THE CONFERENCE BOARD

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FOR RELEASE: 9:00 A.M. ET, TUESDAY, APRIL 18, 2006

The Conference Board® Spain Business Cycle Indicators℠

SPAIN LEADING ECONOMIC INDICATORS

AND RELATED COMPOSITE INDEXES FOR FEBRUARY 2006

The Conference Board announced today that both the leading and the coincident indexes for Spain increased 0.3 percent in February.

- The leading index increased again in February for the fourth consecutive month. The Spanish contribution to Euro M2 continued to be the largest positive contributor to the leading index. With February's gain, the growth rate of the leading index has picked up to about a 3.0 to 4.0 percent annual rate, from the 1.0 to 2.0 percent rate in the last quarter of 2005, but it is still slightly below the 6.0 percent rate in the second and third quarters of 2005. In addition, the strength among the leading indicators has continued to be widespread in the last several months.
- The coincident index also increased again in February, and it remains on a rising trend. The growth rate of the coincident index picked up in recent months, with the largest contribution coming from final household consumption. At the same time, real GDP increased at a 3.7 percent annual rate in the second half of 2005 (including a 3.9 percent rate in the fourth quarter). The behavior of the leading index in recent months suggests that moderate to strong economic growth should continue in the near term.

LEADING INDICATORS. Four of the six components that make up the leading index increased in February. The positive contributors—in order from the largest positive contributor to the smallest—are the Spanish contribution to Euro M2, the Spanish equity price index, the capital equipment component of industrial production, and job placings*. The negative contributors were order books survey and the inverted long-term government bond yield.

With the increase of 0.3 percent in February, the leading index now stands at 143.6 (1990=100). Based on revised data, this index increased 0.7 percent in January and increased 0.7 percent in December. During the six-month span through February, the index increased 2.1 percent, and four of the six components advanced (diffusion index, six-month span equals 66.7 percent).

The next release is scheduled for May 23, 2006 at 9:00 A.M. (ET)
In Spain –May 23, 2006 at 3:00 P.M. (CET)

COINCIDENT INDICATORS. Three of the four components that make up the coincident index increased in February. The positive contributors — in order from the largest positive contributor to the smallest — are final household consumption*, industrial production excluding construction, and retail sales survey. The real imports* declined in February.

With the increase of 0.3 percent in February, the coincident index now stands at 153.7 (1990=100). Based on revised data, this index increased 0.7 percent in January and increased 0.3 percent in December. During the six-month span through February, the index increased 2.5 percent, and all four components advanced (diffusion index, six-month span equals 100.0 percent).

FOR TABLES AND CHARTS, SEE BELOW

DATA AVAILABILITY. The data series used to compute the two composite indexes reported in the tables in this release are those available "as of" 10 A.M. (ET) April 14, 2006. Some series are estimated as noted below.

NOTES: Series in the coincident index based on The Conference Board estimates include final household consumption and real imports. Series in the leading index based on The Conference Board estimates include job placings.

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THE CYCLICAL INDICATOR APPROACH. The composite indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading and coincident indexes are essentially composite averages of between four and nine individual leading or coincident indicators. (See page 3 for details.) They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component—primarily because they smooth out some of the volatility of individual components.

Historically, the cyclical turning points in the leading index have occurred before those in aggregate economic activity, while the cyclical turning points in the coincident index have occurred at about the same time as those in aggregate economic activity.

Further explanations of the cyclical indicator approach and the composite index methodology appear in The Conference Board's *Business Cycle Indicators* report and Web site: http://www.conference-board.org/economics/bci/ .

Spain Composite Indexes: Components and Standardization Factors

Leading Index	Factor
1. Capital Equipment Component of Industrial Production	.0591
2. Contribution to Euro M2	.2648
3. Stock Price Index	.0262
4. Long term Government Bond Yield	.4560
5. Order Books Survey	.1249
6. Job Placings	.0689

Coincident Index	
1. Final Household Consumption	.6447
2. Industrial Production, Excluding Construction	.2264
3. Retail Sales Survey	.0601
4. Real Imports	.0688

Notes:
The component factors are inversely related to the standard deviation of the month-to-month changes in each component. They are used to equalize the volatility of the contribution from each component and are "normalized" to sum to 1. (Under normal circumstances, updates to the leading and coincident indexes only incorporate revisions to data over the past six months.)

The factors above were calculated using 1984-2001 as the sample period for measuring volatility for the leading index and the coincident index. There are additional sample periods as the result of different starting dates for the component data. When one or more components is missing, the other factors are adjusted proportionately to ensure that the total continues to sum to 1. For additional information on the standardization factors and the index methodology visit our Web site: http://www.conference-board.org/economics/bci/.

To address the problem of lags in available data, those leading and coincident indicators that are not available at the time of publication are estimated using statistical imputation. An autoregressive model is used to estimate each component. The resulting indexes are constructed using real and estimated data, and will be revised as the data unavailable at the time of publication become available. Such revisions are part of the monthly data revisions, now a regular part of the U.S. Business Cycle Indicators program. The main advantage of this procedure is to utilize in the leading index the data, such as stock prices, that are available sooner than other data on "real" aspects of the economy, such as new orders and changes in inventory. Empirical research by The Conference Board suggests there are real gains in adopting this procedure to make all the indicator series as up-to-date as possible.

NOTICES

The 2005 schedule for the Spain "Leading Economic Indicators" news release is:

March 2006 Data...............	Tuesday May 23, 2006
April 2006 Data...............	Wednesday June 21, 2006

All releases are at 9:00 A.M (ET), 3:00 P.M. (CET)

ABOUT THE CONFERENCE BOARD. Founded in 1916, The Conference Board is the premier business membership and research network. The Conference Board has become a global leader in helping executives build strong professional relationships, expand their business knowledge and find solutions to a wide range of business challenges. The Board's Economics Program, under the direction of Chief Economist Gail Fosler, is a recognized source of forecasts, economic analysis and objective indicators such as the Leading Economic Indicators and the Consumer Confidence Index.

This role is part of a long tradition of research and education that stretches back to the compilation of the first continuous measure of the cost of living in the United States in 1919. In 1995, The Conference Board assumed responsibility for computing the composite indexes from the U.S. Department of Commerce. The Conference Board now produces business cycle indexes for the U.S., Australia, France, Germany, Korea, Japan, Mexico, Spain and the U.K. To subscribe to any of these indexes, please contact customer service at
212-339-0345, or email indicators@conference-board.org.

AVAILABLE FROM THE CONFERENCE BOARD

Spain Business Cycle Indicators Internet Subscription *(Includes monthly release, data, charts and commentary)*	$ 535 per year (1 user)
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BCI Handbook (published 2001)	$ 20
Corporate Site License	$2,600 per year

Business Cycle Indicators for Australia, France, Germany, Japan, Korea, Mexico, Spain and the U.K. are available at $535 per country per year (1 user). Discounts are available to Associates of The Conference Board and accredited academic institutions.

The Conference Board Spain Business Cycle Indicators

Table 1.--Summary of Spain Composites Indexes

	2005 Aug.	Sep.	Oct.	Nov.	Dec.	2006 Jan.	Feb.
Leading index	140.7	141.1	141.0	141.2	142.2	143.2 r	143.6 p
Percent change	-0.1	0.3	-0.1	0.1	0.7	0.7 r	0.3 p
Diffusion index	16.7	58.3	33.3	58.3	83.3	91.7	66.7
Coincident index	150.0	150.7	151.0 r	151.7 r	152.2 p	153.3 p	153.7 p
Percent change	0.4	0.5	0.2 r	0.5 r	0.3 p	0.7 p	0.3 p
Diffusion index	100.0	100.0	50.0	100.0	87.5	75.0	87.5

	Jan to Aug	Feb to Sep	Mar to Oct	Apr to Nov	May to Dec	Jun to Jan	Jul to Feb
Leading index							
Percent change	2.1	2.8	1.9	1.3	0.9	1.7 r	2.1
Diffusion index	83.3	83.3	66.7	50.0	33.3	83.3	66.7
Coincident index							
Percent change	1.5	1.8	1.5 r	1.9 r	1.8 p	2.6 p	2.5 p
Diffusion index	100.0	100.0	62.5	75.0	75.0	100.0	100.0

p Preliminary. r Revised (noted only for index levels and one-month percent changes).

CALCULATION NOTE: The diffusion indexes measure the proportion of the components that are rising. Components that rise more than 0.05 percent are given a value of 1.0, components that change less than 0.05 percent are given a value of 0.5, and components that fall more than 0.05 percent are given a value of 0.0.

For more information, visit our Web site at www.conference-board.org/economics/bci

The Conference Board Spain Business Cycle Indicators

Table 2.--Data and Net Contributions for Components of the Spain Leading Index

Component	2005 Aug.	Sep.	Oct.	Nov.	Dec.	2006 Jan.	Feb.
	Spain Leading Index component data						
Capital Equipment Component of Industrial Production(3 month moving average, s.a.).....	94.4	93.4	95.3	95.4 r	96.8	99.6 r	100.4
Spanish Contribution to Euro M2 (s.a.)..........................	535425.31 r	540546.76 r	544233.81 r	547291.63 r	556597.52 r	562558.74 r	567293.71
Spanish Equity Price Index..	108.6	117.3	113.7	114.5	116.2	120.6	127.8
Longterm Government Bond Yield (Inverted)..............	2.920	2.830	3.030	3.290	3.200	3.160	3.330
Order Books Survey (3 month moving average, s.a.)....	8.00	6.50	5.60 r	6.80	8.40	9.20 r	8.30
Job Placings (3 month moving average, s.a.)................	1474.7	1474.8	1465.0	1442.3	1427.5	1438.4	1446.8 **
LEADING INDEX (1990=100)..................................	**140.7**	**141.1**	**141.0**	**141.2**	**142.2**	**143.2 r**	**143.6 p**
Percent change from preceding month............	-0.1	0.3	-0.1	0.1	0.7	0.7 r	0.3
	Spain Leading index net contributions						
Capital Equipment Component of Industrial Production(3 month moving average, s.a.).....	....	-0.06	0.12	0.00	0.09	0.17 r	0.05
Spanish Contribution to Euro M2 (s.a.)..........................	....	0.25 r	0.18 r	0.15 r	0.45	0.28	0.22
Spanish Equity Price Index..	....	0.20	-0.08	0.02	0.04	0.10	0.15
Longterm Government Bond Yield (Inverted)..............	....	0.04	-0.09	-0.12	0.04	0.02	-0.08
Order Books Survey (3 month moving average, s.a.)....	....	-0.18 r	-0.12 r	0.16	0.20 r	0.10 r	-0.12
Job Placings (3 month moving average, s.a.)................	....	0.00	-0.05	-0.11	-0.07	0.05	0.04 **

p Preliminary. r Revised. s.a. Seasonally Adjusted

* Inverted series; a negative change in this component makes a positive contribution to the index.

** Statistical Imputation (See page 2 for more details)

Q Quarterly series; these series are converted to a monthly series through a linear interpolation.

Data Sources: Ministerio de Economia y Hacienda, IMF, OECD, Thomson Financial

CALCULATION NOTE--The percent change in the index does not always equal the sum of the net contributions of the individual components (because of rounding effects and base value differences).

The Conference Board Spain Business Cycle Indicators

Table 3.--Data and Net Contributions for Spain Coincident Index

Component	2005 Aug.	Sep.	Oct.	Nov.	Dec.	2006 Jan.	Feb.
	Spain Coincident index component data						
Final Household Consumption (Q)...........................	110.3	110.8 r	111.2 r	111.7 r	112.1 **	112.5 **	112.9 **
Industrial Production, Excluding Construction 2000=100(3 month moving average)........................	103	103.2 r	103.4 r	103.6 r	103.9 r	104.2 r	104.5
Real Imports , millions of Euro, 1995 prices.......... (3 month moving average)	18843.40 r	18996.00 r	18926.00 r	19041.90 r	19050.40 r	20464.70 r	20474.50 **
Retail Sales Survey (s.a.) #.................................	99.4	101.3 r	100.0	101.8	102.4 r	101.9 r	102.0
COINCIDENT INDEX (1990=100)..........................	**150.0**	**150.7**	**151.0 p**	**151.7 p**	**152.2 p**	**153.3 p**	**153.7 p**
Percent change from preceding month.............	0.4	0.5	0.2 p	0.5 p	0.3 p	0.7 p	0.3 p
	Spain Coincident index net contributions						
Final Household Consumption (Q)........................	....	0.26 r	0.26 **	0.26 **	0.24 **	0.23 **	0.22 **
Industrial Production, Excluding Construction 2000=100(3 month moving average)........................	....	0.04 r	0.04 r	0.05	0.06 r	0.07 r	0.05
Real Imports , millions of Euro, 1995 prices..........	....	0.05 r	-0.02 r	0.04 r	0.00 r	0.43 r	0.00 **
Retail Sales Survey (s.a.) #.................................	....	0.13	-0.09 r	0.12	0.04 r	-0.04 r	0.01

p Preliminary. r Revised. s.a. Seasonally Adjusted

* Inverted series; a negative change in this component makes a positive contribution to the index.

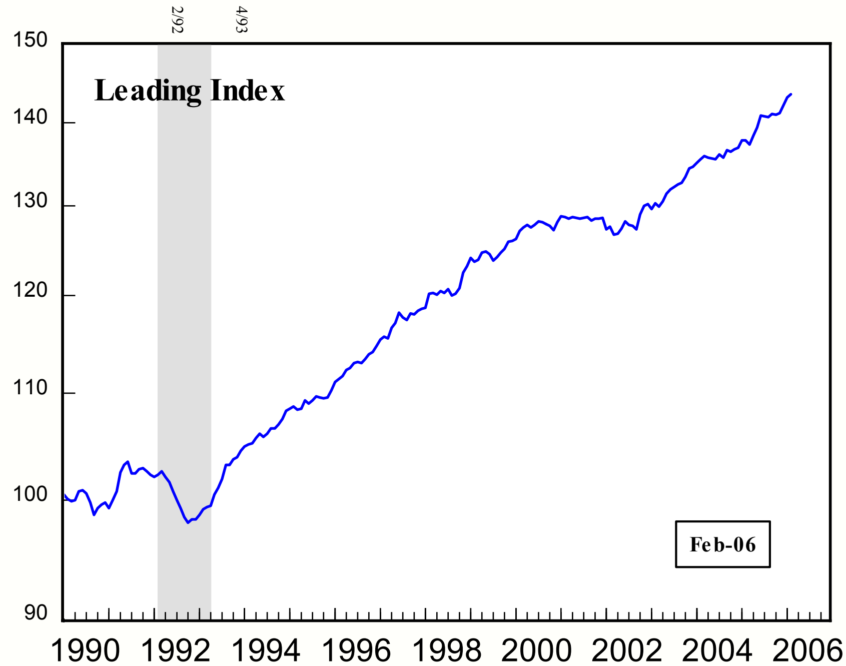
** Statistical Imputation (See page 2 for more details)

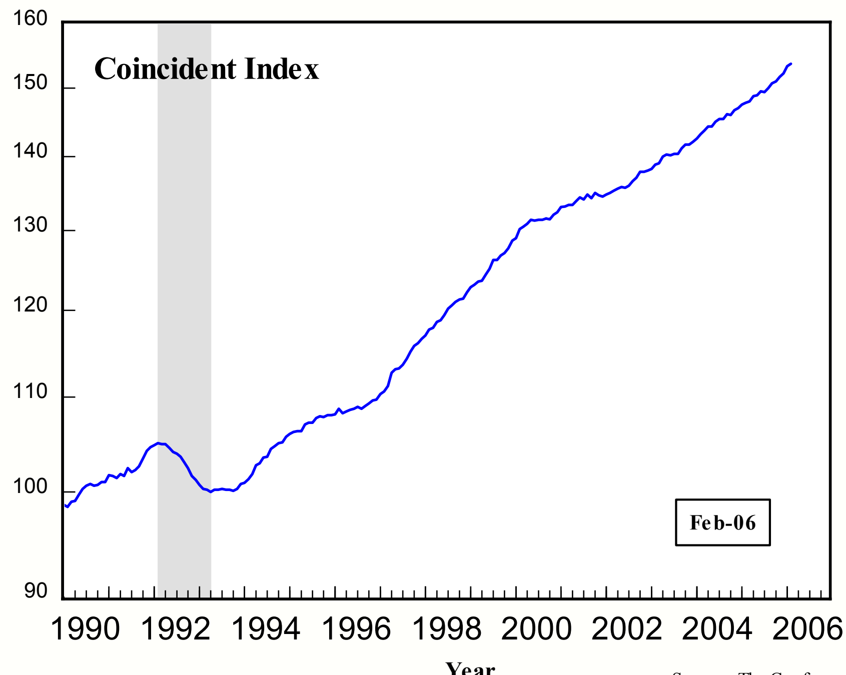
\# Since April 2002, the Retail Sales Survey rebased from 1995=100 to 2001=100

Data Sources: Ministerio de Economia y Hacienda, IMF, OECD, Thomson Financial

CALCULATION NOTE--The percent change in the index does not alw ays equal the sum of the net contributions of the individual components (because of rounding effects and base value differences).

Spain





Note: The shaded areas represent business cycle recessions. The peaks and troughs are designated by The Conference Board based on the coincident index and real GDP.

Source: The Conference Board