



THE CONFERENCE BOARD

FOR RELEASE: 10:00 A.M. (CST), THURSDAY, JANUARY 28, 2010

The Conference Board®
Mexico Business Cycle IndicatorsSM
**THE CONFERENCE BOARD LEADING ECONOMIC INDEX™
(LEI) FOR MEXICO**
AND RELATED COMPOSITE ECONOMIC INDEXES FOR NOVEMBER 2009

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. These revisions do not change the cyclical properties of the indexes. 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 will not be comparable to those issued prior to the benchmark revision.

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

The Conference Board Leading Economic Index™ (LEI) for Mexico increased 2.3 percent and **The Conference Board Coincident Economic Index™ (CEI)** increased 0.8 percent in November.

- The Conference Board LEI for Mexico continued to increase in November. Apart from the federal funds money market rate, which was largely unchanged, all the components contributed positively to the index this month. The six-month growth rate in the index has slowed in recent months -- to 7.0 percent (a 14.5 percent annual rate) for the period through November 2009, down from 10.0 percent (about a 21.0 percent annual rate) between January and July 2009. However, the strengths among the leading indicators have remained widespread in recent months.
- The Conference Board CEI for Mexico also increased in November, with all its components making positive contributions. The coincident economic index increased 2.3 percent (a 4.6 percent annual rate) between May and November 2009, a sharp reversal from the decline of 5.4 percent (a -10.5 percent annual rate) from November 2008 to May 2009. In addition, the strengths among the coincident indicators have remained widespread in recent months. Meanwhile, real GDP expanded at a 12.2 percent annual rate in the third quarter of 2009, its first increase in a year.
- The Conference Board LEI for Mexico has risen for the past nine months amid widespread strength among its components. However, its growth has slowed from the rapid rates earlier in 2009. Meanwhile, The Conference Board CEI for Mexico began increasing in July 2009, and its six-month growth rate has picked up lately. All in all, the recent behavior of the composite indexes suggests that economic conditions will continue to improve in the near term.

The next release is scheduled for Thursday, February 25, 2010 at 11:00 A.M. (ET)
In Mexico – Thursday, February 25, 2010 at 10:00 A.M. (CST)

LEADING INDICATORS. Five of the six components that make up The Conference Board LEI for Mexico increased in November. The positive contributors to the index—from the largest positive contributor to the smallest one—are net insufficient inventories, the US refiners’ acquisition cost of domestic and imported crude oil, stock prices, the (inverted) real exchange rate, and the industrial production construction component. The (inverted) federal funds rate remained unchanged.

With the 2.3 percent increase in November, The Conference Board LEI for Mexico now stands at 116.0 (2004=100). Based on revised data, this index increased 0.3 percent in October and increased 0.3 percent in September. During the six-month span through November, the index increased 7.0 percent, with five of the six components increasing (diffusion index, six-month span equals 83.3 percent).

COINCIDENT INDICATORS. All the components that make up The Conference Board CEI for Mexico increased in November. The positive contributors —from the largest positive contributor to the smallest—are industrial production, number of people employed (measured by IMSS total beneficiaries), and retail sales.

With the increase of 0.8 percent in November, The Conference Board CEI for Mexico now stands at 108.0 (2004=100). Based on revised data, this index remained unchanged in October and increased 0.6 percent in September. During the six-month span through November, the index increased 2.3 percent, with two of the three components increasing (diffusion index, six-month span equals 66.7 percent).

DATA AVAILABILITY. The data series used to compute the two composite indexes reported in the tables in this release are those available “as of” 10 A.M. January 25, 2009. None of the series were estimated this month.

Summary Table of Composite Indexes

	2009			6-month
	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>May. to Nov</u>
Leading index	113.1	113.4	116.0	
Percent Change	0.3	0.3	2.3	7.0
Diffusion	41.7	41.7	91.7	83.3
Coincident Index	107.1	107.1	108.0	
Percent Change	0.6	0.0	0.8	2.3
Diffusion	66.7	33.3	100.0	66.7

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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