

Eurozone nowcast indicator: second half of February slightly better

A small decline in the index for week 8 still leaves the ING Weekly Economic Activity Indicator higher than in the first weeks of the year and also slightly above November lows



Our index decreased from 96.7 to 96.0 in the last week of February. After the increases in the weeks before, this still corresponds to a higher level of activity than seen in the first weeks of the year. While this is the first sign that activity has bottomed out in the second wave, it still represents weak economic activity, which so far confirms our view of continued economic decline in the first quarter of 2021.

The tick down was mainly due to decreased electricity use, no doubt related to the warmer weather. Outside of seasonal elements, the underlying trend in mobility remains up. Trips to essential retail trended sharply higher, while also trips to non-essential retail and recreation and workplaces have edged up over recent weeks. Still, quarter-on-quarter comparisons remain negative for the overall index, putting the recent small increases into perspective.

ING Weekly Economic Activity Indicator ticked slightly down in week 8



Source: ING Research

In a crisis that is evolving more by the day than by the quarter, economists have been scrambling to make sense of economic activity with more than the usual monthly or quarterly data sources. As a snapshot indicator, we combine high-frequency indicators into a weekly activity index for the eurozone and follow the example of several national central banks, which have come up with similar indicators in recent months. This indicator is, in our view, particularly useful for the coronavirus crisis as it is designed to detect bigger swings more than small differences in growth rates. For more on the methodology, click [here](#).

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