

## News Release

Jonathan Liu (732) 991-1754 / [jonathan.liu@tcb.org](mailto:jonathan.liu@tcb.org)

**For Release 10:00 AM ET, March 19, 2026**

**Using the Composite Indexes:** *The Leading Economic Index (LEI) provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. The Coincident Economic Index (CEI) provides an indication of the current state of the economy. Additional details are below.*

### **The Conference Board Leading Economic Index® (LEI) for the US Fell Slightly in January**

**The Conference Board Leading Economic Index® (LEI)** for the US inched down by 0.1% in January 2026 to 97.5 (2016=100), following a 0.2% decline in December. Overall, the LEI fell by 1.3% over the six-month period from July 2025 to January 2026, half the rate of decline compared to its –2.6% contraction over the previous six months (January to July 2025).

“The U.S. LEI fell further in January, as consumer expectations retreated again and building permits softened,” said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board.** “While the topline LEI continues to signal headwinds to economic activity, the strengths among its components on the six-month basis were widespread for three straight months (November 2025–January 2026), with 7 out of 10 components advancing. As the latest LEI data do not yet reflect the impact from war in Iran, The Conference Board revised GDP growth down by 0.1 ppt to 2.0% y/y for 2026, which will be lower than growth in 2025.”

**The Conference Board Coincident Economic Index® (CEI)** for the US rose by 0.3% in January 2026 to 115.3 (2016=100), after an increase of 0.2% in December. Overall, the CEI expanded by 0.3% over the six-month period from July 2025 to January 2026, after also expanding 0.3% over the previous six months. The CEI’s four component indicators—payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production—are included among the data used to determine recessions in the US. All components improved in January, with manufacturing and trade sales being estimated for the month.

**The Conference Board Lagging Economic Index® (LAG)** for the US increased by 0.3% to 120.0 (2016=100) in January 2026, more than reversing its 0.2% decline in December. As a result, the LAG’s six-month change turned positive—at 0.5% growth—for the first time since October 2025.

**The next release will be announced at later date based on data releases from Census Bureau.**



The LEI's six-month growth rate has been virtually unchanged for the past three months and, with strengths in the diffusion index, has not triggered the recession signal since August



**NOTE:** The chart illustrates the so-called **3Ds**—**duration, depth, and diffusion**—for interpreting a downward movement in the LEI. **Duration** refers to how long the decline has lasted. **Depth** denotes the size of decline. Duration and depth are measured by the rate of change of the index over the most recent six months at an annualized rate. **Diffusion** is a measure of how widespread the decline is among the LEI's component indicators—on a scale of 0 to 100, a **diffusion index** reading below 50 indicates most components are weakening.

The **3Ds rule** signals an impending recession when: 1) the six-month diffusion index lies at or below 50, shown by the black warning signal lines in the chart; and 2) the LEI's six-month growth rate (annualized) falls below the threshold of -4.3%. The **red recession signal lines** indicate months when both criteria are met simultaneously—and thus that a recession is likely imminent or underway.

Summary Table of Composite Economic Indexes

	2025		2026	6-Month Jul to Jan
	November	December	January	
<b>Leading Index</b>	97.8	97.6	97.5 <i>p</i>	
Percent Change	-0.3	-0.2	-0.1	-1.3
Diffusion	60.0	50.0	60.0	70.0
<b>Coincident Index</b>	114.8	115.0	115.3 <i>p</i>	
Percent Change	0.1	0.2	0.3	0.3
Diffusion	75.0	62.5	100.0	87.5
<b>Lagging Index</b>	119.8 <i>r</i>	119.6	120.0 <i>p</i>	
Percent Change	0.0 <i>r</i>	-0.2 <i>r</i>	0.3	0.5
Diffusion	28.6	35.7	57.1	28.6

*p* Preliminary *r* Revised *c* Corrected  
Indexes equal 100 in 2016

Source: The Conference Board

## **About The Conference Board *Leading Economic Index*<sup>®</sup> (LEI) and *Coincident Economic Index*<sup>®</sup> (CEI) for the US**

The composite economic indexes are key elements in an analytic system designed to signal peaks and troughs in the business cycle. Comprised of multiple independent indicators, the indexes are constructed to summarize and reveal common turning points in the economy in a clearer and more convincing manner than any individual component.

The CEI reflects current economic conditions and is highly correlated with real GDP. The LEI is a predictive tool that anticipates—or “leads”—turning points in the business cycle by around seven months.

The ten components of the *Leading Economic Index*<sup>®</sup> for the US are:

- Average weekly hours in manufacturing
- Average weekly initial claims for unemployment insurance
- Manufacturers’ new orders for consumer goods and materials
- ISM<sup>®</sup> Index of New Orders
- Manufacturers’ new orders for nondefense capital goods excluding aircraft orders
- Building permits for new private housing units
- S&P 500<sup>®</sup> Index of Stock Prices
- Leading Credit Index™
- Interest rate spread (10-year Treasury bonds less federal funds rate)
- Average consumer expectations for business conditions

The four components of the *Coincident Economic Index*<sup>®</sup> for the US are:

- Payroll employment
- Personal income less transfer payments
- Manufacturing and trade sales
- Industrial production

To access data, please visit: <https://data-central.conference-board.org/>

## **About The Conference Board**

The Conference Board is the member-driven think tank that delivers Trusted Insights for What’s Ahead<sup>®</sup>. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. [TCB.org](https://www.conference-board.org/)