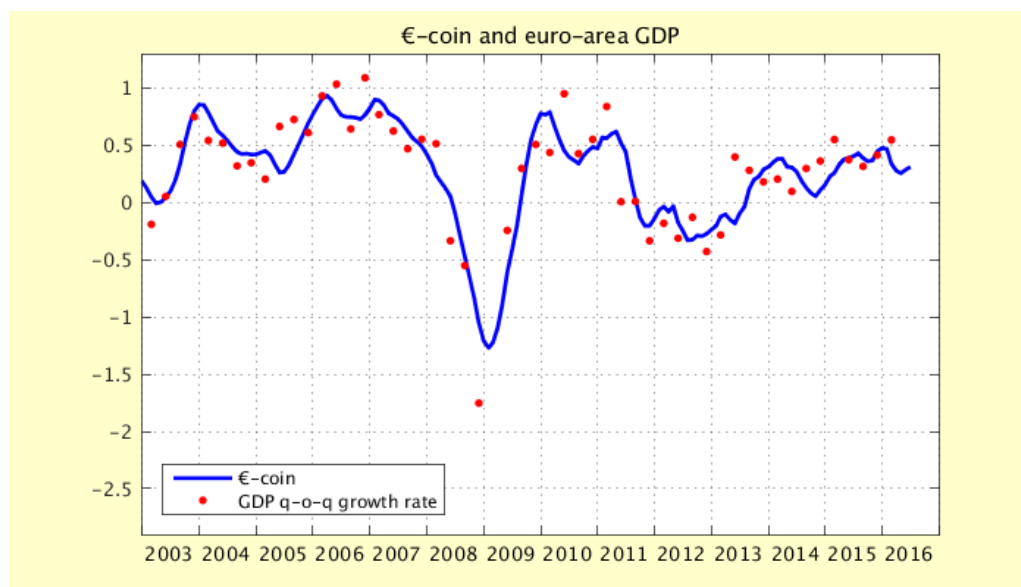


Slight increase in €-coin in July

For immediate release: 08.30 BST; 09.30 CET; Friday, 29 July 2016

- In July, the €-coin indicator increased slightly for the second consecutive month, rising to 0.31 from 0.29 in June.
- The qualitative indicators (especially those relating to businesses) and the favourable labour market trends under way outweighed the weakness in the industrial production indices. The fall in prices in the financial markets that initially followed the outcome of the referendum in the United Kingdom was partially reabsorbed in the second half of the month.
- 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: **Wednesday 31 August** and **Friday 30 September** (preliminary).

€-coin and euro-area GDP – July 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
July 2015	0.41
August 2015	0.43
September 2015	0.39
October 2015	0.36
November 2015	0.37
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

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>