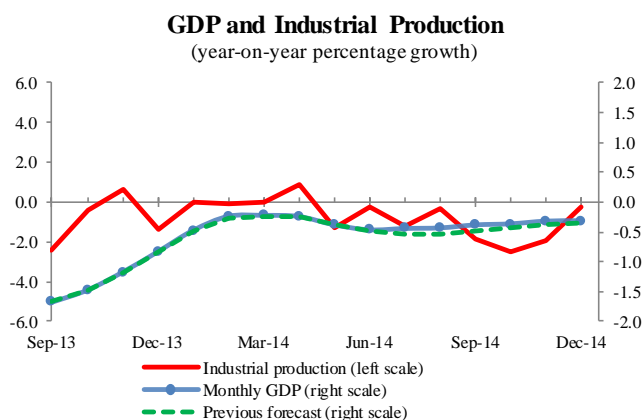


Data and comment

Monthly GDP: Slight recovery of economic activity

According to the preliminary estimate, GDP remained flat in 4Q14 (0.0% q/q); the annual growth rate was -0.4% in 2014, with a carry-over effect of -0.1% for 2015. Industrial production increased more than expected in December (0.4% m/m), due to the sustained dynamics of investment goods. With regards to the international economy, world trade shows a positive growth trend net of short-term volatility, and in Germany the business confidence indicator increased for the second month in a row in January. The new estimate of GDP, foresees a slight increase of activity levels in December (by 0.02% m/m) and the annual growth rate is estimated at -0.3% y/y, unchanged from the previous month.



(*) 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)
Oct-13	0.7	-0.06	-0.05
Nov-13	-0.2	-0.04	-0.04
Dec-13	-1.3	0.01	0.02
Jan-14	1.3	0.03	0.04
Feb-14	-0.5	-0.03	-0.03
Mar-14	-0.4	-0.10	-0.10
Apr-14	0.4	-0.06	-0.07
May-14	-1.2	-0.10	-0.09
Jun-14	0.9	-0.07	-0.05
Jul-14	-1.0	-0.05	-0.01
Aug-14	0.3	-0.02	0.00
Sep-14	-0.8	0.00	-0.01
Oct-14	0.0	0.00	-0.03
Nov-14	0.3	0.03	0.01
Dec-14	0.4	0.03	0.02