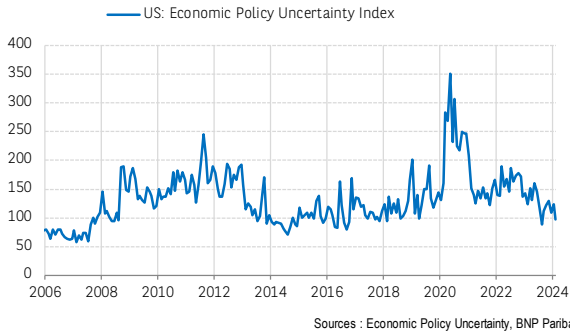


ECONOMIC PULSE

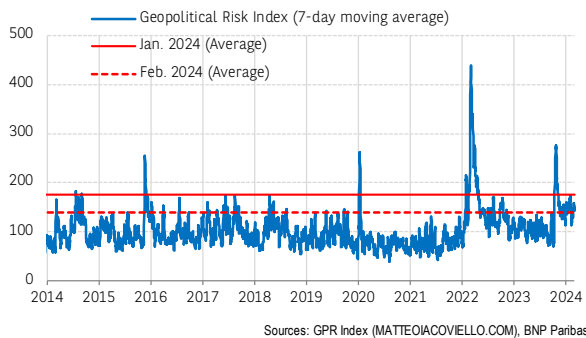
TRENDS IN UNCERTAINTY INDICATORS IN FEBRUARY: A GENERAL DECREASE



In the United States, economic policy uncertainty, based on media coverage, fell significantly in February, following a rebound in January. The index fell from 124 to 97, the lowest level since July 2023, when the policy rates were last raised. With US growth and the labour market continuing to hold up well, the economic outlook appears to be brighter and less uncertain. This gives greater credit to the scenario of a soft landing for the economy, and greater comfort for the Fed's cautious stance and to take its time before cutting rates.



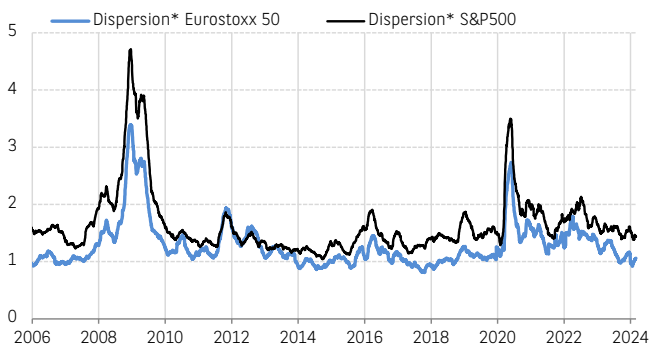
The further decline in the uncertainty felt by US companies about their sales growth is in line with this, and benefits from the resilience of macroeconomic indicators and the reduction in geopolitical tensions in February compared with January.



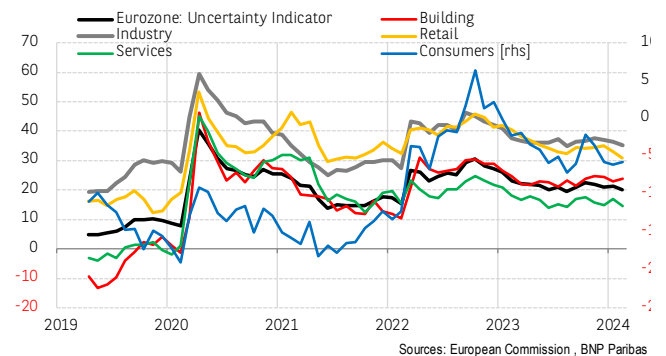
The geopolitical risk index, which is also based on media coverage, rose slightly in the last three weeks of February, after falling sharply in the first week. However, despite this relatively high volatility, the index is much lower on average compared with January.



With regard to the employment outlook, the uncertainty felt by US companies also fell in February, for the second month in a row, reflecting the amazing resilience of the US labour market, particularly in terms of nonfarm payrolls' gains.



The stock market-based uncertainty index* rose again in February in the Eurozone, but remains below its pre-pandemic level. In the US, it declined after rising for the first three weeks.



In the Eurozone, the European Commission's economic uncertainty index fell again in February, after a slight increase in January, thanks to a sharp decline in the services sector, retail trade and, to a lesser extent, industry. By contrast, uncertainty increased very slightly in the construction sector and within consumers.

* dispersion of the daily returns of stock market index components

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