Higher inflation and short and long term interest rates will increasingly affect economy and financial markets during 2nd half 2022. World economy growth projections are cut due to the war in Ukraine, the energy and food crisis, the supply disruptions and China slowdown, but still will be well above 3% in 2022 and 2023.

The Fed has already raised rates three times this year, the ECB is expected to carry out first hike in the third quarter and is preparing a new "anti-fragmentation" instrument. Global stock prices fall across the world and bond markets register worst performance in decades as volatility mounts.

Spain GDP growth will stand out among developed economies in 2022 and 2023 (around 4%). Strong rebound running in the tourism sector and arrival of NextGen EU Funds will soften consequences of the war in Ukraine both in prices and interest rates.

Economic outlook in Switzerland remains positive, with an expected GDP growth of 2.2% in ’22 & 1.4% in ’23. The economy benefits from a contained inflation environment, although the SNB decides to follow main CBs and hike rates (+0.5%) for the 1st time since 2007 (still negative at -0.25%).

Overall GDP growth in LATAM economies will moderate to pre-pandemic levels in the next two years as high inflation and monetary tightening by CBs weight on demand. On the stock market side, regional indices benefit from a more value-tilted compositions.

The Spanish stock market outperforms its international counterparts as the sector composition of the IBEX 35® limits falls in the current macroeconomic context. The IBEX Top Dividend and the IBEX 35® Energy advances around 5% until June.

SIX Swiss Exchange incorporates three new companies so far this year. Talenthouse and EPIC SUISSE in the main market while Xlife Sciences becomes first company in Sparks, the new SME segment.
World economic output remains above historical levels. Nevertheless, IMF (WEO Apr. 2022) cuts projections made in January for growth in '22 (-0,8p.p.) and '23 (-0,2p.p.) both forecasted at 3,6% due to high uncertainty amid Russia-Ukraine war, China’s zero-Covid policy and surging inflation.

El PIB mundial permanece por encima de niveles históricos, aunque el FMI (WEO abr. 2022) recorta la proyección de crecimiento hecha en enero para '22 (-0,8p.p.) y '23 (-0,2p.p.), ambos estimados en el 3,6% debido a la elevada incertidumbre en un contexto de guerra Rusia-Ucrania, la política Covid-bero de China y una inflación al alza.

Main CBs accelerate financial tightening to reverse inflation escalation. The Fed carries out three consecutive interest rate hikes (+0,25 / +0,50 / +0,75b.p.) to the range 1,50%–1,75%. Fed Chair points out the US economic strenght although highlights uncontrollable inflationary factors, expects a GDP slowdown and more interest rate hikes in the next months.

Los BCs aceleran el endurecimiento financiero para revertir la escalada de la inflación. La Fed sube tipos tres veces consecutivas (+0,25 / +0,50 / +0,75b.p.) hasta el rango 1,50%–1,75%. Su presidente remarca la fortaleza de la economía de EEUU, aunque destaca factores inflacionarios no controlables, espera una ralentización del PIB y más subidas de tipos.

Global inflation rises above historical levels in the first months of '22 due to the energy crisis, supply disruptions and geopolitical conflicts in Europe. The War in Ukraine has worsened international trade relations and crucial energy supplies to Advanced Economies. US and Eurozone inflation reaches 8,6% and 8,1%, respectively in May.

La inflación global se sitúa por encima de niveles históricos en los primeros meses de '22 ante la crisis energética, las disrupciones de suministros y los conflictos geopolíticos en Europa. La Guerra en Ucrania ha empeorado las relaciones comerciales internacionales y la oferta crucial de energía a las economías avanzadas. La inflación de abril en EE.UU. y la Eurozona alcanza el 8,6% y 8,1% en mayo.
Macro Trends
Affecting Spanish and Swiss Securities Markets

**EUROPEAN ECONOMY**

*European bond market suffers sell off amid global financial tightening and inflation escalation. Government bonds yields rise and risk premiums between peripheral and non-peripheral countries increase. In addition, corporate fixed income market registers the biggest plunge in prices (and consequent yield rise) since records started.*

- The eurozone slowdown since March due to energy crisis hurting main manufacturing countries, such as Germany and Italy, which are among the most dependent on energy imports from Russia. Nevertheless, both PMIs continue in expansionary territory as Covid restrictions are removed.

- Economic activity and consumer confidence in the euro area slowdown since March due to energy crisis hurting main manufacturing countries, such as Germany and Italy, which are among the most dependent on energy imports from Russia. Nevertheless, both PMIs continue in expansionary territory as Covid restrictions are removed.

*ECB maintains rates, ends its APP whilst announces 1st rate hike since '11 for the next meeting and advances another one in Sept. In an extraordinary June meeting, the ECB says could intervene with an "anti-fragmentation instrument" amid higher risk premiums in several countries' bonds.*

**Euro Area growth for 2022 & 2023 is revised down to 2.8% (-1.1 p.p. from January) and 2.3% (-0.2 p.p.) respectively as the economy is being affected by higher prices, supply chain disruptions and uncertainty derived by the war in Ukraine (IMF WEO April 2022).**

*El crecimiento de la eurozona para 2022 & 2023 es revisado a la baja hasta el 2.8% (-1.1 p.p. desde enero) y 2.3% (-0.2 p.p.) respectivamente en vista de una economía afectada por mayores precios, disrupciones en las cadenas de suministros y la incertidumbre derivaba de la guerra de Ucrania (FMI WEO abril 2022).*

**Eurozone economic indicators**

- Consumer confidence (index)
- Retail Sales (YoY)
- Service PMI (right axis)
- Manufacturing PMI (right axis)

**Government bond yields**

*Source: Thompson Reuters*

**Main interest rates remain unchanged**

**Asset Purchase Programme (APP) ending as of 1st July 2022**

**July meeting 1st main rate hike since 2011 (to +0.25%)**

**September meeting Additional hike, and gradual increases**

**European bond market suffers sell off amid global financial tightening and inflation escalation. Government bonds yields rise and risk premiums between peripheral and non-peripheral countries increase. In addition, corporate fixed income market registers the biggest plunge in prices (and consequent yield rise) since records started.**

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CPI continues at high levels in May (8.7% YoY) due to energy prices rebound and rises in food & beverages. Core inflation continues registering new record highs since '95. In the following months it is expected to notice the impact of the extraordinary measures taken by the Govt. to limit rising oil & gas prices.

In the light of the current energy crisis, Spain holds itself out as a leading provider of regasification infrastructures, with 7 LNG terminals and the highest storage capacity in Europe, accounting for 35% of total capacity in the continent.

Spanish unemployment rate consolidates under 14% of workforce, levels not seen since '08. Job creation continues in an economic recovery outlook whilst unemployment benefits slide 28.4% YoY. Within types of job contracts, indefinite contracts rise, standing out discontinuous fixed contracts with x12 YoY.

Spanish Economy

Despite growth projections cuts, Spain will grow more than main advanced economies in '22 (above 4%) and '23 (above 3%). The recovery will continue to be positive thanks to the tourism sector improvement, and the implementation of the NGEU funds.

A pesar del recorte de proyecciones, España crecerá más que las principales economías avanzadas en '22 (por encima del 4%) y en '23 (por encima del 3%). La recuperación continuará siendo positiva gracias a la mejora del sector turístico y a la implementación de los fondos NGEU.
Despite concerns about war impacts & supply chains issues, the Swiss economic outlook remains positive. GDP will grow 2.2% in '22 & 1.4% in '23 with domestic demand and investment as the main drivers (IMF WEO Apr. ‘22) whilst unemployment rates are expected to converge towards pre-COVID levels.

A pesar de la incertidumbre de la guerra y los problemas de suministros, las perspectivas de la economía suiza siguen positivas. El PIB crecerá un 2.2% y un 1.4% en ’22 y ’23, con la demanda interna y la inversión como los principales vectores de crecimiento (FMI WEO abr. ’22) mientras se espera recuperación del empleo.

Inflation in Switzerland continues being significantly lower when compared to most advanced countries as it benefits from independent electricity generation, small share of energy in the CPI computation and a strong Swiss franc that helps offset external inflationary pressures.

La inflación de Suiza continúa siendo significativamente menor comparada con la mayoría de los países avanzados, pues se beneficia de una independencia energética, un reducido peso energético en el cálculo del IPC y un franco suizo que ayuda a compensar las presiones inflacionistas del exterior.

The SNB raises rates for the first time since '07 by 0.5 b.p. to counter increased inflationary pressures, shifting away from a policy that battled to contain Swiss Franc appreciation since ’15. A stronger CHF might help control imported inflation while the CB maintains its willingness to be active in the FX market as necessary.

El SNB sube tipos en 0.5 p.b. por primera vez desde ’07 para contener las crecientes presiones inflacionistas, alejándose de una política monetaria centrada en contener la apreciación del Franco suizo desde ’15. Un CHF más fuerte podría ayudar a controlar la inflación importada, mientras que el BC mantienen su disposición a actuar en el mercado de divisas (FX) si es necesario.

Switzerland continues to consolidate as a global leader in blockchain and crypto assets' adoption, with more than 960 start-ups. The decentralized, bottom-up political culture and the security and political stability are some catalysts for the industry growth in the country.

Suiza continúa consolidándose como líder global en la adopción de blockchain y de los cripto activos, con más de 960 start-ups. La descentralización y la cultura política "de arriba abajo", así como la seguridad y la estabilidad política, son algunos de los catalizadores para el crecimiento de la industria en el país.
After a sharp rebound last year, growth in Latin America is expected to moderate to its pre-pandemic trend rates in 2022-23 as global growth slowdown will impact on demand (IMF WEO Apr.). Exports and private investment will resume their role as main growth drivers in an uncertain environment.

Tras un fuerte repunte en ‘21, el crecimiento en LATAM se moderará a tasas previas a la pandemia en ‘22-’23 dado que la desaceleración global impactará en la demanda (FMI WEO abr.). Las exportaciones y la inversión retomarán su papel como principales impulsores del crecimiento en un escenario de incertidumbre.

Latin America main indexes differentiate from global counterparts and register a better performance so far this year. The heavier weight of sectors such as Banking, Commodities and Utilities and currency depreciation that makes companies more competitive worldwide support equities along the region.

The region faces a high inflation environment in food and energy prices that force governments to implement measures to protect most vulnerable groups while CBs hike rates. The IMF forecasts that inflation will significantly moderate in the coming years and long-term inflation expectations remain contained.

La región se encuentra en un escenario de alta inflación en la alimentación y energía que lleva a los gobiernos a implementar medidas para proteger a los colectivos más vulnerables, mientras los BCs suben tipos. El FMI estima una significativa reducción de la inflación en los próximos años y las expectativas a l/p se mantienen contenidas.

Fintechs in LATAM doubles between ‘18-21 and account for 23% of total fintech globally. Growth is boosted by increasing demand not provided by traditional financial sector, covid pandemic, and regulatory changes enhancing transparency and security.

La industria Fintech en LATAM se duplica entre 2018-21 y supone el 22,6% de todas las plataformas fintech a nivel global. El crecimiento es impulsado por una demanda creciente por servicios no ofrecidos por el sector financiero tradicional, la pandemia COVID-19 y cambios regulatorios que mejoran la transparencia y la seguridad.
Spanish stock market outperforms European counterparts as current market and macroeconomic outlook benefits major IBEX 35® sector contributors, such as banking or energy, both high dividend payers and inflationary resilient. IBEX TOP Dividend and IBEX Energy succeeds in remaining positive so far this year.

La bolsa española se comporta mejor que la europea, en un contexto macro y de mercado que beneficia a sectores con mayor peso en el IBEX 35®, como son el bancario o el energético, ambos de elevadas rentabilidades por dividendo y resistentes ante la inflación. El IBEX TOP Dividend y el IBEX Energía consiguen mantenerse en terreno positivo este año.

Dividends distributed by Spanish companies increase 87.3% YTD until May, amounting to a total of €7,83bn. In a current inflationary environment, the DY of the IBEX 35® remains more attractive than that of other international indexes, helping to better offset negative effects of inflation.

Los dividendos distribuidos por las compañías españolas incrementan un 87,3% en lo que va de año hasta mayo, acumulando un total de €7.830 millones. En un contexto inflacionario, el DY de las compañías del IBEX 35® mantiene su atractivo frente a otros índices internacionales, ayudando a limitar mejor el impacto negativo de la inflación.

The main Spanish public companies belong to value sectors which, according to Schroders’s study, beat inflation and overall market performance. In Spain, near 77% of IBEX 35® constituents comprehend Financial Services, Oil & Energy, Consumer goods, Industrials & REITs sectors.

Las principales compañías cotizadas españolas pertenecen a sectores “value” que, de acuerdo con el estudio de Schroders, baten la inflación y al mercado en su conjunto. En España, cerca del 77% de los constituyentes del IBEX 35® se incluyen los sectores Servicios Financieros, Petróleo y Energía, Bienes de consumo, Industriales y SOCIMIs.

VIBEX, the volatility index of the Spanish equities markets, increase to 2Y highs amid global stocks declines. In the BME derivative market, the number of options and futures contracts on the IBEX 35® negotiated increases YTD by 13.3% YoY until May as investors seek alternatives to hedge their portfolios.

El VIBEX, el índice de volatilidad de la bolsa española aumenta hasta máximos de 2 años ante las caídas de las acciones globales. En el mercado de derivados de BME, el número de contratos negociados de opciones y futuros sobre el IBEX 35® incrementa en lo que va de año un 13,3% interanual hasta mayo en tanto que los inversores buscan alternativas con el fin de cubrir sus carteras.
Macro Trends

Affecting Spanish and Swiss Securities Markets

SWISS SECURITIES MARKETS

Equity turnover & nº of trades recover in the Q1 of 2022 due to a spike in volatility amid inflationary environment and global financial tightening. As of June 17th, main Swiss equity indexes behave slightly better when compared to international indexes although accumulate loses of around 19% YTD.

El volumen y nº de operaciones de renta variable se recupera en el 1T del ’22 ante el incremento de la volatilidad en un contexto inflacionista y de endurecimiento financiero. A día 17 de junio, los principales índices suizos se comportan ligeramente mejor en comparación con los índices internacionales, aunque acumulan pérdidas de alrededor del 19% YTD.

IPOs and listings in the SIX Swiss Exchange in 2022

Three new companies incorporate into SIX Swiss Exchange so far this year with a market capitalization between CHF225M & CHF693M. One of them, Xlife Sciences, becomes the first company to list on Sparks, the new SME segment subject to the same level of supervision and provisions as companies listed on the main market.

Tres nuevas compañías se incorporan a la bolsa suiza de SIX con una capitalización de entre CHF225M y CHF693M. Una de ellas, Xlife Sciences, se convierte en la primera compañía en incorporarse a Sparks, el nuevo segmento para PYMEs sujeto al mismo nivel de supervisión que las del mercado de referencia.

SIX Swiss Exchange continues to strengthen its position as one of the top ETF venues in Europe, with over 1.600 ETFs. In this sense, ETF turnover increases 51,4% until May versus the same prior of last year while the number of trades is 5,4% higher in the same period.

SIX Swiss Exchange continúa fortaleciendo su posición como una de las principales bolsas de ETFs en Europa, con más de 1.600 ETFs. En este sentido, el volumen de ETFs incrementa un 51,4% hasta mayo con respecto al mismo periodo del año anterior, mientras que el número de operaciones lo hace en un 5,4%.

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Main ETPs figures in SIX Swiss Exchange

SIX Swiss Exchange wins award as Best European Exchange for Listing Cryptocurrency ETPs in recognition of its pioneering work in the field of investment products with cryptocurrencies as underlying. In the whole year of 2021, total turnover increased sixfold amid significant increase of investors’ demand.

SIX Swiss Exchange gana el premio "Best European Exchange for Listing Cryptocurrency ETPs" en reconocimiento a su pionero trabajo en el campo de la inversión en productos con criptomonedas como subyacente. En todo el año 2021, el volumen negociado aumentó x6 dada la creciente demanda de los inversores.
Projections on world GDP are cut, with main growth contributors facing issues. China, a 1/5th of world economic growth, slowdowns due to zero-Covid policy whilst the US registers its first QoQ GDP contraction since '20. On the other hand, India postulates to be the fastest growing country among major economies with expected +8.2% in '22.

### Main indicators - Real GDP growth YoY % *(long term estimates from IMF WEO April 2022)*

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Source: IMF - WEO April 2022

### Macro Trends

#### Appendix World Outlook

- Projections on world GDP are cut, with main growth contributors facing issues.
- China, a 1/5th of world economic growth, slowdowns due to zero-Covid policy.
- The US registers its first QoQ GDP contraction since '20.
- India is expected to be the fastest growing country among major economies with expected +8.2% in '22.
Manufacturing sector worsens as supply disruptions keep going and energy crisis hit operating margins in a wide range of industries. On the contrary, the lifting of mobility restrictions due to Covid-19 boosts the recovery of tourism and leisure so the service sector remains in expansive territory and sustains overall growth.

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

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<th>Advanced economies</th>
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<tr>
<td>Germany</td>
<td>51.11</td>
<td>46.39</td>
<td>55.28</td>
<td>53.80</td>
<td>55.60</td>
<td>55.10</td>
<td>54.30</td>
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<tr>
<td>France</td>
<td>51.15</td>
<td>43.49</td>
<td>53.76</td>
<td>52.70</td>
<td>55.50</td>
<td>56.30</td>
<td>57.60</td>
<td>57.10</td>
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<tr>
<td>Italy</td>
<td>50.08</td>
<td>41.75</td>
<td>54.71</td>
<td>50.10</td>
<td>53.60</td>
<td>52.10</td>
<td>54.50</td>
<td>54.20</td>
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<tr>
<td><strong>Spain</strong></td>
<td><strong>52.69</strong></td>
<td><strong>41.51</strong></td>
<td><strong>55.33</strong></td>
<td><strong>47.90</strong></td>
<td><strong>56.50</strong></td>
<td><strong>53.10</strong></td>
<td><strong>55.70</strong></td>
<td><strong>55.70</strong></td>
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<tr>
<td>Japan</td>
<td>50.48</td>
<td>42.42</td>
<td>49.38</td>
<td>49.90</td>
<td>45.80</td>
<td>50.30</td>
<td>51.10</td>
<td>52.30</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>50.18</td>
<td>46.43</td>
<td>55.83</td>
<td>54.20</td>
<td>59.90</td>
<td>60.90</td>
<td>58.20</td>
<td>53.10</td>
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<tr>
<td>Switzerland (manuf, Credit Suisse)</td>
<td>49.11</td>
<td>48.78</td>
<td>65.88</td>
<td>63.80</td>
<td>62.60</td>
<td>64.00</td>
<td>62.50</td>
<td>60.00</td>
</tr>
<tr>
<td>Canada (IVEY)</td>
<td>53.95</td>
<td>50.17</td>
<td>61.40</td>
<td>50.70</td>
<td>60.60</td>
<td>74.20</td>
<td>66.30</td>
<td>72.00</td>
</tr>
</tbody>
</table>

**Emerging Economies**

| China              | 51.79| 51.42| 51.96| 50.10| 50.10| 43.90| 37.20| 42.20|
| India              | 52.22| 44.28| 54.16| 53.00| 53.50| 54.30| 57.60| 58.30|
| Russia             | 52.26| 45.98| 51.93| 50.30| 50.80| 37.70| 44.40| 48.20|
| Brazil             | 51.38| 46.15| 51.15| 50.90| 53.50| 56.60| 58.50| 58.00|
| Mexico (manufacturing) | 49.67 | 42.69 | 47.62 | 46.10 | 48.00 | 49.20 | 49.30 | 50.60 |

**Consumer Confidence Index**

<table>
<thead>
<tr>
<th>Advanced economies</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>01/22</th>
<th>02/22</th>
<th>03/22</th>
<th>04/22</th>
<th>05/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>101.30</td>
<td>99.27</td>
<td>98.77</td>
<td>97.40</td>
<td>97.08</td>
<td>96.93</td>
<td>97.06</td>
<td>--</td>
</tr>
<tr>
<td>Euro Area</td>
<td>101.04</td>
<td>98.73</td>
<td>100.85</td>
<td>100.04</td>
<td>99.12</td>
<td>97.52</td>
<td>96.11</td>
<td>--</td>
</tr>
<tr>
<td>Germany</td>
<td>101.27</td>
<td>99.60</td>
<td>100.54</td>
<td>100.32</td>
<td>99.79</td>
<td>98.80</td>
<td>97.76</td>
<td>--</td>
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<tr>
<td>France</td>
<td>99.81</td>
<td>98.62</td>
<td>100.27</td>
<td>99.65</td>
<td>98.87</td>
<td>97.56</td>
<td>96.57</td>
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<tr>
<td>Italy</td>
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<td>99.45</td>
<td>102.01</td>
<td>101.29</td>
<td>100.17</td>
<td>98.70</td>
<td>97.64</td>
<td>--</td>
</tr>
<tr>
<td><strong>Spain</strong></td>
<td><strong>101.77</strong></td>
<td><strong>96.84</strong></td>
<td><strong>99.76</strong></td>
<td><strong>99.37</strong></td>
<td><strong>98.55</strong></td>
<td><strong>96.57</strong></td>
<td><strong>94.90</strong></td>
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<td>Japan</td>
<td>99.03</td>
<td>96.64</td>
<td>98.29</td>
<td>98.43</td>
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<td>97.59</td>
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<tr>
<td>United Kingdom</td>
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<td>98.01</td>
<td>100.91</td>
<td>98.86</td>
<td>97.40</td>
<td>95.80</td>
<td>94.11</td>
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<tr>
<td>Switzerland</td>
<td>99.94</td>
<td>97.56</td>
<td>100.09</td>
<td>101.32</td>
<td>100.90</td>
<td>100.31</td>
<td>99.64</td>
<td>98.93</td>
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<tr>
<td>Canada (refinitiv)</td>
<td>53.18</td>
<td>45.25</td>
<td>52.28</td>
<td>51.51</td>
<td>51.41</td>
<td>49.09</td>
<td>49.98</td>
<td>52.23</td>
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</table>

<table>
<thead>
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<th>Emerging Economies</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>01/22</th>
<th>02/22</th>
<th>03/22</th>
<th>04/22</th>
<th>05/22</th>
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</thead>
<tbody>
<tr>
<td>China (RBI)</td>
<td>105.08</td>
<td>103.22</td>
<td>103.72</td>
<td>103.37</td>
<td>102.72</td>
<td>101.42</td>
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<tr>
<td>India</td>
<td>85.70</td>
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<td>63.40</td>
<td>64.40</td>
<td>64.40</td>
<td>71.70</td>
<td>71.70</td>
<td>71.70</td>
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<tr>
<td>Russia</td>
<td>99.59</td>
<td>97.19</td>
<td>97.83</td>
<td>98.11</td>
<td>98.24</td>
<td>98.33</td>
<td>98.54</td>
<td>--</td>
</tr>
<tr>
<td>Brazil</td>
<td>100.53</td>
<td>98.50</td>
<td>98.31</td>
<td>98.11</td>
<td>98.24</td>
<td>98.33</td>
<td>98.54</td>
<td>--</td>
</tr>
<tr>
<td>Mexico</td>
<td>104.45</td>
<td>98.00</td>
<td>102.28</td>
<td>103.17</td>
<td>103.01</td>
<td>103.00</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Source: IHS Markit; OECD, IVEY, Refinitiv, Credit Suisse, RBI.
**Main indicators**

### Inflation (IMF, YoY)

#### Advanced economies
- **United States**: 2.26, 1.28, 7.10, 7.53, 7.91, 8.56, 8.22, 8.52
- **Euro Area**: 1.30, -0.30, 5.00, 5.10, 5.90, 7.40, 7.40, 8.10
- **Germany**: 1.50, -0.70, 5.70, 5.10, 5.50, 7.60, 7.80, 8.70
- **France**: 1.60, 0.00, 3.40, 3.30, 4.20, 5.10, 5.40, 5.80
- **Italy**: 0.50, -0.30, 4.20, 5.10, 6.20, 6.80, 6.30, 7.30
- **Japan**: 0.80, -1.20, 0.80, 0.50, 0.90, 1.20, 2.50, --
- **United Kingdom**: 1.30, 0.60, 5.40, 5.50, 6.20, 7.00, 9.00, --
- **Switzerland**: -0.10, -1.00, 1.30, 1.40, 1.90, 2.20, 2.30, 2.9%
- **Canada (IVEY)**: 2.20, 0.70, 4.90, 5.10, 5.70, 6.50, 6.60, --

#### Emerging Economies
- **China**: 4.50, 0.20, 1.50, 0.90, 0.90, 1.50, 2.10, 2.10
- **India**: 7.11, 4.64, 5.61, 6.08, 6.14, 7.02, 7.87, 7.12
- **Russia**: 2.99, 4.86, 8.43, 8.90, 9.35, 16.88, 18.06, 17.32
- **Brazil**: 4.48, 5.45, 10.16, 10.60, 10.80, 11.73, 12.47, 11.90
- **Mexico (manufacturing)**: 2.72, 3.18, 7.33, 7.13, 7.34, 7.51, 7.74, 7.71

### Commodities - Month-end data (Thompson Reuters)

#### CRB Index
- 196.64, 178.29, 247.02, 271.23, 286.14, 314.03, 328.15, 337.24

#### Bloomberg Commodity Index
- 172.00, 166.63, 211.80, 230.40, 244.75, 265.91, 276.92, 281.15

### Energy & Transportation

#### Brent Oil
- 67.77, 51.22, 77.24, 92.35, 103.08, 107.29, 108.36, 125.53

#### West Texas Oil
- 61.08, 48.28, 75.21, 88.15, 95.72, 100.28, 104.69, 114.67

#### Natural Gas
- 2.19, 2.54, 3.73, 4.87, 4.40, 5.64, 7.24, 8.15

#### Baltic Dry Index (Transp.)
- 1090, 1366, 2217, 1418, 2040, 2358, 2404, 2566

### Metals

#### Gold
- 1520.50, 1897.77, 1822.39, 1796.65, 1903.75, 1941.15, 1908.49, 1845.14

#### Silver
- 17.92, 26.38, 23.27, 22.48, 24.24, 24.99, 23.10, 21.76

#### Cooper
- 2.80, 3.52, 4.46, 4.33, 4.45, 4.75, 4.41, 4.30

### Currencies (units per EUR) - Year or Month-end data (Thompson Reuters)

#### USD (United States)
- 1.122, 1.222, 1.138, 1.123, 1.122, 1.108, 1.056, 1.074

#### GBP (United Kingdom)
- 0.847, 0.895, 0.840, 0.836, 0.837, 0.845, 0.840, 0.850

#### CHF (Switzerland)
- 1.087, 1.082, 1.036, 1.044, 1.030, 1.024, 1.024, 1.027

#### JPY (Japan)
- 121.99, 126.33, 130.95, 129.17, 129.36, 135.05, 136.68, 137.81

#### CNY (China)
- 7.819, 8.002, 7.248, 7.136, 7.089, 7.058, 6.949, 7.131

#### BRL (Brazil)
- 4.516, 6.355, 6.334, 5.953, 5.786, 5.287, 5.224, 5.076

#### MXN (Mexico)

---

**Source:** IMF, Thompson Reuters.
Macro Trends

Appendix Spanish Debt Outlook

Spanish Govt. deficit is expected to improve to -5% in ’22 after closing ’21 at -6.9%. The recovery plus high inflation will also allow the country to reduce debt levels over GDP from 118.4% in ’21 to 112.6% in ’22. Long maturity of debt and measures by the ECB will help maintain interest rates of new issuances at sustainable levels.

### Main public debt figures, Bank of Spain & Treasury

<table>
<thead>
<tr>
<th>Debt to GDP 2021</th>
<th>118.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/Deficit 2021</td>
<td>-6.90%</td>
</tr>
<tr>
<td>Avg. Cost of Debt 2021</td>
<td>1.64%</td>
</tr>
<tr>
<td>Cost of debt issued 2021</td>
<td>-0.04%</td>
</tr>
<tr>
<td>Avg. Maturity Debt 2021</td>
<td>8 years</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Debt to GDP 2022</th>
<th>112.6% estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/Deficit 2022</td>
<td>-5.0% estimate</td>
</tr>
<tr>
<td>Avg. Cost of Debt 2022</td>
<td>1.57%</td>
</tr>
<tr>
<td>Cost of debt issued 2022</td>
<td>1.04%</td>
</tr>
<tr>
<td>Avg. Maturity Debt 2022</td>
<td>8.15 years</td>
</tr>
</tbody>
</table>

### Ratings Public Debt

- Fitch: A- / estable
- Moody’s: Baa1 / estable
- S&P: A / estable

### 2022 - Net financing

| Short Term | €-5,00bn |
| Med.&Long T. | €80,00bn |
| Total | €75,00bn |

### Public Debt Issuances

<table>
<thead>
<tr>
<th>31/05/2022</th>
<th>3M</th>
<th>6M</th>
<th>9M</th>
<th>12M</th>
<th>2Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury bills. IRR (%)</td>
<td>-0.471</td>
<td>0.010</td>
<td>0.085</td>
<td>0.208</td>
<td>0.757</td>
</tr>
<tr>
<td>3Y</td>
<td>0.13</td>
<td>0.05</td>
<td>0.17</td>
<td>0.32</td>
<td>0.89</td>
</tr>
<tr>
<td>5Y</td>
<td>0.18</td>
<td>0.10</td>
<td>0.23</td>
<td>0.45</td>
<td>1.20</td>
</tr>
<tr>
<td>10Y</td>
<td>0.25</td>
<td>0.14</td>
<td>0.29</td>
<td>0.56</td>
<td>1.75</td>
</tr>
<tr>
<td>15Y</td>
<td>0.32</td>
<td>0.19</td>
<td>0.34</td>
<td>0.69</td>
<td>2.15</td>
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<tr>
<td>30Y</td>
<td>0.40</td>
<td>0.24</td>
<td>0.41</td>
<td>0.83</td>
<td>2.50</td>
</tr>
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</table>

### Average cost of outstanding public debt (%)

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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
<td>11%</td>
</tr>
</tbody>
</table>

### Cost of debt evolution

**Private Cost of debt issued by sectors (%)**

- Energy
- Industry
- Transportation
- Commerce & Hostelry
- Information & Communications
- Other services

**Average cost of outstanding public debt (%)**

Sources: BME, Bank of Spain, Public Treasury and T. Reuters
Spanish equity market

<table>
<thead>
<tr>
<th>Year</th>
<th>2Q '21</th>
<th>3Q '21</th>
<th>4Q '21</th>
<th>1Q '22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover (M€)</td>
<td>429.359</td>
<td>378.144</td>
<td>96.004</td>
<td>79.886</td>
</tr>
<tr>
<td>Nº Trades (M)</td>
<td>55.65</td>
<td>45.07</td>
<td>10.62</td>
<td>10.14</td>
</tr>
<tr>
<td>Capital increases (M€)</td>
<td>15.791</td>
<td>21.003</td>
<td>8.559</td>
<td>4.302</td>
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<tr>
<td>Dividends distributed (M€)</td>
<td>18.523</td>
<td>19.069</td>
<td>3.919</td>
<td>5.791</td>
</tr>
<tr>
<td>IBEX 35® Dividend Yield (%)</td>
<td>4.17</td>
<td>2.8%</td>
<td>2.84</td>
<td>2.80</td>
</tr>
<tr>
<td>VIBEX Volatility Index (%)</td>
<td>25.52</td>
<td>17.37</td>
<td>16.08</td>
<td>16.04</td>
</tr>
<tr>
<td>BME Growth, Nº companies</td>
<td>119</td>
<td>127</td>
<td>120</td>
<td>126</td>
</tr>
</tbody>
</table>

Spanish equity market outperforms main international stock indices in '22 and already registers similar returns since '21 with a higher dividend yield ratio and greater value stocks weight. In addition, Spanish growth market of SME’s rebounds from March lows and diverges from Russell 2000 underperformance.

Macro Trends

**IBEX 35®**

- Pharma & Biotech products (3.4%)
- Consumer Goods (16.0%)
- Basic Materials, Industry & Building (15.2%)
- Oil & Energy (23.9%)
- Consumer Services (5.4%)
- Financial Services (21.0%)
- Real estate Services (1.5%)

**IBEX MEDIUM CAP®**

- **IBEX SMALL CAP®**
- **IBEX 35® TR**

**IBEX 35® Sector Composition** (% calculated on market capitalization of the index)

**IBEX 35® TR**

- Pharma & Biotech products (2%)
- Electronics & Software (22%)
- Engineering & others (5%)
- Renewable Energy (36%)
- Media & Publicity (2%)
- Telecomunications & Others (7%)
- Other services (19%)
- Others (8%)

**VIBEX (BME`s Volatility Index)**

(2019- June 2022)

Sources: BME, Fese and Thompson Reuters

---

**International Stock indexes (2021 - June 2022)**

(Base 100 = 31/12/2020)

- IBEX 35®
- EUROSTOXX 50
- S&P 500
- NIKKEI 225
- SHANGHAI COMPOSITE

---

**Sources:** BME, Fese and Thompson Reuters
Equity and ETF trading turnover and number of trades improve YTD amid increasing volatility. SMI Index Dividend Yield rises as prices correct and dividends continue its recovery.

### Macro Trends

**Swiss Equity Market**

#### SMI and SPI Indexes (until June 17th 2022)

- SMI
- SPI (Total Return)
- SMIM (Total Return)
- SPI SMALL (Total Return)

#### SIX ESG Indexes (2021 until June 17th 2022)

- SPI GENDER EQUALITY (Total Return)
- SPI ESG (Total Return)
- SXI Swiss Sustainability 25

#### SMI Sector Composition

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

- Health Care (39.7%)
- Consumer Goods (27.4%)
- Basic Materials, Industry & Building (13.0%)
- Consumer Services (13.0%)
- Financial Institutions (15.8%)
- Technology & Telecommunications (2.9%)

#### SWISS EQUITY MARKET

- **Turnover (BnCHF)**
  - 2021: 1.468
  - 2021 2Q: 1.050
  - 2021 3Q: 260
  - 2021 4Q: 232
  - 2022 1Q: 248
  - 2022 1Q: 312

- **Nº Trades (M)**
  - 2021 2Q: 96,503
  - 2021 3Q: 59,900
  - 2021 4Q: 13,800
  - 2022 1Q: 13,462
  - 2022 1Q: 14,345
  - 2022 1Q: 18,324

- **IPOs (nº)**
  - 2021 2Q: 2
  - 2021 3Q: 5
  - 2021 4Q: 2
  - 2022 1Q: 1
  - 2022 1Q: 2
  - 2022 1Q: 2

- **SMI Dividend Yield (%)**
  - 2021 2Q: 2.84
  - 2021 3Q: 2.50
  - 2021 4Q: 2.50
  - 2022 1Q: 2.50
  - 2022 1Q: 2.80

- **VSMI Volatility Index (%)**
  - 2021 2Q: 25.52
  - 2021 3Q: 17.36
  - 2021 4Q: 15.84
  - 2022 1Q: 21.82
  - 2022 1Q: 34.99

- **ETF Turnover (BnCHF)**
  - 2021 2Q: 112
  - 2021 3Q: 80
  - 2021 4Q: 19
  - 2022 1Q: 15.84
  - 2022 1Q: 21.82
  - 2022 1Q: 34.99

- **Struct. Prod. & Warrants Turnover**
  - 2021 2Q: 23
  - 2021 3Q: 20
  - 2021 4Q: 4.53
  - 2022 1Q: 4.28
  - 2022 1Q: 4.99
  - 2022 1Q: 4.88

---

**Sources:** BME, Fese and Thompson Reuters

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**International Stock Indexes (2021 - June 2022)**

(Base 100 = 31/12/2020)