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MONTHLY REPORT · ECONOMIC AND FINANCIAL MARKET OUTLOOK

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Charity, the discreet gesture that unites us

The goodness of giving without expecting anything in return is difficult to measure but easy to recognise. Donating blood, giving up a seat, helping those in need or supporting a cause light up the kinder side of our daily lives. In a society where internal fractures are widened by the polarisation and tension of public debate, and where the gulfs between countries seem insurmountable, focusing on the solidarity that persists between people gives us hope for a better tomorrow. There are many anonymous individuals who, without making noise, dedicate their savings or their time to reaching out to those who are going through a difficult time. As we approach Christmas, the collective awareness of these gestures becomes more evident, although for many there is no date in the calendar that limits selfless and daily generosity.

Charity goes beyond the individual sphere and extends to a broad group of actors and organisations that allocate resources and hours to help the most disadvantaged groups, to promote culture, to promote research and to address many other topics of common interest. What at first sight seems like a chain of isolated gestures acquires a greater significance: it is the sap of social capital, that invisible fabric that unites people, and sustains mutual trust and, ultimately, the institutions that we have endowed ourselves with. Citizen participation in collective decision-making, the existence of channels to get involved in common affairs or the simple conviction that neighbours and strangers respond to adversity build a more resilient social fabric. This active solidarity not only contributes to raising the collective well-being, but also creates a favourable climate for successfully overcoming the shared challenges of our times.

Despite its importance in many people's lives and in the health of communities, obtaining detailed information about charity is a challenging task because reliable data are scarce. There are one-off surveys – sometimes designed to analyse a specific problem – that capture isolated perceptions or behaviours. These insights reveal an important reality, but there is no thermometer that allows us to track the evolution of charity over time or that sheds more light on the vast number of gestures that are carried out anonymously and selflessly. The project undertaken by CaixaBank Research, the "la Caixa" Foundation and Pompeu Fabra University aims to be that small contribution: a joint effort to highlight and take a snapshot of the important role of charity in Spain. This contribution also aims to serve as an expression of the social commitment that has characterised CaixaBank since its origins, and which is manifested every day in tangible form through the programmes, the donation platform and the volunteer network of its Social Action.

The initiative is embodied in a first Dossier, included within this *Monthly Report*, which contains the analysis of a survey conducted by the Social Observatory of the "la Caixa" Foundation, as well as an analysis of anonymised transaction data of CaixaBank customers (millions of donations made via direct debit, transfers, Bizum payments or by card, which are matched with socio-demographic and financial variables). With this dual approach – what people think and feel, and what they actually do – we build a snapshot of Spanish charity, we monitor its evolution over time, and we carefully analyse the response to emergencies such as the floods that swept the Valencia province in October 2024.

What do the data tell us? Charity extends throughout the length and breadth of the country and it does not understand age, sex or social status. It is widespread across the whole of the Spanish population. However, a small group of *super-donors* stands out, representing 10% of the total, who contribute almost half of all that is donated. This «small» group of people do not have a particularly high income, but they stand out for the effort they make (they donate 2.3% of their income) and the regularity with which they do so. The data also reveal that the network of associations through which this charity is channelled is highly disaggregated, with a large number of NGOs spread throughout the country. At the same time, we observe that there is a small group of entities, 1% of them, which channels a large part of all the charitable resources, accounting for 80% of the total. In addition, we note that 90% of the donations go to four major causes: international cooperation, health, social services and religion.

Finally, the charitable response to the floods in the Valencia province in October 2024 shows how solidarity soars in times of emergency. The tragedy that devastated the region mobilised hundreds of thousands of people and was reflected in the data: in November, charities in Spain saw their revenues surge by 45%. This wave of solidarity spread throughout the country, although geographical proximity made a difference: those who lived between 100 and 200 kilometres from the epicentre multiplied their contributions by 1.8 times. That great charitable wave, with the underlying sea made up of the many thousands of donors and NGOs, surely show us the more beautiful and hopeful side of Spanish society. And with this project, we hope to contribute to making it more visible from now on.

Oriol Aspachs
December 2025

Chronology

NOVEMBER 2025

12 End to the longest government shutdown in US history.

SEPTEMBER 2025

9 The US Supreme Court agrees to fast-track the review of the legality of Trump's tariffs.

12 S&P upgrades its credit rating for Spanish debt to A+ and Fitch raises Portugal's to A.

17 The Fed cuts interest rates by 25 bps to the 4.00%-4.25% range, after a nine-month pause.

26 Moody's and Fitch upgrade their credit ratings for Spanish debt to A3 and A, respectively.

JULY 2025

27 Agreement between the EU and the US establishing a general tariff of 15%, as well as preferential treatment for a number of strategic products and a European commitment to make purchases from and investments in key US industries.

OCTOBER 2025

29 The Fed lowers the fed funds rate by 25 bps to the 3.75%-4.00% range, its second cut of the year, and announces an end to the balance sheet reduction process.

AUGUST 2025

5 The majority of the reciprocal tariffs imposed by the US on other countries come into force.

29 S&P upgrades its credit rating for Portuguese debt to A+.

JUNE 2025

5 The ECB cuts interest rates by 25 bps and lowers the depo rate to 2.0%.

12 According to the European Commission's Copernicus programme, May 2025 was, globally, the second warmest month of May since records began (the record is held by May 2024).

Agenda

DECEMBER 2025

3 Spain: registration with Social Security and registered unemployment (November).
Portugal: industrial production (October).

9-10 Federal Open Market Committee meeting.

10 Portugal: international trade (October).

17 Spain: quarterly labour cost survey (Q3).

18 Governing Council of the European Central Bank meeting.

19-20 European Council meeting.

23 Spain: quarterly national accounts (Q3).
Spain: loans, deposits and NPL ratio (October and Q3).
Spain: balance of payments and NIIP (Q3).
Portugal: GDP breakdown (Q3).
Portugal: home prices (Q3).

26 Portugal: NPL ratio (Q3).

30 Spain: CPI flash estimate (December).
Spain: household savings rate (Q3).

31 Portugal: CPI flash estimate (December).

JANUARY 2026

5 Spain: registration with Social Security and registered unemployment (December).

7 Portugal: employment and unemployment (November).
Euro area: CPI flash estimate (December).

8 Euro area: economic sentiment indicator (December).

9 Spain: financial accounts (Q3).

16 China: GDP (Q4).

26 Spain: loans, deposits and NPL ratio (November).

27 Spain: labour force survey (Q4).
Portugal: appraisal value of housing (December).

27-28 Federal Open Market Committee meeting.

29 US: GDP (Q4).

30 Spain: GDP flash estimate (Q4).
Spain: CPI flash estimate (January).
Portugal: GDP flash estimate (Q4).
Portugal: CPI flash estimate (January).
Portugal: budget execution (December).
Portugal: tourism activity (December).
Euro area: GDP (Q4).
Euro area: economic sentiment indicator (January).

Geopolitics and artificial intelligence: a new race for global hegemony

With few developments in the economic and financial environment, besides the latest adjustments in the trade negotiations that have placed the average effective US tariff at 13.8%, the attention in the closing weeks of the year remains focused on the two major themes that will shape the economy's performance in the medium term: geopolitics and investment in artificial intelligence (AI). For Europe, given the importance of the challenges related to demography, the energy transition and competitiveness, the main challenge in the short term is geopolitics (rare earths, economic security, defence, Ukraine, etc.), followed by – and interrelated with – the need to position itself within the AI value chain.

In the geo-economic sphere, with the easing of tensions in Gaza, all attention is now focused on the diplomatic efforts to end the war in Ukraine. A ceasefire would have a slightly downward effect on energy commodity prices, at least in the short term, the intensity of which would depend on the conditions for Russia's return to the markets. The positive impact of the supply shock (and the reduction of uncertainty) on the EU economy would be limited, as Russian crude oil has not been imported since the beginning of the war and natural gas purchases have been significantly reduced in recent years. In fact, the objective is for the EU to be completely decoupled from Russian energy by 2027. Therefore, an end to the conflict would serve to offset the negative effect of US tariffs and underpin European growth in the upper range of the 1%-1.5% band, although the more important factor for medium-term activity would be the reconstruction plan for Ukraine (around 500 billion euros according to World Bank estimates) and how it is funded (currently unclear). On the monetary policy side, the short-term effects on inflation of a low-intensity supply shock would be unlikely to alter the ECB's roadmap, since price expectations seem to be firmly anchored at 2% and rates are in neutral territory, where it is easier to find harmony between the different sensitivities that exist within the Board of the European monetary authority.

However, while the transformative potential of today's geopolitics – subject to both the dictates of a transactional approach and variable geometry in international relations – is highly important, the development of AI is not far behind. As Giuliano da Empoli emphasises in his latest book (*The Hour of the Predator*), if the great dilemma which we faced in the 20th century was the relationship between the state and the market, in the 21st century the decision is between man and machine and, in particular, which aspects of our lives we should reserve for human intelligence, versus those that should be trusted to AI. In this context, over the past year, while we have been absorbed by Hurricane Trump, we have overlooked an unprecedented acceleration in AI investment, which is emerging as the main driver of growth in the US. Investment in technology in the US – considering software, computer equipment, data centres and power generation facilities to power the entire process – will approach 1.4 trillion dollars this year (almost 5% of GDP), well above the average of 3.1% dedicated to these areas since the seventies. In addition, more than 25% of this investment has been made by the five big hyperscalers. The question is how long it will take for us to see the effects on productivity, and how intense the substitution of the labour factor for capital will be in the short term.

With all the major players accelerating their plans in the fear that the first to the finish line will take all, it is time for Europe to accelerate strategic decisions (InvestIA or Action Plan for AI) in its positioning in the value chain, taking into account its current weakness both in the first stage of the chain (hardware/semiconductors) and in terms of computational capacity. The European response should combine new investment initiatives, improved regulation and a strengthening of skills, with the aim of closing gaps with the US and reducing dependencies.

The reality is that what we are witnessing is not just a technological cycle or a possible valuation bubble, but a great mobilisation of capital in times of conflict. The rise of AI has become the modern Manhattan Project: a race in which computing replaces uranium and power grids replace enrichment plants. Therefore, and despite the financial, ethical or sustainability weaknesses of the process, we are going to witness an acceleration in the short term, since the prize at stake is not merely profits or returns, but hegemony and leadership of the world economy in the medium term. This is indeed a far cry from the dot-com bubble. The time has come to take action, while differentiating between the structural transformation that is underway and mere financial betting.

José Ramón Díez

Average for the last month in the period, unless otherwise specified

Financial markets

	Average 2000-2007	Average 2008-2019	Average 2020-2022	2023	2024	2025	2026
INTEREST RATES							
Dollar							
Fed funds (lower limit)	3.18	0.54	0.67	5.25	4.25	3.50	3.00
3-month SOFR	3.62	1.01	1.07	5.37	4.37	3.57	3.10
12-month SOFR	3.86	1.48	1.48	4.95	4.19	3.30	3.10
2-year government bonds	3.70	1.04	1.21	4.46	4.24	3.50	3.50
10-year government bonds	4.69	2.57	1.76	4.01	4.40	4.20	4.50
Euro							
ECB depo	2.05	0.20	−0.30	4.00	3.09	2.00	2.00
ECB refi	3.05	0.75	0.20	4.50	3.24	2.15	2.15
€STR	–	−0.54	−0.38	3.90	3.06	1.93	1.97
1-month Euribor	3.18	0.50	−0.32	3.86	2.89	2.00	2.03
3-month Euribor	3.24	0.65	−0.21	3.94	2.83	2.05	2.06
6-month Euribor	3.29	0.78	−0.07	3.93	2.63	2.09	2.11
12-month Euribor	3.40	0.96	0.10	3.68	2.44	2.14	2.18
Germany							
2-year government bonds	3.41	0.35	−0.21	2.55	2.02	1.96	1.99
10-year government bonds	4.30	1.54	0.14	2.11	2.22	2.70	2.80
Spain							
3-year government bonds	3.62	1.69	0.18	2.77	2.26	2.57	2.73
5-year government bonds	3.91	2.19	0.38	2.75	2.48	2.85	3.04
10-year government bonds	4.42	3.17	0.99	3.09	2.90	3.35	3.60
Risk premium	11	164	85	98	68	65	80
Portugal							
3-year government bonds	3.68	3.33	0.07	2.33	2.03	2.09	2.21
5-year government bonds	3.96	3.94	0.35	2.42	2.15	2.49	2.68
10-year government bonds	4.49	4.67	0.96	2.74	2.68	3.20	3.50
Risk premium	19	314	82	63	46	50	70
EXCHANGE RATES							
EUR/USD (dollars per euro)	1.13	1.26	1.13	1.09	1.05	1.19	1.20
EUR/GBP (pounds per euro)	0.66	0.84	0.87	0.86	0.83	0.88	0.90
EUR/JPY (yen per euro)	129.56	126.41	129.91	156.99	161.18	173.00	168.00
OIL PRICE							
Brent ($/barrel)	42.3	80.1	71.0	77.3	73.1	65.2	65.3
Brent (euros/barrel)	36.1	62.5	63.9	70.9	69.8	54.9	54.4

▨ Forecasts

Change in the average for the year versus the prior year average (%), unless otherwise indicated

International economy

	Average 2000-2007	Average 2008-2019	Average 2020-2022	2023	2024	2025	2026
GDP GROWTH[1]							
Global	4.3	3.3	2.5	3.5	3.3	3.1	3.1
Developed countries	*2.7*	*1.5*	*1.7*	*1.8*	*1.8*	*1.6*	*1.6*
United States	2.7	1.8	2.1	2.9	2.8	1.8	1.9
Euro area	2.3	0.9	1.3	0.5	0.8	1.3	1.2
Germany	1.6	1.3	0.4	−0.7	−0.5	0.2	1.1
France	2.3	1.0	0.7	1.6	1.1	0.6	0.7
Italy	1.5	−0.3	1.6	0.8	0.5	0.5	0.7
Portugal	1.5	0.4	1.5	3.1	2.1	1.8	2.0
Spain	3.6	0.7	0.7	2.5	3.5	2.9	2.1
Japan	1.4	0.4	−0.2	1.5	0.1	1.0	1.0
United Kingdom	2.8	1.2	1.0	0.4	1.1	1.3	1.2
Emerging and developing countries	*6.3*	*4.9*	*3.1*	*4.7*	*4.3*	*4.2*	*4.0*
China	10.6	8.0	4.7	5.4	5.0	4.6	4.0
India	7.2	6.7	3.8	8.9	6.7	6.8	6.6
Brazil	3.6	1.6	1.5	3.2	3.4	2.0	1.8
Mexico	2.3	1.5	0.5	3.4	1.4	0.8	1.4
Russia	–	1.4	0.6	4.1	4.3	1.7	1.3
Türkiye	5.5	4.5	6.3	6.6	3.3	3.2	2.9
Poland	4.1	3.7	3.5	0.2	3.0	3.5	3.3
INFLATION							
Global	4.1	3.7	5.5	6.6	5.7	4.2	3.9
Developed countries	*2.1*	*1.6*	*3.7*	*4.6*	*2.6*	*2.4*	*2.2*
United States	2.8	1.8	4.6	4.1	3.0	2.8	2.8
Euro area	2.2	1.4	3.7	5.4	2.4	2.1	2.0
Germany	1.7	1.4	4.1	6.0	2.5	2.2	2.1
France	1.9	1.3	2.8	5.7	2.3	1.1	1.7
Italy	2.4	1.4	3.5	5.9	1.1	1.8	1.7
Portugal	3.1	1.1	3.0	4.3	2.4	2.3	2.1
Spain	3.2	1.3	3.7	3.5	2.8	2.5	2.0
Japan	−0.3	0.4	0.7	3.3	2.7	1.5	1.5
United Kingdom	1.6	2.3	4.2	7.3	2.5	3.4	2.5
Emerging and developing countries	*6.9*	*5.5*	*6.8*	*8.0*	*7.7*	*5.3*	*4.9*
China	1.7	2.6	1.8	0.2	0.2	0.0	1.0
India	4.6	7.3	6.1	5.7	5.0	4.6	4.4
Brazil	7.3	5.7	6.9	4.6	4.4	4.9	4.2
Mexico	5.2	4.2	5.7	5.5	4.7	4.4	3.7
Russia	14.2	7.9	8.0	5.9	8.5	8.4	6.0
Türkiye	22.6	9.6	34.7	53.9	58.5	36.1	26.1
Poland	3.5	1.9	7.4	10.8	3.7	3.5	3.2

Note: 1. Figures adjusted for seasonality and calendar effects for the euro area, Germany, France, Italy, Portugal, Spain and Poland. Figures adjusted for seasonality for the United States and the United Kingdom.

Forecasts

Change in the average for the year versus the prior year average (%), unless otherwise indicated

Spanish economy

	Average 2000-2007	Average 2008-2019	Average 2020-2022	2023	2024	2025	2026
Macroeconomic aggregates							
Household consumption	3.7	0.0	0.0	1.7	3.0	3.1	2.4
Government consumption	4.5	0.9	2.6	4.5	2.9	1.3	0.9
Gross fixed capital formation	5.7	−1.2	−0.7	5.9	3.6	5.3	3.3
Capital goods	4.9	0.2	−2.7	2.6	1.9	8.6	3.3
Construction	5.7	−2.6	−1.3	5.5	4.0	4.0	3.4
Domestic demand (vs. GDP Δ)	4.4	−0.2	0.8	1.5	3.2	3.1	2.3
Exports of goods and services	4.7	2.9	2.5	2.2	3.2	4.2	2.2
Imports of goods and services	7.0	0.2	2.5	0.0	2.9	5.4	2.9
Gross domestic product	**3.6**	**0.7**	**0.7**	**2.5**	**3.5**	**2.9**	**2.1**
Other variables							
Employment	3.2	−0.5	1.4	3.2	2.4	3.0	1.8
Unemployment rate (% of labour force)	10.5	19.5	14.5	12.2	11.3	10.4	9.7
Consumer price index	3.2	1.3	3.7	3.5	2.8	2.5	2.0
Unit labour costs	3.1	0.6	3.6	6.1	4.0	4.0	3.0
Current account balance (% GDP)	−5.8	−0.2	0.6	2.7	3.1	2.3	2.5
External funding capacity/needs (% GDP)	−5.2	0.2	1.4	3.7	4.2	3.4	3.6
Fiscal balance (% GDP)[1]	0.3	−6.5	−7.1	−3.3	−3.2	−2.7	−2.5

Note: 1. *Excludes losses for assistance provided to financial institutions.*

▒ Forecasts

Portuguese economy

|	Average 2000-2007	Average 2008-2019	Average 2020-2022	2023	2024	2025	2026
Macroeconomic aggregates							
Household consumption	1.8	0.5	1.2	2.3	3.0	3.2	2.3
Government consumption	2.2	−0.3	2.0	1.8	1.5	1.5	1.5
Gross fixed capital formation	−0.4	−0.7	2.9	6.0	3.8	2.6	5.5
Capital goods	3.4	2.7	5.5	8.6	8.0	–	–
Construction	−1.4	−2.4	2.6	4.5	3.0	–	–
Domestic demand (vs. GDP Δ)	1.3	0.0	1.9	2.2	2.9	3.4	2.8
Exports of goods and services	5.3	4.0	3.6	4.2	3.1	1.0	2.7
Imports of goods and services	3.6	2.7	4.0	2.3	4.8	4.6	4.3
Gross domestic product	**1.5**	**0.4**	**1.5**	**3.1**	**2.1**	**1.8**	**2.0**
Other variables							
Employment	0.4	−0.4	1.1	2.3	1.2	2.3	0.9
Unemployment rate (% of labour force)	6.1	11.4	6.6	6.5	6.4	6.3	6.4
Consumer price index	3.1	1.1	3.0	4.3	2.4	2.3	2.1
Current account balance (% GDP)	−9.2	−2.8	−1.1	0.6	2.2	0.6	0.9
External funding capacity/needs (% GDP)	−7.7	−1.5	0.1	2.0	3.3	2.5	2.5
Fiscal balance (% GDP)	−4.5	−5.1	−3.0	1.3	0.5	−0.1	−1.2

▒ Forecasts

Stock market fear gives way to market optimism fuelled by the Fed

Volatility makes another appearance. November was dominated by a sharp upturn in volatility in the stock markets, amid doubts about the potential exuberance surrounding AI investments in the US and the high valuations of the big tech firms. The US stock market volatility index (VIX) rebounded to levels not seen since April, and the Nasdaq experienced its most volatile day since then, with an intraday oscillation of as much as 5%. For much of the month, the dominant tone was risk aversion, with widespread setbacks in the main global equity indices. However, sentiment gradually recovered towards the end of November as the expectation that the US Fed could continue its rate cuts in December consolidated. With this expectation, sovereign yields in the US fell. However, the final focus shifted to Japan, where concerns over the fiscal outlook pushed long-term sovereign yields to record highs.

The expectation of interest rate cuts in the US grows. The decision that the Federal Reserve will take in December has been shrouded in a high degree of uncertainty due, firstly, to the lack of official data following the federal government shutdown and, secondly, to the growing internal division among Board members regarding the right path for interest rates (given the current context of a cooling labour market combined with upward inflationary pressures). However, towards the end of November, the release of consumer confidence surveys showing a slight deterioration, the fall in employment reflected in private payroll data and weak retail sales growth, coupled with the shift in sensitivity among some members of the Board towards more dovish positions, cemented the expectation of a rate cut in December (which would leave the benchmark rate in the 3.50%-3.75% range). In addition, it was reported that President Trump has already chosen his nominee for the future head of the Fed to replace Jerome Powell (whose term as chair ends next May, although his position on the Board does not end until 2028). Although Trump did not formally reveal the name of the successor, betting houses are naming Kevin Hasset, the current director of the US National Economic Council, as the clear favourite, fuelling expectations that rates will continue to decline to neutral levels next year. In contrast, expectations regarding the ECB remained anchored, with markets assigning a near 0% probability to a rate cut in December and keeping expectations for the depo rate at around 2% for the whole of 2026, with inflation virtually at the target rate and balanced inflationary risks in both directions.

Japan captures the attention of sovereign debt markets. In Japan, the growing expectation of fiscal expansion by the new government, and the resulting concern over public debt, sparked a sell-off of sovereign bonds that pushed 30-year sovereign yields to an all-time high (of around 3.5%), amassing a cumulative increase of around 100 bps in the year. The rise in the 2-year benchmark, which exceeded 1.0%, the highest level
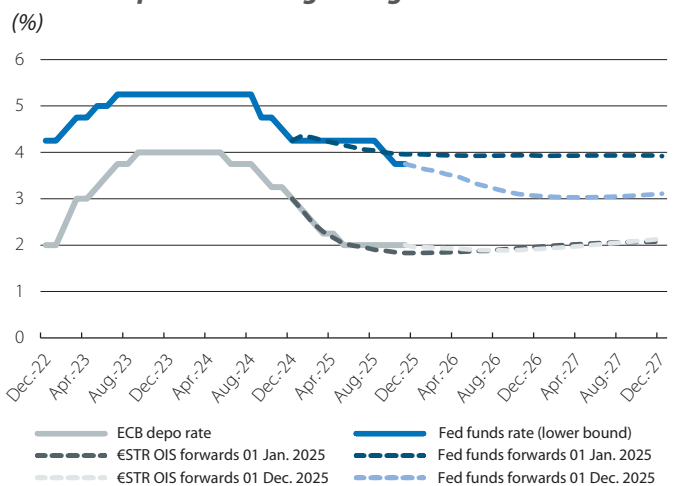
Stock market volatility
Index (%)
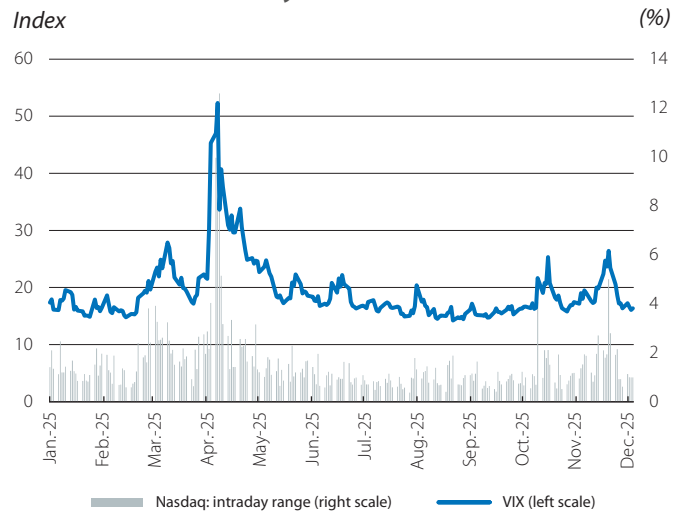
Note: *Intraday range refers to the difference between the maximum and the minimum level observed in the day.*
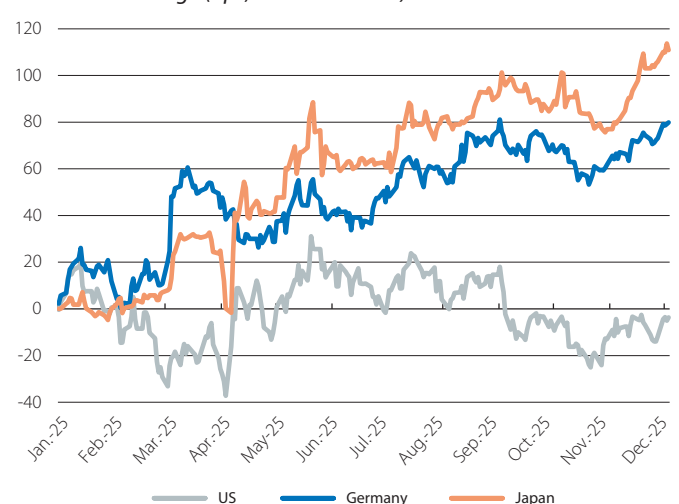**Source:** *CaixaBank Research, based on data from Bloomberg.*

Market expectations regarding interest rates
(%)

Source: *CaixaBank Research, based on data from the ECB, the US Federal Reserve and Bloomberg.*

30-year sovereign interest rates
Cumulative change (bps, 0 = 01/01/2025)

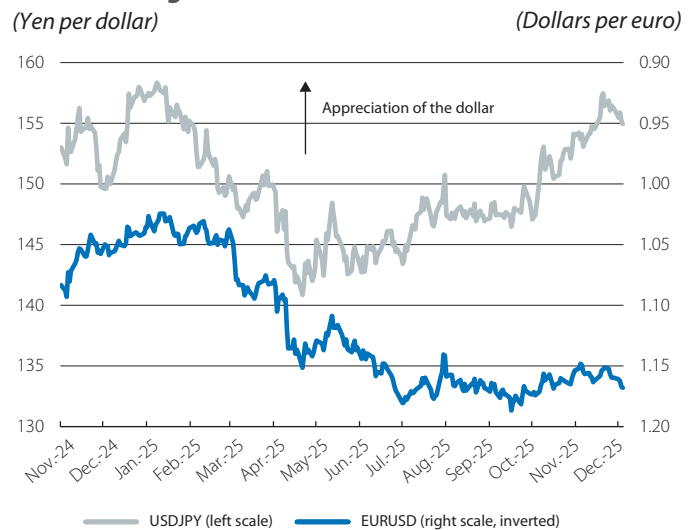**Source:** *CaixaBank Research, based on data from Bloomberg.*

since 2007, was later reinforced by the perception of a possible rate hike by the Bank of Japan (markets are anticipating one hike in December and another at the end of 2026 with a 100% probability). In other economies, sovereign debt showed less volatility. The German bund rebounded by around 10 bps up until early December, while euro area peripheral risk premiums narrowed slightly, supported by the upward revision of Italy's credit rating (Moody's upgraded its rating for the first time in 23 years, from Baa3 to Baa2, citing political stability and progress in the recovery plans). In the US, yields declined as the expectation of a rate cut by the Fed in December consolidated. The 2-year benchmark fell by around 5 bps.

The Japanese yen in the spotlight. In this context, the yen weakened against the dollar as Japanese sovereign yields rose sharply. However, the movement subsequently reversed, as markets began to accommodate the possibility of the Bank of Japan raising rates before the end of the year, and the yen ended up depreciating by 1.5%. On the other hand, the euro-dollar exchange rate remained relatively stable, trading between 1.15 and 1.16 dollars per euro, before settling closer to 1.16 as the expectation of an imminent rate cut by the Fed was consolidated.

A month of volatility in stock markets amid nervousness surrounding technology and expectations regarding the Fed. The month was marked by episodes of high volatility and a general feeling of pessimism, especially amid high tech stock valuations. The sharp rally which had begun in April took a pause, and most global indices registered declines almost throughout November, led by the more cyclical sectors (technology, industry), while defensive sectors (health, basic resources and consumer staples) performed relatively better. However, the expectation of a rate cut by the Fed revived risk appetite and the indices began to rebound towards the end of the month, with gains led by these cyclical sectors. Overall, the S&P 500 closed the month practically flat, the Nasdaq ended slightly down and the euro area indices showed a mixed performance. The IBEX 35 closed with clear gains and stood out above the European average, driven by the good performance of stocks in the financial and materials sectors.

Discussions of a peace deal in Ukraine drag down energy prices. The price of energy commodities registered widespread declines during November. Despite US sanctions on Russia's two largest oil companies and OPEC's announcement that it will stop increasing production in Q1 2026, prices continued to decline amid news of the possible signing of a ceasefire or peace agreement between Russia and Ukraine. The TTF gas benchmark fell below 30 euros/MWh for the first time in more than a year and a half, and the price of the Brent barrel closed the month 2 dollars below October levels, at around 63 dollars. On the other hand, metals had a positive month amid the spike in volatility and the flight to safety. Gold recovered ground and in early December reached 4,200 dollars an ounce, approaching the October highs. Silver reached its all-time peak at 58.5 dollars an ounce and has accumulated gains of almost 95% so far this year.

Currencies against the dollar
(Yen per dollar)   *(Dollars per euro)*

Source: CaixaBank Research, based on data from Bloomberg.

Stock market: performance of cyclical sectors versus defensive sectors
Index (100 = 01/11/2024)
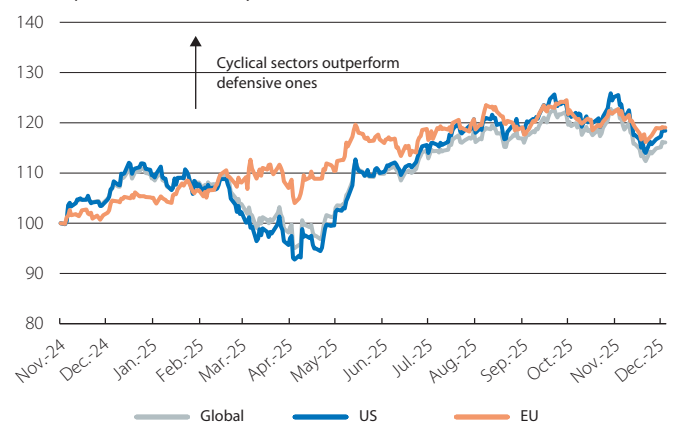
Notes: Relative performance calculated as the ratio between the value of the cyclical index and that of the defensive index. For the US and global comparisons, the indices are owned by MSCI; for the EU, by STOXX 600.
Source: CaixaBank Research, based on data from Bloomberg.

Energy commodity prices
(Euros/MWh)   *(Dollars/barrel)*
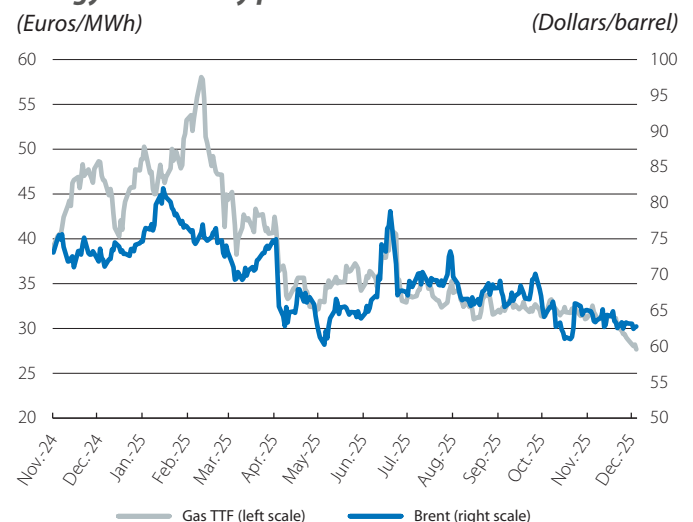
Source: CaixaBank Research, based on data from Bloomberg.

Interest rates (%)

	30-November	31-October	Monthly change (bp)	Year-to-date (bp)	Year-on-year change (bp)
Euro area					
ECB Refi	2.15	2.15	0	−100.0	−125.0
3-month Euribor	2.06	2.04	2	−65.4	−87.4
1-year Euribor	2.21	2.20	1	−25.1	−25.2
1-year government bonds (Germany)	1.97	1.88	9	−27.6	−27.9
2-year government bonds (Germany)	2.03	1.97	6	−5.3	7.8
10-year government bonds (Germany)	2.69	2.63	6	32.2	60.1
10-year government bonds (Spain)	3.16	3.14	2	10.3	37.2
10-year government bonds (Portugal)	3.01	2.99	1	15.7	46.6
US					
Fed funds (lower limit)	3.75	3.75	0	−50.0	−75.0
3-month SOFR	3.79	3.89	−10	−51.8	−67.9
1-year government bonds	3.59	3.68	−9	−55.2	−68.8
2-year government bonds	3.49	3.57	−8	−75.2	−66.2
10-year government bonds	4.01	4.08	−6	−55.6	−15.5

Spreads corporate bonds (bps)

	30-November	31-October	Monthly change (bp)	Year-to-date (bp)	Year-on-year change (bp)
Itraxx Corporate	53	55	−2	−4.8	−3.1
Itraxx Financials Senior	57	59	−2	−7.2	−5.9
Itraxx Subordinated Financials	97	100	−3	−15.0	−13.8

Exchange rates

	30-November	31-October	Monthly change (%)	Year-to-date (%)	Year-on-year change (%)
EUR/USD (dollars per euro)	1.160	1.154	0.5	12.0	9.7
EUR/JPY (yen per euro)	181.160	177.670	2.0	11.3	14.4
EUR/GBP (pounds per euro)	0.876	0.877	−0.1	5.9	5.5
USD/JPY (yen per dollar)	156.180	153.990	1.4	−0.6	4.3

Commodities

	30-November	31-October	Monthly change (%)	Year-to-date (%)	Year-on-year change (%)
Bloomberg Commodity Index	110.4	107.3	2.9	11.8	12.5
Brent ($/barrel)	63.2	65.1	−2.9	−15.3	−13.4
Gold ($/ounce)	4,239.4	4,002.9	5.9	61.5	60.4

Equity

	30-November	31-October	Monthly change (%)	Year-to-date (%)	Year-on-year change (%)
S&P 500 (USA)	6,849.1	6,840.2	0.1	16.4	13.5
Eurostoxx 50 (euro area)	5,668.2	5,662.0	0.1	15.8	18.0
Ibex 35 (Spain)	16,371.6	16,032.6	2.1	41.2	40.6
PSI 20 (Portugal)	8,110.7	8,427.0	−3.8	27.2	26.4
Nikkei 225 (Japan)	50,253.9	52,411.3	−4.1	26.0	31.5
MSCI Emerging	1,366.9	1,401.6	−2.5	27.1	26.7

Good news in the global economy, but with caution

The global economy sustains the momentum, but pockets of instability persist. We are approaching the end of a year marked by multiple challenges (tariffs, geopolitical tensions, technological adaptation) which, while significant, have not derailed the global economy. In addition, a number of factors are converging that allow us to face Q4 with a degree of optimism. The US-China trade agreement eases tensions between the two powers, there are no worrying upward pressures on inflation, the Fed could cut rates in December and the ECB is confident about the evolution of the economy. However, there are elements that advise caution. The US Supreme Court, at the close of this report, was still debating whether it is legal for Trump to invoke a national-emergency statute to impose tariffs, avoiding the need to obtain congressional approval. On the other hand, the US government shutdown will have an impact on short-term growth and has paralysed the release of official data that is key for the Fed's decision-making. Moreover, in the euro area the divergence between countries has intensified, with France trapped between viability and the need for fiscal adjustment.

The US faces the impact of the longest shutdown in its history. The federal government has been closed for 43 days and during this time, in addition to the «data blackout», federal employees have not been paid their wages and services and benefits – often critical to the most vulnerable groups of the population – have been paralysed. It is estimated that, for each week of shutdown, the quarterly annualised GDP growth rate is cut by 0.15 pps, although around 75% of those losses are recovered as the normal functioning of the federal government is resumed, so we can expect to see some volatility in the activity data over the coming months.

After the reopening of the federal government, the September employment data were published, offering mixed signals: non-agricultural job creation exceeded expectations (119,000), but the August data was revised downwards (–4,000 vs. 22,000 initially); with an unemployment rate rebounding 0.1 pp in September, to 4.4%, the highest level since October 2021. On the other hand, inflation was fairly contained in September (latest available data): the headline index rebounded 0.1 pp, to 3.0%, while the core rate fell 0.1 pp, to 3.0%. Meanwhile, there is a certain divergence in confidence between business leaders and consumers: the PMI, which measures the business climate, stood in November at 54.2 points (50 is the threshold that marks positive growth), but consumer confidence continued to fall in November, reaching a four-year low. In this context, it should be noted that, during the first half of the year, US growth would have been practically zero had it not been for the exceptional boost from the technological investments associated with the expansion of AI, so it will be interesting to see whether this pattern is maintained. On balance, the analyst consensus points to a growth rate of 0.3% quarter-on-quarter in Q4, after a rate of 0.7% expected for Q3 (publication delayed until 23 December due to the shutdown).

The euro area holds up, but lacks momentum. The main business climate and opinion indicators suggest that the euro area economy could maintain growth rates of around 0.2%
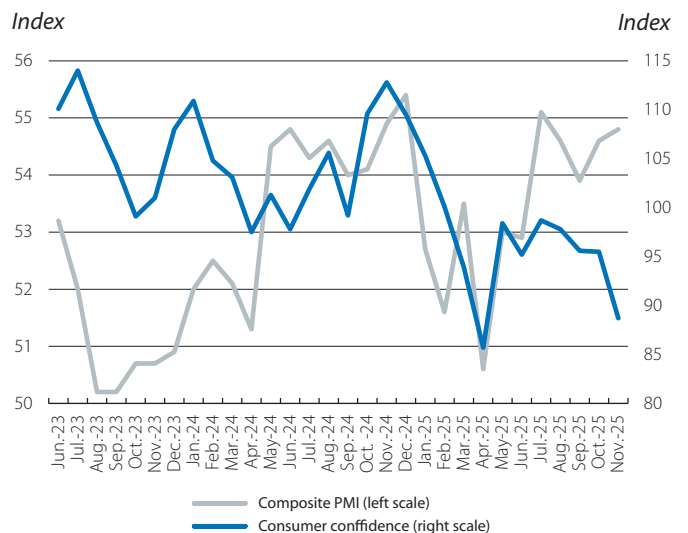
US: the longest government shutdowns in history
Date of the shutdown and days it lasted
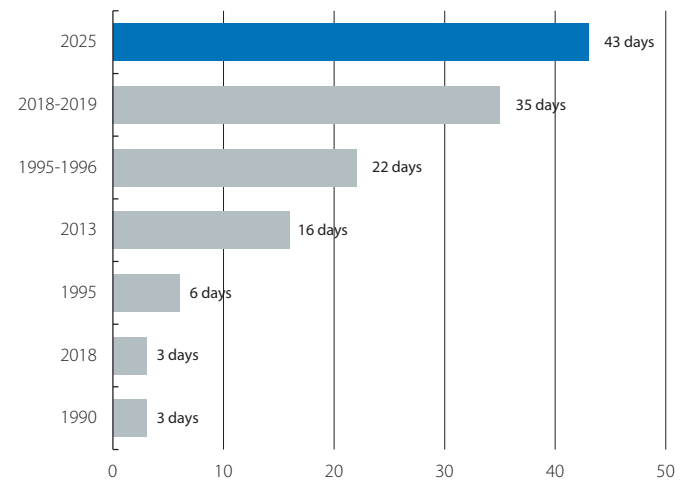
Source: CaixaBank Research.

US: confidence indicators
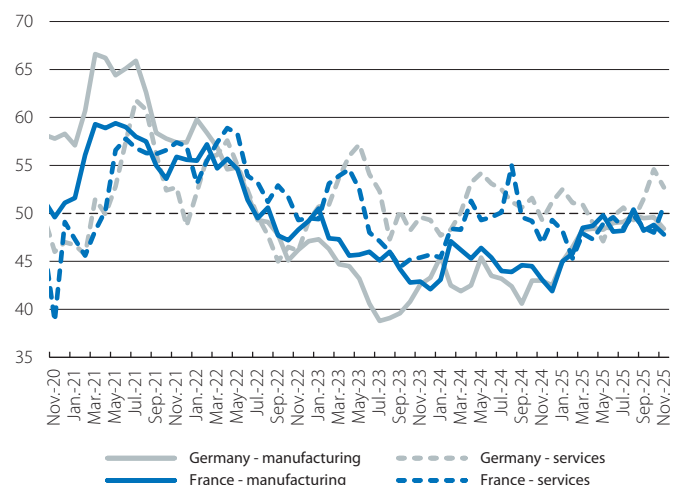

Composite PMI (left scale)
Consumer confidence (right scale)

Source: CaixaBank Research, based on data from the Conference Board and S&P Global.

Euro area: PMI by component
Index (>50 expansion, <50 contraction)

Germany - manufacturing
France - manufacturing
Germany - services
France - services

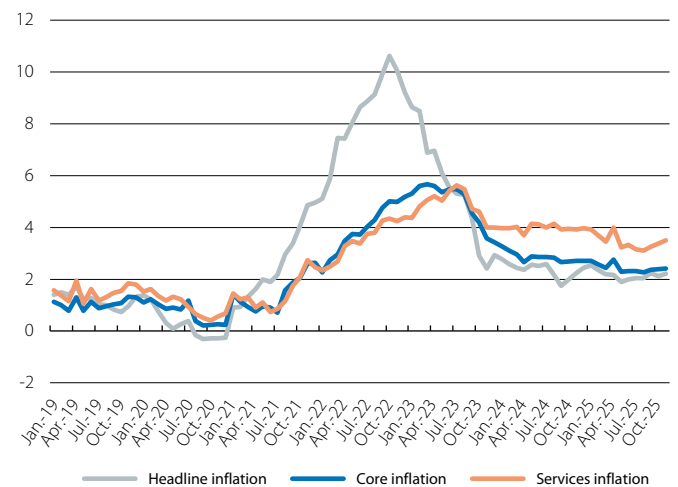*Source: CaixaBank Research, based on data from S&P Global PMI.*

quarter-on-quarter in Q4, but with divergences by country and sector. In November, the composite PMI stood at 52.8, thanks to the resilience of the services sector offsetting the renewed weakness in manufacturing. The European Commission's economic sentiment indicator, meanwhile, consolidated the previous month's increase and reached 97.0 (also thanks mainly to services), marking a peak since April 2023, but still below the 100-point threshold which denotes growth around its historical average. One of the reasons for this lack of momentum in the region is the apathy of Germany. While the country could see slightly more dynamic growth rates in Q4, they would still be very modest (around 0.2% quarter-on-quarter vs. 0.0% in Q3), due to the delay in the implementation of the infrastructure plan resulting from the delayed approval of the 2025 budget (October this year). In fact, the data for Germany's federal balance reveal that, in the cumulative period from January to October, total spending increased by 9.0% year-on-year, but the expenditure on fixed capital investment is almost 1.8% lower than in the same period of 2024. Moreover, with just two months to go until the end of the year, this category of expenditure has not even reached half of the target level set for 2025 as a whole. On the other hand, the delicate political situation in France is making it difficult to approve the 2026 budget, with the challenge of reducing the fiscal deficit from the level of 5.4% of GDP expected for this year. This climate of uncertainty could weigh down growth in Q4, after temporary factors boosted GDP in Q3. In this context of sustained but weak growth, euro area inflation is in line with the ECB's target: in November, the headline rate rose 0.1 pp to 2.2%, while the core index remained at 2.4% for the third consecutive month, despite a new upturn in services inflation.

China's slowdown is accentuated at the end of the year. The main activity indicators show a continuation of the slowdown that began in the summer, especially in investment: cumulative fixed capital investment to October fell by 1.7% year-on-year, the worst result since 2020. The only solid growth rates for investment are found in the automotive sector (17.5%) and the rail, maritime and air transportation sector (20.1%). This pattern coincides with that indicated by industrial production, which in October moderated its year-on-year growth rate by 0.6 pps, to 4.9%, although production in the sectors with the highest value added continues to show rapid growth (e.g. cars 17%, rest of transportation 15%, semiconductors 18%), corresponding with the priorities set by the Chinese authorities in their five-year plan. The latest industrial indicators show no signs of improvement, with an official manufacturing PMI in contractionary territory (49.2 points in November). Despite China's ability to redirect trade in the face of Trump's tariff policies (the US has become its third biggest market, while the ASEAN bloc now ranks first), the latest export figures have been weaker (1.1% year-on-year in October, after recording +8.3% in September) in a context of appreciation of the yuan (by more than 3.0% against the dollar in the year).

Meanwhile, the residential sector remains a major burden. New and existing house prices recorded the biggest monthly falls i n a year in October and, in many cities, prices have already suffered a correction of between 20% and 30% from the peaks, which continues to punish residential investment (–15% year-on-year in the year to October) in a context of weak demand. However, the government's goal of 5.0% growth for this year seems virtually assured.
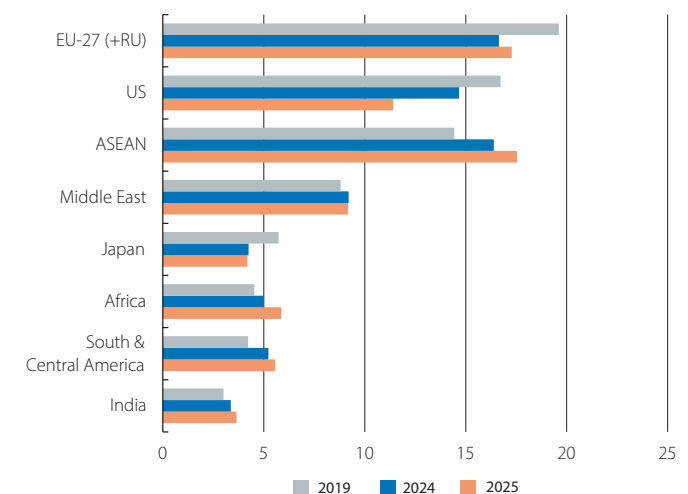
Euro area: HICP
Year-on-year change (%)

Source: CaixaBank Research, based on data from Eurostat.

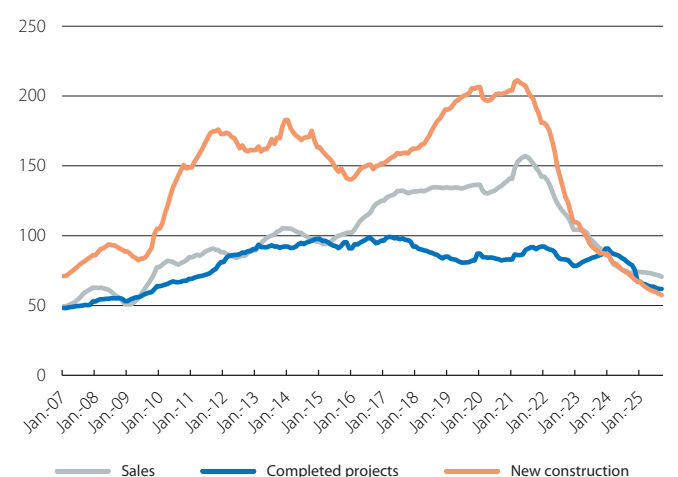**China: share of exports by destination**
Total exports (%)

Source: CaixaBank Research, a partir de datos de Bloomberg.

China: real estate sector
*(Million of m²)**

Note: * 12-month average.
Source: CaixaBank Research, based on data from Bloomberg.

# The Belt and Road Initiative: a double-edged sword? (part II)

In recent decades, China has managed to transform its export and import profile through the Belt and Road Initiative (BRI), which has sought to facilitate trade with foreign markets. One of the most important dimensions of this trade is the improvement of access to key inputs for the development of its industry. Moreover, as has happened with the destinations of the country's exports, the origins of its imports have also diversified in recent years, albeit not at the product level, where there has been an increase in the concentration of imports.[1]

China's importer profile: a voracious consumer of commodities

Similar to what has happened on the export side,[2] countries participating in the BRI account for over half of the increase in China's imports (see first chart) in the last decade. Among the top 10 source countries that have contributed the most to the increase in Chinese imports, there are four countries that form part of the initiative (18 in the top 30), as well as Russia – a close ally, but which does not officially participate in the BRI. The top 10 account for 62% of the total increase in China's imports over the period in question (vs. 46% in the case of exports). Among these top 10 countries, the three largest commodity exporters (Russia, Australia and Brazil) explain 25% of the total. In addition, many countries have seen substantial increases in their commodity exports to China, such as metal ores (Indonesia), crude oil (Malaysia) and gold (Switzerland), and a decline in the share of electronics and machinery exports, with the exception of South Korea and Taiwan, both of which have seen significant increases in integrated circuits.[3]

A more detailed analysis of the import profile at the product level (HS4 level of disaggregation) provides greater clarity on China's commodity voracity over the past decade. Among the products that have contributed the most to the increase in China's imports in the period, we find various commodities, including energy products and metals, such as crude oil (which explains 17% of the

China: total imports and contributions by country
(USD trillions)
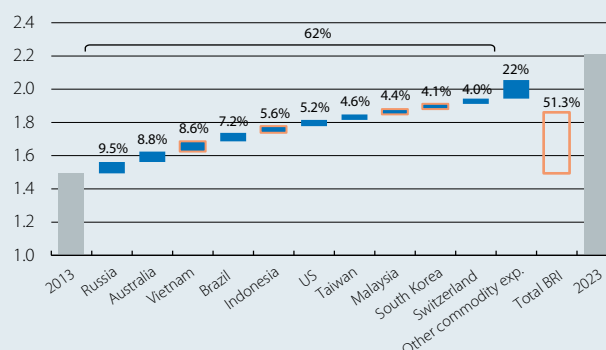
Note: *The columns with orange borders correspond to countries that officially participate in the BRI. The chart shows the top 10 countries with the largest contributions to the increase in China's imports, as well as the total contribution of the BRI countries.*
Source: *CaixaBank Research, based on data from the Observatory of Economic Complexity.*

China: total imports and contributions by product
(USD trillions)
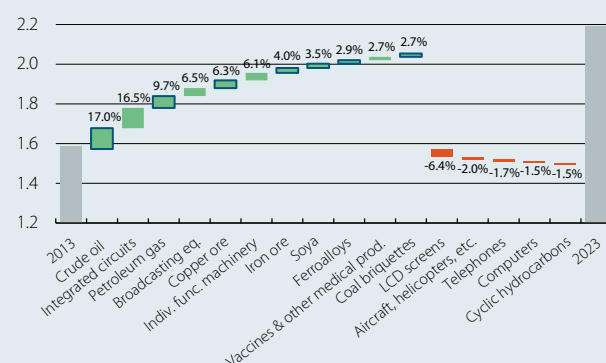
Note: *The chart shows the product categories (at the HS4 level) with the largest contributions to the growth of China's imports and the products with the most negative contributions.*
Source: *CaixaBank Research, based on data from the Observatory of Economic Complexity.*

increase), natural gas (9.7%), copper and iron ore (6.3% and 4.0%, respectively) and ferroalloys.[4] On the other hand, there have been significant reductions in imports of electronic products, such as LCD screens, phones and computers, while integrated circuits account for 16.5% of the total increase in Chinese imports (vs. 9.6% of the increase in exports).[5]

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1. The Herfindahl-Hirschman (HH) index for the geographical concentration of China's imports has decreased from 460.5 in 2011-2013 to 384.4 in 2021-2023, while the index for concentration by product (at the HS4 level) has increased from 342.6 to 401.0 points.
2. See the Focus «The Belt and Road Initiative: a double-edged sword? (part I)», in the MR11/2025.
3. Of particular note is the concentration that has taken place in exports from South Korea and Taiwan to China. In 2013, the HH product concentration index (at the HS2 level) for these countries stood at around 1,500 points (1,509.5 for South Korea, 1,646.9 for Taiwan). In 2023, the same index reached 3,144.1 points and 4,177.6 points, respectively. For comparative purposes, the product concentration index of the total exports of these countries stood at 1,519.5 points and 3,500.2 points in 2023 (1,163.7 and 1,985.9 in 2013).

4. Although their aggregate contribution is lower, several commodities, such as other minerals, coal lignite, nickel and rare earths, show very high growth rates in the period. The agrifood (soya, frozen beef and corn) and chemicals (medicines, carbonates or inorganic acids) sectors have also registered substantial growth rates.
5. Chinese imports of integrated circuits (200 billion dollars in 2023, around 10% of total imports) have been concentrated in Asia in recent years (accounting for more than 90% of the total). South Korea (33% of the total) and Taiwan (24%) are the two largest exporters to China, while Vietnam (8%) has grown rapidly, and Malaysia (9%) and Japan (7%) have lost relative importance.

The profound changes in China's import profile, and in particular its growing intensity in critical commodities,[6] are visible in the export profiles of its largest trading partners, especially in the differential observed between the product distribution of their global exports compared to their exports to the Asian giant, and in the concentration that has occurred in the latter (see third chart). Although the differences observed are marginal in the cases of some energy-producing countries (e.g. Iraq, Oman and Saudi Arabia), in most cases the differential in the export concentration is high. Among these, we can distinguish three groups. On the one hand, we find countries that have seen a sharp acceleration in the concentration of their exports to China over the past decade, including producers of minerals such as copper (Panama, Peru and Chile), cobalt (DR Congo) and manganese and chromium (South Africa), as well as chemical elements (Djibouti) and electronics (Taiwan and Vietnam). On the other hand, some large global *commodity producers* have not seen any significant growth in the concentration of their exports to China (such as the UAE, Australia and Brazil), although the product concentration of their exports to China is greater than the global average. In the group of countries with higher incomes, and with the most diversified export profiles, China also maintains a more concentrated import profile than other countries.[7]

The Silk Road of the 21st century: commodities and chips, via manufactured products

China has succeeded in reinforcing its status as the «world's factory» in the last decade and has diversified the geographical distribution of its exports while gaining importance as a destination market for its trading partners' exports. Its growth model, anchored in high investment and oriented towards international markets, has transformed over time, with significant growth in

6. In the case of rare earths, China's reserves are estimated to be between 44 and 50 million metric tonnes, about half of global reserves. On the other hand, China accounted for virtually 70% of global extraction (or 270,000 metric tonnes) in 2024. In addition to leading the world in rare earth reserves and extraction, China is a net importer of these materials, on a gross basis, which reflects the competitiveness of its refining industries and the high demand for these materials from its manufacturing industry as essential inputs for a wide range of sectors, such as machinery, electronics and motor vehicles. Also, in 2024, China imported 130,000 metric tonnes of rare earth. The top 5 biggest exporters, in value terms, include three Asian countries that participate in the BRI (Myanmar, Malaysia and Laos), Russia and India. See «Rare Earth Elements: Understanding China's Dominance in Global Supply Chains», China Briefing, published on 29 August 2025 (last access: 19/11/2025).

7. For example, from Switzerland and the United Kingdom, of particular note is the increase in imports of gold, while from Ireland it is those of electrical and electronic machinery. In the case of Malaysia, the decline in the concentration of exports to China is explained by the reduced importance of electrical and electronic machinery, while fuel exports account for almost 40% of the total (vs. 23% in global terms), versus around 10% a decade ago.

Global: evolution of the concentration and market share of exports to China by country, between 2013 and 2023
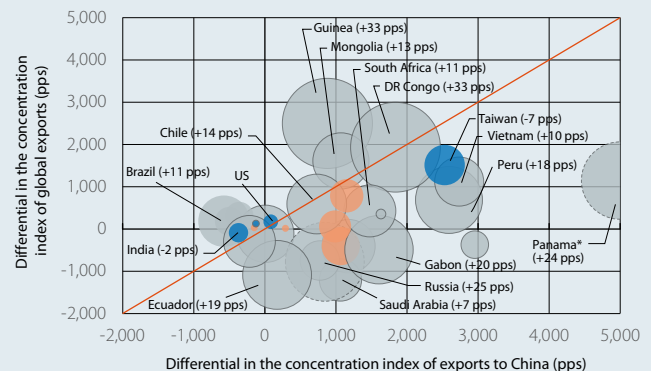
Note: *The chart shows the differential in the Herfindahl-Hirschman (HH) index between 2013 and 2023 for each country's global exports and its exports to China at the HS2 level. The size of each circle indicates the change, in pps, of the share of each country's exports to China in the period. Blue bubbles indicate a fall in the share of exports to China (the cases of the US, India, Taiwan and Thailand) and grey bubbles, an increase. The European countries in the sample are highlighted in orange, all of which show increases in the share of their exports to China (Switzerland: +5.9 pps, Ireland: +4.5 pps, the United Kingdom: +4.2 pps, Germany and Spain: +0.2 pps). The countries identified with a grey border are those which officially participate in the BRI (excl. Russia, with uncertain participation, and Panama, which left the BRI in 2025). As an example, Peru has seen an increase in the concentration of its exports to China of 2,591 points (going from 4,652.1 to 7,243.9), while the concentration of its global exports has grown by 688 points (from 1,270.5 to 1,958.9). In the period analysed, its exports to China have gone from 16% to 34% of the total. * In Panama, the increase in the concentration index for its exports to China was 7,367 points (1,147 for its global exports).*
Source: *CaixaBank Research, based on data from the Observatory of Economic Complexity.*

strategic sectors such as green energy, electric mobility and advanced electronics. There has also been a reconfiguration of global trade relations, with China gaining a competitive advantage across a broad spectrum of the manufacturing sector while becoming an avid importer of intermediate goods, including energy, minerals and integrated circuits. China's main trading partners, especially those participating in the Belt and Road Initiative, have thus become direct witnesses to the Asian giant's profound transformation. In this way, while China has gained importance in global trade, it has also triggered changes in the productive structure of these countries. Furthermore, while creating opportunities by promoting investment and increasing trade flows between countries, greater economic integration with China can also pose certain risks by promoting low-value-added extractive industries and by generating greater dependence on the Asian giant in economic, financial and geopolitical terms.

Luís Pinheiro de Matos (CaixaBank Research)
and Sergi Artés Sebastià (UPF undergraduate student)

EU export diversification beyond Trump's tariffs

Trade protectionism has been part of the new geopolitical normal for years now, but it has reached its peak in 2025 with the new US administration. In this more hostile environment and in the absence of an effective multilateral forum, the EU continues to make efforts to broaden its economic relations with different regions of the world. The strategy of diversification has become a valuable tool, not only in the search for markets with high export growth potential, but also in making progress towards the desired strategic autonomy.

**In search of expanding markets**

The main destination for EU countries' exports remains predominantly other Member States (around 60% in 2024), which contrasts with the small contribution that this economic zone is expected to make to global growth in the medium term (less than 10% in the next five years) (see first chart). We find a similar imbalance between exposure and potential growth for other advanced economies, particularly those that are geographically closest and with which the EU has maintained historical and commercial ties for decades (the United Kingdom, Switzerland and Norway). The main exception among developed countries would be US, the only one of this group with which there is no trade agreement following the failure of the TTIP in the middle of the last decade, and for which its expected contribution to global growth exceeds the share of European exports (11% vs. 8%).

The situation is clearly asymmetric for emerging economies as a whole and for Asia in particular. According to forecasts up until 2030, China and India – also without any bilateral agreement – are expected to account for just over 40% of global GDP growth in the coming years, whereas they accounted for just 4% of the EU's total exports in 2024. A similar situation is true for the set of ASEAN countries (among which the EU only has a trade agreement in force with Vietnam) and, to a lesser extent, for other regions such as Sub-Saharan Africa, Latin America, the Middle East and Central Asia. There is only a correspondence between export share and global economic relevance with the emerging countries located close to Europe, the main partner being Turkey, with which there has been a customs union since 1995.

Bilateral agreements to overcome multilateral paralysis

The Doha round of negotiations on trade began in 2001 and is by far the longest in history under the multilateral umbrella of the WTO. However, no meaningful agreements to continue reducing tariff and non-tariff barriers in the trade of goods and services were reached.

EU: destination of exports by contribution to global growth in the coming years
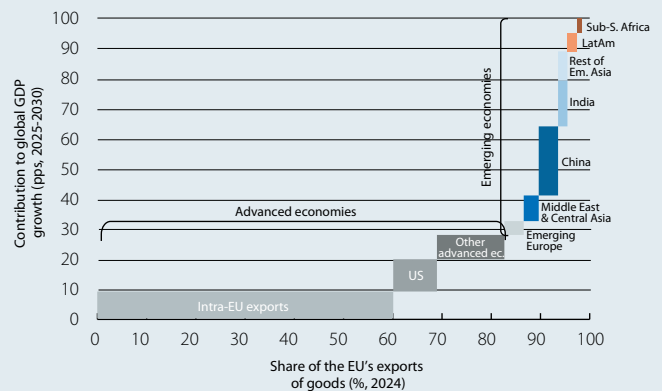
Note: Contribution to global GDP growth calculated in purchase parity-adjusted dollars as per IMF forecasts (WEO, October 2025).
Source: CaixaBank Research, based on data from Eurostat and the IMF.

In the absence of progress, countries have opted for a bilateral and regional agenda, and nearly 300 agreements of this nature have been signed in the world over the last two decades (compared to less than 100 in force at the beginning of the period). The EU has been no exception and has gradually expanded its economic relations beyond the European environment, with a total of 37 agreements coming into force between 2001 and 2025 (see second chart). Among the most relevant in terms of trade volume are those signed with Japan (2019), South Korea (2011), Canada (2017), Ukraine (2014) and Singapore (2019).[1]

More recently, the EU has concluded successful negotiations with MERCOSUR (December 2024) and Indonesia (September 2025). The treaties are now awaiting ratification by the European Council and Parliament, as well as by the various Member States. In the case of MERCOSUR,[2] as was the case in 2019-2020, France is the main opponent to its definitive adoption due to the competition is entails for agricultural products, a view shared by Poland and Ireland, while environmental aspects are fuelling the reluctance of Austria, Belgium and the Netherlands. In parallel, the EU is in ongoing negotiations with India, the United Arab Emirates, Australia and three other ASEAN countries (the Philippines, Malaysia and Thailand).[3]

1. The agreements with Canada and Ukraine are provisionally in force pending final ratification by Member States, while in the case of Singapore the EU continues to negotiate the specific agreement on digital commerce.
2. The current members of MERCOSUR are Argentina, Bolivia, Brazil, Paraguay and Uruguay. Venezuela has been suspended since 2016.
3. Together with Indonesia, we call this group ASEAN-4.

Map of EU trade agreements

EU members

Trade agreements with the EU

In force

In the process of being adopted/ratified

In negotiation

Pending
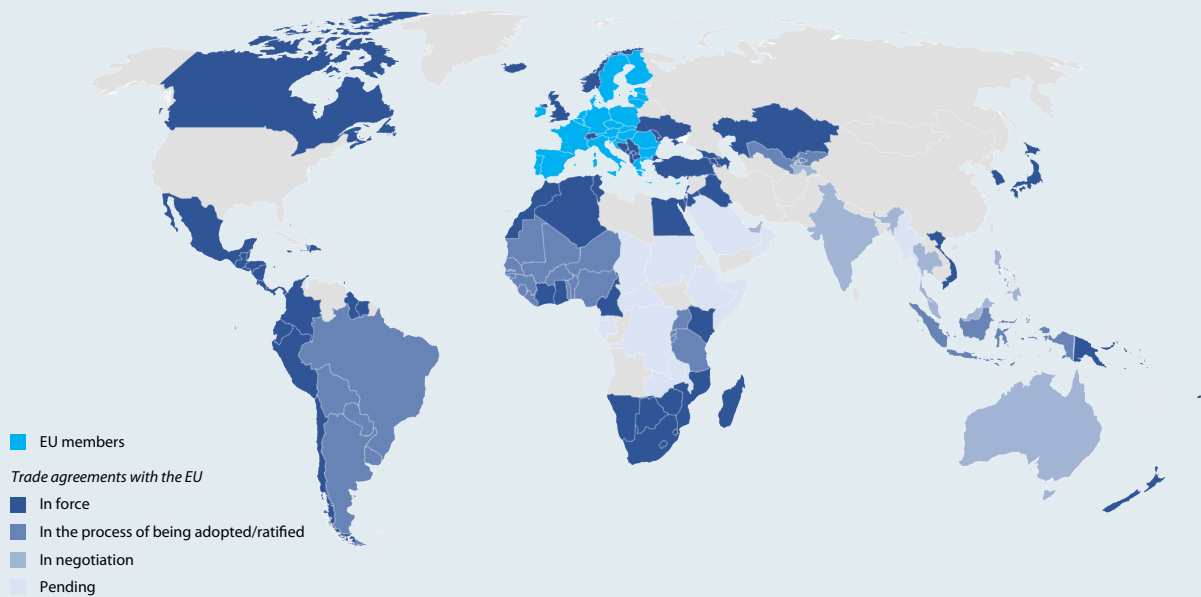
Source: CaixaBank Research, based on information from the European Commission.

The potential of diversification in the face of Trump's protectionism

A key feature of the administration that emerged from the US election a year ago is undoubtedly its more protectionist trade policy. In the case of the EU, according to our estimates this has resulted in an increase in the average tariff for entry into the US market to 12%, compared to the 1% that was in force in 2024.[4] In this scenario, European exporting firms are adopting different mitigation strategies, ranging from direct investment projects in the US to finding alternative destinations for their products.[5]

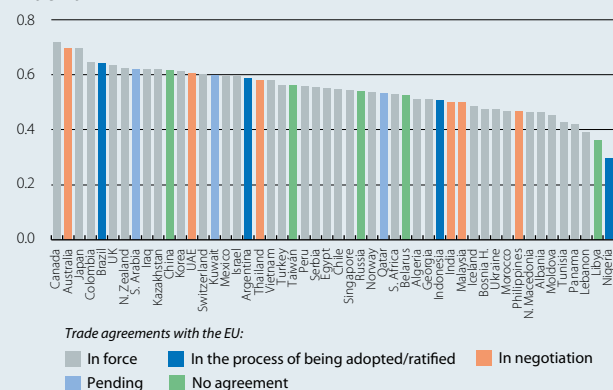With regard to this second option, it is logical to assume that goods that are no longer sold in the US market will fit more easily into countries where EU exports have a similar product structure. According to the export similarity index,[6] we estimate that the candidates for diverting trade from the US would be mostly developed countries, such as Canada, Australia, Japan, the United Kingdom and New Zealand, but also some Latin American economies, such as Brazil and Colombia (see third chart). Another important factor is the degree to which European products have access to these markets. Overall, this is positive, as the EU either has trade agreements signed

with the aforementioned countries or the most-favoured-nation tariff is low compared to the rate now imposed by the US. The notable exception is Brazil, particularly for the entry of agricultural products.

On this note, taking a more medium-term view, it is worth considering whether the EU trade agreements that are pending ratification and those that are currently being negotiated will be able to compensate quantitatively for the potential loss of the US market. For an initial approximation of the challenge that lies ahead, we can refer to the value of EU exports in 2024, when sales of goods to the US reached 530 billion euros, a figure that is more than double the sum of MERCOSUR, ASEAN-4,

Alternative markets for the EU: similarity to exports to the US (2024)
Index 0-1

Trade agreements with the EU:

In force   In the process of being adopted/ratified   In negotiation

Pending   No agreement

Notes: The similarity index of a country with the structure of EU exports to the US is constructed as the sum of the minimum value for both countries of the relative weight of each group of products in the total exports. The index ranges from 0 (totally different trade structures) to 1 (identical trade structures). The product groups correspond to the HS classification at the 4-digit level.
Source: CaixaBank Research, based on data from Eurostat.

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4. The US-EU agreement reached in late July establishes a general entry tariff of 15% for European exports, with exemptions applied to a number of products, such as generic pharmaceuticals.
5. See, for the case of Spain, the article «Tariff tensions and reconfiguration of trade flows: impact on Spain», published in the *Sectoral Observatory* of the first semester of 2025.
6. See De Soyres *et al.* (2025), «The Sectoral Evolution of China's Trade», FEDS Notes.

Australia, India and the United Arab Emirates combined (235 billion). A second, more precise estimate, in which we consider the response of imports of European products to the expected change in tariffs in each country (increase in the US and reduction in the rest), offers us a similar reading. Even in a scenario with a complete disarmament of tariffs with the new trading partners, these markets would cover just under 40% of what would be lost in the US (see fourth chart).[7] By product group, the compensatory capacity would be lower for the chemicals, machinery and equipment industry, while the net balance could be positive in the case of agricultural products.

Export diversification should not only be a trade response to US protectionism, but a centrepiece for strengthening Europe's strategic autonomy through reliable value chains. In a fragmented world, the EU needs more resilience, but this does not mean closing itself off. Agreements with new partners open up expanding markets, but they also broaden access to critical energy and mineral resources, as well as building partnerships for achieving global progress on key issues such as the green transition. That said, we must not forget that the greatest challenge remains within the EU itself. Making progress in the competitive structural agenda is essential to ensure that our most important trading partners – ourselves – do not continue to be the region contributing the least to global growth.

David Martínez Turégano

Compensation of higher tariffs in the US via EU trade agreements
(EUR billions)
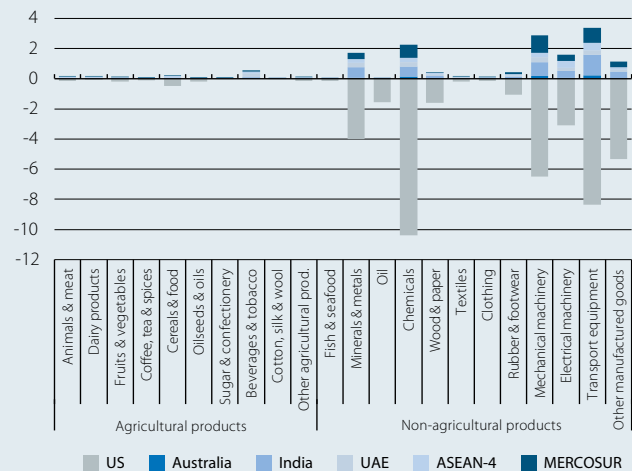
Notes: *ASEAN-4 includes the Philippines, Indonesia, Malaysia and Thailand. MERCOSUR includes Argentina, Bolivia, Brazil, Paraguay and Uruguay. Product groups defined by the WTO. Own estimate of the increase in tariffs by the US based on the trade agreement with the EU reached in late July and subsequent announcements for pharmaceuticals and exemptions on reciprocal partners. For all other countries, we assume that the most-favoured-nation tariff in force and published by the WTO is reduced to zero. We assume a demand-price elasticity of −1.*
Source: *CaixaBank Research, based on data from Eurostat and the WTO.*

7. The compensatory effect does not change in relative terms for different values of demand-price elasticity, provided it is the same for all countries. What does change substantially is the magnitude of the challenge in aggregate terms, since with a unitary elasticity – which prevails in the short term – around 40 billion of exports to the US would be lost (8% of the total), while with a value four times higher – more reasonable in the medium term – this figure would be 175 billion (one third of the current level).

Year-on-year (%) change, unless otherwise specified

UNITED STATES

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Activity									
Real GDP	2.9	2.8	2.4	2.0	2.1	...	–	–	–
Retail sales (excluding cars and petrol)	5.2	3.4	4.1	4.8	4.9	4.7	4.2	...	...
Consumer confidence *(value)*	105.4	104.5	110.6	99.8	93.1	97.4	95.6	95.5	88.7
Industrial production	–0.2	–0.7	–0.9	0.7	0.5	1.4	1.6	...	...
Manufacturing activity index (ISM) *(value)*	47.1	48.2	48.2	50.1	48.7	48.6	49.1	48.7	48.2
Housing starts *(thousands)*	1,421	1,371	1,387	1,401	1,354	...	...	...	...
Case-Shiller home price index *(value)*	312	330	336	340	338	337	338	...	...
Unemployment rate *(% lab. force)*	3.6	4.0	4.1	4.1	4.2	4.3	4.4	...	...
Employment-population ratio *(% pop. > 16 years)*	60.3	60.1	59.9	60.0	59.8	59.6	59.7	...	...
Trade balance [1] *(% GDP)*	–3.0	–2.8	–3.0	–3.5	–3.6	...	...	...	...
Prices									
Headline inflation	4.1	3.0	2.7	2.7	2.4	2.9	3.0	...	...
Core inflation	4.8	3.4	3.3	3.1	2.8	3.1	3.0	...	...

JAPAN

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Activity									
Real GDP	1.2	–0.2	1.0	1.8	2.0	1.1	–	–	–
Consumer confidence *(value)*	35.1	37.2	36.1	34.7	32.8	34.6	35.3	35.8	37.5
Industrial production	–1.4	–3.0	–2.5	2.5	0.8	0.6	2.0	1.6	...
Business activity index (Tankan) *(value)*	7.0	12.8	14.0	12.0	13.0	14.0	–	–	–
Unemployment rate *(% lab. force)*	2.6	2.5	2.5	2.5	2.5	2.5	2.6	2.6	...
Trade balance [1] *(% GDP)*	–3.0	–1.1	–1.0	–0.9	–0.7	–0.5	–0.5	–0.5	...
Prices									
Headline inflation	3.3	2.7	2.9	3.8	3.4	2.9	2.9	3.0	...
Core inflation	3.9	2.4	2.3	2.7	3.2	3.2	3.0	3.1	...

CHINA

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Activity									
Real GDP	5.4	5.0	5.4	5.4	5.2	4.8	–	–	–
Retail sales	7.8	3.3	3.8	3.6	4.4	2.4	3.0	2.9	...
Industrial production	4.6	5.6	5.6	6.8	6.2	5.8	6.5	4.9	...
PMI manufacturing *(value)*	49.9	49.8	50.2	49.9	49.4	49.5	49.8	49.0	49.2
Foreign sector									
Trade balance [1,2]	865	997	997	1,086	1,146	1,177	1,177	1,171	...
Exports	–5.1	4.6	10.0	5.7	6.0	6.5	8.2	–1.2	...
Imports	–5.5	1.0	–1.8	–6.8	–0.9	4.3	7.4	1.0	...
Prices									
Headline inflation	0.2	0.2	0.2	–0.1	0.0	–0.2	–0.3	0.2	...
Official interest rate [3]	3.5	3.1	3.1	3.1	3.0	3.0	3.0	3.0	3.0
Renminbi per dollar	7.1	7.2	7.2	7.3	7.2	7.2	7.1	7.1	7.1

Notes: *1. Cumulative figure over last 12 months. 2. Billion dollars. 3. End of period.*
Source: *CaixaBank Research, based on data from the Department of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, Standard & Poor's, ISM, National Bureau of Statistics of Japan, Bank of Japan, National Bureau of Statistics of China and Refinitiv.*

EURO AREA

Activity and employment indicators
Values, unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Retail sales *(year-on-year change)*	−1.9	1.2	2.3	2.4	3.0	1.9	1.2	1.5	...
Industrial production *(year-on-year change)*	−1.6	−3.0	−1.6	1.5	1.3	1.4	1.2	...	...
Consumer confidence	−17.4	−14.0	−13.5	−14.1	−15.7	−15.0	−14.9	−14.2	−14.2
Economic sentiment	96.2	95.7	95.0	95.5	94.4	95.6	95.7	96.8	97.0
Manufacturing PMI	44.4	45.9	45.4	47.6	49.3	50.1	49.8	50.0	49.6
Services PMI	48.8	51.5	50.9	51.0	50.1	50.9	51.3	53.0	53.6
Labour market									
Employment (people) *(year-on-year change)*	1.5	1.2	0.7	0.8	0.7	0.6	–	–	–
Unemployment rate *(% labour force)*	6.6	6.4	6.3	6.3	6.4	6.4	6.4	6.4	...
Germany *(% labour force)*	3.1	3.4	3.5	3.6	3.7	3.7	3.8	3.8	...
France *(% labour force)*	7.3	7.4	7.3	7.5	7.6	7.7	7.7	7.7	...
Italy *(% labour force)*	7.7	6.6	6.2	6.3	6.3	6.1	6.2	6.0	...
Real GDP *(year-on-year change)*	0.6	0.8	1.3	1.6	1.5	1.4	–	–	–
Germany *(year-on-year change)*	−0.7	−0.5	−0.2	0.2	0.3	0.3	–	–	–
France *(year-on-year change)*	1.6	1.1	0.6	0.6	0.7	0.9	–	–	–
Italy *(year-on-year change)*	1.1	0.5	0.5	0.8	0.5	0.6	–	–	–

Prices
Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
General	5.5	2.4	2.2	2.3	2.0	2.1	2.2	2.1	2.2
Core	5.0	2.8	2.7	2.6	2.4	2.3	2.4	2.4	2.4

Foreign sector
Cumulative balance over the last 12 months as % of GDP of the last 4 quarters, unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Current balance	2.0	3.4	3.4	3.0	3.6	5.2	5.2	...	...
Germany	5.5	5.8	5.8	5.4	6.6	9.4	9.4	...	...
France	−1.0	0.1	0.1	0.0	−0.3	−1.0	−1.0	−1.5	...
Italy	0.2	1.1	1.1	0.9	1.3	2.6	2.6	...	...
Nominal effective exchange rate [1] *(value)*	94.7	95.0	94.1	93.5	96.7	98.4	98.7	98.1	97.8

Credit and deposits of non-financial sectors
Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Private sector financing									
Credit to non-financial firms [2]	2.7	0.8	1.4	2.2	2.6	2.9	2.9	2.9	...
Credit to households [2,3]	1.7	0.5	0.9	1.5	2.1	2.5	2.6	2.8	...
Interest rate on loans to non-financial firms [4] *(%)*	4.6	4.9	4.4	3.9	3.4	3.2	3.2	3.2	...
Interest rate on loans to households for house purchases [5] *(%)*	4.4	4.6	4.3	4.0	3.7	3.6	3.5	3.5	...
Deposits									
On demand deposits	−8.5	−3.9	1.2	3.7	5.4	5.6	5.5	5.7	...
Other short-term deposits	21.1	12.4	6.0	2.3	−0.1	−1.5	−2.1	−1.8	...
Marketable instruments	20.1	20.0	18.0	14.7	11.1	4.4	4.3	1.9	...
Interest rate on deposits up to 1 year from households *(%)*	2.7	3.0	2.6	2.2	1.9	1.7	1.7	1.8	...

Notes: *1. Weighted by flow of foreign trade. Higher figures indicate the currency has appreciated. 2. Data adjusted for sales and securitization. 3. Including NPISH. 4. Loans of more than one million euros with a floating rate and an initial rate fixation period of up to one year. 5. Loans with a floating rate and an initial rate fixation period of up to one year.*
Source: *CaixaBank Research, based on data from the Eurostat, European Central Bank, European Commission, national statistics institutes and Markit.*

The Spanish economy remains dynamic in the final stretch of 2025

The November activity indicators point to a very positive Q4. Private consumption remains dynamic, supported by the gradual recovery of household real disposable income and lower interest rates. At the same time, business activity indicators are strong and the labour market continues to create jobs. This context leads us to anticipate a better end of the year than expected. Specifically, the CaixaBank Research consumption indicator shows that spending on Spanish cards in the first three weeks of November increased by 6.9% year-on-year, well above the 3.2% of Q3. Also, the retail trade index, deflated and corrected for seasonality effects, recorded a significant increase of 3.8% year-on-year in October. On the supply side, the PMI for the manufacturing sector stood at 51.5 points in November, slightly below the previous month's level of 52.1 points and that of Q3 (52.6), but still comfortably above the threshold that denotes growth in the sector (50 points). In addition, the services sector's PMI reached 55.6 points, a high figure which, although slightly lower than October, is higher than Q3 (54.2).

Good labour market data in Q4. In November, traditionally a month of declines in the number of registered workers due to the fall in employment in the hospitality industry, the labour market showed a good tone: Social Security affiliation fell by 14,358 people compared to October (–0.07%), less than in previous years, and in seasonally adjusted terms it increased by 44,734 people. Thus, affiliation rose in October-November by 0.6% quarter-on-quarter (adjusted for seasonality), 0.1 pp more than in the previous quarter, suggesting an improvement in the pace of job creation. This positive trend indicates that more jobs will have been created in 2025 than in 2024, which is indeed significant: affiliation has increased by 474,846 workers in the first 11 months of the year versus 462,276 in November 2024. Another positive development is that registered unemployment fell by 18,805 people compared to October, to 2.42 million.

Inflation stabilises at still somewhat high levels. The CPI flash indicator for November stood at 3.0%, 0.1 pp lower than in October, representing a stabilisation after the upward trend observed since May, when inflation was 2.0%. The slight decline was more modest than expected; the price of electricity fell less than expected compared to October, while food and leisure and culture applied upward pressure. Thus, there are upside risks for the inflation forecast due to greater-than-expected inertia in services-related inflation, coupled with the resistance shown by electricity prices to substantially correct.

Spain: PMI
Level
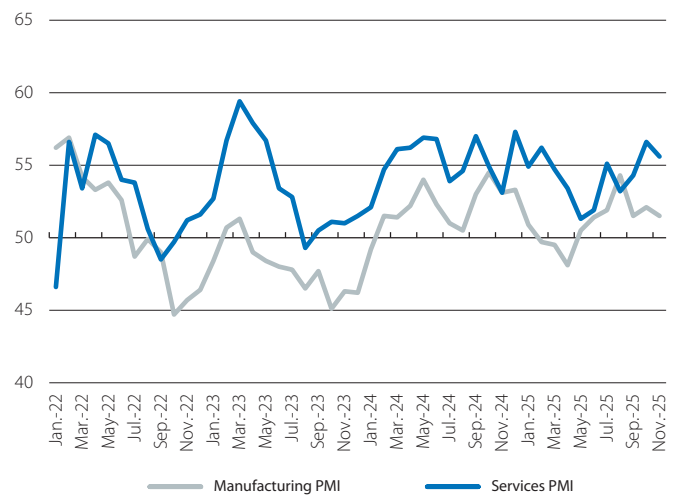
Source: CaixaBank Research, based on data from S&P Global PMI.

Spain: registered workers affiliated with Social Security*
Month-on-month change (thousands of people)
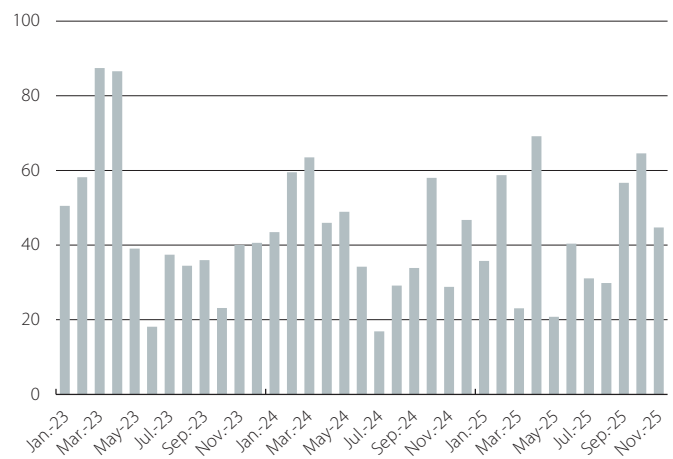
*Note: * Series corrected for seasonality.*
Source: CaixaBank Research, based on data from the Ministry of Inclusion, Social Security and Migration (MISSM).

Spain: inflation*
Change (%)
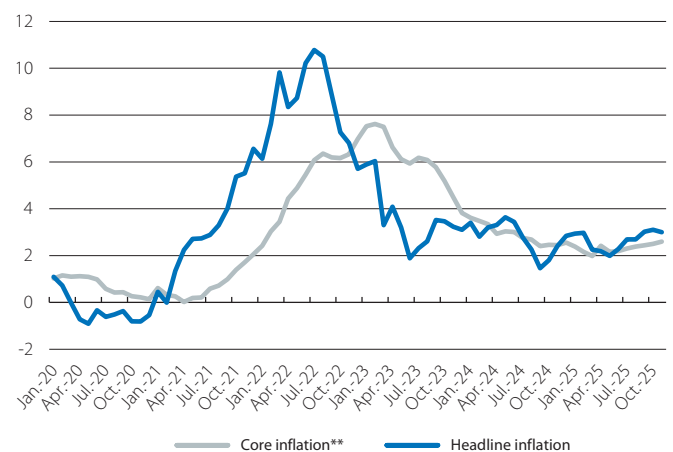
*Notes: * The November data are preliminary. ** Core inflation excludes unprocessed food and energy.*
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).

The current account surplus is reduced by the strength of imports. The current account balance up until September, in cumulative terms for the trailing 12 months, showed a surplus of 2.8% of GDP, 0.3 points less than in 2024 as a whole. The setback was primarily due to the significant dynamism of imports of non-energy goods, which supplied strong domestic demand and was much greater than that of exports. This left a deficit in the balance of non-energy goods of 1.2% of GDP, 0.7 points more than at the end of 2024. The energy deficit, for its part, recorded a slight improvement, standing at 2.0% of GDP compared to 2.1% in 2024, with prices continuing to fall (–15% year-on-year in 2025). On the services side, the growth of non-tourism services stands out, with a surplus of 2.7% of GDP compared to 2.4% in 2024, amid a 10% year-on-year increase in exports. Tourism continued to perform well, with a surplus of 4.2% of GDP, following its record of 4.3% last year. By geographical area, between January and September, of particular note was the 7.4% year-on-year fall in exports of goods to the US, which left a trade deficit of almost 10.8 billion with the North American country (10,785.6 million, to be precise).

Reduction of the budget deficit up until Q3 compared to last year. Up to September, the consolidated general government deficit (excluding local government corporations) fell to 1.1% of GDP, compared to 1.5% in the same period of 2024, thanks to the strength of public revenues (+7.2% year-on-year) versus more contained expenditure (+5.7%). In nominal terms, the deficit is 23% lower than a year ago. Tax collection revenues grew by 7.8%, driven by both direct taxes (+9.9%) and indirect taxes (+7.3%), while social security contributions rose by 6.5%. On the expenditure side, of particular note is the increase in social benefits (+6.3%), while that of wage earners' remuneration remained moderate (+3.1%), pending the retroactive application of the 2.5% wage rise agreed in December. With these trends, all the indicators suggest a deficit of around 2.5% of GDP in 2025 (vs. 3.2% in 2024), which is better than our current forecast of 2.7% prepared with data from the first half of the year.

The house price rally shows no sign of easing. The appraisal value of unsubsidised housing grew in Q3 by 3.0% quarter-on-quarter and by 12.1% year-on-year, an acceleration from the 10.4% recorded in Q2 and the biggest increase since 2005. This rebound reflects the imbalance between supply and demand, although in real terms the price remains 27% below the 2007 peak. In this context, sales are showing some volatility: after several quarters with increases in excess of 10%, August saw a fall in sales of 3.4% and in September there was a slight rebound of 3.8%. Nevertheless, the volume remains high, with 707,800 sales transactions closed in the past 12 months, the highest figure since 2007.

Spain: current account balance
(% of GDP)
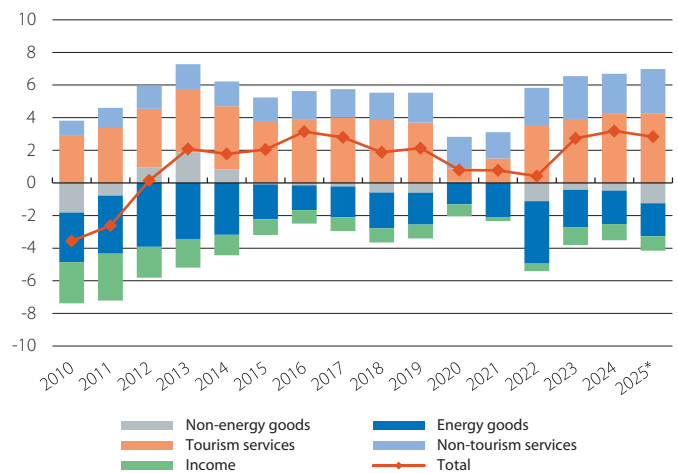
Notes: * Cumulative data for the trailing 12 months to September. Data on goods according to the SITC (Standard International Trade Classification).
Source: CaixaBank Research, a partir de datos del INE.

Spain: general government lending capacity/ funding needs
(% of GDP)
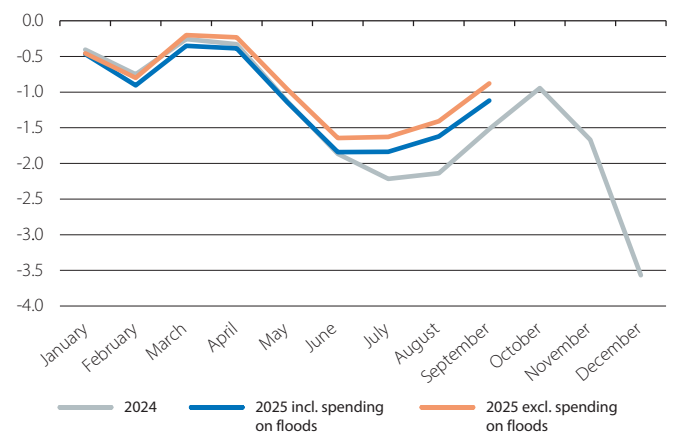
Note: Consolidated data excluding local corporations, since their data has not yet been published.
Source: CaixaBank Research, based on data from the General Intervention Board of the State Administration (IGAE).

Spain: house prices
Year-on-year change (%)
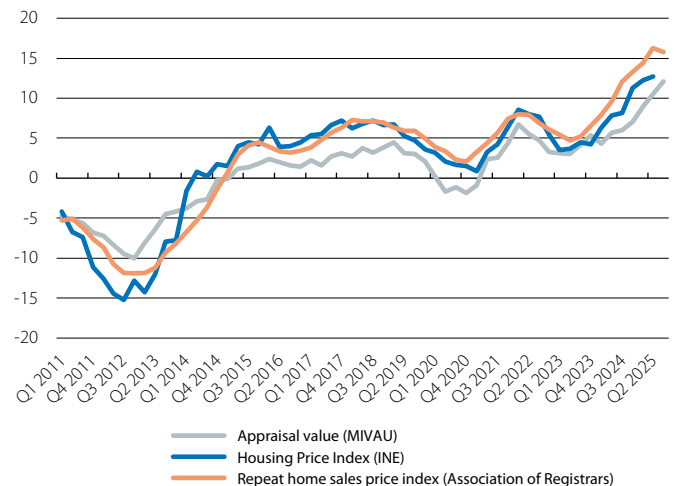
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE), the Ministry of Housing and Urban Agenda (MIVAU) and the Association of Registrars.

What explains the rebound in Spanish imports?

Since Q2 2024, there has been a clear rebound in Spanish imports, which have gone from recording a fall of 6% year-on-year in March 2024 to an increase of 5.3% in August 2025 (calculated using cumulative data for the trailing 12-month period). This new trend raises the need to analyse whether this rebound responds to greater dynamism of domestic demand or if it reflects an increase in the import content of our economy.

What type of goods are we importing the most?

In this section we rely on customs data on imports of goods, as they provide a more detailed breakdown by economic sector. In the second chart, we show the relative contribution of each sector to the growth of imports, in real terms and excluding energy products, comparing 2025 against the last pre-pandemic expansion cycle (2015-2019). Two facts stand out from the chart. Firstly, we can see that semi-manufactured goods and capital goods usually account for a large part of import growth, while the sectors more related to consumption – such as food, manufactured consumer goods and consumer durables – account for a smaller portion.

Secondly, we see that semi-manufactured goods and capital goods account for the growth of imports in 2025 to a greater extent compared to 2015-2019, while the automotive sector, food and manufactured consumer goods do so to a lesser extent. This change suggests an import profile that is currently more geared towards intermediate consumption and investment compared to the pre-pandemic period.

What has driven the recent upturn in imports?

To complement the analysis, we estimated a regression of imports against the various components of final demand: private consumption, public expenditure, investment, exports of goods and exports of services. Since we worked with national accounting data, in this exercise we focused on total imports, not just those of goods. The model matches the data well and, as we would expect, shows that the components of final demand that contribute the most to explaining changes in imports are investment and exports of goods, followed by private consumption.[1] The interpretation of the residuals allows us to identify deviations between actual imports and those we would expect based on final demand. In 2024, imports were slightly lower than expected (see third

1. We estimated a linear regression between the year-on-year change in imports, in real terms, and the year-on-year changes in the components of final demand. The regression presents an R^2 of 94%. Imports show an elasticity of 0.54 relative to investment, of 0.50 relative to exports of goods and of 0.46 relative to private consumption.

Spain: nominal total imports
Year-on-year change in the 12-month cumulative total (%) and contributions (pps)
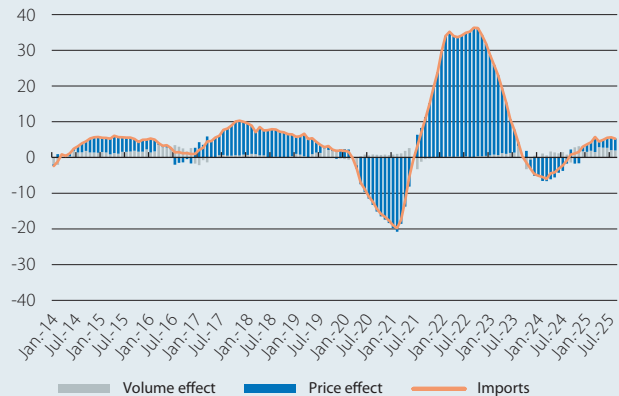
Source: CaixaBank Research, based on data from the Bank of Spain.

Spain: real imports by sector*
*Relative contribution to growth (%)***
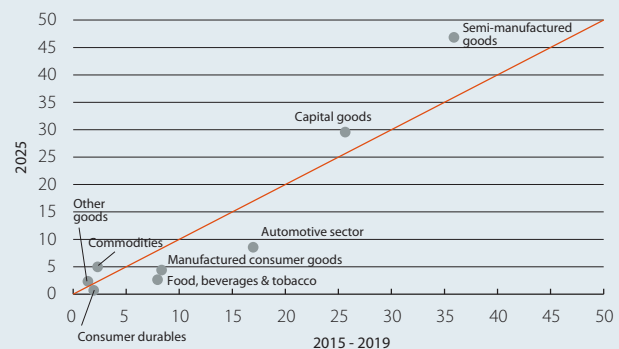
Notes: * The contributions are expressed as a percentage of the total growth of non-energy imports. If a sector is above the diagonal line, it means that its relative contribution has been greater in 2025 than in the period 2015-2019, and vice versa.
** Cumulative data for the period January-August.
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).

Spain: relationship between imports and the components of final demand*
Level
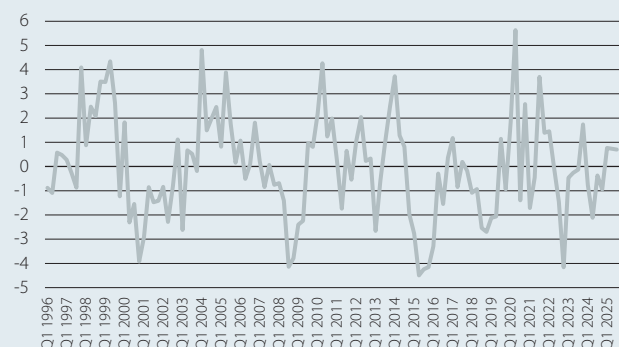
Note: * Residual of a regression between the year-on-year change in real imports and each of the components of final demand (private consumption, public consumption, investment and exports of goods and services).
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).

chart), while in 2025 the prediction errors are slightly above. In both years the magnitudes of the errors are small, suggesting that the current upturn is aligned with the behaviour of final demand and not with an increase in its import content.

Finally, based on the estimated coefficients of the regression, we can see the evolution over time of the contributions from the various components of demand to import growth. Following the significant fluctuations

triggered by the pandemic, from 2024 onwards the investment component gains prominence and goes from 1.4 pps in Q1 of that year to 4.1 pps in Q3 2025. Private consumption plays the second leading role and remains stable between 1.2 pps and 1.6 pps. This pattern reinforces the conclusion that the recent increase in Spanish imports is mainly driven by higher demand in investment, followed by that of household consumption.

Catalina Becu

Spain: imports
Year-on-year change (%) and contributions (pps)
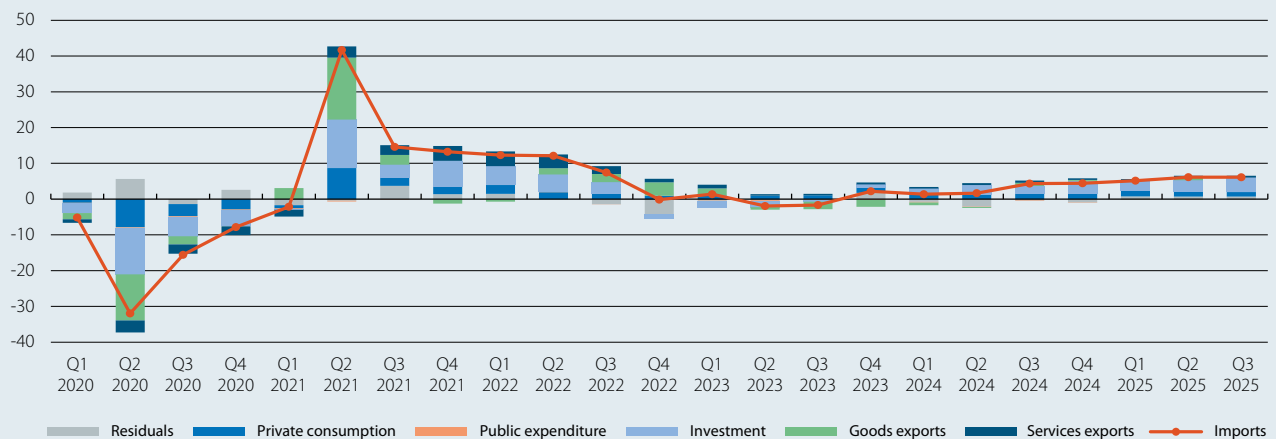
Source: *CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).*

When will the savings rate of Spanish households decrease?

In this article, we analyse the latest data on the savings rate of Spanish households, which remains high, and the structural and economic factors that explain its evolution. This helps us to understand what its trajectory might be in the coming years.

High savings driven by the strength of incomes

In cumulative terms for the trailing four quarters, the household savings rate in Q2 2025 rose slightly to 12.8% of gross disposable income (GDI), compared to 12.6% in the previous quarter. This level remains well above the average for the period 2015-2019 (7.2%) and prolongs the rebound that began in 2023. The practical stabilisation of the savings rate at high levels has occurred due to a convergence in the growth rate of GDI and household expenditure, which stand at 6.0% and 5.9% year-on-year, respectively.

Key factors in the evolution of the savings rate: empirical evidence in the case of Spain

According to the economic literature, there are several factors that must be taken into account in explaining the evolution of the savings rate. The key factors include interest rates, since if they increase, they make savings more attractive; inflation, as it influences purchasing power and, therefore, the ability to save; and the unemployment rate, since if this increases, savings increase for precautionary reasons. It is also important to take into account demographics, given the traditional life-cycle effect whereby the savings rate is higher among middle-aged people and lower among young people and retirees. Another important factor is uncertainty, as this stimulates savings for precautionary reasons.

To analyse the impact and the relative importance of these factors, we performed a linear regression analysis between the change in the savings rate and the change in the 12-month Euribor (as a proxy for interest rates), inflation, the change in the unemployment rate (adjusted for the number of people on furlough), the change in the economic policy uncertainty (EPU) index for Spain published by the Bank of Spain, the change in net financial wealth as a percentage of GDP and the change in the weight of a set of age groups relative to the total population.

This analysis confirms a clear relationship between the savings rate and four main factors: interest rates, inflation, unemployment and net financial wealth. The effects are as expected. Higher interest rates encourage savings; high inflation diminishes purchasing power and thus reduces the ability to save; higher unemployment drives precautionary savings; and more financial wealth encourages consumption and reduces saving, although

Spain: savings rate
(% of gross disposable income)
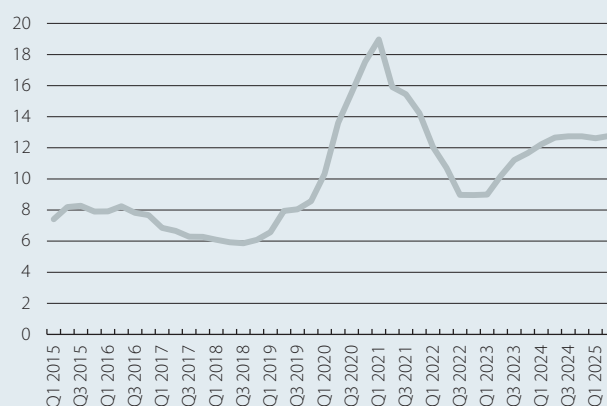
Note: *Four-quarter cumulative data.*
Source: *CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).*

Spain: gross disposable income and consumption
Year-on-year change (%)

Nominal gross disposable income — Household expenditure (nominal)

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

this effect is less pronounced. On the contrary, uncertainty is not significant and demographic variables are generally unstable or not statistically significant, perhaps because they change very gradually and this makes it difficult to capture their short-term effect.

The model we estimate has a high explanatory power and clearly describes the evolution of the savings rate in recent years. This can be seen in the third chart, where we show, with a semi-annual frequency, the year-on-year differences in the savings rate and the contributions of each explanatory factor to these movements. As can be seen, according to the model, the increase in the unemployment rate was the main factor behind the increase in savings that we saw during the pandemic (beyond the impact of mobility restrictions, which is no doubt what is reflected in the residual). From 2021 onwards, the savings rate began to moderate due to the revival of the labour market and, in 2022, it began to fall

due to the rise in inflation. Finally, the new rebound in the savings rate that we saw in 2023 is explained by the combination of the moderation of inflation rates and the impact of the interest rate hikes, which incentivise savings. In the last two semesters we have seen the savings rate stabilise due to the fading impact of interest rates – in fact, with the rate cuts implemented during 2024 and early 2025, in the most recent semester they have applied downward pressure on savings.

Finally, we carried out a decomposition exercise on the variance in order to quantify the relative importance of each factor in explaining the evolution of the change in the savings rate of households in Spain in the last 25 years. The results (see fourth chart) show that inflation and unemployment are the most determining factors and explain more than half of the total variance. Demographics have a more limited impact (14.5%), while macrofinancial factors (interest rates, financial wealth and indebtedness) and uncertainty contribute less, explaining between 10% and 8% of the change, respectively.

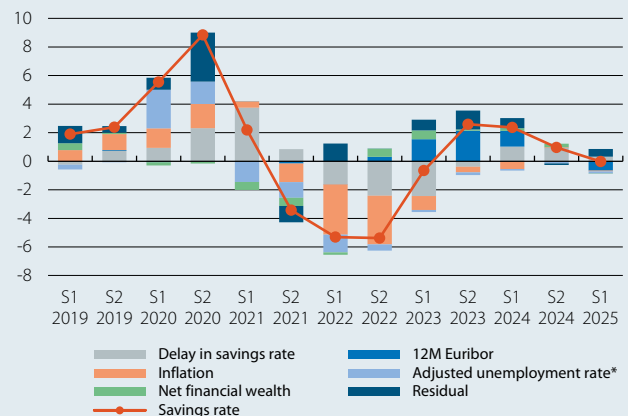### Outlook for the savings rate: reduction in the coming years, but mild

In 2025, we expect GDI to grow at around 5.5%, supported by a strong labour market and increased pension spending, which, combined with a similar increase in nominal consumption, would keep the savings rate at around 13%. In 2026, we anticipate that the growth of GDI will moderate to 4.0%-4.5%, while consumption will grow slightly faster than GDI, thus initiating a reduction of the savings rate. This decline will be driven by unemployment falling below 10%, lower uncertainty following the stabilisation of tariffs and the gradual effect of lower rates on financial decisions. The unknown is the speed at which this adjustment will take place.

To shed some light, the model estimated above can provide some guidance. If we assume that inflation will converge on the 2% mark in 2026, that the Euribor will stabilise around its current level of 2.2%, that the unemployment rate will gradually decrease to a range of between 8% and 9%, and that net financial wealth will grow at its historical average rate, we find that the savings rate should converge towards 10% in the next five years. This is substantially lower than the current rate of around 13%, but somewhat higher than its historical average.

In short, the savings rate remains high, which strengthens households' future spending capacity. After stabilising in 2025, we expect to see a steady decline in the coming years. Each point less in the savings rate raises GDP by approximately 0.45 pps. Thus, the estimated cumulative fall of 3 pps between 2026 and 2030 would contribute around 0.3 pps per year to GDP growth.

Oriol Carreras Baquer and Javier Garcia-Arenas

Spain: household savings rate
Year-on-year difference and contribution (pps)

Legend:
- Delay in savings rate
- Inflation
- Net financial wealth
- 12M Euribor
- Adjusted unemployment rate*
- Residual
- Savings rate

Note: * Unemployment rate adjusted for people on furlough.
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).

Spain: factors that explain the change in the savings rate
(% of the total change)

14.5	
16.4	
20.7	
9.6	
31.0	
7.8	

Legend:
- Uncertainty
- Interest rates, indebtedness and net financial wealth
- Other factors not included in the model
- Inflation
- Unemployment rate
- Demographics (changes in the percentage of the population aged 20-34, 34-49, 50-64 and 65-74)
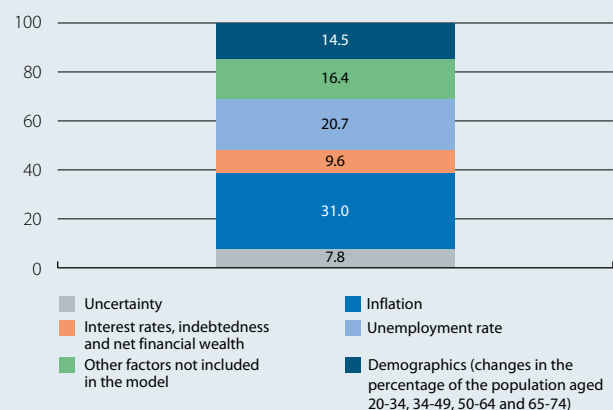
Notes: The explanatory variables are also expressed as the difference versus their value one year earlier (in the case of inflation, it is by definition the year-on-year change). The change in uncertainty is taken with a delay, since the impact is greater than with the contemporary value.
Source: CaixaBank Research.

Activity and employment indicators
Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Industry									
Industrial production index	−1.6	0.4	1.3	−0.7	1.5	2.5	1.7	...	...
Indicator of confidence in industry *(value)*	−6.5	−4.9	−6.0	−5.4	−5.2	−4.9	−4.6	−4.6	−3.4
Manufacturing PMI *(value)*	48.0	52.2	53.6	50.0	50.0	52.6	51.5	52.1	51.5
Construction									
Building permits *(cumulative over 12 months)*	0.5	16.7	16.7	20.1	14.8	7.9	7.9	...	...
House sales *(cumulative over 12 months)*	−10.2	9.7	9.7	17.0	22.9	18.7	18.7	...	...
House prices	4.0	8.4	11.3	12.2	12.7	...	...	...	...
Services									
Foreign tourists *(cumulative over 12 months)*	18.9	10.1	10.1	8.1	6.3	4.3	4.3	3.7	...
Services PMI *(value)*	53.6	55.3	55.1	55.3	52.2	54.2	54.3	56.6	55.6
Consumption									
Retail sales[1]	2.5	1.8	2.9	3.4	5.1	4.5	4.1	3.8	...
Car registrations	16.7	7.2	14.4	14.0	13.7	16.9	16.4	15.9	12.9
Economic sentiment indicator *(value)*	100.5	103.0	101.4	103.3	103.2	103.7	104.9	103.9	105.9
Labour market									
Employment[2]	3.1	2.2	2.2	2.4	2.7	2.6	...	...	...
Unemployment rate (% labour force)	12.2	11.3	10.6	11.4	10.3	10.5	...	...	...
Registered as employed with Social Security[3]	2.7	2.4	2.4	2.3	2.2	2.3	2.4	2.4	2.5
GDP	**2.5**	**3.5**	**3.7**	**3.1**	**3.0**	**2.8**	...	...	...

Prices
Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
General	3.5	2.8	2.4	2.7	2.2	2.8	3.0	3.1	3.0
Core	6.0	2.9	2.5	2.2	2.3	2.4	2.4	2.5	2.6

Foreign sector
Cumulative balance over the last 12 months in billions of euros, unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Trade of goods									
Exports *(year-on-year change, cumulative over 12 months)*	−1.4	0.2	0.2	3.3	2.0	0.8	0.8	...	...
Imports *(year-on-year change, cumulative over 12 months)*	−7.2	0.1	0.1	4.2	4.1	4.6	4.6	...	...
Current balance	**40.9**	**50.7**	**50.7**	**47.8**	**49.1**	**47.0**	**47.0**	...	...
Goods and services	57.5	66.3	66.3	63.5	64.3	61.7	61.7	...	...
Primary and secondary income	−16.5	−15.7	−15.7	−15.7	−15.2	−14.7	−14.7	...	...
Net lending (+) / borrowing (−) capacity	**57.8**	**68.7**	**68.7**	**66.6**	**68.1**	**66.1**	**66.1**	...	...

Credit and deposits in non-financial sectors[4]
Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Deposits									
Household and company deposits	0.3	5.1	5.1	4.6	3.9	4.9	4.9	4.9	...
Demand and notice deposits	−7.4	2.0	2.0	3.1	5.0	7.2	7.2	7.3	...
Time and repo deposits	100.5	23.5	23.5	12.6	−1.5	−6.6	−6.6	−6.1	...
General government deposits[5]	0.5	23.1	23.1	24.4	25.5	7.2	7.2	4.6	...
TOTAL	**0.3**	**6.3**	**6.3**	**5.9**	**5.4**	**5.1**	**5.1**	**4.9**	...
Outstanding balance of credit									
Private sector	−3.4	0.7	0.7	1.7	2.6	2.8	2.8	3.2	...
Non-financial firms	−4.7	0.4	0.4	1.6	2.5	2.3	2.3	3.0	...
Households - housing	−3.2	0.3	0.3	1.4	2.3	2.9	2.9	3.0	...
Households - other purposes	−0.5	2.3	2.3	3.1	−261.4	3.7	3.7	4.3	...
General government	−3.5	−2.6	−2.6	−0.3	5.3	12.9	12.9	11.4	...
TOTAL	**−3.4**	**0.5**	**0.5**	**1.6**	**2.7**	**3.4**	**3.4**	**3.7**	...
NPL ratio (%)[6]	**3.5**	**3.3**	**3.3**	**3.2**	**3.0**	**2.9**	**2.9**	...	...

The Portuguese economy, supported by domestic demand and with balanced public accounts

Year-on-year GDP growth accelerated to 2.4% in Q3 (1.8% in Q2), and the outlook for 2026 remains positive. In Q3, domestic demand contributed 3.6 pps, benefiting from the strength of private consumption (+4.0% year-on-year) and investment (+4.0%). Foreign demand continued to contribute negatively to GDP growth (−1.2 pps), albeit to a lesser extent than in Q2. In quarter-on-quarter terms, the growth rate stood at 0.8% driven mostly by the strength of investment (+3.3% quarter-on-quarter, +1 pp) amid significant growth in transport equipment. In this context, we expect the Portuguese economy to grow by around 2% in 2026. The support of investment, driven by the acceleration of NGEU funds and lower financing costs, will be a key factor. Meanwhile, private consumption will continue to support growth, benefiting from a solid labour market, the recovery of incomes and the accumulation of savings in recent years. On the other hand, the negative contribution from foreign demand will persist due to the moderate outlook for export growth and the continued strength of imports. Fiscal policy will continue to be a supporting factor for the economy. In this area, budget execution data reinforce the expectation that the budget balance may end 2025 even above the government's forecast (0.3% of GDP), offering greater fiscal room for manoeuvre for next year.

**Activity data for Q4 remain scarce, but the sentiment indicators point to a stabilisation of confidence levels**. The European Commission's economic sentiment indicator recovered in November to 106.5 points (vs. 104.5 in October, 106.2 in Q3). Similarly, the Portuguese National Statistics Institute's economic climate indicator accelerated to 3.1% in November, placing the quarter average at 3%, 0.1 pp higher than in Q3, as a result of improved sentiment in the manufacturing sector. Sentiment in the services sector deteriorated, reflecting a slightly more cautious outlook for demand in the coming months. On the other hand, consumer confidence suffered a slight deterioration in November, indicating greater uncertainty about the economic situation in the country.

Inflation continues to moderate, while employment is growing at the fastest pace in the post-pandemic period. In November, headline inflation fell to 2.2% (2.3% in October), placing the average inflation rate for the past 12 months at 2.4%. The core index also declined, reaching 1.9% (2.1% in October). The negative month-on-month change in both indices is consistent with their historical seasonal pattern and paves the way for the year to close with inflation of close to 2%. The population in employment, for its part, reached a new all-time high in Q3. The year-on-year increase of 3.7% is largely explained by the health and social support, hospitality and catering, and information technology sectors. The monthly data also reveal the dynamism of the labour market, with employment growth in excess of 3% year-on-year in October.

Portugal: GDP and contribution of domestic and foreign demand
Year-on-year change (%) and contribution (pps)
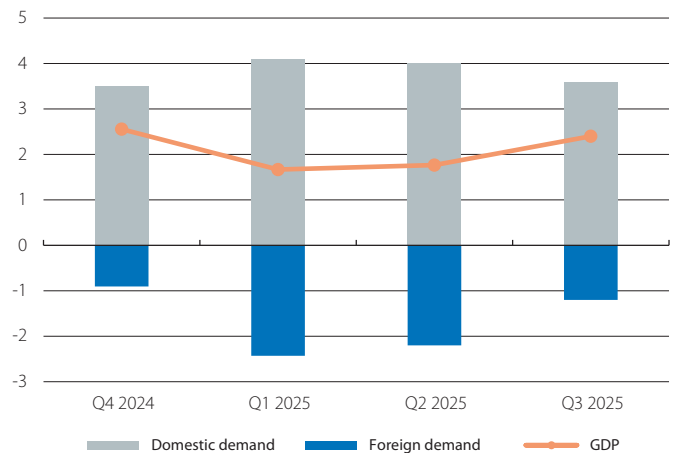
Source: CaixaBank Research, based on data from the National Statistics Institute of Portugal.

Portugal: employed population
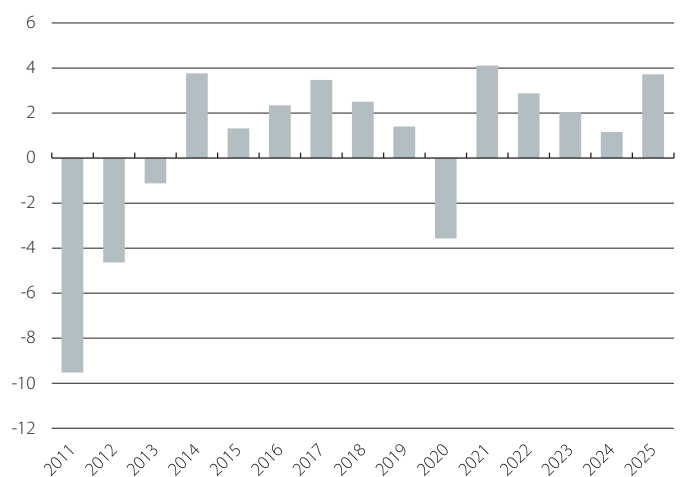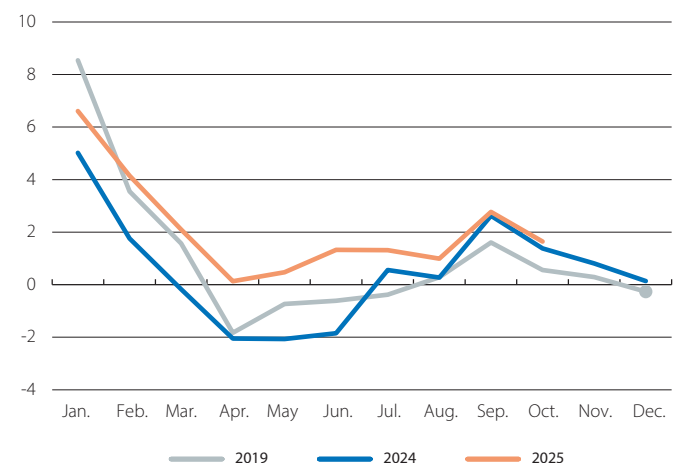*Year-on-year change in Q3 of each year (%)*

Source: CaixaBank Research, based on data from the National Statistics Institute of Portugal.

Portugal: budget execution
(% of GDP)

Note: The point shows the Portuguese government's projection for the 2025 year end.
Source: CaixaBank Research, based on data from the National Statistics Institute of Portugal and POGE 2026.

Activity and employment indicators

Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Coincident economic activity index	3.9	2.0	1.9	1.8	1.8	2.0	2.1	2.2	...
Industry									
Industrial production index	−3.1	0.8	−0.4	−2.3	1.2	2.6	2.0	...	...
Confidence indicator in industry *(value)*	−7.4	−6.2	−4.2	−5.1	−4.8	−3.4	−3.0	−3.7	−2.6
Construction									
Building permits - new housing (number of homes)	7.5	6.5	23.6	39.8	19.4	7.0	1.6	...	...
House sales	−18.7	14.5	32.5	25.0	15.5	...	–	–	–
House prices *(euro / m² - valuation)*	9.1	8.5	13.2	15.8	17.4	18.2	17.7	17.7	...
Services									
Foreign tourists *(cumulative over 12 months)*	19.0	6.3	6.3	4.6	4.0	2.6	2.6	2.6	...
Confidence indicator in services *(value)*	7.7	5.6	10.9	12.5	6.6	12.9	12.4	10.7	7.8
Consumption									
Retail sales	1.1	3.3	5.0	4.5	4.8	5.3	5.3	4.5	...
Coincident indicator for private consumption	3.1	2.8	3.5	3.8	3.5	3.1	3.1	3.0	...
Consumer confidence index *(value)*	−28.7	−18.0	−14.3	−15.5	−17.9	−16.2	−16.6	−15.9	−15.2
Labour market									
Employment	2.3	1.2	1.3	2.4	2.9	3.7	3.7	3.4	...
Unemployment rate *(% labour force)*	6.5	6.4	6.7	6.6	5.9	5.8	6.0	5.9	...
GDP	3.1	2.1	2.6	1.7	1.8	2.4	–	–	–

Prices

Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
General	4.4	2.4	2.6	2.3	2.2	2.6	2.4	2.3	2.2
Core	5.1	2.5	2.7	2.3	2.3	2.3	2.0	2.1	1.9

Foreign sector

Cumulative balance over the last 12 months in billions of euros, unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Trade of goods									
Exports *(year-on-year change, cumulative over 12 months)*	−1.4	2.0	2.0	5.3	4.3	2.2	2.2	...	...
Imports *(year-on-year change, cumulative over 12 months)*	−4.0	2.0	2.0	5.4	7.0	6.5	6.5	...	...
Current balance	1.5	6.0	6.0	4.2	3.7	3.8	3.8	...	...
Goods and services	4.1	6.5	6.5	5.2	4.5	4.4	4.4	...	...
Primary and secondary income	−2.6	−0.6	−0.6	−0.9	−0.9	−0.6	−0.6	...	...
Net lending (+) / borrowing (−) capacity	5.5	9.1	9.1	7.5	7.1	7.6	7.6	...	...

Credit and deposits in non-financial sectors

Year-on-year change (%), unless otherwise specified

	2023	2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	09/25	10/25	11/25
Deposits [1]									
Household and company deposits	−2.3	7.5	7.5	6.5	5.4	6.3	6.3	6.1	...
Sight and savings	−18.5	−0.3	−0.3	5.0	5.1	8.6	8.6	8.1	...
Term and notice	22.2	15.3	15.3	7.8	5.8	4.3	4.3	4.4	...
General government deposits	−12.4	26.7	26.7	29.3	39.6	−0.5	−0.5	15.6	...
TOTAL	−2.6	7.9	7.9	7.1	6.4	6.1	6.1	6.4	...
Outstanding balance of credit [1]									
Private sector	−1.5	1.9	1.9	3.3	4.9	5.8	5.8	6.1	...
Non-financial firms	−2.1	−1.0	−1.0	0.1	2.2	2.3	2.3	2.4	...
Households - housing	−1.5	3.0	3.0	4.9	6.4	8.0	8.0	8.5	...
Households - other purposes	0.2	5.4	5.4	5.7	6.6	6.9	6.9	7.1	...
General government	−5.5	0.6	0.6	−8.0	3.8	4.8	4.8	5.7	...
TOTAL	−1.7	1.9	1.9	2.9	4.9	5.8	5.8	6.1	...
NPL ratio *(%)* [2]	2.7	2.4	2.4	2.3	2.3	...	–	–	–

Notes: *1. Residents in Portugal. The credit variables exclude securitisations. 2. Period-end figure.*
Source: *CaixaBank Research, based on data from the National Statistics Institute of Portugal, Bank of Portugal and Refinitiv.*
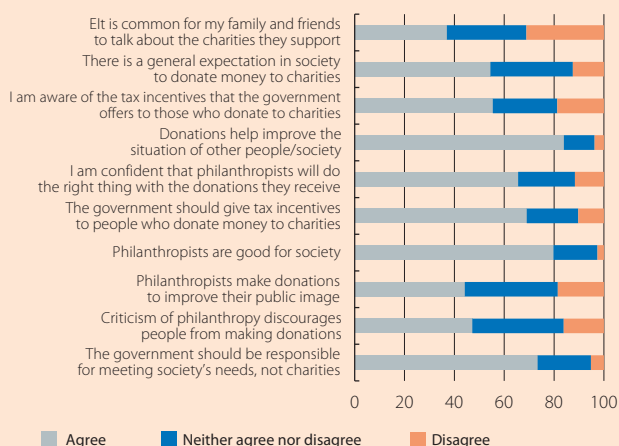
Philanthropy in Spain: social attitudes and behaviours

Donating blood, making a donation or collaborating with NGOs are common forms of solidarity throughout the world. Even a gesture as simple as giving up one's seat for an elderly person can be considered a selfless act of kindness towards others. Solidarity, in short, is expressed through multiple forms of social participation. And philanthropy – the etymological origin of which comes from the Greek φίλος (filos) and άνθρωπος (anthropos), literally «friend of man» or «person who is distinguished by love for their fellow men and by their work for the good of the community», according to the Royal Spanish Academy (Real Academia Española) – is a complement to the actions of the welfare state in addressing social needs. However, there is a lack of evidence on how often and in what way we help others. This Dossier, produced in collaboration with the ″la Caixa″ Foundation, CaixaBank Research and Pompeu Fabra University, offers a comprehensive view of solidarity in Spain from a dual perspective: offering an overview of the various forms that altruism takes and of the donations made by Spaniards.

In this first article, we examine the social attitudes and philanthropic behaviour of the Spanish population through the representative survey commissioned by the Social Observatory of the ″la Caixa″ Foundation in 2024.[1] The survey gathers the various perceptions of solidarity and the different ways it is expressed by Spaniards, and it is complemented by the subsequent analysis of monetary donations, identified using anonymised transaction data from CaixaBank customers. This information source allows us to identify donations made by direct debit, transfers, Bizum payments and card payments, and to match it with socio-demographic and financial variables. Specifically, the other articles that make up this Dossier explore the financial contributions made to NGOs and the nature of the recipient entities;[2] the socio-demographic characteristics of donors and the volumes and amounts of the donations,[3] as well as the social response to emergencies, taking the floods that swept the Valencia province in October 2024 as a reference.[4]

Opinions about philanthropy
(% of the total responses to each statement)

Source: «Philanthropy in Spain and Portugal. Knowledge, social attitudes and behaviours», published by the Social Observatory of the ″la Caixa″ Foundation (2025).

The survey data reveal first, how Spanish citizens perceive philanthropy and, secondly, what their philanthropic behaviours are. In response to the question «Do you know what philanthropy is?», 60% of the population claims to be familiar with the term, although in turn this also means that more than a third is not. Therefore, a first conclusion is that if philanthropic organisations were to improve their communication and explain more clearly to citizens what their activities involve and how they benefit society, it could increase awareness among the population about their function and scope. The perception of philanthropy among citizens, measured based on the degree of respondents' agreement or disagreement with 10 related statements, suggests a fairly favourable overall results in Spain, as seen in the first chart. However, there is a certain distrust of the true motivation of philanthropists: almost 45% of respondents believe that the purpose of their donations is «charity washing». There is also a clear perception that it is the state, not philanthropy, that should assume the main role in «meeting society's needs» (73%). However, it should be noted that in most cases the two perform complementary functions. Paradoxically, when asking respondents if they believe that donations help improve the situation of others or whether they believe that philanthropists are good for society, the percentage of affirmative responses is resounding: 84% and 80%, respectively.

When asking respondents which issues should be addressed most urgently, health is by far the top priority: over three-quarters (76%) consider it to be the «most important» issue. This is followed by research (62%), human rights (55%), education and

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1. See «Philanthropy in Spain and Portugal. Knowledge, social attitudes and behaviours», published by the Social Observatory of the ″la Caixa″ Foundation (2025).
2. See the article «Donations in Spain: how and to which causes Spaniards donate» in this same Dossier.
3. See the article «The profile of donors in Spain: a charitable majority and a key group of *superdonors*» in this same Dossier.
4. See the article «The charitable response after the Valencia floods» in this same Dossier.
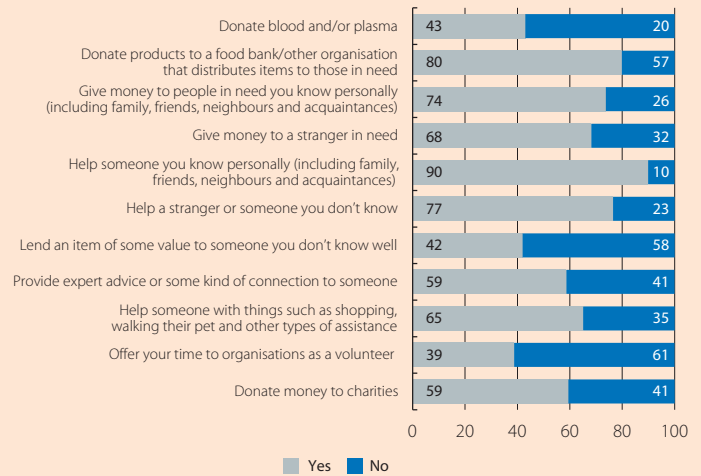
universities (51%), the environment and animals (46%), social action (38%), international cooperation (19%), culture, art and the humanities (17%), sport and leisure (10%), and religion (6%).

The survey also delves into real philanthropic behaviours in relation to a number of prosocial acts. The results show that Spaniards tend to be supportive and charitable in their daily lives. The majority of respondents have performed an act of solidarity at least once during the past year – and in some cases at least once a week or a month. Also, 77% of Spaniards helped a stranger and 74% gave money to an acquaintance. At the more formal end of philanthropic acts, involving the explicit dedication of time to volunteering activities, Spaniards also participate actively: 39% of respondents volunteer with charities, mainly in causes related to health, social action, and the environment and animals. However, despite these very tangible results, respondents are not fully aware that their participation in philanthropic activities is commonplace, nor do they perceive that the degree of altruism among their fellow citizens is relatively high. In fact, they state that the level of solidarity in society is not very high: on a scale from 0 to 10, the average of all the responses lies close to 6. In this context, it would be interesting, as a positive reinforcement, to remind society that philanthropy is a normalised and everyday practice, and that contributing to the collective well-being is part of many people's daily lives.

As for economic support, donating money to charitable causes is quite common: 59% of the Spanish population declares that they have made at least one donation in the last year. The three causes cited above – health, social action, and the environment and animals – were not only the ones that had the most time allotted, but they were also the ones that received the most financial support according to the survey.

In short, Spaniards are more generous than they often realize, and collaborate with time or money on a recurring basis to support the work of charities. Health is the cause that we prioritise the most and to which we donate the most, both in terms of time dedicated to volunteering and in economic terms, but this does not stop us from helping other causes such as food banks (80%) or from helping someone with everyday activities for which they need assistance (65%). As in so many other facets of Spanish life, we just need to believe it a little more.

Beth Breeze and Maria Gutiérrez-Domènech

Acts of solidarity carried out during the last year
(% of the total)

Act	Yes	No
Donate blood and/or plasma	43	20
Donate products to a food bank/other organisation that distributes items to those in need	80	57
Give money to people in need you know personally (including family, friends, neighbours and acquaintances)	74	26
Give money to a stranger in need	68	32
Help someone you know personally (including family, friends, neighbours and acquaintances)	90	10
Help a stranger or someone you don't know	77	23
Lend an item of some value to someone you don't know well	42	58
Provide expert advice or some kind of connection to someone	59	41
Help someone with things such as shopping, walking their pet and other types of assistance	65	35
Offer your time to organisations as a volunteer	39	61
Donate money to charities	59	41

Note: «*Yes*» *includes having performed the act with any frequency, i.e. whether weekly, monthly or annually.*
Source: «*Philanthropy in Spain and Portugal. Knowledge, social attitudes and behaviours*», *published by the Social Observatory of the "la Caixa" Foundation (2025).*

Donations in Spain: how and to which causes Spaniards donate

Solidarity in Spain tends to surge during crises or in the face of crisis or in the face of major collective causes. During the Great Recession, intergenerational aid was a key pillar that helped many families to cope with economic hardship. In the pandemic, the dedication of thousands of essential workers, from both the public and private sectors, was key for society to move forward. Campaigns such as *La Gran Recogida* (the Great Collection) by Los Bancos de Alimentos (Food Banks), *Rastrillo* (Charity Bazar) by Nuevo Futuro (New Future) and *La Marató* (The Marathon) by TV3 show how citizens respond en masse to critical situations. However, solidarity is not limited to certain times of the year or to specific emergencies: every day, thousands of people discreetly support non-profit organisations through financial donations. These daily gestures, although less visible, allow thousands of NGOs to carry out vital work. In this article, we analyse how and to which causes Spaniards donate.

For this analysis, we draw on a unique dataset: the donations made by CaixaBank customers through their banking transactions, duly anonymised.[1] While other survey-based analyses ask individuals about the amount donated, this database records the donations actually made to NGOs at some point of the year throughout the country.[2] The sample analysed includes donations made by direct debit, transfers, Bizum payments and card payments.

This database contains the monetary donations made by Spaniards in 2024 and allows us to analyse them both from the perspective of the donors (which we analyse in the following article) and from that of the recipient entities, which we analyse here. To do this, we group them according to the main cause they support (international cooperation, health or social services, among others)[3] and we use public information that helps us to determine the main purpose of each organisation, combining automatic classification processes with a subsequent manual review. In this way, we classify more than 2,000 NGOs into categories that reflect the predominant cause they support.[4]

Donations to NGOs classified by philanthropic cause in 2024
(%, unless otherwise indicated)

| | | | | | | Type of donors | | | | | | | | | |
| | | | | | | Age (% in each category) | | | | Annual income (% in each category) | | | | | |
Main cause	Percentage of entities	Percentage of donations	Average donation (euros)	December effect	Women	16-29 years	30-49 years	50-64 years	65+ years	€0-20,000	€20,000 - €40,000	More than €40,000	Average annual donation (euros)	Average annual donation as % of income
International cooperation	5.3	38.4	21.2	22	52	3.3	24.6	35.9	36.2	30.0	43.8	26.2	262	1.1
Health-related activities	5.6	25.5	18.8	19	54	6.1	26.5	34.0	33.5	34.0	43.0	23.0	164	0.8
Social services	14.3	14.8	28.1	26	53	5.0	24.9	33.9	36.2	31.4	43.3	25.3	247	1.0
Religion	68.7	11.0	52.2	28	49	5.9	20.0	25.4	48.7	35.5	42.7	21.7	347	1.3
Human rights	0.8	3.4	15.4	10	51	7.4	22.1	32.5	38.0	30.7	43.3	26.0	125	1.1
Research	0.5	2.4	20.9	13	53	4.3	17.3	31.3	47.2	29.0	43.3	27.7	166	1.0
Environment, flora & fauna	2.4	2.2	13.9	6	52	8.2	32.6	33.9	25.3	31.9	44.0	24.0	124	0.9
Culture, art & humanities	1.6	1.9	46.4	15	44	1.8	16.5	32.3	49.4	23.3	43.1	33.6	90	0.4
Education & universities	0.9	0.3	41.6	42	51	12.9	44.2	35.3	7.7	37.7	26.6	35.8	314	1.4
Average NGO			**25.2**	**21**	**52**	**4.8**	**24.4**	**33.6**	**37.1**	**31.8**	**43.3**	**24.9**	**231**	**1.0**

Notes: *Includes only NGOs with a defined sector. The December effect corresponds to the extra percentage received by an NGO in December compared to a standard month. The annual income and the amount donated as a percentage of income are only defined for customers who have their income deposited into their account. The average NGO corresponds to the amount received by an NGO, regardless of the main cause it supports.*
Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

1. Due to the nature of data on financial transactions, cash contributions are not included.
2. This analysis focuses on donations made by individuals, and excludes corporate philanthropic work carried out by companies, foundations or other entities.
3. The causes were included according to the classification used in «Philanthropy in Spain and Portugal. Knowledge, social attitudes and behaviours», published by the Social Observatory of the "la Caixa" Foundation (2025).
4. In order to classify the main cause that the recipient entities support, we use information collected from the entity's name, tax ID number (NIF) or CNAE (National Classification of Economic Activities) code, or other publicly available information, first classifying the NGOs automatically before subsequently performing a manual review. For example, the first letter of an NGO's NIF allows us to identify the legal nature of the entity (G corresponds to associations, F identifies foundations and R is used for religious institutions) and the CNAE code identifies the economic activity carried out by the entity, so an NGO engaged in social action would fall under social services (e.g. 8899 «Other social services without accommodation») and one that provides health services would fall under health activities (e.g. 8690 «Other health activities»).

In 2024, around 90% of the donations made were concentrated in four major causes: international cooperation (38.4%), health (25.5%), social services (14.8%) and religion (11%). The other five causes identified (human rights; research; environment, flora and fauna; culture, art and humanities; and education and universities) received the remaining 10% of the amount donated (see table for further details). Most of the entities that received donations in 2024 are of a religious nature (68.7%), which shows the extent to which they are spread throughout the country – an advantage for responding better in times of crisis – although they received 11% of the total amount donated (based on financial transactions).[5]

The average donation is 25 euros, although some causes typically receive smaller donations, such as those for human rights and those that support health-related activities. In addition, a given entity receives an average of 230 euros annually from the same donor (although they may donate to multiple NGOs). Religious NGOs receive higher amounts on average (347 euros), followed by educational entities (314 euros) and those dedicated to international cooperation (262 euros), while for those linked to culture and the environment it is around 90-120 euros.

The month of December is the month in which the most donations to NGOs are registered. The *December effect* (i.e. the increase in donations compared to a typical month) is as high as 21% for an average NGO, indicating a strong seasonality in all cases, although there are differences between them and the effect is more pronounced in education (+42%) and religion (+28%).

Causes which support the environment and education have a higher proportion of young donors than average, while culture, religion and research have a higher proportion of older donors. In terms of income level, culture has a higher proportion of high-income donors, while health-related activities and religion have a higher proportion of low-income donors.

What stands out is the heavy concentration of donations among a handful of organisations. As can be seen in the chart, which shows the cumulative sum of donations according to the percentage of NGOs by decreasing amount, a small number of organisations capture the majority of donations. More specifically, 1.2% of all NGOs (around 25 entities) receive 81% of the annual sum of all donations.

In conclusion, our analysis shows that just a handful of causes and entities receive most of the charitable donations made in Spain, with strong seasonality in December and different patterns according to donors' age and income level. The richness of this first analysis opens the door to further research on the patterns of solidarity in Spain that allow non-profit organisations to carry out their work.

Cumulative donations by percentage of NGOs, ordered by decreasing amount
(%)

5% of all NGOs (around 100 entities) receive 93% of the total

1.2% of all NGOs (around 25 entities) receive 81% of the annual total

(% of amount collected)

(% of NGOs, ordered by decreasing amount)
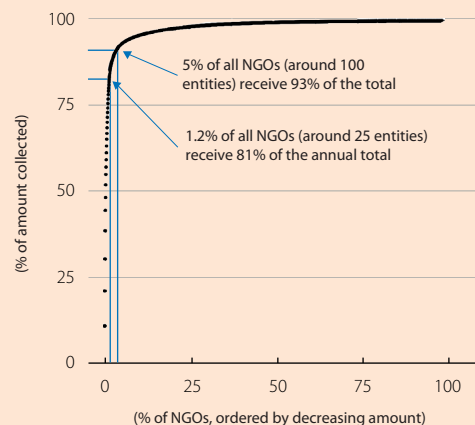
Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

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5. It should be recalled that, due to the nature of the data, cash contributions are not included, which may result in an underestimate of the percentage of donations to a greater extent than in other non-profit entities.

The profile of donors in Spain: a charitable majority and a key group of *superdonors*

After examining how philanthropy is perceived in Spain, and the main charitable causes that Spaniards support, in this third article of the Dossier we address the socio-demographic characteristics of donors who collaborate financially with non-profit entities. To do this, we analyse the donations that individual CaixaBank customers made in 2024 through their banking transactions, using aggregate and duly anonymised data,[1] which allows us to present a detailed profile of donors in Spain and, therefore, understand what they are like and how their help reaches the causes they support.

The profile of donors in Spain in 2024

| | | Frequency | Amount donated | | | | | | December effect* | Frequency of donations | |
| | | | (in euros) | | | | (as a % of income) | | | Regular (3 or more donations per year) | Sporadic (1 or 2) |
		(%)	Average	P25	P50 (median)	P75	Average	P50 (median)	(%)	(%)	(%)
TOTAL		**100**	**345**	**120**	**180**	**330**	**1.5**	**0.7**	**21.4**	**75.0**	**25.0**
Sex	Women	52.3	300	120	180	323	1.6	0.8	15.9	75.5	24.5
	Men	47.7	321	120	192	340	1.4	0.7	18.2	74.6	25.5
Age	From 16 to 29 years old	6.2	147	60	111	168	1.6	0.7	−4.2	62.4	37.6
	From 30 to 49 years old	26.9	237	120	168	262	1.3	0.6	5.7	77.6	22.4
	From 50 to 64 years old	33.7	306	120	204	348	1.4	0.7	15.6	78.8	21.2
	65+ years old	33.2	390	120	234	408	1.7	0.9	29.4	74.8	25.2
Country of birth	Spain	91.1	317	120	192	340	1.5	0.7	17.6	74.9	25.1
	Outside Spain	8.9	235	96	144	240	1.8	0.8	9.6	77.2	22.8
Area of residence	Urban	89.9	321	120	190	340	1.5	0.7	17.7	75.5	24.5
	Rural	10.1	261	120	180	276	1.4	0.7	20.0	70.5	29.5
Annual net income	Less than €20,000	34.5	235	96	144	246	2.9	1.3	14.1	73.3	26.7
	€20,000 - €40,000	42.5	317	120	200	349	1.1	0.7	18.4	77.6	22.5
	€40,000 - €60,000	13.0	368	144	240	400	0.8	0.5	19.0	78.8	21.2
	Over €60,000	10	457	164	265	492	0.5	0.3	26.8	79.2	20.8

Notes: *The frequency corresponds to the percentage of the total for each socio-demographic category.* * The December effect corresponds to the extra percentage donated by an individual in December compared to a standard month. The annual income and the amount donated as a percentage of income are only defined for customers who have their income deposited into their account.
Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

The profile of donors in Spain is diverse: it includes men and women of all ages and income levels, as shown in the first table. However, generally speaking, we note that the average donor is older (two thirds are over 50 years old, vs. 49% of the population), has higher incomes (two thirds earn more than 20,000 euros a year, vs. 48% of the population) and is more likely to reside in urban areas (90%, vs. 84% of the population). Most donors also collaborate on a regular basis, with 3 out of 4 donating at least three times a year, while the remaining quarter donates more sporadically (once or twice).

The average monthly amount donated to charities is almost 30 euros (345 euros per year), although there is significant dispersion among donors. If we divide them into four equal groups according to the amount donated, from lower to higher, we see that the first 25% of donors contribute 10 euros or less per month (120 euros per year); the second group, from 10 to 15 euros per month (from 120 to 180 euros per year); the third group, from 15 to 27.5 euros per month (from 180 to 330 per year), and the fourth, more than 27.5 euros per month (330 euros per year).

Annual amount donated according to income level
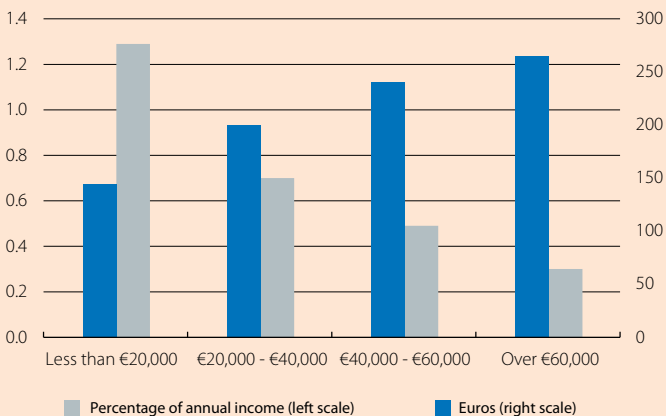
Note: *Median amount donated in each income tranche. The amount donated as a percentage of income is only defined for customers who have their income deposited into their account.*
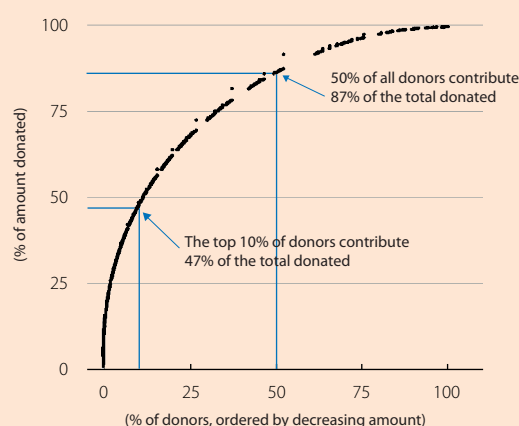**Source:** *CaixaBank Research, based on financial transaction data of anonymised donations.*

1. See the article «Philanthropy in Spain: social attitudes and behaviours» in this same Dossier for further details on the characteristics of the data.

As seems logical, individuals with higher incomes make larger donations than those with lower incomes (see first chart). However, lower-income donors make a greater effort relative to their income: donors earning less than 20,000 euros per year contribute 1.3% of their income to charities on average, while this effort is less for higher income brackets, up to the minimum of 0.3% donated by the highest-income group.

Most donors make small contributions. However, the half of donors who donate the highest amounts contribute 87% of the total amount raised. Moreover, a group of *superdonors* who make up the top 10% contribute 47% of the total alone, as can be seen in the second chart.

These *superdonors* are mostly older people (85% are over 50 years old) and are highly consistent in their contributions (8 in 10 donate more than 12 times a year). In general, *superdonors* donate around 740 euros a year, compared to 120 euros for other donors. In addition, their economic effort is proportionately greater: they allocate 2.3% of their income to charitable causes, compared to 0.5% in the case of other donors. Although they tend to have higher incomes, they are not necessarily millionaires: more than 4 in 10 *superdonors* earn between 20,000 and 40,000 euros a year. In short, *superdonors* not only contribute more, but they do so regularly and at the cost of greater effort.

Cumulative amount donated by percentage of donors, ordered by decreasing amount
(%)

50% of all donors contribute 87% of the total donated

The top 10% of donors contribute 47% of the total donated

(% of donors, ordered by decreasing amount)

Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

Characteristics of donors according to the annual amount donated in 2024
Proportion, unless otherwise indicated (%)

		Superdonors	Other donors	Total of the sample
Percentage of donors		10	90	–
Total donations received		47	53	–
Percentage of donors who make more than 1 monthly donation		80	20	25
Average annual donation in euros		1,204	150	345
Median annual donation (P50) in euros		740	120	180
Average annual donation as a % of income		5.4	0.9	1.5
Median annual donation (P50) as a % of income		2.3	0.5	0.7
Age	From 16 to 29 years old	1.0	6.6	6.2
	From 30 to 49 years old	15.0	27.8	27
	From 50 to 64 years old	34.8	33.3	33.7
	65+ years old	49.3	32.4	33.2
	Total	100	100	–
Annual net income	Less than €20,000	18.2	36.4	34.5
	€20,000 - €40,000	44.8	42.2	42.5
	€40,000 - €60,000	18.1	12.4	13
	Over €60,000	18.9	8.9	10
	Total	100	100	–

Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

In short, financial giving in Spain is supported by a broad base of donors who make modest contributions, complemented by a small group of *superdonors* who account for a large part of the total amount donated. This pattern reflects the importance of both mass participation and the intensive commitment of some individuals. What defines a *superdonor*? Becoming one does not mean donating exorbitant figures, but rather giving regularly and within your means. Every contribution counts, but commitment is what makes the difference.

Oriol Aspachs, José G. Montalvo, Alberto Graziano, Marta Reynal and Josep Mestres

# The charitable response after the Valencia floods

On 29 October 2024, the Valencian Community suffered one of the worst natural disasters in its history. A high-altitude isolated low-pressure system – known as a «DANA» in Spanish – caused torrential rains, with burst river banks and severe floods, destroying homes, businesses, and claiming the lives of more than 200 people. Thousands of public servants mobilised to help in the face of the catastrophe, joining the extraordinary response from citizens and organisations.[1] Undoubtedly, we all have images engraved in our minds of men and women crossing the Turia river, bailing the water out of houses, battling the mud with shovels and brooms, and supplying the volunteers with water and food.

From the outset, at CaixaBank Research we were able to analyse the impact of this disaster from an economic perspective. By monitoring consumption in the area hardest hit by the floods, we were able to track the recovery and note its inequality; today there are still areas and business establishments that have not fully returned to normal.[2] With the passage of time, we have also been able to understand the charitable reaction of citizens to an emergency of this magnitude, based on their monetary contributions. In particular, in collaboration with Pompeu Fabra University, we have studied the change in the aggregate volume and in the number of donations that were made in the wake of the floods through CaixaBank banking operations, using duly anonymised data.[3] To this end, in this analysis we will separate the change in donations made to NGOs that operate primarily within Spain, and who could mobilise resources *in situ* more expeditiously (usually larger and better-known organisations, and those which had the ability to implement campaigns to attract donations the quickest),[4] from those which operate mainly outside Spain.[5] We also compare the charitable reaction of donors according to the distance between their place of residence and the epicentre of the floods. This first descriptive analysis is complementary to another academic analysis currently underway, which is more focused on how people's differing degree of altruism impacts their charitable reaction following a natural disaster, and which we will publish soon.[6]

The first conclusion of the study is that Spaniards' reaction to the disaster was highly supportive: charities saw the donations they receive increase by 18% year-on-year in November, compared to 4.4% recorded in the previous months. In particular, NGOs operating within Spain registered an increase of 45% in November. This figure is much higher than the +7% year-on-year that they received from January to October, and it stands out even more because of the fall recorded in donations made to NGOs operating in the international arena (–1.4% year-on-year in November vs. +3.4% from January to October). A similar phenomenon, albeit less pronounced, is observed when analysing the number of donations. This increase, concentrated in local NGOs, is the same one that we find using more
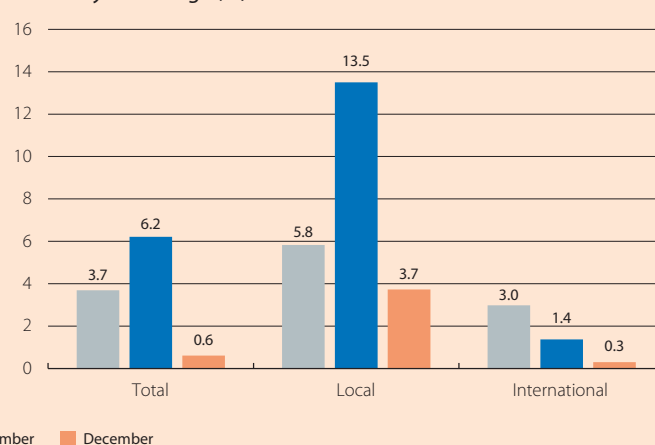
Aggregate donations to charities in 2024, by period and location of their activity
Year-on-year change (%)

Number of donations to charities in 2024, by period and location of their activity
Year-on-year change (%)

January-october   November   December
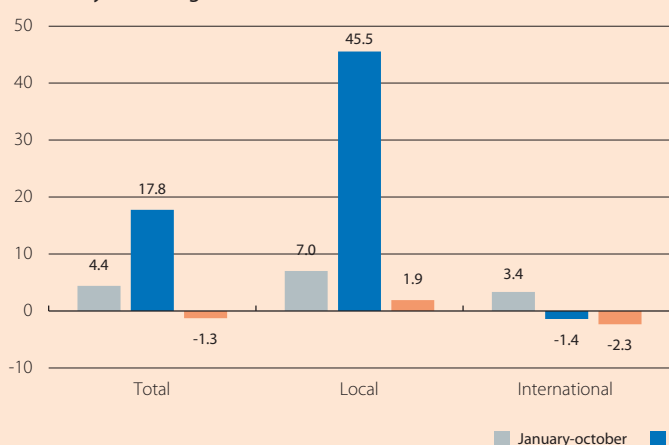
Source: CaixaBank Research, based on financial transaction data of anonymised donations.

1. See, for example, the response of the associative sector to the floods: «El papel de las fundaciones ante la DANA: solidaridad, reconstrucción y futuro», Spanish Foundations Association (Asociación Española de Fundaciones, AEF).
2. See the Focuses «Economic impact of the floods in the Valencia province» in the MR12/2024, «Economic situation in the Valencia province six months after the floods» in the MR06/2025 and «Economic situation in the Valencia province one year after the floods» in the MR11/2025.
3. See the article «Donations in Spain: how and to which causes Spaniards donate» in this same Dossier for further details on the characteristics of the data.
4. Among these campaigns, it is worth mentioning the one carried out by the Social Action teams at CaixaBank among the bank's customers and employees.
5. The data do not allow us to analyse donations directed strictly to the floods, only to differentiate between entities that operate predominantly at the local or international level.
6. We will present the article «Universalist preferences and natural disasters: a view from bank accounts» at the American Economic Association conference to be held in Philadelphia in January 2026.

sophisticated statistical techniques that allow us to identify the exceptional nature of the wave of solidarity that emerged as a result of the floods. Specifically, we estimate a differences-in-differences regression of the average donation at the census district level, controlling for socio-demographic variables (age, income, etc.), with treatment exposure determined by the distance from the epicentre of the floods and whether the area is prone to flooding.

### Aggregate donations to charities in November 2024, by distance from the epicentre of the floods
Year-on-year change (%)

Number of donations to charities in November 2024, by distance from the epicentre of the floods
Year-on-year change (%)

Legend: 0 to 100 km | 100 to 200 km | 200 to 300 km | 300 to 400 km | 400 km or more
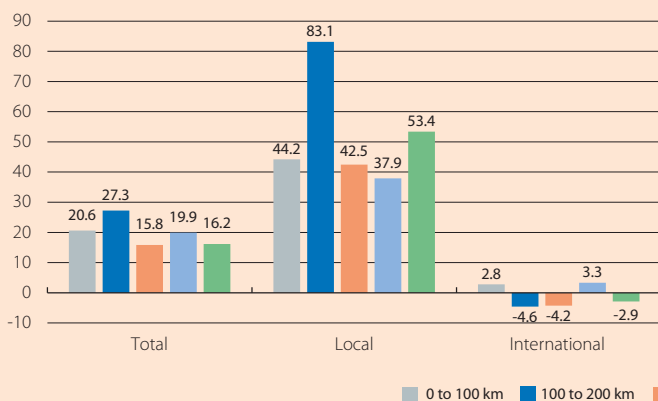
Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*
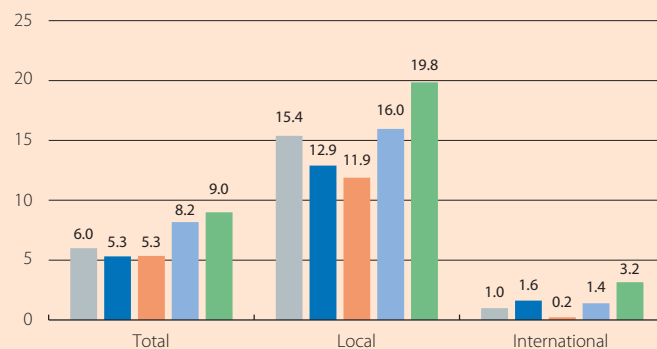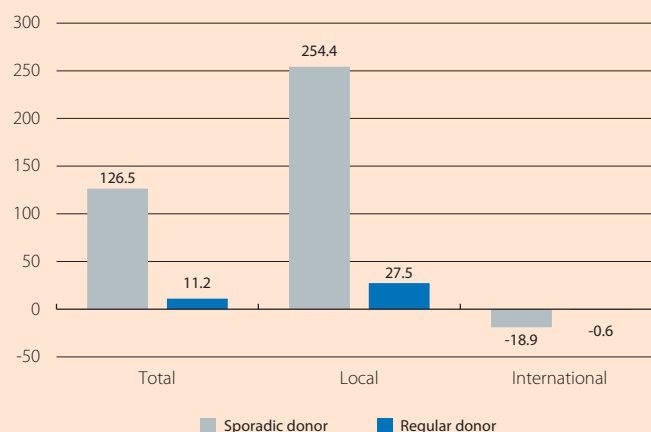
The peak of solidarity observed in November, however, seems to rapidly fade. In December, donations collected for local causes increased even less than in the period from January to October, indicating that the increase in donations we normally see in the last month of the year was perhaps brought forward to November to support those affected by the floods. This phenomenon (the sharp increase in donations in the few weeks following the disaster and the rapid decline thereafter) suggests that the charitable response to an emergency is intense but brief.

On the other hand, the geographical proximity to a disaster also has a significant influence on the charitable reaction. People residing closer to the flooded areas increased their donations to a greater extent than those living further away (excluding the very nearby areas, probably themselves affected by the disaster, albeit to a lesser extent). Residents in areas located between 100 and 200 kilometres from the epicentre, mostly within the Valencian Community, contributed 83% more to local causes than in November of the previous year, and they reduced their donations to NGOs operating mostly abroad by 4.6% year-on-year. The increase was significant, but minor, in areas more than 300 kilometres away, with increases of around 40% and 50%. This result shows how people's altruism or empathy can be greater in the communities closest to the disaster, a phenomenon known in economic literature as «particularism» or «in-group bias».

Donations in November 2024, by frequency of the donor
Year-on-year change (%)

Legend: Sporadic donor | Regular donor

Source: *CaixaBank Research, based on financial transaction data of anonymised donations.*

Finally, sporadic donors were the ones who reacted the most to the floods, with their donations to local causes surging by over 250% in November 2024. Regular donors (those who donate three or more times a year) also increased their contributions, albeit to a lesser extent (+27%). The most likely reason for this is that, as we explained in the previous article, their contributions were already higher, accounting for 55% of the increase in donations to local causes (compared to 45% for sporadic donors).

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Agrifood Sector Report 2025

Spain's agrifood sector is enjoying a rapid expansion in 2025 and is consolidating the growth initiated in mid-2023, after overcoming the challenges stemming from the war in Ukraine and a prolonged drought. The containment of production costs, improved weather conditions and a rebound in demand are favouring a sustained increase in both production and exports, which are now back at pre-pandemic levels.

Real Estate Sector Report S2 2025

It is confirmed that Spain's real estate sector is in the midst of a boom in 2025. There has been a revival of demand, but new housing production is still not reaching sufficient levels to balance the market. The accumulated housing deficit is one of the factors exerting pressure on prices, which continue to accelerate and hamper housing affordability, especially in areas of higher demand.

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