

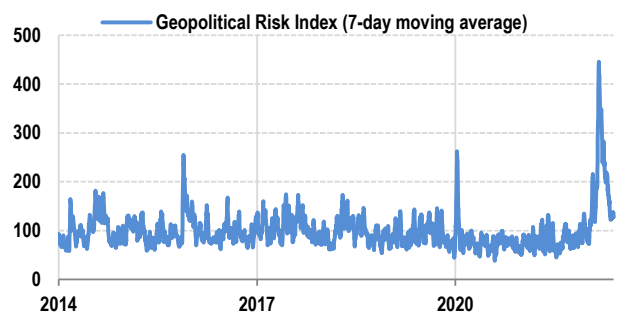
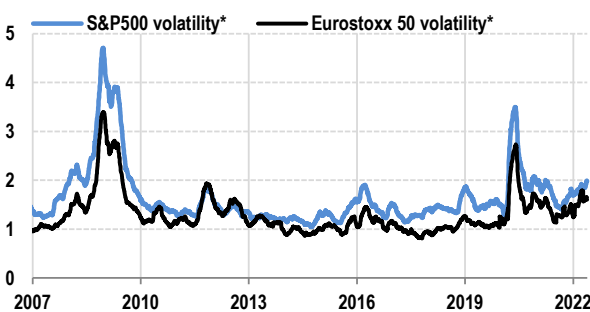
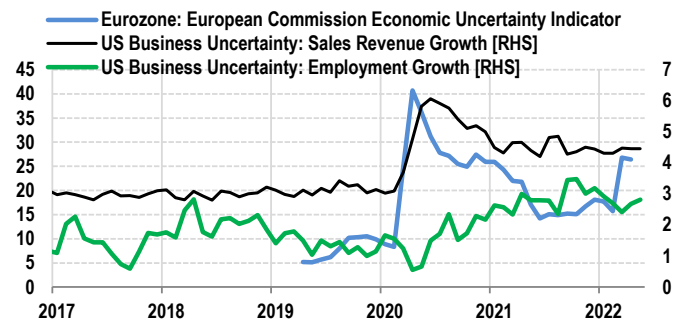
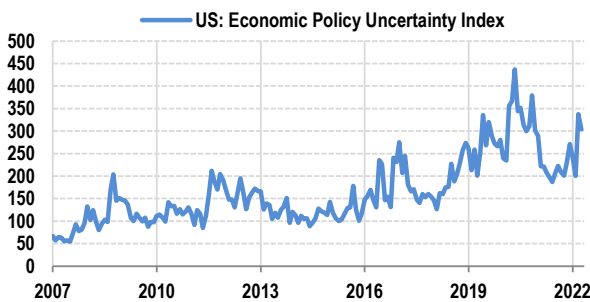
# ECONOMIC PULSE

## ECONOMIC UNCERTAINTY EDGING HIGHER

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 eased slightly after a significant increase, reflecting concern about the impact of aggressive monetary policy tightening. In the US, business uncertainty about sales revenue growth has been stable but uncertainty about employment growth has rebounded somewhat, probably reflecting ongoing difficulties in filling vacancies. The European Commission's uncertainty index, after having jumped following the war in Ukraine, has stabilised. The geopolitical risk index, which is based on media coverage, has dropped and reflects a less intense media coverage of the war in Ukraine compared to the end of February and March. The cross-sectional standard deviation of daily stock market returns of individual companies – a measure of financial uncertainty – continues its gradual increase in the US and the euro area.

William De Vijlder

### CHANGES IN UNCERTAINTY



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

SOURCE: REFINITIV, ECONOMIC POLICY UNCERTAINTY, EUROPEAN COMMISSION, ATLANTA FED, GPR INDEX (MATTEOIACOVIELLO.COM), BNP PARIBAS

