



THE CONFERENCE BOARD

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The Conference Board®  
Spain Business Cycle Indicators<sup>SM</sup>  
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™ (LEI)  
FOR SPAIN  
AND RELATED COMPOSITE INDEXES FOR JULY 2009**

**BRUSSELS, September 15, 2009...** The Conference Board Leading Economic Index™ (LEI) for Spain increased 0.9 percent. The Conference Board Coincident Economic Index™ (CEI) decreased 0.2 percent in July.

- The Conference Board LEI for Spain increased for the second consecutive month in July. Large positive contributions from order books survey, stock prices, and the Spanish contribution to Euro money supply (M2) more than offset a substantial negative contribution from the capital equipment component of industrial production. From January to July 2009, the leading economic index remained unchanged, after declining by 2.5 percent (about a -5.0 percent annual rate) from July 2008 to January 2009. In addition, the strengths among the leading indicators have become widespread in recent months.
- The Conference Board CEI for Spain, a measure of current economic activity, declined again in July, with industrial production (excluding construction) continuing to make the largest negative contribution. Between January and July 2009, the coincident economic index fell by 3.2 percent (about a -6.2 percent annual rate), slower than the 5.3 percent decline (about a -10.3 percent annual rate) for the previous six months. Additionally, the weaknesses among the coincident indicators have remained very widespread, with none of the components increasing during the past six months. At the same time, real GDP contracted at a 4.2 percent annual rate during the second quarter of 2009, following a decline of 6.2 percent annual rate for the first quarter.
- After trending downward for more than a year, The Conference Board LEI for Spain remained almost flat during the second quarter before recording its largest increase since 2005 this month. Overall, the index was unchanged over the past six months. Meanwhile, The Conference Board CEI for Spain has been falling since its most recent peak in February 2008, though the rate of its decline has moderated during the past few months. Taken together, the recent behavior of the composite economic indexes suggests that the pace of contraction will continue to moderate in the near term.

**LEADING INDICATORS.** Five of the six components that make up The Conference Board LEI for Spain increased in July. The positive contributors—in order from the largest positive contributor to the smallest—are order books survey, the Spanish equity price index, the Spanish contribution to Euro M2, job placings, and the (inverted) long-term government bond yield. The capital equipment component of industrial production was the only negative contributor in July.

With the increase of 0.9 percent in July, The Conference Board LEI for Spain now stands at 107.1 (2004=100). Based on revised data, this index increased 0.2 percent in June and declined 0.1 percent in May. During the six-month span through July, the index remained unchanged, and five of the six components advanced (diffusion index, six-month span equals 83.3 percent).

**COINCIDENT INDICATORS.** Three of the five components that make up The Conference Board CEI for Spain increased in July. The positive contributors — in order from the largest positive contributor to the smallest — are retail sales survey, employment\*, and real imports\*. Industrial production excluding construction and final household consumption\* declined in July.

With the decrease of 0.2 percent in July, The Conference Board CEI for Spain now stands at 100.9 (2004=100). Based on revised data, this index decreased 0.2 percent in June and decreased 0.6 percent in May. During the six-month span through July, the index decreased 3.2 percent, and none of the five components advanced (diffusion index, six-month span equals 0.0 percent).

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### Summary Table of Composite Indexes

	2009			6-month
	May	Jun	Jul	Jan to Jul
Leading Economic Index (LEI)	105.9 r	106.1 r	107.1 p	
Percent Change	-0.1	0.2	0.9 p	0.0 p
Diffusion	66.7	50.0	83.3	83.3
Coincident Economic Index (CEI)	101.3 r	101.1 p	100.9 p	
Percent Change	-0.6	-0.2 p	-0.2 p	-3.2 p
Diffusion	20.0	60.0	60.0	0.0

n.a. Not available    p Preliminary    r Revised

Indexes equal 100 in 2004

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The next release is scheduled for Tuesday, October 13, 2009 at 10:00 A.M. (Madrid Time)

*In the U.S. – Tuesday, October 13, 2009 at 4:00 A.M. (ET)*