



# News Release

## Follow The Conference Board

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

Further information:

Rosa Correia + 32 2 679 5059 / [rosa.correia@conference-board.org](mailto:rosa.correia@conference-board.org)

Derek Servais + 32 2 679 5054 / [derek.servais@conference-board.org](mailto:derek.servais@conference-board.org)

**For Release 10:00 A.M. London Time (5:00 A.M. ET), December 9, 2010**

## **The Conference Board Leading Economic Index® (LEI) for the U.K.**

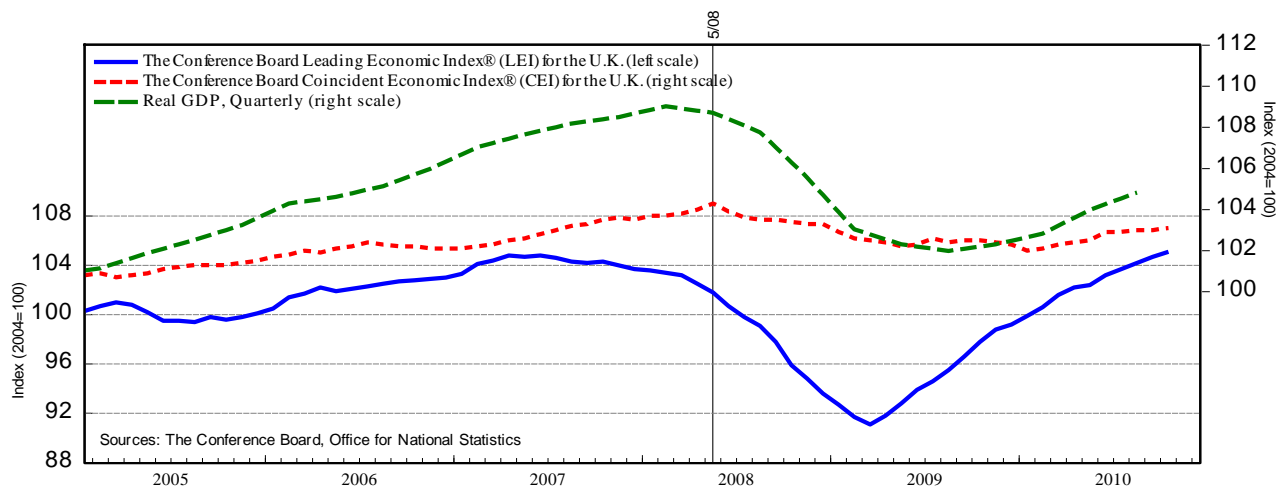
### **Increased Again in October**

**BRUSSELS, December 9, 2010...** The Conference Board Leading Economic Index® (LEI) for the U.K. increased 0.4 percent in October to 105.1 (2004=100), following gains of 0.5 percent in September and 0.5 percent in August. Six of the seven components made positive contributions to the index in October.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The latest readings of the LEI for the United Kingdom suggest the expected slowdown – resulting from the fading of recovery effects and the phasing in of budget cuts -- may be gradual in the short term. The financial sector problems in Ireland – to which the United Kingdom has a significant exposure – are a reminder of the persisting downside risks surrounding the outlook for 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 recent months. Despite this slowdown, the index is 0.3 percent above its most recent peak in June 2007. At the same time, **The Conference Board Coincident Economic Index® (CEI)** for the U.K., a measure of current economic activity, increased by 0.1 percent in October, after remaining unchanged in September and increasing 0.1 percent in August. 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<sup>®</sup>** (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>

For full press release: <http://www.conference-board.org/data/bcicountry.cfm?cid=2>

### **About The Conference Board**

The Conference Board is an independent business membership and research association working in the public interest. Our mission is unique: To provide the world’s leading organizations with the practical knowledge they need to improve their performance *and* better serve society. The Conference Board is a non-advocacy, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. [www.conference-board.org](http://www.conference-board.org).

## **Summary Table of Composite Economic Indexes**

	Aug	2010 Sep	Oct	6-month Apr to Oct
Leading Economic Index (LEI)	104.2 p	104.7 p	105.1 p	
Percent Change	0.5 p	0.5 p	0.4 p	2.8 p
Diffusion	57.1	57.1	78.6	64.3
Coincident Economic Index (CEI)	103.0 p	103.0 p	103.1 p	
Percent Change	0.1 p	0.0 p	0.1 p	0.7 p
Diffusion	62.5	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