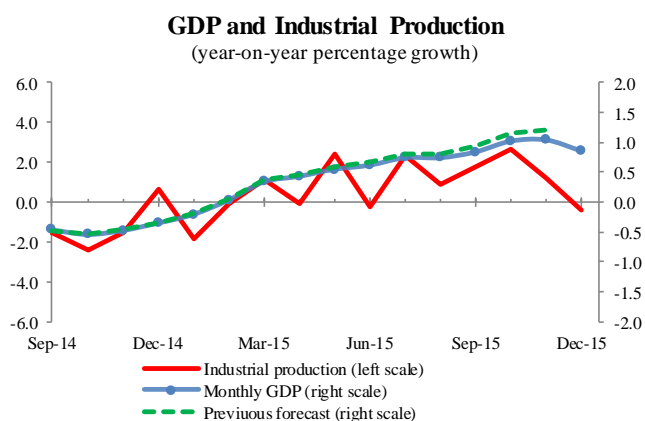


## Data and comment

### Monthly GDP: the growth rate increased at a modest pace in Q4

According to the preliminary estimate by ISTAT, GDP increased (0.1 % t/t) less than expected; this outcome reflected positive contribution of net export which was partly offset by the negative contribution of domestic demand (including inventories). In 2015 GDP returned to growth (0.7 % according to data not adjusted for seasonal and calendar effects) after three years of contraction. Industry recorded a positive change in 2015 (1.0%); however it slowed down at the end of the year (-0.7 % m/m in December, -0.1 % q/q in Q4) also due to calendar factors. The most recent indicators suggest a slight worsening of financial conditions and of business confidence in the manufacturing sector. Also recent readings on electricity consumption and traffic of trucks are slightly negative. The new estimates of GDP foresees a decrease in the monthly GDP by 0.08% m/m in December and the annual growth rate is estimated at 0.9% y/y (from 1.2% from November).



(\*) 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	-0.03
Aug-14	0.8	0.01	0.00
Sep-14	-0.8	-0.05	-0.06
Oct-14	-0.3	-0.09	-0.10
Nov-14	0.9	0.04	0.02
Dec-14	1.0	0.10	0.11
Jan-15	-1.0	0.17	0.16
Feb-15	0.8	0.17	0.16
Mar-15	0.4	0.16	0.17
Apr-15	-0.3	0.06	0.07
May-15	0.8	0.05	0.05
Jun-15	-1.0	0.06	0.06
Jul-15	1.1	0.10	0.10
Aug-15	-0.6	0.02	0.00
Sep-15	0.1	0.07	0.04
Oct-15	0.5	0.13	0.08
Nov-15	-0.5	0.08	0.04
Dec-15	-0.7	-	-0.08