

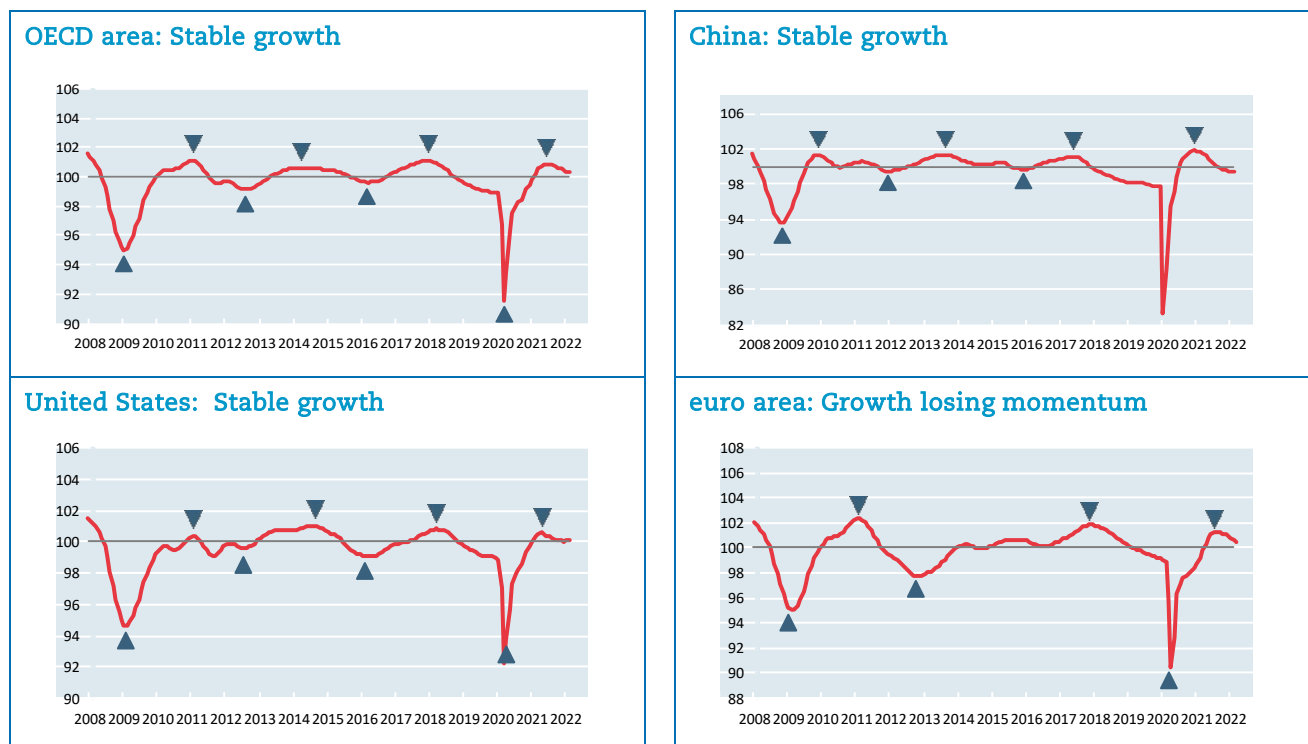
Leading indicators point to growth losing momentum in Europe

The OECD Composite leading indicators (CLIs), designed to anticipate turning points in economic activity relative to trend, point to growth losing momentum in Europe, but a stable growth in other major OECD economies.

In the **United Kingdom** and in **euro area as a whole**, including **Germany, France** and **Italy**, the CLIs anticipate growth losing momentum, driven by a contraction in consumer confidence indicators and the surge of inflation. Among major OECD economies outside Europe, the CLIs remain above trend and continue to signal stable growth in the **United States** as well as in **Japan** and **Canada**.

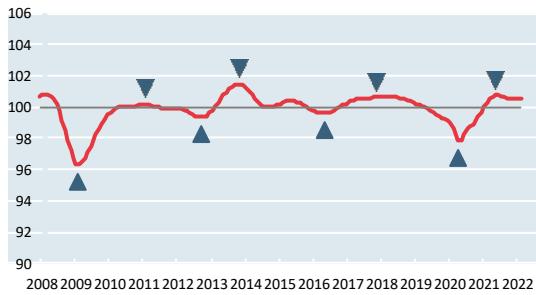
Among major emerging-market economies, the CLIs for **China** (industrial sector) and **India** continue to point to stable growth, whereas in **Brazil** the CLI continues to anticipate slowing growth.

The CLIs aim to anticipate fluctuations in economic activity over the next six to nine months based on a range of forward-looking indicators such as order books, confidence indicators, building permits, long-term interest rates, new car registrations, and [many more](#). Most indicators are available up to March 2022. It is worth noting that ongoing uncertainties related to COVID-19 and the war in Ukraine are resulting in higher than usual fluctuations in the CLI and its components. As such, the CLIs should continue to be interpreted with care and their magnitude should be regarded as an indication of the strength of the signal rather than as a measure of growth in economic activity.

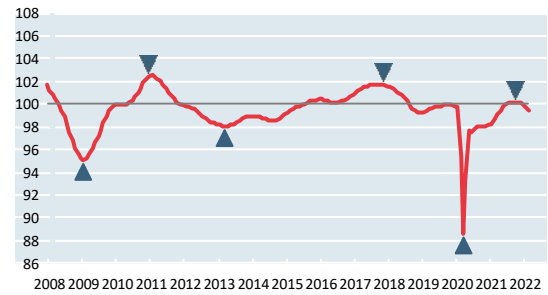


The above graphs show country specific composite leading indicators. Turning points of CLIs (marked by shaded triangles) tend to precede turning points in economic activity relative to trend by six to nine months. The horizontal line at 100 represents the trend of economic activity.

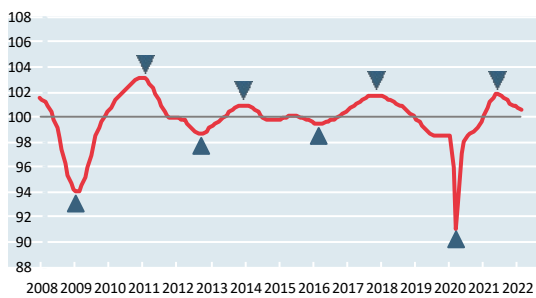
Japan: Stable growth



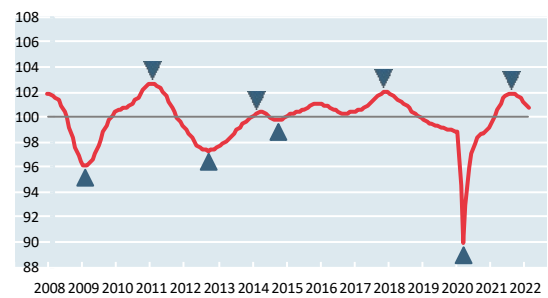
France: Growth losing momentum



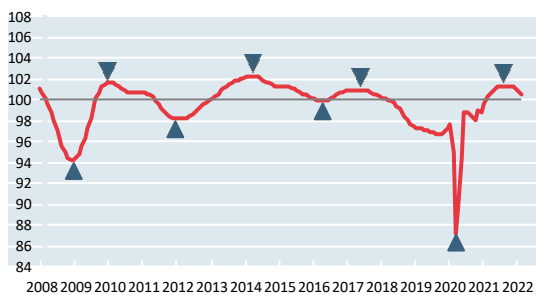
Germany: Growth losing momentum



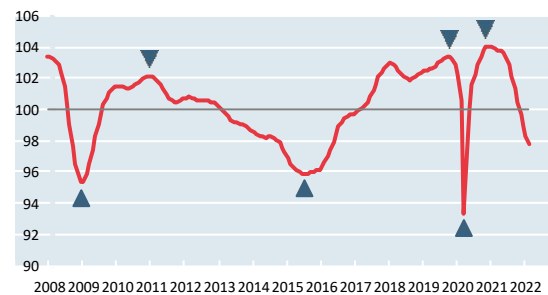
Italy: Growth losing momentum



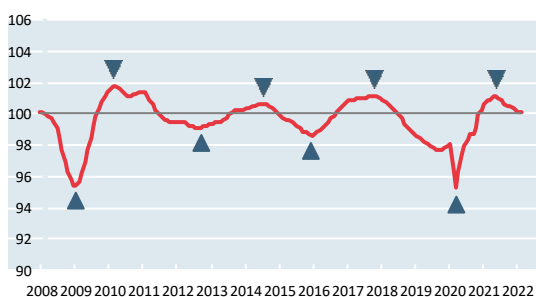
United Kingdom: Growth losing momentum



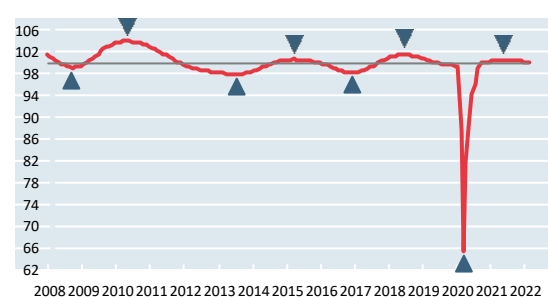
Brazil: Slowing growth



Canada: Stable growth



India: Stable growth



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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	Memorandum item
	2021		2022			2021		2022			Latest month		Last month's growth cycle outlook (when different from current assessment)
	Nov	Dec	Jan	Feb	Mar	Nov	Dec	Jan	Feb	Mar			
OECD Area	100.6	100.5	100.5	100.4	100.3	-0.08	-0.08	-0.08	-0.08	-0.08	0.09	Stable growth	
Euro Area	101.0	100.9	100.8	100.6	100.4	-0.11	-0.13	-0.15	-0.16	-0.17	0.67	Growth losing momentum	Stable growth
Major Five Asia**	99.8	99.7	99.6	99.6	99.5	-0.09	-0.07	-0.06	-0.06	-0.05	-1.27	Stable growth	
Major Seven	100.5	100.4	100.3	100.3	100.2	-0.07	-0.06	-0.06	-0.05	-0.05	0.00	Stable growth	
Canada	100.4	100.3	100.2	100.2	100.1	-0.11	-0.11	-0.09	-0.07	-0.05	-0.73	Stable growth	Growth losing momentum
France	100.2	100.1	99.9	99.7	99.5	-0.03	-0.09	-0.16	-0.21	-0.25	0.65	Growth losing momentum	Stable growth
Japan	100.5	100.5	100.6	100.6	100.6	-0.02	0.00	0.01	0.00	0.00	0.28	Stable growth	
Germany	101.1	101.0	100.9	100.8	100.6	-0.19	-0.15	-0.11	-0.11	-0.13	-0.06	Growth losing momentum	
Italy	101.7	101.5	101.3	101.0	100.8	-0.10	-0.17	-0.23	-0.24	-0.23	0.77	Growth losing momentum	
United Kingdom	101.3	101.2	101.1	100.9	100.6	-0.04	-0.09	-0.14	-0.20	-0.28	0.35	Growth losing momentum	
United States	100.1	100.1	100.0	100.1	100.1	-0.05	-0.03	-0.01	0.01	0.04	-0.22	Stable growth	
Brazil	100.4	99.6	98.9	98.3	97.8	-0.86	-0.81	-0.72	-0.60	-0.51	-5.78	Slowing growth	
China***	99.6	99.5	99.5	99.4	99.4	-0.14	-0.08	-0.07	-0.06	-0.04	-2.23	Stable growth	
India	100.3	100.3	100.2	100.2	100.1	-0.05	-0.05	-0.05	-0.05	-0.05	-0.24	Stable growth	

* CLI data for 34 OECD member countries and 6 OECD non-member economies are available at:

http://stats.oecd.org/default.aspx?datasetcode=MEI_CLI

Please note that CLI for New Zealand is currently under revision and could not be updated this month.

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

*** The reference series for China is the value added of industry, at 1995 constant prices, 100 million Yuan.