



### NEWS RELEASE

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## SPRING ECONOMIC OUTLOOK: THE RECOVERY STILL NEEDS SECURING

Launching BUSINESSEUROPE's [Spring Economic Outlook](#) today, Director General Markus J. Beyrer commented: *"Our latest economic outlook provides further evidence that the European economy is continuing to slowly gain strength. But growth of 1.6% in the EU in 2014 and 1.2% in the Euro Area remains too weak to really make inroads into Europe's unacceptably high levels of unemployment. We need a greater focus from policy-makers on securing the recovery and reducing unemployment, particularly through the implementation of ambitious labour market reforms in a number of member states and taking concrete action to address growing concerns, especially of SMEs, regarding access to finance."*

Based on a survey of its member federations across the continent, BUSINESSEUROPE's economic outlook predicts:

- GDP growth of 1.6% in the EU and 1.2% in the Euro Area in 2014.
- GDP growth of 1.9% in the EU and 1.6% in the Euro Area in 2015.
- Domestic demand should gradually replace net exports as the main growth driver. We expect private consumption in the EU to grow by 1.2% in 2014, while investment is projected to expand by 2.5%.
- Continued acute concern in relation to job creation with unemployment expected to remain almost unchanged in the Euro Area in 2014 at 11.7%, falling to 10.6% in the wider EU.
- We expect inflation to gradually rise during the next 18 months. Inflation in the Euro Area is expected to be 1.1% by the end of 2014 and 1.3% in 2015 (1.2% 2014 and 1.5% 2015 in the EU).
- The recovery remains fragile and risks remain mostly to the downside. In particular, an escalation of tensions in the Ukraine presents a number of risks to the EU economy.

### ENDS

*BUSINESSEUROPE is the leading advocate for growth and competitiveness at European level, standing up for companies across the continent and actively campaigning on the issues that most impact their performance. We speak for enterprise in 35 European countries whose national business federations are our direct members.*

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