

Regional Watch 1Q20

# The slowdown in activity may be bottoming out, and the focus of growth towards the future remains in the central and southeast regions

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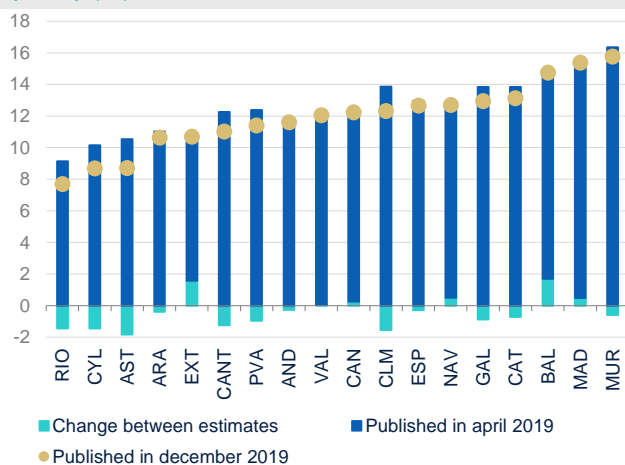
- **There are slight changes to the 2019 forecasts**, due to the generalized stabilization of growth in the second half of the year, a few changes to current information, and a minor revision to the Spanish Regional Accounts on GDP growth in 2019. **The hierarchy of economic growth remains unchanged in 2019**: Madrid, Murcia, Castilla-La Mancha, and Navarra have led the progress in activity the previous year.
- **Uncertainty could be having a limited impact on domestic demand**. Thus, domestic spending would have rebounded in the second half of 2019. This can be seen more strongly in Madrid and on the Mediterranean coast, while the recovery is less vigorous in Illes Balears, and part of the north.
- **The growth of capital investments along with a turning point in exports is supporting the stabilization of growth, mainly in some northern autonomous communities, but it remains sluggish in the rest of the regions**, especially in the larger ones (Andalucía, Madrid, Cataluña, and C. Valenciana).
- **Looking ahead, the dynamics of foreign demand for goods and the recovery of investments will be further noted in 2020's trajectory**. This will limit the effects of the slowdown in domestic demand, while in 2021, the widespread improvement in foreign demand will boost exporting autonomous communities, both for goods and, to a lesser extent, services.
- **Madrid, Castilla-La Mancha, Aragón, and Murcia will be the autonomous communities with the highest growth in the next two years, while Asturias and Castilla y León will be the least dynamic regions**. The former ones will experience challenges in adapting their supply to changing European demand. On the other hand, the exhaustion of the Spanish domestic demand and of the fiscal impulse of 2019 and 2020 explain the expected slowdown in Extremadura.
- **Uncertainty is one of the factors that could affect this recovery**. This includes four areas of focus: the global environment, those which affect some production sectors -such as automotive, real estate, and tourism-, the conflict in Cataluña and the economic policy. Together, they put the focus of risk more on the eastern regions and the islands, and delay recovery in some northern regions.
- **The growth of regional economies is trending toward lower levels than before the crisis**. This correction is greater in the Mediterranean and the island autonomous communities, where the favorable impacts of the shocks of the last expansion were greater.

## The slowdown in activity could be bottoming out, and the focus on growth would remain in the central and southeast regions

Following the slowdown in previous years, GDP growth in Spain appears to have stabilized in the second half of 2019 at levels similar to those recorded in the first quarters of the year. At the regional level, the latest data point to the fact that the focus on growth remains mainly in the central and southeast regions, while the slowdown is stronger in the island and northwestern communities. This is in line with what occurred in the first half of the year and with what was indicated in the last regional report.

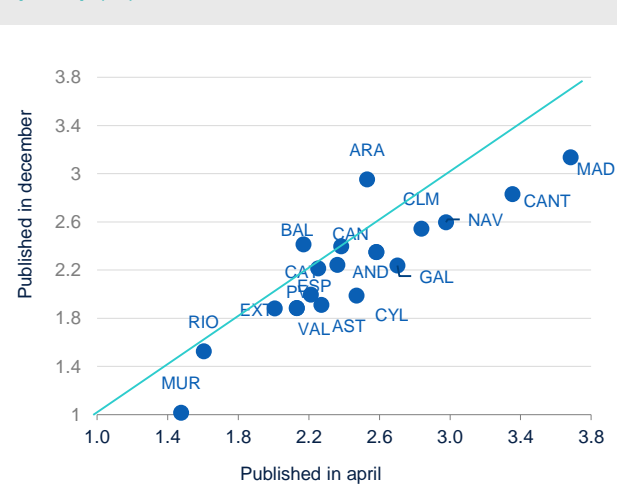
While the revision of the Spanish Regional Accounts (SRA) in December changes the growth rate of some communities during the expansion, it does not substantially affect the growth hierarchy, in the expansion as a whole nor in the last year published (see Figures 1 and 2). As a result, the impact on 2019 and subsequent forecasts by BBVA Research is relatively minor.

Figure 1. **GDP GROWTH BETWEEN 2014 AND 2018 ESTIMATED IN APRIL AND DECEMBER (SRA) (%)**



Source: BBVA Research based on INE data

Figure 2. **INE REVIEW OF GDP GROWTH IN 2018 (SRA) (%)**



Source: BBVA Research based on INE data

This, along with the limited changes in the recent scenario, introduces few biases in the 2019 growth estimates. Navarra's growth is revised upwards by two tenths of a percent, and one tenth in Andalucía, Aragón, Castilla-La Mancha, Murcia, and La Rioja. The growth in Andalucía and Murcia was supported by the increased resilience of domestic demand, the relatively favorable evolution of the labor market, the positive performance of the tourism sector and the strong recovery of the industrial sector compared to last year. In addition, the increase in foreign demand explains the revision in growth in Navarra and Aragón, while in La Rioja, the industrial sector overcame the downturn from previous years. Finally, the strength of affiliation and exports justify the revised growth in Castilla-La Mancha.

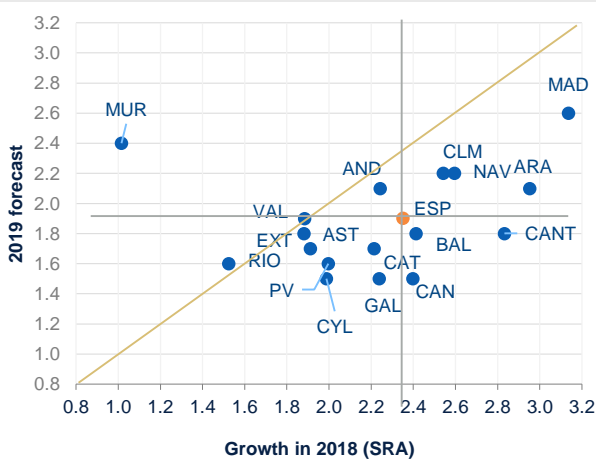
In contrast, growth was revised one tenth downwards for Canarias, the País Vasco, Cataluña, and C. Valenciana. In Canarias, the decline in the outlook can be explained by the tourism sector's lack of recovery, which continues to evolve at negative rates, with the added surprises for this sector in the final part of the year (tour operators, challenges with air transportation with the reduction of available seats, uncertainty about Brexit) and weak domestic consumption and employment. This occurred despite the fiscal stimulus during the year, which

makes this sector the main generator of employment in the community in the last quarter. In País Vasco and C. Valenciana, the revised figures are primarily justified by, first, lower than expected growth in exports in the second part of the year, and, second, a sharp slowdown in private affiliation, which introduced a downward trend in growth. In addition, the uncertainty affected the performance in Cataluña, on top of the weak industrial sector. This confirms that Madrid, Navarra, Castilla-La Mancha, and regions in the southeast (Andalucía, C. Valenciana, and Murcia) are set to spearhead growth in 2019. On the contrary, Canarias, Castilla y León, and Galicia recorded the least progress (see Figure 3).

**In 2020, revisions are somewhat more in-depth. Revisions were made to Extremadura and Murcia (three tenths), Castilla-La Mancha and Aragón (two tenths), and Navarra, La Rioja, C. Valenciana, Madrid, and Illes Balears (one tenth).** Extremadura's increased growth can be explained by the surge in investment and fiscal momentum experienced in 2019. In Illes Balears, the latest tourism data point toward the sector's partial recovery, which justifies the upward revision by one tenth but would not be sufficient for an improved GDP for Spain as a whole. Finally, the remaining autonomous communities that were revised upward benefited from the recovery of foreign demand, supporting exports, and industrial production, and whose signals were already apparent at the end of 2019. However, some autonomous communities are not seeing the same strength in the recovery of foreign sales that would be expected from opening trade. As a result, **the two tenths downward revision in the País Vasco and one tenth in some autonomous communities in the north (Galicia, Asturias, Castilla y León) and Cataluña** is due to increased weakness in exports and domestic consumption. Thus, Madrid, Castilla-La Mancha, and Navarra lead growth in 2020, while the Islands and Asturias have the least momentum.

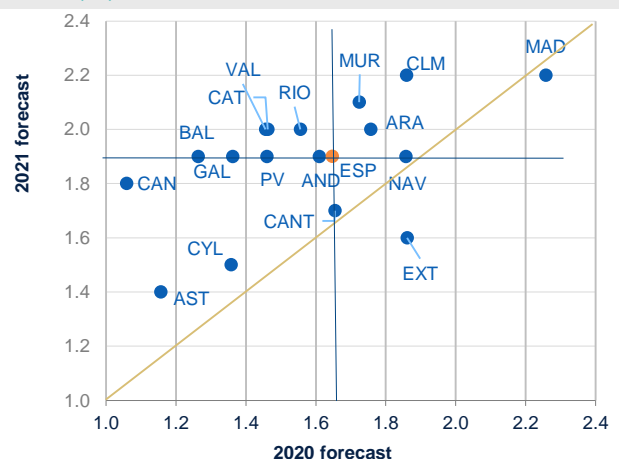
**By 2021, the widespread recovery in foreign demand for both goods and services, supported by more favorable growth prospects for European countries, should push the exporting autonomous communities forward and contribute to accelerated growth in Balears and Canarias.** Madrid will continue to lead the growth, with contagion effects in Castilla-La Mancha as well, while Asturias, Castilla y León, and Extremadura will follow (see Figure 4).

Figure 3. **GDP GROWTH IN 2018 (SRA) AND FORECAST FOR 2019 (%)**



Source: BBVA Research based on INE data

Figure 4. **GDP GROWTH FORECAST IN 2020 AND 2021 (%)**

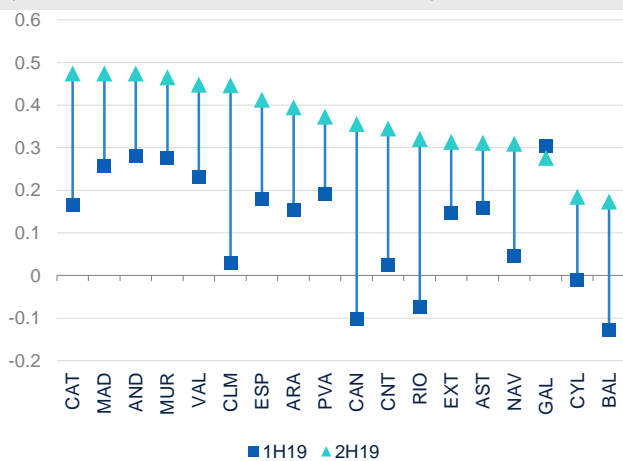


Source: BBVA Research

## Limited impact of uncertainty on demand: The rebound in domestic consumption in the second half primarily benefits Madrid and the Mediterranean coast...

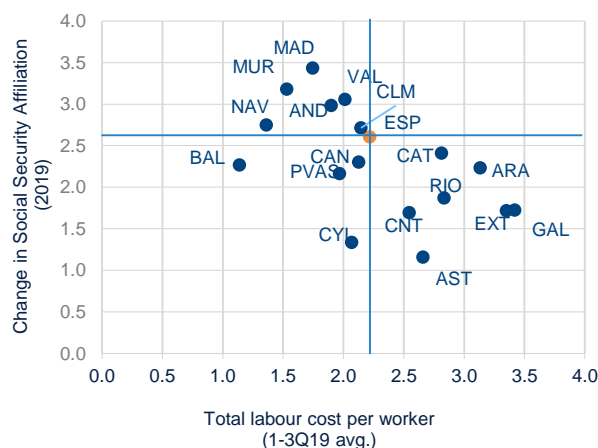
Although uncertainty is having a negative impact on domestic demand, the most recent data are consistent with a moderation of the effect. Thus, the slowdown in spending could reach a turning point in the second half of the year in all communities, but with varied intensity in the territory. In particular, domestic consumption could progress at higher rates in the central region (Madrid and Castilla-La Mancha) and on the Mediterranean coast (Cataluña, Andalucía, C. Valenciana, and Murcia) than the rest of the country. On the other hand, some autonomous communities from the north (Galicia, Castilla y León, and Navarra), and especially Illes Balears, continue to show greater weakness than the rest of Spain (see Figure 5).

Figure 5. **PRIVATE CONSUMPTION GROWTH ACCORDING TO ISCR-BBVA<sup>1</sup>**  
(SWDA<sup>2</sup>, AVERAGE QoQ RATE, %)



Source: BBVA Research

Figure 6. **GROWTH OF AFFILIATION AND TOTAL LABOR COSTS PER WORKER IN 2019**  
(SWDA, YoY, %)



Source: BBVA Research, Social Security and INE

The improvement in consumption occurs in a context where the labor market is generally slowing down in the second half of the year, mainly due to the lower push from the private sector. Despite this, the dynamism of affiliation in Madrid, Murcia, and C. Valenciana does not seem to be driving an increase in wages. This may be because the high unemployment rate could be making it difficult to transfer job creation to higher salaries in Murcia, Andalucía, and C. Valenciana. On the other hand, in Madrid, the workforce's growth could be limiting an increase in wages. The situation in Galicia and Asturias is more concerning, as the momentum of wage costs is occurring in a context of very low job creation, which could indicate mismatches between labor supply and demand. Or in Extremadura, which is in a similar situation, but with an unemployment rate of more than 20% (see Figure 6). Generally speaking, in the north, the evolution of affiliation is less favorable, despite the fact that the public sector

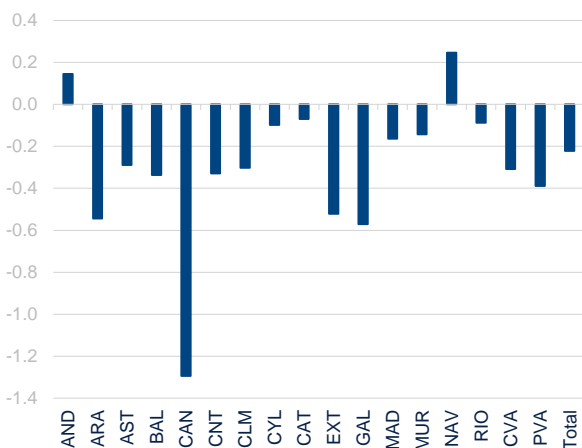
1: The synthetic regional consumption indicator (ISCR) is built using the main partial indicators of expenditure and income available at the regional level: retail sales, vehicle registrations, service sector activity index, imports of consumer goods, fuel, IPI of consumer goods, Social Security affiliation, registered unemployment, and actual household income. The methodology used to construct the indicator is based on the analysis of principal components.

2: SWDA: Seasonally and working day-adjusted data.

acts as a driver of employment in Navarra, Cantabria, and País Vasco, compared to the sluggishness of other sectors.

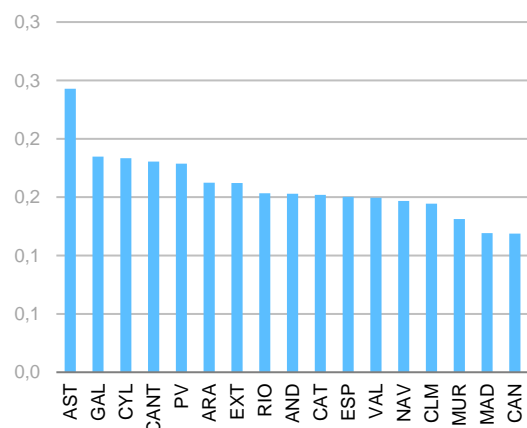
The available information (through October) shows that throughout 2019, regional governments continued their policy of fiscal stimulus. This is particularly evident in Canarias, with a worsening autonomous primary balance of more than 1 pp of GDP, or in Extremadura, Aragón, and Galicia, where regional GDP is approaching 0.5. Only Navarra and Andalucía showed a slight correction (see Figure 7). The impact of the most recent measures, increasing pensions and wages, can also be considered. While waiting to see when and to what extent wage increases in the Government Administration will impact the autonomous communities, the rise in pensions could have a marginally greater effect on the northern communities, both because of their demographic composition and because the average pension is higher (see Figure 8).

Figure 7. **CHANGE IN THE PRIMARY BALANCE IN 2019. REGIONAL GOVERNMENT (PP OF REGIONAL GDP)**



Source: BBVA Research based on the Ministry of the Treasury and INE data

Figure 8. **IMPACT ON HOUSEHOLD DISPOSABLE INCOME OF THE RECENTLY APPROVED PENSION INCREASE (%)**



Source: BBVA Research, based on INE and Social Security

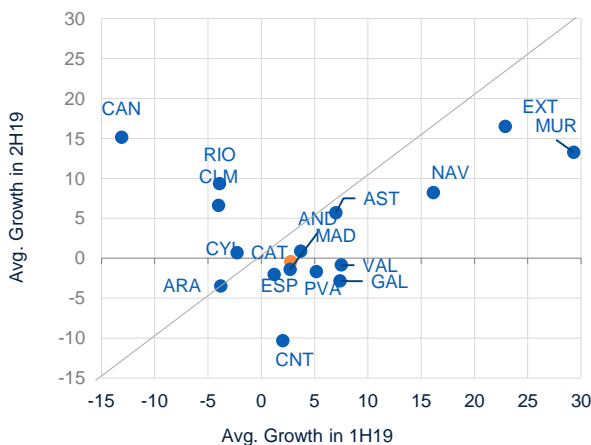
## ... and investment in equipment, for some autonomous communities exporting goods

In contrast, investment in machinery and equipment has maintained some momentum, particularly in some central-northern autonomous communities, which could point to prospects for improvement in the industry in these regions. Thus, imports of capital goods maintain solid growth rates in the autonomous communities of Navarra, Asturias, and La Rioja, in addition to Castilla-La Mancha, Murcia, and Extremadura. However, in line with what is happening with good exports, the larger autonomous communities showed weaker results (Andalucía, Cataluña, C. Valenciana, and Madrid) or in communities where the industrial sector's recovery is key to driving their economy (Cantabria, Aragón, Galicia, and the País Vasco; see Figure 9).

## Foreign sales of goods in some northern autonomous communities recovered, which supports their industry's improvement

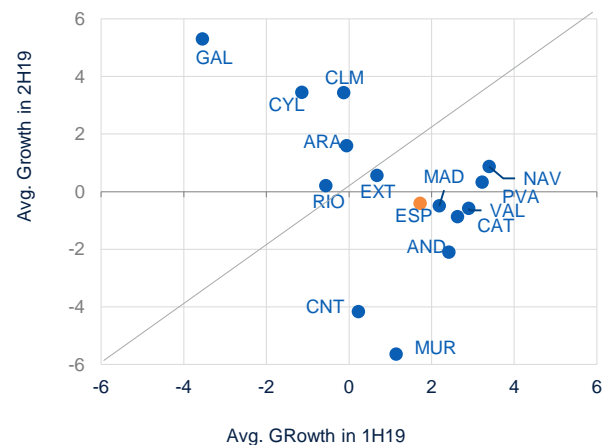
In relation to foreign demand, exports reached a turning point in some central-northern autonomous communities in the second half of the year, which is a source of optimism for the industry's recovery going forward. In particular, Galicia, Castilla y León, and Aragón overcame the first half's rough patch and indicated strong growth rates in the second half (with information through November). Similarly, Navarra and Castilla-La Mancha continue to have strong dynamism. However, there is some stagnation in the larger autonomous communities, with more pronounced slowdowns in Andalucía and Cataluña, in particular (see Figure 10). Thus, the strong driver of foreign demand supports the good performance of industrial production in Navarra, Galicia, and Castilla-La Mancha, while this improvement has not yet reached Castilla y León's or Aragón's industries. País Vasco and C. Valenciana also show some momentum, while the weak foreign and domestic context affects the recovery of the industrial sector in Asturias, Cantabria, Cataluña, Murcia, and Andalucía (see Figure 11).

Figure 9. **NOMINAL IMPORTS OF CAPITAL GOODS (SWDA, AVERAGE QoQ RATE, %)**



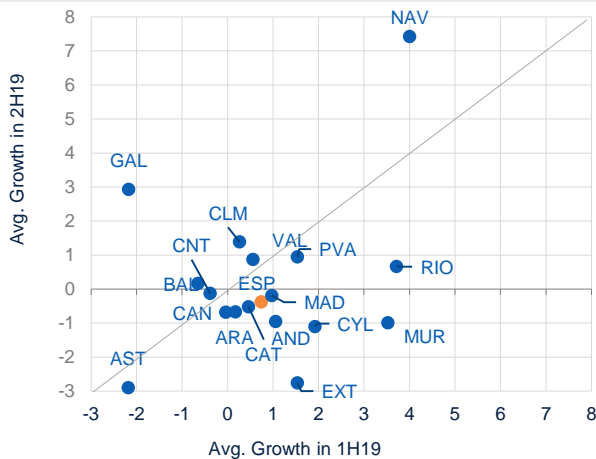
Source: BBVA Research based on Datacomex data

Figure 10. **EXPORTS OF GOODS (NOMINAL, AVERAGE QoQ RATE, SWDA, %)**



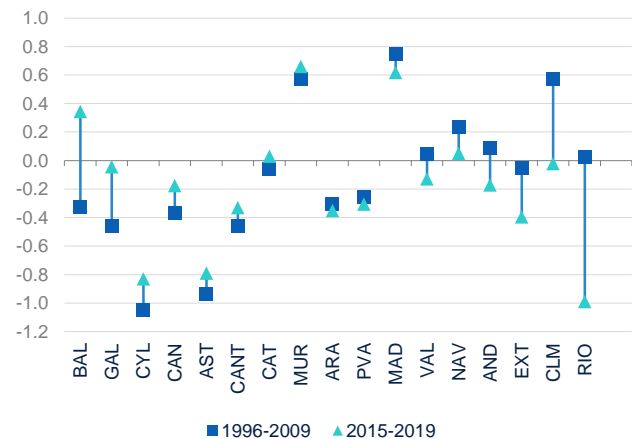
Source: BBVA Research based on Datacomex data

Figure 11. **INDUSTRIAL PRODUCTION INDEX (SWDA, AVERAGE QoQ RATE, %)**



Source: BBVA Research based on INE data

Figure 12. **DIFFERENTIAL BETWEEN THE GROWTH OF EACH AUTONOMOUS COMMUNITY AND SPAIN DURING EXPANSIONS (PP)**



Note: Autonomous communities ordered according to their change in growth between the two periods

Source: BBVA Research based on INE data

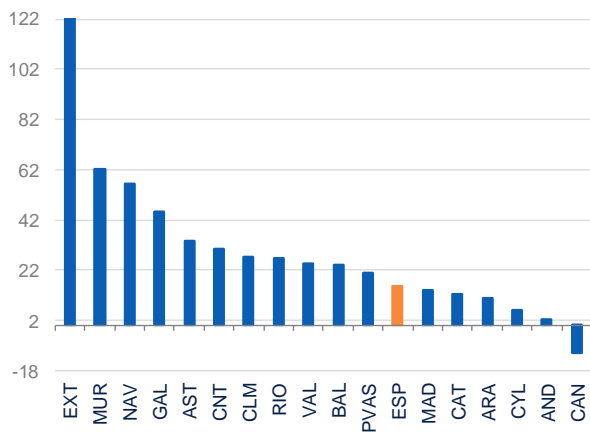
## Going forward, the focus of growth returns to the central and southeast regions thanks to the more favorable inertia of some autonomous communities and the drive for foreign demand and investment

Just as Spain maintains a favorable GDP growth differential with respect to Europe in expansions, the different regions also show differential behavior in line with that of the nation as a whole. The revision of data for the past 23 years indicates a group of communities with similar behavior in both expansions: this includes Madrid and Murcia, whose momentum is greater in both cases, Cataluña and C. Valenciana, which remained steady, and Cantabria, Aragón, and the País Vasco, whose growth is systematically lower than the national average. Along with the last three, Castilla y León and Asturias also show a behavior that is systematically less vigorous than the national average but in this case, with a greater differential, close to a point per year. In the absence of specific shocks, it does not seem reasonable to expect any of these communities to change groups. The uncertainty that still persists in Cataluña's policy is the main factor responsible for this region having a negative differential on the forecast horizon, compared to what has been observed in the last 20 years.

Outside the previous block, there are two groups. First, those that have reduced their unfavorable growth differential with Spain in this expansion. Illes Balears (which has even managed to transition to a favorable differential), Galicia and Canarias are part of this group, and the tourism boom during the period was the main driving factor. At the other extreme are La Rioja, Castilla-La Mancha, Extremadura, and Andalucía, whose growth now shows a more negative differential than in the previous phase. The first three are particularly noteworthy, as their differentials can be explained more by short-term factors rather than by structural changes, according to what investment shows. In particular, Castilla-La Mancha can be favored by the dragging effects of Madrid, Extremadura, and La Rioja, due to the investment boost in these regions in recent years (see Figure 12).

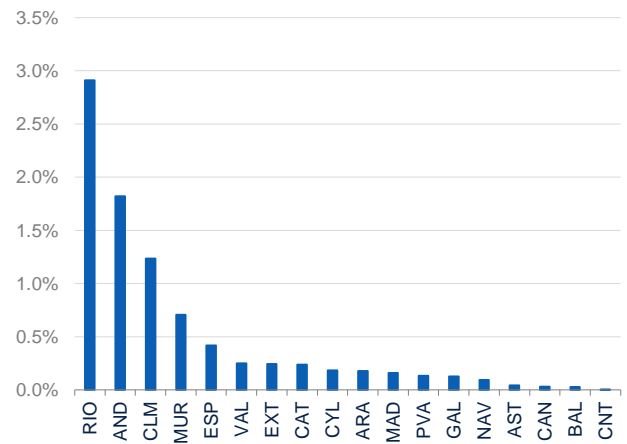
**Secondly, the improvement in investment in machinery and equipment in recent years could partially explain the dynamism of communities such as Murcia or Navarra**, while still potentially anticipating that, on a reasonable horizon, industry in communities such as Galicia, Cantabria, La Rioja, or C. Valenciana could experience different behavior compared to the rest of Spain. On the contrary, the lack of recovery of investment in territories such as Andalucía is a sign of medium-term risk, although it could be partly offset by other investments in sectors that are less dependent on machinery (such as tourism or housing). The data on Aragón and, particularly, Castilla y León, however, seem more concerning. In Aragón, the impact of logistics and the acceleration of automotive production could make this a temporary aspect, but there are no signs of recovery in this indicator in Castilla y León, a community highly exposed to industrial production. It is, therefore, necessary to continuously modernize capital goods (see Figure 13).

Figure 13. **IMPORTS OF CAPITAL GOODS: GROWTH BETWEEN 2016 AND 2019(e)**



2019 estimated with data up to November.  
Source: BBVA Research based on Datacomex data

Figure 14. **WEIGHT OF GOOD EXPORTS TO THE US SUBJECT TO INCREASED TARIFFS (AVERAGE 2016-2018, % OF THE TOTAL)**



Source: BBVA Research based on Datacomex data

## The future will depend on solving these key sources of uncertainty

The risks to the scenario are focused on three groups. First, those related to the global environment, particularly the trade war between the US, China and the EU, and Brexit. Although the risk is now lower in both cases, the effects are quite heterogeneous. Thus, almost 3% of La Rioja's exports go directly to the US and are affected by tariff increases. Andalucía, Castilla-La Mancha, and Murcia also have a significant portion of their sales affected, but the impact could be virtually negligible in the rest of the country. While the risk of a disorganized Brexit has been reduced, but the high dependence of Canarias and Balears on British tourism spending makes these two communities the most exposed (see Figure 14).

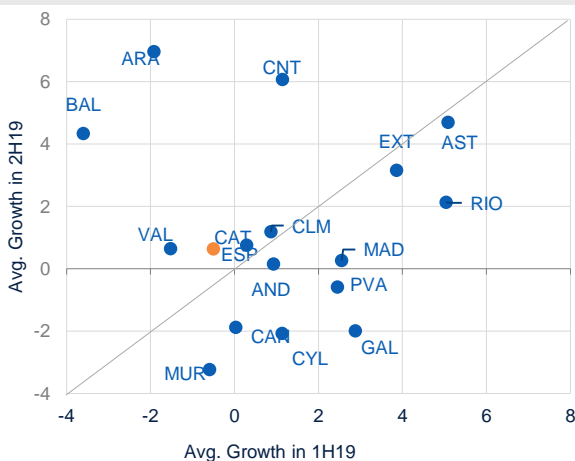
Second, the data indicate that the beach tourism sector continues to be sluggish, which may not be fully explained by the slowdown in foreign demand. In particular, the weakness in Canarias, affected by the negative surprises in the second half of the year (financial problems for tour operators, a decrease in the number of available plane seats), drags down growth in hotel overnight stays by foreigners throughout all of Spain. This, despite that other traditional destinations maintain some dynamism (C. Valenciana, Cataluña, and Madrid) or even



improving compared to the first half of the year (Illes Balears). However, the above seems to have limited effects on increased tourist spending by foreign visitors, which continues to trend upwards in Spain as a whole. This could be due to a partial replacement of beach tourists (low average cost per day) by urban tourists (who usually spend more). Thus, foreign tourism to large cities continues to favorably progress. In fact, the rate of increase in overnight stays by foreigners in the ten top cities foreigners visit<sup>3</sup> has not dramatically changed in the last two years (it continues to grow around 5% per year or more), while in the rest of the country, overnight stays fell for the third consecutive year. This substitution explains why the overall total tourist expenditures continues to show positive results (see Figures 15, 16, and 17).

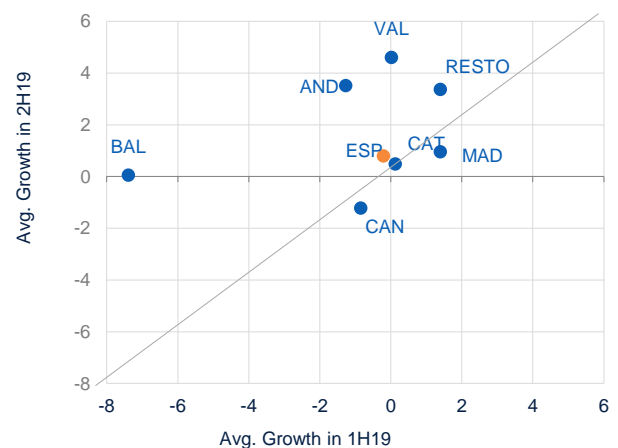
**On the other hand, after having supported activity in the first part of the year, growth in national tourism began to slow down.** Thus, overnight stays by domestic travelers showed a widespread decline in Madrid and the primary traditional beach destinations along the Mediterranean. On the contrary, the northern autonomous communities demonstrated better performance, in addition to Canarias, where, however, the weight of this segment is very small and is not sufficient to address the issues with foreign tourism (see Figure 18).

Figure 15. **FOREIGN TOURIST OVERNIGHT STAYS (SWDA, AVERAGE QoQ RATE, %)**



Source: BBVA Research based on INE data

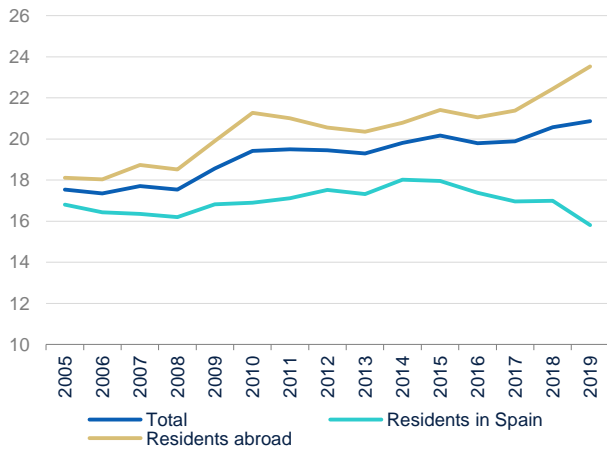
Figure 16. **FOREIGN VISITOR EXPENDITURE IN THE MAIN AUTONOMOUS COMMUNITY DESTINATIONS (SWDA, AVERAGE QoQ RATE, %)**



Source: BBVA Research based on INE data

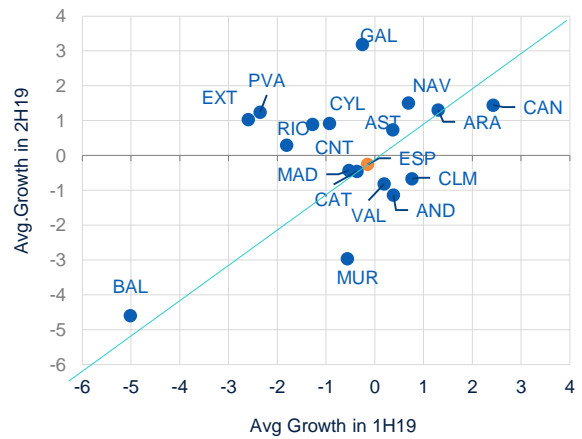
3: This list includes, in order of relevance the overnight stays of foreigners in 2018, Barcelona, Madrid, Palma de Mallorca, Sevilla, Valencia, Granada, Málaga, Alicante, Bilbao, and San Sebastián

Figure 17. **WEIGHT OF URBAN TOURISM IN HOTEL OVERNIGHT STAYS BY ORIGIN (ANNUAL)**



Source: BBVA Research based on INE data

Figure 18. **OVERNIGHT STAYS OF TRAVELERS RESIDING IN SPAIN (SWDA, AVERAGE QoQ RATE, %)**

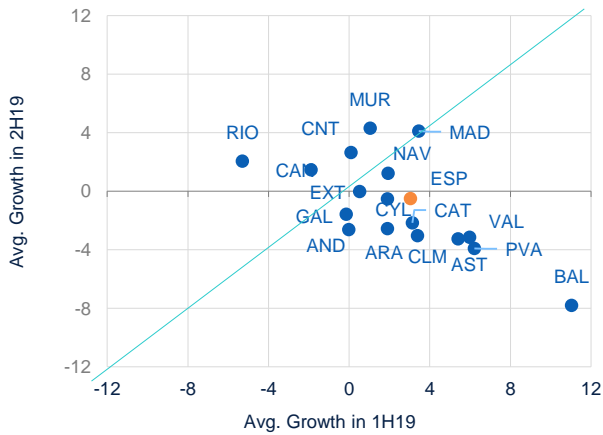


Source: BBVA Research based on INE data

**Third, certain sectors continue to negatively reflect the implementation of regulatory changes.** This is mainly seen in the automotive sector and in housing-related indicators.

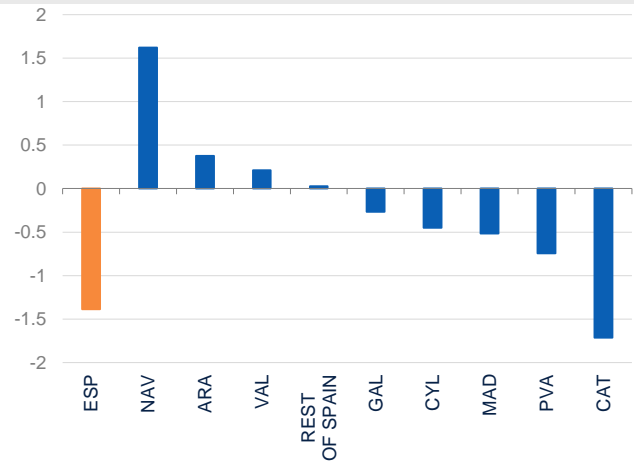
**Both the purchase and export of cars continue to decline in the automotive sector.** Thus, car registrations fell in most autonomous communities in the second half of 2019, more sharply in the Mediterranean regions (Illes Balears, Cataluña, C. Valenciana, and Andalucía) and in some of the northern regions (see Figure 19). Similarly, the regulatory changes in the sector across Europe, uncertainty about the economy, and the trade war could have affected sales abroad of cars produced in Spain. In particular, the declines in Cataluña, País Vasco, Galicia, Castilla y León, and Madrid would more than offset the positive contributions of Navarra and, to a lesser extent, of Aragón and C. Valenciana (see Figure 20). As the areas of uncertainty are resolved and European demand is restored, some improvement should be seen in the sector and in the communities that are now lagging behind in these exports.

Figure 19. **PASSENGER CAR REGISTRATIONS**  
(SWDA, AVERAGE QoQ RATE, %)



Source: BBVA Research based on DGT data

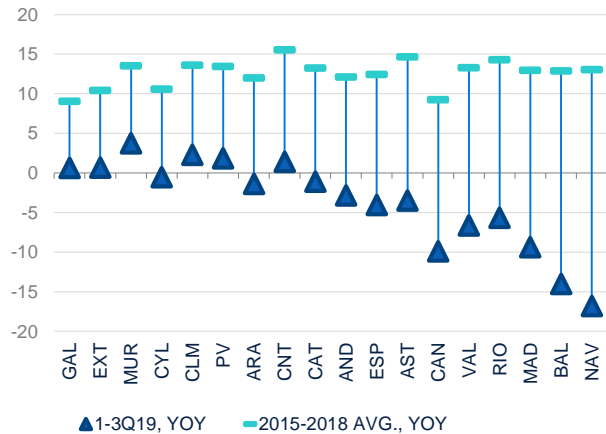
Figure 20. **AUTOMOTIVE SECTOR NOMINAL EXPORTS**  
(AUTONOMOUS COMMUNITY CONTRIBUTIONS TO VARIATION YoY IN SPAIN, JAN-NOV)



Source: BBVA Research based on Datacomex data

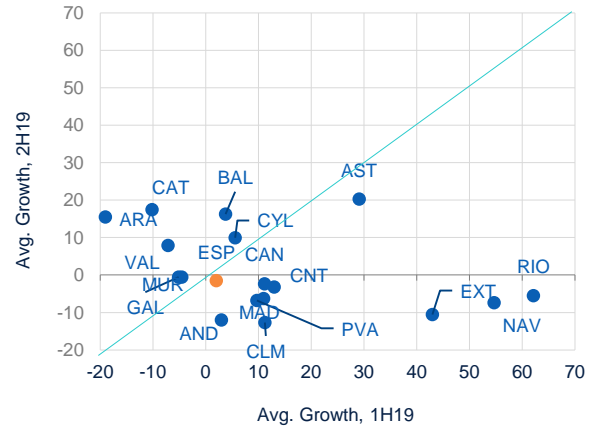
**With regard to the real estate sector, the uncertainty from previous quarters continues to detract dynamism, although, in the absence of new legislative changes, it should be solved in the coming quarters.** The latest data on housing activity shows that it remains below levels prior to regulatory changes in the mortgage market (see Figure 21), which is progressively resulting in less growth in construction work permits for residential buildings. The national decline is mainly due to contractions in the central area (Madrid, Castilla-La Mancha, and Extremadura), Andalucía, Canarias, and the northeast. To the extent that these markets are dominated by primary residence demand, this could indicate that the effects of the slowdown in employment are noticeable. The progressive absorption of distorting effects by regulatory changes should contribute to the sector's upturn by the end of the year, and especially in 2021. And from this, Madrid and other densely populated areas such as the Mediterranean coast could benefit more. Thus, the slight recovery in the second half of the year in the east (Cataluña, C. Valenciana, and Illes Balears) and Aragón could be starting to anticipate these effects to some extent, something that should be confirmed with the next set of data (see Figure 22).

Figure 21. **HOUSING TRANSACTIONS**  
(YoY, %)



Source: BBVA Research based on Spanish Ministry of Public Works data

Figure 22. **NEW RESIDENTIAL CONSTRUCTION PERMITS** (SWDA, AVERAGE QoQ RATE, %)

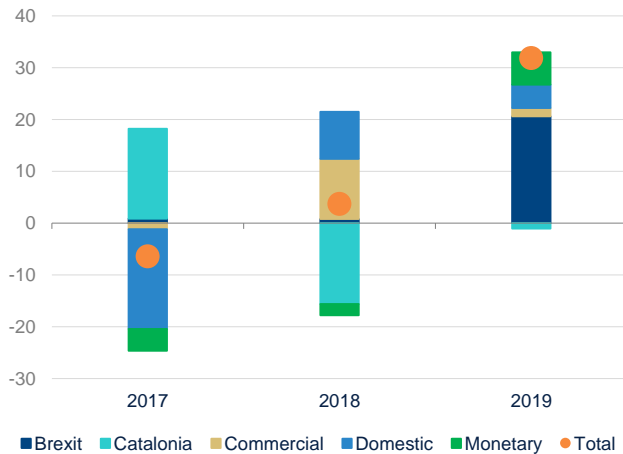


Source: BBVA Research based on Spanish Ministry of Public Works data

**Finally, the future speed of recovery will depend on the policies implemented over the next few months.** Uncertainty about economic policy remains high given the lack of consensus that seems to persist over key issues. The workers' strike and the various episodes of tension observed in Cataluña during the month of October seem to have had a temporary negative impact on activity in the regional economy, but less than what was observed two years ago. The trend change that has been observed in the evolution of the Catalan economy since the second half of 2017 has been a limiting factor for the growth of the whole of Spain.

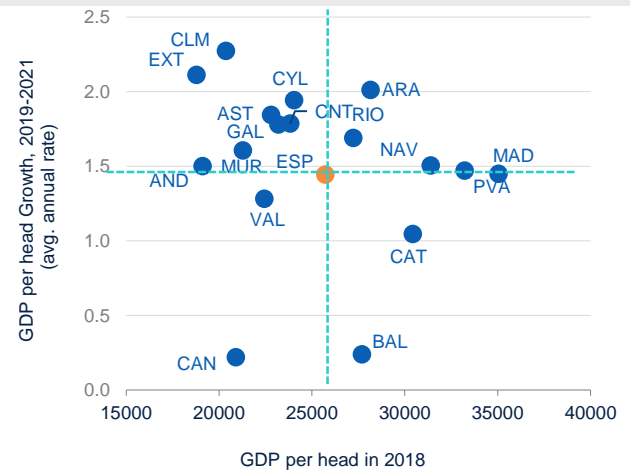
**The changes that the new government can make in important areas, like the labor market and pensions, as well as reducing inequality in public accounts, will be particularly important.** Before moving forward with a total reversal of the reforms implemented in previous years, it would be desirable to review the various assessments that have been made on the effects of the measures introduced and to maintain those aspects that have been valued positively. This spirit of government policy evaluation should be extended to all areas, including public spending, prioritizing the reduction of inefficient spending in order to continue with fiscal consolidation.

Figure 23. **SPAIN: ECONOMIC POLICY UNCERTAINTY AND BREAKDOWN INDEX (ANNUAL VARIATION, INDEX POINTS)**



Source: BBVA Research based on national media

Figure 24. **GDP PER CAPITA IN 2018 AND CHANGE IN 2019-2021 (€ and %)**



Source: BBVA Research based on INE data

**In short, the BBVA Research scenario points to less overall growth in 2020**, with major corrections in the southwest and island communities due to the slowdown in tourism and domestic demand, although growth will continue to be led by the central regions. **In 2021, the improvement of foreign demand, mainly European, will continue to boost the industrial sector**, which will allow the regions most exposed to international trade to partially recover their performance. In terms of convergence, the islands and Mediterranean regions will experience the least progress during this three-year period, as the slowdown is coupled with relatively greater demographic momentum. In the north and east, however, demographic weakness is key to continue with the convergence in GDP per capita over the forecast horizon.

Table 1. **GDP GROWTH**

	2017	2018	2019	2020	2021
Andalucía	2,7	2,2	2,1	1,6	1,9
Aragón	2,6	3,0	2,1	1,8	2,0
Asturias	2,2	1,9	1,7	1,2	1,4
Baleares	3,1	2,4	1,8	1,3	1,9
Canarias	3,6	2,4	1,5	1,1	1,8
Cantabria	2,8	2,8	1,8	1,7	1,7
Castilla y León	1,2	2,0	1,5	1,4	1,5
Castilla-La Mancha	1,9	2,5	2,2	1,9	2,2
Cataluña	2,5	2,2	1,7	1,5	2,0
Extremadura	3,7	1,9	1,8	1,9	1,6
Galicia	2,7	2,2	1,5	1,4	1,9
Madrid	3,9	3,1	2,6	2,3	2,2
Murcia	3,1	1,0	2,4	1,7	2,1
Navarra	3,6	2,6	2,2	1,9	1,9
País Vasco	2,4	2,0	1,6	1,5	1,9
La Rioja	0,5	1,5	1,6	1,6	2,0
C. Valenciana	3,4	1,9	1,9	1,5	2,0
<b>España</b>	<b>2,9</b>	<b>2,4</b>	<b>1,9</b>	<b>1,6</b>	<b>1,9</b>

Source: BBVA Research and INE

 Table 2. **EMPLOYMENT EPA**

	2017	2018	2019	2020	2021
Andalucía	4,0	2,8	2,9	1,4	2,2
Aragón	2,2	1,5	2,3	0,5	1,1
Asturias	2,4	-0,9	-1,2	0,1	0,5
Baleares	1,2	4,1	2,2	1,5	2,1
Canarias	3,4	6,7	1,0	1,7	2,4
Cantabria	0,9	1,7	1,2	0,3	0,9
Castilla y León	0,8	1,0	1,0	0,3	0,6
Castilla-La Mancha	4,0	2,9	2,5	1,0	2,2
Cataluña	2,9	2,7	2,3	1,0	1,5
Extremadura	0,5	3,7	3,1	0,5	1,4
Galicia	1,2	2,4	1,6	0,4	1,0
Madrid	2,5	2,8	3,6	2,5	2,0
Murcia	3,4	1,9	3,6	1,2	2,3
Navarra	4,2	1,3	2,4	1,0	1,4
País Vasco	0,3	2,2	1,2	0,3	1,1
La Rioja	1,4	2,7	1,9	0,7	1,2
C. Valenciana	3,0	2,7	2,1	1,1	1,5
<b>España</b>	<b>2,6</b>	<b>2,7</b>	<b>2,3</b>	<b>1,4</b>	<b>1,7</b>

Source: BBVA Research and INE



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