

# Macro Trends

## Affecting Swiss and Spanish Securities Markets

Q3 2021

The Global economy recovers pre-pandemic GDP levels and is set to grow at 6% this year, while growth projections are revised up for 2022 (4,9%).

---

The ECB formalizes its flexibility on the 2% inflation target and maintains both its policy stance and monthly purchases as projects that inflation pressures will be temporary.

---

Swiss Government improves GDP forecast for 2021 (+3,6%). Government expenditure increase and fiscal measures adopted in 2020 are extended through 2021. The country enjoys a significant fiscal room with a Debt to GDP ratio below 50% and a high market credibility.

---

The Spanish economy will register one of the highest growth rates (among 6-7%) within the EU in 2021-22 boosted by NextGenerationEU funds that have already started to be disbursed.

---

IPOs in Spain accelerate in 2021, surpassing €1,3 billion money raised until August, fivefold the entire previous year, while financing provided by BME Growth, the Spanish equity market for SME, reaches €845 millions, surpassing the figure of the whole 2020.

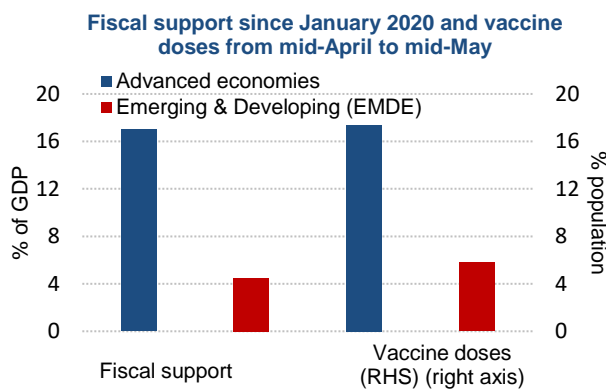
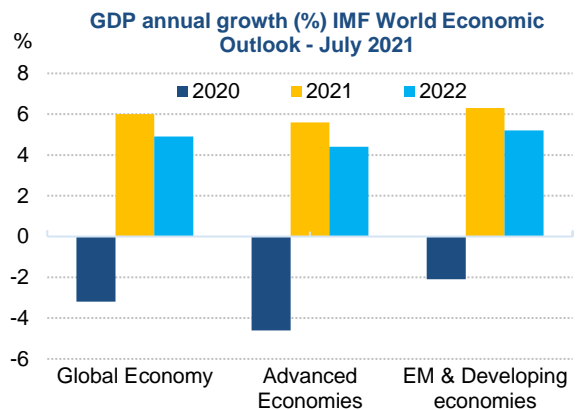
---

Performance of Swiss stock indices of Life Sciences and Bio+Medtech exceed 24% in 2021 until August. Swiss companies represent 20% of the market capitalisation in the Stoxx Europe 50 index that includes eurozone and rest of European countries.

GLOBAL ECONOMY

World GDP continues to accelerate from previous forecasts and recovers pre-pandemic levels in Q2 in a context of a more sanitary control and economic reopening. According to the IMF (July WEO), World GDP will increase by 6,0% in 2021 and growth in 2022 is revised up to 4,9%.

El PIB mundial continúa acelerándose respecto a las estimaciones previas y recupera los niveles pre-pandémicos en el 2T, en un contexto de mayor control sanitario y de reapertura económica. Según la FMI (WEO julio), el PIB mundial incrementará un 6,0% en 2021 y el crecimiento para 2022 es revisado al alza hasta el 4,9%.



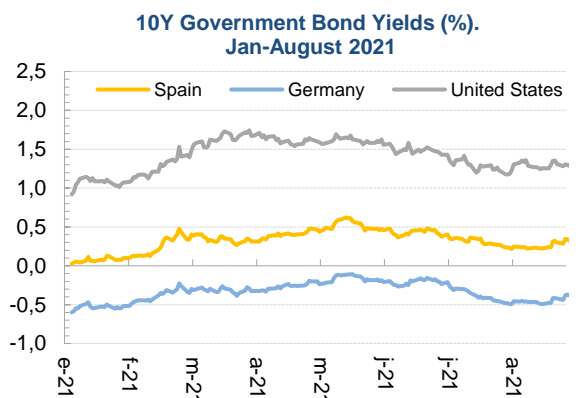
Source: World Bank

Economic recovery is reflecting the differences between advanced economies and EMDEs amid unequal vaccination campaigns and fiscal support. According to the WB, vaccine cooperation will be needed for controlling the global pandemic and boost a more balanced global output.

La recuperación económica refleja las diferencias entre las economías avanzadas y emergentes en un contexto de campañas de vacunación y soporte fiscal desigual. Según el Banco Mundial, será necesaria una cooperación en términos de vacunación para controlar la pandemia global e impulsar un crecimiento más equilibrado de la demanda mundial.

Developed government bond yields move back to levels seen in the start of the year as given the impact of the Delta variant of the COVID-19 and the support of central banks. In this sense, an inflation rate that remains in multi-year highs drives real interest rates to new record lows in EU and the US.

Las rentabilidades de los bonos de los países desarrollados retroceden a niveles de principio de año por el impacto de la nueva variante Delta del virus y el apoyo de los bancos centrales. En este sentido, con una inflación que se mantiene en máximos de los últimos años, los tipos de interés reales negativos registran récords en Europa y en EE.UU.



- 131 member jurisdictions
- Taxation based on revenue allocation
- Digital & non-digital enterprises
- At least, 15% tax rate
- Global turnover > 20bn & 10% profit margin
- Implementation in 2023

131 member jurisdictions representing more than 90% of world GDP reach an historic global minimum tax deal that aims to limit unfair tax competition, increase tax revenues and tax Multinational Corporations (MNEs) where they operate and earn profits, while adding stability to the international tax system.

131 jurisdicciones, representando más 90% del PIB mundial, acuerdan de forma histórica un impuesto mínimo global que pretende limitar la competición desleal, incrementar los ingresos fiscales y gravar a las multinacionales donde operan y consiguen beneficios, al mismo tiempo que se añade estabilidad al sistema fiscal internacional.

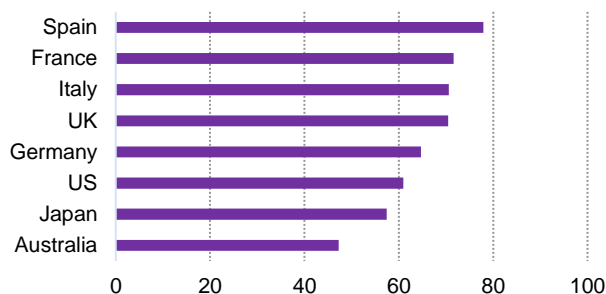
Source: Reuters

EUROPEAN ECONOMY

Growth in the Eurozone accelerates whilst restriction measures are winded down despite Delta variant. IMF estimates GDP to grow at 4,6% and 4,3% in '21 & '22 boosted by the NextGenerationEU plan and private sector activity growing at 15Y highs (PMIs).

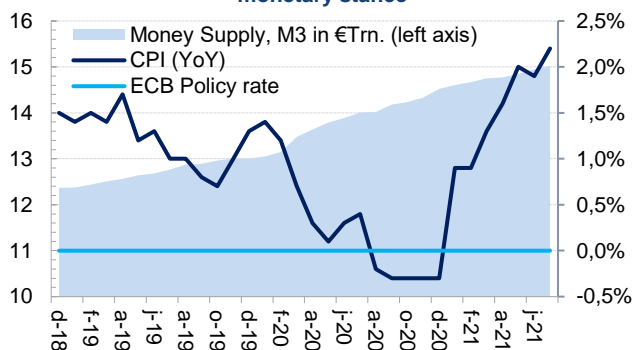
El crecimiento en la eurozona continúa acelerándose a medida que las medidas de restricción van siendo retiradas, pese a la variante Delta. El FMI estima un crecimiento del PIB del 4,6% y 4,3% en 2021 y 2022 impulsado por el plan NextGenerationEU y por el sector privado, creciendo a máximos de 15 años (PMI).

Share of people who received at least 1 COVID-19 dose Aug 31, 2021



Source: Our World in Data, Oxford

ECB Money Supply, Eurozone inflation and ECB monetary stance



The ECB maintains its policy stance and formalizes its flexibility on the 2% inflation target. Moreover, the Institution decides to extend until end-March '22 the leverage ratio relief measure for banks made in September '20. The Basell III ratio requirement of 3% was expected to be binding again at the end of June '21.

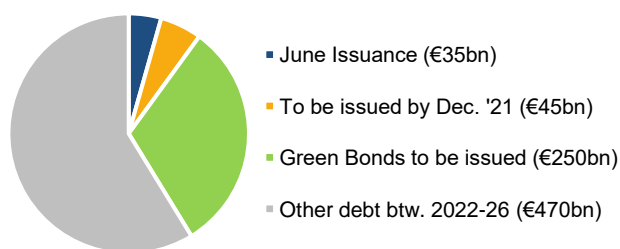
El BCE mantiene su política monetaria y formaliza su flexibilización en torno al objetivo de inflación del 2%. Asimismo, extiende hasta finales de marzo '22 las medidas de alivio en el ratio de apalancamiento para los bancos que prolongó en septiembre '20. Se esperaba que el ratio marcado por Basilea III del 3% volviera a ser vinculante al final de junio '21.

The EC issued €35bn, the first block of €800bn of bonds to be issued between 2021-26.

NextGenerationEU bonds were 11x oversubscribed, being the largest amount the EU has ever raised. The EC will issue more than 30% of the €800bn through Green Bonds, becoming the biggest issuer of sustainable debt.

La CE emitió €35 mil mill., su 1r bloque de los €800 mil mill. que emitirá hasta '26. Los bonos NextGenerationEU fueron 11x sobresuscritos, siendo la mayor cantidad que la UE ha emitido nunca. Más del 30% de los €800 mil mill. serán Bonos Verdes, convirtiendo a la UE en el mayor emisor de deuda sostenible.

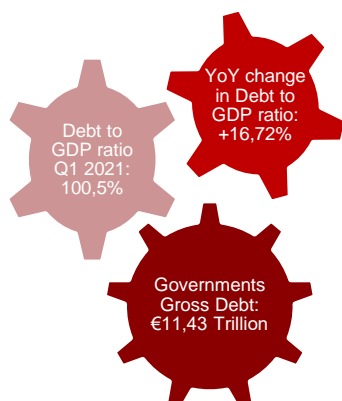
NextGenerationEU will be funded through the emission of €800 billion between 2021-2026



5Y Bond IRR at issuance (June '21) → -0,335%  
 10Y Bond IRR at issuance (June '21) → 0,086%  
 30Y Bond IRR at issuance (June '21) → 0,7%

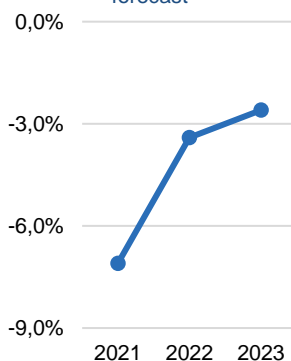
Eurozone Debt figures

Source: Eurostat



Eurozone Budget deficit

Source: ECB June forecast



The Pandemic drives public debt in the eurozone above 100% of GDP for the first time in its history as financial divergences increase between country members. Nevertheless, the ECB solidly maintains its purchase compromise and deficit reduction observed in the 1st quarter of 2021 is expected to continue.

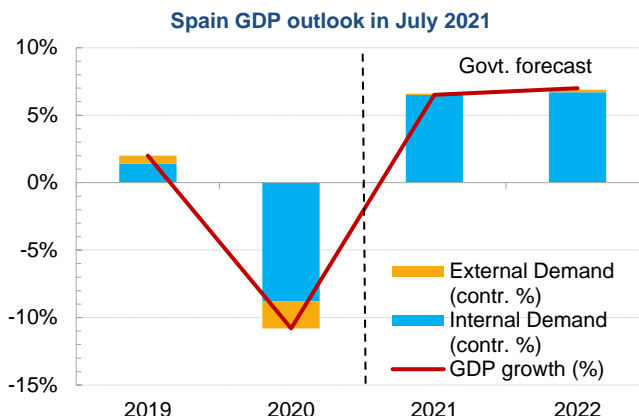
La Pandemia lleva a la deuda pública de la Eurozona a superar el 100% del PIB por primera vez en su historia e incrementa las divergencias financieras entre los países miembros. Sin embargo, el BCE mantiene firme su compromiso de compras y la reducción del déficit observada en el primer trimestre de 2021 se espera que continúe.

SPANISH ECONOMY

Spanish economy will grow at 6,2% and 5,8% pace in '21 & '22 according to the IMF (July WEO) and at 6,5% and 7% as reported by the last Spanish Govt. forecast.

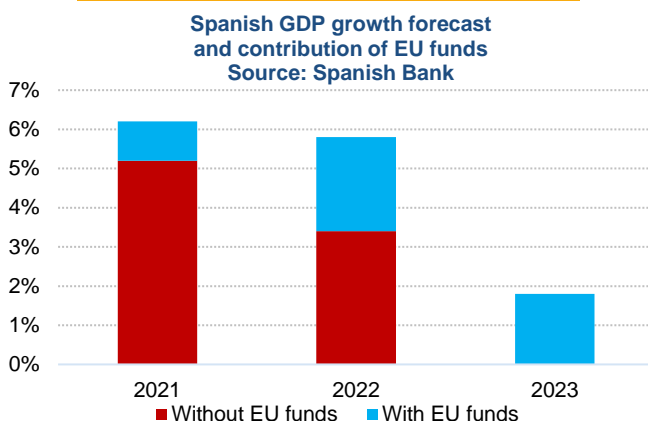
Spain will benefit from the acceleration in the vaccination campaign, the NextGenerationEU Funds and a lower-uncertainty environment.

La economía española crecerá a un ritmo del 6,2% y 5,8% en 2021 y 2022 según el FMI (WEO julio), y un 6,5% y 7% según las últimas estimaciones del Gobierno. España se beneficiará de la aceleración de la campaña de vacunación, los fondos NextGenerationEU y de una menor incertidumbre.

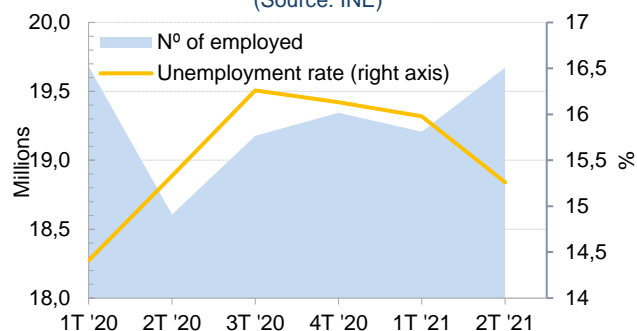


The European Commission adopted a positive assessment of Spain's recovery and resilience plan after considering it contains measures that effectively support the green and digital transition and contribute to strengthening the growth potential of spanish economy. The EC will disburse €69,5bn in grants between '21 & '26.

La Comisión Europea realizó una evaluación positiva del plan de recuperación y resiliencia de España tras considerar que contiene medidas que dan soporte de manera efectiva en la transición verde y digital y contribuyen a fortalecer el crecimiento potencial de la economía española. La CE desembolsará 69,5 mil millones de euros en ayudas entre 2021 y 2026.



Spanish Labour Market - Quarterly Main Figures (Source: INE)

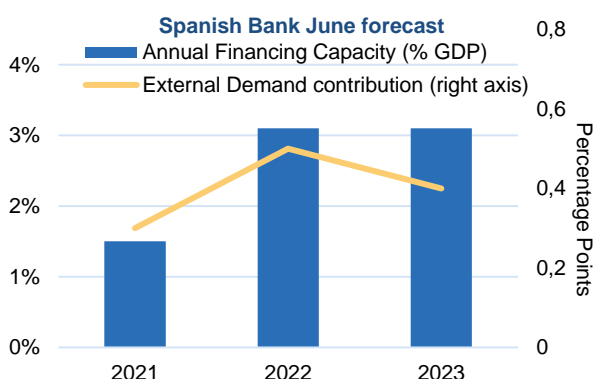


The economic reopening boosts job creation in Q2, which registers its second-best increase on record. In this sense, the number of employed people grows by 464.900 workers and the total figure goes up to 19.671.700 people employed, barely 133.200 workers below pre-pandemic levels.

La reapertura económica impulsa la creación de trabajo en el 2T, registrando el segundo mayor ascenso de su historia. En este sentido, el número de ocupados crece en 464.900 personas y la cifra total alcanza los 19.671.700 ocupados, apenas 133.200 trabajadores menos que los niveles previos a la pandemia.

The better behaviour of exports relative to imports between Jan.-May (23,5% vs 17,4% YoY) underlines the healthy recovery of the economy, with a trade deficit reduction of 51%. Bank of Spain predicts exports will grow 11,9% in '21 and 9,5% in '22, allowing the country to continue registering a net financing capacity.

El mejor comportamiento de las exports. frente a las imports. entre enero-mayo (23,5% vs 17,4% YoY) resalta la sana recuperación, con una reducción del déficit comercial del 51%. El BdE prevé un crecimiento de las exports. del 11,9% y 9,5% en '21 y '22, manteniendo una capacidad neta de financiación en el país.



Source: Eurostat

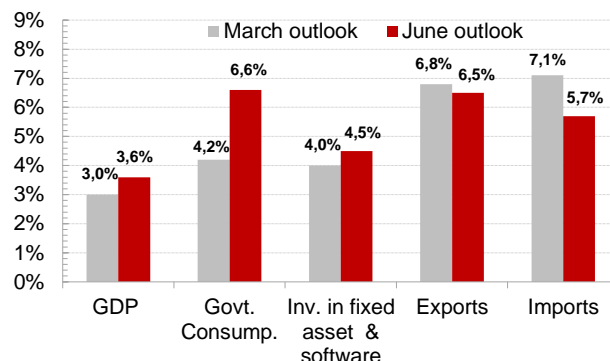
SWISS ECONOMY

The Swiss Government improves the GDP forecast for 2021 and maintains it for 2022, with an expected growth of 3,6% and 3,3%. Government expenditure, investment in fixed assets and software and a better than expected trade balance will drive growth.

El Gobierno suizo mejora las previsiones de PIB para 2021 y mantiene las de 2022, con unos crecimientos del 3,6% y 3,3%. El gasto gubernamental, la inversión en capital fijo y en software y la mejora de la balanza comercial serán los factores que impulsarán el crecimiento.

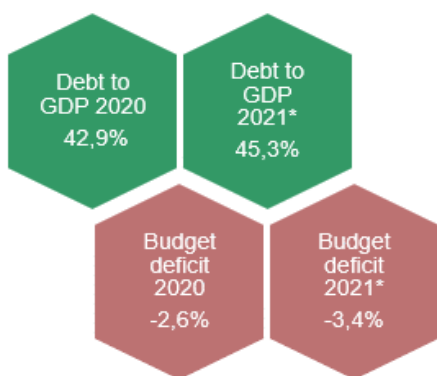
Swiss 2021 economic forecast - Main figures

(Source: Federal Council June 2021)



A Pandemic with no precedents drives the Federal Government to extend through 2021 the fiscal measures adopted in 2020. Expected budget deficit for 2021 will be 3,4% of GDP but Debt to GDP ratio remains well below 50% despite two years of fiscal effort.

Una pandemia sin precedentes lleva al Gobierno Federal a prolongar durante 2021 las medidas fiscales adoptadas en 2020. Se prevé que el déficit presupuestario se sitúe en el 3,4% del PIB, pero el ratio de deuda sobre el PIB se mantiene por debajo del 50% a pesar de dos años de esfuerzos fiscales.

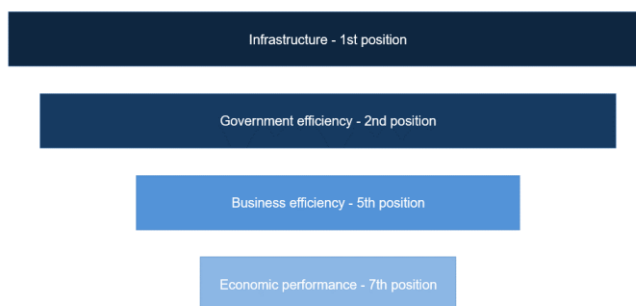


Source: IMF  
\*Outlook in June 2021

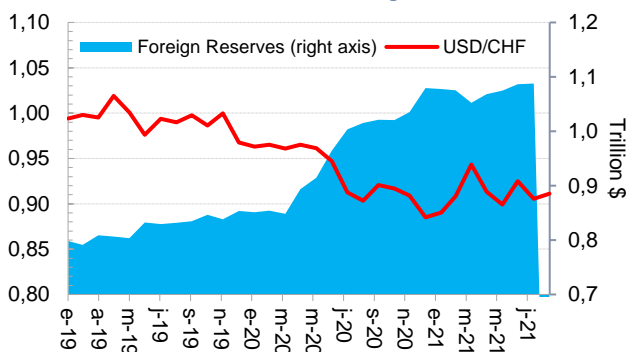
According to the IMD World Competitiveness Ranking 2021, Switzerland becomes the most competitive country in the world among the 63 countries analysed. Infrastructure (1st position) and government efficiency (2nd position) are the main strengths.

Según el IMD World Competitiveness Ranking 2021, Suiza se convierte en el país más competitivo del mundo entre los 63 países analizados. La infraestructura (1a posición) y la eficiencia gubernamental (2a posición) son las principales fortalezas.

Factors of the Swiss competitiveness in the IMD World Competitiveness Ranking 2021



Swiss Franc & SNB Foreign Reserves



Source: Eurostat

The Swiss Franc remains close to its 10-year highs after appreciating more than 7% against the US Dollar since 2019 as investors sought security in a more uncertain environment. Furthermore, Foreign Reserves at the SNB surpass the \$1tn mark for the first time, a figure larger than the country annual GDP.

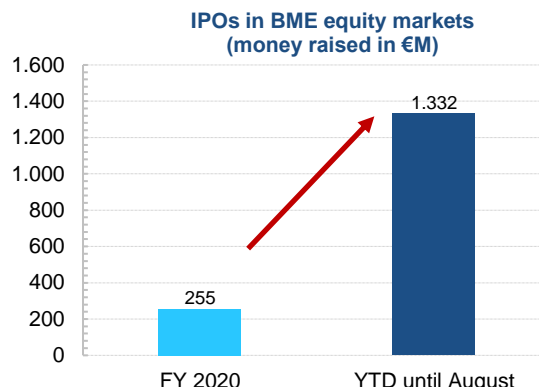
El Franco suizo se mantiene cerca de máximos de 10 años tras apreciarse más de un 7% respecto al dólar desde 2019 ante unos inversores que buscaban seguridad en un escenario más incierto. Asimismo, las Reservas Extranjeras del SNB supera \$1billones por primera vez, cifra superior al PIB anual del país.



SPANISH SECURITIES MARKETS

**IPOs in Spain accelerate in 2021, surpassing €1,3 billion money raised until August, fivefold the entire previous year. Eight out of the ten IPOs of this year have been launched during Q2 and Q3, of which stands out insurer Linea Directa (€1,8 billion 1st day market Cap) and renewable energy Acciona Energía (€9,4 billion).**

Las OPVs en España se aceleran en 2021, sobrepasando los €1,3 mil mill de fondos captados hasta agosto, cinco veces mas que en todo el año anterior. Ocho de las diez OPVs de este año se han realizado en el 2T y el 3T, de las cuales destaca Línea Directa (con un valor de mercado de €1,8 mil mill.) y la empresa de energía renovable Acciona Energía (€9,4 mil millones).



BME Growth admissions, ex REITs, June - August 2021

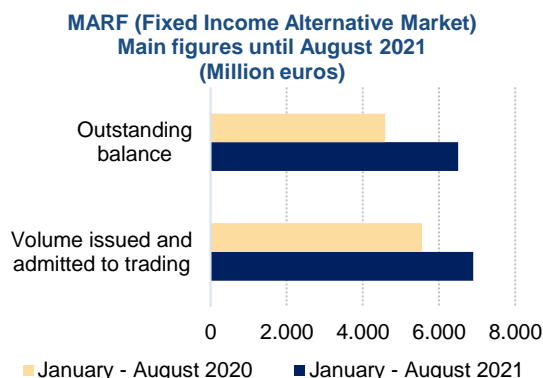
<b>Arteche</b> Manuf. & Assemb. of Capital goods €228,4M	<b>Parlem Telecom</b> Telecommunications €56,3M	<b>EiDF</b> Renewable Energy €74,7M
<b>Endurance Motive</b> Manuf. & Assemb. of Capital goods €23,7M	<b>Mio Group</b> Communication & Publicity €45M	<b>LLYC</b> Communication & Publicity €162,9M
<b>Aeternal Mentis</b> Electronics & Software (AI) €55,6M		

**BME Growth, the Spanish equity market for SME, accelerates listings since end-May with 11 new admissions (including four REITs) until August. Financing provided by the market reaches €845 million, doubling the figure of the whole 2020.**

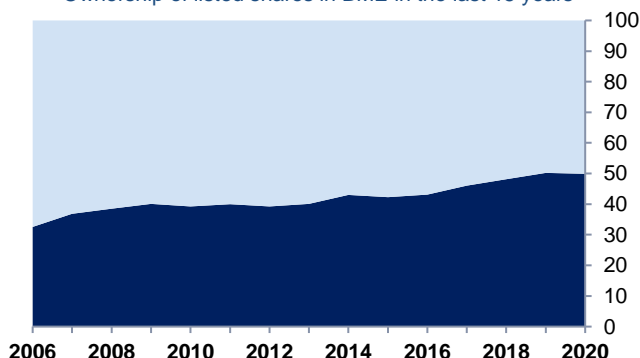
BME Growth, el mercado español para PYMEs, acelera las nuevas incorporaciones desde finales de mayo con 11 nuevas admisiones (incluyendo cuatro SOCIMIs) hasta agosto. La financiación proporcionada por el mercado alcanza los €845 millones, doblando la cifra de todo 2020.

**MARF market, after almost 8 years from its creation, consolidates reaching 100 issuers and a total issued volume of €6.900 million until August 2021, 24% more than in the same period 2020. The MARF, among other financial instruments such as BME Growth, helps to build a richer and more diversified financial ecosystem.**

El MARF, después de casi 8 años desde su creación, se consolida alcanzando 100 emisores y un volumen total emitido de €6.900 mill. hasta agosto 2021, un 24% más que en el mismo periodo de 2020. El MARF, junto con otros instrumentos de financiación, como el BME Growth, ayuda a construir un ecosistema financiero más diversificado.



**Foreign investors (% of Market Cap)**  
Ownership of listed shares in BME in the last 15 years



**The presence of international investors in the Spanish Stock Exchange remains close to the 2019 record high. At the end of 2020, non-residents controlled 49,9% of the stock capitalization of Spanish listed companies. Since 2010, foreign investors have increased their weight from 39.2% to 49.9% in 2020.**

La presencia de inversores internacionales en la Bolsa española se mantiene muy cerca de los máximos históricos de 2019. A cierre del año 2020, los no residentes controlaban el 49,9% de la capitalización bursátil de las empresas cotizadas españolas. Desde 2010 los inversores extranjeros han aumentado en más de diez puntos su peso, desde el 39,2% al 49,9% de 2020.

SWISS SECURITIES MARKETS

Shares of Swiss companies listed in SIX Exchange represent close to 20% of the market capitalization in the STOXX® Europe 50 index composed of the shares of the 50 largest companies in Europe with 3 of the top 6 blue chip shares being listed on SIX.

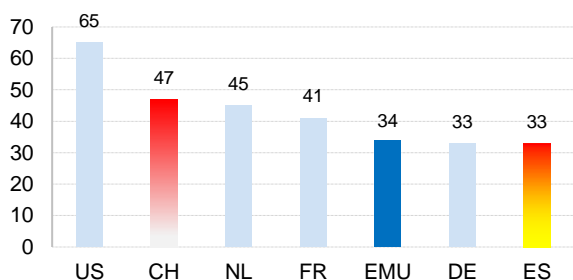
Las acciones de compañías suizas cotizadas en SIX representan cerca del 20% de la capitalización de mercado del índice STOXX® Europe 50, compuesto por las 50 principales compañías europeas cotizadas en Bolsa más grandes de Europa, con 3 "blue chips" del top 6 pertenecientes al mercado regulado suizo gestionado por SIX.

Swiss companies in the STOXX® Europe 50 index Weight (%)

<b>NESTLE</b> 7,04%	<b>ROCHE HLDG P</b> 5,18%
<b>NOVARTIS</b> 4,48%	<b>ZURICH INSURANCE GROUP</b> 1,20%
<b>ABB</b> 1,15%	<b>UBS GROUP</b> 1,08%

Average market value of listed companies included in MSCI indices. € Billion.

Source: July 2021 MSCI Bluebook for Developed Markets



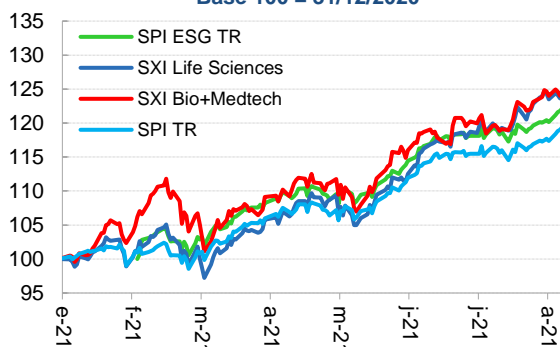
The average size of Swiss listed companies is the largest in the world after those of the US. According to July MSCI data, the average capitalization of the 40 Swiss companies included in its indices amounts to €47 billion, whilst that of Eurozone companies is €34 billion and €65 billion for US companies

El tamaño medio de las empresas suizas es el mayor del mundo tras las de EE.UU. Con datos de MSCI de julio, la capitalización media de las 40 empresas suizas incluidas en sus índices asciende a €47 mil millones, mientras que el de las empresas de la eurozona es de €34 mil millones y €65 mil millones el de compañías norteamericanas.

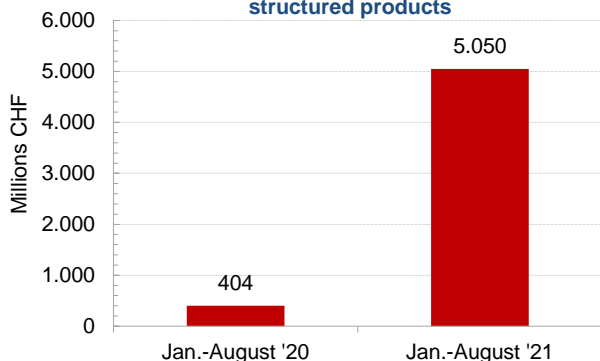
SXI indices of Life Sciences and bio+Medtech accumulate a revalorization of 24% YTD until August, beating the performance of the main broad-market SPI index (+20% YTD). At the same time, the SPI ESG index, launched earlier this year as part of SIX commitment with social responsibility, gains 22% YTD until August.

Los índices SXI de Life Sciences y BIO+Medtech acumulan una revalorización del 24% en lo que va de año hasta agosto, batiendo el comportamiento del principal índice del mercado, el SPI (+20% YTD). Al mismo tiempo, el índice SPI ESG, lanzado a principios de este año como parte del compromiso de SIX con la responsabilidad social, gana un 22% YTD hasta agosto.

SPI, ESG & SXI Special industry indexes Base 100 = 31/12/2020



Accumulated turnover on Crypto structured products

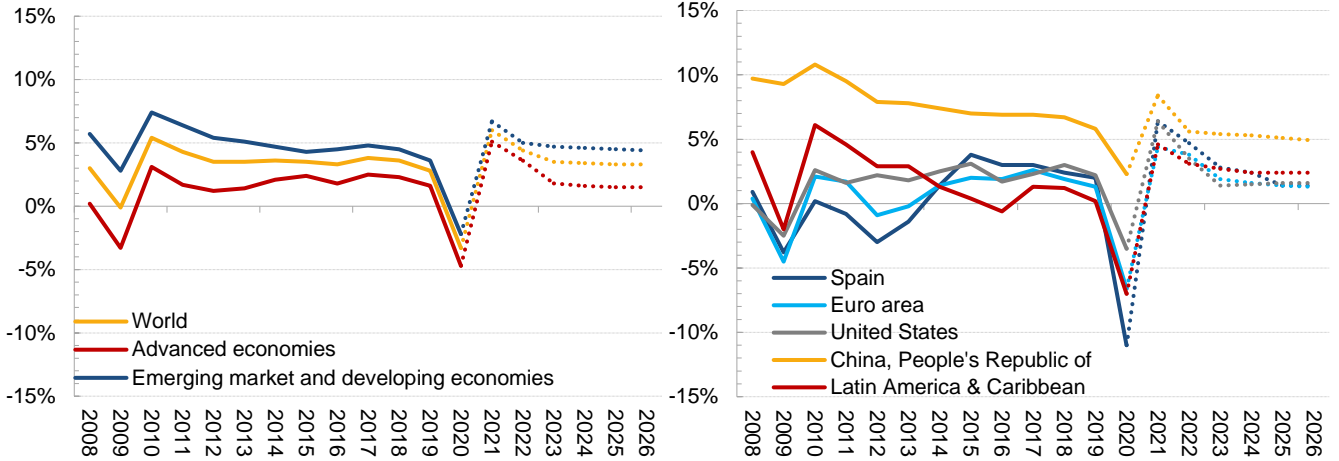


The trading turnover of structured products with crypto currencies as underlying reached new records in 2Q and the accumulated turnover until July surpasses CHF5bn, which represents more than tenthfold the same period of last year. The total number of trades until July also registers significant advances (935% YoY).

El volumen de negociación de productos con crypto monedas como subyacente alcanza nuevos records en el 2º Trimestre y el volumen acumulado hasta julio sobrepasa los CHF5 mil millones, diez veces más que en el mismo periodo del año anterior. El número total de negociaciones también registra importantes avances (935% YoY).

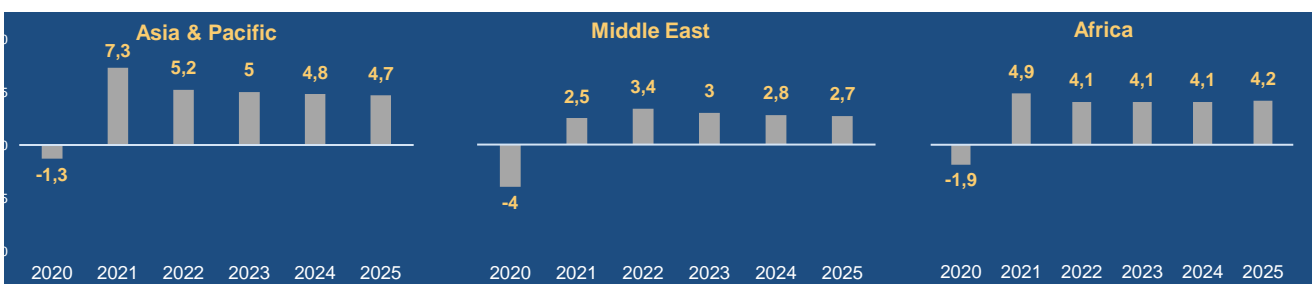
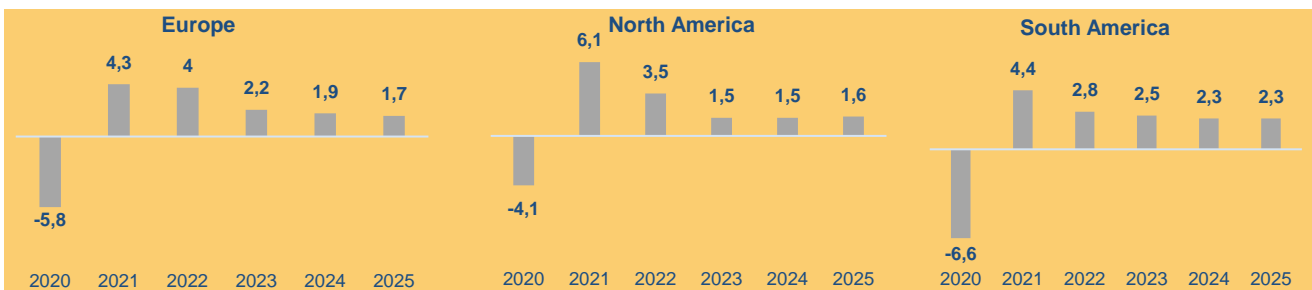
Sources: SIX Group and SNB

**Real Gross Domestic Product (GDP), annual rates**



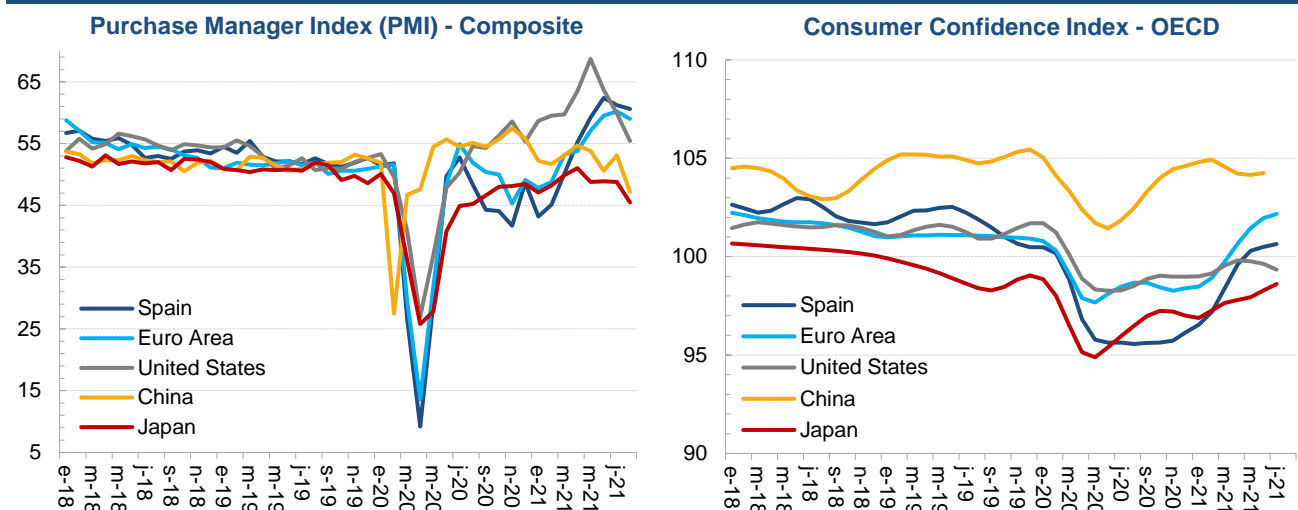
**Main indicators - GDP YoY %**

	2018	2019	2020	2021*	2022*	2023*	2024*	2025*	2026*
<b>World Output</b>	<b>3,6</b>	<b>2,8</b>	<b>-3,3</b>	<b>6,0</b>	<b>4,4</b>	<b>3,5</b>	<b>3,4</b>	<b>3,3</b>	<b>3,3</b>
<b>Advanced economies</b>	<b>2,3</b>	<b>1,6</b>	<b>-4,7</b>	<b>5,1</b>	<b>3,6</b>	<b>1,8</b>	<b>1,6</b>	<b>1,5</b>	<b>1,5</b>
United States	3	2,2	-3,5	6,4	3,5	1,4	1,5	1,6	1,6
Euro Area	1,9	1,3	-6,6	4,4	3,8	1,9	1,6	1,4	1,3
Germany	1,3	0,6	-4,9	3,6	3,4	1,6	1,5	1,2	1,1
France	1,9	1,5	-8,2	5,8	4,2	1,7	1,5	1,4	1,2
Italy	0,9	0,3	-8,9	4,2	3,6	1,6	0,9	0,9	0,8
<b>Spain</b>	<b>2,4</b>	<b>2,0</b>	<b>-11</b>	<b>6,4</b>	<b>4,7</b>	<b>2,8</b>	<b>2,4</b>	<b>1,4</b>	<b>1,4</b>
Japan	0,6	0,3	-4,8	3,3	2,5	1,1	0,7	0,6	0,5
United Kingdom	1,3	1,4	-9,9	5,3	5,1	2	1,8	1,5	1,4
<b>Switzerland</b>	<b>3</b>	<b>1,1</b>	<b>-3</b>	<b>3,5</b>	<b>2,8</b>	<b>1,4</b>	<b>1,8</b>	<b>1,2</b>	<b>1,8</b>
Canada	2,4	1,9	-5,4	5	4,7	2,2	1,4	1,4	1,5
<b>Emerging Economies</b>	<b>4,5</b>	<b>3,6</b>	<b>-2,2</b>	<b>6,7</b>	<b>5,0</b>	<b>4,7</b>	<b>4,6</b>	<b>4,5</b>	<b>4,4</b>
China	6,7	5,8	2,3	8,4	5,6	5,4	5,3	5,1	4,9
India	6,5	4,0	-8,0	12,5	6,9	6,8	6,7	6,6	6,5
Russia	2,8	2,0	-3,1	3,8	3,8	2,1	1,8	1,8	1,8
Latin America & Caribbean	1,2	0,2	-7,0	4,6	3,1	2,7	2,4	2,4	2,4
Brazil	1,8	1,4	-4,1	3,7	2,6	2,1	2,0	2,0	2,0
Mexico	2,2	-0,1	-8,2	5,0	3,0	2,1	2,0	2,0	2,0





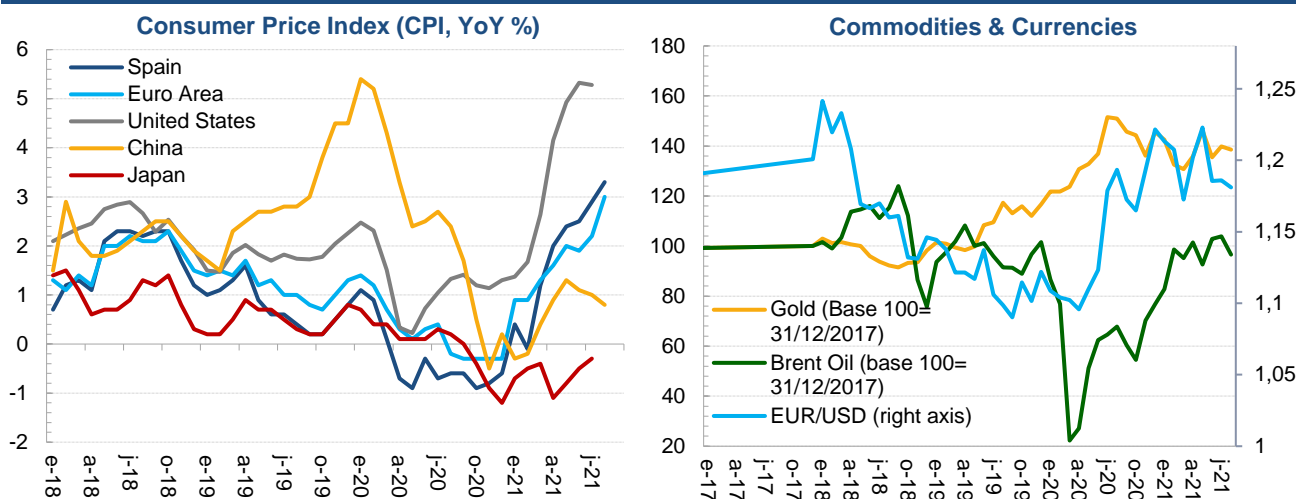
Expectations remain strong supported by an acceleration of the service sector. During 2021, US activity indicators have been diverging from Europe, which registers its fastest private sector growth rate in 15 years. Meanwhile, main Asian countries show negative performances amid new Covid cases surges and tighter restrictions.



Main indicators - Data for the year is the average of monthly figures

	2018	2019	2020	04/21	05/21	06/21	07/21	08/21
<b>Purchase Manager Index (PMI)</b>								
<b>Advanced economies</b>								
United States	54,98	52,48	48,76	63,50	68,70	63,70	59,90	55,40
Euro Area	54,58	51,30	44,02	53,80	57,10	59,50	60,20	59,00
Germany	54,78	51,11	46,39	55,80	56,20	60,10	62,40	60,60
France	54,97	51,15	43,49	51,60	57,00	57,40	56,60	55,90
Italy	52,83	50,08	41,75	51,20	55,70	58,30	58,60	59,10
<b>Spain</b>	<b>54,58</b>	<b>52,69</b>	<b>41,51</b>	<b>55,20</b>	<b>59,20</b>	<b>62,40</b>	<b>61,20</b>	<b>60,60</b>
Japan	52,05	50,48	42,42	51,00	48,80	48,90	48,80	45,50
United Kingdom	53,26	50,18	46,43	60,00	62,90	62,20	59,20	54,80
Switzerland (manuf, Credit Suisse)	61,48	49,11	48,78	69,50	69,90	66,70	71,10	67,70
Canada (IVEY)	60,38	53,95	50,17	60,60	64,70	71,90	56,40	--
<b>Emerging Economies</b>								
China	52,28	51,79	51,42	54,70	53,80	50,60	53,10	47,20
India	52,28	52,22	44,28	55,40	48,10	43,10	49,20	55,40
Russia	53,79	52,26	45,98	54,00	56,20	55,00	51,70	48,20
Brazil	50,22	51,38	46,15	44,50	49,20	54,60	55,20	54,60
Mexico (manufacturing)	51,33	49,67	42,69	48,80	47,60	48,80	49,60	47,10
<b>Consumer Confidence Index</b>								
<b>Advanced economies</b>								
United States	101,55	101,30	99,27	99,81	99,76	99,63	99,34	--
Euro Area	101,71	101,04	98,73	100,66	101,46	101,96	102,17	--
Germany	101,94	101,27	99,60	100,16	100,71	101,17	101,45	--
France	99,66	99,81	98,62	100,03	100,76	101,26	101,41	--
Italy	101,53	100,70	99,45	101,62	102,44	103,03	103,43	--
<b>Spain</b>	<b>102,33</b>	<b>101,77</b>	<b>96,84</b>	<b>99,61</b>	<b>100,30</b>	<b>100,50</b>	<b>100,65</b>	--
Japan	100,40	99,03	96,64	97,79	97,94	98,29	98,60	--
United Kingdom	100,67	99,88	98,01	101,66	102,49	102,95	103,26	--
Switzerland	100,70	99,94	97,56	98,46	99,13	100,00	100,98	--
Canada (refinitiv)	55,08	53,88	45,01	52,41	48,63	51,49	55,70	55,01
<b>Emerging Economies</b>								
China	103,83	105,08	103,22	104,23	104,15	104,25	--	--
India (RBI)	95,50	94,60	65,00	--	96,00	--	104,00	--
Russia	100,29	99,59	97,19	97,73	98,19	98,77	99,28	--
Brazil	100,11	100,53	98,50	97,73	98,19	98,77	99,28	--
Mexico	99,91	104,45	98,00	102,12	102,92	103,60	104,08	--

Inflation in the euro area reached 3% year-on-year in August '21 and exceeded 5% in the US. IMF highlights that central banks should avoid any tightening until there is more clarity on underlying price dynamics. It also expects inflation to be transitory and return to lower levels in '22.



Main indicators								
	2018	2019	2020	04/21	05/21	06/21	07/21	08/21
<b>Inflation (IMF, YoY)</b>								
<b>Advanced economies</b>								
United States	1,92	2,26	1,30	4,15	4,93	5,33	5,28	--
Euro Area	1,50	1,30	-0,30	1,60	2,00	1,90	2,20	3,00
Germany	1,70	1,50	-0,70	2,10	2,40	2,10	3,10	--
France	1,90	1,60	0,00	1,60	1,80	1,90	1,50	2,40
Italy	1,20	0,50	-0,30	1,00	1,20	1,30	1,00	2,60
<b>Spain</b>	<b>1,20</b>	<b>0,80</b>	<b>-0,60</b>	<b>2,00</b>	<b>2,40</b>	<b>2,50</b>	<b>2,90</b>	<b>3,30</b>
Japan	0,30	0,80	-1,20	-1,10	-0,80	-0,50	-0,30	--
United Kingdom	2,10	1,30	0,60	1,50	2,10	2,50	2,00	--
Switzerland	0,80	-0,10	-1,00	-0,10	0,30	0,50	0,50	--
Canada (IVEY)	1,90	2,20	0,70	3,20	3,50	3,00	3,50	--
<b>Emerging Economies</b>								
China	1,90	4,50	0,20	0,90	1,30	1,10	1,00	--
India	2,11	7,13	4,65	4,23	6,30	6,26	5,59	--
Russia	4,16	3,05	4,90	5,61	6,10	6,58	6,54	--
Brazil	3,43	4,48	5,45	7,59	8,90	9,22	9,85	--
Mexico (manufacturing)	5,00	2,71	3,17	6,14	5,95	5,93	5,86	--
<b>Commodities - Month-end data (Thompson Reuters)</b>								
CRB Index	175,96	196,64	178,29	212,29	218,60	226,78	231,77	231,88
Bloomberg Commodity Index	159,72	172,00	166,63	192,93	198,20	201,87	205,58	204,97
<b>Energy &amp; Transportation</b>								
Brent Oil	50,57	67,77	51,22	67,73	69,36	76,94	77,72	72,26
West Texas Oil	45,13	61,08	48,28	63,58	66,32	73,62	73,93	68,61
Natural Gas	2,94	2,19	2,54	2,93	2,99	3,65	3,91	4,38
Baltic Dry Index (Transp.)	1271	1090	1366	3053	2596	3383	3292	4132
<b>Metals</b>								
Gold	1281,34	1520,50	1897,77	1770,46	1905,99	1765,43	1823,24	1806,30
Silver	15,51	17,92	26,38	25,93	27,85	25,99	25,57	23,90
Cooper	2,63	2,80	3,52	4,47	4,68	4,29	4,47	4,37
<b>Currencies (units per EUR) - Month-end data (Thompson Reuters)</b>								
USD (United States)	1,146	1,122	1,222	1,202	1,223	1,186	1,186	1,181
GBP (United Kingdom)	0,898	0,847	0,895	0,869	0,860	0,858	0,853	0,858
CHF (Switzerland)	1,127	1,087	1,082	1,098	1,100	1,096	1,075	1,081
JPY (Japan)	125,42	121,99	126,33	131,58	133,75	131,62	130,14	129,68
CNY (China)	7,849	7,819	8,002	7,790	7,777	7,663	7,656	7,630
BRL (Brazil)	4,431	4,516	6,355	6,531	6,417	5,951	6,103	6,043
MXN (Mexico)	22,51	21,20	24,38	24,29	24,34	23,61	23,55	23,66

Source: IMF, Thompson Reuters.

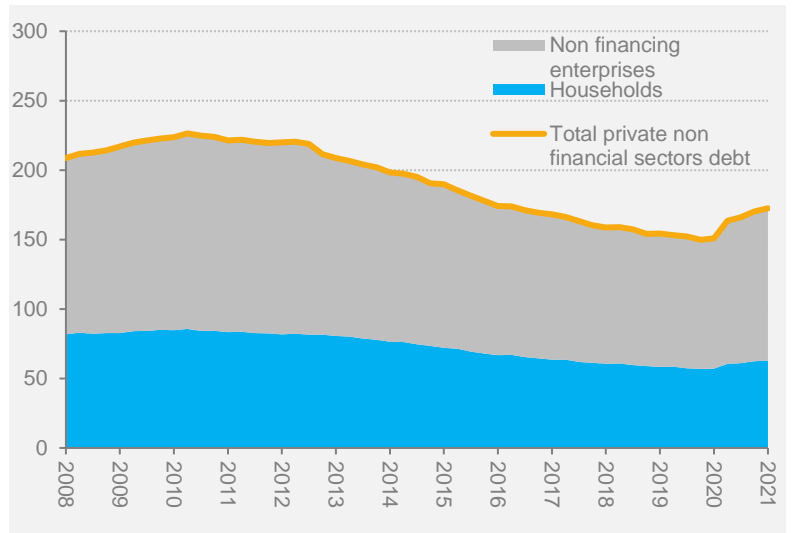
The Spanish government reduces its net debt issuance outlook for 2021 by €20 billion thanks to the lower financing needs, the arrival of NextGenerationEU funds and the improved conditions in the debt market. The average cost of outstanding debt continues to register another record low at 1,6%.

Main public debt figures, Bank of Spain & Treasury

<b>Debt to GDP 2020</b> 120%	<b>Debt to GDP 2021</b> 120,1% estimate
<b>Surplus/Deficit 2020</b> -11,0%	<b>Surplus/Deficit 2021</b> -8,2% estimate
<b>Avg. Cost of Debt 2020</b> 1,86%	<b>Avg. Cost of Debt 2021</b> 1,666% (until July)
<b>Cost of debt issued 2020</b> 0,2%	<b>Cost of debt issued 2021</b> 0,09% (until July)
<b>Avg. Maturity Debt 2020</b> 7,75 years	<b>Avg. Maturity Debt 2021</b> 8,14 years (until July)

<b>Ratings Public Debt</b>	<b>2021 - Est. Net financing</b>
Fitch: A / estable	Short Term €9,39bn
Moody's: Baa1 / estable	Med.&Long T. €70,61bn
S&P: A / negativa	<b>Total €80bn</b>

Deleverage process of private sectors (2008-2021). Debt in % of GDP

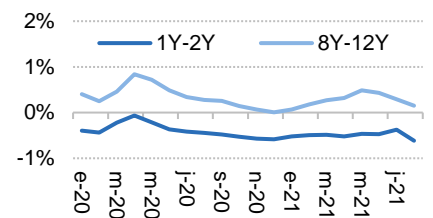


Public Debt Issuances

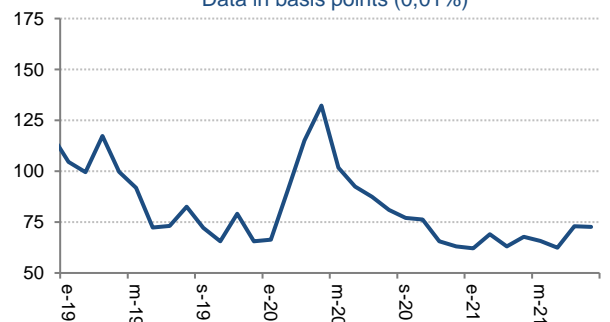
	<b>3M</b>	<b>6M</b>	<b>9M</b>	<b>12M</b>	<b>2Y</b>
Treasury bills. IRR (%)	-0,582	-0,585	-0,543	-0,538	-0,496
	<b>3Y</b>	<b>5Y</b>	<b>10Y</b>	<b>15Y</b>	<b>30Y</b>
Bonds & Obligations. IRR (%)	-0,403	-0,236	0,421	0,959	1,408

Volume (M€)	Amortizations	Auctions	Net financing
January	28.027	31.138	3.111
February	7.961	26.831	18.870
March	7.374	29.124	21.750
April	33.570	26.122	-7.448
May	11.450	23.423	11.972
June	8.946	28.010	19.064
July	30.681	19.726	-10.954
August			
September			
October			
November			
December			
<b>TOTAL</b>	<b>128.009</b>	<b>184.374</b>	<b>56.365</b>

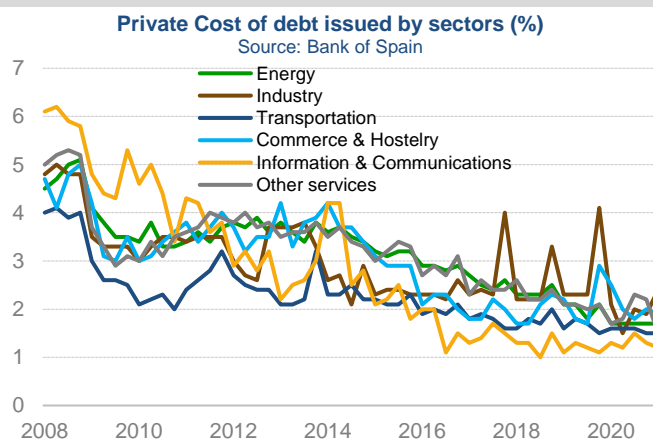
BME Public Debt Market Indices



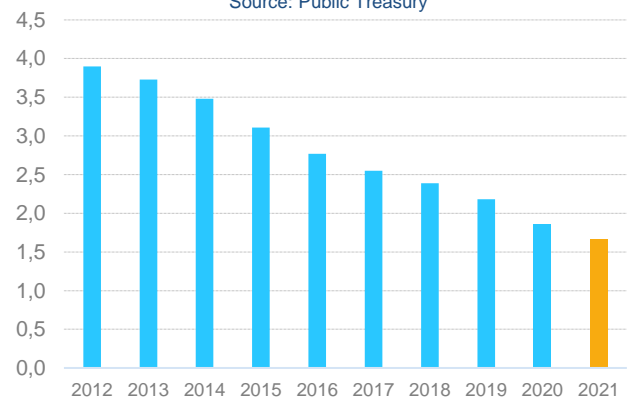
Spanish risk premium (2019 - 2021)  
Data in basis points (0,01%)



Cost of debt evolution

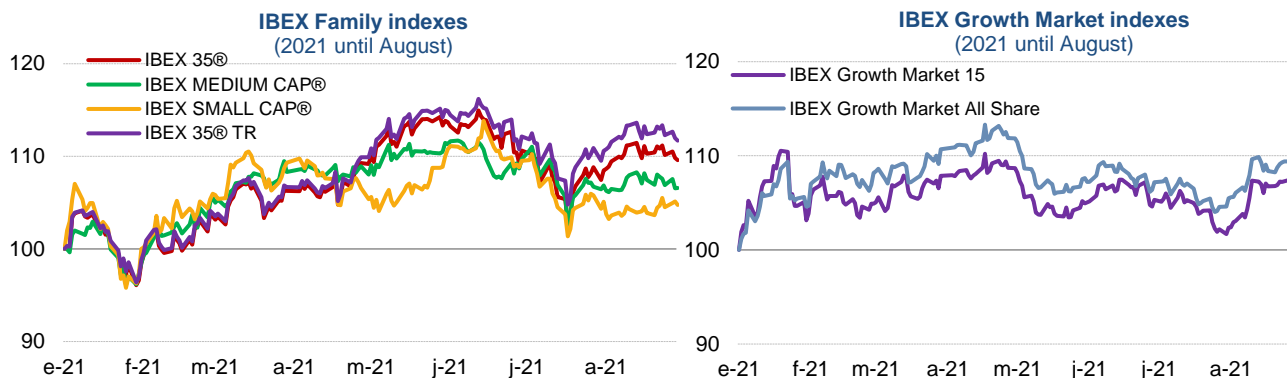


Average cost of outstanding public debt  
Source: Public Treasury



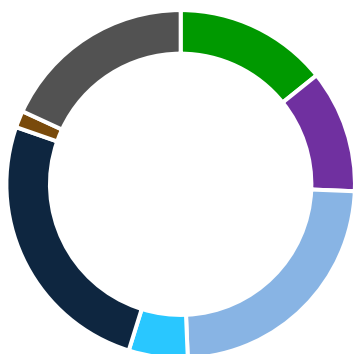
Capital increases through Spanish BME capital markets reach €19,1Bn. in the first 8 months of the year, doubling the figure achieved in 2020. Among the main financing operations point up Cellnex (€7,0Bn.), the merger of Caixabank with Bankia (€5,4Bn.) and Telefónica (€0,7 Bn.).

SPANISH EQUITY MARKET



IBEX 35@ Sector Composition

(% calculated on market capitalization of the index)

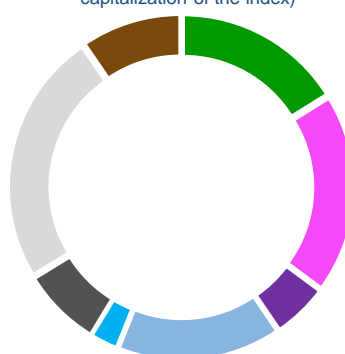


\*End-August '21 figures

- Consumer Goods (14,24%)
- Basic Materials, Industry & Building (11,4%)
- Oil & Energy (23,71%)
- Consumer Services (5,47%)
- Financial Services (25,5%)
- Real estate Services (1,56%)
- Technology and Telecommunications (18,12%)

BME Growth Sector Composition (ex REITs)

(% calculated on market capitalization of the index)



\*End-August '21 figures

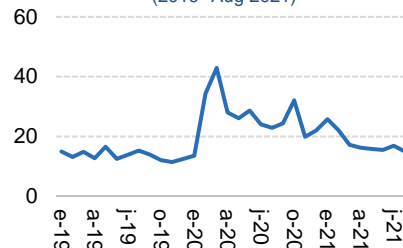
- Pharma & Biotech products (16,1%)
- Electronics & Software (19,0%)
- Engineering & others (5,3%)
- Renewable Energy (15,6%)
- Media & Publicity (2,6%)
- Telecommunications & Others (7,6%)
- Other services (24,2%)
- Others (9,56%)

Spanish equity market	2019	2020	3Q '20	4Q '20	1Q '21	2Q '21
Turnover (M€)	469.635	429.359	83.114	106.865	93.711	96.004
Nº Trades (M)	37,19	55,65	12,40	14,46	13,48	10,62
Capital increases (M€)	13.369	15.791	8.138	3.146	6.419	8.771
Dividends distributed (M€)	30.544	18.523	6.351	6.370	3.633	3.919
IBEX 35@ Dividend Yield (%) <sup>1</sup>	4,23	4,17	5,18	4,17	3,26	2,84
VIBEX Volatility Index (%) <sup>2</sup>	13,70	25,52	23,34	22,47	19,49	16,08
BME Growth, Nº companies	116	119	118	119	118	120

<sup>1</sup>Morgan Stanley Capital International. End date of the period

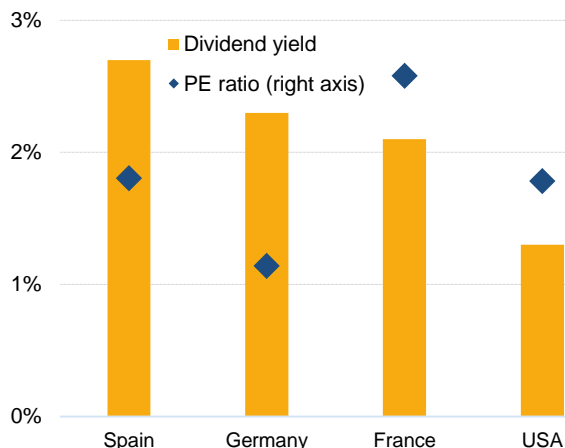
<sup>2</sup>Average of the period (year or quarter)

VIBEX (BME's Volatility Index) (2019- Aug 2021)

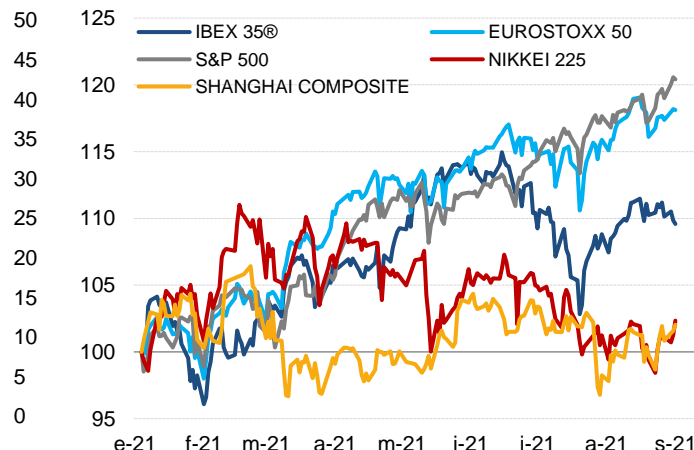


Dividend Yield & PE ratio, August 2021

Source: Morgan Stanley Capital International

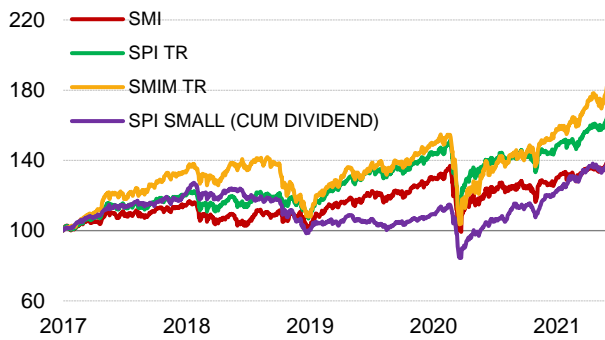


International Stock indexes (Base 100 = 31/12/2020)

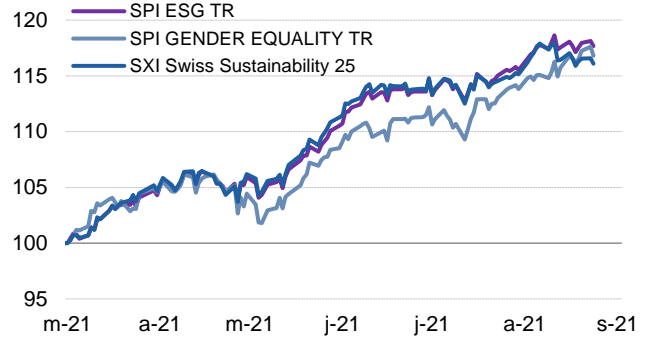


**SWISS EQUITY MARKET**

**SMI and SPI indexes**

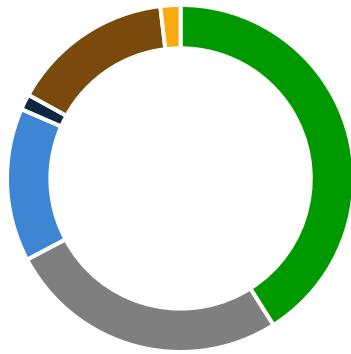


**SIX ESG indexes**



**SMI Sector Composition**

(% calculated on market capitalization of the main traded index of the Swiss market (20 components))

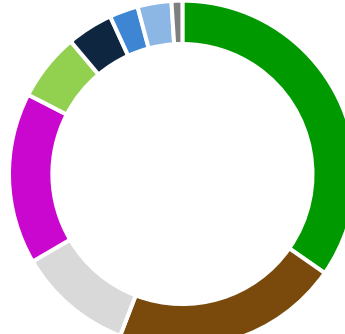


\*End-August '21 figures

- Health Care (41,32%)
- Consumer Goods (25,89%)
- Basic Materials, Industry & Building (14,42%)
- Consumer Services (1,44%)
- Financial Institutions (15,08%)
- Technology and Telecommunications (1,83%)

**SPI Sector Composition**

(% calculated on market capitalization of the broad performance index of the Swiss market (120 components))



\*End-August '21 figures

- Health Care (34,68%)
- Food & Beverage (21,17%)
- Industrial Goods & Services (10,73%)
- Financial Institutions (15,98%)
- Construction & Materials (6,30%)
- Personal & Household Goods (4,30%)
- Chemicals (2,67%)
- Technology & Telecommunications (3,16%)
- Others (1,01%)

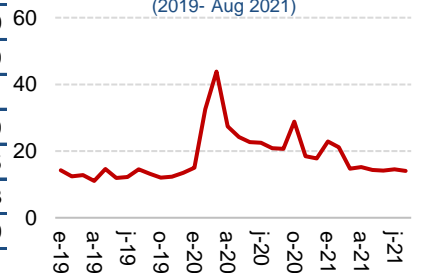
Swiss equity market	2019	2020	3Q '20	4Q '20	1Q '21	2Q '21
Turnover (BnCHF) <sup>1</sup>	1.175	1.468	290	324	310	260
N° Trades (M) <sup>1</sup>	62,090	96,503	20,214	21,464	18,292	13,800
IPOs (n°)	7	2	--	--	--	2
SMI Dividend Yield (%) <sup>2</sup>	3,03	2,84	2,98	2,84	2,84	2,50
VSMI Volatility Index (%) <sup>3</sup>	12,89	24,57	21,34	21,70	19,56	14,55
ETF Turnover (BnCHF)	125	112	20	25	23	43
Struct. Prod. Turnover (BnCHF)	5	10	2,80	2,01	99,55	29

<sup>1</sup>Equities incl. Funds + ETPs

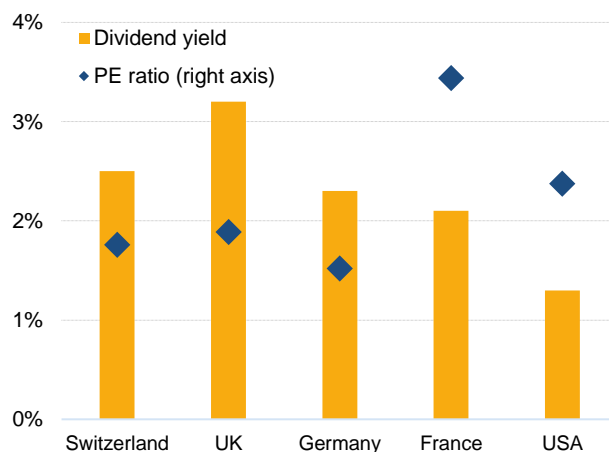
<sup>2</sup>Source: Morgan Stanley Capital International. End date of the period.

<sup>3</sup>Average of the period (year or quarter)

**VSMI (Swiss Market's Volatility Index)**  
(2019- Aug 2021)



**Dividend Yield & PE ratio, June 2021**  
Source: Morgan Stanley Capital International



**International Stock indexes**  
(Base 100 = 31/12/2020)

