



News Release

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The Conference Board Leading Economic Index[®] (LEI) for the Euro Area **Increased Again in November**

Next month's release will incorporate annual benchmark revisions to the composite 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 incorporated when the benchmark revision is made and the entire histories of the indexes are recomputed. Also, effective with the January 2011 release, the history of the composite indexes will be updated to reflect the inclusion of Estonia in the Euro Area. As a result, the revised indexes and their month-over-month changes will no longer be directly comparable to those issued prior to the benchmark revision. These benchmark revisions bring the indexes up-to-date with revisions in the source data. The revisions do not change the cyclical properties of the indexes.

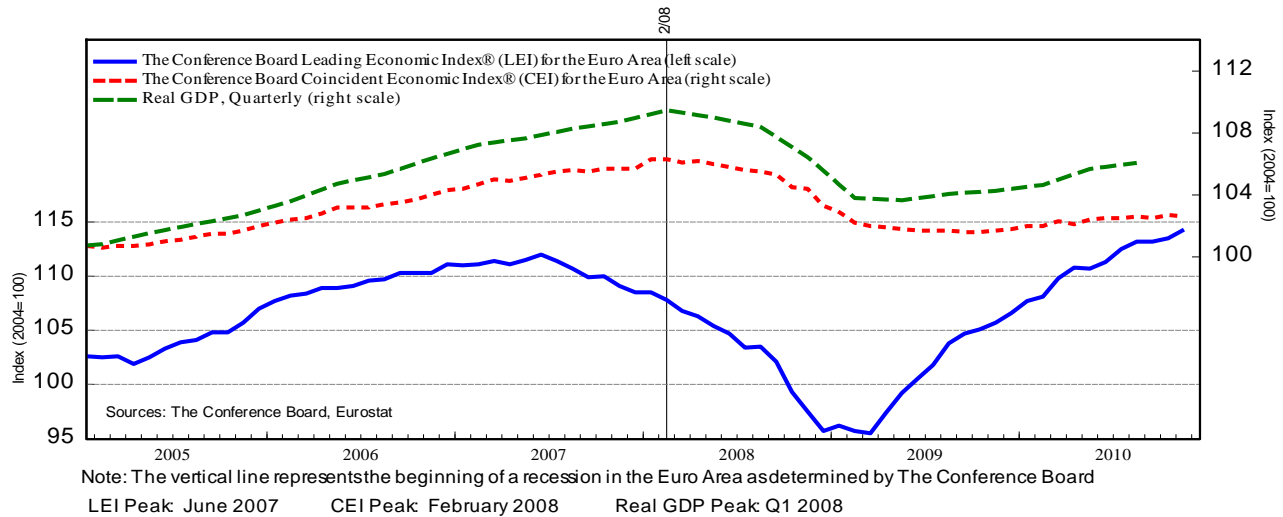
For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact indicators@conference-board.org.

BRUSSELS, December 27, 2010... The Conference Board Leading Economic Index[®] (LEI) for the Euro Area increased 0.7 percent in November to 114.3 (2004 = 100), following a 0.3 percent increase in October and no change in September.

Said Jean-Claude Manini, The Conference Board senior economist for Europe: "The LEI for the Euro Area reaccelerated in November and points to a continued expansion in economic activity during the first half of 2011. But, the strengths have not been very widespread. Downside risks still dominate the outlook, and the planned government budget cuts will increasingly create a drag on growth. The divergence between the LEIs for [Germany](#) and [Spain](#) is a further reminder that the improvement in economic conditions will remain uneven."

Meanwhile, The Conference Board Coincident Economic Index[®] (CEI) for the Euro Area, which measures current economic activity, declined 0.1 percent in November. The index stands at 102.6 (2004 = 100) according to preliminary estimates*. The CEI increased 0.2 percent in October, following a decline of 0.1 percent in September.

The Leading Economic Index Remains on an Upward Trend



The Conference Board LEI for the Euro Area aggregates eight economic indicators that measure activity in the Euro Area as a whole (rather than indicators of individual member countries), each of which 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 the Euro Area

The Conference Board Leading Economic Index® for the Euro Area was launched in January 2009. Plotted back to 1987, this index has successfully signaled turning points in the business cycle of the bloc of countries that now constitute the Euro Area, defined by the common currency zone.

The Conference Board currently produces leading economic indexes for ten other individual countries, including Australia, China, France, Germany, Japan, Korea, Mexico, Spain, the U.K. and the U.S.

The eight components of The Conference Board Leading Economic Index® for the Euro Area include:

- Economic Sentiment Index (source: European Commission DG-ECFIN)
- Index of Residential Building Permits Granted (source: Eurostat)
- Index of Capital Goods New Orders (source: Eurostat)
- EURO STOXX® Index (source: STOXX Limited)
- Money Supply (M2) (source: European Central Bank)
- Interest Rate Spread (source: ECB)
- Eurozone Manufacturing Purchasing Managers’ Index (source: Markit Economics)
- Eurozone Service Sector Future Business Activity Expectations Index (source: Markit Economics)

To view The Conference Board calendar of 2011 indicator releases:

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

* Series in The Conference Board LEI for the Euro Area that are based on The Conference Board estimates are real money supply, residential building permits, and new orders of capital goods. All series in The Conference Board CEI for the Euro Area are based on The Conference Board estimates (employment, industrial production, retail trade, and manufacturing turnover).

About The Conference Board

The Conference Board is a global, independent business membership and research association working in the public interest. Our mission is unique: To provide the world's leading organizations with the practical knowledge they need to improve their performance *and* better serve society. The Conference Board is a non-advocacy, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States.

Summary Table of Composite Indexes

	Sep	2010 Oct	Nov	6-month May to Nov
Leading Economic Index (LEI)	113.2 p	113.5 p	114.3 p	
Percent Change	0.0 p	0.3 p	0.7 p	3.3 p
Diffusion	50.0	62.5	75.0	68.8
Coincident Economic Index (CEI)	102.5 p	102.7 p	102.6 p	
Percent Change	-0.1 p	0.2 p	-0.1 p	0.2 p
Diffusion	25.0	87.5	37.5	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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