

COMPOSITE LEADING INDICATORS

Paris, 12 September 2022

Next release: 11 October 2022

Leading indicators continue to point to weakening growth in most major economies

The OECD Composite Leading Indicators (CLIs), designed to anticipate turning points in economic activity over the next six to nine months, continue to signal a [slowdown](#) in most major economies and in the OECD area as a whole.

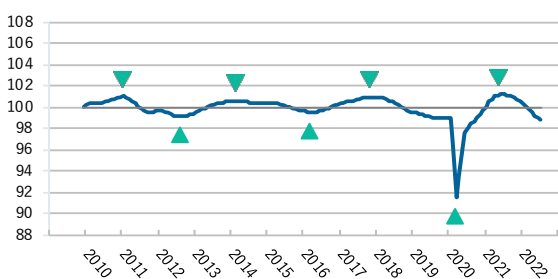
Among large OECD economies, the CLIs continue to anticipate a loss of growth momentum in Canada, the United Kingdom and the United States, as well as in the euro area as a whole including France, Germany and Italy. Stable growth continues to be expected in Japan.

Among major emerging-market economies, the CLI for China (industrial sector) now points to a loss in growth momentum. In India, the CLI continues to indicate stable growth whereas in Brazil it signals growth losing momentum.

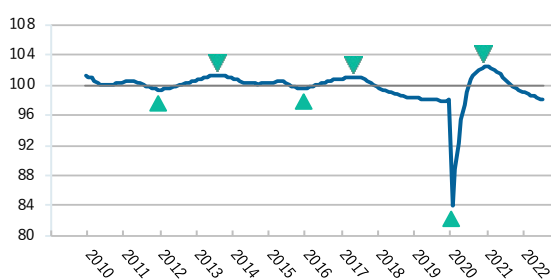
The OECD CLIs are cyclical indicators based on a range of forward-looking indicators such as order books, building permits, confidence indicators, long-term interest rates, new car registrations and many more. Most of these monthly indicators are available up to August 2022.

In the face of persisting uncertainties related to the war in Ukraine, renewed COVID-19 threats, and the impact of high inflation on real household income, the CLI components might be subject to larger-than-usual fluctuations. As a result, the indicators should be interpreted with care and their magnitude be regarded as an indication of the strength of the signal rather than as a measure of growth in economic activity.

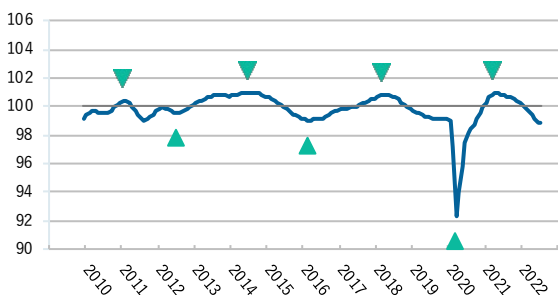
OECD area:
Growth losing momentum



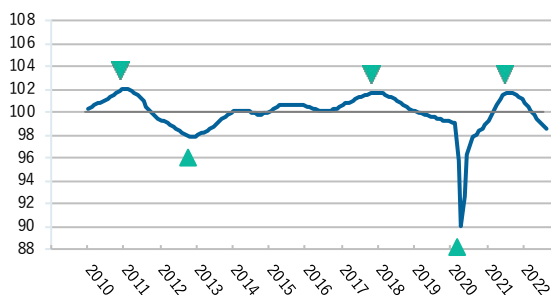
China:
Growth losing momentum



United States:
Growth losing momentum

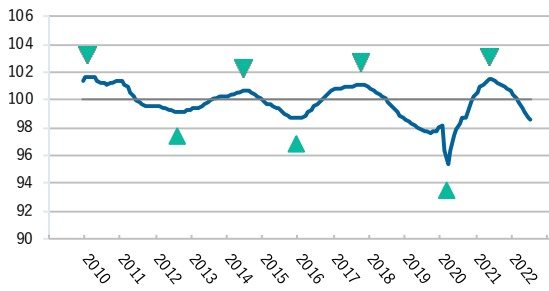


Euro area:
Growth losing momentum

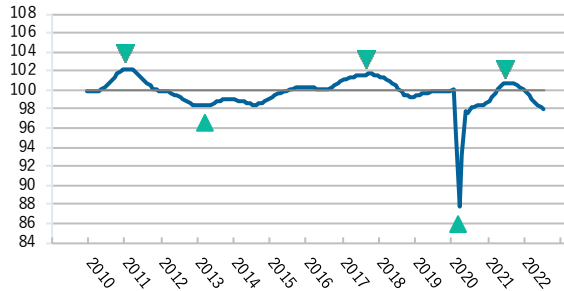


The above graphs show country specific composite leading indicators. Turning points of CLIs (marked by shaded triangles) tend to precede turning points in economic activity relative to trend by six to nine months. The horizontal line at 100 represents the trend of economic activity.

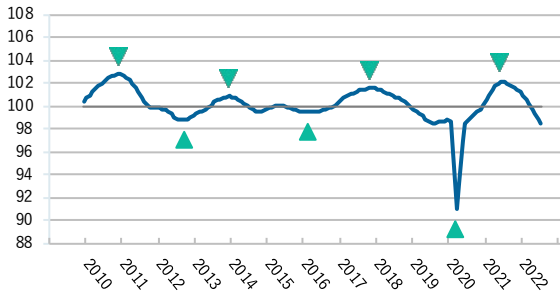
Canada:
Growth losing momentum



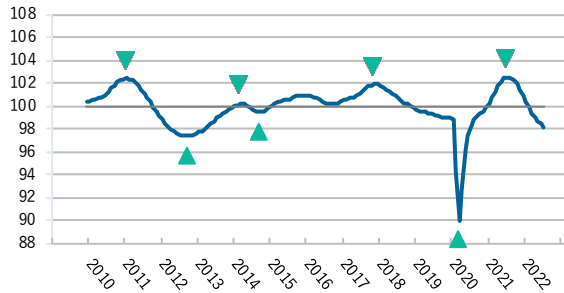
France:
Growth losing momentum



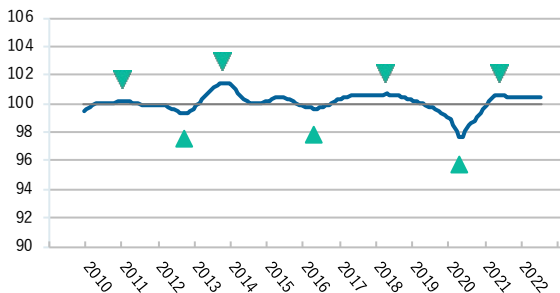
Germany:
Growth losing momentum



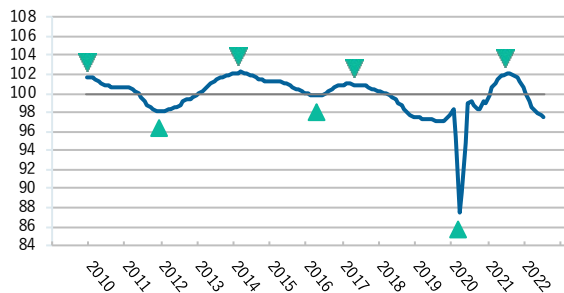
Italy:
Growth losing momentum



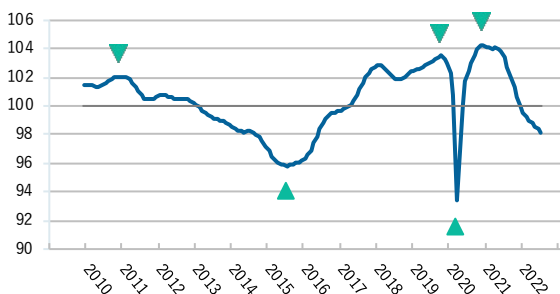
Japan:
Stable growth



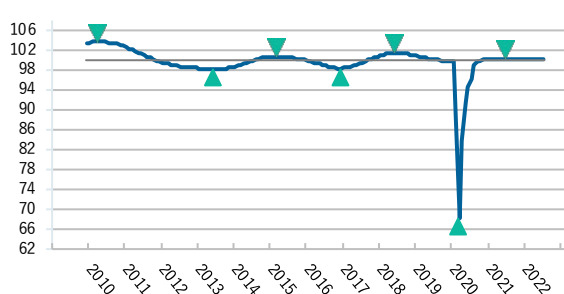
United Kingdom:
Growth losing momentum



Brazil:
Slowing 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					Month on Month change					Growth cycle outlook	Memorandum item Last month's growth cycle outlook (when different from current assessment)
	(long term average =100)					(%)						
	2022					2022						
	Apr	May	Jun	Jul	Aug	Apr	May	Jun	Jul	Aug		
OECD Area	99.8	99.5	99.3	99.1	98.9	-0.28	-0.28	-0.26	-0.21	-0.17	Growth losing momentum	
Euro Area	99.8	99.5	99.2	98.9	98.6	-0.35	-0.34	-0.32	-0.30	-0.26	Growth losing momentum	
Major Five Asia**	99.2	99.0	98.9	98.8	98.7	-0.12	-0.11	-0.13	-0.13	-0.11	Growth losing momentum	Signs of stabilising growth momentum
Major Seven	99.7	99.4	99.1	98.9	98.8	-0.29	-0.28	-0.26	-0.21	-0.16	Growth losing momentum	
Canada	99.8	99.5	99.1	98.8	98.5	-0.31	-0.36	-0.36	-0.32	-0.27	Growth losing momentum	
France	99.0	98.6	98.3	98.1	98.0	-0.40	-0.36	-0.29	-0.22	-0.16	Growth losing momentum	
Germany	100.2	99.8	99.4	98.9	98.5	-0.39	-0.41	-0.44	-0.45	-0.44	Growth losing momentum	
Italy	99.4	99.1	98.7	98.4	98.2	-0.44	-0.38	-0.34	-0.31	-0.27	Growth losing momentum	
Japan	100.5	100.5	100.5	100.5	100.5	0.02	0.00	-0.01	-0.01	0.00	Stable growth	
United Kingdom	98.6	98.1	97.8	97.7	97.5	-0.63	-0.47	-0.31	-0.19	-0.14	Growth losing momentum	
United States	99.6	99.4	99.1	98.9	98.8	-0.26	-0.27	-0.25	-0.19	-0.13	Growth losing momentum	
Brazil	99.0	98.8	98.6	98.4	98.2	-0.24	-0.22	-0.22	-0.22	-0.20	Growth losing momentum	
China***	98.7	98.5	98.4	98.2	98.0	-0.17	-0.17	-0.16	-0.16	-0.15	Growth losing momentum	Signs of stabilising growth momentum
India	100.3	100.3	100.3	100.3	100.3	-0.01	-0.01	-0.01	0.00	0.01	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.

Methodological information:

[Methodological Notes for OECD CLI News Release.](#)

Access Data:

[OECD CLI News Release underlying data](#)

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