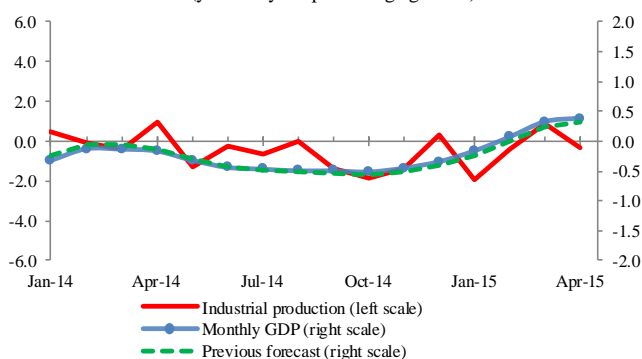


Data and comment

Monthly GDP: The economic recovery continues

Quarterly national accounts have confirmed the preliminary estimate on GDP growth in 1Q15 (0.3% q/q). With regards to 2Q15, industrial production unexpectedly fell in April (-0.3% m/m) following two consecutive monthly increases, but the quarterly rate of growth remains significantly positive (0.5% q/q). Favorable signals come from paper and paperboard production and from the volumes of exports and imports. The business climate in the manufacturing sector decreased in May, but it still close to the highest value since 2011. The new estimate of GDP foresees an increase of monthly GDP by 0.08% m/m in April, and the annual growth rate is estimated at 0.4% y/y, from 0.3% y/y in March.

GDP and Industrial Production
(year-on-year percentage growth)



(*) 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)
Feb-14	-1.0	-0.09	-0.10
Mar-14	-0.8	-0.10	-0.11
Apr-14	0.9	-0.01	0.02
May-14	-1.2	-0.09	-0.06
Jun-14	0.9	-0.06	-0.05
Jul-14	-0.7	-0.04	-0.04
Aug-14	0.2	-0.03	-0.02
Sep-14	-0.7	-0.03	-0.01
Oct-14	0.1	-0.04	-0.02
Nov-14	0.3	0.03	0.04
Dec-14	0.6	0.08	0.07
Jan-15	-0.7	0.13	0.11
Feb-15	0.6	0.14	0.13
Mar-15	0.5	0.14	0.15
Apr-15	-0.3	0.08	0.08