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CONTENTS

QUARTERLY REPORT ON THE SPANISH ECONOMY
OVERVIEW

The publication of the previous "Quarterly report" coincided with a surge in volatility on financial markets further to the results of the UK referendum, contrary to the country remaining a Member State of the European Union (EU). Following that initial reaction, the summer months have been characterised by a return to lower levels of volatility, declines in interest rates, accompanied by a compression of spreads, and across-the-board increases in asset prices, in a setting in which expectations continue to point to expansionary monetary policies being maintained over a lengthy period of time.

In recent months the flow of information relating to global economic activity has broadly pointed to its stabilisation, with somewhat more favourable data in the emerging economies than in the developed countries. In any event, the growth outlook for the world economy remains modest and subject to a high degree of uncertainty, with different sources of risk that include the persistence of certain geopolitical tensions and doubts over the capacity of the economic authorities, chiefly in some emerging economies, to redress the prevailing macrofinancial imbalances in an orderly fashion.

In the developed economies, the UK vote in favour of leaving the EU appears so far not to be entailing high costs in terms of economic activity. That should nonetheless not mask the possibility that further, protracted uncertainty about the future UK-EU relationship, in terms both of trade and other areas, and the final shape of the arrangements reached, may ultimately affect economic developments significantly in both areas.

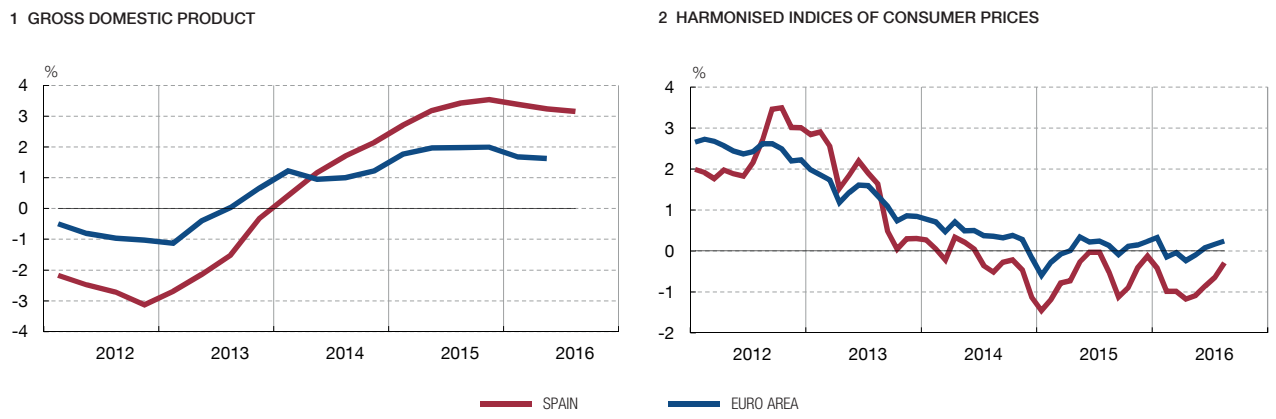
In the euro area, the ECB projections presented this month envisage a continuation of the current moderate cyclical upturn, albeit at a slightly lesser pace than that considered in the Eurosystem's June projections, as a result of the worsening outlook for export markets, linked above all to the adverse impact of the UK referendum result. In the inflation domain, the ECB continues to project a gradual acceleration in the core component from its current low levels as cyclical slack progressively diminishes.

The information available on the Spanish economy points to a continuation of the expansionary course of activity, at a quarter-on-quarter rate in Q3 which is expected to be 0.7%. If confirmed, this figure would be 0.1 pp down on that observed in each of the four previous quarters (see Chart 1). The contribution of the net external balance to GDP growth in Q3 is estimated to have been lower than that observed in Q2, when exports performed very positively despite the sluggish global setting.

In 2016 as a whole, GDP growth in the Spanish economy is expected to rise to 3.2%, an upward revision of 0.4 pp on the June projections (see Box 1). Behind this revision lies both the more favourable course of activity in Q2 compared with expectations in June, and the improved outlook for the rest of the year, judging by the information available.

In the two years spanning 2017-18, the expansion of the Spanish economy is expected to run further, continuing to be underpinned by comfortable financial conditions associated with the prolongation of the expansionary monetary policy stance, by the headway in the ongoing deleveraging by private agents (meaning that additional reductions in indebtedness have an increasingly less adverse impact on activity), and, as the projection period unfolds, by the foreseeable strengthening of export markets. However, the diminished momentum

GROSS DOMESTIC PRODUCT AND CONSUMER PRICES (a) CHART 1



SOURCES: Eurostat, INE and Banco de España.

a Year-on-year rates of change based on seasonally adjusted series in the case of GDP and on original series in that of the consumer price indices.

of some of the factors supporting activity recently, such as the fall in oil prices, the depreciation of the euro and the expansionary fiscal policy, will prompt a reduction in the pace at which the economy is increasing.

Specifically, GDP growth is estimated to stand at 2.3% and 2.1% in 2017 and 2018, respectively, rates unchanged on the June projections. In the specific case of next year, the absence of changes is the outcome of two opposing and mutually offsetting forces. On one hand, the improved estimated growth rate for 2016 incorporates a positive carryover effect on the rate from next year. On the other, the change from June to September in the set of assumptions underlying the projections has a negative net impact on expected growth in 2017. In turn, this is the result of the downward revision of the rate of increase of export markets (chiefly reflecting expected lower imports in the United Kingdom), which is offset only in part by the reduction in resident agents' borrowing costs, prompted by the recent cuts in interest rates.

In terms of the composition of demand, a notable change in the 2017-18 period is the reduction in the foreseeable contribution of private consumption. Indeed, although this will continue to be underpinned by the prolongation of the strong pace of job creation, the expansion of household income, in real terms, will be less pronounced than in the recent past owing to the petering out of the factors that had temporarily been boosting it. Business spending, for its part, will slow in line with final demand, although financial conditions are expected to remain favourable. Finally, the contribution of exports to GDP growth will be slightly lower than that observed this year, given the worsening external environment, due in part to the Spanish economy's trade exposure to the United Kingdom, the recipient of a sizeable portion of Spanish exports of tourist and non-tourist services.

Turning to the labour market, jobs are expected to continue to be created at a high rate during the projection period, with low growth in apparent labour productivity, as is habitual in upturns in the Spanish economy. Job creation will allow further reductions in the unemployment rate, which is expected to stand at slightly below 17% of the labour force at end-2018.

As to prices, it is estimated that the CPI, after slipping 0.3% in 2016, might grow by around 1.5% in 2017 and by a further 0.1 pp in 2018, in line with the projected recovery for oil prices and the expected gradual rise in core inflation. Set against the June projections, the expected growth of the overall CPI rises by 0.3 pp and 0.1 pp in 2016 and 2017, respectively, essentially as a result of the upward revision in the path of oil prices.

MAIN MACROECONOMIC AGGREGATES OF THE SPANISH ECONOMY (a) TABLE 1

			2015				2016		
	2014	2015	Q1	Q2	Q3	Q4	Q1	Q2	Q3
National Accounts									
Quarter-on-quarter rates of change, unless otherwise indicated									
Gross domestic product	1.4	3.2	0.9	1.0	0.8	0.8	0.8	0.8	0.7
Contibution of national demand (b)	1.6	3.7	1.4	1.0	1.2	0.6	1.0	0.2	0.9
Contibution of net external demand (b)	-0.2	-0.5	-0.5	0.0	-0.4	0.2	-0.2	0.6	-0.1
Year-on-year rates of change									
Employment	1.1	3.0	2.9	2.9	3.1	3.0	3.2	2.9	2.8
Price indicators (year-on-year change in end-of-period data) (c)									
CPI	-0.2	-0.5	-0.7	0.1	-0.9	0.0	-0.8	-0.8	-0.1
CPI excl. energy and unprocessed food prices	0.0	0.6	0.2	0.6	0.8	0.9	1.1	0.6	0.9

SOURCES: INE and Banco de España.

a Information available to 23 September 2016
b Contribution to the quarter-on-quarter rate of change of GDP (pp).
c Latest available figure for consumer price indices: August 2016.

The risks surrounding the baseline scenario for GDP growth remain tilted, as in June, to the downside. Compounding the external risks described are others stemming from the prolongation of the period of interim government in Spain, which generates uncertainty about the future course of economic policies and, in particular, about the fiscal consolidation path and the potential budgetary measures needed to meet the budget deficit targets agreed by the European Council in August for the coming years. In this respect, any delay in the scheduled correction of the budgetary imbalance, compliance with which is vital for entrenching the sustainability of public finances, and in the approval of structural reforms, needed to raise potential growth, increases the vulnerability of the economy in the face of potential exogenous shocks.

Conversely, the strength shown by the Spanish economy in the recent phase, against the background of uncertainty described, suggests that activity retains a degree of inertia that would lead to the impact of the foregoing factors of risk being mitigated in the short term. Moreover, in a setting in which knowledge about the effects of the broad set of monetary policy measures set in train by the ECB is necessarily limited, in light of the novel nature of such measures, the impact on the baseline scenario might be greater than that considered.

In relation to inflation, the risks of deviation are considered to be moderately tilted to the downside, as a result of a hypothetical materialisation of a more unfavourable global growth scenario. Nonetheless, the expansionary monetary policy measures might drive inflation above the baseline scenario projection.

The Report contains six boxes. These present the Banco de España's new macroeconomic projections (Box 1); a description of the latest public finances developments (Box 2); an analysis of the impact of the UK's exit from the EU on the British and world economy (Box 3); a study of the effects of the corporate sector purchase programme (CSPP) on the cost and volumes of euro area issues (Box 4); a description of the Spanish economy's exposure to the United Kingdom (Box 5); and an analysis of the factors behind the recent course of the Spanish economy's participation rate (Box 6).

23.9.2016.

This box presents the Banco de España's latest macroeconomic projections, updating those published on 7 June.[1] The new projections include the information that has come to light between 18 May and 23 September, the respective cut-off dates for the previous and current exercises (see Table 1).[2] One specific and significant change arises in the latest Quarterly National Accounts (QNA) estimates, which include the data for the first two quarters of 2016 (these were not available at the time the projections published in June were prepared).[3]

The estimates point to the continuation throughout the projection period of the expansionary phase of the Spanish economy. This development will be assisted by a series of different factors, including some that have conferred a high degree of sustainability on the expansion (including most notably the correction, over recent years, of imbalances such as the loss of external competitiveness), along with others that entail a greater or lesser degree of temporariness, such as the improvements in resident agents' financial conditions, largely supported by monetary policy conduct, the expansionary fiscal policy stance applied in the two years spanning 2015-2016 and the delayed effects of the recently observed fall in oil prices and depreciation of the euro. Specifically, it is estimated that GDP will grow by 3.2% this year, slowing to 2.3% and 2.1% in 2017 and 2018, respectively (see Table 2), as a result of the disappearance of a significant portion of the temporary impulses listed. Turning to consumer prices, after posting a fall of -0.3% in 2016 on average, they are expected to rise to 1.5% and 1.6% in each of the next two years, driven by higher oil prices and by the progressive reduction in cyclical slack.

The main change from the June to the September exercise in the assumptions underlying the projections is the downward revision in the expected rate of expansion of the Spanish economy's external markets. This is chiefly a consequence of the estimated impact on UK imports arising from this country's referendum to remain in or exit the European Union and, to a lesser extent, of a downward reassessment of the growth rate

1 Available in this link.

2 The respective cut-off dates for information-gathering in respect of the assumptions are 10 May and 19 September, except in the case of developments in Spain's export markets, for which the assumptions for the current exercise are taken from the September 2016 ECB staff macroeconomic projections for the euro area, produced by ECB staff members, whose cut-off date is 15 August.

3 INE has also published in September a revision of the Annual National Accounts series for the period 2012-2015, which revises downwards the real GDP growth rate for the first of these years and leaves the rest unchanged, and it sets out, in cumulative terms, a higher contribution of external demand to GDP growth (at the expense of less robust national demand). These annual series have not been used for the preparation of the current projections, given that the methodology employed requires the use of quarterly series and INE will not disclose the series with this frequency consistent with the annual data now published until 24 November.

Table 1
INTERNATIONAL ENVIRONMENT AND MONETARY AND FINANCIAL CONDITIONS (a)

Annual rates of change, unless otherwise indicated

		September 2016 projection			Changes from the June 2016 projection		
	2015	2016	2017	2018	2016	2017	2018
International environment							
World output	3.0	2.9	3.3	3.5	0.0	-0.1	0.0
World markets	1.9	1.8	3.3	3.9	-0.7	-0.6	-0.3
Spanish export markets	3.1	1.8	3.4	3.8	-1.2	-0.7	-0.4
Oil price (in USD) (b)	52.4	43.6	50.2	50.8	0.1	1.2	-0.5
Monetary and financial conditions							
Dollar/euro exchange rate (USD per euro)	1.11	1.12	1.12	1.12	-0.01	-0.02	-0.02
Nominal effective exchange rate vis-à-vis the non-euro area countries (c) (2000=100 and pp changes)	113.0	114.2	114.8	114.8	-0.6	-0.7	-0.7
Short-term interest rates (3-month Euribor) (b)	0.0	-0.3	-0.3	-0.4	0.0	0.0	-0.1
Long-term interest rates (10-year bond yields) (b)	1.7	1.3	1.3	1.5	-0.3	-0.7	-0.8

SOURCES: ECB and Banco de España.

a Assumptions cut-off date: 19 September 2016. Figures in levels are annual averages and the percentage rates are calculated on the basis of the related annual averages.
b For the projection period, the values in the table are technical assumptions, prepared following the Eurosystem's methodology. These assumptions are based on the prices on futures markets or on approximations thereto, and they should not be interpreted as a Eurosystem forecast about the course of these variables.
c A positive percentage change in the nominal effective exchange rate denotes an appreciation of the euro.

of world trade.[4] Moreover, compared with the June forecasts, a somewhat higher level of oil prices is projected, in line with the observed trend on the spot and futures markets for this commodity. It is further estimated that competitors' prices will grow somewhat less than expected three months ago, despite the slight depreciation of the euro since then. Finally, there will be a further reduction in the cost of credit financing to households and non-financial corporations, prompted by the downward revision of the expected interest-rate paths on interbank and government debt markets, according to the expectations implied in the yield curve. Moreover, in the case of firms a reduction in the cost of financing received via securities issues is included, which reflects in part the effects of the launch of the corporate sector purchase programme (CSPP) by the ECB (see Box 4).

The fiscal policy assumptions for 2016 rest on the measures approved in the budgets of the different tiers of government for this year, as in June, and on the budget outturn figures available. However, none of the further measures announced have been included, such as that relating to the re-establishment of minimum amounts for corporate income tax prepayments, given the failure

4 In the projections for the United Kingdom it is assumed that the referendum outcome will give rise to a significant downward revision of household and business spending, as a prolonged stage of uncertainty commences. This reduction in demand, along with the depreciation of sterling, will prompt a significant decline in British imports, which affects Spanish exports (along with the second-round effects via third markets). Following the referendum, a notable downward revision has been observed in the expected path of long-term interest rates which, in part, might be related to the referendum result, in so far as it reflects expectations of monetary policy easing. For further details on the way in which the United Kingdom's exit from the EU impacts the projections for Spain and for the rest of the euro area, see Box 1 in September 2016 ECB staff macroeconomic projections for the euro area.

Table 2
PROJECTIONS OF THE SPANISH ECONOMY'S MAIN MACRO-MAGNITUDES (a)

Annual rate of change in volume terms and % of GDP

		September 2016 projection			Changes from the June 2016 projection		
	2015	2016	2017	2018	2016	2017	2018
GDP	3.2	3.2	2.3	2.1	0.4	0.0	0.0
Private consumption	3.1	3.4	2.0	1.5	0.4	0.2	0.0
Government consumption	2.7	1.0	0.8	0.8	-0.1	-0.1	0.1
Gross fixed capital formation	6.4	4.0	4.8	4.5	-0.7	-0.7	-0.4
Investment in equipment	10.2	7.9	6.6	5.7	-0.2	-0.5	-1.0
Investment in construction	5.3	2.1	4.2	4.4	-1.3	-1.2	-0.2
Exports of goods and services	5.4	5.3	4.5	4.8	0.9	-0.3	-0.2
Imports of goods and services	7.5	5.4	4.9	4.9	0.1	-0.6	-0.4
National demand (contribution to growth) (b)	3.7	3.1	2.3	2.0	0.2	-0.1	-0.1
Net external demand (contribution to growth)	-0.5	0.1	0.0	0.1	0.3	0.1	0.1
Nominal GDP	3.8	3.5	3.3	3.7	0.3	0.0	-0.1
GDP deflator	0.6	0.3	1.1	1.6	-0.1	0.0	-0.1
Consumer price index (CPI)	-0.5	-0.3	1.5	1.6	0.3	0.1	-0.1
CPI excl. energy and unprocessed food prices	0.6	0.9	1.3	1.7	0.0	0.0	-0.1
Employment (full-time equivalents)	3.0	2.9	2.0	1.8	0.4	0.0	0.0
Unemployment rate (% of labour force) End-of-period data	20.9	19.0	17.8	16.7	-0.7	-0.5	-0.6
Unemployment rate (% of labour force) Average data	22.1	19.8	18.3	17.1	-0.3	-0.6	-0.6
Net lending (+)/net borrowing (–) of the nation (% of GDP)	2.1	2.6	2.2	1.9	0.6	0.7	0.7
General government net lending (+)/net borrowing (–) (% of GDP) (c)	-5.0	-4.9	-3.6	-3.1	-0.8	-0.2	-0.2

SOURCES: Banco de España and INE.
Latest QNA figure: 2016 Q2.

a Projections cut-off date: 23.09.2016.
b Difference, to one decimal place, between GDP growth and the contribution of net external demand.
c Excludes aid to financial institutions.

to specify such amounts at the time these forecasts were formulated (see Box 2). With regard to 2017 and 2018, the fact that the preparatory cycle for the budgets of the different tiers of government has not been set in train means that there is a high degree of uncertainty about how budgetary policy will be specifically formulated. Against this background, it has been decided to prepare a scenario that involves assuming a neutral fiscal policy stance. Specifically, it is assumed that budget items subject to a greater degree of discretionality (e.g. inputs or public investment) will move in line with the (nominal) trend growth projections for the economy. Notwithstanding this assumption, the forecast for public revenues and the dynamics underlying certain expenditure items, such as that earmarked for the payment of unemployment benefits, are derived from the forecast macroeconomic aggregates. In-house estimates are also made of demographic trends, with an impact on pension spending, and of the debt interest burden. The fiscal policy stance derived from the projections in this report is expansionary in 2016 (for which year a deterioration in the primary structural balance of close to 1 pp of GDP is estimated, similar to that estimated for 2015) and, in accordance with the foregoing criterion, it is neutral in 2017-18.

Compared with the projections published over three months back, the GDP growth forecast in 2016 has been revised upwards by 0.4 pp. This revision for the current year incorporates the more favourable course of activity in Q2, according to QNA results, compared with what had been anticipated in June. Moreover, the conjunctural information for the summer months suggests a more dynamic behaviour of activity in the second half of the year than was projected in the previous exercise.

The growth envisaged for 2017 remains unchanged, which is the outcome of two opposing effects. As regards the technical assumptions, the less favourable outlook for the behaviour of export markets and, to a lesser extent, competitors' lower prices and higher oil prices entail, overall, unfavourable consequences for activity which are offset only in part by the additional easing in financial conditions that private agents face. Further, this is not ultimately reflected in a lower average GDP growth rate for the coming year, as it is offset by a more favourable carryover effect for 2016.[5] In 2018, the changes in the external assumptions exert, overall, a neutral impact on activity.

The expansion in GDP throughout the projection period is explained by the buoyancy of national demand which, however, will tend to be less robust as from the coming year. Net external demand, whose contribution to GDP growth was negative in the period 2014-2015, will make an approximately neutral or slightly positive contribution over the time horizon envisaged.

Among the components of national demand, household spending on goods and services will continue to show notable strength in the short term. Subsequently, the high rate of job creation will continue to underpin this spending component, although the disappearance of the effects of some temporary factors that have been supporting household income in the recent period (and which include, in particular, the decline in oil prices and the reductions in income tax that came into force in 2015) are expected to contribute to tempering the rate of increase of private consumption. As a result, following the projected increase of 3.4% this year, a slowdown to 2% in 2017 and to 1.5% in 2018 is expected.

Favourable developments on the labour market and the persistence of benign financing conditions will prove conducive to the continuation of the course of recovery of residential investment. The increases in the pace of housing starts and house sales recently observed are along these lines. Notwithstanding the propitious context described, the intensity of the rise in this demand component will be checked by the prospect that the net household creation figures will be modest and, possibly, in some regions, by the high stock of unsold housing.

Business investment in capital goods will continue to expand at a high though diminishing rate, in step with the easing in the dynamism of final demand, in a setting in which financial conditions are expected to continue to be conducive to spending by non-financial corporations. The slowdown under the heading of other construction, prompted for reasons similar to those described in the case of investment in equipment, will be mitigated by the assumption made that the level of the public investment components will stabilise in 2017, after the fall-off observed in 2016.

As regards exports, which have recently moved on a very favourable trajectory, the moderate dynamism of external markets (and, to a lesser extent, lower competitors' prices) will give rise to somewhat more modest rates of increase. However, sales abroad are expected to continue showing a more expansionary course than the markets on which they are targeted, owing to the gains in competitiveness accumulated in the past (and which are not projected to continue in the future) and to the sustained increase in the number of firms which, having initiated export activity in a specific external market, remain present in such markets after several years. Furthermore, it is estimated that the tourism component will continue to be boosted by the political instability and the security problems in some of Spain's Mediterranean competitors. The course of imports will be determined by the slowdown in the main components of final demand.

On the estimates made, the surplus on the rest-of-the-world account may rise to 2.6% of GDP in 2016, 0.5 pp up on 2015,

5 The carryover effect denotes the arithmetic contribution that the quarter-on-quarter growth rates of one year exert on the annual average growth rate of the following year. On this occasion, specifically, the estimated contribution of the quarter-on-quarter GDP growth rates in 2016 to the average growth of this variable in 2017 is now greater than was estimated in June. On one hand, as indicated, the behaviour of activity was more expansionary in 2016 Q2 than expected in June. Moreover, on the other hand, the present projections include an upward revision of expected growth in the final two quarters of this year. In mechanical terms, this gives a higher increase in GDP not only in 2016 but also in 2017.

underpinned by the favourable trend of trade flows in real terms, the previous fall in oil prices and the lower net interest charge paid abroad. In subsequent years, the nation's lending capacity may be expected to ease as a result of the higher level of oil prices.

With regard to the labour market, the high pace of job generation is expected to persist, with low growth in apparent labour productivity, as is habitual in expansionary phases in the Spanish economy. The buoyancy of employment will be underpinned, moreover, by the projected continuation of wage moderation, which will contribute to the maintenance of modest though rising rates of increase in unit labour costs. The growth of employment will lead to further declines in the unemployment rate, which will be strengthened by a downward revision of the estimated growth of the labour force related to population ageing, as is set out in greater detail in Box 6.

Inflation, measured by the rate of change of consumer prices, has been rising since the spring, exhibiting increasingly less negative rates. This has essentially been the result of the increase in oil prices, although the indices that exclude the energy component – and, in particular, the index excluding unprocessed food and energy – have recently begun to show signs of picking up.

The CPI index excluding unprocessed food and energy is expected to continue quickening over the projection period, as a result of the prolongation of the period of expansion in spending on consumer goods, the gradual closing of the output gap and, towards the end of the projection horizon, the above-mentioned moderate rise in unit labour costs. As regards the energy component, and under the assumptions for the exercise, the recent quickening phase is projected to run into the coming months, with increasingly higher rates of change that will peak in spring 2017, slowing subsequently.

As a result of the course of the various components, the overall indicator is expected to start posting increasingly positive rates as from September this year, which would nevertheless not prevent a fall-off of -0.3% being observed for 2016 on average. In 2017 and 2018, respective increases of 1.5 % and 1.6 % are estimated, in a setting in which the overall effect of the changes in the assumptions on the inflation rate is slightly negative, which explains the 0.1 pp downward revision in 2018 with respect to the June projections.

Chart 1 shows the year-on-year growth paths for GDP and for the CPI index excluding energy and unprocessed food under the baseline scenario, along with a measure of uncertainty surrounding these paths, constructed drawing on the past deviations of projections with respect to the figures actually observed. Under this approach, the probability that declines in GDP may be observed towards the end of the projection horizon would be around 10%, while the probability of the CPI index excluding unprocessed food and energy posting negative rates from now to end-2018 is very low according to the deviations in past projections. These probabilities have not undergone substantial changes from the June projections exercise.

A limitation of this type of approach based on past forecasting deviations is that it ignores the possibility that, at a specific point in time, the perceived level of uncertainty may be higher than at

GROWTH AND INFLATION OUTLOOK FOR SPAIN

Chart 1
GROSS DOMESTIC PRODUCT
Year-on-year rate of change

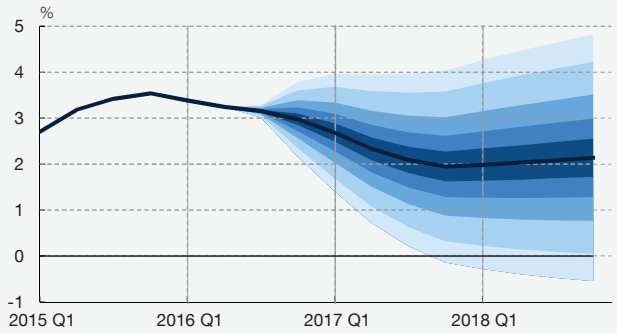
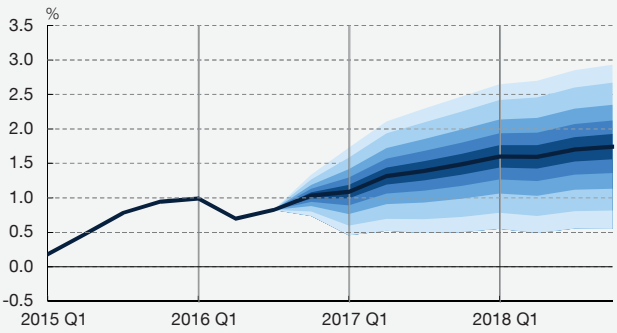


Chart 2
CPI EXCL. ENERGY AND UNPROCESSED FOOD PRICES
Year-on-year rate of change



Probability of GDP or the CPI excluding energy and unprocessed food prices being within the interval (a)

20 % 40 % 60 % 80 % 90 %

SOURCES: INE and Banco de España.
Latest figure: 2016 Q2 for GDP and August 2016 for the CPI excluding energy and unprocessed food prices.

a The right- and left-hand charts show the uncertainty around the central projection. Intervals with probabilities of 20%, 40%, 60%, 80% and 90%, respectively, based on historical projection errors.

others, or that the risks may appear more likely in one direction than in the opposite direction. In this respect, in the present projections exercise it is considered that the risks surrounding the baseline scenario for GDP growth will, as in June, remain tilted to the downside.

From the standpoint of the external environment, doubts remain in some emerging economies in particular concerning their ability to redress in an orderly fashion some of the imbalances observed. Moreover, in these projections it has been assumed that the impact on the baseline scenario of British voters' decision to exit the EU will be manifest only through a downward revision of UK imports, meaning that the referendum outcome will not have direct adverse consequences on euro area agents' confidence and spending decisions. However, it cannot be ruled out that, during the negotiation of the new trading arrangements between the United Kingdom and the EU, certain adverse effects of this type not envisaged in the baseline scenario may materialise.

External risks also include a potential stepping up of global geopolitical tensions, which might harm both world trade and euro area agents' confidence. In addition, the foreseeable tightening of monetary policy in the United States might exert certain adverse consequences on the net capital flows received by the most vulnerable emerging economies. Further, although the normalisation of financial conditions in the euro area in train since late 2012 appears to be firmly embedded, this process might not be completely immune to any potential increase in the perception of risks to the banking sector in certain countries in the area. Conversely, it cannot be ruled out that the impact on activity of the set of monetary policy measures deployed by the ECB may be greater than envisaged in these projections, owing to possible delays in the transmission of some of them to real activity.

Regarding domestic risks, the stability of GDP growth throughout the present exercise reflects the fact that the possible adverse effects arising from the prolongation of the current interim status of the government may have been offset during this period by other factors. Yet it cannot be ruled out that the adverse effects in question may ultimately materialise. In particular, the provisional nature of the central executive power has consequences for the budgetary process (as set out in Box 2) and, generally, for legislative activity, which may ultimately affect private agents' confidence and, therefore, their consumption, investment and hiring decisions.

In the fiscal policy arena, the macroeconomic projections have, as indicated, been prepared on the basis of the absence of additional budgetary measures in the current exercise and under the assumption of a neutral fiscal policy stance in respect of activity during these years. Under these assumptions, the budget deficit is expected to exceed the fiscal targets agreed with the EU Council last August, thereby illustrating the need for fiscal policy to resume a restrictive stance in order to strengthen the sustainability of public finances and to ensure compliance with the targets. Any such additional budgetary consolidation measures could entail some cost in terms of growth over the course of the projection horizon.

The extended delay in forming a Spanish government also affects the timing of the approval of the structural reforms needed to increase the economy's potential growth. Any delay along these lines has adverse consequences for activity, since there are usually considerable lags between the adoption of the measures and the time at which such measures begin to have palpable effects.

Conversely, the resilience recently demonstrated by the economy, despite the prevailing uncertainty surrounding economic policies and the materialisation of certain significant risks in the external environment, suggests that the dynamics of activity in our country retain a high degree of inertia which, should this hold for some time longer, might lessen the final incidence of the foregoing factors of risk.

In terms of inflation, it is considered that the balance of risks is moderately tilted to the downside. In particular, the materialisation of any of the adverse events described affecting activity might give rise to a fresh disinflationary impulse, in particular under those scenarios in which external markets might perform less favourably, possibly accompanied by declines in commodities prices and an appreciation of the euro. Moreover, the recent situation of very low inflation rates might tend to be prolonged should agents extrapolate the trend observed to their expectations-formation process. Conversely, these risks would be alleviated if the expansionary monetary policy measures were to give rise to more buoyant consumer prices than was described under the baseline scenario.

The latest figures published on general government's performance in national accounts terms cover the period from January to July 2016 and refer to central government, regional governments and the Social Security.[1] According to the national accounts, these subsectors registered a combined deficit of 3.1% of GDP[2] in January-July, in line with the data for the same period in 2015 (see Chart 1). Information for the most recent period refers to central government and shows it to have registered a deficit of 2.8% of GDP in the period to August. This represents a deterioration of three tenths of a percent of GDP relative to the same period the previous year. Information is also available to August for tax revenues shared by central government, the regional governments and local authorities in budgetary accounting terms. This shows a smaller drop than at the end of the second quarter. Taken together, these developments highlight the risk of failing to meet this year's deficit target.

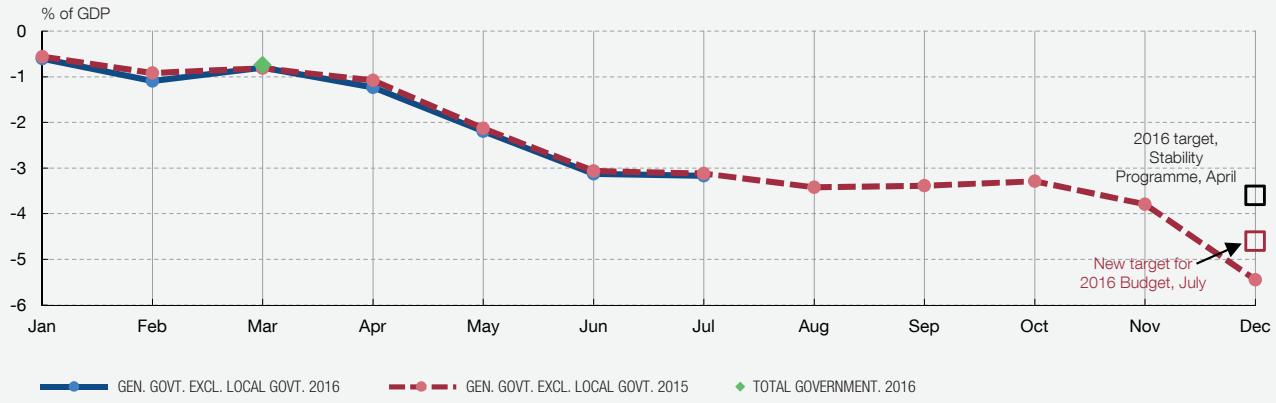
The general government debt-to-GDP ratio barely changed in the second quarter of 2016, at 100.5%, as a result of the slight increase in the sector's liabilities being offset by GDP growth (see Charts 2 and 3).[3] In conjunction with the reduction in average borrowing costs, this trend further lightened the interest burden,

1 These are monthly national accounts figures published by the National Audit Office (IGAE).

2 Net of the funds dedicated to the assistance of financial institutions.

3 The debt-to-GDP ratio was calculated using nominal GDP published by the National Statistics Institute (INE) in the latest quarterly national accounts (25 August) in the denominator. It does not, therefore, incorporate the INE's update to the 2012-2015 Annual National Accounts on 14 September 2016.

Chart 1
GENERAL GOVT. BUDGETARY BALANCE IN THE NATIONAL ACCOUNTS (excl. assistance for financial institutions)
Accumulated data from January



SOURCES: National Audit Office (IGAE) and European Council.

Chart 2
GROSS FINANCING
Year-on-year rate and contribution of instruments

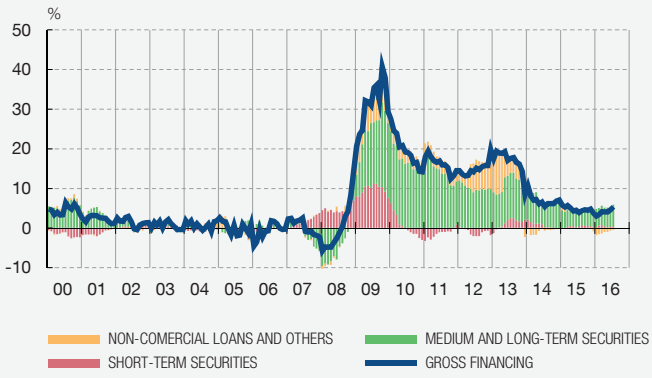
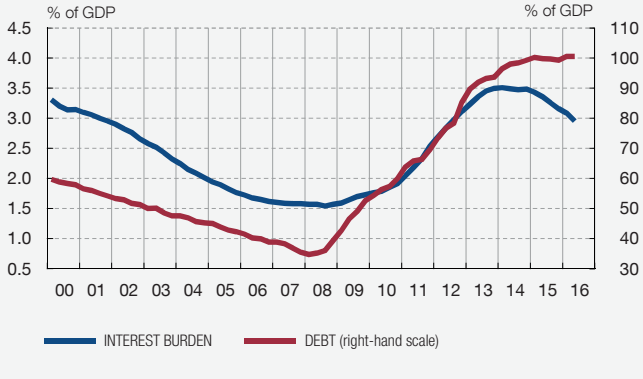


Chart 3
FINANCIAL BURDEN (INTEREST AND DEBT RATIO)
Accumulated data over four quarters



SOURCE: Banco de España.

which shrank to 3% of GDP. The breakdown by instruments reveals the issuance of medium and long-term securities to have remained general government's main channel for borrowing in the second quarter. By holders, the main net purchasers of securities issued by central government during the period were domestic financial institutions other than credit institutions, and in particular, the Banco de España, which made net purchases worth €21.9 billion, primarily as part of the Eurosystem asset purchase programme. By contrast, non-residents, credit institutions, households, and non-financial corporations reduced their holdings of these instruments.

On the institutional level, it should be recalled that on 12 July 2016 the Council of the European Union decided that Spain had taken insufficient measures to correct its excessive deficit in 2016. This deadline for Spain to reduce the public deficit to 2.8% of GDP in 2016 was set in the Council Recommendation of 21 June 2013. The Council Decision legally bound the European Commission to propose a fine, and suspend certain commitments regarding the execution of European Structural and Investment Funds in 2017. Nevertheless, availing itself of the option provided for by the Stability and Growth Pact, on 27 July 2016 the Commission proposed to the Council that the fine be cancelled, in the light of the reasoned application submitted by the Spanish government, which referred to the difficult economic climate, the reform efforts made, and the commitment to comply with the Pact. The Council decided to follow this recommendation on 8 August. The resolution on the partial suspension of the structural funds is currently pending discussion between the European Parliament and the Commission.

As recommended by the Commission, the Council also extended the deadline for Spain to correct its excessive deficit by two years, to 2018. The new path for the deficit targets sets a maximum deficit of 4.6% of GDP this year, 3.1% of GDP in 2017, and 2.2% of GDP in 2018. The Spanish Government, like all the members of the European Union, is due to submit its annual budgetary plan for 2017 by 15 October 2016, and to give notice of the effective steps it plans to take to ensure compliance with the new deficit path. In particular, the reasoned request by the Ministry of Economic Affairs and Competitiveness in reply to the Council Decision of 12 July 2016 proposed the reinstatement of minimum amounts for corporate income tax prepayments as a possible corrective measure.

Full compliance with these European requirements is severely constrained by central government's current caretaker status. Indeed, the lack of an agreement enabling a government to be formed has meant that the budgetary process has not yet begun. Likewise, neither the new path for the public deficit targets agreed by the European Council in August, nor the distribution of the deficit across the various levels of government, have been formally adopted by the Spanish authorities. Specifically, in the current year this fact gives rise to the practical difficulty of identifying the reference objectives for the application of the monitoring and control mechanisms laid down by the Budgetary Stability Law, and, in particular, the criteria for the release of funds linked to the Regional Government Liquidity Fund. According to the Spanish Constitution, if no new budget has been passed by 1 January 2017, the 2016 budget will be extended. On the basis of past extensions to the General State Budget, it is possible that the Spanish parliament may approve amendments to certain specific items, such as an increase to pensions or public-sector employees' salaries.[4]

4 Since the current constitutional regime was established, the General State Budget has been extended on four occasions, namely in 1982, 1989, 1995 and 2011.

The UK referendum result to leave the European Union (EU) opens up a new scenario for the British economy, which may have significant consequences on the EU as a whole and, to a lesser extent, on the world economy. The lack of clear references regarding the model of the future relationship with the EU to be sought by the UK in the negotiation process – continued membership of the European Economic Area (EEA), free trade agreements similar to the agreement with Switzerland or bilateral trade agreements under the aegis of the World Trade Organization (WTO), among other possibilities – and the doubts as to how the negotiations will develop, and how long they will last, present a highly uncertain picture in the short and medium term.

As indicated in the main body of this report, the days after the referendum were marked by widespread stock market declines and sterling depreciation, as the pound fell by some 10% against both the dollar and the euro. However, following the initial turmoil, many of these moves reversed and most stock indices rose above their pre-referendum levels, in a setting marked by a recovery in risk appetite and lower volatility. The steps taken by the monetary authorities, including the Bank of England (which adopted a package of stimulus measures) and other central banks (which continued with their accommodative monetary policy), helped to ease the initial tensions. Nevertheless, between July and September, international bodies and institutions and also private sector analysts revised down their activity forecasts for the British economy, and for other, mainly European, economies, which are those with the closest links to the UK (see Table 1).

The UK's exit from the EU is expected to have various adverse effects on the British economy. Thus, although the markets have shown considerable resilience to date, over a one or two-year horizon financial conditions may tighten and asset prices may decline, especially in the real estate sector. Such developments, together with a deterioration in agents' confidence, which will foreseeably be erratic over the coming months, would have a negative impact on domestic demand. On the positive side, sterling depreciation will provide an initial boost to competitiveness, partially offsetting those effects, assisted also by the more expansionary monetary policy stance and, farther ahead, by the more moderate fiscal policy adjustment. Although there will be no changes in tariffs or other non-tariff barriers until the UK actually leaves the EU, there could be a decline in trade in the near term given the uncertainty surrounding future trade relations, insofar as the possible future loss of markets may prompt a shift in global production processes. Longer term, it is difficult to foresee the effects on productive capacity in the UK since they will largely depend on the new trade and financial relationship that is finally agreed with the EU and with other key areas such as the US and the Asian economies.

The role of the British economy as a global financial centre and a hub for multinationals' investment flows – largely owing to the access it provides to the Single Market – entails the potential risk that any shocks affecting the British economy may spread to the international financial markets. This could lead to a tightening of financial conditions and a drop in confidence, and to spending decisions in the economies most exposed to the British economy being put on hold. In turn, the UK's trading partners will be adversely affected by the lower level of activity in the UK, although in some cases there could also be a positive impact as a result of activities being relocated outside the UK.

In recent months numerous studies have attempted to quantify the impact of the UK's exit from the EU both on the British economy and the rest of the world, envisaging different scenarios as to the UK's future relationship with the other economies and as to the effect of the uncertainty on financial conditions and agents'

Chart 1
IMPACT ON GDP (2018)

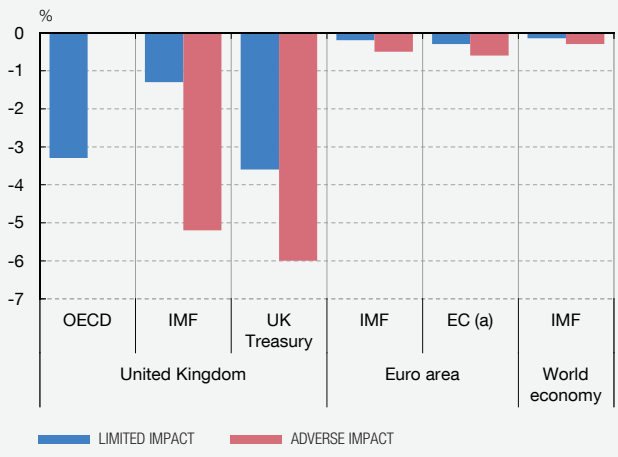


Table 1
PRE- AND POST-REFERENDUM FORECASTS
Pre-referendum forecast in brackets

	Projections		
	2016	2017	2018
United Kingdom			
Bank of England (Aug/May)	1.8 (1.9)	0.8 (2.3)	1.8 (2.3)
IMF (July/April)	1.7 (1.9)	1.3 (2.2)	—
European Commission (July/May)	1.6 (1.8)	1.1 (1.9)	—
OECD (Sep/June)	1.8 (1.7)	1.0 (2.0)	—
Euro area			
IMF (July/April)	1.6 (1.5)	1.4 (1.6)	—
European Commission (July/May)	1.6 (1.6)	1.5 (1.8)	—
OECD (Sep/June)	1.5 (1.6)	1.4 (1.7)	—
World economy			
IMF (July/April)	3.1 (3.2)	3.4 (3.5)	—
OECD (Sep/June)	2.9 (3.0)	3.2 (3.3)	—

SOURCES: OECD, IMF, European Commission and UK Treasury.

a Figures refer to 2017.

confidence. Broadly speaking, the scenarios considered range from "limited impact", with most current trade relations being maintained, through to "adverse impact", with the UK becoming subject to WTO rules. These studies estimate the impact on the British economy as a decline in GDP of between 1% and 6% in 2018, according to the scenario and assumptions considered (see Chart 1), illustrating the high level of uncertainty surrounding the future process of cutting ties with the EU and the possible economic implications. The consequences for the euro area and the world economy should be significantly more subdued, although naturally there will be substantial differences between countries, according to how close their ties are to the UK (see Box 5 for a description of the Spanish economy's trade and financial exposure to the UK).

The Governing Council of the ECB announced a new corporate sector purchase programme (CSPP) in March 2016, in addition to the other three ongoing programmes under its asset purchase programme (APP).[1] The initiative, which was part of a broad package of new expansionary monetary policy measures[2], aimed to help reduce the cost of issues and strengthen the APP's impact on financial conditions in the euro-area economy.

Under the CSPP, the Eurosystem buys corporate sector bonds, specifically, euro-denominated securities with an investment-grade credit rating issued by non-banking corporations established in the euro area.[3] In order to be eligible, the remaining maturity must be between 6 months and 30 years and there is no minimum issuance volume.[4] Purchases began on 8 June and reached a cumulative volume of nearly €23 billion over the three months the programme has been in operation. Monthly purchases of corporate bonds, averaging €6 billion euros over the period to August, have accounted for between 7% and 11% of total monthly purchases under the APP in this period. Although quantitatively less significant, in line with the size of the private non-bank bond markets in the euro area, its relative impact is high.

The announcement of the CSPP has had a highly positive impact on the cost of corporate bonds in the euro area. As Chart 1 shows, the yield on BBB issues by non-financial corporations has dropped by more than a percentage point relative to values in February, falling to record lows, making this form of borrowing cheaper than bank loans. This improvement has been seen across the board in the corporate bond market, including financial corporations' bonds and high-yield bonds.

Similarly, the programme has contributed to a reactivation of the primary market for non-financial corporation issuances. As Chart 2 shows, the volume of euro-denominated issues by euro-area corporations has grown significantly. This was despite the slowdown in June, possibly as a result of the uncertainty created by the referendum in the United Kingdom. This growth in the volume of issuances seems to be due more to the larger size of issues than to an increase in the number of issues or in the new issuers (see Chart 3).[5]

In net terms, issues are contributing to sustaining an increase in corporate borrowing (see Chart 5) and may explain, at least in part, the contraction in bank lending of loans over a million euros (see Chart 6). The introduction of the CSPP is expected to have a positive side effect on the supply of bank loans to smaller firms as larger firms' shift their financing decisions towards bond markets.

Overall, the additional easing of financing conditions and more vigorous lending this new monetary policy tool seems to have brought about should help support the economic recovery in the euro area and speed up inflation's gradual return to rates compatible with the medium-term monetary policy target.

1 Namely, the third edition of the Covered Bond Purchase Programme (CBPP3), the Asset Backed Securities Purchase Programme (ABSPP) and the Public Sector Purchase Programme (PSPP). The CBPP3 and the ABSPP were introduced in 2014, and are aimed, respectively, at covered bonds and simple, transparent securitisations of loans to businesses and households. The Eurosystem has been buying public sector bonds through the PSPP since March 2015.

2 See the box on "las nuevas medidas expansivas del Banco Central Europea" (available in Spanish only) in the March 2016 Economic Bulletin.

3 Issues by credit institutions and their subsidiaries, and by asset management companies created as a result of financial sector resolution and restructuring processes are excluded. For more information see "More details on the Eurosystem's corporate sector purchase programme (CSPP) – Questions & answers" available at http://www.ecb.europa.eu/mopo/implement/omt/html/cspp-qa.en.html.

4 As in the case of the other private sector purchase programmes, the Eurosystem can buy up to 70% of an issue. This issue share limit is lower in the case of public undertakings, to which the same limit is applied as in the PSPP.

5 The chart was prepared with information from Dealogic, using the name of the parent company to identify new issues. Dealogic's information is incomplete, particularly in the case of small issues, such that the data in the Chart may underestimate the importance of new issuers.

Chart 1
COST OF CORPORATE DEBT FINANCING

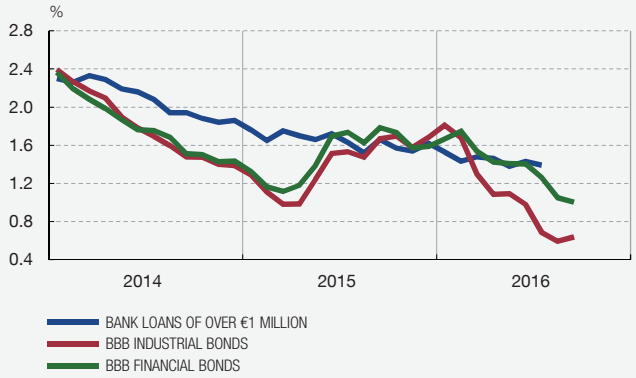


Chart 2
DEBT SECURITIES GROSS ISSUES BY NON-FINANCIAL CORPORATIONS (a)
Accumulated volume for year

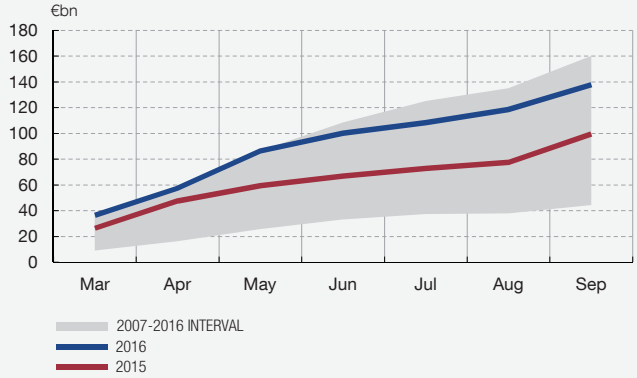


Chart 3
DEBT SECURITIES GROSS ISSUES BY NON-FINANCIAL CORPORATIONS (a)
Number of issues between March and September

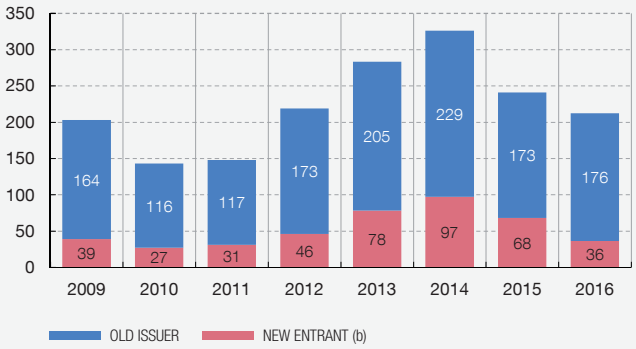


Chart 4
SIZE OF ISSUES

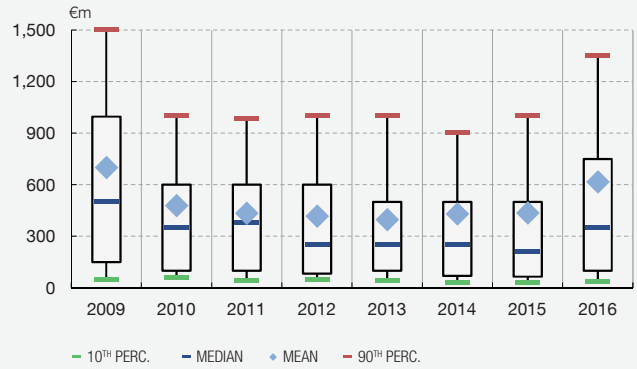


Chart 5
LONG-TERM DEBT SECURITIES NET ISSUES

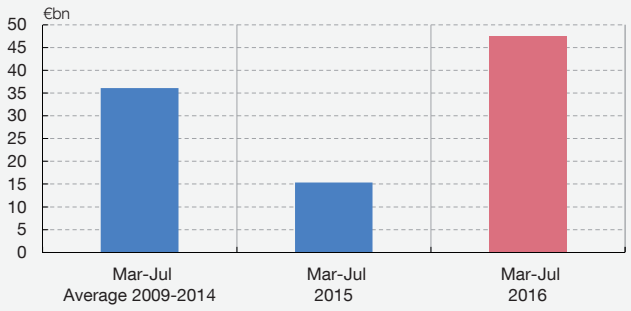
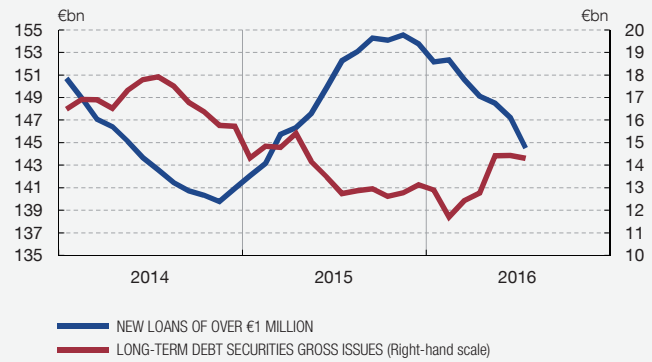


Chart 6
BANK LOANS AND DEBT SECURITIES GROSS ISSUES
12 month average



SOURCES: European Central Bank, Datastream, Dealogic and JP Morgan.

a Issues by euro-area non-financial corporations (following the parent nationality criterion). Includes Corporate Bond Investment Grade, Corporate Bond High Yield and Medium Term Notes, following Dealogic nomenclature.
b Companies that have not previously issued bonds are considered "new entrants" by taking into account the name of the parent company.

This box outlines the extent of Spain's commercial and financial exposure to the United Kingdom with a view to giving a preliminary assessment of the Spanish economy's possible vulnerabilities following the result of the UK's referendum on EU membership in June. In terms of trade flows, Spanish exports of goods and services to Britain account for approximately 10% of the total and are worth 3.2% of GDP (see Chart 1). The figure for exports as a share of GDP is somewhat lower than the euro area average of 4%. In particular, measured this way, Spain's trade exposure is less both than that of Germany, with its outward looking economy, and that of smaller countries. The case of smaller countries is logical given the positive correlation usually found between an economy's size and its degree of external openness. However, compared to France and Italy, which are of a similar size to Spain, its exposure to the United Kingdom is somewhat greater.

If this dependence of the various euro-area economies on the British economy is examined based on a breakdown into goods and services, certain clear differences emerge in Spain's case. Specifically, services exports account for a bigger share of GDP in Spain than in the other major EMU economies, with the United Kingdom being the leading market for Spain's products (30% of the total). This feature is apparent in the case of both tourism and non-tourism services.

In the specific case of tourism, the British economy accounts for 21% of total receipts. Moreover, given the rapid growth rate in recent years, UK residents' spending in Spain has been making a very strong contribution to the sector's recent good performance (see Chart 2). The significance of non-tourism services exports to the United Kingdom is even greater (39% of the total), with telecommunications and financial services standing out, followed by transport and business services. This clearly reflects the presence of Spanish multinationals that have commercial ties with their head offices and other companies based in Spain.

The United Kingdom is less important in comparative terms as a destination for Spanish goods exports (accounting for around 7% of the total). Even so, it is still Spain's fourth largest trading partner (after France, Germany and Italy). In the consumer goods category, the branches with the biggest exposures include the automotive industry (including parts), for which exports to the United Kingdom represent 12.7% of total sales abroad', along with food, drink and tobacco, which account for 9.5% of the total. In the case of capital goods, air and non-rail terrestrial transport equipment stand out (with exports to the United Kingdom of 13.3% and 11% of the total, respectively).

Similarly, on the imports side, Spain's purchases from the United Kingdom are less significant than in the euro area as a whole in the case of goods, but not in that of services. In any event, aggregate exposures in this case of both the Spanish (1.2% of GDP) and EMU economies (2.5%) are significantly smaller. Considering export and import flows together, Spain's bilateral commercial transactions with the UK economy yield a surplus of almost 1.5% of GDP.

As in the case of trade, Spain's financial exposure to the United Kingdom, although significant, is less than the euro area average, with the exception of direct investments (see Chart 3). In 2015, external assets and liabilities with the United Kingdom accounted for 11% and 8% of the total, respectively (15% and 20% of GDP, such that Spain has a negative net international investment position (IIP) of 5% of GDP with Britain).[1] In terms of currency type, most assets, and particularly liabilities, are denominated in euros, the net position in sterling being slightly positive.

Direct investments – at 8% of GDP – stand out among Spain's assets in the United Kingdom (see Chart 4).[2] In fact, the country is the top destination for Spanish foreign direct investment (FDI), followed by the United States and Brazil. As noted, Spanish FDI is concentrated in telecommunications and the financial sector. Other investments (i.e. basically deposits, loans and repos) come to 4% of GDP, largely as a reflection of financial investments by Spanish financial institutions in the British banking system, taking the form of deposits and other debt instruments. Portfolio investments in securities play a fairly minor role, and are concentrated in fixed income.

By contrast with Spain's assets in the UK, British investments in Spain are more mixed. Here portfolio investment securities, primarily fixed income (7% of GDP according to the IMF's final investor criterion), and other investments play a bigger role (also 7% of GDP, but in this case based on the first counterparty criterion), in line with the City of London's importance as an international financial centre (see Chart 5). Finally, according to data from the Coordinated Direct Investment Survey (CDIS), British shareholdings in Spanish firms are relatively small. Specifically, the United Kingdom's direct investments in Spain in 2104 were equivalent to 2% of GDP.[3] Apart from financial assets, British property investments in Spain are also significant. According to data from the *Centro de Información Estadística del Notariado* (CIEN), British buyers account for the largest share of total foreign purchases. Specifically, their investments in 2015 accounted for 4% of all housing purchases. This percentage was higher still in certain geographical areas (such as the Mediterranean coast and the Canary and Balearic Islands) where there is a larger share of holiday homes (see Chart 6).

In short, the Spanish economy's degree of exposure to that of the United Kingdom does not differ significantly from that of the other

1 However, it should be noted that some liabilities are recognised according to the first-known counterparty, which may not be in the same country of the ultimate owner of the assets, such that this figure may differ from the real value.

2 The bulk of FDI assets (over 80% of the total) are in the form of shares and other equity.

3 According to data from the Foreign Investment Register, telecommunications and the tobacco industry were the biggest destinations of British direct investments (with 21% and 22%, respectively, of the total in 2013).

main euro-area economies. Nevertheless, there are some specific areas, such as inward tourism, non-tourism services, and Spanish direct investment in certain sectors of the British economy (particularly finance and telecommunications), and second homes, where, in relative terms, the Spanish economy is more sensitive to developments in the United Kingdom.

Chart 1
EXPORTS OF GOODS AND SERVICES. 2015

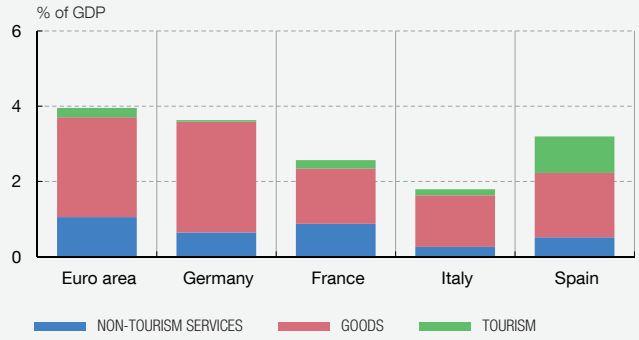


Chart 2
FOREIGN TOURISTS IN SPAIN BY NATIONALITY

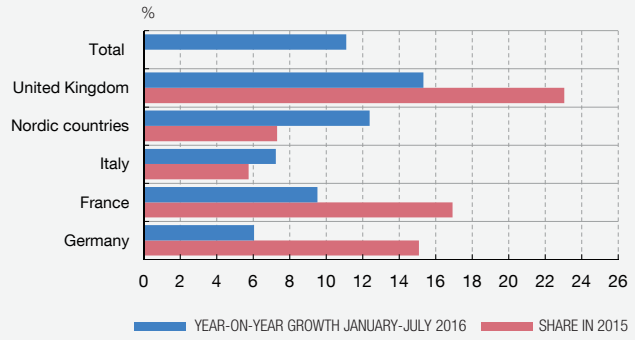


Chart 3
DIRECT AND PORTFOLIO INVESTMENT IN THE UNITED KINGDOM. INTERNATIONAL COMPARISON. Data according to final investor criterion (IMF)

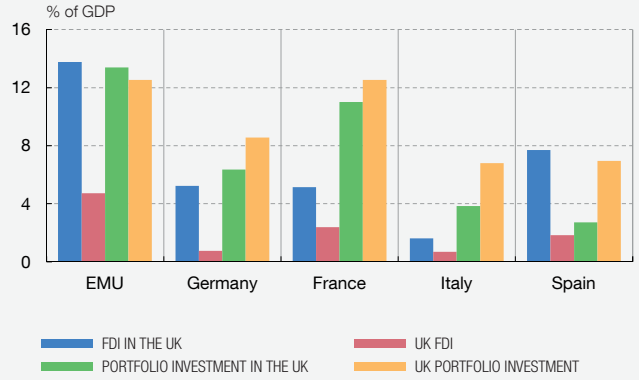


Chart 4
SPANISH FOREIGN ASSETS IN THE UNITED KINGDOM 2015 IIP data

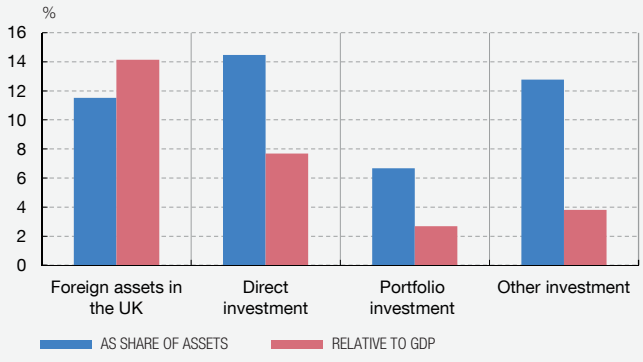


Chart 5
UK-OWNED SPANISH FOREIGN LIABILITIES. 2015 IIP data

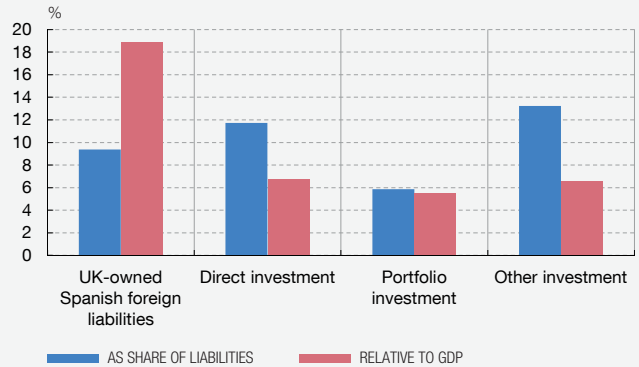
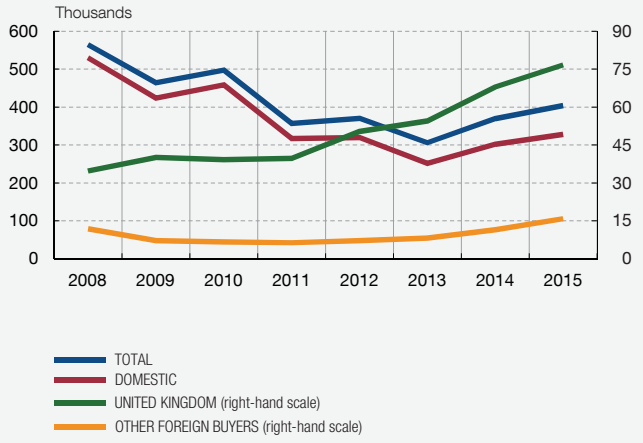


Chart 6
HOUSING PURCHASES BY NATIONALITY

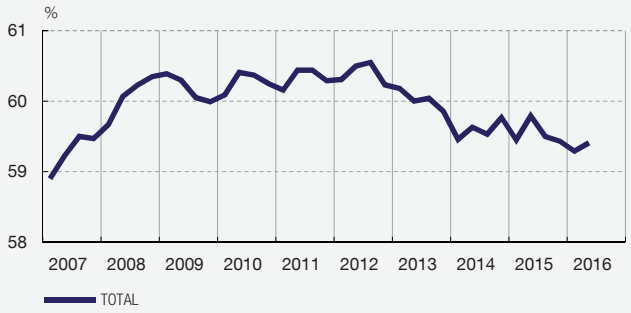


SOURCES: Eurostat, International Monetary Fund, National Statistics Institute and Banco de España.

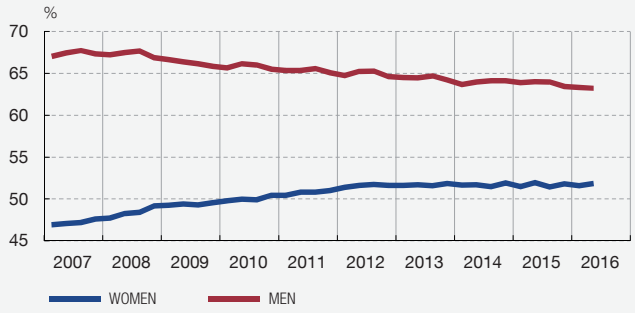
Since the second half of 2013, when the economic recovery began, the Spanish labour force participation rate has continued on the downward path that commenced in mid-2012 when it peaked at 60.5%. It is common in downturns for the participation rate to decline. This is usually attributed to the discouragement effect, i.e. as the unemployment rate and the average duration of unemployment rise, the unemployed become discouraged and give up looking for work, exiting the workforce. This effect generally reverses when the business cycle improves, so that increases in the employment rate tend to be accompanied by increases in the labour supply. However, in the current economic recovery in Spain, the participation rate has continued to decline, falling by slightly more than 0.5 pp to 59.4% since the employment creation process began. The pattern is particularly striking among Spanish men (see Chart 1), for whom the participation rate has decreased by 1.3 pp since the second half of 2013, despite their

Chart 1
PARTICIPATION RATES AND ECONOMICALLY INACTIVE STUDENTS, BY AGE

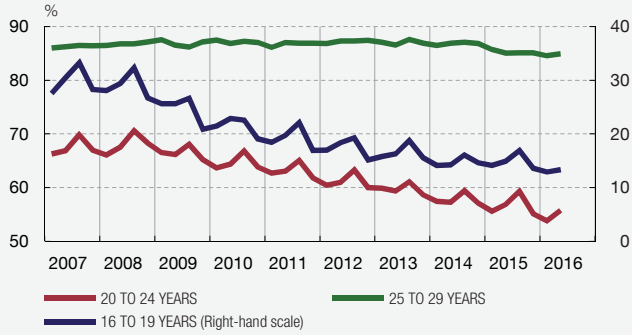
1 AGGREGATE PARTICIPATION RATE (a)



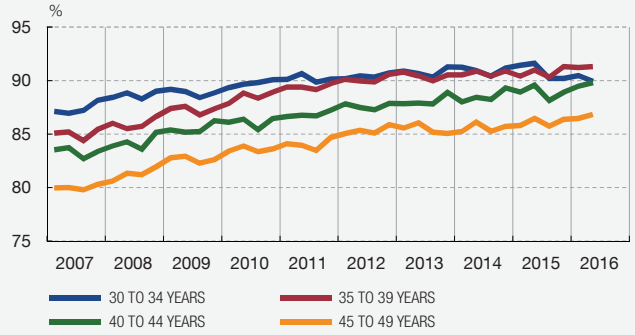
2 PARTICIPATION RATE: SPANISH NATIONALS, BY SEX (a)



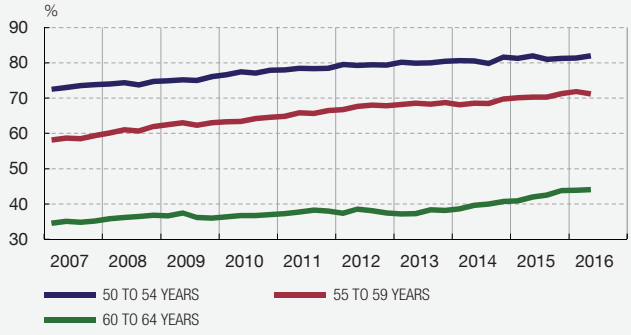
3 PARTICIPATION RATE BY AGE: YOUNG



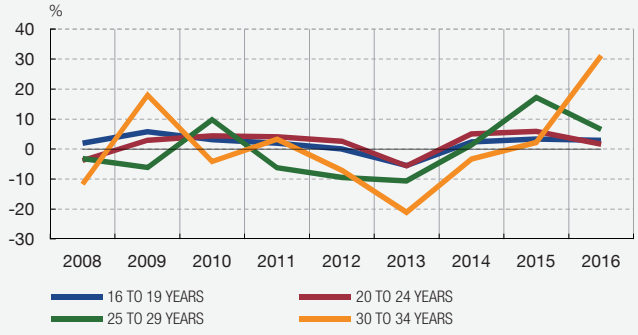
4 PARTICIPATION RATE BY AGE: MIDDLE AGE



5 PARTICIPATION RATE BY AGE: OLD



6 ECONOMICALLY INACTIVE STUDENTS, RATES OF CHANGE (b)



SOURCE: INE (Labour Force Survey).

a Population of 16 years and over.
b The 2016 figure is the y-o-y rate of change of the first half of the year.

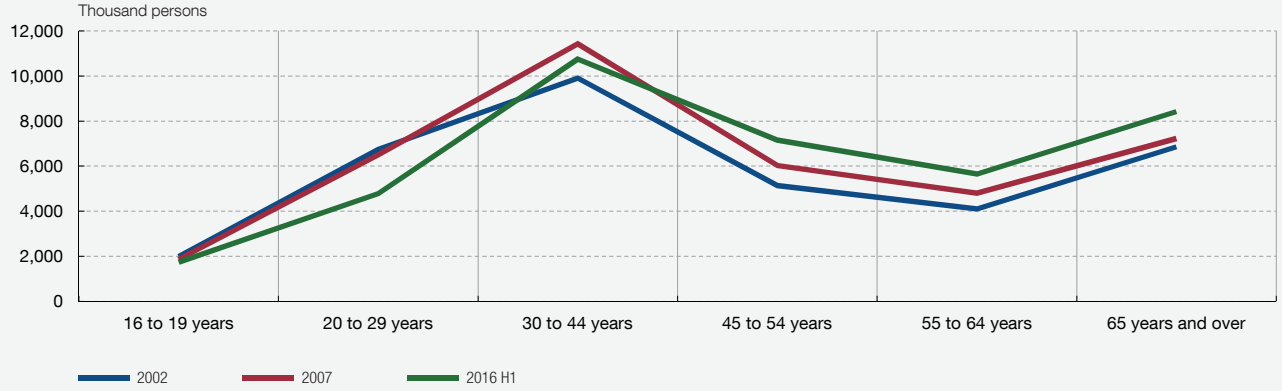
being one of the groups whose participation in the labour market usually shows a high correlation with the cycle.[1] Also noteworthy is the participation rate of Spanish women, which has held steady around 51.7% in the same period, after more than four decades of continuous growth as Spanish women gradually joined the labour market.[2] This box analyses the causes of these changes in the participation rate, in an attempt to determine whether they are permanent or temporary and thus assess the advisability of projecting these trends over the forecasting horizon.

By age group, the decline in the participation rate of Spanish nationals has been concentrated among young people (16 to 24 years), although more recently it has also been observed, to a lesser extent, in the 25 to 34 age groups (see Charts 1.3 and 1.4). One factor that could explain this pattern is that, in light of the limited demand for labour with lower educational attainment levels,[3] younger people are either re-entering the education system, because of the lack of job opportunities, or deferring joining the labour market in order to acquire greater human capital (thus extending their education). Chart 1.6 illustrates the change in the numbers of economically inactive young people who are studying (whether in regulated or unregulated studies). In general, the chart shows that the number of economically inactive people who are studying has risen since the second half of 2013, especially in the 25 to 34 age groups when it is less frequent for people to be economically inactive because they are studying. Analysis of the type of studies undertaken shows a significant increase in general secondary education and tertiary education.[4] Conversely, the participation rate is rising among all other age groups (see Charts 1.4 and 1.5). The link between the lower participation rate of young people in the labour market and their acquiring greater human capital, which appears to have a cyclical component insofar as it is related to job opportunities existing at a given time, would in any case have beneficial effects in the medium term, not only because the quality of labour will be higher, but also because people with higher educational attainment levels have higher participation rates throughout their life cycle.

One crucial element to explain the recent sluggishness of labour force participation is population ageing, in a setting in which the participation rate is defined as the number of persons over 16 years of age, thus including those over 64 years of age, for whom participation rates are extremely low.[5] Indeed, as Chart 2 shows, over the last 15 years the older age groups, which are those with the lowest participation rates, have grown as a proportion of the total. Moreover, this process has intensified in recent years, when the share of workers over 64 has increased significantly (by more than 2 pp in the last six years).[6] To assess the potential impact of ageing on the aggregate participation rate, a counterfactual path has been prepared by setting the proportion of each age group as a percentage of the population at their 2007 level and applying the change in participation rates of each group. This gives us what would have been the aggregate participation rate had there been no change in the population structure by age since 2007. As Chart 3.1 shows, the participation rate of the population over 16 would have been almost 2 pp higher with the 2007 population structure, which is a very

1 See Montero and Regil (2015), "*La tasa de actividad en España: resistencia cíclica, determinantes y perspectivas futuras*", Banco de España Occasional Paper No. 1502.
2 Changes in the participation rate among working-age foreigners, who account for some 12% of the total working-age population, were also consistent with the sluggishness of the labour supply. The participation rate fell by almost 2 pp for foreign women, and by 1 pp for foreign men.
3 See Izquierdo, Puente and Font (2013): "*Evolución del desajuste educativo entre la oferta y la demanda de trabajo en España*", Boletín Económico, June, Banco de España.
4 There is no clear pattern in the changes in the numbers of students enrolled in unregulated programmes (non-formal personal and vocational training programmes).
5 The participation rate of the 65 to 69 age group is barely over 5%, while for the over-70s it is 0.6%.
6 This demographic pattern coincides with the post-war generation (marked by a rising birth rate) reaching retirement age and the continuing entry into the labour market of those born in the 1990s (a period marked by a very low fertility rate).

Chart 2
POPULATION BY AGE GROUPS IN 2002, 2007 and 2016



SOURCE: INE (Labour Force Survey).

significant impact. Several recent studies have estimated a similar effect for the US economy, for example, Aaronson *et al* (2014)[7] who found that approximately 1.5 pp of the decline in the participation rate between 2007 and 2014 is due to population ageing.

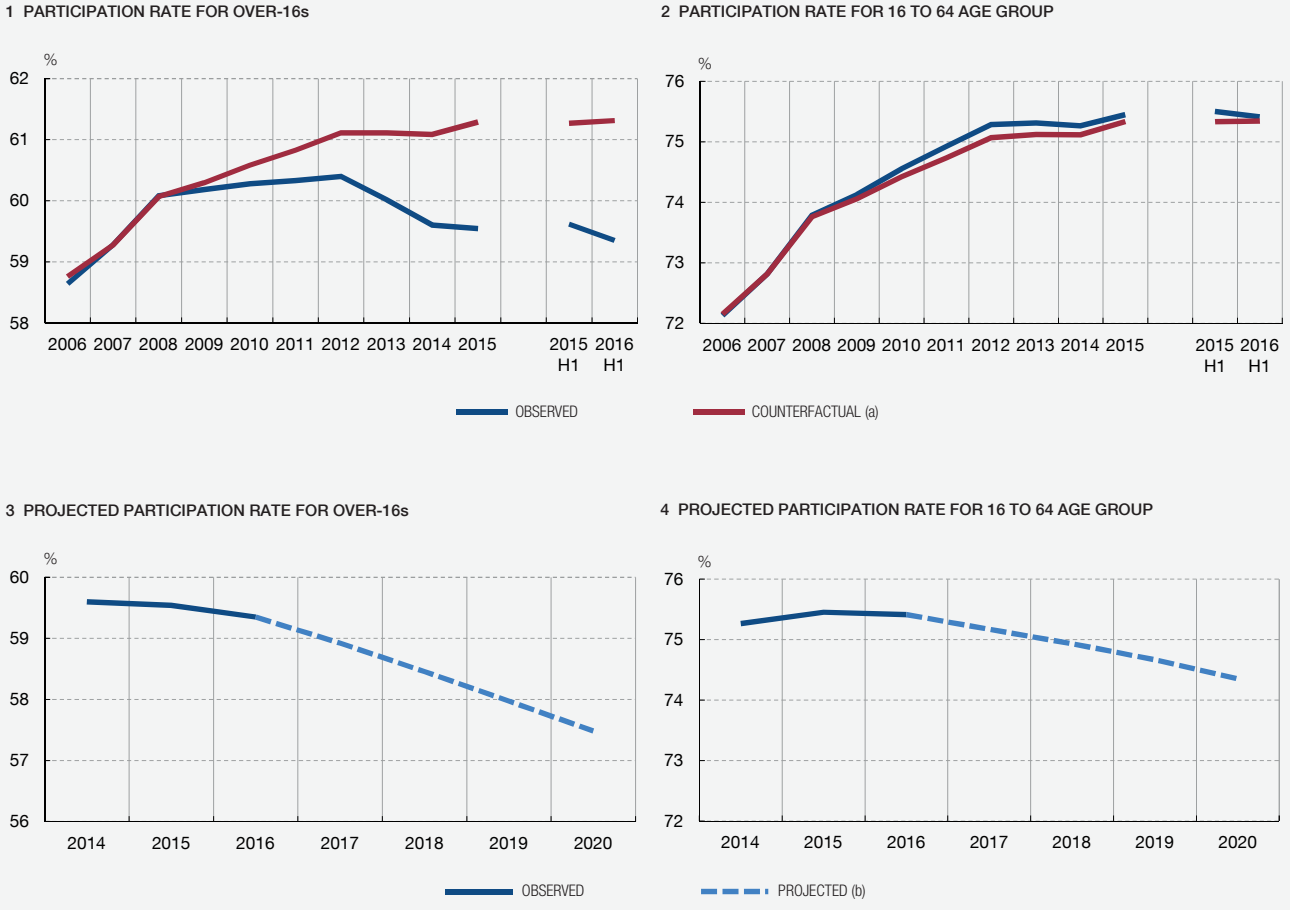
The apparent impact of population ageing on the participation rate is considerably lower when it is calculated using only the population between 16 and 64 years rather than the population over 16 years (see Chart 3.2), given that, as indicated earlier, participation rates among the over-64s are very low, since most of this population group are retired. In fact, for this definition of the participation rate, the effect of population ageing is virtually zero. Hence, for certain types of analysis, the usual definition of the participation rate may not be the most appropriate one.

Given the potential future impact of the ageing process, Charts 3.3 and 3.4 illustrate the results of a projection exercise of labour force participation similar to that indicated above, but in this case setting participation rates by population group at their 2016 level and changing the future percentage weights of the population groups in accordance with the population projections of the National Statistics Institute (INE) up to 2020.[8] As the charts show, the participation rate calculated using the population over 16 records a further decline of approximately 2 pp between 2016 and 2020, owing to the demographic changes resulting from ageing, whereas the participation rate calculated using the population between 16 and 64 years declines by just 1 pp. The quantitative significance of this demographic change in the past and its foreseeable continuation in the future mean that this factor should be taken into account in the projection exercise, automatically reducing the participation and unemployment rates projected to date.

7 Aaronson, Cajner, Fallick, Galbis-Reig, Smith and Wascher (2014): "Labor force participation: recent developments and future prospects", *Brookings Papers on Economic Activity*, Fall 2014.

8 Using the INE's population projections published in October 2014.

Chart 3
PARTICIPATION RATES: OBSERVED AND COUNTERFACTUAL, AND PROJECTIONS



SOURCES: INE and Banco de España.

a Participation rate setting the proportion of each population group at their 2007 level.
b Aggregate participation rate, calculated by setting the participation rate of each age group at their 2016 level and aggregating with the INE's population projections for the period 2017-2020.

RESULTS OF NON-FINANCIAL CORPORATIONS IN THE FIRST HALF OF 2016

The authors of this article are Álvaro Menéndez and Maristela Mulino, of the Directorate General Economics, Statistics and Research.

In 2016 H1 economic activity continued to grow in the sample of firms reporting to the Central Balance Sheet Data Office Quarterly Survey (CBQ), while employment rose across the board. The increase in ordinary profit gave rise to similar or slightly higher aggregate profitability levels than a year earlier. A more in-depth analysis of this sample of firms evidences the recovery of returns in an increasing number of firms and in most sectors. Net profit for the year also rose, also driven by the growth of extraordinary costs and revenue. Finally, both the debt ratios and, to a greater extent, the debt burden ratio decreased.

Overview[1]

The CBQ data show that in 2016 H1 the gross value added (GVA) of the sample firms increased by 2.3% in year-on-year terms, compared with 4.2% in 2015 H1. Personnel costs rose by 1.9%, 0.1 percentage point more than in the same period a year earlier, mainly driven by the recovery of employment, which grew 1.5% as compared with 0.9% in 2015 H1, while average compensation rose moderately (by 0.4%).

Gross operating profit (GOP) increased by 2.8% compared with a 6.9% increase a year earlier. Financial revenue fell by 3.8%, mainly as a result of the decrease in interest income, while dividends received remained largely unchanged. Financial costs continued to display the pattern of the last two years, declining by 10.3%, owing to the lower cost of borrowing and, to a lesser extent, to the decrease in interest-bearing debt.

The fall in borrowing by the firms that make up the sample in the first six months of 2016 gave rise to a further decrease in the debt ratios (both in terms of net assets and, to a larger extent, GOP). The interest burden ratio (calculated as financial costs as a proportion of the sum of GOP and financial revenue) declined somewhat more sharply as a result of the joint effect of the contraction of financial costs and the growth of income. The performance of these three indicators suggests that the financial pressure faced by firms declined again in 2016 H1. This is also evidenced by observing that the percentage of firms in the sample whose interest coverage ratio (ICR) was lower than one (i.e. those whose period income was insufficient to satisfy debt interest) decreased in 2016 and reached levels similar to those recorded before the crisis (see Box 1).

The growth of GOP, along with the decrease in financial revenue and costs, and the slight increase in depreciation and provisions, gave rise to an increase in ordinary net profit (ONP) in 2016 H1 of 6.5%, which was more modest than that recorded a year earlier (18.3%). The increase in ordinary profit enabled aggregate returns to be similar or slightly higher than in the previous year. This slight improvement in the aggregate return indicators was also accompanied by a shift in their distribution by corporations to higher levels and by a recovery in most sectors. In any event, the stability of the aggregate return on assets, together with the decrease in the average cost of borrowing, led to a slight widening of the spread between the two ratios, by 0.2 percentage points (pp), to 1.4 pp.

1 This article draws on the information of the 856 corporations that had reported data to the CBQ by 13 September 2016 and which, according to National Accounts data, represent 13.7% of the GVA generated by the entire sector.

PROFIT AND LOSS ACCOUNT. YEAR-ON-YEAR CHANGES AND PROFIT RATIOS **TABLE 1**
Growth rates of the same corporations on the same period a year earlier; percentages

	CBI structure	CBI		CBQ (a)		
DATABASES	2014	2013	2014	2015 Q1-Q4/ 2014 Q1-Q4	2015 Q1-Q2/ 2014 Q1-Q2	2016 Q1-Q2/ 2015 Q1-Q2
Number of corporations		626,480	596,862	958	991	856
Total national coverage (% of GVA)		46.7	45.6	13.9	14.4	13.7
PROFIT AND LOSS ACCOUNT						
1 VALUE OF OUTPUT (including subsidies)	100.0	-1.9	2.1	-2.6	-1.6	-3.9
Of which:						
Net amount of turnover and other operating income	*150.4*	*-1.8*	*3.7*	*-2.6*	*0.5*	*-6.8*
2 INPUTS (including taxes)	65.3	-1.7	1.6	-6.2	-4.2	-6.8
Of which:						
Net purchases	*41.9*	*-3.4*	*2.1*	*-9.0*	*-8.1*	*-9.9*
Other operating costs	*23.3*	*-0.4*	*1.2*	*1.0*	*2.5*	*-3.0*
S.1 GROSS VALUE ADDED AT FACTOR COST [1 – 2]	34.7	-2.3	3.2	5.9	4.2	2.3
3 Personnel costs	23.5	-1.5	2.4	2.2	1.8	1.9
S.2 GROSS OPERATING PROFIT [S.1 – 3]	11.2	-3.8	4.9	10.1	6.9	2.8
4 Financial revenue	3.6	4.8	-17.7	-13.3	-9.5	-3.8
5 Financial costs	3.4	-4.6	-5.7	-9.4	-12.3	-10.3
6 Depreciation, impairment and operating provisions	5.6	-6.7	-4.6	0.4	-3.9	1.8
S.3 ORDINARY NET PROFIT [S.2 + 4 – 5 – 6]	5.8	9.5	4.2	13.7	18.3	6.5
7 Gains (losses) from disposals and impairment	-0.6	22.9	78.8	—	34.4	145.6
7' As a percentage of GVA (7 / S.1)		-9.0	-1.9	-10.5	4.2	14.1
8 Changes in fair value and other gains (losses)	0.2	52.9	—	-95.7	—	—
8' As a percentage of GVA (8 / S.1)		-1.5	0.5	-4.1	0.8	-1.7
9 Corporate income tax	0.8	—	39.2	91.0	-20.9	118.2
S.4 NET PROFIT [S.3 + 7 + 8 - 9]	4.6	—	—	-43.7	33.1	14.3
S.4' As a percentage of GVA (S.4 / S.1)		2.6	13.2	14.3	30.5	36.4
PROFIT RATIOS	Formulas (b)					
R.1 Return on investment (before taxes)	(S.3 + 5.1) / NA	4.3	4.4	5.2	4.1	4.1
R.2 Interest on borrowed funds/ interest-bearing borrowing	5.1 / IBB	3.7	3.5	3.0	2.9	2.7
R.3 Ordinary return on equity (before taxes)	S.3 / E	4.7	4.9	6.8	5.1	5.2
R.4 ROI – cost of debt (R.1 – R.2)	R.1 – R.2	0.6	0.8	2.2	1.2	1.4

SOURCE: Banco de España.
NB: In calculating rates, internal accounting movements have been edited out of items 4, 5, 7 and 8.

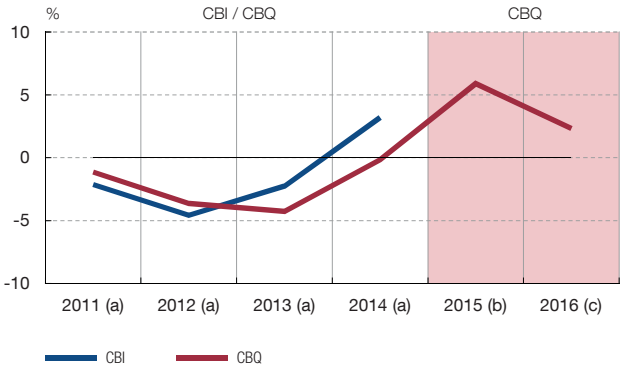
a All the data in these columns have been calculated as the weighted average of the quarterly data.
b NA = Net assets (net of non-interest-bearing borrowing); E = Equity; IBB = Interest-bearing borrowing; NA = E + IBB. The financial costs in the numerators of ratios R.1 and R.2 only include the portion of financial costs that is interest on borrowed funds (5.1).

Finally, extraordinary costs and revenue made an overall positive contribution to developments in net profit for the year in 2016 H1, owing to certain substantial gains on sales of financial assets, the non-recurrence of write-downs recorded in 2015 and reversals of certain impairments recorded in prior years. Conversely, the rebound in the corporate income tax expense, largely linked to the extraordinary decline recorded in the previous year, had an opposite effect. As a result, the final surplus grew by 14.3%.

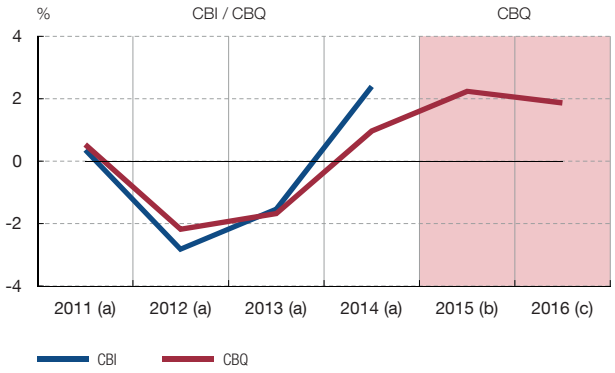
Activity

The CBQ data show that, for the whole of the sample, GVA rose by 2.3% in 2016 H1 (see Table 1 and Chart 1). The recovery of this surplus spread to almost all sectors, in a setting

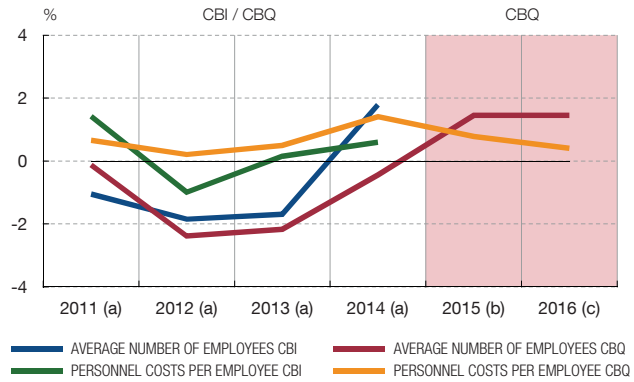
1 GROSS VALUE ADDED AT FACTOR COST
Rate of change



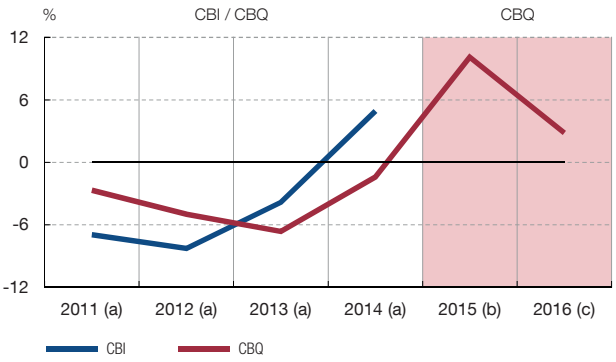
2 PERSONNEL COSTS
Rate of change



3 EMPLOYMENT AND WAGES
Rate of change



4 GROSS OPERATING PROFIT
Rate of change



Reporting non-financial corporations		2011	2012	2013	2014	2015	2016
Number of corporations	CBI	594,687	629,926	626,480	596,862	—	—
	CBQ	819	839	842	887	958	856
% of GVA of the sector non-financial corporations	CBI	44.6	47.3	46.7	45.6	—	—
	CBQ	12.0	12.2	11.9	13.4	13.9	13.7

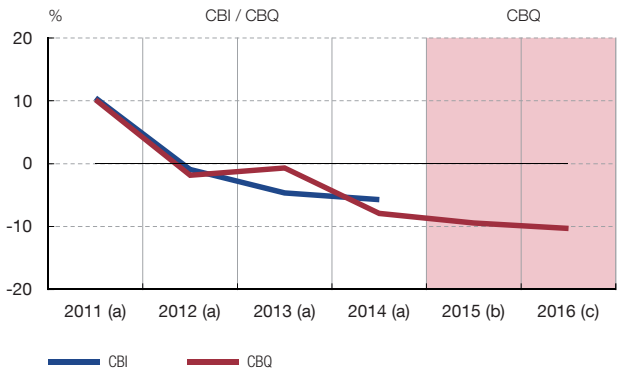
SOURCE: Banco de España.

a The 2011, 2012, 2013 and 2014 data, for the corporations reporting to the CBI, and the average data of the four quarters of each year in relation to the previous year (CBQ).
b Average of the four quarters of 2015 relative to the same period in 2014.
c 2016 Q2 data relative to the same period in 2015.

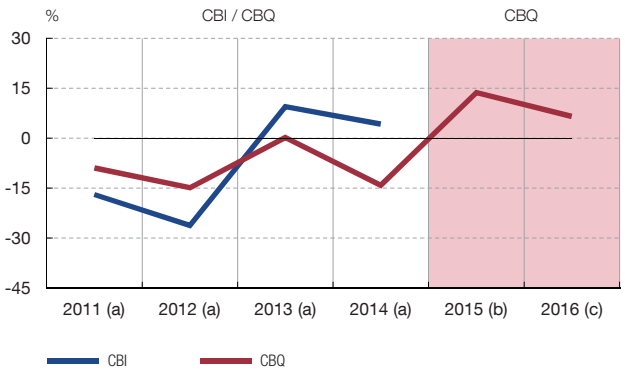
in which external activity was the most dynamic aggregate. Thus, sales abroad increased by 5% to 23.3%, compared with 21.7% in 2015 H1, and so continued to gain in importance relative to total net turnover (see Table 2).

Performance was positive in most sectors, except for industry, the only one where GVA declined (by 2.7%) (see Table 3). This decline, however, is the result of a very varied performance by subsector. There were sharp falls in certain of them, most notably in oil refining (by 25.5%) and, to a lesser degree, in manufacture of mineral and metal products (13.1%). Conversely, other subsectors were markedly dynamic and posted significant increases, such as the chemical industry (13%) and the manufacture of transport equipment (6.3%). In the energy sector, GVA grew by 4.5%, in contrast with the 9% decline recorded

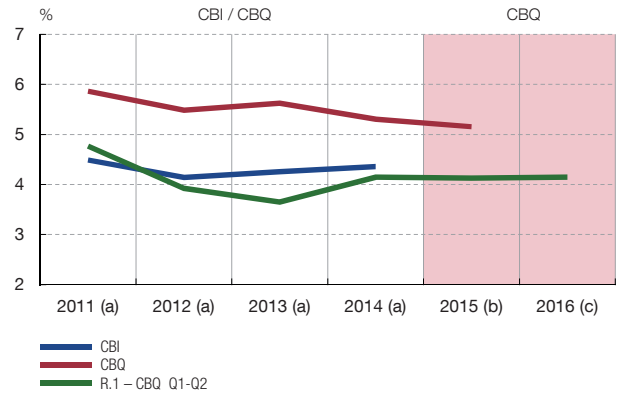
5 FINANCIAL COSTS
Rate of change



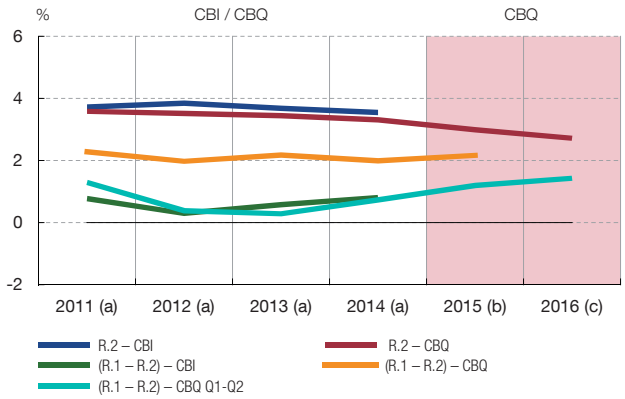
6 ORDINARY NET PROFIT
Rate of change



7 RETURN ON INVESTMENT (R.1)
Ratios



8 COST OF DEBT (R.2) AND
ROI - COST OF DEBT (R.1–R.2)
Ratios



Reporting non-financial corporations		2011	2012	2013	2014	2015	2016
Number of corporations	CBI	594,687	629,926	626,480	596,862	—	—
	CBQ	819	839	842	887	958	856
% of GVA of the sector non-financial corporations	CBI	44.6	47.3	46.7	45.6	—	—
	CBQ	12.0	12.2	11.9	13.4	13.9	13.7

SOURCE: Banco de España.

a The 2011, 2012, 2013 and 2014 data for the corporations reporting to the CBI and the average data of the four quarters of each year (CBQ). The rates are calculated relative to the previous year.
b The average of the four quarters of 2015. The rates are calculated relative to the same period in 2014.
c 2016 Q2 data. The rates are calculated relative to the same period in 2015.

in 2015 H1. The wholesale and retail trade and accommodation and food service activities continued to benefit from the recovery in consumption, giving rise to an increase in GVA of 3.7%, which was, however, more moderate than that recorded a year earlier (7.4%). In the information and communications sector, GVA rose by 3.1%, thus breaking out of the downward pattern observed in recent years. Lastly, in the group encompassing all other activities, GVA grew by 3% on the back of the good performance of transport and other service sector firms.

Chart 2 shows a slightly lower degree of dispersion in the distribution of GVA growth (approximated by the distance between the 75th and 25th percentiles) in 2016 H1 compared with the situation a year earlier. Also, the median of the distribution in 2016 was

PURCHASES AND TURNOVER OF CORPORATIONS REPORTING DATA ON PURCHASING SOURCES AND SALES DESTINATIONS

TABLE 2

Structure and rate of change; percentages

		CBA	CBQ (a)		
		2014	2015 Q1-Q4	2015 Q1-Q2	2016 Q1-Q2
Total corporations		9,423	958	856	856
Corporations reporting source/destination		9,423	892	799	799
Percentage of net purchases according to source	Spain	65.5	69.3	71.8	67.6
	Total abroad	34.5	30.7	28.2	32.4
	EU countries	16.2	23.7	20.9	24.3
	Third countries	18.3	7.0	7.3	8.1
Percentage of net turnover according to destination	Spain	78.0	77.0	78.3	76.7
	Total abroad	22.0	23.0	21.7	23.3
	EU countries	13.4	16.5	15.8	17.7
	Third countries	8.5	6.5	5.8	5.7
Change in net external demand (exports less imports), rate of change	Industry	47.1	-0.9	3.7	11.0
	Other corporations	98.0	-0.3	23.1	—

SOURCE: Banco de España.

a All the data in these columns have been calculated as the weighted average of the quarterly data.

VALUE ADDED, EMPLOYEES, PERSONNEL COSTS AND COMPENSATION PER EMPLOYEE. BREAKDOWN BY SIZE AND MAIN ACTIVITY OF CORPORATIONS

TABLE 3

Growth rate of the same corporations on the same period a year earlier; percentages

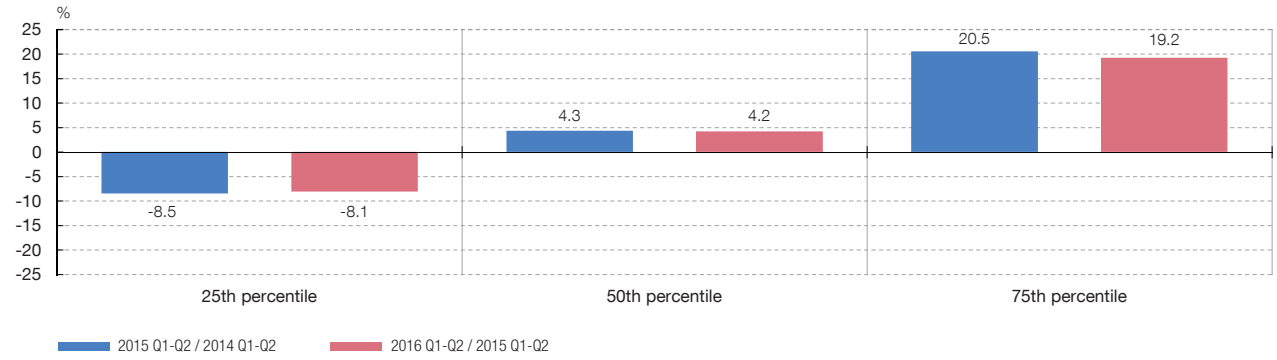
	Gross value added at factor cost				Employees (Average for period)				Personnel costs				Compensation per employee			
	CBI	CBQ (a)			CBI	CBQ (a)			CBI	CBQ (a)			CBI	CBQ (a)		
	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2
Total	**3.2**	**5.9**	**4.2**	**2.3**	**1.8**	**1.5**	**0.9**	**1.5**	**2.4**	**2.2**	**1.8**	**1.9**	**0.6**	**0.8**	**0.9**	**0.4**
SIZE																
Small	5.6	—	—	—	3.1	—	—	—	2.8	—	—	—	-0.3	—	—	—
Medium	5.2	9.5	4.6	5.2	2.4	2.1	1.5	2.7	3.0	3.5	2.9	5.2	0.5	1.3	1.4	2.4
Large	2.1	5.9	4.2	2.3	0.8	1.4	0.9	1.4	2.1	2.2	1.8	1.8	1.3	0.8	0.9	0.4
BREAKDOWN BY ACTIVITY																
Energy	1.3	-2.6	-9.0	4.5	-2.4	-0.4	0.2	0.2	-0.9	-1.0	-0.9	0.0	1.6	-0.7	-1.1	-0.2
Industry	4.8	29.3	26.4	-2.7	1.4	1.2	0.1	2.4	2.3	2.2	2.6	3.5	0.8	1.0	2.4	1.1
Wholesale and retail trade and accommodation & food service activities	3.8	7.3	7.4	3.7	1.6	1.7	1.2	2.7	2.3	2.9	1.6	3.3	0.7	1.2	0.4	0.5
Information and communications	-3.1	-0.8	-3.3	3.1	1.0	1.1	0.6	-1.1	4.5	4.6	2.9	-1.0	3.4	3.4	2.3	0.0
Other activities	4.0	2.8	4.2	3.0	2.4	1.9	1.3	0.9	2.4	2.1	2.0	1.7	0.0	0.2	0.6	0.7

SOURCE: Banco de España.

a All the data in these columns have been calculated as the weighted average of the quarterly data.

DISTRIBUTION OF CORPORATIONS BY RATE OF CHANGE IN GROSS VALUE ADDED

CHART 2



SOURCE: Banco de España.

PERSONNEL COSTS AND EMPLOYEES
Percentage of corporations in specific situations

TABLE 4

	CBI (a)		CBQ (b)			
	2013	2014	2014 Q1-Q4	2015 Q1-Q4	2015 Q1-Q2	2016 Q1-Q2
Number of corporations	448,695	397,342	887	958	991	856
PERSONNEL COSTS	100	100	100	100	100	100
Falling	51.1	45.2	41.4	35.8	37.5	34.1
Constant or rising	48.9	54.8	58.6	64.2	62.5	65.9
AVERAGE NUMBER OF EMPLOYEES	100	100	100	100	100	100
Falling	33.1	19.7	48.0	37.9	39.6	38.0
Constant	39.7	55.5	14.8	15.6	15.9	16.4
Rising	27.2	24.8	37.2	46.5	44.5	45.6

SOURCE: Banco de España.

a To calculate these percentages, corporations that did not have any staff in 2013 and in 2014 were excluded.
b Weighted average of the relevant quarters for each column.

clearly higher than the rate of growth calculated for the sample as a whole, which suggests that the aggregate figure was adversely affected by the less favourable performance of some large corporations.

Employment and personnel costs

Personnel expenses rose by 1.9% in 2016 H1, compared with 1.8% in 2015 H1 (see Table 3). The increase in this item was boosted by the growth in employment, against a background in which average compensation grew moderately.

In the firms of the quarterly sample average headcount rose by 1.5%, exceeding the increase of 0.9% recorded in 2015. In keeping with that performance, Table 4 shows that, in 2016 H1, the percentage of firms that created employment continued to grow, reaching 45.5% (1 pp more than in 2015), and the percentage that destroyed employment continued to diminish (38%, as compared with 39.6% a year earlier). Employment recovery was again largely underpinned by temporary employment, which grew by 8.4% (see Table 5), a rate that was somewhat lower than the 9% increase in 2015 H1. By contrast, the change in permanent employment was more positive than a year earlier, showing a timid increase (0.1%) compared with the decrease of 0.5% in 2015 H1.

EMPLOYMENT

TABLE 5

		Total CBQ corporations 2016 Q1-Q2	Corporations increasing (or not changing) staff levels	Corporations reducing staff levels
Number of corporations		856	531	325
NUMBER OF EMPLOYEES				
Initial situation 2015 Q1-Q2 (000s)		891	525	366
Rate 2016 Q1-Q2/ 2015 Q1-Q2		1.5	5.3	-4.1
Permanent	Initial situation 2015 Q1-Q2 (000s)	747	433	314
	Rate 2016 Q1-Q2/ 2015 Q1-Q2	0.1	2.9	-3.8
Non-permanent	Initial situation 2015 Q1-Q2 (000s)	145	92	53
	Rate 2016 Q1-Q2/ 2015 Q1-Q2	8.4	16.6	-6.0

SOURCE: Banco de España.

By sector, job growth was seen in almost all branches of activity, at mostly similar or higher rates of growth than a year earlier. The one exception was the information and communications sector, where the average headcount decreased by 1.1%. Industry, on one hand, and wholesale and retail trade and accommodation and food service activities, on the other, posted the highest rates of growth (2.4% and 2.7%, respectively), in both cases higher than in 2015. The energy sector and the group encompassing all other activities posted more moderate increases (lower than 1%).

Average compensation rose by 0.4% in 2016 H1, 0.5 pp less than in 2015 H1 (see Table 3). Almost all branches of activity saw moderate growth, with rates of change that were below 1% and, in the case of the energy sector, even slightly negative. Compensation in the industrial sector grew slightly more (1.1%), but the rate was lower than the 2.4% increase recorded a year earlier.

Profit, rates of return and debt

In line with the expansionary trend of activity, in 2016 H1 GOP increased by 2.8%, as compared with the 6.9% increase recorded in 2015 H1. As with GVA, the recovery of GOP extended to all sectors, except industry, which was affected by the poor performance of the refining subsector, following its extraordinary growth in 2015. In the other sectors, GOP growth rates ranged between 4.4%, in the wholesale and retail trade and accommodation and food service sector, and 6.2%, in the energy sector (see Table 6).

Financial revenue fell by 3.8%, mainly because interest income contracted (by 12.2%), while dividends received declined slightly (-0.6%). Financial costs continued to decrease in 2016 H1 (by 10.3%) owing to the decline in the average cost of borrowing and, to a lesser extent, to the trend in interest-bearing debt, which was lower than the average levels recorded a year earlier (see Table 7).

Compared with the end-2015 levels, interest-bearing debt also declined slightly and, together with the increase in assets, this gave rise to a drop of 0.3 pp in the E1 debt ratio (calculated as interest-bearing debt as a proportion of net assets), to 43% (see Chart 3). By sector, there were declines in the four analysed, albeit to differing degrees. The E2 ratio (defined as interest-bearing debt as a proportion of GOP plus financial revenue) also fell, since the decline in debt was coupled with the increase in surpluses. The breakdown by branch of activity also shows slight decreases in the four sectors analysed. Finally, decreases in the interest burden ratio (with the same denominator) were somewhat sharper

GROSS OPERATING PROFIT, ORDINARY NET PROFIT, RETURN ON INVESTMENT AND ROI-COST OF DEBT (R.1 – R.2).
BREAKDOWN BY SIZE AND MAIN ACTIVITY OF CORPORATIONS
Ratios and growth rates of the same corporations on the same period a year earlier; percentages

TABLE 6

	Gross operating profit				Ordinary net profit				Return on investment (R.1)				ROI-cost of debt (R.1-R.2)			
	CBI	CBQ (a)			CBI	CBQ (a)			CBI	CBQ (a)			CBI	CBQ (a)		
	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2	2014	2015 Q1-Q4 (a)	2015 Q1-Q2	2016 Q1-Q2
Total	**4.9**	**10.1**	**6.9**	**2.8**	**4.2**	**13.7**	**18.3**	**6.5**	**4.4**	**5.2**	**4.1**	**4.1**	**0.8**	**2.2**	**1.2**	**1.4**
SIZE																
Small	17.9	—	—	—	107.7	—	—	—	2.0	—	—	—	-1.4	—	—	—
Medium	12.0	22.8	8.2	5.4	28.3	44.0	16.5	2.7	5.3	6.7	6.4	6.4	1.5	4.5	4.3	4.8
Large	2.0	10.0	6.9	2.8	-3.1	13.5	18.3	6.5	5.0	5.2	4.1	4.1	1.4	2.2	1.2	1.4
BREAKDOWN BY ACTIVITY																
Energy	2.3	-3.1	-11.7	6.2	-17.0	-0.3	-9.7	14.7	4.1	4.9	3.9	4.6	0.5	1.7	0.7	1.5
Industry	10.3	97.3	74.5	-9.5	19.8	148.6	153.2	-8.8	6.1	7.9	8.7	8.0	2.5	5.4	6.3	5.6
Wholesale & retail trade and accommodation & food service activities	8.4	15.0	17.6	4.4	17.6	21.6	32.5	7.2	6.1	12.2	9.1	9.7	2.3	9.3	6.1	7.4
Information and communications	-10.7	-4.1	-7.2	6.0	-20.3	-9.3	-19.7	16.2	10.0	15.9	14.3	16.0	6.7	13.7	12.1	14.0
Other activities	9.1	4.3	9.2	5.7	14.4	-7.4	33.8	4.9	3.4	3.6	2.6	2.3	-0.2	0.6	-0.4	-0.4

SOURCE: Banco de España.

a All the data in these columns have been calculated as the weighted average of the quarterly data.

FINANCIAL COSTS

TABLE 7

Percentages

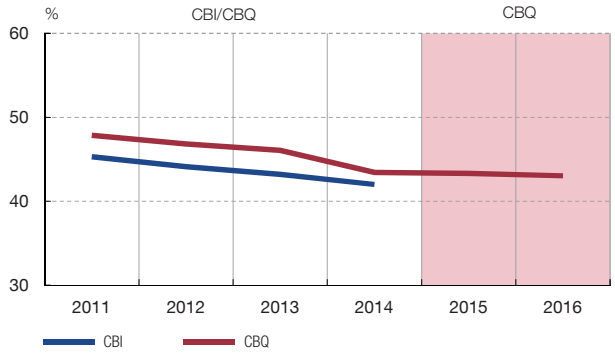
	CBI	CBQ	
	2013/2014	2015 Q1-Q4/ 2014 Q1-Q4	2016 Q1-Q2/ 2015 Q1-Q2
Change in financial costs	-5.7	-9.4	-10.3
A Interest on borrowed funds	-5.3	-8.5	-9.3
1 Due to the cost (interest rate)	-3.5	-8.8	-7.3
2 Due to the amount of interest-bearing debt	-1.8	0.3	-2.0
B Other financial costs	-0.4	-0.9	-1.0

SOURCE: Banco de España.

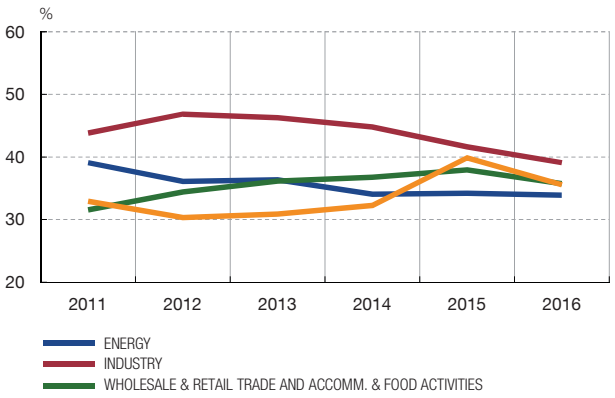
owing to the greater contraction in financial costs. All the branches analysed followed a downward trend which was steeper in energy, industry, and wholesale and retail trade and accommodation and food service activities, and very mild in information and communications, where the starting point was comparatively lower.

The growth of GOP, along with the decrease in financial revenue and costs, and the slight increase in depreciation and operating provisions, gave rise to an increase in ordinary net profit (ONP) of 6.5% in 2016 H1. Against this background, aggregate return ratios were similar or slightly higher than a year earlier, with the return on investment at 4.1%, the same as in 2015, and the return on equity at 5.2%, 0.1 pp above the 2015 figure. This

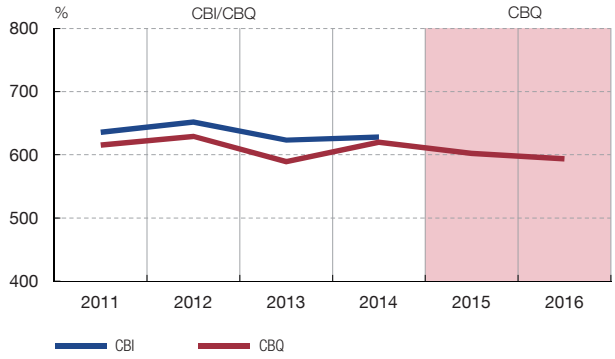
1 E1. INTEREST-BEARING BORROWING / NET ASSETS (a)
TOTAL CORPORATIONS



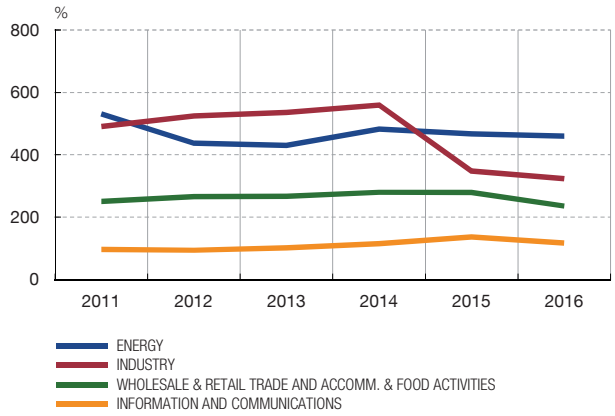
2 E1. INTEREST-BEARING BORROWING / NET ASSETS (a)
BREAKDOWN BY SECTOR. CBQ
Ratios



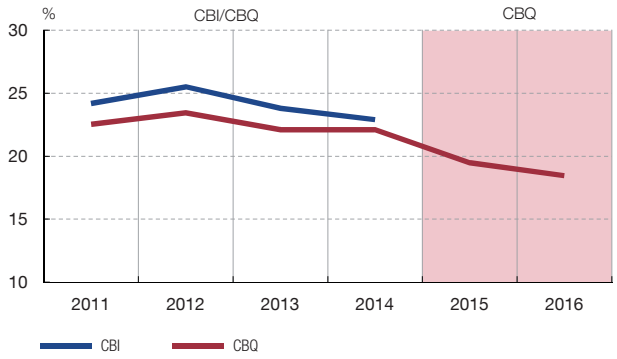
3 E2. INTEREST-BEARING BORROWING / (GOP + FR) (b)
TOTAL CORPORATIONS
Ratios



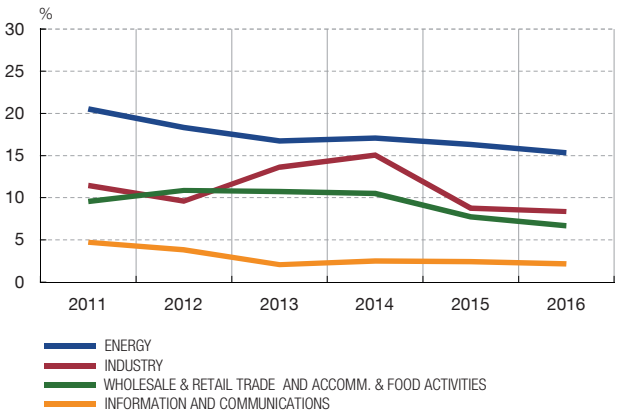
4 E2. INTEREST-BEARING BORROWING/ (GOP + FR) (b)
BREAKDOWN BY SECTOR. CBQ



5 INTEREST BURDEN
TOTAL CORPORATIONS
(Interest on borrowed funds) / (GOP + FR)



6 INTEREST BURDEN
BREAKDOWN BY SECTOR. CBQ
(Interest on borrowed funds) / (GOP + FR)



SOURCE: Banco de España.

a Ratio calculated from final balance sheet figures. Net assets include an adjustment to current prices.
b Ratio calculated from final balance sheet figures. Interest-bearing borrowing includes an adjustment to eliminate intra-group debt (approximation of consolidated debt).

STRUCTURE OF REPORTING CORPORATIONS' RETURN ON INVESTMENT AND ORDINARY RETURN ON EQUITY

TABLE 8

		CBQ			
		Return on investment (R.1)		Ordinary return on equity (R.3)	
		2015 Q1-Q2	2016 Q1-Q2	2015 Q1-Q2	2016 Q1-Q2
Number of corporations		991	856	991	856
Percentage of corporations by profitability bracket	R <= 0%	24.8	23.2	29.5	27.9
	0% < R <= 5%	25.9	25.2	17.5	16.4
	5% < R <= 10%	15.6	17.2	11.7	13.2
	10% < R <= 15%	8.7	9.2	7.8	8.5
	15% < R	25.1	25.1	33.4	34.0
MEMORANDUM ITEM: Average return		4.9	5.3	6.1	7.1

SOURCE: Banco de España.

slight improvement in corporate returns becomes more evident when we observe the data in Table 8, which shows the distribution of the sample firms by rate of return. A shift can be seen in the distribution of firms' returns from low to higher levels, with a reduction in the percentage of corporations with rates of return below 5% or negative in 2016 H1, and a rise in that of the segments with rates of return of 5% or over. The table also shows that median returns increased more sharply than the aggregate ratios, with the return on investment increasing from 4.9% to 5.3% and the return on equity by 1 pp to 7.1%. This suggests that the aggregate rate of return data were adversely affected by the less favourable performance of some large corporations.

The breakdown by sector of activity reveals that rates of return were similar to or higher than their levels in 2015 (see Table 6) in all sectors, with the exception of the industrial sector. Excluding the effect of the refining sub-sector, where the decreases were steepest, rates of return also rose in the industrial sector, showing that this indicator improved in almost all the other industrial sub-sectors.

The average cost of borrowing fell by 0.2 pp in 2016 H1, to 2.7%. Along with the stability of the aggregate return on investment, this gave rise to a slight widening of the spread between the latter ratio and the cost of borrowing, to 1.4 pp, which is 0.2 pp more than a year earlier. By branch of activity, there was a notable improvement in wholesale and retail trade and accommodation and food service activities, where the spread widened to 7.4 pp (6.1 pp in 2015), and in information and communications, which posted an increase of almost 2 pp, to 14 pp.

Lastly, extraordinary costs and revenue contributed positively to growth in net profit in 2016 H1, mainly owing to the existence of substantial gains on sale transactions and to impairment loss reversals, in both cases associated with financial assets. The increase in revenue was partially offset by a substantially higher corporate income tax expense that was largely linked to the extraordinary decrease recorded the previous year, when this item included high revenue from tax credits available for offset. As a consequence of these two effects, profit for the year grew by more than ONP (14.3%). Expressed as a percentage of GVA, net profit stood at 36.4%, almost 6 pp higher than a year earlier.

14.9.2016.

The interest coverage ratio (ICR), calculated as gross operating profit (GOP) plus financial revenue[1] divided by interest paid on borrowed funds, is useful to assess the degree of financial pressure borne by firms. Thus, when a firm's ICR is lower than one it is potentially in a position of greater pressure or vulnerability, since it is unable to generate sufficient income from ordinary activities to satisfy payments on its debt. Apart from being important in the analysis of financial stability, monitoring this indicator is useful from a macroeconomic viewpoint insofar as financial pressures influence firms' investment and employment decisions. This box analyses recent developments in the proportion of firms in which this ratio has been below one since 2007, using the Central Balance Sheet Data Office databases. Specifically, use is made of the CBI,[2] which contains data up to 2014, and the CBQ, which makes it possible to proxy the most recent developments and contains data up to 2016 Q2. However, it should be noted that certain sectors, such as construction and real estate development, are not well represented and that the performance of larger corporations is particularly influential in the CBQ.

During the economic crisis, when many firms were highly indebted and their earnings performance was unfavourable, the proportion of firms included in the CBI sample that were under high financial pressure (taken here to be those with an ICR below one) increased substantially from 17% in 2007 to 28.3% in 2012 (see Chart 1), after which a period of recovery started and these percentages gradually declined to 23.6% in 2014. The breakdown by size reveals that this indicator performed similarly at large firms, albeit with consistently lower values than at SMEs. Also, the increase was more moderate during the crisis (7.9 pp between 2007 and 2012, up to 23.6%), mainly thanks to the lower decline in earnings at these companies, which benefited from their more highly diversified activity and geographical location. The proportion (of the sector total) represented by the debt of firms with a high financial pressure followed a pattern similar to that of the percentage of firms in such position, although both the increases up to 2012 and the decline since then were sharper, especially in the SME segment (see Chart 2).

As a result of the greater impact of the crisis on the construction and real estate development sectors, the financial position of firms operating in these branches of activity deteriorated more sharply in the recession (see Charts 3 and 4). In this case, the breakdown by size does not show significant differences and the percentage of firms with an ICR below one rose to 33% in 2012, falling significantly in subsequent years, to 26% in 2014. The proportion (in the sector total) represented by the debt of firms under high financial pressure in these sectors was higher in large firms than in SMEs over the period analysed. In 2012 it amounted to 59.1% and 49.2%, respectively, of total firms' interest-bearing borrowing in these branches of activity. These figures, however, fell to 53.1% and 34.5%, respectively, from 2012 to 2014.

As may be observed in Chart 5, performance in the other branches of activity was in general more stable, and a more moderate deterioration of financial position was recorded during the crisis, as was a softer recovery afterwards. Thus, the proportion of firms in a more vulnerable position increased between 2007 and 2012 by 10.5 pp to 27.1%, decreasing in the following two years to 22.9%. By size, these percentages were higher in the SME group, revealing that the degree of financial pressure was greater in this segment. In terms of the weight of debt in these firms (see Chart 6), the patterns are similar, with a clear improvement in the last two years. The related percentages recorded in 2014 were 22% for SMEs and 12.5% for the larger firms (around 8 pp below those recorded in 2012).

Finally, the CBQ[3] data show that the gradual improvement recorded in prior years continued in 2015, with both the number of corporations under high financial pressure and the weight of their debt declining. This change was driven both by a favourable performance of business income and by the reduction of debt and its average cost. The latest data, relating to 2016 H2, suggest that this downward trend in both indicators will continue until the pre-crisis levels are reached.

In summary, the economic crisis gave rise to an increase in the proportion of corporations that did not generate sufficient revenue to cover financial costs. This increase was stronger in certain sectors, particularly construction and real estate, while in the other branches of activity, although this indicator of vulnerability did rise, it did so more moderately, particularly among larger firms. Starting in 2013 this trend began to reverse with the start of the economic recovery and the ECB's increasingly expansionary monetary policy, leading to continuing declines in both the number of companies in a more vulnerable position and the weight of their debt in the sector total. The latest CBQ data point to continued improvement in 2015 and in 2016 H1, when the two indicators are estimated to stand at levels similar to those at the start of the crisis.

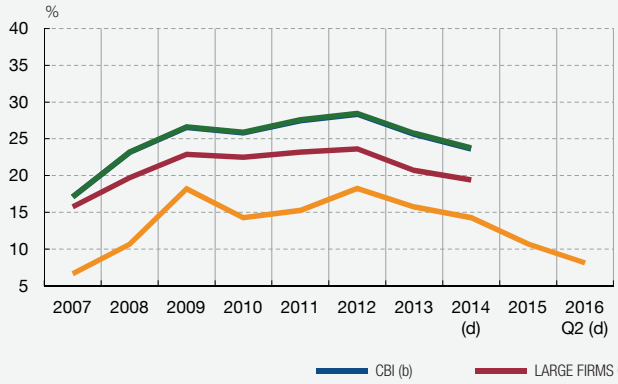
1 In this definition of ordinary profit, neither amortisation nor depreciation are deducted, since they are both accounting costs that do not involve any disbursement of funds for the corporation.

2 The CBI (Central de Balances Integrada) is the result of combining the CBA (Central Balance Sheet Data Office Annual Survey) and the CBB database (data on accounts filed by corporations in the mercantile registers), and contains on average data on approximately 600,000 non-financial corporations per year.

3 We do not show CBQ data for the construction and real estate development sectors, since this database does not have data on sufficient firms in these sectors of activity and, accordingly, it is considered that they are not well represented.

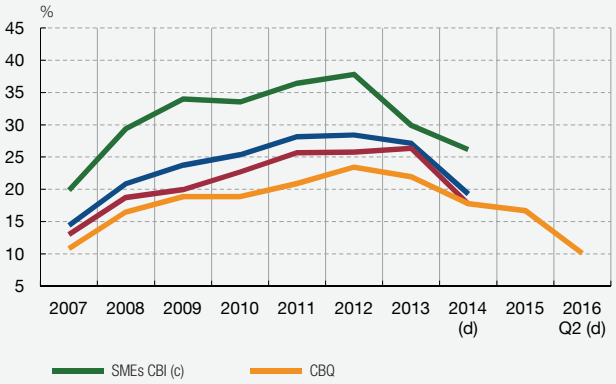
PERCENTAGE OF CORPORATIONS (a)

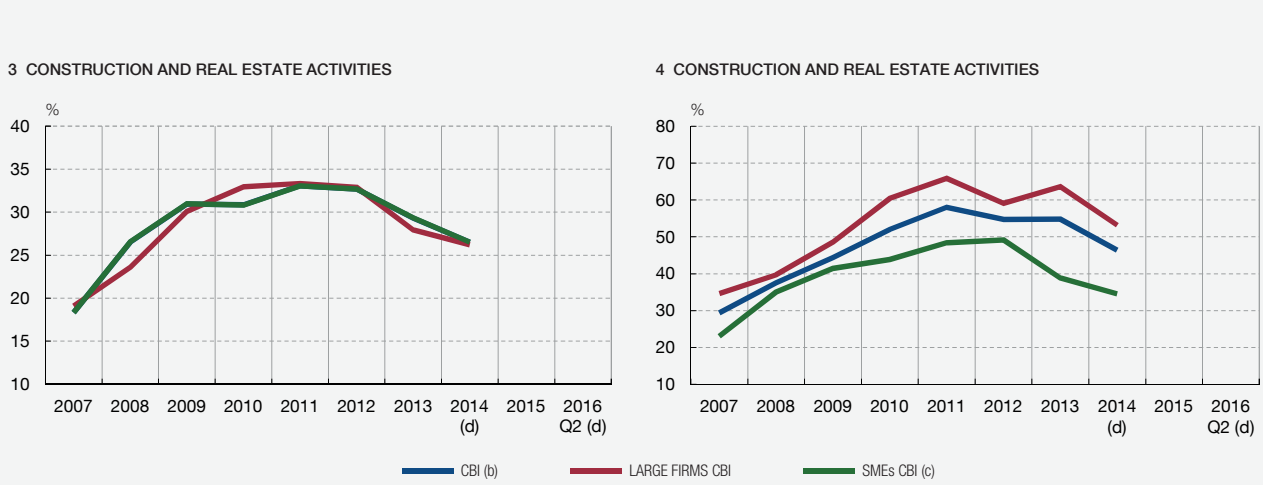
1 TOTAL



PERCENTAGE OF DEBT (a)

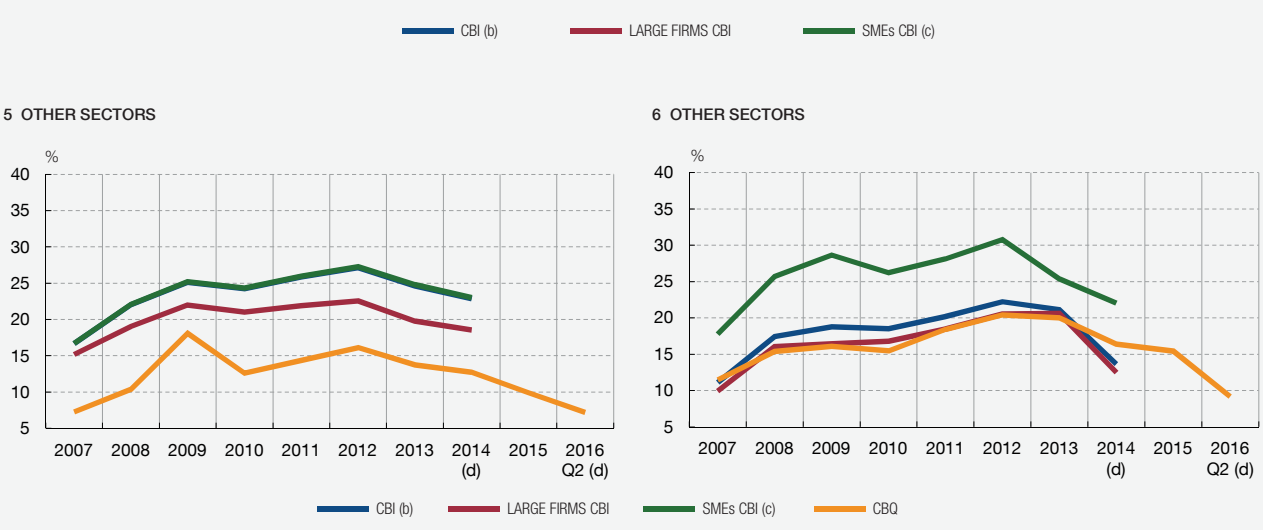
2 TOTAL





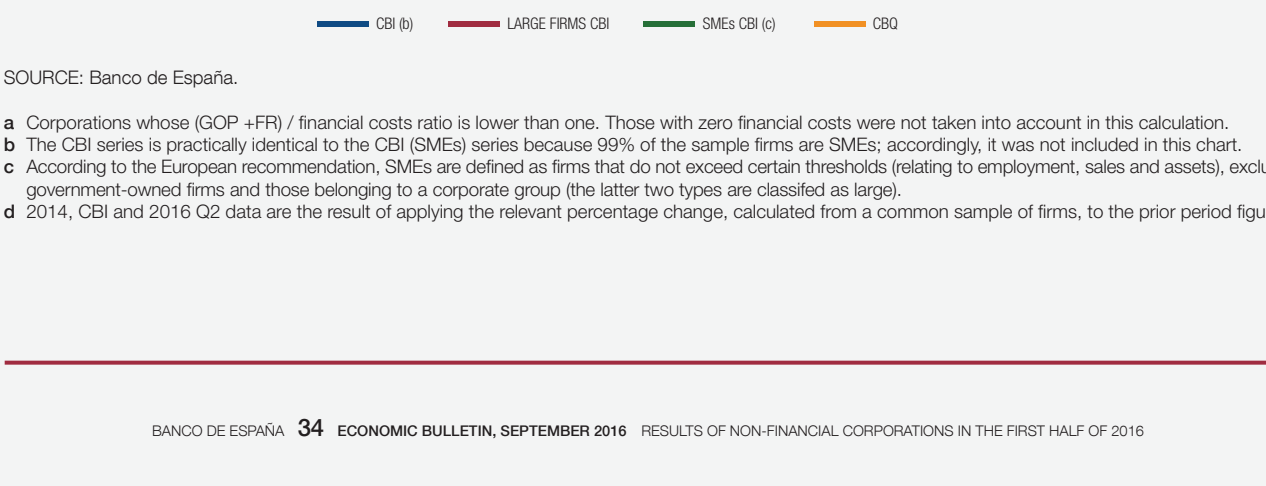
3 CONSTRUCTION AND REAL ESTATE ACTIVITIES

4 CONSTRUCTION AND REAL ESTATE ACTIVITIES



5 OTHER SECTORS

6 OTHER SECTORS



SOURCE: Banco de España.

a Corporations whose (GOP +FR) / financial costs ratio is lower than one. Those with zero financial costs were not taken into account in this calculation.
b The CBI series is practically identical to the CBI (SMEs) series because 99% of the sample firms are SMEs; accordingly, it was not included in this chart.
c According to the European recommendation, SMEs are defined as firms that do not exceed certain thresholds (relating to employment, sales and assets), excluding government-owned firms and those belonging to a corporate group (the latter two types are classifed as large).
d 2014, CBI and 2016 Q2 data are the result of applying the relevant percentage change, calculated from a common sample of firms, to the prior period figure.

SKILLS MISMATCH BETWEEN LABOUR SUPPLY AND DEMAND IN SPAIN

The authors of this article are Sergio Puente and Alejandro Casado of the Directorate General Economics, Statistics and Research.

The Spanish labour market has a much higher and persistent long-term unemployment level than that of other developed countries, especially in certain groups, such as that of the lesser skilled. The causes of this problem are manifold, but one might be the mismatch between the working skills demanded and those offered by job-seekers. With a view to analysing this matter, this article estimates a skills mismatch index based on the on-the-job tasks used. It also analyses the differences in this index relative to other countries and the contributions of different types of tasks to the employability of the different groups of unemployed in Spain.

Introduction

The Spanish labour market has a much higher and persistent long-term unemployment level than that of other developed countries, especially in certain groups, such as that of the lesser skilled.[1] The causes of this problem are manifold, but one might be the mismatch between the working skills demanded and those offered by job-seekers. This matter has previously been analysed in, for example, Izquierdo, Puente and Font (2013), who compare, for the Spanish case, the formal level of educational attainment of the unemployed population with that of the employed, as an approximation to skills supply and demand, respectively. The authors show that, from 2005, the mismatch has progressively increased to twice its starting level in recent years. As a result, Spain is estimated to head the euro area countries with the biggest differences in educational attainment levels between the employed and unemployed.[2] The reason for this increase in the educational mismatch would be found in a relative increase in the demand for workers with higher studies, while the educational level of the unemployed in Spain was increasingly concentrated in low skills levels.

The foregoing analysis illustrates the importance of the educational mismatch in the development and persistence of the economic crisis and the need either to increase training for the low-skilled unemployed, which is no simple matter given the logical difficulties of their stepping back into a formal educational system after several years of working experience, or else to offer incentives for the hiring of these types of unemployed individuals. However, this prior paper assumes that all individuals with the same level of educational attainment are interchangeable, even though they may have had different working experiences previously. A more realistic approach to measuring the mismatch between labour supply and demand would require an analysis not only of the level of educational attainment reached by the unemployed individual but also of the skills acquired through work experience and their comparison with those demanded in the labour market. In this respect, Lacuesta, Puente and Villanueva (2012) analyse the mismatch between the employed and unemployed having regard to the occupational distribution of the former and the latter in their last job, instead of by levels of educational attainment, obtaining similar results to those of Izquierdo, Puente and Font (2013). Nonetheless, the classification of jobs also fails to capture accurately the tasks used in each job, since these depend on numerous factors such as the workers' professional status, the industry to which the

1 For a more detailed analysis on long-term unemployment, see Box 1.3 of the Banco de España *Annual Report 2015.* For a European perspective, see Fernández and Izquierdo (2013).

2 ECB (2012), Structural Issues Report, "Euro Area Labour Markets and the Crisis".

company belongs and the type of business structure. Data limitations meant that the previous paper had to use aggregates of skills required in the United States for each level of employment that were drawn from a US public database.[3] Given this constraint, the study concluded that the mismatch in terms of tasks was less than the educational attainment mismatch, since there was more homogeneity among the tasks required by the different jobs in the economy.

This article complements the previous studies by means of a direct analysis of the tasks used in Spain by each unemployed worker and each employee with the same educational attainment level in their respective current or previous jobs, drawing on the data from the OECD's Survey of Adult Skills (PIAAC).[4] The analysis takes into account the heterogeneity of jobs performed and demanded among the set of individuals comprising a single educational group in our country and, therefore, it approximates more realistically the measurement of worker employability given that it takes into account not only the difference between the academic levels available and demanded, but also the match between previous and required working experience.

The data

As discussed in the introduction, few data sources are available to measure the skills mismatch in the Spanish labour market. The data from the OECD's PIAAC survey help cover – at least partially – this shortcoming, as they provide information on the level of employability of the unemployed in each country in accordance with the skills acquired in their previous working experience. The data correspond to the months running from August 2011 to March 2012, whereby it is not possible at present to establish time trends on the basis of this information. However, one of the advantages of the PIAAC is that the sample is representative of the Spanish adult population aged 16-65.[5]

The survey measures and assesses participating countries' adult cognitive skills and working competencies.[6] Survey information is divided into three groups. First, a direct evaluation is made of the interviewees' skills, encompassing reading comprehension, numeracy, literacy and problem-solving in technology-rich environments. Second, information is gathered on both physical and cognitive or social tasks, performed in the current job (or in the immediately previous one, in the case of the unemployed). Finally, further contextual individual information is compiled, such as demographic characteristics, education, and employment status and income.

This article chiefly uses the group relating to the use of skills at work, which includes information on the set of tasks performed by the individuals interviewed, including most notably the frequency of different on-the-job actions. In particular, questions are asked on 37 variables relating to reading, writing, numeracy, IT skills, problem-solving, people skills, cooperation, personal time management, use of manual dexterity and use of prolonged physical force. For each type of task, the database offers a set of possible replies about their frequency of use, ranging from "never" to "every day".[7]

3 The study uses the *O'NET* database, which shows the skills used by each occupation for the US economy.
4 For more information on the database used, see the official OECD webpage: http://www.oecd.org/site/piaac/.
5 A more detailed analysis of the PIAAC database can be found in Ministerio de Educación, Cultura y Deporte (2013).
6 Specifically, the data refer to a total of 48,355 employed individuals and 5,484 unemployed individuals from the Czech Republic, Finland, France, Ireland, Italy, Korea, the Netherlands, Norway, Russia, Slovakia, Spain, Sweden and the United Kingdom. For Spain, the number of observations is 3,345 employed individuals and 647 unemployed individuals.
7 The article talks interchangeably about tasks and skills under the assumption that, by performing a task, you acquire a skill therein.

With this information, it is sought to approximate the degree of skills mismatch in the Spanish labour market by comparing skills used by employed individuals and those used by the unemployed in their last job. For the unemployed with recent work experience, information is offered on the tasks performed in the last job, but only if that job ended at most a year ago. That causes certain biases, which may be significant in Spain's case given the high incidence of youth and long-term unemployment. Error will be greater insofar as the tasks performed by this type of unemployed individual are not extrapolatable to all other unemployed persons, either because they have been unemployed for over a year or because they still had not found their first job. Specifically, greater mismatches than those set out in the article for these two groups might be expected, as a result of their previous working experience having been non-existent or different or having depreciated over time.

A skills-based mismatch index

Using the data described above, a mismatch index is constructed based on the skills acquired by the unemployed and those required by the job, as follows. For each unemployed individual, the set of tasks performed in the last job is taken into consideration. If an individual performs at any time a task on the job, whatever its frequency, it is assumed that the individual possesses this skill.[8] These skills are compared with those of each of the jobs in their country of residence occupied by workers with the same level of studies.[9] There is considered to be no skills mismatch between unemployed individual and job if there is a perfect match between the skills of each. If any of the job tasks should not have been used by the unemployed individual in his/her previous job, there is considered to be a mismatch between the skills possessed by the unemployed person and those demanded by this job. The final degree of employability of the unemployed individual is defined as the fraction of jobs for which there is no mismatch with his/her skills. To make for readier presentation, the degrees of individual employability are averaged out by groups of different educational attainment levels.

To enrich the analysis, alternative indices have also been constructed that compare the skills of the unemployed to the tasks required by job-holders in different countries. Specifically, the skills of Spanish unemployed individuals are compared with those of employees with the same level of educational attainment in the European Union. If the degree of employability for a specific country diminishes with this new group of comparison, it may be concluded that the tasks required by that country's labour market are less complex and heterogeneous, and vice versa.[10] Finally, the importance of the different skills in the employability of the unemployed in each country is studied.[11]

Results

DESCRIPTION OF SKILLS DEMANDED

Tables 1, 2 and 3 present the skills most demanded[12], according to the PIAAC, both in Spain and in the other countries considered, for each educational level.

In the case of the low educational level (see Table 1), the skills most frequently deployed by workers with this level in their respective jobs are simple problem-solving, physical

8 The results scarcely alter under alternative assumptions.

9 A distinction is drawn between three educational levels: high education corresponds to completed tertiary studies; intermediate education refers to post-obligatory secondary studies (academic or vocational); and, finally, low education comprises categories ranging from no education to obligatory secondary studies.

10 This new index might also be interpreted as the mismatch between skills supply and demand, under the extreme assumption of perfect mobility across the European Union countries, while the former index would be equivalent to the assumption of complete immobility.

11 To facilitate matters, skills are grouped into ten sets following G. Quintini (2014). Some changes are made for the inclusion, modification or exclusion of certain competencies. The groups used are: skills relating to reading, writing, cooperation, problem-solving, personal relations, use of computers, time management, dexterity, physical skills and numeracy.

12 In particular, the skills used by over 65% of workers are reported, either in the Spanish labour market or taking the average in other countries.

SKILLS USED ON THE JOB. COMPARISON BETWEEN SPAIN AND THE AVERAGE FOR THE OTHER COUNTRIES. LOW EDUCATION (a) TABLE 1

	Spain	Other	Difference Spain – Other
Simple problem-solving	80.9	81.7	-0.8
Physical skills	80.4	80.3	0.1
Manual dexterity	78.2	73.6	4.6
Information-sharing with colleagues	77.9	79.0	-1.1
Time management	77.7	72.0	5.8
Advising people	45.8	67.5	-21.7

SOURCE: OECD (PIAAC).

a Only skills with over 65% use are reported, both in Spain and on average for the other countries.

SKILLS USED ON THE JOB. COMPARISON BETWEEN SPAIN AND THE AVERAGE FOR THE OTHER COUNTRIES. INTERMEDIATE EDUCATION (a) TABLE 2

%

	Spain	Other	Difference Spain – Other
Simple problem-solving	89.0	90.0	-1.0
Time management	87.5	80.2	7.2
Information-sharing with colleagues	84.6	86.3	-1.7
Complex problem-solving	73.8	75.5	-1.7
Reading instructions	71.4	74.8	-3.5
Reading correspondence	68.6	63.8	4.8
Manual dexterity	67.4	73.0	-5.6
Reading manuals	66.2	63.3	2.9
Advising people	64.4	72.9	-8.4
Physical skills	63.7	71.4	-7.7
Using a calculator	62.7	65.1	-2.3

SOURCE: OECD (PIAAC).

a Only skills with over 65% use are reported, both in Spain and on average for the other countries.

work and manual dexterity[13], followed by time-management ability and the need to share information with their work colleagues. In terms of international comparison, no significant differences are observed in the type of work performed by these workers, although for this group in Spain a high capacity to interact with customers in connection with advisory or negotiation tasks would not appear to be required.

At the intermediate educational level (see Table 2), the range of tasks performed by the foregoing group widens. Thus, added to the skills that the low-educational-level workers were already using are others, mainly relating to literacy, and to complex problem-solving. In relative terms, the weight of both physical work and of manual dexterity diminishes. This loss of weight is not so marked in other countries. As occurred with the lesser-educated group, a smaller proportion of workers in Spain interacts directly with customers compared with what is observed in other countries.

13 Manual dexterity is understood to be any action requiring a degree of skill involving hand/eye coordination such as repairing machinery, assembling products, sewing, craft work or performing artistic activities.

SKILLS USED ON THE JOB. COMPARISON BETWEEN SPAIN AND THE AVERAGE FOR OTHER COUNTRIES. HIGHER STUDIES (a) TABLE 3

%

	Spain	Other	Difference Spain – Other
Time management	95.0	89.9	5.1
Simple problem-solving	94.8	94.8	0.1
Information-sharing with colleagues	92.2	92.1	0.1
Reading correspondence	87.6	78.5	9.1
Complex problem-solving	87.3	89.4	-2.0
Writing correspondence	85.3	75.7	9.7
Reading instructions	85.3	83.5	1.8
Reading manuals	84.3	80.3	3.9
Advising people	78.8	82.6	-3.8
Using e-mail	78.7	67.1	11.6
Completing forms	78.0	77.4	0.7
Training staff	76.7	68.4	8.4
Using the Internet	76.7	67.6	9.1
Writing reports	75.9	71.7	4.2
Using a calculator	75.8	76.2	-0.5
Using a word processor	74.9	67.8	7.2
Reading articles in professional journals	71.6	70.5	1.1
Using fractions, decimals or percentages	66.8	57.8	9.1
Convincing o influencing people	63.6	78.4	-14.8
Negotiating	57.0	72.5	-15.5
Manual dexterity	56.9	67.4	-10.6

SOURCE: OECD (PIAAC).

a Only skills with over 65% use are reported, both in Spain and on average for the other countries.

Finally, among workers with high levels of educational attainment (see Table 3), the set of tasks is once again extensive, including some relating to office automation, training, specialist reading and writing. Also, physical work skills and dexterity continue to diminish in significance with greater intensity than in the other countries. As to the remaining domains, for this high-skills group there appears to more demand in Spain for Internet-related actions and virtual interaction, while there is notably substantially less demand for tasks requiring people skills.

EMPLOYABILITY BY COUNTRY AND EDUCATIONAL LEVEL

Chart 1 shows the employability index for each educational level of the unemployed when the comparison is made with the jobs for the same level and country. Generally, and irrespective of the country of residence, the employability index derived from the PIAAC is usually higher for lower levels of educational attainment than for intermediate and higher ones. That would indicate that lower-skilled workers usually perform more uniform tasks irrespective of the sector in which they work whereas the tasks of higher-skilled employees are more heterogeneous and therefore require greater specialisation. This result would suggest a greater effectiveness of specialist training courses for higher-skilled workers.

In the low educational level segment a high relative employability of Spanish unemployed individuals is observed compared with other countries, which shows that the skills in their previous job are similar to those performed by Spanish employees with the same educational level. In this respect, the high incidence of long-term unemployment within

EMPLOYABILITY BY LEVEL OF STUDIES. JOBS WITHIN EACH COUNTRY (a) CHART 1

SOURCES: OECD and Banco de España.

a The employability index is constructed as the average for each educational level of the fraction of jobs in Spain for which there is no skills mismatch in respect of each unemployed individual.

this group would not appear to be so much related to greater skills mismatch problems in respect of demand within this same educational group, but rather to potentially low labour demand in this educational segment, as suggested by Izquierdo, Puente and Font (2013).

However, the situation is very different between those with intermediate and high educational levels, who show a very low degree of employability compared with that observed in other countries, reflecting high differences between the tasks performed in the last job and those performed by the current job-holders with their same level of skills. In this respect, the skills demanded by the labour market are more demanding than those acquired by the unemployed in their last jobs, denoting a clear need for specialised training in those tasks currently demanded by the market for these groups.

EMPLOYABILITY BY LEVEL OF STUDIES. JOBS IN THE EU AS A WHOLE (a)

CHART 2

SOURCES: OECD and Banco de España.

a The employability index is constructed as the average for each educational level of the fraction of jobs in the EU for which there is no skills mismatch in respect of each unemployed individual.

Chart 2 compares the skills of the unemployed in each country with those of job-holders with the same educational level across the EU countries considered in the sample. The employability indices are lower in Spain than those shown in Chart 1, which suggests that the tasks performed in the Spanish labour market are more homogeneous and less complex than those carried out in other countries, in particular in the case of workers with a lower level of educational attainment. This result highlights the fact that workers in Spain, and especially the lower skilled, possess a lesser relative degree of skills compared with other countries. While not the fundamental factor that determines workers' international mobility, this constraint might mean that Spanish workers, especially those with a lower educational level, face a competitive disadvantage vis-à-vis foreign workers when it comes to considering moving to another EC country for work-related reasons.

ANALYSIS OF SPECIFIC SKILLS

This section analyses what types of tasks are responsible for the mismatches between labour demand requirements and the previously observed skills of the unemployed or, what amounts to the same, what type of skills the unemployed should acquire to increase their employability. To make the results more readily readable, the 37 domains are grouped into different sets according to the type of skill required[14] and the contribution of each skill to the employability index is shown.[15]

Chart 3 shows, for each educational level, the contribution of skills to the employability index. In the lowest academic segment, it can be seen that the use of people, literacy and problem-solving skills are the most important when explaining the mismatch between the employed and the unemployed. The finding suggests that the unemployed with a low educational level should prioritise improving these three skill areas in order to increase their employability. For the unemployed with an intermediate educational level, the most important set of skills is also that associated with people skills, although in this case it is followed by physical work and reading skills. Finally, among the higher skilled, manual dexterity is the most important task and that with most weight, although once more people skills are in second place. As to the comparison with the other countries, significant differences are not observed regarding the importance of the skills groups in low and intermediate education. Where significantly different results are found is at the top skills level. The average for the other countries reflects a much greater skills mismatch in respect of people and IT skills.

The analysis of specific tasks enables certain recommendations to be formulated with a view to the design of active policies aimed at improving the employability of the unemployed. In particular, the findings of this article suggest that it might be worth reinforcing people skills training. Likewise, for highly educated workers, there also appears to be a significant mismatch in manual dexterity, possibly connected with specific technical specialities that should be identified with better data.

Conclusions

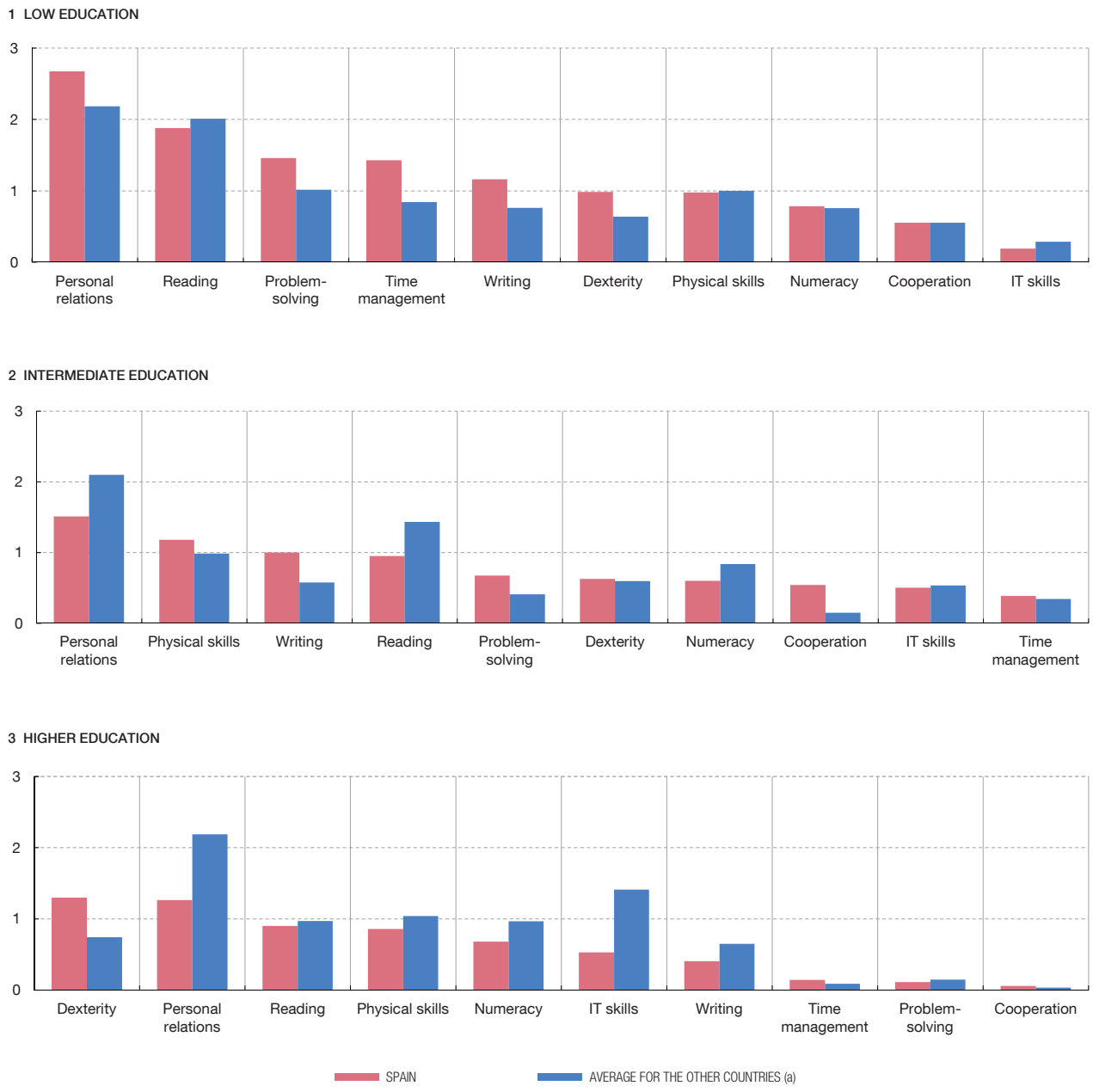
This article analyses the mismatch between the working skills demanded and those offered by job-seekers. To that end, an employability index is constructed, based on the set of tasks used in jobs held by groups of a different educational status in Spain, and these tasks are compared with those performed by the unemployed in their last job, drawing on the information provided by the OECD's PIAAC database.

According to this index, the group showing the least mismatch in skills would be that of the unemployed with a low educational level, since there is a greater correlation between

14 Group of competencies related to people skills: advising, teaching, influencing, negotiating, organising other people's activities, making presentations and sales. Group of reading competencies: reading guidelines or instructions, reading letters or e-mails, reading professional journals or publications, reading books, reading manuals or reference materials, reading financial statements and reading diagrams, maps or schemata. Group of writing competencies: writing letters or e-mails, writing articles, writing reports and completing forms. Group of IT competencies: use of a computer for using e-mail, viewing work-related information, using a word processor, conducting transactions, using spreadsheets, conducting real-time discussions and using a programming language. Group of problem-solving skills: simple problem-solving (finding a solution requiring no more than five minutes) and complex problem-solving (finding a solution requiring at least thirty minutes). Finally, there are two skills that are not grouped with any other: physical skills, which refer to the performance of a physical job over a long period of time, and manual dexterity, which refers to the use of skill or precision with one's hands or fingers.

15 Specifically, this exercise is carried out by calculating another index that excludes the task considered. The difference between employability excluding and not excluding this factor may be interpreted as its contribution to employability. Note that these contributions cannot be interpreted as the key competencies for the performance of a job but are rather those that increase to the greatest extent the difference in skills between the employed and the unemployed.

CONTRIBUTION OF EACH SKILL TO EMPLOYABILITY BY LEVEL OF STUDIES (a) CHART 3



SOURCES: OECD and Banco de España.

a The contribution of each group of skills to the employability index is calculated by taking in each case an alternative index that excludes the group considered. The difference between the overall employability index and that calculated excluding each group may be interrpreted as the contribution to employability.

the tasks performed over their previous working career and what is currently demanded. Consequently, this group's employability problems might be attributed, above all, to low demand for relatively unskilled labour, as suggested by Izquierdo, Puente and Font (2013), and not to skills mismatch problems. This mismatch is greater among individuals with intermediate and high educational levels, given that the skills the unemployed acquired in their last jobs are less similar to those current job-holders use. This finding would suggest a greater need for specialist training courses in the tasks required in the labour market for these groups. Finally, the analysis of specific skills reveals that a major source of skills mismatch in Spain arises, for all educational levels, from people skills. Compared with the contributions of each skill calculated for other countries, the

main differences are found in the higher education segment, where the mismatch attributable to people skills or skills associated with the use of computers is much less in Spain than in other countries.

Looking ahead, the type of analysis conducted in this article might be of use for assessing the relative need for training in specific skills that make up a good portion of the budget for active policies in Spain. In this connection, the availability of regular data on both the map of skills and on the characteristics of the training courses comprising these active policies would be required.

14.9.2016.

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THE CHALLENGES FOR MONETARY POLICY NORMALISATION IN THE UNITED STATES IN THE CURRENT ECONOMIC SITUATION

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In December 2015 the Federal Reserve System, the central banking system of the United States, raised its official interest rate for the first time after having held it close to 0% for seven years and having embarked on a range of unconventional monetary policy measures to mitigate the impact of the financial crisis. At its latest meeting, in September 2016, the Federal Reserve decided to leave the official interest rate unchanged, although it said that the probability of a future hike had increased. This article reviews some of the features of the expected tightening cycle of monetary policy in the United States in a complex economic situation in which it is likely that it will take a long time for monetary policy to return to normal. This article reviews some of the factors that will influence this process, including monetary policy management and the estimated decrease in the equilibrium real interest rate, in a context in which the official interest rate is close to its effective minimum. From the global standpoint, the shortage of safe assets (which may lead to enduring low levels of the term structure of interest rates), the divergence of its monetary policy stance from that of other central banks, such as the ECB and the Bank of Japan, and developments in emerging economies, particularly China, will also influence monetary policy decisions in the United States.

Introduction

The Federal Reserve's expansionary monetary policy has played a fundamental role in the US authorities' response to the global financial crisis and the Great Recession that followed in its wake. As Chart 1 shows, the length of time it took the economic recovery to pick up speed sustainably led the Federal Reserve to adopt expansionary measures of unprecedented intensity. Thus, the Federal Reserve held the federal funds rate at close to zero (in the 0% to 0.25% range) for seven years between December 2008 and December 2015 (see Chart 2.1), first to stabilise the economy, and then to support the recovery. It also adopted a series of unconventional monetary measures that expanded the Federal Reserve's balance sheet to record levels.[1] This monetary strategy was backed up with a communication strategy known as forward guidance, indicating the future monetary policy stance in order to anchor economic agents' expectations more firmly.[2]

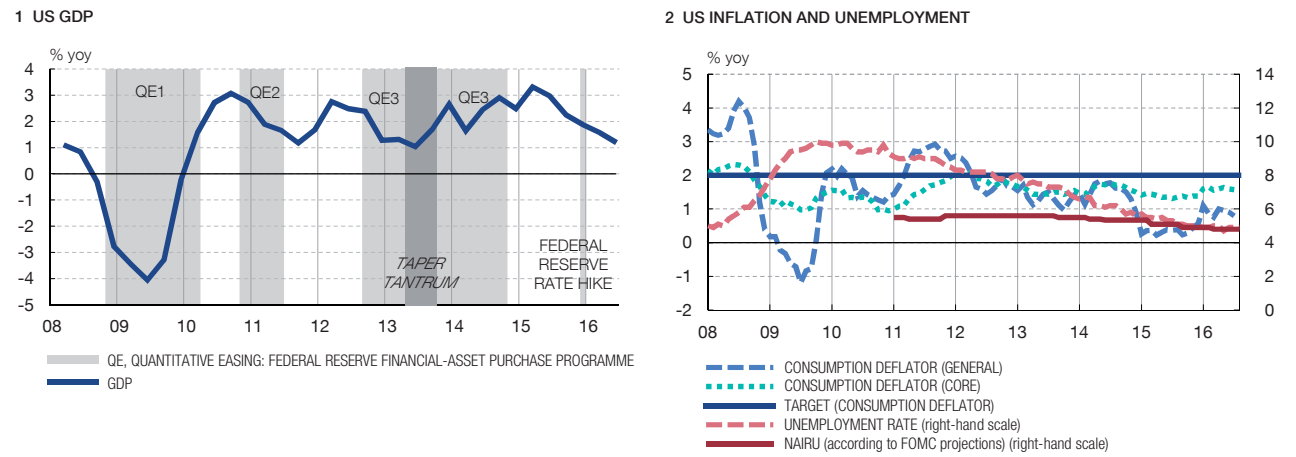
Despite a false start between 2010 and 2011, the recovery in the United States did not gain sufficient traction for the Federal Reserve to consider slowing the rate of monetary expansion until 2013 – and subsequently reversing its decision. In the spring of that year, the Federal Reserve surprised the markets by stating its intention to gradually end the quantitative expansion of its balance sheet when conditions allowed, and in December it announced a timetable for a gradual reduction in its monthly purchases of net assets, which it completed over the course of 2014. Significantly, in May-June 2013 merely mentioning the possibility of slowing the rate of quantitative easing in the future triggered a period of financial market turmoil referred to as the 'taper tantrum'. Although net asset purchases ended in late 2014, the first rise in official interest rates since the crisis, marking the start of monetary policy normalisation in the United States, did not come until December

1 The Federal Reserve's purchases of financial assets (federal public debt, agency mortgage-backed securities (MBS) and federal agency securities) led to a strong rise in deposit institutions' reserves on the liabilities side of its balance sheet. In October 2008 Congress authorised the Federal Reserve to pay interest on these reserves.

2 Before the crisis the Federal Reserve applied forward guidance occasionally and limited to short periods of time.

US GROWTH AND FEDERAL RESERVE TARGETS

CHART 1



SOURCES: Bureau of Labor Statistics, Federal Reserve, Bureau of Economics Analysis and Datastream Thomson-Reuters.

2015.[3] The focus is now on how this normalisation is likely to progress going forward. This article reviews some of the features of this process, which is still in its early stages and is taking place against a background of complexity and uncertainty.

The next section describes the principles of monetary policy normalisation announced by the Federal Open Market Committee (FOMC), the monetary policymaking body of the Federal Reserve System, and illustrates the slowness of the current process of monetary tightening compared with previous monetary tightening cycles. The third section relates this slower progress with the sluggish rate of economic recovery in the United States and the distance from the Federal Reserve's dual employment and inflation targets. The fourth section reviews a number of additional domestic and global factors that are influencing the Federal Reserve's decisions, such as starting from an official interest rate close to the zero lower bound (ZLB), a substantial drop in equilibrium real interest rate, or the context of divergences from the monetary policy stance of other central banks, such as the ECB and the Bank of Japan, in a much more interconnected world. The article ends with an assessment of the outlook and the challenges for the current phase of normalisation.

The slow process of tightening monetary policy

The unconventional expansionary measures adopted by the Federal Reserve in the wake of the financial crisis[4] led to strong growth of its balance sheet, as can be seen from Chart 2.2. These measures ended in October 2014 when purchases of net financial assets under the third quantitative easing programme (QE3) concluded. Since this time the Federal Reserve has only reinvested principal payments from its holdings of securities, keeping its size unchanged at $4.2 trillion[5] (23.4% of US GDP in 2015).

At its September 2014 meeting, the FOMC updated the principles of monetary policy normalisation[6] that it had first formulated in June 2011.[7] According to these principles, it should be possible to achieve normalisation through the following actions:

3 Monetary policy normalisation is understood to mean a return to monetary conditions consistent with price stability and trend growth of the economy.

4 See, for example, Berganza *et al.* (2014) for a detailed description of the unconventional measures.

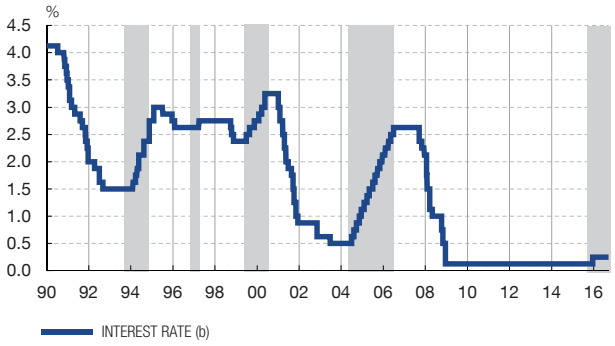
5 This amount breaks down into $2.43 trillion in public debt securities, $1.74 trillion in agency mortgage backed securities (MBS), and the remainder in debt issued by the agencies Fannie Mae, Freddie Mac and the Federal Home Loan Bank. In the case of MBS, reinvestments also take place in the event of early repayment of the underlying mortgage loans.

6 See http://www.federalreserve.gov/newsevents/press/monetary/20140917c.htm.

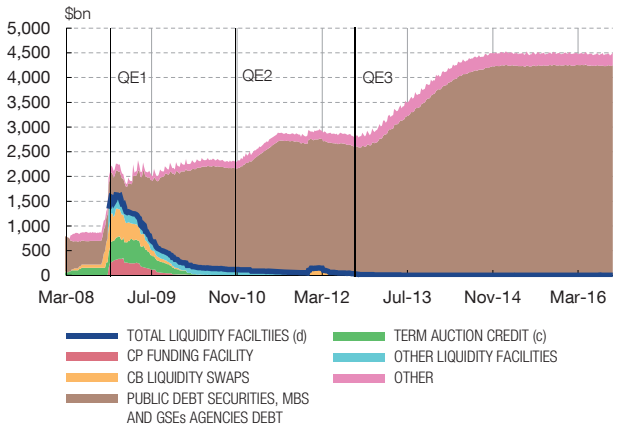
7 In June 2011 the FOMC stated that it would start normalisation by reducing its holdings of financial assets on its balance sheet (without excluding the possibility of sales) and, that once the balance sheet had shrunk significantly,

FEDERAL RESERVE MONETARY POLICY INSTRUMENTS CHART 2

1 TARGET FEDERAL FUNDS RATE (a)



2 FEDERAL RESERVE ASSETS



SOURCES: Federal Reserve, Datastream Thomson-Reuters and Bloomberg.

a The shaded areas mark periods of monetary tightening.
b Upper limit of the target range for the Federal Funds rate as of December 2008.
c Credit facility corresponding to TAF (Term Auction Facility) programme.
d "Total liquidity facilities" includes: Term Auction credit; primary credit; secondary credit; seasonal credit; Primary Dealer Credit Facility; Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility; Term Asset-Backed Securities Loan Facility; Commercial Paper Funding Facility; outstanding principal of loans to American International Group, Maiden Lane LLC, Maiden Lane II LLC and Maiden Lane III LLC; and central bank liquidity swaps.

— Increases in the target range for the federal funds rate[8]. In order to implement this target range, the Federal Reserve has an interest rate that it pays on excess reserves (IOER), which operates at the upper limit of the range, and a rate for overnight reverse repurchase agreements (ONRRP) at the bottom limit.

— Gradual and predictable reduction in holdings of financial assets by halting reinvestment of principal payments as they mature, and leaving MBS sales as a residual option for the final phase of the normalisation process, with agents being given advance notification of this strategy.

— The FOMC has subsequently indicated that it will raise official interest rates a number of times before starting to shrink the balance sheet.

— Over the long term, the Federal Reserve will only hold the securities it needs to implement monetary policy (mainly public debt securities), thus minimising the possible effect of its asset holdings on the allocation of credit to the various sectors of the economy.

Following its September 2014 meeting, at which these principles of monetary normalisation were set out, the FOMC published its quarterly projections predicting four monetary policy rate increases of 25 basis points (bp) over the course of 2015.[9] However, no increase took place until the December 2015 meeting, when the FOMC raised the target range for the federal funds rate by 25 bp to 0.25%-0.5%. This was the first increase since the financial

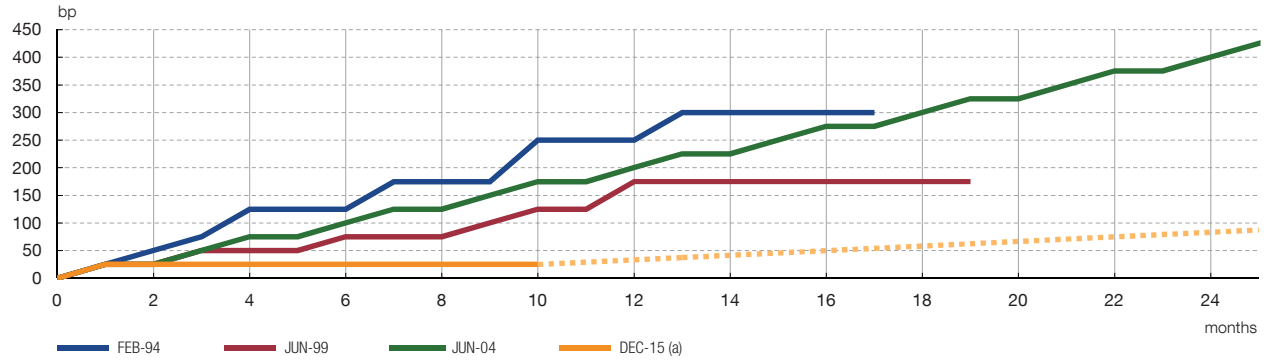
it would raise the federal funds interest rate. However, the more limited capacity to project the effects of changes in the size of the balance sheet and the financial market reactions observed during the 'taper tantrum' led the FOMC to change the principles of monetary normalisation.

8 The Federal Reserve's target interest rate, the federal funds rate, is a weighted average of the interest rates on all the transactions in the federal funds market, the market in which depository institutions lend funds maintained at the Federal Reserve to other depository institutions overnight.

9 According to the median of the individual projections presented by the members of the FOMC.

CHANGES IN THE TARGET FEDERAL FUNDS RATE IN PREVIOUS RATE HIKE CYCLES AND IN THE CURRENT CYCLE

CHART 3



SOURCES: Federal Reserve, Datastream Thomson-Reuters and Banco de España.

a FOMC projections (September 2016) shown as dotted line.

crisis (see Chart 2.1). Since this first movement there have been no further increases to date (September 2016), despite four 25 bp increments in 2016 being forecast in the quarterly December 2015 projections.

In general the members of the FOMC envisage the path of official interest rate increases over the coming years to be much gentler than in previous monetary tightening cycles, and the process is expected to last much longer. As can be seen in Chart 3, this path is markedly different from the rate of tightening observed in the most recent cycles of monetary policy normalisation, beginning in February 1994 (a total increase of 300 bp in the target federal funds rate over 13 months), June 1999 (175 bp over 12 months) and June 2004 (425 bp over 25 months).

The following two sections analyse the possible factors underlying the slow rate with which normalisation is expected to progress. First, cyclical issues are considered, relating to the dual target of monetary policy – price stability and maximum employment – and then other factors more specific to the current situation are examined.

The macroeconomic situation and monetary policy stance

In 1977, the US Congress amended the law governing the Federal Reserve System to establish a dual mandate for monetary policy, aiming to promote maximum employment and stable prices. Since 2012 the FOMC has published a document setting out its targets under the dual mandate in January of each year. The price stability target is defined as a year-on-year inflation rate of 2%, measured using the Personal Consumer Expenditures (PCE) deflator. The Federal Reserve's loss function with respect to this target is symmetrical (i.e. deviations on the upside and downside are equally important). In the case of maximising employment, the FOMC does not set a specific value for any particular labour market variable, but it does publish a long-term unemployment rate in its quarterly projections. Analysts equate this with the non-accelerating-inflation rate of unemployment (NAIRU).

Table 1 shows the values of the unemployment gap (observed unemployment – long-term unemployment), the inflation gap (inflation rate – 2%) and the underlying inflation gap (underlying inflation rate – 2%)[10] at the start of the last four cycles of monetary normalisation. In the case of

10 The FOMC defines the inflation target in terms of general PCE, but pays particular attention to core PCE when deciding monetary policy. Core PCE excludes food and energy prices, which tend to be more susceptible to supply shocks (for example, climate factors and/or OPEC decisions) which are unrelated to demand-driven inflationary pressures and over which the FOMC has no control.

MACROECONOMIC CONDITIONS AT THE TIME OF THE FIRST OFFICIAL INTEREST RATE RISE TABLE 1

	Feb-94	Jun-99	Jun-04	Dec-15
Target federal funds rate	3.0	4.8	1.0	0-0.25
Unemployment rate	6.6	4.2	5.6	5.0
Long-term unemployment rate (FOMC estimate)	6.5	5.3	5.0	4.9
"Unemployment gap" (pp)	0.1	-1.1	0.6	0.1
Labour conditions index (Federal Reserve Board)	-51.9	100.5	-22.3	93.8
Nominal wages (yoy %)	2.6	3.5	2.0	2.0
General inflation (PCE) (yoy %)	2.2	1.4	2.1	0.2
Core inflation (PCE) (yoy %)	2.5	1.3	1.9	1.3
Target inflation (PCE) (yoy %)	2.0	2.0	2.0	2.0
"Inflation gap" (pp)	0.2	-0.6	0.1	-1.8
"Inflation gap (core)" (pp)	0.5	-0.7	-0.1	-0.7
Inflation expectations (long term) (yoy %) (Univ. of Michigan)	3.3	2.8	2.9	2.6
Federal funds rate derived from Taylor (1999) with core inflation	4.55	5.05	2.65	2.75

SOURCES: Taylor (1999), Datastream Thomson-Reuters and Federal Reserve Board (most recent data available at time of FOMC meeting).

the employment target, at the start of the last monetary tightening cycle, in December 2015, the unemployment gap was almost closed. However, doubts have arisen within the FOMC as to whether the unemployment rate adequately captures the slack in the labour market in the current economic situation [see Berganza (2014)], as discussed in the next section.

As regards the price stability target, in December 2015 inflation measured using the core PCE price index was well below its 2% reference value, as had been the case since May 2012. Moreover, headline inflation was close to 0%, unlike the situation observed in previous monetary policy normalisation cycles. This was mainly as a result of the drop in oil prices since mid-2014. In this context, most of the members of the FOMC have interpreted US inflation as being kept low by transitory factors such as cheaper oil, in conjunction with the rising dollar and cuts in prices of healthcare services [Dolmas, (2016)], deriving in part from the health reform brought about by the Affordable Care Act.

The baseline scenario used by the FOMC's members assumes that, if inflation expectations are well anchored, inflation will progressively converge on its target as labour market slack decreases and the effects of the transitory factors wears off – as has been observed to be happening gradually over the last few months. Therefore, the anchoring role of inflation expectations is crucial to returning to the inflation target. As Table 1[11] shows, surveys have found expectations not to be very far from those at the start of previous cycles of monetary policy normalisation.

The Taylor rule (1999) makes it possible to encapsulate central bank decision-making in a highly stylised form. This rule describes a simple relationship between the variables defining the FOMC's dual mandate and federal funds rate. The most general formulation is:

$$it = \rho\, i_{t-1} + (1-\rho)\,[r^* + \pi_t + \alpha\,(\pi_t - \pi^*) - \beta\,(u_t - u^*)]$$

where it is the target federal funds rate in period t, r* the equilibrium real interest rate on federal funds or the natural interest rate, which is defined as the real interest rate consistent

11 These inflation expectations refer to the Consumer Price Index (CPI). Historically, inflation calculated based on the CPI has been approximately four tenths of a percent higher than that calculated using the PCE. Inflation expectations extrapolated from financial-market variables are not included as they are not available for previous cycles.

with full employment and the central bank's medium-term inflation target, avoiding its being influenced by the transitory shocks affecting the economy.[12] Historically the value assigned to this equilibrium real interest rate was 2%. π_t is the inflation rate in period t, π^* is the target inflation rate (the difference between these two rates is the inflation gap shown in Table 1), ut is the unemployment rate in period t and u* is the long-term structural rate of unemployment (the difference between these two unemployment rates is the unemployment gap shown in the table). The coefficient ρ defines the degree of inertia in the rule, the coefficient α is its responsiveness to deviations in inflation from its target, and the coefficient β is the responsiveness to deviations in the unemployment rate from its long-term level. The last two chairs of the FOMC have generally used a version of the rule in their speeches and presentations[13] that establishes the following values for the coefficients: $\rho = 0$; $\alpha = 0.5$ and $\beta = 2$; they also use core inflation, for the reasons given in footnote 10.

Using these parameters and values, and the existing core inflation and unemployment rates at the start of each cycle of monetary policy normalisation, it is possible to calculate the appropriate federal funds rates according to the Taylor rule. As shown in Table 1, which sets out the results of these calculations, at the start of all the normalisation cycles the federal funds rate actually set by the FOMC at the time was below that suggested by the Taylor rule. However, it is in the most recent cycle that the difference was biggest, and without taking into account the fact that the quantitative easing measures are equivalent to an even lower interest rate. What can explain the fact that, despite this major difference, the first rate rise in the cycle beginning in December 2015 took place much later than in previous expansions, and the planned rate of increases is slower than in all the other cycles considered? The following section reviews various specific factors helping explain the current low levels of official interest rates and the slowness of the rate at which they are expected to rise.

Some constraints specific to the current phase of monetary policy normalisation in the United States

The current monetary policy cycle is characterised by a series of specific features that help explain the low federal funds rate and its deviation from the level suggested by the classic Taylor rule. Five factors need to be borne in mind: i) uncertainty over the degree of economic slack, particularly in the labour market; ii) the drop in the natural interest rate (r*); iii) changes in the supply and demand for safe assets, depressing their yields; iv) the proximity of official rates to the ZLB, which creates specific risks should it be necessary to reverse any rate increases; and v) the external environment, particularly the divergence from monetary policy in other developed economies, and the indirect effects on the US economy of the impact of its monetary policy decisions on the global environment (spillbacks). The context is therefore complex and uncertain, making managing monetary normalisation particularly challenging.

UNCERTAINTY OVER THE SLACK IN THE LABOUR MARKET

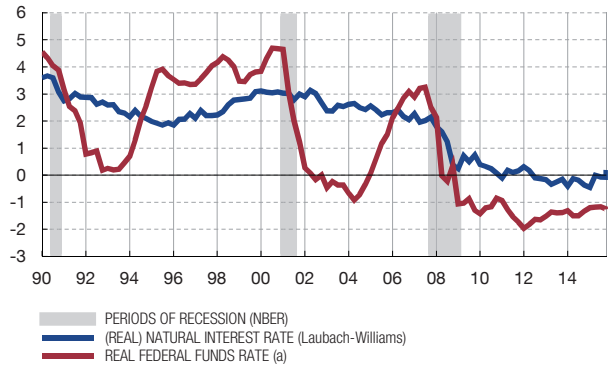
The uncertainty as to whether the unemployment rate measures the use of labour market resources accurately has already been mentioned. This uncertainty is due to several causes. Firstly, the reduction in the unemployment rate is partly explained by the decline in the labour market participation rate. As this is partly driven by cyclical factors, it could reverse as the expansionary phase gains traction, thus expanding the labour supply. Another factor operating in the same direction is the unusually large number of people working part time who would prefer to work full time. For these reasons, the Federal Reserve usually refers to a labour market conditions index that encapsulates a broad

12 Economic theory shows this interest rate to vary over time and that it is defined by changes in agents' preferences (discount rate), technology, and the rate of population growth.

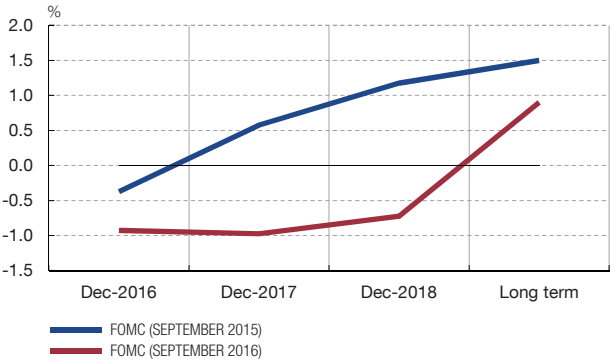
13 J. Yellen, Jackson Hole symposium (August 2016) (http://www.federalreserve.gov/newsevents/speech/yellen20160826a.htm).

NATURAL INTEREST RATE CHART 4

1 REAL FEDERAL FUNDS RATE AND (REAL) NATURAL INTEREST RATE (Laubach-Williams)



2 IMPLICIT REAL INTEREST RATE IN A TAYLOR RULE (b)



SOURCES: Laubach and Williams (2016), Federal Reserve, Bureau of Economics Analysis and Datastream Thomson-Reuters.

a Calculated as the difference between the federal fund interest rate (quarterly average) and the moving average of four months' annualised quarter-on-quarter core inflation (calculated from the personal consumption expenditure deflator).
b Derived from Taylor Rule using FOMC inflation and unemployment rate projections (September 2016).

range of labour-market variables to complement measures of idle capacity. According to this index, which is also included in Table 1, the labour market appears to have less slack than in previous cycles of monetary tightening, with the exception of the cycle begun in June 1999 (the higher the value, the less slack in the labour market). Some analysts suggest that slow nominal wage growth is the most robust indicator of the persistence of a degree of slack in the labour market. Nevertheless, if low inflation is taken into account, real wage growth is close to the (modest) gains in productivity. In any event, in the months following the first increase in the federal funds rate, the unemployment rate fluctuated around the long-term rate, the labour-market conditions index dropped and nominal wages accelerated, reaching rates over 2.5%.

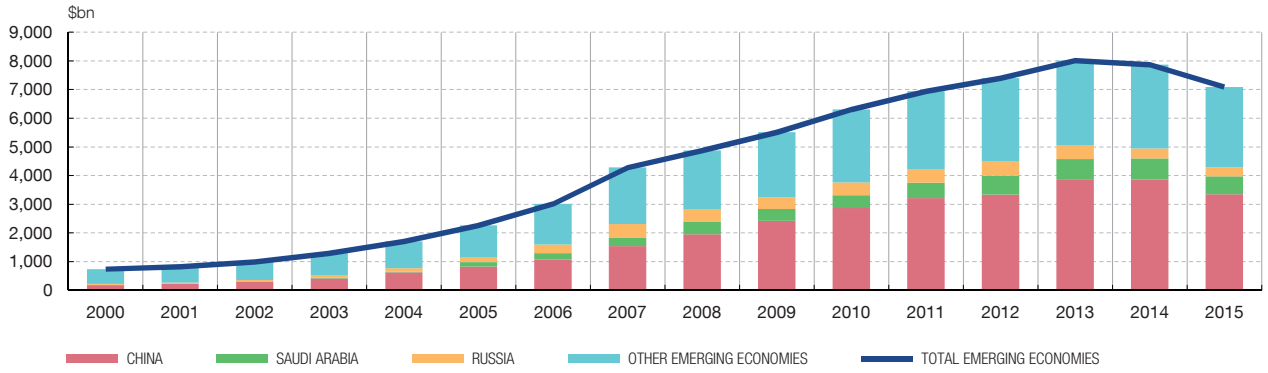
REDUCTION IN THE NATURAL INTEREST RATE

In order to calculate the Taylor rule a proxy is needed for the natural interest rate, as it is not possible to observe directly. As discussed in the previous section, this variable has traditionally been assigned a value of 2%. However, some authors, such as Laubach and Williams (2016), estimate that the natural interest rate[14] in the United States has been changing, fluctuating in the 2% - 3% range between the early nineties and the start of the Great Recession, when there was a sharp drop. As can be seen in Chart 4.1, since 2010 it has been close to zero (or even slightly negative).

Underlying this drop – which may prove to be permanent – is low productivity and population growth, population ageing, and low investment. In other words, lower growth potential, which also needs to be factored into the monetary policy rule calculation via the unemployment rate gap or output gap.[15] Summers (2014) highlights that advanced economies are suffering from an imbalance between a rising propensity to save and a declining propensity to invest, resulting in a savings glut which weighs on demand and lowers the natural interest rate (resulting in 'secular stagnation'). Other analyses [e.g. Hamilton *et al.* (2015)] agree on identifying the downward trend in the natural interest rate, but they also highlight the high level of uncertainty in the estimates of this variable's future course, making it difficult to gauge the monetary policy stance.

14 These authors use a multivariate model taking into account changes in inflation, GDP and interest rates.
15 See Carlstrom and Fuerst (2016).

INTERNATIONAL RESERVES CHART 5



SOURCES: International Monetary Fund (international financial statistics) and Datastream Thomson-Reuters.

The FOMC implicitly foresees a gradual recovery in the real interest rate and reaching the equilibrium rate in the medium term. Based on the Committee members' quarterly projections for inflation, the unemployment rate and the target for the federal funds rate, it is possible to estimate the equilibrium value proxy using the Taylor rule described above.[16] As Chart 4.2 shows, based on the September 2016 projections, this estimate of the real interest rate would remain in negative territory until 2018, rising progressively in the following years. Over the long term the real interest rate would be around 1%, a value that has gradually declined in recent years (by more than 125 bp since 2012). Throughout this period the monetary policy stance would continue to be expansionary as the real interest rate would remain below the equilibrium rate.

CHANGES IN THE SUPPLY AND DEMAND FOR SAFE ASSETS

One key feature of how the global economy has developed in recent years is the growing shortage of safe assets.[17] In other words, the supply of safe assets has not been able to keep up with global demand for them, which has driven down their yields. Indeed, some authors suggest that this shortage of assets could cause a liquidity trap when the lower bound for interest rates is reached, such that the market for safe assets will only be rebalanced with a drop in income [see Caballero, Fahri and Gourinchas (2016)].

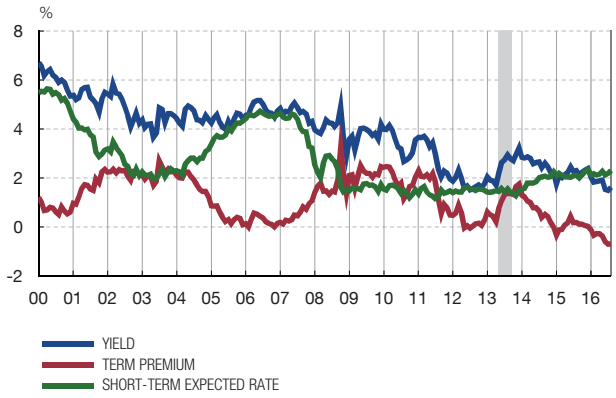
Over the period 2000-2007 emerging countries' international reserves experienced strong growth as a form of self-insurance in the wake of a series of balance of payments crises from 1998 to 2000 (see Chart 5). Moreover, China and a number of commodities exporters posted substantial current account surpluses, which were reflected in very strong growth in their international reserves, much of which was invested in the assets mentioned above. On the supply side, the developed countries' improved fiscal position over the period led to public debt's growing more slowly than global GDP, although new instruments were created, such as MBSs, which expanded the supply of assets considered safe. Globalisation and financial development therefore encouraged imbalances between both emerging and advanced countries' savings and investment, leading, on the aggregate level, to the phenomenon known as the savings glut [Bernanke (2005)].

16 The FOMC has explicitly stated that it wants to situate the real interest rate below the equilibrium rate so that monetary policy is accommodative. Therefore, the value of r* obtained from the Taylor rule using the FOMC forecasts (which is shown in the chart) would not be the equilibrium rate, but would represent its lower bound.

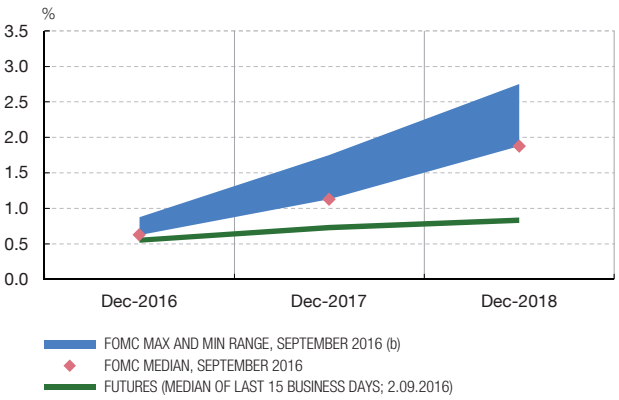
17 Although the precise definition of "safe financial asset" can vary, the category generally includes highly liquid assets with a low probability of default and low currency risk, such as many developed countries' government bonds. As well as facilitating financial transactions (by serving as collateral), safe assets are essential for highly risk-averse public and private investors such as pension funds and insurance companies. The scale of the supply and the development and depth of its markets makes US government debt the quintessential safe asset.

LONG-TERM INTEREST RATES AND FEDERAL FUNDS RATE PROJECTIONS CHART 6

1 COMPONENTS OF TEN-YEAR US TREASURY BOND YIELD (a)



2 FEDERAL FUNDS RATES PROJECTIONS (FOMC) AND EXPECTATIONS (FUTURES)



SOURCE: Federal Reserve Bank of New York.

a The shaded area marks the 'taper tantrum'.
b Excludes the three highest and three lowest projections.

Following the 2008 global financial crisis assets such as MBSs in the United States (except those insured by GSEs) and sovereign debt issued by certain euro-area countries, ceased to be considered 'safe assets'. On the demand side, emerging countries' international reserves began to shrink in 2014, but this reduction was more than offset by the accumulation of safe assets by many developed countries as a precautionary measure, given the heightened uncertainty, and by the banking sector, for regulatory reasons. All these factors have continued shifting the supply and demand curve for safe assets and depressing their yields.

Therefore, as in the previous cycle of monetary policy normalisation, excess savings in the emerging countries made it possible to keep long-term interest rates stable (Greenspan's conundrum),[18] the current persistent shortage of safe assets is keeping term premium[19] levels and the yield curve low or even negative (see Chart 6.1).

OFFICIAL INTEREST RATES CLOSE TO ZERO

The zero lower bound (ZLB) on nominal interest rates constrains central banks' capacity to respond to negative shocks in the real economy or to deflationary processes.[20] Prior to the crisis, ZLB episodes were not considered to be of practical relevance. The structural models of the US economy and the shocks observed in the past suggest that simple monetary policy rules with a 2% inflation target ensured that federal fund rates only hit zero on a small number of occasions and that these episodes were short-lived. However, keeping rates near zero for an extended period, partly as a result of the lower natural interest rate mentioned earlier, has called past findings into question and makes it

18 In his February 2005 testimony before the Committee on Banking, Housing, and Urban Affairs of the U.S. Senate, Federal Reserve Chairman A. Greenspan observed that long-term rates had trended lower despite the 150-bp rise in the FOMC's target for the federal funds rate. Rejecting a variety of possible explanations for the behaviour as implausible he called it a "conundrum".

19 The term premium is defined as the compensation agents demand to invest in a fixed income security over a long period rather than investing in shorter-term instruments (and reinvesting over the remaining maturity of the longer-term instrument). Chart 6 gives the breakdown by Adrian, Crump and Moench (2014). The premium can take negative values, which would represent the case of an investor with a strong preference for guaranteeing a yield over a long period of time and avoiding the risk of reinvesting at a lower yield.

20 In reality the concept of effective lower bound (ELB) has come to be used instead of ZLB, as in recent years several central banks, including the ECB, have situated their official interest rate in negative territory, demonstrating that the cost of holding cash is greater than previously thought. Moreover, in its 2016 stress test exercise the Federal Reserve included a scenario in which three-month interest rates were held at -50bp for an extended period of time.

conceivable that ZLB episodes could become more frequent and longer-lasting [Chung *et al.* (2011)].

A context of heightened uncertainty, with a negative output gap, inflation persistently below its target, and official interest rates close to the ZLB, such as that currently characterising the United States, makes a monetary policy advisable that is more accommodative than in other circumstances, given the asymmetry of its effectiveness. This is particularly true against the backdrop of inflation expectations that are near all-time lows.[21] Under these circumstances there is more room to respond to inflationary pressures (by tightening monetary policy) than deflationary pressures, as at the ZLB unconventional measures may not be perfect substitutes for interest rate policies. Indeed, the costs and benefits of unconventional instruments are uncertain and their effect seems to diminish as the balance sheet grows or the longer rates remain close to the ZLB [see, for example, Engen *et al.* (2015)]. Therefore, a comparative delay in raising interest rates would lead to higher economic activity and inflation than with a Taylor rule that did not take this uncertainty into account [Evans *et al.* (2015)].

CYCLICAL DIFFERENCES BETWEEN ECONOMIES, SPILLOVERS AND SPILLBACKS

One final point to note is the lack of synchronisation between the economic cycles in the main developed economies, which has resulted in a divergence between their monetary policy stances. Thus, while monetary policy has begun to be tightened in the United States, over the past two years it has remained more expansionary in the euro area and Japan. These differences correspond to rates of growth of over 2% in the United States, making it possible to return to pre-crisis levels of economic activity, whereas in Japan growth has been weaker, with wide fluctuations, and in the euro area the scenario remains one of moderate recovery, but with unemployment still high relative to levels that are considered neutral.

The United States is a core part of the international financial system and the dollar's reserve currency role means that US monetary policy influences financial variables worldwide. US monetary policy therefore has a clear spillover effect as it influences the global financial cycle [Rey (2013)], and this also applies in the case of unconventional measures. By the same token, the international situation also influences the US economy, making it an indirect route of transmission of the impact of the Fed's monetary policy decisions (rebound or spillback effects). Thus, according to the IMF, the expansionary measures in the euro area in 2014-2015 and the worsening of its growth outlook exerted downward pressure on long-term interest rates in the United States, through flows into the US public debt market [IMF (2015)].

US monetary policy decisions are also bound up with developments in the emerging economies. For example, the 2013 'taper tantrum' affected global financial markets, and in particular those of developing countries, delaying the start of the reduction in asset purchases by the Fed until 2014. More recently, one of the main reasons why the expected interest rate rise in the United States was delayed until December 2015 was the uncertainty over the global environment, and its impact on the dollar exchange rate, which arose mid-year due to the doubts over growth in emerging economies, and particularly China. There was also a further drop in the oil price, which caused significant market turbulence, all of which influenced FOMC decisions. Indeed, tightening of monetary policy in the United States could produce spillback effects via China if a rising dollar exchange rate pulls up the renminbi with it, resulting in a sharper slowdown in the Chinese economy. However, recent reforms made in China's exchange rate regime lessen this possibility.

21 See Alichi *et al.* (2015) and Curdia (2016).

Challenges, outlook and risks of the current process of monetary policy normalisation in the United States

The current process of monetary tightening in the United States is facing challenges that did not arise in previous cycles. The fact that the change in the monetary cycle is taking place as the economy emerges from a financial crisis on the scale of the global financial crisis is one of them. As mentioned, there are difficulties measuring the strength of the recovery in both the financial sector and real economy, particularly in the case of the labour market. Moreover, as the official interest rate is close to zero and inflation expectations near record lows, the asymmetric nature of the risks faced by monetary policy needs to be taken into account.

The FOMC has indicated that it will maintain an expansionary stance for some considerable time, during which the real interest rate will remain below the equilibrium rate. It also forecasts a path of rate hikes lasting significantly longer than in previous cycles. Although there was an improvement in the macroeconomic situation in 2016, in particular in the US labour market, in the external environment there are still doubts about China's growth and, since 23 June, there has been uncertainty surrounding the implications of the United Kingdom's exit from the EU.

Indeed, financial markets are discounting a markedly slower cycle of rate rises for federal funds rates than projected by members of the FOMC (Chart 6.2). So far, the markets have tended to be proven right in this divergence in opinion, which has been present throughout the current monetary policy normalisation cycle.[22] The risk of having to cope with a sudden and unexpected rise in long-term interest rates (mainly through a rise in the term premium) was one of the Federal Reserve's concerns in the wake of the financial crisis. Avoiding a 'taper tantrum' like that in 2013 demands an ongoing communication effort from the Federal Reserve on how the transition towards normalised monetary conditions will be implemented so as to reduce uncertainty, and above all, to avoid derailing the recovery.

22.9.2016.

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22 Some of the reasons given to explain this difference are: i) the chair of the Federal Reserve would forecast fewer rate increases than the median member of the FOMC, and the markets anticipate that the FOMC will end up converging on this position; ii) the FOMC attaches more importance to financial stability, which is exposed to more risks with low interest rates; iii) the FOMC members' projections consider the central scenario, while those of the markets take into account more negative scenarios with a probability higher than zero; and iv) the neutral rate of interest considered by the market would be lower than that considered by the FOMC.

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CONTENTS

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).

1 IMF Special Data Dissemination Standard (SDDS).

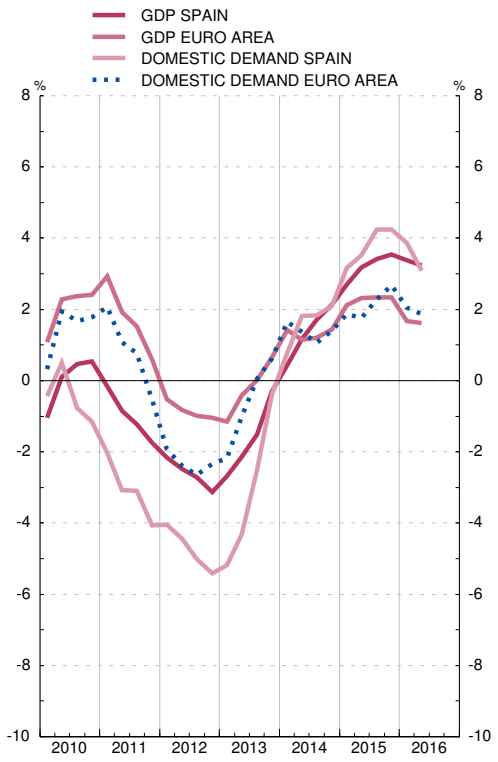
1.1. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES, REFERENCE YEAR 2010=100. DEMAND COMPONENTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

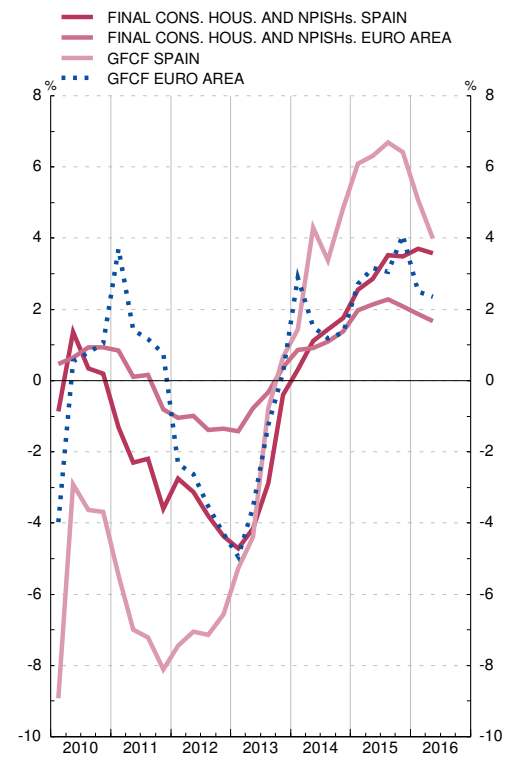
Annual percentage changes

		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) (c)	
		Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area (b)	Spain	Euro area (b)	Spain	Euro area
		1 ■	2 ■	3 ■	4 ■	5	6	7 ■	8 ■	9 ■	10 ■	11	12	13	14	15	16
13	P	-1.7	-0.2	-3.1	-0.5	-2.8	0.2	-2.5	-2.4	-3.1	-0.6	4.3	2.2	-0.3	1.4	1 031	9 885
14	P	1.4	1.3	1.2	1.1	-0.0	0.7	3.5	1.7	1.6	1.4	5.1	4.7	6.4	5.1	1 041	10 098
15	A	3.2	2.3	3.1	2.1	2.7	1.7	6.4	3.3	3.8	2.1	5.4	6.8	7.5	6.8	1 081	10 450
13 *Q3*	P	-1.5	0.0	-2.9	-0.3	-2.2	0.3	-0.8	-1.2	-2.5	0.1	3.6	1.9	0.6	2.2	257	2 478
Q4	P	-0.3	0.6	-0.4	0.4	-0.5	0.6	0.7	0.2	-0.4	0.6	3.5	3.3	3.6	3.4	258	2 489
14 *Q1*	P	0.4	1.4	0.3	0.9	-0.0	0.6	1.4	2.9	0.8	1.6	4.6	4.1	6.2	4.8	258	2 507
Q2	P	1.2	1.2	1.1	0.9	0.2	0.8	4.3	1.5	1.8	1.4	2.8	4.1	5.2	4.9	259	2 513
Q3	P	1.7	1.2	1.4	1.1	0.2	0.8	3.4	1.2	1.8	1.1	6.4	5.1	7.3	5.0	261	2 529
Q4	P	2.1	1.4	1.8	1.4	-0.5	0.7	4.9	1.4	2.1	1.4	6.5	5.5	6.8	5.8	263	2 548
15 *Q1*	A	2.7	2.1	2.5	2.0	1.5	1.4	6.1	2.7	3.2	1.9	5.8	7.6	7.6	7.5	266	2 586
Q2	A	3.2	2.3	2.9	2.1	2.5	1.6	6.3	3.2	3.5	1.8	6.0	7.7	7.4	6.8	269	2 602
Q3	A	3.4	2.3	3.5	2.3	3.0	1.6	6.7	3.1	4.3	2.3	4.5	6.3	7.2	6.6	272	2 619
Q4	A	3.5	2.3	3.5	2.1	3.7	2.2	6.4	4.1	4.3	2.7	5.3	5.5	7.7	6.5	274	2 643
16 *Q1*	A	3.4	1.7	3.7	1.9	2.4	2.0	5.1	2.5	3.9	2.1	3.8	2.3	5.4	3.2	275	2 660
Q2	A	3.2	1.6	3.6	1.7	0.1	1.8	4.0	2.4	3.1	1.9	6.8	2.2	6.6	2.8	279	2 674

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 2010) and Eurostat.

a. Seasonally- and working-day-adjusted series. Spain: prepared in accordance with ESA2010; Euro area, prepared in accordance with ESA2010.

b. Exports and imports comprise goods and services and include cross-border trade within the euro area.

c. Billions of euro.

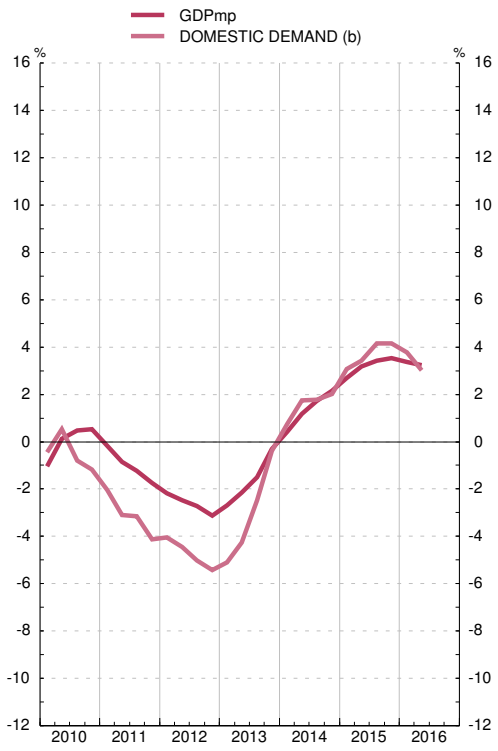
1.2. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2010=100. DEMAND COMPONENTS. SPAIN: BREAKDOWN (a)

■ Series depicted in chart.

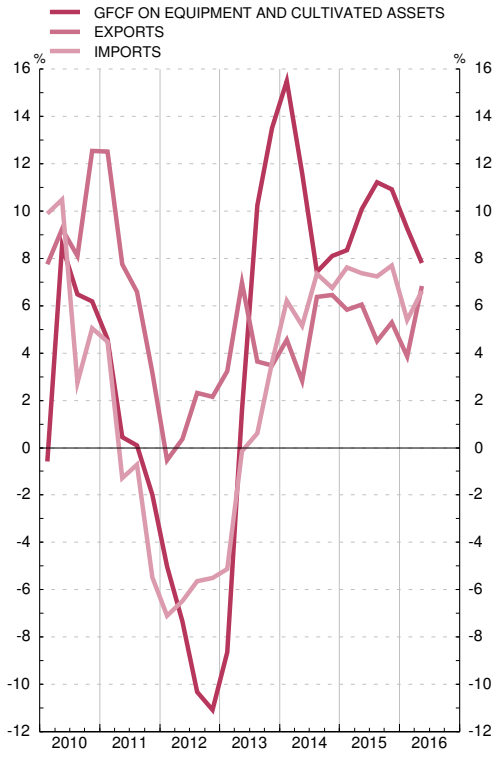
Annual percentage changes

		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)	GDP
			Total	Construction	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 ■
13	P	-2.5	-3.4	-7.1	3.9	2.9	-0.2	4.3	6.4	-0.6	3.3	-0.3	0.8	-5.7	1.3	-3.1	-1.7
14	P	3.5	3.7	-0.2	10.5	2.1	0.3	5.1	4.5	6.4	4.3	6.4	6.7	4.5	8.4	1.6	1.4
15	A	6.4	7.2	5.3	10.2	1.8	0.1	5.4	4.9	6.7	3.6	7.5	7.4	8.1	12.8	3.7	3.2
13 *Q3*	P	-0.8	-1.5	-7.5	10.2	3.7	-0.3	3.6	5.5	-0.8	2.7	0.6	2.4	-8.0	3.0	-2.5	-1.5
Q4	P	0.7	-0.0	-6.9	13.5	4.8	-0.3	3.5	3.7	2.9	6.8	3.6	5.5	-5.4	8.4	-0.4	-0.3
14 *Q1*	P	1.4	1.0	-6.5	15.5	3.9	0.2	4.6	3.4	7.5	5.5	6.2	6.6	4.2	6.6	0.7	0.4
Q2	P	4.3	4.7	0.8	11.6	1.8	0.3	2.8	2.5	3.8	4.9	5.2	5.2	4.7	9.8	1.8	1.2
Q3	P	3.4	3.6	1.3	7.4	2.2	0.3	6.4	6.0	7.2	3.7	7.3	7.4	6.9	12.0	1.8	1.7
Q4	P	4.9	5.6	4.1	8.1	0.7	0.1	6.5	6.2	7.1	3.3	6.8	7.6	2.2	5.2	2.0	2.1
15 *Q1*	A	6.1	7.0	6.2	8.3	1.0	0.1	5.8	5.4	6.7	3.0	7.6	7.8	6.6	11.1	3.1	2.7
Q2	A	6.3	7.1	5.2	10.1	1.9	0.0	6.0	5.6	7.2	2.5	7.4	7.6	6.2	12.2	3.4	3.2
Q3	A	6.7	7.6	5.2	11.2	1.7	0.2	4.5	4.2	5.3	2.9	7.2	7.5	6.0	13.5	4.1	3.4
Q4	A	6.4	7.1	4.6	10.9	2.8	0.2	5.3	4.4	7.5	6.1	7.7	6.6	13.5	14.2	4.1	3.5
16 *Q1*	A	5.1	5.5	3.1	9.3	2.4	0.1	3.8	2.6	6.9	4.8	5.4	4.0	12.1	23.4	3.8	3.4
Q2	A	4.0	4.4	2.1	7.8	1.6	0.1	6.8	5.3	10.5	5.4	6.6	5.4	12.3	19.1	3.0	3.2

GDP. DOMESTIC DEMAND
Annual percentage changes



GDP. DEMAND COMPONENTS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2010).
a. Prepared in accordance with ESA2010, seasonally- and working-day-adjusted series.
b. Contribution to GDPmp growth rate.

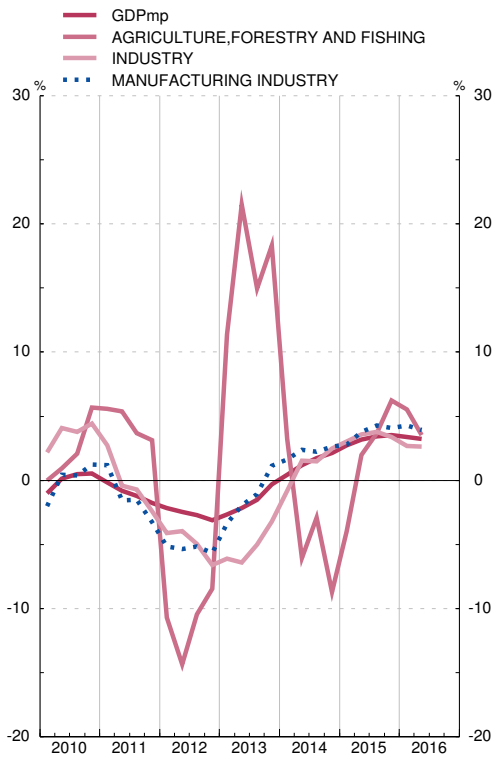
1.3. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2010=100. BRANCHES OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

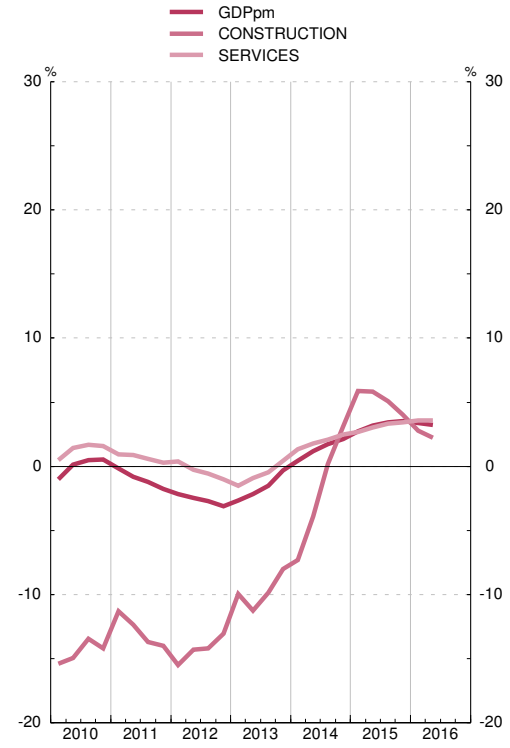
Annual percentage changes

		Gross domestic product at market prices	Agri-culture livestock breeding, forestry and fishing	Industry		Construc-tion industry	Services								Net taxes on products
				Total	Of which: Manufac-turing industry		Total	Trade, transport and acomoda-tion	Informa-tion and communi-cations	Financial and insurance activities	Real estate activities	Profes-sional activities	Public Ad-ministra-tion, Health and Education	Artistic, recreational and other services activities	
		1 ■	2 ■	3 ■	4 ■	5 ■	6 ■	7	8	9	10	11	12	13	14
13	P	-1.7	16.5	-5.2	-1.4	-9.8	-0.6	0.1	0.7	-7.8	1.6	-1.9	-1.1	-0.7	-2.9
14	P	1.4	-3.7	1.2	2.2	-2.1	1.9	3.2	4.7	-1.0	1.2	3.4	-0.4	4.4	0.8
15	A	3.2	1.9	3.4	3.7	5.2	3.1	4.8	4.7	-0.9	0.8	5.8	1.7	4.2	2.8
13 *Q3*	P	-1.5	15.0	-5.0	-1.1	-9.9	-0.5	0.4	0.4	-7.3	1.4	-2.0	-0.7	-0.6	-2.3
Q4	P	-0.3	18.3	-3.2	1.1	-8.0	0.4	1.7	2.6	-7.2	1.1	0.5	-0.7	1.4	-1.2
14 *Q1*	P	0.4	3.2	-0.8	1.6	-7.3	1.3	2.5	4.4	-1.8	1.1	1.1	-0.5	3.4	-0.4
Q2	P	1.2	-6.0	1.5	2.4	-3.9	1.8	3.1	4.3	-1.2	1.2	3.1	-0.5	4.4	0.8
Q3	P	1.7	-2.9	1.5	2.2	0.2	2.1	3.3	5.0	-0.6	1.3	4.1	-0.5	4.9	1.3
Q4	P	2.1	-8.7	2.5	2.6	3.1	2.5	4.0	5.0	-0.2	1.1	5.3	-0.2	5.0	1.7
15 *Q1*	A	2.7	-4.0	3.0	2.8	5.9	2.7	4.1	4.4	-2.3	1.0	6.2	0.9	4.5	2.3
Q2	A	3.2	2.0	3.6	3.8	5.8	3.0	4.6	5.0	-0.4	0.9	6.5	1.1	3.9	2.6
Q3	A	3.4	3.7	3.8	4.3	5.1	3.3	5.1	5.0	-1.1	0.7	5.7	2.2	4.0	2.7
Q4	A	3.5	6.2	3.4	4.1	4.0	3.4	5.3	4.6	0.2	0.8	4.9	2.4	4.5	3.6
16 *Q1*	A	3.4	5.5	2.7	4.3	2.8	3.6	4.9	6.0	2.2	0.8	5.6	2.3	4.5	3.0
Q2	A	3.2	3.5	2.6	3.9	2.2	3.6	5.2	5.2	-0.3	1.0	5.6	2.3	4.9	2.2

GDP. BRANCHES OF ACTIVITY
Annual percentage changes



GDP. BRANCHES OF ACTIVITY
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2010).
a. Prepared in accordance with ESA2010, seasonally- and working-day-adjusted series.

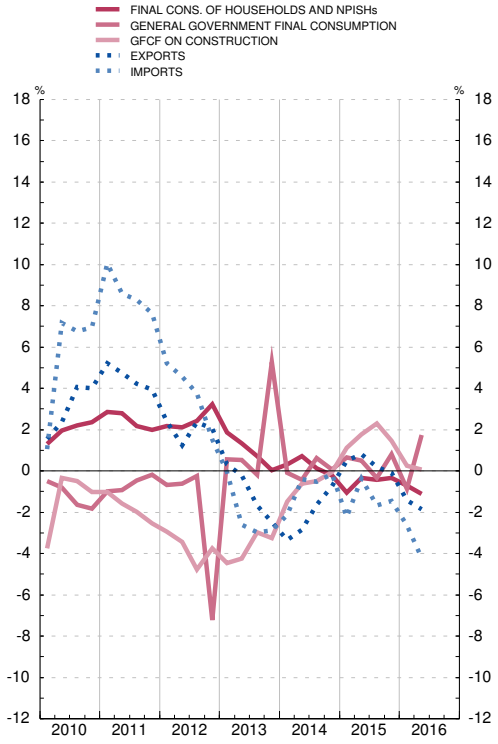
1.4. GROSS DOMESTIC PRODUCT. IMPLICIT DEFLATORS. SPAIN (a)

■ Series depicted in chart.

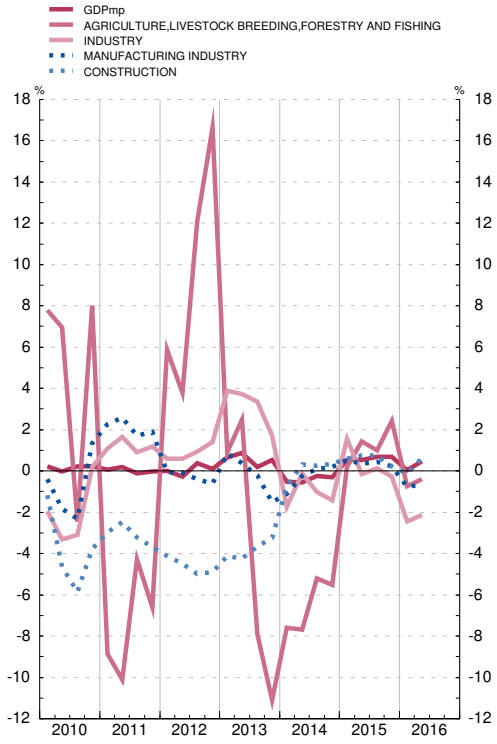
Annual percentage changes

		Demand components								Gross domestic product at market prices	Branches of activity										
		Final consumption of households and NPISHs	General government final consumption	Gross fixed capital formation				Exports of goods and services	Imports of goods and services		Agriculture, livestock breeding, forestry and fishing	Industry		Construction	Services						
				Total	Tangible fixed assets		Intangible fixed asstes					On which			Total	Trade, transport and accommodation	Information and communications	Financial and insurance activities	Real estate activities	Professional activities	Public administration, Health and Education	Artistic recreational and other services activities
					Construction	Equipment and cultivated assets						Total	Manufacturing industry								
		1 ■	2 ■	3	4 ■	5	6	7 ■	8 ■	9 ■	10 ■	11 ■	12 ■	13 ■	14	15	16	17	18	19	20	21
13	P	1.0	1.4	-2.9	-3.7	-3.2	0.9	-1.0	-2.1	0.6	-4.3	3.2	-0.1	-3.8	-0.4	-0.7	-4.9	-5.3	0.9	-0.1	1.5	-1.2
14	P	0.3	0.1	-0.4	-0.7	-0.3	0.1	-2.1	-0.8	-0.4	-6.5	-1.1	-0.3	0.0	-0.4	-1.1	-4.7	11.5	-0.6	-2.1	0.2	-1.1
15	A	-0.5	0.4	1.4	1.7	1.5	0.4	0.3	-1.4	0.6	1.3	0.3	0.4	0.6	0.2	0.2	-2.2	-2.5	-0.2	0.5	1.5	0.3
13 *Q3*	P	0.7	-0.2	-2.5	-3.0	-3.5	0.7	-1.7	-3.0	0.2	-7.9	3.4	-0.2	-3.7	-0.5	-0.8	-5.3	-2.0	1.1	0.0	0.2	-1.4
Q4	P	0.0	5.3	-2.5	-3.2	-3.0	0.3	-2.5	-2.9	0.5	-11.1	1.7	-1.5	-3.2	0.5	-1.9	-5.3	-1.9	0.6	-0.4	6.6	-1.8
14 *Q1*	P	0.3	-0.1	-1.1	-1.5	-0.8	-0.2	-3.3	-2.1	-0.5	-7.6	-1.7	-1.1	-0.7	-0.8	-1.1	-5.0	5.8	-0.3	-1.8	-0.3	-1.5
Q2	P	0.7	-0.4	-0.4	-0.6	-0.3	0.2	-2.8	-0.4	-0.5	-7.7	-0.1	-0.2	0.3	-0.2	-0.7	-4.1	9.2	-0.4	-2.5	0.4	-0.7
Q3	P	0.2	0.6	-0.2	-0.5	0.0	0.1	-1.6	-0.5	-0.2	-5.2	-1.0	0.1	0.3	-0.4	-1.2	-5.0	15.4	-1.0	-2.5	0.1	-1.0
Q4	P	-0.2	0.1	-0.0	-0.1	-0.0	0.3	-0.7	-0.1	-0.3	-5.5	-1.4	0.2	0.4	-0.2	-1.5	-4.9	15.9	-0.6	-1.6	0.5	-1.3
15 *Q1*	A	-1.0	0.7	0.8	1.1	0.5	0.5	0.5	-2.2	0.5	0.2	1.6	0.5	0.6	0.3	-0.3	-3.2	3.0	-0.3	0.0	2.0	0.1
Q2	A	-0.3	0.5	1.4	1.8	1.3	0.3	0.8	-0.4	0.5	1.4	-0.1	0.4	0.8	-0.3	0.0	-2.9	-4.2	-0.4	0.0	0.8	-0.2
Q3	A	-0.4	-0.3	1.9	2.3	1.8	0.8	0.2	-1.7	0.7	1.0	0.1	0.4	0.8	0.3	0.6	-1.3	-0.8	-0.1	0.8	0.5	0.6
Q4	A	-0.4	0.8	1.5	1.5	2.2	0.2	-0.1	-1.5	0.7	2.4	-0.3	0.2	0.2	0.5	0.5	-1.2	-7.4	-0.1	1.1	2.6	0.6
16 *Q1*	A	-0.7	-0.9	1.4	0.2	2.9	2.0	-1.4	-2.6	0.0	-0.7	-2.4	-0.8	-0.1	0.3	0.4	-0.5	1.5	0.2	0.5	-0.1	0.6
Q2	A	-1.1	1.7	0.6	0.1	1.3	0.5	-1.9	-4.2	0.5	-0.4	-2.1	-0.6	0.6	1.3	0.7	-0.1	5.1	0.4	1.0	2.5	1.1

GDP. IMPLICIT DEFLATORS
Annual percentage changes



GDP. IMPLICIT DEFLATORS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2010).
a. Prepared in accordance with ESA2010, seasonally and working-day-adjusted series.

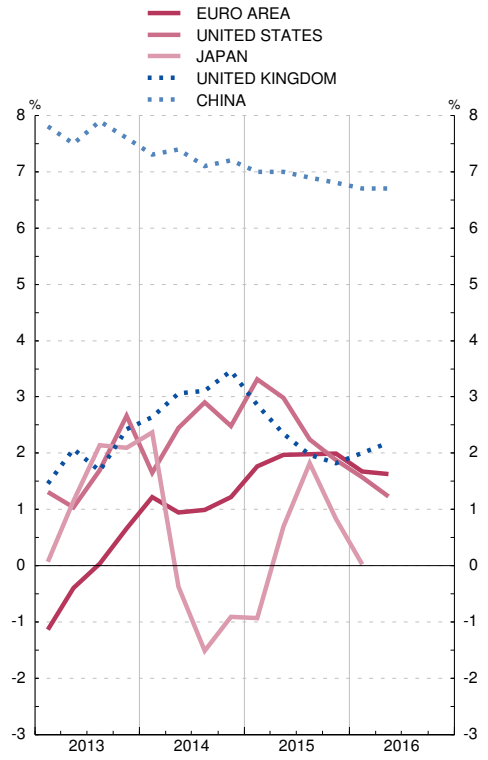
2.1. INTERNATIONAL COMPARISON. GROSS DOMESTIC PRODUCT AT CONSTANT PRICES

■ Series depicted in chart.

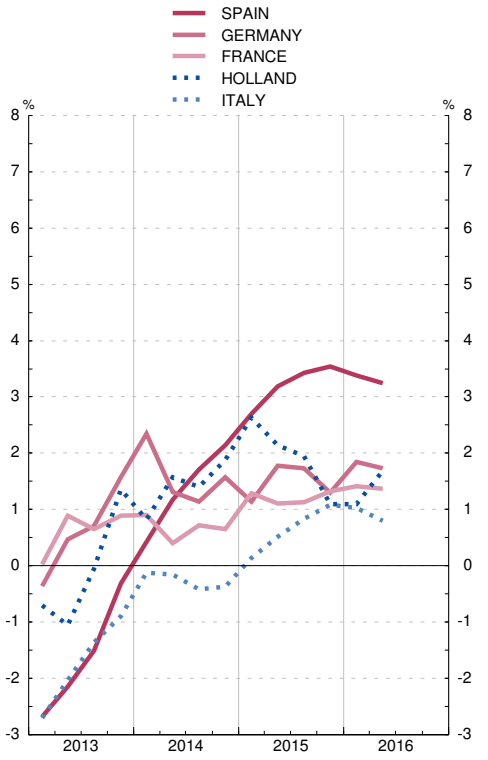
Annual percentage changes

	OCDE	European Union								United States	Japan	China
		Total UE	Euro area	Spain	Germany	France	Holland	Italy	United Kingdom			
	1	2	3 ■	4 ■	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■	11 ■	12 ■
13	1.2	0.3	-0.2	-1.7	0.6	0.6	-0.1	-1.8	1.9	1.7	1.4	7.7
14	1.9	1.6	1.1	1.4	1.6	0.7	1.4	-0.3	3.1	2.4	-0.1	7.3
15	2.2	2.1	1.9	3.2	1.5	1.2	2.0	0.6	2.2	2.6	0.6	6.9
13 *Q2*	0.9	0.1	-0.4	-2.1	0.5	0.9	-1.1	-2.0	2.1	1.0	1.1	7.5
Q3	1.4	0.4	0.0	-1.5	0.7	0.7	-0.0	-1.4	1.7	1.7	2.1	7.9
Q4	2.0	1.1	0.7	-0.3	1.6	0.9	1.4	-0.9	2.4	2.7	2.1	7.6
14 *Q1*	1.9	1.6	1.2	0.4	2.3	0.9	0.8	-0.1	2.6	1.6	2.4	7.3
Q2	1.9	1.5	0.9	1.2	1.3	0.4	1.6	-0.2	3.1	2.4	-0.4	7.4
Q3	1.9	1.5	1.0	1.7	1.1	0.7	1.4	-0.4	3.1	2.9	-1.5	7.1
Q4	1.9	1.7	1.2	2.1	1.6	0.6	1.9	-0.4	3.5	2.5	-0.9	7.2
15 *Q1*	2.3	2.1	1.8	2.7	1.1	1.3	2.6	0.1	2.9	3.3	-0.9	7.0
Q2	2.3	2.2	2.0	3.2	1.8	1.1	2.1	0.5	2.3	3.0	0.7	7.0
Q3	2.2	2.1	2.0	3.4	1.7	1.1	2.0	0.8	2.0	2.2	1.8	6.9
Q4	2.0	2.1	2.0	3.5	1.3	1.3	1.1	1.1	1.8	1.9	0.8	6.8
16 *Q1*	1.7	1.9	1.7	3.4	1.8	1.4	1.1	1.0	2.0	1.6	0.0	6.7
Q2	...	1.8	1.6	3.2	1.7	1.4	1.7	0.8	2.2	1.2	...	6.7

GROSS DOMESTIC PRODUCT
Annual percentage changes



GROSS DOMESTIC PRODUCT
Annual percentage changes



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

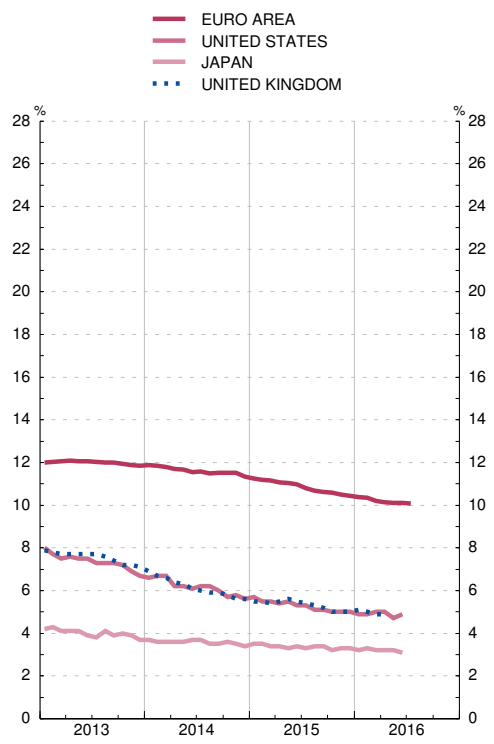
2.2. INTERNATIONAL COMPARISON. UNEMPLOYMENT RATES

■ Series depicted in chart.

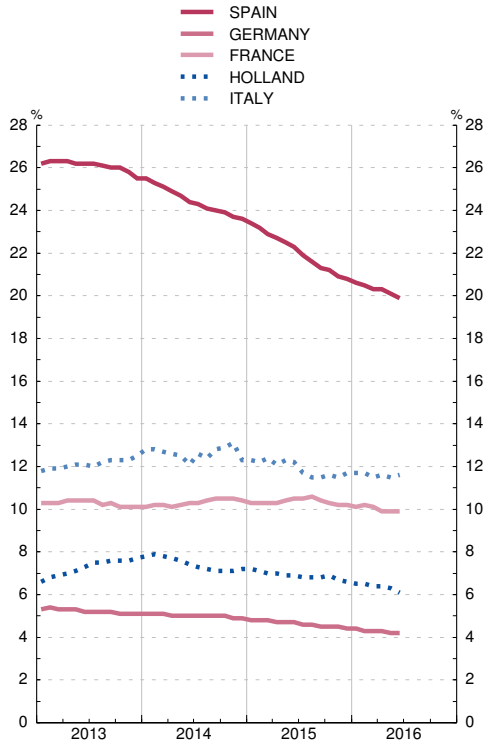
Percentages

	OCDE	European Union								United States	Japan
		Total EU	Euro area	Spain	Germany	France	Holland	Italy	United Kingdom		
	1	2	3 ■	4 ■	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■	11 ■
13	7.9	10.8	12.0	26.1	5.2	10.3	7.3	12.1	7.6	7.4	4.0
14	7.4	10.2	11.6	24.5	5.0	10.3	7.4	12.6	6.1	6.2	3.6
15	6.8	9.4	10.9	22.1	4.6	10.4	6.9	11.9	5.3	5.3	3.4
15 *Jan*	7.0	9.8	11.2	23.4	4.8	10.3	7.2	12.3	5.5	5.7	3.5
Feb	7.0	9.7	11.2	23.2	4.8	10.3	7.1	12.2	5.5	5.5	3.5
Mar	6.9	9.7	11.2	22.9	4.8	10.3	7.0	12.4	5.4	5.5	3.4
Apr	6.9	9.6	11.1	22.7	4.7	10.3	7.0	12.1	5.5	5.4	3.4
May	6.9	9.6	11.0	22.5	4.7	10.4	6.9	12.3	5.6	5.5	3.3
Jun	6.8	9.5	11.0	22.3	4.7	10.5	6.9	12.2	5.5	5.3	3.4
Jul	6.8	9.4	10.8	21.9	4.6	10.5	6.8	11.7	5.4	5.3	3.3
Aug	6.7	9.3	10.7	21.6	4.6	10.6	6.8	11.5	5.3	5.1	3.4
Sep	6.6	9.2	10.6	21.3	4.5	10.4	6.8	11.5	5.2	5.1	3.4
Oct	6.6	9.1	10.6	21.2	4.5	10.3	6.9	11.6	5.0	5.0	3.2
Nov	6.5	9.0	10.5	20.9	4.5	10.2	6.7	11.5	5.0	5.0	3.3
Dec	6.6	9.0	10.5	20.8	4.4	10.2	6.6	11.7	5.0	5.0	3.3
16 *Jan*	6.5	8.9	10.4	20.6	4.4	10.1	6.5	11.7	5.1	4.9	3.2
Feb	6.5	8.9	10.3	20.5	4.3	10.2	6.5	11.7	5.0	4.9	3.3
Mar	6.4	8.7	10.2	20.3	4.3	10.1	6.4	11.5	4.9	5.0	3.2
Apr	6.4	8.7	10.2	20.3	4.3	9.9	6.4	11.6	4.9	5.0	3.2
May	6.3	8.6	10.1	20.1	4.2	9.9	6.3	11.5	...	4.7	3.2
Jun	6.3	8.6	10.1	19.9	4.2	9.9	6.1	11.6	...	4.9	3.1

UNEMPLOYMENT RATES



UNEMPLOYMENT RATES



Source: OECD.

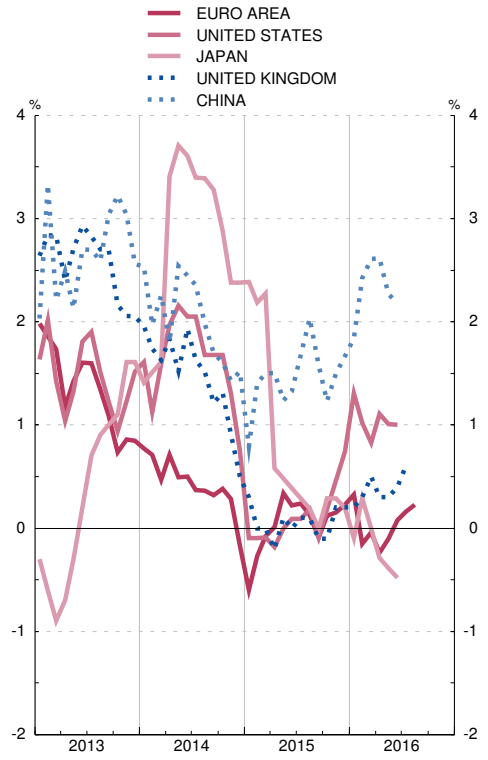
2.3. INTERNATIONAL COMPARISON. CONSUMER PRICES (a)

■ Series depicted in chart.

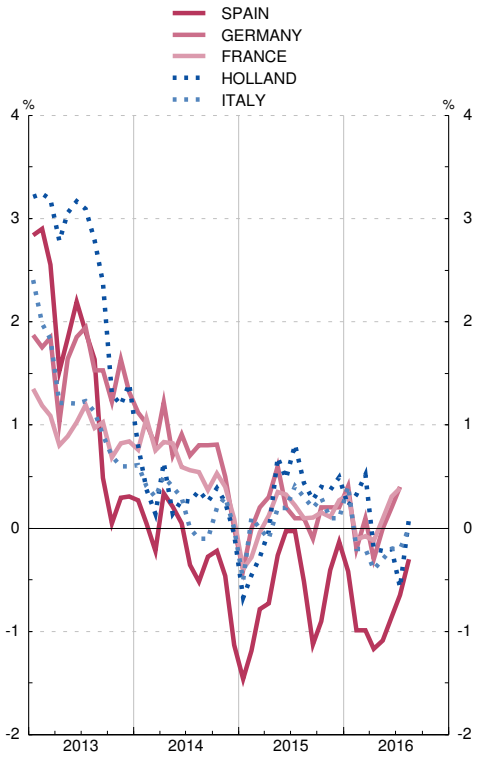
Annual percentage changes

	OCDE	European Union								United States	Japan	China
		Total EU	Euro area	Spain	Germany	France	Holland	Italy	United Kingdom			
	1	2	3 ■	4 ■	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■	11 ■	12 ■
13	1.6	1.5	1.4	1.5	1.6	1.0	2.6	1.2	2.6	1.5	0.4	2.7
14	1.7	0.5	0.4	-0.2	0.8	0.6	0.3	0.2	1.5	1.6	2.8	2.0
15	0.6	-0.0	0.0	-0.6	0.1	0.1	0.2	0.1	0.1	0.1	0.8	1.5
15 *Mar*	0.6	-0.1	-0.1	-0.8	0.2	-0.0	-0.3	-	-	-0.1	2.3	1.5
Apr	0.5	-0.0	0.0	-0.7	0.3	0.1	-0.0	-0.1	-0.2	-0.2	0.6	1.5
May	0.6	0.3	0.3	-0.3	0.6	0.3	0.7	0.2	0.1	-	0.5	1.2
Jun	0.5	0.1	0.2	-0.0	0.2	0.3	0.5	0.2	-	0.1	0.4	1.3
Jul	0.6	0.2	0.2	-0.0	0.1	0.2	0.8	0.4	0.1	0.1	0.3	1.7
Aug	0.6	0.0	0.1	-0.5	0.1	0.1	0.4	0.3	0.1	0.2	0.2	2.0
Sep	0.5	-0.1	-0.1	-1.1	-0.1	0.1	0.3	0.2	-0.1	-0.1	-	1.6
Oct	0.5	0.0	0.1	-0.9	0.2	0.2	0.4	0.3	-0.1	0.2	0.3	1.2
Nov	0.7	0.1	0.1	-0.4	0.2	0.1	0.4	0.1	0.2	0.5	0.3	1.5
Dec	0.8	0.2	0.2	-0.1	0.2	0.3	0.5	0.1	0.2	0.7	0.2	1.7
16 *Jan*	1.1	0.3	0.3	-0.4	0.4	0.3	0.2	0.4	0.2	1.3	-0.1	1.8
Feb	0.9	-0.1	-0.2	-1.0	-0.2	-0.1	0.3	-0.2	0.3	1.0	0.3	2.4
Mar	0.8	-0.0	-0.0	-1.0	0.1	-0.1	0.5	-0.2	0.5	0.8	-	2.6
Apr	0.8	-0.2	-0.2	-1.2	-0.3	-0.1	-0.2	-0.4	0.3	1.1	-0.3	2.6
May	0.7	-0.1	-0.1	-1.1	-	0.1	-0.2	-0.3	0.3	1.0	-0.4	2.3
Jun	0.8	0.1	0.1	-0.9	0.2	0.3	-0.2	-0.2	0.4	1.0	-0.5	2.2
Jul	...	0.2	0.2	-0.7	0.4	0.4	-0.6	-0.2	0.6	...	...	...
Aug	...	...	0.2	-0.3	...	...	0.1	-	...	...	...	...

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 Statistical Bulletin.
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

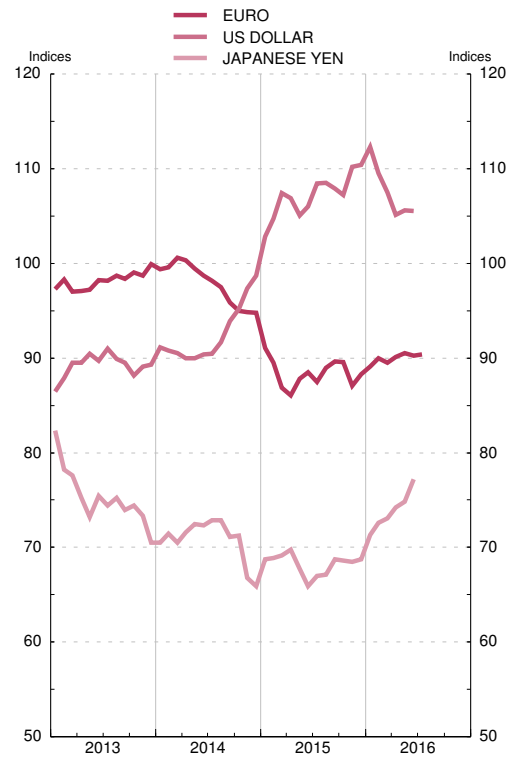
■ Series depicted in chart.

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
13	1.3281	129.69	97.64	101.2	79.5	106.8	98.2	89.2	75.3	96.7	98.2	72.1
14	1.3286	140.38	105.87	101.8	82.3	98.8	97.8	92.5	70.8	96.8	101.4	68.4
15	1.1095	134.29	121.06	92.3	95.7	94.6	88.4	107.1	68.2	89.1	112.6	65.5
15 *J-A*	1.1134	134.73	121.03	92.1	94.8	94.2	88.3	106.2	68.0	88.9	112.3	65.4
16 *J-A*	1.1151	121.93	109.39	94.6	95.3	105.5	90.0	107.6	73.9	91.1	110.3	69.9
15 *Jun*	1.1213	138.74	123.73	92.3	94.4	91.7	88.5	106.0	65.9	89.2	112.6	63.5
Jul	1.0996	135.68	123.40	91.3	96.4	93.1	87.5	108.5	67.0	88.3	114.5	64.2
Aug	1.1139	137.12	123.13	93.0	96.6	93.0	89.0	108.5	67.1	89.9	114.1	64.0
Sep	1.1221	134.85	120.18	93.8	96.3	95.2	89.7	107.9	68.7	90.7	112.3	65.8
Oct	1.1235	134.84	120.02	93.6	95.7	95.1	89.6	107.2	68.6	90.5	111.6	65.6
Nov	1.0736	131.60	122.58	91.1	98.5	95.1	87.1	110.2	68.4	88.1	114.6	65.7
Dec	1.0877	132.36	121.69	92.5	98.8	95.4	88.3	110.4	68.8	89.3	113.9	66.0
16 *Jan*	1.0860	128.32	118.17	93.6	99.8	98.9	89.1	112.3	71.3	90.2	114.4	67.7
Feb	1.1093	127.35	114.81	94.7	97.6	100.8	90.0	109.5	72.6	91.4	111.5	68.9
Mar	1.1100	125.39	112.97	94.1	96.0	102.0	89.5	107.5	73.0	90.7	110.4	69.4
Apr	1.1339	124.29	109.61	94.8	93.6	103.9	90.1	105.1	74.2	91.4	108.1	70.3
May	1.1311	123.21	108.95	95.1	93.8	104.8	90.5	105.6	74.8	91.7	108.6	70.6
Jun	1.1229	118.45	105.48	94.7	93.6	108.7	90.2	105.6	77.2	91.3	109.0	72.9
Jul	1.1069	115.25	104.13	94.9	94.8	111.2	90.4	...	...	91.4	...	...
Aug	1.1212	113.49	101.23	95.2	93.6	113.7	...	...	...	...	...	...

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.

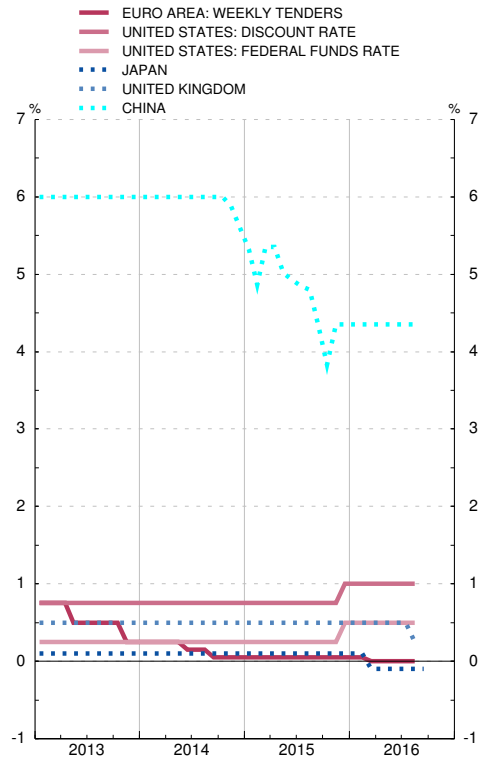
2.5. CENTRAL BANK INTERVENTION INTEREST RATES AND SHORT-TERM DOMESTIC MARKET INTEREST RATES

■ Series depicted in chart.

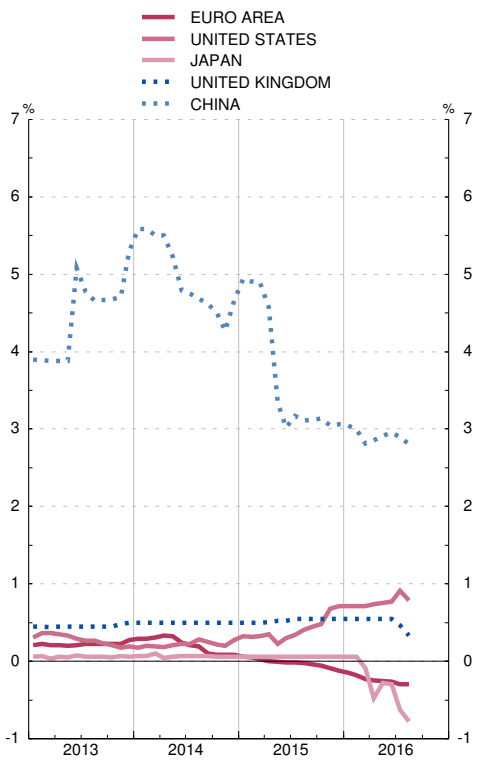
Percentages

	Official intervention interest rates						3-month interbank rates					
	Euro area	United States		Japan	United Kingdom	China	OECD	Euro area	United States	Japan	United Kingdom	China
		Discount rate	Federal funds rate									
	(a)			(b)	(c)	(a)						
	1 ■	2 ■	3 ■	4 ■	5 ■	6 ■	7	8 ■	9 ■	10 ■	11 ■	12 ■
13	0.25	0.75	0.25	0.10	0.50	6.00	0.48	0.22	0.28	0.06	0.51	4.44
14	0.05	0.75	0.25	0.10	0.50	5.60	0.42	0.21	0.22	0.07	0.54	4.97
15	0.05	1.00	0.50	0.10	0.50	4.35	0.37	-0.02	0.41	0.06	0.57	3.69
15 *Mar*	0.05	0.75	0.25	0.10	0.50	5.35	0.36	0.03	0.33	0.06	0.56	4.90
Apr	0.05	0.75	0.25	0.10	0.50	5.35	0.36	0.00	0.35	0.06	0.57	4.57
May	0.05	0.75	0.25	0.10	0.50	5.02	0.31	-0.01	0.23	0.06	0.57	3.35
Jun	0.05	0.75	0.25	0.10	0.50	4.93	0.33	-0.01	0.30	0.06	0.57	3.02
Jul	0.05	0.75	0.25	0.10	0.50	4.85	0.34	-0.02	0.34	0.06	0.58	3.17
Aug	0.05	0.75	0.25	0.10	0.50	4.80	0.37	-0.03	0.41	0.06	0.59	3.11
Sep	0.05	0.75	0.25	0.10	0.50	4.32	0.37	-0.04	0.45	0.06	0.59	3.12
Oct	0.05	0.75	0.25	0.10	0.50	3.83	0.38	-0.05	0.48	0.06	0.58	3.14
Nov	0.05	0.75	0.25	0.10	0.50	4.35	0.47	-0.09	0.68	0.06	0.57	3.04
Dec	0.05	1.00	0.50	0.10	0.50	4.35	0.46	-0.13	0.71	0.06	0.58	3.06
16 *Jan*	0.05	1.00	0.50	0.10	0.50	4.35	0.46	-0.15	0.71	0.06	0.59	3.05
Feb	0.05	1.00	0.50	0.10	0.50	4.35	0.46	-0.18	0.71	0.06	0.59	3.00
Mar	-	1.00	0.50	-0.10	0.50	4.35	0.43	-0.23	0.71	-0.09	0.59	2.81
Apr	-	1.00	0.50	-0.10	0.50	4.35	0.40	-0.25	0.74	-0.48	0.59	2.86
May	-	1.00	0.50	-0.10	0.50	4.35	0.44	-0.26	0.76	-0.28	0.59	2.92
Jun	-	1.00	0.50	-0.10	0.50	4.35	0.45	-0.27	0.77	-0.30	0.57	2.95
Jul	-	1.00	0.50	-0.10	0.50	4.35	0.48	-0.29	0.91	-0.63	0.51	2.90
Aug	-	1.00	0.50	-0.10	0.25	4.35	0.74	-0.30	0.78	-0.77	0.41	2.81

OFFICIAL INTERVENTION INTEREST RATES



3-MONTH INTERBANK RATES



Sorces: ECB, Reuters, Datastream and BE.

Notes:

a. Main refinancing operations.

b. Target policy rate.

c. Retail bank base rate.

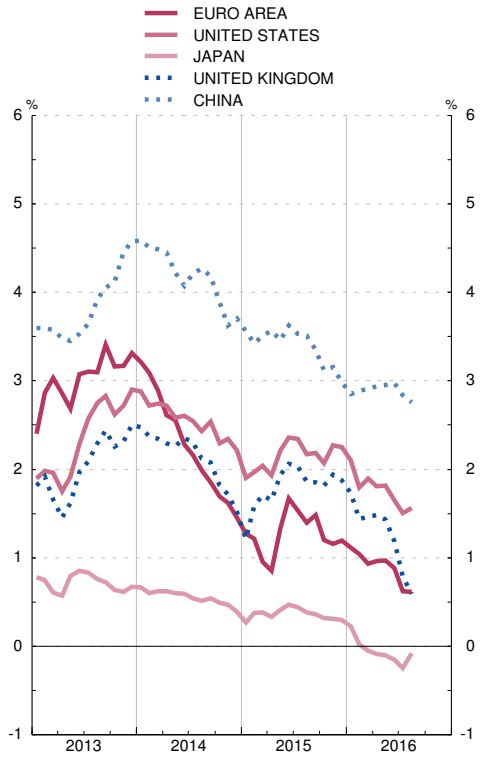
2.6. 10-YEAR GOVERNMENT BOND YIELDS ON DOMESTIC MARKETS

■ Series depicted in chart.

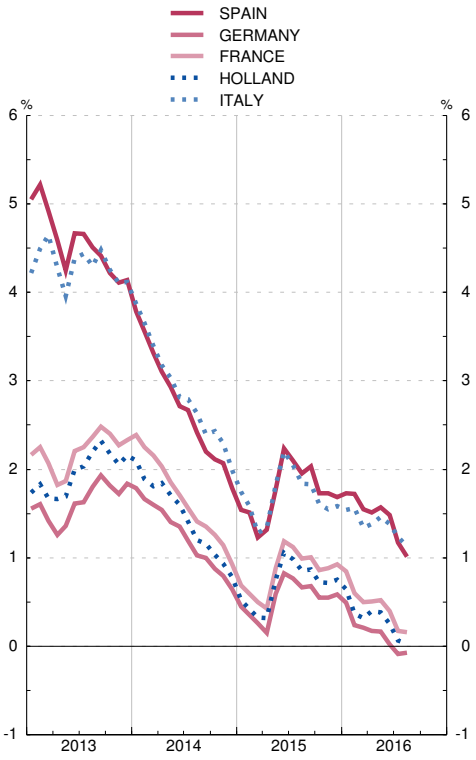
Percentages

	OCDE	European Union								United States	Japan	China
		Total EU	Euro area	Spain	Germany	France	Holland	Italy	United Kingdom			
	1	2	3 ■	4 ■	5 ■	6 ■	7 ■	8 ■	9 ■	10 ■	11 ■	12 ■
13	2.44	2.79	3.01	4.56	1.57	2.20	1.96	4.31	2.03	2.35	0.72	3.83
14	2.26	2.11	2.28	2.72	1.16	1.66	1.45	2.89	2.14	2.55	0.55	4.18
15	1.72	1.31	1.27	1.74	0.50	0.84	0.69	1.71	1.79	2.14	0.36	3.40
15 *Mar*	1.56	1.02	0.96	1.23	0.23	0.51	0.33	1.29	1.71	2.04	0.38	3.51
Apr	1.49	0.99	0.85	1.31	0.12	0.44	0.31	1.36	1.65	1.93	0.33	3.57
May	1.80	1.41	1.34	1.77	0.56	0.89	0.75	1.81	1.94	2.21	0.41	3.46
Jun	1.98	1.68	1.67	2.23	0.79	1.20	1.05	2.20	2.06	2.36	0.47	3.63
Jul	1.88	1.47	1.53	2.10	0.71	1.11	0.99	2.04	2.03	2.34	0.44	3.53
Aug	1.77	1.45	1.39	1.95	0.61	1.01	0.85	1.84	1.86	2.17	0.39	3.51
Sep	1.78	1.44	1.48	2.03	0.65	1.00	0.87	1.92	1.85	2.18	0.36	3.35
Oct	1.66	1.29	1.20	1.73	0.52	0.87	0.73	1.70	1.81	2.07	0.32	3.12
Nov	1.77	1.31	1.16	1.73	0.52	0.88	0.72	1.57	1.94	2.27	0.31	3.15
Dec	1.77	1.34	1.19	1.69	0.55	0.93	0.75	1.58	1.87	2.25	0.30	2.98
16 *Jan*	1.66	1.27	1.11	1.73	0.43	0.84	0.65	1.53	1.73	2.10	0.22	2.85
Feb	1.43	1.10	1.04	1.72	0.17	0.59	0.37	1.56	1.44	1.79	0.02	2.89
Mar	1.44	1.00	0.93	1.55	0.17	0.51	0.32	1.38	1.46	1.89	-0.06	2.91
Apr	1.40	1.01	0.96	1.51	0.13	0.51	0.40	1.44	1.48	1.81	-0.09	2.94
May	1.40	1.00	0.97	1.57	0.13	0.51	0.38	1.53	1.43	1.81	-0.10	2.95
Jun	1.26	0.87	0.88	1.48	-0.02	0.39	0.25	1.45	1.18	1.65	-0.16	2.97
Jul	1.08	0.65	0.62	1.17	-0.15	0.17	0.06	1.23	0.79	1.50	-0.25	2.84
Aug	1.10	0.58	0.61	1.01	-0.13	0.15	0.03	1.18	0.59	1.56	-0.08	2.75

10-YEAR GOVERNMENT BOND YIELDS



10-YEAR GOVERNMENT BOND YIELDS



Sources: ECB, Reuters and BE.

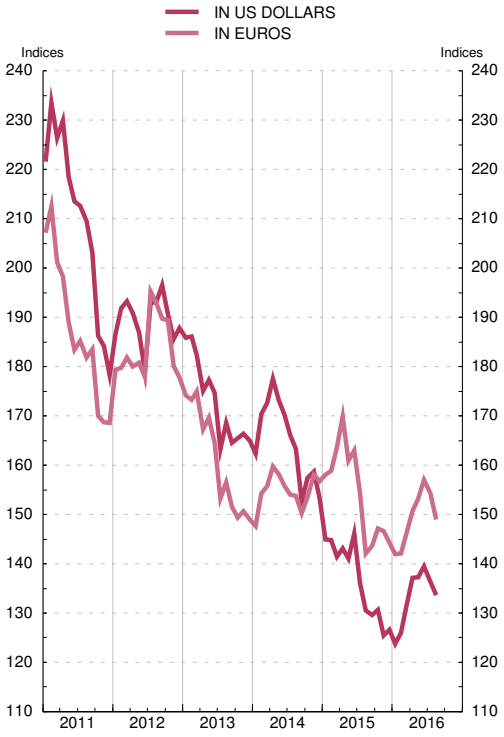
2.7 INTERNATIONAL MARKETS. NON-ENERGY COMMODITIES PRICE INDEX. CRUDE OIL AND GOLD PRICE.

■ Series depicted in chart.

Base 2000 = 100

	Non-energy commodity price index (a)						Oil		Gold		
	Euro index	US dollar index						Brent North sea			
	General	General	Food	Industrial products			Index (b)	US dollars per barrel	Index (c)	US dollars per troy ounce	Euro per gram
				Total	Non-food agricultural products	Metals					
	1 ■	2 ■	3 ■	4 ■	5	6	7 ■	8	9 ■	10	11
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
14	154.8	164.8	185.6	143.1	141.6	143.7	340.6	99.3	453.9	1 266.1	30.64
15	154.3	136.6	156.3	116.1	115.7	116.3	179.7	52.1	415.7	1 159.7	33.60
15 *J-A*	158.8	140.9	159.7	121.4	119.3	122.3	193.1	56.0	424.6	1 184.6	34.21
16 *J-A*	149.4	133.2	155.2	110.3	117.6	107.2	...	40.9	447.9	1 249.5	36.04
15 *Jul*	154.4	136.1	158.0	113.4	115.0	112.7	192.8	56.5	405.1	1 130.0	33.01
Aug	142.1	130.5	151.7	108.3	110.8	107.3	161.9	46.4	400.6	1 117.5	32.27
Sep	143.6	129.6	150.6	107.7	107.9	107.7	163.9	47.4	403.1	1 124.5	32.22
Oct	147.1	130.7	151.9	108.7	108.9	108.6	166.3	48.0	415.5	1 159.1	33.19
Nov	146.6	125.4	148.9	101.0	107.5	98.2	152.8	43.6	389.7	1 087.1	32.54
Dec	144.3	126.6	147.4	104.9	109.9	102.7	129.5	38.1	383.2	1 068.9	31.54
16 *Jan*	141.9	123.8	145.5	101.3	106.4	99.2	106.0	30.8	392.9	1 096.2	32.49
Feb	142.1	126.0	145.2	106.0	108.2	105.1	110.0	31.9	430.6	1 201.2	34.79
Mar	146.4	131.7	153.4	109.2	116.6	106.0	132.2	38.0	445.7	1 243.3	36.06
Apr	150.7	137.1	158.9	114.4	123.9	110.3	144.3	41.0	444.2	1 239.1	35.21
May	153.3	137.3	164.4	109.1	117.9	105.4	162.9	46.8	450.9	1 257.9	35.81
Jun	157.0	139.5	166.1	111.9	118.9	108.9	168.9	47.8	457.3	1 275.8	36.53
Jul	154.3	136.3	155.8	116.0	125.9	111.7	156.6	44.6	480.4	1 340.3	38.85
Aug	149.0	133.6	152.2	114.3	122.6	110.7	...	45.5	480.1	1 339.4	38.47

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

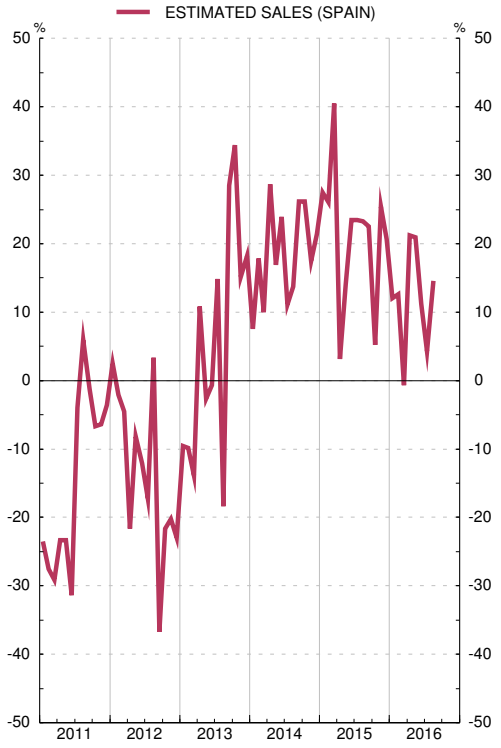
■ Series depicted in chart.

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 19 registrations	General retail trade index	General index without petrol stations						
												of which		Large retail outlets	Large chain stores	Small chain stores	Single-outlet retailers	Memorandum item: euro area 19 (Annual percentage changes, adjusted by working days)
		Confidence indicator	General economic situation: anticipated trend	Household economic situation: anticipated trend		Consumer confidence indicator	Retail trade confidence indicator					Total	Food					
		1 ■	2	3	4	5 ■	6	7	8 ■	9	10	11	12	13	14	15	16	17
13		-25.3	-19.3	-12.1	-10.1	-18.8	-12.2	4.5	3.3	-3.8	84.2	84.6	91.5	80.9	96.7	80.8	79.7	-0.8
14		-8.9	4.2	-1.4	6.7	-10.2	-3.1	19.9	18.3	3.9	84.9	85.3	92.2	81.9	97.2	81.9	79.7	1.6
15	P	0.3	15.1	5.8	14.1	-6.2	1.6	22.9	20.9	8.9	87.9	87.9	92.7	85.5	101.4	83.4	82.0	2.7
15 *J-A*	P	0.2	14.7	4.9	13.8	-6.0	-0.0	23.9	22.3	8.3	85.9	85.8	90.8	82.1	98.9	81.9	80.6	2.8
16 *J-A*	P	-3.5	3.6	3.3	12.7	-8.1	1.5	...	11.3	...	...	...	...	...	...	...	...	...
15 *Sep*	P	-2.7	11.0	5.6	11.3	-7.0	4.3	27.2	22.5	9.8	87.1	86.9	91.7	82.1	99.9	81.5	82.9	3.5
Oct	P	-1.2	14.9	6.9	15.0	-7.5	6.5	8.1	5.2	5.8	89.5	89.3	94.7	82.9	105.9	83.9	83.5	2.5
Nov	P	0.6	16.3	7.5	15.7	-5.9	5.8	27.7	25.4	11.0	85.3	85.1	88.6	83.5	97.7	80.2	79.6	2.0
Dec	P	5.4	21.5	10.1	17.0	-5.7	2.9	22.7	20.7	13.7	106.1	107.0	110.9	120.7	122.1	100.0	93.7	2.7
16 *Jan*	P	-1.0	9.7	4.3	16.8	-6.3	2.7	14.7	12.1	10.9	92.2	92.4	86.4	99.4	105.2	88.3	82.7	2.3
Feb	P	-1.4	8.9	5.1	14.3	-8.8	1.3	14.9	12.6	10.4	81.4	80.8	85.0	74.1	92.8	74.9	78.2	2.9
Mar	P	-5.1	4.4	3.4	11.4	-9.7	1.8	2.5	-0.7	7.7	86.8	86.3	92.0	76.6	100.3	80.2	83.8	1.6
Apr	P	-4.3	0.9	3.5	10.8	-9.3	1.3	23.8	21.2	8.5	88.3	88.2	92.0	80.4	103.0	82.4	84.2	1.3
May	P	-3.0	4.2	2.7	13.3	-7.0	3.3	22.2	20.9	10.4	87.7	87.4	90.7	79.2	101.0	82.0	84.2	1.4
Jun	P	-2.5	1.0	2.8	9.9	-7.2	0.8	13.5	11.2	6.9	91.5	91.4	93.9	85.3	105.9	86.0	86.8	1.9
Jul	P	-5.8	-2.1	2.0	14.1	-7.9	1.7	5.7	4.3	...	99.7	99.6	97.9	99.9	116.6	94.7	90.3	2.8
Aug	P	-5.2	2.1	2.6	11.1	-8.5	-1.0	...	14.6	...	...	...	...	...	...	...	...	...

CONSUMER CONFIDENCE INDICATOR
Percentage balances,seasonally adjusted

CAR SALES



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

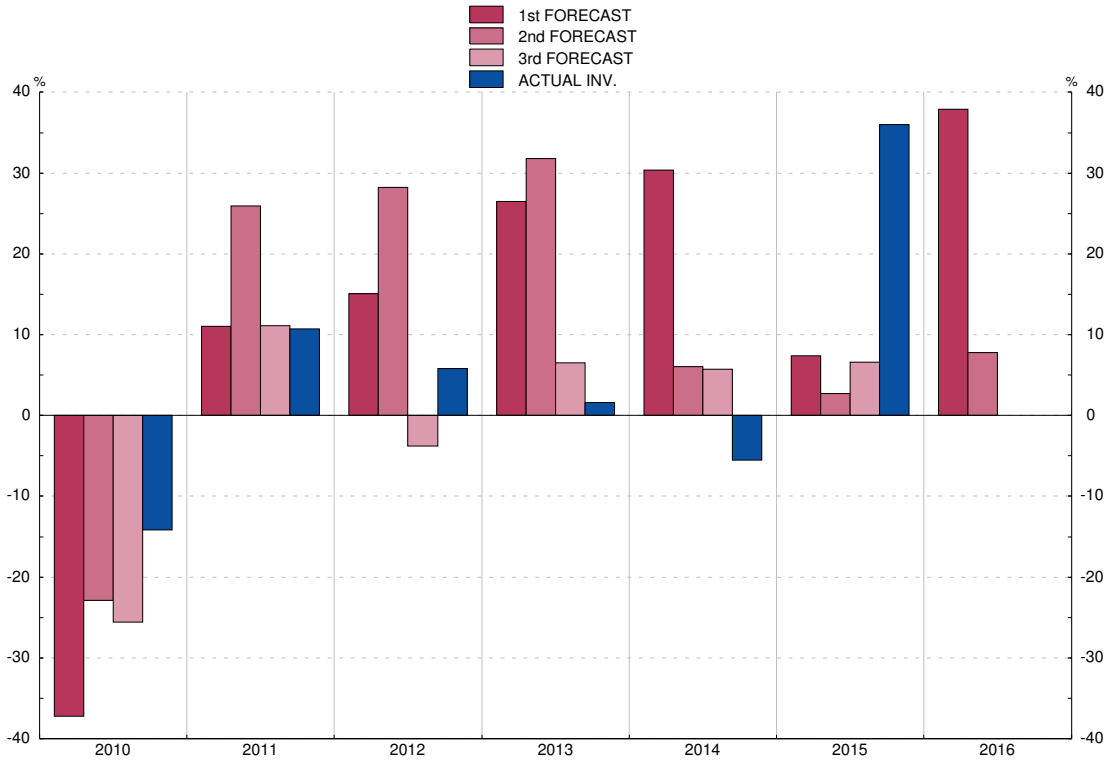
3.2. INVESTMENT IN INDUSTRY (EXCLUDING CONSTRUCTION): OPINION SURVEYS. SPAIN

■ Series depicted in chart.

Annual percentage changes at current prices

	ACTUAL INV. 1 ■	1st FORECAST 2 ■	2nd FORECAST 3 ■	3rd FORECAST 4 ■
10	-14	-37	-23	-26
11	11	11	26	11
12	6	15	28	-4
13	2	27	32	7
14	-6	30	6	6
15	36	7	3	7
16	...	38	8	...

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.

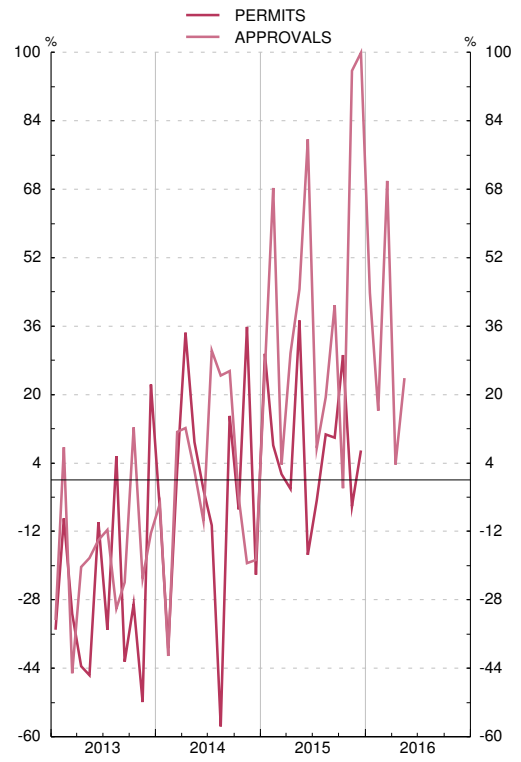
3.3. CONSTRUCTION. INDICATORS OF BUILDING STARTS AND CONSUMPTION OF CEMENT. SPAIN

■ Series depicted in chart.

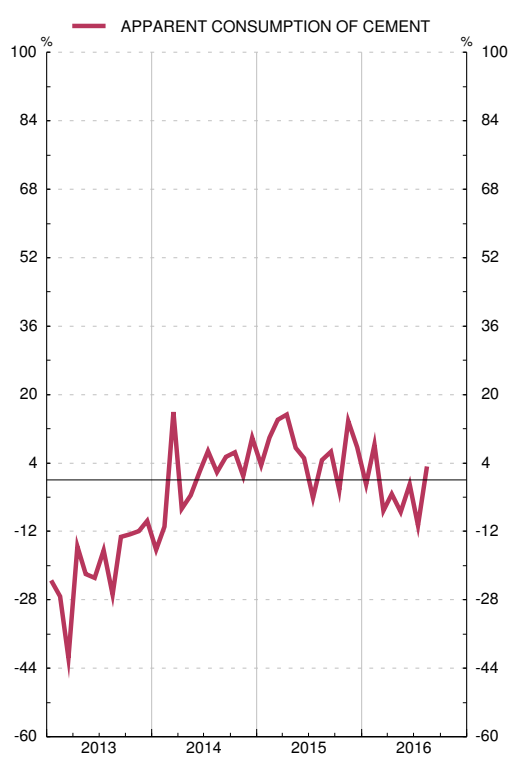
Annual percentage changes

		Permits: buildable floorage				Approvals: buildable floorage		Government tenders (budget)							
			of which				of which	Total		Building					Apparent consumption of cement
		Total	Residential	Housing	Non-residential	Total	Housing	For the month	Year to date	Total	Residential	of which Housing	Non-residential	Civil engineering	
		1 ■	2	3	4	5 ■	6	7 ■	8	9	10	11	12	13	14 ■
13		-27.2	-43.3	-46.6	2.0	-18.2	-20.3	17.3	17.3	-2.8	41.5	55.6	-9.1	25.8	-21.0
14		-8.9	5.8	12.4	-23.7	-1.7	2.2	32.7	32.7	24.6	31.6	9.6	23.0	35.4	0.8
15	P	7.4	10.8	10.6	2.6	37.9	42.6	-16.1	-16.1	5.6	8.5	-22.4	4.9	-22.5	6.4
15 *J-A*		6.4	3.5	3.1	10.5	32.5	28.1	-9.7	-9.7	20.2	27.4	-21.0	18.3	-18.3	6.6
16 *J-A*	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-2.8
15 *May*		37.3	6.6	3.6	95.7	44.6	20.3	17.9	-5.0	64.0	552.5	2 193.5	6.0	5.3	7.5
Jun		-17.5	-13.8	-13.8	-23.9	79.7	48.6	55.4	1.1	104.7	142.9	40.0	96.6	34.7	5.1
Jul		-4.8	16.6	26.2	-31.2	7.5	13.4	-36.4	-5.6	-18.6	-33.2	-49.2	-10.8	-43.7	-4.2
Aug		10.7	10.8	14.2	10.5	19.3	40.7	-46.6	-9.7	-36.3	-59.5	-97.8	-32.5	-50.5	4.6
Sep	P	9.9	32.7	33.5	-11.9	40.9	56.0	-25.2	-10.9	7.0	51.0	66.3	-0.0	-34.0	6.6
Oct	P	29.3	37.8	36.4	14.5	-1.8	17.6	-19.9	-11.9	17.5	-26.5	-87.4	21.9	-28.6	-2.4
Nov	P	-6.1	14.3	14.0	-41.3	95.7	118.4	-38.8	-13.8	-53.1	-59.8	-100.0	-51.7	-29.9	13.8
Dec	P	6.9	15.9	15.7	-5.3	99.9	161.6	-38.4	-16.1	-40.9	-46.7	31.0	-39.0	-37.6	7.6
16 *Jan*	P	...	...	...	...	43.8	41.8	-26.6	-26.6	53.1	119.8	48.9	43.5	-50.5	-1.1
Feb	P	...	...	...	...	16.2	43.8	15.0	-7.2	-21.2	-55.1	-100.0	-15.0	33.7	8.3
Mar	P	...	...	...	...	69.9	100.1	-1.6	-4.2	-16.8	-86.2	-98.4	-7.9	3.2	-7.2
Apr	P	...	...	...	...	3.7	11.3	-30.5	-12.3	-27.7	45.7	2.1	-33.5	-31.3	-3.3
May	P	...	...	...	...	23.8	83.9	-60.8	-26.2	-30.9	-77.0	-24.6	2.7	-73.5	-7.5
Jun	P	...	...	...	...	...	...	-15.1	-24.5	-34.2	-65.4	-63.1	-26.0	-3.0	-0.9
Jul	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-10.6
Aug	P	...	...	...	...	...	...	...	...	...	...	...	...	...	3.2

CONSTRUCTION



CONSTRUCTION



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 Statistical Bulletin.

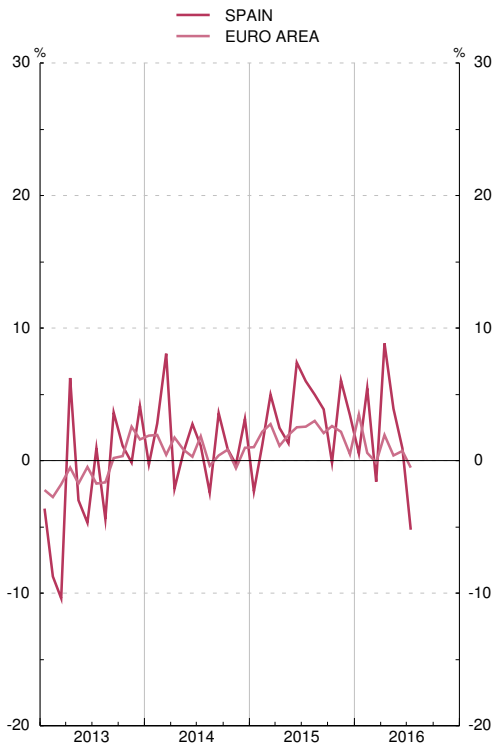
3.4. INDUSTRIAL PRODUCTION INDEX. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

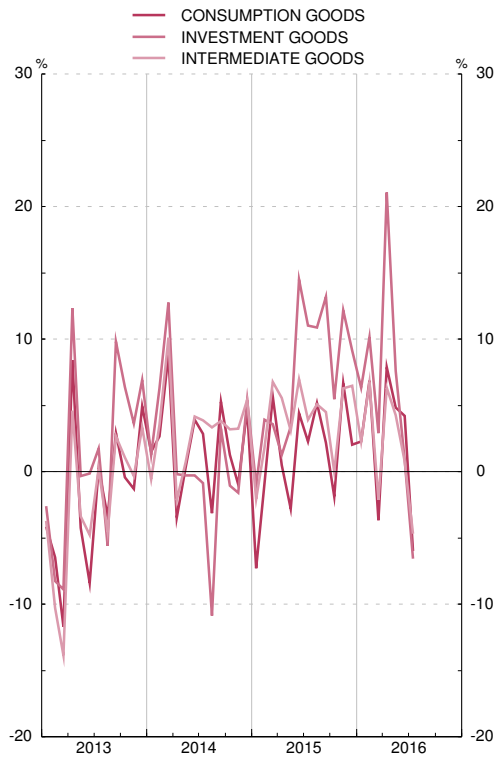
Annual percentage changes

		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	of which		By end-use of goods		
		Original series	12-month %change 12								Total	Manufac-turing	Consumer goods	Capital goods	Inter-mediate goods
		1	2 ■	3 ■	4 ■	5 ■	6	7	8	9	10 ■	11	12	13	14
13	M	90.2	-1.7	-2.2	1.2	-2.6	-2.6	-14.3	-1.4	-3.9	-0.7	-0.7	-0.4	-0.5	-0.9
14	M	91.6	1.5	2.0	1.4	3.2	-1.6	0.0	2.3	-2.4	0.8	1.8	2.6	1.8	1.3
15	M	94.6	3.3	1.3	7.2	4.0	0.7	-8.4	4.0	0.2	2.0	2.3	2.3	3.6	1.0
15 *J-J*	M	96.6	3.1	0.3	5.4	3.8	3.3	-3.2	3.0	2.6	2.0	2.1	3.3	3.4	0.6
16 *J-J*	M P	98.2	1.7	2.1	5.6	1.8	-3.7	-12.5	2.9	-5.5	0.9	1.3	1.6	1.6	1.2
15 *Apr*		92.0	2.5	0.5	1.3	5.6	1.4	7.9	2.7	-2.3	1.1	1.4	-0.2	3.5	0.3
May		97.0	1.3	-2.8	3.4	3.1	1.8	-6.9	1.3	-4.3	1.9	2.5	0.4	4.9	1.9
Jun		101.6	7.4	4.4	14.5	6.9	4.4	-1.4	7.9	4.6	2.5	2.9	3.5	4.3	1.1
Jul		106.8	6.0	2.3	11.0	3.9	9.4	-10.0	5.2	9.9	2.6	2.4	3.3	3.6	0.4
Aug		74.8	5.0	5.1	10.9	5.1	1.4	-10.7	6.6	-1.9	3.0	3.6	3.8	6.2	1.2
Sep		99.7	3.9	2.2	13.2	4.5	-5.1	-19.0	6.0	-5.4	2.1	2.5	2.2	3.7	1.5
Oct		98.2	-0.2	-1.9	5.5	0.0	-4.7	-14.0	1.2	-4.0	2.6	2.9	1.5	5.2	1.6
Nov		97.1	6.1	6.7	12.2	6.3	-2.6	-15.2	8.0	-0.1	2.2	2.5	1.7	3.6	2.3
Dec		89.1	3.4	2.1	9.1	6.5	-4.8	-19.4	5.8	-4.5	0.5	1.4	2.7	1.2	1.0
16 *Jan*		87.9	0.5	2.3	6.3	2.3	-9.4	-15.6	3.2	-10.1	3.5	4.6	6.2	5.7	2.6
Feb		96.0	5.4	6.9	10.1	6.7	-4.2	-10.4	7.9	-5.8	0.6	1.8	0.7	2.6	2.4
Mar		98.6	-1.6	-3.7	2.9	-2.1	-2.9	-11.1	-1.1	-2.3	-0.2	-0.2	-3.2	0.9	0.6
Apr		100.1	8.8	7.9	21.1	6.4	0.5	-16.1	10.5	2.4	1.9	1.9	1.5	3.0	1.5
May	P	100.8	3.9	4.9	7.6	4.3	-2.5	-9.9	5.1	-0.6	0.4	0.4	0.3	-0.3	1.0
Jun	P	102.5	0.9	4.2	0.9	0.8	-3.4	-14.1	1.9	-8.7	0.7	1.0	1.5	1.5	0.4
Jul	P	101.2	-5.2	-6.0	-6.5	-4.7	-3.4	-10.1	-5.4	-11.0	-0.5	0.0	1.6	-1.2	0.3

INDUSTRIAL PRODUCTION INDEX



INDUSTRIAL PRODUCTION INDEX



Sources: INE and BCE.

Note: The underlying series for this indicator are in Table 23.1 of the BE Statistical Bulletin.

a. Spain 2010 = 100; euro area 2010 = 100.

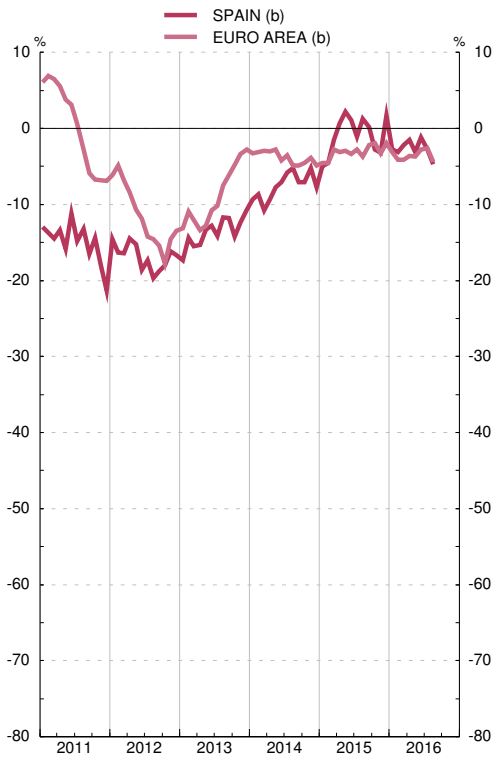
3.5. MONTHLY BUSINESS SURVEY: INDUSTRY (ECI) AND CONSTRUCTION (ECC). SPAIN AND EURO AREA (NACE 2009) (a)

■ Series depicted in chart.

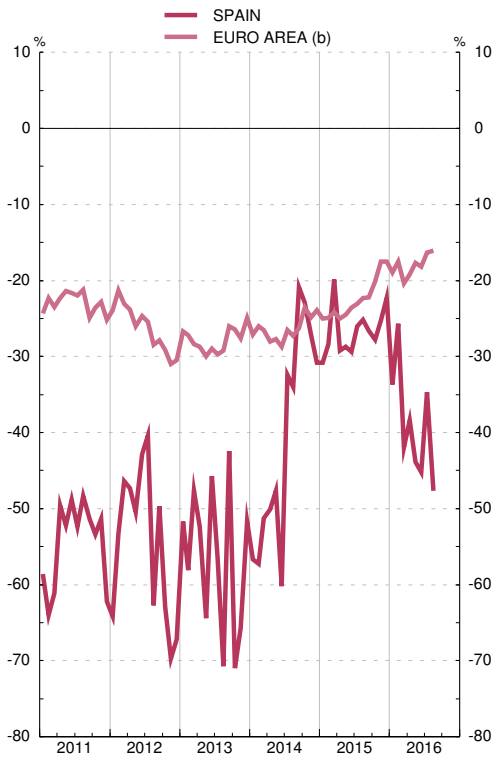
Percentage balances

		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 confidence 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										=(11+12)/2							
		1 ■	2	3	4	5	6	7	8	9	10	11 ■	12	13	14	15	16 ■	17	18 ■
13	M	-14	-31	9	-1	-10	-21	-9	-13	-17	-6	-57	-57	-56	-27	-40	-9	-25	-28
14	M	-8	-16	9	3	0	-11	-3	-6	-12	-2	-41	-51	-31	-16	-24	-4	-15	-26
15	M	-1	-5	6	9	6	-2	-0	4	-4	0	-27	-37	-17	-6	-19	-3	-12	-22
15 *J-A*	M	-1	-5	5	8	7	-2	-1	4	-3	-0	-27	-37	-17	-6	-22	-3	-12	-24
16 *J-A*	M	-3	-5	8	6	3	-4	-1	4	-7	2	-39	-48	-30	-25	-21	-4	-12	-18
15 *May*		2	-1	5	13	7	-1	-3	8	3	-0	-29	-40	-18	0	-14	-3	-11	-25
Jun		1	3	3	3	5	6	-2	7	-1	18	-29	-35	-24	-12	-33	-3	-12	-24
Jul		-1	-5	5	7	3	-2	1	-	-3	4	-26	-39	-13	1	-45	-3	-11	-23
Aug		1	-2	6	12	6	-5	1	6	-1	-8	-25	-38	-13	-3	-14	-4	-12	-22
Sep		0	-5	8	14	4	-3	3	8	-6	8	-27	-41	-13	-13	-10	-2	-11	-22
Oct		-3	-6	11	9	8	-2	1	5	-10	-6	-28	-39	-16	-28	-19	-2	-10	-20
Nov		-3	-8	9	7	4	-2	0	-4	-6	-4	-25	-32	-19	2	-8	-3	-12	-18
Dec		2	-2	4	11	4	-0	2	9	-3	7	-22	-31	-14	20	-12	-2	-9	-18
16 *Jan*		-3	-9	4	5	6	-4	1	-1	-6	-3	-34	-44	-23	-24	-24	-3	-10	-19
Feb		-3	-8	8	6	7	-5	2	0	-7	1	-26	-29	-23	-0	-24	-4	-13	-18
Mar		-2	-6	9	8	7	-4	-1	0	-5	14	-42	-51	-33	-54	-16	-4	-12	-20
Apr		-2	-2	9	6	-3	-1	-0	4	-5	7	-38	-55	-22	-43	-9	-4	-13	-19
May		-3	-3	7	1	7	-5	-3	4	-6	-4	-44	-48	-40	-34	-31	-4	-12	-18
Jun		-1	-4	9	9	1	-5	-1	7	-6	5	-45	-49	-41	-17	-40	-3	-11	-18
Jul		-3	-6	9	6	1	-3	-4	10	-8	-3	-35	-44	-25	-9	-5	-3	-9	-16
Aug		-5	-6	13	5	-5	-3	-5	6	-11	-1	-48	-60	-35	-22	-22	-4	-14	-16

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.

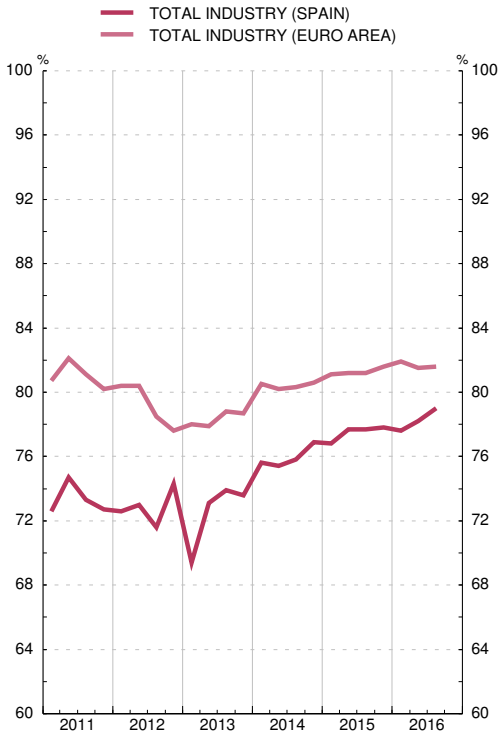
3.6. BUSINESS SURVEY (ECI): CAPACITY UTILISATION. SPAIN AND EURO AREA (NACE 2009) (a)

■ Series depicted in chart.

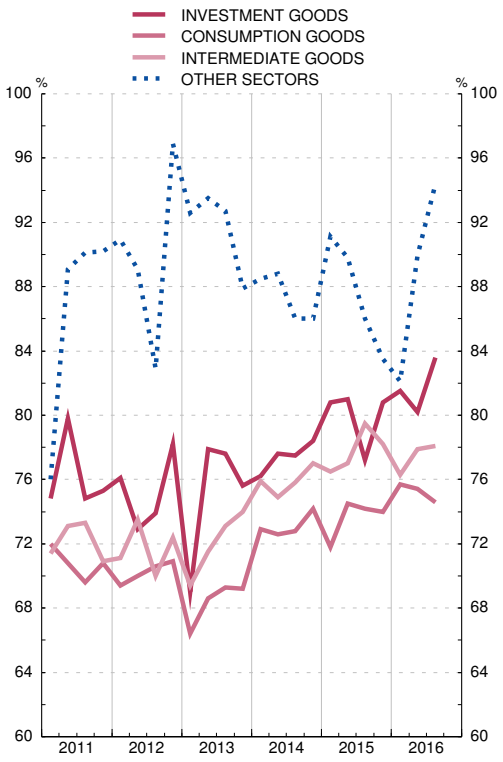
Percentages and percentage balances

	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 ■
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	78.4
14	75.9	76.6	18	73.1	73.9	13	77.4	77.8	11	75.9	76.2	25	87.3	92.3	1	80.4
15	77.5	78.5	15	73.6	74.8	13	80.0	80.3	15	77.8	79.2	17	87.6	87.3	2	81.3
15 *Q1-Q3*	77.4	78.4	15	73.5	74.4	12	79.7	80.1	14	77.7	79.2	18	89.0	88.1	1	81.2
16 *Q1-Q3*	78.3	79.7	10	75.2	77.1	8	81.8	82.4	10	77.4	78.9	13	88.8	90.0	2	81.7
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	80.5
Q2	75.4	77.2	19	72.6	75.0	15	77.6	78.5	12	74.9	76.5	27	88.8	92.3	2	80.2
Q3	75.8	76.2	16	72.8	74.8	15	77.5	78.3	10	75.8	74.6	21	86.0	90.6	1	80.3
Q4	76.9	77.1	15	74.2	75.0	8	78.4	76.5	12	77.0	77.2	23	86.0	93.7	0	80.6
15 *Q1*	76.8	78.1	14	71.8	73.2	10	80.8	81.6	11	76.5	78.7	18	91.1	86.9	0	81.1
Q2	77.7	79.3	15	74.5	75.3	11	81.0	81.5	12	77.0	79.8	20	89.8	89.7	3	81.2
Q3	77.7	77.8	15	74.2	74.6	15	77.2	77.3	20	79.5	79.2	14	86.0	87.8	1	81.2
Q4	77.8	78.8	16	74.0	75.9	14	80.8	80.8	18	78.2	79.0	16	83.5	84.9	4	81.6
16 *Q1*	77.6	79.2	11	75.7	77.4	7	81.5	81.4	11	76.3	79.1	14	82.1	81.8	1	81.9
Q2	78.2	79.7	10	75.4	77.8	6	80.2	81.0	10	77.9	79.0	13	89.9	92.0	2	81.5
Q3	79.0	80.1	11	74.6	76.2	11	83.6	84.7	8	78.1	78.7	13	94.4	96.1	3	81.6

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.

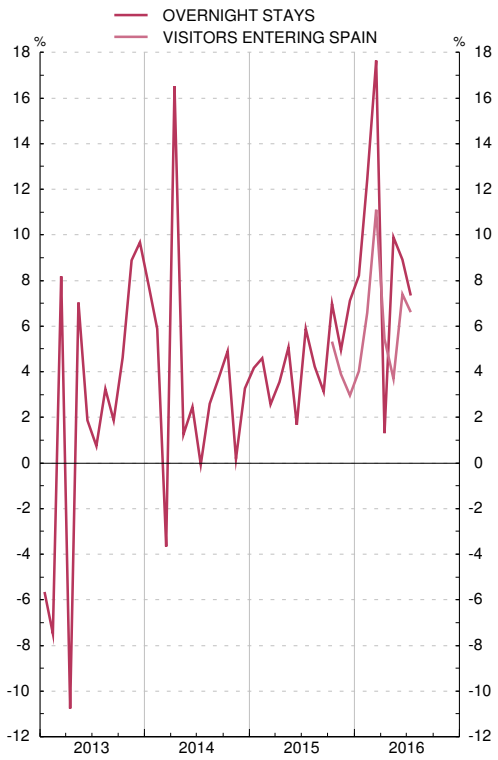
3.7. TOURISM AND TRANSPORT STATISTICS. SPAIN

■ Series depicted in chart.

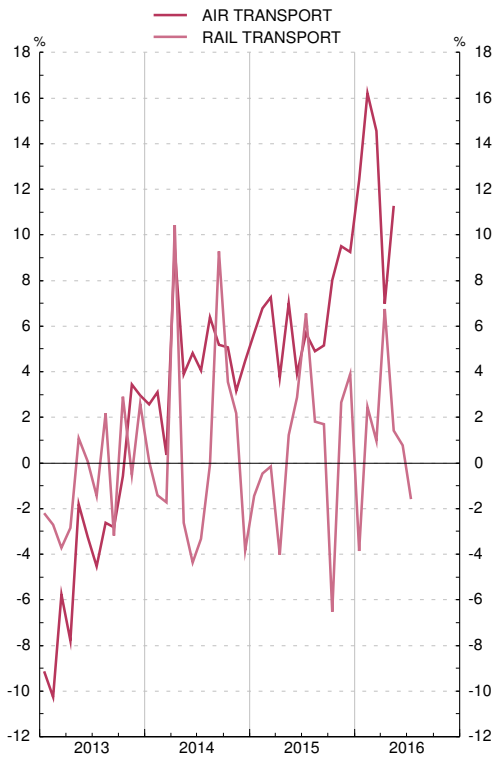
Annual percentage changes

		Hotel stays		Overnight stays		Visitors entering Spain (a)			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
13		1.0	3.3	1.9	3.8	...	...	...	-3.5	-14.0	2.1	-1.3	8.7	-3.2	-0.7	-4.1
14		4.8	4.6	3.2	2.8	...	...	...	4.6	2.0	5.7	6.8	-3.6	4.2	0.6	15.0
15	P	6.2	5.9	4.4	3.9	...	...	...	6.2	6.4	6.1	9.8	5.3	4.8	0.5	-3.0
15 *J-J*	P	6.3	5.4	4.0	2.5	...	...	...	5.6	5.7	5.5	9.0	1.7	5.1	0.6	2.2
16 *J-J*	P	7.9	10.7	8.9	11.1	...	...	...	...	...	...	...	...	...	1.0	...
15 *Apr*	P	5.0	5.1	3.5	2.4	...	...	...	3.8	5.4	3.0	9.7	-7.7	4.5	-4.0	-1.5
May	P	6.7	8.0	5.1	6.1	...	...	...	7.0	7.3	6.9	8.5	-7.3	6.1	1.2	-0.3
Jun	P	4.9	2.6	1.7	-0.8	...	...	...	3.9	4.3	3.8	13.8	-7.6	8.4	2.9	9.8
Jul	P	7.4	7.0	5.9	5.2	...	...	...	5.7	6.5	5.4	10.4	23.3	3.7	6.6	-2.2
Aug	P	4.6	4.7	4.2	3.8	...	...	...	4.9	7.2	4.1	12.9	4.3	6.7	1.8	-5.3
Sep	P	4.5	3.8	3.1	2.9	...	...	...	5.2	6.7	4.6	9.0	20.4	6.3	1.7	-9.4
Oct	P	8.7	8.6	7.0	7.9	5.3	9.7	-2.0	8.0	6.2	8.7	9.1	8.0	0.5	-6.5	-11.7
Nov	P	7.1	12.5	5.0	10.5	3.9	10.7	-3.9	9.5	7.9	10.3	11.8	16.0	5.2	2.7	-6.8
Dec	P	6.4	8.3	7.1	8.9	3.0	7.6	-2.1	9.3	9.0	9.4	11.5	5.2	3.5	3.9	-15.5
16 *Jan*	P	10.2	11.0	8.2	7.8	4.0	11.2	-4.2	12.4	13.9	11.6	12.2	7.3	7.9	-3.9	-5.6
Feb	P	12.4	15.0	12.4	13.3	6.6	13.7	-2.2	16.2	16.1	16.3	12.8	7.7	2.2	2.5	-4.4
Mar	P	16.8	15.7	17.6	14.4	11.1	16.1	3.9	14.6	14.0	14.8	7.2	21.8	7.9	1.0	-14.3
Apr	P	0.1	8.6	1.3	11.5	5.4	11.3	-4.2	7.0	4.1	8.3	17.3	1.0	1.6	6.8	-1.9
May	P	5.0	7.5	9.9	11.6	3.7	7.4	-3.3	11.3	11.9	11.0	9.6	25.1	-1.9	1.4	-12.2
Jun	P	6.5	10.6	8.9	12.6	7.4	12.7	-3.0	...	...	...	...	...	...	0.8	...
Jul	P	8.9	10.9	7.4	8.2	6.6	9.3	1.4	...	...	...	...	...	...	-1.6	...

TOURISM



TRANSPORT



Sources: INE

Note: The underlying series for this indecator are in Tables 23.14 and 23.15 of the BE Statistical Bulletin.

a. The Tourist Movement on Borders (Frontur) Survey, carried out by INE, disseminates its results as of October 2015 continuing the survey previously (since 1996) carried out by the Institute for Tourist Studies (Turespaña).

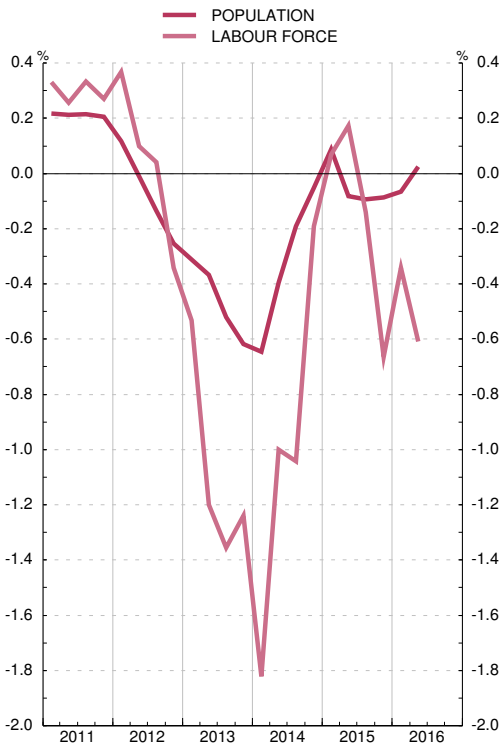
4.1. LABOUR FORCE. SPAIN

■ Series depicted in chart.

Thousands and annual percentage changes

		Population over 16 years of age				Labour force					
							Annual change (a)				
		Thousands	Annual change (Thousands)	4-quarter % change ■	Participation rate (%)	Thousands	Total (Thousands) ■	Due to change in population over 16 years of age (Thousands) ■	Due to change in partici-pation rate (Thousands) ■	4-quarter % change ■
		1	2	3	4	5	6	7	8	9
13	M	38 639	-176	-0.5	60.02	23 190	-254	-106	-148	-1.1
14	M	38 515	-124	-0.3	59.60	22 955	-236	-74	-162	-1.0
15	M	38 498	-17	-0.0	59.54	22 922	-33	-10	-22	-0.1
15	*Q1-Q2* M	38 507	1	0.0	59.62	22 957	55	1	54	0.1
16	*Q1-Q2* M	38 499	-8	-0.0	59.35	22 848	-218	-10	-209	-0.5
13	*Q4*	38 543	-240	-0.6	59.86	23 071	-290	-144	-146	-1.2
14	*Q1*	38 484	-250	-0.6	59.46	22 884	-425	-148	-276	-1.8
	Q2	38 528	-153	-0.4	59.63	22 976	-232	-91	-141	-1.0
	Q3	38 523	-74	-0.2	59.53	22 932	-242	-44	-198	-1.0
	Q4	38 523	-20	-0.1	59.77	23 027	-44	-12	-32	-0.2
15	*Q1*	38 517	34	0.1	59.45	22 899	16	20	-4	0.1
	Q2	38 497	-32	-0.1	59.79	23 016	40	-19	58	0.2
	Q3	38 487	-36	-0.1	59.50	22 900	-32	-22	-11	-0.1
	Q4	38 490	-34	-0.1	59.43	22 874	-153	-20	-133	-0.7
16	*Q1*	38 492	-25	-0.1	59.29	22 821	-78	-15	-63	-0.3
	Q2	38 506	9	0.0	59.41	22 876	-140	5	-145	-0.6

LABOUR FORCE SURVEY
Annual percentage change



LABOUR FORCE
Annual changes

Source: INE (Labour Force Survey: 2005 methodology).
a. Col.7 = (col.5/col.1)x annual change in col.2; 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 (2011 Census), all the series in this table have been revised as from 2002. 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

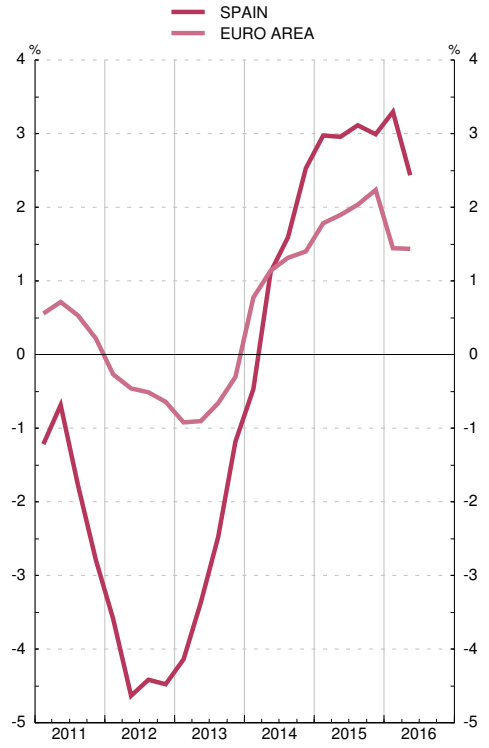
4.2. EMPLOYMENT AND WAGE-EARNERS. SPAIN AND EURO AREA

■ Series depicted in chart.

Thousands and annual percentage changes

		Employment									Unemployment				Memorandum item: euro area	
		Total			Wage-earners			Other								
		Thousands	Annual change (Thousands)	4-quarter % change	Thousands	Annual change (Thousands)	4-quarter % change	Thousands	Annual change (Thousands)	4-quarter % change	Thousands	Annual change (Thousands)	4-quarter % change	Unemployment rate	Employment 4-quarter % change	Unemployment rate
		1	2	3 ■	4	5	6 ■	7	8	9 ■	10	11	12 ■	13	14	15
13	M	17 139	-494	-2.8	14 069	-504	-3.5	3 070	11	0.3	6 051	240	4.1	26.10	-0.7	12.01
14	M	17 344	205	1.2	14 286	217	1.5	3 058	-12	-0.4	5 610	-441	-7.3	24.44	1.2	11.63
15	M	17 866	522	3.0	14 773	488	3.4	3 093	34	1.1	5 056	-554	-9.9	22.06	2.0	10.86
15	*Q1-Q2* M	17 661	509	3.0	14 578	455	3.2	3 083	54	1.8	5 297	-481	-8.3	23.08	1.8	11.11
16	*Q1-Q2* M	18 165	505	2.9	15 061	483	3.3	3 104	21	0.7	4 683	-614	-11.6	20.50	1.4	10.22
13	*Q4*	17 135	-204	-1.2	14 093	-195	-1.4	3 042	-9	-0.3	5 936	-85	-1.4	25.73	-0.3	11.90
14	*Q1*	16 951	-80	-0.5	13 930	-58	-0.4	3 021	-22	-0.7	5 933	-345	-5.5	25.93	0.8	11.85
	Q2	17 353	192	1.1	14 318	245	1.7	3 036	-53	-1.7	5 623	-424	-7.0	24.47	1.1	11.64
	Q3	17 504	274	1.6	14 413	289	2.0	3 091	-15	-0.5	5 428	-516	-8.7	23.67	1.3	11.55
	Q4	17 569	434	2.5	14 483	390	2.8	3 086	44	1.5	5 458	-478	-8.1	23.70	1.4	11.47
15	*Q1*	17 455	504	3.0	14 394	464	3.3	3 061	40	1.3	5 445	-489	-8.2	23.78	1.8	11.20
	Q2	17 867	514	3.0	14 762	445	3.1	3 104	69	2.3	5 149	-474	-8.4	22.37	1.9	11.03
	Q3	18 049	545	3.1	14 949	536	3.7	3 100	9	0.3	4 851	-577	-10.6	21.18	2.0	10.71
	Q4	18 094	525	3.0	14 989	506	3.5	3 105	19	0.6	4 780	-678	-12.4	20.90	2.2	10.51
16	*Q1*	18 030	575	3.3	14 935	541	3.8	3 095	34	1.1	4 791	-653	-12.0	21.00	1.4	10.32
	Q2	18 301	435	2.4	15 188	426	2.9	3 113	9	0.3	4 575	-574	-11.2	20.00	1.4	10.12

EMPLOYMENT
Annual percentage changes



LABOUR FORCE: COMPONENTS
Annual percentage changes

Sources: INE (Labour Force Survey: 2005 methodology), and ECB.

General note to the tables: As a result of the change in the population base (2011 Census), all the series in this table have been revised as from 2002. 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.

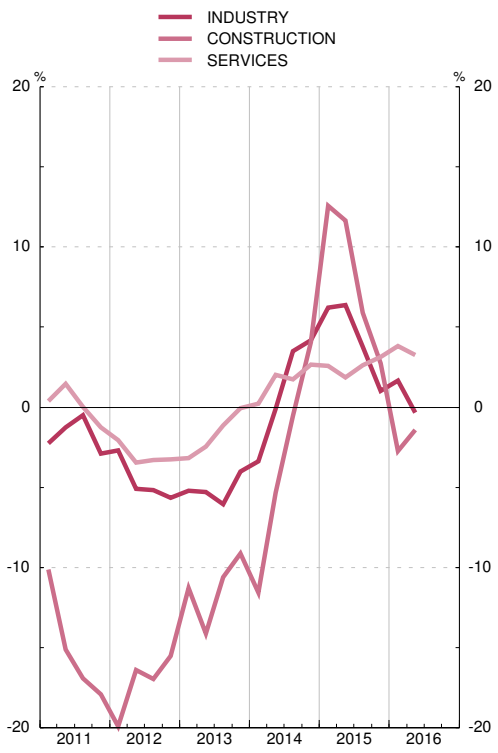
4.3. EMPLOYMENT BY BRANCH OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

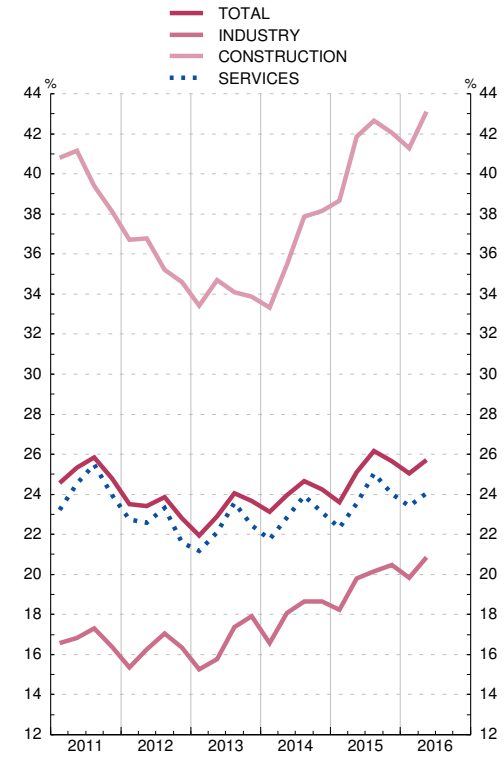
Annual percentage changes

		Total			Agriculture			Industry			Construction			Services			Memorandum item:
		Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment in branches other than agriculture
		1	2	3 ■	4	5	6	7 ■	8	9 ■	10 ■	11	12 ■	13 ■	14	15 ■	16
13	M	-2.8	-3.5	23.1	-0.9	-1.8	59.5	-5.2	-4.6	16.6	-11.4	-14.0	34.0	-1.7	-2.5	22.3	-2.9
14	M	1.2	1.5	24.0	-0.1	5.0	62.0	1.0	1.1	18.0	-3.5	-2.8	36.2	1.7	1.8	22.9	1.3
15	M	3.0	3.4	25.1	0.1	4.4	61.1	4.3	4.9	19.7	8.1	8.1	41.3	2.6	2.8	23.7	3.1
15	*Q1-Q2* M	3.0	3.2	24.3	-5.9	-6.6	61.0	6.3	6.9	19.0	12.1	11.8	40.3	2.2	2.4	22.9	3.1
16	*Q1-Q2* M	2.9	3.3	25.4	5.5	10.8	62.8	0.6	0.6	20.3	-2.1	-0.8	42.2	3.5	3.8	23.7	2.4
13	*Q4*	-1.2	-1.4	23.7	0.4	0.4	63.8	-4.0	-3.9	17.9	-9.1	-10.3	33.9	-0.1	-0.3	22.5	-1.3
14	*Q1*	-0.5	-0.4	23.1	12.9	26.2	66.6	-3.4	-3.4	16.6	-11.6	-11.4	33.3	0.2	-0.1	21.8	-1.1
	Q2	1.1	1.7	24.0	-1.8	3.5	63.4	-0.1	-0.1	18.1	-5.3	-3.1	35.5	2.0	2.3	22.8	1.3
	Q3	1.6	2.0	24.6	-4.8	-1.9	57.8	3.5	3.6	18.6	-0.5	-0.9	37.9	1.8	2.1	23.9	1.9
	Q4	2.5	2.8	24.2	-6.2	-6.5	60.3	4.2	4.4	18.7	4.0	4.7	38.1	2.6	2.7	23.1	2.9
15	*Q1*	3.0	3.3	23.6	-11.3	-16.3	59.8	6.2	6.8	18.2	12.6	12.7	38.7	2.6	3.0	22.3	3.7
	Q2	3.0	3.1	25.1	0.1	4.6	62.3	6.4	7.0	19.8	11.6	10.9	41.9	1.9	1.8	23.5	3.1
	Q3	3.1	3.7	26.2	6.5	18.0	59.3	3.8	4.3	20.1	5.9	6.5	42.7	2.6	3.0	25.0	3.0
	Q4	3.0	3.5	25.7	7.0	16.7	63.1	1.0	1.5	20.5	2.7	2.7	42.0	3.2	3.4	24.0	2.8
16	*Q1*	3.3	3.8	25.0	8.4	17.0	63.4	1.7	1.5	19.8	-2.7	-2.0	41.3	3.8	4.1	23.4	3.1
	Q2	2.4	2.9	25.7	2.7	5.1	62.1	-0.4	-0.3	20.8	-1.4	0.3	43.1	3.2	3.6	24.1	2.4

EMPLOYMENT
Annual percentage changes



TEMPORARY EMPLOYMENT
Percentages



Source: INE (Labour Force Survey: 2005 methodology).
a.NACE 2009. The underlying series of this indicator are in Tables 24.4 and 24.6 of the BE Statistical Bulletin.
General note to the tables:As a result of the change in the population base (2011 Census), all the series in this table have been revised as from 2002. 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.

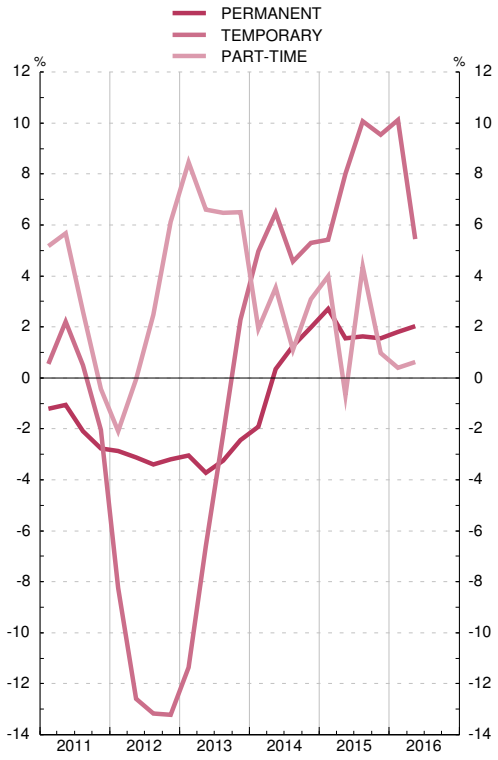
4.4. WAGE-EARNERS BY TYPE OF CONTRACT AND UNEMPLOYMENT BY DURATION. SPAIN.

■ Series depicted in chart.

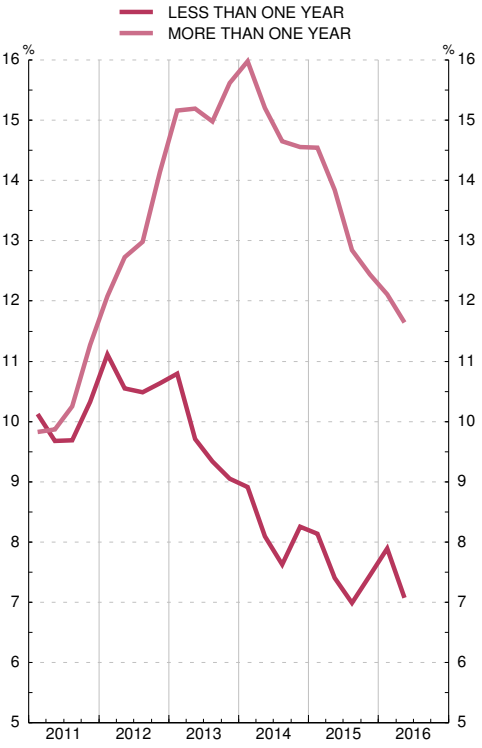
Thousands, annual percentage changes and %

		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	4-quarter % change	Unemployment rate	4-quarter % change
		1	2 ■	3	4 ■	5	6	7	8	9 ■	10	11 ■	12	13 ■	14
13	M	-348	-3.1	-156	-4.6	23.14	-661	-5.4	157	7.0	17.00	9.72	-10.1	15.24	16.1
14	M	43	0.4	173	5.3	23.99	158	1.4	58	2.4	17.15	8.22	-16.3	15.10	-1.9
15	M	202	1.9	285	8.3	25.13	436	3.7	52	2.1	16.94	7.49	-9.0	13.42	-11.2
15	*Q1-Q2*M	230	2.1	275	8.0	24.34	462	3.9	40	1.6	17.25	7.77	-8.5	14.19	-8.9
16	*Q1-Q2*M	210	1.9	202	5.5	25.38	410	3.3	13	0.5	16.78	7.48	-4.2	11.87	-16.7
13	*Q4*	-270	-2.4	74	2.3	23.66	-344	-2.9	149	6.5	17.30	9.05	-15.9	15.62	9.2
14	*Q1*	-210	-1.9	153	5.0	23.13	-103	-0.9	46	1.9	17.37	8.91	-18.9	15.98	3.5
	Q2	37	0.3	209	6.5	23.95	159	1.4	86	3.5	17.67	8.10	-17.4	15.21	-0.9
	Q3	135	1.3	155	4.6	24.64	264	2.2	26	1.1	16.22	7.63	-19.1	14.65	-3.2
	Q4	213	2.0	177	5.3	24.24	314	2.7	75	3.1	17.36	8.26	-8.9	14.56	-7.0
15	*Q1*	290	2.7	175	5.4	23.60	368	3.2	96	4.0	17.48	8.13	-8.7	14.55	-8.9
	Q2	170	1.6	275	8.0	25.09	462	3.9	-17	-0.7	17.02	7.41	-8.4	13.84	-8.8
	Q3	178	1.6	358	10.1	26.15	434	3.6	102	4.4	16.32	6.98	-8.6	12.85	-12.4
	Q4	171	1.6	335	9.5	25.66	481	4.0	25	1.0	16.94	7.45	-10.4	12.44	-15.1
16	*Q1*	198	1.8	344	10.1	25.04	531	4.5	10	0.4	16.92	7.89	-3.3	12.11	-17.0
	Q2	223	2.0	202	5.5	25.72	410	3.3	16	0.6	16.65	7.07	-5.1	11.64	-16.4

WAGE-EARNERS
Annual percentage changes



UNEMPLOYMENT
Unemployment rate



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

General note to the tables: As a result of the change in the population base (2011 Census), all the series in this table have been revised as from 2002. 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.

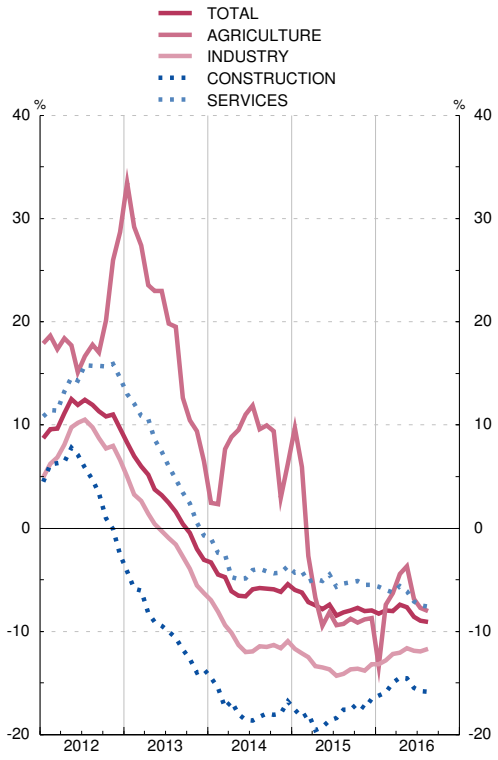
4.5. REGISTERED UNEMPLOYMENT BY BRANCH OF ACTIVITY. CONTRACTS AND PLACEMENTS. SPAIN

■ Series depicted in chart.

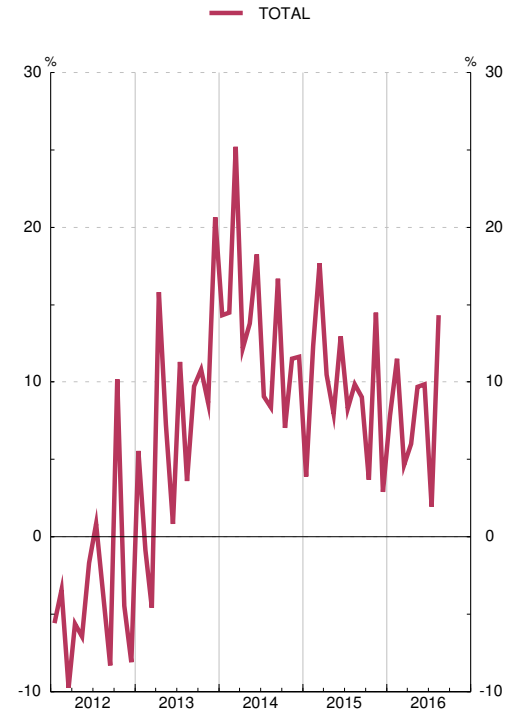
Thousands, annual percentage changes and %

		Registered unemployment										Contracts					Placements	
		Total			First time job-seekers	Previously employed						Total		Percentage of total			Total	
		Thousands	Annual change (Thousands)	12 month % change	12 month % change	12-month % change						Thousands	12 month % change	Permanent	Part time	Temporary	Thousands	12 month % change
						Total	Agriculture	Branches other than agriculture										
								Total	Industry	Construction	Services							
		1	2	3 ■	4	5	6 ■	7	8 ■	9 ■	10 ■	11	12	13	14	15	16	17 ■
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
14	M	4 576	-269	-5.6	1.7	-6.2	7.7	-6.8	-10.6	-17.4	-3.7	1 394	13.1	8.09	35.20	91.91	1 423	13.2
15	M	4 232	-344	-7.5	-4.5	-7.8	-5.5	-7.9	-13.3	-18.0	-5.0	1 548	11.1	8.16	35.45	91.84	1 554	9.2
15 *J-A*	M	4 284	-338	-7.3	-3.0	-7.7	-3.8	-7.9	-13.1	-18.4	-4.9	1 478	11.3	8.22	35.40	91.78	1 485	9.8
16 *J-A*	M	3 931	-353	-8.2	-8.3	-8.3	-7.2	-8.3	-12.2	-15.4	-6.5	1 595	8.0	8.68	35.70	91.32	1 603	14.3
15 *Jul*		4 046	-374	-8.5	-6.9	-8.6	-9.4	-8.6	-14.3	-18.4	-5.7	1 796	9.1	6.90	37.84	93.10	1 784	8.3
Aug		4 068	-360	-8.1	-6.9	-8.2	-9.3	-8.2	-14.1	-17.6	-5.4	1 248	10.0	6.43	35.23	93.57	1 277	9.8
Sep		4 094	-354	-8.0	-7.2	-8.0	-8.7	-8.0	-13.7	-17.6	-5.2	1 796	9.9	8.52	36.80	91.48	1 885	9.0
Oct		4 176	-350	-7.7	-6.9	-7.8	-9.1	-7.7	-13.6	-17.0	-5.1	1 761	3.4	8.61	38.20	91.39	1 806	3.7
Nov		4 149	-363	-8.0	-7.5	-8.1	-8.8	-8.1	-13.8	-17.5	-5.5	1 605	15.8	8.28	34.16	91.72	1 599	14.5
Dec		4 094	-354	-8.0	-8.0	-8.0	-8.7	-7.9	-13.2	-16.5	-5.5	1 595	15.2	6.76	33.04	93.24	1 484	2.9
16 *Jan*		4 151	-375	-8.3	-8.8	-8.2	-13.3	-7.9	-13.2	-16.2	-5.6	1 397	2.1	8.99	31.43	91.01	1 424	7.8
Feb		4 153	-359	-8.0	-7.1	-8.0	-7.4	-8.1	-12.8	-15.9	-6.0	1 377	12.3	10.12	34.84	89.88	1 380	11.5
Mar		4 095	-357	-8.0	-8.3	-8.0	-6.3	-8.1	-12.2	-15.0	-6.3	1 509	4.7	9.99	36.27	90.01	1 524	4.6
Apr		4 011	-322	-7.4	-8.0	-7.4	-4.4	-7.5	-12.0	-14.5	-5.6	1 542	7.0	9.46	36.31	90.54	1 555	6.0
May		3 891	-324	-7.7	-8.1	-7.6	-3.7	-7.8	-11.6	-14.5	-6.1	1 748	11.1	8.34	36.31	91.66	1 765	9.7
Jun		3 767	-353	-8.6	-7.8	-8.6	-6.8	-8.8	-11.9	-15.5	-7.1	1 920	11.3	7.73	36.67	92.27	1 897	9.8
Jul		3 683	-363	-9.0	-8.7	-9.0	-7.7	-9.1	-11.9	-15.8	-7.5	1 816	1.1	7.56	38.15	92.44	1 819	2.0
Aug		3 697	-370	-9.1	-9.4	-9.1	-8.0	-9.1	-11.7	-15.9	-7.6	1 452	16.3	7.24	35.62	92.76	1 459	14.3

REGISTERED UNEMPLOYMENT
Annual percentage changes



PLACEMENTS
Annual percentage changes



Source: Instituto de Empleo Servicio Público de Empleo Estatal (SEPE).
Note: The underlying series for this indicator are in Tables 24.15 and 24.17 of the BE Statistical Bulletin.

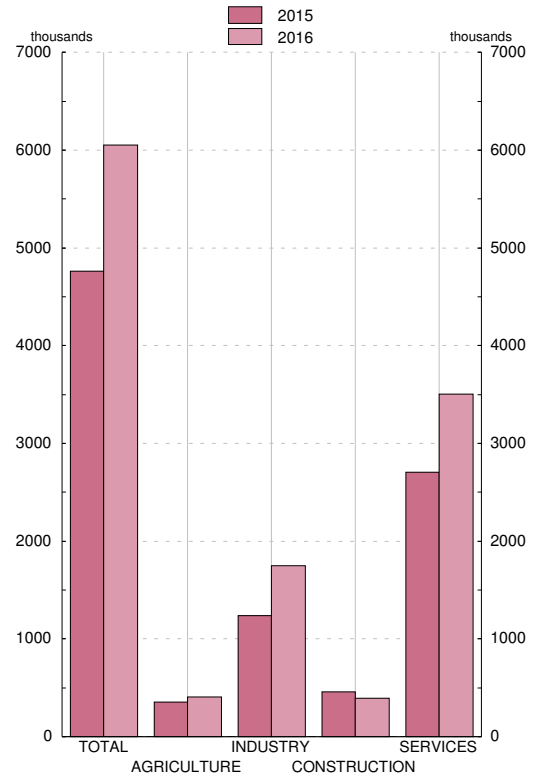
4.6. COLLECTIVE BARGAINING AGREEMENTS. SPAIN

■ Series depicted in chart.

Thousands and %. Cumulative data

		As per month economic effects come into force (a)		As per month recorded														
				Employees affected								Average wage settlement (%)						
		Employees affected	Average wage settlement (b)(c)	Year of signature prior to economic effects year	Year of signature equal to economic effects year	Total	Annual change	Agriculture	Industry	Construction	Services	Year of signature prior to economic effects year	Year of signature equal to economic effects year	Total	Agriculture	Industry	Construction	Services
		1	2	3	4	5 ■	6	7 ■	8 ■	9 ■	10 ■	11	12	13 ■	14 ■	15 ■	16 ■	17 ■
13		10 265	0.52	...	...	5 041	-1 038	229	1 411	351	3 049	...	...	0.57	0.95	0.49	0.58	0.58
14		10 305	0.50	3 171	1 585	4 756	-285	393	1 421	16	2 927	0.54	0.62	0.57	0.68	0.58	0.63	0.54
15	P	9 063	0.74	3 998	2 487	6 485	1 729	492	1 830	666	3 497	0.71	0.79	0.74	0.80	0.76	0.79	0.71
15 *Mar*		8 575	0.73	1 977	50	2 027	-682	241	634	26	1 126	0.69	0.39	0.69	0.80	0.73	0.50	0.64
Apr	P	8 785	0.74	2 232	181	2 413	-654	270	643	26	1 474	0.70	0.82	0.71	0.81	0.73	0.50	0.69
May	P	8 794	0.74	2 488	220	2 708	-793	276	675	176	1 580	0.73	0.75	0.73	0.81	0.72	1.31	0.66
Jun	P	8 843	0.74	2 637	293	2 930	-673	276	710	250	1 693	0.73	0.77	0.73	0.81	0.73	1.10	0.67
Jul	P	8 950	0.74	3 150	1 053	4 203	435	337	896	322	2 649	0.73	0.75	0.74	0.79	0.68	0.99	0.72
Aug	P	8 952	0.74	3 271	1 489	4 759	885	351	1 241	460	2 707	0.73	0.77	0.74	0.80	0.74	0.87	0.71
Sep	P	8 998	0.74	3 521	1 643	5 164	967	361	1 301	492	3 011	0.74	0.77	0.75	0.80	0.74	0.85	0.73
Oct	P	9 046	0.74	3 689	1 895	5 584	1 257	441	1 463	511	3 169	0.74	0.79	0.75	0.83	0.75	0.84	0.73
Nov	P	9 047	0.74	3 817	2 036	5 853	1 435	483	1 511	572	3 287	0.73	0.80	0.75	0.80	0.76	0.82	0.73
Dec	P	9 063	0.74	3 998	2 487	6 485	1 729	492	1 830	666	3 497	0.71	0.79	0.74	0.80	0.76	0.79	0.71
16 *Jan*	P	5 683	1.08	3 107	23	3 130	2 096	154	1 172	3	1 801	1.08	1.49	1.08	0.91	1.14	0.59	1.06
Feb	P	5 698	1.08	3 525	52	3 577	1 945	166	1 282	2	2 127	1.13	1.16	1.13	0.91	1.11	0.85	1.16
Mar	P	5 700	1.08	3 954	104	4 058	2 031	320	1 317	5	2 417	1.12	1.07	1.12	0.87	1.12	0.66	1.15
Apr	P	5 909	1.08	4 125	281	4 406	1 993	340	1 370	5	2 691	1.11	1.12	1.11	0.89	1.11	0.67	1.14
May	P	5 918	1.08	4 436	378	4 814	2 106	344	1 430	122	2 918	1.14	1.14	1.14	0.89	1.10	0.91	1.20
Jun	P	5 950	1.08	4 841	730	5 572	2 642	345	1 657	303	3 268	1.12	1.13	1.12	0.89	1.10	0.90	1.18
Jul	P	6 045	1.09	4 878	879	5 757	1 554	345	1 718	324	3 370	1.12	1.08	1.11	0.89	1.09	0.90	1.17
Aug	P	6 045	1.09	5 041	1 010	6 051	1 292	406	1 747	394	3 504	1.10	1.04	1.09	0.85	1.09	0.90	1.14

EMPLOYEES AFFECTED
January - August



AVERAGE WAGE SETTLEMENT
January - August

Source: Ministerio de Empleo y Seguridad Social, Estadística de Convenios Colectivos de Trabajo.

a.The data include agreements registered after the end of the year.

b.Until 2010, includes revisions arising from indexation clauses.

c. 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.

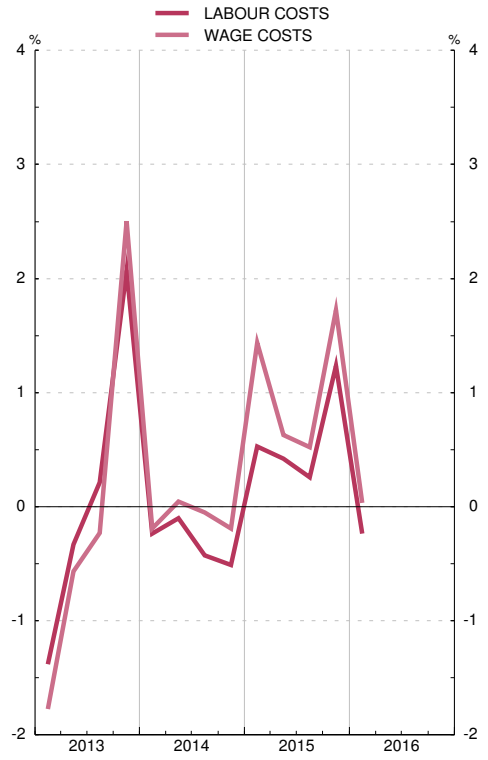
4.7. QUARTERLY LABOUR COSTS SURVEY

■ Series depicted in chart.

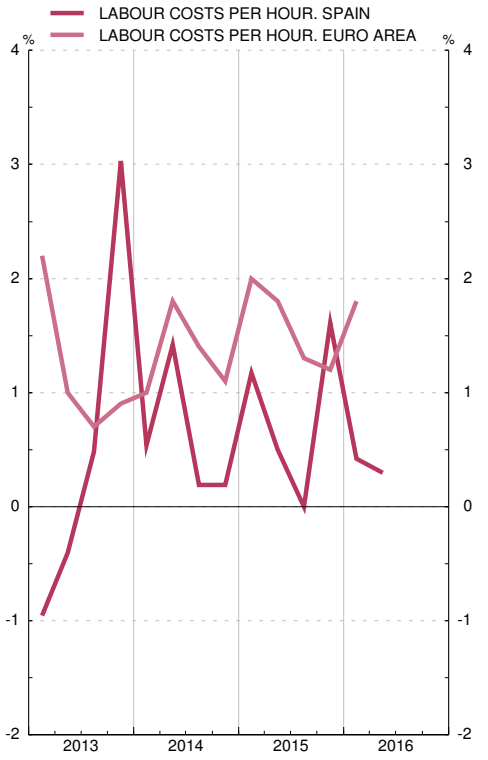
Annual percentage change

		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			
		Total	Industry	Construc-tion	Services		Total	Industry	Construc-tion	Services			Spain (b)	Euro area (c)
		1 ■	2	3	4	5	6 ■	7	8	9	10	11	12 ■	13 ■
13	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	1.2
14	M	-0.3	1.3	-0.2	-0.6	0.1	-0.1	1.5	0.7	-0.5	0.3	-1.0	0.6	1.3
15	M	0.6	-0.4	-1.1	1.0	0.6	1.1	0.4	-0.7	1.4	1.1	-0.7	0.8	1.6
15	*Q1-Q2*M	0.5	-0.4	-0.9	0.8	0.7	1.0	0.4	-0.3	1.3	1.2	-1.1	0.8	1.9
16	*Q1-Q2*M	...	...	...	...	...	...	...	...	...	...	...	0.4	...
13	*Q4*	2.1	1.4	0.7	2.6	1.8	2.5	2.3	0.5	2.8	2.2	0.8	3.0	0.9
14	*Q1*	-0.2	1.0	0.4	-0.5	-1.8	-0.2	1.4	-0.0	-0.5	-1.8	-0.4	0.5	1.0
	Q2	-0.1	1.8	-1.3	-0.3	3.5	0.0	2.1	0.4	-0.3	3.7	-0.5	1.4	1.8
	Q3	-0.4	1.0	0.4	-0.7	-0.1	-0.1	1.7	1.2	-0.4	0.3	-1.5	0.2	1.4
	Q4	-0.5	1.4	-0.2	-0.9	-1.2	-0.2	0.9	1.1	-0.5	-0.8	-1.5	0.2	1.1
15	*Q1*	0.5	-0.3	-1.1	0.9	1.2	1.4	0.6	1.0	1.7	2.1	-1.9	1.2	2.0
	Q2	0.4	-0.4	-0.8	0.8	0.2	0.6	0.2	-1.4	0.9	0.4	-0.2	0.5	1.8
	Q3	0.3	-0.4	-0.3	0.5	-0.4	0.5	0.2	-0.1	0.7	-0.2	-0.5	-	1.3
	Q4	1.2	-0.4	-2.1	1.9	1.6	1.7	0.6	-1.9	2.3	2.1	-0.3	1.6	1.2
16	*Q1*	-0.2	0.5	-2.2	-0.2	3.1	0.0	1.0	-1.7	-0.0	3.4	-1.0	0.4	1.8
	Q2	...	...	...	...	...	...	...	...	...	...	...	0.3	...

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 Statistical Bulletin.
a. Working day adjusted.
b. Harmonised Labour Costs Index (base 2012).
c. Whole economy, excluding agriculture, public administration, education, health and services not classified elsewhere.

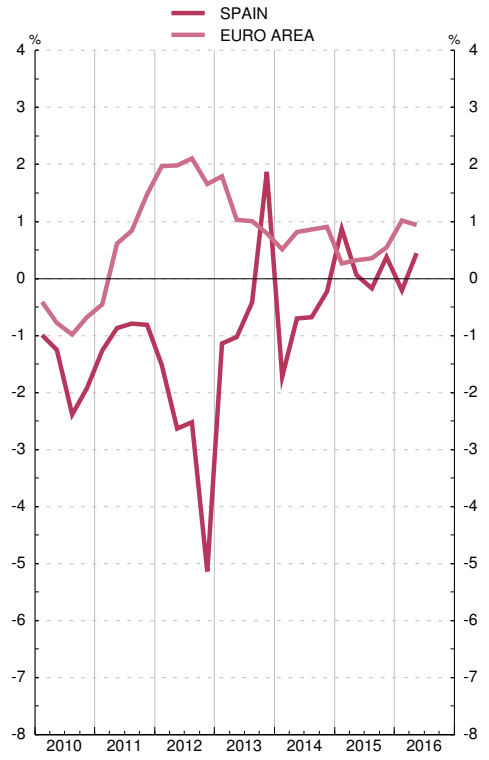
4.8. UNIT LABOUR COSTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

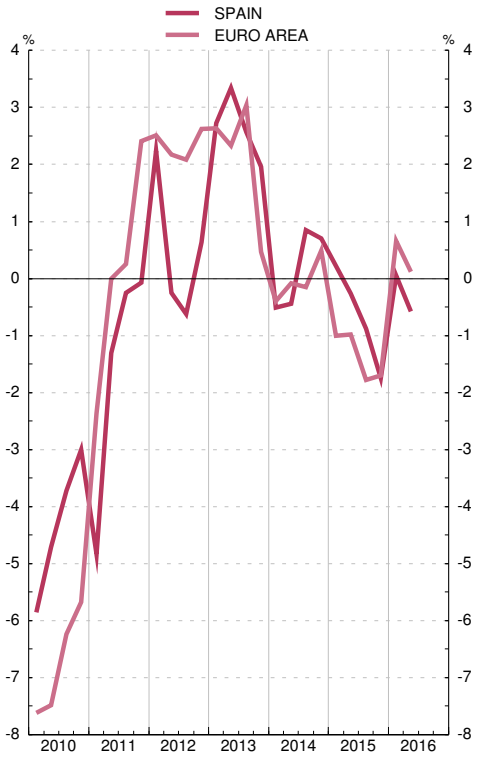
Annual percentage changes

		Unit labour costs				Whole-economy				Memorandum items			
		Whole-economy		Industry		Compensation per employee		Productivity		GDP (volume measures)		Employment Whole-economy	
		Spain	Euro area 19	Spain	Euro area 19	Spain (b)	Euro area 19	Spain	Euro area 19	Spain	Euro area	Spain (b)	Euro area
		1 ■	2 ■	3 ■	4 ■	5	6	7	8	9	10	11	12
13	P	-0.2	1.2	2.6	2.1	1.7	1.6	1.9	0.5	-1.7	-0.2	-3.5	-0.7
14	P	-0.8	0.8	0.1	-0.0	-0.6	1.3	0.3	0.5	1.4	1.3	1.1	1.2
15	A	0.3	0.4	-0.7	-1.4	0.5	1.2	0.2	0.8	3.2	2.3	3.0	2.0
13 *Q3*	P	-0.4	1.0	2.6	3.0	1.4	1.7	1.8	0.7	-1.5	0.0	-3.3	-0.7
Q4	P	1.9	0.8	2.0	0.5	3.6	1.7	1.7	1.0	-0.3	0.6	-1.9	-0.3
14 *Q1*	P	-1.7	0.5	-0.5	-0.4	-0.6	1.5	1.2	1.0	0.4	1.4	-0.7	0.8
Q2	P	-0.7	0.8	-0.4	-0.1	-0.5	1.2	0.2	0.4	1.2	1.2	1.0	1.1
Q3	P	-0.7	0.9	0.8	-0.2	-0.7	1.1	0.0	0.3	1.7	1.2	1.7	1.3
Q4	P	-0.2	0.9	0.7	0.5	-0.5	1.3	-0.3	0.4	2.1	1.4	2.4	1.4
15 *Q1*	A	0.9	0.3	0.2	-1.0	0.7	1.1	-0.2	0.9	2.7	2.1	2.9	1.8
Q2	A	0.1	0.3	-0.3	-1.0	0.3	1.3	0.3	1.0	3.2	2.3	2.9	1.9
Q3	A	-0.2	0.4	-0.9	-1.8	0.1	1.2	0.3	0.8	3.4	2.3	3.1	2.0
Q4	A	0.4	0.5	-1.7	-1.7	0.9	1.2	0.5	0.7	3.5	2.3	3.0	2.2
16 *Q1*	A	-0.2	1.0	0.0	0.7	-0.1	1.2	0.1	0.2	3.4	1.7	3.2	1.4
Q2	A	0.4	0.9	-0.6	0.1	0.8	1.1	0.4	0.2	3.2	1.6	2.9	1.4

UNIT LABOUR COSTS: TOTAL
Annual percentage changes



UNIT LABOUR COSTS: INDUSTRY
Annual percentage changes



Sources: INE (Quarterly National Accounts of Spain. Base year 2010) and EUROSTAT.
a. Seasonally- and working-day-adjusted series. Spain: prepared in accordance with ESA2010; Euro area, preapared in accordance with. ESA2010. b. Full-time equivalent employment.

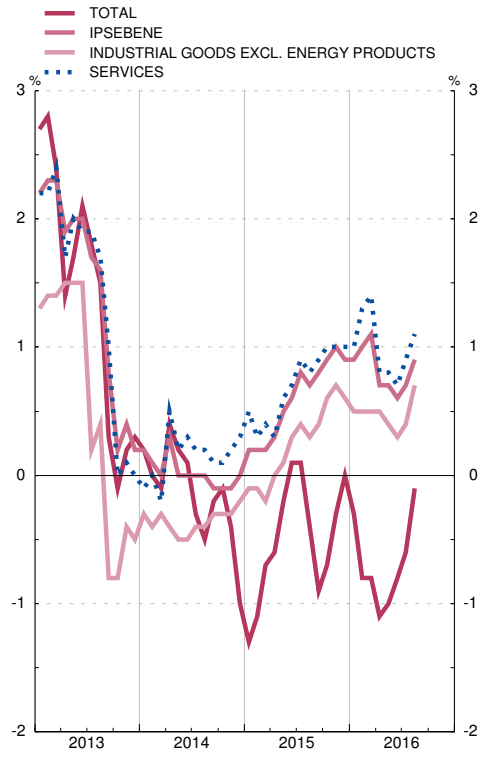
5.1. CONSUMER PRICE INDEX. SPAIN (2011=100)

■ Series depicted in chart.

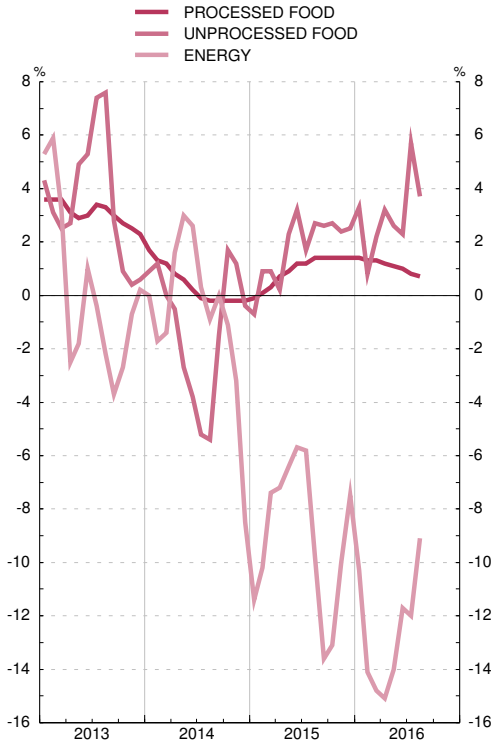
Indices and annual percentage changes

		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
13	M	103.9	_	1.4	0.3	3.5	3.1	0.6	0.1	1.4	1.5	114.6	2.7
14	M	103.7	_	-0.1	-1.0	-1.2	0.4	-0.4	-0.8	0.2	0.0	106.5	-7.0
15	M	103.2	_	-0.5	0.0	1.8	0.9	0.3	-9.0	0.7	0.6	...	...
15 *J-A*	M	103.1	-0.0	-0.5	-0.3	1.4	0.7	0.1	-8.0	0.6	0.4	...	...
16 *J-A*	M	102.4	-0.1	-0.7	-1.0	3.0	1.1	0.5	-12.6	1.0	0.8	...	...
15 *May*		104.1	0.5	-0.2	0.6	2.3	0.9	0.1	-6.4	0.6	0.5	...	...
Jun		104.4	0.3	0.1	0.9	3.2	1.2	0.3	-5.7	0.7	0.6	...	...
Jul		103.4	-0.9	0.1	-0.1	1.7	1.2	0.4	-5.8	0.9	0.8	...	...
Aug		103.1	-0.3	-0.4	-0.4	2.7	1.4	0.3	-9.8	0.8	0.7	...	...
Sep		102.8	-0.3	-0.9	-0.7	2.6	1.4	0.4	-13.6	0.9	0.8	...	...
Oct		103.4	0.6	-0.7	-0.1	2.7	1.4	0.6	-13.1	1.0	0.9	...	...
Nov		103.8	0.4	-0.3	0.3	2.4	1.4	0.7	-10.0	1.0	1.0	...	...
Dec		103.5	-0.3	0.0	0.0	2.5	1.4	0.6	-7.5	1.0	0.9	...	...
16 *Jan*		101.5	-1.9	-0.3	-1.9	3.3	1.4	0.5	-10.3	1.0	0.9	...	...
Feb		101.2	-0.4	-0.8	-2.3	0.8	1.3	0.5	-14.1	1.3	1.0	...	...
Mar		101.8	0.6	-0.8	-1.6	2.2	1.3	0.5	-14.8	1.4	1.1	...	...
Apr		102.5	0.7	-1.1	-0.9	3.2	1.2	0.5	-15.1	0.8	0.7	...	...
May		103.1	0.5	-1.0	-0.4	2.6	1.1	0.4	-14.0	0.8	0.7	...	...
Jun		103.6	0.5	-0.8	0.1	2.3	1.0	0.3	-11.7	0.7	0.6	...	...
Jul		102.8	-0.7	-0.6	-0.7	5.7	0.8	0.4	-12.0	0.9	0.7	...	...
Aug		102.9	0.1	-0.1	-0.5	3.7	0.7	0.7	-9.1	1.1	0.9	...	...

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 Statistical Bulletin.
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.

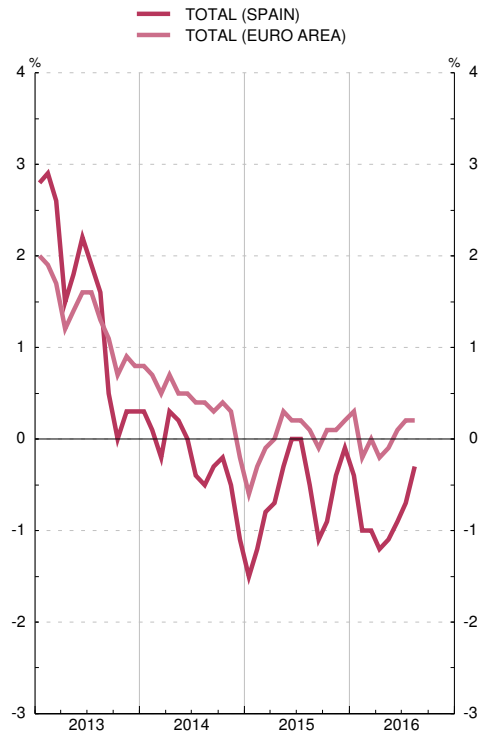
5.2. HARMONISED INDEX OF CONSUMER PRICES. SPAIN AND EURO AREA (2015=100) (a)

■ Series depicted in chart.

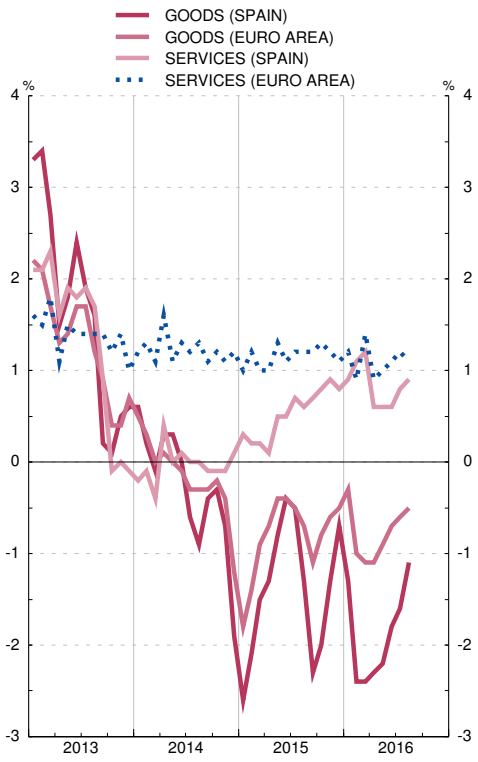
Annual percentage changes

		Total		Goods														Services	
						Food						Industrial							
						Total (a)		Processed (a)		Unprocessed									
		Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Spain	Euro area	Non-energy		Energy		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 ■
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	0.1	0.7	1.3	1.4
14	M	-0.2	0.4	-0.3	-0.2	-0.1	0.5	-0.1	1.2	-0.1	-0.9	-0.4	-0.5	-0.3	0.1	-0.8	-1.9	0.0	1.2
15	M	-0.6	0.0	-1.4	-0.8	1.2	1.0	1.0	0.6	1.4	1.7	-2.9	-1.8	0.1	0.3	-9.0	-6.8	0.5	1.2
15 *J-A*	M	-0.6	-0.0	-1.3	-0.9	0.9	0.8	0.7	0.6	1.2	1.2	-2.6	-1.8	-0.0	0.2	-7.9	-6.5	0.4	1.1
16 *J-A*	M P	-0.8	0.0	-1.9	-0.8	1.7	1.0	1.0	0.6	2.4	1.6	-3.9	-1.7	0.4	0.5	-12.6	-7.2	0.8	1.1
15 *May*		-0.3	0.3	-0.8	-0.4	1.3	1.2	0.9	0.6	1.7	2.1	-2.0	-1.2	0.1	0.2	-6.4	-4.8	0.5	1.3
Jun		0.0	0.2	-0.4	-0.4	1.8	1.2	1.3	0.7	2.4	1.9	-1.7	-1.3	0.2	0.3	-5.7	-5.1	0.5	1.1
Jul		0.0	0.2	-0.5	-0.5	1.4	0.9	1.3	0.6	1.4	1.4	-1.6	-1.3	0.3	0.4	-5.7	-5.6	0.7	1.2
Aug		-0.5	0.1	-1.3	-0.7	1.8	1.3	1.5	0.6	2.1	2.4	-3.0	-1.8	0.2	0.4	-9.7	-7.2	0.6	1.2
Sep		-1.1	-0.1	-2.3	-1.1	1.8	1.4	1.5	0.6	2.0	2.7	-4.7	-2.4	-0.2	0.3	-13.6	-8.9	0.7	1.2
Oct		-0.9	0.1	-2.0	-0.8	1.8	1.6	1.6	0.6	2.0	3.2	-4.2	-2.1	0.2	0.6	-13.1	-8.5	0.8	1.3
Nov		-0.4	0.1	-1.3	-0.6	1.7	1.5	1.5	0.7	1.8	2.7	-2.9	-1.7	0.5	0.6	-9.9	-7.3	0.9	1.2
Dec		-0.1	0.2	-0.7	-0.5	1.8	1.2	1.6	0.7	2.0	2.0	-2.1	-1.3	0.4	0.5	-7.4	-5.8	0.8	1.1
16 *Jan*		-0.4	0.3	-1.3	-0.3	1.9	1.0	1.4	0.8	2.5	1.4	-3.1	-1.0	0.4	0.7	-10.3	-5.4	0.9	1.2
Feb		-1.0	-0.2	-2.4	-1.0	1.2	0.6	1.3	0.6	1.0	0.6	-4.4	-1.9	0.4	0.7	-14.1	-8.1	1.1	0.9
Mar		-1.0	0.0	-2.4	-1.1	1.6	0.8	1.2	0.4	1.9	1.3	-4.7	-2.1	0.2	0.5	-14.8	-8.7	1.2	1.4
Apr		-1.2	-0.2	-2.3	-1.1	1.8	0.8	1.1	0.5	2.5	1.2	-4.6	-2.1	0.4	0.5	-15.1	-8.7	0.6	0.9
May		-1.1	-0.1	-2.2	-0.9	1.6	0.9	1.0	0.6	2.2	1.5	-4.3	-1.9	0.4	0.5	-14.0	-8.1	0.6	1.0
Jun		-0.9	0.1	-1.8	-0.7	1.3	0.9	0.8	0.5	1.9	1.5	-3.6	-1.6	0.3	0.4	-11.6	-6.4	0.6	1.1
Jul		-0.7	0.2	-1.6	-0.6	2.3	1.4	0.6	0.5	4.0	2.9	-3.8	-1.7	0.4	0.4	-12.0	-6.7	0.8	1.2
Aug	P	-0.3	0.2	-1.1	-0.5	1.6	1.3	0.5	0.5	2.8	2.5	-2.6	-1.4	0.5	0.3	-9.0	-5.6	0.9	1.1

HARMONISED INDEX OF CONSUMER PRICES. TOTAL
Annual percentage changes



HARMONISED INDEX OF CONSUMER PRICES. COMPONENTS
Annual percentage changes



Source: Eurostat.
a. Including alcoholic beverages and tobacco.

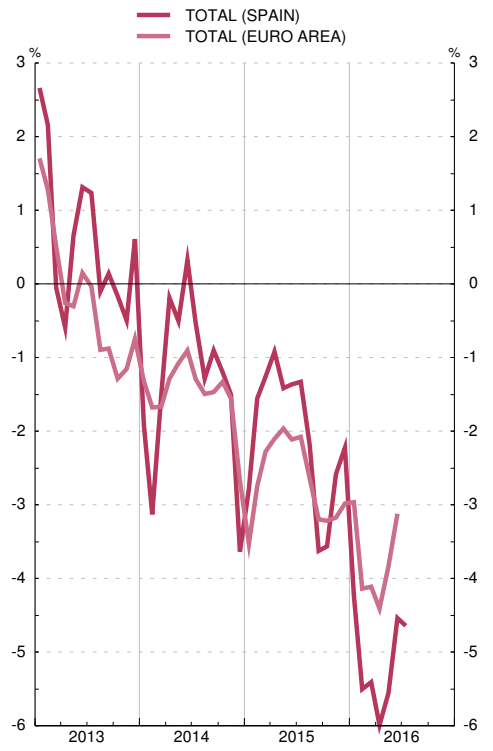
5.3. PRODUCER PRICE INDEX. SPAIN AND EURO AREA (2010 = 100)

■ Series depicted in chart.

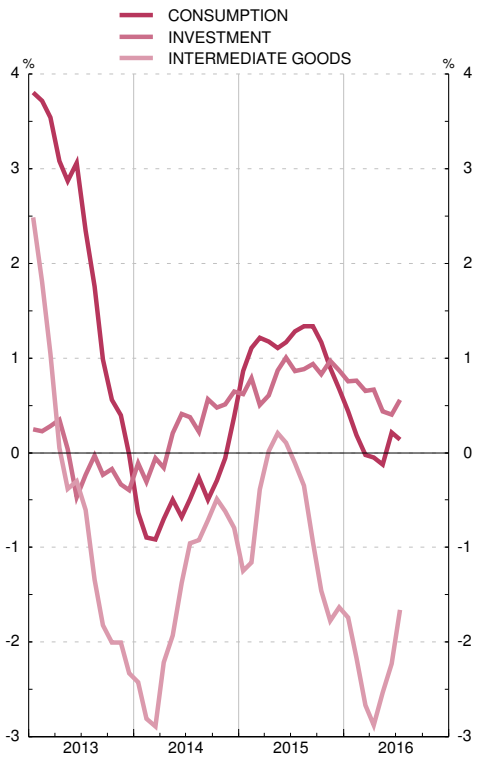
Annual percentage changes

			Total			Consumer goods		Capital goods		Intermediate goods		Energy		Memorandum item: euro area				
			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	Total 12-month % change	Consumer goods 12-month % change	Capital goods 12-month % change	Intermediate goods 12-month % change	Energy 12-month % change
			1	2	3 ■	4	5 ■	6	7 ■	8	9 ■	10	11	12 ■	13	14	15	16
13	M		111.7	_	0.6	_	2.2	_	-0.1	_	-0.5	_	0.5	-0.2	1.7	0.6	-0.6	-1.6
14	M		110.2	_	-1.3	_	-0.5	_	0.2	_	-1.5	_	-3.1	-1.5	0.1	0.4	-1.1	-4.4
15	M		107.9	_	-2.1	_	1.1	_	0.8	_	-0.7	_	-8.8	-2.7	-0.6	0.7	-1.3	-8.1
15 *J-J*	M		108.7	_	-1.5	_	1.1	_	0.8	_	-0.4	_	-7.2	-2.4	-0.8	0.7	-1.0	-7.3
16 *J-J*	M	P	103.1	_	-5.1	_	0.1	_	0.6	_	-2.3	_	-17.0	...	...	...	...	...
15 *Apr*			108.6	0.5	-0.9	0.1	1.2	0.1	0.6	0.6	0.0	1.0	-5.4	-2.1	-0.8	0.8	-0.8	-6.4
May			109.0	0.3	-1.4	0.1	1.1	0.3	0.9	0.2	0.2	0.8	-7.5	-2.0	-0.8	0.7	-0.6	-6.2
Jun			110.0	0.9	-1.4	0.1	1.2	0.1	1.0	0.1	0.1	3.2	-7.4	-2.1	-0.8	0.7	-0.6	-6.8
Jul			110.1	0.1	-1.3	0.3	1.3	0.1	0.9	-0.2	-0.1	0.3	-7.1	-2.1	-0.8	0.7	-0.8	-6.5
Aug			108.2	-1.7	-2.2	0.3	1.3	0.0	0.9	-0.5	-0.3	-6.2	-9.9	-2.6	-0.7	0.6	-1.1	-8.2
Sep			107.2	-0.9	-3.6	-0.2	1.3	0.3	0.9	-0.5	-0.9	-2.9	-14.3	-3.2	-0.4	0.6	-1.5	-10.0
Oct			106.4	-0.8	-3.6	-0.4	1.2	-0.2	0.8	-0.6	-1.5	-1.7	-13.4	-3.2	-0.1	0.6	-1.9	-9.8
Nov			106.3	-0.2	-2.6	-0.2	0.9	0.0	1.0	-0.6	-1.8	0.4	-9.4	-3.2	-0.2	0.6	-2.1	-9.3
Dec			105.5	-0.7	-2.2	-0.1	0.7	0.0	0.9	-0.2	-1.6	-2.4	-7.8	-3.0	-0.3	0.5	-1.9	-8.9
16 *Jan*			102.8	-2.5	-4.2	0.1	0.4	0.1	0.8	-0.4	-1.7	-9.7	-15.0	-3.0	-0.2	0.4	-1.8	-8.9
Feb			101.7	-1.1	-5.5	-0.2	0.2	0.0	0.8	-0.6	-2.2	-3.7	-18.9	-4.1	-0.4	0.4	-2.2	-12.4
Mar			102.3	0.6	-5.4	-0.1	-0.0	-0.1	0.7	0.1	-2.7	2.5	-17.7	-4.1	-0.6	0.4	-2.7	-11.8
Apr			102.1	-0.2	-6.0	0.1	-0.1	0.1	0.7	0.4	-2.9	-1.3	-19.5	-4.4	-0.7	0.4	-2.9	-12.5
May		P	103.0	0.8	-5.6	0.0	-0.1	0.1	0.4	0.6	-2.5	2.6	-18.0	-3.8	-0.5	0.4	-2.8	-10.8
Jun		P	105.0	2.0	-4.5	0.4	0.2	0.0	0.4	0.4	-2.2	7.5	-14.7	-3.1	-0.4	0.4	-2.6	-8.6
Jul		P	105.0	-0.0	-4.6	0.2	0.1	0.2	0.6	0.4	-1.7	-0.9	-15.6	...	...	...	...	...

PRODUCER PRICE INDEX. TOTAL
Annual percentage changes



PRODUCER PRICE INDEX. COMPONENTS
Annual percentage changes



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

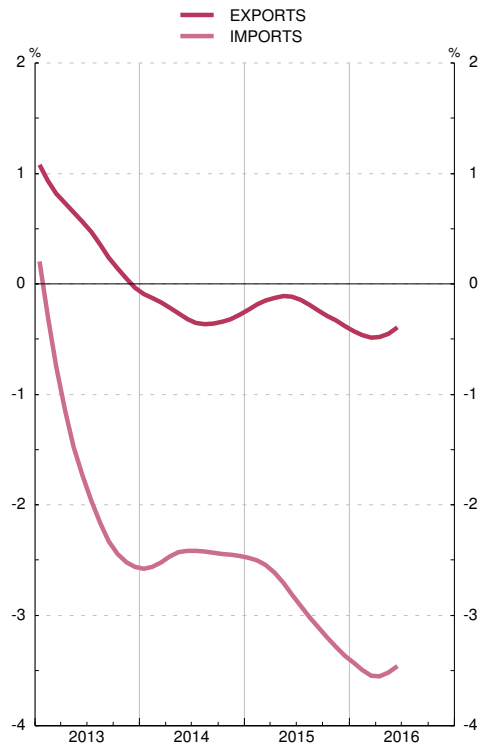
5.4. UNIT VALUE INDICES FOR SPANISH FOREIGN TRADE

■ Series depicted in chart.

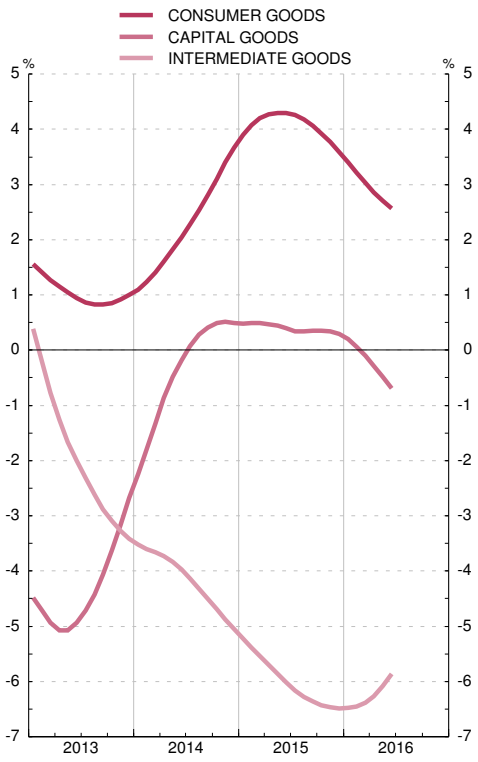
Annual percentage changes

	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
13	-0.1	1.3	-5.0	-0.1	-5.8	0.6	-4.2	-0.8	-7.9	-4.8	-8.5	-2.6
14	-1.0	0.3	-1.9	-1.5	-5.0	-1.4	-2.3	1.2	-1.9	-3.5	-6.6	-1.6
15	0.6	3.0	-1.4	-0.9	-22.0	1.6	-2.5	7.2	6.0	-6.9	-25.6	1.9
15 *J-J*	1.1	2.7	-2.3	0.4	-19.0	2.5	-1.5	8.2	9.6	-5.8	-22.9	2.6
16 *J-J*	-2.3	0.3	2.1	-5.0	-19.2	-4.0	-4.9	2.0	1.2	-8.4	-26.4	-3.4
15 *Jan*	0.1	3.0	-2.1	-1.5	-21.8	0.6	-2.8	10.1	-3.5	-7.1	-28.1	2.9
Feb	1.2	2.1	-6.0	1.8	-18.6	3.3	-2.1	8.1	1.3	-5.9	-26.0	3.6
Mar	0.6	2.1	0.7	-0.4	-21.4	2.2	0.6	10.1	23.9	-4.9	-21.9	5.2
Apr	-0.1	2.0	-6.1	-0.5	-25.7	1.6	-1.5	6.1	13.2	-5.4	-22.5	2.5
May	2.9	5.3	1.2	1.6	-9.7	3.0	-0.2	8.8	9.5	-4.1	-17.3	2.8
Jun	1.5	1.6	-2.1	1.9	-16.9	4.7	-3.0	6.1	12.5	-7.6	-21.9	-1.4
Jul	1.9	3.7	1.3	0.8	-20.7	3.3	-2.9	7.6	-4.7	-6.2	-24.6	2.3
Aug	0.6	3.1	-0.2	-1.0	-24.8	2.7	-3.5	8.7	0.7	-8.6	-28.0	3.6
Sep	-2.5	1.9	4.6	-6.5	-35.2	-2.4	-4.2	4.7	8.2	-8.7	-34.4	1.7
Oct	0.7	3.0	-6.0	0.2	-18.4	2.2	-2.5	6.5	-2.7	-6.0	-26.2	2.8
Nov	0.1	4.1	-5.3	-1.9	-25.2	0.5	-2.9	5.6	7.1	-7.4	-28.1	0.4
Dec	-0.5	4.4	3.2	-4.6	-25.7	-2.4	-5.7	3.6	6.6	-10.8	-28.3	-3.9
16 *Jan*	-1.0	0.8	0.1	-2.4	-23.2	-1.0	-2.2	4.1	0.7	-5.4	-21.2	-1.3
Feb	-2.1	-0.8	5.1	-4.1	-14.3	-3.4	-3.3	4.1	8.1	-7.8	-29.0	-2.3
Mar	-3.2	1.7	2.6	-7.7	-23.9	-6.8	-9.0	0.9	-2.1	-13.7	-33.8	-8.2
Apr	-1.3	1.2	2.7	-3.7	-16.0	-2.8	-5.6	0.9	0.3	-9.0	-26.9	-3.9
May	-4.5	-1.7	2.3	-7.7	-23.0	-6.4	-5.6	1.2	5.4	-9.6	-28.6	-4.2
Jun	-2.0	0.7	0.3	-4.4	-14.5	-3.5	-3.3	0.7	-5.2	-4.6	-19.0	-0.2

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 Statistical Bulletin.

a. Annual percentage changes (trend obtained with TRAMO-SEATS).

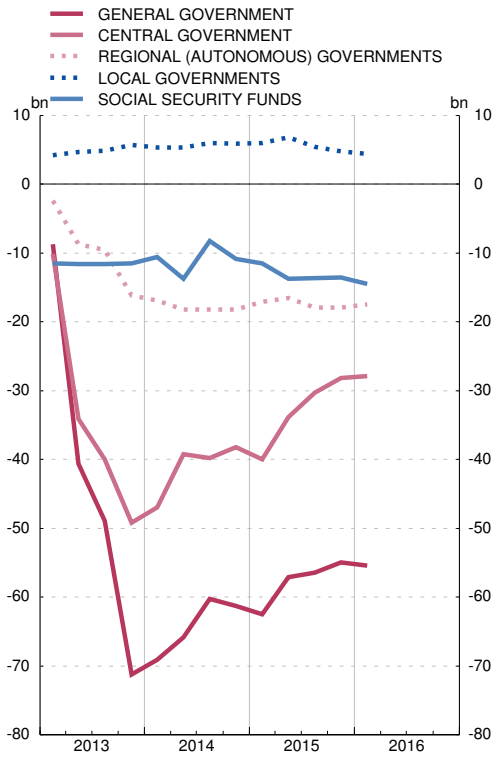
6.1. GENERAL GOVERNMENT. NET LENDING (+)/NET BORROWING (-)

■ Series depicted in chart.

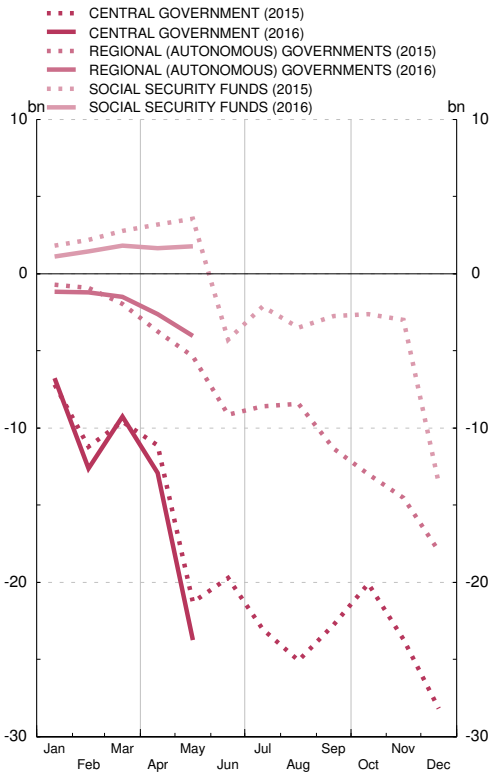
EUR millions

			General government	Central government		Regional (autonomous) governments (b)	Local governments	Social security funds
				Total	Of which: State (a)			
			1 = 2+4+5+6 ■	2 ■	3	4 ■	5 ■	6 ■
14		P	-61 319	-38 209	-40 192	-18 182	5 938	-10 866
15		A	-54 965	-28 176	-30 020	-17 962	4 765	-13 592
15	*Q2*	A	-23 289	-10 154	-10 942	-7 153	1 063	-7 045
	Q3	A	-2 110	-3 013	-2 811	-2 229	1 607	1 525
	Q4	A	-21 760	-5 431	-5 561	-6 607	1 105	-10 827
16	*Q1*	A	-8 256	-9 245	-10 122	-1 486	662	1 813
15	*J-M*	A	...	-21 285	-22 094	-5 358	...	3 578
16	*J-M*	A	...	-23 754	-23 520	-4 031	...	1 778
15	*Jul*	A	...	-3 327	-3 299	546	...	2 168
	Aug	A	...	-2 028	-1 831	134	...	-1 363
	Sep	A	...	2 342	2 319	-2 909	...	720
	Oct	A	...	2 639	2 410	-1 656	...	141
	Nov	A	...	-3 614	-3 545	-1 517	...	-381
	Dec	A	...	-4 456	-4 426	-3 434	...	-10 587
16	*Jan*	A	...	-6 751	-6 416	-1 179	...	1 098
	Feb	A	...	-5 892	-6 954	-30	...	354
	Mar	A	...	3 398	3 248	-277	...	361
	Apr	A	...	-3 672	-3 984	-1 143	...	-171
	May	A	...	-10 837	-9 414	-1 402	...	136

NET LENDING (+)/NET BORROWING (-)
By level of government.4-quarter moving average



NET LENDING (+)/NET BORROWING (-)
By level of government. Cumulative data from January. Monthly information



SOURCE: Ministerio de Hacienda y Administraciones Públicas (IGAE).
a. Detailed operations are published in indicator 6.3.
b. The breakdown by regional (autonomous) government is published in indicator 6.6.

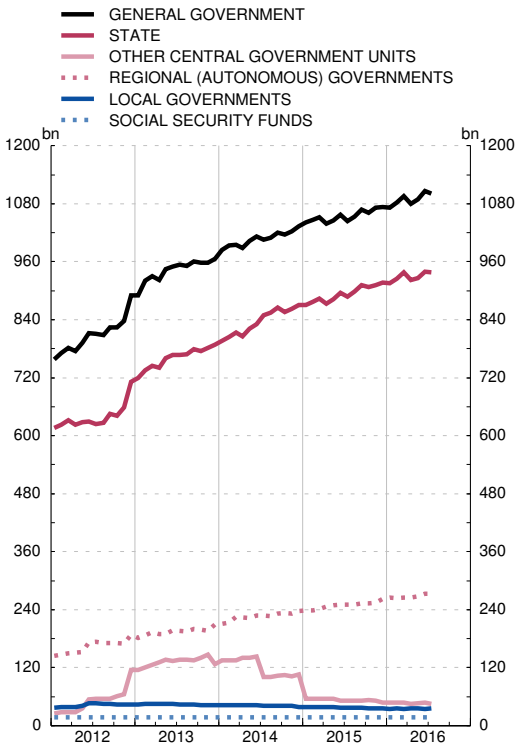
6.2. GENERAL GOVERNMENT. DEBT ACCORDING TO THE EXCESSIVE DEFICIT PROCEDURE (EDP)

■ Series depicted in chart.

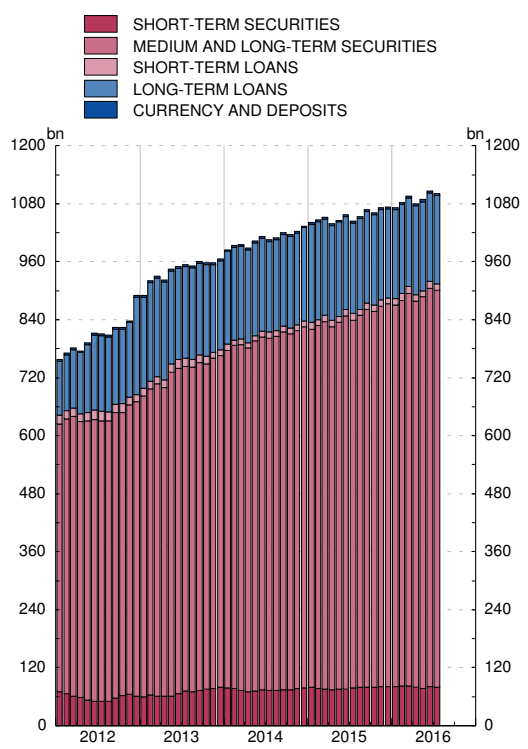
EUR millions

		Total	By government sector						By instrument						
			Central government b)		Regional (autonomous) governments	Local governments	Social security funds	Debt held by general government (consolidation)	Currency and deposits	Debt Securities			Loans		
			State	Other units						Total	Short-term	Long-term	Total	Short-term	Long-term
		(a)													
		1=(2 a 6)-7	2 ■	3	4 ■	5 ■	6	7	8 ■	9=10+11 ■	10	11	12=13+14 ■	13	14
11		743 530	598 995	25 243	145 086	36 819	17 169	79 781	3 685	610 699	74 185	536 514	129 146	15 232	113 914
12		890 726	711 227	114 931	188 406	44 003	17 188	185 030	3 681	669 887	60 576	609 311	217 157	15 139	202 019
13		966 040	788 781	126 888	209 761	42 109	17 187	218 687	3 696	765 746	78 977	686 769	196 597	12 078	184 519
14	P	1 034 077	870 499	105 703	237 201	38 329	17 188	234 844	3 847	825 151	77 611	747 540	205 078	11 620	193 458
15 *Mar*	P	1 052 127	883 326	55 143	240 743	38 274	17 190	182 549	3 878	835 940	75 220	760 720	212 309	13 800	198 509
Apr	P	1 038 252	872 879	55 635	246 634	38 265	17 188	192 350	3 892	825 268	74 749	750 519	209 092	13 731	195 360
May	P	1 046 112	881 897	55 573	249 259	37 845	17 187	195 650	3 916	834 263	75 599	758 663	207 933	12 993	194 941
Jun	P	1 057 561	896 240	52 143	250 322	37 723	17 196	196 064	3 948	847 925	75 764	772 161	205 688	13 917	191 771
Jul	P	1 044 791	887 941	52 026	249 985	37 287	17 193	199 641	3 981	839 407	77 605	761 802	201 403	13 698	187 705
Aug	P	1 054 059	898 487	52 136	250 823	36 855	17 199	201 441	4 001	849 743	78 909	770 833	200 315	11 943	188 372
Sep	P	1 067 610	912 013	51 671	253 563	36 856	17 197	203 691	4 018	861 647	79 374	782 273	201 945	13 489	188 456
Oct	P	1 061 929	907 251	52 506	253 690	36 187	17 186	204 892	4 025	857 537	79 564	777 973	200 367	12 711	187 656
Nov	P	1 072 222	911 628	52 016	254 752	35 474	17 194	198 840	4 040	868 420	81 048	787 372	199 763	12 119	187 644
Dec	P	1 073 189	916 926	48 169	262 543	35 131	17 188	206 770	4 056	873 570	80 798	792 772	195 562	11 239	184 324
16 *Jan*	P	1 072 486	915 312	48 099	264 711	34 955	17 189	207 780	4 068	870 808	80 695	790 113	197 610	13 513	184 097
Feb	P	1 082 222	925 159	48 044	264 007	35 379	17 190	207 556	4 081	880 331	82 544	797 787	197 810	13 415	184 395
Mar	P	1 096 150	938 236	47 937	265 258	35 053	17 188	207 522	4 089	894 573	81 893	812 680	197 488	13 981	183 507
Apr	A	1 080 312	922 091	45 713	265 502	35 568	17 179	205 740	4 093	878 047	79 537	798 510	198 171	13 397	184 774
May	A	1 088 619	926 380	46 856	267 241	35 775	17 179	204 811	4 114	887 401	76 624	810 777	197 105	12 902	184 202
Jun	A	1 106 693	938 971	47 208	273 199	35 107	17 174	204 965	4 133	904 531	80 433	824 098	198 029	14 556	183 473
Jul	A	1 100 736	937 482	44 624	273 090	35 150	17 173	206 784	4 166	900 514	79 807	820 707	196 056	14 095	181 961

GENERAL GOVERNMENT DEBT ACCORDING TO THE EDP
By sub-sector. Billions of euro



GENERAL GOVERNMENT DEBT ACCORDING TO THE EDP
By instrument. Billions of euro



SOURCE: BE.

a. The most recent data to have been checked against those of the regional (autonomous) governments and the thirteen largest municipalities correspond to June 2016.

b. Since July 2014, the debt (loans and securities) of the Fund for the Financing of Payments to Suppliers (FFPS) has been included in the debt of the State instead of in Other Central Government Units, owing to the integration of the latter into the State. From January 2015, this indicator incorporates the effect of the creation of the Fund for the Financing of Regional Governments and the Fund for the Financing of Local Governments, which are also included in the State and have assumed the outstanding amounts of FFPP and FLA as at December 2014.

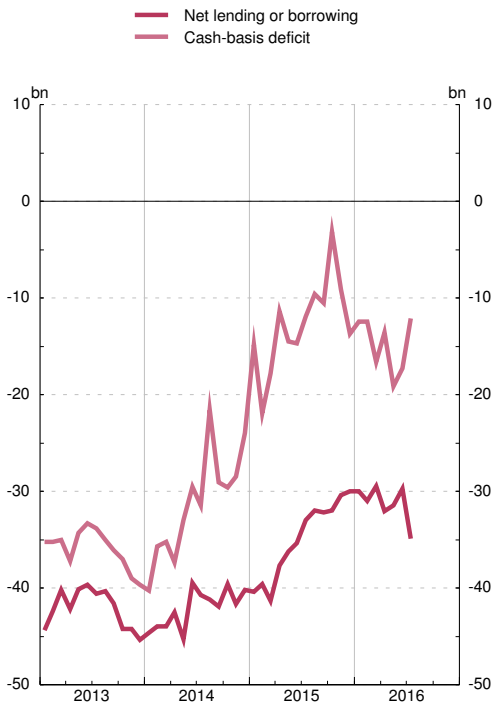
6.3. STATE RESOURCES AND USES ACCORDING TO THE NACIONAL ACCOUNTS. SPAIN

■ Series depicted in chart.

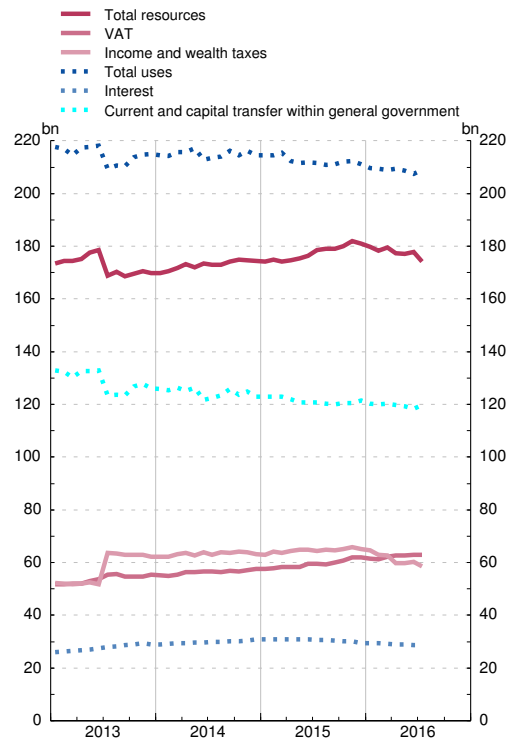
EUR millions

		Net lending (+) or borrowing (-)	Current and capital resources						Current and capital uses						Memorandum item: cash-basis deficit		
			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 a 13	9	10	11	12	13	14=15-16	15	16
14	P	-40 192	174 340	57 483	22 265	10 222	63 276	21 094	214 532	18 030	30 826	122 802	2 613	40 261	-23 957	134 036	157 993
15	A	-30 020	181 004	61 993	23 617	6 810	65 030	23 554	211 024	18 396	29 488	121 424	1 965	39 751	-13 710	144 375	158 085
15 *J-J*	A	-24 947	101 124	38 263	13 581	2 762	32 738	13 780	126 071	10 459	17 357	75 745	564	21 946	-15 469	83 596	99 065
16 *J-J*	A	-29 842	94 194	39 202	13 220	3 310	26 268	12 194	124 036	10 596	16 479	73 984	341	22 636	-13 879	70 060	83 939
15 *Jul*	A	-3 299	18 530	3 968	2 186	251	6 196	5 929	21 829	1 338	2 546	15 280	71	2 594	2 449	22 515	20 066
Aug	A	-1 831	11 817	2 336	1 882	443	5 795	1 361	13 648	1 283	2 443	7 426	118	2 378	2 717	11 507	8 790
Sep	A	2 319	18 268	8 584	2 253	180	5 594	1 657	15 949	1 340	2 286	9 318	66	2 939	-4 908	4 231	9 139
Oct	A	2 410	19 037	4 594	1 917	200	10 570	1 756	16 627	1 495	2 480	9 331	150	3 171	14 943	23 679	8 736
Nov	A	-3 545	12 963	4 451	2 290	223	4 273	1 726	16 508	1 381	2 372	9 407	89	3 259	-8 928	8 787	17 716
Dec	A	-4 426	17 795	3 765	1 694	3 002	6 060	3 274	22 221	2 438	2 550	10 197	978	6 058	-2 064	12 576	14 640
16 *Jan*	A	-6 416	9 502	4 457	1 831	178	2 122	914	15 918	1 304	2 427	9 461	-	2 726	-5 425	4 580	10 005
Feb	A	-6 954	10 750	5 377	1 962	215	2 200	996	17 704	1 319	2 248	9 930	93	4 114	-2 705	15 907	18 612
Mar	A	3 248	20 524	9 530	1 671	1 245	6 607	1 471	17 276	1 337	2 350	10 316	65	3 208	-2 979	6 853	9 832
Apr	A	-3 984	11 579	4 046	2 085	543	3 574	1 331	15 563	1 342	2 323	8 948	33	2 917	8 749	17 224	8 474
May	A	-9 414	6 328	2 973	1 871	241	-67	1 310	15 742	1 628	2 317	8 886	26	2 885	-11 978	2 719	14 698
Jun	A	2 177	20 685	8 829	1 851	236	7 215	2 554	18 508	2 398	2 274	9 830	48	3 958	-7 153	3 070	10 223
Jul	A	-8 499	14 826	3 990	1 949	652	4 617	3 618	23 325	1 268	2 540	16 613	76	2 828	7 613	19 707	12 094

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



STATE. RESOURCES AND USES ACCORDING TO THE NATIONAL ACCOUNTS
Lastest 12 months



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

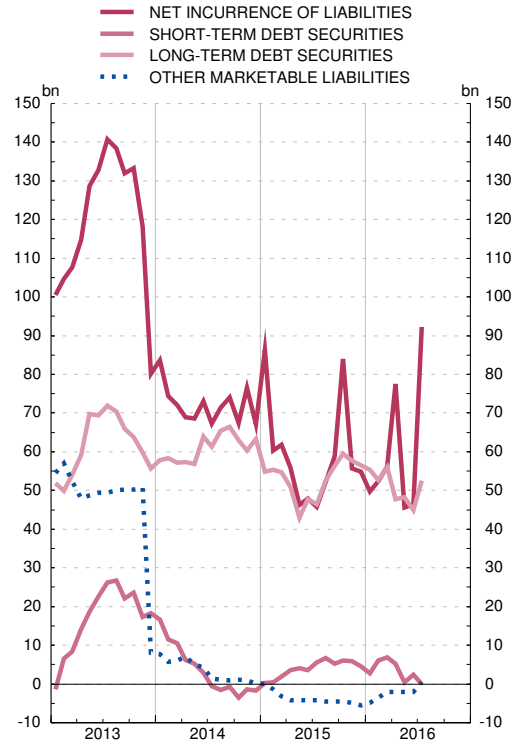
6.4. STATE FINANCIAL TRANSACTIONS. SPAIN

■ Series depicted in chart.

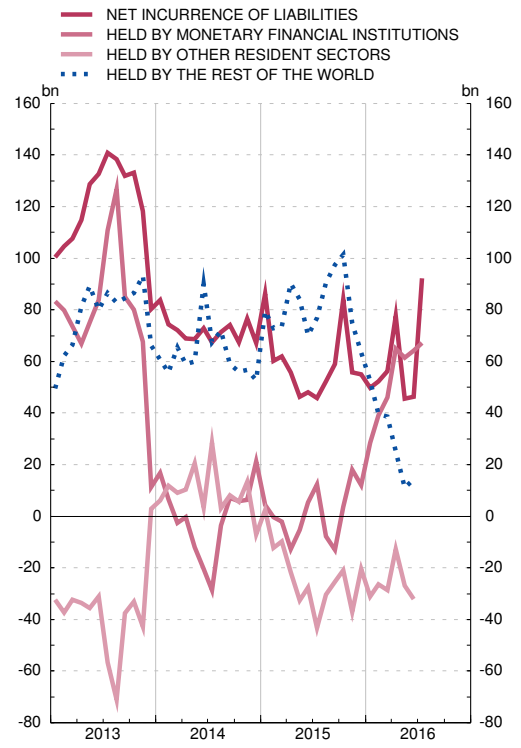
EUR millions

		Net lending (+) or net borrowing(-)	Net acquisition of financial assets		Net incurrence of liabilities											Net incurrence of liabilities (excluding other accounts payable)
					Of which		By instrument					By counterpart sector				
			Of which									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 debt securities	Long-term debt securities (a)	Banco de España loans	Other marketable liabilities (b)	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
14	P	-40 192	26 891	-91	67 083	240	-1 806	63 239	-946	155	6 441	14 232	21 197	-6 965	52 851	60 642
15	A	-30 020	24 911	2	54 931	-0	4 608	56 535	-970	-5 607	365	-8 558	11 955	-20 513	63 489	54 566
15 *J-J*	A	-24 947	-11 880	1	13 067	-5	2 104	23 762	-970	-5 385	-6 443	-25 707	-8 489	-17 218	38 774	19 511
16 *J-J*	A	-29 842	20 503	37 439	50 345	-4	-2 648	19 689	-	683	32 621	17 955	46 613	-31 141	-899	17 724
15 *Jul*	A	-3 299	-15 841	-1	-12 542	2	1 843	-11 818	-	-2 526	-41	-2 987	-5 340	2 353	-9 555	-12 501
Aug	A	-1 831	11 625	11 989	13 456	2	1 515	12 200	-	21	-279	-6 599	2 425	-9 024	20 055	13 735
Sep	A	2 319	18 805	5 503	16 486	2	847	15 319	-	6	315	13 075	7 007	6 068	3 411	16 171
Oct	A	2 410	13 182	9 997	10 772	-3	615	-10 364	-	-4	20 525	6 605	9 261	-2 656	4 167	-9 753
Nov	A	-3 545	-19 261	-19 500	-15 716	2	192	6 832	-	-2	-22 737	-7 117	7 466	-14 583	-8 598	7 022
Dec	A	-4 426	12 440	-7 989	16 866	2	-664	8 787	-	-243	8 985	11 185	-5 715	16 900	5 681	7 881
16 *Jan*	A	-6 416	10 110	12 390	16 526	2	-404	-6 006	-	765	22 171	3 560	10 614	-7 054	12 966	-5 645
Feb	A	-6 954	-24 548	-5 601	-17 594	2	2 405	9 821	-	-36	-29 784	-3 745	4 997	-8 742	-13 849	12 190
Mar	A	3 248	18 794	8 498	15 546	2	-291	16 082	-	10	-254	13 651	8 800	4 851	1 895	15 800
Apr	A	-3 984	3 569	13 802	7 553	-16	-1 503	-20 101	-	-46	29 203	9 519	8 018	1 501	-1 966	-21 650
May	A	-9 414	-29 950	-28 100	-20 536	2	-3 414	10 332	-	-25	-27 431	-10 623	3 199	-13 822	-9 913	6 894
Jun	A	2 177	17 738	-451	15 561	2	1 349	13 870	-	-17	359	5 593	13 468	-7 875	9 968	15 202
Jul	A	-8 499	24 790	36 900	33 289	2	-791	-4 309	-	32	38 357	...	-2 483	...	...	-5 068

STATE. NET INCURRENCE OF LIABILITIES. BY INSTRUMENT
Lastest 12 months



STATE. NET INCURRENCE OF LIABILITIES. BY COUNTERPART SECTOR
Lastest 12 months



Source: BE.

a. Including Treasury Bills with a maturity of more than one year..

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

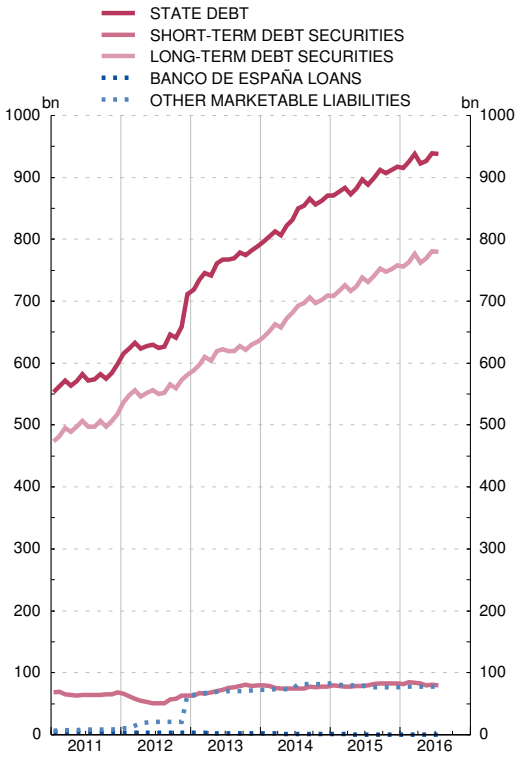
6.5. STATE. LIABILITIES OUTSTANDING ACCORDING TO THE METHODOLOGY OF EXCESSIVE DEFICIT PROCEDURE. SPAIN

■ Series depicted in chart.

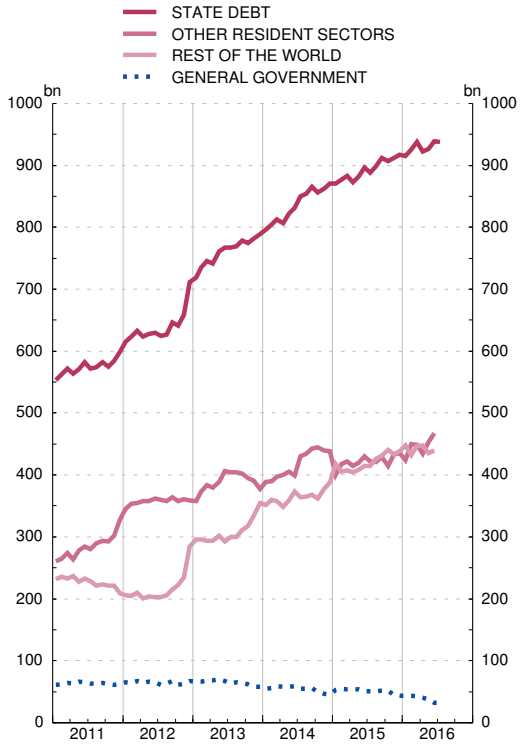
EUR millions

		Liabilities outstanding according to the methodology of the Excessive Deficit Procedure (PDE) (a)										Memorandum item:				
		Total	Of which: In currencies other than euro	By instruments: Short-term debt securities	By instruments: Long-term debt securities (b)	By instruments: Banco de España loans	By instruments: Other marketable liabilities (c)	By counterpart sector: Held by resident sectors: Total	By counterpart sector: Held by resident sectors: General Government	By counterpart sector: Held by resident sectors: Other resident sectors	By counterpart sector: Rest of the world	Deposits at the Banco de España including Treasury liquidity tenders	Guarantees granted: Total	Guarantees granted: Of which: to other General Government units	Guarantees granted: Of which: to FEEF (d)	Guarantees granted: Of which: to credit institutions
		1 ■	2	3 ■	4 ■	5 ■	6 ■	7	8 ■	9 ■	10 ■	11	12	13	14	15
11		598 995	0	68 639	517 630	3 499	9 227	390 428	62 613	327 815	208 567	30 616	99 748	23 851	2 993	64 659
12		711 227	0	62 627	581 314	2 915	64 371	426 532	67 328	359 204	284 695	35 000	168 165	26 608	30 820	68 399
13		788 781	240	80 045	634 407	1 943	72 385	434 594	57 387	377 206	354 187	20 284	165 358	31 954	35 145	46 607
14	P	870 499	257	77 926	709 307	972	82 294	483 090	45 135	437 956	387 409	29 125	120 483	24 809	39 127	8 662
15 *Jul*	A	887 941	284	79 967	731 060	-	76 914	473 016	50 927	422 089	414 925	15 947	112 836	23 779	39 382	3 723
Aug	A	898 487	275	81 473	740 079	-	76 935	472 358	51 083	421 275	426 129	28 552	112 835	23 779	39 382	3 723
Sep	A	912 013	271	82 314	752 759	-	76 941	480 397	51 270	429 127	431 617	34 843	112 798	23 779	39 382	3 723
Oct	A	907 251	278	82 922	747 392	-	76 937	466 465	51 551	414 914	440 787	55 069	113 740	24 778	39 382	3 723
Nov	A	911 628	284	83 105	751 588	-	76 935	478 271	44 632	433 640	433 357	35 080	112 896	24 778	39 382	2 888
Dec	A	916 926	272	82 435	757 572	-	76 918	478 334	43 105	435 229	438 591	26 564	107 913	23 028	37 906	2 888
16 *Jan*	A	915 312	262	82 024	755 605	-	77 683	467 098	43 055	424 043	448 214	39 837	108 495	23 028	38 521	2 888
Feb	A	925 159	255	84 426	763 085	-	77 647	493 043	42 939	450 104	432 116	28 495	108 721	23 028	39 136	2 888
Mar	A	938 236	253	84 130	776 449	-	77 657	491 143	42 008	449 135	447 093	37 059	107 490	23 028	38 009	2 868
Apr	A	922 091	256	82 621	761 859	-	77 610	474 744	40 255	434 490	447 347	51 028	105 769	23 028	38 009	1 178
May	A	926 380	263	79 198	769 596	-	77 586	490 921	37 634	453 287	435 459	20 877	107 945	24 302	39 033	1 059
Jun	A	938 971	242	80 543	780 793	-	77 635	499 934	32 486	467 448	439 037	20 243	107 936	24 302	39 033	1 059
Jul	A	937 482	237	79 742	780 081	-	77 659	...	32 226	...	...	41 869	107 164	21 807	38 286	1 059

STATE. LIABILITIES OUTSTANDING
By instrument. Billions of euro



STATE. LIABILITIES OUTSTANDING
By counterpart sector. Billions of euro



SOURCE: BE.

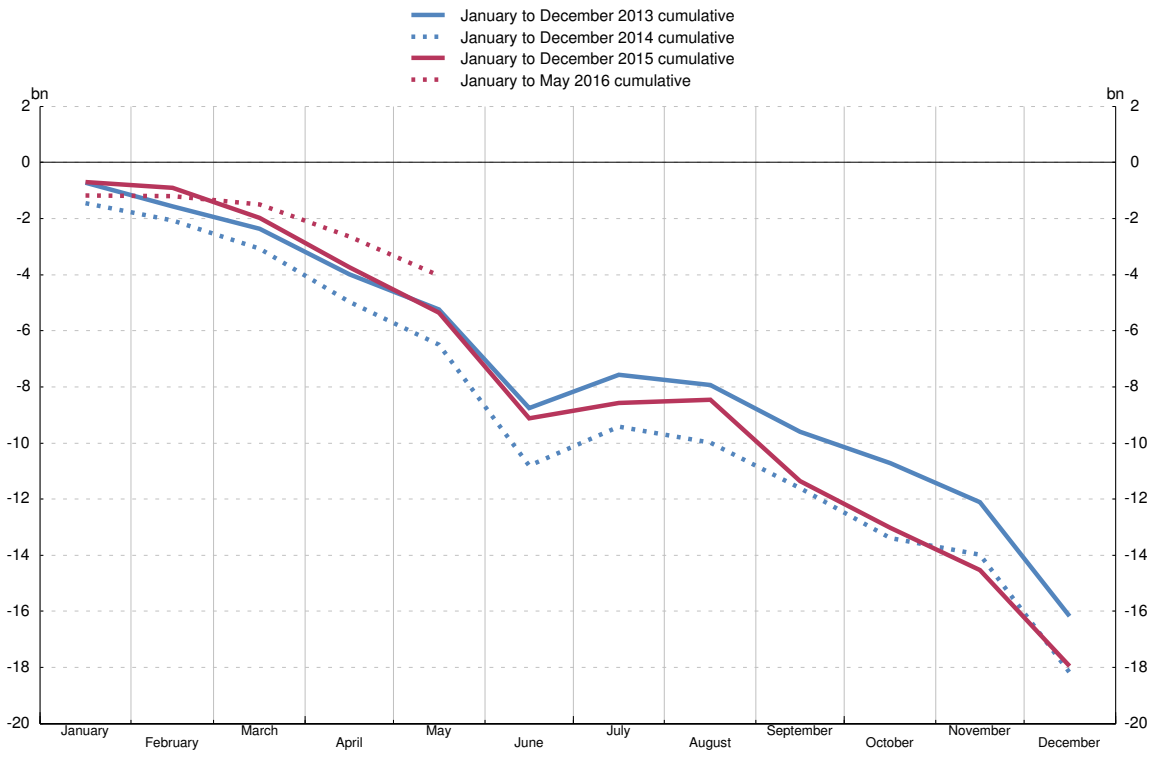
a. Included from July 2014 is the debt (loans and securities) of the Fund for the Financing of Payments to Suppliers, which was integrated into the State as from that date.
b. Including Treasury Bills with a maturity of more than one year.
c. Includes loans from European Stability Mechanism (ESM), other loans, non-negotiable securities and coined money.
d. European Financial Stability Facility.

6.6. REGIONAL (AUTONOMOUS) GOVERNMENTS. NET LENDING (+)/NET BORROWING (-)

EUR millions

		Total	Anda-lucía	Aragón	Princ. de Astu-rias	Illes Balears	Cana-rias	Canta-bria	Cas-tilla-La Mancha	Cas-tilla y León	Cata-luña	Extre-madura	Gali-cia	La Rioja	Comun. de Madrid	Región de Murcia	Comun. Foral Nava-rra	País Vasco	Comun. Valen-ciana
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
14	P	-18 182	-1 877	-591	-268	-460	-380	-198	-669	-595	-5 406	-425	-536	-97	-2 691	-770	-150	-641	-2 428
15	A	-17 962	-1 635	-721	-330	-419	-229	-168	-628	-719	-5 532	-465	-317	-90	-2 774	-699	-234	-454	-2 548
15 *Q2*	A	-7 153	-940	-245	-122	-169	-242	-57	-230	-324	-961	-213	-383	-37	-1 168	-245	-302	-270	-1 245
Q3	A	-2 229	-321	-90	62	215	172	11	15	-39	-2 266	-43	78	9	-5	-96	48	151	-130
Q4	A	-6 607	95	-292	-286	-407	-174	-81	-306	-245	-1 684	-124	-1	-91	-1 172	-229	-31	-490	-1 089
16 *Q1*	A	-1 486	-438	-65	32	-33	55	-21	-42	-84	-281	-171	11	9	-509	-17	1	258	-191
15 *J-M*	A	-5 358	-719	-208	-7	-136	-85	-46	-170	-219	-1 304	-181	-184	20	-1 044	-254	-130	96	-787
16 *J-M*	A	-4 031	-732	-181	35	-87	5	-87	-159	-225	-880	-201	-153	4	-694	-137	-179	181	-541
15 *Jul*	A	546	-423	-29	60	310	-30	16	39	35	-46	-8	115	17	243	2	8	15	222
Aug	A	134	270	-31	-11	-53	118	9	-6	-23	-109	-3	-11	2	-108	-59	177	125	-153
Sep	A	-2 909	-168	-30	13	-42	84	-14	-18	-51	-2 111	-32	-26	-10	-140	-39	-137	11	-199
Oct	A	-1 656	-216	-32	-9	-67	-67	-19	-101	-14	-539	8	-117	-6	-173	-74	161	-134	-257
Nov	A	-1 517	-156	-57	-17	-45	23	-8	-47	-127	-421	-61	-27	-55	-225	-34	-75	22	-207
Dec	A	-3 434	467	-203	-260	-295	-130	-54	-158	-104	-724	-71	143	-30	-774	-121	-117	-378	-625
16 *Jan*	A	-1 179	-243	-37	-10	4	-16	-25	-18	10	-377	-81	49	2	-211	74	-63	7	-244
Feb	A	-30	-32	1	32	-17	4	8	18	-59	1	-40	-9	62	-140	-76	171	162	-116
Mar	A	-277	-163	-29	10	-20	67	-4	-42	-35	95	-50	-29	-55	-158	-15	-107	89	169
Apr	A	-1 143	-128	-31	-32	-9	-119	-18	-68	-52	-252	-1	-105	-3	-88	-51	-14	-27	-145
May	A	-1 402	-166	-85	35	-45	69	-48	-49	-89	-347	-29	-59	-2	-97	-69	-166	-50	-205

NET LENDING (+)/NET BORROWING (-) OF THE REGIONAL (AUTONOMOUS) GOVERNMENTS
Cumulative data from January



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

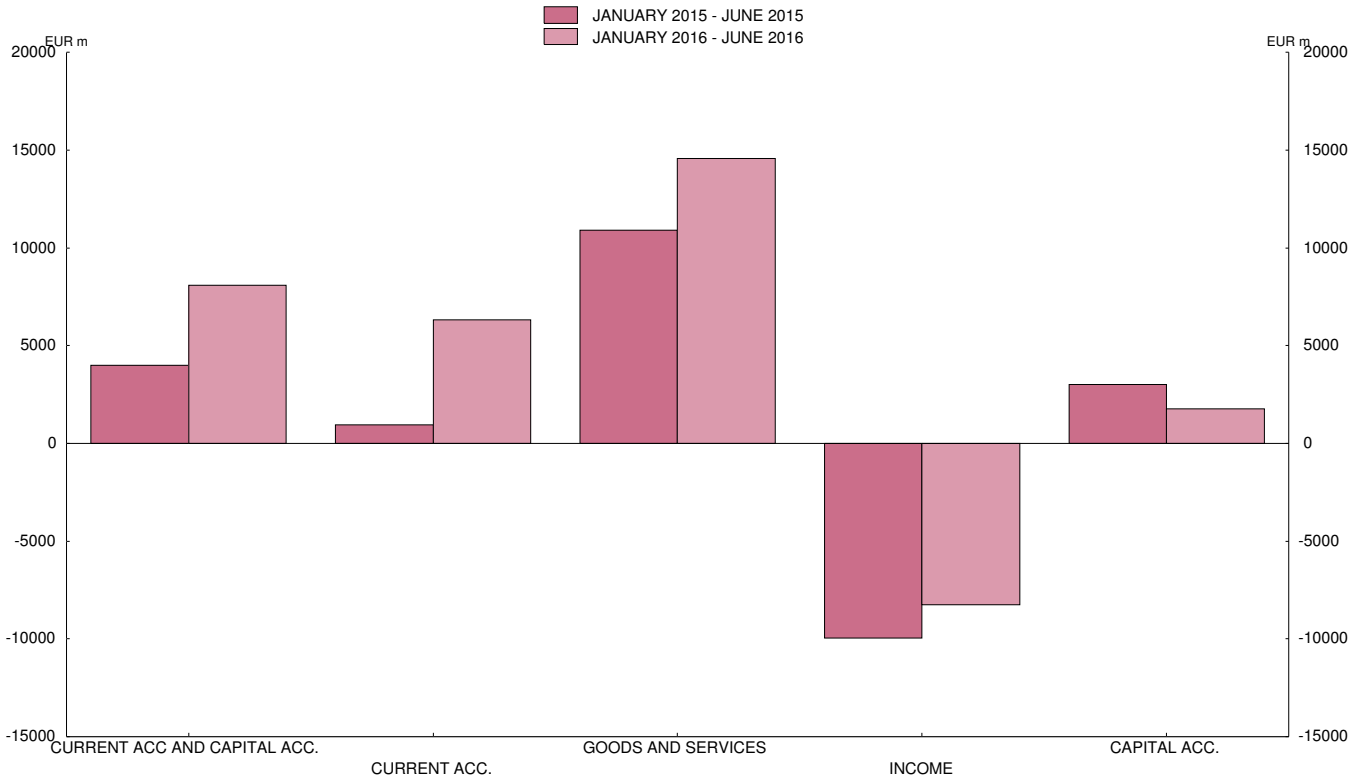
7.1. SPANISH BALANCE OF PAYMENTS VIS-à-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. Summary

■ Series depicted in chart.

EUR millions

		Current account (a)									Capital account (balance) (a)	Current account plus capital account (balance)
			Goods and services					Primary and secondary income				
		Total (balance)	Balance	Credits		Debits		Balance	Credits	Debits		
				of which:		of which:						
				Total	Travel	Total	Travel					
		1=2+7 ■	2=3-5 ■	3	4	5	6	7=8-9 ■	8	9	10 ■	11=1+10 ■
13	P	15 565	33 456	329 877	47 164	296 420	12 360	-17 891	60 789	78 680	6 784	22 349
14	P	10 238	25 955	338 848	49 010	312 892	13 572	-15 717	63 655	79 372	4 448	14 686
15	P	15 047	25 574	356 898	50 945	331 324	16 024	-10 526	66 536	77 062	5 965	21 012
15 *J-J*	P	959	10 901	173 094	21 199	162 193	6 518	-9 942	30 385	40 328	3 022	3 981
16 *J-J*	A	6 333	14 585	179 949	22 650	165 364	7 813	-8 252	32 221	40 473	1 759	8 092
15 *Mar*	P	846	2 197	31 334	3 082	29 137	1 000	-1 351	4 670	6 021	667	1 513
Apr	P	-290	1 284	28 311	3 244	27 027	1 069	-1 574	4 906	6 480	722	432
May	P	1 427	3 153	29 607	4 261	26 454	912	-1 726	5 646	7 372	973	2 400
Jun	P	1 409	2 367	32 480	4 965	30 114	1 619	-958	5 645	6 602	504	1 914
Jul	P	2 888	4 715	34 262	6 400	29 547	1 797	-1 827	4 974	6 800	642	3 530
Aug	P	1 437	2 994	27 043	6 833	24 050	1 792	-1 557	4 308	5 865	901	2 338
Sep	P	1 673	2 154	32 158	5 595	30 004	1 748	-482	4 648	5 130	413	2 085
Oct	P	2 047	2 961	31 901	5 047	28 939	1 514	-914	5 045	5 959	-5	2 043
Nov	P	1 908	1 631	29 820	3 210	28 188	1 417	276	6 455	6 179	119	2 027
Dec	P	4 136	217	28 620	2 662	28 403	1 237	3 919	10 721	6 802	873	5 009
16 *Jan*	P	-675	725	25 473	3 101	24 748	1 133	-1 400	5 069	6 469	-447	-1 122
Feb	P	-1 409	1 042	27 403	2 751	26 361	1 217	-2 452	4 931	7 383	813	-596
Mar	P	944	1 936	31 032	3 394	29 096	1 349	-992	4 922	5 914	370	1 313
Apr	A	2 635	3 155	30 330	3 291	27 175	1 124	-520	5 294	5 814	35	2 671
May	A	2 842	4 267	31 573	4 559	27 306	1 106	-1 425	6 006	7 431	282	3 125
Jun	A	1 996	3 459	34 138	5 555	30 679	1 884	-1 463	6 000	7 463	705	2 702

SUMMARY



Source: BE.

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).

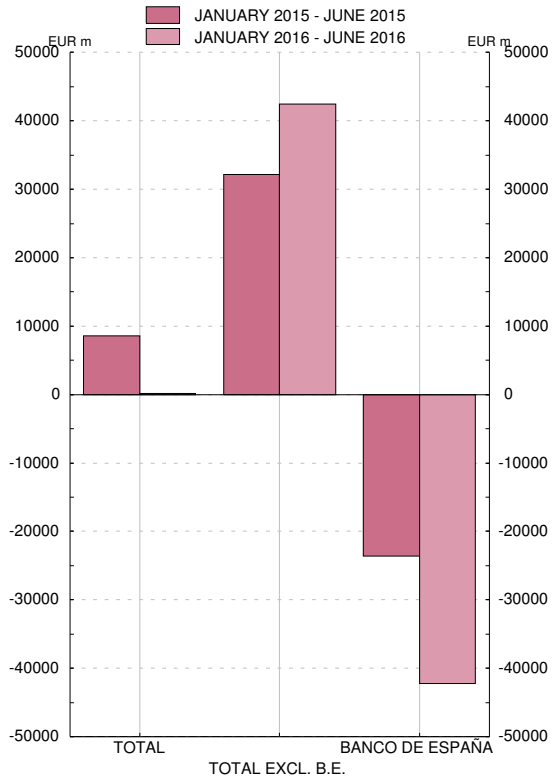
7.2. SPANISH BALANCE OF PAYMENTS VIS-à-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. FINANCIAL ACCOUNT

■ Series depicted in chart.

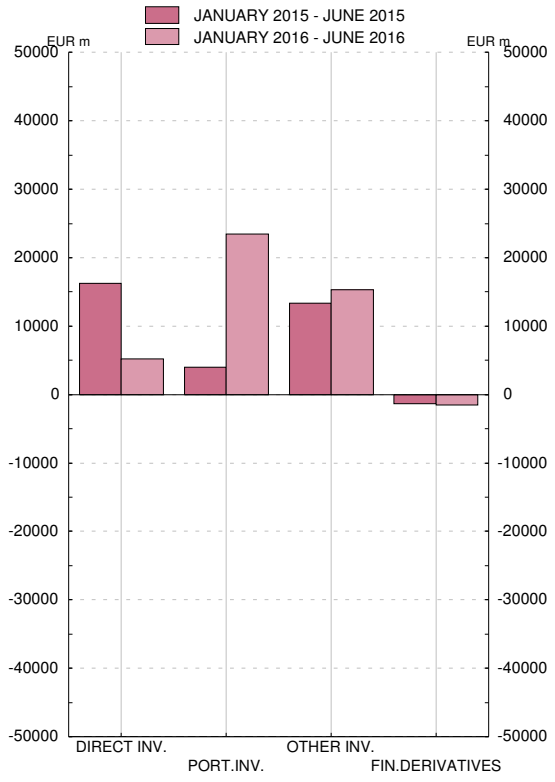
EUR millions

		Financial account	Total, excluding Banco de España										Banco de España			
			Total	Direct investment			Portfolio investment			Other investment (a)			Net financial derivatives (NCA-NCL)	Total	Reserves	Net position with Eurosystem (b)	Other
		(NCA-NCL)	(NCA-NCL)	Balance (NCA-NCL)	NCA	NCL	Balance (NCA-NCL)	NCA	NCL	Balance (NCA-NCL)	NCA	NCL		(NCA-NCL)			
		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+15+16 ■	14	15	16
13	P	35 138	-81 939	-14 401	19 546	33 947	-34 529	-6 448	28 081	-34 047	-59 372	-25 325	1 039	117 076	535	136 688	-20 147
14	P	21 106	-5 557	9 356	34 197	24 841	-6 101	52 957	59 058	-9 921	-5 123	4 798	1 109	26 662	3 890	46 973	-24 200
15	P	21 028	61 188	24 062	44 889	20 827	682	65 881	65 199	37 713	566	-37 147	-1 269	-40 160	5 067	-50 929	5 702
15 *J-J*	P	8 582	32 200	16 248	26 628	10 380	3 965	59 245	55 280	13 351	2 265	-11 086	-1 364	-23 618	4 773	-31 055	2 664
16 *J-J*	A	193	42 459	5 179	16 944	11 765	23 454	11 288	-12 166	15 355	19 644	4 289	-1 530	-42 266	2 883	-47 354	2 206
15 *Mar*	P	4 916	21 292	1 990	4 410	2 420	14 825	13 877	-948	5 051	8 040	2 989	-574	-16 375	2 170	-20 065	1 520
Apr	P	-5 529	-11 609	-1 690	5 450	7 140	-4 060	9 474	13 535	-5 552	-11 811	-6 259	-306	6 080	1	6 926	-847
May	P	7 761	9 469	11 582	10 795	-786	4 677	9 335	4 658	-6 758	-5 392	1 365	-32	-1 708	84	-2 989	1 196
Jun	P	6 928	20 124	4 657	2 407	-2 251	4 442	4 366	-76	11 256	6 596	-4 660	-232	-13 196	32	-14 489	1 262
Jul	P	12 076	12 142	1 015	5 287	4 272	12 953	5 641	-7 311	-2 058	2 186	4 244	233	-66	-97	1 203	-1 172
Aug	P	-6 864	-6 377	730	2 785	2 055	-17 314	5 131	22 445	10 471	-862	-11 333	-264	-486	131	-158	-459
Sep	P	5 077	4 284	4 210	2 445	-1 765	3 514	2 179	-1 334	-3 391	7 895	11 286	-48	794	52	2 048	-1 307
Oct	P	5 245	-525	-1 638	2 355	3 994	-1 285	3 674	4 959	1 935	-7 249	-9 184	463	5 771	60	2 996	2 714
Nov	P	-7 725	3 872	-2 284	-1 062	1 222	2 987	4 555	1 568	2 963	9 436	6 472	205	-11 597	97	-13 160	1 465
Dec	P	4 636	15 594	5 782	6 451	669	-4 137	-14 545	-10 407	14 442	-13 104	-27 546	-493	-10 958	49	-12 803	1 796
16 *Jan*	P	-7 541	-14 208	1 543	2 803	1 260	-13 024	-249	12 775	-1 964	-3 488	-1 524	-764	6 667	39	6 619	9
Feb	P	-2 980	10 019	2 944	3 016	72	22 810	762	-22 049	-15 006	846	15 852	-729	-12 999	-48	-14 066	1 115
Mar	P	7 428	8 460	230	3 150	2 920	2 216	2 637	421	5 942	8 814	2 871	72	-1 032	49	-2 750	1 669
Apr	A	10 765	597	-796	1 367	2 163	5 713	1 472	-4 241	-4 454	-7 243	-2 789	135	10 167	36	12 895	-2 763
May	A	-1 068	35 273	525	2 179	1 653	11 705	5 115	-6 590	23 356	7 973	-15 382	-313	-36 340	826	-38 427	1 260
Jun	A	-6 412	2 317	733	4 429	3 696	-5 966	1 552	7 518	7 481	12 743	5 262	69	-8 729	1 981	-11 624	915

FINANCIAL ACCOUNT (NCA-NCL)



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



Sources: BE.

a. Mainly, loans, deposits and repos.

b. A positive (negative) sign indicates an increase (decrease) in the reserves and/or claims of the BE with the Eurosystem and/or other assets and liabilities fo the BE.

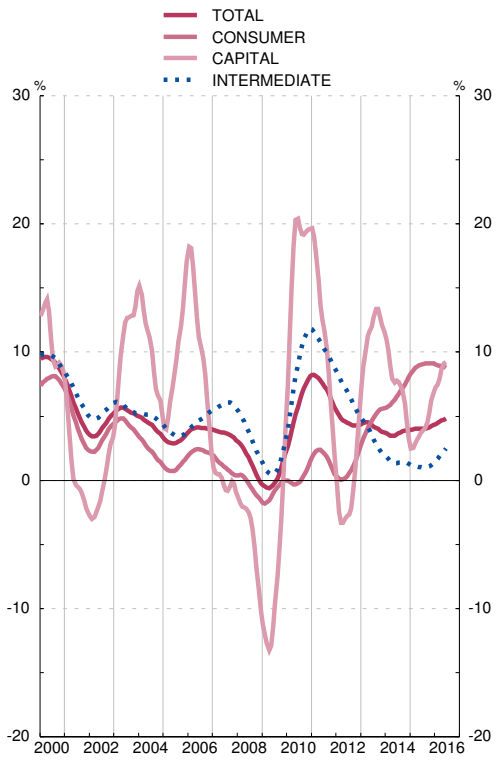
7.3. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD
EXPORTS AND DISPATCHES

■ Series depicted in chart.

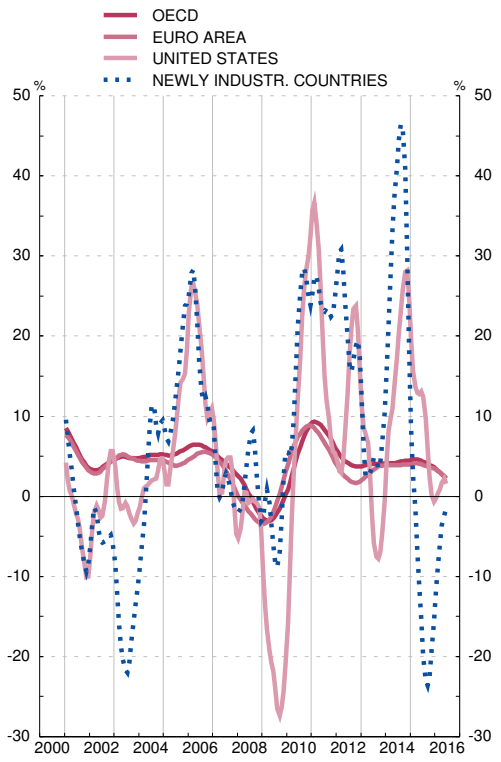
Eur millions and annual percentage changes

		Total			By product (deflated data) (a)					By geographical area (nominal data)							
		EUR millions	Nominal	Deflated (a)	Consumer	Capital	Intermediate			EU 28		OECD			Other American countries	China	Newly industrialised countries
							Total	Energy	Non-energy	Total	Euro Area	of which: Total	of which: United States	OPEC			
		1	2	3 ■	4 ■	5 ■	6 ■	7	8	9	10 ■	11 ■	12 ■	13	14	15	16 ■
08		189 228	2.3	0.7	2.4	-5.7	0.6	16.9	-0.5	-0.1	-0.5	-0.4	1.4	30.1	0.5	1.2	4.2
09		159 890	-15.5	-9.4	-3.4	-14.5	-12.8	-20.6	-12.2	-15.5	-13.3	-15.1	-24.4	-11.4	-18.2	-7.7	8.5
10		186 780	16.8	15.0	-3.5	22.0	28.6	15.2	29.4	14.3	13.6	15.2	15.5	9.6	36.1	34.1	27.0
11		215 230	15.2	9.9	6.7	17.7	10.7	11.8	11.3	12.7	9.6	13.6	20.0	26.2	19.1	27.2	1.3
12		226 115	5.1	2.9	-2.7	-8.4	7.9	26.7	6.0	0.5	-0.6	2.3	14.0	24.4	13.8	11.7	29.9
13		235 814	4.3	4.5	5.8	15.6	2.2	0.1	2.4	3.1	2.4	2.5	-2.9	13.2	20.6	4.2	-1.7
14		240 582	2.0	3.0	4.6	7.3	1.4	10.6	0.6	3.5	3.7	3.9	21.6	-8.6	-18.2	3.0	45.8
15	P	...	...	3.6	10.8	2.4	-0.7	-10.9	0.2	6.2	5.2	6.1	7.9	-0.7	6.4	9.7	-17.3
15 *May*	P	21 025	1.9	-0.9	5.4	-1.1	-5.0	-18.9	-4.0	4.1	2.6	4.4	-0.5	-1.6	-4.7	2.0	-22.7
Jun	P	22 207	7.8	6.2	12.3	12.9	1.8	-17.3	3.4	8.8	11.1	9.9	24.6	20.2	5.9	1.2	15.9
Jul	P	23 508	8.9	6.8	14.8	-2.7	3.6	-2.7	4.1	9.5	8.0	10.4	25.2	0.0	8.3	29.4	-39.1
Aug	P	16 206	-0.8	-1.4	4.7	8.1	-5.7	-18.8	-4.3	-2.4	-3.6	-2.1	17.1	3.7	26.1	5.0	-34.1
Sep	P	21 424	1.1	3.6	10.3	-5.5	1.1	-19.2	3.0	5.9	4.8	4.4	4.5	-11.4	-2.9	2.6	-24.3
Oct	P	22 169	-0.8	-1.5	8.8	-2.4	-7.6	-16.2	-7.0	3.8	1.6	2.1	-4.3	-9.5	-5.1	10.8	-43.5
Nov	P	21 655	8.6	8.5	13.8	21.9	2.6	4.1	2.4	11.3	8.9	11.4	-6.9	-12.0	13.4	18.1	-5.8
Dec	P	20 155	4.1	4.7	10.9	5.9	0.2	-23.0	2.2	6.8	6.0	5.4	-6.9	4.5	6.1	12.8	-26.9
16 *Jan*	P	18 267	2.1	3.2	6.4	13.9	-0.8	-9.8	-0.2	5.2	4.5	3.9	-3.8	-18.0	-11.5	13.2	7.6
Feb	P	20 391	2.7	4.9	8.7	4.0	2.1	-34.2	3.8	4.6	4.7	2.9	7.6	11.1	-4.4	4.5	-15.1
Mar	P	22 443	-3.3	-0.2	1.9	-5.2	-0.8	3.5	-1.0	2.3	0.1	1.3	-4.9	-36.5	-33.4	8.8	-2.0
Apr	P	22 245	6.3	7.7	15.2	22.8	0.5	-35.6	3.1	9.9	11.2	8.6	-0.6	-5.7	-12.8	15.0	2.0
May	P	22 014	4.7	9.6	12.3	14.0	6.8	-23.3	8.6	5.9	6.4	6.5	17.8	-7.0	-10.5	25.9	8.1
Jun	P	22 681	2.1	4.2	10.8	13.1	-1.3	-21.2	0.1	6.4	4.6	4.8	-0.9	-27.1	-11.2	22.1	-17.4

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 Statistical Bulletin.
The monthly series are provisional data, while the annual series are the final foreign trade data.
a. Series deflated by unit value indices.

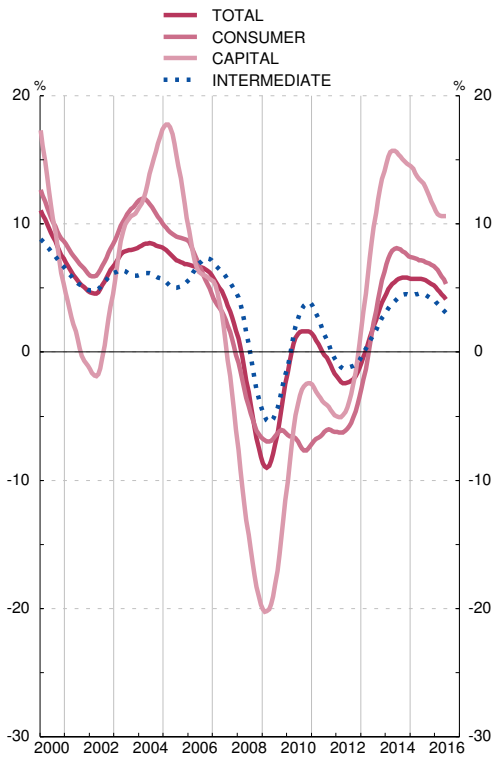
7.4. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD
IMPORTS AND ARRIVALS

■ Series depicted in chart.

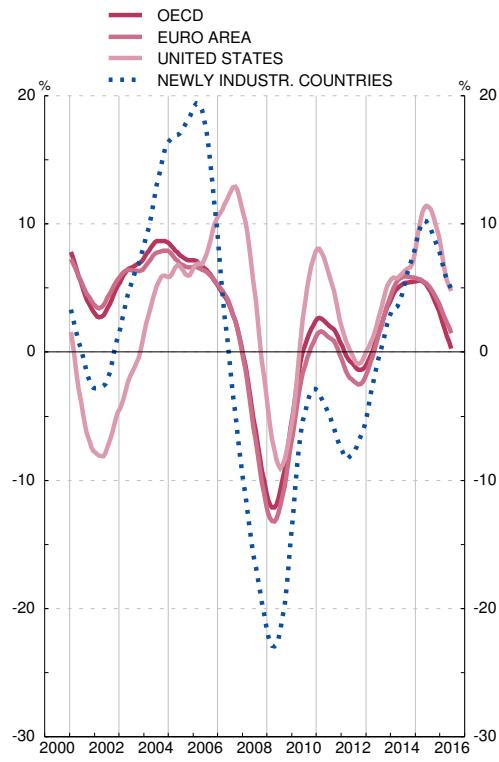
Eur millions and annual percentage changes

		Total			By product (deflated data) (a)					By geographical area (nominal data)							
		EUR millions	Nominal	Deflated (a)	Consumer	Capital	Intermediate			EU 28		OECD			Other American countries	China	Newly industrialised countries
							Total	Energy	Non-energy	Total	Euro Area	of which: Total	of which: United States	OPEC			
		1	2	3 ■	4 ■	5 ■	6 ■	7	8	9	10 ■	11 ■	12 ■	13	14	15	16 ■
08		283 388	-0.6	-4.5	-6.5	-14.4	-2.0	5.2	-3.7	-8.2	-8.5	-7.3	12.9	37.4	16.2	10.8	-16.1
09		206 116	-27.3	-17.6	-12.1	-31.5	-17.6	-10.8	-19.8	-23.8	-25.6	-24.6	-25.1	-38.6	-31.6	-29.5	-31.6
10		240 056	16.5	11.3	-4.3	8.7	19.0	3.0	24.4	9.8	7.9	10.5	14.2	36.0	46.3	30.8	7.1
11		263 141	9.6	1.0	-3.1	-4.7	3.1	1.5	3.5	5.9	6.3	6.6	12.6	20.1	21.3	-1.1	-2.8
12		257 946	-2.0	-6.3	-8.3	-8.1	-5.5	0.2	-7.0	-5.8	-5.8	-4.7	-9.1	15.0	9.2	-4.8	-12.4
13		252 347	-2.2	2.1	0.7	12.7	1.6	0.7	1.8	-0.3	-0.6	-0.3	4.7	-7.7	-16.6	-2.2	0.7
14		265 557	5.2	7.7	11.9	17.1	5.5	1.4	6.9	9.0	8.6	7.4	0.5	-3.9	-16.6	14.5	2.3
15	P	274 415	3.7	6.5	6.9	14.9	5.5	-6.0	8.7	8.8	7.7	8.6	25.8	-25.6	-5.1	20.4	21.1
15 *May*	P	22 683	1.3	1.5	2.3	5.3	0.8	-13.7	4.8	7.2	4.8	7.4	22.3	-31.8	-4.2	20.4	5.8
Jun	P	24 253	9.8	13.3	11.7	15.0	13.5	7.3	15.1	12.7	10.2	15.0	27.3	-18.2	0.2	29.8	42.8
Jul	P	24 904	6.4	9.5	7.3	33.6	8.0	-2.6	10.8	12.1	13.8	11.2	31.8	-25.2	23.7	16.6	7.0
Aug	P	19 401	1.5	5.2	7.5	14.2	3.4	-2.0	5.4	7.6	3.9	7.8	28.7	-29.8	-10.6	15.1	13.5
Sep	P	23 995	1.8	6.2	4.2	9.5	6.4	-1.3	8.4	6.8	7.2	6.0	20.6	-23.0	-38.8	14.4	70.7
Oct	P	24 058	-2.2	0.3	4.3	15.1	-2.6	-16.2	1.2	3.7	3.9	3.6	10.8	-27.2	-10.9	7.6	-1.6
Nov	P	23 505	9.3	12.6	13.9	15.7	11.6	1.8	14.2	13.0	14.6	11.7	27.5	-14.6	-18.2	25.5	23.2
Dec	P	21 949	3.7	10.0	6.5	5.3	11.7	-4.5	16.4	9.6	6.3	7.7	30.8	-39.8	8.6	9.7	15.9
16 *Jan*	P	20 654	0.8	3.0	7.9	3.6	1.3	-0.1	1.6	0.9	0.3	1.8	11.4	-11.8	-5.4	10.1	0.7
Feb	P	22 152	1.2	4.6	12.4	-4.2	2.3	-12.8	6.1	4.0	2.8	3.9	8.1	-28.2	-13.8	4.7	11.0
Mar	P	23 239	-3.6	5.9	5.7	5.6	5.7	0.7	6.9	0.5	1.1	-1.3	-9.4	-28.9	-21.8	-8.8	-4.5
Apr	P	22 882	-1.2	4.6	9.6	12.8	1.8	-9.5	4.6	5.7	5.5	3.7	-15.2	-39.6	-15.5	4.9	-7.2
May	P	22 955	1.2	7.3	10.6	8.1	5.8	-7.5	8.8	6.3	6.9	4.9	-16.4	-31.5	-16.9	4.1	17.1
Jun	P	24 038	-0.9	2.5	7.3	11.7	-0.7	-16.3	3.0	2.1	3.6	2.4	21.9	-25.1	-5.1	1.1	-1.4

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



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



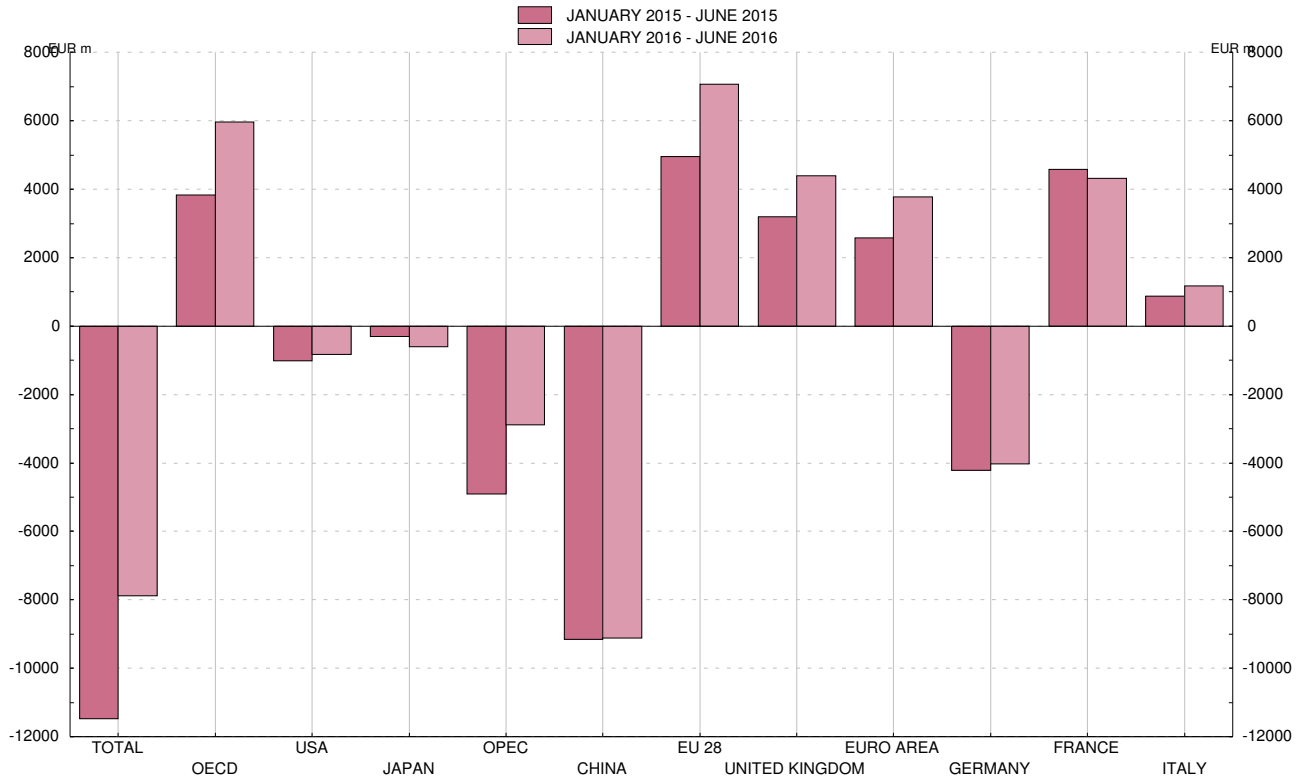
Sources: ME, MHAP y BE.
Note: The underlying series for this indicator are in Tables 18.2 and 18.3 of the Statistical Bulletin.
The monthly series are provisional data, while the annual series are the final foreign trade data.
a. Series deflated by unit value indices .

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
09		-46 227	-8 922	-6 540	-9 980	6 787	-1 847	-2 382	187	-15 708	-2 742	-1 958	-10 701	-2 497	-12 471	-1 532
10		-53 276	-4 816	-1 886	-8 598	7 904	-477	-2 929	597	-11 261	-3 058	-2 054	-16 216	-4 130	-16 253	-1 252
11		-47 910	3 559	1 387	-8 984	8 590	219	2 172	2 955	-1 751	-2 956	-1 389	-19 066	-5 152	-15 317	-1 116
12		-31 831	12 203	7 306	-4 118	9 222	656	4 897	3 778	9 933	-858	-859	-21 120	-5 281	-14 023	83
13		-16 533	17 058	10 573	-4 360	10 639	1 563	6 485	6 134	14 760	-1 575	-183	-17 248	-1 184	-13 470	6
14		-24 975	10 439	5 875	-7 427	8 582	1 591	4 564	5 407	9 693	273	-21	-17 170	-1 162	-15 878	1 405
15	P	-24 174	8 484	4 021	-8 838	8 941	1 357	4 462	5 647	6 836	-1 434	-748	-10 071	-32	-19 184	-209
15 *May*	P	-1 657	911	473	-835	839	127	438	500	823	-179	-31	-811	-81	-1 493	-14
Jun	P	-2 046	571	500	-885	1 149	-67	71	338	475	-11	-95	-741	-72	-1 666	-3
Jul	P	-1 396	1 108	553	-721	1 147	35	555	567	1 043	52	-49	-970	-22	-1 673	-32
Aug	P	-3 195	217	11	-596	555	-59	206	133	69	-46	-71	-1 074	-101	-1 601	-7
Sep	P	-2 571	1 000	616	-844	982	185	384	527	571	-165	-111	-931	-15	-1 870	-181
Oct	P	-1 888	736	200	-864	681	257	535	550	587	14	-96	-1 015	-13	-1 657	27
Nov	P	-1 850	554	129	-756	519	86	425	515	741	-164	-33	-862	49	-1 582	39
Dec	P	-1 794	-84	-75	-842	484	-28	-9	158	-1	-112	-89	-317	142	-1 639	6
16 *Jan*	P	-2 387	1 303	615	-575	544	195	688	779	719	-288	-122	-881	-79	-1 722	-59
Feb	P	-1 761	824	593	-637	706	154	231	501	641	-223	-62	-394	84	-1 653	-55
Mar	P	-796	1 628	822	-651	735	295	806	930	1 508	-204	-111	-372	-33	-1 439	27
Apr	P	-637	1 203	663	-740	819	226	541	699	1 070	-25	-118	-339	26	-1 218	17
May	P	-941	918	463	-663	689	121	456	720	1 132	173	-96	-319	-23	-1 478	-42
Jun	P	-1 357	1 191	628	-763	831	175	563	756	902	-262	-96	-579	-117	-1 608	-59

CUMULATIVE TRADE BALANCE



Source: MHAP.

Note: The underlying series for this indicator are in Tables 18.3 and 18.5 of the Statistical Bulletin.

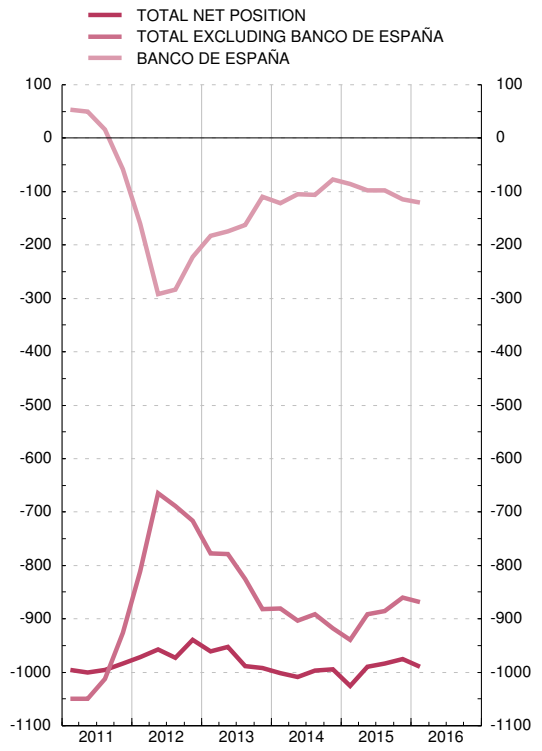
The monthly series are provisional data, while the annual series are the final foreign trade data.

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

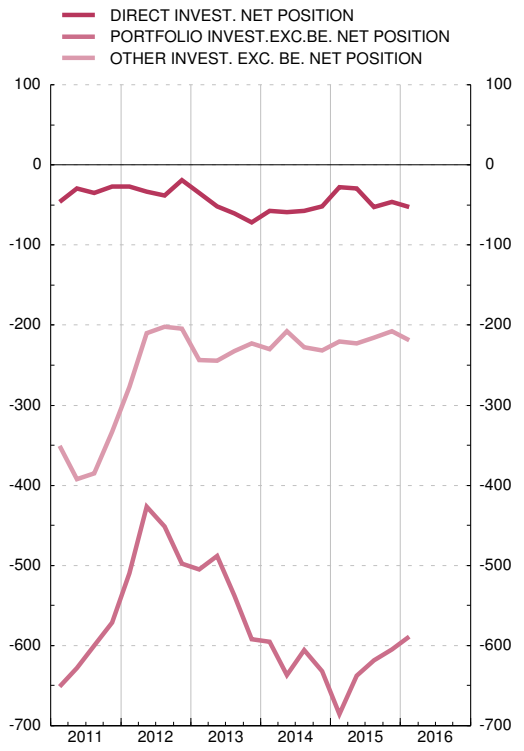
End-of-period stocks in EUR billions

		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 position vis-à-vis the Euro-system	Other (a)
				Net position (assets-liab.)	Assets	Liabilities	Net position (assets-liab.)	Assets	Liabilities	Net position (assets-liab.)	Assets	Liabilities					
		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
08		-896	-939	-49	454	503	-596	362	958	-287	352	639	-6	43	15	-38	67
09		-1 009	-1 058	-51	478	529	-683	385	1 068	-323	321	643	-1	49	20	-29	58
10		-957	-1 000	-32	513	545	-621	325	946	-349	315	664	3	42	24	-31	49
11		-984	-926	-27	525	552	-572	271	842	-333	323	656	6	-58	36	-144	49
12		-939	-717	-19	536	555	-498	293	791	-204	359	563	5	-222	38	-298	38
13 *Q1*		-961	-778	-35	533	567	-505	301	806	-243	357	600	5	-183	40	-257	35
Q2		-953	-779	-51	506	557	-488	298	786	-244	348	592	5	-174	35	-240	30
Q3		-988	-826	-61	495	556	-538	302	839	-232	317	549	5	-163	35	-221	23
Q4	P	-992	-882	-72	504	576	-592	310	902	-223	316	539	5	-110	34	-162	18
14 *Q1*	P	-1 002	-880	-57	522	580	-595	337	932	-230	311	541	2	-122	34	-165	9
Q2	P	-1 008	-903	-59	527	586	-637	353	990	-208	334	542	0	-105	35	-144	4
Q3	P	-997	-891	-57	544	602	-606	375	981	-228	330	558	-0	-106	37	-140	-2
Q4	P	-995	-918	-52	555	607	-632	380	1 012	-231	321	553	-3	-77	41	-114	-4
15 *Q1*	P	-1 025	-939	-28	586	614	-685	432	1 117	-221	339	560	-5	-86	51	-135	-3
Q2	P	-990	-891	-30	587	616	-637	441	1 079	-223	327	549	-2	-98	49	-145	-2
Q3	P	-983	-885	-52	567	620	-619	435	1 054	-216	337	553	1	-98	49	-142	-5
Q4	P	-975	-861	-46	580	626	-605	446	1 050	-208	319	527	-2	-114	50	-165	1
16 *Q1*	P	-990	-869	-53	578	630	-589	436	1 025	-219	323	542	-9	-121	49	-175	5

INTERNATIONAL INVESTMENT POSITION



COMPONENTS OF THE POSITION



Source: BE.

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

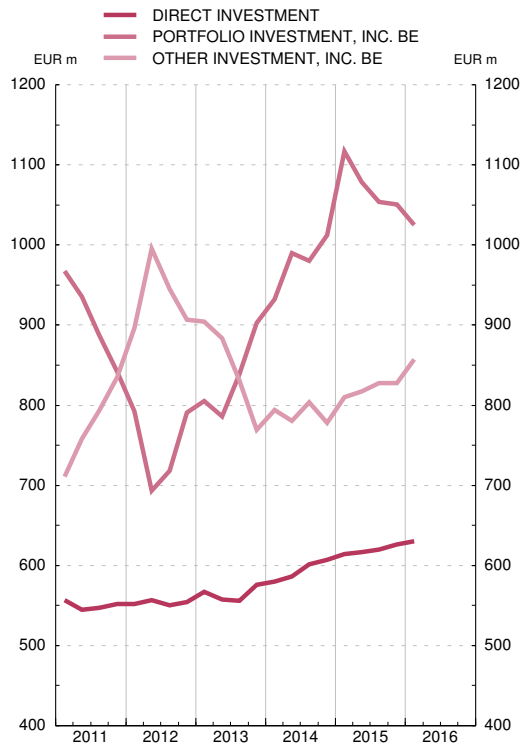
7.7. SPANISH INTERNATIONAL INVESTMENT POSITION VIS-à-VIS OTHER EURO AREA RESIDENTES AND THE REST OF THE WORLD. BREAKDOWN

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	
		Assets		Liabilities		Assets		Liabilities		Assets	Liabilities	Assets	Liabilities
		Equity	Debt instruments	Equity	Debt instruments	Equity and investment fund shares	Debt securities	Equity and investment fund shares	Debt securities				
		1	2	3	4	5	6	7	8	9	10	11	12
08		394	60	321	182	68	360	170	788	357	681	108	114
09		404	73	328	201	86	359	223	845	334	688	77	78
10		450	63	339	207	103	274	181	765	336	718	95	92
11		458	67	351	201	88	235	162	680	355	835	140	134
12		451	85	348	207	105	231	179	612	399	907	157	152
13 *Q1*	P	451	82	360	208	114	227	182	623	398	904	148	143
Q2	P	426	80	350	207	120	216	180	606	392	884	128	123
Q3	P	414	81	349	206	126	210	220	619	366	831	125	120
Q4	P	424	80	370	206	137	206	242	661	369	769	105	100
14 *Q1*	P	434	88	371	208	146	225	250	682	374	794	103	100
Q2	P	437	91	374	212	156	229	273	716	401	780	109	109
Q3	P	458	87	379	222	166	239	274	707	403	804	119	119
Q4	P	466	88	388	218	175	235	274	739	398	778	120	123
15 *Q1*	P	492	94	389	225	204	261	328	789	418	810	140	145
Q2	P	492	95	396	220	217	262	319	760	410	817	111	113
Q3	P	470	97	399	221	211	265	284	770	424	827	119	117
Q4	P	478	102	405	221	226	267	285	765	409	827	109	112
16 *Q1*	P	474	104	409	221	215	275	265	761	415	857	115	123

ASSETS

LIABILITIES



Source: BE.

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

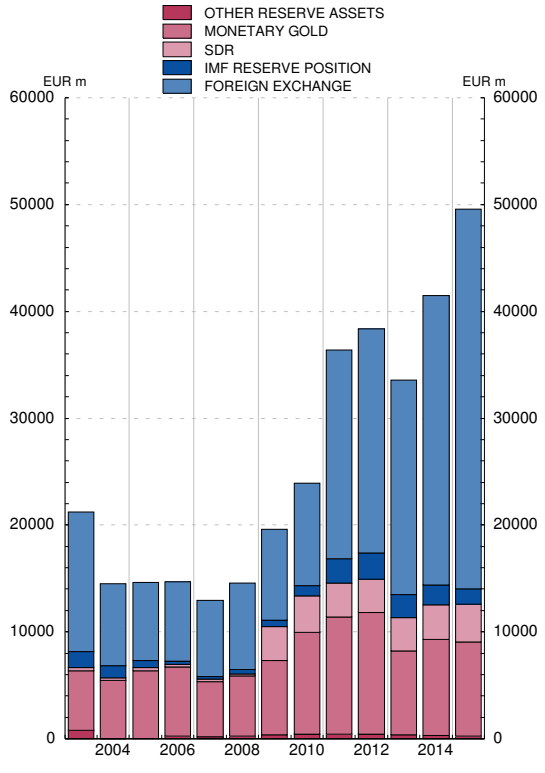
7.8. SPANISH RESERVE ASSETS

■ Series depicted in chart.

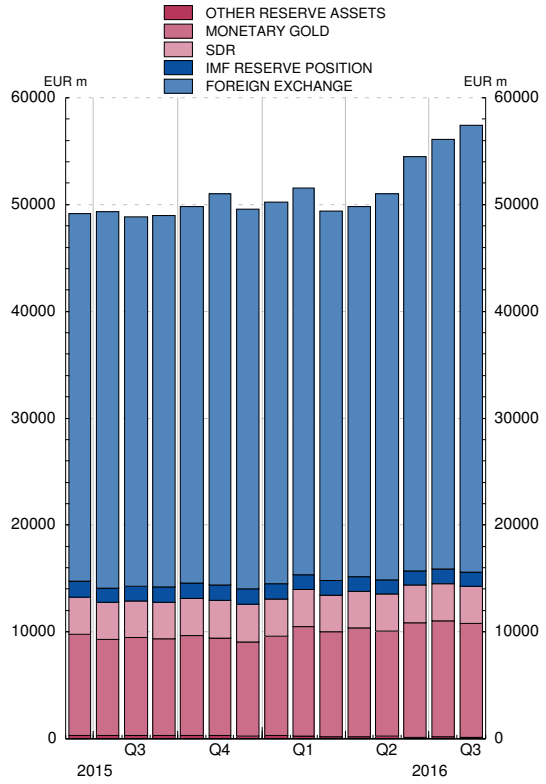
End-of-period stocks in EUR millions

	Reserve assets						Memorandum item: gold
	Total	Foreign exchange	Reserve position in the IMF	SDRs	Monetary gold	Other reserve assets	Millions of troy ounces
	1	2 ■	3 ■	4 ■	5 ■	6 ■	7
10	23 905	9 564	995	3 396	9 555	395	9.1
11	36 402	19 578	2 251	3 163	11 017	394	9.1
12	38 347	20 984	2 412	3 132	11 418	401	9.1
13	33 587	20 093	2 152	3 122	7 888	332	9.1
14	41 469	27 076	1 888	3 233	8 943	328	9.1
15 *Mar*	51 349	35 938	1 614	3 486	9 987	325	9.1
Apr	49 362	34 504	1 540	3 407	9 594	317	9.1
May	50 302	35 188	1 542	3 447	9 802	323	9.1
Jun	49 172	34 437	1 517	3 432	9 481	305	9.1
Jul	49 309	35 202	1 361	3 473	8 965	309	9.1
Aug	48 840	34 563	1 415	3 421	9 149	292	9.1
Sep	48 971	34 751	1 425	3 431	9 075	289	9.1
Oct	49 830	35 285	1 420	3 473	9 355	297	9.1
Nov	51 007	36 603	1 452	3 556	9 088	308	9.1
Dec	49 573	35 560	1 425	3 507	8 811	269	9.1
16 *Jan*	50 225	35 746	1 422	3 484	9 286	287	9.1
Feb	51 548	36 191	1 372	3 502	10 264	219	9.1
Mar	49 422	34 643	1 339	3 424	9 815	200	9.1
Apr	49 825	34 687	1 344	3 439	10 170	185	9.1
May	51 020	36 135	1 360	3 483	9 823	218	9.1
Jun	54 496	38 776	1 344	3 498	10 750	127	9.1
Jul	56 126	40 259	1 340	3 489	10 884	154	9.1
Aug	57 413	41 804	1 339	3 485	10 637	148	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.
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', 2013 (https://www.imf.org/external/np/sta/ir/IRProcessWeb/pdf/guide2013.pdf)

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	
			Debt securities short-term (a)	Loans,trade credits and other liabilities (b)	Debt securities long-term (a)	Loans,trade credits and other liabilities (b)		Debt securities short-term (a)	Deposits	Loans,trade credits and other liabilities (b)	Debt securities long-term (a)	Deposits
	1	2	3	4	5	6	7	8	9	10	11	12
12 *Q1*	1 732 748	259 906	23 602	6	191 658	44 640	646 657	3 341	311 819	2 774	193 463	135 259
Q2	1 743 261	241 814	16 369	73	175 453	49 918	578 054	2 699	273 422	2 952	163 477	135 504
Q3	1 698 365	257 927	20 397	330	187 552	49 647	528 550	1 899	237 643	3 396	154 841	130 771
Q4	1 724 881	332 482	14 010	387	225 299	92 786	494 832	1 800	211 194	2 725	159 326	119 788
13 *Q1*	P 1 734 320	348 708	12 025	121	240 996	95 566	532 003	1 506	248 824	1 960	163 103	116 612
Q2	P 1 696 538	348 250	12 780	261	237 032	98 176	515 384	1 410	248 180	2 684	156 230	106 880
Q3	P 1 656 251	375 196	14 978	1 151	260 071	98 996	460 835	1 444	226 220	2 522	148 111	82 538
Q4	P 1 634 508	420 761	25 887	345	294 454	100 076	450 995	1 651	215 446	2 239	148 449	83 210
14 *Q1*	P 1 683 965	438 269	29 622	32	308 253	100 363	456 681	1 938	218 904	2 599	151 288	81 953
Q2	P 1 708 386	471 246	45 946	467	323 503	101 330	456 901	2 303	218 564	4 037	150 233	81 764
Q3	P 1 731 939	464 431	48 273	842	314 983	100 333	472 559	2 780	235 772	3 391	150 456	80 160
Q4	P 1 734 625	501 270	53 970	823	344 958	101 520	466 918	3 621	248 345	2 727	148 412	63 815
15 *Q1*	P 1 824 423	546 282	52 839	15	395 249	98 178	474 118	4 608	257 778	1 887	148 843	61 003
Q2	P 1 797 904	538 616	55 136	493	385 179	97 808	457 218	3 596	245 918	3 021	144 180	60 503
Q3	P 1 817 895	546 508	57 727	451	393 283	95 046	464 627	5 166	253 540	1 945	144 247	59 729
Q4	P 1 813 242	550 292	59 358	2 841	395 272	92 821	440 097	5 839	230 506	1 340	142 012	60 401
16 *Q1*	P 1 838 834	557 440	55 459	1 986	406 571	93 424	447 566	6 511	242 507	1 772	135 216	61 560

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 resident sectors					Direct investment			
	Total (c)	Short-term	Long-term		Total	Short-term		Long-term		Total	Vis-à-vis		
		Deposits	Special drawing rights (allocation)			Debt securities short-term (a)	Loans,trade credits and other liabilities (b)	Debt securities long-term (a)	Loans,trade credits and other liabilities (b)		Direct investors	Direct investment enterprises	Fellow enterprises
	13	14	15		16	17	18	19	20	21	22	23	24
12 *Q1*	279 778	276 496	3 282		344 723	8 330	15 708	214 249	106 436	201 685	48 599	36 593	116 492
Q2	412 104	408 695	3 409		311 477	5 481	15 633	184 709	105 654	199 812	47 391	34 550	117 871
Q3	403 829	400 455	3 374		307 745	4 154	16 116	184 264	103 212	200 314	46 461	36 056	117 798
Q4	343 645	340 349	3 296		347 369	6 064	28 829	205 661	106 815	206 553	47 815	40 522	118 216
13 *Q1*	P 303 787	300 479	3 308		342 268	6 680	29 916	199 076	106 596	207 555	46 561	41 201	119 792
Q2	P 291 309	288 055	3 253		334 497	6 935	30 251	191 981	105 330	207 099	45 671	42 469	118 959
Q3	P 281 557	278 345	3 213		332 192	6 848	30 144	187 961	107 238	206 471	45 168	46 286	115 018
Q4	P 230 313	227 151	3 162		326 670	3 437	30 626	186 732	105 876	205 769	44 797	45 704	115 268
14 *Q1*	P 252 863	249 694	3 169		327 888	4 552	31 794	186 663	104 880	208 264	43 850	50 504	113 910
Q2	P 238 203	235 002	3 201		329 978	4 738	31 574	189 774	103 892	212 059	44 176	51 813	116 070
Q3	P 245 669	242 338	3 331		326 950	5 037	33 421	184 989	103 504	222 330	46 036	54 925	121 370
Q4	P 225 786	222 414	3 372		322 313	5 320	33 376	182 237	101 380	218 338	48 477	49 643	120 218
15 *Q1*	P 250 187	246 560	3 628		328 764	8 400	39 416	179 187	101 762	225 071	50 929	54 126	120 015
Q2	P 268 417	264 862	3 555		313 215	4 718	39 207	167 272	102 019	220 437	50 645	52 076	117 716
Q3	P 274 797	271 257	3 541		311 112	6 083	40 278	163 162	101 589	220 851	51 837	53 031	115 983
Q4	P 300 512	296 913	3 599		301 348	7 098	36 059	155 353	102 839	220 993	52 774	52 890	115 329
16 *Q1*	P 315 498	311 998	3 499		297 012	7 634	36 617	149 171	103 591	221 317	51 743	54 989	114 585

Source: BE.

a. See note b to table 17.09 of the Boletín Estadístico.

b. See note b to table 17.11 of the Boletín Estadístico.

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

8.1.a CONSOLIDATED BALANCE SHEET OF THE EUROSYSTEM. MONETARY POLICY OPERATIONS AND THEIR COUNTERPARTS

Average of daily data, EUR millions

	Monetary policy operations (assets)					Total	Counterparts (liabilities)					
								Autonomous factors				
	Main refinancing operations (liquidity providing)	Longer-term refinancing operations (liquidity providing)	Fine-tuning and structural operations (net)	Asset purchase programmes	Standing facilities (net)		Actual reserves of credit institutions	Banknotes	General government deposits	Gold and net assets in foreign currency	Other liabilities (net)	
	1	2	3	4	5	1+2+3+4+5=7+8+9-10+11	7	8	9	10	11	
15 *Mar*	140 623	344 586	-	258 114	-49 090	694 233	237 452	1 010 181	64 599	594 510	-23 488	
Apr	101 712	417 158	-	322 414	-86 876	754 408	278 553	1 020 338	75 476	656 841	36 883	
May	95 097	407 474	-	382 530	-102 603	782 498	303 004	1 027 386	72 348	655 368	35 127	
Jun	91 101	411 763	-	443 426	-91 619	854 671	351 063	1 035 134	97 520	656 529	27 485	
Jul	75 988	466 785	-	500 793	-119 897	923 669	399 929	1 050 491	92 338	627 570	8 482	
Aug	71 023	462 482	-	553 447	-151 424	935 528	435 836	1 056 204	50 364	627 374	20 498	
Sep	70 958	456 934	-	608 895	-148 207	988 581	459 248	1 052 592	76 947	628 141	27 934	
Oct	69 340	466 018	-	668 220	-161 409	1 042 170	469 518	1 052 407	103 301	611 534	28 478	
Nov	64 506	461 100	-	725 166	-174 639	1 076 133	489 835	1 054 588	93 745	612 089	50 054	
Dec	71 898	460 858	-	790 043	-177 923	1 144 876	550 607	1 073 342	77 905	613 603	56 626	
16 *Jan*	70 556	469 108	-	830 283	-209 649	1 160 298	554 495	1 067 818	94 010	609 544	53 520	
Feb	62 718	463 751	-	895 981	-223 050	1 199 399	552 929	1 062 566	119 241	607 778	72 440	
Mar	60 962	457 324	-	958 486	-243 320	1 233 452	553 927	1 067 404	137 806	608 611	82 925	
Apr	56 401	462 310	-	1 023 572	-277 708	1 264 574	588 588	1 069 195	137 257	638 827	108 361	
May	54 009	457 195	-	1 101 086	-305 739	1 306 550	625 948	1 076 200	122 388	640 224	122 238	
Jun	50 681	454 537	-	1 185 316	-314 582	1 375 952	632 884	1 081 467	170 506	643 252	134 347	
Jul	45 646	486 510	-	1 262 845	-327 554	1 467 447	688 563	1 092 244	171 430	686 002	201 212	
Aug	42 964	483 982	-	1 330 721	-348 864	1 508 802	749 026	1 096 592	133 384	684 973	214 774	

8.1.b BALANCE SHEET OF THE BANCO DE ESPAÑA. MONETARY POLICY OPERATIONS AND THEIR COUNTERPARTS

Average of daily data, EUR millions

	Monetary policy operations (assets)					Total	Counterparts (liabilities)						
							Intra-Eurosystem		Actual reserves of credit institutions	Autonomous factors			
	Main refinancing operations (liquidity providing)	Longer-term refinancing operations (liquidity providing)	Fine-tuning and structural operations (net)	Asset purchase programmes	Standing facilities (net)		Target	Rest		Banknotes	General government deposits	Gold and net assets in foreign currency	Other liabilities (net)
	12	13	14	15	16	12+13+14+15+16=18+19+20+21+22-23+24	18	19	20	21	22	23	24
15 *Mar*	53 920	69 985	-	31 725	-86	155 544	187 900	-78 948	11 706	116 412	690	44 985	-37 232
Apr	30 903	104 977	-	40 625	-117	176 388	203 296	-78 842	11 648	116 546	3 814	50 577	-29 497
May	28 836	104 018	-	49 142	-259	181 737	209 409	-80 736	12 874	117 569	244	50 644	-26 979
Jun	27 164	105 231	-	58 027	-273	190 150	215 832	-82 417	13 636	118 887	1 745	50 730	-26 803
Jul	16 995	122 771	-	66 351	-130	205 987	225 397	-83 400	12 158	120 584	7 092	48 546	-27 298
Aug	15 804	122 224	-	73 916	-110	211 835	233 940	-84 804	12 822	120 898	2 669	48 595	-25 095
Sep	14 394	121 441	-	81 741	-100	217 475	229 347	-86 620	11 904	121 063	14 798	48 637	-24 380
Oct	14 199	124 862	-	89 942	-136	228 866	240 597	-87 284	14 635	120 438	12 336	48 204	-23 651
Nov	11 843	124 027	-	98 271	-200	233 940	252 267	-89 157	14 956	121 160	5 782	48 280	-22 788
Dec	10 515	122 706	-	107 587	-287	240 521	256 563	-89 857	17 997	123 593	3 768	48 614	-22 930
16 *Jan*	9 291	123 671	-	113 228	-567	245 624	263 484	-90 146	16 565	123 055	3 269	49 140	-21 464
Feb	7 173	123 594	-	122 366	-333	252 799	270 653	-90 916	16 817	122 165	1 438	49 556	-17 802
Mar	6 206	123 429	-	131 101	-109	260 628	269 330	-91 755	16 034	123 180	10 563	49 102	-17 622
Apr	5 798	124 051	-	139 823	-57	269 615	273 844	-92 391	17 134	122 824	14 772	48 651	-17 916
May	4 514	122 563	-	149 846	-91	276 832	289 349	-93 629	16 467	123 399	5 968	49 039	-15 683
Jun	3 265	123 577	-	160 744	-136	287 450	297 770	-95 049	20 282	124 178	6 192	50 514	-15 409
Jul	2 399	134 550	-	170 762	-86	307 626	303 895	-95 787	22 720	125 193	16 470	54 655	-10 210
Aug	1 279	134 481	-	179 445	-259	314 946	316 922	-97 522	20 274	125 483	12 914	56 321	-6 803

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

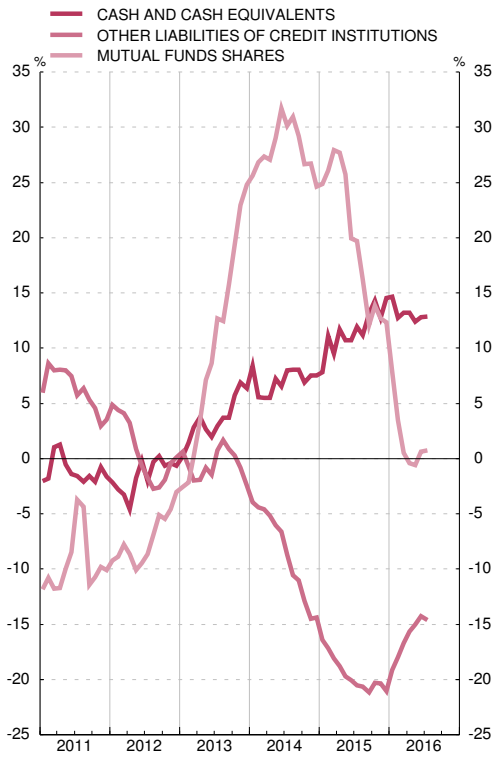
8.2 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

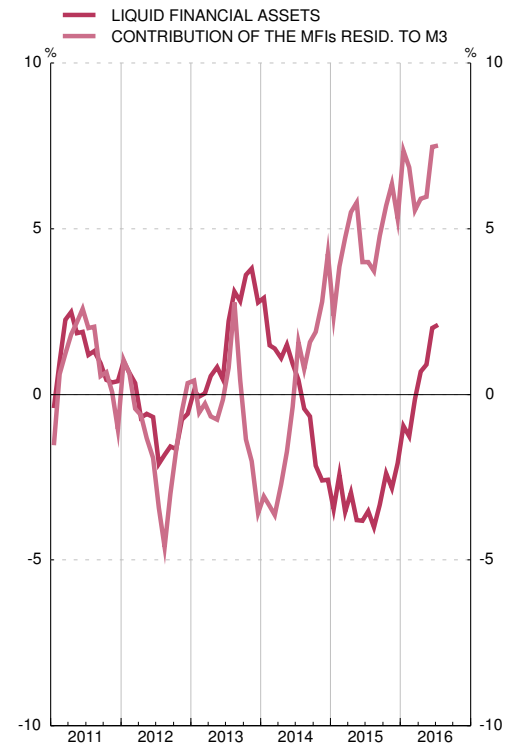
EUR millions and %

		Cash and cash equivalents				Other liabilities of credit institutions					Mutual funds shares (b)				Memorandum items	
		Stocks	12-month % change	12-m. % change: Cash	12-m. % change: Deposits (c)	Stocks	12 month % change	12-month % change: Other deposits (d)	12-month % change: Repos + credit institutions' securities	12-month % change: Deposits in branches abroad	Stocks	12-month % change	12-month % change: Fixed income in EUR (e)	12-month % change: Other	12-month % change: Liquid financial assets (f)	12-month % change: Contribution of the MFIs resid. to M3
		1	2 ■	3	4	5	6 ■	7	8	9	10	11 ■	12	13	14 ■	15 ■
13		538 785	6.4	-4.6	8.8	566 446	-2.4	0.7	-22.2	-32.1	168 370	24.8	38.7	20.2	2.8	-3.6
14		579 248	7.5	-6.8	10.3	485 039	-14.4	-11.0	-45.2	26.2	209 856	24.6	24.4	24.7	-2.6	4.3
15	P	663 539	14.6	-4.8	17.8	382 883	-21.1	-17.4	-71.9	-34.9	235 798	12.4	-9.3	20.6	-2.1	5.3
15 *Apr*		597 452	11.7	-5.7	15.0	440 641	-18.8	-15.1	-64.0	-2.1	234 761	27.7	11.8	33.8	-3.0	5.5
May		610 096	10.7	-5.6	13.7	430 490	-19.7	-16.2	-64.5	-13.8	237 080	25.8	7.1	32.8	-3.8	5.8
Jun		628 540	10.7	-5.8	13.7	419 944	-20.1	-16.9	-62.8	-26.7	232 623	20.0	1.6	26.8	-3.8	4.0
Jul		628 317	11.9	-4.9	15.0	411 516	-20.5	-17.6	-63.4	-24.3	235 980	19.7	-1.4	27.6	-3.5	4.0
Aug	P	629 111	11.2	-5.3	14.0	405 192	-20.7	-17.8	-64.3	-23.7	232 227	16.2	-5.4	24.4	-4.0	3.7
Sep	P	638 338	13.1	-4.9	16.2	398 561	-21.2	-18.5	-65.3	-23.2	227 805	12.1	-7.9	19.7	-3.3	4.8
Oct	P	636 409	14.3	-4.7	17.6	394 751	-20.3	-17.8	-63.7	-26.7	232 963	13.9	-9.7	23.0	-2.4	5.7
Nov	P	645 858	12.8	-4.7	15.6	386 479	-20.4	-18.0	-62.8	-24.6	235 265	12.7	-10.0	21.3	-2.8	6.4
Dec	P	663 539	14.6	-4.8	17.8	382 883	-21.1	-17.4	-71.9	-34.9	235 798	12.4	-9.3	20.6	-2.1	5.3
16 *Jan*	P	663 206	14.7	-4.5	17.8	379 569	-19.1	-17.2	-56.1	-33.1	231 697	7.9	-9.6	14.4	-0.9	7.4
Feb	P	659 856	12.8	-4.6	15.5	378 788	-18.0	-16.5	-49.1	-31.9	229 654	3.5	-9.6	8.2	-1.3	6.8
Mar	P	669 307	13.2	-5.3	16.1	376 215	-16.7	-15.5	-43.8	-33.9	232 481	0.5	-7.0	3.0	-0.1	5.6
Apr	P	676 271	13.2	-5.4	16.1	371 740	-15.6	-15.2	-27.9	-22.2	233 809	-0.4	-4.3	0.9	0.7	5.9
May	A	685 713	12.4	-6.2	15.2	365 822	-15.0	-14.9	-18.4	-20.9	235 706	-0.6	-1.9	-0.2	0.9	6.0
Jun	A	709 035	12.8	-6.0	15.6	360 017	-14.3	-14.5	-8.3	-13.9	234 091	0.6	2.8	-0.0	2.0	7.5
Jul	A	709 001	12.8	-6.6	15.7	351 419	-14.6	-14.9	-5.2	-12.7	237 771	0.8	4.4	-0.3	2.1	7.5

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, whichincludes deposits in Spanish bank branches abroad.
b. It includes open-ended investment companies.
c. Current accounts, savings accounts and deposits redeemable at up to 3 months' notice.
d. Deposits redeemable at over 3 months' notice and time deposits.
e. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.
f. Defined as cash and cash equivalents, other liabilities of credit institutions and Fixed income mutual funds shares in euros.

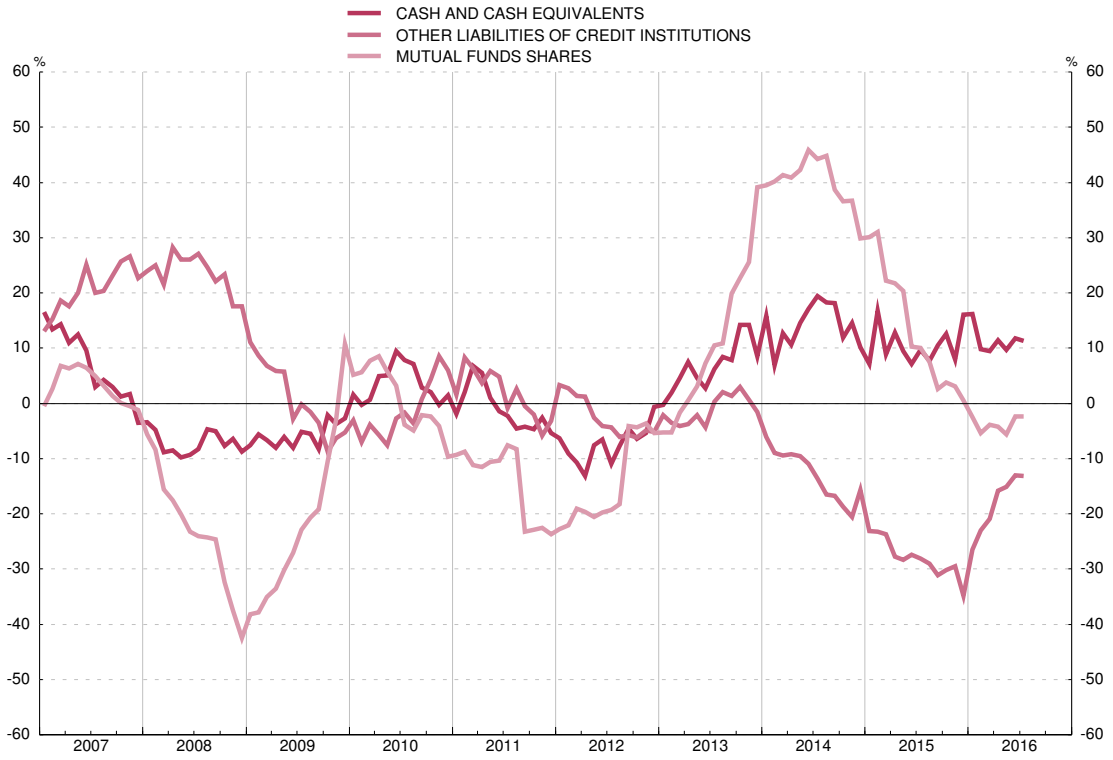
8.3 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

		Cash and cash equivalents (b)		Other liabilities of credit institutions				Mutual funds shares (c)			
		Stocks	Annual growth rate	Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate	
						Other deposits (d)	Repos + credit instit.' securit.+ dep. in branches abroad			Fixed income in EUR (e)	Other
		1	2 ■	3	4 ■	5	6	7	8 ■	9	10
13		121 627	8.6	107 283	-1.6	3.7	-15.9	23 822	39.1	71.1	32.1
14		134 016	10.2	90 439	-15.7	-20.9	1.8	30 941	29.9	22.5	32.0
15	P	155 577	16.1	58 976	-34.8	-17.9	-79.0	31 104	0.5	-16.0	4.9
15 *Apr*		139 278	12.8	71 104	-27.8	-26.9	-31.7	32 309	21.7	4.1	26.8
May		144 824	9.5	70 045	-28.3	-26.7	-36.0	32 542	20.4	0.5	26.1
Jun		148 111	7.2	68 039	-27.4	-26.8	-30.3	31 311	10.3	-7.1	15.2
Jul		144 680	9.6	65 769	-28.2	-26.3	-37.5	31 657	10.1	-9.8	15.7
Aug	P	147 232	7.7	64 244	-29.0	-25.9	-45.1	31 273	7.5	-13.6	13.6
Sep	P	151 671	10.5	61 918	-31.1	-26.9	-52.7	30 960	2.6	-18.1	8.5
Oct	P	147 348	12.6	61 165	-30.3	-24.4	-57.6	31 475	3.8	-19.5	10.5
Nov	P	149 822	7.9	59 750	-29.5	-21.5	-63.2	31 747	3.1	-19.0	9.5
Dec	P	155 577	16.1	58 976	-34.8	-17.9	-79.0	31 104	0.5	-16.0	4.9
16 *Jan*	P	153 885	16.2	58 991	-26.5	-17.6	-61.7	30 722	-2.5	-16.7	1.3
Feb	P	150 369	9.8	60 010	-23.1	-15.9	-53.7	30 553	-5.4	-16.6	-2.4
Mar	P	153 968	9.5	60 583	-20.9	-14.5	-47.3	30 825	-3.9	-12.2	-1.9
Apr	P	155 162	11.4	59 816	-15.9	-13.1	-30.1	30 951	-4.2	-8.2	-3.3
May	A	158 789	9.6	59 444	-15.1	-13.9	-21.8	30 731	-5.6	-12.6	-4.0
Jun	A	165 508	11.7	59 156	-13.1	-13.1	-12.9	30 572	-2.4	-8.1	-1.1
Jul	A	161 022	11.3	57 093	-13.2	-14.2	-7.1	30 925	-2.3	-6.8	-1.3

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. It includes open-ended investment companies.

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

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

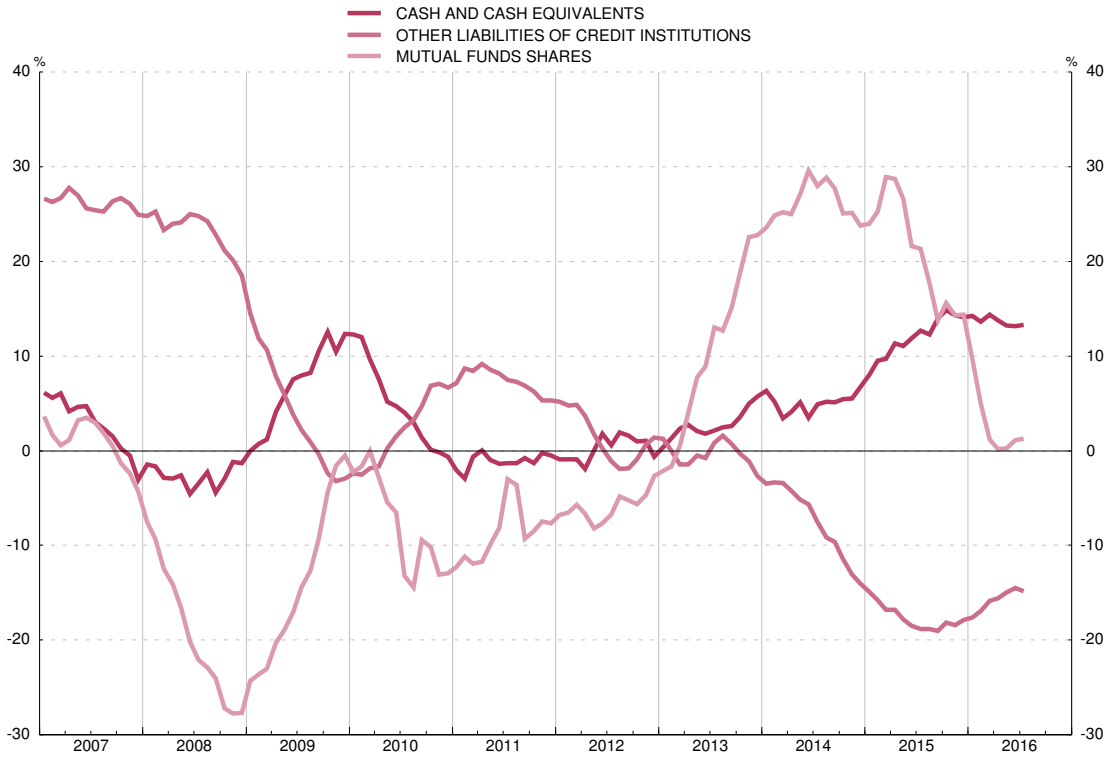
8.4 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

		Cash and cash equivalents				Other liabilities of credit institutions				Mutual funds shares (b)			
		Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate	
				Cash	Deposits (c)			Other deposits (d)	Repos + credit instit.' securit.+ dep. in branches abroad			Fixed income in EUR (e)	Other
		1	2 ■	3	4	5	6 ■	7	8	9	10 ■	11	12
13		417 159	5.7	-5.2	8.8	459 163	-2.6	0.2	-26.7	144 547	22.7	35.4	18.3
14		445 232	6.7	-7.4	10.2	394 601	-14.1	-9.1	-72.5	178 915	23.8	24.6	23.5
15	P	507 962	14.1	-4.8	18.0	323 907	-17.9	-17.3	-42.8	204 694	14.4	-8.4	23.6
15 *Apr*		458 174	11.4	-6.1	15.5	369 537	-16.8	-12.8	-78.8	202 452	28.7	12.8	35.1
May		465 272	11.1	-5.9	15.0	360 445	-17.8	-14.2	-79.3	204 538	26.6	8.0	34.0
Jun		480 429	11.9	-6.1	15.9	351 905	-18.5	-15.0	-80.4	201 312	21.6	2.7	28.9
Jul		483 637	12.7	-5.1	16.7	345 747	-18.9	-15.9	-77.4	204 323	21.3	-0.3	29.8
Aug	P	481 879	12.3	-5.5	16.2	340 948	-18.9	-16.3	-74.3	200 955	17.7	-4.3	26.4
Sep	P	486 667	14.0	-5.0	18.1	336 644	-19.0	-16.9	-70.4	196 844	13.7	-6.5	21.8
Oct	P	489 061	14.9	-4.8	19.1	333 586	-18.2	-16.5	-63.6	201 487	15.6	-8.4	25.3
Nov	P	496 035	14.3	-4.7	18.3	326 729	-18.4	-17.4	-53.7	203 519	14.3	-8.7	23.6
Dec	P	507 962	14.1	-4.8	18.0	323 907	-17.9	-17.3	-42.8	204 694	14.4	-8.4	23.6
16 *Jan*	P	509 321	14.2	-4.5	18.0	320 577	-17.6	-17.2	-37.7	200 975	9.6	-8.8	16.9
Feb	P	509 487	13.7	-4.6	17.3	318 777	-16.9	-16.6	-33.7	199 101	5.0	-8.7	10.1
Mar	P	515 339	14.4	-5.3	18.3	315 632	-15.9	-15.6	-31.6	201 656	1.2	-6.3	3.8
Apr	P	521 109	13.7	-5.4	17.4	311 924	-15.6	-15.5	-21.1	202 857	0.2	-3.9	1.6
May	A	526 924	13.3	-6.2	16.9	306 378	-15.0	-15.0	-12.1	204 975	0.2	-0.6	0.5
Jun	A	543 527	13.1	-6.0	16.6	300 861	-14.5	-14.7	0.5	203 519	1.1	4.1	0.2
Jul	A	547 979	13.3	-6.6	16.9	294 326	-14.9	-15.0	-4.4	206 846	1.2	5.7	-0.1

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. It includes open-ended investment companies.

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

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

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

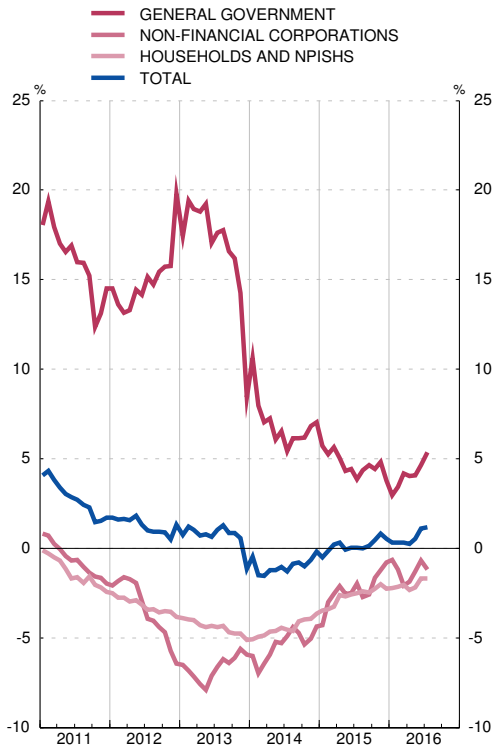
8.5. FINANCING OF NON-FINANCIAL SECTORS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

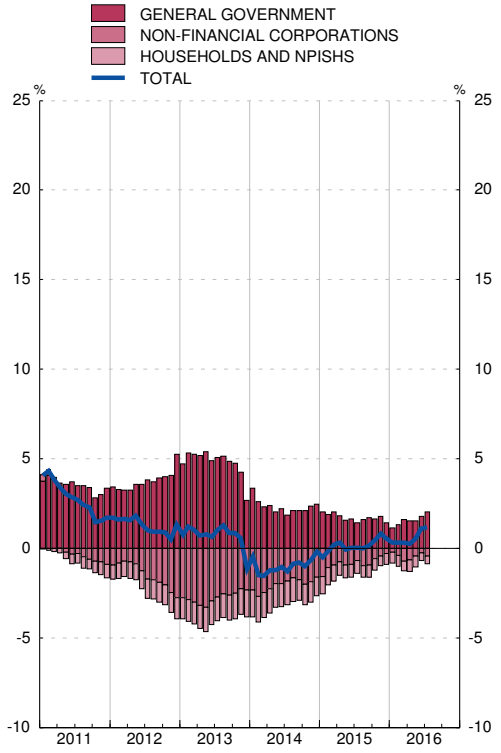
EUR millions and %

		Total			Annual growth rate							Contribution to col. 3						
		Stocks	Effective flow	Annual growth rate	General government (b)	Non-financial corp. and households and NPISHs	By sectors		By instruments			General government (b)	Non-financial corp. and households and NPISHs	By sectors		By instrumentss		
							Non-financial corporations	Households and NPISHs	Credit institutions loans, secur. funds & loans tr. to AMC(c)	Securities other than shares	External loans			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
13		2 760 007	-32 073	-1.1	8.5	-5.6	-5.9	-5.1	-7.1	3.8	0.4	2.7	-3.8	-2.3	-1.5	-3.9	0.1	0.0
14		2 725 091	-4 411	-0.2	7.0	-4.0	-4.4	-3.6	-5.1	1.5	-0.3	2.5	-2.6	-1.6	-1.0	-2.6	0.0	-0.0
15	P	2 715 381	14 893	0.5	3.8	-1.4	-0.8	-2.2	-1.9	3.8	-0.7	1.4	-0.9	-0.3	-0.6	-0.9	0.1	-0.1
15 *Apr*		2 732 278	-7 460	0.3	5.0	-2.3	-2.1	-2.6	-3.3	4.1	0.5	1.8	-1.5	-0.8	-0.7	-1.7	0.1	0.1
May		2 726 669	-791	-0.1	4.3	-2.6	-2.5	-2.7	-3.3	1.0	-0.1	1.6	-1.7	-0.9	-0.7	-1.7	0.0	-0.0
Jun		2 733 894	13 160	0.0	4.5	-2.5	-2.5	-2.6	-3.0	1.2	-1.1	1.6	-1.6	-0.9	-0.7	-1.5	0.0	-0.1
Jul		2 717 177	-15 435	0.0	3.9	-2.2	-1.9	-2.5	-2.6	3.9	-1.9	1.4	-1.4	-0.7	-0.7	-1.3	0.1	-0.2
Aug	P	2 715 458	-266	-0.0	4.4	-2.6	-2.7	-2.4	-2.7	3.0	-3.6	1.6	-1.6	-1.0	-0.7	-1.3	0.1	-0.4
Sep	P	2 724 195	10 432	0.1	4.6	-2.5	-2.6	-2.5	-2.5	1.3	-3.8	1.7	-1.6	-0.9	-0.7	-1.2	0.0	-0.4
Oct	P	2 718 119	-3 528	0.5	4.4	-1.9	-1.6	-2.3	-1.8	2.1	-3.5	1.7	-1.2	-0.6	-0.6	-0.9	0.1	-0.4
Nov	P	2 737 405	19 294	0.8	4.8	-1.6	-1.2	-2.0	-1.9	4.5	-1.7	1.8	-1.0	-0.4	-0.5	-0.9	0.1	-0.2
Dec	P	2 715 381	-13 554	0.5	3.8	-1.4	-0.8	-2.2	-1.9	3.8	-0.7	1.4	-0.9	-0.3	-0.6	-0.9	0.1	-0.1
16 *Jan*	P	2 708 711	-5 812	0.3	3.0	-1.3	-0.6	-2.2	-1.7	2.1	-0.8	1.1	-0.8	-0.2	-0.6	-0.8	0.1	-0.1
Feb	P	2 711 139	3 285	0.3	3.4	-1.6	-1.2	-2.1	-1.7	-3.3	-0.5	1.3	-1.0	-0.4	-0.6	-0.8	-0.1	-0.1
Mar	P	2 717 430	10 065	0.3	4.2	-2.0	-2.1	-2.0	-2.3	-4.2	-0.5	1.6	-1.3	-0.7	-0.6	-1.1	-0.1	-0.1
Apr	P	2 703 718	-9 746	0.3	4.1	-2.1	-1.9	-2.3	-2.2	0.1	-2.1	1.5	-1.3	-0.7	-0.6	-1.1	0.0	-0.2
May	A	2 709 569	6 514	0.5	4.1	-1.7	-1.3	-2.2	-2.1	3.6	-1.2	1.6	-1.0	-0.4	-0.6	-1.0	0.1	-0.1
Jun	A	2 733 900	29 028	1.1	4.6	-1.1	-0.7	-1.7	-1.7	1.5	0.5	1.8	-0.7	-0.2	-0.5	-0.8	0.0	0.1
Jul	A	2 719 828	-13 033	1.2	5.4	-1.4	-1.2	-1.7	-1.6	0.2	-0.9	2.1	-0.9	-0.4	-0.4	-0.8	0.0	-0.1

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).

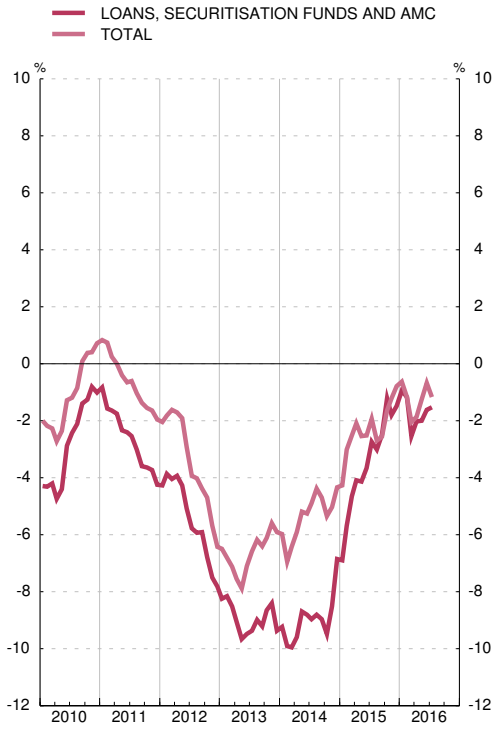
8.6. FINANCING OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

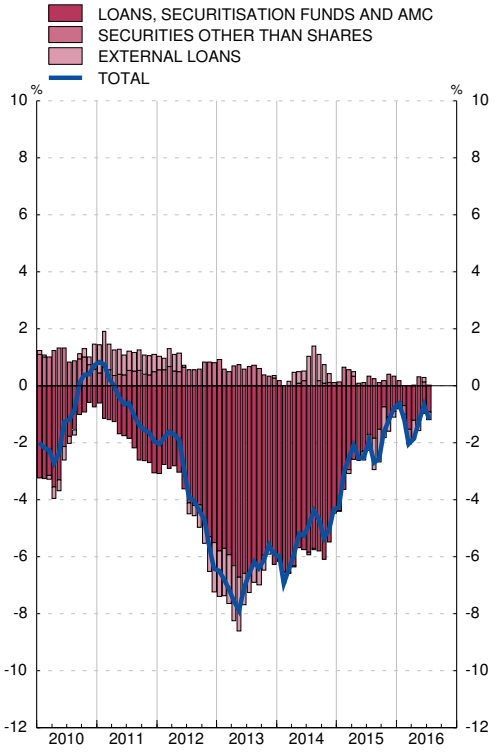
EUR millions and %

		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	of which: 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
13		1 010 986	-65 063	-5.9	646 868	-9.4	-6.3	80 615	60 529	3.8	0.3		283 503	0.4	0.1	37 970
14		942 537	-43 983	-4.4	579 445	-6.8	-4.4	81 802	61 085	1.5	0.1		281 291	-0.3	-0.1	34 763
15	P	918 199	-7 381	-0.8	548 293	-1.5	-0.9	84 925	59 335	3.8	0.3		284 981	-0.7	-0.2	30 577
15 *Apr*		953 555	3 992	-2.1	573 012	-4.1	-2.6	82 234	59 306	4.1	0.3		298 309	0.5	0.2	33 021
May		943 587	-6 350	-2.5	565 445	-4.1	-2.6	82 145	58 910	1.0	0.1		295 996	-0.1	-0.0	32 864
Jun		934 555	-3 606	-2.5	562 893	-3.7	-2.3	82 437	58 197	1.2	0.1		289 226	-1.1	-0.3	32 600
Jul		938 561	4 863	-1.9	561 664	-2.7	-1.7	82 864	58 514	3.9	0.3		294 034	-1.9	-0.6	32 344
Aug	P	930 674	-6 866	-2.7	554 522	-3.0	-1.8	82 327	58 054	3.0	0.2		293 825	-3.6	-1.1	32 185
Sep	P	927 835	-1 867	-2.6	554 069	-2.5	-1.5	83 790	58 989	1.3	0.1		289 976	-3.8	-1.2	31 816
Oct	P	928 225	2 637	-1.6	554 700	-1.2	-0.7	84 036	59 331	2.1	0.2		289 490	-3.5	-1.1	31 449
Nov	P	931 619	2 897	-1.2	553 253	-1.8	-1.1	85 998	60 282	4.5	0.4		292 367	-1.7	-0.5	31 203
Dec	P	918 199	-4 917	-0.8	548 293	-1.5	-0.9	84 925	59 335	3.8	0.3		284 981	-0.7	-0.2	30 577
16 *Jan*	P	914 856	-2 676	-0.6	544 783	-0.9	-0.6	84 252	58 757	2.1	0.2		285 821	-0.8	-0.2	30 489
Feb	P	909 914	-4 288	-1.2	544 248	-1.2	-0.7	80 349	55 018	-3.3	-0.3		285 316	-0.5	-0.2	30 143
Mar	P	903 080	-3 360	-2.1	537 239	-2.5	-1.5	80 280	54 993	-4.2	-0.4		285 560	-0.5	-0.2	29 866
Apr	P	905 101	5 765	-1.9	536 406	-2.0	-1.2	82 356	56 660	0.1	0.0		286 338	-2.1	-0.7	30 248
May	A	903 680	-582	-1.3	531 872	-2.0	-1.2	85 080	57 767	3.6	0.3		286 728	-1.2	-0.4	29 976
Jun	A	901 562	2 037	-0.7	530 772	-1.6	-1.0	83 681	56 761	1.5	0.1		287 109	0.5	0.2	27 703
Jul	A	900 881	134	-1.2	530 601	-1.5	-0.9	83 045	56 063	0.2	0.0		287 235	-0.9	-0.3	27 515

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 Statistical Bulletin and in the Financial Accounts of the Spanish Economy.

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

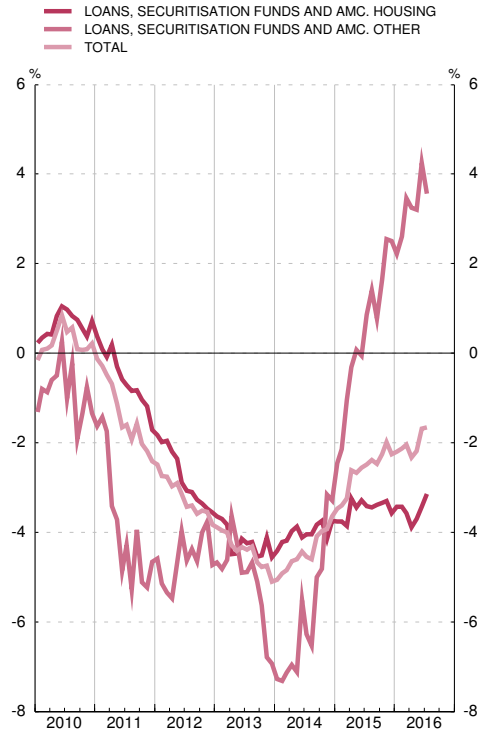
8.7. FINANCING OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

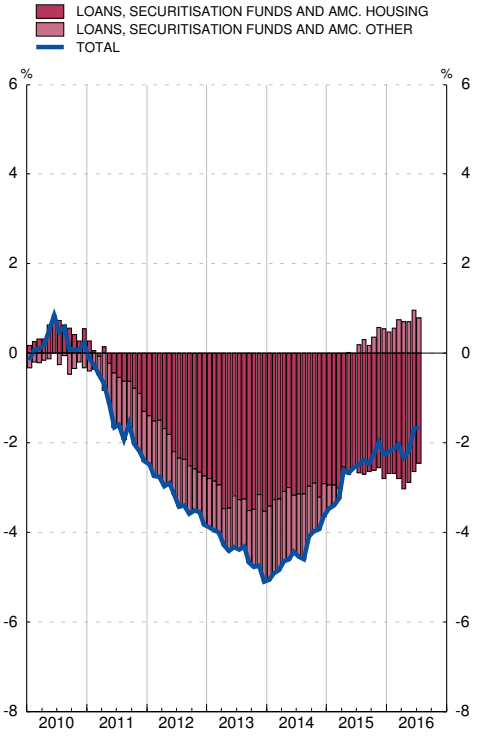
EUR millions and %

		Total			Resident credit institutions' loans, off-balance-sheet securitised loans & loans transf.to AMC. Housing (b)			Resident credit institutions' loans off-balance-sheet securitised loans & loans transf.to AMC. Other (b)			Memorandum items: off-balance-sheet securitised and trans.to AMC loans (b)	
		Stocks	Effective flow	Annual growth rate	Stocks	Annual growth rate	Contribution to col.3	Stocks	Annual growth rate	Contribution to col.3	Housing	Other
		1	2	3 ■	4	5 ■	6 ■	7	8 ■	9 ■	10	11
13		782 982	-42 324	-5.1	610 846	-4.6	-3.5	172 136	-6.9	-1.6	6 451	450
14		748 477	-28 465	-3.6	585 482	-3.7	-2.9	162 996	-3.3	-0.7	5 687	345
15	P	723 993	-16 838	-2.2	560 796	-3.6	-2.8	163 197	2.5	0.5	8 731	981
15 *Apr*		740 472	2 423	-2.6	578 714	-3.2	-2.5	161 758	-0.3	-0.1	10 257	916
May		736 971	-2 301	-2.7	575 476	-3.4	-2.7	161 495	0.1	0.0	10 024	896
Jun		741 778	5 316	-2.6	573 952	-3.3	-2.5	167 826	-0.1	-0.0	9 956	871
Jul		733 824	-7 528	-2.5	571 406	-3.4	-2.7	162 418	0.9	0.2	9 192	1 513
Aug	P	730 726	-2 667	-2.4	569 021	-3.4	-2.7	161 704	1.4	0.3	9 103	1 522
Sep	P	728 750	-1 252	-2.5	567 007	-3.4	-2.6	161 743	0.8	0.2	9 348	1 136
Oct	P	727 965	-485	-2.3	565 575	-3.3	-2.6	162 390	1.6	0.4	9 253	1 124
Nov	P	733 564	6 104	-2.0	564 037	-3.3	-2.6	169 527	2.6	0.6	9 032	1 109
Dec	P	723 993	-9 603	-2.2	560 796	-3.6	-2.8	163 197	2.5	0.5	8 731	981
16 *Jan*	P	721 368	-2 434	-2.2	559 300	-3.4	-2.7	162 069	2.2	0.5	8 560	968
Feb	P	719 003	-2 162	-2.1	557 761	-3.4	-2.7	161 242	2.6	0.6	8 454	993
Mar	P	718 200	-503	-2.0	555 143	-3.6	-2.8	163 057	3.5	0.8	8 331	998
Apr	P	718 305	327	-2.3	554 402	-3.9	-3.0	163 903	3.2	0.7	8 212	1 024
May	A	717 269	-1 212	-2.2	552 639	-3.7	-2.9	164 631	3.2	0.7	8 076	1 011
Jun	A	725 644	8 917	-1.7	552 727	-3.4	-2.6	172 917	4.3	1.0	8 796	946
Jul	A	718 211	-7 209	-1.7	551 932	-3.1	-2.4	166 279	3.6	0.8	8 702	941

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).

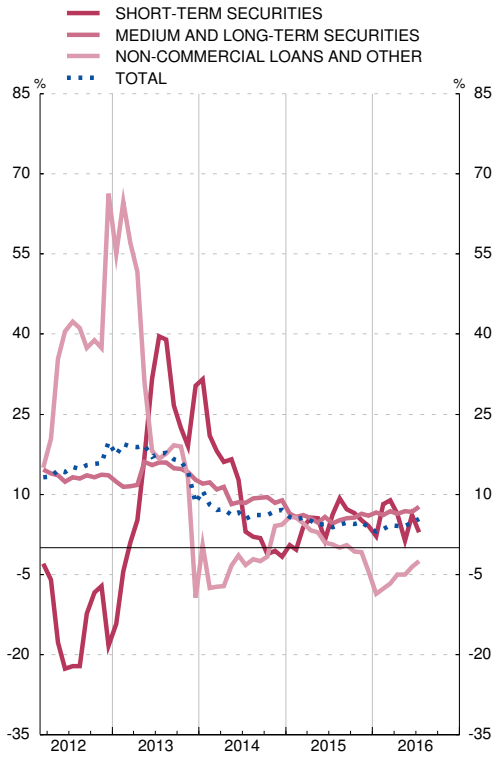
8.8. GROSS FINANCING OF SPAIN'S GENERAL GOVERMENT

■ Series depicted in chart.

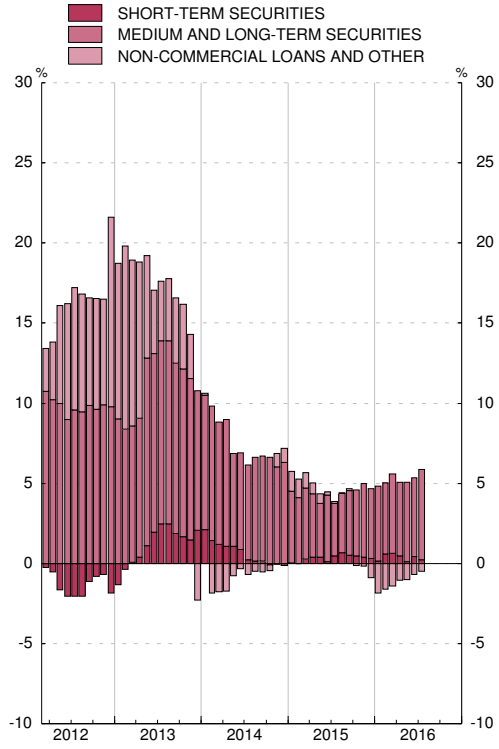
EUR millions and %

		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	Contribu-tion to 12-month % change	Total	Monthly change	12 month % change	Contribu-tion to 12-month % change	Total	Monthly change	12 month % chage	Contribu-tion 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 ■
11		743 530	94 271	14.5	74 185	5 257	7.6	0.8	536 514	71 217	15.3	11.0	132 831	17 798	15.5	2.7
12		890 726	147 196	19.8	60 576	-13 609	-18.3	-1.8	609 311	72 797	13.6	9.8	220 838	88 008	66.3	11.8
13		966 040	75 314	8.5	78 977	18 400	30.4	2.1	686 769	77 458	12.7	8.7	200 294	-20 545	-9.3	-2.3
14	P	1 034 077	68 037	7.0	77 611	-1 365	-1.7	-0.1	747 540	60 771	8.8	6.3	208 925	8 632	4.3	0.9
15 *Feb*	P	1 046 215	4 790	5.3	76 299	-2 691	-0.3	-0.0	751 400	9 800	5.7	4.1	218 516	-2 318	5.7	1.2
Mar	P	1 052 127	5 912	5.7	75 220	-1 079	3.8	0.3	760 720	9 320	6.2	4.4	216 187	-2 329	4.6	0.9
Apr	P	1 038 252	-13 876	5.0	74 749	-471	5.7	0.4	750 519	-10 201	5.5	3.9	212 984	-3 203	3.3	0.7
May	P	1 046 112	7 860	4.3	75 599	850	5.5	0.4	758 663	8 144	4.6	3.4	211 849	-1 135	2.9	0.6
Jun	P	1 057 561	11 449	4.5	75 764	165	1.5	0.1	772 161	13 498	5.7	4.1	209 636	-2 214	1.0	0.2
Jul	P	1 044 791	-12 769	3.9	77 605	1 841	6.3	0.5	761 802	-10 358	4.5	3.3	205 384	-4 252	0.6	0.1
Aug	P	1 054 059	9 268	4.4	78 909	1 304	9.2	0.7	770 833	9 031	5.1	3.7	204 317	-1 067	0.0	0.0
Sep	P	1 067 610	13 550	4.6	79 374	465	7.1	0.5	782 273	11 439	5.6	4.0	205 963	1 646	0.5	0.1
Oct	P	1 061 929	-5 681	4.4	79 564	190	6.4	0.5	777 973	-4 299	5.7	4.1	204 392	-1 571	-0.7	-0.1
Nov	P	1 072 222	10 293	4.8	81 048	1 485	5.2	0.4	787 372	9 398	6.4	4.6	203 803	-589	-0.8	-0.2
Dec	P	1 073 189	966	3.8	80 798	-250	4.1	0.3	792 772	5 400	6.1	4.4	199 619	-4 184	-4.5	-0.9
16 *Jan*	P	1 072 486	-702	3.0	80 695	-103	2.2	0.2	790 113	-2 659	6.5	4.7	201 678	2 060	-8.7	-1.8
Feb	P	1 082 222	9 735	3.4	82 544	1 849	8.2	0.6	797 787	7 674	6.2	4.4	201 891	213	-7.6	-1.6
Mar	P	1 096 150	13 928	4.2	81 893	-651	8.9	0.6	812 680	14 893	6.8	4.9	201 577	-313	-6.8	-1.4
Apr	A	1 080 312	-15 838	4.1	79 537	-2 355	6.4	0.5	798 510	-14 170	6.4	4.6	202 265	687	-5.0	-1.0
May	A	1 088 619	8 307	4.1	76 624	-2 913	1.4	0.1	810 777	12 267	6.9	5.0	201 218	-1 046	-5.0	-1.0
Jun	A	1 106 693	18 074	4.6	80 433	3 808	6.2	0.4	824 098	13 321	6.7	4.9	202 162	944	-3.6	-0.7
Jul	A	1 100 736	-5 958	5.4	79 807	-626	2.8	0.2	820 707	-3 392	7.7	5.6	200 222	-1 940	-2.5	-0.5

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

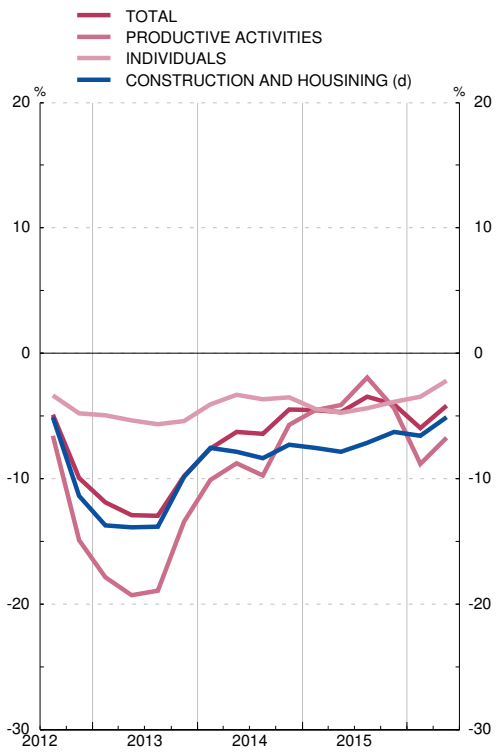
8.9 LENDING BY CREDIT INSTITUTIONS AND CFI's TO OTHER RESIDENT SECTORS. BREAKDOWN BY END-USE.

■ Series depicted in chart.

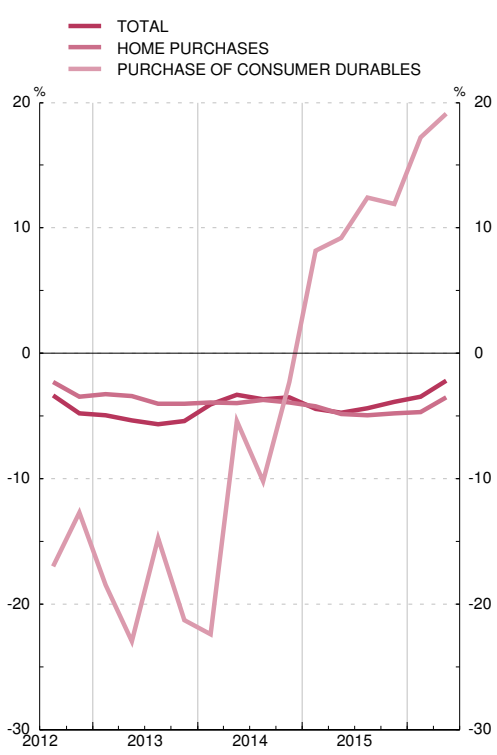
EUR millions and percentages

		Financing of productive activities							Financing of individuals					Financing of private non-profit institutions	Unclassified	Memorandum item: construction and housing (d)
		Total (a)	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 ■
11		1 782 555	970 773	21 782	143 246	98 546	707 198	298 323	793 430	656 452	626 550	37 686	99 292	7 000	11 352	1 053 321
12		1 604 961	829 788	20 217	131 109	76 217	602 246	224 015	755 689	633 138	605 057	32 904	89 647	6 976	12 507	933 370
13		1 448 244	719 180	18 448	115 465	60 154	525 113	176 822	714 984	604 395	580 784	25 910	84 679	6 299	7 781	841 371
14		R1 380 218	674 082	17 693	112 268	49 770	494 351	150 317	689 962	579 793	557 973	29 022	81 148	5 962	10 211	779 879
13	*Q1*	1 558 660	798 151	19 138	127 110	69 013	582 891	204 281	743 849	625 439	599 955	29 212	89 199	6 759	9 901	898 732
	Q2	1 519 123	763 059	18 974	122 351	64 195	557 539	198 432	738 107	618 663	593 929	26 762	92 683	6 754	11 203	881 290
	Q3	1 481 543	742 033	18 731	118 251	62 934	542 117	195 083	724 319	610 497	586 299	27 239	86 583	6 882	8 309	868 514
	Q4	1 448 244	719 180	18 448	115 465	60 154	525 113	176 822	714 984	604 395	580 784	25 910	84 679	6 299	7 781	841 371
14	*Q1*	R1 440 349	712 509	17 756	113 148	58 386	523 218	170 839	713 628	599 144	576 458	22 671	91 918	6 221	7 887	828 369
	Q2	1 423 178	693 553	17 571	110 307	55 436	510 239	161 218	713 717	595 437	573 423	25 321	92 959	6 376	9 532	812 091
	Q3	1 386 860	671 336	17 793	108 673	53 403	491 467	156 197	697 741	586 086	564 252	24 459	87 196	6 972	10 811	795 686
	Q4	1 380 218	674 082	17 693	112 268	49 770	494 351	150 317	689 962	579 793	557 973	29 022	81 148	5 962	10 211	779 879
15	*Q1*	1 375 083	675 779	17 611	109 418	48 063	500 688	146 613	681 978	573 966	552 110	28 225	79 786	6 199	11 127	768 642
	Q2	1 357 642	661 534	17 761	110 005	46 090	487 678	138 329	680 021	563 996	542 535	31 351	84 674	5 745	10 342	748 414
	Q3	1 339 139	655 019	17 996	109 825	45 445	481 752	135 851	667 373	557 659	536 511	31 200	78 514	5 706	11 042	738 956
	Q4	1 327 080	644 282	18 106	110 463	43 936	471 776	135 190	663 307	552 069	531 256	32 482	78 756	5 817	13 675	731 195
16	*Q1*	1 293 409	616 325	18 544	110 167	42 663	444 951	128 871	658 412	546 812	526 382	33 081	78 519	5 403	13 268	718 346
	Q2	P 1 298 002	614 075	18 887	109 812	41 577	443 798	124 805	665 230	543 932	523 595	37 347	83 951	5 277	13 421	710 314

CREDIT BY END-USE
Annual percentage changes (c)



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



SOURCE: BE.

a. See chapters 4.13, 4.18 y 4.23 of the Statistical Bulletin and their notes which are published at www.bde.es and the notes of changes.

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.

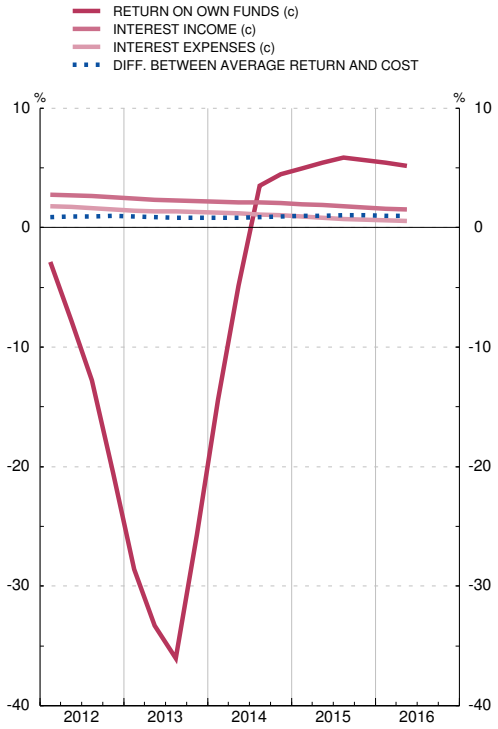
d. Including: construction, real estate activities and home purchases and improvements

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

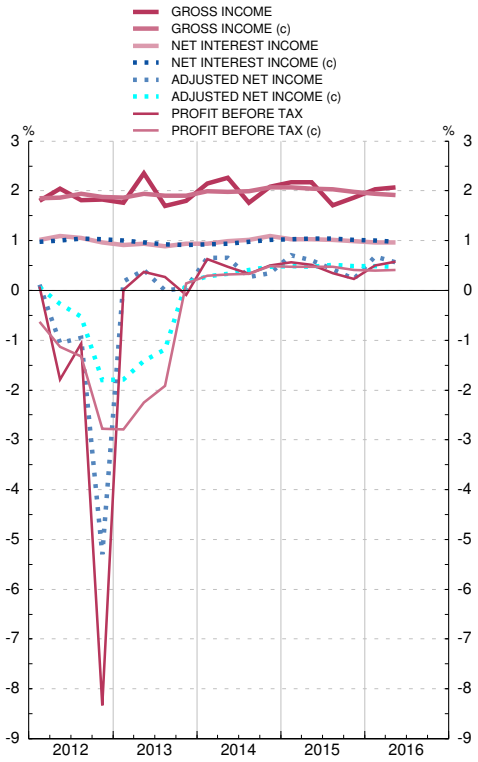
■ Series depicted in chart.

	As a percentage of the adjusted average balance sheet											Percentages			
	Interest income 1 ■	Interest expenses 2 ■	Net interest income 3 ■	Return on equity instruments and non interest income 4	Gross income 5 ■	Operating expenses: 6	Of which: Staff costs 7	Other operating income 8	Adjusted net income 9 ■	Other net income 10	Profit before tax 11 ■	Average return on own funds (a) 12 ■	Average return on lending operations (b) 13	Average cost of borrowing operations (b) 14	Difference (12-13) 15 ■
13	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
14	2.0	0.9	1.1	1.0	2.1	1.0	0.5	0.7	0.3	-0.1	0.5	5.9	2.2	1.2	0.9
15	1.6	0.6	1.0	0.9	1.9	1.0	0.6	0.6	0.2	0.1	0.2	5.1	1.8	0.8	1.0
13 *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
14 *Q1*	2.1	1.1	0.9	1.2	2.2	1.0	0.5	0.5	0.7	0.2	0.6	3.9	2.3	1.5	0.8
Q2	2.1	1.1	1.0	1.3	2.3	1.0	0.5	0.7	0.7	0.1	0.5	4.0	2.2	1.4	0.8
Q3	2.0	1.0	1.0	0.7	1.8	1.0	0.5	0.5	0.3	0.2	0.3	4.1	2.2	1.3	0.9
Q4	2.0	0.9	1.1	1.0	2.1	1.0	0.5	0.7	0.3	-0.1	0.5	5.9	2.2	1.2	0.9
15 *Q1*	1.8	0.8	1.0	1.1	2.2	1.0	0.5	0.5	0.7	0.2	0.6	5.7	2.1	1.1	1.0
Q2	1.7	0.7	1.0	1.1	2.2	1.0	0.5	0.6	0.6	0.2	0.5	5.9	2.0	1.0	1.0
Q3	1.6	0.6	1.0	0.7	1.7	1.0	0.5	0.3	0.4	0.2	0.3	5.9	1.9	0.9	1.0
Q4	1.6	0.6	1.0	0.9	1.9	1.0	0.6	0.6	0.2	0.1	0.2	5.1	1.8	0.8	1.0
16 *Q1*	1.5	0.5	1.0	1.1	2.0	1.0	0.5	0.3	0.7	0.2	0.5	4.8	1.7	0.7	1.0
Q2	1.5	0.5	1.0	1.1	2.1	1.0	0.6	0.5	0.6	0.2	0.6	4.9	1.7	0.7	1.0

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 Statistical Bulletin.
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.

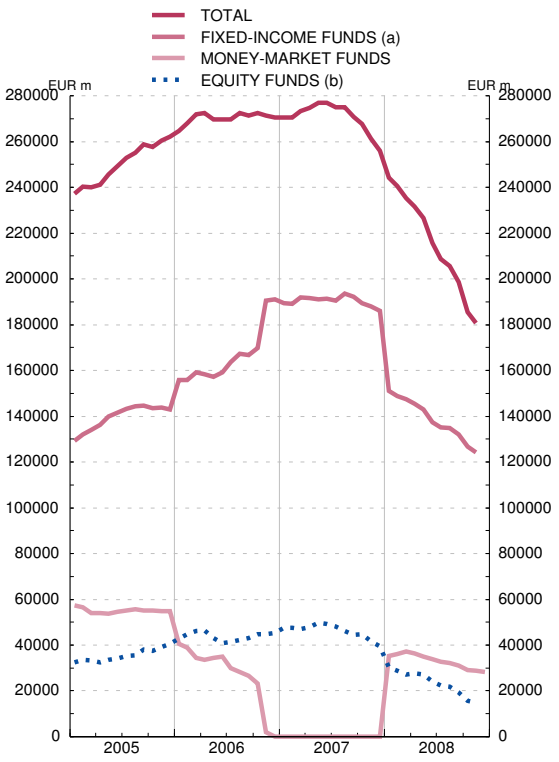
8.11. MUTUAL FUNDS RESIDENT IN SPAIN

■ Series depicted in chart.

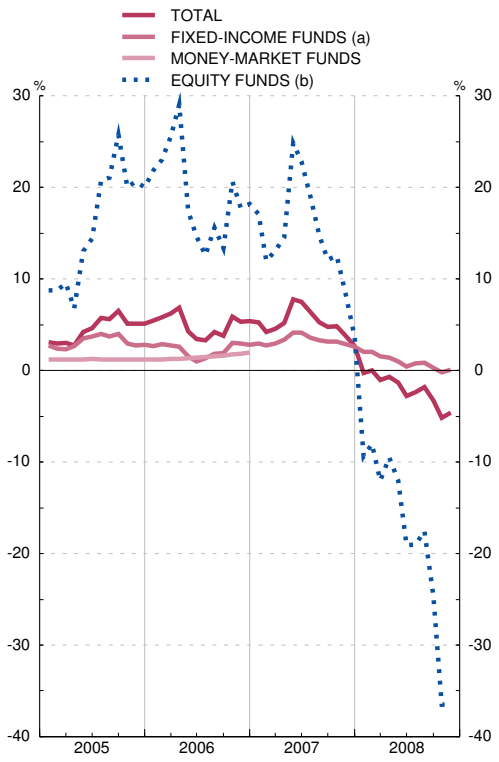
EUR millions

	Total				Money-market funds				Fixed-income funds (a)				Equity funds (b)				Others funds (c)
		Of which				Of which				Of which				Of which			
	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value
	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.

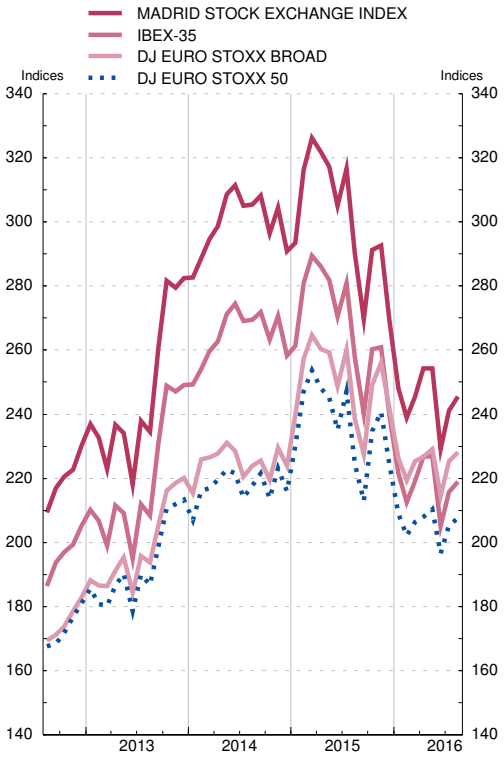
8.12. SHARE PRICE INDICES AND TURNOVER ON SECURITIES MARKETS. SPAIN AND EURO AREA

■ Series depicted in chart.

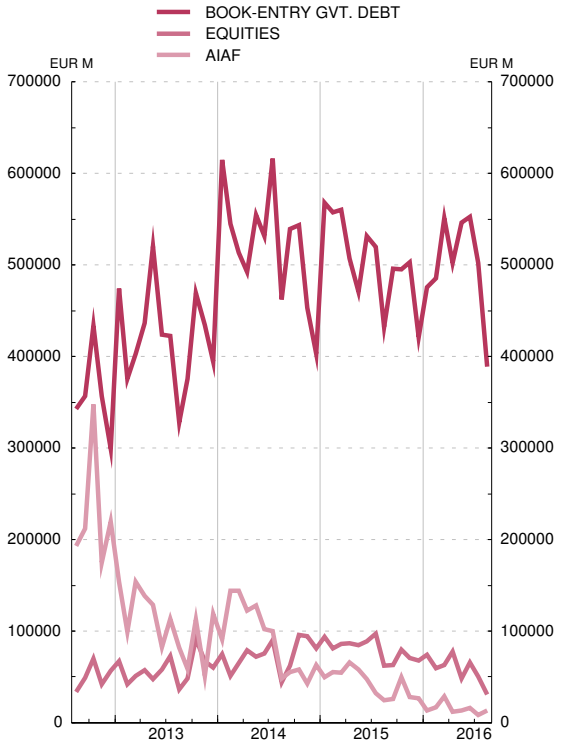
Indices, EUR millions and thousands of contracts

		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
14		1 073.64	10 529.84	320.84	3 167.93	884 349	38 114	6 267 303	1 099 992	-	26 367	-	7 236
15		1 077.54	10 644.15	357.19	3 451.04	960 807	23 692	6 060 667	517 412	-	21 965	-	7 708
16	A	876.66	8 693.58	320.38	2 996.58	468 875	3 451	4 005 138	121 055	-	12 622	-	4 885
15 *May*		1 137.01	11 217.60	370.04	3 570.78	84 407	2 551	470 587	57 784	...	1 474	...	585
Jun		1 093.34	10 769.50	354.87	3 424.30	89 040	3 412	531 789	47 322	...	2 225	...	766
Jul		1 134.32	11 180.70	371.32	3 600.69	97 094	1 033	519 310	32 229	...	1 531	...	652
Aug		1 039.45	10 259.00	340.34	3 269.63	62 107	470	431 974	24 294	...	1 274	...	614
Sep		966.09	9 559.90	324.85	3 100.67	62 930	1 494	495 836	25 799	...	2 308	...	684
Oct		1 043.91	10 360.70	355.56	3 418.23	79 795	432	495 307	49 776	...	1 633	...	596
Nov		1 048.26	10 386.90	365.68	3 506.45	70 292	1 738	503 009	28 254	...	1 221	...	582
Dec		965.13	9 544.20	345.16	3 267.52	67 632	218	420 795	26 623	...	3 604	...	638
16 *Jan*		889.20	8 815.80	322.94	3 045.09	74 343	352	475 713	13 141	...	1 378	...	698
Feb		855.70	8 461.40	313.07	2 945.75	59 284	349	485 402	16 461	...	1 332	...	723
Mar		879.82	8 723.10	321.54	3 004.93	62 729	1 052	551 235	28 816	...	2 220	...	591
Apr		911.12	9 025.70	323.70	3 028.21	77 287	379	502 403	11 627	...	1 344	...	592
May		911.02	9 034.00	327.18	3 063.48	48 418	195	546 320	13 491	...	1 444	...	532
Jun		820.85	8 163.30	306.23	2 864.74	65 939	425	552 777	15 923	...	2 526	...	705
Jul		864.04	8 587.20	321.78	2 990.76	50 102	561	502 195	8 410	...	1 402	...	559
Aug	P	879.45	8 716.80	325.76	3 023.13	30 773	139	389 094	13 186	...	975	...	485

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)

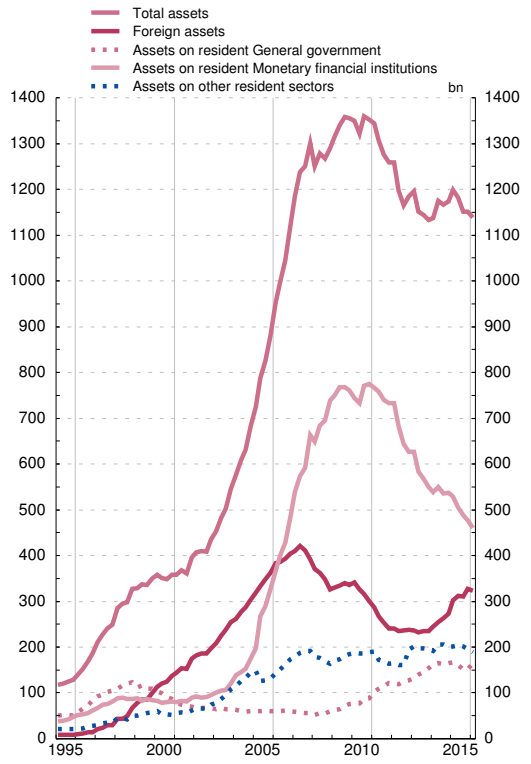
8.13. OTHER FINANCIAL CORPORATIONS (a): CONSOLIDATED FINANCIAL BALANCE SHEET (b)

■ Series depicted in chart.

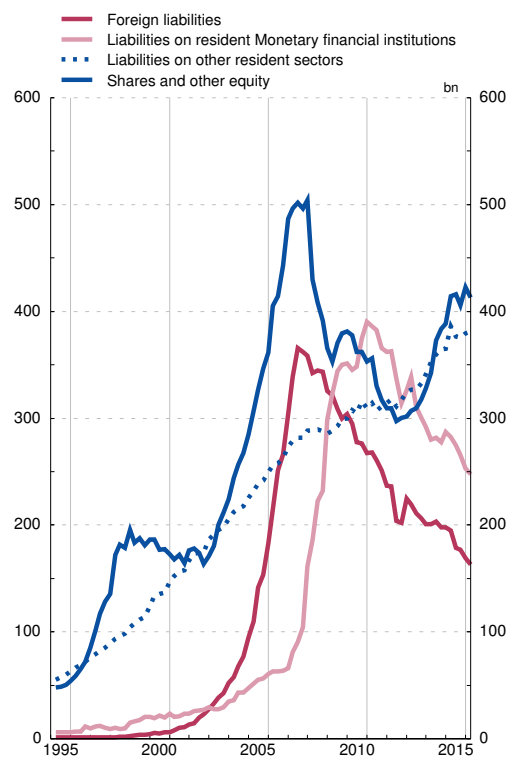
EUR billions

	Net financial assets	Net foreign assets			Net claims on resident General government			Net claims on resident Monetary financial institutions (c)			Net claims on other resident sectors (d)			Shares and other equity	Rest of other Liabilities (net)	Pro memoria: Total financial assets
		Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities			
	1=2+5+8+11-14-15	2=3-4	3 ■	4 ■	5=6-7	6 ■	7 ■	8=9-10	9 ■	10 ■	11=12-13	12 ■	13 ■	14	15	16=3+6+9+12 ■
08	27	1	326	325	59	60	2	440	739	298	-121	164	285	366	-14	1 289
09	33	32	336	304	72	75	3	409	760	351	-115	185	300	381	-16	1 356
10	53	34	301	267	85	88	3	385	775	390	-120	189	309	353	-22	1 353
11	47	4	241	237	120	122	1	370	732	362	-151	164	314	309	-12	1 258
12 *Q2*	65	32	235	204	119	119	-	345	682	337	-151	160	311	298	-18	1 197
Q3	45	34	236	202	124	124	-	329	643	314	-156	161	317	300	-14	1 164
Q4	24	13	237	224	126	127	1	300	626	326	-130	194	324	302	-17	1 185
13 *Q1*	22	17	236	219	131	133	2	287	626	339	-125	202	327	307	-19	1 196
Q2	11	21	232	211	138	139	2	273	583	310	-130	197	327	309	-18	1 151
Q3	4	29	235	206	143	145	2	268	568	300	-136	197	333	317	-18	1 144
Q4	-12	34	235	201	152	154	2	257	549	292	-146	195	341	328	-18	1 133
14 *Q1*	-23	44	245	201	161	162	2	258	538	280	-162	191	353	342	-18	1 137
Q2	-29	51	254	203	163	165	2	268	550	282	-154	205	359	373	-16	1 174
Q3	-45	65	263	198	161	162	2	258	535	277	-159	205	365	384	-14	1 166
Q4	-50	75	272	198	163	165	2	250	537	287	-165	200	365	388	-16	1 174
15 *Q1*	-66	107	301	195	163	167	4	247	529	282	-185	201	386	414	-17	1 198
Q2	-49	133	312	179	157	161	4	230	504	274	-172	205	376	416	-18	1 182
Q3	-56	134	311	177	147	151	4	223	489	266	-174	201	375	406	-21	1 151
Q4	-56	159	328	169	148	151	3	224	477	253	-184	196	380	423	-20	1 151
16 *Q1*	-50	160	323	163	161	165	4	213	461	247	-192	189	381	413	-21	1 138

FINANCIAL ASSETS



LIABILITIES



SOURCE: Financial accounts of the spanish economy

(a) Consisting of Investment funds (Collective investment funds including monetary funds), Limitied scope financial institutions and money lenders, Insurance companies and Pension funds, Other financial intermediaries and Financial auxiliaries

(b) Consolidation refers to the netting of the asset and liability positions (intra-sectoral) between corporations that comprise an economic sector or group of economic sectors, in this case, those included under the institutional grouping of Other financial corporations

(c) Except Money market funds which are included among the corporations under the institutional grouping of Other financial corporations

(d) Non-financial corporations, Households and Non-profit institutions serving households

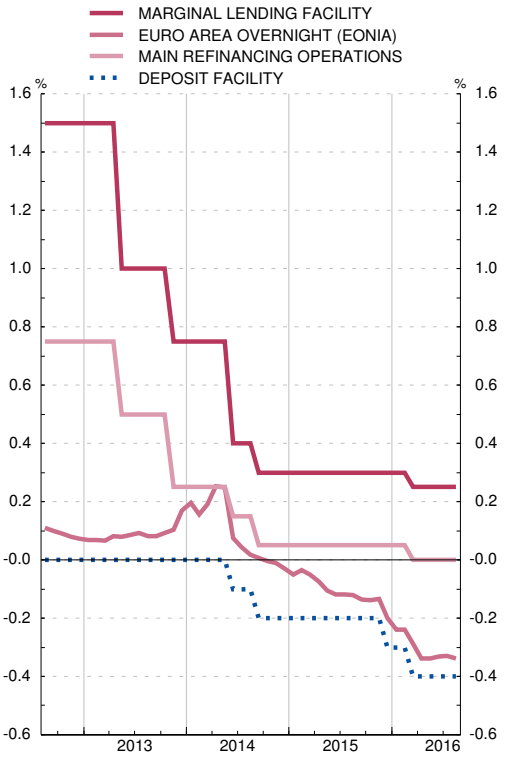
9.1. INTEREST RATES. EUROSYSTEM AND MONEY MARKET. EURO AREA AND SPAIN

■ Series depicted in chart.

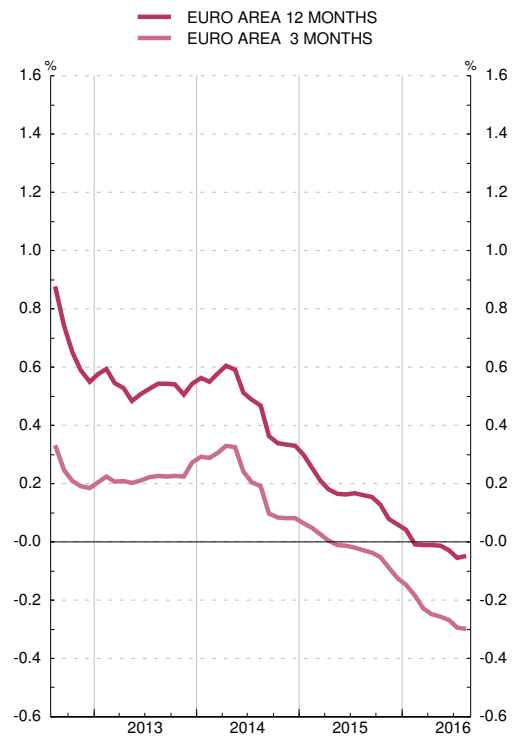
Averages of daily data. Percentages per annum

		Eurosystem monetary policy operations				Money market													
		Main refinancing operations: weekly tenders	Longer term refinancing operations: monthly tenders	Standing facilities		Euro area: deposits (Euribor) (a)					Spain								
											Non-transferable deposits					Government-securities repos			
				Marginal lending	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
14		0.05	0.05	0.30	-0.20	0.095	0.13	0.21	0.31	0.48	0.11	0.18	0.45	-	0.55	0.09	0.14	0.24	-
15		0.05	0.05	0.30	-0.30	-0.107	-0.07	-0.02	0.05	0.17	-0.08	0.02	0.12	0.20	-	-0.15	-0.08	-0.02	0.06
16	A	0.00	0.00	0.25	-0.40	-0.306	-0.32	-0.24	-0.14	-0.02	-0.18	0.08	-0.07	-	-	-0.37	-0.35	-0.33	-
15	*May*	0.05	0.05	0.30	-0.20	-0.106	-0.05	-0.01	0.06	0.17	-0.07	0.05	0.15	-	-	-0.15	-0.07	-0.06	-
	Jun	0.05	0.05	0.30	-0.20	-0.119	-0.06	-0.01	0.05	0.16	-0.06	0.08	-	-	-	-0.15	-0.02	-0.03	0.02
	Jul	0.05	0.05	0.30	-0.20	-0.118	-0.07	-0.02	0.05	0.17	-0.09	-0.00	-	-	-	-0.17	-0.08	-0.02	-
	Aug	0.05	0.05	0.30	-0.20	-0.121	-0.09	-0.03	0.04	0.16	-0.12	0.00	-	-	-	-0.20	-0.14	-0.10	-
	Sep	0.05	-	0.30	-0.20	-0.136	-0.11	-0.04	0.04	0.15	-0.11	0.11	-	-	-	-0.18	-0.13	-0.07	-
	Oct	0.05	0.05	0.30	-0.20	-0.139	-0.12	-0.05	0.02	0.13	-0.12	-0.06	-	0.20	-	-0.20	-0.14	0.07	-0.02
	Nov	0.05	0.05	0.30	-0.20	-0.135	-0.14	-0.09	-0.02	0.08	-0.09	-0.10	0.01	-	-	-0.19	-0.19	-	-
	Dec	0.05	0.05	0.30	-0.30	-0.199	-0.19	-0.13	-0.04	0.06	-0.11	0.00	-	-	-	-0.25	-0.19	-0.19	-
16	*Jan*	0.05	0.05	0.30	-0.30	-0.239	-0.22	-0.15	-0.06	0.04	-0.12	0.25	-0.08	-	-	-0.30	-0.29	-0.24	-
	Feb	0.05	0.05	0.30	-0.30	-0.240	-0.25	-0.18	-0.12	-0.01	-0.08	-	-0.06	-	-	-0.29	-0.29	-0.27	-
	Mar	0.00	0.00	0.25	-0.40	-0.288	-0.31	-0.23	-0.13	-0.01	-0.11	-	-	-	-	-0.30	-0.31	-0.32	-
	Apr	0.00	0.00	0.25	-0.40	-0.338	-0.34	-0.25	-0.14	-0.01	-0.18	-	-	-	-	-0.38	-0.35	-0.33	-
	May	0.00	0.00	0.25	-0.40	-0.338	-0.35	-0.26	-0.14	-0.01	-0.21	-	-	-	-	-0.42	-0.35	-0.36	-
	Jun	0.00	0.00	0.25	-0.40	-0.333	-0.36	-0.27	-0.16	-0.03	-0.25	0.00	-	-	-	-0.40	-0.37	-0.35	-
	Jul	0.00	0.00	0.25	-0.40	-0.329	-0.37	-0.29	-0.19	-0.06	-0.27	-	-	-	-	-0.45	-0.41	-0.39	-
	Aug	0.00	-	0.25	-0.40	-0.339	-0.37	-0.30	-0.19	-0.05	-0.22	0.00	-	-	-	-0.41	-0.43	-0.39	-

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

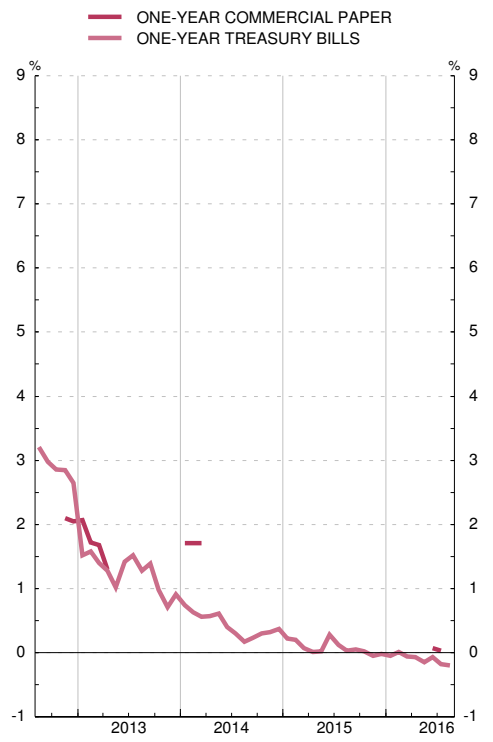
9.2. INTEREST RATES: SPANISH SHORT-TERM AND LONG-TERM SECURITIES MARKETS

■ Series depicted in chart.

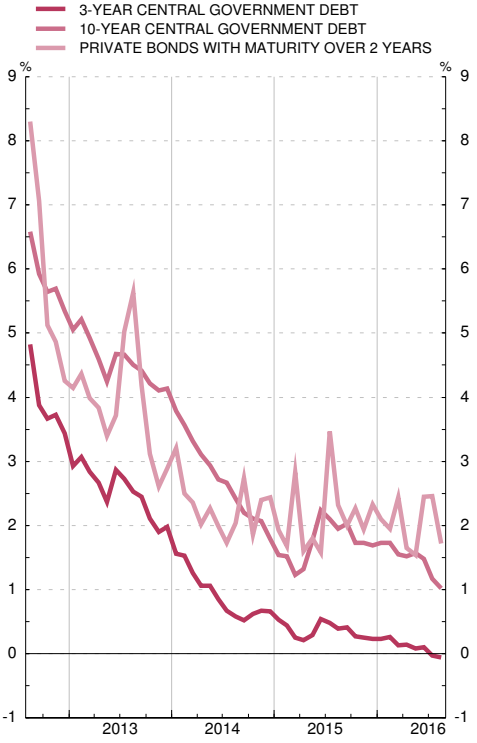
Percentages per annum

		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 ■
14		0.43	0.41	1.71	0.97	1.01	1.52	2.73	3.62	3.77	0.92	2.72	2.30
15		0.08	0.05	-	0.47	0.35	0.78	1.75	2.15	2.77	0.36	1.74	2.16
16	A	-0.10	-0.12	0.06	0.20	0.13	0.51	1.57	2.02	2.66	0.10	1.47	2.04
15	*May*	0.02	0.01	-	0.39	0.27	0.66	1.89	2.33	-	0.29	1.77	1.80
	Jun	0.27	0.15	-	0.47	0.67	1.31	2.38	-	-	0.54	2.23	1.58
	Jul	0.12	0.07	-	0.34	0.41	1.30	2.11	2.64	3.19	0.48	2.10	3.47
	Aug	0.03	0.04	-	0.32	0.35	0.94	1.94	-	-	0.39	1.95	2.32
	Sep	0.05	0.05	-	0.40	0.41	1.03	2.16	-	3.23	0.41	2.03	2.00
	Oct	0.02	-0.00	-	0.39	0.27	0.88	1.78	2.31	-	0.27	1.73	2.27
	Nov	-0.05	-0.06	-	0.36	0.13	0.58	1.75	-	2.89	0.25	1.73	1.94
	Dec	-0.02	-0.03	-	0.28	-	0.67	1.37	2.02	2.74	0.23	1.69	2.33
16	*Jan*	-0.05	-0.06	-	0.29	0.30	0.67	-	2.33	-	0.23	1.73	2.10
	Feb	0.00	-0.03	-	0.19	0.26	0.61	1.79	-	-	0.26	1.72	1.95
	Mar	-0.06	-0.06	-	0.29	0.12	0.70	1.50	2.06	2.95	0.13	1.55	2.44
	Apr	-0.07	-0.09	0.07	0.24	-	0.58	1.62	2.13	2.67	0.13	1.51	1.65
	May	-0.15	-0.16	-	0.19	0.02	-	1.60	2.06	-	0.08	1.57	1.54
	Jun	-0.07	-0.11	0.07	0.15	0.15	0.60	1.61	-	2.73	0.10	1.48	2.45
	Jul	-0.18	-0.20	0.03	0.13	-0.06	0.24	1.31	1.53	2.29	-0.03	1.17	2.46
	Aug	-0.20	-0.22	-	0.11	-	0.18	-	-	-	-0.06	1.01	1.72

PRIMARY MARKET



SECONDARY MARKET



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

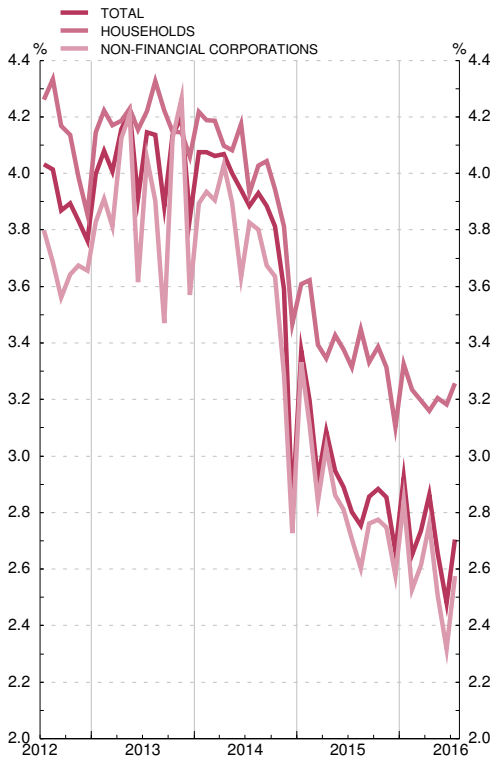
9.3. INTEREST RATES ON NEW BUSINESS. CREDIT INSTITUTIONS AND CFIs. (CBE 1/2010) SDDS (a)

■ Series depicted in chart.

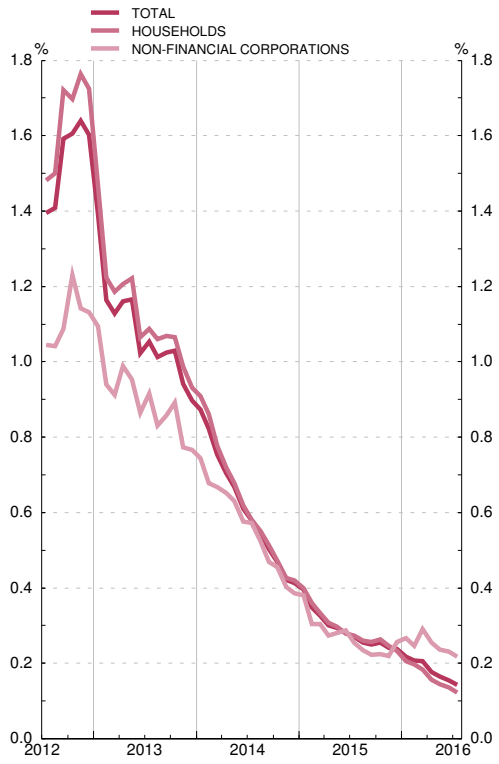
Percentages

		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
14		2.81	3.47	2.64	6.42	2.73	4.13	2.09	0.41	0.42	0.17	0.66	0.42	0.39	0.31	0.51	0.46
15		2.66	3.10	2.31	5.80	2.58	3.27	2.12	0.24	0.23	0.12	0.39	0.42	0.26	0.24	0.31	0.12
16	A	2.70	3.26	2.36	6.20	2.58	3.24	1.86	0.14	0.12	0.08	0.19	0.17	0.22	0.23	0.17	0.13
14 *Dec*		2.81	3.47	2.64	6.42	2.73	4.13	2.09	0.41	0.42	0.17	0.66	0.42	0.39	0.31	0.51	0.46
15 *Jan*		3.37	3.61	2.65	6.99	3.33	4.51	2.36	0.40	0.40	0.16	0.63	0.41	0.38	0.33	0.49	0.17
Feb		3.20	3.62	2.67	7.03	3.11	4.20	2.23	0.35	0.36	0.16	0.56	0.33	0.30	0.27	0.38	0.11
Mar		2.92	3.39	2.52	6.49	2.84	3.90	2.22	0.33	0.33	0.16	0.51	0.34	0.30	0.26	0.41	0.10
Apr		3.09	3.34	2.47	6.41	3.03	3.96	2.34	0.30	0.31	0.15	0.47	0.31	0.27	0.22	0.39	0.17
May		2.95	3.43	2.55	6.50	2.86	3.74	2.22	0.29	0.30	0.16	0.45	0.35	0.28	0.24	0.37	0.19
Jun		2.89	3.38	2.50	6.34	2.81	3.53	2.42	0.28	0.28	0.15	0.42	0.37	0.29	0.25	0.38	0.25
Jul		2.80	3.31	2.43	6.39	2.71	3.71	2.08	0.27	0.27	0.16	0.42	0.41	0.25	0.21	0.36	0.17
Aug		2.75	3.45	2.50	6.76	2.60	3.70	1.78	0.25	0.26	0.14	0.40	0.45	0.24	0.20	0.33	0.06
Sep		2.86	3.33	2.42	6.50	2.76	3.57	2.12	0.25	0.26	0.13	0.41	0.44	0.22	0.18	0.33	0.18
Oct		2.88	3.39	2.49	6.46	2.77	3.68	1.85	0.25	0.26	0.14	0.42	0.41	0.22	0.19	0.31	0.19
Nov		2.85	3.31	2.48	6.06	2.75	3.44	2.09	0.24	0.25	0.13	0.40	0.42	0.22	0.18	0.32	0.16
Dec		2.66	3.10	2.31	5.80	2.58	3.27	2.12	0.24	0.23	0.12	0.39	0.42	0.26	0.24	0.31	0.12
16 *Jan*		2.92	3.33	2.36	6.63	2.84	3.70	1.98	0.22	0.20	0.10	0.35	0.30	0.27	0.26	0.29	0.19
Feb		2.65	3.23	2.34	6.30	2.53	3.35	1.87	0.21	0.20	0.10	0.33	0.31	0.25	0.24	0.27	0.12
Mar		2.74	3.20	2.29	6.25	2.61	3.18	1.90	0.21	0.18	0.11	0.29	0.20	0.29	0.29	0.29	0.02
Apr		2.86	3.16	2.31	6.02	2.76	3.35	1.91	0.18	0.16	0.09	0.25	0.22	0.25	0.25	0.26	0.04
May		2.66	3.20	2.34	6.08	2.51	3.07	1.85	0.16	0.14	0.09	0.23	0.17	0.24	0.25	0.19	0.10
Jun		2.48	3.18	2.32	5.93	2.32	2.89	1.81	0.16	0.14	0.08	0.22	0.17	0.23	0.24	0.19	0.12
Jul	P	2.70	3.26	2.36	6.20	2.58	3.24	1.86	0.14	0.12	0.08	0.19	0.17	0.22	0.23	0.17	0.13

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 Statistical Bulletin).

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 ■
13	110.7	110.2	103.4	101.5	101.9	108.6	108.1	101.4	99.9	110.8	110.5	104.5	116.3	103.4
14	110.0	109.2	101.6	100.0	101.7	108.2	107.3	99.9	98.6	110.4	109.8	102.8	115.9	101.7
15	110.0	107.5	100.8	98.6	100.9	109.0	106.5	99.9	98.1	111.2	108.9	102.9	116.2	100.3
14 *Q3*	110.1	108.7	101.5	99.8	101.7	108.3	106.9	99.8	98.6	110.5	109.4	102.7	116.0	101.6
Q4	110.2	109.1	101.4	99.8	101.6	108.4	107.3	99.8	98.6	110.7	109.8	102.7	115.5	101.5
15 *Q1*	110.0	107.2	101.7	98.9	101.2	108.7	106.0	100.5	98.1	110.9	108.4	103.5	116.9	100.7
Q2	110.2	108.1	100.7	98.5	100.8	109.4	107.3	99.9	98.1	111.5	109.7	102.9	117.2	100.3
Q3	110.1	107.0	100.2	98.9	100.9	109.2	106.1	99.4	98.4	111.4	108.5	102.4	116.0	100.5
Q4	109.6	107.5	100.6	98.1	100.9	108.6	106.5	99.7	97.6	110.8	108.9	102.7	114.9	99.7
16 *Q1*	109.7	106.5	100.6	98.3	101.5	108.0	104.9	99.1	97.2	110.4	107.3	102.2	115.6	99.9
Q2	110.7	107.8	100.8	...	101.7	108.8	106.0	99.1	...	111.3	108.4	102.3	115.5	...
15 *Nov*	109.4	107.6	...	98.3	100.7	108.6	106.8	...	97.9	110.8	109.3	...	...	100.0
Dec	109.4	107.5	100.6	97.8	101.0	108.4	106.4	99.7	97.2	110.7	108.8	102.7	114.9	99.3
16 *Jan*	109.6	106.5	...	97.9	101.4	108.1	105.0	...	97.0	110.4	107.5	...	...	99.4
Feb	109.5	105.9	...	98.3	101.6	107.8	104.3	...	97.1	110.1	106.8	...	...	99.8
Mar	110.0	107.0	100.6	98.7	101.6	108.3	105.3	99.1	97.5	110.7	107.7	102.2	115.6	100.4
Apr	110.4	107.6	...	98.4	101.7	108.6	105.8	...	97.1	111.0	108.2	...	...	100.1
May	110.5	107.7	...	...	101.6	108.8	106.0	...	...	111.2	108.4	...	...	...
Jun	111.1	108.2	100.8	...	101.8	109.2	106.3	99.1	...	111.6	108.7	102.3	115.5	...
Jul	...	107.7	...	...	102.3	...	105.3	...	...	...	107.7	...	...	...
Aug	...	...	...	...	102.4	...	...	...	...	...	...	...	...	...

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 2010. Source INE.

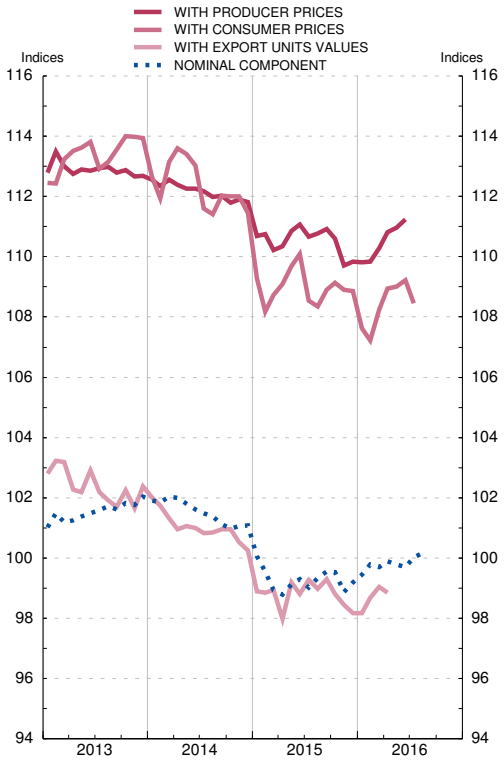
9.5 INDICES OF SPANISH COMPETITIVENESS VIS-à-VIS THE DEVELOPED COUNTRIES AND INDUSTRIALISED COUNTRIES

■ Series depicted in chart.

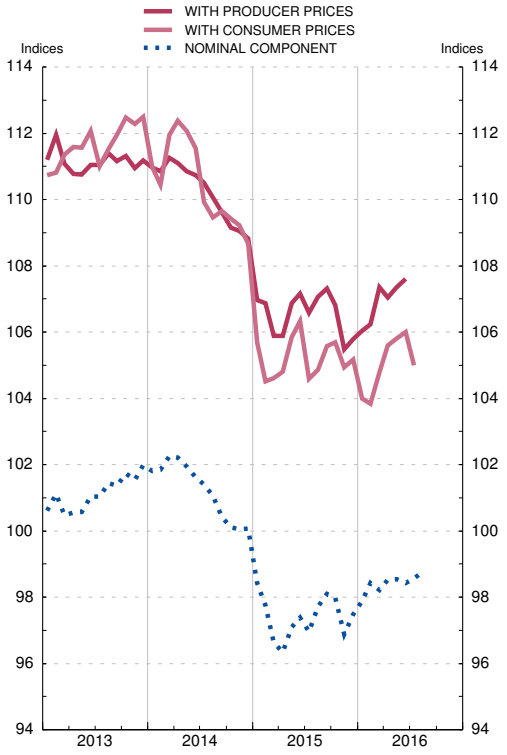
Base 1999 QI = 100

	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
13	112.9	113.4	119.0	102.4	101.5	111.2	111.7	117.2	101.5	111.2	111.7	101.1	109.9	110.4
14	112.2	112.4	118.5	101.0	101.5	110.5	110.7	116.8	100.2	110.2	110.5	101.2	108.9	109.1
15	110.5	109.0	115.4	98.8	99.3	111.3	109.8	116.2	100.2	106.6	105.2	97.4	109.4	108.0
14 *Q3*	112.1	111.7	118.4	100.9	101.3	110.6	110.2	116.8	100.2	110.1	109.7	101.0	109.0	108.6
Q4	111.8	111.8	117.8	100.6	101.0	110.7	110.7	116.6	100.2	109.0	109.1	100.1	108.9	109.0
15 *Q1*	110.5	108.8	116.7	98.9	99.5	111.1	109.3	117.3	100.1	106.6	105.0	97.6	109.2	107.5
Q2	110.8	109.6	116.0	98.7	99.1	111.8	110.7	117.1	100.3	106.6	105.7	96.9	110.0	109.0
Q3	110.8	108.6	114.9	99.2	99.3	111.6	109.4	115.7	100.6	107.0	105.0	97.6	109.6	107.6
Q4	110.1	109.0	114.0	98.5	99.2	110.9	109.8	114.9	100.0	106.0	105.3	97.5	108.8	108.0
16 *Q1*	110.0	107.7	114.8	98.6	99.6	110.4	108.1	115.3	99.7	106.5	104.2	98.2	108.5	106.2
Q2	111.0	109.1	114.6	...	99.8	111.2	109.3	114.8	...	107.3	105.8	98.5	109.0	107.4
15 *Nov*	109.7	108.9	...	98.5	98.9	111.0	110.2	...	100.3	105.5	104.9	96.9	108.9	108.3
Dec	109.8	108.9	114.0	98.2	99.2	110.7	109.8	114.9	99.7	105.8	105.2	97.5	108.5	107.9
16 *Jan*	109.8	107.6	...	98.2	99.4	110.4	108.2	...	99.4	106.0	104.0	97.9	108.3	106.2
Feb	109.8	107.2	...	98.7	99.8	110.1	107.5	...	99.6	106.2	103.8	98.4	107.9	105.5
Mar	110.3	108.2	114.8	99.0	99.7	110.6	108.6	115.3	100.0	107.3	104.8	98.2	109.3	106.7
Apr	110.8	108.9	...	98.8	99.9	110.9	109.1	...	99.6	107.0	105.6	98.5	108.6	107.2
May	111.0	109.0	...	...	99.8	111.2	109.2	...	...	107.4	105.8	98.5	108.9	107.4
Jun	111.2	109.2	114.6	...	99.7	111.6	109.6	114.8	...	107.6	106.0	98.4	109.3	107.7
Jul	...	108.5	...	...	100.0	...	108.5	...	...	...	105.0	98.6	...	106.5
Aug	...	...	...	...	100.2	...	...	...	...	...	...	98.8	...	...

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 2010. Source INE.

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ABBREVIATIONS

ABS	Asset-backed securities
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
CSPP	Corporate Sector Purchase Programme
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
LTROs	Longer-term refinancing operations
MFIs	Monetary financial institutions
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
SPEE	National Public Employment Service
SRM	Single Resolution Mechanism
SSM	Single Supervisory Mechanism
TARGET	Trans-European Automated Real-time Gross settlement Express Transfer system
TFP	Total factor productivity
TLTROs	Targeted longer-tem refinancing operations
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	EUR (euro)
IE	Ireland	EUR (euro)
GR	Greece	EUR (euro)
ES	Spain	EUR (euro)
FR	France	EUR (euro)
IT	Italy	EUR (euro)
HR	Croatia	HRK (Croatian kuna)
CY	Cyprus	EUR (euro)
LV	Latvia	EUR (euro)
LT	Lithuania	EUR (euro)
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.