

Executive summary

Between domestic strength and the global energy shock

The Spanish economy is facing the first half of 2026 from a position of strength, albeit with signs of normalisation following the exceptional growth of 2025 and amid the threat of a new global shock. The strong start to the year has confirmed the inherent strength of domestic demand, with GDP advancing by 2.7% year-on-year in Q1 2026. However, the outbreak of the war in Iran and its spreading to other Persian Gulf countries have introduced a new supply shock. The impact varies by sector: industry, which is more energy-intensive and exposed to foreign markets, is feeling the effects of the increase in costs, while services and activities geared towards the domestic market are showing greater resilience. Overall, there is a moderation in the growth rate following the significant dynamism of the prior year, although the economy maintains a sufficiently solid base to absorb the shock and avoid a sharp drop in aggregate expansion.

The intensification of global tensions has led us to moderately revise our macroeconomic forecast scenario, mainly as a consequence of the rise in energy prices triggered by the conflict. In this context, at CaixaBank Research we now anticipate GDP growth of 2.1% in 2026, three percentage points below the previous forecast. The high savings rate accumulated by households and the economic measures implemented by the government will help to cushion the impact of this shock and limit the loss of dynamism.

This conflict underscores the importance of identifying and reducing the Spanish external sector's geostrategic dependencies. After successive shocks – the pandemic, the energy crisis triggered by the war in Ukraine and trade tariffs –, the sector now faces new risks of disruptions to supply chains affected by the conflict in Iran. Avoiding unilateral dependencies and diversifying suppliers is crucial for strengthening value chain resilience. In this edition of the *Observatory*, we present a trade vulnerability index (TVI), which combines factors such as supplier concentration, critical inputs, geopolitical relationships and the share of each source country to identify 46 products with a high degree of vulnerability. Disruptions to their supply could significantly impact several national industries,

so gradually reducing these dependencies emerges as a key challenge for medium-term competitiveness.

In parallel, the capacity for internal adaptation is reflected in entrepreneurial momentum. Spain has experienced a sustained increase in business creation in recent years. However, entrepreneurial dynamism remains below that of the main European economies and significant structural challenges persist, such as a high early failure rate, a marked geographical concentration of activity and a limited presence in higher value-added sectors. Nonetheless, encouraging signs are emerging in areas related to digitalisation, Economy 4.0 and new productive niches. The big challenge is to harness this momentum so that a greater number of emerging projects can survive and prosper, scaling up towards higher productivity activities and thus strengthening the productive base.

Business investment is playing a central role in the new business cycle, especially through the boom in intangible assets. A distinctive feature of this cycle is the strength of this type of investment, which continued to grow even in 2020 and has spearheaded the subsequent recovery. Between 2019 and 2024, investment in intangible assets increased by more than 40%, driven by investment in R&D, digitalisation and other knowledge-related assets. Spain now allocates around 7.8% of GDP to this type of investment, according to an estimate by Cotec – while this figure remains below most advanced economies, it is clearly on the rise. Further investment in these assets will be key for boosting productivity and progressing towards a higher-quality growth model.

In short, the sectoral analysis reveals that the Spanish economy is facing 2026 with growth that remains dynamic, albeit more moderate. The robustness of domestic demand and the progress in modernising the productive base of the economy are allowing it to withstand a challenging international context. At the same time, entrepreneurial dynamism and the investment boom in innovation and intangible assets strengthen the economy's resilience and adaptability in the medium and long term.