



High Frequency Model for Eurozone

Monthly rates of economic activity

SUMMARY

Flash estimate for the third quarter is lower than expected

Author: Julián Pérez

The past November 13th Eurostat has published the flash estimate for the third quarter 2015 showing a qoq GDP growth rate of 0.3 for the Eurozone that means a tenth lower than the previous quarter, as it was in the second quarter compared to the first. Our previous forecast were advancing a slightly higher rate of 0,6 for this third quarter that we could interpret as some acceleration in the recovery path of the

European economy. On the contrary, if the flash estimate was finally confirmed, the Eurozone could have already reached a cyclical peak in qoq rates, and the yoy rates could change trend in next quarter, after achieving a cyclical maximum of 1.6% in this third quarter. Looking at 2016, most of the forecasters are betting for an annual rate slightly above the

“Some acceleration in qoq rates can be expected for coming quarters”

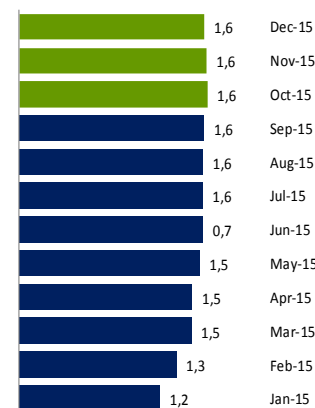
2015 figure that can be only obtained if the qoq rates rebounded in coming quarters. That is what our current forecasts are reflecting, where both, fourth quarter this year, and the first one next year, are higher than the third quarter.

November 2015

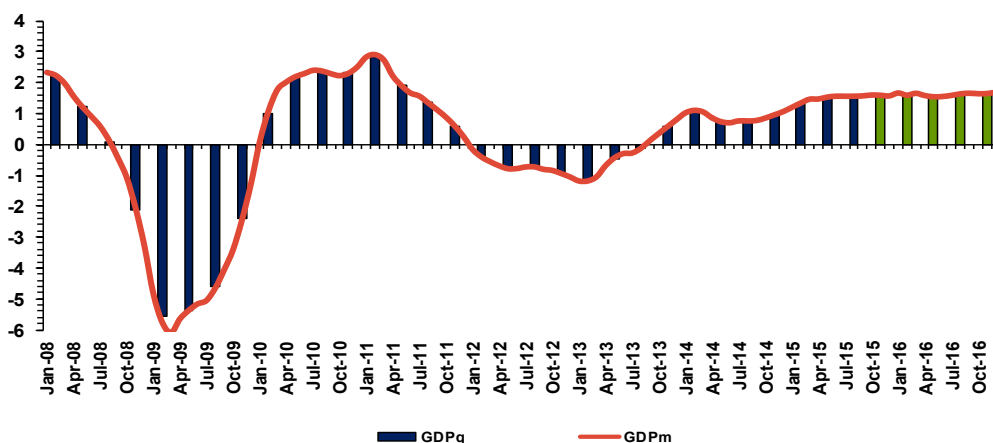
Full content:

Euro Area GDP growth rate	1
Selected indicators	2
Forecast of the Model	2
Upcoming relevant data	6

GDP growth (yoy)



Euro Area GDP growth rate (yoy)
Euren/CEPREDE High Frequency Model



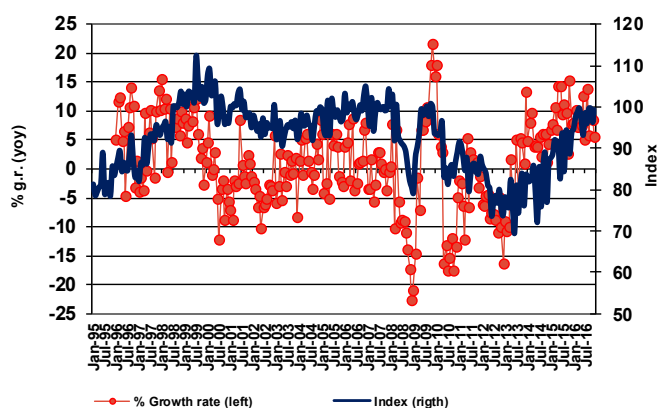
Source: CEPREDE. Nov 2015

The High Frequency Model analyses the main trends shared by a group of selected business indicators which recent evolution is displayed in following tables and graphs.

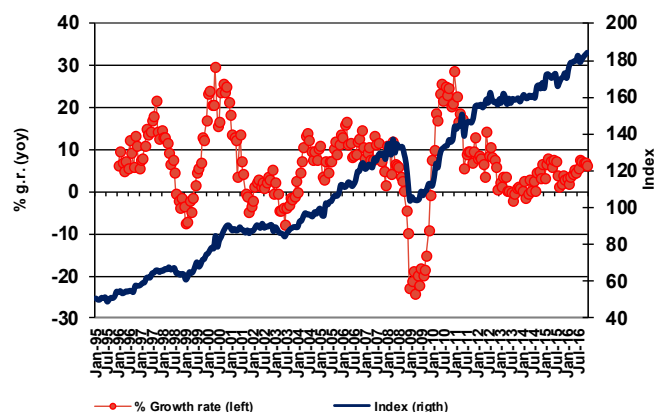
Those common trends are extracted through Principal component analysis and the extracted factors are forecasted with automatic ARIMA models.

After that, those forecasts are used both, to get specific forecasts on individual indicators (Dynamic Factor analysis), and to get a monthly GDP growth rate through temporal desegregation techniques (Chow-Lin).

New Car Registrations



Export Volume to the rest of the world



To order the full report [Click here](#)

For more news [Click here](#)

Upcoming relevant data	Euro Area
Nov 27	Business climate indicator for the euro area. November 2015 (EC)
Dec 1	Unemployment. October 2015 (Eurostat)
Dec 8	Composite Leading Indicator (OECD)
Dec 8	National accounts (GDP). Q3/2015 - 2nd Estimate (Eurostat)
Dec 10	Interest rate (3 months). November 2015. (ECB)

The programming publications High Frequency Model for Eurozone during this year 2015 is included in the table at right.

Closing date: Nov 17, 2015

Publication date in 2015	
January 26	July 27
February 23	September 21
March 23	October 26
April 27	November 23
May 25	December 21
June 22	

Economic Forecasting Center (CEPREDE in Spanish language) begins in 1981 as a result of work of a group of professors from the Autonomous University of Madrid (UAM) and the unconditional support of the Chamber of Commerce and Industry of Madrid and the University-Enterprise Foundation. Five years later in 1986, establishing the Economic Forecasting Center Association (CEPREDE in Spanish). The Association counts among its partners, private corporations, business associations and governments of the autonomous administrations. CEPREDE is now a permanent Center for Economic Research, a reality created and shared by everyone, Sponsors, Founders, Partners and a group of university professors and researchers.

A reality which numerically is summarized in decades of history, with hundreds of prediction, continuous analysis of approximately 1,000 macroeconomic variables and 200 short-term indicators, permanent consultation with a hundred experts panel.

Asociación Centro de Predicción Económica, CEPREDE
 Att. Mar Rodea (morning hours) T. +34 91 497 86 70

WE SUGGEST YOU VISIT THE NEW SERVICES



Business Intelligence Forecasting

www.cepredes.com/cepredes_bi/business_intelligence.asp