

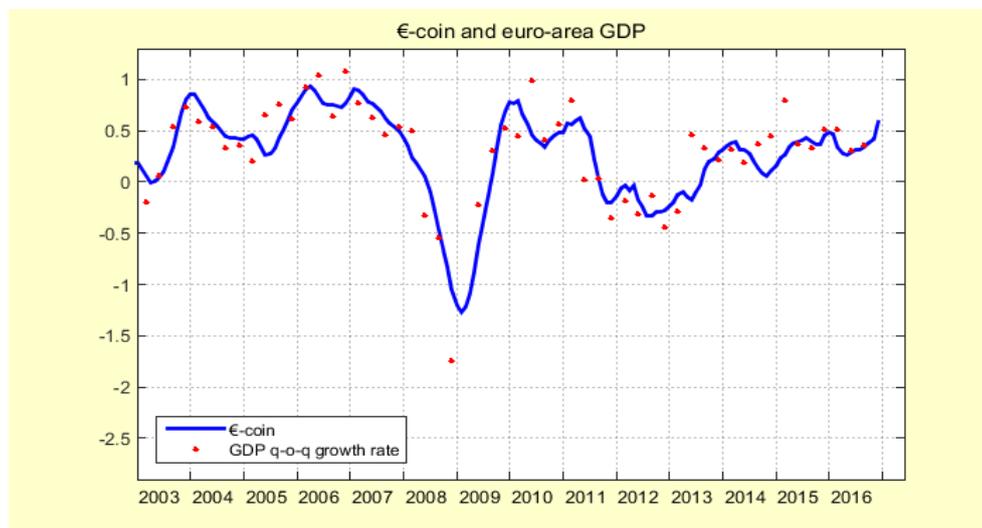


Strengthened improvement in the €-coin indicator in December

For immediate release: 08.30 GMT; 09.30 CET; Friday, 30 December 2016

- In December, €-coin recorded its seventh consecutive increase (to 0.59 from 0.45 in November), the highest level recorded since spring of 2011.
- The indicator has benefitted from improvements in consumer and business confidence and from increased pipeline pressures on inflation.
- The **€-coin** indicator developed by the Bank of Italy provides a summary index of the current economic situation in the euro area. The indicator is an estimate of quarterly GDP growth shorn of the most erratic components (seasonal variations, measurement errors and short-run volatility). **€-coin** is published monthly by the Bank of Italy and CEPR.
- Next **€-coin** release dates: **Friday 27 January** and **Friday 24 February** (preliminary).

€-coin and euro-area GDP – December 2016



Sources: Bank of Italy and Eurostat.

€-coin collates data from a large set of macroeconomic time series (industrial production indices, business surveys, demand indicators, stock market indices and more). It extracts the information that is relevant to tracking underlying GDP trends for the entire area.

The **€-coin** estimate is timely, leading Eurostat's official release of the area-wide GDP growth figure by several months. And it provides a reasonably close anticipation of the quarterly growth rate net of the more volatile components. The estimate of underlying growth trends by **€-coin** has two key advantages:

- (i) monthly frequency, with release several months ahead of the official euro-area GDP estimate;
- (ii) immunity to the short-term fluctuations and measurement errors that mark quarterly output growth; that is, the index figure is an indicator of the euro area's actual growth momentum.

The following table shows the performance of the €-coin indicator over the last year:

Month	€-COIN
December 2015	0.45
January 2016	0.48
February 2016	0.47
March 2016	0.34
April 2016	0.28
May 2016	0.26
June 2016	0.29
July 2016	0.31
August 2016	0.32
September 2016	0.34
October 2016	0.38
November 2016	0.45
December 2016	0.59

For further technical details on **€-coin**, see "New Eurocoin: Tracking economic growth in real time", *The Review of Economics and Statistics*, No. 92, 1024-1034, available in the Bank of Italy working paper series (Temi di Discussione della Banca d'Italia) no. 631.

http://www.bancaditalia.it/pubblicazioni/temi-discussione/2007/2007-0631/en_tema_631.pdf
<http://eurocoin.cepr.org>