



THE CONFERENCE BOARD

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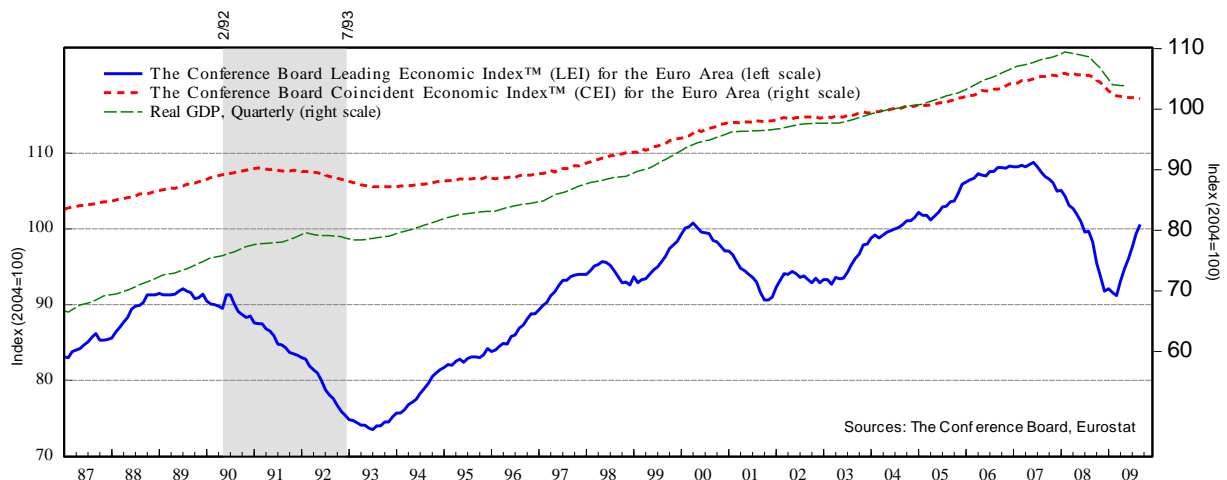
The Conference Board Leading Economic Index™ (LEI) for the Euro Area **Continues to Recover**

BRUSSELS, October 28, 2009... The Conference Board Leading Economic Index™ (LEI) for the Euro Area increased 1.2 percent in September to 100.6 (2004 = 100), following a 1.8 percent increase in August and a 1.7 percent increase in July. Seven of the eight components contributed positively to the index this month.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “Strong gains over the last six months in the LEIs for the Euro Area, [Germany](#) and [France](#) point to a continuing recovery process. However, current economic conditions remain weak and the continued downtrend in Euro Area employment combined with expiring stimulus measures pose a risk of an extended weak growth period following the near term recovery.”

The Conference Board LEI for the Euro Area has increased by 9.6 percent during 2009 after falling more than 15.0 percent between June 2007 and December 2008. Meanwhile, **The Conference Board Coincident Economic Index™ (CEI)** for the Euro Area, a measure of current economic activity, declined by 0.1 percent in September, falling to 101.7 (2004 = 100), according to preliminary estimates*, after decreasing by 0.1 percent in August and remaining unchanged in July. The rate of decline for The Conference Board CEI for the Euro Area has slowed substantially during the past six months.

LEI for the Euro Area Continues to Show Substantial Improvement



Note: Shaded areas represent recessions in the Euro Area as determined by The Conference Board

LEI Peak: June 2007

CEI Peak: Feb 2008

Real GDP Peak: Q1 2008

The Conference Board LEI for the Euro Area aggregates eight economic indicators that measure activity in the Euro Area as a whole (rather than indicators of individual member countries), 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.

About The Conference Board Leading Economic Index™ (LEI) for the Euro Area

The Conference Board Leading Economic Index™ for the Euro Area was launched in January 2009. Plotted back to 1987, this index has successfully signaled turning points in the business cycle of the bloc of countries that now constitute the Euro Area, defined by the common currency zone.

The Conference Board currently produces leading economic indexes for nine other individual countries, including the U.S., the U.K., Germany, France, Spain, Japan, Australia, Korea and Mexico.

The eight components of **The Conference Board Leading Economic Index™** for the Euro Area include:

Economic Sentiment Index (source: European Commission DG-ECFIN)

Index of Residential Building Permits Granted (source: Eurostat)

Index of Capital Goods New Orders (source: Eurostat)

Dow Jones EURO STOXX® Index (source: STOXX Limited)

Money Supply (M2) (source: European Central Bank)

Interest Rate Spread (source: ECB)

Eurozone Manufacturing Purchasing Managers' Index (source: Markit Economics)

Eurozone Service Sector Future Business Activity Expectations Index (source: Markit Economics)

To view The Conference Board calendar of 2009 indicator releases:

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

* Series in The Conference Board LEI for the Euro Area that are based on The Conference Board estimates are real money supply, residential building permits and new orders of capital goods. All series in The Conference Board CEI for the Euro Area are based on The Conference Board estimates (employment, industrial production, retail trade and manufacturing turnover).

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

	2009			6-month Mar to Sep
	Jul	Aug	Sep	
Leading Economic Index (LEI)	97.6 p	99.4 p	100.6 p	
Percent Change	1.7 p	1.8 p	1.2 p	10.3 p
Diffusion	62.5	62.5	81.3	100.0
Coincident Economic Index (CEI)	101.9 p	101.8 p	101.7 p	
Percent Change	0.0 p	-0.1 p	-0.1 p	-0.5 p
Diffusion	50.0	50.0	62.5	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board All Rights Reserved

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