



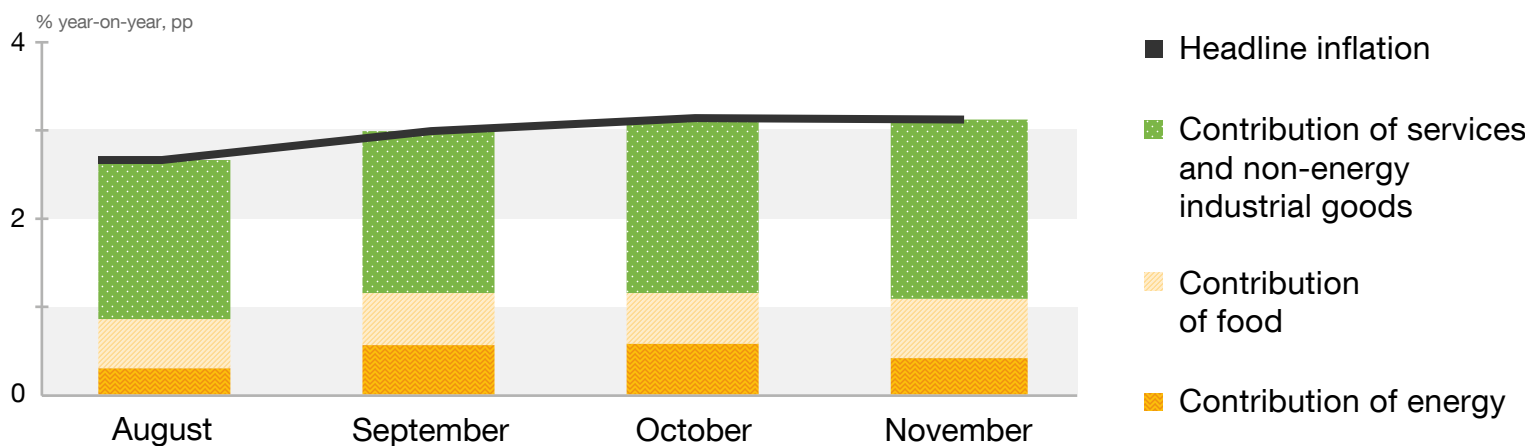
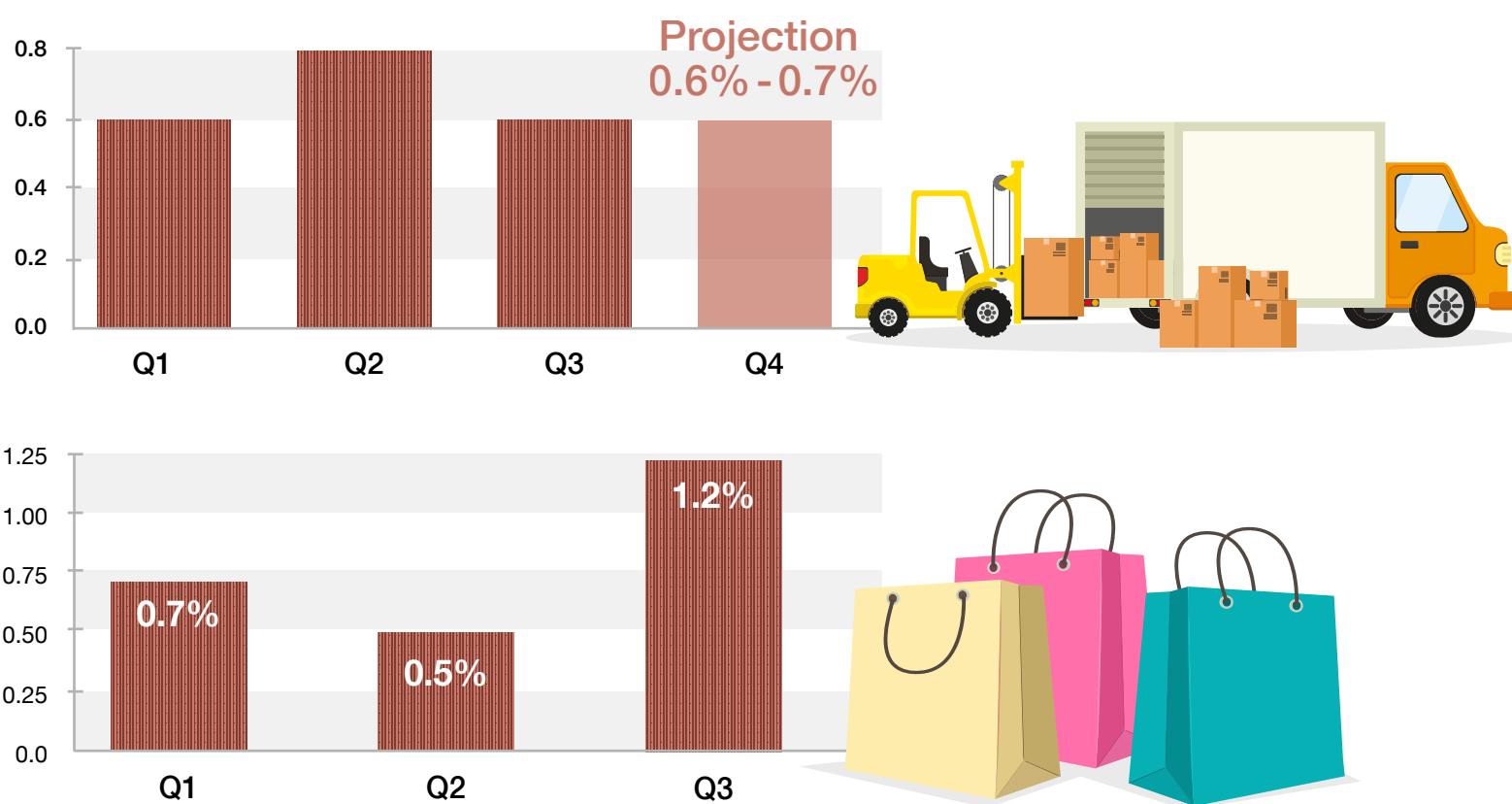


		2024	(P)* 2025	(P)* 2026	(P)* 2027	
GDP		3.5%	2.9% ▲0.3 pp	2.2% ▲0.4 pp	1.9% ▲0.2 pp	← Forecasts revised up due to the latest GDP figures, strong consumption, buoyant non-travel services exports and lower energy prices
Inflation		2.9%	2.7% ▲0.2 pp	2.1% ▲0.4 pp	1.9% ▼0.5 pp	← The inflation forecast for 2026 is also slightly higher, reflecting its recent trajectory
Unemployment rate		11.3%	10.6% ▲0.1 pp	10% ▼0.2 pp	9.6% ▼0.1 pp	← The pace of job creation will slow , but the employment rate will continue to fall
Deficit		3.2%	2.5% =	2.1% ▼0.2 pp	2.5% ▲0.2 pp	← Revised down for 2026 due to good economic conditions , and up for 2027 due to the potential impact of the public sector wage agreement

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

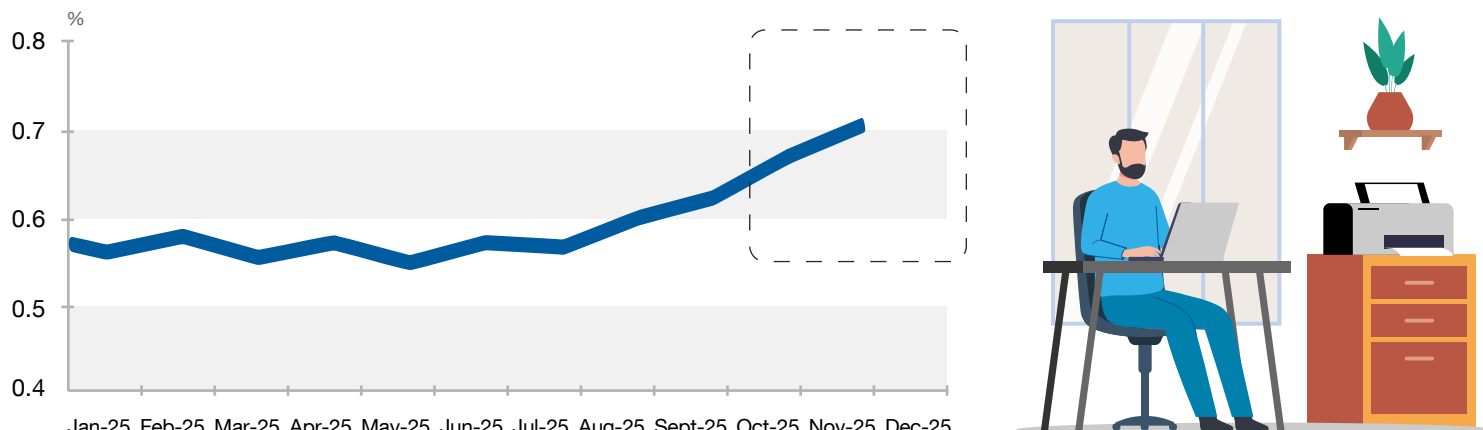
Third quarter of 2025

- The **Spanish economy** sustained robust growth in Q3, in line with expectations, underpinned by domestic demand and despite the external sector's negative contribution
- **Private consumption** accelerated thanks to improved financial conditions and rising consumer confidence



- **Inflation** rose, driven by energy and services prices, contrasting with the stability observed in the euro area

- **Job creation** remained robust in Q3, with the data pointing to faster growth in Q4



- The **deficit** is on track to end the year at 2.5%, meeting the Government's target, thanks to higher income and despite the considerable expenditure growth ...

... but the recently negotiated **wage increases**, particularly for 2027, will lead to expenditure growth, especially in 2027, which could lead to deviation from expenditure path commitments

In the first 9 months of the year:



Tax revenue grew by 8%



Expenditure rose by 6%

2025	2026	2027
+2.5%	+1.5%*	+4.5%

* +0.5 if the CPI ≥ 1.5%

Projection scenario 2025-27

Drivers of the economy ...

- 1 Above all, **private consumption**, thanks to higher household income and employment
- 2 **Investment** will continue to grow robustly, fuelled by European funds, lower interest rates and buoyant construction
- 3 **Government consumption**, driven by the expected increase in defence spending and the public sector wage agreement

... but uncertainty persists

-  Global trade remains a significant risk factor, although a tariff war is less likely
-  There is still a risk of financial market corrections
-  Higher wages and profit margins, weaker growth in non-travel exports and stronger residential investment could alter the baseline scenario