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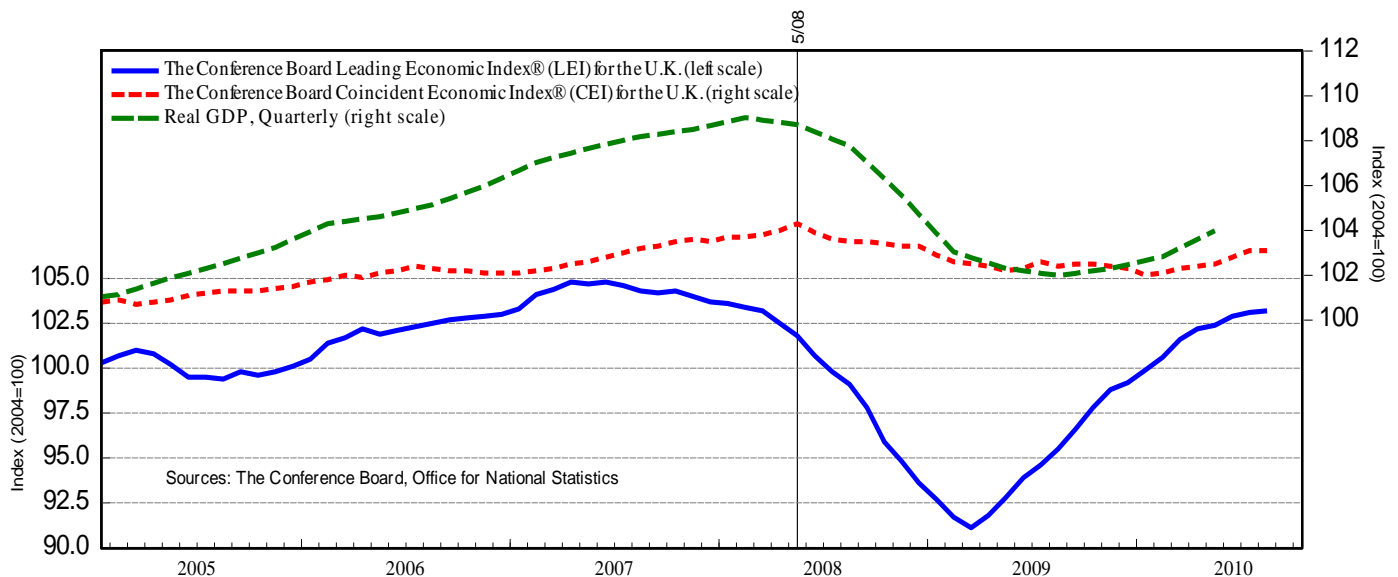
The Conference Board Leading Economic Index® (LEI) for the U.K. **Increased Again in August**

BRUSSELS, October 13, 2010... The Conference Board Leading Economic Index® (LEI) for the U.K. increased 0.1 percent in August to 103.2 (2004=100), following gains of 0.2 percent in July and 0.5 percent in June. Four of the seven components made positive contributions to the index in August.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The continuing deceleration of the LEI for the United Kingdom suggests a loss of momentum in the economic expansion in the near term. Shaky consumer confidence combined with an unsustainably low savings rate show little upside potential for consumption growth in the medium term. If the deficit reduction measures fail to regain confidence among non-financial firms, the outlook will be for low and volatile growth in 2011.”

The Conference Board LEI for the U.K. has been rising since April 2009, though its six-month growth rate has continued to slow. In addition, the strengths among its components were only slightly more widespread than the weaknesses over the past six months. At the same time, **The Conference Board Coincident Economic Index® (CEI)** for the U.K., a measure of current economic activity, remained unchanged in August, after increasing by 0.3 percent in July and 0.3 percent in June. The index now stands at 103.1 (2004 = 100).

The Conference Board LEI for the U.K. has been growing since April 2009



Note: The vertical line represents the beginning of a recession in the U.K. as determined by The Conference Board

LEI Peak: June 2007 CEI Peak: May 2008 Real GDP Peak: Q1 2008

The Conference Board LEI for the U.K. aggregates seven economic indicators that measure activity in the U.K., each of which has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

The seven components of **The Conference Board Leading Economic Index®** (LEI) for the U.K. include:

- Order Book Volume (source: Confederation of British Industry)
- Volume of Expected Output (source: Confederation of British Industry)
- Consumer Confidence Indicator (source: European Commission)
- FTSE All-Share Index (source: FTSE Group)
- Yield Spread (source: Bank of England)
- Productivity, Whole Economy (Office for National Statistics)
- Total Gross Operating Surplus of Corporations (Office for National Statistics)

Plotted back to 1970, this index has successfully signaled turning points in the U.K. business cycles. The Conference Board currently produces leading economic indexes for the Euro Area and nine other countries, including Australia, China, France, Germany, Japan, Korea, Mexico, Spain and the U.S.

To view The Conference Board calendar of 2010 indicator releases:

<http://www.conference-board.org/data/>

For more information: <http://www.conference-board.org/data/bci.cfm>

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Summary Table of Composite Economic Indexes

		2010		6-month	
	Jun	Jul	Aug	Feb to Aug	
Leading Economic Index (LEI)	102.9 p	103.1 p	103.2 p		
Percent Change	0.5 p	0.2 p	0.1 p	2.6 p	
Diffusion	42.9	42.9	42.9	57.1	
Coincident Economic Index (CEI)	102.8 p	103.1 p	103.1 p		
Percent Change	0.3 p	0.3 p	0.0 p	1.0 p	
Diffusion	50.0	75.0	62.5	75.0	

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

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