



ECONOMIC BULLETIN

Retail & Wholesale Economic Monitor

Q3 2026

Executive Summary

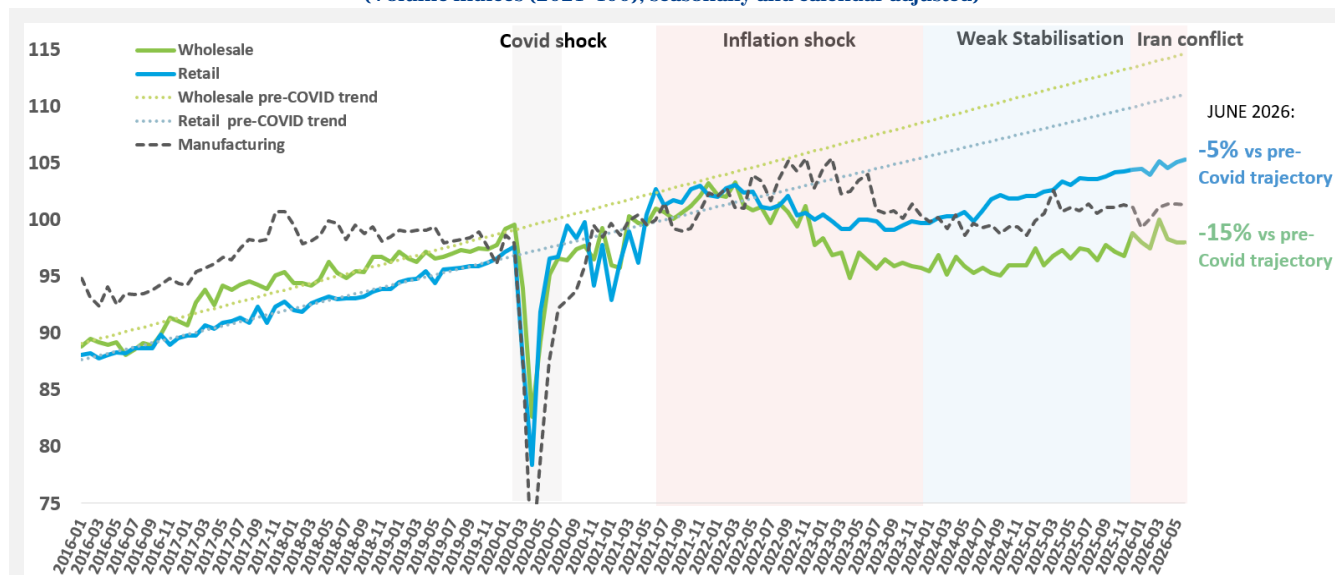
Economic activity across retail and wholesale remained uneven in the first half of 2026. Retail volumes continued to recover and moved above their 2025 levels, although they remained around 5% below their pre-COVID trajectory in June. Wholesale activity remained considerably weaker, at around 15% below its pre-COVID trajectory. At the same time, inflationary pressures increased again, reflecting renewed energy market tensions and heightened geopolitical uncertainty. The Middle East conflict added downside risks to the outlook by increasing uncertainty and contributing to higher energy and transport costs. While consumer demand has shown some resilience, the broader picture remains one of modest growth rather than a broad-based recovery. Uncertainty remains elevated, with renewed cost pressures posing risks to household purchasing power and business activity.

Economic Activity

- Retail volumes continued to recover in 2026 but remained clearly below their pre-COVID trajectory.
- Wholesale volumes continue to lag behind retail activity and remain well below their pre-pandemic trajectory.
- The retail-wholesale gap points to persistent weakness and an uneven recovery across the broader economy.

Retail and Wholesale Remain Below Their Pre-COVID Trajectories

(Volume indices (2021=100), seasonally and calendar adjusted)

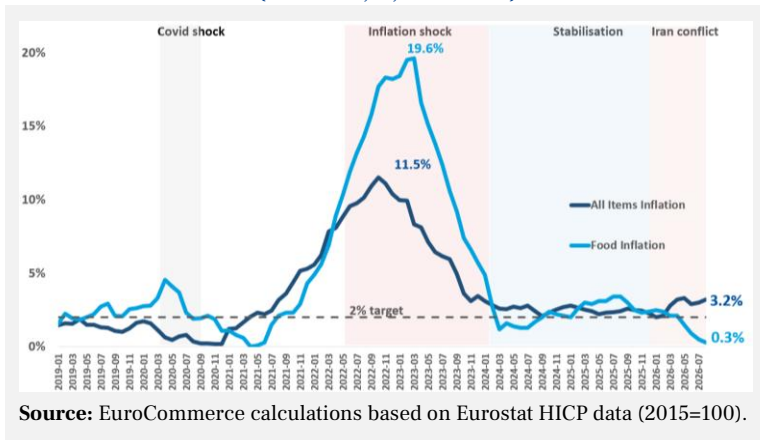


Source: EuroCommerce calculations based on Eurostat data (2021=100). Dotted lines show pre-COVID trends.

Consumers and Inflation

Consumers continued to face a challenging environment in 2026. Inflationary pressures increased again as higher energy prices and geopolitical tensions weighed on purchasing power. While consumer confidence recovered from its spring low, it remained weak and households continued to prioritise affordability and value.

EU headline and Food Inflation (HICP YoY, %, 2019–2026)



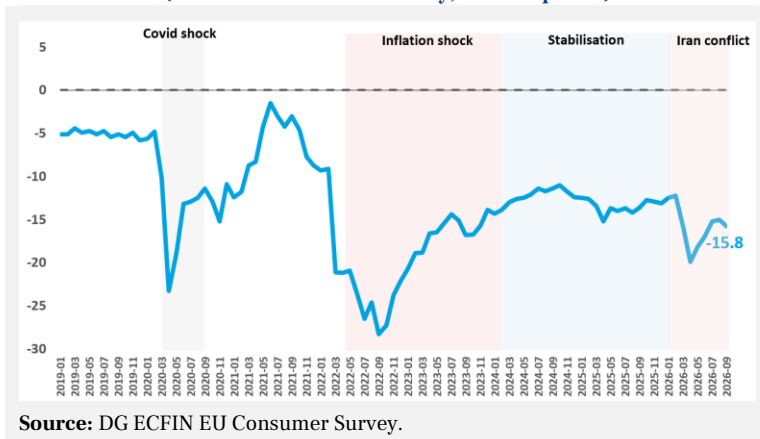
Headline inflation increased again in 2026, reaching 3.2% in August, with estimates pointing to a further increase in September.

Food inflation fell sharply, easing pressure on household budgets.

Higher energy prices increased upside risks to the inflation outlook.

Persistent inflationary pressures prompted the ECB to raise interest rates by 25 basis points in September.

EU Consumer Confidence Indicator (DG ECFIN Consumer Survey, balance points)



Consumer confidence fell sharply following the escalation of geopolitical tensions in spring 2026.

Sentiment subsequently recovered, but remained weak and below its pre-conflict levels.

Persistently weak confidence may continue to constrain household spending in the coming months.

Key Indicators

Variable	Last Available Value*	Change from previous year	Variable	Last Available Value*	Change from previous year
Headline inflation (YoY)	3.2%	+0.8pp	Wholesale Volume Growth Index	98.0	+0.5%
Food inflation (YoY)	0.3%	-3.1pp	Wholesale Turnover Growth Index	120.1	+5.1%
Price expectations Index	33.9	+35.0%	Consumer Confidence Index	-15.8	-16.2%
Retail Volume Growth Index	105.3	+1.5%	Brent Oil (EUR)	78.6	+34.8%
Retail Turnover Growth Index	126.3	+3.7%	FAO Food Index	136.0	+5.8%

Sources: Eurostat, ECFIN, Reuters, FAO. *Value corresponding to the latest available month in the official database. Inflation: August 2026.

Competitiveness Watch

Weak demand and renewed energy and input cost pressures continue to weigh on the competitiveness of European retail and wholesale. Persistent geopolitical uncertainty and higher transport costs add further pressure on businesses, while limiting the scope for investment and productivity-enhancing measures.