



Autonomous Community Outlook

# Basque Country



**2,220,000**  
inhabitants  
(2022)



**€35,832**  
GDP per capita  
(2022)



**5.9%**  
of Spanish GDP  
(2022)



**1.6%**  
anticipated growth  
in GDP (2024)

## Regional economic structure and position

- The Basque Country, with **2.22 million inhabitants**, 4.6% of the total, is the region with the seventh largest population in Spain.
- The region's total GDP is 79.350 billion euros, representing **5.9% of Spanish GDP**, which is the fifth highest of all regions in the country.
- **GDP per capita** (35,832 euros) is the second highest in Spain (27.2% higher than the country as a whole). Álava is the province with the highest GDP per capita in the country, 50.5% above the average.
- The Basque Country's **productive sectors** are notable for the relative importance of the manufacturing industry (21.2% of GDP vs. 12.8% on average nationwide), ranked second in

the country, behind Navarre: it accounts for 10% of Spain's manufacturing output, most notably in the manufacture of machinery, capital goods, metal products and transport equipment. However, the contribution made by services and, above all, agriculture is below average.

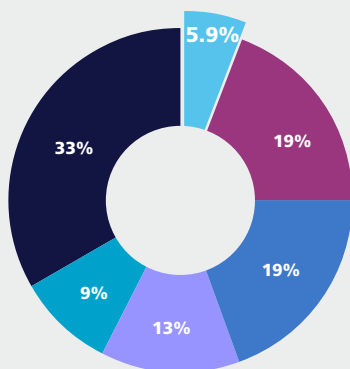
- Its strong focus on industry explains the high proportion of **regional GDP accounted for by exports of goods** (41.0%) – almost 12 points higher than the national average. It has total export sales of 32.556 billion euros (2022), 8.4% of Spanish exports. The main goods exported are: motor vehicles (16.5% of the total), iron and steel (12.2%) and industrial machinery (10.8%). The region exports 20% of the country's industrial machinery, 31% of its iron and steel and 44% of its tyres and inner tubes.

## Table of structural indicators

		1992	2002	2012	2022
<b>GDP per capita</b>	euros	11,380	22,051	28,695	<b>35,832</b>
	100 = Spain	116.3	121.9	130.1	<b>127.2</b>
<b>Population</b>	Thousands of inhabitants	2,102	2,093	2,179	<b>2,219</b>
	Average annual growth over the decade (%)	-0.2	0.0	0.4	<b>0.2</b>
	% of total in Spain	5.4	5.0%	4.7	<b>4.6</b>
	% of population > 65 years old	13.6%	18.1	20.3	<b>23.5</b>
<b>Exports of goods as a proportion of GDP</b>	%	...	24.8	33.5	<b>41.0</b>

### GDP by Autonomous Community

(% OF SPAIN AS A WHOLE)



- Basque Country
- Madrid AC
- Catalonia
- Andalusia
- Valencian AC
- Others

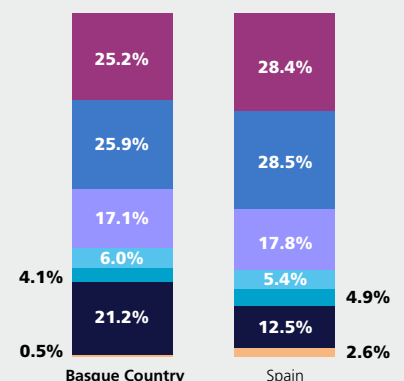
### GDP per capita

(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
<b>Spain</b>	<b>28,162</b>
La Rioja	29,579
Balearic Islands	29,603
Aragón	31,051
Catalonia	32,550
Navarre AC	33,798
<b>Basque Country</b>	<b>35,832</b>
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

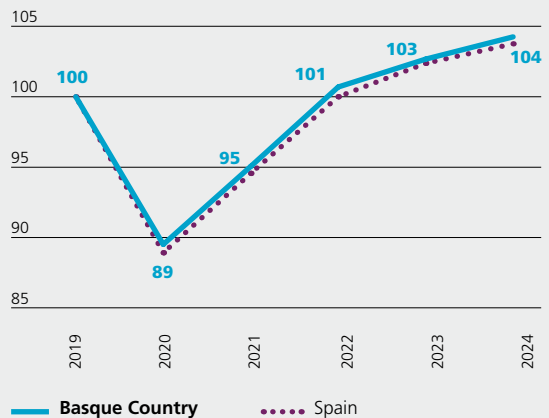
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

## Macroeconomic situation

In 2023, the Basque economy was less buoyant than in Spain as a whole: **we estimate that GDP grew by 2.1% (vs. 2.4%)**. Industry, which is highly important in the region and was hit by sluggish foreign demand, was the weakest relative performer. On the plus side, the labour market was strong and services and construction performed well.

**Our forecast points to a slowdown in GDP growth to 1.6% in 2024**, slightly above average (1.4%). The strong structural positioning of its industry and services have made the region one of the biggest beneficiaries of EU funds, so we expect investment to be the main driver of growth. In turn, rising wages, the curbing of inflation and job creation will boost household spending.

### GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



The Basque **labour market** is slightly more sluggish than across the country as a whole. After growing by 1.9% year-on-year in December 2023, almost 1 point below the average, the number of **registered workers affiliated to Social Security** is 3.3% higher than in 2019 (+7.4% in Spain): job creation in professional activities, hotels and restaurants, as well as education has been outstanding over the last year. Meanwhile, in Q3 2023 the unemployment rate was among the lowest in the country (8.3% vs. 11.8% on average) and was almost 1 point higher than it was at the end of 2019.



After strong growth in 2022, supported by the energy sectors (the region has a refinery), **industrial activity** in the Basque Country underwent a sharp downturn in 2023, with the IPI falling by 2.3% year-on-year in January-November (vs. -0.6%), due to weakening global demand; therefore, it is 3.8% lower than it was in 2019 (-1.2% nationwide).



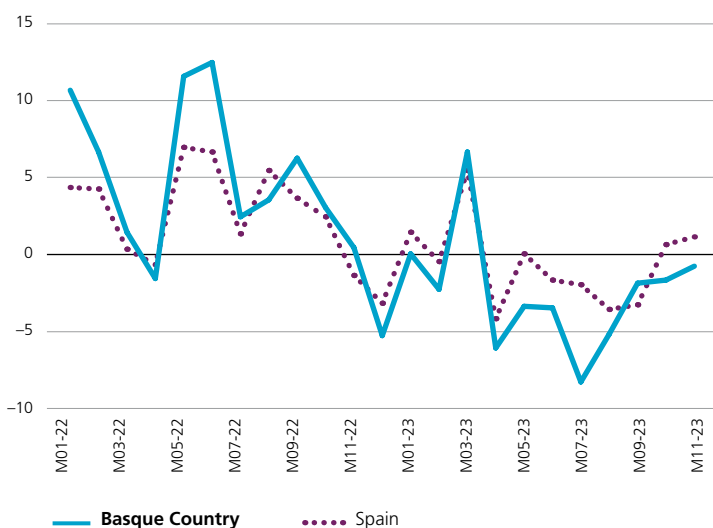
According to the **retail and consumer goods index** (in volume), household spending is performing more weakly in this region than in Spain as a whole. In addition to the sharp fall recorded in 2022, among the steepest of all regions, chiefly due to the rise in prices, the recovery was more subdued in 2023 (+6.5% year-on-year up to November vs +7.7% in Spain), so it is 2.2% lower than in 2019 (vs. +3.0%).



As with industry, Basque **exports** were hit by a sharp slowdown in 2023 and, as was the case in the country as a whole, they virtually stagnated in the first 10 months of the year; they are 26.1% higher than they were in 2019 (vs. +31.2%). Over the last year, there has been a notable upturn in exports of capital goods (especially transport equipment and industrial machinery) and motor vehicles, although there was a decline in sales of energy products, which were hit by the price correction of oil products and semi-finished goods, especially metals.

## Industrial production

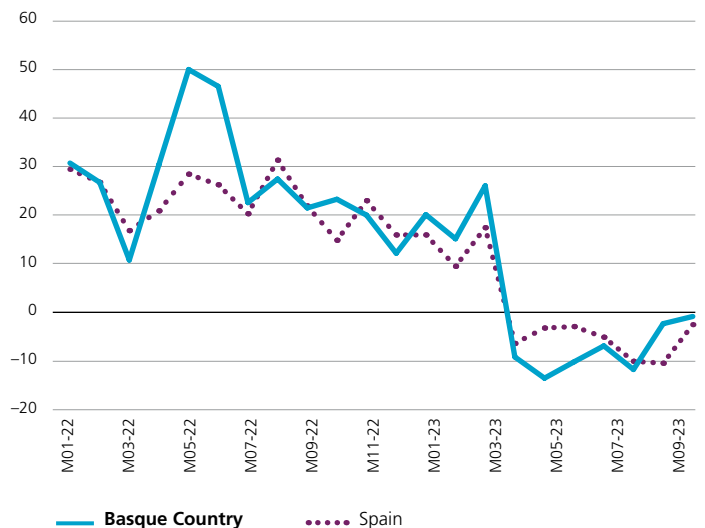
(% YEAR-ON-YEAR CHANGE)



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






## Exports of goods

(% YEAR-ON-YEAR CHANGE)



## Table of indicators

Basque Country  
Average in Spain

		2008-2013 average	2014-2019 average	2020	2021	2022	2023	Gap with 2019 (latest figure)	Latest figure
 <b>Activity and prices</b>	<b>Real GDP*</b> (% year-on-year change)	-1.6 -1.8	2.5 2.8	-10.6 -11.2	6.2 6.4	6.0 5.8	2.1 2.4	2.7 2.4	2023
	<b>Retail trade</b> (% cumulative annual change)	-4.7 -4.6	0.8 2.3	-2.1 -5.6	-1.1 2.6	-4.9 -1.0	6.5 7.7	0.8 4.8	November-23
	<b>Industrial production index</b> (% cumulative annual change)	-6.3 -5.3	2.4 1.8	-14.1 -9.2	9.4 7.1	4.3 2.4	-2.3 -0.6	-1.2 2.9	November-23
	<b>Service activity index</b> (% cumulative annual change)	-4.6 -4.6	4.8 5.1	-12.4 -15.6	15.4 15.8	16.2 19.9	2.8 3.0	15.6 17.3	October-23
	<b>Consumer price index</b> (% year-on-year change)	1.8 1.7	0.9 0.7	-0.1 -0.3	3.1 3.1	8.0 8.4	3.1 3.1	15.3 15.5	December-23
 <b>Labour market</b>	<b>Registered workers affiliated to Social Security</b> (% year-on-year change)	-2.1 -3.1	2.1 3.2	-1.3 -2.1	0.9 2.5	2.1 3.9	1.9 2.7	3.3 7.4	December-23
	<b>Registered workers affiliated to Social Security not affected by furlough</b> (% year-on-year change)	-2.1 -3.1	2.1 3.2	-7.0 -9.2	4.8 7.3	4.8 7.3	2.5 3.2	4.4 8.4	December-23
	<b>Unemployment rate</b> (% working population)	12.2 20.2	12.4 18.8	9.5 15.5	9.8 14.8	8.6 12.9	8.3 11.8	— —	Q3 2023
	<b>Unemployment rate for under 25s</b> (% working population < 25)	33.6 42.5	34.0 42.5	32.8 38.3	32.9 44.7	25.9 23.9	31.7 27.8	— —	Q3 2023
 <b>Public sector</b>	<b>Public deficit</b> (% of GDP)	-2.2 -2.7	0.0 -0.9	-0.8 -0.2	1.0 0.0	0.0 -1.1	0.1 -0.1	— —	Q3 2023
	<b>Autonomous Communities public debt</b> (% of GDP)	7.2 12.3	15.1 24.1	16.2 27.2	15.4 25.6	13.5 23.6	12.7 22.3	— —	Q3 2023
 <b>Real estate market</b>	<b>Housing prices</b> (% year-on-year change)	-8.7 -8.1	3.7 5.3	2.3 2.1	2.1 3.7	6.4 7.4	3.8 4.5	15.5 19.1	Q3 2023
	<b>Housing sales</b> (% cumulative annual change)	-10.8 -10.8	12.0 9.7	-13.6 -16.9	21.3 34.8	9.1 14.8	-11.4 -8.7	-9.5 5.9	October-23
 <b>Foreign sector and tourism</b>	<b>Exports of goods</b> (% cumulative annual change)	0.3 4.6	2.5 3.9	-17.1 -9.4	21.5 20.1	26.9 22.9	0.1 0.0	19.8 20.0	October-23
	<b>Tourist overnight stays</b> (% cumulative annual change)	3.2 0.7	7.2 3.0	-58.7 -69.2	70.0 78.3	49.2 73.3	10.3 7.1	13.7 4.4	November-23

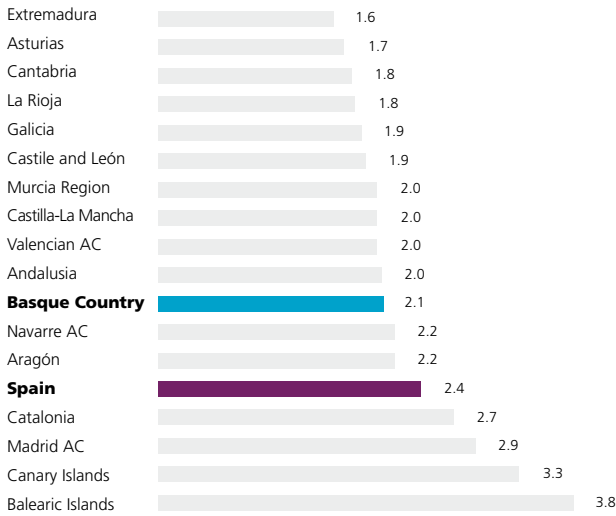
Notes: \*The 2023 GDP figure is an estimate made by CaixaBank Research.

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

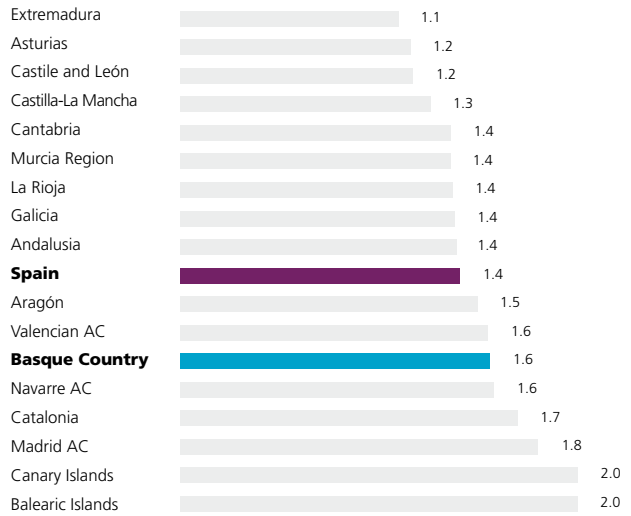
### GDP (2023)

(ANNUAL CHANGE)



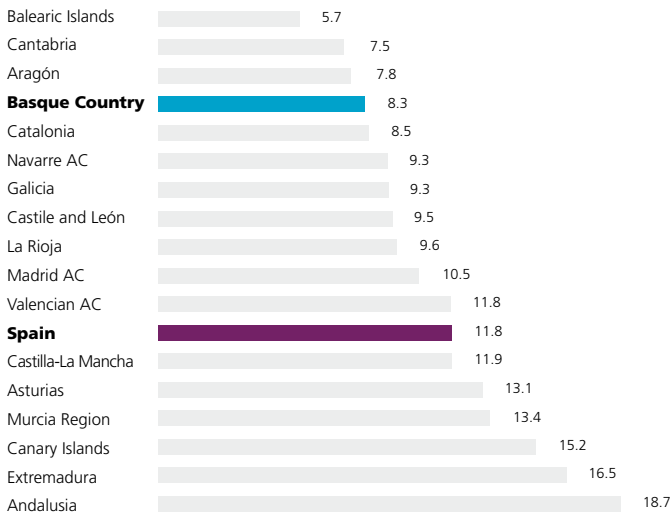
### GDP growth forecast (2024)

(ANNUAL CHANGE)



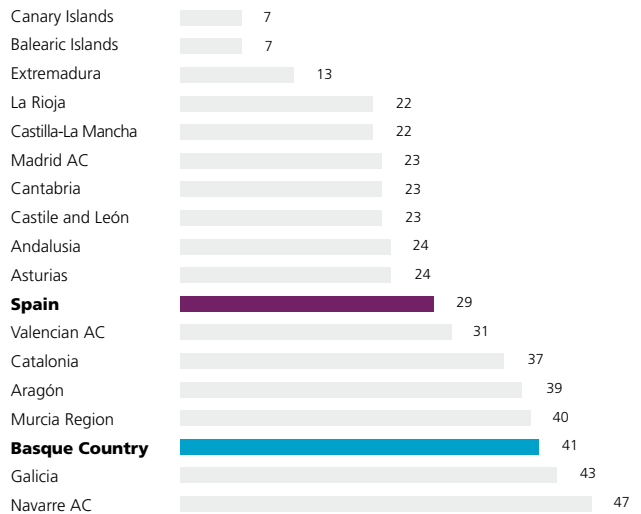
### Unemployment rate (Q3 2023)

(% OF WORKING POPULATION)



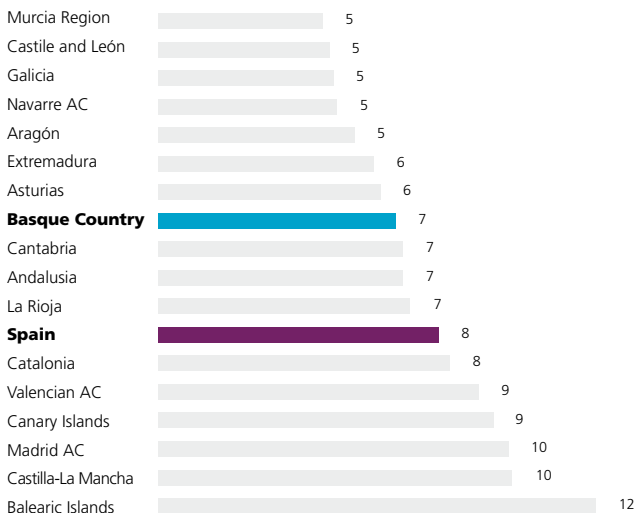
### Weight of exports of goods (2022)

(% OF GDP)



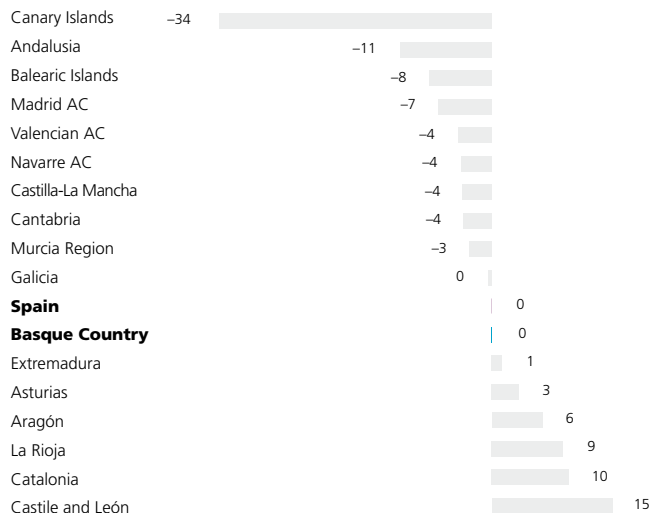
### Retail trade\* (January-November 2023)

(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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