



ASSOLOMBARDA

BOOKLET ECONOMIA **Forecasts**

*Lombardy in comparison with Italian
and European benchmarks*

Edited by
Economic Research Area

N° 4/April 2026



BOOKLET ECONOMIA

Forecasts

Lombardy in the national and European comparison

Executive Summary

Executive Summary

THE CONFLICT IN THE MIDDLE EAST WEAKENS GROWTH PROSPECTS FOR 2026, WITH THE GREATEST IMPACT ON INDUSTRY. OVERALL, LOMBARDY'S GDP REVISED DOWNWARD FROM +1.0% TO +0.6%.

The conflict in the Middle East, now in its eighth week, is undermining global economic growth prospects, with inevitable repercussions for Italy and Lombardy. The Iranian crisis has led to a rapid escalation in energy prices, reduced business and consumer confidence—further increasing uncertainty—and put global supply chains and trade at risk due to the closure of the Strait of Hormuz. These factors particularly weigh on the industrial sector. It is also worth noting that this shock comes at a time when the Lombard economy was showing consistent signs of a new momentum, with the recovery of manufacturing production and the boost from the Olympics to services.

The duration of the conflict and, above all, its repercussions in the Gulf region will therefore be crucial in determining how much the Iranian crisis will slow down the recovery that was underway.

In a scenario where the conflict lasts three months, we estimate that the Lombard economy will grow by 0.6% in 2026, above the national average (+0.3%), but significantly lower than the +1.0% forecast in January. The shock hits Lombardy, and Northern Italy in general, harder than the rest of the country due to the higher concentration and exposure of industry in these areas. Increased uncertainty means the impact also spreads to services on the supply side and to consumption and investment on the demand side, with growth in the latter being particularly revised downward for 2026. As in the January estimates, the annual increase for the economy of Assolombarda's 'Quadrilatero' is expected to be above the regional average, but it is also revised downward from +1.6% to +1.0%.

The Lombardy outlook thus remains within the Eurozone average, which, according to ECB forecasts, is expected to expand between +0.9% (most favorable scenario) and +0.4% (least favorable scenario).

| 2026 GDP forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|---|--------------|-------------|
| LOMBARDY | +1.0 | +0.6 |
| Assolombarda territories | +1.6 | +1.0 |
| Milano | +1.7 | +1.1 |
| Monza Brianza | +1.4 | +0.6 |
| Lodi | +0.7 | +0.4 |
| Pavia | +0.9 | +0.4 |

Source: Assolombarda Economic Research Area

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THE CONFLICT IN THE MIDDLE EAST WEAKENS GROWTH PROSPECTS FOR 2026, WITH THE GREATEST IMPACT ON INDUSTRY. OVERALL, LOMBARDY'S GDP REVISED DOWNWARD FROM +1.0% TO +0.6%.

From a sectoral perspective, we expect the Iranian crisis to primarily impact industry, with greater repercussions in Lombardy compared to the rest of Italy. The sector's exposure is higher in the North, both due to a production structure more subject to energy and intermediate goods price hikes (and related supply difficulties) and a greater propensity for international trade. Expected growth in Lombardy for industrial value added is therefore halved from +0.8% to +0.4%. The forecast for Lombard services is also revised downward from +1.0% to +0.6%, with the tertiary sector being held back mainly by business services and, more generally, by the deterioration of confidence, which follows the acceleration brought by the Winter Olympics.

We estimate that the slowdown in economic activity will have milder repercussions on the labor market. Expectations for regional employment in 2026 now stand at +0.3%, down from the +0.5% forecast before the conflict. The scenario was, in any case, one of moderate growth after reaching a record peak of 4.57 million workers in 2025, with the unemployment rate at a frictional level of 3.0%.

Finally, we forecast a limited impact on regional consumption in 2026, expected at +1.0%, compared to the +1.1% estimated in January. Inflation is expected to be relatively contained (for now) and, in any case, to weigh less on consumption by Lombard households compared to those in Central and Southern Italy.

| 2026 Employment forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|--|-----------|-------------|
| LOMBARDY | +0.5 | +0.3 |
| Assolombarda territories | +1.3 | +1.1 |
| Milano | +1.9 | +1.4 |
| Monza Brianza | +0.7 | +0.2 |
| Lodi | +0.3 | -0.2 |
| Pavia | +0.4 | +0.2 |

Source: Assolombarda Economic Research Area

The Territories in Detail

MILANO

The new forecasts show Milan's annual GDP expanding by 1.1%, nearly double the Lombardy average, but significantly lower than the January expectations (+1.7%). This is primarily due to the impact of the crisis on industry, which would be particularly pronounced in the Metropolitan City, and a concurrent slowdown in exports. Compared to the Lombardy average, Milan's exports are more directly exposed to the conflict area in the Middle East, where 6.1% of total metropolitan foreign sales are directed. The forecast already incorporates the contribution of the Milan Cortina Winter Olympics and, in general, still anticipates a positive contribution from the tertiary sector.

On the employment front, expansion in 2026 is estimated at 1.4%, less than previously forecast (+1.9% in January), but still substantial compared to the regional average.

MONZA BRIANZA

The economic expansion of Monza and Brianza in 2026 is revised to 0.6%, down 0.8 percentage points from the January estimate and now in line with the Lombardy average. In this scenario, the transmission of the shock occurs mainly through industry, whose growth is significantly reduced, and the repercussions on exports. From a commercial perspective, Monza's manufacturing sector has a substantial exposure to the conflict area, where 4.9% of provincial exports are directed—a figure that rises for some distinctive local sectors such as mechanics, chemicals, and design-furniture.

On the employment front, the number of workers in the area is estimated to increase by 0.2% in 2026, less than the January expectations (+0.7%), but in line with the Lombardy average.

| 2026 GDP forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|---|--------------|-------------|
| LOMBARDY | +1.0 | +0.6 |
| Milano | +1.7 | +1.1 |

Source: Assolombarda Economic Research Area

| 2026 GDP forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|---|--------------|-------------|
| LOMBARDY | +1.0 | +0.6 |
| Monza Brianza | +1.4 | +0.6 |

Source: Assolombarda Economic Research Area

The Territories in Detail

LODI

A downward revision compared to the pre-conflict estimate affects the forecasts for the province of Lodi in 2026, which now stand at 0.4% growth (0.7% in January). The impact thus appears relatively moderate, partly thanks to the specialization of provincial manufacturing in some acyclic sectors potentially more insulated from the shock, although the food sector is among the most exposed in the event of a prolonged conflict. In terms of foreign trade, Lodi's exposure to Middle Eastern countries involved in the conflict is limited to 1.7% of total exports.

On the employment front, the weak growth expectations formulated before the conflict (+0.3%) have turned into forecasts of a -0.2% contraction.

PAVIA

The forecast for Pavia's economy is revised downward to +0.4% from the +0.9% estimated in January, remaining slightly below Lombardy's growth. This adjustment is the result, as in the rest of the region, of a reduced push from manufacturing, but also of a downward revision for the tertiary sector, whose expansion is particularly scaled back in business services. From a commercial perspective, direct exposure to the conflict area concerns 4.4% of territorial exports, with potential vulnerabilities especially in mechanics.

In employment terms, the scenario forecasts a 0.2% increase in the number of employed (down from +0.4% in January).

| 2026 GDP forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|---|--------------|-------------|
| LOMBARDY | +1.0 | +0.6 |
| Lodi | +0.7 | +0.4 |

Source: Assolombarda Economic Research Area

| 2026 GDP forecasts (year-on-year % var.) | Jan. 2026 | April 2026 |
|---|--------------|-------------|
| LOMBARDY | +1.0 | +0.6 |
| Pavia | +0.9 | +0.4 |

Source: Assolombarda Economic Research Area

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BOOKLET ECONOMIA

Forecasts

*Lombardy in the national and European
comparison*

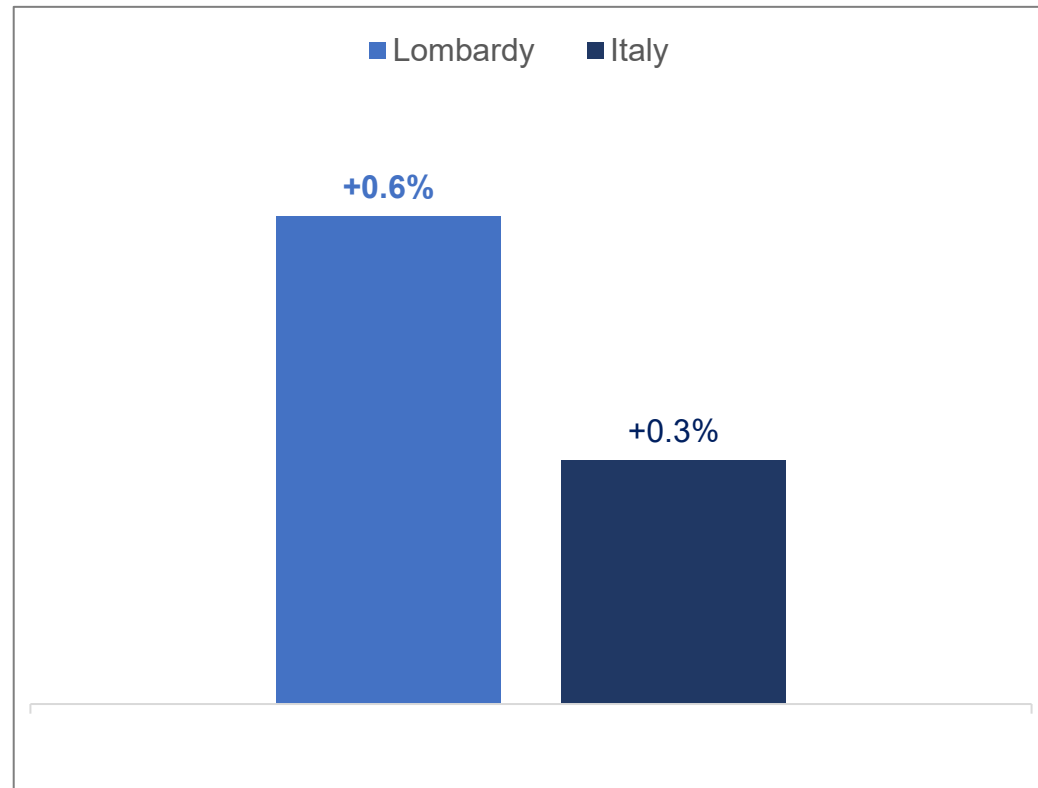
GDP, employment and consumption forecasts

April 2026

GDP forecasts

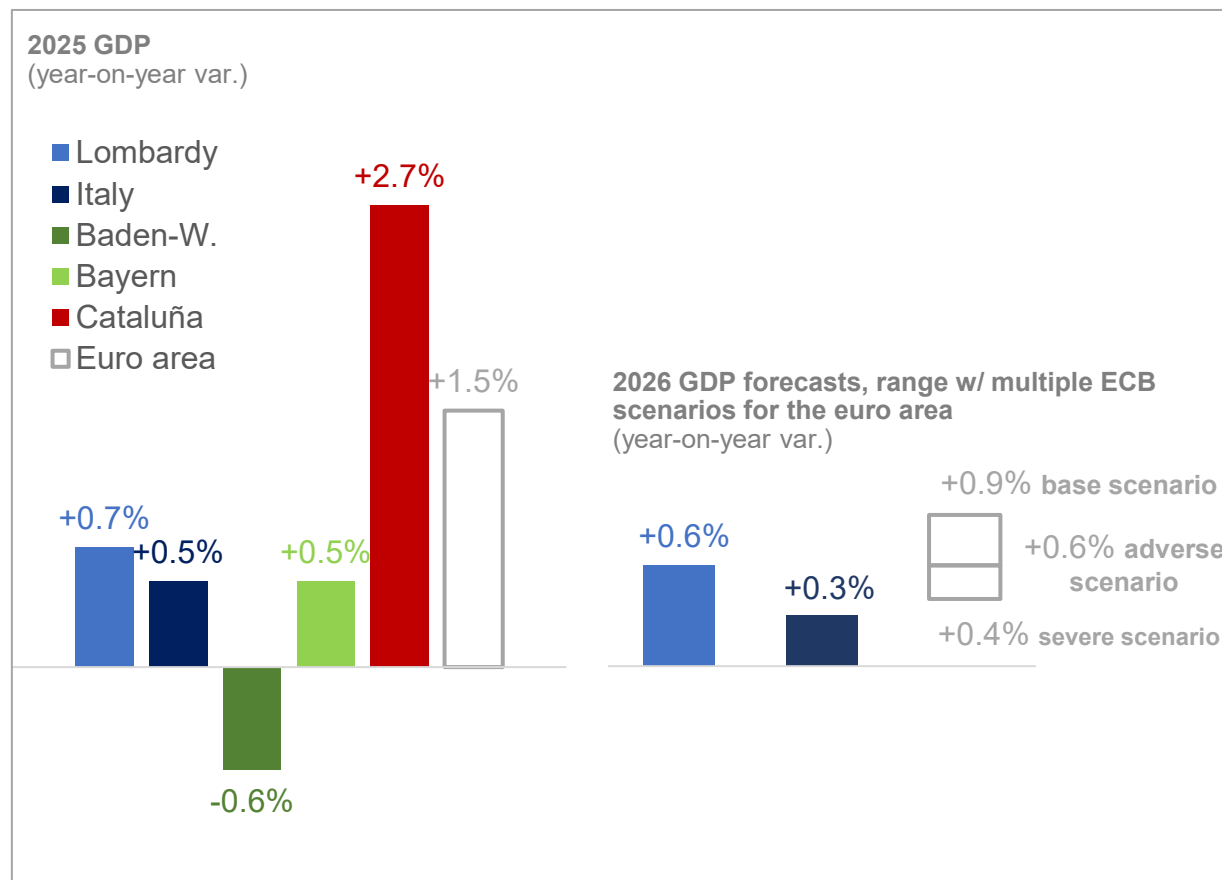
GDP / 2026

GDP, 2026 forecast
(year-on-year var.)



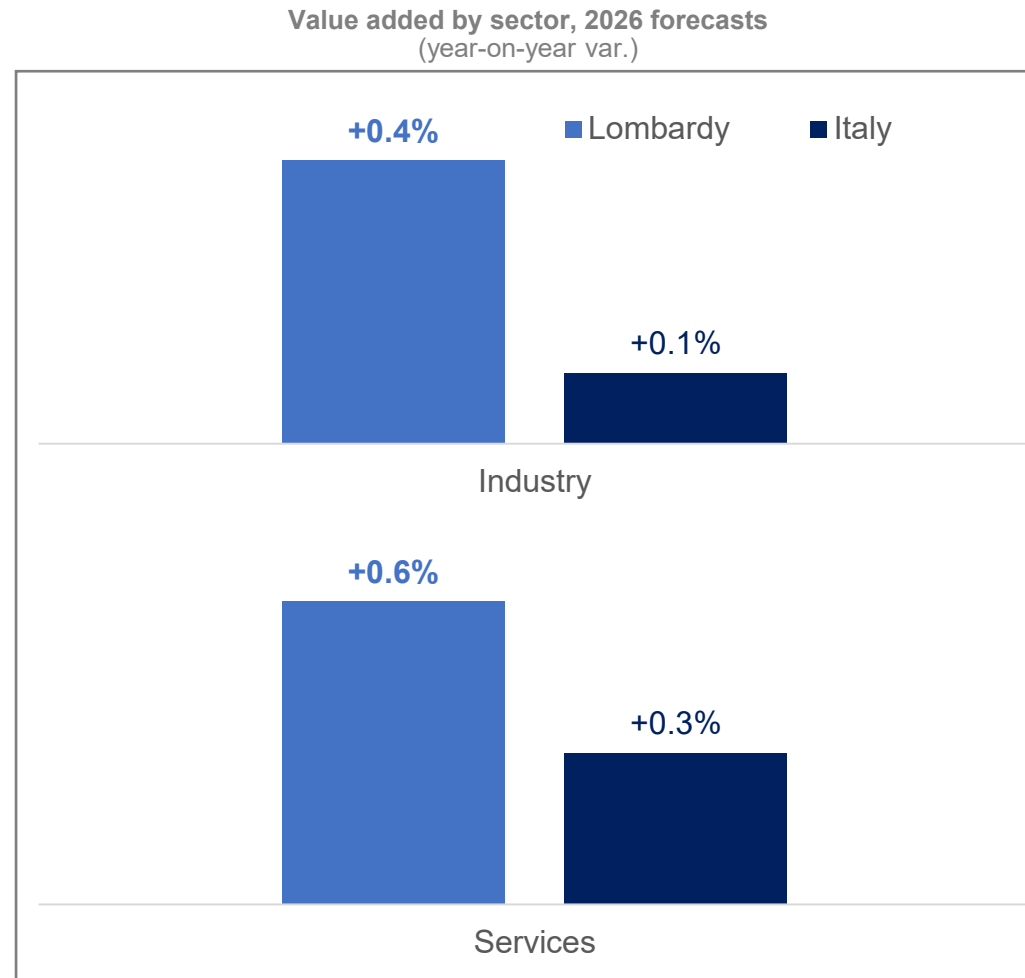
GDP forecasts

GDP COMPARISON WITH BENCHMARK EUROPEAN REGIONS AND THE EURO AREA / 2025 – 2026



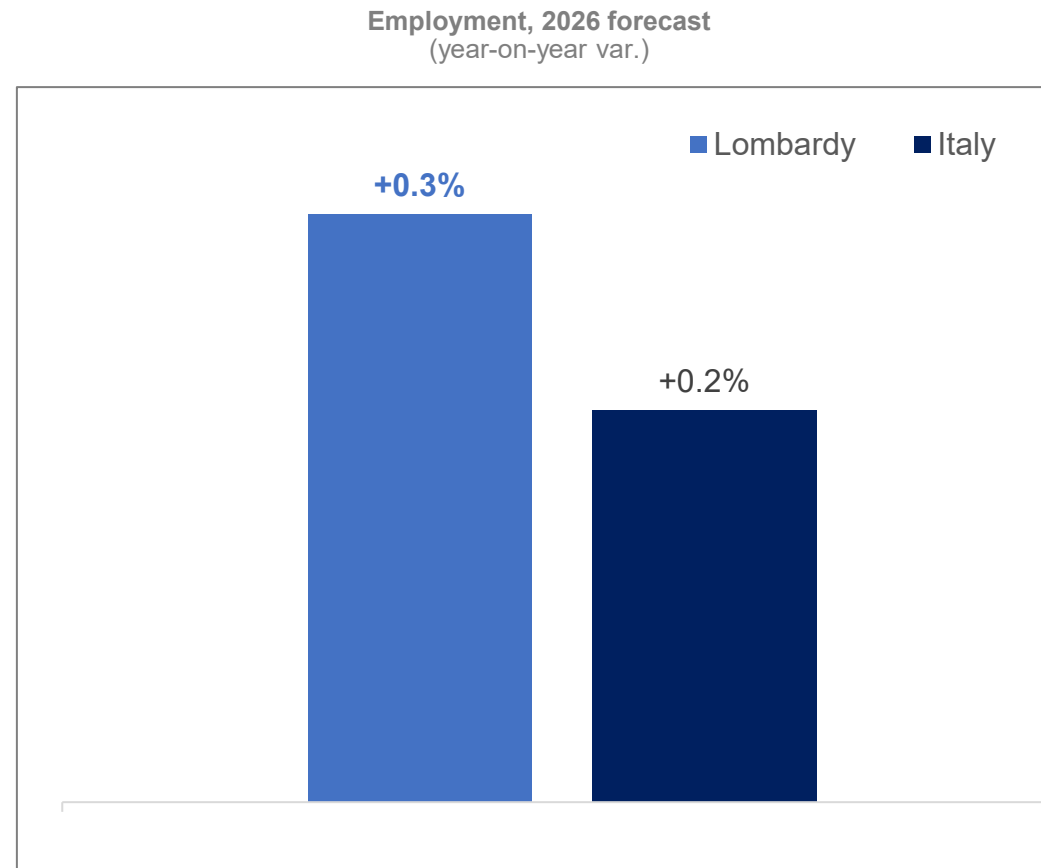
Forecasts by sector

VALUE ADDED BY SECTOR / 2026



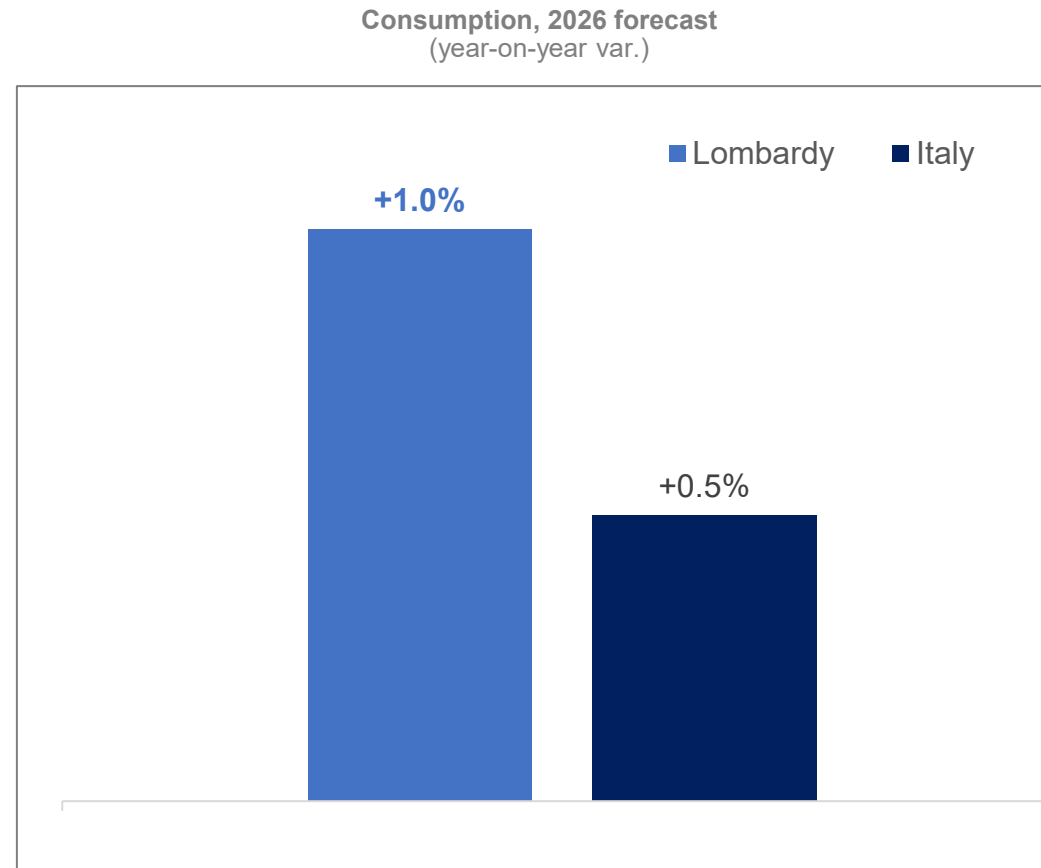
Employment forecasts

EMPLOYMENT / 2026



Consumption forecasts

CONSUMPTION / 2026



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Forecasts

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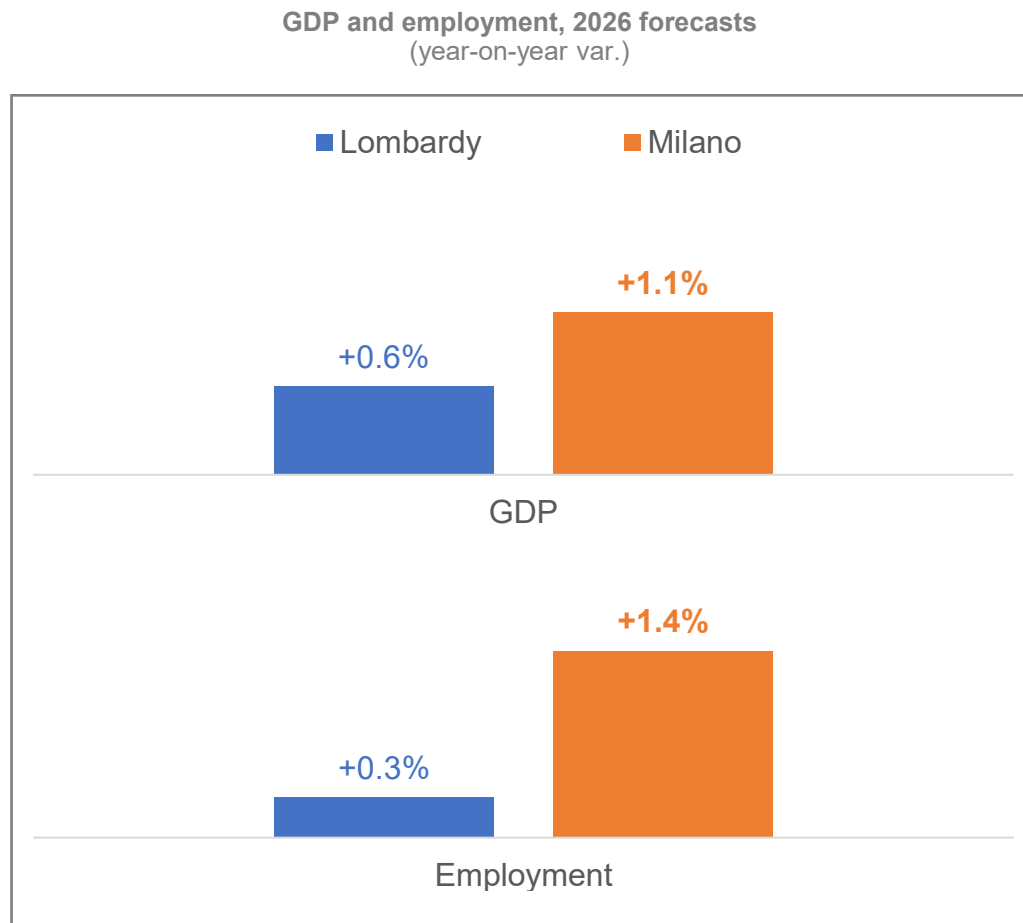
Focus Milano

GDP and employment forecasts

April 2026

Focus Milano: GDP and employment forecasts

GDP AND EMPLOYMENT / 2026



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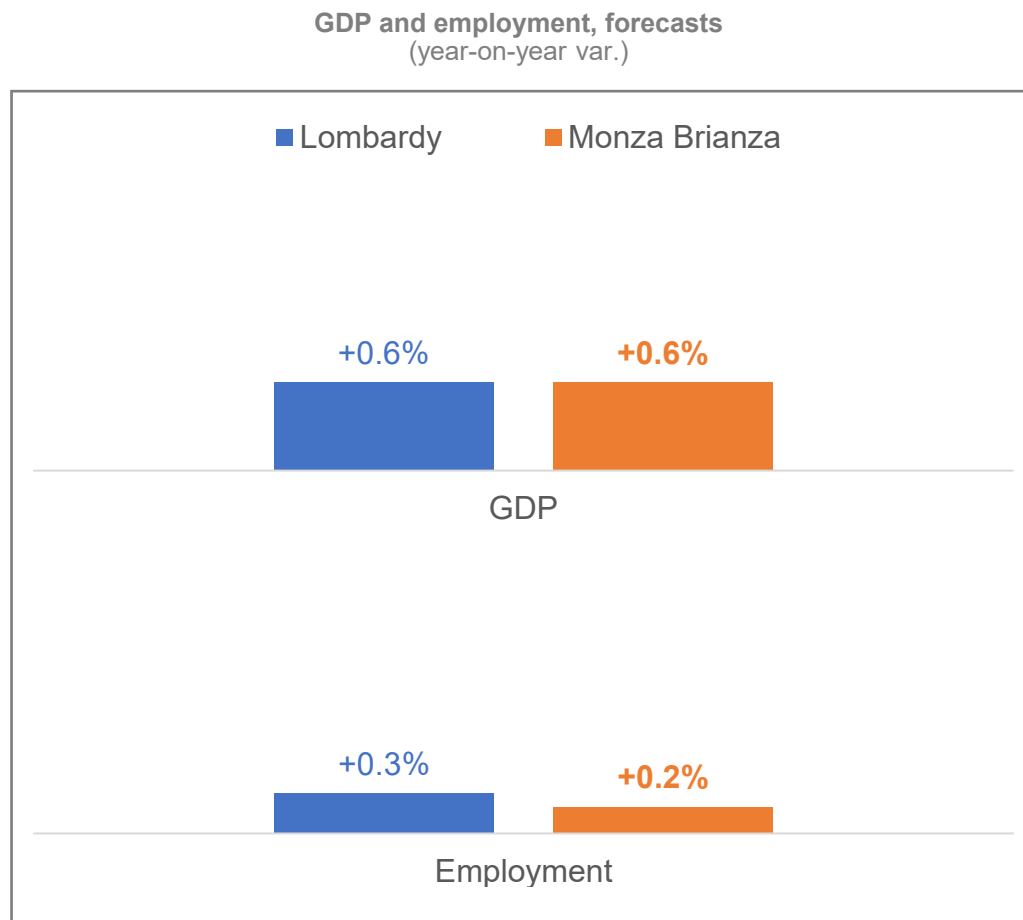
Focus Monza Brianza

GDP and employment forecasts

April 2026

Focus Monza Brianza: GDP and employment forecasts

GDP AND EMPLOYMENT / 2026



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*Lombardy in the national and European
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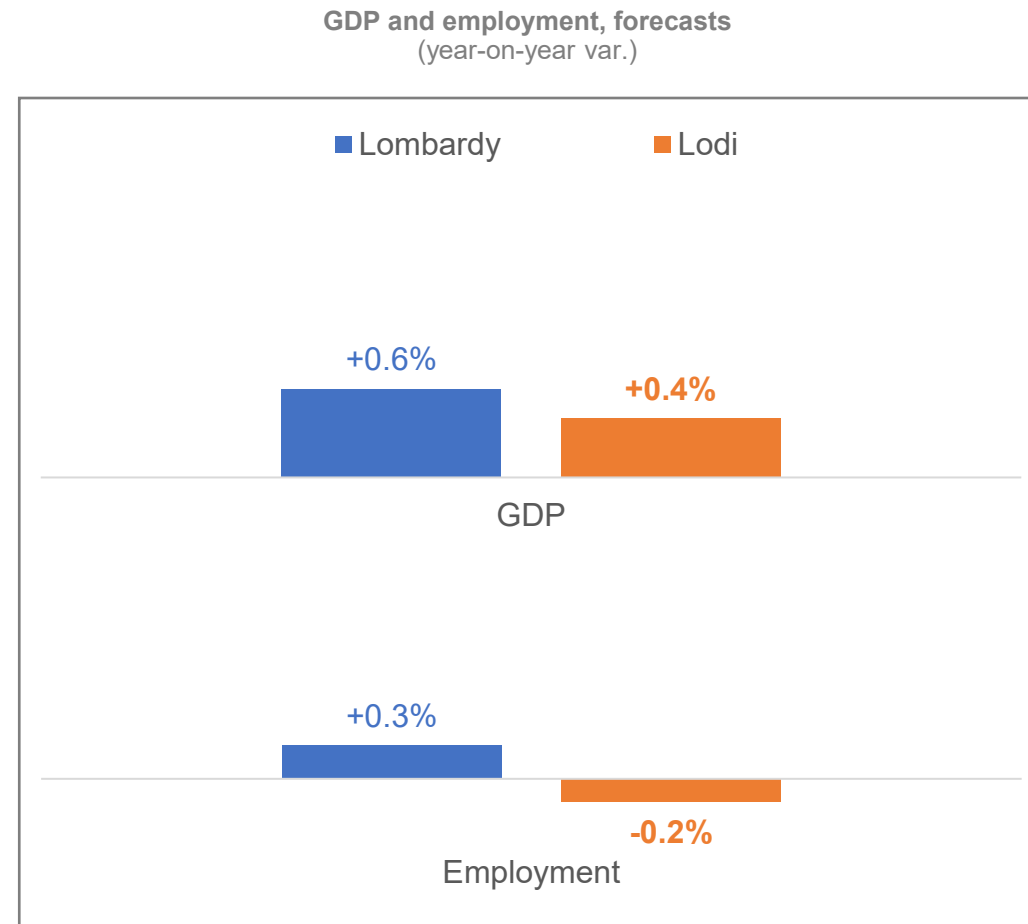
Focus Lodi

GDP and employment forecasts

April 2026

Focus Lodi: GDP and employment forecasts

GDP AND EMPLOYMENT / 2026



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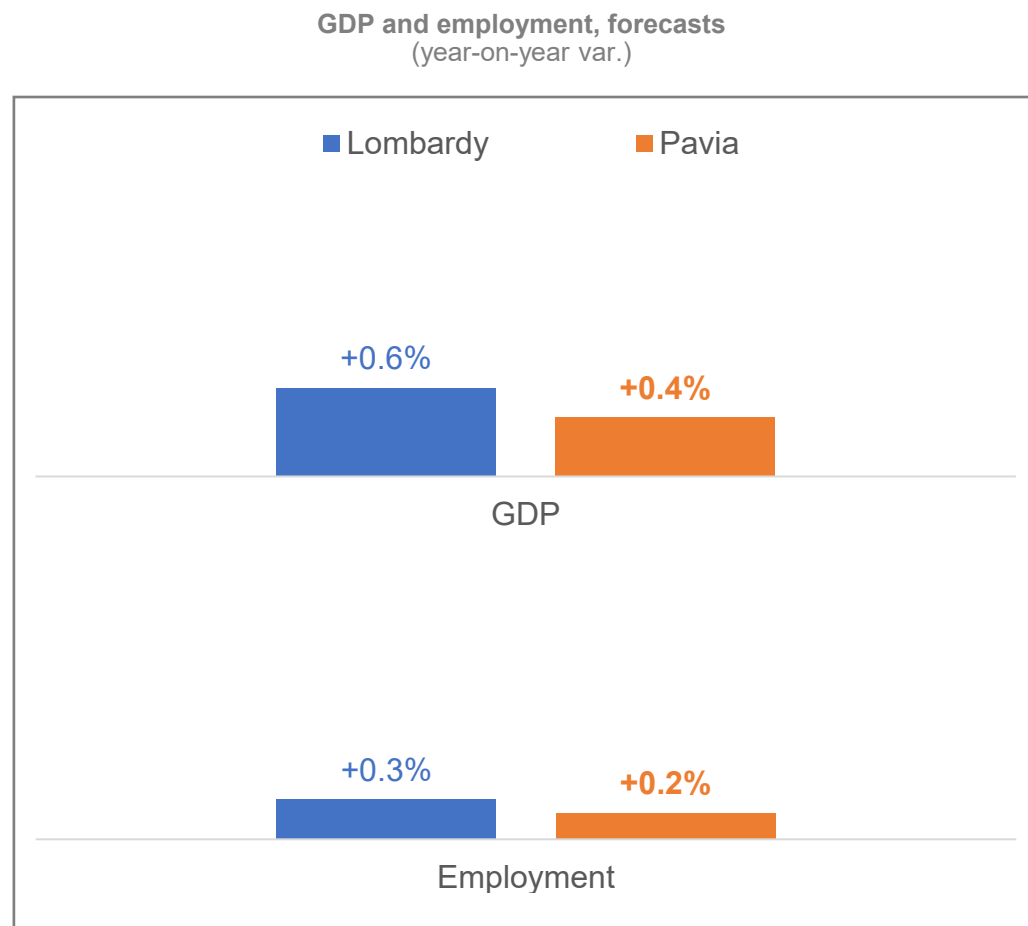
Focus Pavia

GDP and employment forecasts

April 2026

Focus Pavia: GDP and employment forecasts

GDP AND EMPLOYMENT / 2026



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Lombardy in the national and European comparison

Methodology note

The regional and provincial forecasts reported in this booklet are elaborations by the Assolombarda Economic Research Area, based on macroeconomic forecasts produced by SVIMEZ. Analysis and comments were conducted in collaboration with REF.



ASSOLOMBARDA

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