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

Slowing pace of improvement suggests economy could be losing momentum

NEW YORK, October 22, 2020…The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.7 percent in September to 107.2 (2016 = 100), following a 1.4 percent increase in August and a 2.0 percent increase in July.

“The US LEI increased in September, driven primarily by declining unemployment claims and rising housing permits. However, the decelerating pace of improvement suggests the US economy could be losing momentum heading into the final quarter of 2020,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “The US economy is projected to expand in Q4, but at a substantially slower rate of 1.5 percent (annual rate) according to The Conference Board’s GDP forecast. Furthermore, downside risks to the recovery may be increasing amid rising new cases of COVID-19 and continued labor market weakness.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.2 percent in September to 101.7 (2016 = 100), following a 0.8 percent increase in August and a 1.6 percent increase in July.

The Conference Board Lagging Economic Index® (LAG) for the U.S. decreased 0.1 percent in September to 107.6 (2016 = 100), following a 0.1 percent decrease in August and a 1.0 percent decrease in July.
The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in September

- **LEI**
- **CEI**

**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>
<thead>
<tr>
<th></th>
<th>2020</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jul</td>
<td>Aug</td>
<td>Sep</td>
<td>Mar to Sep</td>
<td></td>
</tr>
<tr>
<td>Leading Index</td>
<td>105.0</td>
<td>106.5</td>
<td>107.2</td>
<td>p 3.6</td>
<td></td>
</tr>
<tr>
<td>Percent Change</td>
<td>2.0</td>
<td>1.4</td>
<td>0.7</td>
<td>p 3.6</td>
<td></td>
</tr>
<tr>
<td>Diffusion</td>
<td>80</td>
<td>60</td>
<td>65</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>Coincident Index</td>
<td>100.7</td>
<td>101.5</td>
<td>101.7</td>
<td>p 3.5</td>
<td></td>
</tr>
<tr>
<td>Percent Change</td>
<td>1.6</td>
<td>0.8</td>
<td>0.2</td>
<td>p -3.5</td>
<td></td>
</tr>
<tr>
<td>Diffusion</td>
<td>100</td>
<td>75</td>
<td>75</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Lagging Index</td>
<td>107.8</td>
<td>107.7</td>
<td>107.6</td>
<td>p 3.2</td>
<td></td>
</tr>
<tr>
<td>Percent Change</td>
<td>-1.0</td>
<td>-0.1</td>
<td>-0.1</td>
<td>p -3.2</td>
<td></td>
</tr>
<tr>
<td>Diffusion</td>
<td>21.4</td>
<td>35.7</td>
<td>42.9</td>
<td>0</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:

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

**About The Conference Board**
The Conference Board is the member-driven think tank that delivers trusted insights for what’s ahead. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States.
[www.conference-board.org](http://www.conference-board.org)