

## News Release

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**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® for Brazil, together with Fundação Getulio Inched Up in September**

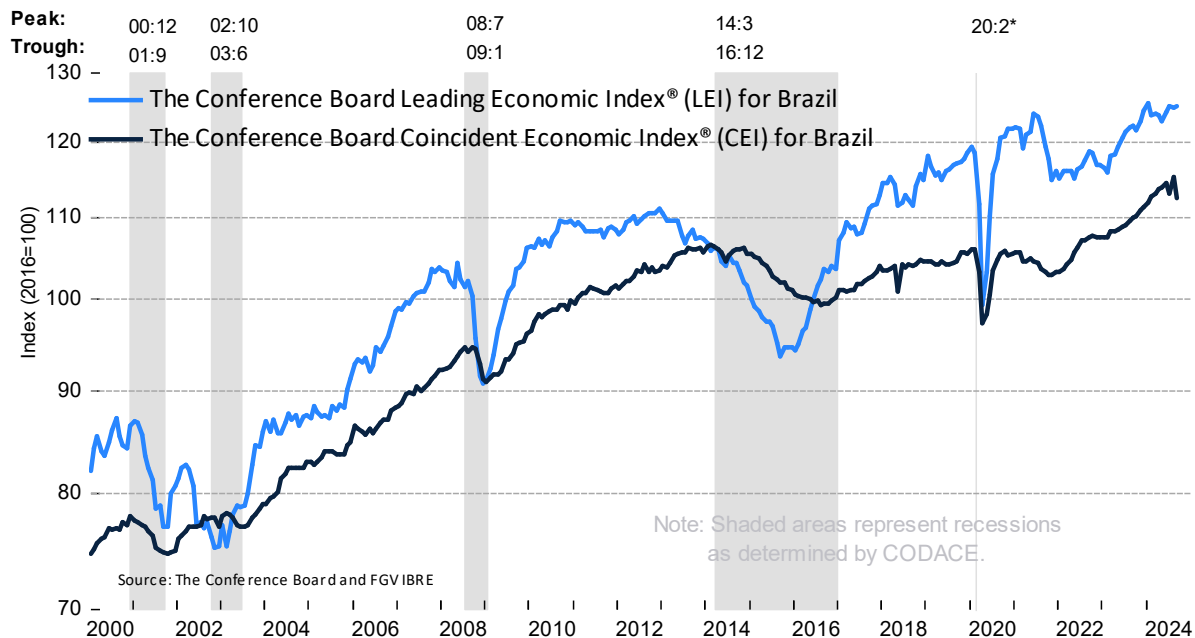
**The Conference Board Leading Economic Index® (LEI)** for Brazil, together with Fundação Getulio Vargas, inched up by 0.2% in September 2024 to 125.0 (2016=100), reversing the downwardly revised 0.2% decrease in August. Overall, the LEI expanded by 0.9% over the six-month period between March and September 2024, a slower pace than the 1.3% growth over the previous six-month period between September 2023 and March 2024.

**The Conference Board Coincident Economic Index® (CEI)** for Brazil, together with Fundação Getulio Vargas, declined by 2.5% in September 2024 to 112.4 (2016=100), more than offsetting a 1.9% increase in August. The CEI also decreased over the six-month period between March and September 2024 by 0.6% after increasing by 2.9% over the previous six-month period.

“The Brazil LEI inched up in September driven by improvements in the terms of trade, exports, and consumer expectations,” said **Malala Lin, Economic Research Associate at The Conference Board**. “However, the rebound was limited by negative contribution from all financial components and business expectations in both the manufacturing and service sectors. In addition, the semiannual and annual growth rates of the Index showed little change in September. Overall, the Index continued to signal moderating activity ahead after a stronger than expected first half of the year. Accordingly, and also taking into account the September interest rate hike by the Central Bank in response to inflationary pressures, The Conference Board forecasts real GDP growth to slow in the second half of 2024 and reach 2.9% for the year as a whole.”

**The next release is scheduled for Thursday, November 14, 2024, at 10 A.M. ET.**

## The Conference Board/Fundação Getulio Vargas Brazil LEI rebounded slightly in September



\*CODACE has determined that the recession beginning in March 2020 ended in the second quarter of 2020. We will update our business cycle chronology when the monthly trough date is available.

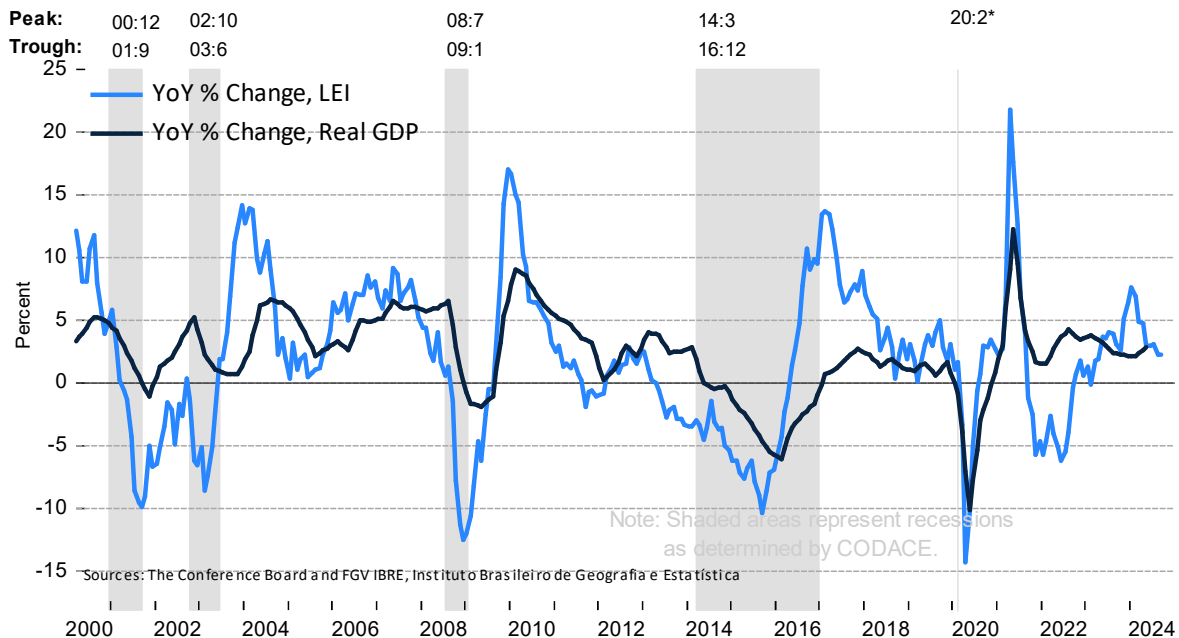
## Large improvements in trade was the main driver of the LEI rebound in September

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

	Sep. '24	6 mo. ending Sep. '24
<b>Financial Components</b>		
SWAP Rate, 1 year*	-0.18	-0.68
Stock Prices Ibovespa, Bovespa Index	-0.14	0.28
<b>Non-Financial Components</b>		
Services Sector Survey, Expectations Index	-0.03	-0.28
Manufacturing Survey, Expectations Index	-0.16	0.32
Terms of Trade, Index**	0.44	0.22
Physical Production, Durables Consumer Goods, Index**	0.00	0.37
Consumers Survey, Expectations Index	0.07	0.20
Exports Volume, Index**	0.11	-0.12

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

## The annual growth rate for the Brazil LEI was largely flat and still pointed to moderating growth



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

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 six months.

The eight components of the *Leading Economic Index*® for Brazil are:

- Swap Rate - 1 year
- Ibovespa, Bovespa Index
- Manufacturing Survey, Expectations Index
- Services Sector Survey, Expectations Index
- Consumers Survey, Expectations Index
- Terms of Trade, Index
- Physical Production, Durables Consumer Goods, Index
- Exports, Quantum, Index

The six components of the *Coincident Economic Index*® for Brazil are:

- Industrial production
- Industrial Electric Energy Consumption
- Shipments of Corrugated Paper
- Volume of Sales of the Retail Market
- Occupied Employment Population
- Average Real Income of Workers

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

### About The Conference Board

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