



## News Release

Follow The Conference Board

[twitter](#) [facebook](#) [LinkedIn](#)

**For further information:**

BEIJING: The Conference Board China Center for Economics and Business

Claire Xia + 86 10 8532 4688 / [claire.xia@conference-board.org](mailto:claire.xia@conference-board.org)

NEW YORK: The Conference Board

Barbara Rosen: 1-973-979-5912/ [Barbara.rosen@conference-board.org](mailto:Barbara.rosen@conference-board.org)

Carol Courter: 1-732-672-2817/ [carol.courter@conference-board.org](mailto:carol.courter@conference-board.org)

BRUSSELS: The Conference Board

Andrew Tank + 32 2 675 5405 / [andrew.tank@conference-board.org](mailto:andrew.tank@conference-board.org)

**For release October 15, 2010 10:00 A.M. Beijing time (October 14, 2010, 10:00 P.M. New York time)**

### **Leading Economic Index for China Increases Again in August**

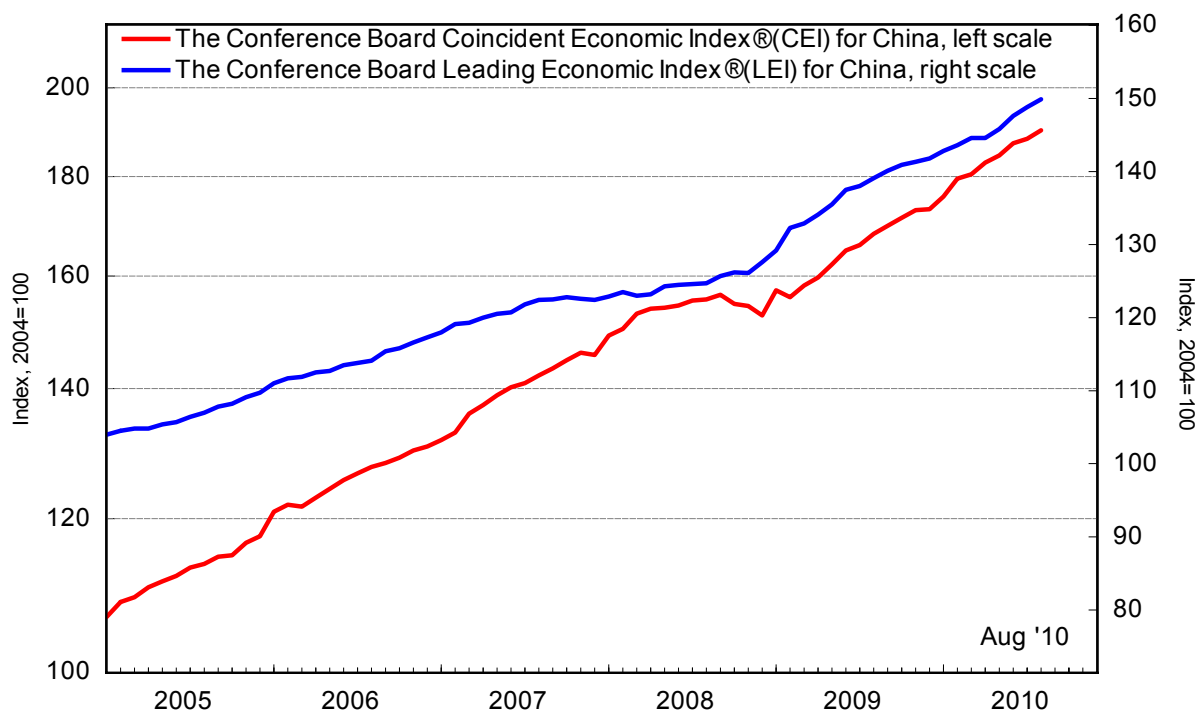
**Beijing, October 15, 2010...**The Conference Board **Leading Economic Index**<sup>®</sup> (LEI) for China increased 0.7 percent in August to 149.9 (2004 = 100), following a 0.8 percent increase in July and a 1.2 percent increase in June. Three of the six components contributed positively to the index in August.

“The China LEI’s increase in August suggests continuing growth and receding risks of a slowdown in coming months,” says Ataman Ozyildirim, economist at The Conference Board. “Still, half of our indicators are showing a decline rather than a rise in August from July.”

Says Williams Adams, resident economist at The Conference Board China Center for Economics and Business: “The favorable near-term economic outlook combined with rising consumer prices increasingly resemble the period of currency appreciation between 2005 and 2008. Business conditions may be strong enough to spur somewhat tighter credit and monetary policy.”

**The Conference Board Coincident Economic Index**<sup>®</sup> (CEI) for China, which measures current economic activity, increased 1.0 percent in August to 190.2 (2004 = 100), following a 0.5 percent increase in July and a 1.5 percent increase in June. All five components contributed positively to the index in August.

## ***The Conference Board Leading Economic Index® (LEI) for China Increased in August***



The Conference Board LEI for China aggregates six economic indicators that measure economic activity in China. Each of the LEI components 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 China**

**The Conference Board Leading Economic Index®** for China was launched in May 2010. Plotted back to 1986, this index has successfully signaled turning points in the economic cycles of China.

The Conference Board also produces LEIs for Australia, the Euro Area, France, Germany, Japan, Korea, Mexico, Spain, the United Kingdom, and the United States.

The six components of **The Conference Board Leading Economic Index® (LEI)** for China include:

Total Loans Issued by Financial Institutions (source: People’s Bank of China)

5000 Industry Enterprises Diffusion Index: Raw Materials Supply Index (source: People’s Bank of China)

NBS Manufacturing PMI Sub-Indices: PMI Supplier Deliveries (source: National Bureau of Statistics)

Consumer Expectations Index (source: National Bureau of Statistics)

Total Floor Space Started (source: National Bureau of Statistics)

NBS Manufacturing PMI Sub-Indices: Export Orders (source: National Bureau of Statistics)

To view The Conference Board calendar of 2010 indicator releases:

<http://www.conference-board.org/data/>

\* There are no series in The Conference Board LEI and The Conference Board CEI for China that are based on our estimates.

### **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 United States. For additional information about The Conference Board and how it can meet your needs, visit our website at [www.conference-board.org](http://www.conference-board.org).

### **Summary Table of Composite Economic Indexes**

	<b>2010</b>			<b>6-month</b>
	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Feb to Aug</b>
<b>Leading Economic index (LEI)</b>	147.6 r	148.8 r	149.9	
Percent Change	1.2 r	0.8 r	0.7	4.4
Diffusion	66.7	50.0	50.0	66.7
<b>Coincident Economic Index (CEI)</b>	187.3 r	188.3 r	190.2	
Percent Change	1.5 r	0.5	1.0	5.9
Diffusion	80.0	80.0	100.0	100.0

n.a. Not available    p Preliminary    r Revised

Indexes equal 100 in 2004

Source: The Conference Board                      All Rights Reserved

**THESE DATA ARE FOR NEWS ANALYSIS PURPOSES ONLY. NOT FOR REDISTRIBUTION, PUBLISHING, DATABASING, OR PUBLIC POSTING WITHOUT EXPRESS WRITTEN PERMISSION.**