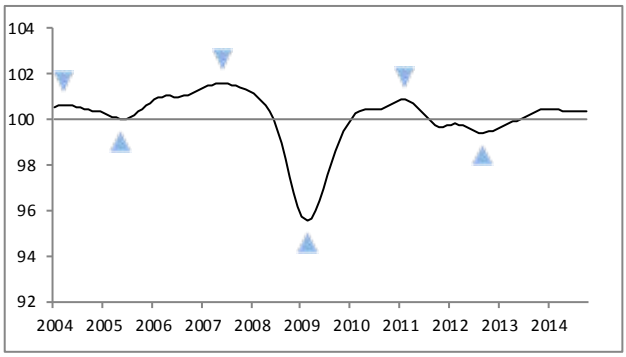
Composite leading indicators point to continued loss of growth momentum in Europe

Composite leading indicators (CLIs), designed to anticipate turning points in economic activity relative to trend, suggest that growth will continue to lose momentum in Europe while the outlook is for stable growth momentum in most other major economies and in the OECD area as a whole.

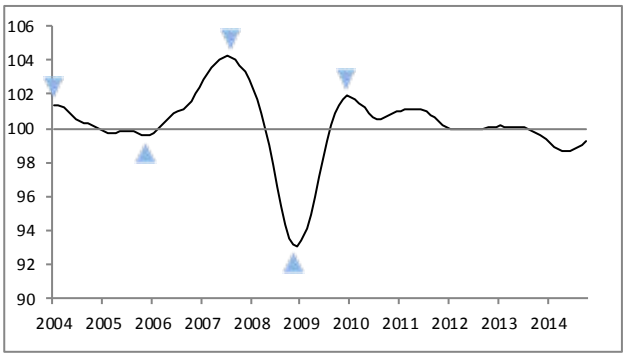
In Europe, the CLI for the **United Kingdom** points to growth easing, albeit from relatively high levels, while in the **Euro Area** the CLI continues to indicate a loss of growth momentum, particularly in **Germany** and **Italy**. Stable growth momentum, however, is expected for **France**.

Amongst other major economies, the CLIs continue to point to stable growth momentum in the **United States**, **Canada**, **China** and **Brazil** while tentative signs of a positive change in momentum are emerging in **Japan**. The CLI for **Russia** points to growth tentatively losing momentum. **India** is the only major economy where the CLI points to a clear pick-up in growth momentum.

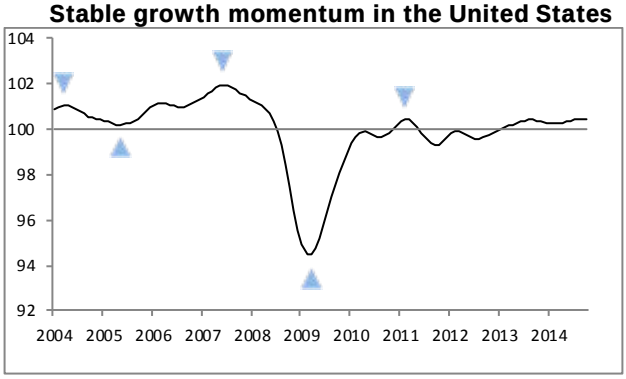
Stable growth momentum in the OECD area



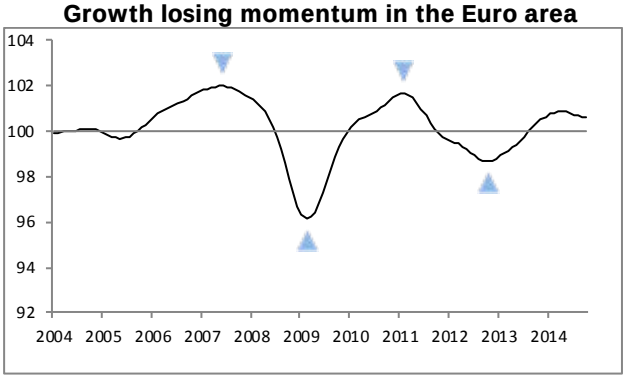
Stable growth momentum in China



Stable growth momentum in the United States



Growth losing momentum in the Euro area



The above graphs show country specific composite leading indicators (CLIs). Turning points of CLIs tend to precede turning points in economic activity relative to trend by approximately six months. The horizontal line at 100 represents the trend of economic activity. Shaded triangles mark confirmed turning-points of the CLI. Blank triangles mark provisional turning-points that may be reversed.

Methodological Notes:

The CLI methodological notes are available at: www.oecd.org/std/leading-indicators/44728410.pdf
Watch our video explaining the CLIs: HTTP://WWW.YOUTUBE.COM/WATCH?FEATURE=PLAYER_EMBEDDED&V=UY8IPW0GVAO

Access data: : http://stats.oecd.org/Index.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.

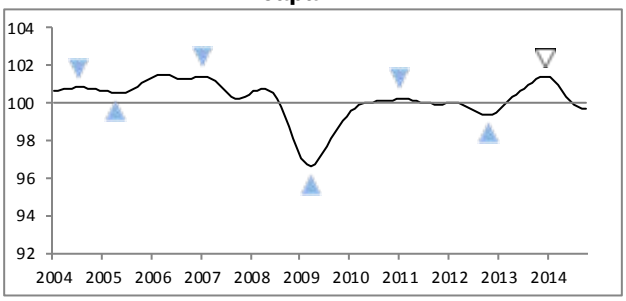
For technical questions contact stat.contact@oecd.org

Next release: 12 January 2015

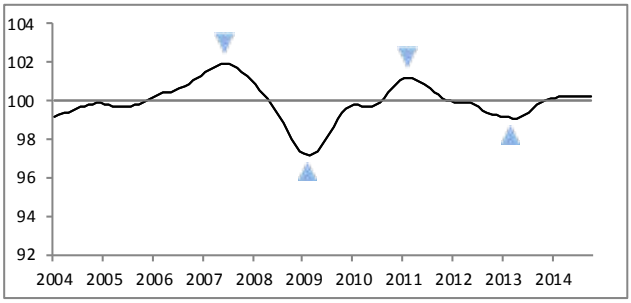
Paris, 8 December 2014

OECD Composite Leading Indicators
News Release

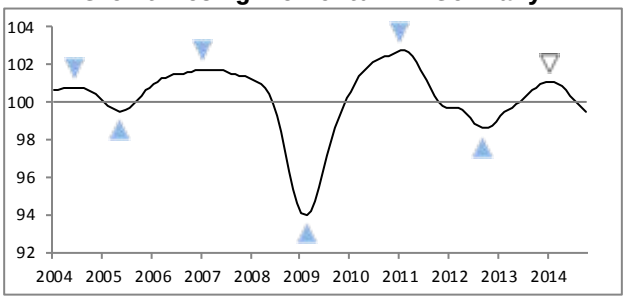
Tentative signs of a positive change in momentum in Japan [1]



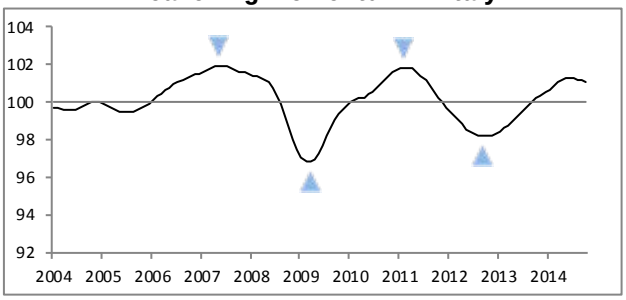
Stable growth momentum in France



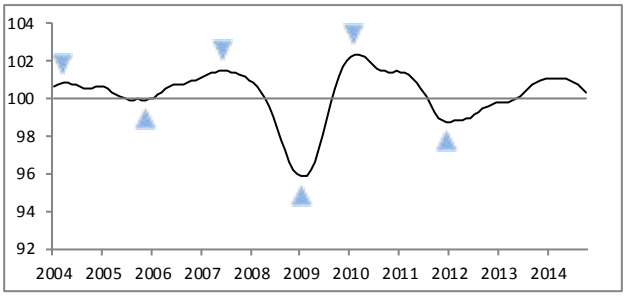
Growth losing momentum in Germany



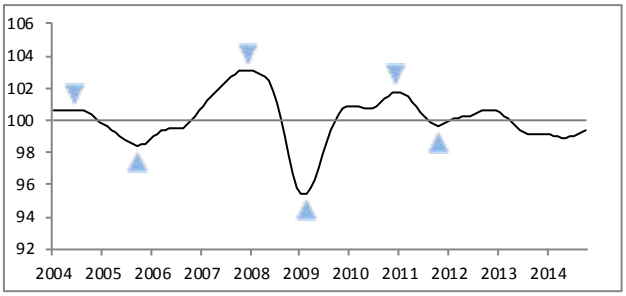
Weakening momentum in Italy



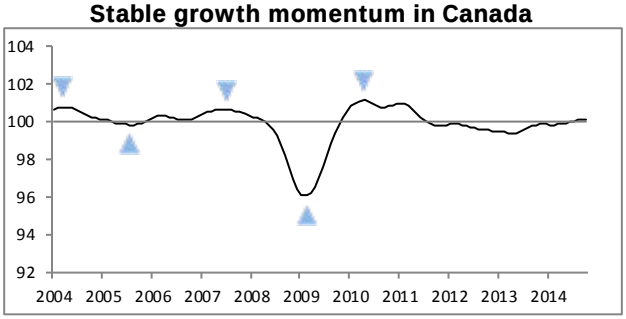
Easing growth in the United Kingdom



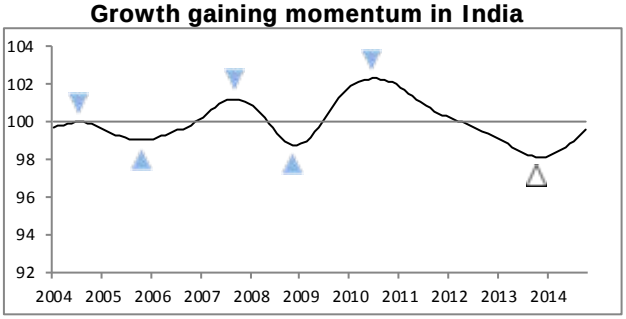
Stable growth momentum in Brazil



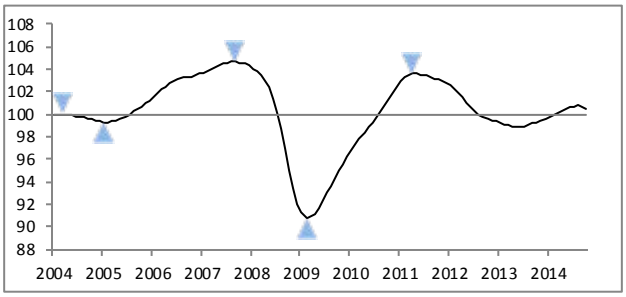
Stable growth momentum in Canada



Growth gaining momentum in India



Growth tentatively losing momentum in Russia



The graphs show country specific composite leading indicators (CLIs). Turning points of CLIs tend to precede turning points in economic activity relative to trend by approximately six months. The horizontal line at 100 represents the trend of economic activity. Shaded triangles mark confirmed turning-points of the CLI. Blank triangles mark provisional turning-points that may be reversed.

[1] The CLI for Japan is likely to have been affected this year by the increase in the rate of consumption tax in April 2014. Activity surged in the first quarter, shifting the CLI upwards, and then contracted sharply after the tax hike, possibly resulting in an artificial decline in the CLI since April.

Paris, 8 December 2014

OECD Composite Leading Indicators
News Release

Table 1: Composite Leading Indicators**

	Ratio to trend, amplitude adjusted (long term average =100)					Month on Month change (%)					Year on Year change (%)	Growth cycle outlook
	2014					2014					Latest month	
	Jun	Jul	Aug	Sep	Oct	Jun	Jul	Aug	Sep	Oct		
OECD Area	100.4	100.4	100.3	100.4	100.4	-0.02	-0.02	-0.01	0.00	0.02	-0.01	Stable growth momentum
Euro Area	100.8	100.7	100.7	100.6	100.6	-0.05	-0.06	-0.06	-0.04	-0.02	0.27	Growth losing momentum
Major Five Asia*	99.2	99.2	99.3	99.4	99.6	0.01	0.05	0.10	0.13	0.13	-0.18	Stable growth momentum
Major Seven	100.4	100.4	100.3	100.3	100.3	-0.04	-0.05	-0.05	-0.04	-0.02	-0.27	Stable growth momentum
Canada	100.0	100.1	100.1	100.1	100.1	0.06	0.05	0.04	0.02	0.01	0.28	Stable growth momentum
France	100.2	100.2	100.2	100.2	100.3	-0.01	0.00	0.01	0.03	0.04	0.36	Stable growth momentum
Japan	100.1	99.9	99.8	99.7	99.7	-0.25	-0.19	-0.12	-0.05	-0.02	-1.51	Tentative signs of a positive change in momentum
Germany	100.4	100.1	99.9	99.7	99.5	-0.24	-0.26	-0.25	-0.22	-0.16	-1.28	Growth losing momentum
Italy	101.3	101.3	101.2	101.2	101.1	0.03	-0.02	-0.05	-0.06	-0.06	0.88	Weakening momentum
United Kingdom	101.0	100.9	100.7	100.5	100.4	-0.07	-0.12	-0.15	-0.17	-0.17	-0.54	Easing growth
United States	100.4	100.4	100.4	100.4	100.4	0.03	0.02	0.01	0.01	0.02	0.05	Stable growth momentum
Brazil	99.0	99.0	99.1	99.3	99.4	0.04	0.08	0.11	0.11	0.10	0.22	Stable growth momentum
China	98.7	98.8	98.9	99.1	99.2	0.03	0.09	0.14	0.17	0.17	-0.50	Stable growth momentum
India	98.8	99.0	99.2	99.4	99.6	0.16	0.17	0.18	0.19	0.19	1.43	Growth gaining momentum
Russia	100.7	100.7	100.7	100.7	100.5	0.17	0.09	0.00	-0.08	-0.14	1.21	Growth tentatively losing momentum

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

**CLI data for 33 OECD member countries and 6 OECD non-member economies are available at:
http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI_CLI