

News Release

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The Conference Board Leading Economic Index[®] (LEI) for the Euro Area **Increased Again in December**

This month's release incorporates annual benchmark revisions to the composite economic indexes, which bring them up-to-date with revisions in the source data. Also, effective with the January 2011 release, the history of the composite indexes has been updated to reflect the inclusion of Estonia into the Euro Area. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed. As a result, the revised indexes, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision.

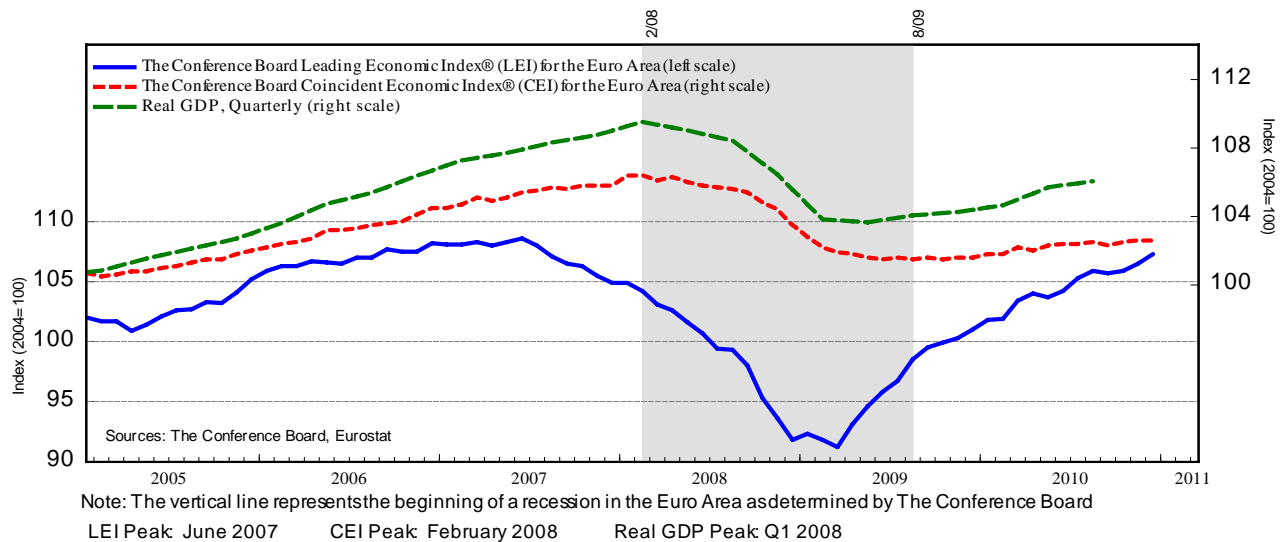
For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact us at indicators@conference-board.org.

BRUSSELS, January 27, 2011...The Conference Board Leading Economic Index[®] (LEI) for the Euro Area increased 0.8 percent in December to 107.3 (2004 = 100), following a 0.6 percent increase in November and 0.2 percent increase in October.

Said Jean-Claude Manini, The Conference Board senior economist for Europe: “December brought a further increase in the Euro Area LEI, and all components rose during the latter half of 2010. But, the index remains on a slower growth path than in the prior 18 months, and current conditions, as measured by the CEI, remain very weak. Meanwhile, consumer expectations are weakening; particularly when viewed in the context of fiscal consolidation and rising inflation, this is a strong reminder that the Euro Area economy continues to face strong downside risks. The U.S. LEI showed even larger increases over the same two months, but it signals a more volatile growth path.”

Meanwhile, **The Conference Board Coincident Economic Index[®] (CEI)** for the Euro Area, which measures current economic activity, remained unchanged in December. The index stands at 102.6 (2004 = 100) according to preliminary estimates*. The CEI increased 0.1 percent in November, following an increase of 0.2 percent in October.

The Leading Economic Index Remains on an Upward Trend



About The Conference Board Leading Economic Index® (LEI) for the Euro Area

The Conference Board Leading Economic Index® for the Euro Area was launched in January 2009. Plotted back to 1987, this index has successfully signaled turning points in the business cycle of the bloc of countries that now constitute the Euro Area, defined by the common currency zone.

The Conference Board currently produces leading economic indexes for ten other individual countries, including Australia, China, France, Germany, Japan, Korea, Mexico, Spain, the U.K. and the U.S.

The eight components of The Conference Board Leading Economic Index® for the Euro Area include:

- Economic Sentiment Index (source: European Commission DG-ECFIN)
- Index of Residential Building Permits Granted (source: Eurostat)
- Index of Capital Goods New Orders (source: Eurostat)
- EURO STOXX® Index (source: STOXX Limited)
- Money Supply (M2) (source: European Central Bank)
- Interest Rate Spread (source: ECB)
- Eurozone Manufacturing Purchasing Managers' Index (source: Markit Economics)
- Eurozone Service Sector Future Business Activity Expectations Index (source: Markit Economics)

To view The Conference Board calendar of 2011 indicator releases:

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

* Series in The Conference Board LEI for the Euro Area that are based on The Conference Board estimates are real money supply, residential building permits, and new orders of capital goods. All series in The Conference Board CEI for the Euro Area are based on The Conference Board estimates (employment, industrial production, retail trade, and manufacturing turnover).

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

	Oct	2010 Nov	Dec	6-month Jun to Dec
Leading Economic Index (LEI)	105.9 p	106.5 p	107.3 p	
Percent Change	0.2 p	0.6 p	0.8 p	3.0 p
Diffusion	62.5	81.3	62.5	100.0
Coincident Economic Index (CEI)	102.5 p	102.6 p	102.6 p	
Percent Change	0.2 p	0.1 p	0.0 p	0.2 p
Diffusion	75.0	62.5	37.5	50.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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