



## News Release

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**FOR RELEASE: 10:00 A.M. (MADRID TIME), FRIDAY, OCTOBER 15, 2010**

The Conference Board<sup>®</sup>  
Spain Business Cycle Indicators<sup>SM</sup>  
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX<sup>®</sup> (LEI)  
FOR SPAIN  
AND RELATED COMPOSITE INDEXES FOR AUGUST 2010**

**BRUSSELS, October 15, 2010...** The Conference Board Leading Economic Index<sup>®</sup> (LEI) for Spain increased 0.6 percent and The Conference Board Coincident Economic Index<sup>®</sup> (CEI) increased 0.1 percent in August.

- The Conference Board LEI for Spain increased for the second consecutive month in August. Strong positive contributions from the capital equipment component of industrial production and the (inverted) long-term government bond yield more than offset the negative contributions from stocks prices and the order books survey. Between February and August 2010, the leading economic index increased 0.2 percent (about a 0.4 percent annual rate), a reversal from the decline of 0.7 percent (about a -1.5 percent annual rate) between August 2009 and February 2010. However, the weaknesses among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Spain, a measure of current economic activity, increased slightly in August, after remaining unchanged in July. Index levels were revised slightly higher in recent months as final household consumption for the second quarter became available. Between February and August 2010, the coincident economic index increased 1.2 percent (about a 2.4 percent annual rate), stronger than the increase of 0.2 percent (about a 0.4 percent annual rate) during the previous six-month period. In addition, the strengths among the coincident indicators have remained widespread in recent months. At the same time, real GDP increased at a 0.7 percent annual rate in the second quarter of 2010, following an increase of 0.6 percent annual rate in the first quarter.
- The Conference Board LEI for Spain rose for the past two months, after generally declining since October 2009. With this month's increase, its six-month growth rate became positive for the first time this year. Meanwhile, The Conference Board CEI for Spain has been increasing slowly this year. Taken together, the recent behavior of the composite indexes suggests that the weak recovery will continue in the near term.

The next release is scheduled for Tuesday, November 16, 2010 at 10:00 A.M. (Madrid Time)

*In the U.S. – Tuesday, November 16, 2010 at 4:00 A.M. (ET)*

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

With the increase of 0.6 percent in August, The Conference Board LEI for Spain now stands at 109.2 (2004=100). Based on revised data, this index increased 0.3 percent in July and declined 0.4 percent in June. During the six-month span through August, the index increased 0.2 percent, and two of the six components advanced (diffusion index, six-month span equals 33.3 percent).

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

With the increase of 0.1 percent in August, The Conference Board CEI for Spain now stands at 101.4 (2004=100). Based on revised data, this index remained unchanged in July and increased 0.2 percent in June. During the six-month span through August, the index increased 1.2 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
	Jun	Jul	Aug	Feb to Aug
Leading Economic Index (LEI)	108.3 r	108.6	109.2	
Percent Change	-0.4 r	0.3 r	0.6	0.2
Diffusion	16.7	75.0	66.7	33.3
Coincident Economic Index (CEI)	101.3 p	101.3 p	101.4 p	
Percent Change	0.2 p	0.0 p	0.1 p	1.2 p
Diffusion	60.0	30.0	60.0	80.0

n.a. Not available    p Preliminary    r Revised  
Indexes equal 100 in 2004

Source: The Conference Board

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