



News Release

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The Conference Board Leading Economic Index® (LEI) for the U.K.

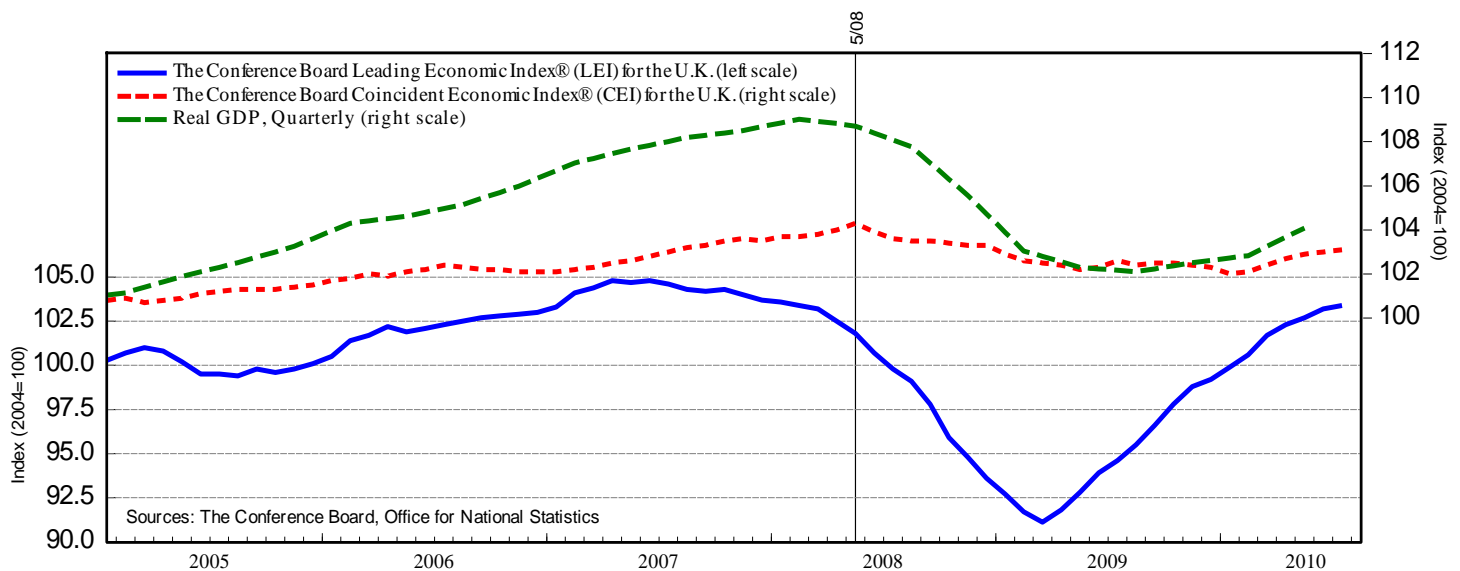
Increased Again in July

BRUSSELS, September 10, 2010... The Conference Board Leading Economic Index® (LEI) for the U.K. increased 0.2 percent in July to 103.4 (2004=100), following gains of 0.5 percent in June and 0.4 percent in May. Five of the seven components made positive contributions to the index in July.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The modest pace of increase of the LEI for the United Kingdom signals that the sharp pickup in output seen during the second quarter is unlikely to be repeated. Even though current economic conditions are still moderately improving, the continued deterioration of consumer confidence highlights the persistence of downside risks and points toward low and volatile growth in 2011.”

The Conference Board LEI for the U.K. has been rising since April 2009, though its six-month growth rate has continued to moderate and the weaknesses among its components have become more widespread in recent months. At the same time, **The Conference Board Coincident Economic Index® (CEI)** for the U.K., a measure of current economic activity, increased by 0.1 percent in July, after increasing by 0.1 percent in June and 0.2 percent in May. The index now stands at 103.1 (2004 = 100).

The Conference Board LEI for the U.K. has been growing since April 2009



Note: The vertical line represents the beginning of a recession in the U.K. as determined by The Conference Board

LEI Peak: June 2007 CEI Peak: May 2008 Real GDP Peak: Q1 2008

The Conference Board LEI for the U.K. aggregates seven economic indicators that measure activity in the U.K., each of which has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

The seven components of **The Conference Board Leading Economic Index®** (LEI) for the U.K. include:

- Order Book Volume (source: Confederation of British Industry)
- Volume of Expected Output (source: Confederation of British Industry)
- Consumer Confidence Indicator (source: European Commission)
- FTSE All-Share Index (source: FTSE Group)
- Yield Spread (source: Bank of England)
- Productivity, Whole Economy (Office for National Statistics)
- Total Gross Operating Surplus of Corporations (Office for National Statistics)

Plotted back to 1970, this index has successfully signaled turning points in the U.K. business cycles. The Conference Board currently produces leading economic indexes for the Euro Area and nine other countries, including Australia, China, France, Germany, Japan, Korea, Mexico, Spain and the U.S.

To view The Conference Board calendar of 2010 indicator releases:

<http://www.conference-board.org/data/>

For more information: <http://www.conference-board.org/data/bci.cfm>

For full press release: <http://www.conference-board.org/data/bcicountry.cfm?cid=2>

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Summary Table of Composite Economic Indexes

	2010	6-month		
	May	Jun	Jul	Jan to Jul
Leading Economic Index (LEI)	102.7 p	103.2 p	103.4 p	
Percent Change	0.4 p	0.5 p	0.2 p	3.5 p
Diffusion	57.1	57.1	57.1	57.1
Coincident Economic Index (CEI)	102.9 p	103.0 p	103.1 p	
Percent Change	0.2 p	0.1 p	0.1 p	1.1 p
Diffusion	100.0	75.0	100.0	100.0

n.a. Not available p Preliminary r Revised
 Indexes equal 100 in 2004

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