

News Release

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

NEW YORK, November 21, 2019...The Conference Board Leading Economic Index® (LEI) for the U.S. declined 0.1 percent in October to 111.7 (2016 = 100), following a 0.2 percent decline in both September and August.

“The US LEI declined for a third consecutive month, and its six-month growth rate turned negative for the first time since May 2016. The decline was driven by weaknesses in new orders for manufacturing, average weekly hours, and unemployment insurance claims,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “The major difference this month is the softening in the labor market, whereas conditions in manufacturing remain weak and show no signs of improvement yet. Taken together, the LEI suggests that the economy will end the year on a weak note, at just below 2 percent growth.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. was unchanged in October, remaining at 106.5 (2016 = 100), following a 0.1 percent increase in September, and a 0.3 percent increase in August.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased 0.1 percent in October to 108.1 (2016 = 100), following a 0.1 percent increase in September, and a 0.6 percent decline in August.

Summary Table of Composite Economic Indexes

	2019			6-month
	Aug	Sep	Oct	Apr to Oct
Leading Index	112.0	111.8 r	111.7 p	
Percent Change	-0.2	-0.2 r	-0.1 p	-0.1
Diffusion	45.0	50.0	50.0	55.0
Coincident Index	106.4	106.5 r	106.5 p	
Percent Change	0.3	0.1 r	0.0 p	0.8
Diffusion	100.0	75.0	75.0	75.0
Lagging Index	107.9 r	108.0 r	108.1 p	
Percent Change	-0.6 r	0.1	0.1 p	0.7
Diffusion	35.7	42.9	35.7	57.1

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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