

News Release

Follow The Conference Board

[twitter](#) [facebook](#) [Linked in](#)

Further information:

Professional Contacts at The Conference Board:

Indicator Program: 1-212-339-0330

indicators@conference-board.org

Media Contacts:

Frank Tortorici: 908-875-8908

f.tortorici@conference-board.org

FOR RELEASE: 10:00 A.M. AEST, THURSDAY, JUNE 24, 2010

The Conference Board[®]

Australia Business Cycle IndicatorsSM

THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®]

(LEI) FOR AUSTRALIA

AND RELATED COMPOSITE ECONOMIC INDEXES FOR APRIL 2010

The Conference Board Leading Economic Index[®] (LEI) for Australia increased 0.1 percent and **The Conference Board Coincident Economic Index[®] (CEI)** increased 0.1 percent in April.

- The Conference Board LEI for Australia increased slightly again in April, but the strengths among the leading indicators were somewhat less widespread than the weaknesses this month. Despite the increase in April, the six-month growth in the leading economic index continued to moderate, to 1.8 percent (a 3.6 percent annual rate) between October 2009 and April 2010, down from 2.4 percent (a 4.9 percent annual rate) for the previous six months. Nonetheless, the strengths among the leading indicators have remained widespread over the past six months.
- The Conference Board CEI for Australia also increased slightly in April. Retail trade has declined for three consecutive months, but its negative contribution this month was more than offset by the large gain in employed persons. With April's small gain, the coincident economic index grew by 0.9 percent (a 1.8 percent annual rate) in the six-month period through April 2010, slightly up from 0.3 percent (about a 0.5 percent annual rate) for the previous six months. At the

same time, real GDP increased at a 2.0 percent annual rate in the first quarter of 2010, down from the 4.5 percent annual rate in the fourth quarter of 2009.

- The Conference Board LEI for Australia has been on a flat to slightly rising trend since the beginning of this year. However, its six-month growth rate has continued to moderate. At the same time, The Conference Board CEI for Australia has also been essentially flat this year, after rising moderately in the second half of 2009. Taken together, the current behavior of the composite indexes suggests that the economy will likely continue to grow at a modest pace in the near term.

LEADING INDICATORS. Four of the seven components in The Conference Board LEI for Australia increased in April. The positive contributors to the index — in order from the largest positive contributor to the smallest — are the sales to inventories ratio*, the yield spread, money supply*, and gross operating surplus*. Building approvals, rural goods exports*, and share prices declined in April.

With the 0.1 percent increase in April, The Conference Board LEI for Australia now stands at 115.3 (2004=100). Based on revised data, this index increased 0.3 percent in March and remained unchanged in February. During the six-month period through April, the leading economic index increased 1.8 percent, and four of the seven components increased (diffusion index, six-month span equals 71.4 percent).

COINCIDENT INDICATORS. Three of the four components in The Conference Board CEI for Australia increased in April. The increases - in order from the largest positive contributor to the smallest - occurred in employed persons, household gross disposable income*, and industrial production*. Retail trade declined in April.

With the increase of 0.1 percent in April, The Conference Board CEI for Australia now stands at 114.9 (2004=100). Based on revised data, this index increased 0.2 percent in March and decreased 0.1 percent in February. During the six-month period through April, the coincident economic index increased 0.9 percent, with three of the four components in the series making positive contributions (diffusion index, six-month span equals 75.0 percent).

DATA AVAILABILITY. The data series used to compute **The Conference Board Leading Economic Index[®]** (LEI) for Australia and **The Conference Board Coincident Economic Index[®]** (CEI) for Australia reported in this release are those available “as of” 10 A.M. ET on June 22, 2010. Some series are estimated as noted below.

NOTES: Series in The Conference Board LEI for Australia that are based on our estimates are sales to inventory ratio, gross operating surplus for private non-financial corporations, the implicit price index used to deflate rural goods exports and building approvals, and the CPI used to deflate money supply M3. Series in The Conference Board CEI for Australia that are based on our estimates are industrial production and household disposable income. CPI was used to deflate retail trade.

Effective with the February 26, 2009 release, the seasonally adjusted retail trade data replaced the trend estimated series, the publication of which was suspended by the Australia Bureau of Statistics.

Summary Table of Composite Economic Indexes

	2010			6-month
	Feb	Mar	Apr	Oct to Apr
Leading Economic Index	114.8 r	115.2 p	115.3 p	
Percent Change	0.0 r	0.3 p	0.1 p	1.8
Diffusion	57.1	71.4	42.9	71.4
 Coincident Economic Index	 114.6 r	 114.8 p	 114.9 p	
Percent Change	-0.1	0.2 p	0.1 p	0.9
Diffusion	50.0	75.0	75.0	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board All Rights Reserved

The next release is scheduled for July 27, 2010 at 10:00 A.M. (AEST)

In the U.S. – July 26, 2010 at 8:00 P.M. (ET)

For more information, visit The Conference Board website: <http://www.conference-board.org/economics/bci/>