

# News Release

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

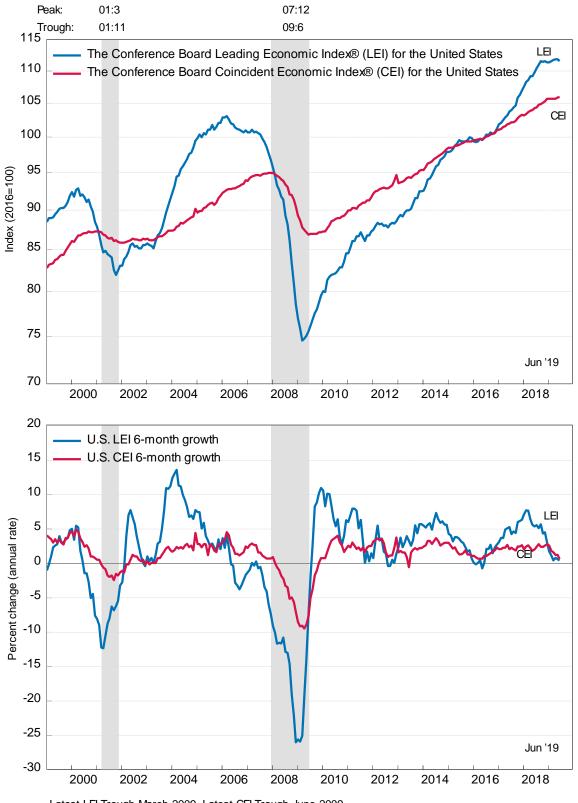
## Index Points to Moderation in Growth in Second Half

**NEW YORK, July 18, 2019**...**The Conference Board Leading Economic Index**<sup>®</sup> (LEI) for the U.S. declined 0.3 percent in June to 111.5 (2016 = 100), following no change in May, and a 0.1 percent increase in April.

"The US LEI fell in June, the first decline since last December, primarily driven by weaknesses in new orders for manufacturing, housing permits, and unemployment insurance claims," said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. "For the first time since late 2007, the yield spread made a small negative contribution. As the US economy enters its eleventh year of expansion, the longest in US history, the LEI suggests growth is likely to remain slow in the second half of the year."

**The Conference Board Coincident Economic Index**<sup>®</sup> (CEI) for the U.S. increased 0.1 percent in June to 105.9 (2016 = 100), following a 0.2 percent increase in May, and no change in April.

**The Conference Board Lagging Economic Index**<sup>®</sup> (LAG) for the U.S. increased 0.6 percent in June to 107.7 (2016 = 100), following a 0.2 percent decline in May and no change in April.



The Conference Board Leading Economic Index® (LEI) for the U.S. declined in June

Latest LEI Trough March 2009, Latest CEI Trough June 2009 Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee. Source: The Conference Board

Summary Table of Composite Economic Indexes							
		2019					6-month
	Apr		May		Jun		Dec to Jun
Leading Index	111.8		111.8		111.5	р	
Percent Change	0.1		0.0		-0.3	р	0.2
Diffusion	65.0		55.0		60.0		50.0
Coincident Index	105.6	r	105.8	r	105.9	р	
Percent Change	0.0	r	0.2		0.1	р	0.3
Diffusion	50.0		87.5		87.5		62.5
Lagging Index	107.3	r	107.1	r	107.7	р	
Percent Change	0.0	r	-0.2		0.6	р	1.3
Diffusion	35.7		7.1		57.1		71.4
p Preliminary r Revised Indexes equal 100 in 2016	1						

Source: The Conference Board

### About The Conference Board Leading Economic Index<sup>®</sup> (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<sup>®</sup> 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: <a href="http://www.conference-board.org/data/bcicountry.cfm?cid=1">http://www.conference-board.org/data/bcicountry.cfm?cid=1</a>

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

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