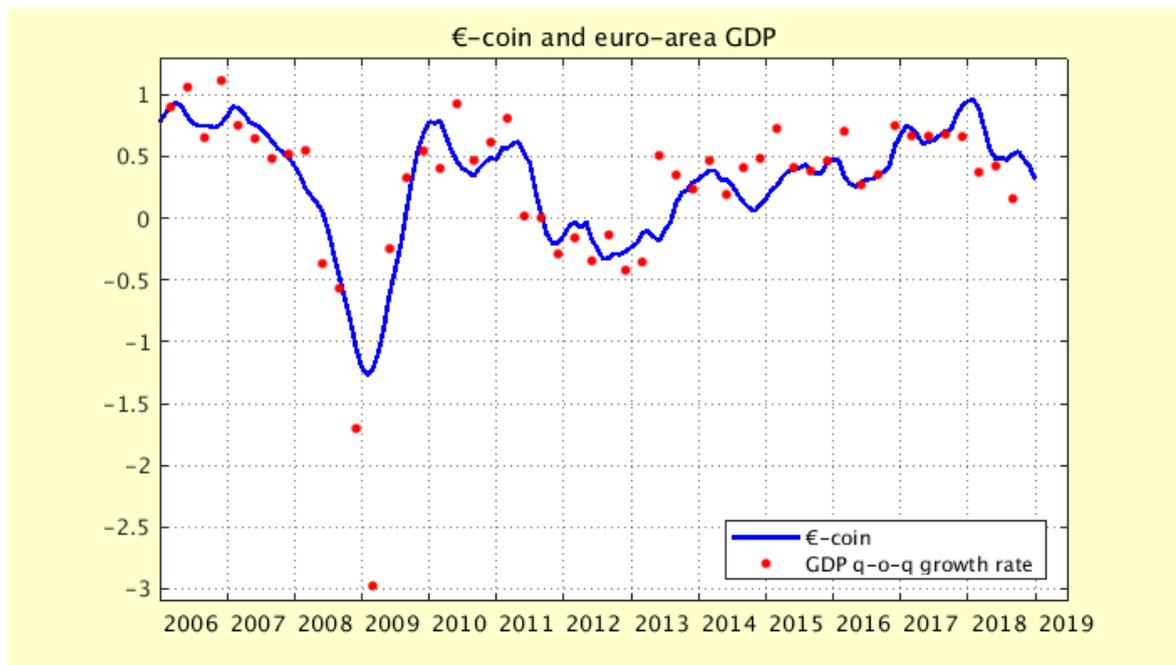


€coin declines again in January

For immediate release: 08.30 GMT; 09.30 CET; Thursday, 31 January 2019

- In January **€coin** decreased by about 0.1 percentage points to 0.31, from 0.42 in December, falling to the lowest level recorded since July 2016.
- The indicator was affected by the prolonged decline in business and consumer confidence levels and the further weakening in the industrial cycle.
- 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: **Thursday, 28 February** and **Friday, 29 March** (preliminary).

€coin and euro-area GDP – January 2019



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
January 2018	0.95
February 2018	0.96
March 2018	0.89
April 2018	0.76
May 2018	0.55
June 2018	0.48
July 2018	0.49
August 2018	0.47
September 2018	0.52
October 2018	0.54
November 2018	0.47
December 2018	0.42
January 2019	0.31

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>