



THE CONFERENCE BOARD

FOR RELEASE: 10:00 A.M. CET, WEDNESDAY, MAY 20, 2009

The Conference Board®
France Business Cycle IndicatorsSM

**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™
(LEI) FOR FRANCE
AND RELATED COMPOSITE ECONOMIC INDEXES FOR MARCH 2009**

Brussels, May 20, 2009...The Conference Board Leading Economic Index™ (LEI) for France declined 0.5 percent and The Conference Board Coincident Economic Index™ (CEI) decreased 0.2 percent in March.

- The Conference Board LEI for France declined again in March. The stock price index, new unemployment claims (inverted), and industrial new orders continued to make negative contributions to the index, more than offsetting the positive contribution from the yield spread. Between September 2008 and March 2009, the leading economic index declined 5.5 percent (a -10.8 percent annual rate), faster than the decrease of 2.8 percent (a -5.5 percent annual rate) during the previous six-month period. In addition, the weaknesses among the leading indicators remained widespread in recent months.
- The Conference Board CEI for France, a measure of current economic activity, also declined in March, as a result of negative contributions from employment and the industrial production component. In addition, the weaknesses among the coincident indicators have remained widespread in recent months. The six-month change in the coincident economic index stands at -1.5 percent (a -3.0 percent annual rate), down from -0.6 percent (a -1.1 percent annual rate) between March and September 2008. Meanwhile, real GDP fell at a 5.2 percent average annual rate in the fourth quarter of 2008 and first quarter of 2009 (contracting at a 4.7 percent annual rate during the first quarter of 2009), its lowest two-quarter growth rate since 1978.
- The Conference Board LEI for France has been on a downtrend for a year and a half now, with the six-month decline in the index at its deepest since the 1974-75 downturn. As a result of persistent and widespread weakness among its components, the index has fallen 9.7 percent from its most recent peak in October 2007. Meanwhile, The Conference Board CEI for France has decreased 2.3 percent from its most recent peak in February 2008. The recent behavior of the composite economic indexes suggests that the contraction in economic activity is likely to continue in the near term.

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

Please visit our website at <http://www.conference-board.org/economics/bci>
Also visit the web site of our research associate in France: <http://www.rexecode.fr/index.jsv>
The next release is scheduled for Tuesday, June 23, 2009 at 10:00 A.M.CET (4:00 A.M. New York)

With the decrease of 0.5 percent in March, the leading economic index now stands at 99.1 (2004=100). Based on revised data, the index declined 0.7 percent in February and declined 0.1 percent in January. During the six-month span through March, the leading economic index decreased 5.5 percent, and one of the seven components increased (diffusion index, six-month span equals 14.3 percent).

COINCIDENT INDICATORS. Two of the four components of the coincident economic index increased in March. The positive contributors to the index were personal consumption, and wage and salaries*. Employment*, and industrial production declined in March.

With the decrease of 0.2 percent in March, the coincident economic index now stands at 104.0 (2004=100). Based on revised data, this index decreased 0.3 percent in February and decreased 0.3 percent in January. During the six-month period through March, the coincident economic index decreased 1.5 percent, with one of the four series making a positive contribution (diffusion index, six-month span equals 25.0 percent).

* See notes under data availability.

For more information:

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

	Jan	2009 Feb	Mar	6-month Sep. to Mar
Leading index	100.3 p	99.6 p	99.1 p	
Percent Change	-0.1 p	-0.7 p	-0.5 p	-5.5 p
Diffusion	35.7	28.6	42.9	14.3
Coincident Index	104.5 r	104.2 r	104.0 p	
Percent Change	-0.3 r	-0.3 r	-0.2 p	-1.5 p
Diffusion	50.0	12.5	50.0	25.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

All Rights Reserved

The Conference Board Europe: + 32 2 675 5405

Email: indicators@conference-board.org

Website: <http://www.conference-board.org/economics/bci/>