



THE CONFERENCE BOARD

FOR RELEASE: 10:00 A.M. (MADRID TIME), TUESDAY, AUGUST 11, 2009

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

BRUSSELS, August 11, 2009... The Conference Board Leading Economic Index™ (LEI) for Spain increased 0.2 percent. The Conference Board Coincident Economic Index™ (CEI) decreased 0.4 percent in June.

- The Conference Board LEI for Spain increased for the second time in three months in June. Large positive contributions from order books survey and job placings more than offset a substantial negative contribution from the capital equipment component of industrial production. The six-month decline in the leading economic index has slowed to 1.8 percent (about a -3.5 percent annual rate) in the period through June, from the 4.1 percent decline (about a -8.0 percent annual rate) at the end of the first quarter. In addition, the strengths and weakness among the leading indicators have remained balanced in recent months.
- The Conference Board CEI for Spain, a measure of current economic activity, decreased again in June, with industrial production (excluding construction) continuing to make the largest negative contribution to the index. Between December 2008 and June 2009, the coincident economic index fell by 3.7 percent (about a -7.3 percent annual rate), slower than the 4.8 percent decline (about a -9.4 percent annual rate) during the previous six months. Additionally, the weaknesses among the coincident indicators have remained very widespread, with none of the components increasing during the past six months. At the same time, real GDP contracted at a 7.4 percent annual rate during the first quarter of 2009, its largest decline since 1991, following a decline of 3.8 percent for the fourth quarter of 2008.
- After trending downward for more than a year, The Conference Board LEI for Spain has risen slightly during the second quarter of 2009 and as a result, the pace of its six-month contraction has slowed. Meanwhile, The Conference Board CEI for Spain has been falling since its most recent peak in February 2008, though the rate of its decline has also moderated over the past few months. Taken together, the recent behavior of the composite economic indexes suggests that, while the pace of contraction may moderate slightly, the downturn in economic activity is likely to continue in the near term.

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

With the increase of 0.2 percent in June, The Conference Board LEI for Spain now stands at 106.0 (2004=100). Based on revised data, this index declined 0.1 percent in May and increased 0.2 percent in April. During the six-month span through June, the index decreased 1.8 percent, and three of the six components advanced (diffusion index, six-month span equals 50.0 percent).

COINCIDENT INDICATORS. One of the five components that make up The Conference Board CEI for Spain increased in June. The retail sales survey was the only positive contributor this month. Industrial production excluding construction, final household consumption*, and employment* declined in June, while real imports* remained unchanged.

With the decrease of 0.4 percent in June, The Conference Board CEI for Spain now stands at 101.2 (2004=100). Based on revised data, this index decreased 0.6 percent in May and decreased 0.5 percent in April. During the six-month span through June, the index decreased 3.7 percent, and none of the five components advanced (diffusion index, six-month span equals 0.0 percent).

ABOUT THE CONFERENCE BOARD. For over 90 years, The Conference Board has created and disseminated knowledge about management and the marketplace to help businesses strengthen their performance and better serve society. The Conference Board operates as a global independent membership organization working in the public interest. It publishes information and analysis, makes economics-based forecasts and assesses trends, and facilitates learning by creating dynamic communities of interest that bring together senior executives from around the world. The Conference Board is a not-for-profit organization and holds 501(c)(3) tax-exempt status in the United States. For additional information about The Conference Board and how it can meet your needs, visit our website at www.conference-board.org.

Summary Table of Composite Indexes

	2009			6-month
	Apr	May	Jun	Dec to Jun
Leading Economic Index (LEI)	105.9	105.8	106.0 p	
Percent Change	0.2	-0.1	0.2 p	-1.8 p
Diffusion	66.7	66.7	50.0	50.0
Coincident Economic Index (CEI)	102.2 p	101.6 p	101.2 p	
Percent Change	-0.5 p	-0.6 p	-0.4 p	-3.7 p
Diffusion	40.0	0.0	30.0	0.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board All Rights Reserved

For more information:

The Conference Board Europe: + 32 2 675 5405

Email: indicators@conference-board.org

Website: <http://www.conference-board.org/economics/bci/>

The next release is scheduled for Tuesday, September 15, 2009 at 10:00 A.M. (Madrid Time)

In the U.S. – Tuesday, September 15, 2009 at 4:00 A.M. (ET)