

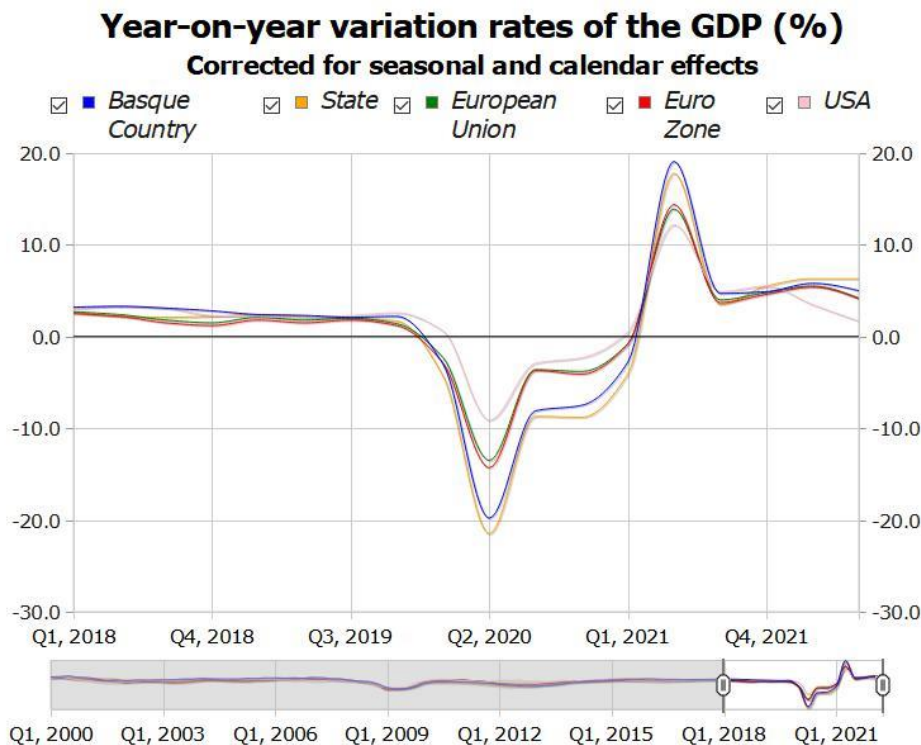
The GDP of the Basque Country rose by 1.1% in the second quarter of 2022 and employment increased by 0.8% compared to the first quarter of the year

In relation to the same quarter of the previous year, GDP growth stood at 5.0% and 35,525 net jobs were created

The Gross Domestic Product (GDP) of the Basque Country rose by 1.1% in the second quarter of 2022 in quarter-on-quarter terms, according to Eustat data. Compared to the same quarter of the previous year, GDP growth was estimated at 5.0%.

Employment, measured in full-time equivalent jobs, was up 0.8% in the second quarter of the year compared to the previous quarter, representing an increase of 3.7% in year-on-year terms, i.e. a total of 35,525 more jobs than in the second quarter of 2021.

These estimates, which incorporate all the relevant economic information available at the time they were prepared, as well as the new estimates of the annual aggregates for 2020 and 2021, improve those obtained in Eustat's *Advance Quarterly Accounts* of 19 July 2022 for the first two quarters of the year.



Source: Eustat. Quarterly accounts

The estimated year-on-year growth in the Basque Country's GDP during the second quarter was above that estimated for the economy of the United States (1.7%), the Eurozone (4.1%) and the European Union as a whole (4.2%). Meanwhile, the latest estimate for year-on-year growth of the Spanish economy was 6.3% in the *Advance Quarterly National Accounts of Spain*, although, as was the case in the Basque Country, growth in relation to the previous quarter stood at 1.1%.

From the point of view of Supply, the increase in value added in year-on-year terms (second quarter of 2022 compared to the second quarter of 2021) was widespread, with the exception of the Agriculture, Livestock and Fishing branch.

GDP m/p. Supply. Chain volume indexes. Year-on-year variation rates. Basque Country (%). 2022/II

	2020	2021	2021			2022	
			II	III	IV	I	II
AGRICULTURE, FORESTRY AND FISHERIES	-16,9	21,9	32,9	29,1	14,5	-1,7	-3,2
INDUSTRY AND ENERGY	-12,2	6,1	27,2	2,4	3,7	6,5	6,1
Manufacturing industry	-13,1	5,6	27,7	1,9	2,5	5,9	5,9
CONSTRUCTION	-14,4	4,5	15,7	4,7	2,5	1,9	1,5
SERVICES	-7,9	5,8	16,9	5,2	5,5	6,2	5,6
Trade, accommodation & food services and transport	-20,4	11,8	25,5	12,5	14,6	13,1	14,1
Public administration, education, human health and social work activities	1,1	3,1	3,5	3,5	3,2	3,0	1,3
-Rest of services	-4,3	4,0	20,9	2,2	1,7	3,9	3,0
GROSS VALUE ADDED at basic prices	-9,4	5,9	19,3	4,7	5,0	6,0	5,4
NET TAXES ON PRODUCTS	-11,9	6,1	17,5	4,2	4,1	3,9	3,2
GROSS DOMESTIC PRODUCT at market prices	-9,6	5,9	19,1	4,7	4,9	5,8	5,0

Data corrected for seasonal and calendar effects

Date September 22, 2022

Source: Eustat. Quarterly accounts

The **Primary** sector, in effect, recorded a decline in value added in real terms of 3.2% compared to the same quarter of the previous year, despite it being 11.8% higher than that estimated for the previous quarter.

The **Industry** sector saw its value added increase by 6.1% in year-on-year terms, with a 5.9% rise in the Manufacturing Industry. Compared to the first quarter of 2022, Industry as a whole grew by 1.1% and the Manufacturing Industry by 1.7%.

The **Construction** sector posted a year-on-year increase in value added in real terms of 1.5% in the second quarter of 2022, despite a decrease of 1.8% with respect to the previous quarter.

Global activity within the **Services** sector in the second quarter of the year was up 5.6% in relation to the same quarter of 2021, following a rise in value added of 1.4% compared to the previous quarter.

The performance of the Services sector varied by branch during this last quarter. The branch of **Trade, Hospitality and Transport** posted an increase in value added of 14.1% in relation to the second quarter of the previous year, following a rise of 3.1% in respect of the previous quarter. Growth was more moderate in the **Other Services** branch (which includes activities such as property, professional, scientific and technical, and financial and insurance activities), with a growth rate of 3.0% in year-on-year terms and 1.2% compared to the previous quarter.

The **Public Administration, Education, Health and Social Services** branch, after falling 0.4% in relation to the previous quarter, saw an increase in value added of 1.3% compared to the second quarter of 2021.

GDP m/p. Supply. Chain volume indexes. Quarter-on-quarter variation rates. Basque Country (%). 2022/II

	2021			2022	
	II	III	IV	I	II
AGRICULTURE, FORESTRY AND FISHERIES	13.4	-7.4	-7.2	0.8	11.8
INDUSTRY AND ENERGY	1.5	-0.9	3.5	2.4	1.1
Manufacturing industry	1.7	-0.4	1.8	2.8	1.7
CONSTRUCTION	-1.4	0.1	1.4	1.9	-1.8
SERVICES	2.0	2.3	1.2	0.6	1.4
Trade, accommodation & food services and transport	2.3	4.0	3.4	2.9	3.1
Public administration, education, human health and social work activities	1.4	0.8	0.1	0.8	-0.4
-Rest of services	2.1	2.1	0.5	-0.9	1.2
GROSS VALUE ADDED at basic prices	1.8	1.3	1.7	1.1	1.2
NET TAXES ON PRODUCTS	3.5	0.0	-1.0	1.5	2.7
GROSS DOMESTIC PRODUCT at market prices	1.9	1.2	1.4	1.1	1.1

Data corrected for seasonal and calendar effects

Date September 22, 2022

Source: Eustat. Quarterly accounts

The positive year-on-year performance of almost all sectors brought the **Value Added** of the Basque Country up by 5.4% during the second quarter of 2022. With regard to the previous quarter, Gross Value Added also rose by 1.2%.

From the point of view of **Demand**, year-on-year growth was widespread, although the increase in Final Consumption Expenditure of Public Administrations was lower than in the second quarter of 2021. The quarter-on-quarter performance varied, given that, while Final Consumption Expenditure grew by 1.0%, Gross Capital Formation fell by 0.2%.

Final consumption expenditure of households and non-profit institutions serving households (ISFLSH) (**Private Consumption**) posted a year-on-year rise of 3.0%, following an increase of 2.0% in respect of the previous quarter.

The Final Consumption Expenditure of Public Administrations (**Public Consumption**), however, decreased in relation to both the second quarter of 2021 and the previous quarter, with drops of 3.1% and 2.3%, respectively.

GDP m/p. Demand. Chain volume indexes. Year-on-year variation rates. Basque Country (%). 2022/II

	2020	2021	2021			2022	
			II	III	IV	I	II
FINAL CONSUMPTION EXPENDITURE	-8,9	5,2	15,9	2,9	3,8	2,6	1,5
Household and NPISHs final consumption expenditure	-12,1	5,6	19,8	2,5	4,0	3,2	3,0
Public administrations final consumption expenditure	2,9	3,9	4,5	4,4	3,3	0,6	-3,1
GROSS CAPITAL FORMATION	-12,1	6,0	23,2	2,9	3,0	4,9	5,0
Gross fixed capital formation in equipment goods	-11,8	10,9	39,0	5,8	5,7	9,1	9,0
Rest of Gross Capital Formation	-12,3	3,1	14,8	1,3	1,3	2,2	2,4
INTERNAL DEMAND	-9,7	5,4	17,5	2,9	3,6	3,2	2,4
EXPORT OF GOODS AND SERVICES	-15,9	12,7	29,6	13,6	13,5	13,5	13,7
IMPORT OF GOODS AND SERVICES	-15,8	11,6	28,1	12,6	9,3	10,4	8,5
GROSS DOMESTIC PRODUCT at market prices	-9,6	5,9	19,1	4,7	4,9	5,8	5,0

Data corrected for seasonal and calendar effects

Date September 22, 2022

Source: Eustat. Quarterly accounts

The overall performance of public and private consumption resulted in a year-on-year rise of 1.5% in **Final Consumption Expenditure**, which, in relation to the first quarter of 2022, was an increase of 1.0%.

In **Gross Capital Formation** (Investment), year-on-year growth stood at 5.0%, although it was 0.2% lower than in the previous quarter. Investment in **Capital Goods** registered a 9.0% rise in respect of the same quarter of the previous year, which represents a recovery in quarter-on-quarter terms of 1.5%.

In **Other Gross Capital Formation**, which is more closely linked to the performance of construction, year-on-year growth stood at 2.4%, following an estimated decrease of 1.3% compared to the previous quarter.

Internal Demand, composed of Final Consumption Expenditure and Gross Capital Formation, experienced year-on-year growth of 2.4% in the second quarter of the year. This growth was below that estimated for GDP as a whole (5.0%), for which the contribution of the **Foreign Sector** turned positive again in this second quarter of the year. In effect, **Exports** of goods and services rose by 13.7% in year-on-year terms, to a greater degree than **Imports**, which were up 8.5%. The **foreign balance** therefore contributed positively to the year-on-year performance of the economy of the Basque Country.

GDP m/p. Demand. Chain volume indexes. Quarter-on-quarter variation rates. Basque Country %. 2022/II

	2021			2022	
	II	III	IV	I	II
FINAL CONSUMPTION EXPENDITURE	2.1	-0.9	1.2	0.2	1.0
Household and NPISHs final consumption expenditure	2.3	-1.3	1.3	0.9	2.0
Public administrations final consumption expenditure	1.5	0.6	0.6	-2.0	-2.3
GROSS CAPITAL FORMATION	-0.3	-3.2	5.4	3.1	-0.2
Gross fixed capital formation in equipment goods	1.6	-5.8	10.1	3.6	1.5
Rest of Gross Capital Formation	-1.5	-1.6	2.5	2.8	-1.3
EXPORT OF GOODS AND SERVICES	2.7	2.4	2.9	4.8	2.9
IMPORT OF GOODS AND SERVICES	4.0	-1.0	1.8	5.2	2.3
GROSS DOMESTIC PRODUCT at market prices	1.9	1.2	1.4	1.1	1.1

Data corrected for seasonal and calendar effects

Date September 22, 2022

Source: Eustat. Quarterly accounts

In relation to the level of employment (measured in **Full-Time Equivalent Jobs**), employment as a whole grew by 3.7% in relation to the second quarter of 2021, following a rise of 0.8% in respect of the previous quarter.

The Primary sector saw a 1.3% drop in employment compared to the second quarter of 2021, following an increase of 1.1% in quarter-on-quarter terms. In Industry, the year-on-year rise in jobs stood at 2.4%, although this figure was 0.1% lower than in the previous quarter. In Construction, there was also a positive trend in employment, in both year-on-year (an increase of 1.5%) and quarter-on-quarter terms (growth of 1.3%). Finally, the number of full-time equivalent jobs in the Services sector increased by 4.3% in year-on-year terms, after rising 0.9% in quarter-on-quarter terms.

In terms of **GDP performance by Province in the second quarter of 2022**, Gipuzkoa posted year-on-year growth of 4.8%, Álava of 4.9% and Bizkaia of 5.1%. In relation to the first quarter of 2022, however, Bizkaia saw an increase of 1.1% compared to the 1.2% observed in both Álava and Gipuzkoa.

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