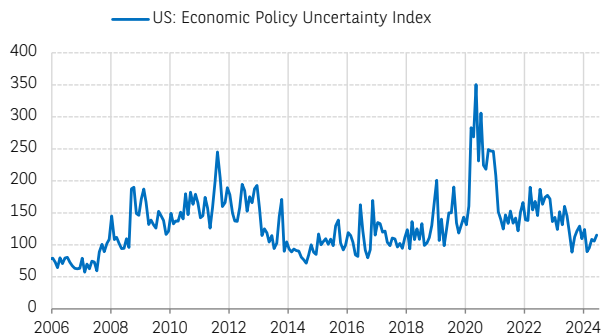


ECONOMIC PULSE

TREND IN UNCERTAINTY INDICATORS IN JUNE



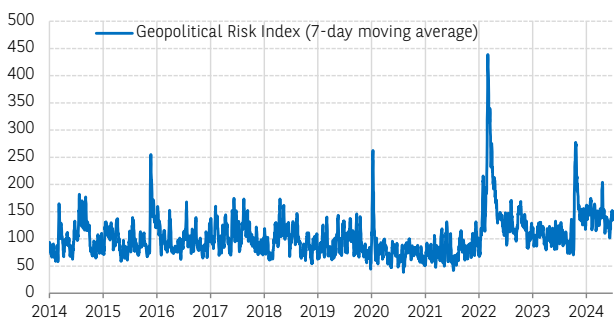
Source: Economic Policy Uncertainty, BNP Paribas

In the US, uncertainty about economic policy, based on media coverage, rebounded in June after a brief dip in May. The June increase was probably related to the climate of political and monetary-policy uncertainty in the US a few months from the presidential election.



Source: Atlanta Fed/Chicago Booth/Stanford Survey of Business Uncertainty (SBU), BNP Paribas

However, US companies expressed greater confidence about their revenue growth in June, after two months of rising uncertainty. The June improvement was likely the result of PCE inflation falling to 2.6% annualised in May. Whether this lasts will depend, amongst other things, on the soon to be published Q2 GDP figures.



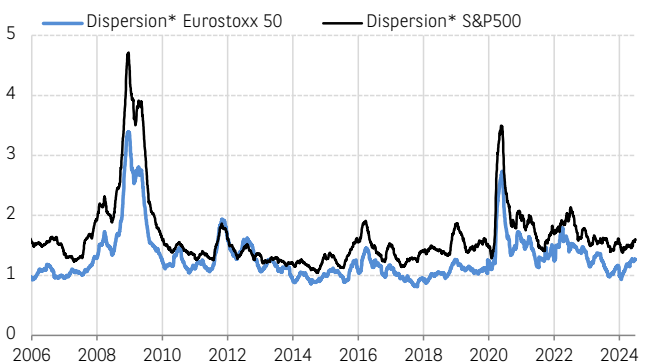
Source: GPR Index (MATTEO.IACOVIELLO.COM), BNP Paribas

The geopolitical risk index, which is also based on media coverage, has been trending downwards since the start of the year, although it remains very volatile.



Source: Atlanta Fed/Chicago Booth/Stanford Survey of Business Uncertainty (SBU), BNP Paribas

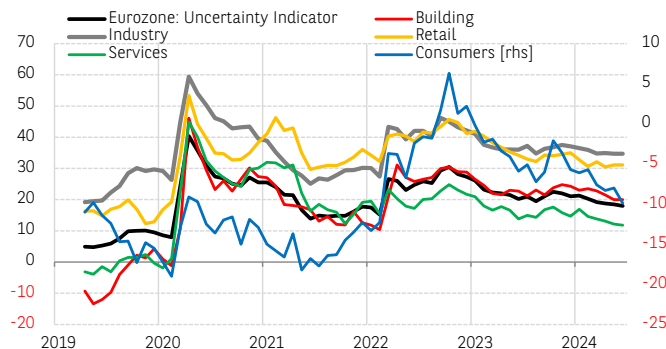
Meanwhile, uncertainty about the employment outlook rose sharply in June to its highest level since November 2022. The increase resulted from the unemployment rate rising to 4% in May, its highest since January 2022. In June, the unemployment rate rose again to 4.1%.



Source: Refinitiv, BNP Paribas

In June, the stockmarket-based uncertainty indicator* rebounded in both the Eurozone and the US.

* dispersion of the daily performances of individual companies.



Source: European Commission, BNP Paribas

In the Eurozone, the European Commission's economic uncertainty index fell again in June, due to lower uncertainty in services and among consumers. In the manufacturing, building and retail sectors, uncertainty remained stable overall.

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