

Deterioration of global growth forecasts

In data

GLOBAL GDP GROWTH 2022*

3.6%

y-o-y, 0.8 pp lower than forecast in Jan. 22

* Forecasts

ADVANCED ECONOMIES INFLATION 2022*

5.7%

y-o-y, 8.7% in emerging and developing economies

SPANISH GDP GROWTH 2022*

4.8%

y-o-y, 1 pp lower than forecast in Jan.22 and 1.6 pp lower than in Oct.21

SPANISH PUBLIC DEFICIT 2022*

5.3%

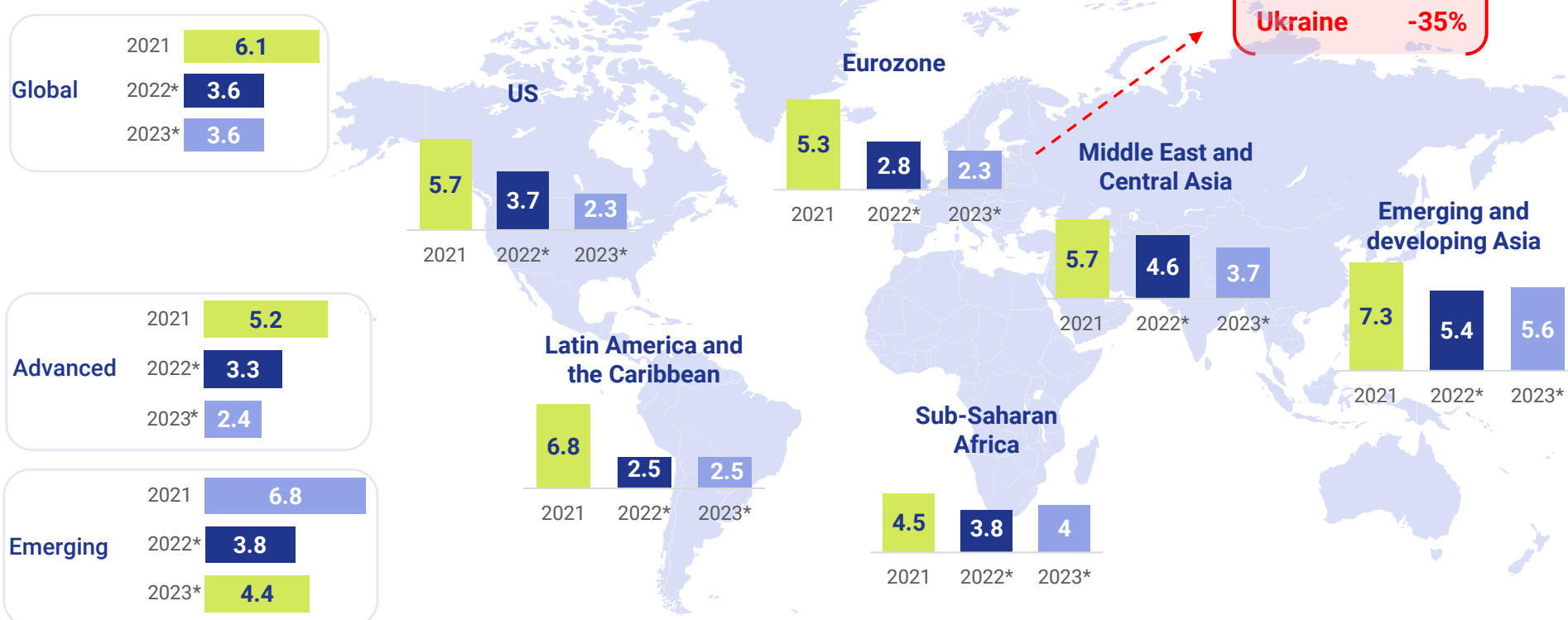
of GDP, 5.7 pp lower than 2020 but 2.4 pp higher than 2019

Invasion adds uncertainty to recovery process

WAR CONFLICT IN UKRAINE, WITHDRAWAL OF MONETARY AND FISCAL STIMULUS, CHINA'S SLOWDOWN, FINANCIAL MARKET VOLATILITY AND PANDEMIC SLOW GLOBAL GROWTH AND PUT FURTHER UPWARD PRESSURE ON INFLATION

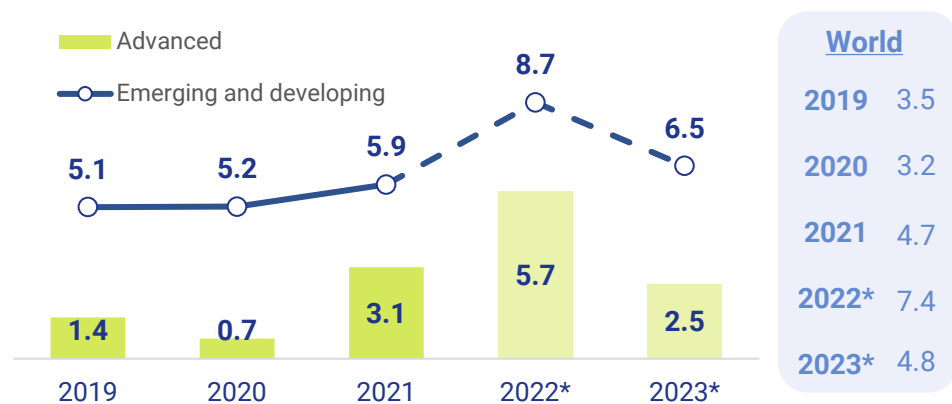
Globally synchronised slowdown

% y-o-y change



In 2022*, existing inflationary pressures since early 2021 will be accentuated

% general CPI y-o-y change

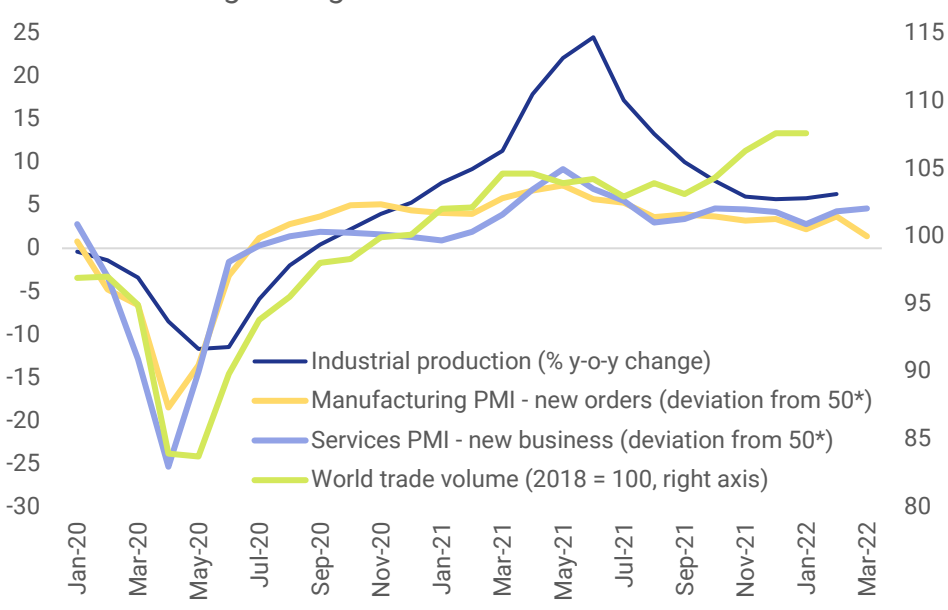


% core CPI y-o-y change (3-month moving average)



After a strong recovery in 2021, global activity slows down in Q1 2022*

3-month moving average



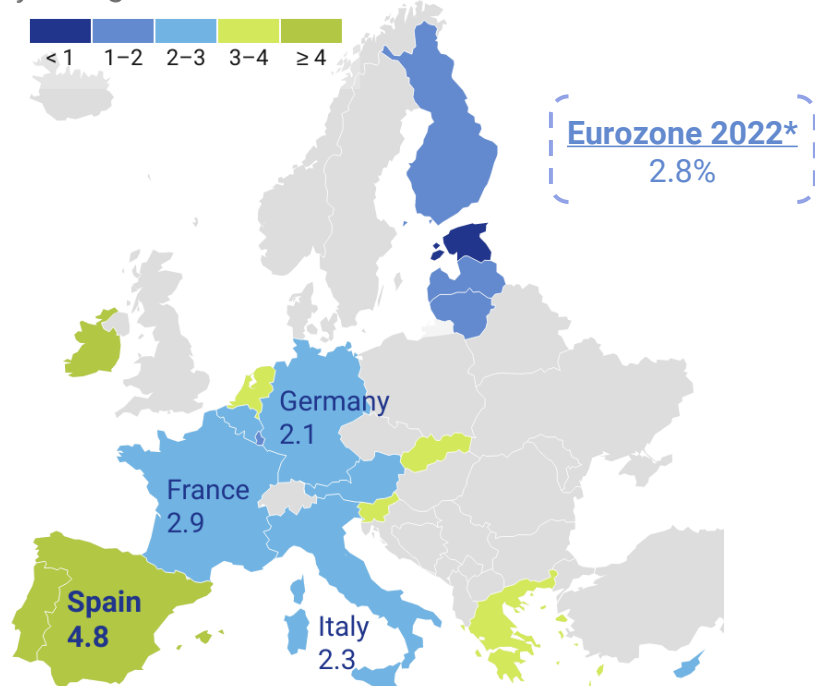
* Value > 50 indicates activity expansion and < 50 indicates contraction

Spain does not recover pre-pandemic GDP level until 2023

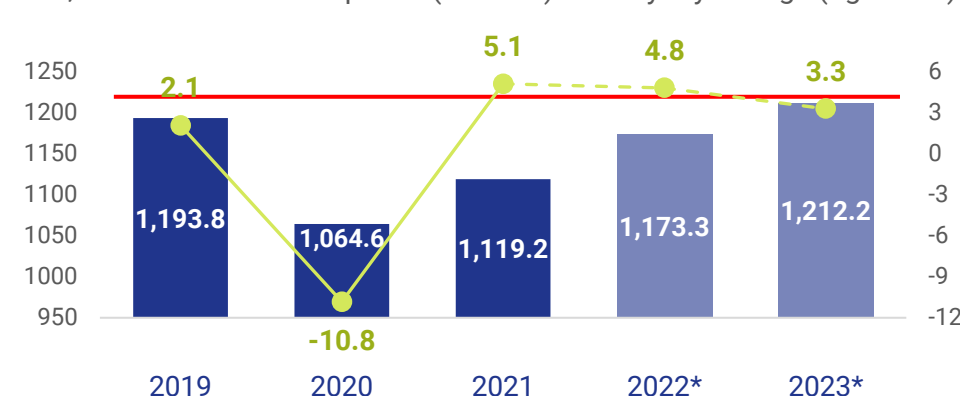
THE IMF LOWERS ITS FORECAST FOR SPANISH GDP GROWTH BY 1 PP IN 2022* TO 4.8% YEAR-ON-YEAR. IN 2023*, GROWTH IS EXPECTED TO MODERATE TO 3.3%

In 2022*, Spanish GDP is set to grow the most in the Eurozone, after registering the biggest fall in 2020

% y-o-y change



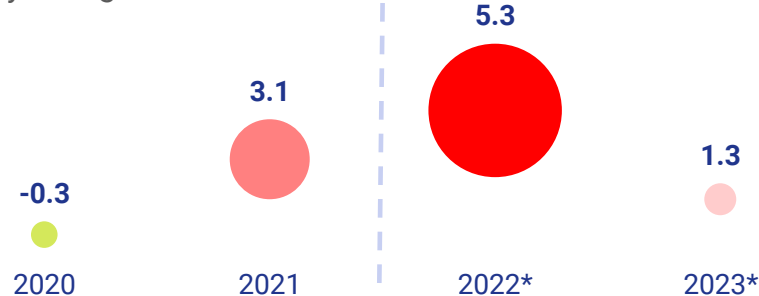
GDP, billion € at constant prices (left axis) and % y-o-y change (right axis)



* Forecasts

With inflation of 9.8% in Mar. 22, the IMF forecasts 2022* to close with an average of 5.3% (= Eurozone)

% y-o-y change



Unemployment will fall by 1.4 pp in 2022* to 13.4%, 6.1 pp above the Eurozone average (7.3%)

% labour force

	2020	2021	2022*	2023*
Spain	15.5	14.8	13.4	13.1
Eurozone	8.0	7.7	7.3	7.1

The IMF expects the government deficit to fall by 1.7 pp to 5.3% in 2022*, with debt at 116.4%

% GDP

	2020	2021	2022*	2023*
Deficit	11.0	7.0	5.3	4.3
Debt	120.0	118.7	116.4	115.9