

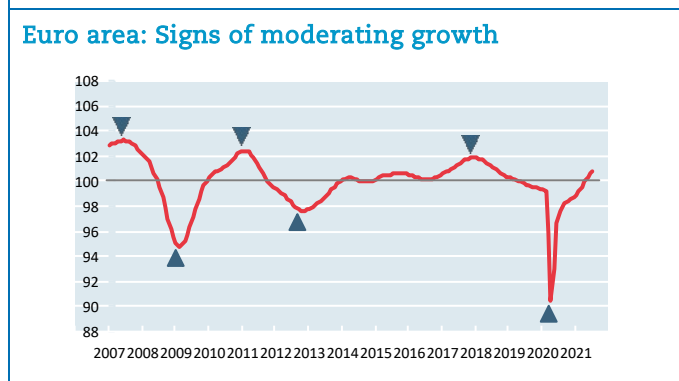
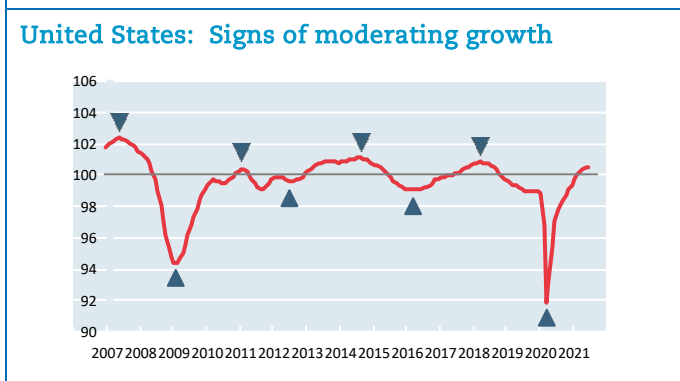
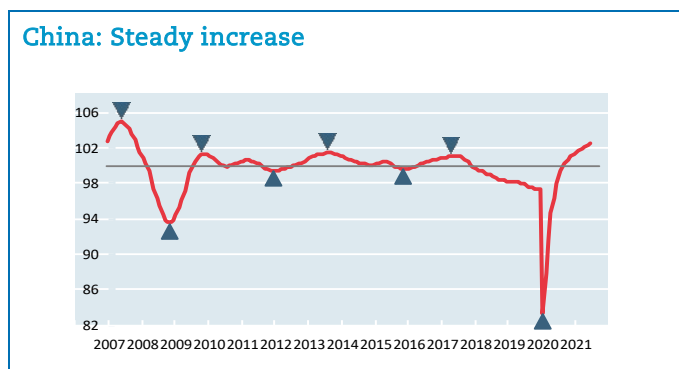
Signs of moderating growth in most major economies

The OECD Composite leading indicators (CLIs), designed to anticipate turning points in economic activity relative to trend, show signs of moderating pace of growth at above-trend levels in the **OECD area as a whole** and in most major economies.

The latest CLIs point to signs of moderating pace of growth at above-trend level in the **United States, Japan and Canada**. Similar indications have emerged in the **United Kingdom** and in the **euro area as a whole**, including **Germany and Italy**. In **France**, there are also signs of moderating pace of growth, with the CLI still below trend.

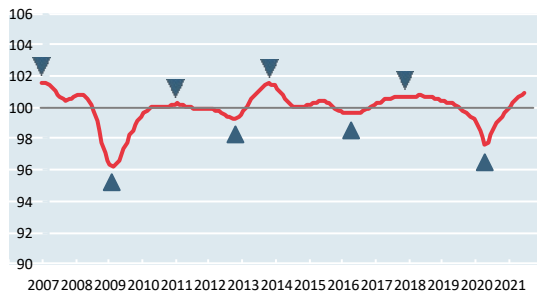
The CLIs for the major emerging-market economies point to diverging developments. Steady growth continues in **China** (industrial sector), and stable growth continues in **India**, whereas in **Brazil** the CLI continues to indicate slowing growth. Signs of moderating pace of growth have emerged in **Russia**.

Despite the gradual lifting of COVID-19 containment measures in some countries and the progress of vaccination campaigns, persisting uncertainties might result in higher than usual fluctuations in the CLI and its components. As such, the CLIs should 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 the degree of growth in economic activity.

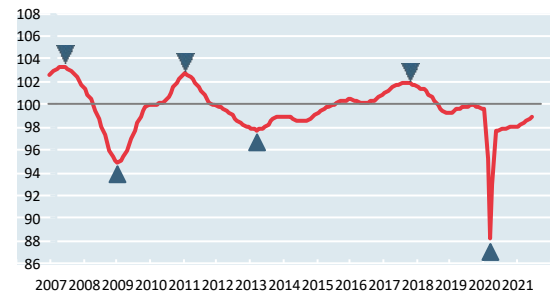


The above graphs show country specific composite leading indicators. Turning points of CLIs (marked by shaded triangles) tend to precede turning points in economic activity relative to trend by six to nine months. The horizontal line at 100 represents the trend of economic activity.

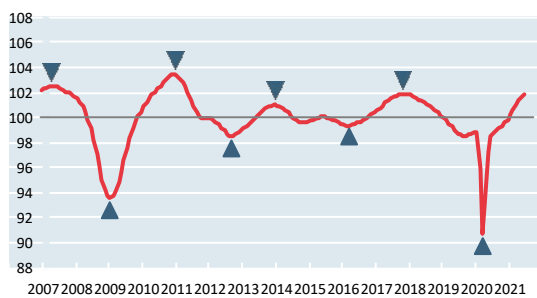
Japan: Signs of moderating growth



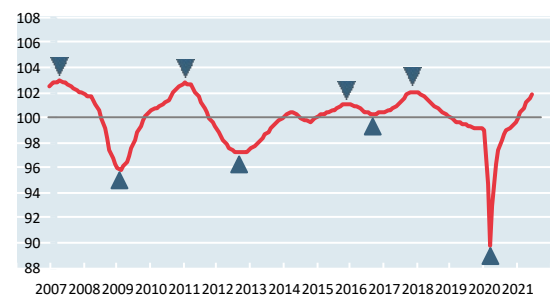
France: Signs of moderating growth



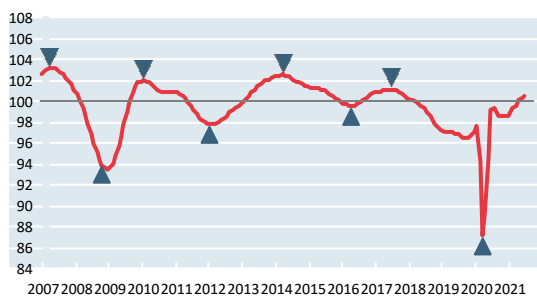
Germany: Signs of moderating growth



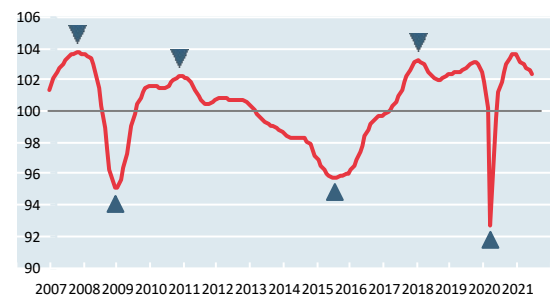
Italy: Signs of moderating growth



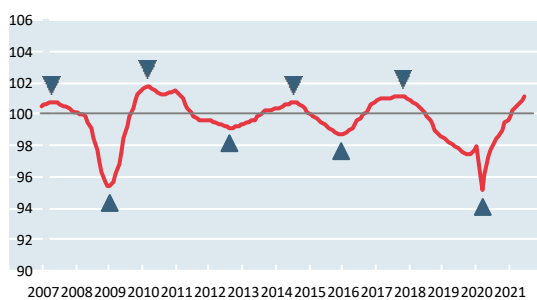
United Kingdom: Signs of moderating growth



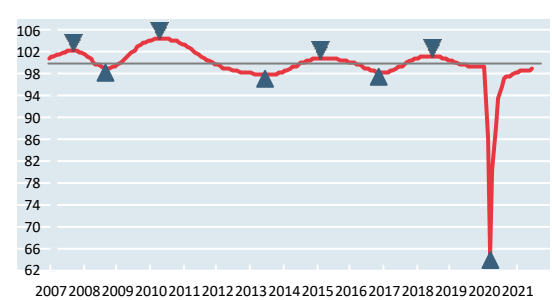
Brazil: Slowing growth



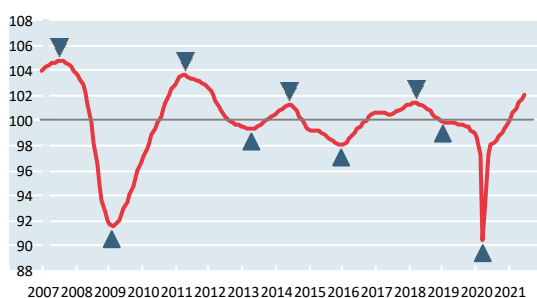
Canada: Signs of moderating growth



India: Stable growth



Russia: Signs of moderating 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 (%) | | | | | Year on Year change (%) | Growth cycle outlook | Memorandum item Last month's growth cycle outlook (when different from current assessment) |
|--------------------------|----------------------------------------------------------------|-------|-------|-------|-------|------------------------------|-------|-------|-------|-------|----------------------------|----------------------------|--------------------------------------------------------------------------------------------------|
| | 2021 | | | | | 2021 | | | | | Latest month | | |
| | Mar | Apr | May | Jun | Jul | Mar | Apr | May | Jun | Jul | | | |
| OECD Area | 100.0 | 100.3 | 100.5 | 100.7 | 100.8 | 0.31 | 0.27 | 0.22 | 0.20 | 0.14 | 3.37 | Signs of moderating growth | Steady increase |
| Euro Area | 99.6 | 100.0 | 100.3 | 100.6 | 100.8 | 0.37 | 0.39 | 0.34 | 0.29 | 0.24 | 3.36 | Signs of moderating growth | Steady increase |
| Major Five Asia** | 100.4 | 100.5 | 100.6 | 100.8 | 100.9 | 0.18 | 0.14 | 0.13 | 0.15 | 0.15 | 4.23 | Stable growth | Steady increase |
| Major Seven | 100.0 | 100.2 | 100.4 | 100.6 | 100.7 | 0.31 | 0.27 | 0.19 | 0.17 | 0.11 | 3.17 | Signs of moderating growth | Steady increase |
| Canada | 100.2 | 100.5 | 100.7 | 100.9 | 101.1 | 0.28 | 0.27 | 0.20 | 0.24 | 0.17 | 3.41 | Signs of moderating growth | Steady increase |
| France | 98.2 | 98.4 | 98.6 | 98.8 | 98.9 | 0.20 | 0.22 | 0.19 | 0.15 | 0.14 | 1.29 | Signs of moderating growth | Steady increase |
| Japan | 100.3 | 100.5 | 100.7 | 100.8 | 100.9 | 0.21 | 0.21 | 0.18 | 0.14 | 0.10 | 2.68 | Signs of moderating growth | Steady increase |
| Germany | 100.7 | 101.1 | 101.4 | 101.7 | 101.9 | 0.42 | 0.40 | 0.34 | 0.29 | 0.23 | 3.50 | Signs of moderating growth | Steady increase |
| Italy | 100.4 | 100.8 | 101.2 | 101.6 | 101.9 | 0.46 | 0.44 | 0.40 | 0.36 | 0.33 | 4.67 | Signs of moderating growth | Steady increase |
| United Kingdom | 99.3 | 99.6 | 100.0 | 100.3 | 100.5 | 0.34 | 0.27 | 0.44 | 0.24 | 0.17 | 1.34 | Signs of moderating growth | Steady increase |
| United States | 100.0 | 100.3 | 100.4 | 100.5 | 100.5 | 0.30 | 0.24 | 0.10 | 0.12 | 0.04 | 3.61 | Signs of moderating growth | Steady increase |
| Brazil | 103.2 | 102.9 | 102.7 | 102.6 | 102.3 | -0.24 | -0.23 | -0.20 | -0.18 | -0.22 | 1.16 | Slowing growth | |
| China*** | 101.7 | 101.8 | 102.0 | 102.2 | 102.4 | 0.18 | 0.16 | 0.16 | 0.18 | 0.20 | 4.63 | Steady increase | |
| India | 98.5 | 98.5 | 98.6 | 98.7 | 98.8 | 0.14 | 0.05 | 0.04 | 0.11 | 0.11 | 5.52 | Stable growth | |
| Russia | 100.6 | 101.0 | 101.4 | 101.8 | 102.1 | 0.42 | 0.41 | 0.39 | 0.37 | 0.34 | 4.10 | Signs of moderating growth | Steady increase |

* 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.

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

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