



News Release

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For further information:

Carol Courter 212-339-0232 / courter@conference-board.org

Jonathan Liu 212-339-0257 / jonathan.liu@conference-board.org

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

NEW YORK, November 18, 2011...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.9 percent in October to 117.4 (2004 = 100), following a 0.1 percent increase in September, and a 0.3 percent increase in August.

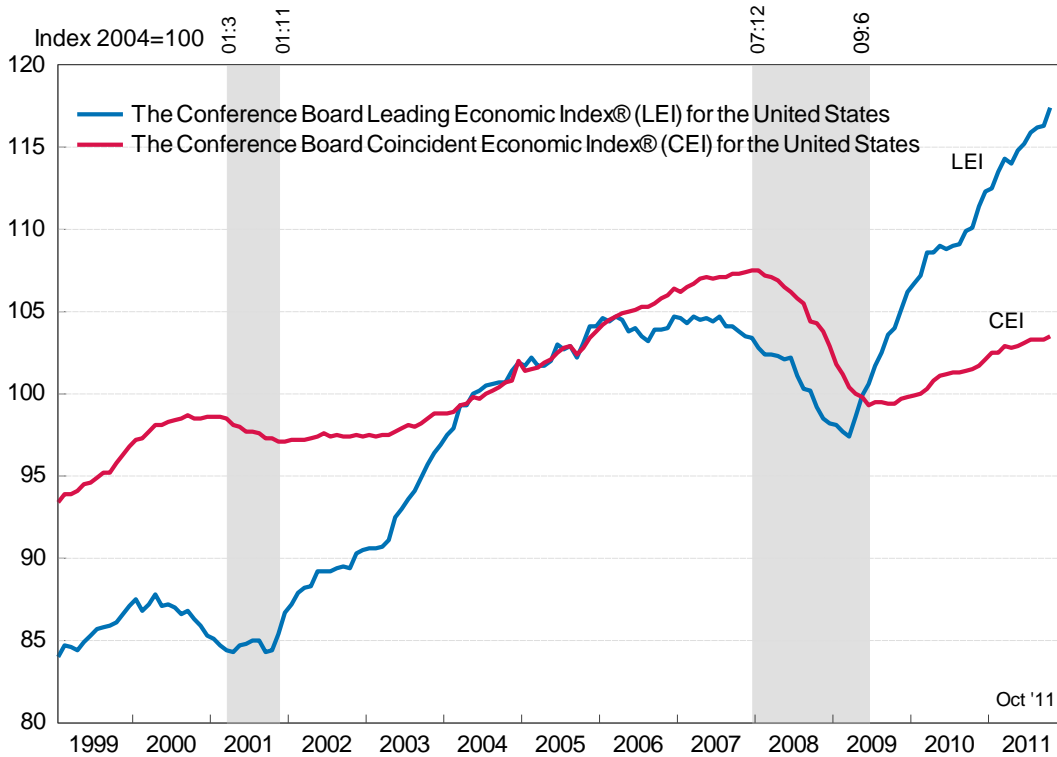
Says Ataman Ozyildirim, economist at The Conference Board: “The October rebound of the LEI — largely due to the sharp pick-up in housing permits — suggests that the risk of an economic downturn has receded. Improving consumer expectations, stock markets, and labor market indicators also contributed to this month’s gain in the LEI as did the continuing positive contributions from the interest rate spread. The CEI also rose somewhat, led by higher industrial production and employment.”

Says Ken Goldstein, economist at The Conference Board: “The LEI is pointing to continued growth this winter, possibly even gaining a little momentum by spring. The lack of confidence has been the biggest obstacle in generating forward momentum, domestically or globally. As long as it lasts, there is a glimmer of hope.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.2 percent in October to 103.5 (2004 = 100), following no change in September and August.

The Conference Board Lagging Economic Index® (LAG) increased 0.6 percent in October to 110.9 (2004 = 100), following a 0.1 percent increase in September, and a 0.2 percent increase in August.

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



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

	Aug	2011 Sep	Oct	6-month Apr to Oct
Leading index	116.2	116.3 r	117.4 p	
Percent Change	.3	.1 r	.9 p	3.0
Diffusion	50.0	45.0	90.0	60.0
Coincident Index	103.3 r	103.3 p	103.5 p	
Percent Change	.0 r	.0 p	.2 p	0.7
Diffusion	62.5	62.5	100.0	87.5
Lagging Index	110.1 r	110.2 p	110.9 p	
Percent Change	.2	.1 p	.6 p	1.7
Diffusion	35.7	57.1	71.4	50.0

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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