Note ON THE ITALIAN ECONOMY

January 13rd, 2026

- In the final months of 2025, the easing of trade tensions and interest rate reductions diminished uncertainty and enhanced liquidity, thus partially mitigating the downward pressure on global economic growth. The start of 2026 was characterised by new episodes of instability, reinforcing projections of a slowdown in global economic activity for the current year.
- In Italy, the latest high-frequency data indicate a general slowdown in economic activity in October, following a prior recovery in September. In the third quarter of 2025, GDP increased by 0.1%. This indicates weak growth in the Italian economy relative to the euro area average, with varied performance across sectors.
- The economic performance of trade during the August-October period was modest overall, with exports and imports rising by 0.3% and 0.2%, respectively. In the first 10 months of the year, exports increased by 3.4% year-on-year, while domestic imports rose by 3.7%, indicating significant sectoral disparities.
- Employment experienced a decline in November on a quarterly basis; however, it showed an increase compared to November 2024. This quarterly reduction affected only women across all age groups, except those aged 25-34. Overall, the September-November period reflected a modest quarterly increase in employment (+0.3%, totalling +66,000 employed individuals), while the number of job seekers decreased.
- In December, the Harmonised Index of Consumer Prices (HICP) experienced a year-on-year increase of 1.2% (+1.1% in November), significantly below the average for the euro area (+2.0%; +2.1% in November). For the entire year, inflation in Italy was 1.7% (+1.1% in 2024), compared with 2.1% (+2.4% in 2024) in the euro area. Household purchasing power experienced an increase in the third quarter.

Focus: *The Italian pharmaceutical sector is currently experiencing robust dynamism, significantly outperforming the manufacturing sector in both production and trade. From January to October 2025, pharmaceutical exports increased by an average of 33.7%, while imports rose by 44.6%, increasing the sector's share by over 10% of total national trade. The United States has emerged as a pivotal player in Italy's export growth, becoming its main trading partner. The sector is characterised by a substantial presence of foreign-controlled multinational companies, which play a critical role in exports.*

TABLE 1. MAIN ECONOMIC INDICATORS FOR ITALY AND THE EURO AREA - q-o-q and m-o-m % variations.

INDICATORS	ITALY	EURO AREA	PERIOD	ITALY PREVIOUS PERIOD	EURO AREA PREVIOUS PERIOD
GDP	**0.1**	**0.3**	**Q3 2025**	**-0.1**	**0.1**
Industrial Production	-1.0	0.8	Oct. 2025	2.7	0.2
Production in the construction sector	-0.1	0.9	Oct. 2025	1.3	-0.6
Retail sales (volume)	0.6	0.2	Nov. 2025	0.5	0.3
Producer prices in the industry – domestic market	1.3	0.5	Nov. 2025	-0.4	0.1
Consumer prices (HICP)*	1.2	2.0	Dec. 2025	1.1	2.1
Unemployment rate	5.7	6.3	Nov. 2025	5.8	6.4
Economic Sentiment Indicator**	-0.6	-0.4	Dec. 2025	1.1	0.2

*Year-on-year variations **Absolute differences compared to the previous month

Source: Eurostat, European Commission, Istat

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THE INTERNATIONAL FRAMEWORK

New geoeconomic tensions have significantly influenced the global scenario at the outset of the year. Throughout 2025, the combination of moderating inflation, the alleviation of trade tensions in the latter part of the year, and interest rate reductions by major central banks mitigated downward pressure on global growth.

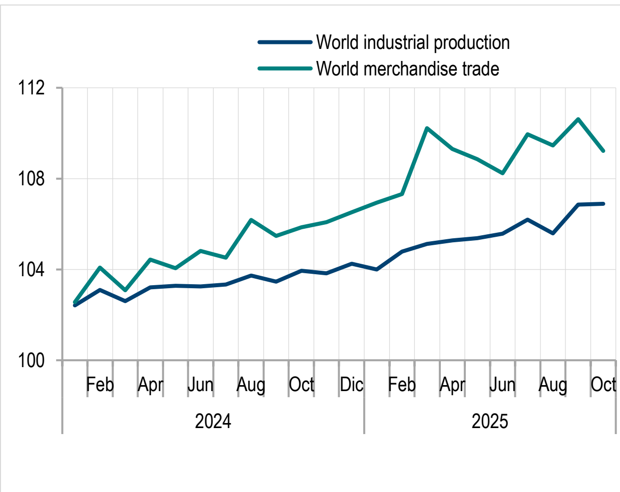
The performance of key countries and regions during the third quarter of 2025 (latest available data) generally exceeded expectations. The resilience of U.S. consumption, the stability of the euro area economy, and the robustness of China's manufacturing sector all supported economic activity. However, the beginning of 2026 was characterised by heightened geoeconomic tensions, marked by new episodes of instability. Notably, there have been recent U.S. military operations in Venezuela, although they have not impacted crude oil prices yet. Global oil supply remains plentiful, with no damage to production infrastructure, and Venezuelan output presently does not represent a significant share of global supply. Systemic risks associated with the potential artificial intelligence "financial bubble" and the uncertainties surrounding the Federal Reserve's monetary policy in the second half of 2026—whose President term is set to expire in May—may further contribute to volatility in international markets and reinforce forecasts of a slowdown in the forthcoming year.

World trade declined in October. According to data from the Netherlands Central Plan Bureau (CBP), international merchandise trade volumes decreased by 1.3% quarter-on-quarter in October, following a 1.1% increase in September (see Figure 1). However, world merchandise trade volumes increased by 0.7% on a quarter-on-quarter basis from August to October.

A significant decline, over the previous month, was observed in China's merchandise import volumes in October, which fell by 5.6%, following a 1.9% decline from August to October. In terms of exports, declines were recorded for the euro area, which fell 2.9% (+0.2% quarter-on-quarter relative to the August-October average), and for China, which fell 2.7% (+1.7% quarter-on-quarter relative to the August-October average). Due to the partial government shutdown in the United States, which occurred between October and November 2025, official U.S. trade statistics for October are currently unavailable. CPB estimates indicate a moderate monthly rise in imports and a slight decline in exports. This situation would result in an overall 3.5% decrease in imports for the August-October period relative to the preceding three months, while exports would increase modestly by 2.1%.

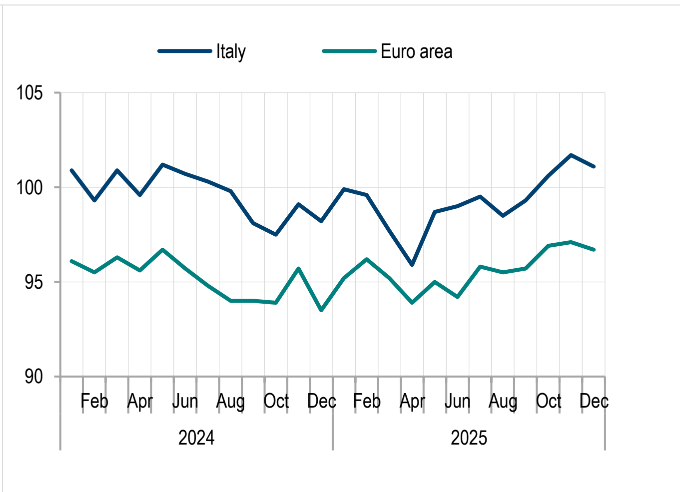
The outlook for global trade remains unfavourable. The new export orders component of the global composite Purchasing Managers' Index (PMI), which forecasts international demand, recorded its eighth consecutive decline in December, remaining below the expansion threshold of 50.

FIGURE 1. WORLD MERCHANDISE TRADE BY VOLUME AND WORLD INDUSTRIAL PRODUCTION. Index 2021=100



Source: CPB

FIGURE 2. ECONOMIC SENTIMENT INDICATOR (ESI). Seasonally adjusted data



Source: European Commission, DG ECFIN

Oil prices declined at the end of the year. This trend is primarily attributed to the increased supply from OPEC+ nations. In December, Brent crude prices maintained the downward trajectory that began in July, trading at $62.7 per barrel, down from $63.6 in the previous month and significantly lower than the $71.5 per barrel recorded in June. At the beginning of 2026, Brent crude daily prices remained largely unaffected by recent geopolitical developments, oscillating between $60 and $62 per barrel. Conversely, natural gas prices exhibited an opposite trend. The index, which has been on an upward trajectory since September, rose further to $104.2 in December, up from $103.1 in November, thus returning to June levels.

The euro stabilised against the dollar. In December, the average nominal exchange rate of the euro appreciated slightly against the dollar, at $1.17 per euro, compared with $1.16 in the previous two months. On 2025 average, the euro appreciated by 4.6% against the US dollar. This movement was primarily influenced by the differing growth prospects of the two economies and the asynchronous pace at which their central banks implemented rate cuts over the previous year.

M**oderately declining prospects for the euro area economy:** The European Commission's Economic Sentiment Indicator (ESI) fell by 0.4 points in December (Figure 2). This slight deterioration is attributed to nearly stable confidence levels in the services and construction sectors, as well as among consumers. At the same time, an improvement in manufacturing was counterbalanced by a decrease in retail trade. At the national level, the ESI declined in all major countries: Germany by 1.1 points, France by 0.9 points, Italy by 0.6 points, and Spain by 0.5 points.

THE ITALIAN ECONOMIC SITUATION

GDP increased slightly in the third quarter. In the third quarter of 2025, the gross domestic product (GDP), expressed in chain-linked values with reference year 2020, adjusted for calendar effects and seasonally adjusted, increased by 0.1% compared to the previous quarter and by 0.6% compared to the third quarter of 2024 (revised upward from the preliminary release).The carryover for 2025 is 0.5%.

Industrial production declined in October, as evidenced by a 1.0% seasonally adjusted index decrease from September, following a 2.7% increase in the previous month. This decline, albeit varying in intensity, was broadly observed across the main industrial categories, excluding the energy sector (Figure 3). During the August-October quarter, industrial production declined by 0.9%. The decline affected consumer goods, which fell by 0.1%, with a larger decline in durable goods of 0.3%, while non-durable goods remained essentially stable at 0.2%. Capital goods also declined by 0.9%. In contrast, intermediate goods were the only category showing growth, increasing by 0.2%, whereas the energy sector declined by 2.6%.

The construction sector is currently experiencing a decline... In October, the seasonally adjusted construction production index declined by 0.1% quarter over quarter, following a 1.3% increase in September. Consequently, the quarterly change from August to October reflects a 0.8% decline, consistent with the short-term trend identified in industrial production. However, the calendar-adjusted index for the first 10 months of the year shows positive year-on-year growth of 4.5%.

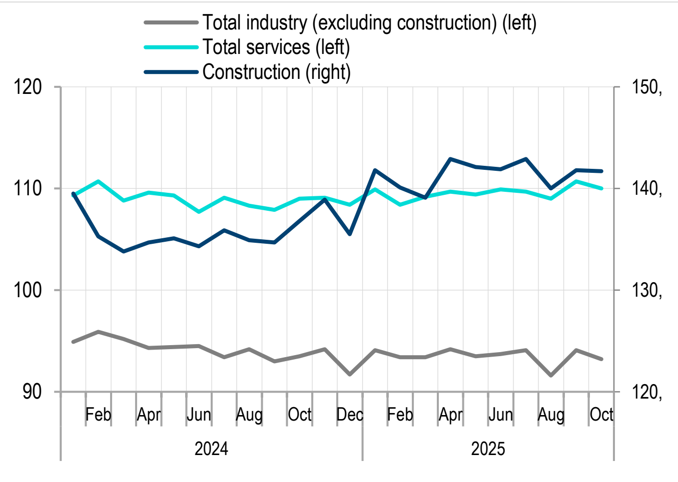
Conversely, the real estate market remains robust. In the third quarter, house prices increased by 0.6%, driven by growth in both new (+2.5%) and existing (+0.3%) property prices. This occurred against a backdrop of rising sales volumes, which increased by 8.5% in the same period.

…**as well as in the services sector**. In October, the services turnover volume index, following an increase in September, declined by 0.6% quarter-on-quarter, compared with a 1.6% increase in the previous month. This decline affected all sectors except information and communication services and real estate, which increased by 0.8%, and accommodation and food services, which increased by 0.1%. Nonetheless, the average for the August-October quarter remained marginally higher at +0.2% compared to the preceding three months.

In the third quarter, gross fixed investment by non-financial corporations increased by 0.7%, a smaller quarterly gain than in the previous three months (+1.3%). Consequently, the investment rate increased by 0.1 percentage points to 22.8%, following a period of three-quarter stagnation. During the same period, the profit share, which had been trending upward over the prior three months, declined by 0.9 percentage points, continuing the trend started since the second half of 2023.

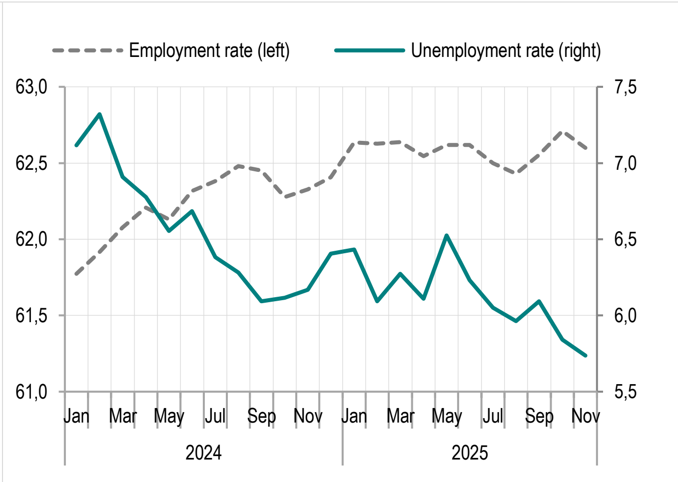
Business confidence improved significantly, with the index reaching its highest level since March 2024 in December. This increase was primarily driven by enhancements within the market services sector, which showed progress across all components. On the contrary, confidence declined within the construction and manufacturing sectors. Notably, each component within the manufacturing sector exhibited a negative trend; however, in the construction sector, evaluations of orders and/or construction plans improved markedly compared with the previous month, despite expectations of a decrease in company employment. According to quarterly assessments of manufacturing entrepreneurs on adverse factors affecting exports, the fourth quarter saw a reduction in the share of companies reporting difficulties in selling abroad.

FIGURE 3. INDUSTRIAL PRODUCTION, SERVICES, AND CONSTRUCTION INDEX. Seasonally adjusted data, base index numbers 2021=100.



Source: Istat

FIGURE 4. EMPLOYMENT AND UNEMPLOYMENT RATES. Seasonally adjusted data, percentage values



Source: Istat

Foreign trade is experiencing growth, albeit with notable variances across different sectors. During the August-October period, both exports and imports of goods exhibited positive but minimal average growth in value, with increases of 0.2% and 0.3%, respectively, compared with the preceding three months, despite a significant decline in August. Over the first 10 months of the year, exports of Italian products rose by 3.4% year-on-year, while imports increased by 3.7%. There has been also a rise in trade volumes, with exports modestly up 0.6% and imports up 1.9%. This was offset by an increase in average unit values, which was more pronounced for exports (2.8%) than for imports (1.8%).

In terms of volumes, there was a modest increase in goods exports to both EU and non-EU countries, by 0.8% and 0.4%, respectively. On the import side, a decrease in the volume of goods imported from EU countries (-0.3%) was offset by a significant increase from non-EU countries, which rose by 4.6%.

The overall trends in foreign sales reveal substantial disparities across sectors: in the first ten months of the year, the notable upward trend in pharmaceutical exports (+33.7%), (seethe Focus on *The role of pharmaceuticals in Italy's trade dynamics)*, along with transportation equipment other than motor vehicles (+12.7%), metals and metal products (+7.5%), food products (+4.7%), and wood products (+0.5%), was offset by declines in other manufacturing sectors. The most pronounced decreases were observed in motor vehicles (-9.7%) and coke and petroleum products (-12.3%).

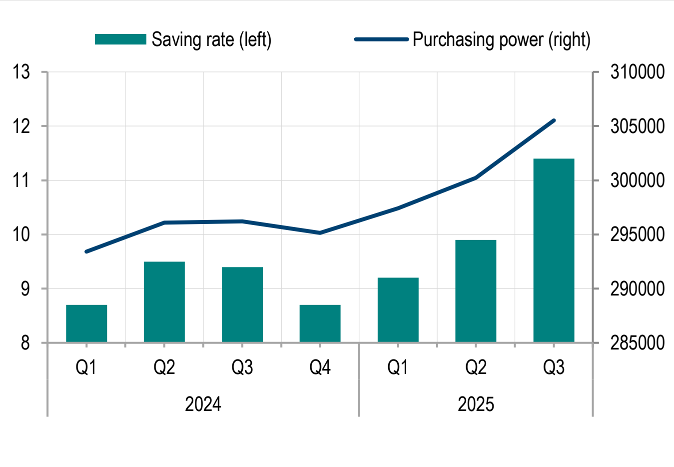
On the import side, increases was more widespread across sectors than for exports. Imports also experienced a significant surge in pharmaceutical products (+44.6%) and, to a lesser extent, food products (+7.9%), contrasted with a decline in coke and petroleum products (-12.0%), as well as computers, electronic, and optical devices (-3.1%), and motor vehicles (-1.7%).

Employment declined after two months of growth. The number of employed fell to 24,188,000 in November. This decline affected women and all age groups, except those aged 25-34. By professional category, employment declined among temporary employees and the self-employed, whereas it remained largely stable among permanent employees. The employment rate decreased to 62.6% (Figure 4). Compared with October, unemployment declined for men and women and for individuals of all ages, except those aged 25-34. On a monthly basis, the total unemployment rate in Italy, which in the euro area decreased to 6.3% (-0.1 percentage points), declined to 5.7% (-0.1 percentage points), with youth unemployment dropping to 18.8% (-0.8 percentage points). Additionally, the inactivity rate to 33.5% (+0.2 percentage points) compared to October.

In the quarterly analysis, the September-November period saw a 0.3% quarter-on-quarter increase in employment, totalling 66,000 individuals, which primarily affected women, permanent employees, the self-employed, and those aged 25-34 and 50 and over. This employment growth coincided with a decrease in the number of job seekers (-3.1%, or 48,000) and significant stability in the number of inactive persons.

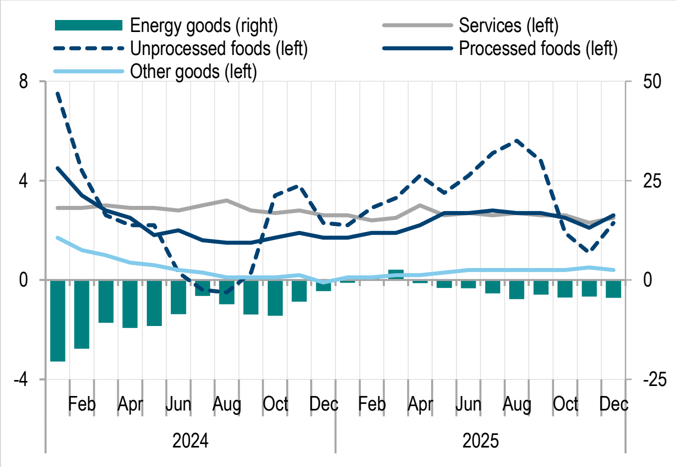
In November, the number of employed increased by 179,000 (+0.7%), resulting in a 0.3 percentage-point increase in the employment rate. The unemployment rate declined by 106,000 year over year. Compared with the previous year, the unemployment rate fell by 0.4 percentage points and by 2.3 percentage points among young people. The number of inactive individuals decreased by 0.3% (approximately 35,000 individuals) over the year, while the inactivity rate which is among the highest in Eu.remained stable

FIGURE 5. HOUSEHOLD SAVING RATE AND PURCHASING POWER. Chain-linked values, millions of euros and percentage values



Source: Istat

FIGURE 6. CONSUMER PRICE INFLATION IN ITALY. Price index for the entire community NIC: trends and changes.



Source: Istat

Household spending on final consumption increased modestly in the third quarter of 2025 relative to the preceding three months (+0.3%). Disposable income for consumer households rose quarter-on-quarter by 2.0%. The propensity to save among consumer households is estimated at 11.4%, up 1.5 percentage points from the previous quarter (Figure 5). In light of a 0.2% increase in the implicit consumption deflator, household purchasing power improved by 1.8% compared to the prior quarter.

Consumer confidence improved in December. There was a widespread improvement in sentiment among consumers across all components, particularly regarding their personal and current situations (increasing from 94.5 to 96.4 and from 98.6 to 100.2, respectively). However, the improvements in the future climate (from 90.2 to 91.6) and the economic environment (from 96.5 to 97.0) were less pronounced.

Retail sales increased in November by 0.5% in value and 0.6% in volume compared with the previous month. This positive trend is evident in both food products, which increased by 0.5% in value and volume, and non-food items, which increased by 0.7% in both categories.

During the September-November quarter, retail sales increased by 0.1% quarter-on-quarter in value, while volume declined by 0.1%. Food sales recorded a modest 0.1% increase in value, accompanied by a 0.2% decrease in volume. Conversely, non-food sales increased by 0.2% in value and 0.1% in volume.

Businesses' employment expectations for December 2025 in the Construction, Retail Trade, and Manufacturing sectors have deteriorated compared to the previous month. However, there has been an improvement in the Market Services sector.

Consumer price inflation is experiencing a slight acceleration. Preliminary estimates indicate that the Harmonised Index of Consumer Prices (HICP) rose 1.2% year on year in December, up from 1.1% in November. This rate remains significantly lower than the euro area average of +2.0%, which was +2.1% in November. In comparison to other major euro area countries, Italy's inflation rate is lower than that of Germany, which stands at +2.0% (up from +2.6% in November), and Spain, with +3.0% (up from +3.2% in November), while it is higher than France's rate of +0.7% (up from +0.8% in November). On average, the inflation rate in Italy is projected to be 1.7% in 2025, up from 1.1% in 2024, while the euro area is expected to record an average rate of 2.1% (up from 2.4% in 2024).

The national consumer price index (NIC) exhibited a similar trend, rising by 1.2% in December, compared with 1.1% in November, reflecting a 0.2% increase from the previous month (which saw a 0.2% decrease). In 2025, provisional data on NIC consumer prices indicate an increase by 1.5%, compared with 1.0% in 2024.

Signs of a recovery in food prices are evident. Food prices accelerated, rising by 2.4% in December, up from 1.8% in November, with an average increase of 3.7% recorded in the third quarter. This upward trend is observed in both unprocessed food (2.3% increase from 1.1%) and processed food (2.6% increase from 2.1%). Compared with the previous month, the increase is 0.2%, up from 0.1% in November.

Energy prices are experiencing a decline. In December, they decreased by 4.5% year-on-year, following a 4.2% decline in November. There was a slight increase compared with the previous month, rising by 0.1 percentage point (from 0.6% in November). Inflation for other goods remains low and stable, at 0.4% in December, consistent with the average over the past six months, while price growth has remained flat following the 0.1% decrease in November.

Service prices increased by 2.5% in December year-on-year, up from a 2.3% rise in November. On a quarterly basis, prices increased by 0.3%, following a 0.7% decrease in November. This upward trend is primarily attributable to a notable acceleration in transport-related service prices, which rose by 2.6%, compared with a 0.9% increase in November. This rise was only partially offset by a slight decline in the price dynamics of recreational, cultural, and personal care services, which experienced an increase of 2.7%, down from 3.0% in the preceding month, as well as housing-related services, which also recorded a rise of 2.7%, compared to 2.9% in November.

There has been a sustained increase in shopping basket prices. Due to rising food costs, the shopping basket inflation rate rose to 2.2% in December, up from 1.5% in November. Consequently, the divergence from the overall index has widened to 1.0 percentage points, compared to 0.4 points in November.

Core inflation, which excludes the most volatile components such as unprocessed food and energy, remained relatively stable at 1.8% in December, up from 1.7% in November. The average change projected for 2025 is 1.9%, up from 2.0% in 2024.

Imported product prices continued to decline, falling 0.3% year-on-year in October, compared with a 0.2% decline in September. This related indicator has reached its lowest level since November 2021. The year-on-year reduction of 2.7% (compared to 2.5% in September) is attributed to a significant decline in the energy sector, which saw a drop of 12.4% in October, down from 10.8% in September, and, to a more limited extent, in the non-energy sector, which declined by 1.0%, slightly improved from 1.1% in the previous month.

In November, industrial producer prices declined 0.2% year-on-year, compared with an increase of 0.1% in October. This decline was driven by a 2.9% decline in the energy sector, compared with a 1.2% decrease in October. Meanwhile, the non-energy sector experienced a moderate acceleration, rising 1.0% from 0.7% in the prior month.

Consumers are increasingly anticipating a decline in inflation. In December, the share of individuals expecting a decrease in inflation over the next 12 months increased relative to the prior 12 months, with 43.2% anticipating a price reduction, up from 41.5% in November. Conversely, expectations of an increase decreased to 41.8%, down from 43% in November, while expectations of stability also declined to 13.2%, from 13.7%.

Among businesses, there is a growing intention to increase their price lists. In December, the balance between the share of businesses indicating plans to raise their price lists within the next three months and those planning a decrease improved across all sectors: in manufacturing (from 5.9 in November to 9.4 percentage points in December), construction (from 4 to 4.3), retail trade (from 11.8 to 14.3), and market services (from 3.3 to 4.7). The proportion of businesses intending to maintain stable price lists decreased in manufacturing (from 85.7% to 81.8% in December) and in retail trade (from 83.5% to 78.7%), while it increased in services (from 87.7% to 90.3%) and remained virtually unchanged in construction (from 91.6% to 91.7%).

focus

THE ROLE OF PHARMACEUTICALS IN ITALY'S TRADE DYNAMICS*

In recent years, the global trade in pharmaceutical products has exhibited notable dynamism; this trend has also been observed in Italy, where pharmaceutical imports and exports have shown greater activity than in other manufacturing sectors. Foreign trade statistics for the first ten months of 2025 indicated a 33.7% increase in pharmaceutical exports, while national exports of goods rose by 3.4% in value. This sector was among the few to experience significant growth, alongside food, metal products, and transportation equipment (excluding motor vehicles).

A comparable trend was observed for imports, which grew by 3.7%, in contrast to a substantial 44.6% increase in pharmaceutical. Excluding pharmaceuticals, between January and October of the previous year, Italy's year-on-year trade in goods showed a positive yet modest increase (+0.6% for exports; +0.5% for imports).

The favourable trend in the Italian pharmaceutical sector is also corroborated by its industrial production data. Between January and October 2025, the sector's industrial production index increased by 1.6% year on year, in contrast to a 1.0% decline across the manufacturing sector as a whole.

A significant increase in pharmaceutical trade was recorded in 2024, characterised by an overall decline in exports and imports (-0.5% and -3.0%, respectively), alongside a rise in foreign sales and purchases of pharmaceutical products (9.7% and 10.9%, respectively). Notably, the robust momentum of Italian exports extends beyond the past two years, with growth rates surpassing the European average for the sector for over a decade.

These trends have led to a notable increase in the pharmaceutical sector's contribution to Italy's trade. Exports, which represented less than 5.0% of total exports in 2015, accounted for 8.7% of total outflows in 2024, and this percentage rose to 10.9% in the first ten months of 2025. Regarding imports, the share increased from 6.0% to 7.4% between 2015 and 2024, and in the first ten months of 2020, it reached 10% of total Italian purchases from abroad.

These trends were particularly pronounced in the pharmaceutical trade with the United States. Specifically, Italian exports of pharmaceutical products to the US market have gradually increased in value over the past decade, with a marked acceleration following the COVID-19 pandemic (Figure F1). Between 2022 and 2024, they experienced an average growth rate of over 30% (compared with the EU average of +17.7%). During the same period, pharmaceutical imports saw an even more significant increase (+40.5% compared to the European average of +16.7%).

In 2024, the United States was the main destination and origin market for Italian pharmaceutical products, accounting for nearly 20% of both total exports and imports and approximately 40% of total exports to non-EU countries. The significance of the United States as a destination/origin market for pharmaceutical products has also grown notably over the past decade; in 2015, the US accounted for 7.7% of Italian pharmaceutical exports and 14.8% of Italian imports.

During this period, Italy has also enhanced its role within the EU as a trading partner of the United States, positioning itself among the top five countries of origin and destination for European pharmaceutical products, alongside Germany, Ireland, Belgium, and the Netherlands[1]. In 2024, Italy accounted for over 8.0% of total EU exports to the United States and absorbed 15.2% of imports, up from 3.7% and 11.3%, respectively, in 2015.

This increase, it is important to note, was also influenced by the climate of significant uncertainty surrounding the potential introduction of tariffs on pharmaceutical products by the US administration[2], which led to an acceleration in

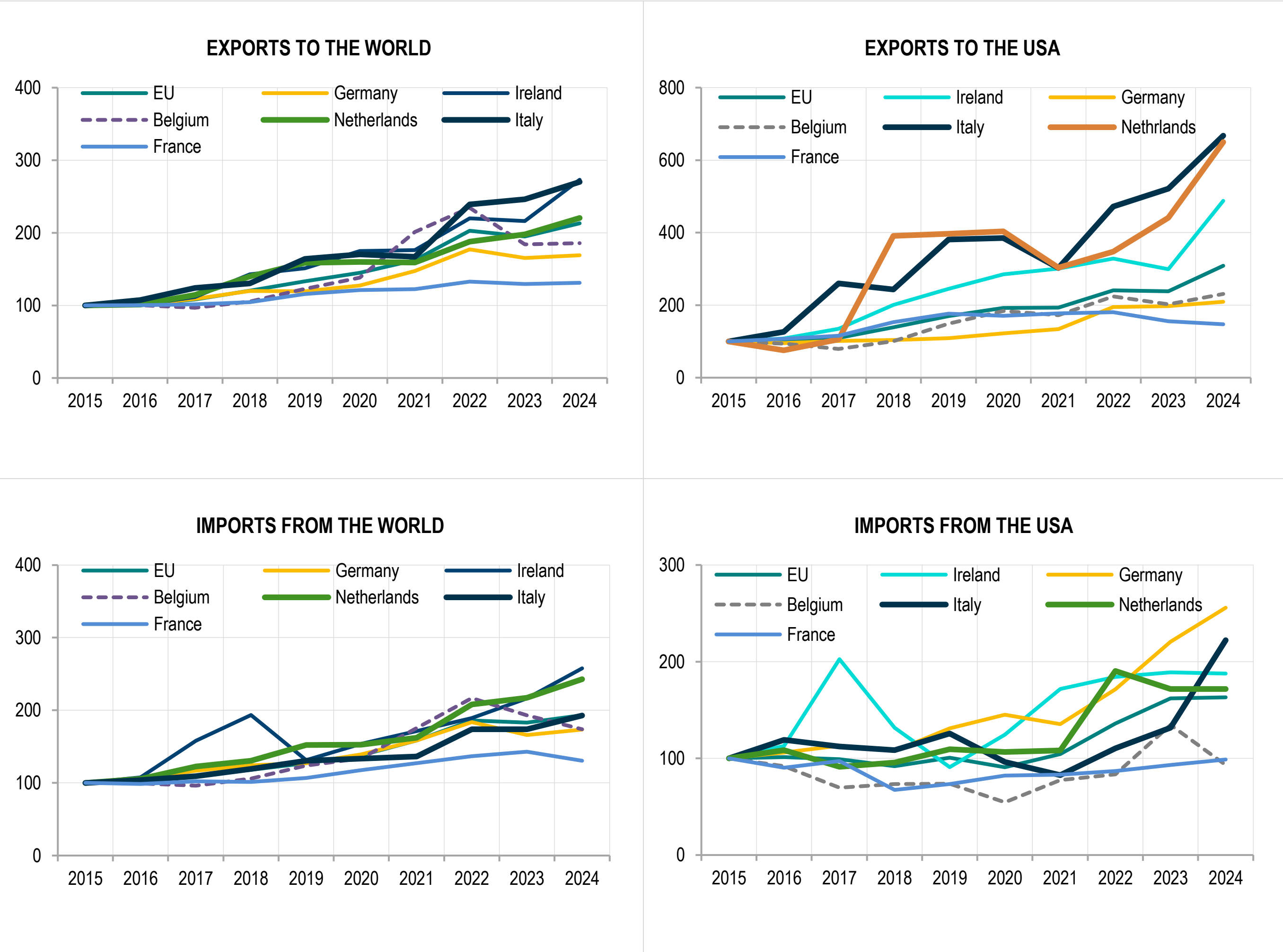
Focus by Francesca Luchetti.

[1] When referring to countries such as Belgium and the Netherlands, it is important to consider that the transactions of these nations and their significance in trade are influenced by the presence of the ports of Antwerp and Rotterdam. These ports serve as transit points for goods to and from the EU, which are subsequently re-exported within the Union—referred to as the "Rotterdam Effect." (https://ec.europa.eu/eurostat/statistics-explained/index.php?title=International_trade_statistics_-_background). It is also noteworthy that Ireland has emerged as a significant strategic hub, primarily due to the strong presence of multinationals, accounting for over 40% of total European pharmaceutical exports to the US market.

[2] In August, a formal agreement was reached between the EU and the U.S., which established a tariff on pharmaceutical products capped at 15%, with an exemption for generics set to take effect on September 1, 2025. For Italian companies, this agreement translates to a lower tariff burden than previously anticipated; however, it still represents an additional cost that must be managed within their production and commercial strategies. For further information regarding the agreement between the European Union and the United States, please refer to the relevant sources. https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21_en

trade, particularly in the initial part of the year (i.e. front-loading) (Figure F2). This increase, however, was followed by a decline in exports beginning in the summer months.

FIGURE F1. TRADE IN VALUE OF PHARMACEUTICAL PRODUCTS BETWEEN ITALY AND MAIN EU COUNTRIES TOWARDS THE WORLD AND THE UNITED STATES. Years 2015-2024 (index numbers 2015=100)



Source: Elaborations on Eurostat data

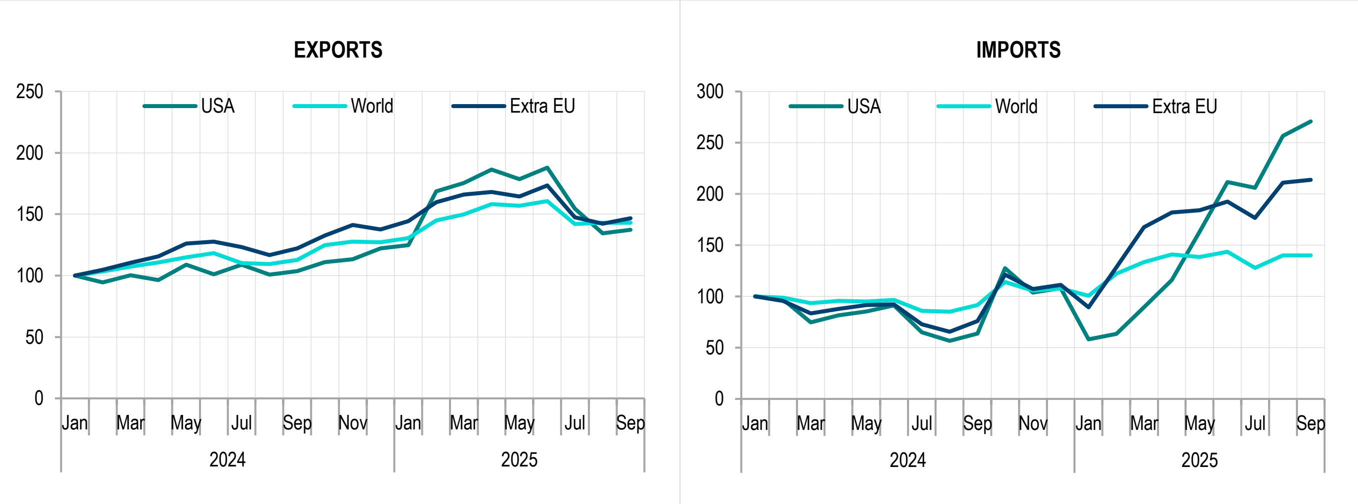
When analysing trade dynamics in the pharmaceutical sector, it is essential to highlight the particularly significant role of multinational companies. In Italy, pharmaceutical companies controlled by foreign multinationals accounted for more than a quarter of all Italian-based companies in 2023 (27.1%)[3]; they employed 52.9% of the sector's total workforce and generated 47.6% of its turnover, 45.9% of its total added value, and 45.5% of its R&D expenditure.

Half of these companies were part of foreign multinational groups headquartered in EU countries, and nearly a quarter (24%) belonged to groups based in North America. Moreover, exports by foreign-controlled units comprised more than half of the sector's sales (61.4% in 2023) and 71.2% of its imports.

Additionally, a significant portion of foreign trade flows in pharmaceutical products (approximately 44% in 2023) is attributable to intra-group trade.

[3] Please refer to the Report titled "Structure and Competitiveness of Multinational Enterprises. Year 2023," published in November 2025. The report can be accessed at the following link: https://www.istat.it/comunicato-stampa/struttura-e-competitivita-delle-imprese-multinazionali-anno-2023/

FIGURE F2. MONTHLY TRADE OF PHARMACEUTICAL PRODUCTS IN ITALY BY DESTINATION/ORIGIN MARKET. January 2024 - October 2025. Index numbers for January 2024 = 100 (moving averages)



Source: Elaborations on Istat data

More generally, considering the substantial influence of foreign-controlled multinationals on production and, even more significantly, on trade within the pharmaceutical sector (both total and intra-group), the strategies they implement globally to navigate US tariffs could have a considerable impact on trade dynamics in this sector in the forthcoming months.

For technical and methodological clarifications

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