

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 the Euro Area Declined in November

The Conference Board Leading Economic Index® (LEI) for the Euro Area decreased by 0.2% in November 2025 to 98.4 (2016=100), after declining by 0.1% in October. As a result, over the six-month period from May to November 2025, the LEI contracted by 1.4%, a smaller rate than the 2.7% decline experienced over the previous six-month period, from November 2024 to May 2025.

The Conference Board Coincident Economic Index® (CEI) for the Euro Area ticked up by 0.1% in November 2025 to 110.0 (2016=100), after also increasing by 0.1% in October. Overall, the CEI increased by 0.3% from May to November 2025, a continuation of the growth (0.4%) from November 2024 through May 2025.

“The Euro Area LEI declined on a month-on-month and six-month moving average basis in November,” said **Timothy Brennan, Economic Research Associate, at The Conference Board**. “Non-financial components fueled the decline in the LEI. Consumer expectations were once again the primary driver of weakness, while volume of order books and expected demand in the service sector remained subdued. Negative contributions from these components offset gains from financial components, which continued to show resilience.”

“The 6-month growth rate of the Euro Area LEI, while still negative, has been improving, signaling dissipating pressure on real activity,” continued Brennan. “Manufacturing output is expected to remain challenged amid tariff-related headwinds, growing competitiveness from other economies like China, and structural changes. However, private consumption and government expenditures are expected to support growth due to a resilient labor market and expansionary fiscal policies, respectively. Taken altogether, after modest expansion in Q3, The Conference Board still expects annual real GDP growth in the Euro Area to reach 1% in 2025 and accelerate to 1.2% in 2026.”

Note for Change in Annual BCI Benchmark Revision Timing

Annual BCI Benchmark Revisions

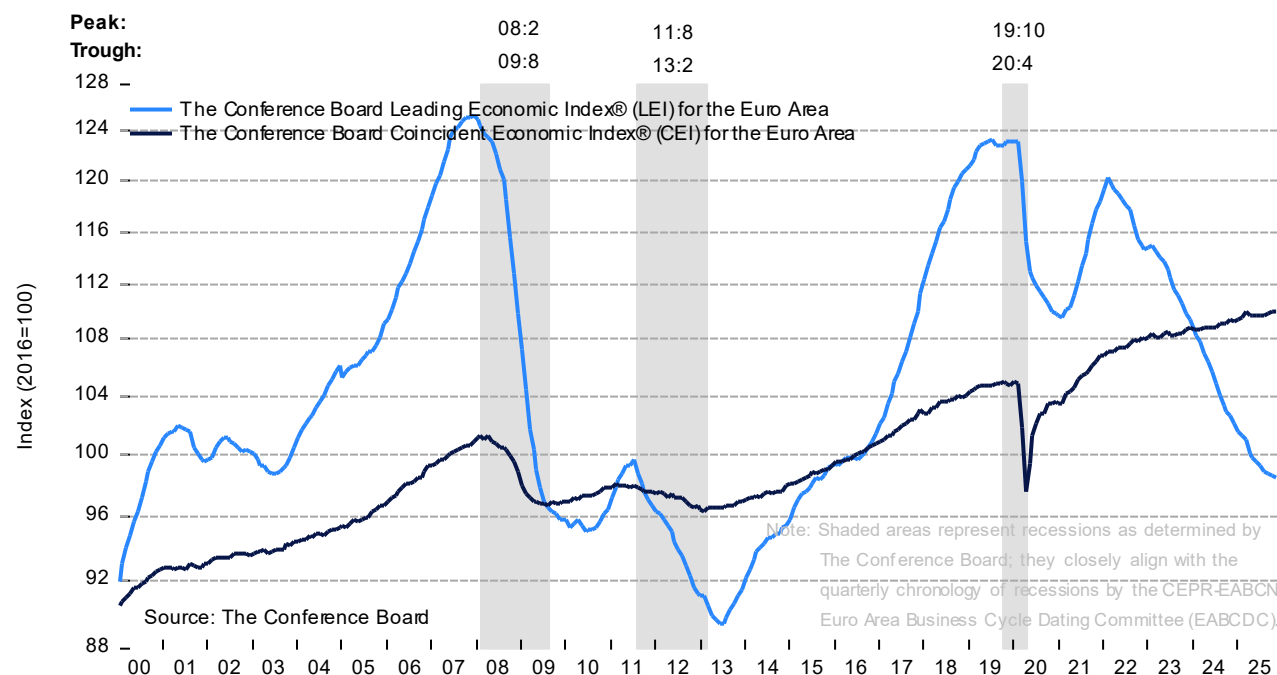
Release of the annual benchmark revisions for Business Cycle Indicator (BCI) composite economic indexes will be moved from **January 2026 to June 2026. Releases in subsequent years will also be in June.** This modification ensures that the sample period fully incorporates the most recent completed calendar 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.
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The next release is scheduled for Wednesday, January 21, 2026, at 9:30 A.M. ET.

The Euro Area LEI continued its downward trend in November



Financial components remained strong in November while consumer expectations, volume of order books, and demand in the service sector continued to weigh on the index

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

	Nov. '25	6 mo. ending Nov. '25
Financial Components		
Systemic Stress Composite Indicator*	0.11	0.67
ECB Yield Spread	0.16	0.95
EURO STOXX® Index	0.00	0.20
Non-Financial Components		
Index of Residential Building Permits**	-0.01	0.11
Volume of Order Books	-0.10	-0.70
Industry Production Expectations	-0.04	-0.28
Services Expected Demand	-0.05	-0.46
Consumer Expectation of General Economic Situation	-0.16	-1.18

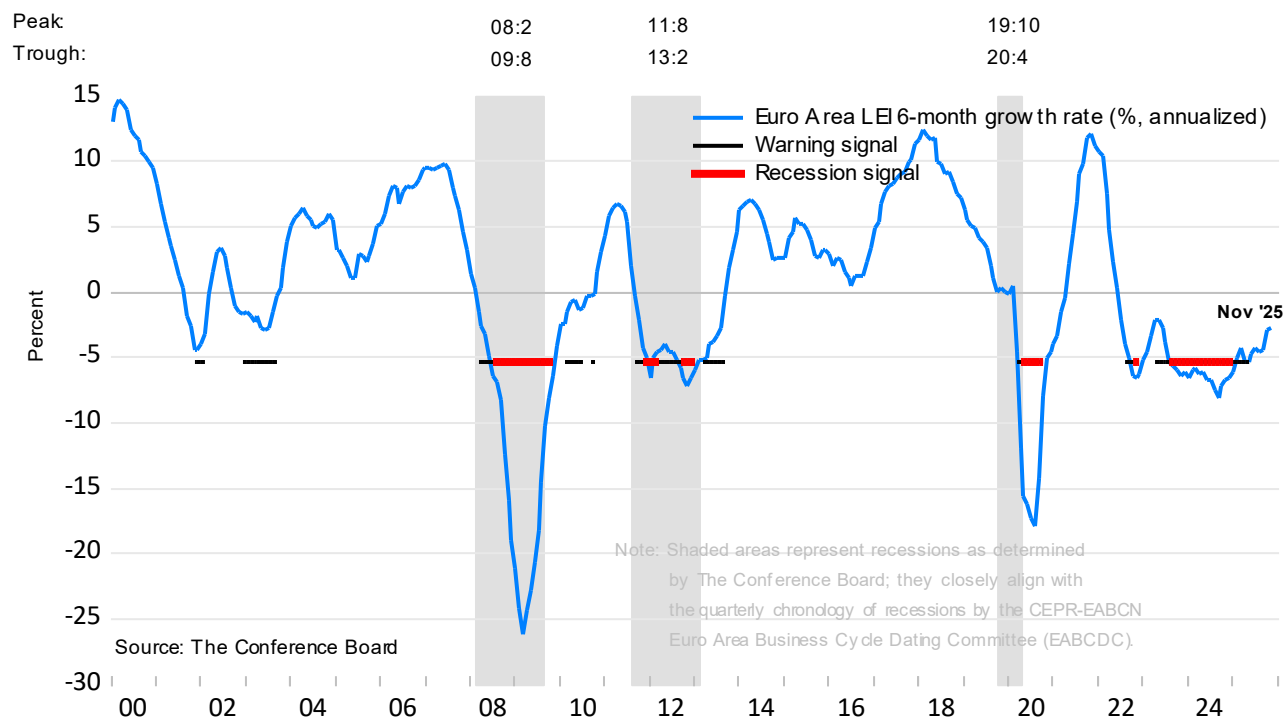
Source: The Conference Board

* Inverted series: a negative change in this component makes a positive contribution.

** Statistical Imputation.

LEI change might not equal sum of its contributions due to application of trend adjustment factor

The 6-month growth rate of the Euro Area LEI, while negative, kept improving and remained above the recession threshold



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 -5.5%. 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 the Euro Area

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 two months.

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

- ECB Minimum Bid Yield Spread
- Consumer Expectations of the General Economic Situation
- EURO STOXX® Price Index
- Industry Production Expectations
- Services Expected Demand
- Volume of Order Books
- Index of Residential Building Permits
- Systemic Stress Composite Indicator

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

- Industrial Production
- Employment
- Retail Sales
- Manufacturing Sales

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

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