



News Release

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Further information:

The Conference Board Europe, Brussels: + 32 2 675 5405 (main line)

Rosa Correia + 32 2 679 5059 / rosa.correia@conference-board.org

Derek Servais + 32 2 679 5054 / derek.servais@conference-board.org

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The Conference Board Leading Economic Index[®] (LEI) for the Euro Area **Rises Sharply Again**

BRUSSELS, May 27, 2010... The Conference Board Leading Economic Index[®] (LEI) for the Euro Area increased 0.9 percent in April to 110.4 (2004 = 100), following a 1.2 percent increase in March and a 0.5 percent increase in February.

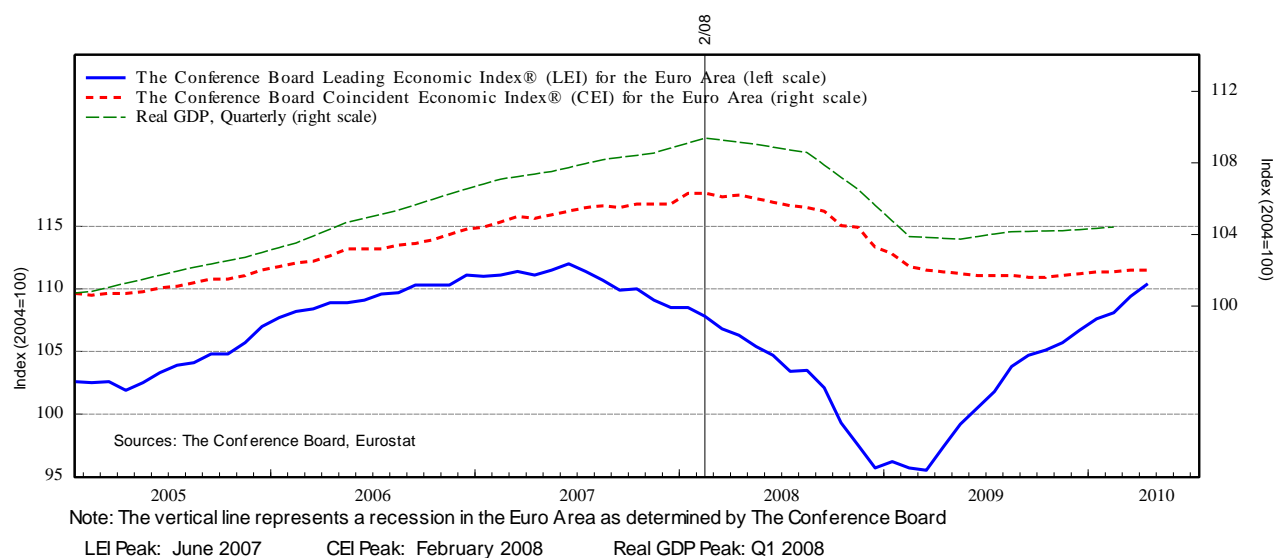
Said Jean-Claude Manini, The Conference Board senior economist for Europe: “The LEI points to a continuing, though still weak, recovery for the Euro Area. Even with the recent volatility in European financial markets, post-recession rebound effects still dominate the recovery process. The LEI has returned to a solidly upward trend, suggesting a moderate pick-up in economic activity in the second half of the year.”

Adds Bart van Ark, The Conference Board chief economist: “The structural imbalances unveiled by the current fiscal and financial crisis could well put Europe on a slow growth track in 2011 and beyond. For 2010, we still project moderately positive growth rates for most European countries, with exceptions in Greece, Spain, and Ireland, which will decline.”

The Conference Board LEI for the Euro Area has increased 15.6 percent since its March 2009 trough. Six of its eight components contributed positively this month. Its six-month growth rate has slowed since September 2009, but has been moving back up during the past two months.

Meanwhile, **The Conference Board Coincident Economic Index[®] (CEI)** for the Euro Area, which measures current economic activity, was unchanged in April at 102.0 (2004 = 100) according to preliminary estimates*. It increased by 0.1 percent in March and was unchanged in February.

The Leading Economic Index has Regained Momentum during the Last Two Months



The Conference Board LEI for the Euro Area aggregates eight economic indicators that measure activity in the Euro Area as a whole (rather than indicators of individual member countries), each of which 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 the Euro Area

The Conference Board Leading Economic Index® for the Euro Area was launched in January 2009. Plotted back to 1987, this index has successfully signaled turning points in the business cycle of the bloc of countries that now constitute the Euro Area, defined by the common currency zone.

The Conference Board currently produces leading economic indexes for ten other individual countries, including Australia, China, France, Germany, Japan, Korea, Mexico, Spain, the U.K. and the U.S.

The eight components of **The Conference Board Leading Economic Index®** for the Euro Area include:

- Economic Sentiment Index (source: European Commission DG-ECFIN)
- Index of Residential Building Permits Granted (source: Eurostat)
- Index of Capital Goods New Orders (source: Eurostat)
- EURO STOXX® Index (source: STOXX Limited)
- Money Supply (M2) (source: European Central Bank)
- Interest Rate Spread (source: ECB)
- Eurozone Manufacturing Purchasing Managers’ Index (source: Markit Economics)
- Eurozone Service Sector Future Business Activity Expectations Index (source: Markit Economics)

To view The Conference Board calendar of 2010 indicator releases:

<http://www.conference-board.org/economics/indicators.cfm>

* Series in The Conference Board LEI for the Euro Area that are based on The Conference Board estimates are real money supply, residential building permits and new orders of capital goods. All series in The Conference Board CEI for the Euro Area are based on The Conference Board estimates (employment, industrial production, retail trade and manufacturing turnover).

About The Conference Board

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Summary Table of Composite Indexes

	Feb	2010 Mar	Apr	6-month Oct to Apr
Leading Economic Index (LEI)	108.1 p	109.4 p	110.4 p	
Percent Change	0.5 p	1.2 p	0.9 p	5.0 p
Diffusion	31.3	62.5	75.0	75.0
Coincident Economic Index (CEI)	101.9 p	102.0 p	102.0 p	
Percent Change	0.0 p	0.1 p	0.0 p	0.4 p
Diffusion	50.0	62.5	37.5	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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