

News Release

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For Release 9:00 AM ET, February 24, 2025

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 Declined in January

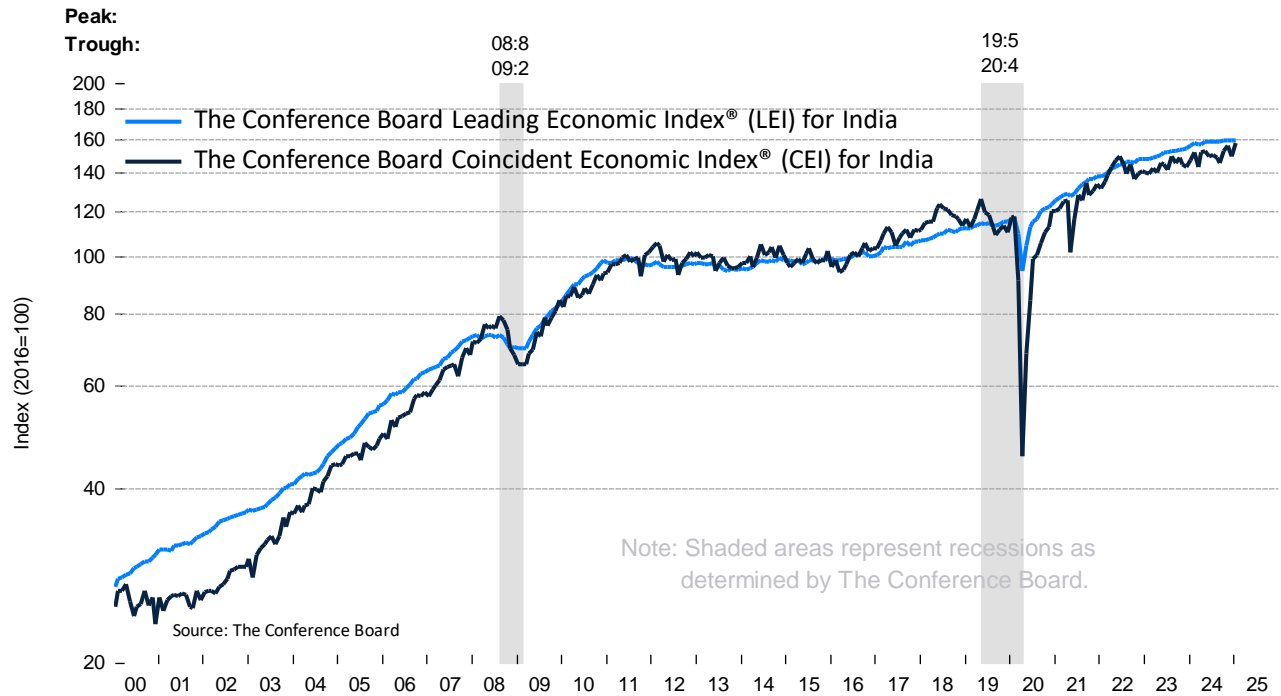
The Conference Board Leading Economic Index® (LEI) for India decreased by 0.3% in January 2025 to 158.5 (2016=100), more than reversing the 0.2% increase in December. The LEI inched up by 0.1% over the six-month period from July 2024 to January 2025, significantly down from the 1.7% growth over the previous six-month period between January and July 2024.

The Conference Board Coincident Economic Index® (CEI) for India jumped up by 5.2% in January 2025 to 156.9 (2016=100), more than reversing the 4.4% loss in December. The Index fell by 4.6% over the past six-month period ending in January 2025, after growing by 2.3% over the previous six months.

“The LEI for India fell in January, erasing the December gain,” said **Ian Hu, Economic Research Associate, at The Conference Board**. “The real effective exchange rate, the PMI in services business activity, and stock prices more than offset positive contributions, mainly from bank credit to the commercial sector. Beyond the monthly fluctuations, the Index has been moving sideways since mid-2024. As a result, both India’s semi- and annual growth rates weakened significantly compared to the impressive performance in early 2024, suggesting some headwinds to economic growth in 2025. Overall, all-in-all, the Conference Board currently estimates that India’s real GDP grew by 6.4% in 2024 and forecasts a slight slowdown to 6.0% in 2025.”

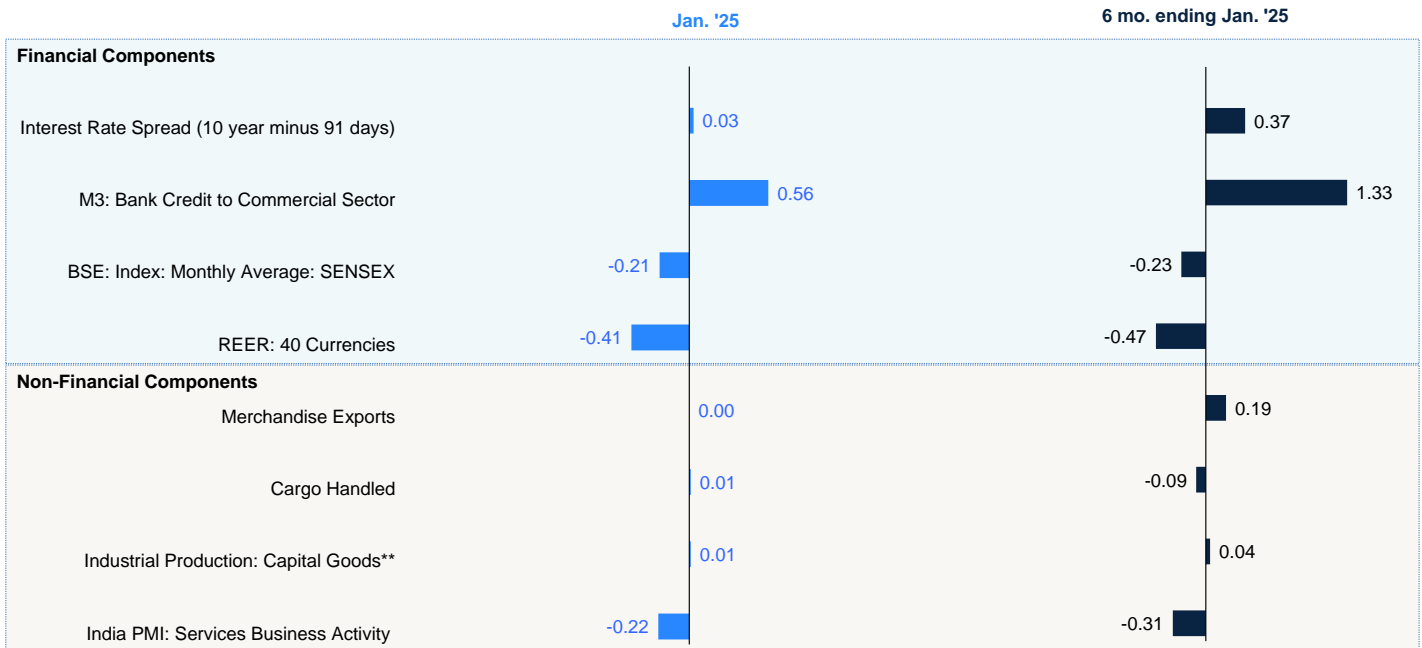
The next release is scheduled for Monday, March 24, 2025, at 9 A.M. ET.

The India LEI continued to move sideways in January



The real effective exchange rate, PMI for service business activity, and stock prices fueled the most recent weakness

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

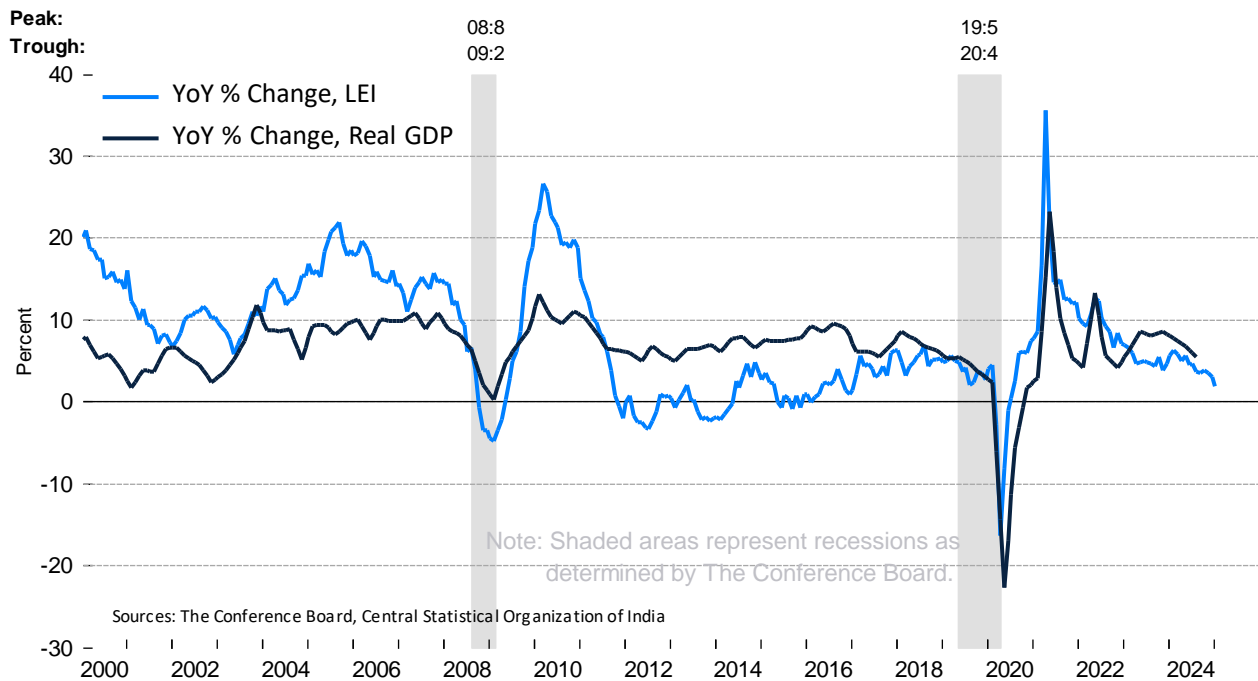


Source: The Conference Board

** Statistical Imputation.

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

The annual growth rate continues to soften, suggesting potential headwinds to growth 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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