

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 Germany Increased in February

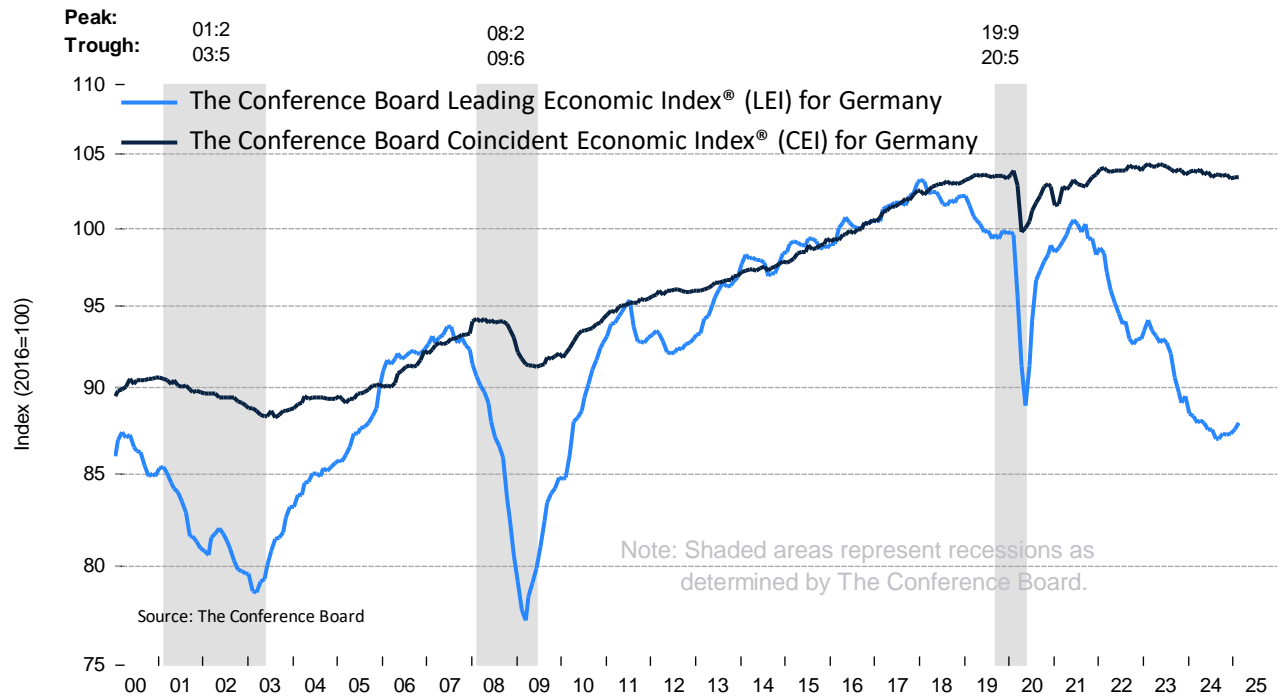
The Conference Board Leading Economic Index® (LEI) for Germany improved by 0.5% in February 2025 to 87.9 (2016=100), after rising by 0.2% in January. Over the six-month period from August 2024 to February 2025, the LEI for Germany grew by 1.0%, a positive turn from the 1.5% contraction over the previous six-month period, from February to August 2024.

The Conference Board Coincident Economic Index® (CEI) for Germany was unchanged in February 2025 at 103.4 (2016=100), after inching up by 0.1% in January. Over the six-month period between August 2024 and February 2025, the CEI for Germany experienced a slight 0.2% decline, the same rate of decline as over the previous six-month period.

“The LEI for Germany increased in February,” said **Allen Li, Associate Economist at The Conference Board**. “All components of the Germany LEI improved, save for yield spread, which was a slightly negative contributor to the Index. The Index has displayed a consistent recovery from lows experienced a year ago, suggesting lessened headwinds to economic growth ahead. The Conference Board currently projects a very sluggish recovery in Germany with real GDP growth overall flat in 2025, after contracting slightly in the past two years.”

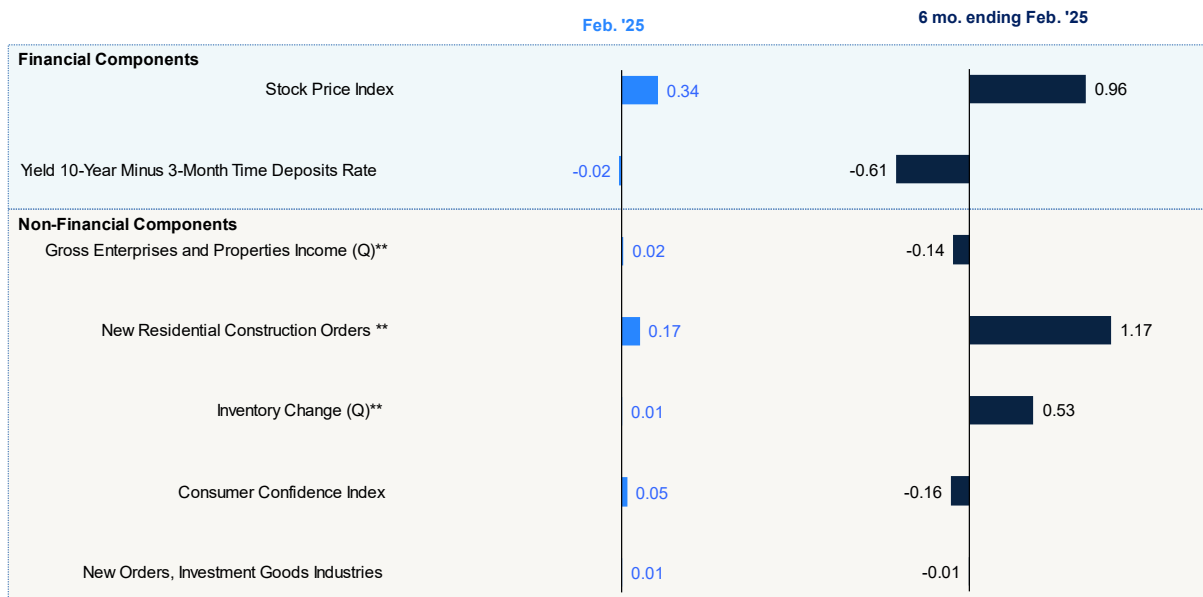
The next release is scheduled for Thursday, May 15, 2025, at 9:30 A.M. ET.

The Germany LEI increased in February



Most components of the Germany LEI improved in February

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



Source: The Conference Board
 ** Statistical Imputation.—Q: Quarterly series; these series are converted to a monthly series through a linear interpolation
 LEI change might not equal sum of its contributions due to application of trend adjustment factor

The six-month growth rate of the Germany LEI has continued to recover, suggesting lessened headwinds to economic growth ahead



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 six-month **diffusion index** reading below 50 indicates most components are weakening.

The 3Ds rule signals an impending recession when: 1) the six-month diffusion index lies at or 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 -4.3%. 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 Germany

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 five months.

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

- New Orders for Investment Goods
- Yield Spread, 10-Year Minus 3-Month Time Deposits Rate
- Consumer Confidence Index
- Inventory Change
- New Residential Construction Orders
- Stock Price Index
- Gross Enterprises and Properties Income

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

- Industrial Production
- Employed Persons
- Retail Trade
- Manufacturing Sales

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

About The Conference Board

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