



THE CONFERENCE BOARD

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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 DECEMBER 2009

BRUSSELS, FEBRUARY 17, 2010... The Conference Board Leading Economic Index™ (LEI) for Spain increased 0.3 percent and The Conference Board Coincident Economic Index™ (CEI) remained unchanged in December.

- The Conference Board LEI for Spain increased in December following two consecutive declines, as order books survey made the largest positive contribution to the index. Between June and December 2009, the leading economic index increased by 2.5 percent (about a 5.1 percent annual rate), a reversal from the 0.7 percent decline (about a -1.5 percent annual rate) during the first half of 2009. In addition, the strengths among the leading indicators have remained more widespread than the weaknesses in recent months.
- The Conference Board CEI for Spain, a measure of current economic activity, remained unchanged in December, following two straight declines. Between June and December 2009, the coincident economic index decreased by 0.6 percent (about a -1.2 percent annual rate), slower than the 4.3 percent decline (about a -8.4 percent annual rate) during the previous six months. Additionally, the strengths and weaknesses among the coincident indicators have become balanced in recent months. At the same time, real GDP contracted at a 1.2 percent annual rate during the third quarter of 2009, following a decline of 4.1 percent annual rate during the second quarter.
- The Conference Board LEI for Spain decreased slightly in the fourth quarter of 2009, following a period of upward movement that began in April of that year. In addition, its six-month growth rate has slowed in recent months, after reaching its highest rate since 1994 in September. Meanwhile, The Conference Board CEI for Spain has remained on a downward trend since its peak in February 2008, though the pace of this decline has slowed during the past three quarters. Taken together, the recent behavior of the composite indexes suggests that even though the pace of contraction in the economy could continue to ease, economic activity is likely to remain weak in the near term.

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

With the increase of 0.3 percent in December, The Conference Board LEI for Spain now stands at 109.6 (2004=100). Based on revised data, this index declined 0.5 percent in November and declined 0.1 percent in October. During the six-month span through December, the index increased 2.5 percent, and four of the six components advanced (diffusion index, six-month span equals 66.7 percent).

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

After remaining unchanged in December, The Conference Board CEI for Spain now stands at 99.5 (2004=100). Based on revised data, this index decreased 0.2 percent in November and decreased 0.2 percent in October. During the six-month span through December, the index decreased 0.6 percent, and two of the five components advanced (diffusion index, six-month span equals 50.0 percent).

Summary Table of Composite Indexes

		2009		6-month
	Oct	Nov	Dec	Jun to Dec
Leading Economic Index (LEI)	109.9 r	109.3	109.6 p	
Percent Change	-0.1 r	-0.5	0.3 p	2.5 p
Diffusion	25.0	41.7	75.0	66.7
Coincident Economic Index (CEI)	99.7 p	99.5 p	99.5 p	
Percent Change	-0.2 p	-0.2 p	0.0 p	-0.6 p
Diffusion	40.0	40.0	50.0	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

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The next release is scheduled for Wednesday, March 17, 2010 at 10:00 A.M. (Madrid Time)

In the U.S. – Wednesday, March 17, 2010 at 5:00 A.M. (ET)