

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 India Inched up in November

Next month's release of the composite economic indexes will incorporate annual benchmark revisions which bring them up-to-date with revisions in the source data. These revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed. As a result, the revised indexes, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision.

For more information, please visit <https://www.conference-board.org/topics/business-cycle-indicators/> or contact us at indicators@conference-board.org.

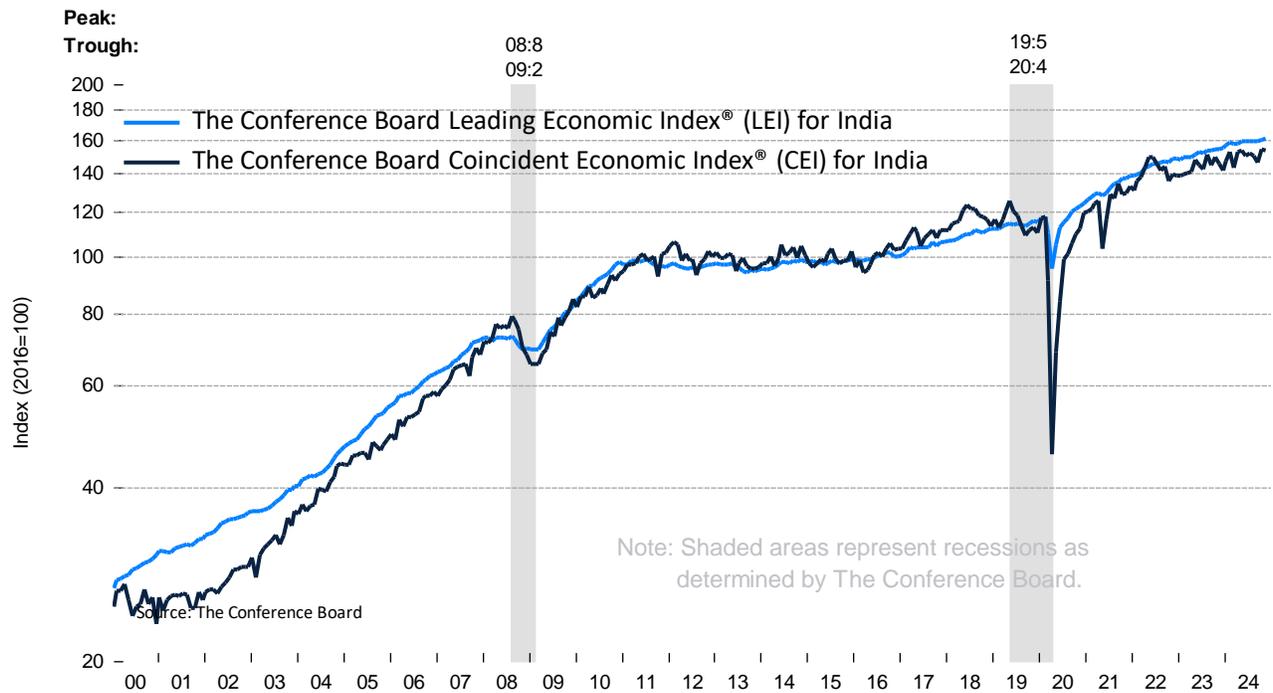
The Conference Board Leading Economic Index® (LEI) for India increased by 0.1% in November 2024 to 160.3 (2016=100), following an upwardly revised 0.7% gain in October. The LEI increased by 0.8% over the six-month period from May to November 2024, less than a third of the 3.0% growth between November 2023 and May 2024.

The Conference Board Coincident Economic Index® (CEI) for India, based on preliminary numbers, declined by 0.3% in November 2024 to 153.0 (2016=100), after increasing by 4.9% in October. The Index fell by 0.3% over the past six-month period ending in November 2024, a reversal from a substantial growth of 5.6% over the previous six months.

"The LEI for India gained more footing in November, building on a substantial upward revision of October reading," said **Ian Hu, Economic Research Associate, at The Conference Board**. "The boost to the leading index came almost only from the bank credit to commercial sector. Both exports and stock prices made significant negative contributions to the Index, while the other components were largely unchanged. While the Index has regained momentum in the past couple months, it clearly slowed over the course of 2024. This suggests that after a disappointing GDP growth in Q3, the lowest in almost two years, India's economy may continue to face obstacles ahead and likely not accelerate much going into 2025. As a result, the Conference Board lowered its 2024 GDP growth forecast to 6.4% (from 6.8%) and expects further softening to 6.0% in 2025."

The next release is scheduled for Thursday, January 23, 2025, at 9 A.M. ET.

The India LEI inched up in November

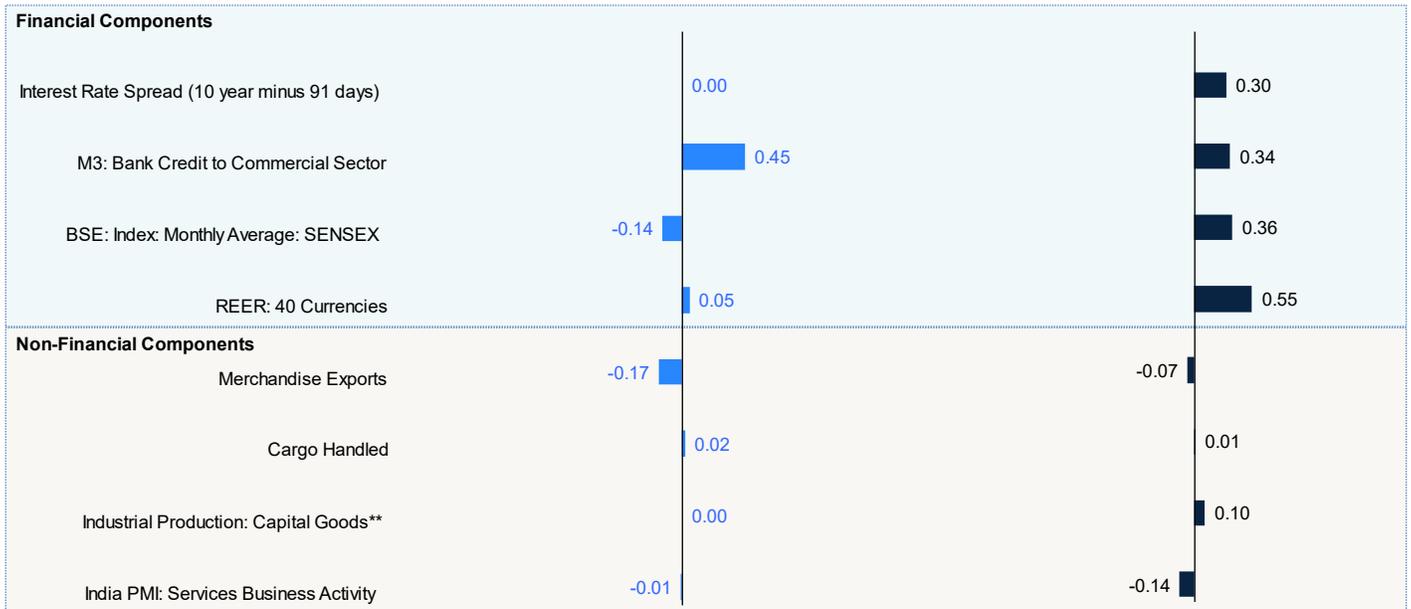


Bank credit to commercial sector was the main driver of minimal LEI gain in November

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

Nov. '24

6 mo. ending Nov. '24

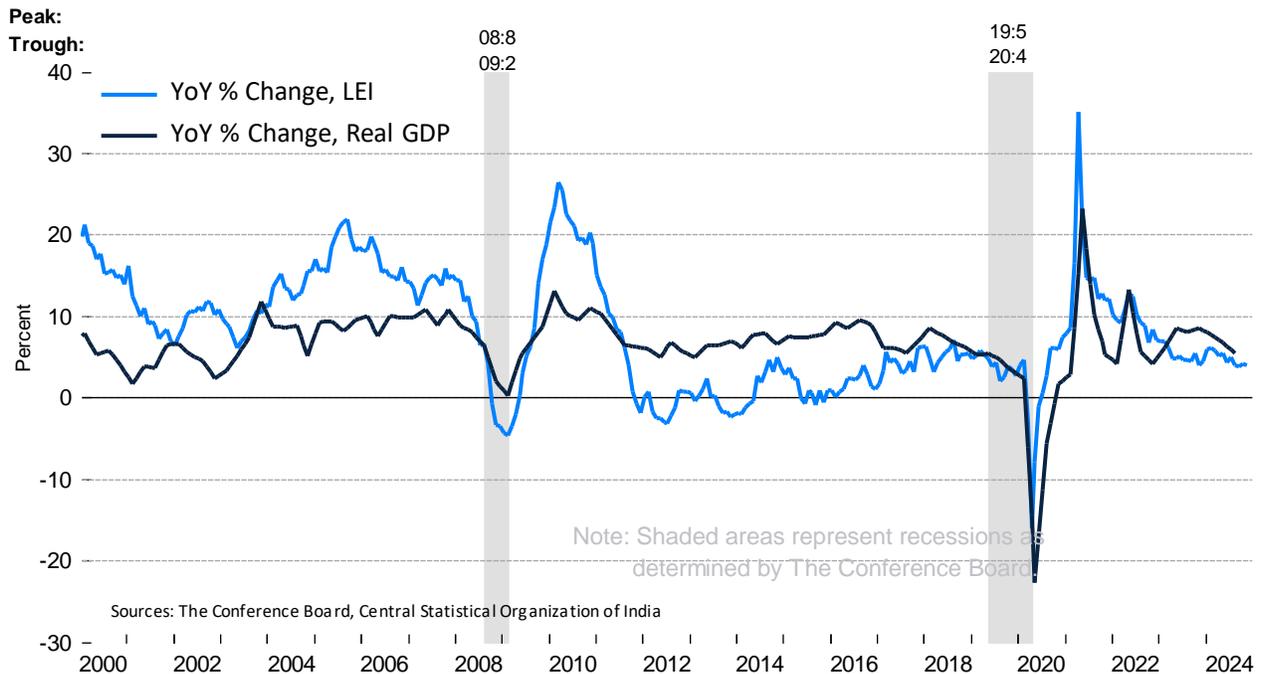


Source: The Conference Board

** Statistical Imputation

LEI change might not equal sum of its contributions due to application of trend adjustment factor

Annual growth rate plateaued over past few months, suggesting that growth may not slow further despite some challenges ahead



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

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 eight months.

The eight components of the *Leading Economic Index*® for India are:

- Interest Rate Spread
- BSE: Index: Monthly Average: SENSEX
- REER: 40 Currencies
- M3: Bank Credit to Commercial Sector
- Merchandise Exports (deflated by Wholesale Price Index)
- Cargo Handled
- Industrial Production: Capital Goods
- India PMI: Services Business Activity

The three components of the *Coincident Economic Index*® for India are:

- Industrial Production
- Total Imports (deflated by Wholesale Price Index)
- Vehicle Sales, Passenger Vehicles

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

About The Conference Board

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