

ANNUAL REPORT OF THE BANCO DE ESPAÑA

Pablo Hernández de Cos
Governor

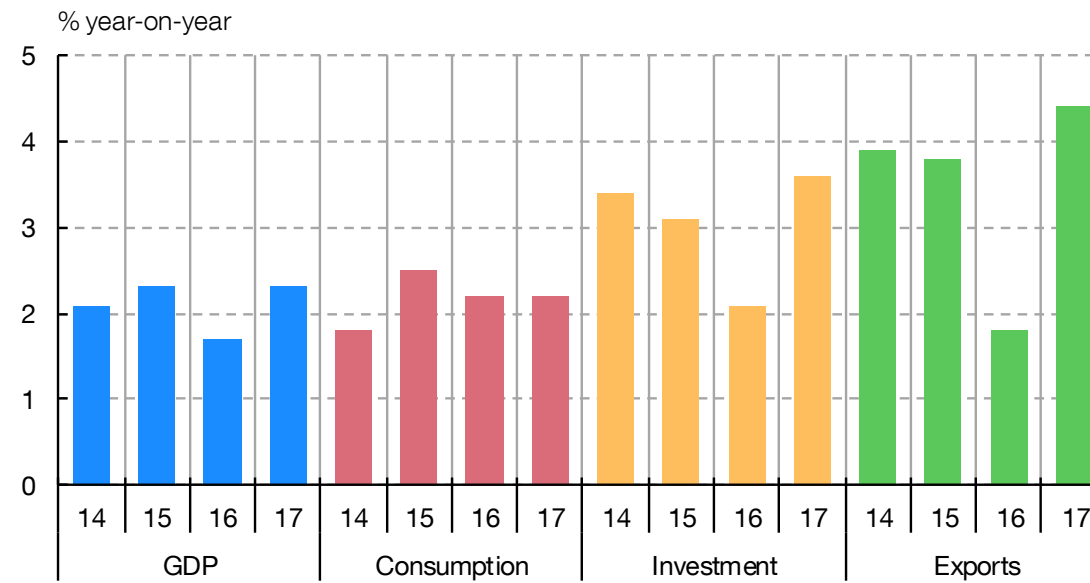
APPEARANCE BEFORE THE PARLIAMENTARY ECONOMIC COMMITTEE

Congress of Deputies
31 October 2018

CHART 1



GDP AND DEMAND COMPONENTS IN ADVANCED ECONOMIES

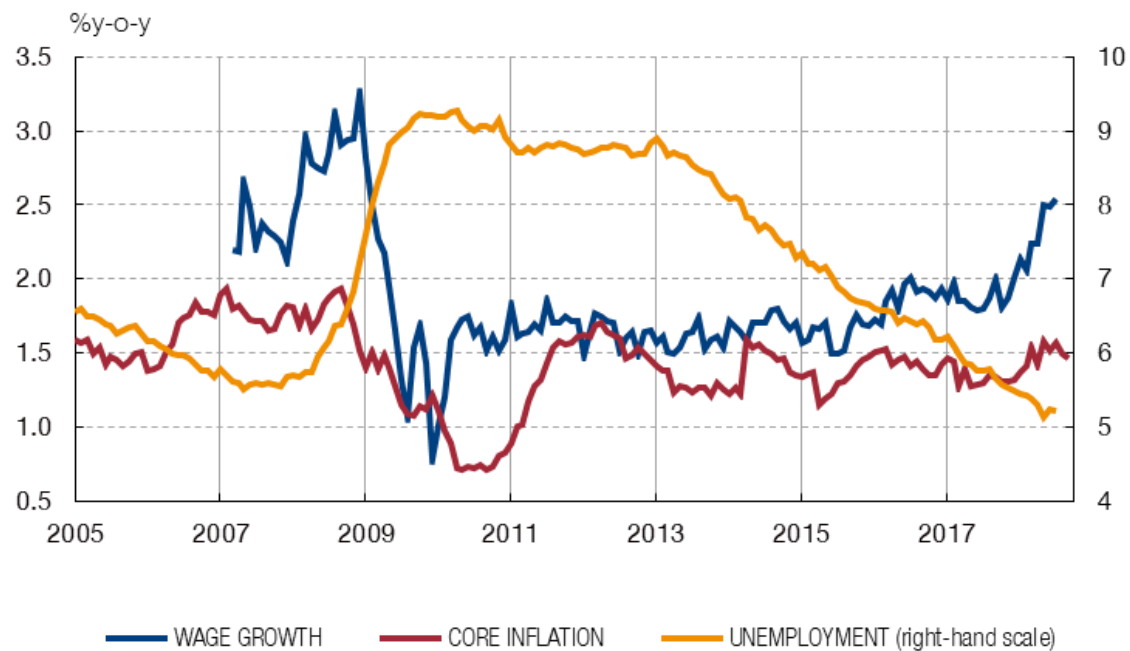


SOURCES: WEO (World Economic Outlook, October 2018) and Datastream.

CHART 2



UNEMPLOYMENT RATE, WAGE GROWTH AND CORE INFLATION IN ADVANCED ECONOMIES (a)



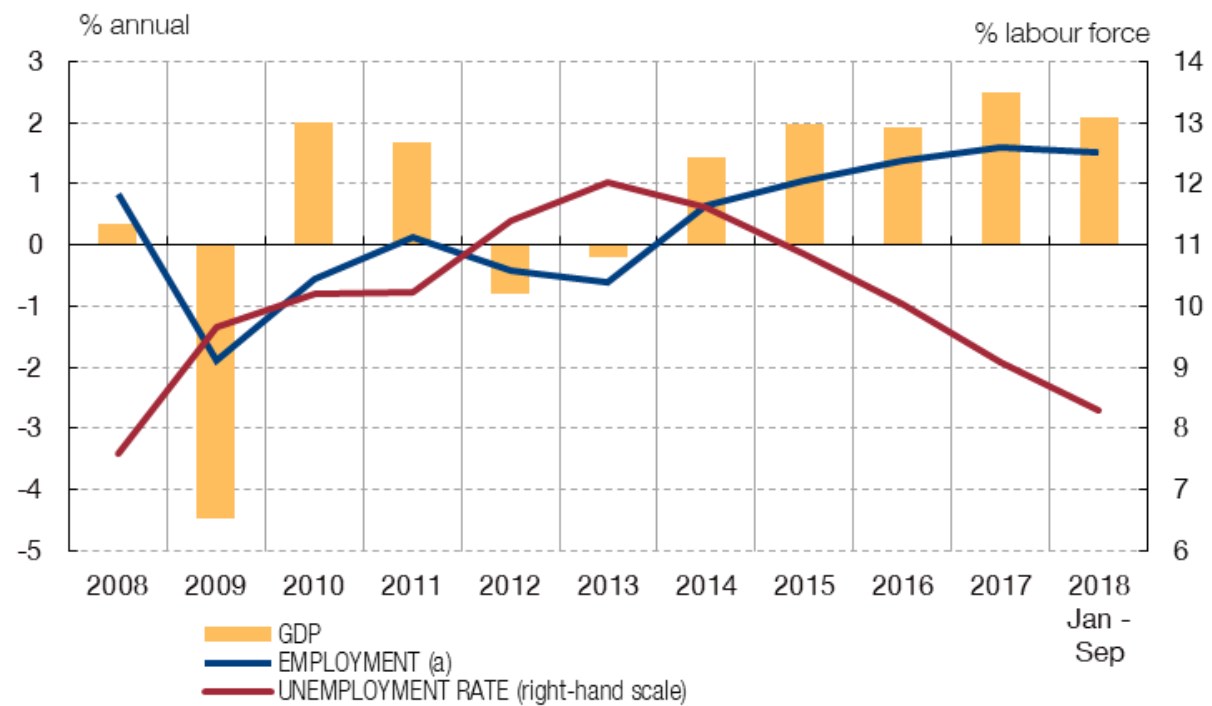
SOURCES: WEO (World Economic Outlook, October 2018) and Datastream.

a. Aggregate of United States, euro area, United Kingdom and Japan.

CHART 3



GDP, EMPLOYMENT AND UNEMPLOYMENT IN THE EURO AREA



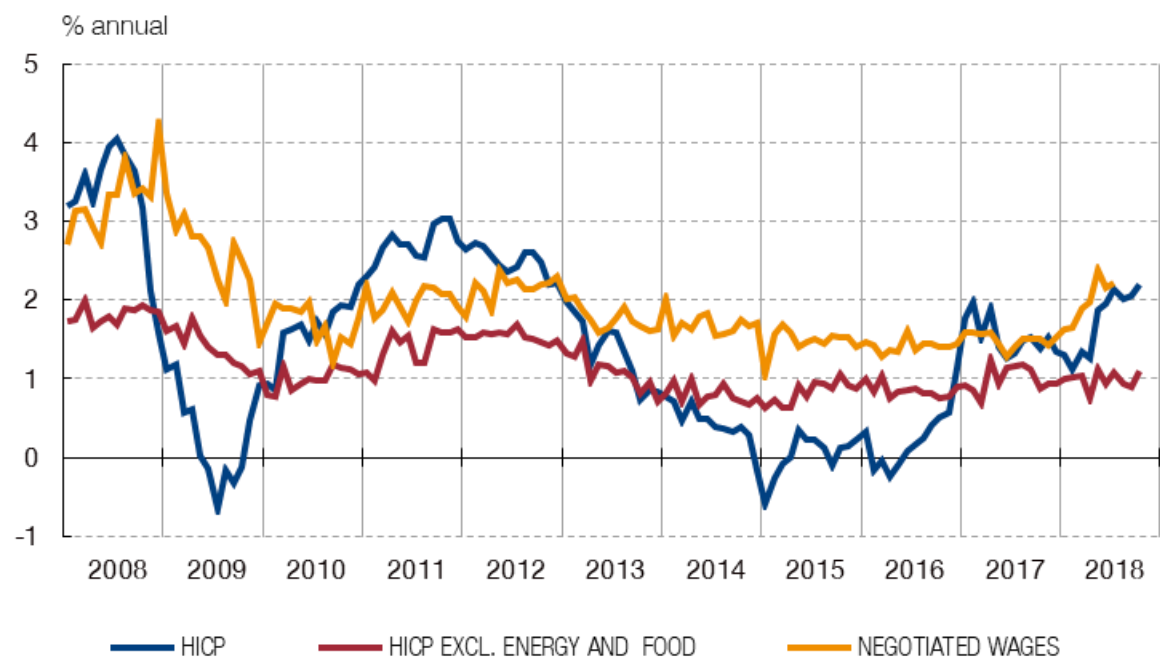
SOURCE: Eurostat.

a. Data up to June 2018.

CHART 4



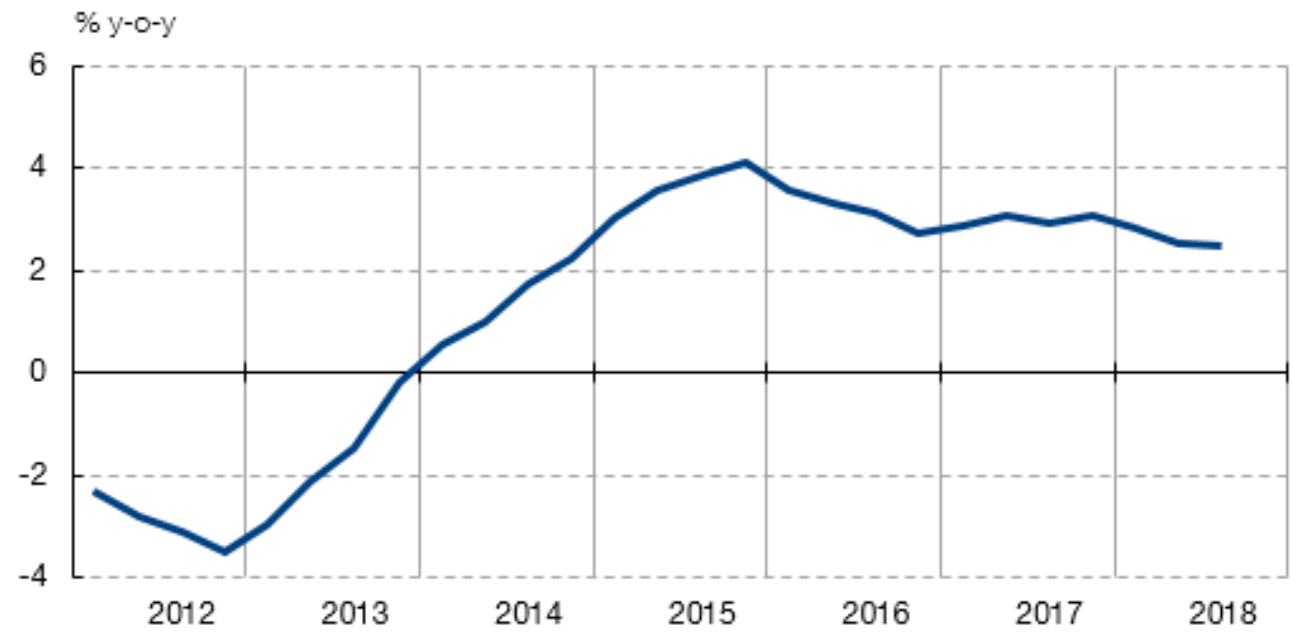
PRICES AND WAGES IN THE EURO AREA



SOURCES: Eurostat and ECB.



GDP GROWTH IN SPAIN

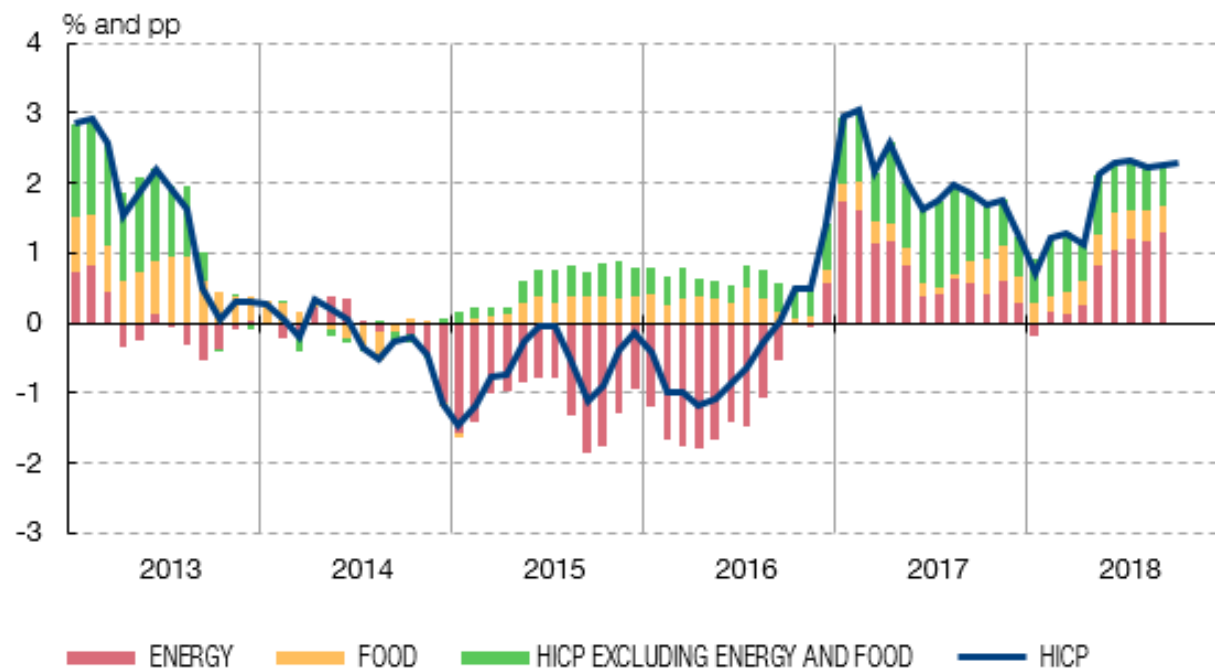


SOURCE: INE.

CHART 6



PRICES. HICP AND CONTRIBUTIONS TO YEAR-ON-YEAR RATE

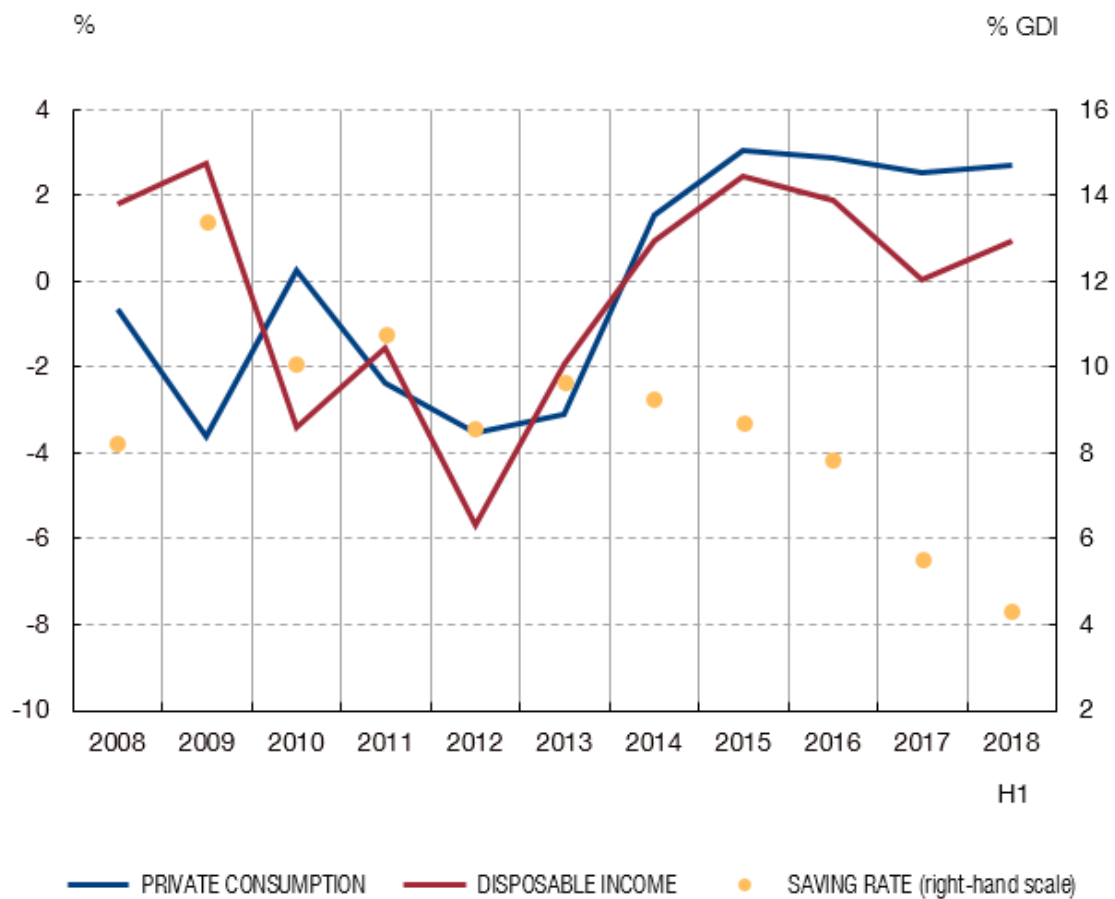


SOURCES: INE and Banco de España.

CHART 7



PRIVATE CONSUMPTION AND DISPOSABLE INCOME
Real annual rates of change

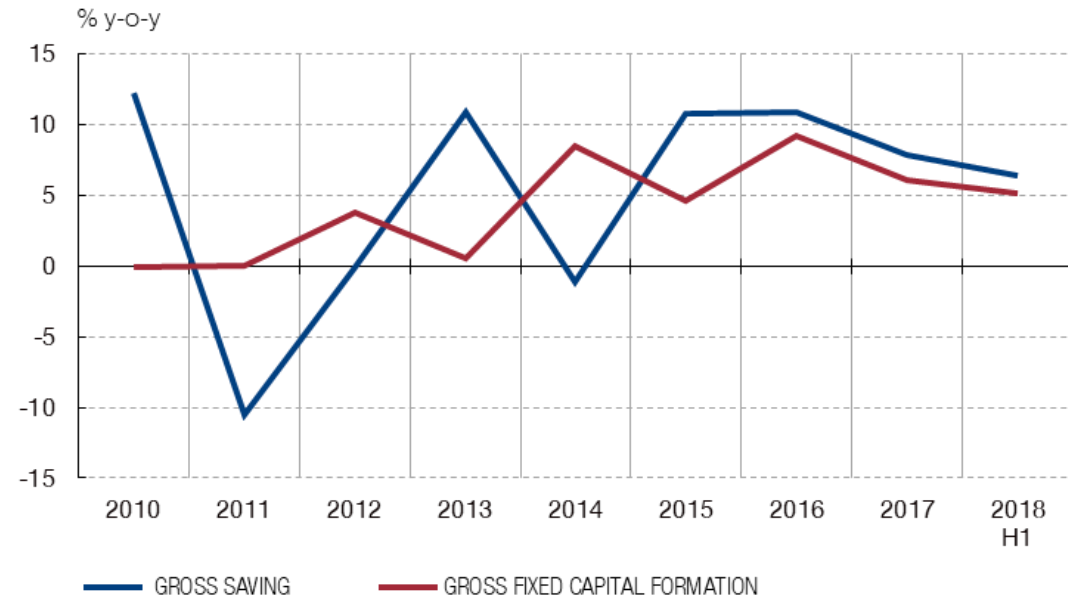


SOURCES: INE and Banco de España.

CHART 8



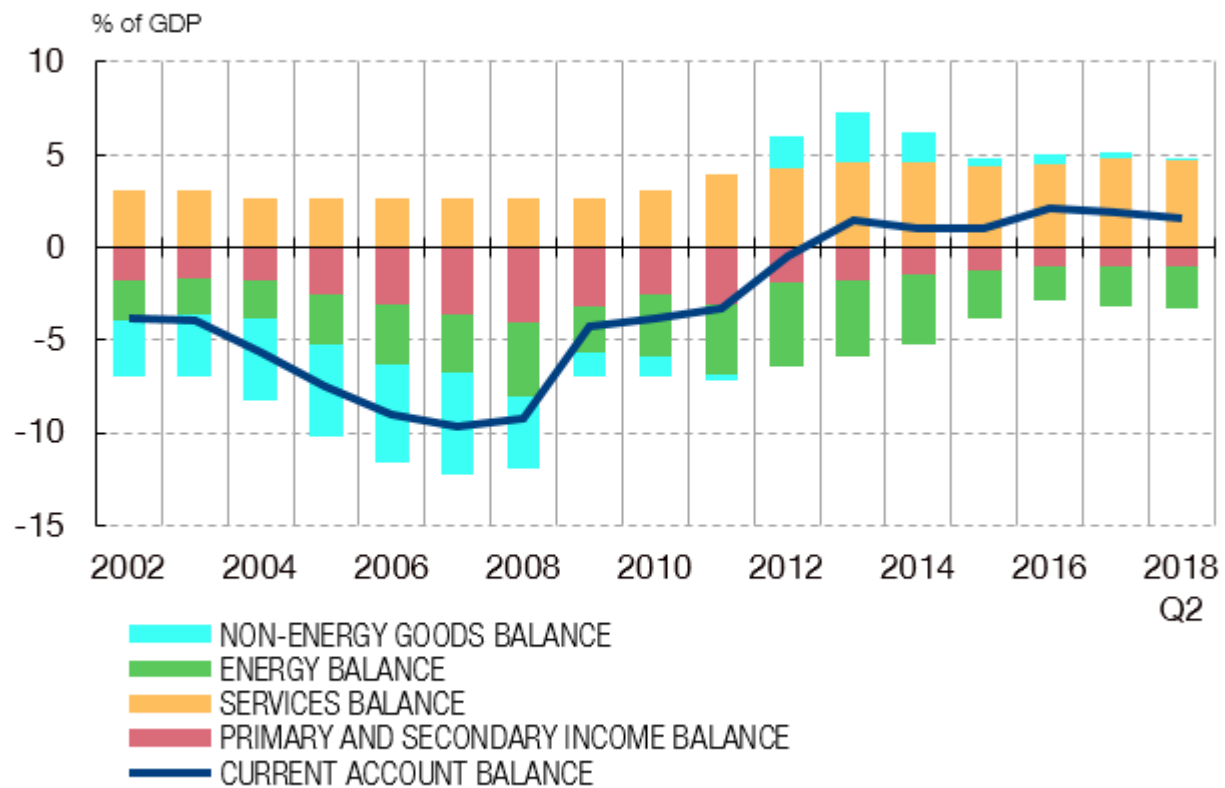
SAVING AND GROSS FIXED CAPITAL FORMATION OF NON-FINANCIAL CORPORATIONS
Nominal growth



SOURCE: INE.



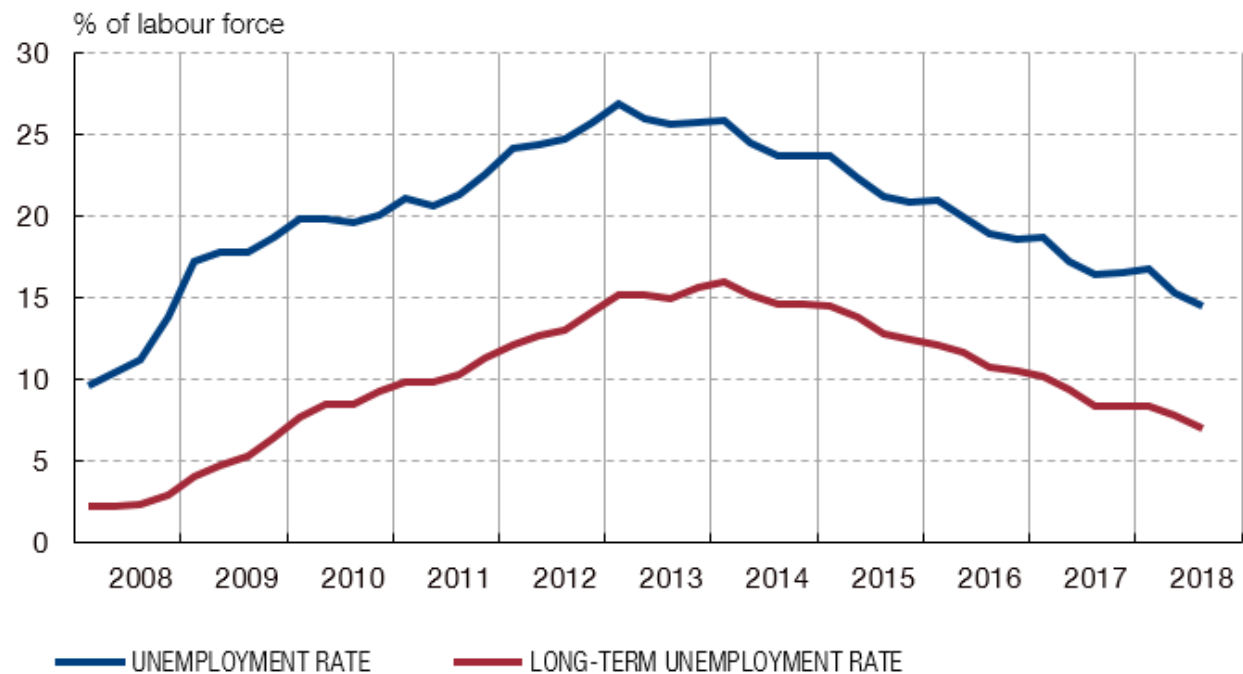
CURRENT ACCOUNT BALANCE



SOURCES: INE and Banco de España.



UNEMPLOYMENT AND LONG-TERM UNEMPLOYMENT RATES(a)



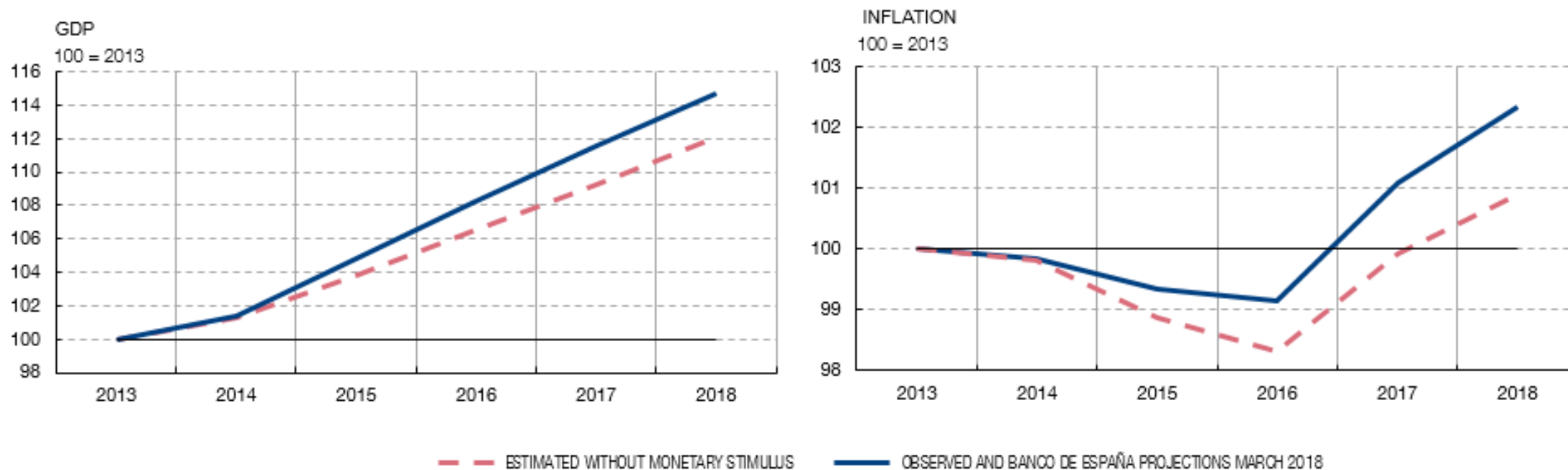
SOURCE: INE.

a. Long-term unemployed: persons who have been unemployed for a year or more.

CHART 11



SPAIN. MONETARY POLICY CONTRIBUTION

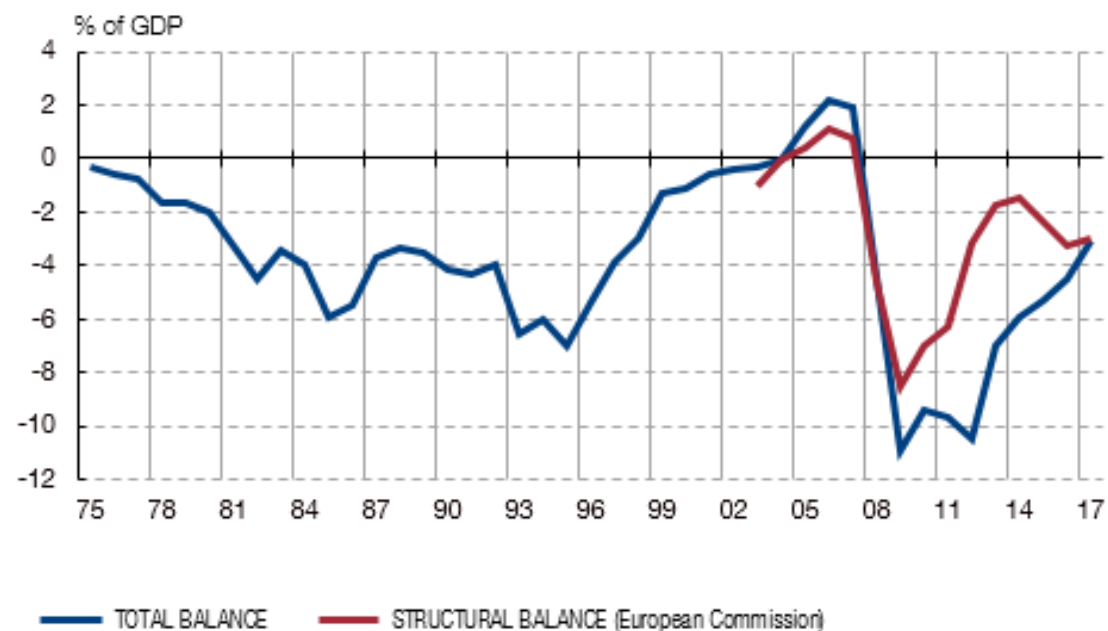


SOURCE: Banco de España 2017 Annual Report.

CHART 12

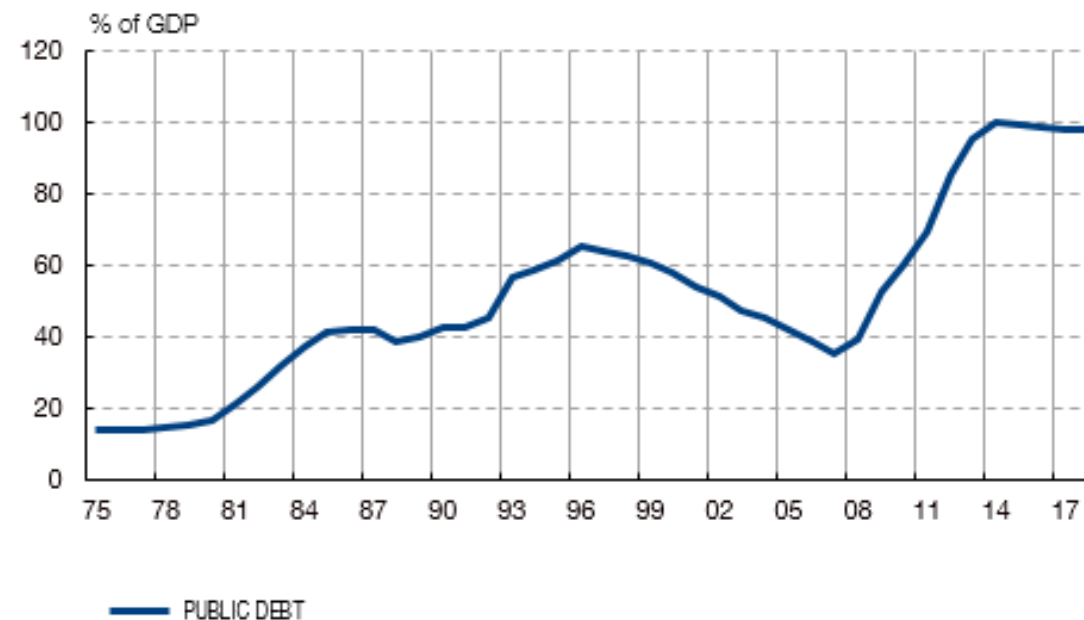


GENERAL GOVERNMENT BALANCE



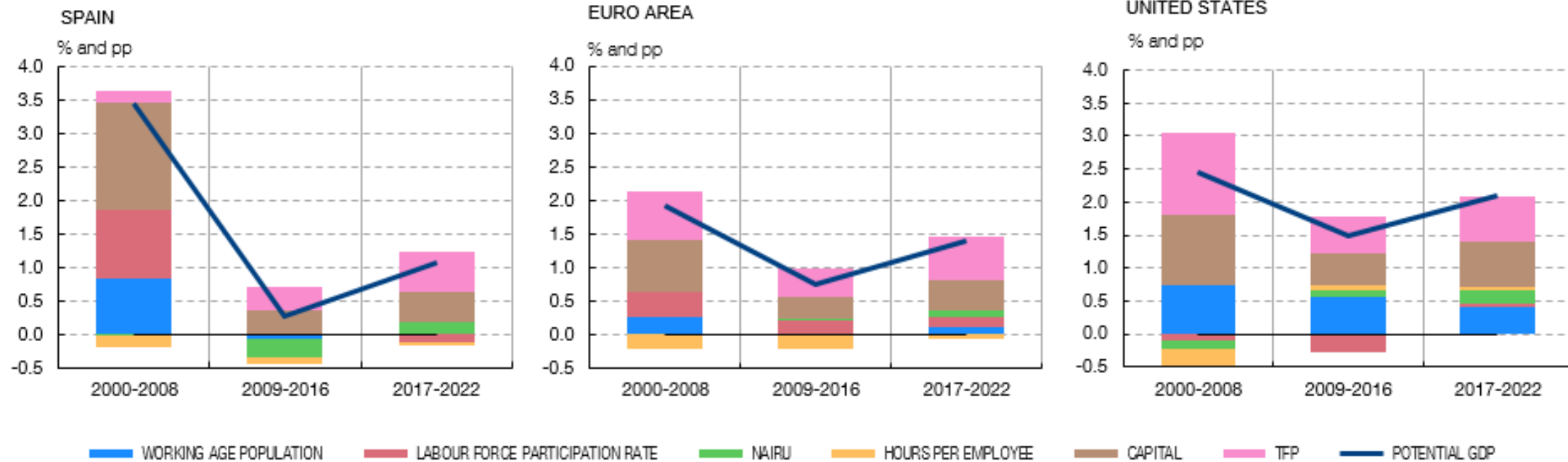
SOURCES: European Commission, IGAE and Banco de España.

PUBLIC DEBT





POTENTIAL GDP GROWTH ESTIMATES



SOURCE: Eurostat.



UNEMPLOYMENT RATE BY LEVEL OF STUDIES (a)

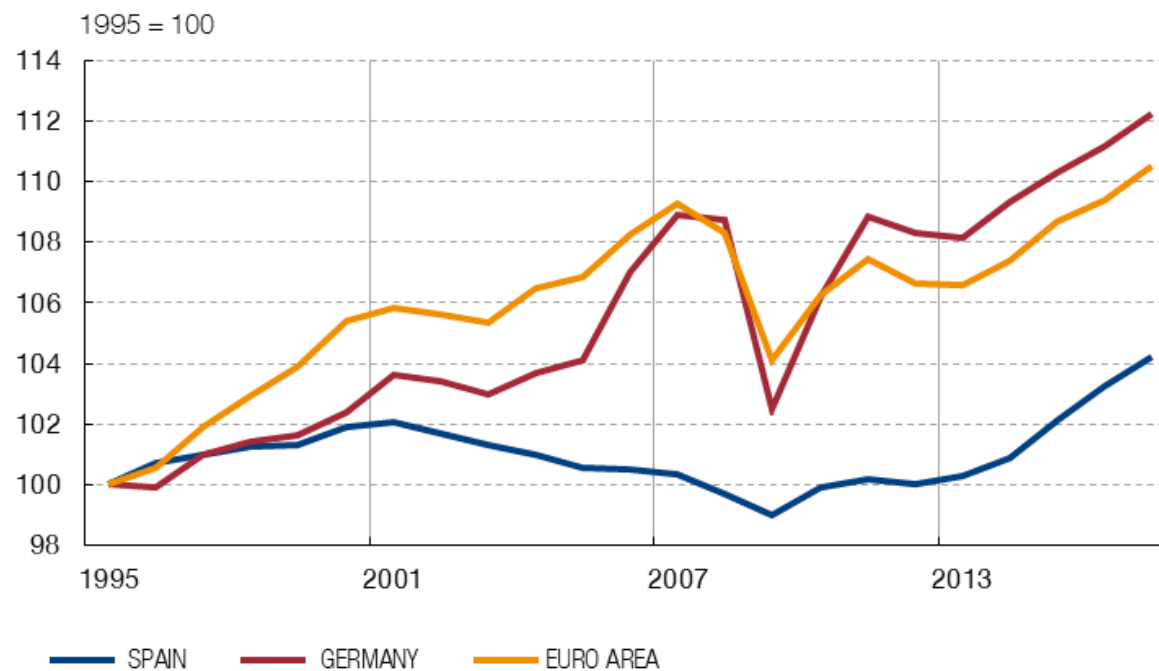


SOURCES: INE and Banco de España.

a. Low: no or only primary education, or having failed to complete, or successfully complete, lower secondary education. High: tertiary education.



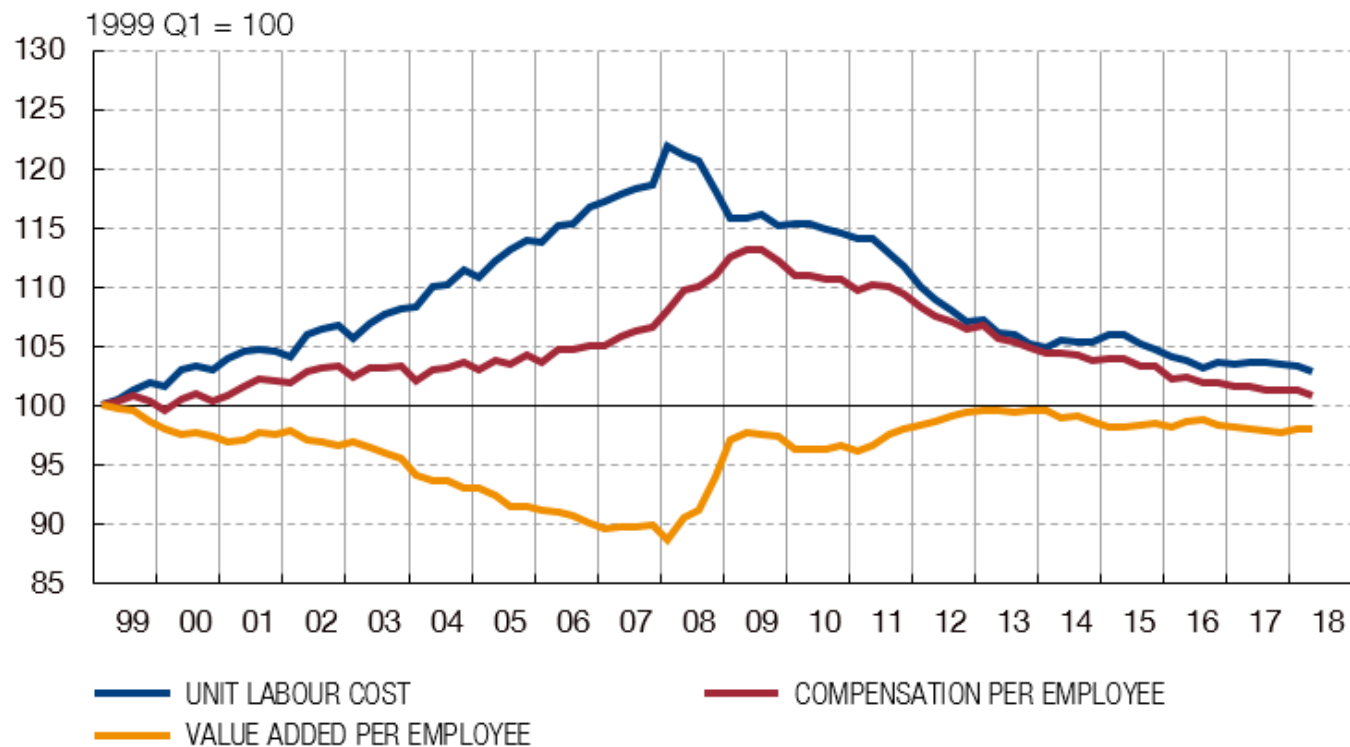
TOTAL FACTOR PRODUCTIVITY



SOURCE: Eurostat.



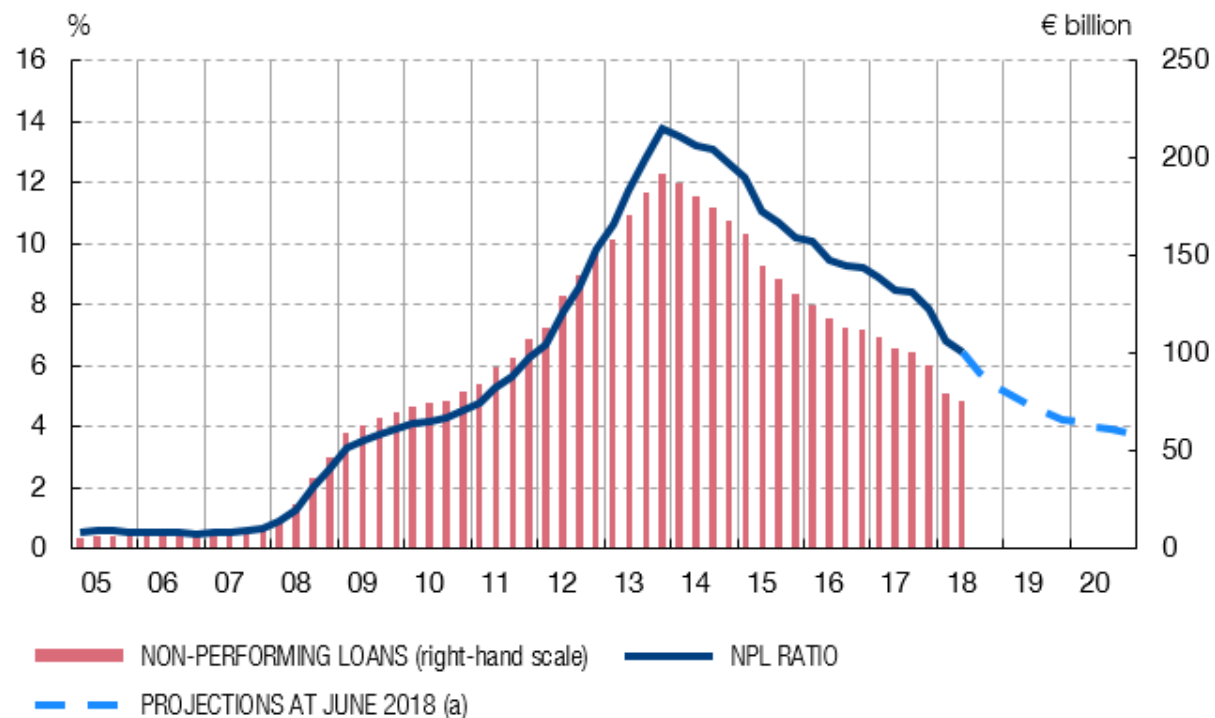
MARKET ECONOMY UNIT LABOUR COSTS SPAIN/EURO AREA
Relative levels



SOURCES: Eurostat, INE and Banco de España.



NON-PERFORMING LOANS AND NPL RATIO



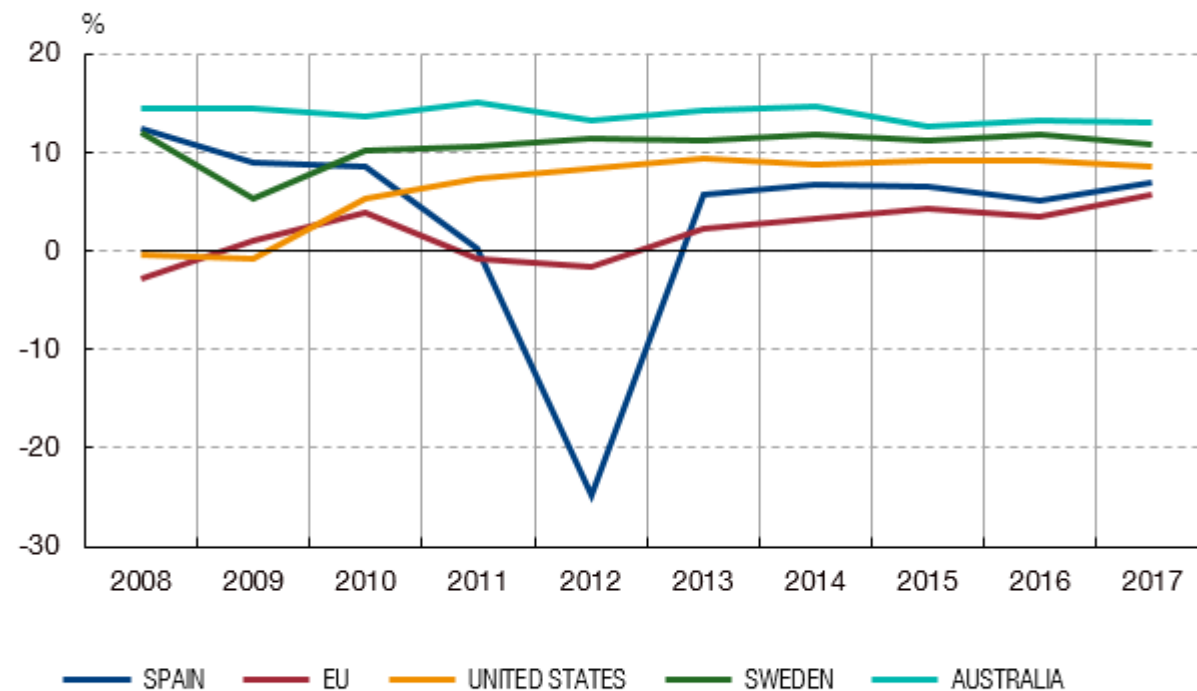
SOURCE: Banco de España.

a. Based on a dynamic single-equation model relating the volume of NPLs to GDP, the unemployment rate, the credit-to-GDP ratio, changes in real GDP and in the nominal lending interest rate and lags in the dependent variable.

CHART 18



PROFITABILITY (ROE) OF CREDIT INSTITUTIONS

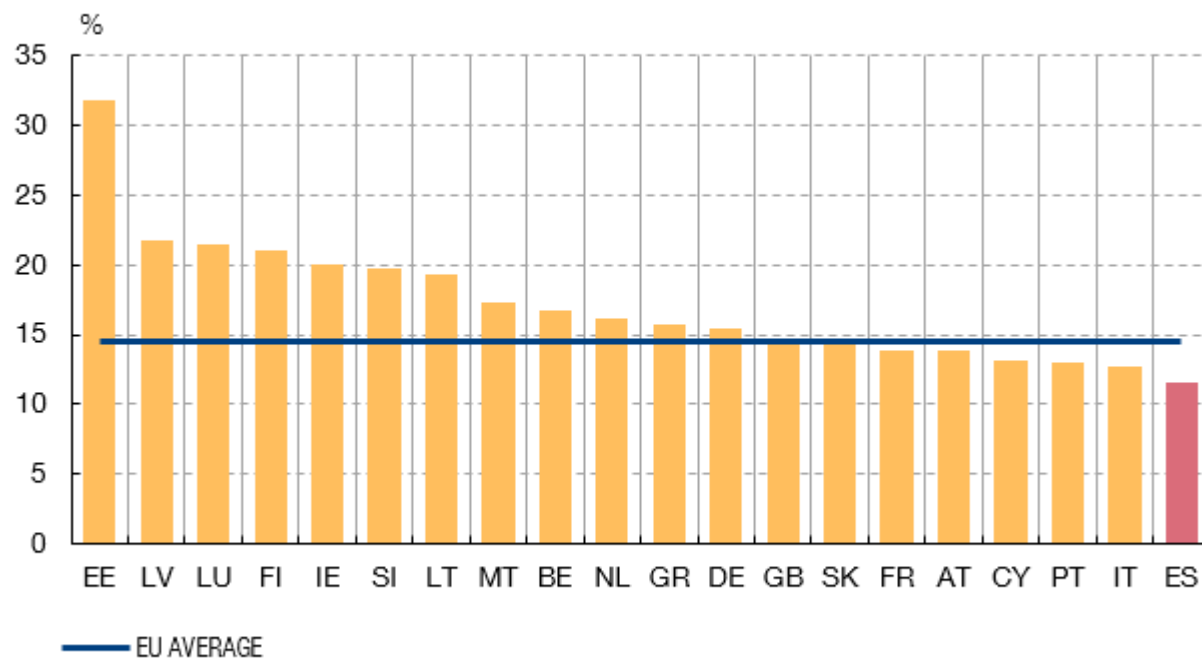


SOURCES: FDIC, APRA Quarterly ADI performance statistics, ECB and Banco de España.

CHART 19



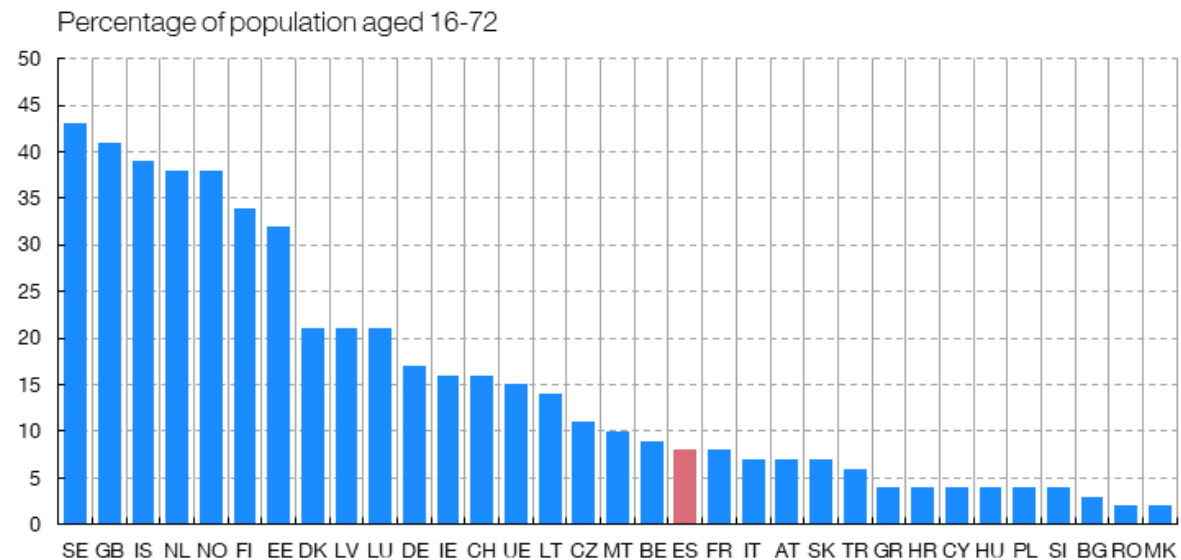
CET1 CAPITAL RATIO. JUNE 2018



SOURCE: EBA.



POPULATION USING THE INTERNET TO CARRY OUT AT LEAST ONE FINANCIAL TRANSACTION IN 2017



SOURCE: Eurostat.



Annual Report of the Banco de España

BANCODE **ESPAÑA**
Eurosistema