

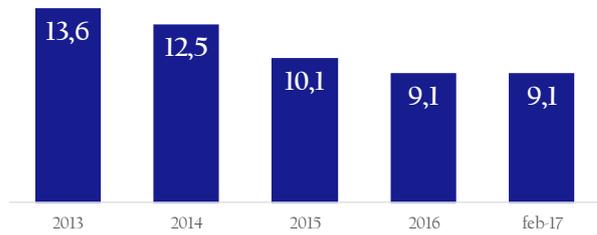
Así está...

The company

Non-performing loans

Since reaching maximum levels in January of 2014, the amount of dubious credit has dropped by 42% to 115.017 billion euros. At present the non-performing loan is 9.1%.

Non-performing loan rate %



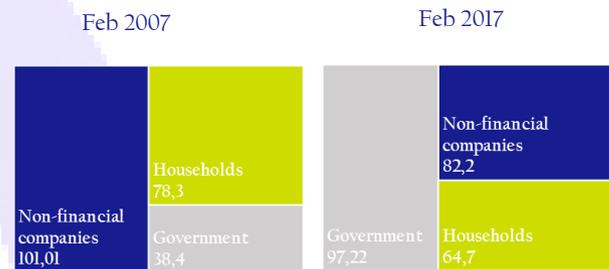
Source: Círculo de Empresarios based on Bank of Spain, 2017

Indebtedness (Feb-17)

The debt of non-financial corporations has dropped 30% since 2009, to 906.439 billion euros (81.38% of GDP).

Total indebtedness of the Spanish economy climbed to 245% of GDP. It is 24 percentage points below the level of 2014 (because of the reduction in private debt) but is 27 points higher than the levels of February 2007.

Spanish debt composition % GDP



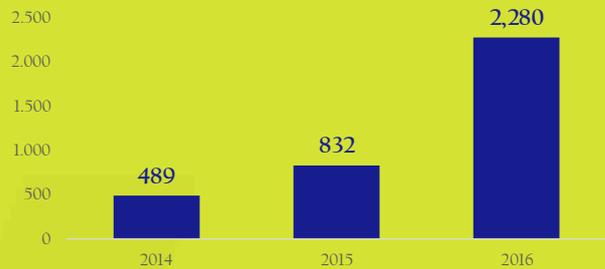
Source: Círculo de Empresarios based on Bank of Spain, 2017

MARF

In 2016 the total volume of new issues on the Alternative Fixed-Income Market was 2.28 billion euros, some 174% greater than in 2015 and 4.7 times more than the end of 2013.

Likewise, since its creation the total amount financed for companies was 3.650 billion euros.

MARF issue Million €



Source: Círculo de Empresarios based on BME, 2017

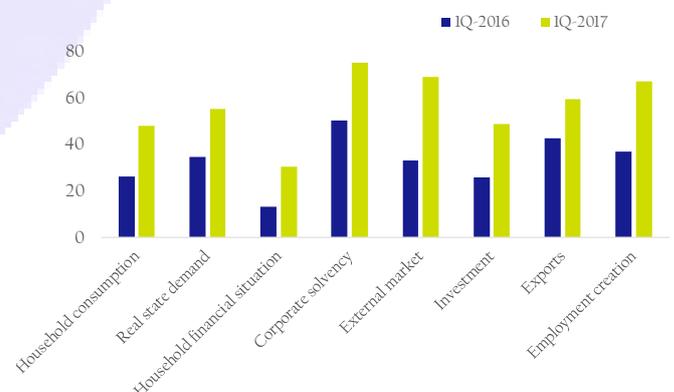
Company consensus

According to the economic consensus of PwC, 78.1% of the businessmen and managers surveyed think Spain's current economic situation is positive.

Their optimism is based on increased employment and family consumption, along with greater possibilities for overseas markets.

By sectors, they identify tourism and the automobile manufacturing as the possible engines for growth of the Spanish economy.

Businessmen and managers opinion on...



Source: Círculo de Empresarios based on PwC, 2017

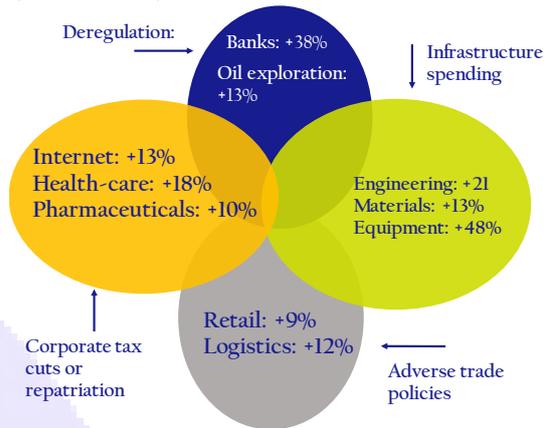
Financial markets

Future fiscal and regulatory policy in the United States can significantly increase potential growth.

The initial impact has reached markets in the form of less volatility and greater cost in those financial assets that potentially will be benefitted by Trump's new economic policy.

Nevertheless, this effect has been losing strength in recent weeks due to the Trump's difficulty in reaching an agreement with the US Congress.

Performance of US equity industry subsectors (% since elections)



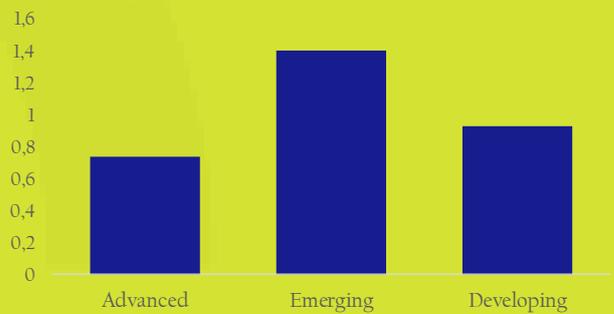
Source: IMF, JP Morgan, Bloomberg, Haver Analytics, 2017

Productivity

According to the IMF, the elimination of regulatory obstacles that limit the activity of the most productive companies would increase average growth of real GDP by 1 percentage point over the next 20 years. In the case of developing economies and emerging countries, 25% of that potential gain could be achieved by redesigning the tax system.

Impact of higher productivity on real GDP growth

Percentage points

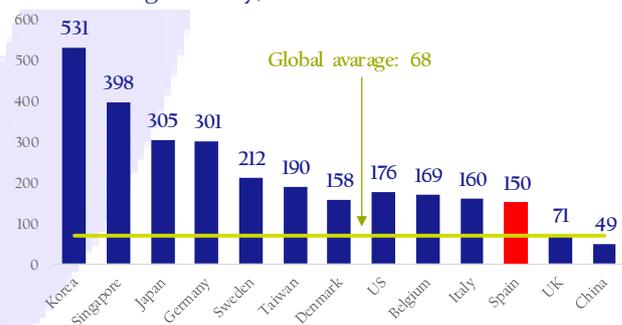


Source: Círculo de Empresarios based on IMF, 2017

Robots

The International Federation of Robotics (IFR) estimates that in 2016 China installed more than 90,000 robots, or 1/3 of its total, an increase of 30% over the previous year. Its rate of units per 10,000 workers in the manufacturing industry is now 49 as against other countries like South Korea (531), Germany (301) or Spain (150).

Number of robots per 10,000 employees in the manufacturing industry, 2015



Source: Círculo de Empresarios based on IFR, 2016

Elections in France

Since the victory of Emmanuel Macron in the first round of the presidential elections, France's risk premium has dropped 20 points and the euro has appreciated 2% to 1.09 dollar.

Euro/dollar



Source: Círculo de Empresarios based on Bloomberg, 2017

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