



News Release

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

NEW YORK, August 17, 2012...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.4 percent in July to 95.8 (2004 = 100), following a 0.4 percent decline in June, and a 0.3 percent increase in May.

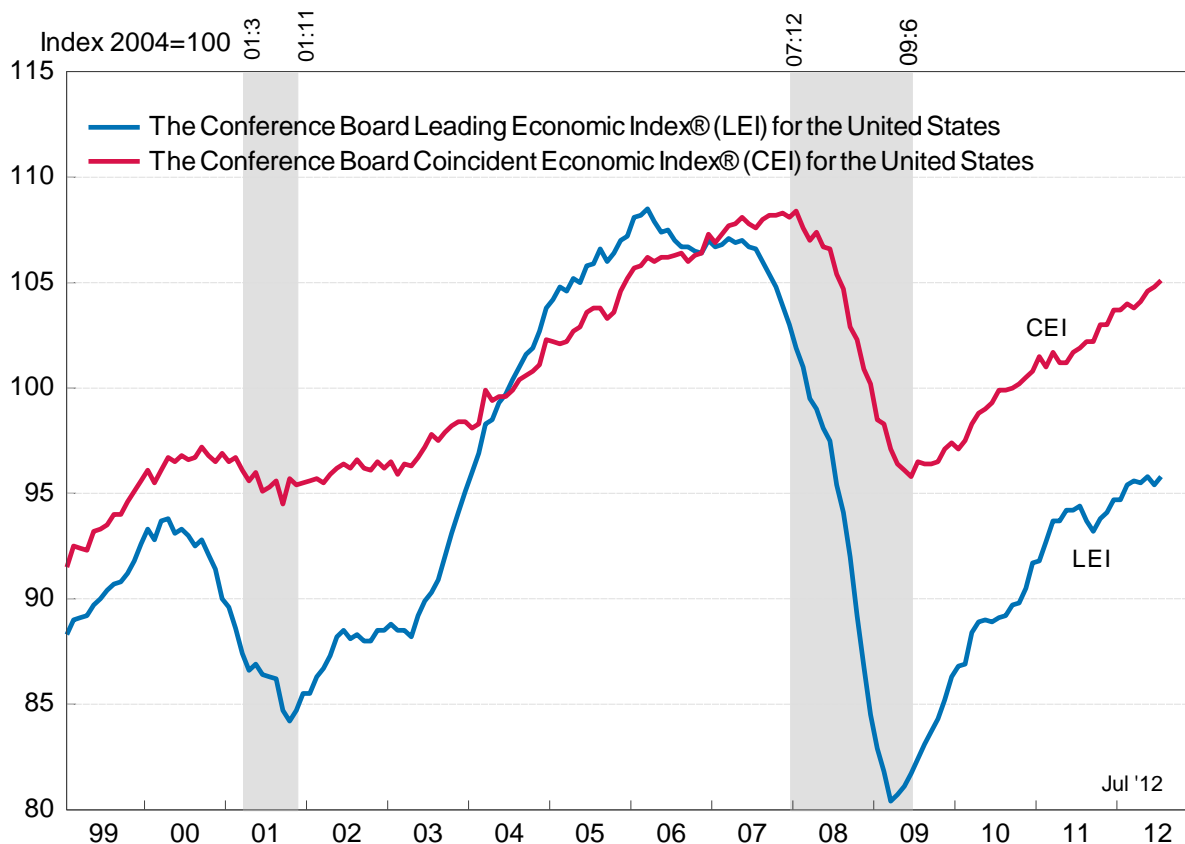
Says Ataman Ozyildirim, economist at The Conference Board: “With this month’s increase, the U.S. LEI returned to its May level. The majority of its components improved, led by large contributions from housing permits and initial unemployment claims. The LEI’s six-month growth rate seems to be stabilizing, pointing to a continuing but slow expansion in economic activity for the rest of the year. Meanwhile, the coincident economic index, a measure of current conditions, has been rising slowly but steadily, with all four components improving over the last six months.”

Says Ken Goldstein, economist at The Conference Board: “The indicators point to slow growth through the end of 2012. Lack of domestic demand remains a big issue. However, back-to-school sales are better than expected, suggesting that the consumer is starting to come back. Retail sales this time of year are often an indicator of how the holiday season will turn out.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.3 percent in July to 105.1 (2004 = 100), following a 0.2 percent increase in June, and a 0.5 percent increase in May.

The Conference Board Lagging Economic Index® (LAG) increased 0.4 percent in July to 116.0 (2004 = 100), following a 0.1 percent increase in June, and a 0.3 percent increase in May.

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



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

| | 2012 | | | 6-month Jan to Jul |
|------------------|---------|---------|---------|-----------------------|
| | May | Jun | Jul | |
| Leading index | 95.8 r | 95.4 r | 95.8 p | |
| Percent Change | .3 r | -.4 r | .4 p | 1.2 |
| Diffusion | 60.0 | 30.0 | 75.0 | 60.0 |
| Coincident Index | 104.6 r | 104.8 r | 105.1 p | |
| Percent Change | .5 r | .2 | .3 p | 1.4 |
| Diffusion | 100.0 | 87.5 | 100.0 | 100.0 |
| Lagging Index | 115.4 r | 115.5 | 116.0 p | |
| Percent Change | .3 | .1 r | .4 p | 1.9 |
| Diffusion | 50.0 | 42.9 | 71.4 | 78.6 |

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
- ISM Index of New Orders
- Manufacturers' new orders, nondefense capital goods excluding aircraft orders
- Building permits, new private housing units
- Stock prices, 500 common stocks
- Leading Credit Index™*
- Interest rate spread, 10-year Treasury bonds less federal funds
- Average consumer expectations for business conditions

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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