



News Release

Follow The Conference Board

[twitter](#) [facebook](#) [Linked in](#)

Further information:

Professional Contacts at The Conference Board:

Indicator Program: 1-212-339-0330

indicators@conference-board.org

Media Contacts:

Carol Courter: 1- 732-672-2817

Jonathan Liu: 1-732-991-1754

Jonathan.liu@conference-board.org

FOR RELEASE: 10:00 A.M. AEST, WEDNESDAY, JULY 17, 2014

The Conference Board®

Australia Business Cycle IndicatorsSM

THE CONFERENCE BOARD LEADING ECONOMIC INDEX®

(LEI) FOR AUSTRALIA

AND RELATED COMPOSITE ECONOMIC INDEXES FOR MAY 2014

The Conference Board Leading Economic Index® (LEI) for Australia increased 0.2 percent and **The Conference Board Coincident Economic Index® (CEI)** remained unchanged in May.

- The Conference Board LEI for Australia increased in May after a slight decline in April. With May's increase, the six-month growth rate in the leading economic index improved to 2.1 percent (about a 4.3 percent annual rate) growth between November 2013 to May 2014, up from 1.4 percent (about a 2.9 percent annual rate) for the previous six months. The strengths among the leading indicators continued to outweigh the weaknesses, with six out of seven components advancing over the past six months.
- The Conference Board CEI for Australia, a measure of current economic activity, was unchanged in May. The coincident economic index grew 1.4 percent (about a 2.8 percent annual rate) in the six-month period through May 2014, considerably better than its growth of 0.6 percent (about a 1.1 percent annual rate) in the previous six months. Meanwhile, real GDP

increased at a 4.5 percent annual rate in the first quarter of 2014, up from 3.2 percent (annual rate) in the fourth quarter of 2013.

- The Conference Board LEI for Australia edged up slightly in May, but has been relatively flat in the past three months. As a result, its six-month growth rate has moderated in recent months compared to the second half of 2013. Meanwhile, the six-month growth rate of the CEI for Australia has been relatively stable. Taken together, the recent behavior of the composite indexes suggests that economic expansion is unlikely to gain momentum in the near term.

LEADING INDICATORS. Four of the seven components that make up The Conference Board LEI for Australia increased in May. The positive contributors to the index — in order from the largest positive contributor to the smallest — were sales to inventories ratio*, yield spread, gross operating surplus*, and money supply*. Building approvals and rural goods exports declined, while share prices remained unchanged in May.

With the 0.2 percent increase in May, The Conference Board LEI for Australia now stands at 129.7 (2004=100). Based on revised data, this index declined 0.2 percent in April and increased 0.2 percent in March. During the six-month period through May, the leading economic index increased 2.1 percent, and six of the seven components increased (diffusion index, six-month span equals 85.7 percent).

COINCIDENT INDICATORS. Two of the four components that make up The Conference Board CEI for Australia increased in May. The advancing components — in order from the largest positive contributor to the smallest — were household gross disposable income* and industrial production*. Retail trade and employed persons declined in May.

With no change in May, The Conference Board CEI for Australia now stands at 125.1 (2004=100). Based on revised data, this index increased 0.2 percent in April and increased 0.2 percent in March. During the six-month period through May, the coincident economic index increased 1.4 percent, with all four components making positive contributions (diffusion index, six-month span equals 100.0 percent).

DATA AVAILABILITY. The data series used to compute **The Conference Board Leading Economic Index[®]** (LEI) for Australia and **The Conference Board Coincident Economic Index[®]** (CEI) for Australia reported in this release are those available “as of” 10 A.M. ET on July 15, 2014. Some series are estimated as noted below.

Series in The Conference Board LEI for Australia that are based on our estimates are sales to inventory ratio and gross operating surplus for private non-financial corporations, the implicit price index used to deflate rural goods exports and building approvals, and the CPI used to deflate money supply M3. Series in The Conference Board CEI for Australia that are based on our estimates are industrial production and household disposable income. CPI was used to deflate retail trade.

Summary Table of Composite Economic Indexes

	2013		2014		6-month Nov to May
	Mar	Apr	May		
Leading Economic Index	129.7 p	129.5 p	129.7 p		
Percent Change	0.2 p	-0.2 p	0.2 p		2.1
Diffusion	64.3	71.4	71.4		85.7
Coincident Economic Index	124.9 p	125.1 p	125.1 p		
Percent Change	0.2 p	0.2 p	0.0 p		1.4
Diffusion	100.0	75.0	62.5		100.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board All Rights Reserved

The next release is scheduled for August 21, 2014 at 10:00 A.M. (AEST)
In the U.S. – August 20, 2014 at 8:00 P.M. (ET)

© The Conference Board 2014. All data contained in this table are protected by United States and international copyright laws. The data displayed are provided for informational purposes only and may only be accessed, reviewed, and/or used in accordance with, and the permission of, The Conference Board consistent with a subscriber or license agreement and the Terms of Use displayed on our website at www.conference-board.org. The data and analysis contained herein may not be used, redistributed, published, or posted by any means without express written permission from The Conference Board.

COPYRIGHT TERMS OF USE. All material in this press release and on Our Sites are protected by United States and international copyright laws. You must abide by all copyright notices and restrictions contained in Our Sites. You may not reproduce, distribute (in any form including over any local area or other network or service), display, perform, create derivative works of, sell, license, extract for use in a database, or otherwise use any materials (including computer programs and other code) in this press release or on Our Sites (collectively, "Site Material"), except that you may download Site Material in the form of one machine readable copy that you will use only for personal, noncommercial purposes, and only if you do not alter Site Material or remove any trademark, copyright or other notice displayed on the Site Material. If you are a subscriber to any of the services offered on Our Sites, you may be permitted to use Site Material, according to the terms of your subscription agreement.

TRADEMARKS. "THE CONFERENCE BOARD", the TORCH LOGO, "THE CONFERENCE BOARD LEADING ECONOMIC INDEX", "THE CONFERENCE BOARD COINCIDENT ECONOMIC INDEX", "THE CONFERENCE BOARD LAGGING ECONOMIC INDEX", and any other logos, indicia and trademarks featured on this press release or Our Sites are trademarks owned by The Conference Board, Inc. in the United States and other countries ("Our Trademarks"). You may not use Our Trademarks in connection with any product or service that does not belong to us nor in any manner that is likely to cause confusion among users about whether The Conference Board is the source, sponsor, or endorser of the product or service, nor in any manner that disparages or discredits us.

Violators of these rights will be prosecuted to the full extent of the law.

Violators of these rights will be prosecuted to the full extent of the law. Nothing herein shall restrict the use of the information by news journalists using the information in a legitimate news publication or periodical.

For more information, visit The Conference Board website: www.conference-board.org/data/bci.cfm