



News Release

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For Release January 23, 2015 10:00 A.M. Mumbai time (January 22, 11:30 P.M. New York time)

The Conference Board Leading Economic Index[®] for India **Decreased in December**

This month's release incorporates annual benchmark revisions to the composite economic indexes, which bring them up-to-date with revisions in the source data. Also, with this benchmark revision, the base year of the composite indexes will be changed to 2010 = 100 from 2004 = 100. 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, are not directly comparable to those issued prior to the benchmark revision.

In addition, one of the components of The Conference Board Coincident Economic Index (CEI) for India, exports of agricultural products, has been discontinued. Beginning this month, it will no longer be included in the India CEI.

For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact us at indicators@conference-board.org.

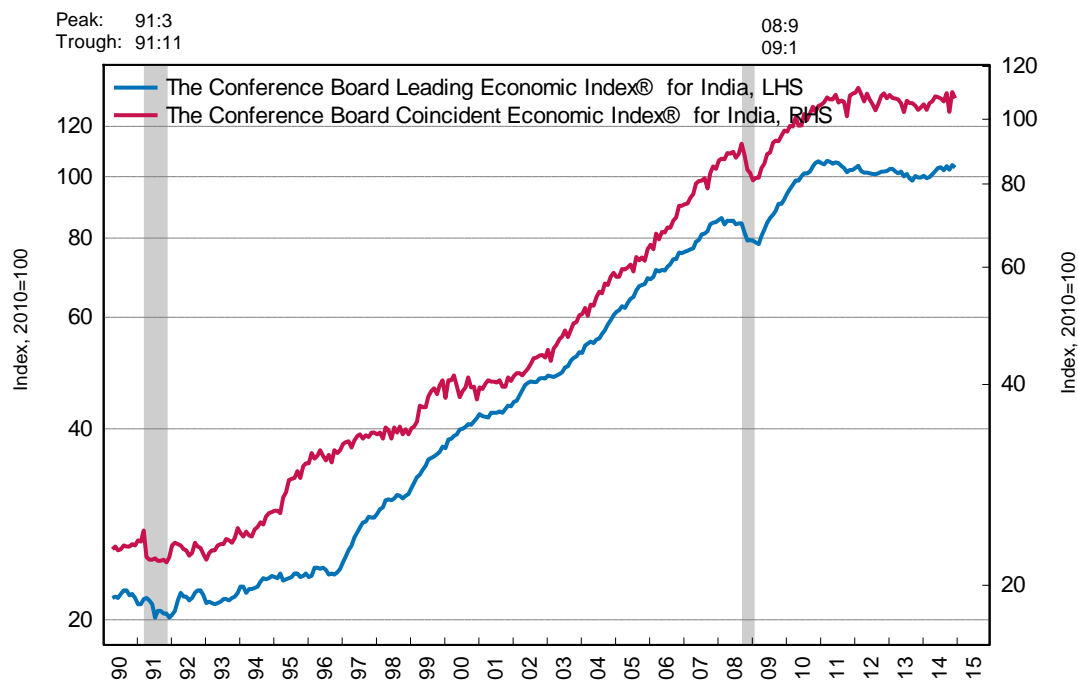
Mumbai, January 23, 2015... The Conference Board Leading Economic Index[®] (LEI) for India decreased 0.9 percent in December to 103.1 (2010 = 100), following a 1.7 percent increase in November and a 1.3 percent decline in October. Two of the eight components contributed positively to the index in December.

“Both the Leading and Coincident Economic Indexes for India fell in December, suggesting that the rate of India’s economic expansion is unlikely to accelerate in early 2015,” said Jing Sima, Senior Economist at The Conference Board. “Moreover, the recent oil price decline and large swings in India’s trade and industrial sector data caused unusual volatility in both the LEI and CEI. Renewed weakness in India’s financial and service data will continue to pose downside risks to India’s economic growth this year.”

Bart van Ark, Chief Economist at The Conference Board, added: “Because of strong business sentiment, a tailwind from lower energy prices, and some breathing room from the fiscal budget, we have raised our growth projection for India’s economy from 5.5 to 5.9 percent in 2015. On the other hand, we are cautious in predicting strong and immediate results from the reform agenda as it requires going beyond picking the low-hanging fruit, as reflected in some softening in the growth rate of the industrial sector.”

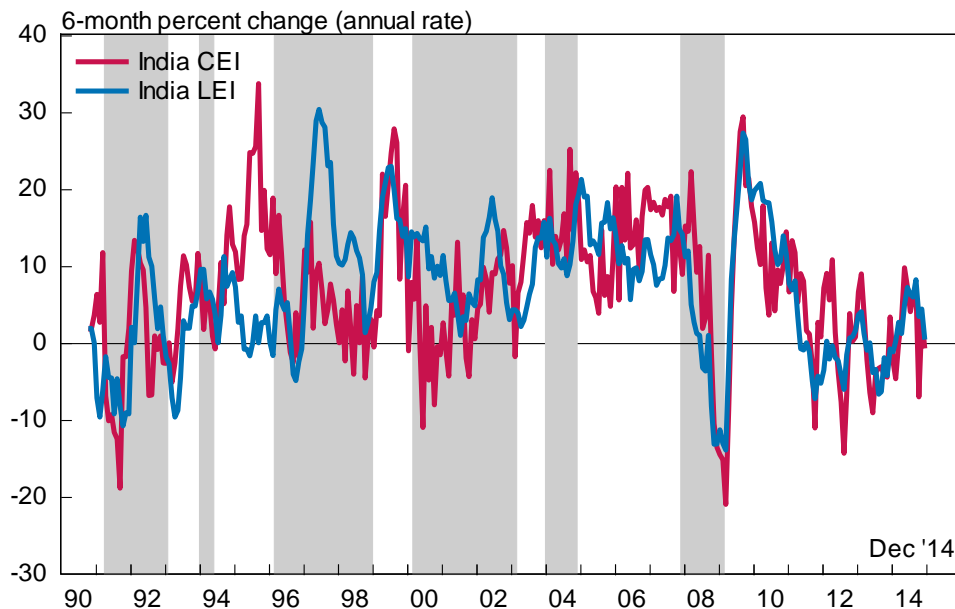
The Conference Board Coincident Economic Index® (CEI) for India, which measures current economic activity, decreased 2.1 percent in December to 107.3 (2010 = 100), following a 7.0 percent increase in November and a 6.2 percent decline in October. One of the three components contributed positively to the index in December.

The Conference Board Leading Economic Index® (LEI) for India decreased in December



Note: The shaded area denotes business cycle recession. The peaks and troughs have been determined by The Conference Board based on the CEI and real GDP for India.

Six-month growth rate of the LEI and CEI for India continues to slow in December



Note: The shaded area denotes growth cycle chronologies as determined by The Conference Board based on deviations from trend in an index consisting of the components of The Conference Board CEI for India and real GDP.

The Conference Board LEI for India aggregates eight economic indicators that measure economic activity in India. Each of the LEI components has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

About The Conference Board Leading Economic Index® (LEI) for India

The Conference Board Leading Economic Index® for India was launched in September 2013. Plotted back to April 1990, this index has successfully signaled turning points in the economic cycles of India. The Conference Board also produces LEIs for Australia, Brazil, China, the Euro Area, France, Germany, Japan, Korea, Mexico, Spain, the United Kingdom, and the United States.

The eight components of **The Conference Board Leading Economic Index®** (LEI) for India include:

- Interest Rate Spread (10-Year Government Bond minus 91-Day Treasury Bill) (RBI)
- Stock Prices: SENSEX Average (Bombay Stock Exchange Limited)
- Real effective exchange rate index, 36 countries (RBI)
- Real Money Supply: M3 Bank Credit to Commercial Sector (RBI)
- Merchandise Exports, f.o.b. (Ministry of Commerce and Industry)
- Cargo Handled: Domestic and International (Airport Authority of India)
- IP: Capital Goods (Central Statistical Organization)
- PMI: Services Business Activity (HSBC/Markit)

For more information including full press release and technical notes:

<https://www.conference-board.org/data/bcicountry.cfm?cid=13>

To view The Conference Board calendar of 2015 indicator releases:

<http://www.conference-board.org/data/>

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Summary Table of Composite Economic Indexes

		2014		6-month
	Oct	Nov	Dec	Jun to Dec
Leading Economic Index	102.3	104.0	103.1	p
Percent Change	-1.3	1.7	-0.9	p 0.2
Diffusion	25.0	75.0	25.0	50.0
Coincident Economic Index	102.4	109.6	107.3	p
Percent Change	-6.2	7.0	-2.1	p -0.4
Diffusion	.0	100.0	33.3	66.7

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2010

Source: The Conference Board

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The next release is scheduled for Thursday, February 19, 2015 at 10:00 A.M. (Mumbai time)

In New York – Wednesday, February 18, 2015 at 11:30 P.M. (ET)

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