

## FORECASTS

Year-on-year (%) change, unless otherwise specified

### International economy

|                            | 2016 | 2017 | 2018 | 2019 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 |
|----------------------------|------|------|------|------|---------|---------|---------|---------|---------|---------|
| <b>GDP GROWTH</b>          |      |      |      |      |         |         |         |         |         |         |
| <b>Global</b>              | 3.2  | 3.6  | 3.8  | 3.8  | 3.6     | 3.8     | 3.7     | 3.9     | 3.8     | 3.7     |
| <b>Developed countries</b> | 1.7  | 2.2  | 2.2  | 1.9  | 2.2     | 2.3     | 2.4     | 2.4     | 2.2     | 2.1     |
| United States              | 1.5  | 2.2  | 2.4  | 2.0  | 2.2     | 2.3     | 2.4     | 2.7     | 2.5     | 2.3     |
| Euro area                  | 1.8  | 2.4  | 2.2  | 1.7  | 2.4     | 2.6     | 2.6     | 2.5     | 2.3     | 2.1     |
| Germany                    | 1.9  | 2.6  | 2.3  | 1.8  | 2.3     | 2.8     | 3.0     | 2.7     | 2.5     | 2.2     |
| France                     | 1.1  | 1.8  | 1.8  | 1.6  | 1.8     | 2.2     | 2.2     | 2.1     | 1.9     | 1.7     |
| Italy                      | 1.1  | 1.6  | 1.2  | 0.9  | 1.5     | 1.7     | 1.7     | 1.4     | 1.3     | 1.2     |
| Portugal                   | 1.5  | 2.7  | 2.2  | 2.1  | 3.0     | 2.5     | 2.3     | 1.9     | 2.3     | 2.3     |
| Spain                      | 3.3  | 3.1  | 2.4  | 2.3  | 3.1     | 3.1     | 3.0     | 2.7     | 2.4     | 2.2     |
| Japan                      | 0.9  | 1.7  | 1.3  | 1.0  | 1.7     | 2.1     | 1.7     | 1.7     | 1.2     | 0.9     |
| United Kingdom             | 1.8  | 1.6  | 1.5  | 1.9  | 1.5     | 1.5     | 1.4     | 1.5     | 1.5     | 1.5     |
| <b>Emerging countries</b>  | 4.3  | 4.6  | 4.9  | 5.0  | 4.6     | 4.8     | 4.7     | 4.9     | 4.9     | 4.9     |
| China                      | 6.7  | 6.8  | 6.5  | 6.3  | 6.9     | 6.8     | 6.7     | 6.6     | 6.4     | 6.4     |
| India                      | 7.9  | 6.3  | 7.3  | 7.5  | 5.7     | 6.3     | 7.0     | 7.0     | 7.2     | 7.4     |
| Indonesia                  | 5.0  | 5.1  | 5.5  | 5.6  | 5.0     | 5.1     | 5.3     | 5.5     | 5.5     | 5.5     |
| Brazil                     | -3.5 | 0.9  | 2.3  | 2.7  | 0.4     | 1.4     | 1.8     | 1.6     | 2.3     | 2.5     |
| Mexico                     | 2.9  | 2.1  | 2.2  | 2.6  | 1.9     | 1.5     | 1.7     | 1.9     | 2.2     | 2.3     |
| Chile                      | 1.6  | 1.4  | 2.6  | 3.0  | 1.0     | 2.2     | 2.2     | 2.5     | 2.6     | 2.6     |
| Russia                     | -0.3 | 1.7  | 1.8  | 2.4  | 2.5     | 1.8     | 2.0     | 1.9     | 1.8     | 1.6     |
| Turkey                     | 3.2  | 6.5  | 3.7  | 3.6  | 5.4     | 11.1    | 4.3     | 4.5     | 4.0     | 3.3     |
| Poland                     | 2.7  | 4.4  | 3.4  | 3.0  | 4.3     | 5.0     | 4.0     | 3.6     | 3.5     | 3.2     |
| South Africa               | 0.4  | 0.9  | 1.4  | 1.5  | 0.5     | 1.0     | 1.3     | 1.8     | 1.4     | 1.2     |
| <b>INFLATION</b>           |      |      |      |      |         |         |         |         |         |         |
| <b>Global</b>              | 2.8  | 3.1  | 3.2  | 3.2  | 3.0     | 3.0     | 3.2     | 3.2     | 3.3     | 3.3     |
| <b>Developed countries</b> | 0.8  | 1.7  | 1.8  | 1.8  | 1.6     | 1.7     | 1.7     | 1.6     | 1.9     | 2.0     |
| United States              | 1.3  | 2.1  | 2.3  | 2.0  | 1.9     | 2.0     | 2.1     | 1.9     | 2.5     | 2.5     |
| Euro area                  | 0.2  | 1.6  | 1.5  | 1.8  | 1.5     | 1.5     | 1.5     | 1.3     | 1.4     | 1.6     |
| Germany                    | 0.4  | 1.7  | 1.6  | 1.9  | 1.6     | 1.7     | 1.6     | 1.4     | 1.5     | 1.7     |
| France                     | 0.3  | 1.2  | 1.4  | 1.8  | 1.0     | 0.9     | 1.3     | 1.2     | 1.3     | 1.4     |
| Italy                      | 0.0  | 1.4  | 1.3  | 1.6  | 1.6     | 1.3     | 1.2     | 1.2     | 1.2     | 1.3     |
| Portugal                   | 0.6  | 1.6  | 1.7  | 1.7  | 1.7     | 1.3     | 1.9     | 1.8     | 1.4     | 1.9     |
| Spain                      | -0.2 | 2.0  | 1.6  | 1.9  | 2.0     | 1.7     | 1.5     | 1.0     | 1.6     | 2.1     |
| Japan                      | -0.1 | 0.4  | 1.0  | 0.9  | 0.4     | 0.6     | 0.5     | 1.2     | 1.0     | 1.1     |
| United Kingdom             | 0.7  | 2.7  | 2.4  | 2.3  | 2.7     | 2.8     | 3.0     | 2.4     | 2.5     | 2.4     |
| <b>Emerging countries</b>  | 4.3  | 4.1  | 4.2  | 4.1  | 3.9     | 4.0     | 4.2     | 4.3     | 4.3     | 4.3     |
| China                      | 2.0  | 1.6  | 2.1  | 2.3  | 1.4     | 1.6     | 2.1     | 2.4     | 2.4     | 2.2     |
| India                      | 4.9  | 3.3  | 4.3  | 4.9  | 2.2     | 3.0     | 4.4     | 4.3     | 4.2     | 4.6     |
| Indonesia                  | 3.5  | 3.8  | 3.8  | 4.6  | 4.3     | 3.8     | 3.3     | 3.1     | 3.6     | 4.0     |
| Brazil                     | 8.8  | 3.5  | 3.8  | 4.3  | 3.6     | 2.6     | 2.9     | 3.3     | 3.9     | 4.0     |
| Mexico                     | 2.8  | 5.9  | 3.9  | 3.5  | 6.1     | 6.5     | 6.0     | 4.5     | 3.8     | 3.8     |
| Chile                      | 3.8  | 2.2  | 2.9  | 3.0  | 2.3     | 1.7     | 2.2     | 2.6     | 3.0     | 3.0     |
| Russia                     | 7.1  | 3.9  | 3.7  | 4.0  | 4.2     | 3.4     | 3.3     | 3.5     | 3.3     | 4.0     |
| Turkey                     | 7.8  | 10.6 | 8.2  | 7.5  | 11.5    | 10.6    | 10.3    | 9.0     | 8.5     | 7.7     |
| Poland                     | -0.2 | 1.6  | 2.2  | 2.5  | 1.5     | 1.5     | 1.7     | 2.0     | 2.3     | 2.3     |
| South Africa               | 6.3  | 5.3  | 5.1  | 5.4  | 5.3     | 4.8     | 4.7     | 4.2     | 4.6     | 5.4     |

Forecasts

## Spanish economy

|   | 2016       | 2017       | 2018       | 2019       | Q2 2017    | Q3 2017    | Q4 2017    | Q1 2018    | Q2 2018    | Q3 2018    |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Macroeconomic aggregates</b>                                       |            |            |            |            |            |            |            |            |            |            |
| Household consumption   | 2.9        | 2.4        | 2.0        | 1.9        | 2.4        | 2.4        | 2.5        | 2.3        | 2.0        | 1.8        |
| General government consumption  | 0.8        | 1.2        | 1.0        | 0.8        | 1.1        | 1.0        | 1.8        | 1.2        | 1.0        | 0.9        |
| Gross fixed capital formation   | 3.3        | 4.8        | 3.2        | 3.0        | 3.8        | 5.4        | 5.3        | 3.3        | 3.5        | 2.9        |
| Capital goods   | 4.9        | 5.8        | 3.4        | 2.6        | 3.8        | 6.1        | 7.0        | 3.6        | 4.5        | 2.7        |
| Construction  | 2.4        | 4.3        | 2.9        | 3.2        | 4.0        | 4.9        | 4.2        | 2.8        | 2.5        | 3.1        |
| Domestic demand (contr. Δ GDP)  | 2.6        | 2.5        | 2.0        | 1.9        | 2.3        | 2.7        | 2.8        | 2.2        | 2.1        | 1.8        |
| Exports of goods and services   | 4.8        | 5.2        | 4.1        | 4.2        | 4.4        | 4.9        | 5.1        | 2.9        | 3.9        | 5.1        |
| Imports of goods and services   | 2.7        | 4.0        | 3.2        | 3.2        | 2.3        | 4.0        | 5.0        | 1.8        | 3.4        | 4.2        |
| <b>Gross domestic product</b>   | <b>3.3</b> | <b>3.1</b> | <b>2.4</b> | <b>2.3</b> | <b>3.1</b> | <b>3.1</b> | <b>3.0</b> | <b>2.7</b> | <b>2.4</b> | <b>2.2</b> |
| <b>Other variables</b>  |            |            |            |            |            |            |            |            |            |            |
| Employment  | 3.0        | 2.7        | 2.1        | 2.0        | 2.9        | 2.9        | 3.1        | 2.5        | 2.3        | 1.9        |
| Unemployment rate (% labour force)                                    | 19.6       | 17.1       | 15.4       | 13.7       | 17.2       | 16.4       | 16.2       | 16.7       | 15.5       | 14.8       |
| Consumer price index  | -0.2       | 2.0        | 1.6        | 1.9        | 2.0        | 1.7        | 1.5        | 1.0        | 1.6        | 2.1        |
| Unit labour costs   | -0.6       | -0.1       | 1.0        | 1.3        | -0.4       | -0.4       | 0.4        | 0.5        | 1.2        | 1.1        |
| Current account balance (cum., % GDP) <sup>1</sup>                    | 1.9        | 1.8        | 1.7        | 1.7        | 1.8        | 1.8        | 1.8        | 1.8        | 1.7        | 1.7        |
| Net lending or borrowing rest of the world (cum., % GDP) <sup>1</sup> | 2.1        | 2.0        | 1.9        | 1.9        | 2.0        | 2.0        | 2.0        | 2.0        | 1.9        | 1.9        |
| Fiscal balance (cum., % GDP) <sup>2</sup>                             | -4.3       | -3.1       | -2.5       | -2.1       |            |            |            |            |            |            |

## Financial markets

| <b>INTEREST RATES</b>              |        |        |        |        |        |        |        |        |        |        |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Dollar</b>                      |        |        |        |        |        |        |        |        |        |        |
| Fed Funds                          | 0.51   | 1.10   | 1.75   | 2.52   | 1.05   | 1.25   | 1.30   | 1.50   | 1.58   | 1.83   |
| 3-month Libor                      | 0.74   | 1.26   | 1.99   | 2.77   | 1.20   | 1.32   | 1.47   | 1.65   | 1.88   | 2.10   |
| 12-month Libor                     | 1.37   | 1.79   | 2.30   | 2.86   | 1.75   | 1.73   | 1.92   | 2.09   | 2.23   | 2.37   |
| 2-year government bonds            | 0.84   | 1.39   | 2.40   | 3.16   | 1.28   | 1.36   | 1.69   | 1.98   | 2.26   | 2.53   |
| 10-year government bonds           | 1.84   | 2.33   | 2.86   | 3.52   | 2.26   | 2.24   | 2.38   | 2.54   | 2.75   | 2.97   |
| <b>Euro</b>                        |        |        |        |        |        |        |        |        |        |        |
| ECB Refi                           | 0.01   | 0.00   | 0.00   | 0.08   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| 3-month Euribor                    | -0.26  | -0.33  | -0.33  | -0.07  | -0.33  | -0.33  | -0.33  | -0.33  | -0.33  | -0.33  |
| 12-month Euribor                   | -0.03  | -0.15  | -0.17  | 0.22   | -0.13  | -0.16  | -0.19  | -0.18  | -0.18  | -0.18  |
| 2-year government bonds (Germany)  | -0.58  | -0.75  | -0.51  | 0.06   | -0.74  | -0.72  | -0.74  | -0.64  | -0.55  | -0.47  |
| 10-year government bonds (Germany) | 0.10   | 0.36   | 0.65   | 1.39   | 0.31   | 0.42   | 0.38   | 0.51   | 0.60   | 0.70   |
| <b>EXCHANGE RATES</b>              |        |        |        |        |        |        |        |        |        |        |
| \$/€                               | 1.11   | 1.13   | 1.16   | 1.19   | 1.10   | 1.17   | 1.18   | 1.16   | 1.15   | 1.16   |
| ¥/€                                | 120.30 | 126.64 | 132.69 | 135.36 | 122.21 | 130.38 | 132.92 | 131.88 | 131.31 | 132.64 |
| £/€                                | 0.82   | 0.88   | 0.87   | 0.86   | 0.86   | 0.90   | 0.89   | 0.88   | 0.87   | 0.87   |
| <b>OIL</b>                         |        |        |        |        |        |        |        |        |        |        |
| Brent (\$/barrel)                  | 45.04  | 54.80  | 62.00  | 63.75  | 50.92  | 52.18  | 61.43  | 62.00  | 62.00  | 62.00  |
| Brent (€/barrel)                   | 40.73  | 48.62  | 53.31  | 53.82  | 46.34  | 44.84  | 51.95  | 52.97  | 53.60  | 53.68  |

Note: 1. Four quarter cumulative. 2. Cumulative over four quarters. Does not include aid to financial institutions.

■ Forecasts

## KEY INDICATORS

## Interest rates (%)

|                                    | 29-Dec | 30-Nov | Monthly change (bp) | Year-to-date (bp) | Year-on-year change (bp) |
|------------------------------------|--------|--------|---------------------|-------------------|--------------------------|
| <b>Euro area</b>                   |        |        |                     |                   |                          |
| ECB Refi                           | 0.00   | 0.00   | 0                   | 0.0               | 0.0                      |
| 3-month Euribor                    | -0.33  | -0.33  | 0                   | -1.0              | -1.0                     |
| 1-year Euribor                     | -0.19  | -0.19  | 0                   | -10.8             | -10.8                    |
| 1-year government bonds (Germany)  | -0.64  | -0.72  | 8                   | 16.1              | 16.1                     |
| 2-year government bonds (Germany)  | -0.63  | -0.68  | 5                   | 13.6              | 13.6                     |
| 10-year government bonds (Germany) | 0.43   | 0.37   | 6                   | 22.2              | 22.2                     |
| 10-year government bonds (Spain)   | 1.57   | 1.45   | 12                  | 18.6              | 18.6                     |
| 10-year spread (bps) <sup>1</sup>  | 114    | 108    | 6                   | -3.6              | -3.6                     |
| <b>US</b>                          |        |        |                     |                   |                          |
| Fed funds                          | 1.50   | 1.25   | 25                  | 75.0              | 75.0                     |
| 3-month Libor                      | 1.69   | 1.49   | 20                  | 69.2              | 69.2                     |
| 12-month Libor                     | 2.11   | 1.95   | 16                  | 42.4              | 42.4                     |
| 1-year government bonds            | 1.73   | 1.61   | 12                  | 91.9              | 91.9                     |
| 2-year government bonds            | 1.88   | 1.78   | 10                  | 69.2              | 69.2                     |
| 10-year government bonds           | 2.41   | 2.41   | 0                   | -3.4              | -3.4                     |

## Spreads corporate bonds (bps)

|                                | 29-Dec | 30-Nov | Monthly change (bp) | Year-to-date (bp) | Year-on-year change (bp) |
|--------------------------------|--------|--------|---------------------|-------------------|--------------------------|
| Itraxx Corporate               | 45     | 48     | -4                  | -27.5             | -27.5                    |
| Itraxx Financials Senior       | 44     | 47     | -3                  | -49.5             | -49.5                    |
| Itraxx Subordinated Financials | 105    | 111    | -7                  | -116.9            | -116.9                   |

## Exchange rates

|      | 29-Dec  | 30-Nov  | Monthly change (%) | Year-to-date (%) | Year-on-year change (%) |
|------|---------|---------|--------------------|------------------|-------------------------|
| \$/€ | 1.201   | 1.190   | 0.8                | 14.1             | 14.1                    |
| ¥/€  | 135.280 | 133.960 | 1.0                | 10.0             | 10.0                    |
| £/€  | 0.888   | 0.880   | 0.9                | 4.1              | 4.1                     |
| ¥/\$ | 112.690 | 112.540 | 0.1                | -3.7             | -3.7                    |

## Commodities

|                     | 29-Dec  | 30-Nov  | Monthly change (%) | Year-to-date (%) | Year-on-year change (%) |
|---------------------|---------|---------|--------------------|------------------|-------------------------|
| CRB Commodity Index | 432.3   | 429.4   | 0.7                | 2.2              | 2.2                     |
| Brent (\$/barrel)   | 66.9    | 63.6    | 5.2                | 17.7             | 17.7                    |
| Gold (\$/ounce)     | 1,303.1 | 1,274.9 | 2.2                | 13.1             | 13.1                    |

## Equity

|                          | 29-Dec   | 30-Nov   | Monthly change (%) | Year-to-date (%) | Year-on-year change (%) |
|--------------------------|----------|----------|--------------------|------------------|-------------------------|
| S&P 500 (USA)            | 2,673.6  | 2,647.6  | 1.0                | 19.4             | 19.4                    |
| Eurostoxx 50 (euro area) | 3,504.0  | 3,569.9  | -1.8               | 6.5              | 6.5                     |
| Ibex 35 (Spain)          | 10,043.9 | 10,211.0 | -1.6               | 7.4              | 7.4                     |
| Nikkei 225 (Japan)       | 22,764.9 | 22,725.0 | 0.2                | 19.6             | 19.1                    |
| MSCI Emerging            | 1,158.5  | 1,120.8  | 3.4                | 34.3             | 34.3                    |
| Nasdaq (USA)             | 6,903.4  | 6,874.0  | 0.4                | 28.2             | 28.2                    |

Note: 1. Spread between the yields on Spanish and German 10-year bonds.

## KEY INDICATORS

Year-on-year change (%), unless otherwise specified

## UNITED STATES

|   | 2015  | 2016  | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | 10/17 | 11/17 | 12/17 |
|---|-------|-------|---------|---------|---------|---------|-------|-------|-------|
| <b>Activity</b>                                 |       |       |         |         |         |         |       |       |       |
| Real GDP  | 2.9   | 1.5   | 1.8     | 2.0     | 2.2     | 2.3     | –     | ...   | –     |
| Retail sales (excluding cars and petrol)        | 4.3   | 3.8   | 3.4     | 4.0     | 2.9     | 2.8     | 4.2   | 5.0   | ...   |
| Consumer confidence (value)                     | 98.0  | 99.8  | 107.8   | 117.5   | 118.1   | 120.3   | 126.2 | 128.6 | 122.1 |
| Industrial production                           | –0.7  | –1.2  | –0.1    | 0.6     | 2.1     | 1.7     | 2.9   | 3.4   | ...   |
| Manufacturing activity index (ISM) (value)      | 51.4  | 51.5  | 53.3    | 57.0    | 55.8    | 58.6    | 58.7  | 58.2  | ...   |
| Housing starts (thousands)                      | 1,107 | 1,177 | 1,248   | 1,238   | 1,167   | 1,172   | 1,256 | 1,297 | ...   |
| Case-Shiller home price index (value)           | 179   | 189   | 192     | 197     | 199     | 200     | 203   | ...   | ...   |
| Unemployment rate (% lab. force)                | 5.3   | 4.9   | 4.7     | 4.7     | 4.4     | 4.3     | 4.1   | 4.1   | ...   |
| Employment-population ratio (% pop. > 16 years) | 59.4  | 59.7  | 59.7    | 60.0    | 60.1    | 60.2    | 60.2  | 60.1  | ...   |
| Trade balance <sup>1</sup> (% GDP)              | –2.8  | –2.7  | –2.7    | –2.8    | –2.8    | –2.9    | –2.9  | ...   | ...   |
| <b>Prices</b>                                   |       |       |         |         |         |         |       |       |       |
| Consumer prices                                 | 0.1   | 1.3   | 1.8     | 2.5     | 1.9     | 2.0     | 2.0   | 2.2   | ...   |
| Core consumer prices                            | 1.8   | 2.2   | 2.2     | 2.2     | 1.8     | 1.7     | 1.8   | 1.7   | ...   |

Note: 1. Cumulative figure over last 12 months.

Source: CaixaBank Research, based on data from the Department of Economic Analysis, Department of Labor, Federal Reserve, Standard &amp; Poor's, ISM and Thomson Reuters Datastream.

## JAPAN

|  | 2015 | 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | 10/17 | 11/17 |
|--|------|------|---------|---------|---------|---------|-------|-------|
| <b>Activity</b>                          |      |      |         |         |         |         |       |       |
| Real GDP                                 | 1.4  | 0.9  | 1.5     | 1.3     | 1.7     | 2.1     | –     | ...   |
| Consumer confidence (value)              | 41.3 | 41.7 | 42.2    | 43.4    | 43.4    | 43.7    | 44.5  | 44.9  |
| Industrial production                    | –1.2 | –0.2 | 2.8     | 3.9     | 5.8     | 4.6     | 4.1   | 3.7   |
| Business activity index (Tankan) (value) | 12.8 | 7.0  | 10.0    | 12.0    | 17.0    | 22.0    | –     | 25.0  |
| Unemployment rate (% lab. force)         | 3.4  | 3.1  | 3.1     | 2.9     | 2.9     | 2.8     | 2.8   | 2.7   |
| Trade balance <sup>1</sup> (% GDP)       | –0.5 | 0.7  | 0.7     | 0.7     | 0.6     | 0.6     | 0.8   | 0.8   |
| <b>Prices</b>                            |      |      |         |         |         |         |       |       |
| Consumer prices                          | 0.8  | –0.1 | 0.3     | 0.3     | 0.4     | 0.6     | 0.2   | 0.5   |
| Core consumer prices                     | 1.4  | 0.6  | 0.2     | 0.1     | 0.0     | 0.2     | 0.2   | 0.3   |

Note: 1. Cumulative figure over last 12 months.

Source: CaixaBank Research, based on data from the Communications Department, Bank of Japan and Thomson Reuters Datastream.

## CHINA

|   | 2015  | 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | 10/17 | 11/17 |
|---|-------|------|---------|---------|---------|---------|-------|-------|
| <b>Activity</b>                             |       |      |         |         |         |         |       |       |
| Real GDP                                    | 6.9   | 6.7  | 6.8     | 6.9     | 6.9     | 6.8     | –     | ...   |
| Retail sales                                | 10.7  | 10.4 | 10.6    | 10.0    | 10.8    | 10.3    | 10.0  | 10.2  |
| Industrial production                       | 6.1   | 6.0  | 6.1     | 6.8     | 6.9     | 6.3     | 6.2   | 6.1   |
| PMI manufacturing (value)                   | 49.9  | 50.3 | 51.4    | 51.6    | 51.4    | 51.8    | 51.6  | 51.8  |
| <b>Foreign sector</b>                       |       |      |         |         |         |         |       |       |
| Trade balance <sup>1</sup> (value)          | 608   | 512  | 512     | 466     | 458     | 435     | 425   | 421   |
| Exports                                     | –2.3  | –8.4 | –5.3    | 7.8     | 9.0     | 6.9     | 6.9   | 12.3  |
| Imports                                     | –14.2 | –5.7 | 2.1     | 23.9    | 14.3    | 14.7    | 17.4  | 18.7  |
| <b>Prices</b>                               |       |      |         |         |         |         |       |       |
| Consumer prices                             | 1.4   | 2.0  | 2.2     | 1.4     | 1.4     | 1.6     | 1.9   | 1.7   |
| Official interest rate <sup>2</sup> (value) | 4.35  | 4.35 | 4.35    | 4.35    | 4.35    | 4.35    | 4.35  | 4.35  |
| Renminbi per dollar (value)                 | 6.3   | 6.6  | 6.8     | 6.9     | 6.9     | 6.7     | 6.6   | 6.6   |

Notes: 1. Cumulative figure over last 12 months. Billion dollars. 2. End of period.

Source: CaixaBank Research, based on data from the National Bureau of Statistics of China and Thomson Reuters Datastream.

## KEY INDICATORS

## Activity and employment indicators

Values, unless otherwise specified

|   | 2015  | 2016  | Q1 2017 | Q2 2017 | 10/17 | 11/17 | 12/17 |
|---|-------|-------|---------|---------|-------|-------|-------|
| Retail sales (year-on-year change)                      | 2.7   | 1.5   | 2.2     | 2.9     | 0.4   | ...   | ...   |
| Industrial production (year-on-year change)             | 2.1   | 1.5   | 1.3     | 2.7     | 3.7   | ...   | ...   |
| Consumer confidence                                     | -6.1  | -7.7  | -5.5    | -2.7    | -1.1  | 0.1   | 0.5   |
| Economic sentiment                                      | 104.2 | 104.8 | 108.0   | 110.0   | 114.1 | 114.6 | ...   |
| Manufacturing PMI                                       | 52.2  | 52.5  | 55.6    | 57.0    | 58.5  | 60.1  | 60.6  |
| Services PMI  | 54.0  | 53.1  | 55.1    | 56.0    | 55.0  | 56.2  | 56.5  |
| <b>Labour market</b>                                    |       |       |         |         |       |       |       |
| Employment (people) (year-on-year change)               | 1.0   | 1.3   | 1.6     | 1.6     | -     | ...   | -     |
| <b>Unemployment rate: euro area</b><br>(% labour force) | 10.9  | 10.0  | 9.5     | 9.1     | 8.8   | ...   | ...   |
| Germany (% labour force)                                | 4.6   | 4.2   | 3.9     | 3.8     | 3.6   | ...   | ...   |
| France (% labour force)                                 | 10.4  | 10.0  | 9.6     | 9.5     | 9.4   | ...   | ...   |
| Italy (% labour force)                                  | 11.9  | 11.7  | 11.6    | 11.2    | 11.1  | ...   | ...   |
| Spain (% labour force)                                  | 22.1  | 19.6  | 18.2    | 17.3    | 16.7  | ...   | ...   |

Source: CaixaBank Research, based on data from the Eurostat, European Central Bank, European Commission and Markit.

## Foreign sector

Cumulative balance over the last 12 months as % of GDP of the last 4 quarters, unless otherwise specified

|  | 2015 | 2016 | Q1 2017 | Q2 2017 | 10/17 | 11/17 |
|--|------|------|---------|---------|-------|-------|
| <b>Current balance: euro area</b>                          | 3.4  | 3.6  | 3.5     | 3.2     | 3.4   | ...   |
| Germany  | 8.5  | 8.3  | 8.3     | 7.7     | 7.8   | ...   |
| France   | -0.4 | -0.9 | -1.1    | -1.2    | -1.1  | ...   |
| Italy  | 1.5  | 2.7  | 2.9     | 2.8     | 2.8   | ...   |
| Spain  | 1.1  | 1.9  | 1.9     | 1.9     | 1.8   | ...   |
| <b>Nominal effective exchange rate<sup>1</sup> (value)</b> | 91.7 | 94.3 | 93.7    | 95.2    | 98.6  | 98.5  |

Note: 1. Weighted by flow of foreign trade. Higher figures indicate the currency has appreciated.

Source: CaixaBank Research, based on data from the Eurostat, European Commission and national statistics institutes.

## Financing and deposits of non-financial sectors

Year-on-year change (%), unless otherwise specified

|   | 2015 | 2016 | Q1 2017 | Q2 2017 | 10/17 | 11/17 |  |
|---|------|------|---------|---------|-------|-------|--|
| <b>Private sector financing</b>   |      |      |         |         |       |       |  |
| Credit to non-financial firms <sup>1</sup>                                | -0.3 | 1.8  | 2.2     | 2.3     | 2.9   | 3.1   |  |
| Credit to households <sup>1,2</sup>                                       | 0.8  | 1.7  | 2.3     | 2.6     | 2.7   | 2.8   |  |
| Interest rate on loans to non-financial firms <sup>3</sup> (%)            | 1.6  | 1.4  | 1.3     | 1.3     | 1.3   | ...   |  |
| Interest rate on loans to households for house purchases <sup>4</sup> (%) | 2.1  | 1.8  | 1.8     | 1.7     | 1.7   | ...   |  |
| <b>Deposits</b>   |      |      |         |         |       |       |  |
| On demand deposits  | 11.1 | 10.0 | 9.4     | 10.2    | 10.4  | 10.1  |  |
| Other short-term deposits   | -3.8 | -1.9 | -2.3    | -2.9    | -2.7  | -2.5  |  |
| Marketable instruments  | 2.6  | 2.7  | 5.7     | 0.6     | -0.8  | -0.4  |  |
| Interest rate on deposits up to 1 year from households (%)                | 0.8  | 0.5  | 0.4     | 0.4     | 0.4   | ...   |  |

Notes: 1. Data adjusted for sales and securitization. 2. Including NPISH. 3. Loans of more than one million euros with a floating rate and an initial rate fixation period of up to one year. 4. Loans with a floating rate and an initial rate fixation period of up to one year.

Source: CaixaBank Research, based on data from the European Central Bank.

## KEY INDICATORS

Year-on-year (%) change, unless otherwise specified

### Activity indicators

|  | 2015 | 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | 10/17 | 11/17 |
|--|------|------|---------|---------|---------|---------|-------|-------|
| <b>Industry</b>                              |      |      |         |         |         |         |       |       |
| Electricity consumption                      | 1.7  | 0.0  | -0.1    | 1.6     | 1.2     | 0.2     | 0.2   | 2.9   |
| Industrial production index                  | 3.3  | 1.9  | 1.9     | 1.9     | 2.1     | 2.5     | 4.2   | ...   |
| Indicator of confidence in industry (value)  | -0.3 | -2.3 | -0.6    | 0.3     | -0.5    | -0.1    | 2.5   | 5.5   |
| Manufacturing PMI (value)                    | 53.6 | 53.2 | 54.4    | 54.8    | 54.9    | 53.6    | 55.8  | 56.1  |
| <b>Construction</b>                          |      |      |         |         |         |         |       |       |
| Building permits (cumulative over 12 months) | 20.0 | 43.7 | 36.9    | 24.5    | 18.4    | 23.5    | 25.3  | ...   |
| House sales (cumulative over 12 months)      | 10.9 | 13.1 | 13.9    | 15.2    | 12.2    | 13.3    | 14.4  | ...   |
| House prices                                 | 1.1  | 1.9  | 1.5     | 2.2     | 1.6     | 2.7     | -     | ...   |
| <b>Services</b>                              |      |      |         |         |         |         |       |       |
| Foreign tourists (cumulative over 12 months) | 5.6  | 8.2  | 10.1    | 10.0    | 10.2    | 10.3    | 9.4   | 9.3   |
| Services PMI (value)                         | 57.3 | 55.0 | 54.9    | 56.4    | 57.8    | 56.8    | 54.6  | 54.4  |
| <b>Consumption</b>                           |      |      |         |         |         |         |       |       |
| Retail sales                                 | 3.0  | 3.6  | 3.0     | 0.6     | 2.5     | 1.8     | -1.5  | 3.3   |
| Car registrations                            | 21.3 | 11.4 | 8.9     | 7.8     | 6.3     | 6.7     | 13.7  | 12.4  |
| Consumer confidence index (value)            | 0.3  | -3.8 | -3.2    | -2.8    | 1.5     | 0.2     | -1.4  | -1.7  |

Source: CaixaBank Research, based on data from the Ministry of Finance, Ministry of Public Works, INE, Markit and European Commission.

### Employment indicators

|  | 2015        | 2016        | Q4 2016     | Q1 2017     | Q2 2017      | Q3 2017     | 10/17       | 11/17       |
|--|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|
| <b>Registered as employed with Social Security<sup>1</sup></b> |             |             |             |             |              |             |             |             |
| Employment by industry sector                                  |             |             |             |             |              |             |             |             |
| Manufacturing  | 2.2         | 2.8         | 2.8         | 3.0         | 3.1          | 3.1         | 3.1         | 3.2         |
| Construction   | 4.7         | 2.6         | 3.3         | 5.3         | 6.1          | 6.1         | 6.8         | 7.1         |
| Services   | 3.5         | 3.2         | 3.5         | 3.4         | 3.8          | 3.6         | 3.7         | 3.6         |
| Employment by professional status                              |             | 3.5         |             |             |              |             |             |             |
| Employees  | 3.5         | 3.5         | 3.8         | 4.0         | 4.4          | 4.1         | 4.1         | 4.3         |
| Self-employed and others                                       | 1.9         | 1.0         | 0.9         | 0.9         | 0.9          | 0.7         | 0.7         | 0.5         |
| <b>TOTAL</b>   | <b>3.2</b>  | <b>3.0</b>  | <b>3.3</b>  | <b>3.4</b>  | <b>3.8</b>   | <b>3.5</b>  | <b>3.5</b>  | <b>3.6</b>  |
| <b>Employment<sup>2</sup></b>                                  | <b>3.0</b>  | <b>2.7</b>  | <b>2.3</b>  | <b>2.3</b>  | <b>2.8</b>   | <b>2.8</b>  | -           | ...         |
| <b>Hiring contracts registered<sup>3</sup></b>                 |             |             |             |             |              |             |             |             |
| Permanent  | 12.3        | 14.2        | 13.3        | 15.4        | 10.2         | 11.0        | 21.4        | 10.3        |
| Temporary  | 11.2        | 7.2         | 6.6         | 12.1        | 9.6          | 5.0         | 7.6         | 3.7         |
| <b>TOTAL</b>   | <b>11.3</b> | <b>7.8</b>  | <b>7.1</b>  | <b>12.4</b> | <b>9.6</b>   | <b>5.5</b>  | <b>8.8</b>  | <b>4.3</b>  |
| <b>Unemployment claimant count<sup>3</sup></b>                 |             |             |             |             |              |             |             |             |
| Under 25   | -11.0       | -12.6       | -13.2       | -13.3       | -17.3        | -9.4        | -6.9        | -10.5       |
| All aged 25 and over   | -7.2        | -8.2        | -9.0        | -9.2        | -10.3        | -8.7        | -8.0        | -8.1        |
| <b>TOTAL</b>   | <b>-7.5</b> | <b>-8.6</b> | <b>-9.4</b> | <b>-9.6</b> | <b>-10.9</b> | <b>-8.8</b> | <b>-7.9</b> | <b>-8.3</b> |

Notes: 1. Mean monthly figures. 2. LFS estimate. 3. Public Employment Offices.

Source: CaixaBank Research, based on data from the Ministry of Employment and Social Security, INE and Public Employment Offices.

### Prices

|                   | 2015        | 2016        | Q4 2016    | Q1 2017    | Q2 2017    | Q3 2017    | 10/17      | 11/17      | 12/17      |
|-------------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|
| <b>General</b>    | <b>-0.5</b> | <b>-0.2</b> | <b>1.0</b> | <b>2.7</b> | <b>2.0</b> | <b>1.7</b> | <b>1.6</b> | <b>1.7</b> | <b>1.2</b> |
| Core              | 0.6         | 0.8         | 0.9        | 1.0        | 1.1        | 1.3        | 0.9        | 0.8        | ...        |
| Unprocessed foods | 1.8         | 2.3         | 1.0        | 4.1        | 2.5        | -0.2       | 4.9        | 4.3        | ...        |
| Energy products   | -9.0        | -8.4        | 1.6        | 15.3       | 8.0        | 5.4        | 3.9        | 5.9        | ...        |

Source: CaixaBank Research, based on data from the INE.

## Foreign sector

Cumulative balance over the last 12 months in billions of euros, unless otherwise specified

|  | 2015        | 2016        | Q4 2016     | Q1 2017     | Q2 2017     | Q3 2017     | 08/17       | 09/17       | 10/17       |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Trade of goods</b>                                    |             |             |             |             |             |             |             |             |             |
| Exports (year-on-year change, cumulative over 12 months) | 4.3         | 1.7         | 1.7         | 5.1         | 5.6         | 7.6         | 6.9         | 7.6         | 8.7         |
| Imports (year-on-year change, cumulative over 12 months) | 3.7         | -0.4        | -0.4        | 3.7         | 5.7         | 9.0         | 8.2         | 9.0         | 10.3        |
| <b>Current balance</b>                                   | <b>12.2</b> | <b>21.5</b> | <b>21.5</b> | <b>21.6</b> | <b>21.2</b> | <b>20.6</b> | <b>20.7</b> | <b>20.6</b> | <b>20.4</b> |
| Goods and services                                       | 25.3        | 33.7        | 33.7        | 32.0        | 32.6        | 31.9        | 32.2        | 31.9        | 31.4        |
| Primary and secondary income                             | -13.1       | -12.2       | -12.2       | -10.4       | -11.4       | -11.3       | -11.5       | -11.3       | -11.0       |
| <b>Net lending (+) / borrowing (-) capacity</b>          | <b>19.2</b> | <b>24.2</b> | <b>24.2</b> | <b>24.1</b> | <b>23.4</b> | <b>22.6</b> | <b>22.8</b> | <b>22.6</b> | <b>22.5</b> |

Source: CaixaBank Research, based on data from the Department of Customs and Special Taxes and Bank of Spain.

## Public sector

Percentage GDP, cumulative in the year, unless otherwise specified

|   | 2015        | 2016        | Q4 2016     | Q1 2017      | Q2 2017     | 07/17    | 08/17    | 09/17       | 10/17    |
|---|-------------|-------------|-------------|--------------|-------------|----------|----------|-------------|----------|
| <b>Net lending (+) / borrowing (-) capacity<sup>1</sup></b> | <b>-5.3</b> | <b>-4.5</b> | <b>-4.5</b> | <b>-0.4</b>  | <b>-2.2</b> | <b>-</b> | <b>-</b> | <b>-1.5</b> | <b>-</b> |
| Central government  | -2.6        | -2.7        | -2.7        | -0.4         | -1.1        | -1.8     | -1.9     | -1.5        | -1.1     |
| Autonomous regions  | -1.7        | -0.8        | -0.8        | -0.2         | -0.7        | 0.0      | 0.1      | 0.1         | 0.1      |
| Local government  | 0.4         | 0.6         | 0.6         | 0.1          | 0.1         | -        | -        | 0.5         | -        |
| Social Security   | -1.2        | -1.6        | -1.6        | 0.1          | -0.5        | -0.5     | -0.6     | -0.6        | -0.6     |
| <b>Public debt (% GDP)</b>                                  | <b>99.4</b> | <b>99.0</b> | <b>99.0</b> | <b>100.0</b> | <b>99.8</b> | <b>-</b> | <b>-</b> | <b>98.7</b> | <b>-</b> |

Note: 1. Includes aid to financial institutions.

Source: CaixaBank Research, based on data from the IGAE, Ministry of Taxation and Bank of Spain.

## Credit and deposits in non-financial sectors<sup>1</sup>

Year-on-year change (%), unless otherwise specified

|  | 2015        | 2016        | Q4 2016     | Q1 2017     | Q2 2017     | Q3 2017     | 08/17       | 09/17       | 10/17       |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Deposits<sup>2</sup></b>                      |             |             |             |             |             |             |             |             |             |
| Household and company deposits                   | -0.6        | 2.5         | 3.0         | 3.2         | 2.5         | 2.3         | 2.3         | 2.9         | 2.7         |
| Sight and savings                                | 14.7        | 16.0        | 16.2        | 18.6        | 18.8        | 17.2        | 17.3        | 17.3        | 16.7        |
| Term and notice                                  | -16.3       | -16.0       | -17.7       | -22.0       | -24.9       | -25.1       | -25.1       | -25.1       | -25.5       |
| General government deposits                      | 6.7         | -14.2       | -29.1       | -28.0       | -26.7       | 6.8         | 9.0         | 9.5         | 7.0         |
| <b>TOTAL</b>                                     | <b>-0.2</b> | <b>1.2</b>  | <b>0.4</b>  | <b>1.0</b>  | <b>0.5</b>  | <b>2.6</b>  | <b>2.6</b>  | <b>3.2</b>  | <b>2.9</b>  |
| <b>Outstanding balance of credit<sup>2</sup></b> |             |             |             |             |             |             |             |             |             |
| Private sector                                   | -5.5        | -3.6        | -3.2        | -2.7        | -2.1        | -2.3        | -2.4        | -2.1        | -2.0        |
| Non-financial firms                              | -7.3        | -5.3        | -5.2        | -4.3        | -3.0        | -3.9        | -4.0        | -3.7        | -3.3        |
| Households - housing                             | -4.6        | -3.7        | -3.1        | -3.0        | -2.8        | -2.7        | -2.7        | -2.7        | -2.7        |
| Households - other purposes                      | -2.6        | 2.0         | 2.9         | 3.6         | 3.2         | 3.6         | 3.5         | 4.4         | 4.0         |
| General government                               | 0.2         | -2.9        | -2.7        | -3.2        | -12.6       | -11.6       | -10.9       | -12.2       | -11.6       |
| <b>TOTAL</b>                                     | <b>-5.2</b> | <b>-3.6</b> | <b>-3.2</b> | <b>-2.7</b> | <b>-2.9</b> | <b>-3.0</b> | <b>-3.0</b> | <b>-2.8</b> | <b>-2.7</b> |
| <b>NPL ratio (%)<sup>3</sup></b>                 | <b>10.1</b> | <b>9.1</b>  | <b>9.1</b>  | <b>8.8</b>  | <b>8.4</b>  | <b>8.3</b>  | <b>8.5</b>  | <b>8.3</b>  | <b>8.2</b>  |

Notes: 1. Aggregate data from Spain's banks. 2. Residents in Spain. 3. Data up to end of period.

Source: CaixaBank Research, based on data from the Bank of Spain.