

Europe macro tracker

Mixed evidence from hard data

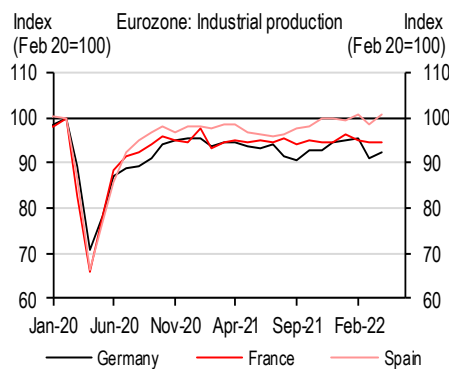
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Economics - Europe

The latest data suggest German industry is struggling, with a big fall in orders in April. And factory-gate prices are rising at eye-watering levels across Europe. But if the latest 'hard' data on industrial production are rather gloomy, consumers still seem happy to spend on leisure and recreation – so it's still mixed picture.

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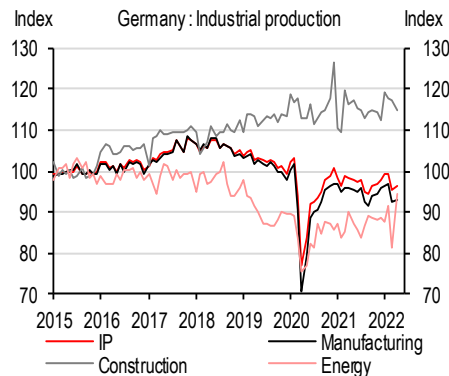
Mixed data in the industrial sector

1. Industrial production rose in April in Spain and Germany, while it fell slightly in France



Source: Refinitiv Datastream, HSBC.

2. The rise in IP in Germany was backed by a surge in energy output



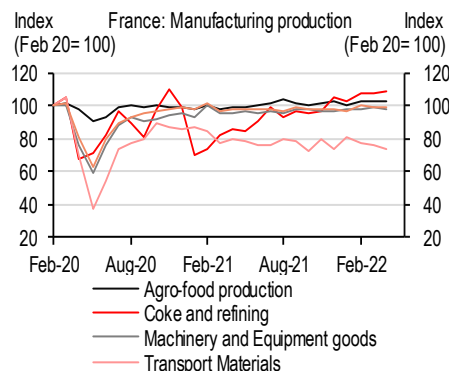
Source: Macrobond, HSBC

3. German industrial orders fell sharply in April, for the second month in a row



Source: Macrobond, HSBC

4. In France, transport equipment production (including cars) is still lagging markedly



Source: INSEE, HSBC

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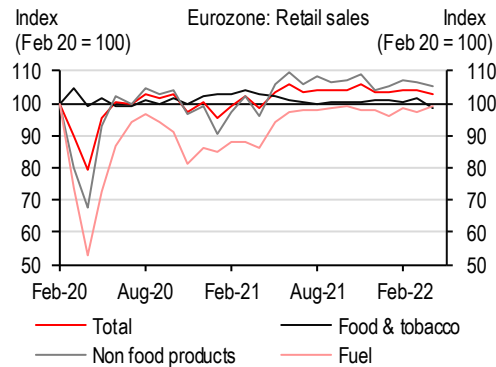
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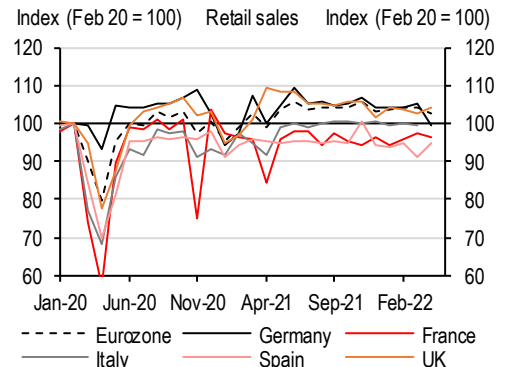
Weak start for goods consumption in Q2

5. Eurozone retail sales were soft in April...



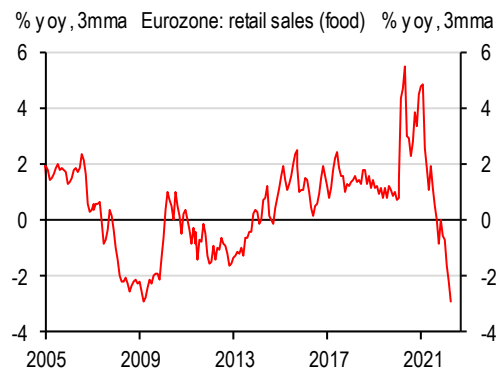
Source: Refinitiv Datastream, HSBC.

6. ...reflecting in particular a marked drop in Germany



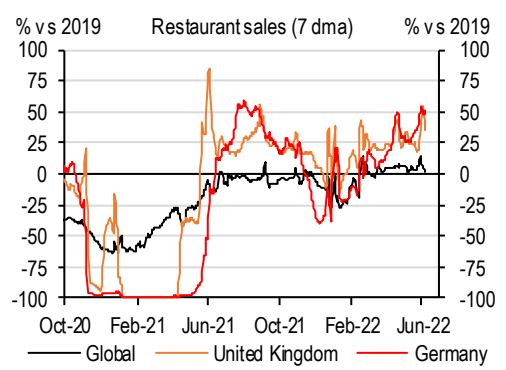
Source: European Commission, Refinitiv Datastream, HSBC.

7. Consumer spending on food has been weak over the past few months...



Source: Refinitiv Datastream, HSBC.

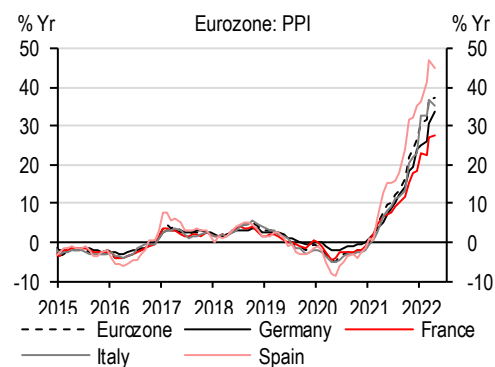
8. ...but higher demand for restaurants may have been a factor



Source: OpenTable, HSBC

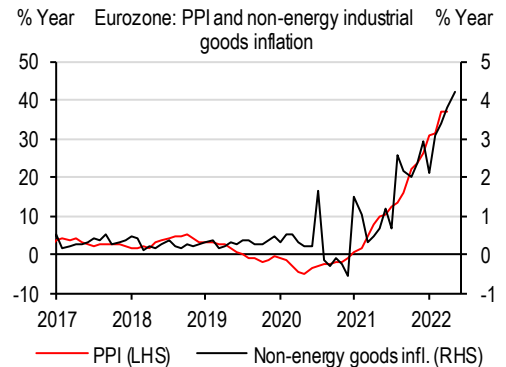
Price pressures remain high, both for goods and services

9. Factory-gate inflation remains close to record levels...



Source: Refinitiv Datastream, HSBC.

10. ...and should continue to support consumer goods prices in the coming months



Source: Refinitiv Datastream, HSBC.

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