



High Frequency Model for Eurozone

Monthly rates of economic activity

SUMMARY

Forecasts going down as new indicators are available

The new information included in our High Frequency Model during last month has induced a new downward revision in the forecast for GDP growth in 2020.

In present edition, new information for may results of around half of the indicators has been included into the model, whereas other 9 out of 24 have been updated with April results.

Having in mind that the hardest effects of the containment measures are concentrated in that two months, the largest falls down are also concentrated in these periods, where our model forecasts a yoy growth rates of Eurozone's GDP close to -15%.

Although, these months would mark the bottom of the growth rate profile, the recovery path will last other additional months, with two digits negative growth rates till August, and keeping negative figures for the rest of the year, albeit in a progressively lower levels.

On the positive side, we can see a slightly upward revision in GDP growth rates, compared to flash estimated in May 15th., and most indicators available in May showing better results than in previous month.

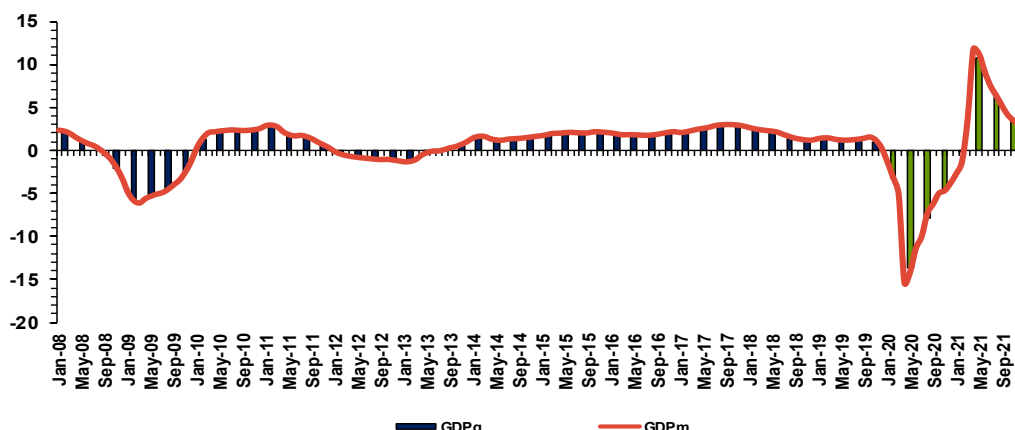
"The worst have been passed during April and May"

Jun 2020

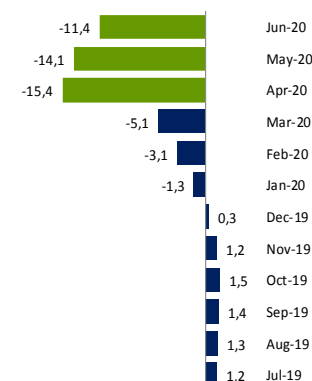
Full Content:

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)



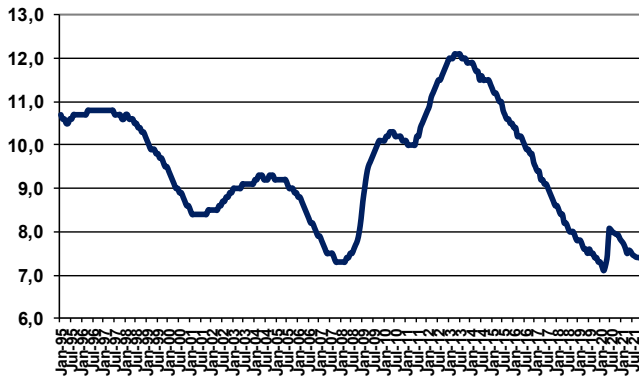
Source: CEPREDE. Jun-2020

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.

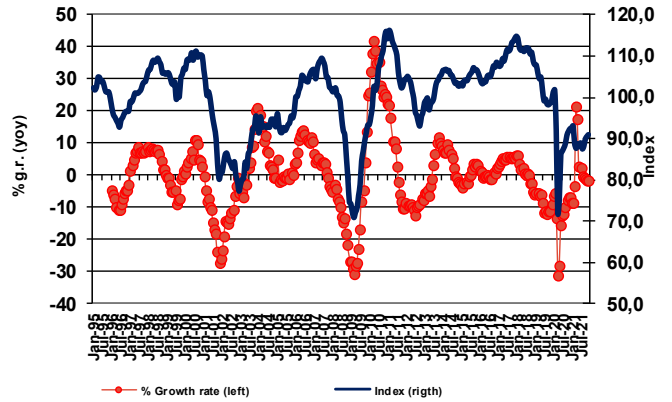
Those common trends are extracted through Principal component analysis and the extracted factors are forecasted with automatic ARIMA models.

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 29	Economic Sentiment Indicator & Business Climate Indicator June 2020
Jun 30	Flash Estimate inflation euro area June 2020
Jul 03	Unemployment May 2020
Jul 14	Industrial production May 2020
Jul 16	International trade in goods May 2020

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

Closing date: Jun 15, 2020

Publication date in 2020	
January 27	July 20
February 24	September 21
March 24	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. (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