



THE CONFERENCE BOARD

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

**BRUSSELS, April 22, 2010...** The Conference Board Leading Economic Index® (LEI) for Germany remained unchanged and The Conference Board Coincident Economic Index® (CEI) increased 0.2 percent in February.

- The Conference Board LEI for Germany remained unchanged in February as positive contributions from the yield spread, new orders in investment goods industries and consumer confidence were offset by negative contributions from new residential construction orders\* and stock prices. The increase in January was revised downward to a small decline after new data for new residential construction orders became available. Between August 2009 and February 2010, the leading economic index increased by 2.3 percent (about a 4.7 percent annual rate), well below the 8.8 percent increase (about an 18.3 percent annual rate) between March and September 2009. However, despite a slight drop in the number of components that are rising, 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 in February for the third time in the last four months. Between August 2009 and February 2010, the coincident economic index increased by 0.4 percent (about a 0.8 percent annual rate), after declining by 0.1 percent (about a -0.2 percent annual rate) during the previous six months. In addition, the strengths among the coincident indicators have become widespread in recent months. At the same time, real GDP remained unchanged in the fourth quarter of 2009, following two quarters of growth.
- After increasing rapidly between March and September 2009, The Conference Board LEI for Germany has been almost flat for the past two months and its growth rate has slowed since the third quarter of last year. As a result, its six-month growth rate has fallen from the high it reached last September. Meanwhile, The Conference Board CEI has been mostly increasing since April 2009. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue expanding, but probably not very rapidly, in the near term.

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

After remaining unchanged in February, The Conference Board LEI for Germany now stands at 97.9 (2004=100). Based on revised data, this index declined 0.1 percent in January and increased 0.5 percent in December. During the six-month span through February, the index increased 2.3 percent, with five of the seven components increasing (diffusion index, six-month span equals 71.4 percent).

**COINCIDENT INDICATORS.** Three of the four components that make up The Conference Board CEI for Germany increased in February. The positive contributors were retail trade, employed persons and manufacturing sales. Industrial production remained unchanged in February.

With the 0.2 percent increase in February, The Conference Board CEI for Germany now stands at 102.3 (2004=100). Based on revised data, this index decreased 0.1 percent in January and increased 0.1 percent in December. During the six-month period through February, the index increased 0.4 percent, with three of the four components increasing (diffusion index, six-month span equals 87.5 percent).

\* See notes under data availability.

### **ABOUT THE CONFERENCE BOARD**

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### **Summary Table of Composite Indexes**

	<b>2009</b>	<b>2010</b>		<b>6-month</b>
	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Aug to Feb</b>
<b>Leading Economic Index (LEI)</b>	98.0 p	97.9 p	97.9 p	
Percent Change	0.5 p	-0.1 p	0.0 p	2.3 p
Diffusion	42.9	71.4	57.1	71.4
<b>Coincident Economic Index (CEI)</b>	102.2	102.1 r	102.3 p	
Percent Change	0.1	-0.1 r	0.2 p	0.4 p
Diffusion	62.5	37.5	75.0	87.5

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

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The next release is scheduled for Friday, May 21, 2010 at 10:00 A.M. Berlin Time (4:00 A.M. ET)