

Quick Note 30/01/2018

Spain · The pace of GDP growth slowed in Q4

Data

- Spanish GDP grew **0.7% QoQ in Q4 2017** (0.8% in Q3 2017).
- In YoY terms the uptick stood at 3.1% (matching the Q3 figure).
- In full-year 2017 GDP growth stood at 3.1%.

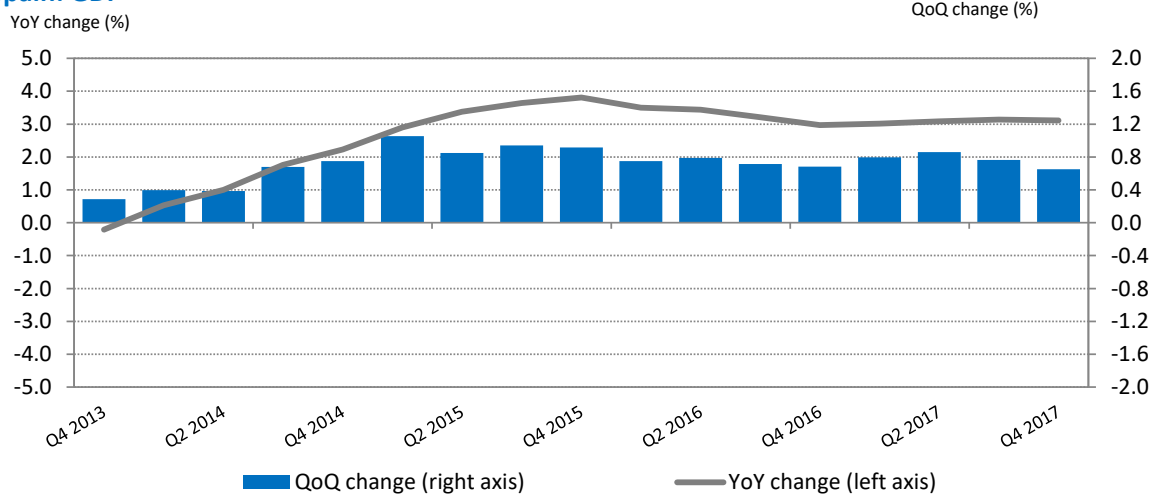
Assessment

- GDP growth **slowed 1 tenth** in Q4 2017, to 0.7% QoQ, coherent with the CaixaBank Research forecast model estimation. **This represents a solid pace of growth**; while standing short of the average for the first three quarters of the year (0.8% QoQ), it was similar to the 2016 average.
- With no breakdown by components available, the spending indicators for the last quarter of 2017 indicate **that growth in private consumption eased slightly**. Thus, retail sales were up 0.9% QoQ on average in Q4, compared with 1.7% in Q3. In contrast, indicators associated with investment in capital goods pointed to fresh buoyancy, driven by a climate of strong business confidence. Meanwhile, growth in investment in residential housing also accelerated, amid rising demand for housing and climbing prices, spurring a recovery for activity in the real estate market. Meanwhile, export flows were highly dynamic in Q4, driven by solid growth for the Eurozone.
- In the light of this data, **the risks to our GDP growth forecast for 2018 of 2.4% look slightly on the upside**.

Spain: GDP

	2017				2017		
	Q1 2016	Q2 2017	Q3 2017	Q4 2017		Data	Forecast
				Data	Forecast	Data	Forecast
QoQ change (%)	0.8	0.9	0.8	0.7	0.6	-	-
YoY change (%)	3.0	3.1	3.1	3.1	3.0	3.1	3.1

Source: CaixaBank Research, based on National Statistics Institute data.

Spain: GDP


Source: CaixaBank Research, based on National Statistics Institute data.

Judit Montoriol Garriga, Senior Economist, Macroeconomics Department, Strategy Planning and Research Division, CaixaBank
 e-mail: research@caixabank.com

NOTICE REGARDING PUBLICATION OF THE CAIXABANK "QUICK NOTE"

The "Quick Note" (Nota Breve) is a publication by CaixaBank Research that contains information and opinions from sources considered to be reliable. This document is for informative purposes only and CaixaBank is not liable in any way for any use made thereof. The opinions and estimates are those of the CaixaBank Research and are liable to change without prior notice.