BRIEFING

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EGOV
ECONOMIC GOVERNANCE AND EMU SCRUTINY UNIT

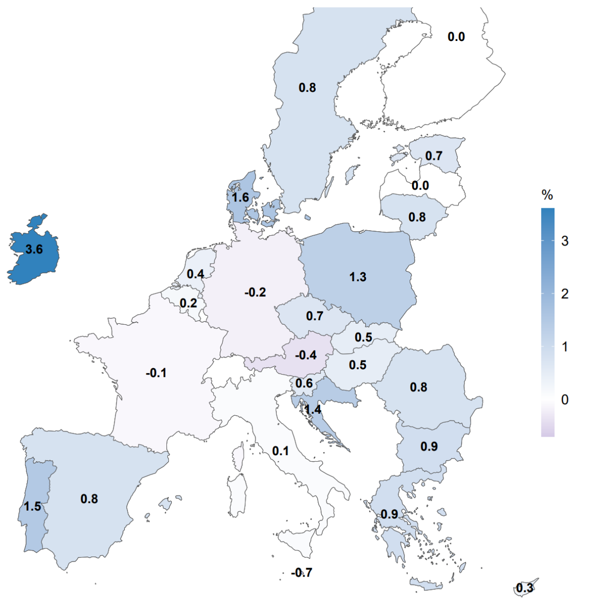
ECONOMIC GOVERNANCE

EU economic developments and projections

This briefing provides a summary of the recent economic developments in EU Member States and gives an overview of relevant economic projections forecasted by major EU and international institutions. [Annex 1](#) includes the latest GDP data and forecasts for all EU Member States. [Annex 2](#) provides the latest inflation data and developments.

1. Recent growth, inflation and unemployment developments

Figure 1: GDP growth rates (QoQ), in %



Note: Data for Q4 2024 is shown, seasonally-adjusted.
Source: EGOV's own elaboration based on data from [Eurostat](#).

According to the estimates by [Eurostat](#), the **seasonally adjusted GDP for the Q4 2024 increased by 0.1% in the euro area and by 0.2% in the EU compared to the previous quarter**. Apart from Ireland (3.6%), Portugal registered the highest increase of GDP (1.5%), followed by Croatia (1.4%) and Poland (1.3%). The most significant slowdowns in economic activity were recorded in Austria (–0.4%), Germany (–0.2%) and France (–0.1%) (**Figure 1**). Seasonally adjusted GDP grew by 0.9% YoY in the EU and 0.7% in the euro area.

In the euro area, according to [Eurostat](#), **annual inflation (as measured by the Harmonised Index of Consumer Prices, HICP) stood at 2.3% in February 2025,** down from 2.5% in January. The inflation rate in the EU was standing at 2.7% in February down from 2.8% in January (**Figure 2**).

Economic Governance and EMU Scrutiny Unit (EGOV)
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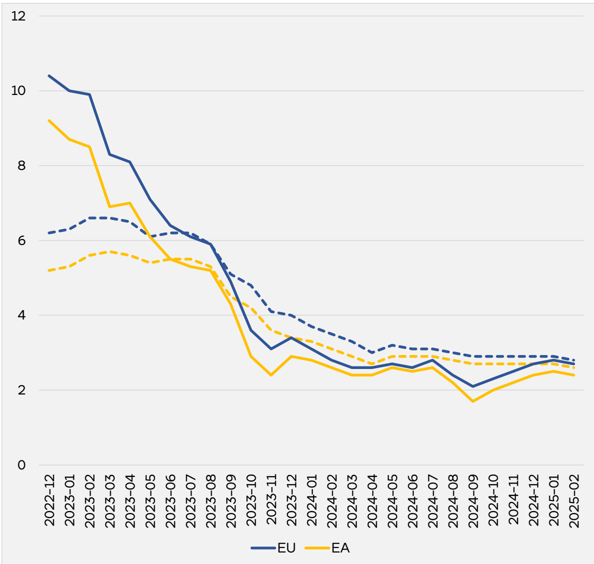
In February 2025, HICP levels varied from the lowest annual rate observed in France (0.9%), Ireland (1.4%) and Finland (1.5%) to the highest annual rates recorded in Estonia (5.1%), Romania (5.2%) and Hungary (5.7%). **Core inflation (i.e. HICP inflation excluding energy, food, alcohol and tobacco) held steady at 2.6% in February 2025,** slightly down from January (***Figure 2***). Relatively higher HICP levels in some Member States are attributed to the consistently strong contribution from the service sector (+1.66 p.p.) In terms of other main components of the euro area inflation, according to Eurostat, an increase was recorded in the sectors of *food, alcohol & tobacco (+0.52 p.p.), non-energy industrial goods (+0.14 p.p.) and energy (+0.01 p.p.).*

Figure 2: Headline and core inflation in the EU and the euro area, in %



Note: Solid lines: all items HICP; dashed lines: core HICP. Last observed data is February 2025.
Source: EGOV's elaboration based on data from Eurostat.

In January 2025, the seasonally adjusted **unemployment rate in the euro area stood at 6.2%,** steady from the previous month and down from 6.5% in January 2024. **The EU's unemployment rate was 5.8%,** unchanged from December 2024. Eurostat estimates that there were 12.82 million unemployed individuals in the EU, with 10.66 million in the euro area. The highest unemployment rates were recorded in Spain (10.4%), Sweden (8.9%), and Greece (8.7%), while the lowest were in Czechia and Poland (both 2.6%) and Malta (3.0%).

Table 1: Recent euro area real GDP growth, headline and core inflation forecasts (annual changes)

Source	Indicator	2025	2026	2027
ECB staff macroeconomic projections (March 2025) *Revision from December 2024*	**Real GDP**	**0.9%** *↓0.2 p.p.*	**1.2%** *↓0.2 p.p.*	**1.3%** =
	Headline Inflation	**2.3%** *↑0.2 p.p.*	**1.9%** =	**2.0%** *↓0.1 p.p.*
	Core[1] Inflation	**2.2%** *↓0.1 p.p.*	**2.0%** *↑0.1 p.p.*	**1.9%** =
IMF World Economic Outlook (January 2025) *Revision from October 2024*	**Real GDP**	**1.0%** *↓0.2 p.p.*	**1.4%** *↓0.1 p.p.*	n/a
	Headline Inflation	**2.1%** *↑0.1 p.p.*	**2.0%** =	n/a
	Core Inflation	n/a	n/a	n/a
European Commission (November 2024) *Revision from May 2024*	**Real GDP**	**1.3%** *↓0.1 p.p.*	**1.6%** *n.a.*	n/a
	Headline Inflation	**2.1%** =	**1.9%** *n.a.*	n/a

[1] The ECB's measure of core inflation excludes all food and energy.

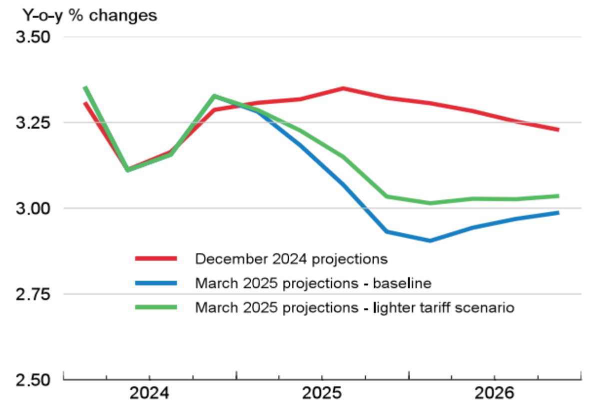
Source	Indicator	2025	2026	2027
	Core[2] Inflation	**2.4%** *↑0.3 p.p.*	**2.0%** *n.a.*	n/a
OECD (March 2025) *Revision from December 2024*	Real GDP	**1.0%** *↓0.3 p.p.*	**1.2%** *↓0.3 p.p.*	n/a
	Headline Inflation	**2.2%** *↑0.1 p.p.*	**2.0%** *n.a.*	n/a
	Core[3] Inflation	**2.2%** *↓0.2 p.p.*	**2.0%** *n.a.*	n/a

Notes: The ECB, the European Commission and the OECD use different measures of core inflation, see footnotes 1, 2 and 3. The table shows percentage point (p.p.) changes in the estimates since the previous forecasts. An upward pointing arrow represents a positive revision in the estimate, a downward pointing arrow represents instead a negative correction.
Sources: *ECB staff macroeconomic projections March 2025*, *IMF January 2025 World Economic Outlook*, *European Commission Autumn 2024 forecast*, *OECD Interim Economic Outlook March 2025*.

2. Latest economic forecasts

2.1. Organisation for Economic Co-operation and Development (OECD)

Figure 3: Global GDP growth, in %



Notes: Global aggregates use moving GDP weights at purchasing power parities. See OECD Interim Economic Outlook for details of the baseline and lighter tariff scenario. *Source:* *OECD calculations*.

According to the OECD Economic Outlook (March 2025), GDP growth in the euro area is projected to be 1.0% in 2025 and 1.2% in 2026. Compared to the previous interim outlook released in December 2024, both projections have been revised downward by 0.3 percentage points. On the other hand, projections for core inflation have been revised slightly upward by 0.1 percentage points for 2025 (now at 2.2%) and remain unchanged for 2026 (at 2.0%). In 2026, both core and headline inflation are expected to reach the ECB's target of 2.0%. However, the OECD notes that recent international economic events, such as the newly announced series of tariffs and related retaliatory measures, could lead to price increases in both final and intermediate goods. While this trend has not yet been observed in the euro area, it has emerged in most other OECD countries. Moreover, in the first months of 2025, consumer confidence declined further. Along with heightened economic policy uncertainty, this is expected to negatively impact consumption and investment decisions, softening growth prospects in the euro area (**Figure 3**). Additionally, labour markets continue to show favourable conditions, while recently announced fiscal stimulus measures in the euro area (including defence spending and Germany's fiscal package) have pushed up risk premia for 10-year government bonds.

According to the OECD, there are significant downside risks and challenges to the economic outlook. In particular, trade policies and geopolitical fragmentation could both trigger a resurgence of inflation or lead

[2] The European Commission's measure of core inflation excludes unprocessed food and energy. Variations are presented between estimates from May 2024 and November 2023.

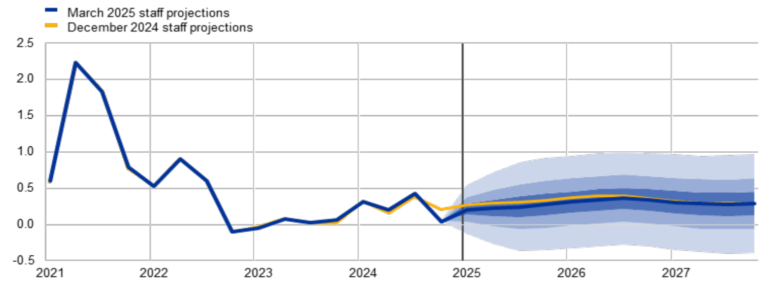
[3] HICP excluding food, energy, alcohol and tobacco.

to downside surprises in economic growth, potentially impacting financial markets and increasing market volatility. The economies of the euro area are expected, under current projections, to be less directly affected by the impact of tariffs but more vulnerable to the resulting increase in uncertainty and volatility. If this uncertainty transmits to financial markets, a strong repricing could occur, leading to a further decline in aggregate demand as households and firms reduce spending. Moreover, central bankers will need to remain vigilant to inflationary pressures, carefully assessing whether they reflect persistent trends or temporary fluctuations. Finally, regarding fiscal policy, the OECD acknowledges differing priorities across the euro area, particularly concerning targeted government support measures and broader defence-related spending. However, careful policy design is essential, given the already high levels of government debt and the need to maintain credibility in financial markets.

2.2. European Central Bank (ECB)

According to the latest ECB staff macroeconomic projections[4] (March 2025), *"Persistently high geopolitical and policy uncertainty is expected to weigh on euro area economic growth, slowing down the anticipated recovery. [...] Although the baseline projection only includes the impact of new tariffs on trade between the United States and China, the negative effects [...] vis-à-vis the European Union, are assumed to weigh on euro area exports and investment. [...] Despite these headwinds, the conditions remain in place for euro area GDP growth to strengthen again over the projection horizon".*

Figure 4: Euro area real GDP growth (Q-on-Q percentage changes, seasonally and working day-adjusted)



Notes: Historical data may differ from the latest Eurostat publications owing to data releases after the cut-off date for the projections. The vertical line indicates the start of the current projection horizon. The ranges shown around the central projections provide a measure of the degree of uncertainty and are symmetric by construction. They are based on past projection errors, after adjustment for outliers. The bands, from darkest to lightest, depict the 30%, 60% and 90% probabilities that the outcome of real GDP growth will fall within the respective intervals. *Source:* ECB.

Overall, euro area annual GDP growth is forecasted at 0.9% in 2025, 1.2% in 2026 and 1.3% in 2027. This represents a 0.2 p.p. downward revision from the December 2024 estimates for 2025 and 2026, but is unchanged for 2027 (**Figure 4**). The weaker outlook is mainly due to downward revisions to exports and, to a lesser extent, to investment, reflecting a stronger impact of uncertainty than previously assumed, as well as expectations that competitiveness challenges will likely persist for longer than had been anticipated.

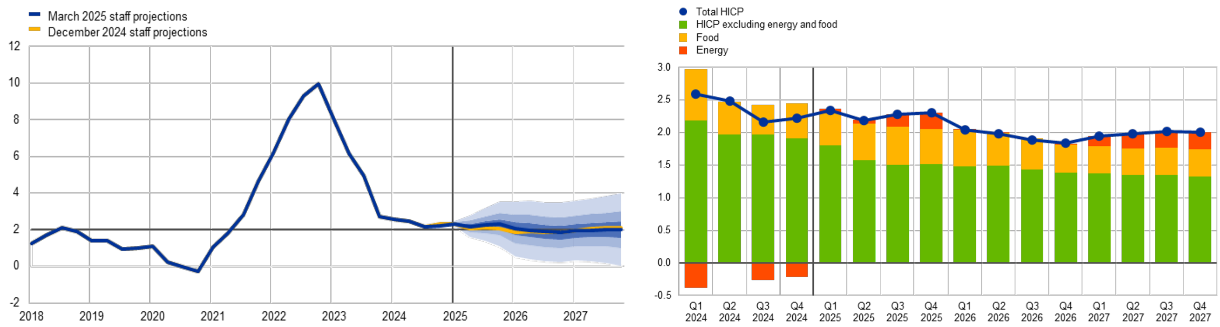
Headline inflation is projected to moderate marginally in the course of 2025 to 2.3% and then to decline and hover around the ECB's inflation target of 2.0% in 2026 (1.9%) and 2027 (2.0%). This is mainly due to higher food inflation and upward base effects in energy prices that largely offset downward impacts from declining core inflation. Although oil and gas prices are assumed to decline in line with futures prices, energy inflation is likely to continue to record positive rates, albeit below the historical average, over the entire projection horizon. Compared with the December 2024 projections, the outlook for headline inflation has been revised up by 0.2 percentage points for 2025 on account of higher energy commodity price assumptions and the

[4] The ECB publishes its staff macroeconomic projections four times a year. In their June and December publications, the ECB publishes projection updates for all the EA countries, while the March and September publications are only interim and include projection update only for the entire EA (but not for each country individually). For consistency purposes, the briefing text covers the newest available Eurosystem staff projections publication, while the Annex tables refer to the latest publication, where all the country specific projections are provided (i.e. June and December). Please also note, that country-specific ECB projections for all the EA countries are published two weeks after the main projection document publication.

depreciation of the euro, while it has been marginally revised down for 2027 owing to a slightly weaker outlook for the energy component at the end of the horizon.

Core inflation is expected to start to decline in early 2025 as the effects of lagged repricing fade, wage pressures recede and the impact from past monetary policy tightening continues to feed through to consumer prices. The decline in core inflation is expected to be mainly driven by a decrease in services inflation – which has thus far been relatively persistent. Compared with the December 2024 projections, the outlook for headline HICP inflation has been revised up by 0.2 percentage points for 2025, is unrevised for 2026, and has been revised down by 0.1 percentage points for 2027.

Figure 5: Euro area HICP inflation (left) and its decomposition (right), annual percentage changes, percentage points



Notes: The vertical line indicates the start of the current projection horizon. The ranges shown around the central projections for HICP inflation are based on past projection errors, after adjustment for outliers. The bands, from darkest to lightest, depict the 30%, 60% and 90% probabilities that the outcome of HICP inflation will fall within the respective intervals. *Source:* ECB.

Nominal wage growth is projected to initially remain elevated but then to decline gradually, reflecting inter alia the fact that real wages will have caught up to the levels prevailing before the inflation surge. Wage growth is projected to decline from an average of 3.4% in 2025 to 2.6% in 2027. Moreover, real wages are estimated to have returned to early 2021 levels in the third quarter of 2024, as foreseen in the December 2024 projections. The falling wage growth and the rising productivity growth are expected to trigger a decline in unit labour costs in 2026 but also in 2027, where it is expected to reach 1.7%, in line with the historical average of 1.8%.

The labour market should remain resilient, with the unemployment rate expected to average 6.3% in 2025, edging down to 6.2% in 2027. The unemployment rate has been revised down by 0.2 percentage points for 2025, on account of recent data outturns, and revised up by 0.1 percentage points for 2027 as a result of the expected slower employment growth in line with the revisions to the growth outlook. On the other hand, as some of the cyclical factors that have recently reduced productivity start to unwind, productivity is expected to pick up over the projection horizon, although structural challenges remain. Moreover, labour productivity growth is expected to strengthen at a more moderate pace in 2025–26 than anticipated in the previous projections.

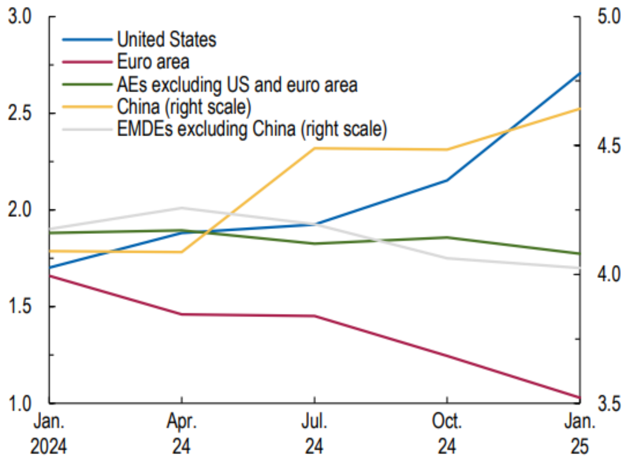
2.3. International Monetary Fund (IMF)

According to the latest IMF World Economic Outlook (WEO), growth in the euro area is expected to increase from 1.0% in 2025 to 1.4% in 2026. These projections are slightly lower than the growth forecasts of the EU (1.4% and 1.7%, respectively). In the January 2025 WEO edition, **growth in the euro area is**

expected to increase from 1.0% in 2025 to 1.4% in 2026. These projections are slightly lower than the growth forecasts of the EU (1.4% and 1.7%, respectively)[5].

However, compared to the October 2024 WEO edition, these projections were revised slightly down by 0.2 p.p. for 2025 and 0.1 p.p. for 2026. While growth projections for the euro area were revised downward by a total of 0.7 p.p. since January 2024, other regions, in particular the United States and China, experienced upward revisions (**Figure 6**). The IMF attributes the downward revision to the lower growth than expected at the end of 2024, especially in manufacturing. Additionally, the ongoing geopolitical tensions and the increase in political and policy uncertainty played a part in the lower-than-expected growth outlook for 2025. Despite this, the IMF argues that stronger domestic demand, loosening of financial conditions, improvements in confidence, and lower uncertainty will lead to growth picking up in 2026.

Figure 6: Evolution of 2025 growth projections, in %



Notes: X-axis shows the months the World Economic Outlook is published. AEs = advanced economies; EMDEs = emerging markets and development countries. *Source:* IMF.

Headline inflation is expected to return to target by 2026 in the euro area. In 2025, it is expected to be around 2.1% and returned to the 2% target in course of 2026. Compared to the October edition, the estimation for 2025 was revised upward by 0.1 p.p., which resulted in a delay in reaching the ECB's target of 2%. The IMF notes that while core inflation has returned to or fallen below trend, services price inflation in the euro area remains sticky with levels above pre-COVID-19 pandemic averages.

The IMF considers the near-term and medium term risks tilted to the downside in Europe. In particular, the intensification of protectionist policies pose a risk on growth in the near and medium term. The high policy uncertainty and the challenges in the energy sector in Europe are downside risks in the near-term. These risks could translate into renewed inflationary pressures, which could lead to higher policy rates set by central banks. Additionally, possible escalation of geopolitical tensions could lead to renewed spikes in commodity prices and rise in inflation. However, the IMF also notes that more favourable outcomes for global growth are plausible if uncertainty is reduced, confidence improves, and structural reforms are implemented. European Commission (Commission)

According to the Commission's Autumn 2024 Economic Forecasts, EU growth resumed at the beginning of 2024. At the time of publication in November 2024, the Commission expected EU GDP to grow by 0.9% and euro area GDP by 0.8% in 2024 (0.1 percentage points lower than previosuly foreseen for the EU as a whole, unchanged for the euro area), followed by a stronger projected rebound of 1.5% in 2025 and 1.8% in 2026 for the EU. **For the euro area, growth in 2025 and 2026 is predicted to be slightly milder, respectively at 1.3% and 1.6%.** The moderate improvements in the economic outlook seem to be sustained by a **pick-up in domestic demand and the ongoing disiflationary process.** Real household disposable incomee is growing yet given the recent inflation episode it seems that households are saving an increasing portion of their income.

[5] It should be noted that the latest IMF WEO report does not take into account the recent Member States' spending announcements and Germany's large fiscal stimulus announced in early March. These effects will likely have an impact on growth and deficit projections.

Overall, **headline inflation the euro area is expected to halve relative to the 2023 levels of 5.4% to 2.4% in 2024.** The disinflationary process, though currently slowing down following a pick-up in energy prices, is forecasted to **bring headline inflation to 2.1% in 2025 before falling below target in 2026 at 2.6%. For the EU as a whole, the Commission forecasts an even stronger decline of headline inflation from 6.4% in 2023 to 2.6% in 2024, 2.4% in 2025 and 2.0% in 2026**. The forecast notes that there has been a moderation of inflation of non-energy goods in 2024, meaning that the disinflationary contribution from non-energy goods is expected to fade, and most of the contribution to bring down headline inflation will have to come from services inflation which remains elevated and broad-based in annual terms (around 4%). Consequently, core inflation, which in the euro area is now forecasted to be 0.25 percentage points higher for 2024 and 2025 than in the Spring forecast.

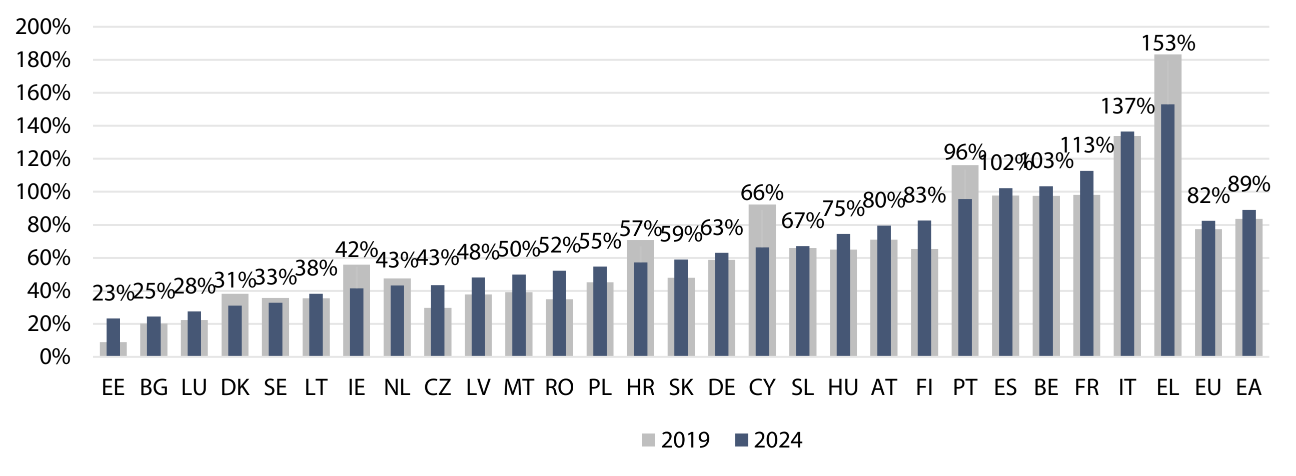
The labour market continues to show a robust standing in 2024, despite signs of loosening. Employment growth appears to be slowing down after hitting the highest historical level whereas unemployment has reached a record low of 5.9% in October. On aggregate, yearly unemployment figures are expected to remain relatively stable for both the euro area (6.5% in 2024, falling to 6.3% in 2025 and 2026) and the EU as a whole (6.1 in 2024 moving down to 5.9% for both 2025 and 2026**). Productivity is forecasted to stagnate in 2024 before rebounding slightly in 2025 and 2026.** Even there, however, it is expected to remain subdued **reflecting weak innovation and business dynamism**. After peaking in 2023, wage growth continues "*at a healthy pace"* though expected to moderate in 2025 and 2026. It still remains above inflation to ensure recovery in real terms.

EU and euro area government deficit is estimated to be broadly stable, slightly declining from -3.1% of GDP in 2024 to -3.0% in 2025 and -2.9% in 2026 (for the euro area: -3% in 2024, -2.9% in 2025 and -2.8% in 2026). Relative to 2023, EU general government deficit is thus expected to fall by 0.4 percentage points due to windfall revenue and fiscal consolidation. At the time of publication in January 2025, budgetary restraint at national level was expected to contribute to the moderation in 2025, although this does not take into account more recent spending announcements by member states related to defence or other items. Based on these calculations early in the year, economic growth is expected to be driving the marginal reduction in 2026. 10 Member States (RO, PL, FR, BE, SK, HU, AT, MT, IT, FI) are expected to exceed the 3% deficit/GDP ceiling in 2024. This number is set to remain stable in 2025, with LV taking the place of FI.

The public debt-to-GDP ratio for the EU is expected to slightly increase from 82.1% in 2023 to 83.4% in 2026 (from 88.9% in 2023 to 90% in 2026 in the euro area). It still remains below the 92% peak recorded at the end of 2020 (99% in the euro area). The increase in public debt ratios reflects the high level of public deficits, which are not neutralised by inflationary developments anymore in the form of higher nominal growth as well as higher debt servicing burdens off the back of rising interest rates. Primary deficits continue to have a drag on debt dynamics. **There remains broad heterogeneity in the developments of public debt ratios.** By end-2026, the debt-to-GDP ratio is expected to rise by more than 1 percentage point in 16 Member States yet for most Member States the debt ratios are projected to be lower than in 2020.

The fiscal stance in 2024 turned contractionary off the back of the fall in EU-financed expenditure and the phase out of housing tax credits in Italy. It is expected to be neutral in 2025 (slightly contractionary in the case of the euro area), with higher public investment (including RRF) offsetting the fall in primary net expenditure. However, as the forecasts do not account for fiscal adjustment under the new economic governance framework, the Commission indicates *that "proper implementation of those plans would imply a slightly contractionary EU fiscal stance in 2026 (by around ¼% of GDP)".*

Figure 7: Public debt in EU Member States in 2019 and 2024, as % GDP



Source: EGOV's elaboration based on Eurostat and European Commission Autumn 2024 economic forecast.

The Commission forecasts and the overall economic outlook are affected by uncertainty. The developments of conflicts in Ukraine and the Middle East could weigh on growth by exposing the EU to geopolitical risks and threatening its energy security. The EU's sluggish productivity performance could undermine wage developments whereas delays in RRF roll-out and the implementation of fiscal consolidation measures under the new economic governance framework may be conducive to an even more restrictive fiscal stance than expected. Natural disasters and climate change continue to represent a major risk for the EU's economy. The forecasts also note that "*A further increase in protectionist measures by trading partners could weigh on global trade, with negative impact on the EU's highly open economy*".

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This document is available on the internet at: www.europarl.europa.eu/supporting-analyses

Annex 1: EU Gross domestic product, in %

	Eurostat* (03/2025)						EC (11/2024)			IMF (10/2024)			ECB (12/2024)			OECD (12/2024)		
	2021	2022	2023	2024 Q2	2024 Q3	2024 Q4	2024	2025	2026	2023	2024	2025	2025	2026	2027	2024	2025	2026
BE	6,2	4,2	1,3	0,3	0,3	0,2	1,1	1,2	1,5	1,4	1,1	1,2	1,2	1,4	1,2	0,9	1,2	1,4
DE	3,7	1,4	-0,3	-0,3	0,1	-0,2	-0,1	0,7	1,3	–0,3**	–0,2**	0,3**	0,2	0,8	0,9	-0,2****	0,4****	1,1****
EE	7,2	0,1	-3,0	0,2	0,2	0,7	-1,0	1,1	2,6	–3,0	–0,9	1,6	1,6	2,9	2,9	-0,9	1,7	2,7
IE	16,3	8,6	-5,5	-0,4	4,1	3,6	-0,5	4,0	3,6	–5,5	–0,2	2,2	4,0	4,5	3,7	-0,5	3,7	3,5
EL	8,7	5,7	2,3	1,2	0,4	0,9	2,1	2,3	2,2	2,0	2,3	2,0	2,5	2,3	2,0	2,3	2,2	2,5
ES	6,7	6,2	2,7	0,8	0,8	0,8	3,0	2,3	2,1	2,7**	3,1**	2,3**	2,5	1,9	1,7	3,2****	2,6***	2,1****
FR	6,9	2,6	0,9	0,3	0,4	-0,1	1,1	0,8	1,4	1,1**	1,1**	0,8**	0,9	1,3	1,3	1,1****	0,8****	1,0****
HR	12,6	7,3	3,3	1,2	0,4	1,4	3,6	3,3	2,9	3,1	3,4	2,9	3,3	3,0	2,3	3,7	3,0	2,8
IT	8,9	4,8	0,7	0,1	0,0	0,1	0,7	1,0	1,2	0,7**	0,6**	0,7**	0,8	1,1	0,9	0,7****	0,7****	0,9****
CY	11,4	7,4	2,6	0,0	0,9	0,3	3,6	2,8	2,5	2,5	3,3	3,1	3,0	3,1	3,0	:	:	:
LV	6,9	1,8	2,9	0,0	-0,2	0,0	0,0	1,0	2,1	–0,3	1,2	2,3	2,1	3,0	3,3	-0,3	1,9	2,5
LT	6,4	2,5	0,3	0,4	1,1	0,8	2,2	3,0	3,0	–0,3	2,4	2,6	3,1	3,1	3,0	2,4	3,1	2,8
LU	7,2	1,4	-1,1	0,6	0,2	:	1,2	2,3	2,2	–1,1	1,3	2,7	2,0	2,5	2,5	1,2	2,3	2,4
MT	13,3	4,3	6,8	2,8	-0,6	-0,7	5,0	4,3	4,3	7,5	5,0	4,0	3,9	3,6	3,4	:	:	:
NL	6,3	5,0	0,1	1,1	0,8	0,4	0,8	1,6	1,5	0,1**	0,9**	1,6**	1,5	1,5	1,2	0,9	1,6	1,6
AT	4,8	5,3	-1,0	-0,4	-0,2	-0,4	-0,6	1,0	1,4	–0,8	–0,6	1,1	1,1	1,6	1,3	-0,5	1,1	1,4
PT	5,6	7,0	2,6	0,4	0,2	1,5	1,7	1,9	2,1	2,3	1,9	2,3	2,2	2,2	1,7	1,7	2,0	2,0
SI	8,4	2,7	2,1	0,1	0,4	0,6	1,4	2,5	2,6	2,1	1,5	2,6	2,2	2,8	2,4	1,1	2,6	2,6
SK	5,7	0,4	1,4	0,3	0,3	0,5	2,2	2,3	2,5	1,6	2,2	1,9	2,1	1,8	2,3	2,3	2,4	2,1
FI	2,7	0,8	-0,9	0,1	0,6	0,0	-0,3	1,5	1,6	–1,2	0,0	0,0	0,8	1,8	1,3	-0,3	1,6	1,7
EA	**6,3**	**3,5**	**0,4**	**0,2**	**0,4**	**0,2**	**0,8**	**1,3**	**1,6**	**0,4****	**0,8****	**1,0****	**0,9*****	**1,2*****	**1,3*****	**0,7******	**1,0******	**1,2******
BG	7,8	4,0	1,9	0,8	0,8	0,9	2,4	2,9	3,0	1,8	2,3	2,5	:	:	:	2,3	2,8	2,6
CZ	4,0	2,8	-0,1	0,3	0,6	0,7	1,0	2,4	2,7	–0,1	1,1	2,3	:	:	:	1,0	2,4	2,6
DK	7,4	1,5	2,5	1,4	1,3	1,6	2,4	2,5	1,8	2,5	1,9	1,6	:	:	:	2,8	2,5	1,7
HU	7,1	4,3	-0,9	-0,2	-0,6	0,5	0,6	1,8	3,1	–0,9	1,5	2,9	:	:	:	0,6	2,1	2,9
PL	6,9	5,3	0,1	1,4	0,1	1,3	3,0	3,6	3,1	0,1**	2,8**	3,5**	:	:	:	2,8	3,4	3,0
RO	5,5	4,0	2,4	0,1	0,1	0,8	1,4	2,5	2,9	2,1	1,9	3,3	:	:	:	1,2	2,6	3,1
SE	5,9	1,5	-0,1	0,2	0,6	0,8	0,3	1,8	2,6	–0,2	0,9	2,4	:	:	:	0,6	1,8	2,8
EU	**6,3**	**3,5**	**0,4**	**0,3**	**0,4**	**0,4**	**0,9**	**1,5**	**1,8**	**0,6****	**1,0****	**1,4****	**:**	**:**	**:**	**:**	**:**	**:**

*Notes: *Year-on-year GDP growth is provided for 2021, 2022 and 2023, while quarter-on-quarter changes are provided for 2024 Q2 to 2024 Q4. Eurostat data extracted on 18 March 2025. **Values from the IMF World Economic Outlook Update January 2025. ***Values from the March 2025 Staff projections. ****Values from the OECD Economic Outlook, Interim Report March 2025. The forecast data by EC, IMF, OECD and ECB are the baseline scenarios.*

Annex 2: EU HICP Inflation (annual rate of change, in %)

	Eurostat* (03/2025)						EC (11/2024)			IMF (10/2024)			ECB (12/2024)			OECD (12/2024)		
	2021	2022	2023	2024 Q2	2023 Q3	2024 Q4	2024	2025	2026	2023	2024	2025	2025	2026	2027	2024	2025	2026
BE	3,2	10,3	2,3	5,4	4,3	4,4	4,4	2,9	1,9	2,3	4,3	2,1	2,9	1,3	1,7	4,3	2,9	2,1
DE	3,2	8,7	6	2,5	1,8	2,8	2,4	2,1	1,9	6,0	2,4	2,0	2,4	2,1	1,9	2,5***	2,4***	2,0***
EE	4,5	19,4	9,1	2,8	3,2	4,1	3,6	3,6	2,4	9,1	3,4	2,0	4,5	3,6	2,6	3,4	3,8	2,8
IE	2,4	8,1	5,2	1,5	0	1	1,4	1,9	1,8	5,2	1,7	1,8	2,0	2,0	1,5	1,5	1,9	1,8
EL	0,6	9,3	4,2	2,5	3,1	2,9	3,0	2,4	1,9	4,2	2,9	2,1	2,5	2,2	2,5	3,0	2,7	2,1
ES	3	8,3	3,4	3,6	1,7	2,8	2,8	2,2	2,0	3,4	2,8	1,9	2,1	1,7	2,4	2,9***	2,5***	2,1***
FR	2,1	5,9	5,7	2,5	1,4	1,8	2,4	1,9	1,8	5,7	2,3	1,6	1,6	1,7	1,9	2,3***	1,5***	1,8***
HR	2,7	10,7	8,4	3,5	3,1	4,5	4,0	3,4	2,0	8,4	4,0	2,8	3,5	2,5	3,0	3,9	3,3	2,2
IT	1,9	8,7	5,9	0,9	0,7	1,4	1,1	1,9	1,7	5,9	1,3	2,1	1,5	1,5	2,0	1,1***	1,7***	1,9***
CY	2,3	8,1	3,9	3	1,6	3,1	2,2	2,1	2,0	3,9	2,2	2,0	1,9	2,1	2,0	:	:	:
LV	3,2	17,2	9,1	1,5	1,6	3,4	1,2	2,2	2,2	9,1	1,4	2,2	1,4	1,5	2,1	1,2	2,0	2,1
LT	4,6	18,9	8,7	1	0,4	1,9	0,9	1,7	1,6	8,7	0,9	2,4	2,3	2,6	2,6	0,9	2,3	2,4
LU	3,5	8,2	2,9	2,8	0,8	1,6	2,3	2,4	1,8	2,9	2,5	2,6	2,6	2,1	1,9	2,3	2,4	1,9
MT	0,7	6,1	5,6	2,2	2,1	1,8	2,5	2,2	2,0	5,6	2,7	2,5	2,2	2,0	2,0	:	:	:
NL	2,8	11,6	4,1	3,4	3,3	3,9	3,2	2,4	1,9	4,1	3,2	2,3	3,2	2,8	2,8	3,2	2,7	2,5
AT	2,8	8,6	7,7	3,1	1,8	2,1	2,9	2,1	1,7	7,7	3,0	2,5	2,4	2,2	2,0	2,6	2,4	1,7
PT	0,9	8,1	5,3	3,1	2,6	3,1	2,6	2,1	1,9	5,3	2,5	2,1	2,1	2,0	2,0	2,7	2,2	2,1
SI	2	9,3	7,2	1,6	0,7	2	2,1	3,2	2,1	7,4	2,0	2,7	2,2	2,2	2,1	1,9	2,4	2,6
SK	2,8	12,1	11	2,4	2,9	3,2	3,1	5,1	3,0	11,0	2,8	5,1	5,0	3,6	2,6	3,2	4,4	2,7
FI	2,1	7,2	4,3	0,5	1	1,6	1,0	2,0	1,8	4,3	0	0	1,9	1,5	1,7	0,9	1,8	1,8
EA	**2,6**	**8,4**	**5,4**	**2,5**	**1,7**	**2,4**	**2,4**	**2,1**	**1,9**	**5,4**	**2,4**	**2,0**	**2,3****	**1,9****	**2,0****	**2,3*****	**2,2*****	**2,0*****
BG	2,8	13	8,6	2,8	1,5	2,1	2,5	2,3	2,9	8,6	2,8	2,6	:	:	:	2,4	2,7	2,5
CZ	3,3	14,8	12	2,2	2,8	3,3	2,7	2,4	2,0	10,7	2,3	2,0	:	:	:	2,4	2,3	2,0
DK	1,9	8,5	3,4	1,8	1,2	1,8	1,3	1,9	1,7	3,4	1,8	2,2	:	:	:	1,4	2,0	2,0
HU	5,2	15,3	17	3,6	3	4,8	3,8	3,6	3,2	17,1	3,8	3,5	:	:	:	3,8	3,3	2,9
PL	5,2	13,2	10,9	2,9	4,2	3,9	3,8	4,7	3,0	11,4	3,9	4,5	:	:	:	3,8	5,0	3,9
RO	4,1	12	9,7	5,3	4,8	5,5	5,5	3,9	3,6	10,4	5,3	3,6	:	:	:	6,1	4,1	3,0
SE	2,7	8,1	5,9	1,4	1,2	1,6	1,9	1,5	1,8	5,9	2,1	2,0	:	:	:	2,8	0,8	1,9
EU	**2,9**	**9,2**	**6,4**	**2,6**	**2,1**	**2,7**	**2,6**	**2,4**	**2,0**	**6,3**	**2,6**	**2,3**	**:**	**:**	**:**	**:**	**:**	**:**

*Notes: *Average annual rate of HICP change is provided for 2021. 2022 and 2023, while information of annual rate of HICP change for the last month of the quarter is provided for 2024 Q2 to 2024 Q4. **Values from the March 2025 Staff projections. ***Values from the OECD Economic Outlook, Interim Report March 2025.Eurostat data extracted on 18 March 2025.*