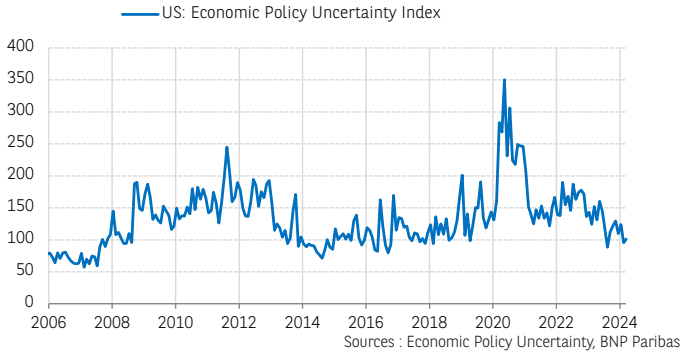
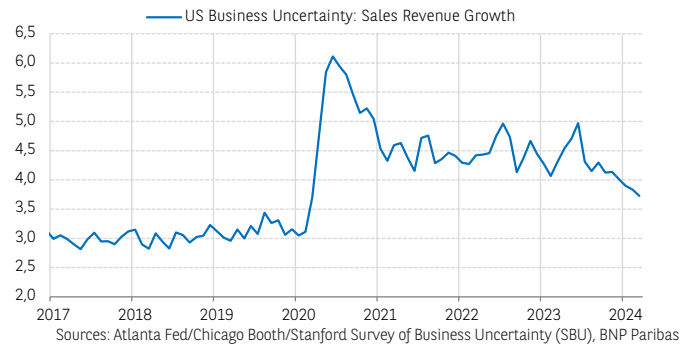


ECONOMIC PULSE

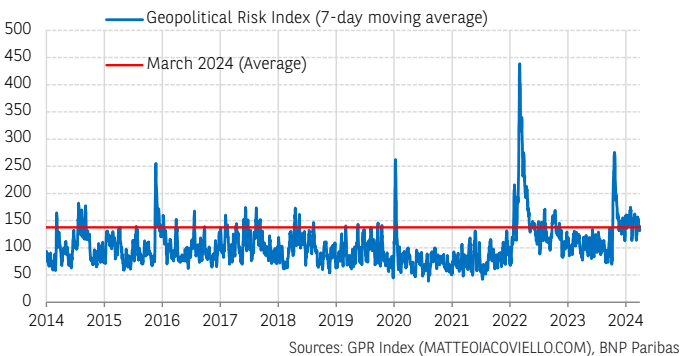
TRENDS IN UNCERTAINTY INDICATORS IN MARCH: SOME DIVERGENCE



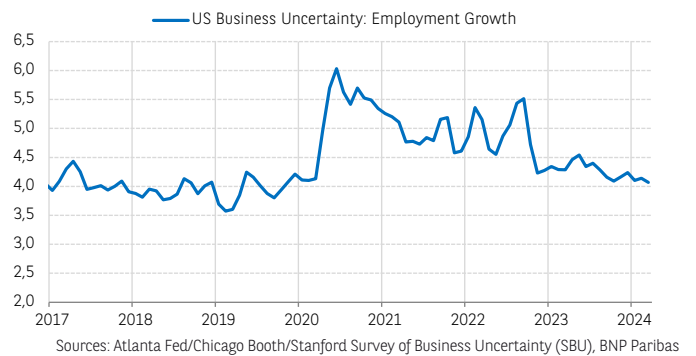
In the United States, economic policy uncertainty, based on media coverage, resumed rising modestly in March, following a marked decline in February. This increase can be attributed, in part, to the February inflation figure (3.2% year-on-year according to the BLS consumer price index). By exceeding consensus expectations (3.1%), this negative surprise further pushes back the prospect of Fed policy easing.



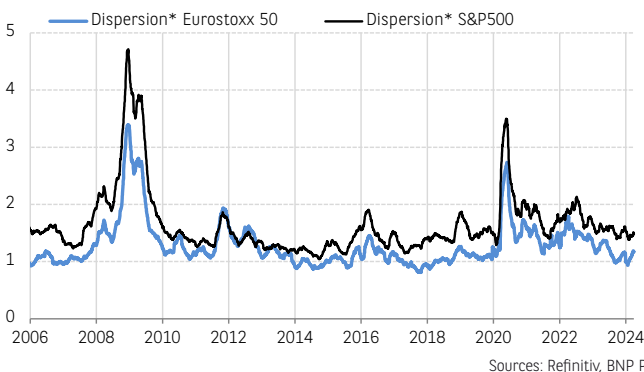
The uncertainty felt by US companies about their sales growth continued to fall in March, for the third month in a row, probably thanks to the strength of the US economy.



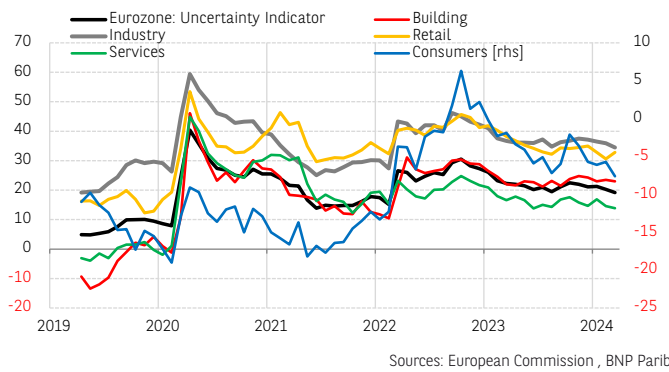
The geopolitical risk index, also based on media coverage, fell in the last two weeks of March after a remarkable increase in the second week (from 110 to 156). Despite this volatility, the average index for March remains lower than in January and February.



Similarly, the uncertainty felt by US companies about the employment outlook declined again in March, erasing its slight increase in February, benefiting from the continued robustness of the US economy and labour market.



The stock market-based uncertainty index* has been on an upward trend since mid-January 2024 in the euro area. In the United States, it fell in late March after an increase since the beginning of the month.



In the Eurozone, the European Commission's economic uncertainty index fell again in March (black line). This reduction in uncertainty is broad-based across all sectors, except in retail trade (yellow curve).

* dispersion of the daily returns of stock market index components