



News Release

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

Brussels, September 21, 2010... The Conference Board Leading Economic Index® (LEI) for France increased 0.9 percent and The Conference Board Coincident Economic Index® (CEI) increased 0.1 percent in July.

- The Conference Board LEI for France increased in July after declining in June. Positive contributions from the yield spread, building permits (residential), and industrial new orders more than offset a slight decline in stock prices. Between January and July 2010, the leading economic index increased 2.9 percent (about a 5.9 percent annual rate), down from an increase of 4.0 percent (about an 8.1 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 CEI for France, a measure of current economic activity, also increased in July. In the six-month period ending in July 2010, the coincident economic index increased 0.4 percent (about a 0.8 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 2.5 percent annual rate in the second quarter of 2010, up from an increase of 0.7 percent annual rate in the first quarter.
- The Conference Board LEI for France picked up in July following a decline in June. However, its six-month growth rate has been moderating since reaching a high in October 2009, while the weaknesses among its components have been widespread in recent months. Meanwhile, The Conference Board CEI for France has increased slightly in 2010 after remaining essentially flat in the last half of 2009. Taken together, the recent behavior of the composite indexes suggests that economic activity should continue to grow, albeit moderately, in the near term.

Please visit our website at <http://www.conference-board.org/data/bci.cfm>

Also visit the website of our research associate in France: <http://www.rexecode.fr/index.jsv>

The next release is scheduled for Wednesday, October 20, 2010 at 4:00 A.M. ET (10:00 A.M. Paris Time)

LEADING INDICATORS. Five of the seven components of the leading economic index increased in July. The positive contributors to the index -- in order from the largest positive contributor to the smallest -- are the yield spread, building permits (residential), industrial new orders, new unemployment claims (inverted), and production expectations. The negative contributors to the index -- beginning with the largest negative contributor -- are the ratio of the deflator of manufacturing value added to unit labor cost in manufacturing*, and the stock price index.

With the increase of 0.9 percent in July, the leading economic index now stands at 110.1 (2004=100). Based on revised data, this index declined 0.3 percent in June and increased 0.3 percent in May. During the six-month span through July, the index increased 2.9 percent, and three of the seven components increased (diffusion index, six-month span equals 42.9 percent).

COINCIDENT INDICATORS. All four components of the coincident economic index increased in July. The positive contributors to the index -- in order from the largest positive contributor to the smallest -- are industrial production, wage and salaries*, personal consumption expenditures*, and employment*.

With the increase of 0.1 percent in July, the coincident economic index now stands at 104.0 (2004=100). Based on revised data, this index decreased 0.1 percent in June and increased 0.3 percent in May. During the six-month period through July, the index increased 0.4 percent, with three of the four series making a positive contribution (diffusion index, six-month span equals 75.0 percent).

Prior to March 2009, the residential building permits component of The Conference Board LEI for France is calculated as permits granted minus permits cancelled. From March 2009 going forward, the permits granted series replaces residential building permits because of delays in the publication of permits cancelled data by the source agency. The same standardization factor is applied to both series because their volatilities are similar. If the missing series becomes available, the original definition of the housing permits series may be restored at the next benchmark revision.

ABOUT THE CONFERENCE BOARD

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Summary Table of Composite Indexes

		2010		6-month
	May	Jun	Jul	Jan. to Jul
Leading Economic Index (LEI)	109.4 p	109.1 p	110.1 p	
Percent Change	0.3 p	-0.3 p	0.9 p	2.9 p
Diffusion	42.9	14.3	64.3	42.9
Coincident Economic Index (CEI)	104.0	103.9 p	104.0 p	
Percent Change	0.3	-0.1 p	0.1 p	0.4 p
Diffusion	100.0	37.5	87.5	75.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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