

News Release

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Using the Composite Indexes: *The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. The Coincident Economic Index (CEI) provides an indication of the current state of the economy. Additional details are below.*

The Conference Board Leading Economic Index® (LEI) for France Ticks Up in December

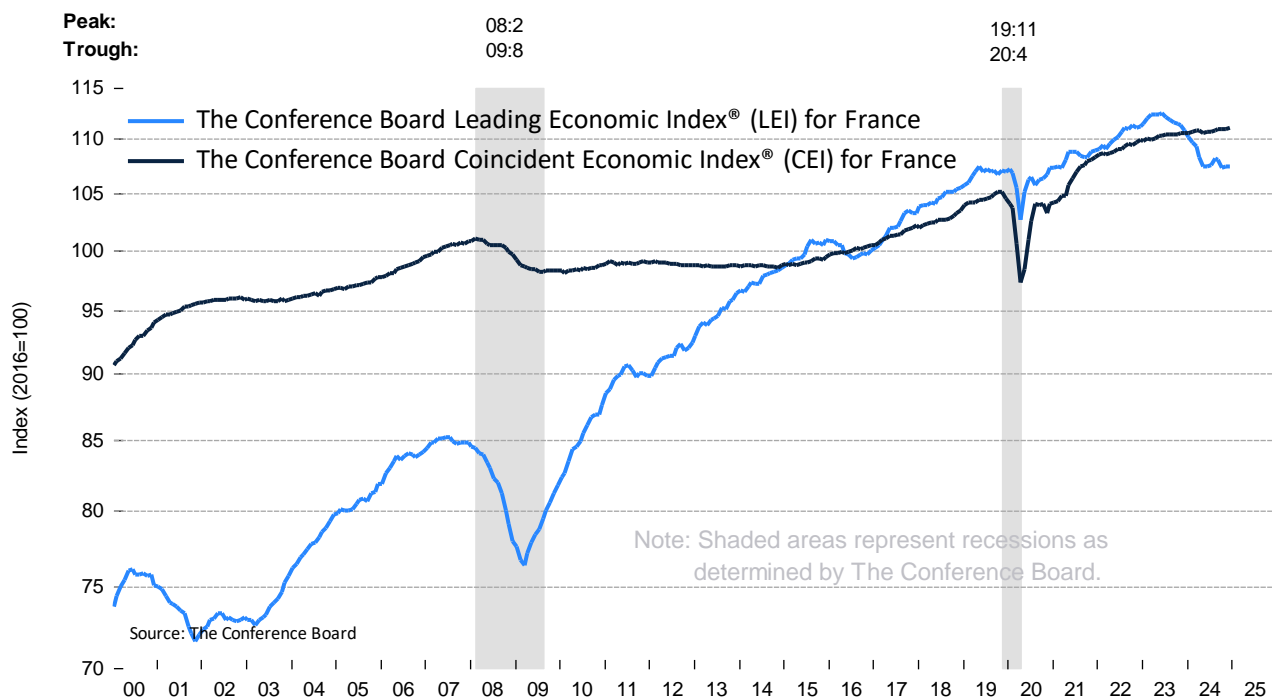
The Conference Board Leading Economic Index® (LEI) for France ticked up by 0.1% in December 2024 to 107.5 (2016=100), after a similar 0.1% rise in November. As a result, the LEI for France improved by 0.1% over the second half of 2024, a substantial improvement from the 3.1% decline over the first half of the same year.

The Conference Board Coincident Economic Index® (CEI) for France also ticked up by 0.1% to 111.1 (2016=100) in December 2024, after rising by 0.1% in November. The CEI for France increased by 0.4% over the second half of 2024, accelerating from 0.1% increase over the first half of the same year.

“The France LEI was largely flat in the second half of 2024,” said **Allen Li, Associate Economist at The Conference Board**. “In December, of the seven components, four were positive, albeit very slightly so. Among the positive contributors, there was some improvement in business opinions about industrial new orders and a softening in new unemployment claims. Only production expectations and the yield spread contributed negatively to the monthly reading. After declining rapidly earlier in the year, the longer-term growth trajectory of the France LEI stabilized in the second half of 2024. However, the LEI has yet to build up any positive momentum. The Conference Board currently expects France GDP growth to slow to 0.7% in 2025 after progressing by 1.1% in 2024 as spending cuts and tax hikes are likely to weigh on business confidence and investment, along with trade uncertainties around US tariffs.”

The next release is scheduled for Tuesday, March 18, 2025, at 9:30 A.M. ET.

After declining rapidly earlier in the year, the France LEI stabilized in the second half of 2024



Most of the components of the France LEI were mildly positive in December

The Conference Board Leading Economic Index® and Component Contributions (Percent)

Dec. '24

6 mo. ending Dec. '24

Component	Dec. '24	6 mo. ending Dec. '24
Financial Components		
Stock Price SBF250 Index	0.02	-0.15
Yield Spread, 10 year minus short-term rates #	-0.01	-0.49
Non-Financial Components		
Ratio Deflator of Value Added to Unit Labor Cost (Q)**	0.00	0.57
Production Expectations	-0.06	0.01
Industrial New Orders	0.13	0.03
New Unemployment Claims*	0.09	0.36
Building Permits, Residential	0.07	0.22

Source: The Conference Board

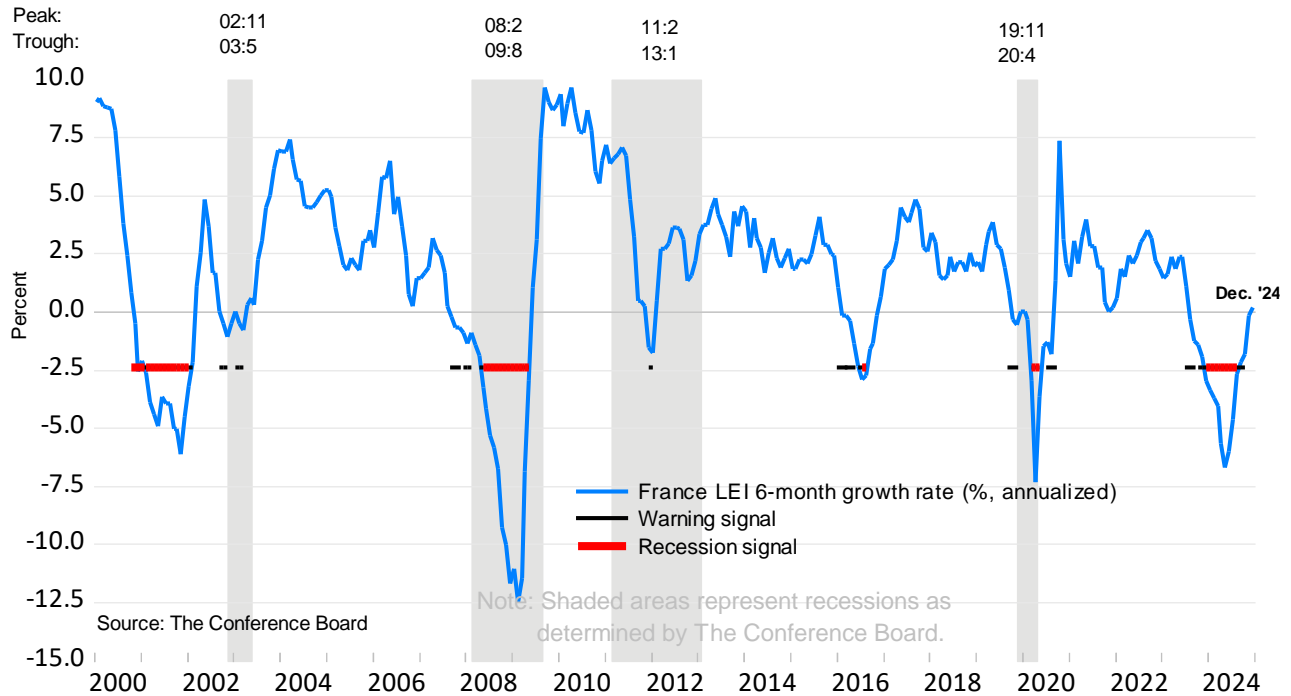
* Inverted series; a negative change in this component makes a positive contribution.

** Statistical imputation. -- Q: Quarterly series; these series are converted to a monthly series through a linear interpolation.

The short-term rates used are Day-to-Day Loan rate, Euribor, and Ester through the history of this variable.

LEI change might not equal sum of its contributions due to application of trend adjustment factor

The six-month growth rate of the France LEI improved and has stopped signaling a recession since October



NOTE: The chart illustrates the so-called **3Ds**—**duration, depth, and diffusion**—for interpreting a downward movement in the LEI. **Duration** refers to how long the decline has lasted. **Depth** denotes the size of decline. Duration and depth are measured by the rate of change of the index over the most recent six months. **Diffusion** is a measure of how widespread the decline is among the LEI’s component indicators—on a scale of 0 to 100, a **diffusion index** reading below 50 indicates most components are weakening.

The **3Ds rule** signals an impending recession when: 1) the diffusion index lies below 50, shown by the black warning signal lines in the chart; and 2) the LEI’s six-month rate of decline falls below the threshold of -2.4 percent. The **red recession signal lines** indicate months when both criteria are met simultaneously—and thus that a recession is likely imminent or underway.

About The Conference Board *Leading Economic Index*® (LEI) and *Coincident Economic Index*® (CEI) for France

The composite economic indexes are key elements in an analytic system designed to signal peaks and troughs in the business cycle. Comprised of multiple independent indicators, the indexes are constructed to summarize and reveal common turning points in the economy in a clearer and more convincing manner than any individual component.

The CEI reflects current economic conditions and is highly correlated with real GDP. The LEI is a predictive tool that anticipates—or “leads”—turning points in the business cycle by around twelve months.

The seven components of *Leading Economic Index*® for France are:

- Yield Spread
- Stock Prices
- Building Permits
- New Unemployment Claims
- Industrial New Orders
- Production Expectations
- Ratio P/L Cost

The four components of the *Coincident Economic Index*® for France are:

- Industrial Production
- Personal Consumption
- Employment (Private sector)
- Wages and Salaries

To access data, please visit: <https://data-central.conference-board.org/>

About The Conference Board

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