

Capital Markets Union Key Performance Indicators

SPAIN

November 2024

Spanish issuers continue to originate the **fourth-largest nominal volume of green bonds** among EU countries for the second year in a row

In Spain, capital markets issuance by NFCs increased **134% YoY** with the increase driven by a surge in bond issuance

Spanish exchanges raised the **largest amount of NFC IPO proceeds** among EU countries with €2.7 bn issued in 2024H1

INDICATOR AND RANKING OF SPAIN WITHIN EUROPE

	Position within Europe	
	2024H1	3Y Average
Market Finance		
Capacity for companies to raise finance on public markets	18 th	17 th
Pre-IPO Risk Capital		
How well start-ups and non-listed companies are able to access finance for innovation	22 nd	25 th
Household Market Investment		
Availability of savings from retail investors to support capital market financing	9 th	9 th
ELTIF Products		
Availability of ELTIF fund products financing long-term projects and SMEs	5 th	3 rd
ESG Finance		
Labelling of ESG bond markets	16 th	15 th
FinTech		
Capacity to enable an adequate FinTech ecosystem	16 th	16 th
Loan Transfer		
Capacity to transform bank loans into securitisation and loan transactions	4 th	5 th
Intra-EU Integration		
Measures capital markets integration within Europe	20 th	19 th
Global Integration		
Market attractiveness of European capital markets	9 th	5 th
Market Competitiveness		
Overall market attractiveness of European capital markets	13 th	13 th

ACCESS TO CAPITAL IN SPAIN

There has been encouraging signs in access to capital and in Spain with Non-Financial Corporations (NFC) capital markets issuance increasing during 2024H1.

134% YoY

Increase (annualised) in total market-based finance for Spain, driven by a surge in bond issuance and to a lesser extent an increase in equity IPO issuance.



8.9%

Of funding for Spanish NFCs was derived from market-based finance (bonds and equity), up from 4.3% in 2023.

CAPITAL MARKETS ISSUANCE

Debt issuance

Investment grade bonds	€11.8	+89% YoY
High Yield grade bonds	€2.7	+462% YoY

Equity issuance

IPO market	€2.7bn	+24K%¹ YoY
Secondary offerings	€0.2bn	+12% YoY

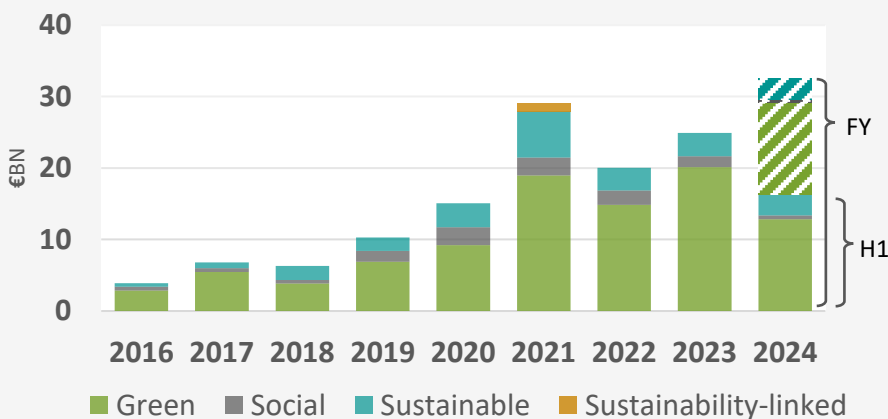
2024 is on track to have the highest NFC investment grade bond issuance since 2020 in Spain, and highest NFC IPO issuance since 2015.

PRE-IPO RISK CAPITAL

The overall proportion of Spanish SME risk capital investment was 0.9% in 2024H1, down from 1.3% in 2023. Among large Member States, Spain (and Italy) continue to over-rely on bank financing for SMEs and therefore have the **highest potential to increase the presence of funding from risk capital sources.**

TRANSITION TO SUSTAINABLE FINANCE

9.1% of total bond issuance in Spain had ESG-labelling in 2024H1, compared to 8.7% last year. Total ESG issuance in Spain increased 31% YoY (annualised), driven by an increase in issuance in green labelled bonds and to a lesser extent sustainable labelled bonds.



2024H1 ESG bond issuance (€bn)

GREEN	€12.9	+28% YoY
SOCIAL	€0.5	-34% YoY
SUSTAINABLE	€2.9	+78% YoY
SUSTAINABILITY-LINKED	€0	0% YoY
TOTAL ESG	€16.3	+31% YoY

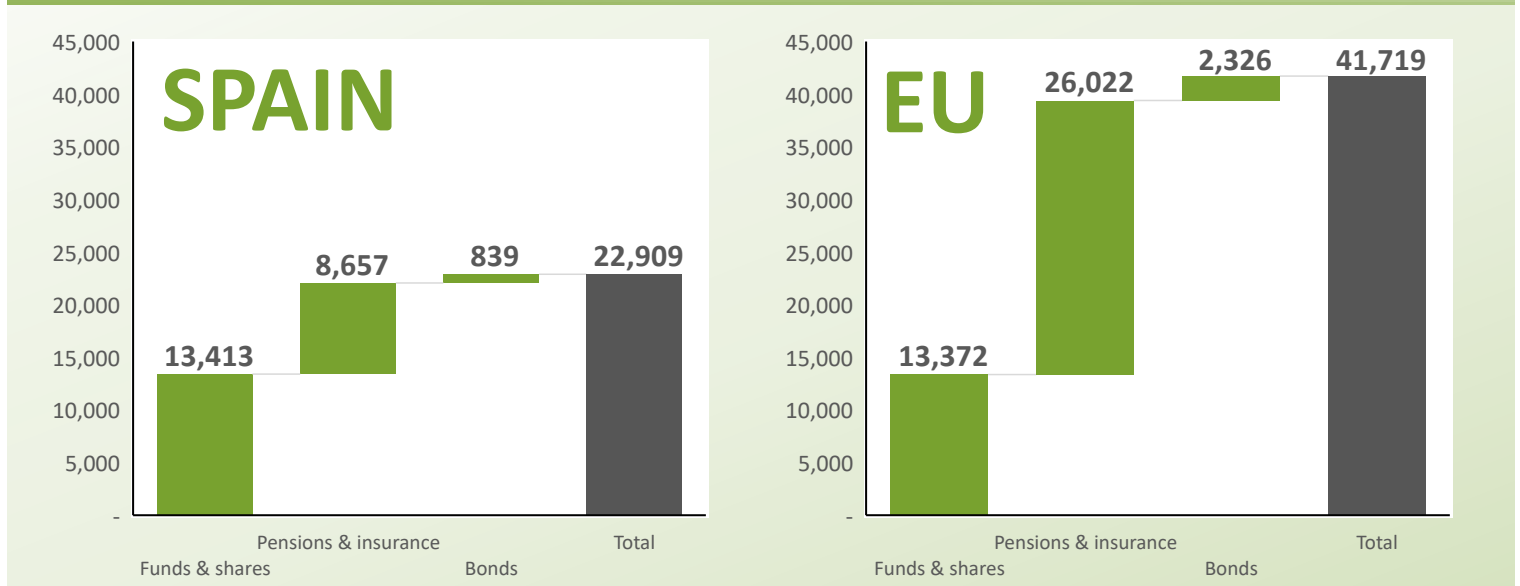
Spanish issuers continue to originate the fourth-largest nominal volume of green bonds among EU countries for the second year in a row.

¹ Large YoY % increase in IPO issuance due to Spanish NFC IPO markets being virtually inactive last year with only €0.023 bn issued

HOUSEHOLD MARKET INVESTMENT

Among EU countries, Spanish households have the **eighth deepest pool of savings** invested on capital markets instruments with the equivalent of 63% of GDP invested in listed equity, bonds, investment funds, or insurance and pension products. This is below the EU average investment rate and similar to that of Austria, Ireland, Malta and Finland.

Savings per adult in market-based instruments (EUR, PPP adjusted)



There is a large gap between the amount of savings by Spanish households and that in other European countries like the Denmark (198% of GDP), the Netherlands (173% of GDP), and with the UK (145% of GDP).

NUMBER OF ELTIFS

Spain offered the **fifth-highest number of ELTIF instruments out of EU countries**, with 25 instruments marketed locally in H1 2024.

DEVELOPMENT OF FINTECH ECOSYSTEM

The FinTech indicator for Spain increased in the first half of 2024, driven by:

Improvement in FUNDING

Investment in fintech companies: **+22% YoY**
Exits (number of deals): **+29% YoY**
Fintech M&A deals: **+867% YoY**

Improvement in INNOVATION

Number of fintech patents filed: **+102% YoY**
Valuation of fintech unicorns: **0% YoY**
(no fintech unicorns observed yet in Spain)

Spain is currently ranked 16th among EU countries for their capacity to host a Fintech ecosystem. Further improvements in Spain's capacity to host a fintech ecosystem could be enabled by Spanish fintech companies expanding into tokenisation (issuance of DLT bonds).

TRANSFER OF LOANS

The proportion of loans transferred into capital markets instruments (securitisation and loan portfolio sales) increased to 4.0% in 2024H1, up from 2.6% of total outstanding loans in 2023.

Securitisation Issuance

€10.1 bn (+29% YoY)

Loan Portfolio Sales

€12.9 bn (+90% YoY)

2024 is on track to have the highest loan portfolio sales issuance in Spain since 2018.

COMPETITIVENESS

The Spanish capital market ecosystem ranked 13th in Europe in our Competitiveness Indicator.

Competitiveness in Spain decreased in Spain during the first half of 2024;



Driven by a sharp deterioration in capital markets liquidity



However, competitiveness was supported by increased NFC access to finance



Growth in the provision of sustainable finance



An improvement in the quality of the Spanish fintech ecosystem



While availability of pools of capital remained comparable to last year