



### SPAIN

#### Unemployment, hiring and Social Security affiliation

In June, unemployment dropped for the fifth consecutive month, by 94,727 persons, to a total of 4,120,304 persons, the smallest drop in a month of June in the last three years.

This drop was generalized, with the exception of a 3.6% increase (7,027 personas) in agriculture. Among people with no previous employment, there was a drop of 3.7% (-14,022), in industry it was 3.4% (-14,139), in construction 2.4% (-11,706) and in services 2.2% (-61,887).

Unemployment dropped in all the regional autonomous communities, especially in Catalonia (20,952 fewer unemployed), Madrid (-14,090) and Castilla y León (-8,255).

In June hiring increased by 13.7%, with 1,726,117 new contracts, the greatest number in a month since October of 2007. Of these contracts, 7.3% were permanent (126,856), some 15% more than in June of 2014.

With regard to the previous month, Social Security affiliation increased by 35,085 persons (+0.2% over the previous month), to a total of 17,256,395 contributing members.

#### Job offers

Offers of employment increased 4.5% in 2014.



Source: Informe Infoempleo Adecco 2014 (June 2015)

The service sector accounted for 86% of the offers, followed by industry (10.8%) and construction (2.8%).

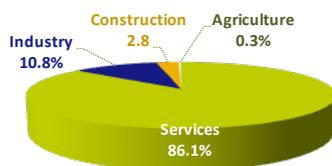
By age, 53.51% of the job offers went to people between 26 and 35. By contrast, those under 25 or over 46 received 7.7% and 6.6%, respectively.

With regard to job preparation, 43.5% of the offers went to university graduates and more than 30% to people with vocational training.

Some 66% of the companies said they had difficulties in filling job openings in 2014, mainly because the applicants lacked technical skills (50% of the cases) or experience (38.9%), or did not accept the wages being offered (38.9%).

By autonomous communities, Madrid accounted for 22.9% of the national offer, followed by Catalonia (21.6%), Andalusia (10.5%) and the Basque Country (10.2%).

Distribution of job offers by sectors, 2014



Source: Informe Infoempleo Adecco 2014 (June 2015)

Finally, offers to work overseas increased by 5.19% in 2014 (to 0.9% of total). Some 69% came from European countries, principally Germany, Holland, the UK, Belgium, France and Portugal.

#### Wage developments in Spain

The principal findings of the Annual Survey of Salary Structure for 2013 (Spanish Institute of Statistics):

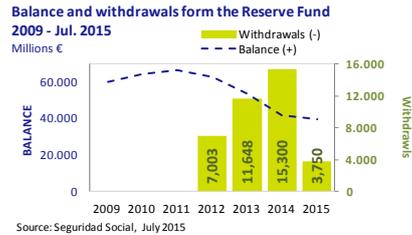
Gross salary 2013 Annual average in euros		By type of contract	
Most frequent	15,500	Permanent	24,333.43
Average	22,697.86	Temporary	15,433.14
Median	19,026.66	By day	
		Full time	26,345.72
		Part-time	10,056.39

By sectors, the energy industry offered the highest annual average salary, 52,827.86 euros, while the hotel and restaurant sector had the lowest, 13,851.08 euros.

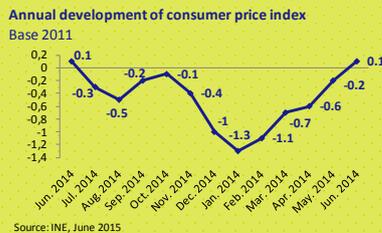
Finally, note should be taken of the inequality of salaries: 17.9% of workers earn less than two-thirds of the average wage, and of these 64.4% are women.

## Social Security Reserve Fund

Since 2012 some 37,701 million euros have been withdrawn from the Reserve Fund to pay for special pensions. As a result, the Fund's balance is now 39,520.46 million euros (3.71% of GDP).



## Advance consumer price index



The National Statistics Institute estimates annual inflation in June to be 0.1%, as against the -0.2% of May.

This increase is principally explained by higher prices for electricity, food and non-alcoholic drinks.

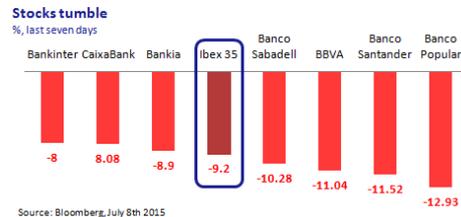
## EUROPEAN UNION

### Greece

The serious situation in Greece has consequences beyond its borders. Ever since the prime minister, Alexis Tsipras, called last Sunday's referendum, stock markets in surrounding countries –and, especially, the stock market price of Greece's own banks– have suffered sharp drops.

In the case of Spain, it is the banks that are mainly responsible for the fact that the Ibx stock market has retreated to minimums of

last February: it has lost 9% of its value since June 26. The capitalization of the sector has been reduced by close to 23,900 million euros, approximate the size on the Stock Market of the third largest bank, Caixabank.



## INTERNACIONAL

### Financial bubble in China

After increasing in value by 150% over the last year, the Chinese stock market has lost a third of its value since June 3, some 3 trillion euros (8.9 tn → 59 tn €).

Among the solutions adopted by the Chinese authorities: no new companies can appear on

the stock market and more than 1,400 firms must stop trading their shares; state companies, large stockholders and managers cannot sell their shares during the next six months; an injection of liquidity by the People's Bank of China (80.000 millions \$) through the China Securities Finance Corporation; reduction of the interest rate (5.1% → 4.85%) and the reserve ratio demanded of banks.

### Global economic powers 2050

According to a report by The Economist Intelligence Unit, in 2050 the emerging economies will displace the traditional global powers from their positions of leadership.

#### The Top 10 economic powers

2050	2015	2050	2015
1	2	China	6
2	1	USA	7
3	7	India	8
4	16	Indonesia	9
5	3	Japan	10
		4	Germany
		8	Brazil
		13	Mexico
		5	UK
		6	France

Source: The Economist Intelligence Unit and IMF, 2015

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