





		2024	(P) 2025	(P) 2026	(P) 2027
GDP		3.2%	2.7% ▲0.2 pp	1.9% =	1.7% =
Inflation		2.9%	2.5% ▲0.4 pp	1.7% =	2.4% =
Unemployment rate		11.3%	10.5% ▼0.3 pp	10.0% ▼0.4 pp	9.5% =
Deficit		3.4% (P)	2.8% ▼0.1 pp	2.6% ▼0.1 pp	2.6% ▼0.1 pp

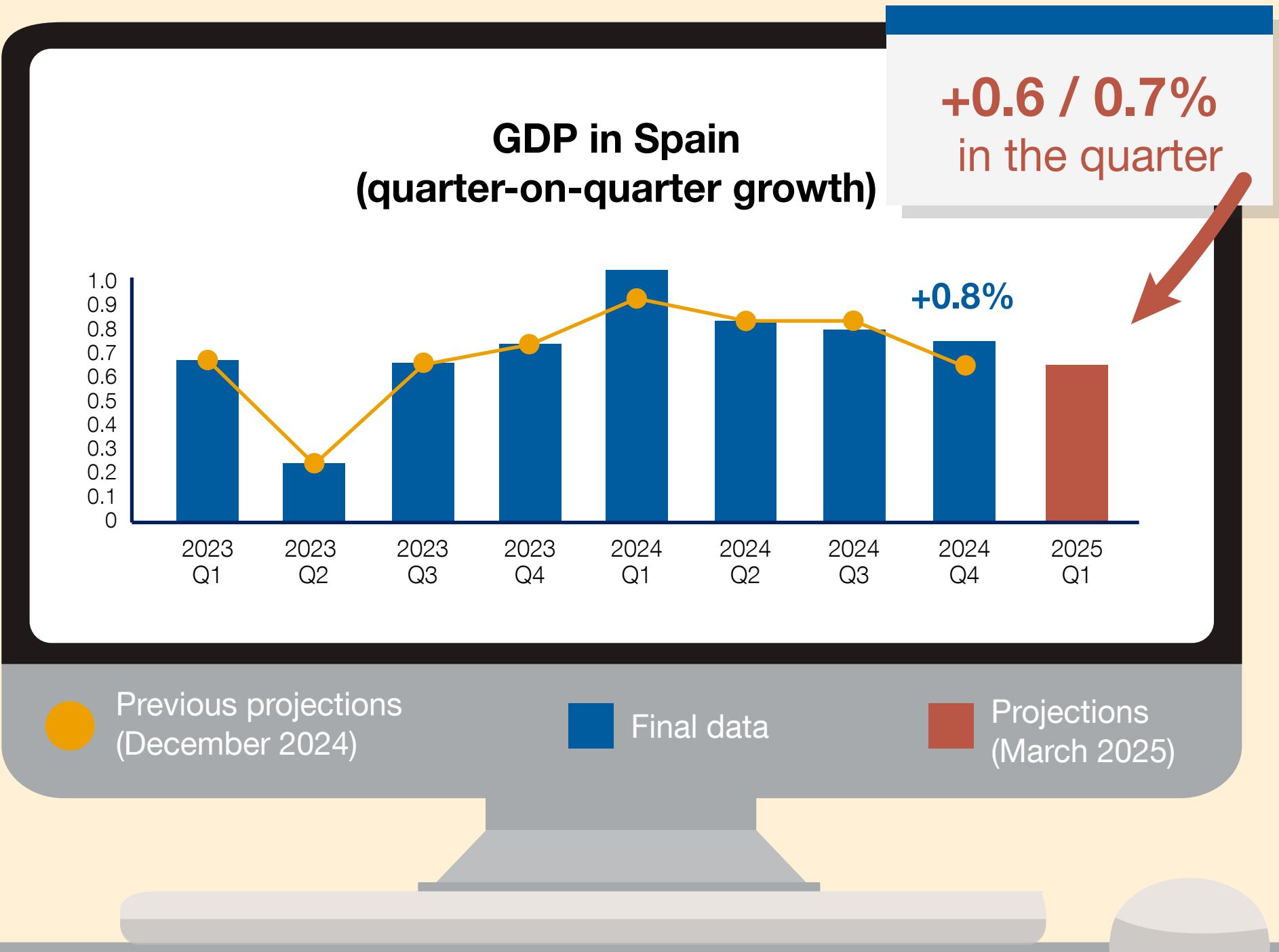
The **growth** forecast for the Spanish economy for 2025 **has been revised up**, and prices are also expected to **rise by more than envisaged**

By the end of 2027, the **unemployment rate** will have declined to **9.5%** and the **deficit** will have fallen to **2.6% of GDP**

\*(P)= projections, for 2025, 2026 and 2027.

Activity: growth in Gross Domestic Product (GDP)

After a strong Q4 (+0.8%, slightly higher than expected), GDP will remain robust in 2025 Q1



Sound data based on:



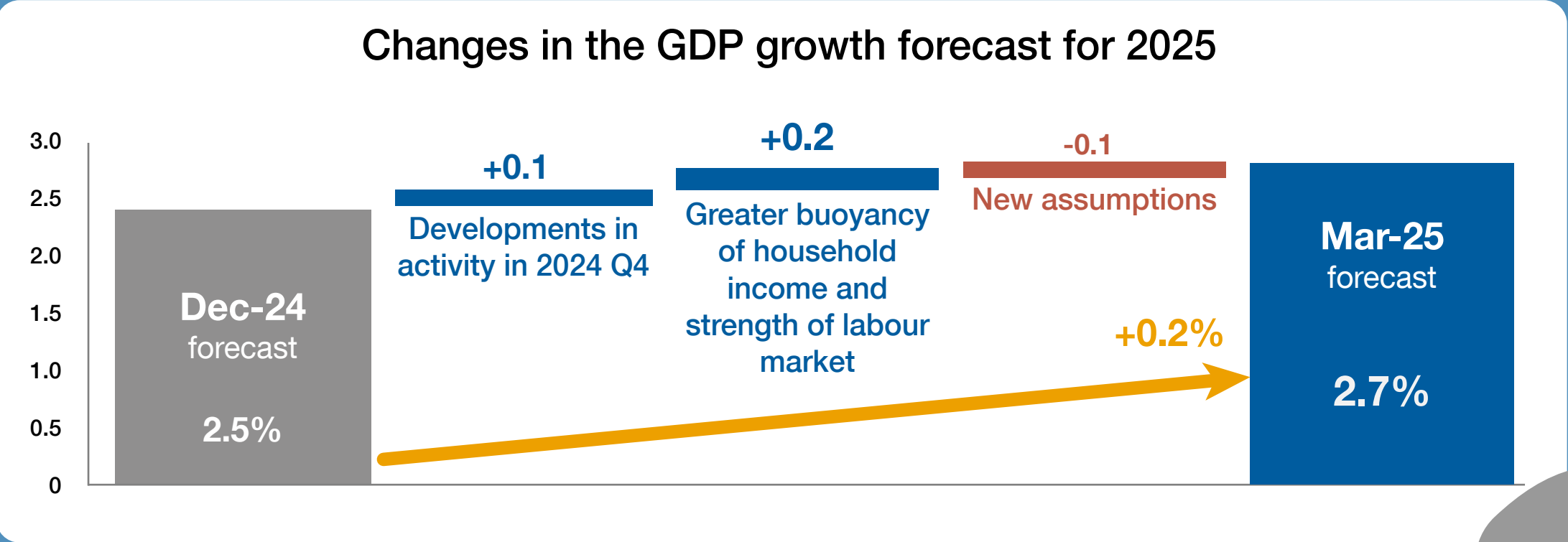
Investment



Private consumption

In 2025 GDP will grow more than expected due to household consumption

Growth in employment, wages and household income has led to a revision of expected spending



New INE data were another factor behind the improved forecast, but it was negatively affected by:



Heightened uncertainty surrounding global growth



Slightly higher interest rate expectations than in December



Higher energy prices

Inflation: change in the Consumer Price Index (CPI)

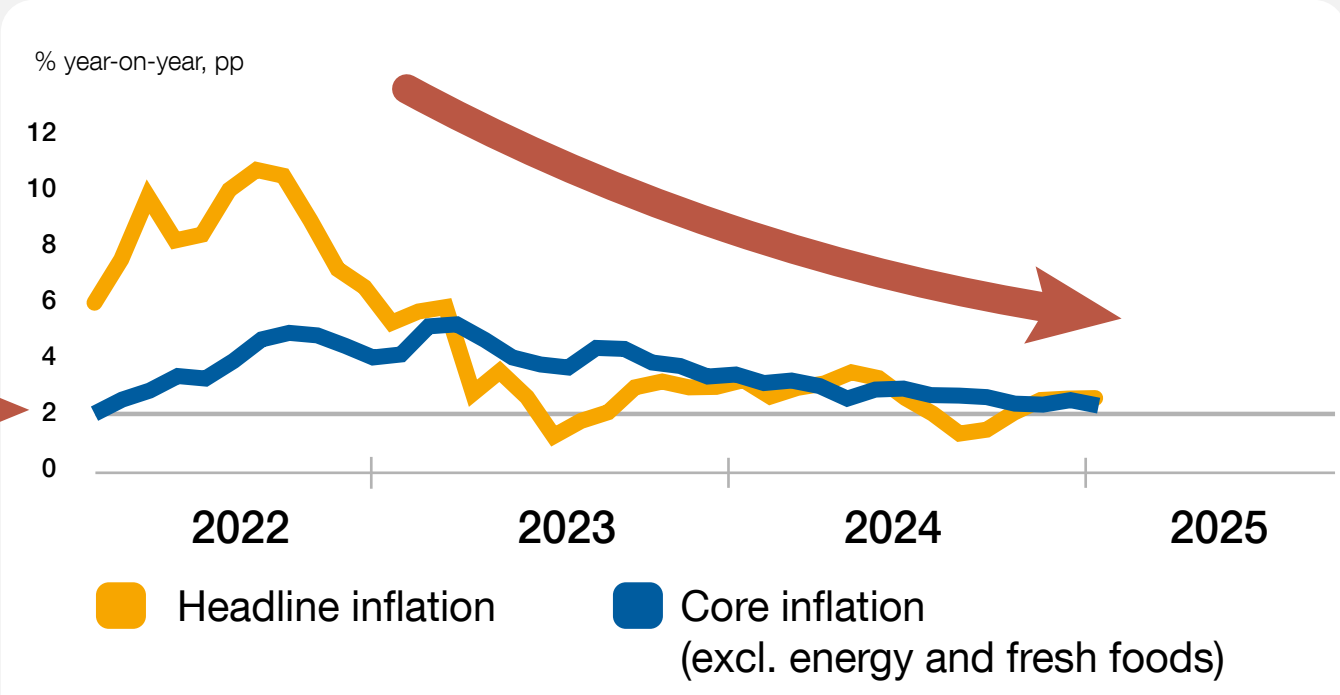
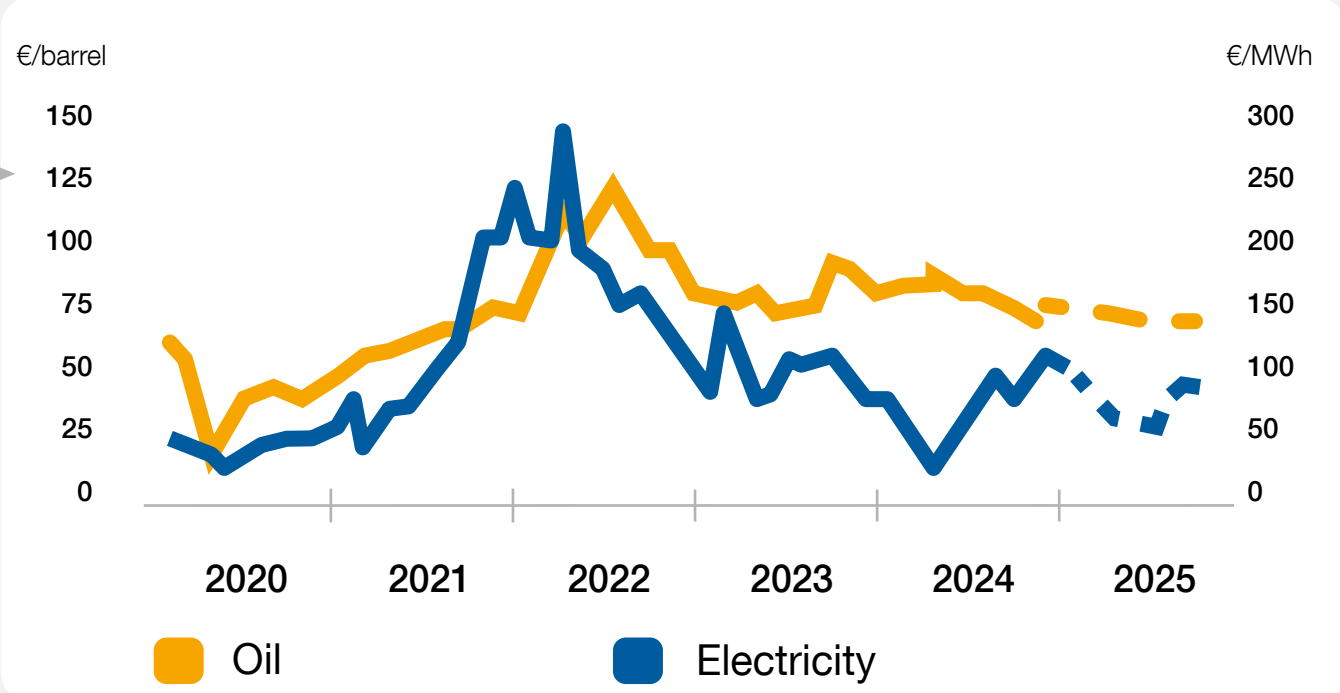
The CPI will rise by more than expected owing to **higher energy prices**



The increase is slightly offset by the **Government's public transport subsidies**

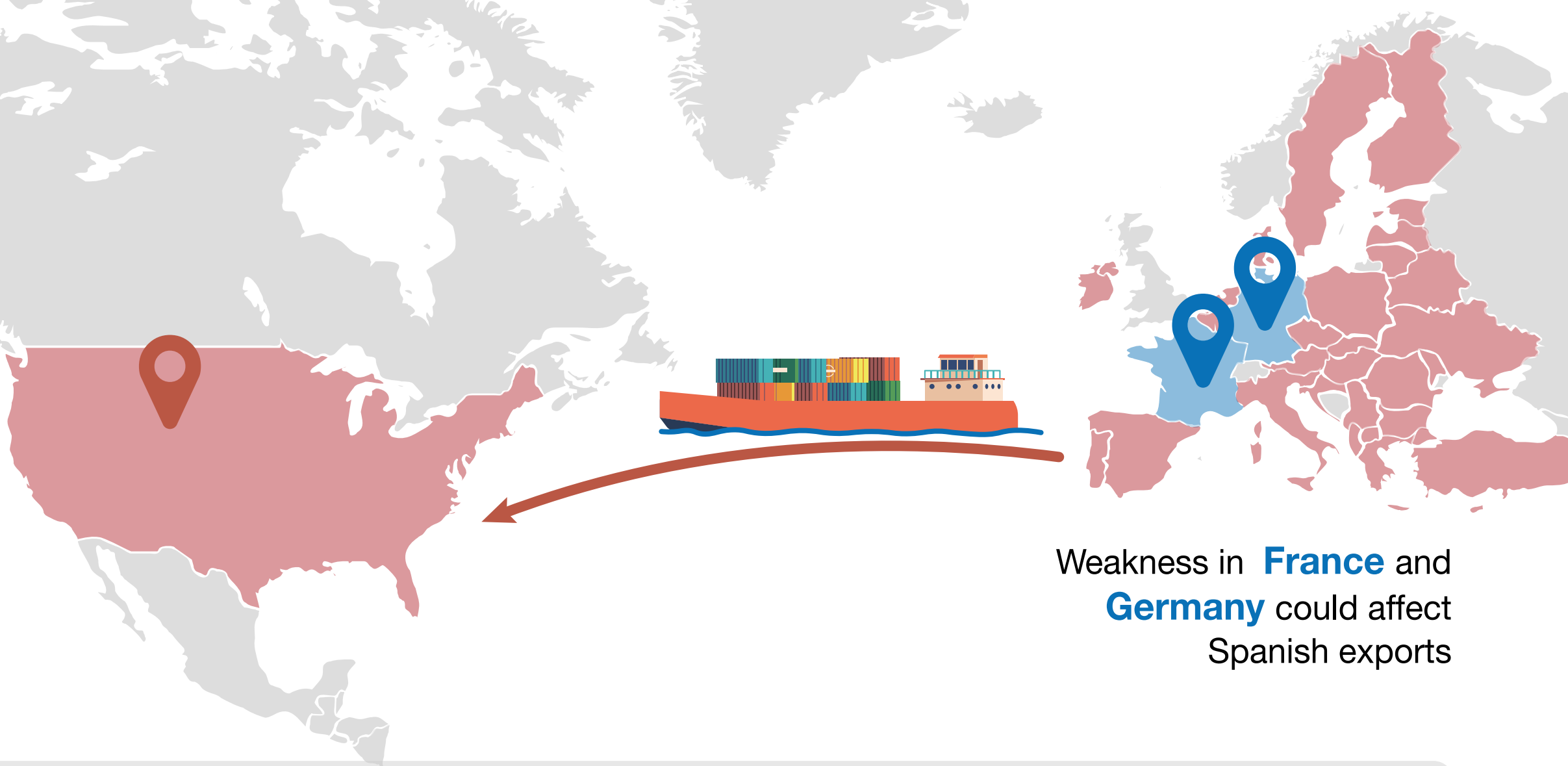


But over the coming months inflation will decline to close to the **ECB target of 2%**



Risks to the projections scenario

The most significant risk is posed by **US tariffs**, along with recent global geopolitical tensions



Weakness in **France** and **Germany** could affect Spanish exports



At the same time, the pace at which **inflation will ease** is another major source of uncertainty