

## News Release

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**For Release 10:30 AM ET, January 9, 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 South Korea Inched Down in November**

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This month's release of the composite economic indexes incorporates 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](mailto:indicators@conference-board.org).

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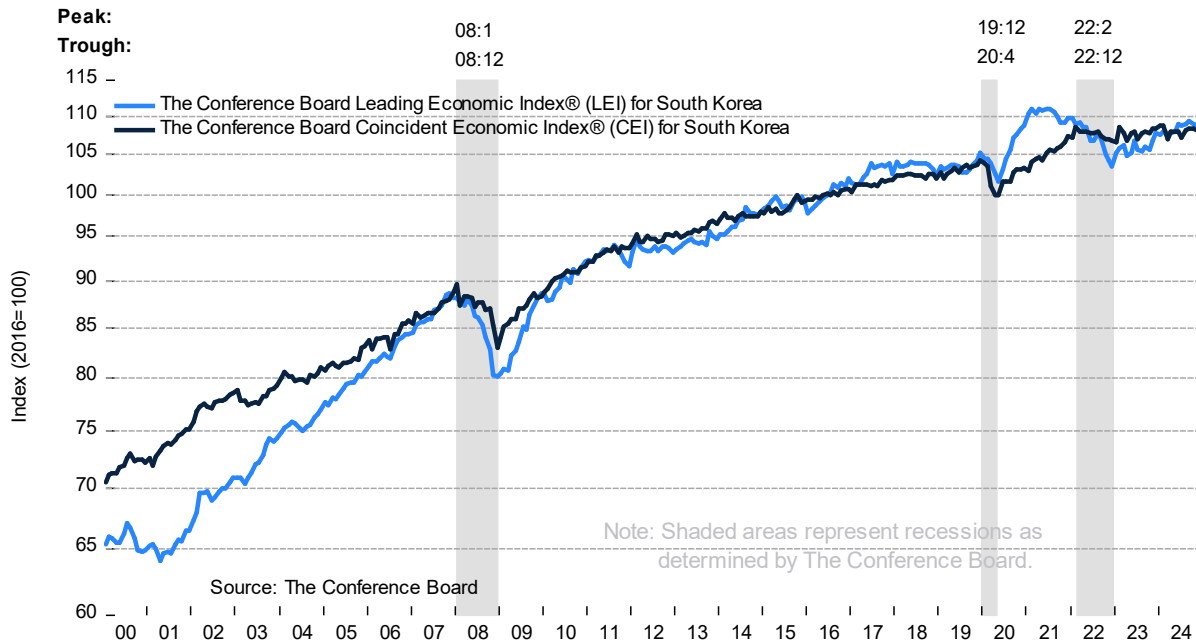
**The Conference Board Leading Economic Index® (LEI)** for South Korea decreased by 0.2% to 108.8 (2016=100) in November 2024, after decreasing by 0.3% in October. Over the six-month period between May and November 2024, the LEI slightly slowed to 0.8% growth from 1.0% over the previous six-month period between November 2023 and May 2024.

**The Conference Board Coincident Economic Index® (CEI)** for South Korea ticked down by 0.1% to 108.2 (2016=100) in November 2024, after remaining unchanged in October. Overall, the CEI increased by 0.3% over the six-month period between May and November 2024, partially reversing the 0.5% contraction over the previous six-month period.

"The South Korea LEI inched down in November," said **Malala Lin, Economic Research Associate, at The Conference Board**. "Declining exports (3-month moving average), stock prices and machinery orders drove the Index down. As a result, the semi-annual and annual growth rates of the LEI continued to slow, suggesting potential headwinds ahead. Moreover, uncertainty looms over the economy amid the political crisis that arose in early December. Since then, the Korean stocks have taken a hit and the Won has weakened. Although not yet captured by the LEI, the current political situation may weigh on the economy going forward. Overall, The Conference Board expects real GDP to moderate in the first quarter of the year and annual growth to reach 2.1% in 2025, after 2.2% in 2024."

**The next release is scheduled for Thursday, February 6th, 2025, at 10:30 A.M. ET.**

## The South Korea LEI continued to decrease in November



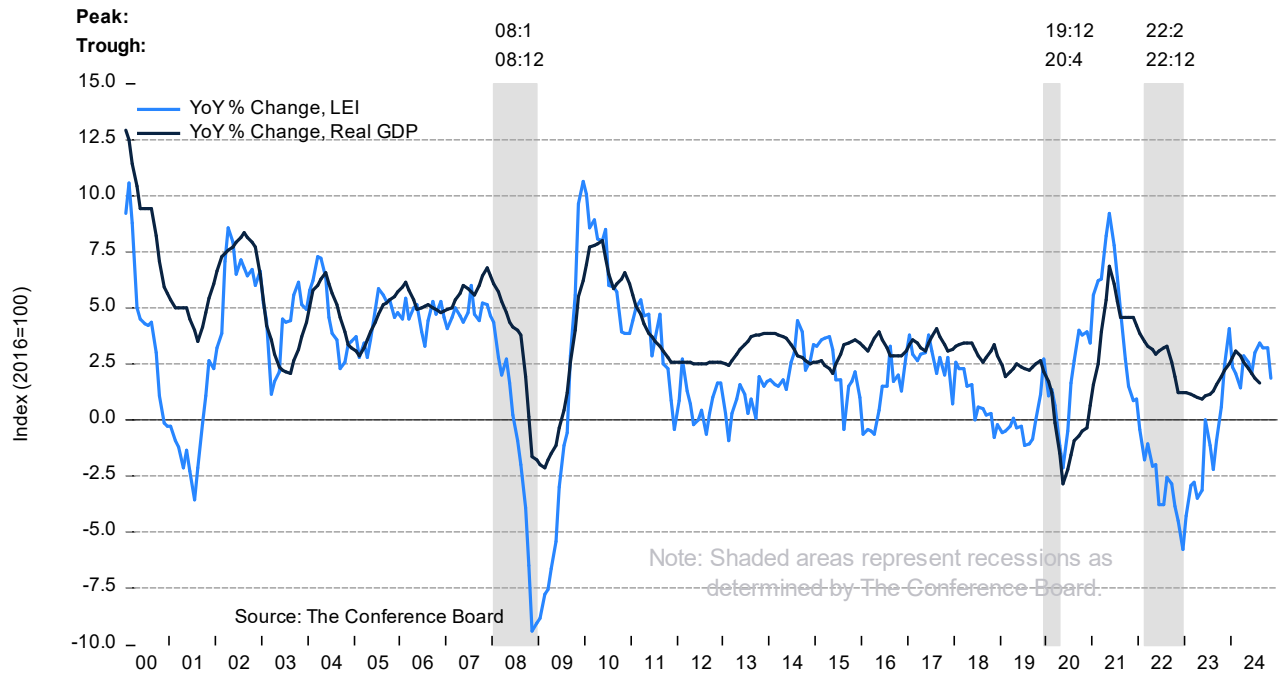
## Weakness in exports and stock prices led the LEI decline

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

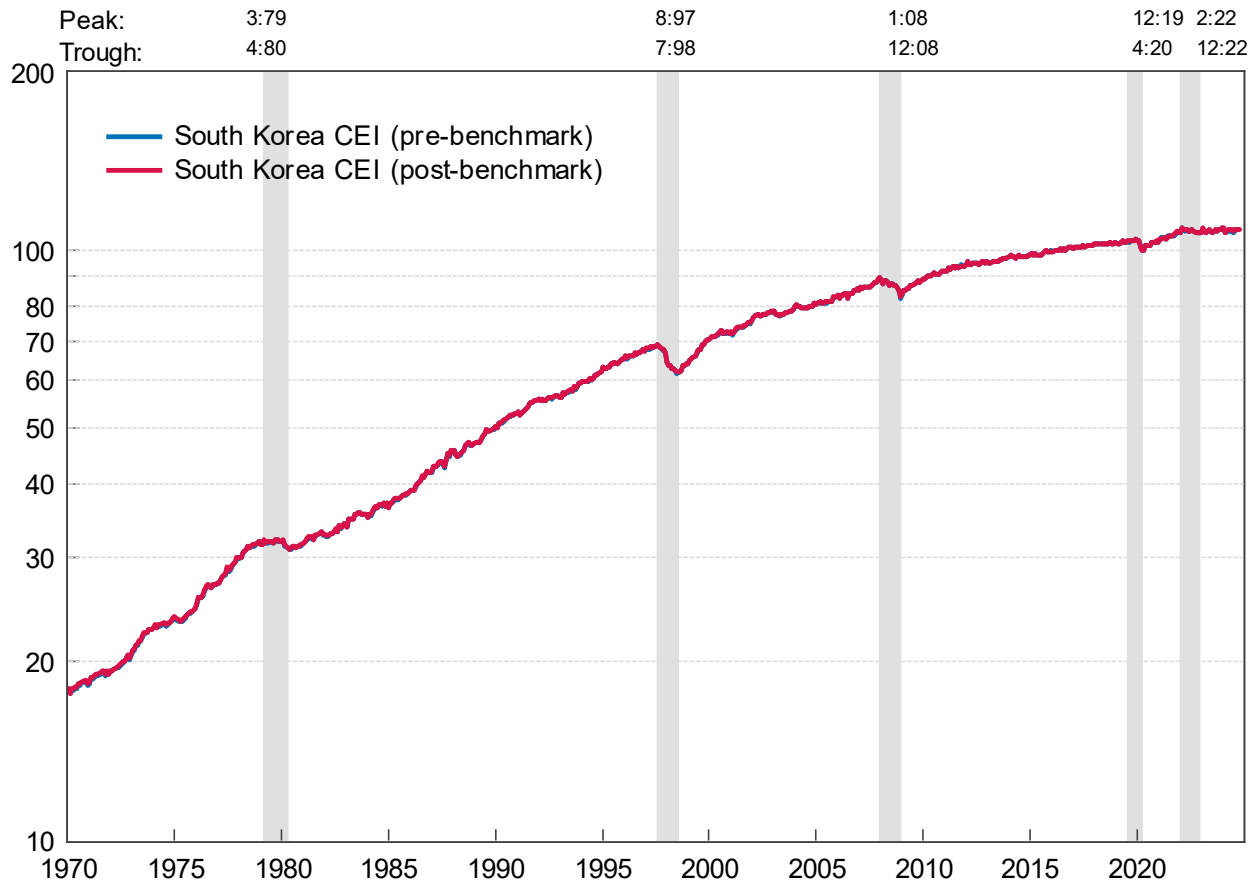
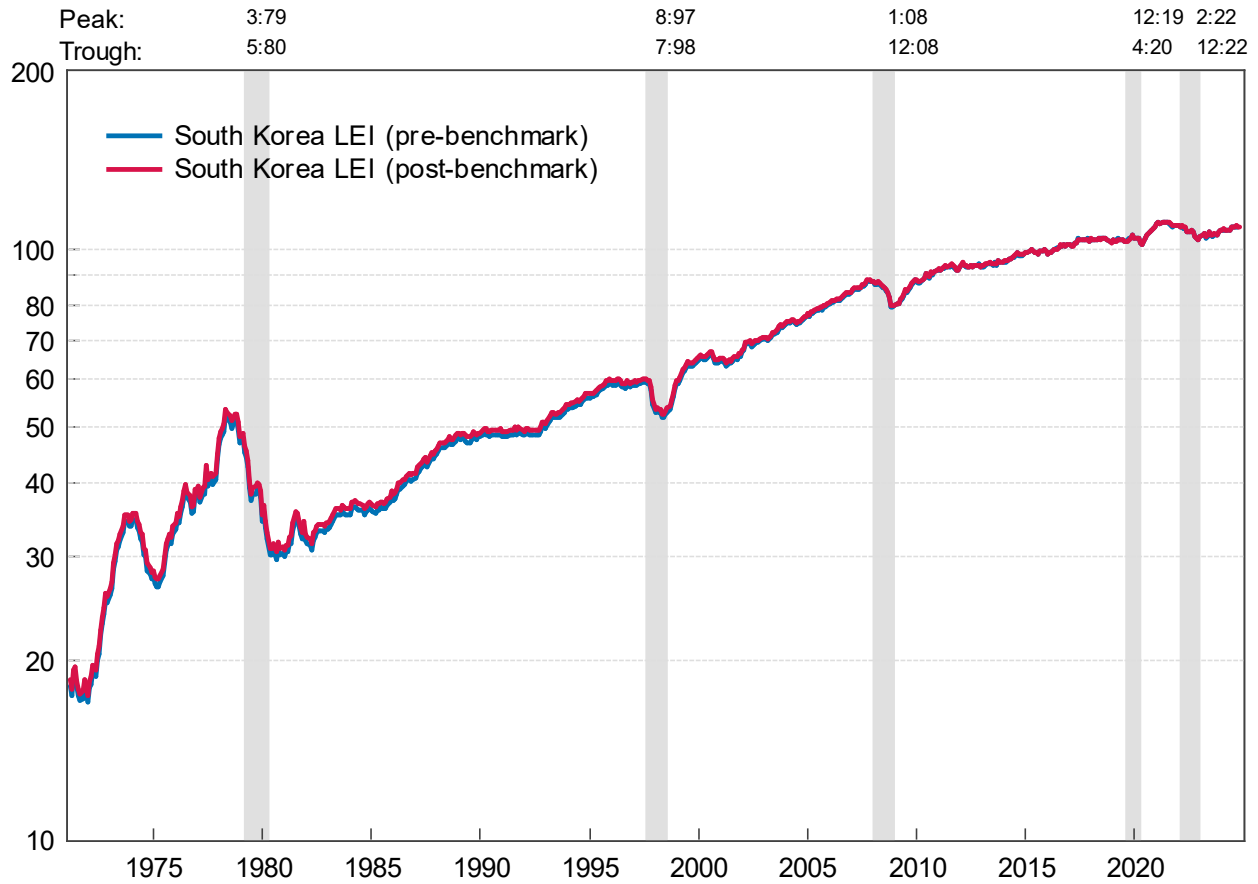
	Nov. '24	6 mo. ending Nov. '24
<b>Financial Components</b>		
Yield of Government Public Bonds*	0.05	0.35
Stock Prices	-0.19	-0.41
<b>Non-Financial Components</b>		
Index of Inventories to Shipments*	0.06	-0.11
Exports FOB	-0.22	0.41
Value of Machinery Orders	-0.03	0.00
Private Construction Orders	0.06	0.12

Source: The Conference Board  
 \* Inverted series; a negative change in this component makes a positive contribution  
 LEI change might not equal sum of its contributions due to application of trend adjustment factor

## The South Korea LEI annual growth rate continued to moderate, suggesting some slowing in economic activity ahead



## The composite business cycle indexes pre- and post-benchmark revisions: 1971-present



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

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 three months.

The six components of the *Leading Economic Index*® for South Korea are:

- Stock Prices
- Yield of Government Public Bonds
- Real Exports FOB (3-month moving average)
- Value of Machinery Orders
- Index of Inventories to Shipments
- Private Construction Orders

The four components of the *Coincident Economic Index*® for South Korea are:

- Industrial Production
- Wholesale and Retail Sales
- Total Employment
- Monthly Cash Earnings

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

### **About The Conference Board**

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