

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® (LEI) for South Korea Decreased in May

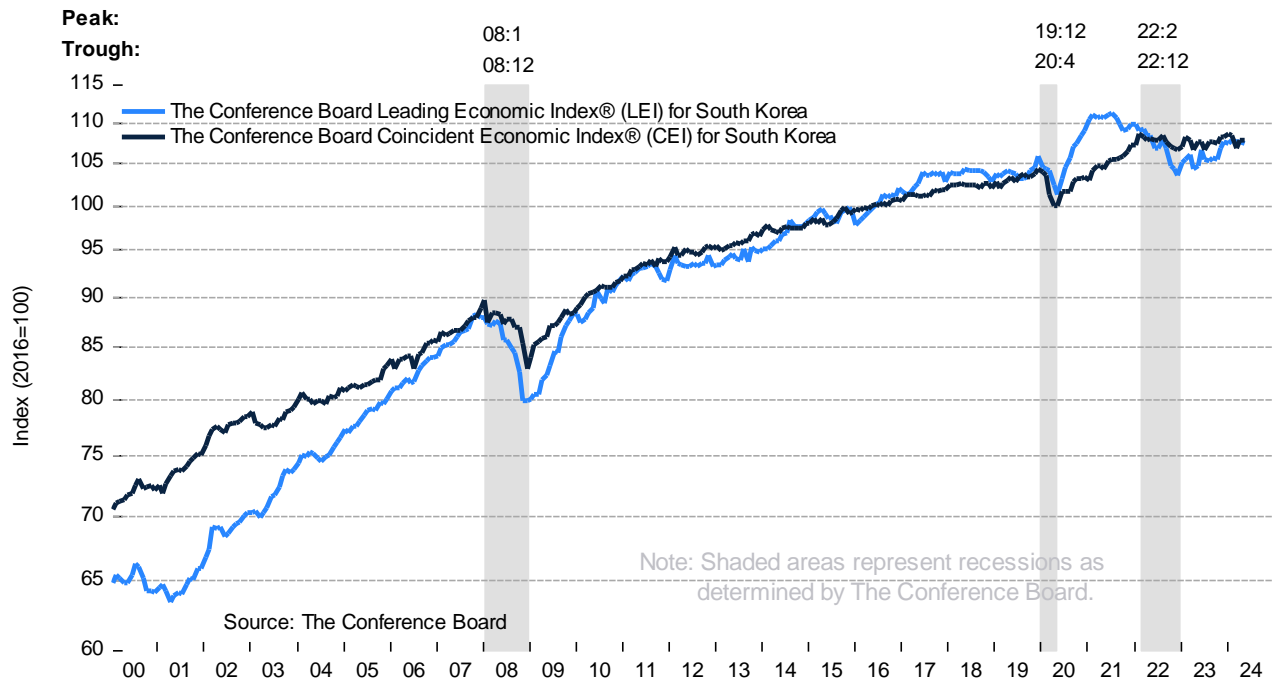
The Conference Board Leading Economic Index® (LEI) for South Korea decreased by 0.2 percent in May 2024 to 107.3 (2016=100), after remaining unchanged in April. As a result, the growth rate of LEI over the six-month period between November 2023 and May 2024 slowed to 0.6 percent from 1.9 percent over the previous six-month period.

The Conference Board Coincident Economic Index® (CEI) for South Korea decreased by 0.1 percent to 107.7 (2016=100) in May 2024, after increasing by 1.0 percent in April. Over the six-month period between November 2023 and May 2024, the CEI contracted by 0.4 percent, after expanding by 0.6 percent over the previous six-month period.

“The South Korea LEI decreased in May,” said **Malala Lin, Economic Research Associate, at The Conference Board**. “All the non-financial components contributed negatively. These components, save the inventory-to-shipment index, have also weighed on the Index over the past six months while financial components have improved. Overall, the index has been relatively stable since the beginning of the year. As a result, both the six-month and annual growth rates have slowed, suggesting some moderation in economic activity going forward. Accordingly, The Conference Board forecasts real GDP to moderate after the first strong quarter in 2024 and annual growth to reach 2.6 percent in 2024.”

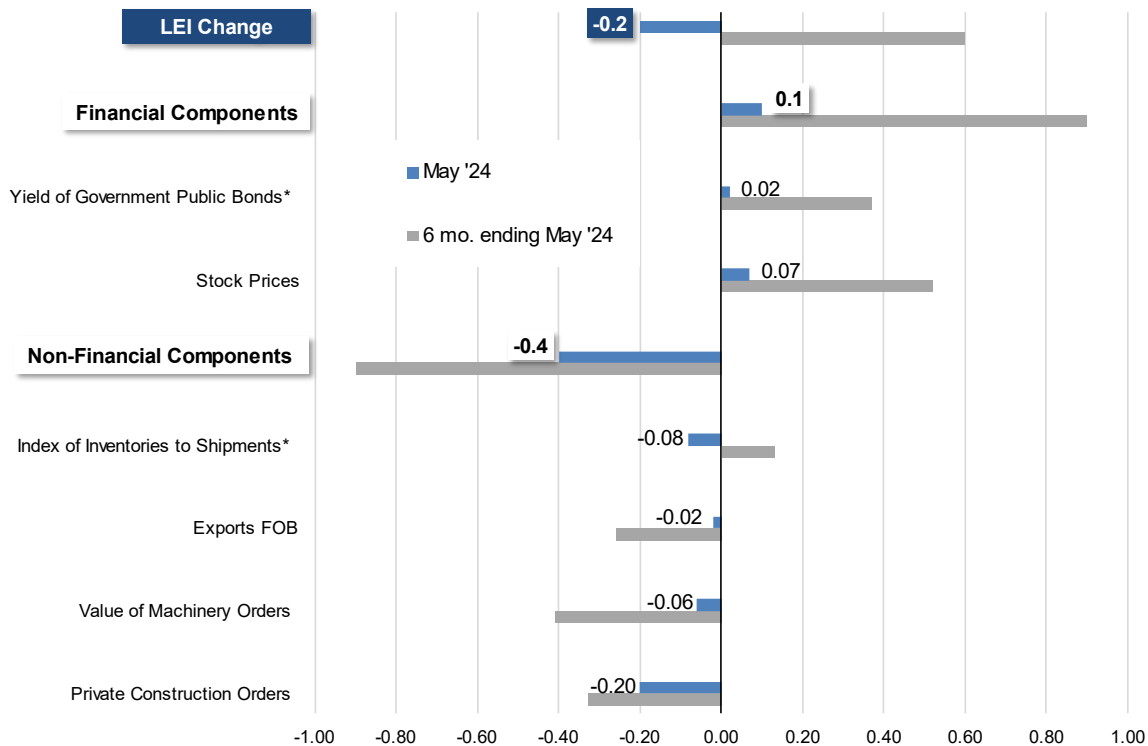
The next release is scheduled for Thursday, August 7, 2024, at 10:30 A.M. ET.

The South Korea LEI decreased in May



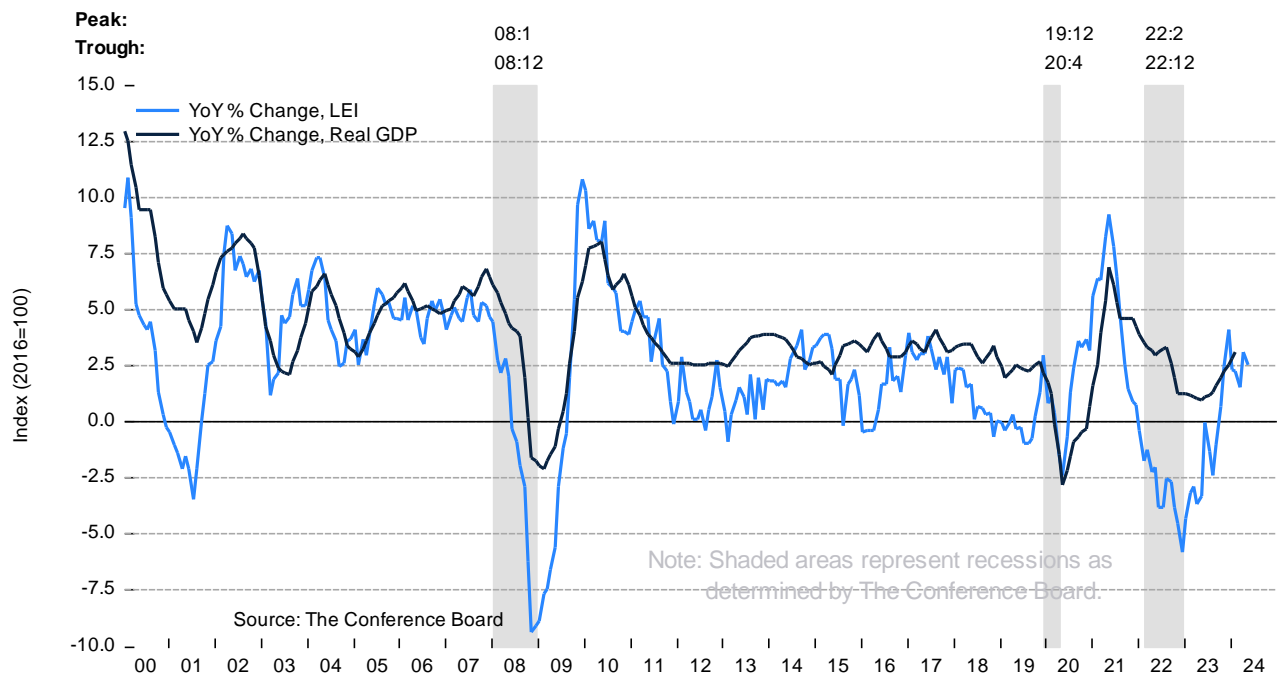
The May decline in the LEI was driven by weakness among non-financial components

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



* Inverted series: a negative change in this component makes a positive contribution.
 LEI change might not equal sum of its contributions due to application of trend adjustment factor

The annual growth rate of the South Korea LEI dipped in May



About *The Conference Board Leading Economic Index*® (LEI) for South Korea

The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. 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 is highly correlated with real GDP. The LEI is a predictive variable that anticipates (or “leads”) turning points in the business cycle by 3 months. Shaded areas denote recession periods or economic contractions. The dates above the shaded areas show the chronology of peaks and troughs in the business cycle.

The six components of *The Conference Board Leading Economic Index*® for South Korea are:

- Stock Prices
- Yield of Government Public Bonds
- Exports FOB
- Value of Machinery Orders
- Index of Inventories to Shipments
- Private Construction Orders

The four components of *The Conference Board Coincident Economic Index*® for South Korea are:

- Industrial Production
- Wholesale and Retail Sales
- Total Employment
- Monthly Cash Earnings

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.

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