
Eurostat: war in Ukraine influencing “economic sentiment”, while inflation is soaring. Unemployment down

Today, Eurostat issued a number of monthly and quarterly indicators that help monitor economic and social recovery from the Covid-19 pandemic. One of the points that the report places most emphasis on is that the EU’s industrial production “is bouncing back, but the economic sentiment is hit hard, while excess mortality is steady”. The EU’s industrial production “has bounced back and retail sales have kept growing, but at a slower pace, in February 2022. Conversely, the European Union’s economic sentiment has substantially decreased in March 2022, probably due to the uncertainties caused by Russia’s aggressive war against Ukraine, but it has kept above pre-pandemic levels”. Such decrease “has been mainly noticed in the collapse of consumer confidence along with substantial losses in retail sales too and in the business confidence climate; on the contrary, confidence has slightly increased in services and has remained basically unchanged in building”. Instead, inflation “has shown symptoms of a further increase in all the member states of the EU in March 2022, reaching 7.5% and marking another record-breaking level since the start of the time series in 1997”. “As far as the EU’s job market and population are concerned, in February 2022 the unemployment rate decreased even further, to below pre-pandemic levels, while the excess mortality rate has been quite steady”. However, excess mortality remarkably varied among the member states.

Gianni Borsa