



## News Release

### Follow The Conference Board

[twitter](#) [facebook](#) [LinkedIn](#)

Further information:

The Conference Board Europe, Brussels: + 32 2 675 5405 (main line)

Rosa Correia + 32 2 679 5059 / [rosa.correia@conference-board.org](mailto:rosa.correia@conference-board.org)

Derek Servais + 32 2 679 5054 / [derek.servais@conference-board.org](mailto:derek.servais@conference-board.org)

FOR RELEASE: 10:00 A.M. (BERLIN TIME), TUESDAY, DECEMBER 21, 2010

The Conference Board<sup>®</sup>  
Germany Business Cycle Indicators<sup>SM</sup>  
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX<sup>®</sup> (LEI) FOR  
GERMANY**  
**AND RELATED COMPOSITE ECONOMIC INDEXES FOR OCTOBER 2010**

Next month's release will incorporate annual benchmark revisions to the composite indexes. These regular 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. 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. 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.

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

**BRUSSELS, December 21, 2010...** The Conference Board Leading Economic Index<sup>®</sup> (LEI) for Germany increased 0.8 percent and The Conference Board Coincident Economic Index<sup>®</sup> (CEI) increased 0.3 percent in October.

- The Conference Board LEI for Germany increased strongly again in October, and a majority of the components made large positive contributions to the index this month. Between April and October 2010, the leading economic index increased by 3.9 percent (a 7.9 percent annual rate), moderately slower than the increase of 5.9 percent (a 12.0 percent annual rate) during the previous six months. In addition, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Germany, a measure of current economic activity, increased moderately in October, after declining in September. Industrial production made a large positive contribution to the index this month, following a decline in the previous month. During the last six months, the coincident economic index rose by 1.0 percent (a 1.9 percent annual rate), slightly slower than the increase of 1.4 percent (a 2.8 percent annual rate) during the previous six months. However, the strengths among the coincident indicators have been very widespread, with all four components increasing over the past six months. In addition, real GDP grew at a 2.8 percent annual rate in the third quarter of 2010, following an increase of 9.5 percent annual rate in the second quarter.
- The Conference Board LEI for Germany has been on a rising trend for one and a half years now, amid widespread strength among its components. However, its six-month growth rate has moderated recently. Meanwhile, The Conference Board CEI for Germany rose this month, after remaining essentially unchanged in the third quarter. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue expanding, though perhaps at a moderate pace in the near term.

The next release is scheduled for Monday, January 24, 2011 at 10:00 A.M. (Berlin Time)  
*In the U.S. – Monday, January 24, 2011 at 4:00 A.M. (ET)*

**LEADING INDICATORS.** Five of the seven components in The Conference Board LEI for Germany increased in October. The positive contributors -- in order from the largest positive contributor to the smallest -- were new residential construction orders\*, the yield spread, stock prices, consumer confidence, and new orders in investment goods industries. The negative contributors -- in order from largest to smallest -- were inventory change\* and gross enterprises and properties income\*.

With the 0.8 percent increase in October, The Conference Board LEI for Germany now stands at 107.1 (2004=100). Based on revised data, this index increased 0.7 percent in September and increased 0.9 percent in August. During the six-month span through October, the index increased 3.9 percent, with five of the seven components increasing (diffusion index, six-month span equals 71.4 percent).

**COINCIDENT INDICATORS.** All four components that make up The Conference Board CEI for Germany increased in October. The positive contributors -- in order from the largest positive contributor to the smallest -- were industrial production, manufacturing sales, employed persons, and retail trade.

With the 0.3 percent increase in October, The Conference Board CEI for Germany now stands at 104.4 (2004=100). Based on revised data, this index decreased 0.2 percent in September and increased 0.2 percent in August. During the six-month period through October, the index increased 1.0 percent, with all four components increasing (diffusion index, six-month span equals 100.0 percent).

**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**

	Aug	2010 Sep	Oct	6-month Apr to Oct
<b>Leading Economic Index (LEI)</b>	105.6 r	106.3 p	107.1 p	
Percent Change	0.9 r	0.7 p	0.8 p	3.9 p
Diffusion	71.4	64.3	57.1	71.4
<b>Coincident Economic Index (CEI)</b>	104.3	104.1 r	104.4	
Percent Change	0.2	-0.2 r	0.3	1.0
Diffusion	62.5	12.5	87.5	100.0

n.a. Not available    p Preliminary    r Revised

Indexes equal 100 in 2004

Source: The Conference Board

All Rights Reserved