

# ECONOMIC PULSE

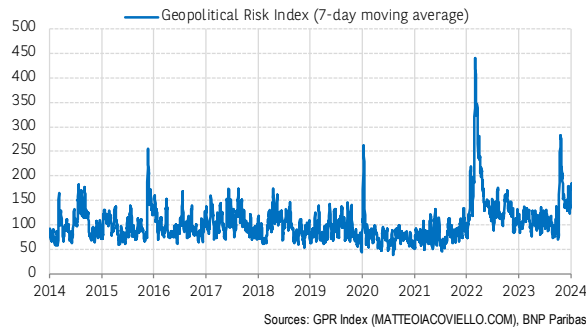
## UNCERTAINTY EASED IN DECEMBER DESPITE THE GEOPOLITICAL TENSIONS



In the United States, economic policy uncertainty, based on media coverage, fell in December, after rising for three months in a row. This drop can probably be attributed in part to the anticipated Federal Reserve rate cuts and the hopes that they are raising.



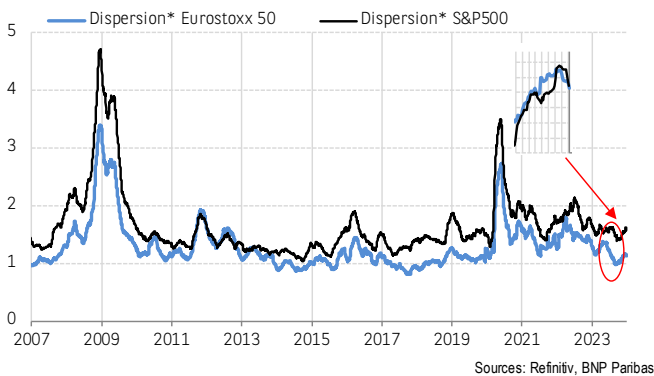
In December, American companies reported less uncertainty about their revenue growth, after a stagnation in November. This decline is probably linked to the generally favourable economic data published in November.



The geopolitical risk index, which is also based on media coverage, has been rising again recently, due to the continuing tensions in the Middle East and those currently affecting maritime traffic in the Red Sea. However, this rise is still contained for the time being.

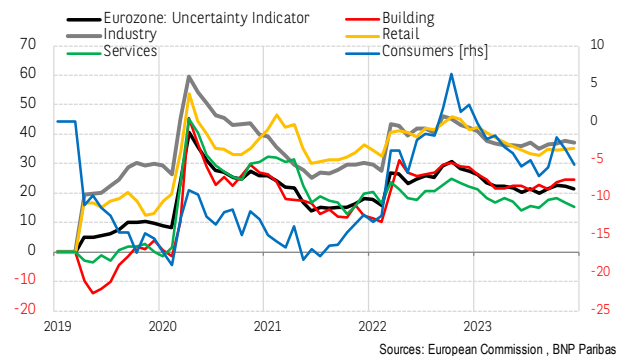


Uncertainty around employment prospects also fell in December, after rising for three months in a row. The continuing gradual slowdown in the US labour market probably helps explain this decline in uncertainty.



The most recent data show a fall in the market-based uncertainty indicator\* in the Eurozone and the United States, interrupting the rise seen since the start of November.

\* dispersion of the daily returns of stock market index components



In the Eurozone, the European Commission's economic uncertainty index fell again slightly in December, fuelled by a decline in the services sector, as well as a significant drop in uncertainty among consumers and, to a lesser extent, in industry and construction. However, uncertainty in retail trade has continued to increase.