**Spain will become the leading country of Western Europe with a maximum house price growth rate in 2020**

**Title:** Moody's economic outlook: Spain will become the leading country of Western Europe in the property price growth in 2020

**Description:** The rating agency Moody's has published the economic outlook for the Western Europe for 2020. According to this research, Spain will become the leading country of Western Europe in the property price growth and continue to remain the second EU country with a highest unemployment rate in 2020.

Spain will become the country of Western Europe with a maximum property price growth rate in 2020. In addition, it will continue to remain one of the European countries with the highest unemployment rate.

According to the Moody's research, which includes the economic outlook for the Western Europe for 2020, the Spanish property values will grow by 5.5% in the next 12 months. This is the highest growth rate among 8 countries analyzed by Moody's. In addition, these figures significantly exceed those announced by Moody's for Spain a few months ago – within 2 - 3%.

In second place after Spain in terms of house price growth are Ireland and the Netherlands with a a rate of 4,5% growth. In third place are Germany and Portugal (4%). In fourth place is France (2.5%), y in fifth place is the United Kingdom (0.7%).

According to this Moody's research, in 2020 Spain will continue to remain the second EU country with a maximum unemployment rate after Greece. However, compared with 2019, the number of unemployed will decrease slightly – 14.1% in 2019 versus 13.4% in 2020. The expected unemployment rate will also be high in Italy and France – 10% and 8.3%, respectively. In Germany and the Netherlands, the unemployment rate is predicted to be 4% in 2020, in the UK – 4.1%, in Ireland – 5%, in Portugal – 6%.

With regard to economic growth, Spain will maintain good position in the ranking, although it will slow down. According to Moody's economic outlook, in 2020 Spain’s GDP will grow by 2%. Ireland will become the leader among the analyzed countries with economic growth rate of 3.2%. Portugal will be in third place with 1.7%. The economic growth rate in Netherlands and France is predicted to be 1.4% in 2020, and in Germany and the UK – 1%. Italy takes the last position with an economic growth rate of less than 0.5%.

Moody's estimates the outlook for Spanish market for 2020 (including price increases) as positive. The Moody's experts ensure that Spain now is much better prepared for a hypothetical crisis than ten years ago. For example, the criteria for issuing mortgages have become much more stringent, the effort rate has improved significantly, the families have reduced significantly the mortgage debt, and fixed-rate mortgages are gaining more and more weight in the market.

At the same time, Moody's warns of a possible reduction of mortgage loans provided by Spanish banks, as well as a possible change of the LTV – loan-to-value ratio (the ratio of the amount of the requested loan to the value of collateral). In this regard, it is worth noting that, no matter how the situation on the Spanish real estate market changes, Alegría guarantees its customers 100% approval of mortgage loans with a preliminary assessment of documents by our specialists.