

News Release

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

Declined Slightly in January

Economic Growth May be Plateauing

NOTE: Please note that due to the recent government shutdown, data for three US LEI components - manufacturers' new orders for consumer goods and materials, manufacturers' new orders for nondefense capital goods excluding aircraft and building permits - were not available for several of the recent months. The Conference Board has used its standard procedure of statistical imputations to fill in the missing data in order to publish a preliminary Leading Economic Index. The Conference Board will be issuing an interim release on March 4th, once these data are published.

This month's release incorporates annual benchmark revisions to the composite economic indexes. The benchmark usually takes place in January but was postponed due to the government shutdown. These regular benchmark revisions bring the indexes up-to-date with revisions in the source data. The revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are incorporated when the benchmark revision is made, and the entire histories of the indexes are recomputed. As a result, the revised indexes and their month-over-month changes will no longer be directly comparable to those issued prior to the benchmark revision. For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact indicators@conference-board.org.

NEW YORK, February 21, 2019...The Conference Board Leading Economic Index® (LEI) for the U.S. declined 0.1 percent in January (according to preliminary estimates) to 111.3 (2016 = 100), following no change in December, and a 0.1 percent increase in November.

"Based on preliminary data, the US LEI declined very slightly in January and December's decline was revised up to no change," said Ataman Ozyildirim, Director of Economic Research at The Conference Board. "In January, the strengths in the financial components were offset by the weaknesses in the labor market components. The US LEI has now been flat essentially since October 2018. The Conference Board forecasts that US GDP growth will likely decelerate to about 2 percent by the end of 2019."

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.1 percent in January to 105.5 (2016 = 100), following a 0.2 percent increase in December, and a 0.2 percent increase in November.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased 0.5 percent in January to 106.7 (2016 = 100), following a 0.3 percent increase in December and a 0.5 percent increase in November.

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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