



News Release

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The Conference Board®
Germany Business Cycle IndicatorsSM
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX® (LEI) FOR
GERMANY**
AND RELATED COMPOSITE ECONOMIC INDEXES FOR AUGUST 2010

BRUSSELS, October 22, 2010... The Conference Board Leading Economic Index® (LEI) for Germany increased 0.7 percent and The Conference Board Coincident Economic Index® (CEI) increased 0.2 percent in August.

- The Conference Board LEI for Germany increased sharply again in August, with new orders in investment goods industries, consumer confidence, and the yield spread making the largest positive contributions. Between February and August 2010, the leading economic index increased 7.3 percent (about a 15.1 percent annual rate), faster than the increase of 3.1 percent (about a 6.4 percent annual rate) during the previous six-month period. In addition, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Germany also increased in August, due mainly to a large positive contribution from industrial production. Between February and August 2010, the coincident economic index increased 1.8 percent (about a 3.5 percent annual rate), stronger than the increase of 0.5 percent (about a 1.0 percent annual rate) between August 2009 and February 2010. In addition, the strengths among the coincident indicators have remained very widespread, with all four components increasing over the past six months. Real GDP increased at a 9.0 percent annual rate in the second quarter of 2010, following an increase of 1.9 percent annual rate in the first quarter.
- The Conference Board LEI for Germany has been increasing since April 2009. Its six-month growth rate has picked up in recent months, but it remains below its September 2009 peak. Meanwhile, The Conference Board CEI for Germany, a measure of current economic activity, has been increasing steadily since May 2009, with its six-month growth rate remaining fairly stable. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue expanding in the near term.

The next release is scheduled for Tuesday, November 23, 2010 at 10:00 A.M. (Berlin Time)

In the U.S. – Tuesday, November 23, 2010 at 4:00 A.M. (ET)

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

With the 0.7 percent increase in August, The Conference Board LEI for Germany now stands at 105.9 (2004=100). Based on revised data, this index increased 1.1 percent in July and increased 0.5 percent in June. During the six-month span through August, the index increased 7.3 percent, with six of the seven components increasing (diffusion index, six-month span equals 85.7 percent).

COINCIDENT INDICATORS. Two of the four components that make up The Conference Board CEI for Germany increased in August. The positive contributors were industrial production and manufacturing sales. Retail trade declined in August while employment remained unchanged.

With the 0.2 percent increase in August, The Conference Board CEI for Germany now stands at 104.2 (2004=100). Based on revised data, this index remained unchanged in July and increased 0.1 percent in June. During the six-month period through August, the index increased 1.8 percent, with all four components increasing (diffusion index, six-month span equals 100.0 percent).

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Summary Table of Composite Indexes

	Jun	2010 Jul	Aug	6-month Feb to Aug
Leading Economic Index (LEI)	104.1 p	105.2 p	105.9 p	
Percent Change	0.5 p	1.1 p	0.7 p	7.3 p
Diffusion	64.3	64.3	71.4	85.7
Coincident Economic Index (CEI)	104.0	104.0 r	104.2	
Percent Change	0.1	0.0 r	0.2	1.8
Diffusion	75.0	62.5	62.5	100.0

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

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