

BARCELONA OFFERING 'MORE OPPORTUNITIES FOR INVESTORS' THAN MADRID - JAUSAS

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Barcelona currently offers more opportunities for foreign investors than Madrid, according to Agustín Bou, partner at Jausas.

"These cities have always been viewed as complementary but different," Bou explains. "Madrid is a place where all the financial activity takes place, while in Barcelona there is more activity in industrial services, tourism and telecoms." He adds: "However, as the focus of financial markets in Madrid is on big enterprises, there are not so many business opportunities, whereas in Barcelona, there are a large amount of SMEs [small and medium-sized enterprises]."

Though SME deals are worth far less than the major transactions, this issue is offset by the fact that there are hundreds of such deals, according to Bou. "We have international funds who tell us that they are based in Madrid but spend the whole week travelling to Barcelona because that is where they are having the success," he says. "Much of the economy in the Catalan region is international, with more than half of investors not Spaniards."

In addition, Barcelona is also enjoying a revival in the real estate sector, though Bou argues that a "small real estate bubble is coming back". He adds that there has also been an increase in M&A

activity. Bou says there are three distinct types of foreign investor currently interested in Barcelona. “The first type are companies related to IT businesses; the second are investment funds looking for a range of different opportunities, including distressed deals; and the third type are industrial investors – typically Chinese and Indian – trying to grow their business by buying companies in the Catalan region.” Barcelona is “back on the radar” of investments funds, in particular, Bou adds.