Data and comment

Monthly GDP: Economic activity stops decreasing

Industrial production unexpectedly increased in November (0.3% m/m) due to a rebound of consumption and intermediate goods production. However, the 3-month growth rate remains negative (-1.0% q/q) and the statistical carry-over for 4Q14 is equal to -0.3% q/q. Moderately positive signals come from world trade volume and from the business confidence indicator both in Italy and in Germany. On the opposite, it has been recorded a substantial stabilization of electricity consumption, paper and paperboard production and loans to non-financial corporations. The new estimate of GDP, foresees a slight increase of activity levels in November (by 0.03% m/m) and the annual growth rate is estimated at -0.4% y/y, from -0.5% y/y recorded in the previous month.

(*) Monthly GDP is an average of results obtained from different models as documented in Fale, 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.