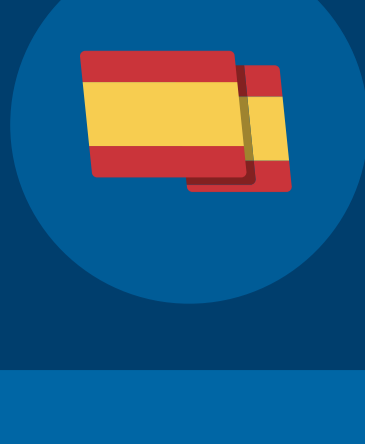
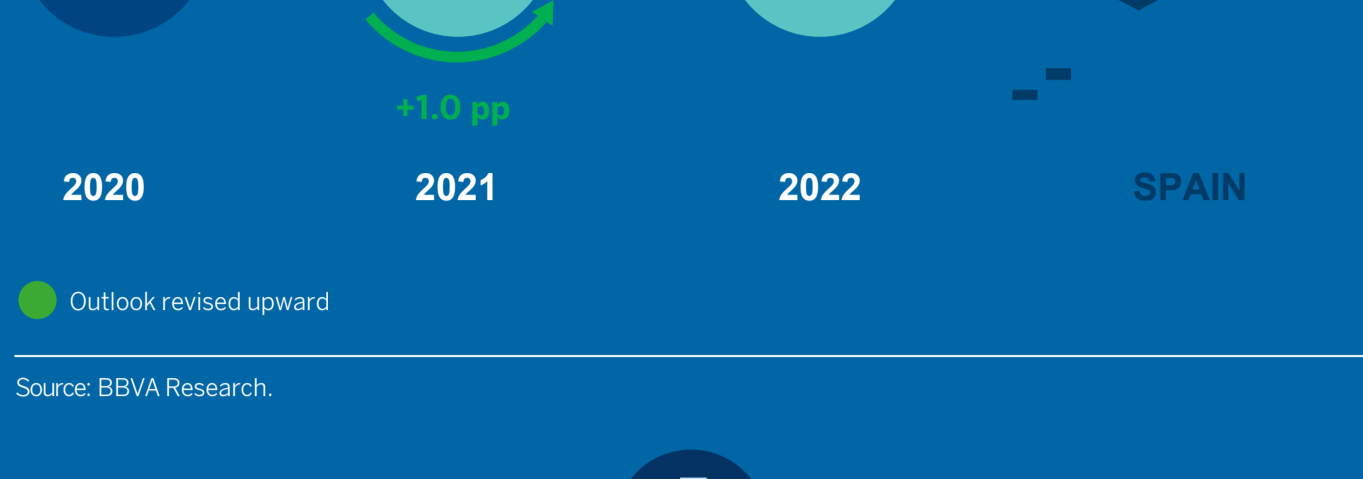


# Spain Economic Outlook 3Q21



## Growth figures revised up for 2021 and held steady for 2022



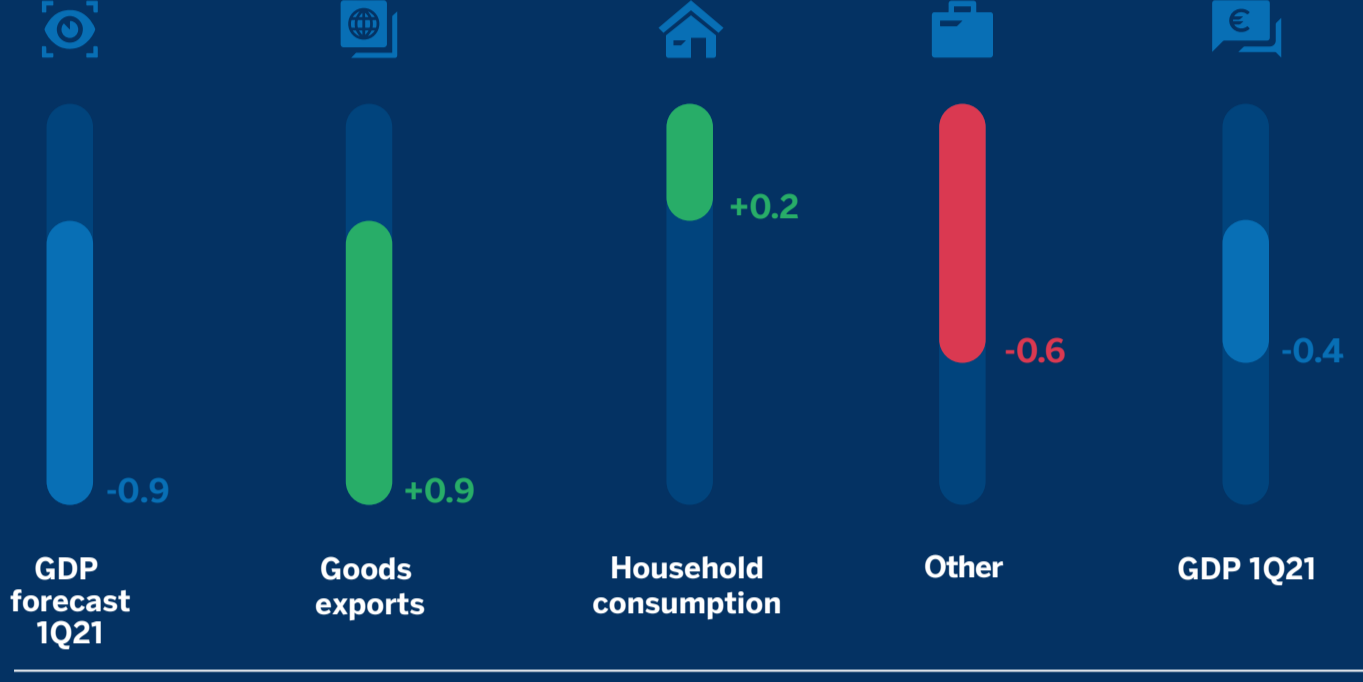
● Outlook revised upward

Source: BBVA Research.

## Lower fall in first quarter of 2021

- The higher number of infections** at the start of the year had a **lower than expected impact**.
- Goods exports** in February and March were **surprisingly good**.
- The contraction in consumption** was **less severe than the indicators suggested** when the forecasts were made.
- Worse than expected** performance in **construction investment, government expenditure and services exports**.

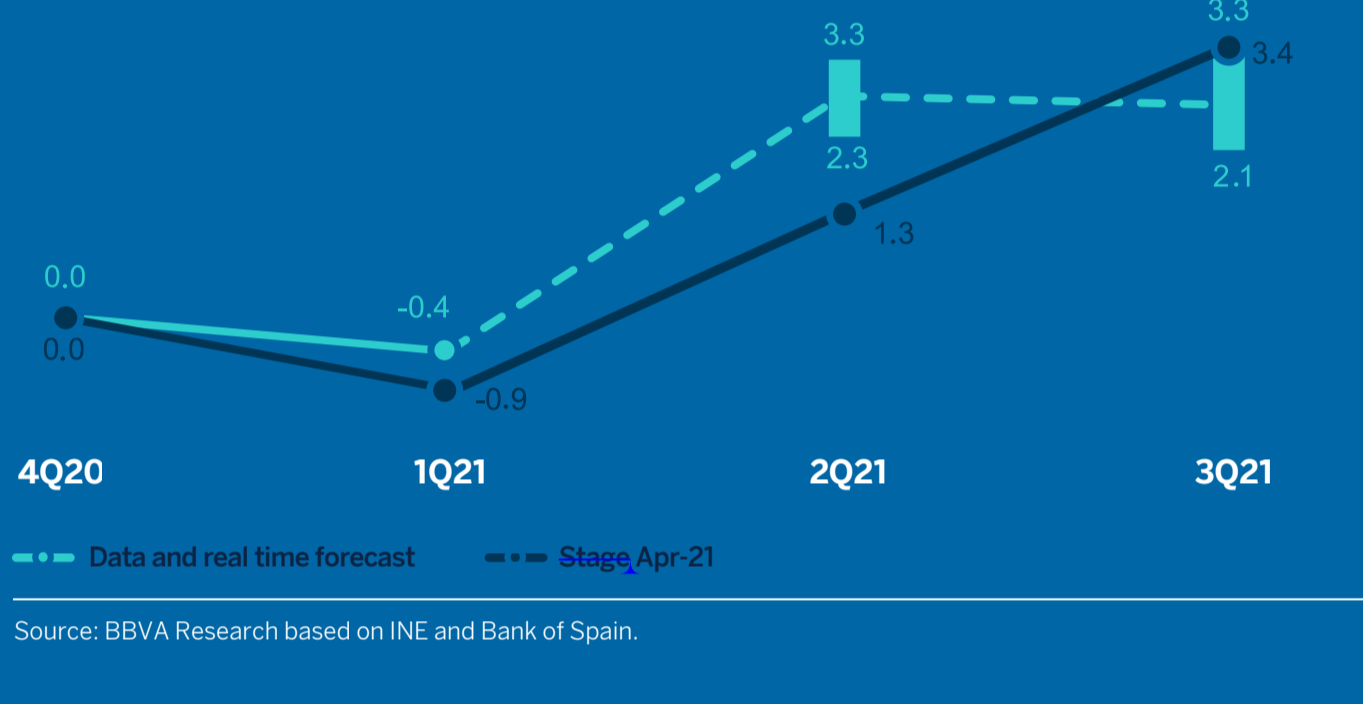
## CONTRIBUTION TO OUTLOOK ERROR FOR QUARTERLY GROWTH OF GDP IN 1Q21 (PERCENTAGE POINTS)



Source: BBVA Research based on INE.

## Significant growth spike in the second quarter

### GDP VARIATION (% Q/Q)



Source: BBVA Research based on INE and Bank of Spain.

## Moving forward, recovery is expected to continue

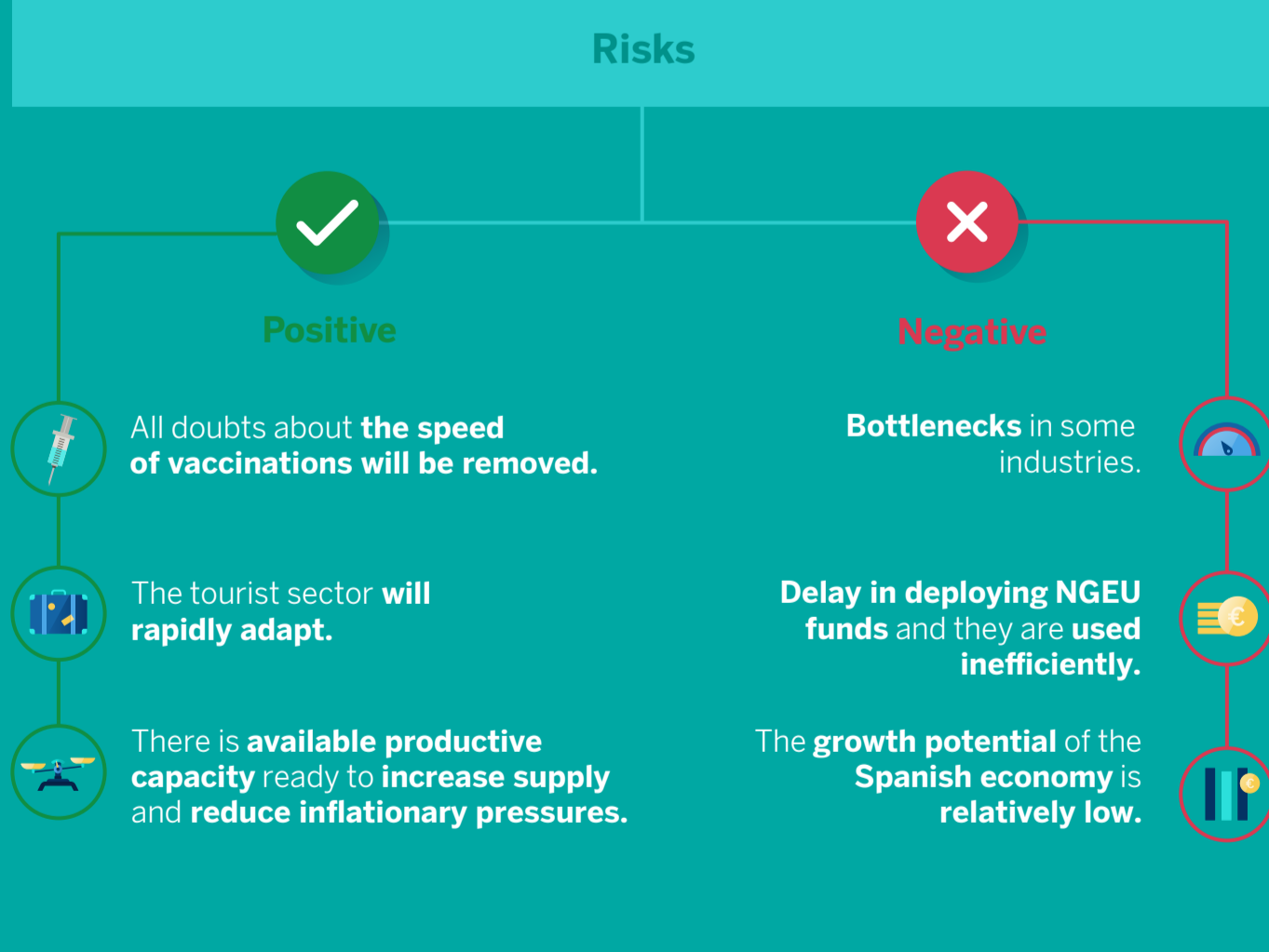
- A major increase in global activity** upward revision of US, EMU and Chinese growth.
- The savings pool** that has built up will gradually be converted into expenditure.
- The end of restrictions** will continue to drive expenditure in those sectors most affected.
- The ECB will keep** rates low for a prolonged period of time.
- NGEU will favor** expansive fiscal policy.

## COMPOSITION OF SPENDING WITH SPANISH CARDS\* (SAME WEEK IN 2019 = 100)

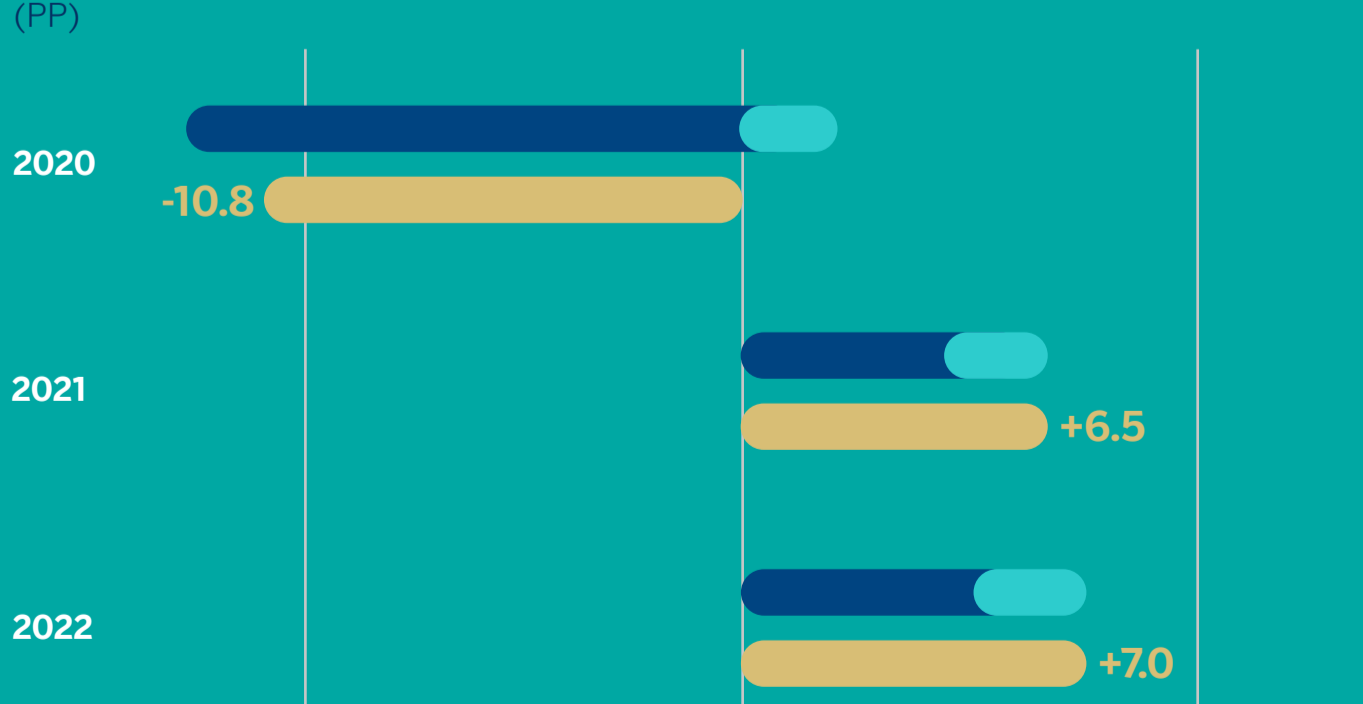


\*Spending with BBVA-issued cards plus spending by non-customers at BBVA POS. A purchase is classified as goods or services based on the business activity, not the product purchased. It is therefore only an approximation of the spending structure. For more information, see The COVID-19 impact on consumption in Spain in real time and high definition. Source: BBVA Research based on BBVA data.

## Risks



## BREAKDOWN OF GDP GROWTH (PP)



Source: BBVA Research based on INE.



For more information see our **Spain Economic Outlook 3Q21**

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