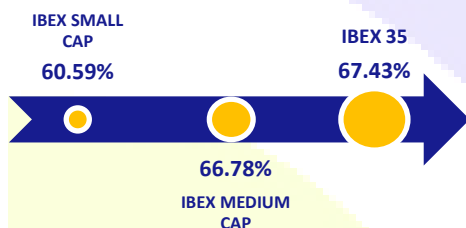


Internacionalization

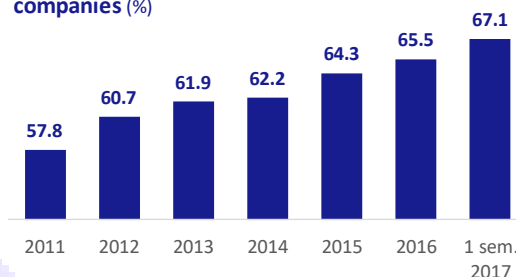
Over the last few years, Spanish listed companies have strengthened their level of internationalization. Thus, in the first semester of 2017, the weight of their external activity over total turnover was around 67%.

External sector weight over turnover by size



Source: Círculo de Empresarios based on BME, 2018

External weight in turnover of listed companies (%)



Source: Círculo de Empresarios based on BME, CNMV, 2018

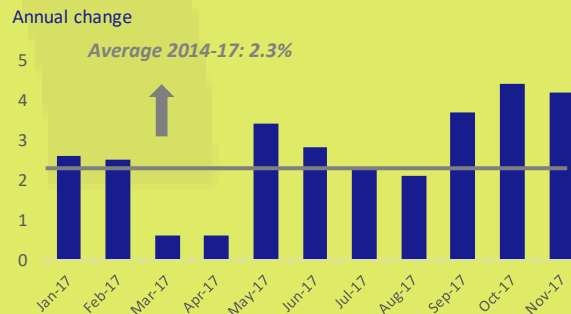
In addition, there is a positive correlation between the size of the company and its turnover abroad. The 60% of IBEX companies obtain a greater volume of sales abroad than domestically.

Industrial production

The Industrial Production Index in Spain, in seasonally-adjusted and YoY terms, grew by 4.2% in November.

The dynamism in the growth of intermediate goods (+6.4%) and equipment (+6.1%) anticipate a positive investment trend in 4Q-17.

Industrial Production Index



Source: Círculo de Empresarios based on INE, 2018

Business sector in Catalonia

The creation of corporations in Catalonia decreased in November by 19% compared with the same month last year (-2% nationally).

November has been the month with the lowest business growth in Catalonia since 2011, and the worst recorded among all the Autonomous Regions.

Creation of companies in Catalonia

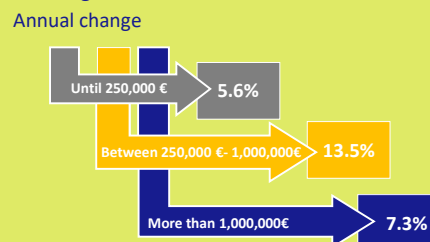


Source: Círculo de Empresarios based on INE, 2018

Financing conditions

The dynamism of economic activity and accommodative monetary policy maintain the positive rate in the granting of credit. Specifically, in November the flow of credit increased by 8.8% year-on-year (7% on average from January to November).

Granting of new credit in November



Source: Círculo de Empresarios based on BdE, 2018

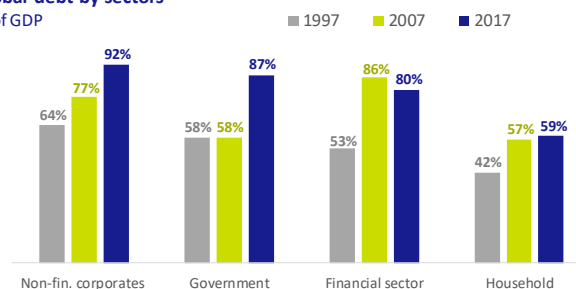
Risks 2018

The high level of global debt is emerging as one of the biggest macrofinancial risks in 2018.

In 3Q-2017, according to the Institute of International Finance (IIF), it reached a record level of \$233bn (318% of world GDP and \$30,658 in per capita terms).

Global debt by sectors

% of GDP



Source: Círculo de Empresarios based on IIF, BIS, IMF, Haver, 2018

Currency and bond market

The imminent agreement to form a government in Germany, the rumours about the slowdown in China (the largest holder of US bonds) in the purchase of US sovereign debt and the expectations of normalization of monetary policy by the ECB in late 2018, have driven up the value of the euro-dollar pair to 1.24.

Exchange rate €/€



Source: Círculo de Empresarios based on Investing, 2018

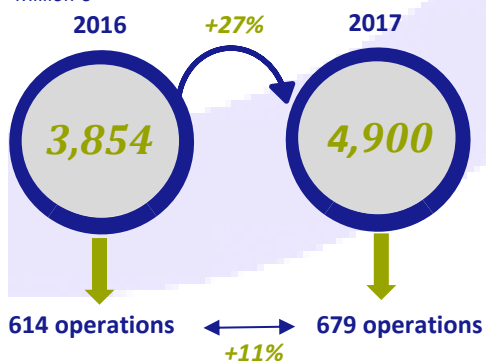
Private Equity and Venture Capital sector

In 2017 the investment in Private Equity and Venture Capital in Spain, increased by 27%, reaching €4,900m in 679 transactions (ASCRI estimate) explained by the positive tone of the national and international economic situation.

By type of investor, international funds contributed 75% of the invested volume, up to a total of €3,653m (+25% compared to 2016).

Total investment in Private Equity and Venture Capital (estimate)

Million €

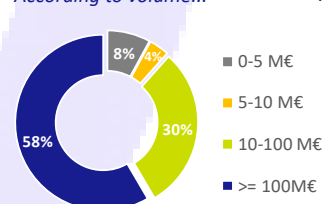


Source: Círculo de Empresarios based on Ascri, 2018

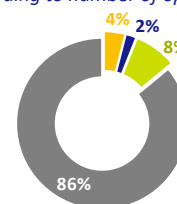
By size of investment, transactions under €5m maintain a key role, and there has been a significant dynamism in the evolution of deals exceeding €100m (+33% compared to the previous year).

Distribution of operations by size

According to volume...



According to number of operations...



Source: Círculo de Empresarios based on Ascri, 2018

By sectors, consumer products led the volume of investment (25.6%), followed by hospitality and leisure (18.2%) and transport and logistics (14.4%).

Top 3 sectors by investment volume, 2017



Source: Círculo de Empresarios based on Ascri, 2018