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

Index Points to Slow Growth Through Early 2011

NEW YORK, October 21, 2010...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.3 percent in September to 110.4 (2004 = 100), following a 0.1 percent increase in August, and a 0.2 percent increase in July.

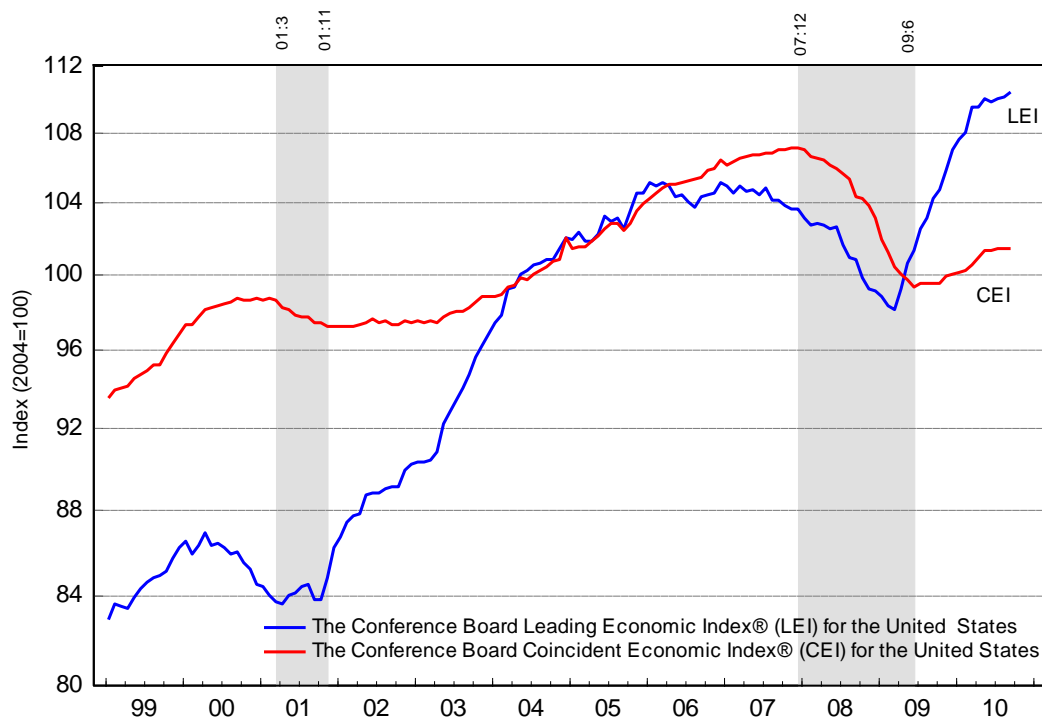
Says Ataman Ozyildirim, economist at The Conference Board: “The LEI remains on a general upward trend, but it is growing at its slowest pace since the middle of 2009. There isn’t any indication of a relapse into another downturn through the end of the year.”

Says Ken Goldstein, economist at The Conference Board: “More than a year after the recession officially ended, the economy is slow and has no forward momentum. The LEI suggests little change in economic conditions through the holidays or the early months of 2011.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. was unchanged in September, remaining at 101.4 (2004 = 100), following no change in August and a 0.1 percent increase in July. **The Conference Board Lagging Economic Index® (LAG)** increased 0.4 percent in September to 108.4 (2004 = 100), following a 0.1 percent increase in August, and a 0.4 percent increase in July.

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Indicators Point to Slow Growth Through Early 2011



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 Mar to Sep
	Jul	Aug	Sep	
Leading index	110.0 r	110.1 r	110.4 p	
Percent Change	.2 r	.1 r	.3 p	0.8
Diffusion	50.0	65.0	55.0	40.0
Coincident Index	101.4 r	101.4 p	101.4 p	
Percent Change	.1	.0 p	.0 p	0.9
Diffusion	62.5	75.0	50.0	100.0
Lagging Index	107.9 p	108.0 p	108.4 p	
Percent Change	.4 p	.1 p	.4 p	0.6
Diffusion	64.3	42.9	57.1	64.3

n.a. Not available p Preliminary r Revised

Indexes equal 100 in 2004

Source: The Conference Board

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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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