

News Release

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Using the Composite Indexes: *The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. The Coincident Economic Index (CEI) provides an indication of the current state of the economy. Additional details are below.*

The Conference Board Leading Economic Index® (LEI) for China Declined in November

The Conference Board Leading Economic Index® (LEI) for China declined by 0.3% in November 2025 to 145.2 (2016=100), after decreasing by 0.8% in October. As a result, the LEI contracted by 2.1% over the six-month period from May to November 2025, after declining by 1.6% over the previous six-month period between November 2024 and May 2025.

The Conference Board Coincident Economic Index® (CEI) for China declined by 1.0% in November 2025 to 155.1 (2016=100), after decreasing by 0.1% in October. However, the CEI increased by 1.1% over the six-month period from May to November 2025, slightly softer rate of improvement than the 1.3% increase over the previous six-month period between November 2024 and May 2025.

“The China LEI declined on a month-on-month and six-month moving average basis in November, continuing its downward trend,” said **Timothy Brennan, Economic Research Associate, at The Conference Board**. “Consumer confidence continued to be the primary drag on the index, while the logistics prosperity index, and the new export orders measure also recorded notable negative contributions. Meanwhile, growth in building construction and imports of machinery and transportation equipment bolstered the index, but not enough to offset widespread weakness in all remaining components.”

“With the negative semi- and annual-growth rates of the LEI pointing to headwinds and the 6-month diffusion index remaining below 50, the recession signal was triggered again in November,” continued Brennan. “The demand-side of the economy remains subdued, due to slowing retail sales, weak hiring intentions, and persistently low consumer confidence. Furthermore, the supply-side of the economy (e.g. Industrial Value Added and Manufacturing PMIs) has lost some momentum. Nonetheless, The Conference Board currently forecasts annual real GDP growth to be 5.0% in 2025 but slowing to 4.5% in 2026.”

Note for Change in Annual BCI Benchmark Revision Timing

Annual BCI Benchmark Revisions

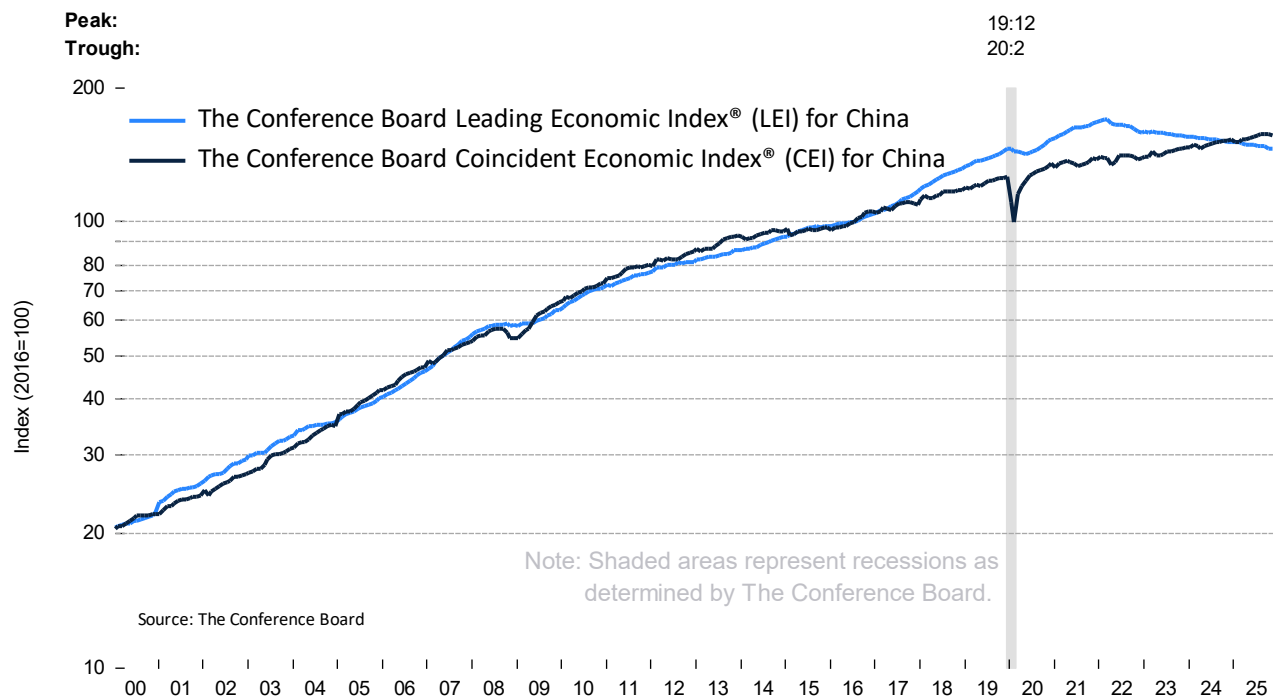
Release of the annual benchmark revisions for Business Cycle Indicator (BCI) composite economic indexes will be moved from **January 2026 to June 2026. Releases in subsequent years will also be in June.** This modification ensures that the sample period fully incorporates the most recent completed calendar year of the underlying components (source data) of composite indexes (leading and coincident). This data is used for calculating standardization factors and subsequently trend adjustments.

Due to the change in revision release timing from January to June, the cutoff for incorporating source data revisions into the benchmark process will shift accordingly:

- For the next benchmark revision in **June 2026**, the cutoff used for calculating standardization factors and trend adjustment will be **December 2025**, rather than December 2024.
- This change in timing allows the volatility calculations and factor updates to reflect a more complete dataset prior to the annual recalculation of the historical composite indexes.

The next release is scheduled for Wednesday, January 28, 2026, at 9:00 A.M. ET

The China LEI continued its downward trend in November

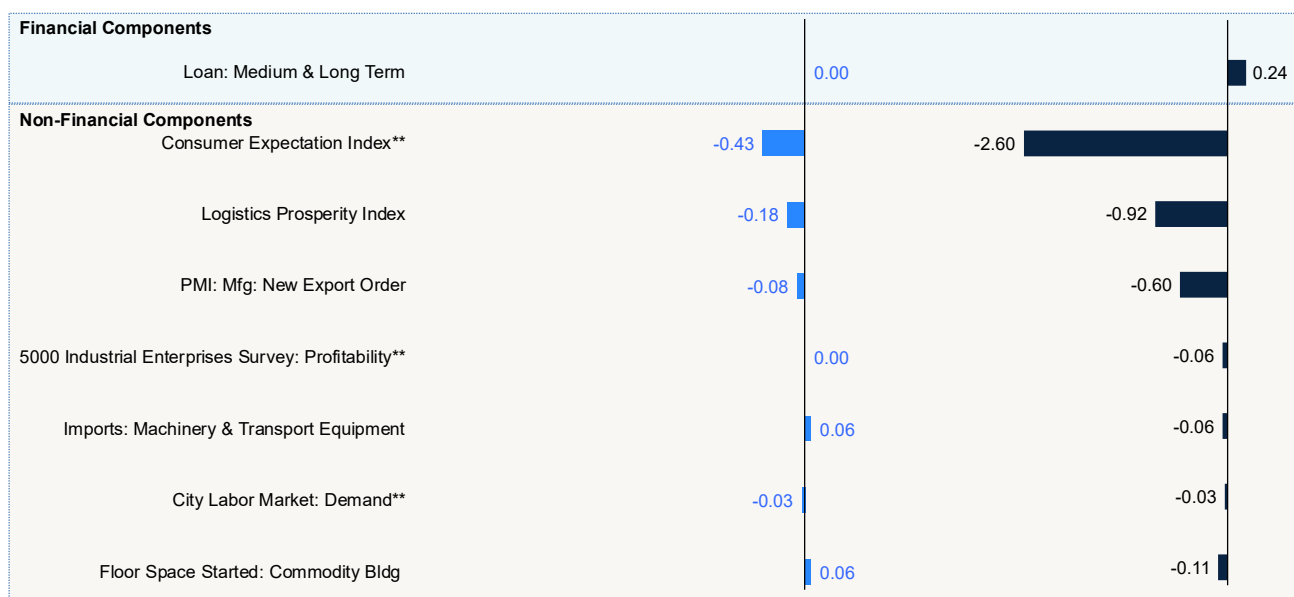


The November LEI decline was fueled by weak consumer expectations, a decrease in the logistics prosperity index, and a reduction in new export orders

The Conference Board Leading Economic Index® and Component Contributions (Percent)

Nov. '25

6 mo. ending Nov. '25



Source: The Conference Board
** Statistical Imputation.
LEI change might not equal sum of its contributions due to application of trend adjustment factor

The more negative 6-month growth rate and weakness among most of the LEI's components triggered the recession signal again in November



NOTE: The chart illustrates the so-called **3Ds**—**duration, depth, and diffusion**—for interpreting a downward movement in the LEI. **Duration** refers to how long the decline has lasted. **Depth** denotes the size of decline. Duration and depth are measured by the rate of change of the index over the most recent six months at an annualized rate. **Diffusion** is a measure of how widespread the decline is among the LEI's component indicators—on a scale of 0 to 100, a **diffusion index** reading below 50 indicates most components are weakening.

The **3Ds rule** signals an impending recession when: 1) the six-month diffusion index lies at or below 50, shown by the black warning signal lines in the chart; and 2) the LEI's six-month growth rate (annualized) falls below the threshold of -2.8%. The **red recession signal lines** indicate months when both criteria are met simultaneously—and thus that a recession is likely imminent or underway.

About The Conference Board *Leading Economic Index®* (LEI) and *Coincident Economic Index®* (CEI) for China

The composite economic indexes are key elements in an analytic system designed to signal peaks and troughs in the business cycle. Comprised of multiple independent indicators, the indexes are constructed to summarize and reveal common turning points in the economy in a clearer and more convincing manner than any individual component.

The CEI reflects current economic conditions and is highly correlated with real GDP. The LEI is a predictive tool that anticipates—or “leads”—turning points in the business cycle by around five months.

The eight components of the **Leading Economic Index® for China** are:

- Consumer Expectation Index
- PMI: Mfg: New Export Order
- 5000 Industrial Enterprises Survey: Profitability
- Logistics Prosperity Index
- Loan: Medium & Long Term
- Floor Space Started
- City Labor Market: Demand
- Imports: Machinery and Transport Equipment

The four components of the **Coincident Economic Index® for China** are:

- Value-Added Industrial Production
- Retail Sales of Consumer Goods

- Electricity Production
- Railway: Freight Traffic

To access data, please visit: <https://data-central.conference-board.org/>

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