the real annual interest rate will be published in place of the nominal interest rate. Also published will be the applicable value of the multiplier index or of the indexation coefficient on the issue date, for the purpose of valuing coupons, any accrued coupon and the principal in nominal terms.

Government debt market-makers: amendments to the regulations

Treasury Resolution of 14 January 2014 (BOE of 18 January 2014) amended the resolution of 20 July 2012[13] setting the conditions under which Spanish government debt market-makers operate. Its purpose is to enable market-makers to carry out the outright sale

12 Inflation index-linked bonds are securities in which the fixed coupon accrued and the principal of the investment are updated in accordance with a price index, thus affording investors protection from inflation. They have the following features: the accrued coupon may never be negative and the investment principal upon redemption may never be less than its nominal value, even though there has been negative inflation. These bonds will be duly launched through the related issuance order setting out all the characteristics for their trading and functioning on the public debt book-entry market.

13 See "Financial regulation: 2012 Q3," *Economic Bulletin*, October 2012, Banco de España, p. 24.

transactions in government debt introduced as a new issuance procedure by Ministerial Order ECC/1/2014 of 2 January 2014, as noted in the preceding section.

The Resolution came into force on 18 January 2014.

Sareb: designation as entity cooperating in State housing plans

Law 1/2014 of 28 February 2014 (BOE of 1 March 2014) on the protection of part-time workers and other urgent economic and social measures came into force on 2 March 2014.

Notable from the financial standpoint is the first additional provision which designates Sareb as an entity cooperating with the Ministry of Infrastructure and Transport in the financing of protected actions taking place under State housing plans. Accordingly, the loans qualifying for this assistance which are transferred to Sareb will not lose this status as a result of the segregation and transfer of assets, and will retain it even if they are assigned or transferred by Sareb to a cooperating financial institution, regardless of the State Housing Plan applicable to them.

Accounting rules and financial reporting formats of investment firms and market infrastructure operators

Ministerial Order ECC/2515/2013 of 26 December 2013 (BOE of 10 January 2013) implemented Article 86.2 of Law 24/1988 of 28 July 1988[14] on the securities market. Specifically, this article empowers the Minister of Economic Affairs and Competitiveness and, with the latter's express authorisation, the CNMV, to set and change accounting rules and compulsory financial statement formats for market infrastructure operators and investment firms. It also empowers him to regulate the registers, internal databases or statistics and documents which have to be kept by the aforementioned entities and, in relation to securities market transactions, by credit institutions.

The aforementioned authorisation granted to the CNMV is to enable it to regulate and implement the accounting statements and information referred to above, which may be: of a public nature, such as information for third parties on the net worth, financial and economic position of the respective entities; or of a confidential nature, such as information reported solely to the CNMV to enable it to carry out its functions of supervising and inspecting the markets and the legal or natural persons concerned with the activities of those markets.

Also, the CNMV is empowered to establish: 1) the form, breakdown, frequency and submission deadline of both public and confidential financial statements, without prejudice to its entitlement to require individual entities to provide any additional information it may need to carry out its functions; 2) correlations between public and confidential financial statements, and 3) rules on time limits for submitting and for disseminating and making public the audits of annual accounts and the related management report.

Further, the CNMV may determine the form and minimum content of the registers, internal databases, statistics and documents which, as a minimum, have to be kept by the aforementioned entities, setting out the data characteristics, formats, frequencies, time limits and systems for data transfer or submission to it.

European Union: technical rules applicable to the own funds of financial institutions

Various European Union regulations have been promulgated to implement Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on

14 See "Regulación financiera: tercer trimestre de 1988", *Boletín Económico,* October 1988, Banco de España, pp. 61 and 62.

prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

The main changes introduced by these regulations are as follows:

Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 (OJ L of 14 March 2014) supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for Own Funds requirements for institutions, which came into force on 3 April 2014.

The Delegated Regulation implements certain sections of Regulation (EU) No 575/2013 in relation to:

1) The meaning of “foreseeable” when determining whether foreseeable charges or dividends have been deducted from own funds according to Article 26(4) of Regulation (EU) No 575/2013, for which purpose the methods used to evaluate the deduction are classified by order of priority: first, a distribution decision by the relevant body; second, the dividend policy; and third, the historical dividend pay-out ratio.

2) Conditions according to which competent authorities may determine that a type of undertaking recognised under applicable national law qualifies as a mutual, cooperative society, savings institution or similar institution, according to Article 27(2) of Regulation (EU) No 575/2013.

3) The applicable forms and nature of indirect funding of capital instruments, according to Article 28(5) of Regulation (EU) No 575/2013.

4) The nature of limitations on redemption necessary where the refusal by the institution of the redemption of own funds instruments is prohibited under applicable national law, according to Article 29(6) of Regulation (EU) No 575/2013.

5) The further specification of the concept of gain on sale according to Article 32(2) of Regulation (EU) No 575/2013.

6) The application of the deductions from Common Equity Tier 1 items and other deductions for Common Equity Tier 1, Additional Tier 1 and Tier 2 items according to Article 36(2) of Regulation (EU) No 575/2013.

7) The criteria according to which competent authorities shall permit institutions to reduce the amount of assets in the defined benefit pension fund, according to Article 41(2) of Regulation (EU) No 575/2013.

8) The form and nature of incentives to redeem, the nature of a write-up of an Additional Tier 1 instrument following a write-down of the principal amount on a temporary basis and the procedures and timing surrounding trigger events, features of instruments that could hinder recapitalisation and use of special purpose entities, according to Article 52(2) of Regulation (EU) No 575/2013.

9) The extent of conservatism required in estimates used as an alternative to the calculation of underlying exposures for indirect holdings arising from index holdings, according to Article 76(4) of Regulation (EU) No 575/2013.

10) Certain detailed conditions that need to be met before a supervisory permission for reducing own funds can be given, and the relevant process, according to Article 78(5) of Regulation (EU) No 575/2013.

11) The conditions for a temporary waiver for deduction from own funds to be provided, according to Article 79(2) of Regulation (EU) No 575/2013.

12) The types of assets that can relate to the operations of a special purpose entity and the concepts of minimal and insignificant for the purposes of determining Qualifying Additional Tier 1 and Tier 2 capital issued by a special purpose entity according to Article 83(2) of Regulation (EU) No 575/2013.

13) The detailed conditions for adjustments to own funds under the transitional provisions, according to Article 481(6) of Regulation (EU) No 575/2013.

14) The conditions for items excluded from grandfathering in Common Equity Tier 1 or Additional Tier 1 items in other elements of own funds, according to Article 487(3) of Regulation (EU) No 575/2013.

Commission Implementing Regulation (EU) No 1423/2013 of 20 December 2013 (OJ L 31 December 2013) laying down implementing technical standards with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013, which entered into force on 20 January 2014.

Its objective is to ensure the uniform application of Regulation (EU) No 575/2013 in relation to the disclosure of certain information, for which purpose a number of templates are provided in the annexes to the Implementing Regulation, which institutions must complete and publish, with the following information: 1) description of the main features of Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments issued by financial institutions, in accordance with the template provided in Annex II; 2) disclosure of nature and amounts of specific items on own funds, in accordance with the template provided in Annex IV, and 3) disclosure of nature and amounts of specific items on own funds during the transitional period (2014-2017), in accordance with the template provided in Annex VI.

In addition, institutions must apply the methodology established in Annex I in order to comply with the requirements for disclosure of a full reconciliation of own funds items to audited financial statements, as indicated in Article 437 of Regulation (UE) No 575/2013.

Finally, *Commission Delegated Regulation (EU) No 183/2014* of 20 December 2013 (OJ L 27 February 2014) supplementing Regulation (EU) No 575/2013, with regard to regulatory technical standards for specifying the calculation of specific and general credit risk adjustments, which entered into force on 19 March 2014.

The Regulation lays down the criteria for identifying general and specific credit risk adjustments, in accordance with Regulation (EU) No 575/2013. The amounts financial institutions must include in such adjustments are all amounts by which an institution's Common Equity Tier 1 capital has been reduced in order to reflect losses exclusively related to credit risk according to the applicable accounting framework and recognised as such in the profit or loss account, irrespective of whether they result from impairments, value adjustments or provisions for off-balance sheet items.

Institutions must document the identification and calculation of General Credit Risk Adjustments and Specific Credit Risk Adjustments.

European Union: credit agreements for consumers relating to residential immovable property

Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 (OJ L of 28 February 2014) on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC[15] and 2013/36/EU[16] and Regulation (EU) No 1093/2010[17] was published.

The Directive, which entered into force on 20 March 2014, lays down a common framework for agreements covering credit secured by a mortgage or otherwise relating to residential immovable property. With the aim of creating an internal market with a high and equivalent level of consumer protection, the Directive lays down certain provisions that are subject to maximum harmonisation in the Member States, so that the latter may not maintain or introduce in their national law legal provisions diverging from the ones laid down in such Directive. This is specifically the case in relation to the provision of pre-contractual information for credit agreements through the "European standardised Information Sheet" (ESIS), and with respect to the common base that has been established to calculate the annual percentage rate of charge (APRC).

However, outside these areas subject to maximum harmonisation Member States may maintain or introduce more stringent provisions in order to protect consumers, provided that such provisions are compatible with their obligations under Union law.

Other relevant questions addressed by the Directive include: 1) the admission regime for creditors, credit intermediaries and their representatives, other than credit institutions or other similar financial institutions, to be able to carry out this type of activity, including cross-border activity; 2) the establishment of quality standards for certain services, in particular with regard to the distribution and provision of credit; 3) the personalised pre-contractual information that must be provided to consumers, including adequate specific risk warnings, for instance about the potential impact of exchange rate fluctuations on what the consumer has to repay; 4) the assessment of consumers' creditworthiness, and 5) the promotion of measures to support the education of consumers in relation to responsible borrowing and debt management.

Urgent measures relating to the refinancing and rescheduling of corporate debt

Royal Decree-Law 4/2014 of 7 March 2014 (BOE of 8 March 2014), adopting urgent measures relating to the refinancing and rescheduling of corporate debt ("the Royal Decree-Law") in order to speed up these processes and make them more flexible, was published. It entered into force on 9 March 2104 and was validated by the Spanish Congress on 20 March 2014.

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15 Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC.

16 Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

17 Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC.

The main purpose of the Royal Decree-Law is to increase the effectiveness of pre-insolvency refinancing so that firms can reschedule their debt more flexibly without having to apply for insolvency proceedings. For this purpose various aspects of Insolvency Law 22/2003 of 9 July 2003[18] are amended, as discussed below.

STAY AND HALTING OF THE EXECUTION OF JUDGMENTS IN RELATION TO ASSETS REQUIRED FOR THE CONTINUITY OF A PROFESSIONAL OR BUSINESS ACTIVITY

As a result of the amendment of Article 5 bis of Law 22/2003, notification to the court by the debtor that it has commenced negotiations to reach a refinancing agreement is sufficient to stay, for the envisaged duration of the negotiations,[19] the execution of judgments in relation to assets required for the continuity of the debtor's professional or business activity, including execution actions before the courts (previously, refinancing agreements only halted executions if such agreements had been judicially approved). The proceedings arising from public-law claims are excluded, in any event, from this stay.

Article 56 of Law 22/2003 is amended to limit the cases where the execution of judgments in relation to secured assets is stayed to those in which the assets are required for the continuity of a professional or business activity; and those assets not considered necessary for the continuity of such activity are specified, such as shares or investments of companies engaging exclusively in holding an asset and the liability required to finance it.

AMENDMENT OF THE CONDITIONS TO PREVENT THE TERMINATION OF REFINANCING AGREEMENTS

The cases where the refinancing agreements reached with the debtor cannot be terminated remain the same, although their content is clarified, which covers businesses, acts and payments (irrespective of their nature). These permit the credit to be increased significantly or modify or terminate the related obligations.

As was already established, so that the agreement cannot be terminated, it must be signed by creditors with claims representing at least 60% of the debtor's liabilities. Nevertheless, now the need for a report issued by an independent expert has been dispensed with and the report has been replaced by the certificate of an auditor evidencing compliance with the majorities required for the adoption of the agreement.

The Royal Decree-Law specifically clarifies that judicially approved refinancing agreements, which are discussed below, may not be terminated either. Thus, the problem existing in the previous legislation was resolved in relation to the possible termination of agreements that, having been judicially approved with the necessary agreement of 55% of the financial liabilities (currently reduced to 51%), did not comply with the requirement of attaining the support of 60% of the debtor's total liabilities.

Also, a new category of refinancing agreements is introduced which cannot be terminated and do not need certain majorities of liabilities. They are agreements reached between the debtor and one or more creditors provided that they signify a clear improvement in the debtor's financial position and, at the same time, do not entail a reduction in the rights of the other creditors which do not participate.

INCENTIVES FOR EXTENDING FRESH FINANCING

The second additional provision of the Royal Decree-Law envisaged extraordinary temporary arrangements for fresh cash revenue, with a duration of two years from the

18 See "Financial Regulation: 2003 Q3", *Economic Bulletin,* October 2003, Banco de España, pp. 97-98.

19 As was already established, after three months have elapsed from the notification to the court, the debtor, whether or not it has reached a refinancing agreement, an out-of-court agreement for payment or the necessary support for the opening of proceedings in relation to an anticipatory proposal for an agreement, must petition for a declaration of insolvency within the following business month, unless the insolvency mediator had already petitioned for it or the debtor was not insolvent.

entry into force of said Royal Decree-Law (9 March 2014). Under these arrangements, 100% of the credit entailing fresh cash revenue which has been extended in the framework of a refinancing agreement, as well as credit extended by the debtor or specially related persons[20] also representing fresh cash revenue, are considered claims against the debtor's estate. Cash revenue arising from a capital increase is not deemed claims against the debtor's estate.

After two years have elapsed from the date when the credit described in the previous paragraph was extended, the ordinary arrangements will apply again; namely, only 50% of the credit entailing fresh cash revenue will be considered claims against the debtor's estate, the other 50% will have the status of general preferred claims.

NEW CONDITIONS FOR JUDICIALLY APPROVED REFINANCING AGREEMENTS

The Royal Decree-Law revises the judicial approval system for refinancing agreements included in the fourth additional provision of Law 22/2003. Specifically, as mentioned above, the percentage of creditors which must sign the refinancing agreement so that it can be judicially approved decreased from 55% to 51%.

The calculation of the percentage of financial creditors was restricted previously to creditors that were financial institutions. Now it has been extended to holders of any financial debt, whether or not they are subject to financial supervision, albeit with certain limitations. For instance, this percentage will not incorporate: 1) creditors which are persons specially related to the debtor, although they may be affected by the approval of the agreements; 2) public-law claims, and 3) trade creditors.

As is the case for refinancing agreements which are not judicially approved, the need for a report issued by an independent expert is replaced by the certification of an auditor that the majorities required were complied with (51% of financial liabilities).

Another of the changes refers to dissident creditors, defined as the creditors of financial liabilities which have not signed the refinancing agreement or have stated their dissent. Previously, judicially approved refinancing agreements could be extended to the dissident creditors of financial liabilities with unsecured claims. The Royal Decree-Law introduces certain significant modifications, differentiates between secured and unsecured claims and, if appropriate, whether the guarantee covers all of the principal claim or not.

The following effects agreed in judicially approved refinancing agreements will be extended to dissident creditors whose claims are unsecured or for the portion of their claims which exceeds the value of the security:

1) For agreements signed by creditors representing at least 60% of the financial liabilities: payment periods (either of principal, interest or any other amount owed) of no more than five years and conversion of debt into equity loans with the same maturity.

20 Persons specially related to the insolvent legal person are considered to be: 1) partners who by law have unlimited personal liability for the company's debts and shareholders who, at the time the credit claim originated, held at least 5% of the share capital, if the company declared insolvent had securities admitted to trading on an official securities market, or 10%, if it did not; 2) de facto or de jure directors, the liquidators of the insolvent party and the company's attorneys with general powers as well as those attorneys during the two years prior to the announcement of insolvency, and 3) the companies which are part of the same group as the company placed in bankruptcy and the shareholders they have in common, provided that the latter meet the same conditions as under point one.

2) For agreements signed by creditors representing at least 75% of the financial liabilities: payment periods of five years or more, but in no case more than ten; debt reductions; conversion of debt into equity loans with a term of five years or more, but in no case more than ten; transfer of assets or claims to creditors in payment of all of a portion of the debt; and, lastly, conversion of debt into shares or participating interests in the debtor company. Where debt is converted into shares or participating interests, dissident creditors may opt for a debt reduction equivalent to the face value of the shares or participating interests which they would subscribe or assume and, if any, the corresponding unpaid face value and share premium.

The same effects as those indicated in the case above will be extended to dissident creditors with security for the portion of the credit covered by the value of the guarantee, provided that one or more of these effects have been agreed, albeit with more qualified majorities, which increase from 60% to 65% of financial liabilities in the first case and from 75% to 80% in the second case.

Finally, the approval process is simplified and expedited: the judge will be restricted to verifying the existence of the percentages required and assessing whether or not the sacrifice demanded is disproportionate. In the execution of the judgment in relation to the approved refinancing agreement, the judge may order that any seizures made be cancelled.

BANCO DE ESPAÑA: THE TREATMENT OF RESTRUCTURED OPERATIONS ARISING FROM REFINANCING AGREEMENTS

Under the Royal Decree-Law the Banco de España is empowered to set and publicise within one month uniform criteria to classify restructured operations arising from judicially approved refinancing agreements as standard exposure. In the exercise of this empowerment, on 18 March 2014 the Executive Commission of the Banco de España approved a letter to be sent to credit institutions detailing these criteria.

Control of trade debt in the public sector

Organic Law 9/2013 of 20 December 2013 (BOE of 21 December 2013) on the Control of Trade Debt in the Public Sector amending, inter alia, Organic Law 2/2012 of 27 April 2012 on Budgetary Stability and Financial Sustainability and Organic Law 8/1980 of 22 September 1980 on the Financing of the Regional Governments, was published. Barring certain exceptions, the Organic Law came into force on 22 December 2013.

The most significant changes were to introduce in Organic Law 2/2012 two fundamental aspects: on one hand, that the control of public-sector debt should not be limited only to the volume of its financial debt but also to its trade debt; and, on the other, the obligation to pay these debts to suppliers within 30 days, which is the deadline established in legislation on bad debts. Other notable changes in the Organic Law are as follows: 1) general government must publicise its average payment period of suppliers (PMP, by its Spanish abbreviation) and have a cash plan which will include, at least, information on the projected payment of suppliers so as to ensure compliance with the deadline set by the legislation on bad debts; 2) the automatic prevention measures were updated, especially where the volume of public debt exceeds 95% of the limits set; and 3) the automatic corrective measures are reviewed when a regional government's PMP exceeds the deadline by more than 30 days for two consecutive months from when its cash plan was updated.

Amendment of legislation on general consumer and user protection

Law 3/2014 of 27 March 2014 (BOE of 28 March 2014) was published which amends the consolidated text of the General Consumer and User Protection Law and other supplementary laws, enacted by Legislative Royal Decree 1/2007 of 16 November 2007, with the aim of transposing into Spanish law Directive 2011/83/EU of the European Parliament and of the Council, of 25 October 2011 on consumer rights.

The Law increases the information which must be provided to consumers and users by enlarging pre-contractual information requirements. For instance, the new obligations include informing consumers and users, where applicable, of the existence and the conditions of deposits or other financial guarantees to be paid or provided by them at the request of the trader, including an arrangement whereby an amount is blocked on the consumer's credit or debit card. A new feature envisaged in distance contracts is the requirement that trading websites clearly and legibly indicate, before the ordering process whether any delivery restrictions apply and which means of payment are accepted. If the contract is concluded through a means of distance communication which allows limited space or time to display the information, the trader shall provide, on that particular means prior to the conclusion of such a contract, at least the pre-contractual information regarding the main characteristics of the goods or services, the identity of the trader, the total price, the right of withdrawal, the duration of the contract and, if the contract is of indeterminate duration, the conditions for terminating the contract.

The ruling by the Court of Justice of the European Union on unfair terms in consumer contracts is implemented. Under the previous arrangements, the Judge had the power to modify the content of the unfair terms in contracts in accordance with the provisions of Article 1258 of the Civil Code and the principle of objective good faith. Under the current regime, the judge, after hearing the parties, shall declare void the unfair terms included in the contract, which will continue to be binding for the parties upon those terms, provided that it is capable of continuing in existence without the unfair terms.

The law came into force on 29 March 2014.

4.4.2014.

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These economic indicators are permanently updated on the Banco de España website (http://www.bde.es/homee.htm). The date on which the indicators whose source is the Banco de España [those indicated with (BE) in this table of contents] are updated is published in a calendar that is disseminated on the Internet (http://www.bde.es/bde/en/areas/estadis/).

1 IMF Special Data Dissemination Standard (SDDS).

INTEREST RATES
AND INDICES OF SPANISH
COMPETITIVENESS

CHANGES

Balance of payments, foreign trade and international investment position

Chapter 7

In 2014 the European Union Member States will implement the methodology of the 6th edition of the Balance of Payments and International Investment Position Manual (BPM6) in a coordinated manner with the entry into force of the manual of the European System of National and Regional Accounts (ESA 2010). Spain, like other European countries, will start disseminating Balance of Payments data according to the BPM6 in September or October 2014.

At that same time, the changes arising from the new data collection system that the Banco de España is developing at present as a consequence of the interruption of the traditional system in place, which was largely based on the reporting of cross-border transactions by commercial banks classified according to statistical codes and which has been discontinued due to the development of the Single European Payments Area (SEPA), will also be implemented. In the new system, this source will be replaced by different subsystems, among which the following can be highlighted: the International Trade in Services and Other Transactions Survey (under the responsibility of INE), the direct reporting of foreign transactions and positions to the Banco de España and the financial statements of credit institutions. Therefore, until that moment, the figures and estimates of the Spanish Balance of Payments must be considered as provisional.

All methodological changes to be introduced in the Balance of Payments data published in September-October 2014 will be described in detail in the annual publication *Balanza de Pagos y Posición de Inversión Internacional de España*, which will be published in June 2014.

1 IMF Special Data Dissemination Standard (SDDS).

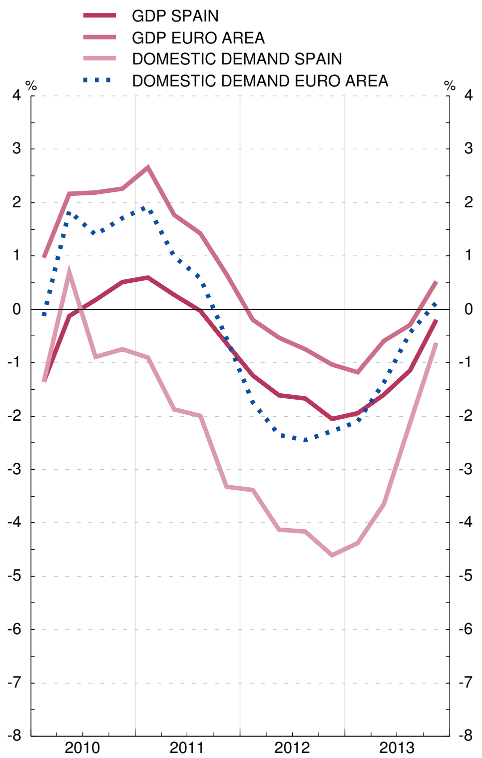
1.1. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES, REFERENCE YEAR 2008=100. DEMAND COMPONENTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

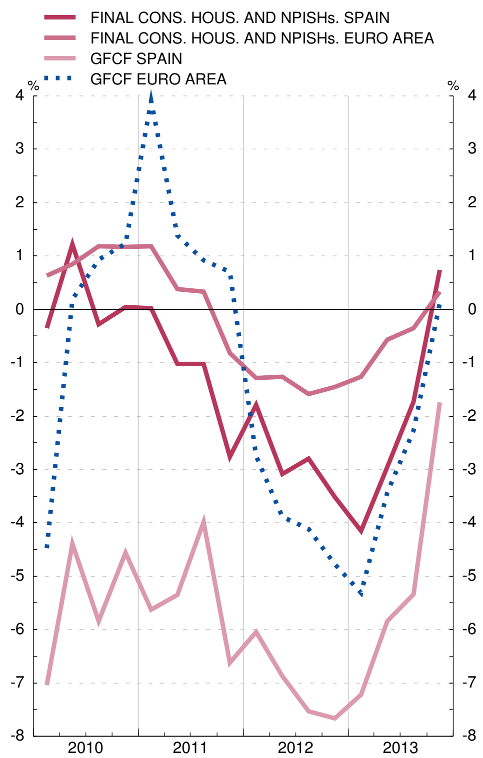
Annual percentage changes

		GDP		Final consumption of households and NPISHs		General government final consumption		Gross fixed capital formation		Domestic demand		Exports of goods and services		Imports of goods and services		Memorandum item: GDPmp (current prices) (g)	
		Spain	Euro area	Spain (b)	Euro area (c)	Spain	Euro area (d)	Spain	Euro area	Spain (e)	Euro area	Spain	Euro area (f)	Spain	Euro area (f)	Spain	Euro area
		1 ■	2 ■	3 ■	4 ■	5	6	7 ■	8 ■	9 ■	10 ■	11	12	13	14	15	16
10	P	-0.2	1.9	0.2	1.0	1.5	0.6	-5.5	-0.5	-0.6	1.2	11.7	11.4	9.3	9.8	1 046	9 160
11	P	0.1	1.6	-1.2	0.3	-0.5	-0.1	-5.4	1.7	-2.0	0.7	7.6	6.7	-0.1	4.7	1 046	9 420
12	P	-1.6	-0.6	-2.8	-1.4	-4.8	-0.6	-7.0	-3.9	-4.1	-2.2	2.1	2.7	-5.7	-0.8	1 029	9 484
11 *Q1*	P	0.6	2.7	0.0	1.2	1.8	0.1	-5.6	3.9	-0.9	1.9	12.2	10.8	5.8	9.2	262	2 343
Q2	P	0.3	1.8	-1.0	0.4	-0.7	0.0	-5.4	1.4	-1.9	1.0	7.4	6.5	-0.7	4.7	262	2 353
Q3	P	-0.0	1.4	-1.0	0.3	-2.2	-0.3	-4.0	0.9	-2.0	0.6	7.2	5.9	0.0	3.9	261	2 361
Q4	P	-0.6	0.7	-2.8	-0.8	-0.7	-0.2	-6.6	0.7	-3.3	-0.5	4.2	3.7	-5.1	0.8	260	2 362
12 *Q1*	P	-1.2	-0.2	-1.8	-1.3	-4.9	-0.3	-6.0	-2.7	-3.4	-1.7	0.1	2.8	-6.9	-0.7	259	2 369
Q2	P	-1.6	-0.5	-3.1	-1.3	-4.4	-0.6	-6.9	-3.9	-4.1	-2.3	0.5	3.3	-7.7	-0.8	258	2 370
Q3	P	-1.7	-0.7	-2.8	-1.6	-4.9	-0.6	-7.5	-4.1	-4.2	-2.5	3.3	2.8	-4.6	-1.0	257	2 374
Q4	P	-2.1	-1.0	-3.5	-1.5	-5.0	-0.7	-7.7	-4.8	-4.6	-2.3	4.4	1.9	-3.5	-0.8	255	2 370
13 *Q1*	P	-1.9	-1.2	-4.2	-1.3	-2.3	-0.1	-7.2	-5.3	-4.4	-2.1	2.9	0.1	-4.9	-1.9	257	2 378
Q2	P	-1.6	-0.6	-3.0	-0.6	-3.4	0.1	-5.8	-3.4	-3.6	-1.4	9.5	1.5	3.2	-0.1	255	2 394
Q3	P	-1.1	-0.3	-1.7	-0.3	0.2	0.7	-5.3	-2.3	-2.1	-0.4	3.5	0.8	0.6	0.6	255	2 399
Q4	P	-0.2	0.5	0.7	0.3	-3.5	0.4	-1.7	0.1	-0.6	0.1	3.7	2.6	2.7	1.9	255	2 409

GDP. AND DOMESTIC DEMAND. SPAIN AND EURO AREA
Annual percentage changes



DEMAND COMPONENTS. SPAIN AND EURO AREA
Annual percentage changes



Sources: INE (Quarterly National Accounts of Spain. Base year 2008) and Eurostat.

a. Spain: prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002); Euro area, prepared in accordance with ESA95. b. Final consumption expenditure may take place on the domestic territory or abroad (ESA95, 3.75). It therefore includes residents' consumption abroad, which is subsequently deducted in Imports of goods and services. c. Euro area, private consumption.

d. Euro area, government consumption. e. Residents' demand within and outside the economic territory.

f. Exports and imports comprise goods and services and include cross-border trade within the euro area. g. Billions of euro.

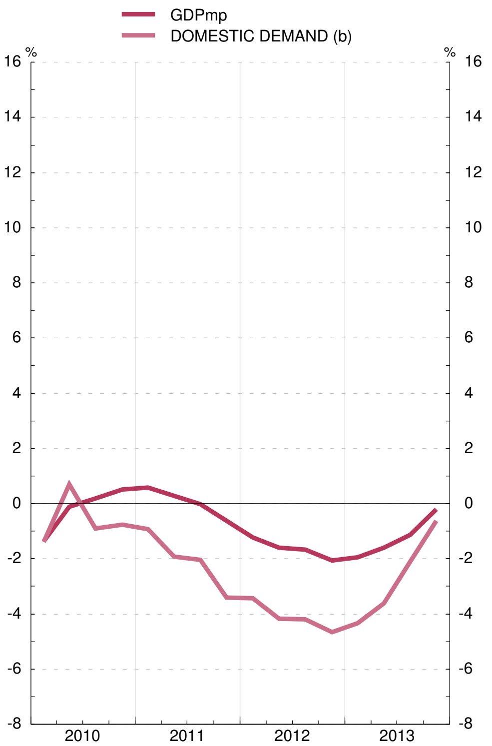
1.2. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2008=100. DEMAND COMPONENTS. SPAIN: BREAKDOWN (a)

■ Series depicted in chart.

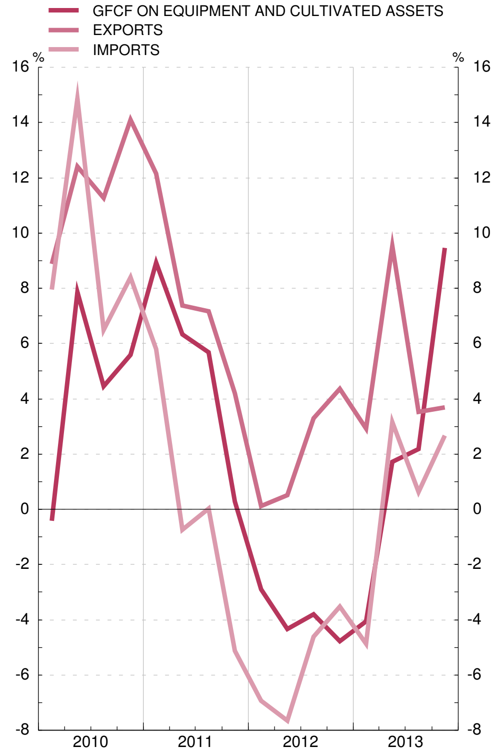
Annual percentage changes

		Gross fixed capital formation					Change in Stocks (b)	Exports of goods and services				Imports of goods and services				Memorandum items	
		Total	Tangible fixed assets			Intangible fixed assets		Total	Goods	Of which		Total	Goods	Of which		Domestic demand (b) (c)	GDP
			Total	Construc-tion	Equipment and cultivated assets					Services	Final consumption of non-residents in economic territory			Services	Final consumption of residents in the rest of the world		
		1	2	3	4 ■	5	6	7 ■	8	9	10	11 ■	12	13	14	15 ■	16 ■
10	P	-5.5	-6.4	-9.9	4.3	10.3	0.3	11.7	15.3	5.0	2.6	9.3	12.2	0.5	0.5	-0.6	-0.2
11	P	-5.4	-6.3	-10.8	5.3	7.8	-0.1	7.6	8.6	5.5	6.4	-0.1	0.5	-2.2	-4.9	-2.1	0.1
12	A	-7.0	-7.8	-9.7	-3.9	2.9	0.0	2.1	2.4	1.6	-0.5	-5.7	-7.2	-0.2	-7.4	-4.1	-1.6
11 *Q1*	P	-5.6	-6.8	-12.4	8.9	11.9	-0.0	12.2	16.3	4.0	5.4	5.8	8.3	-2.3	-4.1	-0.9	0.6
Q2	P	-5.4	-6.2	-11.1	6.3	6.2	0.0	7.4	8.3	5.5	8.6	-0.7	0.3	-4.3	-8.2	-1.9	0.3
Q3	P	-4.0	-4.9	-9.2	5.7	9.1	-0.1	7.2	7.5	6.5	6.2	0.0	-0.2	0.9	-3.1	-2.0	-0.0
Q4	P	-6.6	-7.4	-10.6	0.3	4.0	-0.2	4.2	3.3	6.0	5.5	-5.1	-5.7	-3.0	-4.3	-3.4	-0.6
12 *Q1*	A	-6.0	-6.8	-8.6	-2.9	3.6	-0.1	0.1	-0.9	2.4	-0.1	-6.9	-8.0	-3.0	-9.4	-3.4	-1.2
Q2	A	-6.9	-7.6	-9.3	-4.3	2.6	-0.0	0.5	0.5	0.5	-1.3	-7.7	-10.1	1.4	-2.6	-4.2	-1.6
Q3	A	-7.5	-8.6	-10.9	-3.8	4.8	0.0	3.3	3.2	3.6	1.4	-4.6	-5.6	-0.9	-9.2	-4.2	-1.7
Q4	A	-7.7	-8.3	-10.0	-4.8	0.4	0.1	4.4	6.5	-0.2	-2.0	-3.5	-4.9	1.7	-8.1	-4.7	-2.1
13 *Q1*	A	-7.2	-7.9	-9.8	-4.1	-0.3	-0.0	2.9	4.6	-0.7	0.8	-4.9	-5.6	-2.4	-3.8	-4.3	-1.9
Q2	A	-5.8	-6.1	-10.1	1.7	-3.3	-0.1	9.5	13.6	1.0	1.6	3.2	4.6	-1.9	-2.9	-3.6	-1.6
Q3	A	-5.3	-5.6	-9.8	2.2	-2.9	-0.1	3.5	6.5	-2.8	2.5	0.6	2.5	-6.1	5.0	-2.1	-1.1
Q4	A	-1.7	-2.5	-8.6	9.5	6.0	-0.0	3.7	4.3	2.3	5.6	2.7	4.7	-4.5	7.4	-0.6	-0.2

GDP. DOMESTIC DEMAND
Annual percentage changes



GDP. DEMAND COMPONENTS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).
a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).
b. Contribution to GDPmp growth rate.
c. Residents' demand within and outside the economic territory.

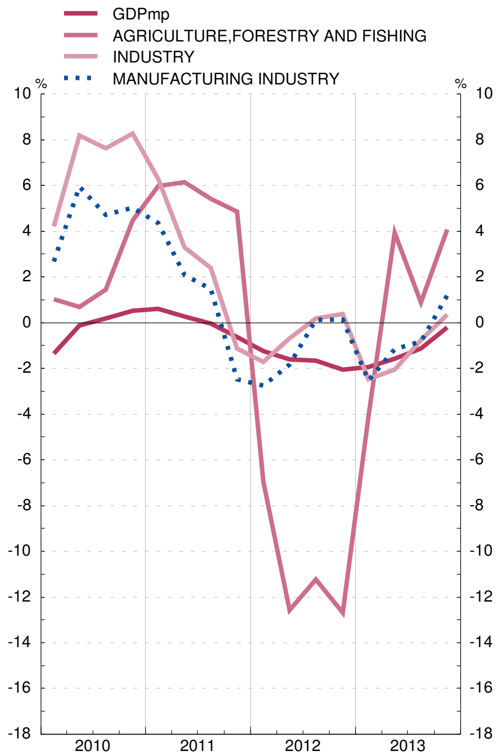
1.3. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2008=100. BRANCHES OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

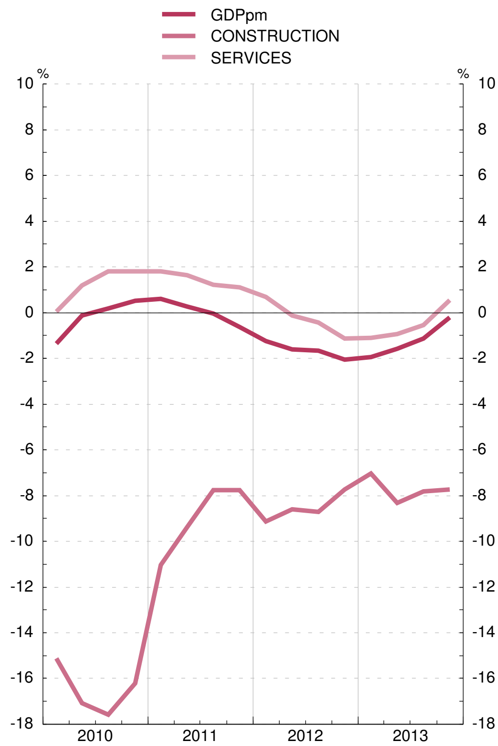
Annual percentage changes

		Gross domestic product at market prices	Agriculture livestock breeding, forestry and fishing	Industry: Total	Industry: Of which Manufacturing industry	Construction industry	Services: Total	Services: Trade, transport and acomodation	Services: Information and communications	Services: Financial and insurance activities	Services: Real estate activities	Services: Professional activities	Services: Public Administration, Health and Education	Services: Artistic, recreational and other services activities	Net taxes on products
		1 ■	2 ■	3 ■	4 ■	5 ■	6 ■	7	8	9	10	11	12	13	14
10	P	-0.2	1.9	7.1	4.6	-16.5	1.2	1.8	6.2	-3.5	-1.2	-0.3	2.4	0.3	-0.6
11	P	0.1	5.6	2.7	1.3	-9.0	1.4	1.3	0.3	-3.2	3.0	5.3	1.1	0.2	-6.1
12	A	-1.6	-10.9	-0.5	-1.1	-8.6	-0.3	0.5	0.9	-2.8	1.1	-1.9	-0.5	-1.7	-4.9
11 *Q1*	P	0.6	6.0	6.3	4.3	-11.0	1.8	2.2	1.6	-4.0	3.0	5.1	1.6	-0.7	-5.6
Q2	P	0.3	6.1	3.3	2.1	-9.4	1.6	2.0	0.1	-3.9	2.9	5.4	1.4	-0.9	-5.8
Q3	P	-0.0	5.4	2.4	1.5	-7.8	1.2	0.8	-0.0	-3.6	3.1	5.5	0.8	1.3	-6.6
Q4	P	-0.6	4.9	-1.1	-2.5	-7.8	1.1	0.1	-0.2	-1.2	3.0	5.2	0.8	1.2	-6.5
12 *Q1*	A	-1.2	-6.9	-1.7	-2.8	-9.1	0.7	1.3	0.9	0.8	0.9	-1.2	0.4	0.7	-5.0
Q2	A	-1.6	-12.6	-0.7	-1.8	-8.6	-0.1	0.2	1.3	1.0	0.8	-2.6	-0.1	-2.2	-4.7
Q3	A	-1.7	-11.2	0.2	0.1	-8.7	-0.4	1.0	1.0	-6.1	1.6	-1.5	-1.3	-2.5	-4.9
Q4	A	-2.1	-12.7	0.4	0.1	-7.7	-1.1	-0.5	0.5	-6.9	1.1	-2.2	-1.1	-3.0	-5.1
13 *Q1*	A	-1.9	-4.1	-2.5	-2.5	-7.0	-1.1	-1.9	-0.7	-3.7	-0.3	-0.8	0.4	-2.7	-2.0
Q2	A	-1.6	3.9	-2.1	-1.2	-8.3	-0.9	-0.2	1.0	-4.1	-0.6	-0.7	-2.0	-0.6	-1.0
Q3	A	-1.1	0.9	-0.8	-0.8	-7.8	-0.6	0.2	-1.6	-2.7	-0.7	-0.5	-0.8	-0.7	-0.8
Q4	A	-0.2	4.1	0.3	1.2	-7.7	0.5	1.3	-0.1	-2.4	0.6	1.9	-0.2	0.5	-1.2

GDP. BRANCHES OF ACTIVITY
Annual percentage changes



GDP. BRANCHES OF ACTIVITY
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).
a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).

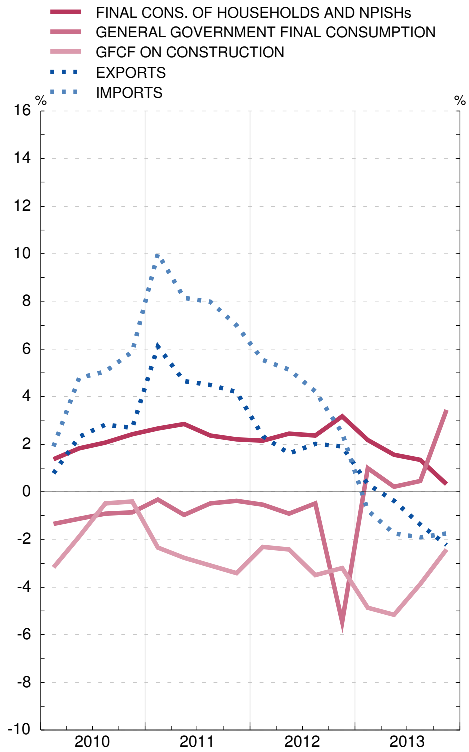
1.4. GROSS DOMESTIC PRODUCT. IMPLICIT DEFLATORS. SPAIN (a)

■ Series depicted in chart.

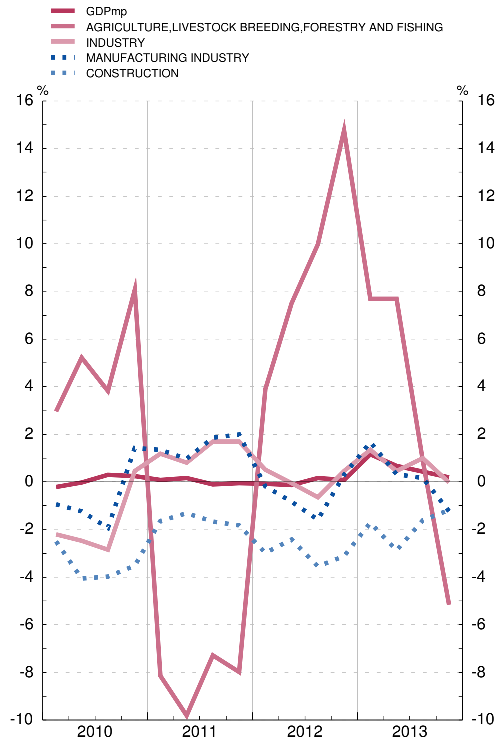
Annual percentage changes

		Demand components: Final consumption of households and NPISHs (b)	Demand components: General government final consumption	Gross fixed capital formation: Total	Gross fixed capital formation: Tangible fixed assets: Construction	Gross fixed capital formation: Tangible fixed assets: Equipment and cultivated assets	Gross fixed capital formation: Intangible fixed asstes	Exports of goods and services	Imports of goods and services	Gross domestic product at market prices	Branches of activity: Agriculture, livestock breeding, forestry and fishing	Industry: Total	Industry: On which: Manufacturing industry	Construction	Services: Total	Services: Trade, transport and accommodation	Services: Information and communications	Services: Financial and insurance activities	Services: Real estate activities	Services: Professional activities	Services: Public administration, Health and Education	Services: Artistic recreational and other services activities
		1 ■	2 ■	3	4 ■	5	6	7 ■	8 ■	9 ■	10 ■	11 ■	12 ■	13 ■	14	15	16	17	18	19	20	21
10	P	1.9	-1.1	-0.6	-1.5	0.9	3.6	2.2	4.4	0.1	5.0	-1.8	-0.7	-3.5	-1.5	-0.6	-6.0	-20.3	13.6	-1.5	-1.5	0.5
11	P	2.5	-0.6	-1.5	-2.9	1.2	-0.1	4.8	8.2	0.0	-8.3	1.3	1.5	-1.6	0.1	0.8	-1.4	-4.4	4.6	-0.5	-1.2	0.8
12	A	2.5	-1.8	-2.0	-2.8	-1.1	1.3	2.0	4.3	0.0	8.9	0.1	-0.6	-3.0	-0.3	0.8	-2.5	4.5	1.6	-0.6	-3.4	1.2
11 *Q1*	P	2.6	-0.3	-0.9	-2.3	1.8	-0.1	6.1	10.0	0.1	-8.1	1.2	1.3	-1.6	-0.6	0.6	-2.1	-12.5	4.5	-0.7	-1.0	0.8
Q2	P	2.8	-1.0	-1.3	-2.8	1.5	0.3	4.6	8.1	0.1	-9.8	0.8	1.0	-1.3	0.4	1.0	-0.9	-3.0	6.5	0.2	-1.5	0.6
Q3	P	2.4	-0.5	-1.6	-3.1	1.6	-0.5	4.5	8.0	-0.1	-7.3	1.7	1.9	-1.7	0.1	0.7	-1.2	-2.7	4.0	-1.2	-1.1	0.7
Q4	P	2.2	-0.4	-2.1	-3.4	0.1	-0.1	4.2	7.0	-0.0	-8.0	1.7	2.0	-1.8	0.3	0.8	-1.4	1.6	3.3	-0.5	-1.3	1.1
12 *Q1*	A	2.1	-0.5	-1.6	-2.3	-0.8	0.5	2.3	5.5	-0.1	3.9	0.5	-0.2	-3.0	-0.0	-0.1	-2.1	3.8	1.9	-0.9	-1.0	0.9
Q2	A	2.4	-0.9	-1.7	-2.4	-1.2	1.4	1.6	5.1	-0.1	7.5	-0.0	-0.8	-2.4	0.5	0.7	-2.8	8.8	2.5	-1.0	-1.2	0.8
Q3	A	2.3	-0.5	-2.3	-3.5	-1.1	1.5	2.0	4.2	0.2	10.0	-0.6	-1.6	-3.5	-0.0	0.8	-3.0	2.8	0.8	-1.0	-1.2	0.9
Q4	A	3.1	-5.5	-2.2	-3.2	-1.3	1.7	1.9	2.5	0.1	14.7	0.5	0.3	-3.1	-1.7	1.7	-2.1	2.6	1.4	0.3	-10.0	2.1
13 *Q1*	A	2.2	1.0	-3.7	-4.9	-2.9	1.1	0.3	-0.8	1.2	7.7	1.4	1.7	-1.7	1.0	3.0	-2.9	-3.7	2.0	0.4	-0.2	3.2
Q2	A	1.5	0.2	-3.9	-5.2	-2.9	0.9	-0.4	-1.7	0.7	7.7	0.4	0.3	-2.9	-0.5	1.8	-4.6	-12.0	0.8	0.7	-1.6	3.0
Q3	A	1.3	0.4	-3.3	-3.9	-3.3	0.5	-1.4	-1.9	0.4	0.9	1.0	0.2	-1.6	-0.1	1.5	-5.7	-8.9	1.2	0.5	-0.5	2.4
Q4	A	0.3	3.5	-2.4	-2.4	-3.1	0.4	-2.2	-1.8	0.2	-5.1	-0.0	-1.2	-1.2	-0.3	-0.3	-8.6	-13.4	-1.6	-2.0	6.1	0.5

GDP. IMPLICIT DEFLATORS
Annual percentage changes



GDP. IMPLICIT DEFLATORS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).
a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).
b. Final consumption expenditure may take place on the domestic territory or abroad (ESA95, 3.75). It therefore includes residents' consumption abroad, which is subsequently deducted in Imports of goods and services.

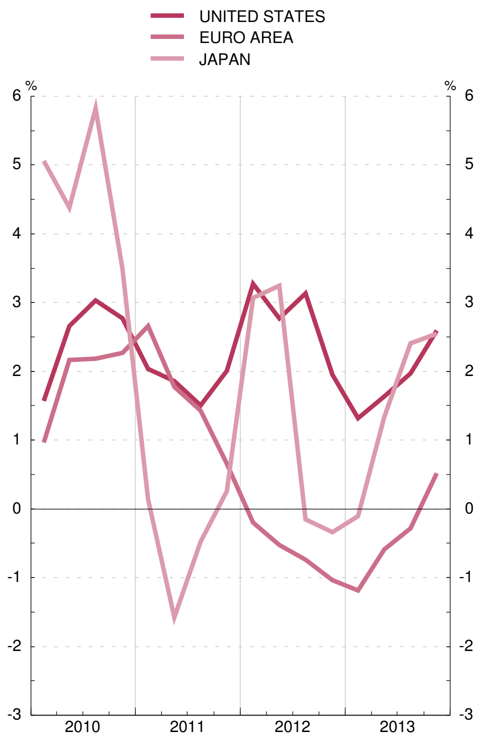
2.1. INTERNATIONAL COMPARISON. GROSS DOMESTIC PRODUCT AT CONSTANT PRICES

■ Series depicted in chart.

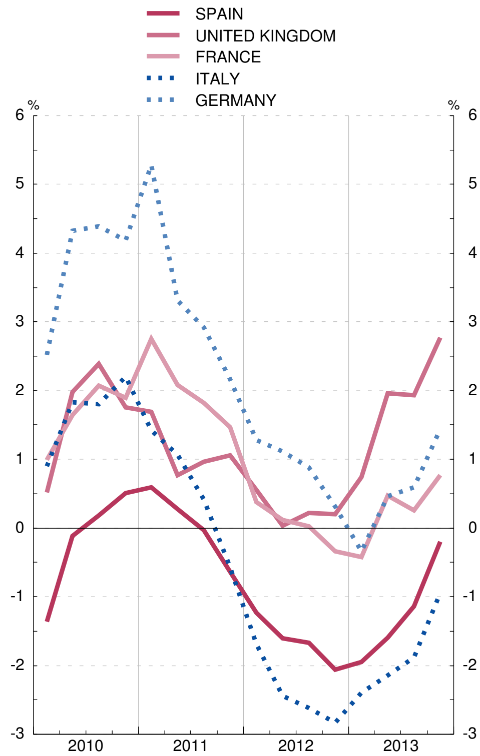
Annual percentage changes

	OECD 1	EU-28 2	Euro area 3 ■	Germany 4 ■	Spain 5 ■	United States 6 ■	France 7 ■	Italy 8 ■	Japan 9 ■	United Kingdom 10 ■
11	2.0	1.7	1.6	3.4	0.1	1.8	2.0	0.6	-0.4	1.1
12	1.5	-0.4	-0.6	0.9	-1.6	2.8	0.0	-2.4	1.4	0.3
13	1.3	0.1	-0.4	0.5	-1.2	1.9	0.3	-1.8	1.5	1.9
10 *Q4*	3.1	2.4	2.3	4.2	0.5	2.8	1.9	2.2	3.5	1.8
11 *Q1*	2.5	2.6	2.7	5.3	0.6	2.0	2.8	1.4	0.1	1.7
Q2	1.8	1.8	1.8	3.3	0.3	1.9	2.1	1.1	-1.6	0.8
Q3	1.8	1.5	1.4	2.9	-0.0	1.5	1.8	0.4	-0.5	1.0
Q4	1.7	0.8	0.7	2.2	-0.6	2.0	1.5	-0.6	0.3	1.1
12 *Q1*	2.1	0.1	-0.2	1.3	-1.2	3.3	0.4	-1.7	3.1	0.6
Q2	1.8	-0.3	-0.5	1.1	-1.6	2.8	0.1	-2.4	3.2	0.0
Q3	1.4	-0.5	-0.7	0.9	-1.7	3.1	0.0	-2.6	-0.2	0.2
Q4	0.8	-0.7	-1.0	0.3	-2.1	2.0	-0.3	-2.8	-0.3	0.2
13 *Q1*	0.6	-0.7	-1.2	-0.3	-1.9	1.3	-0.4	-2.4	-0.1	0.7
Q2	1.1	-0.1	-0.6	0.5	-1.6	1.6	0.5	-2.1	1.3	2.0
Q3	1.5	0.2	-0.3	0.6	-1.1	2.0	0.3	-1.9	2.4	1.9
Q4	2.0	1.1	0.5	1.4	-0.2	2.6	0.8	-0.9	2.5	2.8

GROSS DOMESTIC PRODUCT
Annual percentage changes



GROSS DOMESTIC PRODUCT
Annual percentage changes



Sources: ECB, INE and OECD.
Note: The underlying series for this indicator are in Table 26.2 of the BE Boletín Estadístico.

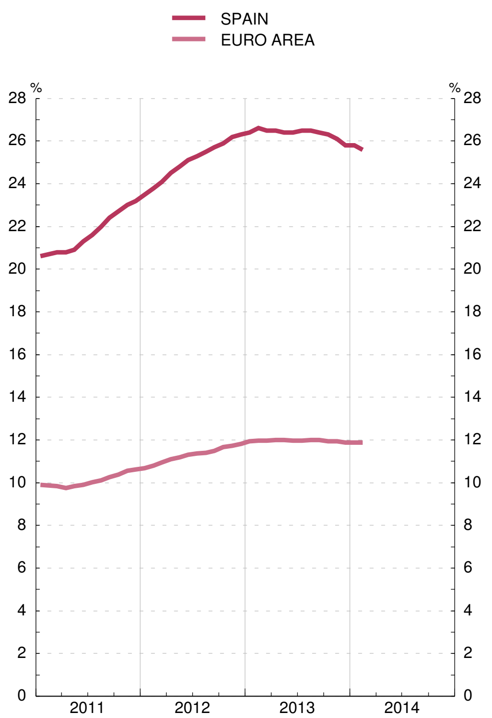
2.2. INTERNATIONAL COMPARISON. UNEMPLOYMENT RATES

■ Series depicted in chart.

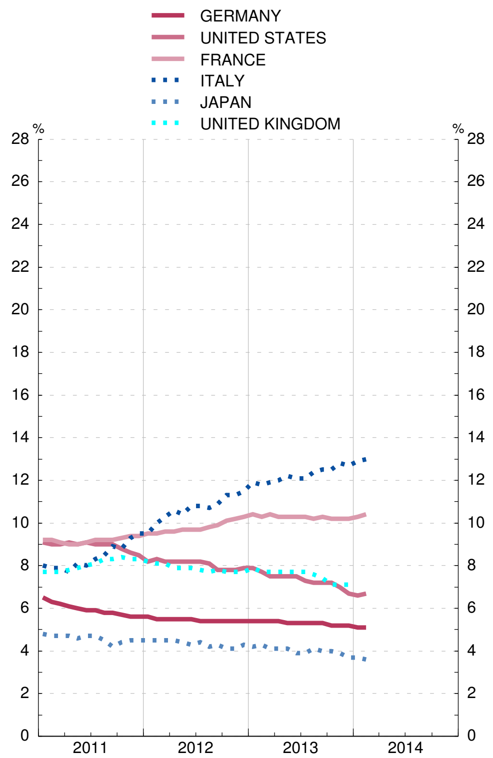
Percentages

	OECD 1	EU-27 2	Euro area 3 ■	Germany 4 ■	Spain 5 ■	United States 6 ■	France 7 ■	Italy 8 ■	Japan 9 ■	United Kingdom 10 ■
11	7.9	9.6	10.1	5.9	21.7	8.9	9.2	8.4	4.6	8.0
12	7.9	10.4	11.3	5.5	25.1	8.1	9.8	10.7	4.3	7.9
13	7.9	10.8	12.0	5.3	26.4	7.3	10.3	12.2	4.0	7.5
12 *Sep*	7.9	10.6	11.5	5.4	25.7	7.8	9.9	10.9	4.3	7.8
Oct	7.9	10.7	11.7	5.4	25.9	7.8	10.1	11.3	4.1	7.7
Nov	8.0	10.7	11.7	5.4	26.2	7.8	10.2	11.3	4.1	7.7
Dec	8.0	10.8	11.8	5.4	26.3	7.9	10.3	11.5	4.3	7.7
13 *Jan*	8.1	10.9	11.9	5.4	26.4	7.9	10.4	11.9	4.2	7.9
Feb	8.0	10.9	12.0	5.4	26.6	7.7	10.3	11.8	4.3	7.7
Mar	8.0	10.9	12.0	5.4	26.5	7.5	10.4	11.9	4.1	7.7
Apr	8.0	10.9	12.0	5.4	26.5	7.5	10.3	12.0	4.1	7.7
May	8.0	10.9	12.0	5.3	26.4	7.5	10.3	12.2	4.1	7.7
Jun	7.9	10.9	12.0	5.3	26.4	7.5	10.3	12.1	3.9	7.7
Jul	7.9	10.9	12.0	5.3	26.5	7.3	10.3	12.1	3.9	7.7
Aug	7.9	10.8	12.0	5.3	26.5	7.2	10.2	12.4	4.1	7.6
Sep	7.8	10.8	12.0	5.3	26.4	7.2	10.3	12.5	4.0	7.4
Oct	7.8	10.7	11.9	5.2	26.3	7.2	10.2	12.5	4.0	7.1
Nov	7.7	10.7	11.9	5.2	26.1	7.0	10.2	12.8	3.9	7.1
Dec	7.6	10.7	11.9	5.2	25.8	6.7	10.2	12.7	3.7	7.1
14 *Jan*	7.5	10.7	11.9	5.1	25.8	6.6	10.3	12.9	3.7	...
Feb	7.6	10.6	11.9	5.1	25.6	6.7	10.4	13.0	3.6	...

UNEMPLOYMENT RATES



UNEMPLOYMENT RATES



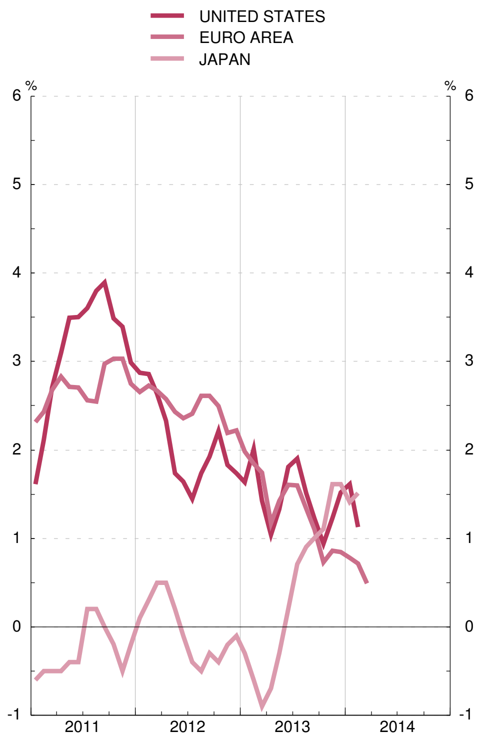
Source: OECD.

2.3. INTERNATIONAL COMPARISON. CONSUMER PRICES (a)

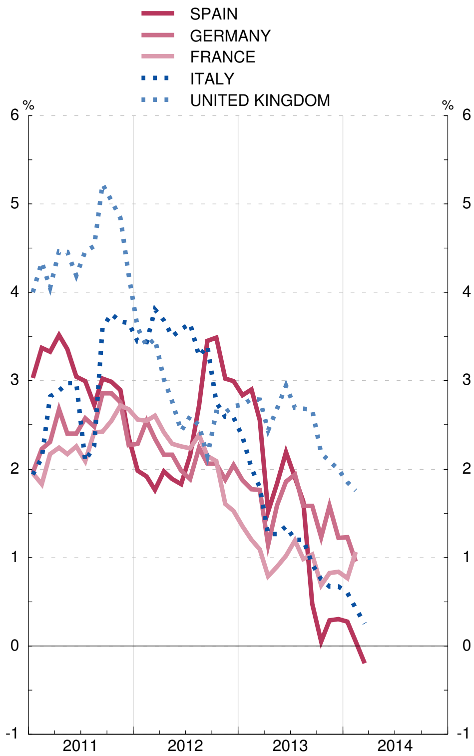
■ Series depicted in chart. *Annual percentage changes*

	OECD 1	EU-27 2	Euro area 3 ■	Germany 4 ■	Spain 5 ■	United States 6 ■	France 7 ■	Italy 8 ■	Japan 9 ■	United Kingdom 10 ■
11	2.9	3.1	2.7	2.5	3.1	3.1	2.3	2.9	-0.3	4.5
12	2.2	2.6	2.5	2.1	2.4	2.1	2.2	3.3	-0.0	2.8
13	1.6	1.5	1.4	1.6	1.5	1.5	1.0	1.3	0.4	2.6
12 *Oct*	2.2	2.6	2.5	2.1	3.5	2.2	2.1	2.8	-0.4	2.6
Nov	1.9	2.4	2.2	1.9	3.0	1.8	1.6	2.6	-0.2	2.6
Dec	1.9	2.3	2.2	2.0	3.0	1.7	1.5	2.6	-0.1	2.7
13 *Jan*	1.8	2.1	2.0	1.9	2.8	1.6	1.4	2.4	-0.3	2.7
Feb	1.8	2.0	1.8	1.8	2.9	2.0	1.2	2.0	-0.6	2.8
Mar	1.6	1.9	1.7	1.8	2.6	1.4	1.1	1.8	-0.9	2.8
Apr	1.3	1.4	1.2	1.1	1.5	1.0	0.8	1.3	-0.7	2.4
May	1.5	1.6	1.4	1.6	1.8	1.3	0.9	1.3	-0.3	2.7
Jun	1.8	1.7	1.6	1.9	2.2	1.8	1.0	1.4	0.2	2.9
Jul	2.0	1.7	1.6	1.9	1.9	1.9	1.2	1.2	0.7	2.7
Aug	1.7	1.5	1.3	1.6	1.6	1.5	1.0	1.2	0.9	2.7
Sep	1.4	1.3	1.1	1.6	0.5	1.2	1.0	0.9	1.0	2.7
Oct	1.3	0.9	0.7	1.2	0.0	0.9	0.7	0.8	1.1	2.2
Nov	1.5	1.0	0.9	1.6	0.3	1.2	0.8	0.7	1.6	2.1
Dec	1.6	1.0	0.8	1.2	0.3	1.5	0.8	0.7	1.6	2.0
14 *Jan*	1.6	0.9	0.8	1.2	0.3	1.6	0.8	0.6	1.4	1.8
Feb	1.4	0.8	0.7	1.0	0.1	1.1	1.1	0.4	1.5	1.8
Mar	...	...	0.5	...	-0.2	...	...	0.3	...	...

CONSUMER PRICES
Annual percentage changes



CONSUMER PRICES
Annual percentage changes



Sources: OECD, INE and Eurostat.
Note: The underlying series for this indicator are in Tables 26.11 and 26.15 of the BE Boletín Estadístico.
a. Harmonised Index of Consumer Prices for the EU countries.

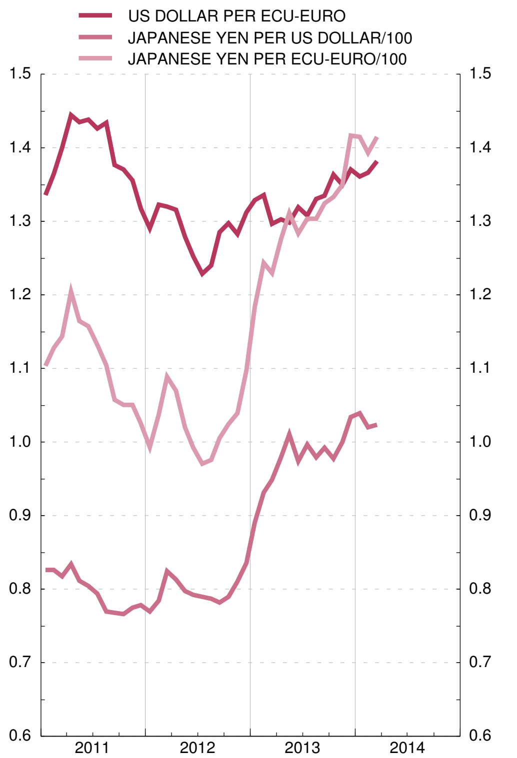
2.4. BILATERAL EXCHANGE RATES AND NOMINAL AND REAL EFFECTIVE EXCHANGE RATE INDICES FOR THE EURO, US DOLLAR AND JAPANESE YEN

■ Series depicted in chart.

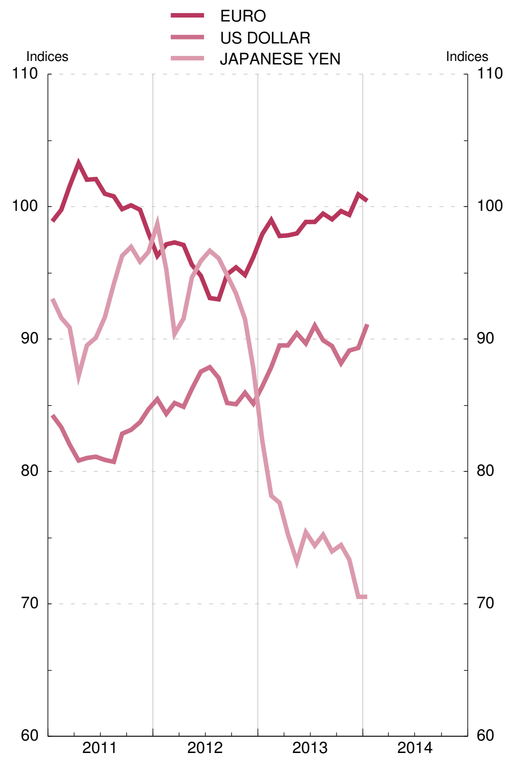
Average of daily data

	Exchange rates			Indices of the nominal effective exchange rate vis-à-vis the (a) developed countries 1999 QI=100			Indices of the real effective exchange rate vis-à-vis the developed countries (b) 1999 QI=100					
							Based on consumer prices			Based on producer prices		
	US dollar per ECU/euro	Japanese yen per ECU/euro	Japanese yen per US dollar	Euro	US dollar	Japanese yen	Euro	US dollar	Japanese yen	Euro	US dollar	Japanese yen
	1 ■	2 ■	3 ■	4	5	6	7 ■	8 ■	9 ■	10	11	12
11	1.3918	111.00	79.74	103.4	74.0	127.5	100.7	82.4	92.8	97.4	90.1	88.8
12	1.2854	102.61	79.81	97.9	76.8	131.7	95.6	85.8	93.9	93.1	94.5	88.5
13	1.3281	129.69	97.64	101.7	79.5	106.8	98.9	89.2	75.3	96.5	98.0	71.9
13 *J-M*	1.3198	121.83	92.32	100.7	78.3	112.7	98.3	87.9	79.4	95.9	96.4	75.5
14 *J-M*	1.3698	140.81	102.80	103.9	80.6	100.1	100.8	91.1	70.5	98.0	99.2	67.6
13 *Jan*	1.3288	118.34	89.05	100.4	77.0	116.2	98.0	86.4	82.3	95.7	94.5	77.9
Feb	1.3359	124.40	93.12	101.6	78.1	111.1	99.1	87.9	78.2	96.7	96.4	74.2
Mar	1.2964	122.99	94.87	100.2	79.8	110.7	97.9	89.5	77.6	95.3	98.3	74.2
Apr	1.3026	127.54	97.90	100.5	79.9	106.9	97.9	89.5	75.2	95.5	98.7	72.0
May	1.2982	131.13	101.02	100.5	80.7	104.1	98.0	90.4	73.2	95.6	99.8	70.1
Jun	1.3189	128.40	97.37	101.6	79.8	107.4	98.9	89.7	75.4	96.4	98.6	72.3
Jul	1.3080	130.39	99.70	101.5	80.9	105.6	98.9	91.0	74.4	96.4	99.7	71.0
Aug	1.3310	130.34	97.93	102.2	79.9	106.6	99.5	89.9	75.2	96.9	98.6	71.7
Sep	1.3348	132.41	99.20	102.0	79.7	104.8	99.1	89.5	74.0	96.8	98.2	70.6
Oct	1.3635	133.32	97.78	102.8	78.7	105.1	99.7	88.2	74.4	97.5	97.0	71.2
Nov	1.3493	134.97	100.03	102.6	79.7	103.4	99.5	89.1	73.4	97.2	97.7	70.2
Dec	1.3704	141.68	103.39	103.9	79.9	99.5	100.7	89.3	70.5	98.3	98.0	67.6
14 *Jan*	1.3610	141.47	103.94	103.4	80.9	99.4	100.3	91.1	70.5	97.7	99.2	67.6
Feb	1.3659	139.35	102.02	103.6	80.7	101.0	100.5	...	...	97.7	...	...
Mar	1.3823	141.48	102.35	104.6	80.3	100.1	101.5	...	...	98.7	...	...

EXCHANGE RATES



INDICES OF THE REAL EFFECTIVE EXCHANGE RATE BASED ON CONSUMER PRICES VIS-À-VIS THE DEVELOPED COUNTRIES



Sources: ECB and BE.

a. Geometric mean calculated using a double weighting system based on (1995-1997),(1998-2000), (2001-2003), (2004-2006) and (2007-2009) manufacturing trade of changes in the
spot price of each currency against the currencies of the other developed countries. A fall in the index denotes a depreciation of the currency against those of the other developed countries.

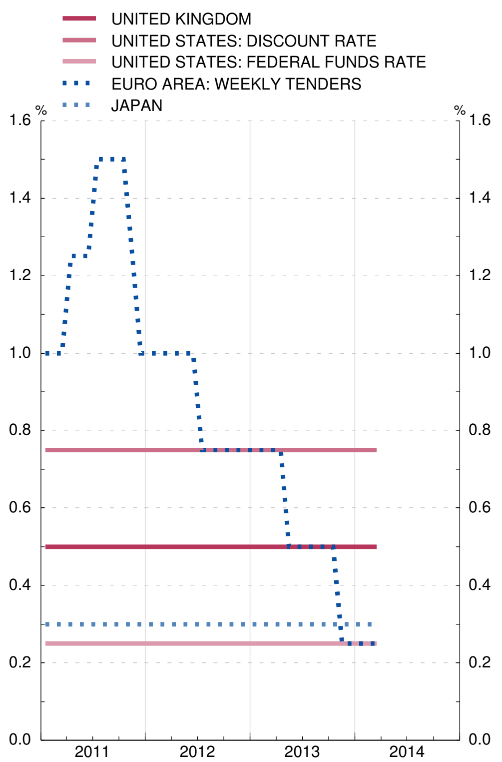
b. Obtained by multiplying the relative prices of each area/country (relation betwen its price index and the price index of the group) by the nominal effective exchange rate. A decline in the index denotes a depreciation of the real effective exchange rate and, may be interpreted as an improvement in that area/country's competitiveness.

2.5. OFFICIAL INTERVENTION INTEREST RATES AND SHORT-TERM INTEREST RATES

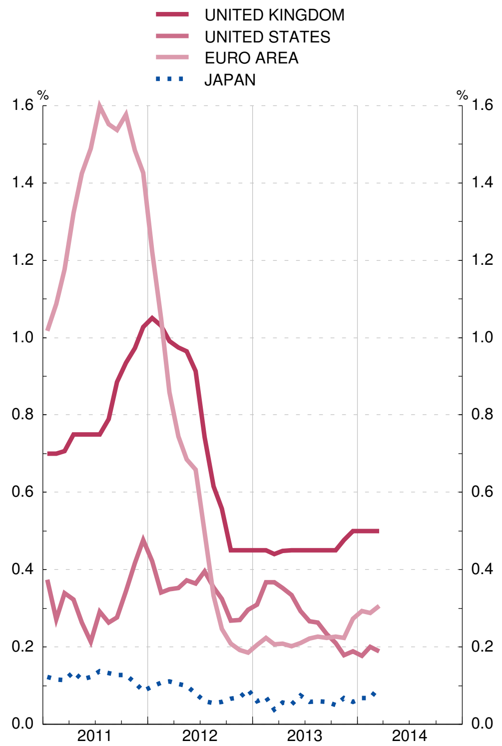
■ Series depicted in chart. *Percentages*

	Official intervention interest rates					3-month interbank rates									
	Euro area	United States		Japan	United Kingdom	OECD	EU-15	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
		Discount rate (b)	Federal funds rate												
	(a)			(c)	(d)										
	1 ■	2 ■	3 ■	4 ■	5 ■	6	7	8 ■	9	10	11 ■	12	13	14 ■	15 ■
11	1.00	0.75	0.25	0.30	0.50	1.02	1.32	1.39	-	1.34	0.32	-	-	0.12	0.81
12	0.75	0.75	0.25	0.30	0.50	0.76	0.63	0.57	-	1.06	0.34	-	-	0.08	0.76
13	0.25	0.75	0.25	0.30	0.50	0.53	0.29	0.22	-	1.07	0.28	-	-	0.06	0.46
12 *Oct*	0.75	0.75	0.25	0.30	0.50	0.60	0.27	0.21	-	-	0.27	-	-	0.07	0.45
Nov	0.75	0.75	0.25	0.30	0.50	0.59	0.25	0.19	-	-	0.27	-	-	0.07	0.45
Dec	0.75	0.75	0.25	0.30	0.50	0.52	0.24	0.19	-	-	0.30	-	-	0.09	0.45
13 *Jan*	0.75	0.75	0.25	0.30	0.50	0.56	0.26	0.20	-	-	0.31	-	-	0.06	0.45
Feb	0.75	0.75	0.25	0.30	0.50	0.59	0.27	0.22	-	-	0.37	-	-	0.07	0.45
Mar	0.75	0.75	0.25	0.30	0.50	0.58	0.26	0.21	-	-	0.37	-	-	0.04	0.44
Apr	0.75	0.75	0.25	0.30	0.50	0.56	0.26	0.21	-	-	0.35	-	-	0.06	0.45
May	0.50	0.75	0.25	0.30	0.50	0.58	0.38	0.20	-	1.75	0.33	-	-	0.05	0.45
Jun	0.50	0.75	0.25	0.30	0.50	0.52	0.26	0.21	-	-	0.29	-	-	0.08	0.45
Jul	0.50	0.75	0.25	0.30	0.50	0.52	0.27	0.22	-	0.22	0.27	-	-	0.06	0.45
Aug	0.50	0.75	0.25	0.30	0.50	0.55	0.36	0.23	-	1.25	0.26	-	-	0.06	0.45
Sep	0.50	0.75	0.25	0.30	0.50	0.50	0.27	0.22	-	-	0.23	-	-	0.06	0.45
Oct	0.50	0.75	0.25	0.30	0.50	0.49	0.27	0.23	-	-	0.21	-	-	0.05	0.45
Nov	0.25	0.75	0.25	0.30	0.50	0.48	0.27	0.22	-	-	0.18	-	-	0.07	0.48
Dec	0.25	0.75	0.25	0.30	0.50	0.48	0.31	0.27	-	-	0.19	-	-	0.06	0.50
14 *Jan*	0.25	0.75	0.25	0.30	0.50	-	-	0.29	-	-	0.18	-	-	0.07	0.50
Feb	0.25	0.75	0.25	0.30	0.50	-	-	0.29	-	0.70	0.20	-	-	0.07	0.50
Mar	0.25	0.75	0.25	0.30	0.50	-	-	0.31	-	-	0.19	-	-	0.10	0.50

OFFICIAL INTERVENTION INTEREST RATES



3-MONTH INTERBANK RATES



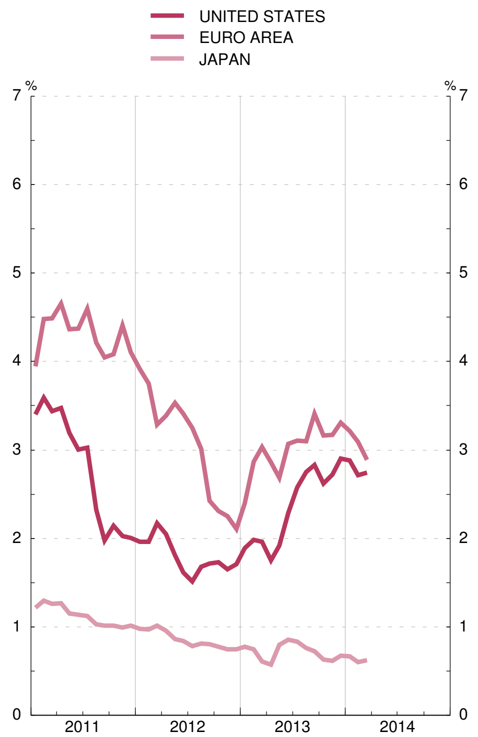
Sorces: ECB, Reuters and BE.
a. Main refinancing operations.
b. As from January 2003, the Primary Credit Rate.
c. Discount rate.
d. Retail bank base rate.

2.6. 10-YEAR GOVERNMENT BOND YIELDS ON DOMESTIC MARKETS

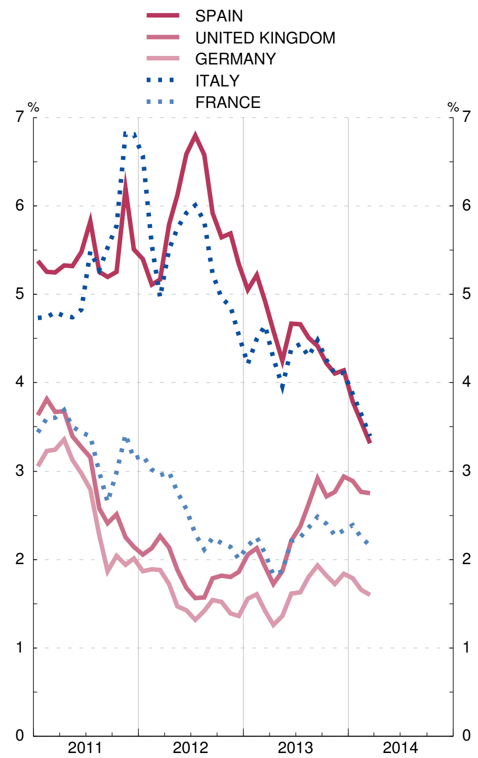
■ Series depicted in chart. *Percentages*

	OECD	EU-15	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
	1	2	3 ■	4 ■	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■
11	3.15	4.02	4.31	2.66	5.44	2.80	3.32	5.36	1.12	3.04
12	2.35	3.43	3.05	1.57	5.85	1.80	2.53	5.47	0.86	1.88
13	2.44	2.83	3.01	1.63	4.56	2.35	2.21	4.30	0.72	2.36
12 *Oct*	2.17	3.08	2.31	1.52	5.65	1.73	2.18	4.96	0.78	1.82
Nov	2.10	2.99	2.25	1.39	5.69	1.65	2.14	4.86	0.74	1.80
Dec	2.07	2.79	2.10	1.36	5.34	1.71	2.00	4.54	0.75	1.86
13 *Jan*	2.20	2.78	2.40	1.56	5.05	1.89	2.16	4.22	0.78	2.05
Feb	2.27	2.89	2.86	1.61	5.22	1.98	2.25	4.50	0.75	2.13
Mar	2.19	2.76	3.03	1.42	4.92	1.96	2.07	4.65	0.61	1.92
Apr	2.01	2.55	2.86	1.26	4.59	1.75	1.82	4.28	0.57	1.72
May	2.08	2.47	2.69	1.36	4.25	1.92	1.87	3.96	0.80	1.87
Jun	2.42	2.83	3.07	1.62	4.67	2.29	2.21	4.39	0.85	2.22
Jul	2.59	2.90	3.10	1.63	4.66	2.58	2.25	4.44	0.83	2.37
Aug	2.70	2.97	3.10	1.80	4.51	2.75	2.36	4.30	0.76	2.63
Sep	2.79	3.12	3.41	1.93	4.42	2.83	2.48	4.48	0.73	2.91
Oct	2.61	2.93	3.16	1.81	4.22	2.62	2.40	4.26	0.63	2.71
Nov	2.63	2.83	3.17	1.72	4.11	2.72	2.27	4.10	0.61	2.77
Dec	2.75	2.91	3.31	1.84	4.14	2.90	2.33	4.11	0.67	2.94
14 *Jan*	...	...	3.21	1.79	3.78	2.88	2.39	3.87	0.67	2.89
Feb	...	...	3.09	1.66	3.56	2.72	2.25	3.65	0.60	2.76
Mar	...	...	2.89	1.60	3.31	2.74	2.16	3.39	0.62	2.75

10-YEAR GOVERNMENT BOND YIELDS



10-YEAR GOVERNMENT BOND YIELDS



Sources: ECB, Reuters and BE.

2.7 INTERNATIONAL MARKETS. NON-ENERGY COMMODITIES PRICE INDEX. CRUDE OIL AND GOLD PRICE.

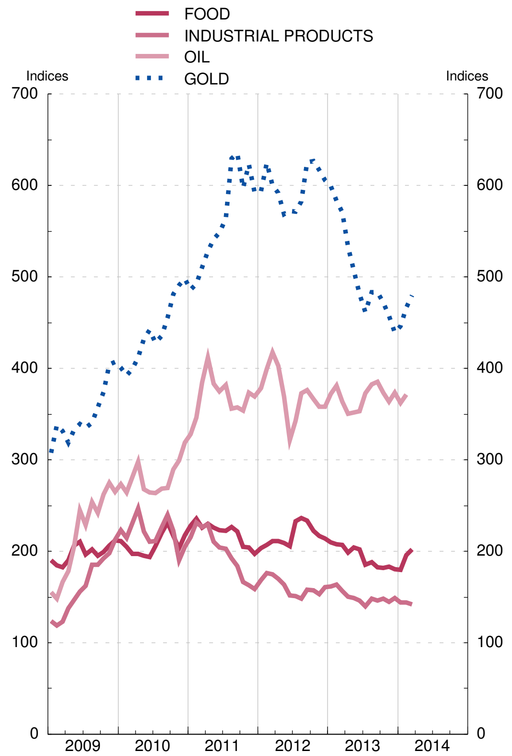
■ Series depicted in chart.

Base 2000 = 100

	Non-energy commodity price index (a)						Oil		Gold		
	Euro index	US dollar index					Index (b)	Brent North sea	Index (c)	US dollars per troy ounce	Euro per gram
	General	General	Food	Industrial products				US dollars per barrel			
				Total	Non-food agricul-tural products	Metals					
	1 ■	2 ■	3 ■	4 ■	5	6	7 ■	8	9 ■	10	11
09	120.8	182.3	198.0	162.2	136.0	176.4	219.2	61.7	348.8	973.0	22.42
10	158.6	213.1	207.9	220.2	211.2	225.9	280.0	79.9	439.2	1 225.3	29.76
11	187.3	209.6	220.3	198.5	239.6	180.9	368.4	112.2	562.6	1 569.5	36.29
12	183.8	189.6	217.0	161.1	171.7	156.6	371.8	112.4	598.0	1 668.3	41.73
13	161.1	172.8	194.2	150.2	161.2	145.5	368.6	109.6	505.4	1 409.8	34.16
13 *J-M*	174.1	184.7	208.0	160.5	167.9	157.4	372.0	113.5	584.5	1 630.6	39.73
14 *J-M*	152.5	168.4	192.3	143.4	153.4	139.2	...	109.2	464.0	1 294.5	30.35
13 *Feb*	173.2	186.1	207.5	163.8	169.2	161.5	381.3	117.4	583.4	1 627.6	39.19
Mar	175.0	182.3	206.8	156.9	167.9	152.2	363.4	109.6	571.0	1 592.9	39.53
Apr	167.3	175.0	198.9	150.2	163.2	144.7	350.1	103.7	532.6	1 485.9	36.65
May	169.6	177.2	204.2	149.2	164.2	142.8	351.9	103.3	506.7	1 413.5	35.00
Jun	164.5	174.7	202.3	146.1	159.8	140.2	353.3	103.2	481.2	1 342.4	32.74
Jul	153.2	163.3	185.6	140.2	153.5	134.5	372.6	108.6	461.2	1 286.7	31.63
Aug	156.5	168.6	188.4	148.0	157.1	144.1	382.7	113.0	482.9	1 347.1	32.57
Sep	151.6	164.5	182.3	146.0	159.6	140.2	385.3	113.6	483.5	1 348.8	32.51
Oct	149.4	165.4	181.7	148.5	157.6	144.6	373.5	110.0	471.8	1 316.2	31.01
Nov	150.7	166.4	183.5	144.5	156.9	139.2	363.3	108.2	457.3	1 275.8	30.40
Dec	148.9	165.0	180.6	148.8	159.1	144.4	373.6	111.3	439.3	1 225.4	28.65
14 *Jan*	147.7	162.3	180.0	143.9	152.0	140.4	362.2	109.3	446.2	1 244.8	29.39
Feb	154.3	170.4	195.5	144.3	152.8	140.7	371.3	110.0	466.4	1 301.0	30.61
Mar	155.7	172.6	201.8	142.2	155.4	136.6	...	108.3	479.7	1 338.3	31.06

NON-ENERGY COMMODITY PRICE INDEX

PRICE INDICES FOR NON-ENERGY COMMODITIES, OIL AND GOLD



Sources: The Economist, IMF, ECB and BE.

a. The weights are based on the value of the world commodity imports during the period 1999-2001.

b. Index of the average price in US dollars of various medium, light and heavy crudes.

c. Index of the London market's 15.30 fixing in dollars.

3.1 INDICATORS OF PRIVATE CONSUMPTION. SPAIN AND EURO AREA

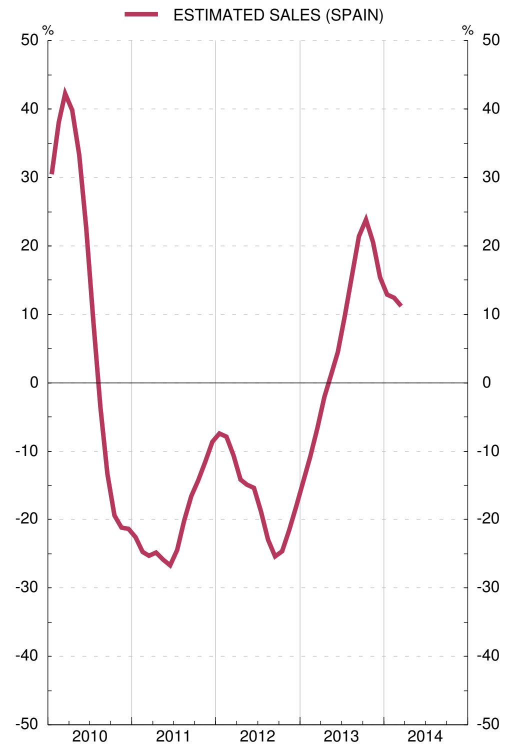
■ Series depicted in chart.

Percentage balances, annual percentage changes and indices

	Opinion surveys (a) (Percentage balances seasonally adjusted)						New car registrations and sales (Annual percentage changes)			Retail trade indices (2010=100, NACE 2009) (Deflacted indices)							
	Consumers			Retail trade confidence indicator	Memorandum item: euro area		Registrations	Estimated sales	Memorandum item: euro area registrations	General retail trade index	General index without petrol stations						
	Confidence indicator	General economic situation: anticipated trend	Household economic situation: anticipated trend		Consumer confidence indicator	Retail trade confidence indicator					Total	of which Food	Large retail outlets	Large chain stores	Small chain stores	Single-outlet retailers	Memorandum item: euro area (Annual percentage changes, adjusted by working days)
	1 ■	2	3	4	5 ■	6	7	8 ■	9	10	11	12	13	14	15	16	17
11	-17.1	-13.8	-6.7	-19.8	-14.6	-5.5	-18.3	-17.7	-0.6	94.2	94.4	97.2	92.8	99.2	92.8	93.0	-0.5
12	-31.6	-30.7	-18.0	-21.4	-22.3	-15.2	-12.7	-13.4	-11.3	87.6	88.0	94.4	84.6	97.1	84.9	84.3	-1.4
13	-25.3	-19.3	-12.1	-10.1	-18.7	-12.5	3.9	3.3	-3.9	84.2	84.6	91.5	80.9	96.7	80.8	79.7	-0.7
13 *J-M*	-32.6	-28.6	-16.7	-17.9	-23.5	-16.2	-10.7	-11.5	-11.2	80.4	80.7	85.6	77.7	90.8	77.5	76.6	-1.9
14 *J-M*	-11.8	2.1	-4.1	5.1	-11.2	-3.0	16.9	11.8	...	...	...	...	...	...	...	...	...
13 *Apr*	-28.9	-24.8	-15.0	-13.6	-22.1	-18.4	11.3	10.8	-6.7	80.8	80.9	89.7	71.5	93.1	77.2	78.5	-1.4
May	-31.6	-31.3	-15.8	-18.5	-21.7	-16.7	-2.9	-2.6	-8.0	83.2	83.2	91.7	74.1	94.6	79.4	81.2	-0.1
Jun	-25.7	-23.3	-14.8	-12.5	-18.7	-14.5	0.1	-0.7	-7.0	83.3	83.6	91.0	76.6	95.1	79.6	80.6	-1.4
Jul	-22.7	-18.1	-10.4	-9.3	-17.3	-13.9	16.0	14.9	-0.4	93.1	93.9	96.4	91.7	107.5	91.3	87.0	-0.8
Aug	-21.2	-14.7	-9.1	-6.5	-15.5	-10.5	-18.0	-18.3	-4.3	84.4	84.6	95.4	81.8	101.9	80.0	76.0	-0.3
Sep	-17.5	-9.6	-6.7	-5.3	-14.8	-6.8	28.1	28.5	-2.4	81.0	81.5	88.2	75.4	92.6	76.9	78.6	-0.1
Oct	-20.6	-9.7	-8.9	-5.0	-14.4	-7.7	33.8	34.4	4.2	83.6	83.8	92.9	73.8	98.0	79.6	80.4	-0.4
Nov	-20.5	-9.2	-7.6	-2.6	-15.3	-7.7	15.9	15.1	4.8	81.6	81.7	89.8	78.8	93.8	77.6	76.6	1.7
Dec	-17.1	-4.8	-7.2	5.5	-13.5	-5.0	19.6	18.2	6.9	97.7	99.5	106.2	113.7	111.2	95.4	87.2	-0.3
14 *Jan*	-12.5	0.6	-5.3	6.6	-11.7	-3.4	23.4	7.6	5.4	87.0	88.1	85.7	92.6	97.1	86.0	80.7	1.4
Feb	-14.7	0.9	-5.1	1.1	-12.7	-3.0	18.7	17.8	5.9	74.0	74.2	80.6	69.1	82.7	70.7	71.5	...
Mar	-8.3	4.7	-2.0	7.5	-9.3	-2.6	10.9	10.0	...	...	...	...	...	...	...	...	...

CONSUMER CONFIDENCE INDICATOR
Percentage balances,seasonally adjusted

CAR SALES
(Trend obtained with TRAMO-SEATS)



Sources: European Commission (European Economy, Supplement B), INE, DGT, ANFAC and ECB.
a. Additional information available at http://ec.europa.eu/economy_finance/db_indicators/surveys/index_en.htm

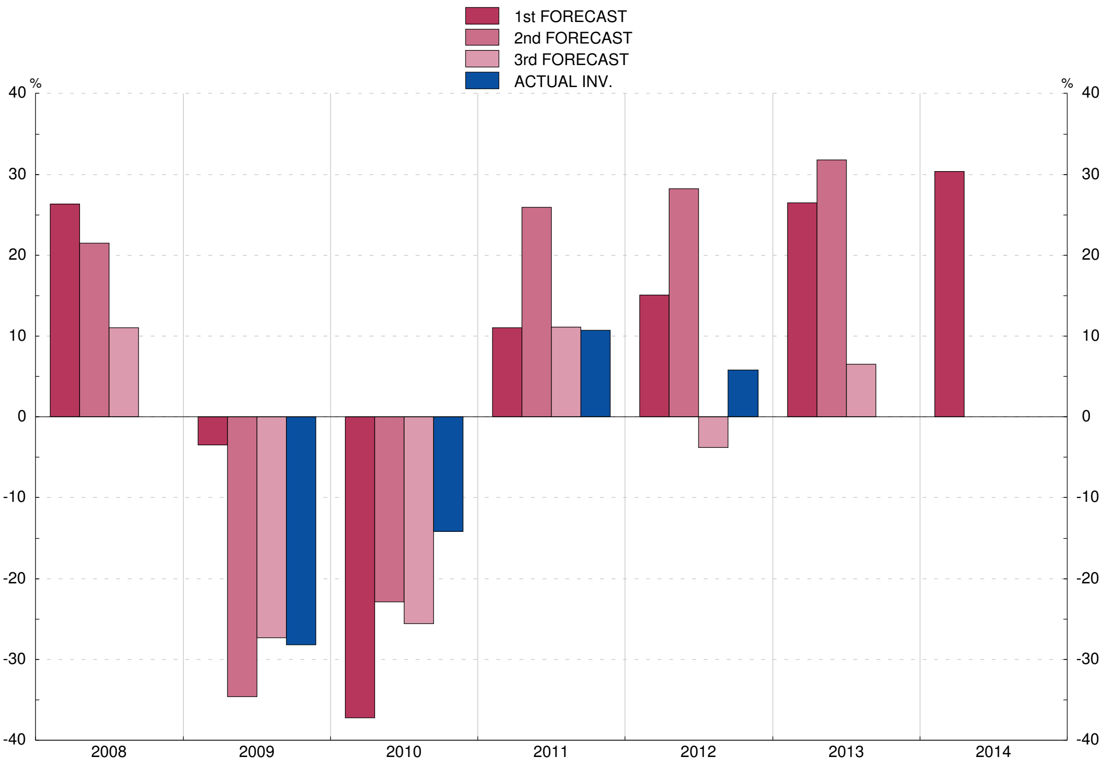
3.2. INVESTMENT IN INDUSTRY (EXCLUDING CONSTRUCTION): OPINION SURVEYS. SPAIN

■ Series depicted in chart.

Annual percentage changes at current prices

	ACTUAL INV. 1 ■	1st FORECAST 2 ■	2nd FORECAST 3 ■	3rd FORECAST 4 ■
08	-	26	22	11
09	-28	-4	-35	-27
10	-14	-37	-23	-26
11	11	11	26	11
12	6	15	28	-4
13	...	27	32	7
14	...	30	...	...

INVESTMENT IN INDUSTRY
Annual rates of change



Source: Ministerio de Industria, Energía y Turismo.
Note: The first forecast is made in the autumn of the previous year and the second and third ones in the spring and autumn of the current year, respectively; the information relating to actual investment for the year t is obtained in the spring of the year t+1.

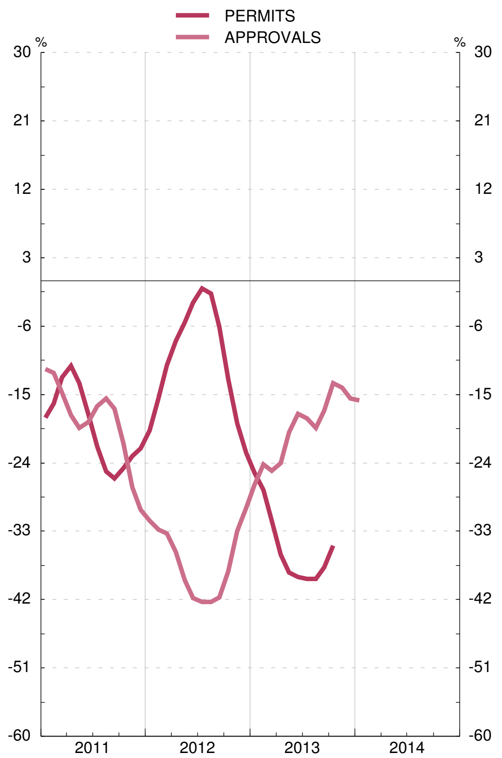
3.3. CONSTRUCTION. INDICATORS OF BUILDING STARTS AND CONSUMPTION OF CEMENT. SPAIN

■ Series depicted in chart.

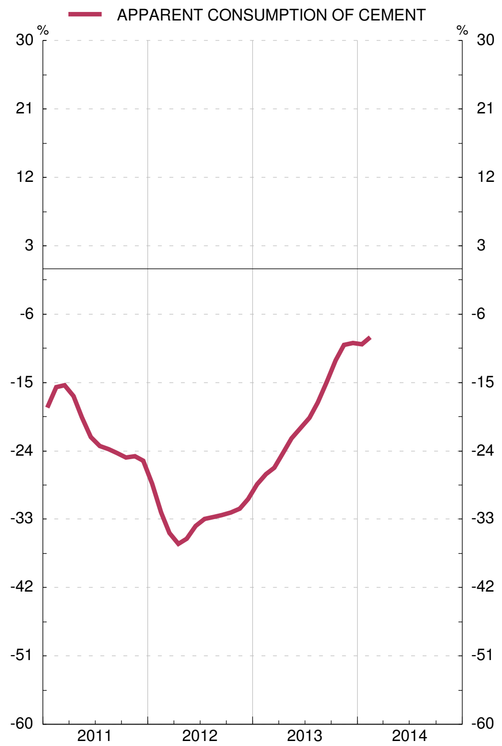
Annual percentage changes

		Permits: buildable floorage				Approvals: buildable floorage		Government tenders (budget)							Apparent consumption of cement
		Total	Residential	of which: Housing	Non-residential	Total	of which: Housing	Total: For the month	Total: Year to date	Building: Total	Building: Residential	Building: of which: Housing	Building: Non-residential	Civil engineering	
		1 ■	2	3	4	5 ■	6	7 ■	8	9	10	11	12	13	14 ■
11		-16.4	-17.5	-16.6	-13.9	-18.6	-13.2	-46.4	-46.4	-57.6	-54.0	-51.0	-58.5	-39.7	-16.4
12	P	-19.6	-24.0	-23.3	-10.0	-37.2	-39.9	-48.9	-48.9	-48.7	-68.4	-62.4	-43.8	-49.0	-33.5
13	P	...	...	...	...	-18.6	-20.9	17.3	17.3	-2.8	41.5	55.6	-9.1	25.8	-19.3
13 *J-F*	P	-21.2	-38.1	-37.9	23.3	-13.1	-17.9	-31.2	-31.2	-45.9	204.3	250.6	-57.7	-25.7	-24.0
14 *J-F*	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-11.8
12 *Nov*	P	-24.9	-13.2	-11.8	-48.9	-17.6	-31.0	-69.5	-49.4	-39.6	-80.8	-68.5	-33.3	-74.9	-33.1
Dec	P	-24.4	-39.9	-40.8	36.6	-35.3	-48.5	-39.4	-48.9	16.8	29.4	65.2	15.2	-65.9	-35.4
13 *Jan*	P	-35.1	-53.6	-52.6	24.9	-32.8	-26.9	7.2	7.2	-26.3	77.2	68.3	-34.9	28.8	-22.3
Feb	P	-8.9	-23.0	-23.5	22.2	7.6	-9.5	-44.8	-31.2	-57.7	430.5	471.9	-70.6	-40.9	-25.6
Mar	P	-31.2	-38.9	-40.8	-16.2	-45.3	-46.0	37.5	-17.3	8.9	-57.7	-29.8	32.2	56.6	-39.8
Apr	P	-43.5	-53.8	-56.0	-30.8	-20.3	-25.9	3.0	-13.5	26.9	30.9	35.4	26.5	-9.1	-13.0
May	P	-45.6	-44.3	-47.4	-47.2	-18.3	-26.9	-67.1	-34.6	-20.6	287.7	137.0	-43.8	-74.4	-20.4
Jun	P	-9.8	-22.5	-47.3	25.3	-14.1	-17.3	8.0	-29.7	-41.5	116.5	41.6	-54.6	35.8	-24.1
Jul	P	-35.1	-41.5	-47.6	-24.6	-11.6	2.2	92.5	-17.6	10.3	-61.2	-83.7	42.1	129.7	-17.2
Aug	P	5.6	-56.8	-52.8	88.4	-30.1	-36.2	77.8	-8.4	-2.3	-19.9	-90.6	0.5	119.1	-23.4
Sep	P	-42.5	-44.6	-49.3	-39.1	-23.9	-25.4	27.5	-6.0	18.3	-58.8	1 438.5	43.0	33.8	-9.1
Oct	P	-29.0	-36.0	-39.3	-16.5	12.3	-9.7	58.2	-1.7	47.7	-26.0	-43.1	55.7	62.3	-14.3
Nov	P	...	...	...	...	-23.0	-20.3	103.1	4.4	42.6	641.2	764.0	16.3	129.0	-5.7
Dec	P	...	...	...	...	-18.3	-3.5	236.7	17.3	22.5	188.6	270.1	-1.7	584.4	-7.0
14 *Jan*	P	...	...	...	...	-2.3	-16.1	166.8	166.8	20.4	40.2	88.6	15.9	221.1	-13.6
Feb	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-9.8

CONSTRUCTION
Trend obtained with TRAMO-SEATS



CONSTRUCTION
Trend obtained with TRAMO-SEATS



Sources: Ministerio de Fomento and Asociación de Fabricantes de Cemento de España.
Note: The underlying series for this indicator are in Tables 23.7, 23.8, and 23.9 of the BE Boletín estadístico.

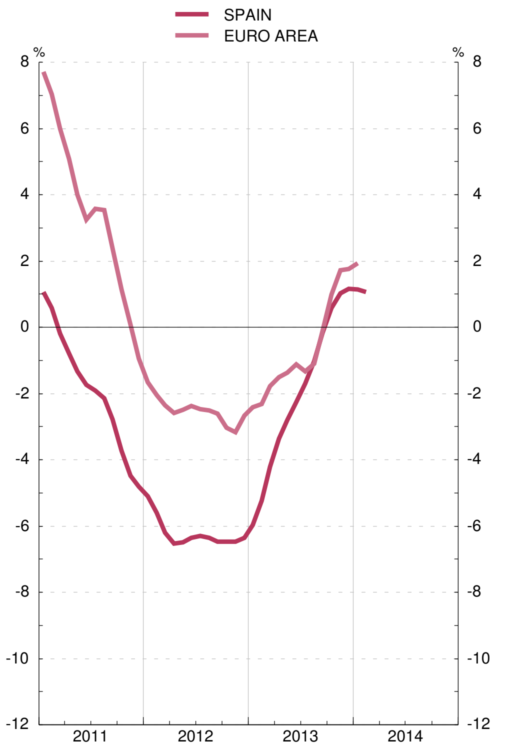
3.4. INDUSTRIAL PRODUCTION INDEX. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

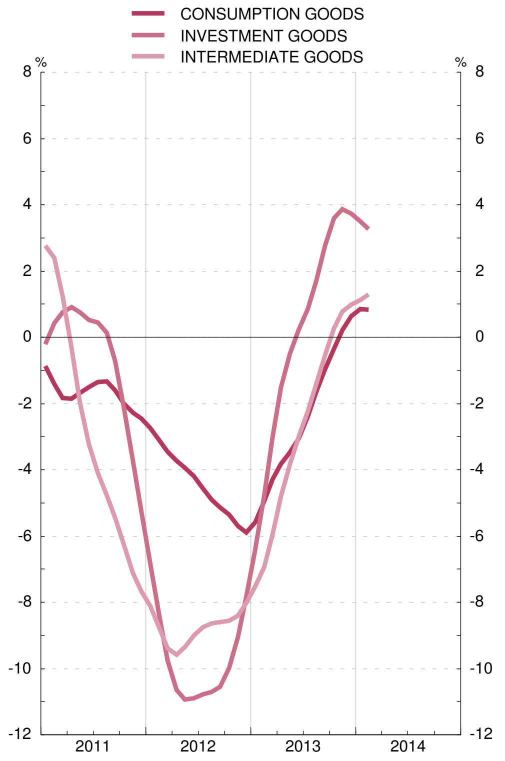
Annual percentage changes

		Overall Index		By end-use of goods				By branch of activity (NACE 2009)			Memorandum item: euro area				
		Total		Consumer goods	Capital goods	Inter-mediate goods	Energy	Mining and quarrying	Manufac-turing	Electrity and gas supply	Total	of which	By end-use of goods		
		Original series	12-month %change 12									Manufac-turing	Consumer goods	Capital goods	Inter-mediate goods
		1	2 ■	3 ■	4 ■	5 ■	6	7	8	9	10 ■	11	12	13	14
11	MP	98.0	-2.0	-2.0	0.1	-2.7	-2.8	-18.7	-1.6	-3.7	3.4	4.7	1.0	8.4	4.1
12	MP	91.8	-6.4	-4.8	-11.0	-8.9	0.9	-23.6	-7.5	0.1	-2.5	-2.7	-2.4	-1.1	-4.6
13	MP	90.2	-1.7	-2.2	1.2	-2.6	-2.6	-14.3	-1.4	-3.9	-0.7	-0.7	-0.5	-0.5	-1.0
13 *J-F*	MP	88.7	-6.2	-5.3	-5.6	-7.1	-6.7	-27.5	-5.8	-8.2	-2.6	-2.3	0.0	-3.4	-3.3
14 *J-F*	MP	90.0	1.5	2.7	3.8	1.7	-2.7	-3.1	2.6	-2.7	...	...	...	...	...
12 *Nov*	P	91.9	-7.8	-6.4	-10.6	-11.1	-0.6	-24.5	-9.0	-1.2	-4.1	-4.4	-3.0	-4.1	-6.0
Dec	P	80.2	-10.2	-15.3	-12.6	-10.6	0.1	-30.6	-12.2	-1.0	-2.4	-2.7	-0.8	-1.9	-4.9
13 *Jan*	P	89.8	-3.6	-4.1	-2.6	-3.7	-3.7	-26.1	-3.4	-4.9	-2.4	-2.6	0.5	-3.6	-3.9
Feb	P	87.5	-8.7	-6.5	-8.2	-10.3	-9.8	-28.9	-8.1	-11.5	-2.8	-2.1	-0.4	-3.2	-2.7
Mar	P	88.3	-10.4	-11.7	-8.9	-13.8	-4.1	-44.3	-11.3	-2.6	-1.6	-3.1	-2.3	-3.3	-4.1
Apr	P	91.8	6.2	8.4	12.3	4.6	-0.3	-19.2	8.2	-2.7	-0.8	-0.8	-0.5	0.7	-2.4
May	P	95.1	-3.0	-4.2	-0.3	-3.4	-3.5	-24.1	-2.4	-7.2	-1.9	-2.0	-1.1	-2.3	-2.7
Jun	P	92.0	-4.7	-8.4	-0.1	-4.8	-4.2	13.7	-4.6	-7.3	-0.3	0.0	-0.5	1.4	-1.0
Jul	P	99.7	0.9	0.2	1.7	0.2	2.1	15.4	0.3	1.1	-2.0	-2.1	-1.4	-3.2	-1.5
Aug	P	73.0	-4.4	-3.4	-5.6	-4.5	-4.6	-21.7	-4.4	-6.4	-1.5	-1.4	-2.2	-0.9	-0.8
Sep	P	92.6	3.6	2.9	9.8	2.7	-0.1	-2.4	4.4	-1.7	0.2	0.2	0.6	0.2	0.1
Oct	P	97.5	1.1	-0.5	6.4	1.1	-2.3	-7.4	1.8	-2.9	0.4	0.9	-0.5	1.5	1.5
Nov	P	91.8	-0.1	-1.3	3.6	-0.3	-2.3	-1.9	0.1	-1.8	2.8	3.1	1.4	4.3	3.2
Dec	P	83.5	4.1	4.9	6.9	3.4	1.5	3.7	4.7	1.4	1.2	1.7	-0.2	1.7	3.4
14 *Jan*	P	89.8	-0.0	2.1	1.3	-0.3	-3.6	-2.2	0.9	-3.1	2.2	3.5	1.5	5.8	3.7
Feb	P	90.3	3.1	3.4	6.3	3.8	-1.7	-4.1	4.3	-2.3	...	...	...	...	...

INDUSTRIAL PRODUCTION INDEX
Trend obtained with TRAMO-SEATS



INDUSTRIAL PRODUCTION INDEX
Trend obtained with TRAMO-SEATS



Sources: INE and BCE.
Note: The underlying series for this indicator are in Table 23.1 of the BE Boletín estadístico.
a. Spain 2010 = 100; euro area 2010 = 100.

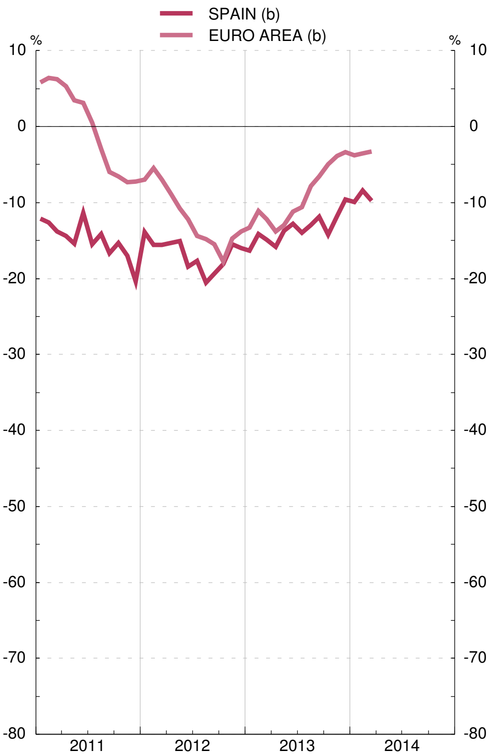
3.5. MONTHLY BUSINESS SURVEY: INDUSTRY (ECI) AND CONSTRUCTION (ECC). SPAIN AND EURO AREA (NACE 2009)(a)

■ Series depicted in chart.

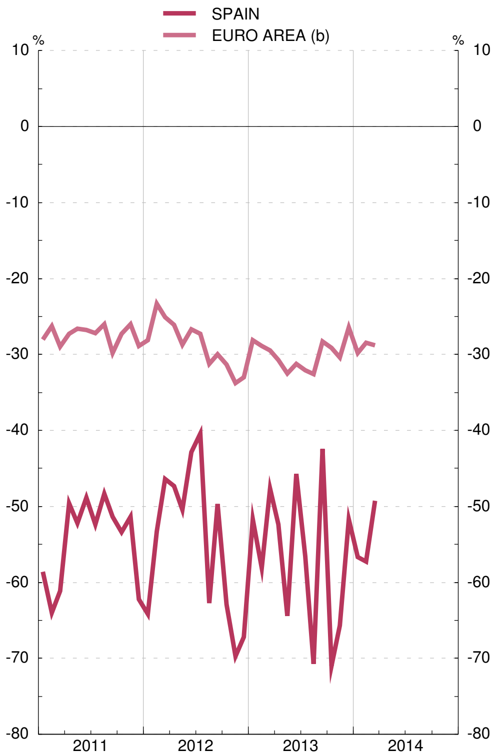
Percentage balances

	Industry, excluding construction (b)										Construction					Memorandum item: euro area (b) (c)		
	Industrial confidence indicator	Components of the industrial confidence indicator			Production	Foreign order-book levels	Industrial confidence indicator by sectors				Construction confindence indicator (CCI)	Components of the CCI		Production	Production expectations	Industry, excluding construction		Construction confidence indicator
		order-book levels	Stocks of finished products	Production expectations			Consumption	Investment	Intermediate goods	Other sectors		order-book levels	Employment expectations			Industrial confidence indicator	Order-book levels	
	=(2-3+4)/3 1 ■	2	3	4	5	6	7	8	9	10	=(11+12)/2 11 ■	12	13	14	15	16 ■	17	18 ■
11 M	-15	-31	11	-3	-12	-24	-10	-12	-17	-45	-54	-47	-62	-21	-46	0	-7	-27
12 M	-17	-37	9	-4	-20	-26	-10	-15	-22	-15	-55	-50	-60	-23	-44	-12	-25	-29
13 M	-14	-31	9	-0	-10	-21	-9	-14	-17	-6	-57	-57	-56	-27	-39	-9	-26	-30
13 *J-M* M	-15	-34	8	-3	-15	-25	-10	-15	-19	-7	-53	-47	-58	-27	-44	-12	-30	-29
14 *J-M* M	-9	-20	8	0	-1	-15	-5	-9	-13	-3	-54	-63	-46	-29	-44	-4	-17	-29
12 *Dec*	-16	-38	9	-1	-23	-29	-13	-12	-23	-3	-67	-56	-78	-19	-71	-14	-31	-33
13 *Jan*	-16	-38	7	-4	-20	-30	-13	-14	-22	-3	-52	-46	-58	-33	-59	-13	-31	-28
Feb	-14	-33	8	-2	-11	-20	-7	-16	-17	-18	-58	-52	-65	-23	-49	-11	-28	-29
Mar	-15	-32	10	-3	-15	-24	-10	-16	-18	-1	-48	-44	-51	-26	-23	-12	-30	-30
Apr	-16	-33	10	-4	-16	-21	-13	-16	-19	-1	-52	-51	-54	-31	-25	-14	-34	-31
May	-14	-32	8	-1	-13	-20	-12	-12	-16	1	-64	-63	-66	-44	-46	-13	-31	-33
Jun	-13	-31	8	1	-15	-22	-9	-12	-17	-1	-46	-47	-45	-17	-31	-11	-28	-31
Jul	-14	-31	11	0	-10	-16	-9	-10	-18	-30	-57	-63	-51	-3	-24	-11	-28	-32
Aug	-13	-28	13	1	-1	-21	-7	-10	-17	-3	-71	-73	-69	-33	-38	-8	-24	-33
Sep	-12	-28	9	1	-2	-12	-8	-9	-16	-2	-42	-51	-34	-34	-7	-7	-23	-28
Oct	-14	-30	12	-1	-10	-22	-7	-21	-18	-2	-71	-77	-65	-52	-50	-5	-21	-29
Nov	-12	-27	12	4	-6	-21	-9	-14	-16	-2	-66	-66	-65	-15	-57	-4	-18	-30
Dec	-10	-25	5	1	-4	-20	-4	-13	-15	-10	-52	-50	-54	-9	-63	-3	-17	-26
14 *Jan*	-10	-19	8	-2	-3	-14	-2	-8	-17	-2	-57	-72	-41	-24	-56	-4	-17	-30
Feb	-8	-20	7	2	-5	-13	-6	-11	-10	-5	-57	-57	-58	-31	-54	-4	-16	-29
Mar	-10	-21	9	1	4	-17	-8	-9	-13	-2	-49	-59	-39	-32	-23	-3	-17	-29

INDUSTRIAL CONFIDENCE INDICATOR
Percentage balances



CONSTRUCTION CONFIDENCE INDICATOR
Percentage balances



Sources: Ministerio de Industria, Energía y Turismo and ECB.
a.The ECI methodology is available at http://www.minetur.gob.es/es-ES/IndicadoresyEstadisticas/Industria/EncuestaCoyuntura/Documents/metodologiaeci.pdf and the ECC methodology at http://www.minetur.gob.es/es-ES/IndicadoresyEstadisticas/Industria/EncuestaCoyuntura/documents/metodologiaECC.pdf
b. Seasonally adjusted.
c. To April 2010, NACE 1993; from May 2010, NACE 2009.

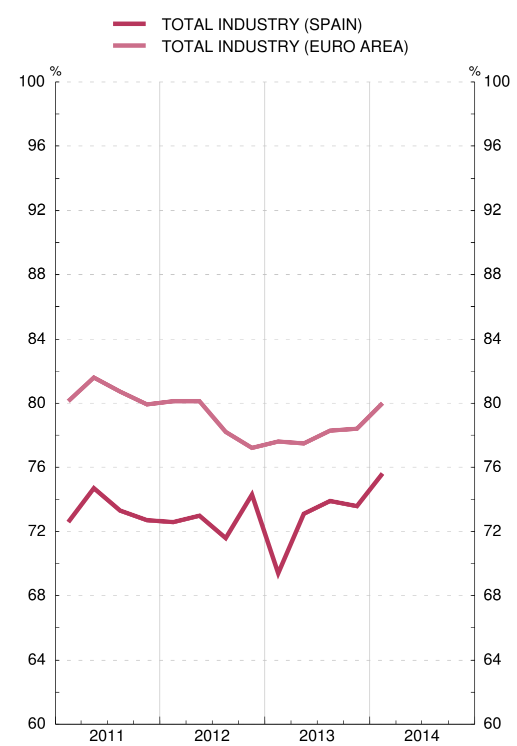
3.6. BUSINESS SURVEY (ECI): CAPACITY UTILISATION. SPAIN AND EURO AREA (NACE 2009) (a)

■ Series depicted in chart.

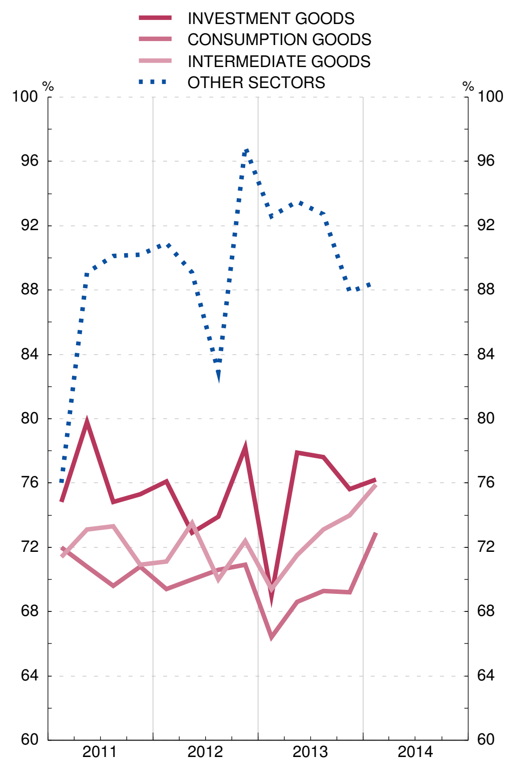
Percentages and percentage balances

	Total industry			Consumer goods			Investment goods			Intermediate goods			Other sectors (b)			Memorandum item: euro area euro. % of productive capacity utilisation (c)
	% of productive capacity utilisation		Installed productive capacity (Percentage balances)	% of productive capacity utilisation		Installed productive capacity (Percentage balances)	% of productive capacity utilisation		Installed productive capacity (Percentage balances)	% of productive capacity utilisation		Installed productive capacity (Percentage balances)	% of productive capacity utilisation		Installed productive capacity (Percentage balances)	
	Level	Expected trend		Level	Expected trend		Level	Expected trend		Level	Expected trend		Level	Expected trend		
	1 ■	2	3	4 ■	5	6	7 ■	8	9	10 ■	11	12	13 ■	14	15	16 ■
11	73.3	73.7	18	70.8	71.8	17	76.2	75.2	16	72.2	72.7	22	86.4	87.6	4	80.6
12	72.9	73.5	21	70.2	71.0	16	75.3	75.7	16	71.8	72.1	30	90.0	93.3	3	78.9
13	72.5	73.2	21	68.4	69.7	17	75.0	75.6	11	72.0	72.5	31	91.7	91.9	0	78.0
13 *Q1-Q1*	69.4	70.6	24	66.4	67.0	15	69.0	71.2	18	69.4	70.5	34	92.6	92.5	-	77.6
14 *Q1-Q1*	75.6	75.7	20	72.9	70.6	16	76.2	77.7	10	75.9	76.5	30	88.5	92.5	1	80.0
11 *Q3*	73.3	73.4	20	69.6	70.7	20	74.8	73.5	16	73.3	73.5	23	90.1	90.0	6	80.7
Q4	72.7	72.0	21	70.8	71.3	17	75.3	72.6	24	70.9	70.4	23	90.2	90.1	8	79.9
12 *Q1*	72.6	73.4	23	69.4	70.3	20	76.1	75.9	15	71.1	72.3	31	90.9	90.9	4	80.1
Q2	73.0	74.1	22	70.0	70.9	15	72.9	74.0	16	73.5	74.5	31	89.1	92.8	5	80.1
Q3	71.6	72.3	21	70.6	70.9	16	73.9	75.2	19	70.0	69.8	27	82.9	92.6	1	78.2
Q4	74.3	74.1	20	70.9	71.7	13	78.2	77.8	14	72.4	71.6	30	96.9	96.9	1	77.2
13 *Q1*	69.4	70.6	24	66.4	67.0	15	69.0	71.2	18	69.4	70.5	34	92.6	92.5	-	77.6
Q2	73.1	74.4	21	68.6	70.9	18	77.9	78.9	11	71.5	72.6	29	93.5	93.2	1	77.5
Q3	73.9	73.7	20	69.3	69.5	18	77.6	77.1	5	73.1	72.9	30	92.7	92.9	1	78.3
Q4	73.6	74.2	20	69.2	71.5	16	75.6	75.2	10	74.0	74.1	29	87.9	89.0	0	78.4
14 *Q1*	75.6	75.7	20	72.9	70.6	16	76.2	77.7	10	75.9	76.5	30	88.5	92.5	1	80.0

CAPACITY UTILISATION. TOTAL INDUSTRY
Percentages



CAPACITY UTILISATION. BY TYPE OF GOOD
Percentages



Sources: Ministerio de Industria, Energía y Turismo and ECB.
a. The ECI methodology is available at http://www.minetur.gob.es/es-ES/IndicadoresyEstadisticas/Industria/EncuestaCoyuntura/Documents/metodologiaeci.pdf
b. Includes mining and quarrying, manufacture of coke and refined petroleum products, and nuclear fuels.
c. To April 2010, NACE 1993; from May 2010, NACE 2009.

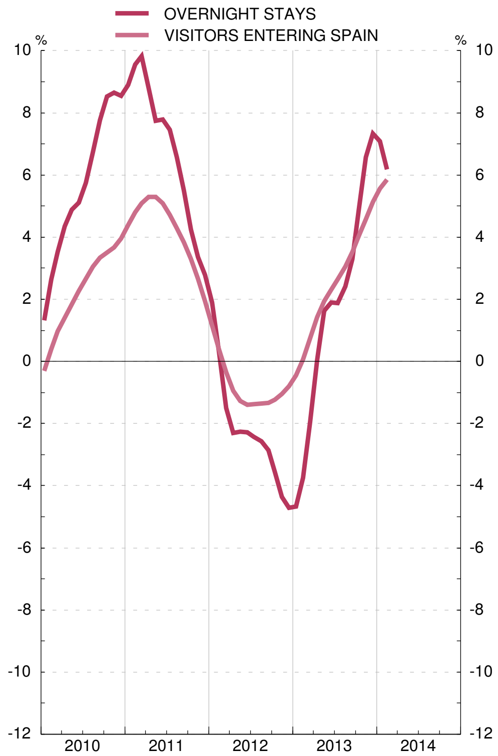
3.7. TOURISM AND TRANSPORT STATISTICS. SPAIN

■ Series depicted in chart.

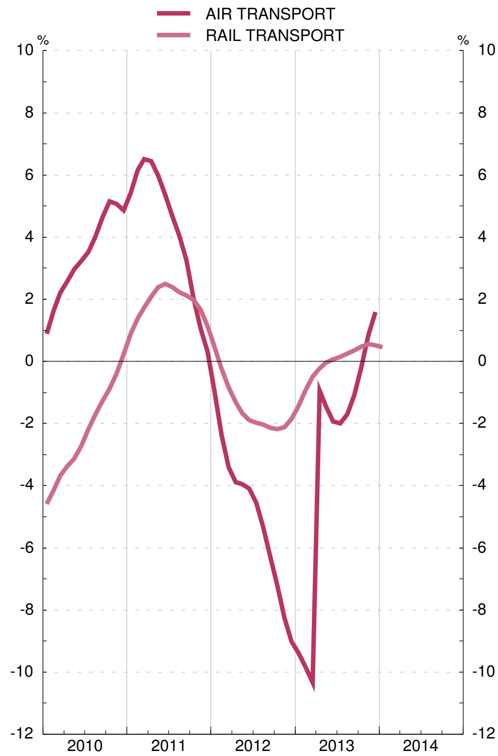
Annual percentage changes

		Hotel stays (a)		Overnight stays		Visitors entering Spain			Air transport				Maritime transport		Rail transport	
									Passengers							
		Total	Foreigners	Total	Foreigners	Total	Tourists	Day-trippers	Total	Domestic flights	International flights	Freight	Passengers	Freight	Passengers	Freight
		1	2	3 ■	4	5 ■	6	7	8 ■	9	10	11	12	13	14 ■	15
11		3.8	10.2	6.5	12.6	5.8	6.6	4.7	6.1	-0.4	10.5	2.2	-3.4	5.8	2.6	7.9
12		-0.0	0.0	-0.0	0.0	-1.1	2.3	-5.5	-5.0	-12.5	-0.5	-4.9	-0.5	4.1	-1.9	-1.5
13	P	1.1	3.4	1.9	3.9	2.3	5.5	-2.3	-3.5	-14.0	2.1	-1.3	8.7	-3.2	-0.9	-2.2
13 *J-F*		-8.3	-2.5	-6.5	-1.1	-3.1	-1.4	-4.8	-9.7	-16.4	-5.1	-4.3	5.9	-7.7	-2.5	0.1
14 *J-F*	P	6.5	8.3	6.5	9.4	7.0	11.8	1.7	...	...	...	...	...	...	...	...
12 *Nov*		-2.7	1.5	-5.6	-0.2	-1.1	0.5	-2.9	-9.9	-21.1	-1.7	-5.3	-1.7	-4.4	-5.0	-3.2
Dec		-5.7	-0.7	-5.0	1.8	-1.2	-1.4	-1.1	-10.3	-18.2	-4.5	-6.2	0.1	-6.4	-3.3	-0.5
13 *Jan*		-8.4	-3.5	-5.7	-1.4	-4.4	-3.1	-5.7	-9.1	-15.0	-5.2	-1.3	5.5	-5.3	-2.2	5.8
Feb		-8.7	-3.2	-7.5	-1.9	-1.7	0.2	-3.8	-10.2	-17.8	-5.1	-7.3	6.2	-10.2	-2.7	-5.1
Mar	P	7.0	6.5	8.3	6.8	6.1	7.9	3.9	-5.8	-16.5	1.1	-8.0	21.3	-1.8	-3.7	-15.8
Apr	P	-11.6	-1.7	-11.0	-1.5	-0.3	3.1	-5.1	-7.8	-16.1	-3.3	4.8	-3.4	-4.7	-2.9	1.8
May	P	5.2	8.2	7.0	8.3	5.8	7.4	3.0	-1.8	-15.1	5.0	-6.1	9.6	3.2	1.1	-16.9
Jun	P	1.5	3.9	1.7	4.2	3.2	5.3	-0.7	-3.3	-16.0	2.9	-6.8	7.1	-8.7	0.1	-14.6
Jul	P	0.1	-0.2	0.5	1.4	1.1	2.9	-1.8	-4.5	-16.5	1.1	-3.6	-0.2	-3.2	-1.4	-3.7
Aug	P	4.8	5.3	3.5	3.8	2.4	7.1	-3.4	-2.6	-16.0	3.5	8.3	27.9	2.9	2.2	-9.6
Sep	P	1.3	1.8	2.0	3.0	1.9	4.7	-2.7	-2.8	-14.6	2.5	-5.6	6.0	0.2	-3.2	6.1
Oct	P	3.0	6.5	4.8	7.0	2.6	6.9	-4.4	-0.6	-10.9	4.2	3.1	-0.5	-2.1	2.9	1.5
Nov	P	7.0	5.3	8.6	5.9	3.2	9.3	-4.3	3.4	-3.4	7.4	3.9	8.6	-0.8	-0.5	3.4
Dec	P	7.4	8.4	9.4	11.7	6.8	16.3	-2.2	3.0	-4.9	8.0	3.7	8.3	-7.3	0.6	31.2
14 *Jan*	P	6.5	10.7	7.6	11.8	6.0	12.3	-0.8	2.6	-7.3	8.6	6.3	5.9	5.7	0.5	20.1
Feb	P	6.5	6.1	5.5	7.2	8.0	11.2	4.4	...	...	...	...	...	...	...	...

TOURISM
Trend obtained with TRAMO-SEATS



TRANSPORT
Trend obtained with TRAMO-SEATS



Sources: INE and Instituto de Estudios Turísticos, Estadística de Movimientos Turísticos en Frontera.
Note: The underlying series for this indicator are in Tables 23.14 and 23.15 of the BE Boletín estadístico .
a. Information from hotel directories. Since January 2006, the frequency of data collection has been increased to every day of the month. Because hotel directories are updated at different times, data for different years are not directly comparable. Chaining coefficients are available for the periods 2005, June 2009-May 2010 and July 2010-July 2011.

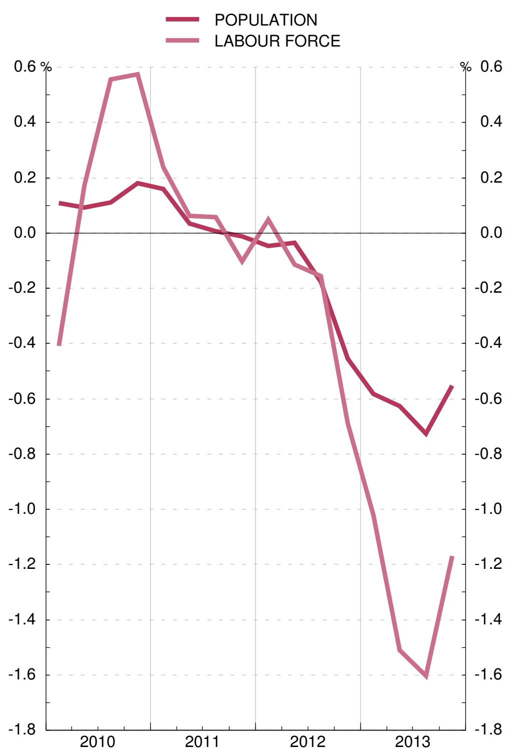
4.1. LABOUR FORCE. SPAIN

■ Series depicted in chart.

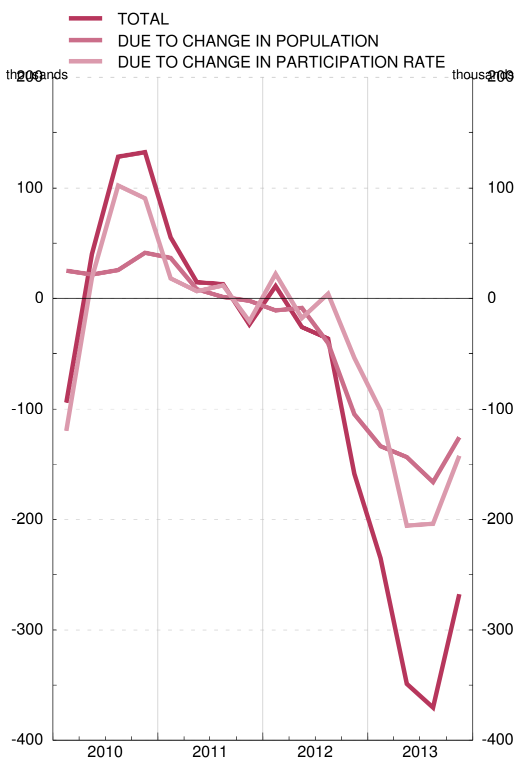
Thousands and annual percentage changes

	Population over 16 years of age: Thousands (1)	Population over 16 years of age: Annual change (2)	Population over 16 years of age: 4-quarter % change (3) ■	Participation rate (%) (a) (4)	Labour force: Thousands (a) (5)	Labour force: Annual change (b): Total (6) ■	Labour force: Annual change (b): Due to change in population over 16 years of age (7) ■	Labour force: Annual change (b): Due to change in partici-pation rate (8) ■	Labour force: 4-quarter % change (9) ■
10 M	38 479	48	0.1	60.00	23 089	51	29	23	0.2
11 M	38 497	18	0.0	60.01	23 104	15	11	4	0.1
12 M	38 429	-69	-0.2	59.99	23 051	-53	-41	-11	-0.2
12 *Q1-Q4* M	38 429	-69	-0.2	59.99	23 051	-210	-165	-46	-0.2
13 *Q1-Q4* M	38 190	-239	-0.6	59.56	22 745	-1 223	-569	-654	-1.3
11 *Q2*	38 481	13	0.0	60.12	23 137	14	8	6	0.1
Q3	38 488	2	0.0	60.11	23 135	13	1	12	0.1
Q4	38 508	-4	-0.0	59.94	23 081	-24	-3	-21	-0.1
12 *Q1*	38 494	-18	-0.0	59.94	23 073	11	-11	22	0.0
Q2	38 467	-14	-0.0	60.08	23 110	-26	-8	-18	-0.1
Q3	38 420	-68	-0.2	60.12	23 098	-36	-41	4	-0.2
Q4	38 333	-175	-0.5	59.80	22 922	-159	-105	-54	-0.7
13 *Q1*	38 270	-224	-0.6	59.68	22 837	-235	-134	-102	-1.0
Q2	38 226	-241	-0.6	59.54	22 761	-349	-143	-206	-1.5
Q3	38 141	-279	-0.7	59.59	22 728	-370	-166	-204	-1.6
Q4	38 122	-211	-0.6	59.43	22 655	-268	-126	-142	-1.2

LABOUR FORCE SURVEY
Annual percentage change



LABOUR FORCE
Annual changes



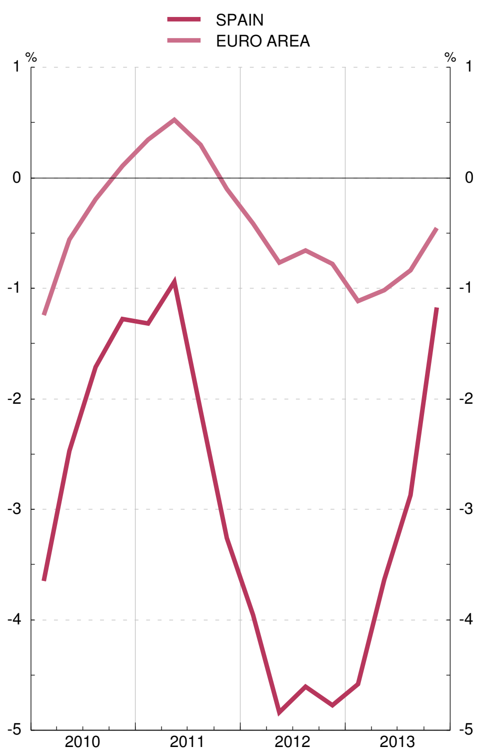
Source: INE (Labour Force Survey: 2005 methodology).
a. the new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).
b. Col.7 = (col.5/col.1)x annual change in col.1. Col. 8 = (annual change in col.4/100) x col.1(t-4).
General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es

4.2. EMPLOYMENT AND WAGE-EARNERS. SPAIN AND EURO AREA

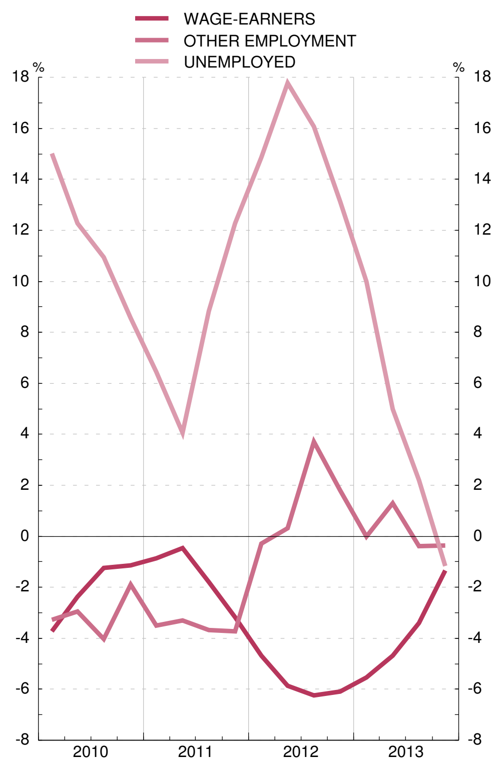
■ Series depicted in chart. *Thousands and annual percentage changes*

		Employment									Unemployment				Memorandum item: euro area	
		Total			Wage-earners			Other								
		Thousands	Annual change	4-quarter % change	Thousands	Annual change	4-quarter % change	Thousands	Annual change	4-quarter % change	Thousands (a)	Annual change	4-quarter % change	Unem-ployment rate (a)	Employ-ment 4-quarter % change	Unem-ployment rate
		1	2	3 ■	4	5	6 ■	7	8	9 ■	10	11	12 ■	13	14	15
10	M	18 457	-431	-2.3	15 347	-334	-2.1	3 110	-98	-3.0	4 632	483	11.6	20.07	-0.5	10.06
11	M	18 105	-352	-1.9	15 105	-241	-1.6	2 999	-110	-3.6	4 999	367	7.9	21.64	0.3	10.09
12	M	17 282	-823	-4.5	14 242	-864	-5.7	3 040	41	1.4	5 769	770	15.4	25.03	-0.7	11.29
12	*Q1-Q4* M	17 282	-823	-4.5	14 242	-864	-5.7	3 040	41	1.4	5 769	770	15.4	25.03	-0.7	11.29
13	*Q1-Q4* M	16 750	-532	-3.1	13 706	-536	-3.8	3 044	4	0.1	5 995	226	3.9	26.36	-0.9	11.96
11	*Q2*	18 303	-174	-0.9	15 292	-71	-0.5	3 011	-103	-3.3	4 834	188	4.1	20.89	0.5	9.83
	Q3	18 156	-391	-2.1	15 179	-277	-1.8	2 977	-114	-3.7	4 978	404	8.8	21.52	0.3	10.14
	Q4	17 808	-601	-3.3	14 829	-485	-3.2	2 978	-116	-3.7	5 274	577	12.3	22.85	-0.1	10.51
12	*Q1*	17 433	-719	-4.0	14 411	-710	-4.7	3 022	-9	-0.3	5 640	729	14.9	24.44	-0.4	10.80
	Q2	17 417	-886	-4.8	14 397	-895	-5.9	3 020	9	0.3	5 693	859	17.8	24.63	-0.8	11.19
	Q3	17 320	-836	-4.6	14 233	-946	-6.2	3 087	110	3.7	5 778	800	16.1	25.02	-0.7	11.42
	Q4	16 957	-850	-4.8	13 926	-904	-6.1	3 032	53	1.8	5 965	692	13.1	26.02	-0.8	11.73
13	*Q1*	16 635	-799	-4.6	13 613	-799	-5.5	3 022	-	-	6 203	563	10.0	27.16	-1.1	11.96
	Q2	16 784	-634	-3.6	13 725	-673	-4.7	3 059	39	1.3	5 978	284	5.0	26.26	-1.0	11.99
	Q3	16 823	-497	-2.9	13 748	-485	-3.4	3 076	-12	-0.4	5 905	127	2.2	25.98	-0.8	11.99
	Q4	16 758	-199	-1.2	13 737	-188	-1.4	3 021	-11	-0.4	5 896	-69	-1.2	26.03	-0.5	11.91

EMPLOYMENT
Annual percentage changes



LABOUR FORCE: COMPONENTS
Annual percentage changes



Sources: INE (Labour Force Survey: 2005 methodology), and ECB.
a. the new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).
General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

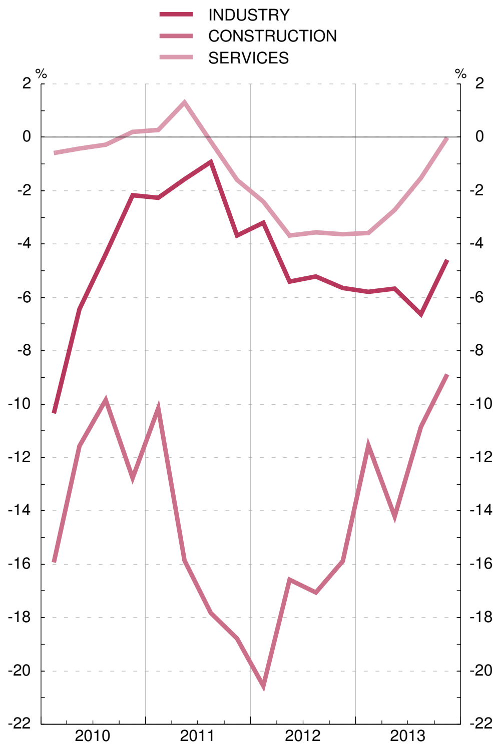
4.3. EMPLOYMENT BY BRANCH OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

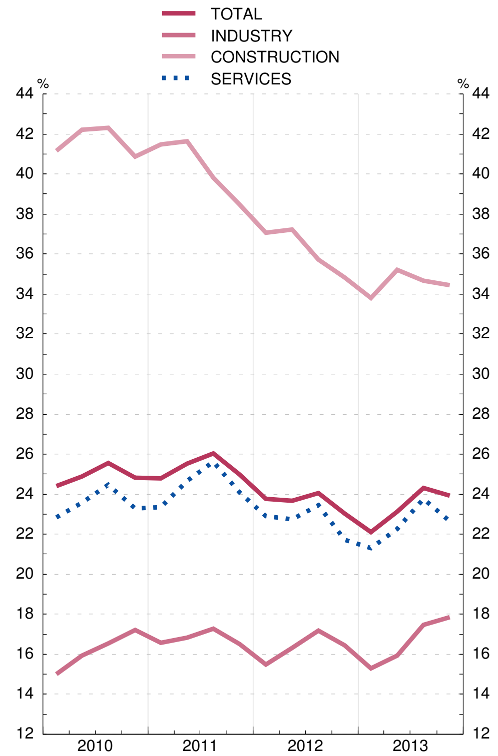
Annual percentage changes

	Total			Agriculture			Industry			Construction			Services			Memorandum item:
	Employ-ment	Wage-earners	Propor-tion of tempora ry em-ploy-ment	Employ-ment	Wage-earners	Propor-tion of tempora ry em-ploy-ment	Employ-ment	Wage-earners	Propor-tion of tempora ry em-ploy-ment	Employ-ment	Wage-earners	Propor-tion of tempora ry em-ploy-ment	Employ-ment	Wage-earners	Propor-tion of tempora-ry em-ployment	Employment in branches other than agriculture
	1	2	3 ■	4	5	6	7 ■	8	9 ■	10 ■	11	12 ■	13 ■	14	15 ■	16
10 M	-2.3	-2.1	24.9	0.9	5.4	59.1	-5.9	-5.2	16.2	-12.6	-14.9	41.6	-0.3	-0.1	23.5	-2.4
11 M	-1.9	-1.6	25.3	-4.1	-3.3	57.3	-2.1	-2.0	16.8	-15.6	-15.7	40.4	-0.0	0.1	24.4	-1.8
12 M	-4.5	-5.7	23.6	-0.9	-1.5	59.6	-4.9	-5.8	16.4	-17.6	-22.6	36.2	-3.3	-4.3	22.7	-4.7
12 *Q1-Q4* M	-4.5	-5.7	23.6	-0.9	-1.5	59.6	-4.9	-5.8	16.4	-17.6	-22.6	36.2	-3.3	-4.3	22.7	-4.9
13 *Q1-Q4* M	-3.1	-3.8	23.4	-1.1	-2.3	59.9	-5.7	-5.2	16.6	-11.4	-14.1	34.5	-2.0	-2.8	22.5	-1.3
11 *Q2*	-0.9	-0.5	25.5	-4.8	-3.8	56.2	-1.6	-1.8	16.8	-15.9	-15.6	41.7	1.3	1.6	24.7	-0.8
Q3	-2.1	-1.8	26.0	-6.1	-8.4	54.2	-0.9	-0.5	17.3	-17.8	-18.5	39.8	-0.2	0.0	25.6	-1.9
Q4	-3.3	-3.2	25.0	0.5	3.2	59.8	-3.7	-4.5	16.5	-18.8	-20.0	38.5	-1.6	-1.4	24.1	-3.4
12 *Q1*	-4.0	-4.7	23.8	-0.9	-3.2	60.4	-3.2	-4.6	15.5	-20.6	-26.0	37.0	-2.4	-2.6	22.9	-4.1
Q2	-4.8	-5.9	23.7	-1.2	-0.7	58.6	-5.4	-6.5	16.3	-16.6	-20.9	37.2	-3.7	-4.5	22.8	-5.0
Q3	-4.6	-6.2	24.0	1.8	1.0	55.4	-5.2	-6.6	17.2	-17.1	-22.4	35.7	-3.6	-5.0	23.4	-4.9
Q4	-4.8	-6.1	23.0	-3.0	-2.6	64.0	-5.7	-5.7	16.5	-15.9	-20.8	34.8	-3.6	-5.1	21.7	-4.9
13 *Q1*	-4.6	-5.5	22.1	-6.8	-10.0	58.0	-5.8	-5.3	15.3	-11.5	-14.1	33.8	-3.6	-4.8	21.3	-4.5
Q2	-3.6	-4.7	23.1	3.9	4.0	59.4	-5.7	-4.8	15.9	-14.2	-18.5	35.2	-2.7	-3.9	22.3	-4.0
Q3	-2.9	-3.4	24.3	-2.1	-3.1	57.9	-6.6	-6.2	17.5	-10.8	-13.3	34.7	-1.5	-2.2	23.8	-2.9
Q4	-1.2	-1.4	23.9	0.9	0.3	64.3	-4.6	-4.5	17.8	-8.9	-10.0	34.5	-0.0	-0.2	22.7	-1.3

EMPLOYMENT
Annual percentage changes



TEMPORARY EMPLOYMENT
Percentages



Source: INE (Labour Force Survey: 2005 methodology).

a. Series re-calculated drawing on the transition matrix to NACE 2009 published by INE. The underlying series of this indicator are in Tables 24.4 and 24.6 of the BE Boletín Estadístico.

General note to the tables:As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

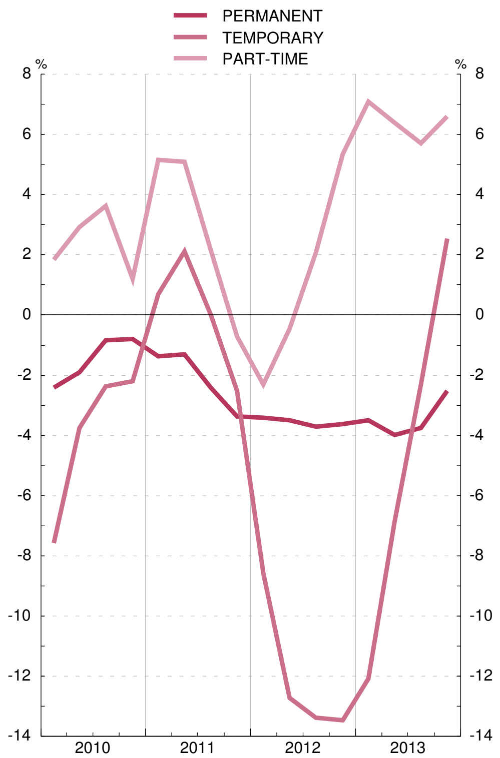
4.4. WAGE-EARNERS BY TYPE OF CONTRACT AND UNEMPLOYMENT BY DURATION. SPAIN. (a)

■ Series depicted in chart.

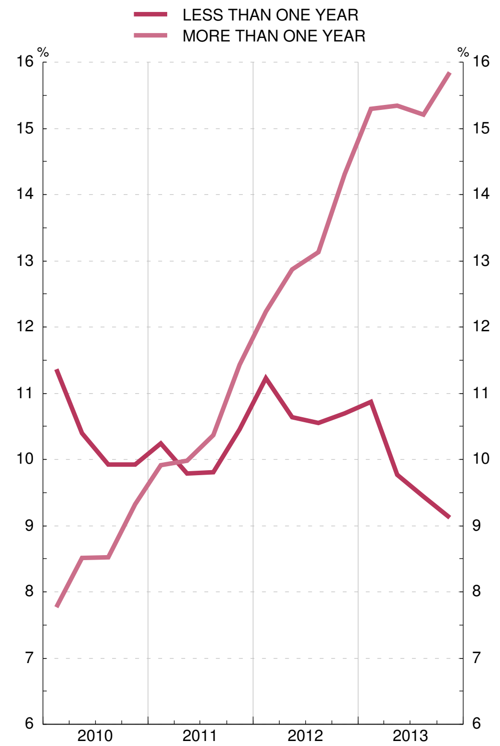
Thousands, annual percentage changes and %

	Wage-earners										Unemployment			
	By type of contract					By duration of working day					By duration			
	Permanent		Temporary			Full-time		Part-time			Less than one year		More than one year	
	Annual change Thousands	4-quarter % change	Annual change Thousands	4-quarter % change	Proportion of temporary employment	Annual change Thousands	4-quarter % change	Annual change Thousands	4-quarter % change	As % for wage earners	Unemployment rate (a)	4-quarter % change	Unemployment rate (a)	4-quarter % change
	1	2 ■	3	4 ■	5	6	7	8	9 ■	10	11 ■	12	13 ■	14
10 M	-175	-1.5	-159	-4.0	24.91	-384	-2.8	50	2.4	13.95	10.40	-11.9	8.53	66.7
11 M	-244	-2.1	3	0.1	25.33	-304	-2.3	63	2.9	14.59	10.07	-3.1	10.42	22.2
12 M	-402	-3.6	-461	-12.1	23.62	-888	-6.9	24	1.1	15.65	10.78	6.8	13.14	25.7
12 *Q1-Q4* M	-402	-3.6	-461	-12.1	23.62	-1 019	-8.0	24	1.1	15.65	10.78	6.8	13.14	25.7
13 *Q1-Q4* M	-375	-3.4	-161	-4.8	23.37	-339	-2.9	144	6.5	17.31	9.80	-10.2	15.42	15.9
11 *Q2*	-152	-1.3	81	2.1	25.52	-182	-1.4	111	5.1	15.01	9.79	-5.8	9.98	17.4
Q3	-278	-2.4	1	0.0	26.02	-322	-2.4	45	2.2	13.96	9.80	-1.1	10.37	21.7
Q4	-389	-3.4	-96	-2.5	24.98	-469	-3.6	-16	-0.7	14.56	10.45	5.2	11.43	22.4
12 *Q1*	-388	-3.4	-321	-8.6	23.76	-658	-5.1	-52	-2.3	15.21	11.22	9.6	12.23	23.4
Q2	-399	-3.5	-496	-12.7	23.66	-885	-6.8	-10	-0.4	15.87	10.64	8.6	12.87	28.8
Q3	-418	-3.7	-529	-13.4	24.04	-990	-7.6	44	2.1	15.20	10.55	7.5	13.14	26.5
Q4	-404	-3.6	-499	-13.5	23.02	-1 019	-8.0	115	5.3	16.33	10.69	1.6	14.31	24.4
13 *Q1*	-385	-3.5	-414	-12.1	22.12	-954	-7.8	155	7.1	17.24	10.87	-4.1	15.30	23.8
Q2	-439	-4.0	-234	-6.9	23.12	-819	-6.8	146	6.4	17.71	9.77	-9.6	15.35	17.4
Q3	-406	-3.8	-79	-2.3	24.31	-609	-5.0	124	5.7	16.63	9.44	-12.0	15.21	13.9
Q4	-270	-2.5	81	2.5	23.92	-339	-2.9	150	6.6	17.65	9.12	-15.7	15.85	9.4

WAGE-EARNERS
Annual percentage changes



UNEMPLOYMENT
Unemployment rate



Source: INE (Labour Force Survey: 2005 methodology).
a. The new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).
General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

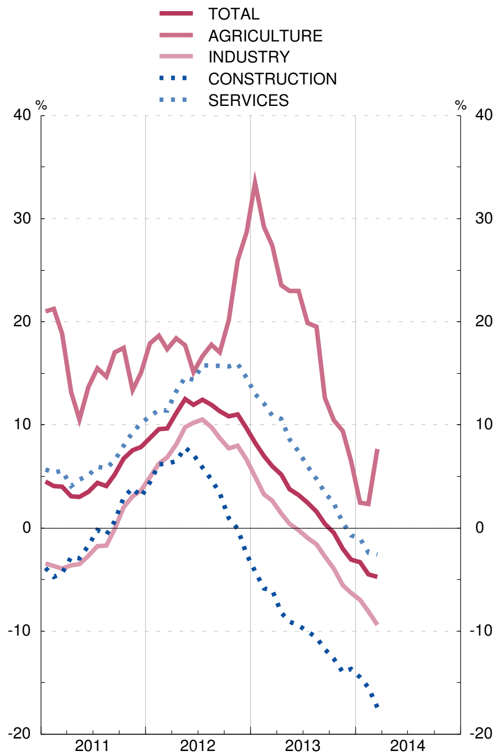
4.5. REGISTERED UNEMPLOYMENT BY BRANCH OF ACTIVITY. CONTRACTS AND PLACEMENTS. SPAIN

■ Series depicted in chart.

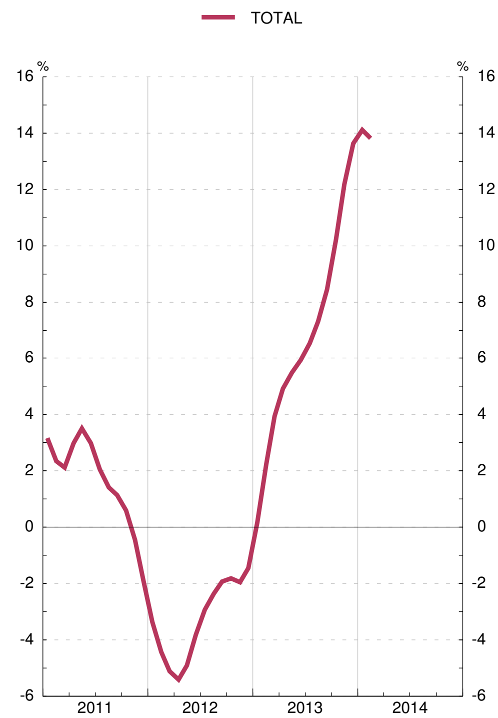
Thousands, annual percentage changes and %

	Registered unemployment										Contracts					Placements	
	Total			First time job-seekers(a)	Previously employed (a)						Total		Percentage of total			Total	
					12-month % change												
							Branches other than agriculture										
	Thou-sands	Annual change Thou-sands	12 month % change	12 month % change	Total	Agri-culture	Total	Industry	Construc-tion	Services	Thou-sands	12 month % change	Perma-nent	Part time	Tempo-rary	Thou-sands	12 month % change
	1	2	3 ■	4	5	6 ■	7	8 ■	9 ■	10 ■	11	12	13	14	15	16	17 ■
11 M	4 257	196	4.8	12.9	4.1	16.0	3.8	-1.3	-0.9	6.3	1 203	0.1	7.74	30.69	92.26	1 213	1.9
12 M	4 720	463	10.9	3.4	11.6	19.3	11.3	8.1	4.2	14.1	1 187	-1.3	9.87	34.63	90.13	1 169	-3.7
13 M	4 845	125	2.6	-3.3	3.3	19.8	2.6	-0.7	-9.6	6.6	1 233	3.9	7.78	35.31	92.22	1 257	7.6
13 *J-M* M	5 019	331	7.1	-6.8	8.4	30.0	7.5	3.6	-5.4	12.0	1 007	-2.1	9.63	33.88	90.37	1 021	0.1
14 *J-M* M	4 808	-211	-4.2	1.9	-4.7	4.2	-5.1	-8.2	-15.8	-2.0	1 189	18.1	8.70	32.58	91.30	...	...
13 *Feb*	5 040	328	7.0	-6.9	8.3	29.2	7.4	3.3	-5.9	12.1	950	-4.1	9.64	33.86	90.36	962	-0.8
Mar	5 035	284	6.0	-8.3	7.3	27.4	6.5	2.6	-6.0	10.9	970	-8.1	10.11	35.80	89.89	989	-4.6
Apr	4 989	245	5.2	-7.9	6.4	23.6	5.7	1.4	-8.2	10.6	1 153	11.0	8.53	34.86	91.47	1 184	15.8
May	4 891	177	3.8	-7.6	4.8	23.0	4.1	0.4	-9.1	8.6	1 283	2.9	7.47	35.49	92.53	1 310	7.2
Jun	4 764	148	3.2	-4.5	3.9	23.0	3.2	-0.2	-9.5	7.4	1 277	-7.9	6.84	36.57	93.16	1 293	0.8
Jul	4 699	111	2.4	-1.3	2.8	19.9	2.1	-1.0	-10.0	6.0	1 507	-1.3	6.39	37.94	93.61	1 511	11.3
Aug	4 699	73	1.6	-0.5	1.8	19.5	1.1	-1.6	-10.6	4.8	1 043	-0.1	5.99	35.52	94.01	1 073	3.6
Sep	4 724	19	0.4	0.7	0.4	12.6	-0.1	-2.7	-11.7	3.5	1 392	9.3	7.69	37.38	92.31	1 482	9.7
Oct	4 811	-22	-0.5	1.1	-0.6	10.5	-1.1	-3.9	-12.7	2.4	1 582	10.9	7.55	37.40	92.45	1 627	10.8
Nov	4 809	-99	-2.0	0.6	-2.2	9.4	-2.7	-5.6	-14.0	0.5	1 241	7.8	7.57	34.92	92.43	1 252	8.6
Dec	4 701	-147	-3.0	-0.2	-3.3	6.5	-3.7	-6.3	-13.7	-0.7	1 291	22.0	6.49	32.03	93.51	1 292	20.6
14 *Jan*	4 814	-166	-3.3	2.3	-3.8	2.5	-4.1	-7.0	-14.5	-1.0	1 259	14.3	7.81	30.86	92.19	1 271	14.3
Feb	4 812	-228	-4.5	1.2	-5.0	2.3	-5.3	-8.1	-15.5	-2.4	1 091	14.8	8.97	33.38	91.03	1 101	14.5
Mar	4 796	-239	-4.8	2.3	-5.3	7.7	-6.0	-9.4	-17.4	-2.6	1 217	25.5	9.33	33.51	90.67	...	...

REGISTERED UNEMPLOYMENT
Annual percentage changes



PLACEMENTS
Annual percentage changes (Trend obtained with TRAMO-SEATS)



Source: Instituto de Empleo Servicio Público de Empleo Estatal (INEM).
Note: The underlying series for this indicator are in Tables 24.16 and 24.17 of the BE Boletín estadístico.
a. To December 2008, NACE 1993; from January 2009, NACE 2009.

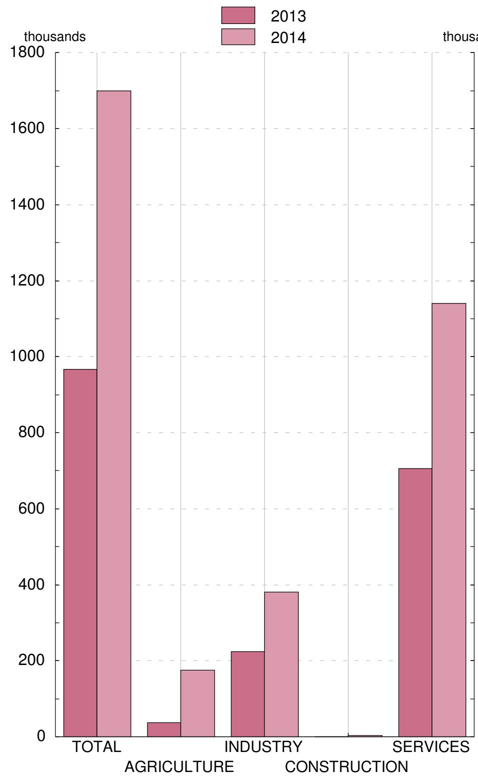
4.6. COLLECTIVE BARGAINING AGREEMENTS

■ Series depicted in chart.

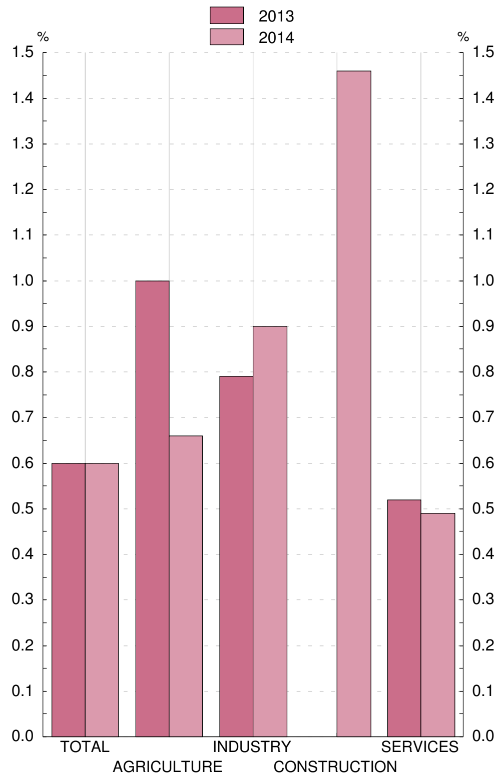
Thousands and %. Cumulative data

	As per month economic effects come into force		As per month recorded														
			Employees affected								Average wage settlement (%)						
	Em-ployees affec-ted	Average wage settle-ment (a)(b)	Automa-tic adjust-ment	Newly-signed agree-ments	Total	Annual change	Agricul-ture (c)	Indus-try (c)	Construc-tion (c)	Services (c)	Auto-matic adjust-ment	Newly signed agree-ments	Total	Agricul-ture (c)	Indus-try (c)	Construc-tion (c)	Services (c)
	1	2	3	4	5 ■	6	7 ■	8 ■	9 ■	10 ■	11	12	13 ■	14 ■	15 ■	16 ■	17 ■
11	10 663	1.98	5 110	1 157	6 267	-826	415	1 752	1 026	3 075	2.68	1.58	2.48	2.49	2.71	1.52	2.67
12	9 168	1.00	4 399	1 679	6 078	-189	392	1 323	417	3 947	1.54	0.69	1.31	1.81	1.41	1.07	1.25
13	5 893	0.58	3 240	1 801	5 041	-1 038	229	1 411	351	3 049	0.66	0.41	0.57	0.95	0.49	0.58	0.58
12 *Sep*	9 099	1.00	3 212	1 231	4 443	-679	273	1 062	270	2 838	1.53	0.70	1.30	2.09	1.44	1.04	1.19
Oct	9 144	1.01	3 273	1 560	4 834	-674	295	1 100	343	3 096	1.50	0.69	1.24	1.94	1.42	1.03	1.13
Nov	9 145	1.01	4 175	1 618	5 793	-271	384	1 232	381	3 797	1.52	0.69	1.29	1.62	1.42	1.04	1.24
Dec	9 168	1.00	4 399	1 679	6 078	-189	392	1 323	417	3 947	1.54	0.69	1.31	1.81	1.41	1.07	1.25
13 *Jan*	5 338	0.58	471	17	489	-751	0	35	-	453	0.34	1.04	0.37	-	0.71	...	0.34
Feb	5 340	0.58	776	25	800	-870	0	154	3	643	0.59	0.91	0.60	-	0.73	1.50	0.56
Mar	5 345	0.58	878	274	1 152	-952	12	410	6	724	0.69	0.10	0.55	2.83	0.31	1.37	0.64
Apr	5 384	0.58	1 041	383	1 424	-806	30	471	8	915	0.71	0.22	0.58	2.22	0.38	1.10	0.62
May	5 459	0.58	1 283	422	1 705	-1 000	46	589	65	1 005	0.76	0.23	0.63	1.44	0.48	0.67	0.68
Jun	5 461	0.58	1 416	661	2 076	-835	54	628	109	1 285	0.79	0.35	0.65	1.30	0.51	0.64	0.70
Jul	5 698	0.57	1 484	951	2 435	-822	89	814	149	1 384	0.79	0.42	0.65	0.98	0.54	0.60	0.69
Aug	5 704	0.57	2 117	1 275	3 392	-223	148	1 112	320	1 812	0.67	0.43	0.58	0.97	0.46	0.59	0.62
Sep	5 775	0.57	2 338	1 381	3 719	-724	148	1 203	334	2 035	0.64	0.42	0.56	0.97	0.47	0.59	0.58
Oct	5 821	0.57	2 563	1 645	4 209	-625	189	1 287	338	2 395	0.64	0.41	0.55	0.94	0.49	0.59	0.55
Nov	5 822	0.57	2 893	1 687	4 580	-1 214	229	1 320	349	2 682	0.70	0.42	0.60	0.95	0.49	0.59	0.62
Dec	5 893	0.58	3 240	1 801	5 041	-1 038	229	1 411	351	3 049	0.66	0.41	0.57	0.95	0.49	0.58	0.58
14 *Jan*	1 692	0.59	...	...	966	478	36	223	0	706	...	...	0.60	1.00	0.79	-	0.52
Feb	1 694	0.59	...	...	1 699	898	176	380	3	1 140	...	...	0.60	0.66	0.90	1.46	0.49

EMPLOYEES AFFECTED
Enero - February



AVERAGE WAGE SETTLEMENT
Enero - February



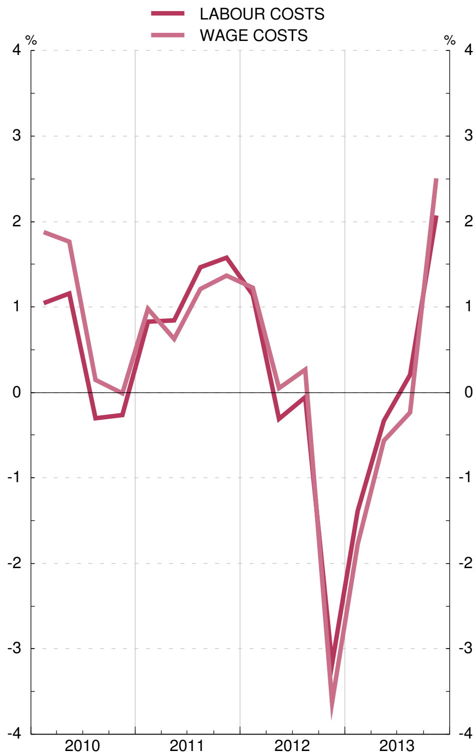
Source: Ministerio de Empleo y Seguridad Social, Estadística de Convenios Colectivos de Trabajo.
a.Until 2010, includes revisions arising from indexation clauses.
b. The information on the number of collective bargaining agreements registered in 2013 with economic effects in 2013 is not homogeneous with respect to that of the same period a year earlier.
c. To December 2008, NACE 1993; from January 2009, NACE 2009.

4.7. QUARTERLY LABOUR COSTS SURVEY

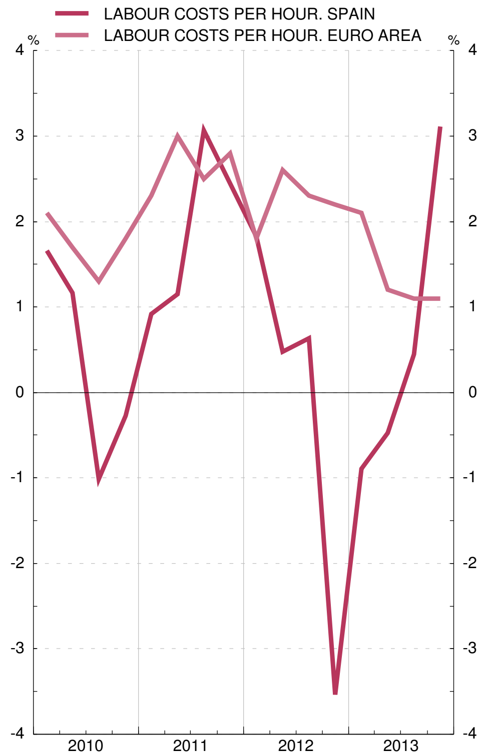
■ Series depicted in chart. *Annual percentage change*

	Labour costs					Wage costs					Other costs per worker and month	memoramdum item: total hourly costs (a)	
	Per worker and per month				Per hour worked	Per worker and per month				Per hour worked		Spain (b)	Euro area (c)
	Total	Industry	Construc-tion	Services		Total	Industry	Construc-tion	Services				
	1 ■	2	3	4	5	6 ■	7	8	9	10	11	12 ■	13 ■
10 M	0.4	2.3	0.1	0.2	0.6	0.9	2.9	0.8	0.5	1.1	-1.1	0.3	1.7
11 M	1.2	1.7	2.8	1.0	2.2	1.0	2.8	2.5	0.5	2.1	1.6	1.9	2.7
12 M	-0.6	1.9	1.5	-1.3	-0.1	-0.6	1.2	1.3	-1.1	-0.1	-0.8	-0.2	2.2
12 *Q1-Q4* M	-0.6	1.9	1.5	-1.3	-0.1	-0.6	1.2	1.3	-1.1	-0.1	-0.8	-0.2	2.2
13 *Q1-Q4* M	0.2	1.8	0.5	-0.1	0.5	0.0	1.9	0.5	-0.4	0.4	0.6	0.6	1.4
11 *Q2*	0.8	1.6	3.0	0.6	1.5	0.6	3.1	3.2	-0.2	1.3	1.5	1.2	3.0
Q3	1.5	2.2	1.8	1.4	4.8	1.2	2.8	1.9	0.8	4.5	2.2	3.1	2.5
Q4	1.6	1.8	3.3	1.5	2.5	1.4	2.3	2.4	1.1	2.2	2.2	2.4	2.8
12 *Q1*	1.1	2.6	2.3	0.8	1.4	1.2	1.9	1.3	1.0	1.5	0.9	1.8	1.8
Q2	-0.3	2.6	2.6	-1.0	0.7	-	2.1	2.2	-0.5	1.0	-1.4	0.5	2.6
Q3	-0.1	1.8	1.0	-0.4	-	0.3	1.0	1.2	0.0	0.3	-0.9	0.6	2.3
Q4	-3.2	0.7	0.0	-4.2	-2.2	-3.6	-0.2	0.4	-4.7	-2.7	-1.8	-3.5	2.2
13 *Q1*	-1.4	1.5	-0.8	-2.0	2.1	-1.8	1.4	-0.5	-2.6	1.8	-0.3	-0.9	2.1
Q2	-0.3	1.8	1.8	-0.8	-2.4	-0.6	1.8	1.5	-1.2	-2.6	0.4	-0.5	1.2
Q3	0.2	2.5	0.2	-0.2	0.5	-0.2	2.1	0.5	-0.8	0.1	1.4	0.4	1.1
Q4	2.1	1.4	0.7	2.6	1.8	2.5	2.3	0.5	2.8	2.2	0.8	3.1	1.1

PER WORKER AND MONTH
Annual percentage change



PER HOUR WORKED
Annual percentage change



Sources: INE (Quarterly Labour Costs Survey and Harmonised Labour Costs Index) and Eurostat.
Note: The underlying series for this indicator are in Tables 24.25, 24.26 and 24.27 of de BE Boletín estadístico.
a. Working day adjusted.
b. Harmonised Labour Costs Index.
c. Whole economy, excluding agriculture, public administration, education, health and services not classified elsewhere.

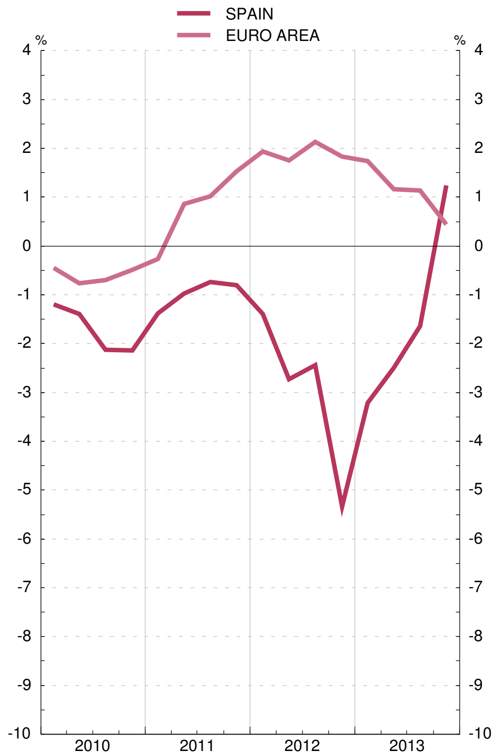
4.8. UNIT LABOUR COSTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

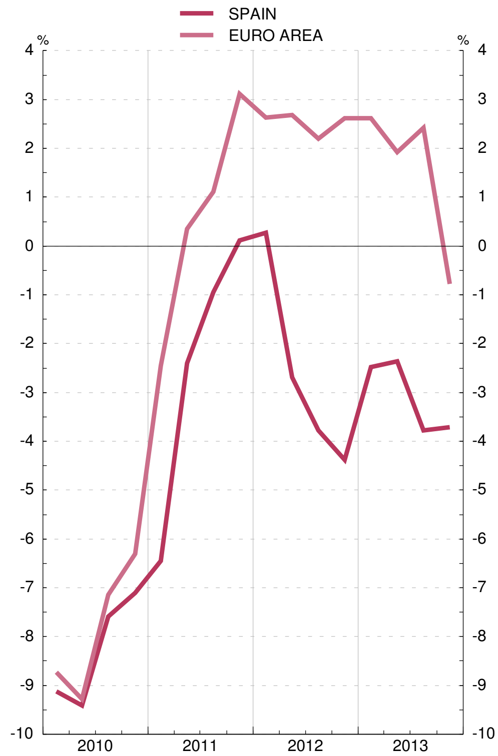
Annual percentage changes

		Unit labour costs				Whole-economy				Memorandum items			
		Whole-economy		Industry		Compensation per employee		Productivity		GDP (volume measures)		Employment Whole-economy	
		Spain	Euro area	Spain	Euro area	Spain (b)	Euro area	Spain	Euro area	Spain	Euro area	Spain (b)	Euro area
		1 ■	2 ■	3 ■	4 ■	5	6	7	8	9	10	11	12
10	P	-1.7	-0.6	-8.3	-7.9	0.4	1.8	2.2	2.4	-0.2	1.9	-2.3	-0.5
11	P	-1.0	0.8	-2.5	0.5	1.3	2.1	2.3	1.4	0.1	1.6	-2.2	0.3
12	P	-3.0	1.9	-2.6	2.5	0.2	1.9	3.3	0.0	-1.6	-0.6	-4.8	-0.7
11 *Q1*	P	-1.4	-0.3	-6.4	-2.5	0.9	2.0	2.3	2.3	0.6	2.7	-1.7	0.3
Q2	P	-1.0	0.9	-2.4	0.4	0.9	2.1	1.9	1.2	0.3	1.8	-1.6	0.5
Q3	P	-0.7	1.0	-1.0	1.1	1.6	2.2	2.4	1.1	-0.0	1.4	-2.4	0.3
Q4	P	-0.8	1.5	0.1	3.1	1.9	2.3	2.8	0.8	-0.6	0.7	-3.3	-0.1
12 *Q1*	P	-1.4	1.9	0.3	2.6	1.7	2.2	3.2	0.2	-1.2	-0.2	-4.3	-0.4
Q2	P	-2.7	1.8	-2.7	2.7	0.8	2.0	3.7	0.2	-1.6	-0.5	-5.1	-0.8
Q3	P	-2.4	2.1	-3.8	2.2	0.7	2.0	3.2	-0.1	-1.7	-0.7	-4.7	-0.7
Q4	P	-5.3	1.8	-4.4	2.6	-2.4	1.5	3.1	-0.3	-2.1	-1.0	-5.0	-0.8
13 *Q1*	P	-3.2	1.7	-2.5	2.6	-0.5	1.7	2.9	-0.1	-1.9	-1.2	-4.7	-1.1
Q2	P	-2.5	1.2	-2.4	1.9	-0.1	1.6	2.5	0.4	-1.6	-0.6	-4.0	-1.0
Q3	P	-1.6	1.1	-3.8	2.4	0.5	1.7	2.2	0.6	-1.1	-0.3	-3.3	-0.8
Q4	P	1.2	0.4	-3.7	-0.8	2.7	1.4	1.5	1.0	-0.2	0.5	-1.6	-0.5

UNIT LABOUR COSTS: TOTAL
Annual percentage changes



UNIT LABOUR COSTS: INDUSTRY
Annual percentage changes



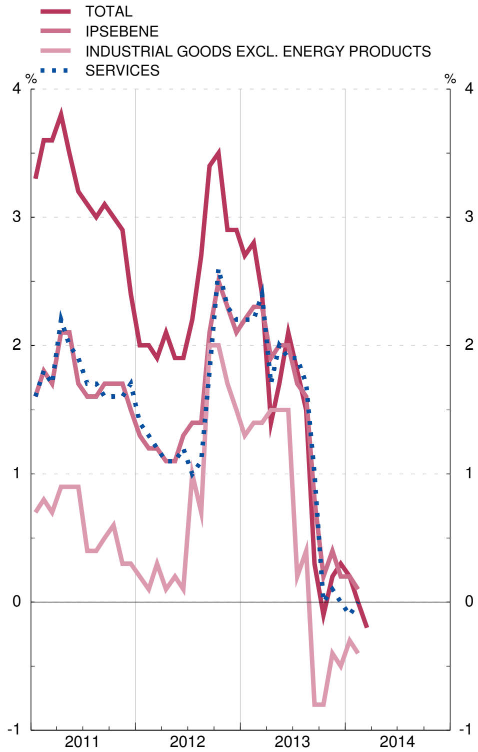
Sources: INE (Quarterly National Accounts of Spain. Base year 2008) and ECB.
a. Spain: prepared in accordance with ESA95. SEASONALLY- AND WORKING-DAY-ADJUSTED SERIES (see economic bulletin April 2002).
b. Full-time equivalent employment.

5.1. CONSUMER PRICE INDEX. SPAIN (2011=100)

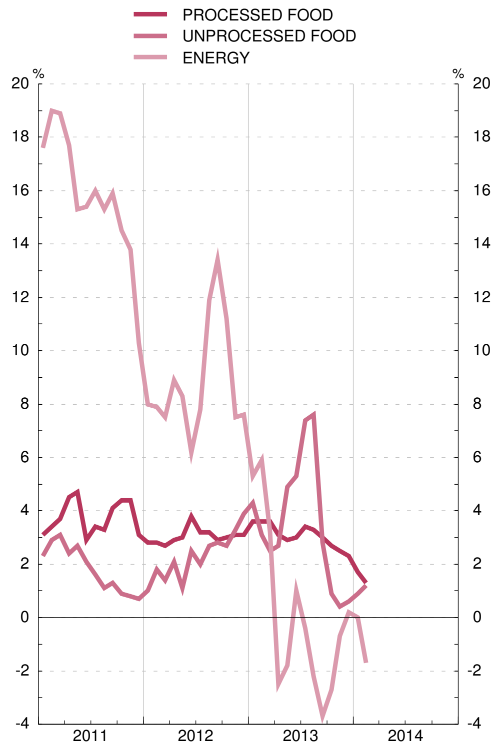
■ Series depicted in chart. *Indices and annual percentage changes*

		Total (100%)				Annual percentage change (12-month % change)						Memorandum item:prices for agricultural products (2005=100)	
		Original series	Month-on-month % change	12-month % change (a)	Cumulative % change during year (b)	Unprocessed food	Processed food	Industrial goods excl. energy products	Energy	Services	IPSEBENE (c)	Original series	12-month % change
		1	2	3 ■	4	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■	11	12
11	M	100.0	_	3.2	2.4	1.8	3.8	0.6	15.8	1.8	1.7	101.5	0.7
12	M	102.4	_	2.5	2.9	2.3	3.0	0.8	8.9	1.5	1.6	111.6	9.9
13	M	103.9	_	1.4	0.3	3.5	3.1	0.6	0.1	1.4	1.5	...	...
13 *J-F*	M	103.1	-0.6	2.7	-1.2	3.7	3.6	1.3	5.6	2.2	2.2	114.4	11.6
14 *J-F*	M	103.1	-0.7	0.1	-1.3	1.0	1.5	-0.3	-0.8	-0.1	0.2	...	...
12 *Nov*		104.2	-0.1	2.9	2.8	3.3	3.1	1.7	7.5	2.3	2.3	119.7	17.8
Dec		104.3	0.1	2.9	2.9	3.9	3.1	1.5	7.6	2.2	2.1	120.3	20.0
13 *Jan*		103.0	-1.3	2.7	-1.3	4.3	3.6	1.3	5.3	2.2	2.2	114.3	15.5
Feb		103.1	0.2	2.8	-1.1	3.1	3.6	1.4	5.9	2.2	2.3	114.5	7.4
Mar		103.5	0.4	2.4	-0.8	2.5	3.6	1.4	3.2	2.4	2.3	119.2	7.5
Apr		103.9	0.4	1.4	-0.4	2.7	3.1	1.5	-2.5	1.7	1.9	116.8	7.6
May		104.1	0.2	1.7	-0.2	4.9	2.9	1.5	-1.8	2.0	2.0	123.7	13.5
Jun		104.2	0.1	2.1	-0.1	5.3	3.0	1.5	1.0	1.9	2.0	120.0	9.0
Jul		103.7	-0.5	1.8	-0.6	7.4	3.4	0.2	-0.4	1.9	1.7	107.2	7.1
Aug		104.0	0.3	1.5	-0.3	7.6	3.3	0.4	-2.2	1.7	1.6	104.2	-1.5
Sep		103.8	-0.2	0.3	-0.4	2.8	3.0	-0.8	-3.7	1.0	0.8	113.4	-4.3
Oct		104.3	0.4	-0.1	-	0.9	2.7	-0.8	-2.7	-	0.2	118.0	-5.4
Nov		104.5	0.2	0.2	0.2	0.4	2.5	-0.4	-0.7	0.1	0.4	111.0	-7.3
Dec		104.6	0.1	0.3	0.3	0.6	2.3	-0.5	0.2	-	0.2	...	...
14 *Jan*		103.2	-1.3	0.2	-1.3	0.9	1.7	-0.3	-	-0.1	0.2	...	...
Feb		103.1	-	-	-1.4	1.2	1.3	-0.4	-1.7	-	0.1	...	...

CONSUMER PRICE INDEX. TOTAL AND COMPONENTS
Annual percentage changes



CONSUMER PRICE INDEX. COMPONENTS
Annual percentage changes



Sources: INE, Ministerio de Agricultura,Alimentación y Medio Ambiente.
Note: The underlying series for this indicator are in Tables 25.2 and 25.8 of the BE Boletín estadístico.
a. For annual periods: average growth for each year on the previous year.
b. For annual periods: December-on-December growth rate.
c. Index of non-energy processed goods and service prices.

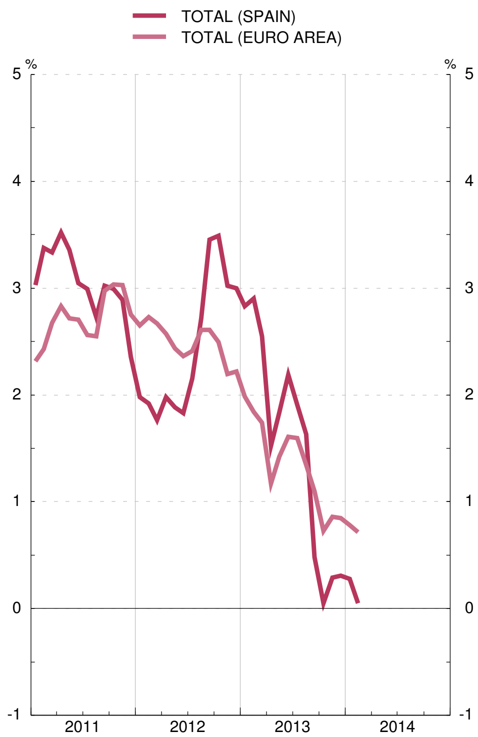
5.2. HARMONISED INDEX OF CONSUMER PRICES. SPAIN AND EURO AREA (2005=100) (a)

■ Series depicted in chart.

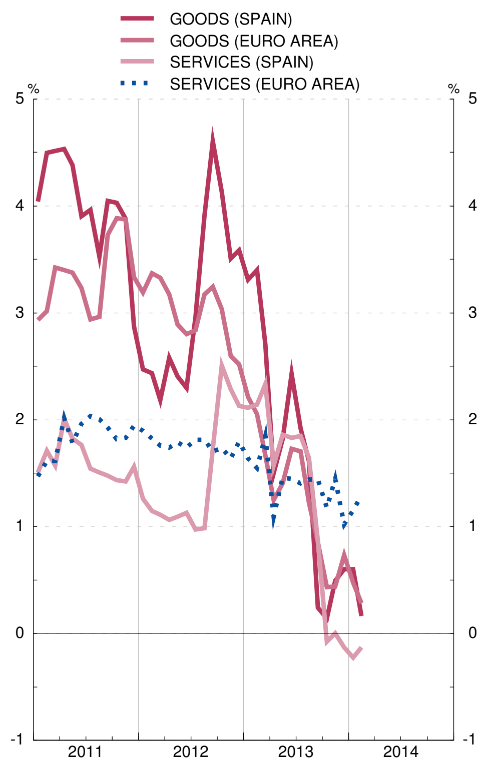
Annual percentage changes

		Total		Goods														Services	
						Food						Industrial							
						Total		Processed		Unprocessed				Non-energy		Energy			
		Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area
		1 ■	2 ■	3 ■	4 ■	5	6	7	8	9	10	11	12	13	14	15	16	17 ■	18 ■
11	M	3.1	2.7	4.0	3.3	2.8	2.7	4.2	3.3	1.3	1.8	4.7	3.7	0.5	0.8	15.7	11.9	1.6	1.8
12	M	2.4	2.5	3.1	3.0	2.6	3.1	3.5	3.1	1.6	3.0	3.4	3.0	1.0	1.2	8.8	7.6	1.5	1.8
13	M	1.5	1.4	1.7	1.3	3.2	2.7	3.1	2.2	3.4	3.5	0.8	0.6	1.1	0.6	0.0	0.6	1.3	1.4
13 *J-F*	M	2.9	1.9	3.4	2.1	3.7	3.0	3.9	2.3	3.3	4.1	3.2	1.7	1.9	0.8	5.6	3.9	2.1	1.6
14 *J-F*	M P	0.2	0.7	0.4	0.4	1.4	1.6	1.1	1.9	1.6	1.1	-0.2	-0.3	0.0	0.3	-0.8	-1.8	-0.2	1.2
12 *Nov*		3.0	2.2	3.5	2.6	3.0	3.0	3.4	2.4	2.6	4.1	3.8	2.4	2.2	1.1	7.5	5.7	2.3	1.6
Dec		3.0	2.2	3.6	2.5	3.3	3.2	3.4	2.4	3.3	4.4	3.7	2.2	2.1	1.0	7.6	5.2	2.1	1.8
13 *Jan*		2.8	2.0	3.3	2.2	3.8	3.2	3.9	2.3	3.7	4.8	3.0	1.7	1.9	0.8	5.3	3.9	2.1	1.6
Feb		2.9	1.8	3.4	2.1	3.5	2.7	3.9	2.3	3.0	3.5	3.3	1.7	2.0	0.8	5.9	3.9	2.1	1.5
Mar		2.6	1.7	2.7	1.7	3.3	2.7	3.9	2.2	2.7	3.5	2.4	1.2	2.0	1.0	3.2	1.7	2.3	1.8
Apr		1.5	1.2	1.5	1.2	3.0	2.9	3.0	2.1	2.9	4.2	0.7	0.5	2.2	0.8	-2.5	-0.4	1.6	1.1
May		1.8	1.4	1.8	1.4	3.5	3.2	2.8	2.1	4.3	5.1	0.9	0.5	2.1	0.8	-1.8	-0.2	1.9	1.5
Jun		2.2	1.6	2.4	1.7	3.7	3.2	2.9	2.1	4.7	5.0	1.7	1.0	2.1	0.7	1.0	1.6	1.8	1.4
Jul		1.9	1.6	1.9	1.7	4.6	3.5	3.3	2.5	6.1	5.1	0.4	0.8	0.7	0.4	-0.4	1.6	1.8	1.4
Aug		1.6	1.3	1.6	1.2	4.6	3.2	3.3	2.5	6.1	4.4	-0.1	0.2	0.9	0.4	-2.2	-0.3	1.6	1.4
Sep		0.5	1.1	0.2	0.9	3.0	2.6	3.0	2.4	2.9	2.9	-1.2	-	-0.1	0.4	-3.7	-0.9	0.9	1.4
Oct		-	0.7	0.1	0.4	2.2	1.9	2.7	2.2	1.6	1.4	-1.0	-0.3	-0.1	0.3	-2.7	-1.7	-0.1	1.2
Nov		0.3	0.9	0.5	0.4	1.9	1.6	2.4	2.0	1.3	0.9	-0.3	-0.1	-	0.2	-0.7	-1.1	-	1.4
Dec		0.3	0.8	0.6	0.7	1.8	1.8	2.1	2.0	1.5	1.5	-0.1	0.2	-0.2	0.3	0.2	-	-0.1	1.0
14 *Jan*		0.3	0.8	0.6	0.5	1.4	1.7	1.3	2.0	1.5	1.3	0.1	-0.2	0.1	0.2	-	-1.2	-0.2	1.2
Feb	P	0.1	0.7	0.2	0.3	1.3	1.5	0.9	1.8	1.7	0.9	-0.6	-0.4	-	0.4	-1.7	-2.3	-0.1	1.3

HARMONISED INDEX OF CONSUMER PRICES. TOTAL
Annual percentage changes



HARMONISED INDEX OF CONSUMER PRICES. COMPONENTS
Annual percentage changes



Source: Eurostat.

a. Since January 2011 the rules of Commission Regulation (EC) No 330/2009 on the treatment of seasonal products have been incorporated. This has prompted a break in the series. The series constructed with the new methodology are only available from January 2010. The year-on-year rates of change presented here for 2010 are those disseminated by Eurostat, wich were constructed using the series prepared with the new methodology for 2010 and using the series prepared with the old methodology for 2009. Thus, these rates give a distorted view since they compare price indices prepared using two different methodologies. The year-on-year rates of change in the HICP in 2010, calculated on a uniform basis using solely the previous methodology and wich are consequently consistent, are as follows: Jan:1,1; Feb:0,9; Mar:1,5; Apr:1,6; May:1,8; Jun:1,5; Jul:1,9; Aug:1,8; Sep:2,1; Oct:2,3; Nov:2,2; Dec:2,9. More detailed methodological notes can be consulted on the Eurostat Internet site (www.europa.eu.int).

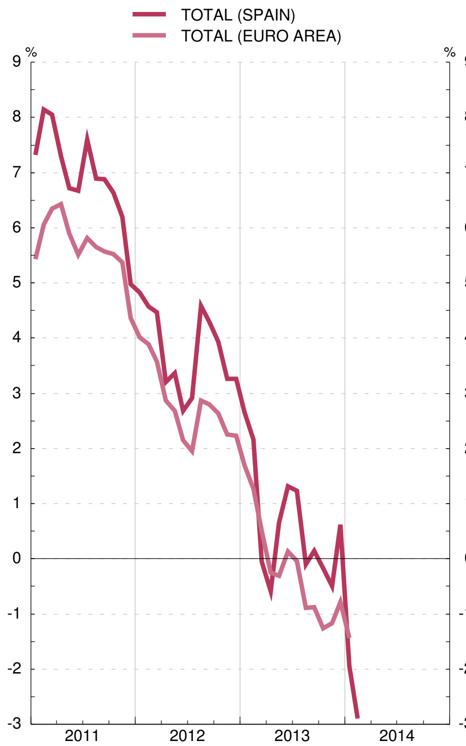
5.3. PRODUCER PRICE INDEX. SPAIN AND EURO AREA (2010 = 100)

■ Series depicted in chart.

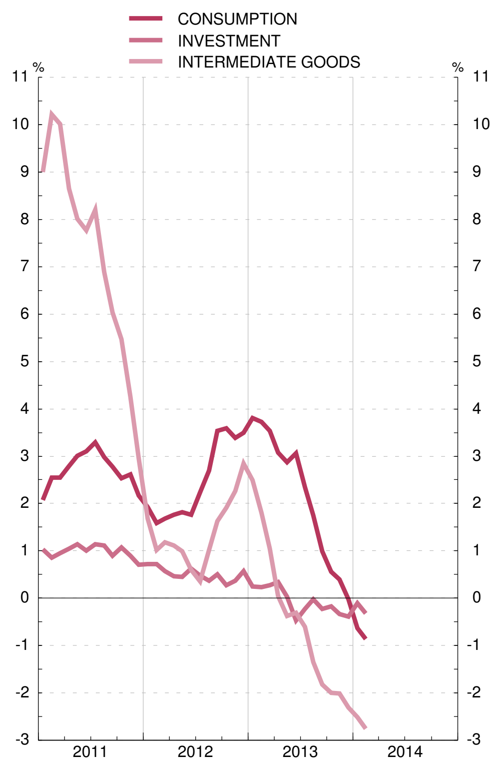
Annual percentage changes

		Total			Consumer goods		Capital goods		Intermediate goods		Energy		Memorandum item: euro area				
													Total	Consumer goods	Capital goods	Intermediate goods	Energy
		Original series	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	12-month % change	12-month % change	12-month % change	12-month % change	12-month % change
		1	2	3 ■	4	5 ■	6	7 ■	8	9 ■	10	11	12 ■	13	14	15	16
11	M	106.9	_	6.9	_	2.7	_	1.0	_	7.2	_	15.3	5.7	3.3	1.5	5.9	10.9
12	M	111.0	_	3.8	_	2.5	_	0.5	_	1.4	_	9.7	2.8	2.5	1.0	0.7	6.6
13	MP	111.7	_	0.6	_	2.2	_	-0.1	_	-0.5	_	0.5	-0.2	1.7	0.6	-0.6	-1.6
13 *J-F*	M	112.8	_	2.4	_	3.8	_	0.2	_	2.1	_	2.4	1.5	2.3	0.8	1.0	1.7
14 *J-F*	MP	110.0	_	-2.4	_	-0.7	_	-0.2	_	-2.6	_	-5.3	...	...	...	...	...
12 *Nov*		111.3	-0.5	3.3	-0.0	3.4	0.0	0.4	-0.2	2.3	-1.7	5.6	2.3	2.5	0.8	1.3	4.1
Dec		111.3	0.0	3.3	0.1	3.5	0.0	0.6	0.2	2.9	-0.3	4.8	2.2	2.5	0.8	1.5	3.8
13 *Jan*		112.6	1.2	2.7	0.5	3.8	-0.1	0.2	0.3	2.5	3.6	2.9	1.7	2.4	0.8	1.2	2.0
Feb		112.9	0.2	2.2	0.1	3.7	0.0	0.2	0.1	1.8	0.6	1.9	1.3	2.1	0.8	0.7	1.4
Mar		111.2	-1.5	-0.1	0.1	3.5	0.0	0.3	-0.1	1.0	-5.3	-5.0	0.5	2.0	0.7	0.3	-0.6
Apr		109.9	-1.2	-0.6	-0.1	3.1	0.1	0.3	-0.5	0.0	-3.9	-5.7	-0.3	1.8	0.6	-0.4	-2.4
May		111.1	1.2	0.7	-0.0	2.9	-0.3	0.0	-0.3	-0.4	5.1	-0.3	-0.3	2.0	0.6	-0.6	-2.4
Jun		111.2	0.0	1.3	0.2	3.1	-0.3	-0.5	-0.4	-0.3	0.5	2.1	0.1	2.0	0.5	-0.6	-1.1
Jul		112.2	0.9	1.2	-0.0	2.3	0.2	-0.2	-0.4	-0.6	3.8	2.8	-0.0	2.0	0.5	-0.6	-1.5
Aug		112.1	-0.1	-0.1	0.0	1.8	0.2	-0.0	-0.3	-1.3	-0.2	-0.6	-0.9	1.8	0.6	-1.1	-3.7
Sep		112.3	0.2	0.1	0.1	1.0	-0.1	-0.2	-0.1	-1.8	0.7	1.7	-0.9	1.5	0.6	-1.6	-2.9
Oct		111.7	-0.5	-0.2	-0.4	0.6	-0.0	-0.2	-0.3	-2.0	-1.1	1.1	-1.3	1.1	0.6	-1.8	-3.6
Nov		110.7	-0.9	-0.5	-0.2	0.4	-0.1	-0.3	-0.2	-2.0	-2.6	0.1	-1.2	0.9	0.5	-1.7	-3.2
Dec	P	112.0	1.1	0.6	-0.3	-0.0	-0.0	-0.4	-0.1	-2.3	4.6	5.1	-0.8	0.9	0.6	-1.7	-1.9
14 *Jan*	P	110.4	-1.4	-1.9	-0.1	-0.6	0.2	-0.1	0.1	-2.5	-5.2	-3.9	-1.4	0.6	0.5	-1.7	-3.8
Feb	P	109.6	-0.7	-2.9	-0.1	-0.9	-0.2	-0.3	-0.1	-2.8	-2.5	-6.8	...	...	...	...	...

PRODUCER PRICE INDEX. TOTAL
Annual percentage changes



PRODUCER PRICE INDEX. COMPONENTS
Annual percentage changes



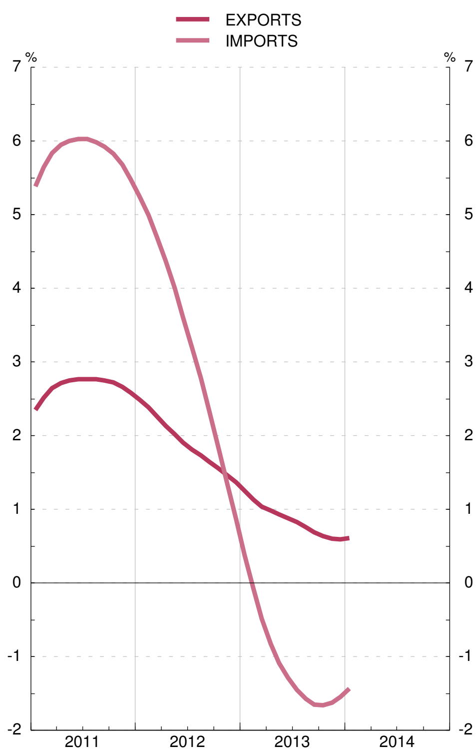
Sources: INE and ECB.
Note: The underlying series for this indicator, for Spain, are in Table 25.3 of the BE Boletín estadístico.
a. For annual periods: average growth for each year on the previous year.

5.4. UNIT VALUE INDICES FOR SPANISH FOREIGN TRADE

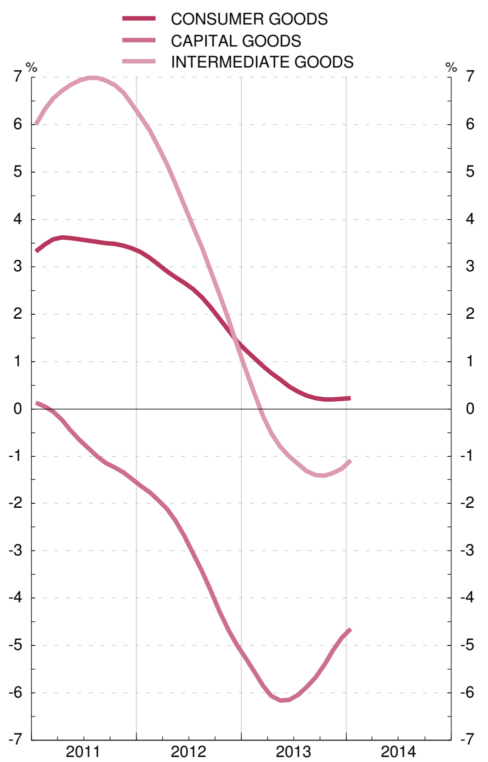
■ Series depicted in chart. *Annual percentage changes*

	Exports/dispatches						Imports/arrivals					
	Total	Consumer goods	Capital goods	Intermediate goods			Total	Consumer goods	Capital goods	Intermediate goods		
				Total	Energy	Non-energy				Total	Energy	Non-energy
	1 ■	2	3	4	5	6	7 ■	8 ■	9 ■	10 ■	11	12
11	4.9	3.9	1.5	6.0	30.2	3.5	8.5	5.5	-0.8	10.6	25.6	5.2
12	2.1	5.7	7.0	-0.4	3.1	-0.7	4.6	3.4	-2.1	5.7	10.0	2.3
13	-0.1	1.2	-5.2	-0.1	-5.8	0.6	-4.2	-0.9	-8.2	-4.9	-8.6	-2.6
13 *J-J*	2.4	5.2	-7.2	2.3	-4.0	3.1	-0.9	-0.4	2.6	-1.4	-4.3	-1.1
14 *J-J*	-2.2	-0.9	-2.4	-2.8	-4.3	-2.8	-6.7	-2.7	-1.9	-8.3	-12.1	-5.1
12 *Aug*	2.1	6.3	7.3	-0.1	7.6	-0.7	5.8	4.3	-4.7	7.1	15.6	-0.9
Sep	3.3	5.1	13.3	1.7	6.6	0.8	5.5	4.8	7.1	5.4	11.7	1.4
Oct	0.0	5.4	3.9	-3.1	5.9	-1.8	4.6	4.4	-10.0	6.0	10.2	2.8
Nov	2.1	7.5	10.9	-2.1	-1.7	1.1	-1.3	-0.7	-15.1	-0.2	1.9	-1.3
Dec	4.4	10.0	1.1	1.7	6.9	-0.2	2.5	-1.7	-8.1	5.3	3.1	5.5
13 *Jan*	2.4	5.2	-7.2	2.3	-4.0	3.1	-0.9	-0.4	2.6	-1.4	-4.3	-1.1
Feb	-2.4	-0.8	-11.6	-1.7	1.6	-0.7	-3.8	0.9	-6.4	-4.9	-6.6	-2.3
Mar	-3.4	-0.4	-4.7	-4.6	-10.8	-3.7	-5.0	-2.8	-10.8	-5.2	-8.3	-3.3
Apr	1.9	3.4	-6.4	2.7	1.4	2.4	-6.6	0.8	-18.5	-7.5	-9.7	-6.3
May	-0.3	2.7	-3.4	-1.6	-9.0	-2.0	-5.8	4.3	-15.1	-7.8	-22.5	-2.6
Jun	2.8	4.4	0.6	2.4	-9.2	2.9	-2.8	-3.9	-14.2	-1.3	-3.0	0.0
Jul	1.4	0.4	-5.2	2.9	0.8	3.8	-2.3	-4.0	-6.4	-1.4	-5.8	-0.2
Aug	1.9	3.8	-3.3	1.1	-3.1	0.7	-6.4	-1.7	-12.2	-7.5	-10.6	-4.5
Sep	-2.8	-3.2	-6.1	-2.6	-5.8	-1.8	-3.7	0.3	-9.9	-4.3	-6.8	-1.2
Oct	0.6	0.1	-1.2	1.0	-10.0	2.9	-6.7	-5.3	-10.0	-7.0	-8.4	-5.3
Nov	-1.3	0.1	-10.3	-0.4	-14.0	0.5	-2.8	1.8	-0.3	-4.5	-8.3	-2.1
Dec	-2.4	-0.8	-3.8	-2.9	-7.1	-1.1	-3.5	-0.5	2.9	-5.5	-7.7	-2.2
14 *Jan*	-2.2	-0.9	-2.4	-2.8	-4.3	-2.8	-6.7	-2.7	-1.9	-8.3	-12.1	-5.1

EXPORT AND IMPORT UNIT VALUE INDICES (a)



IMPORT UNIT VALUE INDICES BY PRODUCT GROUP (a)



Sources: ME, MHAP and BE.
Note: The underlying series for this indicator are in the Tables 18.6 and 18.7 of the Boletín Estadístico.
a. Annual percentage changes (trend obtained with TRAMO-SEATS).

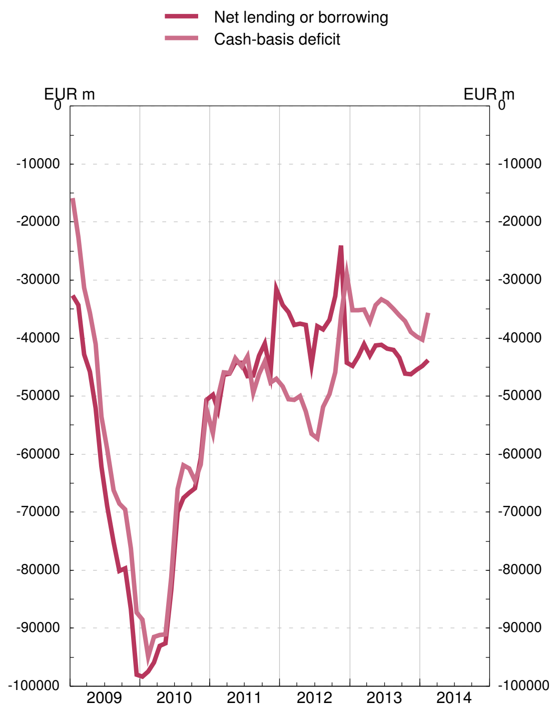
6.1. STATE RESOURCES ANS USES ACCORDING TO THE NACIONAL ACCOUNTS. SPAIN

■ Series depicted in chart.

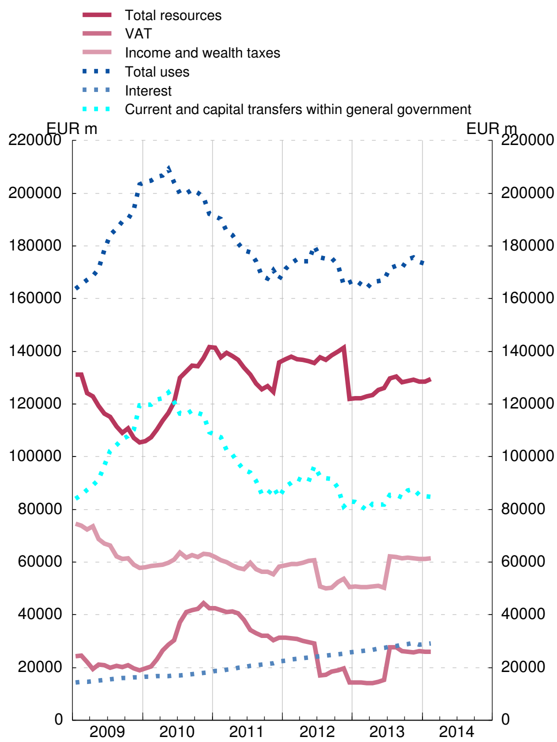
EUR millions

		Current and capital resources						Current and capital uses						Memorandum item: cash-basis deficit		
	Net lending (+) or borrowing (-)	Total	Value added tax (VAT)	Other taxes on products and imports	Interest and other income on property	Income and wealth taxes	Other	Total	Compensation of employees	Interest	Current and capital transfers within general government	Investment grants and other capital transfers	Other	Cash-basis deficit	Revenue	Expenditure
	1=2-8 ■	2=3 a 7 ■	3 ■	4	5	6 ■	7	8=9 a13 ■	9	10 ■	11 ■	12	13	14=15-16 ■	15	16
09	-98 063	105 382	18 919	11 586	7 989	57 917	8 971	203 445	20 176	16 392	119 611	4 551	42 715	-87 281	102 038	189 319
10	-50 591	141 603	42 612	11 800	7 450	62 990	16 751	192 194	20 479	18 190	109 317	2 965	41 243	-52 235	127 337	179 572
11	-31 569	135 912	31 331	8 018	7 064	58 342	31 157	167 481	20 081	22 432	84 863	2 957	37 148	-46 950	104 145	151 095
12 P	-44 202	122 044	14 314	5 651	7 561	50 548	43 970	166 246	19 115	25 791	83 187	2 026	36 127	-29 013	123 344	152 357
13 A	-45 494	128 388	26 168	10 412	9 817	61 261	20 730	173 882	19 435	28 777	85 421	1 426	38 823	-39 678	121 118	160 796
13 *J-F* A	-14 147	14 523	5 552	1 194	575	5 186	2 016	28 670	2 822	4 444	14 822	88	6 494	-15 411	17 449	32 860
14 *J-F* A	-12 406	15 557	5 493	1 928	720	5 287	2 129	27 963	2 818	4 748	14 140	61	6 196	-11 392	21 313	32 705
13 *Feb* A	-7 303	7 105	2 973	483	266	2 359	1 024	14 408	1 413	2 097	7 265	43	3 590	-160	11 660	11 820
Mar A	3 470	15 409	5 205	387	1 991	6 333	1 493	11 939	1 384	2 368	5 707	18	2 462	-3 430	6 694	10 124
Apr A	-6 622	8 133	463	665	573	5 090	1 342	14 755	1 460	2 343	8 321	13	2 618	1 437	16 505	15 068
May A	-8 839	3 753	453	1 015	513	451	1 321	12 592	1 393	2 407	6 247	71	2 474	-7 679	2 136	9 815
Jun A	-6 292	14 032	4 811	1 030	340	5 674	2 177	20 324	2 506	2 385	11 916	72	3 445	-12 266	2 789	15 055
Jul A	-4 460	12 565	503	1 624	423	7 360	2 655	17 025	1 502	2 500	10 291	31	2 701	1 575	22 136	20 561
Aug A	-2 489	7 974	623	653	731	4 286	1 681	10 463	1 392	2 458	3 639	109	2 865	-9 412	-1 096	8 315
Sep A	3 293	13 234	4 827	1 106	397	5 769	1 135	9 941	1 336	2 387	3 876	57	2 285	3 426	12 562	9 136
Oct A	-170	14 034	1 742	747	629	9 438	1 478	14 204	1 411	2 502	7 546	127	2 618	8 206	22 706	14 500
Nov A	-3 286	8 218	826	1 302	326	3 880	1 884	11 504	1 541	2 401	5 076	64	2 422	-4 154	5 911	10 065
Dec A	-5 952	16 513	1 163	689	3 319	7 794	3 548	22 465	2 688	2 582	7 980	776	8 439	-1 970	13 327	15 297
14 *Jan* A	-6 089	7 569	2 488	868	423	2 827	963	13 658	1 395	2 517	7 224	27	2 495	-15 856	5 221	21 077
Feb A	-6 317	7 988	3 005	1 060	297	2 460	1 166	14 305	1 423	2 231	6 916	34	3 701	4 464	16 092	11 629

STATE. NET LENDING OR BORROWING AND CASH-BASIS DEFICIT (Lastest 12 months)



STATE. RESOURCES AND USES ACCORDING TO THE NATIONAL ACCOUNTS (Latest 12 months)



Source: Ministerio de Hacienda y Administraciones Públicas (IGAE).

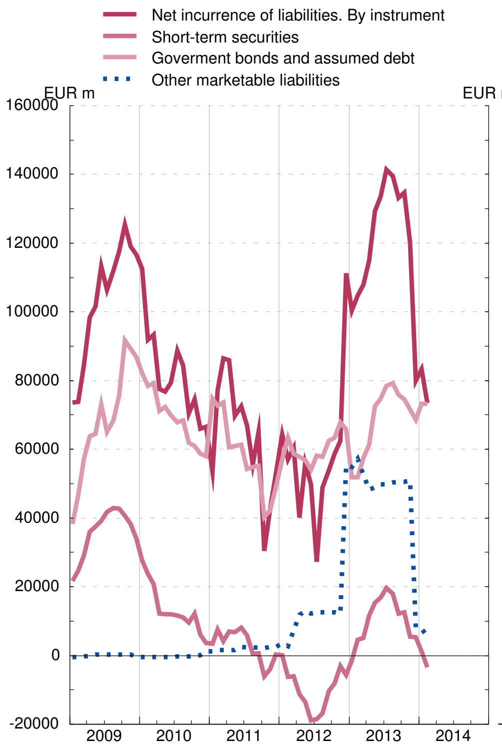
6.2. STATE FINANCIAL TRANSACTIONS. SPAIN

■ Series depicted in chart.

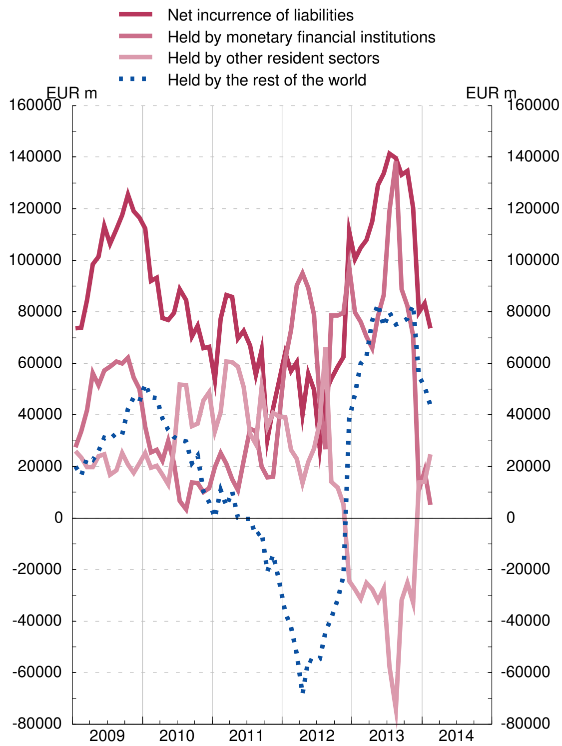
EUR millions

		Net lending (+) or net borrowing(-)	Net acquisition of financial assets		Net incurrence of liabilities											Net incurrence of liabilities (excluding other accounts payable)
				Of which		Of which	By instrument					By counterpart sector				
												Held by resident sectors			Rest of the world	
			Total	Deposits at the Banco de España	Total	In currencies other than the peseta/ euro	Short-term securities	Goverment bonds and assumed debt	Banco de España loans	Other marketable liabilities (a)	Other accounts payable	Total	Monetary financial institutions	Other resident sectors		
		1	2	3	4 ■	5	6 ■	7 ■	8	9 ■	10	11	12 ■	13 ■	14 ■	15
09		-98 063	18 509	-4 197	116 572	1 524	34 043	86 807	-535	-510	-3 233	71 270	49 997	21 274	45 302	119 805
10		-50 591	15 926	-5	66 517	-726	3 616	57 958	-544	1 145	4 341	60 357	11 622	48 735	6 161	62 176
11		-31 569	21 149	-75	52 718	-1 442	312	48 941	-537	2 584	1 418	76 734	37 411	39 323	-24 016	51 300
12	P	-44 202	66 964	2 275	111 166	-2 704	-5 749	65 832	-542	55 412	-3 788	72 757	97 138	-24 380	38 408	114 954
13	A	-45 494	34 378	-2 400	79 872	-34	5 376	68 613	-876	8 014	-1 254	24 759	10 916	13 843	55 113	81 127
13 *J-F*	A	-14 147	-159	-2 400	13 988	1 507	4 924	13 104	-	2 562	-6 602	4 066	16 175	-12 109	9 922	20 590
14 *J-F*	A	-12 406	-4 806	-0	7 600	3	-3 845	17 800	-	206	-6 561	9 130	10 440	-1 310	-1 530	14 161
13 *Feb*	A	-7 303	7 753	-490	15 056	1 501	1 523	14 061	-	2 315	-2 844	5 026	10 149	-5 123	10 030	17 900
Mar	A	3 470	15 818	100	12 348	7	-1 627	14 589	-	-31	-582	22 040	14 557	7 483	-9 692	12 930
Apr	A	-6 622	-10 992	-99	-4 370	-11	1 096	-7 055	-876	2	2 463	-4 343	-2 152	-2 191	-26	-6 832
May	A	-8 839	12 496	-1	21 335	7	1 800	18 563	-	1 903	-932	13 318	11 270	2 047	8 017	22 266
Jun	A	-6 292	2 424	-1	8 716	-1 550	-1 338	8 746	-	869	439	17 427	8 883	8 544	-8 711	8 277
Jul	A	-4 460	-9 142	135	-4 682	2	3 485	-7 735	-	348	-781	-9 871	-4 487	-5 384	5 189	-3 901
Aug	A	-2 489	613	-134	3 102	2	-2 850	6 095	-	640	-782	1 771	-2 669	4 440	1 332	3 885
Sep	A	3 293	10 417	2 901	7 124	2	1 525	10 429	-	111	-4 941	-1 468	1 679	-3 147	8 592	12 066
Oct	A	-170	-7 667	-800	-7 497	-3	813	-8 027	-	-42	-242	-10 599	-6 822	-3 776	3 101	-7 256
Nov	A	-3 286	779	300	4 065	2	-1 839	11 351	-	446	-5 892	-11 838	-8 842	-2 996	15 903	9 957
Dec	A	-5 952	19 791	-2 400	25 743	2	-614	8 553	-	1 206	16 599	4 257	-16 675	20 932	21 487	9 145
14 *Jan*	A	-6 089	-3 699	0	2 390	2	-685	3 626	-	15	-566	6 565	13 424	-6 860	-4 175	2 956
Feb	A	-6 317	-1 107	-0	5 210	2	-3 160	14 174	-	192	-5 995	2 565	-2 984	5 549	2 645	11 206

STATE. NET INCURRENCE OF LIABILITIES. BY INSTRUMENT (Latest 12 months)



STATE. NET INCURRENCE OF LIABILITIES. BY COUNTERPART SECTOR (Latest 12 months)



Source: BE.

a.Includes other loans, non-negotiable securities, coined money and Caja General de Depósitos (General Deposit Fund).

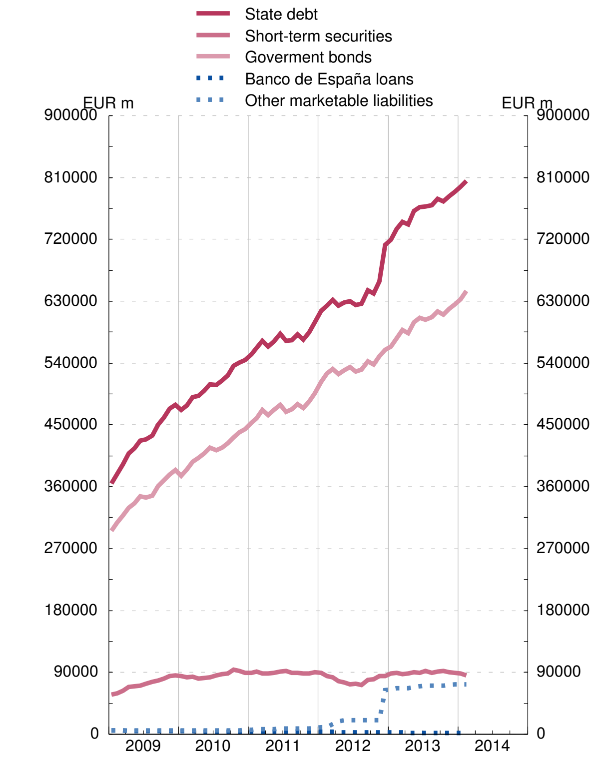
6.3. STATE. LIABILITIES OUTSTANDING ACCORDING TO THE METHODOLOGY OF EXCESSIVE DEFICIT PROCEDURE. SPAIN

■ Series depicted in chart.

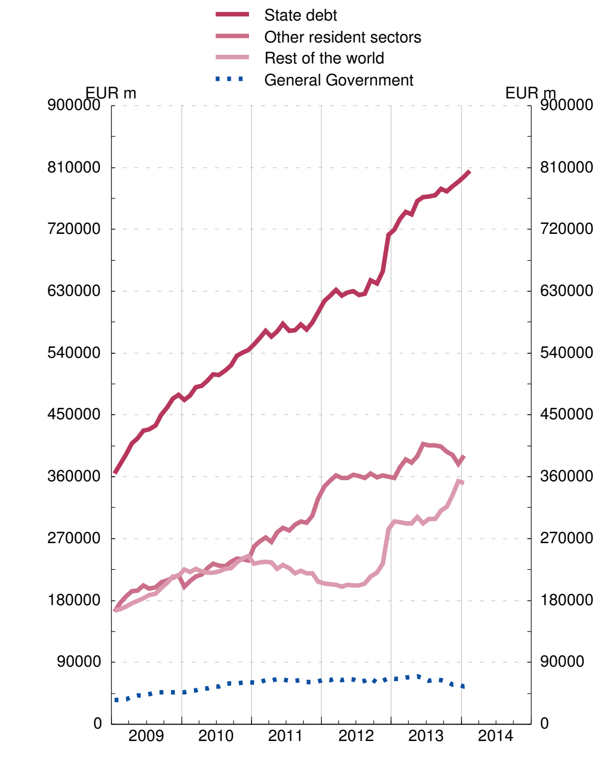
EUR millions

	Liabilities outstanding according to the methodology of the Excessive Deficit Procedure (PDE)										Memorandum item:				
		Of which:	By insturments				By counterpart sector								
							Held by resident sectors						Guarantees given (outstanding balance)		
	Total	In currencies other than euro	Short-term securities	Government bonds and assumed debt	Banco de España loans	Other marketable liabilities (a)	Total	General Government	Other resident sectors	Rest of the world	Deposits at the Banco de España	Other deposits: Treasury liquidity tenders	Total	Of which: Granted to other General Government units	Of which: to FEEF (b)
	1 ■	2	3 ■	4 ■	5 ■	6 ■	7	8 ■	9 ■	10 ■	11	12	13	14	15
09	479 541	68	85 513	383 864	4 665	5 498	263 300	46 105	217 195	216 240	305	24 486	58 854	3 000	-
10	544 790	0	89 756	444 308	4 082	6 644	299 648	61 170	238 478	245 142	300	28 598	73 560	6 000	-
11	598 995	0	90 608	495 662	3 499	9 228	391 375	62 613	328 763	207 620	225	30 391	99 748	23 851	2 993
12	P 711 495	0	84 613	559 327	2 915	64 640	427 748	67 328	360 420	283 748	2 500	32 500	168 165	26 608	30 820
13 *Feb*	A 735 101	0	89 408	575 576	2 915	67 202	440 835	66 431	374 404	294 267	100	43 814	182 305	28 014	31 737
Mar	A 745 458	0	87 693	587 679	2 915	67 171	452 944	67 818	385 126	292 514	200	47 642	176 356	29 597	29 269
Apr	A 741 524	0	88 702	583 705	1 943	67 173	449 133	68 574	380 559	292 391	100	38 249	176 204	29 672	30 831
May	A 760 771	0	90 396	599 355	1 943	69 076	459 403	69 899	389 504	301 368	100	47 800	170 954	31 720	30 861
Jun	A 766 988	0	89 000	606 099	1 943	69 945	475 004	67 465	407 540	291 983	99	39 360	171 133	31 720	31 996
Jul	A 767 687	0	92 423	603 026	1 943	70 294	468 928	63 275	405 653	298 759	234	38 173	170 305	31 720	33 021
Aug	A 769 250	0	89 504	606 869	1 943	70 934	470 708	64 928	405 780	298 542	99	31 301	170 944	31 720	33 840
Sep	A 779 089	239	90 987	615 115	1 943	71 044	468 328	64 468	403 860	310 762	3 000	40 380	169 363	29 654	34 657
Oct	A 774 948	235	91 742	610 260	1 943	71 002	458 916	62 461	396 455	316 032	2 200	38 449	169 926	30 454	35 887
Nov	A 782 444	240	89 839	619 213	1 943	71 448	449 610	57 836	391 774	332 834	2 500	23 861	168 108	31 954	35 887
Dec	A 789 049	240	89 174	625 278	1 943	72 654	435 810	57 387	378 423	353 239	100	20 184	165 054	31 954	34 841
14 *Jan*	A 796 231	244	88 434	633 185	1 943	72 669	445 538	54 947	390 591	350 693	100	19 478	165 181	31 954	36 481
Feb	A 804 959	242	85 231	644 924	1 943	72 861	...	55 885	...	...	100	27 666	158 369	30 454	37 300

STATE. LIABILITIES OUTSTANDING
By instrument



STATE. LIABILITIES OUTSTANDING
By counterpart sector



SOURCE: BE.

a. Includes loans from European Stability Mechanism (ESM), other loans, non-negotiable securities and coined money.

b. European Financial Stability Facility.

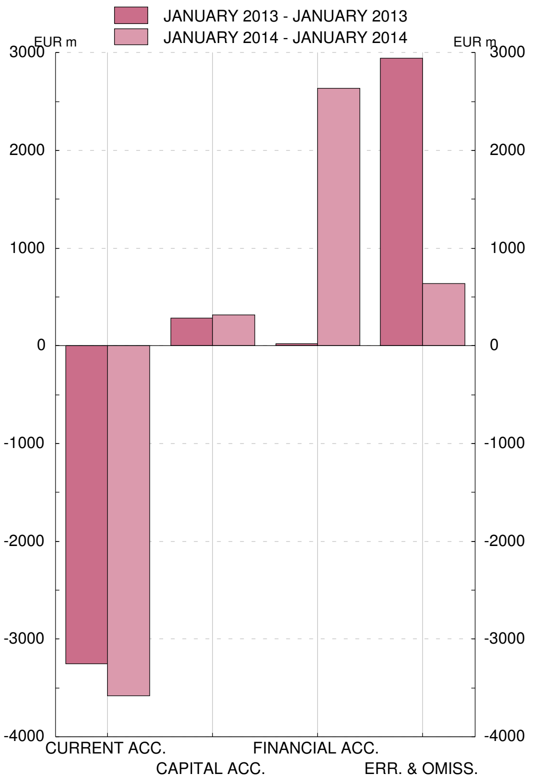
7.1. SPANISH BALANCE OF PAYMENTS VIS-à-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. CURRENT ACCOUNT

■ Series depicted in chart.

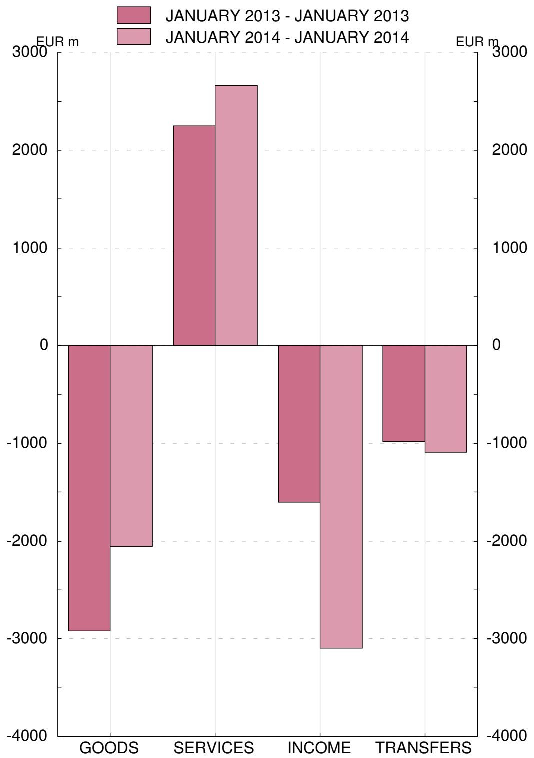
EUR millions

		Current account (a)													Capital account (balance)	Current account plus capital account	Financial account (balance) (b)	Errors and omission
		Total (balance)	Goods			Services					Income			Current transfers (balance)				
			Balance	Receipts	Payments	Balance	Receipts		Payments		Balance	Receipts	Payments					
							Total	Of which: Travel	Total	Of which: Travel								
		1=2+5+10+13 ■	2=3-4 ■	3	4	5=6-8 ■	6	7	8	9	10=11-12 ■	11	12	13 ■	14 ■	15=1+14	16 ■	17=-(15+16) ■
11		-38 968	-43 451	221 157	264 608	35 281	102 013	43 126	66 732	12 349	-24 329	46 463	70 792	-6 469	5 431	-33 537	30 307	3 230
12	P	-12 428	-27 796	230 223	258 020	37 554	106 451	43 791	68 897	11 913	-17 918	39 808	57 726	-4 267	6 594	-5 834	324	5 509
13	P	7 965	-11 637	238 703	250 340	40 870	109 307	45 505	68 437	12 249	-15 277	36 884	52 161	-5 992	7 834	15 799	-25 286	9 487
13 *J-J*	P	-3 252	-2 917	18 011	20 927	2 248	7 753	2 686	5 505	743	-1 602	2 801	4 403	-982	285	-2 968	23	2 944
14 *J-J*	A	-3 584	-2 057	18 882	20 938	2 659	8 373	2 890	5 714	791	-3 093	2 637	5 730	-1 093	314	-3 270	2 633	637
12 *Oct*	P	352	-1 343	21 052	22 394	3 736	9 687	4 195	5 951	1 104	-1 514	2 536	4 050	-527	1 024	1 376	-1 661	285
Nov	P	778	-1 181	19 927	21 108	1 849	7 721	2 604	5 872	1 058	-1 804	2 416	4 220	1 915	901	1 679	-189	-1 490
Dec	P	3 007	-1 394	18 661	20 055	1 785	8 224	2 151	6 439	886	314	5 768	5 455	2 303	753	3 761	-8 348	4 588
13 *Jan*	P	-3 252	-2 917	18 011	20 927	2 248	7 753	2 686	5 505	743	-1 602	2 801	4 403	-982	285	-2 968	23	2 944
Feb	P	-2 030	-643	18 562	19 205	2 215	7 285	2 296	5 070	819	-1 427	2 590	4 017	-2 175	744	-1 286	6 057	-4 771
Mar	P	1 004	763	20 911	20 148	2 311	7 558	2 886	5 246	822	-1 374	2 584	3 957	-697	348	1 352	-3 347	1 995
Apr	P	-1 168	-1 093	20 541	21 634	2 146	8 031	2 723	5 885	781	-1 191	2 954	4 145	-1 030	952	-216	-2 336	2 552
May	P	2 413	514	21 062	20 547	3 572	8 856	3 792	5 283	678	-730	3 378	4 108	-944	1 381	3 795	-5 353	1 559
Jun	P	2 075	-60	21 511	21 570	4 176	9 850	4 585	5 674	1 155	-1 389	3 212	4 601	-652	197	2 272	-2 291	19
Jul	P	1 709	-276	19 996	20 272	5 525	11 733	5 804	6 208	1 293	-2 379	2 944	5 323	-1 161	504	2 214	-5 254	3 041
Aug	P	2 601	-1 320	17 369	18 689	5 288	10 670	6 159	5 383	1 348	-447	2 773	3 220	-920	634	3 235	-1 142	-2 094
Sep	P	229	-2 580	19 948	22 527	4 494	10 404	5 078	5 910	1 301	-1 061	2 704	3 765	-624	115	344	-5 188	4 844
Oct	P	1 742	-869	21 721	22 590	4 265	10 363	4 411	6 098	1 172	-1 451	2 452	3 903	-204	644	2 385	954	-3 339
Nov	P	908	-1 194	19 594	20 787	2 582	8 071	2 742	5 490	1 165	-2 092	2 355	4 448	1 612	403	1 311	-2 061	750
Dec	P	1 733	-1 964	19 478	21 442	2 047	8 731	2 343	6 685	973	-133	6 138	6 272	1 784	1 627	3 360	-5 348	1 988
14 *Jan*	A	-3 584	-2 057	18 882	20 938	2 659	8 373	2 890	5 714	791	-3 093	2 637	5 730	-1 093	314	-3 270	2 633	637

SUMMARY



CURRENT ACCOUNT



Sources: BE. Data compiled in accordance with the IMF Balance of Payments Manual (5th edition).

a. A positive sign for the current and capital account balances indicates a surplus (receipts greater than payments) and, thus, a Spanish net loan abroad (increase in the creditor position or decrease in the debtor position).

b. A positive sign for the financial account balance (the net change in liabilities exceeds the net change in financial assets) means a net credit inflow, i.e. a net foreign loan to Spain (increase in the debtor position or decrease in the creditor position).

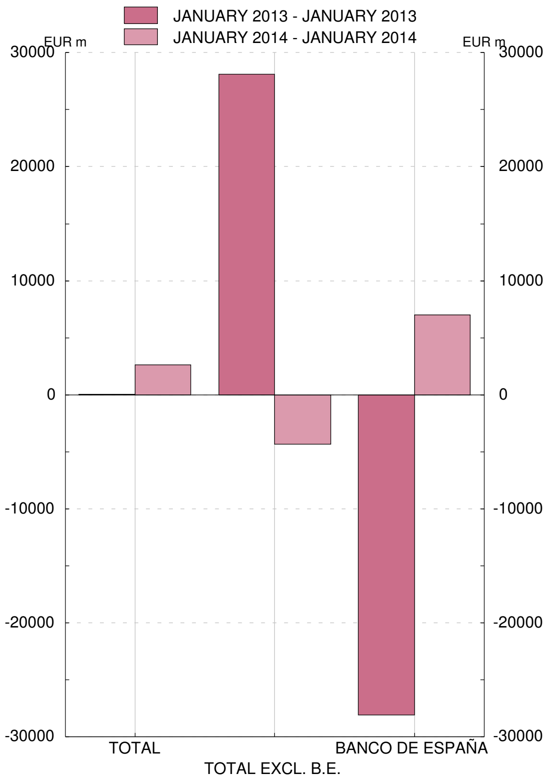
7.2. SPANISH BALANCE OF PAYMENTS VIS-à-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. FINANCIAL ACCOUNT (a)

■ Series depicted in chart.

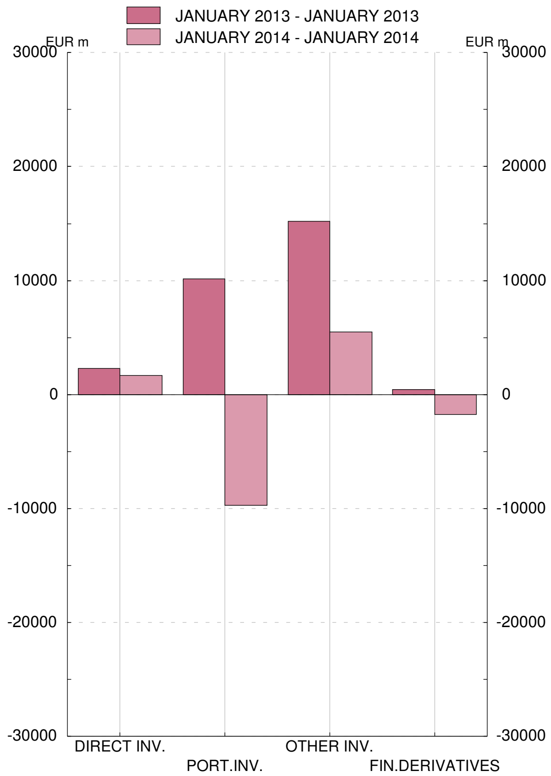
EUR millions

		Financial account	Total, excluding Banco de España											Banco de España			
			Total	Direct investment			Portfolio investment			Other investment (d)			Net financial derivatives	Balance	Reserves	Net claims with the Eurosystem	Other net assets
		(NCL-NCA)	(NCL-NCA)	Balance (NCL-NCA)	Spanish investment abroad (NCA)	Foreign investment in Spain (NCL) (b)	Balance (NCL-NCA)	Spanish investment abroad (NCA)	Foreign investment in Spain (NCL) (c)	Balance (NCL-NCA)	Spanish investment abroad (NCA)	Foreign investment in Spain (NCL)	(NCL-NCA)	(NCL-NCA)	(e)	(e)	(NCL-NCA)
		1=2+13 ■	2=3+6+9+12 ■	3=5-4 ■	4	5	6=8-7 ■	7	8	9=11-10 ■	10	11	12 ■	13=14+15+16 ■	14	15	16
11		30 307	-78 924	-9 197	29 612	20 415	-25 700	-42 495	-68 194	-41 961	33 895	-8 066	-2 067	109 231	-10 022	124 056	-4 803
12	P	324	-173 191	23 098	-3 099	19 999	-54 928	3 283	-51 645	-149 711	44 867	-104 844	8 349	173 516	-2 211	162 366	13 361
13	P	-25 286	88 981	9 890	19 609	29 499	40 360	-8 800	31 560	35 254	-52 625	-17 371	3 477	-114 267	-462	-123 660	9 855
13 *J-J*	P	23	28 091	2 295	1 327	3 622	10 159	-993	9 167	15 221	-2 149	13 072	416	-28 068	-934	-27 930	796
14 *J-J*	A	2 633	-4 345	1 653	1 672	3 325	-9 753	7 884	-1 868	5 471	-1 560	3 911	-1 717	6 978	-43	7 411	-390
12 *Oct*	P	-1 661	16 339	2 909	2 542	5 450	17 927	-7 803	10 124	-5 212	2 550	-2 662	716	-18 000	2	-19 704	1 702
Nov	P	-189	14 423	7 420	-4 488	2 932	32 368	-13 093	19 275	-26 148	2 431	-23 717	783	-14 612	-13	-14 388	-211
Dec	P	-8 348	19 047	6 846	-4 657	2 189	-23 220	37 720	14 500	35 730	2 589	38 319	-310	-27 395	18	-28 704	1 291
13 *Jan*	P	23	28 091	2 295	1 327	3 622	10 159	-993	9 167	15 221	-2 149	13 072	416	-28 068	-934	-27 930	796
Feb	P	6 057	17 485	2 307	-744	1 563	1 728	-83	1 645	13 904	-1 405	12 499	-455	-11 428	-8	-12 286	866
Mar	P	-3 347	-4 076	-1 383	5 789	4 406	-13 359	-50	-13 408	10 595	4 227	14 821	71	729	155	-226	799
Apr	P	-2 336	4 152	3 500	-1 587	1 913	-3 264	-2 761	-6 025	2 995	-735	2 260	921	-6 488	136	-7 781	1 156
May	P	-5 353	-2 056	555	520	1 075	3 720	403	4 122	-5 923	-2 795	-8 718	-407	-3 298	163	-4 220	759
Jun	P	-2 291	-337	16	2 191	2 207	-10 611	-1 284	-11 894	9 658	-4 291	5 367	600	-1 954	81	-2 302	267
Jul	P	-5 254	-5 532	1 665	-337	1 328	4 189	-5 073	-885	-11 802	-30 434	-42 236	415	278	98	-1 175	1 355
Aug	P	-1 142	-2 242	533	1 177	1 709	239	2 371	2 610	-3 608	-3 148	-6 756	594	1 100	29	164	908
Sep	P	-5 188	6 696	1 900	1 470	3 370	6 620	-521	6 099	-2 728	2 788	60	904	-11 884	-107	-13 063	1 286
Oct	P	954	4 700	4 491	-1 757	2 734	2 522	-3 936	-1 414	-3 153	-2 727	-5 880	840	-3 746	-115	-4 341	709
Nov	P	-2 061	20 547	-426	2 968	2 542	16 899	4 284	21 183	4 005	-5 870	-1 865	70	-22 608	14	-22 928	307
Dec	P	-5 348	21 551	-5 564	8 592	3 028	21 517	-1 157	20 361	6 089	-6 086	3	-491	-26 899	27	-27 571	645
14 *Jan*	A	2 633	-4 345	1 653	1 672	3 325	-9 753	7 884	-1 868	5 471	-1 560	3 911	-1 717	6 978	-43	7 411	-390

FINANCIAL ACCOUNT (NCL-NCA)



FINANCIAL ACCOUNT, EXCLUDING BANCO DE ESPAÑA. Breakdown. (NCL-NCA)



Sources: BE. Data compiled in accordance with the IMF Balance of Payments Manual (5th edition).

a. Changes in assets (NCA) and changes in liabilities (NCL) are both net of repayments. A positive (negative) sign in NCA columns indicates an outflow (inflow) of foreign financing. A positive (negative) sign in NCL columns implies an inflow (outflow) of foreign financing.

b. This does not include direct investment in quoted shares, but does include portfolio investment in unquoted shares.

c. This includes direct investment in quoted shares, but does not include portfolio investment in unquoted shares. d. Mainly, loans, deposits and repos.

e. A positive (negative) sign indicates a decrease (increase) in the reserves and/or claims of the BE with the Eurosystem.

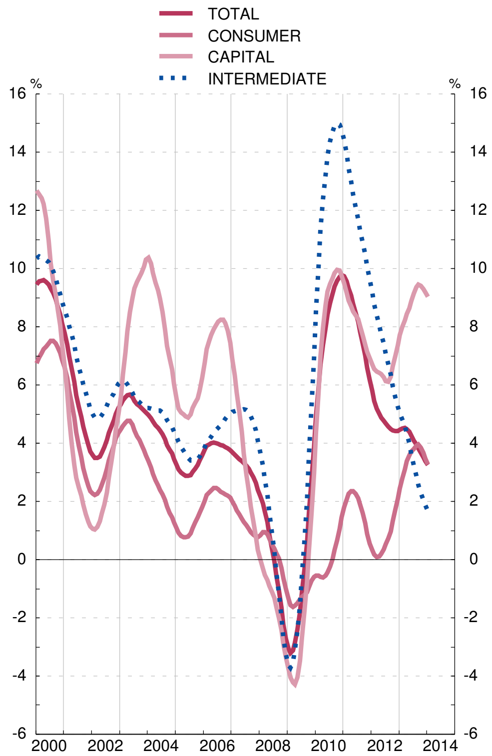
7.3. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD
EXPORTS AND DISPATCHES

■ Series depicted in chart.

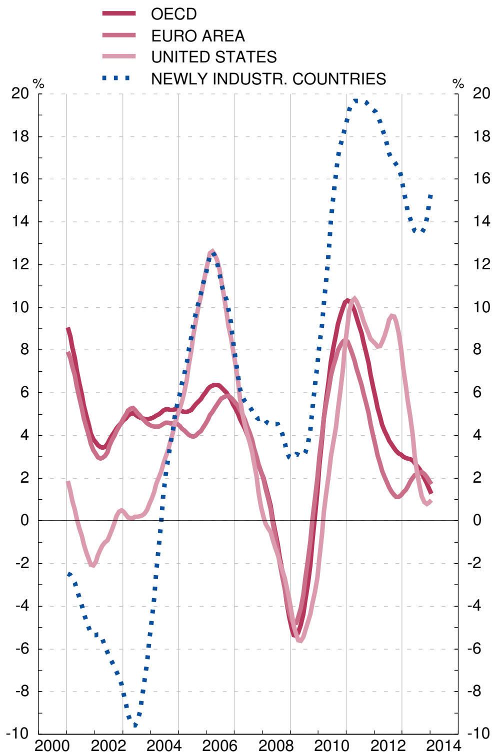
Eur millions and annual percentage changes

		Total			By product (deflated data) (a)					By geographical area (nominal data)							
							Intermediate			EU 28		OECD					
													of which:				
		EUR millions	Nom- inal	De- flated (a)	Con- sumer	Capital	Total	Energy	Non- energy	Total	Euro Area	Total	United States	OPEC	Other Amer- ican coun- tries	China	Newly industri- alised coun- tries
		1	2	3 ■	4 ■	5 ■	6 ■	7	8	9	10 ■	11 ■	12 ■	13	14	15	16 ■
06		170 439	10.0	5.2	2.9	12.7	5.6	-3.7	6.2	8.1	7.8	8.4	17.7	6.0	34.5	12.8	16.5
07		185 023	8.6	5.8	3.0	4.4	8.1	6.6	8.1	8.0	8.4	7.1	-1.1	22.3	-12.5	23.5	-0.8
08		189 228	2.3	0.7	2.4	-5.6	0.6	19.0	-0.6	-0.1	-0.5	-0.4	1.4	30.1	1.0	1.2	4.2
09		159 890	-15.5	-9.4	-3.4	-14.1	-12.8	-19.9	-12.2	-15.5	-13.2	-15.1	-24.4	-11.4	-17.9	-7.7	8.5
10		186 780	16.8	15.0	-3.4	22.4	28.6	15.4	29.6	14.3	13.6	15.2	15.5	9.6	35.7	34.1	27.0
11		215 230	15.2	10.0	6.8	17.9	10.7	12.1	11.4	12.7	9.5	13.6	20.0	26.2	18.8	27.2	1.3
12		226 115	5.1	3.0	-2.6	-8.2	7.9	27.0	6.0	0.5	-0.7	...	14.0	...	17.6	11.7	29.9
13	P	234 240	5.4	5.4	6.9	14.6	3.3	5.4	3.4	5.0	4.4	4.0	-2.7	14.2	20.0	6.1	0.8
12 *Dec*	P	17 789	4.6	0.2	5.2	4.7	-3.2	37.3	-5.7	3.8	1.2	5.6	12.3	-13.3	14.8	18.8	68.6
13 *Jan*	P	17 882	7.9	5.3	5.3	17.6	3.7	-1.0	4.0	3.6	1.9	3.4	6.2	83.2	20.0	15.2	1.5
Feb	P	18 414	2.4	4.9	0.3	16.0	6.1	-31.4	9.1	-0.6	-1.7	-1.8	-9.1	37.0	22.9	25.8	11.3
Mar	P	20 289	2.0	5.5	0.2	5.4	8.5	3.7	8.9	-8.1	-8.9	-6.9	13.9	41.1	16.3	2.3	-36.1
Apr	P	20 398	18.6	16.3	18.6	42.1	11.3	26.5	10.4	13.2	11.6	16.2	23.9	8.3	36.7	32.1	28.2
May	P	20 891	7.3	7.7	11.0	4.7	6.5	47.1	3.9	6.4	4.7	6.7	18.7	-1.1	24.5	12.9	-5.6
Jun	P	20 848	10.5	7.5	5.0	4.9	9.2	41.3	7.1	15.3	13.0	12.7	-16.0	14.8	15.9	-3.4	-5.2
Jul	P	19 861	1.3	-0.1	0.9	7.7	-1.6	-15.3	-0.5	-3.0	-4.7	-2.0	-11.2	30.5	30.0	-5.8	24.4
Aug	P	17 216	3.8	1.9	6.8	38.2	-3.6	20.1	-5.3	11.8	9.9	3.7	-19.8	0.0	9.3	20.3	7.9
Sep	P	19 345	8.3	11.4	22.7	22.9	5.0	-4.7	5.7	12.4	13.9	8.9	-5.4	-13.1	24.0	14.1	-4.6
Oct	P	21 465	1.8	1.2	8.7	14.5	-4.6	-16.0	-3.6	6.8	7.3	3.5	-16.8	-16.8	16.3	-8.2	-14.4
Nov	P	19 319	-2.2	-0.9	2.9	7.7	-4.7	17.6	-6.2	0.1	1.3	-0.9	-15.2	-11.6	14.7	-12.5	19.4
Dec	P	18 313	2.9	5.5	4.4	9.5	5.2	-24.3	7.9	1.9	4.8	4.1	-2.3	-2.0	10.0	-17.6	-15.1
14 *Jan*	P	18 434	3.1	5.4	2.5	19.8	5.1	12.3	4.6	5.2	5.6	5.8	8.1	-38.3	0.1	27.5	41.1

BY PRODUCT
Annual percentage changes (trend obtained with TRAMO-SEATS method)



BY GEOGRAPHICAL AREA
Annual percentage changes (trend obtained with TRAMO-SEATS method)



Sources: ME, MHAP y BE.
Note: The underlying series for this indicator are in Tables 18.4 and 18.5 of the Boletín estadístico.
The monthly series are provisional data, while the annual series are the final foreign trade data.
a. Series deflated by unit value indices.

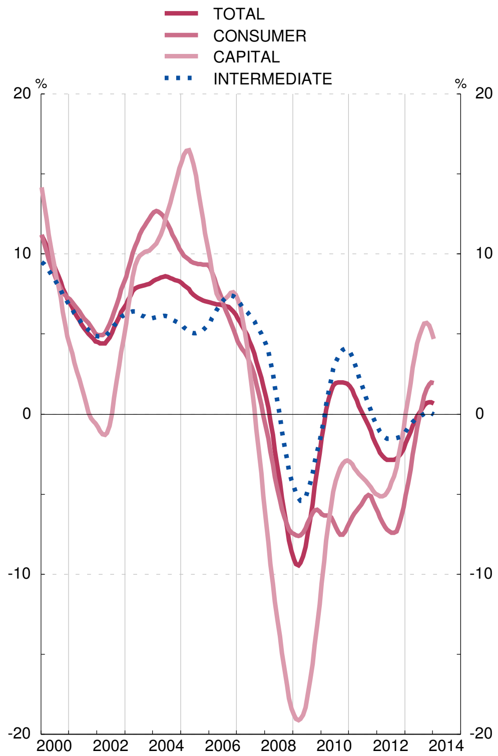
7.4. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD
IMPORTS AND ARRIVALS

■ Series depicted in chart.

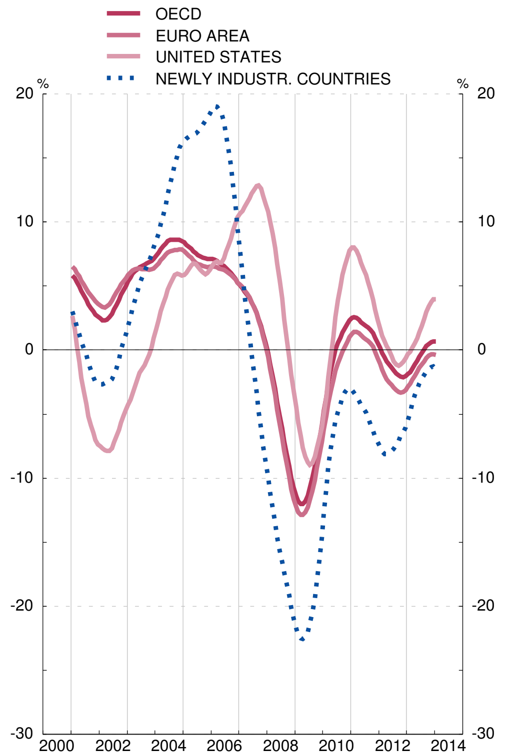
Eur millions and annual percentage changes

		Total			By product (deflated data) (a)					By geographical area (nominal data)							
							Intermediate			EU 28		OECD					
		EUR millions	Nom- inal	De- flated (a)	Con- sumer	Capital	Total	Energy	Non- energy	Total	Euro Area	Total	of which: United States	OPEC	Other Amer- ican coun- tries	China	Newly industri- alised coun- tries
		1	2	3 ■	4 ■	5 ■	6 ■	7	8	9	10 ■	11 ■	12 ■	13	14	15	16 ■
06		262 687	12.8	8.5	7.3	2.5	10.2	6.1	11.5	8.4	8.0	8.8	14.7	25.3	24.1	22.7	28.6
07		285 038	8.5	7.6	5.8	10.8	7.8	4.0	8.9	10.5	11.0	9.7	16.4	-6.3	-6.8	28.7	-3.7
08		283 388	-0.6	-4.5	-6.4	-14.3	-1.9	5.8	-3.9	-8.2	-8.8	-7.3	12.9	37.4	16.6	10.8	-16.1
09		206 116	-27.3	-17.5	-12.1	-31.4	-17.5	-9.9	-20.0	-23.8	-25.6	-24.6	-25.1	-38.6	-31.1	-29.5	-31.6
10		240 056	16.5	11.3	-4.1	9.0	19.0	3.3	24.5	9.8	7.5	10.5	14.2	36.0	44.8	30.8	7.1
11		263 141	9.6	1.1	-3.0	-4.6	3.2	1.8	3.6	5.9	6.7	6.6	12.6	20.1	21.0	-1.1	-2.8
12		257 946	-2.0	-6.3	-8.2	-7.9	-5.5	0.2	-7.0	-5.8	-5.8	...	-9.1	...	9.1	-4.8	-12.4
13	P	250 195	-1.0	3.1	2.5	14.1	2.4	1.3	3.2	1.5	1.4	1.3	5.8	-6.7	-12.1	-1.2	2.4
12 *Dec*	P	19 083	-11.5	-13.6	-4.8	-2.1	-17.5	-14.1	-18.7	-13.4	-13.3	-13.7	2.7	-8.9	-44.2	-3.2	-25.7
13 *Jan*	P	21 380	5.7	6.7	-4.9	0.4	10.9	18.2	8.6	-0.7	1.4	2.8	29.4	0.5	-3.7	-5.3	-4.2
Feb	P	19 598	-9.8	-6.3	-10.6	0.7	-5.6	-13.0	-3.2	-9.7	-8.8	-10.1	-16.8	-6.3	-38.8	-7.9	-16.4
Mar	P	19 654	-15.0	-10.6	-18.4	-7.0	-8.3	-9.3	-7.9	-11.8	-12.3	-12.1	-16.2	-10.4	-47.0	2.2	-16.9
Apr	P	22 041	7.2	14.8	10.7	24.1	15.1	15.0	15.2	6.5	7.3	6.6	14.2	9.1	-14.3	-1.8	36.0
May	P	20 918	-2.2	3.9	1.2	14.8	3.7	19.9	-0.5	-1.1	0.3	-3.7	-5.8	26.4	-24.2	-5.8	0.8
Jun	P	20 955	-2.8	-0.0	5.9	22.0	-3.5	-6.5	-2.6	2.5	1.6	3.1	-10.3	-17.5	-28.0	-12.9	-0.7
Jul	P	20 647	-3.0	-0.7	0.1	9.7	-1.8	3.8	-3.4	-3.7	-5.5	-3.2	-1.3	-3.5	-11.9	-2.0	-2.0
Aug	P	19 025	-3.6	3.1	5.5	17.1	1.2	-2.0	2.4	3.7	2.4	4.4	14.9	-16.4	-11.8	-6.8	8.1
Sep	P	21 932	4.7	8.7	14.5	32.6	5.0	-4.3	8.0	9.3	9.8	8.8	-3.8	-12.8	14.8	7.6	1.2
Oct	P	22 824	1.1	8.4	10.1	18.8	7.0	0.4	8.9	4.5	4.6	6.2	25.3	-25.6	-1.2	3.2	-8.7
Nov	P	21 078	-0.4	2.4	7.8	19.4	-0.7	-3.8	0.2	8.2	6.9	5.5	16.4	-14.6	-5.0	-2.4	7.4
Dec	P	20 143	5.6	9.3	11.5	15.7	8.1	-4.4	12.4	9.7	9.3	6.6	20.9	-9.5	23.7	16.4	23.4
14 *Jan*	P	21 253	-0.6	6.5	17.2	11.7	3.2	-4.5	5.7	8.1	6.8	9.5	16.9	-21.9	-27.7	5.2	9.3

BY PRODUCTS
Annual percentage changes (trend obtained with TRAMO SEATS method)



BY GEOGRAPHICAL AREA
Annual percentage changes (trend obtained with TRAMO-SEATS method)



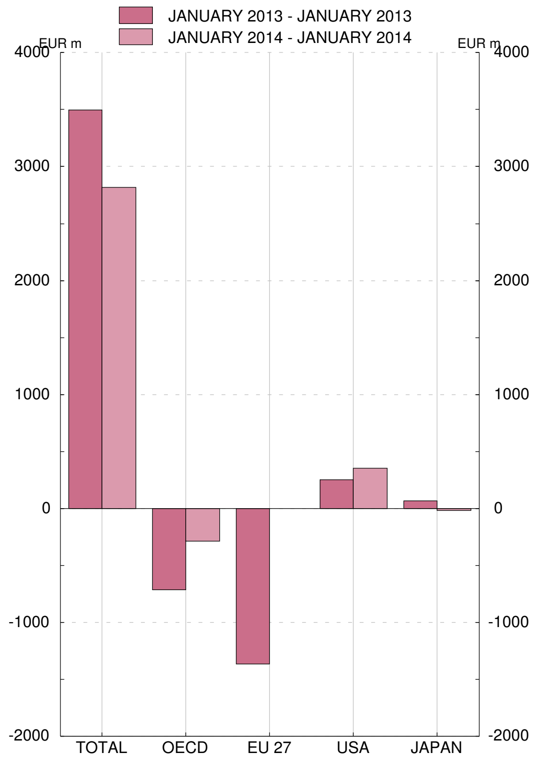
Sources: ME, MHAP y BE.
Note: The underlying series for this indicator are in Tables 18.2 and 18.3 of the Boletín estadístico.
The monthly series are provisional data, while the annual series are the final foreign trade data.
a. Series deflated by unit value indices .

7.5. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD. TRADE BALANCE. GEOGRAPHICAL DISTRIBUTION

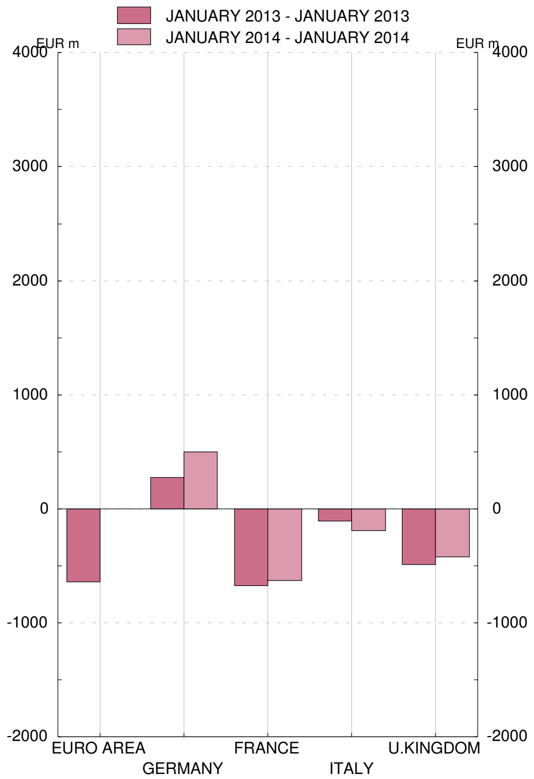
EUR millions

		World total	European Union (EU 28)								OECD			OPEC	Other American countries	China	Newly industrialised countries
			Total	Euro area				Other EU 28			Total	Of which:					
				Total	Of which:			Total	Of which:			United States	Japan				
					Germany	France	Italy		United Kingdom								
		1	2=3+7	3	4	5	6	7	8		9	10	11	12	13	14	15
07		-100 015	-39 945	-38 109	-23 752	-214	-8 375	-1 836	133		-54 211	-2 555	-4 779	-14 682	-3 477	-16 366	-4 347
08		-94 160	-26 033	-26 207	-19 612	3 019	-6 608	174	356		-39 729	-3 739	-3 663	-20 561	-4 971	-18 340	-3 296
09		-46 227	-8 922	-6 767	-9 980	6 787	-1 847	-2 156	187		-15 709	-2 742	-1 958	-10 701	-2 641	-12 471	-1 532
10		-53 276	-4 816	-2 211	-8 598	7 904	-477	-2 605	597		-11 261	-3 058	-2 054	-16 216	-4 267	-16 253	-1 252
11		-47 910	3 559	1 029	-8 984	8 590	219	2 529	2 955		-1 751	-2 956	-1 389	-19 066	-5 312	-15 317	-1 116
12		-31 831	12 203	6 774	-4 118	9 222	656	5 429	3 778		...	-858	-859	...	-5 124	-14 023	83
13	P	-15 955	17 695	10 986	-4 188	10 355	1 819	6 709	5 991		15 362	-1 540	-191	-17 334	-1 121	-13 421	3
12 *Dec*	P	-1 294	1 280	553	-277	712	31	727	547		1 103	-83	-51	-1 413	15	-983	144
13 *Jan*	P	-3 499	1 378	639	-274	674	108	739	490		715	-252	-69	-1 685	-432	-1 268	-46
Feb	P	-1 184	1 498	938	-233	658	278	561	607		1 125	-139	-10	-1 401	55	-1 030	92
Mar	P	635	1 767	1 224	-187	873	234	543	378		1 932	98	-46	-1 192	-117	-894	-28
Apr	P	-1 642	1 584	961	-298	1 128	200	623	482		1 413	-151	-11	-1 808	16	-892	-75
May	P	-27	2 208	1 339	-314	962	218	869	804		2 204	-9	-58	-1 578	32	-1 006	-55
Jun	P	-107	2 186	1 228	-335	1 193	53	959	905		1 881	-21	4	-1 406	177	-975	-19
Jul	P	-787	1 584	1 174	-348	810	220	410	419		1 587	-70	58	-1 328	1	-1 232	33
Aug	P	-1 809	1 360	924	-301	948	147	436	295		1 216	-46	37	-1 653	-176	-1 153	-4
Sep	P	-2 587	889	623	-487	795	121	266	278		566	-49	-9	-1 554	-364	-1 374	-2
Oct	P	-1 359	1 595	895	-426	1 106	119	699	588		1 163	-299	31	-1 219	-4	-1 269	12
Nov	P	-1 759	1 098	815	-459	505	172	283	330		715	-334	-43	-1 304	-219	-1 065	63
Dec	P	-1 830	548	227	-528	703	-51	321	414		844	-269	-75	-1 208	-90	-1 261	34
14 *Jan*	P	-2 818	1 168	574	-501	628	191	594	422		289	-351	20	-1 511	-121	-1 265	20

CUMULATIVE TRADE DEFICIT



CUMULATIVE TRADE DEFICIT



Source: MHAP.
Note: The underlying series for this indicator are in Tables 18.3 and 18.5 of the Boletín Estadístico.
The monthly series are provisional data, while the annual series are the final foreign trade data.

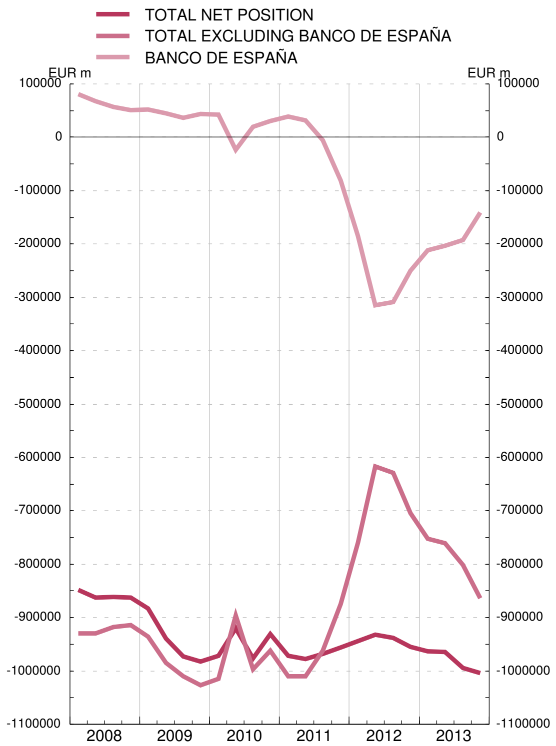
7.6. SPANISH INTERNATIONAL INVESTMENT POSITION VIS-à-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD SUMMARY

■ Series depicted in chart.

End-of-period stocks in EUR billions

	Net international investment position (assets-liabil.)	Total excluding Banco de España											Banco de España			
		Net position excluding Banco de España (assets - liabil.)	Direct investment			Portfolio investment			Other investment			Financial derivatives Net position (assets-liabil.)	Banco de España Net position (assets-liabil.)	Reserves	Net assets vis-à-vis the Euro-system	Other net assets (assets-liabil.) (a)
			Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)	Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)	Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)					
	1=2+13 ■	2=3+6+9+12 ■	3=4-5 ■	4	5	6=7-8 ■	7	8	9=10-11 ■	10	11	12	13=14 to 16 ■	14	15	16
05	-505.5	-577.2	-67.1	258.9	326.0	-273.6	454.7	728.4	-236.5	268.2	504.7	...	71.7	14.6	17.1	40.1
06	-648.2	-743.9	-19.3	331.1	350.4	-508.9	455.7	964.6	-206.1	324.9	530.9	-9.6	95.7	14.7	29.4	51.6
07	-822.8	-901.7	-2.6	395.4	398.0	-648.5	438.4	1 086.9	-231.8	379.5	611.3	-18.8	78.9	12.9	1.1	64.9
08	-863.1	-914.0	1.3	424.4	423.2	-603.7	354.2	958.0	-305.1	386.6	691.8	-6.4	50.9	14.5	-30.6	67.0
09	-982.2	-1 026.3	-4.5	434.4	438.9	-693.7	374.3	1 068.1	-327.1	369.6	696.8	-1.0	44.1	19.6	-36.4	60.9
10 *Q4*	-931.5	-961.8	18.6	488.9	470.2	-634.5	311.7	946.2	-348.6	370.5	719.1	2.7	30.3	23.9	-46.1	52.5
11 *Q1*	-971.2	-1 010.7	-0.5	486.9	487.3	-665.8	301.8	967.6	-342.8	376.6	719.4	-1.5	39.5	23.2	-35.2	51.5
Q2	-978.3	-1 010.5	13.6	491.1	477.5	-642.5	293.4	935.9	-381.3	378.9	760.2	-0.3	32.2	23.5	-40.6	49.3
Q3	-967.7	-962.5	14.2	488.2	474.0	-612.9	274.9	887.8	-371.5	383.9	755.4	7.6	-5.2	27.6	-83.8	51.1
Q4	-956.1	-875.1	21.3	507.4	486.1	-584.2	258.1	842.3	-318.2	393.6	711.8	5.9	-81.0	36.4	-170.2	52.8
12 *Q1*	-944.2	-759.4	22.3	506.6	484.2	-522.1	270.3	792.4	-262.6	410.7	673.3	2.9	-184.8	36.0	-271.2	50.5
Q2	-932.3	-617.4	17.8	505.3	487.5	-438.3	254.8	693.1	-201.5	439.0	640.5	4.6	-314.9	41.4	-403.6	47.3
Q3	-938.6	-629.3	15.5	494.0	478.5	-463.8	254.0	717.8	-183.9	415.7	599.6	2.8	-309.3	40.2	-395.4	45.9
Q4	-954.5	-704.2	-6.0	482.6	488.6	-514.2	276.0	790.2	-186.0	419.9	605.9	2.1	-250.3	38.3	-332.6	43.9
13 *Q1*	-963.6	-752.5	-11.0	489.7	500.6	-519.7	283.2	802.8	-223.9	420.9	644.8	2.0	-211.1	39.7	-292.1	41.4
Q2	-964.2	-760.7	-35.2	469.7	504.9	-503.9	280.2	784.1	-223.9	415.4	639.4	2.3	-203.5	35.4	-277.8	38.9
Q3	-994.5	-801.6	-43.9	467.8	511.8	-551.7	284.6	836.4	-208.1	384.9	593.0	2.2	-192.9	35.3	-263.7	35.5
Q4	-1 004.5	-863.4	-52.8	466.4	519.2	-609.5	293.5	903.0	-203.7	380.7	584.5	2.6	-141.1	33.6	-208.9	34.2

INTERNATIONAL INVESTMENT POSITION



COMPONENTS OF THE POSITION

Source: BE.

Note: As from December 2002, portfolio investment data have been calculated using a new information system (see Banco de España Circular 2/2001 and note on changes introduced in the economic indicators). The incorporation of the new data under the heading 'shares and mutual funds' of other resident sectors entails a very significant break in the time series, both in the financial assets and the liabilities, so that the series have been revised back to 1992. This methodological change introduced by the new system also affects the rest of the headings, to some extent, but the effect does not justify a complete revision of the series.

a. See note b to table 17.21 of the Boletín Estadístico.

7.7. SPANISH INTERNATIONAL INVESTMENT POSITION VIS-à-VIS OTHER EURO AREA RESIDENTES AND THE REST OF THE WORLD BREAKDOWN BY INVESTMENT

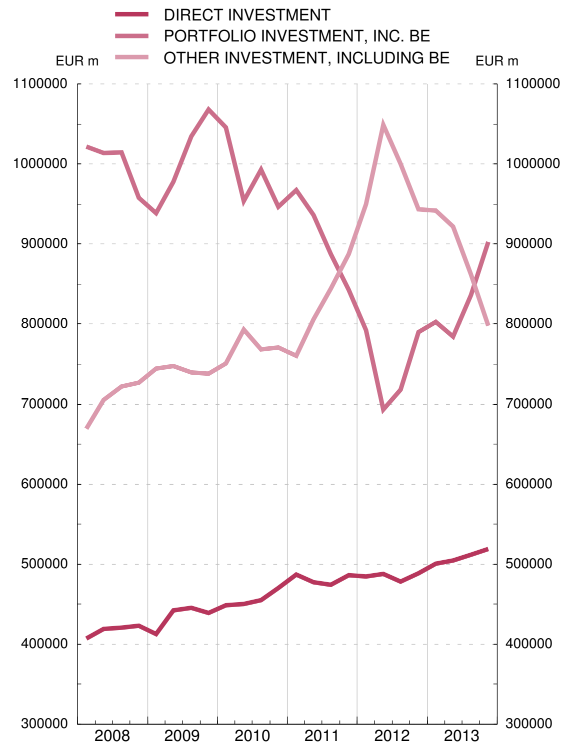
■ Series depicted in chart.

End-of-period stocks in EUR millions

	Direct investment				Portfolio investment, including Banco de España				Other investment, including Banco de España		Financial derivatives including BE	
	Spanish investment abroad		Foreign investment in Spain		Spanish investment abroad		Foreign investment in Spain					
	Shares and other equities	Intercompany debt transactions	Shares and other equities	Intercompany debt transactions	Shares and mutual funds	Debt securities	Shares and mutual funds	Debt securities	Spanish investment abroad	Foreign investment in Spain (a)	Spanish investment abroad	Foreign investment in Spain
	1	2	3	4	5	6	7	8	9 ■	10 ■	11	12
05	236 769	22 133	250 641	75 322	104 156	388 472	197 347	531 035	287 551	504 831	-	-
06	307 902	23 206	271 313	79 125	133 193	373 001	245 683	718 897	355 621	531 211	32 973	42 569
07	368 306	27 086	307 278	90 696	132 954	369 758	282 331	804 609	384 714	614 829	44 642	63 487
08	393 430	31 011	320 664	102 489	63 146	357 229	170 143	787 812	391 414	726 987	108 278	114 027
09	404 194	30 207	327 215	111 662	78 591	356 340	222 619	845 431	375 092	738 182	77 449	78 498
10 *Q4*	449 955	38 920	346 360	123 885	92 462	271 400	181 031	765 193	376 095	770 399	95 116	92 459
11 *Q1*	448 499	38 356	356 721	130 625	92 922	260 180	204 657	762 989	382 184	760 102	80 724	82 170
Q2	452 970	38 123	353 119	124 368	91 969	250 230	194 147	741 706	384 477	805 918	83 747	84 040
Q3	443 544	44 644	352 576	121 376	78 371	247 232	159 173	728 589	389 522	844 427	134 796	127 191
Q4	457 738	49 646	360 035	126 053	77 849	232 678	162 281	680 027	399 345	887 129	140 225	134 415
12 *Q1*	458 269	48 323	359 102	125 143	83 926	236 259	157 789	634 644	416 438	949 759	133 237	130 209
Q2	452 901	52 425	365 438	122 083	82 442	218 990	144 874	548 189	444 737	1 049 243	153 277	148 677
Q3	443 686	50 314	359 336	119 153	86 616	212 651	164 681	553 107	421 394	1 000 017	157 193	154 374
Q4	433 144	49 447	372 315	116 299	89 646	229 156	178 971	611 220	425 727	943 393	148 623	146 395
13 *Q1*	447 217	42 446	386 440	114 173	99 808	223 894	182 257	620 582	426 737	941 991	139 379	137 347
Q2	430 879	38 851	392 914	111 971	105 065	213 086	180 631	603 438	421 281	922 145	120 715	118 428
Q3	429 156	38 647	398 732	113 020	112 673	206 605	219 910	616 459	390 749	861 684	117 191	115 011
Q4	423 638	42 772	407 343	111 831	124 433	202 372	241 544	661 443	386 575	798 281	98 470	95 867

SPANISH INVESTMENT ABROAD

FOREIGN INVESTMENT IN SPAIN



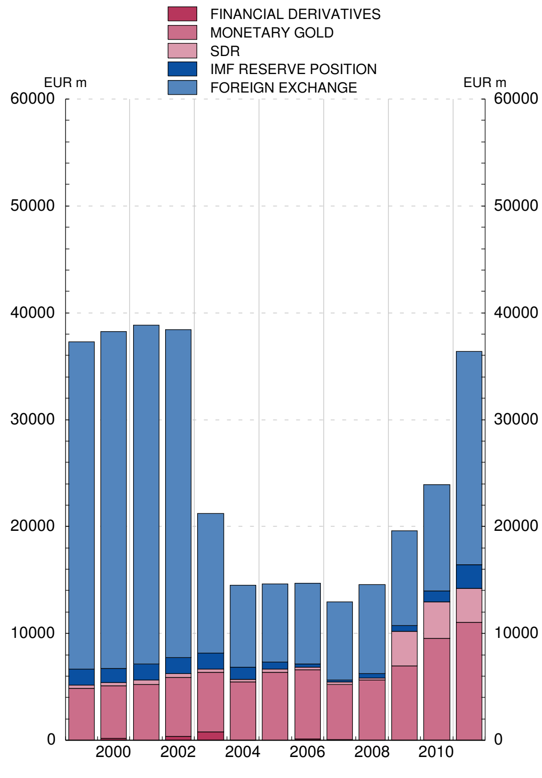
Source: BE.
Note: See footnote to Indicator 7.6
a. See note b to table 17.21 of the Boletín Estadístico.

7.8. SPANISH RESERVE ASSETS

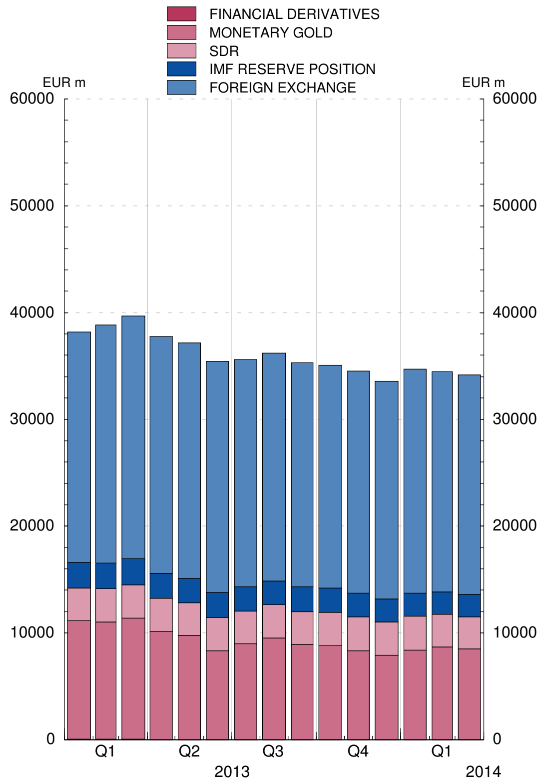
■ Series depicted in chart. *End-of-period stocks in EUR millions*

	Reserve assets						Memorandum item: gold
	Total	Foreign exchange	Reserve position in the IMF	SDRs	Monetary gold	Financial derivatives	Millions of troy ounces
	1	2 ■	3 ■	4 ■	5 ■	6 ■	7
08	14 546	8 292	467	160	5 627	-	9.1
09	19 578	8 876	541	3 222	6 938	-	9.1
10	23 905	9 958	995	3 396	9 555	-	9.1
11	36 402	19 972	2 251	3 163	11 017	-	9.1
12	38 347	21 349	2 412	3 132	11 418	35	9.1
12 *Oct*	39 492	21 820	2 491	3 175	12 002	4	9.1
Nov	39 463	21 791	2 479	3 166	12 011	16	9.1
Dec	38 347	21 349	2 412	3 132	11 418	35	9.1
13 *Jan*	38 177	21 548	2 411	3 057	11 109	51	9.1
Feb	38 839	22 305	2 402	3 102	10 988	42	9.1
Mar	39 664	22 698	2 451	3 145	11 330	39	9.1
Apr	37 765	22 183	2 344	3 104	10 109	25	9.1
May	37 169	22 037	2 283	3 087	9 737	25	9.1
Jun	35 434	21 661	2 349	3 092	8 329	3	9.1
Jul	35 633	21 331	2 259	3 061	8 984	-2	9.1
Aug	36 195	21 331	2 229	3 075	9 558	1	9.1
Sep	35 321	21 013	2 296	3 059	8 955	-1	9.1
Oct	35 060	20 845	2 278	3 136	8 801	-0	9.1
Nov	34 544	20 813	2 238	3 143	8 339	11	9.1
Dec	33 587	20 413	2 152	3 122	7 888	12	9.1
14 *Jan*	34 733	21 025	2 139	3 171	8 399	-1	9.1
Feb	34 442	20 625	2 093	3 020	8 706	-2	9.1
Mar	34 196	20 568	2 097	3 029	8 497	6	9.1

RESERVE ASSETS
END-OF-YEAR POSITIONS



RESERVE ASSETS
END-OF-MONTH POSITIONS



Source: BE.
Note: From January 1999 the assets denominated in euro and other currencies vis-à-vis residents of other euro area countries are not considered reserve assets. To December 1998, data in pesetas have been converted to euro using the irrevocable euro conversion rate. Since January 1999, all reserve assets are valued at market prices. As of January 2000 reserve assets data have been compiled in accordance with the IMF´s new methodological guidelines published in the document 'International Reserves and Foreign Currency Liquidity
Guidelines for a Data Template', October 2001 (http://dsbb.imf.org/Applications/web/sddsguide). Using this new definition, total reserve assets as at 31.12.99 would have been EUR 37835 million instead of the ammount of EUR 37288 million published in this table.

7.9. SPANISH EXTERNAL DEBT VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. SUMMARY

End-of-period positions *EUR millions*

	Total	General government						Other monetary financial institutions				
		Total	Short-term		Long-term			Total	Short-term		Long-term	
			Money market instru- ments	Loans	Bonds and notes	Loans	Trade credits		Money market instru- ments	Deposits	Bonds and notes	Deposits
	1	2	3	4	5	6	7	8	9	10	11	12
09 *Q4*	1 757 372	299 770	44 479	532	229 085	25 674	-	782 873	14 903	384 509	260 304	123 157
10 *Q1*	1 778 929	315 896	51 896	114	237 246	26 640	-	789 869	16 641	399 817	256 338	117 073
Q2	1 759 449	291 348	39 698	192	223 146	28 312	-	741 796	12 157	378 888	239 162	111 589
Q3	1 745 184	302 216	39 437	932	232 817	29 031	-	758 152	10 926	396 110	242 943	108 173
Q4	1 715 268	289 183	36 629	976	220 357	31 221	-	759 486	9 910	413 379	237 915	98 283
11 *Q1*	1 701 346	292 086	37 875	485	221 797	31 929	-	760 849	10 640	395 695	235 895	118 619
Q2	1 725 377	286 068	37 245	7	215 529	33 287	-	792 835	7 554	425 267	231 979	128 035
Q3	1 751 756	293 403	36 605	507	222 439	33 851	-	768 666	6 211	402 061	223 975	136 418
Q4	1 744 466	274 909	28 534	428	211 116	34 831	-	709 704	3 494	362 532	212 924	130 755
12 *Q1*	1 761 772	256 191	23 602	4	191 658	40 926	-	643 882	3 341	311 819	193 463	135 259
Q2	1 772 099	238 243	16 369	70	175 453	46 351	-	575 101	2 699	273 422	163 477	135 504
Q3	1 727 689	254 724	20 397	325	187 552	46 449	-	525 154	1 899	237 643	154 841	130 771
Q4	1 728 017	330 139	27 732	53	211 325	91 029	-	501 837	1 800	212 849	159 173	128 016
13 *Q1*	1 735 452	342 841	30 709	24	218 596	93 512	-	538 221	1 504	250 479	161 398	124 840
Q2	1 698 061	342 308	34 901	243	211 189	95 975	-	521 131	1 407	249 835	154 781	115 108
Q3	1 651 888	368 847	42 458	1 136	228 317	96 936	-	468 067	1 442	228 702	147 186	90 737
Q4	1 633 599	417 524	53 100	20	266 487	97 917	-	455 732	1 644	217 526	145 874	90 688

7.9. (CONT.) SPANISH EXTERNAL DEBT VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. SUMMARY

End-of-period positions *EUR millions*

	Monetary authority		Other residents sectors								Direct investment		
	Total (a)	Short-term	Total	Short-term			Long-term				Total	Vis-à-vis	
		Deposits		Money market instru- ments	Loans	Other liabilities	Bonds and notes	Loans	Trade credits	Other liabilities		Direct investors	Subsidia- ries
	13	14	15	16	17	18	19	20	21	22	23	24	25
09 *Q4*	41 400	41 400	459 569	18 059	14 269	2 375	278 601	144 393	419	1 454	173 759	73 851	99 908
10 *Q1*	43 673	43 673	448 931	14 758	13 800	3 179	270 358	145 075	399	1 363	180 561	70 158	110 403
Q2	105 881	105 881	438 907	12 714	16 424	4 462	257 666	145 855	406	1 379	181 518	67 662	113 856
Q3	59 477	59 477	447 273	14 032	16 561	4 762	258 966	151 114	395	1 442	178 066	67 794	110 272
Q4	51 323	51 323	435 599	11 929	16 671	4 284	248 454	152 281	396	1 584	179 677	67 741	111 936
11 *Q1*	40 665	40 665	429 490	11 724	15 251	3 818	245 057	151 453	390	1 798	178 255	67 958	110 296
Q2	45 732	45 732	422 988	11 840	15 388	4 192	237 559	152 254	389	1 367	177 753	68 611	109 142
Q3	89 019	89 019	421 929	7 466	16 644	6 433	231 892	157 846	394	1 253	178 741	68 131	110 610
Q4	175 360	175 360	407 183	5 100	17 048	6 544	218 859	157 939	398	1 294	177 310	69 975	107 335
12 *Q1*	276 496	276 496	407 833	8 330	16 857	6 699	214 249	159 950	395	1 352	177 369	69 811	107 558
Q2	408 695	408 695	375 392	5 481	15 152	6 826	184 709	161 356	462	1 406	174 667	69 367	105 301
Q3	400 455	400 455	372 791	4 154	14 307	7 388	184 264	160 879	459	1 340	174 565	68 953	105 612
Q4	337 486	337 486	385 151	6 064	13 841	7 798	205 126	150 628	457	1 236	173 404	68 232	105 172
13 *Q1*	297 184	297 184	384 327	6 708	15 615	7 956	201 666	150 288	459	1 634	172 879	68 734	104 145
Q2	282 790	282 790	379 355	6 964	14 943	7 495	194 196	153 800	457	1 500	172 478	68 498	103 980
Q3	268 705	268 705	372 523	6 874	12 506	7 377	190 181	153 630	453	1 501	173 745	68 576	105 169
Q4	213 829	213 829	372 640	3 500	12 953	7 289	190 838	156 107	451	1 501	173 875	69 487	104 388

Source: BE.
a. See note b to table 17.21 of the Boletín Estadístico.

8.1.a CONSOLIDATED BALANCE SHEET OF THE EUROSYSTEM. NET LENDING TO CREDIT INSTITUTIONS AND ITS COUNTERPARTS

Average of daily data, EUR millions

	Net lending in euro							Counterparts					
	Total	Open market operations				Standing facilities		Autonomous factors					Actual reserves of credit institutions
		Main refinancing operations	Longer-term refinancing operations	Fine-tuning reverse operations (net)	Structural reverse operations (net)	Marginal lending facility	Deposit facility	Total	Banknotes	Deposits to general government	Gold and net assets in foreign currency	Other assets (net)	
	1=2+3+4 +5+6-7	2	3	4	5	6	7	8=9+10 -11-12	9	10	11	12	13
12 *Sep*	876 292	124 884	1 069 567	-	-	1 013	319 173	332 823	893 288	95 737	670 651	-14 449	543 469
Oct	885 514	92 494	1 057 904	-	-	1 324	266 209	352 304	890 571	101 249	708 573	-69 057	533 210
Nov	884 798	77 694	1 046 596	-	-	1 358	240 850	362 981	888 224	108 633	708 113	-74 237	521 816
Dec	884 094	74 151	1 038 706	-	-	4 538	233 301	389 750	901 830	110 978	704 635	-81 578	494 344
13 *Jan*	907 427	105 363	1 021 211	-	-	457	219 604	420 632	891 268	99 407	657 382	-87 339	486 795
Feb	850 148	129 306	876 189	-	-	658	156 006	419 735	880 527	73 410	655 016	-120 814	430 413
Mar	787 506	125 975	795 073	-	-	735	134 277	428 999	884 384	86 192	656 692	-115 115	358 507
Apr	758 155	118 249	759 811	-	-	666	120 571	427 061	894 830	87 133	657 190	-102 288	331 094
May	745 149	105 552	733 956	-	-	685	95 043	440 588	903 179	83 893	656 983	-110 498	304 561
Jun	730 513	106 263	713 146	-	-	1 522	90 419	439 758	906 097	85 420	655 213	-103 455	290 755
Jul	718 506	105 488	700 706	-	-	324	88 013	447 528	915 567	99 389	532 182	35 246	270 977
Aug	714 452	100 070	693 682	-	-	140	79 440	437 171	920 672	72 839	531 905	24 435	277 280
Sep	712 189	96 550	681 760	-	-	476	66 597	441 659	917 836	77 764	532 929	21 012	270 530
Oct	699 324	92 349	659 268	-	-	73	52 366	445 952	919 207	79 932	550 975	2 213	253 372
Nov	675 260	89 540	635 372	-	-	98	49 749	447 792	922 410	70 480	550 711	-5 612	227 468
Dec	665 849	114 636	603 234	-	-	268	52 290	426 416	943 271	66 754	549 143	34 466	239 433
14 *Jan*	649 566	122 069	579 586	-	-	252	52 341	417 009	938 118	75 739	509 423	87 425	232 556
Feb	634 781	95 993	573 273	-	-	333	34 818	426 501	930 579	81 875	510 096	75 857	208 280

8.1.b BALANCE SHEET OF THE BANCO DE ESPAÑA. NET LENDING TO CREDIT INSTITUTIONS AND ITS COUNTERPARTS

Average of daily data, EUR millions

	Net lending in euro							Counterparts							
	Total	Open market operations				Standing facilities		Intra-ESCB		Autonomous factors					Actual reserves of credit institutions
		Main refinancing operations	Longer-term refinancing operations	Fine-tuning reserve operations (net)	Structural reserve operations (net)	Marginal lending facility	Deposit facility	Target	Rest	Total	Banknotes	Deposits to general government	Gold and net assets in foreign currency	Other assets (net)	
	14=15+16 +17+18 +19-20	15	16	17	18	19	20	21	22	23=24+25 -26-27	24	25	26	27	28
12 *Sep*	378 176	70 818	329 109	-	-	-	21 751	419 847	-5 724	-47 776	69 114	4 036	41 785	79 142	11 829
Oct	341 601	47 426	319 508	-	-	0	25 333	383 605	-5 724	-48 108	67 482	4 408	40 945	79 053	11 827
Nov	340 835	44 292	320 567	-	-	-	24 024	376 268	-5 724	-43 004	65 376	10 766	41 360	77 785	13 295
Dec	313 109	41 144	316 148	-	-	1	44 183	352 406	-5 744	-48 442	64 574	6 970	40 285	79 701	14 890
13 *Jan*	298 664	34 839	311 210	-	-	-	47 385	333 226	-5 862	-43 911	62 903	9 224	37 617	78 421	15 211
Feb	271 840	24 077	266 847	-	-	-	19 084	308 008	-5 862	-44 310	60 934	8 630	38 170	75 704	14 005
Mar	259 998	24 304	246 637	-	-	-	10 944	298 304	-5 862	-45 498	60 974	10 768	39 538	77 702	13 053
Apr	257 215	26 747	238 330	-	-	-	7 862	296 901	-5 862	-47 154	61 643	8 020	40 419	76 399	13 329
May	254 979	25 360	233 958	-	-	-	4 339	289 650	-5 862	-41 970	61 192	8 635	39 467	72 331	13 161
Jun	250 052	24 169	228 973	-	-	-	3 090	283 650	-5 862	-39 884	60 880	8 441	37 978	71 227	12 148
Jul	248 293	22 744	229 141	-	-	-	3 592	280 677	-5 861	-40 602	61 233	7 061	34 204	74 692	14 079
Aug	246 200	21 944	227 367	-	-	-	3 111	278 233	-5 861	-39 977	59 817	7 679	34 204	73 269	13 805
Sep	241 089	18 528	225 716	-	-	-	3 155	278 163	-5 861	-44 266	57 670	6 006	34 249	73 693	13 052
Oct	234 812	15 611	221 779	-52	-	-	2 527	269 027	-5 861	-42 264	56 008	8 920	34 166	73 026	13 910
Nov	220 512	14 096	209 769	-	-	-	3 353	253 580	-5 861	-39 316	54 813	10 176	34 296	70 009	12 108
Dec	201 865	19 833	186 927	-	-	-	4 895	238 791	-5 861	-44 945	56 223	3 386	34 327	70 227	13 879
14 *Jan*	188 796	15 414	178 006	-	-	-	4 623	228 664	-6 265	-46 237	54 791	3 187	32 533	71 683	12 634
Feb	188 792	14 494	176 094	-	-	-	1 796	229 277	-6 316	-45 635	52 868	4 453	32 507	70 448	11 466

Sources: ECB for Table 8.1.a and BE for Table 8.1.b.

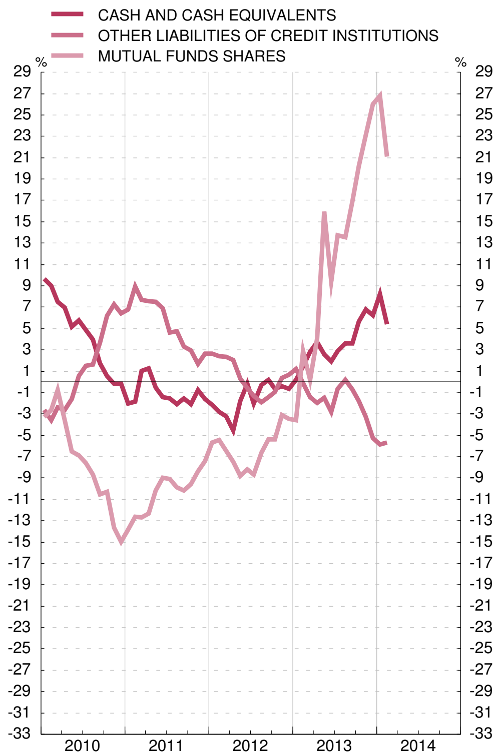
8.2 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

		Cash and cash equivalents				Other liabilities of credit institutions					Mutual funds shares				Memorandum items	
		Stocks	12-month % change	12-m. % change		Stocks	12 month % change	12-month % change			Stocks	12-month % change	12-month % change		12-month % change	
				Cash	Deposits (b)			Other deposits (c)	Repos + credit institutions' securities	Deposits in branches abroad			Fixed income in EUR (d)	Other	AL (e)	Contribution of the MFIs resid. to M3
		1	2 ■	3	4	5	6 ■	7	8	9	10	11 ■	12	13	14 ■	15 ■
11		509 934	-1.6	-2.0	-1.5	576 058	2.6	-2.3	68.6	-28.9	115 157	-7.4	-10.3	-5.1	0.1	-1.1
12		506 551	-0.7	-3.1	-0.1	579 961	0.7	-0.2	6.7	9.6	111 148	-3.5	-7.2	-0.7	-0.3	0.3
13	A	538 068	6.2	-5.4	8.8	549 599	-5.2	0.7	-44.4	-32.6	140 044	26.0	28.7	24.1	1.3	-3.6
12 *Nov*		498 092	-0.4	-2.0	-0.0	570 846	0.4	-2.8	27.8	-1.0	111 721	-3.1	-6.7	-0.5	-0.3	-0.5
Dec		506 551	-0.7	-3.1	-0.1	579 961	0.7	-0.2	6.7	9.6	111 148	-3.5	-7.2	-0.7	-0.3	0.3
13 *Jan*	P	494 782	0.2	-3.7	1.1	581 747	1.2	1.5	-1.4	9.6	113 633	-3.6	-7.5	-0.7	0.4	0.4
Feb	P	498 918	1.4	-3.9	2.7	578 377	-0.1	1.5	-12.1	19.5	122 302	2.9	-1.8	6.3	0.5	-0.5
Mar	P	511 631	2.8	-2.7	4.1	570 840	-1.4	1.9	-24.1	11.3	117 382	0.2	-3.5	2.9	0.4	-0.3
Apr	P	506 755	3.7	-2.4	5.1	564 560	-2.0	2.7	-32.5	29.1	120 051	4.1	-1.2	8.2	0.6	-0.7
May	P	513 692	2.6	-4.6	4.3	562 115	-1.5	4.9	-40.9	29.8	130 495	15.9	9.8	20.8	0.8	-0.8
Jun	P	532 600	1.9	-6.9	4.0	553 070	-2.8	5.4	-49.3	5.4	122 302	9.4	6.8	11.5	-0.2	-0.2
Jul	P	519 451	2.9	-7.8	5.5	556 844	-0.7	8.0	-49.8	-0.8	125 961	13.7	10.8	16.0	1.4	0.8
Aug	P	523 223	3.6	-8.3	6.5	559 981	0.2	9.0	-49.8	-4.5	126 970	13.6	12.6	14.2	2.3	2.8
Sep	P	521 771	3.6	-8.2	6.4	556 544	-0.7	8.3	-52.2	-12.2	130 495	16.9	16.0	17.6	2.0	0.4
Oct	A	520 138	5.6	-8.0	8.9	554 775	-1.8	6.5	-51.2	-16.9	134 293	20.2	20.3	20.1	2.5	-1.4
Nov	A	531 876	6.8	-5.5	9.6	552 181	-3.3	4.4	-50.9	-34.0	137 557	23.1	25.7	21.3	2.4	-2.0
Dec	A	538 068	6.2	-5.4	8.8	549 599	-5.2	0.7	-44.4	-32.6	140 044	26.0	28.7	24.1	1.3	-3.6
14 *Jan*	A	535 488	8.2	-5.1	11.2	547 584	-5.9	-0.0	-47.6	-26.4	144 099	26.8	30.7	24.1	1.9	-3.1
Feb	A	525 820	5.4	-5.0	7.7	545 684	-5.7	-0.7	-43.8	-29.0	148 089	21.1	24.2	19.0	0.6	-3.4

NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHs
Annual percentage change



NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHs
Annual percentage change

Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 9, which includes deposits in Spanish bank branches abroad.

b. Current accounts, savings accounts and deposits redeemable at up to 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

e. Defined as cash and cash equivalents, other liabilities of credit institutions and Fixed income mutual funds shares in euros.

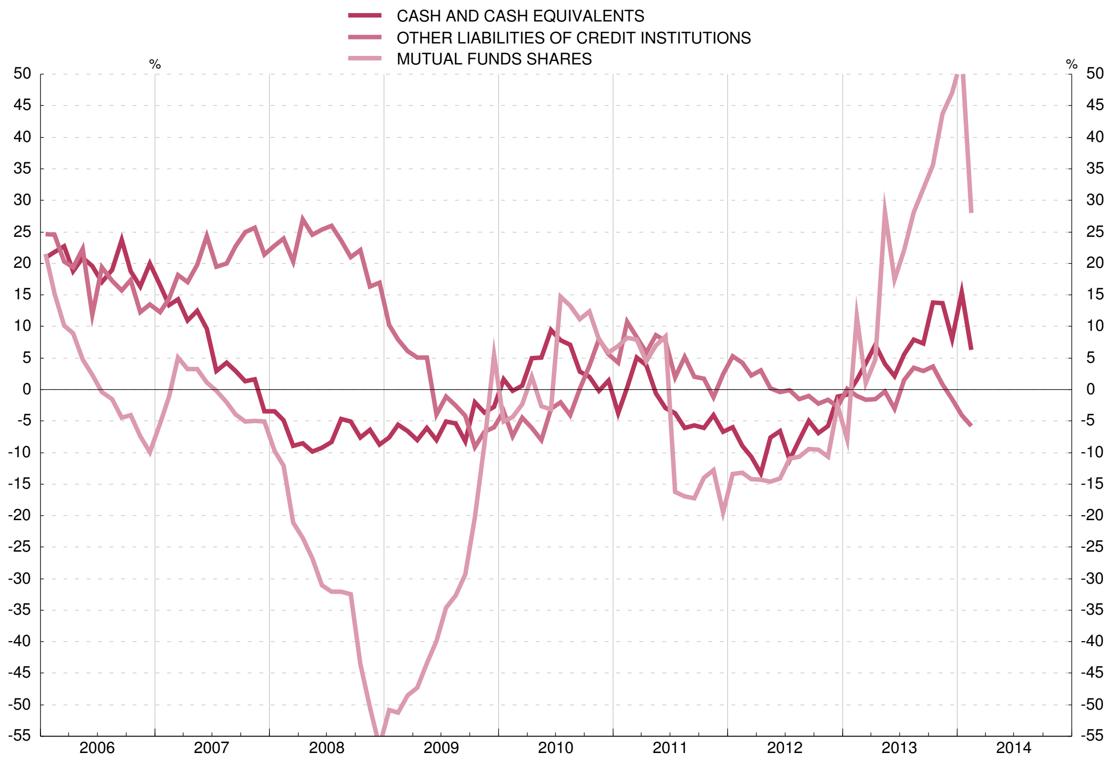
8.3 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

		Cash and cash equivalents (b)		Other liabilities of credit institutions				Mutual funds shares			
		Stocks	Annual growth rate	Stocks	Annual growth rate	Annual growth rate: Other deposits (c)	Annual growth rate: Repos + credit instit.' securit.+ dep. in branches abroad	Stocks	Annual growth rate	Annual growth rate: Fixed income in EUR (d)	Annual growth rate: Other
		1	2 ■	3	4 ■	5	6	7	8 ■	9	10
11		111 193	-6.7	122 648	2.4	-10.9	57.5	9 780	-19.5	-22.4	-17.2
12		109 953	-1.1	119 319	-2.7	-7.1	7.6	9 534	-2.5	-3.2	-2.0
13	A	118 774	8.0	117 442	-1.6	3.7	-12.2	14 023	47.1	53.9	42.1
12 *Nov*		104 088	-5.8	116 027	-1.7	-11.6	24.9	9 584	-10.7	-11.9	-9.7
Dec		109 953	-1.1	119 319	-2.7	-7.1	7.6	9 534	-2.5	-3.2	-2.0
13 *Jan*	P	104 625	-0.8	120 233	0.1	-3.8	9.1	9 745	-8.0	-12.5	-4.4
Feb	P	107 489	1.5	119 887	-1.0	-3.3	4.2	11 916	11.6	7.5	14.8
Mar	P	112 258	4.2	118 191	-1.6	-0.6	-3.9	10 634	1.0	-2.0	3.4
Apr	P	109 317	7.1	116 742	-1.5	1.1	-7.0	10 855	4.7	-0.1	8.7
May	P	113 017	4.1	117 209	-0.3	5.5	-12.0	13 097	28.1	23.2	32.2
Jun	P	115 489	2.1	115 032	-3.0	5.6	-19.3	11 916	17.5	15.1	19.4
Jul	P	107 956	5.6	116 414	1.6	12.3	-18.0	12 269	22.1	19.4	24.2
Aug	P	112 865	7.9	119 267	3.5	14.6	-16.6	12 748	28.1	29.8	26.8
Sep	P	113 413	7.3	119 410	3.0	16.3	-20.8	13 097	31.8	33.6	30.5
Oct	A	114 196	13.8	118 685	3.7	16.9	-20.2	13 465	35.6	38.6	33.3
Nov	A	118 391	13.7	116 932	0.8	12.8	-22.1	13 772	43.7	50.2	38.9
Dec	A	118 774	8.0	117 442	-1.6	3.7	-12.2	14 023	47.1	53.9	42.1
14 *Jan*	A	120 746	15.4	115 391	-4.0	5.4	-23.1	14 857	52.5	60.5	46.7
Feb	A	114 284	6.3	112 965	-5.8	1.1	-20.8	15 251	28.0	31.5	25.4

NON-FINANCIAL CORPORATIONS
Annual percentage change



Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 6, which includes deposits in Spanish bank branches abroad.

b. Cash, current accounts, savings accounts and deposits redeemable at up to and including 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

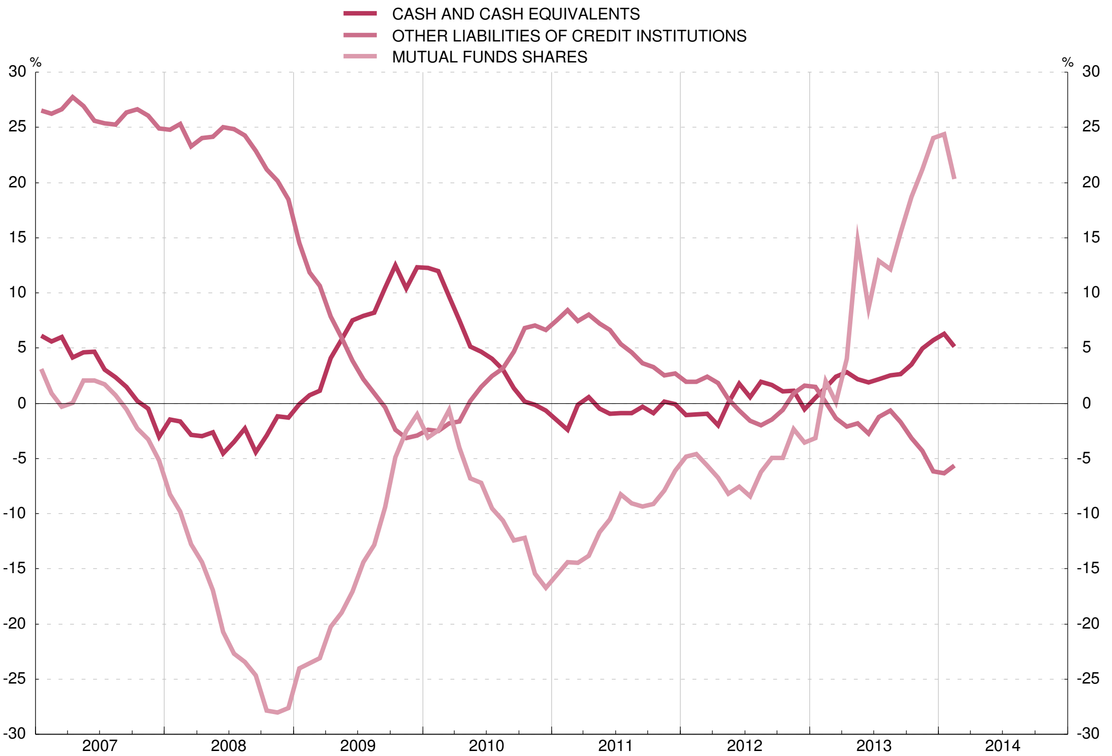
8.4 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

		Cash and cash equivalents				Other liabilities of credit institutions				Mutual funds shares			
		Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate	
				Cash	Deposits (b)			Other deposits (c)	Repos + credit instit.' securit.+ dep. in branches abroad			Fixed income in EUR (d)	Other
		1	2 ■	3	4	5	6 ■	7	8	9	10 ■	11	12
11		398 741	-0.1	-0.8	0.1	453 410	2.7	-0.3	57.9	105 377	-6.1	-8.9	-3.8
12		396 598	-0.5	-2.2	-0.0	460 642	1.6	1.2	6.1	101 614	-3.6	-7.5	-0.6
13	A	419 294	5.7	-5.1	8.9	432 157	-6.2	0.2	-76.6	126 021	24.0	26.3	22.4
12 *Nov*		394 004	1.2	-1.1	1.8	454 819	0.9	-1.1	26.9	102 137	-2.4	-6.1	0.5
Dec		396 598	-0.5	-2.2	-0.0	460 642	1.6	1.2	6.1	101 614	-3.6	-7.5	-0.6
13 *Jan*	P	390 158	0.5	-2.8	1.4	461 514	1.5	2.6	-10.5	103 887	-3.1	-7.0	-0.3
Feb	P	391 429	1.4	-3.1	2.7	458 490	0.1	2.4	-24.6	110 386	2.0	-2.7	5.5
Mar	P	399 373	2.4	-1.9	3.7	452 649	-1.4	2.4	-39.2	106 749	0.1	-3.6	2.9
Apr	P	397 439	2.8	-1.7	4.2	447 819	-2.1	3.0	-50.2	109 196	4.0	-1.3	8.1
May	P	400 675	2.2	-4.0	4.0	444 906	-1.8	4.8	-60.7	117 399	14.7	8.4	19.7
Jun	P	417 111	1.9	-6.2	4.3	438 038	-2.7	5.4	-71.3	110 386	8.6	6.0	10.7
Jul	P	411 495	2.2	-7.2	5.1	440 430	-1.2	7.2	-73.6	113 692	12.9	9.9	15.2
Aug	P	410 358	2.5	-7.7	5.6	440 714	-0.7	8.0	-75.9	114 222	12.1	10.9	13.0
Sep	P	408 359	2.6	-7.6	5.7	437 134	-1.7	6.8	-78.3	117 399	15.5	14.3	16.4
Oct	A	405 943	3.5	-7.5	6.9	436 091	-3.1	4.6	-78.0	120 829	18.7	18.5	18.9
Nov	A	413 485	4.9	-5.1	7.9	435 249	-4.3	2.8	-77.7	123 785	21.2	23.4	19.7
Dec	A	419 294	5.7	-5.1	8.9	432 157	-6.2	0.2	-76.6	126 021	24.0	26.3	22.4
14 *Jan*	A	414 742	6.3	-4.7	9.4	432 193	-6.4	-1.0	-74.0	129 242	24.4	27.9	22.0
Feb	A	411 536	5.1	-4.6	7.9	432 719	-5.6	-1.1	-71.1	132 839	20.3	23.3	18.3

HOUSEHOLDS AND NPISH
Annual percentage change



Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 6, which includes deposits in Spanish bank branches abroad.

b. Current accounts, savings accounts and deposits redeemable at up to 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

8.5. FINANCING OF NON-FINANCIAL SECTORS RESIDENT IN SPAIN (a)

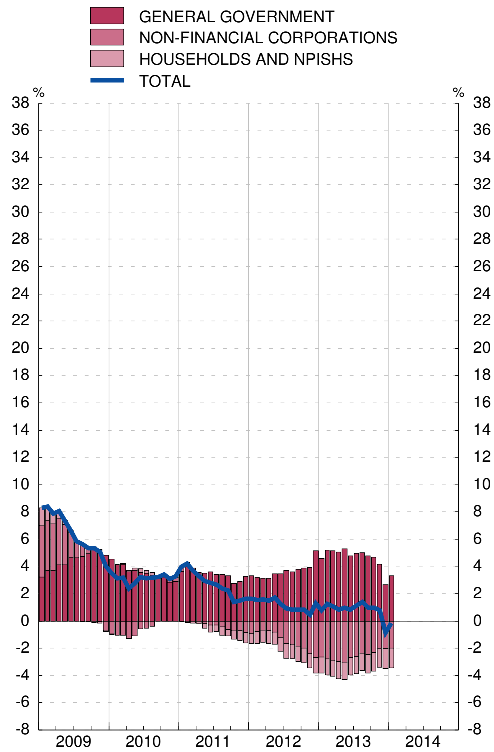
■ Series depicted in chart.

EUR millions and %

		Total			Annual growth rate							Contribution to col. 3						
						Non-financial corp. and households and NPISHs							Non-financial corp. and households and NPISHs					
							By sectors		By instruments					By sectors		By instrumentss		
		Stocks	Effective flow	Annual growth rate	General government (b)		Non-financial corporations	Households and NPISHs	Credit institutions loans, secur. funds & loans tr. to AMC(c)	Securities other than shares	External loans	General government (b)		Non-financial corporations	Households and NPISHs	Credit institutions' loans & securit. funds	Securities other than shares	External loans
		1	2	3 ■	4 ■	5	6 ■	7 ■	8	9	10	11 ■	12	13 ■	14 ■	15	16	17
11		2 866 078	46 429	1.6	14.4	-2.1	-1.9	-2.4	-3.3	9.9	2.1	3.3	-1.6	-0.9	-0.8	-2.1	0.2	0.3
12		2 866 699	37 561	1.3	20.0	-5.2	-6.1	-3.8	-5.8	14.2	-5.8	5.1	-3.8	-2.7	-1.2	-3.5	0.3	-0.7
13	A	2 815 453	-24 608	-0.9	8.6	-5.1	-5.1	-5.1	-7.1	5.9	1.9	2.6	-3.5	-2.0	-1.5	-3.9	0.2	0.2
12 *Nov*		2 870 167	6 422	0.5	15.6	-4.6	-5.4	-3.5	-5.5	14.8	-4.1	3.9	-3.5	-2.4	-1.1	-3.3	0.4	-0.5
Dec		2 866 699	29 787	1.3	20.0	-5.2	-6.1	-3.8	-5.8	14.2	-5.8	5.1	-3.8	-2.7	-1.2	-3.5	0.3	-0.7
13 *Jan*	P	2 853 124	-9 400	0.8	17.6	-5.2	-6.1	-3.8	-6.0	17.0	-5.4	4.6	-3.8	-2.7	-1.2	-3.6	0.4	-0.7
Feb	P	2 867 123	22 869	1.3	19.6	-5.4	-6.4	-3.9	-6.0	10.9	-5.6	5.2	-3.9	-2.8	-1.2	-3.5	0.3	-0.7
Mar	P	2 867 210	913	1.1	19.1	-5.6	-6.7	-4.0	-6.2	9.3	-5.5	5.1	-4.1	-2.9	-1.2	-3.6	0.2	-0.7
Apr	P	2 850 117	-16 285	0.9	19.0	-5.8	-6.8	-4.2	-6.6	13.3	-5.5	5.1	-4.2	-3.0	-1.3	-3.9	0.3	-0.7
May	P	2 860 578	12 300	1.0	19.4	-5.9	-7.0	-4.4	-7.0	13.6	-4.9	5.3	-4.3	-3.0	-1.3	-4.0	0.3	-0.6
Jun	P	2 863 025	4 093	0.8	17.2	-5.5	-6.3	-4.3	-6.8	11.0	-2.4	4.8	-4.0	-2.7	-1.3	-3.9	0.3	-0.3
Jul	P	2 850 322	-11 434	1.1	17.8	-5.4	-6.1	-4.3	-6.8	11.8	-2.1	5.0	-3.9	-2.6	-1.3	-3.9	0.3	-0.3
Aug	P	2 838 508	-10 351	1.4	17.9	-5.1	-5.6	-4.3	-6.6	12.3	-1.6	5.0	-3.6	-2.4	-1.3	-3.8	0.3	-0.2
Sep	P	2 840 551	4 134	0.9	16.7	-5.3	-5.8	-4.6	-6.9	10.5	-1.5	4.8	-3.8	-2.5	-1.4	-3.9	0.3	-0.2
Oct	A	2 833 931	-5 330	1.0	16.3	-5.2	-5.5	-4.7	-6.6	6.6	-0.9	4.7	-3.7	-2.3	-1.4	-3.8	0.2	-0.1
Nov	A	2 834 857	649	0.8	14.4	-4.8	-4.9	-4.7	-6.5	5.8	0.7	4.2	-3.4	-2.0	-1.4	-3.7	0.2	0.1
Dec	A	2 815 453	-16 767	-0.9	8.6	-5.1	-5.1	-5.1	-7.1	5.9	1.9	2.6	-3.5	-2.0	-1.5	-3.9	0.2	0.2
14 *Jan*	A	2 827 636	11 214	-0.1	10.7	-5.0	-5.0	-5.0	-6.9	3.5	1.5	3.3	-3.5	-2.0	-1.5	-3.7	0.1	0.2
Feb	A	...	...	...	...	-5.4	-5.7	-4.9	-7.1	-0.6	1.1	...	...	...	...	...	...	...

FINANCING OF NON-FINANCIAL SECTORS
Annual percentage change

FINANCING OF NON-FINANCIAL SECTORS
Contributions to the annual percentage change



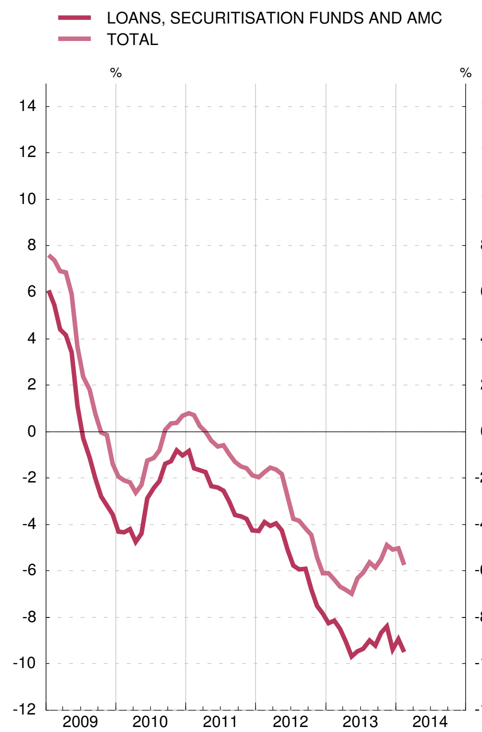
Source: BE.
a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.
b. Total liabilities (consolidated). Inter-general government liabilities are deduced.
c. Including loans transferred to SAREB, which is an Asset Management Corporation (AMC).

8.6. FINANCING OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

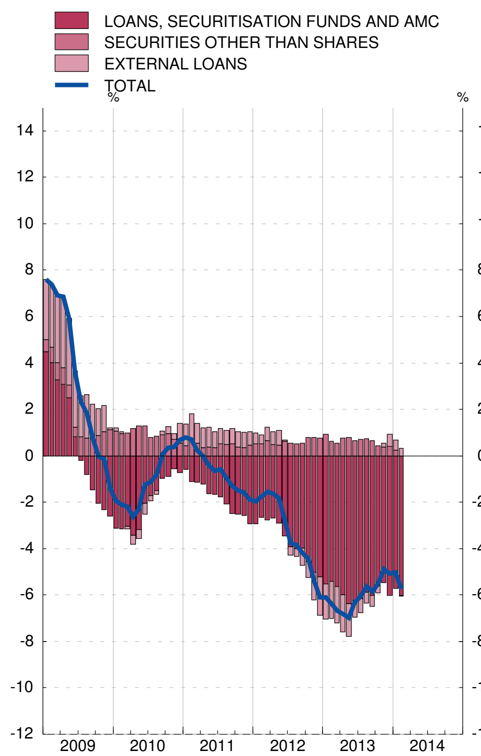
■ Series depicted in chart. *EUR millions and %*

				Resident credit institutions' loans, off-balance-sheet securitised loans & loans transf. to AMC (c)			Securities other than shares (b)				External loans			Memorandum items: off-balance-sheet securitised and transferred to AMC loans (c)
	Stocks	Effective flow	Annual growth rate	Stocks	Annual growth rate	Contribution to col.3	Stocks	of which: Issues by resident financ. subsid.	Annual growth rate	Contribution to col.3	Stocks	Annual growth rate	Contribution to col.3	
	1	2	3 ■	4	5 ■	6 ■	7	8	9	10 ■	11	12	13 ■	14
11	1 258 039	-24 440	-1.9	840 887	-4.2	-2.9	67 986	53 547	9.9	0.5	349 166	2.2	0.6	1 332
12	1 148 155	-76 783	-6.1	736 625	-7.8	-5.2	77 653	60 331	14.2	0.8	333 878	-5.9	-1.6	28 680
13	A 1 068 779	-58 398	-5.1	646 921	-9.4	-6.0	82 238	60 529	5.9	0.4	339 621	1.9	0.5	37 969
12 *Nov*	1 196 038	-11 112	-5.4	776 667	-7.5	-5.0	77 580	59 887	14.8	0.8	341 791	-4.2	-1.2	1 256
Dec	1 148 155	-15 453	-6.1	736 625	-7.8	-5.2	77 653	60 331	14.2	0.8	333 878	-5.9	-1.6	28 680
13 *Jan*	P 1 140 233	-4 212	-6.1	727 251	-8.3	-5.5	80 016	62 171	17.0	0.9	332 966	-5.5	-1.5	28 651
Feb	P 1 129 486	-2 292	-6.4	715 050	-8.2	-5.4	78 828	60 682	10.9	0.6	335 607	-5.7	-1.6	40 969
Mar	P 1 123 704	-5 499	-6.7	709 349	-8.5	-5.6	79 238	61 172	9.3	0.5	335 117	-5.6	-1.6	39 785
Apr	P 1 120 052	-3 209	-6.8	702 436	-9.1	-6.0	80 740	61 531	13.3	0.8	336 876	-5.7	-1.6	39 701
May	P 1 110 053	-8 635	-7.0	691 057	-9.7	-6.4	81 710	62 045	13.6	0.8	337 287	-5.0	-1.4	39 644
Jun	P 1 104 918	-4 359	-6.3	686 289	-9.5	-6.2	80 868	60 616	11.0	0.6	337 761	-2.5	-0.7	39 700
Jul	P 1 096 174	-7 813	-6.1	680 607	-9.4	-6.2	81 503	60 262	11.8	0.7	334 065	-2.2	-0.6	39 686
Aug	P 1 090 691	-4 550	-5.6	672 286	-9.0	-5.9	81 418	60 395	12.3	0.7	336 987	-1.6	-0.5	39 512
Sep	P 1 088 568	-407	-5.8	670 068	-9.2	-6.0	81 701	60 661	10.5	0.6	336 799	-1.6	-0.5	39 331
Oct	A 1 088 753	1 210	-5.5	666 891	-8.7	-5.6	82 283	60 766	6.6	0.4	339 579	-1.0	-0.3	38 985
Nov	A 1 085 907	-3 401	-4.9	662 328	-8.4	-5.5	82 116	60 458	5.8	0.4	341 462	0.6	0.2	38 755
Dec	A 1 068 779	-15 232	-5.1	646 921	-9.4	-6.0	82 238	60 529	5.9	0.4	339 621	1.9	0.5	37 969
14 *Jan*	A 1 066 904	-3 092	-5.0	643 294	-8.9	-5.7	82 782	60 507	3.5	0.2	340 828	1.5	0.4	37 131
Feb	A 1 055 860	-9 854	-5.7	636 138	-9.5	-6.0	78 390	56 448	-0.6	-0.0	341 332	1.0	0.3	36 739

FINANCING OF NON-FINANCIAL CORPORATIONS
Annual percentage change



FINANCING OF NON-FINANCIAL CORPORATIONS
Contributions to the annual percentage change



Source: BE.

a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.

b. Includes issues of resident financial subsidiaries of non-financial corporations, insofar as the funds raised in these issues are routed to the parent company as loans. The issuing institutions of these financial instruments are classified as Other financial intermediaries in the Boletín Estadístico and in the Financial Accounts of the Spanish Economy.

c. Including loans transferred to SAREB, which is an Asset Management Corporation (AMC).

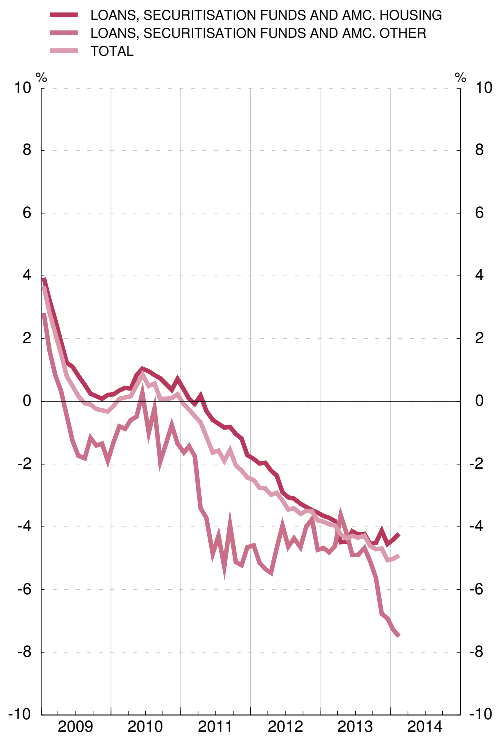
8.7. FINANCING OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

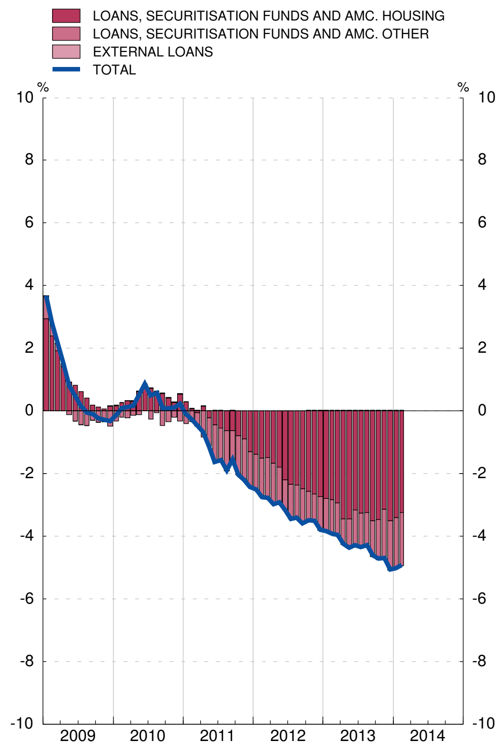
EUR millions and %

		Total			Resident credit institutions' loans, off-balance-sheet securitised loans & loans transf.to ACM. Housing (b)			Resident credit institutions' loans off-balance-sheet securitised loans & loans transf.to ACM. Other (b)			External loans			Memorandum items: off-balance-sheet securitised and trans.to AMC loans (b)	
		Stocks	Effective flow	Annual growth rate	Stocks	Annual growth rate	Contri-bution to col.3	Stocks	Annual growth rate	Contri-bution to col.3	Stocks	Annual growth rate	Contri-bution to col.3	Housing	Other
		1	2	3 ■	4	5 ■	6 ■	7	8 ■	9 ■	10	11	12 ■	13	14
11		870 633	-21 845	-2.4	666 866	-1.7	-1.3	201 065	-4.7	-1.1	2 701	-7.6	-0.0	10 336	547
12		833 813	-32 980	-3.8	641 948	-3.6	-2.7	188 930	-4.7	-1.1	2 934	8.6	0.0	8 813	801
13	A	785 997	-42 155	-5.1	610 846	-4.6	-3.5	172 136	-6.9	-1.6	3 015	5.7	0.0	6 451	450
12 *Nov*		842 470	3 856	-3.5	643 606	-3.5	-2.6	195 991	-3.7	-0.9	2 874	6.9	0.0	8 511	997
Dec		833 813	-7 833	-3.8	641 948	-3.6	-2.7	188 930	-4.7	-1.1	2 934	8.6	0.0	8 813	801
13 *Jan*	P	828 452	-4 895	-3.8	638 400	-3.6	-2.8	187 158	-4.7	-1.1	2 894	8.8	0.0	8 525	917
Feb	P	823 174	-4 864	-3.9	635 262	-3.7	-2.8	184 999	-4.8	-1.1	2 913	8.8	0.0	8 295	947
Mar	P	819 373	-3 258	-4.0	633 487	-3.8	-2.9	182 949	-4.6	-1.1	2 937	9.6	0.0	8 048	621
Apr	P	814 626	-4 383	-4.2	629 249	-4.5	-3.5	182 425	-3.6	-0.8	2 952	9.6	0.0	7 348	610
May	P	811 827	-2 323	-4.4	626 553	-4.5	-3.4	182 309	-4.2	-1.0	2 966	9.6	0.0	7 009	621
Jun	P	814 235	3 277	-4.3	625 391	-4.1	-3.2	185 869	-4.9	-1.1	2 976	9.8	0.0	6 726	708
Jul	P	806 146	-7 750	-4.3	623 101	-4.2	-3.3	180 074	-4.9	-1.1	2 971	9.1	0.0	6 552	710
Aug	P	802 409	-3 207	-4.3	620 682	-4.2	-3.2	178 745	-4.7	-1.1	2 982	9.0	0.0	6 568	678
Sep	P	797 036	-4 997	-4.6	616 998	-4.5	-3.5	177 055	-5.1	-1.2	2 983	9.0	0.0	6 501	680
Oct	A	793 636	-3 136	-4.7	614 647	-4.5	-3.5	175 991	-5.6	-1.3	2 998	9.4	0.0	6 455	631
Nov	A	797 162	3 805	-4.7	615 385	-4.1	-3.1	178 774	-6.8	-1.6	3 003	7.7	0.0	6 397	627
Dec	A	785 997	-10 423	-5.1	610 846	-4.6	-3.5	172 136	-6.9	-1.6	3 015	5.7	0.0	6 451	450
14 *Jan*	A	781 416	-4 335	-5.0	608 450	-4.4	-3.4	169 949	-7.3	-1.6	3 017	5.7	0.0	5 948	444
Feb	A	777 801	-3 721	-4.9	606 774	-4.2	-3.3	167 998	-7.5	-1.7	3 029	5.5	0.0	6 059	444

FINANCING OF HOUSEHOLDS AND NPISHs
Annual percentage change



FINANCING OF HOUSEHOLDS AND NPISHs
Contributions to the annual percentage change



Source: BE.
a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.
b. Including loans transferred to SAREB, which is an Asset Management Corporation (AMC).

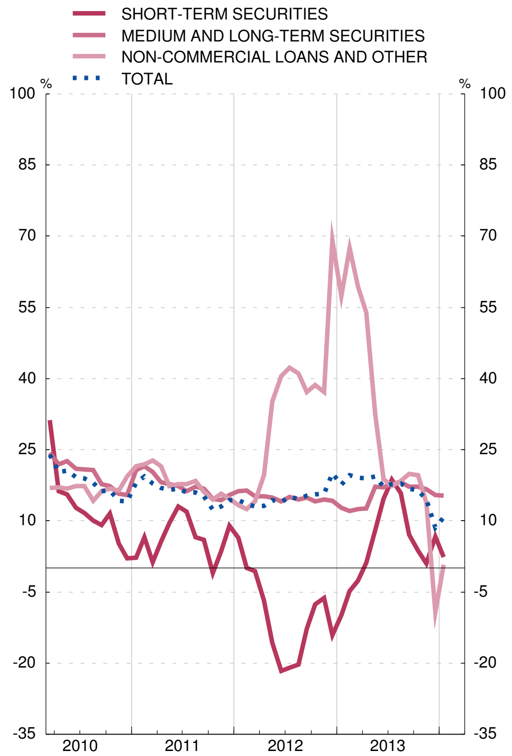
8.8. GROSS FINANCING OF SPAIN'S GENERAL GOVERMENT

■ Series depicted in chart.

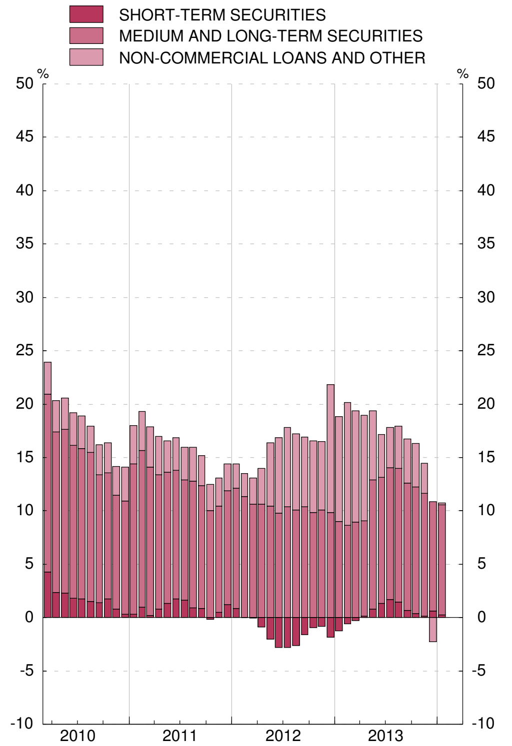
EUR millions and %

		Gross financing			Short-term securities				Medium and long term securities				Non Comercial Loans and Others (b)			
		EDP Debt (a)	Monthly change	12 month % change	Total	Monthly change	12 month % change	Contribution to 12-month % change	Total	Monthly change	12 month % change	Contribution to 12-month % change	Total	Monthly change	12 month % chage	Contribution to 12-month % change
		1=4+8+12	2=5+9+13	3 ■	4	5	6 ■	7 ■	8	9	10 ■	11 ■	12	13	14 ■	15 ■
10		644 692	79 611	14.1	88 201	1 806	2.1	0.3	445 175	59 742	15.5	10.6	111 316	18 062	19.4	3.2
11		737 406	92 714	14.4	96 153	7 952	9.0	1.2	513 696	68 521	15.4	10.6	127 557	16 240	14.6	2.5
12	P	884 731	147 325	20.0	82 563	-13 590	-14.1	-1.8	586 474	72 778	14.2	9.9	215 693	88 137	69.1	12.0
13	A	960 676	75 946	8.6	88 106	5 543	6.7	0.6	676 790	90 316	15.4	10.2	195 780	-19 913	-9.2	-2.3
12 *Aug*	P	801 659	-3 178	14.6	72 057	-1 786	-20.3	-2.6	557 444	1 900	14.4	10.1	172 157	-3 292	41.0	7.2
Sep	P	818 071	16 413	15.3	79 770	7 713	-12.7	-1.6	567 237	9 792	15.0	10.4	171 065	-1 093	37.2	6.5
Oct	P	817 980	-91	15.6	83 303	3 532	-7.6	-1.0	564 211	-3 026	14.1	9.9	170 467	-598	38.6	6.7
Nov	P	831 658	13 678	15.6	87 469	4 166	-6.3	-0.8	575 087	10 876	14.5	10.1	169 102	-1 365	37.2	6.4
Dec	P	884 731	53 072	20.0	82 563	-4 906	-14.1	-1.8	586 474	11 388	14.2	9.9	215 693	46 591	69.1	12.0
13 *Jan*	P	884 439	-292	17.6	84 253	1 690	-9.9	-1.2	597 632	11 158	12.8	9.0	202 554	-13 139	57.4	9.8
Feb	P	914 463	30 025	19.6	85 141	889	-4.8	-0.6	610 636	13 004	12.1	8.6	218 686	16 132	67.5	11.5
Mar	P	924 132	9 669	19.1	83 260	-1 882	-2.6	-0.3	622 985	12 349	12.5	8.9	217 887	-798	59.4	10.5
Apr	P	915 439	-8 693	19.0	81 174	-2 085	1.1	0.1	617 214	-5 772	12.6	9.0	217 051	-836	53.9	9.9
May	P	938 697	23 258	19.4	81 755	581	8.1	0.8	649 027	31 814	17.2	12.1	207 915	-9 136	32.5	6.5
Jun	P	943 872	5 175	17.2	82 989	1 234	14.6	1.3	655 233	6 206	17.0	11.8	205 650	-2 265	18.8	4.0
Jul	P	948 002	4 130	17.8	87 660	4 672	18.7	1.7	654 523	-710	17.8	12.3	205 818	168	17.3	3.8
Aug	P	945 408	-2 594	17.9	83 451	-4 209	15.8	1.4	658 199	3 676	18.1	12.6	203 758	-2 060	18.4	3.9
Sep	P	954 947	9 539	16.7	85 402	1 951	7.1	0.7	664 521	6 323	17.2	11.9	205 023	1 265	19.9	4.2
Oct	A	951 542	-3 404	16.3	86 420	1 018	3.7	0.4	661 138	-3 383	17.2	11.8	203 984	-1 039	19.7	4.1
Nov	A	951 788	245	14.4	88 308	1 888	1.0	0.1	671 006	9 868	16.7	11.5	192 474	-11 511	13.8	2.8
Dec	A	960 676	8 889	8.6	88 106	-202	6.7	0.6	676 790	5 784	15.4	10.2	195 780	3 306	-9.2	-2.3
14 *Jan*	A	979 316	18 677	10.7	86 275	-1 831	2.4	0.2	689 095	12 305	15.3	10.3	203 947	8 203	0.7	0.2

GROSS FINANCING OF GENERAL GOVERNMENT
Annual percentage changes



GROSS FINANCING OF GENERAL GOVERNMENT
Contributions to the annual percentage change



FUENTE: BE.

a.Debt according to Excessive Deficit Procedure (EDP).Consolidated nominal gross debt.

b.Including coined money and Caja General de Depositos

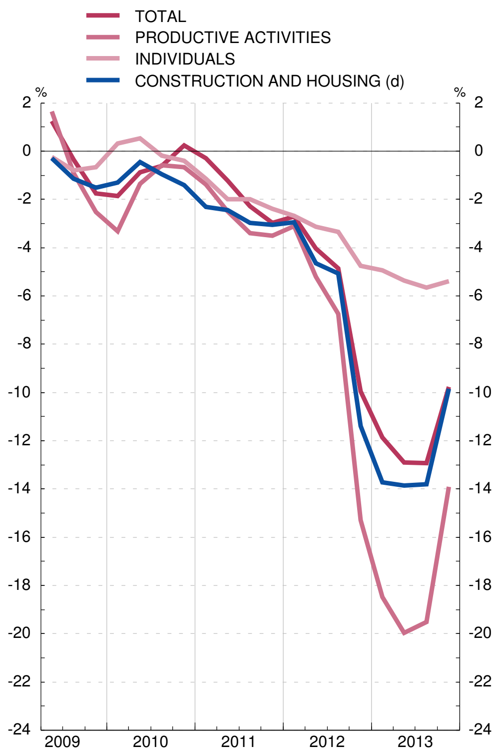
8.9 LENDING BY CREDIT INSTITUTIONS AND CFI's TO OTHER RESIDENT SECTORS. BREAKDOWN BY END-USE.

■ Series depicted in chart.

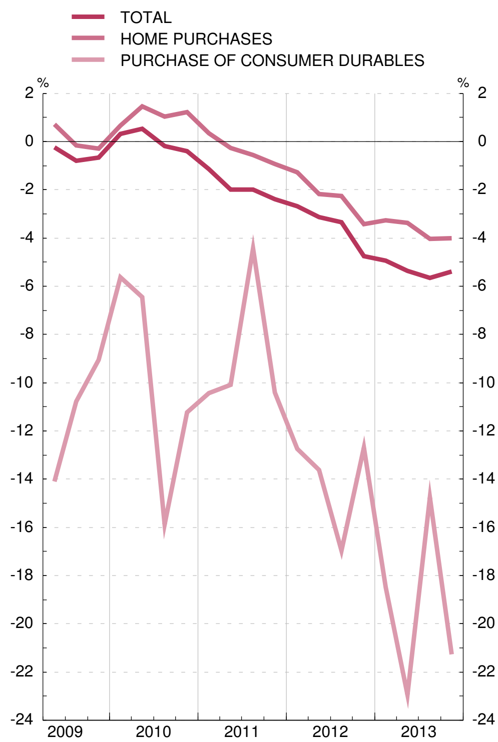
EUR millions and percentages

	Total (a)	Financing of productive activities						Financing of individuals					Financing of private non-profit institutions	Unclassified	Memorandum item: construction and housing (d)
		Total	Agriculture and fisheries	Industry excluding construction	Construction	Services		Total	Home purchases and improvements		Purchases of consumer durables	Other (b)			
						Total	Of which: Real estate activities		Total	Of which: Purchases					
	1 ■	2 ■	3	4	5	6	7	8 ■	9	10 ■	11 ■	12	13	14	15 ■
10	1 843 952	985 157	23 128	152 376	114 519	695 134	315 782	812 781	662 798	632 449	42 068	107 916	6 096	39 918	1 093 099
11	1 782 555	944 058	21 782	143 246	98 546	680 483	298 323	793 430	656 452	626 550	37 686	99 292	7 000	38 067	1 053 321
12	1 604 961	799 610	20 217	131 109	76 217	572 067	224 015	755 689	633 138	605 057	32 904	89 647	6 976	42 685	933 370
09 *Q3*	1 846 010	996 650	23 576	153 070	134 045	685 959	324 439	810 149	652 434	622 122	49 840	107 875	5 457	33 754	1 110 918
Q4	1 837 038	991 363	23 123	152 199	130 438	685 602	322 984	813 939	654 566	624 755	49 273	110 101	5 523	26 213	1 107 988
10 *Q1*	1 827 087	985 197	22 791	149 368	126 464	686 574	322 820	811 242	655 473	625 856	47 716	108 053	5 372	25 276	1 104 758
Q2	1 847 066	994 441	23 366	152 413	124 054	694 607	321 946	821 460	660 436	630 104	44 712	116 312	5 840	25 326	1 106 436
Q3	1 837 278	991 374	23 456	152 031	121 514	694 374	320 090	810 717	659 232	628 696	40 259	111 225	5 743	29 444	1 100 836
Q4	1 843 952	985 157	23 128	152 376	114 519	695 134	315 782	812 781	662 798	632 449	42 068	107 916	6 096	39 918	1 093 099
11 *Q1*	1 824 256	971 962	22 618	145 796	109 582	693 966	312 152	804 029	658 133	628 138	41 073	104 823	5 710	42 554	1 079 867
Q2	1 817 800	963 039	22 435	146 481	105 489	688 634	308 424	805 058	658 999	628 377	40 201	105 858	5 898	43 806	1 072 912
Q3	1 788 847	951 096	22 203	145 503	102 258	681 132	303 506	794 554	655 726	625 101	38 478	100 350	6 557	36 639	1 061 491
Q4	1 782 555	944 058	21 782	143 246	98 546	680 483	298 323	793 430	656 452	626 550	37 686	99 292	7 000	38 067	1 053 321
12 *Q1*	1 768 488	935 176	21 416	139 850	96 193	677 716	295 696	782 441	649 716	620 182	35 835	96 890	6 643	44 228	1 041 606
Q2	1 744 215	912 949	21 085	138 007	91 869	661 988	286 942	779 915	644 201	614 707	34 726	100 988	7 013	44 338	1 023 012
Q3	1 701 789	886 962	20 852	135 138	87 794	643 178	280 245	767 855	639 522	610 943	31 953	96 381	6 910	40 061	1 007 561
Q4	1 604 961	799 610	20 217	131 109	76 217	572 067	224 015	755 689	633 138	605 057	32 904	89 647	6 976	42 685	933 370
13 *Q1*	1 558 660	762 449	19 138	127 110	69 013	547 189	204 281	743 849	625 439	599 955	29 212	89 199	6 759	45 602	898 732
Q2	1 519 123	730 765	18 974	122 351	64 195	525 245	198 432	738 107	618 663	593 929	26 762	92 683	6 754	43 497	881 290
Q3	1 481 543	713 773	18 731	118 251	62 934	513 858	195 083	724 319	610 497	586 299	27 239	86 583	6 882	36 569	868 514
Q4	1 448 244	688 397	18 448	115 465	60 154	494 331	176 822	714 984	604 395	580 784	25 910	84 679	6 299	38 564	841 371

CREDIT BY END-USE
Annual percentage changes (c)



CREDIT TO INDIVIDUALS BY END-USE
Annual percentage changes (c)



SOURCE: BE.

a. Series obtained from information in the accounting statement established for the supervision of resident institutions. See the changes introduced in the October 2001 edition of the Boletín estadístico and Tables 4.13, 4.18 and 4.23 of the Boletin estadístico, which are published at www.bde.es.

b. Includes loans and credit to households for the purchase of land and rural property, the purchase of securities, the purchase of current goods and services not considered to be consumer durables (e.g. loans to finance travel expenses) and for various end-uses not included in the foregoing.

c. Asset-backed securities brought back onto the balance sheet as a result of the entry into force of Banco de España Circular BE 4/2004 have caused a break in the series in June 2005. The rates depicted in the chart have been adjusted to eliminate this effect.

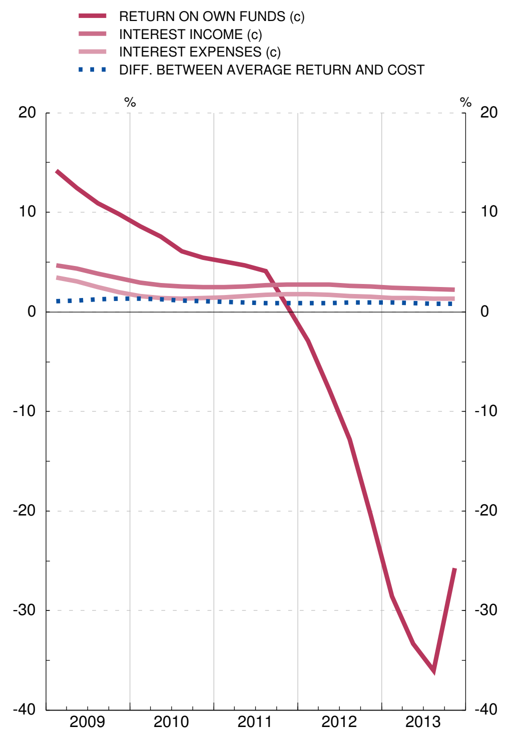
d. Including: construction, real estate activities and home purchases and improvements

8.10. PROFIT AND LOSS ACCOUNT OF DEPOSIT-TAKING INSTITUTIONS RESIDENT IN SPAIN

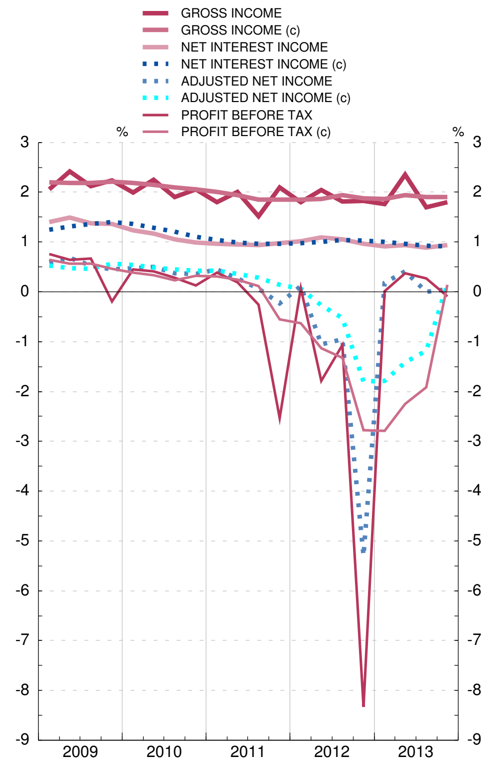
■ Series depicted in chart.

	As a percentage of the adjusted average balance sheet											Percentages			
	Interest income	Interest expenses	Net interest income	Return on equity instruments and non interest income	Gross income	Operating expenses	Of which: Staff costs	Other operating income	Adjusted net income	Other net income	Profit before tax	Average return on own funds (a)	Average return on lending operations (b)	Average cost of borrowing operations (b)	Difference (12-13)
	1 ■	2 ■	3 ■	4	5 ■	6	7	8	9 ■	10	11 ■	12 ■	13	14	15 ■
10	2.5	1.6	1.0	1.1	2.1	1.0	0.6	0.7	0.4	0.5	0.1	5.4	2.7	1.6	1.1
11	2.8	1.8	1.0	1.1	2.1	0.9	0.5	1.4	-0.2	2.2	-2.5	-8.5	2.9	2.1	0.9
12	2.4	1.4	1.0	0.9	1.8	0.9	0.5	6.3	-5.3	3.3	-8.3	-39.2	2.8	1.8	1.0
11 *Q1*	2.6	1.6	1.0	0.8	1.8	0.9	0.6	0.4	0.4	0.1	0.4	5.2	2.7	1.7	1.0
Q2	2.7	1.8	1.0	1.1	2.0	1.0	0.6	0.8	0.3	0.1	0.2	4.1	2.8	1.8	0.9
Q3	2.8	1.8	0.9	0.6	1.5	0.9	0.5	0.5	0.1	0.3	-0.3	1.7	2.8	2.0	0.9
Q4	2.8	1.8	1.0	1.1	2.1	0.9	0.5	1.4	-0.2	2.2	-2.5	-8.5	2.9	2.1	0.9
12 *Q1*	2.7	1.7	1.0	0.8	1.8	0.9	0.5	0.8	0.1	0.2	0.1	-8.9	3.0	2.1	0.9
Q2	2.6	1.5	1.1	1.0	2.0	0.9	0.5	2.3	-1.1	0.6	-1.8	-15.4	3.0	2.0	0.9
Q3	2.4	1.4	1.1	0.8	1.8	0.8	0.5	2.0	-1.0	0.5	-1.1	-18.3	2.9	1.9	1.0
Q4	2.4	1.4	1.0	0.9	1.8	0.9	0.5	6.3	-5.3	3.3	-8.3	-39.2	2.8	1.8	1.0
13 *Q1*	2.3	1.4	0.9	0.8	1.8	0.9	0.5	0.7	0.2	0.1	0.0	-41.3	2.6	1.7	0.9
Q2	2.3	1.3	0.9	1.4	2.4	0.9	0.5	1.0	0.4	0.2	0.4	-34.3	2.5	1.7	0.9
Q3	2.2	1.3	0.9	0.8	1.7	0.9	0.5	0.8	-0.0	0.4	0.3	-29.3	2.4	1.6	0.8
Q4	2.2	1.2	0.9	0.9	1.8	1.0	0.5	0.8	0.1	0.4	-0.1	2.0	2.4	1.6	0.8

PROFIT AND LOSS ACCOUNT
Percentages of the adjusted average balance sheet and returns



PROFIT AND LOSS ACCOUNT
Percentages of the adjusted average balance sheet



Source: BE.
Note: The underlying series for this indicator are in Table 4.36 of the BE Boletín estadístico.
a. Profit before tax divided by own funds.
b. Only those financial assets and liabilities which respectively give rise to financial income and costs have been considered to calculate the averge return and cost.
c. Average of the last four quarters.

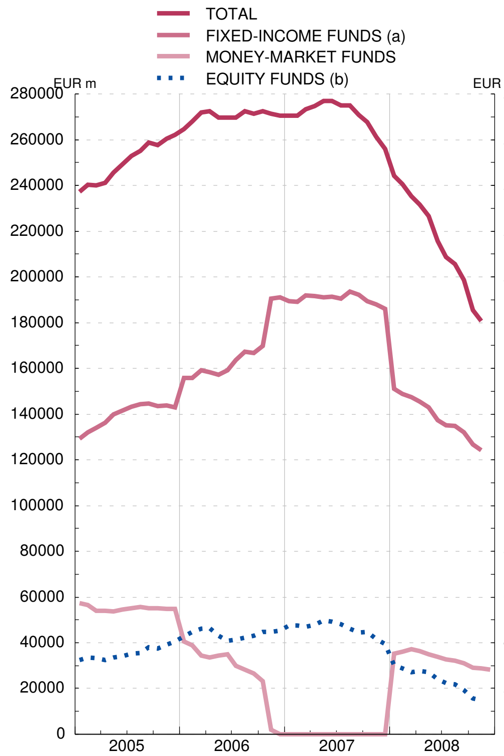
8.11. MUTUAL FUNDS RESIDENT IN SPAIN

■ Series depicted in chart.

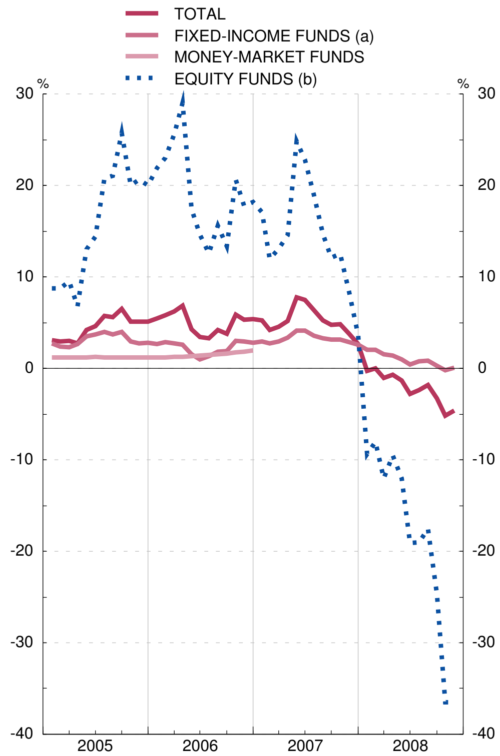
EUR millions

	Total				Money-market funds				Fixed-income funds (a)				Equity funds (b)				Others funds (c)
	Net asset value	Of which		Return over last 12 months	Net asset value	Of which		Return over last 12 months	Net asset value	Of which		Return over last 12 months	Net asset value	Of which		Return over last 12 months	Net asset value
		Monthly change	Net funds inves- ted			Monthly change	Net funds inves- ted			Monthly change	Net funds inves- ted			Monthly change	Net funds inves- ted		
	1 ■	2	3	4 ■	5 ■	6	7	8 ■	9 ■	10	11	12 ■	13 ■	14	15	16 ■	17
05	262 201	26 113	14 270	5.1	54 751	-3 237	-3 881	1.2	143 047	15 312	12 061	2.8	40 672	8 649	2 303	20.0	23 730
06	270 407	8 206	-10 861	5.4	106	-54 645	-55 113	2.0	191 002	47 954	39 212	2.8	45 365	4 693	-2 189	18.2	33 934
07	256 055	-14 352	-22 008	2.6	-	-106	-106	...	185 963	-5 039	-8 287	2.6	39 449	-5 916	-7 179	3.6	30 643
07 *Aug*	275 016	-19	-242	5.3	-	-	-	...	193 565	3 073	2 697	3.3	46 136	-2 060	-1 421	14.7	35 314
Sep	270 736	-4 279	-5 439	4.8	-	-	-	...	192 289	-1 277	-1 624	3.1	44 560	-1 576	-1 877	12.1	33 887
Oct	267 586	-3 151	-6 069	4.8	-	-	-	...	189 387	-2 902	-3 907	3.1	44 816	255	-1 196	12.5	33 383
Nov	261 331	-6 255	-4 310	3.8	-	-	-	...	188 057	-1 330	-1 536	2.9	41 620	-3 196	-1 640	8.3	31 654
Dec	256 055	-5 276	-4 537	2.6	-	-	-	...	185 963	-2 094	-1 919	2.6	39 449	-2 171	-1 417	3.6	30 643
08 *Jan*	244 286	-11 769	-6 863	-0.3	35 111	35 111	1 027	...	151 093	-34 870	531	2.0	30 184	-9 265	-5 341	-9.4	27 898
Feb	240 462	-3 824	-4 123	0.0	36 169	1 058	-10	...	148 946	-2 147	-1 376	2.0	28 813	-1 371	-1 319	-8.0	26 534
Mar	235 174	-5 288	-3 933	-1.1	37 340	1 171	-369	...	147 530	-1 415	-1 658	1.5	27 214	-1 599	-906	-12.0	23 090
Apr	231 723	-3 451	-5 458	-0.7	36 428	-912	-909	...	145 511	-2 019	-2 512	1.4	27 622	409	-839	-9.5	22 161
May	226 535	-5 187	-5 542	-1.3	35 029	-1 400	-1 590	...	142 921	-2 590	-2 562	1.0	27 159	-464	-627	-12.0	21 427
Jun	215 574	-10 961	-7 355	-2.8	33 849	-1 180	-1 569	...	137 444	-5 476	-3 950	0.4	24 008	-3 150	-753	-19.1	20 273
Jul	208 593	-6 982	-7 186	-2.4	32 589	-1 260	-1 628	...	135 012	-2 433	-2 798	0.7	22 309	-1 699	-1 354	-19.0	18 683
Aug	205 707	-2 886	-7 138	-1.8	32 125	-464	-549	...	134 723	-289	-711	0.8	21 922	-388	-5 444	-17.6	16 938
Sep	198 665	-7 042	-5 892	-3.3	30 927	-1 198	-1 176	...	131 932	-2 791	-2 863	0.3	19 242	-2 680	-972	-24.7	16 564
Oct	185 428	-13 237	-11 680	-5.2	29 165	-1 762	-1 796	...	126 590	-5 342	-7 323	-0.2	15 756	-3 486	-959	-36.5	13 917
Nov	180 835	-4 593	-4 363	-4.6	28 810	-355	-427	...	124 111	-2 479	-2 854	0.1	14 708	-1 048	-496	-36.5	13 207

NET ASSET VALUE



RETURN OVER LAST 12 MONTHS



SOURCES: CNMV and Inverco.

a. Includes short and long-term fixed-income funds in euros and international, mixed fixed-income funds in euros and international and guaranteed funds.

b. Includes equity funds and mixed equity funds in euros, national and international.

c. Global funds.

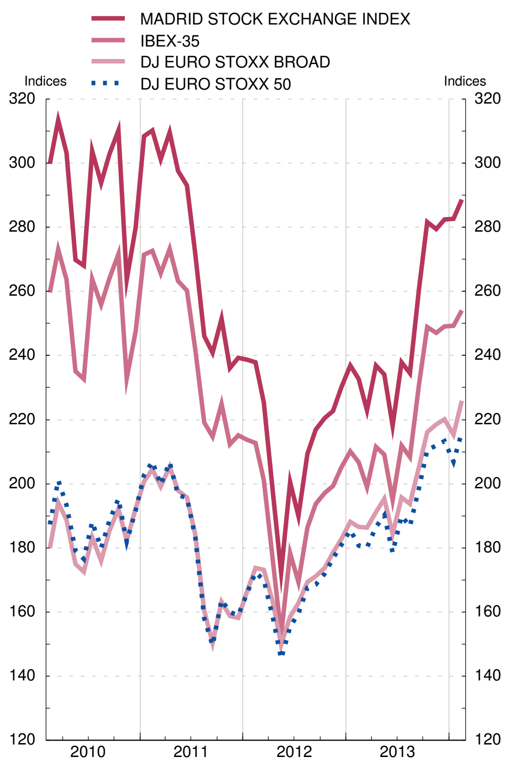
8.12. SHARE PRICE INDICES AND TURNOVER ON SECURITIES MARKETS. SPAIN AND EURO AREA

■ Series depicted in chart.

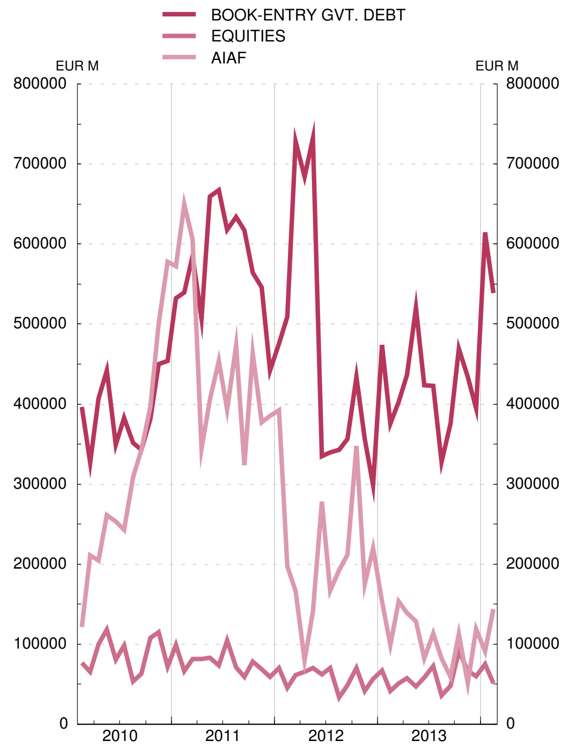
Indices, EUR millions and thousands of contracts

		Share price indices				Turnover on securities markets							
		General Madrid Stock Exchange	IBEX 35	Dow Jones EURO STOXX indices		Stock market		Book-entry government debt	AIAF fixed-income market	Financial options (thousands of contracts)		Financial futures (thousands of contracts)	
				Broad	50	Equities	Bonds			Fixed-income	Shares and other equities	Fixed-income	Shares and other equities
		1 ■	2 ■	3 ■	4 ■	5 ■	6	7 ■	8 ■	9	10	11	12
12		764.56	7 579.94	240.67	2 419.01	696 262	60 247	5 592 323	2 568 756	-	34 928	-	4 988
13		883.52	8 718.64	283.43	2 809.28	698 744	46 094	5 057 285	1 293 402	-	27 462	-	5 778
14	A	1 023.05	10 012.27	314.50	3 078.16	125 913	5 091	1 152 766	234 893	-	4 512	-	1 183
12 *Nov*		798.04	7 934.60	254.83	2 575.25	41 854	6 008	356 491	174 889	...	1 899	...	289
Dec		824.70	8 167.50	260.84	2 635.93	56 525	3 124	299 126	219 645	...	4 220	...	264
13 *Jan*		848.79	8 362.30	268.57	2 702.98	67 086	2 883	473 866	153 501	...	2 129	...	329
Feb		833.59	8 230.30	266.35	2 633.55	41 708	4 120	375 821	99 348	...	1 973	...	477
Mar		798.39	7 920.00	266.08	2 624.02	51 354	2 922	402 758	153 583	...	2 730	...	480
Apr		848.43	8 419.00	272.83	2 717.38	57 151	7 269	436 218	138 762	...	1 379	...	513
May		839.10	8 320.60	278.88	2 769.64	47 390	5 641	520 390	128 741	...	2 067	...	481
Jun		781.82	7 762.70	263.09	2 602.59	58 232	2 542	423 791	82 324	...	2 628	...	567
Jul		852.30	8 433.40	279.46	2 768.15	72 758	2 889	422 716	113 400	...	2 065	...	473
Aug		840.02	8 290.50	276.67	2 721.37	36 105	2 463	327 954	82 025	...	1 351	...	437
Sep		933.30	9 186.10	292.93	2 893.15	47 994	3 141	375 746	59 021	...	2 519	...	441
Oct		1 009.27	9 907.90	308.51	3 067.95	91 508	5 578	468 990	112 558	...	3 457	...	545
Nov		1 001.44	9 837.60	312.01	3 086.64	67 126	3 694	434 287	51 145	...	2 473	...	556
Dec		1 011.98	9 916.70	314.31	3 109.00	60 333	2 953	394 748	118 995	...	2 692	...	479
14 *Jan*		1 012.85	9 920.20	307.33	3 013.96	74 939	2 673	614 391	90 964	...	2 988	...	660
Feb	P	1 034.34	10 114.20	322.43	3 149.23	50 973	2 418	538 375	143 929	...	1 524	...	523

SHARE PRICE INDICES
JAN 1994 = 100



TURNOVER ON SECURITIES MARKETS



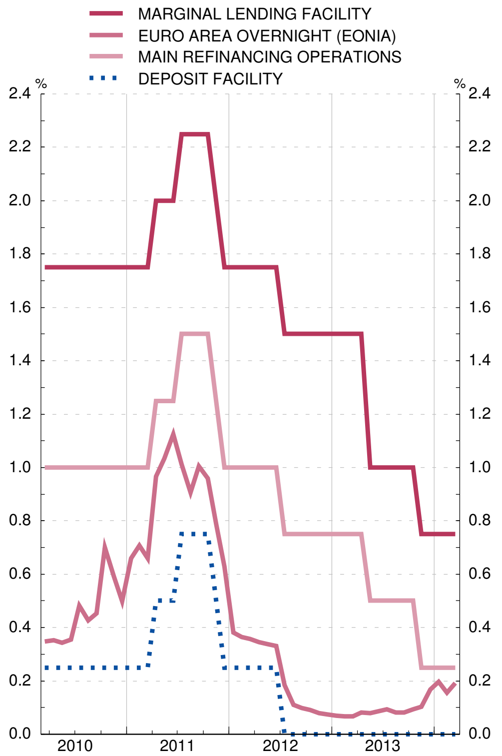
Sources: Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (columns 1, 2, 5 and 6); Reuters (columns 3 and4); AIAF (column 8) and Spanish Financial Futures Market (MEFFSA) (columns 9 to 12)

9.1. INTEREST RATES. EUROSYSTEM AND MONEY MARKET. EURO AREA AND SPAIN

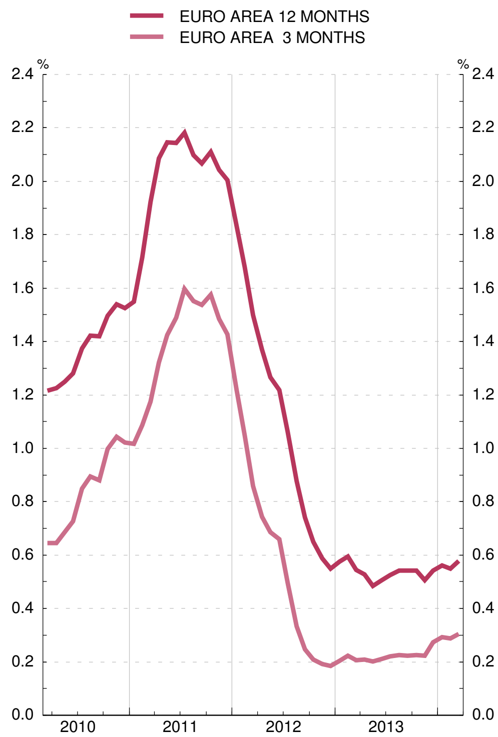
■ Series depicted in chart. *Averages of daily data. Percentages per annum*

	Eurosystem monetary policy operations				Money market													
					Euro area: deposits (Euribor) (a)					Spain								
										Non-transferable deposits					Government-securities repos			
	Main refinancing operations: weekly tenders	Longer term refinancing operations: monthly tenders	Standing facilities: Marginal lending	Standing facilities: Deposit	Overnight (EONIA)	1-month	3-month	6-month	1-year	Overnight	1-month	3-month	6-month	1-year	Overnight	1-month	3-month	1-year
	1 ■	2	3 ■	4 ■	5 ■	6	7 ■	8	9 ■	10	11	12	13	14	15	16	17	18
12	0.75	0.75	1.50	0.00	0.229	0.33	0.57	0.83	1.11	0.27	0.76	1.06	-	1.72	0.18	0.41	0.56	1.00
13	0.25	0.25	0.75	0.00	0.089	0.13	0.22	0.34	0.54	0.15	0.41	1.07	0.33	0.53	0.08	0.34	0.45	-
14 A	0.25	0.25	0.75	0.00	0.182	0.23	0.30	0.40	0.56	0.17	0.27	0.70	-	0.55	0.18	0.23	0.32	-
12 *Dec*	0.75	0.75	1.50	0.00	0.073	0.11	0.19	0.32	0.55	0.18	0.20	-	-	-	0.09	0.46	0.58	-
13 *Jan*	0.75	0.75	1.50	0.00	0.069	0.11	0.20	0.34	0.58	0.13	0.45	-	-	-	0.03	0.25	0.30	-
Feb	0.75	0.75	1.50	0.00	0.068	0.12	0.22	0.36	0.59	0.11	0.59	-	-	-	0.04	0.27	0.42	-
Mar	0.75	0.75	1.50	0.00	0.067	0.12	0.21	0.33	0.55	0.20	0.39	-	-	-	0.07	0.29	0.42	-
Apr	0.75	0.75	1.50	0.00	0.081	0.12	0.21	0.32	0.53	0.16	0.56	-	-	-	0.07	0.36	0.48	-
May	0.50	0.50	1.00	0.00	0.079	0.11	0.20	0.30	0.48	0.15	0.40	1.75	-	-	0.08	0.33	0.45	-
Jun	0.50	0.50	1.00	0.00	0.086	0.12	0.21	0.32	0.51	0.17	0.56	-	-	-	0.13	0.34	0.43	-
Jul	0.50	-	1.00	0.00	0.093	0.13	0.22	0.34	0.53	0.21	0.31	0.22	0.33	0.52	0.13	0.38	0.42	-
Aug	0.50	0.50	1.00	0.00	0.082	0.13	0.23	0.34	0.54	0.15	0.19	1.25	-	0.53	0.06	0.41	0.49	-
Sep	0.50	0.50	1.00	0.00	0.080	0.13	0.22	0.34	0.54	0.14	0.42	-	-	0.55	0.05	0.36	0.36	-
Oct	0.50	0.50	1.00	0.00	0.093	0.13	0.23	0.34	0.54	0.11	0.41	-	-	0.54	0.07	0.33	0.57	-
Nov	0.25	0.25	0.75	0.00	0.103	0.13	0.22	0.33	0.51	0.13	0.50	-	-	0.53	0.10	0.20	0.24	-
Dec	0.25	0.25	0.75	0.00	0.169	0.21	0.27	0.37	0.54	0.13	0.21	-	-	0.50	0.15	0.51	0.78	-
14 *Jan*	0.25	0.25	0.75	0.00	0.196	0.22	0.29	0.40	0.56	0.15	0.23	-	-	0.55	0.15	0.20	0.47	-
Feb	0.25	0.25	0.75	0.00	0.157	0.22	0.29	0.39	0.55	0.17	0.30	0.70	-	0.55	0.18	0.24	0.22	-
Mar	0.25	0.25	0.75	0.00	0.192	0.23	0.31	0.41	0.58	0.20	0.30	-	-	-	0.20	0.25	0.26	-

EUROSYSTEM: MONETARY POLICY OPERATIONS AND EURO AREA OVERNIGHT DEPOSITS



INTERBANK MARKET: EURO AREA 3-MONTH AND 1-YEAR RATES



Source: ECB (columns 1 to 8).

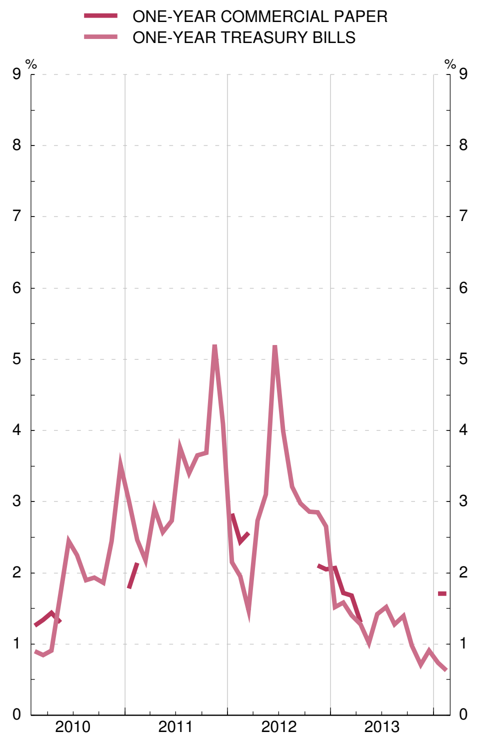
a. To December 1998, synthetic euro area rates have been calculated on the basis of national rates weighted by GDP

9.2. INTEREST RATES: SPANISH SHORT-TERM AND LONG-TERM SECURITIES MARKETS

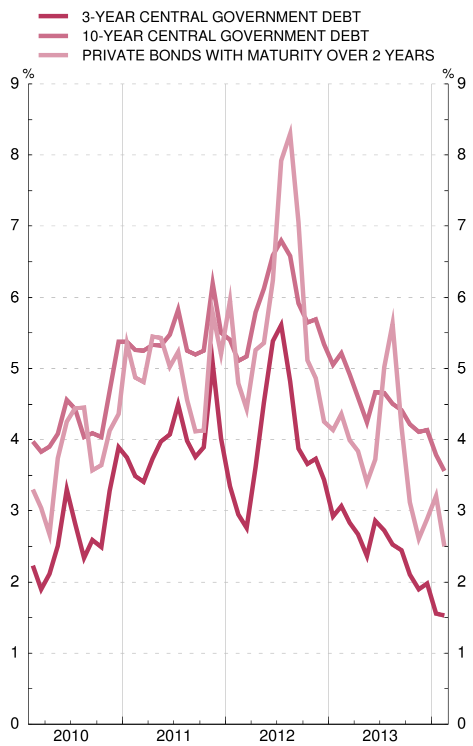
■ Series depicted in chart. *Percentages per annum*

	Short-term securities				Long-term securities							
	One-year Treasury bills		One-year commercial paper		Central Government debt							Private bonds with a maturity of over two years traded on the AIAF
	Marginal rate at issue	Secondary market: outright spot purchases between market members	Rate at issue	Secondary market: outright spot purchases	Marginal rate at issue					Secondary market. Book-entry debt. Outright spot purchases between market members		
					3-year bonds	5-year bonds	10-year bonds	15-year bonds	30-year bonds	At 3-years	At 10-years	
	1 ■	2	3 ■	4	5	6	7	8	9	10 ■	11 ■	12 ■
12	2.93	2.67	2.40	3.24	3.93	4.79	5.72	-	6.14	3.98	5.85	5.80
13	1.25	1.17	1.47	3.10	2.48	3.43	4.76	5.18	5.46	2.53	4.56	3.91
14 A	0.69	0.68	1.71	2.05	1.60	2.36	3.72	4.22	4.54	1.54	3.68	2.88
12 *Nov*	2.85	2.42	2.10	3.72	3.66	4.79	5.56	-	6.37	3.73	5.69	4.86
Dec	2.65	2.26	2.05	3.63	3.16	4.08	4.67	-	5.93	3.44	5.34	4.25
13 *Jan*	1.52	1.43	2.07	3.37	2.77	3.81	5.40	5.57	5.71	2.92	5.05	4.14
Feb	1.58	1.47	1.72	3.36	2.57	4.29	5.22	5.82	-	3.07	5.22	4.36
Mar	1.40	1.36	1.68	2.94	2.31	3.58	4.92	-	5.46	2.83	4.92	3.99
Apr	1.27	1.11	1.30	2.88	2.81	3.29	4.63	-	-	2.67	4.59	3.84
May	1.01	1.02	-	2.83	2.47	3.03	4.45	4.56	-	2.37	4.25	3.40
Jun	1.42	1.35	1.01	2.98	2.73	3.64	4.82	-	-	2.86	4.67	3.72
Jul	1.52	1.35	-	3.56	2.79	3.77	4.76	5.19	-	2.73	4.66	5.02
Aug	1.28	1.24	-	3.10	2.66	3.59	-	-	-	2.53	4.51	5.63
Sep	1.39	1.23	-	2.91	2.24	3.50	4.53	4.83	-	2.45	4.42	4.18
Oct	0.98	0.87	-	3.01	2.08	3.08	-	-	5.21	2.10	4.22	3.12
Nov	0.71	0.71	1.00	2.74	2.12	2.89	-	-	-	1.90	4.11	2.61
Dec	0.91	0.89	-	3.49	2.20	2.72	4.12	-	-	1.98	4.14	2.89
14 *Jan*	0.74	0.73	1.71	2.88	1.62	2.41	3.85	4.22	-	1.56	3.78	3.21
Feb	0.63	0.62	1.71	1.13	1.59	2.29	3.58	-	4.54	1.53	3.56	2.50

PRIMARY MARKET



SECONDARY MARKET



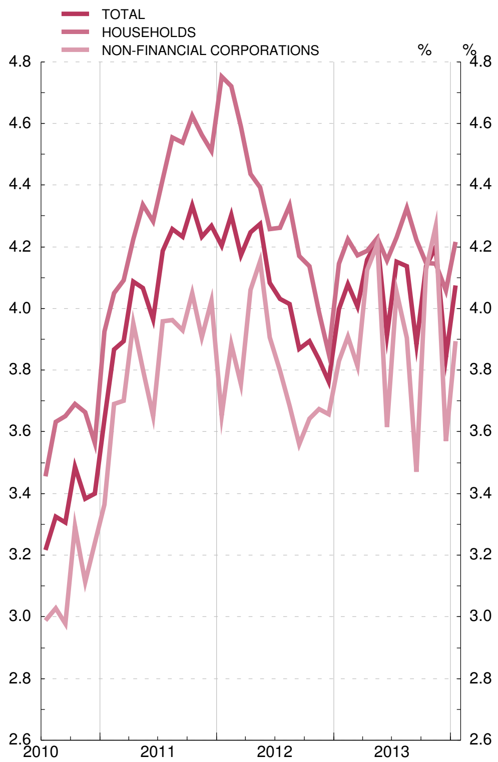
Sources: Main issuers (column 3); AIAF (columns 4 and 12).

9.3. INTEREST RATES ON NEW BUSINESS. CREDIT INSTITUTIONS AND CFIs. (CBE 4/2002) SDDS (a)

■ Series depicted in chart. *Percentages*

	Loans (APRC) (b)							Deposits (NDER) (b)								
	Synthetic rate (d)	Households and NPISH			Non-financial corporations			Synthetic rate (d)	Households and NPISH				Non-financial corporations			
		Synthetic rate	House purchase	Consumption and other	Synthetic rate	Up to EUR 1 million	Over EUR 1 million (c)		Synthetic rate	Overnight and redeemable at notice	Time	Repos	Synthetic rate	Overnight	Time	Repos
	1 ■	2 ■	3	4	5 ■	6	7	8 ■	9 ■	10	11	12	13 ■	14	15	16
12	3.76	3.86	2.93	6.98	3.66	5.35	2.98	1.60	1.72	0.21	2.83	1.39	1.13	0.37	2.08	1.32
13	3.84	4.06	3.16	7.22	3.57	5.18	2.91	0.90	0.93	0.22	1.50	0.49	0.77	0.35	1.30	0.75
14 A	4.07	4.19	3.28	7.48	3.92	5.20	2.99	0.82	0.86	0.21	1.37	0.41	0.68	0.42	1.00	0.39
12 *Jul*	4.03	4.26	3.34	7.32	3.80	5.70	2.98	1.40	1.48	0.24	2.44	0.72	1.04	0.49	1.77	0.58
Aug	4.01	4.33	3.31	7.76	3.68	5.81	2.74	1.41	1.50	0.25	2.47	0.75	1.04	0.46	1.81	0.48
Sep	3.87	4.17	3.18	7.50	3.56	5.51	2.57	1.59	1.72	0.26	2.84	1.14	1.09	0.44	1.93	0.95
Oct	3.89	4.14	3.18	7.34	3.64	5.61	2.71	1.61	1.70	0.25	2.77	1.11	1.23	0.43	2.26	0.72
Nov	3.83	3.99	3.06	7.00	3.67	5.58	2.73	1.64	1.76	0.22	2.91	1.29	1.14	0.40	2.11	0.51
Dec	3.76	3.86	2.93	6.98	3.66	5.35	2.98	1.60	1.72	0.21	2.83	1.39	1.13	0.37	2.08	1.32
13 *Jan*	4.00	4.14	3.16	7.48	3.83	5.67	2.93	1.39	1.47	0.20	2.37	0.63	1.09	0.38	1.95	0.89
Feb	4.08	4.22	3.26	7.49	3.91	5.65	3.10	1.16	1.22	0.21	1.95	0.38	0.94	0.39	1.63	0.38
Mar	4.01	4.17	3.22	7.42	3.81	5.57	2.94	1.13	1.19	0.21	1.90	0.36	0.91	0.34	1.63	0.62
Apr	4.16	4.19	3.20	7.55	4.12	5.87	3.10	1.16	1.21	0.20	1.94	0.32	0.99	0.39	1.75	0.38
May	4.22	4.23	3.18	7.82	4.21	5.78	3.28	1.17	1.22	0.21	1.97	0.25	0.95	0.41	1.67	0.22
Jun	3.91	4.16	3.16	7.47	3.62	5.49	2.85	1.02	1.06	0.18	1.75	0.27	0.86	0.42	1.46	0.43
Jul	4.15	4.23	3.19	7.76	4.05	5.62	3.14	1.05	1.09	0.18	1.78	0.28	0.92	0.38	1.58	0.37
Aug	4.14	4.33	3.27	7.98	3.90	5.40	2.87	1.01	1.06	0.18	1.73	0.20	0.83	0.40	1.38	0.32
Sep	3.88	4.22	3.20	7.77	3.47	5.39	2.50	1.02	1.07	0.19	1.74	0.19	0.86	0.45	1.37	0.32
Oct	4.14	4.15	3.12	7.70	4.13	5.39	3.33	1.03	1.07	0.18	1.74	0.12	0.89	0.40	1.51	0.17
Nov	4.20	4.15	3.19	7.43	4.27	5.24	3.71	0.94	0.99	0.17	1.62	0.12	0.77	0.37	1.30	0.33
Dec	3.84	4.06	3.16	7.22	3.57	5.18	2.91	0.90	0.93	0.22	1.50	0.49	0.77	0.35	1.30	0.75
14 *Jan*	4.07	4.22	3.32	7.40	3.89	5.42	2.96	0.87	0.91	0.21	1.46	0.24	0.74	0.47	1.11	0.51
Feb P	4.07	4.19	3.28	7.48	3.92	5.20	2.99	0.82	0.86	0.21	1.37	0.41	0.68	0.42	1.00	0.39

LOANS SYNTHETIC RATES



DEPOSITS SYNTHETIC RATES

Source: BE.

a. This table is included among the IMF's requirements to meet the Special Data Dissemination Standards (SDDS)

b. APRC: annual percentage rate of charge. NEDR: narrowly defined effective rate, which is the same as the APRC without including commissions.

c. Calculated by adding to the NDER rate, which does not include commissions and other expenses, a moving average of such expenses.

d. The synthetic rates of loans and deposits are obtained as the average of the interest rates on new business weighted by the euro-denominated stocks included in the balance sheet for all the instruments of each sector.

e. Up to the reference month May 2010, this column includes credit granted through credit cards (see the 'Changes' note in the July-August 2010 Boletín Estadístico).

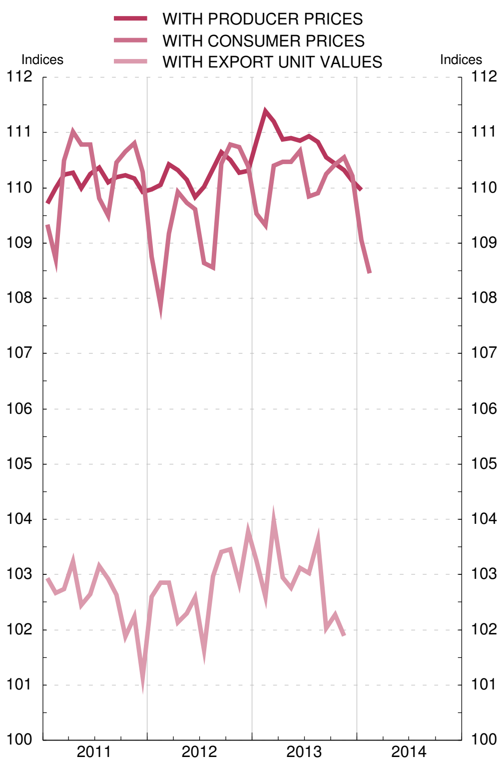
9.4 INDICES OF SPANISH COMPETITIVENESS VIS-à-VIS THE EU-28 AND THE EURO AREA

■ Series depicted in chart.

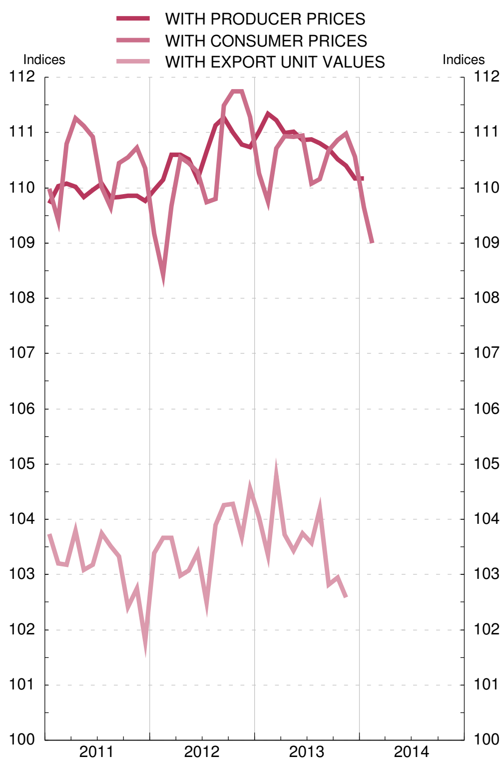
Base 1999 QI = 100

	Vis-à-vis the EU-28									Vis-à-vis the euro area				
	Total (a)				Nominal component (b)	Price component (c)				Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on manufacturing unit labour costs (d)	Based on export unit values
	Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on export unit values(e)		Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on export unit values(e)					
	1 ■	2 ■	3	4 ■	5	6	7	8	9	10 ■	11 ■	12	13	14 ■
11	110.1	110.2	107.6	102.6	101.9	108.1	108.2	105.6	101.1	109.9	110.4	108.3	111.7	103.1
12	110.2	109.6	101.8	102.8	101.4	108.7	108.0	100.3	101.8	110.6	110.4	103.0	108.2	103.6
13	110.8	110.2	98.9	...	101.9	108.7	108.1	97.1	...	110.8	110.6	99.7	104.6	...
12 *Q1*	110.2	108.6	104.5	102.8	101.7	108.3	106.8	102.7	101.4	110.2	109.1	105.6	107.7	103.6
Q2	110.1	109.8	103.0	102.3	101.5	108.5	108.1	101.5	101.2	110.4	110.4	104.2	108.7	103.2
Q3	110.3	109.2	101.8	102.7	101.1	109.1	108.0	100.6	101.9	111.0	110.3	103.3	108.3	103.5
Q4	110.4	110.6	97.9	103.4	101.3	108.9	109.2	96.6	102.4	110.8	111.6	99.1	108.2	104.2
13 *Q1*	111.1	109.8	99.0	103.3	101.8	109.2	107.8	97.2	101.9	111.2	110.3	99.7	104.8	104.1
Q2	110.9	110.5	99.0	102.9	101.9	108.9	108.5	97.2	101.5	111.0	110.9	99.9	105.4	103.6
Q3	110.8	110.0	99.2	102.9	102.0	108.6	107.9	97.3	101.3	110.8	110.3	100.0	104.7	103.5
Q4	110.3	110.4	98.3	...	101.9	108.2	108.3	96.5	...	110.4	110.8	99.2	103.4	...
13 *Jun*	110.9	110.7	99.0	103.1	102.0	108.7	108.5	97.2	101.6	110.9	110.9	99.9	105.4	103.8
Jul	110.9	109.8	...	103.0	102.0	108.7	107.7	...	101.4	110.9	110.1	...	...	103.6
Aug	110.8	109.9	...	103.6	102.0	108.6	107.7	...	102.0	110.8	110.2	...	...	104.2
Sep	110.6	110.3	99.2	102.0	101.8	108.5	108.3	97.3	100.6	110.7	110.7	100.0	104.7	102.8
Oct	110.4	110.4	...	102.3	101.9	108.4	108.4	...	100.8	110.5	110.9	...	...	102.9
Nov	110.3	110.6	...	101.9	101.9	108.3	108.5	...	100.4	110.4	111.0	...	...	102.6
Dec	110.1	110.2	98.3	...	101.9	108.0	108.1	96.5	...	110.2	110.6	99.2	103.4	...
14 *Jan*	110.0	109.1	...	...	101.8	108.0	107.1	...	...	110.2	109.6	...	...	...
Feb	...	108.5	...	...	101.8	...	106.5	...	...	...	109.0	...	...	...
Mar	...	...	...	...	101.9	...	...	...	...	...	...	...	...	...

INDICES OF SPANISH COMPETITIVENESS VIS À VIS THE EU-28



INDICES OF SPANISH COMPETITIVENESS VIS À VIS THE EURO AREA



Source: BE.

a. Outcome of multiplying nominal and cost/price components. A decline in the index denotes an improvement in the competitiveness of Spanish products.

b. Geometric mean calculated using a double weighting system based on (1995-1997), (1998-2000), (2001-2003), (2004-2006) and (2007-2009) manufacturing foreign trade figures.

c. Relationship between the price indices of Spain and of the group.

d. Quarterly series. Indices for Spain have been calculated using data for Unit Labour Costs (total and manufacturing) compiled from Quarterly Spanish National Accounts. Base 2008. Source INE.

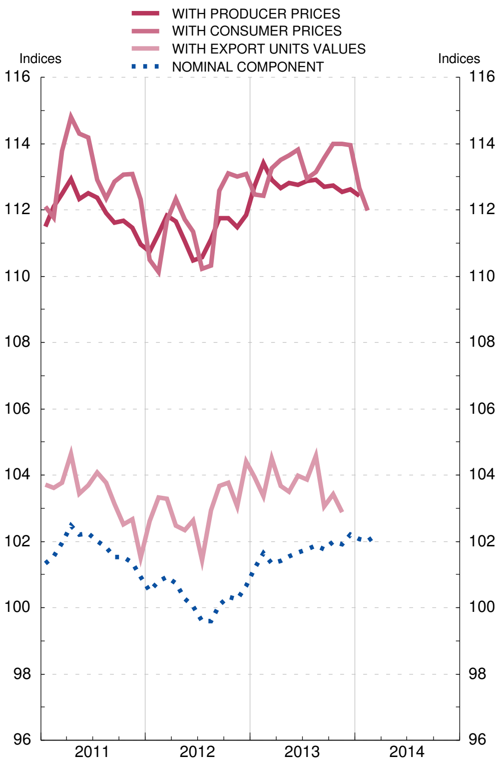
9.5 INDICES OF SPANISH COMPETITIVENESS VIS-à-VIS THE DEVELOPED COUNTRIES AND INDUSTRIALISED COUNTRIES

■ Series depicted in chart.

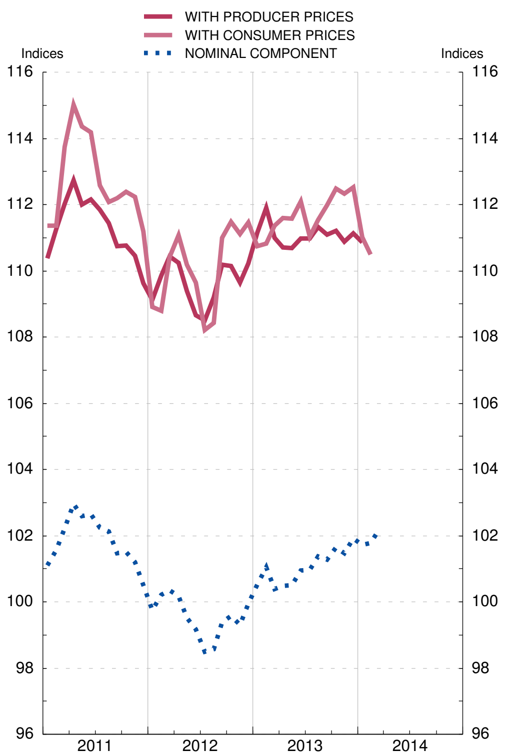
Base 1999 QI = 100

	Vis-à-vis developed countries									Vis-à-vis industrialised countries				
	Total (a)				Nominal component (b)	Prices component (c)				Total (a)		Nominal component (b)	Prices component(c)	
	Based on producer prices	Based on consumer prices	Based on manufac - turing unit labour costs (d)	Based on export unit values		Based on producer prices	Based on consumer prices	Based on manufac - turing unit labour costs (d)	Based on export unit values	Based on producer prices	Based on consumer prices		Based on producer prices	Based on consumer prices
	1 ■	2 ■	3	4 ■	5 ■	6	7	8	9	10 ■	11 ■	12 ■	13	14
11	112.0	113.1	115.5	103.4	101.7	110.0	111.1	113.5	102.2	111.3	112.7	101.8	109.1	110.5
12	111.3	111.7	110.5	103.0	100.3	110.9	111.3	110.1	103.3	109.6	110.1	99.5	110.0	110.4
13	112.8	113.4	108.4	...	101.7	110.9	111.5	106.5	...	111.1	111.7	101.0	109.8	110.4
12 *Q1*	111.3	110.8	110.5	103.1	100.7	110.4	109.9	109.6	103.0	109.8	109.4	100.1	109.5	109.1
Q2	111.1	111.8	111.1	102.5	100.3	110.6	111.4	110.6	102.8	109.4	110.3	99.6	109.7	110.6
Q3	111.1	111.0	110.0	102.7	99.8	111.4	111.2	110.2	103.6	109.3	109.2	98.8	110.5	110.4
Q4	111.7	113.1	110.6	103.8	100.4	111.2	112.6	110.1	104.0	110.0	111.4	99.6	110.3	111.6
13 *Q1*	113.0	112.7	108.2	104.0	101.4	111.4	111.1	106.7	103.2	111.3	111.0	100.6	110.5	110.1
Q2	112.7	113.7	109.1	103.7	101.5	111.0	111.9	107.4	102.8	110.8	111.8	100.6	109.9	110.9
Q3	112.8	113.2	108.6	103.8	101.8	110.8	111.2	106.6	102.6	111.1	111.5	101.2	109.7	110.0
Q4	112.6	114.0	107.5	...	102.0	110.3	111.7	105.3	...	111.1	112.4	101.7	109.1	110.4
13 *Jun*	112.8	113.8	109.1	104.0	101.7	110.9	111.9	107.4	102.9	111.0	112.1	101.0	109.8	110.9
Jul	112.9	113.0	...	103.9	101.8	110.9	110.9	...	102.7	111.0	111.0	101.0	109.8	109.8
Aug	112.9	113.1	...	104.6	101.9	110.8	111.0	...	103.3	111.3	111.5	101.4	109.7	109.9
Sep	112.7	113.6	108.6	103.0	101.8	110.7	111.5	106.7	101.9	111.1	112.0	101.3	109.5	110.4
Oct	112.7	114.0	...	103.4	102.0	110.5	111.7	...	102.0	111.2	112.5	101.7	109.3	110.5
Nov	112.6	114.0	...	102.9	101.9	110.4	111.8	...	101.6	110.9	112.3	101.5	109.1	110.5
Dec	112.6	114.0	107.5	...	102.2	110.1	111.5	105.4	...	111.1	112.5	101.9	108.9	110.3
14 *Jan*	112.4	112.7	...	...	102.1	110.1	110.3	...	...	110.9	111.0	101.7	108.8	109.0
Feb	...	112.0	...	...	102.0	...	109.7	...	...	...	110.5	101.8	...	108.4
Mar	...	...	...	...	102.2	...	...	...	...	...	...	102.2	...	...

INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE DEVELOPED COUNTRIES



INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE INDUSTRIALISED COUNTRIES



Source: BE.
a. Outcome of multiplying nominal and cost/price components. A decline in the index denotes an improvement in the competitiveness of Spanish products.
b. Geometric mean calculated using a double weighting system based on (1995-1997), (1998-2000), (2001-2003), (2004-2006) and (2007-2009) manufacturing foreign trade figures.
c. Relationship between the price indices of Spain and of the group.
d. Quarterly series. Indices for Spain have been calculated using data for Unit Labour Costs (total and manufacturing) compiled from Quarterly Spanish National Accounts. Base 2008. Source INE.

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ABBREVIATIONS

BCBS	Basel Committee on Banking Supervision
BE	Banco de España
BIS	Bank for International Settlements
BLS	Bank Lending Survey
BOE	Official State Gazette
BRICs	Brazil, Russia, India and China
CBA	Central Balance Sheet Data Office Annual Survey
CBQ	Central Balance Sheet Data Office Quarterly Survey
CBSO	Central Balance Sheet Data Office
CCR	Central Credit Register
CDSs	Credit default swaps
CEIPOS	Committee of European Insurance and Occupational Pensions Supervisors
CESR	Committee of European Securities Regulators
CNE	Spanish National Accounts
CNMV	National Securities Market Commission
CPI	Consumer Price Index
DGF	Deposit Guarantee Fund
EBA	European Banking Authority
ECB	European Central Bank
ECOFIN	Council of the European Communities (Economic and Financial Affairs)
EDP	Excessive Deficit Procedure
EFF	Spanish Survey of Household Finances
EFSF	European Financial Stability Facility
EMU	Economic and Monetary Union
EONIA	Euro overnight index average
EPA	Official Spanish Labour Force Survey
ESA 2010	European System of National and Regional Accounts
ESCB	European System of Central Banks
ESFS	European System of Financial Supervisors
ESM	European Stability Mechanism
ESRB	European Systemic Risk Board
EU	European Union
EURIBOR	Euro interbank offered rate
EUROSTAT	Statistical Office of the European Communities
FASE	Financial Accounts of the Spanish Economy
FDI	Foreign direct investment
FROB	Fund for the Orderly Restructuring of the Banking Sector
FSB	Financial Stability Board
FSF	Financial Stability Forum
GDI	Gross disposable income
GDP	Gross domestic product
GFCF	Gross fixed capital formation
GNP	Gross national product
GOP	Gross operating profit
GVA	Gross value added
HICP	Harmonised Index of Consumer Prices
IASB	International Accounting Standards Board
ICO	Official Credit Institute
IFRSs	International Financial Reporting Standards
IGAE	National Audit Office
IIP	International Investment Position
IMF	International Monetary Fund
INE	National Statistics Institute
SPEE	National Public Employment Service
LTROs	Longer-term refinancing operations
MFIs	Monetary financial institutions
MMFs	Money market funds
MROs	Main refinancing operations
MTBDE	Banco de España quarterly macroeconomic model
NCBs	National central banks
NFCs	Non-financial corporations
NPISHs	Non-profit institutions serving households
OECD	Organisation for Economic Co-operation and Development
OJ L	Official Journal of the European Union (Legislation)
ONP	Ordinary net profit
OPEC	Organisation of Petroleum Exporting Countries
PMI	Purchasing Managers' Index
PPP	Purchasing power parity
QNA	Quarterly National Accounts
SDRs	Special Drawing Rights
SEPA	Single Euro Payments Area
SGP	Stability and Growth Pact
SMEs	Small and medium-sized enterprises
SRM	Single Resolution Mechanism
SSM	Single Supervisory Mechanism
TARGET	Trans-European Automated Real-time Gross settlement Express Transfer system
TFP	Total factor productivity
ULCs	Unit labour costs
VAT	Value Added Tax

COUNTRIES AND CURRENCIES

In accordance with Community practice, the EU countries are listed using the alphabetical order of the country names in the national languages.

BE	Belgium	EUR (euro)
BG	Bulgaria	BGN (Bulgarian lev)
CZ	Czech Republic	CZK (Czech koruna)
DK	Denmark	DKK (Danish krone)
DE	Germany	EUR (euro)
EE	Estonia	EEK (Estonian kroon)
IE	Ireland	EUR (euro)
GR	Greece	EUR (euro)
ES	Spain	EUR (euro)
FR	France	EUR (euro)
IT	Italy	EUR (euro)
CY	Cyprus	EUR (euro)
LV	Latvia	EUR (euro)
LT	Lithuania	LTL (Lithuanian litas)
LU	Luxembourg	EUR (euro)
HU	Hungary	HUF (Hungarian forint)
MT	Malta	EUR (euro)
NL	Netherlands	EUR (euro)
AT	Austria	EUR (euro)
PL	Poland	PLN (Polish zloty)
PT	Portugal	EUR (euro)
RO	Romania	RON (New Romanian leu)
SI	Slovenia	EUR (euro)
SK	Slovakia	EUR (euro)
FI	Finland	EUR (euro)
SE	Sweden	SEK (Swedish krona)
UK	United Kingdom	GBP (Pound sterling)
JP	Japan	JPY (Japanese yen)
US	United States	USD (US dollar)

CONVENTIONS USED

M1	Notes and coins held by the public + sight deposits.
M2	M1 + deposits redeemable at notice of up to three months + deposits with an agreed maturity of up to two years.
M3	M2 + repos + shares in money market funds and money market instruments + debt securities issued with an agreed maturity of up to two years.
Q1, Q4	Calendar quarters.
H1, H2	Calendar half-years.
bn	Billions (10^9).
m	Millions.
bp	Basis points.
pp	Percentage points.
...	Not available.
—	Nil, non-existence of the event considered or insignificance of changes when expressed as rates of growth.
0.0	Less than half the final digit shown in the series.