News Release

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

Economy Will Continue Expanding Through 2018

NEW YORK, September 20, 2018...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.4 percent in August to 111.2 (2016 = 100), following a 0.7 percent increase in July, and a 0.5 percent increase in June. The leading economic index is now well above its previous peak (March 2006, 102.4).

“The leading indicators are consistent with a solid growth scenario in the second half of 2018 and at this stage of a maturing business cycle in the US, it doesn’t get much better than this,” said Ataman Ozyildirim, Director of Business Cycles and Growth Research at The Conference Board. “The US LEI’s growth trend has moderated since the start of the year. Industrial companies that are more sensitive to the business cycle should be on the lookout for a possible moderation in economic growth in 2019. The strengths among the LEI’s components were very widespread, further supporting an outlook of above 3.0 percent growth for the remainder of 2018.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.2 percent in August to 104.3 (2016 = 100), following a 0.2 percent increase in July, and a 0.3 percent increase in June.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased 0.2 percent in August to 105.4 (2016 = 100), following a 0.2 percent decline in July and a 0.2 percent increase in June.
The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in August

Summary Table of Composite Economic Indexes

<table>
<thead>
<tr>
<th></th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>6-month</th>
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<tbody>
<tr>
<td></td>
<td>2018</td>
<td></td>
<td></td>
<td>Feb to</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aug</td>
</tr>
<tr>
<td>Leading Index</td>
<td>110.0</td>
<td>110.8</td>
<td>111.2</td>
<td>p</td>
</tr>
<tr>
<td>Percent Change</td>
<td>0.5</td>
<td>0.7</td>
<td>0.4</td>
<td>p 2.5</td>
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<tr>
<td>Diffusion</td>
<td>90.0</td>
<td>90.0</td>
<td>70.0</td>
<td>p 80.0</td>
</tr>
<tr>
<td>Coincident Index</td>
<td>103.9</td>
<td>r</td>
<td>104.3</td>
<td>p</td>
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<tr>
<td>Percent Change</td>
<td>0.3</td>
<td>0.2</td>
<td>0.2</td>
<td>p 1.2</td>
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<tr>
<td>Diffusion</td>
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<td>100.0</td>
<td>100.0</td>
<td></td>
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<tr>
<td>Lagging Index</td>
<td>105.4</td>
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<td>105.4</td>
<td>p</td>
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<tr>
<td>Percent Change</td>
<td>0.2</td>
<td>-0.2</td>
<td>0.2</td>
<td>p 1.0</td>
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<tr>
<td>Diffusion</td>
<td>42.9</td>
<td>57.1</td>
<td>35.7</td>
<td></td>
</tr>
</tbody>
</table>

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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