



News Release

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Leading Economic Index for China

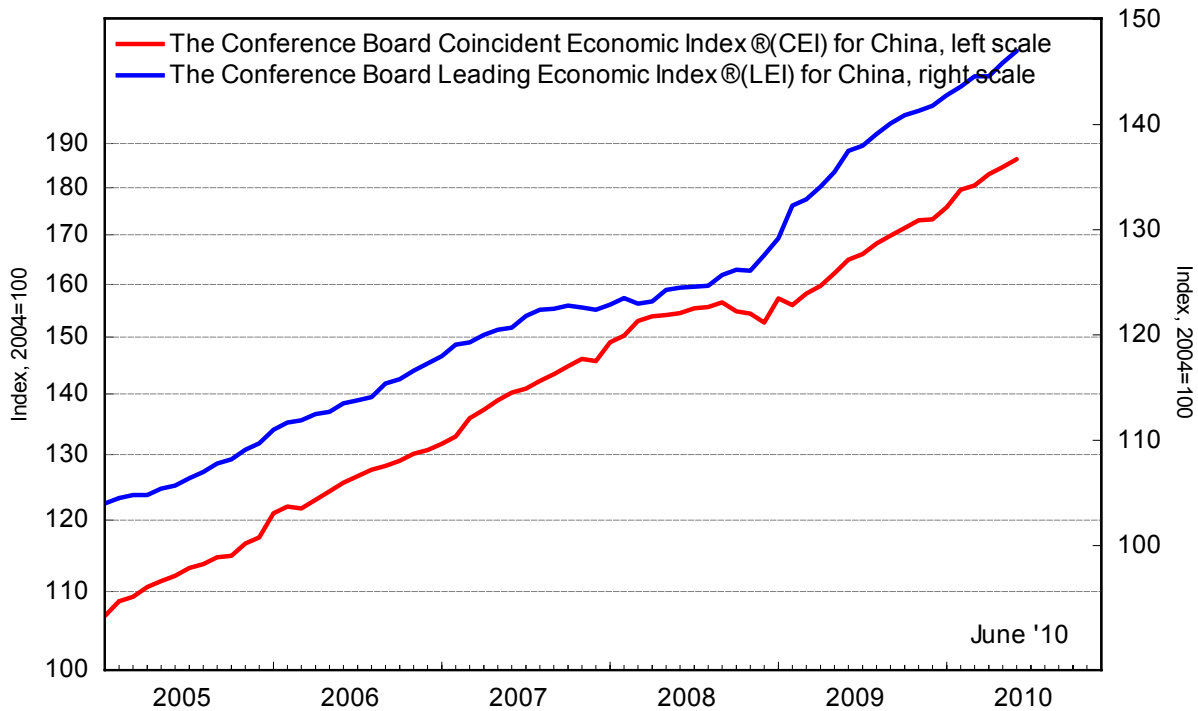
Increases Again in June

Beijing, August 17, 2010...The Conference Board Leading Economic Index[®] (LEI) for China increased 0.8 percent in June to 147.0 (2004 = 100), following a 0.9 percent increase in May and no change in April. Three of the six components contributed positively to the index in June.

“June’s increase in the China LEI signals continued moderate expansion in the second half of the year,” said Bill Adams, resident economist for The Conference Board China Center in Beijing. “The brisk rise in the CEI also shows an economy that is clearly settling into a post-stimulus growth dynamic. The LEI components show China’s export growth remaining relatively soft – no surprise in light of slowing demand from the United States, the Euro Area, and Japan – meaning domestic markets will offer the most dynamic business opportunities.”

The Conference Board Coincident Economic Index[®] (CEI) for China, which measures current economic activity, increased 1.0 percent in June to 186.4 (2004 = 100), following a 0.9 percent increase in May and a 1.4 percent increase in April. Four of the five components contributed positively to the index this month.

The Conference Board Leading Economic Index[®] (LEI) for China Increased in June



The Conference Board LEI for China aggregates six economic indicators that measure economic activity in China. Each of the LEI components has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

About The Conference Board Leading Economic Index[®] (LEI) for China

The Conference Board Leading Economic Index[®] for China was launched in May 2010. Plotted back to 1986, this index has successfully signaled turning points in the economic cycles of China.

The Conference Board also produces LEIs for Australia, the Euro Area, France, Germany, Japan, Korea, Mexico, Spain, the United Kingdom, and the United States.

The six components of **The Conference Board Leading Economic Index[®] (LEI)** for China include:

Total Loans Issued by Financial Institutions (source: People’s Bank of China)

5000 Industry Enterprises Diffusion Index: Raw Materials Supply Index (source: People’s Bank of China)

NBS Manufacturing PMI Sub-Indices: PMI Supplier Deliveries (source: National Bureau of Statistics)

Consumer Expectations Index (source: National Bureau of Statistics)

Total Floor Space Started (source: National Bureau of Statistics)

NBS Manufacturing PMI Sub-Indices: Export Orders (source: National Bureau of Statistics)

To view The Conference Board calendar of 2010 indicator releases:

<http://www.conference-board.org/data/>

* The series in The Conference Board LEI for China that is based on our estimates is the 5000 industry enterprises diffusion index: raw materials supply index. The series in The Conference Board CEI for China that is based on our estimates is manufacturing employment.

About The Conference Board

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Summary Table of Composite Economic Indexes

	2010			6-month
	Apr	May	Jun	Dec to Jun
Leading Economic index (LEI)	144.6	145.9 r	147.0 p	
Percent Change	0.0	0.9 r	0.8 p	3.7
Diffusion	16.7	83.3	50.0	66.7
Coincident Economic Index (CEI)	183.0	184.6	186.4 p	
Percent Change	1.4	0.9	1.0 p	7.6
Diffusion	100.0	80.0	80.0	100.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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