

THE SPANISH ECONOMY: MONTHLY REPORT

MARCH 2003

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United States: recovery moving ahead

Indicators reflect good economic state but doubts remain. Page 6

GDP grows by 2% in 2002

Slowdown in Spain's economy in last two years seems to have halted with growth now stable. Page 37

Quarter-million new jobs in 2002

Labour Force Survey shows major growth in employment last year although within slowdown trend. Page 44

Interest rates at all-time lows

Reference rates for Spanish economy at low levels, in some cases negative in real terms. Page 58

SPECIAL REPORTS

Modest results for tourism in 2002

Tourist season shows ups and downs while some change in demand patterns seen in sector. Page 64

Spanish economy in 2002

Spain's growth well above that for EU but persistent differential in inflation remains troubling. Page 70

Research Department

Forecast

% change over same period year-before unless otherwise noted

	2000	2001	2002	2003	2002				2003	
					1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.
INTERNATIONAL ECONOMY										
Gross domestic product										
United States	3.8	0.3	2.4	2.7	1.4	2.2	3.3	2.9	2.3	2.8
Japan	2.8	0.4	0.3	1.3	-2.8	-0.2	1.7	2.6	2.5	1.3
United Kingdom	3.1	2.0	1.7	2.2	1.1	1.5	2.1	2.2	2.3	2.3
Euro area	3.5	1.4	0.8	1.4	0.4	0.7	0.9	1.2	0.9	1.2
<i>Germany</i>	3.2	0.8	0.2	0.8	-0.2	0.0	0.4	0.7	0.6	0.7
<i>France</i>	4.2	1.8	1.2	1.4	0.7	1.2	1.2	1.7	1.3	1.2
Consumer prices										
United States	3.4	2.8	1.6	2.2	1.2	1.3	1.6	2.2	2.4	2.1
Japan	-0.7	-0.7	-0.9	-0.7	-1.4	-0.9	-0.8	-0.5	-0.3	-0.9
United Kingdom	2.1	2.1	2.2	2.4	2.4	1.9	2.0	2.6	2.6	2.6
Euro area	2.3	2.5	2.2	2.0	2.6	2.1	2.0	2.3	2.1	1.8
<i>Germany</i>	1.9	2.5	1.3	1.3	1.9	1.2	1.0	1.2	1.0	1.4
<i>France</i>	1.7	1.6	1.9	1.8	2.1	1.6	1.8	2.1	2.0	1.6
SPANISH ECONOMY										
Macroeconomic figures										
Household consumption	3.9	2.5	1.9	2.0	2.5	1.8	1.6	1.8	1.6	1.9
Government consumption	5.0	3.1	3.8	3.8	3.8	3.8	3.7	4.0	3.8	3.9
Gross fixed capital formation	5.7	3.2	1.4	3.5	0.7	1.0	1.6	2.5	3.2	3.2
<i>Capital goods</i>	5.1	0.3	-2.2	2.5	-3.1	-3.0	-2.4	-0.2	1.0	2.0
<i>Construction</i>	6.1	5.8	4.5	4.2	4.0	4.5	5.0	4.6	5.1	4.1
Domestic demand	4.4	2.7	2.2	2.6	2.5	1.9	1.9	2.7	2.0	2.8
Exports of goods and services	10.1	3.4	1.4	3.6	-2.9	-1.6	4.2	6.0	6.1	5.6
Imports of goods and services	10.6	3.5	2.2	4.5	-1.1	-1.7	4.2	7.4	5.6	6.8
Gross domestic product	4.2	2.7	2.0	2.3	2.0	2.0	1.8	2.1	2.1	2.3
Balances										
Employment	3.4	2.4	1.3	1.3	1.3	1.5	1.3	1.1	1.2	1.2
Unemployment (% labour force)	13.9	10.5	11.4	11.6	11.5	11.1	11.4	11.5	12.1	11.4
Consumer price index	3.4	3.6	3.5	3.2	3.1	3.5	3.5	4.0	3.7	3.2
Unit labour costs	3.0	3.8	3.2	3.0	3.1	3.3	3.3	3.2		
Current account balance (% GDP)	-3.3	-3.0	-2.7	-2.8	-3.0	-3.0	-2.1	-2.5		
Net lending or net borrowing rest of the world (% GDP)	-2.4	-2.1	-1.6	-1.7	-1.9	-1.7	-1.0	-1.6		
Government balance (% GDP)	-0.3	-0.1	-0.1	-0.3						
FINANCIAL MARKETS										
Interest rates										
Federal Funds	6.2	3.9	1.7	1.4	1.8	1.8	1.8	1.4	1.3	1.3
ECB repo	4.0	4.3	3.2	2.3	3.3	3.3	3.3	3.1	2.6	2.3
10-year U.S. bonds	6.1	5.1	4.6	4.5	5.1	5.2	4.3	4.0	3.9	4.2
10-year German bonds	5.3	4.8	4.8	4.4	5.0	5.1	4.6	4.4	4.0	4.1
10-year Spanish bonds	5.5	5.1	5.0	4.5	5.2	5.3	4.8	4.5	4.1	4.2
Exchange rate										
\$/Euro	0.93	0.90	0.95	1.11	0.88	0.92	0.98	1.00	1.07	1.10

"la Caixa" GROUP: KEY FIGURES
As of December 31, 2002

FINANCIAL ACTIVITY	Million euros
Total customer funds	105,069
Receivable from customers (including securitizations)	65,168
Group income	683

STAFF, BRANCHES AND MEANS OF PAYMENT	
Staff	23,550
Branches	4,630
Self-service terminals	6,833

"la Caixa" FOUNDATION	
Budget for 2003 (million euros)	168,700
Science Museum (number of visitors)	358,538
«CosmoCaixa» (number of visitors)	552,344
Exhibitions	329
Concerts and musical events	407
Recreation Clubs for elderly	523
Fellowships for study abroad (1982-2002)	1,562

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March 2003

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