



# SIREN: Euro-macro surprises remain negative

**SIREN** (**S**ummary **I**ndex of **R**elevant **E**conomic **N**ews) monitors daily both how quickly the euro-area is growing (*Momentum*) and how outcomes compare with expectations (*Surprise*). Individual indicators are weighted by their ability to forecast GDP out-of-sample. Both *SIREN* components correlate closely but tend to lead similar indices. *SIREN* is reported based on release dates (Fig. 1, 2 & 3) as well as on reference dates (Fig. 6 & 7). *DB-Point* combines *SIREN-Momentum* and *Surprise* in a single metric (Fig. 8 & 9) – [Link to full guide](#).

- *SIREN-Momentum* was broadly unchanged over the week. A positive contribution from euro area retail sales was offset by weakness in Ireland's industrial production and Germany's manufacturing orders (all data were for December). The final print for January euro-area PMIs was in line with the flash reading.
- *SIREN-Surprise* remained close to its 15-month low. *SIREN-Surprise* is significantly more volatile than its sister momentum index, but in 2008 and 2012 it provided an early signal. That, said, *SIREN-Surprise* remains well above the levels in the 2008 and 2012 recessions as shown in Fig. 3.

Fig. 1: Surprises remain negative



Source: see Fig 2-5

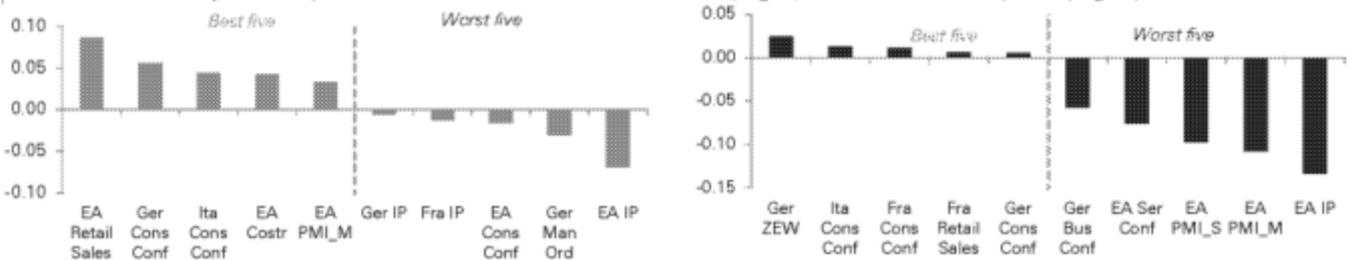
Fig. 2: *SIREN-Momentum* – Is the euro-area economy accelerating or decelerating? (BBG: DBSRMEA Index)\*



Fig. 3: *SIREN-Surprise* – Is euro-area growth faster or slower than expected? (BBG: DBSRSEA index)\*



Key monthly contributions to *SIREN-Momentum* (Fig 4) and to *SIREN-Surprise* (Fig. 5)\*\*



\* At any date on the horizontal axis no ex-post data were employed, we only used information that had already been published. Grey shaded areas in Fig. 2 represent declining qoq GDP  
\*\*Indicators for individual countries are included when released at least one day before the euro-area aggregated indicator (the former are subtracted from the latter to minimize double counting)  
Source for all: Deutsche Bank, Haver Analytics, National Statistical Offices, Bloomberg Finance LP, Market, various statistical sources