

News Release

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

Economy Remains on Strong Growth Trajectory Heading into 2019

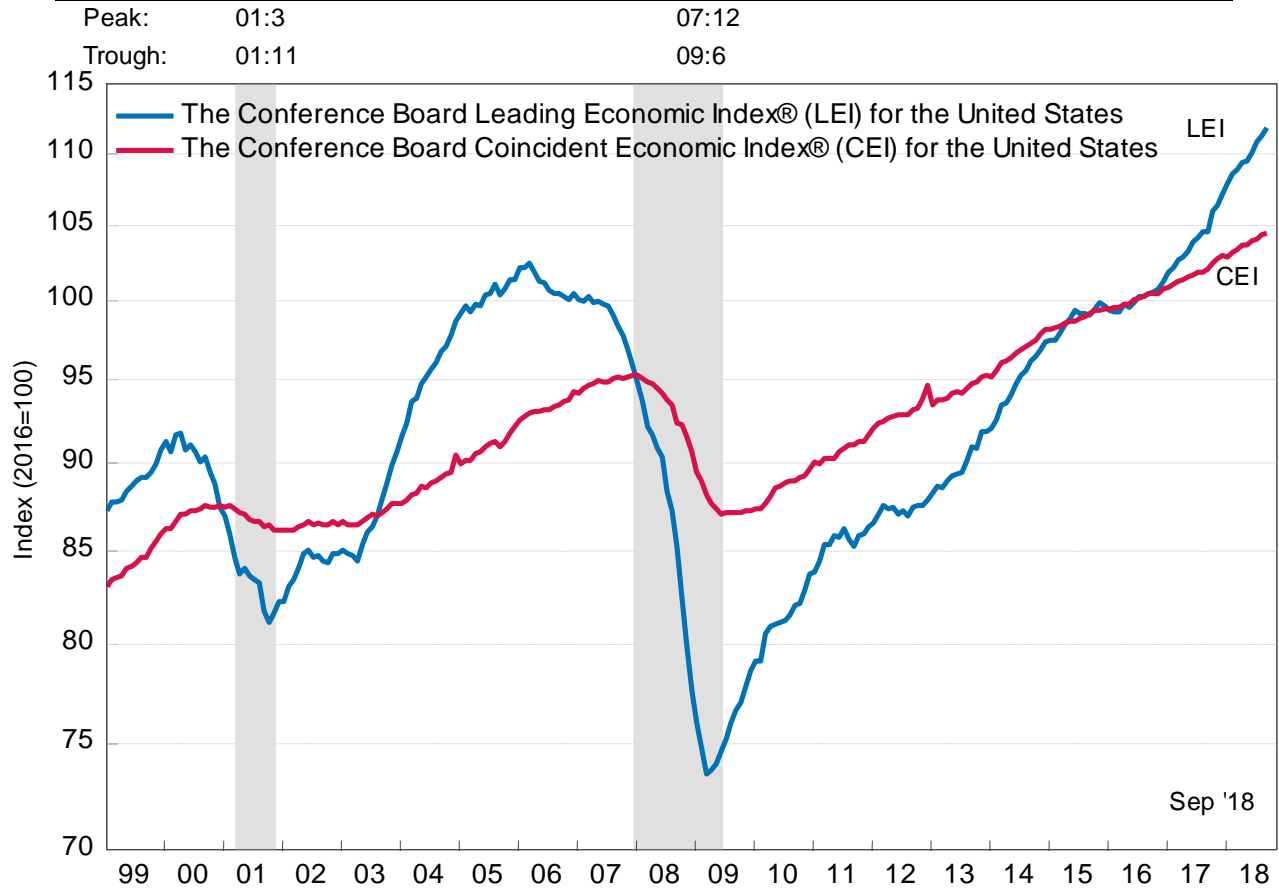
NEW YORK, October 18, 2018...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.5 percent in September to 111.8 (2016 = 100), following a 0.4 percent increase in August, and a 0.7 percent increase in July.

“The US LEI improved further in September, suggesting the US business cycle remains on a strong growth trajectory heading into 2019. However, the LEI’s growth has slowed somewhat in recent months, suggesting the economy may be facing capacity constraints and increasingly tight labor markets,” said Ataman Ozyildirim, Director and Global Research Chair at The Conference Board. “Economic growth could exceed 3.5 percent in the second half of 2018, but, unless the momentum in housing, orders and stock prices accelerates, that pace is unlikely to be sustained in 2019.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.1 percent in September to 104.4 (2016 = 100), following a 0.3 percent increase in August, and a 0.1 percent increase in July.

The Conference Board Lagging Economic Index® (LAG) for the U.S. declined 0.1 percent in September to 105.3 (2016 = 100), following a 0.2 percent increase in August and a 0.2 percent decline in July.

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Latest LEI Trough March 2009, Latest CEI Trough June 2009

Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee.

Source: The Conference Board

Summary Table of Composite Economic Indexes

	2018				6-month
	Jul	Aug	Sep		Mar to
					Sep
Leading Index	110.8	111.2	111.8	p	
Percent Change	0.7	0.4	0.5	p	2.8
Diffusion	95.0	75.0	80.0		80.0
Coincident Index	104.0	r 104.3	104.4	p	
Percent Change	0.1	r 0.3	0.1	p	1.1
Diffusion	100.0	100.0	100.0		100.0
Lagging Index	105.2	105.4	105.3	p	
Percent Change	-0.2	0.2	-0.1	p	1.1
Diffusion	57.1	42.9	28.6		71.4

p Preliminary r Revised

Indexes equal 100 in 2016

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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