



News Release

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The Conference Board[®]
Spain Business Cycle IndicatorsSM
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX[®] (LEI)
FOR SPAIN
AND RELATED COMPOSITE INDEXES FOR JULY 2010**

BRUSSELS, September 15, 2010... The Conference Board Leading Economic Index[®] (LEI) for Spain increased 0.4 percent and The Conference Board Coincident Economic Index[®] (CEI) remained unchanged in July.

- The Conference Board Leading Economic Index for Spain increased in July, its first increase since December 2009. A strong positive contribution from Spanish equity prices more than offset the negative contributions from the order books survey and the capital equipment component of industrial production. Between January and July 2010, the leading economic index declined 0.8 percent (about a -1.6 percent annual rate), a reversal from the increase of 1.4 percent (about a 2.8 percent annual rate) during the previous six-month period. In addition, the weaknesses among the leading indicators have remained more widespread than the strengths in recent months.
- The Conference Board Coincident Economic Index, a measure of current economic activity, remained unchanged in July. During the six-month period ending in July, the coincident economic index increased by 0.9 percent (about a 1.8 percent annual rate), higher than the increase of 0.1 percent (about a 0.2 percent annual rate) between July 2009 and January 2010. In addition, the strengths among the coincident indicators have remained widespread in recent months. At the same time, real GDP increased at a 0.7 percent annual rate in the second quarter of 2010, following an increase of 0.6 percent annual rate in the previous quarter.
- The Conference Board LEI for Spain increased this month, but it has been generally declining since October 2009. Its six-month growth rate has been negative since February of this year amid widespread weakness among its components. With this month's increase, the leading economic index is 2.5 percent above its most recent trough in March 2009, but it is still 3.1 percent below its most recent peak in February 2008. At the same time, The Conference Board CEI for Spain has increased slightly in 2010, after remaining flat in the second half of 2009. Taken together, the recent behavior of the composite indexes suggests that the recovery is likely to remain weak in the near term.

The next release is scheduled for Friday, October 15, 2010 at 10:00 A.M. (Madrid Time)

In the U.S. – Friday, October 15, 2010 at 4:00 A.M. (ET)

LEADING INDICATORS. Three of the six components that make up The Conference Board LEI for Spain increased in July. The positive contributors -- in order from the largest positive contributor to the smallest -- are the Spanish equity price index, the inverted long-term government bond yield, and the Spanish contribution to Euro M2. The negative contributors -- in order from the largest negative contributor to the smallest -- are the order books survey and the capital equipment component of industrial production. Job placings remained unchanged in July.

With the increase of 0.4 percent in July, The Conference Board LEI for Spain now stands at 108.6 (2004=100). Based on revised data, this index declined 0.5 percent in June and declined 0.2 percent in May. During the six-month span through July, the index decreased 0.8 percent, and two of the six components advanced (diffusion index, six-month span equals 33.3 percent).

COINCIDENT INDICATORS. One of the five components that make up The Conference Board CEI for Spain increased in July. The positive contributor was the final household consumption* component. Retail sales and employment* declined in July, while industrial production, excluding construction, and real imports* remained unchanged.

After remaining unchanged in July, The Conference Board CEI for Spain now stands at 101.0 (2004=100). Based on revised data, this index increased 0.2 percent in June and increased 0.2 percent in May. During the six-month span through July, the index increased 0.9 percent, and four of the five components advanced (diffusion index, six-month span equals 80.0 percent).

NOTES: Series in The Conference Board CEI for Spain that are based on our estimates include final household consumption, employment and real imports.

Summary Table of Composite Indexes

	2010	2010	2010	6-month
	May	Jun	Jul	Jan to Jul
Leading Economic Index (LEI)	108.7	108.2	108.6	
Percent Change	-0.2	-0.5	0.4	-0.8
Diffusion	41.7	16.7	58.3	33.3
Coincident Economic Index (CEI)	100.8 p	101.0 p	101.0 p	
Percent Change	0.2 p	0.2 p	0.0 p	0.9 p
Diffusion	80.0	60.0	50.0	80.0

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

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