

Quick Note 04/06/2018

Spain · Labour market momentum was sustained during May**Data**

- In seasonally adjusted terms:
 - **The number of social security affiliates was up** by 70,898 in May.
 - **Registered unemployment declined** by 3,236 in May.
- The number of **social security affiliates** rose by 237,207 (not seasonally adjusted), putting total affiliate numbers at **18,915,668**.
- **Registered unemployment** declined by 83,738 (not seasonally adjusted), putting the total number of unemployed at **3,252,130**.
- In the last 12 months the number of affiliates has increased by 570,254, while the number of unemployed declined by 208,998.

Assessment

- **The labour market performed very positively in May**, as evidenced by a significant 237,000 uptick in the number of social security affiliates, representing a slightly larger increase than the one forecast by CaixaBank Research. **The pace of job creation held at 3.1% YoY**.
- There was standout **affiliation growth in seasonally adjusted terms** (70,898), the fastest expansion observed in 2018 so far and stronger than the average monthly increase in 2017 (50,935).
- **The figures were likewise positive in all sectors**. There was a particularly good performance from the construction industry (+20,000), where affiliation gained further traction to 6.6% YoY, following two months of figures lower than those observed in 2017. In the services sector, Social Security affiliation accelerated 1 tenth to 3.2% YoY (+176,000). In the agriculture and industry sectors, affiliation growth slowed slightly, albeit less than anticipated.
- **The decline in registered unemployment stood at 84,000, a positive figure, albeit shorter than that forecast** by CaixaBank Research. The pace of decline in registered unemployment slowed moderately to -6.0% YoY. Overall, the reduction in unemployment remains robust, with joblessness having declined by more than 200,000 people in the last 12 months.
- Looking ahead to the coming months, the labour market is expected to perform well, albeit losing some momentum, which would be consistent with anticipated easing in the pace of Spanish economic growth.
- In the light of these figures, the risks for the **full-year affiliate growth forecast, of 2.8%**, look slightly upside.

Spain: labor market (employment records)*

Monthly change (thousands)

	2002-2007**	2008-2013**	May-15	May-16	May-17	May-18	
						Data	Forecast
Affiliated to the Social Security	111	37	175	158	212	237	195
Agriculture	0	-1	19	12	15	30	19
Industry	-1	-11	7	11	7	12	9
Construction	16	-13	6	10	7	20	11
Services	91	62	144	125	182	176	156
Registered unemployed	-43	-11	-119	-84	-129	-84	-100

Annual change (%)

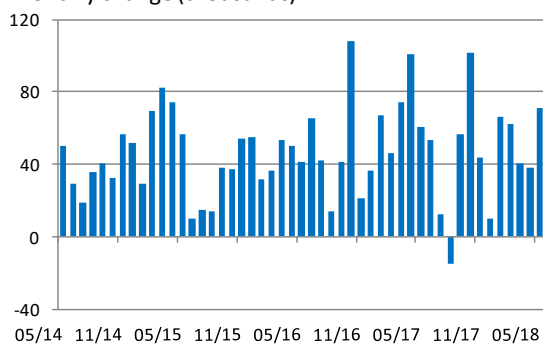
	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	
						Data	Forecast
Affiliated to the Social Security	3.4	3.4	3.5	3.3	3.1	3.1	2.9
Agriculture	-0.7	-0.8	-0.5	-1.1	-0.6	-0.7	-1.7
Industry	3.3	3.3	3.4	3.2	3.1	2.9	2.8
Construction	7.4	7.6	7.2	5.7	6.4	6.6	5.8
Services	3.5	3.5	3.5	3.5	3.1	3.2	3.1
Registered unemployed	-7.8	-7.5	-7.5	-7.6	-6.6	-6.0	-6.5

Note: *Not seasonally adjusted series. ** May average.

Source: CaixaBank Research, data from MEySS.

Affiliated to the Social Security*

Monthly change (thousands)

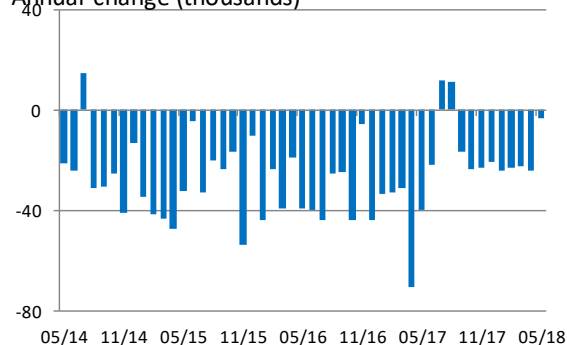


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Unemployed registered*

Annual change (thousands)

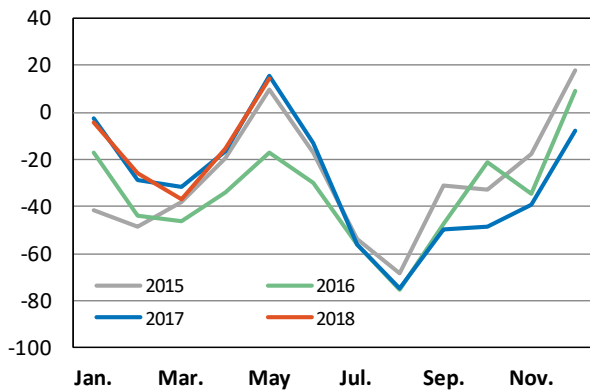


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Affiliated: Agriculture

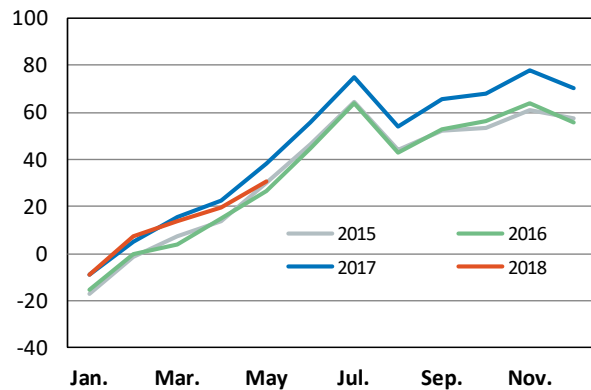
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Industry

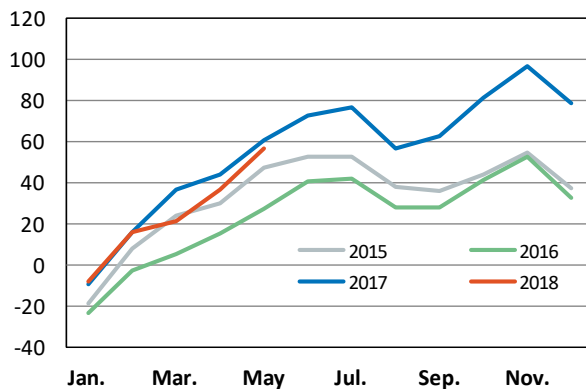
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Construction

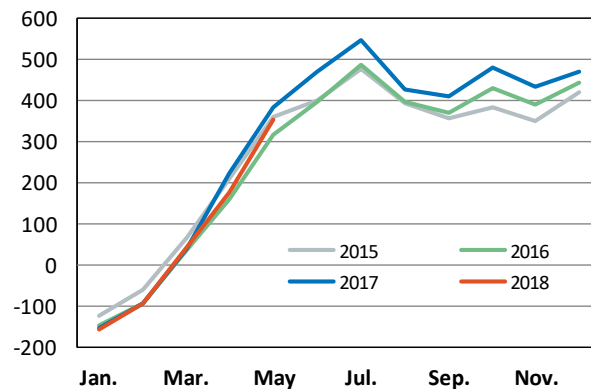
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Services

Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

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