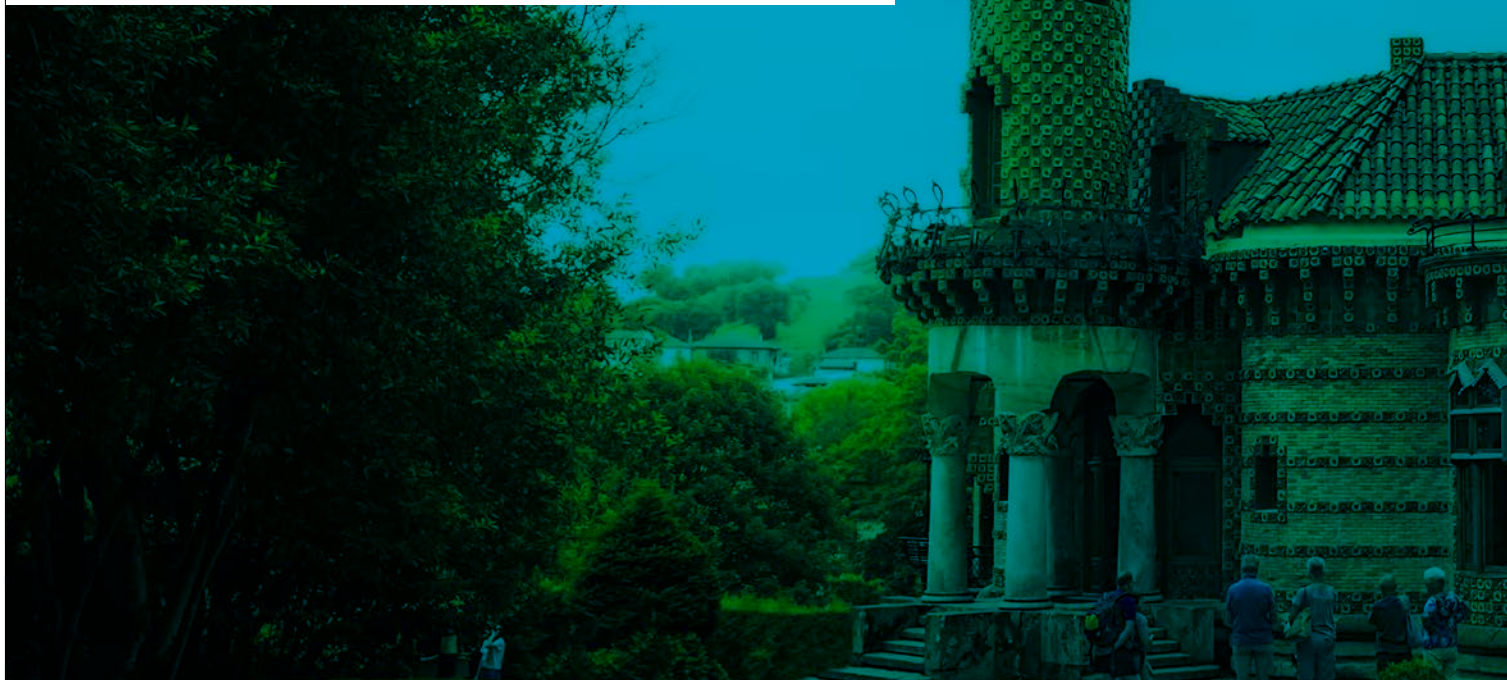




Autonomous Community Outlook

Cantabria



588,253
inhabitants
(2022)



€26,167
GDP per capita
(2022)



1.1%
of Spanish GDP
(2022)



1.4%
anticipated growth
in GDP (2024)

Regional economic structure and position

- In terms of **GDP**, Cantabria is the region with the second lowest GDP in the country, with 15.355 billion euros, 1.1% of the national total.
- With just over **588,000 inhabitants** (1.2% of Spain's total population), it also ranks second to last in terms of demographics.
- Its **GDP per capita** stands at 26,167 euros, 7.1% below the Spanish average. It has dropped further below the average in recent years, mainly due to poor economic growth and within a context of slight population decline.
- In terms of its **productive sectors**, it is notable for the relative importance of construction (6.3% vs. 5.4% of the Spanish

average), public administration (18.9% vs. 17.8%) and, above all, the manufacturing industry (18.3% v. 12.5%). However, it has a lower share in trade, transportation, hotels and restaurants, and leisure (25.3% vs. 28.4%) and agriculture (1.2% vs. 2.6%).

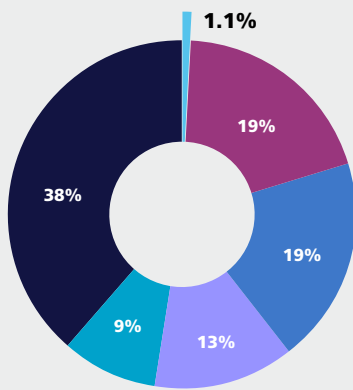
- This region is not highly **export**-oriented: despite the great strides made in recent years, exports of goods only account for 22.9% of regional GDP, 6 points below the Spanish average. In 2022, Cantabria exported goods worth 3.510 billion euros, representing 0.9% of Spanish exports. The **leading export sectors** are iron and steel (16.8% of the total), chemical products (15.7%) and electrical appliances (12.1%).

Table of structural indicators

| | | 1992 | 2002 | 2012 | 2022 |
|--|---|-------|--------|--------|---------------|
| GDP per capita | Euros | 8,966 | 17,076 | 20,583 | 26,167 |
| | 100 = Spain | 91.6 | 94.4 | 93.4 | 92.9 |
| Population | Thousands of inhabitants | 530 | 542 | 590 | 588 |
| | Average annual growth over the decade (%) | 0.2 | 0.2 | 0.9 | 0.0 |
| | % of the total in Spain | 1.3 | 1.3 | 1.3 | 1.2 |
| | % of the population > 65 years old | 16.1 | 19.1 | 19.4 | 23.4 |
| Exports of goods as a proportion of GDP | % | ... | 16.6 | 22.3 | 22.9% |

GDP by Autonomous Community

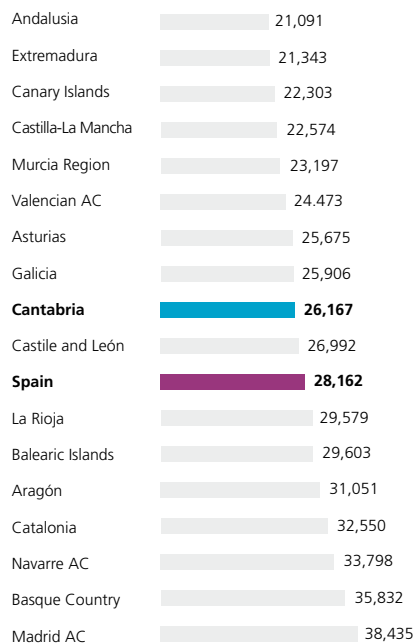
(% OF SPAIN AS A WHOLE)



- Cantabria
- Madrid AC
- Catalonia
- Andalusia
- Valencian AC
- Others

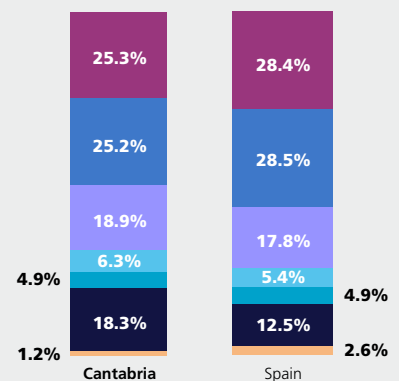
GDP per capita

(EUROS)



Productive sectors

(AS A % OF GVA)



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

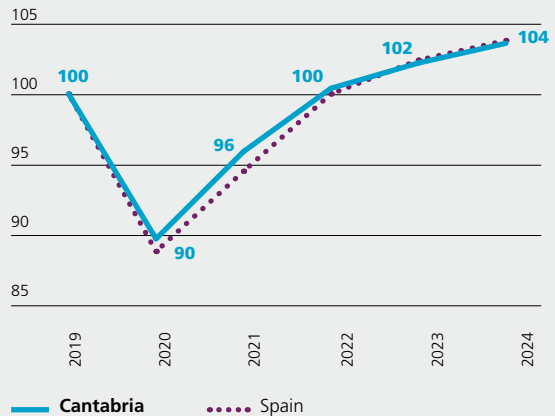
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

According to CaixaBank Research estimates, **Cantabria's GDP grew by 1.8% in 2023**, below the national average (2.4%), hampered by the weak performance of industrial activity, and in a context of lower demand from the main trading partners. In turn, the services and construction sectors performed well, as a result of increased spending in public works.

For 2024, our forecasts indicate that Cantabria's GDP will grow by 1.4%, similar to the national average. We expect industry to recover hand-in-hand with the allocation of NGEU funds, as well as household spending, thanks to the improvement in real income and a relatively healthy financial position. However, there is a lot of uncertainty surrounding this scenario, which is associated with the pass-through and impact of monetary policy or shocks in the supply chain due to geopolitical tensions.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



Cantabria's **labour market** is not performing as well as Spain as a whole: the year-on-year growth in the number of registered workers affiliated to Social Security was 1.4% in December 2023 (vs. 2.7% in Spain), so the number of registered workers affiliated to Social Security was 3.6% higher than at the end of 2019 (vs. 7.4%); over the last year, job creation has been outstanding in information and communications, professional activities and healthcare, whereas there have been job losses in agriculture and construction. In terms of the unemployment rate, in Q4 2023 it was 7.5%, the second lowest in Spain and well below the national average (11.8%) and the Q4 2019 figures (11.2%).



In terms of consumption, **retail and consumer goods** (in volume) suffered a somewhat more moderate decline than Spain as a whole in 2023, with a year-on-year growth of 6.7% until November (vs. 7.7%), so it is slightly higher (by 4.6%) than it was in 2019 (+3.0% nationwide).



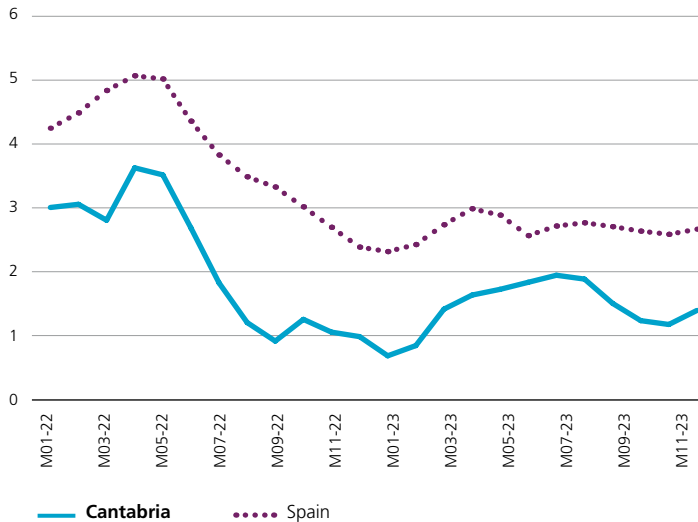
Cantabria's **industrial sector** has performed very poorly. After the decline noted in 2022, **industrial production** dropped further in January-November of last year, held back by the performance of consumer durables and intermediate goods –the main branch in Cantabria's industry–, with a year-on-year decline of 5.6%, the second sharpest drop in the country (–0.6% on average), and still far from pre-pandemic levels (–6.9% compared to 2019 vs. –1.2% for Spain).



Exports of goods in the region are not performing as well as in the rest of Spain: in 2023 (data until November), they dropped by 3.6% year-on-year (–0.7% in Spain); compared to the same period in 2019, the figures show a positive trend (+27.0%), although they remain below the national average (+32.1%). Last year, the strong performance of food sales (particularly oils, tobacco and fish products) and the motor vehicle industry was a contrast to the sharp decline in semi-manufactured goods (especially iron, steel and chemical products).

Registered workers affiliated to Social Security

(% YEAR-ON-YEAR CHANGE)



Source: CaixaBank Research, based on data from the Ministry of Social Security and the National Statistics Institute (INE).

Industrial production

(% YEAR-ON-YEAR CHANGE)

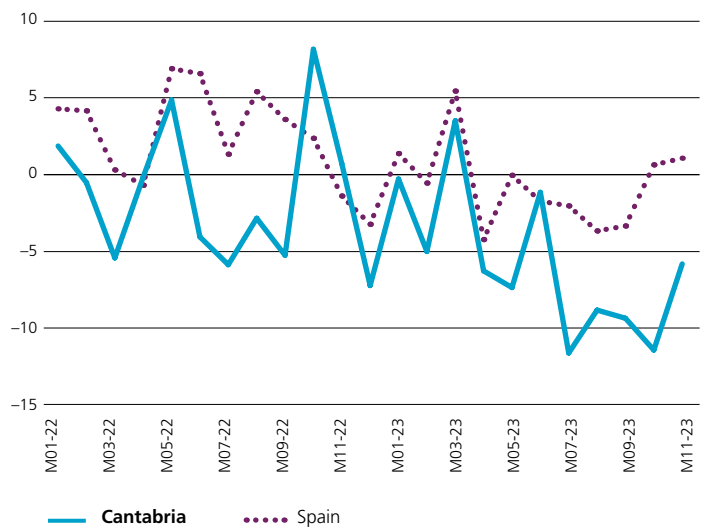







Table of indicators

Cantabria
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) | -2.4 -1.8 | 2.3 2.8 | -10.3 -11.2 | 6.9 6.4 | 4.8 5.8 | 1.8 2.4 | 2.2 2.4 | 2023 |
| | Retail trade (% cumulative annual change) | -4.4 -4.6 | 1.4 2.3 | -3.9 -5.6 | 2.9 2.6 | -0.6 -1.0 | 6.7 7.7 | 7.0 4.8 | November-23 |
| | Industrial production index (% cumulative annual change) | -2.6 -5.3 | 2.1 1.8 | -9.3 -9.2 | 10.6 7.1 | -1.3 2.4 | -5.6 -0.6 | -4.2 2.9 | November-23 |
| | Service activity index (% cumulative annual change) | -4.1 -4.6 | 6.0 5.1 | -11.3 -15.6 | 14.2 15.8 | 13.9 19.9 | 4.7 2.7 | 25.9 24.5 | November-23 |
| | Consumer price index (% year-on-year change) | 1.9 1.7 | 0.6 0.7 | -0.3 -0.3 | 3.3 3.1 | 8.3 8.4 | 3.3 3.1 | 15.4 15.5 | December-23 |
|  Labour market | Registered workers affiliated to Social Security (% year-on-year change) | -3.1 -3.1 | 2.2 3.2 | -1.7 -2.1 | 2.3 2.5 | 2.1 3.9 | 1.4 2.7 | 3.6 7.4 | December-23 |
| | Registered workers affiliated to Social Security not affected by furlough (% year-on-year change) | -3.1 -3.1 | 2.2 3.2 | -7.3 -9.2 | 6.2 7.3 | 4.8 7.3 | 1.9 3.2 | 4.7 8.4 | December-23 |
| | Unemployment rate (% working population) | 14.4 20.2 | 14.4 18.8 | 12.2 15.5 | 11.5 14.8 | 9.4 12.9 | 7.5 11.8 | — — | Q4 2023 |
| | Unemployment rate for under 25s (% working population < 25) | 36.0 42.5 | 37.6 42.5 | 42.3 38.3 | 28.0 44.7 | 25.8 23.9 | 22.0 28.4 | — — | Q4 2023 |
|  Public sector | Public deficit (% of GDP) | -3.2 -2.7 | -1.1 -0.9 | 0.4 -0.2 | 0.9 0.0 | -0.6 -1.1 | 0.1 -0.1 | — — | Q3 2023 |
| | Autonomous Communities public debt (% of GDP) | 9.4 12.3 | 21.7 24.1 | 26.0 27.2 | 24.4 25.6 | 21.9 23.6 | 19.7 22.3 | — — | Q3 2023 |
|  Real estate market | Housing prices (% year-on-year change) | -9.2 -8.1 | 3.7 5.3 | 1.2 2.1 | 5.5 3.7 | 9.7 7.4 | 5.9 4.5 | 25.5 19.1 | Q3 2023 |
| | Housing sales (% cumulative annual change) | -15.7 -10.8 | 9.7 9.7 | -11.7 -16.9 | 37.6 34.8 | 13.9 14.8 | -8.1 -9.3 | 47.7 20.5 | November-23 |
|  Foreign sector and tourism | Exports of goods (% cumulative annual change) | 0.4 4.6 | 0.6 3.9 | -5.5 -9.4 | 19.8 20.1 | 18.3 22.9 | -3.6 -0.7 | 35.6 40.9 | November-23 |
| | Tourist overnight stays (% cumulative annual change) | -1.2 0.7 | 5.2 3.0 | -44.3 -69.2 | 33.8 78.3 | 35.0 73.3 | 5.1 7.1 | -11.9 4.4 | November-23 |

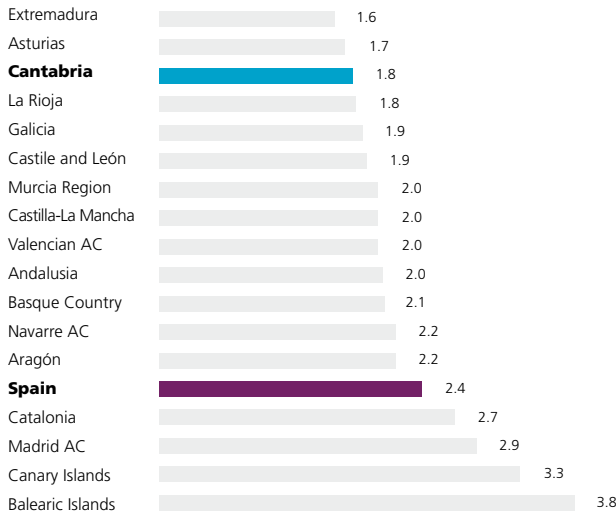
Notes: *The 2023 GDP figure is an estimate made by CaixaBank Research.

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

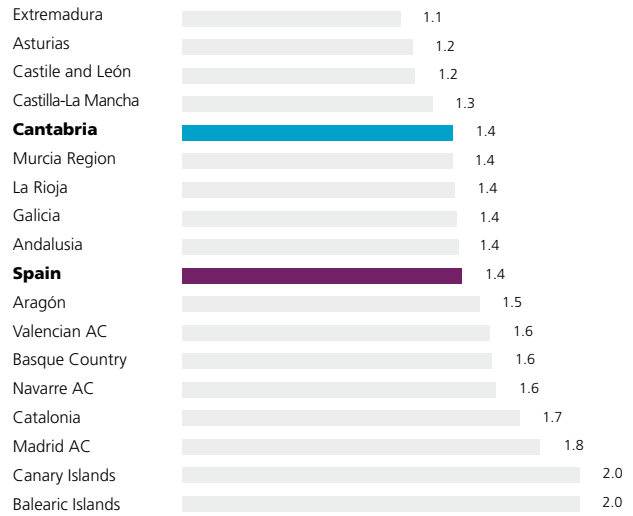
GDP (2023)

(ANNUAL CHANGE)



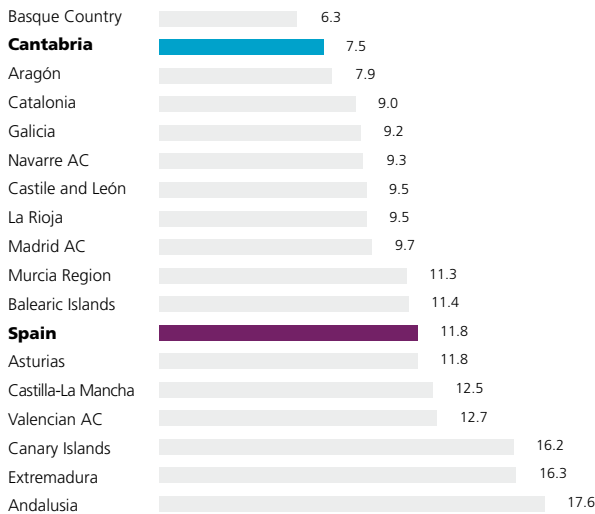
GDP growth forecast (2024)

(ANNUAL CHANGE)



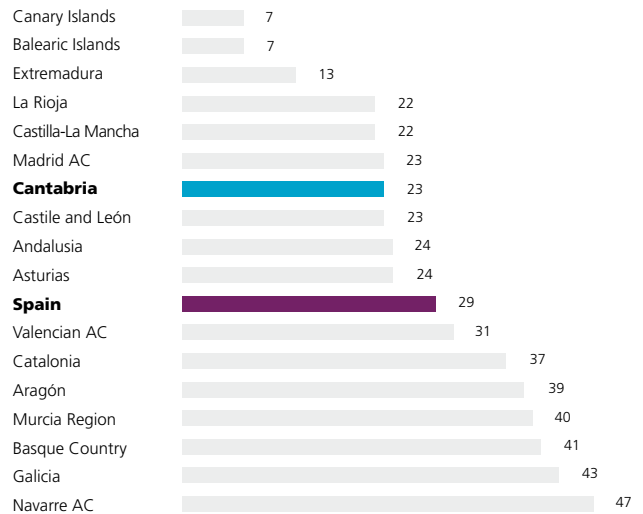
Unemployment rate (Q4 2023)

(% OF WORKING POPULATION)



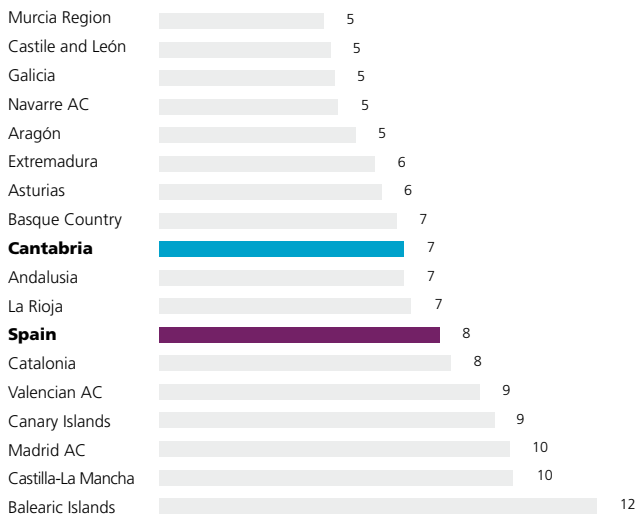
Weight of exports of goods (2022)

(% OF GDP)



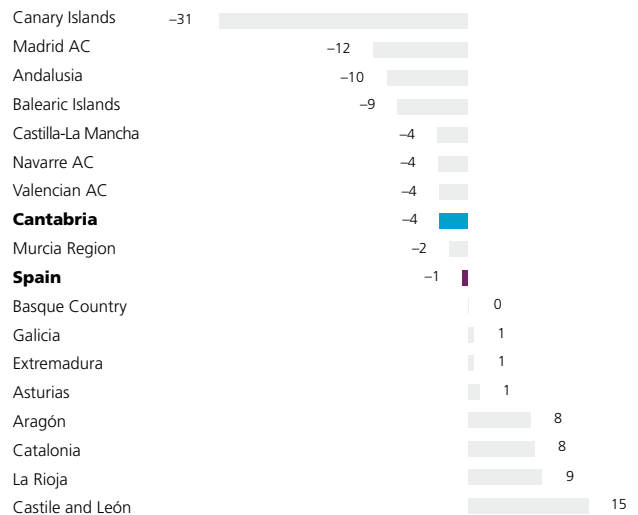
Retail trade* (January-November 2023)

(CHANGE FROM THE SAME PERIOD IN 2022)



Exports of goods (January-November 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: 26 January 2024