



THE CONFERENCE BOARD

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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 FEBRUARY 2010

Brussels, April 21, 2010...The Conference Board Leading Economic Index® (LEI) for France increased 0.2 percent and The Conference Board Coincident Economic Index® (CEI) decreased 0.1 percent in February.

- The Conference Board LEI for France increased again in February as positive contributions from the yield spread and inverted new unemployment claims more than offset negative contributions from stock prices and production expectations. Between August 2009 and February 2010, the leading economic index increased by 3.4 percent (about a 6.9 percent annual rate), below 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 been widespread in recent months.
- The Conference Board CEI for France, a measure of current economic activity, decreased slightly in February. Between August 2009 and February 2010, the index was unchanged after decreasing 0.5 percent (about a -1.0 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 2.4 percent annual rate in the fourth quarter of 2009, its third consecutive quarter of growth.
- The Conference Board LEI for France has risen sharply since the first quarter of 2009, though its six-month growth rate has moderated from the high it reached in October 2009. Meanwhile, The Conference Board CEI for France has remained flat during the past six 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.

LEADING INDICATORS. Three of the seven components of the leading economic index increased in February. The positive contributors to the index— in order from the largest positive contributor to the smallest— are the yield spread, inverted new unemployment claims and building permits (residential). The negative contributors to the index— beginning with the largest negative contributor— are the stock price index, production expectations, industrial new orders and the ratio of the deflator of manufacturing value added to unit labor cost for manufacturing*.

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 Wednesday, May 19, 2010 at 4:00 A.M. ET (10:00 A.M. Paris Time)

With the increase of 0.2 percent in February, the leading economic index now stands at 107.3 (2004=100). Based on revised data, this index increased 0.7 percent in January and increased 0.5 percent in December. During the six-month span through February, the index increased 3.4 percent, and five of the seven components increased (diffusion index, six-month span equals 71.4 percent).

COINCIDENT INDICATORS. One of the four components of the coincident economic index increased in February. Wage and salaries* was the only positive contributor. Personal consumption and employment* declined in February, while industrial production remained unchanged.

With the decrease of 0.1 percent in February, the coincident economic index now stands at 103.4 (2004=100). Based on revised data, this index remained unchanged in both January and December. During the six-month period through February, the index remained unchanged, 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

	2009	2010		6-month
	Dec	Jan	Feb	Aug. to Feb
Leading Economic Index (LEI)	106.4 p	107.1 p	107.3 p	
Percent Change	0.5 p	0.7 p	0.2 p	3.4 p
Diffusion	57.1	71.4	35.7	71.4
Coincident Economic Index (CEI)	103.5 p	103.5 p	103.4 p	
Percent Change	0.0 p	0.0 p	-0.1 p	0.0 p
Diffusion	50.0	62.5	50.0	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

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