

Snap | 1 September 2025

Eurozone unemployment ticks down to 6.2% once again

Falling unemployment suggests that the eurozone economy remains resilient in the face of global uncertainty. Modest economic growth seems realistic for the coming quarters, as the strong labour market should aid some domestic recovery



Hiring intentions from businesses across the eurozone are on the rise, and we expect the labour market to remain decently strong over the coming months

Large revisions to US labour market data have been the centre of attention this summer, but the European ones are also interesting. Revisions to the unemployment data have created a true Groundhog Day feeling, as unemployment has dropped once again to the historic low of 6.2% seen in every other month – without ever appearing to tick up. The most recent data shows declines in the unemployment rate in June and July from 6.4 to 6.2%. As a reminder, last month's release also showed unemployment at 6.2% in April, May and June.

The decline in unemployment in recent months confirms the continued resilience of the eurozone labour market. The fall in July was mainly due to a tick down in Italian unemployment from 6.2 to 6%. The rate held stable in the other major countries like Germany, France, Spain and the Netherlands. Smaller markets showed a mixed picture, with Belgium and Austria seeing declines, while Ireland and Finland experienced increases.

For the months ahead, expect the labour market to remain decently strong; hiring intentions from businesses are increasing, according to the latest European Commission survey. This means that global uncertainty still isn't affecting the overall eurozone labour market too badly. And with economic data coming in somewhat more upbeat again, eurozone unemployment data is in line with expectations of some modest economic growth for the quarters ahead.

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