

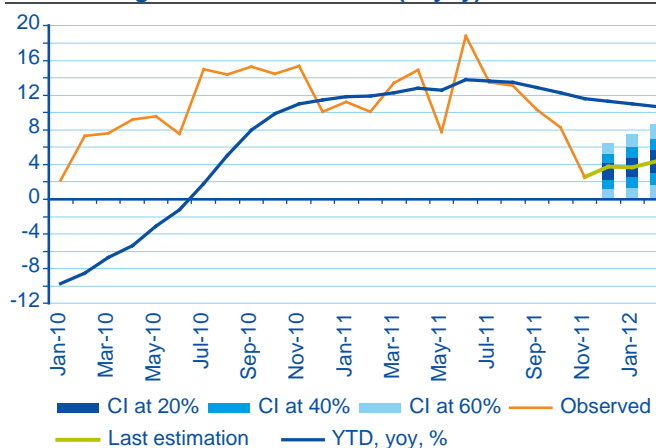
# Spain Flash

## BBVA-Google Forecasts for Tourism

According to official data available to November and the searches made in Google to December 31, 2011, the real time forecasts based on **BBVA-Google indicators** visitors entering and staying overnight at hotels in Spain suggest that the winter season will show a slight improvement compared to 2010. Following the 2.6% yoy increase in inflows of foreign tourists in November, forecasts to February signal an improvement to up to 4.4% yoy. Based on these estimates, the cumulative number of tourists in the 12 months to February would stand at 39.8 million, a yoy rise of 10.7%. Additionally, total hotel overnight stays (resident and non-resident visitors) could have grown in December (1.0% yoy), although at a slower pace compared to previous months (1.8% yoy in November). Forecasts indicate that this trend will continue (0.5% yoy in February).

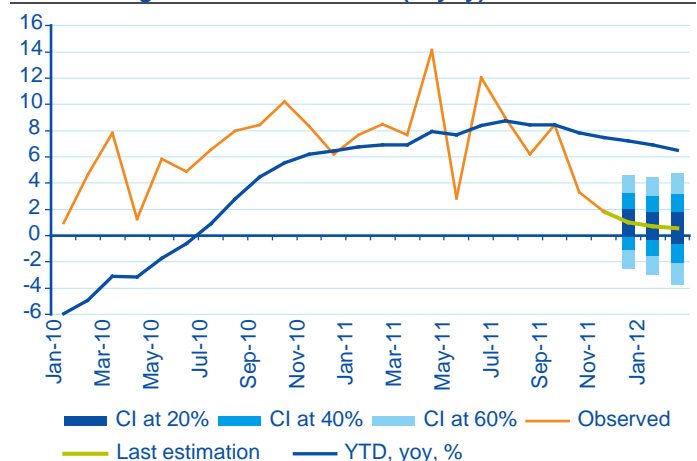
- December performance estimate (the official figure will be published on January 22)**  
 Based on information available to date, the inflow of foreign tourists in December 2011 is expected to stand at 1.71 million visitors (+3.7% yoy). Meanwhile, overnight stays (foreign visitors and residents) could reach 12.9 million, a yoy rise of 1.0%.
- January estimate**  
 In January, inflows of foreign tourists are expected to decline due to the seasonal effect, to stand at 1.63 million, although this would be an increase of 3.7% compared to the same period in the previous year. Overnight stays are expected to total 12.3 million (0.7% yoy).
- Outlook for February**  
 According to current forecasts, foreign tourist inflows will total 1.92 million people, up 4.4% on February 2011 while overnight stays were around 14.3 million, up 0.5% yoy.

Chart 1  
Spain: Inflow of tourists and BBVA-Google indicator forecasts (% yoy)



Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

Chart 2  
Spain: Hotel overnight stays and BBVA-Google indicator forecasts (% yoy)



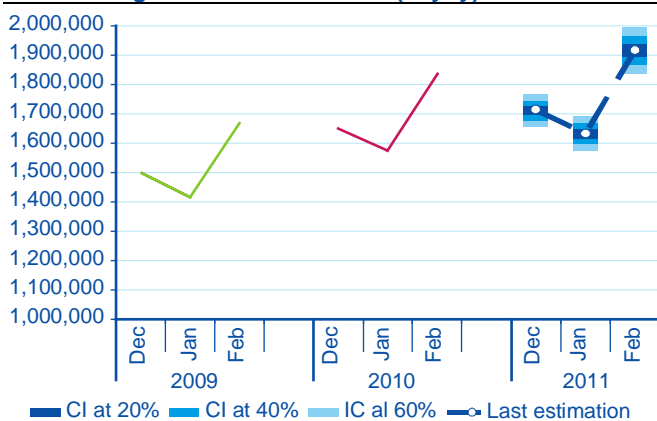
Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

# Tourist inflow forecasts: BBVA-Google indicator

- The pace of growth in tourist inflows remains unchanged ...**

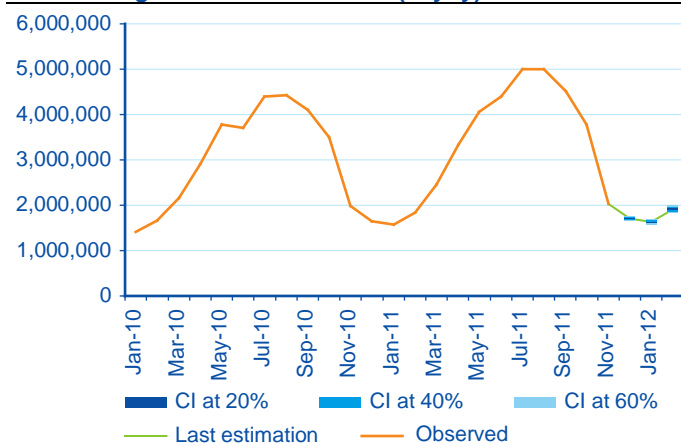
Current forecasts indicate that, as observed throughout the year, the winter season could continue to show positive figures. Therefore, for the three months making up (December 2011 to February 2012), 5.26 million visitors are expected, a 4% increase on the same period the previous year.

Chart 3  
Spain: Inflow of tourists and BBVA-Google indicator forecasts (% yoy)



Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

Chart 4  
Spain: Inflow of tourists and BBVA-Google indicator forecasts (% yoy)



Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

Table 1

## Forecasts

Thousands of visitors	Released figure:		Forecast	
	Nov-11	Dec-11	Jan-12	Feb-12
<b>Tourist inflows</b>	<b>2,036</b>	<b>1,711</b>	<b>1,633</b>	<b>1,916</b>
20% confidence interval		1,695 1,727	1,615 1,650	1,892 1,940
40% confidence interval		1,678 1,744	1,596 1,669	1,867 1,966
60% confidence interval		1,657 1,765	1,574 1,691	1,837 1,996

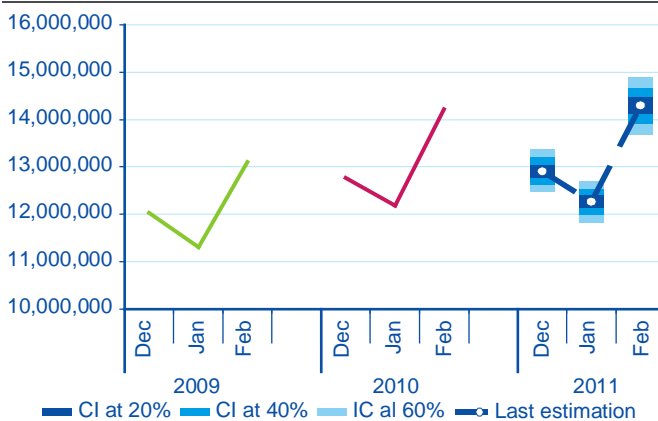
Source: BBVA Research and Google

# Forecasts for overnight stays: BBVA-Google indicator

- ... but overnight stays are slowing

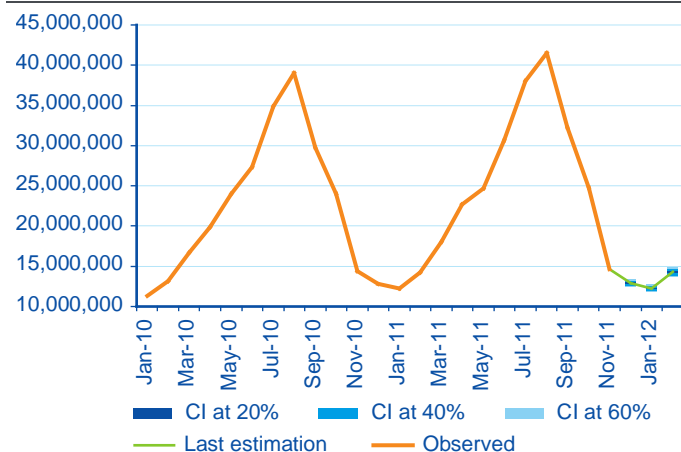
Domestic demand could be affected following the expected slowdown in overnight stays, which are expected to remain positive in yoy terms over the new forecast period (in December, January and February). Overall, overnight stays are expected to increase by 0.8% compared to the same period last year (at 39.5 million).

Chart 5  
Spain: Hotel overnight stays and BBVA-Google indicator forecasts



Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

Chart 6  
Spain: Hotel overnight stays and BBVA-Google indicator forecasts



Current forecast: January 16, 2012  
Source: BBVA Research and Google based on INE data

Table 2  
Forecasts

Overnight stays (thousands)	Reported figure:		Forecast	
	Nov-11	Dec-11	Jan-12	Feb-12
Hotel overnight stays	14,624	12,911	12,268	14,299
20% confidence interval		12,774 13,048	12,133 12,403	14,116 14,481
40% confidence interval		12,627 13,194	11,988 12,547	13,921 14,676
60% confidence interval		12,456 13,366	11,819 12,716	13,693 14,905

Source: BBVA Research and Google

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