



News Release

Follow The Conference Board

[twitter](#) [facebook](#) [Linked in](#)

Further information:

Frank Tortorici (212) 339-0231

f.tortorici@conference-board.org

FOR RELEASE: 10:00 A.M. (CDT), THURSDAY, APRIL 29, 2010

The Conference Board[®]
Mexico Business Cycle IndicatorsSM
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®] (LEI)
FOR MEXICO
AND RELATED COMPOSITE ECONOMIC INDEXES FOR FEBRUARY 2010**

The Conference Board Leading Economic Index[®] (LEI) for Mexico remained unchanged and **The Conference Board Coincident Economic Index[®] (CEI)** increased 0.6 percent in February.

- The Conference Board LEI for Mexico was unchanged in February, after rising for the past eleven months. Stock prices, industrial production (construction component) and oil prices contributed positively to the index this month, balancing the negative contributions from net insufficient inventories and the real exchange rate. The six-month growth rate in the index has continued to slow, to 3.6 percent (a 7.2 percent annual rate), down from 10.7 percent (a 22.6 percent annual rate) for the previous six months. However, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Mexico continued to increase in February, with employment again making the largest positive contribution. The coincident economic index increased 2.9 percent (about a 5.9 percent annual rate) between August 2009 and February 2010, a reversal from the decline of 0.9 percent (about a -1.9 percent annual rate) for the previous six months. In addition, the strengths among the coincident indicators have remained very widespread, with all the components rising over the past six months. Meanwhile, real GDP grew at an 8.4 percent annual rate in the fourth quarter of 2009, following an increase of 10.4 percent annual rate in the previous quarter.
- The Conference Board LEI for Mexico, which had been on an uptrend for almost a year, was unchanged in February. In addition, its six-month growth rate has continued to slow from the rapid pace in the second half of last year. Meanwhile, The Conference Board CEI for Mexico, a measure of current economic activity, has been increasing since July 2009, and its six-month growth rate has been fairly stable in recent months. All in all, the behavior of the composite indexes suggests that the improvement in economic activity will continue in the near term.

The next release is scheduled for Thursday, May 27, 2010 at 11:00 A.M. (ET)
In Mexico – Thursday, May 27, 2010 at 10:00 A.M. (CDT)

-2-

LEADING INDICATORS. Three of the six components that make up The Conference Board LEI for Mexico increased in February. The positive contributors to the index—from the largest positive contributor to the smallest one—were stock prices, the industrial production construction component, and the US refiners' acquisition cost of domestic and imported crude oil. Net insufficient inventories and the (inverted) real exchange rate decreased in February. The (inverted) federal funds rate remained unchanged.

With the flat reading in February, The Conference Board LEI for Mexico now stands at 116.6 (2004=100). Based on revised data, this index increased 0.3 percent in January and increased 0.6 percent in December. During the six-month span through February, the index increased 3.6 percent, with four of the six components increasing (diffusion index, six-month span equals 75.0 percent).

COINCIDENT INDICATORS. All three components that make up The Conference Board CEI for Mexico increased in February. The positive contributors —from the largest positive contributor to the smallest one—are number of people employed (measured by IMSS beneficiaries), industrial production, and retail sales.

With the increase of 0.6 percent in February, The Conference Board CEI for Mexico now stands at 109.5 (2004=100). Based on revised data, this index increased 0.4 percent in January and increased 0.2 percent in December. During the six-month span through February, the index increased 2.9 percent, with all three components increasing (diffusion index, six-month span equals 100.0 percent).

DATA AVAILABILITY. The data series used to compute the two composite indexes reported in the tables in this release are those available “as of” 10 A.M. April 27, 2010. Some series are estimated as noted below.

NOTES: There were no forecasted series this month.

Summary Table of Composite Indexes

| | 2009 | 2010 | | 6-month |
|-----------------------------|-------------|-------------|------------|--------------------|
| | <u>Dec</u> | <u>Jan</u> | <u>Feb</u> | <u>Aug. to Feb</u> |
| Leading index | 116.3 | 116.6 r | 116.6 | |
| Percent Change | 0.6 | 0.3 r | 0.0 | 3.6 |
| Diffusion | 58.3 | 58.3 | 58.3 | 75.0 |
| Coincident Index | 108.4 r | 108.8 r | 109.5 | |
| Percent Change | 0.2 r | 0.4 | 0.6 | 2.9 |
| Diffusion | 66.7 | 100.0 | 100.0 | 100.0 |

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

All Rights Reserved

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.