

Quick Note 04/09/2018

Spain · The pace of job creation eases in August**Data**

- In seasonally adjusted terms:
 - **The number of social security affiliates decreased** by 1,830 in August.
 - **Registered unemployment declined** by 2,819 in August.
- The number of **social security affiliates** went down by 202,996 (not seasonally adjusted). The total number of affiliates stood at **18,839,814**.
- **Registered unemployment** increased by 47,047 (not seasonally adjusted). The total number of unemployed stood at **3,182,068**.
- In the last 12 months the number of affiliates has increased by 529,970, while the number of unemployed declined by 200,256.

Assessment

- **Employment declined in August, as is usually the case during this month**, with the number of Social Security affiliates falling by 202,996. **While anticipated, this decline was somewhat greater than forecast by CaixaBank Research (-182,000)**. Overall, **employment growth remained solid at 2.9% YoY**.
- **In seasonally adjusted terms, the dip in affiliation numbers (-1,830) was moderate**, although it is the first decline in affiliation in August in the seasonally adjusted series since 2012.
- **The expansion in affiliation slowed slightly in the majority of sectors**. The services sector sustained a solid pace of growth at 2.9% YoY (406,969), albeit short of the expansion posted in the second quarter (+3.1%). Social Security affiliation in the industrial sector was up by 2.5% YoY (+55,419), -0.2 pp below the previous month. There was a strong performance from the construction sector, where affiliation grew 6.8% YoY (increase of 76,554 affiliates in the last 12 months).
- **The monthly uptick in registered unemployment during August amounted to 47,047 individuals, somewhat more than anticipated** by CaixaBank Research (+30,000). In YoY terms, the decline in registered unemployment eased slightly to -5.9% (-6.0% in July). Overall, unemployment has shrunk by more than 200,000 individuals 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 the 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 3.0%, look balanced**.

Spain: labor market (employment records)*

Monthly change (thousands)

	2002-2007**	2008-2013**	Aug-15	Aug-16	Aug-17	Aug-18	
						Data	Forecast
Affiliated to the Social Security	-145	-149	-134	-145	-179	-203	-182
Agriculture	-10	-11	-15	-19	-18	-29	-13
Industry	-46	-27	-21	-21	-21	-25	-29
Construction	-55	-44	-15	-14	-20	-23	-26
Services	-33	-67	-84	-91	-120	-126	-115
Registered unemployed	32	56	22	14	46	47	30

Annual change (%)

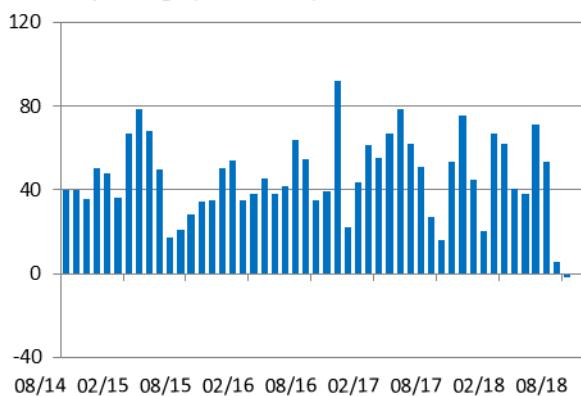
	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	
						Data	Forecast
Affiliated to the Social Security	3.3	3.1	3.1	3.1	3.0	2.9	3.0
Agriculture	-1.1	-0.6	-0.7	0.1	0.1	-0.8	0.6
Industry	3.2	3.1	2.9	2.9	2.7	2.5	2.4
Construction	5.7	6.4	6.6	6.8	7.0	6.8	6.6
Services	3.5	3.1	3.2	3.1	2.9	2.9	3.0
Registered unemployed	-7.6	-6.6	-6.0	-6.0	-6.0	-5.9	-6.4

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

Source: CaixaBank Research, data from MEySS.

Affiliated to the Social Security*

Monthly change (thousands)

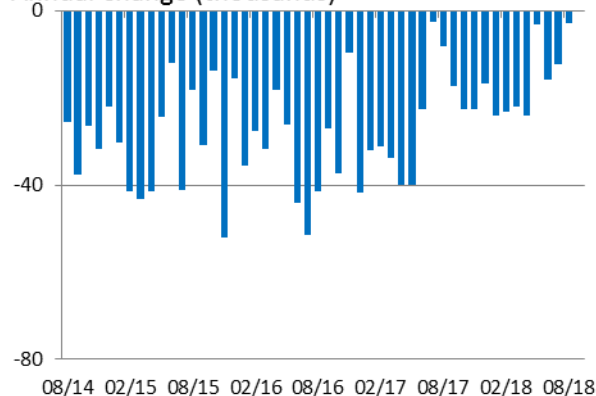


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Unemployed registered*

Annual change (thousands)

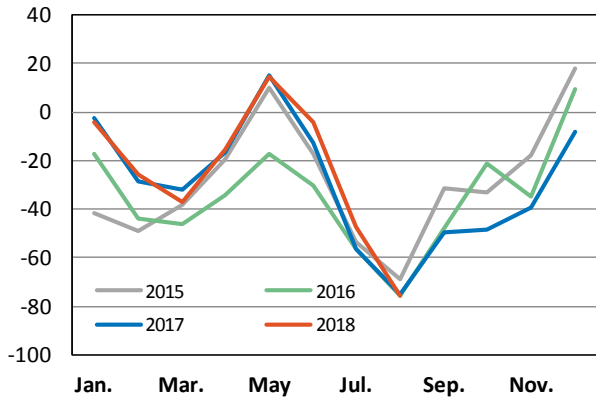


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Affiliated: Agriculture

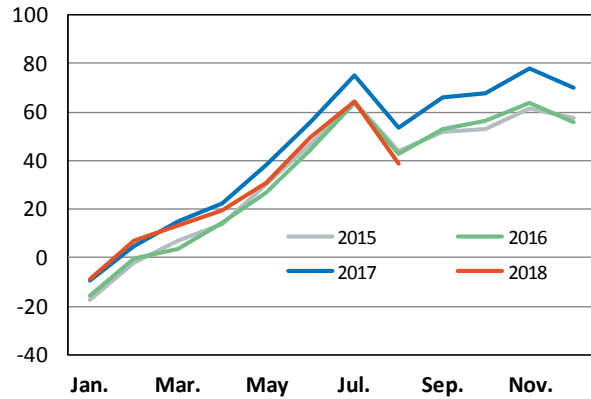
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Industry

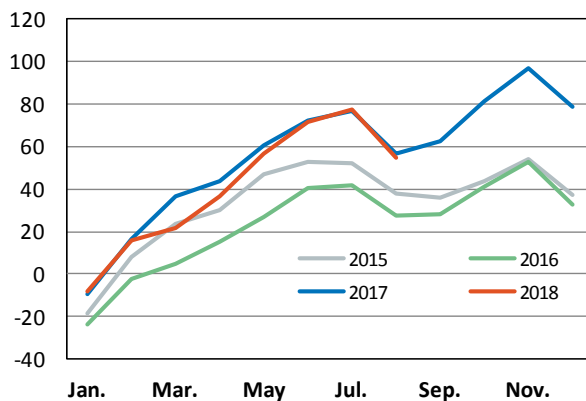
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Construction

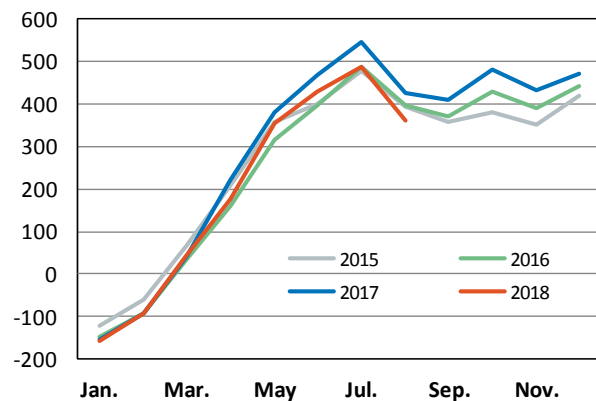
Cumulated figures for the year to date (thousands)



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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