

# Economic Situation in the Community of Madrid

Sub directorate General for Economic Analysis  
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## **Disclaimer:**

The Community of Madrid does not make its own predictions about the growth of the regional economy. Those included in this report have been published by various independent sources and are cited as such.

### **Note on the analysis of the evolution of economic indicators in this report.**

An assessment of how economic indicators have recovered following the COVID crisis is based on a comparison with the usual levels in the reference months prior to the outbreak of the pandemic. This report, therefore, sheds light on monthly indicator values from March 2019 to February 2020 and the variations in 2024 levels relative to pre-pandemic levels, alongside the usual year-on-year rate of change.

**Close date: 26/11/2024**

## I. Overview of the economic situation

Once again, it is necessary to begin this report by noting that the performance of the economy in the third quarter of 2024 has been more positive than anticipated just a few months ago. The upward revision of growth expectations for economic activity is proving to be one of the defining features of this year, for which a slowdown in production was expected but has not materialised, neither at the national nor regional level.

In January, national GDP forecasts pointed to a growth of around 1.5% for 2024 and an increase in activity in 2025 of half a percentage point. However, the successive upward revisions to the GDP forecast, as shown in this [animated graph](#), have resulted in November's projections doubling the initial forecast for 2024, while indicating a moderate slowdown in growth for 2025, now estimated at 2.2%, slightly above the original expectation for the year. Another clear fact is that growth forecasts for the region consistently exceed the national average.

Key factors driving the growth of activity include the strength and dynamism of the labour market, the positive performance of external demand, and the containment of inflationary pressures. No less relevant is the lack of surprises in the evolution of monetary policy towards a gradual lowering of interest rates, or the high degree of accommodativeness of the economies of the main blocs in response to the ongoing, and even escalating, military conflicts in Ukraine and Palestine, whose feared geopolitical escalations have been avoided so far.

The strong economic results of 2024 should not, however, obscure the significant changes unfolding on the international stage, amid a tectonic reconfiguration of major power blocs. A fierce battle is being waged over who will effectively hold power states and their sovereign groupings or large multinational corporations, in an ongoing struggle to determine who will govern the market structures of the future. The lines between these two actors may even be unclear at times, as demonstrated by the new "cooperation" avenues that have opened between some states and major global corporations.

In 2024, there is evidence of a profound weakening of supranational bodies based on democratic rules, the search for consensual solutions and mutual recognition and respect. The return to bilateralism, protectionist trade models, and local sourcing of strategic inputs are undermining agreements that once appeared solid. An example of this is the dubious future of the commitment to reduce the use of fossil fuels, in which the set targets set appear to be unravelling amidst the inability to implement in the short term the measures necessary to carry out the structural transformation that it once championed.

In this context, the question of which growth model or models will ultimately prove successful in the short, medium, and long term is once again being called into question. The global cost of the lack of consensus on major supranational issues threatens to be pushed to the background, along with its impact on the planet and its citizens. As game theory showed long ago, win-win outcomes are possible, but achieving them is costly and requires the willingness and commitment of all parties to refrain from focusing solely on maximising their own gains.

Against the backdrop of these profound dynamics that will shape the world of tomorrow, the analysis of the cyclical evolution of the Community of Madrid, which is the focus of this third-quarter 2024 report, is progressing at an interesting pace.

The recent performance of the regional economy can be described as very positive. Growth estimates place GDP growth in the third quarter within a range of 0.8%-0.9% quarter-on-quarter, in line with the growth observed in previous quarters and comparable to the average quarterly growth rate from 2014-2019, the expansionary phase following the financial crisis. However, if these growth figures are confirmed, the increase in GDP for the region over the first three quarters would show a significant boost, with an average quarter-on-quarter increase of 0.8% in 2024, two-tenths of a percentage point above the averages of 2023 and 2019.

This expansion of activity is particularly relevant as it comes at a time of full recovery of pre-pandemic production levels, and in a context of contained price increases, which seems to indicate that no imbalances are being fuelled in the regional domestic market. In this regard, the labour market's response is playing a crucial role by providing the necessary human capital to support the increase in activity without causing wage pressures.

With the highest number of Social Security contributors for a third quarter and a year-on-year increase of 3.4%, the Community of Madrid has set a new record for its active population, according to the Labour Force Survey (LFS). The increase in unemployment this quarter can be attributed to the outflow of individuals from inactivity, reflecting the strong performance of the labour market in the region. This dynamic of job creation encourages the entry of new members into the active population, which acts as a safety valve to prevent imbalances in the labour market.

Therefore, although there has been a slight decrease in the number of employed individuals and a seasonal increase in unemployment during the quarter, the year-on-year growth in employment stands at 3%. Although the pace of unemployment reduction has slowed again this quarter, resulting in an increase in the unemployment rate, it remains below 10%, and efforts to reduce it continue.

This report presents a new study analysing hours worked by gender, type of workday, and sector of activity. It reveals that the number of actual weekly hours worked in the Community of Madrid has reached a new record for a third quarter, with a 5.7% increase compared to the same quarter in 2019 and a 5% increase over the peak before the financial crisis. This is not the case in Spain, where, although the number of hours worked has surpassed pre-COVID levels, it remains 2.9% below the hours worked in the third quarter of 2007. This divergence is due to a less negative trend in the number of hours worked by men in the region and by significant differences in the evolution of specialisation by sector in the Community of Madrid compared to the national average throughout the analysed period (2005-2024).

In addition, inflationary pressures on the prices of goods and services appear to be more controlled than a few months ago, a trend shared by the region with the national, European, and global contexts. Headline inflation, measured in terms of the CPI, has shown a slowdown in its growth in recent months. After a rebound observed in the second quarter, when it hovered around 3.4%, it dropped by more than one percentage point in the third quarter, reaching 1.5% in September and standing at 2% in October, the latest available data at the time of this report.

Core inflation, although also slowing down, does so at a slower pace, showing greater resistance to returning to growth rates around the arbitrary 2%. It was recorded at 2.6% in October. Core inflation has accumulated a growth of 2.3% in 2024 (January-October). The high levels of core inflation growth are primarily driven by the rising cost of services, which remains the most inflationary component. It accounts for over 72% of the accumulated core inflation this year (1.7 percentage points of the 2.3%), exceeding its weight in the index, which is 60%.

The international flows of goods in the region are also in the process of normalising, having been significantly affected in their composition, initially by the COVID crisis and later by the rise in prices. In the third quarter, exports not only remained positive but also accelerated their year-on-year growth rate from the previous quarter to 12.1%, while imports continue to be below the levels of the previous year. However, their year-on-year decline has slowed, now standing at 0.9%. There are compelling reasons to highlight the strong performance of the region's export sector, as demonstrated by the growth of the "Machinery and Mechanical Appliances" category, which ranks second among the top-selling products in 2024 (January-September), up from fourth place in 2023, only behind "Pharmaceuticals". This category further confirms how vaccine shipments have been relegated to secondary positions, with a variety of other products now driving the export value.

This positive trend in external demand has been supported by strong domestic demand, underpinned by the healthy performance of the labour market and the confidence of both consumers and businesses. Their behaviour continues to reflect a positive perception of the regional economy, even in an external context characterised by high volatility and uncertainty.

It is therefore not surprising to see that the most recent growth forecasts for the regional economy are not only significantly higher than those made at the start of the year but also higher than those projected for the national economy as a whole, as was mentioned at the beginning of this report. Therefore, estimated growth for the Community of Madrid in 2024 is between 2.9% and 3.4%, up from the 2.1% - 2.9% estimated at the close of the previous report. This revision is set within a national context for which the same forecasting agencies estimate growth between 2.8% and 3% for 2024, when at the end of September; it ranged between 2.2% and 2.7%. As a result, 2024 is now shaping up to be a year of accelerated activity, with any moderation in growth postponed until 2025, although this moderation is now expected to be limited.

## II. International context

**Stability in the world economy, but with increasing risks.** The latest IMF report forecasts that "global growth will remain stable, but at disappointing rates". All analysts lean towards a worsening of the situation, with geopolitical tensions that could flare up again, issues in China's real estate sector, the rise of protectionism, ongoing geoeconomic fragmentation, and the decisions of the new administration in the US potentially leading to a shift in overall economic policies. The latest outlook for the world economy presented by the IMF in October points to a better 2025 for the Eurozone, with GDP growth of 1.2% compared to 0.8% in 2024 and a slowdown in the US (2.2% in 2025 compared to 2.8% in 2024). China's economy continues to be dragged down by its real estate crisis and the consequent brake on consumption and investment (4.5% in 2025 compared to 4.8% in 2024).

In the US, GDP grew by 0.7% quarter-on-quarter in the third quarter of 2024, showing a slight moderation compared to the figure recorded in the second quarter (0.8%). Meanwhile, the countries of the Eurozone recorded GDP growth of 0.4% in the third quarter of the year, up from 0.2% in the second quarter. The EU27 grew by 0.3%. Of the large Eurozone economies, the Spanish economy shows one of the best performances in the EU. It is the third fastest-growing economy in the third quarter of the year, with 0.8% growth, while France recorded an increase of 0.4% between July and September. The Italian economy, for its part, has stagnated with no growth in the third quarter. Germany returns to growth in the third quarter of 2024, with 0.3% compared to -0.1% in the second quarter.

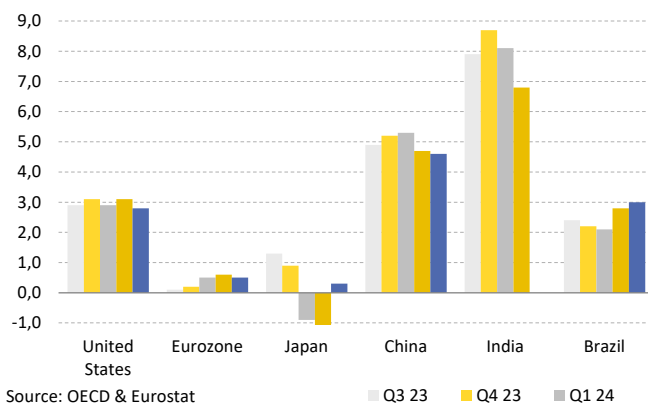
Finally, China's GDP growth accelerated to 0.9% in the third quarter, a pace substantially higher than the 0.5% observed in the second quarter, although slightly below

market expectations, which anticipate further stimulus measures from Beijing.

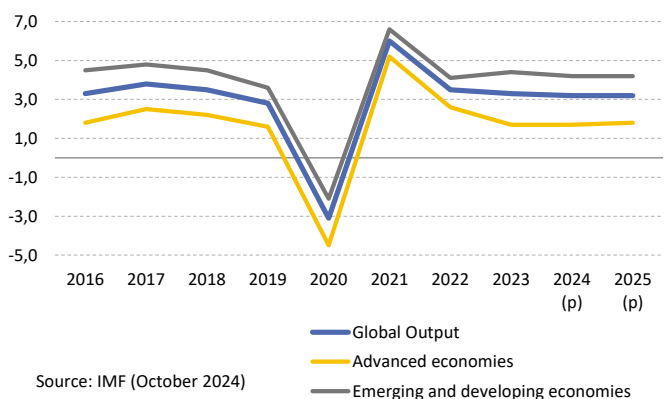
In the Eurozone, headline inflation reached 2% year-on-year in October (1.7% in September), while core inflation remained steady at 2.7%. This rebound is mainly explained by the increase in prices of more volatile components, such as energy and food. In the US, headline inflation decreased by a tenth of a percentage point to 2.4% in September, while core inflation accelerated by a tenth of a percentage point to 3.3%. In view of a return to normality in the main macroeconomic variables, the IMF suggests the need for a "triple pivot" in economic policy. Monetary policy must shift from restrictive to neutral, fiscal consolidation should manage debt dynamics and rebuild "buffers," while reforms are needed to improve growth and boost productivity.

At the start of the fourth quarter, business sentiment indicators continue to show a clear disparity between the Eurozone and the US, as well as the weakness of the global manufacturing sector compared to a more resilient services sector. Thus, the composite PMI for the Eurozone in October stood at 50 points (49.6 in September), indicating a stagnation in activity. In the US, the composite index rose to 54.3 points (from 54 in September), remaining in expansionary territory and providing further evidence of the dynamism of the US economy. The manufacturing sector remains sluggish. In the Eurozone, the manufacturing PMI reached 46 points in October (up from 45 previously), while US manufacturing, despite some improvement (47.8 vs. 47.3), still falls short of reaching growth levels. In terms of the services sector, both remain in expansionary territory, although momentum has slowed in the Eurozone (51.6 vs. 51.4), while in the US, the index continues to show greater strength (55.3 vs. 55.2).

**Evolution of main economies**  
(Year on year rates of change)



**World economic growth 2016-2025**



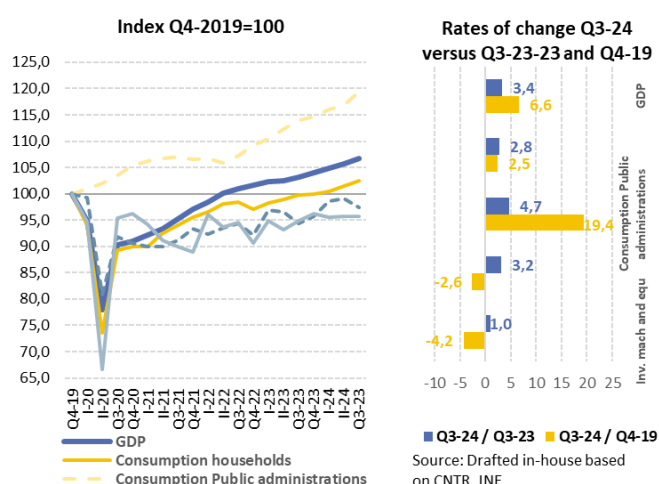
### III. National framework

#### 1. Growth

The preliminary quarterly accounts data from the INE once again exceeded expectations in the third quarter, with a quarter-on-quarter GDP growth of 0.8%. The pace from the previous quarter is therefore continues, although with a slightly higher domestic contribution, driven mainly by the acceleration in consumption despite the decline in investment.

Household consumption increased by one-tenth of a percentage point, reaching 1.1%, although the boost was greater in Public Administration consumption, which rises by 2.2%. In contrast, gross fixed capital formation (GFCF) contracted by 0.9% compared to the second quarter, with a significant reduction in construction investment of 1.7%, while investment in machinery and equipment has shown modest growth of 0.1%. The contribution of external demand was slightly negative this quarter due to the increased dynamism of imports.

Evolution of GDP, consumption and investment in Spain



In year-on-year terms, GDP growth accelerated by two tenths of a percentage point to 3.4%, driven by domestic demand, which increased its contribution from 2.5 to 2.7 points. Consumption accelerated its rate of growth by 0.4 percentage points, as did both the household and Public Administration, which grew by 2.8% and 4.7% respectively. However, GFCF lost momentum, with an increase of 1.8%, hindered by slower growth in investment in machinery and equipment, which rises by 1%, despite the increased dynamism in construction investment, which grows by 3.2%. It should be noted that both continue to be below their pre-pandemic levels.

External demand maintained its contribution at 0.7 points, although both exports and imports were more

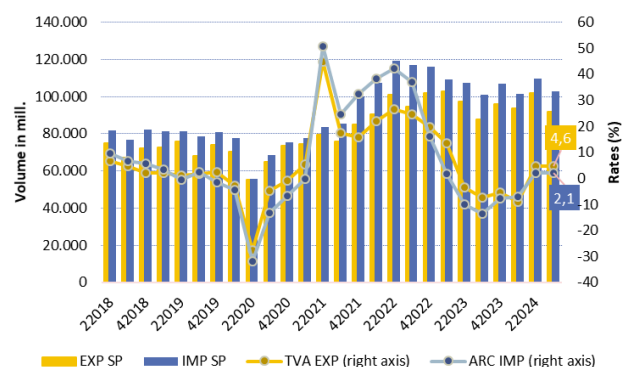
dynamic, growing at rates higher than those of the last six and eight quarters, respectively.

#### 2. Foreign sector

In the third quarter of the year, Spain's balance of trade continues the trend of the gains recorded in the previous quarter. Spanish exports of goods increased by 4.6% in the third quarter of 2024 compared to the same period in 2023, and posted a volume of €91,700.4 billion. Meanwhile, imports grew in the third quarter to €102,968.9 billion, 2.1% more than in the third quarter of 2023. The balance of trade recorded a deficit of €11,268.6 billion. The coverage rate stood at 89.1%.

The performance of the third quarter, which showed growth at a similar pace to that of the previous quarter, has helped mitigate the declines seen so far this year, caused by significant drops in the first quarter. Thus, for the January-September 2024 period, exports eased the decline to -0.3%, while imports saw a smaller reduction of -1%. The coverage rate for the year-to-date is 91.4%.

Quarterly export volumes and rates. Spain



As for the sectors that most contribute to the increase in the variation of exports so far in 2024, *Food, beverages, and tobacco* leads the way 1.2 percentage points, followed by *Consumer manufactures*, which contribute 0.2 percentage points. The most notable negative contributions come from *Chemicals*, with -1.1 percentage points, *Non-chemical semi-manufactures*, which subtracts 0.3 percentage points, and *Energy products*, with -0.2 percentage points. For imports, the positive contributors are *Durable consumer goods* and *Consumer manufactures*, both with 0.2 percentage points. On the negative side, *Energy products* stand out, subtracting 1.1 percentage points, followed by the *Automotive sector*, contributing -0.3 percentage points, and *Chemicals*, which subtracts -0.1 percentage points from the rate.



### 3. Labour market

**Positive results of the LFS in the third quarter, which reports new records for both jobholders and active individuals.** The main variables have behaved according to the expected seasonal pattern, with quarter-on-quarter reductions in the number of unemployed and an increase in the number of jobholders, leading to a rise in the active population.

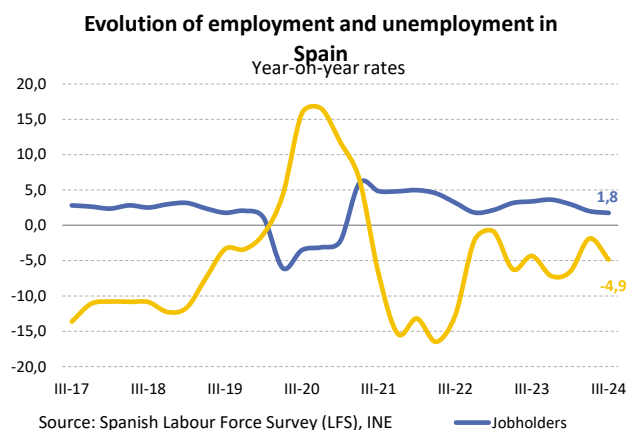
However, the intensity of the rise in jobholders and the active population has been lower than that observed a year ago, leading to a slowdown in the year-on-year growth rate of both variables. The opposite occurs with the number of unemployed, which, although experiencing a virtually negligible reduction, shows a more pronounced year-on-year decline in the third quarter of 2024 due to the comparison with an atypical third quarter of 2023, when unemployment increased.

With 21.8 million people employed and 2.7 million unemployed, Spain's participation rate is up by one-tenth of a percentage point to 59%, while the unemployment rate is down by one-tenth of a percentage point to 11.2%, a level not seen since before the onset of the financial crisis in late 2008.

These results occur in a context of very stable year-on-year growth of the working-age population, while the active population no longer shows a more dynamic trend than the population aged 16 and over, a shift that has not occurred since late 2022.

Thus, in 2024 employment continues to show a slower year-on-year growth profile, which contrasts with that seen the previous year, a pattern also observed in the seasonally adjusted data.

The year-on-year fall in unemployment is gaining in intensity and stands at 4.9%, after the abrupt slowdown in the second quarter. If we remove the seasonal effect, the drop in unemployment becomes even more pronounced.

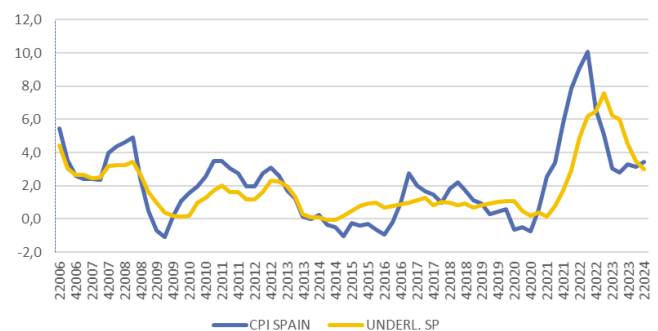


**Registration data points to the same trend.** A stabilised increase in the number of Social Security contributors was observed in the third quarter, reaching a historic high in June. Registered unemployment accelerated its decline in the third quarter to below 2.6 million.

### 4. Prices

**In the third quarter of 2024, inflation for the country as a whole, following the increase in the second quarter, returns to a path of moderation.** CPI inflation reached an average rate of 2.2% in the third quarter of 2024 (3.5 in the previous quarter), showing a gradual downward trend from 2.8% in July to 1.5% in September. The October data, the most recent available at the time of this report, shows a slight uptick, reaching 1.8%, although it remains below the ECB's target. Meanwhile, core inflation follows a similar path, though more gradual. The average rate for the third quarter stands at 2.6%, with a downward trend throughout the quarter, from 2.8% in July to 2.4% in September. The figure for October is 2.5%, a slight increase of one tenth of a percentage point.

Quarterly headline and core for Spain



As for the analysis of the evolution of the twelve groups that make up the shopping basket, 'Transport' recorded the least inflationary behaviour in October. Its rate decreased from 2.4% in July to -3% in October, influenced by year-on-year comparisons, as fuel prices saw significant increases a year ago. Among the most inflationary groups are 'Hotels and restaurants', experiencing a slight easing of its inflation since June, and recording 4.3% in October. This is followed by 'Housing', which saw an increase in October, reaching 4.2%, showing significant variability in its rates throughout the year. Next, 'Alcoholic beverages and tobacco' with an inflation rate of 3.6% in October. Moreover 'Other goods and services' with a rate of 3.3%. Moreover, 'Food and alcoholic beverages', a group with a significant impact on consumers' wallets, has also seen its inflation moderate over the course of the year, from 7.4% recorded in January to 1.9% in October.

In the international context, according to Eurostat, the indicator for the Eurozone fell slightly in the third quarter to 2.2% (2.5% in the second quarter of 2024). In October, the latest published figure stands at 2%, two-tenths of a percentage point higher than the September figure.

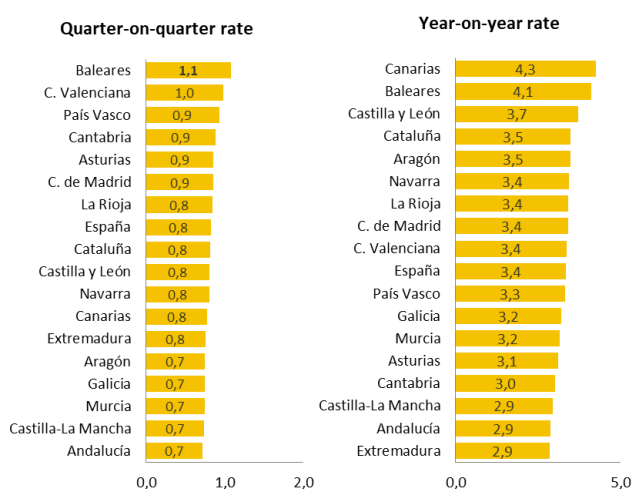


## IV. Economic growth and forecasts

**Madrid's economy so far in 2024 has continued to build on the momentum gained in the fourth quarter of last year**, in a national context where growth figures have consistently exceeded all expectations. The sustained strength of the labour market, along with the positive performance of the economic indicators, supports expectations of a continued dynamic pace of GDP growth for the region in the third quarter of 2024. Preliminary estimates from the regional government place this growth at around 0.8% quarter-on-quarter, similar to the previous quarter, and approximately 3.4% year-on-year. Madrid's economy is therefore expected to continue the accelerating growth trend it has demonstrated throughout the year.

Fully aligned with these figures, the regional estimates from AIREF, consistent with the preliminary QNA data for the third quarter, indicate slightly higher growth for Madrid at 0.9%, three-tenths of a percentage point above the previous quarter and one-tenth above the national average. The year-on-year rate is expected to reach 3.4%, similar to the figure reported by the INE for Spain, continuing its expansionary trend since the last quarter of last year.

**Quarterly regional growth estimates AIREF**  
GDP actual rates of change

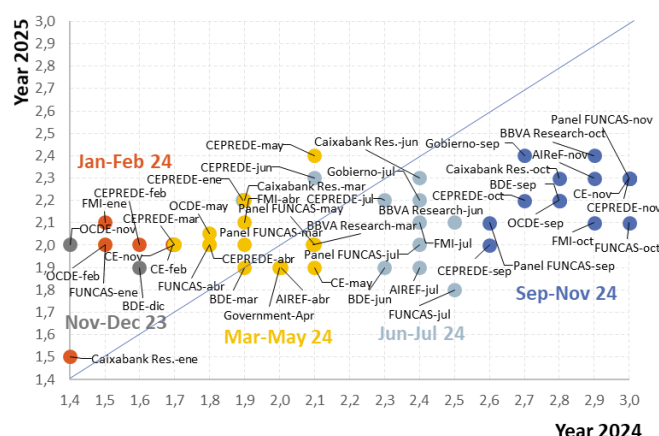


**This progress of the Community of Madrid occurs within a national context that has continued to exceed expectations.** Thus, the performance of the Spanish economy, both in the last quarter and throughout the year, has seen successive improvements compared to previous estimates, which have been further reinforced by the extraordinary revision carried out by the INE on the Spanish National Accounts data published in September.

**Radical shift in expectations.** The two factors mentioned above have been crucial in the ongoing revision of national growth figures observed throughout

the year. The change has primarily occurred in the forecasts for 2024, for which an initial decline in dynamism compared to 2023 was anticipated. After being forecasted in the range of 1.4% to 1.6% at the beginning of the year, from September onwards, they have not been lower than 2.6%. The latest estimates published in November, which already incorporate the INE's preliminary figures for the third quarter, stand at around 3%, representing an acceleration of three-tenths of a percentage point compared to the 2.7% GDP growth in 2023.

**Evolution of national GDP growth forecasts 2024 and 2025**



Regarding the forecasts for 2025, which had remained stable around 2% throughout the year, they have shown some improvement since September. The estimates released in October and November now range from 2.1% to 2.4%, averaging 2.3%, which slightly moderates the projected slowdown for the coming year.

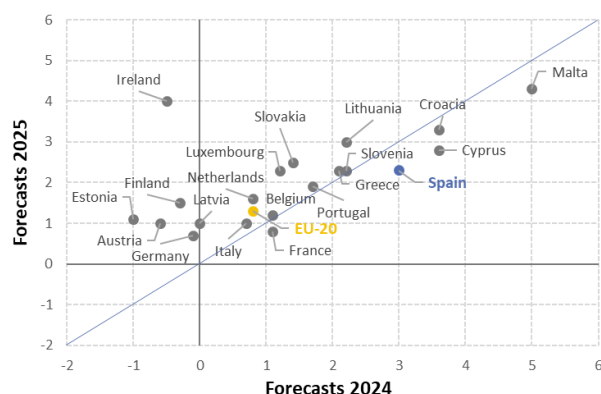
**The European Commission upgrades its projections for Spain, which is set to be one of the most dynamic economies in the Eurozone this year.** The most recent forecasts include those in the Commission's autumn report, which, compared to the spring forecast, significantly raise Spain's projections: a 0.9 percentage point increase for 2024, now at 3%, and a 0.4 percentage point increase for 2025, reaching 2.3%. To put this into context, this means an increase in accumulated growth from 4.04% over two years to 5.37%, between the spring and autumn periods.

Spain's growth will remain among the highest in the Eurozone in 2024, driven by domestic demand, particularly consumption, supported by the resilience of the labour market. These forecasts surpass those of the EU-20, whose expectations have remained around those stated in May: 0.8% for 2024 and 1.3% (one-tenth lower) for 2025.

The asymmetries in growth across countries are notable in the 2024 projections, with rates ranging from -1% in

Estonia to +5% in Malta. The largest economies show significant weakness, particularly Germany, which is now expected to experience a contraction of -0.1%. However, the Commission anticipates some correction of these differences in the coming year, with growth forecasts for the twenty Eurozone countries ranging from 0.7% in Germany to 4.3% in Malta.

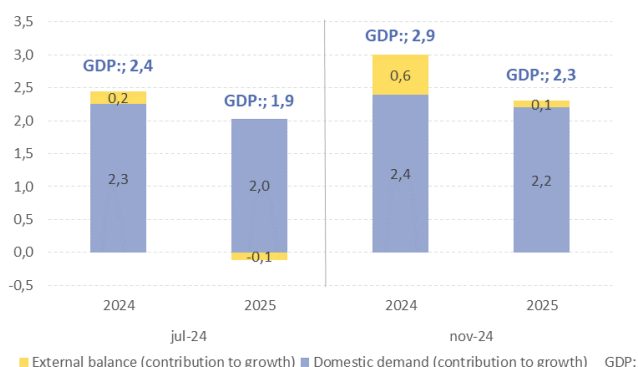
Growth projections in Eurozone countries



Source: European Commission. Autumn forecast, November 2024.

**AIReF raises its 2024 forecasts due to the better-than-expected performance of the foreign sector.** As it had announced in its endorsement report on Spain's General Budgets, AIReF has just published a new macroeconomic outlook, forecasting a 2.9% increase in national GDP for 2024, five-tenths of a percentage point higher than the July forecast. Of particular note is the revision of foreign demand, which is expected to contribute six-tenths of a point, four more than anticipated in July. The contribution of domestic demand is also revised upwards, although by just one-tenth of a point, due to the higher expected growth in Public Administration consumption, while the outlook for investment worsens, with growth expected to remain moderate, in line with 2023.

Change in AIReF's forecasts  
Forecasts November 2024 vs. July 2024



For the coming year, AIReF's forecasts have been raised by four-tenths of a point, to 2.3%, with improvements in both domestic and foreign demand.

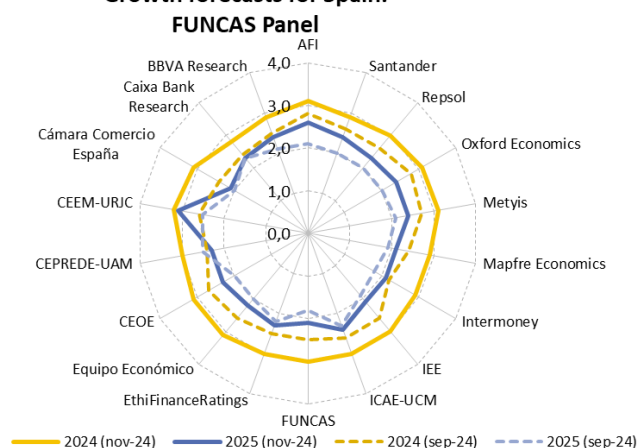
**The latest edition of the Funcas Panel for November shows a widespread and significant improvement in**

**expectations for 2024:** all nineteen panellists have revised their forecasts upwards, heavily influenced, as previously mentioned, by a third quarter that performed better than expected, as well as the impact of the revision of the Spanish National Accounts. Estimates now range between 2.8% and 3.2%, a significant increase over the [1.8% - 2.4%] range that was considered six months ago. On average, they stand at 3%, four tenths of a point higher than the September forecast, nine tenths higher than the May forecast.

This revision is supported by improved expectations for domestic demand, particularly consumption—mainly that of Public Administrations— while the contribution of foreign demand will be somewhat lower than the consensus projection from September.

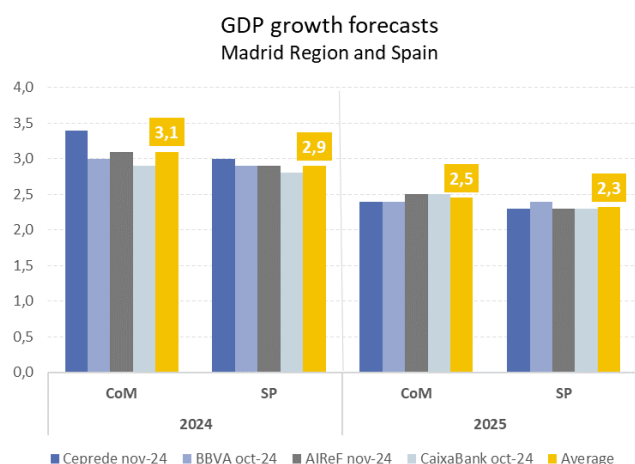
The prospects for 2025 have also been revised upwards by the majority of panellists: 17 of them have made adjustments, with improvements ranging from one to six-tenths of a point. The forecasts range from 2.1% to 3.1%, with the consensus figure at 2.3%, two-tenths of a point higher than the panel prepared two months ago.

Growth forecasts for Spain.



**The improvement in the national outlook for 2024 is reflected in the regional forecasts.** The latest estimates by Autonomous Community have seen significant upward revisions, in line with the national figures' performance and the consequent shift in the forecasts for the entirety of 2024.

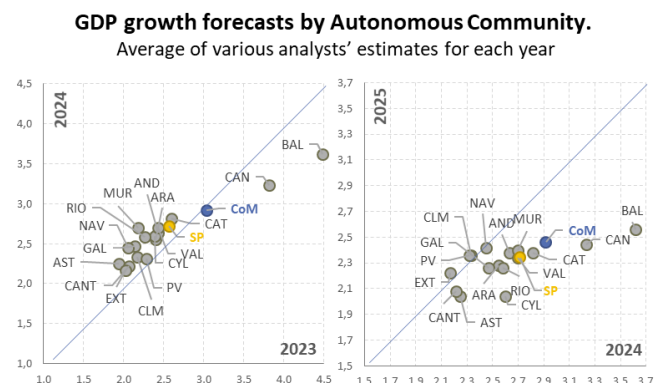
Specifically, the outlook for the Community of Madrid, as reported between October and November by BBVA Research, CaixaBank Research, CEPREDE, and AIReF, now places the region's GDP growth between 2.9% and 3.4%, with an average of 3.1%, above the corresponding national average of 2.9%, according to these same analysts. This represents a significant improvement compared to the estimates considered two months ago, which ranged between [2.1% - 2.9%], with an average of 2.7%.



For 2025, all forecasts point to a slowdown in the economy of Madrid, in line with the expected trend for the national economy. The most recent forecasts place the growth of the Community of Madrid around 2.4%-2.5%, anticipating it will be slightly above the national growth rate.

These regional perspectives continue to position the Community of Madrid as a driving force of the country's economic activity, both in 2023—a year for which the INE will not release figures by Autonomous Community until next December, but which the available regional estimates place at an average of 3%—and in 2024, when Madrid's growth is expected to remain among the highest, surpassed only by the Balearic Islands and Canary Islands.

Looking ahead to 2025, the growth disparity among Spain's regions is expected to narrow significantly, with the average forecast ranging from 2% in Asturias and Castilla y León to 2.6% in the Balearic Islands. In this context, the Community of Madrid is expected to remain the region contributing the most to national growth, maintaining one of the most dynamic growth rates.



\* Source: Based on the latest forecasts by Autonomous Community by CEPREDE, BBVA Research, CaixaBank Research, FUNCAS, Hispalink and AIReF.

However, on a global scale, there are numerous risks — such as geopolitical conflicts, changes in economic policy resulting from election outcomes in the US, the breakdown of the coalition government in Germany, and imbalances in the Chinese economy, to name a few— that could impact the current outlook and, consequently, the assumptions underlying short- and medium-term expectations. This high level of uncertainty means all these forecasts will be under constant review, so it is highly likely that changes will continue to be observed in the coming months.

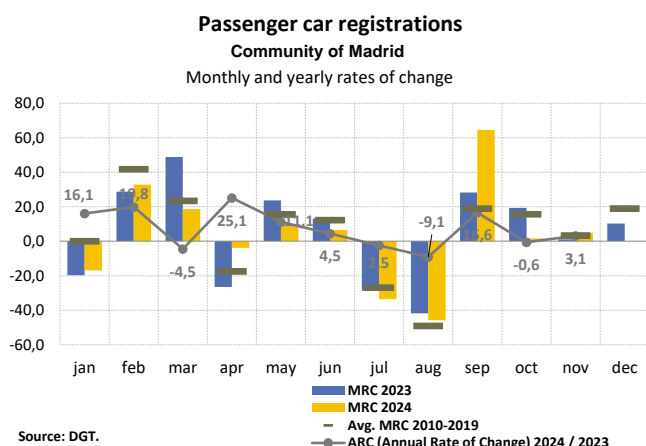
## V. Recent developments in Madrid's economy

### V.1. Demand and production

#### V.1.A. Domestic demand

**Passenger car registrations in the third quarter of 2024 was the third highest on record for this quarter in the series.** According to the Directorate General of Traffic (DGT), passenger car registrations in the third quarter stood at 83,775 units, which is 1,648 units and 12.4% more than a year ago. There have now been seven consecutive quarters of growth, although in this third quarter, the year-on-year growth rate eases to 2%. Thus, the year-to-date total records the highest volume of registrations in the historical series for the same period.

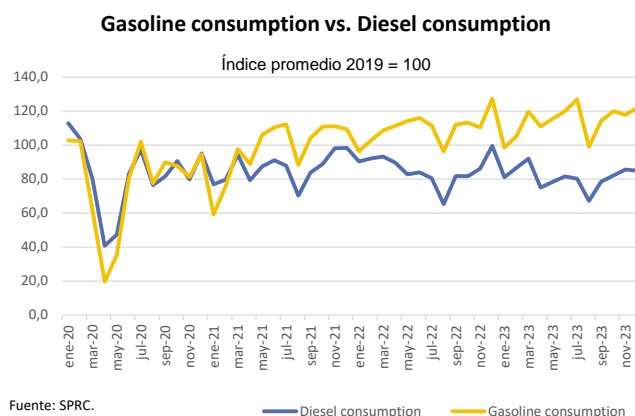
The latest data published by the DGT for the month of October shows a return to negative rates, at -0.6%, after the rise in September, which broke the decline seen in July and August. However, with 31,213 units registered, it marks the second highest figure for an October in the series, which set a record last year.



Lorry and van registrations in the third quarter of 2024, at 18,789 units, reached the highest figure for this period since 2007. They increased by 0.4% year-on-year and by 23.2% compared to the same period in 2019. Furthermore, the volume of registrations year-to-date up to October has not reached a similar figure since 2007. The latest data, from the month of October, also shows the second highest figure since 2007 for this month, with 8,064 units, representing a 4.9% year-on-year increase.

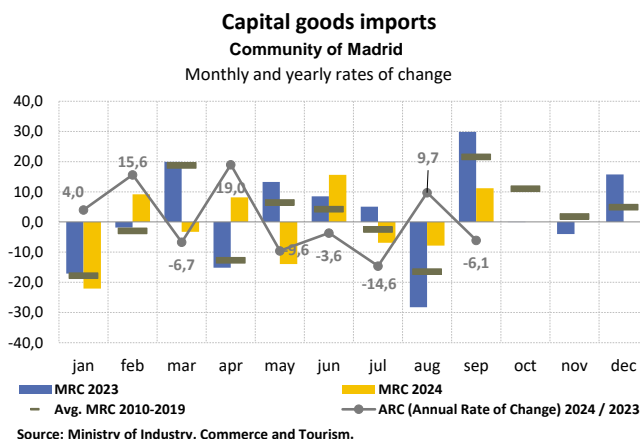
**Petrol consumption reached the highest volume for a third quarter since 2004,** accelerating the increases of the previous two quarters, with a growth of 6%. Compared to the same quarter of 2019, it is up 21.5%. The most recent figure from September reveals the highest consumption for this month since 2004, with a 7.7% year-on-year increase, following an 11% rise in August. Compared to September 2019, it has increased by 23%. Meanwhile, diesel consumption in this quarter resumed its downward trend, which was modestly eased in the second quarter, with a reduction of 2.3%.

Thus, the latest data for September shows the lowest consumption for this month since the beginning of the millennium, returning to negative year-on-year rates with a decline of 2.5% after the brief recovery in August, when it grew by 2.2%. It has not managed to surpass pre-pandemic levels, falling short by 18.6%. Rising prices, together with the demonization of diesel and the subsidies for the decarbonisation of the vehicle fleet, has led to a downward trend in the consumption of these fuels despite government subsidies.



**Imports of capital goods in the third quarter of 2024 show the second highest figures for a third quarter.**

The figure reached €7,3328 billion, reflecting a 5% decline compared to the same period last year, although it is important to highlight that the previous year set a record for a third quarter. Nevertheless, this amount is 35.4% higher than the third quarter of 2019. Imports in September, the latest available data amounted to €2,5497 billion, the third highest volume for this month, but represent a 6.1% decrease, as the comparison is made with the second best September in the series. Compared to 2019, it increased by 26.2%.



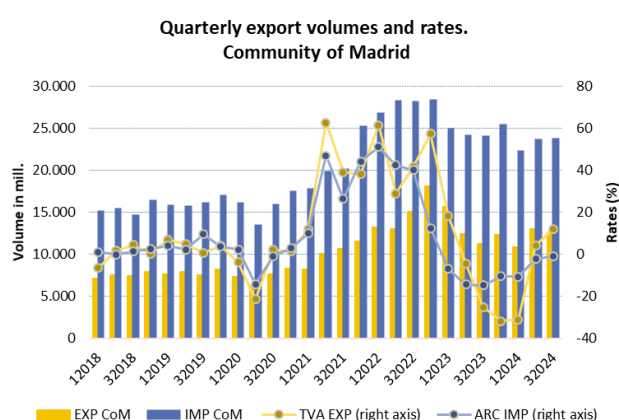


## V.1.B. External demand

In the third quarter of 2024, the Community of Madrid's balance of trade evolved positively for both imports and exports. Exports in the third quarter continued the positive trend from the previous quarter, accelerating their growth rate, with a 12.1% increase compared to 4.1% in the second quarter. A total of €12,587 million in sales was recorded, a figure only surpassed by that of 2022 for the same period.

In the third quarter of 2024, the Community of Madrid imported 0.9% less than a year ago, compared to the 2.2% decline in the previous quarter. The €23.796 billion purchased is the best figure in the series through 2022 for that period.

The coverage rate for the third quarter was 52.9%.



In the analysis by TARIC and their contributions to the variation of exports, the most important sales drivers in this quarter were: organic chemical products, which contributed 5.4 percentage points to the rate, and of which we sold 708 million euros, a second highest figure for a quarter in the history of this series, after the previous quarter. This represents a 609% increase compared to the same period in 2023. The weight of this category has gone from 0.9% in the third quarter of 2023 to 5.6% in the same period of 2024. *Pharmaceuticals*, which contributed 3.4 percentage points to the growth rate, maintain their leading position with € 2,293.7 billion in sales, a 20% increase compared to 2023. *Aircraft; spacecraft*, contributed 2.5 percentage points to the growth rate, accounting for €648 million in exports. On the other hand, sales in Madrid of *Fuels; mineral oils*, remained the chapter that most drained the growth rate in the third quarter, subtracting 1.2 percentage points. Exports totalled €1,160 billion, higher than the previous

quarter but 10.6% lower than the same period last year. Next, and at a distance, comes *Articles of iron and steel* which subtract 0.3 percentage points from the growth rate, with €181 million in sales between July and September.

EXPORTS OF THE 5 MAIN TARIC OF THE COM				
CUMMUATIVE TO SEP 2024	Volume	RC	Contrib.	%total
30 PHARMACEUTICAL PRODUCTS	5.377	-36,8	-8,0	14,8
84 MACHINERY AND MECHANICAL APPLI/	3.783	4,4	0,4	10,4
87 VEHICLES OTHER THAN RAILWAY OR TI	3.692	-10,4	-1,1	10,2
27 FUELS, MINERAL OILS	2.974	-33,0	-3,7	8,2
85 ELECTRIC APPLIANCES AND MATERIAL	2.421	7,4	0,4	6,7
<b>TOTALS</b>	<b>36.306,7</b>	<b>-7,6</b>		
IMPORTS OF THE 5 MAIN TARIC OF THE COM				
CUMMUATIVE TO SEP 2024	Volume	RC	Contrib.	%total
30 PHARMACEUTICAL PRODUCTS	10.352	-2,1	-0,3	14,9
85 ELECTRIC APPLIANCES AND MATERIAL	9.207	7,5	0,9	13,2
84 MACHINERY AND MECHANICAL APPLI/	8.111	0,9	0,1	11,6
87 VEHICLES OTHER THAN RAILWAY OR TI	7.729	6,6	0,7	11,1
27 FUELS, MINERAL OILS	5.637	-38,9	-4,9	8,1
<b>TOTALS</b>	<b>69.689,0</b>	<b>-4,7</b>		

Source: AEAT

As for Madrid's **imports**, the chapter that stands out most for its negative contribution is *Fuels and mineral oils*, which subtracts 2.9 percentage points from the growth rate in the third quarter. The €2,019 billion purchased during this period represents a 25.5% decrease compared to the same period last year; however, it is a 25% increase compared to the second quarter. It is followed by *Aircraft; spacecraft* with a decrease of -1.7 percentage points, with purchases falling 46% compared to the same period last year. On the positive side, *Motor vehicles; tractors* stands out this quarter, contributing 1.3 percentage points, with a recorded figure of €2,532 billion, in line with the previous two quarters but 14.3% higher than the same period last year. It is followed by *Electrical appliances and equipment*, which contributed 0.9 percentage points. Finally, *Pharmaceuticals* is the leading segment, contributing 0.6 percentage points.

As for the contribution by country to the change in exports in the third quarter of 2024, Ireland and Germany are the biggest drivers of the rate, together adding 7.5 percentage points; the biggest drag on exports with -0.8 percentage points is Italy, followed by the Netherlands. The France and the Netherlands lead the negative contributions to the reduction of imports, together draining the quarter's rate with -2 percentage points; on the other hand, China and Italy are the countries that most boost the rate, together adding 2.1 percentage points.

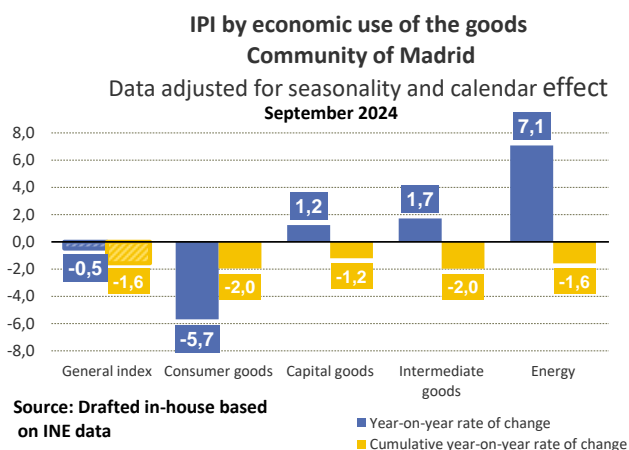
## V.1.C. Manufacturing

### 1. Industry

**The Industrial Production Index contracted in the third quarter of 2024.** In the annual average up to September 2024, the IPI in the Community of Madrid, with seasonally and calendar adjusted data (SCA), showed a year-on-year decrease of 1.6%, which contrasts with the positive performance shown in the same accumulated period over the past three years. In the same accumulated period, the IPI with seasonally and calendar adjusted data for Spain as a whole showed a year-on-year decrease of 0.1%.

On a quarterly average, the IPI in the Community of Madrid, with seasonally and calendar adjusted data, shows a year-on-year decline of 1.8% in the first quarter, -1.4% in the second quarter, and -1.5% in the third quarter. It continues the negative trend that began in March, with negative year-on-year variation rates for every month. In the same quarterly periods, the IPI (SCA) for Spain as a whole shows a year-on-year variation of -0.5%, 0%, and 0.1%, respectively.

The latest available data for September shows a year-on-year variation of -0.6%, which moderates the previous month's figure by 2.6 percentage points and reduces the year-to-date performance for the first nine months of the year by one percentage point. In Spain, however, the index increased by 0.6% year-on-year in September, although it contracted by 0.1% in the year-to-date total.

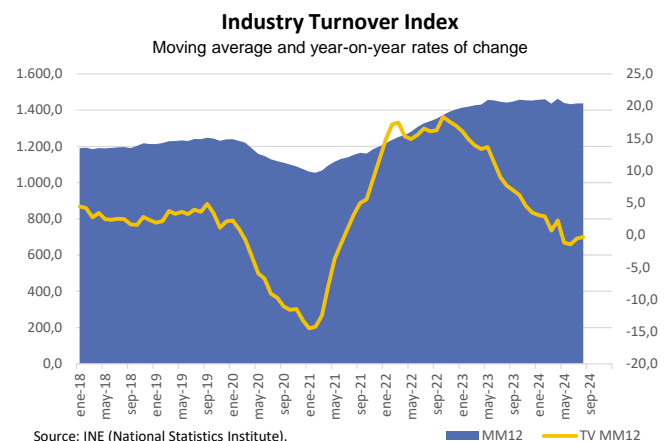


By components, the IPI of the Community of Madrid (in year-on-year and SCA terms) all presented negative year-on-year variation rates in the accumulated period up to September: consumer goods -2%, intermediate goods -1.9%, energy -1.5% and capital goods -1.2%.

**The Industrial Turnover Index shows an unfavourable performance in the 2024 cumulative total.** The Industrial Turnover Index for the Community of Madrid closed the year 2023 with year-on-year growth of 3.5%. However, for the January-August 2024 cumulative period, it showed a year-on-year decrease of 1.7%, while for Spain, the same accumulated period stood at -0.7%.

By quarters, the performance was negative in the first two of the year, showing year-on-year rates of -4.5% in the first quarter and -0.9% in the second.

The monthly trend throughout 2024 has been erratic. The months of January and February showed positive year-on-year variation rates of 4.7% and 2.2%, respectively. In March, there was a sharp contraction of -16.8%. In April 2024, a strong rebound occurred with a year-on-year variation rate of 24%, followed by declines in May and June of -16.2% and -4.9%, respectively. In July 2024, there was an upward rebound of 3.8% year-on-year, before the negative trend returned in August with a moderate year-on-year decrease of 1%.

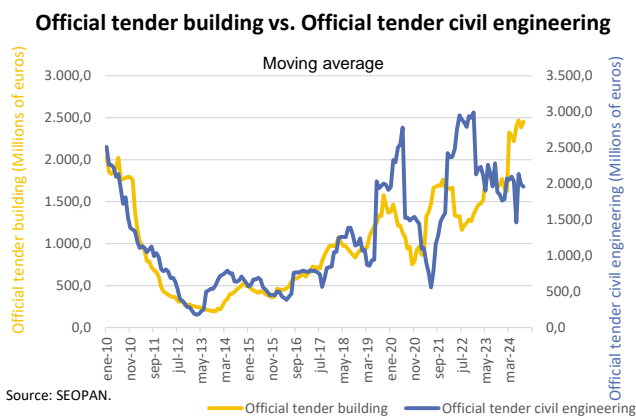


**Industry in Madrid continues to perform well in the labour market.** In the January-October 2024 cumulative period, Social Security enrolments in Madrid's industry grew by 3% year-on-year, with increases of 3.5%, 3.1%, and 2.5% in each of the three quarters of the year, and a 2.4% increase in October. Registered unemployment in the sector fell by 6.7%, with quarterly declines of -6.5%, -6.8%, and -6.7%, respectively. In October, the decrease was also 6.7%.



## 2. Construction

**Record amount of tenders for the cumulative year 2024, with the building sector reaching the highest value in the series.** Tendering reached very high amounts in the January-September 2024 cumulative period. The over €3,796 billion tendered in the region during this period represent the highest tendering volume in the last eighteen years, after the 2006 figure, which exceeded €3,884 billion. This exceeds the total tendering levels recorded in 2022, with more than €3,225 billion, and 2009, with more than €3,295 billion. However, whereas before the financial crisis, civil works tenders were the driving force, today it is building tenders that, with nearly €2,015 billion in the cumulative 2024 period, have set a historic high for the series for the January-September period.



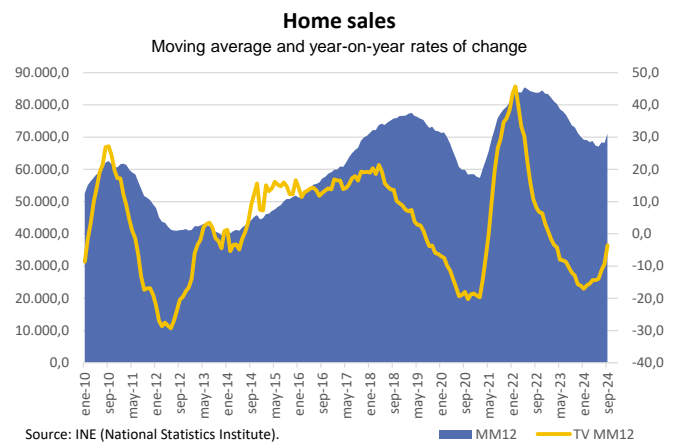
By quarters, the magnitude of building tenders in March, close to 800 million (the highest in the series together with that of February 2003), is the key factor driving the dynamism of the first quarter of 2024. The amounts for building tenders in the second quarter grew by 10.4% year-on-year, but the sharp reduction of 82.4% in civil works, which exceeded €700 million in the second quarter of 2023, generated a drop in total tenders of 37.2% year-on-year in the second quarter of 2024. In the third quarter of the year, total tenders increased by 61.2%, largely driven by civil works tenders, which grew by 78% and surpassed building tenders, whose growth stood at 21% in the third quarter of 2024.

**In the cumulative year, the number of approved building permits has decreased moderately, while those for housing have increased, both in terms of area and in terms of value. Certifications show the strongest year-on-year growth in the series.** Regarding the leading indicators for permits issued, with data up to August 2024, the number of permits for buildings decreased by approximately 0.3% year-on-year, while those for housing increased by 38.6%. The value increased by 13.9%, and the area grew by 17.5%. It should be noted that, in 2023 as a whole, building

approvals were half those of 2022, and the number of housing approvals, the total surface area approved and the amount of approvals fell by around 20%.

The certificates of completion, a lagging indicator, experienced a year-on-year growth of 66.5% between January and August 2024. The number of approved permits now exceeds 14,000, a figure not reached since 2010. However, it is still far from the over 30,000 certifications on average during the 2000-2010 period (January-August).

**Residential market: quantity adjustments continue while prices continue to rise.** The strong rebound after the health crisis of home sales and purchases raised annual levels to over 80,000 transactions in 2021 and 2022, an amount that had only been surpassed in 2007, the year this series began.



In the third quarter of 2022, a trend of year-on-year declines began, which has continued for eight consecutive quarters. This trend was particularly intense in the second half of 2023, with declines of -20.2% in the third quarter and -19.1% in the fourth quarter. However, it eased in the first two quarters of 2024, with a -7.6% decrease in the first quarter and a -6.1% decrease in the second quarter. This trend of year-on-year declines is broken in the third quarter of 2024, showing a year-on-year growth of 22.5%.

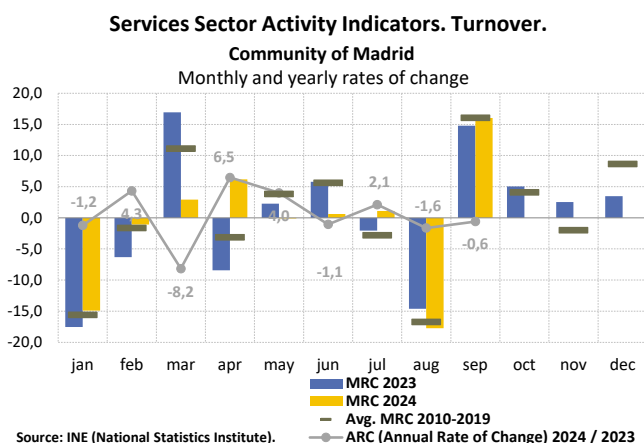
The quantity adjustments have not been met with a moderation of prices, which have not only continued to rise but have experienced an acceleration of 5.9% in the first quarter of 2024, intensifying to 7.2% in the second quarter.

### 3. Services

**The Services Sector Activity Indicators (SSAI) have stabilised in the third quarter.** In the third quarter of 2024, the turnover of the SSAI remains stable compared to the third quarter of 2023, following the 3% increase observed in the previous quarter. This breaks the pattern of declines that began in the second quarter of 2023, while it grew by 3.2% in Spain in the third quarter of 2024. It should be noted that this indicator is not deflated.

The latest available data for September shows a slight year-on-year decline of 0.6% in the Community of Madrid and an increase of 2% in Spain.

The SSAI employment index points to a different evolution to the business index in both the Community of Madrid and Spain, growing at a very steady pace throughout 2024. In the Community of Madrid, year-on-year growth in the third quarter of 2024 was 2.1%, compared to 1.7% in Spain, consolidating the growth trend initiated in the second quarter of 2021.



The latest available data for September shows a year-on-year increase of 2% in the Community of Madrid compared to 1.6% in Spain.

**Air passenger traffic and freight traffic are at record highs for the series, while metro transport records the highest figure for a third quarter.** Passenger movements at Adolfo Suarez Madrid Barajas Airport increased in the third quarter of 2024 to 18,043,469 travellers, surpassing the previous series high of 17.3 million travellers recorded in the third quarter of 2019.

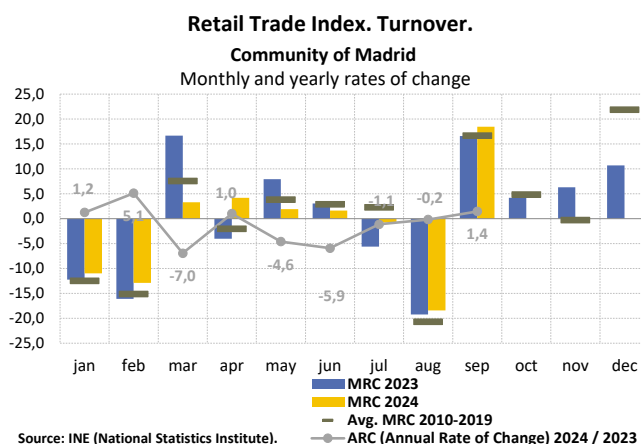
Meanwhile, freight traffic at Madrid airport increased by 22.5% year-on-year in the third quarter of 2024, an increase over the previous quarter and the fourth quarter of 2023, when the highest volumes of freight transported by air in a single quarter were recorded.

In the third quarter of 2024, urban transport on the Madrid Metro shows a year-on-year increase of 9.1%, reaching a record number of passengers for a third

quarter in the historical series. Meanwhile, the number of urban bus passengers in the third quarter of 2024 experienced a year-on-year decline of 4.1%, although it remains one of the highest passenger volumes for a third quarter, following those recorded in 2006 and 2023.

**The third quarter of 2024 has recorded a stable turnover, while employment in the Retail Trade Indices (RTI) advances at a more moderate pace.** In the third quarter of 2024, the deflated RTI turnover index in the Community of Madrid remains unchanged compared to the same quarter of the previous year. It thus stabilises, compared to the downward trend observed in the previous two quarters. Meanwhile, the latest data from September 2024 shows a return to growth, after the declines of the previous four months, with a 1.4% year-on-year increase. This is a significant rise, as it represents the highest index for a September since 2007, and it is also compared to one of the highest values.

In Spain, the index grew in the third quarter by 2.6% year-on-year.

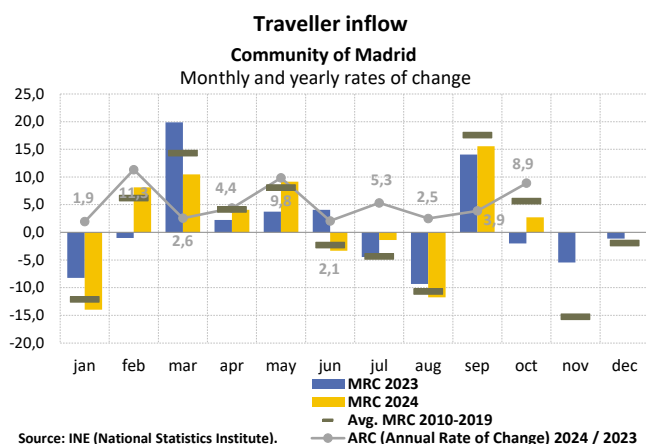


In turn, the employment rate, both in the Community of Madrid and in Spain, shows a different evolution from that of the business rate, since it continues to grow, albeit at a lower intensity. In the Community of Madrid, year-on-year growth of 3.6% was maintained in the third quarter of 2024, while in Spain as a whole it increased 1.9%, consolidating the growth path initiated in the second quarter of 2021.

The latest available data, corresponding to the month of September, show year-on-year growth of 3.1% in the Community of Madrid, which is more contained than in previous months

**Record hotel activity in the Community of Madrid in the third quarter of 2024, consolidating its recovery after the pre-pandemic period.** In 2024, nearly 3.4 million passengers were welcomed compared to 3.26 in

the same quarter of the previous year, continuing the upward trend that began in Q2 2021. The current level exceeds the pre-pandemic level, with 6.7% more tourists than in the same period of 2019, when it surpassed 3.1 million travellers, an all-time high for the series in a third quarter since 2006.



Overnight stays paralleled the behaviour of incoming travellers. In the third quarter of 2024, overnight stays reached 6,704,254, exceeding by slightly more than 222,230 the overnight stays of the same period of the previous year, and far exceeding the value of 2019, when 6,569,788 overnight stays were reached, which likewise marked the record in the series for a third quarter since 2004. In October 2024, the latest data published, overnight stays were again at exceptional levels with 2,518,572, the highest figure for an October since 2007.

By market, the influx of travellers to the Community of Madrid this quarter once again predominantly comes from non-residents in Spain (53%), with a share similar to pre-pandemic levels, which stood at 52.8%. At the

same time, the number of domestic and international travellers exceeded pre-pandemic values, by 6.1% and 7.3% respectively. This quarter, overnight stays by non-residents exceed those by nationals, representing 58.8% of the total. Consequently, the numbers are slightly higher than those in the same quarter of 2019 (0.2%).

The latest published data from October reveals a year-on-year growth of 8.9% in the number of travellers and 7.8% in overnight stays.

In relation to the occupancy rate, the average of 58.7% for the third quarter of 2024 slightly exceeds the level of the same quarter in 2023 (58.1%), and shows an upward trend towards the levels of the third quarter of 2019, when it reached 62.3%. The figure for October 2024 puts the occupancy rate at 64.6%.

In terms of profitability indicators for the hotel sector, in the second quarter of 2024 the average daily rate per occupied room (ADR) stood at €129.9 in the Community of Madrid. The figure published in October rises to €165. Average daily revenue per available room (RevPAR) in the third quarter of 2024 stood at €92.4, reaching €134.8 in October.

**In the third quarter, the combined analysis of service sector indicators shows growth across the board.** Branches of activity observe growth observed in all of them, with the exception of urban bus transport.

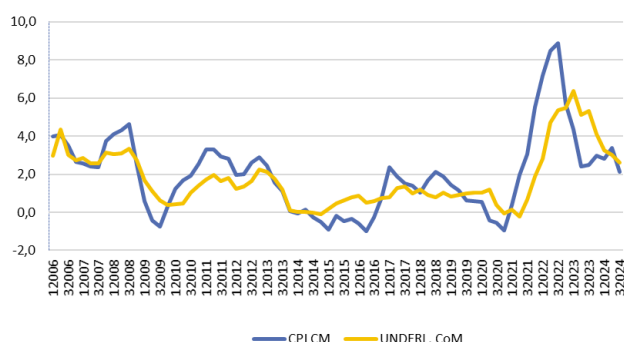
Similarly, there was also a full recovery in service sector indicators as a whole, with most surpassing pre-pandemic levels, except for the hotel occupancy rate, which has yet to achieve this.

## V.2. Prices and wages

In the third quarter of 2024, headline CPI has once again been contained after the upturn in the previous quarter. The underlying indicator continues its downward trend. Headline inflation, measured in terms of the CPI, reached 2.1% in the third quarter of the year, the lowest since the second quarter of 2021, compared to 3.4% in the previous quarter. It has shown a downward trend throughout the quarter, reaching 1.5% in September, below the ECB's target. However, the latest figure for October indicates a rebound to 2%.

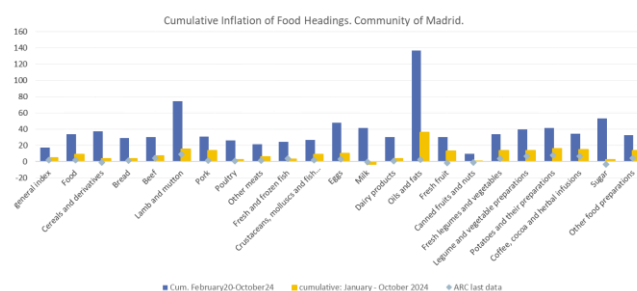
On the other hand, **core inflation**, in which only the most structural and less volatile components are included, recorded an inflation rate of 2.6% in the third quarter of the year, compared to 3% in the previous quarter. Similarly to the general inflation rate, the latest published data shows a slight increase to 2.6% (up from 2.4% in September). Thus, since August, core inflation has once again remained above the general inflation rate.

Headline and core for Community of Madrid. Quarterly



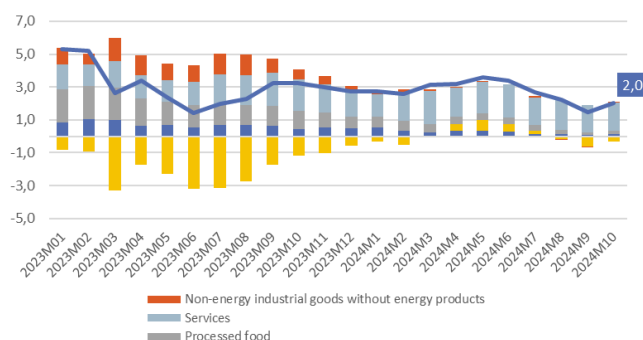
In the analysis by groups, and according to the latest data for October, the most inflationary categories are 'Restaurants and Hotels,' with an increase of 4.5% (although this marks the third consecutive month in which its rate has slowed), 'Housing, gas, electricity, and water', which recorded a 3.9% rise —the highest growth so far in 2024— and finally 'Other goods and services', with a rate of 3.6% in October, slightly below the average of the last twelve months. As for the groups with the lowest rate, 'Transport' stands out with a decrease of -3.2%, mainly due to the positive performance of fuel prices. 'Clothing and footwear' is the other group to record a negative rate of -0.4% in October, driven by less intense price increases compared to a year ago. Finally, it is worth mentioning 'Food and non-alcoholic beverages' due to its significant impact on household spending. The *Food* subgroup has experienced monthly price declines in seven of the ten months of 2024; however, in October, it recorded the most significant

monthly increase since February 2023, at 1.4%. Thus, the downward trend in inflation for this subgroup, which stood at 1.5% in September, rebounded to reach 2% in October. However, since January 2023, cumulative inflation for this subgroup has reached 9%, compared to 5.1% for headline inflation. Moreover, since the start of the pandemic (February 2020), cumulative inflation in the Food category has reached 33.9%, almost double the 17.4% for the overall index. Among the most inflationary items in October, notable increases include *Sheep meat*, with an annual price rise of 8.8%; *Potatoes and their preparations*, at 8%; *Legume and vegetable preparations*, at 6.8%; and *Beef*, at 4.5%. The following graph shows in detail the accumulated rates since 2023, and since the start of the pandemic, for each item within the *Food* category. Meanwhile, *Non-alcoholic beverages* recorded a rate of 6.5% in October, with cumulative inflation since January 2023 reaching 15.5%.



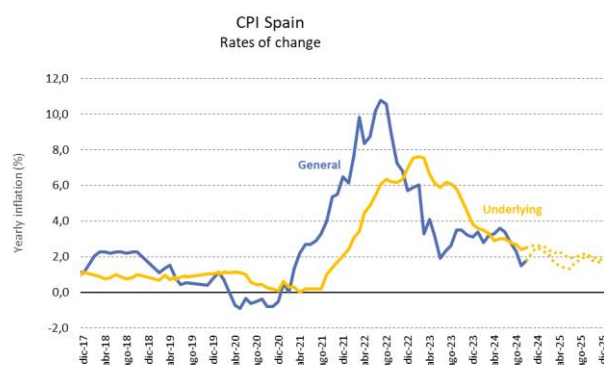
Analysing which are the components that most contribute to inflation in each month, and using an approach that considers accumulated impacts, it can be seen that the special group *Services* is the main driver of the annual inflation rate. This group has maintained its significant contribution for several months, although in 2023 other components, such as food or non-energy industrial goods (BINE), also contributed to the increase. It is in 2024 that the reduction in the contribution from other components highlights the persistent upward contribution of *Services* to inflation.

Contribution to inflation by components



Going into more detail, if we look at the classification by groups and focus on those within the services category, the contributions to the increase in inflation, in order of intensity, come from 'Restaurants and hotels,' 'Leisure and culture,' and 'Other goods and services.' The following components that contribute most to the rise in inflation are those related to food. Specifically, these include the two special groups: *Processed Foods* and *Unprocessed Foods*. Their evolution shows a gradual decrease in their contribution to the rise in inflation, especially that of the first group, which was the component with the strongest impact on the inflation rate in the early months of 2023. *Energy products*, which contributed negatively to inflation in 2023, has lost significance in 2024, with its impact alternating between positive and negative due to the volatility of electricity prices and year-on-year comparisons. Finally, *Non-energy industrial goods*, which provided a significant contribution in 2023, declined almost completely in 2024 in terms of their influence on the rate.

**The new Funcas forecasts for the CPI in Spain barely differ from those made in September.** In recent weeks, the price of oil has hovered around \$73/barrel, slightly below the previous central scenario, which had estimated it at \$75/barrel.



Source: Historical data INE; \*FUNCAS Forecast

The forecasts remain largely unchanged, with the expected average annual inflation rate for this year staying at 2.7% and at 1.8% for 2025. In November and December, the headline inflation rate will decrease again due to the impact of new base effects on energy products. The core will move around the current level for the rest of the year, and will only start a clear downward trajectory from the beginning of 2025, according to current forecasts. The expected average annual rates are 2.9% in 2024 and 2.1% in 2025.



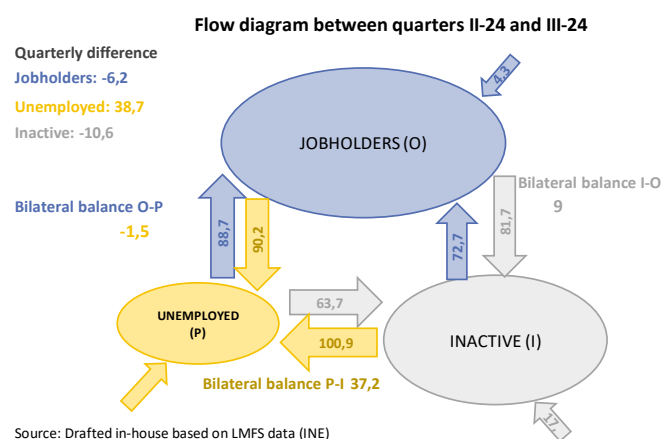
## V.3. Labour market

### 1. LFS

**Better performance than what a quick glance at the third-quarter results might suggest.** The regional labour market shows reductions in employment and increases in unemployment during the quarter, resulting in a new record high in the number of active individuals, a recovery in the labour force participation rate, and a rise in the unemployment rate, which, however, remains below 10%.

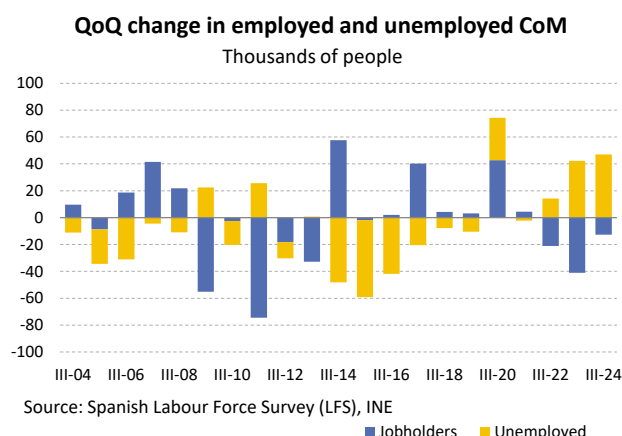
The dynamism of the active population is one of the key features this quarter, well above the growth of the working-age population. This explains the increase in the labour force participation rate to 63.1% and the decline in inactivity, following the historical high recorded in the previous quarter.

In fact, this quarter, the main trend in the Labour Force Survey (LFS) has been the movement of inactive individuals into unemployment, an unusual occurrence. This has led to an increase in the active population, driven by the rise in unemployment rather than in employment. Although this path of growth in the active population may initially seem undesirable, it should be understood in the context of a highly dynamic regional labour market, where the strong performance of employment encourages the inclusion of more individuals into the workforce.



Thus, the **active population** experienced a growth of 0.9%, the most dynamic for a third quarter since 2007, only behind the atypical increase in 2020, which had a very different nature from the current data. The active population of the Community of Madrid reached a new all-time high, with 3,784,300 people. The outstanding growth this year contrasts with the stability of the previous year, significantly accelerating the year-on-year increase in the regional active population. It rises from a 1.4% year-on-year growth in the second quarter to 2.3% in the third quarter, thus returning to the 2% growth trend seen since the second quarter of 2023.

The **number of jobholders**, which reached a new all-time high in the previous quarter, experienced a reduction of lower intensity than that observed a year ago, in a quarter with undefined seasonality. This result in an acceleration of the year-on-year growth rate of employment by nine-tenths of a point, reaching 3%. This progress confirms the extraordinary dynamism of the regional labour market, even in the mature growth phase of the current economic cycle.



The **number of unemployed** in the region grew quarter-on-quarter by 47,000, a 14.8% rise compared to the previous quarter, reaching 365,200 people. This increase in unemployment is seasonal, as the historical data shows rises in unemployment in two out of every three third quarters. However, the intensity of this increase in 2024 stands out as the highest in the series of third quarters, which is why the year-on-year decline in the number of unemployed individuals slowed down this quarter, falling by 1.9 percentage points to the current 3.6%.

The increase in unemployment caused the **unemployment rate** in the Community of Madrid to rise by 1.2 percentage points compared to the previous quarter, reaching 9.7%, though it was contained by the notable dynamism of the active population. This rate is half a point lower than a year ago. The difference between the regional and national unemployment rates now stands at 1.5 percentage points, after the national unemployment rate decreased by one-tenth of a point, reaching 11.2%.

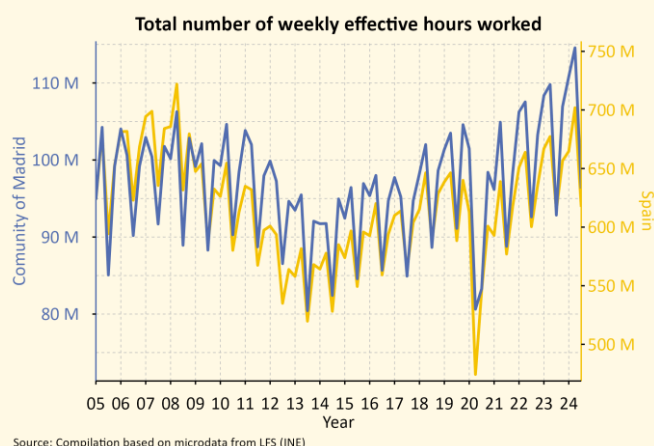
In the **regional context**, Madrid is the third region in terms of labour force, jobholder and unemployed numbers, behind Catalonia and Andalusia. This quarter registered the second highest participation rate in the national context, and the second highest relative year-on-year increase in the number of active individuals, after Cantabria, and the highest in absolute terms.



### Box III. Actual hours worked according to the LFS. Evolution 2005-2024. Differences in behaviour between the Community of Madrid and Spain based on gender, type of workday, and branches of activity...

This box illustrates the evolution of the total number of actual weekly hours worked, derived from the microdata of the LFS, since 2005. The differences in the behaviour of the series between the Community of Madrid and the whole of Spain will be analysed, segmented by gender, activity, and type of workday (full-time or part-time).

#### Evolution of the total number of actual weekly hours worked



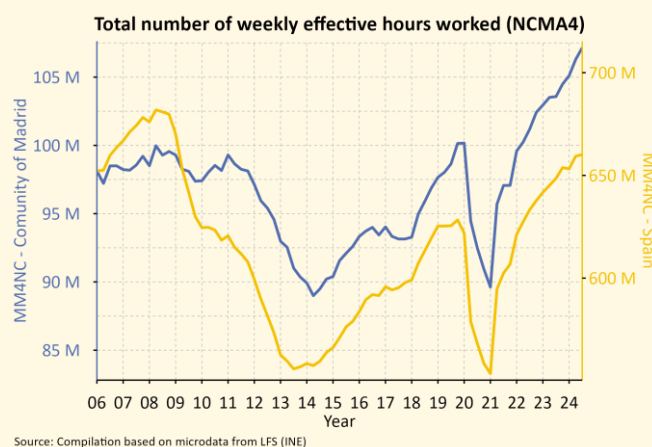
The evolution of the total number of actual weekly hours worked shows significant differences between the Community of Madrid and Spain as a whole:

- While current levels in the region are well above the previous highs of 2019 and 2008, in Spain the number of total hours remains below those observed before the financial crisis.
- The adjustment of this variable in the recessionary period of the previous cycle followed different patterns: shorter and less intense in the region.
- The post-pandemic response has, however, been synchronous, but more accentuated in the Community of Madrid.

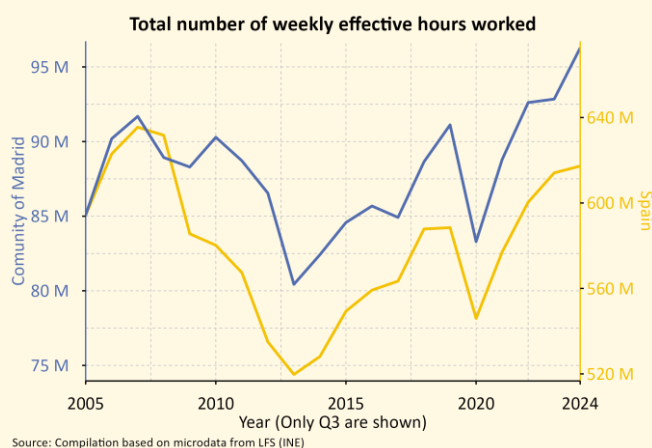
However, both for the Community of Madrid and for Spain as a whole, the series of actual weekly hours worked shows a marked **seasonal pattern**: after a sustained increase in employment activity during the first two quarters, **there was a significant drop in the third quarter**, followed by a partial recovery in the fourth quarter.

In order to eliminate the impact of seasonality in our analysis, the evolution of this series is presented below by applying the technique of Non-Centred Moving Averages of order 4. In future boxes, the

deseasonalisation of the total number of actual weekly hours worked will be addressed using ARIMA models.



Next, we will specifically examine the behaviour of the series during the third quarters.



When analysing the actual hours worked in the third quarter of each year, the following patterns are observed for Spain and the Community of Madrid:

- **Peak in 2007-Q3** and the impact of the crisis in 2008: Spain and the Community of Madrid reached the peak of actual hours worked in 2007. By the same period in 2008, the financial crisis had already influenced both economies, reflected in a decline in activity.
- **Relative trough in 2013-Q3: Both economies bottomed out in the third quarter of 2013.** However, the reduction in the volume of hours worked was more pronounced at the national level (18.2% compared to 2007) than in the Community of Madrid, where the decline was 12.3% compared to the same year.
- **Relative pre-pandemic peak 2019-Q3:** In the third quarter of 2019, both Spain and Madrid

recorded a relative peak in hours worked. However, while Madrid had almost recovered to pre-financial crisis levels with a marginal reduction of 0.6%, the total Spanish economy was still far from recovering the pre-financial crisis total number of actual hours worked with a reduction of 7.4% compared to 2007.

- **Post-pandemic recovery in 2024:** By the third quarter of 2024, **both economies have surpassed pre-pandemic levels**, although with a slightly different intensity of recovery. In Madrid, the increase in hours worked compared to 2019 is 5.7%, while in the rest of Spain it is 4.9%.
- **Comparison with pre-crisis peaks:** Finally, when compared to the peaks before the great recession, the Community of Madrid has achieved a 5% growth, reaching a new historical high in hours worked. In contrast, Spain has not yet reached those pre-financial crisis levels and remains 2.9% below the number of hours worked in 2007.

Total effective weekly hours worked						
	Spain			Madrid		
	Hours	RC with 2007-Q3	RC with 2019-Q3	Hours	RC with 2007-Q3	RC with 2019-Q3
<b>2007-Q3</b>	635,5 M	0,0%	8,0%	91,7 M	0,0%	0,6%
<b>2013-T3</b>	519,7 M	-18,2%	-11,7%	80,4 M	-12,3%	-11,7%
<b>2019-Q3</b>	588,5 M	-7,4%	0,0%	91,1 M	-0,6%	0,0%
<b>2024-Q3</b>	617,3 M	-2,9%	4,9%	96,3 M	5,0%	5,7%

Source: compilation based on microdata from the LFS (INE).

RC: rate of change

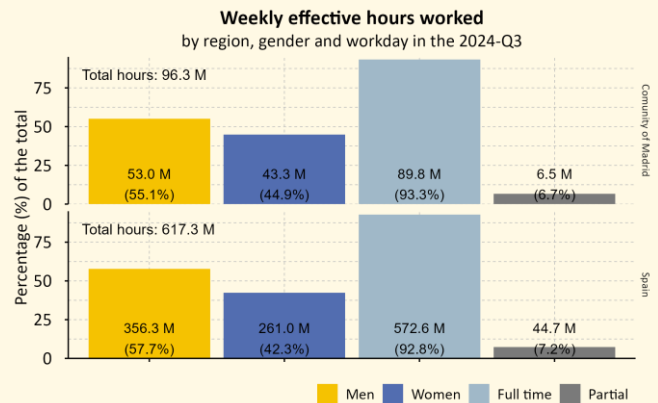
### Current situation. Madrid-Spain comparison

The following is a comparative analysis of the structure of employment activity by gender, workday and economic sector in the Community of Madrid and Spain as a whole during the third quarter of 2024.

If we segment by gender and type of workday, we can see a very similar labour structure between the Community of Madrid and Spain as a whole.

- In the Community of Madrid, 93.3% of employment activity is performed on a full-time basis, a slightly higher proportion than the national average, which stands at 92.8%. **This reflects the fact that the proportion of part-time work is somewhat lower in the region.**
- In terms of distribution by gender, women account for 44.9% of the total actual hours worked in the Community of Madrid, compared to 42.3% at the national level.

**This suggests that the integration of women in the labour market in Madrid is slightly higher than in the country as a whole.**



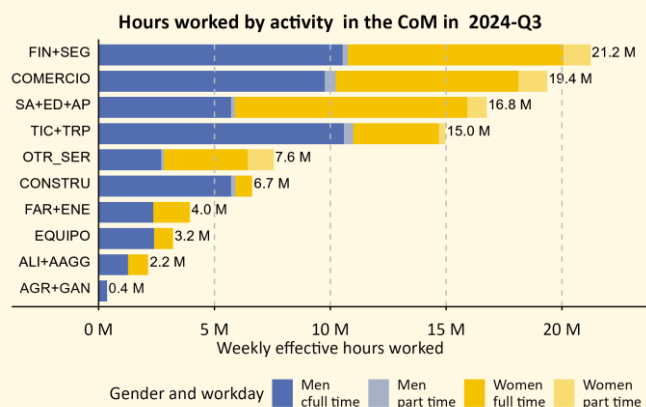
In order to analyse the structure of total employment activity, we have opted to segment the series of total actual hours worked by branch of activity following the classification provided by the microdata of the Labour Force Survey (EPA).

To improve the visualisation and understanding of the data, descriptive labels have been assigned to each branch of activity, summarising the most significant activities they encompass. The following table details the branches of activity, their corresponding INE codes and the labels used in the graphs.

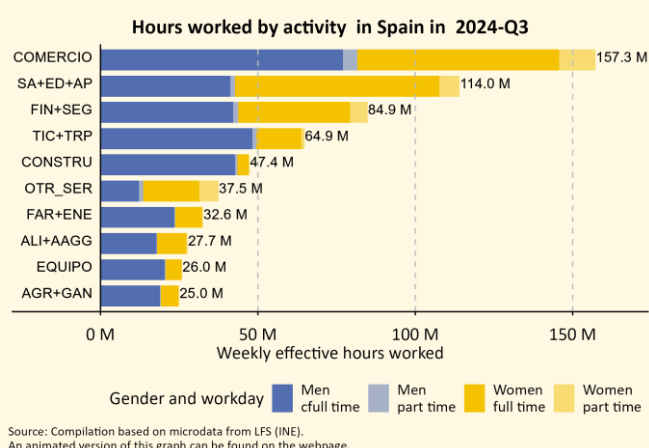
Cod INE	Branch of activity	Tag
0	Agriculture, livestock, forestry and fishing (CNAE-09 codes: 01, 02 and 03)	AGR+GAN
1	Food, textile, leather, wood and paper industry (CNAE-09 codes: 10 to 18)	ALI+AAGG
2	Extractive industries, petroleum refining, chemical industry, pharmaceuticals, rubber and plastics industry, electricity, gas, steam and air conditioning, water supply, waste management. Metallurgy (CNAE-09 codes: 05 to 09, 19 to 25, 35 and 36 to 39)	FAR+ENE
3	Construction of machinery, electrical equipment and transportation material. Industrial installation and repair (CNAE-09 codes 26 to 33)	EQUIPO
4	Construction (CNAE-09 codes: 41 to 43)	CONSTRU
5	Wholesale and retail trade and its installations and repairs. Repair of automobiles, hotel and restaurant business (CNAE-09 codes: from 45 to 47, 55 and 56).	COMERCIO
6	Transport and storage Information and communications (CNAE-09 codes 49 to 53 and 58 to 63)	TIC+TRP
7	Financial intermediation, insurance, real estate activities, professional, scientific, administrative and other services (CNAE-09 codes: 64 to 66, 68, 69 to 75 and 77 to 82).	FIN+SEG
8	Public administration, education and healthcare activities (CNAE-09 codes: 84, 85 and from 86 to 88)	SA+ED+AP
9	Other services (CNAE-09 codes: from 90 to 93, from 94 to 96, 97 and 99)	OTR_SER

Source: compilation based on microdata from the LFS (INE).

When analysing employment activity under this approach, **significant differences in the structure of employment activity** between the Community of Madrid and Spain as a whole **are evident**.



Animated version of the graph [here](#).



Animated version of the graph for Spain [here](#).

The branches with the highest number of actual hours in the Community of Madrid are:

- Financial intermediation insurance, real estate activities, professional, scientific, administrative and other services (22.1%)
- Wholesale and retail trade, vehicle repair, and hospitality (20.1%)
- Public administration, education and healthcare activities (17.4%)

In contrast, in Spain, the most important branches in terms of their weight in employment activity are:

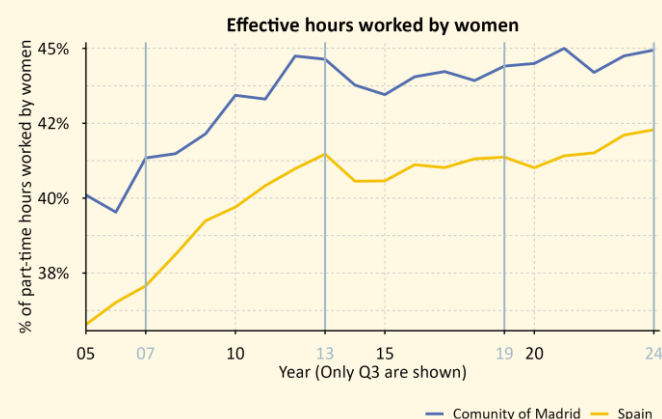
- Wholesale and retail trade, vehicle repair, and hospitality (25.5%)
- Public administration, education and healthcare activities (18.5%),
- Financial intermediation, insurance, real estate activities, professional, scientific, administrative and other services (13.7%).

## The greatest differences between the Community of Madrid and Spain as a whole are observed in:

- Financial intermediation, insurance, real estate activities and professional services (FIN+SEG): 22.1% in Madrid compared to 13.7% in Spain.
- Transport and storage, information and communications (ICT+TRP): 15.6% in Madrid vs. 10.5% in Spain.
- Wholesale and retail trade, vehicle repair, and hospitality (COMERCIO) 20.1% in Madrid vs. 25.5% in Spain.

Along with the trade branch, Spain also shows a greater specialisation of hours worked in: Agriculture (AGR+GAN), Food industry, textile and graphic arts (ALI+AAGG), as well as Extractive industries, oil refining, chemical industry, pharmaceuticals (FAR+ENE).

## Evolution over time by gender and type of workday



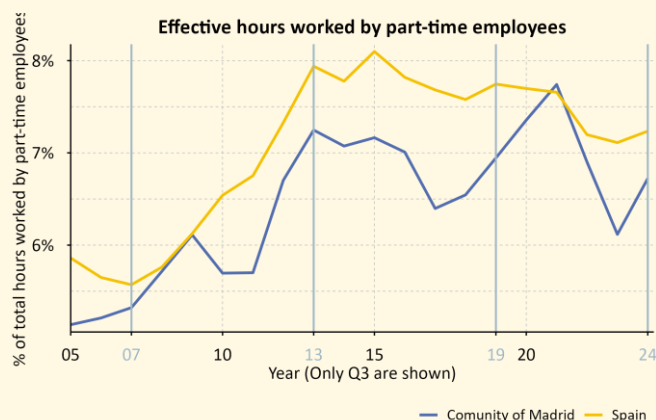
**Both in the Community of Madrid and in Spain as a whole, there is a clear trend toward gender parity in the number of hours worked.** However, in the Community of Madrid, there is a higher proportion of women in the labour force.

Between 2005 and 2013, the proportion of women in the labour force in Madrid experienced significant growth, increasing from 40.1% to 44.6%. However, since 2013, the rate of growth has slowed down considerably, reaching 44.9% in 2024. While the upward trend continues, it is clear that the initial momentum has weakened.

By comparison, the proportion of women in the labour force in Spain as a whole increased from 35.8% to 41.5% in the same initial period. Currently, this percentage stands at 42.3%, reflecting a similar trend to

that of the Community of Madrid, although with a slightly lower proportion of women.

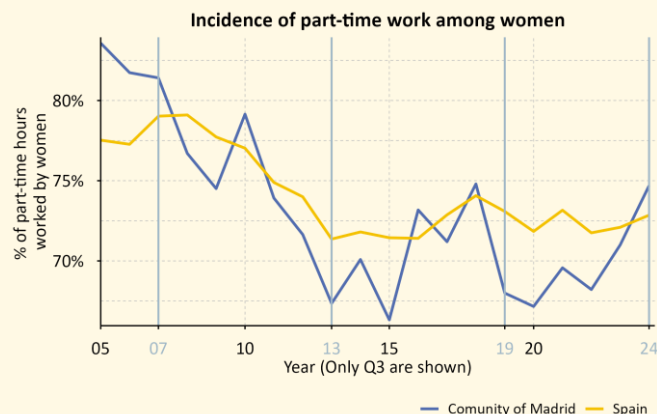
When analysing the structure of employment activity by type of workday, **it is observed that in the Community of Madrid, there is a lower participation of part-time work** compared to Spain as a whole.



During the 2008 financial crisis, both economies experienced a similar increase in the proportion of part-time work. In Madrid, this percentage rose from 5.3% in 2007 to 6.7% in 2013, while in Spain it increased from 5.6% to 7.9%. However, once the crisis was overcome, a decrease in the proportion of part-time work is observed in both regions, suggesting a negative correlation between economic growth and part-time employment.

The COVID-19 health crisis revealed a distinct difference between Madrid and Spain as a whole in terms of the proportion of part-time work. At the national level, a peak was reached in 2019 (7.7%), followed by a decrease to 7.2% in 2022. In contrast, in the Community of Madrid, the peak was recorded in 2020 (7.4%), and an inverted V-shaped trend was observed between 2017 and 2022.

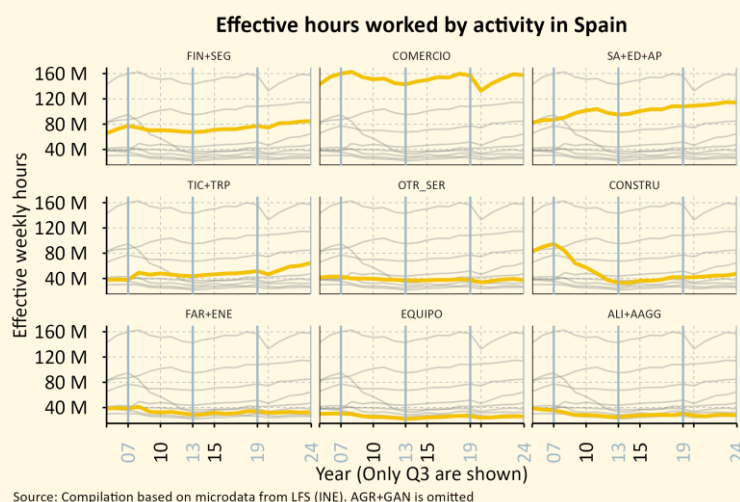
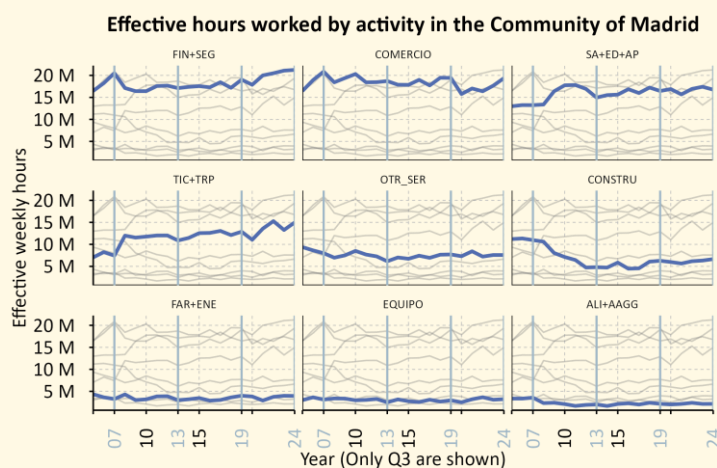
A recurring pattern observed throughout this analysis is the **higher incidence of women in the distribution of part-time work**. Throughout the analysed period, women have been the primary part-time workers in both Madrid and Spain. However, there has been a slight decrease in the proportion of part-time hours worked by women, dropping from 83.6% in 2005 to 74.7% in 2024 in Madrid, and from 77.5% to 72.9% in Spain as a whole.



## Evolution over time by branch of activity

The evolution over time of the actual weekly hours worked in the different branches of activity since 2005 shows different cyclical patterns by activity. Moreover, there is also a regional variation in the behaviour of the sectors.

The following includes all sectors, with the referenced sector highlighted in bold and guide lines indicating the relative peak and trough already marked for the total hours, in order to highlight the trend differences in each sector.

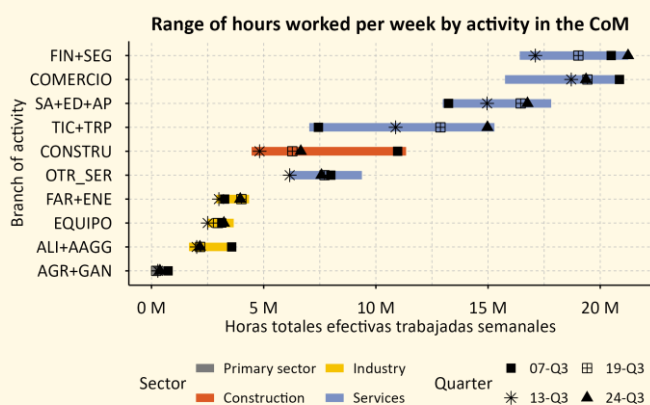




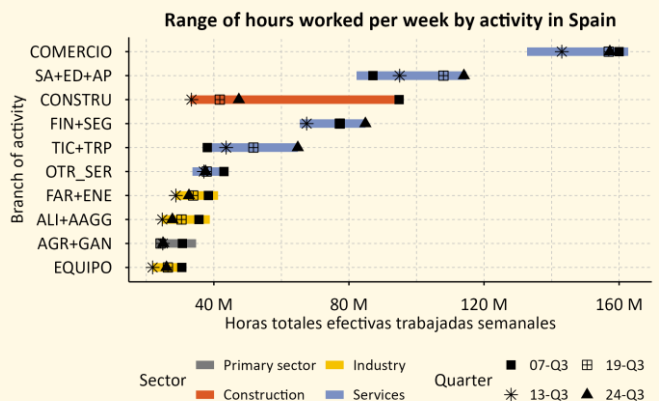
Although the third-quarter data for 2024 is the highest in the series in terms of total weekly hours worked in the region, this is not the case across all activities.

At least three groups of activities can be distinguished in the region, which are not mutually exclusive:

- Those with peak number of hours in the third quarter of 2024. This is the case for Financial and Insurance Activities, and for Information Technology services and transport. However, as will be seen further on, the current historical peaks have not necessarily led to an increase in their regional participation, as can be observed in the IT services sector but not in the financial activities sector.
- Those whose historical peak was reached in 2007 and has never been surpassed since. These are activities where the number of hours worked has not recovered to pre-financial crisis levels, and as a result, they have lost participation. This is the case of the trade branch and the industrial branch, which includes food and graphic arts companies. Special mention must be made of the construction sector, which shows the largest gap compared to 2007 hours, although the peak in working hours for this activity was not recorded in 2007, but a year earlier.
- A third group would consist of activities with cyclical profiles very different from the overall trend, either because they have undergone a structural change of greater intensity than the cyclical movements, as is the case with IT services and transport, which saw their lowest number of hours in 2007 and have practically continued to grow since then; or because the cyclical component plays a secondary role, as seen in Other services.



Source: Compilation based on microdata from LFS (INE). For each activity, the left end of the bar represents the minimum hours worked during the third quarters of the 2005-2024 period, while the right end represents the maximum value.



Source: Compilation based on microdata from LFS (INE). For each activity, the left end of the bar represents the minimum hours worked during the third quarters of the 2005-2024 period, while the right end represents the maximum value.

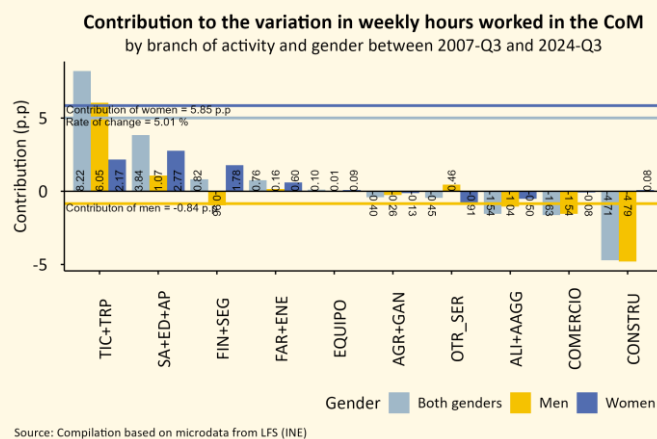
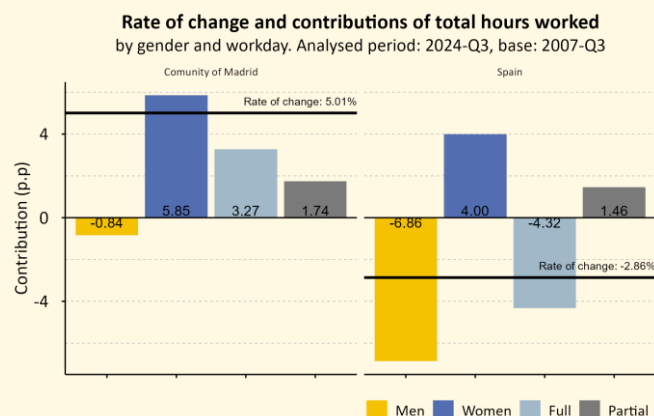
Thus, in terms of structural changes, **the sharp fall in the weight of construction**, especially affected by the financial crisis, **stands out**. In the Community of Madrid, construction, which ranked fourth in terms of hours worked in 2007 (11 million, 12% of the total), experienced a notable decline, dropping to sixth place in 2013 (4.8 million, 6%). Although it has partially recovered since then, reaching 6.7 million hours in 2024 (6.9%), its relative weight remains lower than it was before the financial crisis.

**In Spain, the fall of the construction sector was even more pronounced.** In 2007, construction was the second largest branch of activity in terms of the number of hours worked in Spain (94.9 million, 14.9% of the total). However, by 2013 it had slipped to sixth position (33.4 million, 6.4%). Despite a partial recovery, its weight is still significantly lower than before the crisis.

It can also be seen that the branch of activity **'Transport and storage. Information and communications'** has **increased its weight** in the economy over time, especially in the case of the Community of Madrid, rising from a total of 7.4 million weekly hours worked in 2007 (8.1% of the total) to 15 million hours in 2024 (15.6% of the total).

### Comparison 2024-Q3 and 2007-Q3

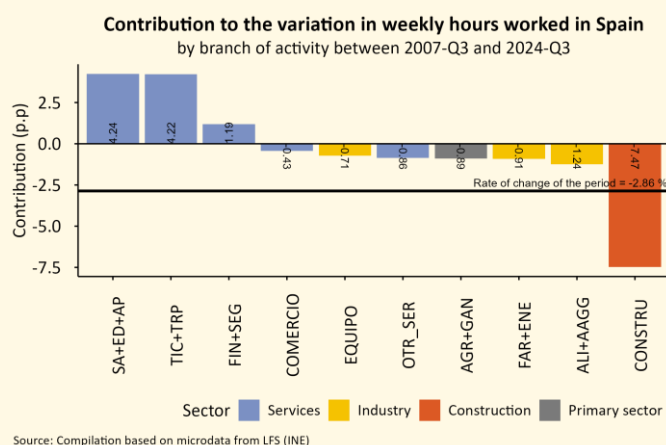
To better understand the changes in employment activity between the third quarter of 2007 and 2024, we break down the total variation in hours worked by gender, type of workday and branch of activity. This analysis will allow us to understand how activity patterns have evolved over this period and which factors have most influenced these changes. As previously calculated, **the rates of change of the total actual hours worked between 2024 and 2007 are 5.01% for the Community of Madrid and -2.86% for Spain.**



When analysing the evolution of actual hours worked between the third quarter of 2007 and 2024, significant differences are observed by gender and type of workday, both in the Community of Madrid and nationally.

- **Women:** Women experienced a notable increase in hours worked, with a rise of 5.85 percentage points in Madrid and 4 percentage points nationally, reflecting greater female participation in the labour market during this period.
- **Men:** In contrast, men recorded a decrease in hours worked, more pronounced at the national level than in Madrid, with -6.86 percentage points and -0.84 percentage points, respectively.
- **Part-time workday:** Both in Madrid (1.74 percentage points) and at the national level (1.46 percentage points), part-time work made a positive contribution to the overall growth in hours worked.
- **Full-time workday:** However, full-time work showed a divergent trend: while in Madrid it contributed to growth (3.27 percentage points), at the national level it contributed to a decline (-4.32 percentage points).

The results indicate that the evolution of the total number of actual hours worked has been heterogeneous, varying by gender and type of workday. **The increase in the number of hours worked by women has been a key factor in the overall evolution, especially in the Community of Madrid.** Moreover, part-time work has had a positive impact on both economies.



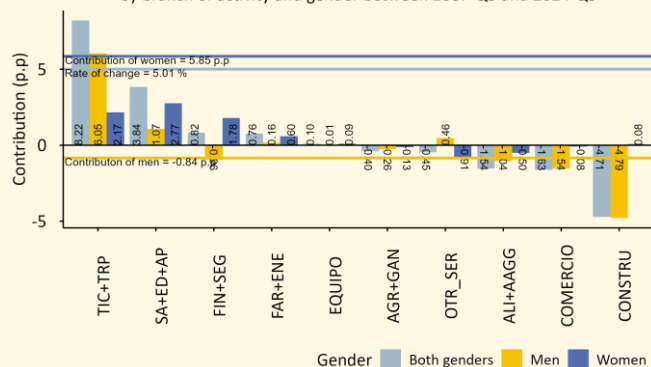
When segmented by branch of activity, it can be seen that in both economies construction has the greatest negative impact. In Madrid, this branch contributes a total of -4.71 percentage points, while at the national level; it contributes -7.47 percentage points. A noteworthy difference is observed by gender in this sector: in Madrid, the impact attributed to women is positive, with 0.08 percentage points, while at the national level, it is slightly negative, at -0.08 percentage points. In contrast, men show significantly more negative figures, with -4.71 percentage points in Madrid and -7.39 percentage points nationally. This gender disparity could be explained by the lower representation of women in this sector or by differences in the activities, they perform within it. As regards the increase in the number of hours worked, the branches that contributed most varied by region:

- **Madrid:** Transport and storage, Information and communications.
- **Spain:** Public administration, education and healthcare activities.

In Madrid, in second place is the branch of Public administration, education and health activities while in Spain it is Transport and storage, Information and communications.

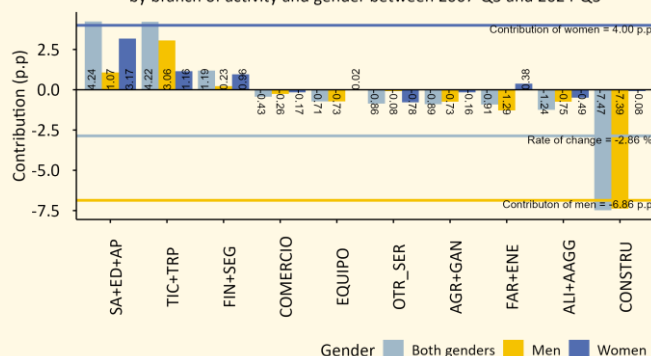


**Contribution to the variation in weekly hours worked in the CoM**  
by branch of activity and gender between 2007-Q3 and 2024-Q3



Source: Compilation based on microdata from LFS (INE)

**Contribution to the variation in weekly hours worked in Spain**  
by branch of activity and gender between 2007-Q3 and 2024-Q3



Source: Compilation based on microdata from LFS (INE)

Again, there are notable differences by gender.

- In **Madrid**, the branch of 'Transport and storage. Information and communications' has an impact of 6.05 percentage points for men and 2.17 percentage points for women, adding up to a total of 8.22 percentage points. Meanwhile, the branch of 'Public administration, education and healthcare activities' contributes 1.07 percentage points for men and 2.77 percentage points for women, adding up to a total of 3.84 percentage points.
- In **Spain**, the differences by gender are less pronounced. In the branch of 'Public administration, education and healthcare activities' the impact is 0.97 percentage points for men and 2.32 percentage points for women, while in 'Transport and information' the figures are 1.63 percentage points for men and 0.52 percentage points for women, totalling 2.15 percentage points.

In the case of Spain, the remaining branches of activity have a relatively small negative impact and show a very similar behaviour by gender.

Finally, in Madrid, the branch of 'Financial intermediation, insurance, real estate activities,

professional, scientific, administrative and other services' stands out for its significant weight in the regional economy. This branch has a total positive impact of 0.82 significant, although there is a marked gender disparity: the contribution of women is 1.78 percentage points, compared with -0.96 percentage points for men.

## Conclusions

From the data presented, the following key points can be drawn.

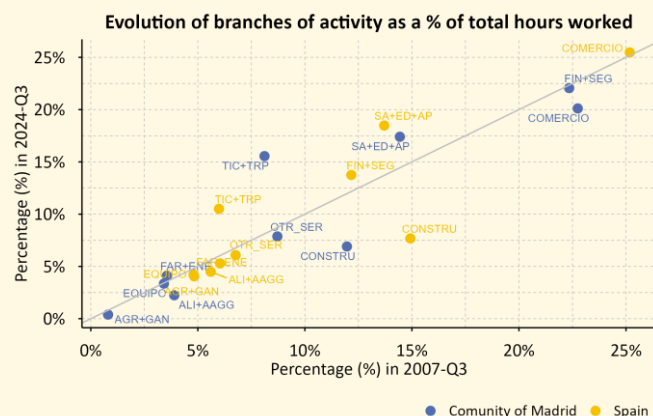
### Unequal recovery to pre-financial crisis levels:

When comparing the current number of actual weekly hours worked with the peaks recorded before the Great Recession, the Community of Madrid has achieved a net growth of 5%, reaching a new historical high. In contrast, Spain has not yet recovered the levels seen before the financial crisis and is 2.9% below the hours worked in 2007.

**Post-pandemic recovery in 2024:** By the third quarter of 2024, both economies have surpassed pre-pandemic levels. The hours worked increased by 5.7% in the Community of Madrid and 4.9% in Spain as a whole compared to 2019.

**Progress towards parity:** Women are consolidating their presence in the labour market, approaching parity in terms of hours worked. Comparing the third quarter of 2007 with that of 2024, there is a significant increase in the total hours worked by women, both in the Community of Madrid and in Spain as a whole, although the former has a higher representation of women in the labour market. In contrast, the number of hours worked by men has decreased during the same period.

**Cyclical behaviour of part-time employment:** The data seem to indicate some degree of negative correlation between the economic cycle and the rate of part-time employment. In times of crisis, the proportion of part-time work tends to increase, while in periods of economic expansion, it decreases.



Source: Compilation based on microdata from LFS (INE)

**Regional specialisation:** The Community of Madrid has specialised in higher added-value sectors, such as financial intermediation, insurance, and services related to transport and information and communication technologies (ICT). In addition, the weights of the primary sector, as well as those of the food industry, graphic arts and extractive industries and those related to energy production are lower in the Community of Madrid compared to the national total.

### Greater female presence in part-time employment:

Women stand out for their significantly higher participation in part-time jobs compared to men. Approximately three out of every four hours worked part-time are performed by women.

**Structural changes:** In recent years, the construction sector has suffered a notable contraction in the number of hours worked, both in the Community of Madrid and in Spain as a whole. In contrast, activities such as those related to transport, services linked to the ICT sector or those related to the areas of education and healthcare have increased their weight in the labour market.

## 2. Social Security Enrolment

**Social Security enrolment's extraordinary performance persists in Q3 2024.** The average number of new registrations stood at 3,665,275, the highest for a third quarter in the series, having reached an all-time high in the second quarter of 2024. These high volumes still demonstrate strong year-on-year dynamism, advancing by 3.4%, although the growth rate has slowed, three-tenths lower than the previous quarter's growth and half a point less compared to 2023.

Men record the highest figure in the entire series, while women and both the general and self-employment schemes register the highest number of employees for a third quarter. Once again, the performance of female enrolment and of the general scheme continued to be more dynamic, with year-on-year increases in the third quarter of 3.4% and 3.5% respectively. The self-employment scheme grew at a more muted rate of 2.5%, but accelerating by three tenths of a percentage point above the increase in Q2 2024.

The seasonal reductions month-on-month in the summer months of July and August did not prevent enrolment levels from being the highest in the series for these months, and September's seasonal increase represents the highest level for this month in the entire series. These circumstances have led to a 14.1% increase in total enrolment in the third quarter over pre-pandemic levels, with 15.2% in the general scheme and 6.9% in the self-employment scheme.

The analysis of the general scheme, excluding the special agricultural and domestic workers' schemes, is decisive in determining the distribution by activity of total enrolment. In the third quarter, it accounted for 88.2% of the total, with 87.6% of enrolment in the services sector in this scheme. It should be noted that all sections of this sector in this period experienced year-on-year increases and increases in enrolment versus Q3 2019, except for

*Rest of services*, which fell 2.7% on the pre-pandemic figure.

The latest available data, corresponding to the month of October 2024, shows a seasonal increase above all the months of October to date in the series, leading to a new all-time high of over 3,727,091 new enrolments, a 3.3% year-on-year growth, three-tenths higher than in September. The same pattern of behaviour can be seen in the breakdown by gender and in the general scheme which reach the highest volumes of the series: men increased year-on-year by 3.2% and women by 3.3%, while the general scheme grew by three tenths of a point, 3.4% compared to September's growth; meanwhile the self-employment scheme maintained the growth from the previous month, at 2.4% year-on-year.

With regard to pre-pandemic enrolment, the region has not ceased to recover volume month by month since February 2021 and the figure for October 2024 is 14.1% higher than that of the same month in 2019.

The analysis of average monthly enrolment in October by sector of activity in the general scheme, excluding the special agricultural and domestic workers' schemes shows peak enrolment volumes in the services sector. In October, five service sectors reached historic highs. The sectors with the greatest contribution to growth are *Public administration, defence and social security, and Professional, scientific, and technical activities*.

Turning to the self-employed, October's historic peak is also due to the sectoral origin of enrolment in the tertiary sector: six of its thirteen services sections show the highest enrolment for the month of October. Of these, the sectors with the greatest contribution are *Professional, scientific, and technical activities*, with 0.6 percentage points, and *Arts, entertainment and recreation*, with 0.3 percentage points.

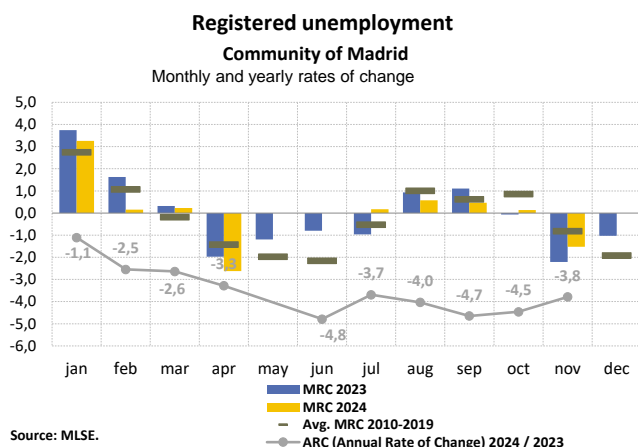
Average quarterly affiliation to the General Scheme (not farm/domestic) by sections. Structure and changes. Community of Madrid.												
CNAE Sections 2009	IIITR 2024			IIITR 2023		IIITR 2019			Rates of change			
	Level	Weight	COM/SPAIN	Level	Weight	Level	Weight	COM/SPAIN	24/23		24/19	
	nº	(%)	(%)	nº	(%)	nº	(%)	(%)	COM	Spain	COM	Spain
A - Agric. Livest. Fore. And Fis	2.745	0,1	3,2	2.729	0,1	2.785	0,1	3,6	0,6	3,0	-1,4	13,5
B ... E - Industry	217.717	7,0	9,9	211.870	7,0	195.651	7,2	9,4	2,8	1,8	11,3	6,5
F - Construction	169.409	5,4	16,9	164.655	5,5	145.458	5,4	16,6	2,9	2,0	16,5	14,3
G - Comm. Rep. Vehicles	445.331	14,2	16,9	434.695	14,4	418.533	15,5	16,8	2,4	2,0	6,4	6,2
H - Transport. Storage	178.782	5,7	20,7	171.414	5,7	148.282	5,5	20,0	4,3	4,0	20,6	16,8
I - Hospitality	196.831	6,3	12,1	189.236	6,3	180.446	6,7	12,3	4,0	3,7	9,1	10,9
J - Inform. Commun.	279.972	8,9	42,9	270.958	9,0	219.521	8,1	44,1	3,3	3,0	27,5	31,0
K - Act. Finance & Insur	123.017	3,9	37,7	118.626	3,9	109.965	4,1	34,1	3,7	2,4	11,9	1,2
L - Act. Real Estate	29.246	0,9	26,2	28.035	0,9	25.071	0,9	25,2	4,3	3,8	16,7	12,0
M - Actv. Prof. Tech. Sci.	297.483	9,5	31,9	286.058	9,5	239.760	8,9	31,6	4,0	3,4	24,1	22,8
N - Actv. Admt. Serv. Auxil.	350.554	11,2	23,8	340.003	11,3	322.039	11,9	23,8	3,1	2,8	8,9	9,0
O - Public Adm Defen., SS	232.820	7,4	19,7	213.447	7,1	166.433	6,2	15,0	9,1	-3,1	39,9	7,0
P - Education	194.144	6,2	18,1	186.637	6,2	157.914	5,9	19,9	4,0	12,9	22,9	35,6
Q - Actv. Health Serv. Social	283.653	9,1	14,5	272.067	9,0	241.525	8,9	14,7	4,3	3,8	17,4	19,2
R - Actv. Artis. Rec. & Ent	52.533	1,7	16,9	50.379	1,7	45.982	1,7	17,4	4,3	4,3	14,2	17,5
S ... U - Rest of Serv.	77.773	2,5	20,4	78.634	2,6	79.928	3,0	21,0	-1,1	0,4	-2,7	0,0
Total services	2.742.139	87,6	20,3	2.640.189	87,4	2.355.399	87,3	19,8	3,9	3,2	16,4	13,6
Total	3.132.010	100,0	18,6	3.019.443	100,0	2.699.293	100,0	18,1	3,7	2,9	16,0	12,7

(\*) The average quarterly data are calculated on the basis of the average monthly data.

Source: Ministry of Inclusion, Social Security and Migration.

### 3. Registered unemployment

The pace of the decline in the number of unemployed was maintained in the third quarter of the year. The recent performance of registered unemployment was once again very positive, marking two consecutive quarters with fewer than three hundred thousand unemployed individuals. Unemployment fell from 302,721 in the third quarter of 2023 to 290,220 in the same period of 2024. This is the lowest figure for a quarter since 2008 and is already very different from the 2020 figures, when 425,916 unemployed people were registered in the third quarter.



Registered unemployment data for the region reflects an acceleration in the pace of unemployment decline throughout the year, with a 4.1% year-on-year decrease in the third quarter of 2024, compared to 2.1% in the first quarter and 1.5% in the fourth quarter of 2023. Thus, the gradual loss of momentum observed between the second quarter of 2022 and the fourth quarter of 2023

has been reversed. On average for the year 2023, the decline in registered unemployment stood at 4.5%. In the latest published data from October 2024, there was once again a 4.5% year-on-year decrease in registered unemployment.

Both genders participated in the declines in unemployment in the region and improve on pre-pandemic data. Male unemployment continues to show the smallest year-on-year drop, reaching 3.4% in the third quarter of 2024, while female unemployment fell by 4.6%. The latest published data, from October, maintains the trend, with a decrease in year-on-year rates in male unemployment (4.1%) lower than that of female unemployment (4.7%).

The year-on-year decreases observed in the third quarter also occurred in all sectors of activity: 9.9% in agriculture, 6.7% in industry, 4% in services and in construction, while the group 'without previous employment' recorded the smallest decrease of 3.5%. This drop, likewise, is evidenced in its comparison with the second quarter of 2019 in all sectors, although with different intensity.

In October 2024, regional unemployment decreased year-on-year in all sectors; 10% in agriculture, 6.7% in industry, 4.8% in construction, 4.5% in the 'without previous employment' group, which recorded a reduction for the eighth consecutive month, and 4.2% in services, the smallest decrease among all sectors.

REGISTERED UNEMPLOYMENT BY SECTIONS Community of Madrid										
CNAE Sections 2009	3Q24					Pandemic maximum		Pre-pandemic variation 3Q19		
	Level	Weight (%)	Diff Annual	ARC (%)	Rep. (1)	Level	Date	Difference	RC (%)	Rep. (1)
A - Agric. Livest. Fore. And Fish	2.041	0,7	-224	-9,9	-0,1	3.470	1Q21	-518	-20,3	-0,2
B ... E - Industry	15.462	5,3	-1.105	-6,7	-0,4	24.732	1Q21	-5.093	-24,8	-1,5
F - Construction	20.722	7,1	-862	-4,0	-0,3	33.085	1Q21	-5.471	-20,9	-1,6
G - Comm. Rep. Vehicles	39.429	13,6	-1.193	-2,9	-0,4	59.641	1Q21	-5.953	-13,1	-1,7
H - Transport. Storage	10.836	3,7	-608	-5,3	-0,2	17.971	2Q20	-1.520	-12,3	-0,4
I - Hospitality	25.459	8,8	-1.424	-5,3	-0,5	43.980	1Q21	-5.508	-17,8	-1,6
J - Inform. Commun.	13.106	4,5	952	7,8	0,3	16.165	2Q20	586	4,7	0,2
K - Act. Finance & Insur	4.241	1,5	-1.081	-20,3	-0,4	6.028	3Q21	-676	-13,7	-0,2
L - Act. Real Estate	2.630	0,9	-74	-2,7	0,0	3.582	1Q21	-118	-4,3	0,0
M - Actv. Prof. Tech. Sci.	30.991	10,7	-197	-0,6	-0,1	47.878	1Q21	-7.979	-20,5	-2,3
N - Actv. Admt. Serv. Aulil.	43.894	15,1	-3.038	-6,5	-1,0	74.986	1Q21	-10.061	-18,6	-3,0
O - Public Adm Defen., SS	11.681	4,0	-1.929	-14,2	-0,6	15.366	3Q21	-804	-6,4	-0,2
P - Education	11.487	4,0	-1.207	-9,5	-0,4	16.956	3Q21	-2.283	-16,6	-0,7
Q - Actv. Health Serv. Social	13.447	4,6	-232	-1,7	-0,1	20.185	1Q21	-672	-4,8	-0,2
R - Actv. Artis. Rec. & Ent	5.956	2,1	-214	-3,5	-0,1	9.458	3Q20	-909	-13,2	-0,3
S ... U - Rest of Serv.	18.423	6,3	673	3,8	0,2	26.142	1Q21	-284	-1,5	-0,1
<b>Total services</b>	<b>231.579</b>	<b>79,8</b>	<b>-9.572</b>	<b>-4,0</b>	<b>-3,2</b>	<b>350.569</b>	<b>1Q21</b>	<b>-36.181</b>	<b>-13,5</b>	<b>-10,6</b>
<b>No previous employment</b>	<b>20.417</b>	<b>7,0</b>	<b>-737</b>	<b>-3,5</b>	<b>-0,2</b>	<b>31.547</b>	<b>2Q21</b>	<b>-2.762</b>	<b>-11,9</b>	<b>-0,8</b>
<b>Total</b>	<b>290.220</b>	<b>100,0</b>	<b>-12.501</b>	<b>-4,1</b>	<b>-4,1</b>	<b>442.805</b>	<b>1Q21</b>	<b>-50.025</b>	<b>-14,7</b>	<b>-14,7</b>

(1) Impact is the contribution of each section to total growth

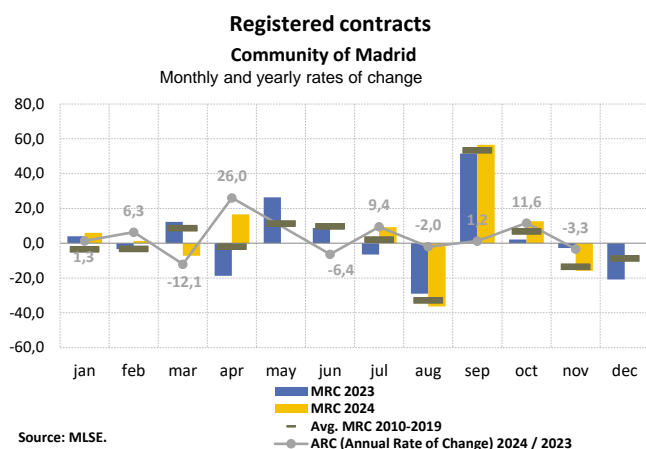
Source: Directorate General of the Public Employment Service. Regional Department of Economy, Taxation and Employment

The breakdown of the services sector by activity sections (CNAE 2009) shows that in the third quarter of 2024 in year-on-year terms, unemployment has not decreased in all areas, with *Financial and insurance activities* being the one seeing the greatest drop in registered unemployed in relative terms, with a fall of 20.3%; followed by *Public administration, defence and social security* with a fall of 14.2%, *Education* with a fall of 9.5% and *Administrative and support service activities* with a fall of 6.5%. The number of registered unemployed increased year-on-year by 7.8% in *Information and communications* and by 3.8% in *Other services*.

In October 2024, the latest published data, the regional comparison in year-on-year terms shows a generalised decrease in registered unemployment in all the Autonomous Communities, with the exception of Navarre, where it increased by 0.3%, with a wide range of oscillation from a 9.3% reduction in Extremadura to a 1% reduction in the Basque Country. The Community of Madrid has the fourth highest registered unemployment rate in Spain, despite having the second-largest labour force measured in terms of social security contributors.

All regions show current levels of registered unemployment below pre-pandemic levels, with the Community of Madrid being the region with the second largest drop in absolute terms.

**Second consecutive quarter of year-on-year growth in the number of contracts.** Hiring grew again in the third quarter, just as in the previous period, after the downward trend that began in the third quarter of 2022. In the third quarter of 2024, registered contracts increased by 3.3% year-on-year. The latest data from October again boosted registered contracts to 230,901, and the year-on-year comparison was very positive once again, with an 11.6% increase.

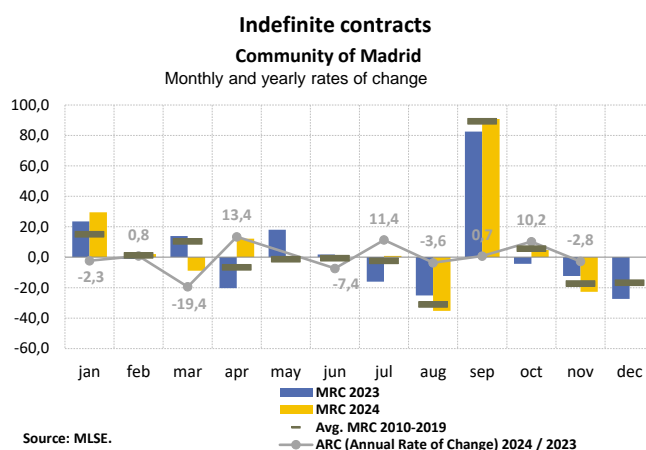


With the entry into force of the labour reform in 2022 and the implementation of stimulus measures and methodological changes, permanent hiring broke records and temporary hiring has shown year-on-year declines since April 2022.

In the third quarter of 2024, year-on-year levels of permanent hiring revealed an increase of 3.1%, following the trend of declines since the second quarter of 2023. This contrasts with the previous quarter's decrease, which saw a year-on-year drop of 2.1%. The latest data from October shows a significant new year-on-year increase of 10.2% in permanent hiring.

Meanwhile, temporary hiring saw a sharp cutback from the second quarter of 2022, followed by notable declines in 2023, which, however, are gradually easing; thus, in the first quarter of 2023, the decline was 43.9% while in the fourth quarter it was limited to 1.5%. In the first three quarters of 2024, temporary hiring has seen consecutive year-on-year increases, reaching 3.6% in the third quarter. The latest data for October also show a significant year-on-year increase in temporary hiring of 12.9%.

Meanwhile, permanent discontinuous contracts, residual until the entry into force of the labour reform in 2022, reached 15,072 in the third quarter of 2024.



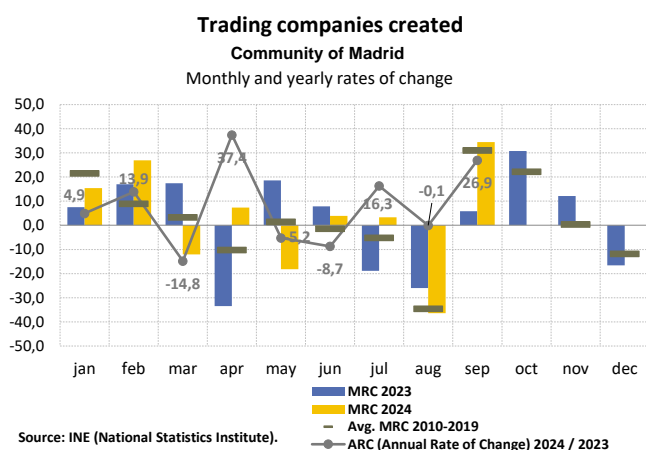


## V.4. Business environment

In the first half of 2024, entrepreneurial activity performed erratically, with year-on-year growth of 4.9% in January, 13.9% in February, and 37.4% in April, but a decline of 14.8% in March, 5.2% in May, and 8.7% in June. In the months of the third quarter, entrepreneurial activity grew and accelerated in July with a 16.3% increase, followed by a slight decline of 0.1% in August, before experiencing a significant year-on-year rise of 26.9% in September.

The third quarter of 2024 posted the second highest number of company incorporations for this period since 2007, with 5,616 new entities, 14.8% more than in the same quarter of 2023 and 724 more companies were incorporated than one year before. Compared to the same quarter in 2019, the number of companies created also increased by 1,209, up by 27.4%.

The incorporation of companies reached 1,928 in September, the latest available data, marking the highest volume for this month since 2007. The month-on-month growth rate of 34.4% was above the 27% average of the last ten years and the 31% of the ten years prior to the pandemic. In year-on-year terms, it grew by 26.9%, with almost five hundred more companies than a year ago.



The Community of Madrid topped the regional ranking in terms of incorporations for the month and for the January-September 2024 period. The relative figures for the creation of new companies are very significant; 24% of the total number of companies created in Spain in September did so in the region, and 22.4% of those set up were created between January and September 2024.

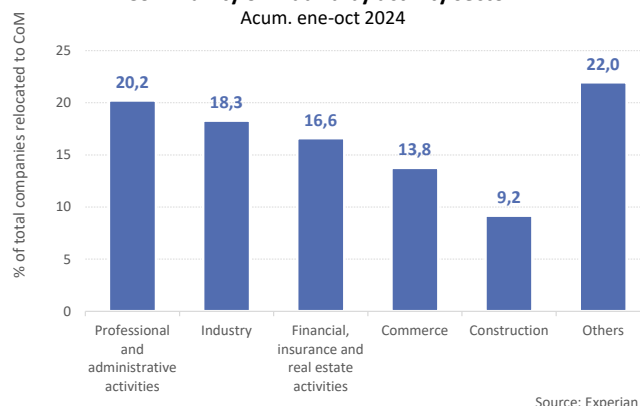
Subscribed capital in the third quarter of 2024 has alternated between a significant increase in July, growing by 23% year-on-year, stagnation in August with a 0% change, and a 2.3% decline in September compared to the same month in 2023. Given these third-quarter figures, the investment made by new companies has totalled 459.8 million euros, the highest investment for this quarter since 2012. With all this, the figures for this quarter of 2024 are 93% higher than those of the same period before the pandemic.

The investment figure for September is 102.8 million euros, 27.5% less than in August and 2.3% lower than a year ago; while it experienced a 107% increase compared to September 2019. The Community of Madrid is the region where most capital was subscribed in September, accounting for 35.5% of the total national investment in September and 25.6% for the period from January to September. The average capitalisation per company in September was 47.9% higher than the national average and 14.3% higher in the year to date.

In the third quarter of 2024, company dissolutions increased by 5.6% compared to the same quarter in 2023, and by 3.7% compared to the same period in 2019. In September, the latest available data, company dissolutions fell by 5.2% month-on-month, but on the other hand, they rose by 37.3% year-on-year, making it the fourth September with the highest business closures in the entire series. Compared to pre-pandemic figures, September 2024 saw 3.3% fewer dissolutions than in 2019.

**In the January-October period, the Community of Madrid continued to attract companies relocating their headquarters within Spain.** Experian reports that in the period January-October 2024, 1,548 companies changed their registered office to the region; the most represented sector was *Professional and administrative activities* with 20.2%, followed by *Industry* with 18.3% of arrivals and *Professional and administrative activities* in third place with 16.6%. The origin of companies relocating to the Community of Madrid is once again Catalonia, accounting for 24.5%, followed by Andalusia with 16.8%, and the Community of Valencia with 11.7%. The balance with entities leaving Madrid during this period is positive, with 200 companies moving to the region. This positive balance is 185 companies higher than the same period last year. The Community of Madrid remains an increasingly attractive destination for business relocation.

**Companies that relocated their registered address to the Community of Madrid by activity sector.**  
Acum. ene-oct 2024



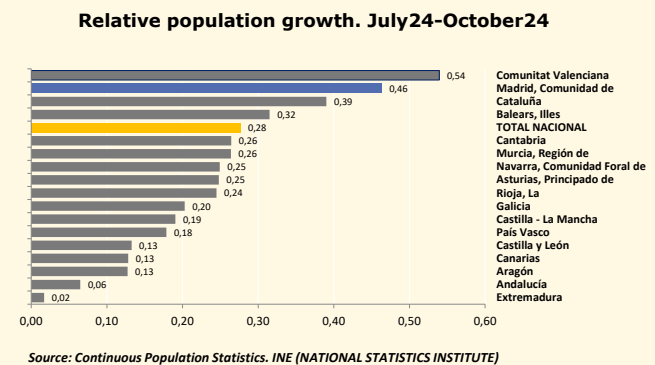


Sidebar IV. Demographic keys 2024.

The National Statistics Institute published its Continuous Population Statistics, provisional data as of 1/10/2024.

The Community of Madrid is the Spanish region with the highest population growth in the last quarter.

According to the data published by the INE in its ‘Continuous Population Statistics’, the Community of Madrid had 7,088,861 inhabitants on 1 October 2024, 32,677 more people than the previous quarter, which represents 34.4% of the total national increase (134,890 people) and a growth of nearly 0.5%, the second highest of all the Spanish Autonomous Communities.



The population of foreign origin plays a very important role in this demographic increase; 68.3% of this increase was due to the foreign population (22,325). Moreover, the group of foreign-born individuals increased by 29,331, meaning some 7,006 people who were foreigners acquired Spanish nationality during the period.

The annual increase is led by the Valencian Community and the Community of Madrid, which saw an increase of 1.7 percentage points, notably higher than the 0.9% experienced by Spain as a whole. Once again, the foreign population in the Madrid region stands out, accounting for 48.4% of the total increase (56,613 foreign nationals out of a total of 117,040).

During this last year, the number of foreign-born individuals increased by 105,115, a figure which, if we subtract the aforementioned foreign nationals, will give us an approximate number of naturalisations in the period, of almost 48,502.

In analysing the annual differences by gender, nationality and broad age groups, we can observe very interesting aspects of the growth components.

Firstly, it is clear that the foreign population is mainly responsible for the demographic increase, especially in the working-age groups, although all the major groups are represented.

Secondly, there is a decrease in the age group of infants of Spanish nationality, linked to the trend of a progressive decrease in the number of births that has been occurring for several years.

Thirdly, the steady increase continues in the number of people over 65 years of age, especially Spaniards. The steady increase in life expectancy means that there are more and more elderly people who are also living longer and longer.

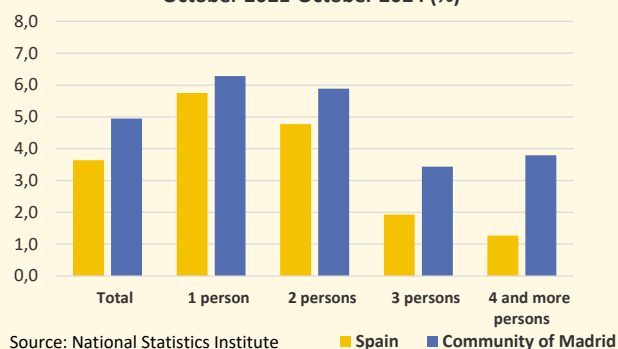
As a result of the above, and while Madrid's society is characterised by an increasingly ageing population, it is also true that this trend is less pronounced than in the rest of Spain.

As for Madrid households, it should be noted that they increased by 12,166 in the last quarter, and by 34,347 in the last year.

DIFFERENCES IN POPULATION 1/10/2024-1/10/2023. COMMUNITY OF MADRID									
	TOTAL			SPANISH			FOREIGNERS		
	Both sexes	Men	Women	Both sexes	Men	Women	Both sexes	Men	Women
Total	117.040	59.124	57.916	60.427	27.666	32.761	56.613	31.458	25.155
Aged 0-14	-10.562	-5.499	-5.063	-11.643	-5.988	-5.655	1.081	489	592
15-64	89.396	47.277	42.119	39.665	18.637	21.028	49.731	28.640	21.091
over 65	38.206	17.346	20.860	32.405	15.017	17.388	5.801	2.329	3.472

Source: Continuous Population Statistics. INE (NATIONAL STATISTICS INSTITUTE)

**Growth in the number of people per household  
October 2021-October 2024 (%)**



The number of households has grown in the last three years in both Spain and the Community of Madrid, although it is in the Madrid region where the increase has been most pronounced. While Spanish households increased by 3.6%, in the Madrid region they increased by 4.9%.

According to household size, it is observed that, both in Spain and in the Community of Madrid, single-person households have experienced the greatest growth in the last three years (5.5% and 6.3%, respectively), followed by two-person households (4.8% and 5.9%).

The number of households with 4 or more individuals increased by 3.8% in the Community of Madrid, while in Spain it did so by 1.3%. This can be explained by the family regrouping of foreign-born inhabitants.

Finally, we present a table with a summary of the main data published by the INE for the first quarter in its Continuous Population Survey.

REGIONAL POPULATION RANKING (01/10/2024)					
TOTAL POPULATION People	(SPANISH POPULATION) People	POPULATION BORN ABROAD People	POPULATION BETWEEN 0-15 YEARS OLD (%)	POPULATION 65 YEARS OLD AND OVER (%)	
<b>Spain</b> 48.797.875	<b>Spain</b> 6.632.064	<b>Spain</b> 9.036.416	<b>Spain</b> 13,6	<b>Spain</b> 20,0	
Andalusia 8.637.152	Catalonia 1.484.752	Catalonia 1.965.171	Region of Murcia 16,1	Asturias 27,4	
Catalonia 8.068.180	<b>Comm. of Madrid</b> 1.136.637	<b>Comm. of Madrid</b> 1.700.669	Navarre 14,6	Castile-León 26,3	
<b>Comm. of Madrid</b> 7.058.041	C. Valenciana 1.003.681	C. Valenciana 1.234.610	Andalusia 14,4	Galicia 26,1	
C. Valenciana 5.359.309	Andalusia 862.166	Andalusia 1.085.763	Castile-La Mancha 14,2	Cantabria 23,5	
Galicia 2.706.953	Canary Islands 331.347	Canary Islands 510.343	<b>Catalonia</b> 14,0	Basque Country 23,3	
Castile-León 2.390.321	Balearic Islands 262.326	Balearic Islands 345.073	Comm. of Madrid 14,0	Aragon 22,0	
Canary Islands 2.246.132	Region of Murcia 245.981	Galicia 313.558	Balearic Islands 13,9	Extremadura 21,9	
Basque Country 2.233.309	Castile-La Mancha 242.862	Region of Murcia 312.010	C. Valenciana 13,8	La Rioja 21,6	
Castile-La Mancha 2.107.420	Basque Country 219.058	Basque Country 304.863	La Rioja 13,7	Navarre 20,3	
Region of Murcia 1.575.171	Castile-León 189.347	Castile-La Mancha 301.825	Aragon 13,4	C. Valenciana 19,7	
Aragon 1.348.206	Aragon 187.477	Castile-León 263.920	Extremadura 12,9	Castile-La Mancha 19,3	
Balearic Islands 1.238.812	Galicia 161.404	Aragon 237.161	Basque Country 12,8	Catalonia 19,0	
Extremadura 1.051.901	Navarre 87.440	Navarre 131.087	Cantabria 12,1	Andalusia 18,3	
Asturias 1.010.058	Asturias 63.011	Asturias 107.982	Canary Islands 11,7	<b>Comm. of Madrid</b> 18,2	
Navarre 680.296	La Rioja 47.606	Cantabria 71.736	Castile-León 11,4	Canary Islands 17,5	
Cantabria 591.546	Cantabria 46.511	Extremadura 59.863	Galicia 11,2	Region of Murcia 16,3	
La Rioja 325.264	Extremadura 43.834	La Rioja 59.397	Asturias 10,3	Balearic Islands 16,2	
TOTAL POPULATION (Quarterly difference)	TOTAL POPULATION (Year-on-year difference)	(SPANISH POPULATION) (Year-on-year difference)	TOTAL POPULATION Year-on-year rate	(SPANISH POPULATION) Year-on-year rate	
<b>Spain</b> 67.367	<b>Spain</b> 415.369	<b>Spain</b> 293.651	C. Valenciana 1,7	Asturias 10,7	
<b>Comm. of Madrid</b> 23.198	<b>Comm. of Madrid</b> 112.860	C. Valenciana 70.539	<b>Comm. of Madrid</b> 1,6	Galicia 10,0	
Catalonia 18.517	Catalonia 89.581	Catalonia 61.855	Balearic Islands 1,2	Castile-León 7,7	
C. Valenciana 15.189	C. Valenciana 88.921	<b>Comm. of Madrid</b> 48.171	Catalonia 1,1	C. Valenciana 7,6	
Balearic Islands 3.413	Andalusia 25.285	Andalusia 23.899	Region of Murcia 1,0	Cantabria 7,0	
Basque Country 2.637	Canary Islands 20.082	Galicia 14.697	<b>Canary Islands</b> 0,9	Extremadura 6,4	
Canary Islands 2.125	Region of Murcia 15.089	Castile-León 13.616	<b>Spain</b> 0,9	Castile-La Mancha 5,6	
Region of Murcia 1.586	Balearic Islands 14.775	Castile-La Mancha 12.776	Navarre 0,8	<b>Basque Country</b> 5,0	
Castile-La Mancha 1.356	Castile-La Mancha 13.723	Basque Country 10.368	Castile-La Mancha 0,7	<b>Spain</b> 4,6	
Asturias 990	Basque Country 11.722	Canary Islands 7.477	La Rioja 0,6	<b>Comm. of Madrid</b> 4,4	
Navarre 764	Galicia 6.322	Region of Murcia 6.557	Basque Country 0,5	Navarre 4,4	
La Rioja 703	Navarre 5.110	Asturias 6.099	Cantabria 0,4	Catalonia 4,3	
Cantabria 386	Castile-León 3.775	Balearic Islands 5.220	Asturias 0,3	La Rioja 3,9	
Aragon 53	Asturias 3.107	Navarre 3.688	Andalusia 0,3	Andalusia 2,9	
Galicia 9	Cantabria 2.093	Cantabria 3.028	Galicia 0,2	Region of Murcia 2,7	
Extremadura -537	La Rioja 1.814	Extremadura 2.643	Castile-León 0,2	Canary Islands 2,3	
Castile-León -652	Aragon 1.505	La Rioja 1.777	Aragon 0,1	Balearic Islands 2,0	
Andalusia -2.673	Extremadura -1.725	Aragon 810	Extremadura -0,2	Aragon 0,4	

Source: Continuous Population Statistics. INE (NATIONAL STATISTICS INSTITUTE)

# Annex Company relocations to the Community of Madrid

Year 2024<sup>1</sup>: January - October

Companies that relocated their registered address to the Community of Madrid														
By autonomous community of origin and sector of activity. Cumulative. Jan-Sep 2024														
Aut.Com./Sector	01	02	03	04	05	06	07	08	09	10	11	s/d	Total	%
Andalusia	4	53	24	39	7	13	20	37	48	4	10	1	260	16,8
Aragon		9	5	9	2		2	7	11	3	1		49	3,2
Asturias		9	2	6		1		7	5		1		31	2,0
Balearic Islands		3	7		1	7	2	11	4	1			36	2,3
Canary Islands		2	3	1	1	2		4	10	1	7		31	2,0
Cantabria		3	2	3		1		1	3	1	2		16	1,0
Castile-La Mancha	13	22	22	22	4	12	11	16	31	6	7		166	10,7
Castile Leon	3	17	11	23	3	7	5	14	24	6	6		119	7,7
Catalonia	5	37	29	48	6	18	22	102	94	11	7		379	24,5
Extremadura	1	5	3	1		2	2	4	5				23	1,5
Galicia		5	3	4	3	3	4	2	7	3	3		37	2,4
La Rioja		1	1	1	1		1		1				6	0,4
Murcia	1	7	6	10	2	1	4	4	6	1	2	1	45	2,9
Navarre		15	4	6	1		2	8	5		1		42	2,7
Basque Country	1	31	6	13	1	15	2	30	25	1	2		127	8,2
Valencia		64	14	27	7	6	13	10	34	3	3		181	11,7
Others														
<b>Total</b>	<b>28</b>	<b>283</b>	<b>142</b>	<b>213</b>	<b>39</b>	<b>88</b>	<b>90</b>	<b>257</b>	<b>313</b>	<b>41</b>	<b>52</b>	<b>2</b>	<b>1.548</b>	100,0
<b>%</b>	1,8	18,3	9,2	13,8	2,5	5,7	5,8	16,6	20,2	2,6	3,4	0,1	100,0	
<b>Balance. Inputs - Outputs</b>													<b>200</b>	

01: Agriculture; 02: Industry; 03: Construction; 04: Commerce; 05: Transport and storage; 06: Hospitality; 07: Information and communications; 08: Financial, insurance and real estate activities; 09: Professional and administrative activities; 10: Public administrations, health and education; 11: Artistic activities and other services; n/d: no data.

Companies that move their registered office outside the Community of Madrid														
By autonomous community of origin and sector of activity. Cumulative. Jan-Sep 2024														
Aut.Com./Sector	01	02	03	04	05	06	07	08	09	10	11	s/d	Total	%
Andalusia	3	19	23	48	7	8	20	46	48	7	10		239	17,7
Aragon	1	7	5	12	2		1	11	4	4	1		48	3,6
Asturias		2	3	8		2		8	5				28	2,1
Balearic Islands	1	2	3	9	1	4	1	9	10		2		42	3,1
Canary Islands		5	4	2		1	3	8	8		3		34	2,5
Cantabria	1		1	1	3	2		5	6		1		20	1,5
Castile-La Mancha	1	25	6	15	2	2	4	15	16	4	8		98	7,3
Castile Leon	8	31	34	26	6	11	6	17	30	6	9		184	13,6
Catalonia	2	13	11	49	7	10	20	60	47	12	15		246	18,2
Extremadura	4	3	2	9	2		1	4	3		1		29	2,2
Galicia	2	2	9	17	2	1	6	6	15	1	3		64	4,7
La Rioja		1	1				2	1	2	1		1	9	0,7
Murcia	1	3	1	7			1	6	4		3		26	1,9
Navarre		2	1	3	1		4	5	4				20	1,5
Basque Country		7	4	2	2	1	12	14	23		10		75	5,6
Valencia		24	14	32	8	5	18	45	29	2	6		183	13,6
Ceuta				1				1					2	0,1
Melilla											1		1	0,1
<b>Total</b>	<b>24</b>	<b>146</b>	<b>122</b>	<b>241</b>	<b>43</b>	<b>47</b>	<b>99</b>	<b>261</b>	<b>254</b>	<b>37</b>	<b>73</b>	<b>1</b>	<b>1.348</b>	100,0
<b>%</b>	1,8	10,8	9,1	17,9	3,2	3,5	7,3	19,4	18,8	2,7	5,4	0,1	100,0	

01: Agriculture; 02: Industry; 03: Construction; 04: Commerce; 05: Transport and storage; 06: Hospitality; 07: Information and communications; 08: Financial, insurance and real estate activities; 09: Professional and administrative activities; 10: Public administrations, health and education; 11: Artistic activities and other services; n/d: no data.

<sup>1</sup> Source: Experian, with information from the Official Gazette of the Companies Registry (in Spanish: Boletín Oficial del Registro Mercantil, or BORME).

Companies that relocated their registered address to the Community of Madrid														
By autonomous community of origin and sector of activity. September 2024														
Aut.Com./Sector	01	02	03	04	05	06	07	08	09	10	11	s/d	Total	%
Andalusia	1	4		4	2		2	3	6				22	14,1
Aragon				2				1	1	1			5	3,2
Asturias		2	2						1				5	3,2
Balearic Islands								2					2	1,3
Canary Islands								1					1	0,6
Cantabria		1								1			2	1,3
Castile-La Mancha	3	1	5	3	1		1	2	5	2			23	14,7
Castile Leon		2	1	3		2	1	3	3		1		16	10,3
Catalonia		4		2	2	4		9	11	2	1		35	22,4
Extremadura		1							1				2	1,3
Galicia		1	2		1	2	1		1		1		9	5,8
La Rioja														
Murcia	1		1						1				3	1,9
Navarre		2	1						1				4	2,6
Basque Country	1			2				2					5	3,2
Valencia		5		6	2	1	4	2	2				22	14,1
Others														
Total	6	23	12	22	8	9	9	25	33	6	3		156	100,0
%	3,8	14,7	7,7	14,1	5,1	5,8	5,8	16,0	21,2	3,8	1,9		100,0	
Balance. Inputs - Outputs													25	

01: Agriculture; 02: Industry; 03: Construction; 04: Commerce; 05: Transport and storage; 06: Hospitality; 07: Information and communications; 08: Financial, insurance and real estate activities; 09: Professional and administrative activities; 10: Public administrations, health and education; 11: Artistic activities and other services; n/d: no data.

Companies that move their registered office outside the Com. of Madrid														
By autonomous community of origin and sector of activity. September 2024														
Aut.Com./Sector	01	02	03	04	05	06	07	08	09	10	11	s/d	Total	%
Andalusia		2	5	2	1		3	9	3	3			28	21,4
Aragon	1	2								1			4	3,1
Asturias				1		1		2					4	3,1
Balearic Islands		1		2					2				5	3,8
Canary Islands				1				1			1		3	2,3
Cantabria					1								1	0,8
Castile-La Mancha		3	1					3	2	1			10	7,6
Castile Leon		11	4	2		1		1	3	2			24	18,3
Catalonia			2	7	1	1	4	2	1		1		19	14,5
Extremadura								1	1				2	1,5
Galicia		1	1	2					1				5	3,8
La Rioja														
Murcia				1									1	0,8
Navarre			1	2									3	2,3
Basque Country					2		2	1	1		1		7	5,3
Valencia			2	2		1	1	3	5		1		15	11,5
Ceuta														
Melilla														
Total	1	20	16	22	5	4	10	23	19	7	4		131	100,0
%	0,8	15,3	12,2	16,8	3,8	3,1	7,6	17,6	14,5	5,3	3,1		100,0	

01: Agriculture; 02: Industry; 03: Construction; 04: Commerce; 05: Transport and storage; 06: Hospitality; 07: Information and communications; 08: Financial, insurance and real estate activities; 09: Professional and administrative activities; 10: Public administrations, health and education; 11: Artistic activities and other services; n/d: no data.

<sup>2</sup> Source: Experian, with information from the Official Gazette of the Companies Registry (in Spanish: Boletín Oficial del Registro Mercantil, or BORME).

## Concepts, sources and abbreviations used

### Frequently used abbreviations and acronyms

P. A.	Public Administrations	ETVE	Foreign Securities Holding Entities
Tax Authority	State Tax Administration Agency	IMF	International Monetary Fund
H&MHT	High and Medium High Tech	FUNCAS	Foundation of the Federated Savings Banks
ECB	European Central Bank	IECM	Institute of Statistics of the Community of Madrid
BDE	Bank of Spain	INE (National Statistics Institute)	National Statistics Institute
AA. CC	Autonomous Communities	MAEYTD	Ministry of Economic Affairs and Digital Transformation
EC	European Commission	MISSYM	Ministry of Inclusion, Social Security and Migration
CoM	Community of Madrid	MITMA	Ministry of Transport Mobility and Urban Agenda
QSNA	Quarterly Spanish National Accounts	OECD	Organisation for Economic Cooperation and Development
QRACM	Quarterly Regional Accounts of the Community of Madrid	OPEC	Organisation of Petroleum Exporting Countries
SPRC	Strategic Petroleum Products Reserves Corporation	GDP	Gross Domestic Product
RAS	Regional Accounts of Spain	SEOPAN	Association of Construction Companies at a National Scale
SCA	Seasonal and calendar adjustment	TARIC	Code for the integrated tariff of the European Union
TC	Trend-cycle component	EU	European Union
DGT	Directorate-General for Traffic	EMU	Economic and Monetary Union
EUROSTAT	Statistical Office of the European Union	GVA	Gross value added



### Non-centred moving average of order 12 (MM12).

Series constructed from the original by means of successive arithmetic averages, where each data point is obtained from the average of the last twelve months of the original series. The purpose of constructing a series of moving averages is to eliminate possible seasonal or erratic variations in a series, so that an estimate of the trend-cycle component of the variable in question is obtained.

### Trend-Cycle (TC)

A trend is one of the unobservable components into which a variable can be broken down, according to classic time series analysis. It can be extracted or estimated using a variety of techniques and represents the solid evolution underlying the observed evolution of the variable, once seasonal variations and irregular or short-term disruptions are removed. It therefore reflects the long-term evolution of the series. Normally, the trend includes another component, the cyclical component, which includes oscillations that occur in the series over periods of between three and five years, but due to the difficulty of separating them, they usually appear in the so-called trend-cycle component.

### Seasonal and calendar adjustment (SCA)

A high-frequency time series analysis technique applied to remove both seasonality (movements that form a pattern and are repeated approximately every year) and calendar effects (representing the impact on the time series due to the different structure of the months or quarters in each year, both in length and composition). The aim of adjusting a variable for seasonality and calendar is to eliminate the effect of these fluctuations on the variable, and thus facilitate the interpretation of the economic phenomenon.

### Surveys

These aim to measure the attitude of the subjects to whom the survey is addressed (consumers, the business world, etc.) towards a variable (consumption, production or employment, etc.) in order to anticipate whether in the following months this variable will increase, decrease or remain stable.

### Balance of responses

In surveys, the results for the variables under investigation are obtained through the differences or balances between the positive and negative responses, although depending on the survey, there are different calculation methods.

### Rate of change

A rate of change compares the value of a variable at one point in time with its value at another point in time. Various types of rates of change can be calculated. Among the most common are the following:

- *Month-on-month (quarter-on-quarter, etc.) rate*: Compares the value of a period (shorter than a year: month, quarter, etc.) with that of the immediately preceding period (month, quarter, etc.).
- *Year-on-year rate*: Compares the value of a period with that of the same period in the previous year (same month for monthly data, similar quarter for quarterly data, etc.).
- *Year-to-date cumulative rate of change*: Compares the cumulative value of a period (sum or average, depending on the type of data, of the elapsed months, quarters, etc. of a year) with the same cumulative period of the previous year.

## Other periodical publications of the Economics Area:

- Notes on the Economic Situation in the Community of Madrid (monthly)
- Foreign Trade Report (monthly)
- Note on EU regional GDP (annual)
- Individual monitoring notes on the main economic indicators of the Community of Madrid (monthly or quarterly depending on the nature of the data):

Social Security Enrolment, Registered Unemployment, Industrial Production Index (IPI), Consumer Price Index (CPI), Mercantile Companies, Retail Trade Indices (RTI), Services Sector Activity Indices (SSAI), Mortgages on homes, Hotel Tourism Situation (HTS), Labour Force Survey (LFS), Foreign Direct Investment (FDI) and Quarterly Regional Accounts (QRA).

If you are not receiving our reports and they are of interest to you, you can request them by emailing us at [estudios@madrid.org](mailto:estudios@madrid.org) or consult them on the web page of the Community of Madrid [Economic Reports](#).



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