



Autonomous Community Outlook

Canary Islands



2,260,000
inhabitants
(2024)



€24,345
of GDP per capita
(2023)



3.6%
of Spanish GDP
(2023)



2.8%
anticipated growth
in GDP (2025)

Regional economic structure and position

- The Canary Islands have **2.26 million inhabitants, 4.6% of the total**, making it the Spanish region with the seventh largest population. It is one of the autonomous communities that has seen the strongest population growth over the last two decades and it is among the youngest regions: 18.3% of the population is over the age of 65 (20.7% on average).
- The GDP of the Canary Islands (54.194 billion euros) accounts for **3.6% of Spanish GDP**, the eighth highest of all regions.
- **GDP per capita** (24,345 euros) is the third lowest in the country and 21.4% below the national average. The region has been falling further behind the average, due to strong population growth coupled with a less buoyant economy.
- The Canary Islands' **sectoral composition** is highly dependent on the tourism sector, which is reflected in the

importance of trade, transportation, hotels and restaurants, and leisure (38.9% of GDP, 10 points above Spain as a whole); the public sector also plays a key role (21.0% vs. 17.4%). However, the manufacturing industry is of far lesser importance (2.8% vs. 11.9%).

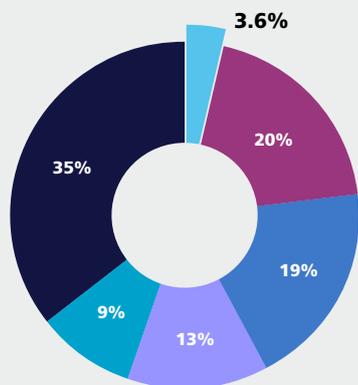
- Reflecting the less prominent role played by industry, **exports of goods** account for the smallest proportion of GDP of all the regions (4.3%): almost 60% are energy products – fuel for aircraft and ships. In contrast, exports of **tourism services** are particularly important for the Canary Islands: in 2024, foreign tourists spent over 23 billion euros in the region, 18.1% of their total spending throughout Spain, and tourism directly and indirectly contributed over 35% of the Canary Islands' GDP.

Table of structural indicators

		1993	2003	2013	2023
GDP per capita	Euros	9,655	17,480	18,160	24,345
	100 = Spain	96.0	91.9	82.5	78.6
Population	Thousands of inhabitants	1,549	1,804	2,098	2,239
	Average annual growth over the decade (%)	0.9	1.5	1.5	0.7
	% of the total in Spain	3.9	4.2	4.5	4.6
	% of population > 65 years old	9.9	12.1	14.6	17.8
Exports of goods as a proportion of GDP	%	...	2.3	6.9	4.3

GDP by Autonomous Community

(% OF SPAIN AS A WHOLE)



- Canary Islands
- Community of Madrid
- Catalonia
- Andalusia
- Valencian Community
- Others

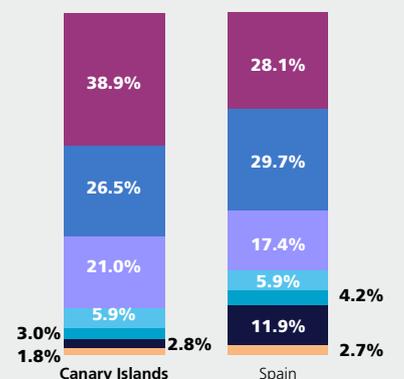
GDP per capita

(EUROS)

Andalusia	23,218
Extremadura	23,604
Canary Islands	24,345
Castilla-La Mancha	25,758
Murcia Region	25,887
Valencian AC	26,453
Asturias	28,130
Cantabria	28,461
Galicia	28,644
Castile and León	29,698
Spain	30,968
La Rioja	32,828
Balearic Islands	34,381
Aragón	34,658
Catalonia	35,325
Navarre AC	37,088
Basque Country	39,547
Madrid AC	42,198

Productive sectors

(AS A % OF GVA)



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

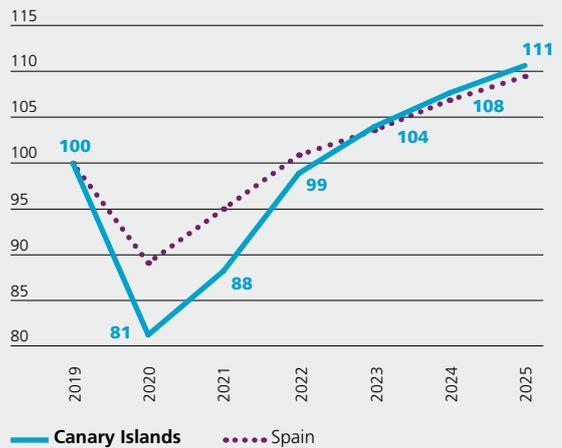
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

The Canary Islands' economy has proven to be highly resilient following the pandemic and it is one of the most buoyant regions in the country. **At CaixaBank Research, we forecast GDP growth of 3.6% in 2024** (3.2% in Spain), mainly thanks to the upturn in tourism, which also boosted job creation and consumption.

For 2025, our forecasts indicate that GDP growth will slow down to 2.8%, but will remain above average (2.4%). Although it will lose steam after a few record-breaking years, tourism will continue to be the main driver of activity; moreover, geopolitical uncertainty and armed conflicts such as that in the Middle East may make Spain as a whole, and the Canary Islands in particular, more attractive destinations than other competitors. We also expect the disbursement of European funds to be stepped up, which will boost productive investment and economic activity.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



The labour market of the Canary Islands is the best-performing in the country, with an average rise in the **number of registered workers affiliated to Social Security** of 3.6% in 2024 (2.4% on average in Spain) and 3.3% year-on-year in April this year (vs. 2.3%), mainly due to job creation in transportation, healthcare and hotels and restaurants. However, employment fell in the public sector. On a less positive note, the unemployment rate is among the highest in Spain: it stood at 13.5% in Q1 2025 (vs. 11.4%).



Following the shock caused by the pandemic, **tourist activity** is recovering strongly, especially in terms of foreign tourist arrivals and spending, which in 2023 were well above 2019 levels. Meanwhile, total overnight stays (domestic and foreign) recovered the following year. This year has started well, albeit at a somewhat more sluggish pace than in the past: in Q1, foreign tourist arrivals to the islands grew by 2.1% year-on-year, up to almost 4.4 million, and spending rose by 5.5% to nearly 7 billion euros.



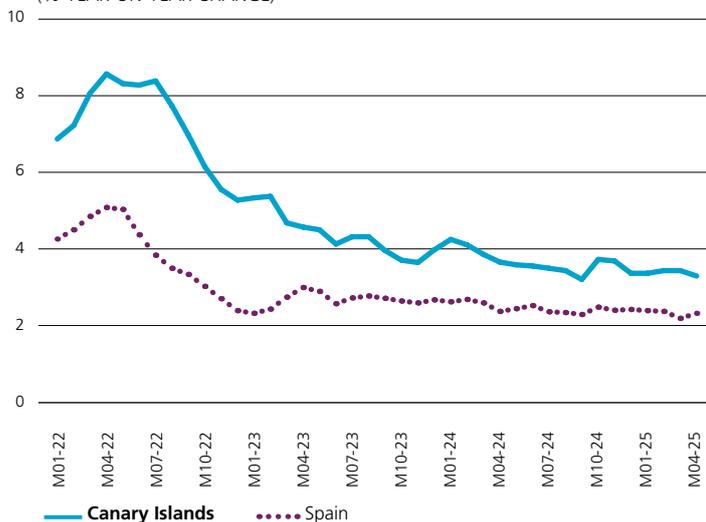
The recovery of tourism and strong-performing employment are boosting consumption. Thus, the volume of **retail trade sales** grew by 5.6% in 2024, the highest rise across all regions (2.1% in Spain as a whole) and rose by a further 3.4% year-on-year in January-April this year, remaining far higher than the average figures recorded in Spain (2.6%). Meanwhile, passenger car registrations performed less well: after being one of the few regions to record a decline in 2024 (-6.5% vs. 7.1% in Spain), it recovered in early 2025, growing by 10.3% year-on-year up to April (vs. 12.2%).



Industry has performed strongly in the Canary Islands in recent years, partly due to the upturn in tourism and consumption, which gave a boost to the food and manufacturing sectors, as well as hotel and restaurant supplies. **Industrial production** slowed last year but continued to grow at above-average rates (1.6% vs. 0.7%); this slowdown continued into Q1 2025, with growth of just 0.3% year-on-year, far below the 1.5% recorded in Spain.

Registered workers affiliated to Social Security

(% YEAR-ON-YEAR CHANGE)



Note: * Cumulative, 12 months up to March.

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

Arrival of foreign tourists

(MILLION)

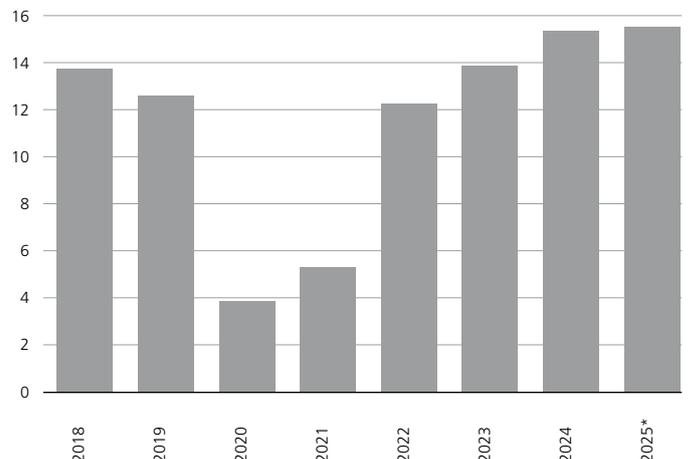


Table of indicators

Canary Islands
Average in Spain

		2014-2019 average	2020	2021	2022	2023	2024	2025	Latest figure
 Activity and prices	Real GDP* (% year-on-year change)	2.6 2.8	-18.8 -10.9	8.6 6.7	12.1 6.2	5.1 2.7	3.6 3.2		2024
	Retail trade (% cumulative annual change)	3.0 2.3	-13.9 -5.2	3.2 3.6	8.5 0.8	5.3 2.9	5.6 2.1	3.4 2.6	April-25
	Industrial production index (% cumulative annual change)	-0.8 1.8	-10.4 -9.2	2.7 7.1	4.7 2.3	6.0 -1.6	1.6 0.7	0.3 1.5	March-25
	Service activity index (% cumulative annual change)	4.2 5.1	-29.9 -15.6	28.7 22.0	33.0 18.3	6.6 2.2	5.4 3.0	5.6 5.3	March-25
	Consumer price index (% year-on-year change)	0.5 0.7	0.5 -0.3	2.2 3.1	7.5 8.4	4.6 3.5	2.8 2.8	1.8 2.2	April-25
 Labour market	Registered workers affiliated to Social Security (% year-on-year change)	4.0 3.2	-4.0 -2.1	1.2 2.5	7.2 3.9	4.3 2.7	3.6 2.4	3.3 2.3	April-25
	Registered workers affiliated to Social Security not affected by furlough (% year-on-year change)	4.0 3.2	-18.7 -9.2	7.8 7.3	17.4 7.3	5.4 3.4	4.0 2.7	3.4 2.5	April-25
	Unemployment rate (% working population)	25.3 18.8	22.7 15.5	23.5 14.9	17.6 13.0	16.1 12.2	13.8 11.3	13.5 11.4	Q1 2025
	Unemployment rate for under 25s (% working population < 25)	48.7 42.5	52.1 38.3	57.0 44.5	43.3 24.4	33.0 28.8	28.3 24.1	32.1 26.5	Q1 2025
 Public sector	Public deficit (% of GDP)	0.2 -0.9	0.5 -0.2	0.5 0.0	-1.3 -1.1	0.4 -0.9	0.9 -0.1	— —	2024
	Autonomous Communities public debt (% of GDP)	16.3 23.9	17.1 26.9	15.5 25.3	13.3 23.1	12.0 21.7	11.4 21.1	— —	Q4 2024
 Real estate market	Housing prices (% year-on-year change)	4.0 5.3	1.2 2.1	5.7 3.7	9.1 7.4	5.3 4.0	8.0 8.4	— —	Q4 2024
	Housing sales (% cumulative annual change)	4.5 9.7	-20.5 -16.9	22.8 34.8	34.5 14.8	-15.1 -10.2	4.7 9.9	11.0 20.7	March-25
 Foreign sector and tourism	Exports of goods (% cumulative annual change)	2.3 3.9	-33.4 -9.4	7.4 20.1	71.3 22.9	-28.5 -1.4	12.1 0.2	31.8 2.6	March-25
	Tourist overnight stays (% cumulative annual change)	0.4 3.0	-69.7 -69.2	44.4 78.3	112.5 73.3	7.0 7.1	4.1 4.4	3.5 -2.9	March-25

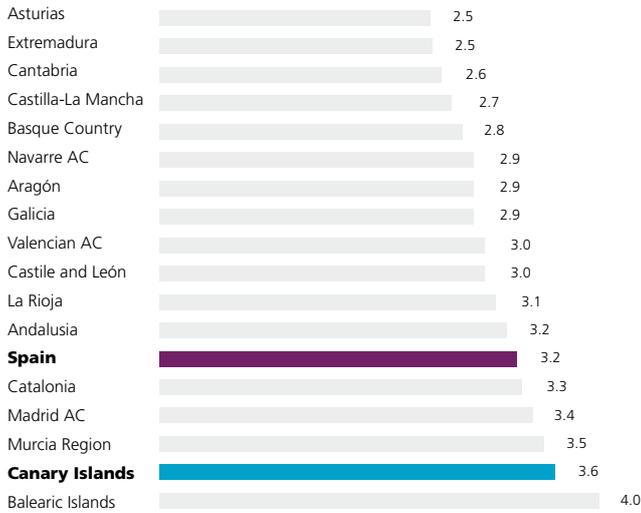
Note: *The 2024 GDP figure for Autonomous Communities is an estimate made by CaixaBank Research.

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

Regional comparison

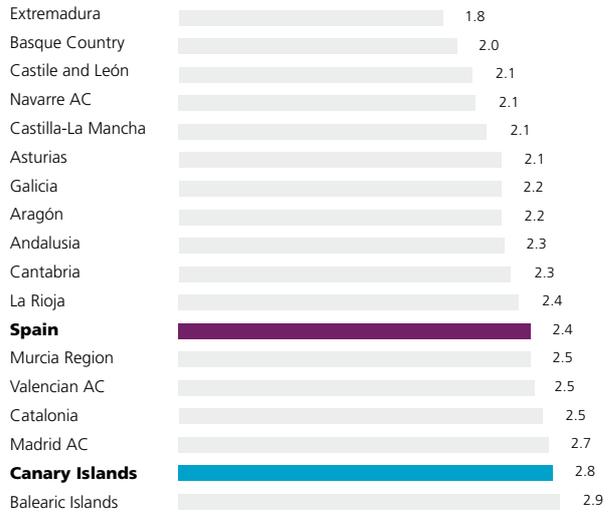
GDP (2024)

(ANNUAL CHANGE)



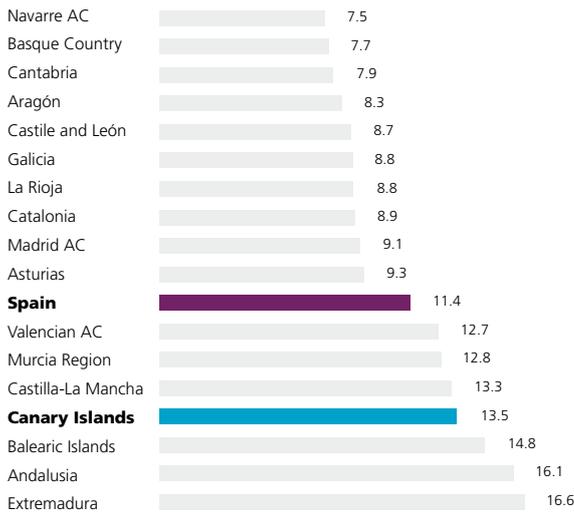
GDP growth forecast (2025)

(ANNUAL CHANGE)



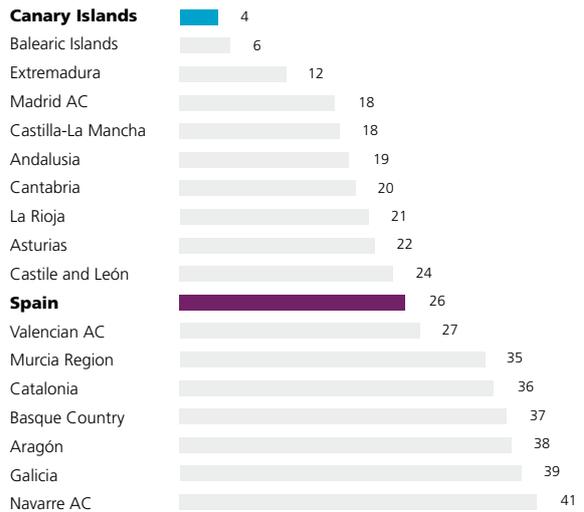
Unemployment rate (Q1 2025)

(% OF WORKING POPULATION)



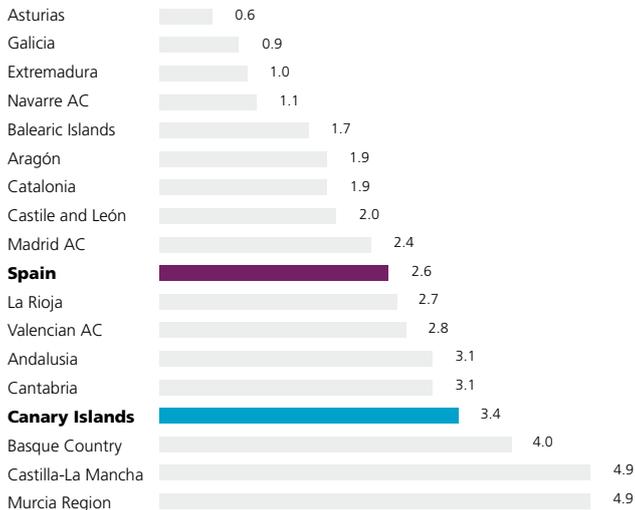
Proportion of exports of goods (2023)

(% OF GDP)



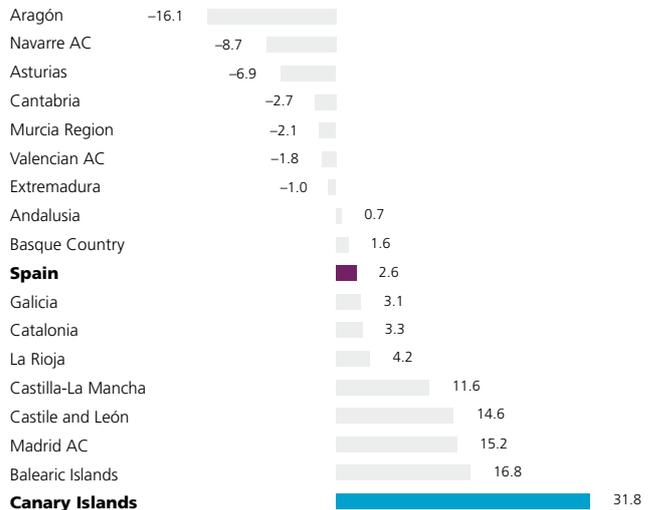
Retail trade* (January-April 2025)

(CHANGE FROM THE SAME PERIOD IN 2024)



Exports of goods (January-March 2025)

(CHANGE FROM THE SAME PERIOD IN 2024)



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: 30 May 2025