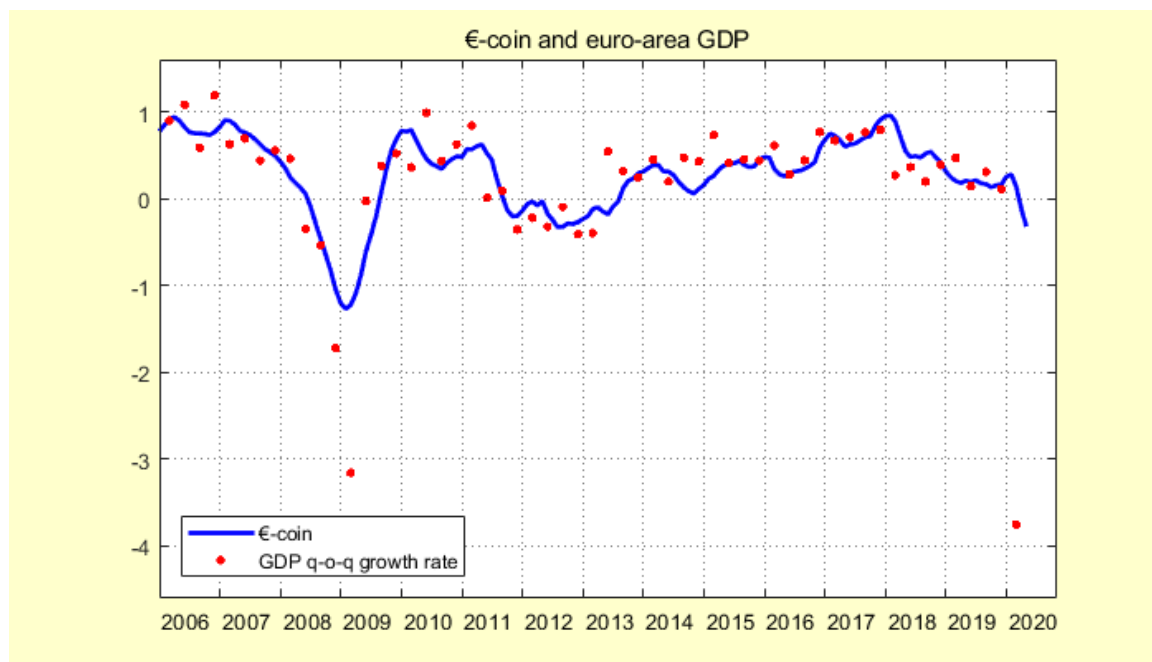


€-coin falls again in May

For immediate release: 08.30 BST; 09.30 CEST; Tuesday, 29 May 2020

- **€-coin** fell from -0.13 in April to -0.32 in May, reaching its lowest level since September 2012.
- The negative news on the performance of the economy following the outbreak of the COVID-19 epidemic gathered strength, particularly regarding the sharp fall in industrial production.
- 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, 26 June** and **Friday, 31 July** (provisional).

€-coin and euro-area GDP – May 2020



Source: Bank of Italy and Eurostat.

Note: The €-coin series is based on the real time estimates of the indicator at a given date and hence the series is not revised. On the other hand, the GDP growth rates are calculated on the basis of Eurostat's most recently published series and do reflect any changes in the historical data.

€-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 for tracking underlying GDP trends for the entire area.

The **€-coin** estimate is timely, anticipating Eurostat's official release of the area-wide GDP growth figure by several months. It also provides a reasonably close forecast 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
May 2019	0.20
June 2019	0.14
July 2019	0.21
August 2019	0.18
September 2019	0.16
October 2019	0.13
November 2019	0.15
December 2019	0.16
January 2020	0.25
February 2020	0.28
March 2020	0.13
April 2020	-0.13
May 2020	-0.32

For further technical details on **€-coin**, see 'New Eurocoin: Tracking economic growth in real time', *The Review of Economics and Statistics*, 92, 1024-1034, available in the Bank of Italy's series Temi di Discussione (Working Papers), 631.

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