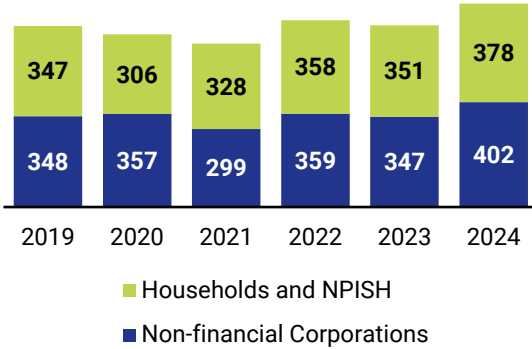


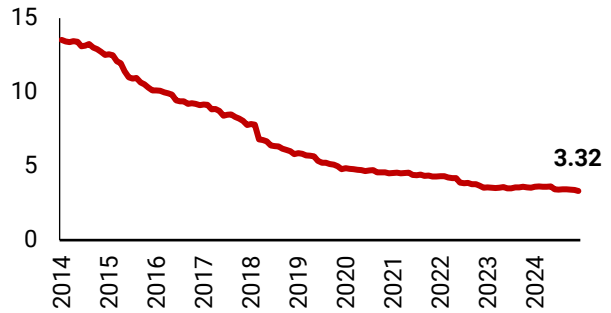
## Lending in Spain

Lending reached €780 billion in 2024 (+12% YoY), driven by demand from non financial corporations and mortgage lending. The percentage of non-performing loans continued to decline, reaching record lows.

New loans (billions of euros)



Non-performing loans (% of total)

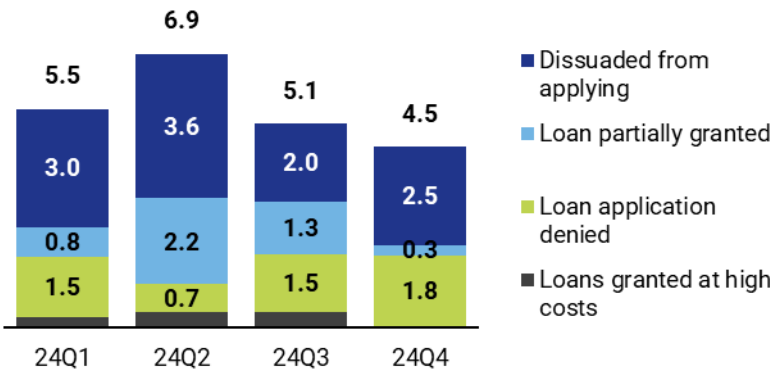


Source: Banco de España

## Business' access to financing in Spain

In Q4 2024, access to bank financing improved for Spanish firms thanks to banks' greater willingness to lend and firm's stronger financial positions.

Obstacles to business lending (% of respondents)



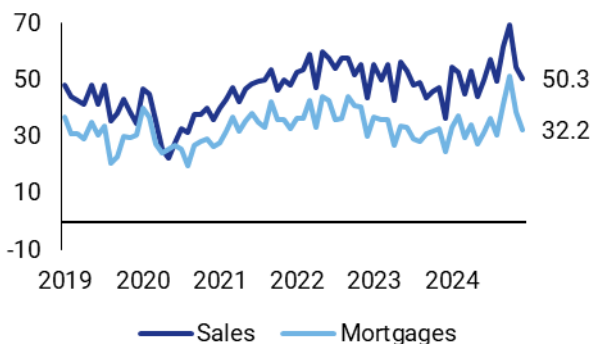
- Only 20% of businesses sought bank financing, an increase of 2 p.p., but still near historical lows.
- Just 4.6% of firms faced challenges securing bank loans, a lower share than in Q2 and Q3.
- More than half of firms facing challenges (2.5%) chose not to apply at all.

Source: ECB & Banco de España.

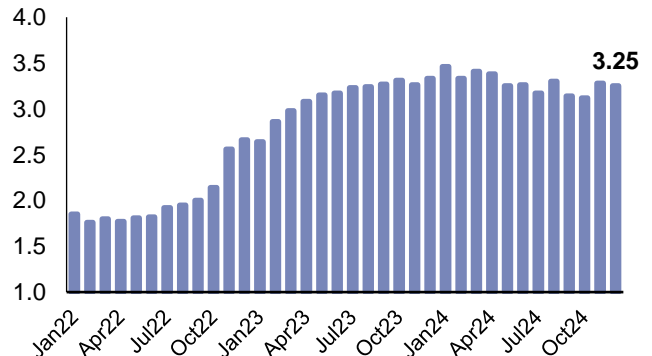
## Home sales and mortgages in Spain

The real estate market remained strong in 2024, with transactions exceeding 641,000 homes. Easing monetary policy fueled mortgage demand, although interest rates on new mortgages remained high.

Home sales and mortgages (thousands)



Mean interest rate on new mortgages (%)

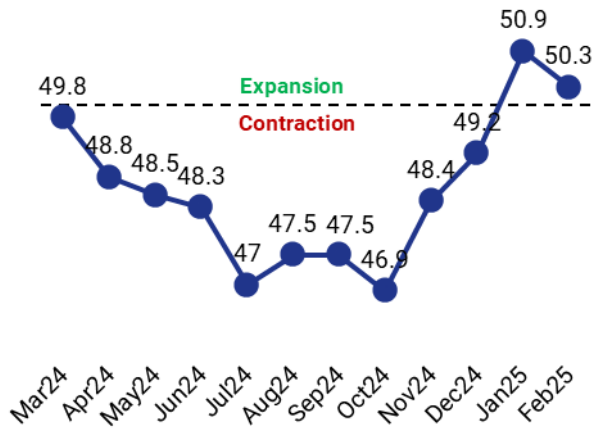


Source: INE.

# Economic activity in the US

Manufacturing activity remained in expansion territory in February but showed growing signs of stagnation. Analysts highlighted the drop in new orders and pointed to geopolitical and trade uncertainty as possible causes.

ISM-PMI manufacturing index (index)



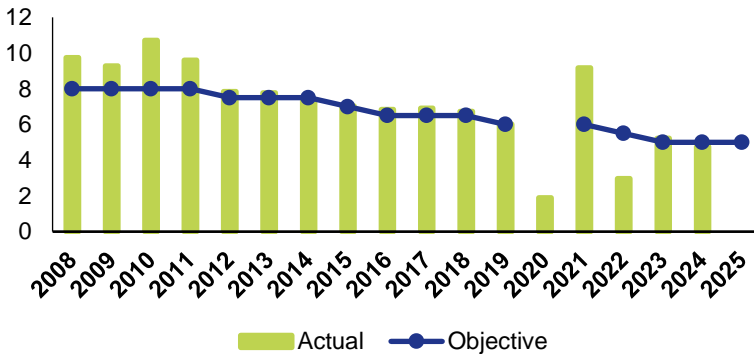
Component	Index	Change since January	Direction
Manufacturing	50.3	-0.6	Growing
New orders	48.6	-6.5	Contracting
Production	50.7	-1.8	Growing
Employment	47.6	-2.7	Contracting
Supplier Deliveries	54.5	3.6	Slowing
Inventories	49.9	4.0	Contracting
Customers' Inventories	45.3	-1.4	Too Low

Source: ISM.

# China's growth target

Chinese authorities have set the 2025 growth target "around 5%" of GDP. Additionally, the government has announced that policy will aim to strengthen domestic demand, focusing on consumption and investment.

Real GDP (YoY change, %)



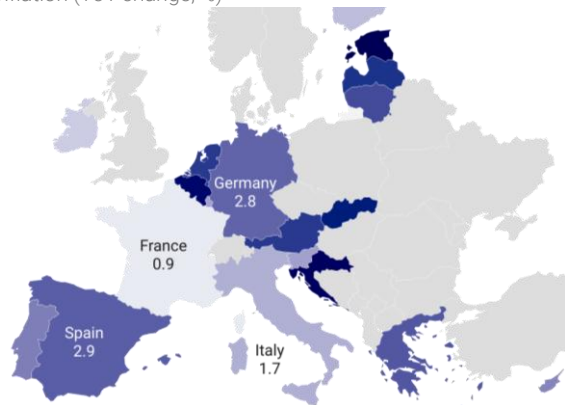
- The Two Session's growth targets continue to be the foundation of China's economic policy.
- Fiscal policy is expected to be more "proactive", while monetary policy will be "moderately loose", with possible interest rate cuts during 2025.
- Expected inflation and fiscal deficits remain at 2% and 3.5%, respectively.

Source: Reuters y Oxford Economics.

# Eurozone inflation

Inflation eased to 2.4% in February as energy and overall service prices moderated. Core inflation remained above the headline rate at 2.6%.

Inflation (YoY change, %)



Components (February 2025)	February (YoY, %)	Change since jan25 (p.p.)
Food and drink	2.7	+0.4
Non-energy industrial goods	0.6	+0.1
Energy	0.2	-1.7
Services	3.7	-0.2
<b>Core</b>	<b>2.6</b>	<b>-0.1</b>
<b>General</b>	<b>2.4</b>	<b>-0.1</b>

Source: Eurostat.