ITALY IN THE GLOBAL ECONOMY
PROMETEIA BRIEF

prometeia

APRIL 2020 – No. 20/3

Executive summary

Global recession coming

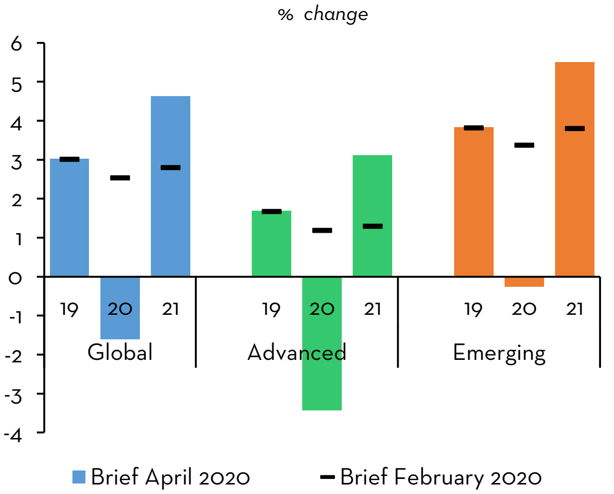
- The coronavirus outbreak is now global: it has already hit most countries in Europe and the US very heavily, paving the way towards a recession as deep as that of 2008-2009 or even worse.
- Only China seems to be in recovery mode based on the earlier timing of its coronavirus outbreak and its swift response.
- Governments across the rest of the world have introduced measures ranging from social distancing to a complete closure of economic activities and some very large fiscal economic support plans have been announced. Monetary policy is easing worldwide.
- Service sectors are the most affected. They represent the highest share of value added and employment in the industrialized economies and it is unlikely that their lost sales can be recovered.
- The outbreak of the virus has been staggered across the world which will extend the period of global growth and trade difficulties.
- Oil prices are plunging due to falling world demand and a price war.

Italy will suffer more than other countries

- Italy is likely to be one of the most strongly affected countries. Its services and tourism sectors are characterized by small and medium sized enterprises which are particularly vulnerable to this shock; its trade openness will become a weakness in the wake of falling global trade and its public sector has limited fiscal space.
- Despite the government has already announced fiscal measures worth 2.2pp of GDP (InFocus 2), we estimate a drop in economic activity of 6.5% in 2020.
- This assumes that the lockdowns will begin to be eased in May (see InFocus 1 for details).
- The depth of the recession and the slow recovery expected starting from the second half of the year will further weaken the country's productive capacity and public finances. In our baseline scenario, in 2022 GDP is forecast to be more than 2pp below 2019 levels, with sovereign debt close to 150% of GDP.
- Monetary policy measures will be able to contain tensions in the sovereign bond market and limit the rise in the sovereign interest rate spread.

Chart 1 – Real GDP

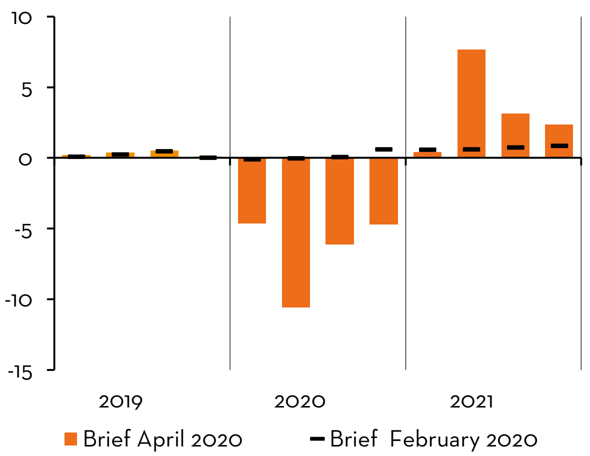
% change



Source: Prometeia's forecast on IMF, World Bank, Eurostat, National Statistical Offices data.

Chart 2 – Italy: real GDP

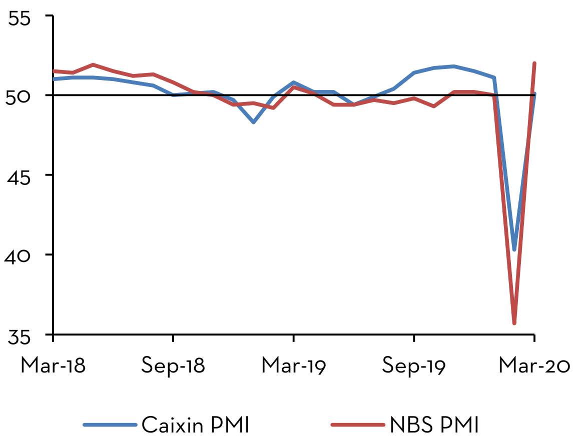
% change yoy, quarterly data



Source: Prometeia's forecast on Istat data.

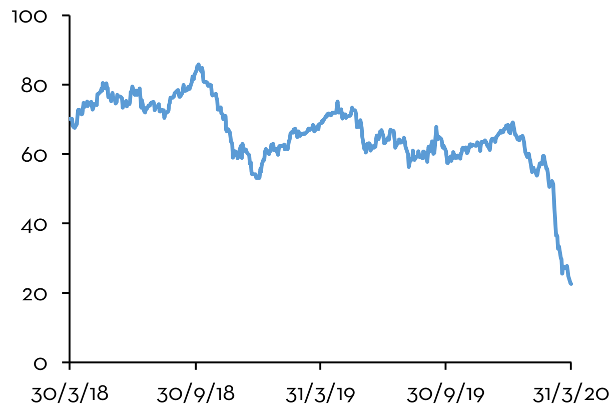
Global scenario

Chart 3 – China PMI manufacturing
level – over 50: expansion – under 50: contraction



Source: Caixin, National Bureau of Statistics China.

Chart 4 – Brent oil
US Dollars per barrell



Source: Refinitiv.

China seems to have passed the most acute phase of the crisis, with a 13.5% yoy loss of both industrial and service production in the first two months of the year. It is now recovering to a complete functioning of industrial activity, although some services will need more time as social distancing measures continue to be in place. PMI in March exceeds 52 in manufacturing (Chart 3). We expect China to avoid an average annual fall in GDP this year, notwithstanding the plunge in world demand that will slow down the recovery.

In the US, COVID-19 is expanding rapidly. The lockdown is less strict than in Europe, but the measures already in place are hitting employment, mainly in services: applications for unemployment benefits jumped to 6.6 million in the last week of March and we expect closures to bring unemployment up to 6.0 million on average in 2020. The Fed's response has been timely and government has approved a very large fiscal policy package (almost 10% of GDP). These measures could contain the GDP fall to -2.5%.

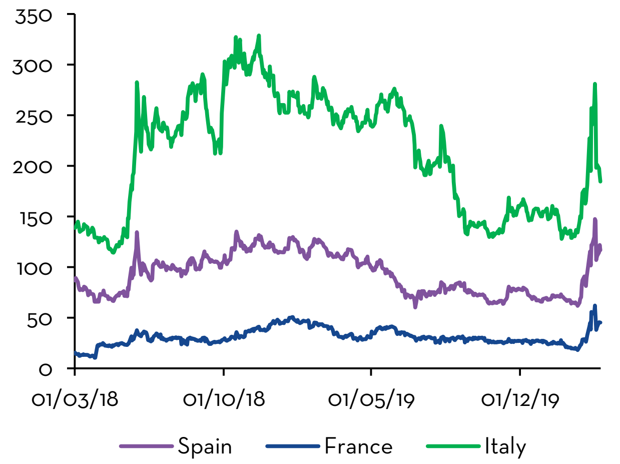
In Europe, several weeks of lockdown. Closure of non-essential productive and commercial activities, lower incomes, destruction of wealth, disruption to habits and continuing uncertainty will contract private consumption by 4.9% on average in 2020 (worse than the 2008/09 crisis). We expect investments to fall at double-digit rates, triggered by plunging demand and exacerbated by blockages in production chains, closure of activities and extreme uncertainty. The huge cost in terms of lost employment that characterized previous crises could be partly avoided and made temporary by ad hoc government interventions. Governments freed from the constraints of the Stability Pact are putting many resources in place for this purpose.

In most emerging countries, the virus has not yet reached European and US levels. However, many have put in place social restrictions and economic expansionary measures and we expect developments similar to the advanced countries, with differences based mainly on the different structure of these economies (relatively fewer services and more industry). The main risk is an explosion of the outbreak that their health systems will be unable to manage and that will have huge economic consequences.

Central banks worldwide have intervened repeatedly to ensure the supply of liquidity to markets and offering funds at zero or negative rates to support demand. The Fed has engaged in swap transactions with many foreign central banks to guarantee dollar liquidity. It is intervening massively in the repo overnight market and has announced almost unlimited QE. The ECB has announced several measures to support banks and credit, and in addition to the €120 billion already planned an extra €750 billion QE before the end of the year. Commodity prices and oil prices, in particular, are falling (Chart 4). While markets were beginning to discount the drop in oil demand (expected as the lockdowns extended worldwide), the lack of agreement over reducing OPEC+ production has led Saudi Arabia to unleash a price war by flooding the market with oil and announcing even further expansion of production. The real victim is likely to be the American shale oil sector: its economic balance is unsustainable at these price levels and it is already highly indebted with possible further consequences for the US banking system.

Italy

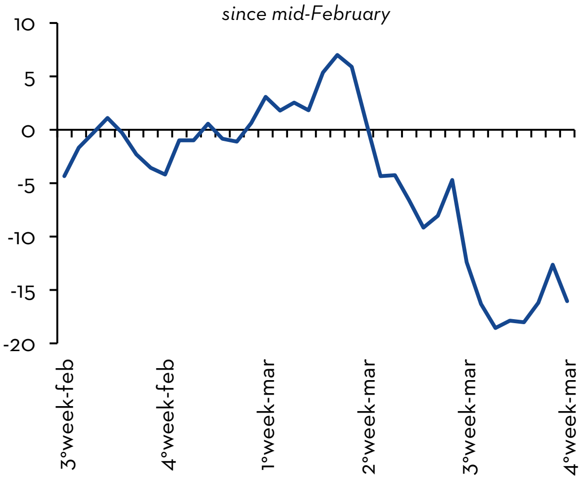
Chart 5 – **Sovereign yield spreads - 10y bonds vs German Bund** – *basis points*



Source: Refinitiv.

Chart 6 – **Electric power consumption**

percentage deviation 2020 over 2019 on single days since mid-February



Source: Prometeia's calculations on TERNA data.

Weak pre-crisis conditions. After the stagnation that began in mid-2018, due the combined effect of the global slowdown and the political domestic uncertainty that weighed on consumption and investment choices, in Q4 2019 Italy's GDP fell by 0.3% qoq. Although the first signs in 2020 seemed to suggest a mild recovery, the outbreak of the epidemic struck on a weak base. The Italian stock market fell abruptly, by 35%, and sovereign yield spreads widened rapidly (Chart 5).

Italian GDP is estimated to fall by more than 10% in the first two quarters of 2020, with a -6.5% annual fall. The only hard data available for March is electricity consumption, which fell between 10% and 20% (Chart 6). We assume the lockdowns will start to be removed, starting in May (see InFocus 1), allowing growth to recover from the third quarter onwards. The domestic policy response will only partial counter-balance the economic effects of COVID-19.

The lockdown will result in a drop in household consumption of more than 6% in the first two quarters, followed by a mild recovery in the second half of the year. This recovery will benefit from the legislated income support measures for employees and the self-employed that will limit the fall in disposable income. However, the propensity to consume will fall significantly due both to the effect of lost consumption (typically in services) during the period of activity closures, and to increased consumer prudence. As a result, consumption will remain significantly below the level of the 2019 Q4.

The reduction in fixed investments, concentrated in the first half of the year, is expected to be about 14%, driven by the fall in demand, global supply chain disruption, closures of activities and uncertainty about the time needed to defeat the pandemic. All of this will affect potential production, resulting in a 1% drop in net capital stock.

Better than expected fiscal deficit in 2019. The epidemic shock hit Italian public finances when some favourable trends had begun to emerge. According to Istat data, in 2019 the deficit decreased to 1.6% of GDP while it had been expected to remain at its 2018 level of 2.2%, and public debt remained constant at 134.8% of GDP.

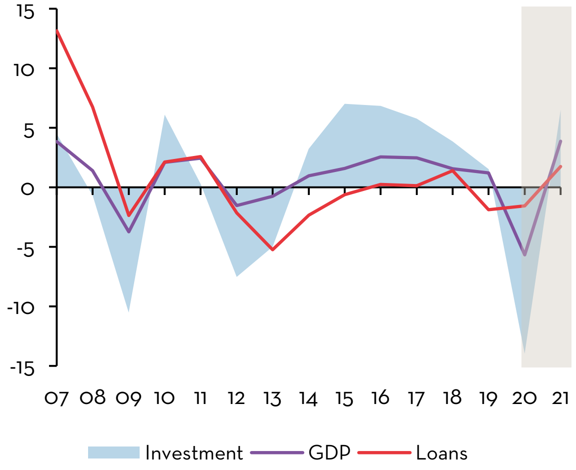
Cyclical effects combined with discretionary spending will result in a large deterioration of the fiscal outlook. Our 2020 scenario includes a fiscal package of 2.2pp of GDP (see InFocus 2 for a description of the approved measures), which adds to estimated automatic effects of 2.6pp of GDP. The deficit is expected to increase to 6.6% of GDP in 2020, due to a sharp deterioration in the primary balance driven mainly by lower revenues and higher current expenditures to support households and businesses. The debt-to-GDP ratio will jump to 150%.

Inflation is still low. Inflation was already on a declining path, 0.6% in 2019 from 1.1% in 2018, due to the critical cyclical phase. The COVID-19 pandemic has dramatically changed the scenario and inflation is expected to turn negative this year (-0.4%) because of sinking oil prices and the effects of the demand shock on consumption. A slow upturn is expected in 2021 (1%) driven mainly by increased food prices.

Signs of fragility in the labour market. Before the emergency, the Italian labour market was showing signs of weakness. 2019 ended with a very mild growth in full-time equivalents (0.3%) and in employment (0.6%). However, the simultaneous labour supply reduction led to a further reduction

Chart 7 – Economic activity and loans to non-financial corporations

% change yoy, last available data January 2020



Source: Prometeia's forecasts on Istat and Bank of Italy data.

in the unemployment rate from 10.5% at the end of 2018 to 9.7% at the end of 2019. In 2020, we foresee a strong contraction in the number of full-time equivalents (-3.8%). The extension of short-time work schemes to all categories of employment will limit the rise in unemployment (to 11%).

The banking system should benefit from European and national level measures. The ECB has announced an easing of credit conditions for longer-term refinancing operations (LTROs), designed to bridge liquidity needs until settlement of the fourth TLTRO III operation in June 2020. Other positive effects may come from a €120 billion expansion of the APP (Asset Purchase Programme), the €750 billion PEPP (Pandemic Emergency Purchase Programme) and the relaxation of prudential rules announced by the SSM (Single Supervisory Mechanism). The 'Cura Italia' decree provides for credit support measures to non-financial corporations, which are expected to prevent the formation of impaired loans at least for the current year. In addition, the Bank of Italy has eased restrictions imposed on Less Significant Institutions (LSIs).

Despite these measures, a credit contraction is expected. In 2020, we expect loans to households and non-financial corporations to fall by -0.1% and -1.5%, respectively, and to rise at moderate rates in 2021 (Chart 7).

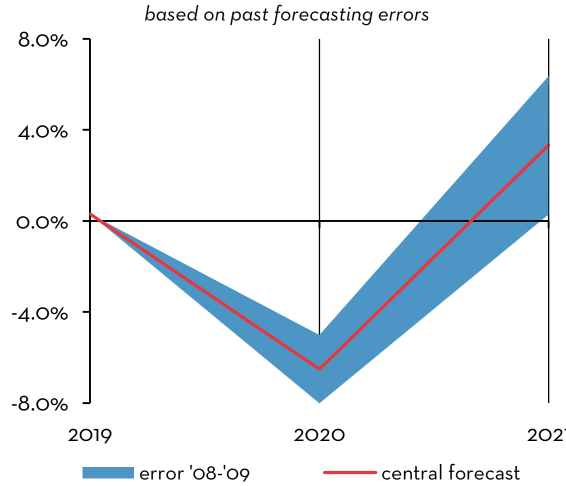
The NPL stock reduction process has come to a standstill. In 2020, sales of non-performing loans will slow. Therefore, the ratio of NPLs to total loans at the end of the forecasting horizon is expected to be 2.5, higher than the December value of 1.3.

However, the banking sector can count on an improved shock absorption capacity to overcome the crisis. The efforts made in recent years to increase capital strength and resilience to liquidity shocks will prove essential to tackle the very delicate phase ahead. Once the most acute period of the crisis is over, these efforts will lead to improved efficiency and reduced overcapacity in the sector.

Risks to the projection

- At the global level, the risks are related mainly to the possibility of a worsening and a continuation of the epidemic, especially in the US, Japan, the UK and the emerging countries where the progress of the health emergency is less clear.
- The scientific community does not rule out the possibility of a second wave of epidemic in China and elsewhere, so that the timeline for a return to 'normality' will lengthen.
- There is a high risk of widespread bankruptcies and a weakening of the banking sector at the global level: in the US, corporate debt is very high and the shale oil sector is under pressure. At the same time, in many emerging countries, non-financial corporations are highly indebted and banking systems are fragile.
- The lack of a common economic policy response among countries poses other risks, since the symmetrical and exogenous nature of the shock will require a common strategy to cope with the increase in public expenditure to meet immediate needs and, at a later stage, to support the recovery.

Chart 8 – Italy: Prometeia's forecast of annual GDP growth – *central value and uncertainty based on past forecasting errors*



Source: Prometeia's calculations.

How coronavirus pandemic hits the economy: methods and assumptions of our scenario for Italy and the global economy

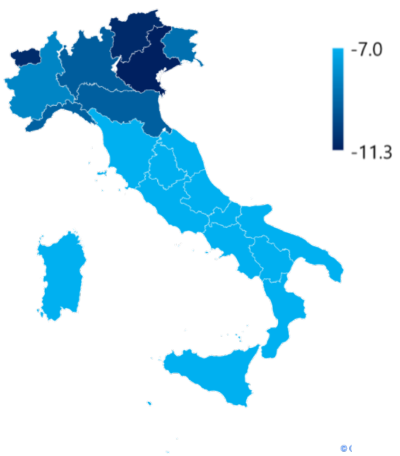
In order to assess the economic effects of the spread of COVID-19, which has no historical precedent, we started from some assumptions, related to three main aspects: 1) definition of a taxonomy; 2) duration of the pandemic and the measures adopted to deal with it; and 3) the discretionary measures imposed by economic policies.

The taxonomy identifies direct and indirect effects. The first direct effect is supply effects, which include restrictions on the movement of people and quarantine of entire areas of the country, which are cutting the production of goods and services and causing disruption to supply chains due to lack of intermediate goods. Second, there are **demand effects;** the lockdown is preventing household consumption other than is necessary for subsistence (food, medicines, hygiene products) and some IT enabled services. The service sector and the tourism and entertainment sector, in particular, and the consumption of non-essential goods are especially affected. Issues related to workers' safety is reducing manufacturing production with many Italian companies choosing to reduce or suspend activity even before the 22 March decree banning all 'non-essential' manufacturing business.

To quantify the direct effects, we built a model based on economic activity at the provincial and sectoral levels since these will differ across Italian areas, depending on the weight of the sectors involved and the length of time the blocks will be active. We estimated weekly block size by province and by sector, starting from the initial constraints placed on the first 'red areas' in Lombardy at the end of February, the closure of airports and entertainment venues, and eventual closure of all non-essential activities and the block on travel throughout Italy. Charts A and B depict our estimated direct losses compared to the pre-COVID scenario, by region and by sector, and show the greater impact in the Northern regions and very large sectoral differences, ranging from -10% in manufacturing to -16% in transport services and -18% in entertainment-related activities, to -27% in tourism-related services.

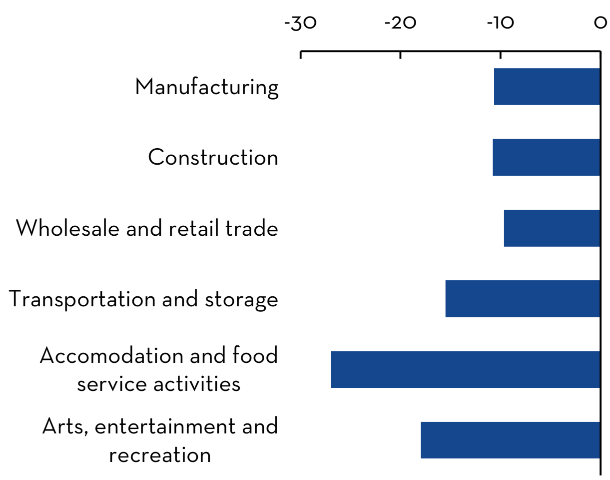
We also account for indirect effects. These include disruption of value chains, which are suffering the consequences of production closures in other companies, **and contraction in disposable income caused by business failures and reductions in job positions**. Also, the **fall in external demand is reducing exports** and, thus, domestic production. These effects will trigger second round effects: lower demand, lower profitability and greater uncertainty will lead to further reductions in household consumption and business investment. The decline in investment, perpetuating the negative effects on growth potential over time, will hold back the rebound once the emergency is over. These second-round effects have been estimated using the econometric model of the Italian economy.

Chart A – Regional GDP in 2020: annual percentage deviation from pre-COVID scenario



Source: Prometeia's calculations.

Chart B – Sectoral value added in 2020: annual percentage deviation from the pre-COVID scenario



Source: Prometeia's calculations.

In our scenario, we assume that measures to contain the spread of the virus will continue until the end of April. Starting on 23 February, Italy adopted containment measures that were gradually extended, both territorially (from the first 'red areas' in Lombardy to the entire national territory) and in terms of the activities involved (from tourism and entertainment to all non-essential service and manufacturing activities), until 23 March, when the whole of Italy, apart from essential services was locked down. Similar measures are being taken in other countries. Based on the Chinese experience and in line with the contagion trends in Italy, we assume that, given some stabilization of the stock of infections in the first two weeks of April, **starting from the beginning of May, there will be a progressive and controlled removal of the emergency measures to achieve a return** , during the summer months, to an 'almost normal' situation.

A similar procedure was used to assess developments in the Chinese economy and the main industrialized countries, although with a lower degree of regional and sectoral disaggregation. Starting from the very first available data on economic activity during the crisis in China, based on survey information on the share of firms (small, medium and large) in operation at that time, we drew a recovery path for industry and services, implying a return to (almost) normality by the end of May. We foresee a similar path for the main industrialized countries, although with different timings and a less drastic drop in activity with respect to China, but a longer recovery time given the delays and less severe lockdowns in these other countries.

The results were used as inputs to the International Model where we take account, also, of the governments' and central banks' fiscal and monetary policy measures (see Table 1 for details). That is, monetary policies aimed mainly at maintaining necessary liquidity and reducing the cost of financing while fiscal policies were focused mostly on supporting the incomes of workers and firms and avoiding mass unemployment. The measures include lowering or deferring taxes, new or increased unemployment benefits, direct transfers to taxpayers, moratoria on mortgage loans and direct loans or loan guarantees for firms. The EU is launching a new instrument to mitigate unemployment risks, not yet included in our scenario.

Table 1 – Measures of fiscal and monetary policy

	US	UK	EU/ECB	Germany	France	Spain
	\$2000 bn	£37 bn	€77 bn	€123 bn	€45 bn	€17 bn
Fiscal policy						
Direct payments to taxpayers	X					
Strenght. unemployment benefits(UB)/ comp for working time reduction(WT)	UB			WT	WT	WT
Tax	reduction	reduction		deferral	deferral	deferral
Moratorium on mortgage loans (M)/Child care compensation (CC)	CC				CC	M
Benefits for self-employed workers	X				X	
Loan guarantees		£330 bn		€550 bn	€300 bn	€200 bn
Other funds	SMEs and larger companies	SMEs, impacted businesses	Struct. Funds €37 bn EIB: €40 bn	Economic Stabilization		Health care system
Monetary and macroprudential policy						
Cut in interest rate	150bp to 0-0.25%	150bp to 0.1%				
QE	Unlimited	add. £200 bn	€750 bn (PEEP)			
Additional plan APP			€120 bn			
Additional revers repo operations (RP), Free usage of part of bank's buffer (BB)	RP,BB	BB	BB			
Other/TLTRO ECB	Com Paper Fund Facility		Condition easing, auctions at -0.5%		Ban short sell	Ban short sell

Source: Prometeia.

Support measures to Italian workers and businesses: the 'Cura Italia' decree

The 'Cura Italia' decree (no. 18, 17 March 2020) introduced a series of measures aimed at protecting the health of citizens, supporting the production system and safeguarding the workforce following the outbreak of the COVID-19 pandemic. The decree authorizes a government bonds issue worth €25 billion, which will increase the deficit by €20 billion euro (Table 1). Another package worth a similar amount has been announced by the government (no details yet) and this has been taken into account in our forecast scenario, which includes measures worth 2.2pp of GDP.

Table 1 – 'Cura Italia' decree: financial impact in 2020 (a + sign implies a worsening of the budget balance)

millions of euros

	Amount
I. National Health Service	3149
II. Work-support provisions	
Social shock absorbers	3436
Special rules for workers	4591
III. Liquidity to businesses through the banking system	5128
IV. Fiscal support measures to businesses and households	1295
V. Additional provisions	1977
Total	19959
of which: revenue loss	383

Source: Parliamentary documents.

Resources will be provided to the health and civil protection systems and to affected workers to mitigate employment and income losses. They will include short-term work support, extension of sick pay and unemployment benefits and deferral of income tax payments. Fiscal spending will target firms facing severe disruption and liquidity shortages, especially SMEs and firms in critically affected sectors and regions, through tax measures, public guarantees to allow them to borrow, export guarantees and waiving of delay penalties in public procurement contracts.

The decree includes measures worth around €3.1 billion targeted at the National Health Service. The main items are increased National Health Service (€1.4 billion) and National Emergency Fund (€1.6 billion) financing. The remaining resources are earmarked to provide monetary incentives for medical personnel, recruitment of new temporary Ministry of Health staff, including army doctors and nurses, and reinforcement of territorial assistance networks.

The extension of social shock absorbers is worth €3.4 billion, with the largest proportion (€2.3 billion) going to the redundancy fund implemented under exceptional circumstances to benefit workers not entitled to other income support measures ('Cassa integrazione in deroga'). Currently, this does not include child minders and home caregivers.

Special rules to support workers and working time reductions amount to €4.6 billion. The largest expected outlay is for self-employed workers and professionals, apart from those registered with compulsory professional category funds other than the general one ('Assicurazione Generale Obbligatoria'), who are entitled to a one-off net allowance of €600 for the month of March, up to a total expenditure of around €2.4 billion.

All workers with children aged 12 and under (no age restriction on disabled children) are entitled to take a maximum of 15 days paid parental leave. The payment varies with the type of worker. For example, for employees, it corresponds to 50% of the monthly salary. Alternatively, workers can apply for a 'babysitter voucher' worth €600 for the month of March. €840 million has been earmarked for these two measures. In addition, employees are being offered a further 12 days of paid leave during March and April this year and are entitled to sick leave for any period spent in quarantine (€540 million).

An allocation of €5.1 billion is intended to support the liquidity of non-financial firms. In particular, €1.5 billion has been earmarked for the refinancing of the SME Central Guarantee Fund to strengthen credit access, with a further €1.7 billion for an extraordinary moratorium to help micro-enterprises and SMEs weather the fall in production. Approximately €1 billion has been allocated to encourage the sale of impaired loans. The remaining billion is to be split between extending access to the first home loan solidarity fund (the so-called 'Gasparrini Fund') for self-employed and freelancers and the establishment of a fund to cover the guarantees granted by the State.

An extra €880 million has been allocated to provide a net allowance of €100 for the month of March (pro-rata) to workers with annual incomes of up to €40,000 physically employed at their workplaces. For local shops and stores, the decree recognizes a 60% tax credit for March rents to a total allocation of €360 million. A contribution is provided, also, for workplace sanitization costs. In addition, the deferral of income tax and social security contributions payments implies a total revenue loss of €850 million.

An extra provision of €2 billion will be split among support to air passenger transport and an increase in the sector's solidarity fund, business internationalization measures, enhancement of development contracts to encourage major investments and suspension of payment of capital instalments on loans granted to local authorities by the 'Cassa Depositi e Prestiti'. Finally, coverage of interest expenses arising from increased public debt securities amounts to €180 million.

The 'Cura Italia' package will result in increased expenditure of about 1.1pp of GDP, or 2.2% of total primary expenditure, about 70% of which will be reflected in current expenditure. Chart A displays our assessment of the distribution of expenditure between the private sector and direct PA expenditure.

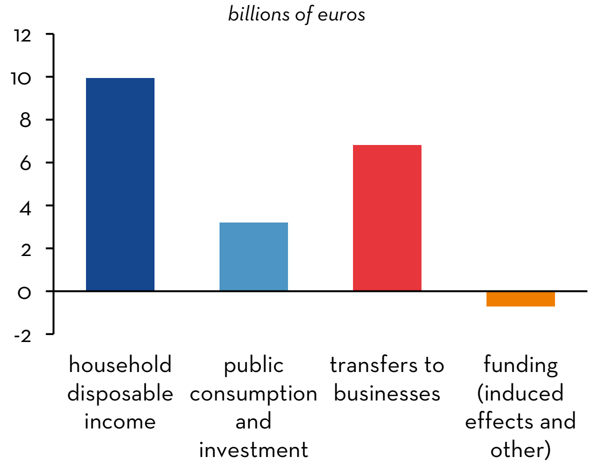
Half of the resources are earmarked to support household disposable income (almost €10 billion), mainly targeting interventions that will partially compensate for the fall in income caused by the lockdown, with social shock absorbers and benefits for the self-employed in the first place. **Support to businesses amounts to around €7 billion** and focuses on measures to prevent liquidity crises, especially for SMEs. **Finally, around €4 billion are intended to increase public consumption and investment.**

The decree's main objectives are clearly to limit the drop in income and consumption over time by keeping businesses and the labour market active and providing the means to deal with the health emergency. The injection of resources to the economy is expected to help contain the current recessionary impact and allow a more rapid recovery.

The decree is a step in the right direction. It gives relief to the most hard hit categories to prevent additional indirect effects and exacerbation of the recessionary impact. The efficiency and speed of implementation of administrative procedures required to implement the measures will be crucial in this context. This adds uncertainty, but it is reasonable to assume that action will be timely and effective. The measures will only partially contain the effects of the recession triggered by the epidemic.

Chart A – 'Cura Italia' decree: impact on households, businesses and direct expenditure in 2020 (a + sign implies an expansionary impact)

billions of euros



Source: Prometeia's calculations on Parliamentary documents.

Table 1 - The world economy main indicators (% change)

	2019	2020	2021
World real GDP	3.0	-1.6	4.6
World Trade	0.3	-9.4	6.5
Manufacturing prices $	-1.1	-0.5	2.1
Brent oil price ($/brl, level)	64.2	29.7	36.8
GDP			
- United States	2.3	-2.5	3.6
- Japan	0.8	-2.5	1.5
- EMU	1.2	-5.1	3.4
- China	6.2	3.2	8.9
Consumer prices			
- United States	1.8	0.4	0.6
- Japan	1.0	0.8	0.3
- EMU	1.2	-0.2	1.1
- China	3.3	2.8	3.0
$/€ exchange rate (level)	1.12	1.09	1.10
£/€ exchange rate (level)	0.877	0.895	0.904

Table 2 – Italy: main indicators (% change)

	2019	2020	2021
GDP*	0.3	-6.5	3.3
Imports of goods fob and services	-0.2	-8.9	7.7
Private consumption	0.4	-4.3	3.2
Government consumption	-0.4	2.0	-1.6
Gross fixed investment:	1.4	-13.0	4.7
- machinery, equipment, other products	0.4	-14.0	5.6
- constructions	2.6	-11.9	3.7
Exports of goods fob and services	1.4	-12.3	6.3
Domestic demand	-0.2	-5.3	3.7
Industrial production	-1.4	-14.0	6.3
Trade balance (% of GDP)	3.4	3.4	3.0
Terms of trade	1.5	3.2	-1.1
Consumer prices	0.6	-0.4	1.0
Per capita wages - manufacturing	1.9	-0.1	1.1
Total employment	0.3	-3.8	1.8
General government balance (% of GDP)	-1.6	-6.6	-3.6

** Chain-linked values; data adjusted for seasonal and calendar effects.*

Table 3 - Exchange Rates and Interest Rates

		20 Q1	20 Q2	20 Q3	20 Q4	21 Q1	21 Q2	21 Q3	21 Q4
Exchange rates vs euro	US dollar	1.10	1.09	1.09	1.10	1.10	1.11	1.11	1.11
	Yen	120.0	114.5	114.7	115.4	117.2	118.2	118.8	119.3
3 month interest rates %	US libor	1.50	0.25	0.26	0.27	0.27	0.28	0.36	0.55
	Euribor	-0.37	-0.40	-0.40	-0.40	-0.39	-0.39	-0.39	-0.39
10 year government bond yields %	US	1.40	0.78	0.77	0.80	0.86	0.95	1.04	1.21
	Germany	-0.43	-0.54	-0.53	-0.48	-0.26	-0.23	-0.21	-0.20
	Italy	1.26	1.37	1.15	1.15	1.33	1.35	1.39	1.48

Table 4 – Real GDP: comparison of the forecast – % qoq and annual % change

		20 Q1	20 Q2	20 Q3	20 Q4	2020	21 Q1	21 Q2	21 Q3	21 Q4	2021
United States	Brief February 2020	0.4	0.3	0.4	0.4	1.7	0.3	0.4	0.4	0.4	1.5
	Brief April 2020	-1.1	-8.9	9.5	0.4	-2.5	0.4	0.3	0.3	0.6	3.6
EMU	Brief February 2020	0.2	0.2	0.4	0.3	0.9	0.3	0.3	0.3	0.4	1.3
	Brief April 2020	-0.8	-8.4	3.3	0.6	-5.1	1.2	1.6	1.4	1.3	3.4
Italy	Brief February 2020	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.3	0.3	0.7
	Brief April 2020	-4.5	-6.1	5.0	1.2	-6.5	0.6	0.7	0.6	0.4	3.3

Prometeia

Piazza Trento e Trieste 3, 40137 Bologna, Italia — tel. +39 051 648 0911 — fax +39 051 220 753
www.prometeia.com
based on data available up to 2nd April 2020
contributors: Michele Burattoni, Lucia Cossaro, Elena Giarda
contact persons: Lorenzo.Forni@prometeia.com, Stefania.Tomasini@prometeia.com, Lorena.Vincenzi@prometeia.com
tel. +39 051 648 0927 - +39 051 648 0933