

News Release

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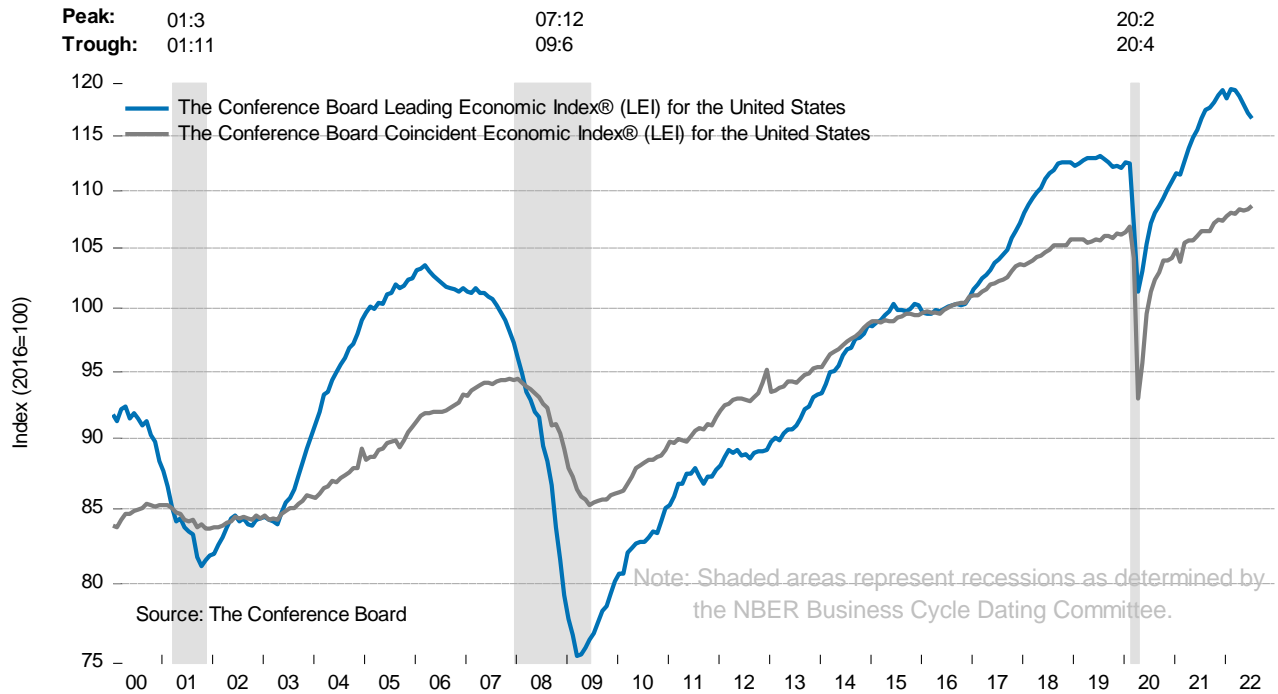
For Release 10:00 AM ET, August 18, 2022

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

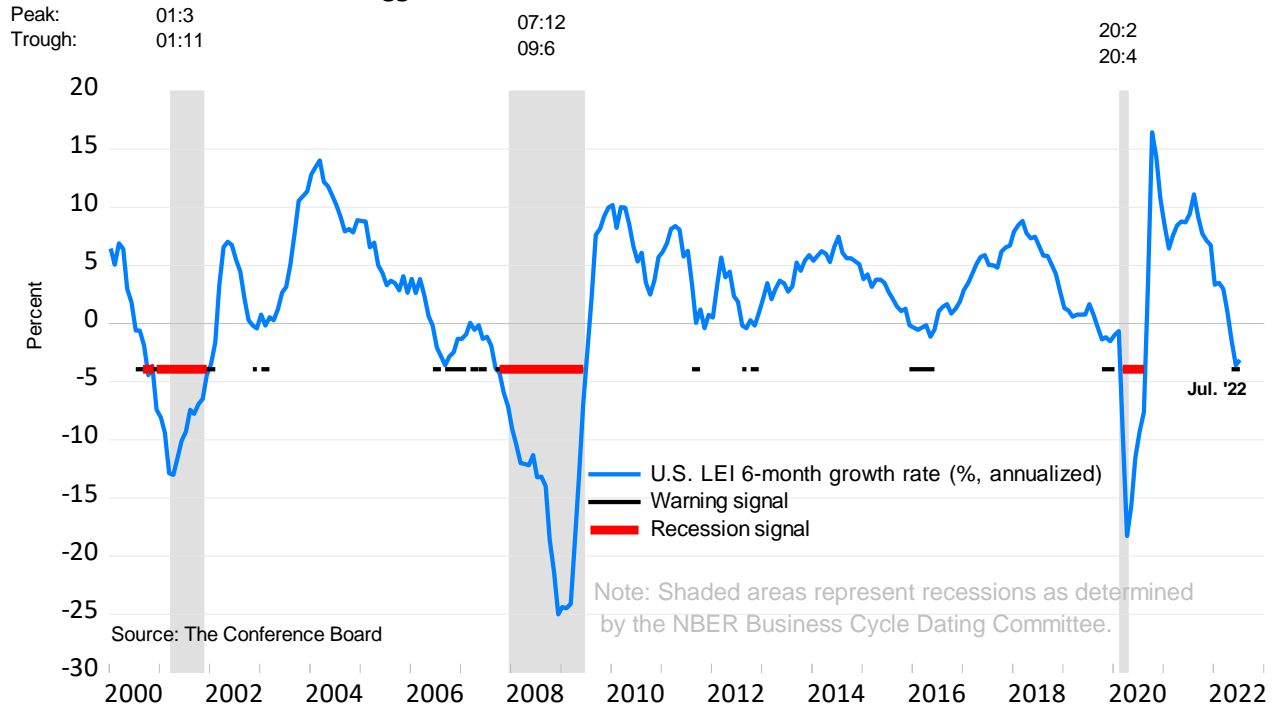
New York, August 18, 2022...The Conference Board Leading Economic Index® (LEI) for the U.S. decreased by 0.4 percent in July 2022 to 116.6 (2016=100), after declining by 0.7 percent in June. The LEI was down by 1.6 percent over the six-month period from January to July 2022, a reversal from its 1.6 percent growth over the previous six months.

“The US LEI declined for a fifth consecutive month in July, suggesting recession risks are rising in the near term,” said **Ataman Ozyildirim, Senior Director, Economics, The Conference Board**. “Consumer pessimism and equity market volatility as well as slowing labor markets, housing construction, and manufacturing new orders suggest that economic weakness will intensify and spread more broadly throughout the US economy. The Conference Board projects the US economy will not expand in the third quarter and could tip into a short but mild recession by the end of the year or early 2023.”

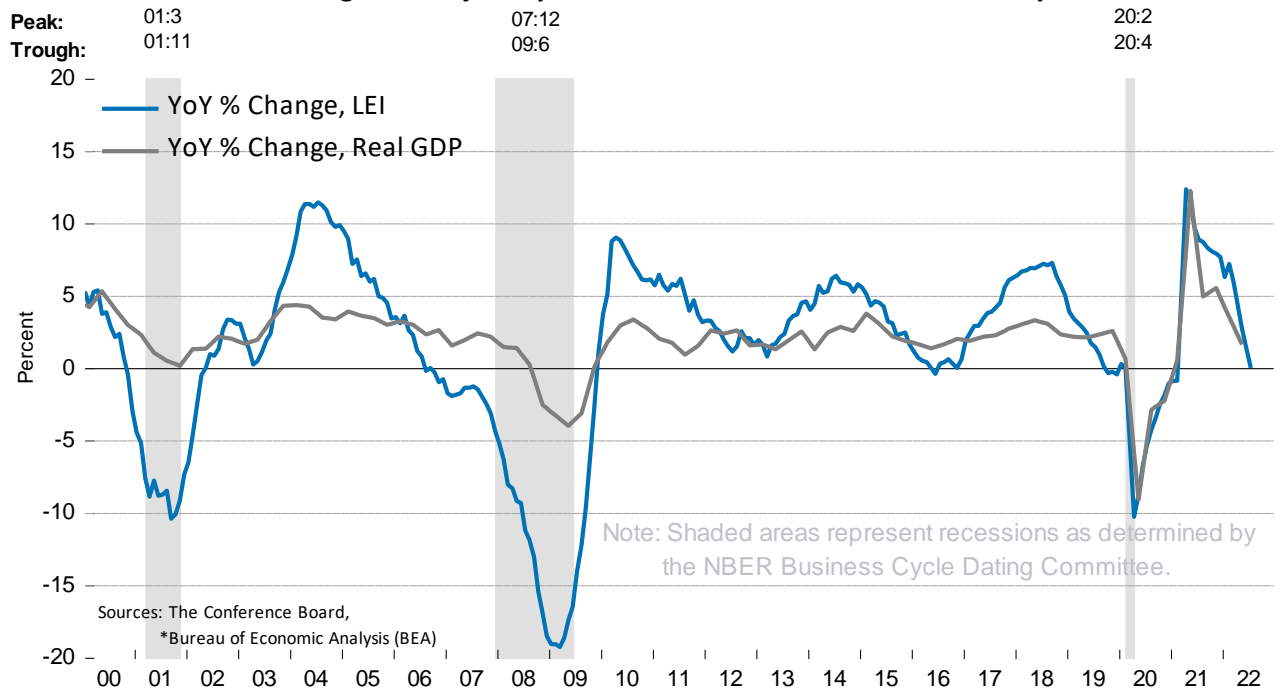
US LEI continues to point to a decline in near-term economic activity



US LEI suggests recessions risks are elevated in the near term



The long-term trajectory of the US LEI continued to decline in July



The Conference Board Coincident Economic Index® (CEI) for the U.S. increased by 0.3 percent in July 2022 to 108.6 (2016=100), after increasing by 0.1 percent in June. The CEI rose by 0.8 percent over the six-month period from January to July 2022, slower than its growth of 1.2 percent over the previous six-month period.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased by 0.4 percent in July 2022 to 114.4 (2016 = 100), following a 0.7 percent increase in June. The LAG is up 3.7 percent over the six-month period from January to July 2022, faster than its growth of 2.0 percent over the previous six-month period.

Summary Table of Composite Economic Indexes

			2022			6-month
			May	Jun	Jul	Jan to Jul
Leading Index	117.9	r	117.1		116.6	p
Percent Change	-0.7	r	-0.7	r	-0.4	p -1.6
Diffusion	25.0		35.0		60.0	30.0
Coincident Index	108.2	r	108.3	r	108.6	p
Percent Change	-0.1	r	0.1	r	0.3	p 0.8
Diffusion	50.0		62.5		100.0	75.0
Lagging Index	113.2	r	114.0	r	114.4	p
Percent Change	1.0	r	0.7	r	0.4	p 3.7
Diffusion	78.6		71.4		57.1	85.7

p Preliminary r Revised

Indexes equal 100 in 2016

Source: The Conference Board

The next release is scheduled for Thursday, September 22, 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/>

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