

## JUNE 2012 ECONOMIC OUTLOOK FOR SPAIN: ANSWERS FROM CEOE

### MAIN FORECAST

Annual % change	2012	2013
Real GDP growth	-1,6	-0,6
Consumer price inflation	1,9	1,0
Unemployment rate	24,2	25,4
Employment growth	-3,5	-1,7
government net lending (% of GDP)	-6,0	-4,0
gross public debt (% of GDP)	80,0	82,5
current account balance (% of GDP)	-2,0	-0,4

### Components of aggregate demand - in real terms

Annual % change		
Private consumption	-1,5	-1,1
Public consumption	-7,5	-6,0
Investment (Gross Fixed Capital Formation)	-7,9	-3,5
Private non-residential investment	0,0	0,0
Exports	3,4	5,7
Imports	-5,1	-0,5

### ECONOMIC SENTIMENT

	Positive	Negative	Unchanged
Trend in business climate over the next 6 months		Industry	
		Services	

	Positive	Negative	Unchanged
Trend in profitability over the next 6 months		Industry	
		Services	

	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace)	Decrease (faster pace)
Investment intentions over the next 6 months				Industry	
				Services	

	Global demand	Domestic demand	Cost of finance	Availability of finance	Company Profitability	Capacity Utilisation
Influence on companies' investment decisions	neutral	negative	negative	negative	negative	negative

	Replacement	Extension	Rationalisation	Innovation
Driving force behind investment decisions in the next 6 months	neutral	negative	positive	positive

	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6 months
Overall trend in employment	Down	Down	Down	Down

**ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH**

<b>Compared to 6 months ago, cost/access to finance has been...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>
<i>for SMEs</i>		Demand for finance Cost Access		
<i>for larger companies (&gt;250 employees)</i>		Cost Access	Demand for finance	

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	<b>Investment</b>	<b>Inventories and working capital</b>	<b>Internal Financing</b>	<b>Issuance of debt securities</b>	<b>Economic Outlook</b>	
<b>Factors contributing to the demand of bank lending</b>	Neutral effect	Very positive effect	Neutral effect	Neutral effect	Very negative effect	
	<b>Bank's capital position</b>	<b>Bank's liquidity position</b>	<b>Access to market financing</b>	<b>Financial Regulation</b>	<b>Economic Outlook</b>	<b>ECB Long term refinancing operations</b>
<b>Factors contributing to the supply of bank lending</b>	Neutral effect	Very negative effect	Very negative effect	Negative effect	Very negative effect	Neutral effect