



Rapid GDP estimates for the EU and the EA at t+30d after quarter-end

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Workshop on Rapid Estimates
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three t+30 releases for Europe



1. Background

- GDP t+30 Task Force, May 2013 – end 2015:
- Purpose:
 - **assess feasibility of producing GDP flash estimates at t+30 days for the EA and EU, test estimates**
 - **sharing country experiences and best practices with national GDP t+30 estimations**
 - Guidance for non-experienced Member States
- Development
 - A) methodology for Eurostat and country estimates**
 - B) quality acceptance criteria**
 - For assessment of test results → Decision to go 'live'

2. Quality acceptance criteria

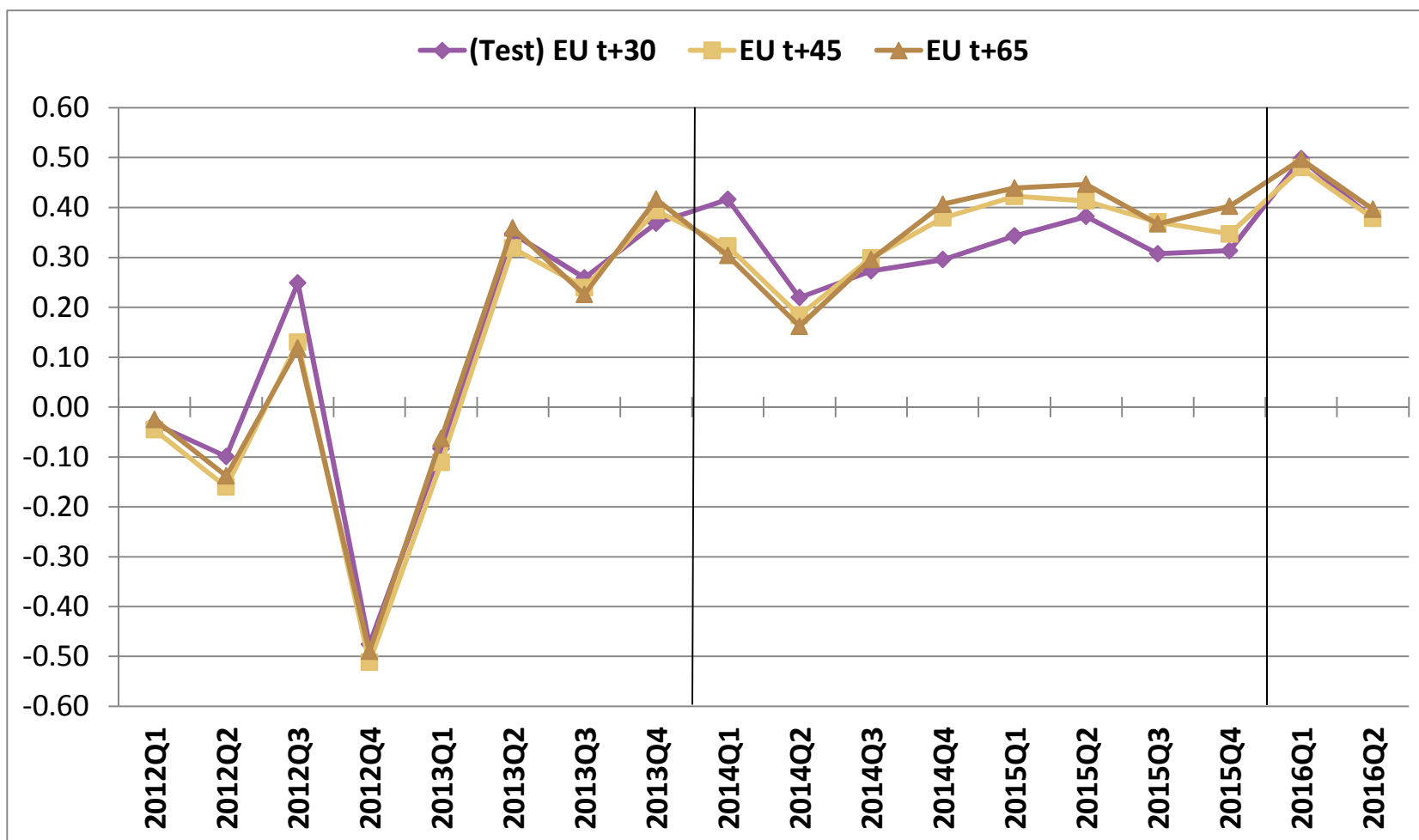
- *Unbiased* GDP t+30 estimate
 - ✓ **Average revision between -0.05 and +0.05 ppt**
 - ✓ **Max 67% revision in the same direction**
- *Limited revisions*, average absolute revision
 - ✓ **Max 0.10 ppt at t+45**
 - ✓ **Max 0.13 ppt at t+65**
- Sufficient country coverage
 - ✓ **> 70% GDP for 2015 test quarters**
- Availability of communication plan in case going 'live'

3. Results of the t+30 estimates (1)

EU (test) estimates

Quarter	Publication level			Coverage	
	t+30 test	t+45	Revision t+45 - t+30	% of GDP	Number of Member States
2012Q1	0.0	0.0	0.0	70	12
2012Q2	-0.1	-0.2	-0.1	73	13
2012Q3	0.2	0.1	-0.1	86	13
2012Q4	-0.5	-0.5	0.0	86	13
2013Q1	-0.1	-0.1	0.0	70	12
2013Q2	0.3	0.3	0.0	89	14
2013Q3	0.3	0.2	-0.1	86	13
2013Q4	0.4	0.4	0.0	86	13
2014Q1	0.4	0.3	-0.1	71	14
2014Q2	0.2	0.2	0.0	65	13
2014Q3	0.3	0.3	0.0	85	15
2014Q4	0.3	0.4	0.1	90	17
2015Q1	0.3	0.4	0.1	75	16
2015Q2	0.4	0.4	0.0	92	17
2015Q3	0.3	0.4	0.1	90	16
2015Q4	0.3	0.3	0.0	91	17
2016Q1	0.5	0.5	0.0	91	17
2016Q2	0.4	0.4	0.0	91	17

3. Results of the t+30 estimates (2)



3. Results of the t+30 estimates (3)

EU (test) estimates

	GDP growth rates				Revisions to t+30 estimate at		
	t+30	t+45	t+65	t+3m+65d	t+45	t+65	t+3m+65d
2012Q1	-0.03	-0.05	-0.02	-0.02	-0.01	0.01	0.01
2012Q2	-0.10	-0.16	-0.14	-0.15	-0.06	-0.04	-0.05
2012Q3	0.25	0.13	0.12	0.11	-0.12	-0.13	-0.14
2012Q4	-0.48	-0.51	-0.49	-0.50	-0.04	-0.01	-0.02
2013Q1	-0.08	-0.11	-0.06	-0.05	-0.03	0.02	0.03
2013Q2	0.35	0.32	0.36	0.36	-0.03	0.01	0.01
2013Q3	0.26	0.24	0.23	0.31	-0.02	-0.03	0.05
2013Q4	0.37	0.39	0.42	0.39	0.03	0.05	0.03
2014Q1	0.42	0.32	0.30	0.33	-0.09	-0.11	-0.08
2014Q2	0.22	0.18	0.16	0.23	-0.04	-0.06	0.01
2014Q3	0.27	0.30	0.30	0.32	0.03	0.02	0.05
2014Q4	0.30	0.38	0.41	0.43	0.08	0.11	0.14
2015Q1	0.34	0.42	0.44	0.54	0.08	0.10	0.20
2015Q2	0.38	0.41	0.45	0.46	0.03	0.06	0.08
2015Q3	0.31	0.37	0.37	0.37	0.06	0.06	0.06
2015Q4	0.31	0.35	0.40	0.51	0.03	0.09	0.20
2016Q1	0.50	0.48	0.50	0.49	-0.02	0.00	-0.01
2016Q2	0.38	0.38	0.40		0.00	0.02	
Average revision					-0.01	0.01	0.03
Average absolute revision					0.04	0.05	0.07
Root of the mean squared errors (RMSQE)					0.05	0.07	0.09



3. Results of the t+30 estimates (4)

Conclusions

- Successfully passing all a priori quality criteria
- Better than market forecasts at t+30 (tested for real-time quarters 2014Q1 onwards)
- But: revisions t+30 \rightarrow t+45 a bit larger than revisions t+45 \rightarrow t+60

Eurostat (and ESS) decided to start publishing GDP t+30 from 2016Q1 onwards



4. Communication

- Full information including background information available for all users at/after first release April '16
 - ✓ **Methodological working papers on (Estat NA website):**
 - Methods and techniques for national GDP t+30 estimations
 - Eurostat estimation procedure
 - ✓ **Article in Eureka journal, 1/2016**
 - ✓ **Presentations in meetings and conferences**
 - ESCB Working Group GES, February 2016
 - e.g. IARIW in August 2016, Ciret pre-conference Sept 2016, etc...



European
Commission

5. Three t+30 releases for Europe, 29/4/2016 →

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LATEST NEWS RELEASES

29/04/2016

GDP up by 0.6% in the euro area and by 0.5% in the EU28

Seasonally adjusted GDP rose by 0.6% in the euro area (EA19) and by 0.5% in the EU28 during the first quarter of 2016, compared with the previous quarter, according to a preliminary flash estimate published by Eurostat, the statistical office of the European Union. In the fourth quarter of 2015... [more](#)

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LATEST NEWS RELEASES

29/04/2016

Euro area unemployment down to 10.2%

The euro area (EA19) seasonally-adjusted unemployment rate was 10.2% in March 2016, down from 10.4% in February 2016, and from 11.2% in March 2015. This is the lowest rate recorded in the euro area since August 2011. The EU28 unemployment rate was 8.8% in March 2016, down from 8.9% in February... [more](#)

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LATEST NEWS RELEASES

29/04/2016

Euro area annual inflation down to -0.2%

Euro area annual inflation is expected to be -0.2% in April 2016, down from 0.0% in March, according to a flash estimate from Eurostat, the statistical office of the European Union. Looking at the main components of euro area inflation, services is expected to have the highest annual rate in... [more](#)

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