



Autonomous Community Outlook

Castilla- La Mancha



2,080,000

inhabitants
(2022)



€20,655

GDP per capita
(2021)



3.5%

of Spanish GDP
(2021)



1.7%

GDP growth forecast
(2023)

Regional economic structure and position

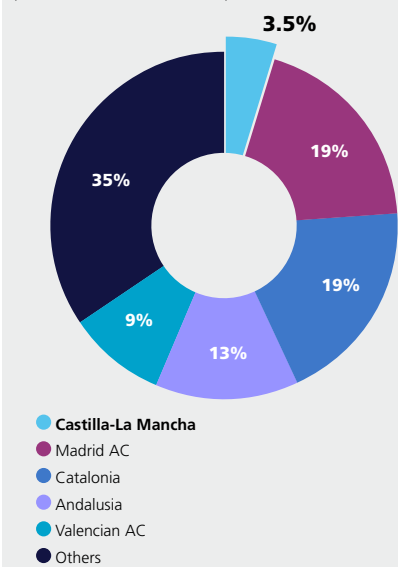
- The little over **2 million inhabitants** of Castilla-La Mancha account for 4.3% of the country's total population, making it the ninth most highly populated region.
- The region's GDP (42.286 billion euros) is equivalent to **3.5% of Spanish GDP** and it also ranks ninth among all regions.
- **GDP per capita** (20,655 euros) is the fourth lowest in the country and 19.0% below the national average. There are significant differences between provinces: Toledo's GDP per capita is 16.3% lower than it is in Cuenca.
- In terms of **sectoral composition**, agriculture is prominent, representing 9.4% of Castilla-La Mancha's GDP, the highest percentage of any region: it is a clear leader in wine production, accounting for half of all national output. The manufacturing industry is also of higher relative importance (15.1% vs. 12.8% in Spain), as are public services (22.1% vs. 19.2%). However, trade, transportation, hotels and restaurants, and leisure provide 22.3% of GDP (vs. 26.2%).
- Although **exports of goods** make a smaller contribution than they do on average in Spain (21.4% of regional GDP vs. 26.2%), in the last decade, this has risen by 11 points, reflecting the region's internationalisation efforts. It accounts for a small proportion of all Spanish exports, just 2.6% in 2022 (10.273 billion euros): almost a third of these are agri-food products, in particular beverages (9.3% of the total), with wine being the biggest contributor; these are followed by chemical products (14.2%), especially pharmaceuticals and electrical appliances (6.6%). Almost 20% of beverages exported from Spain come from this region.

Table of structural indicators

		1991	2001	2011	2021
GDP per capita	Euros	7,921	13,459	18,190	20,655
	100 = Spain	87.0	78.3	79.9	81.0
Population	Thousands of inhabitants	1,668	1,763	2,106	2,058
	Average annual growth over the decade (%)	0.1	0.6	1.8	-0.2
	% of the total in Spain	4.3	4.3	4.5	4.3
	% of population > 65 years old	16.9	19.7	17.6	19.2
Exports of goods as a proportion of GDP	%	...	8.4	10.4	21.4

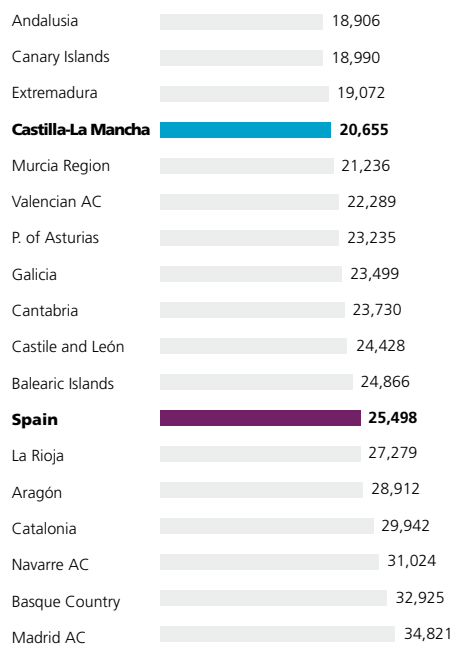
GDP by Autonomous Community

(% OF SPAIN AS A WHOLE)



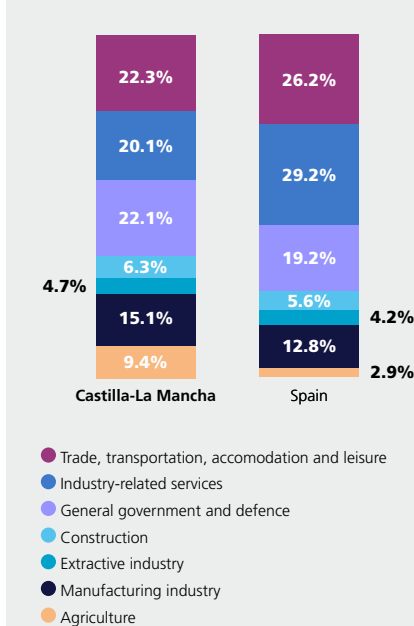
GDP per capita

(EUROS)



Productive sectors

(AS A % OF GVA)



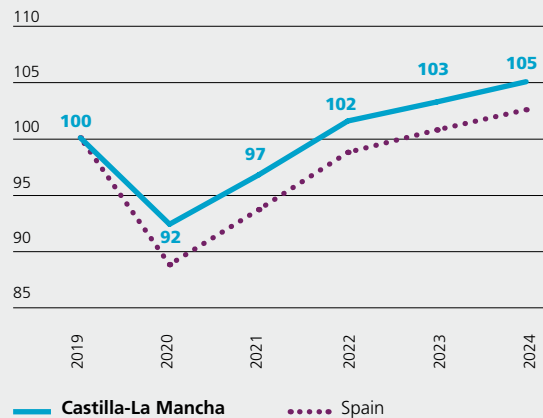
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

In 2022, we estimate that Castilla-La Mancha's GDP grew by 5.0%, slightly less than in the country as a whole (5.5%), but nevertheless making it the most advanced region in terms of post-pandemic recovery. The strong performance of industry, especially the energy sectors, as well as construction and exports, offset the slow disbursement of NGEU funds and the negative impact of the drought on the agricultural sector.

For 2023, CaixaBank Research's forecasts point to GDP growth of 1.7%, lower than in the country as a whole (2.0%). There will be no repeat of last year's excellent figures for industry and only a small proportion of sectors will benefit significantly from EU funds. In addition, inflation and tightening financing conditions will dampen household spending.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



Employment is performing extremely well in Castilla-La Mancha. In 2022, the **number of registered workers affiliated to Social Security** grew by 3.3% (3.9% in Spain); although the rate of growth has slowed down this year (+1.9% year-on-year in April vs. +3.0%), the current rate is 8.6% higher than it was in April 2019 (+7.2% across Spain): over the last year, job creation in transportation, construction and hotels and restaurants has offset the job losses in the public sector. In terms of the unemployment rate, in Q1 2023 there was a notable improvement on the pre-pandemic figures (15.0% vs. 16.6% in Q4 2019), although it was above the national average (13.3%).



Services are performing more sluggishly than on average across the country: the **turnover of the services sector** grew by 12.3% in 2022 (vs. 19.9%), while in January-March 2023 the rate of growth slowed to 11.0% year-on-year (vs. +10.1%), 23.1% higher than in 2019 (vs. +22.4%). In terms of consumption, the disparity is more acute, as retail trade sales, hit by inflationary

pressures, recorded the sharpest decline (in volume) across all regions in Spain in 2022 (–6.2% vs. –1.0% in Spain), while in Q1 2023 they recovered and grew by 6.3% year-on-year (vs. +6.9%), but they remain below 2019 levels (–0.9% vs. +1.8%).



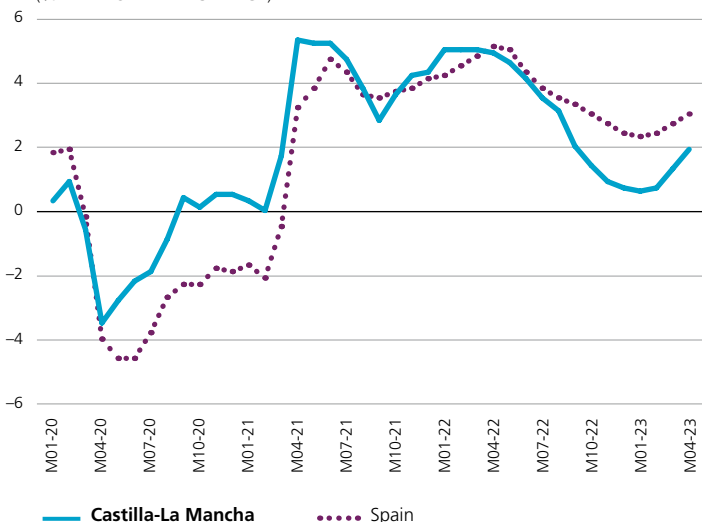
Industry is performing better than it is across the country, supported by the energy sectors, which have benefited from the rising prices (the region has a refinery). In 2022, the IPI rose by 5.0% (vs. +2.4%), while in Q1 2023 it grew more quickly (+6.5% year-on-year vs. +2.1%); as a result, it was 2.8% higher than in 2019 (vs. +0.3%).



Exports of goods have been more subdued than they have nationwide. In 2022, thanks to textile products, footwear, transport equipment and electrical appliances, they grew by 13.5% (+22.9% in Spain); despite more modest growth in January-March 2023 (+7.5% year-on-year vs. +14.6%), they are 37.9% higher than in 2019 (vs. +40.9%).

Registered workers affiliated to Social Security

(% YEAR-ON-YEAR CHANGE)



Source: CaixaBank Research, based on data from the Ministry of Labour, Migration and Social Security (MITRAMISS) and Datacomex.

Exports of goods

(% YEAR-ON-YEAR CHANGE)

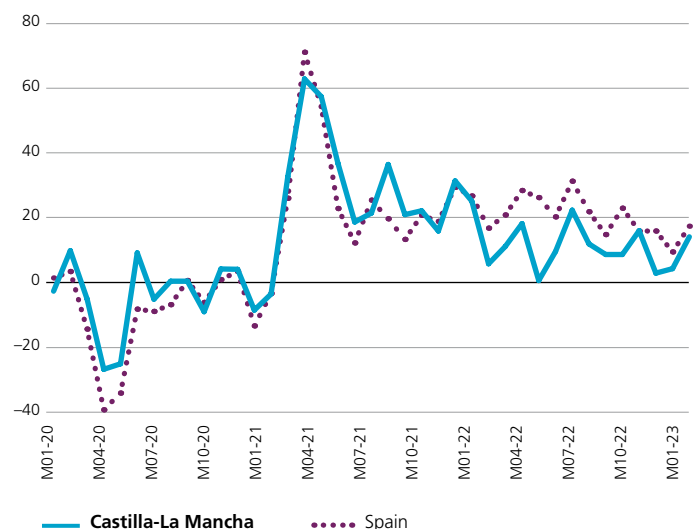







Table of indicators

Castilla-La Mancha
Average in Spain

		2008-2013 average	2014-2019 average	2020	2021	2022	2023	Gap with 2019 (latest figure)	Latest figure
 Activity and prices	Real GDP * (% year-on-year change)	-2.0 -1.8	2.6 2.8	-7.7 -11.3	4.8 5.5	5.0 5.5	— —	1.5 -1.3	2022
	Retail trade (% cumulative annual change)	-5.2 -4.6	1.7 2.3	-1.0 -5.6	-0.5 2.6	-6.2 -1.0	6.3 6.9	2.1 4.2	March-23
	Industrial production index (% cumulative annual change)	-5.0 -5.3	1.7 1.8	-8.4 -9.2	5.4 7.1	5.0 2.4	6.5 2.1	11.8 7.2	March-23
	Service activity index (% cumulative annual change)	-5.8 -4.6	5.0 5.1	-9.7 -15.6	14.2 15.8	12.3 19.9	11.0 10.1	28.7 26.6	March-23
	Consumer price index (% year-on-year change)	1.6 1.7	0.6 0.7	-0.6 -0.3	3.7 3.1	10.1 8.4	4.0 4.1	16.6 14.5	April-23
 Labour market	Registered workers affiliated to Social Security (% year-on-year change)	-4.6 -3.1	3.2 3.2	-0.8 -2.1	3.4 2.5	3.3 3.9	1.9 3.0	8.6 7.2	April-23
	Registered workers affiliated to Social Security not affected by furlough (% year-on-year change)	-4.6 -3.1	3.2 3.2	-5.7 -9.2	7.5 7.3	5.7 7.3	2.7 3.9	10.7 8.2	April-23
	Unemployment rate (% working population)	22.2 20.2	22.3 18.8	17.7 15.5	15.7 14.8	14.3 12.9	15.0 13.3		Q1 2023
	Unemployment rate for under 25s (% working population < 25)	43.7 42.5	49.8 42.5	39.4 38.3	35.2 44.7	32.7 23.9	32.8 30.0		Q1 2023
 Public sector	Public deficit (% of GDP)	-4.7 -2.7	-1.1 -0.9	0.4 -0.2	0.2 -0.1	-1.9 -1.1	— —		2022
	Autonomous Communities public debt (% of GDP)	16.5 12.3	36.0 24.1	39.0 27.2	36.6 25.9	33.4 23.9	— —		Q4 2022
 Real estate market	Housing prices (% year-on-year change)	-7.4 -8.1	1.9 5.3	1.3 2.1	2.4 3.7	5.9 7.4	— —	9.5 13.8	Q4 2022
	Housing sales (% cumulative annual change)	-16.1 -10.8	10.9 9.7	-12.5 -16.9	32.6 34.8	17.4 14.7	-7.5 -2.2	30.3 30.4	March-23
 Foreign sector and tourism	Exports of goods (% cumulative annual change)	8.5 4.6	6.9 3.9	-3.8 -9.4	24.8 20.1	13.5 22.9	7.5 14.6	53.4 49.1	March-23
	Tourist overnight stays (% cumulative annual change)	-3.8 0.7	5.2 3.0	-54.0 -69.2	63.3 78.3	37.8 73.3	17.9 24.0	7.1 -3.4	March-23

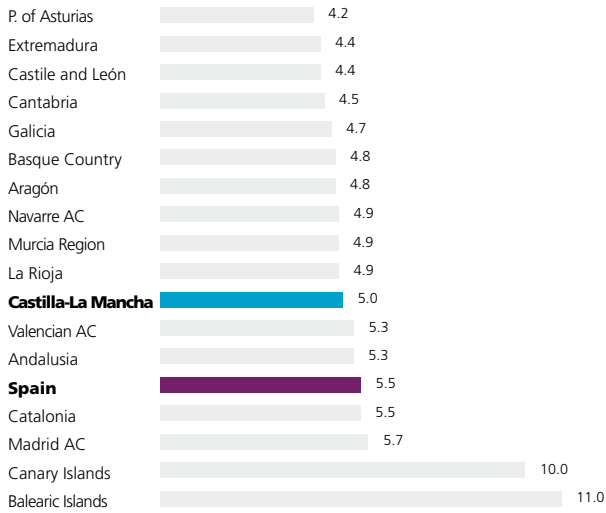
Note: *The 2022 GDP figure for Autonomous Communities is an estimate made by CaixaBank Research.

Source: CaixaBank Research, based on data from the National Statistics Institute (INE), the Bank of Spain, the Ministry of Labour, Migration and Social Security (MITRAMISS), the Ministry of Finance and DataComex.

Regional comparison

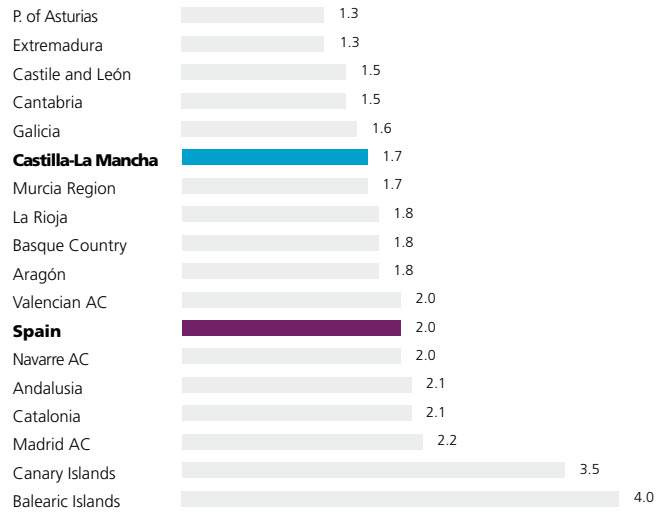
GDP (2022)

(ANNUAL CHANGE)



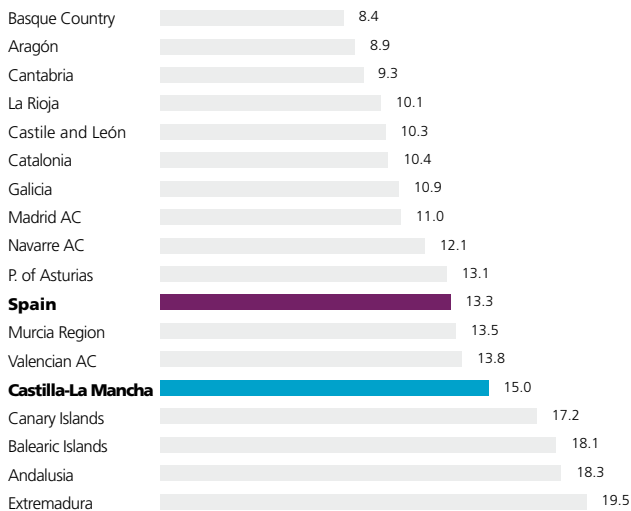
Growth forecast of GDP (2023)

(ANNUAL CHANGE)



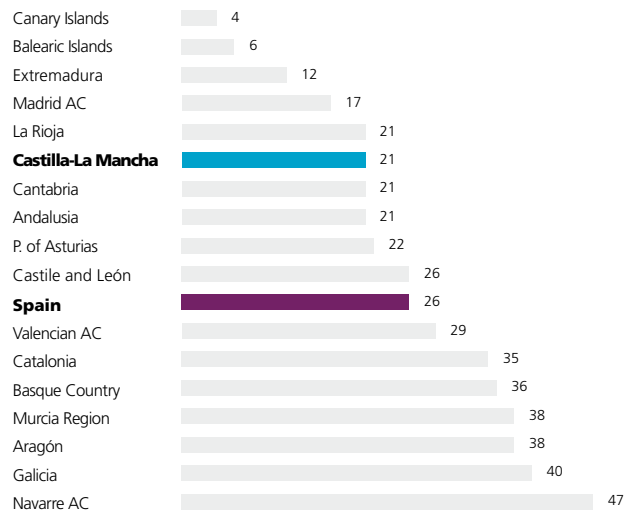
Unemployment rate (Q1 2023)

(% OF WORKING POPULATION)



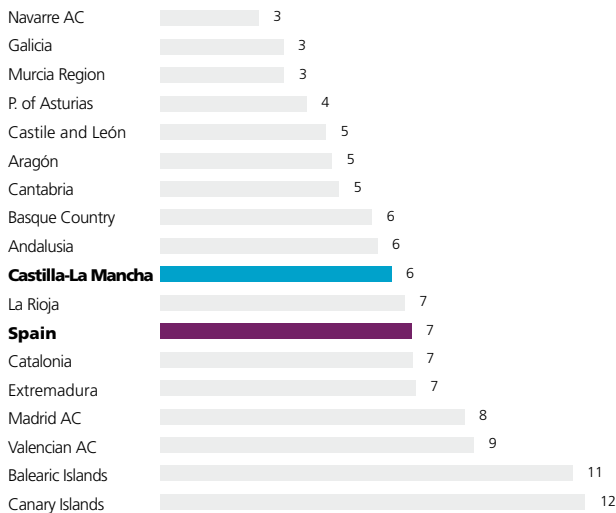
Proportion of exports of goods (2021)

(% OF GDP)



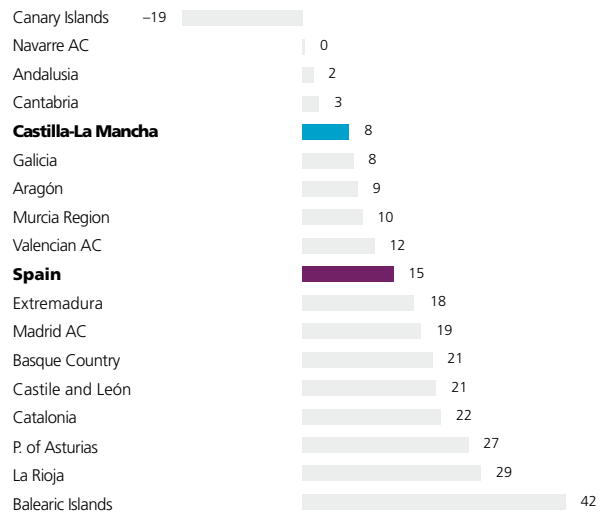
Retail trade* (January-March 2023)

(CHANGE FROM THE SAME PERIOD IN 2022)



Exports of goods (January-March 2023)

(CHANGE FROM THE SAME PERIOD IN 2022)



Note: *Figures adjusted, excluding service stations.

Source: CaixaBank Research, based on our own estimates and data from the National Statistics Institute (INE) and DataComex.



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