



News Release

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FOR RELEASE: 10:00 A.M. AEST, THURSDAY, AUGUST 21, 2014

The Conference Board®

Australia Business Cycle IndicatorsSM

THE CONFERENCE BOARD LEADING ECONOMIC INDEX®

(LEI) FOR AUSTRALIA

AND RELATED COMPOSITE ECONOMIC INDEXES FOR JUNE 2014

The Conference Board Leading Economic Index® (LEI) for Australia increased 0.4 percent and

The Conference Board Coincident Economic Index® (CEI) increased 0.2 percent in June.

- The Conference Board LEI for Australia increased in June with six of the seven leading components making a positive contribution. With this month's increase, the six-month growth rate in the leading economic index between December 2013 to June 2014 stands at 1.5 percent (about a 3.0 percent annual rate), down from 2.6 percent (about a 5.3 percent annual rate) for the previous six months. However the strengths among the leading indicators have continued to outweigh the weaknesses, over the past six months.
- The Conference Board CEI for Australia, a measure of current economic activity, increased 0.2 percent in June. The coincident economic index grew 1.3 percent (about a 2.6 percent annual rate) in the six-month period through June 2014, up from 0.7 percent (about a 1.5 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 increased in June, after remaining relatively flat over the previous few months. As a result, its six-month growth rate has declined in recent months compared to the latter half of 2013. Meanwhile, the six-month growth rate of the CEI for Australia has changed little in recent months, but is improved compared to six months ago. Taken together, the recent behavior of the composite indexes suggests that economic expansion is not likely to accelerate in the near term.

LEADING INDICATORS. Six of the seven components that make up The Conference Board LEI for Australia increased in June. The positive contributors to the index — in order from the largest positive contributor to the smallest — are the sales to inventories ratio*, the yield spread, rural goods exports, building approvals, money supply*, and gross operating surplus*. Share prices declined in June.

With the 0.4 percent increase in June, The Conference Board LEI for Australia now stands at 130.2 (2004=100). Based on revised data, this index increased 0.2 percent in May and declined 0.1 percent in April. During the six-month period through June, the leading economic index increased 1.5 percent, and five of the seven components increased (diffusion index, six-month span equals 71.4 percent).

COINCIDENT INDICATORS. Three of the four components that make up The Conference Board CEI for Australia increased in June. The increases - in order from the largest positive contributor to the smallest - occurred in household gross disposable income*, employed persons and industrial production*. Retail trade declined in June.

With the increase of 0.2 percent in June, The Conference Board CEI for Australia now stands at 125.2 (2004=100). Based on revised data, this index remained unchanged in May and increased 0.1 percent in April. During the six-month period through June, the coincident economic index increased 1.3 percent, with all four components in the series 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 August 18, 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
	Apr	May	Jun	Jun	Dec to Jun
Leading Economic Index	129.5 p	129.7 p	130.2 p		
Percent Change	-0.1 p	0.2 p	0.4 p		1.5
Diffusion	71.4	71.4	85.7		71.4
Coincident Economic Index	125.0 p	125.0 p	125.2 p		
Percent Change	0.1 p	0.0 p	0.2 p		1.3
Diffusion	75.0	62.5	75.0		100.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

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The next release is scheduled for September 24, 2014 at 10:00 A.M. (AEST)
In the U.S. – September 23, 2014 at 8:00 P.M. (ET)

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