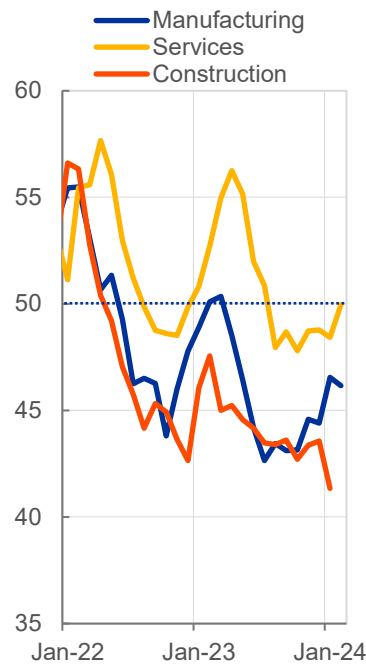


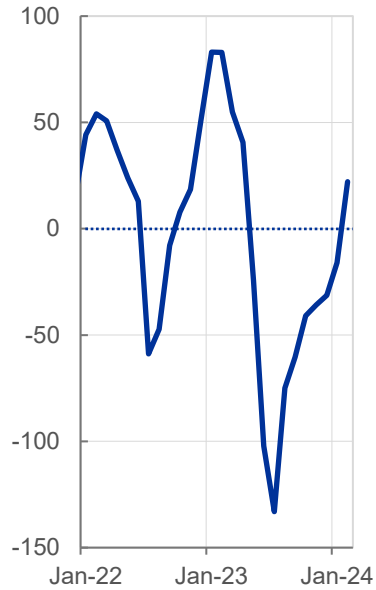
Economy is bottoming out as peak of transmission may have been reached

PMI
(diffusion index)



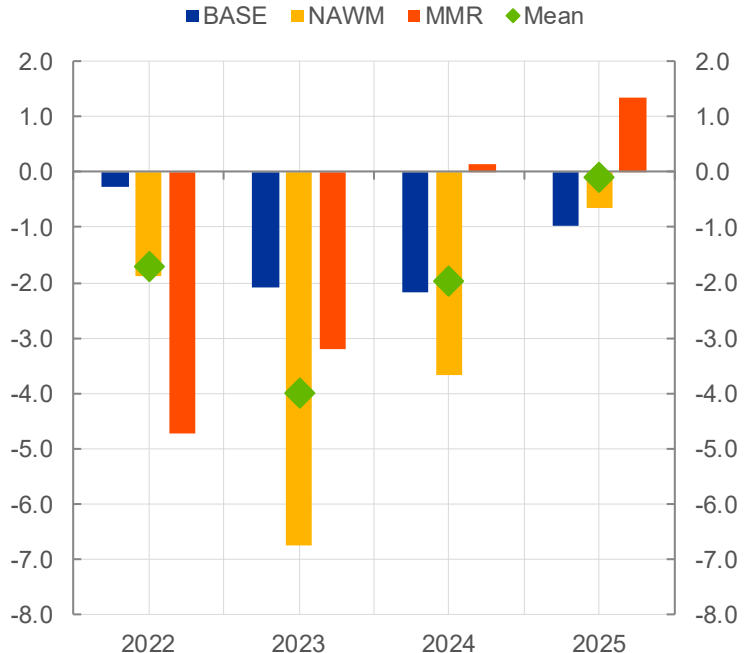
Source: S&P Global.
Latest observations: manufacturing and services: February 2024; construction: January 2024.

Citigroup Economic Surprise Index
(p.p.)



Sources: Citigroup Haver Analytics, ECB staff calculations.
Notes: the charts reports monthly averages of available daily values.
Latest observation: 19 February 2024.

Impact of monetary policy tightening on real GDP growth
(p.p., annual rates)



Sources: ECB calculations based on the NAWM II, the MMR model and the ECB-BASE model
Notes: This chart reports the results of a simulation involving changes to short-term rate expectations between December 2021 and February 2024, and changes to expectations regarding the ECB's balance sheet between October 2021 and February 2024.