

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 Ticked Down in February

The Conference Board Leading Economic Index® (LEI) for the Euro Area ticked down by 0.1% in February 2026 to 98.4 (2016=100), reversing a 0.1% increase reported for January. Over the six-month period from August 2025 to February 2026, the LEI contracted by 0.6%, a smaller rate than the 2.3% decline experienced over the previous six-month period, from February to August 2025.

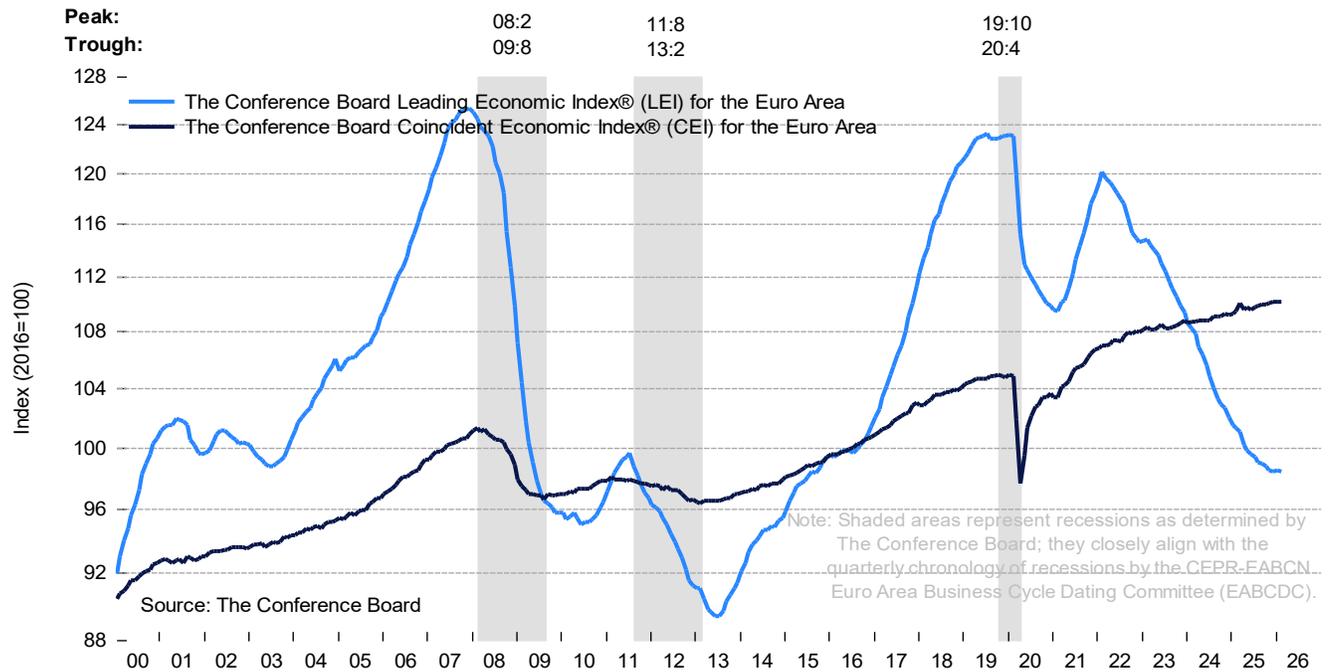
The Conference Board Coincident Economic Index® (CEI) for the Euro Area remained unchanged in February 2026 at 110.1 (2016=100), after also being unchanged in January. Despite no monthly gains, the CEI increased by 0.3% from August 2025 to February 2026, a continuation of the 0.3% growth from February through August 2025.

“The Euro Area LEI ticked down in February,” said **Timothy Brennan, Economic Research Associate, at The Conference Board**. “Consumer expectations once again served as the main source of weakness, while the volume of order books and expected demand in the service sector remained muted. Meanwhile, financial components improved, but not enough to offset declines in the other components.”

“The 6-month growth rate of the Euro Area LEI, has become less negative, signaling dissipating pressure on economic activity,” continued Brennan. “Current military operations in the Middle East leave the Euro Area exposed to economic shock, due to the region’s reliance on energy imports. A prolonged conflict presents a considerable challenge to growth by raising global energy prices. Sustained increases would transmit quickly to the economy by lifting consumer prices and input costs putting pressure on an already weakened industrial sector. The Conference Board currently expects annual real GDP growth in the Euro Area to be 1.3% in 2026.”

The next release is scheduled for Thursday, April 16, 2026, at 9:30 A.M. ET.

The Euro Area LEI ticked down in February



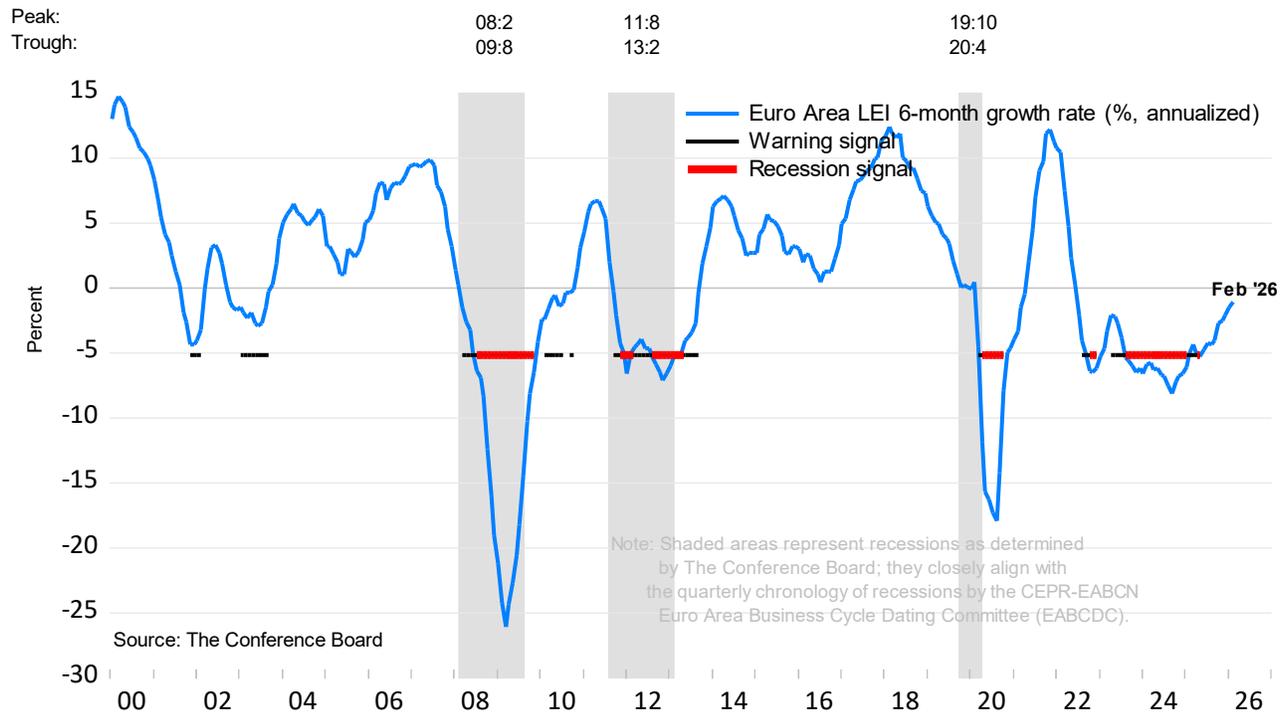
Financial components remained strong in February while consumer expectations, volume of order books, and demand in the services sector continued to weigh on the index

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



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, was less negative 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/>

About The Conference Board

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