



THE CONFERENCE BOARD

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The Conference Board Leading Economic Index™ (LEI) for the U.K.

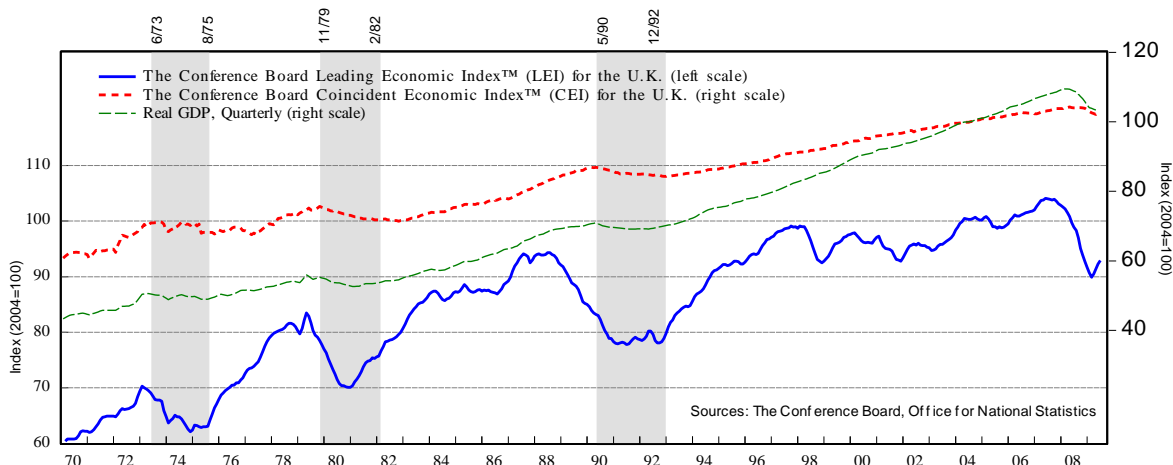
Increases Again in July

BRUSSELS, September 10, 2009... The Conference Board Leading Economic Index™ (LEI) for the U.K. increased by 0.7 percent in July to 92.9 (2004 = 100), following 1.0 percent gains in both June and May. Volume of expected output, the yield spread and consumer confidence made the largest positive contributions to the index.

Said Jean-Claude Manini, The Conference Board Senior Economist for Europe: “The LEI for the United Kingdom has risen for four consecutive months, providing a clearer recovery signal. However, the strengths and weaknesses among the leading indicators are just about balanced and the signal is less robust than that from the LEI for the [Euro Area](#). The recovery of the UK economy will probably continue to lag the Euro Area economy.”

The Conference Board LEI for the U.K. increased for a fourth consecutive month in July after a long period of decline. At the same time, **The Conference Board Coincident Economic Index™ (CEI)** for the U.K., a measure of current economic activity, increased 0.1 percent in July, after increasing by the same amount in June and falling 0.3 percent in May. The increase in the CEI was mainly due to the gains in both industrial production and retail sales. The index now stands at 102.3 (2004 = 100).

The Conference Board LEI for the U.K. shows improvement during the past four months



Note: Shaded areas represent recessions in the U.K. as determined by The Conference Board

LEI Peak: June 2007

CEI Peak: May 2008

Real GDP Peak: Q1 2008

The Conference Board LEI for the U.K. aggregates seven economic indicators that measure activity in the U.K., each of which has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

The seven components of **The Conference Board Leading Economic Index™** for the U.K. include:

- Order Book Volume (source: Confederation of British Industry)
- Volume of Expected Output (source: Confederation of British Industry)
- Consumer Confidence Indicator (source: European Commission)
- FTSE All-Share Index (source: FTSE Group)
- Yield Spread (source: Bank of England)
- Productivity, Whole Economy (Office for National Statistics)
- Total Gross Operating Surplus of Corporations (Office for National Statistics)

Plotted back to 1970, this index has successfully signaled turning points in the U.K. business cycles. The Conference Board currently produces leading economic indexes for the Euro Area and eight other countries, including the U.S., Germany, France, Spain, Japan, Australia, Korea and Mexico.

To view The Conference Board calendar of 2009 indicator releases:

<http://www.conference-board.org/economics/indicators.cfm>

For more information: <http://www.conference-board.org/economics/bci/>

For full press release: http://www.conference-board.org/economics/bci/pressRelease_output.cfm?cid=2

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Summary Table of Composite Economic Indexes

	2009			6-month
	May	Jun	Jul	Jan to Jul
Leading Economic Index (LEI)	91.4 p	92.3 p	92.9 p	
Percent Change	1.0 p	1.0 p	0.7 p	1.3
Diffusion	64.3	57.1	64.3	57.1
Coincident Economic Index (CEI)	102.1 p	102.2 p	102.3 p	
Percent Change	-0.3 p	0.1 p	0.1 p	-1.0
Diffusion	12.5	75.0	87.5	25.0

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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