

News Release

Jonathan Liu (732) 991-1754 / jonathan.liu@tcb.org

For Release 9:00 AM ET, September 23, 2024

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® (LEI) for India Increased in August

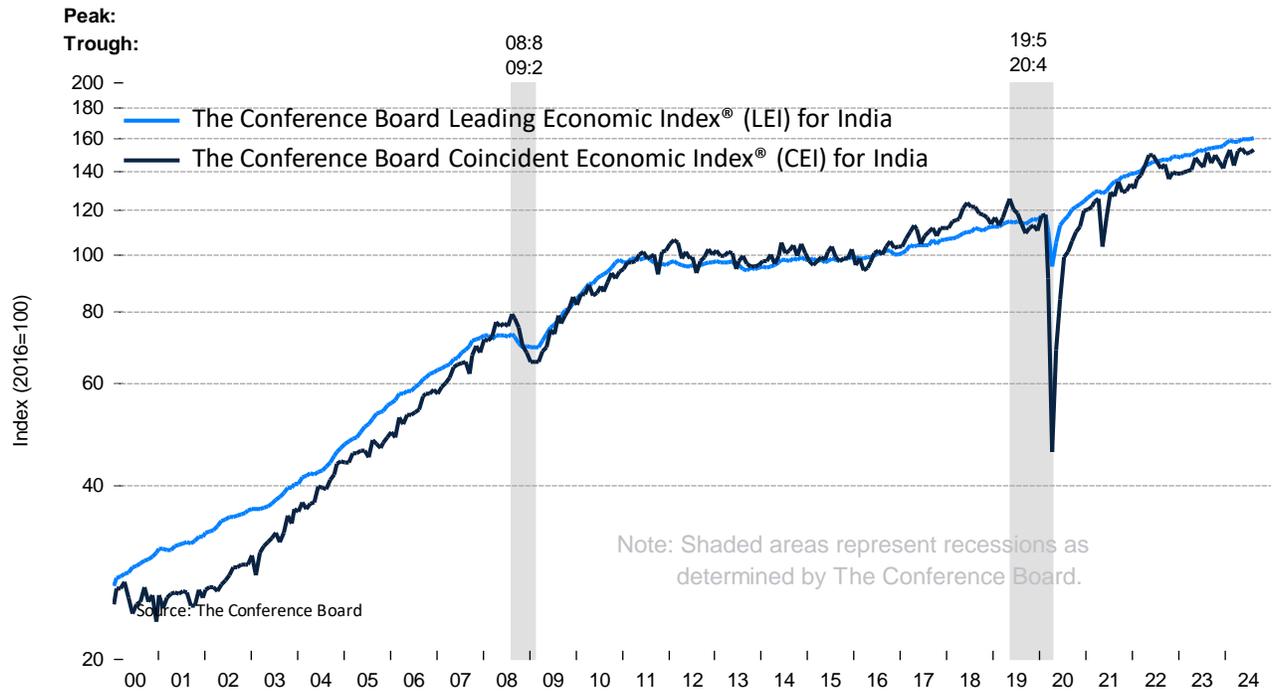
The Conference Board Leading Economic Index® (LEI) for India rose by 0.6% in August 2024 to 160.0 (2016=100), more than reversing the revised 0.1% decrease in July. The LEI growth rate over the six-month period from February to August 2024 slowed to 1.3%, less than half the 3.2 % growth from August 2023 to February 2024.

The Conference Board Coincident Economic Index® (CEI) for India rose by 0.8% in August 2024 to 152.1 (2016=100), after increasing by 0.7% in July. The Index also rose marginally by 0.1% from February to August 2024, a slower rate of growth than the 0.8% over the previous six months.

“The India LEI firmly regained footing and rose in August,” said **Ian Hu, Economic Research Associate, at The Conference Board**. “Bank credit to the commercial sector and merchandise exports, which had experienced a slight downturn in previous months, were the main drivers of the increase of the leading indicator. Despite the August rebound, both the six-month and annual growth rates of the LEI have been moderating over the course of 2024. This suggests that the otherwise steely upward trend could slow in the quarters ahead. Overall, The Conference Board continues to project India to remain the fastest growing large economy in 2024, with GDP growth reaching around 6.8%, which is softer than the close to 8% growth in the past year.”

The next release is scheduled for Wednesday, October 23, 2024, at 9 A.M. ET.

The India LEI regained traction, continuing an upward trajectory



Bank credit and exports fueled the increase in the LEI in August

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

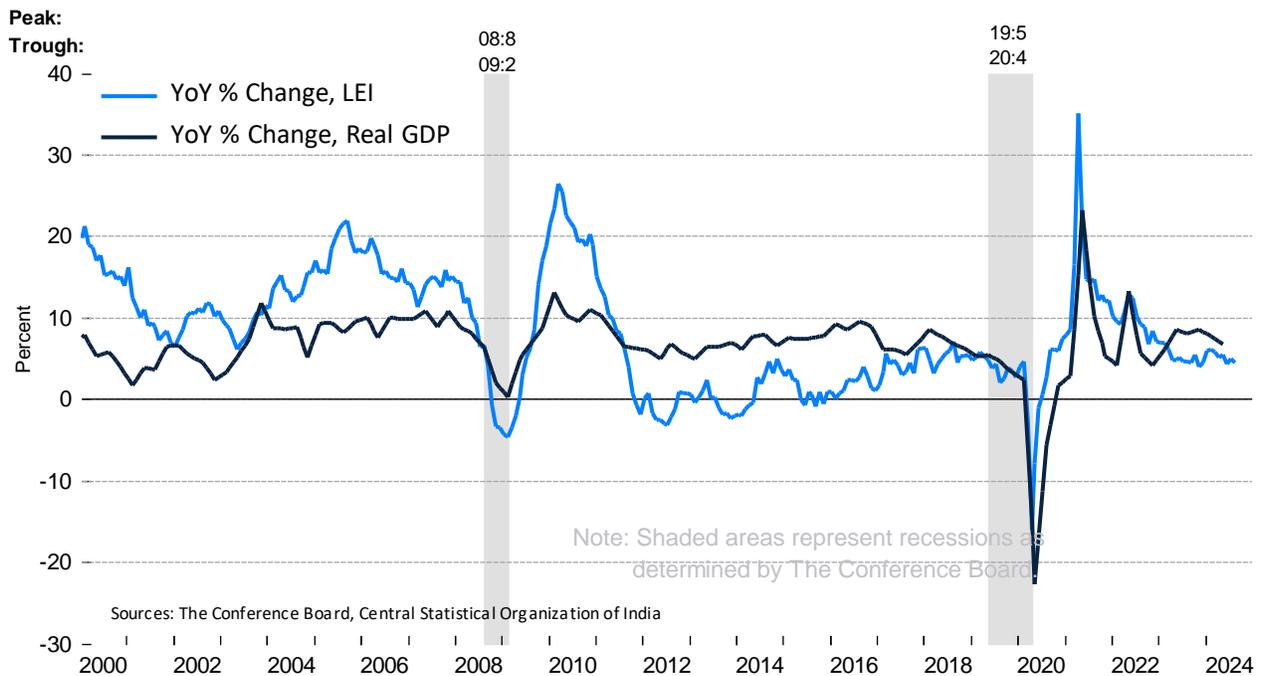


Source: The Conference Board

** Statistical Imputation.

LEI change might not equal sum of its contributions due to application of trend adjustment factor

The India LEI's annual growth rate moderated slightly over the course of 2024



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

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 eight months.

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

- Interest Rate Spread
- BSE: Index: Monthly Average: SENSEX
- REER: 40 Currencies
- M3: Bank Credit to Commercial Sector
- Merchandise Exports (deflated by Wholesale Price Index)
- Cargo Handled
- Industrial Production: Capital Goods
- India PMI: Services Business Activity

The three components of the *Coincident Economic Index*® for India are:

- Industrial Production
- Total Imports (deflated by Wholesale Price Index)
- Vehicle Sales, Passenger Vehicles

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

About The Conference Board

The Conference Board is the member-driven think tank that delivers Trusted Insights for What’s Ahead™. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. [ConferenceBoard.org](https://www.conferenceboard.org)