

Flash Note 06/05/2019

Spain · Further labour market buoyancy in April**Data**

- In seasonally adjusted terms and compared to the previous month:
 - **The number of social security affiliates was up** by 52,192 in April.
 - **Registered unemployment was down** by 19,133 in April.
- The number of **social security affiliates** rose 186,785 (not seasonally adjusted), putting the total affiliation number at **19,230,362**.
- **Registered unemployment** reduced by 91,518 (not seasonally adjusted), meaning a total jobless figure of **3,163,566**.
- In the last 12 months the number of affiliates has increased by 551,901, while the number of unemployed declined by 172,302.

Assessment

- **The labour market again posted good momentum in April**, as evidenced by an uptick in Social Security affiliates of 52,192 individuals in seasonally adjusted terms, similar to the figure from the previous month (53,036). Thus, the pace of job creation in seasonally adjusted terms rose to 2.95% yoy (2.93% yoy in March), further putting off the anticipated gradual slowdown in employment growth.
- **Social Security affiliation remained buoyant in April**, benefiting from Easter Week falling in said month this year. Thus, affiliation in non-seasonally adjusted terms (+186,785 individuals) was stronger than posted the previous year (+176,373 in April 2018), albeit down on 2017 (+212,215). It is worth pointing out that the total affiliates number (19,230,362) climbed to its highest level since July 2008.
- **Looking at the sectors in detail, services stood out** with affiliate growth of 3.0% yoy (+424,845), a pace 0.2 pp up on the previous month. In particular, affiliation in tourism services jumped in April to 3.4% yoy (3.1% in March). Likewise, affiliation in construction climbed 6.8% yoy (+80,562), a robust rate albeit down on the March figure (7.7%). Meanwhile, affiliation in the **industrial** sector saw continuation of the gradual slowdown seen in recent quarters, posting growth of 1.8% yoy (+47,527).
- **Registered unemployment was down in April by 91,518 compared to March**, a higher figure than posted last year (-86,683 in April 2018). In yoy terms, the decline in registered unemployment gained traction to 5.2%, stronger than posted in March (4.9%) and the anticipated figure (4.7%). Thus, unemployment has shrunk by 172,302 individuals in the last 12 months.
- Looking ahead to the coming months, the good labour market performance is expected to continue, albeit progressively losing some momentum, which would be consistent with an easing pace of Spanish economic growth.
- In the light of these figures, 2019 employment growth could stand somewhat higher than our current forecast (2.5%).

Spain: labor market (employment records)*

Monthly change (thousands)

	2002-2007**	2008-2013**	Apr-16	Apr-17	Apr-18	Apr-19		May-19
						Data	Forecast	Forecast
Affiliated to the Social Security	111	37	158	212	176	187	159	2.4
Agriculture	0	-1	12	15	22	17	15	0.3
Industry	-1	-11	11	7	6	4	2	1.3
Construction	16	-13	10	7	15	15	14	6.8
Services	91	62	125	182	134	166	137	2.4
Registered unemployed	-43	-11	-84	-129	-87	-92	-74	-4.9

Annual change (%)

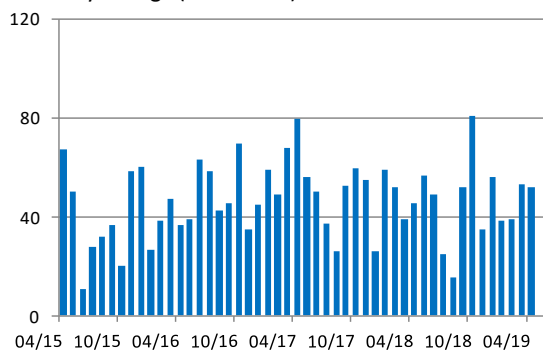
	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19		May-19
						Data	Forecast	Forecast
Affiliated to the Social Security	2.9	3.1	2.9	2.9	2.9	3.0	2.8	2.4
Agriculture	-0.4	1.3	1.5	1.4	1.8	1.3	1.2	0.3
Industry	2.0	2.0	1.9	1.7	1.7	1.7	1.5	1.3
Construction	6.1	6.5	6.5	6.7	7.7	6.8	7.5	6.8
Services	3.0	3.1	2.9	2.8	2.8	3.0	2.7	2.4
Registered unemployed	-6.4	-6.2	-5.5	-5.2	-4.9	-5.2	-4.7	-4.9

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

Source: CaixaBank Research, data from MEySS.

Affiliated to the Social Security*

Monthly change (thousands)

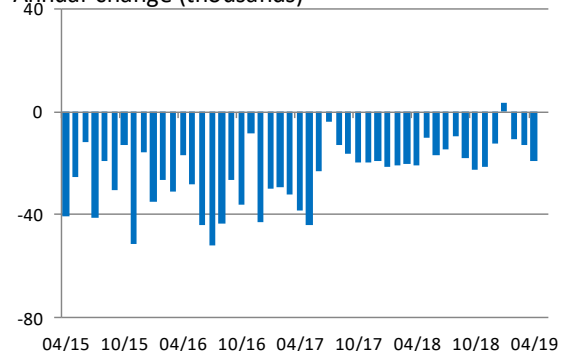


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Unemployed registered*

Annual change (thousands)

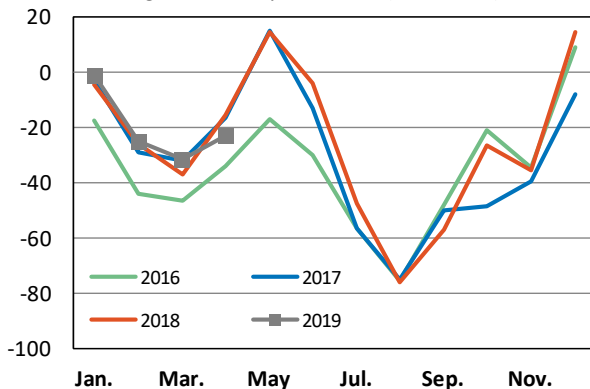


Note: *Seasonally adjusted.

Source: CaixaBank Research, data from MEySS.

Affiliated: Agriculture

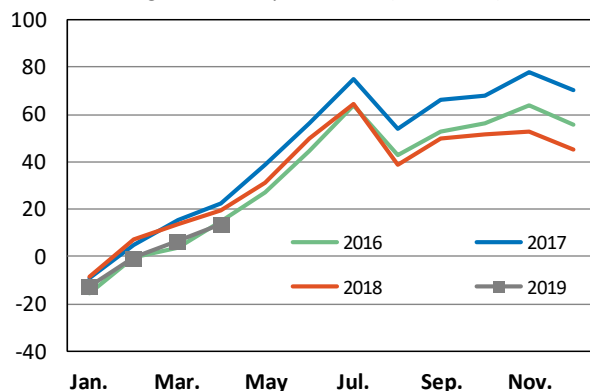
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Industry

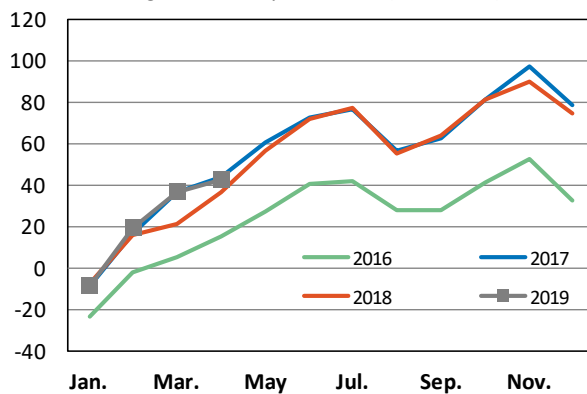
Cumulated figures for the year to date (thousands)



Source: CaixaBank Research, data from MEySS.

Affiliated: Construction

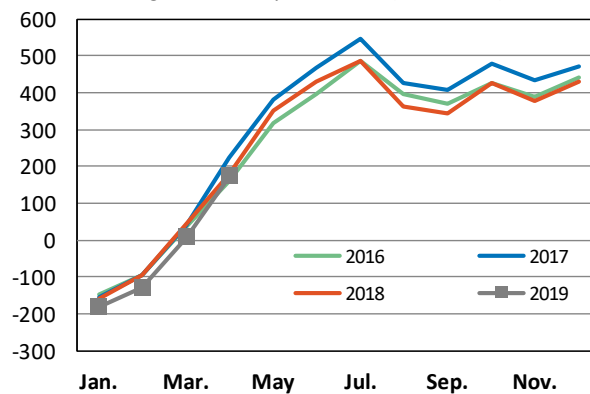
Cumulated figures for the year to date (thousands)



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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