



News Release

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The Conference Board[®]
Spain Business Cycle IndicatorsSM
THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®] (LEI)
FOR SPAIN
AND RELATED COMPOSITE INDEXES FOR MAY 2010

BRUSSELS, July 15, 2010... The Conference Board Leading Economic Index[®] (LEI) for Spain remained unchanged and The Conference Board Coincident Economic Index[®] (CEI) increased 0.1 percent in May.

- The Conference Board LEI for Spain remained unchanged in May after increasing in April. Positive contributions from job placings and the capital equipment component of industrial production were balanced by a negative contribution from the Spanish equity price index. Between November 2009 and May 2010, the leading economic index declined 0.3 percent (about a -0.5 percent annual rate), a reversal from the 2.6 percent increase (about a 5.3 percent annual rate) during the previous six-month period. In addition, the strengths and weaknesses among the leading indicators have been balanced in recent months.
- The Conference Board CEI for Spain, a measure of current economic activity, increased slightly in May, after remaining unchanged in April. During the six-month period ending May 2010, the coincident economic index increased 0.7 percent (about a 1.4 percent annual rate), after declining 0.4 percent (about a -0.8 percent annual rate) between May and November 2009. In addition, the strengths among the coincident indicators have been widespread in recent months. At the same time, real GDP increased at a 0.3 percent annual rate in the first quarter of 2010, its first quarter of growth in almost two years.
- After declining modestly from October 2009 through early this year, The Conference Board LEI for Spain has been largely unchanged for the past several months. Its six-month growth rate has remained negative, though it has become less so in recent months. The Conference Board CEI for Spain has increased slightly in 2010, after remaining essentially flat in the second half of 2009. Taken together, the recent behavior of the composite indexes suggests that the economy is likely to remain weak in the near term.

LEADING INDICATORS. Three of the six components that make up The Conference Board LEI for Spain increased in May. The positive contributors—in order from the largest positive contributor to the smallest—are job placings, the capital equipment component of industrial production, and order books survey. The negative contributors—in order from the largest negative contributor to the smallest—are the Spanish equity price index, the (inverted) long-term government bond yield, and the Spanish contribution to Euro M2.

After remaining unchanged in May, The Conference Board LEI for Spain now stands at 109.0 (2004=100). Based on revised data, this index increased 0.2 percent in April and remained unchanged in March. During the six-month span through May, the index decreased 0.3 percent, and three of the six components advanced (diffusion index, six-month span equals 50.0 percent).

COINCIDENT INDICATORS. Three of the five components that make up The Conference Board CEI for Spain increased in May. The positive contributors — in order from the largest positive contributor to the smallest — are final household consumption*, industrial production excluding construction, and real imports*. The retail sales survey, and employment* remained unchanged in May.

With the increase of 0.1 percent in May, The Conference Board CEI for Spain now stands at 100.6 (2004=100). Based on revised data, this index remained unchanged in April and increased 0.4 percent in March. During the six-month span through May, the index increased 0.7 percent, and four of the five components advanced (diffusion index, six-month span equals 80.0 percent).

NOTES: Series in The Conference Board CEI for Spain that are based on our estimates include final household consumption, employment, and real imports.

Summary Table of Composite Indexes

		2010		6-month
	Mar	Apr	May	Nov to May
Leading Economic Index (LEI)	108.8	109.0	109.0	
Percent Change	0.0	0.2	0.0	-0.3
Diffusion	66.7	50.0	58.3	50.0
Coincident Economic Index (CEI)	100.5 p	100.5 p	100.6 p	
Percent Change	0.4 p	0.0 p	0.1 p	0.7 p
Diffusion	90.0	70.0	70.0	80.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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The next release is scheduled for Thursday, August 12, 2010 at 10:00 A.M. (Madrid Time)

In the U.S. – Thursday, August 12, 2010 at 4:00 A.M. (ET)