

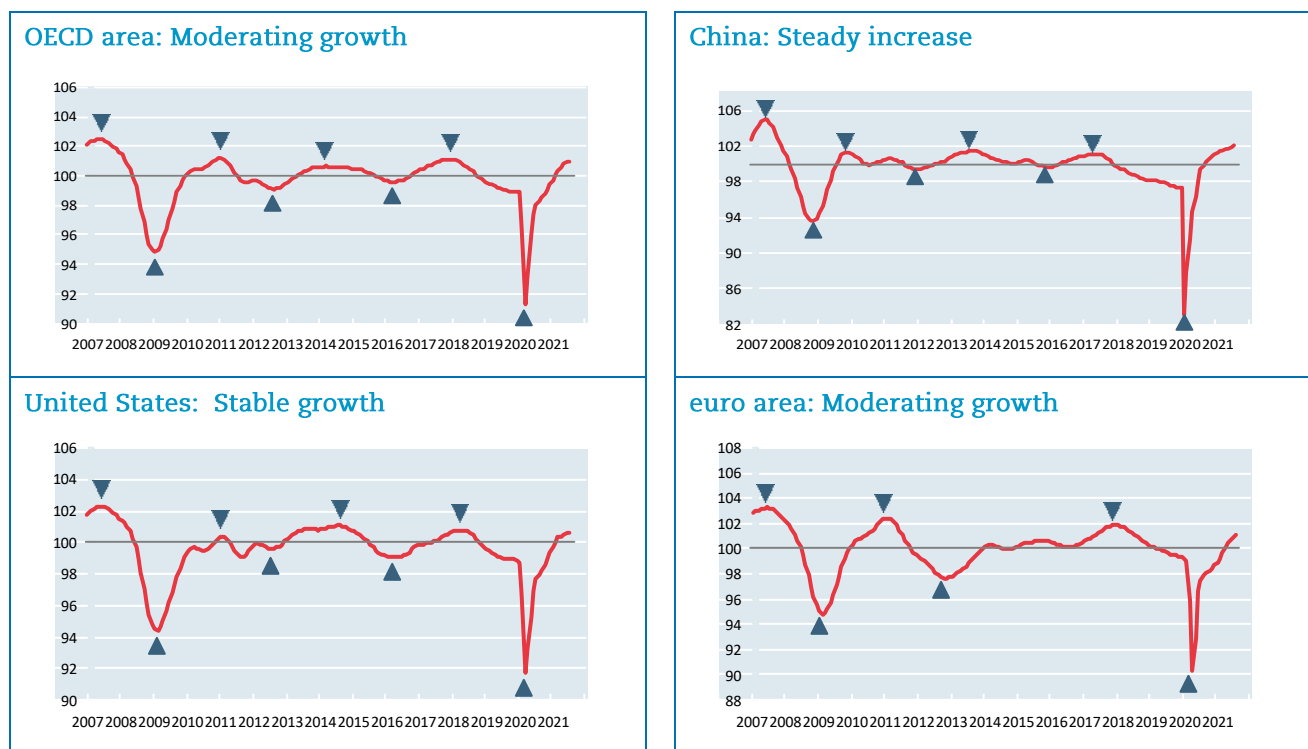
CLIs point to moderating growth

The OECD Composite leading indicators (CLIs), designed to anticipate turning points in economic activity relative to trend, indicate that growth remains at above-trend levels but is moderating in the **OECD area as a whole**.

Among the major OECD economies, the signs of a moderating growth at above-trend levels, flagged in last month's assessment, have been confirmed in **Canada**, the **euro area as a whole**, including **Germany** and **Italy**, and in **the United Kingdom**. In **France** the CLI points to a moderation in the pace of growth and remains below trend levels. In contrast, the CLIs for the **United States** and **Japan** now point to stable growth above trend levels.

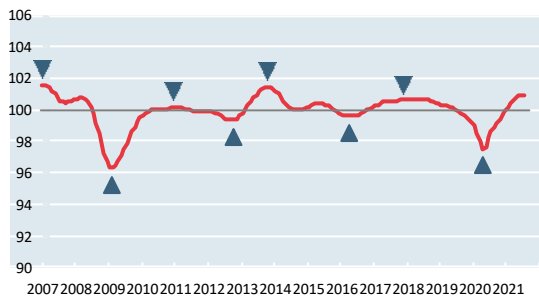
Among the major emerging-market economies, the CLIs for **Russia** and **China** point to a steady increase in growth above trend levels. The CLI for **India** remains below trend but continues to signal stable growth, whereas in **Brazil** the CLI continues to anticipate slowing growth from above trend level.

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 CLIs and their 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.

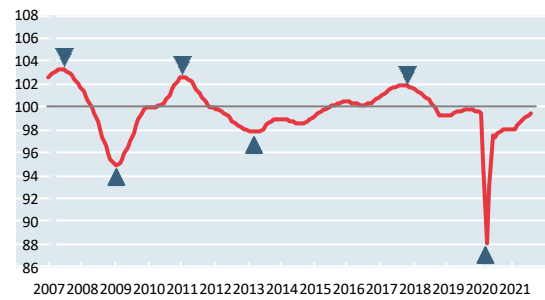


The above graphs show country specific composite leading indicators. Turning points of CLIs (marked by shaded triangles) tend to precede turning points in economic activity relative to trend by six to nine months. The horizontal line at 100 represents the trend of economic activity.

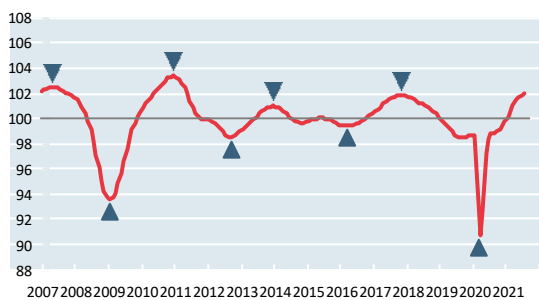
Japan: Stable growth



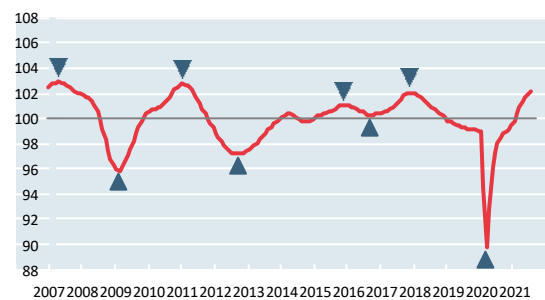
France: Moderating growth



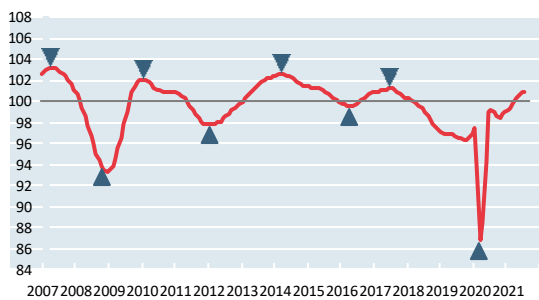
Germany: Moderating growth



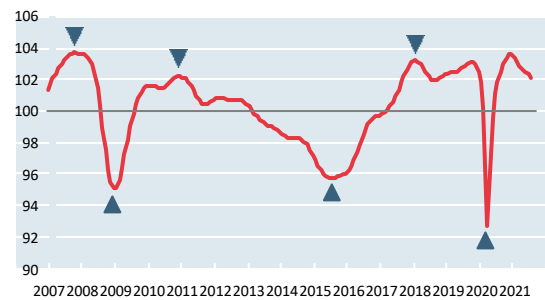
Italy: Moderating growth



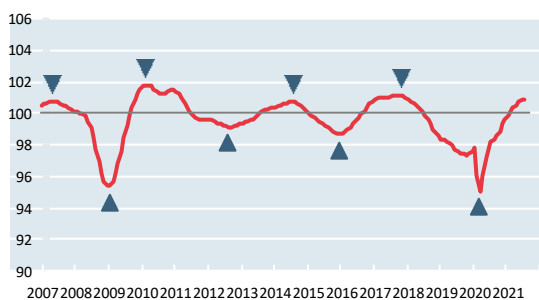
United Kingdom: Moderating growth



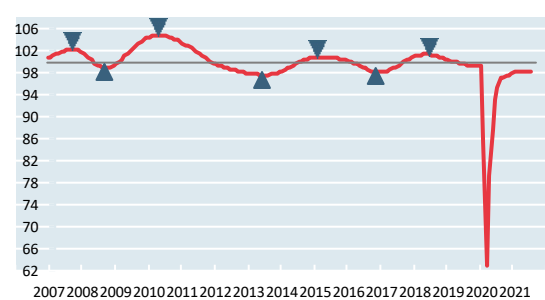
Brazil: Slowing growth



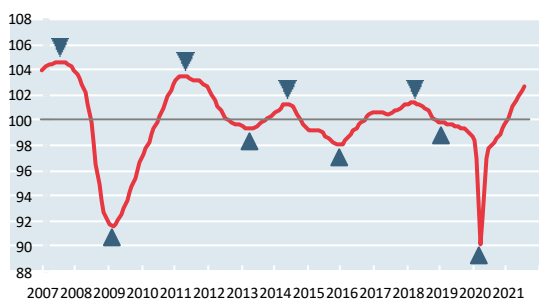
Canada: Moderating growth



India: Stable growth



Russia: Steady increase



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		
	Apr	May	Jun	Jul	Aug	Apr	May	Jun	Jul	Aug			
OECD Area	100.3	100.6	100.8	100.9	101.0	0.30	0.24	0.20	0.13	0.08	3.00	Moderating growth	Signs of moderating growth
Euro Area	100.1	100.5	100.8	101.0	101.1	0.42	0.37	0.29	0.21	0.14	3.34	Moderating growth	Signs of moderating growth
Major Five Asia**	100.3	100.4	100.5	100.6	100.7	0.11	0.09	0.10	0.10	0.09	2.58	Stable growth	
Major Seven	100.3	100.5	100.7	100.8	100.8	0.29	0.20	0.18	0.10	0.05	2.81	Moderating growth	Signs of moderating growth
Canada	100.3	100.5	100.7	100.8	100.9	0.24	0.17	0.20	0.12	0.03	2.77	Moderating growth	Signs of moderating growth
France	98.6	98.9	99.1	99.2	99.4	0.17	0.24	0.22	0.17	0.13	1.67	Moderating growth	Signs of moderating growth
Japan	100.6	100.7	100.9	100.9	101.0	0.21	0.16	0.11	0.08	0.01	2.33	Stable growth	Signs of moderating growth
Germany	101.1	101.5	101.7	101.9	102.0	0.44	0.37	0.28	0.18	0.10	3.31	Moderating growth	Signs of moderating growth
Italy	100.9	101.3	101.7	102.0	102.2	0.51	0.45	0.37	0.28	0.22	4.21	Moderating growth	Signs of moderating growth
United Kingdom	99.8	100.2	100.5	100.8	100.9	0.38	0.41	0.32	0.25	0.11	1.67	Moderating growth	Signs of moderating growth
United States	100.3	100.4	100.5	100.6	100.6	0.26	0.12	0.12	0.03	0.00	3.01	Stable growth	Signs of moderating growth
Brazil	102.9	102.7	102.5	102.3	102.0	-0.24	-0.19	-0.16	-0.19	-0.25	0.21	Slowing growth	
China***	101.5	101.6	101.7	101.9	102.0	0.10	0.11	0.12	0.13	0.14	2.64	Steady increase	
India	98.2	98.2	98.2	98.3	98.4	0.01	0.00	0.02	0.07	0.07	3.06	Stable growth	
Russia	101.1	101.5	102.0	102.4	102.8	0.45	0.45	0.42	0.40	0.38	4.86	Steady increase	Signs of moderating 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.

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

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