



News Release

Follow The Conference Board

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

Further information:

The Conference Board Europe, Brussels: + 32 2 675 5405 (main line)

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

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

FOR RELEASE: 10:00 A.M. (PARIS TIME), WEDNESDAY, AUGUST 18, 2010

The Conference Board[®]
France Business Cycle IndicatorsSM
THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®]
(LEI) FOR FRANCE
AND RELATED COMPOSITE ECONOMIC INDEXES FOR JUNE 2010

Brussels, August 18, 2010... The Conference Board Leading Economic Index[®] (LEI) for France declined 0.3 percent and The Conference Board Coincident Economic Index[®] (CEI) decreased 0.1 percent in June.

- The Conference Board LEI for France declined in June, its first decline in over a year. Negative contributions from production expectations, building permits (residential) and industrial new orders more than offset the positive contribution from the yield spread. Between December 2009 and June 2010, the leading economic index increased 2.7 percent (about a 5.5 percent annual rate), down from an increase of 3.7 percent (about a 7.6 percent annual rate) during the last half of 2009. In addition, the weaknesses among the leading indicators have remained more widespread than the strengths in recent months.
- The Conference Board CEI for France, a measure of current economic activity, also declined in June as a result of decreasing industrial production and personal consumption of manufactured goods. Between December 2009 and June 2010, the coincident economic index increased 0.3 percent (about a 0.6 percent annual rate) after remaining unchanged during the previous six-month period. In addition, the strengths among the coincident indicators have remained widespread in recent months. Real GDP increased by 2.5 percent (annual rate) in the second quarter of 2010, up from an increase of 0.7 percent (annual rate) in the first quarter.
- The Conference Board LEI for France declined in June after rising sharply for more than a year, while its six-month growth rate has gradually moderated since reaching a high in October 2009. Despite June's decline, the LEI remains 8.7 percent above its most recent trough in March 2009. Meanwhile, The Conference Board CEI for France has increased slightly this year after remaining largely flat in the second half of 2009. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue to improve at a moderate pace in the near term.

Please visit our website at <http://www.conference-board.org/data/bci.cfm>

Also visit the website of our research associate in France: <http://www.rexecode.fr/index.jsv>

The next release is scheduled for Tuesday, September 21, 2010 at 4:00 A.M. ET (10:00 A.M. Paris Time)

LEADING INDICATORS. One of the seven components of the leading economic index increased in June. The positive contributor to the index was the yield spread. The negative contributors to the index--beginning with the largest negative contributor--are production expectations, building permits (residential), industrial new orders, the ratio of the deflator of manufacturing value added to unit labor cost in manufacturing*, and the inverted new unemployment claims component. The stock price index remained unchanged in June.

With the decrease of 0.3 percent in June, the leading economic index now stands at 109.1 (2004=100). Based on revised data, this index increased 0.2 percent in May and increased 0.8 percent in April. During the six-month span through June, the index increased 2.7 percent, and three of the seven components increased (diffusion index, six-month span equals 42.9 percent).

COINCIDENT INDICATORS. Two of the four components of the coincident economic index increased in June. The positive contributors to the index were wage and salaries*, and employment*. Industrial production and personal consumption declined in June.

With the decrease of 0.1 percent in June, the coincident economic index now stands at 103.9 (2004=100). Based on revised data, this index increased 0.3 percent in May and decreased 0.1 percent in April. During the six-month period through June, the index increased 0.3 percent, with three of the four series making a positive contribution (diffusion index, six-month span equals 75.0 percent).

Prior to March 2009, the residential building permits component of The Conference Board LEI for France is calculated as permits granted minus permits cancelled. From March 2009 going forward, the permits granted series replaces residential building permits because of delays in the publication of permits cancelled data by the source agency. The same standardization factor is applied to both series because their volatilities are similar. If the missing series becomes available, the original definition of the housing permits series may be restored at the next benchmark revision.

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 United States.

Summary Table of Composite Indexes

	Apr	2010 May	Jun	6-month Dec. to Jun
Leading Economic Index (LEI)	109.2 p	109.4 p	109.1 p	
Percent Change	0.8 p	0.2 p	-0.3 p	2.7 p
Diffusion	64.3	42.9	14.3	42.9
Coincident Economic Index (CEI)	103.7	104.0 r	103.9 p	
Percent Change	-0.1 r	0.3 r	-0.1 p	0.3 p
Diffusion	50.0	100.0	50.0	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

All Rights Reserved