



News Release

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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 MARCH 2010

Brussels, May 19, 2010...The Conference Board Leading Economic Index® (LEI) for France increased 1.2 percent and The Conference Board Coincident Economic Index® (CEI) increased 0.2 percent in March.

- The Conference Board LEI for France increased again in March, with the yield spread, production expectations, building permits (residential) and stock prices making the largest positive contributions. Between September 2009 and March 2010, the leading economic index increased by 3.5 percent (about a 7.2 percent annual rate), slightly slower than the 4.5 percent increase (about a 9.1 percent annual rate) between April and October 2009. 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, increased in March for the first time in four months. Between September 2009 and March 2010, the index increased by 0.2 percent (about a 0.4 percent annual rate), a reversal from the decline of 0.4 percent (about a -0.8 percent annual rate) during the previous six months. Additionally, the strengths among the coincident indicators have been widespread in recent months. At the same time, real GDP expanded at a 0.5 percent annual rate in the first quarter of 2010, slowing from an increase of 2.2 percent annual rate during the fourth quarter of 2009.
- The Conference Board LEI for France has risen sharply for the past year, and its six-month growth rate remains near the high it reached in October 2009. Meanwhile, The Conference Board CEI for France has increased slightly in recent months, after a long period of decline. Taken together, the recent behavior of the composite indexes suggests that the improvement in economic activity should continue 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, June 21, 2010 at 4:00 A.M. ET (10:00 A.M. Paris Time)

LEADING INDICATORS. Six of the seven components of the leading economic index increased in March. 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), the stock price index, industrial new orders and inverted new unemployment claims. The only negative contributor to the index in March was the ratio of the deflator of manufacturing value added to unit labor cost for manufacturing*.

With the increase of 1.2 percent in March, the leading economic index now stands at 108.3 (2004=100). Based on revised data, this index increased 0.1 percent in February and increased 0.8 percent in January. During the six-month span through March, the index increased 3.5 percent, and five of the seven components increased (diffusion index, six-month span equals 71.4 percent).

COINCIDENT INDICATORS. Three of the four components of the coincident economic index increased in March. The positive contributors to the index were industrial production, personal consumption and wage and salaries*. Employment* declined in March.

With the increase of 0.2 percent in March, the coincident economic index now stands at 103.6 (2004=100). Based on revised data, this index decreased 0.1 percent in February and remained unchanged in January. During the six-month period through March, the index increased 0.2 percent, with three of the four series making a positive contribution (diffusion index, six-month span equals 75.0 percent).

* See notes under data availability.

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

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Summary Table of Composite Indexes

	Jan	2010 Feb	Mar	6-month Sep. to Mar
Leading Economic Index (LEI)	106.9 p	107.0 p	108.3 p	
Percent Change	0.8 p	0.1 p	1.2 p	3.5 p
Diffusion	64.3	28.6	78.6	71.4
Coincident Economic Index (CEI)	103.5 p	103.4 p	103.6 p	
Percent Change	0.0 p	-0.1 p	0.2 p	0.2 p
Diffusion	62.5	50.0	87.5	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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