

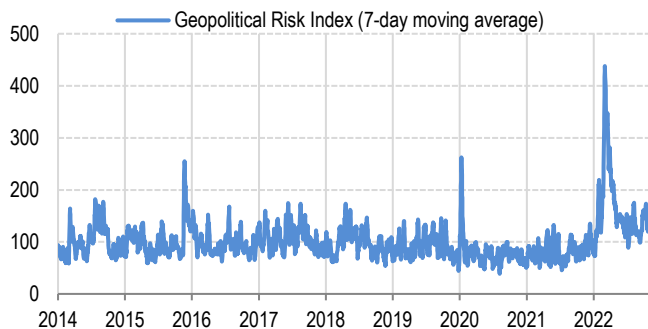
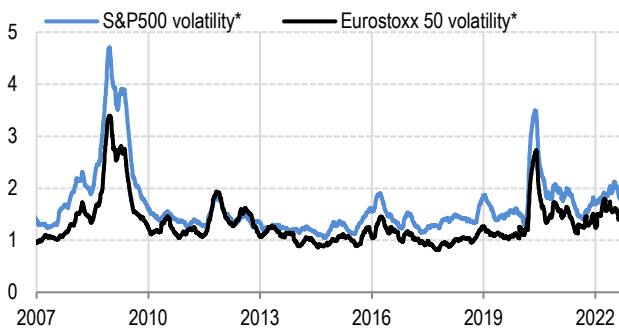
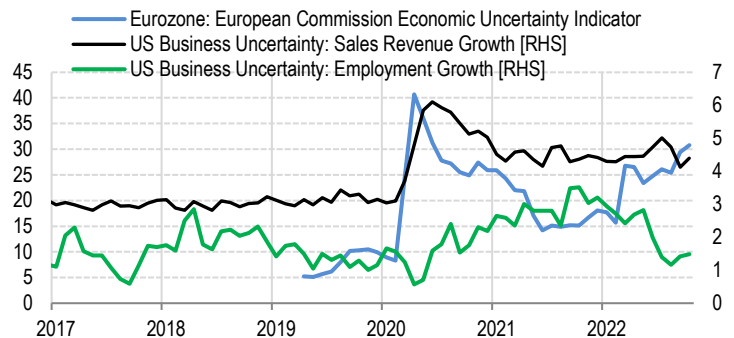
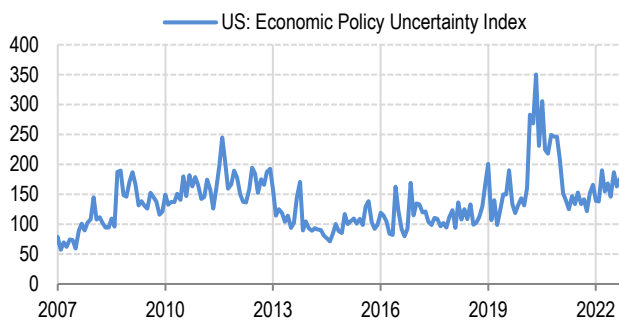
# ECONOMIC PULSE

## UNCERTAINTY: CORPORATE UNCERTAINTY ON THE RISE

Our different uncertainty gauges are complementary, in terms of scope and methodology. Starting top left and continuing clockwise, US economic policy uncertainty based on media coverage has been on a rising trend over the past twelve months. This is related to the policy tightening by the Federal Reserve and concern about its consequences in terms of growth. In the US, the latest data show an increase of business uncertainty about sales revenue growth. Uncertainty with respect to employment growth has also seen a rebound. The European Commission's uncertainty index has again increased. Following the jump triggered by the war in Ukraine, it had essentially been moving sideways, but more recently a rising trend has developed. The geopolitical risk index, which is based on media coverage, shows no clear direction. Finally, the cross-sectional standard deviation of daily stock market returns of individual companies – a measure of financial uncertainty – has been on a declining trend in the US and, to a lesser degree, in the Eurozone.

William De Vijlder

### CHANGES IN UNCERTAINTY



\*volatility = 60-day moving average of the cross-sectional standard deviation of daily returns of the index constituents

SOURCE: REFINITIV, ECONOMIC POLICY UNCERTAINTY, IFO, ATLANTA FED, BNP PARIBAS

