



## News Release

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**For Release 10:00 AM ET, Thursday, October 20, 2011**

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

**NEW YORK, October 20, 2011...**The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.2 percent in September to 116.4 (2004 = 100), following a 0.3 percent increase in August, and a 0.6 percent increase in July.

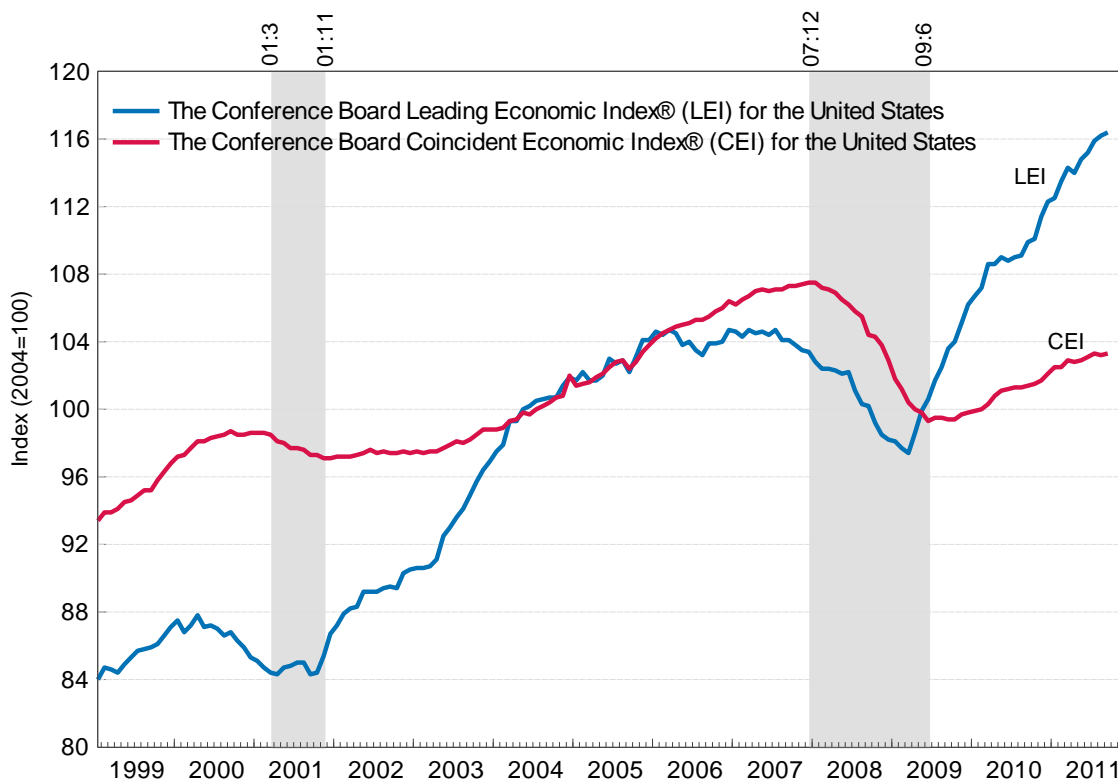
Says Ataman Ozyildirim, economist at The Conference Board: “September data shows moderating growth in both the LEI and the CEI. The weaknesses among the leading indicator components have become slightly more widespread in September. Moreover, the CEI suggests current economic conditions have been slow, with weak gains in all four components over the past six months. The slow pace in the LEI suggests a growing chance that this sluggish economy is going to be here for a while.”

Says Ken Goldstein, economist at The Conference Board: “The LEI is pointing to soft economic conditions through the end of 2011. There is a risk that already low confidence – consumer, business and investor – could weaken further, putting downward pressure on demand and tipping the economy into recession. The probability of a downturn starting over the next few months remains at about 50 percent.”

**The Conference Board Coincident Economic Index® (CEI)** for the U.S. increased 0.1 percent in September to 103.3 (2004 = 100), following a 0.1 percent decline in August, and a 0.2 percent increase in July.

**The Conference Board Lagging Economic Index® (LAG)** increased 0.2 percent in September to 110.4 (2004 = 100), following a 0.2 percent increase in August, and a 0.3 percent increase in July.

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



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

	Jul	2011 Aug	Sep	6-month Mar to Sep
Leading index	115.9	116.2	116.4 p	
Percent Change	.6	.3	.2 p	1.8
Diffusion	65.0	50.0	55.0	40.0
Coincident Index	103.3 r	103.2 p	103.3 p	
Percent Change	.2 r	-.1 p	.1 p	0.4
Diffusion	75.0	50.0	100.0	100.0
Lagging Index	110.0	110.2 p	110.4 p	
Percent Change	.3	.2 p	.2 p	1.9
Diffusion	50.0	42.9	42.9	71.4

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>

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