

News Release

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Using the Composite Indexes: *The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. The Coincident Economic Index (CEI) provides an indication of the current state of the economy. Additional details are below.*

The Conference Board Leading Economic Index® (LEI) for Australia Increased in January

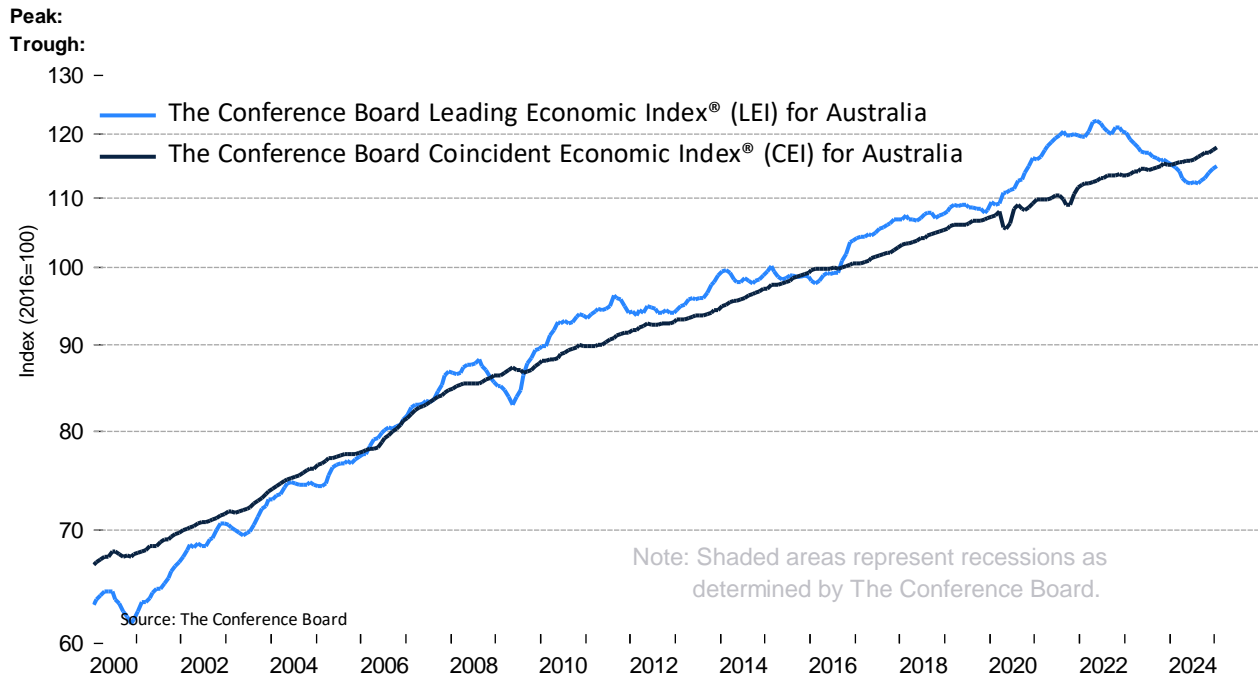
The Conference Board Leading Economic Index® (LEI) for Australia ticked up by 0.5% in January 2025 to 114.9 (2016=100), following an upwardly revised 0.4% increase in December 2024. Furthermore, the LEI grew by 2.2% over the six-month period from July 2024 to January 2025, almost reversing the 2.3% contraction over the previous six-month period between January to July 2024.

The Conference Board Coincident Economic Index® (CEI) for Australia increased by 0.3% in January 2025 to 117.7 (2016=100), after also increasing by 0.3% in December 2024. The CEI grew by 1.6% over the six-month period from July 2024 and January 2025, twice the 0.8% growth experienced over the previous six-month period.

“The LEI for Australia increased for a fifth consecutive month in January,” said **Ian Hu, Economic Research Associate at The Conference Board**. “All components contributed to the increase of the Index, with share prices and the sales-to-inventories ratio contributing the most. Additionally, the six-month and annual growth rates of the LEI continued to improve; the annual growth rate was only barely negative in January, suggesting that headwinds to growth have largely dissipated. GDP growth strengthened to 2.4% (quarter on quarter annualized) in the Q4 of last year. In addition, China’s growing appetite for Australian mineral ores (supported by government stimulus measures) is also likely to support economic expansion in the near future. Against this background, The Conference Board currently forecasts that Australia’s annual real GDP will grow by 1.7% in 2025 after 1% in 2024.”

The next release is scheduled for Wednesday, April 16, 2025, at 10:30 A.M. ET.

The Australia LEI continues its recovery, reaching levels last seen in early 2024



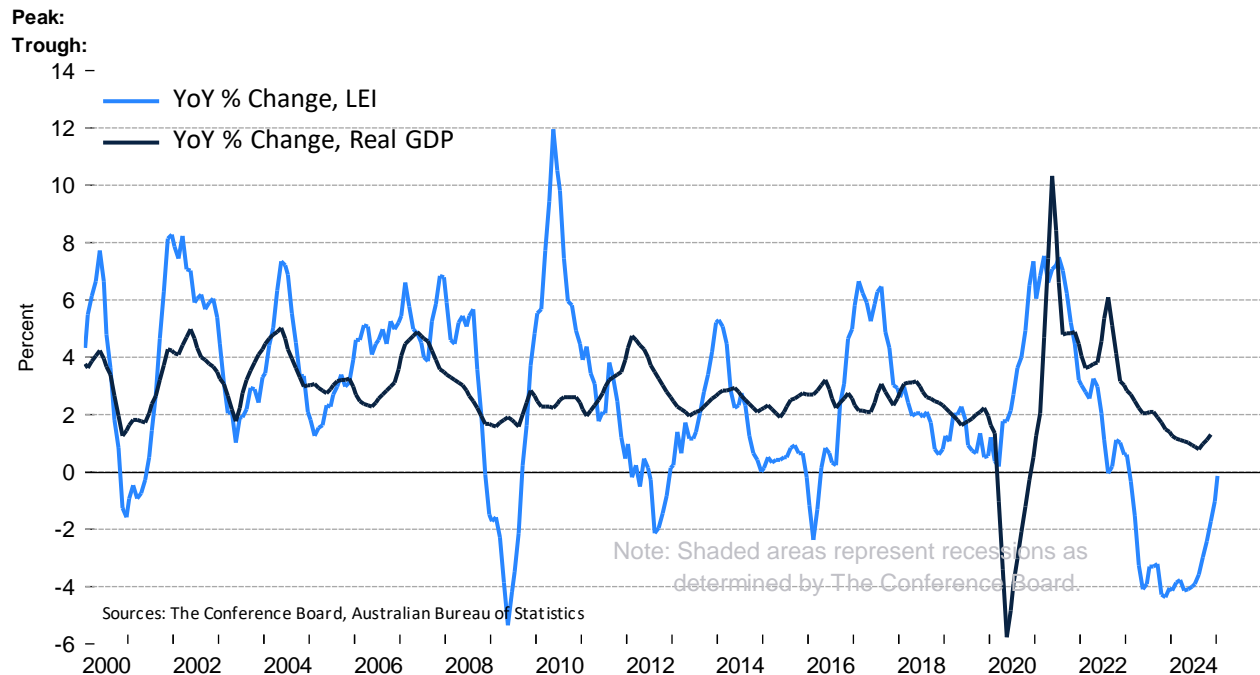
All components contributed positively to the Australia LEI in January

The Conference Board Leading Economic Index® and Component Contributions (Percent)



Source: The Conference Board * Inverted series; a negative change in this component makes a positive contribution.
** Statistical Imputation. - Q: Quarterly series; these series are converted to a monthly series through a linear interpolation.
LEI change might not equal sum of its contributions due to application of trend adjustment factor

The annual growth rate of the Australia LEI continued to improve and was only barely negative in January 2025



About The Conference Board *Leading Economic Index*[®] (LEI) and *Coincident Economic Index*[®] (CEI) for Australia

The composite economic indexes are key elements in an analytic system designed to signal peaks and troughs in the business cycle. Comprised of multiple independent indicators, the indexes are constructed to summarize and reveal common turning points in the economy in a clearer and more convincing manner than any individual component.

The CEI reflects current economic conditions and is highly correlated with real GDP. The LEI is a predictive tool that anticipates—or “leads”—turning points in the business cycle by around seven months.

The seven components of *Leading Economic Index*[®] for Australia are:

- Yield Spread, 10Y – Policy Rate
- Share Prices, All Ordinaries S&P/ASX 200
- Money Supply, M3
- Building Approvals
- Rural Goods Exports
- Non-Farm Sector, Sale to Inventories Ratio
- Gross Operating Surplus, Private Non-Financial Corp.

The four components of the *Coincident Economic Index*[®] for Australia are:

- Employment
- Household Income
- Industrial Production
- Retail Trade

To access data, please visit: <https://data-central.conference-board.org/>

About The Conference Board

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