

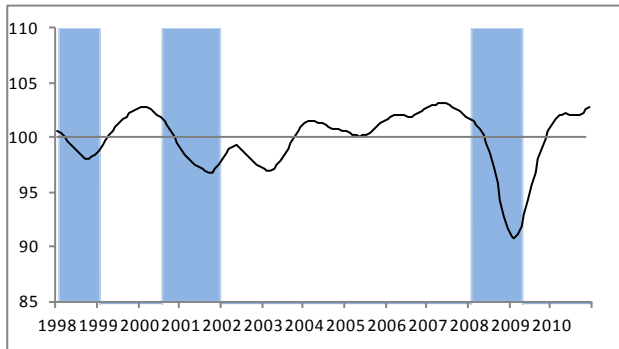
## OECD composite leading indicators point to continued expansion

Composite leading indicators (CLIs) for December 2010, designed to anticipate turning points in economic activity relative to trend, continue to point to expansion in most major OECD countries.

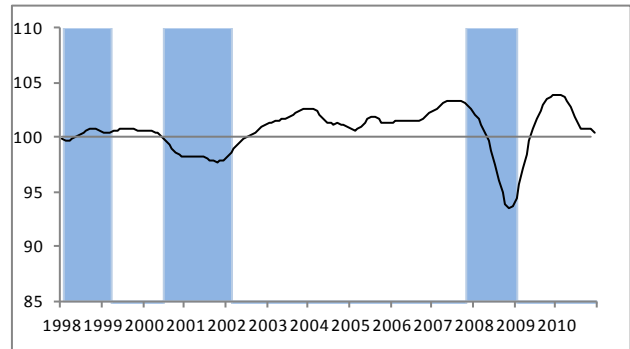
The CLIs for **Germany, Japan** and the **United States** point to relatively robust expansion relative to trend, while in **Canada, France** and the **United Kingdom** the CLIs point to continued moderate expansion. There are nevertheless signs of a downturn emerging in **Italy**.

New data for **China** point to a downturn, reversing the tentative signs of regained growth momentum reported in last month's assessment. With three of its seven components pointing upward the outlook remains volatile. The CLI for **India** is pointing towards a slowdown. In **Russia**, the CLI continues to point to an expansion, while **Brazil** is expected to continue to perform close to its long-term trend.

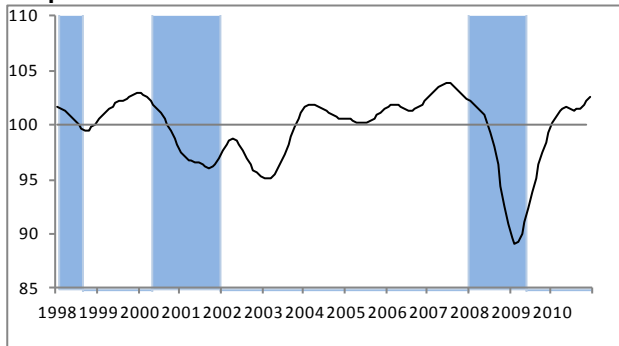
**Regained growth momentum in the OECD area**



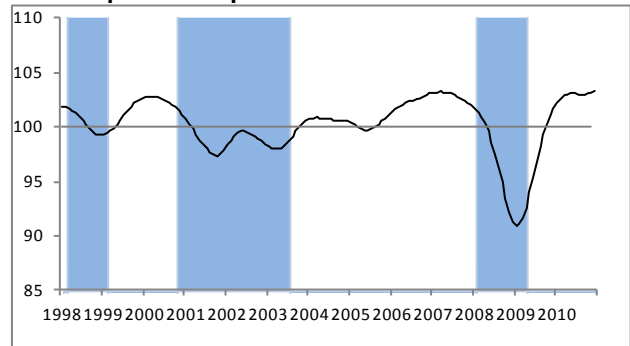
**Downturn in China**



**Expansion in the United States**



**Stable pace of expansion in the Euro area**



The above graphs show for each country the outlook for economic activity based on the CLIs. CLIs attempt to indicate turning points in economic activity approximately six months in advance. Shaded areas represent observed downswings (measured from peak to trough) in the de-trended industrial production (the reference series for economic activity).

### Methodological Notes:

The CLI methodological notes are available at: <http://www.oecd.org/dataoecd/22/47/44728410.pdf>

### Access data:

CLI data is available at: [http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI\\_CLI](http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI_CLI)

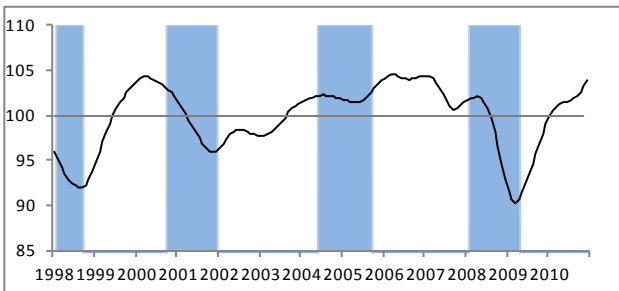
### Contacts:

For further information journalists are invited to contact the OECD's Media Relations Division on (33) 1 45 24 97 00 or e-mail [news.contact@oecd.org](mailto:news.contact@oecd.org).

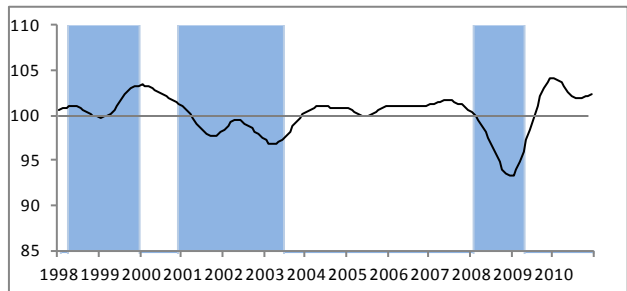
For technical questions contact [stat.contact@oecd.org](mailto:stat.contact@oecd.org)

**Next release: 14 March 2011**

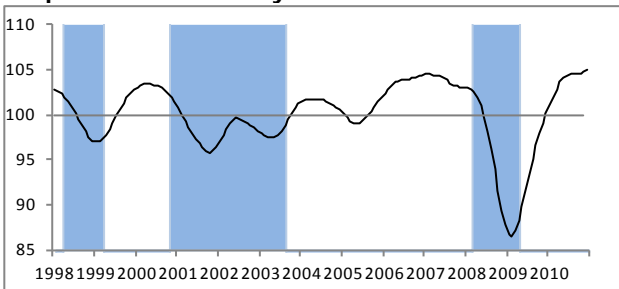
**Expansion in Japan**



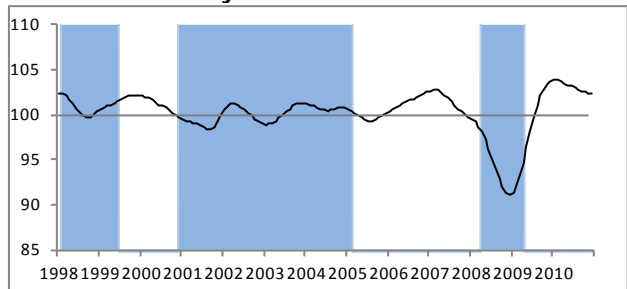
**Stable pace of expansion in France**



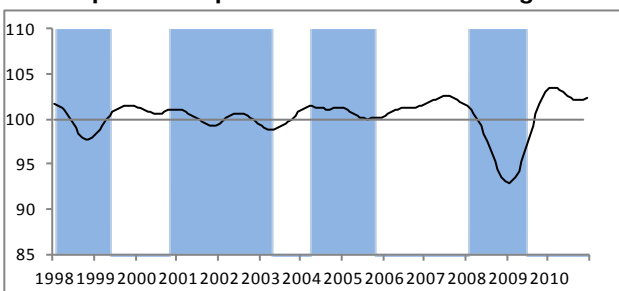
**Expansion in Germany**



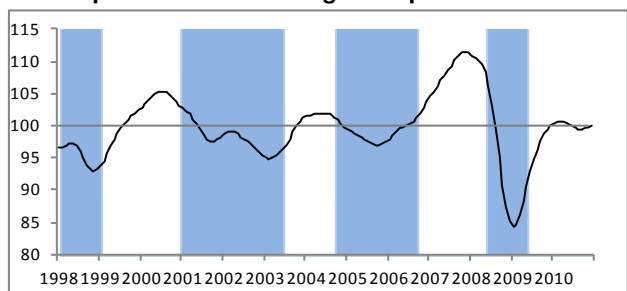
**Downturn in Italy**



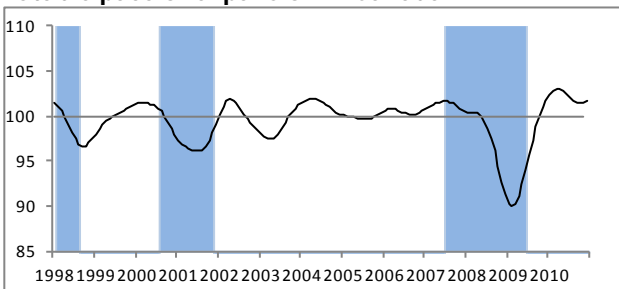
**Stable pace of expansion in the United Kingdom**



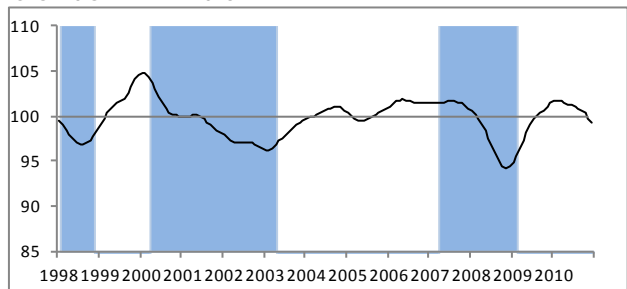
**Stable pace around the long-term potential in Brazil**



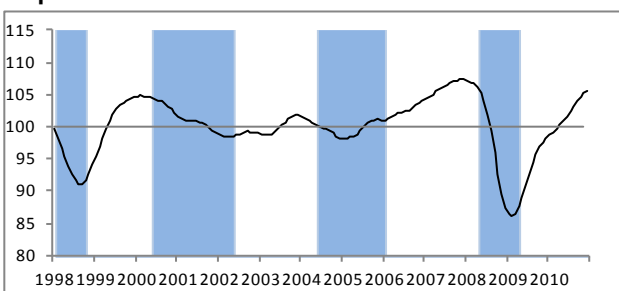
**Stable pace of expansion in Canada**



**Slowdown in India**



**Expansion in Russia**



Note: The horizontal line 100 shows the long-term trend in industrial production (the reference series). *Expansion* denotes a CLI increasing above 100; *downturn* a CLI decreasing but still above 100; *slowdown* a CLI decreasing below 100; *recovery* a CLI increasing but below 100.

Table 1: Composite Leading Indicators

	Ratio to trend, amplitude adjusted					Change from previous month					Year on Year change (points)	Growth cycle outlook**
	(long term average =100)					(points)						
	2010					2010					Latest month	
Aug	Sep	Oct	Nov	Dec	Aug	Sep	Oct	Nov	Dec			
<b>OECD Area</b>	102.1	102.2	102.3	102.5	102.8	0.0	0.1	0.2	0.2	0.3	2.2	regained growth momentum
<b>Euro Area</b>	103.0	103.0	103.0	103.2	103.3	0.0	0.0	0.1	0.1	0.2	1.6	stable pace of expansion
<b>Major Five Asia*</b>	101.1	101.1	101.1	101.1	101.0	-0.2	0.0	0.0	0.0	-0.1	-1.2	downturn
<b>Major Seven</b>	102.0	102.2	102.4	102.6	103.0	0.0	0.1	0.2	0.3	0.3	2.5	regained growth momentum
<b>Canada</b>	101.7	101.5	101.5	101.6	101.7	-0.3	-0.2	0.0	0.1	0.2	-0.1	stable pace of expansion
<b>France</b>	101.9	101.9	102.0	102.2	102.3	-0.1	0.0	0.1	0.1	0.1	-1.9	stable pace of expansion
<b>Japan</b>	101.9	102.2	102.7	103.3	103.9	0.2	0.3	0.4	0.6	0.7	4.9	expansion
<b>Germany</b>	104.5	104.5	104.6	104.7	105.0	0.0	0.0	0.1	0.2	0.2	4.9	expansion
<b>Italy</b>	102.8	102.6	102.5	102.4	102.3	-0.2	-0.2	-0.1	-0.1	-0.1	-1.5	downturn
<b>United Kingdom</b>	102.2	102.1	102.2	102.2	102.3	-0.2	-0.1	0.0	0.1	0.1	-0.8	stable pace of expansion
<b>United States</b>	101.4	101.5	101.8	102.1	102.5	0.0	0.2	0.3	0.3	0.4	3.2	expansion
<b>Brazil</b>	99.3	99.3	99.5	99.8	100.0	-0.3	0.0	0.2	0.2	0.2	0.2	stable pace around long-term potential
<b>China</b>	100.8	100.7	100.8	100.7	100.5	-0.4	-0.1	0.1	-0.1	-0.2	-3.4	downturn
<b>India</b>	100.9	100.6	100.3	99.8	99.3	-0.2	-0.3	-0.4	-0.5	-0.5	-2.1	slowdown
<b>Russia</b>	103.2	103.9	104.6	105.1	105.5	0.8	0.7	0.6	0.5	0.4	7.4	expansion

\* China, India, Indonesia, Japan and Korea.

\*\* Growth cycle phases of the CLI are defined as follows: expansion (increase above 100), downturn (decrease above 100), slowdown (decrease below 100), recovery (increase below 100). CLI data for 29 OECD member countries and 6 OECD non-member economies available at: [http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI\\_CLI](http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI_CLI)

Table 2: Historical Performance of CLI and Recent Cyclical Turning Points in the Reference Series

	CLI Historical Performance			Recent Turning Point dates in the reference series					
	Lead at all turning points			Dates marked with (P) are provisional turning points					
	start year	mean	st. dev.	trough	peak	trough	peak	trough	peak
<b>OECD Area</b>	1961	6	3.5	Jan 2002			Feb 2008		May 2009 P
<b>Euro Area</b>	1963	7	3.1	Jul 2003			Mar 2008		May 2009 P
<b>Major Five Asia*</b>	1983	8	5.8	Dec 2001	May 2004	Jun 2005	Jan 2008	Mar 2009 P	Apr 2010 P
<b>Major Seven</b>	1959	6	3.7	Jan 2002			Mar 2008		May 2009 P
<b>Canada</b>	1956	8	3.7	Nov 2001			Aug 2007		Jun 2009 P
<b>France</b>	1962	7	4.9	Jul 2003			Feb 2008		Apr 2009 P
<b>Japan</b>	1959	6	4.5	Dec 2001			Mar 2008		Apr 2009 P
<b>Germany</b>	1961	5	4.0	Jul 2003			Mar 2008		May 2009 P
<b>Italy</b>	1973	7	5.8			Feb 2005	Mar 2008		May 2009 P
<b>United Kingdom</b>	1958	7	5.2	Apr 2003	Apr 2004	Aug 2005	Feb 2008		Jun 2009 P
<b>United States</b>	1955	5	3.4	Dec 2001			Feb 2008		May 2009 P
<b>Brazil</b>	1989	5	2.3	Jun 2003	Oct 2004	Aug 2006	May 2008	Apr 2009 P	Apr 2010 P
<b>China</b>	1990	6	4.9	Jan 2002			Jan 2008		Feb 2009 P
<b>India</b>	1994	4	2.7	Apr 2003			Mar 2007		Feb 2009 P
<b>Russia</b>	1993	3	2.3	Jul 2002	Jun 2004	Sep 2005	Apr 2008		May 2009 P

\* China, India, Indonesia, Japan and Korea