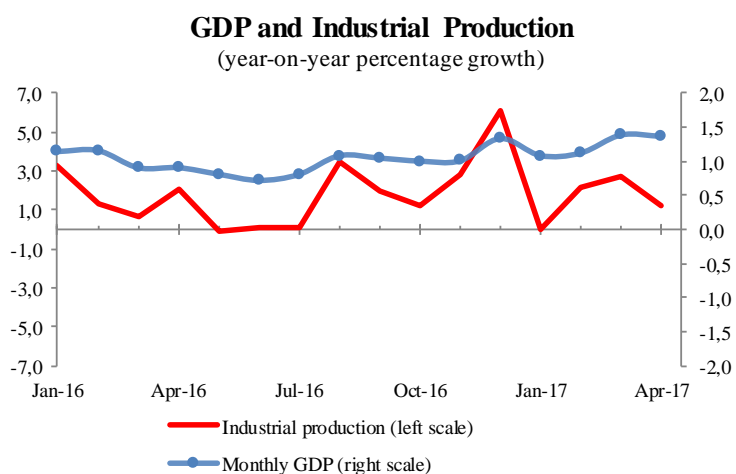


Monthly GDP: April 2017

The recovery improves in the first months of the year

Istat revised significantly upward Q1 2017 GDP growth estimates (0.44% q/q, from the 0.24% q/q preliminary forecast); the growth profile improved also in Q4 2016, with positive carry-over effects on 2017. The revision, one of the most relevant in the last period, is mainly driven by the positive contribution of services (on the supply side) and of final consumptions and stocks (on the demand side). Industrial production slightly decreased in April (-0,4% m/m). Investment goods fell by -1,6% m/m, while energy was the only component to increase (2,2% m/m). Confidence data offer encouraging perspective as manufactory firm sentiment has been improving steadily until April, except for a slight decline in May, albeit confirming very high levels (106,2). In May PMI edged to 55,1 from previous 56,2, the six-year record reached in April.



(*) 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 (estimate)
		(1)	(2)
Jan-16		3,6	0,27
Feb-16		-1,3	0,13
Mar-16		-0,1	-0,05
Apr-16		1,1	0,11
May-16		-0,9	-0,01
Jun-16		-0,4	0,01
Jul-16		0,8	0,14
Aug-16		1,8	0,21
Sep-16		-0,8	0,02
Oct-16		0,0	0,07
Nov-16		0,7	0,13
Dec-16		1,5	0,29
Jan-17		-2,3	0,02
Feb-17		0,9	0,17
Mar-17		0,4	0,22
Apr-17		-0,4	0,09