



# EUROPEAN ECONOMIC FORECAST

Autumn 2024

#ECForecast

15 NOVEMBER 2024

PAOLO GENTILONI

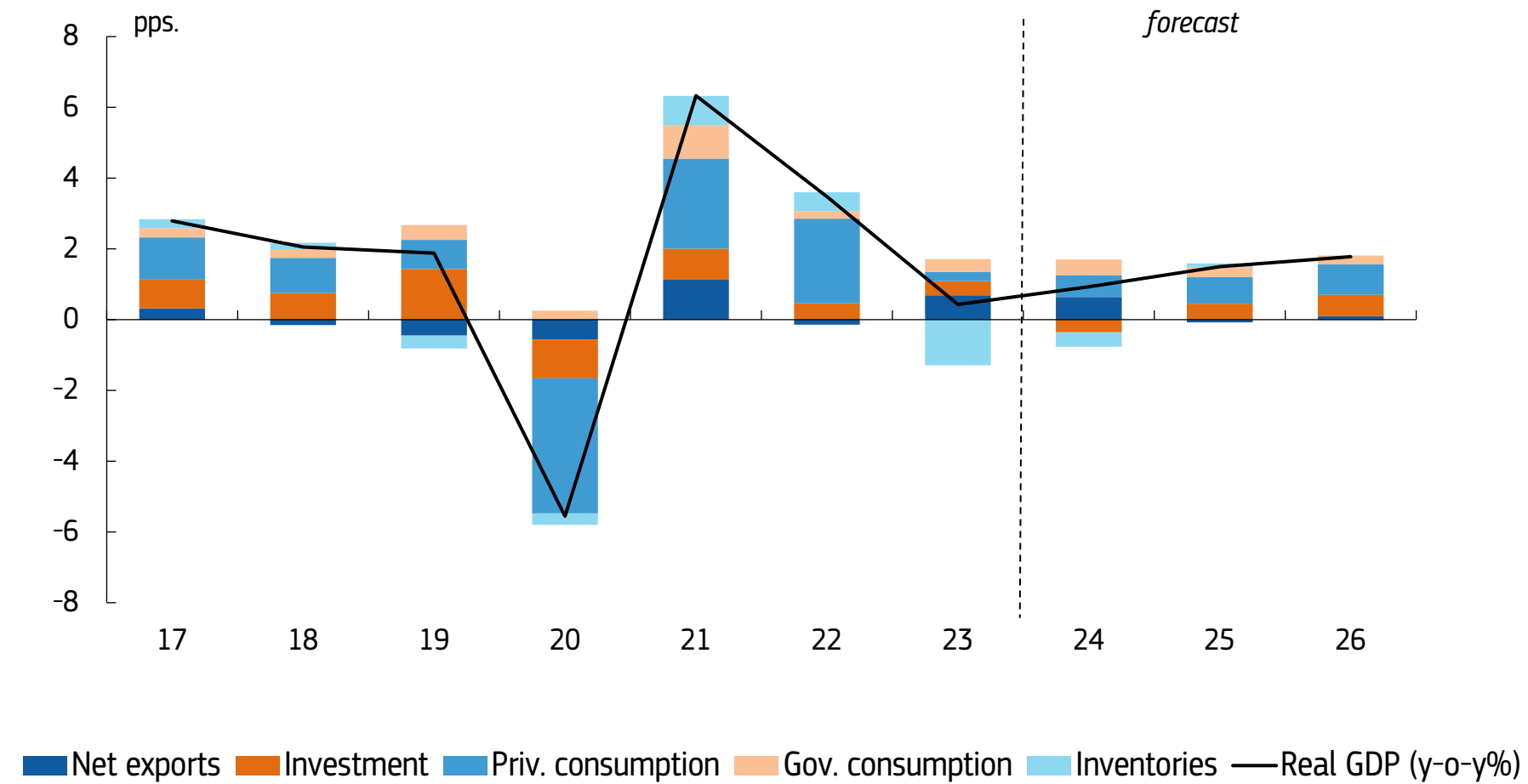
Commissioner for Economy

# Key messages from the 2024 Autumn Forecast

- The EU resumed growth in an increasingly challenging context
- Service inflation is set to drive the disinflation process ahead
- Labour market expected to cool but to remain strong
- Government deficits improve but debt ratios edge up
- Uncertainty and downside risks have increased

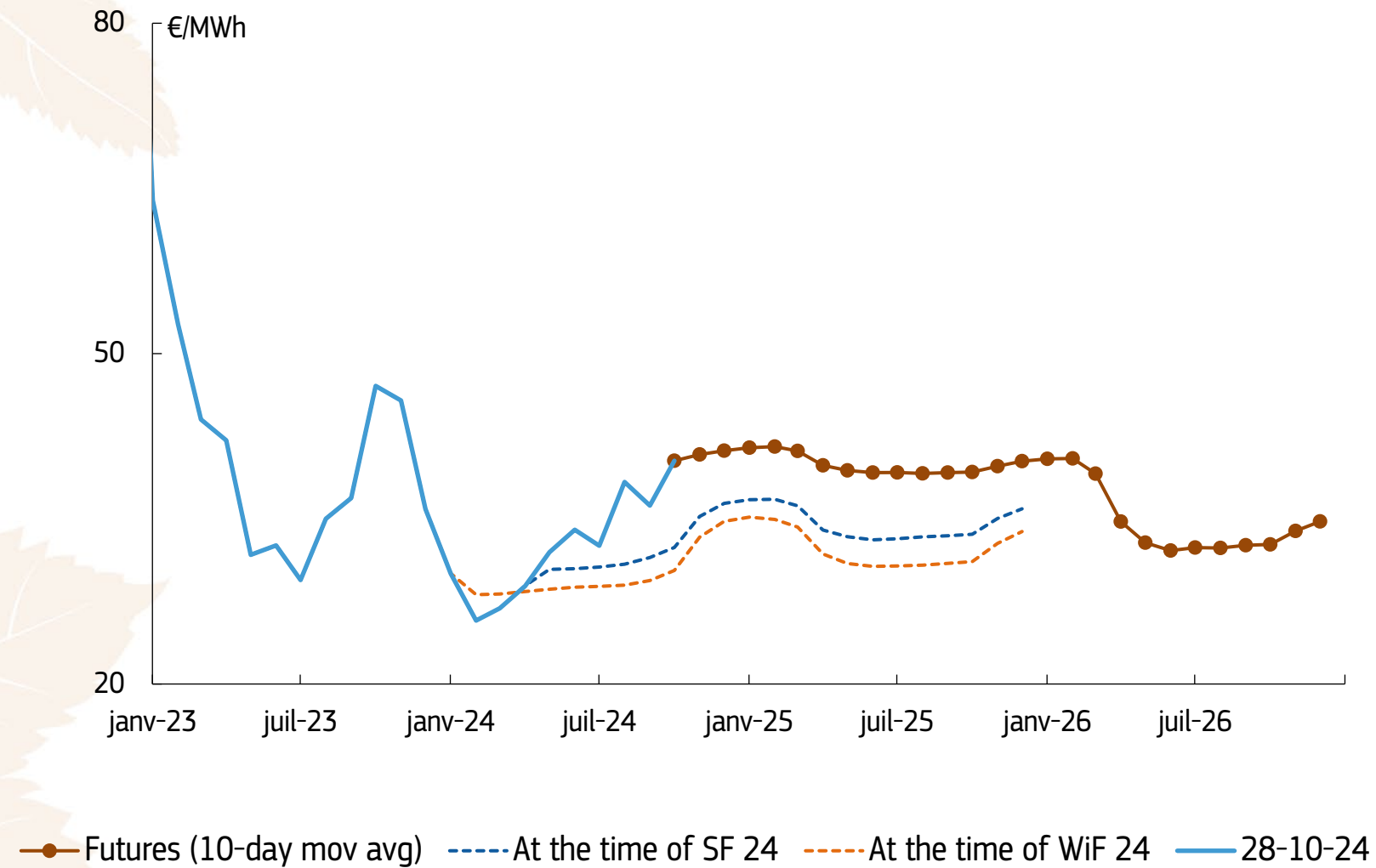
# Economic rebound led by domestic demand

## GDP and contributions

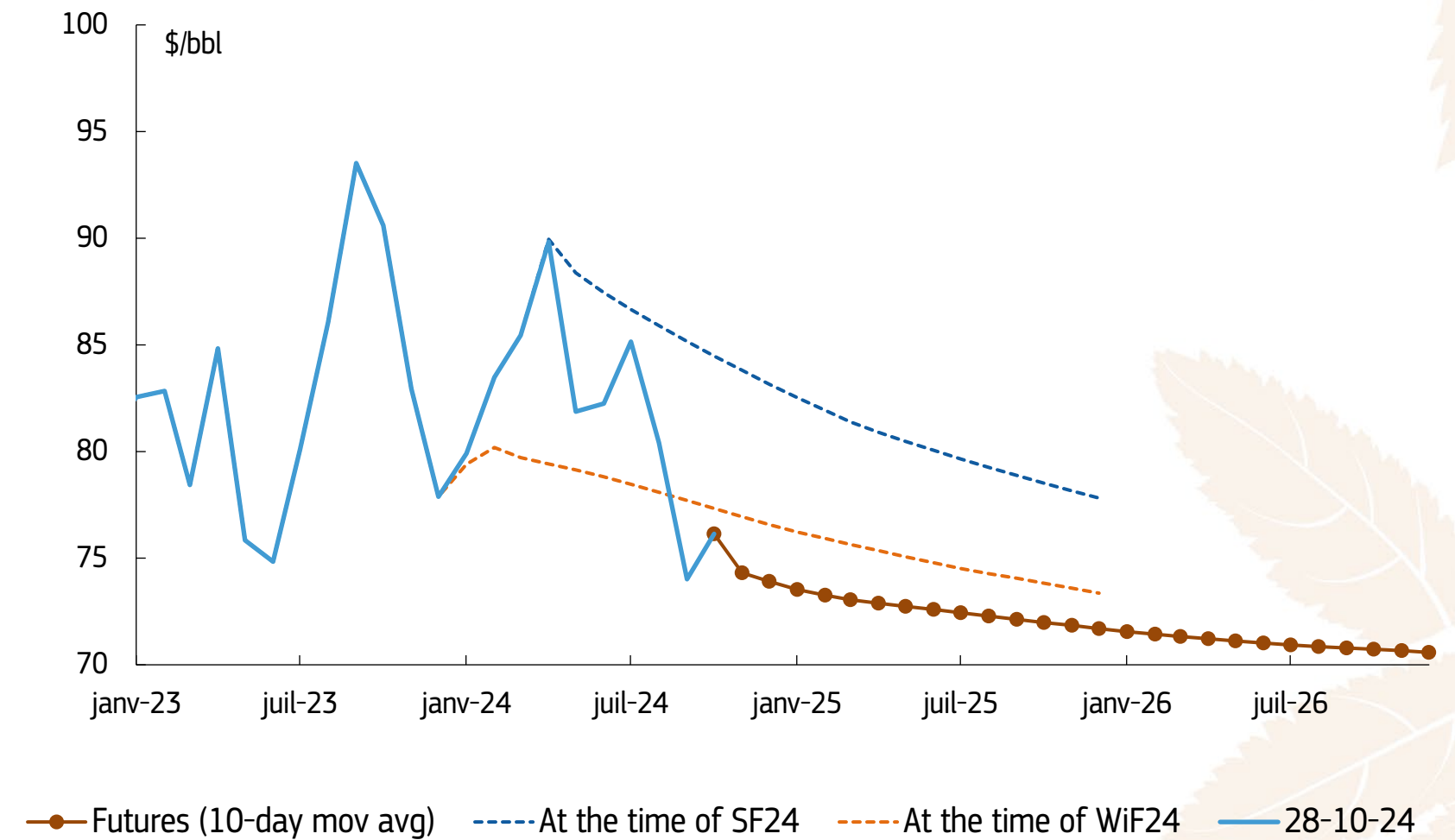


# Commodity prices since Spring: higher for gas, lower for oil

## Natural gas, price assumptions

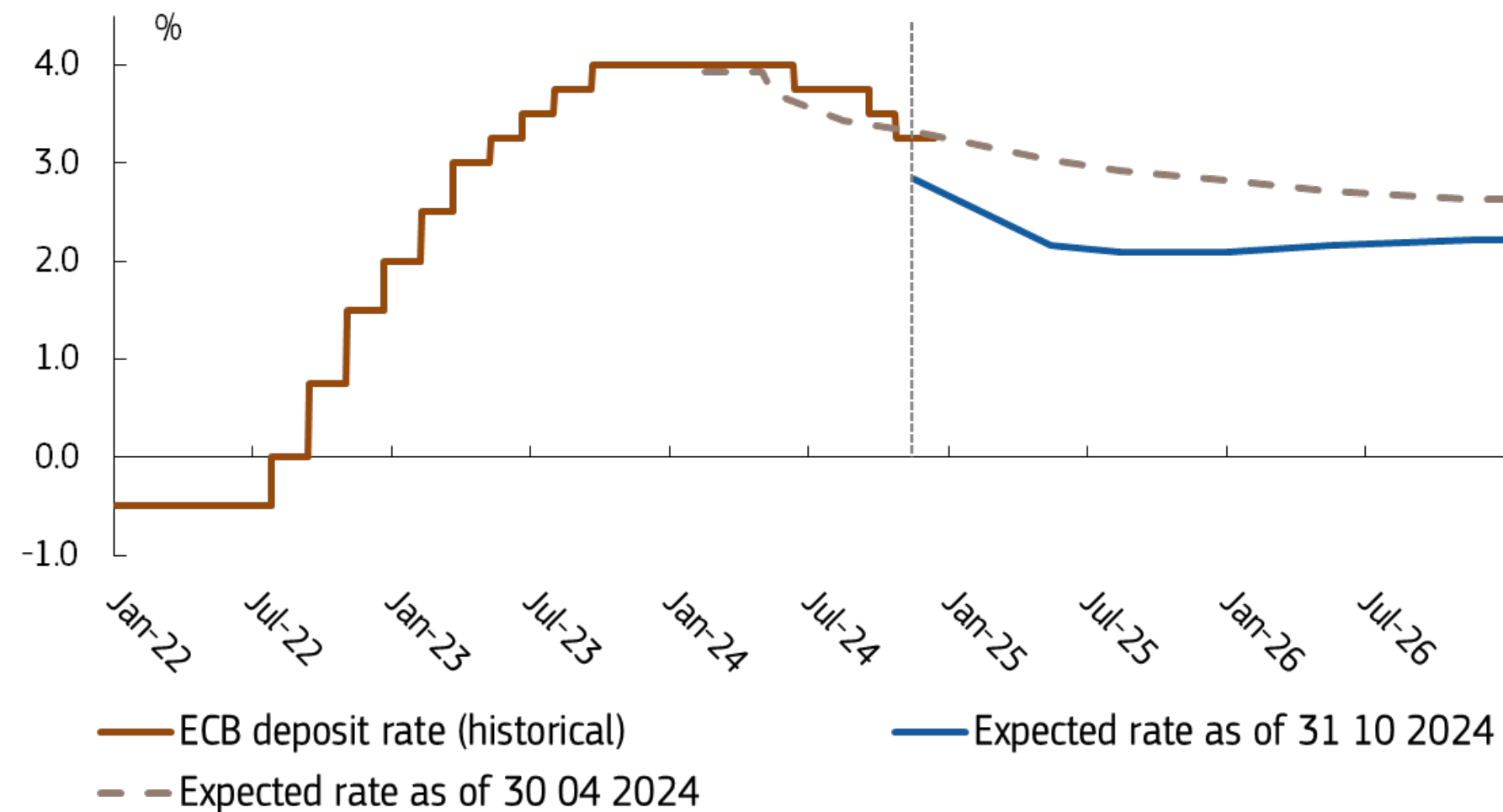


## Crude oil, price assumptions



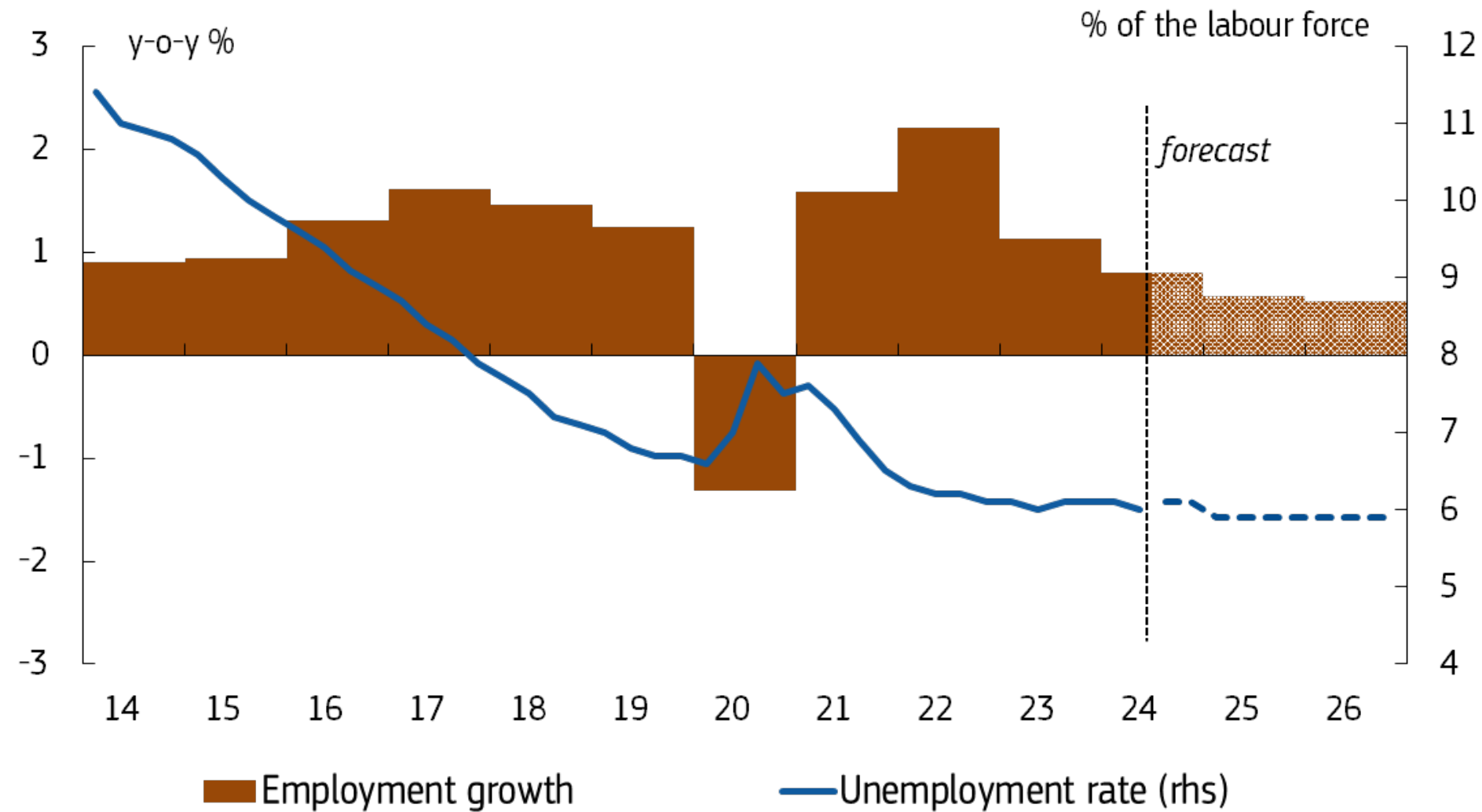
# ECB expected to cut policy rates faster than in spring

## Short-term euro interest rate expectations



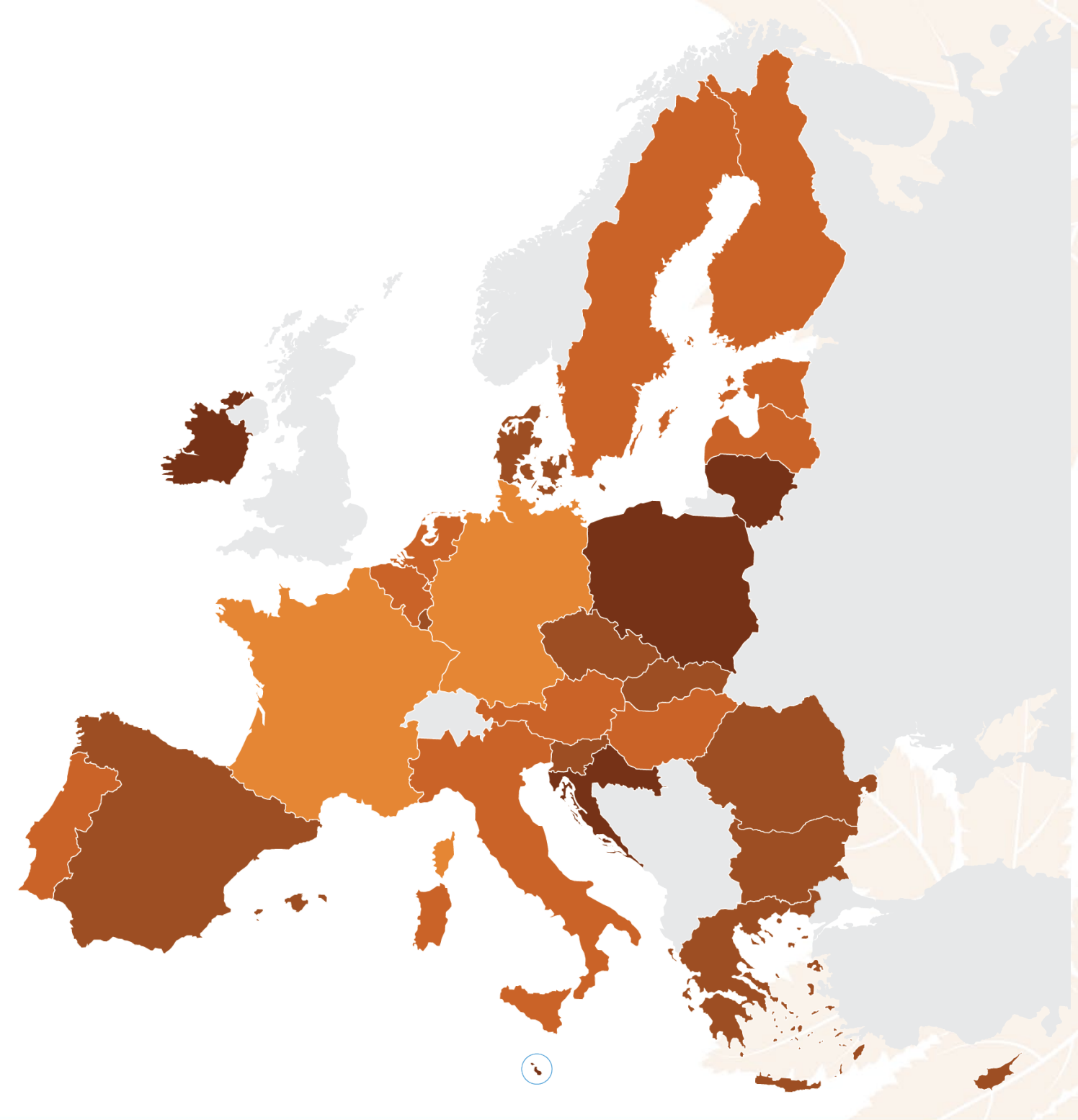
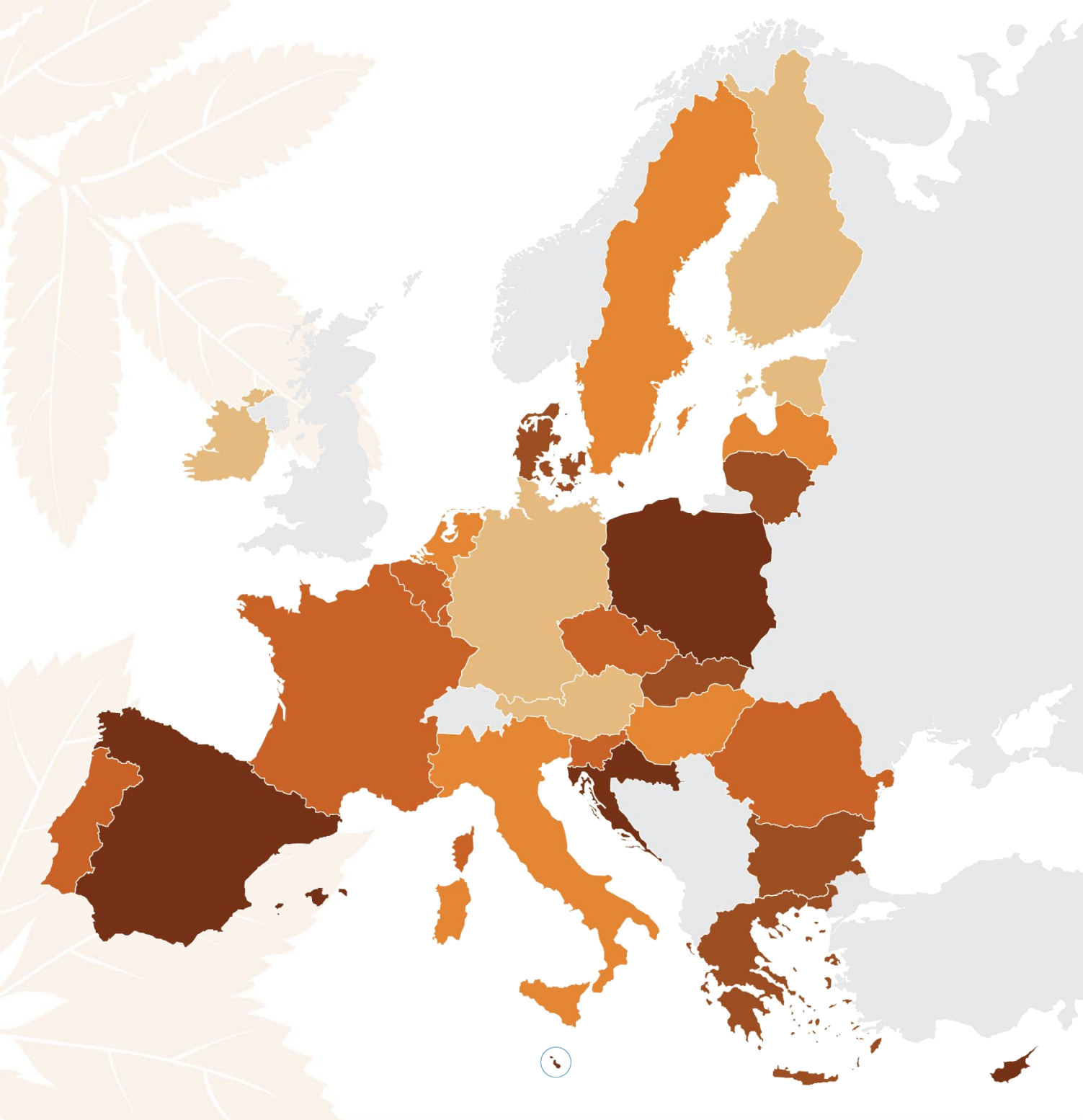
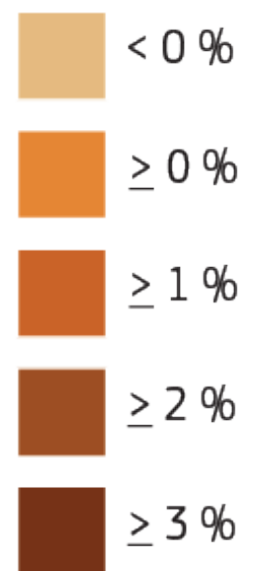
# Employment growth to continue though at a slower pace

## Employment growth and unemployment rate, EU



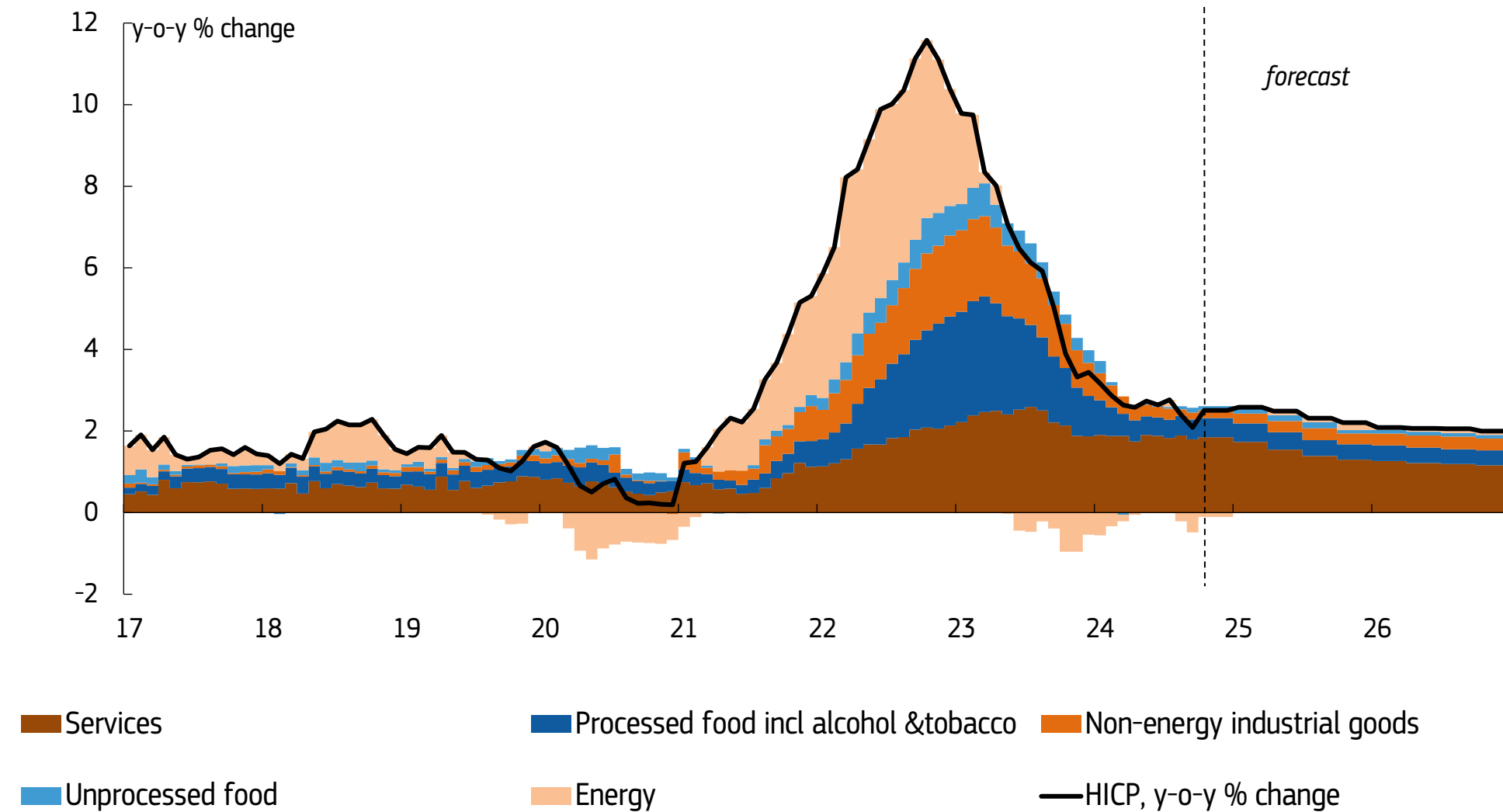
# EU growth map 2024 & 2025

Real GDP  
growth, %



# Inflation to ease further thanks to services

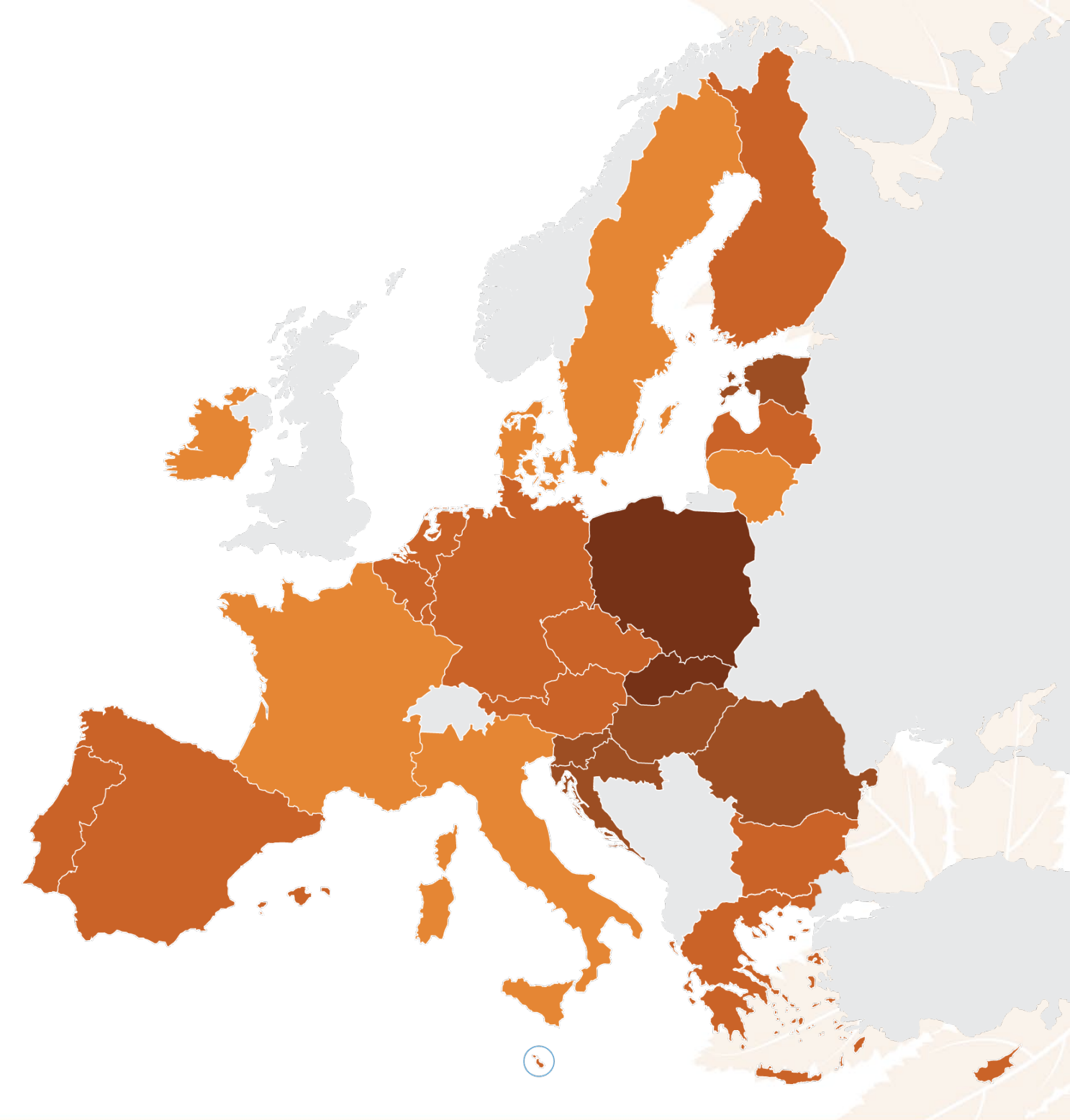
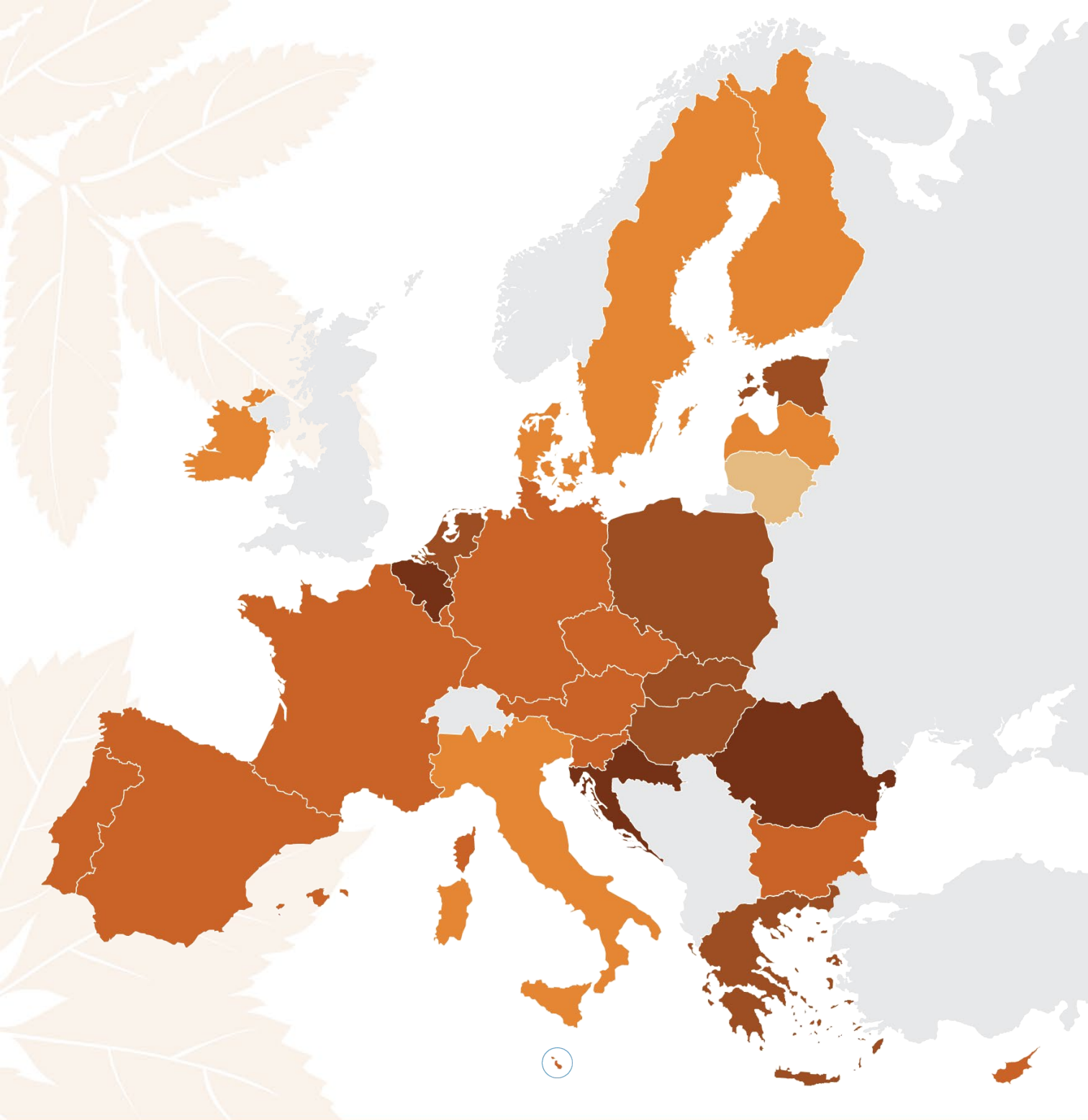
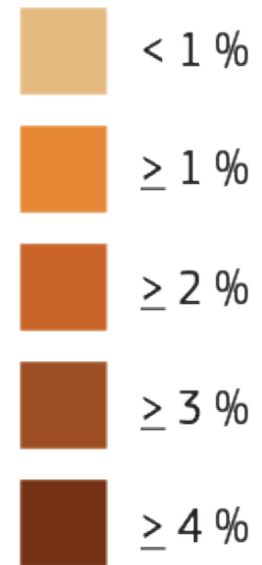
## Inflation breakdown, EU





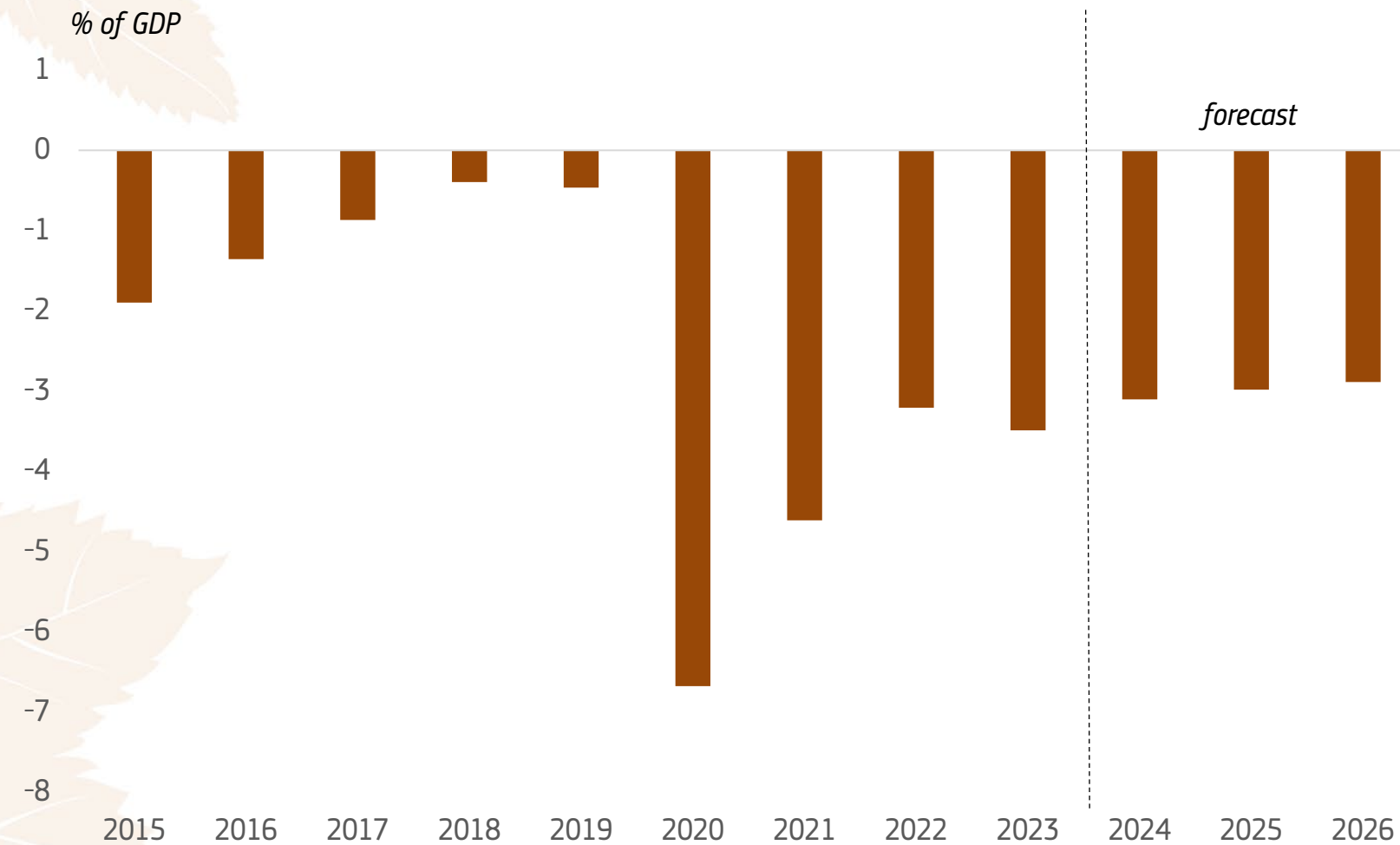
# EU inflation map 2024 & 2025

Annual HICP  
inflation, %

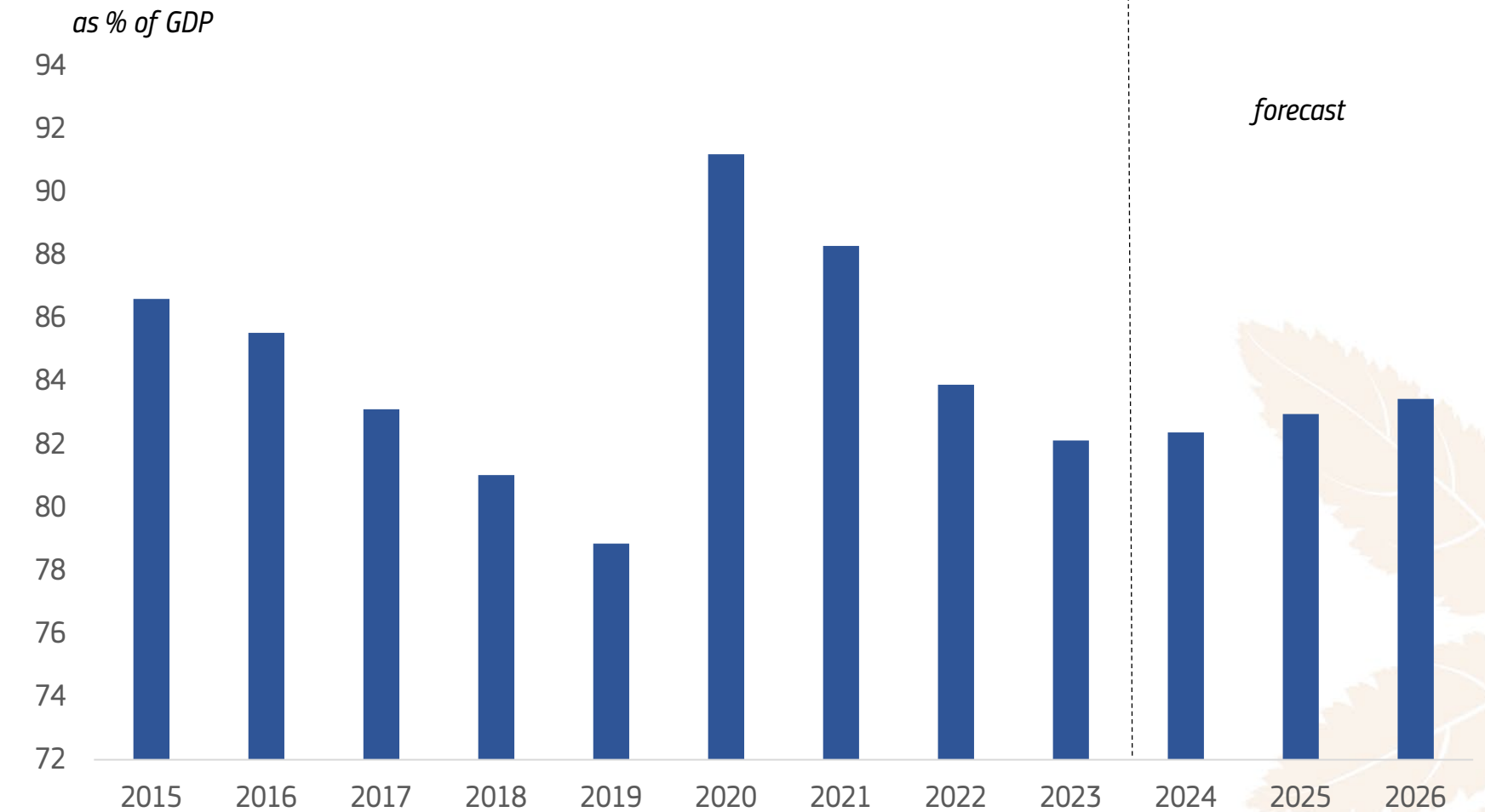


# Government deficits edging down, debt ratios creeping up

## General government budget balance, EU

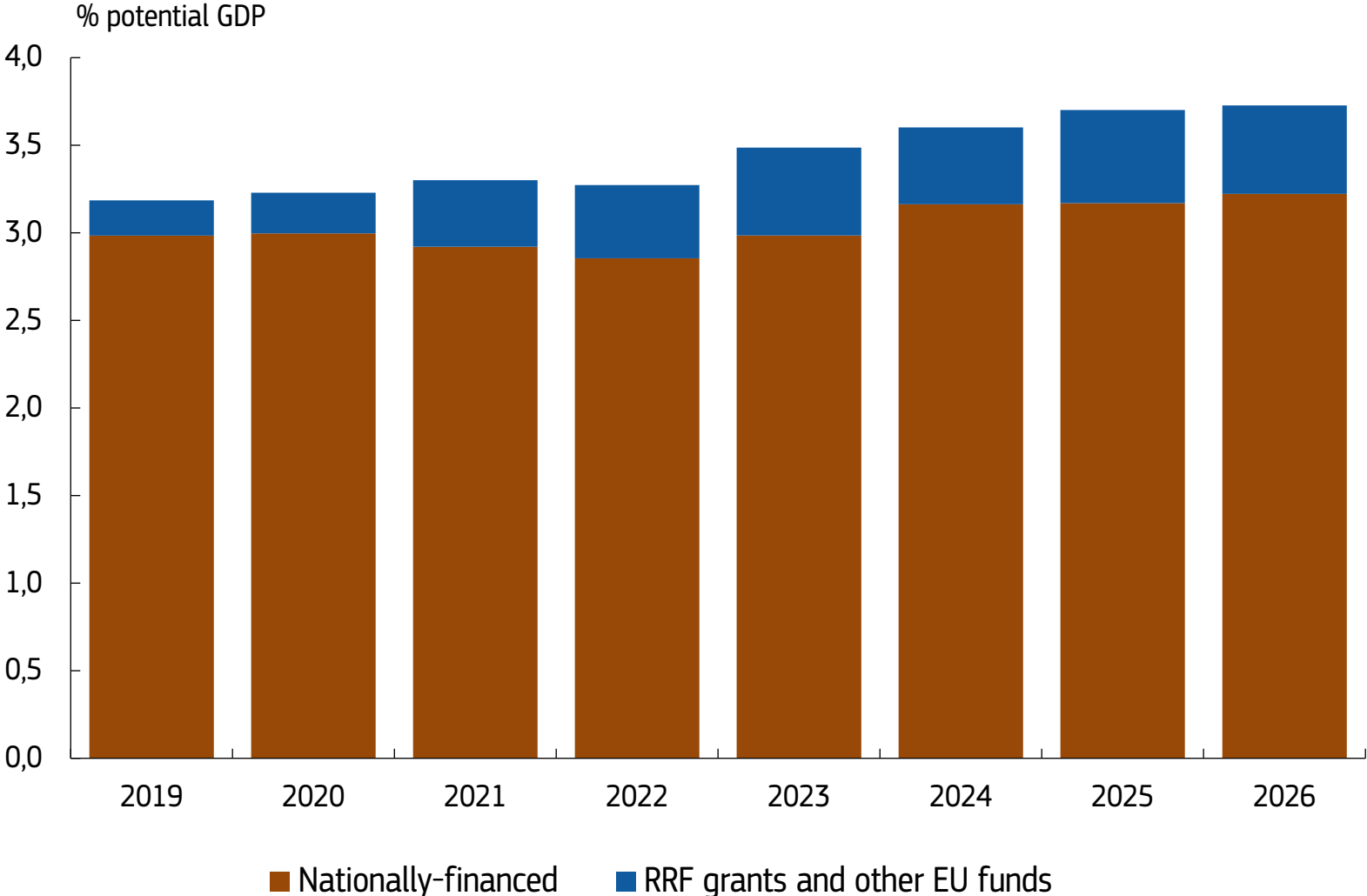


## General government debt-to-GDP ratio, EU



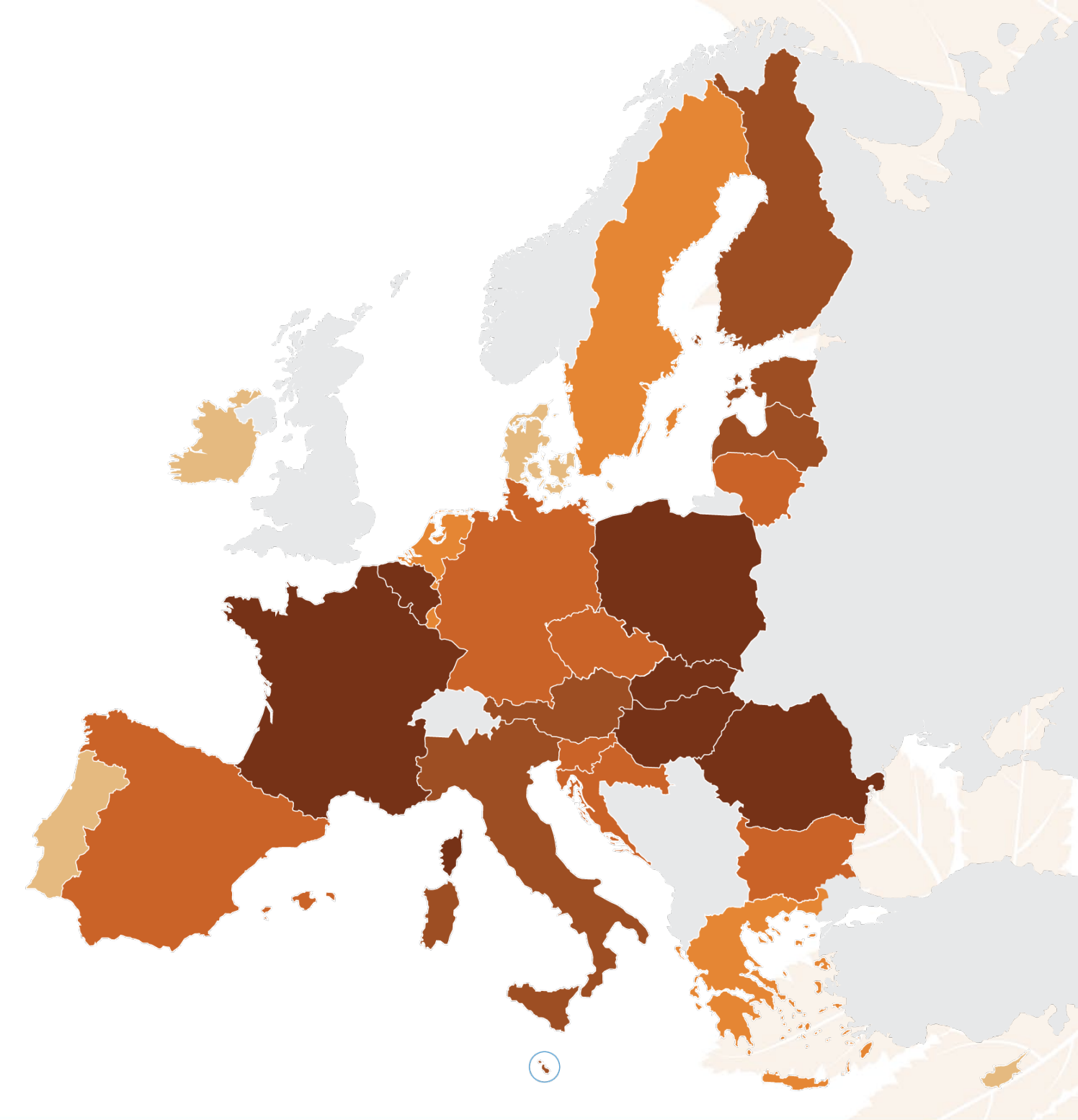
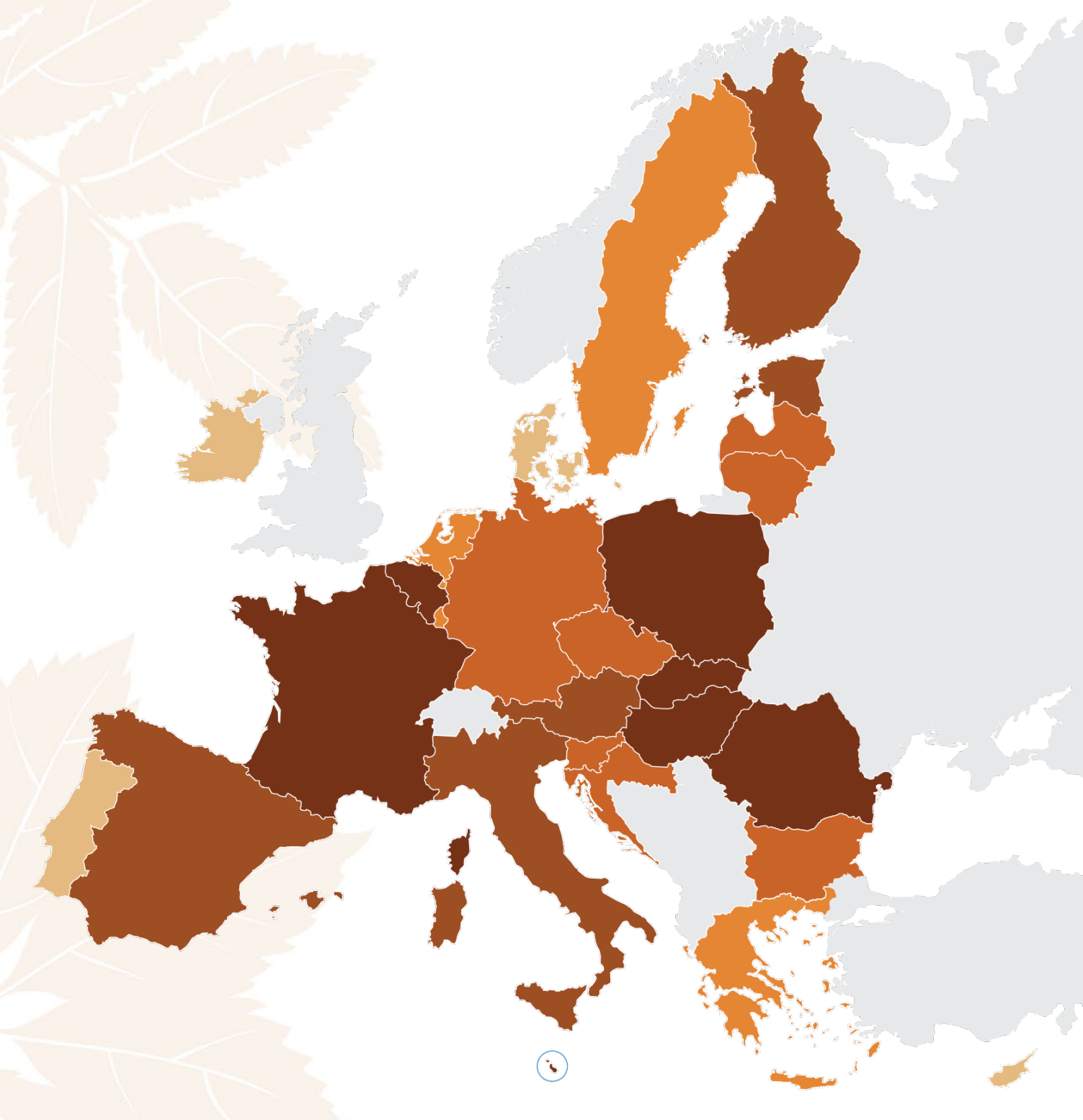
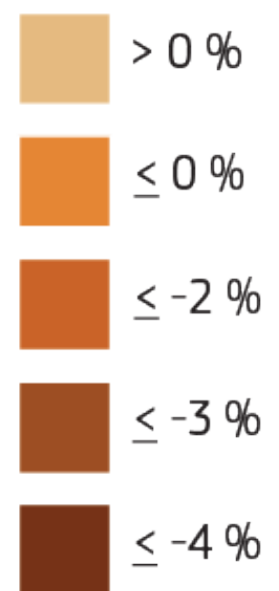
# EU funds lift public investment in the EU

## Public investment, EU



# Budgetary outlook 2024 & 2025

Public deficits  
as % of GDP

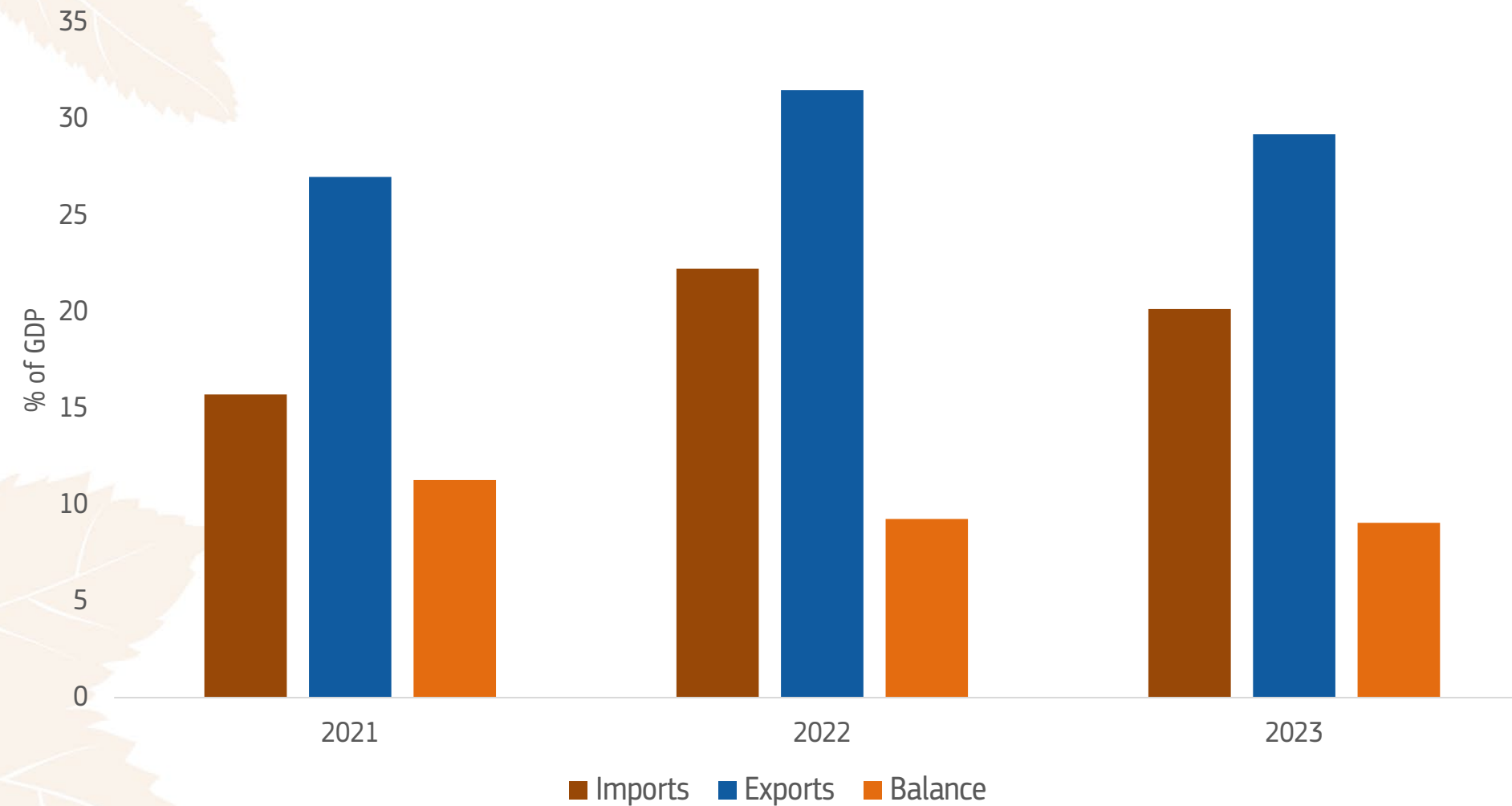


# Downside risks and uncertainty have increased

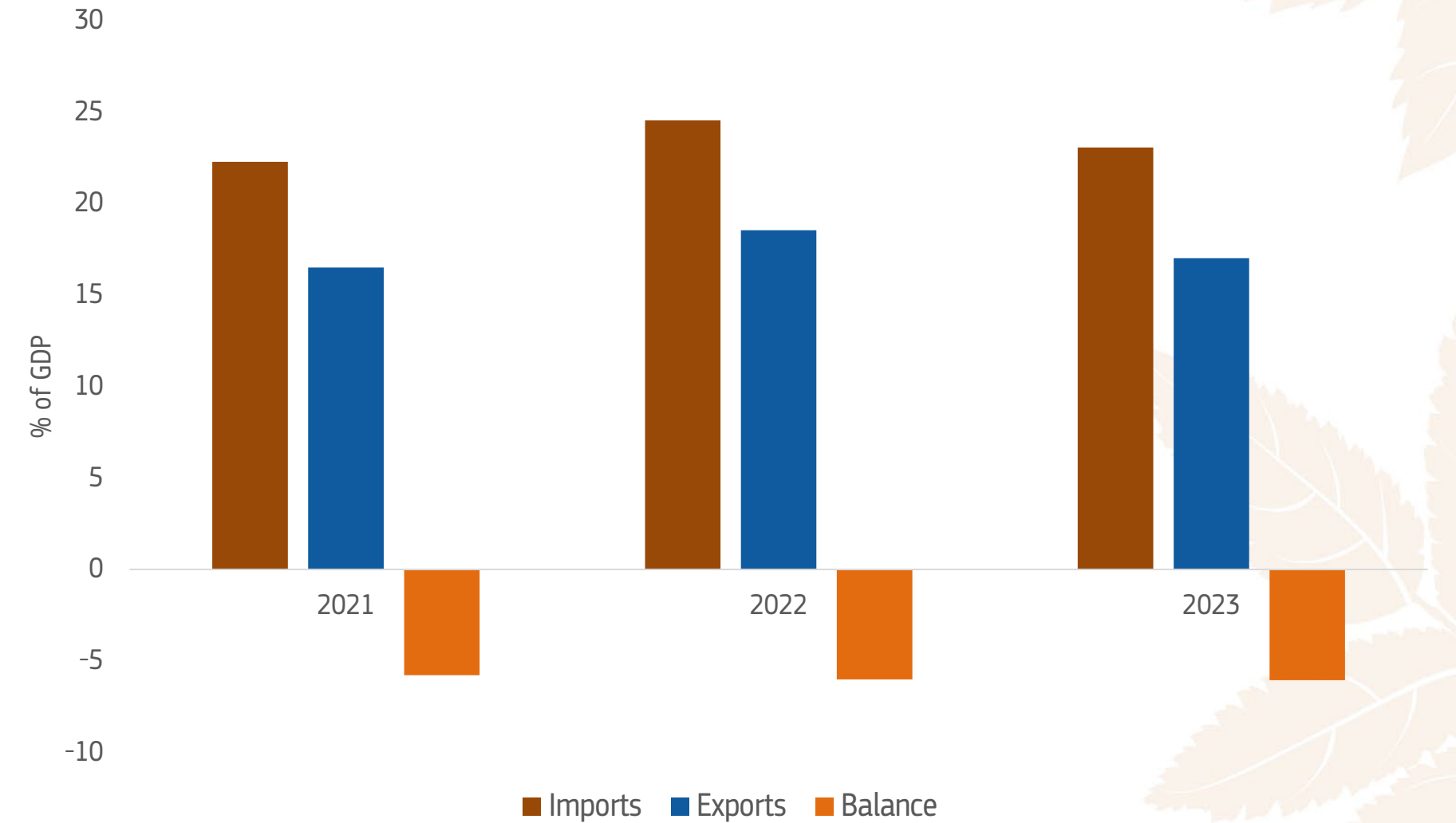
- Heightened geopolitical risks
- More restrictive fiscal stance
- Increased exposure to environmental risks
- +/- Broadly balanced risks on inflation

# EU and US: key trade partners

## Trade in goods, EU with US



## Trade in services, EU with US



# EU growth map 2024 & 2025

Real GDP  
growth, %

