



# High Frequency Model for Eurozone

## Monthly rates of economic activity

### SUMMARY

#### First estimate confirms the slowdown during the first quarter

Jun 2018

Although the first estimate is a little bit higher than the flash estimated, the figures presented by Eurostat last June 7th confirm the slowdown in GDP growth rates in the Eurozone during the first quarter of the year.

According to these updated figures, the qoq growth rates keep slightly below 0,5 which means that annual rates fall from 2,8% (revised figure) in the fourth quarter 2017, to

2.5% in the first quarter this year.

Looking into the near future, the forecasts yield by our High Frequency Model, don't seem to sharpen this slowdown along the rest of the year, and forecasted qoq rates remains around 0,5 for the next three quarters, which would keep the annual average growth for GDP close to 2%.

In fact, analyzing the monthly evolution of the specific indi-

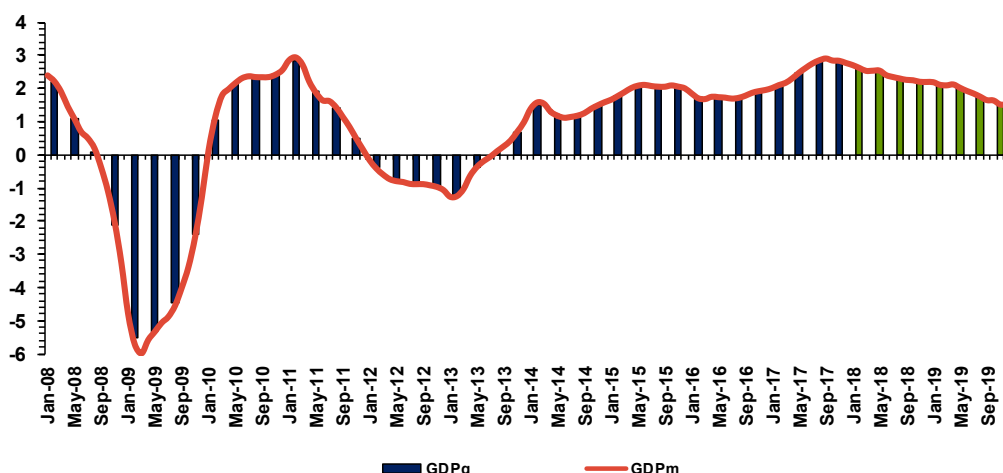
*"The model does not point towards a further deceleration in coming quarters"*

cators included into the model it is easy to see that after the contention registered during the first months, the most recent figures seem to keep, or even slightly improve, the values reached at the end of the first quarter.

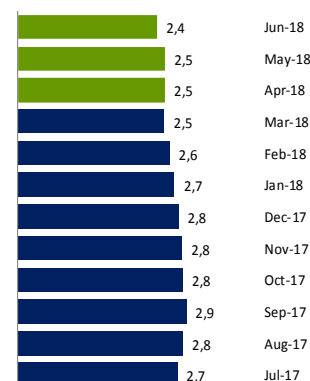
#### Full Content:

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

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



GDP growth (yoy)



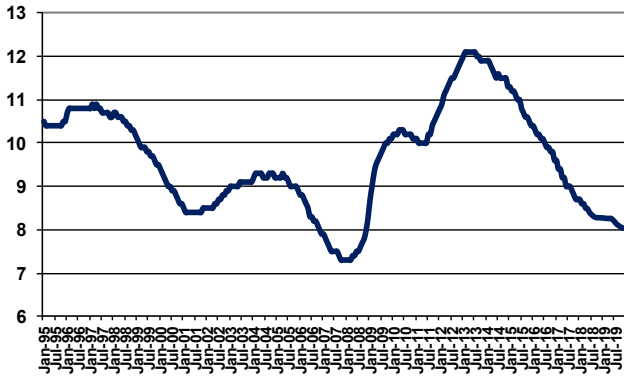
Source: CEPREDE. Jun-2018

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.

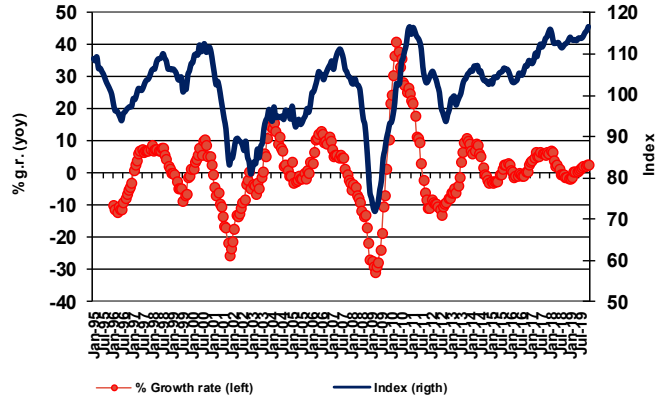
Those common trends are extracted through Principal component analysis and the extracted factors are forecasted with automatic ARIMA models.

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).

**Harmonised Unemployment Rate**



**Economic Sentiment Indicator: Germany**



Para solicitar informe completo contactar [Aquí](#)

Para ver más novedades pincha [Aquí](#)

Upcoming relevant data	Euro Area
Jun 28	Economic Sentiment Indicator & Business Climate Indicator June 2018
Jun 28	Flash Estimate Euro area inflation June 2018
Jul 02	Unemployment May 2018
Jul 05	Quarterly balance of payments Q1/2018
Jul 11	Interest rates (3 months) June 2018

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

Closing date: Jun 16, 2018

Publication date in 2018	
January 22	July 23
February 26	September 24
March 26	October 22
April 23	November 26
May 21	December 26
June 25	

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. (morning hours) T. +34 91 497 86 70

WE SUGGEST YOU VISIT THE NEW SERVICES



Business Intelligence Forecasting

[www.ceprede.es/ceprede\\_bi/business\\_intelligence.asp](http://www.ceprede.es/ceprede_bi/business_intelligence.asp)