

## Prediction

## Word Importance

**Positive**  
(+0.79)

For consumption, one useful indicator is the gap between essential purchases, such as food and rent, and non-essential ones, such as electrical goods and holidays. Non-essential purchases, which make up around 50% of household spending in the euro area, tend to be postponed during recessions and then to catch up as the business cycle advances. Such purchases are currently only 2% above their pre-crisis level, compared with 9% for essential ones. This implies that discretionary household spending still has scope to support the expansion.

**Legend:** ■ Negative □ Neutral ■ Positive