NEWS RELEASE
MARKET SENSITIVE INFORMATION
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HCOB Spain Services PMI®

Service sector expansion accelerates to ten-month high in October

Key findings:

Uplifts in both activity and new business growth recorded

Jobs added to greatest degree in three months

Elevated cost pressures sustained

Data were collected 9-28 October 2025.

Spain's service sector experienced an accelerated and strong rise in activity during October, according to the latest data from HCOB. Growth was underpinned by higher volumes of incoming new work, and firms were suitably encouraged to add to their staffing levels to the strongest degree since July. Confidence in the outlook also strengthened, reaching a seven-month high in October.

On the price front, input price inflation remained elevated despite dropping to a three-month low amid reports of higher salary, fuel and energy related costs. Selling prices were raised at a stronger degree than in September.

The **HCOB Spain Services PMI® Business Activity Index** recorded 56.6 in October. That was up from 54.3 in September and represented an acceleration in the rate of service sector growth to its highest of 2025 so far. Moreover, activity has now risen on a continuous basis for 26 months.

Panellists linked growth of activity to a mixture of commercial actions, work on existing contracts and increased levels of incoming new work. Demand was noted to have improved, and the latest increase in sales was little changed on September's eight-month record. New business gains were principally driven by domestic clients as new export work rose only slightly. There were reports of an uncertain international environment weighing on foreign demand.

Higher new work encouraged firms to take on additional workers, with employment reported to have risen again during October in line with a trend that stretches back over three years. Growth was the best since July and well above the survey average. General capacity pressures also encouraged firms to take on new workers, as evidenced by a rise in backlogs of work for a fourth month running.

Service sector companies also signalled some confidence in the year ahead outlook. Panellists are forecasting an uplift in demand and are planning to expand their commercial activities. Overall, sentiment rose to its highest level since March and was slightly above its historical trend level.

Meanwhile, prices data indicated that input cost inflation dropped to a three-month low in October, though remained elevated in the context of the survey history. There were reports that labour related expenses had increased and were a notable source of higher overall operating costs. Some firms also noted an increase in prices for energy and fuel.

In response to higher input costs, firms sought to protect their operating margins in October by increasing their own selling prices. Latest data showed a marked and accelerated rate of output price inflation, although was still below the typical rate seen during the just over four-and-a-half year period in which selling prices have risen.

Comment

Commenting on the PMI data, Jonas Feldhusen, Junior Economist at Hamburg Commercial Bank, said:

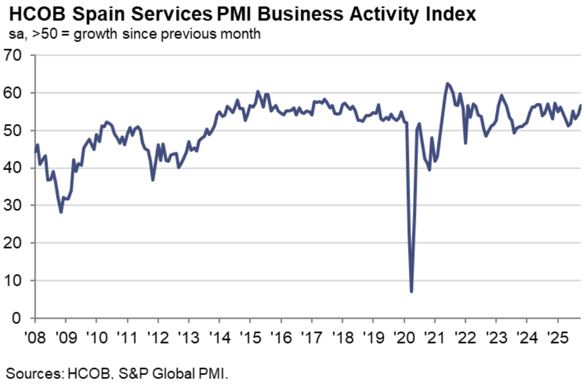
"Spain's private sector is entering the fourth quarter with noticeable momentum. The HCOB Composite PMI recorded a solid increase, reaching 56.0 points, which is the highest level so far this year. This improvement is driven by accelerated growth in both manufacturing and services. Following the robust GDP expansion in the third quarter, the October PMI figures fuel optimism that Spain's GDP could grow by nearly 3.0 percent in 2025, thereby maintaining its exceptional position among the four major euro area economies.

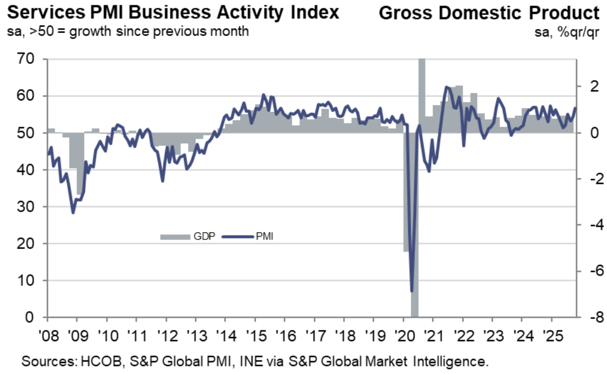
"Business activity in Spain's services sector picked up significantly in October. This development is underpinned by a solid inflow of new orders, which firms attribute directly to stronger market demand. Only foreign orders showed signs of weakening growth, reflecting the uncertain international business environment.

"Spanish service providers are expanding their workforce to keep pace with sustained business momentum. This is also evident in rising backlog of work, which has now increased for four consecutive months. Against this backdrop, firms remain confident about their business outlook for the coming year. Their optimism is reflected in ambitious growth plans, the expansion of commercial activities, and expectations of continued strong demand in 2026.

"Price developments remain a point of concern. Both input and output price indices are significantly above the levels seen between 2009 and 2020. Panellists report rising personnel and energy costs, which have compelled many firms to adjust their prices accordingly."

-Ends-





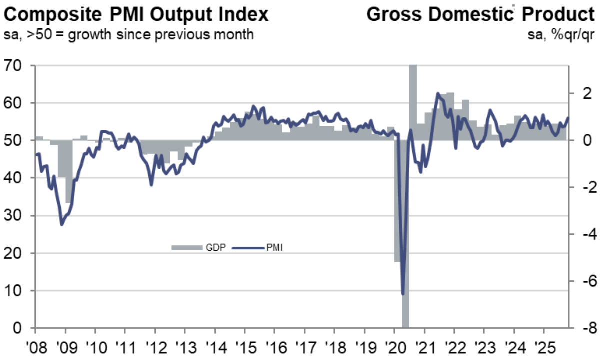
HCOB Spain Composite PMI®

Fastest expansion of private sector in 2025 so far

Amid stronger rises in manufacturing output and services activity, Spain's private sector economy expanded to a stronger degree in October. This was highlighted by the **HCOB Spain Composite PMI® Output Index** which rose to a year-to-date high of 56.0 (September: 53.8).

Growth was underpinned by higher levels of new orders and, with workloads increasing, firms took on additional staff to the strongest degree in three months. Confidence in the outlook also improved to its highest level since March.

On the price front, input price inflation softened to a three-month low, but output charges rose at a stronger pace.



Sources: HCOB, S&P Global PMI, INE via S&P Global Market Intelligence.

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Note to Editors

The HCOB Spain Services PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 350 service sector companies. The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in August 1999.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline manufacturing PMI figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Hamburg Commercial Bank AG
Hamburg Commercial Bank (HCOB) is a private commercial bank and specialist financier headquartered in Hamburg, Germany. The bank offers its clients a high level of structuring expertise in the financing of commercial real estate projects with a focus on Germany as well as neighboring European countries. It also has a strong market position in international shipping. The bank is one of the pioneers in European-wide project financing for renewable energies and is also involved in the expansion of digital and other areas of important infrastructure. HCOB offers individual financing solutions for international corporate clients as well as a focused corporate client business in Germany. The bank's portfolio is completed by digital products and services facilitating reliable, timely domestic and international payment transactions as well as for trade finance.

Hamburg Commercial Bank aligns its activities with established ESG (Environment, Social, and Governance) criteria and has anchored sustainability aspects in its business model. It supports its clients in their transition to a more sustainable future.

The bank's specialists are as experienced as they are pragmatic. They act in a reliable manner and at eye level with their customers. They provide in-depth advice in order to jointly find efficient solutions that are a perfect fit – for complex projects in particular. Tailor-made financing, a high level of structuring and syndication expertise and many years of experience are just as much a hallmark of the bank as are our profound market and sector expertise.

S&P Global (NYSE: SPGI)
S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

About AERCE
AERCE is the Spanish Association of Purchasing and Supply Management. Founded in 1981 has 1,000 members, representing more than 10,000 related professionals, which include the most important companies in the country, institutions and professionals belonging to various industrial sectors, services and the public sector.

AERCE is a member of the International Federation of Purchasing and Supply Management (IFPSM).

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About PMI
Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi.html.

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