

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® (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® (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® (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.

Summary Table of Composite Economic Indexes

	2019				6-month
	Apr	May	Jun		Dec to Jun
Leading Index	111.8	111.8	111.5	p	
Percent Change	0.1	0.0	-0.3	p	0.2
Diffusion	65.0	55.0	60.0		50.0
Coincident Index	105.6	r 105.8	r 105.9	p	
Percent Change	0.0	r 0.2	0.1	p	0.3
Diffusion	50.0	87.5	87.5		62.5
Lagging Index	107.3	r 107.1	r 107.7	p	
Percent Change	0.0	r -0.2	0.6	p	1.3
Diffusion	35.7	7.1	57.1		71.4

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

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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