



ASSOLOMBARDA

BOOKLET ECONOMIA **Forecasts**

*Lombardy in comparison with Italian
and European benchmarks*

Edited by
Research Department

N° 9/October 2025



BOOKLET ECONOMIA

Forecasts

Lombardy in the national and European comparison

Executive Summary

Executive Summary

GDP 2025 REVISED DOWNWARDS WITH BELOW-EXPECTATIONS PERFORMANCE IN SERVICES AND MORE FAVOURABLE ESTIMATES FOR INDUSTRY: +0.5% FOR LOMBARDY AND +0.8% FOR THE ASSOLOMBARDA TERRITORIES. MODEST ACCELERATION IN 2026.

In a context characterised by strong geopolitical pressures and intensifying trade barriers, the global economy proved more resilient than expected during the first half of 2025. This was largely due to a series of goods deliveries being brought forward to early 2025, but this precautionary acceleration likely also resulted in inventory build-up which translated into weaker demand in the latter part of the year, with initial signs of slowdown in industry and global trade. These factors, combined with services and consumption growing more moderately than expected, have led to a slight downward revision of the Lombard GDP forecast for 2025, to +0.5% (down from +0.6% in July), in line with the national average projected by all major forecasters.

For 2026, we confirm a slight acceleration, with +0.8% in Lombardy, where a more favourable trend is expected in consumption and services thanks also to the contribution of the Winter Olympic Games, and +0.7% in Italy, an expansion that will benefit primarily from increased household spending and a rise in investment, driven by the final phase of the NRRP. In both scenarios, the outlook for industry remains weak, with sluggish growth also expected next year. As regards Assolombarda territories, overall annual growth is estimated at 0.8% in 2025 and 1.1% in 2026, also revised downwards from the July forecasts (+1.2% and +1.6%) but still above the regional and national average.

The expansion of the Lombard (and Italian) economy estimated for the 2025-26 biennium remains below the euro area average, which is itself not particularly buoyant (+1.2% and +1.0% according to the ECB's most recent forecasts). However, the European average masks very different speeds amongst countries, and the gaps are also marked between Lombardy and the benchmark regions. On one hand, the latest forecasts for Cataluña indicate GDP growth above 2% in both 2025 and 2026: private consumption, driven by a continuously expanding labour market, more than offsets the decline in foreign demand. On the other hand, the expected recovery for German industry has been postponed: the difficulties in implementing reforms by the new Merz government are also reflected in the first-half 2025 GDP figures for Bavaria and Baden-Württemberg, at -0.4% and -0.8% respectively compared to the first half of 2024.

GDP forecasts (year-on-year % var.)	2025	2026
LOMBARDY	+0.5	+0.8
Assolombarda territories	+0.8	+1.1
Milano	+1.0	+1.2
Monza Brianza	+0.3	+0.8
Lodi	+0.4	+1.0
Pavia	+0.4	+0.9

Source: Assolombarda Research Dept., October 2025

Executive Summary

GDP 2025 REVISED DOWNWARDS WITH BELOW-EXPECTATIONS PERFORMANCE IN SERVICES AND MORE FAVOURABLE ESTIMATES FOR INDUSTRY: +0.5% FOR LOMBARDY AND +0.8% FOR THE ASSOLOMBARDA TERRITORIES. MODEST ACCELERATION IN 2026.

Looking at macro-sectoral dynamics, 2025 sees a reversal of the trend compared to previous scenarios, where industry was expected to decline and services to expand. According to the new forecasts, the outlook for the tertiary sector in Lombardy has been scaled back, with value added growth expected at +0.5% in 2025, showing a slowdown compared to 2024 in both business services and consumer services. At the same time, the outlook for Lombard industry has improved, at least in terms of value added, for which an increase of 0.5% is estimated. However, this forecast should be taken with due caution, considering that regional industry has held up fairly well in the first half of the year, but the full impact of tariffs has yet to materialise, and the most recent industrial production data at Italian level showed a sharp fall in August. There is also the burden of the 'implicit tariff' of a dollar that has depreciated against the euro. On the other hand, PNRR investment provides a boost to industry.

Like GDP, employment forecasts have also been revised slightly downwards: +0.6% in Lombardy from +0.7% estimated in July, just below the Italian average (+0.7%). Given the excellent performance of the labour market in recent years, these figures should still be viewed in a positive light. The estimate incorporates the Istat labour force survey, which in the second quarter of 2025 recorded an unemployment rate of 3.1% in Lombardy, a historic low, and a significant contribution from the manufacturing sector to employment growth (in line with industrial activity that was more positive than expected in the first half of 2025). Consistent with the outlook for economic acceleration, employment growth is expected to continue in 2026 as well, and at a faster pace, at 1.4% in Lombardy and 1.2% in Italy.

Employment forecasts (year-on-year % var.)	2025	2026
LOMBARDY	+0.6	+1.4
Quadrilatero Assolombarda	+0.7	+1,2
Milano	+0.9	+1.3
Monza Brianza	+0.2	+0.8
Lodi	-0.2	+0.2
Pavia	+0.5	+1.0

Source: Assolombarda Research Dept., October 2025

Executive Summary

The Territories in Detail

MILANO

The new forecasts show annual GDP growth of 1.0% for Milan in 2025, still above the estimate for Lombardy (+0.5%), but with a substantial downward revision compared to July's expectations (+1.3%). On this occasion, it is precisely the distinctive element of the area's economy, namely the strong presence of services, that is weighing on the Metropolitan City's outlook, as the sector is experiencing less marked growth than prospects at both national and local level overall. This dynamic is only partially offset by the expected improvement in industry, which, however, remains subject to considerable uncertainty. GDP growth is then expected to accelerate to 1.2% in 2026, driven primarily by services, whilst value added in metropolitan manufacturing will continue to advance slowly. On the employment side, growth for the current year is forecast at 0.9%, less than previously estimated (+1.3% in July), and at 1.3% in 2026.

Forecasts (year-on-year % var.)	2025		2026	
	GDP	Emp	GDP	Emp
Lombardy	+0.5	+0.6	+0.8	+1.4
Milano	+1.0	+0.9	+1.2	+1.3

Source: Assolombarda Research Dept., October 2025

MONZA BRIANZA

Economic growth in Monza and Brianza in 2025 has been revised to 0.3%, down from the July estimate (+0.5%) and slightly below the Lombard average (+0.5%). The weakening of services is accompanied by prospects of substantial stagnation for industry: in this phase of global disorder, the province's manufacturing sector is hampered by its strong international exposure, with exports already in sharp decline in the second quarter of 2025 and further threatened by the actual implementation of new US tariffs. Provincial GDP growth is then expected to rise to 0.8% in 2026, with positive contributions from services, which are accelerating, and from industry, which is recovering. On the employment front, the dynamics of which roughly follow those of GDP, the number of workers in the area is expected to increase by only 0.2% this year and 0.8% next year.

Forecasts (year-on-year % var.)	2025		2026	
	GDP	Emp	GDP	Emp
Lombardy	+0.5	+0.6	+0.8	+1.4
Monza Brianza	+0.3	+0.2	+0.8	+0.8

Source: Assolombarda Research Dept., October 2025

Executive Summary

The Territories in Detail

LODI

A downward revision also affects the forecasts for the province of Lodi in 2025, which now stand at +0.4% for GDP, slightly below the regional average (+0.5%). The area's industry is weighed down by the negative performance of exports (-7.5% in the second quarter compared to a year earlier), a significant factor considering the importance of foreign demand for the province's manufacturing sector, whilst services will continue with modest growth. Lodi's GDP growth is then expected to accelerate to 1.0% in 2026, driven by manufacturing and with a positive contribution from services, which are picking up pace compared to previous years. Looking at the labour market, employment is expected to fall by 0.2% in 2025, bucking the trend of a regional average that is expanding (+0.6%). For 2026, however, a limited increase of 0.2% is forecast.

Forecasts <i>(year-on-year % var.)</i>	2025		2026	
	GDP	Emp	GDP	Emp
Lombardy	+0.5	+0.6	+0.8	+1.4
Lodi	+0.4	-0.2	+1.0	+0.2

Source: Assolombarda Research Dept., October 2025

PAVIA

After the stagnation observed in 2024, the Pavia economy is forecast to expand by 0.4% in 2025, an improvement on expectations from a few months ago (+0.2% in July). The slight GDP advance stems from resilient services combined with industry's lower dependence on exports, which suggests a more contained impact compared to other areas from the possible repercussions of tariffs on global trade. Pavia's GDP is then expected to expand by 0.9% in 2026, supported primarily by the tertiary sector, whilst manufacturing is forecast to have a year of substantial stability. In employment terms, growth of 0.5% is estimated for 2025 and 1.0% for 2026..

Forecasts <i>(year-on-year % var.)</i>	2025		2026	
	GDP	Emp	GDP	Emp
Lombardy	+0.5	+0.6	+0.8	+1.4
Pavia	+0.4	+0.5	+0.9	+1.0

Source: Assolombarda Research Dept., October 2025

Table of contents

Executive Summary	3
 Lombardy and Italy forecasts	 9
Lombardy and Italy GDP	
GDP comparison with benchmark European regions	
Value Added by sector	
Employment	
<i>Focus Milano</i> Forecasts	14
<i>Focus Monza Brianza</i> Forecasts	16
<i>Focus Lodi</i> Forecasts	18
<i>Focus Pavia</i> Forecasts	20

BOOKLET ECONOMIA

Forecasts

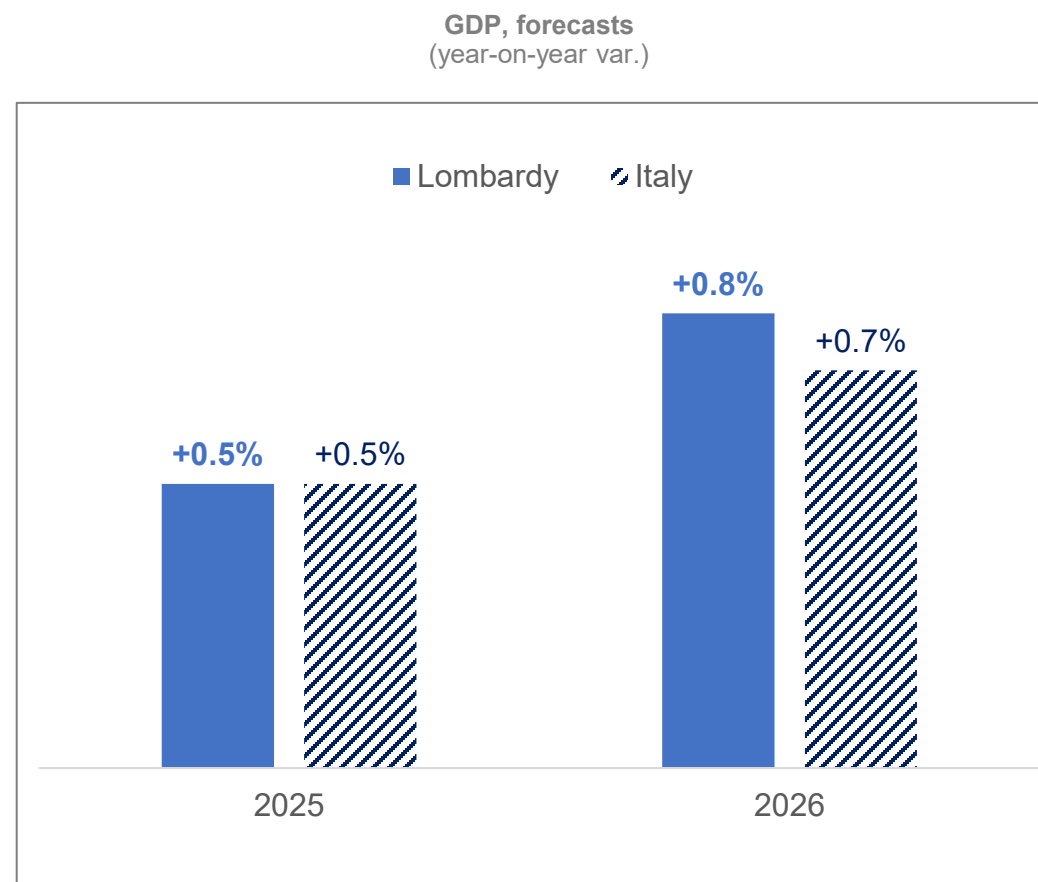
*Lombardy in the national and European
comparison*

GDP and employment forecastd

October 2025

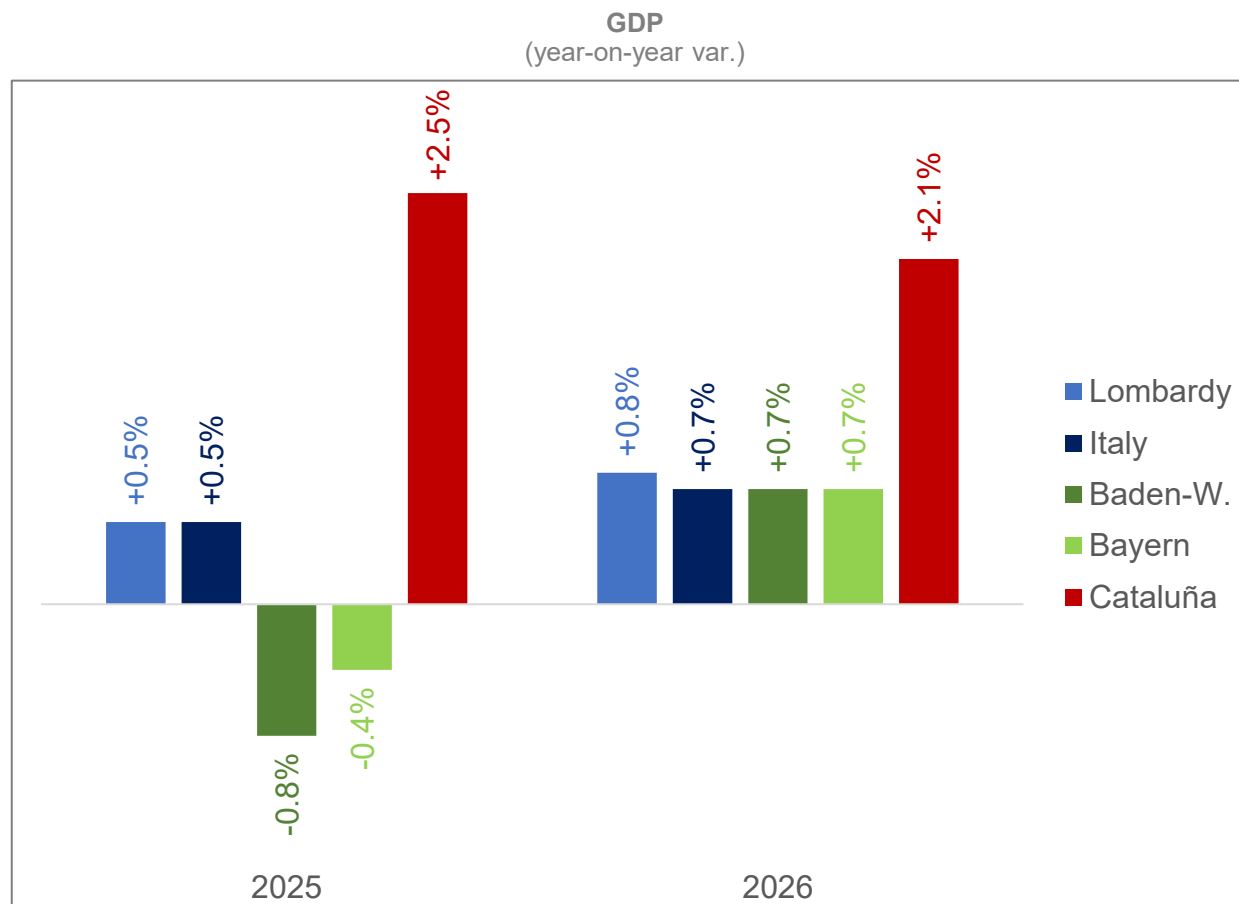
GDP forecasts

GDP / 2025 – 2026



GDP forecasts

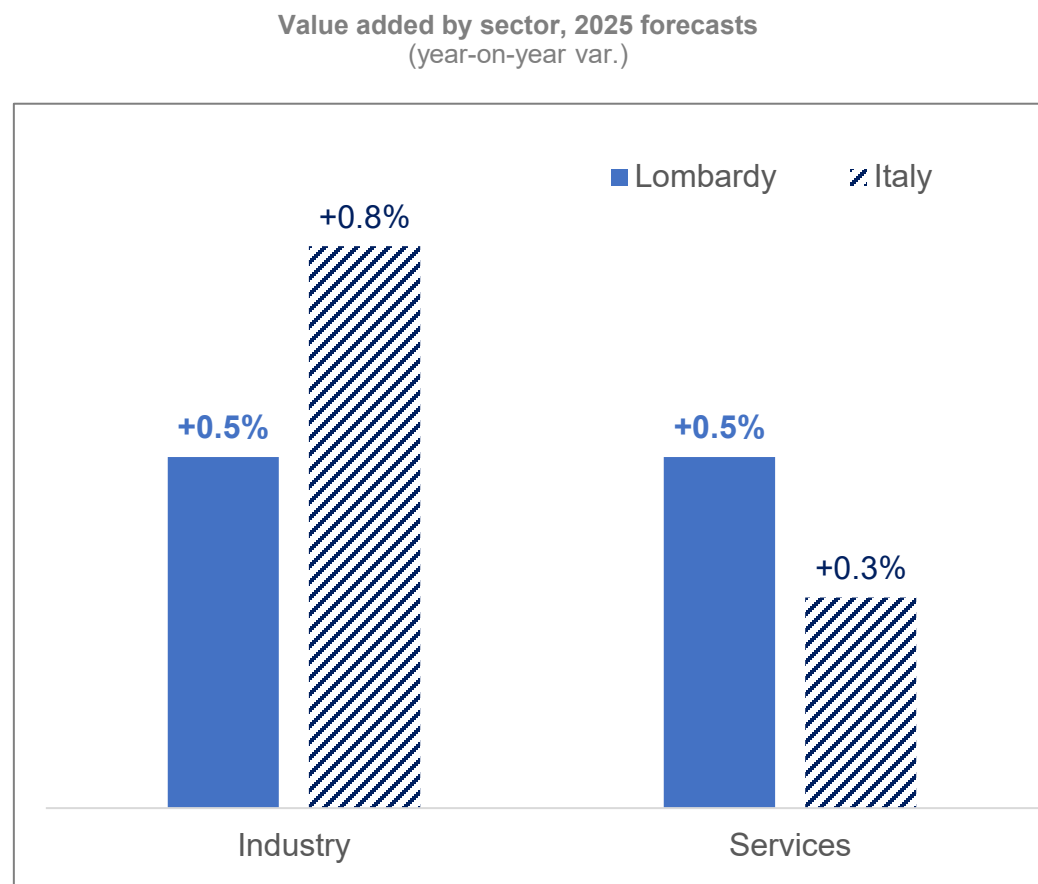
GDP COMPARISON WITH BENCHMARK EUROPEAN REGIONS / 2025 – 2026



*Note: Absent regional forecasts for Bayern and Baden-Württemberg, the graph shows the y-o-y growth over the first semester 2025 and the forecasts for Germany for 2026.
Source: Assolombarda Research Department on Destatis, Bundesbank, Idescat e gencat data.*

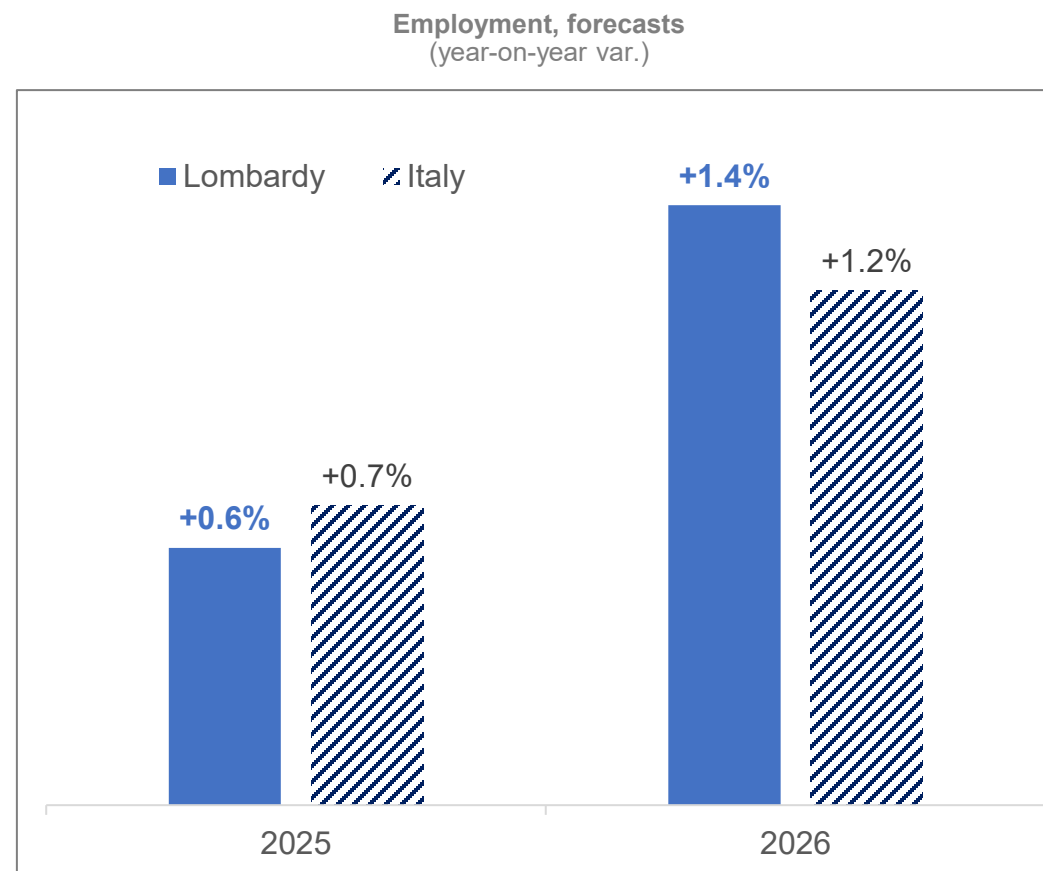
Forecasts by sector

VALUE ADDED BY SECTOR / 2025



Employment forecasts

EMPLOYMENT / 2025 – 2026



BOOKLET ECONOMIA

Forecasts

*Lombardy in the national and European
comparison*

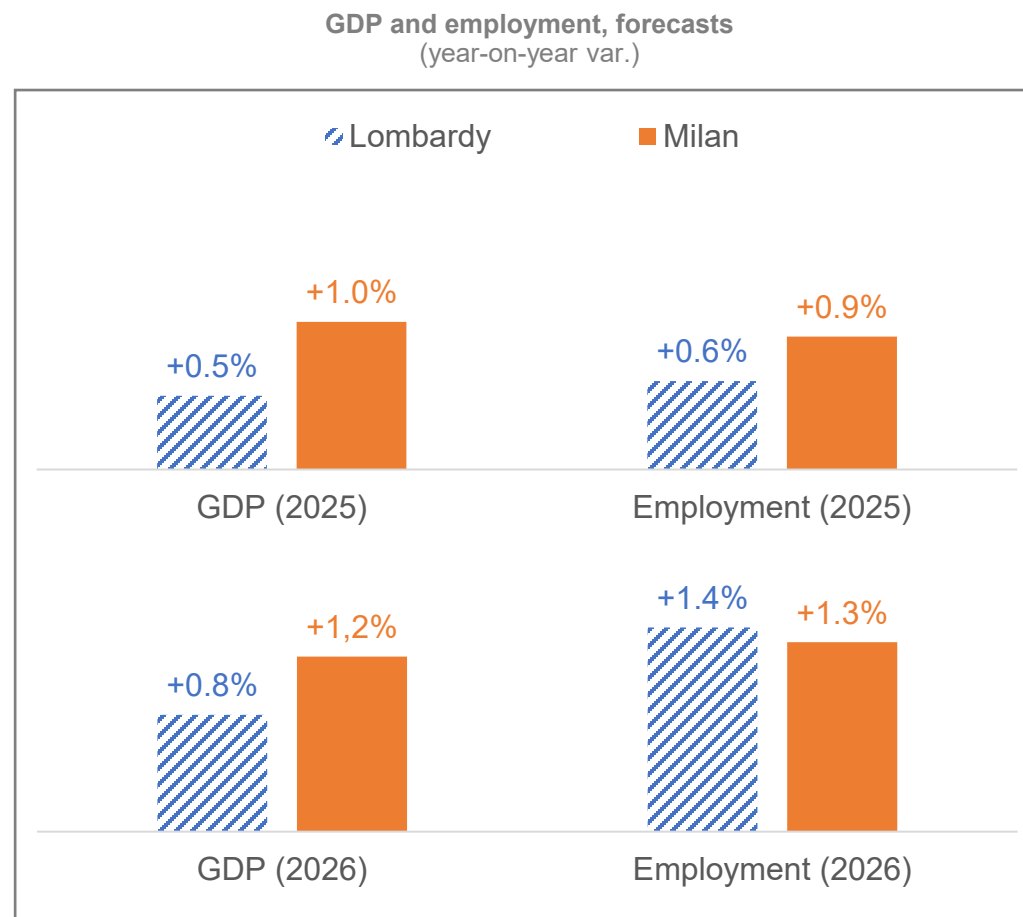
Focus Milano

GDP and employment forecasts

October 2025

Focus Milano: GDP and employment forecasts

GDP AND EMPLOYMENT / 2025 – 2026



BOOKLET ECONOMIA

Forecasts

*Lombardy in the national and European
comparison*

Focus Monza Brianza

GDP and employment forecasts

October 2025

Focus Monza Brianza: GDP and employment forecasts

GDP AND EMPLOYMENT / 2025 – 2026



BOOKLET ECONOMIA

Forecasts

*Lombardy in the national and European
comparison*

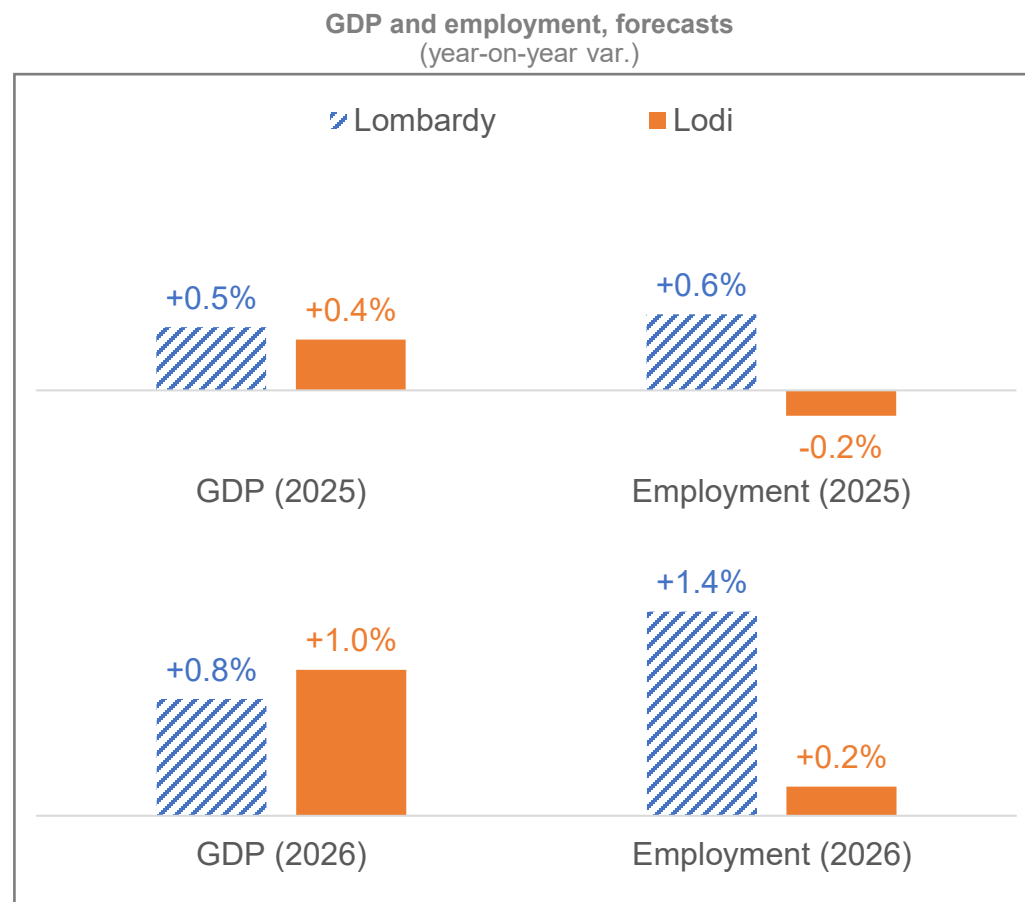
Focus Lodi

GDP and employment forecasts

October 2025

Focus Lodi: GDP and employment forecasts

GDP AND EMPLOYMENT / 2025 – 2026



BOOKLET ECONOMIA

Forecasts

*Lombardy in the national and European
comparison*

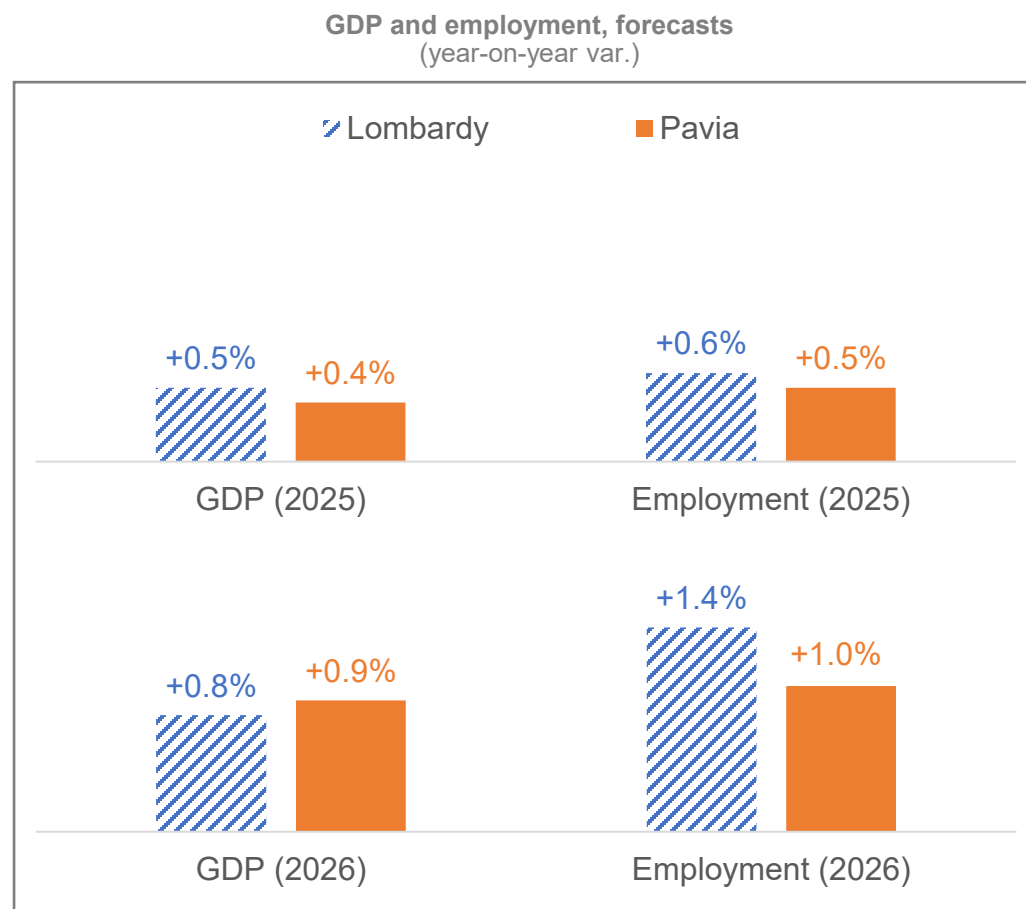
Focus Pavia

GDP and employment forecasts

October 2025

Focus Pavia: GDP and employment forecasts

GDP AND EMPLOYMENT / 2025 – 2026



BOOKLET ECONOMIA **FORECASTS**

Lombardy in the national and European comparison

Methodology note

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



www.assolombarda.it
www.genioimpresa.it

