



THE CONFERENCE BOARD

FOR RELEASE: 10:00 A.M. KST, FRIDAY, NOVEMBER 13, 2009

The Conference Board®  
Korea Business Cycle Indicators<sup>SM</sup>  
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™  
(LEI) FOR KOREA**  
**AND RELATED COMPOSITE ECONOMIC INDEXES FOR SEPTEMBER 2009**

**The Conference Board Leading Economic Index™ (LEI)** for Korea increased 2.3 percent and **The Conference Board Coincident Economic Index™ (CEI)** for Korea increased 0.9 percent in September.

- The Conference Board LEI for Korea increased sharply in September, following a small decline in August. The strengths among the leading indicators were very widespread this month, as all of them made positive contributions to the index. With the gain in September, the growth in the leading economic index has accelerated to 7.1 percent (about a 14.8 percent annual rate) in the six-month period through September 2009, a sharp reversal from the decline of 8.6 percent (about a -16.4 percent annual rate) for the previous six months, and the highest six-month growth rate since August 1999. In addition, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Korea, a measure of current economic activity, also increased in September. All of the coincident indicators advanced this month. In the six-month period through September, the coincident economic index increased by 3.3 percent (a 6.8 percent annual rate), a large improvement over the 2.9 percent decline (about a -5.6 percent annual rate) for the previous six months. At the same time, real GDP has continued to expand, by 12.3 percent (annual rate) in the third quarter of 2009, following a 5.6 percent average annual rate in the first half of the year.
- The Conference Board LEI and The Conference Board CEI for Korea have both risen sharply this year, and their growth rates have picked up in recent months. Taken together, the current behavior of the composite indexes and their components suggests that the recovery in economic activity will continue in the near term.

**LEADING INDICATORS.** All seven components that make up The Conference Board LEI for Korea increased in September. The positive contributors – from the largest positive contributor to the smallest – were the (inverted) index of inventories to shipments, private construction orders, value of machinery orders, stock prices, real exports FOB, letter of credit arrivals, and the (inverted) yield of government public bonds.

With the 2.3 percent increase in September, The Conference Board LEI for Korea now stands at 108.3 (2004=100). Based on revised data, this index declined 0.3 percent in August and increased 1.5 percent in July. During the six-month span through September, the leading economic index increased 7.1 percent, with six of the seven components advancing (diffusion index, six-month span equals 85.7 percent).

**COINCIDENT INDICATORS.** All four components that make up The Conference Board CEI for Korea increased in September. The positive contributors— in order from the largest positive contributor to the smallest – were industrial production, the wholesale and retail sales component, total employment, and monthly cash earnings.

With the 0.9 percent increase in September, The Conference Board CEI for Korea now stands at 108.9 (2004=100). Based on revised data, this index increased 0.2 percent in August and remained unchanged in July. During the six-month span through September, the coincident economic index increased 3.3 percent, with three of the four components advancing (diffusion index, six-month span equals 75.0 percent).

**DATA AVAILABILITY.** The data series used to compute **The Conference Board Leading Economic Index™ (LEI)** and **The Conference Board Coincident Economic Index™ (CEI)** for Korea reported in this release are those available “as of” 10 A.M. (ET) on November 11, 2009.

\* The series in the coincident economic index based on The Conference Board’s estimates is monthly cash earnings.

**ABOUT THE CONFERENCE BOARD**

The Conference Board is a global, 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 U.S. For additional information about The Conference Board and how it can meet your needs, visit our website at [www.conference-board.org](http://www.conference-board.org).

**Summary Table of Composite Economic Indexes**

	<u>Jul</u>	<u>2009</u> <u>Aug</u>	<u>Sep</u>	<u>6-month</u> <u>Mar to Sep</u>
<b>Leading Economic index (LEI)</b>	106.2 r	105.9 r	108.3	
Percent Change	1.5 r	-0.3	2.3	7.1
Diffusion	78.6 r	57.1	92.9	85.7
<b>Coincident Economic Index (CEI)</b>	107.7 p	107.9 p	108.9 p	
Percent Change	0.0 p	0.2 p	0.9 p	3.3 p
Diffusion	25.0	50.0	100.0	75.0

n.a. Not available    p Preliminary    r Revised

Indexes equal 100 in 2004

Source: The Conference Board                      All Rights Reserved

-----  
**Professional Contacts at The Conference Board:**  
Indicator Program:                      1-212-339-0330

**Media Contacts:**  
Frank Tortorici: 908-875-8908

For more information visit our Website: [www.conference-board.org/economics/bci/](http://www.conference-board.org/economics/bci/)

The next release is scheduled for Friday, December 11, 2009 at 10:00 A.M. (KST)

*In the U.S* – Thursday, December 10, 2009 at 8:00 P.M (EST)