

# Europe's 2026 Financial Forecast: ECB Rate Hikes, Inflation Trends & M&A Sh

European Economy · Answer Key · 5 Questions

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**1. What was the European Central Bank's (ECB) deposit facility rate following its April 30, 2026, monetary policy meeting?**

- A) 1.75%
- B) 2.00%**
- C) 2.25%
- D) 2.50%

**2. What was the projected annual inflation rate for the Euro area in May 2026, according to a flash estimate from Eurostat?**

- A) 2.8%
- B) 3.0%
- C) 3.2%**
- D) 3.4%

**3. What is the projected GDP growth rate for the Euro area in 2026, according to the European Commission's Spring 2026 Economic Forecast?**

- A) 0.9%**
- B) 1.1%
- C) 1.4%
- D) 1.5%

**4. Which sector dominated European M&A activity by value in Q1 2026, seeing a significant surge?**

- A) Technology, Media & Telecom (TMT)
- B) Energy & Utilities
- C) Financial Services (FS)**
- D) Healthcare

**5. What was France's general government deficit forecast as a percentage of GDP for 2026 by the European Commission?**

- A) 4.5%
- B) 4.9%
- C) 5.1%**
- D) 5.5%