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FOR RELEASE: 9:00 A.M. ET, THURSDAY, JUNE 19, 2003

The Conference Board® Spain Business Cycle Indicators℠
SPAIN LEADING ECONOMIC INDICATORS
AND RELATED COMPOSITE INDEXES FOR APRIL 2003

As announced last month, this month's release incorporates benchmark revisions to the composite indexes for Spain. The benchmark revisions bring the composite indexes up-to-date with revisions in component data and are maintenance procedures typically done once a year. In addition, because two components of the leading index were discontinued in December 2002, the capital equipment component of industrial production (IP) was benchmarked and the construction component of IP is no longer used in calculating the leading index. Components of the coincident index remain the same. The effects of these revisions on the indexes are very small, as expected. (Due to these revisions, month-to-month changes in the composite indexes will no longer be comparable to those issued prior to this benchmark.) For more information, visit our web site at www.globalindicators.org.

The Conference Board announced today that both the leading and coincident indexes for Spain increased 0.4 percent in April.

- The leading index in Spain increased in April after declining in March. Increases in stock prices, orders and capital equipment production contributed to this month's gain in the leading index.

- Despite slight weakness earlier this year, the leading index continues its upward trend since early 2002. Both the one-month and six-month diffusion indexes show that strength among the leading components remains widespread.

- The coincident index, an important measure of current economic activity, continued to increase through April. The six-month diffusion index has been well above 50 percent in the last eleven months.

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

    With the increase of 0.4 percent in April, the leading index now stands at 130.5 (1990=100). Based on revised data, this index decreased 0.4 percent in March and increased 0.6 percent in February. During the six-month span through April, the index increased 1.1 percent, and three of the six components advanced (diffusion index, six-month span equals 50 percent).

The next release is scheduled for July 17, 2003 at 9:00 A.M. (ET)
In Spain –July 17, 2003 at 3:00 P.M. (CET)

COINCIDENT INDICATORS. All four components that make up the coincident index increased in April. The positive contributors —in order from the largest positive contributor to the smallest—include the retail sales survey, final household consumption*, real imports*, and industrial production excluding construction*.

With the increase of 0.4 percent in April, the coincident index now stands at 139.4 (1990=100).   Based on revised data, this index increased 0.1 percent in March and increased 0.4 percent in February. During the six-month span through April, the index increased 1.1 percent, and three of the four components advanced (diffusion index, six-month span equals 87.5 percent).

FOR TABLES AND CHARTS, SEE BELOW

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. (ET) June 17, 2003. Some series are estimated as noted below.

NOTES: Series in the coincident index based on The Conference Board estimates include final household consumption, industrial production excluding construction, and real imports. There is no series that was based on The Conference Board estimates in the leading index.

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THE CYCLICAL INDICATOR APPROACH. The composite indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading and coincident indexes are essentially composite averages of between four and nine individual leading or coincident indicators. (See page 3 for details.) They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component—primarily because they smooth out some of the volatility of individual components.

Historically, the cyclical turning points in the leading index have occurred before those in aggregate economic activity, while the cyclical turning points in the coincident index have occurred at about the same time as those in aggregate economic activity.

Further explanations of the cyclical indicator approach and the composite index methodology appear in The Conference Board's *Business Cycle Indicators* report and Web site:www.globalindicators.org.

Spain Composite Indexes: Components and Standardization Factors

Leading Index	Factor
1. Capital Equipment Component of Industrial Production	.0591
2. Contribution to Euro M2	.2648
3. Stock Price Index	.0262
4. Long term Government Bond Yield	.4560
5. Order Books Survey	.1249
6. Job Placings	.0689

Coincident Index

1. Final Household Consumption	.6447
2. Industrial Production, Excluding Construction	.2264
3. Retail Sales Survey	.0601
4. Real Imports	.0688

Notes:
The component factors are inversely related to the standard deviation of the month-to-month changes in each component. They are used to equalize the volatility of the contribution from each component and are "normalized" to sum to 1. (Under normal circumstances, updates to the leading and coincident indexes only incorporate revisions to data over the past six months.)

The factors above were calculated using 1984-2001 as the sample period for measuring volatility for the leading index and the coincident index. There are additional sample periods as the result of different starting dates for the component data. When one or more components is missing, the other factors are adjusted proportionately to ensure that the total continues to sum to 1. For additional information on the standardization factors and the index methodology visit our Web site: www.globalindicators.org.

To address the problem of lags in available data, those leading and coincident indicators that are not available at the time of publication are estimated using statistical imputation. An autoregressive model is used to estimate each component. The resulting indexes are constructed using real and estimated data, and will be revised as the data unavailable at the time of publication become available. Such revisions are part of the monthly data revisions, now a regular part of the U.S. Business Cycle Indicators program. The main advantage of this procedure is to utilize in the leading index the data, such as stock prices, that are available sooner than other data on "real" aspects of the economy, such as new orders and changes in inventory. Empirical research by The Conference Board suggests there are real gains in adopting this procedure to make all the indicator series as up-to-date as possible.

NOTICES

The 2003 schedule for the Spain "Leading Economic Indicators" news release is:

May 2003 Data................	Thursday July 17, 2003
June 2003 Data...............	Tuesday August 19, 2003
July 2003 Data...............	Thursday September 18, 2003

All releases are at 9:00 A.M (ET), 3:00 P.M. (CET)

ABOUT THE CONFERENCE BOARD. Founded in 1916, The Conference Board is the premier business membership and research network. The Conference Board has become a global leader in helping executives build strong professional relationships, expand their business knowledge and find solutions to a wide range of business challenges. The Board's Economics Program, under the direction of Chief Economist Gail Fosler, is a recognized source of forecasts, economic analysis and objective indicators such as the Leading Economic Indicators and the Consumer Confidence Index.

This role is part of a long tradition of research and education that stretches back to the compilation of the first continuous measure of the cost of living in the United States in 1919. In 1995, The Conference Board assumed responsibility for computing the composite indexes from the U.S. Department of Commerce. The Conference Board now produces business cycle indexes for the U.S., Australia, France, Germany, Korea, Japan, Mexico, Spain and the U.K. To subscribe to any of these indexes, please visit www.globalindicators.org, contact the Global Indicators Research Institute at 212-339-0312, or email indicators@conference-board.org.

AVAILABLE FROM THE CONFERENCE BOARD

Spain Business Cycle Indicators Internet Subscription	$ 500 per year (1 user)
(Includes monthly release, data, charts and commentary)	
Individual Data Series	$ 25 per series downloaded
Monthly BCI Report	$ 130 per year
(Sample available on request)	
Monthly News Release (fax or email)	$ 45 per year
BCI Handbook (published 2001)	$ 20
Corporate Site License	$2,600 per year

Business Cycle Indicators for Australia, France, Germany, Japan, Korea, Mexico, Spain and the U.K. are available at $500 per country per year (1 user). Discounts are available to Associates of The Conference Board and accredited academic institutions.

The Conference Board Spain Business Cycle Indicators

Table 1.--Summary of Spain Composites Indexes

	2002 Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	2003 Apr.
Leading index	129.1	130.0	130.2	129.7	130.5	130.0	130.5
Percent change	1.3	0.7	0.2	-0.4	0.6	-0.4	0.4
Diffusion index	100.0	50.0	83.3	33.3	83.3	25.0	50.0
Coincident index	137.9	137.9	138.0	138.2 r	138.7	138.8 p	139.4 p
Percent change	0.6	0.0	0.1	0.1 r	0.4	0.1 p	0.4 p
Diffusion index	100.0	25.0	62.5	50.0	100.0	50.0	100.0

	Apr to Oct.	May to Nov.	Jun to Dec.	Jul to Jan.	Aug to Feb.	Sep to Mar.	Oct to Apr.
Leading index							
Percent change	1.7	2.0	1.6	1.5	2.2	2.1	1.1
Diffusion index	83.3	66.7	66.7	66.7	83.3	83.3	50.0
Coincident index							
Percent change	1.7	1.5	1.7	1.6	1.5	1.2 p	1.1 p
Diffusion index	100.0	100.0	100.0	100.0	100.0	100.0	87.5

p Preliminary.   r Revised (noted only for index levels and one-month percent changes).

CALCULATION NOTE: The diffusion indexes measure the proportion of the components that are rising. Components that rise more than 0.05 percent are given a value of 1.0, components that change less than 0.05 percent are given a value of 0.5, and components that fall more than 0.05 percent are given a value of 0.0.

For more information, visit our Web site at www.globalindicators.org

The Conference Board Spain Business Cycle Indicators

Table 2.–Data and Net Contributions for Components of the Spain Leading Index

Component	2002						2003
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Spain Leading Index component data							
Capital Equipment Component of Industrial Production (3 month moving average, s.a.)..........	95.4	93.9	96.7	93.7	94.0	90.7	92.2
Spanish Contribution to Euro M2 (s.a.)................................	478415.95 r	483167.16 r	483986.81 r	490710.47 r	495872.48 r	493491.98 r	492717.10
Spanish Equity Price Index..	217.2	234.2	214.1	210.7	211.5	207.4	227.9
Longterm Government Bond Yield (Inverted)...............	4.120	4.180	4.020	3.710	3.450	3.460	3.680
Order Books Survey (3 month moving average, s.a.).........	5.59 r	9.59 r	10.45 r	5.00 r	4.82 r	5.37 r	8.45
Job Placings (3 month moving average, s.a.).....................	1169973.2 r	1149884.2 r	1157369.5 r	1150478.6 r	1187447.3 r	1177838.5 r	1147641.4
LEADING INDEX (1990=100)...................................	**129.1**	**130.0**	**130.2**	**129.7**	**130.5**	**130.0**	**130.5**
Percent change from preceding month............	1.3	0.7	0.2	-0.4	0.6	-0.4	0.4
Spain Leading index net contributions							
Capital Equipment Component of Industrial Production (3 month moving average, s.a.)..........	....	-0.10	0.17	-0.18	0.02	-0.21	0.09
Spanish Contribution to Euro M2 (s.a.)................................	....	0.26 r	0.04 r	0.37 r	0.28 r	-0.13 r	-0.04
Spanish Equity Price Index..	....	0.20	-0.23	-0.04	0.01	-0.05	0.25
Longterm Government Bond Yield (Inverted)...............	....	-0.03	0.07	0.14	0.12	0.00	-0.10
Order Books Survey (3 month moving average, s.a.).........	....	0.50 r	0.11 r	-0.68 r	-0.02 r	0.07 r	0.38
Job Placings (3 month moving average, s.a.).....................	....	-0.12 r	0.04 r	-0.04 r	0.22 r	-0.06 r	-0.18

p Preliminary.   r Revised.   s.a. Seasonally Adjusted

*   Inverted series; a negative change in this component makes a positive contribution to the index.

** Statistical Imputation (See page 2 for more details)

Q Quarterly series; these series are converted to a monthly series through a linear interpolation.

Data Sources: Ministerio de Economia y Hacienda, IMF, OECD,

CALCULATION NOTE–The percent change in the index does not always equal the sum of the net contributions

of the individual components (because of rounding effects and base value differences).

The Conference Board Spain Business Cycle Indicators

Table 3.--Data and Net Contributions for Spain Coincident Index

Component	2002						2003
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Spain Coincident index component data							
Final Household Consumption (Q)...........................	81.4	81.6	81.8	81.9	82.1 r	82.2 **	82.4 **
Industrial Production, Excluding Construction (3 month moving average).......................................	119	118.8	118.8	118.5 r	118.7 r	119.0 r	119.2 **
Real Imports (3 month moving average)..................	13568.90	13436.70	13806.40	13636.20	13820.50	13627.30 r	13744.10 **
Retail Sales Survey (s.a.) #.....................................	108.4	108.1	103.9 r	107.6 r	108.9 r	108.2 r	111.5
COINCIDENT INDEX (1990=100)..........................	**137.9**	**137.9**	**138.0**	**138.2**	**138.7**	**138.8 p**	**139.4 p**
Percent change from preceding month..................	0.6	0.0	0.1	0.1	0.4	0.1 p	0.4 p
Spain Coincident index net contributions							
Final Household Consumption (Q)...........................	....	0.18	0.13	0.08	0.13 r	0.14 **	0.15 **
Industrial Production, Excluding Construction (3 month moving average).......................................	....	-0.06	0.00	-0.06 r	0.03 r	0.06 r	0.03 **
Real Imports (3 month moving average)..................	....	-0.06	0.16	-0.07	0.08	-0.08 r	0.05 **
Retail Sales Survey (s.a.) #.....................................	....	-0.02	-0.27 r	0.24 r	0.08 r	-0.04 r	0.21

p Preliminary.   r Revised.   s.a. Seasonally Adjusted

*   Inverted series; a negative change in this component makes a positive contribution to the index.

** Statistical Imputation (See page 2 for more details)

\# Since April 2002, the Retail Sales Survey rebased from 1995=100 to 2001=100

Data Sources: Ministerio de Economia y Hacienda, IMF, OECD,

CALCULATION NOTE--The percent change in the index does not always equal the sum of the net contributions

of the individual components (because of rounding effects and base value differences).

Spain

Leading Index

2/92 | 4/93

Apr-03

Coincident Index

Apr-03
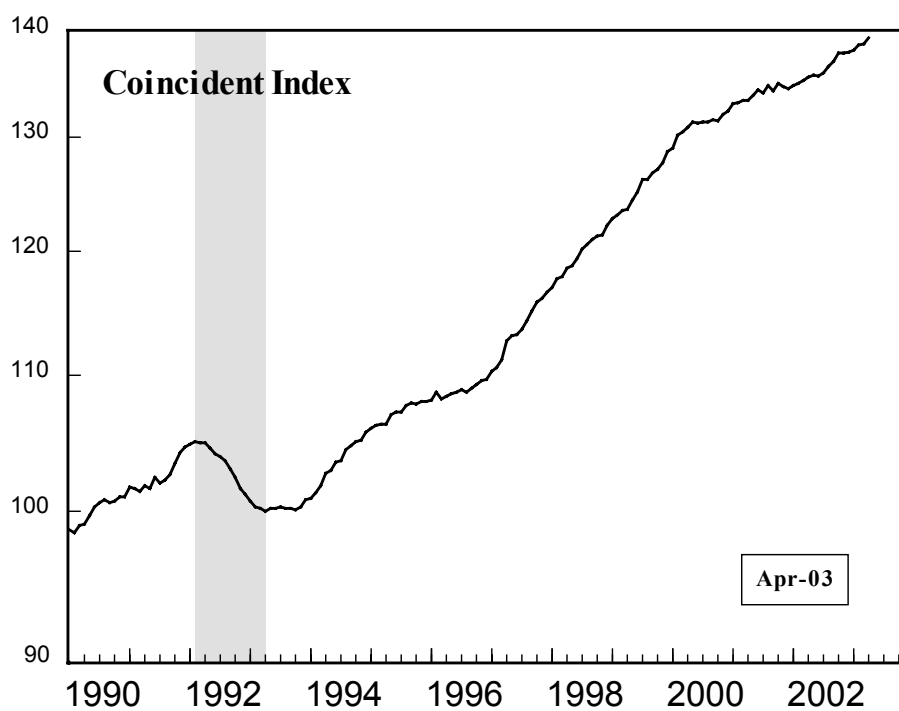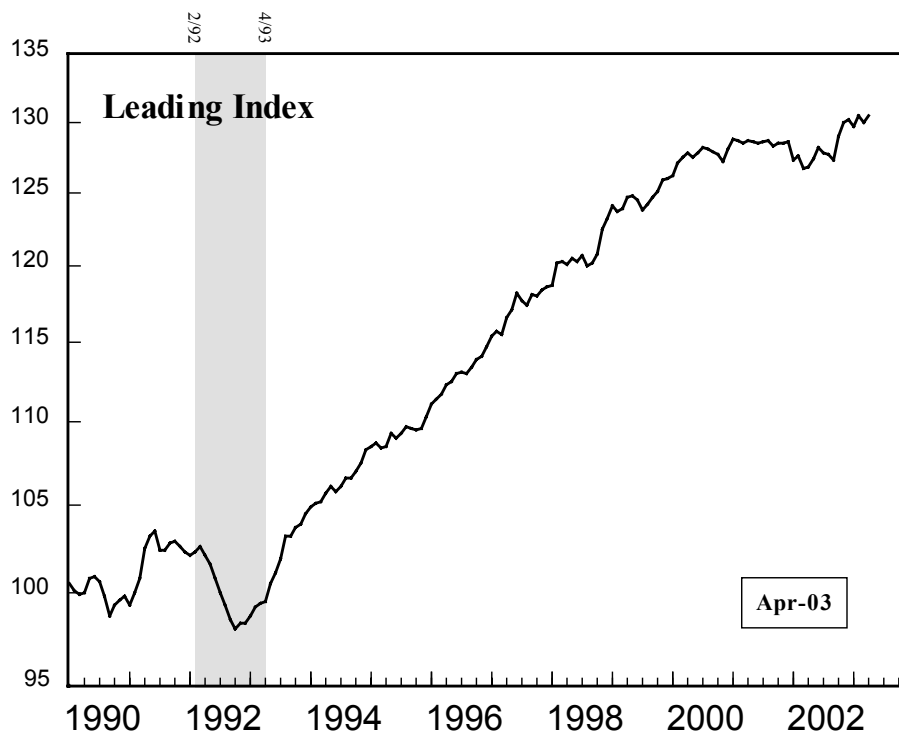
Year

Source: The Conference Board

Note: Shaded areas represent business cycle recesssions in Spain