

## 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 US Declined in Both October and November**

**The Conference Board Leading Economic Index® (LEI)** for the US declined by 0.3% in November 2025 to 97.9 (2016=100), after declining by 0.1% in October to 98.2, down from 98.3 in September. Overall, the LEI fell by 1.2% over the six months between May and November 2025, a much more moderate rate of decline than its 2.6% contraction over the previous six-month period (November 2024 to May 2025).

“The US LEI fell again in both October and November,” said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board**. “Throughout 2025, weak consumers expectations led the decline in the LEI, followed by new orders. The remaining components of the leading index were relatively muted in November, with the strongest positive contributions coming from labor market data, like initial claims for unemployment insurance and weekly hours worked in manufacturing. Despite real GDP growth hitting 4.4% in Q3 2025, the LEI continues to suggest that the US economy will slow in 2026.”

**The Conference Board Coincident Economic Index® (CEI)** for the US rose by 0.3% in November 2026 to 115.0 (2016=100), regaining ground after 0.1% declines in August, September, and October. The CEI rose by 0.3% between May and November 2025, down from its 0.9% increase over the previous six months (November 2024 to May 2025). The CEI’s four component indicators—payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production—are included among the data used to determine recessions in the US. They all improved in November after a softer October reading. (November’s rise in manufacturing and trade sales was estimated by The Conference Board.)

**The Conference Board Lagging Economic Index® (LAG)** for the US inched up by 0.1% to 119.7 (2016=100) in November 2025, reversing a 0.1% decline in October. The LAG fell by 0.1% in the six months between May and November 2025, a partial reversal from the 0.9% increase over the previous six months.

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Due to a lag in publication of the Census Bureau’s **building permits data** for November, the series is estimated via statistical imputation using an autoregressive model.

#### **Note for Change in Annual BCI Benchmark Revision Timing**

##### Annual BCI Benchmark Revisions

Release of the annual benchmark revisions for Business Cycle Indicator (BCI) composite economic indexes will be moved from **January 2026 to June 2026. Revisions in subsequent years will also be in June.** This modification ensures that the sample period fully incorporates the most recent completed calendar year of the underlying components (source data) of composite indexes (leading and coincident). This data is used for calculating standardization factors and subsequently trend adjustments.

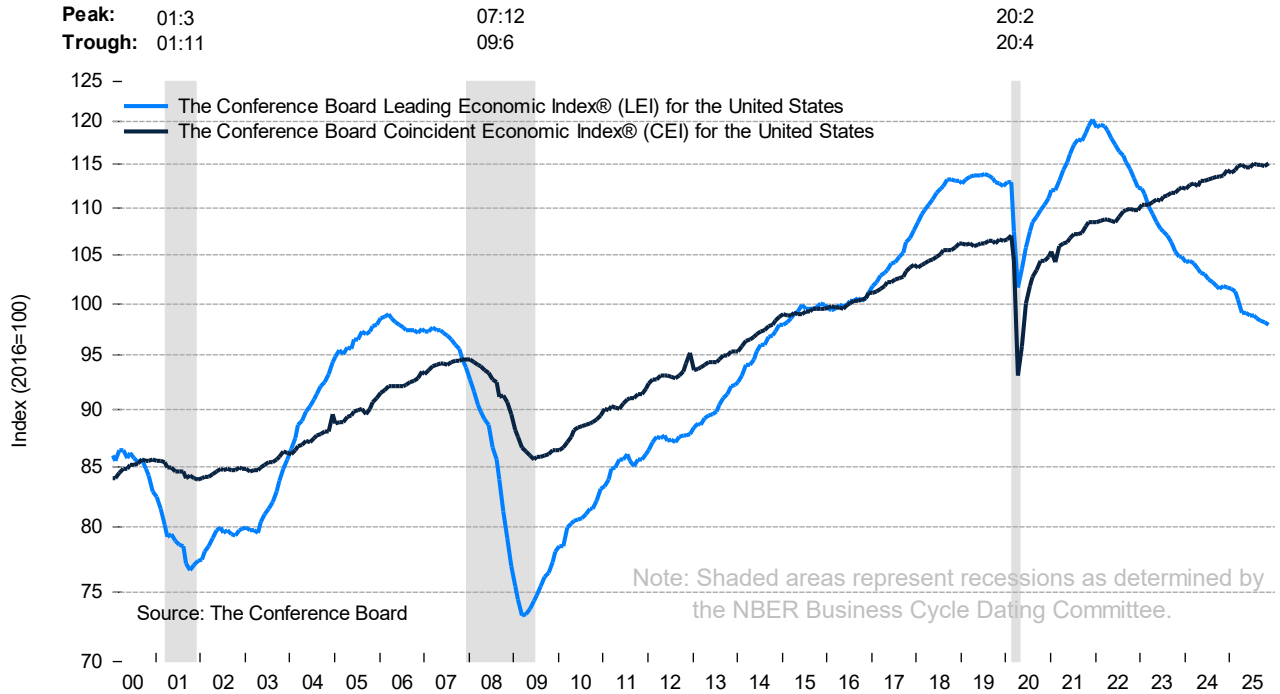
Due to the change in revision release timing from January to June, the cutoff for incorporating source data revisions into the benchmark process will shift accordingly:

- For the next benchmark revision in **June 2026**, the cutoff used for calculating standardization factors and trend adjustment will be **December 2025**, rather than December 2024.

- This change in timing allows the volatility calculations and factor updates to reflect a more complete dataset prior to the annual recalculation of the historical composite indexes.
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**The next release will be announced at later date based on data releases from Census Bureau.**

## The LEI continued to decline in October and November 2025



## Consumer expectations and new orders continued to weigh heavily on the LEI

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

Nov '25

6 months ending in Nov '25

Financial Components			
Leading Credit Index™*		0.00	0.19
S&P 500® Stock Index		0.00	0.61
Interest Rate Spread, 10-year T-bonds less Fed Funds		0.03	0.03
Non-Financial Components			
Avg. Consumer Expectations for Business Conditions	-0.23	-1.38	
ISM® New Orders Index	-0.17	-0.89	
Building Permits, Private Housing	0.01	0.05	
Average Weekly Hours, Mfg.	0.06	0.18	
Manufacturers' New Orders, Nondefense Capital Goods excl. aircraft**	0.00	0.05	
Manufacturers' New Orders, Consumer Goods & Materials**	0.01	0.04	
Average Weekly Initial Claims, Unemp. Insurance*	0.07	0.13	

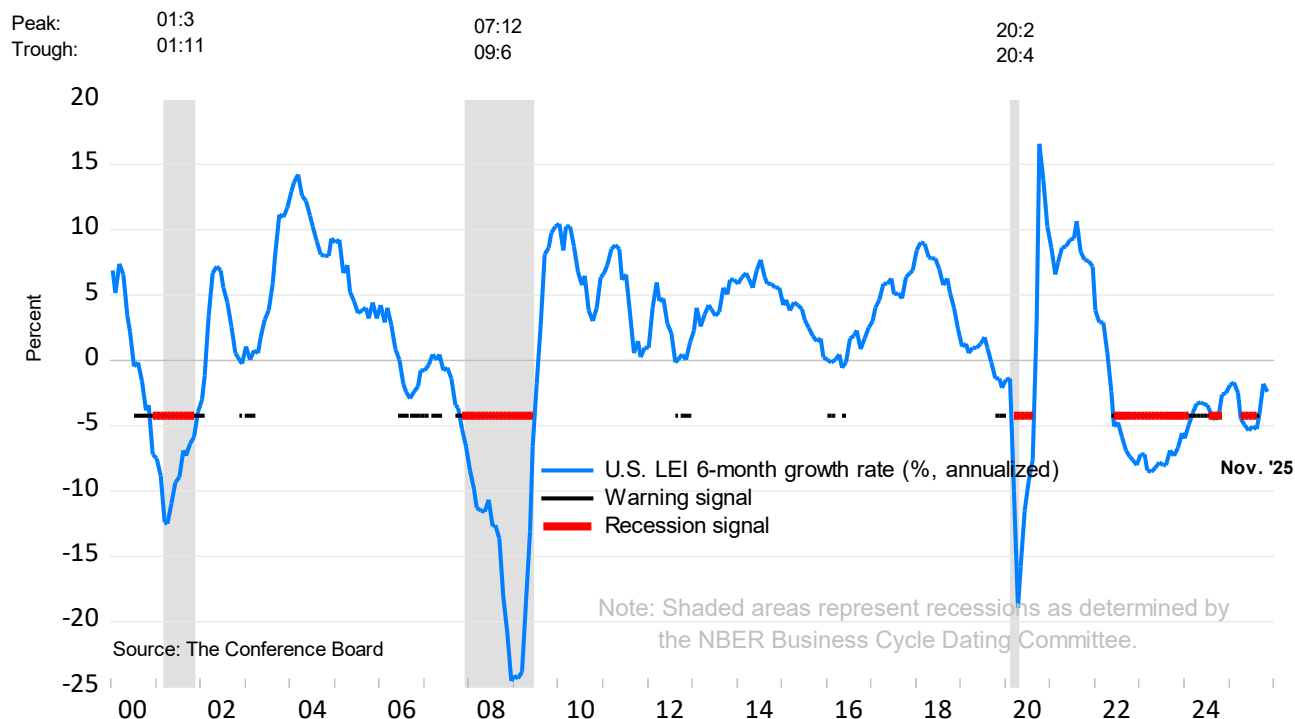
Source: The Conference Board

\* 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 LEI's growth rate over the past six months continued to trend less negative, and did not trigger the recession signal in October or November



**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 -4.3%. The **red recession signal lines** indicate months when both criteria are met simultaneously—and thus that a recession is likely imminent or underway.

## Summary Table of Composite Economic Indexes

	September	2025 October	November	6-Month May to Nov
<b>Leading Index</b>	98.3	98.2	97.9	<i>p</i>
Percent Change	-0.2 <i>r</i>	-0.1	-0.3	-1.2
Diffusion	35.0	55.0	75.0	80.0
<b>Coincident Index</b>	114.8 <i>r</i>	114.7	115.0	<i>p</i>
Percent Change	-0.1 <i>r</i>	-0.1	0.3	0.3
Diffusion	75.0	37.5	87.5	87.5
<b>Lagging Index</b>	119.7 <i>r</i>	119.6	119.7	<i>p</i>
Percent Change	0.2 <i>r</i>	-0.1	0.1	-0.1
Diffusion	35.7	35.7	50.0	14.3

*p* Preliminary *r* Revised *c* Corrected  
Indexes equal 100 in 2016

Source: The Conference Board

### **About The Conference Board *Leading Economic Index*® (LEI) and *Coincident Economic Index*® (CEI) for the US**

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 seven months.

The ten components of the ***Leading Economic Index*® for the US** are:

- 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

The four components of the ***Coincident Economic Index*® for the US** are:

- Payroll employment
- Personal income less transfer payments
- Manufacturing and trade sales
- Industrial production

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

### **About The Conference Board**

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