

## Watch: A weak eurozone recovery, but signs of hope ahead

We're not expecting a robust recovery for the eurozone economy just yet, but promising signs are beginning to emerge in the disinflation story. As the fear of doing too little continues to outweigh the fear of doing too much for the European Central Bank, we're currently expecting to see further rate hikes in both July and September



### Our top calls for the eurozone economy

The eurozone economy has now seen two consecutive quarters of negative growth, and while we don't believe we're seeing a full recession, it doesn't appear to be too far off. Promising signs in the inflation story are beginning to emerge, but we expect the European Central Bank to remain stubborn for some time yet as the fear of doing too little outweighs the risk of doing too much.

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