

# Eurozone

## Eurozone economy grows 0.3% in the third quarter

- Eurozone economic growth slips to 0.3% in third quarter
- PMI points to further modest growth at start of fourth quarter
- Spain leads upturn

The euro area's pace of economic growth lost a little momentum in the third quarter, despite the additional central bank stimulus seen so far this year and a weakened, competitive, currency. The subdued pace of growth and persistent weak inflation applies further pressure on the ECB and increases the likelihood of further measures being announced in December.

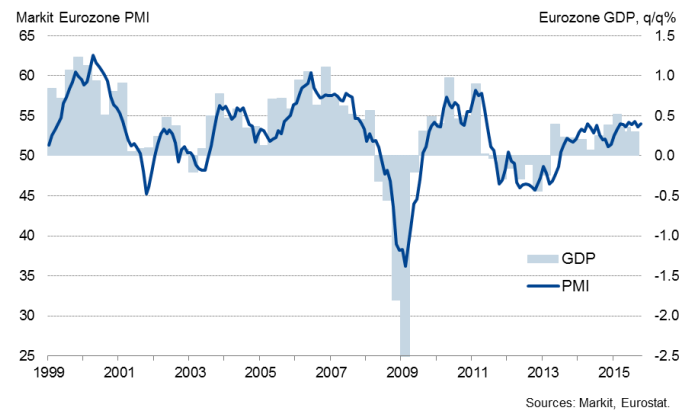
Gross domestic product was 0.3% higher in the three months to September, according to official data, down slightly on the 0.4% expansion seen in the three months to June.

The sluggish but steady growth comes as no major surprise, albeit slightly below expectations of a 0.4% increase. Back in both July and [August](#) the PMI surveys had been signalling growth "tracking close to 0.4%", with more of the same indicated by recent data at the start of the fourth quarter.

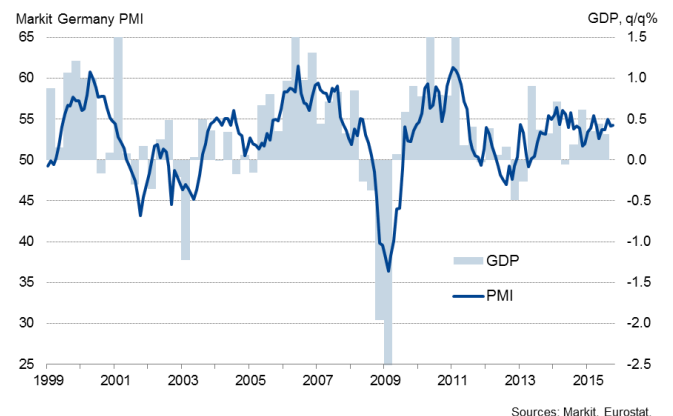
The single currency area's growth rate is slightly below that seen in the UK and US, where 0.5% and 0.4% expansions were seen respectively in the third quarter. Both Germany and France recorded growth of 0.3%, and a meagre 0.2% rise was seen in Italy. Spain continued to enjoy strong growth, however, with GDP up 0.8%.

All eyes now turn to the ECB as it weighs up what measures to take to lift the region's growth rate higher. Further cuts to the deposit rate, an increase in the size, quality and duration of the current QE programme have all been widely mooted as possibilities.

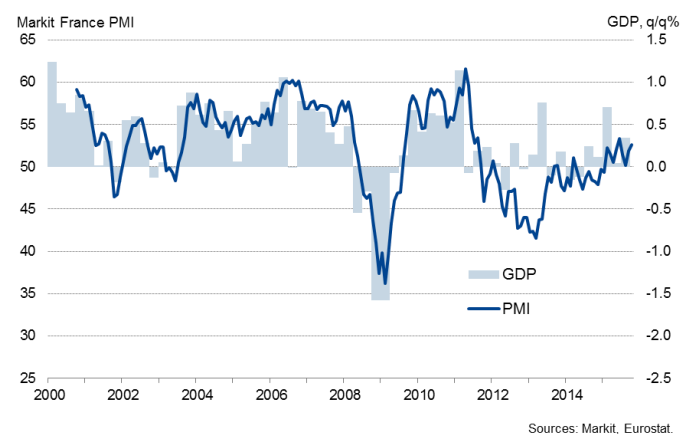
**Eurozone economic growth and the PMI**



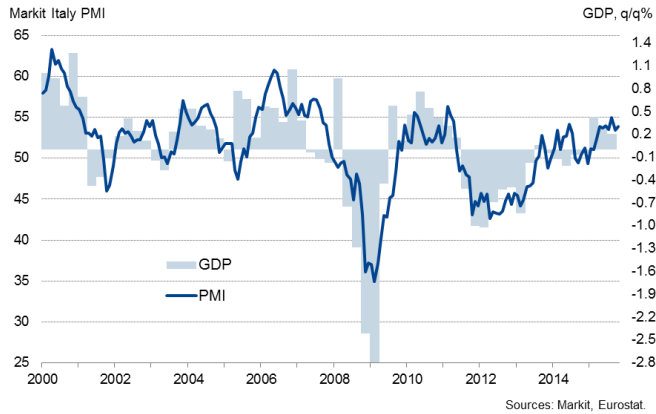
**German economic growth and the PMI**



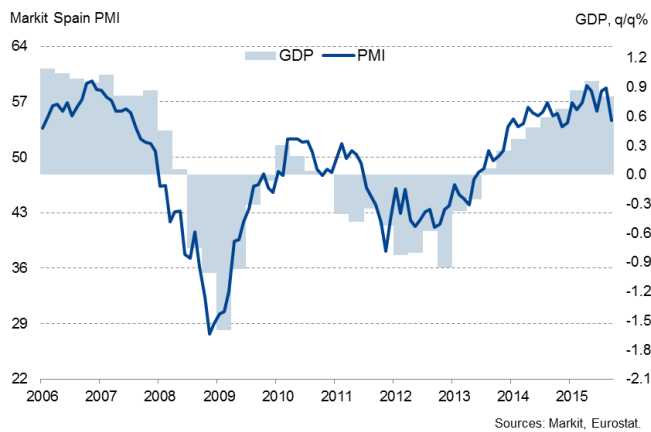
**French economic growth and the PMI**



### Italy GDP (economic growth) and the PMI



### Spain GDP (economic growth) and the PMI



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