MARKETBEAT SPAIN RETAIL Q3 2026



CUSHMAN & WAKEFIELD

SPAIN KPIS

	YoY chg.	12-month forecast
+2.6% Annual Change in GDP	▼	▼
+4.9% Annual change in CPI	▲	▼
-0.4% Annual change in retail sales	▼	—

Source: INE, Eurostat
Data: CPI Sep. 2026; GDP Q2 2026; retail sales Aug. 2026

EURO ZONE KPIS

	YoY chg.	12-month forecast
+1.2% Annual Change in GDP	▼	▲
+3.8% Annual change in CPI	▲	▼
+0.8% Annual change in retail sales	▲	—

Source: INE, Eurostat
Data: CPI Sep. 2026; GDP Q2 2026; retail sales Aug. 2026

ECONOMIC CONTEXT

Persistent geopolitical conflicts in Ukraine and the Middle East, coupled with trade tensions and the new energy shock linked to the war in Iran, continue to shape the global economic outlook. Eurozone inflation accelerated to 3.8% in September, and the ECB raised interest rates that month, although the major economies continue to demonstrate a notable degree of resilience, underpinned by the labour market.

The Spanish economy continued to perform comparatively well within Europe during the first half of 2026: GDP grew by 0.7% quarter-on-quarter in the second quarter and by 2.6% year-on-year, compared with 1.2% in the eurozone. Funcas forecasts growth of 2.5% for 2026 and 1.8% for 2027, driven by domestic demand and investment, against a backdrop of greater uncertainty and with CPI at 4.9% in September, its highest level since February 2023.

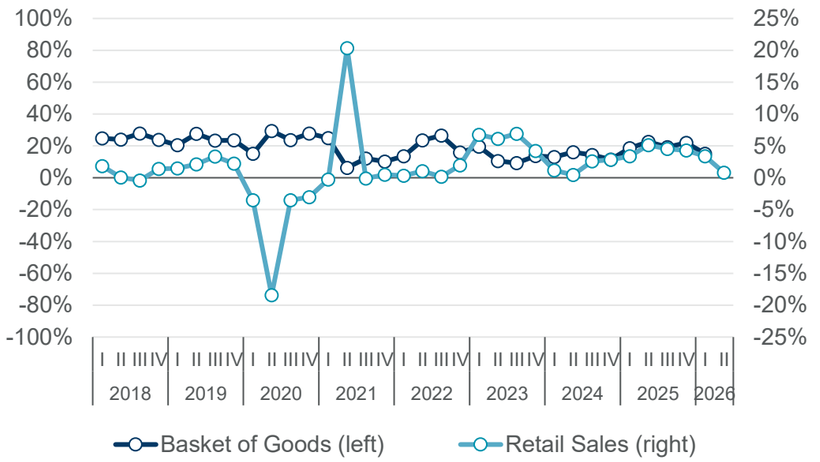
Household spending remains the main driver of growth (+1.2% quarter-on-quarter in the second quarter), supported by the labour market and by disposable income growth of 5.5% year-on-year. However, the rise in prices is beginning to be felt in retail sales, which fell by 0.4% year-on-year at constant prices in August, having grown by an average of 3.4% in the first quarter and 0.8% in the second. E-commerce continues to record double-digit growth (+15.1% in the first quarter, according to the CNMC).

The household savings rate continues to return to normal levels, standing at 11.0% of disposable income in the second quarter, its lowest level since early 2023 and below the eurozone figure of 14.2%. This adjustment, with consumption growing faster than income, is sustaining demand in the short term, although it reduces households' room for manoeuvre in the face of rising prices, and is favourable for the retail sector.

Tourism meanwhile continues to play a key role as a driver of economic activity, albeit with less momentum than in 2025 and against a backdrop of higher transport and fuel costs. Even so, tourist spending continues to bolster commercial activity in prime locations, urban destinations and holiday resorts.

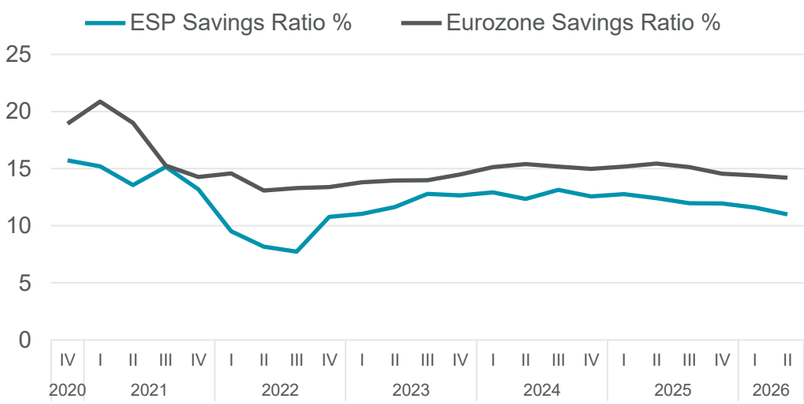
The Spanish retail sector continues to demonstrate solid fundamentals throughout 2026, underpinned by growth, employment and the online channel, which continue to support occupier activity and investor interest. However, the rise in inflation, higher interest rates and the moderation in retail sales point to a phase of more subdued growth, with demand that remains robust but is more sensitive to prices.

YEAR-ON-YEAR CHANGE, BASKET OF PHYSICAL GOODS – RETAIL SALES (%)



Source: INE, CNMC. Latest data: Q2 2026 (CNMC: Q1 2026)

HOUSEHOLD SAVINGS RATE - SPAIN VS EUROZONE (%)

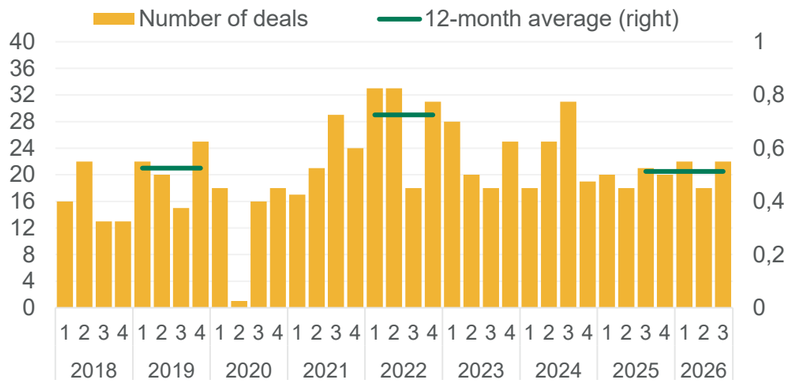


Source: INE, Eurostat. Latest data published in Q2 2026

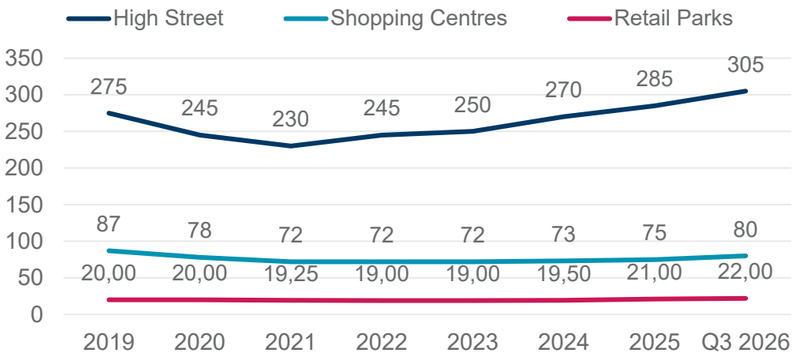
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SPAIN
RETAIL Q3 2026

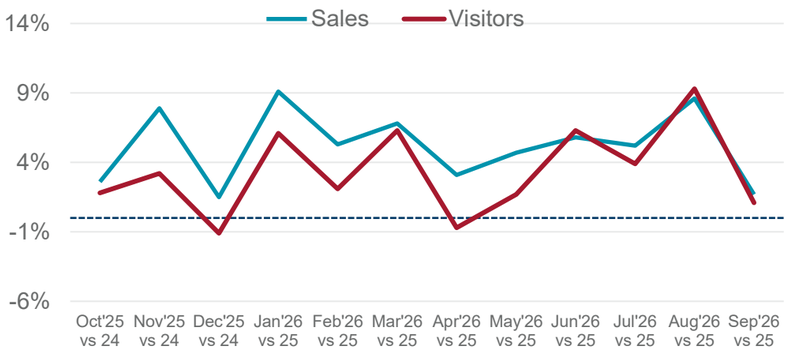
HIGH STREET DEALS (NO.)



PRIME RENTS (€/SQ M/MONTH)



C&W SALES/FOOTFALL IN SHOPPING CENTRES



OCCUPANCY MARKET - SHOPPING CENTRES AND RETAIL PARKS

Shopping centres have maintained a very positive performance during the first nine months of 2026, with year-to-date growth of 6.7% in footfall and 5.7% in sales compared with the same period last year. Despite a softer September following an exceptionally strong summer trading period, shopping centre performance remained resilient, with consumer spending and visitation levels continuing to support overall growth across the portfolio.

Leisure remains the main growth driver, with sales growth of close to 20%, followed by Food Retail, while Household and Fashion continue to post healthy gains. Fashion was the softest sector in September, with a one-off monthly decline (owing to the high temperatures). Within Leisure, performance has been driven primarily by exceptional cinema performance and continued momentum across other entertainment operators. Food & Beverage also maintained positive growth, supported by strong performances in both Fine Dining and Fast Casual.

Looking ahead, the positive trend across most retail categories, combined with sustained visitor growth, provides a solid foundation for the final quarter of the year and the important trading period leading into Christmas.

OCCUPANCY MARKET - HIGH STREET

Despite the limited availability of premises in the most prime locations in Madrid and Barcelona, transaction activity in the main shopping districts has continued to perform well throughout 2026.

The vacancy rate stood at 2.4% at the end of the third quarter, in line with the same period in 2025. This demonstrates strong occupancy levels on the main high streets.

Activity for the period from January to September continues to show remarkable momentum, with transaction volumes 5% higher than those recorded in the same period of the preceding year. Whilst Madrid has seen a lower number of deals in the prime and super-prime segments so far this year, Barcelona continues to perform particularly strongly, exceeding levels for the first nine months of 2025 in both the number of deals (+19%) and the floor area transacted (+51%).

By sector, fashion continues to lead the way in terms of demand and accounts for around 48% of the space let on the main shopping streets in both cities, somewhat below the average of the last five years (52%). In terms of the size of premises, 53% of deals completed in 2026 corresponded to units of less than 300 sq m, whilst units of between 300 and 800 sq m account for 35% of deals and 45% of the floor area.

Prime rents continue to trend upwards, with year-on-year increases of 7% in Barcelona and 5% in Madrid and increases of 11% and 4% respectively compared with pre-pandemic levels. They currently stand at €305/sq m/month in Barcelona and €290/sq m/month in Madrid. The combination of increasingly limited vacancies and sustained demand is intensifying pressure on rents in the most established locations, enabling some high streets to already exceed the rent levels recorded prior to the pandemic.

OUTLOOK

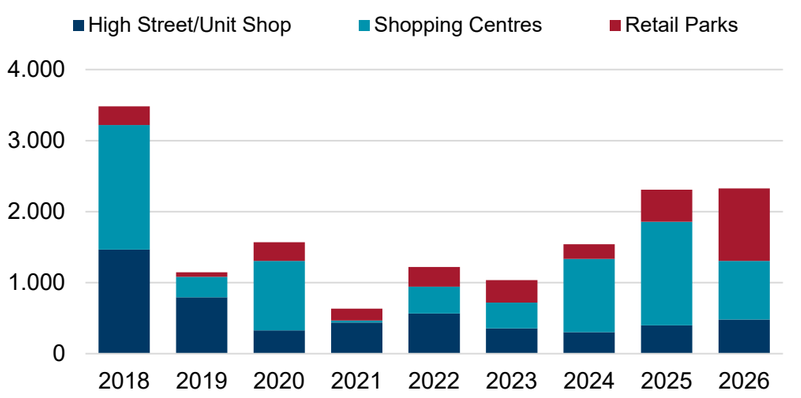
- The limited availability of premises on the main high streets will continue to favour the take-up of the best spaces and underpin the positive trend in terms of prime rents.
- The scarcity of vacant product in the most established locations is driving a gradual geographical diversification of demand towards other urban markets with solid fundamentals:
- Valencia continues to consolidate as Spain's leading secondary retail market and a strategic location for national and international operators, further enhancing its appeal within their expansion plans.
- Malaga continues to show particularly positive momentum, with Marqués de Larios growing in importance and rents now reaching €230, bringing it progressively closer to the levels seen in the country's prime markets.

Source: CW Research & Insight, CW Shopping Centres Portfolio Benchmark Index. Spain, Sep. 2026

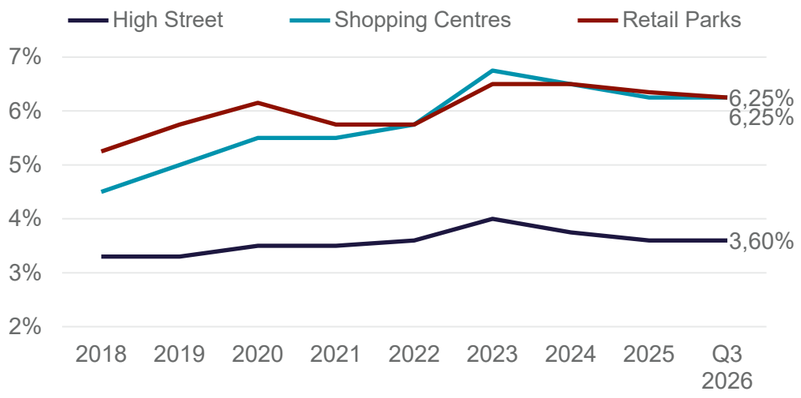
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SPAIN
RETAIL Q3 2026

RETAIL INVESTMENT (EXCL. M&A)



PRIME YIELDS IN RETAIL (%)



*Fuente: BLS, *Cushman & Wakefield Research*

INVESTMENT

Underpinned by robust consumer spending, economic growth and active investor demand, the Spanish retail market continues to perform strongly, establishing itself as one of the most dynamic segments of the commercial property sector.

Between January and September, investment in the retail sector reached €2.54 billion (excl. M&A), 31% more than in the same period of the preceding year and virtually in line with the whole of 2025. Shopping centres and retail parks continue to lead the way in investment activity, accounting for 73% of the transaction volume, compared with 71% recorded in the same period of 2025.

This interest is founded upon the sector's solid operational fundamentals and the recovery seen in certain segments in recent years. Shopping centres have recorded investment of €827 million, around 70% above the average for the same period over the past five years, whilst retail parks and medium-sized retail units have reached €1.02 billion, more than double the volume for the whole of 2025.

The market continues to show a high degree of stability in terms of yields. Whilst the prime yield for shopping centres remains at 6.25%, that corresponding to retail parks has fallen to 6.25% following a 10 basis point fall in comparison with the same period last year. The High Street segment meanwhile has maintained its prime yield at 3.60%, 15 basis points below the 2024 level.

Following the start of a cycle of interest rate cuts and the gradual stabilisation of yields, isolated adjustments are beginning to be seen in certain prime assets, supported by greater competition amongst investors and improved financing conditions.
Within this context, the growing prominence of private capital in shopping centre operations is notable, driven by its ability to act swiftly in an increasingly competitive market context.

OUTLOOK

- Investment activity is expected to remain robust during the final quarter of the year, supported by a more favourable financial climate, high levels of liquidity and a number of large-scale transactions currently in progress.
- Shopping centres and retail parks will continue to lead the market, with retail parks and medium-sized retail units at peak volumes and growing interest from domestic and international investors.
- High Streets will continue to strengthen their appeal thanks to the significant interest from retailers in the most prime locations and the limited availability of space on the main retail thoroughfares.

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

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Operating for over 35 years in Spain, Cushman & Wakefield covers the entire country. The head offices are located in Madrid (Edificio Beatriz, José Ortega y Gasset, 29, 6º) and Barcelona (Avenida Diagonal, 545, 7º), with a multidisciplinary team of more than 390 professionals. To learn more, visit //www.cushmanwakefield.es or follow @CushWakeSPAIN on X.

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