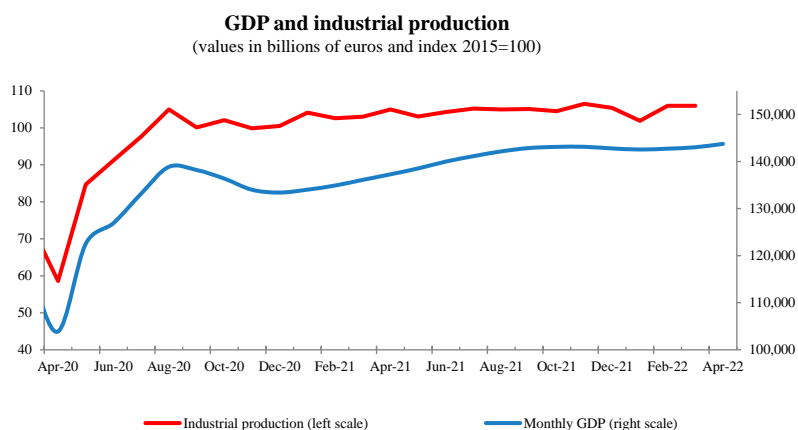


GDP accelerates in April

The update of the monthly real GDP estimate for April indicates an increase of 0.5% m / m, with a variation on annual basis of 4.7% (from 5.1% in March). The revision significantly involves the first three months of the year. In particular, the decline in January and the subsequent rebound were attenuated and March is less lively. Looking ahead, the evolution of the business is affected by the uncertainty linked to geo-political tensions, which could feed further bottlenecks on the supply chains and slow down production. However, in March, Italian industrial production proved to be more resilient and remained unchanged compared to February, contrary to the consensus expectations which foreshadowed a decline also due to the worsening of the confidence climate of manufacturing firms and of the production expectations found in the ISTAT survey. Among the branches, energy shows the largest increase (2.7%) against a less marked increase for consumer goods (1.0%) and capital goods (0.4%); intermediate goods decreased (-0.7%). After the robust recovery seen in February (4.0% m / m), the seasonally adjusted index is 2.8 p.p above the February 2020 level. Conditioned by the sharp decline at the beginning of the year, production in Q1 marks the first decline (-0.9% qoq) since 4Q 2020. The ISTAT surveys of April reveal the stability of the confidence climate for manufacturing firms, accompanied by the reduction of the sector PMI Markit index (54, 5 from 55.8 in March), conditioned by the weakening of foreign demand and production. On the services side, a significant increase in the PMI was recorded in April (55.7 from the previous 52.1), while the relative confidence climate dropped to 97.0 points (from the previous 98.9).



	Industrial Production (ISTAT)	Monthly GDP (updated estimate)	Monthly GDP (previous estimate)
	(1)	(2)	(3)
Mar-21	0.4	0.9	0.9
Apr-21	1.9	0.9	1.1
May-21	-1.8	0.9	0.7
Jun-21	1.2	1.1	0.7
Jul-21	0.9	0.8	1.0
Aug-21	-0.2	0.7	0.8
Sep-21	0.1	0.5	0.6
Oct-21	-0.6	0.2	0.0
Nov-21	1.9	0.0	0.1
Dec-21	-1.0	-0.2	-0.3
Jan-22	-3.3	-0.2	-0.9
Feb-21	4.0	0.1	1.5
Mar-21	0.0	0.2	0.6
Apr-21		0.5	

(*) 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.