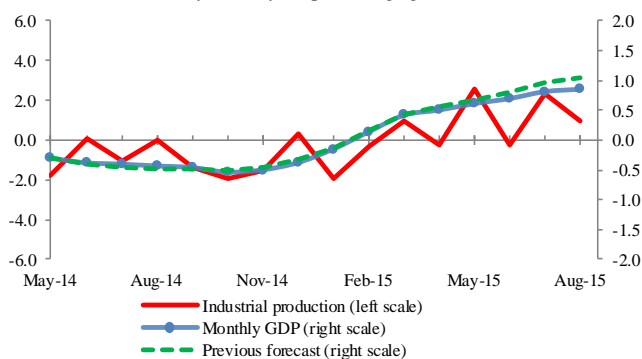


Data and comment

Monthly GDP: Moderate expansion continues

Industrial production fell moderately in August (-0.5% m/m, from 1.1% m/m in July). The acquired growth of industrial activity is equal to 0.4% q/q in 3Q15, in line with quarterly growth recorded in the first half of the year. Favorable signals come from business confidence in the manufacturing sector, which rose in September to the highest level since 2011, from export and import data, as well as from electricity consumption. On the contrary, the slowdown in world trade volumes continues, and in Germany business confidence decreased. The new estimate of GDP foresees an increase of monthly GDP by 0.05% m/m in August, and the annual growth rate is estimated at 0.9% y/y, from 0.8% y/y in July.

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)
Jun-14	1.8	-0.03	-0.01
Jul-14	-1.4	-0.02	-0.01
Aug-14	0.8	0.01	0.01
Sep-14	-0.8	0.00	-0.02
Oct-14	0.1	-0.02	-0.06
Nov-14	0.3	0.05	0.02
Dec-14	0.7	0.08	0.08
Jan-15	-0.7	0.13	0.15
Feb-15	0.7	0.16	0.17
Mar-15	0.5	0.15	0.15
Apr-15	-0.3	0.09	0.08
May-15	0.9	0.06	0.06
Jun-15	-1.0	0.09	0.07
Jul-15	1.1	0.14	0.10
Aug-15	-0.5	-	0.05