



THE CONFERENCE BOARD

FOR RELEASE: 10:00 A.M. (MUMBAI TIME), NOVEMBER 24, 2015

The Conference Board®
India Business Cycle IndicatorsSM
THE CONFERENCE BOARD LEADING ECONOMIC INDEX®
(LEI) FOR INDIA
AND RELATED COMPOSITE ECONOMIC INDEXES FOR OCTOBER 2015

The Conference Board Leading Economic Index® (LEI) for India increased 1.2 percent, and **The Conference Board Coincident Economic Index® (CEI)** for India increased 1.5 percent in October.

- The Conference Board LEI for India increased sharply in October, with all of its components making positive contributions. Between April and October 2015, the leading economic index increased 0.4 percent (about a 0.8 percent annual rate), slower than the increase of 0.8 percent (about a 1.6 percent annual rate) over the previous six months. Nevertheless, the strengths among the leading indicators have remained more widespread than the weaknesses in the last six months.
- The Conference Board CEI for India, a measure of current economic activity, also increased in October. Despite this month's gain, the coincident economic index increased 1.2 percent (about a 2.4 percent annual rate) between April and October 2015, much slower than the growth of 5.3 percent (about a 10.9 percent annual rate) over the prior six months. At the same time, India's real GDP grew by 6.6 percent (annual rate) in the second quarter, down from a 9.9 percent increase (annual rate) in the first quarter.
- The LEI for India increased in October following two consecutive declines, and the strengths among its components were widespread. As a result, its six-month growth rate remains slightly positive. Meanwhile, the CEI for India also increased in October, but its six-month growth rate has slowed considerably. Despite the gains in the LEI and CEI, the upward momentum in both indexes has not been sustained long enough to suggest an acceleration in the pace of India's economic expansion in the coming months.

LEADING INDICATORS. All eight components that make up The Conference Board LEI for India increased in October. The positive contributors to the index—in order from the largest positive contributor to the smallest—were the SENSEX stock prices index, PMI: services business activity, M3: bank credit to commercial sector, merchandise exports, the real effective exchange rate (36 countries), cargo handled*, the interest rate spread, and industrial production: capital goods*.

The next release is scheduled for Wednesday, December 23, 2015 at 10:00 A.M. (Mumbai time)

In New York – Tuesday, December 22, 2015 at 11:30 P.M. (ET)

With the increase of 1.2 percent in October, The Conference Board LEI for India now stands at 103.7 (2010=100). Based on revised data, this index decreased 0.6 percent in September and decreased 0.3 percent in August. Over the six-month span through October, The Conference Board LEI for India increased 0.4 percent, with six of the eight components advancing (diffusion index, six-month span equals 75.0 percent).

COINCIDENT INDICATORS. Two of the three components that make up The Conference Board CEI for India increased in October. Car sales: passenger vehicle and industrial production* increased, while total imports declined.

With the increase of 1.5 percent in October, The Conference Board CEI for India now stands at 110.6 (2010=100). Based on revised data, this index declined 1.8 percent in September and increased 0.4 percent in August. During the six-month span through October, The Conference Board CEI for India increased 1.2 percent, and two of the three components advanced (diffusion index, six-month span equals 66.7 percent).

FOR TABLES AND CHARTS. SEE BELOW

DATA AVAILABILITY AND NOTES. The data series used to compute **The Conference Board Leading Economic Index[®]** for India and **The Conference Board Coincident Economic Index[®]** for India reported in this release are those available “as of” 10:00 A.M. (ET) on November 20, 2015.

* The series in The Conference Board LEI for India that are based on our estimates are industrial production: capital goods and cargo handled. The series in The Conference Board CEI for India that are based on our estimates is industrial production.

For further information:

MUMBAI: The Conference Board

Julian D’Souza +91-998-754-8045 / julian.dsouza@conference-board.org

NEW YORK: The Conference Board

Jonathan Liu +1-732-991-1754 / jonathan.liu@conference-board.org

Carol Courter +1-732-672-2817 / courter@conference-board.org

BRUSSELS: The Conference Board

Andrew Tank + 32 2 675 5405 / andrew.tank@conference-board.org

BEIJING: The Conference Board China Center for Economics and Business

Claire Xia + 86 10 8532 4688 / claire.xia@conference-board.org

THE CYCLICAL INDICATOR APPROACH. The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading and coincident economic indexes are essentially composite averages of several individual leading or coincident indicators. (See page 3 for details.) They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component—primarily because they smooth out some of the volatility of individual components.

Historically, the cyclical turning points in The Conference Board LEI for India have occurred before those in aggregate economic activity, while the cyclical turning points in The Conference Board CEI for India have occurred at about the same time as those in aggregate economic activity.

Further explanations of the cyclical indicator approach and the composite economic index methodology appear in The Conference Board’s *Business Cycle Indicators* report and website: www.conference-board.org/data/bci.cfm

India Composite Economic Indexes: Components and Standardization Factors

<u>Leading Economic Index</u>	<u>Factor</u>
1. Interest rate spread, 10 yr – 91 day	0.1941
2. Stock price index SENSEX: Average	0.0440
3. REER: 36 currencies	0.1497
4. M3: bank credit to commercial sector	0.2818
5. Merchandise exports	0.0468
6. Cargo handled	0.1216
7. IP: capital goods	0.0457
8. PMI: services business activity	0.1163

Coincident Economic Index

1. Industrial Production	0.7476
2. Car sales, passenger vehicle	0.1546
3. Total Imports	0.0978

Notes:

The component factors are inversely related to the standard deviation of the month-to-month changes in each component. They are used to equalize the volatility of the contribution from each component and are normalized to sum to 1.

These factors were revised effective with the release in January 2015. Updates to the leading and coincident indexes normally only incorporate revisions to data over the past six months. The factors above for the leading economic index were calculated using the January 2006 to December 2013 period as the sample period for measuring volatility. Separate sets of factors for the February 2002 to December 2005, November 1996 to January 2002, May 1994 to October 1996, and the May 1990 to April 1994 period, are available upon request. The factors above for coincident economic index were calculated using the May 1995 to December 2013 period as the sample period. A separate set of factors for the May 1990 to April 1995 period, is available upon request. These multiple sample periods are the result of different starting dates for the component data. When one or more components are missing, the other factors are adjusted proportionately to ensure that the total continues to sum to 1. For additional information on the standardization factors and the index methodology, visit our Web site: www.conference-board.org/data/bci.cfm

The trend adjustment factors for the leading economic index are -0.1374 (calculated over the 1990 – 2013 period).

To address the problem of lags in available data, those leading and coincident indicators that are not available at the time of publication are estimated using statistical imputation. An autoregressive model is used to estimate each component. The resulting indexes are constructed using real and estimated data, and will be revised as the data unavailable at the time of publication become available. Such monthly data revisions are now a regular part of the U.S. Business Cycle and Global Indicators program. The main advantage of this procedure is to utilize in the leading economic index the data such as bond yields, stock prices, and change in consumer confidence that are available sooner than other data on real aspects of the economy such as housing starts and new orders. Empirical research by The Conference Board suggests there are real gains in adopting this procedure to make all the indicator series as up-to-date as possible.

NOTICES

The Conference Board Leading Economic Index[®] (LEI) for India news release schedule for 2015:

Wednesday, December 23, 2015 For November 2015 data

All releases are at 10:00 A.M. (Mumbai time), (the day before) 11:30 P.M. (New York EST) or
12:30 A.M. (New York EDT)

ABOUT THE CONFERENCE BOARD

The Conference Board is a global, independent business membership and research association working in the public interest. Our mission is unique: to provide the world's leading organizations with the practical knowledge they need to improve their performance and better serve society. The Conference Board is a non-advocacy, not-for-profit entity holding 501 (c) (3) tax-exempt status in the U.S. For additional information about The Conference Board and how it can meet your needs, visit our website at www.conference-board.org.

AVAILABLE FROM THE CONFERENCE BOARD:

India Business Cycle Indicators Internet Subscription *(Includes monthly release, data, charts and commentary)*

\$ 735 (for TCB members)/\$ 935 (for non-TCB members) per year (1 user)

Individual Data Series

\$ 70 per series downloaded

Monthly BCI Report (PDF)

(Sample available at <http://www.conference-board.org/publications/publicationdetail.cfm?publicationid=852>)

\$ 295 (for TCB members)/\$ 365 (for non-TCB members) per year

BCI Handbook (published 2001)

PDF only – website download

Corporate Site License

[board.org](http://www.conference-board.org)

Contact Indicators Program at [indicators@conference-](mailto:indicators@conference-board.org)

Business Cycle Indicators for the U.S., Brazil, China, the Euro Area, France, Germany, India, Japan, Korea, Mexico, Spain, and the U.K., are available at \$ 735 (for TCB members)/\$ 935 (for non-TCB members) per country per year (1 user). Discounts are available to accredited academic institutions.

The Conference Board Leading Economic Index® for India

Table 1.--Summary of India Composite Economic Indexes

	2015						
	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.
Leading index	103.3	102.0	101.8	103.4 r	103.1 r	102.5	103.7 p
Percent change	1.4	-1.3	-0.2	1.6 r	-0.3 r	-0.6 r	1.2 p
Diffusion index	50.0	18.8	37.5	87.5	50.0	37.5	100.0
Coincident index	109.3	108.4	109.2	110.6	111.0 r	109.0 r	110.6 p
Percent change	3.3	-0.8	0.7	1.3 r	0.4 r	-1.8 r	1.5 p
Diffusion index	66.7	33.3	66.7	100.0	33.3	0.0	66.7

	Oct to	Nov to	Dec to	Jan to	Feb to	Mar to	Apr to
	Apr	May	Jun	Jul	Aug	Sep	Oct
Leading index							
Percent change	0.8	-2.0	-1.1	0.3 r	0.0 r	0.6	0.4 p
Diffusion index	75.0	50.0	50.0	50.0	62.5	62.5	75.0
Coincident index							
Percent change	5.3	-1.5	0.2 r	3.6	3.9 r	3.0 r	1.2 p
Diffusion index	66.7	66.7	33.3	100.0	100.0	66.7	66.7

p Preliminary. r Revised (noted only for index levels and one-month percent changes).

CALCULATION NOTE: The diffusion indexes measure the proportion of the components that are rising. Components that rise more than 0.05 percent are given a value of 1.0, components that change less than 0.05 percent are given a value of 0.5, and components that fall more than 0.05 percent are given a value of 0.0.

For more information, visit our Web site at www.conference-board.org/data/bci.cfm

Sources: The Conference Board, Haver Analytics, CEIC All Rights Reserved

© The Conference Board 2015. 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 data table, 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 data table, this press release, and 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 in this data table, this press release, or on 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 or 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. Nothing herein shall restrict the use of the information by news journalists using the information in a legitimate news publication or periodical.

The Conference Board Leading Economic Index® for India

Table 2.--Data and Net Contributions for Components of India LEI

Component	Apr.	May.	Jun.	2015			
				Jul.	Aug.	Sep.	Oct.
India Leading Economic Index component data							
Interest Rate Spread (10 year minus 91 days, %)	-0.05	-0.21	0.19	0.33	0.35	0.51	0.59
SENSEX Stock Prices (1978-1979=100, average)	28112.72	27426.53	27137.88	28015.60	27386.86	25705.37	27011.80
REER: 36 Currencies (2004-2005=100)	112.08	110.06	111.53	112.82 r	112.57 r	111.55 r	113.00
M3: Bank Credit to Commercial Sector (INR bn, SA, deflated by CPI)	57498.49	57527.39 r	57486.86 r	58453.73 r	58486.73 r	58637.24 r	59045.70
Merchandise Exports (SA, bn.US\$, deflated by WPI)	13.01	12.55	12.71	13.24	12.19 r	11.98	12.49
Cargo Handled (Thousands of Tons, SA)	221.40 r	221.04 r	219.65 r	219.43 r	223.23 r	220.30 r	223.11 **
Industrial Production: Capital Goods (2004-2005=100, SA)	276.24	263.58 r	266.31 r	286.47	284.15 r	285.94 r	289.42 **
PM: Services Business Activity*** (SA, 50+=Expansion)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
LEADING INDEX (2010=100)	103.3	102.0	101.8	103.4 r	103.1 r	102.5	103.7 p
Percent change from preceding month	1.4	-1.3	-0.2	1.6 r	-0.3 r	-0.6	1.2 p
India Leading Economic Index net contributions							
Interest Rate Spread (10 year minus 91 days, %)	....	-0.04	0.04	0.06	0.07	0.10	0.11
SENSEX Stock Prices (1978-1979=100, average)	....	-0.11	-0.05	0.14	-0.10	-0.28	0.22
REER: 36 Currencies (2004-2005=100)	....	-0.27	0.20	0.17 r	-0.03 r	-0.14 r	0.19
M3: Bank Credit to Commercial Sector (INR bn, SA, deflated by CPI)	....	0.01 r	-0.02 r	0.47 r	0.02 r	0.07 r	0.20
Merchandise Exports (SA, bn.US\$, deflated by WPI)	....	-0.17	0.06	0.19	-0.39 r	-0.08	0.20
Cargo Handled (Thousands of Tons, SA)	....	-0.02 r	-0.08 r	-0.01 r	0.21 r	-0.16 r	0.15 **
Industrial Production: Capital Goods (2004-2005=100, SA)	....	-0.21	0.05 r	0.33 r	-0.04 r	0.03 r	0.06 **
PM: Services Business Activity*** (SA, 50+=Expansion)	....	-0.32	-0.22	0.36	0.12	-0.06	0.22

p Preliminary. r Revised. -- * Inverted series; a negative change in this component makes a positive contribution.

** Statistical Imputation (See page 2 for more details) interpolation

***As of October 20, 2015, we will no longer publish the Markit® PMI Services Business Activity Index.

For more information on obtaining the data, please visit: <https://www.markit.com>

Data Sources: TCB, Haver Analytics, CEIC

CALCULATION NOTE--The percent change in the index does not always equal the sum of the net contributions of the individual components (because of rounding effects and base value differences).

© The Conference Board 2015. 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 data table, 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 data table, this press release, and 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 in this data table, this press release, or on 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 or 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. Nothing herein shall restrict the use of the information by news journalists using the information in a legitimate news publication or periodical.

The Conference Board Leading Economic Index® for India

Table 3.--Data and Net Contributions for Components of India CEI

Component	2015						
	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.
India Coincident Economic Index component data							
Industrial Production (SA, FY2004=100)	182.3	181.9	182.3 r	182.7	185.4 r	182.9 r	184.9 **
Car Sales, passenger vehicle (Thous of Units, SA).....	211.6 r	212.4 r	211.8 r	223.4 r	214.5 r	211.4 r	230.4
Total Imports (USD bn, SA, deflated by WPI).....	1907.1 r	1767.4 r	1875.9 r	1928.9 r	1908.3 r	1805.9 r	1674.4
COINCIDENT INDEX (2010=100).....	109.3	108.4	109.2	110.6 r	111.0 r	109.0 r	110.6 p
Percent change from preceding month.....	3.3	-0.8	0.7	1.3	0.4	-1.8	1.5 p
India Coincident Economic Index net contributions							
Industrial Production (SA, FY2004=100) .....	....	-0.15	0.16 r	0.18 r	1.07 r	-1.01 r	0.82 **
Car Sales, passenger vehicle (Thous of Units, SA).....	....	0.06 r	-0.05 r	0.83 r	-0.63 r	-0.22 r	1.33
Total Imports (USD bn, SA, deflated by WPI).....	....	-0.74 r	0.58 r	0.27 r	-0.10	-0.54 r	-0.74

p Preliminary. r Revised. -- * Inverted series; a negative change in this component makes a positive contribution.

** Statistical Imputation (See page 2 for more details) interpolation

Data Sources: TCB, Haver Analytics, CEIC

CALCULATION NOTE--The percent change in the index does not always equal the sum of the net contributions of the individual components (because of rounding effects and base value differences).

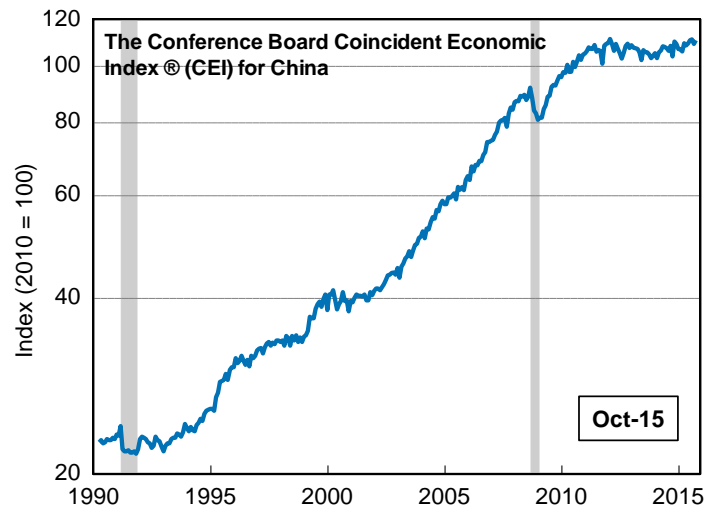
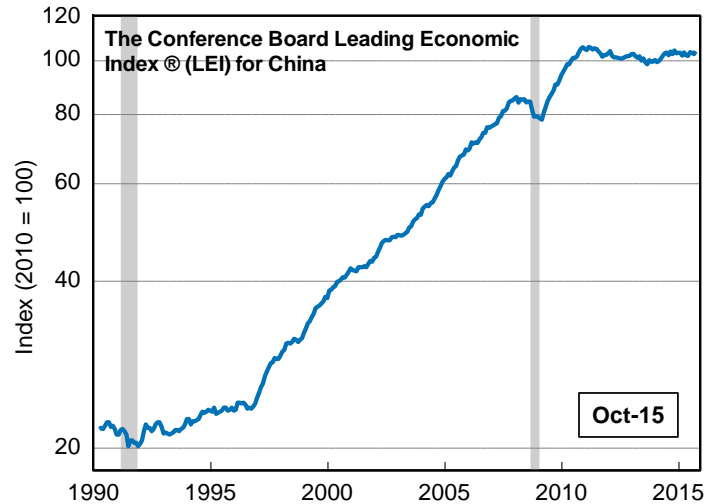
© The Conference Board 2015. All data contained in this table are protected by United States and international copyright laws. The data displayed are provided for informational purposes only and may only be accessed, reviewed, and/or used in accordance with, and the permission of, The Conference Board 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 data table, 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 data table, this press release, and 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 in this data table, this press release, or on 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 or 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. Nothing herein shall restrict the use of the information by news journalists using the information in a legitimate news publication or periodical.

India Composite Economic Indexes



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.

© The Conference Board 2015. 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 data table, 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 data table, this press release, and 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 in this data table, this press release, or on 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 or 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. Nothing herein shall restrict the use of the information by news journalists using the information in a legitimate news publication or periodical.