

Monthly GDP: february 2024

In February, GDP continues to grow, consolidating the expansion path started in November

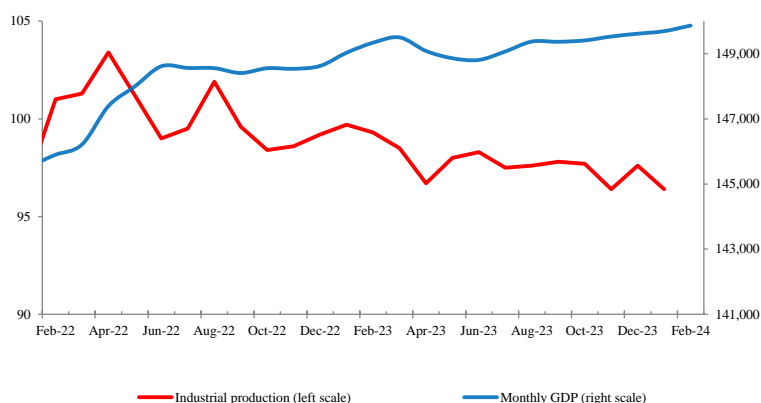
In February, the update of the monthly real GDP estimate shows a new advance in activity (0.1% m/m), in line with the forecast for the previous month (revised down by 0,1pp from the January estimate). On an annual basis, GDP growth rate grew by 0,4%, as in January.

Despite the negative impact of the contraction in industrial production in January (-1,2% m/m), the last estimates reveal a consolidation of the expansionary path started in November. The weakness of the industrial sector emerges also from the worsening of qualitative surveys, such as the decrease of manufacturing confidence in February, that decreased to 87,3, from 88,1, and the PMI trend, gradually improving in recent months, yet still in contractionary territory (at 48,7, from 48,5).

On the contrary, most recent quantitative indicators point to more encouraging prospects. In February, the electricity consumption by energy-intensive companies increased again along with the rise in heavy vehicle motorway traffic.

In addition, the tertiary sector is recovering from the lost momentum posted at the end of 2023. In February, despite the decrease in market services confidence (at 100.2 from 102.5), the services PMI increased again (at 52.2 from 51.2 in January), supported by higher production levels and new orders. Finally, in spite of the decline in retail sales at the start of the year, the new increase in consumer sentiment in February points to an improvement in consumption growth in the months ahead.

GDP and industrial production
(values in billions of euros and index 2021=100)



(*) The monthly GDP estimate is based on the methodology published in Fralle C. et al. "EUROMIND: A Monthly Indicator of the Euro Area Economic Conditions", Journal of the Royal Statistical Society: Series A, 174, 439- 470. The GDP estimate takes into account the forecasts of the industrial production made through a bridge model.

	Industrial Production (ISTAT)	Monthly GDP (updated estimate)	Monthly GDP (previous estimate)
	(1)	(2)	(3)
Dec-21	-1.9	0.0	0.0
Jan-22	-3.4	-0.1	-0.1
Feb-22	4.1	0.2	0.2
Mar-22	0.3	0.2	0.2
Apr-22	2.1	0.8	0.8
May-22	-2.1	0.4	0.4
Jun-22	-2.2	0.4	0.4
Jul-22	0.5	0.0	0.0
Aug-22	2.4	0.0	0.0
Sep-22	-2.3	-0.1	-0.2
Oct-22	-1.2	0.1	-0.1
Nov-22	0.2	0.0	-0.1
Dec-22	0.6	0.1	0.1
Jan-23	0.5	0.3	0.3
Feb-23	-0.4	0.2	0.3
Mar-23	-0.8	0.1	0.1
Apr-23	-1.8	-0.3	-0.3
May-23	1.3	-0.2	-0.3
Jun-23	0.3	0.0	-0.2
Jul-23	-0.8	0.2	0.2
Aug-23	0.1	0.2	0.2
Sep-23	0.2	0.0	0.0
Oct-23	-0.1	0.0	0.0
Nov-23	-1.3	0.1	0.1
Dec-23	1.2	0.1	0.1
Jan-24	-1.2	0.1	0.2
Feb-24		0.1	