



13th February 2015

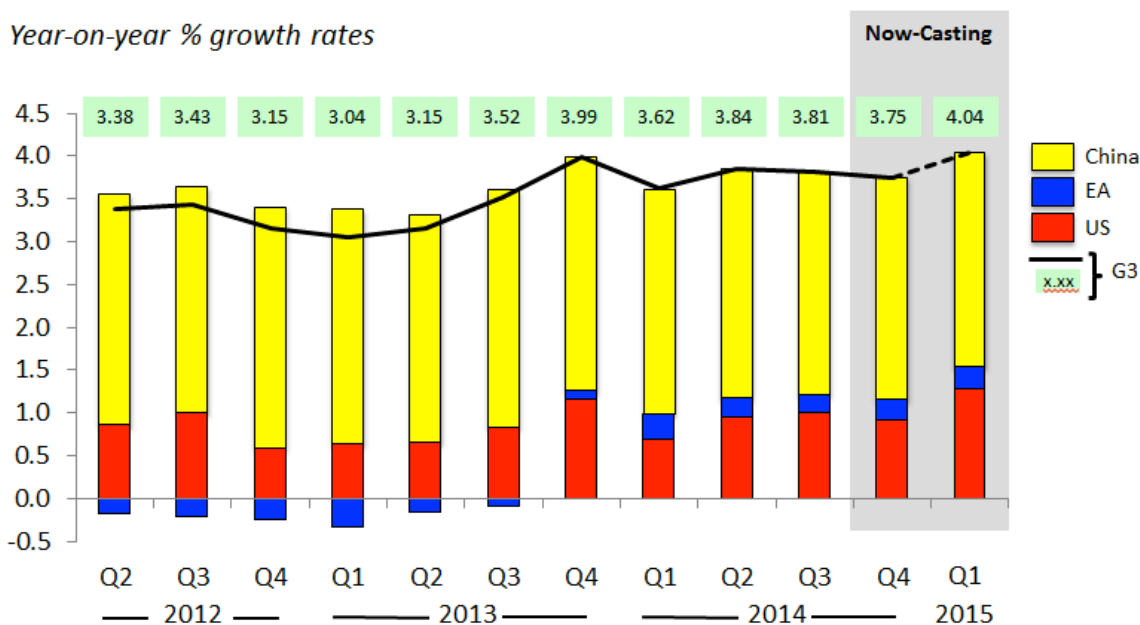
G3 growth in Q4 2014 better than expected

The G3 economies – the US, Euro Area and China – are growing at 4.04% in Q1-2015 with respect to the same period in the previous year, according to the Now-Casting growth monitor. The Q1 growth rate is above the growth rate for Q4 2014 (3.75%) and that for the whole of 2014, which is expected to be 3.8%.

Jasper McMahon, CEO of Now-Casting, commented: “Today’s Eurozone GDP announcement confirms the improving trend that we are now seeing in the Eurozone economy. However, this improvement in Europe has been more than offset by slowing growth in the US and China, with the result that our expectation of year-on-year growth in Q1 is 13 basis points lower than it was a month ago.”

GDP GROWTH FOR THE G3 – US, EURO AREA & CHINA

Year-on-year % growth rates



Contributions to G3 growth weighted by share of 2013 GDP from IMF World Economic Outlook, October 2014
Sources: US Bureau of Economic Analysis; Eurostat; National Bureau of Statistics of China; IMF World Economic Outlook, April 2014; Now-Casting Economics Ltd.



CHANGES TO GROWTH RATES SINCE LAST MONTH'S PRESS RELEASE

year-on-year % growth rates

		Q4 2014	Q1 2015
G3	Last month's prediction	3.79	4.17
	New prediction	3.75	4.04
	Change on month	-0.04	-0.13
US	Last month's prediction	2.69	3.82
	New prediction	2.47	3.45
	Change on month	-0.22	-0.37
Euro Area	Last month's prediction	0.71	0.63
	New prediction	0.88	0.96
	Change on month	+0.17	+0.33
China	Last month's prediction	7.30	7.27
	New prediction ¹	7.30	7.02
	Change on month	+0.00	-0.25

1: official figure for Q4

GDP GROWTH FOR THE G3 – US, EA AND CHINA

year-on-year % growth rates

		2012	2013				2014				2015	2013	2014
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Year	Year
Growth rates													
US		1.60	1.72	1.76	2.26	3.13	1.89	2.59	2.70	2.47	3.45	2.22	2.41
Euro Area		-0.92	-1.21	-0.61	-0.33	0.37	1.07	0.80	0.79	0.88	0.96	-0.44	0.88
China¹		7.90	7.70	7.50	7.80	7.70	7.40	7.50	7.30	7.30	7.02	7.68	7.38
Contribution to G3 growth rate													
	Weight²												
US	36.9%	0.59	0.64	0.65	0.83	1.15	0.70	0.96	1.00	0.91	1.28	0.82	0.89
Euro Area	27.5%	-0.25	-0.33	-0.17	-0.09	0.10	0.29	0.22	0.22	0.24	0.26	-0.12	0.24
China¹	35.6%	2.81	2.74	2.67	2.77	2.74	2.63	2.67	2.60	2.60	2.50	2.73	2.62
G3 growth rate		3.15	3.04	3.15	3.52	3.99	3.62	3.84	3.81	3.75	4.04	3.43	3.76

1 Figures for Q4 have changed since the last G3 press release as a result of release of official GDP estimates

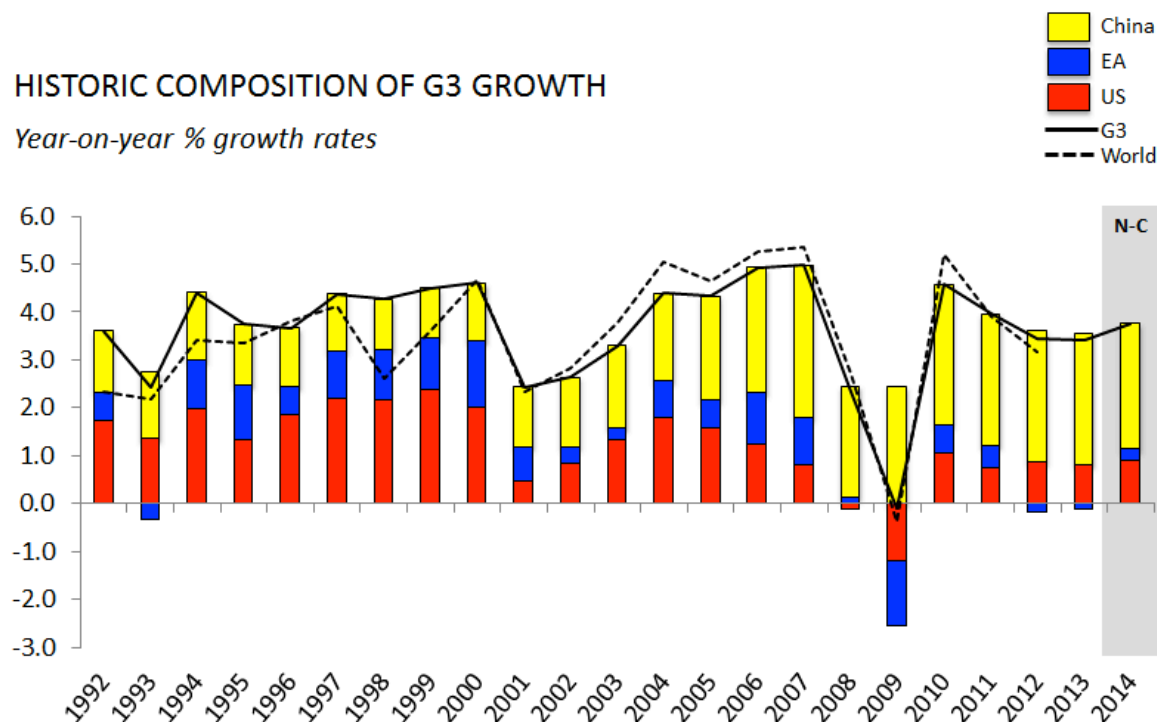
2 Weights are shares of 2013 G3 GDP from IMF World Economic Outlook, October 2014

Sources: US Bureau of Economic Analysis; Eurostat; National Bureau of Statistics of China; IMF World Economic Outlook, October 2014 Database; Now-Casting Economics Ltd.



HISTORIC COMPOSITION OF G3 GROWTH

Year-on-year % growth rates



Contributions to G3 growth weighted by share of G3 GDP growth in each year.

Sources: IMF World Economic Outlook, April 2014 database; Now-Casting Economics Ltd

HISTORIC GDP GROWTH RATES – WORLD VS G3 year-on-year % growth

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US	1.7	1.4	2.0	1.3	1.8	2.2	2.2	2.4	2.0	0.5	0.8	1.3	1.8	1.6	1.2	0.8	-0.1	-1.2	1.0	0.8	0.9	0.8	0.9
Euro Area	0.6	-0.3	1.0	1.2	0.6	1.0	1.0	1.1	1.4	0.7	0.3	0.3	0.8	0.6	1.1	1.0	0.1	-1.4	0.6	0.5	-0.2	-0.1	0.2
China	1.3	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.2	1.3	1.5	1.7	1.8	2.2	2.6	3.2	2.3	2.4	2.9	2.7	2.8	2.7	2.6
G3	3.6	2.4	4.4	3.7	3.7	4.4	4.3	4.5	4.6	2.4	2.6	3.3	4.4	4.3	4.9	5.0	2.3	-0.1	4.6	4.0	3.4	3.4	3.8
World	2.3	2.2	3.4	3.3	3.8	4.1	2.6	3.6	4.7	2.3	2.8	3.8	5.1	4.7	5.2	5.3	2.7	-0.4	5.2	3.9	3.2		

Contributions to G3 growth weighted by share of 2013 GDP from IMF World Economic Outlook, October 2014 database.

Sources: 2014 figures from Now-Casting Economics Ltd; other figures from IMF World Economic Outlook, October 2014



Press Release

Now-Casting.com
economics in real time

The next estimate of G3 GDP growth will be published on Monday, 16th March 2015. G3 GDP estimates will be published on the 15th of each month or the first working day thereafter, except in months in which the first official estimate of GDP for the US, Euro Area or China is published close to the middle of the month. In those months the Now-Casting global growth monitor will be published immediately after the relevant official release.

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Notes to editors:

Now-Casting.com is an online service delivering high-frequency information on current conditions in the world's major economies. Its output is generated automatically by a state of the art statistical model, using a continuous feed of economic data releases from around the world. All now-casts are automatically updated within minutes of the publication of any significant data release. The service covers the US, the Euro Area, China, Japan, Germany, France, Italy, Spain, the UK, Canada and Brazil, and is available by subscription. Weekly now-casts for the Euro Area are available free on the Now-Casting web site (www.now-casting.com).

The model was designed and built by the founders of Now-Casting, who are a group of academic economists and leaders in the use of large data sets in near-term econometric forecasting. The statistical techniques pioneered by the Now-Casting team have been implemented at the world's largest central banks as a critical input to economic policy making. Clients of Now-Casting include leading macro hedge funds and other investment institutions, who use the service to aid their investment decision making processes.