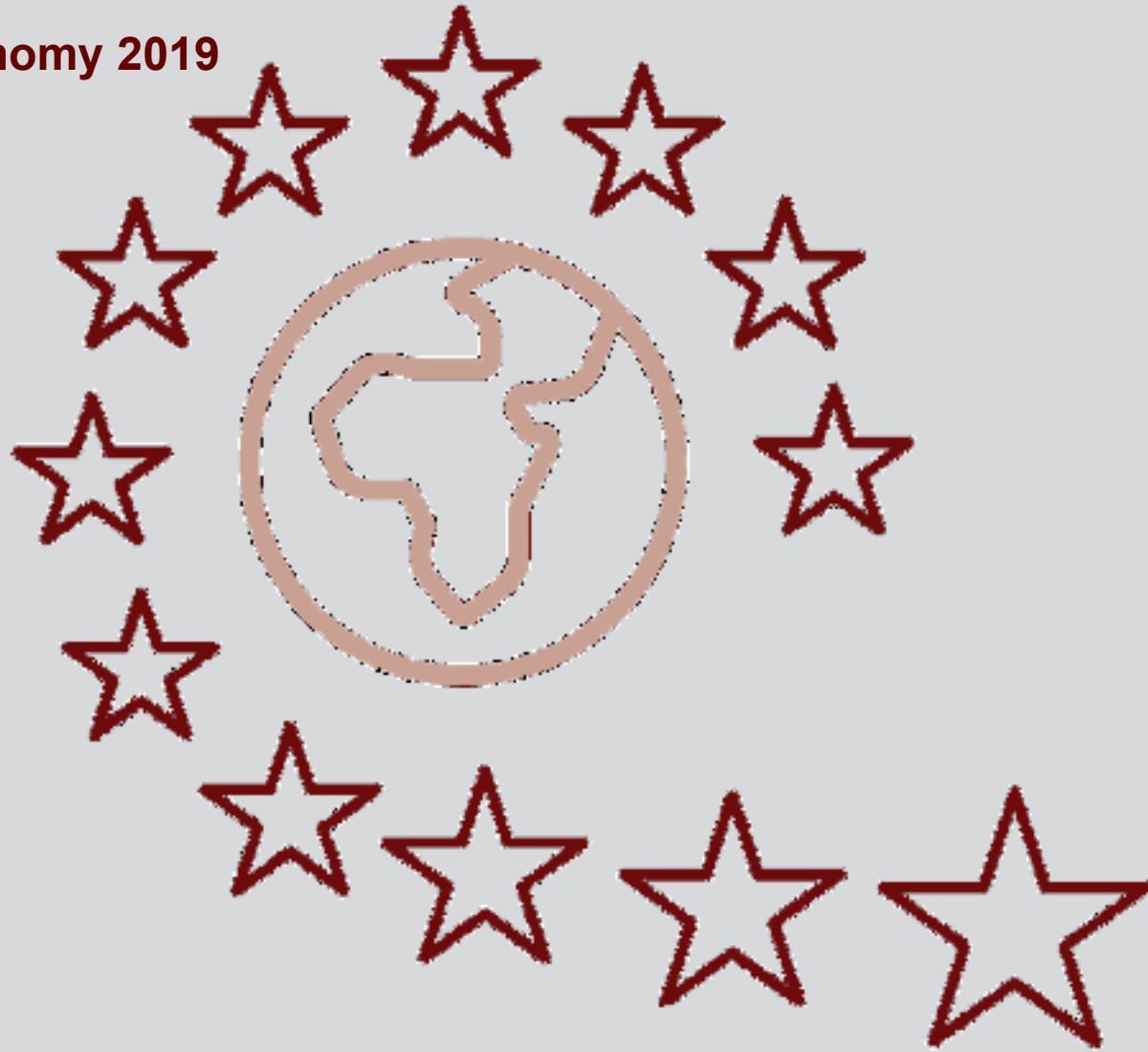


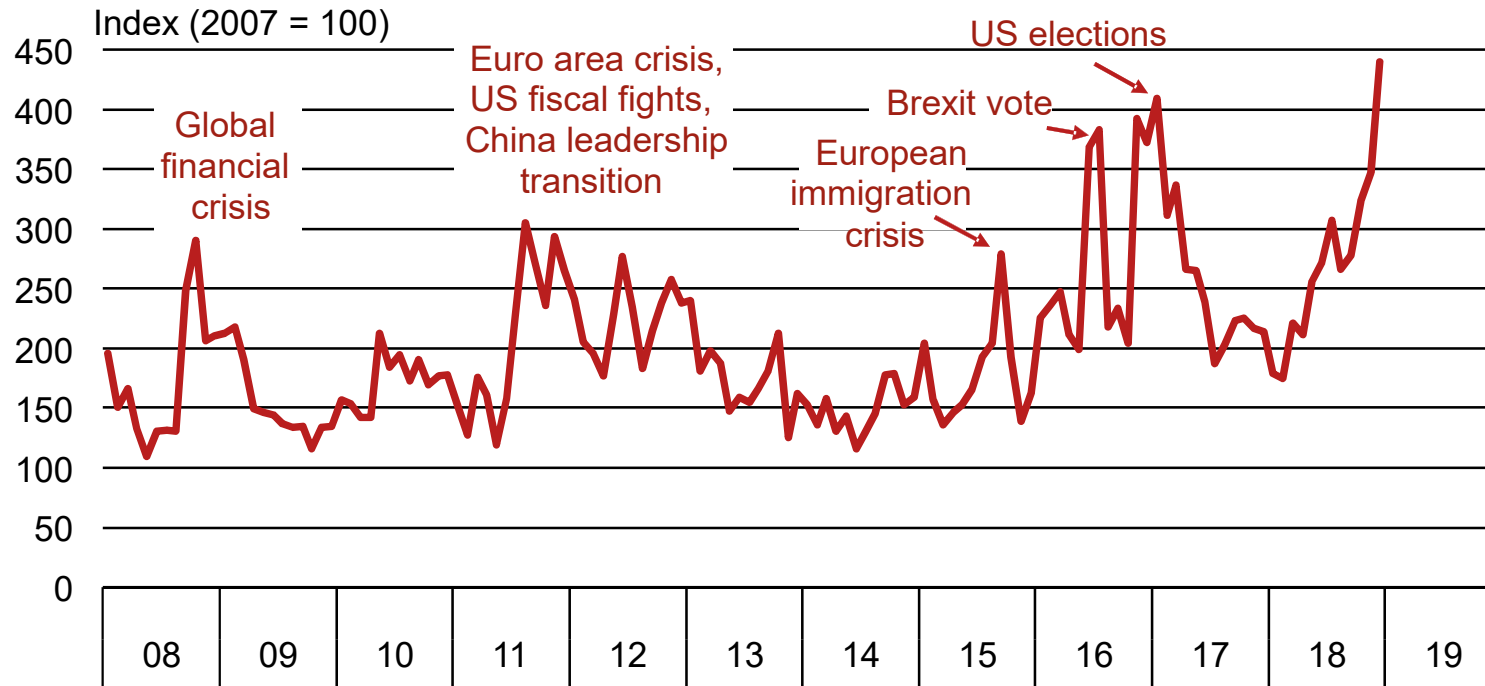
**EEAG Report on the European Economy 2019**

## **A Fragmenting Europe in a Changing World**

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## Global Economic Policy Uncertainty Index

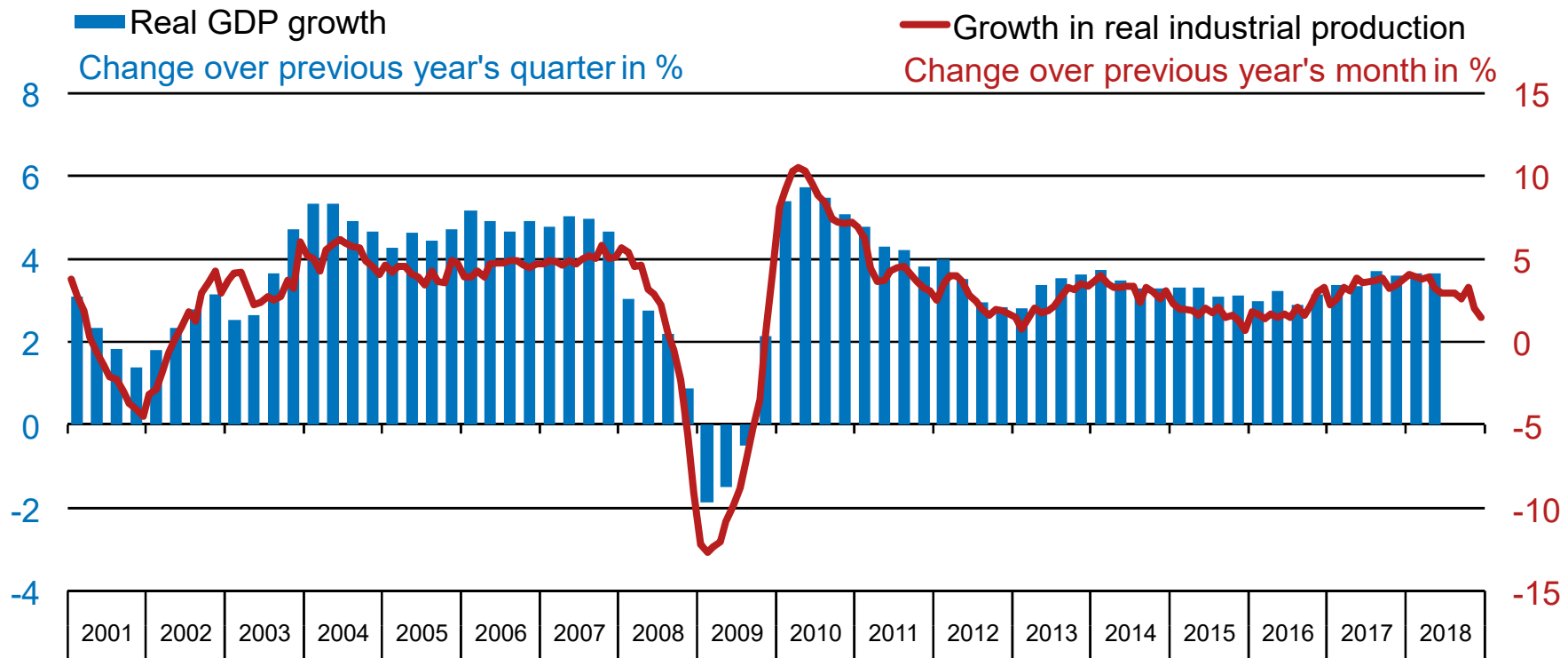


Global Economic Policy Uncertainty (EPU) is calculated as the GDP-weighted average of monthly EPU index values for the United States, Canada, Brazil, Chile, the United Kingdom, Germany, Italy, Spain, France, Netherlands, Russia, India, China, South Korea, Japan, Ireland and Australia using GDP data in current prices from the IMF World Economic Outlook Database.

Source: Baker et al. (2016), [www.policyuncertainty.com](http://www.policyuncertainty.com); last accessed on 3 February 2019.

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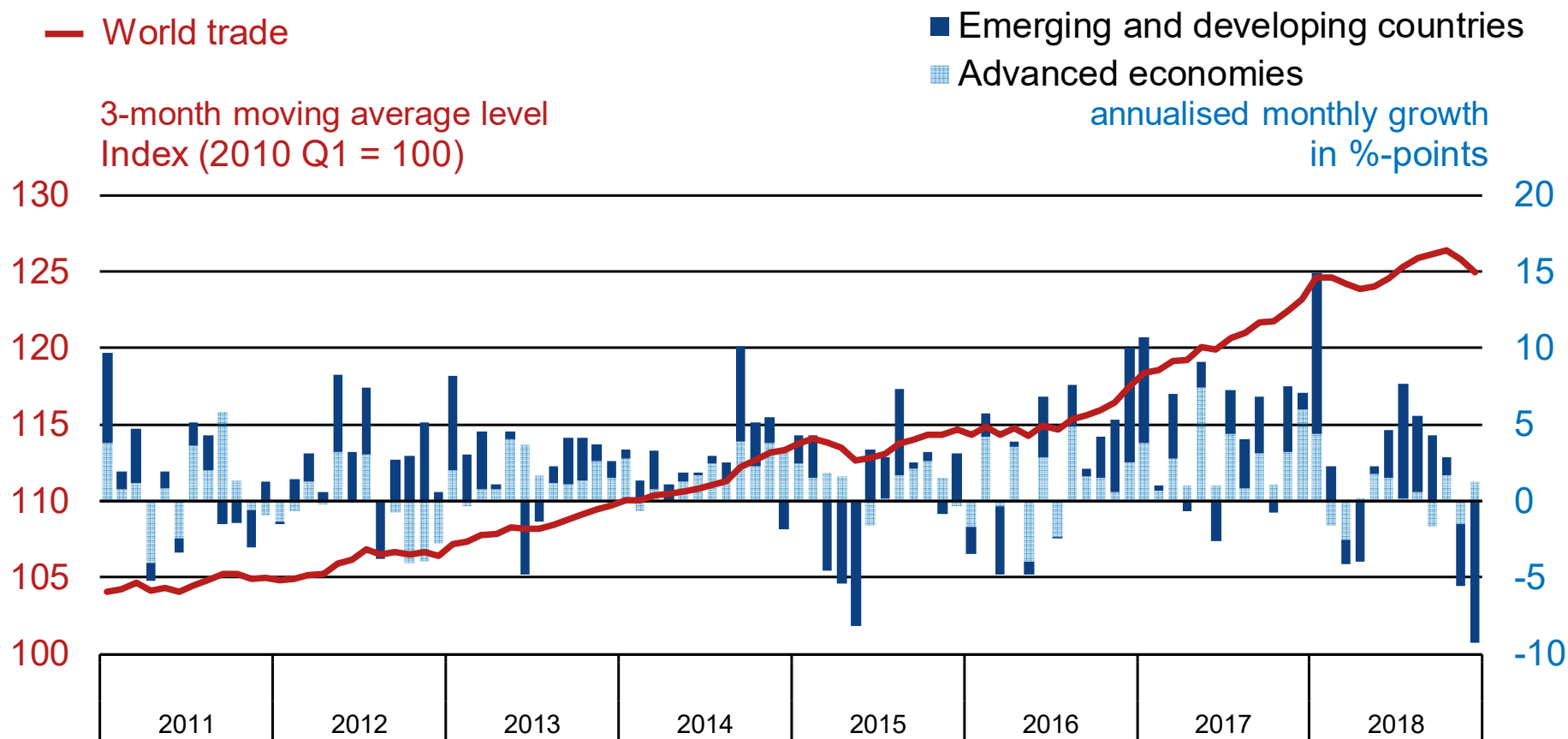
## World Economic Growth<sup>a</sup> and Growth in Industrial Production



<sup>a</sup>Purchasing Power Parity (PPP) weighted aggregate year-over-year real GDP growth rate.

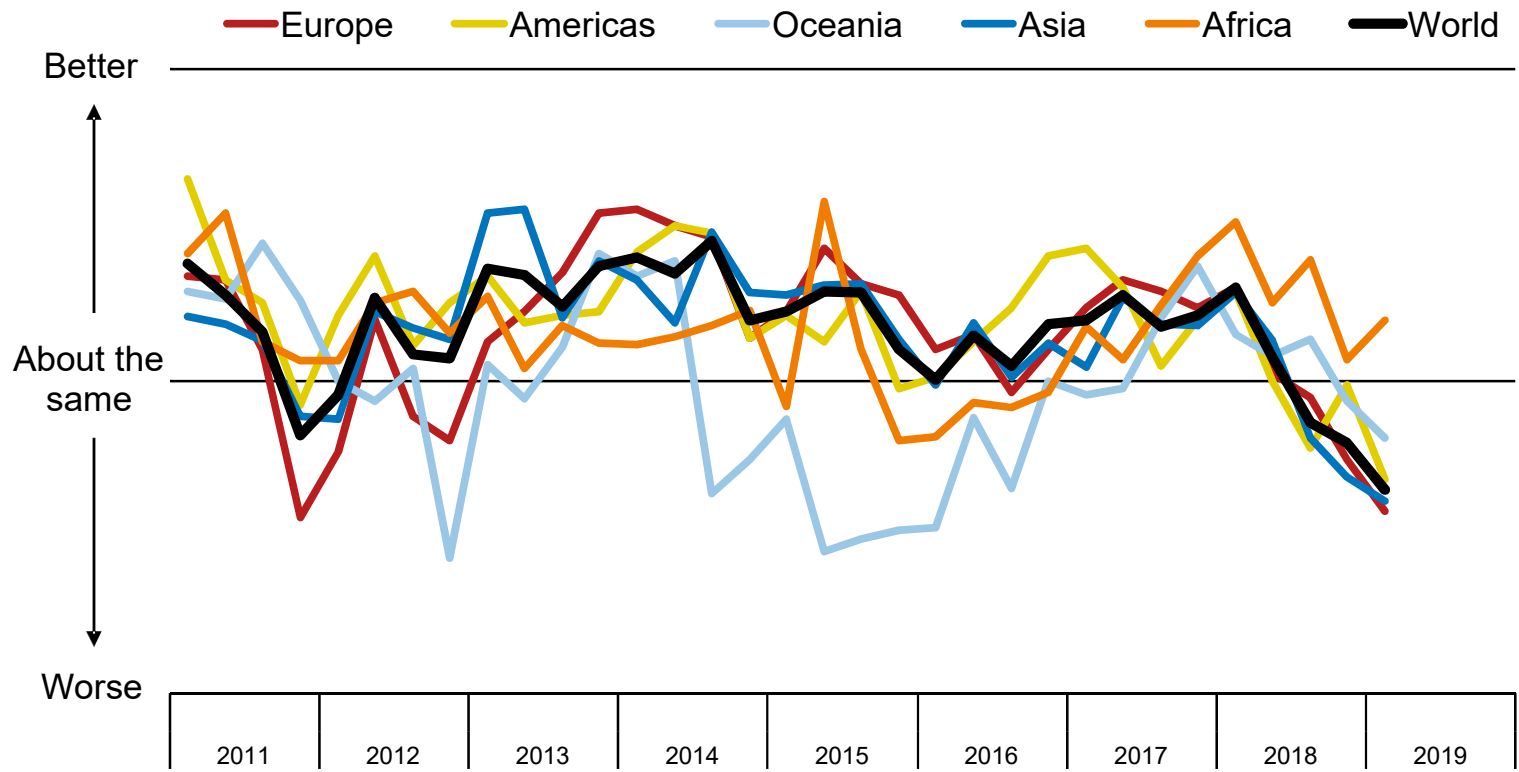
Source: IMF International Financial Statistics; CPB Netherlands Bureau for Economic Policy Analysis; last accessed on 15 March 2019.

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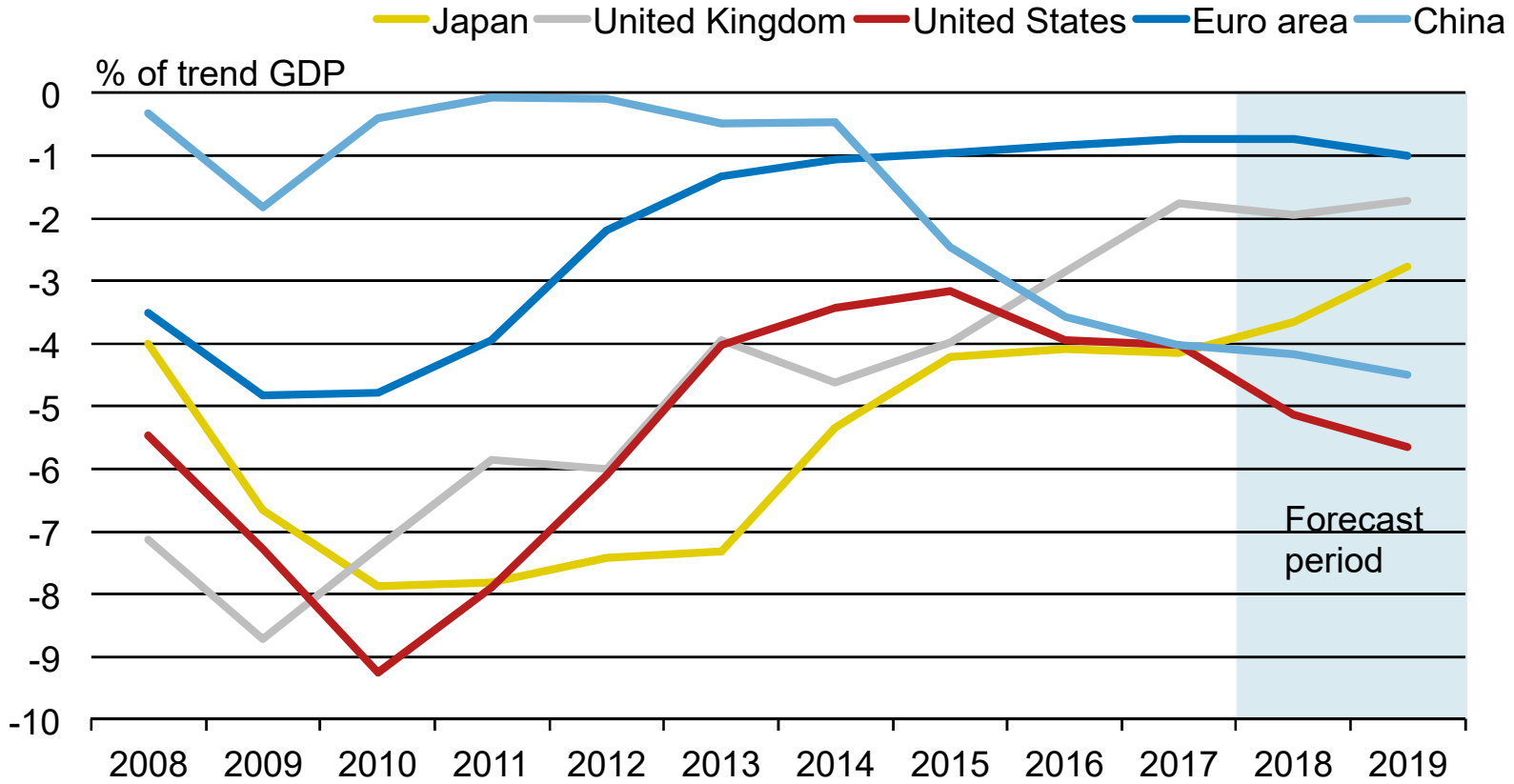
ifo World Economic Survey  
Economic expectations for the next 6 months



Source: ifo World Economic Survey I/2019.

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## Government Structural Budget Balances

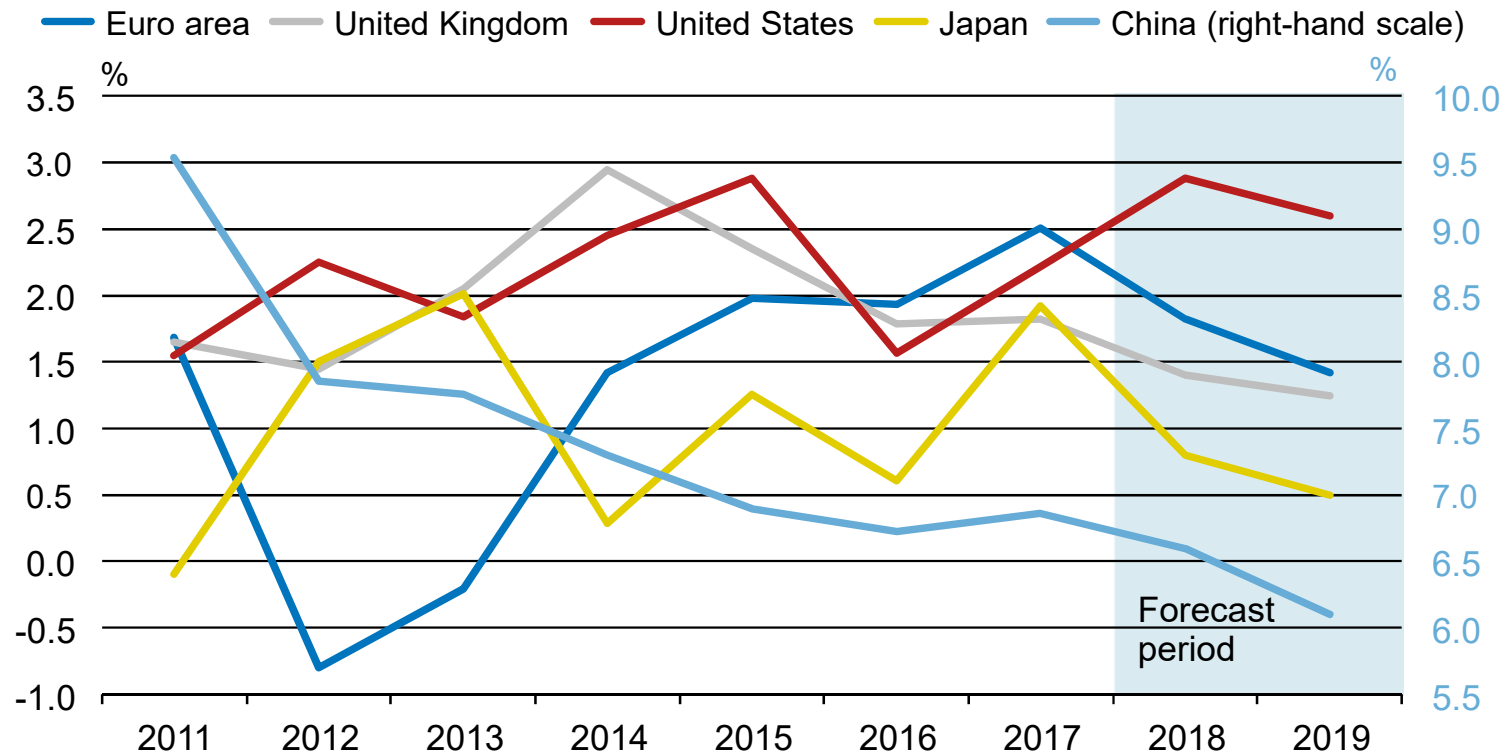


Source: IMF World Economic Outlook, November 2018; last accessed on 3 February

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## Economic Growth by Region

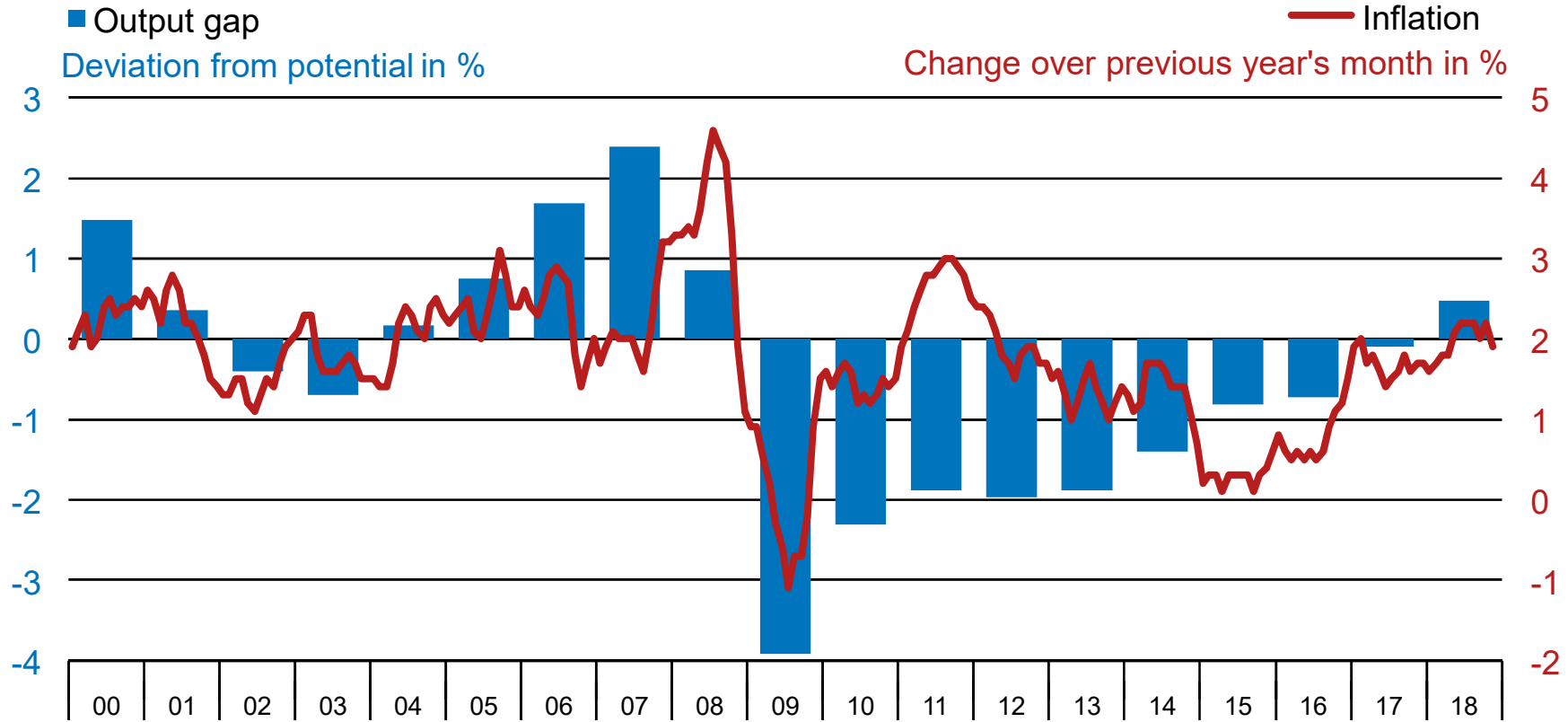
Real GDP percentage change from previous year



Source: US Bureau of Economic Analysis; Eurostat; ESRI; National Bureau of Statistics of China; last accessed on 3 February 2019; EEAG forecast.

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## Output Gap and Inflation in Advanced Economies



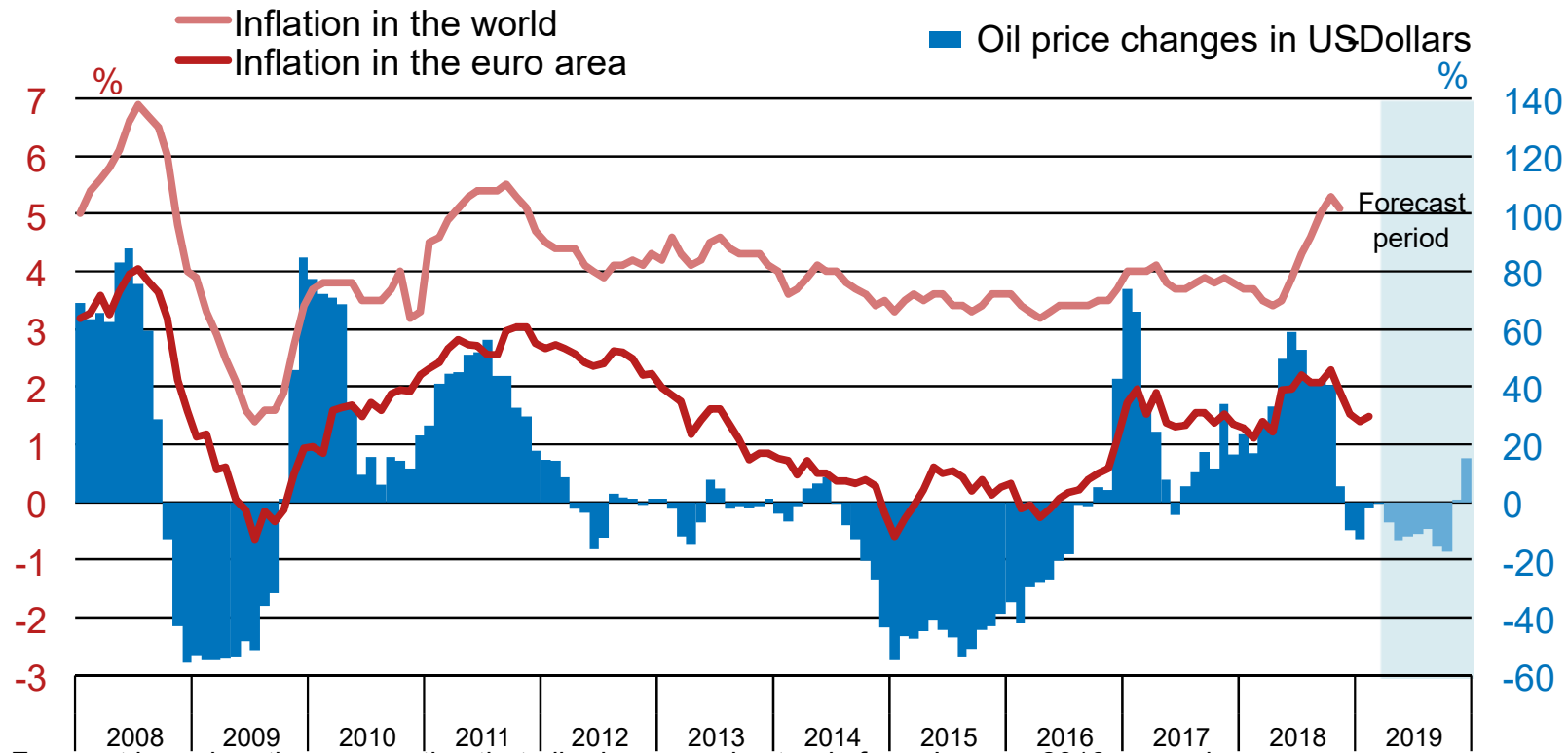
Source: IMF World Economic Outlook, IMF International Financial Statistics;  
last accessed on 3 February 2019.

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## Inflation in the World and Oil Price Movements

Change over previous year's month in %

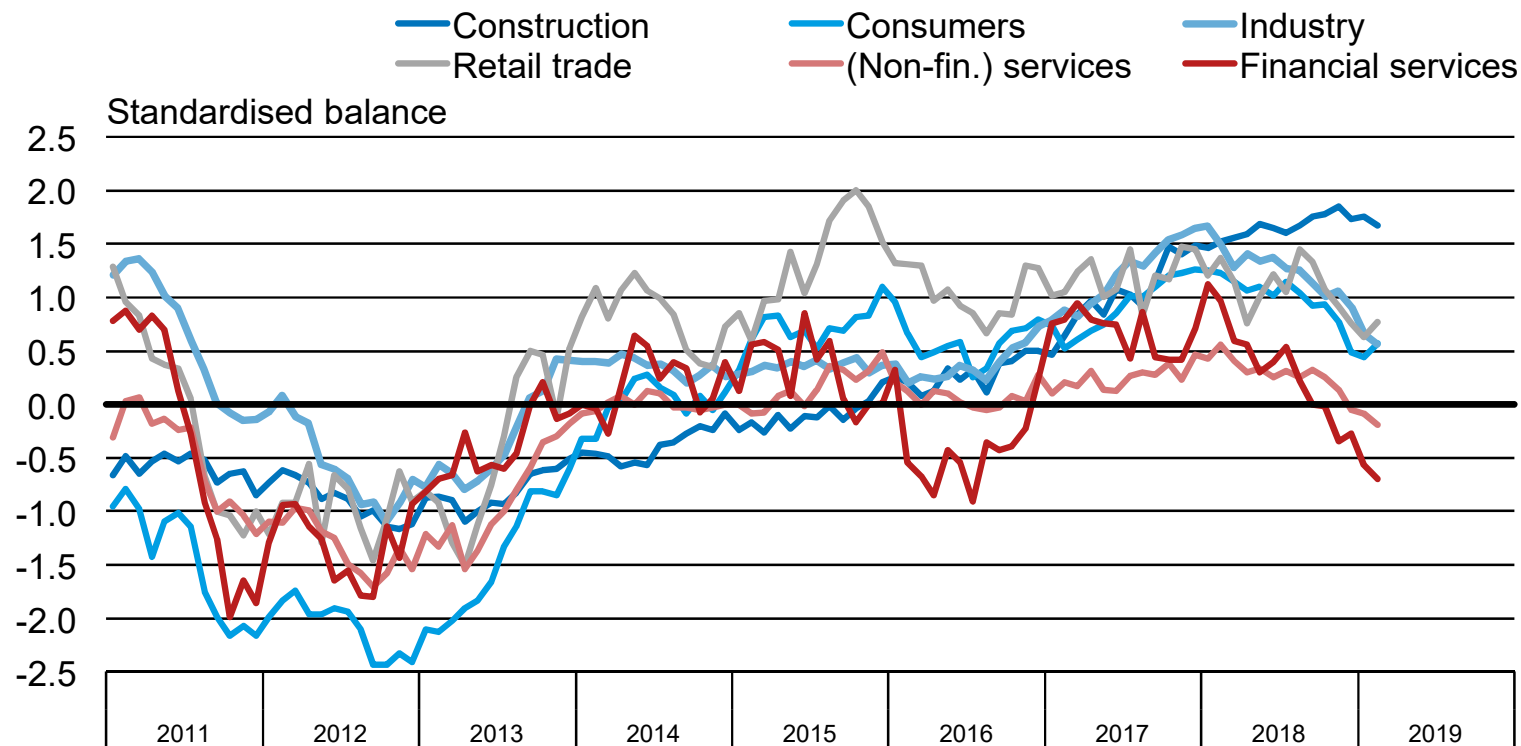


Forecast based on the assumption that oil prices remain steady from January 2018 onwards.

Source: IMF International Financial Statistics; last accessed on 3 February 2019; EEAG calculations.

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## Confidence Indicators<sup>a</sup> for Different Sectors in the European Union

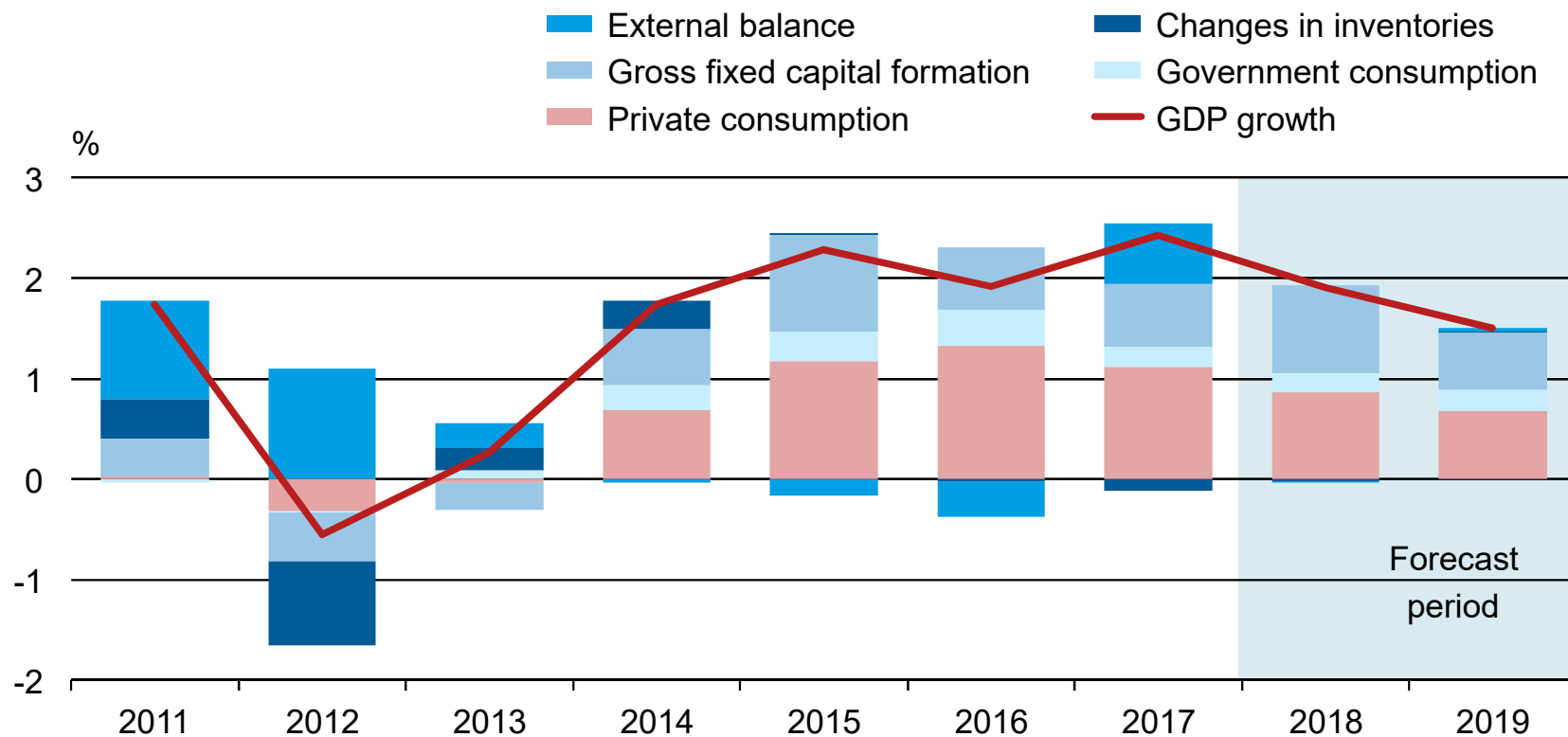


? Arithmetic means of selected (seasonally adjusted) balances on business and consumer tendency survey questions. Balances are the differences between the percentages of positive and negative replies. These are subsequently normalised to have an average of 0 and variance of 1 for the period from 1985 onward

Source: European Commission; last accessed on 3 February 2019; EEAG calculations.

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## Demand Contributions to GDP Growth in the European Union <sup>a</sup>

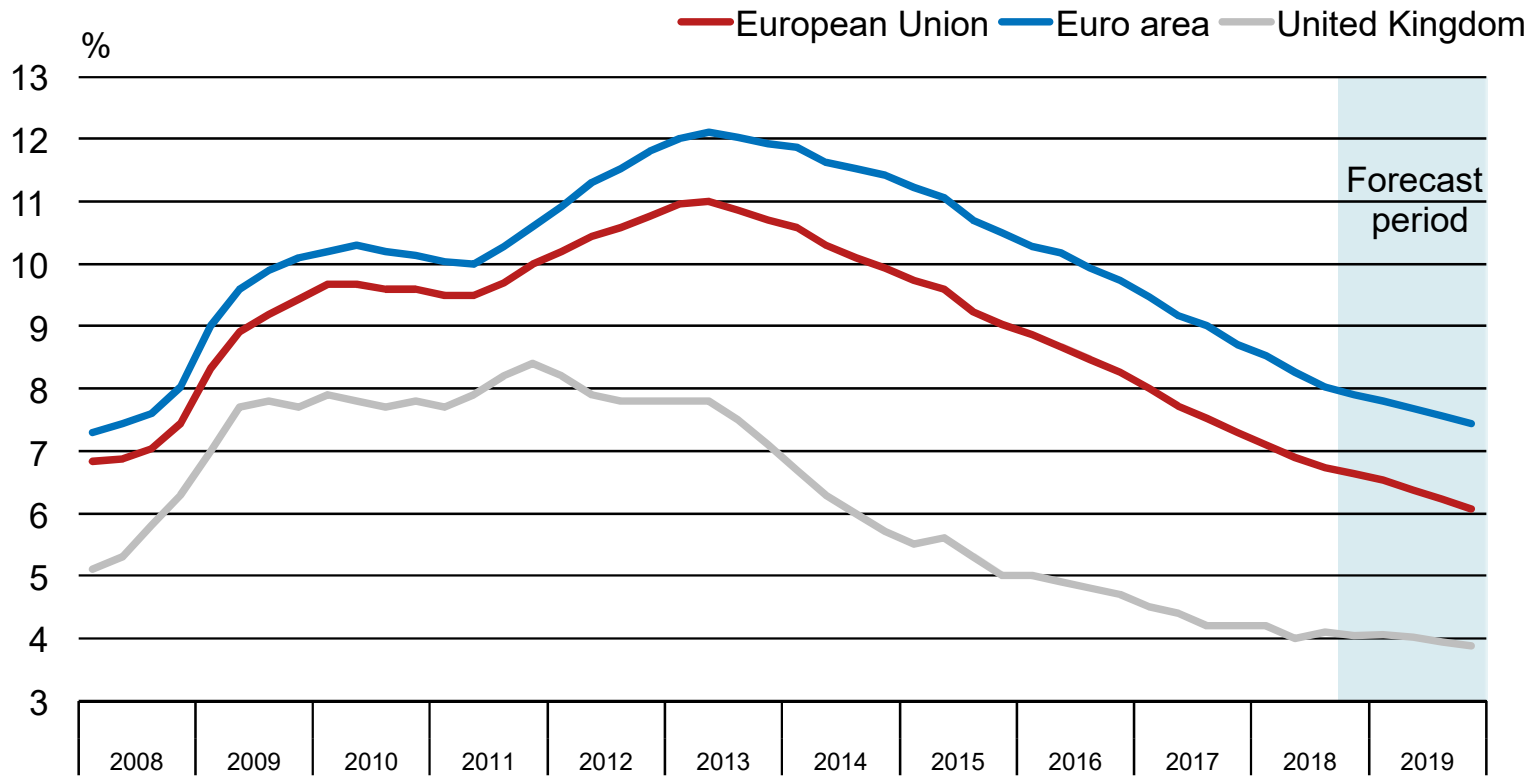


<sup>a</sup> Gross domestic product at market prices (prices of the previous year). Annual percentage change.

Source: Eurostat; last accessed on 3 February 2019; EEAG calculations and forecast.

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## Unemployment Rates in the Euro Area, the United Kingdom and the European Union



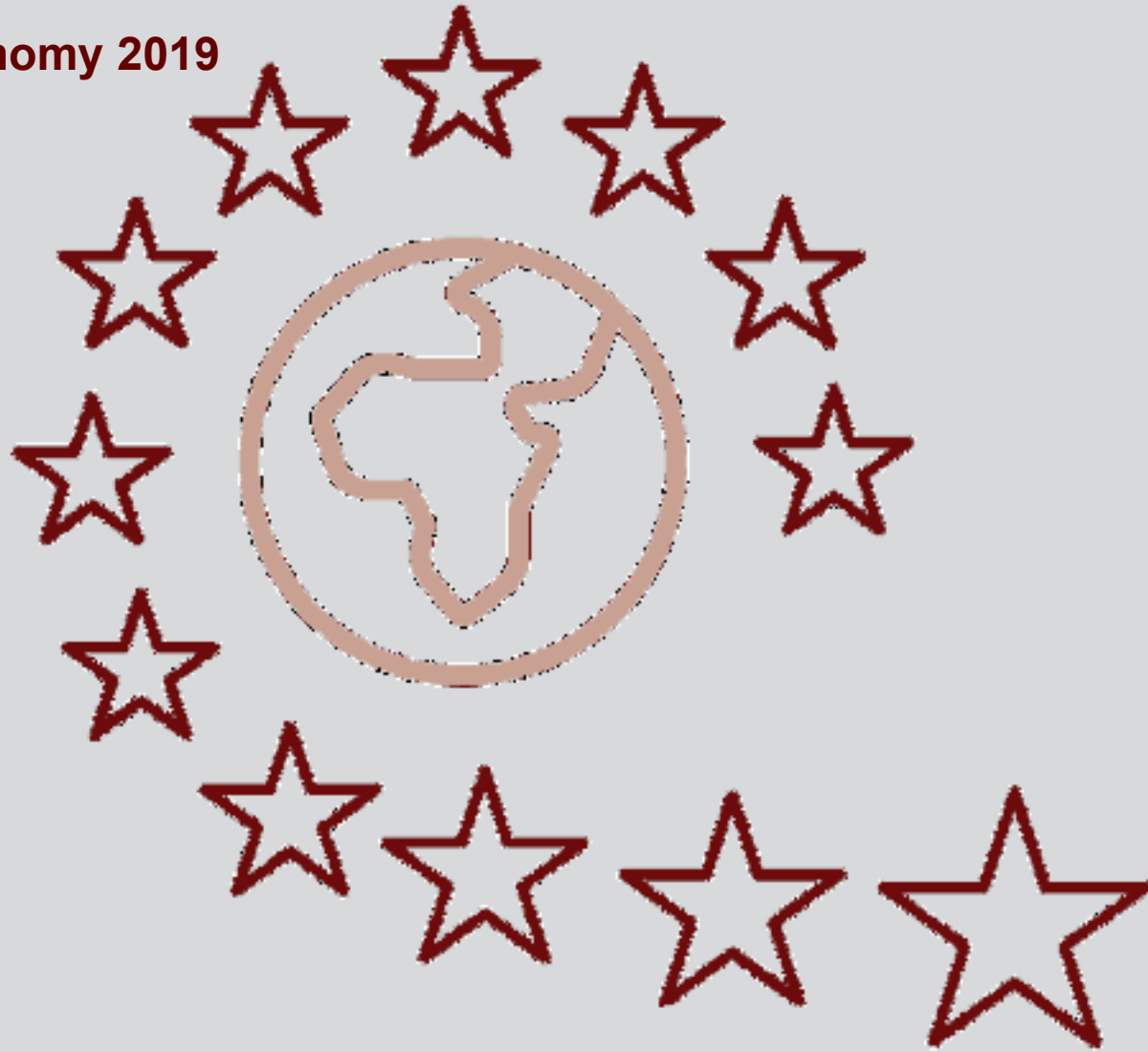
Source: Eurostat; last accessed on 3 February 2019; EEAG calculations and forecast.

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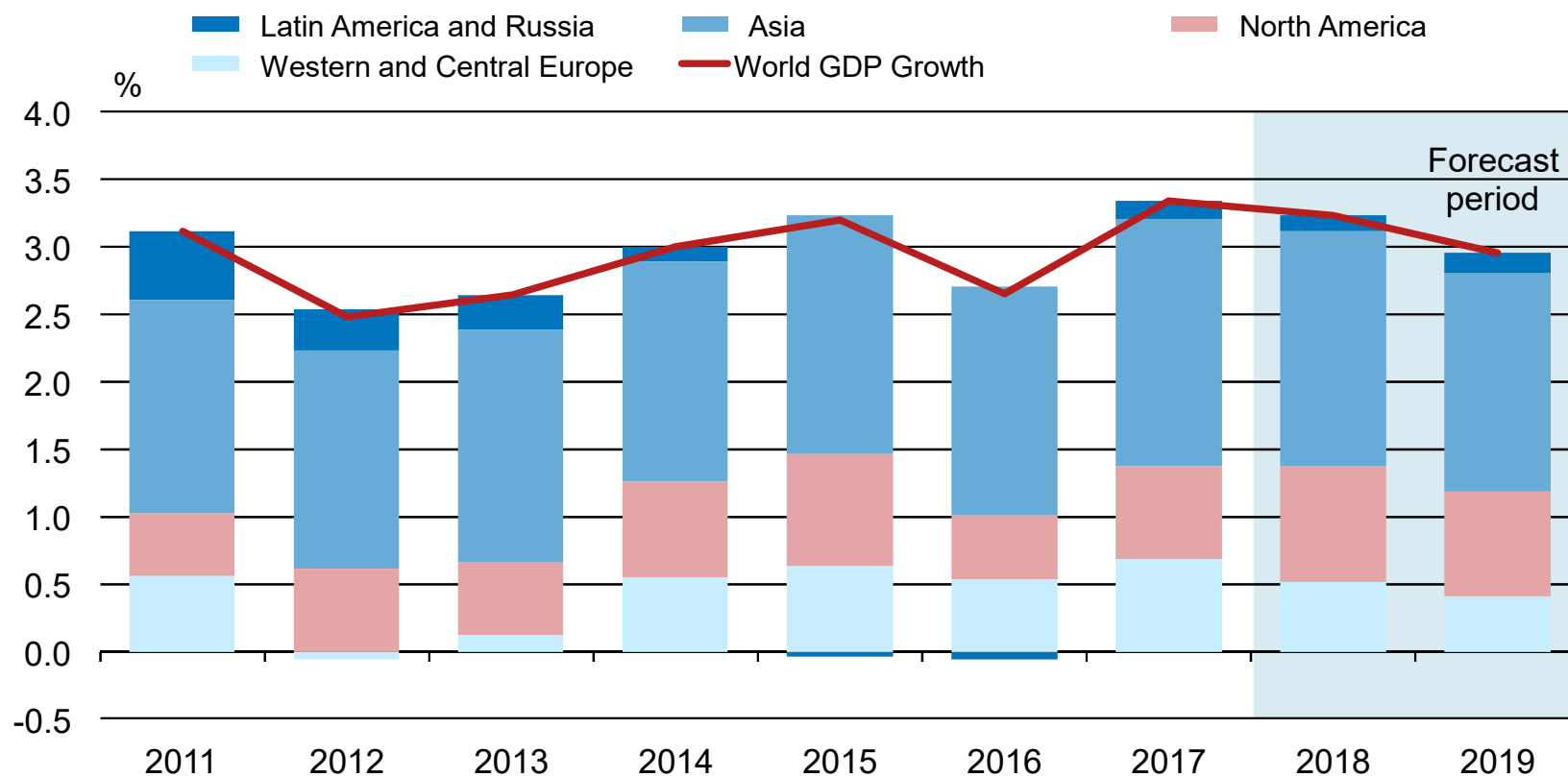
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## Regional Contributions to World GDP Growth <sup>a</sup>



<sup>a</sup> Based on market weights.

Source: National statistical offices; EEAG calculations and forecast.

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