



THE CONFERENCE BOARD

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The Conference Board®
France Business Cycle IndicatorsSM

**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™
(LEI) FOR FRANCE**
AND RELATED COMPOSITE ECONOMIC INDEXES FOR NOVEMBER 2009

This month's release incorporates annual benchmark revisions to the composite economic indexes, which bring them up-to-date with revisions in the source data. These revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed. As a result, the revised indexes will not be comparable to those issued prior to the benchmark revision.

For more information, please visit our website at <http://www.conference-board.org/economics/bci/> or contact us at indicators@conference-board.org.

Brussels, January 20, 2010... The Conference Board Leading Economic Index™ (LEI) for France increased 0.6 percent and The Conference Board Coincident Economic Index™ (CEI) remained unchanged in November.

- The Conference Board LEI for France increased again in November. The yield spread and production expectations index components made the largest positive contributions. Between May and November 2009, the leading economic index increased by 4.5 percent (about a 9.3 percent annual rate), a reversal from the 1.3 percent decline (about a -2.5 percent annual rate) in the previous six months. In addition, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for France, a measure of current economic activity, remained unchanged in November following four consecutive declines. Between May and November 2009, the coincident economic index declined by 0.4 percent (about a -0.8 percent annual rate), slower than the 1.7 percent decline (about a -3.4 percent annual rate) during the previous six months. Additionally, the strengths and weaknesses among the coincident indicators have remained balanced in recent months. At the same time, real GDP expanded at a 1.0 percent annual rate in the third quarter of 2009. Following a slightly higher 1.3 percent annual rate of growth in the second quarter, this is a continued improvement from the previous four consecutive quarters of decline.
- After falling from November 2007 through March 2009, The Conference Board LEI has risen sharply since the first quarter of this year. Its six-month growth rate is now slightly below its highest level since 1999. Meanwhile, The Conference Board CEI for France has been mostly falling since reaching a peak in February 2008, but the pace of its decline has gradually eased. Taken together, the recent behavior of the composite economic indexes suggests that economic conditions will continue to improve in the near term.

Please visit our website at <http://www.conference-board.org/economics/bci>
Also visit the website of our research associate in France: <http://www.rexecode.fr/index.jsv>
The next release is scheduled for Monday, February 22, 2010 at 4:00 A.M. ET (10:00 A.M. Paris Time)

LEADING INDICATORS. Four of the seven components of the leading economic index increased in November. The positive contributors to the index— in order from the largest positive contributor to the smallest— are the yield spread, production expectations, building permits (residential), and the ratio of the deflator of manufacturing value added to unit labor cost for manufacturing*. The negative contributors to the index— beginning with the largest negative contributor— are the stock price index and the inverted new unemployment claims. Industrial new orders remained unchanged in November.

With the increase of 0.6 percent in November, the leading economic index now stands at 106.1 (2004=100). Based on revised data, this index increased 0.8 percent in October and increased 0.9 percent in September. During the six-month span through November, the index increased 4.5 percent, and six of the seven components increased (diffusion index, six-month span equals 85.7 percent).

COINCIDENT INDICATORS. Two of the four components of the coincident economic index increased in November. The positive contributors to the index were industrial production and wage and salaries*. Number of employees* and personal consumption declined in November.

After remaining unchanged in November, the coincident economic index now stands at 103.2 (2004=100). Based on revised data, this index decreased 0.1 percent in October and decreased 0.1 percent in September. During the six-month period through November, the index decreased 0.4 percent, with two of the four series making a positive contribution (diffusion index, six-month span equals 50.0 percent).

* See notes under data availability.

NOTE: Prior to March 2009, the residential building permits component of the LEI for France is calculated as permits granted minus permits canceled. From March 2009 going forward, the permits granted series replaces residential building permits because of delays in the publication of permits canceled by the source agency. The same standardization factor is applied to both series since 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

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Summary Table of Composite Indexes

	2009		6-month	
	Sep	Oct	Nov	May. to Nov
Leading Economic Index (LEI)	104.7 p	105.5 p	106.1 p	
Percent Change	0.9 p	0.8 p	0.6 p	4.5 p
Diffusion	78.6	71.4	50.0	85.7
Coincident Economic Index (CEI)	103.3 p	103.2 p	103.2 p	
Percent Change	-0.1 p	-0.1 p	0.0 p	-0.4 p
Diffusion	25.0	37.5	50.0	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

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