



THE CONFERENCE BOARD

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The Conference Board®  
Germany Business Cycle Indicators<sup>SM</sup>  
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™ (LEI)  
FOR GERMANY**  
**AND RELATED COMPOSITE ECONOMIC INDEXES FOR APRIL 2009**

**BRUSSELS, June 24, 2009...** The Conference Board Leading Economic Index™ (LEI) for Germany increased 0.4 percent and The Conference Board Coincident Economic Index™ (CEI) decreased 0.2 percent in April.

- The Conference Board LEI for Germany increased in April for the first time since October 2007 as large positive contributions from stock prices and the yield spread more than offset a negative contribution from consumer confidence. However, the index was revised downwards between December 2008 and March 2009 after new data for gross enterprises and properties income and inventory changes became available. Between October 2008 and April 2009, the leading economic index declined by 10.8 percent (about a -20.5 percent annual rate), faster than the decline of 7.3 percent (about a -14.1 percent annual rate) between April and October 2008. In addition, the weaknesses among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Germany, a measure of current economic activity, continued to fall in April as a result of declines in industrial production and employment. Between October 2008 and April 2009, the coincident economic index decreased by 3.6 percent (about a -7.1 percent annual rate), faster than the decline of 0.6 percent (about a -1.1 percent annual rate) during the previous six months. Additionally, the weaknesses among the coincident indicators have remained very widespread, with all four components decreasing during the past six months. Meanwhile, real GDP fell at a 14.4 percent annual rate during the first quarter of this year, its largest one-quarter contraction since 1970, following a decline of 8.6 percent annual rate during the fourth quarter of 2008.
- Although The Conference Board LEI for Germany increased slightly this month, it has been generally falling since July 2007 amid widespread weaknesses among its components. However, the pace of contraction has moderated slightly in recent months. The Conference Board CEI for Germany has been declining since August 2008, and its six-month growth rate remains near its 44-year low. Despite this month's increase in the leading economic index, the persistent and rapid declines in both composite economic indexes suggest that although the pace of contraction may moderate slightly in the near term, the downturn is unlikely to end soon.

**LEADING INDICATORS.** Five of the seven components in The Conference Board LEI for Germany increased in April. The positive contributors — in order from the largest positive contributor to the smallest— are stock prices, yield spread, new residential construction orders\*, new orders in investment goods industries and inventory change series\*. Negative contributors—in order from largest to smallest— are consumer confidence and gross enterprises and properties income\*.

With the 0.4 percent increase in April, The Conference Board LEI for Germany now stands at 85.8 (2004=100). Based on revised data, this index declined 0.9 percent in March and declined 2.6 percent in February. During the six-month span through April, the index decreased 10.8 percent, with one of the seven components increasing (diffusion index, six-month span equals 14.3 percent).

*\*See notes under data availability*

**COINCIDENT INDICATORS.** One of the four components that make up The Conference Board CEI for Germany increased in April. The only positive contributor was retail trade. Industrial production, employed persons, and manufacturing sales declined in April.

With the 0.2 percent decrease in April, The Conference Board CEI for Germany now stands at 101.3 (2004=100). Based on revised data, this index decreased 0.3 percent in March and decreased 0.6 percent in February. During the six-month period through April, the index decreased 3.6 percent, with none of the four components increasing (diffusion index, six-month span equals 0.0 percent).

*\* See notes under data availability.*

**ABOUT THE CONFERENCE BOARD**

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**Summary Table of Composite Indexes**

	Feb	2009 Mar	Apr	6-month Oct to Apr
<b>Leading Economic Index (LEI)</b>	86.3 r	85.5 p	85.8 p	
Percent Change	-2.6 r	-0.9 p	0.4 p	-10.8 p
Diffusion	14.3	35.7	64.3	14.3
<b>Coincident Economic Index (CEI)</b>	101.8	101.5 r	101.3 p	
Percent Change	-0.6	-0.3 r	-0.2 p	-3.6 p
Diffusion	12.5	50.0	25.0	0.0

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

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The next release is scheduled for Tuesday, July 21, 2009 at 10:00 A.M. CET (4:00 A.M. ET)