



Autonomous Community Outlook

Castile and León



2,380,000
inhabitants
(2022)



€26,992
GDP per capita
(2022)



4.8%
of Spanish GDP
(2022)



1.2%
anticipated growth
in GDP (2024)

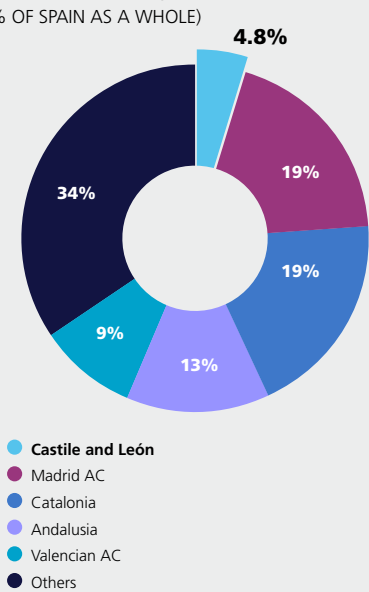
Regional economic structure and position

- Castile and León's **GDP** accounts for 4.8% of Spain's GDP, so it is ranked seventh out of all regions.
- With a **population** of almost 2.4 million inhabitants, 5.0% of the total, it is the sixth most highly populated region; it is one of the oldest regions, as 26.5% of its population is over 65 years old (national average of 20.1%).
- **GDP per capita** stands at 26,992 euros, which is 4.2% below the Spanish average. The region has been catching up in recent years, within a context of sharp population decline and modest economic growth.
- In terms of its **productive sectors**, Castile and León is notable for the relative importance of its public sector (20.9% vs. the national average of 17.8%), agriculture (5.2% vs. 2.6%) and the manufacturing industry (16.4% vs. 12.5%), above all, the agri-food, chemical-pharmaceutical and motor vehicle industries. However, it has a lower share in trade, transportation, hotels and restaurants, and leisure (24.4% vs. 28.4%) and industry-related services (22.1% vs. 28.5%).
- Although the region has become more **export**-oriented in recent years, exports of goods account for a lower percentage of regional GDP (23.1%) than the Spanish average (28.9%). In 2022, it exported goods worth 14.813 billion euros, representing 3.8% of Spanish exports. The **leading export sectors** are the motor vehicle industry (27.2% of the total), food (19.5%) and chemical products (11.4%). The region accounts for 40% of the tyres and inner tubes exported by Spain.

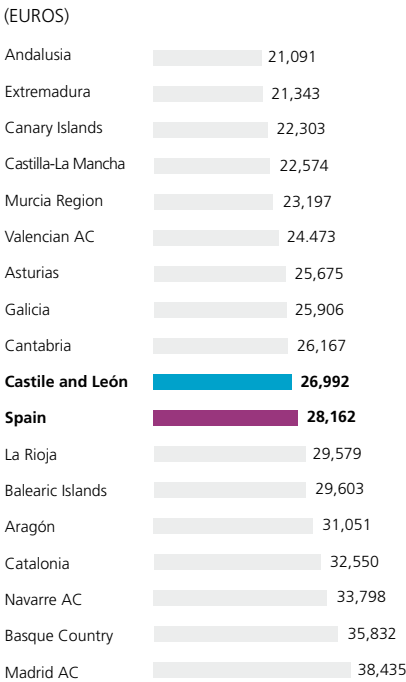
Table of structural indicators

		1992	2002	2012	2022
GDP per capita	Euros	8,762	16,419	20,920	26,992
	100 = Spain	89.5	90.7	94.9	95.8
Population	Thousands of inhabitants	2,535	2,464	2,517	2,382
	Average annual growth over the decade (%)	-0.2	-0.3	0.2	-0.6
	% of total in Spain	6.5	5.9	5.4	5.0
	% of population > 65 years old	18.6	22.7	23.3	26.5
Exports of goods as a proportion of GDP	%	...	19.6	22.1	23.1

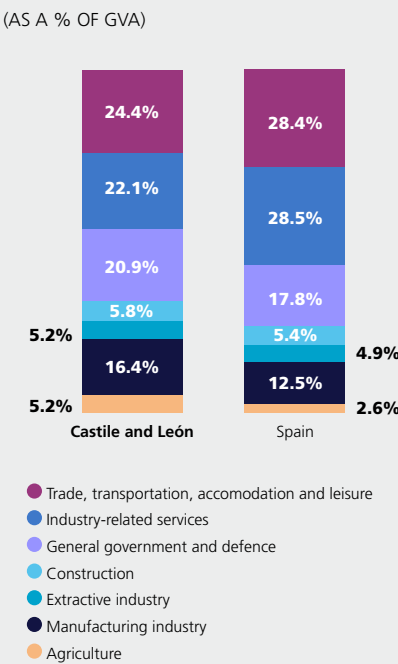
GDP by Autonomous Community



GDP per capita



Productive sectors



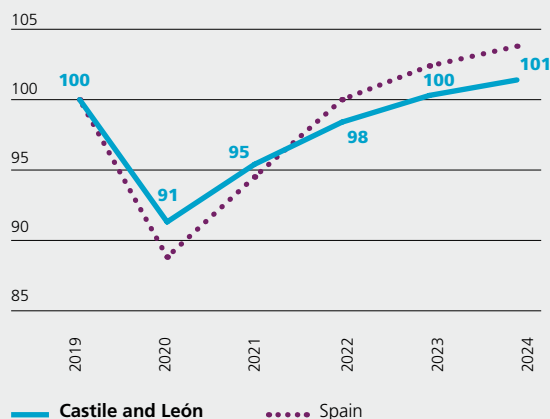
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

According to our estimates, **Castile and León's GDP grew by 1.9% in 2023**, less than the Spanish economy as a whole (2.4%), and recovered the pre-pandemic level a year later than the rest of Spain. Added to the prolonged contraction of the agricultural sector was the impact of inflation and rising interest rates on household spending; on the plus side, normalisation of the supply chains helped boost the industrial sector, in particular, the motor vehicle industry.

CaixaBank Research's forecasts point to Castile and León **continuing along an expansionary path in 2024, though at a slower pace, with GDP growth of 1.2%** (1.4% in Spain). Industry will continue to perform well, but construction and, above all, the services sector will slow down its growth. As in other industrial regions, the main risk of the scenario comes from the potential impact of geopolitical tensions, due to a rise in the price of commodities or blocked trade routes.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



Castile and León's **labour market** is slightly more sluggish than across the country as a whole. In December 2023, the number of registered workers affiliated to Social Security grew by 2.2% year-on-year (2.7% in Spain), mainly thanks to healthcare and education, and by 4.0% when compared to 2019 levels (vs. 7.4%). In turn, the unemployment rate in Q4 2023 was 9.5%, lower than it was at the end of 2019 (11.2%) and below the national average (11.8%).



Consumption remains somewhat sluggish in the region, in view of its performance in **retail and consumer goods** in volume. After the sharp decline in 2022, constrained by the inflationary climate, the upturn between January-November 2023 was more modest than in the rest of Spain (+4.7% year-on-year vs. +7.7%), so it was one of the regions that was furthest from 2019 levels (-4.7% vs. +3.0% in Spain).



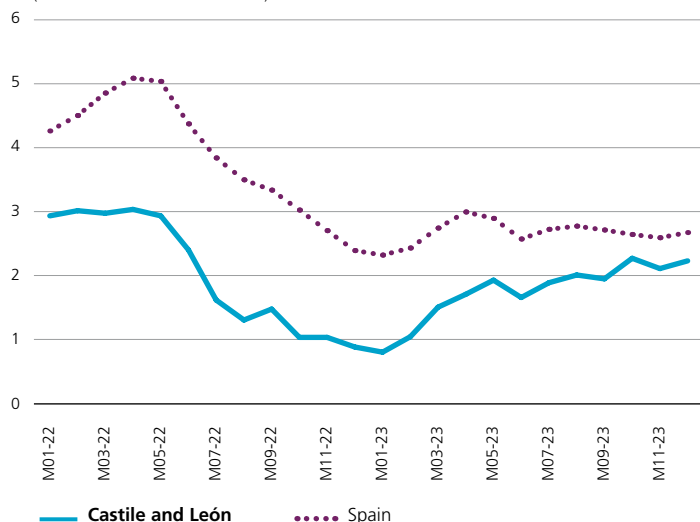
Industrial production, which recorded the worst figures of all regions in 2022, after being severely affected by the impact of bottlenecks in global markets and high energy costs, experienced a sharp upswing in the first 11 months of 2023 (+3.7% vs. -0.6%), supported by the chemical, electricity supply and motor vehicle industries. In any case, Castile and León's IPI remains far from 2019 levels (-4.3% vs. -1.2%).



After the stagnation of the previous year, there was a sharp upswing in the **exports** of goods in 2023, with a growth of 15.2% year-on-year until November, the best result of all regions, compared to the decline of the national average (-0.7%): exports of the motor vehicle industry, semi-manufactured products (in particular, tyres and inner tubes), and food (processed foods, fruit and pulses) were notably buoyant. Therefore, the region's export sales were up by 15.4% when compared to the levels of January-November 2019; in any case, far from Spain's levels (+32.1%).

Registered workers affiliated to Social Security

(% YEAR-ON-YEAR CHANGE)



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

Industrial production

(% YEAR-ON-YEAR CHANGE)

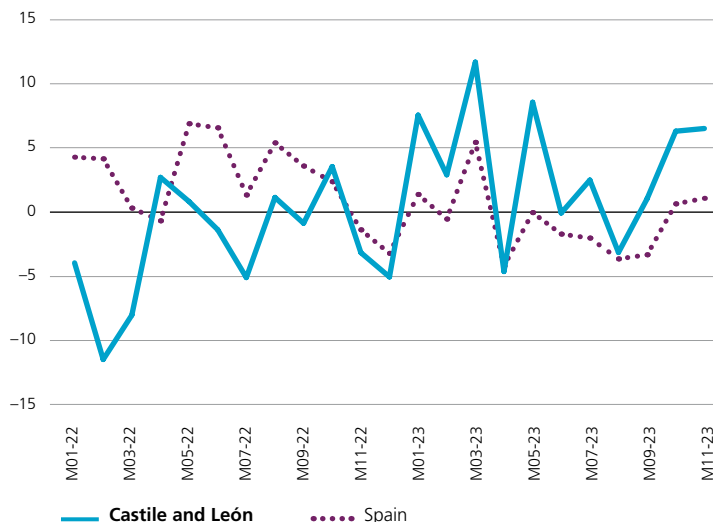







Table of indicators

Castile and León
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)	-1.9 -1.8	1.9 2.8	-8.7 -11.2	4.5 6.4	3.1 5.8	1.9 2.4	0.3 2.4	2023
	Retail trade (% cumulative annual change)	-3.1 -4.6	1.3 2.3	-4.7 -5.6	-0.9 2.6	-3.3 -1.0	4.7 7.7	-1.6 4.8	November-23
	Industrial production index (% cumulative annual change)	-5.3 -5.3	-0.1 1.8	-9.1 -9.2	5.2 7.1	-2.8 2.4	3.7 -0.6	2.7 2.9	November-23
	Service activity index (% cumulative annual change)	-4.0 -4.6	2.7 5.1	-10.5 -15.6	15.0 15.8	13.4 19.9	3.8 2.7	24.0 24.5	November-23
	Consumer price index (% year-on-year change)	1.8 1.7	0.7 0.7	-0.6 -0.3	3.5 3.1	9.5 8.4	2.8 3.1	16.7 15.5	December-23
 Labour market	Registered workers affiliated to Social Security (% year-on-year change)	-2.9 -3.1	1.9 3.2	-1.9 -2.1	1.5 2.5	2.0 3.9	2.2 2.7	4.0 7.4	December-23
	Registered workers affiliated to Social Security not affected by furlough (% year-on-year change)	-2.9 -3.1	1.9 3.2	-7.7 -9.2	5.7 7.3	5.0 7.3	3.2 3.2	5.9 8.4	December-23
	Unemployment rate (% working population)	16.3 20.2	15.4 18.8	12.1 15.5	11.4 14.8	9.8 12.9	9.5 11.8	— —	Q4 2023
	Unemployment rate for under 25s (% working population < 25)	37.0 42.5	39.1 42.5	34.6 38.3	29.8 44.7	26.6 23.9	29.5 28.4	— —	Q4 2023
 Public sector	Public deficit (% of GDP)	-2.4 -2.7	-0.9 -0.9	0.6 -0.2	-0.1 0.0	-1.1 -1.1	0.3 -0.1	— —	Q3 2023
	Autonomous Communities public debt (% of GDP)	9.1 12.3	20.0 24.1	23.6 27.2	22.5 25.6	20.5 23.6	20.3 22.3	— —	Q3 2023
 Real estate market	Housing prices (% year-on-year change)	-7.8 -8.1	2.6 5.3	2.4 2.1	3.6 3.7	6.1 7.4	2.5 4.5	16.3 19.1	Q3 2023
	Housing sales (% cumulative annual change)	-13.5 -10.8	7.7 9.7	-11.0 -16.9	35.8 34.8	11.8 14.8	-2.9 -9.3	37.6 20.5	November-23
 Foreign sector and tourism	Exports of goods (% cumulative annual change)	5.0 4.6	2.8 3.9	-8.8 -9.4	11.1 20.1	-0.2 22.9	15.2 -0.7	27.3 40.9	November-23
	Tourist overnight stays (% cumulative annual change)	-2.5 0.7	4.9 3.0	-58.8 -69.2	66.5 78.3	42.2 73.3	6.4 7.1	-0.7 4.4	November-23

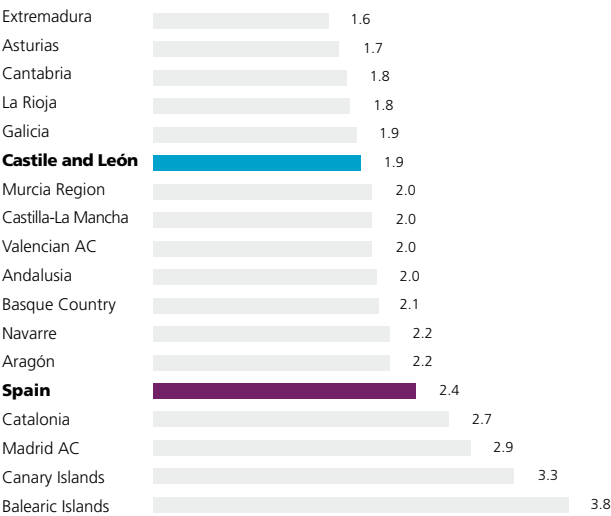
Note: *The 2023 GDP figure is an estimate made by CaixaBank Research.

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

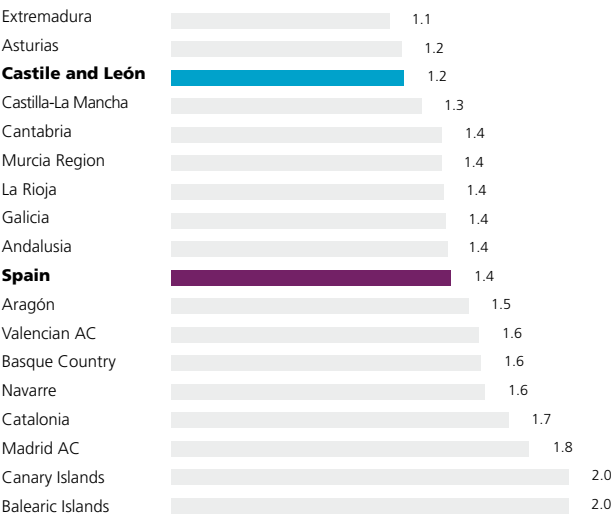
GDP (2023)

(ANNUAL CHANGE)



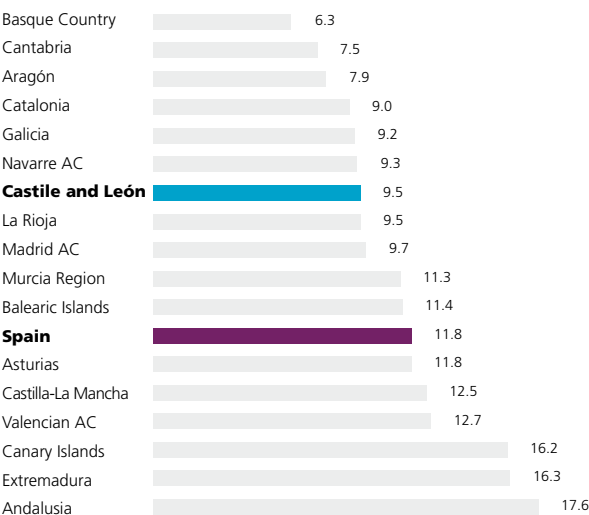
GDP growth forecast (2024)

(ANNUAL CHANGE)



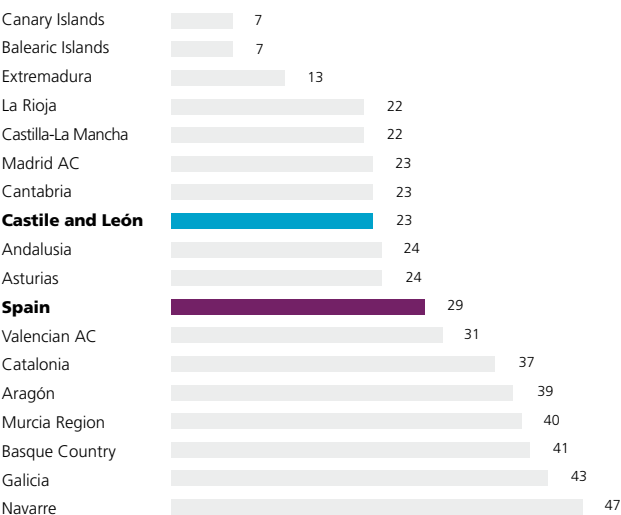
Unemployment rate (Q4 2023)

(% OF WORKING POPULATION)



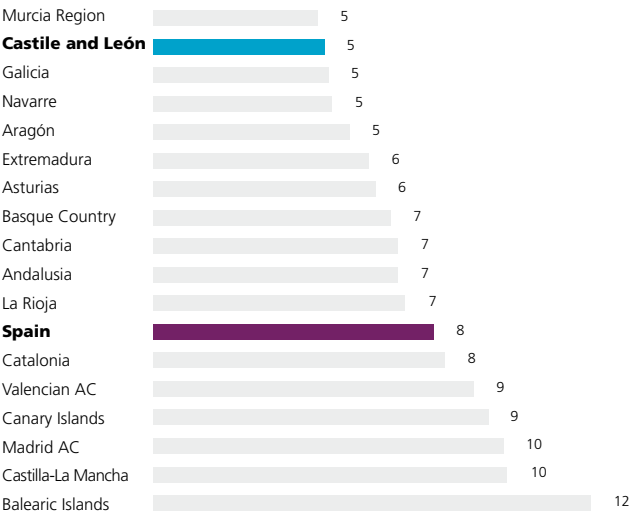
Weight of exports of goods (2022)

(% 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