

News Release

Jonathan Liu (732) 991-1754 / jonathan.liu@tcb.org

For Release 10:00 AM ET, April 21, 2022

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

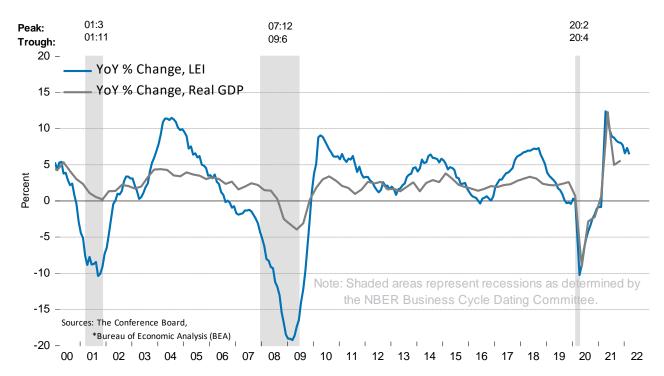
New York, April 21, 2022... **The Conference Board Leading Economic Index**[®] (LEI) for the U.S. increased by 0.3 percent in March to 119.8 (2016 = 100), following a 0.6 percent increase in February. The LEI increased by 1.9 percent in the sixmonth period from September 2021 to March 2022.

"The US LEI rose again in March despite headwinds from the war in Ukraine," said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. "This broad-based improvement signals economic growth is likely to continue through 2022 despite volatile stock prices and weakening business and consumer expectations. The Conference Board projects 3.0 percent year-over-year US GDP growth in 2022, which is slower than the 5.6 percent pace of 2021, but still well above pre-covid trend. This rate also reflects a 0.5 ppt downgrade incorporated in our base case to include the effects of the war in Ukraine compared to before the war (3.5 percent). However, downside risks to the growth outlook remain, associated with intensification of supply chain disruptions and inflation linked to lingering pandemic shutdowns and the war, as well as with tightening monetary policy and persistent labor shortages."



The March increase in the US LEI suggests continued positive growth despite increased geopolitical and economic risks due to the war in Ukraine and shutdowns abroad associated with the pandemic

The recent behavior of the leading indicators points to continued, but moderate, economic growth in the near term



The Conference Board Coincident Economic Index[®] (CEI) for the U.S. increased by 0.4 percent in March to 108.7 (2016 = 100), following a 0.4 percent increase in February. The CEI increased by 2.2 percent in the six-month period from September 2021 to March 2022.

The Conference Board Lagging Economic Index[®] (LAG) for the U.S. increased by 0.6 percent in March to 110.9 (2016 = 100), following a 0.2 percent increase in February. The LAG increased by 2.0 percent in the six-month period from September 2021 to March 2022.

Summary Table of Composite Economic Indexes

	Jan		2022 Feb		Mar		6-month Sep to Mar
Leading Index	118.8	r	119.5	r	119.8	р	
Percent Change	-0.4	r	0.6	r	0.3	р	1.9
Diffusion	40		50		70		60
Coincident Index	107.9	r	108.3	r	108.7	р	
Percent Change	0.6	r	0.4		0.4	р	2.2
Diffusion	75		100		100		100
Lagging Index	110.0	r	110.2	r	110.9	р	
Percent Change	0.5	r	0.2	r	0.6	р	2.0
Diffusion	78.6		64.3		92.9		85.7

p Preliminary r Revised Indexes equal 100 in 2016 Source: The Conference Board

The next release is scheduled for Thursday, May 19, 2022, at 10 A.M. ET.

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 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 is highly correlated with real GDP. The LEI is a predictive variable that anticipates (or "leads") turning points in the business cycle by around 7 months. Shaded areas denote recession periods or economic contractions. The dates above the shaded areas show the chronology of peaks and troughs in the business cycle.

The ten components of *The Conference Board Leading Economic Index*® for the U.S. include: Average weekly hours in manufacturing; Average weekly initial claims for unemployment insurance; Manufacturers' new orders for consumer goods and materials; ISM[®] Index of New Orders; Manufacturers' new orders for nondefense capital goods excluding aircraft orders; Building permits for new private housing units; S&P 500[®] Index of Stock Prices; Leading Credit Index[™]; Interest rate spread (10-year Treasury bonds less federal funds rate); Average consumer expectations for business conditions.

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

About The Conference Board

The Conference Board is the member-driven think tank that delivers trusted insights for what's ahead. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. <u>www.conference-board.org</u> • Learn more about <u>our mission</u> and <u>becoming a member</u>