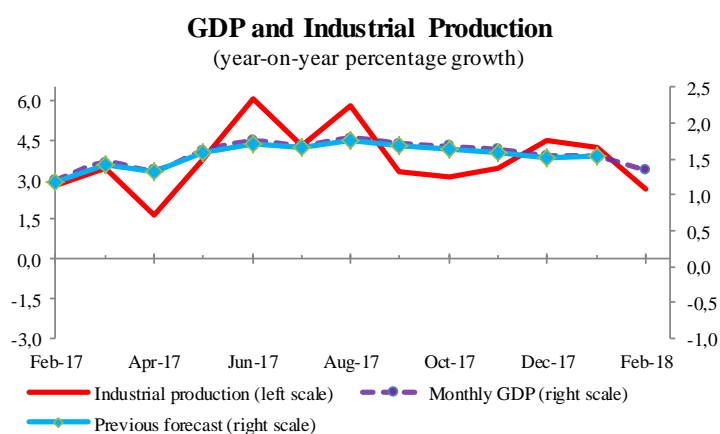


## Monthly GDP: February 2018

### A softer than expected start to the year

After a weak print of -1.9% m/m in January industrial production continued to slow down in February (0.5% m/m) above expectations. The moderation of economic activity, recorded also in other main European countries, is presumed to be mainly consequence of adverse weather conditions. Infact, the weakness was broad-based across subcomponents, with energy production (8.1% m/m) being the only exception. According to the latest PMI surveys, both manufacturing and services sector suffered a noticeable slowdown in growth during March, with both activity and new orders rising at the weaker rates. Despite this softness, both indicators remain close to their historical highs. The new estimate for monthly real GDP points to a flat m/m profile (0.01% m/m) in February and to an annual growth of +1.35% yoy.



(\*) 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.

	Industrial production (ISTAT)	Monthly GDP (previous monthly estimate)	Monthly GDP (revised estimate)
	(1)	(2)	(3)
Feb-17	1,2	0,16	0,20
Mar-17	0,6	0,23	0,21
Apr-17	-0,8	0,04	0,04
May-17	0,8	0,21	0,22
Jun-17	1,3	0,13	0,13
Jul-17	-0,4	0,09	0,09
Aug-17	2,9	0,22	0,23
Sep-17	-2,8	0,03	0,03
Oct-17	0,5	0,09	0,09
Nov-17	0,8	0,11	0,11
Dec-17	2,1	0,17	0,17
Jan-18	-1,8	0,08	0,03
Feb-18	-0,5		0,01