

## News Release

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**For Release 10:00 AM ET, January 23, 2020**

***The Conference Board Leading Economic Index® (LEI) for the U.S. Declined in December***

**Economic Growth Likely to Continue at Around 2 Percent in Early 2020**

NOTE: This month's release incorporates annual benchmark revisions to the composite economic indexes, which bring them up-to-date with revisions in the source data. These revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed. As a result, the revised indexes, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision. For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact us at [indicators@conference-board.org](mailto:indicators@conference-board.org)

**NEW YORK, January 23, 2020...**The Conference Board Leading Economic Index® (LEI) for the U.S. declined 0.3 percent in December to 111.2 (2016 = 100), following a 0.1 percent increase in November, and a 0.2 percent decline in October.

“The US LEI declined slightly in December, driven by large negative contributions from rising unemployment insurance claims and a drop in housing permits,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “The LEI has now declined in four out of the last five months. Its six-month growth rate turned slightly more negative in the final quarter of 2019, with the manufacturing indicators pointing to continued weakness in the sector. However, financial conditions and consumers’ outlook for the economy remain positive, which should support growth of about 2 percent through early 2020.”

**The Conference Board Coincident Economic Index® (CEI)** for the U.S. increased 0.1 percent in December to 107.2 (2016 = 100), following a 0.3 percent increase in November, and a 0.1 percent decline in October.

**The Conference Board Lagging Economic Index® (LAG)** for the U.S. declined 0.1 percent in December to 108.8 (2016 = 100), following a 0.4 percent increase in November, and a 0.2 percent increase in October.



### Summary Table of Composite Economic Indexes

|                  | 2019    |         |         | 6-month<br>Jun to<br>Dec |
|------------------|---------|---------|---------|--------------------------|
|                  | Oct     | Nov     | Dec     |                          |
| Leading Index    | 111.4 r | 111.5 r | 111.2 p |                          |
| Percent Change   | -0.2    | 0.1 r   | -0.3 p  | -0.4                     |
| Diffusion        | 40.0    | 75.0    | 65.0    | 45.0                     |
| Coincident Index | 106.8 r | 107.1 r | 107.2 p |                          |
| Percent Change   | -0.1    | 0.3 r   | 0.1 p   | 0.8                      |
| Diffusion        | 25.0    | 100.0   | 75.0    | 100.0                    |
| Lagging Index    | 108.5 r | 108.9 r | 108.8 p |                          |
| Percent Change   | 0.2     | 0.4 r   | -0.1 p  | 0.8                      |
| Diffusion        | 57.1    | 50.0    | 35.7    | 57.1                     |

p Preliminary r Revised  
Indexes equal 100 in 2016  
Source: The Conference Board

Jan. 24, 2020 10 AM ET Note: Due to a calculation error in one of the underlying sub-components, the history of the US LEI, its trend adjustment factor, and Leading Credit Index™ have been minimally impacted. Except for the 6-month growth rate of the US LEI for Aug. 2019, the data reported in the technical notes released on Jan. 23, 2020 have not been impacted. Please redownload the historical files for the revised data.

#### **About The Conference Board Leading Economic Index® (LEI) for the U.S.**

The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading, coincident, and lagging economic indexes are essentially composite averages of several individual leading, coincident, or lagging indicators. 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.

The ten components of **The Conference Board Leading Economic Index®** for the U.S. include:

- Average weekly hours, manufacturing
- Average weekly initial claims for unemployment insurance
- Manufacturers' new orders, consumer goods and materials
- ISM® Index of New Orders
- Manufacturers' new orders, nondefense capital goods excluding aircraft orders
- Building permits, new private housing units
- Stock prices, 500 common stocks
- Leading Credit Index™
- Interest rate spread, 10-year Treasury bonds less federal funds
- Average consumer expectations for business conditions

For full press release and technical notes:

<http://www.conference-board.org/data/bcicountry.cfm?cid=1>

For more information about The Conference Board global business cycle indicators:  
<http://www.conference-board.org/data/bci.cfm>

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