



## THE CONFERENCE BOARD

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

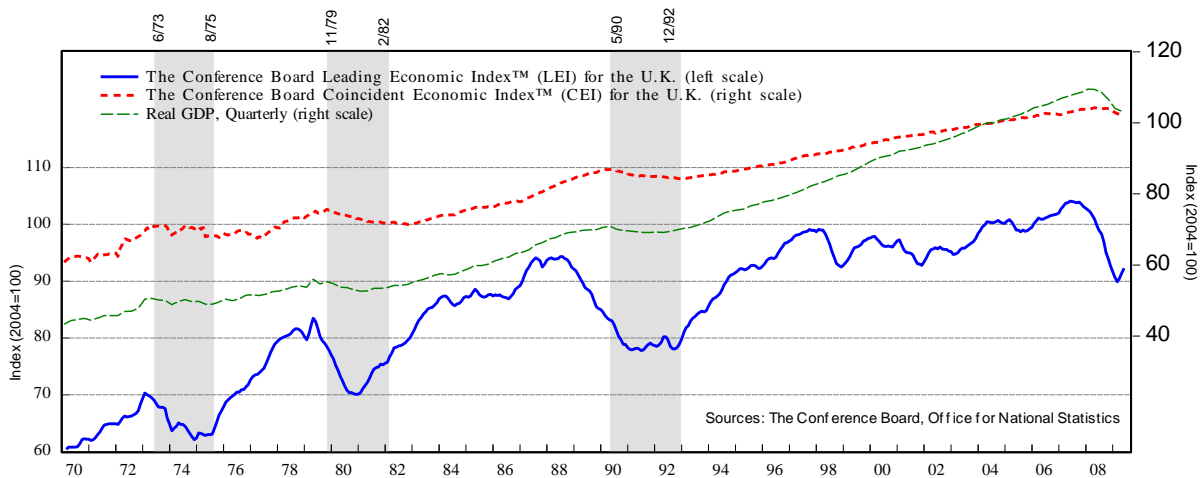
#### Increases again in June

**BRUSSELS, August 6, 2009...** The Conference Board Leading Economic Index™ (LEI) for the U.K. increased by 1.0 percent in June to 92.3 (2004 = 100), following a 1.0 percent rise in May and a 0.7 percent gain in April. Volume of expected output, consumer confidence, the yield spread and order book volume made positive contributions to the index.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The UK LEI does not provide a clear recovery signal, unlike the LEIs for the [Euro Area](#) and the [United States](#). Euro Area and the United States. The likelihood of a trough materializing before year’s end has slightly increased, but GDP should be below most forecasts in 2009.”

The Conference Board LEI for the U.K. increased for a third consecutive month in June after a long period of decline. At the same time, **The Conference Board Coincident Economic Index™ (CEI)** for the U.K., a measure of current economic activity, increased 0.1 percent in June, after falling 0.2 percent in May and decreasing 0.2 percent in April. The increase in the CEI was mainly due to the gains in both retail sales and industrial production. The index now stands at 102.3 (2004 = 100).

### **The Conference Board LEI for the U.K. shows improvement during the second quarter of 2009**



Note: Shaded areas represent recessions 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™** 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 eight other countries, including the U.S., Germany, France, Spain, Japan, Australia, Korea and Mexico.

To view The Conference Board calendar of 2009 indicator releases:

<http://www.conference-board.org/economics/indicators.cfm>

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

For full press release: [http://www.conference-board.org/economics/bci/pressRelease\\_output.cfm?cid=2](http://www.conference-board.org/economics/bci/pressRelease_output.cfm?cid=2)

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

	Apr	2009 May	Jun	6-month Dec to Jun
Leading Economic Index (LEI)	90.5 p	91.4 p	92.3 p	
Percent Change	0.7 p	1.0 p	1.0 p	-0.4
Diffusion	57.1	64.3	57.1	57.1
Coincident Economic Index (CEI)	102.4 p	102.2 p	102.3 p	
Percent Change	-0.2 p	-0.2 p	0.1 p	-1.5
Diffusion	50.0	12.5	87.5	25.0

n.a. Not available    p Preliminary    r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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