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

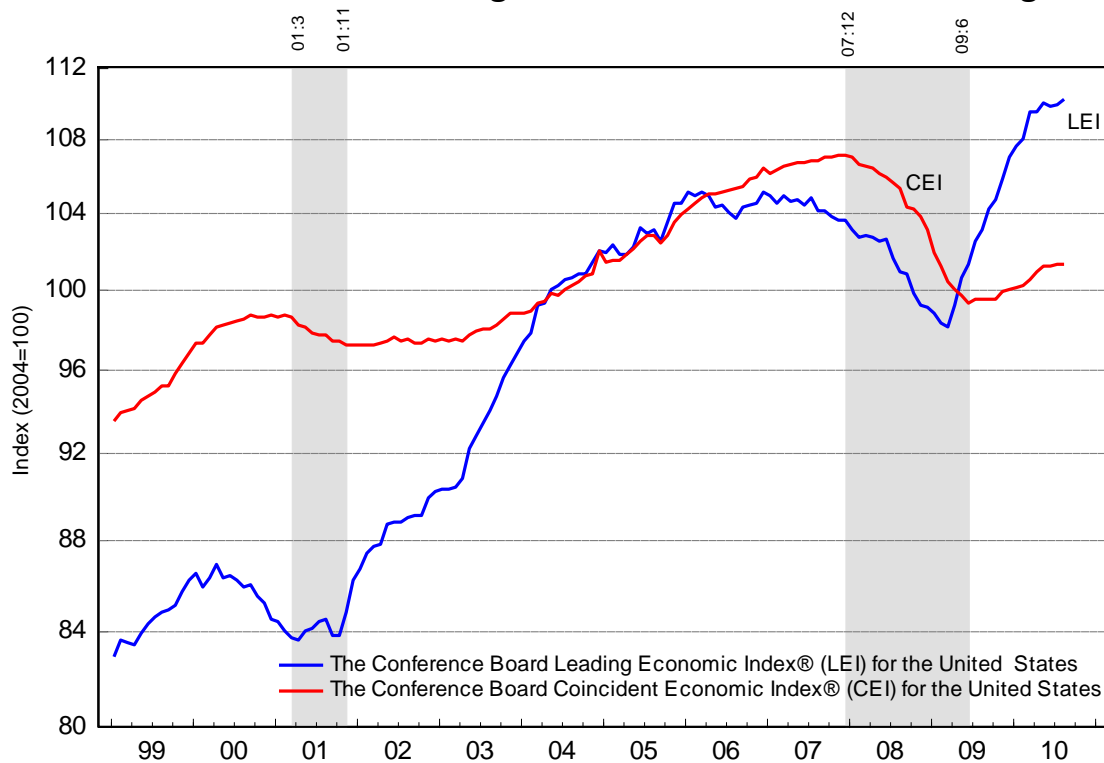
NEW YORK, September 23, 2010...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.3 percent in August to 110.2 (2004 = 100), following a 0.1 percent increase in July, and a 0.2 percent decline in June.

Says Ken Goldstein, economist at The Conference Board: “While the recession officially ended in June 2009, the recent pace of growth has been disappointingly slow, fueling concern that the economic recovery could fade and the U.S. could slide back into recession. However, latest data from the U.S. LEI suggest little change in economic conditions over the next few months. Expect more of the same – a weak economy with little forward momentum through 2010 and early 2011.”

Says Ataman Ozyildirim, economist at The Conference Board: “The U.S. LEI, which began rising three months before the end of the recession, remains on a general upward trend. However, the pace has been slowing. Correspondingly, current economic conditions, as measured by The Conference Board CEI, have been essentially flat since May, after reaching a bottom in June 2009. Taken together, the composite indexes are consistent with a slowly expanding economy in the near term.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. was unchanged in August, remaining at 101.3 (2004 = 100), following a 0.1 percent increase in July, and no change in June. **The Conference Board Lagging Economic Index® (LAG)** increased 0.2 percent in August to 108.1 (2004 = 100), following a 0.4 percent increase in July, and a 0.1 percent increase in June.

The Conference Board Leading Economic Index® Increases in August



Latest LEI Trough March 2009 , Latest CEI Trough June 2009

Shaded areas represent recessions as determined by the National Bureau of Economic Research.

Source: The Conference Board

Summary Table of Composite Economic Indexes

	2010			6-month Feb to Aug
	Jun	Jul	Aug	
Leading index	109.8 r	109.9 r	110.2 p	
Percent Change	-.2 r	.1	.3 p	2.0
Diffusion	60.0	50.0	70.0	40.0
Coincident Index	101.2	101.3 p	101.3 p	
Percent Change	.0 r	.1 p	.0 p	1.1
Diffusion	62.5	75.0	87.5	100.0
Lagging Index	107.5	107.9 p	108.1 p	
Percent Change	.1	.4 p	.2 p	0.1
Diffusion	50.0	78.6	42.9	42.9

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

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
- Index of supplier deliveries – vendor performance
- Manufacturers' new orders, nondefense capital goods
- Building permits, new private housing units
- Stock prices, 500 common stocks
- Money supply, M2
- Interest rate spread, 10-year Treasury bonds less federal funds
- Index of consumer expectations

For more information about The Conference Board global business cycle indicators:

<http://www.conference-board.org/data/bci.cfm>

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