



News Release

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FOR RELEASE: 10:00 A.M. (BERLIN TIME), FRIDAY, AUGUST 20, 2010

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

BRUSSELS, August 20, 2010... The Conference Board Leading Economic Index[®] (LEI) for Germany increased 0.9 percent and The Conference Board Coincident Economic Index[®] (CEI) remained unchanged in June.

- The Conference Board LEI for Germany continued to increase in June. New orders in investment goods industries and the yield spread continued to make very large positive contributions to the index this month. Between December 2009 and June 2010, the leading economic index increased by 6.1 percent (about a 12.6 percent annual rate), in line with the increase of 6.3 percent (about a 12.9 percent annual rate) during the previous six-month period. In addition, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Germany, a measure of current economic activity, remained unchanged in June. During the first half of the year, the coincident economic index increased by 1.6 percent (about a 3.2 percent annual rate), faster than the increase of 0.4 percent (about a 0.8 percent annual rate) between June and December 2009. In addition, the strengths among the coincident indicators have remained very widespread, with all four components increasing over the past six months. Real GDP increased by a 9.0 percent annual rate in the second quarter of 2010, following a 1.9 percent annual rate of increase in the first quarter.
- The Conference Board LEI for Germany has been increasing for more than a year and it is now 17.1 percent above its most recent trough in March 2009. Its six-month growth rate has picked up lately but remains well below its September 2009 peak. Meanwhile, The Conference Board CEI for Germany has been on a rising trend for more than a year, and its six-month growth rate is near its most recent high reached in March 2007. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue expanding in the near term.

The next release is scheduled for Wednesday, September 22, 2010 at 10:00 A.M. (Berlin Time)

In the U.S. – Wednesday, September 22, 2010 at 4:00 A.M. (ET)

LEADING INDICATORS. Five of the seven components in The Conference Board LEI for Germany increased in June. The positive contributors -- in order from the largest positive contributor to the smallest -- were new orders in investment goods industries, the yield spread, new residential construction orders*, stock prices, and inventory change*. Consumer confidence and gross enterprise and property income* remained unchanged in June.

With the 0.9 percent increase in June, The Conference Board LEI for Germany now stands at 104.3 (2004=100). Based on revised data, this index increased 0.4 percent in May and increased 2.4 percent in April. During the six-month span through June, the index increased 6.1 percent, with six of the seven components increasing (diffusion index, six-month span equals 85.7 percent).

COINCIDENT INDICATORS. Two of the four components that make up The Conference Board CEI for Germany increased in June. The positive contributors were employed persons and manufacturing sales. Industrial production and retail trade declined in June.

After remaining unchanged in June, The Conference Board CEI for Germany now stands at 103.9 (2004=100). Based on revised data, this index increased 0.6 percent in May and increased 0.4 percent in April. During the six-month period through June, the index increased 1.6 percent, with all four components increasing (diffusion index, six-month span equals 100.0 percent).

ABOUT THE CONFERENCE BOARD

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Summary Table of Composite Indexes

	Apr	2010 May	Jun	6-month Dec to Jun
Leading Economic Index (LEI)	103.0 p	103.4 p	104.3 p	
Percent Change	2.4 p	0.4 p	0.9 p	6.1 p
Diffusion	92.9	50.0	71.4	85.7
Coincident Economic Index (CEI)	103.3 r	103.9 r	103.9	
Percent Change	0.4 r	0.6 r	0.0	1.6
Diffusion	75.0	100.0	50.0	100.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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