

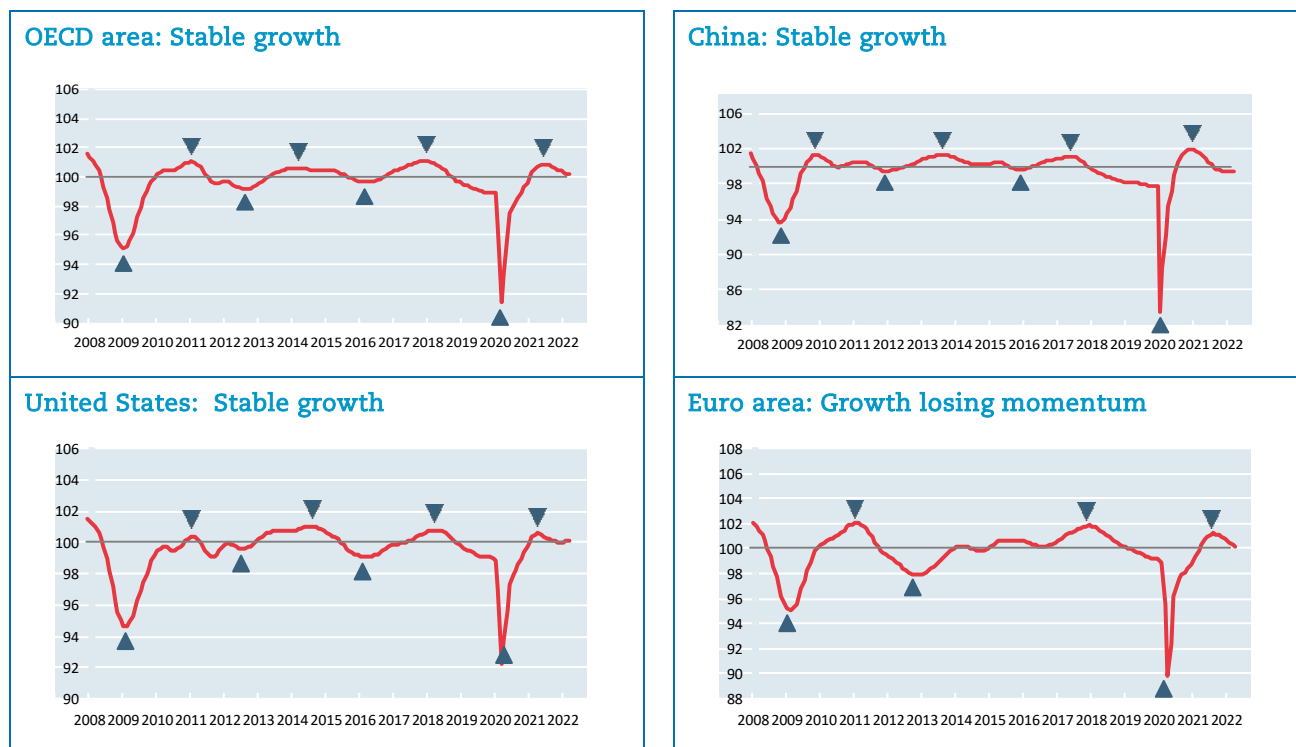
## Leading indicators continue to point to growth losing momentum in Europe

The OECD Composite leading indicators (CLIs) continue to point to growth losing momentum in Europe and to stable growth in the OECD area as a whole.

**In Europe, shaped by surging inflation and declining expectations in manufacturing, the CLIs continue to indicate growth losing momentum** in the euro area as a whole, including in France, Germany and Italy, as well as in the United Kingdom.

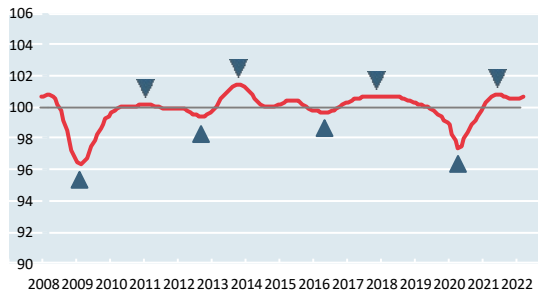
**Outside Europe, the CLIs continue to point to stable growth** in Canada, Japan and the United States. Stable growth also continues to be anticipated in most major emerging-market economies, in particular China (industrial sector) and India. In Brazil, however, the CLI continues to signal slowing growth.

The CLIs aim to anticipate cyclical 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 April 2022. It is worth noting that ongoing uncertainties related to the war in Ukraine, and COVID-19 are resulting in higher than usual fluctuations in the CLI components. As a result, 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.

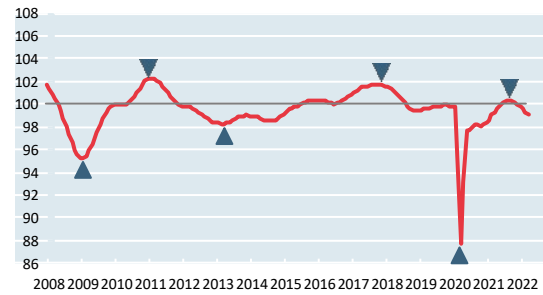


The above graphs show country specific composite leading indicators. Turning points of CLIs (marked by shaded triangles) tend to precede turning points in economic activity relative to trend by six to nine months. The horizontal line at 100 represents the trend of economic activity.

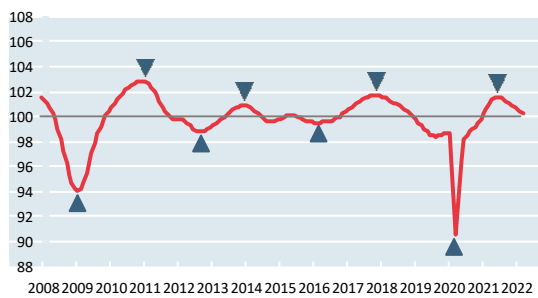
**Japan: Stable growth**



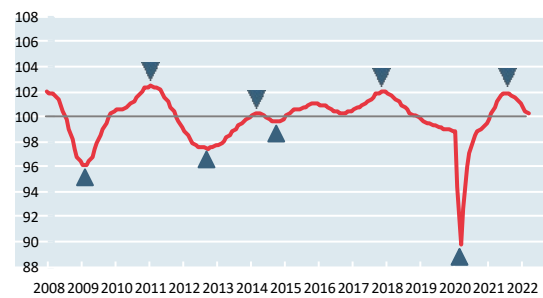
**France: Growth losing momentum**



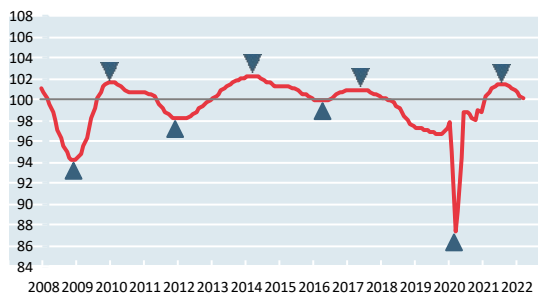
**Germany: Growth losing momentum**



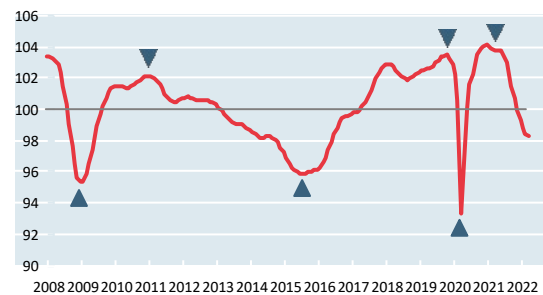
**Italy: Growth losing momentum**



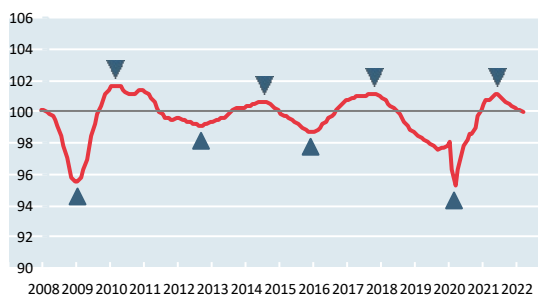
**United Kingdom: Growth losing momentum**



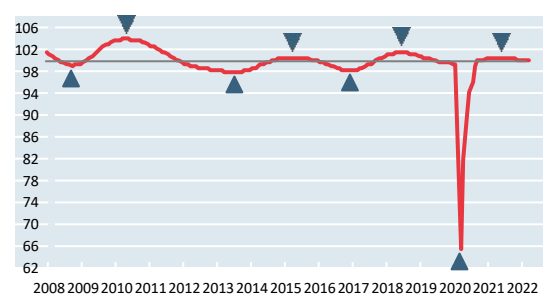
**Brazil: Slowing growth**



**Canada: Stable growth**



**India: Stable growth**



The 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.

Table 1: Composite Leading Indicators\*

	Ratio to trend, amplitude adjusted (long term average =100)					Month on Month change (%)					Growth cycle outlook	Memorandum item Last month's growth cycle outlook (when different from current assessment)
	2021		2022			2021		2022				
	Dec	Jan	Feb	Mar	Apr	Dec	Jan	Feb	Mar	Apr		
<b>OECD Area</b>	100.5	100.4	100.3	100.2	100.2	-0.09	-0.09	-0.09	-0.08	-0.07	Stable growth	
<b>Euro Area</b>	100.8	100.6	100.5	100.3	100.1	-0.15	-0.17	-0.18	-0.19	-0.18	Growth losing momentum	
<b>Major Five Asia**</b>	99.6	99.6	99.5	99.5	99.4	-0.07	-0.05	-0.05	-0.04	-0.03	Stable growth	
<b>Major Seven</b>	100.4	100.3	100.2	100.2	100.1	-0.08	-0.07	-0.07	-0.06	-0.03	Stable growth	
<b>Canada</b>	100.3	100.2	100.1	100.1	100.0	-0.13	-0.12	-0.09	-0.06	-0.05	Stable growth	
<b>France</b>	100.0	99.8	99.5	99.3	99.1	-0.15	-0.19	-0.23	-0.23	-0.20	Growth losing momentum	
<b>Japan</b>	100.6	100.6	100.6	100.6	100.6	-0.01	0.01	0.00	0.01	0.02	Stable growth	
<b>Germany</b>	100.9	100.8	100.6	100.5	100.3	-0.13	-0.12	-0.15	-0.18	-0.17	Growth losing momentum	
<b>Italy</b>	101.3	101.0	100.7	100.4	100.2	-0.24	-0.30	-0.30	-0.27	-0.23	Growth losing momentum	
<b>United Kingdom</b>	101.1	100.9	100.7	100.3	100.0	-0.15	-0.20	-0.25	-0.30	-0.31	Growth losing momentum	
<b>United States</b>	100.0	100.0	100.0	100.1	100.1	-0.03	-0.01	0.01	0.04	0.07	Stable growth	
<b>Brazil</b>	99.9	99.3	98.8	98.5	98.3	-0.76	-0.63	-0.47	-0.32	-0.22	Slowing growth	
<b>China***</b>	99.5	99.4	99.4	99.4	99.4	-0.07	-0.04	-0.03	-0.01	0.00	Stable growth	
<b>India</b>	100.3	100.2	100.1	100.0	99.9	-0.07	-0.08	-0.08	-0.08	-0.08	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](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.