



News Release

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For Release 10:00 AM ET, Thursday, January 20, 2011

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.

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

Increases Sharply Again

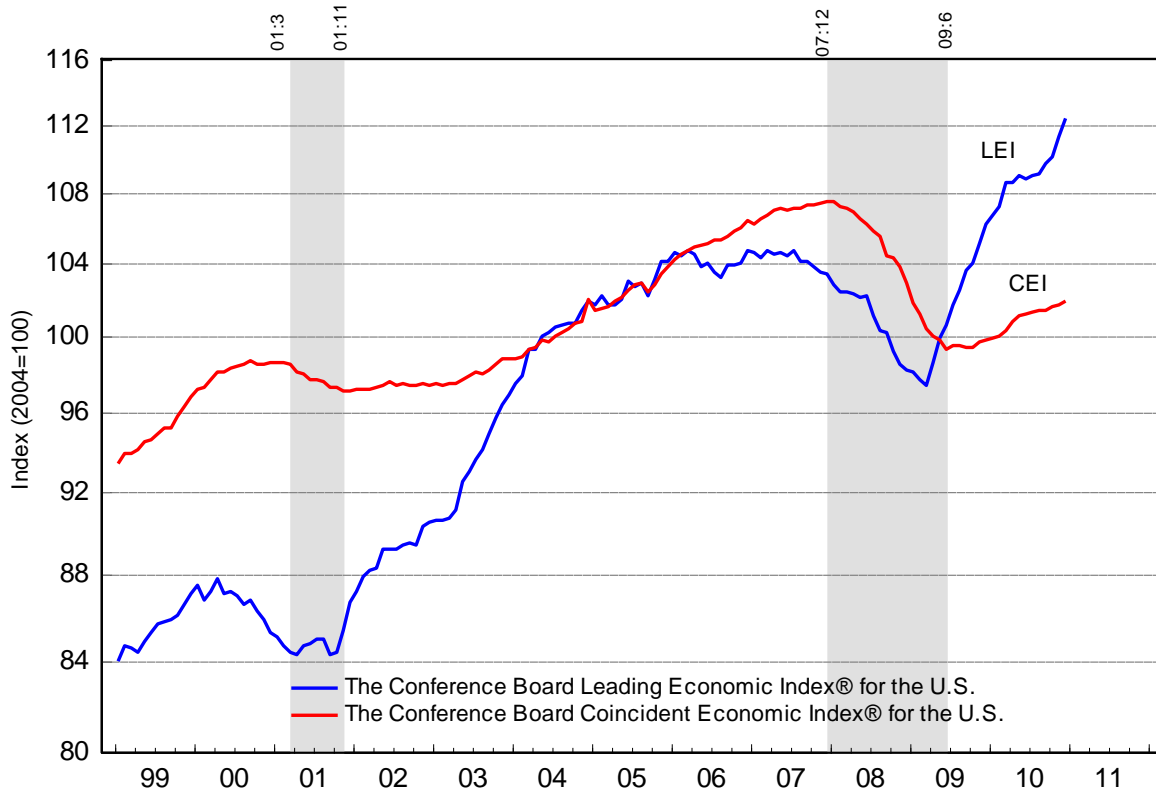
NEW YORK, January 20, 2011...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 1.0 percent in December to 112.4 (2004 = 100), following a 1.1 percent increase in November, and a 0.4 percent increase in October.

Says Ataman Ozyildirim, economist at The Conference Board: "While the LEI points to an economic expansion that is gaining further traction, its components still suggest the expansion path may be uneven. December's gain was led by housing permits, the interest rate spread, initial claims for unemployment insurance and consumer expectations. The large increases in December and November show that, after a brief pause in the second quarter of 2010, the LEI is resuming the upward trend that began in March 2009."

Says Ken Goldstein, economist at The Conference Board: "The four-month rise suggests the economy now has some wind in its sails; however, it still faces some strong headwinds in the medium-term. Overall economic activity is likely to continue to gain momentum in 2011."

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.2 percent in December to 101.9 (2004 = 100), following a 0.1 percent increase in November, and a 0.2 percent increase in October. **The Conference Board Lagging Economic Index® (LAG)** increased 0.3 percent in December to 108.4 (2004 = 100), following a 0.1 percent decline in November, and no change in October.

LEI for the United States Increases Sharply Again



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
	Oct	Nov	Dec	Jun to Dec
Leading index	110.1	111.3	112.4 p	
Percent Change	.4	1.1	1.0 p	3.3
Diffusion	60.0	75.0	70.0	80.0
Coincident Index	101.6	101.7 p	101.9 p	
Percent Change	.2	.1 p	.2 p	0.7
Diffusion	75.0	100.0	100.0	100.0
Lagging Index	108.2 p	108.1 p	108.4 p	
Percent Change	.0 p	-.1 p	.3 p	1.3
Diffusion	21.4	42.9	42.9	78.6

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 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>

About The Conference Board

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