



News Release

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The Conference Board®
The U.K. Business Cycle IndicatorsSM
THE CONFERENCE BOARD LEADING ECONOMIC INDEX®
(LEI) FOR THE UNITED KINGDOM
AND RELATED COMPOSITE ECONOMIC INDEXES FOR NOVEMBER 2014

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. Also, with this benchmark revision, the base year of the composite indexes was changed to 2010 = 100 from 2004 = 100. 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, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision. For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact us at indicators@conference-board.org.

BRUSSELS, January 14, 2015... The Conference Board Leading Economic Index® (LEI) for the U.K. declined 0.3 percent, and The Conference Board Coincident Economic Index® (CEI) increased 0.2 percent in November.

- The Conference Board LEI for the U.K. continued to decrease in November, with volume of expected output, order book volume and consumer confidence making large negative contributions. Between May and November 2014, the leading economic index improved 0.3 percent (about a 0.5 percent annual rate), down from its 2.2 percent growth (about a 3.1 percent annual rate) in the previous six months. Meanwhile, the weaknesses among the leading indicators have become more widespread than the strengths in the past six months.
- The Conference Board CEI for the U.K., a measure of current economic activity, improved slightly in November. In the six-month period ending in November 2014, the coincident economic index increased 0.7 percent (about a 1.2 percent annual rate), down from its growth of 1.5 percent (about a 3.4 percent annual rate) over the prior six months. The strengths among the coincident indicators, however, have remained very widespread, with all four components increasing over the past six months. Meanwhile, real GDP increased 2.7 percent (annual rate) in the third quarter of 2014, down from 3.5 percent (annual rate) in the second quarter.
- The LEI has declined for the third consecutive month, and consequently its six-month change has slowed considerably from the first half of 2014. Meanwhile, the CEI has been improving slowly, but its six-month change has eased in recent months. Taken together, the composite indexes suggest that economic activity will continue to improve, but the pace will remain moderate and is unlikely to accelerate in the near term.

The next release is scheduled for Friday, February 13, 2015 at 2:30 P.M. (London time)
In the U.S. – Friday, February 13, 2015 at 9:30 A.M. (ET)

LEADING INDICATORS. Four of the seven components that make up The Conference Board LEI for the U.K. increased in November. The positive contributors – from the largest positive contributor to the smallest – were the yield spread, stock prices, productivity for the whole economy*, and total gross operating surplus of corporations*. The negative contributors – from the largest negative contributor to the smallest – were volume of expected output, order book volume, and consumer confidence.

With the 0.3 percent decrease in November, The Conference Board LEI for the U.K. now stands at 111.6 (2010=100). Based on revised data, this index declined 0.3 percent in both October and September. During the six-month span through November, the leading economic index increased 0.3 percent, with three of the seven components advancing (diffusion index, six-month span equals 42.9 percent).

COINCIDENT INDICATORS. Three of the four components that make up The Conference Board CEI for the U.K. increased in November. The positive contributors – from the largest positive contributor to the smallest – were retail sales, real household disposable income*, and employment*, while industrial production declined in November.

With the increase of 0.2 percent in November, The Conference Board CEI for the U.K. now stands at 107.8 (2010=100). Based on revised data, this index increased 0.1 percent in October and remained unchanged in September. During the six-month period through November, the coincident economic index increased 0.7 percent, with all four components advancing (diffusion index, six-month span equals 100.0 percent).

DATA AVAILABILITY:

The data series used to compute **The Conference Board Leading Economic Index[®]** (LEI) for the U.K. and **The Conference Board Coincident Economic Index[®]** (CEI) for the U.K. reported in this release are those available “as of” 10 A.M. ET on Friday, January 9, 2015. Some series are estimated as noted below.

* Series in The Conference Board LEI for the U.K. that are based on our estimates are productivity for the whole economy and total gross operating surplus of corporations. Series in The Conference Board CEI for the U.K. that are based on our estimates are employment and real household disposable income.

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Summary Table of Composite Economic Indexes

	2014			6-month
	Sep	Oct	Nov	May to Nov
Leading Economic Index (LEI)	112.2 p	111.9 p	111.6 p	
Percent Change	-0.3 p	-0.3 p	-0.3 p	0.3 p
Diffusion	57.1	57.1	57.1	42.9
Coincident Economic Index (CEI)	107.5 p	107.6 p	107.8 p	
Percent Change	0.0 p	0.1 p	0.2 p	0.7 p
Diffusion	62.5	75.0	75.0	100.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2010

Source: The Conference Board

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