



## Euro Area NCI™

### Now-Casting Index

Released: 12:00 GMT, 14<sup>th</sup> May, 2019

Next release: 12:00 GMT, 13<sup>th</sup> June, 2019

www.now-casting.com

Bloomberg: NCIXEA

### Euro Area economic growth deceleration continues

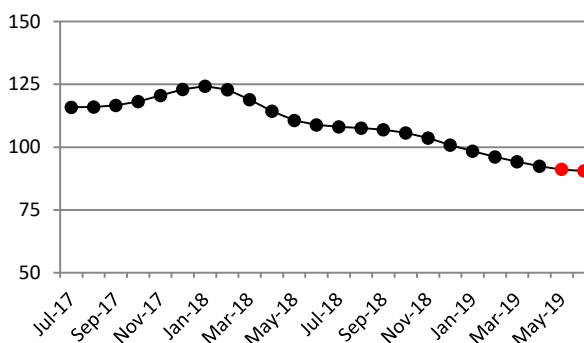
- The Euro Area NCI™ is at 91.11 for May, down from 92.51 in April, and is forecast to fall further to 90.48 in June, confirming the deceleration of the past months.
- However, the level of the NCI™ series has been revised upward, reflecting a balance of positive surprises in the economic data flow over the past month.

#### NCI™ release data

reference period	NCI™ Release Dates	
	12/04/2019	14/05/2019
Apr-19	90.67 (A)	92.51 (U)
May-19	88.11 (F)	91.11 (A)
Jun-19	--	90.48 (F)

Notes: (A), ACTUAL, denotes the estimate of economic activity for the current month; (F), FORECAST, the forecast for next month; (U) UPDATED, denotes updates reflecting data released since the last NCI publication date. Source: Now-Casting Economics Ltd

#### Revised NCI™ history



### The newsflow: macroeconomic data releases since last month's NCI™

#### Releases for the Euro Area as a whole

Release Date	Release Name	Reference Period	Model Unit	Release Value*	Model Expectation	Impact of Data Releases	
						EA NCI™ April	EA NCI™ May
14/05/2019	Industrial Production Excl Construction	Mar-19	MoM %	-0.28	-0.14	-0.06	-0.09
06/05/2019	Retail Sales	Mar-19	MoM %	0.00	-0.07	0.01	0.01
02/05/2019	Industrial Turnover: Manufacturing	Feb-19	MoM %	0.54	-0.52	0.34	0.39
30/04/2019	Gross Domestic Product	Q1'19	QoQ %	0.38	0.22	0.41	0.43
29/04/2019	Business Climate Indicator	Apr-19	Index	0.42	0.48	0.08	0.04
25/04/2019	Orders	Feb-19	MoM %	-1.82	-0.23	-0.31	-0.35
23/04/2019	Consumer Confidence Indicator	Apr-19	Index	-7.90	-7.00	-0.10	-0.15
23/04/2019	Consumer Confidence Indicator	Apr-19	Index	-7.90	-7.00	-0.10	-0.15
18/04/2019	PMI: Manufacturing	Apr-19	Index	47.79	47.28	0.10	0.48
18/04/2019	PMI: Services	Apr-19	Index	52.54	52.59	-0.02	-0.03
17/04/2019	Exports	Feb-19	MoM %	-1.38	-0.06	-0.23	-0.26
17/04/2019	Imports	Feb-19	MoM %	-2.68	0.01	-0.44	-0.50
17/04/2019	New Passenger Car Registrations	Mar-19	YoY %	-3.91	-1.71	-0.04	-0.06
16/04/2019	Construction Output	Feb-19	MoM %	2.96	3.40	-0.07	-0.08
						<b>-0.43</b>	<b>-0.32</b>

Note: Released values are expressed in Model Units

Source: Now-Casting Economics Ltd and Official Data Sources



## Euro Area NCI™ Now-Casting Index

### Releases for France

Release Date	Release Name	Reference Period	Model Unit	Release Value*	Model Expectation	Impact of Data Releases	
						EA NCITM April	EA NCITM May
13/05/2019	BdF Business Sentiment Indicator	Apr-19	Index	99.19	99.46	-0.03	-0.06
10/05/2019	Industrial Production Excl Construction	Mar-19	MoM %	-0.98	-0.97	-0.01	-0.01
10/05/2019	Construction Output	Mar-19	MoM %	-0.87	0.09	-0.09	-0.12
07/05/2019	Imports	Mar-19	MoM %	3.56	-0.87	0.53	0.69
07/05/2019	Exports	Mar-19	MoM %	1.11	-1.42	0.23	0.30
02/05/2019	New Passenger Car Registrations	Apr-19	YoY %	0.43	-1.39	0.01	0.01
30/04/2019	Retail Sales	Feb-19	MoM %	0.81	0.51	0.01	0.01
30/04/2019	Industrial Turnover: Manufacturing	Feb-19	MoM %	2.52	-0.22	0.57	0.62
30/04/2019	Household Consumption: Manuf. Goods	Mar-19	MoM %	-0.09	-0.18	0.01	0.01
30/04/2019	Gross Domestic Product	Q1'19	QoQ %	0.30	0.13	0.18	0.19
26/04/2019	Registered Unemployed	Mar-19	Thousands	3,382.60	3,393.90	0.22	0.24
26/04/2019	Household Confidence Indicator	Apr-19	Index	95.94	95.59	-0.01	-0.01
24/04/2019	Business Climate Indicator: Industry	Apr-19	Index	105.40	104.13	0.03	0.23
18/04/2019	PMI: Manufacturing	Apr-19	Index	49.62	49.44	0.05	0.13
18/04/2019	PMI: Services	Apr-19	Index	50.55	49.69	0.10	0.27
						<b>1.80</b>	<b>2.50</b>

### Releases for Germany

Release Date	Release Name	Reference Period	Model Unit	Release Value*	Model Expectation	Impact of Data Releases	
						EA NCITM April	EA NCITM May
10/05/2019	Exports	Mar-19	MoM %	1.54	0.78	0.04	0.05
10/05/2019	Imports	Mar-19	MoM %	0.41	1.08	-0.03	-0.04
08/05/2019	Construction Output	Mar-19	MoM %	0.00	-3.68	-0.02	0.02
08/05/2019	Industrial Production	Mar-19	MoM %	0.48	-0.13	0.13	0.18
07/05/2019	Industrial Turnover: Manufacturing	Mar-19	MoM %	-0.19	0.62	-0.17	-0.24
07/05/2019	Orders	Mar-19	MoM %	0.59	2.22	-0.19	-0.27
03/05/2019	New Passenger Car Registrations	Apr-19	YoY %	-1.06	0.66	0.00	0.00
02/05/2019	Retail Sales	Mar-19	MoM %	-0.18	-0.07	0.00	0.00
30/04/2019	Job Vacancies	Apr-19	MoM %	-0.37	0.10	-0.03	-0.05
30/04/2019	GfK Consumer Climate Indicator	May-19	Index	10.40	10.31	0.00	0.00
24/04/2019	Ifo Business Climate Index	Apr-19	Index	99.20	99.52	0.01	-0.05
18/04/2019	PMI: Services	Apr-19	Index	55.60	54.52	0.08	0.16
18/04/2019	PMI: Manufacturing	Apr-19	Index	44.50	44.43	0.01	0.03
						<b>-0.17</b>	<b>-0.21</b>

### Releases for Italy

Release Date	Release Name	Reference Period	Model Unit	Release Value*	Model Expectation	Impact of Data Releases	
						EA NCITM April	EA NCITM May
10/05/2019	Retail Sales	Mar-19	MoM %	-0.29	0.06	-0.04	-0.05
10/05/2019	Industrial Production Excl Construction	Mar-19	MoM %	-0.94	-0.90	-0.01	-0.01
06/05/2019	PMI: Services	Apr-19	Index	50.45	52.95	-0.15	-0.29
02/05/2019	New Passenger Car Registrations	Apr-19	YoY %	1.47	-6.78	0.06	0.08
02/05/2019	PMI: Manufacturing	Apr-19	Index	49.07	47.55	0.31	0.62
30/04/2019	Gross Domestic Product	Q1'19	QoQ %	0.23	-0.10	0.18	0.18
19/04/2019	ISTAT Business Confidence Indicator	Apr-19	Index	98.70	98.86	-0.01	-0.02
19/04/2019	ISTAT Consumer Confidence Indicator	Apr-19	Index	110.50	111.62	0.00	0.00
18/04/2019	Orders	Feb-19	MoM %	-2.73	-0.23	-0.05	-0.06
18/04/2019	Industrial Turnover	Feb-19	MoM %	0.28	-1.01	0.12	0.12
17/04/2019	Construction Output	Feb-19	MoM %	3.39	2.61	0.00	0.00
17/04/2019	Imports	Feb-19	MoM %	0.04	3.47	-0.27	-0.28
17/04/2019	Exports	Feb-19	MoM %	-1.14	0.58	-0.08	-0.08
						<b>0.06</b>	<b>0.21</b>

Note: Released values are expressed in Model Units

Source: Now-Casting Economics Ltd and Official Data Sources



For further information, please contact:

**Now-Casting Economics Limited**

Jasper McMahan

+44 (0)7802 485904

jasper.mcmahan@now-casting.com

#### Notes

**What is the NCI™?** The Now-Casting Index - NCI™ - is an index that measures the state of the business cycle. It is calculated from a broad set of economic indicators.

**How to read the NCI™?** The NCI™ is normalized to have a mean value of 100 and a standard deviation of 25 calculated over the estimation sample, which starts in 1995. Values above 100 indicate that real activity is growing above the mean.

**NCI™ updates** The NCI™ is updated in relation to surprises in data releases (*news*) computed as the difference between the release value and model-based now-cast for each input indicator. The weights attached to each *news* are also model-based.

**Impact of data releases** The impact of each data release on the NCI™ is the product of the economic *news* associated with that release and a model-based weight which reflects the importance of each variable and is a function of its timeliness. 'News' is defined in this context as the difference between the actual value of a release and the model's expectation of that value.

**Impact of revisions** The difference between the value of the NCI™ released today and the forecast of it made a month ago may be more or less than the total impact of all the releases listed in the table on page 1, because of the impact of any revisions to prior data releases made during this period.

**Source of data** The Now-Casting Index for the Euro Area is produced by Now-Casting Economics Limited and is based on a model built on monthly and quarterly economic indicators covering production, labour, construction, domestic and international trade, services and surveys. Raw data are supplied by Haver Analytics. Now-Casting Economics releases the Euro Area NCI™ monthly for the current month together with a forecast for the next month and updates to the previous release. Forecast updates are based on data released since the last NCI™ publication. The model is estimated in real-time at each data release; now-casts of GDP and other macroeconomic series are published live within 30 minutes of the data release.

**Now-Casting model** The NCI™ is an output of the Now-Casting model, which is designed to capture commonalities among macroeconomic data while filtering out idiosyncratic noise. The model produces estimates of the real economic conditions in different countries in real time, taking into account non-synchronous data sampled at mixed frequency. The NCI™ and its revisions are produced automatically, without judgment or other intervention. The deep parameters of Now-Casting model are estimated at the beginning of every year; the NCI™ is the result of a pure out-of-sample forecast. Normalization is updated at the beginning of every year in concomitance with updates of deep parameters.

**Now-Casting Economics Limited** is a company delivering high-frequency information on current conditions in the world's major economies. 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](http://www.now-casting.com)).

**Legal** The intellectual property rights to the Euro Area NCI™ provided herein are owned by Now-Casting Economics Limited. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing in this release is not permitted without Now-Casting Economics' prior consent. Now-Casting Economics shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Now-Casting Economics be liable for any special, incidental, or consequential damages, arising out of the use of the data. NCI™ is a registered trademark of Now-Casting Economics Limited. The Now-Casting.com logo is a registered trademark of Now-Casting Economics Limited.