

Economic situation Europe region¹

In data

GDP GROWTH 2024*

1.0%

-1.5 pp compared to the global average and 4 tenths more than Eurozone

1st ECONOMY GERMANY

16.7%

of the region's total GDP

GDP PER CAPITA 2024*

53,616

\$ PPP, x2.3 times global average and -14.1% compared to Eurozone average

POPULATION 2024*

778.4

million, 9.6% of the world's population

¹ "Europe region" as added by Oxford Economics database: Germany, Andorra, Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Cyprus, Croatia, Denmark, Slovakia, Slovenia, Spain, Estonia, Finland, France, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Lithuania, Luxembourg, Malta, Montenegro, Norway, Netherlands, Poland, Portugal, UK, Czech Rep., Romania, Russia, Serbia, Sweden, Switzerland and Turkey

* Forecasts Oxford Economics

Economic reality and outlook

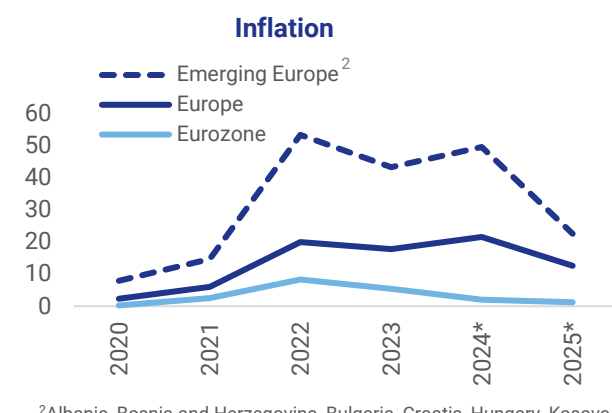
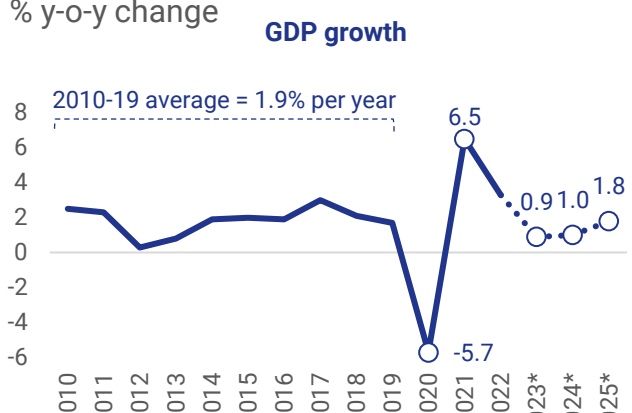
The region accounts for 9.6% of the world's population and for a quarter of its GDP

Comparison Europe - Eurozone - World 2024*

	World	Europe	Eurozone
GDP (tr\$ nominal)	111.0	27.6	16.1
GDP per capita (thousand \$ PPP, nominal)	23.0	53.6	61.2
Population (bn of people)	8.1	0.8	0.3
Inflation (% y-o-y change)	4.5	21.6	2.1

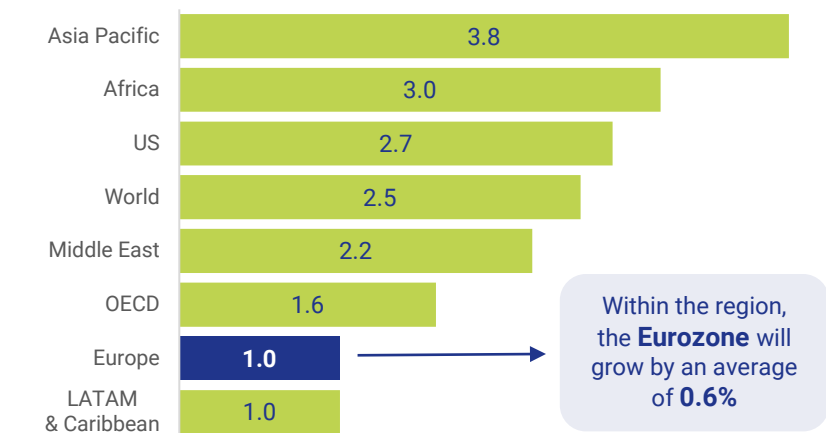
In 2024*, growth will moderate compared to pre-pandemic level and inflation will average 21.6%, distorted by Turkey (58.4%)

% y-o-y change



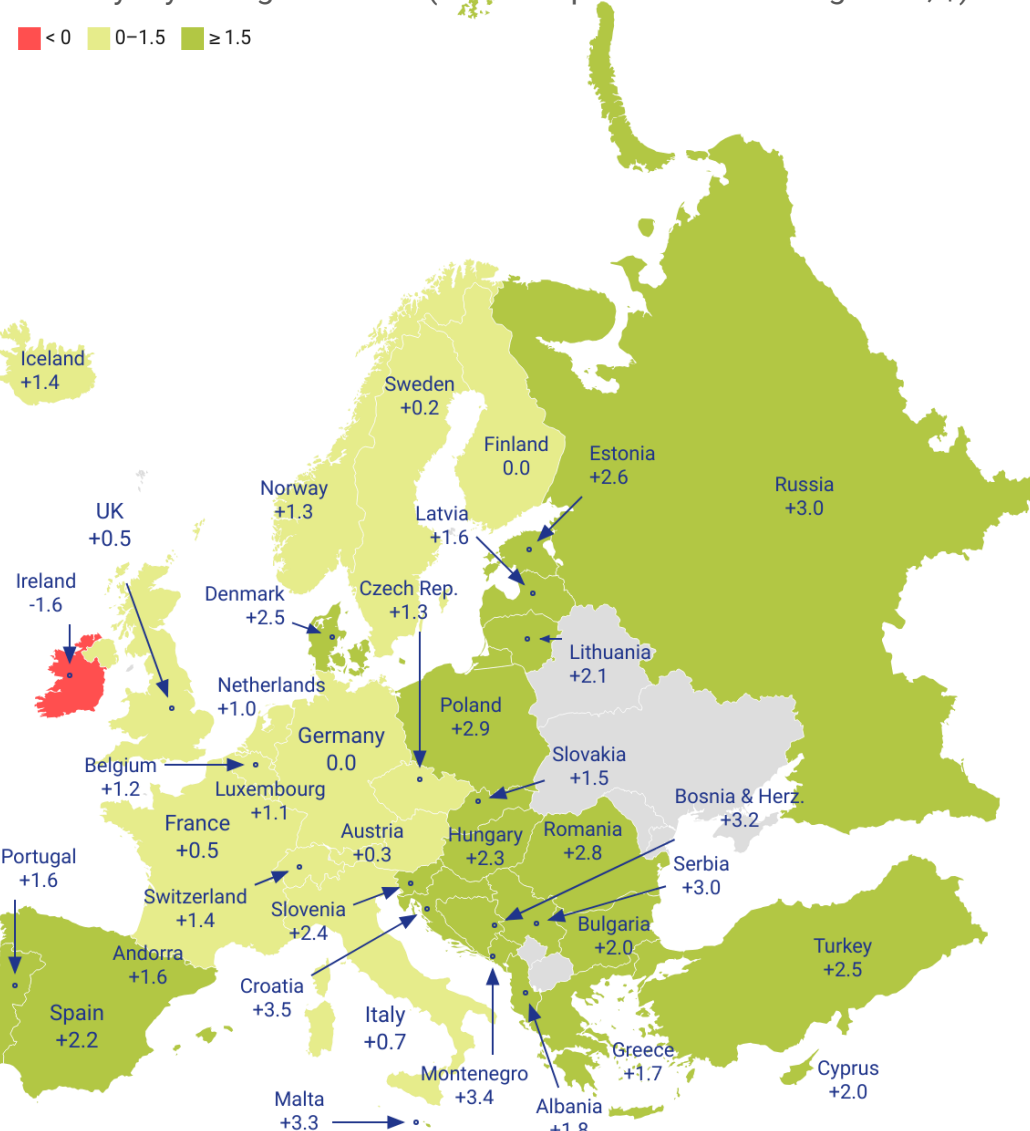
Weak growth in the region in 2024*

% y-o-y change



Growth in 2024* weighed down by the weakness of the main economies in the region

% GDP y-o-y change in 2024* (constant prices and exchange rate, \$)



Germany, UK and France account for more than 40% of the region's GDP

Top 10 by nominal GDP - Forecast 2024*

Country	Million \$	% of total region	Risk 1-10 (10 = highest)	
			Economic	Political stability
Germany	4,596,902	16.7	2.2	2.6
UK	3,486,878	12.6	3.0	4.4
France	3,133,580	11.4	2.9	3.5
Italy	2,291,581	8.3	3.8	3.4
Russia	2,139,519	7.8	5.9	7.8
Spain	1,681,216	6.1	3.2	3.7
Turkey	1,205,103	4.4	6.0	6.7
Netherlands	1,173,252	4.3	2.4	2.6
Switzerland	914,035	3.3	2.1	2.0
Poland	911,054	3.3	3.5	4.5

Situation of the main economies 2024*

Germany: the economy will struggle to grow in 2024*, although a rebound is expected in 2025*

The improvement in industrial activity and construction stands out as a positive point in a context of low consumer confidence

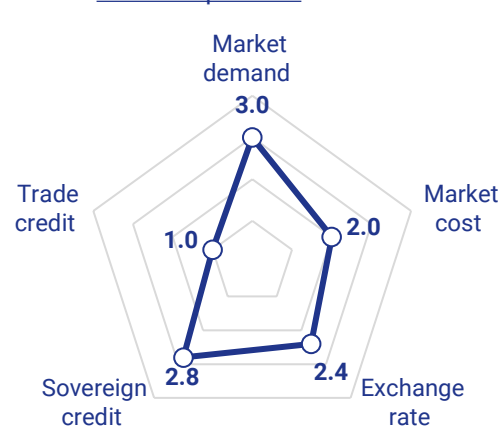
	2022	2023	2024* - 2025*
Real GDP growth (% y-o-y change)	1.9	-0.1	0.0 to 1.4
Population (million)	83.9	84.4	84.4 to 84.3
GDP per capita (thousand \$ PPP, nominal)	64.0	67.9	69.7 to 72.4
CPI (% y-o-y change)	6.9	5.9	1.4 to 0.6
Public debt (% GDP)	61.2	59.3	59.7 to 59.0
Unemployment rate (% labour force)	5.3	5.7	5.8 to 5.4

Low overall economic risk = 2.2 (vs. 3.0 on average in advanced economies)

Risk 1-10 (10 = highest)



Risk components



UK: increasing signs of recovery

Consumers are leading the recovery. Lower inflation and wage increases rise their purchasing power

Private sector activity rebound (manufacturing, construction and services)

	2022	2023	2024* - 2025*
Real GDP growth (% y-o-y change)	4.3	0.1	0.6 to 2.0
Population (million)	67.7	68.4	69.0 to 69.6
GDP per capita (thousand \$ PPP, nominal)	55.7	57.3	58.7 to 60.5
CPI (% y-o-y change)	9.1	7.3	2.3 to 2.2
Public debt (% GDP)	100.4	101.3	102.1 to 102.0
Unemployment rate (% labour force)	4.1	4.0	4.2 to 4.0

Tighter fiscal policy will dampen growth in coming years

France: economic recovery still far off

Expected rebound by 2025* to 2% y-o-y supported by expected monetary policy easing

	2022	2023	2024* - 2025*
Real GDP growth (% y-o-y change)	2.5	0.9	0.5 to 2.0
Population (million)	68.0	68.2	68.3 to 68.5
GDP per capita (thousand \$ PPP, nominal)	54.4	58.2	59.9 to 62.4
CPI (% y-o-y change)	5.2	4.9	2.5 to 1.2
Public debt (% GDP)	124.9	121.5	123.0 to 123.7
Unemployment rate (% labour force)	7.1	7.1	7.3 to 7.1

The government announced cuts in public spending by 2024 (~€10 billion, 0.4% of GDP) in order to meet the deficit target of 4.4% of GDP this year