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Further information:

Rosa Correia + 32 2 679 5059 / rosa.correia@conference-board.org

Derek Servais + 32 2 679 5054 / derek.servais@conference-board.org

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

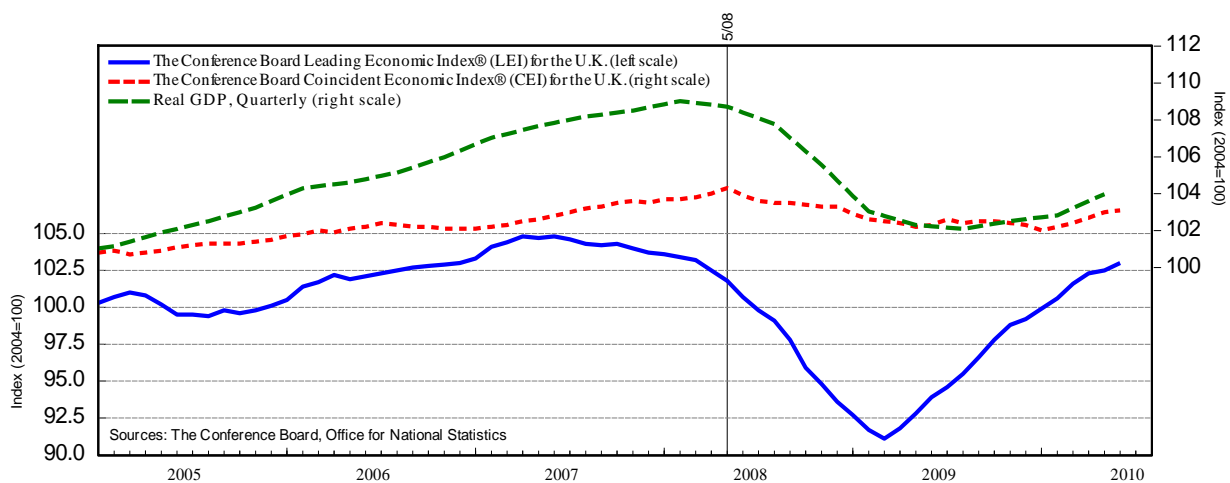
Increased Again in June

BRUSSELS, August 10, 2010... The Conference Board Leading Economic Index® (LEI) for the U.K. increased 0.5 percent in June to 103.0 (2004=100), following gains of 0.2 percent in May and 0.7 percent in April. Four of the seven components made positive contributions to the index in June.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The slight pick up in the LEI for the United Kingdom suggests that the recovery will continue. However, the positive contributions among the leading indicators have become less widespread recently, signaling slowing momentum. The deterioration of consumer confidence, particularly with regard to the labor market, could exacerbate the impact of deficit reduction measures and, if sustained, will add an additional drag to growth in 2011.”

The Conference Board LEI for the U.K. has been rising for more than a year now, though its six-month growth rate has moderated in recent months. 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 June, after increasing by 0.3 percent in May and 0.3 percent in April. The index now stands at 103.1 (2004 = 100).

The Conference Board LEI for the U.K. has been growing since March 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>

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

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Summary Table of Composite Economic Indexes

		2010		6-month
	Apr	May	Jun	Dec to Jun
Leading Economic Index (LEI)	102.3 p	102.5 p	103.0 p	
Percent Change	0.7 p	0.2 p	0.5 p	3.8 p
Diffusion	71.4	50.0	50.0	42.9
Coincident Economic Index (CEI)	102.7 p	103.0 p	103.1 p	
Percent Change	0.3 p	0.3 p	0.1 p	0.8 p
Diffusion	50.0	100.0	75.0	100.0

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

Source: The Conference Board

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