




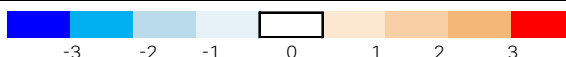


United States: Business sentiment remains buoyant

		Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26
	Global												
	Composite index	-1.2	-1.6	-1.4	-1.5	-1.1	-1.5	-1.1	-1.0	-0.7	-0.5	0.1	-0.4
	Credit*												
	New NFC loans (USD bn)	3.1	3.1	3.1	1.7	1.7	1.7	4.9	4.9	4.9			
	Industry												
	Business Climate												
	Composite	-1.0	-1.0	-0.9	-1.1	-1.0	-1.0	-1.0	-1.2	-1.2	-0.1	-0.2	-0.1
	Expected production	-1.1	0.2	-0.3	-0.1	0.3	0.2	0.3	0.4	0.2	-0.3	0.6	0.4
	Order books	-1.0	-0.9	-1.1	-1.0	-0.5	-0.9	-0.9	-1.1	-1.1	0.4	0.2	-0.2
	Export order books	-1.9	-2.6	-1.2	-1.3	-0.9	-2.0	-1.6	-1.2	-1.1	-0.4	-0.3	-0.4
	Price expectations	1.3	0.8	0.8	1.2	0.8	0.9	0.6	0.8	0.8	1.3	1.1	0.9
Employment expectations	-1.6	-1.4	-1.1	-0.5	-0.8	-1.0	-0.9	-0.2	-0.4	-0.6	-0.3	0.3	
	Services												
	Business Climate												
	Composite	-1.2	-1.6	-1.4	-1.5	-1.1	-1.5	-1.1	-0.9	-0.5	-0.5	0.2	-0.5
	Expected activity	-1.8	-0.9	-0.9	-0.7	-0.4	-0.5	-1.1	-1.0	-0.6	0.2	-0.3	-0.7
	Price expectations	-1.5	-1.3	-1.3	-1.0	-1.2	-0.6	-1.1	-0.9	-0.9	-0.6	-0.1	-0.5
Employment expectations	-1.3	-0.3	-0.8	-0.8	-1.3	-0.8	-1.2	-1.3	-0.7	-0.9	-0.6	-1.0	
	Construction												
	Business Climate												
	Composite	-0.8	-1.1	-1.2	-1.1	-1.2	-1.2	-0.9	-0.9	-0.8	-0.9	-0.9	-0.9
	Expected activity	-1.0	-1.0	-1.2	-1.0	-1.0	-0.9	-0.3	-0.5	-0.5	-0.6	-0.7	-0.6
	Household Confidence & Credit*												
	Housing purchases	-1.7	-1.7	-1.5	-1.5	-1.6	-1.7	-1.5	-1.5	-1.6	-1.5	-1.4	-2.3
	Interest rate on housing loans, %	6.8	6.8	6.8	6.7	6.6	6.4	6.2	6.2	6.2	6.1	6.0	6.2
New housing loans (annual change)	9.7	16.1	16.9	16.3	19.9	17.7	20.9	21.5	18.5	14.5	9.3	4.1	
House prices & housing transactions													
Existing home prices	-0.8	-0.8	-0.9	-0.9	-0.8	-0.8	-0.7	-0.8	-1.0	-1.1	-1.0	-0.9	
Housing transactions	-0.2	-0.2	0.0	-0.1	0.1	0.3	0.2	0.0	0.1	-0.3	-1.3	-1.4	
	Consumption												
	Household Confidence & Credit*												
	Composite	-2.1	-2.1	-1.2	-1.3	-1.4	-1.8	-1.9	-1.8	-1.5	-1.3	-1.4	-1.8
	Expected financial situation	-2.9	-2.9	-1.7	-1.9	-1.9	-2.3	-2.6	-2.4	-1.8	-1.6	-1.8	-2.3
	Major purchases opportunity	-1.4	-1.3	-1.2	-1.1	-1.4	-1.5	-1.7	-1.9	-2.0	-1.8	-1.8	-1.7
	Price expectations	1.1	0.9	1.1	1.4	1.7	2.4	2.2	2.2	2.1	2.2	1.9	-2.2
	Fears of Unemployment	2.6	2.5	2.0	2.0	2.4	2.7	2.6	3.1	2.6	2.5	2.2	5.4
	Interest rate on consumer loans, %	11.6	11.6	11.6	11.1	11.1	11.1	11.7	11.7	11.7	11.4	11.4	11.4
	New consumer loans (annual change)	0.4	0.5	0.4	0.2	0.1	0.3	0.2	0.3	3.1	3.0	3.2	



Indicators are converted into z-scores, i.e. deviations from their long-term average (expressed in standard deviations). Positive (negative) values indicate that the indicator is above (below) its long-term average by a given number of standard deviations. Red shading corresponds to strong economic activity, elevated inflation expectations, and low unemployment fears, while blue indicates a slowdown in activity, moderate inflation expectations, and heightened unemployment fears.

*Credit indicators are neither standardised as z-scores nor associated with any colour coding: they are shown in levels (or as 12-month cumulative flows) and should be interpreted separately from the other indicators.

Business sentiment surveys point to a healthy economy, despite the energy shock. In March, business sentiment (ISM PMI) remained in expansion territory in both the manufacturing (which hit a four-year high) and non-manufacturing sectors, but supplier delivery times extended and, above all, input-price growth accelerated (and stood at a high not seen since 2022). By contrast, consumer sentiment (Michigan) has dipped sharply. Expectations deteriorated, particularly around 1-year inflation.

Mortgage rates have been rising since the start of the war in the Middle East. This, combined with the continuing rise of prices for existing homes, is expected to slow the growth of outstanding mortgages in 2026. However, growth in outstanding consumer loans remained robust at the start of the year. In Q4 2025, growth in outstanding business loans and debt issuance increased compared with the previous quarter, whilst the trend of falling short-term interest rates was interrupted by the war.

GDP: growth, carry-over and forecasts										
OBSERVED GROWTH (q/q)			CARRY-OVER	GDP NOW	FORECAST (q/q)			ANNUAL FORECAST		
Q2 2025	Q3 2025	Q4 2025	Q4 2025	Q1 2026	Q1 2026	Q2 2026	Q3 2026	2025 (actual GDP)	2026	2027
0.9	1.1	0.1	0.9	0.3	0.9	0.7	0.5	2.1	2.7	2.0

Sources : BEA, Fed d'Atlanta, BNP Paribas

GDP growth to rebound in Q1. According to our forecast, it is expected to reach +0.9% q/q (+3.7% AR) in Q1 2026, compared with +0.1% q/q (+0.5% AR) in Q4 2025. This volatility is linked to the federal government shutdown (October–November 2025), with the government sector having shaved 1.0pp off growth, before contributing 1.7 percentage points in Q1, according to our forecasts (AR). Private demand (consumption and investment) is expected to rise slightly following the Q4 slowdown. The Atlanta Fed's GDP Now forecast differs significantly, standing at +1.3% AR, as it does not factor in the offsetting effects of the shutdown (adjusted for the shutdown's effects, our forecast is closer to this figure).

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