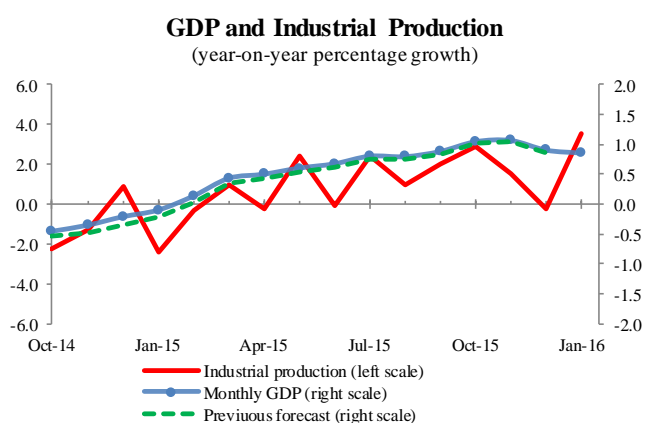


## Data and comment

### Monthly GDP: industrial production rebounded in January

The second reading has confirmed the slowdown in economic growth in 4Q15 (0.1 % t/t from 0.2% t/t in 3Q15) estimated in the first release. This outcome reflected positive contribution of domestic demand (0.4pp for the second quarter in a row) as well as net exports, returned to positive territory after three quarters. Inventories has reduced significantly the expansion of output (-0.4pp). In January industrial activity rebounded (1.9 % m/m, 3.9% y/y) beating the consensus. The most recent indicators suggest a slight worsening of Italian business confidence in the manufacturing sector as well as German PMI. Recent reading on traffic of trucks are favourable. The new estimates of GDP foresees an increase in the monthly GDP by 0.10% m/m in January and the annual growth rate is estimated at 0.9% y/y (stable from December).



(\*) 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.

<b>Monthly GDP</b> (month-on-month percentage growth)			
	<b>Industrial production (ISTAT)</b>	<b>Monthly GDP (monthly estimate)</b>	<b>Monthly GDP (revised estimate)</b>
	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
Jun-14	1.7	-0.01	0.01
Jul-14	-1.4	-0.03	-0.02
Aug-14	0.8	0.00	0.01
Sep-14	-0.7	-0.06	-0.06
Oct-14	-0.3	-0.10	-0.11
Nov-14	0.9	0.02	0.02
Dec-14	1.1	0.11	0.13
Jan-15	-1.8	0.16	0.14
Feb-15	1.2	0.16	0.18
Mar-15	0.5	0.17	0.17
Apr-15	-0.3	0.07	0.07
May-15	0.9	0.05	0.05
Jun-15	-0.9	0.06	0.08
Jul-15	1.1	0.10	0.11
Aug-15	-0.6	0.00	0.00
Sep-15	0.3	0.04	0.03
Oct-15	0.5	0.08	0.06
Nov-15	-0.4	0.04	0.04
Dec-15	-0.6	-0.08	-0.03
Jan-16	1.9	-	0.10