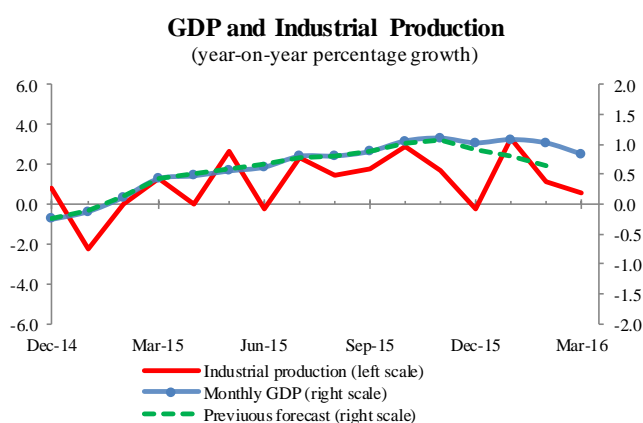


## Data and comment

### Monthly GDP: growth speeds up in the first quarter

In the first quarter GDP growth gains some momentum, moving to 0.3% q/q from 0.2% q/q in the four quarter 2015 (data revised upward by 0.1pp). Domestic demand including inventories provides a positive contribute while foreign demand curbs growth. On the supply side, services and industry as a whole have contributed to increase the value added. In march, the industrial production index was unchanged compared to February, reflecting a fall in consumption, in capital and intermediate goods, offset by a rise in the energy sector. On average, in the first quarter industrial production growth appears sound (0.7% q/q) displaying a more robust dynamic in the manufacturing sector (1.0% q/q). According to recent business survey the outlook seems encouraging. Less favourable signals come from consumption of electricity and paper and paperboard production. The GDP estimate for March foresees a flat profile (0.01% m/m) and the annual growth rate is estimated at 0.8% y/y.



(\*) Monthly GDP is an average of results obtained from different models as documented in Frale, C., and Monteforte, L., "FaMIDAS: A mixed frequency factor model with MIDAS structure", MEF and Department of the Treasury Working Paper Series n. 3/2010.

	Monthly GDP (month-on-month percentage growth)		
	Industrial production (ISTAT)	Monthly GDP (monthly estimate)	Monthly GDP (revised estimate)
	(1)	(2)	(3)
Jun-14	1.8	-0.01	0.01
Jul-14	-1.4	0.00	-0.06
Aug-14	0.6	-0.01	0.03
Sep-14	-0.4	-0.04	-0.07
Oct-14	-0.4	-0.10	-0.09
Nov-14	0.8	0.01	0.04
Dec-14	1.2	0.12	0.10
Jan-15	-1.7	0.16	0.12
Feb-15	1.4	0.17	0.17
Mar-15	0.5	0.17	0.19
Apr-15	-0.4	0.08	0.07
May-15	0.9	0.04	0.05
Jun-15	-1.1	0.07	0.08
Jul-15	1.1	0.11	0.12
Aug-15	-0.3	0.02	0.03
Sep-15	-0.1	0.03	0.00
Oct-15	0.7	0.05	0.08
Nov-15	-0.4	0.04	0.09
Dec-15	-0.6	-0.03	0.02
Jan-16	1.7	0.04	0.18
Feb-16	-0.7	0.03	0.11
Mar-16	0.0	-	0.01