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

*Initial shock to the economy may be behind us, but recovery path remains highly uncertain*

NEW YORK, June 18, 2020...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 2.8 percent in May to 99.8 (2016 = 100), following a 6.1 percent decline in April, and a 7.5 percent decline in March.

“In May, the US LEI showed a partial recovery from its sharp decline over the previous three months, as economic activity began to pick up again,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “The relative improvement in unemployment insurance claims is responsible for about two-thirds of the gain in the index. The improvements in labor markets, housing permits, and stock prices also buoyed the LEI, but new orders in manufacturing, consumers’ outlook on the economy, and the Leading Credit Index™ still point to weak economic conditions. The breadth and depth of the decline in the LEI between February and April suggest the economy at large will remain in recession territory in the near term.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 1.1 percent in May to 95.3 (2016 = 100), following a 10.4 percent decline in April and a 2.2 percent decline in March.

The Conference Board Lagging Economic Index® (LAG) for the U.S. declined 1.9 percent in May to 111.4 (2016 = 100), following a 1.7 percent increase in April, and a 2.4 percent increase in March.
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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

<table>
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<th>2020</th>
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<td>Mar</td>
<td>Apr</td>
<td>May</td>
<td>Nov</td>
<td>May</td>
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<tr>
<td><strong>Leading Index</strong></td>
<td>103.4</td>
<td>97.1</td>
<td>99.8</td>
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<tr>
<td>Percent Change</td>
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<td>Percent Change</td>
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<td><strong>Lagging Index</strong></td>
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<td>113.5</td>
<td>r</td>
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<td>Percent Change</td>
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<tr>
<td>Diffusion</td>
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<td>28.6</td>
<td>35.7</td>
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<td>57.1</td>
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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:

For more information about The Conference Board global business cycle indicators:

### About The Conference Board

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