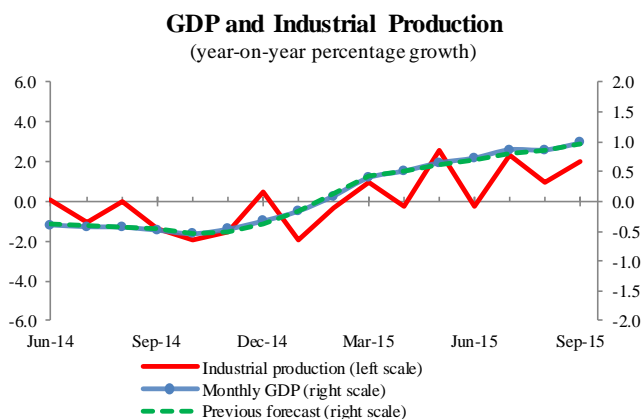


## Data and comment

### Monthly GDP: Moderate expansion continues

According to the ISTAT flash estimate, Italy GDP grew by 0.2% q/q. Domestic demand contributed positively while the contribution from net trade was negative. Industrial production rose (0.2% m/m, from -0.5% m/m in August) weaker than expected in September (0.7% m/m). The acquired growth of industrial activity is equal to 0.0% q/q in 4Q15. Favorable signals come from business confidence in the manufacturing sector and from traffic of trucks data. On the contrary, the slowdown in world trade volumes continues. The new estimate of GDP foresees an increase of monthly GDP by 0.06% m/m in September, and the annual growth rate is estimated at 1.0% y/y, from 0.9% y/y in August.



(\*) 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	-0.01	-0.03
Aug-14	0.8	0.01	0.02
Sep-14	-0.8	-0.02	-0.06
Oct-14	0.1	-0.06	-0.07
Nov-14	0.3	0.02	0.04
Dec-14	0.7	0.08	0.10
Jan-15	-0.7	0.15	0.18
Feb-15	0.7	0.17	0.18
Mar-15	0.5	0.15	0.17
Apr-15	-0.3	0.08	0.07
May-15	0.9	0.06	0.06
Jun-15	-1.0	0.07	0.07
Jul-15	1.1	0.10	0.11
Aug-15	-0.5	0.05	0.02
Sep-15	0.2	0.08	0.06