



News Release

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FOR RELEASE: 10:00 A.M. (BERLIN TIME), WEDNESDAY, OCTOBER 15, 2014

The Conference Board[®]
Germany Business Cycle IndicatorsSM
THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®]
(LEI) FOR GERMANY
AND RELATED COMPOSITE ECONOMIC INDEXES FOR AUGUST 2014

BRUSSELS, October 15, 2014... The Conference Board Leading Economic Index[®] (LEI) for Germany declined 1.0 percent and The Conference Board Coincident Economic Index[®] (CEI) decreased 0.3 percent in August.

- The Conference Board LEI for Germany fell again in August, following back-to-back monthly declines. Consumer confidence, the stock price index, and new orders for investment goods made the largest negative contributions. In six-month period ending in August, the leading economic index contracted by 1.9 percent (about a -3.8 percent annual rate), a reversal from its increase of 2.0 percent (about a 4.1 percent annual rate) in the previous six months. In addition weaknesses among the leading indicators have become more widespread than the strengths in recent months.
- The Conference Board CEI for Germany, a measure of current economic activity, also declined in August. Between February and August, the coincident economic index decreased by 0.1 percent (about a -0.2 percent annual rate), down from its increase of 0.7 percent (about a 1.5 percent annual rate) over the prior six months. The strengths and weaknesses among the components have become balanced in recent months. Meanwhile, real GDP decreased 0.6 percent (annual rate) in the second quarter of 2014, after expanding 2.7 percent (annual rate) in the first quarter.
- The decline in the LEI in August was its third consecutive decline and the largest monthly drop since the autumn of 2011. As a result its six-month growth rate has now fallen deeper into negative territory. Meanwhile, the CEI also declined in August, and its six-month growth rate turned slightly negative. Taken together, the recent behavior of the composite indexes suggests that economic activity will likely remain on a slow to slightly negative growth path with continued downside risks in the near term.

LEADING INDICATORS. Two of the seven components that make up The Conference Board LEI for Germany increased in August. The positive contributors—in order from the larger positive contributor to the smaller—were the yield spread and inventory change*. Negative contributors—in order from the largest to the smallest—were consumer confidence, stock prices, new orders for investment goods, new residential construction orders*, and gross enterprises and property income*.

The next release is scheduled for Friday, November 21, 2014 at 10:00 A.M. (Berlin Time)

In the U.S. – Friday, November 21, 2014 at 4:00 A.M. (ET)

With the 1.0 percent decrease in August, The Conference Board LEI for Germany now stands at 107.7 (2004=100). Based on revised data, this index declined 0.5 percent in July and declined 0.4 percent in June. During the six-month span through August, the index decreased 1.9 percent, with only three of the seven components increasing (diffusion index, six-month span equals 42.9 percent).

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

With the 0.3 percent decrease in August, The Conference Board CEI for Germany now stands at 108.3 (2004=100). Based on revised data, this index increased 0.2 percent in July and increased 0.1 percent in June. During the six-month period through August, the index decreased 0.1 percent, with two of the four components increasing (diffusion index, six-month span equals 50.0 percent).

** See notes under data availability.*

FOR TABLES AND CHARTS, SEE BELOW

DATA AVAILABILITY The data series used to compute **The Conference Board Leading Economic Index[®]** (LEI) for Germany and **The Conference Board Coincident Economic Index[®]** (CEI) for Germany reported in this release are those available “as of” 10:00 A.M. ET October 14, 2014. Some series are estimated as noted below.

NOTES: Series in The Conference Board LEI for Germany that are based on our estimates are inventory change, new residential construction orders, and gross enterprises and properties income.

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Summary Table of Composite Indexes

	2014			6-month Feb to Aug
	Jun	Jul	Aug	
Leading Economic Index (LEI)	109.3 p	108.8 p	107.7 p	
Percent Change	-0.4 p	-0.5 p	-1.0 p	-1.9 p
Diffusion	42.9	42.9	28.6	42.9
Coincident Economic Index (CEI)	108.4	108.6	108.3	
Percent Change	0.1	0.2	-0.3	-0.1
Diffusion	75.0	50.0	50.0	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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