



Autonomous Community Outlook

# Balearic Islands



**1,260,000**  
inhabitants  
(2025)



**€36,093**  
of GDP per capita  
(2024)



**2.8%**  
of Spanish GDP  
(2024)



**2.4%**  
anticipated growth  
in GDP (2026)

## Regional economic structure and position

- With **1.3 million inhabitants**, 2.5% of the national total, the Balearic Islands is the twelfth-largest region in demographic terms. It is one of the youngest regions – only 17.2% of the population is over 65 years old (21.1% on average) – and it has the highest proportion of foreigners (21.3% vs. 14.4%).
- With a GDP of 44.693 billion euros, it also ranks eleventh among the autonomous communities and contributes **2.8% of Spain's GDP**.
- Its **GDP per capita** is 36,093 euros, ranking in sixth place, 10.6% above the Spanish average. In recent years, it has slightly widened the gap with average GDP, against a backdrop of strong economic growth accompanied by a sharp rise in its population.
- The Balearic Islands' **productive sectors** are notable for the higher relative importance of construction (8.0% of

the region's GDP vs. 5.7% in Spain) and, above all, trade, transportation, hotels and restaurants, and leisure (41.6% vs. 28.1%). In contrast, it is the region where the manufacturing industry provides the smallest share of GDP (2.5% vs. 11.9%).

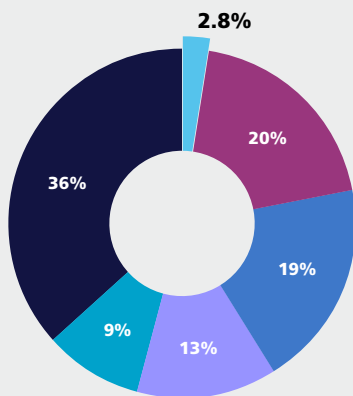
- Given the less prominent role played by industry, exports of goods account for 5.9% of the Balearic Islands' GDP, the second lowest percentage of all regions. Its **main exports** are chemical products (30.8% of the total) and energy products – fuel for aircraft and ships – (28.8%). However, exports of **tourism services** are especially notable: in 2025, foreign tourists spent a total of 21 billion euros in the Balearic Islands, 15.6% of the total spending across Spain. Moreover, tourism directly and indirectly contributed more than 40% of the Balearic Island's total GDP.

## Table of structural indicators

		1994	2004	2014	2024
<b>GDP per capita</b>	Euros	12,989	22,975	24,454	<b>36,093</b>
	100 = Spain	121.8	114.5	109.3	<b>110.6</b>
<b>Population</b>	Thousands of inhabitants	756	940	1,111	<b>1,250</b>
	Average annual growth in the decade (%)	1.1	2.2	1.7	<b>1.2</b>
	% of the total in Spain	1.9	2.2	2.4	<b>2.5</b>
	% of population > 65 years old	14.3	13.8	15.2	<b>16.8</b>
<b>Exports of goods as a proportion of GDP</b>	%	...	5.4	3.4	<b>5.9</b>

### GDP by Autonomous Community

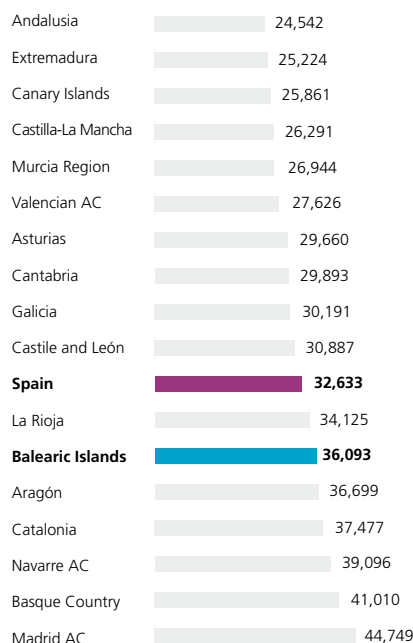
(% OF SPAIN AS A WHOLE)



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

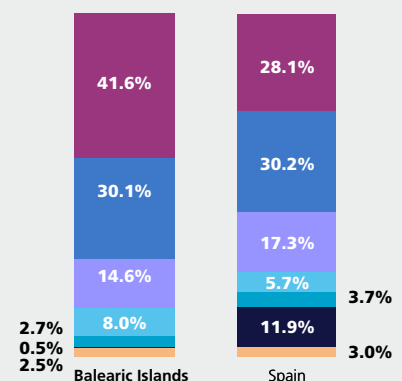
### GDP per capita

(EUROS)



### Productive sectors

(AS A % OF GVA)



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

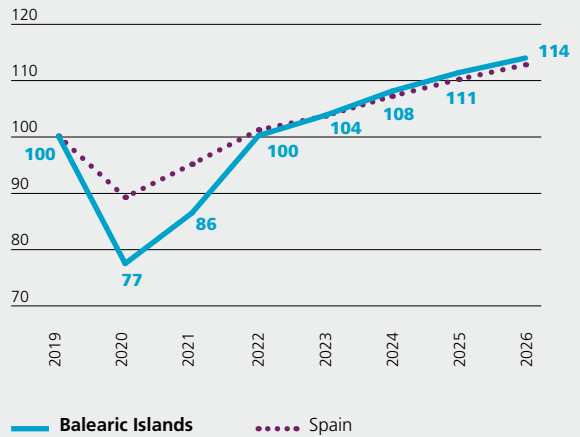
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

## Macroeconomic situation

The Balearic Islands is one of the most dynamic regions in the country. **According to CaixaBank Research, the Balearic Islands' GDP grew by 3.0% in 2025**, above the Spanish average (2.8%). This was thanks to the upturn in tourism, which, in turn, boosted consumption and job creation.

Our forecasts point to **slowing growth in 2026, with a GDP flash estimate of 2.4%**, in line with the national average. Tourism will continue to be the regional economy's main driver, although its capacity for expansion is gradually nearing the limit, given the saturation of the destination and the shortage of labour. In the current climate, the conflict in the Middle East could work in the favour of the islands – and Spain as a whole – by boosting their appeal as a safe destination for both domestic and international tourism. However, as an island region, it is more dependent on air transport, so any disruption to fuel supplies would represent a risk factor.

### GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



The Balearic Islands' **labour market** is performing strongly. In 2025, the number of registered workers affiliated to Social Security grew by 2.6% (2.3% on average in Spain), picking up momentum this year with the rate of growth rising to 3.0% year-on-year in March (vs. 2.5%). In terms of the unemployment rate, which is highly seasonal, it stood at 13.8% in Q1 2026, 3 points above the Spanish average, but well below the usual figure for Q1: you have to go back as far as 2008 to find a lower rate.



After the pandemic, **tourism** experienced extraordinary growth and both total overnight stays and the number of foreign tourist arrivals on the islands reached record highs in 2024 and 2025, respectively, although the recent trend has been somewhat more subdued. Almost 15.7 million foreign tourists arrived in the year up to February, spending 21.076 billion euros, representing year-on-year growth of 2.3% and 5.1% respectively, below the Spanish average (2.7% and 6.7%).



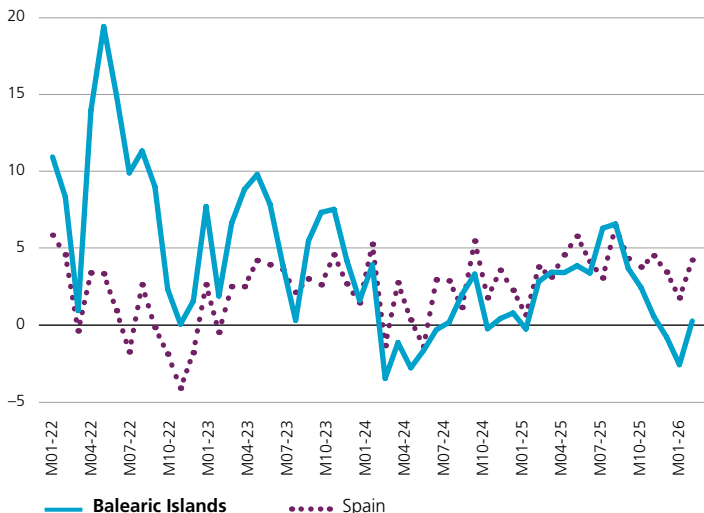
In 2025, the volume of **retail trade** sales grew by 3.4%, only slightly below average (4.0%). However, this positive trend faltered at the start of 2026 and it is the only region where sales have fallen, by 0.9% year-on-year in Q1 (vs. 3.3% in Spain). Meanwhile, **passenger car registrations** are also subdued: after increasing by 13.8% in 2025, above average (12.9%), there was a more muted rise in Q1 2026 to 5.8% year-on-year (vs. 7.6%).



**Activity in the housing market** increased in 2025, returning to pre-pandemic levels: sales grew by 5% – after slowing in 2023 and 2024 – to around 15,000 transactions per year. It is worth highlighting the key role played by foreign buyers, who account for almost 35% of all transactions (especially non-residents, with 22%), consolidating the Balearic Islands' position as one of the destinations that attracts the most international investment in housing. In terms of prices, the market in the Balearic Islands is among the most stressed in Spain, with a 12% increase in 2025 (6.6% the previous year), according to the National Statistics Institute's (INE) transaction price indicator.

## Retail trade

(% YEAR-ON-YEAR CHANGE)

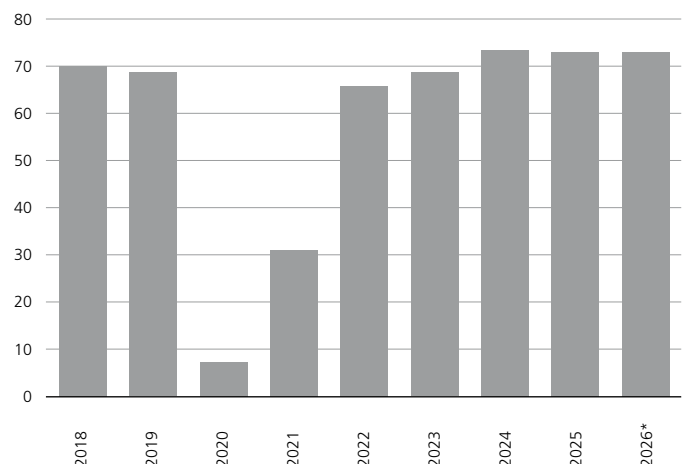


Note: \* Cumulative, 12 months up to February.

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






## Overnight stays

(MILLION)



## Table of indicators

Balearic Islands  
Average in Spain

		2014-2019 average	2020	2021-2022 average	2023	2024	2025	2026	Latest figure
 Activity and prices	<b>Real GDP*</b> (% year-on-year change)	<b>3.3</b>	<b>-22.7</b>	<b>13.8</b>	<b>3.8</b>	<b>4.2</b>	<b>3.0</b>		<b>2025</b>
		2.8	-10.9	6.5	2.5	3.5	2.8		
	<b>Retail trade</b> (% cumulative annual change)	<b>3.5</b>	<b>-14.1</b>	<b>8.9</b>	<b>5.9</b>	<b>0.1</b>	<b>3.4</b>	<b>-0.9</b>	<b>March-26</b>
		2.3	-5.2	2.2	2.9	2.1	4.0	3.3	
	<b>Industrial production index</b> (% cumulative annual change)	<b>-1.6</b>	<b>-20.9</b>	<b>11.8</b>	<b>-1.2</b>	<b>-4.3</b>	<b>3.8</b>	<b>-7.3</b>	<b>February-26</b>
	1.8	-9.2	4.7	-1.6	0.7	1.3	-2.2		
	<b>Service activity index</b> (% cumulative annual change)	<b>5.6</b>	<b>-37.8</b>	<b>45.8</b>	<b>14.2</b>	<b>6.9</b>	<b>6.9</b>	<b>1.9</b>	<b>February-26</b>
		5.1	-15.6	20.1	2.2	3.0	4.8	0.9	
	<b>Consumer price index</b> (% year-on-year change)	<b>0.8</b>	<b>-0.3</b>	<b>5.7</b>	<b>3.9</b>	<b>2.9</b>	<b>3.1</b>	<b>3.6</b>	<b>March-26</b>
		0.7	-0.3	5.7	3.5	2.8	2.7	3.4	
 Labour market	<b>Registered workers affiliated to Social Security</b> (% year-on-year change)	<b>4.5</b>	<b>-9.3</b>	<b>6.6</b>	<b>4.8</b>	<b>3.3</b>	<b>2.6</b>	<b>3.0</b>	<b>March-26</b>
		3.2	-2.1	3.2	2.7	2.4	2.3	2.5	
	<b>Non-furloughed registered workers affiliated to Social Security</b> (% year-on-year change)	<b>4.5</b>	<b>-25.0</b>	<b>16.8</b>	<b>5.8</b>	<b>3.6</b>	<b>2.7</b>	<b>3.3</b>	<b>March-26</b>
		3.2	-9.2	7.3	3.4	2.7	2.5	2.7	
	<b>Unemployment rate</b> (% working population)	<b>14.6</b>	<b>16.2</b>	<b>12.6</b>	<b>10.5</b>	<b>9.5</b>	<b>8.9</b>	<b>13.8</b>	<b>Q1 2026</b>
		18.8	15.5	14.0	12.2	11.3	10.5	10.8	
	<b>Unemployment rate for under 25s</b> (% working population < 25)	<b>36.5</b>	<b>42.0</b>	<b>29.0</b>	<b>21.3</b>	<b>24.1</b>	<b>17.3</b>	<b>28.7</b>	<b>Q1 2026</b>
		42.5	38.3	34.5	28.8	24.1	29.6	24.5	
 Public sector	<b>Public deficit</b> (% of GDP)	<b>-0.8</b>	<b>0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>0.2</b>	<b>0.1</b>	—	<b>2025</b>
		-0.9	-0.2	-0.6	-0.9	-0.2	-0.4	—	
	<b>Autonomous Communities public debt</b> (% of GDP)	<b>28.5</b>	<b>34.2</b>	<b>26.7</b>	<b>20.7</b>	<b>18.9</b>	<b>17.7</b>	—	<b>Q4 2025</b>
		23.9	26.9	24.2	21.7	21.1	20.2	—	
 Real estate market	<b>Housing prices</b> (% year-on-year change)	<b>6.8</b>	<b>4.1</b>	<b>7.5</b>	<b>4.1</b>	<b>6.6</b>	<b>12.0</b>	—	<b>Q4 2025</b>
		5.3	2.1	5.5	4.0	8.4	12.7	—	
	<b>Housing sales</b> (% cumulative annual change)	<b>8.5</b>	<b>-23.3</b>	<b>29.2</b>	<b>-20.4</b>	<b>-2.5</b>	<b>5.1</b>	<b>-7.1</b>	<b>February-26</b>
		9.7	-16.9	24.8	-10.2	9.7	11.6	-2.8	
 Foreign sector & tourism	<b>Exports of goods</b> (% cumulative annual change)	<b>14.8</b>	<b>-11.8</b>	<b>27.8</b>	<b>-8.3</b>	<b>10.6</b>	<b>-8.0</b>	<b>-32.7</b>	<b>February-26</b>
		3.9	-9.4	21.5	-1.4	0.2	0.7	-1.8	
	<b>Tourist overnight stays</b> (% cumulative annual change)	<b>1.6</b>	<b>-88.8</b>	<b>206.8</b>	<b>5.1</b>	<b>7.4</b>	<b>-0.4</b>	<b>-5.1</b>	<b>February-26</b>
		3.0	-69.2	75.8	7.1	4.3	1.7	2.2	

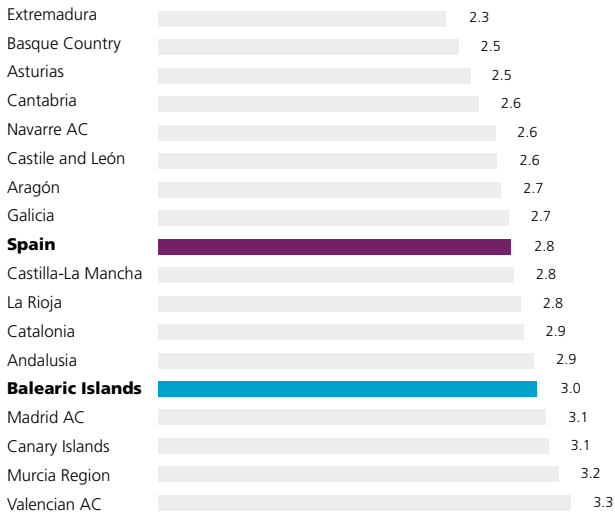
Note: (\*) The 2025 GDP figure for Autonomous Communities is an estimate made by CaixaBank Research.

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

## Regional comparison

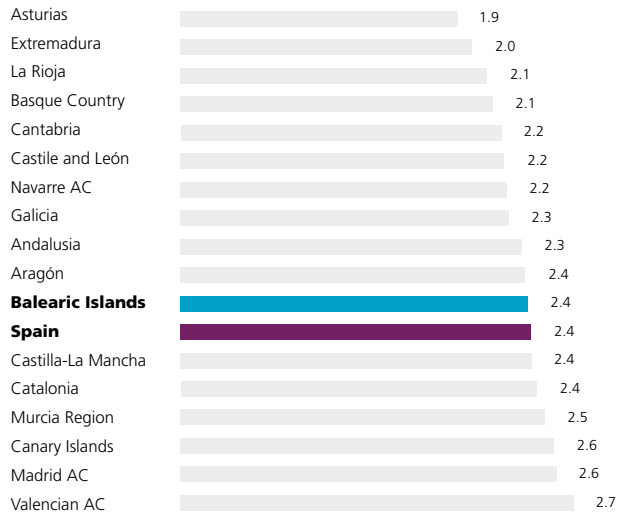
### GDP (2025)

(ANNUAL CHANGE)



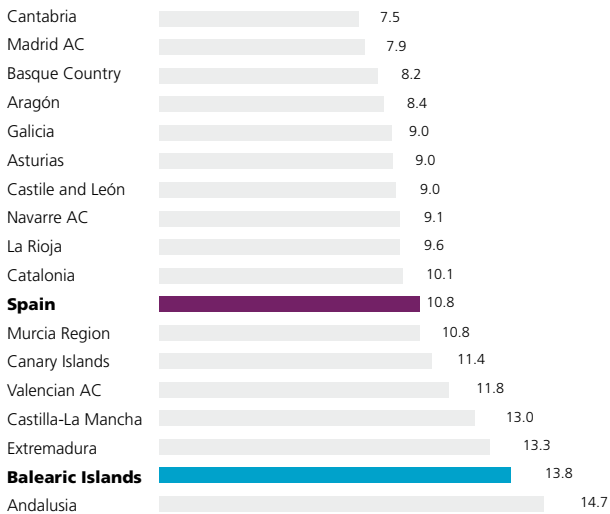
### GDP growth forecast (2026)

(ANNUAL CHANGE)



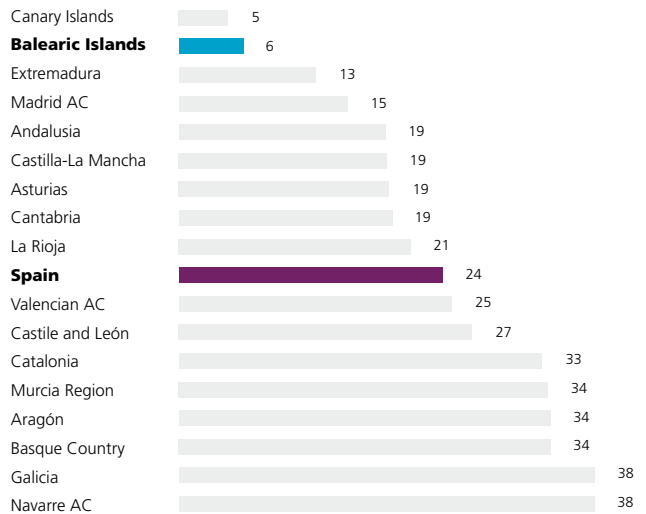
### Unemployment rate (Q1 2026)

(% OF WORKING POPULATION)



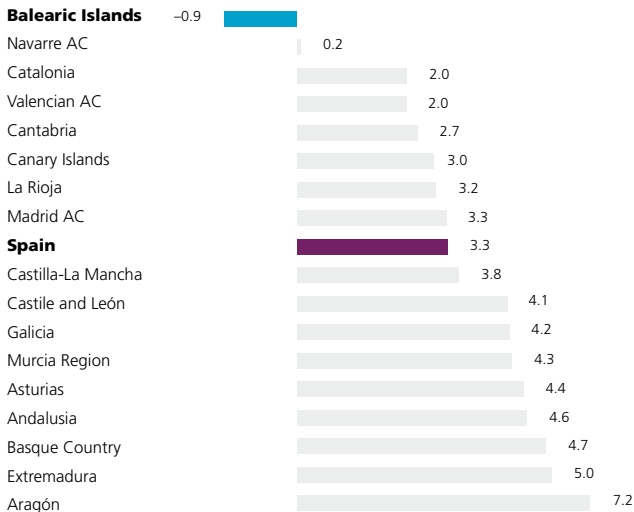
### Proportion of exports of goods (2024)

(% OF GDP)



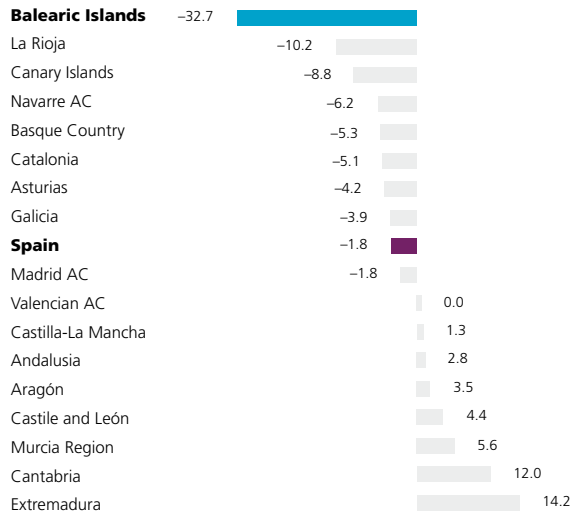
### Retail trade\* (January-March 2026)

(CHANGE FROM THE SAME PERIOD IN 2025)



### Exports of goods (January-February 2026)

(CHANGE FROM THE SAME PERIOD IN 2025)



Note: \*Figures adjusted, excluding service stations.

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



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