



Autonomous Community Outlook

Navarre AC



672,000

inhabitants
(2022)



€33,798

GDP per capita
(2022)



1.7%

of Spanish GDP
(2022)



1.6%

anticipated growth
in GDP (2024)



Regional economic structure and position

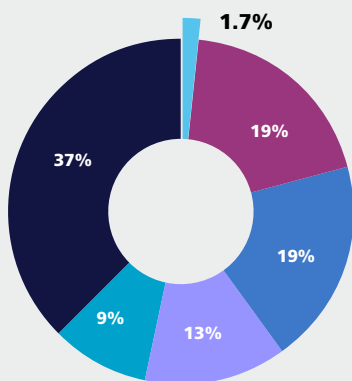
- Navarre has almost **672,000 inhabitants**, 1.4% of the total population, making it the third least populated region in Spain.
- The region's GDP stands at 22.595 billion euros, equivalent to **1.7% of Spanish GDP**, so it is the region that makes the fourth smallest contribution to the national total.
- At 33,798 euros, its **GDP per capita** is the third highest in the country and it is 20.0% higher than the national average (13.2% below the average in the euro area).
- Navarre's **productive sectors** are mainly notable for the high relative importance of the manufacturing industry, which makes up 25.8% of its GDP, the highest percentage of all the regions (national average of 12.5%): the region, which contributes 3.5% of the country's manufacturing GVA, is home to leading companies in the motor vehicle, wind power and pharmaceutical industries. However, services make up a far smaller percentage than on average in terms of trade, transportation, hotels and restaurants, and leisure (24.5% vs. 28.4%), and especially industry-related services (20.3% vs. 28.5%).
- Navarre is clearly **export-oriented**. Exports of goods, which account for 47.4% of regional GDP, the highest percentage among all regions (28.9% in Spain), totalled 10.701 billion euros in 2022, 2.7% of the national total: vehicle exports account for almost 38.0% of the total (9.0% of Spain as a whole), far ahead of industrial machinery (9.8%) and electrical appliances (9.2%).

Table of structural indicators

		1992	2002	2012	2022
GDP per capita	euros	12,513	22,611	27,029	33,798
	100 = Spain	127.8	125.0	122.6	120.0
Population	Thousands of inhabitants	525	568	639	672
	Average annual growth over the decade (%)	0.2	0.8	1.2	0.5
	% of total in Spain	1.3	1.4	1.4	1.4
	% of population > 65 years old	15.9	17.9	18.3	20.5
Exports of goods as a proportion of GDP	%	...	34.8	41.9	47.4

GDP by Autonomous Community

(% OF SPAIN AS A WHOLE)



- Navarre AC
- Madrid AC
- Catalonia
- Andalusia
- Valencian AC
- Others

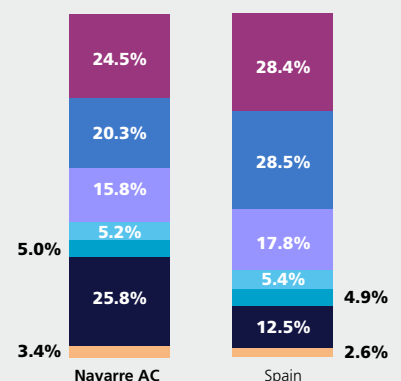
GDP per capita

(EUROS)

Andalusia	21,091
Extremadura	21,343
Canary Islands	22,303
Castilla-La Mancha	22,574
Murcia Region	23,197
Valencian AC	24,473
Asturias	25,675
Galicia	25,906
Cantabria	26,167
Castile and León	26,992
Spain	28,162
La Rioja	29,579
Balearic Islands	29,603
Aragón	31,051
Catalonia	32,550
Navarre AC	33,798
Basque Country	35,832
Madrid AC	38,435

Productive sectors

(AS A % OF GVA)



- Trade, transportation, accommodation and leisure
- Industry-related services
- General government and defence
- Construction
- Extractive industry
- Manufacturing industry
- Agriculture

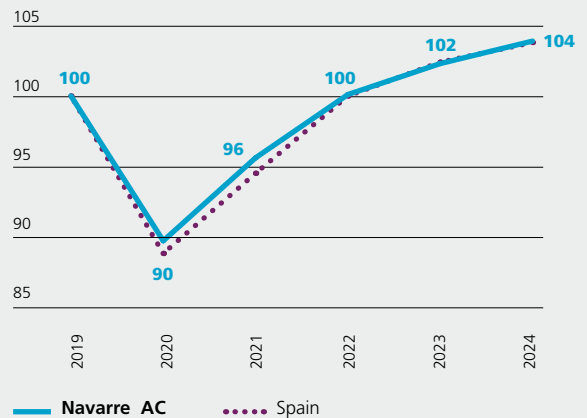
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

In 2023, Navarre's economy performed slightly worse than on average in Spain: **we expect regional GDP to grow by 2.2%** (2.4% for Spain), due to weakening foreign demand, which has hampered industrial activity (the motor vehicle industry is a key sector in the region) and exports.

This year, **our forecasts indicate that Navarre's GDP will grow by 1.6%**, a slightly higher rate than the national average (1.4%), thanks to an improvement in the industrial sector, which started to become noticeable towards the end of 2023. Furthermore, the improvement in real household income and the expected acceleration in the disbursement of European funds will help the economy to gain momentum over the course of the year.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



The performance of Navarre's labour market is somewhat more muted than on average in Spain, with a 1.9% year-on-year rise in the number of **registered workers affiliated to Social Security** at the end of 2023 (+2.7% in Spain), so it is now 5.5% higher than it was in December 2019 (+7.4% in Spain); job creation in the administrative sectors, hotels and restaurants, as well as education has been outstanding over the last year. Moreover, the unemployment rate stood at 9.3% of the working population in Q3 2023 (national average of 11.8%), similar to the rate at the end of 2019.



Navarre's **industry**, which had performed extremely well in 2021-2022 - with cumulative growth of 14.0% (+9.6% in Spain), thanks to its strong competitiveness, especially in renewable energy materials - was notably weak in 2023: the region's **industrial production** fell by 3.3% year-on-year in January-October (-0.8% on average nationwide), hampered by the energy sectors and motor vehicle industry, 1.5% lower than it was in 2019, a similar difference to the country as a whole.



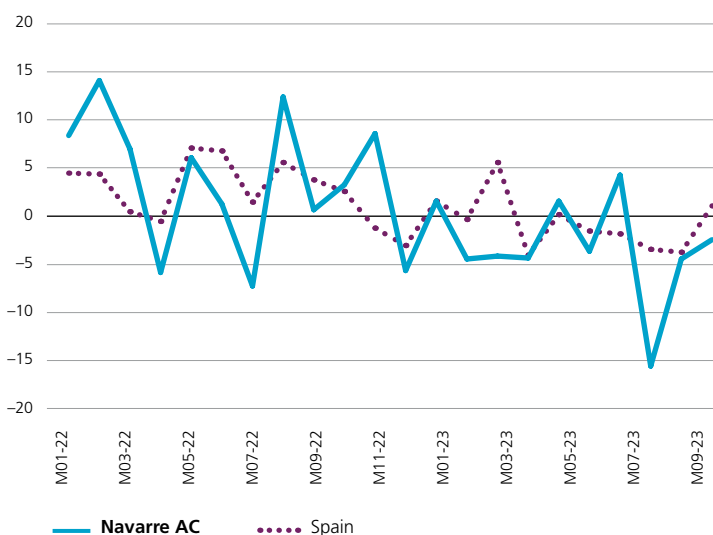
According to the **retail and consumer goods index** (in volume), household spending in Navarre is performing worse than in Spain as a whole. After falling sharply in 2022, against the backdrop of a steep rise in shopping basket prices, last year's recovery was more subdued: according to the figures up to November, it rose by 4.9% year-on-year (+7.7% in Spain) and it is still lower than it was in 2019 (-5.6% vs. +3.0%).



The weakness of Europe's main economies in 2023 had a negative impact on **Navarre's exports**, which fell by 3.8% year-on-year in January-October, whereas they stagnated in Spain: the decline in sales of motor vehicles and semi-finished goods (in particular paper, chemical products and metals) was partially offset by the strong performance of capital goods (engines and electrical appliances) and food (fruit and pulses). This means that Navarre is the only region in mainland Spain not to have returned to 2019 levels (-0.3% vs. +31.2% in Spain).

Industrial production

(% YEAR-ON-YEAR CHANGE)



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

Exports of goods

(% YEAR-ON-YEAR CHANGE)

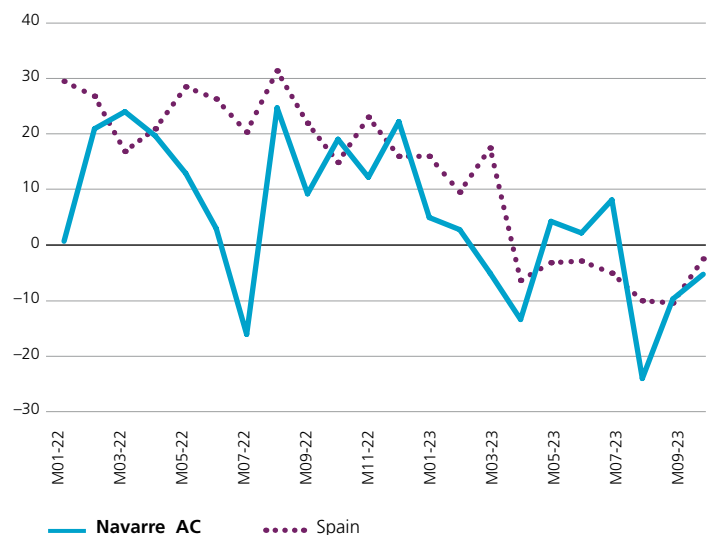







Table of indicators

Navarre AC
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)	-1.5 -1.8	2.7 2.8	-10.3 -11.2	6.5 6.4	4.7 5.8	2.2 2.4	2.3 2.4	2023
	Retail trade (% cumulative annual change)	-3.8 -4.6	1.3 2.3	-3.6 -5.6	-1.9 2.6	-4.3 -1.0	4.9 7.7	-1.2 4.8	November-23
	Industrial production index (% cumulative annual change)	-5.7 -5.3	3.1 1.8	-11.4 -9.2	10.4 7.1	3.2 2.4	-3.3 -0.8	-20.3 -6.1	October-23
	Service activity index (% cumulative annual change)	-5.0 -4.6	5.1 5.1	-10.2 -15.6	14.1 15.8	20.8 19.9	1.8 3.0	23.0 17.3	October-23
	Consumer price index (% year-on-year change)	1.6 1.7	0.8 0.7	-0.6 -0.3	3.4 3.1	8.8 8.4	3.1 3.2	16.0 15.4	November-23
 Labour market	Registered workers affiliated to Social Security (% year-on-year change)	-2.7 -3.1	2.9 3.2	-0.6 -2.1	2.2 2.5	2.5 3.9	1.9 2.7	5.5 7.4	December-23
	Registered workers affiliated to Social Security not affected by furlough (ERTE in Spanish) (% year-on-year change)	-2.7 -3.1	2.9 3.2	-6.0 -9.2	6.4 7.3	4.7 7.3	2.5 3.2	6.6 8.4	December-23
	Unemployment rate (% working population)	12.8 20.2	11.8 18.8	10.1 15.5	10.6 14.8	9.6 12.9	9.3 11.8	— —	Q3 2023
	Unemployment rate for under 25s (% working population < 25)	32.5 42.5	33.5 42.5	25.6 38.3	23.0 44.7	22.4 23.9	29.1 27.8	— —	Q3 2023
 Public sector	Public deficit (% of GDP)	-3.1 -2.7	-0.2 -0.9	-0.9 -0.2	1.3 0.0	1.3 -1.1	0.5 -0.1	— —	Q3 2023
	Autonomous Communities public debt (% of GDP)	10.8 12.3	19.2 24.1	19.1 27.2	15.2 25.6	13.9 23.6	13.1 22.3	— —	Q3 2023
 Real estate market	Housing prices (% year-on-year change)	-9.7 -8.1	2.2 5.3	1.7 2.1	2.8 3.7	7.3 7.4	7.6 4.5	20.8 19.1	Q3 2023
	Housing sales (% cumulative annual change)	-9.6 -10.8	5.4 9.7	-13.8 -16.9	33.1 34.8	3.8 14.8	-3.1 -8.7	30.8 5.9	October-23
 Foreign sector and tourism	Exports of goods (% cumulative annual change)	3.1 4.6	4.6 3.9	-12.6 -9.4	6.5 20.1	12.7 22.9	-3.8 0.0	-7.6 20.0	October-23
	Tourist overnight stays (% cumulative annual change)	1.0 0.7	5.3 3.0	-52.5 -69.2	71.1 78.3	24.6 73.3	8.3 7.1	-3.6 4.4	November-23

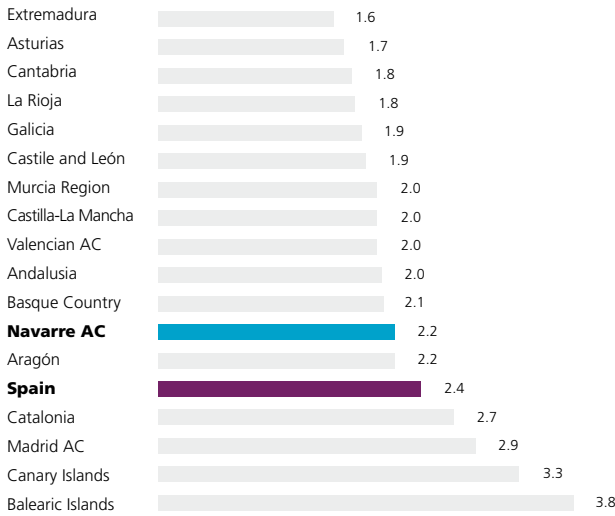
Notes: *The 2023 GDP figure is an estimate made by CaixaBank Research.

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

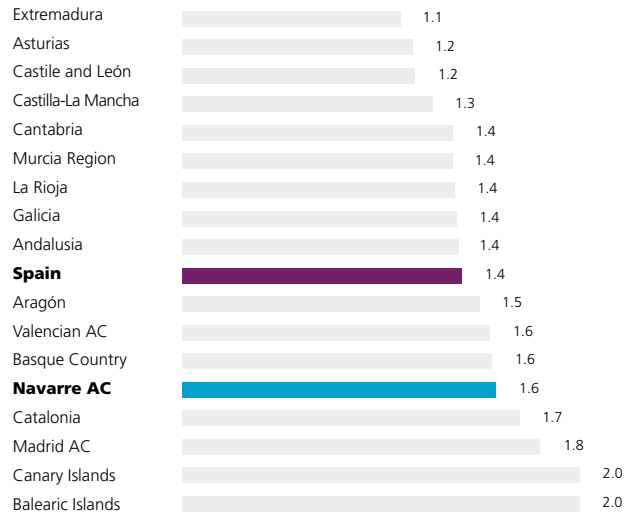
GDP (2023)

(ANNUAL CHANGE)



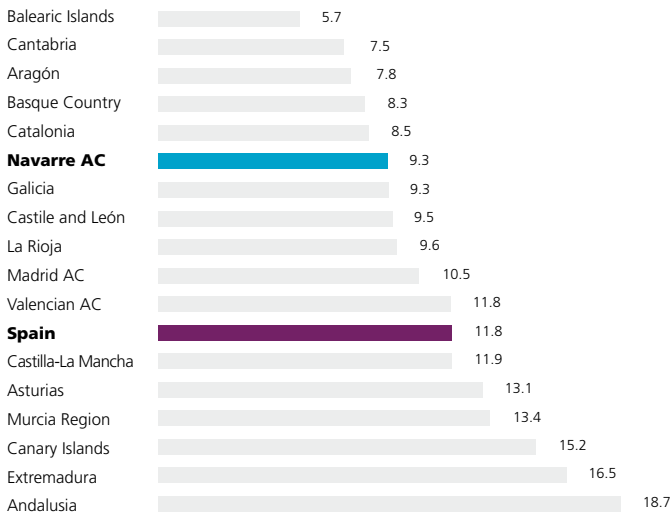
GDP growth forecast (2024)

(ANNUAL CHANGE)



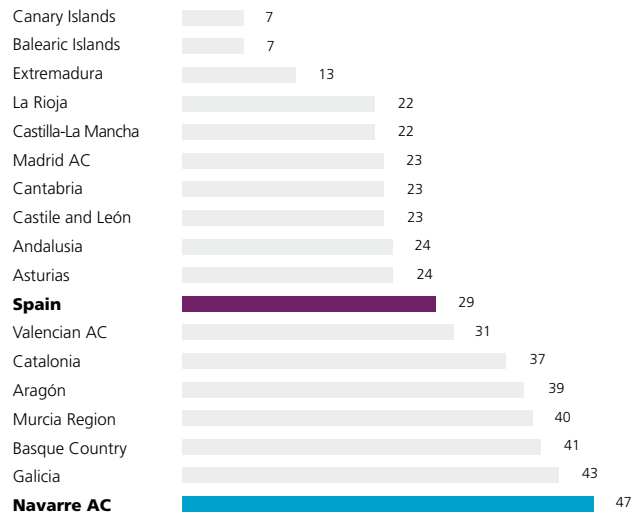
Unemployment rate (Q3 2023)

(% OF WORKING POPULATION)



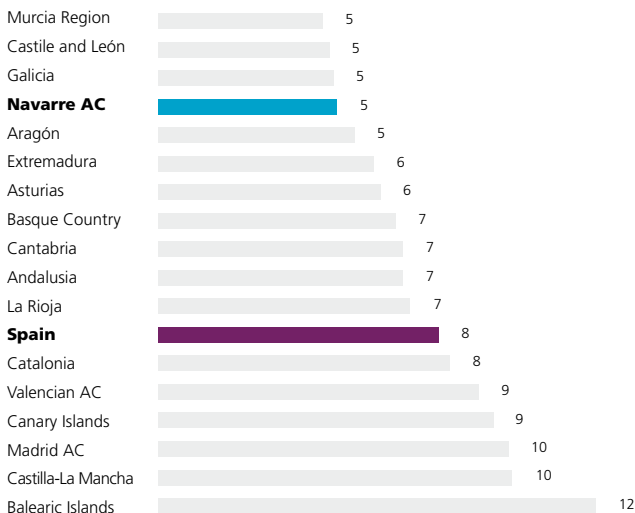
Weight of exports of goods (2022)

(% OF GDP)



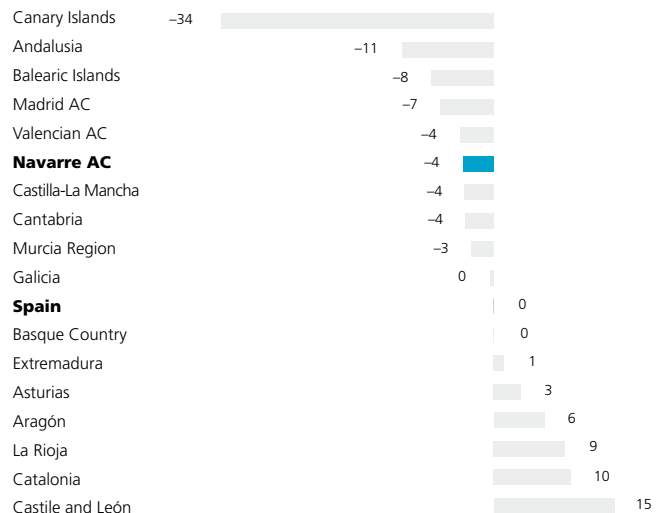
Retail trade* (January-November 2023)

(CHANGE FROM THE SAME PERIOD IN 2022)



Exports of goods (January-October 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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Closing date of this edition: 10 January 2024